UNITED STATES OF AMERICA

Congressional Record

PROCEEDINGS AND DEBATES OF THE 93d CONGRESS
FIRST SESSION

16 1975 APR

VOLUME 119—PART 21

JULY 28, 1973 TO AUGUST 2, 1973

(PAGES 26425 TO 27778)

UNITED STATES GOVERNMENT PRINTING OFFICE, WASHINGTON, 1973

AUTHENTICATED
U.S. GOVERNMENT
INFORMATION
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SENATE—*Saturday, July 28, 1973*

The Senate met at 9 a.m. and was called to order by Hon. SAM NUNN, a Senator from the State of Georgia.

PRAYER

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

Eternal Father, we thank Thee for another day with its fresh promise, its opportunities and duties. As our bodies are renewed so give strength to our minds and hearts to glorify Thee in our lives. For added burdens give increased strength. To all who serve in the Government provide a full measure of grace and wisdom that all things may be ordered according to Thy will. When the day is done give us grateful hearts, rest for our spirits, and souls at peace with Thee.

In the Redeemer's name we pray. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. EASTLAND).

The second assistant legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, D.C., July 28, 1973.

To the Senate:

Being temporarily absent from the Senate on official duties, I appoint Hon. SAM NUNN, a Senator from the State of Georgia, to perform the duties of the Chair during my absence.

JAMES O. EASTLAND,
President pro tempore.

Mr. NUNN thereupon took the chair as Acting President pro tempore.

THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of Friday, July 27, 1973, be dispensed with.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

COMMITTEE MEETINGS DURING SENATE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that all committees may be authorized to meet during the session of the Senate today.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

INDIAN FINANCING ACT OF 1973

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of calendar No. 331, S. 1341.

The ACTING PRESIDENT pro tempore. The bill will be stated by title.

The legislative clerk read as follows:

S. 1341, to provide for financing the economic development of Indians and Indian organizations, and for other purposes.

The ACTING PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Interior and Insular Affairs with an amendment to strike out all after the enacting clause and insert:

That this Act may be cited as the "Indian Financing Act of 1973".

DECLARATION OF POLICY

SEC. 2. It is hereby declared to be the policy of Congress to provide capital on a reimbursable basis to help develop and utilize Indian resources, both physical and human, to a point where the Indians will fully exercise responsibility for the utilization and management of their own resources; where they will enjoy a standard of living from their own productive efforts comparable to that enjoyed by non-Indians in neighboring communities; and where they will have the opportunity to be integrated socially, politically, and economically into American life.

DEFINITIONS

SEC. 3. For the purposes of this Act, the term—

(a) "Secretary" means the Secretary of the Interior.

(b) "Indian" means any person who is a member of any Indian tribe, band, pueblo, group, or community of Indians or Alaska Natives which is recognized by the Federal Government as eligible for services from the Bureau of Indian Affairs.

(c) "Indian tribe" means any tribe, band, pueblo, group, or community of Indians or Alaska Natives which is recognized by the Federal Government as eligible for services from the Bureau of Indian Affairs.

(d) "Reservation" includes Indian reservations, public domain land occupied by Indians, former Indian reservations in Oklahoma, and land occupied by Alaska Native communities.

(e) "Economic enterprise" means any Indian-owned as defined by the Secretary of the Interior, commercial, industrial, or business activity established or organized for the purpose of profit.

(f) "Other organizations'" means any non-Indian individual, firm, corporation, partnership, or association.

TITLE I—INDIAN REVOLVING LOAN FUND

SEC. 101. In order to provide credit that is not available from private money markets, all funds that are now or hereafter a part of the revolving fund authorized by the Act of June 18, 1934 (48 Stat. 986), the Act of June 26, 1936 (49 Stat. 1968) and the Act of April 19, 1950 (64 Stat. 44), as amended and supplemented, including sums received in settlement of debts of livestock pursuant to the Act of May 24, 1950 (64 Stat. 190), and sums collected in repayment of loans heretofore or hereafter made, and as interest or other charges on loans, shall hereafter be administered as a single revolving loan fund and shall be available for loans to Indians having a form of organization that is satisfactory to the Secretary and for loans to individual Indians who are not members of or eligible for membership in an organization which is making loans to its members as well as for administrative expenses incurred in connection therewith.

SEC. 102. Loans may be made for any purpose which will promote the economic development of (a) the individual Indian borrower, including loans for educational purposes, and (b) the Indian organization and its members including loans by such organizations to other organizations and investments in other organizations regardless of whether they are organizations of Indians.

SEC. 103. Loans may be made only when, in the judgment of the Secretary, there is a reasonable prospect of repayment, and only to applicants who in the opinion of the Secretary are unable to obtain financing from other sources on reasonable terms and conditions.

SEC. 104. Loans shall be for terms that do not exceed thirty years and shall bear interest at (a) a rate determined by the Secretary of the Treasury taking into consideration the market yield on municipal bonds: *Provided*, That in no event shall the rate be greater than the rate determined by the Secretary of the Treasury taking into consideration the current average yield on outstanding marketable obligations of the United States of comparable maturity, plus (b) such additional charge, if any, toward covering other costs of the program as the Secretary may determine to be consistent with its purpose: *Provided*, That educational loans may provide for interest to be deferred while the borrower is in school or in the military service.

SEC. 105. The Secretary may cancel, adjust, compromise, or reduce the amount of any loan or any portion thereof heretofore or hereafter made from the revolving loan fund established by this title and its predecessor constituent funds which he determines to be uncollectable in whole or in part, or which is collectable only at an unreasonable cost, or when such action would, in his judgment, be in the best interests of the United States. He may also adjust, compromise, subordinate, or modify the terms of any mortgage, lease, assignment, contract, agreement, or other document taken to secure such loans.

SEC. 106. Title to any land purchased by a tribe or by an individual Indian with loans made from the revolving loan fund may be taken in trust unless the land is located outside the boundaries of a reservation or a tribal consolidation area approved by the Secretary. Title to any land purchased by a tribe or an individual Indian which is outside the boundaries of the reservation or approved consolidation area may be taken in trust if the purchaser was the owner of trust or restricted interests in the land before the purchase, otherwise title shall be taken in the name of the purchasers without any restriction on alienation, control, or use. Title to any personal property purchased with a loan from the revolving loan fund shall be taken in the name of the purchaser.

SEC. 107. Any organization receiving a loan from the revolving loan fund shall be required to assign to the United States as security for the loan all securities acquired in connection with the loans made to its members from such funds unless the Secretary determines that the repayment of the loan to the United States is otherwise reasonably assured.

SEC. 108. The Secretary may not collect any loan from the revolving loan fund which becomes delinquent or the interest thereon from per capita payments or other distributions of tribal assets derived from a tribal judgment which are due the delinquent borrower.

SEC. 109. There is authorized to be appropriated, to provide capital and to restore any impairment of capital for the revolving loan fund $50,000,000 exclusive of prior authorizations and appropriations.

SEC. 110. The Secretary shall promulgate rules and regulations to carry out the provisions of this title.

TITLE II—LOAN GUARANTY AND INSURANCE

SEC. 201. In order to provide access to private money sources which otherwise would not be available, the Secretary is authorized (a) to guarantee not to exceed 90 per centum of the unpaid principal and interest due on any loan made to any organization of Indians having a form of organization satisfactory to the Secretary, and to individual Indians who are not members of or eligible for membership in an organization which is making loans to its members; and (b) in lieu of such guaranty, to insure loans under an agreement approved by the Secretary whereby the lender will be reimbursed for losses in an amount not to exceed 15 per centum of the aggregate of such loans made by it, but not to exceed 90 per centum of the loss on any one loan.

SEC. 202. The Secretary may, to the extent he deems consistent with the purposes of the program, fix such premium charges for the insurance and guarantee of loans as are in his judgment adequate to cover expenses and probable losses, and deposit receipts from such charges in the Indian Loan Guaranty and Insurance Fund established pursuant to section 217(a) of this title.

SEC. 203. Loans guaranteed or insured pursuant to this title shall bear interest (exclusive of premium charges for insurance, and service charge, if any) at rates not to exceed such per centum per annum on the principal obligation outstanding as the Secretary determines to be reasonable taking into consideration the range of interest rates prevailing in the private market for similar loans and the risks assumed by the United States.

SEC. 204. The application for a loan to be guaranteed hereunder shall be submitted to the Secretary for prior approval. Upon approval, the Secretary shall issue a certificate as evidence of the guaranty. Such certificate shall be issued only when, in the judgment of the Secretary, there is a reasonable prospect of repayment. No loan to an individual Indian may be guaranteed or insured which would cause the total unpaid principal indebtedness to exceed $100,000. No loan to an economic enterprise (as defined in section 3) in excess of $100,000, or such lower amount as the Secretary may determine to be appropriate, shall be insured unless prior approval of the loan is obtained from the Secretary.

SEC. 205. Any loan guaranteed hereunder, including the security given therefor, may be sold or assigned by the lender to any financial institution subject to examination and supervision by an agency of the United States or of any State or the District of Columbia.

SEC. 206. Loans made by any agency or instrumentality of the Federal Government, or by an organization of Indians from funds borrowed from the United States, and loans the interest on which is not included in gross income for the purposes of chapter 1 of the Internal Revenue Code of 1954, as amended, shall not be eligible for guaranty or insurance hereunder.

SEC. 207. Any loans insured hereunder shall be restricted to those made by a financial institution subject to examination and supervision by an agency of the United States, a State, or the District of Columbia, and to loans made by Indian organizations from their own funds to other tribes or organizations of Indians.

SEC. 208. Loans guaranteed hereunder may be made by any lender satisfactory to the Secretary, except as provided in section 206. The liability under the guaranty shall decrease or increase pro rata with any decrease or increase in the unpaid portion of the obligation.

SEC. 209. Any loan made by any national bank or Federal savings and loan association, or by any bank, trust company, building and loan association, or insurance company authorized to do business in the District of Columbia, at least 20 per centum of which is guaranteed hereunder, may be made without regard to the limitations and restrictions of any other Federal statute with respect to (a) ratio of amount of loan to the value of the property; (b) maturity of loans; (c) requirement of mortgage or other security, (d) priority of lien; or (e) percentage of assets which may be invested in real estate loans.

SEC. 210. The maturity of any loan guaranteed or insured hereunder shall not exceed thirty years.

SEC. 211. In the event of a default of a loan guaranteed hereunder, the holder of the guaranty certificate may immediately notify the Secretary in writing of such default and the Secretary shall thereupon pay to such holder the pro rata portion of the amount guaranteed and shall be subrogated to the rights of the holder of the guaranty and receive an assignment of the obligation and security. The Secretary may cancel the uncollectable portion of any obligation to which he has an assignment or a subrogated right under this section. Nothing in this section shall be construed to preclude any forbearance for the benefit of the borrower as may be agreed upon by the parties to the loan and approved by the Secretary. The Secretary may establish the date, not later than the date of judgment and decree of foreclosure or sale, upon which accrual of interest or charges shall cease.

SEC. 212. When a lender suffers a loss on a loan insured hereunder, including accrued interest, a claim therefor shall be submitted to the Secretary. If the Secretary finds that the loss has been suffered, he shall reimburse the lender therefor: *Provided*, That the amount payable to the lender for a loss on any one loan shall not exceed 90 per centum of such loss: *Provided further*, That no reimbursement may be made for losses in excess of 15 per centum of the aggregate of insured loans made by the lender: *Provided further*, That before any reimbursement is made, all reasonable collection efforts shall have been exhausted by the lender, and the security for the loan shall have been liquidated to the extent feasible, and the proceeds applied on the debt. Upon reimbursement, in whole or in part, to the lender, the note or judgment evidencing the debt shall be assigned to the United States, and the lender shall have no further claim against the borrower or the United States. The Secretary shall then take such further collection action as may be warranted, or may cancel the uncollectable portion of any debt assigned pursuant hereto. The Secretary may establish a date upon which accrual of interest or charges shall cease.

SEC. 213. Whenever the Secretary finds that any lender or holder of a guaranty certificate fails to maintain adequate accounting records, or to demonstrate proper ability to service adequately loans guaranteed or insured, or to exercise proper credit judgment, or has willfully or negligently engaged in practices otherwise detrimental to the interests of a borrower or of the United States, he may refuse, either temporarily or permanently, to guarantee or insure any further loans made by such lender or holder, and may bar such lender or holder from acquiring additional loans guaranteed or insured hereunder: Provided, That the Secretary shall not refuse to pay a valid guaranty or insurance claim on loans previously made in good faith.

SEC. 214. Any evidence of guaranty or insurance issued by the Secretary shall be conclusive evidence of the eligibility of the loan for guaranty or insurance under the provisions of this Act and the amount of such guaranty or insurance: *Provided*, That nothing in this section shall preclude the Secretary from establishing, as against the original lender, defenses based on fraud or material misrepresentation or bar him from establishing, by regulations in force at the date of such issuance or disbursement, whichever is the earlier, partial defenses to the amount payable on the guaranty or insurance.

SEC. 215. Title to any land purchased by a tribe or by an individual Indian with loans guaranteed or insured pursuant to this title may be taken in trust, unless the land is located outside the boundaries of a reservation or a tribal consolidation area approved by the Secretary. Title to any land purchased by a tribe or an individual Indian which is outside the boundaries of the reservation or approved consolidation area may be taken in trust if the purchaser was the owner of trust or restricted interests in the land before the purchase, otherwise title shall be taken in the name of the purchaser without any restriction on alienation, control, or use. Title to any personal property purchased with loans guaranteed or insured hereunder shall be taken in the name of the purchaser.

SEC. 216. The financial transactions of the Secretary incident to or arising out of the guarantee or insurance of loans, and the acquisition, management, and disposition of property, real, personal, or mixed, incident to such activities, shall be final and conclusive upon all officers of the Government. With respect to matters arising out of the guaranty or insurance program authorized by this title, and notwithstanding the provisions of any other laws, the Secretary may—

(a) sue and be sued in his official capacity in any court of competent jurisdiction;

(b) subject to the specific limitations in this title, consent to the modification, with respect to the rate of interest, time of payment on principal or interest or any portion thereof, security, or any other provisions of any note, contract, mortgage, or other instrument securing a loan which has been guaranteed or insured hereunder;

(c) pay, or compromise, any claim on, or arising because of any loan guaranty or insurance;

(d) pay, compromise, waive, or release any right, title, claim, lieu, or demand, however acquired, including, but not limited to, any equity or right of redemption;

(e) purchase at any sale, public or private, upon such terms and for such prices as he determines to be reasonable, and take title to property, real, personal, or mixed; and similarly sell, at public or private sale, exchange, assign, convey, or otherwise dispose of such property; and

(f) complete, administer, operate, obtain, and pay for insurance on, and maintain, renovate, repair, modernize, lease, or otherwise deal with any property acquired or held pursuant to the guaranty or insurance program authorized by this title.

SEC. 217. (a) There is hereby created an Indian Loan Guaranty and Insurance Fund (hereinafter referred to as the "fund") which shall be available to the Secretary as a revolving fund without fiscal year limitation for carrying out the provisions of this title. There are authorized to be appropriated to the Secretary to carry out the purposes of the fund and the purposes of section 301 of this Act not to exceed $10,000,000 in each of the fiscal years 1974, 1975, and 1976.

(b) The Secretary may use the fund for the purpose of fulfilling the obligations with respect to loans guaranteed or insured under this title, but the aggregate of such loans which are insured or guaranteed by the Secretary shall be limited to $200,000,000 as authorized in appropriations Acts.

(c) All funds, claims, notes, mortgages, contracts, and property acquired by the Secretary under this section, and all collections and proceeds therefrom, shall constitute assets of the fund; and all liabilities and obligations of such assets shall be liabilities and obligations of the fund. The Secretary is authorized to make agreements with respect to servicing loans held, guaranteed, or insured by him under this title and purchasing such guaranteed or insured loans on such terms and conditions as he may prescribe.

(d) The Secretary may also utilize the fund to pay taxes, insurance, prior liens, expenses necessary to make fiscal adjustments in connection with the application and transmittal of collections, and other expenses and advances to protect the Secretary for loans which are guaranteed or insured under this title or held by the Secretary, to acquire such security property at foreclosure sale or otherwise, and to pay administrative expenses.

SEC. 218. The Secretary shall promulgate rules and regulations to carry out the provisions of this title.

TITLE III—INTEREST SUBSIDIES AND ADMINISTRATIVE EXPENSES

SEC. 301. The Secretary is authorized under such rules and regulations as he may prescribe to pay as an interest subsidy on loans which are guaranteed or insured under the provisions of title II of this Act amounts which are necessary to reduce the rate payable by the borrower to the rate determined under section 104 of this Act.

SEC. 302. There are authorized to be appropriated to the Secretary (a) to carry out the provisions of sections 217 and 301 of this Act, such sums to remain available until expended, and (b) for administrative expenses under this Act not to exceed $10,000,000 in each of the fiscal years 1974, 1975, and 1976.

TITLE IV—INDIAN BUSINESS GRANTS

SEC. 401. There is established within the Department of the Interior the Indian Business Development Program whose purpose is to stimulate and increase Indian entrepreneurship and employment by providing equity capital through nonreimbursable grants made by the Secretary of the Interior to Indians and Indian tribes to establish and expand profitmaking Indian-owned economic enterprises on or near reservations.

SEC. 402. No grant in excess of $50,000, or such lower amount as the Secretary may determine to be appropriate, may be made to an Indian or Indian tribe, band, group, pueblo, or community recognized by the Federal Government as eligible for services from the Bureau of Indian Affairs. A grant may be made only to an applicant who, in the opinion of the Secretary, is unable to obtain adequate financing for its economic enterprise from other sources, including its own financial resources, except that no grant may be made to an applicant who is unable to obtain at least 60 per centum of the necessary funds for the economic enterprise from other sources.

SEC. 403. There are authorized to be appropriated not to exceed the sum of $10,000,000 for each of the fiscal years 1974, 1975, and 1976 for the purposes of this title.

SEC. 404. The Secretary of the Interior is authorized to prescribe such rules and regulations as may be necessary to carry out the purposes of this Act.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

EXECUTIVE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate go into executive session to consider nominations on the executive calendar, beginning with Department of Housing and Urban Development, through and including National Credit Union Board.

There being no objection, the Senate proceeded to the consideration of executive business.

The ACTING PRESIDENT pro tempore. The nominations on the executive calendar, beginning with Department of Housing and Urban Development and going through National Credit Union Board, will be stated.

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

The second assistant legislative clerk read the nomination of David Olan Meeker, Jr., of Indiana, to be an Assistant Secretary of Housing and Urban Development.

The ACTING PRESIDENT pro tempore. Without objection, the nomination is considered and confirmed.

SECURITIES AND EXCHANGE COMMISSION

The second assistant legislative clerk read the nominations in the Securities and Exchange Commission as follows:

A. A. Sommer, Jr., of Ohio, to be a member of the Securities and Exchange Commission for the remainder of the term expiring June 5, 1976.

Ray Garrett, Jr., of Illinois, to be a member of the Securities and Exchange Commission for the remainder of the term expiring June 5, 1977.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the nomination be considered en bloc.

The ACTING PRESIDENT pro tempore. Without objection, the nominations are considered and confirmed en bloc.

NATIONAL CREDIT UNION BOARD

The second assistant legislative clerk read the nomination of William E. Young, of Washington, to be a member of the National Credit Union Board for the remainder of the term expiring December 31, 1973.

The ACTING PRESIDENT pro tempore. Without objection, the nomination is considered and confirmed.

LEGISLATIVE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate resume the consideration of legislative business.

There being no objection, the Senate resumed the consideration of legislative business.

SENATE CONCURRENT RESOLUTION 42—ADJOURNMENT OF THE TWO HOUSES

Mr. MANSFIELD. Mr. President, on behalf of the distinguished Republican leader and myself, I send to the desk a Senate concurrent resolution, No. 42, and ask for its immediate consideration.

The ACTING PRESIDENT pro tempore. The concurrent resolution will be stated.

The legislative clerk read as follows:

S. CON. RES. 42

Resolved by the Senate (the House of Representatives concurring), That when the two Houses adjourn on Friday, August 3, 1973, they shall stand adjourned until 12:00 noon on Wednesday, September 5, 1973, or until 12:00 noon on the second day after their respective Members are notified to reassemble in accordance with section 2 of this resolution, whichever event first occurs.

"SEC. 2. The President pro tempore of the Senate and the Speaker of the House of Representatives shall notify the Members of the Senate and the House, respectively, to reassemble whenever in their opinion legislative expediency shall warrant it or whenever the majority leader of the Senate and the majority leader of the House, acting jointly, or the minority leader of the Senate and the minority leader of the House, acting jointly, file a written request with the Secretary of the Senate and the Clerk of the House that the Congress reassemble for the consideration of legislation."

The ACTING PRESIDENT pro tempore. Is there objection to the present consideration of the concurrent resolution?

There being no objection, the concurrent resolution (S. Con. Res. 42) was considered and agreed to.

IS ANYBODY LISTENING?

Mr. SCOTT of Pennsylvania. Mr. President, Saturday being what it is, and attendance being what it is not, I indulge myself in a small soliloquy. In the play "1776" there is a song that goes something like this:

Is anybody listening?
Is anybody here?
Is anybody listening?
Does anybody care?

We must wonder about these things as we go about our daily responsibilities. Is anybody listening? Well, we often think they are not. Yet in many little ways we discover how closely people are listening in the United States. If one makes a trip home to one's constituents—

to Waukegan, to San Francisco, to Memphis, or wherever, someone will come up and say something to a Member of Congress: "I want to thank you, Senator, for what you are doing." Or, "I hope you will continue to do what you are doing." Or, "I feel better because you are there."

When they say that, we begin to realize that the people of the country have a listening ear far more acute than we are even aware of.

Then, does anybody care? When we travel about, we find that people will also stop us with criticism: "I did not like what you did, Senator." Or, "I disagree with you." Or, "You were wrong." Or, "I think you should not have done what you did."

That shows that all over the country there are people who care and respect us and respect the positions we have, and who disagree with us and tell us so with candor.

So I think we should continue to have faith in the American people, in their judgment, in their wisdom, in their acuity, and in the fact that they really do listen and they really do care. There, of course, lies, in my opinion, the ultimate security of the Republic.

With these few remarks, which I hope may have been luculent, I conclude the soliloquy, aware that nobody is listening and nobody seems to care; yet I know, somehow, that the people are listening, and I know, somehow, that they care.

Mr. President, it matters. It matters a lot.

Mr. ROBERT C. BYRD. Mr. President, the song is slightly flat.

Mr. SCOTT of Pennsylvania. I would never attempt to get into full voice on Saturday.

TRANSACTION OF ROUTINE BUSINESS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that there now be a period for the transaction of routine business, with statements therein limited to 5 minutes each.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

FAIR LABOR STANDARDS AMENDMENTS OF 1973—CONFERENCE REPORT—REPORT OF A COMMITTEE (S. REPT. NO. 93-358)

Mr. WILLIAMS, from the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 7935) to amend the Fair Labor Standards Act of 1938 to increase the minimum wage rates under that act, to expand the coverage of that act, and for other purposes, submitted a report thereon, which was ordered to be printed.

EXECUTIVE REPORTS OF COMMITTEES

As in executive session, the following favorable reports of nominations were submitted:

By Mr. RANDOLPH, from the Committee on Public Works:

Alvin L. Alm, of the District of Columbia, to be an Assistant Administrator of the Environmental Protection Agency.

The above nomination was approved subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. STEVENSON:

S. 2281. A bill to authorize the clearing of the channel of the Little Calumet River, Ill. Referred to the Committee on Public Works.

By Mr. ERVIN:

S. 2282. A bill to change the name of the New Hope Dam and Lake, N.C., to the B. Everett Jordan Dam and Lake. Referred to the Committee on Public Works.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. ERVIN:

S. 2282. A bill to change the name of the New Hope Dam and Lake, N.C., to the B. Everett Jordan Dam and Lake. Referred to the Committee on Public Works.

TRIBUTE TO SENATOR B. EVERETT JORDAN

Mr. ERVIN. Mr. President, those among us here today who shared the privilege of serving with my close friend and very distinguished colleague, B. Everett Jordan, during his 15 years in the Senate know just how well and completely he devoted himself to each of the many causes to which he was committed.

The record of his years in the Senate is replete with evidence of the significant contributions he made in the areas of agriculture, public education, social security legislation, and measures to aid the handicapped.

From the day he came to the Senate, however, his overriding desire and purpose was to insure that North Carolina's natural wealth, and particularly the State's water resources, were guarded against waste and developed to their fullest potential.

I think it is accurate to say that it is in the field of resource development that he rendered his most important service. Thanks to Everett Jordan, North Carolina made greater strides in this area during his Senate tenure than in any other period of the State's history.

The fruits of his efforts are seen in improved inland and coastal navigation facilities, in more adequate protection against flooding, significant progress in the war against water pollution, and in a water conservation program geared to providing a full supply to the State's cities and growing industries and to meet its burgeoning outdoor recreation demands.

Those accomplishments attest to his foresight and determination and to his complete refusal to admit defeat in the face of heavy odds. He demonstrated those attributes most convincingly in what sometimes was a lonely, one-man battle to insure a start of one of the State's most ambitious public works proposals, the New Hope Dam and Lake. Now in an advanced construction stage, the multipurpose project is scheduled for completion in 1975.

Because it is so much a product of his efforts, I can think of no more appropriate way to recognize and symbolize his public works achievements as a whole than to rename the New Hope as the B. Everett Jordan Dam and Lake.

I consider it an honor to propose legislation now for that purpose, and I very much hope the bill will receive the prompt and favorable attention which it merits as a richly deserved tribute to a splendid North Carolinian. Similar legislation has been introduced in the other body by Members of North Carolina's delegation.

ADDITIONAL COSPONSORS OF BILLS AND JOINT RESOLUTIONS

S. 1988

At the request of Mr. MAGNUSON, the Senator from Maryland (Mr. BEALL), the Senator from Nevada (Mr. BIBLE), the Senator from New York (Mr. BUCKLEY), the Senator from Iowa (Mr. HUGHES), the Senator from New Hampshire (Mr. MCINTYRE), the Senator from Connecticut (Mr. RIBICOFF), and the Senator from Connecticut (Mr. WEICKER) were added as cosponsors of S. 1988, the Interim Zone Extension and Management Act of 1973.

S. 2089

At the request of Mr. MAGNUSON, the junior Senator from Washington (Mr. JACKSON) was added as a cosponsor of S. 2089, to require that a percentage of U.S. oil imports be carried on U.S.-flag vessels.

S. 2280

At the request of Mr. PERCY, the Senator from Wisconsin (Mr. NELSON) was added as a cosponsor of S. 2280, to amend the Internal Revenue Code of 1954.

SENATE JOINT RESOLUTION 27

At the request of Mr. TALMADGE, the Senator from North Carolina (Mr. HELMS) was added as a cosponsor of Senate Joint Resolution 27, proposing an amendment to the Constitution of the United States to provide that, except in time of war or economic emergency declared by the Congress, expenditures of the Government may not exceed the revenues of the Government during any fiscal year.

SENATE RESOLUTION 151—SUBMISSION OF A RESOLUTION AUTHORIZING PRINTING AS A SENATE DOCUMENT "MAJORITY AND MINORITY LEADERS OF THE SENATE"

(Referred to the Committee on Rules and Administration.)

Mr. MANSFIELD (for himself and Mr. SCOTT of Pennsylvania) submitted a resolution (S. Res. 151), which reads as follows:

S. RES. 151

Resolved, That a compilation entitled "Majority and Minority Leaders of the Senate", prepared under the direction of the Secretary of the Senate, Francis R. Valeo, by the Senate Parliamentarian, Floyd M. Riddick, shall be reprinted with any revisions and certain tables as a Senate document, and that an additional two thousand copies be printed for distribution by the Secretary of the Senate.

AMENDMENT OF INTERNAL REVENUE CODE OF 1954—AMENDMENT

AMENDMENT NO. 443

(Ordered to be printed, and referred to the Committee on Finance).

Mr. MOSS. Mr. President, the mobility that Americans have enjoyed may be in jeopardy. To help conserve the Nation's fuel reserves, I introduced on June 30, S. 2036, a bill designed to improve automobile efficiency.

Since the bill's introduction I have received many valuable suggestions concerning it. Based on these suggestions I am submitting a modified amendment to S. 2036. My esteemed colleague in the House, Mr. VANIK, of Ohio, who previously submitted similar legislation, is introducing a similar revision. Our revised bills are identical.

The many excellent questions I have received provide an opportunity to bring my bill into perspective, some of those questions are set out hereinafter. I ask unanimous consent that they be printed togetheer with a copy of the amendment for the information of the Senate.

There being no objection the questions and amendment were ordered to be printed in the RECORD, as follows:

WHY WAS S. 2036 INTRODUCED?

We are facing a crisis because of fuel shortages and the known fact that we will eventually run out. Our imports of petroleum from abroad are on the increase adding to our problem. The net dollar drain on the United States for imported fuels in 1970 was $2.1 billion. The experts indicate that in 1975 we will have to import between $9 and $13 billion of fuel. Going into "hock" to oil-producing Middle Eastern countries will make our economy unstable and make us susceptible to blackmail.

I strongly support and have previously introduced legislation to encourage methods of increasing our domestic fuel supply through exploration and increased research and development. The consumption of fuel is increasing at an alarming rate. It has become obvious that we can no longer afford indiscriminate and wasteful use of fuel, and we must find ways to conserve energy.

WHAT DOES THE BILL DO?

It provides an incentive to the American automobile industry to develop automobiles which get better mileage. It does this by placing a levy on manufacturers for selling cars with poor mileage. The bill does not take effect until July 1976. A revision to the bill keeps the levy low until July 1978, after which it would increase. Although the levy is low until 1978, it provides manufacturers with a reminder to "get going" in developing better mileage automobiles. Every cent received from this bill will be spent in a program to develop engines which get better mileage.

WON'T MY BILL MAKE US GIVE UP FULL SIZED CARS?

It's mileage that counts not size. Convincing evidence exists that Americans can have full sized automobiles which will get far better mileage. The average American automobile converts only 25% of the energy supplied to it to useful work. Average American automobile mileage has been decreasing every year. If we got the same average mileage today as we got in 1965, we would have adequate supplies instead of a shortage.

ISN'T THE DECREASE IN MILEAGE COMPLETELY DUE TO POLLUTION CONTROLS?

Mileage achieved by American cars was decreasing every year long before the pollution standards were imposed. Since 1965 fuel economy of the average American car has decreased about 20%, a little over half of that decrease appears to be due to pollution controls.

WON'T MY BILL ENABLE FOREIGN CARS TO PUSH AMERICAN CARS OFF THE MARKET?

The effect will ultimately be the opposite. America is very strong technically, and with the right incentive will develop cars which not only give better mileage than foreign cars, but also will be safer and more comfortable. In the long run, we can look toward increased sales of American cars in foreign countries. With high gas prices abroad, comfortable, safe American cars with good mileage will be a very competitive product.

WHY DON'T WE SOLVE OUR PROBLEM BY AN EXTENSIVE PROGRAM TO INCREASE OUR DOMESTIC PETROLEUM SUPPLY?

Our domestic supply of petroleum is limited. Even if we could rapidly build more refineries and pump oil out of the ground faster, we would only put off the inevitable. We can stretch out our domestic supply of petroleum if we use it prudently, and we can continue to have our present high standard of living if we use America's greatest resource to solve our fuel problem.

America's greatest resource is advance technology, and it is through American advance technology that we are going to get better, safer, more comfortable cars with better mileage.

My bill will provide the incentive for better gas mileage thereby reducing consumer costs and conserving a vital resource.

Strike out everything after the enacting clause and insert in lieu thereof the following:

That—

(a) the Congress finds that—

(1) the Nation is facing a serious shortage of finished petroleum products, and a national policy of energy conservation is vital to reduce the wasteful use of irreplaceable fossil fuels;

(2) a shortage of domestic refinery capacity and a conflicting pattern of Federal policies have hampered the production of gasoline supplies and have made such supplies inadequate to meet the rapidly expanding national demand;

(3) passenger cars and other motor vehicles which use internal combustion engines are a major example of the inefficient consumption of gasoline;

(4) the efficiency with which motor vehicles consume fuel has declined during the past twenty years because there is little incentive to improve engine efficiency; and

(5) the primary responsibility for developing more efficient automotive engines is properly that of American private industry. However, American manufacturers must be encouraged to produce not only more efficient engines but also automobiles which can compete successfully with foreign automobiles in achieving better fuel economy.

(b) It is, therefore, the purpose of this Act to encourage the development and manufacture of automobiles which efficiently consume gasoline.

SEC. 2. (a) Part I of subchapter A of chapter 36 of the Internal Revenue Code of 1954 (relating to motor vehicle excise taxes) is amended by adding at the end thereof the following new section:

"SEC. 4064. AUTOMOBILE FUEL CONSUMPTION TAX.

"(a) IMPOSITION OF TAX.—There is hereby imposed upon every new automobile manufactured, produced, or imported a tax at whichever of the following rates is applicable with respect to the fuel consumption rate (as determined under subsection (b)) of such automobile:

"(1) for the period beginning July 1, 1976, and ending June 30, 1978:

"If the consumption rate (in miles per gallon) is:

	The tax is:
Over 20.0	0
Over 19.0 but not over 20.0	$20
Over 18.0 but not over 19.0	30
Over 17.0 but not over 18.0	40
Over 16.0 but not over 17.0	50
Over 15.0 but not over 16.0	60
Over 14.5 but not over 15.0	80
Over 14.0 but not over 14.5	100
Over 13.5 but not over 14.0	120
Over 13.0 but not over 13.5	140
Over 12.5 but not over 13.0	160
Over 12.0 but not over 12.5	180
Over 11.0 but not over 12.0	200
Over 10.0 but not over 11.0	240
Over 9.0 but not over 10.0	280
Over 8.0 but not over 9.0	320
Not over 8.0	360

"(2) for the period beginning July 1, 1978, and ending June 30, 1981:

"If the consumption rate (in miles per gallon) is:

	The tax is:
Over 20.0	0
Over 19.0 but not over 20.0	$40
Over 18.0 but not over 19.0	60
Over 17.0 but not over 18.0	80
Over 16.0 but not over 17.0	100
Over 15.0 but not over 16.0	120
Over 14.5 but not over 15.0	160
Over 14.0 but not over 14.5	200
Over 13.5 but not over 14.0	240
Over 13.0 but not over 13.5	280
Over 12.5 but not over 13.0	320
Over 12.0 but not over 12.5	360
Over 11.0 but not over 12.0	400
Over 10.0 but not over 11.0	480
Over 9.0 but not over 10.0	560
Over 8.0 but not over 9.0	640
Not over 8.0	720

"(b) DETERMINATION OF FUEL CONSUMPTION RATE.—The fuel consumption rate of new automobiles taxable under subsection (a) shall be determined solely on the basis of the Automobile Fuel Consumption Schedule prepared by the Secretary of the Department of Transportation.

"(c) LIABILITY FOR PAYMENT.—The tax imposed by this section shall be paid by the manufacturer, producer, or importer at such time and in such manner as the Secretary shall prescribe.

"(d) DEFINITIONS.—For the purpose of this section—

"(1) the term 'new automobile' means every vehicle, equipped with an internal combustion engine, designed for use on the highway which has never been transferred to the ultimate purchaser, but shall not include any commercial vehicle, or any farm vehicle, as defined by the Secretary, and

"(2) the term 'ultimate purchaser' means, with respect to any new automobile, the first person who in good faith purchases such automobile for purposes other than resale."

(b) The table of sections for such part I is amended by adding at the end thereof the following new item:

"Sec. 4064. Automobile fuel consumption tax."

(c) The amendments made by this section shall take effect on July 1, 1976.

Sec. 3. (a) The Secretary of the Department of Transportation (hereinafter referred to as the "Secretary") shall, from time to time, study and investigate the fuel consumption rates of automobiles which are subject, or may be subject, to the tax imposed by section 4064 of the Internal Revenue Code of 1954 (relating to automobile fuel consumption taxes).

(b) The studies and investigations conducted under subsection (a) shall include tests—

(1) of each automobile model subject to such tax equipped—

(A) with each available engine size (measured by horsepower),

(B) with and without air conditioning, automatic transmission, and power steering, when available, and combinations of such available accessories, and

(C) with and without each, and combinations of each, type of other accessory available which is determined by the Secretary to have a significant effect on fuel consumption economy; and

(2) which shall be conducted—

(A) under driving conditions representative of an average composite of urban and nonurban driving speeds and circumstances,

(B) with the fuel used being of the quality normally recommended for use in such automobile, and

(C) with such automobile carrying the average weight load for which it was designed.

(c) Based upon the studies and investigations conducted under subsection (b), the Secretary shall determine the fuel consumption effective accessories (as specified under subparagraphs (B) and (C) of subsection (b)(1)) and with each available engine size. The Secretary shall, not later than June 1, 1976, and each year thereafter, prepare and transmit to the Secretary of the Treasury a schedule of all such rates to be known as the Automobile Fuel Consumption Schedule (interim revisions of which are to be made by the Administrator as he deems appropriate). The Automobile Fuel Consumption Schedule shall be made available for sale as a public document.

Sec. 4. Section 3 of the Automobile Information Disclosure Act (15 U.S.C. 1232) is amended by inserting "(a)" after "Sec. 3." and by adding at the end thereof the following:

"(b) Every label required to be affixed under subsection (a) shall include, in the case of any automobile on which a tax was imposed by section 4064 of the Internal Revenue Code of 1954 (relating to automobile fuel economy taxes)—

"(1) the fuel consumption rate determined to be applicable for such automobile, and

"(2) the tax paid under such section 4064."

Sec. 5. The Secretary shall—

(1) not later than July 1, 1977, develop an automobile fuel consumption standard universally applicable to all existing and potential types of automobile fuels and engines;

(2) not later than July 1, 1978, develop procedures for rating fuel consumption of new automobiles for purposes of paragrap

(3) using the standard developed under paragraph (1);

(3) prepare, for submission to Congress not later than July 1, 1979, a report recommending legislation which would provide for the taxation, based upon the standard developed under paragraph (1), of the fuel consumption rate of all new automobiles, powered by gasoline or otherwise, manufactured, produced, or imported after June 30, 1981; and

(4) develop and conduct a program to develop more efficient automobile engines utilizing funds provided under section 7.

Sec. 6. The Secretary of the Treasury will calculate the income received under section 2 at the end of each fiscal year. This information will be provided to the Secretary of the Department of Transportation and the Director of the Office of Management and Budget within two months of the close of the fiscal year.

Sec. 7. The Office of Management and Budget will include in each annual budget the amount reported under section 6 for the previous fiscal year which said funds shall be available and used for the purpose set forth in paragraph (4) of section 5.

REFORM OF CONGRESSIONAL PROCEDURES—AMENDMENT

AMENDMENT NO. 444

(Ordered to be printed, and referred to the Committee on Government Operations.)

Mr. PERCY submitted an amendment, intended to be proposed by him, to the bill (S. 1541) to provide for the reform of congressional procedures with respect to the enactment of fiscal measures; to provide ceilings on Federal expenditures and the national debt; to create a budget committee in each House; to create a congressional office of the budget; and for other purposes.

FEDERAL ELECTION CAMPAIGN ACT AMENDMENTS OF 1973—AMENDMENT

AMENDMENT NO. 445

(Ordered to be printed, and to lie on the table.)

Mr. PELL submitted an amendment, intended to be proposed by him, to the bill (S. 372) to amend the Communications Act of 1934 to relieve broadcasters of the equal time requirement of section 315 with respect to Presidential and Vice-Presidential candidates and to amend the Campaign Communications Reform Act to provide a further limitation on expenditures in election campaigns for Federal elective office.

ADDITIONAL COSPONSOR OF AN AMENDMENT

AMENDMENT NO. 413 TO S. 372

At the request of Mr. Percy, the Senator from Oklahoma (Mr. Bartlett) was added as a cosponsor of amendment No. 413, to the bill (S. 372) to amend the Communications Act of 1934 to relieve broadcasters of the equal time requirement of section 315 with respect to Presidential and Vice-Presidential candidates and to amend the Campaign Communications Reform Act to provide a further limitation on expenditures in election campaigns for Federal elective office.

NOTICE OF HEARING ON TITLE IV OF S. 2049

Mr. METCALF. Mr. President, I wish to announce that the Subcommittee on Budgeting, Management, and Expenditures, of the Senate Committee on Government Operations will hold a hearing on S. 2049, Wednesday, August 1, beginning at 2 p.m., in room 1224, Dirksen Senate Office Building. The subject of the testimony is to be limited to title IV, of S. 2049. This title relates to the access to records and information by the General Accounting Office. It is anticipated that hearings will be held on other parts of the bill later in the session.

The substance of title IV of S. 2049, has been introduced as an amendment by Senator Percy to S. 1541, the Congressional Budgetary Procedures Act, which legislation is to be considered by the full Government Operations Committee after the August recess.

It is my hope that this hearing will provide essential background both as to title IV of S. 2049, and the Percy amendment.

Witnesses, tentatively scheduled, will include Senator Charles H. Percy, Hon. Elmer Staats, the Comptroller General, and representatives from the executive branch.

Any persons wishing to make known their views on this title IV of S. 2049, should communicate with the clerk of the Subcommittee on Budgeting, Management, and Expenditures, room 161, Russell Senate Office Building, 225-1474.

ADDITIONAL STATEMENTS

CHARGES AGAINST WATERGATE COMMITTEE'S CHIEF INVESTIGATOR

Mr. BARTLETT. Mr. President, I along with 21 of my distinguished colleagues, sent a letter to Senator Sam Ervin, chairman of the Select Committee on Presidential Campaign Activities. The letter was prompted by the disclosure on Tuesday by Mr. George Bush of three affidavits alleging that Mr. Carmine Bellino, chief investigator of the committee, was deeply involved in illegal or unethical conduct against President Nixon in the 1960 Presidential race. Considering the seriousness of these charges, we requested that the committee grant Mr. Bellino a leave of absence and conduct an in-depth investigation into these grave charges.

It is our desire that all activities and proceedings of the select committee be beyond reproach.

Mr. President, in a spirit of bipartisanship, the Senate passed the resolution establishing the Watergate Committee by a vote of 77 to 0. Considering the gravity of these new charges, I trust that Senator Ervin will respond to this request in that same spirit.

Mr. President, I ask unanimous consent that our letter and the attachments be printed in full in the Record.

There being no objection, the letter and attachments were ordered to be printed in the Record, as follows:

U.S. Senate,
Washington, D.C. July 27, 1973.

Hon. Sam Ervin,
Chairman, Select Committee on Presidential Campaign Activities, Dirksen Senate Office Building, Washington, D.C.

Dear Senator Ervin: On Tuesday, July 24, Mr. George Bush, Chairman of the Republican National Committee released three sworn affidavits making serious charges against Mr. Carmen Bellino, Chief Investigator of the Select Committee on Presidential Campaign Activities.

Among other things, the affadavits allege that Mr. Bellino was deeply involved in illegal bugging of the Presidential Campaign of President Nixon in 1960.

Considering the nature of the current investigation by the Select Committee, and the position of Mr. Bellino, it would seem prudent to conduct an immediate investigation and to grant leave to Mr. Bellino pending resolution of these grave charges. To do otherwise could put a taint on any work or investigation produced by Mr. Bellino for the Select Committee.

It is important that the proceedings of the Select Committee be free from any suggestion of wrongdoing. We hope you will see fit to investigate these allegations and thereby restore confidence in the proceedings. Attached are copies of the affidavits for your information.

Sincerely,

———.

Dewey F. Bartlett, Hugh Scott, Jesse Helms, Paul Fannin, Robert P. Griffin, Robert Taft, William Roth, James McClure, Clifford P. Hansen, Strom Thurmond, Marlow Cook, Charles Percy, William Scott, Bill Brock, John Tower, Wallace Bennett, James Buckley, Roman Hruska, Barry Goldwater, Bob Packwood, Hiram L. Fong, Pete Domenici, U.S. Senators.

STATEMENT BY HONORABLE GEORGE BUSH, CHAIRMAN, REPUBLICAN NATIONAL COMMITTEE

A few weeks ago information came to my attention that led me to believe that the Republican National Committee and certain Republican Party and Presidential campaign officials had been spied upon during the 1960 Presidential campaign.

Further there was a strong indication that the spying included the use of electronic devices and possibly even electronic surveillance of the hotel space in which then Vice President Nixon prepared for his television debates with then Senator John F. Kennedy.

Further there was strong indication, and I have no doubt in my own mind that such was the case, that this spying and surveillance had been ordered by a key aide of the Kennedy campaign manager.

I retained counsel for the purpose of investigating and analyzing the information in order that, to the limited extent facts can be gathered without legal or court process, I might know whether there was substance to such allegations or whether they were simply unfounded rumors.

I am now convinced that there is, in fact, substance to the allegations, for I have been given three affidavits sworn to under oath together with other investigative and analytical material which provide that substance.

The Republican National Committee and key officials of the Committee and of the 1960 Presidential campaign were indeed under surveillance and spied upon. This surveillance and spying was for the purpose of watching the movements specifically of one employee of the Republican National Committee, Mr. Ab Hermann, who had important duties in the 1960 Nixon campaign. Mr. Hermann was not aware he was being watched. One of the sworn statements by one individual alleges that it was that person's clear impression that electronic surveillance against Richard Nixon "wrapped up" the debates for then Senator Kennedy.

A second affidavit by a former Inspector of Police of the Metropolitan Police Department of the District of Columbia states that he was approached on behalf of this same man to assist in gaining access and entry to certain suites at the then Wardman Park Hotel for the purpose of installing electronic eavesdropping devices in those suites.

The man, who according to these affidavits ordered and directed the spying of these Republicans, is the Chief Investigator of the Senate Watergate Committee, Carmine S. Bellino.

I have never met the people who executed these sworn affidavits, but I do have the sworn affidavits. I had planned to release this information at a news conference on July 14, 1973, but one of the men who signed an affidavit, Mr. John Leon, died the previous day. In deference to his widow and family, I cancelled the news conference on July 14.

I cannot and do not vouch for the veracity of the statements contained in the affidavits, but I do believe that this matter is serious enough to concern the Senate Watergate Committee, and particularly since its Chief Investigator is the subject of the charges contained in the affidavits. If these charges are true, a taint would most certainly be attached to some of the Committee's work.

Some will say in releasing this information that I am trying to justify Watergate. That simply is not true.

I have deplored Watergate openly and publicly. I have felt troubled by it and, indeed, sickened by it. I have urged that the matter be promptly resolved by full disclosure. I have urged the prompt calling of all material witnesses.

It is not my intention to be saying, "Oh, everyone does this stuff in politics, so forget Watergate." It is my intention to say that elementary fairness requires that some balance prevail, that serious violations of the public trust have gone on prior to Watergate and that it is a gross distortion to microscopically analyze one campaign and totally ignore what others have done in other campaigns.

I have been seriously concerned at the fervor of attention, at the distortion of perspective on all of this. There was corruption. No honest Republican would deny it. Every honest Republican deplores it. In fact, every honest Republican hates it.

But now I have presented some serious allegations that if true could well have affected the outcome of the 1960 Presidential race. The Nixon-Kennedy election was a real cliff-hanger, and the debates bore heavily on the outcome of the people's decision.

If the recollections and impressions contained in these affidavits are true and attempts were made to bug Richard Nixon's hotel suite before the debates to affect their outcome, then the public should know about it.

It also seems important to me, and I believe to any fair-minded person given the sensationalism of Watergate and the vitriolic commentary by some that is being unloaded on the 1972 Nixon campaign and in some quarters on the President himself, that the public realize that the Democrats did, in fact, according to all three affidavits in my possession, spy on an official of the Republican National Committee and that they approached an Inspector of the D.C. Metropolitan Police Department to gain his cooperation in bugging Republican rooms at the then Wardman Park Hotel.

Fair play dictates that the United States immediately conduct an investigation into the charges contained in the attached affidavits. It seems to me in fairness that this investigation be conducted before the television cameras with appropriate parties under oath.

To the extent that any of the allegations contained in the affidavits are true, it is my fervent hope that they will aid this Committee in its quest for legislative answers to ending once and for all illegal, unlawful, corrupt and detestible campaign activities conducted by one camp against the other.

One final point. The justification for the Committee's existence is to design legislation to end the kind of activity that is alleged to have occurred, both in 1960 and 1972, and possibly even in other campaigns in other years and for other federal offices. Thus I urge the Senate Watergate Committee to begin immediately to draft appropriate legislation that will forever clearly make such activity unlawful and to that end I offer my services and the services of the Republican National Committee. I call upon my counterpart, Mr. Strauss and the Democrat National Committee, to do likewise for this issue transcends even the most remote partisan consideration. It has been said before by others but I believe worth repeating that the very confidence of a people in its government is directly proportionate to their confidence in their nation's electoral process. This is a matter not to be trifled with, but one which cries out for the immediate attention of the Senate Watergate Committee, the Congress, the President and all Americans.

AFFIDAVIT

John W. Leon, 525 Dupont Circle Building, Washington, D.C. being duly sworn, voluntarily deposes and says:

1. I am a licensed investigator doing business in the District of Columbia and Maryland under the agency named Allied Investigating Services with offices in the Dupont Circle Building, Washington, D.C. This has been my profession for more than fifteen years.

2. I have known Carmine S. Bellino, Chief Investigator, Senate-select Watergate Committee for more than twenty years.

3. During the 1960 Presidential Campaign, John F. Kennedy versus Richard M. Nixon, I was retained by Carmine Bellino to infiltrate the operations of Mr. Albert B. "Ab" Hermann, then and now an official of the Republican National Committee. Following an unsuccessful attempt to penetrate the office operations of the Republican National Committee, I was instructed by Carmine Bellino, to place "Ab" Hermann under physical surveillance, and to observe the activities of and visitors to Mr. Hermann's office, utilizing field glasses from my office, a nearby vantage point. Additionally I attempted to pick up conversation in Mr. Hermann's office, utilizing an electronic device known as "the big ear", aimed at Mr. Hermann's window from a nearby vantage point. This activity took place for five or six days in September or October, 1960. The results of my efforts were reported to Mr. Carmine Bellino who was assisting Robert F. Kennedy during the Presidential Campaign.

4. During the 1960 Presidential Campaign Carmine Bellino also directed Washington, D.C. investigators John Joseph Frank, Oliver W. Angelone, and Ed Jones in efforts to develop information concerning the Nixon activities and strategy. Messrs. Frank and Jones assisted me in surveillances of Ab Herman on two or three nights each.

5. The services of Ed Jones during surveillances of Ab Hermann were made available to me by Carmine Bellino, who instructed Ed Jones to meet me in the vicinity of Mr. Hermann's Republican National Committee office. During hours of conversation with me Mr. Jones described himself as "the world's greatest wiretapper" and told me that he had successfully tapped the telephones of James Hoffa, former Teamsters' Union President, acting under the direction of Carmine Bellino for Robert F. Kennedy. According to Ed Jones, Mr. Hoffa's telephones had been tapped in Tampa, Florida.

6. During long conversations with me Ed Jones stated that he had tapped the telephones of three ministers in the Mayflower Hotel in the fall of 1960. According to Jones, Carmine Bellino suspected that these min-

isters were responsible for some of the anti-Catholic, anti-Kennedy literature that was distributed during the 1960 campaign. Ed Jones told me he could not spend much time with me on surveillance because he had several good wiretaps going for Bellino.

7. On the morning following the Kennedy-Nixon television debate (a crucial factor in the election) John Frank, Oliver W. Agnelone, and a third investigator whose name I cannot recall were discussing the debate in the office adjacent to mine in the Dupont Circle building. There was agreement that Mr. Kennedy was extremely well prepared for points raised by Mr. Nixon—that he "had the debate all wrapped up". Oliver Angelone remarked "Jonesy really did his job well this time." Although I did not participate in installation of eavesdropping devices and did not tap telephone lines for Carmine Bellino during the 1960 campaign, I am confident that Ed Jones and Oliver Angelone successfully bugged the Nixon space or tapped his phones prior to the television debate.

8. Carmine Bellino has served on the staff of several U.S. Senate Committees and has been closely identified with Senators Robert F. and Edward Kennedy. Prior to the Watergate inquiry, Mr. Bellino served as Chief Investigator, U.S. Subcommittee on Administrative Practice and Procedures, chaired by Senator Edward Kennedy.

9. During the late 1950s and early 1960s Oliver W. Angelone was a successful private investigator in the Washington, D.C. area. He had many contracts, had several good-paying clients, possessed sophisticated bugging and wire-tapping equipment, and had the nerve needed to tackle eavesdropping activity. He also had master keys to hotels in Washington, D.C. including the Carlton and Mayflower. Mr. Angelone is currently employed as an investigator, General Services Administration in New York City.

10. Ed Jones served on the Senate Labor-Racketeering Committee staff headed by Chief Counsel Robert F. Kennedy.

11. John Joseph Frank, Oliver W. Angelone, and I were indicted in the Washington, D.C. eavesdropping matter at the Mayflower Hotel in 1962 involving El Paso Gas Co. and Tennessee Gas Co. This case received wide publicity in the news media during the period 1962–1964.

Dated at Washington, D.C. this 8th day of June, 1973.

John W. Leon.

Affidavit

Joseph Shimon, being duly sworn deposes and voluntarily states:

I have been a private investigator in the Washington, D.C. area for more than ten years. Prior to 1962 I served on the Metropolitan Police Force and in 1960 was an Inspector in that Department.

In late summer or early fall, 1960, I was approached by Oliver W. "Bill" Angelone, a private investigator, with offices on Jefferson Place, Washington, D.C. We had lunch at Billy Martin's Restaurant and after lunch conferred in Mr. Angelone's office.

Mr. Angelone explained to me that he was doing some work for Carmine S. Bellino, who was supervising investigative activity for the John F. Kennedy Presidential Campaign Committee. Mr. Angelone said that Republicans campaigning for Richard M. Nixon planned to occupy the top two floors of the Wardman Park Hotel and that he (Angelone) planned to install eavesdropping devices in that space.

Since Angelone was aware that I had several contacts with the security personnel at the Wardman Park Hotel he solicited my assistance to gain access to the top two floors at the hotel. He suggested that keys to the space be obtained and the security force be "taken care of". Additionally Mr. Angelone requested that I participate as a member of the "bugging" team to accomplish the installation of electronic eavesdropping devices.

After considerable discussion of the proposed bugging activity I declined Mr. Angelone's offer because I did not desire to jeopardize my status in the Metropolitan Police Department.

During the 1960 Presidential Campaign I was aware that Bill Angelone, John Joseph Frank, John Leon, and Ed Jones were engaged in investigative work for Carmine S. Bellino and the Kennedy Campaign Committee, but I did not participate in their activities.

Joseph Shimon.

Affidavit

Edward Murray Jones, being duly sworn deposes and voluntarily states:

I am 67 years of age and reside in the Philippine Islands.

Prior to 1965 I was employed in investigative work for more than 15 years.

During the 1960 Presidential Campaign I was employed by the John F. Kennedy Campaign Committee for three or four months. During this period I was generally supervised by Mr. Carmine Bellino. My assignments were in the area of background checks, political research, and checking security of space and communications of Democrat facilities.

At no time during the 1960 Campaign did I participate in or have knowledge of telephone tapping activity or utilization of any electronic eavesdropping devices against Republican Party officials.

It is my recollection that I did participate in two surveillance efforts prior to the 1960 Presidential election. Although I could not identify the subjects of these surveillances, I assume they were. Republican officials or supporters. Two or three teams and cars were used in the surveillances and other members of the team had the responsibility of identification of the subject. I recall that Carmine Bellino was present on one or both surveillances.

One of the surveillances was at National Airport, Washington, D.C., where we attempted to pick up an individual coming to Washington. The other surveillance effort involved an individual with offices in the vicinity of 19th and M Streets, NW., Washington, D.C.

Dated at Washington, D.C., this 6th day of July, 1973.

Edward Murray Jones.

Mr. President, I ask unanimous consent to have printed in the Record an editorial published in the Philadelphia Inquirer on July 28, 1973, entitled "It May Be a Red Herring But—"

There being no objection, the editorial was ordered to be printed in the Record, as follows:

It May Be a Red Herring But . . .

Although they have the earmarks of a red herring to divert attention from the Watergate scandals, the serious allegations of Republican National Committee Chairman George Bush should be investigated by Congress and the Justice Department.

He has made public three affidavits suggesing that Richard M. Nixon, in his first try for the Presidency in 1960, was the target of surveillance operations by Democrats. It is alleged that an attempt was made to bug a hotel room where Mr. Nixon was preparing for one of his televised debates with John F. Kennedy.

Other statements in the affidavits charge that attempts were made to tap telephones used by Mr. Nixon during the 1960 campaign and that electronic listening devices were used "to infiltrate the operations" of his campaign organization.

Two of the affidavits alleged, moreover, that Carmine S. Bellino, who is now chief investigator for the Senate Watergate Committee and was a campaign worker for Mr. Kennedy in the 1960 campaign, tried to recruit persons to bug Mr. Nixon's hotel room. Mr. Bellino promptly denounced the charges as "absolutely false."

Mr. Bush deflated the impact of the charges by conceding at the outset "I cannot and do not vouch for the veracity of the statements contained in the affidavits." But the Republican chairman wants an investigation of the charges in the interests of "fair play," and that's fair enough. No doubt if the situation were reversed—if it were alleged that workers for Mr. Nixon had attempted to bug the hotel room of Mr. Kennedy—there would be clamor for a full investigation, and properly so.

Although the committee headed by Sen. Ervin is restricted to investigation of matters relating to the 1972 campaign—Senate Republicans having failed in a move to broaden its authority to include earlier campaigns—there no doubt are other committees of Congress that could initiate an inquiry. Perhaps the first to be questioned should be Mr. Bush.

Meanwhile there should be no sidetracking of the Ervin committee's efforts to learn the whole truth about Watergate and all its sordid ramifications. Whatever did or did not happen in 1960, it could provide no justification for the misuse of White House authority and violations of the law relative to reelection of the President in 1972.

TWENTIETH ANNIVERSARY OF THE SMALL BUSINESS ADMINISTRATION

Mr. BIBLE. Mr. President, July 30 marks the 20th anniversary of the Small Business Administration and, as chairman of the Select Committee on Small Business, I would like to observe this occasion with some comments.

Anniversaries are a time for recollections. If one thing stands out in looking back over the last 20 years, it is the rapidity of change in America.

It is thus quite useful and appropriate to remember where we have come from in the small business field, as one possible guide to an uncertain future.

Therefore, it is appropriate that a national salute to American small businessmen, present and past, is being held today at the Dwight D. Eisenhower Presidential Center and Library at Abilene, Kans., with the anticipated attendance of hundreds of government, business, and banking leaders.

As SBA Administrator Thomas S. Kleppe said so very well in his scheduled remarks at Abilene today:

> We offer a richly deserved national salute to the men and women who toil daily in more than eight million small businesses across the land . . . it is not within our power to express adequately our gratitude for the numerous unheralded contributions they (small businessmen) have made to the nation's economic strength.

Mr. President, the beginning of interest in "small business" as a separate, identifiable segment of the American economy began in 1940 and 1941. The Commerce Department set up a "small business unit" at that time. Congress established, in both the Senate and the House, temporary committees on small business and also created the Small War Plants Administration to assure that a fair proportion of World War II contracts were available to smaller firms.

A decade later in 1951, Congress repeated this pattern of action. It made the Senate Small Business Committee permanent and created the Small Defense Plants Administration to assist small firms with Government contract opportunities arising out of the Korean war.

In 1953 the enactment of the Small Business Act merged this Government contracting function of the SDPA and the authority for Government loans—pioneered in New Deal days by the Reconstruction Finance Corporation—and gave the resulting agency the new name of the Small Business Administration.

However, Congress had something more in mind than helping small firms in raising capital and in doing business with the Federal Government. The debate at that time clearly reflects recognition of the special problems of new, small, and independent business firms in an economy which was growing ever more complex.

Congress deliberately made SBA an independent unit of the Government with its Administrator reporting directly to the President. The Congress felt that this would strengthen the Administrator's position as a spokesman for the 97½ percent of U.S. enterprises which are small business and which, because of their diversity and size, are underrepresented in the councils of Government.

Congress provided SBA with specific powers and duties to assist new small businesses with their management and technical problems. Also, through the years SBA became the major U.S. agency providing loans to those damaged by flood, storm, or other physical disasters.

In 1958 Congress further broadened the financing responsibilities of SBA with the passage of the Small Business Investment Act. This resulted in the creation of some 300 private corporations which are now furnishing venture capital to new small firms. This activity has also put SBA in a position to monitor the most vital trends in the growth of free enterprise in our Nation. This history, I feel, contains many lessons for us today.

It is worthy of note, I believe, that the executive branch and the Congress cooperated closely in the creation of our basic small business laws and institutions. President Dwight Eisenhower approved and signed both the Small Business Act and the Small Business Investment Act, as his predecessors, Harry S. Truman and Franklin D. Roosevelt, had signed the legislation setting up the SDPA and SWPA.

Major initiatives in the creation of SBA in nurturing and protecting it over the years and in perfecting the legislative framework have come from the Congress. We should recall with thanks the work of such distinguished economic statesmen as Senator John Sparkman of Alabama; Senator Lyndon B. Johnson, of Texas; Senator Hubert H. Humphrey, of Minnesota; Senator Russell Long, of Louisiana; Senator George Smathers of Florida; Senators John Kennedy and Leverett Saltonstall of Massachusetts; Senator Jacob Javits of New York; and Senator Barry Goldwater, of Arizona.

There have been triumphs of SBA over the past 20 years, and many of them were associated with the labor of such gifted Administrators as Wendell Barnes, John Horne, Eugene Foley, Robert Mott, Howard Samuels, and Thomas Kleppe.

However, I believe that in a larger perspective the achievements of SBA were possible because of cooperation between the legislative and executive branches of Government, and because men from different parts of the country and different schools of thought united their efforts in devotion to small business and to the free enterprise system as it has evolved in this country.

The Small Business Administration during its 20 years of existence has made dramatic contributions to the nation's economic growth. Since SBA's inception in 1953, our nation's small businesses have grown from 4.2 million to over 8 million strong. They account for 43 percent of our gross national product and provide over 50 percent of the country's jobs.

During its 20 years of existence, SBA has helped provide more than $13 billion in credit and equity financing.

Last year, SBA made over 200,000 disaster loans to victims of natural catastrophes, totaling almost $1.5 billion compared with 200 for $1.3 million during its first fiscal year. In 1953 the small business share of Federal procurement amounted to about $3.5 billion. In fiscal year 1973, it was over $12.5 billion.

It is part of our folklore that nearly every American business started as a new small business, and that the growth of these firms fueled the greatest economic miracle in the annals of mankind.

But the SBA and small business also have a psychological value. They stand for the American dream, that a man should be able to own his own business and make it prosper through his ingenuity and hard work for the benefit of himself, his family, and the public.

Perhaps this is the most important role of small business. It is a powerful beacon to the energies of men and women, and we dare not let this light be extinguished! As Senator Sparkman, a long-time chairman of the Small Business Committee, recently said:

> I think the country will run into serious trouble in the years ahead in attempting to solve its domestic and international problems. . . . if we allow present small business difficulties to remain unsolved.

In the past several decades, during which there has been interest in small business, the speed of change in America has been breathtaking, and many new problems have been created for smaller firms.

Technology has probably been the most visible expression of this change. In the early 1940's, we were impressed by airplanes which could travel 350 miles per hour. Long ago, air flight soared past the sound barrier. Now, it is almost commonplace that spacecraft travel to and from the moon—a round trip of nearly one-half million miles at speeds of thousands of miles per hour. Technology changes have had a major impact on small businesses and upon the structure of the business world.

Our economy has probably changed just as fast and as profoundly as technology. The changes are usually less perceptible and more difficult to cop with. However, recently we have experienced a system of direct controls which have very immediate effects on the economy and small business.

Our attitudes and priorities as a people had also been shifting. For example, the airplane ran into what might be called "an environmental barrier" when the Congress refused to authorize construction of a supersonic commercial air transport. Every year now brings new legislation, upgrading the standards of our air, water, or agricultural or industrial products.

The laws and regulations have proliferated to the extent where the weight of the tax system, of paperwork, and of multigovernment regulations must constantly be reexamined and made fairer to the smaller business. In fact, the entire role of the Government in American life has been opened to the most penetrating questions.

Crime has become a significant handicap to commerce and to its existence in some areas.

In this atmosphere of change and flux, it seems to me that we must apply all our combined reason and vigor to assure the relevance of SBA today and in the next 20 years.

New and small firms will still need financial and management assistance, probably even more so. The changes in American life which are all around us can mean either opportunity or difficulty for our small business community, depending on what is done or not done about them by men in positions of responsibility. I believe we must give a great deal of attention to the survival of new and small independent businesses as part of our way of life. We must try to look ahead to be sure that small business—with all its material and psychological benefits—is a partner in progress, rather than its unintended victim.

If this sounds like an agenda for hard labor rather than the usual catalog of praise on such an occasion, it is because of my feeling that we cannot afford to rest on our laurels. SBA is the principal agency of the Federal Government devoted to small business, and its conduct will have much to do about the number and strength of small independent firms 20 years from now. The preservation of small business, it seems to me, will be the context in which the performance of SBA should be judged. I hope that this performance will be equal to the promise held out for SBA by the pioneers of small business, who I believe history will record held a shining vision of this country and free enterprise.

I congratulate the SBA on the achievement of its 20th anniversary and wish it well in its difficult missions.

EXPORT CONTROLS

Mr. FANNIN. Mr. President, this country is experiencing a dislocation in farm production, largely caused by crop failures elsewhere in the world. This situation resulted in the imposition of temporary export controls by the Commerce Department on June 27. An immediate embargo was placed on the export of soybeans and cottonseeds and their byproducts to forestall domestic shortages of meat, poultry, and milk supplies.

In light of our being placed in the position of carrying the burden of crop failures around the world, I was dismayed when I learned of the attitude of two of our large trading partners. It has been reported that bitter complaints were expressed over the imposition of the controls. The controls have been labeled "an act of treachery" by a Japanese spokesman, and a French leader called the controls an "aggresssive act." Further, it was reported that President Pompidou declared that it was "unthinkand unimaginable" for France to heavily rely on foreign producers for protein supplies. Even in this country, critics such as the former Ambassador to Japan, Edwin Reischauer, said it was "absolute folly" that Japan did not receive special consideration in regard to soybean exports.

Mr. President, let us put this criticism in proper perspective. It is interesting to note that for several years now the European Economic Community has been complaining about soybean imports, which amount to 60 percent of all our exports of that farm product. It is ironic that the same voices and farm pressure groups complaining about export controls have likewise been urging the EEC to place a tariff on the import of soybeans. Since they have effectively achieved their objectives of limiting the import of soybeans, it is difficult for me to be sympathetic to the latest outbursts.

Now let us see why this country has been able to export around 40 percent of our soybean production. Those why buy our soybeans do so because we grow 75 percent of the world's production and our shipments constitute 90 percent of all exports. Thus, our trading partners are not being altruistic when they accept our soybeans without quota or tariff. They are doing so because we offer a dependable, quality supply of a much-needed product.

Soybeans need a scarce combination of winter daylight, modest temperatures, good soil, and plentiful moisture. Thus, soybeans are grown only in China, Brazil, and the American Midwest. Our trading partners are left with one reliable source of supply.

Mr. President, we are not only growing substantial amounts of soybeans—production is expected to be up 24 percent—but have the potential for vast new acreages that could be used for that product if necessary. The agricultural acreage set-aside program has released 13.5 million acres for feed grains including soybeans, and another 20 million unused but fertile acres are available. This country has spent billions of dollars to take land out of production and this year it is spending vast sums to put 25 million acres back into production.

In addition, it is estimated that 70 percent of current corn acreage is interchangeable with soybeans whenever the bean price reaches approximately three times the price of corn.

Mr. President, if our trading partners are well aware of the foregoing facts, why would they call for a tariff on soybean imports? There are several reasons for this action:

First, certain European farmers grow rapeseed which is a competitor of the soybean, although of lesser protein content, and if the soybean imorts were restricted, the acreage of rapeseed could be expanded;

Second, an EEC member would like to have vegetable oils from its former African territories sold in Europe on equal terms with soybean oil. At the present time, most soybeans are crushed into oil upon import while most tropical beans are crushed prior to export so the developing countries suffer from the tariffs on oils; and

Third, soybean meal is displacing traditional European feedstuffs and additional land has been converted to wheat production with high artificial support prices.

Mr. President, perhaps the expressed desire to seek other sources of protein is merely a device to limit certain agricultural imports into the EEC. While overall U.S. farm exports, including soybeans, to the EEC have risen since its formation, exports on which a variable levy is maintained have substantially declined. For example, U.S. exports of these agricultural products declined from $529 million in 1967 to $448 million in 1971.

There is no question of our long-term ability or will to supply agricultural supplies to our trading partners. We are facing a short-term distortion whereby the United States has wound up carrying the crop failures around the world. At the present, we are having a temporary problem in compensating fully for production setbacks in other countries.

Faced with the difficult and complex negotiations that lie ahead in the trade area and the problems inherent in any attempt to reform the international monetary system, it is difficult for me to understand the level of criticism at this point in time over the embargo on certain agricultural products. Unless, Mr. President, the criticism is made with other motives in mind.

Mr. President, I would like to respond to our trading partners by offering three suggestions:

First, as they are assured of a quality supply of U.S. agricultural products, they should eliminate the inconsistent statements regarding increased tariffs on one hand and complaints of export controls on the other;

Second, they should open their market to all agricultural products by the elimination of quotas, modification of the Common Agricultural Policy, and application of the most-favored-nation treatment to American citrus; and

Third, they should guarantee a stable access to their markets for our agricultural products which will enable the American farmer to quickly produce a quality product at a reasonable price.

THE FOREST SERVICE

Mr. McINTYRE. Mr. President, I am deeply concerned by reports that the administration is narrowing the focus of the U.S. Forest Service.

I can appreciate the fact that rising demand for timber products and the economic importance of increased lumber and plywood production poses a great temptation to "unilateralize" forest use by maximizing timber cutting and sales.

But in my judgment this is a serious mistake, Mr. President, and we will be paying tomorrow for our shortsighted expedience today.

Not only are we told by the Forest Service that it is already far behind schedule in replanting forests, leading to the conclusion that replanting will fall even farther behind if harvesting is, indeed, accelerated, but we are also told by conservationists that the 11.8 billion board feet now slated to be sold off in fiscal 1973 and fiscal 1974 is more than can be safely cut.

But beyond these related problems lies the central folly of abandoning the historic multiple-use concept of national forest management.

The national forests of New England, for example, were established to provide protection of mountain watersheds and timberlands and encompass two-thirds of all New England peaks above 4,000 feet elevation. These forests also provide protective habitat for wildlife, game birds, and songbirds.

The Multiple Use-Sustained Yield Act of 1960 confirmed and underscored the longstanding Forest Service policy of administering national forests for outdoor recreation, range, watershed, fish and wildlife enhancement as well as timber production. With 60 million Americans living within a day's drive of these New England national forests, it is imperative that these lands be administered for the recreation and enjoyment of this and future generations as well as for production.

As detailed in the "Guide for Managing the National Forests of New England," a major objective is the development of high standards of management to protect and improve land and resource productivity, including the proscription that not more than 25 percent of any one watershed can be harvested by clearcutting techniques over a 10-year cycle.

Mr. President, I am proud that we have a new Forest Service laboratory in Durham, N.H., to help develop those high standards of forest management. One of its goals is the development of new high yield timber productivity which would lessen reliance on clearcutting, a practice which provides immediate rewards but exacts its toll over a period of years.

I welcome these efforts by the Forest Service to increase timber production to meet the rise in demand when they are carried out within the overall confines of proper managerial standards, just as I continue to look for leadership from the Forest Service in maintaining a balanced use of these precious lands and a controlled interaction between all those interested in quality planning for the national forests.

Mr. President, to free the Forest Service to provide that leadership, I would urge the Agriculture Committee to begin an immediate investigation of a report titled "Financial Planning Advice." This 85-page report, which reportedly reflects the White House Office of Management and Budget's wishes, has been sent to U.S. Forest Service field offices around the country.

This report states that—

> Planning for new recreation projects will not be done in fiscal year 1974.

And that—

> Recreation operation and maintenance costs will be reduced by giving consideration to closing up to 80 percent of facilities for which the standard level of operation and maintenance is estimated to cost more than $3 per visitor-day for campground and $6 per visitor-day for picnic, boating and swimming sites.

Such directives, if carried out, would not only frustrate the growing wishes of more and more Americans to avail themselves of the beauty, the tranquillity and the restorative powers of the national forests, it would dangerously subvert the historic principle of multiple use of those great forest lands.

NO BEEF IN THE GROCERY STORES

Mr. BEALL. Mr. President, I ask unanimous consent that a statement prepared by Senator Brock relating to the beef shortage be printed at this point in the Record.

The PRESIDING OFFICER. Without objection, it is so ordered.

Statement by Senator Brock

Mr. President, the August recess is almost upon us, and most Senators and Congressmen will be returning to their home areas to face what I am now certain will be a positively irate constituency.

What will you say to them when they ask why there is no beef in the grocery stores? How can you possibly explain away the responsibility each one bears for this incredible situation?

Oh, we can set up straw men and blame it all on them. Blame it on the farmer. Blame it on the the meatpacker. Blame it on the grocer. Blame it on the Administration. There is plenty of blame to go around.

But the people can't eat blame, and they will have little sympathy for politicians who cop a plea saying, "I didn't have anything to do with it."

Mr. President, the time has come—it is, in fact long overdue, to bite the bullet. The time has come to tell the American people the facts.

It is now clear that within a matter of two or three weeks in some communities a housewife, a United States Senator, or the richest man in America may not be able to walk into his local supermarket and buy beef.

The Spencer Foods Company, a large Iowa meatpacker, shut down operations earlier this week. The Armour plant in Brownsville, Texas is shutting down its slaughtering operations today. These represent but the tip of an iceberg. Wholesalers, supermarkets and restaurants have no idea where they are going to get meat once their present inventories are used up, and that is only a matter of days in some areas.

Meanwhile, the beef shortage will work its inevitable anguish on the price of other meats. Pork, lamb and chicken prices are already starting to skyrocket out of the reach of many families.

Certainly a return to freer markets will require hardship. It would be demogogic to argue otherwise. Yet the price we would pay in the short term is far less than that yet to come if we refuse to do what is right today. By facing our adversity squarely, we can come to grips with the issue and resolve it by increasing supplies. On the other hand, continued reliance upon politically expedient, and economically devastating, controls can only lead to higher prices and shortages.

This is the harvest we are reaping for our ill-advised venture into economic controls two years ago, coupled with Congress' refusal to use that time for more basic remedies. In 1971 the Administration, in response to pressures, international and domestic, started the American people on their journey through the Phases.

I will not duck the issue, for I, too, accepted the unacceptable. I said, "reluctantly," but this is not time for quibbling about semantics. We have now reached the danger point, and we need to know why.

These controls were obviously intended to stop inflation. It's regrettable no one was able to apply them to a spend-thrift Congress. Look at the record—just in the past few days and weeks.

Both House and Senate have voted for spending ceilings. Both House and Senate have voted for bills which far exceeded the Budget. Both House and Senate have voted to force the President to spend every dime Congress Appropriates. Now who's kidding whom. You can't cut spending and increase it at the same time.

Congress must accept its share of the responsibility to control inflation. The first step would be to pass meaningful budget control legislation, and live with it.

In so many words, let's put controls on government excesses, where they are really needed, rather than on the working people of America where we already have too many limitations on productivity.

Of these, I've had enough. I've had enough of "fine tuning," or more properly stated, flagrant meddling. We must get back to the American way of doing business, to the natural law of supply and demand. We must reinstitute the free market economy, and yesterday isn't soon enough.

The "fine tuning" metaphor is a nice one. The picture gets a little fuzzy, so you turn the knob, and the sound fades out. Then you turn it back and there's the fuzziness again. Back and forth you go, but it never seems to be quite right. Maybe its time to admit that government is a lousy farmer, a lousy businessman, a lousy consumer.

It certainly is time to realize that you can't tinker with a machine as complex as the American economy without disasterous results. Let's call off the tinkerers. No government can equal the collective competence of the American consumer. His ability to say 'no' is the only control that works in the long term.

The free market is a magnificent economic structure. It is resourceful, adaptable and flexible. It is a thousand times more creative than the government. Yet government can wreck it, and that is just what is happening.

Let's move to Phase Zero, and do it now. We need no more evidence than the empty shelves in the butcher shops which are coming all too soon.

THE GOALS OF NASA

Mr. MOSS. Mr. President, a decade and a half ago, Congress passed the National Aeronautics and Space Act of 1958, creating NASA and marking the beginning of vigorous U.S. participation in the space age.

In establishing NASA, Congress stated eight specific objectives to be sought in conducting the aeronautical and space activities of the United States. These objectives stand today in section 102 of the act, and are as follows:

First. The expansion of human knowledge of phenomena in the atmosphere and space;

Second. The improvement of the usefulness, performance, speed, safety, and efficiency of aeronautical and space vehicles;

Third. The development and operation of vehicles capable of carrying instruments, equipment, supplies, and living organisms through space;

Fourth. The establishment of long-range studies of the potential benefits to be gained from, the opportunities for, and the problems involved in the utilization of aeronautical and space activities for peaceful and scientific purposes;

Fifth. The preservation of the role of the United States as a leader in aeronautical and space sciences and technology and in the application thereof to the conduct of peaceful activities within and outside the atmosphere;

Sixth. The making available to agencies directly concerned with national defense of discoveries that have military value or significance, and the furnishing by such agencies, to the civilian agency established to direct and control non-military aeronautical and space activities, of information as to discoveries which have value or significance to that agency;

Seventh. Cooperation by the United States with other nations and groups of nations in work done pursuant to this act and in the peaceful application of the results thereof; and

Eighth. The most effective utilization of the scientific and engineering resources of the United States, with close cooperation among all interested agencies of the United States in order to avoid unnecessary duplication of effort, facilities, and equipment.

From its earliest days, NASA has basically relied on the aerospace industry in working toward these objectives. In the peak funding years of the mid-1960's, over 90 percent of the NASA budget was spent in the private sector. Today, about three-quarters of the funds appropriated to NASA are expended through contracts, most of them with the aerospace industry.

Thus our long-range ability to pursue the goals established by the Congress in 1958 is heavily dependent on the strength and viability of the aerospace industry.

In recent years we have seen rapid change in the character and health of that industry—for example:

Employment in U.S. aerospace industries has dropped one-third from the peak in 1968;

U.S. balance of payments in aerospace products was more than $3 billion on the positive side in 1972;

Imports of European aerospace products have grown 700 percent since 1958;

Declining stock market prices have raised the possibility of mergers and outside control of major aerospace companies; and

International alliances between American and foreign aerospace companies are becoming common.

I believe that, as the 15th anniversary of NASA approaches, it is both important and timely to assess our future capabilities to meet our stated national objectives in aeronautics and space. To begin this assessment, the Committee on Aeronautical and Space Sciences is opening hearings this fall to inquire into the state of the aerospace industry, its importance in achieving the goals listed in the NASA Act and the relevance of these goals to our Nation's future.

In short, we want to know where we stand today, where we want to go, and what is our rate of progress. The hearings will focus on the following questions:

Are the goals set by Congress 15 years ago still proper, or has experience indicated a need for change?

Are there basic faults in the Government-industry roles and relationships used to seek these objectives?

Are new steps necessary to enhance the stability of design and management teams, and to insure an adequate supply of scientists and engineers in the necessary disciplines?

What effects do project size, type, duration, and funding have on the state of the industry, and its prospects?

What are the potential effects of the current trend toward more international competition and greater international involvement in aerospace projects?

Are we placing adequate emphasis on all major areas in which aerospace science and technology is applicable?

We plan to open these hearings on September 26 and 27. The total range of our inquiry will take more than can be accomplished in two days. Later hearings will be scheduled as time permits.

SENATOR CHARLES H. PERCY VOTE ON GRAVEL-STEVENS AMENDMENT TO S. 1081

Mr. PERCY. Mr. President, I was in committee during the debate on the Gravel-Stevens amendment to S. 1081 and was unable to make a statement at that time on my reasons for opposing it. I would like to state now for the record the reasons why though I did vote for the "trans-Alaskan pipeline authorization act," I voted against the Gravel-Stevens amendment to the act. That amendment was adopted by the Senate on July 17 by a vote of 49 to 48, and affirmed on a motion to table the motion to reconsider by a vote of 50 to 49.

The Gravel-Stevens amendment, as modified, stated in the findings and declaration section that no actions taken by the Secretary of the Interior, or by any other Federal agency, with respect to construction of the trans-Alaskan pipeline system shall be subject to judicial review.

In the operative section, the amendment authorized and directed the issuance by the Secretary of the Interior and all other Federal agencies of any authorizations they deem necessary for the construction of the trans-Alaskan pipeline, a State of Alaska highway, and three Alaskan airports. These authorizations were required to be made without further action under the National Environmental Policy Act or any other law, and without regard to the provisions of any other law.

Finally, the amendment stated that actions previously taken by the executive branch shall be regarded as satisfactory compliance with the National Environmental Policy Act—NEPA—and all other applicable laws.

The purpose of the amendment was to speed construction of the trans-Alaskan pipeline by removing all legal and judicial barriers to the project, including litigation already pending in Federal court.

This purpose was to be accomplished at the expense of the rights of citizens to sue against any alleged improper or capricious actions by Federal officials. It was to be accomplished particularly at the expense of NEPA, the law designed to protect the environment from ill-considered Federal projects.

Mr. President, I voted against the Gravel-Stevens amendment for several reasons: First, because I am, at this early date in its history, opposed to any weakening of such an important act as NEPA; second, because I am opposed to Congress circumscribing the jurisdiction of the courts in this manner; third, because I am opposed to so broad a grant of authority to the executive branch. I will explain each of these reasons more fully.

I believe the amendment weakened NEPA by attempting to exempt from its coverage a project of extraordinary potential environmental impact and intense controversy, which is to be undertaken on Federal land.

By exempting the trans-Alaskan pipeline from NEPA on the grounds that the need for oil overrides all other considerations, we are setting a precedent for future exemptions on this and other such "needs" grounds, and the environment will be the potential loser. Similarly, by stipulating that the Secretary of the Interior has fully complied with the requirements of NEPA when a pending lawsuit contends he has not, the Congress is denying the rights of citizens to seek a judicial remedy for redress of grievances.

The second reason for my vote is that I believe the Gravel-Stevens amendment overstepped the extremely important boundary between the powers of the legislative and judicial branches.

By withdrawing the Alaskan pipeline from the purview of the courts, the Congress is attempting to prevent the courts from fulfilling their responsibilities to rule on the legality of public and private actions. By stating that the pipeline is to be authorized notwithstanding the provisions of any law except S. 1081, we are virtually challenging potential litigants to find other avenues for judicial review. They might well contend that other laws do indeed apply. For example, would pipeline construction be exempt from antitrust laws, contract laws, procurement laws, civil rights laws, as well as environmental laws?

The irony would be if this amendment created by its own terms new grounds for litigation, including constitutional grounds, which delayed the Alaskan pipeline even longer than the litigation it sought to override. Such a situation was predicted by the distinguished floor manager of the bill, Senator JACKSON, who also voted against the Gravel-Stevens amendment—and surely he is regarded as a strong proponent of the pipeline itself.

My final reason for voting against the Gravel-Stevens amendment was that it granted exceptionally broad powers to officers of the executive branch.

The amendment directed the Secretary of the Interior and any other agency heads to grant whatever permits or authorizations they deem necessary to build a pipeline, a highway, and three airports. This authority was unfettered by a requirement to comply with any other law, and it was to be immune from judicial scrutiny. It in effect had the Senate certify actions of the executive branch of Government as fully complying with the requirements of NEPA when many Senators would have difficulty knowing whether such requirements had been adhered to or not.

It is difficult to conceive of a more unrestricted grant of authority to officers of the executive branch. Even the President is not often so richly endowed.

Mr. President, I firmly believe that we as a nation need all the Alaskan oil that can be found. We need it as soon as possible consistent with a respect for the environment of the Alaskan and Canadian wilderness and the ocean and coastal areas.

But I believe this amendment has gone too far in rushing to obtain the oil, while giving insufficient regard to environmental concerns and the jurisdiction of the courts. It is a dangerous precedent for the Congress to be establishing.

FARMWORKERS' STRUGGLE

Mr. KENNEDY. Mr. President, for years, the migrant farmworkers and the seasonal farmworkers have blistered their bodies in the agricultural fields of America, forced to work without the protection of law or the protection of labor organizations. Yet their work has been vital to the success of the Nation's agricultural economy.

The "Grapes of Wrath" by Steinbeck told some of the stories of their lives. Edward R. Murrow brought us up to date in 1960 with the "Harvest of Shame" and a few years ago, NBC revisited those fields and found much the same plight facing the farmworkers.

There still are some 800,000 children under 16 who work in the fields, according to the Department of Agriculture, including 325,000 between 10 and 13. The best Government estimate of the average income of migrant farmworkers and the seasonal farmworkers is some $3,000 per year for a family of four. And there are some 5 million farmworkers and their families in that population. The vast majority are not covered by the minimum wage, even with the reforms in the legislation approved by the Senate this year.

Despite their existence at the very bottom of the economic ladder where their health problems are among the most serious of any population group in the country, barely 6 percent are covered by medicaid. An equally low percentage are ever treated under any Federal health program.

They remain essentially neglected by Government.

But today there is a difference. It is a difference that stems from the sacrifice and efforts of Cesar Chavez and the United Farm Workers Union, the first attempt to provide these workers with the means to voice their desire for a decent wage and a decent life.

Their struggle over the past 8 years is history and most of us applauded the limited sucesses that came with the signing of their first contracts 3 years ago.

Now they are engaged once more in an equally difficult battle, one which finds the largest and most powerful independent union, the Teamsters, arrayed against them in the California fields. There has been violence and there has been a disturbing repetition of restrictive local injunctions issued and withdrawn, massive arrests of picketers by local law enforcement agencies which have drawn Justice Department investigations, and grand jury investigations of certain Teamster officials.

Yet the farmworkers' struggle continues.

As one who has followed this struggle from its inception, I would urge my colleagues to examine the article written by Harry Bernstein, labor writer for the Los Angeles Times who has covered this field for decades and who has written a perceptive article on the current situation in the July issue of the Progressive magazine.

And I urge my colleagues to consider his conclusion:

> In their struggle to break the UFWU growers are raising wages. In the competition, farm workers may move up a rung on the nation's economic ladder. But until the time comes when the farm workers are free to choose their own union, when they are treated as dignified citizens and not as pawns, however valued, of the Teamster-grower alliance, their struggle will not be ended.

I ask unanimous consent that his article be printed in the RECORD.

I also ask that correspondence between my office and the Justice Department on this subject be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

DUEL IN THE SUN UNION BUSTING, TEAMSTER STYLE

(By Harry Bernstein)

"Sometimes I feel like one of those hired gunslingers you see in old Western cowboy movies," Bill Grami mused as he sipped some wine before dinner in the softly lighted dining room of a Salinas hotel. The image seemed to appeal to his well-developed sense of humor. Solidly built, intelligent, ruthlessly ambitious, Grami smilingly explained his thoughts to me:

"You know, the ranchers are having a hell of a time with the outlaw band when into town rides the gunslinger. The worried ranchers, who don't know how to handle themselves in such situations, hire the gunslinger. There is a big fight, the town is saved, and the gunslinger moves on to new territory."

The hotel paging system flicked on. A voice called Grami to the telephone. As he was leaving, he laughed. "It really isn't a very good analogy, I'm no gunslinger. But sometimes that's the way I feel. Know what I mean?"

Grami is director of organizing for the Western Conference of Teamsters. He was in Salinas, California, to negotiate with a group of lettuce growers who wanted a union contract with the Teamsters as protection against the threatened unionization of their workers by Cesar Chavez's AFL–CIO United Farm Workers Union. Within a few days the Teamster-grower deal was signed.

Grami's analogy was partially correct. He and the Teamsters Union have, indeed, been hired by ranchers in California to destroy what the ranchers regard as an outlaw band: Chavez and his UFWU. But the men who hired the Teamsters are not hapless ranchers. They are corporate owners who are faced with the prospect of losing control of a work force which for decades has accepted backbreaking jobs in almost stolid silence at below-poverty wages.

And the Teamsters are not ordinary gunslingers of old. The men directing the show of strength against the farm workers' union are wealthy, conservative leaders of the nation's largest union, flanked by highly paid lawyers and public relations men and $50 a day thugs who ride herd on workers threatening to strike much as cowboys ride herd on restless cattle.

It is a sordid story which makes a mockery of trade union traditions. It is a strange story, because the motives of some of the principals are not clear-cut, and many officials of the Teamsters Union say privately they want to get out of their role as union-busters, but do not know how. But it is, too, a story of heroes and heroines who, despite serious mistakes, have already changed the nature of this country's farm labor system.

The most easily understood aspect of the situation is the role of the growers in their alliance with the Teamsters. The start of the California farm labor system is generally dated May 12, 1869, when the golden spike was driven into the last rail to link the Union Pacific with the General Pacific railroad, opening an easy East-West route. It was boom time for growers ready and now able to start shipping eastward large quantities of food from an area ideal for year-round growing.

The growers needed workers for the jobs, and completion of the railroad, along with an end to the gold rush, provided the manpower. Thousands of Chinese working in the railroads and digging the gold were suddenly looking for jobs. Their labor was cheap compared to wages expected by whites, and the hot, hard field work was taken over in large part by the Chinese.

The depression of 1880 caused serious unemployment among white American workers, led to the Chinese Exclusion Act in 1882, and cut off the major source of foreign farm labor. But the pattern of farm employment in California had begun, and it did not change essentially until 1964 when Congress, at the insistence of men such as former Secretary of Labor W. Willard Wirtz, killed Public Law 78, which was used to bring into California and other states hundreds of thousands of Mexican nationals as the prime source of cheap labor.

"Crops will rot and people in this country will go hungry," a spokesman for the growers warned as they watched the end of the "bracero" system, but the crops did not rot. Production continued to rise as wages were pushed up slightly to attract more American workers. The bulk of the work force, however, was and still is composed of Mexican-Americans, and they appeared as docile and uncomplaining as the Mexican nationals they replaced.

These mostly illiterate Mexican-Americans, along with illegal aliens fleeing from the even deeper poverty of Mexico, were still "hands" to the growers. It was into this scene, then, that Chavez arrived, stirring workers by calling on them to join *La Huelga* (the strike) and *La Causa* (the cause), speaking to them in Spanish, identifying himself with them. "We will have dignity and enough food to eat, and we will provide education to our children. God wants this for us. We will succeed," Chavez told the farm workers.

It was this man and his followers that drove the growers to seek out the Teamsters Union as an ally, a protector, even though the growers had for decades ruthlessly fought all attempts to organize farm workers. Now growers were demanding that the Teamsters quickly sign union contracts as a means of destroying Chavez and his UFWU.

Chavez—praying, fasting, organizing—flaunted the symbols of his Catholic religion before growers who were long accustomed to fighting off unions by cynically labeling them "Communist." Teamsters and growers denounced him as a dangerous, radical revolutionary, but, as one grower said, "It was like calling the Pope a Red."

Backed by leaders of the Catholic Church and most other religions, by powerful political figures, by young people and liberals hungry for a cause to believe in, Chavez and his union moved ahead. The growers were no longer able to follow their old patterns, *La Causa* flourished, greatly aided by a worldwide boycott against California table grapes. The growers, worn down by five years of constant struggle, finally agreed to recognize and sign contracts with the UFWU.

As the UFWU battle for recognition continued in the grape industry, the growers dramatically changed their historical opposition to laws which would regulate labor relations in agriculture. They decided that only with such legislation could they stop the boycott, which is the UFWU's most effective weapon so far.

In 1967, a group of twenty-two prominent California growers arranged a secret meeting with Teamsters Union leaders in the plush Century Plaza Hotel in Los Angeles, far from the dusty fields where workers might learn of the proposals being made. The growers said frankly that they wanted a tough, experienced organization—the Teamsters—to help beat back Chavez. One high Teamster official maintains firmly that the growers' proposal was rejected because "they wanted no elections, only a sure thing." But if the deal was not made that day, it was made in the months that followed.

If the motivation of the growers—preservation of the status quo—is easy to understand, the motives which pushed the Teamsters into their union-busting alliance with the growers are far more complex. The UFWU has sworn statements from former Teamsters who say that a group of growers gave sizable but unknown sums of money to Teamster officials in Modesto, California, to join the battle against Chavez. But it is unlikely that the money—said to total about $10,000 or so—would corrupt men like Grami or Frank E. Fitzsimmons, president of the two million-member Teamsters Union. Grami might have been tempted, however, by the promise of growers to pay the Teamsters $7 a month union dues deducted from the pay of at least 40,000 workers and, in time, from that of more than 100,000, if all went as planned.

But it took better arguments to persuade men like Fitzsimmons, and those arguments were found. It is true that when field workers strike or boycott, workers in canneries are quickly affected, as are truck drivers and food wareheouse workers, all of whom are longtime members of the Teamsters. So, the growers and their allies within the Teamsters argued that if the Teamsters would represent all workers in food growing and processing, no worker would suffer because of some "irrational act" of men like Chavez.

Looking for a somewhat rational excuse for union-busting, Teamsters who could not be bribed with money accepted the argument of the growers, and came up with further arguments of their own. They reasoned that the UFWU is predominantly Mexican-American, most of its meetings are conducted in Spanish, and, as one Teamster official said, "We really do believe Chavez would just move right in and try to take our cannery workers from us once he wins in the fields. Cannery workers are also largely Mexican-Americans, too, you know."

More important, perhaps, than any of these considerations in explaining why the Teamsters joined in an alliance with growers is what might be called the "cultural collusion" between them. Growers and Teamster officials generally have common interests, common ideas about business and politics, about race. Mostly Anglos, they have comparable incomes—$40,000 or so a year plus expenses, for those most active in the fight against Chavez. They eat in the same fine restaurants, often together; play on the same golf courses; take their kids on the same kinds of vacations and holidays. They talk about the stock market, the dangers of radicals and Communists, and their mutual distrust of "the Mexicans," Chavez, and his followers, who are called Chavistas. Chavez obviously does not fit into that kind of scene, and both growers and Teamster officials look with disbelief at Chavez and his staff, with their $5 a week salaries and their burning determination to help farm workers get more than they now get out of a system that has provided such a good life for a few people.

Einar Mohn, head of the Western Conference of Teamsters, and Fitzsimmons are infuriated by the good-guy, almost saintly, image Chavez and his followers have achieved. They complain bitterly, as do the growers, that the nation's press does not portray Chavez as they see him; a radical revolutionary who hates Anglos, is incompetent as a trade unionist, and is not "a man of his word."

Most books, magazine articles, and news stories have, indeed, fostered the contrast between the good-guy farm workers and the bad-guy grower-Teamster alliance. But these images are reflections of reality, repeated over and over again, and most recently in Coachella Valley.

In April the UFWU was negotiating a new contract with grape growers to replace the union's first contracts, which had been won at the end of the five-year strike and boycott. Two growers, Lionel Steinberg and Ken Larson, renewed their pacts with UFWU, but the rest decided to try to break away, and once again the Teamsters rode into town, invited by the growers. It took only two days for the growers to "negotiate" a contract with Teamster officials, and the UFWU immediately called a strike against the grower-Teamster alliance. The strikers lined the hot, dusty dirt roads in front of the growers' vineyards, urging fellow workers once again to join *La Huelga*.

In one memorable scene, a Catholic priest was leading a large crowd of Mexican-American workers in prayer. The workers were kneeling in the dust. Facing them, standing, was a line of a dozen beefy Anglos, several with dark glasses, staring contemptuously at the praying workers. The Teamster "muscle," in white T-shirts, hard hats, and blue jackets with "Teamsters" emblazoned on the back, had been hired for $50 a day, plus expenses. Most were armed with bats, hoe handles, sharpened grape stakes, and other weapons which were later confiscated by sheriff's deputies. With such enforcers, growers felt confident workers would stay in the field, and many did.

Chavez is not unaware of the value of his "good guy" image, of the impact of a picture of praying workers facing a gang of thugs. But he lives that image daily. Last year, Chavez received a total of $5,144 from the UFWU. This included his $5 a week salary (standard for all UFWU elected officers and appointed staffers), and such expenses as $960 for house rent, $1,440 for food for himself and his family, and $1,904 for medical bills incurred in Arizona where he fasted for nearly a month. (He was fasting to protest passage of an Arizona state farm labor law which is designed to prohibit the boycott, the UFWU's best weapon, and to set up elections which the UFWU said would exclude most migrant workers.) In contrast to the image, and reality, of Chavez's poverty stands Fitzsimmons, who draws $125,000 a year salary, plus an unlimited expense account, and flies around the nation in his private, union-furnished jet.

The Teamsters do pride themselves on their reputation as a tough organization, and many claim that it is this reputation which has gained them actual support from farm workers. The truth is, say the growers and Teamsters, farm workers now want to be represented by Teamsters. But the California State Supreme Court has called such claims nonsense. That unusual opinion came in a ruling against a group of growers who complained they were unfairly caught in the middle of a jurisdictional battle between two rival unions, the Teamsters and the UFWU. The court said the undisputed fact is that the growers knew the Teamsters did not represent a majority or even a substantial number of field workers when they signed contracts with the Teamsters. And, even worse, the growers knew that Chavez's UFWU *did* represent the workers.

A group of prominent religious, civic, and labor leaders conducted their own survey of Coachella Valley workers and reported that they found 795 for the UFWU, eighty for the Teamsters, and seventy-eight for no union at all. "It would be a great injustice to the workers if the grape growers make agreements with the Teamsters against the will of their workers," the group said, but the agreements were made anyway.

Monsignor George Higgins, research secretary for the National Conference of Catholic Bishops, said the Coachella Valley deal between growers and Teamsters "will be recorded as one of the darkest and most shameful days in American labor history." AFL–CIO President George Meany, in announcing the labor federation was giving $1.6 million to the UFWU to fight the grower-Teamster alliance, called that alliance "one of the most vicious union-busting efforts we have ever seen."

Mohn, the head of the Western Conference of Teamsters, predicts that in the long run the public will "see through" Chavez and the UFWU and recognize the gains made for farm workers by the Teamsters. Indeed, the UFWU is not without faults and flaws in its operations. Inexperienced in labor relations, filled with bitterness against "Anglo exploiters" of Mexican-Americans, the UFWU was inept in negotiations, inefficient in handling grievances, and ran the industry's first union hiring hall in almost chaotic fashion.

The UFWU leaders show little sympathy for many real problems of growers, who are often besieged with difficulties ranging from killer storms to depressed markets which at times fluctuate frantically and result in heavy losses. Such problems are regarded by UFWU officials as excuses of Anglo growers to avoid raising wages. In time, if it survives, the UFWU will gain the experience needed to negotiate contracts, to run a hiring hall, to handle grievances. Regular meetings are held among UFWU members, and those meetings appear to provide a valuable source of communications between union leaders and rank and file members.

The Teamsters, however, have never called meetings of the farm workers who are covered by the contracts given them by the growers. Mohn says that it may take "about two years" before farm workers will actually take part in regular Teamsters meetings. By then, he believes, a more mechanized farming industry will have attracted more sophisticated workers, "and as jobs become more attractive to whites, we can build a union that can have structure and that can negotiate [with management] from strength and have membership participation." (Persons of Mexican ancestry are members of the Caucasian race, as are other whites, who are generally known as Anglos. However, some persons of Mexican ancestry refer to themselves as brown.)

Mohn insists he is not a "racist" and notes the large number of Mexican-Americans who are Teamsters Union members. But to Chavez and the UFWU, Mohn's statements about "whites" are further evidence of that "cultural collusion" which helped bring the growers and Teamsters together in the first place. Chavez distrusts "Anglos" and has said so on several occasions. But, considering the history of discrimination against the Mexican-American community throughout the Southwest, that distrust is understandable, although most of the support for the UFWU has come from "Anglos" such as Meany, other union leaders, church leaders, students, and liberals.

The outcome of the conflict is uncertain. If the Teamster-grower alliance wins, Chavez and the UFWU will be eliminated. If the UFWU wins, the Teamsters Union will not be hurt, except for some ego wounds to its leadership. I am convinced that despite the immorality of the Teamster-grower alliance, farm workers will inevitably benefit from the current struggle. Every time the UFWU makes a gain, or even threatens to make one, the growers will try at least to match that on paper, and many of those "paper contract benefits" will be passed on to farm workers.

In their struggle to break the UFWU, growers are raising wages. In the competition, farm workers may move up a rung on the nation's economic ladder. But until the time comes when the farm workers are free to choose their own union, when they are treated as dignified citizens and not as pawns, however valued, of the Teamster-grower alliance, their struggle will not be ended.

JUNE 29, 1973.

Hon. ELLIOT RICHARDSON,
Attorney General.

DEAR MR. ATTORNEY GENERAL: The increasing violence and intimidation in the labor management dispute involving the United Farm Workers Union and the Teamsters' Union in the Coachella and San Joaquin Valleys of California concern us greatly. Individuals have been hospitalized and property has been destroyed.

It is quite possible that contrary to such statutes as 18 U.S.C. 241, violence and threats of violence will deprive farmworkers of the opportunity to exercise their First Amendment rights in connection with the strike against certain California grape growers. In view of the rising level of tension and potential for further violence, which seems inherent in this situation, we would urge that Justice Department observers be sent to these areas immediately to recommend any further action that they deem necessary to assure the protection of the civil rights of all concerned.

Sincerely,

Edward M. Kennedy,
Harrison A. Williams, Jr.

July 10, 1973.

Hon. Edward M. Kennedy,
U.S. Senate,
Washington, D.C.

Dear Senator Kennedy: The concerns expressed in your joint letter with Senator Williams regarding potential conflict between the UFW and other labor organizations in California has been the subject of Departmental attention for some time, as you may be aware.

Local law enforcement agencies have been monitoring the matter, and have been keeping the local FBI and through that agency, the United States Attorney, informed of developments. Personnel from the Department of Justice Community Relations Service have made on-site visits to attempt to ameliorate the situation, and, of course, we are prepared to implement any investigative action which the situation may require. Any indications of violation of federal statutes should be brought promptly to the attention of the United States Attorney so that appropriate action can be taken.

I appreciate your concern in this matter; please be assured that whatever action is required for full and fair enforcement of the law will be undertaken promptly by this Department.

Sincerely,

Elliot L. Richardson,
Attorney General.

U.S. Senate,
Committee on Labor and
Public Welfare,
Washington, D.C., May 24, 1973.

The Honorable Elliot L. Richardson,
The Attorney General of the United States,
Department of Justice, Washington, D.C.

Dear Mr. Attorney General: We understand that the Department of Justice has had under consideration the presentation to a grand jury of evidence concerning allegations—which the FBI has investigated—that during 1970, certain lettuce growers in the Salinas, California, area made payments of money "to (an) officer or employee of a labor organization" within the meaning of Section 302 of the Labor-Management Relations Act, for the purpose of disrupting United Farm Workers Union organizing activities. These allegations, if proven true, would raise substantial questions of possible criminal liability under such Act, and possibly other Federal Statutes as well.

We believe it most important that there be an early resolution of the validity of these charges, which have recently been the subject of widespread press attention, and would urge that you make a personal determination as to whether such allegations have been properly pursued within your Department, and whether additional investigation or other steps should be taken at this time.

We would very much appreciate your advising us of your conclusions with regard to this matter and your plans for its further disposition.

Sincerely,

Edward M. Kennedy.
Walter F. Mondale.
Harrison A. Williams, Jr.
Jacob K. Javits.

June 13, 1973.

Hon. Edward M. Kennedy,
U.S. Senate,
Washington, D.C.

Dear Senator: Thank you for your letter of May 24, 1973, in which you inquired about an investigation concerning possible Taft-Hartley violations involving lettuce growers and union officials in Salinas, California, in 1970.

For the past year and a half the Department has indeed conducted an intensive investigation into allegations that there were illegal payments of money to a certain official of the International Brotherhood of Teamsters during a strike conducted by the United Farm Workers Organizing Committee. In the early stages of this investigation, the Federal Bureau of Investigation conducted over 55 interviews and between mid-June and mid-October, 1972, a special grand jury in San Francisco heard 13 days of testimony from some 42 witnesses and subpoenaed over 15 boxes of records.

In order to better analyze the testimony and documents, an attorney from the Criminal Division of the Department was assigned in the fall of 1972 to assist the United States Attorney's office in San Francisco in this case.

Although the bulk of the investigation has been completed, there are several aspects which remain unresolved. One factual problem has been the corroboration of the somewhat inconsistent testimony of a central witness before the grand jury. At the present time the FBI is conducting a number of additional interviews to resolve this problem. One other obstacle before a final determination is made in this case is to determine the precise roles of various union officials during the time of the 1970 strike. This matter is also under active investigation at the present time.

At the conclusion of the present round of interviews, it is anticipated that the grand jury in San Francisco will hear further testimony in the case. The grand jury is expected to meet in July 1973 at which time it is hoped that the matter will be finally resolved.

Thank you for your interest in this matter, and please be assured that you will be advised as to any action taken in this case.

Sincerely,

Elliot L. Richardson,
The Attorney General.

July 20, 1973.

Hon. Elliot Richardson,
Attorney General, Department of Justice,
Washington, D.C.

Dear Mr. Attorney General: I have received a copy of a telegram from Cesar Chavez, of the United Farm Workers Union to your office. That telegram alleges serious failures by the Immigration Department in fulfilling its responsibilities to prevent the use of illegal aliens as strikebreakers.

I would appreciate receiving a report of your investigation into the specific allegations reported by Mr. Chavez. They are as follows, according to the telegram:

"In Fresno, County patrolmen refused to check the fields before first alerting the growers that they are coming."

"In Santa Maria, the Department claims that only matrons can arrest women, and there are no women working for the Immigration Service."

"The Department often answers complaints by saying that there are no patrolmen working that day, or that there is only one person at the office and he can't go out to check a ranch."

"On July second, Immigration took eleven illegals from Security Farms and left twenty-five others on the grounds that there was no room in the bus. They refused to make two trips."

"In addition, we have evidence of illegals being used at numerous other struck ranches throughout California and Arizona. Their locations are:

"Coachella, at Second and Pierce; 50th and Jackson in the Carian Camp; Moreno Ranch at Highway 86 and 85th Avenue; Karahadian Ranch at 50th and Buchanan; the Churchian Ranch at 50th and Van Buren; Bagdarsarian Ranch at Highway 195 and Garfield; CID Camp at 5th and Dillon; and the Moreno Ranch at Highway 86 and 82nd Avenue.

"Fresno: The Giainni Ranch; ITO; and L. R. Hamilton.

"Livingston: A. Gallo.

"Arizona: Martori Bros. at Arrowhead Road in Glendale; the El Dorado Ranch of Tenneco in Lichfield Park; the Boswell Ranch in Lichfield Park; Macchiaroli Fruit Company in Queen Creek; Centennial Farms at Harguahala; the Bodine Ranch in Glendale.

"Labor contractors who provide illegal aliens in Glendale, Arizona: Pancho Sanchez at 59th between Union Hills and Bearsly; Jose Rodriguez, Carlos Cabrera and Augie Espinoza; also Lalo Casas in Tolleson and Reuben Garza in South Phoenix."

Clearly the Department of Justice must use every resource available to it to assure that the protection of the law is provided to individuals such as the farmworkers who traditionally have been restricted to the lowest rung of the socioeconomic ladder in this nation.

Thank you for your assistance in this matter.

Sincerely,

Edward M. Kennedy.

MEETING OF THE PACIFIC NORTHWEST CHAPTER OF THE INDUSTRIAL RELATIONS RESEARCH ASSOCIATION

Mr. MAGNUSON. Mr. President, on the evening of July 19, an event important to the encouragement of amicable labor-management relations in the Pacific Northwest occurred in Seattle—the initial meeting of the Pacific Northwest chapter of the Industrial Relations Research Association.

The meeting brought together people of the area prominent in organized labor and in management to fraternize and break bread together in a common cause—the improvement of the collective-bargaining process and the economic climate of this important area of our Nation.

This is a project worthy of support. For my part, I extend best wishes for the success and growing influence of this mutual endeavor of management and labor.

The initiative in establishing the chapter was shared by many people, but it was largely spearheaded by the Federal Mediation and Conciliation Service. W. J. Usery, Jr., the national director of the FMCS, was the scheduled speaker, but because of extremely important strike negotiations in Washington in which he was involved, Mr. Usery was unable to attend and his prepared address was read for him.

Mr. Usery's thoughtful remarks should be of interest to other areas contemplating formation of IRRA chapters and for that reason I ask unanimous consent that they be printed in the Record for the perusal of my colleagues.

There being no objection, the address was ordered to be printed in the Record, as follows:

The IRRA: Forum for Bargaining Improvement

(By W. J. Usery, Jr.)

There's always a special feeling of excitement about something new. And that's especially true when it involves people coming together to make our world a better place.

So it is a distinct honor and pleasure for me to be with you tonight as you launch the northwest chapter of the Industrial Relations Research Association.

I join you in your hope that this gathering will result in a sharing of knowledge that will bring a new understanding to the collective bargaining process in Idaho, Oregon, and Washington.

We are fortunate in America. We have an unrestricted right to the exchange of knowledge. Our precious freedoms . . . of assembly . . . of speech . . . of the press . . . and of religion . . . were explicitly designed by our forefathers to create the blending of knowledge that has been the strength of our democracy.

By your action tonight you are lighting another lantern of learning that will help to improve life for the people of your three great States.

The IRRA bylaws call for the encouragement of research in all aspects of labor relations. Members are free to draw their own conclusions and hold their own beliefs.

While no commitment is asked of any member, I would suggest that each of you be dedicated to the cause of the free collective bargaining.

Because that process is one of the wonders of our American dream, I am convinced that the collective bargaining process has been the catalyst that has caused liberty-loving workers and investors to come together when other elements would have torn us apart.

We can look to much of the rest of the world and see what has happened when collective bargaining has either been destroyed, or has not been permitted to be born. There we find, in a variety of forms, governments that have crushed those inalienable rights of life, liberty and the pursuit of happiness.

Tyranny and free collective bargaining cannot co-exist. So it seems that in the pursuit of liberty, we would do well to protect and promote the collective bargaining cause.

Your northwest chapter of the IRRA is being formed at an opportune time. The demand for responsible labor-management relations has seldom been greater.

In the public sector, we have just begun to see collective bargaining emerging on a grand scale.

There are in the United States 11 million employees at the state, county and municipal levels. Of these, an estimated nine million hold jobs that would—under accepted standards—make them eligible for union representation. But only three million are now in unions—and fully half of those are teachers.

Once small and struggling public sector unions are becoming large, dynamic institutions. The American Federation of State, County and Municipal Employees, for example, has more than doubled its size in the past five years and now ranks among the larger unions in the Nation with 625,000 members. And they have just begun to grow.

In the federal sector, there are two-and-a-half million of us on the payroll. At least two million federal workers are eligible for union representation—and just over a million of those are now represented by a labor organization.

They are located in 3,400 units that have been certified by the government as being represented by unions. But in 1,300 of these units—with 400,000 workers—an initial contract has yet to be negotiated.

This situation exists in spite of the constant urging by the President and his predecessors to bring a mature and responsible labor relations program to the federal employees and their agencies.

We cannot allow this condition to continue. It is dangerous. We have seen how the frustrations of delay in getting an initial contract have ended in bitterness and blood in other public sector cases. We can ill afford to have such performances repeated anywhere, and least of all at the federal level.

We have, in public sector labor relations, a great opportunity to develop methods that will bring peace and justice and goodwill.

We can find in the private sector, too, new challenges that will enhance the free collective bargaining system.

This is an era of economic change throughout the world. And as leaders, we in the United States are right in the middle of those changes.

For some time now, we have heard about "runaway" industries. The first reference was to those industries of the highly industrialized and well-paid Northeastern United States that fled to the South.

But in recent years, the term has taken on a new meaning. The reference to the "runaway" has been to the American firm that has taken its production and services to foreign lands.

Just as the word "conglomerate" was becoming fashionable, a new multi-syllable word came into use. The word was "multi-national." And it referred generally to the major American corporations that invested funds in the development of production, service and marketing systems overseas.

Today another word has come into play. That word is "cosmocorps." Pull that word apart and it might conjure up images of a dead body floating in space.

But in fact, that word is meant to express the interchange of capital into production and services, regardless of geographic location.

America and Americans are feeling the effects of the cross-pollenization of all the world's investment capital.

One of the results is that for the first time since our early history—when the English by King George's law dominated all manufacturing in our colonies—we are finding foreign investors operating production and service facilities in the United States on a massive scale.

A British company has purchased Gimbel's—a trick that Macy's was never able to accomplish.

Two Japanese companies have joined to create the Auburn Steel Co., Inc., in Auburn, New York, to construct and operate a steel producing plant.

A French tire maker will employ 1,800 workers in two plants it is building in South Carolina.

A Japanese company has invested six million dollars in a new plant on a former corn field in Wisconsin to manufacture soy sauce and teriyaki sauce.

A British company is publishing newspapers in 21 communities in the United States.

The Sony Corporation, a fully owned subsidiary of a Japanese firm, is assembling color television sets in California, and soon will be producing television picture tubes there.

A German company has joined with an American company to print the Ladies Home Journal in a Virginia printing plant.

A Japanese-based company that manufactures 20 percent of the world's zippers has eleven production plants in the United States.

Mazda—the company that makes the car with the rotary engine—is spending 16 million dollars on a new headquarters building and parts warehouse in California.

The Swiss-based Nestle firm has bought out the Stouffer Corporation, which was a division of Litton Industries.

And that Kiwi shoe polish that is made in the United States is the product of an Australian company.

The list goes on and on. In fact, the people of South Carolina are now boasting that their state has more German money than any country in the world outside of Germany.

It may be German marks or Swiss francs, but the South Carolinians have a valid point.

In the South Carolina community of Spartanburg alone two Austrian firms, a Canadian company, an English corporation, seven West German companies and six Swiss-owned firms are operating production and service facilities.

That adds up to 17 companies in one community in just one of the 50 United States.

In all, South Carolina has lured nearly 800 million dollars in investments from 41 corporations which are headquartered in eight foreign nations.

What does this mean to us—people who are professionals in the field of industrial relations?

I suggest that it means that we must work to gain a far wider knowledge of labor-management relations.

Will these companies bring with them the standards of their own lands? And if not, will their American managements be influenced by the industrial relations policies of the home country?

The manager of the Sony company has said that the only thing Japanese about his firm's labor relations is that—and these are his words as reported in the New York Times:

"Nobody hired is going to be fired, there will be no layoffs."

That's good to hear. But it's a condition of work. And it does involve labor-management relations.

It behooves each of us—now—to learn as much as we can about the collective bargaining practices of other nations if we are to do our job as the industrial relations peacemakers of the United States.

By doing this, we will better be able to serve the foreign companies who are investing in production and service facilities here . . . the people they employ . . . the communities that become their adopted homes . . . and the nation that has made them welcome.

There is every indication that foreign investment in our land will accelerate even beyond its current pace.

The decline of the dollar on the world money market . . . the increase in transportation costs . . . the sharp rise in wages and employee benefits in foreign countries—all are making it more attractive for foreign corporations to create facilities in the midst of the world's greatest market, the United States.

That market has been built on a foundation of free collective bargaining. And this has been a banner year for that process.

We are witnessing a new determination to use reasonableness and persuasion—rather than economic force—in negotiations.

Both labor and management are finding that the price that must be paid for interrupted production is too high in today's competitive world. They are learning that lost American production opens new markets—and expands old ones—for foreign-made goods in the United States.

Hundreds of new contracts—many of them affecting thousands of workers—have been reached in peace in the textile industry.

Our martime industry is on the verge of a collective bargaining stability it has never before enjoyed.

In the electrical goods industry, which has been hard pressed by foreign imports, we have seen settlements at General Electric and Westinghouse. And they came in an atmosphere of harmony.

Only a few strikes interferred with the generally peaceful and responsible negotiations in the oil and rubber industries.

In the vital trucking industry and Postal Service, too, the collective bargaining process has come through with flying colors.

In the auto industry, there is talk of peace coming from both sides rather than dire predictions of strikes.

The prospects for next year are indeed brighter because of the historic moves made by the United Steelworkers of America and ten of our top steel-producing companies.

They have agreed that they will make every effort to resolve their differences through negotiations. But should they fall short, they will accept the decision of an arbitration panel.

It should be noted that the steel industry and the union that represents its workers have not been warring parties. It has been 14 years since there has been a strike in that basic industry.

A pressure equal to that of a work stoppage is responsible for their unique understanding. That pressure is foreign competition—competition so tough that even the threat of a strike has caused severe economic damage in recent years to both management and the workers.

This pressure caused the industry and the union in the late 1960's to begin working toward the experimental negotiating agreement that will be tested next year.

It is an intricate plan. And I'll not go into all of the details.

But a key factor in its effectiveness involves time limits—deadlines that must be met if the parties are to gain a freely bargained settlement without third-party dictates.

Formal negotiations will open on February 1. By April 15, the negotiators will have agreed to all issues or will have decided which issues must go to arbitration.

This is a crucial date. Because at this time, management and the union will be forced to determine not only which issues they can agree to—but which issues they will either abandon or leave to the judgment of arbitrators.

Five days later the arbitrators will receive any issue that has not been withdrawn or resolved. The arbitrators will have 20 days in which to render a decision.

Now I am firmly convinced that the pressure of being forced—by their own free will—to submit issues to arbitrators will result in a reasonable settlement being reached by reasonable men through collective bargaining.

The prospect of uncertain results rendered by arbitrators will, I believe, provide a compelling incentive for the parties to agree.

Well, my friends, I have attempted to touch no more than the surface of the challenges that are available to us in our obligation to protect and promote the free collective bargaining process.

What can you do through your new chapter of the IRRA to be effective in meeting these challenges? I have a few suggestions.

First of all, give every member the incentive to be active and involved.

To do this, establish programs that are interesting and rewarding.

Keep constantly in mind that your strength lies in the benefits derived from your chapter by those who negotiate.

By this I mean, we in government and many in the academic world are interested and care about the collective bargaining process. But at countdown time, your group will succeed only if the negotiators—from management and from labor—gain knowledge of value from the organization.

You can, in confidence, discuss what happened in negotiating situations. What worked—and why? What failed—and why?

Such discussions—away from the crisis atmosphere and under the cool light of reason—can produce lasting benefits. For management, for labor, for the community and your State and our Nation.

I urge you to make your IRRA chapter the leader in fostering new ideas in collective bargaining. The combinations of available strategies for collective bargaining are unlimited. And we are fortunate to be involved in a field where fresh ideas and new methods are welcomed.

For example, consider what impact might be made by the use of deadline buffers like those adopted by the steel industry. Should earlier use of mediation be promoted to reduce impasse situations? Does the threat of binding arbitration bring more responsible negotiations?

Test your theories against the facts in a variety of conditions in both the public and private sectors.

And as you learn, go beyond your own world and preach the gospel of free collective bargaining.

Have open conferences on the processes of free collective bargaining, and all it embraces — mediation — fact-finding — arbitration.

Have open conferences on new developments in industrial relations in the public sector and in the private sector.

Find methods of using the tools of collective bargaining to reduce tensions in the social areas—in race relations and the area of equality of opportunity: in rent strikes and student-teacher-establishment conflicts.

Promote the understanding of collective bargaining through seminars and programs for teachers—and through the development of industrial relations courses for students at all levels.

What I am suggesting is that you devote yourselves to utilizing the process of collective bargaining to making the future better than the past. It is a worthwhile effort—because the future is where all of us, and our children, will spend the rest of our lives.

THE NIXON ADMINISTRATION'S ATTITUDE ON THE NATION'S FORESTS

Mr. METCALF. Mr. President, in an article in the July 22 Daily Missoulian of Missoula, Mont., State editor Dale A. Burk revealed additional proof that the Nixon administration regards the Nation's forests almost solely as a source of timber supply for America's timber industry.

Mr. Burk quoted from a confidential, interoffice Forest Service memorandum sent from Washington to all field officials. That memo, running to 85 pages, left no doubt that the beleaguered agency has been instructed by the administration and OMB to ignore the multiple-use mandate of Congress and concentrate on cutting trees.

To quote Mr. Burk:

> Sources within the agency said the directive originates from orders given the agency through the Nixon Administration's Office of Management and Budget and that it nullified plans Chief of the Forest Service John R. McGuire had sent to his field forces last November.

The effect of the increased timber emphasis is to "defer or decrease activities in such areas as research, training, recreation, area studies, and equipment maintenance," Mr. Burk said.

Sample quotations from the Forest Service memo include:

> Cost savings realized through road and trail system operation shall be reprogrammed to timber support activities only.
>
> The distribution [under recreation and public use categories of funding] includes continuation of funding for landscape management participation of timber sale areas.
>
> Allotments for land status and line location include continuation of funding to permit marking of land lines and monuments in support of timber management activities.

In a later article, Mr. George C. Wilson, writing in yesterday's Washington Post, addressed himself to the same Forest Service memorandum. He excerpted significant quotes with regard to land use planning and recreation:

> Fiscal 1974 general land use planning will be primarily concentrated on the largest timber producing forests and areas where it must be done in response to high impact development (e.g., oil, gas or coal; transmission lines, etc.) Defer planning for less critical areas . . .
>
> Planning for new recreation projects will not be done in FY 1974. Close high-cost, low-use facilities. Shift as much work as feasible to timber purchasers, states and counties, permittees or contractors . . .

Mr. President, what further proof could one ask for Mr. Nixon's continued insensitivity to all but commercial values? Aspects of recreation, wildlife, watershed, land use planning, environmental studies, etc., are to be subordinated to the insatiable demands of industry for more timber. And all this despite the fact that inexcusable waste marks the logging and processing industries—up to a quarter of every tree is left on the ground after felling and up to a quarter of the remainder is left on the sawmill floor. Funds are slashed for the Forest Service research which would remedy this and they are likewise slashed on reforestation after the timber is cut.

Senator MANSFIELD and I are deeply concerned about the impact of the latest OMB venture into the management of Montana's precious natural resources. We will continue to do all we can to see that these ruinous policies are corrected. Our forests are not simply a private preserve of the timber interests, as Mr. Nixon, Mr. Ash, and Secretary Butz would have us believe.

Mr. President, both Mr. Burk and Mr. Wilson are outstanding writers in the field of natural resources. I commend them for bringing these latest revelations to the American people. I ask unanimous consent that their articles, along with the first 17 pages of the confidential memorandum, be printed in the RECORD. These pages, which contain a table of contents, will give the reader a good idea of the scope and thrust of the entire memo:

There being no objection, the material was ordered to be printed in the RECORD, as follows:

USFS FIELD FORCES TOLD TO INCREASE TIMBER CUT

(By Dale A. Burk, Missoulian State Editor)

U.S. Forest Service field forces have been ordered to direct their activities specifically at increasing the timber cut on the national forests while deferring or decreasing activities in such areas as research, training, recreation, area studies, and equipment maintenance.

Additionally, the agency's Washington office has directed that specific funding for soil and water management, recreation, wildlife, road construction and silvicultural management are to be used specifically to facilitate or increase the timber cut rather than contribute to the items supposedly provided for in the budgeting process.

These general orders are contained in an internal Forest Service document obtained by The Missoulian from sources outside the agency in Washington, D.C.

Titled "Fiscal Year 1974 President's Budget Financial Planning Advice," the 85-page document was sent from the Forest Service's Washington office to regional foresters, directors and area directors.

Sources within the agency said the directive originates from orders given the agency through the Nixon administration's Office of Management and Budget and that it nullified plans Chief of the Forest Service John R. McGuire had sent to his field forces last November.

The document also calls for a reduction in Forest Service employes from 20,355 full-time employes in fiscal 1973 to 18,810 in fiscal 1974.

"The timber sales program target is 11.7 billion board feet," the Washington office of the Forest Service states in the document. "You are aware that this will be increased. However, the dollar and manpower allotments shown in this advice do not include any increases for this purpose. Information on increased timber sales program will be handled separately as soon as the situation is finalized. You should plan to meet all the targets listed including the social goals and manpower and dollar savings opportunities."

The document then advises the field forces that the Washington office plans to "review your program activity accomplishments quarterly in chief and staff meetings" and that "program adjustments including dollars, manpower, and targets may be shifted where performance dictates this action."

The document states that the 1974 timber sales figure is "consistent with the programmed allowable harvest level, past sell and harvest performance levels, environmental constraints, and salvage and commercial thinning needs."

"In light of the current high demand for timber products for housing, etc., and the national economic importance of increased lumber and plywood production, you must make every effort to insure that these levels are met or exceeded," the document states.

The report notes that in addition to regular funds for timbering operations, field officer's attention is called to "allotments associated with timber production in other resource activities.

"The amounts shown are for support of timber production," the document states. "Work plans are to reflect the use of these funds accordingly."

The funds are listed under such categories as range resource management, range revegetation, mining resources, recreation, wildlife, soil and water management, fire management and reforestation and stand improvement.

Specific direction is given in several categories where funding and activities are to be directed at increasing or accelerating the timber cut. They include orders that:

"Cost savings realized through road and trail system operation shall be reprogrammed to timber support activities only."

"The Forest Development Road and Trail Program of Work in construction-reconstruction shall be developed to support, on order of priority: the prior year carryover FS contract construction-projects, the fiscal year 1974 timber sale and harvest program, the 1975 timber sale program. No other work is authorized."

Allotments for land status and line location "include continuation of funding to permit marking of land lines and monuments in support of timber management activities."

Under recreation and public use categories of funding, the document states that "The distribution includes continuation of funding for landscape management participation on timber sale areas" and that "recreation financing is expected to cover all necessary landscape management services required for timber activity planning."

Under wildlife surveys, inventories and habitat improvement, the Washington office orders that "the fiscal year 1974 allotment includes continuation of wildlife expertise in timber management planning."

Under soil and water management, the document orders that "The fiscal year 1974 allotments for soil and water are distributed to only one item by this office. Allotments include funding for design support services related to timber sales preparation and administration, including monitoring the effects of timber management activities."

Under silvicultural measures, the directive orders that reforestation and timber stand improvement efforts are to be made on sites which afford opportunities for high returns and that "all work should be done primarily in those areas where the programmed allowable harvest levels can be increased soon after reforestation or stand improvement work is accomplished successfully."

The directive orders the agency's field forces under a "planning and inventories" section to limit land use planning to those areas where activity levels in the next five years will be greatest or where high-level commitments cannot be deferred. It does not identify these "high-level commitments."

Also ordered is that existing resource information is to be used in planning except where new field inventories must be made to fill critical data gaps.

Specific instructions given the field by the Washington office in the planning and inventory fields were:

1. Detailed analyses of most new study areas will be deferred for fiscal 1974 except the five areas (not identified) where there is a firm commitment to Congress or on other new study areas where such analyses logically must be conducted in conjunction with necessary critical planning on adjacent areas.

2. On inventoried roadless areas not selected as new study areas, the planning and preparation of environmental statements will be generally limited to only those sites required for meeting fiscal year 1975–76 program goals.

3. Fiscal year 1974 general land-use planning will be primarily concentrated on the largest timber-producing forests and areas where it must be done in response to high impact developments. Routine planning on less critical areas is to be deferred.

4. In fiscal 1974, timber inventory efforts will be concentrated primarily on the largest-producing forests and on areas where comprehensive land-use plans are in preparation.

5. For fiscal 1974, examinations of reforestation and timber stand improvement backlog acreages will be deferred on sites expected to yield less than 50 cubic feet per year after treatment.

6. The inventory of temporary roads specified in the "National Forests in a Quality Environment—Action Plan" will be deferred for fiscal 1974.

7. Planning for new recreation projects will not be done in fiscal 1974.

8. Road construction design will be shifted to timber purchasers where feasible or to engineering contractors.

Some of the policy outlines issued by the Washington office in the document include:

Training costs are to be reduced by 30 per cent in fiscal 1974 with these costs to be reduced by concentrating on training needed by employes to perform in their present position deferring training needed to prepare employees for possible next assigment in career development, being more critical of who needs management training, and reducing the length of training sessions.

Costs associated with attendance of Forest Service personnel at meetings both within and outside the agency are to be reduced by limiting attendance only to those meetings "deemed essential" and restricting agency-financed attendance to functionary participants.

Inspection of agency actions such as the general field inspection conducted by the Washington office will be deferred for fiscal year 1974 and service trips by the agency's Washington office personnel will not be made unless specifically requested by the regions and approved by the appropriate deputy chief of the agency.

As many reports as possible will be eliminated or deferred, including "unit accomplishment reports primarily designed for informing the general public will not be published in fiscal year 1974."

Less essential maintenance, replacement and new purchases of equipment, vehicles and signs will be deferred and commercial rather than in-house services will be contracted to "reduce manpower and dollars which are being utilized by these activities."

On other functional programs, the agency will eliminate low priority projects, close high-cost and low-use facilities, and shift as much work as feasible to timber purchasers, states and counties, permittees or contractors.

This category includes shifting fire detection and initial fire fighting attacks to the states, a shift of nursery production to the states, and contract in fiscal 1974 70 per cent of the reforestation and timber stand improvement and 90 per cent of such work in 1975.

Also ordered are extensive testing of sample scaling to obtain timber sales volume on sales offered after Jan. 1, 1974, with application of this technique suggested whenever the sampling error is likely to be within 2 per cent.

The use of third party scaling "will be increased where payoff is most significant," the document states. "Most pay off is beyond F.Y. 74, and W.O. (Washington office) will develop a package of implementation directives."

Recreation operation and maintenance costs are to be reduced in fiscal 1974 by closing up to 80 per cent of facilities for which the standard level of operation and maintenance is estimated at more than $3 per visitor day for campground and $6 per visitor day for picnic, boating and swimming sites, shortening the periods of operations of facilities, contracting cleanup work, and opening visitor information centers later in the spring and closing them earlier in the fall.

Regional centralized Forest Service materials testing and soils testing labors will be phased out in fiscal 1974 in Region 1 (located at Ft. Missoula), Region 4 and Region 5 and routine testing contracted out.

Cut More, Forest Service Told—Guidelines Urge Downplay in Recreational Use

(By George C. Wilson)

The U.S. Forest Service must concentrate on getting trees sold and cut even if this means postponing or cancelling programs designed to help hikers and others use the national forests, according to the latest White House budget guidance.

This Nixon administration philosophy runs through an 85-page report entitled "Financial Planning Advice," which the U.S. Forest Service has sent to its field offices around the country.

John R. McGuire, chief of the U.S. Forest Service, said the document represents his implementation of what the White House Office of Management and Budget wants his agency to do in fiscal 1974.

McGuire, while stopping short of disavowing the directive, said "it is unfortunate that the country is facing inflation and thus cannot do more for natural resources." He added that the budget does not include "everything we would like to do."

The book of guidance will further fuel the current controversy over how much the Forest Service should get to manage the national forests and who should receive top priority in using them.

"In light of the current high demand for timber products for housing, etc.," states the guidance document, "and the national economic importance of increased lumber and plywood production, you must make every effort to insure that these levels are met or exceeded."

The levels refer to the amount of timber that can be sold and cut from the national forests. Secretary of Agriculture Earl L. Butz and John T. Dunlop, director of the President's Cost of Living Council, announced on May 29 that 10 per cent more timber would be sold off in calendar 1973 than contemplated originally for fiscal 1973. The amount for that year and fiscal 1974 is 11.8 billion board feet, more than can safely be cut in the opinion of some conservationists, but not in the view of McGuire.

McGuire has said however, that the Forest Service is way behind schedule in replanting the forests—a pacing item for determining how many trees can be cut down without reducing the yearly yield.

The guidance document stresses that in spending money, productive areas of the national forests should take precedence over the out-of-way places favored by hikers birdwatchers, hunters and fishermen:

"Limit land-use planning to those areas where activity levels in the next five years will be greatest or where high-level commitments cannot be deferred . . . Fiscal 1974 general land use planning will be primarily concentrated on the largest timber producing forests and areas where it must be done in response to high impact developments (e.g., oil, gas or coal; transmission lines; etc.). Defer routine planning for less critical areas. . . .

"Planning for new recreation projects will not be done in FY 1974," the document continues. "Close high-cost, low-use facilities. Shift as much work as feasible to timber purchasers, states and counties, permittees or contractors . . ."

Further, the guidance book states, "recreation operation and maintenances costs will be reduced by giving consideration to closing up to 80 per cent of facilities for which standard level of operation and maintenance is estimated to cost more than $3 per visitor-day for campground and $6 per visitor-day for picnic, boating and swimming sites. Exceptions where justified can be made . . ."

In guidance which goes against the new trend for people to use parks and forests in the off-season to avoid crowds, the document states that U.S. forest facilities will be open a shorter time than usual in the off season in fiscal 1974.

In discussing roads and trails that run through the national forests, the budget guidance stated that any money saved in maintaining those routes "shall be reprogrammed to timber support activities."

This type of emphasis and the amount of money in the Nixon administration budget for the Forest Service is only part of the reason the service has suddenly become so controversial. Other reasons include the growing number of people who want to use the forests for recreation, the militancy of environmental groups who are suing the Forest Service over its tree-cutting practices in a number of places, and qualms among lawmakers about shipping U.S. logs to Japan at a time when timber supplies are limited.

Fiscal Year 1974 President's Budget Financial Planning Advice

Reply to: 6520 Financial Management.

To: Regional Foresters, Directors and Area Directors.

The attached tentative field planning advice for fiscal year 1974 supersedes the financial portion of the Chief's Program and Work Planning Advice sent to you on November 22, 1972. Use the new advice to update your work and financial plans.

The financial situation and redirection was covered in detail at the March 29 and 30 Regional Foresters and Directors meeting. The fund distribution for NPS programs is the result of discussions at this meeting. The Research and S&PF programs remain about the same as the November advice except for the allocation accounts and the C–M 2 program, which is based on a $16 million level.

The field distribution assumes a $3.3 million and 109 PFT position reduction in the Washington Office compared with fiscal year 1973. This is being accomplished through normal attrition by filling no vacancies above GS–8 either existing or expected unless absolutely necessary. Where an essential position must be filled, we will (a) try to shift prorities within the Washington Office Division concerned; (b) shift priorities within the Deputy Area; or (c) go to Chief and Staff with a proposal to fill by reassignment from another Deputy Area or from the field.

The travel from this office has been modified from that shown in the November advice. Specific details will follow. You should also closely examine travel and meeting locations which require special per diem rates.

The timber sales program target is 11.7 billion board feet. You are aware that this will be increased. However, the dollar and manpower allotments shown in this advice do not include any increases for this purpose. Information on increased timber sales program will be handled separately as soon as the situation is finalized. You should plan to meet all the targets listed including the social goals and manpower and dollar savings opportunities.

We plan to review your program activity accomplishments quarterly in Chief and Staff meeting. Program adjustments including dollars, manpower, and targets may be shifted where performance dictates this action.

The allotments do not include any allowance for the last pay raise. We have not received any instructions on how increased 1974 pay costs associated with E.O. 11691 will be handled. However, you should plan on receiving funds for this purpose until advised further. In accomplishing this we suggest that you use current salary rates in your plans and use an adjusting entry to bring your dollar totals into agreement with amounts contained herein.

Included in this package is a summary of approved recommendations and action being taken as a result of Associate Chief Resler's interdisciplinary teams which reviewed special projects, methods of doing business and training, meetings and inspections. You will note that program activity targets have been assigned for selected items. Please let us have your ideas on targets which should be assigned for any other items by June 11.

The actions required to conform with the ten standard Regions will require adjustments at some Regional Offices, Station headquarters and the S&PF Area Offices. Funding, staffing, and attainment targets will be modified accordingly. We will move as rapidly as possible in providing you with the information you need to plan effectively in response to forthcoming organizational changes. However, we urge you to firm up your field unit plans without delay because only minor changes are anticipated below the Regional Office level.

DISTRIBUTION OF EMPLOYMENT CEILINGS

The following table shows the tentative distribution of fiscal year 1974 employment ceilings. This distribution is subject to change as the Regions are realigned.

TENTATIVE FISCAL YEAR 1974 EMPLOYMENT CEILING DISTRIBUTION

Unit	Fiscal year 1972 (PFT) ceiling	Mar. 17, 1973 actual (PFT)	Fiscal year 1974 (PFT) ceiling	"Other" ceilings—1973 budget submissions	
				Fiscal year 1973	Fiscal year 1974
R-1	2,104	2,067	1,934	3,062	3,132
R-2	1,134	1,122	982	1,435	1,468
R-3	1,102	1,083	956	1,359	1,390
R-4	1,455	1,417	1,282	2,105	2,153
R-5	3,012	3,054	2,731	3,397	3,475
R-6	3,746	3,682	3,533	3,777	3,863
R-8	2,485	2,444	2,304	1,340	1,371
R-9	1,715	1,692	1,473	1,219	1,247
R-10	251	265	279	123	125
Total	17,004	16,826	15,474	17,817	18,224
SA	149	139	133	106	109
NA	110	106	101	12	13
Total	259	245	234	118	122
INT	222	220	205	77	78
NC	235	234	214	62	64
NE	368	363	[1] 342	104	107
PNW	282	280	265	100	102
PSW	264	256	241	76	77
RM	208	196	192	37	38
SE	314	305	289	43	44
SO	324	313	315	38	39
FPL	354	350	345	7	7
Total	2,571	2,517	2,408	544	556
ITF (to R-8)	30	23	[2] 26	29	29
Washington office	711	744	655	67	69
BIFC	(3)	(3)	13		
Grand total	20,575	20,355	18,810	18,575	19,000

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[1] Includes 10 ceilings for research work units NE–1110 and NE–1199, Beltsville.

[2] ITF ceiling allotted to R-8. 13 ceilings provided for research project work and balance for NFS, S. & PF., and support services.

[3] R-1, R-4.

TRAINING, MEETINGS AND INSPECTIONS POLICY

A. Training

Our target for fiscal year 1974 is to reduce training costs by 30 percent. However, essential training activities will be conducted as follows:

1. Training needed to carry out special emphasis programs resulting from legislation, executive or Chief's direction (e.g., pollution abatement, upward mobility, timber production, environmental quality monitoring, civil rights, executive development (OMB A-44) etc.).

2. Training needed to accomplish recurrent management and production tasks under established output programs (e.g., safety, job certification and/or qualification for timber management, fire, engineering, and fiscal responsibility).

3. Training needed to meet minimum requirements for orientation and supervisory skills, etc.

Training costs will be reduced by:

1. Concentrating on training needed by employees to perform in their present positions (exception might be upward mobility and executive development for line officers).

2. Deferring training needed to prepare for possible next assignment (career development).

3. Being much more critical in decisions regarding who needs management training (K-T, SED, SIMM).

4. Considering alternatives to full-time training.

5. Exploring possibilities for savings by reviewing length of sessions, location of training, numbers of participants and training methods.

B. Meetings

Costs associated with attendance at meetings will be reduced. The following guidelines apply:

External Meetings

1. Limit through priority evaluation the number of meetings in which the "OFFICIAL" Forest Services presence is deemed essential.

2. Restrict FS-financed attendance to principally functionary participants (i.e., officers, committee members, etc.). Encourage attendance on official time, w/o per diem.

3. Reduce number of official attendees to the minimum and have one person "cover" the meeting for the Forest Service, when practical.

Internal Meetings

1. Examine traditional annual meetings to test if they still meet the need for which originally designed (and especially if they must be held in fiscal year 1974).

2. Examine length and location (especially where special per diem rates are needed) of meetings.

3. Closely examine number of attendees.

4. Seek alternatives (use other forms of communication).

These guidelines will be followed in applying the following procedures:

1. All meetings, attendance, and locations will be reviewed carefully by the concerned Deputy for WO-approved meetings. All meeting attendance will be approved in writing. Location evaluation for internal meetings will be documented.

2. Regional Foresters, Station Directors, and Area Directors will impose formal meeting controls, authorize meeting attendance in writing, and keep records where this is not being done. Records will document location evaluation for internal meetings.

C. Inspections

All GFI's imposed by the Washington Office will be deferred for fiscal year 1974 unless specifically requested by the appropriate Deputy Chief.

Washington Office service trips will not be made unless specifically requested by the Regions, Stations or Areas and/or established and approved by the appropriate Deputy Chief.

The GII of Eastern-Northeastern and the GRI of the Southern Station will be postponed. Other inspections and program reviews will be conducted under our inspection standards whenever determined essential in providing firm program direction in meeting goals and evaluation of quality controls.

Based upon the standard Region reorganization, Forest GII's will be postponed in Regions, 1, 3, and 4.

Inspections of Forests being studied for combination in Regions 2, 5, 6, and 9 will be postponed due to the disrupting effects of these studies.

Functional assistance trips to Forests, S&PF field locations and Research work units will be closely scrutinized. Approval procedures will be imposed by Regions, Stations and Areas.

SAVINGS OPPORTUNITIES

For special projects and methods of doing business

During the March 29-30, 1973 RF&D meeting, a list of potential opportunities for dollar and manpower shifts and/or savings for F. Y. 1974 was reviewed and commented upon. Based upon RF&D comments received and further review by Chief of Staff, the following specific items and/or direction are approved and will be implemented Servicewide for F. Y. 1974.

As part of this package, we are also placing those specific actions that can be reasonably quantified as reportable items in the quarterly program activity summary. We plan to monitor progress towards accomplishment of the tasks listed.

Category and general description

A. Information systems and reports:

General opportunity—Defer implementation of new systems and inventories. Reduce the frequency of detailed functional reports. Consolidate reports where feasible.

Specific opportunity:

1. The Biennial updating of the Project Work Inventory for F. Y. 1974 has been cancelled.

2. During the July 1973 annual review of the Forest Service Reports Schedule, Make a maximum effort to identify internally generated reports that can be eliminated or at least deferred for fiscal year 1974 such as the annual Range Statistical report.

3. The Inform project will be maintained at the F. Y. 1973 level and the previously planned expansion to accelerate completion of the project will be deferred for F. Y. 1974.

4. The S&PF multiple accomplishment report will be revised to achieve an approximate $7,500 reduction in cost.

5. Unit accomplishment reports primarily designed for informing the general public will not be published in F.Y. 1974. (i.e.,—Regional or Forest Annual report).

6. The collection of RIM data will be limited to only the collection of sufficient data to maintain the system for F.Y. 1974.

Category and general description

B. Business services and I&E:

General—Reduce the overall level of services and staffing but maintain quality of work for tasks undertaken.

Specific opportunity:

1. Each Regional Forester, Director and Area Director will, singly and jointly, review and capture those feasible opportunities for combination of business management staffing units where two or more headquarters exist in one locality. Criteria for consideration will include a measure of the impact on the efficiency of the units being supported. Increased efficiency of the business management unit alone may not be an adequate basis for a combination.

2. The existing staffing at the NFO will be assigned to operating positions as rapidly as possible. Target date for completion is June 30, 1974.

3. Forest Service voucher staffing will be reduced commensurate with the shift of work to the USDA Central Voucher Payment Center. Target date for completion is December 1973 based on anticipated implementation of CVPC Phase II, prior to that date.

4. Based on the experience, and cost/benefit information gained from a current trial of work processing methods, use of word processing techniques, Mag Card Typewriters and standardized responses to routine correspondence will be accelerated at the W. O. Field units are encouraged to do the same.

5. Multi-color publications will be reduced to an absolute minimum for F.Y. 1974 Service-wide.

6. As a target for 7/1/74, Business Management staffing will be adjusted in proportion to overall program reductions Servicewide. B&F, Adm. Services, Resource and Personnel Management sections and/or activities will be combined where efficiencies can be obtained. This will require withdrawal of some delegations to lower levels (e.g., S.O.'s) and consolidation at higher levels or with other management activities. Recognize that some jobs will have to be done by other professional and business management staff.

7. In view of the current impact of reduced dollars and manpower ceilings on all programs, across-the-board support activities for I&E efforts, (spending and manpower) will be reduced proportionately to other program reductions Service-wide.

Category and general proposal

C. *Planning and inventories:* Limit land-use planning to those areas where activity levels in the next five years will be greatest or where high-level commitments cannot be deferred. Use existing resource information except where new field inventories must be made to fill critical data gaps. Coordinate functional inventory efforts to facilitate development of comprehensive land-use plans. Contract data collection and design work to the maximum feasible extent.

Specific opportunity:

1. Detailed analyses of most new Study Areas will be deferred for F. Y. 74 except the 5 Areas where there is a firm commitment to Congress or on other new study areas where such analyses logically must be conducted in conjunction with necessary critical planning on adjacent areas.

2. On inventoried roadless areas not selected as new study areas, the planning and preparation of environmental statements will be generally limited to only those sites required for meeting F. Y. 1975-76 program goals.

3. F.Y. 1974 general land-use planning will be primarily concentrated on the largest timber producing Forests and areas where it must be done in response to high impact developments (e.g., oil, gas or coal; transmission lines; etc.) Defer routine planning or less critical areas.

4. In F. Y. 1974, timber inventory efforts will be concentrated primarily on the largest-producing Forests and on areas where comprehensive land-use plans are in preparation.

5. For F. Y. 1974, examinations of reforestation and TSI backlog acreages will be deferred on sites expected to yield less than 50 cubic feet per year after treatment, and on the roadless areas where development must be deferred pending completion of detailed study analyses. Contract routine examinations.

6. The inventory of temporary roads specified in the National Forests in a Quality Environment—Action Plan will be deferred for F. Y. 1974.

7. Planning for new recreation projects will not be done in F. Y. 1974.

8a. Road construction design will be shifted to timber purchasers where feasible or to engineering contractors.

b. Engineering design staff should be consolidated in technical support centers rather than maintaining separate staff at Ranger District or Supervisors' office as opportunities permit.

9. Maintain spending for FRES implementation to the dollars required to maintain the 1973 level of development of the system. Do not request field participation not covered by that funding.

Category and general description

Specific opportunity:

D. Equipment, vehicles, and signs:

General opportunity—Defer less essential maintenance, replacement, and new purchases. Use commercial sources rather than in-house. This would reduce the manpower and dollars which are being utilized by these activities.

Specific opportunity:

1. Preventive maintenance of radios as recommended by the telecommunications study, will be phased out in F. Y. 1974.

2a. All new purchases of aircraft will be deferred for F. Y. 1974. Emphasis will be placed on safety and improving business management practices of air operations.

b. Aircraft that should not be replaced will be identified and phased out. Rental aircraft will be used where more economical.

c. Identify and retain only those few F. S. owned aircraft that should be retained on basis of efficiency, and/or special purpose high priority aircraft that cannot be obtained by contract.

3. Regions will use commercial, state or prison shops in lieu of Forest Service sign shops. Exception should be made only in very specific cases where commercial sources cannot provide very unique or highly specialized signs.

4. Sign replacement and new signing will be deferred except for necessary safety precautions and new entry informational signs until fiscal year 1975.

5. As a target, the Forest Service will shift emphasis toward use of GSA or other rental of needed fleet equipment and reduce fleet size 20 percent Servicewide in fiscal year 1974. Replacement will be deferred accordingly. Use MASS rent vs buying analysis techniques to help make decisions.

6. As a target, approximately 30 of the 77 equipment maintenance shops will be eliminated in fiscal year 1974. Commercial services will be used wherever possible. The MASS publication "In House and Out House Vehicle Repairs" should be used as a basis for helping make these decisions. A few shops should be retained because of such factors as remoteness from commercial facilities, need for support during fire emergencies and lack of availability during season of use. Complete phase out is not a final objective, but close-out should occur where dollar and manpower savings exist, and we can provide adequate service.

7. There will be a 20 percent reduction Service-wide in ownership of specialized equipment, such as hydroseeders, dozers and road graders in fiscal year 1974.

8. There will be a reduction in the current equipment development and testing program performed in-house. This will be done by deferring projects in timber, fire, range, and recreation and by contracting more work to commercial shops and to commercial testing laboratories. New equipment development and testing projects evolving from RD&A and other high priority projects will also be done. Advances in equipment development by the private sector will be thoroughly analyzed for all possible Forest Service applications.

Category and general proposal

Specific opportunity:

E. Other functional programs: Eliminate low-priority projects. Close high-cost, low-use facilities. Shift as much work as feasible to timber purchasers, States and counties, permittees or contractors.

1a. Fire detection will be contracted starting in F.Y. 1974 to States for selected Forests or parts of Forests where States can provide adequate service without increasing the cost of detection.

b. Initial attack will be contracted starting in F.Y. 1974 to States for selected Forests or parts where States can provide adequate services without increasing the cost of initial attack.

2a. A shift of nursery production to States will be accelerated where existing State nurseries can produce adequate stock for equal or lower cost than Forest Service. Begin with Fall 1973 and Spring 1974 seedbed preparation. Tentatively, specific Forest Service nurseries to be considered would be: Bend and Wind River in R–6; Chittenden and Towney in Michigan; and Eveleth in Minnesota. Other opportunities exist. Stress should be toward identifying feasibility of cooperation agreements with State(s).

b. The feasibility of contracting for State operation of existing F. S. nurseries in Colorado, Nebraska, and California will be initiated early in 1974. Private sources will also be explored if necessary.

3. Opportunities for consolidating the tree improvement programs (seed orchard nursery management) of NFS, S&PF and Research will be examined early in 1974. Should probably be in NFS or S&PF. Also, work toward state and private industry involvement. 80% of seed orchards are in South. Try to lease to state or cooperative private nursery where feasible.

4. As a target, 70 percent of F.Y. 1974 reforestation and TSI work and 90 percent of F.Y. 1975 work should be contracted.

5a. Extensive testing of sample scaling to obtain timber sales volume will be initiated on sales offered after 1/1/74. Suggest application whenever sampling error is likely to be within 2 percent

b. The use of 3rd party scaling will be increased where pay off is most significant. Most pay off is beyond F.Y. "74", and W. O. will develop a package of implementation directives.

6. As a target for F.Y. 1974, recreation operation and maintenance costs will be reduced by giving consideration to:

a. Closing up to 80 percent of facilities for which standard level of operation and maintenance is estimated to cost more than $3.00 per visitor day for campground and $6.00 per visitor day for picnic, boating and swimming sites. Exceptions where justified can be made. Proximity of other federal and private facilities and opportunities for private sector and private management to provide service will be used as part of criteria to determine level provided by Forest Service.

b. Periods of operation of facilities will be shortened to reduce offseason cost where appropriate.

c. As a target for F.Y. 1974, 80 percent of cleanup work will be contracted.

7. VIS center operating costs will be reduced by:

a. Deferring opening of centers in spring, closing early in fall, especially those centers with low use and high manpower requirements. Encourage self service opportunities. Make maximum use of Volunteers in the National Forest Act of 1972.

b. Consider closing those centers with lowest-use-to-manpower requirements ratio.

c. Implementation of Project Hiking will be deferred indefinitely.

8. Spending for barometer watersheds and associated manpower will be reduced by 20 percent. Target will be to reduce number of barometer watersheds, not to cut activity on each one now monitored.

9. As a guide, road maintenance costs will be reduced by:

a. Closing roads (if physically possible) where expected use benefits over the next 5 years are less than projected maintenance costs;

b. Shifting maintenance to States, counties and other institutions wherever feasible.

c. Shifting an additional 20 percent planned force account maintenance to contracts.

d. Programming a maximum feasible share of road maintenance through timber sale contracts.

e. Capturing opportunities for cooperator to do maintenance work for Forest Service when he is in the area.

10. Regional centralized F. S. materials testing and soils testing labs will be phased out in F. Y. 1974 in R–1, R–4 and R–5 and routine testing contracted out. However, a central materials engineering capability should be retained and carried out by the Regional materials Engineer for Quality Control.

11. Participation in Cooperative Manpower training programs will be geared to the opportunities available under the Administration Policy of decentralization and decategorization through implementation of special manpower revenue sharing in F. Y. 1974.

12. Staffing and spending for International Forestry will be reduced by approximately 20 percent in F. Y. 1974.

THE CHILD ABUSE BILL, S. 1191

Mr. KENNEDY. Mr. President, I would like to take this time to express my support for the child abuse bill. The bill, S. 1191, passed the Senate on July 14, gives national attention and priority to a problem that should not and cannot be ignored. Child abuse incidences have reached a crisis stage over the years and today child abuse has been reported as the No. 1 killer of children in America. The American Academy of Pediatrics has given it the highest priority among unsolved health problems of children. Over 250,000 cases of child abuse and neglect were reported last year. Of this number, 50,000 received permanent injuries and an estimated 700 to 800 died. Surveys of the statistics show that the majority of abused children are under 4 years old and that the incidence of abuse involving females is higher than that affecting males. Moreover, these cases show that both parents are often guilty and that child abuse cases involve children of all races and religions, and in homes of all socioeconomic levels, but most frequently in poorer families.

Prior to 1960, only two States had laws providing for the reporting of child abuse. As the problem became more widespread, States began to legislate new laws to protect children against this kind of treatment. Since 1960, every State has provided some type of law for the reporting of child abuse and neglect. These laws in many instances, curtailed child abuse, but too many times they have proved inadequate, because courts vary in their interpretation of abuse and child welfare agencies fail to provide sufficient comprehensive followup to the families involved. The cyclical nature of child abuse lends itself to the need for well developed ongoing family-child oriented programs. Authorities in the field attest that 90 percent of parent abusers could be helped in such family-type programs. Since 1966, a few such crisis type and community-hospital treatment programs have been developed and put into operation. However, in the face of cutbacks of all social programs, such programs will be seriously affected and as a result their effectiveness will be lessened.

An example would be my home State of Massachusetts, where reports of child abuse incidences have been set at 7,000 per year. These incidences were reported by the police department, Children's Protective Service, and the Division of Child Guardianship. Such high statistics indicate the urgent needs of this problem and suggest how important it is that we act now to help solve the problem. Since 1970, in Boston alone, there have been 13 deaths due to child abuse. Three of these children had been previously known to the Department of Public Welfare as victims of child abuse.

The Massachusetts Department of Welfare is unable to handle the large number of abuse cases they receive. The staff suffers from large caseloads, frequent turnovers in employment status, inadequate access to needed legal and psychiatric information and dwindling financial support for carrying out their programs. Consequently the kind of help that they could provide is not available and though many children receive some treatment for the abuse they suffer, too often they are returned to environments where no change has occurred. Fortunately in Massachusetts the problem is eased by other resourceful agencies. One such agency is the Children's Protective Service or the Massachusetts Society for the Prevention of Cruelty to Children. In that statewide voluntary agency, privately solicited funds and an endowment make it possible to sustain assistance to many families. The agency accepts referrals from all sources and last year they saw over 1,400 cases of child abuse yet costs have forced CPS to take only one out of every three of their referrals and to close some of their cases that would probably benefit from longer periods of observation.

Other agencies that help to meet the need are the hospitals. Boston City Hospital, because of increasing numbers of abuse cases is serving as a protective shelter for children. Children's Hospital has established a multispecialty interagency child abuse group which works with the parents and child in the home. At Massachusetts General Hospital, a similar team approach is being developed. These programs, though obviously helpful are conducted at an expense to the hospital. More such programs are needed. Not only by children in the State of Massachusetts, but children in every city where inadequate help is provided in this area. At a time when child service programs have been recognized as inadequate and child abuse stands as the No. 1 killer of children, then I feel very strongly that S. 1191 should be enacted to stop these senseless and tragic deaths. The factual knowledge and skills to be gained with the implementation of S. 1191 will provide safeguards for every child who might be abused, and I am pleased to see its passage.

S. 1560—EXTENSION OF THE EMERGENCY EMPLOYMENT ACT OF 1971

Mr. MAGNUSON. Mr. President, I want to express my support for S. 1560, a bill to extend the Emergency Employment Act of 1971. This bill provides public service employment for Vietnam veterans, long-term unemployed persons, and the disadvantaged.

It will also allow 6,000 Washington State workers employed today under this program, to keep their jobs. Yesterday, the Senate overwhelmingly passed S. 1559, a bill to provide job training for the disadvantaged. Together, these bills provide a powerful program for those workers needing training and a job.

The Emergency Employment Act of 1971 has worked. Local officials have hailed it as the best Federal program enacted in the last 4 years. The jobs created under EEA have been meaningful and productive.

Congress should extend this program. As Senator NELSON, the distinguished floor manager knows, I have led the fight as chairman of the Labor, Health, Education, and Welfare Appropriation Subcommittee, to see that this program receives full funding.

In fiscal year 1972, I floor managed the appropriation bill that provided the initial $1 billion to get this program started. In fiscal year 1973, my subcommittee provided $1.25 billion for EEA. Once this authorization bill is enacted, I pledge my efforts to provide additional funds in fiscal year 1974.

Does it not make sense to give a person a job instead of paying him unemployment compensation or welfare benefits? People in my State want to work. In 1969, the unemployment rate stood at 3.3 percent in Washington State. In 1971, at the height of the so-called Nixon recession, unemployment totaled 15 percent and my State was experiencing an economic recession. Today, unemployment still stands at 7.5 percent—well above the national average—and yet the administration wants to end the EEA program which now provides 6,126 jobs in Washington State. This is an absolute mistake.

I want to express praise to Chairman NELSON and Senator JAVITS for their outstanding leadership in providing the Nation with meaningful manpower training and public service employment programs. Thousands of persons will benefit from their efforts.

Mr. President, I ask unanimous consent to print in the RECORD some statistics on the impact of the EEA program in Washington State and a copy of my testimony before the committee in support of both S. 1560 and S. 1559.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

PUBLIC EMPLOYMENT PROGRAM—CURRENT EMPLOYMENT AND CUMULATIVE EMPLOYMENT, FEBRUARY 1973

Washington	6,000	13,757	69,292,372
Clark County	105	287	1,202,500
Thurston County	40	79	470,650
Yakima County	223	509	2,186,827
Seattle	885	1,919	11,044,986
Tacoma	210	409	2,324,532
King County	932	2,554	13,832,266
Pierce County	293	603	3,192,379
Snohomish County	582	1,487	6,996,704
Whatcom County	91	204	1,009,703
Kitsap County	186	368	1,838,777
Spokane	207	524	2,511,367
Washington Indian Tribes	49	97	445,785
Balance of Washington	2,197	4,717	22,235,796

[From Hearing, Friday, May 4, 1973]

JOB TRAINING AND EMPLOYMENT LEGISLATION, 1973

U.S. SENATE, SUBCOMMITTEE ON EMPLOYMENT, POVERTY, AND MIGRATORY LABOR OF THE COMMITTEE ON LABOR AND PUBLIC WELFARE,
Washington, D.C.

The subcommittee met, pursuant to recess, at 10 a.m. in room 4200, Dirksen Office Building, Senator Gaylord Nelson (chairman) presiding.

Present: Senators Nelson, Taft, Dominick, and Schweiker.

Committee staff members present: Richard E. Johnson, counsel; and John K. Scales, minority counsel.

Senator NELSON. Our first witness this morning is Senator Magnuson of Washington.

Senator, the committee is very pleased to have you before the committee this morning. Your statement will be printed in full in the record, and you present it in whatever way you wish.

STATEMENT OF HON. WARREN G. MAGNUSON, A U.S. SENATOR FROM THE STATE OF WASHINGTON

Senator MAGNUSON. Thank you, Mr. Chairman, I appreciate the opportunity to be here not only to testify on this particular bill, but this is one of my first opportunities to thank this committee for the fine cooperation we had over the past 2 years in getting support for my two major extensions of unemployment insurance. Unemployment has been a very serious matter in many areas of the Nation, including my State. This problem fits into a proper discussion of this particular bill, too.

Now, the act before you, and I want to commend the Senator from Wisconsin, Senator Nelson, and Senator Javits for their efforts to initiate reforms in the Nation's manpower training program.

I especially endorse section 201(b)(9) of their bill. Specifically, this section authorizes transitional public service employment as one of the allowable activities that a prime sponsor under the act may engage in.

As the chairman knows, I have been a very strong supporter of the Emergency Employment Act of 1971, which this committee is responsible for authorizing after, I might add, a very long and bitter struggle with the administration.

As chairman of the Labor, Health, Education, and Welfare Appropriations Subcommittee. I think I have had some experience with that, I floor-managed the appropriation bill providing the initial $1 billion in funding for the Emergency Employment Act; and in fiscal year 1973, my subcommittee approved an additional $1.25 billion for this critical job-producing program.

The Emergency Employment Act of 1971 made possible, and I am sure this committee has the figures, but I want to repeat them, for 192,675 federally-supported public service jobs for unemployed and underemployed workers in fiscal year 1972.

Now, had they all been on the relief rolls, or had they received some form of unemployment insurance, this would have been more costly in real terms. At that peak, 9,000 of these jobs were being held by unemployed Washington State workers in my State.

It is with this background in mind that I oppose the decision by the Nixon administration to phase out EEA. That decision is premature, in my judgment, because the national rate of unemployment, 5 percent, is still far too high.

In the State of Washington, the total rate of unemployment is still 8.3 percent, but I think 9.5 would be a figure closer to actual truth.

In Washington State, 6,176 people are now working because of the Emergency Employment Act of 1971. If this program is ended, these people will lose their existing jobs and, because unemployment is so high in Washington State, many will be forced to accept some form of government-sponsored relief.

May I add something here which I talked to the chairman about many times informally, when people go on relief, or have to go on relief, the minimum cost is $4,250 a year. I know that. That is the minimum, and then you figure the humility, the embarrassment, men that want to work, they do not even want to tell their neighbors they are on relief, and it all adds up to the need for a program like public employment for the unemployed.

Now, I said the decision is premature, and over 6,000 workers are involved now in my State. This simply does not make sense to me. If these people are working and providing local government with a vital service, why should the Federal Government terminate their jobs? Particularly when not enough private sector jobs exist in many areas of the Nation.

Mr. Chairman, it was with this problem in mind that I contacted your subcommittee about adding a provision to S. 1599 that would allow prime sponsors at their discretion to use their funds for public service employment jobs if the prime sponsor determined that this was the wisest use of limited manpower training dollars, and that is what you are trying to do in your bill, as I understand it.

It is obvious to me that training an individual for a job that does not exist is the worst possible use of these resources. The individual living in a State with a high rate of unemployment wants a job, not a training course.

More specifically, under section 201(b) (9) prime sponsors in Washington could use most of their manpower funds, for as long as necessary, to provide public service employment to the unemployed, including engineers, scientists, and technicians.

Of course, as soon as local officials find that community manpower needs have changed, they would be free to reallocate their manpower sources among other activities suggested in section 201 in order to meet new priorities.

I feel that my State and the local units of government within its boundaries are ready to assume responsibiltiy for this type of decisionmaking.

They have been progressively prepared for undertaking such programs by being involved in Federal manpower projects and locally funded manpower activities and by receiving mayors' and Governors' grants for the purpose of coordinating manpower planning.

The city of Seattle and surrounding units of government including King and Snohomish Counties have formed a consortium in order to be designated as a pilot comprehensive manpower program, CMP.

As such, they would receive a bloc grant for several categorical manpower programs rather than a separate grant for each program.

I hope that the Department of Labor will soon approve their CMP application. These units of government have certainly shown an outstanding ability to run a wide variety of manpower activities.

Recently, they rapidly mounted very complex and responsive manpower program activities to implement the provisions of the Emergency Employment Act.

In addition to this desirable flexibility in delivery that S. 1599 authorizes, I like the nature of the public service employment authorized—transitional employment for unemployed and underemployed persons in jobs providing needed public services.

Since all manpower efforts are focused upon preparing people for, and matching them with, existing jobs, it is logical that funds for public employment programs should be limited to those enabling participants to move onto the employer's regular payroll or obtain other suitable public or private employment.

In conclusion, I believe that public service employment can often be a very effective means of resolving manpower problems.

However, I think that State and local officials are in the best position to determine when an individual will benefit more from public service employment than from another manpower activity.

Therefore, I favor the approach embodied in section 201 of S. 1559 which would integrate public service employment as but one allowable activity in a comprehensive manpower system.

So, I heartily endorse the bill. I compliment you people on bringing it to the attention of the Senate, and I think this is very desirable flexibility in trying to meet this problem.

Senator Nelson. We appreciate your taking the time to come over this morning to present your testimony.

Senator Magnuson. Thank you. One thing I want to add, Senator, is that manpower training is a laudable goal.

We try to do the best we can, but when you get down to the Appropriations Committee with the Department of Labor, the hearings will start next week, you will find the number of enrollees who are put into, as it were, the pipeline for training, and then the number of jobs that are available when they come out, it is a pretty sad story. Your bill attempts to provide both training and jobs.

Senator Nelson. That is what it is all about.

I am puzzled myself by the timing of the administration's proposal to terminate the program.

In any event with the unemployment at the level it is, the program should be continued for another year or two or three.

I quite frankly myself think you ought to have a permanent public service employment act.

Senator Magnuson. You are so right, I have often thought the same thing, in view of the fact that we have such difficulties, as you will recall vividly, on the Senate floor, and going over to the House, in getting assistance for the long-term unemployed.

The Congressman from Wisconsin was a lot of trouble, as you recall, and I think he was serious about what he was saying, but I think we have got to consider some point on the unemployment question when we have a permanent piece of legislation. I do not know what figure you might use, 6 percent, 6½ percent, the experts will figure it out, but when it reaches that, unemployment benefits are expended or a job is offered.

Thank you.

Senator Nelson. The next witness is Mr. Kenneth Young, assistant director of the Department of Legislation, AFL–CIO.

Your statement will be printed in full in the record. You may present it however you please.

It would be helpful if the witness would summarize the main points of the presentation.

A PUERTO RICAN ANNIVERSARY

Mr. KENNEDY. Mr. President, I want to express my own warm personal congratulations to the Governor of the Commonwealth of Puerto Rico, Rafael Hernandez Colón, and to the people of the Commonwealth during this week celebrating the 21st anniversary of the Estado Libre Asociado. In my own State, the Puerto Rican communities of Boston and other cities across the State are celebrating the anniversary with a variety of fiestas.

Today in Puerto Rico, the hopes for a decent standard of living for its citizens seem more realistic than ever before in the past. However, difficult and challenging economic hurdles still must be overcome.

The Baltimore Sun, in a perceptive editorial, notes the unique Commonwealth relations forged by the innovative mind and political will of former Gov. Luis Munoz Marin. The Estado Libre Asociado has provided a special reservoir of strength, a sense of national pride, during the past two decades.

I have no doubt that with the continued leadership of men like Gov. Hernandez Colón, the distinguished Resident Commissioner Jaime Benitez, and others, that the future of Puerto Rico in the next two decades will be one of accelerated progress and continued freedom.

Mr. President, I ask unanimous consent that the editorial in today's Baltimore Sun be printed in the Record.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

A Puerto Rican Anniversary

More than two decades have gone by since Puerto Rico shed the last real vestiges of its long colonial past and assumed a new and unprecedented political status of freedom in association with the United States, called in English commonwealth. The time has gone fast, and now, looking back from the twenty-first anniversary of commonwealth, Gov. Rafael Hernandez Colon says with confidence that "as the people of Puerto Rico have acquired greater self-government and greater freedom to direct their own affairs, their union with the United States has gained greater strength."

His confidence, despite all the difficulties of those years, is justified. The island's development in all fields over that time has been remarkable. But it has been no "miracle." It did not happen from the blue. Nor did it happen by the generosity of outsiders, though the mainland has indeed been generous and on the whole understanding. It happened because Puerto Rico was fortunate in possessing a group of men, not a large group to start with, of quite extraordinary political and economic and social imagination and skill.

They have brought it so far. Tremendous difficulties remain. Hernandez in his anniversary address lists them: pollution, breakdown of the environment, social dislocations, drug addiction, chronic unemployment, proliferation of slums and extreme poverty among much of the population. It is a list of heavy burdens, but the record gives every reason to suppose that they will be borne, and bit by bit be lightened—not least because of the atmosphere of national pride that greater freedom has created.

CONFERENCE ON "THE OCEANS AND NATIONAL ECONOMIC DEVELOPMENT"

Mr. MAGNUSON. Mr. President, on July 16, 1973, more than 600 persons gathered in Seattle, Washington to attend a conference on "The Oceans and National Economic Development," sponsored by the National Oceanic and Atmospheric Administration. The conference was an outstanding success, and provided the forum for a wide range of discussions on the nature and goals of our Nation's oceans program.

Senator Hollings prepared remarks to be delivered at the conference. However, because of Senate business, it was necessary that he cancel his personal appearance in Seattle.

Because the nature of his speech and the important documentation it contains on the need for a dynamic national oceans policy, I ask unanimous consent that the text be printed in the Record.

There being no objection, the speech was ordered to be printed in the Record, as follows:

The Need for a National Ocean Policy

(By Ernest F. Hollings, Chairman Subcommittee on Oceans and Atmosphere)

The theme of this meeting is "The Oceans and National Economic Development." It would be more accurate were it called "The Oceans and National Economic Decline." It is no accident that this time of America's economic peril both at home and abroad comes after an almost 30-year decline of our status as a world seapower. It is no accident that Russia's power and influence among nations rises while America's drops. For almost 20 years Russia has assigned the highest national priority to the development of Soviet seapower. The United States emerged from World War II as the greatest maritime power the world had ever seen. But now we have lost the position by default. As a total seapower, we are now second- or third-rate . . . and losing ground all the time.

By "total seapower" I mean truly broad-spectrum seapower—military seapower, economic seapower, and political seapower. This includes a powerful, efficient navy; a large, modern merchant marine; a healthy, growing fishing industry; a dynamic ocean research program; leadership in ocean technology; ocean policy positions that represent national self-interest in international negotiations; progressive, intelligent coastal zone management; and an ocean business climate that encourages industry to tap all of the potential resources of the sea.

The United States has over 24,000 miles of coastline on three major oceans and the Gulf of Mexico We have always been a seapower by geography, history and tradition. In these times economic and political necessity dictate it. But if we, as a people and a nation, do not act accordingly, we will soon become a world power of little consequence. At home our economic problems will compound along with deterioration of the dollar, our standard of living, our industry, and our opportunities. As we abdicate our position of world leadership, rest assured there are others—friend and foe alike—ready and anxious to step into our shoes.

Why do we ignore, while others energetically exploit the economic and political opportunities of wide-spectrum seapower? The Congress has certainly tried to do its share. Senator Magnuson has been a leader in the fight to produce a framework for a successful national oceans program, but the approval of financial support has not been forthcoming. The problem rests with the Administration, and the Office of Management and Budget. Partisan politics aside, the OMB simply is not convinced that America has a first-priority stake in the ocean.

I might suggest that the OMB suffers from a shortness of perspective, but that would not be productive. If America has not been sold on the need for a dynamic national ocean policy, then someone must sell it. I believe the President will listen, and I believe it is our job to get that message to him.

Meeting here this week, we are ocean people talking to ocean people . . . to ourselves. We're already sold. We have to sell others. We must relate national ocean needs and opportunities to the critical national problems that dominate today's headlines. We must show in clear, pragmatic terms the crucial interdependence between the ocean and all the people of these great United States. Unless we do this, we will be tilting at windmills. And, ocean programs will be shoved aside in favor of "more important" crisis demands.

We are facing crisis demands whose solutions can restore America's traditional seapower role. I won't give you another list of potential ocean resources. Instead, I believe that the decline in American seapower has had a direct impact on . . .

The embarrassing and frightening plunge of the U.S. dollar on world money markets . . .

Inflation here at home . . .

The energy crisis . . .

Signs of a pending raw materials crisis . . .

Lower demand and prices for U.S. exports . . .

Rising prices for goods we buy overseas . . .

The flood of foreign goods undercutting American products and American jobs here at home . . .

Our declining prestige and influence around the world . . .

The rise in the economic and political strength of both our competitors abroad . . .

These are the kinds of things that concern America today. Behind such economic indicators are jobs being lost, paychecks that look bigger but buy less, savings that erode faster than they grow, shortages of goods and services that have always been plentiful, and—running through it all—a mounting fear that all is not well with America, that this great nation is in deep trouble.

These are the problems that broad-spectrum seapower must help solve if the oceans are to enjoy the priority attention *we* know they deserve. I am convinced, as are the Russians, the Japanese and many of the nations of Europe, that seapower and national economic health are tied tightly together.

We must sharpen the focus of America's stake in the oceans into critical national perspective. In doing so, I make three fundamental assumptions:

First. Economic strength can result in political strength both at home and abroad.

Second. Economic strength at home is absolutely dependent on our strength in markets abroad.

And, third, strength in markets abroad is dependent not only on our own domestic productivity but also on maintenance of an American posture among all the nations of the world *at the very least* equal to that of the Soviet Union—or whatever other powers may be vying for world supremacy.

Seapower is a major weapon in our three-front war—a superpower contest with Russia, so as better to maintain our own international economic standing, and finally, a fight to keep our economic health here at home. Presently, we are losing on all three of those fronts.

To understand the Russian front, let's first look at a peculiarity of nuclear weaponry. Once the superpowers have decided on the degree of over-kill they need to assure the complete destruction of each other, you have a nuclear stand-off. The only continuing requirement is the costly business of update. Otherwise, competition ends.

There being no competition, in nuclear stand-off as in nuclear war, nobody can win. Clearly, this does not serve the Soviet Union's oft-stated objective, so succinctly put by Nikita Krushchev when he said: "We will bury you."

Since it cannot bury us in a pile of nuclear rubble without courting a like fate itself, the Kremlin has opted for another battleground. It is a battleground on which success not only permits the support of a nuclear stand-off capability and of more conventional military forces, but also awards to the victor great political power and influence among nations. It is a battleground on which there are no constraints on victory and on which the distinction between victor and vanquished is clear and often total. It is a battleground on which we can, indeed, be buried.

That battleground is economic, and the weapons of this war are production, technology, trade, finance, investment, profit and loss. These are the very things America first brought to their highest order of development. Put bluntly, the Russians have chosen to battle us on our own ground, using our own weapons.

As a superpower with the world's largest land area, the second-highest gross national product and the third-biggest population. As a nation that is self-sufficient in energy and most raw materials and a net exporter of many, how does Russia view seapower? What has she done about it? How does she use it? To what ends? What does this mean to us?

When the Kremlin thinks of seapower, it thinks in terms not only of naval forces—already the world's largest—but it also thinks of merchant fleets, maritime aid, fishing fleets, intelligence gathering, oceanographic research, ocean mineral resources and ocean engineering. Broad-spectrum seapower is their primary instrument for the global extension of "dynamic Soviet national power." In dismal contrast to the United States, they have assigned the highest national priorities to building the Soviet Union into the world's leading maritime power.

From a third-rate coastal naval power right after World War II, the Soviet Union today deploys the world's largest, most modern surface navy—2,012 ships, of which 1,312 are combat ships and 700 are auxiliaries. According to U.S. Naval Intelligence, Russian combat ships carry more firepower per ton than any other navy.

Russia boasts the world's largest, most modern and fastest-growing submarine fleet, including 110 nuclear-powered and 240 diesel-powered vessels. Over 50 fire ballistic missiles; another 65 fire cruise missiles. The latest addition to their undersea fleet is the Delta Class ballistic missile firing submarine—the largest undersea craft ever built anywhere. Our best information is that it carries 12 SS-N-8 missiles with a range of 4,000 nautical miles—thus giving the Soviet Union an undersea nuclear deterrent comparable to our yet-to-be developed Trident.

In contrast the U.S. Navy's active fleet totals fewer than 700 vessels—including a submarine fleet of only 136 craft, of which 100 are nuclear and only 41 are missile-firing. Only in aircraft carriers does the U.S. outnumber the U.S.S.R. Even this advantage may be short-lived, for the Russians have now launched their first aircraft carrier—at 40,000 tons, the largest warship ever built in Soviet yards.

The Russian Navy has six missions: Deterrence, politics, ideology economics, intelligence gathering, base acquisition and defense. In their execution, Soviet warships now routinely patrol in the Mediterranean and Caribbean Seas, the Atlantic, Pacific and Indian Oceans, and the dozens of seas that adjoin the Russian land-mass. A permanent naval force is maintained off West Africa in position at any time to interdict European trade routes to the Indian Ocean—including the all-important Middle East oil route. There is an almost-continuous Soviet naval presence at both ends of the Suez Canal—should it ever open—and the Red navy even ventures occasionally into the Gulf of Mexico, posing a potential threat to the Panama Canal. Soviet submarines, including those armed with nuclear missiles, have operated regularly off both coasts of the United States for over a decade.

Now, let's turn to other elements of broad-spectrum seapower.

In 1957 Russian commercial fishermen caught 2.5 million metric tons of fish—mostly in their own coastal waters and the North Pacific. Today, the annual catch is over *eight* million tons, caught mostly off other nations' shores. The goal for 1975 is over 10 million tons.

In 1960 the United States landed 2.5 million tons; in 1972 is was 2.5 million tons. In 1956 the United States was the world's second largest fishing nation; Russia was fourth. Today, the United States is sixth; Russia is third and expects to be first before 1980.

The U.S. fishing fleet consists of almost 90,000 ships and boats—including over 70,000 "motorboats" and 2,000 that are powered by only sail or muscle. The Russian fishing fleet numbers over 4,000 ocean-going vessels and 80,000 smaller, coastal craft. Between now and 1975 they plan to increase their sea-going fleet by another 1,000 vessels. Since 1958 the gross registered tonnage of the Soviet fishing fleet has grown from 2.2 million to over five million today—more than 11 times the tonnage of the U.S. fleet. Included in the Soviet tally are 450 large stern trawlers of 2,600-to-3,200 tons each, plus hundreds of medium trawlers, mother ships, factory ships, refrigerator transports, whaling vessels and support ships.

Fifteen years ago the Soviet investment in her fishing industry was running $263 million a year at the official exchange rate; today it is over $1 billion a year, with 70-to-80 percent going into expansion of her fleet. During this period Soviet exports of fish and fish products has risen from around $20 million a year to over $100 million; her imports have dropped to a token amount. U.S. fisheries exports since 1960 have risen from $44.2 million to $257.9 million a year, while imports have shot up from $363.3 million to a shocking $1,949.4 million.

Soviet fisheries feed her people, show the Soviet flag all over the world and give her a positive fisheries trade balance. U.S. fisheries not only fail to meet domestic needs and seldom show the flag in foreign ports, but they have produced a deficit trade balance. This deficit is equal to nearly one-third the total adverse balance of payments for all U.S. foreign trade in goods and services.

You see what happens when we don't pay our way in international trade in the continuing devaluation of the dollar and the resulting consequences here at home. And, it's not that we don't have the fish. In 1972 foreign fishing fleets operating between 12 and 200 nautical miles off U.S. coasts took over three million tons of fish, with the Russians and the Japanese taking over one million tons each. U.S. fishermen took a scant 318,000 tons from those same waters and only 273,500 tons from international waters offshore of other nations.

Considering the sharp rise in foreign fisheries activities off our coasts, the moribund state of U.S. fisheries and the catastrophic effects on our balance of payments, surely there is a message in there somewhere . . . a message that even the OMB can understand.

In 1950, the Russian merchant fleet ranked 21st in the world, with 432 major merchant ships totalling only 1.8 million deadweight tons. A year ago, it ranked sixth both in number of vessels, 2,079, and carrying capacity, 15 million tons. In 1947 the U.S. ranked first with the greatest merchant fleet ever assembled—2,114 ships totalling 23.7 million tons.

In the last four years the Russian merchant fleet increased by 627 new ships and four million deadweight tons. Simultaneously, the U.S. fleet dropped by 317 ships and 1.9 million tons. Sixty per cent of the U.S. fleet is over 20 years old. The entire Soviet fleet is less than 20 years old; half is less than 10 years old. Today the Russians carry half their foreign trade and are targeting for three-quarters by 1975. The U.S. carries only five per cent of *its* trade. For our raw materials and fuels, for getting our goods to overseas markets, we are now absolutely dependent on foreign flag vessels.

The Soviet merchant marine, however, does more than just carry Russian foreign trade. It is an important instrument of Soviet global political power. Most Russian foreign aid and trade arrives in Soviet flag vessels; the red hammer and sickle flag is a common sight in world ports. The majority of U.S. aid and trade arrives in foreign flag vessels; the stars and stripes in foreign ports are becoming a novelty.

Soviet shipbuilding capacity, never much, was badly damaged in World War II. Now quite possibly they have the greatest shipbuilding capacity in the world. They have at least 18 modern yards with a total employment of 265,000. In contrast, the U.S. has 20 major yards employing 234,000 people. Much of our capacity is antiquated and simply can't compete.

The Russians are building 12-to-15 nuclear submarines a year; can build 20 a year on a one-shift basis; 30 on a three-shift basis. U.S. yards average 4.5 nuclear boats a year, with a capacity of five or six on a three-shift basis. Today, at least 50 per cent of the merchantmen being added to the Soviet fleet are built in Russian yards, and they are building ships for export. Ten years ago 98 ships (919,000 tons) were added to the Russian merchant marine. At that time hardly any were built in Russian yards.

Knowledge provides the very basis of seapower. Russia supports the largest oceanographic research effort of any nation in the world. This may exceed the combined efforts of the U.S. and its NATO and SEATO allies. The Russian research fleet numbers some 150 vessels, not including those under 700 gross tons and those devoted exclusively to fisheries research. Their ships are modern, well-equipped and often quite large, with seven ranging between 5,600 and 7,000 tons. The United States currently operates 70 research vessels before budget cutbacks recently forced deactivation of a number of our best ships. The Soviet oceanographic effort is well staffed and usually well funded.

The Russian operational inventory of manned habitats and research submersibles still greatly lags behind the U.S. in both quantity and quality. U.S., French, Swiss and Japanese development of submersibles and manner habitats has been impressive in terms of both performance and numbers. What is not impressive is the number of these vehicles now in lay-up because there is no demand for their services. Thus, where we do have a lead—largely developed by private industry with private funds—we choose to let it lapse.

Another aspect of broad-spectrum Soviet seapower is maritime aid, concentrated largely in the developing States of Africa, the Middle East, India, Southeast Asia and Cuba. In this effort, the Russians seek not only economic and political favor, but also bases from which to service their far flung naval and fishing fleets. Maritime assistance programs of the Soviet Union include fisheries, port development, manpower training and naval aid. The Russians have provided over 300 naval vessels—including both guided missile patrol boats and submarines—to more than a dozen countries. Remember that it was such a guided missile patrol boat—given by Russia to Egypt—that sank the Israeli destroyer Eilat with a single hit.

Finally, there is the Soviet fleet of some 50 dedicated intelligence collection ships—many built from the keel up for the sole purpose of electronic surveillance. They regularly monitor our submarine-launched ballistic missile test shots off Cape Kennedy. Seldom were our carriers off Vietnam free of the company of at least one Russian intelligence ship.

Now I admit we don't see Soviet goods flooding our domestic markets or offering much competition in traditional European markets. But look at the uncommitted and largely developing countries of the "Third World". There, Russia is an ever-more constant presence. This occurs at a time of declining American presence. We are foolhardy in the extreme if we continue to allow this shifting balance of power. Not only do we need the support of these nations in world councils, but the underdeveloped States are both today's sources of many critical raw materials, including oil, and tomorrow's markets for goods and services. Under present circumstances, the Soviet Union stands to preempt both . . . largely through the exercise of global, broad-spectrum seapower.

Let me turn briefly to the second front. After World War II the United States spent billions of dollars and freely transferred its technology to help rebuild the economies of friend and foe alike. The success of this effort is obvious in the international trade statistics and in the precipitous decline in our own balance of payments.

In the free-for-all competition of world trade, everyone wants to win, but most competitors do not consciously seek destruction of each other—only to win. There is a fine difference. The Soviet Union, however, not only seeks to win and to win absolutely—to become *the* world's superpower—but it also wants to eliminate competition from the United States.

If we don't compete successfully in world markets, including our own, that's our fault. Since we can't reduce the competitiveness of others, we ourselves have to become more competitive. In the 28 years since the end of World War II, we have gotten a little flabby around our industrial middles. Now, we have to trim out, to sharpen management in both business and Government.

America can have the hottest technology, the best market intelligence and the most efficient production lines. But without raw materials to feed those lines and energy to keep them running, we're out of business. Don't ever forget it: For a rising proportion of both its raw materials and energy fuels, America is a have-not nation. Furthermore, some of the most important deposits are located in regions where they may be denied to us, not for economic but for political reasons. Conversely, if they are politically available but we lack the foreign exchange, they are still denied to us.

This brings me to the two key functions of seapower on this second front:

One, improving our balance of payments through the production of ocean goods and services.

And, two, assuring a continuous and adequate supply of energy and raw materials.

Of 71 strategic materials, including fuels, required to support our modern industrial economy, 69 are imported in whole or in part. We import only 20 per cent of our aluminum, but we import 80 per cent of our bauxite, the ore from which we produce aluminum. We import a third of our iron ore, 40 per cent of our zinc, 20 per cent of our copper, over 25 per cent of our *crude oil* and refined products, 90 per cent of our cobalt, and virtually 100 per cent of our tin, chromium, nickel, manganese and natural rubber—just to mention a few. In contrast, the Soviet Union is self-sufficient in all 71 key materials except rubber and tin.

Ships are needed to carry these materials. To the extent that these are American flag vessels, our future security is enhanced. The spectre of a future raw materials crisis haunts the present. Land-side reserves are fixed. Resources are being drawn down faster than they are being discovered. And, demand is rising at a frightening rate. This nation, the world's largest consumer of both raw materials and energy, must look to other sources of supply. Unless we contemplate trying to mine the moon or Mars, the only untapped source on this planet is the ocean.

Industry, on its own initiative, is ready to mine deep ocean manganese nodules—sources of copper, nickel, iron, manganese and cobalt, at least. It is blocked for lack of a suitable legal climate, a matter that is tied up in international hassling. Hopefully that problem will be solved in Santiago with a new Convention on Law of the Sea.

Another logical step is to look at the sedimentary oozes that cover most of the deep ocean floor—potentially economic and incredibly vast sources of aluminum, iron, cement and other materials.

Immediately we need to push oceanographic investigation of the kinematics of plate tectonic—sea-floor spreading—theory. There is evidence that mineralization occurring along the mid-oceanic rifts and ridges is continually producing rich deposits of copper, iron, zinc, gold, silver, vanadium, nickel, lead, chromium, cobalt, manganese, mercury, uranium and others. You have seen an example of this mineralization process in the so-called "hot holes" in the Red Sea. Furthermore, if present theory holds true, such deposits will be found to extend outward from divergent plate boundaries (the mid-oceanic ridges) across the deep ocean floor all the way to the adjacent continental land masses.

Little is understood about ocean floor processes at present, but it is virtually certain that mineral raw materials resources are continually being renewed from deep within the earth. Whether the rate of renewal in any way matches the rate of man's consumption is anyone's guess. But it is a wide-spread process, and it is in our national, as well as mankind's, interest to find out. Greater consideration should be given to the potentials of mining on and under the nation's continental shelves. The Soviet Union, after a recently completed survey of *its* Arctic shelf, has concluded that mineral resources there exceed the land-side deposits of Russia, Canada and Alaska combined.

We will come out of our present energy crisis by exploiting new petroleum deposits, by building safe nuclear generating stations, by gasifying coal, by reducing oil shale and the like. But the fix will be only temporary. If we don't run out of conventional resources first, we will one day reach the limit of the amount of heat we can release to the environment without catastrophic consequences to the earth's climate.

Before that time comes, we will have to turn to other sources of energy—namely solar and lunar power. Lunar, or tidal, power can be taken from the sea. Both France and Russia have full-scale experimental tidal power plants in operation. Some old theory, recently revived, indicates that solar energy may also best be taken from the sea—utilizing the considerable temperature differences that exist between surface and deep ocean waters. The world's great ocean currents and waves as well as the winds are other manifestations of solar energy in the sea.

There are many other examples where we can turn to the sea to fulfill our most fundamental national needs, but I must turn to the third front.

The third front is the home front. Much of our national wealth—both natural and man-made—exists at or near America's vast coastlines. Whether it is used for places to live, as ports, as industrial siting, as a source of cooling water, as wilderness preservation, as high-intensity recreation. . . . the national coastal zone is under great economic and social pressure.

It is a tremendous national resource. It is our duty to manage the coastal zone efficiently. This efficiency helps control how well we compete both at home and abroad. There are many examples. In the interests of time, I will restrict myself to two—the oil and liquefied natural gas import problem and one answer, at least, to the intense pressure on existing coastal real estate, a fixed asset.

It is generally conceded that imports of crude oil and liquefied natural gas—LNG—will increase greatly in the next decade. By 1980, it is estimated that 300 VLCC's—Very Large Crude Carriers—will be needed to import crude oil alone. There is presently one port in the United States capable of handling these ships—and that is right here in Puget Sound. First of all, we have to assure the availability of this carrying capacity. Hopefully, a substantial portion of it will be flying the American flag. Even more importantly, we need to provide unloading facilities for these mammoth tankers. Where we locate these facilities and how we build and operate them bears not only on the efficiency and sufficiency of our energy supply, but also on the integrity of the coastal zone itself.

The unloading and transshipment of LNG poses comparable but not identical problems. Even large LNG tankers will not draw so much water, but the danger to human life and property from a casualty on one of these ships in a populated area is frightening to contemplate. If sanity prevails, special attention must also be given to the siting, construction and operation of LNG ports. Fortunately the U.S. has already begun the construction of a fleet of these tankers.

This leads naturally into my second example—artificial islands. Common to virtually all coastal zone problems are rising use demands on a fixed parcel of real estate. The destruction of irreplaceable natural coastal environment for explicit economic uses is a continuing process and a growing source of conflict among the American people. A growing number of activities are considered simply as bad neighbors by a growing number of people already living in the coastal regions. Social and political controversy result and, good neighbors or not, national economic efficiency is damaged.

Simultaneously, we have the fact that the electric power industry seeks on its own to locate nuclear electric power plants offshore, and—entirely separately—superports for VLCC's also will be located offshore. Presumably, the necessary reception facilities and refinery capacity will be built onshore, if sites are found where such "bad neighbors" will be tolerated.

I offer for your consideration the possibility of much greater efficiency in the use of both national economic resources *and* the coastal zone if we examine and try to solve the whole problem, rather than taking the uncoordinated, fragmented approach. The whole problem is simply the need for more coastal real estate to accommodate more and more conflicting uses.

One answer could be multiple-use artificial islands. If several users participate in the construction and maintenance of such newly created coastal real estate, the shared cost to each user will be much less than if each user goes out and builds his own facility. The most expensive part of such structures is the breakwater. The larger the island, the lower the proportional cost. Experience in Europe indicates that for islands of 1,200 acres or more built in the North Sea, the cost may be equal to or cheaper than developing prime coastal land ashore.

The different uses to which such islands could be put seems only to be limited by comparative economics. Among such uses are: Oil and LNG ports, refineries, general cargo ports, waste processing and recycling facilities, jet ports, siting for bad-neighbor industry generally, high-intensity ocean recreation, fishing ports and fish-processing plants, mariculture, electric power stations, and sand-and-gravel mining.

Not all of these uses would be mutually compatible on a single island. The point is, however, that the construction of such islands would relieve many of the pressures on the natural coastal zone. They would enable more efficient use and protection of this irreplaceable national asset. Development of such offshore islands systems could be a joint effort by both Government and industry. Frankly, industry should bear the brunt of the cost—since it would be seeking a profit.

There are many other areas where coastal zone management demands urgent attention—upgrading of our coastal fisheries, protection of living resources, and the balancing of coastal zone uses such as recreation, industry, and residential development. Last year Congress provided, and the President signed into law, the legislative framework for tackling the most pressing of these problems. So far, the OMB has stripped the Coastal Zone Management Act of any substance by refusing to permit its funding. Here again, on this third front, we need to convince the White House and the OMB that efficient management of coastal resources is in the vital national interest. And, as I have said already, arguments must be couched in terms that relate to the critical, headlined issues of our times—balance of payments, inflation, environmental degradation, jobs, leisure time outlets, reduced congestion in cities, national confidence and national pride.

Underlying the effectiveness of our contest on all three fronts of our national struggle—whether with Russia specifically, with the rest of the trading world generally or with ourselves here at home—is the need for a sound and growing ocean science and technology. NOAA Administrator Bob White has described such knowledge as the "other seapower." I say it is the very basis of seapower—the foundation we absolutely must have in order to:

Reduce our *political* dependency on foreign basic resources, while at the same time assuring their *political* availability;

Reduce the outflow of dollars by substituting ocean resources for foreign land-side resources;

Increase our national earning power by producing and selling more ocean goods and services;

Assure our future national economic security by developing the technology to use promising new ocean resources for both energy and raw materials;

And, in general, to reduce fear and restore national self-confidence by strengthening our economic stature both at home and abroad and by restoring our political posture in the world community.

If, however, we are to see *implemented* Government policies and an encouraging ocean business climate we are going to have to sell *ocean* and do so in terms that generate enthusiasm among non-ocean people.

That's the biggest and most important job we have before us—for our own good and for the good of America.

Thank you and good selling!

CONCLUSION OF MORNING BUSINESS

Mr. ROBERT C. BYRD. Mr. President, is there further morning business?

The ACTING PRESIDENT pro tempore. Is there further morning business? If not, morning business is closed.

DEPARTMENT OF TRANSPORTATION AND RELATED AGENCIES APPROPRIATIONS, 1974

The ACTING PRESIDENT pro tempore. Under the previous order, the Senate will now proceed to the consideration of H.R. 8760, which will be stated by title.

The legislative clerk read as follows:

A bill (H.R. 8760) making appropriations for the Department of Transportation and related agencies for the fiscal year ending June 30, 1974, and for other purposes.

The ACTING PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Appropriations with amendments.

The PRESIDING OFFICER. The time for debate on the bill is limited to 30 minutes, to be equally divided and controlled by the Senator from North Dakota (Mr. YOUNG) and the Senator from New Jersey (Mr. CASE), with 20 minutes on amendments, debatable motions, and appeals.

The notice is in error. It will be corrected.

The Chair corrects the previous notice. Debate will be limited to 30 minutes.

Mr. ROBERT C. BYRD. Mr. President, debate should be limited to 30 minutes, with 10 minutes on each amendment, and the agreement should be in the usual form. Mr. MANSFIELD designates his time to me.

Mr. President, I am exceedingly proud of the performance of this subcommittee. I believe that its actions in regard to this bill conform to the wishes of our distinguished chairman of the full committee, Mr. MCCLELLAN, and to the sentiment as expressed by the Senate sometime ago in establishing an overall ceiling which was below the ceiling recommended by the President.

The figure in this bill, I stress, is a reduction in new budget authority of $47 million below the administration's request, and again I say it is $162 million less than the funds appropriated during fiscal year 1973.

The subcommittee took testimony on estimates totaling $8,086,061,000, which consisted of $5,075,157,000 in liquidating cash and $3,010,732,000 in new obligational authority. The committee's recommendation totals $8,000,866,000 consisting of $5,037,471,994 in liquidating cash after certain adjustments and $2,963,394,006 in new obligational authority. This is a reduction in new budget authority of $47,338,000 below the administration's request and $162,057,089 less than the funds appropriated during fiscal year 1973.

It should be noted that the House deferred action on three items since authorizations had not passed the House. Those items were: First, a $25 million request for Coast Guard Reserve training; second, a $93 million request for grants to the National Railroad Passenger Corporation—Amtrak; and third, $35,063,000 of the request for traffic and highway safety by the National Highway Traffic Safety Administration. This committee is recommending appropriation of funds for two of these items subject to passage of the authorizing legislation. $115,500,000 is recommended for grants by Amtrak and $25 million, the full budget estimate for Coast Guard's Reserve training program.

Since the above items were "deferred" by the House, the House bill did not include funds for them. This is the principal reason why the committee's recommendation totals $210,163,000 over the House bill.

ADMINISTRATIVE USER CHARGES

Before proceeding to the specific appropriations recommended, I shall briefly explain the committee's action regarding section 315 of H.R. 8760. This section of the bill, as passed by the House, would prohibit the Department from implementing any new user charges. This section was inserted by the House, because of its concern that new aviation user charges, amounting to $30 to $50 million would be imposed administratively by the Federal Aviation Administration without any congressional review or approval. The effect of section 315 upon the Department, as it reads in H.R. 8760, is to prevent any administrative changes in user charges now in effect for even routine administrative services performed by other parts of the Department, even if there are cost increases. It is, therefore, recommended that section 315 be amended to read as follows:

> None of the funds in this Act shall be available for the implementation or execution of a program in the Department of Transportation to collect fees, charges, or prices for approvals, tests, authorizations, certificates, permits, registrations, and ratings *which did not exist as of January 1, 1973, until such program is reviewed and approved by the appropriate committees of the Congress.*

The total amount of new budget authority recommended is broken down as follows:

TITLE I—DEPARTMENT OF TRANSPORTATION	
Office of the Secretary	$52,000,000
Coast Guard	752,478,006
Federal Aviation Administration	1,554,450,000
Federal Highway Administration	48,763,000
National Highway Traffic Safety Administration	49,757,000
Federal Railroad Administration	163,250,000
Urban Mass Transportation Administration	45,800,000
TITLE II—RELATED AGENCIES	
National Transportation Safety Board	7,975,000
Civil Aeronautics Board	81,198,000
Interstate Commerce Commission	34,750,000
Panama Canal Zone Government	62,500,000
Washington Metropolitan Area Transit Authority	110,473,000
Total new budget (obligational) authority	2,963,394,006

TITLE I—DEPARTMENT OF TRANSPORTATION

OFFICE OF THE SECRETARY

The committee recommends $52 million for the Office of the Secretary, including $24,200,000 for salaries and expenses. This does not include funding for the five additional positions included in the House bill. In denying the request for restoration of 10 staff assistants for the secretarial representatives, the committee has no objection to the funding of these positions from the amount recommended herein.

For transportation, planning, research, and development, the committee recommends $26,500,00. In restoring the $1 million House reduction to the Department's universty research programs, the committee recognizes the importance of bringing to bear the intellectual resources of the Nation's universities and colleges on interdisciplinary solutions to transportation problems. The committee notes, however, that the success of this program will depend, in large part, upon firm direction by the Department.

Other major programs for fiscal year 1974 under this appropriation consist of:

First, climatic impact assessment, for which $5.8 million is recommended. This program studies the environmental effect of fleet operations on high altitude aircraft;

Second, automotive energy optimization, for which $2.1 million has been included for the study of methods to reduce fuel consumption by 30 percent with state-of-the-art technology;

Third, noise abatement, for which $2 million is recommended; and

Fourth, State and local planning grants, for which $1 million is provided to obtain state and local input into national transportation planning.

The committee recommends concurrence with the House denial of the Department's $500,000 request for transportation research activities overseas. Testimony revealed that $143,000 of the 1972 appropriation for this item is still unobligated.

For grants-in-aid for natural gas pipeline safety, the committee recommends an appropriation of $1.5 million. This represents an increase of $625,000 over the House allowance. The recent increase in gas explosions resulting in loss of lives as well as substantial property damage makes it imperative that the Department pursue its responsibilities in this area with great urgency. The committee is disturbed that a report requested of the Department last year concerning the personnel and funding necessary to establish an effective gas pipeline safety program has still not been received.

COAST GUARD

For operating expenses of the Coast Guard, the committee recommends $547,900,000. Of the $3.5 million increase over the House bill, $922,000 is provided to reactivate 13 Coast Guard SAR stations—in addition to $600,000 provided by the House—$1.5 million is included for the manning of various units of the Loran chains program, and $1,078,000 is to provide funding for a three-helicopter force at Cordova, Alaska. Such helicopters are to be transferred from storage.

For acquisition, construction, and improvements, the committee recommends $77,250,000. The $2,750,000 over the House allowance and budget request is included for the construction of a helicopter search and rescue station to be located at a suitable point between San Francisco, Calif., and Astoria, Oreg. Although the Coast Guard has listed such a station for future funding, it was felt that the station was needed at the present time.

The House language limiting availability of A.C. & I. funds to June 30, 1975, was extended by the committee to June

30, 1977, primarily due to the combination of logistics and a short construction season for the Alaskan projects.

The committee recommends concurrence with the House allowance of $4 million for alteration of bridges.

For reserve training, as mentioned earlier in my summary, the House deferred action due to lack of authorizing legislation. The committee recommends an appropriation of $25 million subject to passage of authorizing legislation.

The committee recommends $14 million for the Coast Guard's research, development, test, and evaluation programs, the same as the House allowance. This is the area where the Coast Guard conducts its marine safety and environmental protection programs.

In the State boating safety assistance program, the committee recommends $3,500,000, the same as in the House bill and $1 million below the budget estimate.

FEDERAL AVIATION ADMINISTRATION

For operations of the Federal Aviation Administration, the committee recommends $1,206,800,000. The $13.3 million increase over the House bill is to enable the FAA to continue its air transportation security program in 1974.

The committee recommends the sum of $13,750,000 for engineering and development. The House cut of $2,250,000 is restored in order to provide the full budget amount to enable the FAA to continue its programed level of research and activities connected with its efforts to reduce aircraft noise and to eliminate aircraft accidents.

For facilities and equipment, the committee recommends the budget request and House allowance of $250 million. However, the limitation on availability to June 30, 1975, included in the House bill is considered too restrictive. The committee is advised by the FAA that the majority of projects, some 90 percent, are completed within a 3-year period. For this reason, the committee recommends extending the availability of the 1974 appropriation to June 30, 1976.

For research, engineering, and development, the committee recommends $66,500,000. This $11.5 million increase over the House bill is provided to permit the FAA to continue its efforts in the improvement of navigation, communication, and all weather landing systems which, if delayed, could lead to increased traffic delays in high density terminal areas.

In grants-in-aid for airports, the committee recommends $200 million in liquidating cash, the same amount provided in the House bill. A new minimum obligation limitation of $310 million is recommended for 1974. This is the level provided in Public Law 93-44.

With respect to the National Capital airports, the committee recommends concurrence with the $14.4 million for operation and maintenance and $3 million for construction contained in the House bill. It should be noted that the FAA predicts that revenues will exceed direct operating costs for both National and Dulles airports in fiscal year 1974. These revenues are deposited in the general fund of the Treasury. Here again, the committee recommends extending the June 30, 1975, availability cutoff provided in the House bill to June 30, 1976.

FEDERAL HIGHWAY ADMINISTRATION

I turn now, Mr. President, to the Federal Highway Administration. By far, the largest single item in this bill is the $4,315,900,000 recommended for Federal-aid highways. The major portion of this amount will be paid out to the States for work on our Federal-aid highway system. Under this program, the Federal Government pays 90 percent of the costs of interstate projects and 70 percent of most other Federal-aid projects.

For salaries and expenses, the committee recommends $114,700,000. Of this amount, $101,900,000 would be transferred from the "Federal-aid highways" trust fund, and $12,800,000 would be a direct appropriation. This is a reduction of $1.5 million below the House allowance.

For highway beautification, the committee recommends an obligation limitation of $55 million, increasing the House allowance by $10 million.

For rail crossing demonstration projects, $18 million is recommended. This $8 million increase over the House is provided to enable the Department to carry out this program without delays which could occur from inadequate funding.

The committee recommends an appropriation of $11,943,000, including $5,943,000 for Elko, Nev., and $6 million for Wheeling, W. Va., for railroad-highway crossings demonstration projects. This recommended appropriation is contingent upon enactment of the Federal-Aid Highway Act of 1973.

For forest highways, public lands highways, and territorial highways, the House allowed the full budget estimate. The committee recommends concurrence.

The committee is also recommending that the $5 million obligation limitation on public lands highways be increased to $12 million.

NATIONAL HIGHWAY TRAFFIC SAFETY ADMINISTRATION

For the traffic and highway safety program of the NHTSA, we recommend $49,757,000. Of this amount, $5 million is made available contingent upon enactment of authorizing legislation. Of the amount allowed by the House, $9 million was by transfer from the appropriation "construction of compliance facilities." Concurrence with this transfer is recommended since testimony revealed that actual construction of the facility is not scheduled for fiscal year 1974.

The House bill set an obligation limitation of $80 million for the administration's State and community highway safety grant program for fiscal year 1974. The committee recommends a limitation of $85 million, the same as the fiscal 1973 amount.

FEDERAL RAILROAD ADMINISTRATION

For salaries and expenses of the Office of the Administrator, we recommend $2,900,000, the same as the House allowance.

A level of $10,350,000, the same as for fiscal year 1973 is recommended for the administration's railroad research efforts.

In the area of railroad safety, the committee is greatly concerned with the administration's failure to hire additional safety inspectors authorized by the Congress. The incidence of train accidents due to defective or improperly maintained roadway and track is alarming. For this reason, we have recommended restoration of the $1 million House cut in this appropriation and, in addition, recommend $1.4 million to be used only for hiring an additional 95 safety inspectors. Also, since this program would prove ineffective without providing grants-in-aid to the States, the committee recommends a $1.5 million appropriation to make such grants to States certified by the FRA to assist in policing the railroad regulations.

For high-speed ground research, the committee recommends an appropriation of $23.6 million. Of the $6.5 million increase over the House, $3 million is intended for the FRA's advanced systems program and $3.5 million is to permit retrofitting of the propulsion drive system on the Metroliner fleet.

For grants to the National Railroad Passenger Corporation, the committee recommends an appropriation of $115,500,000. In addition to the $93 million budget request, funds are provided for the following services:

Mexican service via St. Louis, Little Rock, and Dallas	$4, 500, 000
San Joaquin Valley between Oakland and Bakersfield	500, 000
Washington, D.C.—Cumberland, Maryland	400. 000
Metroliner Station at New Carrollton, Maryland	7, 100, 000
New York-Kansas City and Chicago-Florida routes	10, 000, 000

Of the amount appropriated, $61.5 million is contingent upon passage of authorizing legislation by the 93d Congress.

URBAN MASS TRANSPORTATION ADMINISTRATION

For administration expenses, $5 million is recommended. This allowance anticipates usage of the $2 million carryover.

In restoring $11.2 million of the House cut to the administration's research and development program, the committee anticipates that the 1974 program will include $28.6 million for new systems, $20,650,000 for PRT research and development, $4,250,000 for seeking solutions to the problems of the elderly, handicapped, and other transportation disadvantaged, and $1 million for development of a nonpolluting taxi.

The committee proposes to limit UMTA's program commitments in fiscal year 1974 to $1 billion. This is $20 million over the House allowance and permits a program comprised of $880,300,000 for capital facilities, $38 million for technical studies, $74,700,000 for research, and $7 million for administrative expenses.

TITLE II—RELATED AGENCIES

Mr. President, the committee recommends concurrence with the House provision of $296,896,000 for the five transportation related agencies contained in this bill.

The $7,975,000 provided for the National Transportation Safety Board should be sufficient to enable it to carry out its responsibilities in the areas of aviation accidents and selected surface transportation accidents.

The bill recommends allowance of the full budget request of $81,198,000 for the Civil Aeronautics Board. Of this amount, $14,767,000 is for the Board's salaries and expenses and $66,431,000 is for subsidy payments to qualified local service and Alaskan air carriers.

The recommendations of $59 million for operating expenses and $3.5 million for capital outlay of the Panama Canal Zone Government will be repaid to the Treasury. These amounts are, in effect, an advance of funds to be repaid through charges for services rendered or from revenues of the Panama Canal Co.

The $34,750,000 appropriation for the Interstate Commerce Commission allows for 70 new positions.

Finally, the committee recommends the full amounts of the budget requests of the Washington Metropolitan Area Transit Authority. This would provide $7,385,000 for design and construction of the Arlington Cemetery station and an additional Smithsonian station entrance, as authorized by Public Law 92-517. In addition, an advance appropriation for fiscal year 1975 of $90,360,000 is also provided. The committee also recommends the $12.7 million for Federal subsidies to the WMATA revenue bonds. This subsidy covers 25 percent of the interest and issue costs of these bonds.

Mr. President, in conclusion, let me say that I believe the committee has presented a budget that is carefully trimmed but at the same time should enable the Department of Transportation and related agencies to carry out their responsibilities in a most effective way in fiscal year 1974.

Mr. President, I want to express my appreciation and the appreciation of the subcommittee and the full committee—and the Senate, I am sure—to the distinguished Senator from Alaska (Mr. STEVENS) for the excellent work he has done in connection with this bill. He has conducted practically all the hearings that were conducted on this bill. He began on Friday, 2 weeks ago yesterday, opened the hearings, and almost daily during those 2 weeks conducted hearings, mornings and afternoons. I not only want to express my gratitude but also want to commend him on a job very well done.

Mr. President, I yield to the Senator from Alaska such time as I may have, if he desires to use it.

Mr. STEVENS. Mr. President, I am grateful to the distinguished manager of the bill for his comments.

I am pleased to express my support for the passage of H.R. 8760, the fiscal year 1974 appropriations for the Department of Transportation and related agencies.

Commencing on July 13, at the request of the distinguished Transportation Subcommittee Chairman ROBERT C. BYRD, I chaired 6 days of hearings at which the top representatives of each Department of Transportation agency and several public witnesses appeared to testify on the budget requests and appeals for various phases of the Department's operations. A substantial record was compiled and a significant amount of budget information was obtained from the witnesses.

The subsequent markup sessions at both the subcommittee and full Appropriations Committee levels were extremely constructive and productive, and the Senate version of H.R. 8760 reflects a responsible consideration by the Senate Appropriations Committee of the concern by all branches of Government for economic responsibility. The Appropriations Committee recommendations are $47,338,000 below the fiscal year 1974 budget estimates, and $162,057,089 below the fiscal year 1973 appropriations.

At a time when fiscal responsibility in the area of Government spending is of great importance to us all, I am convinced that the programs supported by the various transportation agencies and sustained by the committee are vital to the assurance of an effective national transportation program for fiscal year 1974. The spending priorities contained in the Senate version of H.R. 8760 reflect a judicious use of Federal funding to insure that the transportation requirements of the United States continue to be supported within responsible spending limits.

It is my hope that H.R. 8760 will receive a favorable response from the Senate and continue to the conference committee in the form adopted by the Senate Appropriations Committee.

Mr. President, I was pleased to have the opportunity to work with the Senator from West Virginia. I believe this is a very important bill and one that meets the needs of the country in the area of mass transportation, of providing the operations of the Department of Transportation, in general, the type of funding that is within our ability to support at the present time.

Mr. ROBERT C. BYRD. Mr. President, I also want to express appreciation to the distinguished senior Senator from New Jersey (Mr. CASE), the ranking member of the subcommittee, for the many courtesies and the cooperation and the advice and counsel accorded to me by the Senator from New Jersey. As always in the past, it has been a pleasure to work with the Senator from New Jersey, as it has been to work with the Senator from Alaska, in connection with the bill.

I also want to thank the distinguished chairman, Mr. MCCLELLAN, for the usual solid support he gives to all subcommittee chairmen in their efforts to reduce the overall figure below the administration's budget.

I also want to thank our able staff—Mr. Witeck, Mr. English, and the other members of the staff—without whose support and efforts our work would be far less easy and not as effective.

Mr. McCLELLAN. Mr. President, will the Senator yield?

Mr. ROBERT C. BYRD. I yield to my distinguished chairman.

Mr. McCLELLAN. Mr. President, I express my appreciation to the distinguished chairman of the subcommittee, the Senator from West Virginia (Mr. ROBERT C. BYRD), the ranking minority member, the Senator from New Jersey (Mr. CASE), the Senator from Alaska (Mr. STEVENS), and all members of the committee for a very conscientious effort to reduce public expenditures, particularly in the field of transportation obligations.

The $47 million, the amount that this bill is under the budget, does not seem like a very large amount when we think in terms of billions of dollars; but it does signal an effort on the part of Congress to hold the line on expenditures and to try to make reductions.

I am gratified with the results, particularly of this subcommittee and others that are making a sincere effort to hold down expenditures. I think we are in a testing period in this country with respect to whether we have the will, really have the will to meet our responsibility here with regard to public expenditures. If we have the will we have the way, and the test now is, Do we have the will?

I am gratified that the Senator from West Virginia (Mr. ROBERT C. BYRD) as chairman of the subcommittee, and his ranking minority member, and others on the committee, and other subcommittee chairmen, and their colleagues in many instances are making a sincere effort to show a disposition to reduce expenditures and to move toward a balanced budget.

I am very gratified and I want to express appreciation to the Senator and to the members of his subcommittee.

Mr. ROBERT C. BYRD. Mr. President, again, I thank the distinguished chairman.

Mr. President, I yield to the distinguished Senator from New Jersey.

The ACTING PRESIDENT pro tempore. The Senator from New Jersey is recognized.

Mr. CASE. Mr. President, I wish to join my colleagues in expressing satisfaction with this bill. I think we have done a good job and we have cut it. If every appropriation bill is handled in the same fashion, we are going to be under the budget. When I say "budget," of course, I mean recommendations from downtown which did not provide for a balanced budget; but we may be able to balance it and that would be an occasion for great satisfaction, I know, for my chairman, and all members of the committee.

Mr. President, I have no desire to take the time on specific parts of the bill. I think they speak for themselves and the report is very clear. We have, I think, several amendments which may be offered, and I now yield the floor for the time being.

The ACTING PRESIDENT pro tempore. The clerk will state the first committee amendment.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the committee amendments be agreed to en bloc and that the bill as thus amended be regarded for the purpose of amendment as original text, provided that no point of order shall have been considered to have been waived if the request is agreed to.

The ACTING PRESIDENT pro tempore. Without objection, the committee amendments are considered and agreed to en bloc.

The amendments agreed to en bloc are as follows:

On page 2, in line 9, strike out "$24,300,000" and insert "$24,200,000"; in line 15, strike out "$25,500,000" and insert "$26,500,000"; and in line 22, strike out "$875,000" and insert "$1,500,000".

On page 3, in line 11, strike out "$544,400,000" and insert "$547,900,000".

On page 4, in line 18, strike out "$74,500,000" and insert "$77,250,000"; and in line 19,, strike out "1975" and insert "1977".

On page 5, after line 2, insert the following:

Reserve Training

For all necessary expenses for the Coast Guard Reserve, as authorized by law; maintenance and operation of facilities; and supplies, equipment, and services; $25,000,000: *Provided,* That amounts equal to the obligated balances against the appropriations for "Reserve training" for the two preceding years shall be transferred to and merged with this appropriation, and such merged appropriation shall be available as one fund, except for accounting purposes of the Coast Guard, for the payment of obligations properly incurred against such prior year appropriations and against this appropriation: *Provided,* That this appropriation shall be available only upon the enactment into law of authorizing legislation by the Ninety-third Congress.

On page 6, in line 11, strike out "$1,193,500,000" and insert "$1,206,800,000"; and in line 24, strike out "$11,500,000" and insert "$13,750,000".

On page 7, in line 19, strike out "1975" and insert "1976".

On page 8, in line 10, strike out "$55,000,000" and insert "$66,500,000".

On page 10, at the beginning of line 5, strike out "$14,300,000" and insert "$12,800,000"; and the end of the same line, strike out "$9,000,000" and insert "$7,500,000"; in line 9, strike out "$25,100,000" and insert "$23,600,000"; and in line 16, strike out "$1,000,000" and insert "$1,020,000".

On page 11, in line 8, strike out "$10,000,000" and insert "$18,000,000"; in line 9. strike out "$3,000,000" and insert "$5,400,000"; after line 10, insert the following:

Railroad-Highway Crossings Demonstration Projects

For necessary expenses of railroad-highway crossings demonstration projects, to remain available until expended: $11,943,000, of which $5,943,000 is for projects at Elko, Nevada, and $6,000,000 is for projects at Wheeling, West Virginia; and $7,962,000 of these amounts shall be derived from the Highway Trust Fund: *Provided,* That this appropriation shall be available only upon enactment into law by authorizing legislation of the Ninety-third Congress.

And in line 25, strike out "$2,600,000" and insert "$2,500,000".

On page 12, at the end of line 4, strike out "$15,000,000" and insert "$5,000,000"; and beginning with line 18, strike out:

Right-of-Way Revolving Fund (Liquidation of Contract Authorization) (Trust Fund)

For payment of obligations incurred in carrying out the provisions of title 23, United States Code, section 103(c), as authorized by section 7(c) of the Federal Aid Highway Act of 1968, $4,000,000, to remain available until expended, and to be derived from the "Highway trust fund" at such times and in such amounts as may be necessary to meet current withdrawals.

On page 13, in line 23, strike out "$44,632,000" and insert "$49,755,000".

On page 14, in line 6, after "Act" insert a colon and the following:

Provided further, That $5,000,000 of such funds shall be available only upon enactment into law by authorizing legislation of the 93d Congress.

In line 22, strike out "$10,500,000" and insert $10,350,000"; and at the end of line 26, strike out "$7,000,000" and insert "$9,400,000".

On page 15 beginning with line 1, insert the following:

Grants-in-Aid for Railroad Safety

For grants-in-aid to carry out a railroad safety program, $1,500,000: *Provided,* That this appropriation shall be available only upon enactment of authorizing legislation by the Ninety-third Congress.

At the end of line 9, strike out "$17,100,000" and insert "$23,600,000"; and beginning with line 11, insert the following:

Reduction in Appropriations

Appropriations heretofore granted under the head "Grants to National Railroad Passenger Corporation" are reduced by the sum of $9,100,000.

Grants to the National Railroad Passenger Corporation

To enable the Secretary of Transportation to make grants to the National Railroad Passenger Corporation, $115,500,000, to remain available until expended, of which $61,500,000 shall be available only upon the enactment into law of authorizing legislation by the Ninety-third Congress: *Provided,* That not to exceed $7,100,000 is to be expended only in connection with the construction of station and related facilities to serve the Metroliner at New Carrollton, Maryland.

On page 17, at the end of line 11, strike out "$5,200,000" and insert "$5,000,000 to remain available until expended."; in line 18, strike out "$29,600,000" and insert "$40,800,000"; in line 19, strike out "$27,100,000" and insert "$37,800,000"; and at the end of line 20, strike out "$2,000,000" and insert "$2,500,000".

On page 23, in line 20, strike out "$280,000,000" and insert "$310,000,000"; and at the end of line 24, strike out "$45,000,000" and insert "$55,000,000".

On page 24, at the end of line 3, strike out "$80,000,000" and insert "$85,000,000"; at the end of line 17, strike out "$5,000,000" and insert "$12,000,000" and in line 23, strike out "$980,000,000" and insert "$1,000,000,000".

On page 27, in line 3, after "ratings", strike out "which are in excess of the levels in effect on January 1, 1973" and insert "which did not exist as of January 1, 1973, until such program is reviewed and approved by the appropriate committees of the Congress".

Mr. SCOTT of Pennsylvania. Mr. President, included in the Department of Transportation appropriations bill are funds for the Federal Aviation Administration's facilities and equipment program. Most of the funds will be used to meet the urgent needs of the air navigation and air traffic control system.

Of particular importance in the bill are funds for an instrument landing system at Allentown, Pa., in the Lehigh Valley. This is one of the fastest growing areas of the Commonwealth and air traffic at the Allentown-Bethlehem-Easton Airport has reflected that. I am pleased that the FAA has recognized the need for an improved instrument landing system at the A-B-E airport in Lehigh County.

Mr. ROBERT C. BYRD. Mr. President, I send to the desk two amendments and I ask unanimous consent that they may be considered en bloc.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered. The amendments will be stated.

The amendments were stated, as follows:

On page 9, line 13 of the reported bill, strike "1975" and insert "1976".

On page 14, line 26 of the reported bill, following "$400,000" and preceding the period, insert ", of which $1,400,000 shall be available only for additional safety inspectors"

Mr. ROBERT C. BYRD. Mr. President, these two committee amendments are described in the committee report on pages 13 and 21. They were omitted from the printed amendments that were agreed to en bloc earlier.

The ACTING PRESIDENT pro tempore. Without objection, these amendments are agreed to en bloc.

Mr. BEALL. Mr. President, on behalf of Senator Mathias and myself, I send to the desk an amendment and ask that it be stated.

The ACTING PRESIDENT pro tempore. The amendment will be stated.

The legislative clerk read as follows:

On page 2, line 9, immediately after the semicolon, add the following: "including not to exceed $1,000,000 for allocation to the Office of Pipeline Safety for a study of the safety of natural gas pipeline distribution systems which shall consider such areas as the use of plastic pipes, the evaluation of the conditions of existing distribution systems, third party damages, the need for expanding present regulations on service lines, the effectiveness of "odors" given to natural gas, and the utilization of the system approach to pipeline safety,"

On page 2, line 9, strike $24,200,000 and insert in lieu thereof $25,200,000.

Mr. BEALL. Mr. President, this amendment would provide up to $1 million to the Office of Pipeline Safety for a study of the safety of natural gasline distribution systems. This is similar to the amendment that I offered on June 30 to the HUD appropriations measure and which the Senate adopted. Unfortunately, the amendment was deleted in conference with the House because, as I understand it, they felt that the HUD appropriations bill was not the appropriate vehicle.

Mr. President, the appropriate vehicle is now before us and I hope that this amendment will pass. Before discussing the amendment, I want to commend the committee for increasing the appropriations for section 5 of the Natural Gas Pipeline Safety Act, which provides grants to States for developing and implementing safety programs. This is needed and I know the committee, in the words of the report, has "concern over the recent rash of gas explosions."

In addition to expanding the grants-in-aid program, in my judgment, it is critical that we expand our research efforts and the funds for this program are provided in the appropriations to the Office of the Secretary. Accordingly, my proposal would amend this section of the bill and add $1 million for a study.

The Office of Pipeline Safety, which is under the Assistant Secretary for Environment, Safety and Consumer Affairs in the Office of the Secretary of Transportation, is responsible for administering the Natural Gas Pipeline Safety Act of 1968.

This Office develops and enforces safety standards for the pipeline systems which transport natural gas and hazardous liquids. Their program is built around three program elements: Safety standards development, operations and compliance—through inspection—of interstate transmission facilities, and provision of assistance to State and local governments for the developing and implementing safety programs.

The Office carries out the program of grants-in-aid for gas pipeline safety, which I previously mentioned and which the committee has provided increased funding.

Finally, the Office also carries out a research program. It is this effort that my amendment will accelerate.

When inadequate research funds are provided, priorities have to be made and at present the two important priorities of the Office seem to be the study of liquid natural gas and the Alaskan pipeline. Both of these are of critical importance. The problem of natural gas explosions in residential areas is also of critical concern and a matter of urgency. I do not believe that we can wait for the answers. When I introduced the amendment to the HUD appropriations bill, I recalled the explosion that had taken place in Bowie, where three people were killed and the explosion that had occurred in Columbia, Md. Fortunately, in the Columbia case, the residents were on vacation. Since then, another explosion occurred on July 16 in Annandale, burning two people and this was the fifth natural gas explosion in the Washington area in the last 16 months to cause death, serious injury, or major damage.

Although the Office of Pipeline Safety is concerned about the natural gas explosions of residential areas. Without adequate funds, they simply cannot give it the priority which I believe it deserves. What would the Office be expected to do with this additional money?

I specifically list some of the areas which I believe cry out for immediate attention. I believe that we need to examine the use of plastic pipes, taking a look at the time and environmental effects, particularly on existing systems that are now in the ground that were placed there a few years ago. The Bowie explosion apparently resulted from a crack in a one-half inch plastic gas service line.

The amendment would also direct the Office of Pipeline Safety to evaluate the conditions of existing distribution systems. We really need to develop some way to evaluate these lines in place to determine whether the existing lines are safe and adequate.

The amendment further requires a study of third party damages. In the special study on prevention of damages to pipelines issued just yesterday, the National Transportation Safety Board noted that 71 percent of distribution system accidents involved outside-forces damage and that 42 percent of the outside-force accidents related to evacuation damages.

This was the case in the first Annandale explosion. A model code has been developed and many States and local jurisdictions have enacted statutes requiring the contractors and the distribution utility companies to get together prior to construction. We need to monitor carefully what has been done, determine the effectiveness of these programs and see whether we need to revise the program and perhaps even come up with a new model statute.

In addition, the study would examine the need for expanding present DOT regulations on service lines. Service lines are those lines which run from the street to the house. Presently, we only regulate those lines until they reach the meter, and not the lines inside the house. We need to look at existing regulations and determine if we need to expand them. The most recent Annandale explosion, where the gas pipe split inside the building, underscores the importance of this effort.

Finally, we need to know and the study directs an examination into the effectiveness of present "odors" added to natural gas. For example, in the Bowie explosion, there evidently was no warning odor. Natural gas does not emit an odor and companies add aromatic chemicals so that leaks may be sensed and detected. It is suspected that in some cases the chemicals added may be filtered out, particularly if the natural gas had worked its way through the soil.

The study would include an examination of the potential of "system safety" technology to prevent accidents.

Our aerospace, aviation, and military activities have demonstrated the advantage of the new technology of system safety. These methods are being adapted to other areas but they have not yet been employed on the surface modes of transportation. The potential for system safety appears great for pipeline safety. As a special study of the systematic approach by the National Safety Board of May 25, 1973 observed:

> System safety procedures are employed in the aerospace field as the first step in the safety chain. This is a marked departure from the accident-based approach to safety in other modes in which reliance is placed upon the lessons learned from accidents in order to formulate remedial action. Investigations of accidents are an important part of the safety chain to determine weaknesses in a safety system, but should not be the primary method used to create a safe system.

Mr. President, a Washington Post article of July 8 estimated that one-quarter of the 80,000 reported household gas leaks checked each year by the Washington Gas & Light Co. are serious enough that they could result in explosions if left unattended. The National Observer of July 28 began a front page article as follows: "One million miles of gas pipeline lie stretched across the United States. . . . Nearly all of them leak." Nationwide, there were 62 deaths in 1972, a 32-percent increase over the previous year, as a result of explosions caused by escaped natural gas. The calamity of natural gas explosions can strike as swiftly and unexpectedly as a bolt of lightning. If we are to prevent this kind of disaster from repeating itself over and over, we must make certain that adequate safeguards and standards are provided and adhered to in the design, construction, and maintenance of our pipeline and gas hookups in residential areas.

In addition, it is critical that public education on the problem and the danger signs be increased. It seems to me that the magnitude of this problem and its continued potential for catastrophe make it imperative that we step-up our efforts in this area. This amendment contemplates an accelerated examination of this serious problem which affects citizens' lives, safety, and property all over the country. It is hoped that the study will be completed as soon as possible.

Obviously, we must be concerned with the increasing frequency with which these types of events are happening. For that reason, I hope the Senate will accept this amendment and hold it in conference so that we will achieve an accelerated and coordinated effort to solve this problem of utmost priority and urgent national concern. I ask unanimous consent that the National Observer article to which I earlier referred be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

Gas Pipelines—They Leak

(By William J. Lanouette)

One million miles of gas pipelines lie stretched across the United States. Some, like the transmission lines that take gas from the fields in the Southwest to the big cities of the Northeast, are 3½ feet in diameter. Others, like those keeping your house appliances going, may measure only ⅜ of an inch across.

Nearly all of them leak.

You probably read about the dozen or so most spectacular gas leaks each year—the ones that blow suburban houses into chips and splinters and wipe out whole city blocks.

But what about the other leaks—the ones that controls or coincidence prevented from becoming front-page disasters? Because of the complicated nature of the nation's gas-pipeline system, and the fragmented Federal, state, and local jurisdictions that regulate it, even counting the yearly accidents is a confusing enterprise. Anticipating future trouble, and trying to prevent it, is even more elusive. But help is on the way.

AT LEAST 693,163 LEAKS LAST YEAR

Federal safety officials say there were at least 693,163 gas leaks last year. That's the number reported to the Office of Pipeline Safety (OPS), the Washington-based national watchdog agency for the gas-pipeline network.

When OPS sends its required annual report to Congress, however, the statistics change. In 1972 their report says there were 1,293 leaks. Not 693,163.

Why this wild discrepancy? It depends on viewpoint. Thus, OPS, under the Natural Gas Pipeline Safety Act of 1968 that created it, is only required by law to tell Congress about gas-pipeline "failures." A leak becomes a "failure" only if someone is killed or hospitalized, or if a fire starts, or if property damage exceeds $5,000. Taking this viewpoint the OPS reports that the 1,293 gas-pipeline "failures" that occurred in 1972 killed 54 persons, injured 434 others, and caused $2,998,893 in damage.

But even those figures are misleading. For example, the year's estimated property damage accounts only for the property of the gas companies. If damage to other buildings is included, the figure would be at least five times higher.

A PERPLEXING QUESTION

Indeed, it is precisely such discrepancies, resulting from the different and often competitive viewpoints, that make the question of gas-pipeline safety so perplexing. An array of fragmented jurisdictional authority also hampers the ability of any single agency to successfully regulate an industry that has increased more than 20-fold in the last 50 years. In 1920 natural gas provided 4.4 per cent of the nation's energy needs. Today, with total energy consumption more than trebled, it provides 32.9 per cent. The continuing demand for energy, coupled with expanding patterns of construction in the nation's suburban sprawl, makes the task of preventing future gas disasters essential.

Last month, escaping gas led to an explosion that killed two persons and seriously injured a third in Bowie, Md., a Washington suburb. Last week, three persons were badly hurt when two plate-glass windows were blown out of a restaurant in another Washington suburb.

"Natural gas is a good, clean, safe fuel if it's handled properly," says Barry Sweedler, an inspector for the Federal National Transportation Safety Board and research director of a forthcoming report on gas-pipeline safety. "But the potential problems have us concerned."

A principal concern, because it accounts for about a third of all gas-pipeline accidents, is the frequency with which construction workers accidentally dig into buried gas lines. In the fast-growing Washington, D.C., area, for example, during a four-month period last year, the Washington Gas Light Co. received 6,000 calls about pipeline leaks, of which 2,200 were construction related.

ACCIDENTAL HOLOCAUST

In March 1972 one of the company's gas mains in the suburb of Annandale was accidentally struck by a backhoe, a mechanical excavator. Gas seeping from the line exploded, demolishing two houses, damaging a third. The blast killed a woman and her two children and seriously injured a gas-company employee.

To prevent similar accidents, Fairfax County, in which Annandale is located, enacted an ordinance requiring contractors to notify all utility companies with underground lines in the area at least two days before beginning excavation. The utility companies are then required to locate their lines, and the contractor must hand-dig around these lines to avoid striking them. This approach has several drawbacks. Among them:

Contractors have strong economic incentives to carry out their excavation with the more efficient power equipment.

Even if construction trenches are hand-dug, many new plastic gas lines can be broken with a pick.

At best, county inspectors can only make spot checks at the hundreds of construction sites.

Under the ordinance a contractor may not begin to dig until the location of all utility lines is marked, and until all companies which do not have lines at his site tell him so; with 16 operators of underground utility lines in the county, the clearance procedure is difficult.

Some contractors might consider violating the ordinance, risking a misdemeanor with a maximum fine of $300 or imprisonment of up to 30 days, a gamble worth taking.

A few local jurisdictions, including Rochester, N.Y., Detroit, and Bridgeport, Conn., have instituted single-call notification systems, so that contractors can dial one telephone number to request information on all underground utility lines in the area. In Rochester, for example, contractors are urged to call "Mac Mole" and "Gus Gopher," while diggers in Detroit are invited to telephone a throaty young voice named "Miss Dig." In Houston, and Portland, Ore., underground work is monitored by permit systems.

Joseph Kleinberg, a superintendent at the Rochester Gas & Electric Corp. and an originator of the "Mac Mole" program, says that "despite rapidly increasing construction in our area, the number of gas-pipeline accidents has dropped. In 1963, the year before we began our call system, we had about 5,000 calls from contractors and 350 incidents. In 1972 we had more than 12,000 calls and only 260 incidents." He predicts that 15 or 20 such systems will be operating around the country soon.

FURTHER SAFETY PROBLEMS

Even if this approach were expanded to cover many more local jurisdictions however, there is a further safety problem with gas pipelines. Says Carl R. Johnson, an Ohio Public Utilities commissioner: "A number of these pipes have been in the ground for 25 or 30 years, and some have been down there a lot longer than that. The action of the elements—soil, acidity, water, bacteria—are not really known in a lot of areas. The probability of a disaster is likely to increase with the passage of years. Corrosion was listed as the cause of 195 of the 1,293 "failures" that OPS reported to Congress for 1972. The annual figures are expected to increase.

Commissioner Johnson is a member of the Transportation Department's Technical Pipeline Safety Standards Committee, a 15-member board that reviews Federal regulations in such areas as pipe testing, repair procedures, and pressure standards. Even this enterprise is limited, however, since Federal jurisdiction for pipeline safety goes only from the well, through the transmission lines, the local distribution system, and ends at the customer's service line or gas meter. Then a welter of local building codes, and the standards of each individual gas company, prevail.

To further complicate the regulatory situation, the jurisdictions that devise pipeline-safety standards seldom apply them. In fact, the Federal Government has original jurisdiction to enforce its regulations and civil penalties in only two States, Louisiana and New Jersey. In all others, plus the District of Columbia and Puerto Rico, the individual power commissions have agreed to exercise that authority.

Although 45 of the 50 jurisdictions have authority to impose fines for breaking the law, not a single one of 73,726 "deficiencies" was punished by the fine last year. Of these 70,249 were discovered in New York state alone.

Roy Siskin, a spokesman for the American Gas Association, which represents about 300 distributors, described the present situation of legal liability that frequently accompanies natural-gas accidents as a jungle. "It's simple," he said. "Everybody sues everybody." Few guidelines are available to judges hearing these cases.

The OPS, meanwhile, continues to operate with a small staff of field inspectors and no early prospect that Congress will authorize the hiring of more. Director Joseph C. Caldwell prefers to stress that his office's data-collection procedures are now established and that reports in future years will yield a detailed assessment of trends in gas-pipeline safety.

Because 1972 was the first year that comprehensive figures were compiled, placing pipeline safety in perspective is speculative at best. "As an industry, the accident rate is extremely low," boasts Ron Jones, the pipeline co-ordinator at the American Petroleum Institute, a body of natural gas producers.

"It's difficult to say if we're having more accidents each year or not," adds Barry Sweedler. "In some recent accidents we've been extremely lucky. If they'd happened a few miles down the line, or at another time of day, the death rate would be very much higher. I don't foresee a drastic reduction in the number of serious accidents unless action is taken in a number of areas."

Sweedler urges the public to become more aware of what to do when faced with a gas leak: Don't strike a match or change a light switch, get as much fresh air into the area as you can, then get out and call the gas company and the fire company from another telephone.

He emphasizes the need for better training for gas-company personnel and complains that often each company has its own emergency procedures which are incompatible with those of nearby firms. Sometimes a company will have good procedures and not follow them. Other times, there are no company rules. "So far," he says, "we've been lucky."

Mr. ROBERT C. BYRD. Mr. President, will the Senator yield?

Mr. BEALL. I yield.

Mr. ROBERT C. BYRD. Mr. President, the distinguished Senator from Maryland, the author of the amendment discussed the matter with me and the distinguished ranking member of the committee and with the Senator from Alaska (Mr. STEVENS). My understanding is that they are prepared to accept it and I am prepared to accept it.

Mr. CASE. Mr. President, I accept the amendment.

The ACTING PRESIDENT pro tempore. Do Senators yield back their time?

Mr. BEALL. Mr. President, I yield back my time.

Mr. ROBERT C. BYRD. Mr. President, I yield back my time.

The ACTING PRESIDENT pro tempore. All time is yielded back. The question is on agreeing to the amendment of the Senator from Maryland.

The amendment was agreed to.

The ACTING PRESIDENT pro tempore. The bill is open to further amendment.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The Clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. STEVENS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. STEVENS. Mr. President, on behalf of the Senator from New York (Mr. JAVITS), I send to the desk an amendment and ask that it be stated.

The ACTING PRESIDENT pro tempore. The amendment will be stated.

The legislative clerk read as follows:

On page 6, line 1, strike the figure "3,500,000" and insert in lieu thereof "$4,500,000."

Mr. STEVENS. Mr. President, this is an amendment that seeks restoration of the $1 million that was not appealed by the department, I understand.

I offer the amendment on behalf of the Senator from New York.

Mr. STEVENS. Mr. President, I yield 3 minutes to the Senator from New York.

The ACTING PRESIDENT pro tempore. The Senator from New York is recognized for 3 minutes.

Mr. JAVITS. Mr. President, I am very grateful to the Senator from West Virginia (Mr. ROBERT C. BYRD) and the Senator from Alaska (Mr. STEVENS) for looking at the $1 million figure to increase the appropriations for State boating safety assistance from $3.5 million to $4.5 million.

Mr. President, I ask unanimous consent that the presentation of the State of New York addressed to the Senator from West Virginia be printed at this point in the RECORD.

There being no objection, the presentation was ordered to be printed in the RECORD, as follows:

STATE OF NEW YORK,
WASHINGTON OFFICE,
Washington, D.C., July 19, 1973.

The Honorable ROBERT C. BYRD,
Old Senate Office Building,
Washington, D.C.

DEAR SENATOR BYRD: The New York Office of Parks and Recreation has asked me to convey to members of the Senate Transportation Appropriations Subcommittee its opposition to the cut in funding for the Safe Boating Assistance Program (P.L. 92–75). The Administration budgeted $4.5 million for FY 1974 and the House cut this figure to $3.5 million.

Public Law 92–75 provides that the State share of the matching funds shall increase each year during the life of the authorization. New York and other states making use of these funds can thereby anticipate having to assume a greater share of the cost in succeeding years. However, this unforeseen cut in overall Federal spending, should the House figure be sustained, will work a hardship on the various states' programs. In New York, for example, the enforcement aspect of the program will suffer.

I would like to urge the Senate Appropriations Committee to restore the funding level for the State Boating Assistance Program to the $4.5 million level. It would be most unfortunate so early in the life of the Act to cut the funding for a worthy viable program for which the states will eventually assume major responsibility.

Sincerely,

ROGER W. HOOKER, JR.

Mr. JAVITS. Mr. President, I wish to point out the critically important aspect of this matter to my particular State and other States, as my State in many ways does its utmost to be in the forefront of developments of this character, where State participation is vital. Boating has become a very major activity for the shore front and we have a very important shore front, including Long Island, in the State of New York.

I am very grateful to the Senator from Alaska for his handling of this matter immediately before my arrival and to the Senator from West Virginia for handling it, as well. Boating safety is becoming increasingly important as more and more boats are being used all over the country. I understand that Senator COTTON, who played such a vital role in the enactment of Public Law 92–75 which authorizes funds for this program is very interested in seeing this program go forward as quickly as possible. I share that view completely and my amendment seeks to do just that.

Mr. ROBERT C. BYRD. Mr. President, I want to assure the distinguished Senator that the subcommittee was pleased to accept his amendment this morning. The subcommittee recognizes that it is a very meritorious item.

I thank the Senator for offering the amendment.

I will be glad to take the amendment to conference and defend it as best I can. Even if the amendment had not been so meritorious, I think I would have accepted the amendment rather than do battle with the Senator from New York because I know that he would win.

Mr. JAVITS. The Senator is very kind. However, that is not always the case. I would hope that was the case, however, with this amendment.

We will undertake to furnish to the Senator from West Virginia background material which will enable him to hold this particular item in conference.

Also, I wish to note that, with respect to the addition which the committee made to reactivate 13 Coast Guard search and rescue stations, that $922,000 additional to the $600,000 provided by a floor amendment in the House would enable the Coast Guard to fully reactivate the 13 stations at a total cost of $1,522,000. One of the problems of the State of New York is this question of full reactivation. We have two stations at Galloo Island and Sodus Point.

And I gather that when the committee says in the report that it intends the Coast Guard stations in question shall be made truly and fully operative on a full-time basis that the objective of the appropriation is a full activation rather than just the necessary appropriations. The committee is giving them what it understands to be required for a reactivation. Is that correct? It is important to make this point because the Coast Guard had indicated it would not operate the station on a full-time basis after the House had added the $600,000 on the floor, which they thought would do the job.

Mr. ROBERT C. BYRD. Mr. President, the Senator is correct. The committee report language accurately reflects the intention of the subcommittee and the full committee in this respect.

Mr. JAVITS. Mr. President, I thank my colleague.

Mr. CASE. Mr. President, I would like to join as a cosponsor of the amendment. The amendment simply restores the amount that the budget originally asked for; the House eliminated it; it was not appealed.

In connection with the program, not only the people of New York but the people of New Jersey are benefited and lives are involved as well as property. It is a matter of lasting interest.

I hope we may be able to give it favorable consideration.

Mr. ROBERT C. BYRD. Mr. President, my two colleagues have clearly stated the facts. This matter was not appealed. I am confident that it is a meritorious matter. I am willing to accept the amendment on behalf of this side of the aisle and to take it to conference.

Mr. STEVENS. Mr. President, I yield back my time.

Mr. ROBERT C. BYRD. I yield back my time.

The ACTING PRESIDENT pro tempore. All time is yielded back. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum, and ask unanimous consent that the time not be charged.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President. I understood that the distinguished Senator from Illinois (Mr. PERCY) had an amendment to offer, but I understand now he does not. I do understand that he wishes merely to engage in a brief colloquy prior to passage of the bill.

Therefore, I ask that we go to third reading.

The ACTING PRESIDENT pro tempore. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment of the amendments and third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill (H.R. 8760) was read the third time.

Amtrak Service in Arkansas (H.R. 8760)

AMTRAK SERVICE IN ARKANSAS (H.R. 8760)

Mr. McCLELLAN. Mr. President, the 1973 Supplemental Appropriations Act (Public Law 92–607), signed into law on October 31, 1972, contained funds for Amtrak to rectify a gross injustices being perpetrated upon the people of the State of Arkansas.

The $4.1 million contained in that measure was to be used to provide Amtrak rail passenger service in Arkansas, as part of a proposed north-south route linking the United States with Mexico. Arkansas has been arbitrarily excluded from our national rail system, and these supplemental moneys were to redress that wrong while, at the same time, initiating an important, new international transportation service for our citizens.

Despite the law, however, the Office of Management and Budget has refused to release these funds, and the 2 million people of my State still remain without rail passenger service.

The withholding of these supplemental funds has not been and cannot be justified. There are 13 States where Amtrak is presently operating which have considerably smaller populations than Arkansas. Thus, to bar the 2 million people of Arkansas from the system on this basis is totally without foundation.

There also is no valid argument for not establishing this service because of cost. Of the 26 total Amtrak passenger routes, only one is making a profit. All the rest are operating at substantial losses—and some close to or in excess of the cost to bring Arkansas into the system. Moreover, many of the 25 losing routes have demonstrated little likelihood of operating profitably, thereby making it all the more reasonable that Arkansas be given an opportunity to demonstrate its very considerable Amtrak ridership potential.

But, Mr. President, there is an even more compelling reason for putting an end to this rank discrimination. If there is to be a national policy of providing rail passenger service, subsidized by the Federal Government, then every State in the Union—all of our people—are entitled to that service. All who are paying for this subsidized service are entitled to receive it. There should be no such thing as second class citizenship in this great Nation—for the right to enjoy railroad passenger service or for any other right.

I, therefore, urge all of my colleagues to join with me in putting an end to this inequality, by supporting H.R. 8760 which once again provides the funds necessary to bring Arkansas into the national rail transportation system.

THE NEED FOR FUNDS TO KEEP KANSAS CITY-ST. LOUIS AMTRAK SERVICE

Mr. SYMINGTON. Mr. President, the people of Missouri are on the verge of losing the only passenger rail service between our State's two largest metropolitan areas.

In 1966, the Missouri Pacific Railroad operated four trains in each direction daily between Kansas City and St. Louis. Four months ago, Amtrak announced its intention to drop the last train now running between these two cities. That is the National Limited which connects Missouri with Washington, D.C., and New York City.

In order to keep the National Limited, Amtrak will need less than $5 million to meet anticipated losses for fiscal year 1974.

Amtrak President Roger Lewis recently testified before the Senate Appropriations Committee that if his agency's budget request was increased by only $10 million, Amtrak could keep the National Limited as well as the train which now runs between Chicago and Florida.

The Appropriations Committee has recommended that amount and I join with my colleague Senator EAGLETON in urging the Senate to approve the $10 million increase for this fiscal year.

It is our hope that Amtrak will work to make the National Limited competitive with air and bus transportation and thereby make this rail passenger route a self-supporting service.

Efforts will need to be made to improve scheduling connections, to decrease travel time between cities in Missouri, and to add one or more trains in each direction to attract daily commuters who cannot stay overnight just to make a trip across our State.

Although Amtrak wanted to stop the National Limited next Thursday, August 2, the Interstate Commerce Commission has ordered it to continue operations for 4 more months while hearings are held on the Amtrak request.

We have asked the ICC for such hearings, and will insist that they be held if Amtrak proceeds with its petition to discontinue this route. However, the Congress could avoid the need for hearings by voting an additional $10 million to meet this year's costs on the National Limited and Chicago-Florida routes.

The outpouring of support for continuing the National Limited has been overwhelming in our State. The Governor, the State house of representatives, the judges of the various county courts, officials from Kansas City and St. Louis, and Mayor John Christy of Jefferson City, have wired or written to us asking that the Congress provide the money to keep this train.

We have long believed in the importance of this rail passenger service to Missourians and firmly support the additional appropriation to operate the National Limited.

PROHIBITION AGAINST NEW AVIATION USER FEES

Mr. PEARSON. Mr. President, there has been considerable speculation in the aviation community, and particularly in the general aviation trade press, that the Administration will seek in the near future to obtain by administrative action certain new fees and charges to be levied against the aviation community to defray the cost of various FAA administrative responsibilities.

The Department has had under consideration not only proposals for new fees and charges for the certification of aircraft types, but also additional fees to be levied against pilots and owners of private aircraft as well.

The cost allocation study of the Secretary of Transportation is due to be transmitted to the Congress in the near future. It is rumored that this report will contain recommendations for substantial increases in the contribution of general aviation and the airlines to the airport/airways trust fund. There is no clear reading at this time as to whether these charges may be sought to be implemented by administrative action.

Mr. President, I commend the Committee on Appropriations for its action in reporting section 315 of the pending Department of Transportation Appropriations Act for the fiscal year ending June 30, 1974. Section 315 clearly states—

> None of the funds in this Act shall be available for the implementation or execution of a program in the Department of Transportation to collect fees, charges or prices for approvals, tests, authorizations, certificates, permits, registrations, and ratings which did not exist as of January 1, 1973, until such program is reviewed and approved by the appropriate committees of the Congress.

Mr. President, this simply means that the suggested new fees and charges may not be levied without the express consideration and approval of the Congress. I commend the committee for reporting this measure, and believe that it is in the public interest to require congressional review of fees and charges levied against the aviation community by the Federal Government.

Mr. MONDALE. Mr. President, I wish to commend Senator ROBERT C. BYRD and the Appropriations Subcommittee on Transportation for providing an addition of $922,000 to reactivate 13 Coast Guard search and rescue stations. This sum, in addition to the $600,000 provided by the floor amendment in the House, should enable the Coast Guard to fully reactivate 13 search and rescue stations in the Great Lakes region which have been closed since April 1.

One of these Coast Guard stations is located at Grand Marais, Minn. Had this station remained closed, or "disestablished," there would have been greatly increased risks to recreational boaters and commercial vessels off the North Shore of Lake Superior, where sudden storms can overtake lake craft with little or no warning. Duluth, 135 miles down the coast of Lake Superior, is the next closest search and rescue station available. This 135-mile distance is twice that of any other disestablished station, many of them on far calmer waters than Lake Superior.

Mr. President, I also wish to commend my colleague, Congressman JOHN BLATNIK, the distinguished chairman of the Committee on Public Works, for his great efforts to reopen the Grand Marias Coast Guard station.

I hope that the Grand Marais station will be reopened as soon as possible.

Mr. TUNNEY. Mr. President, today the Senate is considering the fiscal year 1974 appropriations for the Coast Guard. I offered an amendment to this bill which was accepted by the Senate Appropriations Committee. The amendment calls for the appropriation of "an additional $2.75 million for the construction of a helicopter search and rescue (SAR) station to be located at a suitable point between San Francisco, Calif. and Astoria, Oreg." This search-and-rescue facility would serve the northern coastal area of California.

The northern portion of the scenic California coastline has suffered a series of natural disasters including tidal waves, "freak" storms often of hurricane force, such as the one which occurred on August 16, 1972, severe flooding and frequent ocean storms.

The need for a SAR facility for the north coast has been demonstrated repeatedly and has been recognized by the Coast Guard for some time. From a meeting held on January 4, 1966, between Humboldt County Board of Supervisors and the Coast Guard Commandant, 12th Coast Guard District, an agreement was reached in which 12.8 acres of land at Arcata Airport were set aside for the development of a helicopter base. Subsequent plans and specifications were drawn by the Coast Guard—drawing No. D–743–01 dated May 6, 1966. However, due to the escalation of the Vietnam conflict and limited funding, the project was held in abeyance. It has remained in this category ever since.

In recent action, the Coast Guard has

listed a SAR facility for Humboldt County for future funding. The people of Humboldt County were promised this facility in 1966 and they have been waiting 7 long years to get it. During this time period, the board of supervisors of Humboldt County has developed a system of nine airports which aid in disaster relief and benefit not only Humboldt County residents as well. Foresighted officials in the area can credit themselves with countless missions of mercy which have meant life itself to the individuals involved. But the local community cannot continue carrying the burden alone, especially in light of the area's rapidly growing commercial fishing industry and the quickly expanding tourist industry.

In June of this year, I offered an amendment to the bill which contains the fiscal year 1974 authorization for the Coast Guard. My amendment called for the authorization of $2.75 million for construction of this SAR facility. I was pleased that the Senate Commerce Committee accepted my amendment which subsequently passed the Senate and was accepted by the House. The bill, which included funding for the Humboldt County SAR station, became law on July 9, 1973 (Public Law 93–065).

Now that the facility is authorized, I urge the Senate to pass the fiscal year 1974 appropriations for the Coast Guard with my amendment calling for the appropriation of $2.75 million for construction of a Coast Guard search and rescue station to be located on the northern coast of California. I would also urge that the conferees recognize the urgent need for this facility and fight to retain these funds in the final conference report.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the pending measure be temporarily laid aside until the hour of 10:55 a.m.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, it is my understanding that the vote is to occur on final passage of this bill at 11 a.m. Is that correct?

The ACTING PRESIDENT pro tempore. The Senator is correct.

Mr. STEVENS. Mr. President, reserving the right to object, I am informed that the Senator from Kansas (Mr. DOLE) wishes to enter into some colloquy with the manager of the bill or members of the committee.

Mr. ROBERT C. BYRD. Very well. Mr. President, I withhold my request at this time.

Mr. DOLE. My understanding from the Federal Aviation Administration's budget justification data is that certain flight service stations, including two at Emporia and Hill City, Kans., are scheduled to be closed and replaced by unmanned facilities.

For the purpose of clarifying the legislative history on this matter, I wish to verify my understanding of the language contained in the report on this bill at page 11.

Do I correctly understand the committee's intention to direct that these facilities and others like them be maintained at the current level of service and that there be no dismissal or transfer of personnel from them until such time as the unmanned facilities are constructed and operating satisfactorily?

Mr. ROBERT C. BYRD. The Senator is eminently correct.

Mr. DOLE. I thank the Senator. I understand the unmanned facilities may be in operation by 1979. In the meantime, as the Senator from Virginia has now verified, we can expect the two flight service stations in Kansas, and I think some 28 others, to be in full operation until that time?

Mr. ROBERT C. BYRD. Yes.

Mr. CASE. Mr. President, the chairman of the subcomittee has correctly stated the position of the subcommittee and of the full committee on this.

Mr. DOLE. I thank the Senator.

Mr. STEVENS. Mr. President, will the Senator yield?

Mr. DOLE. I yield.

Mr. STEVENS. It is my memory that we had a letter from the distinguished ranking minority member of the full committee (Mr. YOUNG), the Senator from Colorado (Mr. DOMINICK), and other Senators, and we went into this matter with the FAA and I think the language that is in the report is the answer to the inquiry made and that our colleagues raised concerning the decommissioning of any of the flight service stations before any of the automated flight systems are in place and satisfactorily operating. We have had similar problems in Alaska. This replacement would not apply in Alaska or other parts of the country until the replacements are operating satisfactorily. That is our understanding from the FAA regarding the procedure in the future with regard to the automated service systems.

Mr. DOLE. I appreciate the answer of the Senator from Alaska. I think that answers the questions raised in the letter.

Mr. ROBERT C. BYRD. I thank the distinguished Senator from Kansas.

Mr. President, I now renew my request.

The ACTING PRESIDENT pro tempore. Without objection, the bill will be temporarily laid aside until 10:45 a.m.

Mr. ROBERT C. BYRD. Mr. President, the bill has already advanced to third reading. Is that correct?

The ACTING PRESIDENT pro tempore. The Senator from West Virginia is correct.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

FEDERAL CAMPAIGN ACT AMENDMENTS OF 1973

The ACTING PRESIDENT pro tempore. Under the previous order, the Senate will now proceed to the consideration of the unfinished business, which is S. 372, which the clerk will read by title.

The legislative clerk read the bill by title, as follows:

A bill (S. 372) to amend the Communications Act of 1934 to relieve broadcasters of the equal time requirement of section 315 with respect to Presidential and Vice Presidential candidates and to amend the Campaign Communications Reform Act to provide further limitation on expenditures in election campaigns for Federal elective office.

The Senate resumed the consideration of the bill.

Mr. ROBERT C. BYRD. Mr. President, I have cleared this request with the distinguished Senator from Illinois (Mr. STEVENSON), with the manager of the bill, and, through another party, with the distinguished ranking Republican member of the committee (Mr. COOK).

I ask unanimous consent that time on all amendments to be offered by Mr. STEVENSON, with the exception of the amendment that is pending, be limited to 30 minutes; that time be equally divided in accordance with the usual form; that the time on the pending amendment be limited to 1 hour, to be equally divided in accordance with the usual form; that time on an amendment by Mr. CHURCH be limited to 30 minutes, to be equally divided in accordance with the usual form; that time on an amendment by Mr. WEICKER be limited to 30 minutes, to be equally divided in accordance with the usual form.

I have cleared this request also with Mr. WEICKER and Mr. CHURCH.

Mr. STEVENSON. Mr. President, will the Senator yield?

Mr. ROBERT C. BYRD. I yield.

Mr. STEVENSON. It is possible that I may offer a motion to recommit with instructions. I just wanted to be sure that any such motion was not included in the request by the acting majority leader.

Mr. ROBERT C. BYRD. There would be 30 minutes on a motion to recommit, in accordance with the agreement entered into the other day.

May I ask the Chair if I am correct?

The ACTING PRESIDENT pro tempore. The Senator from West Virginia is correct.

Mr. STEVENSON. I thank the Senator.

Mr. ROBERT C. BYRD. I thank the Senator.

The ACTING PRESIDENT pro tempore. Is there objection to the request of the Senator from West Virginia? Without objection, the agreement is entered into.

The ACTING PRESIDENT pro tempore. The question now is on the amendment of the Senator from Illinois (Mr. STEVENSON) No. 433, with a 1 hour limitation on debate.

Who yields time?

Mr. STEVENSON. Mr. President, I suggest the absence of a quorum, with the time to be charged equally to both sides.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. STEVENSON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. STEVENSON. Mr. President, I yield myself such time as I may require.

I send to the desk a technical modification to amendment 433 on behalf of myself and the Senator from Maryland and ask unanimous consent that the amendment be so modified.

The ACTING PRESIDENT pro tempore. Without objection the amendment is so modified.

The modification is as follows:

MODIFICATION OF AMENDMENT NO. 433

At the end of the amendment insert the following: On page 56, line 12, strike "the lesser of".

Mr. STEVENSON. Mr. President, yesterday we engaged in some discussion of section 615 on contributions by individuals to political committees.

I think in truth that on a reexamination of section 615, it lies somewhere in between the positions that I and the distinguished chairman of the Committee on Rules and Administration discussed yesterday.

If an individual makes a contribution to a candidate, section 615 would effectively limit all contributions to both candidates and political committees to an aggregate amount of $100,000. However, if, on the other hand, the individual made no contribution to a candidate, but instead made contributions to political committees, he could, upon my reasoning of this section, make unlimited contributions. The effect would be the same. There is, in the face of it, no limitation on contributions to political committees except for individuals to make contributions to both candidates and political committees.

Mr. CANNON. Mr. President, will the Senator yield?

Mr. STEVENSON. Mr. President, if the Senator would give me just 1 additional minute to try to explain the amendment, I will be willing to yield to the Senator from Nevada.

The amendment does two things. It is technical. It is an attempt to try to conform the language of this amendment to the intention expressed by the distinguished chairman yesterday. The intention is to prohibit individual contributions to both candidates and political committees once that $100,000 level now in the bill has been reached.

This amendment would remove all possible ambiguity on that point by taking the aggregate family limit providing in section 615, which on its face permits giving to candidates, except that the limitation in subsection (b) explicitly prohibits contributions to either the candidate or a political committee once the aggregate ceiling is reached.

As it now stands, section 615 prohibits individual political contributions if the individual family has given a total of $100,000 to Federal candidates and political committees during the calendar year.

This amendment makes another change which is not technical but substantive. The amendment would also prohibit contributions to an individual candidate or political committees if he has given $25,000 to candidates or political committees during the political year.

The $25,000 applies separately to each individual, and the other limitation applies to all members of the family.

There are several reasons for a separate treatment for members of the family. They are all individuals. They are all equal. A wife may have her own money or earn her own money. I do not see why she should be prohibited from giving her money because the husband has already given up to the family level.

The second limitation is particularly the cases where members of the family are contributing to opposing candidates in a campaign.

I recognize it will be argued that this provision would permit evasion, that it would permit one individual to give in the name of another. That is a problem that we always face in drawing laws. We have to draw them tightly. In this case, other provisions of this bill should lead to effective enforcement. It does establish an independent Commission. An individual could not do indirectly legally what he is prohibited from doing directly. And the law explicitly does prohibit giving by one in the name of another.

That, Mr. President, is the purpose of this amendment. The first part is technical, simply to conform the language of the bill to the express intent of the committee, and second, to reduce that $100,000 aggregate limit for families to a $25,000 aggregate limit for individuals.

I reserve the remainder of my time.

Mr. CANNON. Mr. President, I yield myself 5 minutes.

I would like to ask the Senator, his amendment is unprinted, and I wonder if we could at least have it read, so we would have an opportunity to examine it, rather than relying on what the Senator says.

Mr. STEVENSON. The amendment has been printed. It is No. 433.

Mr. CANNON. But amendment 433 has been modified, and I do not know what the modification consists of.

Mr. STEVENSON. It is a technical modification. I apologize for not explaining it to the chairman, but I shall do so now.

Section 615(a) says:

> No individual shall make any contribution during any calendar year to or for the benefit of any candidate which is in excess of the lesser of—

Then it is followed by subsection (1) and subsection (2). Those 2 subsections have limits, the lesser of which is $5,000.

Since my amendment eliminated subsection (2), I in this amendment make the conforming change in section 615(a) to eliminate that expression "the lesser of". All it does is eliminate the words "the lesser of".

Mr. CANNON. And that is the only provision of the modification?

Mr. STEVENSON. That is the only change.

Mr. CANNON. Otherwise, amendment 433 stands as it is. May I ask the Senator a question or two? From what he has said, do I correctly interpret his amendment 433 to mean that, if a man such as his constituent whom we discussed yesterday somewhat has 4 minor children and a wife, all members of his famliy, contributions could be made to the extent of $150,000 by that family, in other words $25,000 each, under the Senator's amendment?

Mr. STEVENSON. Existing law already prohibits that. With this bill, there will be more enforcement of that law against contributions by one in the name of another. So, referring to the individual from my own State again, he, like all others would be, under this amendment, limited to an aggregate contribution of $25,000. His wife would be able to contribute in her own right $25,000.

Mr. CANNON. So his wife could give $25,000——

Mr. STEVENSON. Some wives, as I know in this case, would be Democrats and would like to give to candidates of their party, and not be locked out by the husband's contribution.

Mr. CANNON. So the man himself could give $25,000, his wife could give $25,000, and if he has three children, each of whom might give in their own right, they could each give $25,000, so that would be a total of $125,000 that that family could give?

Mr. STEVENSON. The Senator is absolutely correct; they are all entitled to their own rights, including the right to participate.

I do say to the chairman that I, for one, would not mind making it a lower individual contribution.

Mr. CANNON. I most certainly would not be agreeable to making it any lower. I am trying to arrive at some provision so that we do not make it so no one can conduct a campaign. The Senator from South Dakota (Mr. MCGOVERN), who ran for the presidency last year and ran a poor man's campaign, could not have operated under this provision of the law, because he had to go out and get big loans from individuals in order to get the seed money to go out and solicit small contributions to conduct a campaign, and he could not have operated under this provision of the law. He just simply could not have conducted a campaign.

That is the sort of thing we are likely to get ourselves into. At first glance, I thought the Senator was just simply changing the $100,000 to $25,000, and if that were the case, I would have to oppose it, because I think it is unrealistic, and it would put the committees out of business, the national committees, as well as restrict the ability of the candidate, through those committees, to conduct a campaign.

But if the Senator is going to permit each member of the family to give $25,000, I think I would be inclined to go along on this amendment. It would mean that in any event the man and his wife could give $50,000, and if he has other children, most people do think that each one could give a like amount. We made it $100,000 overall, for all of the immediate family members, because we thought that family influence was a thing we were trying to control; but the Senator apparently is not concerned too much about family influence.

I do not know about my colleague on the minority side, but I——

The ACTING PRESIDENT pro tempore. The Senator's time has expired.

Mr. CANNON. I would be almost inclined to accept that amendment, it having been made very clear in the history here that this does not provide a $25,000 limit for an individual family.

The ACTING PRESIDENT pro tempore. The Senator's time has expired.

Mr. STEVENSON. That is certainly not the intent.

Mr. CANNON. Mr. President, I suggest the absence of a quorum, on my time.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. MATHIAS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. MATHIAS. Mr. President, I ask unanimous consent that the pending amendment be temporarily laid aside.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

AMENDMENT NO. 438

Mr. MATHIAS. Mr. President, I call up my amendment No. 438, and ask that it be stated.

The ACTING PRESIDENT pro tempore. The amendment will be stated.

The assistant legislative clerk proceeded to read the amendment.

Mr. MATHIAS. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered, and the amendment will be printed in the RECORD.

The text of the amendment is as follows:

On page 49, line 6, strike "paragraph" and insert in lieu thereof "paragraphs".

On page 49, between lines 6 and 7 insert the following:

"(3) No candidate or his immediate family may make loans or advances from their personal funds in connection with his campaign for nomination for election, or election, to Federal office unless such loan or advance is evidenced by a written instrument fully disclosing the terms and conditions of such loan or advance.

(4) For purposes of this subsection, any such loan or advance shall be included in computing the total amount of such expenditures only to the extent of the balance of such loan or advance outstanding and unpaid."

On page 49, line 7, strike "(3)" and insert in lieu thereof "(5)".

Mr. MATHIAS. Mr. President, I offer an amendment to the amendment, by striking out lines 1, 2, and 3 on page 1——

The ACTING PRESIDENT pro tempore. The Chair would advise the Senator from Maryland that an amendment to the amendment would not be in order, but a modification would be in order.

Mr. MATHIAS. Mr. President, I modify my amendment by striking out the first three lines and providing that the language of the amendment be added at the end of section 608 of the pending bill.

The ACTING PRESIDENT pro tempore. Will the Senator please send his modification to the desk?

The text of the amendment as modified is as follows:

On page 44, immediately before line 22 insert:

"(3) No candidate or his immediate family may make loans or advances from their personal funds in connection with his campaign for nomination for election, or election, to Federal office unless such loan or advance is evidenced by a written instrument fully disclosing the terms and conditions of such loan or advance.

(4) For the purposes of this subsection, any such loan or advance shall be included in computing to total amount of such expenditures only to the extent of the balance of such loan or advance outstanding and unpaid."

Mr. MATHIAS. Mr. President, this is a simple amendment. It is merely a clarification of the language which is already in the law and which is contemplated as being continued in the law by the bill. It is the result of an amendment which I offered last year and which was adopted as a part of the statute which was enacted, of limiting the amount which a candidate or members of the immediate family can contribute to his own campaign.

In that amendment which I offered, very frankly, we did not consider the problems which might arise by the distinction between a contribution by the candidate and a loan by the candidate.

In the 1972 election, there were instances where questions arose in various States as to whether loans were to be considered as contributions or whether loans were additional to contributions and, if so, how should they be treated.

The amendment makes two things clear. It makes it clear that if there is to be a loan to the campaign by the candidate or his immediate family, there must be some formal evidence of that. It cannot be just some understanding or money paid in which they later call a loan. It has to be evidence that it was a loan and some formal, written record made of the transaction so that there can be no doubt about it.

Second, it makes it clear for the purposes of computing the balances for computing the sums of money that the candidate has put into his own campaign, either by way of loan or contribution, that the total limit is to be computed by considering any unpaid money for outstanding debts that the campaign committee may owe to the candidate. This will clear up one of the uncertainties that has existed as a result of the original language.

Mr. CANNON. Mr. President, will the Senator from Maryland yield for a question?

Mr. MATHIAS. I am happy to yield to the Senator from Nevada.

Mr. CANNON. Is not my understanding correct that the loan would have to be evidenced by an instrument in writing stating the terms and conditions for repayments and, in addition, would cover the situation where a loan may be made by a member of the family to the candidate to the campaign and if that loan were fully repaid then the full amount could still thereafter be spent, that is, the limited amount in the campaign and the loan would not be chargeable to the overall limit, once repaid?

Mr. MATHIAS. The chairman is correct. Let me give the Senator a hypothetical case which might occur in a Senate campaign where the limit is $35,000. If the candidate were to loan $17,500 to his campaign, that amount remaining unpaid, it would be charged against his limit. He could, thereafter, contribute no more than $17,500 to his own campaign. If the original loan were repaid, then he could contribute another $17,500, but he can have no more than $35,000 invested in the campaign outstanding at any one time.

Mr. CANNON. Mr. President, I think this is a good amendment. That was the interpretation placed by me informally, at the request of one of the candidates who had that kind of situation occur in the last campaign. It was my interpretation of what the law does. So I am very happy to see that made clear.

Mr. LONG. Did we not raise that figure——

Mr. CANNON. This has no relation to the Senator's amendment.

Mr. LONG. I thank the Senator.

Mr. CANNON. This is just related to the evidencing of a loan and to the repayment and whether it counts against the total. The Senator's amendment, yes, was modifying another section of the bill.

Mr. LONG. I thank the Senator.

This matter is becoming so complicated that I do not know whether anybody can understand it. I certainly hope the distinguished chairman of the committee can understand it, because it is so complicated that it is going to take a genius who is both a lawyer and a CPA to run for office.

Mr. CANNON. The Senator is absolutely correct. I assure him that I am not at all certain that I completely understand it, in light of all the amendments that have been offered up to this time.

Mr. President, I am prepared to yield back the remainder of my time on the Senator's amendment.

The ACTING PRESIDENT pro tempore. Is all time yielded back on the amendment?

Mr. MATHIAS. I am prepared to yield back my time, but before doing so, in order to conform the amendment to the original modification, I also strike lines 7 and 8 on page 2 of the amendment.

The ACTING PRESIDENT pro tempore. The amendment is so modified.

Mr. MATHIAS. I yield back the remainder of my time.

Mr. CANNON. I yield back the remainder of my time.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the amendment, as modified.

The amendment as modified, was agreed to.

Mr. CANNON. Mr. President, I send an amendment to the desk.

The ACTING PRESIDENT pro tempore. Does the Senator ask unanimous consent that the Stevenson amendment be temporarily laid aside?

Mr. CANNON. Yes.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered. The amendment will be stated.

The second assistant legislative clerk proceeded to read the amendment.

Mr. CANNON. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered; and, without objection, the amendment will be printed in the Record.

The amendment is as follows:

On page 49, between lines 3 and 4, insert the following:

SEC. 16. (a) Paragraph (a) of section 591 of title 18, United States Code, is amended by—

(1) inserting "or" before "(4)"; and

(2) striking out "and (5) the election of delegates to a constitutional convention for proposing amendments to the Constitution of the United States".

(b) Such section 591 is amended by striking out paragraph (d) and inserting in lieu thereof the following:

"(d) 'political committee' means—

"(1) any committee, club, association, or other group of persons which receives contributions or makes expenditures during a calendar year in an aggregate amount exceeding $1,000;

"(2) any national committee, association, or organization of a political party, any State affiliate or subsidiary of a national political party, and any State central committee of a political party; and

"(3) any committee, association, or organization engaged in the administration of a separate segregated fund described in section 610;".

(c) Such section 591 is amended by—

(1) inserting in paragraph (e)(1) after "subscription" the following: (including any assessment, fee, or membership dues)";

(2) striking out in such paragraph "or for the purpose of influencing the election of delegates to a constitutional convention for proposing amendments to the Constitution of the United States" and inserting in lieu thereof the following: "or for the purpose of financing any operations of a political committee, or for the purpose of paying, at any time, any debt or obligation incurred by a candidate or a political committee in connection with any campaign for nomination for election, or for election, to Federal office"; and

(3) striking out subparagraphs (2) and (3) of paragraph (e) and redesignating subparagraphs (4) and (5) as (2) and (3), respectively.

(d) Such section 591 is amended by striking out paragraph (f) and inserting in lieu thereof the following:

(f) 'expenditure' means a purchase, payment, distribution, loan (except a loan of money by a national or State bank made in accordance with the applicable banking laws and regulations, and in the ordinary course of business), advance, deposit, or gift of money or anything of value, made for the purpose of—

"(1) influencing the nomination for election, or the election, of any person to Federal office, or to the office of presidential and vice presidential elector;

"(2) influencing the result of a primary election held for the selection of delegates to a national nominating convention of a political party or for the expression of a preference for the nomination of persons for election to the office of President;

"(3) financing any operations of a political committee; or

"(4) paying, at any time, any debt or obligation incurred by a candidate or a political committee in connection with any campaign for nomination for election, or for election, to Federal office;".

On page 49, line 4, strike "Sec. 16." and insert "Sec. 17.".

On page 50, line 8, strike "Sec. 17." and insert "Sec. 18.".

On page 50, line 19, strike "Sec. 18." and insert "Sec. 19.".

Mr. CANNON. Mr. President, this is a technical, conforming amendment relating to the definitions contained in the bill. It makes no substantive changes. It simply conforms the definitions throughout the bill that are deemed to be necessary.

I yield back the remainder of my time.

Mr. STAFFORD. I yield back the remainder of the time for the minority.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. CANNON. Mr. President, I ask unanimous consent that the Stevenson amendment be laid aside temporarily, and I send to the desk another amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment will be stated.

The second assistant legislative clerk proceeded to read the amendment.

Mr. CANNON. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered; and, without objection, the amendment will be printed in the RECORD.

The amendment is as follows:

On page 35, line 6, after the word "title" and before the word "may", add the following words: "and of Sections 602, 608, 610, 611, 612, 613, 614, 615, and 616 of title 18, United States Code,"

Mr. CANNON. Mr. President, this technical amendment is simply designed to clarify that the purpose of the act is to provide the Federal Elections Commission with primary enforcement powers concerning both the disclosure provisions of the Federal Election Campaign Act and the contribution, expenditure and other limitations set forth in title 18, United States Code. This intention is clearly set forth in section 309(d) of S. 372 which establishes the Commission as the primary civil and criminal enforcement agency for all of these provisions. The amendment simply would make clear that the powers of the Commission to assess civil penalties similarly deals with both the disclosure provisions and the limitations provisions.

I yield back the remainder of my time.

Mr. STAFFORD. I yield back the time for the minority.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the amendment.

The amendment was agreed to.

The ACTING PRESIDENT pro tempore. The question occurs on the amendment of the Senator from Illinois. Who yields time?

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent—I have cleared this with the distinguished Senator from California (Mr. CRANSTON)—that on each of his amendments there be a time limitation of 30 minutes instead of 1 hour, and that the time be controlled in accordance with the usual form.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. I also ask unanimous consent—and I hope this is agreeable to the minority—that after the first rollcall vote today, the time limitation on each succeeding rollcall vote today be limited to 10 minutes, with the warning bell to sound after the first 2½ minutes.

Mr. STAFFORD. That is agreeable.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Who yields time on the amendment?

Mr. STEVENSON. Mr. President, I suggest the absence of a quorum, and I ask unanimous consent that the time be equally charged to both sides.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. STEVENSON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. STEVENSON. Mr. President, I ask unanimous consent that the name of the Senator from Maine (Mr. HATHAWAY) and the name of the Senator from California (Mr. CRANSTON) may be entered as cosponsors of the amendment.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. STEVENSON. Mr. President, I am very hopeful that the distinguished chairman and the ranking minority member of the Committee on Rules and Administration will accept the amendment as modified. If so, the bill will go a long way toward eliminating the most corrupting influence in our politics, the large campaign contribution.

Mr. CANNON. Mr. President, I am inclined to accept the amendment. I think the amendment really opens up the bill rather than to tighten it up.

The first part of the amendment, which was for clarification purposes, does exactly what I interpret the bill to do anyway, so I am happy to accept that.

On the second part, the limit now would make it, as I understand it, as developed in colloquy, a limit of $25,000. That is not a limit for a family, but for each member of the family, so that each member of the family could contribute $25,000 to all candidates and all committees in any one year.

Under the committee bill the limit would be $100,000, but it is limited to an entire family. So with a family of five, under the Senator's amendment, $125,000 could be given, but under the committee bill they would be able to give $100,000. On the other hand, if it were a family of two, husband and wife, under the Senator's amendment, they could only give $50,000 to all candidates and all committees in a year, and under the committee bill they could give $100,000.

I think that is near enough a situation—I do not want to see us get in a position where we are restricting it to the extent that a candidate who has no funds cannot operate a campaign.

Under the provisions we have written in the bill so far, a poor man's candidate, such as the distinguished Senator from South Dakota last year, could not have been conducted. The bill, with the restrictions written in this year, would not have permitted him to conduct the type campaign that he conducted, which everyone considered a poor man's campaign.

Based on that explanation I am prepared to accept the amendment, and I yield back my time.

Mr. MATHIAS. Mr. President, would the Senator yield?

Mr. CANNON. I yield.

Mr. MATHIAS. I am happy that the distinguished chairman takes the position he has taken. I think it is the correct position. There does arrive the question sometimes as to whether or not a family will encourage or make it possible for contributions to be given in the name of minors, even very small children. I think this is a practice that is ludicrous on its face, when you have 2-year-old and 3-year-old children purportedly giving thousands of dollars to a campaign.

I believe this amendment will discourage that practice. It puts the burden on each individual contributor; it puts the limit on each individual contributor. That is the way it should be and I believe many fraudulent contributions in the names of minor members of the family, small children, will be less likely to occur under the amended language.

I am happy the chairman is taking the amendment.

Mr. CANNON. Contributions could not be made in the name of another, even under the committee amendment, so with or without this amendment it would not make a difference whether you could make contributions in the name of another.

Mr. MATHIAS. In the case of a family it could be children with property under the control of a parent, for instance. Under those circumstances it might be possible.

Mr. CANNON. Not without violating the law.

Mr. MATHIAS. In that event this amendment reinforces what the chairman has already said.

Mr. CANNON. I am prepared to yield back my time.

Mr. STEVENS. I am prepared to yield back my time.

Mr. STAFFORD. Mr. President, on the advice of counsel for the minority we are prepared to accept the amendment. But I wish to have the record clear that speaking individually, as an individual Senator I would be opposed to that portion of the amendment which would permit an aggregate gift or gifts to exceed $100,000.

The ACTING PRESIDENT pro tempore. Is there a request that the yeas and nays be withdrawn?

Mr. STEVENSON. Mr. President, I ask unanimous consent that the order for the yeas and nays be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. CANNON. Mr. President, we are prepared to vote.

The ACTING PRESIDENT pro tempore. All time is yielded back. The question is on agreeing to the amendment.

The amendment was agreed to.

AMENDMENT NO. 409

Mr. WEICKER. Mr. President, I call up my amendment No. 409, which is at the desk.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk proceeded to read the amendment.

The amendment is as follows:

On page 19, line 17, strike "tenth" and insert "fourteenth".

On page 19, line 20, beginning with "Any strike out through the period on line 24.

On page 20, line 5, strike "paragraph" and insert "paragraphs".

On page 20, line 22, strike out the closing quotation marks and the final period.

On page 20, between lines 22 and 23, insert the following:

"(3) In addition to any other information required to be included in the report filed on the fourteenth day next preceding the date on which an election is held, that report shall contain a budget of expenditures to be made, or obligations to be incurred, prior to the day after the date of such election in connection with a candidate's campaign by the person filing the report. The budget so contained shall be set forth in such form and detail as the Commission may prescribe.".

On page 50, line 24, strike out "(d) (2)" and insert "(e) (2)".

On page 51, line 5, strike "(e)" and insert "(f)".

On page 51, line 16, strike "(d) (2)" and insert "(e) (2)".

On page 51, line 22, strike "(e)" and insert "(f)".

On page 53, between lines 10 and 11, insert the following:

"(c) No expenditures may be made, or obligations incurred, by or on behalf of a candidate in connection with his campaign during the fourteen-day period ending on the date of any election in which he is a candidate unless such expenditure or obligation was reported, in the report filed under section 304(a) (3) of the Federal Election Campaign Act of 1971, as being budgeted for that period.".

On page 53, line 11, strike out "(e) (1)" and insert "(d) (1)".

On page 54, line 3, strike "(d) (1)" and insert "(e) (1)".

On page 54, line 22, strike "(e)" and insert "(f)".

On page 55, line 3, strike "(f)" and insert "(g)".

On page 55, line 12, strike "(g)" and insert "(h)".

On page 55, line 19, strike "(h)" and insert "(i)".

On page 55, beginning with line 20, strike out "(c), (d), and (e)," and insert "(d), (e), and (f),".

On page 55, line 25, strike "(c) (3)" and insert "(d) (3)".

On page 57, beginning with line 8, strike out through line 3 on page 58, and insert in lieu thereof the following:

"(b) No contribution made to or for the benefit of a candidate after the fourteenth day next preceding the date on which an election is held in which he is a candidate may be accepted by that candidate or by any other person on his behalf.".

On page 58, in lines 4 and 5, strike out "and by subsection (b)".

Mr. WEICKER. Mr. President, I ask for the yeas and nays on the amendment.

The ACTING PRESIDENT pro tempore. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. STAFFORD. Mr. President, will the Senator state what the amendment does?

Mr. WEICKER. I certainly will. The number of the amendment is 409.

As I understand it, there is a 30-minute limitation, which I have agreed to on this amendment.

The ACTING PRESIDENT pro tempore. The Senator is correct.

Mr. WEICKER. Mr. President, very simply, the amendment accomplishes the following:

It brings to an end, 2 weeks before an election, the collection of money or the expenditure of money, or at least the expenditure in that it has not been contracted for.

The advantages to this amendment, I think, are many. No. 1. Two weeks before the election takes place, the public has a full and complete picture as to what role money played in the election—a complete picture insofar as contributors are concerned, a complete picture insofar as expenditures are concerned—and it is not a question of something coming in after the election. The full story is there 2 weeks before the election.

Advantage No. 2. It eliminates contributions coming in to a successful candidate. I stated before the committee, when I presented this concept, that all of us know this. I will not speak for anyone else but myself. I would say from one-quarter to one-fifth of the funds which I raised in my campaign came to me after I was elected, in a perfectly legal insofar as reporting of the moneys is concerned, but the fact is that that is not good money at all. It is money which is contributed to the power of the office for which the candidate ran, rather than to his ideas, or the individual, or what he stood for. I do not think that is good money. It is legal money at this point. There is no question about that. But I do not think it is good money.

No. 3. The one fear we all have is deficits. We all live with this, and they are nightmares. Quite frankly, this is a self-policing concept. Granted, one is not going to be able to submit a financial report 48 hours after an election. So it means that from the day one collects the first penny to the day he makes the last expenditure for his election, he has got to keep books and records. And so, come 2 weeks before the election, not only would the candidate have a report to turn in, but the candidate himself will know exactly what is going on throughout the entire election period, and will not permit himself to get into a deficit position.

Point No. 4. Why could not he get into a deficit position? Because there is a limitation of $5,000 out of the candidate's own pocket. It does not make any difference that he would have a large deficit. That is the total amount allowed to the candidate, and if the deficit is over $5,000, he is in violation of the law and he would be subject to the penalty provisions of this section.

Point No. 5. The argument is made—Mr. President, could we have just a little order here?

The ACTING PRESIDENT pro tempore. The Senate will be in order. Senators will please take their seats.

Mr. WEICKER. Point No. 5. I know the argument is going to be made, How can you anticipate what is going to happen in that last 2-week period? Well, the bill provides for that. The candidate can go ahead and budget for a particular amount for newspaper advertisements. He is allowed to go ahead and spend it, should something occur, like shifting tactics. He is allowed to go ahead and make the expenditure if something happens. He does not have to spend it. But when the public gets that report, it gets a full picture.

Again, speaking from the practical side, how many of us sitting here in the Senate Chamber would give testimony that last minute expenditures in a campaign have done us any good? I know in the campaigns I have run both for Congress and the Senate we started out in the beginning with plans for our campaigns. They change to some extent in the middle and at the end. And then in the last minutes some of our well wishers will run in and say, "Hey, you have to do thus and so. You have to spend money in this area." Really, when we heed those requests, they have not gained us one more vote. We have satisfied the requests of some well wishers. So we are not going to lose anything by cutting ourselves off at the time period of 2 weeks prior to an election.

So that is it in brief—a cutoff point 2 weeks before the election, a complete report on the role money played in the election, a self-policing procedure whereby we are not going to have deficits hanging over our heads for months and sometimes for years.

In my mind there is no question that it will reduce the role that money will play in any particular campaign. There is no question in my mind, as I think we have all seen, that probably the single most corrupting force in American politics is money. Any time we can cut down its influence, any time we can get it out as a matter of public knowledge is all to the good. This amendment accomplishes both of those objectives.

The ACTING PRESIDENT pro tempore. Who yields time?

Mr. CANNON. Mr. President, I yield myself 3 minutes on the amendment.

I, very regretfully, have to say to my colleague that I oppose the amendment. I think we have a quite adequate system of reporting in the bill now. At least, it is certainly more adequate than it has ever been before. But the burdens that this amendment would impose are along the following lines: If a candidate has to budget 14 days before the election, file that budget with the commission, and he cannot go outside the budget, and an opponent comes up with something 3 days before the election, as one did in one of my elections, and he has not budgeted for that particular reaction or response, he has no opportunity to respond to it, if I understood the Senator's remarks correctly.

In other words, the amendment itself, as I understood the Senator to describe it, would provide that the budget would have to be filed in detail, and that

> No expenditures may be made, or obligations incurred, by or on behalf of a candidate in connection with his campaign during the fourteen-day period ending on the date of any election in which he is a candidate unless such expenditure or obligation was reported, in the report filed under section 304(a)(3) of the Federal Election Campaign Act of 1971, as being budgeted for that period.

It is absolutely impractical to budget all the candidate's expenditures that may occur during that last rush period of the final days of the campaign.

Furthermore, in many instances an individual does not know how much money he is going to have for that last 14-day period, and therefore he would just have to enter a blanket budget for everything under the sun so that he would be protected if it were going to be meaningful.

As far as the 14-day reporting is concerned, we already have a 10-day report to the Commission in the bill. We have changed some of the provisions in existing law, but we have now the 10th day requirement of the 10th day before each election, in addition to the other three quarterly reporting periods in the bill.

I certainly share the Senator's concern. The committee has very well pointed out the danger in the type of situation that could occur under previous law.

Mr. PASTORE. Mr. President, if the Senator will yield, I think one thing we are losing sight of—and I can see the purpose of the amendment of the Senator from Connecticut—is that where we operate under the existing law, which is a limitation solely upon radio, television, newspaper advertising, and billboard advertising, with respect to everything else, the sky is the limit.

The ACTING PRESIDENT pro tempore. The time of the Senator has expired.

Mr. CANNON. Mr. President, I yield another 5 minutes.

Mr. PASTORE. If we were operating under existing law I could buy the amendment. I think that it would be a good amendment, because if a candidate can spend any amount of money for direct mailing or anything apart from the limited areas I have already mentioned under the existing law, it would be all right, because he could smother his opposition with a tremendous amount of expenditures during the 14 days. When the witnesses appeared before our committee, they said, "You do not need the 14-day provision, because you have disclosure." However, one does not mean anything without the other. A candidate has a limitation no matter when he spends it. If he wants to spend it 2 months before the election, that is his business.

All he can do is spend the amount of money permissible under this particular bill. And I repeat again that I think the overall ceiling is sufficient. The Senator's amendment becomes more or less unnecessary. Without a ceiling on all expenditures which S. 372 has, I would vote for it 100 times.

Mr. CANNON. Mr. President, I would like to explain one further bad feature of this provision, and that is the provision that no contributions can be made to or for the benefit of the candidate after the 14th day next preceding the election.

Many candidates are scurrying around in the last week or 10 days trying to get money with which to run their elections. This is not the case of the last Presidential election in which raising money was no problem. There were suitcases of money all over the lot. However, this is a situation in a congressional candidate's election, and when he comes down to the 14th day, if he does not have all his money, he has to stop right then and there. He cannot go out and get money over the overall limitation. But he may be up to the last day of his campaign trying to raise enough money to continue the campaign and still be within the legal limitation.

Mr. NUNN. Mr. President, will the Senator yield?

Mr. CANNON. I yield to the Senator from Georgia.

The PRESIDING OFFICER (Mr. BARTLETT). The Senator from Georgia is recognized.

Mr. NUNN. Mr. President, is it the Senator's understanding that this prohibition would really prohibit any kind of debt after the election, and no funds could be raised after the election with which to pay off any debts?

Mr. CANNON. I think that the Senator had better address his question to the Senator from Connecticut.

Mr. NUNN. Mr. President, I ask the Senator from Connecticut if this means that there would be no debt allowed in a campaign. Is this what the Senator is providing by his amendment, that a candidate cannot have anything other than all cash?

Mr. WEICKER. Mr. President, basically the amendment is saying that, yes. It means that now we are ending up with a deficit at the end of a campaign. I think too many of us have for too long ended up with huge deficits.

Mr. NUNN. What happens if the debt is $10,000 or $15,000 in the last 14 days?

Mr. WEICKER. It means that the candidate has violated the law and has gone over the $5,000 which he is allowed to spend and he is in violation of the law.

I do not understand why there is great concern in this matter. We have budgetary procedures as Senators when we budget the moneys of the United States.

The problem arises—and I take it on my own shoulders and do not point the finger at anyone else—because the budgetary procedures in our own campaigns are simply horrendous. We do not follow budgetary procedures, and we should do so from the day that we get in the first dollar until we are through collecting funds. We have to match the income with the outgo.

Mr. NUNN. Mr. President, where is the $5,000 limitation? Is it in the Senator's amendment?

Mr. WEICKER. The answer is that the amount would be whatever the amount is in the bill.

Mr. NUNN. Does the Senator believe that anyone other than an incumbent could possibly under this kind of situation run a campaign such as we have to run? From now until the day we die, we would be on a voluntary basis, and we could not run a campaign on this basis.

No one except an incumbent could possibly meet such conditions.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. WEICKER. Mr. President, we are just having a debate here on this matter.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. BEALL. Would the Senator yield?

Mr. WEICKER. Mr. President, I will first answer the question. One has to spend the money that he has. We, as Senators, have to run the Government of the United States and judge our expenditures accordingly. The Government of the United States can spend big deficits. However, I do not think that individuals can. But, from the day that a candidate starts his campaign until he finishes, he should run it on the basis of the contributions received and plan his outgo.

I am tired of getting in these positions of having these extraordinary deficits. It requires one to spend months and months trying to raise funds rather than performing his duties here, which is something I do not like.

Mr. PASTORE. Mr. President, I do not want to be misunderstood in this. I mean this very seriously. Because of the fine participation of the Senator from Connecticut in the Watergate hearings, I think that the Senator has become an idol of the people, and rightfully so. I do not mean to be funny.

I think it is a fact that when the Senator comes to raising money for his next campaign he will not have much trouble.

The Senator from Connecticut under this bill will be entitled to raise and spend $416,600. He will be allowed to collect and to spend up to that much.

Let us assume that the Senator had raised this amount of money within 2 weeks after announcing his candidacy. A Democrat running against the Senator will have to raise money, and under the law he is entitled to raise as much as the Senator is entitled to raise and spend, or $416,600.

Let us say that it gets up into the middle of September or the middle of October and the Democratic candidate has only been able to raise $200,000. However, the Senator from Connecticut already has $416,600 which he is permitted to spend under the law. Is the Senator from Connecticut saying to me that this poor fellow who is running against him and who has only been able to raise $200,000 as against the Senator's $416,000, while he is entitled under the law to raise and spend $416,600, that 14 days before the election he will have to shut off the contributions that are offered to him?

Mr. WEICKER, Mr. President, I have not raised any $416,600.

Mr. PASTORE. The Senator from Connecticut will not have any trouble getting money.

Mr. WEICKER. It is not a matter of whether one has trouble or not. That is the very reason that I voted for the Brooke amendment on yesterday that would eliminate our use of the frank before the election. We cannot get around the fact that there will be trouble.

Mr. PASTORE. If the Senator will yield further, apart from all of that, the law has limited candidates to what they can raise and spend. They cannot raise or spend any more than that amount.

The whole purpose of this was to put everyone on an even keel. We have a formula. I repeat again that if we did not have the overall ceiling, I would be for it. However, the fact is that people have been blitzed in the last 14 days before an election.

I agree with the Senator. But where you have an overall ceiling, where each party can only raise so much and spend so much, I think it would be unfair to shut off a candidate who, up to that time, has not been able to reach the limit permitted by the law.

Mr. WEICKER. Mr. President, let me say, first of all, that I am not deeply concerned by the argument of the Senator from Rhode Island. I commend him and commend the committee, the Senator from Nevada (Mr. CANNON) and the rest. I think we all have the same objective in mind. It is a question of how we get there.

The difficulty is that this matter of a limitation I have disagreed with as a conceptual matter for a long time, because x number of dollars in Connecticut can do so much, and the same number of dollars spent in Idaho can do perhaps a lot more or a lot less.

But let me go over and respond to the points that have been raised as far as the cutoff is concerned. As I have pointed out, you can go ahead and budget for x number of dollars in your final accounting for the last 2 weeks. You do not have to spend the money, but you can go ahead and budget for it.

Second, as far as the limitation is concerned, I have discussed that with the Senator from Rhode Island, and I have pointed out that we are asked to budget a year at a time, right here on the floor of the U.S. Senate, for the Government's purposes. My gosh, I think we should certainly be able to do the same thing for ourselves.

Mr. BEALL. Mr. President, will the Senator yield?

Mr. WEICKER. I yield.

Mr. BEALL. We do run the Government by supplemental appropriations, I believe, year after year; so our budgeting process is not very successful.

Mr. WEICKER. Well, we try. We try. But that does not mean we should not apply the highest possible standard to ourselves.

As far as the last 2-week period is concerned, remember this: No more money can come in as of that 2-week cutoff point, so you know exactly what you have and what you do not have, what you can contract for and what you cannot contract for.

I realize this is only one man's way of driving to a point where we have, in effect, reduced the role of money, where we have conquered those things that I think hurt the system most and hurt us individually.

Take the two points, for instance, that I have raised: Do Senators think it is proper that a substantial portion of the funds we receive, we receive after we have won the office? What kind of measure of faith in each one of us is that? The measure of faith in the office and the power of that office has nothing to do with the individual. I do not think that is right.

Then lastly, as far as the budgeting process is concerned, the best thing that could ever happen, in my opinion, is to force us to budget, so that we do not have to stagger around with these deficits. I bet if we went over the list of Senators on the floor, we could find many of us who are still sitting here with huge deficits from our 1970 campaigns. Why should we be worrying about that? Under this system, we would not be worrying about it, because we would not have that deficit.

Mr. NUNN. Mr. President, will the Senator from Nevada yield?

Mr. CANNON. I yield the Senator from Georgia such time as he may require.

The PRESIDING OFFICER (Mr. BARTLETT). The Senator will be recognized for only 1 minute, because at the hour of 10:55 we have to turn to other business previously ordered.

Mr. NUNN. I shall try to wrap it up in 1 minute.

I share some of the concerns of the Senator from Connecticut about the evils of the present system. I certainly do not want to diminish those. But this particular amendment, in my opinion, first of all, would prohibit a debt at all. I think it would have the result of locking in an incumbent. I think you would have to be, if not an incumbent, a Governor, an ex-Governor, a Lieutenant Governor, or a Member of the House of Representatives to have any chance under the system the Senator is talking about.

Moreover, I think it would lead us directly to public financing. Maybe we want to go to public financing, but if we do want to go to public financing, I say let us debate it as an open issue, but not as a subterfuge on an amendment that would force us into public financing because it would prohibit any unknown person from ever becoming a Member of this body.

The PRESIDING OFFICER. The hour of 10:55 having arrived——

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate spend the remaining 5 minutes debating the amendments to this bill, before turning to the appropriation bill at 11 a.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PASTORE. Mr. President, all I want to say is this: The only reason that there is any magic to this bill at all is the fact that we have an overall ceiling. We have had the experience in the past that sometimes it is very easy for an incumbent to raise his money, but the opposition finds it very difficult. Then they take a poll, and when the opponent begins to raise his percentage on the polls, he finds he can collect money a little bit easier, and in many instances we find that money is more readily contributed when the polls begin to show that the opposition is doing well.

I would hope that if we maintain the ceiling, we could do without this amendment; but if we cannot maintain the ceiling we ought to have it.

Mr. BEALL. Mr. President, will the Senator from Nevada yield to me?

Mr. CANNON. I yield.

Mr. BEALL. Mr. President, I sympathize with the aims of the Senator from Connecticut in trying to limit expenditures and limit contributions to the candidate rather than the office, and I think it is a desirable goal we should seek to attain. I think we are all dreadfully afraid of deficits when we get into political campaigns.

But it seems to me this does in fact heavily favor the incumbent, because I am sure it has been the experience of each of us that when we start out in a campaign, trying to establish credibility as a candidate, we have to make believe we have a chance to win, which will probably induce them to contribute, but we probably do not reach that stage until 2 or 3 weeks before the end of the campaign. So it seems to me that if the amendment of the Senator from Connecticut has merit, it would have greater merit if he would cut it off on election day, rather than 2 or 3 weeks before the election.

I also have a technical question. I notice on page 57, the Senator would cut out everything beginning with line 8, through line 3 on page 58. This knocks out some language that we labored mightily over yesterday afternoon with regard to a $5,000 limitation in the case of a candidate and a $15,000 limitation on the President, and the rights of campaign committees, senatorial campaign committees and congressional campaign committees to make contributions and participate in these elections.

I wonder why the Senator found it necessary to eliminate that language, and how his amendment affects what was worked out yesterday afternoon.

Mr. PELL. Mr. President, will the Senator yield?

Mr. CANNON. I yield to the Senator from Rhode Island.

Mr. WEICKER. I would only—Mr. President, I believe I am responding to the question of the Senator from Maryland.

I could only say this: In a technical sense, obviously, the amendment would change this bill; as we drafted our amendment, it would change that language. And this amendment was drafted prior to the amendment coming in yesterday.

Mr. BEALL. But it still would eliminate the whole section here providing limitations on committees.

Mr. WEICKER. I am trying to substitute my amendment for the language drafted by the committee. That is why we are here debating it.

Mr. BEALL. In addition, then, to putting the limitation on the time when you can obligate expenditures and receive contributions, the amendment would also eliminate the limitations imposed upon the candidates for President and other offices, and also imposing the limitation or lack of limitation on State committees, congressional campaign committees, and Senatorial campaign committees.

Mr. WEICKER. No, that is not the intent of the amendment.

Mr. BEALL. I think that is what the amendment would do.

Mr. WEICKER. As I explained to the Senator from Maryland, the amendment that he has before him was sent to the desk prior to the other amendments that were passed or failed yesterday.

Mr. BEALL. I am aware of that, but nevertheless the amendment strikes out the whole section of the bill that was amended yesterday afternoon. Not only has the language been struck that was put in yesterday, but the original language has been struck, and I wonder why the Senator would strike the original language. I wonder why the Senator would not add the limitation as an addendum to the section rather than a substitute.

Mr. WEICKER. I would have modified it, but those matters were passed on yesterday.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent, with respect to the campaign reform bill, that there be a 30-minute time limitation on each of the following amendments, to be equally divided and in the usual form:

One amendment by Senator BARTLETT.

Two amendments by Senator BAYH.

Two amendments by Senator JAVITS.

One amendment by Senator KENNEDY.

The PRESIDING OFFICER. Without objection, it is so ordered.

DEPARTMENT OF TRANSPORTATION AND RELATED AGENCIES APPROPRIATIONS, 1974

The PRESIDING OFFICER (Mr. PELL). The hour of 11 a.m. having arrived, under the previous order the Senate will now resume the consideration of H.R. 8760, which the clerk will state.

The legislative clerk read as follows:

H.R. 8760, making appropriations for the Department of Transportation and related agencies for the fiscal year ending June 30, 1974, and for other purposes.

The Senate resumed the consideration of the bill.

Mr. ROBERT C. BYRD. Mr. President, I yield 1 minute to the distinguished Senator from Nebraska (Mr. HRUSKA).

Mr. HRUSKA. Mr. President, I ask unanimous consent that third reading of the bill, H.R. 8760, be vacated for the purposes of considering an amendment which is at the desk and which I ask be called up and given immediate consideration.

The PRESIDING OFFICER. Without objection, it is so ordered, and the amendment will be stated.

The legislative clerk read as follows:

On page 11, line 15 strike "$11,943,000" and insert "$15,000,000"; same page, line 17 following "West Virginia" and preceding the colon insert ", and $3,057,000 for projects at Lincoln, Nebr." and on line 17 strike "$7,962,000" and insert "$10,000,000."

Mr. HRUSKA. Mr. President, the purpose of the amendment is to appropriate a total equaling the full amount of the authorization and add one project to the two demonstration projects now listed. It adds to the two projects—one in Nevada and one in West Virginia—a third project which is in Lincoln, Nebraska.

Mr. ROBERT C. BYRD. Mr. President, the distinguished Senator from Nebraska has discussed this matter with me, as well as the distinguished Senator from Alaska (Mr. STEVENS), and we are prepared to accept it.

Mr. STEVENS. Mr. President, I am happy to accept the amendment.

Mr. HRUSKA. Mr. President, I yield back the remainder of my time.

Mr. ROBERT C. BYRD. I yield back the remainder of my time.

The PRESIDING OFFICER. All time on this amendment has now been yielded back.

The question is on agreeing to the amendment of the Senator from Nebraska (Mr. HRUSKA).

The amendment was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. THURMOND. Mr. President, I ask unanimous consent that Stanley Hackett, a member of the staff, be allowed the privilege of the floor for the remainder of the day.

The PRESIDING OFFICER. Without objection, it is so ordered.

The bill is open to further amendment.

Mr. ROBERT C. BYRD. Mr. President, I ask for third reading.

The PRESIDING OFFICER. If there be no further amendments to be proposed, the question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent to proceed for 5 minutes.

The PRESIDING OFFICER. The Senator from West Virginia has 5 minutes remaining.

Mr. ROBERT C. BYRD. I thank the Chair.

Mr. President, I yield 1 minute to the distinguished Senator from Michigan (Mr. HART).

The PRESIDING OFFICER. The Senator from Michigan is recognized for 1 minute.

Mr. HART. Mr. President, I regret very much that full funding is thought not to be possible on this bill. The pressure of environmental considerations, and mechanical repair of automobiles in the marketplace, will compel us to do this. I hope that we are not heading toward marketplace pressures.

To do that on a dollar cost benefit basis will provide enormous protection to the consumers of this country and assist in maintaining decent air levels and add to safety on the highways.

I know the competing pressures under which the able members on the Appropriations Committee are compelled to operate. I hope very much that this concept which the Senator from Washington (Mr. MAGNUSON) and I will present to the committee very soon will be among those found to be possible to achieve.

Mr. ROBERT C. BYRD. I thank the Senator from Michigan for his comments. The committee allowed the full budget request for this item. He can be assured that the committee will certainly be receptive to any suggestions and advice the Senator may have as we continue to take up bills in the future.

Mr. HART. Maybe our speeches should be directed to the budget department.

Mr. ROBERT C. BYRD. Mr. President, I yield 2 minutes to the Senator from Illinois (Mr. Percy).

The PRESIDING OFFICER. The Senator from Illinois is recognized for 2 minutes.

Mr. PERCY. Mr. President, Congress has been, of late, responding to the need for budgetary oversight authority. It has done so because of the too frequent disregard by the executive branch of congressional authorizations and spending directives.

It is in this connection that I respectfully invite the attention of the Senator from West Virginia (Mr. Robert C. Byrd) to a report made on November 16, 1972, by the Office of Audits of the Department of Transportation. I learned recently and I am sorry it was only recently—of a possible misuse of appropriated funds by the Coast Guard.

I asked the GAO to look into it and have received not only a copy of the aforementioned interval DOT audit but also a reply from the Coast Guard, which was requested last February, but which did not come in until June 21, 1973.

I read their reply several times—it took me back to my Navy days—but I really could not understand it because it does not seem responsive to the report on the misallocation of funds. At least, it does not directly answer the points raised. Nor does it, in any way, say that they recognized there was misuse, other than to commend the integrity and capability of the officers who made the audit and to indicate, really, that they hoped the response clarified the issue.

So far as I am concerned, it simply does not.

First, I should like to know whether this report has been made available to the Subcommittee on Appropriations by the Department of Transportation on the possible misallocation of Coast Guard funds, exceeding $3 million, where operating expenses were used for construction.

Mr. ROBERT C. BYRD. Mr. President, in response to the distinguished Senator from Illinois, the report was not made available to the Subcommittee on Appropriations. This is a report made by an internal audit, that the distinguished Senator from Illinois has secured from the GAO. The subcommittee was not provided with this information either by the distinguished Senator or by the GAO. But I am glad that the Senator has called this to my attention, and to the attention of the committee members assembled here, and he may be sure that the matter will be looked into by the subcommittee.

Mr. President, I wonder whether the distinguished Senator from Alaska (Mr. Stevens) might not also respond to that.

Mr. STEVENS. Mr. President, I am happy to do so.

The Senator from Illinois has raised an interesting question. Having conducted the hearings, but not having any knowledge of the memorandum, I did not ask the Department for it. This issue was not raised in the hearing. We are pleased to have it raised now. But I cannot say that the Department refused to give it to us because we never asked for it. We never knew it existed. The issue was not raised in the subcommittee or in the hearings. We will be happy to look into the matter, now that the Senator from Illinois has raised the question.

Mr. PERCY. Mr. President, let me take just 2 minutes to put into the Record that——

The PRESIDING OFFICER (Mr. Pell). All time on the bill has now expired.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent to proceed for 2 additional minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. And, Mr. President, may we please have order in the Senate?

The PRESIDING OFFICER. The Senate will please be in order.

Mr. PERCY. Mr. President, I am sorry I could not obtain this information early enough to turn it over to the subcommittee, but I was unable, this morning, to get through to the Department of Transportation and the GAO.

The appropriate people were not there so that we could find out whether they were familiar with the audit and were following up on it. I have not got that information, but it will be turned over to the subcommittee when I receive it.

But the audit would indicate that Federal law, enacted in 1964, provided that the Coast Guard must receive prior congressional authorization for acquisition, construction, and improvement type projects whether funded under operating expenses or the A.C. and I. accounts, with only 2 exceptions: the A.C. and I. funds may be used without prior authorization to restore damaged or destroyed facilities or where the project costs less than $200,000.

In 1967, a Coast Guard program manual was promulgated stating that construction projects costing less than $200,000 may be funded out of either A.C. and I. or O.E. funds. This would seem to be in contradiction with the applicable law.

The audit found that during 1971 and 1972, 23 projects, costing a total of $3.2 million, which lawfully should have been funded with A.C. and I. appropriations, were funded out of the O.E. account.

In addition, three of these projects cost more than $200,000, which would seem to be irregular under both the law and the Coast Guard's own manual.

I feel that every branch of Government should observe the law. Congressional appropriation and authorization directives should be and must be followed. We have the responsibility for oversight in this regard.

I appreciate very much the assurance of my distinguished colleagues that this material, which I shall turn over to the subcommittee, will be analyzed by its very capable and able staff.

Mr. ROBERT C. BYRD. I thank the Senator.

The PRESIDING OFFICER. All time has expired. The bill having been read the third time, the question is, Shall it pass? On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Alaska (Mr. Gravel), the Senator from Iowa (Mr. Hughes), the Senator from Minnesota (Mr. Humphrey), the Senator from Mississippi (Mr. Eastland), the Senator from Texas (Mr. Bentsen), and the Senator from Alabama (Mr. Allen) are necessarily absent.

I further announce that the Senator from South Dakota (Mr. Abourezk) is absent on official business.

I also announce that the Senator from Mississippi (Mr. Stennis) is absent because of illness.

I further announce that, if present and voting, the Senator from Minnesota (Mr. Humphrey) would vote "yea."

Mr. SCOTT of Pennsylvania. I announce that the Senator from New Hampshire (Mr. Cotton) is absent because of illness.

The Senator from Arizona (Mr. Goldwater) is absent because of illness in his family.

The Senator from Massachusetts (Mr. Brooke) is absent on official business.

The Senator from Tennessee (Mr. Brock), the Senator from New York (Mr. Buckley), the Senator from Nebraska (Mr. Curtis), the Senator from New Mexico (Mr. Domenici), the Senator from Colorado (Mr. Dominick), the Senator from Michigan (Mr. Griffin), and the Senators from Ohio (Mr. Saxbe and Mr. Taft) are necessarily absent.

The Senator from Idaho (Mr. McClure) is detained on official business.

If present and voting, the Senator from Massachusetts (Mr. Brooke), the Senator from Nebraska (Mr. Curtis), the Senator from New Mexico (Mr. Domenici), the Senator from Idaho (Mr. McClure), and the Senator from Ohio (Mr. Taft) would each vote "yea."

The result was announced—yeas 79, nays 1, as follows:

[No. 345 Leg.]

YEAS—79

Aiken
Baker
Bartlett
Bayh
Beall
Bellmon
Bennett
Bible
Biden
Burdick
Byrd,
  Harry F., Jr.
Byrd, Robert C.
Cannon
Case
Chiles
Clark
Cook
Cranston
Dole
Eagleton
Ervin
Fannin
Fong
Fulbright
Gurney
Hansen
Hart
Hartke
Haskell
Hatfield
Hathaway
Helms
Hollings
Hruska
Huddleston
Inouye
Jackson
Javits
Johnston
Kennedy
Long
Magnuson
Mansfield
Mathias
McClellan
McGee
McGovern
McIntyre
Metcalf
Mondale
Montoya
Moss
Muskie
Nelson
Nunn
Packwood

Pastore
Pearson
Pell
Percy
Proxmire
Randolph
Ribicoff
Roth
Schweiker
Scott, Pa.
Scott, Va.
Sparkman
Stafford
Stevens
Stevenson
Symington
Talmadge
Thurmond
Tower
Tunney
Weicker
Williams
Young

NAYS—1

Church

NOT VOTING—20

Abourezk
Allen
Bentsen
Brock
Brooke
Buckley
Cotton
Curtis
Domenici
Dominick
Eastland
Goldwater
Gravel
Griffin
Hughes
Humphrey.
McClure
Saxbe
Stennis
Taft

So the bill (H.R. 8760) was passed.

Mr. ROBERT C. BYRD. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. STEVENS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. ROBERT C. BYRD. Mr. President, I move that the Senate insist upon its amendments and request a conference with the House, and that the Chair be authorized to appoint the conferees on the part of the Senate.

The motion was agreed to and the Presiding Officer (Mr. Pell) appointed Mr. Robert C. Byrd, Mr. McClellan, Mr. Magnuson, Mr. Pastore, Mr. Bible, Mr. Mansfield, Mr. Case, Mr. Young, Mr. Cotton, Mr. Stevens, Mr. Mathias, and Mr. Schweiker conferees on the part of the Senate.

FEDERAL ELECTION CAMPAIGN ACT AMENDMENTS OF 1973

The Senate continued with the consideration of the bill (S. 372) to amend the Communications Act of 1934 to relieve broadcasters of the equal time requirement of section 315 with respect to Presidential and Vice Presidential candidates and to amend the Campaign Communications Reform Act to provide further limitation on expenditures in election campaigns for Federal elective office.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on the amendment by Mr. Mondale there be a 10-minute limitation, the time to be divided and controlled in the usual form.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on an amendment by Mr. Eagleton there be a 30-minute limitation, with the time divided in the usual form.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, for the information of Senators, from now on, beginning with the Weicker amendment, votes will consume only 10 minutes, with the warning bell sounded 2½ minutes after the beginning of the vote, to allow 7½ minutes for Senators to get to the Chamber.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Connecticut. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Alabama (Mr. Allen), the Senator from Texas (Mr. Bentsen), the Senator from Mississippi (Mr. Eastland), the Senator from Alaska (Mr. Gravel), the Senator from Iowa (Mr. Hughes), and the Senator from Minnesota (Mr. Humphrey) are necessarily absent.

I further announce that the Senator from South Dakota (Mr. Abourezk) is absent on official business.

I also announce that the Senator from Mississippi (Mr. Stennis) is absent because of illness.

I further announce that, if present and voting, the Senator from Minnesota (Mr. Humphrey) would vote "nay."

Mr. SCOTT of Pennsylvania. I announce that the Senator from New Hampshire (Mr. Cotton) is absent because of illness.

The Senator from Arizona (Mr. Goldwater) is absent because of illness in his family.

The Senator from Massachusetts (Mr. Brooke) is absent on official business.

The Senator from Tennesssee (Mr. Brock), the Senator from New York (Mr. Buckley), the Senator from Nebraska (Mr. Curtis), the Senator from New Mexico (Mr. Domenici), the Senator from Colorado (Mr. Dominick), the Senator from Michigan (Mr. Griffin), and the Senators from Ohio (Mr. Saxbe and Mr. Taft) are necessarily absent.

If present and voting, the Senator from Massachusetts (Mr. Brooke) and the Senator from Nebraska (Mr. Curtis) would each vote "nay."

The result was announced—yeas 8, nays 72, as follows:

[No. 346 Leg.]

YEAS—8

Baker
Hollings
Inouye
Nelson
Proxmire
Ribicoff
Stafford
Weicker

NAYS—72

Aiken
Bartlett
Bayh
Beall
Bellmon
Bennett
Bible
Biden
Burdick
Byrd, Harry F., Jr.
Byrd, Robert C.
Cannon
Case
Chiles
Church
Clark
Cook
Dole
Eagleton
Ervin
Fannin
Fong
Fulbright
Gurney
Hansen
Hart
Hartke
Haskell
Hatfield
Hathaway
Helms
Hruska
Huddleston
Jackson
Javits
Johnston
Kennedy
Long
Magnuson
Mansfield
Mathias
McClellan
McClure
McGee
McGovern
McIntyre
Metcalf
Mondale
Montoya
Moss
Muskie
Nunn
Packwood
Pastore
Pearson
Pell
Percy
Randolph
Roth
Schweiker
Scott, Pa.
Scott, Va.
Sparkman
Stevens
Stevenson
Symington
Talmadge
Thurmond
Tower
Tunney
Williams
Young

NOT VOTING—20

Abourezk
Allen
Bentsen
Brock
Brooke
Buckley
Cotton
Cranston
Curtis
Domenici
Dominick
Eastland
Goldwater
Gravel
Griffin
Hughes
Humphrey
Saxbe
Stennis
Taft

So Mr. Weicker's amendment was rejected.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on an amendment by Mr. Bellmon there be a 20-minute limitation, to be equally divided in the usual form.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. EAGLETON. Mr. President, I have amendments at the desk identified as No. 402.

The PRESIDING OFFICER. The clerk will read the amendments.

The legislative clerk proceeded to read the amendments.

Mr. EAGLETON. Mr. President, I ask unanimous consent that further reading of the amendments be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendments (No. 402) are as follows:

On page 51, line 4, strike "15 cents" and insert in lieu thereof "10 cents".

On page 51, line 21, strike "20 cents" and insert in lieu thereof "15 cents".

Mr. EAGLETON. Mr. President, I do not think this amendment will take a great deal of time. There is a 30-minute time limit. I doubt that I will use even that.

Mr. President, this amendment, No. 402——

Mr. NELSON. Mr. President, may we have order?

The PRESIDING OFFICER. The Senate will be in order so the Senator can explain his amendment. The Senate will be in order.

Mr. EAGLETON. Mr. President, amendment No. 402 would reduce the limitations on campaign expenditures to 10 cents in the primary and 15 cents in the general election, multiplied by the voting age population. This is in contrast to the ceilings in the committee bill of 15 cents in the primary and 20 cents in the general election. My amendment does not change the minimum allowable expenditures of $125,000 in the primary and $175,000 in the general election, as reported in the committee bill.

My purpose in offering this amendment is simple—to halt the rapidly rising amount of money that it takes for challengers and incumbents alike to run for public office. My hope is to minimize the corruptive role of money in politics and to equalize the spending power of incumbents and challengers.

In the 25 Senate races where incumbents ran last November, they had average expenditures of $491,000. Their 25 major party challengers had average expenditures of $239,000—less than half of the incumbents. Similarly, the 33 winning Senate candidates spent an average of $510,000 while their losing major party opponents spent an average of $268,000. I think it is apparent that an incumbent has a fundraising advantage and a limitation on campaign spending will serve to reduce that advantage. Similarly, there is a correlation between the candidate that won and the candidate that had the money to spend. I think a limitation on campaign spending will better equalize the resources available to candidates and make campaigns more a test of men than money.

While I am aware that there is a bottom level at which campaign spending limits will put the challenger at a disadvantage by not allowing him to overcome the natural advantages of an incumbent, I do not think we are approaching that level by the limits in my amendment. I ask unanimous consent that a table comparing the State-by-State limits of my amendment with those of the committee bill be printed at this point in the RECORD.

There being no objection, the tabulation was ordered to be printed in the RECORD, as follows:

STATE BY STATE BREAKDOWN OF EXPENDITURE LIMITATIONS AS PROVIDED IN S. 372 COMPARED TO THE LIMITATIONS OF EAGLETON AMENDMENT NO. 402

State	S. 372—Committee bill		Eagleton amendment No. 402	
	Primary: 15 cents per vote per $125,000 floor	General: 20 cents per vote per $175,000 floor	Primary: 10 cents per vote per $125,000 floor	General: 15 cents per vote per $175,000 floor
Alabama	$341, 100	$454, 800	$227, 400	$341, 100
Alaska	125, 000	175, 000	125, 000	175, 000
Arizona	185, 850	247, 800	125, 000	185, 850
Arkansas	196, 500	262, 000	131, 000	196, 500
California	2, 091, 750	2, 789, 000	1, 394, 500	2, 091, 750
Colorado	233, 700	311, 600	155, 800	233, 700
Connecticut	315, 900	421, 200	210, 600	315, 900
Delaware	125, 000	175, 000	125, 000	175, 000
District of Columbia	125, 000	175, 000	125, 000	175, 000
Florida	765, 750	1, 021, 000	510, 500	765, 750
Georgia	465, 600	62 , 800	310, 400	565, 600
Hawaii	125, 000	175, 000	125, 000	175, 000
Idaho	125, 000	175, 000	125, 000	175, 000
Illinois	1, 131, 300	1, 508, 400	754, 200	1, 131, 300
Indiana	526, 350	701, 800	350, 900	526, 350
Iowa	286, 350	381, 800	190, 900	286, 350
Kansas	231, 150	308, 200	154, 100	231, 150
Kentucky	330, 900	441, 200	220, 600	330, 900
Louisiana	350, 850	467, 800	233, 900	350, 850
Maine	125, 000	175, 000	125, 000	175, 000
Maryland	403, 200	537, 600	268, 800	403, 200
Massachusetts	593, 250	791, 000	395, 500	593, 250
Michigan	881, 100	1, 174, 800	587, 400	881, 100
Minnesota	384, 000	512, 000	256, 000	384, 000
Mississippi	210, 450	280, 600	140, 300	210, 450
Missouri	489, 900	653, 200	326, 600	489, 900
Montana	$125, 000	$175, 000	$125, 000	$175, 000
Nebraska	153, 300	204, 400	125, 000	175, 000
Nevada	125, 000	175, 000	125, 000	175, 000
New Hampshire	125, 000	175, 000	125, 000	175, 000
New Jersey	753, 750	1, 005, 000	502, 500	753, 750
New Mexico	125, 000	175, 000	125, 000	175, 000
New York	1, 915, 950	2, 554, 600	1, 277, 300	1, 915, 950
North Carolina	519, 450	692, 600	346, 300	519, 450
North Dakota	125, 000	175, 000	125, 000	175, 000
Ohio	1, 077, 750	1, 437, 000	718, 500	1, 077, 750
Oklahoma	271, 800	362, 400	181, 200	271, 800
Oregon	225, 000	300, 000	150, 000	225, 000
Pennsylvania	1, 224, 150	1, 632, 200	816, 100	1, 224, 150
Rhode Island	125, 000	175, 000	125, 000	175, 000
South Carolina	255, 900	341, 200	170, 600	255, 900
South Dakota	125, 000	175, 000	125, 000	175, 000
Tennessee	406, 950	542, 600	271, 300	406, 950
Texas	1, 152, 150	1, 536, 200	768, 100	1, 152, 150
Utah	125, 000	175, 000	125, 000	175, 000
Vermont	125, 000	175, 000	125, 000	175, 000
Virginia	479, 550	639, 400	319, 700	479, 550
Washington	355, 650	474, 200	237, 100	355, 650
West Virginia	177, 300	236, 400	125, 000	177, 300
Wisconsin	443, 250	591, 000	295, 500	443, 250
Wyoming	125, 000	175, 000	125, 000	175, 000

Mr. COOK. Mr. President, I yield myself 5 minutes.

The PRESIDING OFFICER. The Senator from Kentucky is recognized for 5 minutes.

Mr. COOK. Mr. President, for the benefit of those who have not received the sheets that have been passed around, together with the oblong sheets that came from the Committee on Rules and Administration under the chairman of the committee, I point out that under the Eagleton amendment, in a primary a candidate would have the figure listed in the fifth column, called other proposals, at 10 cents a candidate, marked the Eagleton primary figure; and the third column over would be the general election figure.

Mr. EAGLETON. Mr. President, is that the 15-cent figure in that column?

Mr. COOK. Yes, it is. I must confess that I have no objection to this. We started at the Commerce Committee with 25 cents. The Committee on Rules and Administration reduced that to 20 cents in the general election and 15 cents in the primary.

Mr. PASTORE. Mr. President, if the Senator would yield, in the Rules Committee did the members have various Senators and other candidates who ran in the election, appear before the Committee and testify? The Committee did not have such witnesses before it.

I want to say that I will take any figure that is suggested here.

I point out that in the Commerce Committee we made a thorough study of the amounts that had been spent in the past. The Senator from South Dakota (Mr. MCGOVERN), who was a Presidential candidate the last time, appeared before our committee and said:

> I come from a large State which has a large area with a scattered population. And you cannot compare my State with the State of Rhode Island where you have a small area and a condensed population.

For that reason, we came out with 25 cents for the primary and 25 cents for the general election, because we determined that in many States, a primary is just as decisive as the election. I will tell the Senate that in my State a primary is not as decisive as an election.

In many States, when you reduce it to 10 cents in a primary, we are not giving them the opportunity to expose themselves and the issues before the election.

Now, instead of the 20 cents and 15 cents, the Senator proposes to make it 15 cents and 10 cents. If that is what the Senate wants to do, that it all right with me. However, it is absolutely out of focus with everything that has transpired up to now.

Let us not forget that the next time out the costs for a candidate will increase and not decrease. Let us look at what this figure would do.

Mr. EAGLETON. Mr. President, in brief response to the Senator from Rhode Island, I want to make it clear that certain changes made in the committee bill with respect to the small States are unchanged by my amendment. Rhode Island and South Dakota would be the same under the committee bill.

Mr. PASTORE. The Senator has made it rather comfortable for the State of Rhode Island. Under my formula, Rhode Island would have only gotten $167,000. However, we have other States, the marginal States, that would be hurt.

I have not studied this sheet. However, it ought to be studied.

I do not care what we do here this afternoon. However, we need a complete and thorough study. In the Commerce Committee we went to 25 cents and 25 cents. The Rules Committee made it 20 cents and 15 cents.

I am ready to subscribe to that. I have no fault to find with it. Let us try it out, if possible. However, if we go below that, we will have trouble in the small States.

Mr. COOK. Mr. President, while we are debating this, the figures applied to my State are more than I ever spent in a campaign. However, candidates will have problems with the 15 cents in a general election. If a candidate makes a mass mailing throughout a State, that is an 8-cent stamp for each voter to begin with on a mass mailing to all voters of his State. That leaves the candidate 7 cents per eligible voter for the remainder of the campaign in his State. I think we ought to take that into consideration.

By the time we have the next election, a stamp will cost 10 cents, I believe. Then we will have 5 cents left of the 15 cents. And if a candidate makes one mass mailing, it will leave him 5 cents to spend for each eligible voter.

We ought to take these things into consideration and evaluate them. If we go to 10 cents in a primary, we are dealing with those in our own State. We may find that our entire budget is insufficient. I suggest that we look at this very carefully.

Mr. PASTORE. Mr. President, if the Senator will look at his sheet, on the 15 cents per eligible voter, Rhode Island would get $175,000. Of course, that is not what 15 cents comes to; however, that is the minimum amount. South Carolina, which may be three or four times larger than Rhode Island, could need a lot more money to cover it. Yet, South Carolina would only have $245,000. That is where the inequity is. That is where the trouble is.

For the very small States, $175,000 would be allowed. However, for the larger States compared to Rhode Island, it is unfair.

Mr. EAGLETON. I disagree. I do not know how big Rhode Island is.

Mr. PASTORE. Some 14,000 square miles, including Narragansett Bay.

Mr. EAGLETON. The critical element that determines campaign spending is the number of people in a jurisdiction. Is the Senator talking about people?

Mr. PASTORE. I am talking about people.

Mr. EAGLETON. For instance, to estimate the amount that might be spent in South Carolina we should know the population in South Carolina according to the recent census?

Mr. PASTORE. I do not know because we have not studied it.

Mr. EAGLETON. The campaign spending figures are determined in terms of the census.

Mr. PASTORE. The Senator has asked me the question. It is on his own sheet.

Mr. COOK. Mr. President, may I say that South Carolina has 1,719,000 eligible voters.

Mr. EAGLETON. Then my amendment would provide a reasonable amount for that State's campaign.

Mr. COOK. South Carolina has 1,719,000 voters.

Mr. EAGLETON. About 1,700,000 in South Carolina and 1 million in Rhode Island?

Mr. COOK. No, 1,700,000 in South Carolina and 668,000 in Rhode Island.

Mr. PASTORE. I am talking about babies in the cradle, too, when I say less than a million. I will give you the voting population in a moment; 668,000.

Mr. EAGLETON. For Rhode Island?

Mr. PASTORE. And for South Carolina, 1,719,000. These are totals.

Mr. EAGLETON. There is a similar disparity in the committee bill, for that matter.

Mr. PASTORE. No, no, because when you put it at 25 cents, a $175,000 floor does not make that much difference.

Mr. EAGLETON. Contrasted with the committee bill, Rhode Island is still the minimum and South Carolina is $341,000.

Mr. PASTORE. But that makes a lot of difference.

Mr. EAGLETON. But it is almost triple in population. There is a disparity there, of the difference between 2 to 1 and 3 to 1.

The PRESIDING OFFICER. Who yields time?

Mr. CANNON. I yield myself 5 minutes.

Mr. President, I do not have any strong feelings about this proposal. There is no magic about this particular figure. I am a member of the Commerce Committee, and we approved the 25 cents, after we had heard some of the testimony. I might say to my colleague from Rhode Island that we did have testimony from some Senators on the Rules Committee on the proposed formula, and we had other formulas proposed. We had a proposal by a Senator who had just completed an election to try to work in a combination of the area of the State as well as the population, but we thought that was somewhat inequitable, and perhaps no better than the formula we finally came up with.

We finally reduced the proposal of the Commerce Committee to 20 cents in the general and 15 cents in the primary, and a minimum for the small States for the primary of $125,000, and for the general of $175,000.

That is more than I spend on an election, and I would be willing to have it reduced as far as my State is concerned. But I know that every State has a different problem. I am sure there are many States who feel that if it were reduced to the 15 and the 10, it would not give them an adequate opportunity, and, more than that, would not give a contender an adequate opportunity who has to become better known and have some opportunity for exposure in his State.

So I simply say again, Mr. President, that I do not have any strong feeling about it one way or the other. We did arrive at this figure after considerable consideration, and after considering the 25 cents, in the Commerce Committee.

Mr. PASTORE. Mr. President, if the Senator will yield, as far as the Senator from Rhode Island is concerned, once they disturb the 25 cents I will buy anything. I am going to vote for the amendment, but I will say frankly it will not survive. As a matter of fact, I doubt very much that in view of what we are doing to this bill, it will survive at all.

Mr. EAGLETON. Mr. President, I yield such time as he may require to the Senator from Wisconsin.

Mr. NELSON. Mr. President, I endorse the Eagleton amendment, and would like to point out that so far as I know, no one, no candidate in the history of the State of Wisconsin has ever spent $738,000 on a campaign for any office; $738,000 is an abundance of campaign funds that is too lavish and totally unnecessary. I would much prefer, so far as my State is concerned, that we had some limitation around the $400,000 level. That is adequate for any candidate to buy all the TV time that is allowed under the present law. In my State, you can buy $180,000 worth of TV and radio time, and that is all you can buy.

So this is adequate funding for any political campaign, and in my judgment is more than ought to be authorized, but I am going to support it, because it at least provides some kind of limitation.

Mr. EAGLETON. Mr. President, I shall be brief, and then I shall have completed my presentation. I have just one or two responses to the Senator from Kentucky (Mr. Cook).

He mentioned the postage stamp situation. I presume postage will go up to 10 cents. It would be rare indeed if someone mailed statewide to every eligible voter. Perhaps that has been done, but it has never been done in my State. The spending allowance is based on the number of voting age population not the number of registered voters as your mailing.

If there are four registered voters living in one house in St. Louis, in Missouri, it is seldom that you send four letters or pamphlets to that same house, with the postage times four. Usually you cull the list and mail one letter to a given address in which more than one registered voter may be situated.

Also, costs are going up, as the Senator from Kentucky points out; he is correct in that. It is my understanding, however, that in the committee bill there is a cost-of-living escalator clause, and my amendment does not touch that. I would assume that in 1974 costs will be higher than they are now, and in 1976 even higher, and so on. But I think that is covered by the escalator clause already provided by the committee.

As far as I am concerned, I am prepared to yield back the remainder of my time.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. EAGLETON. I yield.

Mr. PASTORE. I merely want to make another point that I think Senators ought to know. The Commerce Committee bill excluded the volunteer. This bill does not have the word "volunteer" in it, which naturally means that for every volunteer that works for you or your campaigns or anyone's campaign, you will have to calculate in dollars what services are used.

Mr. COOK. Mr. President, I yield myself 30 seconds.

I agree with the Senator from Missouri that you do not mail a mass mailing to every registered voter. Obviously, he is correct. There is no question about that. But I wanted to raise the point that postage is now 8 cents, and will be 10 cents, and I hope that our escalator clause somehow will be able to keep up, because I must confess we face many problems as we debate this proposal, and as we add more and more amendments, we may end up creating an incumbent's bill.

In other words, with all the facilities that are available to a Senator during the course of his 6-year term, whether anyone can really make a viable campaign against an incumbent on the basis that he can spend no more than the incumbent himself can spend is very doubtful.

In my State, as I have said very emphatically to the Senator, I could not raise that much money even under the 15-cent proposal, which I think makes it—Mr. President, I yield myself 1 more minute—$328,000.

But I do know that when we do it on an equal basis, we put a challenger into a very difficult position. First, we put a challenger in the position of having to get a recognition factor which we have been able to obtain by reason of our office and by reason of our position for a 5½-year period. We have probably gotten letters into 85 percent of the homes of our constituents in our State. And I might say that——

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. COOK. I yield.

Mr. PASTORE. Is it not a fact that the lower you make the amount, the more you make it an incumbent's bill?

Mr. COOK. That is what bothers me.

Mr. PASTORE. That is just the point.

Mr. COOK. And I want to get into the RECORD that the lower you make it, the more you secure your own election. Those of us on this floor who have had to fight an incumbent and got here as a result of defeating an incumbent realize what we had to do in taking that incumbent on. I do not object to the 10 or 15 cents; I will go along, as the Senator from Rhode Island says, and I will vote for it. But I hope we will not put ourselves in a position where we are eliminating challengers, as on the basis of a candidate in my State in a general election being specifically limited, in running against an incumbent, to spending no more than $328,000.

I might say that sounds shocking to many people who hear it, but that is a campaign fund of $328,000 to reach 2,191,000 eligible voters, and that is not an easy thing to do.

So I think we should get this into the RECORD. I think it should be there for us to discuss and to be able to evaluate.

Mr. CLARK. Mr. President, will the Senator yield?

Mr. COOK. I yield.

Mr. CLARK. Mr. President, as a challenger running against an incumbent in the last election, such a limitation on total spending would have been of significant help to me in Iowa, because very often the incumbent can raise money while the unknown challenger cannot. So, I support the Senator's proposal based on my own experience, even though it may or may not be true in most cases. It seems to me that the challenger often finds more difficulty in getting recognition, and also more difficulty in getting money. My campaign spent about a quarter of a million dollars, well under the limit set here—and I recorded everything that I spent before the April 7 deadline, and every contribution under $100—my incumbent opponent spent significantly more than that. So I would cite this limitation, at any rate in my case as a challenger and relatively unknown, as giving a challenger a significant advantage rather than a disadvantage.

In the House races in Iowa, the incumbents traditionally spend up to twice as much as the challengers. So altogether, I am not sure it necessarily follows that spending ceilings help incumbents.

Mr. COOK. The Senator from Iowa may well be correct. I could only say that in my State, and I think both this Senator and my colleagues have expressed to us that one also has to evaluate who holds the Governor's position and how many—if we have to evaluate the volunteer workers from now on, someone in my State will have a very tough time, especially evaluating the time spent by every individual in the highway department that goes out and works for the candidate. That will be a difficult thing to do. The Senator from Iowa will have to admit that. I think we are fooling ourselves if we think we will cut this so close that what in effect will really happen will be to put the unreported forces to work on a tremendous basis. It will be difficult to overcome.

Mr. President, I yield the floor.

Mr. CANNON. Mr. President, I yield 2 minutes on the bill to the Senator from Rhode Island (Mr. PELL).

The PRESIDING OFFICER (Mr. MUSKIE). The Senator from Rhode Island is recognized for 2 minutes.

Mr. PELL. Mr. President, yesterday, we voted on the question of whether a union or a corporation is barred from holding a Government contract if it makes a political campaign contribution. We heard arguments back and forth on the floor and earlier in the committee. Each Senator voted, I believe, according to his conscience.

Yet, I see in today's Washington Post that Common Cause says this was a pure, special interest triumph and makes clear that money talks loudest in the Senate.

I read from the Washington Post:

> Common Cause labeled the outcome "pure special interest triumph" which "makes clear that money talks loudest in the U.S. Senate." Of the Maryland and Virginia senators, only William L. Scott (R-Va.) voted against repeal.

Mr. President, that kind of sanctimonious name-calling does not do an organization any good. I have been proud to be a member of Common Cause in the past, but when that organization derogates our motives without cause and without reason, I find it objectionable. I think that this kind of broadside swashbuckling attack is wrong.

Mr. CANNON. Mr. President, I am inclined to support, as I have said, the Senator's amendment. However, I will say this, that the Commerce Committee left out the volunteer helpers. We added them back in. If this amendment is adopted, I would support a move, if one is made to amend it, to exclude volunteer helpers, because it will be more restrictive. The Commerce Committee had a good point there, because it is difficult to evaluate volunteer helpers.

Mr. PASTORE. Mr. President, why wait for an amendment, then, to be put in by someone else? I think the manager of the bill should do it. I hope that he would do it, because I tell you frankly, Mr. President, if we go down to 10 cents or 15 cents, we have got to do something about the volunteers.

Mr. HARRY F. BYRD, JR. Mr. President, will the Senator from Nevada yield for a question?

Mr. CANNON. I yield.

Mr. HARRY F. BYRD, JR. Does the Senator from Nevada mean that this bill as reported by the committee would prevent individual citizens from participating in campaigns on a volunteer basis?

Mr. CANNON. No. No. Obviously we could not and would not do that. That is prohibited by the Constitution. But if the services of a volunteer are contributed to a campaign through the organization, then, under the bill, we would have to compute the value of his services.

Mr. HARRY F. BYRD, JR. How in the world would we compute that value? We want hundreds, hopefully thousands of people to work for us in our campaigns. I thought we wanted people to get involved in politics?

Mr. CANNON. We will take care of that in just a moment if the Senator will permit us to.

Mr. EAGLETON. Mr. President, I yield myself 45 seconds to underscore the exchange between the Senator from Kentucky (Mr. COOK) and the Senator from Iowa (Mr. CLARK).

The Senator from Iowa is eminently correct in pointing out to us that the tradition of the incumbent, almost without exception, has been that he is able to raise money in greater amounts than the challenger. The Senator from Iowa pointed that out in his own personal case in most recent years.

I gave the Senate at the outset of my remarks the statistics from last November for every senatorial race. In 25 Senate races where the incumbents ran in November of 1972, they had an average expenditure of $491,000, whereas the 25 challengers had an average expenditure of $239,000. So the incumbents had more than twice as much money as did the challengers in those 25 Senate races last November.

Mr. HUDDLESTON. Mr. President, will the Senator from Missouri yield?

Mr. EAGLETON. I yield.

Mr. HUDDLESTON. My position is very much like that of the distinguished Senator from Iowa. I want to support this amendment, but I have some reservations about it, as to continued restraint on the ability of candidates to sell themselves to the people.

We talk so much about campaign reform. I am heartily endorsing it. I have been a statewide candidate and prior to that I was a statewide campaign chairman, so I know some of the problems that a candidate and the public are faced with.

But if we in our considerations here assume, as apparently some of us are—at least as the press is—that all campaign money is misspent, or that all campaign expenditures are abused, we forget what a campaign really is.

A campaign, as we know, is an effort on the part of an individual to try to sell himself, to try to sell his views, to try to sell his hopes and aspirations for his people to the people of his State or of a particular district.

We just simply cannot do that without making certain expenditures over which the candidate has no control. It has already been mentioned that the price of postage is set, as is the price of television time, newspaper advertising, and the price of traveling, which is something a candidate cannot control.

The people who are going to suffer, if we are severely restricted, will be the general public, because they will not have the opportunity to know what a candidate is really for and what a candidate is not for, and they will not be able to make the kind of informed judgment as to which candidate will best represent what they consider to be the best interests of their country.

So I believe that we should be somewhat careful. I can support this amendment, because while it is somewhat less than I had to use a year ago in being elected, I could not have been elected under these restrictions last year.

Hopefully, 5 years from now—and that might be a great public service, incidentally—[laughter]—five years from now, if I am a candidate, I will not have that, as a candidate, as an unknown, and running against an ex-Governor, as I did a year ago.

So, I can support this amendment. I do believe we need restrictions on campaigns, but I hope that we do not lose sight of what a campaign is essentially, which is to give the public the opportunity to learn about the candidates.

Mr. CRANSTON. Mr. President, I believe that the aim the Senator from Missouri to lower the amounts of money being spent in campaigns—is desirable.

It often seems that exorbitant sums are totally wasted in useless campaign advertising and other nonproductive flim-flams. And too much money is spent on campaigns.

But the bill before us already fixes sensible limits. The imposition of too severe limits on campaign spending will serve only the ends of the incumbent. I have said earlier in debate on S. 372 and I want to say again—we must resist any campaign reform which works only to the advantage of the incumbent. The lower the spending limits are, the tougher it will be for a nonincumbent to put on a campaign which is capable of overcoming the natural advantage possessed by an incumbent.

I would prefer to see us retain the present figures in the bill with lower maximum spending limits for Senate races in large population States. For example, in a State like California, the proposed limits substantially exceed the amounts normally spent.

This subject should be thoroughly explored in the forthcoming hearings on public financing of campaigns.

Mr. EAGLETON. Mr. President, I yield back the remainder of my time.

Mr. CANNON. I yield back the remainder of my time.

Mr. EAGLETON. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

The PRESIDING OFFICER (Mr. MUSKIE). All time on this amendment has now been yielded back.

The question is on agreeing to the amendment of the Senator from Missouri (Mr. EAGLETON).

On this question the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Alabama (Mr. ALLEN), the Senator from Texas (Mr. BENTSEN), the Senator from Mississippi (Mr. EASTLAND), the Senator from Alaska (Mr. GRAVEL), the Senator from Iowa (Mr. HUGHES), and the Senator from Minnesota (Mr. HUMPHREY) are necessarily absent.

I further announce that the Senator from South Dakota (Mr. ABOUREZK) is absent on official business.

I also announce that the Senator from Mississippi (Mr. STENNIS) is absent because of illness.

I further announce that, if present and voting, the Senator from Minnesota (Mr. HUMPHREY) would vote "yea."

Mr. SCOTT of Pennsylvania. I announce that the Senator from New Hampshire (Mr. COTTON) is absent because of illness.

The Senator from Arizona (Mr. GOLDWATER) is absent because of illness in his family.

The Senator from Massachusetts (Mr. BROOKE) is absent on official business.

The Senator from Tennessee (Mr. BROCK), the Senator from New York (Mr. BUCKLEY), the Senator from Nebraska (Mr. CURTIS), the Senator from New Mexico (Mr. DOMENICI), the Senator from Colorado (Mr. DOMINICK), the Senator from Michigan (Mr. GRIFFIN), and the Senators from Ohio (Mr. SAXBE and Mr. TAFT) are necessarily absent.

If present and voting, the Senator from Ohio (Mr. TAFT) would vote "yea."

On this vote, the Senator from Massachusetts (Mr. BROOKE) is paired with the Senator from Nebraska (Mr. CURTIS). If present and voting, the Senator from Massachusetts would vote "yea" and the Senator from Nebraska would vote "nay."

The result was announced—yeas 70, nays 11, as follows:

[No. 347 Leg.]

YEAS—70

Aiken
Bartlett
Bayh
Beall
Bellmon
Bible
Burdick
Byrd, Harry F., Jr.
Byrd, Robert C.
Cannon
Case
Chiles
Church
Clark
Cook
Dole
Eagleton
Ervin
Fannin
Fong
Fulbright
Gurney
Hart
Hartke
Haskell
Hatfield
Hathaway
Helms
Hollings
Huddleston
Inouye
Jackson
Johnston
Kennedy
Long
Magnuson
Mansfield
Mathias
McGee
McGovern
McIntyre
Metcalf
Mondale
Montoya
Moss
Muskie
Nelson
Nunn
Packwood
Pastore
Pearson
Pell
Percy
Proxmire
Randolph
Ribicoff
Roth
Schweiker
Scott, Va.
Sparkman
Stafford
Stevens
Stevenson
Symington
Talmadge
Thurmond
Tunney
Weicker
Williams
Young

NAYS—11

Baker
Bennett
Biden
Cranston
Hansen
Hruska
Javits
McClellan
McClure
Scott, Pa.
Tower

NOT VOTING—19

Abourezk
Allen
Bentsen
Brock
Brooke
Buckley
Cotton
Curtis
Domenici
Dominick
Eastland
Goldwater
Gravel
Griffin
Hughes
Humphrey
Saxbe
Stennis
Taft

So Mr. EAGLETON'S amendment (No. 402) was agreed to.

Mr. CANNON. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. EAGLETON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. CANNON. Mr. President, I send to the desk an amendment and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

On page 15, line 7, strike the semicolon and insert the following: "but shall not mean or include those who volunteer to work on behalf of a candidate;".

Mr. CANNON. Mr. President, I yield myself 2 minutes.

The PRESIDING OFFICER. The Senator is recognized.

Mr. CANNON. Mr. President, this is the amendment about which I spoke a few minutes ago. The amendment is a technical amendment to eliminate the requirement for computing the value of the services of volunteer workers in the overall limit.

The PRESIDING OFFICER. The Senate will be in order.

The Senator may proceed.

Mr. CANNON. Mr. President, for the benefit of my colleague from Rhode Island I wish to point out that it is the intention that it be applicable to those who volunteer and work without compensation only. If they are to receive compensation, then that compensation, of course, is included in the overall limit.

Mr. President, I submit the amendment on behalf of myself and the Senator from Oregon (Mr. PACKWOOD).

Mr. MATHIAS. Mr. President, will the Senator yield?

Mr. CANNON. I yield.

Mr. MATHIAS. This also includes services which are volunteered gratuitously. For instance, a certified public accountant who volunteers his services as an accountant would be contemplated by the amendment. Is that correct?

Mr. CANNON. If he volunteers his service without compensation it would be included in the amendment.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. CANNON. I yield.

Mr. PASTORE. Does the Senator think it should be "volunteer to work without compensation"?

Mr. CANNON. Yes.

Mr. PASTORE. I think we should say that.

Mr. CANNON. Mr. President, I ask unanimous consent that I may be permitted to modify my amendment to say, "to work without compensation.".

The PRESIDING OFFICER. The amendment is so modified.

The amendment, as modified, is as follows:

On page 15, line 7, strike the semicolon and insert the following: "but shall not mean or include those who volunteer to work without compensation on behalf of a candidate;".

Mr. DOLE. Mr. President, will the Senator yield?

Mr. CANNON. I yield.

Mr. DOLE. I think I understand the amendment. It cannot be construed to cover State or Federal employees who might be volunteering while they are on duty. Is that correct?

Mr. CANNON. That is not permitted anyway under the law.

Mr. DOLE. I know it is not permitted under law, but sometimes volunteers do appear.

Mr. CANNON. The Senator could not compute the value of those services because they were not permitted to provide them under the Hatch Act.

Mr. DOLE. Would the same thing apply to State employees as to Federal employees?

Mr. CANNON. This applies only to

Federal elections. If a State law prohibited them from working, I guess it would cover them.

Mr. DOLE. My point is it could be an important point for some of us, myself included, if you had a statewide official in your State who might be running for Federal office; it might apply to those State employees once they become candidates for Federal office.

Mr. CANNON. This would apply with respect to volunteer services if they work without compensation. If they are Federal employees they would be in violation of the Hatch Act, I cannot answer the Senator's specific statement.

Mr. DOLE. I am not quarreling with the Senator, but it should apply—if they are State employees and someone in that State is a candidate for Federal office, I assume anybody carrying out his function as a State employee would not be a volunteer under the amendment.

Mr. CANNON. I think that would be a violation of State law, but I cannot answer that without specific knowledge.

Mr. President, I am prepared to yield back the remainder of my time.

Mr. DOLE. I am prepared to yield back the time on this side.

The PRESIDING OFFICER. All time is yielded back. The question is on agreeing to the amendment as modified.

The amendment was agreed to.

AMENDMENT NO. 203 (AS MODIFIED)

Mr. KENNEDY. Mr. President, I call up amendment No. 203, as modified. I call up the amendment on behalf of the Senator from Alaska (Mr. STEVENS) and myself.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk proceeded to read the amendment.

Mr. KENNEDY. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered; and, without objection, the amendment will be printed in the RECORD.

The amendment ordered to be printed in the RECORD is as follows:

At the end of the bill, add the following new section:

SEC. 19. The Federal Election Campaign Act of 1971 is amended by adding the following new title after title III and redesignating the existing title IV and the sections thereof accordingly:

"TITLE IV—ASSISTANCE FOR VOTER REGISTRATION AND ELECTION ADMINISTRATION

"SEC. 401. This title may be cited as the 'Voter Registration and Election Administration Assistance Act'.

"DEFINITIONS

"SEC. 402. As used in this title—

"(1) 'Commission' means the Federal Election Commission;

"(2) 'State' means each State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, and any territory or possession of the United States;

"(3) 'political subdivision' means any city, county, township, town, borough, parish, village, or other general purpose unit of local government of a State, or an Indian tribe which performs voter registration or election administration functions, as determined by the Secretary of the Interior; and

"(4) 'grant' means grant, loan, contract, or other appropriate financial arrangement.

"FUNCTIONS OF THE COMMISSION

"SEC. 403. (a) The Commission shall—

"(1) make grants, in accord with the provisions of this title, upon the request of State and local officials, to States and political subdivisions thereof to carry out programs of voter registration and election administration;

"(2) collect, analyze, and arrange for the publication and sale by the Government Printing Office of information concerning voter registration and elections in the United States;

"(3) prepare and submit to the President and the Congress on March 31 each year a report on the activities of the Commission under this title and on voter registration and election administration in the States and political subdivisions thereof, including recommendations for such additional legislation as may be appropriate; and

"(4) take such other actions as it deems necessary and proper to carry out its functions under this title.

"(b) The Commission shall not publish or disclose any information which permits the identification of individual voters.

"ADVISORY COUNCIL ON VOTER REGISTRATION AND ELECTION ADMINISTRATION

"SEC. 404. (a) There is hereby established an Advisory Council on Voter Registration and Election Administration, consisting of the Chairman of the Commission, who shall be Chairman of the Council, and sixteen members appointed by the Chairman of the Commission without regard to the civil service laws. Four of the appointed members shall be selected from the general public, and four each shall be selected from the chief election officers of State, county, and municipal governments, respectively. No more than two of the appointed members in each category shall be members of the same political party.

"(b) Each appointed member of the Council shall hold office for a term of four years, except that any member appointed to fill a vacancy prior to the expiration of the term for which his predecessor was appointed shall be appointed for the remainder of such term, and except that the terms of office of the members first taking office shall expire, as designated by the Chairman of the Commission at the time of appointment, four at the end of the first year, four at the end of the second year, four at the end of the third year, and four at the end of the fourth year after the date of appointment. An appointed member shall not be eligible to serve continuously for more than two years.

"(c) The Council shall advise and assist the Commission in the preparation of regulations for, and as to policy matters arising with respect to, the administration of this title, including matters arising with respect to the review of applications for grants under this title.

"GRANTS TO DEFRAY COSTS OF EXISTING VOTER REGISTRATION AND ELECTION ACTIVITIES

"SEC. 405. The Commission is authorized to make grants to any State or political subdivision thereof for the purpose of carrying out voter registration and election administration activities. A grant made under this section in any fiscal year shall not be in excess of 10 cents multiplied by the voting age population of the State or political subdivision receiving the grant, and the total amount of grants to any State and the political subdivisions thereof in any fiscal year shall not be in excess of 10 cents multiplied by the voting age population of the State.

"GRANTS TO IMPROVE VOTER REGISTRATION AND ELECTION ADMINISTRATION PROCEDURES

"SEC. 406. (a) The Commission is authorized to make grants to any State or political subdivision thereof to establish and carry out programs to improve voter registration and election administration. Such programs may include, but shall not be limited to:

"(1) programs to increase the number of registered voters or to improve voter registration, such as expanded registration hours and locations, employment of deputy registrars, mobile registration facilities, employment of deputy registrars, door-to-door canvass procedures, election day registration, re-registration programs, and programs to coordinate registration with other jurisdictions;

"(2) programs to improve election and election day activities, such as organization, planning, and evaluation of election and election day activities and responsibilities; improvements in ballot preparation, in use of absentee ballot procedures, and in voter identification, voting and vote-counting on election day; coordination of State and local election activities; and establishment of administrative and judicial mechanisms to deal promptly with election and election day difficulties;

"(3) education and training programs for State and local election officials;

"(4) programs for the prevention and control of fraud; and

"(5) other programs designed to improve voter registration and election administration and approved by the Commission.

"(b) A grant made under this section may be up to 50 per centum of the fair and reasonable cost, as determined by the Commission, of establishing and carrying out such a program. A grant made under this section in any fiscal year shall not be in excess of 10 cents multiplied by the voting age population of the State or political subdivision receiving the grant, and the total amount of grants to any State and the political subdivisions thereof in any fiscal year shall not be in excess of 10 cents multiplied by the voting age population of the State.

"GRANTS TO MODERNIZE VOTER REGISTRATION AND ELECTION ADMINISTRATION

"SEC. 407. (a) The Commission is authorized to make grants to any State for planning and evaluating the use of electronic data processing or other appropriate procedures to modernize voter registration or election administration on a centralized statewide basis. A grant made under this section shall not be in excess of one-half cent multiplied by the voting age population of the State receiving the grant, or $25,000, whichever is greater.

"(b) The Commisison is authorized to make grants to any State for designing, programing, and implementing a centralized statewide voter registration or election administration system as described in subsection (a) of this section. A grant under this subsection shall not be in excess of 10 cents multiplied by the voting age population of the State receiving the grant.

"GRANTS FOR VOTER EDUCATION

"SEC. 408. The Commission is authorized to make grants to any State or political subdivision thereof for the purpose of carrying out nonpartisan citizen education programs in voting and voter registration. A grant made under this section in any fiscal year shall not be in excess of 10 cents multiplied by the voting age population of the State or political subdivision receiving the grant, and the total amount of grants to any State and the political subdivisions thereof in any fiscal year shall not be in excess of 10 cents multiplied by the voting age population of the State.

"TECHNICAL ASSISTANCE AND FRAUD PREVENTION

"SEC. 409. The Commission is authorized to make available technical assistance, including assistance in developing programs for the prevention and control of fraud, to any State or political subdivision thereof for improving voter registration, election administration, and voter participation. Such assistance shall be made available at the request of States and political subdivisions thereof, to the extent practicable and consistent with the provisions of this title.

"APPLICATIONS FOR GRANTS

"SEC. 410. Except as otherwise specifically provided, grants authorized by section 405, 406, 407, or 408 of this title may be made to States, political subdivisions, or combinations thereof. Such grants may be made only upon application to the Commission at such time or times and containing such information as the Commission may prescribe. The Commission shall provide an explanation of the grant programs authorized by this title to State or local election officials, and shall offer to prepare, upon request, applications for such grants. No application shall be approved unless it—

"(a) demonstrates, to the satisfaction of the Commission, that the applicant has a substantial responsibility for voter registration or election administration within its jurisdiction, and that the grant will not involve duplication of effort within the jurisdiction receiving the grant or the development of incompatible voter registration or election administration systems within a State;

"(b) sets forth the authority for the grant under this title;

"(c) provides such fiscal control and fund accounting procedures as may be necessary to assure proper disbursement of and accounting for Federal funds paid to the applicant under this title, and provides for making available to the Commission books, documents, papers, and records related to any funds received under this title; and

"(d) provides for making such reports, in such form and containing such information, as the Commission may reasonably require to carry out its functions under this title, for keeping such records, and for affording such access thereto as the Commission may find necessary to assure the correctness and verification of such reports.

"REGULATIONS

"SEC. 411. The Commission is authorized to issue such rules and regulations as may be necessary or appropriate to carry out the provisions of this title.

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 412. For the purpose of carrying out the provisions of this title, there is authorized to be appropriated, for the fiscal year ending June 30, 1974, and for each of the two succeeding fiscal years, the sum of $15,000,000 each year for sections 405, 406, 407, and 408.".

Mr. KENNEDY. Mr. President, I yield myself 7 minutes.

The PRESIDING OFFICER. The Senator from Massachusetts is recognized.

Mr. KENNEDY. Mr. President, the purpose of this amendment is to establish an effective program of Federal financial assistance to State and local governments in carrying out their existing voter registration programs, and election administration and election day activities, and to provide specific financial incentives to encourage State and local governments to modernize their procedures in these areas.

The bill contains five major features:

First, the bill is based on the principle of a voluntary, not mandatory, program of Federal assistance to State and local jurisdictions in the area of election activities. No State or local government will be compelled to take any action under this bill, but those who wish to take advantage of its financial assistance provisions will be able to do so.

Second, the bill establishes a number of types of Federal grants available to State and local governments; based on the voting age population of the jurisdiction receiving the grant.

Mr. President, it is my intention that the definition of voting age population in the amendment shall conform with the definition of voting age population in the committee bill. I have indicated that conforming language in a technical change in the amendment, by using the phrase "voting age population."

Mr. COOK. Mr. President, will the Senator yield?

Mr. KENNEDY. I yield.

Mr. COOK. It would almost have to be and we should get it in the RECORD because it would have to conform because if there is a voter registration program they would have to conform.

Mr. KENNEDY. Mr. President, I ask unanimous consent that a technical change be made in the amendment to define voting age population as defined in the legislation itself, S. 372. The change is already indicated in the amendment at the desk.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KENNEDY. Mr. President, the amendment would provide four types of grants:

"Bloc" grants of 10 cents per eligible voter to States and local jurisdictions to defray costs of existing programs in the area of voter registration, election administration, and election day activities;

"Incentive" grants of 50–50 matching funds for State and local governments to pay for new election and registration activities in the jurisdiction, such as additional registrars, steps to handle election day challenges, streamlined voting and vote-counting procedures, training programs for State and local officials, and fraud prevention;

Grants for computerized election and registration programs, including $25,000 planning grants and 10 cents-a-voter implementation grants to States to modernize voter registration and election activities; and

Grants for voter education, including 10 cents-a-voter grants to States and local governments for nonpartisan citizen education programs.

Third, the grant program will be administered by the new Federal Election Commission to be established by S. 372.

Fourth, an Advisory Council on Voter Registration and Election Administration is established, to include State and local election officials on a bipartisan basis.

Fifth, the amendment authorized $60,000,000 each year for the next 3 fiscal years to carry out the program, with $15,000,000 a year allocated to each of the four categories of grants described above.

Mr. President, of all the figures to come out of the 1972 Presidential election last November, perhaps the most appalling is the estimate that only 56 percent of those who were eligible to vote actually went to the polls on election day. If this figure is correct, then it appears that the voter turnout in 1972 was 5 percentage points lower even than in the low turnout year of 1968, itself one of the lowest voter turnouts in any Presidential election in this century and the lowest turnout since 1948.

And, compounding the problem of shrinking voter turnout, the 1972 election also witnessed another barrage of the sort of election day experience that turns voting into an ordeal for voters and State and local election officials alike—the long lines and the waiting periods confronting citizens who actually reach their polling places; incomplete or missing registration lists, compelling many citizens to go to court to enforce their right to vote; and a plethora of other problems—voting machines that don't work; polling places that don't open; and inadequate and understaffed procedures for handling challenges at the voting booth and in the courts.

How do you think Gov. William Scranton felt at his polling place in Pennsylvania last November 7, when he had to go to court to get an order compelling local officials to let him vote, because his registration card was missing?

And that example represents only the tip of the iceberg of the problems facing voters on election day. We recognize Governor Scranton's name, but what about the thousands of others who suffered similar misadventures, and who were thereby denied the most basic right of all in our democratic society, the right to vote. The path to the polls on election day was a chamber of horrors for countless citizens trying to exercise their right.

In New York City, thousands of eligible voters found themselves in Governor Scranton's shoes because their registration records had disappeared and they were forced to go obtain a court order to let them vote. It is estimated that for every voter who lasted the marathon courthouse course and actually cast his vote in New York City, at least two or three others fell along the way and lost their right to vote.

In St. Louis, thanks to a faulty canvass and preelection purge of voting lists in mid-October, thousands of voters were erroneously stricken from the rolls. Two thousand voters were reinstated by court order, but many more never got to vote.

In Albuquerque, residents received a white slip of paper when they registered, but they could not vote until they received a yellow voting card by mail. For many new registrants, the yellow cards did not arrive, and so, the day before the election, a State court ordered that persons holding a white slip were eligible to vote, provided they appeared in court to assert their rights.

Such examples are legion. The ones I have cited could be multiplied many times over. They are found in every State. But they are enough, I think, to identify the problem and to demonstrate the need for early and effective action by Congress.

I believe that Congress can go far in solving the problems by using the traditional carrot approach of Federal financial assistance, offering grants to State and local governments to help them put their own houses in order.

Today, the Federal Government provides an almost endless array of grants to State and local governments to develop and upgrade social programs for the benefit of all their citizens. Thanks to Federal recognition of the obvious national interest involved in areas like health and education, food and housing, transportation and welfare, the environment, law enforcement, and drug control, 200 million American citizens today enjoy a higher standard of living and a better quality of life.

But, in spite of the obvious national interest at stake in the area of voting and elections, no such assistance is available today to help State and local governments respond to the massive and growing need for reform. The right to vote is the most basic right in our democratic society, yet for decades the Federal Government has stood mute while the conditions of voting in America progressively deteriorated, until we have reached the point where, for many citizens, voting is no longer a blessing of democracy but a gauntlet to be run by those with the physical stamina and endurance to last the course.

We know the hard-pressed financial condition of our State and local governments. We also know that expenditures for voting and elections come at the bottom of the list when State and local governments draw up their annual budgets. And the reason is not far to seek. They know the priorities Congress sets in Federal spending programs—undoubtedly they set their own priorities accordingly, and so the entire election process suffers.

Now is the time to change all that. The amendment I promise is not the final answer to all the election problems that can be identified, but it is a step in the right direction, a step we can take with full respect for the basic doctrine that elections in America are still the primary responsibility of our State and local governments. The modest sums authorized by this amendment can be a sound investment in the future of America, bringing rich returns for our democracy, and I urge the Senate to accept it.

Mr. President, the amendment is offered on behalf of myself and the distinguished Senator from Alaska (Mr. STEVENS), who has been enormously interested and extremely active in the whole area of voter registration and election day procedures.

Let me point out, finally that on the issue of voter registration, there have been some extensive hearings by the Committee on Post Office and Civil Service, several days of hearings in 1971, and several more days of hearings in 1973. A number of these very same issues were raised during the consideration of this matter by the Committee on Post Office and Civil Service.

I yield to the Senator from Alaska (Mr. STEVENS), who is a member of the Post Office Committee.

Mr. STEVENS. Mr. President, will the Senator yield?

Mr. KENNEDY. I yield.

Mr. STEVENS. Mr. President, in urging adoption of the amendment, I hope all concerned realize that this is an amendment supported by people who are registrars in the individual States. They met in New Orleans. One of the leaders in this movement is the Lieutenant Governor of Alaska, Red Boucher. He has emphasized the need of flexibility for the States to meet their needs. I think this amendment will do that. It is an authorization. It is not mandatory that the States adopt this procedure. I think this is the best approach we can devise to assist those who are trying to increase the number of our people who are registered to vote.

Mr. CANNON. Mr. President, I yield myself 2 minutes.

I have discussed this amendment with the distinguished Senator from Massachusetts. It is a good amendment. I have supported this proposition. I am a little reluctant to consider it as a part of this bill, but I am willing to accept the amendment and take it to conference.

Mr. President, I am prepared to yield back the remainder of my time.

Mr. KENNEDY. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. All time on the amendment having been yielded back, the question is on agreeing to the amendment, as modified (putting the question).

Mr. KENNEDY's amendment, No. 203, as modified, was agreed to.

Mr. KENNEDY. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. COOK. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. STEVENSON. Mr. President, I call up my amendment No. 355.

The PRESIDING OFFICER. The clerk will read the amendment.

The assistant legislative clerk proceeded to read the amendment.

Mr. STEVENSON. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered, and the amendment will be printed in the RECORD in full.

The amendment (No. 355) is as follows:

Strike everything from line 19 on page 52 through line 10 on page 53 and insert in lieu thereof the following:

(2) No candidate for election to the office of President may make expenditures in any State in connection with his campaign for election to such office in excess of 75 per centum the amount which a candidate for election to the office of Senator (or to the office of Delegate, in the case of the District of Columbia) might expend within the State in connection with his campaign for election to the office of Senator (a Delegate).

Mr. STEVENSON. Mr. President, I would like to ask the chairman of the Committee on Rules and Administration and the manager of this bill to explain to the Senate the effect of the Eagleton amendment on spending limitations for Presidential candidates. As I read the bill, it would seem to me that, by limiting the amounts permitted for expenditure by senatorial candidates, the Eagleton amendment has also reduced the amount permitted to be expended by Presidential candidates to the same amount, namely, 15 cents per eligible voter in every State. Is that interpretation of the effect of the Eagleton amendment correct?

Mr. CANNON. Let me find the Eagleton amendment.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

UNANIMOUS-CONSENT AGREEMENT

Mr. ROBERT C. BYRD. Mr. President, I am authorized by the distinguished majority leader to make the following unanimous-consent request. It has been cleared by both sides of the aisle.

I ask unanimous consent that a vote on final passage of the pending bill, S. 372, occur at no later than 3:30 p.m. on Monday next, and that rule XII be waived.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, keeping in view that agreements have already been reached on some amendments providing for less time than 30 minutes, to be equally divided, and that those agreements will stand, I ask unanimous consent that on all other amendments, with the exception of one amendment by Mr. CHILES and one amendment by Mr. PACKWOOD, time on any amendment be limited to not more than 30 minutes, that time on any amendment to an amendment be limited to 20 minutes, that time on any debatable motion or appeal, with the exception of a possible motion to recommit, be limited to 10 minutes, all to be equally divided in accordance with the usual form.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PERCY. Mr. President, may I address an inquiry to the acting majority leader?

Mr. ROBERT C. BYRD. Yes.

Mr. PERCY. I may note that some of those who have been in attendance today have put aside other engagements. For one, I have to be in Illinois and will be back Monday. Could the Senator advise us as to the earliest votes on Monday? Would it be possible to have the debate and to have the votes delayed as late as possible on Monday?

Mr. ROBERT C. BYRD. Yes. I think that could be done. The leadership will make every effort to back up any rollcall votes on amendments to 2 or 2:30 p.m. on Monday.

Mr. PERCY. That would be extremely helpful.

Mr. ROBERT C. BYRD. With the vote on final passage no later than 3:30 p.m.

Mr. PERCY. I thank the Senator.

Mr. ROBERT C. BYRD. I thank all Senators.

I want to be sure that the Senator from Illinois (Mr. STEVENSON) is fully protected on Monday. It is my understanding that the Senator from Illinois may offer a motion to recommit the bill. Am I correct?

Mr. STEVENSON. Mr. President, I have considered such a motion. I still have not decided. However, after the actions taken by the Senate today, I am much less inclined to make that motion than I was earlier. I do not have any such intention at the present time.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that if the Senator from Illinois, or any other Senator, should wish to make a motion to recommit on Monday, he be assured of 10 minutes on such motion, the time to be equally divided.

The PRESIDING OFFICER. Without objection, it is so ordered.

The text of the unanimous-consent agreement reads as follows:

Ordered, That, during the further consideration of S. 372, the Federal Election Campaign Act Amendments of 1973, debate on any amendment (except an amendment to be offered by Senator Chiles, and one to be offered by Senator Packwood, on which there shall be 1 hour each) shall be limited to not more than 30 minutes, to be equally divided and controlled by the mover of any such amendment and the manager of the bill, and that debate on any amendment in the second degree shall be limited to 20 minutes, to be equally divided and controlled by the mover of such and the author of the amendment in the first degree, and that debate on any debatable motion or appeal shall be limited to 10 minutes (with time assured on a motion to recommit, which will be in order, if made), to be equally divided and controlled by the mover of such and the manager of the bill: *Provided,* That in the event the manager of the bill is in favor of any such amendment or motion, the time in opposition thereto shall be controlled by the minority leader or his designee: *Provided further,* That no amendment (except amendments to be offered by Senators Bellmon, Dominick, Allen, Kennedy, Javits, Scott, of Pennsylvania, Byrd, of Virginia, Humphrey, Tunney, Percy, Bayh, Proxmire, Cranston, Chiles, Nelson, Roth, Stevenson, Taft, Mathias, and Hart) that is not germane to the provisions of the said bill shall be received.

Ordered further, That on the question of the final passage of the said bill, debate shall be limited to 6 hours, to be equally divided and controlled, respectively, by the managers of the bill, the Senator from Rhode Island (Mr. Pastore) and the Senator from Nevada (Mr. Cannon), and the minority leader or his designee: *Provided,* That the said Senators, or any of them, may from the time under their control on the passage of the said bill, allot additional time to any Senator during the consideration of any amendment, debatable motion or appeal.

Mr. CANNON. Mr. President, I yield myself 2 minutes.

If I understood the question of the Senator from Illinois correctly, it was: Would the change in the limit in the amount authorized per vote that we just approved in the Eagleton amendment apply to a Presidential race? And the answer is "Yes." We have a provision in the bill that says the Presidential candidate cannot spend more in any particular State in connection with his campaign than that authorized for the office of Senator from that State. So he would be limited to the 15- and 10-cent limit in each individual State as to the amount of the expenditure.

Mr. STEVENSON. I thank the Senator for that clarification. The fact is that the Eagleton amendment not only limits expenditures for congressional candidates; it also would reduce the permitted expenditures for Presidential candidates. I think that is a highly commendable step by the Senate. It is moving now to control spending by Presidential candidates as well as by congressional candidates. The amendment which I have called up, No. 355, is intended to do exactly that. It has now been done by the Eagleton amendment, albeit somewhat unintentionally.

This amendment has one other purpose. There now is in the bill a provision to limit all expenditures by congressional candidates and Presidential candidates. In the case of the congressional candidates, all expenditures of any kind are counted. It is not at all limited in the case of Presidential candidates, and expenditures made before January 1 are exempted. They would not be counted toward the expenditure limits for Presidential candidates.

Mr. President, I send the modification of my amendment to the desk and ask that my amendment be so modified.

The PRESIDING OFFICER. The clerk will report the modification.

The assistant legislative clerk read as follows:

Strike everything from line 19 on page 52 through line 2 on page 53.

The PRESIDING OFFICER. (Mr. BAYH). The amendment is so modified.

Mr. STEVENSON. Mr. President, this amendment has been modified to eliminate a reduction in the expenditures for a Presidential candidate. What it now does is to remove arbitrarily the January 1 date and include candidates for the Presidential nomination under the overall definition of a candidate that is already in the bill, to allow pre-January 1 expenditures to be exempted from the expenditure limit discriminating in favor of the incumbent Presidential candidates and early front runners, both of whom are in a better position to raise money early than are other candidates.

The January 1 date is less than 2 months before the first primary. And experience teaches that very substantial expenses are incurred prior to the beginning of the election year.

This amendment would place all candidates for Presidential nomination, incumbent and nonincumbent, under the same expenditure ceiling by providing that everything they spend at any time counts against the expenditure limit as is now provided in the bill for congressional candidates.

I would hope that the chairman and ranking minority member of the committee might consider accepting this modified amendment.

Mr. CANNON. Mr. President, I do not have any strong feeling about it. I do not think it is necessary, but if the Senator would prefer to rely on the general definition of "candidate," I have no objection.

Mr. STEVENSON. I thank the chairman. I move the adoption of the amendment.

The PRESIDING OFFICER. Is all time yielded back?

Mr. CANNON. I yield back my time.

Mr. STEVENSON. I yield back the remainder of my time.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Illinois.

The amendment was agreed to.

Mr. PACKWOOD. Mr. President, I call up my amendment No. 437.

The PRESIDING OFFICER. The amendment will be stated.

Mr. PACKWOOD. I ask that the reading of the amendment be dispensed with and that the amendment be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 57, line 14, strike "$5,000" and insert in its place "$3,000."

On page 57, line 17, strike "$15,000" and insert in its place "$3,000".

Mr. PACKWOOD. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. PACKWOOD. Mr. President, when the bill initially came from the Committee on Rules and Administration, it contained contribution limitations for an individual of $5,000 in the case of a candidate for Congress, $15,000 for a Presidential candidate, and $100,000 aggregate, which has now been changed from a family contribution to $25,000 per individual. That, of course, excludes the normal campaign committees of the parties. We had contributions of the same amount, $5,000 for Congress and $15,000 for President, although there was no aggregate limit.

The Senator from Texas (Mr. BENTSEN) yesterday offered an amendment to reduce both amounts to $3,000 for Members of Congress and $3,000 for the President.

Mr. President, I ask unanimous consent that I may add the name of the Senator from Illinois (Mr. STEVENSON) as a cosponsor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PACKWOOD. Senators will recall that there is some question as to the appropriateness of the Bentsen amendment, because we had the Proxmire amendment, which was limited only to individuals, and subsequently the Bentsen amendment, that would have limited contribution by the committees to $3,000 for candidates for Congress and $3,000 for candidates for the Presidency.

My amendment would correct what I think was a correct parliamentary ruling, but inadverently struck the Bentsen amendment. I think it is rather important that we do this because as the bill initially came to us, we were trying to give some weight to individuals except a committee, and we had individual contributions for candidates for the Presidency.

We have now substantially reduced the limits that individuals can contribute, and I think wisely, and I have supported it. We have not reduced the amount a committee can give. If we look at the returns in States which at least have public returns, we will find that it is not usually the large individual contributor who contributes the overwhelming amount of money.

It is the large campaign contributions from committees, and all of those committees are well known to us.

If we are going to try to reduce the influence of individual contributors to campaigns, and we have, I think it is unwise to disproportionately increase the influence of committees; because if we are talking about who is beholden to whom and for what, to say that individuals can give a relatively small amount of money but committees can give a substantially larger amount of money, and they have no aggregate limit—under this bill, committees can give to every congressional race the maximum amount they can give, and they can give to every senatorial race, and we are not changing the aggregate limit. I think if we do not change it, if there is to be no aggregate limit on committees, we should reduce them to the same amount, $1,000 for senatorial races and $3,000 for the President, that we have for individuals.

Mr. COOK. Mr. President, I think the Senator from Oregon is to be commended for offering this amendment, because what it does is comply with the figures we have previously put into the bill by reason of the amendment of the Senator from Texas. As Senators know, even in the debate yesterday, when we changed the figure on page 56 from $1,000 to $3,000, and when we changed the figure on page 57, line 2, from $15,000 to $3,000, we really established an inconsistency.

I would have to say to the Senator from Oregon that we still have the exclusions as set forth in item 2 on page 20, with the exception of the amendment of the Senator from Rhode Island which we agreed to yesterday. So I have no objection to the amendment; I think it conforms the figures throughout the bill relative to what can be contributed to an individual Senator's or Representative's race, or an individual Presidential race.

Mr. CANNON. Mr. President, I would not agree with my colleague that those sections are inconsistent with what we did before, but I would agree that in the discussion yesterday several times we referred to the fact that $3,000 is the limit, and it is not the limit under the bill as it now reads, as I found last night, with respect to committees.

For example, this would mean, under the bill as it now stands, that AMPAC, COPE, and a lot of these committees, the National Committee for an Effective Congress, and other organizations, could give $5,000 in the case of a candidate for Congress and $15,000 in the case of a candidate for President. If the Senator's amendment is adopted, that amount would be reduced to $3,000 for all of those committees, except the exceptions that are written in at the bottom of page 57, which we wrote in yesterday, that relate to the party committees and the congressional committees.

Mr. COOK. Mr. President, I yield myself 1 minute. May I say that when it makes it consistent, it makes it consistent on the basis that if we feel that a candidate will be influenced by a major contribution from an individual, obviously we have to consider that that candidate could be influenced by a major contribution from a committee or some organization, other than by a contribution from an individual. Therefore, the consistency that I meant was that it would be totally inconsistent to say that an individual could put $3,000 into the campaign of the Senator from Rhode Island, for example, but that COPE or AMPAC could put $15,000 into his campaign—or $5,000 into a Senator's campaign, and $15,000 into a Presidential campaign.

Therefore, on that basis, it makes it uniform throughout the bill. That is what the Senator from Oregon wants to do, and I think it is a good idea, Mr. President.

Mr. DOLE. Mr. President, will the Senator from Oregon yield?

Mr. PACKWOOD. I yield to the Senator from Kansas.

Mr. DOLE. The Senator from Kentucky may have just answered the question I had. It would apply to all committees, whether it be AMPAC, COPE, Better Business for Packwood, for example; it would apply equally to all committees, as I understand it.

Mr. PACKWOOD. To every committee, and it is my hope that we would not try to avoid it by setting up separate something-or-others. It is my intent that AMPAC, COPE, or the dairy fund can give no more money to a Presidential candidate in 1976 than $3,000.

Mr. DOLE. But is there anything to prevent the creation of 50 committees? In other words, is it not illegal for a candidate to receive moneys from committees in other States?

Mr. PACKWOOD. Let me ask the Senator from Nevada. As I understand the intent of the bill, you are not legally allowed to do that, because that is earmarking. They can give $3,000 to the Committee For the Reelection of DOLE; that is not intended to be allowed by the bill.

Mr. DOLE. If money is raised independently in a fund for a Federal candidate, that is not earmarking. If a committee, for some good reason, decides to support a Federal candidate, who may live in Wyoming and the committee may be in California. That is not prohibited.

Mr. PACKWOOD. It is not prohibited. The test is, Is it a committee to contribute independently? If it is a committee to contribute independently, it is all right.

Mr. DOLE. I can foresee situations when a candidate might receive money from numerous labor and business committees. Would this be legal?

Mr. PACKWOOD. The test is, Is the committee independent? If they are not independent, they are not supposed to give more than $3,000. If they are genuinely independent, it is all right.

Mr. DOLE. I thank the Senator.

Mr. CHURCH. Mr. President, will the Senator yield?

Mr. PACKWOOD. I yield.

Mr. CHURCH. I am afraid the Senator from Kansas has put his finger on the weakness of this provision of the bill. I think that it will be relatively easy for trade associations, business groups and labor unions to proliferate committees by setting them up in separate States, while it would be exceedingly difficult for openly political committees that solicit contributions in small amounts from citizens all over the country, to do likewise.

I think the limitaton is tilted in favor of the business groups and the labor groups, who may work through various State committees, while it would complicate the efforts of those committees that have no particular vested interest, which have to look to the public at large for contributions, committees that are quite frankly and openly established for the purpose of raising campaign money from the general public on behalf of certain candidates or causes.

Mr. PACKWOOD. Mr. President, in response to the statement of the Senator from Idaho, I think Senator Cook has stated very well that what we are trying to avoid is unlimited contributions, not just from COPE or BANKPAC or whatever the other organizations are; we are trying to limit the amount of money a committee such as the Committee for an Effective Congress can give, in addition to the AFL–CIO and in addition to BANKPAC.

Mr. CHURCH. I know the Senator's objective, and I do not quarrel with it. My point is that the method adopted is clumsy; it will work to the advantage of business groups and labor groups, and against committees established openly for the purpose of securing contributions in small amounts from the citizenry at large, to apply to political campaigns. I think that point has not been refuted in the course of the discussion.

Mr. PACKWOOD. Mr. President, I yield to the Senator from Kentucky.

Mr. COOK. Mr. President, I am not going to labor under any illusion that the Committee for an Effective Congress spends all its sums in small amounts, and does not make substantial contributions, because I know they do. I think the danger raised by the Senator from Idaho is more important, and that is that the lower the amount becomes, which I think we all should realize, the greater the proliferation becomes. That proliferation will occur regardless of whether it is the Committee for an Effective Congress or whether it is the respective committees we are talking about. This is what we have got to understand and to realize, that we are looking at the thing from the broad scope of trying to limit; but we also have to understand that as we do this, we cannot write into law the significance that an organization cannot proliferate itself, because it can. If it feels that it has to, or it desires to, then it will. I think we understand that. We should not be so naive as to believe that that may well not happen. But the lower we put that figure, the more obvious we make it available as a matter of necessity to pursue that course.

Mr. CHURCH. That is the very point. By lowering the figure, we increase the pressure for proliferation. It seems to me to be clear that labor and business groups will find it easier to proliferate than others lacking a nationwide structure. I think, to this extent, the amendment definitely discriminates in favor of business and labor.

Mr. COOK. I have to say, in defense of the amendment, that there is no more equity in having a figure higher for an organization which wishes to exert its influence, if that is what it wishes to do, than it is to have a figure for an individual. So, therefore, I must confess I see the fear of making the figure too low, but I have got to support the Senator's amendment because if we are talking about money, then everyone should start off at the same level. It is no more a degree of equity to say that an organization can give five, but that an individual can give only three. Therefore, I must confess I am concerned about continual reduction because it will create a proliferation, but it is there. It certainly should be, while we are handling it, that it be equitable.

Mr. PACKWOOD. Mr. President, I yield back my time.

Mr. CANNON. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER (Mr. Johnston). All time on this amendment has been yielded back.

The question is on agreeing to the amendment of the Senator from Oregon (No. 437).

On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. Robert C. Byrd. I announce that the Senator from Alabama (Mr. Allen), the Senator from Texas (Mr. Bentsen), the Senator from Mississippi (Mr. Eastland), the Senator from Alaska (Mr. Gravel), the Senator from Iowa (Mr. Hughes), and the Senator from Minnesota (Mr. Humphrey) are necessarily absent.

I further announce that the Senator from South Dakota (Mr. Abourezk), is absent on official business.

I also announce that the Senator from Mississippi (Mr. Stennis), is absent because of illness.

I further announce that, if present and voting, the Senator from Minnesota (Mr. Humphrey), would vote "yea."

Mr. SCOTT of Pennsylvania. I announce that the Senator from New Hampshire (Mr. Cotton) is absent because of illness.

The Senator from Arizona (Mr. Goldwater) is absent because of illness in his family.

The Senator from Massachusetts (Mr. Brooke) is absent on official business.

The Senator from Tennessee (Mr. Brock), the Senator from New York (Mr. Buckley), the Senator from Nebraska (Mr. Curtis), the Senator from New Mexico (Mr. Domenici), the Senator from Colorado (Mr. Dominick), the Senator from Michigan (Mr. Griffin), and the Senators from Ohio (Mr. Saxbe and Mr. Taft) are necessarily absent.

On this vote, the Senator from Massachusetts (Mr. Brooke) is paired with the Senator from Nebraska (Mr. Curtis). If present and voting, the Senator from Massachusetts would vote "yea," and the Senator from Nebraska would vote "nay."

The result was announced—yeas 74, nays 7, as follows:

[No. 348 Leg.]

YEAS—74

Aiken
Baker
Bartlett
Bayh
Beall
Bellmon
Bible
Biden
Burdick
Byrd, Harry F., Jr.
Byrd, Robert C.
Cannon
Case
Chiles
Church
Clark
Cook
Cranston
Dole
Eagleton
Ervin
Fannin
Fong
Fulbright
Gurney
Hansen
Hart
Hartke
Haskell
Hatfield
Hathaway
Helms
Hollings
Huddleston
Inouye
Javits
Johnston
Kennedy
Mansfield
Mathias
McClellan
McClure
McGee
McGovern
McIntyre
Metcalf
Mondale
Montoya
Muskie
Nelson
Nunn
Packwood
Pastore
Pearson
Pell
Percy
Proxmire
Randolph
Ribicoff
Roth
Schweiker
Scott, Pa.
Scott, Va.
Sparkman
Stafford
Stevens
Stevenson
Symington
Talmadge
Thurmond
Tower
Tunney
Weicker
Williams

NAYS—7

Bennett
Hruska
Jackson
Long
Magnuson
Moss
Young

NOT VOTING—19

Abourezk
Allen
Bentsen
Brock
Brooke
Buckley
Cotton
Curtis
Domenici
Dominick
Eastland
Goldwater
Gravel
Griffin
Hughes
Humphrey
Saxbe
Stennis
Taft

So Mr. Packwood's amendment (No. 437) was agreed to.

Mr. PACKWOOD. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. BARTLETT. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

UNANIMOUS-CONSENT AGREEMENT ON S. 1841

Mr. ROBERT C. BYRD. Mr. President, I have cleared this matter on both sides of the aisle.

I ask unanimous consent that at such time as S. 1841, a bill to amend the Communications Act of 1934, is called up and made the pending question before the Senate, there be a time limitation thereon for debate of 1 hour, with a time limitation on any amendment of 30 minutes, with a time limitation on any debatable motion or appeal of 20 minutes, and that the agreement be in the usual form.

I have cleared this matter with Mr. Pastore, Mr. Cook, Mr. Long, and other Senators on both sides of the aisle.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

The text of the unanimous-consent agreement is as follows:

Ordered, That, during the consideration of S. 1841, to amend the Communications Act of 1934 for one year with respect to certain agreements relating to the broadcasting of home games of certain professional athletic teams, debate on any amendment shall be limited to 30 minutes, to be equally divided and controlled by the mover of any such amendment and the manager of the bill, and that debate on any debatable motion or appeal shall be limited to 20 minutes, to be divided and controlled by the mover of such and the manager of the bill: *Provided*, That in the event the manager of the bill is in favor of any such amendment or motion, the time in opposition thereto shall be controlled by the minority leader or his designee: *Provided further*, That no amendment that is not germane to the provisions of the said bill shall be received.

Ordered further, That on the question of the final passage of the said bill, debate shall be limited to 1 hour, to be equally divided and controlled, respectively, by the majority and minority leaders or their designees: *Provided*, That the said leaders, or either of them, may, from the time under their control on the passage of the said bill, allot additional time to any Senator during the consideration of any amendment, debatable motion or appeal.

The PRESIDING OFFICER. The bill is open to further amendment.

AMENDMENT NO. 441

Mr. CHURCH. Mr. President, I send to the desk my amendment No. 441.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk proceeded to read the amendment.

Mr. CHURCH. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered; and, without objection, the amendment will be printed in the Record.

The amendment is as follows:

On page 22, line 6, immediately after "(f)", insert "(1)".

On page 23, line 6, strike out the quotation marks and the second period.

On page 23, between lines 6 and 7, insert the following:

"(f) (1) For purposes of this subsection—

"(A) 'Member of Congress' means Senator or Representative in, or Delegate or Resident Commissioner to, the Congress;

"(B) 'income' means gross income as defined in section 61 of the Internal Revenue Code of 1954;

"(C) 'security' means security as defined in section 2 of the Securities Act of 1933, as amended (15 U.S.C. 77b);

"(D) 'commodity' means commodity as defined in section 2 of the Commodity Exchange Act, as amended (7 U.S.C. 2);

"(E) 'dealings in securities or commodities' means any acquisition, holding, withholding, use, transfer, disposition, or other transaction involving any security or commodity; and

"(F) 'candidate' means an individual who seeks nomination for election, or election, to Federal office, whether or not such individual is elected, and, for purposes of this subsection, an individual shall be deemed to seek nomination for election, or election, if he has (1) taken the action necessary under the law of a State to qualify himself for nomination for election, or election, to Federal office, or (2) received contributions or made expenditures, or has given his consent for any other person to receive contributions or make expenditures, with a view to bringing about his nomination for election, or election, to such office.

"(2) Each candidate for election to Congress (other than a candidate who is a Member of Congress) shall file with the Commission a financial disclosure report for the calendar year immediately preceding the year in which he is a candidate. Such report shall be filed not later than thirty days after the individual becomes such a candidate.

"(3) Each individual who has served at any time during any calendar year as a Member of Congress shall file with the Commission a financial disclosure report for that year. Such report shall be filed not later than May 1 of the year immediately following such calendar year.

"(4) Each financial disclosure report to be filed under this subsection shall be made upon a form which shall be prepared by the Commission and furnished by it upon request. Each such report shall contain a full and complete statement of—

"(A) the amount and source of each item of income, other than reimbursements for expenditures actually incurred, and each gift or aggregate of gifts from one source of a value of more than $100 (other than gifts received from any relative or his spouse) received by him or by him and his spouse jointly during the preceding calendar year, including any fee or other honorarium received by him for or in connection with the preparation or delivery of any speech or address, attendance at any convention or other assembly of individuals, or the preparation of any article or other composition for publication;

"(B) the value of each asset held by him, or by him and his spouse jointly, and the amount of each liability owed by him, or by him and his spouse jointly, as of the close of the preceding calendar year;

"(C) all dealings in securities or commodities by him, or by him and his spouse jointly, or by any person acting on his behalf or pursuant to his direction during the preceding calendar year; and

"(D) all purchases and sales of real property or any interest therein by him, or by him and his spouse jointly, or by any person acting on his behalf or pursuant to his direction, during the preceding calendar year.

"(5) The Commission may provide for the grouping of items of income, sources of income, assets, liabilities, dealings in securities or commodities, and purchases and sales ot real property when separate itemization is not feasible or is not necessary for an accurate disclosure of the income, net worth, dealing in securities and commodities, or purchases and sales of real property of any individual.

"(6) All reports filed under this subsection shall be maintained by the Commission as public records. Such reports shall be available, under such regulations as the Commission may prescribe, for inspection by the public.".

(2) Subsection (f) of such section 304, as added by paragraph (1) of this subsection, shall apply with respect to calendar years commencing on or after January 1, 1974.

On page 25, line 19, immediately after "304", insert "(a)–(e)".

On page 46, line 20, immediately after "title," insert "(other than section 304(f))."

On page 46, line 23, immediately after "title," insert "(other than section 304(f))."

On page 47, line 2, strike out the quotation marks.

On page 47, between lines 2 and 3, insert the following:

"(c) Any person who willfully fails to file a report required by section 304(f) of this Act, or who knowingly and willfully files a false report under such section, shall be fined $2,000 or imprisoned for not less than one year, or both.".

Mr. CHURCH. Mr. President, the distinguished Senator from Oregon (Mr. PACKWOOD) has asked that his name be added as a cosponsor of this amendment, and I ask unanimous consent to have that done.

The PRESIDING OFFICER. Without objection, it is so ordered.

FULL DISCLOSURE IS A MUST

Mr. CHURCH. Mr. President, this amendment would require that each Member of Congress, as well as each candidate for Congress, disclose his income, net worth, and marketplace transactions, to the Federal Election Commission established by the bill. The disclosure would include income from all sources, gifts received having a value in excess of $100, together with fees and honorariums for speeches, articles, or attendance at conventions, or other assemblies. In addition, the candidate or Member would be required to disclose the value of assets held either in his own name, or by him and his spouse jointly, and any liabilities individually or jointly owed.

All dealings in securities or commodities, whether made by the candidate or Member or by the candidate or Member and his spouse jointly, or by any person acting on his or in their behalf, would also have to be disclosed. In addition, all purchases and sales or real property would be reported.

All reports filed with the Federal Election Commission would be public documents.

I personally feel that the enactment of this comprehensive disclosure statute, applicable to all sources of income, is long overdue. It would go far toward restoring healthy public confidence in our political institutions and in the men who hold—or run for—public office.

Instead of this kind of full disclosure, Congress has contrived for itself a convenient form of partial disclosure which does more to distort than to reveal, and which has aroused more suspicion than it has allayed. It is a dubious system, setting a different standard for the House than for the Senate, and an adequate standard for neither.

Members of the House owning interests worth more than $5,000 or receiving income in excess of $1,000 in any enterprise doing a substantial business with the Government, must name the enterprise, but need not list the actual amount of such holdings. In like manner, sources of outside income for "services rendered" exceeding $5,000; or for capital gains exceeding $5,000; or for reimbursement of expenditures exceeding $1,000, must be identified, but again without any requirement for disclosing the actual amounts involved. Under the rules of the House of Representatives, this is all that need be made public. As for the rest, information of each Member's outside business interests and income are filed in a sealed envelope with the House Committee on Standards of Official Conduct, where the information remains undisclosed, unless the committee votes to open the envelope in the course of an official investigation of the Member involved.

A different rule applies to the Senate, where Members are required to make public nothing other than gifts or political contributions directly received during the preceding year, along with any fee or honorarium amounting to more than $300. All other information concerning a Senator's outside business interests, property and income, goes into a sealed envelope which is filed with the Comptroller General of the United States, where it remains unopened, unless the Senate Select Committee on Standards and Conduct votes to examine its contents in the course of an official investigation of the Senator involved.

I regard this tell-part-but-not-all, show-some-but-not-the-rest arrangement as a hoax on the public. It is a game we ought not play with the people of our respective States.

Accordingly, I long ago adopted a practice of making a full voluntary disclosure of my own. I have been doing so since 1962. That course, however, is an unsatisfactory resolution of the problem, since each voluntary disclosure can be made as the Senator chooses, and no standard applies. Moreover, only a handful of Senators and Congressmen have volunteered.

I want to acknowledge that many Members of Congress—men of unquestionable integrity—hold strong personal feelings against making public their personal business affairs. They argue that they are as much entitled as any other citizen to own business interests, stocks, bonds, notes, or mortgages, and that, therefore, their personal dealings should not be regarded as the public's business.

I sympathize with this argument, but it misses the point. Naturally, Members of Congress need not, indeed should not, refrain from making private investments. But Representatives and Senators do differ from other citizens in one important respect: they make the laws that affect business; they write the taxes that corporations, as well as individuals, must pay. Since Members of Congress must regularly vote on legislation which reaches—often in varying ways—every segment of the economy, there is every legitimate reason for making their private holdings a matter of public record.

Each Member of Congress, in my judgment, should be required to file, under oath, a periodic disclosure of all the property and business interests he owns, the sources and amounts of his income, the nature of any valuable gifts he has received, and the donors thereof. Then the voters, or anyone having doubts to resolve, would be able to compare the Member's voting record in office with his financial portfolio, and determine for himself whether the Member has voted his private pocketbook interest or the general public interest in the discharge of his duties.

Moreover, if periodic disclosures were to reveal an accumulation of wealth without satisfactory explanation or income which is out of line with listed sources, the public would be alerted to possible misconduct in office, bearing further investigation.

I would hope that the Members of the Senate would agree that this proposal is a key element to making the major purpose of this bill a reality. To require the disclosure of campaign contributions without requiring personal financial disclosure is giving to a concerned public, at a time in history when a severe crisis in Government confidence exists, only half a loaf when full satisfaction is needed. By adoption of this amendment, we would assure the people that Congress at least wants an end to concealment, and open Government substituted in its place.

Mr. PASTORE. Mr. President, will the Senator yield for a question?

Mr. CHURCH. I yield.

Mr. PASTORE. I raise this point merely out of curiosity. As an asset would there be included the home and the furniture in the home? Does the Senator mean he would have to say he has three chairs and two tables?

Mr. CHURCH. No. If the Senator would look at the amendment, there is a provision in it which would give the commission the right to prescribe the form in which a grouping would take place. I will read it:

> "(5) The Commission may provide for the grouping of items of income, sources of income, assets, liabilities, dealings in securities or commodities, and purchases and sales of real property when separate itemization is not feasible or is not necessary for an accurate disclosure of the income, net worth, dealing in securities and commodities, or purchases and sales of real property of any individual.

Mr. PASTORE. I would assume that the purpose of such a law—and I have no objection to it; I want that clearly understood. I do not have that much to show and I am perfectly willing to show it at any time. But the fact remains that the purpose of such a law is more or less to indicate a conflict of interest. Is that correct?

Mr. CHURCH. The purpose of such a law would permit the public to determine, as far as Congressmen and Senators are concerned, whether they are voting in the public interest, or in the interest of their own pocketbooks.

Mr. PASTORE. Therefore, what difference does a man's home make?

Mr. CHURCH. It makes no difference, except as to his net worth. An itemization of every piece of furniture would not be required.

Mr. PASTORE. Does not the Senator think it would be more effective as a law if the Senator excluded a man's personal abode and the furniture in the house? The point I make is that we could concentrate on what we are trying to get at. I do not think whether a man lives in a $50,000 or $75,000 home it is going to prove anything one way or another when he votes. But whether or not he owns $50,000 in stock in General Electric Corp. or stock in an oil company might make a big difference on how he votes. If he is in the business of buying and selling real estate, that would make a difference.

How would it make a difference whether or not a man owns a Chevrolet or a Ford automobile unless it is felt it would affect how he votes on automobiles?

Mr. CHURCH. But one of the items that should be disclosed is net worth. I see no difficulty in including the residence and its furnishings. After all, they do constitute an item of net worth. I see no reason to exclude them.

Mr. PASTORE. The only reason I raise the question, while I think a Member of Congress should reveal everything he owns in the sense that what he owns might have some reflection on how he votes, I can understand that; but whether or not he is going to become an object of curiosity is another matter. For instance, I bought a house. I had to go out to Kensington because I could not go to Spring Valley. I will tell the Senator why I could not go to Spring Valley; because I could not afford $80,000. So I had to buy a little house for $39,500.

I do not want to be put up to ridicule because I am living in a little $39,000 house when the Senator may be living in a quarter-of-a-million-dollar house. That is what I am trying to avoid. In other words, we do not want a strict invasion of privacy because there are some things in the realm of privacy.

Mr. CHURCH. I am on limited time.

Mr. PASTORE. I know the Senator is on limited time, but this is important.

Mr. CHURCH. The Senator makes a good point. But this amendment would not require the kind of particularization to which the Senator objects. The forms would be uniform. One of the items to be revealed would be net worth. The value of the residential property, together with the debt which might be owing on it, would figure into the net worth of the Member or the candidate running against him. Full disclosure is the purpose of my amendment, not partial disclosure. Today we reveal very little by our rules. Our rules work more to confuse, than to enlighten, the public.

Mr. PERCY. Mr. President, will the Senator yield? I wish to ask the Senator how closely this parallels——

Mr. PASTORE. Will the Senator please use his microphone so we may all hear him?

Mr. PERCY. My question to the distinguished Senator is as to how closely the present amendment parallels the Case proposal which I understand extends beyond Members of Congress. Is it roughly the same, because a number of us are cosponsors of that measure?

Mr. CHURCH. Yes. I, too, am a cosponsor of that measure. I think legislation could be written, in due course, which would apply not only to Congress but also to the executive branch and the judicial branch. Unfortunately, we have a bill before us confined to elections.

Mr. PERCY. I do not question that.

Mr. CHURCH. The provisions are about the same. But this amendment is confined to Congress, to incumbents, and those who run for Congress, owing to the requirement for germaneness.

Mr. PERCY. The disclosure called for is roughly comparable for Members of Congress.

Mr. CHURCH. Yes.

Mr. PERCY. How would the value of the distinguished Senator's home be asserted? Is it the cost? Is it an appraisal every year or every 5 years? Value is what someone is willing to pay and that can be determined only at the time of sale or a reasonable appraisal. I have had three appraisals on my home and I have three different values that widely differ.

Mr. CHURCH. With respect to this question, the amendment directs the Commission to determine the forms, and to deal with such particulars as the Senator raises. The amendment lays down the disclosure requirements but does not attempt to delineate the particulars, because we would be writing a textbook rather than a provision in the bill.

Mr. PERCY. I have one further question. Those of us in a blind trust, which we felt was the best way to protect the public interest, in the absence of such a bill, would have time to break that trust and expose the assets.

Mr. CHURCH. Yes.

Mr. PERCY. I support the amendment. It presents some practical problems, but I think we can work them out.

Mr. CHURCH. As the Senator knows, I appreciate his expression of support. Every time a Cabinet officer is nominated, it is the practice of the Senate to require the nominee to make a full disclosure of his assets. It is also our practice to require the nominee to divest himself of such assets as might constitute, in the judgment of the committee, a possible conflict of interest.

Let me make clear that this amendment does not require divestiture, but it does require disclosure. Its adoption would set a good example for the entire Government and go far toward restoring public confidence in the political profession.

Mr. LONG. Mr. President, will the Senator yield?

Mr. CHURCH. I yield.

Mr. President, I ask the Chair how much time remains?

The PRESIDING OFFICER. The Senator has 1 minute remaining.

Mr. SCOTT of Pennsylvania. Mr. President, I yield the Senator 2 additional minutes.

Mr. CHURCH. Mr. President, now I am happy to yield to the Senator from Louisiana.

Mr. LONG. Mr. President, in view of the fact that the burden of the Senator's argument is that a Senator should disclose what he owns, on the theory that even his own home might involve a conflict of interest, why does not the Senator require that Senators divest themselves of those assets? Then there could be no conflict of interest.

Mr. CHURCH. Mr. President, what has the Senator against disclosure? I do not think that rich men are handicapped by full disclosure. They may even be helped by it.

This amendment is not directed against the rich men in this Chamber. It simply opens up and evens things out, making the disclosure requirements we impose on others applicable to ourselves, as well. It would reinforce public confidence in Congress by establishing a uniform, periodic public disclosure of income and holdings. I think this more needs the doing than anything else we have considered in connection with this bill.

Mr. SCOTT of Pennsylvania. Mr. President, I yield 1 minute to the Senator from Maryland (Mr. MATHIAS).

Mr. MATHIAS. I thank the Senator.

Mr. President, I wonder if the sponsor of the amendment would consider striking the words "the value of" on page 4, line 7. It refers to the value of each asset. The reason I suggest it is that it is very hard, as the Senator from Illinois pointed out, to determine the value of assets.

I have made a practice of full disclosure as long as I have been in the Senate. I itemize each asset I have, but I discovered after doing it a couple of years, that it is pretty hard to put an accurate value on property; and, after all, is it the value we are really after? It is curiosity about the net worth of a Senator that is the pertinent point? The real thing we are getting at is disclosure of assets that might represent a conflict of interest. That is what we are getting after. Therefore, the disclosure of the value becomes less important than the kind of interest the Senator may have.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. MATHIAS. I yield.

Mr. PASTORE. What the Senator is actually saying is that if a person owns 100 shares in X corporation, he would say, "I own 100 shares in X corporation," without looking in the newspaper to see what it was selling for on that particular day?

Mr. MATHIAS. Yes; anyone who was interested——

Mr. PASTORE. Could look in the newspaper himself.

Mr. SCOTT of Pennsylvania. Mr. President, I am about to yield back my time, but I wish simply to say, as the third Senator in this body who made full disclosure of my assets, without putting a value on something that I cannot put a proper value on, I agree with him.

Mr. CHURCH. Mr. President, it is full disclosure that I am interested in. It may be that putting a value on certain kinds of assets could pose a problem. Since full disclosure is the main objective of this amendment, I would be willing to strike those three words from line 7 of page 4 so as to eliminate the problem to which the Senator alludes.

Mr. President, I ask that the words "the value of" in subsection (B), beginning on line 7 of page 4, be stricken from the amendment.

Mr. SCOTT of Pennsylvania. Mr. President, with that striking, I could support the amendment.

The PRESIDING OFFICER. Without objection, the amendment will be so modified.

WAIVER OF RULE XXXVIII, PARAGRAPH 6 DURING AUGUST ADJOURNMENT

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. SCOTT of Pennsylvania. I yield.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that during the August adjournment that rule XXXVIII, paragraph 6, be waived and, therefore, the nominations submitted by the President to the Senate not be returned because of the recess.

The PRESIDING OFFICER. Without objection, it is so ordered.

FEDERAL ELECTION CAMPAIGN ACT AMENDMENTS OF 1973

The Senate continued with the consideration of the bill (S. 372) to amend the Communications Act of 1934 to relieve broadcasters of the equal time requirement of section 315 with respect to Presidential and Vice-Presidential candidates and to amend the Campaign Communications Reform Act to provide further limitation on expenditures in election campaigns for Federal elective office.

Mr. LONG. Mr. President, will the Senator yield me 4 minutes?

Mr. CANNON. I yield 4 minutes to the Senator from Louisiana.

Mr. LONG. Mr. President, I oppose the amendment. If anyone thinks it would help him to achieve election or help him achieve the approbation of his constituents or the public in general, more power to him, he is certainly privileged to make a full disclosure of everything he wants to make. But those of us who serve in a legislative body, different from a judicial body, are not expected to be impartial.

We are not expected to be like the image of the Goddess of Justice, blindfolded and holding a scale. We are supposed to know that when we are voting on legislation, we are voting to help some people and hurt others. We should know whom we are voting to help and whom we are voting to hurt. We should know that and act deliberately.

A legislative body is not expected to be unbiased. A Member of this body is not expected to be unbiased. When a Member is running for election, he goes to a man and says, "If you vote for me, I am going to vote to raise your old-age pension and raise taxes for somebody to pay for that." It is an entirely different function than that of the judiciary or the executive branch.

When one comes before a committee to take a job where he is going to administer and make decisions, where he, and he alone, will decide, for better or for worse, with regard to someone's financial interest or with regard to a thing that could benefit or help him, it is quite appropriate that he ought to divest himself of anything where he has a conflict; but there is nothing wrong about a Senator's having an interest in a matter and voting on it, particularly if his interest is parallel with the interests of his State.

Every time I have seen a fight in a political campaign where someone sought to invoke the fact that his opponent owned an interest in something or his opponent had an income from some source, it generally caused it to degrade itself into a dogfight, into one making invidious comparisons, one person saying, "You are unworthy," and the other saying, "You are worse." Those types of things do not appear to make for good government.

If someone wishes to claim that he has divested himself of everything which might involve a conflict of interest let him do so. To require that those who do not think it serves any purpose to make a disclosure of assets, and to do so to the advantage of their opposition, does not make much sense.

As I have said, those who want to contend they are more honest than the other fellow, more power to them. Go ahead and document it. But I do not see that they should say what the other man should disclose or make available or not make available. It should be left to the individual Senator or Member of Congress to make his case and fortify his position the best he can in appearing as a person seeking the approval of the public. The public would be far better to vote for us because of what we advocate and what we do than because of what we own or do not own.

I hope this amendment will not be agreed to.

Mr. CANNON. Mr. President, I yield myself 5 minutes.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. CANNON. Mr. President, I find myself in a very difficult position for the reason that I am an author of a bill to do exactly the same thing that the Senator would propose, only on a more extensive scale, and I have proposed legislation of this sort over a number of years.

Right now we have pending in the Committee on Rules and Administration four bills that are before the Privileges and the Elections Subcommittee, all on this general subject. This bill was never referred to it. We have not had a chance to have hearings. The Senator from Rhode Island (Mr. PELL) intends to have hearings on all of these bills.

One is a bill by me entitled "To Promote Public Confidence in the Legislative, Executive, and Judicial Branches of the Government of the United States." It includes not only Members of Congress; it includes the President, the Vice President, each Member of Congress, each officer and employee of the United States—including any member of a uniformed service—who is compensated at a rate in excess of $15,000 per annum and any individual occupying the position of an officer or employee of the United States who performs duties of the type generally performed by an individual occupying grade GS-16 of the General Schedule or any higher grade or position.

Mr. President, this subject matter should go to all areas of Government and require a full disclosure. However, we need to have hearings on the legislation.

Senator CASE has a bill very much on the subject, and Senator HART.

Senator ROBERT C. BYRD has a bill on the subject.

Senator BAYH, for himself and other Senators, has a bill on the subject.

Senator CLARK has a bill on the subject.

We desire to have hearings on this and do not wish to encumber the present bill with the type of amendment which does not go nearly as far as it should.

I know that it makes it very difficult for people to say that they are going to vote against such an amendment.

Mr. President, on that basis, I move to lay the amendment on the table.

Mr. CHURCH. Mr. President, would the Senator from Nevada oblige me for a moment so that I might respond to the argument he has made?

Mr. CANNON. Yes; I thought that the Senator's time had expired.

Mr. CHURCH. Mr. President, I ask for 2 or 3 additional minutes so that I might respond.

The PRESIDING OFFICER. Does the

Senator from Nevada withhold his motion?

Mr. CANNON. I withhold my motion for 2 minutes.

The PRESIDING OFFICER. The Senator from Idaho is recognized.

Mr. CHURCH. Mr. President, I understand the Senator's argument. Bills are pending—and bills have been pending on this subject for years.

I have been making voluntary disclosures since 1962, and with all due deference to those who introduce these bills—and I am a cosponsor of one of the bills now pending—there is little likelihood of action on them. The past is proof of that statement.

Here, then, is an opportunity to amend this bill, make it applicable to Congress, and get it written into law.

Believe me, once we have made the full-disclosure standard applicable to Congress and to those who run for Congress, then we will proceed to make the standard applicable to other branches of the Government. However, until we bite that bullet, we will not.

The fact that these very bills have been pending for so many sessions, for so many years, bears witness to that truth.

So, I hope that we will now do our duty by requiring full disclosure of holdings and income by Members of Congress and their election opponents. Then we can be sure, having taken that step, that Congress will soon enact legislation extending the requirement to the other branches of the Government, as well.

Mr. PASTORE. Mr. President, if the Senator will yield, I want the RECORD to show, if the motion to lay on the table carries that I support this amendment. We have done this many times before. I think it needs refinement and all of that. However, I think this is getting to be a charade.

Mr. CANNON. Mr. President, I move to lay the amendment on the table.

Mr. CHURCH. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion to table the Church amendment. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Alabama (Mr. ALLEN), the Senator from Texas (Mr. BENTSEN), the Senator from Mississippi (Mr. EASTLAND), the Senator from Alaska (Mr. GRAVEL), the Senator from Iowa (Mr. HUGHES), the Senator from Minnesota (Mr. HUMPHREY), and the Senator from Arkansas (Mr. FULBRIGHT) are necessarily absent.

I further announce that the Senator from South Dakota (Mr. ABOUREZK) is absent on official business.

I also announce that the Senator from Mississippi (Mr. STENNIS) is absent because of illness.

I further announce that, if present and voting, the Senator from Minnesota (Mr. HUMPHREY) would vote "nay."

Mr. SCOTT of Pennsylvania. I announce that the Senator from New Hampshire (Mr. COTTON) is absent because of illness.

The Senator from Arizona (Mr. GOLDWATER) is absent because of illness in his family.

The Senator from Massachusetts (Mr. BROOKE) is absent on official business.

The Senator from Tennessee (Mr. BROCK), the Senator from New York (Mr. BUCKLEY), the Senator from Nebraska (Mr. CURTIS), the Senator from New Mexico (Mr. DOMENICI), the Senator from Colorado (Mr. DOMINICK), the Senator from Michigan (Mr. GRIFFIN), and the Senators from Ohio (Mr. SAXBE and Mr. TAFT) are necessarily absent.

On this vote, the Senator from Nebraska (Mr. CURTIS) is paired with the Senator from Massachusetts (Mr. BROOKE). If present and voting, the Senator from Nebraska would vote "yea" and the Senator from Massachusetts would vote "nay."

The result was announced—yeas 15, nays 65, as follows:

[No. 349 Leg.]

YEAS—15

Bennett
Byrd, Harry F., Jr.
Cannon
Ervin
Fong
Hruska
Long
McClellan
McIntyre
Pearson
Pell
Scott, Va.
Sparkman
Talmadge
Tower

NAYS—65

Aiken
Baker
Bartlett
Bayh
Beall
Bellmon
Bible
Biden
Burdick
Byrd, Robert C.
Case
Chiles
Church
Clark
Cook
Cranston
Dole
Eagleton
Fannin
Gurney
Hansen
Hart
Hartke
Haskell
Hatfield
Hathaway
Helms
Hollings
Huddleston
Inouye
Jackson
Javits
Johnston
Kennedy
Magnuson
Mansfield
Mathias
McClure
McGee
McGovern
Metcalf
Mondale
Montoya
Moss
Muskie
Nelson
Nunn
Packwood
Pastore
Percy
Proxmire
Randolph
Ribicoff
Roth
Schweiker
Scott, Pa.
Stafford
Stevens
Stevenson
Symington
Thurmond
Tunney
Weicker
Williams
Young

NOT VOTING—20

Abourezk
Allen
Bentsen
Brock
Brooke
Buckley
Cotton
Curtis
Domenici
Dominick
Eastland
Fulbright
Goldwater
Gravel
Griffin
Hughes
Humphrey
Saxbe
Stennis
Taft

So the motion to lay on the table was rejected.

Mr. CHURCH. Mr. President, a typographical error appears in the amendment as printed. On page 5, line 19, the phrase "not less than" should be "not more than." I ask that the amendment be corrected by inserting the word "more" in place of the word "less."

The PRESIDING OFFICER. Is there objection? Without objection, the amendment is so noted and changed.

Mr. CHURCH. Mr. President, the distinguished Senator from Florida (Mr. CHILES), the distinguished Senator from Iowa (Mr. CLARK), the distinguished Senator from Delaware (Mr. BIDEN), the distinguished Senator from Indiana (Mr. BAYH), the distinguished Senator from Hawaii (Mr. INOUYE), the distinguished Senator from Colorado (Mr. HASKELL), and the distinguished Senator from Louisiana (Mr. JOHNSTON) seek to be joined as cosponsors of the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

The question is on agreeing to the amendment of the Senator from Idaho.

The amendment was agreed to.

Mr. CHURCH. Mr. President, I move that the Senate reconsider the vote by which the amendment was agreed to.

Mr. PASTORE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. PASTORE. Mr. President, I send to the desk an amendment and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

On page 54, line 2, insert the following: strike "the period", and insert the following "; or,

"(C) if it is in excess of $1,000."

Mr. PASTORE. Mr. President, it will not take me very long to explain the amendment. If Senators will look at page 53 of the bill, they will read, on line 19:

(3) For purposes of this subsection, an expenditure shall be held and considered to have been made on behalf of a candidate if it was made by—

(A) an agent of the candidate for the purposes of making any campaign expenditure, or

(B) any person authorized or requested by the candidate to make expenditures on his behalf.

In other words, if a group of professors at Brown University form a group to run a campaign without my asking them to, or become my agents for raising and spending any amount of money over and above the ceiling, my amendment merely adds subsection (C).

This is a loophole that has been criticized by many people and also by many groups, such as Common Cause, the Committee for an Effective Congress, and others. It is described as a loophole that you could drive a truck through.

What I am actually saying is that if a group spends more than $1,000, automatically it is on behalf of the candidate.

Mr. HRUSKA. Mr. President, the first amendment of the Constitution of the United States confers upon every citizen the right of free press and free speech. Would the Senator say that the amendment infringes upon the rights of those professors at Brown University? Would not that indicate that they are contributing in the name of a free press and of free speech for the purpose of obtaining better candidates?

Mr. PASTORE. That is right. That argument has been made time and time again. It raises a very important point in the Constitution. However, the fact remains that we are setting limits on what a candidate can do and cannot do. I think that a number of decisions hold that this is absolutely proper.

They can go ahead and express themselves and do anything they want; but the minute they begin to spend more than a thousand dollars without it being attributable to the candidate, you are actually making a mockery out of the limitation.

So at some point there has to be a cutoff. I realize that that question has to be raised, but the fact is that it constitutes a loophole, which really makes the ceiling a mockery.

Mr. HRUSKA. A mockery of the bill or of the law is one thing, but a mockery of the Constitution——

Mr. PASTORE. It is not a mockery of the Constitution. If it came before the Supreme Court, I have every confidence that the Senator from Rhode Island would be upheld.

Mr. COOK. Mr. President, I yield myself 1 minute. I am not quite sure that this is the place in the bill that the amendment ought to go. The amendment talks about expenditures made on behalf of a candidate. If we turn to page 13 of the bill and read the definition of "political," it means:

> Any committee, club, association, or other group of persons which receives contributions or makes expenditures during a calendar year in an aggregate amount exceeding $1,000.

What bothers me is that if we put a $1,000 restriction in the language on page 54, does this mean that the Senator, as a candidate, has got to be personally involved in every contract or agreement that is made in his behalf over and above $1,000—that you cannot have an agent do it for you or you cannot have any person authorized or requested by the candidate to do it for you? For instance, if a radio contract is going to be made, if a television program is going to be negotiated, or if a contract for a billboard is going to be negotiated, that means that you as a candidate have to do it personally and no one can do it for you.

Mr. PASTORE. You corrected page 55. That is the reason why I did not do it. Subsection (f) is what you are talking about. Do you see the point I am making? The point I am making is that the committee has to be more or less certified by the candidate himself.

Mr. COOK. That is right.

Mr. PASTORE. Now we have the situation here where, under your definition, you are saying that when anyone acts on behalf of the candidate, he has to be his agent or he has to be authorized. Therefore, any group of people can come in and endorse you without coming to you to be authorized and can spend all kinds of money—labor unions, chambers of commerce, and so forth. So what will you have here? A mockery.

After all, if you want to limit a certain amount, and we have got it down to $3,000, for contributions on the part of any individual; and now here we are constituting a ceiling on expenditures, but at the same time we are saying that if a group acts independently of the candidate, there is no ceiling. You can see how that can constitute a loophole and then that group can raise any kind of money it wants.

After all, when they are spending over $1,000, they are doing it for the benefit of the candidate. I am not saying that when you spend over $1,000 you have got to keep your mouth shut. I am not saying that, or impinging on the right of free speech. All I am saying is that when you spend $1,000 on behalf of any one candidate, you are doing it for his benefit. That is all I am saying.

Mr. COOK. Mr. President, I think I have the floor. May I say to the distinguished Senator from Rhode Island that is exactly what the bill says. It says that if you are a committee, a club, an association, or other group of persons, you constitute a political committee for that candidate and you must qualify and whatever they spend counts against your percentage that you are entitled to spend under the 15 cents and the 10 cents——

Mr. PASTORE. You are not saying that at all. Look on page 55—page 54——

Mr. COOK. Read page 13 starting on line 6——

Mr. PASTORE. Your page 13 applies to title 3. Look on page 53.

Mr. COOK. I see where you want to make the change.

Mr. PASTORE. "For purposes of this subsection, an expenditure——

Mr. COOK. Expenditure, right.

Mr. PASTORE. "Shall be held and considered to have been made on behalf of a candidate if it was made by an agent of the candidate or any persons authorized." So if he is not an agent or not authorized——

Mr. COOK. The point I am making is that if they spend money for the candidate, they qualify as a committee that has to file and be included in the expenditures that the candidate is entitled to spend, and no more.

Mr. PASTORE. Therefore, my amendment would make what you are saying even tighter.

Mr. COOK. Not at all.

Mr. SCOTT of Virginia. Mr. President, will the Senator from Kentucky yield me some time?

Mr. INOUYE. Mr. President, will the Senator from Rhode Island yield?

Mr. PASTORE. I yield.

Mr. INOUYE. How would the Senator's amendment apply to a situation which is rather commonplace during election time—that is, let us say Local 10 of the United Auto Workers endorses so and so for mayor, so and so for city councilman, so and so for treasurer, so and so for the U.S. Senate, and so and so for Congress?

Mr. PASTORE. That is all right. I do not see where that is any expenditure of money. It would not stop anyone from making a political speech.

Mr. INOUYE. They put in a full-page $2,000 advertisement for that purpose.

Mr. PASTORE. Well, if they do that and it costs $2,000, then, according to my amendment, the candidate becomes responsible for that $2,000 share because it was done on his behalf.

Mr. INOUYE. What share would that be?

Mr. PASTORE. Of course you would have that problem anyway under the bill. If the State committee puts you on the same billboard with the Governor or the Lieutenant Governor, then you have to pro rate it, as the bill now reads. All I am pointing out is that this constitutes a loophole, and it is a loophole that should be closed.

Mr. STEVENS. Mr. President, I should like to ask the distinguished Senator from Rhode Island about a different situation, a situation that occurred in my election that I had no knowledge about until after it had taken place.

A group of young people got together and obtained the right to use a theater. They leased the right to use a full length film. They collected the money for it at the door and they netted out. That was a group of young students, I believe, at the university. They leased the right to use the film. They wanted to have a rally. I know that they did have a rally. They had the rally and charged at the door and I think they netted out. I did not spend that money, but they believed they were doing it on my behalf. I did not know about it until it was all over. Suppose they spent over a thousand dollars, I would have to include that in my report that would account for the money I spent, is that what the Senator is saying?

Mr. PASTORE. That is right. That is right. I would go a step further. Let us assume that it was not a group of students. Let us assume that it was a group of businessmen who raised one million dollars to do what you are talking about. Would you consider that fair? There is your loophole. You are talking about a group of students——

Mr. STEVENS. The bill presently says that no one can act for me without my consent. I agree with the Senator from Nebraska (Mr. HRUSKA) that these people have a right to associate with one another. They have the right to rent a theater if they want to, which is what these young people did. For all I know, they might have been handing out ice cream in Point Barrow on my behalf. I did not do it. I think, somehow or other, you have got to get the idea of responsibility in here. I have gone through more elections in the past 10 years than anyone on this floor, and you had better believe it, Mr. President, I have had situations develop that we never realized in a State the size of mine.

Now the Senator is saying that I am going to have to be responsible for anyone who spends a thousand dollars whether I know it or not. Suppose there is someone that I get to organize the finances for my campaign, does that mean that the CPA who will run my finances will go to jail because someone spends money which was not reported because I did not know about it? How would I know about it, when they are spending $1,000, say, in Kodiak, Ketchikan, and other cities in Alaska, which are as far apart as New York is from Los Angeles or New Orleans is from Detroit——

Mr. PASTORE. You do not mean to tell me that anyone will go out and raise a half million dollars——

Mr. STEVENS. You are talking about $1,000. I never had half a million dollars to run with in my life. But I know that if anyone raises $1,000 for my campaign on behalf of any candidate—me or someone else—and we did not know about it, the Senator is saying that I am going to be responsible for it. That is not right.

I know who is raising this, it is Common Cause, as being a loophole. It is not a loophole. If you look at the bill as it stands now, they are responsible and they must file a report of expenditures if they spend more than $1,000.

Mr. COOK. May I say, read page 53, where it says:

> Expenditures made by or on behalf of any candidate shall, for the purposes of this section, be deemed to have been made by such candidate.

Which means that under the terms of the bill, if those expenditures are made, they count under your percentage.

Mr. STEVENS. So that if they are made on my behalf——

Mr. PASTORE. That is just the point—that is just the point——

Mr. STEVENS. Well, let me say to the Senator——

Mr. PASTORE. Mr. President, who has the floor?

The PRESIDING OFFICER (Mr. FANNIN). The Senator from Rhode Island has the floor.

Mr. PASTORE. I thank the Chair. I have the floor.

All I am saying to the Members is that this is a loophole. If you want that loophole in the law, that is for you to decide. But all I am saying is that you can drive a truck through this one. All this will do will be to make a mockery out of the ceiling, because if any group can get together and as long as the candidate does not certify or authorize them, they can spend any amount of money. The sky will be the limit. So what have you done to that law? You have made it a mockery.

Mr. HASKELL. Mr. President, if the distinguished Senator will yield for a moment, what happens if some group that I do not want to be associated with spends money on my behalf, under the Senator's amendment?

Mr. PASTORE. They are fools. Anyone that wants to spend money on behalf of a candidate they know does not want to be associated with him, would have to have his head examined.

Mr. HASKELL. That may be. That is the point. Someone may wish to spend money on my behalf and I do not want to be associated with them. Under the Senator's amendment, that would count against my campaign, would it not?

Mr. BIDEN. Mr. President, if the Senator will yield briefly, the Senator has raised the argument about impinging on free speech which can be very easily answered. The most compelling one is that the last person in the world that would raise that question would be the distinguished Senator from Rhode Island because if we impinge on free speech, I do not know what we would do in the Senate without the Senator being able to make these speeches.

Mr. PASTORE. Well now, I do not talk too often. I may speak up so that I can be heard in this Chamber. All I am saying here is that the Constitution has nothing to do with this. I am not trying to shut anyone up. All I am saying is that when a group begins to spend more than a thousand dollars for anyone, they are acting for him, and it ought to be part of the amount that is expended on his behalf. That is all I am saying.

Mr. MAGNUSON. Mr. President, will the Senator yield for a question?

Mr. PASTORE. I yield.

Mr. MAGNUSON. Suppose 10 professors at Brown want to do something for PASTORE for the Senate. This amendment would say that they could not raise more than a thousand dollars.

Mr. PASTORE. No, it would not say that at all. They could come to me and say, "We want to help you out." If they did not come to me and I did not authorize them, if they got more than a thousand dollars, it would have to become part of my ceiling.

Mr. MAGNUSON. Suppose these 10 professors divided themselves into five committees. They would raise $5,000 for you.

Mr. PASTORE. That is right. I am not denying that.

Mr. MAGNUSON. A committee of two, a committee of one—but they all were acting in concert, and they wanted to raise $5,000 for you.

Mr. PASTORE. That is right.

When this bill was reported by the Committee on Commerce, we took care of this. We made it $100. In the amendment I am proposing now, we are making it $1,000. We were aware of the argument about the Constitution. We debated this matter before the committee and we all agreed on it. When it got to the Rules Committee, they changed it.

Mr. STEVENS. That is not correct. I have been on the committee and was involved in the considerations, and I was on both committees through the time the last campaign bill that was passed; and it was never said that I am responsible for anybody who spends money.

With the limitations of $175,000 in my State, all my opponent would have to do would be to come in and spend $175,000 and I could not spend a dime, because the Senator says I am responsible for anybody who spends more than $1,000 in my State. A fat cat could come into Anchorage and spend $175,000, and I would be through.

It is not right that we ever discussed that type of amendment the way the Senator interprets it right now. We had a limitation—but it still had to be on my behalf—authorized by me.

Mr. PASTORE. I ask the Senator to look at page 10 of the bill. We wrote it in there, and it was voted on by the committee. It is plainly in there.

Any time anybody begins to spend more than a thousand dollars to help you out, do not tell me that he is not helping you and that he is acting under the provision of free speech in the Constitution. All that is being done is subverting the law.

Mr. STEVENS. The Senator keeps saying "to help me out." What about the Senator from Colorado's question? Is it on my behalf "to help me out" if someone spends more than $1,000 and I do not want his support?

The PRESIDING OFFICER. Who yields time?

Mr. COOK. I yield myself 5 minutes, and I yield 2 minutes to the Senator from New York.

Mr. JAVITS. Mr. President, the thing that troubles me about this argument is its legal side. It is as fundamental a postulate in the law as any I know that without control, you have no authority.

The difficulty here is that you could not enjoin, because of the first amendment, whatever group there was that you did not authorize from propagating those views. If you cannot enjoin them because of the first amendment, and it is certainly true as to that, you cannot control their expenditure, but you are bound by it. This is an anomaly in the law which cannot be surmounted.

The Senator from Rhode Island, who is quite sincere about this matter, argues that this is a loophole. There are many loopholes, even if this is done. The idea that money is not going to be raised illegally or passed under the table or handed from A to B to C justifies the laws of humanity. There are going to be loopholes in this matter no matter what we do.

I cannot see how, in a statute such as this, which involves such stringent penalties—and Senators had better look at how profound the penalties are—for example, section (h) on page 55 reads, in part:

> If any candidate is convicted of violating the provisions of this section because of any expenditure made on his behalf (as determined under subsection (c)(3)) by a political committee, the treasurer of that committee, or any other person authorizing such expenditure, shall be punishable by a fine of not to exceed $25,000, imprisonment for not to exceed five years;

Senators should try to get a treasurer if we legislate what we are being asked to legislate by this amendment.

I appreciate the sincerity and the desire to close loopholes. But to close loopholes where you are saddled with responsibility in an area in which you have no authority and cannot assert any, to enjoin anybody who may act in your interest, is really going far beyond anything we have a right to do, even with the greatest good will and good faith in endeavoring to close loopholes and correct bad campaign practices.

I shall vote against the amendment, and I hope the managers of the bill will have a rollcall vote.

Mr. COOK. I thank the Senator.

I yield to the Senator from Delaware.

Mr. ROTH. I wonder whether the Senator from Rhode Island would answer a question.

Mr. PASTORE. I will.

Mr. ROTH. I wonder whether part of the criticism of the Senator's proposal would not be taken care of—I realize it is a constitutional question, but putting that question aside—if he would be willing to accept an amendment to provide that if you were going to spend more than $1,000, you would have to receive the permission of the candidate.

Mr. PASTORE. That would clarify it. It would make it much stronger. It would actually answer some of the questions that have been raised. I think if you spend a thousand dollars on behalf of anyone, you ought to get his permission.

Mr. JAVITS. That is fine.

Mr. COOK. That is fine.

May I say that what we are really doing here is giving a very definitive sum of money that the candidate can spend. Over that sum of money, he is in violation of this act, and there are serious criminal penalties in it.

If we move outside the realm of the candidate's responsibility, then what we are really talking about is not so much that he might spend $175,000 and leave you without anything, but that he might intentionally spend $5,000 or $6,000 to put you over your limit, under this bill, so that you would be subject to the severe criminal penalties and civil penalties under this act.

Mr. PASTORE. Could we not cure that by amending page 55 of the bill, section (f), by changing the $100 to $1,000?

Mr. COOK. Yes.

Mr. PASTORE. Section (f) would read:

> (f) No person shall make any charge for services or products knowingly furnished to, or for the benefit of, any candidate in connection with his campaign for nomination for election, or election, in an amount in excess of $1,000 unless the candidate (or a person specifically authorized by the candidate in writing to do so) certifies in writing to the person making the charge that the payment of that charge will not exceed the expenditure limitations set forth in this section.

That would take care of it.

Mr. COOK. I am not quite sure it would.

Mr. MATHIAS. Mr. President, while the Senator from Kentucky is looking at that, will he yield to me?

Mr. COOK. I yield.

Mr. MATHIAS. I am in sympathy with what the Senator from Rhode Island is trying to do, but I should like to raise with him a philosophical question.

Are we not discouraging the very kind of political activity that ought to be encouraged in the country? By making it difficult for little local groups to organize themselves, on their own initiative, to get excited about reelecting Pastore or Cook to the Senate, are we not limiting them in their activities, discouraging the grassroots participation which is exactly what ought to be encouraged?

It seems to me that it not only raises the constitutional question which the Senator from Nebraska mentioned, but also, it is going against the tide of local participation.

I am not rising in opposition to the proposition that the Senator from Rhode Island has brought up, but I think he should consider that he may be discouraging rather than encouraging the best kind of political activity.

Mr. PASTORE. That is true. I do not want to do anything to discourage it. That would not stop anybody from talking in the Senator's behalf.

What I am trying to avoid is some clandestine group, clandestine in the sense that they have an ax to grind one way or another, but they are in favor of A as against B. This is all right if they happen to be on the Senator's side.

Let us assume that a group that is antagonistic to the Senator begins to support his opponent.

The opponent could spend only *x* dollars and the Senator could spend only *x* dollars. But there is a well-organized group that does not go to the opponent or get authorization from him, and they spend all kinds of money and they justify it because they are not your opponent and the opponent agrees, so what they are doing is they are doubling up the money they can spend under the law. It all depends on whose ox is being gored. They could do this to you now.

Mr. President, I want to say this. I think we are in accord that if we write in that beyond $1,000 you have to get permission of the candidate, it is only a matter of drafting the legislation. For the time being, I am willing to withdraw the amendment and undertake to rewrite it.

Mr. MATHIAS. But under the bill they have to file a report and their activities are in the open.

Mr. PASTORE. But they are spending twice the amount of money that you are authorized to spend. That is the point.

Mr. COOK. Mr. President, I hope the Senator withdraws his amendment and redrafts it, but in his efforts I wish he would remember that the real problems we have with the first amendment, and the problem we debated at length in committee was another loophole they are going to get in the bill. I refer to the organization that decides they are not going to campaign for an individual, but against an individual. They have a campaign saying, "Do not vote for so-and-so. We do not care what you do in this election, but do not vote for X."

That could not be attributed to the other candidate.

Mr. PASTORE. If they say, "Do not vote for Marlow Cook," they are saying to vote for the Senator's opponent.

Mr. COOK. That is not what the court is going to say.

Mr. YOUNG. Mr. President, will the Senator yield?

Mr. COOK. I yield.

Mr. YOUNG. In this regard I can think of two or three organizations that if they went to North Dakota and spent $10,000 to defeat me, they would assure my reelection. Could they do this?

Mr. COOK. This is what we are talking about. I am afraid if we put in a few more amendments here nobody is going to win next year without going to jail.

Mr. PASTORE. Mr. President, I withdraw the amendment temporarily. I intend to bring it up later.

The PRESIDING OFFICER. The amendment is withdrawn.

Mr. PASTORE. Mr. President, the Senator from Kentucky has spoken my sentiments. I know we are loading up the bill, but the bill we brought from the Committee on Commerce was a good bill. When it went to the Committee on Rules and Administration this loophole was created. I consider it a loophole and I am trying to rectify it. What this body does is no skin off my nose. I am not trying to burden the bill. I admit we have done so much to the bill that it does not have a chance to pass.

The PRESIDING OFFICER. The amendment is withdrawn.

Mr. COOK. Mr. President, I wish to correct the record. When we talk about what shape the bill was in when it came from the Committee on Commerce, on page 12 of the report will be found the recommendations made to the Committee on Rules and Administration. I wish that Senators would look at them so we could see the recommendations made by the Committee on Commerce and note some of the proposals the committee resolved before sending it to the Committee on Rules and Administration.

Mr. PASTORE. That may be, but the part they had jurisdiction over touched on what our committee had jurisdiction over, but we never touched what they had jurisdiction over.

AMENDMENT NO. 434

Mr. JAVITS. Mr. President, I call up my amendment No. 434.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read the amendment as follows:

> On page 48, lines 5 and 7, strike the figure "2,500,000" and insert in lieu thereof "5,000,000".

Mr. JAVITS. Mr. President, the purpose of the amendment is to give an authorization to the Federal Elections Commission of $5 million instead of $2.5 million.

The PRESIDING OFFICER. The Senate will be in order. The Senator may proceed.

Mr. JAVITS. Mr. President, the purpose is to give authorization to the Commission of $5 million instead of $2.5 million. The authorization will be subject to an appropriation. The reason for it is that we have imposed extensive powers on the Commission. When we realize that the special prosecutor in the Watergate case has asked for $2.8 million to look into one election and the General Accounting Office figures that it cost $1.5 million to administer the old law, it seems to me we should show that we mean what we say by giving the Commission adequate funding, although it is subject to appropriation, to do the job of supervision and adjudication we expect it to do.

Mr. HANSEN. Mr. President, may we have order?

The PRESIDING OFFICER. The Senate will be in order.

Mr. JAVITS. Mr. President, for those reasons, I think the figure is too small, considering what we have placed on the back of the Commission. The figure should be doubled, by way of authorization. My staff has discussed this problem with Phillip Hughes, the Director of the Office of Federal Elections about this problem. Mr. Hughes believes that in view of the burdens on the Commission because of the total expenditure limitations, taking over the recordkeeping functions of the Secretary of the Senate and the Clerk of the House and the additional burdens of investigative and prosecution in the elections area, the figure of $5,000,000 is not unreasonable. I agree completely with this and hope my amendment will be adopted.

Mr. COOK. Mr. President, I have no objection to the amendment.

Mr. CANNON. Mr. President, I have discussed the amendment with the Senator from New York. I am ready to accept it.

Mr. JAVITS. I yield back my time.

Mr. CANNON. I yield back my time.

The PRESIDING OFFICER. All time is yielded back. The question is on agreeing to the amendment.

The amendment was agreed to.

AMENDMENT NO. 442

Mr. JAVITS. Mr. President, I call up my amendment No. 442 and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read the amendment, as follows:

On page 46, line 9, add the following new paragraph (b) to section 11.

(b) Section 313 is amended by adding the following new subsection:

"(c) There is hereby authorized to be appropriated to the Commission in each fiscal year the sum of $500,000, to be made available in such amounts as the Commission deems appropriate to the States for the purpose of assisting them in complying with their duties as set forth in this section."

Mr. JAVITS. Mr. President, this amendment also refers to a similar problem. It proposes an authorization of $500,000 to the Commission to take care of the costs of States in handling their recordkeeping functions under existing law. There is a good deal of recordkeeping by the States. Many States have tight budgets with respect to paperwork. We are causing an enormous number of reports to be filed. I understand the Committee on Rules and Administration considered $100,000 and decided it was de minimis and did not bother with it. Therefore, after consulting with the Senator from Kentucky and the Senator from Nevada I came up with a figure of $500,000 to be authorized. I might also add that this was discussed with Phillip Hughes and he felt that $500,000 was not an unreasonable sum for this purpose.

Of course, the Committee on Appropriations will determine the exact amount needed, but we should have some type of authorization. I should add that Federal money would help get greater cooperation between the States and the Commission and would most likely lead States to follow Federal procedures more closely than they do now.

Mr. COOK. Mr. President, I accept the amendment. I yield back my time.

Mr. JAVITS. I yield back my time.

The PRESIDING OFFICER. All time is yielded back. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. JAVITS. I yield to the distinguished majority leader.

Mr. MANSFIELD. Mr. President, for the information of Senators the leadership would like to know if there are any Senators who will be offering amendments this afternoon who will be asking for yea and nay votes.

Mr. PASTORE. I thought I would write out our amendment and have a vote on it this afternoon.

Mr. HANSEN. Mr. President, will the Senator yield?

Mr. MANSFIELD. I yield.

Mr. HANSEN. I have no amendments to propose but I would like to suggest that I may very well feel constrained to ask for the yeas and nays on amendments that may be presented. I want to serve notice that I would not want to forgo my right to do that.

Mr. MANSFIELD. No, that is all right. I am trying to find out for the information of the Senate if any Senators expect to offer amendments this afternoon who expect to ask for the yeas and nays.

As of now we have the Bellmon amendment which will be offered and on which the yeas and nays will be asked.

I thank the Senator from New York for yielding.

Mr. JAVITS. Mr. President, I call up an unprinted amendment.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk proceeded to read the amendment.

Mr. JAVITS. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JAVITS. Mr. President, after a Federal election the bill now provides that the report as to what happens should be filed by January 31. The amendment I have sent to the desk asks that it be filed by December 15. The reason is twofold. First, it is just as feasible to file it by December 15, in view of the fact it is still within the period in which the records for the campaign have to be kept together. Second, in a Federal election the person would take office on January 1.

The PRESIDING OFFICER. The Chair wishes to advise the Senator that the section to which the Senator is referring has been amended. Therefore, the amendment is not in order.

Mr. JAVITS. Mr. President, I modify my amendment.

Mr. President, I modify my amendment by asking that the numeral (3) be stricken out and that the amendment constitute a new section and that the subsequent sections be renumbered.

The PRESIDING OFFICER. Will the Senator signify exactly where?

Mr. JAVITS. On page 19, between lines 4 and 5.

The PRESIDING OFFICER. The amendment is in order.

The modified amendment reads as follows:

On page 19, between lines 4 and 5, insert the following:

"(1) striking out 'March, June, and September in each year, and on the fifteenth and fifth days next preceding the date on which an election is held, and also by the thirty-first day of January' in the second sentence of subsection (a) and inserting in lieu thereof: 'April, July, and October, in each year, and on the tenth day next preceding the date on which an election is held, and also on the fifteenth day of December only after an election is held, and by the thirty-first day of January.' "

Mr. JAVITS. Mr. President, as I say, it is not an amendment I would push if the managers did not want it, but it seems to me to be logical to anticipate the period and make it a little closer to the time when the election records, et cetera, are still available, and also precede the time the candidate who has been successful takes office. It would highlight contributions made after the 10th day before an election and also after the election itself. The public would get a better idea of what happens after an election without waiting until January 31 of the next year.

Mr. CANNON. Mr. President, I would hope the Senator would not press his amendment. This puts in an additional reporting time, I think we have covered quite well the reporting requirements. If he were going to insist on this amendment, I would think he would take out the "31st day of April."

Mr. JAVITS. We should.

Mr. President, I thought the Senator was going to accept the amendment. I withdraw the amendment and we will try to work it out.

The PRESIDING OFFICER. The amendment is withdrawn.

The bill is open to further amendment.

Mr. JOHNSTON. Mr. President, I send an amendment to the desk and ask that it be stated.

The assistant legislative clerk proceeded to read the amendment.

Mr. JOHNSTON. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection it is so ordered.

The amendment is as follows:

On page 36, beginning with line 3, strike out through line 8 on page 37, and insert in lieu thereof the following:

"(3) If the person against whom a civil penalty is assessed fails to pay the penalty, the Commission shall file a petition for enforcement of its order assessing the penalty in any appropriate district court of the United States. The petition shall designate the person against whom the order is sought to be enforced as the respondent. A copy of the petition shall forthwith be sent by registered or certified mail to the respondent and his attorney of record, and thereupon the Commission shall certify and file in such court the record upon which such order sought to be enforced was issued. The court shall have jurisdiction to enter a judgment enforcing, modifying, and enforcing as so modified, or setting aside in whole or in part the order and decision of the Commission or it may remand the proceedings to the Commission for such further action as it may direct. The court may consider and determine de novo all relevant issues of law but the Commission's findings of fact shall become final thirty days after issuance of its decision order incorporating such findings of fact and shall not thereafter be subject to judicial review.

"(f) Upon application made by any individual holding Federal office, any candidate, or any political committee, the Commission, through its General Counsel, shall provide within a reasonable period of time an advisory opinion, with respect to any specific transaction or activity inquired of, as to whether such transaction or activity would constitute a violation of any provision of this title or of any provision of title 18 over which the Commission has primary jurisdiction under subsection (d). Notwithstanding any other provision of law, no candidate or political committee shall be held or considered to have violated any such provision by the commission or omission of any act with respect to which an advisory opinion has been issued to that candidate or political committee under this subsection.

"CENTRAL CAMPAIGN COMMITTEES

"SEC. 310. (a) Each candidate shall designate one political committee as his central campaign committee. A candidate for nomination for election, or for election, to the office of President, may also designate one political committee in each State in which he is a candidate as his State campaign committee for that State. The designation shall be made in writing, and a copy of the designation, together with such information as the Commission may require, shall be furnished to the Commission upon the designation of any such committee."

Mr. JOHNSTON. Mr. President, I was very happy when my distinguished colleague from Oklahoma (Mr. BARTLETT) introduced and had adopted amendment No. 427, which provides for advisory opinions by the general counsel of the Commission. However, as I read the amendment, there appear to be circumstances under which an incumbent Federal officer might not be deemed to be a candidate and thus not entitled to an opinion from the Commission. All my amendment does is make it clear that an incumbent Federal officer is entitled to advisory opinions from the Commission.

Legislative counsel has advised us that we had to repeat all of the language of the other amendments; hence the extensive words in the amendment. However, the only change is to allow for advisory opinions to incumbent officers and also to make it clear that this provision for advisory opinions applies to the amendment introduced by the distinguished Senator from West Virginia (Mr. ROBERT C. BYRD) in his amendment No. 423.

It is very, very important to those of us who have not been in Federal elections lately to get advisory opinions on what one can do and what one cannot do. In our particular campaign, innumerable questions came up relative to what the law applies to and what it does not apply to. Indeed, we have those questions right now, and advisory opinions for incumbent Congressmen are very important. That is all this amendment does. I hope it will be accepted.

Mr. CANNON. Mr. President, do I understand this amendment further modifies the amendment we approved with respect to advisory opinions, but makes a clarifying point that it applies to officeholders as well as candidates?

Mr. JOHNSTON. Yes.

Mr. CANNON. If the candidate were an officeholder, would not that be covered?

Mr. JOHNSTON. I am advised there are circumstances when he would not. In my own case, I have some question with respect to what can or cannot be done with respect to our obligation to report what we expended in our last campaign. We would like advisory opinions. One is not a candidate until he is so declared to be a candidate. One wants advisory opinions prior to being declared a candidate.

Mr. CANNON. Mr. President, if that is the purpose of the amendment, I support the amendment.

Mr. ROBERT C. BYRD. Mr. President, I think I heard the able Senator from Louisiana refer to the amendment which was adopted yesterday and which was authored by me. Would he state again in what respect his amendment would touch that amendment?

Mr. JOHNSTON. It would simply make it clear that one could get advisory opinions on every aspect of the bill. The Senator's amendment made it a crime to use campaign funds for one's own purposes. Where is the dividing line, for example, between using campaign funds for one's own hotel room when he is on the campaign trail, or for his own food when he is on the campaign trail? When these actions are made a crime, we ought to be able to get advisory opinions as to whether expending campaign funds for this kind of spending was for personal expenses or campaign expenses.

Mr. ROBERT C. BYRD. The Senator is making it possible to secure advisory opinions as to what constitutes lawful expenditures in connection with my amendment. Is that what his amendment does?

Mr. JOHNSTON. That is correct.

Mr. President, I yield back my time on the amendment.

Mr. CANNON. Mr. President, I yield back my time.

Mr. HANSEN. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

The PRESIDING OFFICER. All time on the amendment having been yielded back, the question is agreeing to the amendment of the Senator from Louisiana (Mr. JOHNSTON). The yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Alabama (Mr. ALLEN), the Senator from Texas (Mr. BENTSEN), the Senator from Mississippi (Mr. EASTLAND), the Senator from Arkansas (Mr. FULBRIGHT), the Senator from Alaska (Mr. GRAVEL), the Senator from Minnesota (Mr. HUMPHREY), the Senator from Iowa (Mr. HUGHES), the Senator from Wyoming (Mr. MCGEE), and the Senator from Utah (Mr. MOSS) are necessarily absent.

I further announce that the Senator from South Dakota (Mr. ABOUREZK) is absent on official business.

I also announce that the Senator from Mississippi (Mr. STENNIS) is absent because of illness.

I further announce that, if present and voting, the Senator from Minnesota (Mr. HUMPHREY) would vote "yea."

Mr. SCOTT of Pennsylvania. I announce that the Senator from New Hampshire (Mr. COTTON) is absent because of illness.

The Senator from Arizona (Mr. GOLDWATER) is absent because of illness in his family.

The Senator from Massachusetts (Mr. BROOKE) is absent on official business.

The Senator from Tennessee (Mr. BROCK), the Senator from New York (Mr. BUCKLEY), the Senator from Nebraska (Mr. CURTIS), the Senator from New Mexico (Mr. DOMENICI), the Senator from Colorado (Mr. DOMINICK), the Senator from Michigan (Mr. GRIFFIN), the Senator for Kansas (Mr. PEARSON), and the Senators from Ohio (Mr. SAXBE and Mr. TAFT) are necessarily absent.

If present and voting, the Senator from Massachusetts (Mr. BROOKE) and the Senator from Nebraska (Mr. CURTIS) would each vote "yea."

The result was announced—yeas 77, nays 0, as follows:

[No. 350 Leg.]

YEAS—77

Aiken
Baker
Bartlett
Bayh
Beall
Bellmon
Bennett
Bible
Biden
Burdick
Byrd, Harry F., Jr.
Byrd, Robert C.
Cannon
Case
Chiles
Church
Clark
Cook
Cranston
Dole
Eagleton
Ervin
Fannin
Fong
Gurney
Hansen
Hart
Hartke
Haskell
Hatfield
Hathaway
Helms
Hollings
Hruska
Huddleston
Inouye
Jackson
Javits
Johnston
Kennedy
Long
Magnuson
Mansfield
Mathias
McClellan
McClure
McGovern
McIntyre
Metcalf
Mondale
Montoya
Muskie
Nelson
Nunn
Packwood
Pastore
Pell
Percy
Proxmire
Randolph
Ribicoff
Roth
Schweiker
Scott, Pa.
Scott, Va.
Sparkman
Stafford
Stevens
Stevenson
Symington
Talmadge
Thurmond
Tower
Tunney
Weicker
Williams
Young

NAYS—0

NOT VOTING—23

Abourezk
Allen
Bentsen
Brock
Brooke
Buckley
Cotton
Curtis
Domenici
Dominick
Eastland
Fulbright
Goldwater
Gravel
Griffin
Hughes
Humphrey
McGee
Moss
Pearson
Saxbe
Stennis
Taft

So the Johnston amendment was agreed to.

UNANIMOUS-CONSENT AGREEMENT

Mr. ROBERT C. BYRD. Mr. President, in order that Senators may be informed as to what the schedule will be for the rest of the day, I ask unanimous consent that following the disposition of the Bellmon amendment—on which there will be a roll call vote—the Senator from Indiana (Mr. BAYH) be recognized to call up an amendment. It is my understanding that he will withdraw that amendment. I ask unanimous consent further that following the disposition of the Bayh amendment, the Senate return to the consideration of routine morning business for the rest of the afternoon.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. McCLURE. Mr. President, if the Senator will yield, I am constrained to remark that it is rather remarkable that we have to change all of our plans to come in on Saturday and by 3 o'clock in the afternoon we are all done.

There will be an imposition upon the people who had other plans for Monday. They may be affected just as others of us have been who have had to change our plans in order to be here today.

I wanted the Senate to understand and the assistant majority leader to understand the motivation of those of us who are a little less than happy with the schedule.

Mr. ROBERT C. BYRD. Mr. President, this Senator understands how these things happen. And he appreciates the courtesy and cooperation of all Senators as they work with the joint leadership to keep things on the track.

Mr. President, I ask unanimous consent that on the Bellmon amendment the time be limited to 10 minutes, to be divided in accordance with the usual form.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BELLMON. Mr. President, I call up amendment No. 301.

The PRESIDING OFFICER. The clerk will report the amendment.

The legislative clerk proceeded to state the amendment.

Mr. BELLMON. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. Bellmon's amendment (No. 301) is as follows:

> At the end of the bill insert the following new section:
>
> "Sec. . (a) Chapter 29 of title 18, United States Code, is amended by adding at the end thereof the following new section:
>
> "'§ 614. Early disclosure of elections results in Presidential election years
>
> "'Whoever makes public any information with respect to the number of votes cast for any candidate for election to the office of Presidential and Vice-Presidential elector in the general election held for the appointment of Presidential electors, prior to midnight, eastern standard time, on the first Tuesday in November on which such election is held shall be fined not more than $5,000, imprisoned for not more than one year, or both.'
>
> "(b) Section 591 of title 18, United States Code, is amended by striking out 'and 611' and inserting in lieu thereof '611, and 614'.
>
> "(c) The table of sections for chapter 29 of title 18, United States Code, is amended by adding at the end thereof the following new item:
>
> "614. Early disclosure of election results in Presidential election years.'."
>
> On page 5, line 19, strike "Sec. 5." and insert in lieu thereof "Sec. 6.".

Mr. BELLMON. Mr. President, if I may have the attention of the Senate, I can be through with this in a matter of about 30 seconds. All the amendment does is make it unlawful for the outcome of the Presidential election races to be disclosed before the hour of midnight, eastern standard time.

The purpose is to make it possible for voters in Western sections of the country to cast their votes without being inhibited by the outcome of the election in States farther east. I have discussed this proposal before, and I shall not take the time to discuss it further now.

I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. ROBERT C. BYRD. Mr. President, may we have order? The Senator has shortened the time on his amendment considerably, and he is entitled to be heard.

Mr. BELLMON. Mr. President, the objective of this amendment is easily understood. Quite simply it would make it unlawful for local election officials to publicly disclose the election returns for President and Vice President prior to midnight, eastern standard time. In so doing, this amendment would prevent the public disclosure of Presidential election returns in the Eastern and Central States while polls are open and citizens are still voting in Western States.

The net effect of this proposal will be to prevent the public disclosure of Presidential election returns until midnight, eastern standard time, 11 p.m., central standard time, 10 p.m., mountain standard time, 9 p.m., Pacific standard time, 8 p.m., Yukon time, 7 p.m., Alaska-Hawaii time, and 6 p.m., Bering time. At these particular times, polls throughout the United States would be closed.

I ask unanimous consent that a table showing the voting hours of the 50 States, as well as the hour of public disclosure under the terms of my amendment be inserted in the Record at this point.

Mr. President, this amendment would prevent the nationwide publicizing of election results and predictions based on actual returns tabulated in the Eastern States until after 9 p.m., Pacific standard time, or 1 hour after the polls have closed in California. Because polls in Hawaii close at 6 p.m., local time, those polls will have been closed for an hour. Delayed broadcasting in Alaska would avoid serious problems in Alaska where one-half the voters would still have 1 hour to vote. This amendment, in my view, represents a simple, direct approach to the correction of an election abuse whose time for solution is long overdue.

One thing should be made absolutely clear—voting hours would still be regulated by the States and only the hour of public disclosure by local election officials of Presidential results would be affected. The counting of votes in all races, including the Presidential contest, could begin when the polls close and only the public announcement of the Presidential results would be delayed until the appropriate hour of disclosure.

Before acting upon this proposal, the following important questions must be answered: What is the objective of this legislative proposal? Does Congress have the power to legislate in this area and does this proposal represent the best possible approach to the problem?

By enacting this amendment, the Senate will finally rectify an election abuse which occurs every Presidential election year, the publicizing of Presidential election results in Eastern areas before polls close in our Western States. Because of the differences in voting hours and time zones in various parts of the country, the polls in the east coast States close far earlier than do those in other parts of the country. This variance in publicizing Presidential election returns works a detriment to the free election process, because of the possible influences which come from broadcasting outcomes or prediction of Presidential election results in States long before the polls have closed and before citizens in those States have completed voting.

In every Presidential election year since 1960 citizens have been alarmed, because of the likelihood that the present practice of publicizing and predicting election returns influences the way many votes are cast and discourages others from voting because of the belief that the outcome of the election has already been decided.

Few would contend that the publicizing of election returns while citizens are voting has anything but an undesirable impact. Most States have enacted laws long ago to prevent disclosure of State or local election returns before all polls in the jurisdiction have closed.

Let us ask the question: "What would be your reaction to a western voter if you were to learn that the Eastern States had given an apparent majority of the electoral votes to a certain candidate? Would you continue on your way to vote or would you think that your vote had become meaningless and insignificant?"

Quite clearly, commonsense mandates that Congress act to eliminate the possibility of these questions being raised.

I believe the problem was summarized quite well by Senator Hartke in a letter addressed in 1967 to Senator Pastore, chairman of the Subcommittee on Communications of the Senate Commerce Committee. Senator Hartke stated:

> There is, additionally, the question of whether listeners and viewers who have yet to vote are influenced by actual vote results elsewhere or by projections of results. There have been elections recently where the change of majority in one Western State could have tipped a Presidential election. It is possible that some votes already cast have decided the important elections. This, in turn, may have repercussions in local elections.
>
> The late President John F. Kennedy won the 1960 national election by a 112,692 plurality vote. If one voter in each of the 173,000 voting precincts in the United States had switched his vote from Mr. Kennedy to Richard M. Nixon, Nixon would have won the popular vote. . . .
>
> Realistically, had there been a switch of one vote in Kennedy's favor in each of the 10,400 precincts in Illinois plus a switch of nine votes in each of the 5,000 precincts in Texas, Mr. Nixon would have tallied the required 270 electoral votes and would have been our President.
>
> A switch of 27 electoral votes by Illinois and 24 votes by Texas, combined, would have resulted in a different choice of candidate for President of the United States.
>
> I am not disputing the inherent right of the people to know the facts, and the rights of stations and networks to tell the facts along with interpretations . . .
>
> What primarily concerns me is protecting the right of the election process in the greatest democracy on earth.
>
> I would recommend to you that you schedule hearings of our subcommittee to inquire into this matter and its attendant problems.

This concludes the quotation from Senator Hartke.

In response to this letter, public hearings were held before Senator Pastore's subcommittee which aptly restated the problem in its final report by saying:

> Common sense seems to indicate that a man who sits down to dinner just before going out to vote, switching on the television, hears that so and so has already been declared the winner, might not engage himself in an exercise in futility.

It seems to me that this was a very practical and commonsense way of looking at the problem, and quite clearly points out the need for Congress to take action.

It is in the interest of this Nation that the greatest number of citizens possible exercise their right to vote and that this fundamental right be carried out independently of and unhampered by prior knowledge of the outcome of the election in other States or regions of the country. S. 372, dealing with the reform of our election process, provides Congress with the proper vehicle to finally resolve this longstanding abuse.

Other proposals to solve this problem have been introduced.

Senator DOMINICK has introduced an amendment to S. 372 which would provide that in all Federal elections polls would close simultaneously throughout the Nation at 11 p.m., eastern standard time. In my view, this alternative proposal presents several very practical problems in view of the span of time it would create between the opening and closing of the various polls throughout the country.

First, due to a variance in times between the opening and closing of the polls, it would create more favorable voting hours in some States than in others. Polls would stay open until 11 p.m., eastern standard time, but only until 8 p.m. in the Western States.

Second, it would delay the process of counting the votes in the Presidential and all congressional races until after 11 p.m., eastern standard time. People would be forced to stay up all hours of the night just to know who their next Congressman is going to be.

Third, the Federal regulation of "voting hours" in the States, in my opinion, represents a Federal infringement of the States' prerogative.

Under the terms of my amendment, only the public disclosure of Presidential election results would be delayed. Because the States would still control the "voting hours" and since most Eastern States close their polls by 8 p.m., the tabulation and counting of returns for President could begin and be completed by midnight, eastern standard time.

In addition, it should be noted that congressional races are not affected by the terms of my proposal. Results would be announced as they become available. This compares quite favorably with Senator DOMINICK's approach which forecloses the possibility of tabulating the returns in the Presidential race and all congressional races until after the polls close at 11 p.m., eastern standard time. This would have a detrimental impact not only upon those citizens who are anxious to know the results, but also those many thousands of election officials who have to man and count the returns.

It should be stressed that my amendment represents not a suppression of the news, but a regulation of Presidential elections providing for proper returns and the proper release of information concerning these returns.

Quite clearly, Congress has the constitutional authority and responsibility to so act. Article II, section 1 of the Constitution gives Congress the power to determine the time of choosing the electors for President and Vice President. Article I, section 4 empowers Congress to regulate the time, place, and manner for holding elections for Senators and Representatives. The Supreme Court has indicated that this provision may also be applicable to Presidential elections.

Although election officials are appointed by the State, they also serve a Federal function when sitting in Federal elections, and are thus properly subject to Federal regulation. The Supreme Court in 1879 so held in *Ex Parte Siebold*, 100 U.S. 371 (1879). In *Burls and Cannon* v. *United States*, 290 U.S. 534 (1934) the Supreme Court in discussing the "scope of authority" granted to Congress in article II, section 1, held that the powers over Presidential elections are not delegated exclusively to the States, but that Congress also has the authority and responsibility in this area and that authority is not limited merely to determining the "time of choosing the electors, and the day on which they shall get their votes."

Thus, there appears to be ample constitutional authority to support the proposal that a Federal law be enacted as I have proposed which would prohibit election authorities from releasing Presidential election results until a time fixed by Federal law. Such a law I believe to be not only Constitutional, but practical as well.

Mr. President, I wish to refer to a study issued in 1965 by the Congressional Reference Service of the Library of Congress regarding the constitutionality of proposals prohibiting the publicizing of election returns prior to the polls closing in all States. This report concludes as follows:

> There appears to be authoritative support of yet another proposal. Namely, the enactment of a Federal law which would prohibit election authorities from releasing Federal election results until a time fixed by a Federal law. Such a time could be set with regard to the differences in time zones across the country. If it were made a Federal crime for election officials to release this information before the time designated, such a law could be practical and might well be held to be Constitutional. It should be noted, that although election officials are appointed by the State, they also serve a Federal function when acting in Federal elections and are thus properly subject to Federal controls.

Mr. President, this study, although not conclusive in nature, indicates quite clearly that my proposal is constitutional. Certainly, its enactment would solve the problem and, in my view, represents the best approach in achieving the national objective of maximum voter participation. It is time for the Senate to act. I urge adoption of this amendment.

Mr. COOK. Mr. President, we debated this problem on the floor of the Senate not long ago, in connection with a similar proposal by the Senator from Colorado (Mr. DOMINICK). It was Senator DOMINICK's suggestion that poll opening and closing hours be staggered across the country, so that they would all open and close at the same time.

The thing that bothers me about this amendment is that we are asking, by reason of Federal legislative action, that local election officials impound the ballot boxes for a period of whatever the hours may be to conform with a uniform time of disclosure of the results of the votes. I wish we could have hearings on this proposal in the Communications Subcommittee of the Committee on Commerce, because I think it deserves more debate than 10 minutes to determine how we are going to have a uniform reporting system.

We all know the effect of television. We know that after three-fourths of the votes are counted and the results announced, the people in Alaska are just going to the polls. Something really ought to be done about it. But I am concerned about the business of, let us say, a reporter being at a polling place when the back of the machine is opened at 6 o'clock in the East, the results are taken off, and what we are saying in essence is that this reporter, regardless of the first amendment of the Constitution, is going to be in violation of the provisions of this amendment if he discloses the results. This really does bother me in relation to the amendment. I think something ought to be done, but I think we ought to have an opportunity to have hearings, to make a determination of the best way to do it.

Mr. PASTORE. Mr. President, we went all through this in hearings, and we had the presidents of the broadcasting companies up before our committee. I am telling you, when we begin to involve ourselves in this sort of thing, we are getting ourselves into a can of worms. This is a very sensitive subject.

I realize the argument is made sometimes that it would be fairer, because of the difference in the time range, to wait until all the results are in before making any announcement. But the fact remains that I do not see, under the circumstances, how we could ever accomplish it.

Mr. BELLMON. Mr. President, I yield myself 1 minute.

The point is very simple. There is not a State in the Union that allows the results of a race to be revealed until all the pools are closed and all the results can be revealed at the same time. We do not do that as far as Presidential races are concerned. I believe the question is whether we are running the races for the benefit of the news media or for the people to be able to hold their elections and cast their votes in an uninhibited way. Whether we go to the system the Senator from Colorado proposes or the system I propose makes very little difference, but it seems to me that we are on better constitutional grounds to say to the States, "Go ahead and hold your elections when you want to, but as far as revealing the Presidential election results is concerned, hold those up until everyone in the country has had a chance to vote."

That is all my amendment would do.

Mr. COOK. I yield myself 2 minutes; I shall use about half a minute and then yield to the Senator from Washington.

May I say, Mr. President, that in our State this is not the case. We are absolutely divided in two by the eastern time zone and the central time zone. We report our election returns as they are available from the respective counties as soon as they can get them on the television. They are not all held up until they can be made public at one time. So, therefore, we have this problem in our State; but I think we ought to face it with some good sound judgment, and give the matter some hearings before attempting to make such a determination.

I yield to the Senator from Washington.

Mr. MAGNUSON. Mr. President, we had some hearings on this. One of the practical matters involved is that they would have to split the ballots. We cannot tell the State of Vermont, for example, when it can count its returns for Governor or its other officers. So we would have to have a separate ballot, and then, even in cases where they have the separate ballot, it would be pretty hard to do. I am affected by it more than a lot of people, but I do not know just how you would do it. The States are entitled to set their election policies. When you take the Federal offices and set them aside, you are going to have to have two voting machines, two separate ballots, and all that sort of thing to do it, and that is very impracticable.

But we had hearings on it. We should have hearings again, and see what we can do.

Mr. BAKER. Mr. President, will the Senator yield?

Mr. COOK. I yield 1 minute to the Senator from Tennessee.

Mr. BAKER. Mr. President, I have no quarrel with the proposal of the Senator from Oklahoma, but I think it would be very difficult to do what he proposes. The Senator from Rhode Island and I sat together on the Communication Subcommittee.

I think, as far as I am concerned, that the best solution to it would be to have a 24-hour vote, and close the polls by Greenwich mean time at the same hour all over the country. That would make it more convenient than by the Senator's amendment for more people to vote, and we would have a higher percentage of the people participating in the political process. At some future time I am going to have this and other suggestions to make. For now, suffice it to say that a 24-hour vote would have the dual advantages I have just described.

Mr. COOK. Mr. President, on the basis of the colloquy, I oppose the amendment, and I yield back the remainder of my time.

Mr. BELLMON. Mr. President, I yield myself 1 minute. The point has been raised that the States should set the hours for holding their elections. I agree. This amendment does nothing to disturb the States' rights to hold their elections whenever they want to, and the States have the perfect right to go ahead and release the results of all the elections except the Presidential and Vice-Presidential elections.

That is what makes this approach appeal to me more than the idea that has been suggested, that we ought to have, by Federal law, an established time for elections to be held in all the States of the country.

This proposal does not disturb or modify the right of the States to hold their elections when they want to, and to release the results whenever they want to. But this business about holding hearings makes no sense to me. We have talked about this problem for 20 years, and I say it is time we did something about it. Ever since television became a medium of communication in this country, we have had this problem. We can talk until hell freezes over, but I think it is high time we did something.

Mr. PASTORE. Mr. President, I can understand how the Senator feels. This is a problem that has disturbed us all for a long time.

The argument has been made that because of the differential of 3 hours between the East and the West, and because when they report the results in the East, that affects the results of the voting in the West somewhat, a lot of people would like to keep the results off of the presses and the networks, to give them all a chance to finish voting where it might have some effect.

But to get back to the principle stated by the Senator from Oklahoma, the trouble is, when you open up a voting machine, there they are, all there, and in order to give the public the right of publicity, the news people are there when the machine is opened. They are going to look at it and see what the results are, and they are going to call in to their newspapers, and the broadcasters will be there and call in to their networks, and how are we going to avoid that?

The PRESIDING OFFICER (Mr. FANNIN). All time on the amendment has expired. The question is on agreeing to the amendment of the Senator from Oklahoma (Mr. BELLMON). On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Alabama (Mr. ALLEN), the Senator from Texas (Mr. BENTSEN), the Senator from Mississippi (Mr. EASTLAND), the Senator from Arkansas (Mr. FULBRIGHT), the Senator from Alaska (Mr. GRAVEL), the Senator from Minnesota (Mr. HUMPHREY), the Senator from Wyoming (Mr. MCGEE), the Senator from Utah (Mr. MOSS), and the Senator from Wisconsin (Mr. NELSON) are necessarily absent.

I further announce that the Senator from South Dakota (Mr. ABOUREZK) is absent on official business.

I also announce that the Senator from Mississippi (Mr. STENNIS) is absent because of illness.

I further announce that, if present and voting, the Senator from Minnesota (Mr. HUMPHREY) would vote "nay."

Mr. SCOTT of Pennsylvania. I announce that the Senator from New Hampshire (Mr. COTTON) is absent because of illness.

The Senator from Arizona (Mr. GOLDWATER) is absent because of illness in his family.

The Senator from Massachusetts (Mr. BROOKE) is absent on official business.

The Senator from Tennessee (Mr. BROCK), the Senator from New York (Mr. BUCKLEY), the Senator from Nebraska (Mr. CURTIS), the Senator from New Mexico (Mr. DOMENICI), the Senator from Colorado (Mr. DOMINICK), the Senator from Michigan (Mr. GRIFFIN), the Senator from Kansas (Mr. PEARSON), and the Senators from Ohio (Mr. SAXBE and Mr. TAFT) are necessarily absent.

If present and voting, the Senator from New Mexico (Mr. DOMENICI) would vote "yea."

On this vote, the Senator from Nebraska (Mr. CURTIS) is paired with the Senator from Massachusetts (Mr. BROOKE). If present and voting, the Senator from Nebraska would vote "yea," and the Senator from Massachusetts would vote "nay."

The result was announced—yeas 25, nays 51, as follows:

[No. 351 Leg.]

YEAS—25

Baker
Bartlett
Bellmon
Burdick
Byrd, Robert C.
Case
Church
Dole
Fannin
Fong
Hansen
Haskell
Hatfield
Hruska
Mansfield
McClure
McGovern
Metcalf
Packwood
Percy
Proxmire
Roth
Stevens
Thurmond
Young

NAYS—51

Aiken
Bayh
Beall
Bennett
Bible
Biden
Byrd, Harry F., Jr.
Cannon
Chiles
Clark
Cook
Cranston
Eagleton
Ervin
Gurney
Hart
Hartke
Hathaway
Helms
Hollings
Huddleston
Inouye
Jackson
Javits
Johnston
Kennedy
Long
Magnuson
Mathias
McClellan
McIntyre
Mondale
Montoya
Muskie
Nunn
Pastore
Pell
Randolph
Ribicoff
Schweiker
Scott, Pa.
Scott, Va.
Sparkman
Stafford
Stevenson
Symington
Talmadge
Tower
Tunney
Weicker
Williams

NOT VOTING—24

Abourezk
Allen
Bentsen
Brock
Brooke
Buckley
Cotton
Curtis
Domenici
Dominick
Eastland
Fulbright
Goldwater
Gravel
Griffin
Hughes
Humphrey
McGee
Moss
Nelson
Pearson
Saxbe
Stennis
Taft

So Mr. BELLMON'S amendment (No. 301) was rejected.

AMENDMENT NO. 439

Mr. BAYH. Mr. President, I call up my amendment No. 439.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk proceeded to read the amendment.

Mr. BAYH. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered; and, without objection, the amendment will be printed in the RECORD.

The amendment is as follows:

Insert the following section at an appropriate place:

SEC.—. (a) Whenevèr the Commission determines that violations referred to Federal law enforcement authorities under section 309(d) of this title are not being promptly and properly investigated and prosecuted, it is authorized to appoint, under section 3109 of title 5, United States Code, one or more special prosecutors for the purpose of investigating such violations and presenting them to the appropriate Federal grand jury for consideration.

(b) Notwithstanding the provisions of section 516 of title 28, United States Code, any individual appointed as a special prosecutor under subsection (a) may prosecute for any violation of the provisions of this title in the district in which the defendant indicted for such violation may be tried.

Mr. BAYH. Mr. President, sometime ago the Senator from Indiana introduced a Comprehensive Campaign Reform Act encompassing a wide variety of items, many of which are covered as well or perhaps better in the measure which is presently before the Senate. Others are not.

One of the important items contained in my bill would be to give to the Comptroller General the authority to appoint a special prosecutor in the event the Justice Department was not proceeding under the law to enforce the provisions of the Campaign Act.

I want to salute the committee for including the initial authority for the enforcement of this provision in the hands of the Commission which is established by this bill.

There is some room to interpret this language in two different ways, and I want to ask the managers of the bill if they share my interpretation, so that there is no room for someone to doubt this in the future.

Under section 516 of title 28, United States Code, prosecutorial authority is given to the Justice Department and the Attorney General. Under the committee bill, on page 34, subsection (d), at the bottom of the page, is the following language:

> (d) Notwithstanding any other provision of law, the Commission shall be the primary civil and criminal enforcement agency for violations of the provisions of this title, and of sections 602, 608, 610, 611, 612, 613, 614, 615, and 616 of title 18, United States Code. Any violation of any such provision shall be prosecuted by the Attorney General or Department of Justice personnel only after consultation with, and with the consent of, the Commission.

I should like to phrase one hypothetical question to the Senator from Nevada or the Senator from Kentucky, or both: In the event, for one reason or another, an Attorney General of the United States refuses to prosecute those who violate this act, does the language contained in subsection (d) give the Commission authority to appoint a special prosecutor to go out and see that this act is enforced, to bring the culprits before the bar of justice and to see that they are prosecuted?

Mr. CANNON. I say to the Senator that, in the judgment of the committee, it does give the Commission that authority, and that was the intention. Not only would they have the authority to appoint a special prosecutor and to prosecute the cases; they would not even have to wait to determine whether the Attorney General was interested or was not interested in going ahead.

We deliberately gave the Commission the primary authority in both criminal and civil matters and authorized them to appoint a general counsel, and I am sure it would be a very competent counsel and an appropriate staff. We authorized the Commission to appoint and fix the compensation of such personnel as may be necessary to fulfill the duties of the Commission in accordance with the act.

So they have full authority to provide a staff. An amendment was offered by Senator JAVITS today that increased the authorization money, so that they would have ample funds available.

We also made it very specific that they had primary jurisdiction but that they were entitled to have full cooperation of the other agencies of Government, but that a violation of the provisions should be prosecuted by the Attorney General or the Department of Justice only after consultation with and with the consent of the Commission.

Mr. BAYH. I appreciate the Senator from Nevada's opinion, as the majority floor manager of this bill. This will carry great weight.

I wish to emphasize that I only took the Senate's time to discuss this matter because under title 28, United States Code, section 516, prosecutorial authority is otherwise given to the Justice Department We do not refer to that specifically in this bill. I want to nail it down so that there will be no question that not only must the Justice Department and the Attorney General consult with the Commission, but also, if the Commission feels that the Justice Department is not doing the job, it can appoint a prosecutorial staff to go out and do it.

As a matter of fact, in section 309, page 33, we have the following language:

> The Commission shall have the power—
> . . . to initiate (through civil proceedings or injunctive relief and through presentations to Federal grand juries), prosecute, defend, or appeal any court action in the name of the Commission for the purpose of enforcing the provisions of . . . This title.

Mr. BAYH. I compliment both Senators for putting this feature in the bill. We all know, whether it might be as to one party or another, that we can see the possible reluctance of bringing before the bar of justice those whose beneficence happened to help the party which controlled the Department of Justice at that time.

Mr. CANNON. In our consideration of the bill, we had considerable discussion on this point, and we wanted to make it perfectly clear that the primary jurisdiction was in the Commission, and the secondary jurisdiction was in the Department of Justice.

Mr. COOK. Mr. President, we wanted to make this very clear, because we have had these problems in many instances. That is why we placed in the bill specific language relating to the primary criminal and civil enforcement agencies. To that extent, it will be noted that we make that perfectly clear in section 7, page 33, and in the primary responsibility on page 34 we make it clear that the Commission has primary jurisdiction as to a number of sections. The primary responsibility provision is on page 34.

We now include the primary civil provision in sections 602, 608, 610, 611, 612, 613, 614, 615, and 616 of title 18, United States Code. So we intended to broaden it. It was our specific intent to do so, and we feel that we have covered it fully.

Mr. BAYH. I appreciate the courtesy of the Senators. I just wanted to be sure that we nailed down the relationship of title 28. We have made the record very clear.

Mr. DOLE. Mr. President, I have discussed a series of questions about when a person becomes a candidate, and the reports required, that are covered under present law and under S. 372. I have discussed this with the majority staff on occasion, and I have discussed it also with the distinguished Senator from Nevada (Mr. CANNON).

The series of questions relates to public opinion polls and whether or not such polls trigger reporting and disclosure requirements.

I am informed that the chairman of the Committee on Rules and Administration has indicated that the answers to the questions posed are all in the affirmative. I merely wanted to make certain that that is the response of the chairman.

Mr. CANNON. If that is the list of questions, the answer to each is in the affirmative.

Mr. DOLE. Mr. President, I ask unanimous consent that the series of questions be printed at this point in the RECORD.

There being no objection, the series was ordered to be printed in the RECORD, as follows:

> Suppose an individual commissions public opinion polls and accepts money to pay for those polls, and these polls are specifically designed to gauge his relative standing in a forthcoming Senate race against an incumbent Senator who is required to make reports and disclosures under the present law.
>
> (1) Is such an individual a "candidate" for purposes of reporting and disclosure, even though he has not officially announced his candidacy?
>
> (2) Would the answer be the same if the individual paid for the polls himself?
>
> (3) Would the answers to the first two questions be the same under S. 372?
>
> (4) Would the answer be the same if the money was accepted or spent and the polls were conducted prior to the year in which the Senatorial race was held?
>
> Suppose polls were commissioned and paid for by a committee acting "on behalf of" a particular individual, and the polls were specifically designed to gauge this individual's relative standing in a forthcoming Senate race against an incumbent Senator.
>
> (1) Would this committee be requested to conform to the organization, reporting and disclosure requirements of present law?
>
> (2) Would the answer be the same under S. 372?

TRANSACTION OF ROUTINE BUSINESS

The PRESIDING OFFICER. Under the previous order, there will now be a period for the transaction of routine business.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the period for the transaction of routine business be limited to 15 minutes, with statements therein limited to 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

U.S. TOURISTS TIGHTEN MONEY BELTS

Mr. HARRY F. BYRD, JR. Mr. President, one of the outstanding newspapermen in the State of Virginia is D. Lathan Mims, editor and general manager of the Harrisonburg Daily News Record. Mr. Mims spent some weeks in Europe this summer and when he returned he wrote a report for the Daily News Record of Harrisonburg, Va. It is captioned "U.S. Tourists Tighten Money Belts." The article points out the effect that the devaluation of the American dollar, the declining value of the American dollar has had on the American tourists, and the effect it has had on U.S. military personnel and their families in Europe.

Mr. President, I ask unanimous consent to have printed in the Record the article to which I have referred.

There being no objection, the article was ordered to be printed in the Record, as follows:

U.S. Tourists Tighten Money Belts

(By Lathan Mims)

Rome.—American tourists in Europe, still flocking to the inflation-plagued continent in droves, are beginning to tighten their money belts.

This becomes evident as one talks with shopkeepers, travel bureau officials, tour guides and others catering to the hordes of drip-dry travelers from middle class America.

The European visitor this summer is caught in a double bind—devaluation of the ever-weakening dollar and galloping inflation that is pushing prices upward at an alarming 10 percent rate in some countries on the traditional grand tour. As a result the tourist is watching his lira and francs more carefully than ever, say veteran guides.

One guide noted an increasing tendency by Americans to beat high restaurant prices by group shopping at small groceries for snacks in hotel rooms. Empty cheap wine bottles left behind tell the story of this do-it-yourself economy.

Inflation, troublesome enough in the United States, is an even more menacing specter in Europe. It is now reportedly even beginning to threaten the European Common Market's existence.

In Paris, mens' jackets, apparently no finer than name brands in Harrisonburg stores, sell for $300. But that's not surprising in a country where watered, artificially-flavored fruit drinks cost 80 cents a glass.

In Italy, where it costs 10 lira (about a penny) to ride elevators in some apartment complexes, tourist stations don't even bother to give penny-sized change—with a fine Italian flair they hand out a tiny piece of candy instead.

In Rome, where restaurant prices have not skyrocketed as much as in Paris, an Associated Press check showed little concern among most tourists over the dollar's troubles. Some explained that their tours were pre-paid weeks ago and hotel and restaurant costs were figured at lower than present rates. But others, not under pre-packaged arrangements, are quick to buy English language newspapers for the latest episode in the dollar's dreary tale.

Undoubtedly the hardest hit among American tourists are the tens of thousands of students making their way from country to country with their clothing and sleeping bags in big back packs. They are hard pressed to meet $6 and $8 a day budgets. A popular offering in book stalls is Arthur Frommer's "Europe on $5–$10 A Day." An ironic twist finds the book selling in Switzerland for 16.70 francs—about the cost of one day's stay for the back-packers.

An AP story quotes one Greenwich, Conn. student as saying, "I have to make it on $6 a day and it gets me less and less." Another student, from Massachusetts, is in Switzerland for the second time in three years and he finds the difference "unbelievable."

"I got about 4.30 francs for the dollar and prices were much lower" three years ago, he reported. "Now my friend just got about 2.80."

Long-time American residents in Europe also are suffering. Again the AP reports that since 1969 the once almighty dollar's purchasing power has shrunk by up to 60 per cent because of various currency adjustments.

"Prices are going up incredibly," a retired American in Rome said. "The meat I buy for my dog now costs what I used to pay for meat for the family a few years ago."

American servicemen are sending their families home and are living on base, American business executives are complaining because their salaries are not rising as rapidly as those of their European counterparts, and more and more retired people are thinking of going home to America.

But the American, resident or tourist, is not the only one feeling inflation's painful bite in Europe in summer 1973.

A Japanese business man obviously well supplied with Parisian saki, took off his trousers in a hotel lobby and offered them to a hotel attendant, shouting, "Here, take these. You French already have taken my skin and everything else."

Other notes and observations from a three-week American Express tour of London, Edinburgh, Paris, Lucerne, Venice, Florence, Naples, Capri and Rome:

Best buy in all Europe for the golfer. The $2.60 greens fee for the famed, 600-year Old Course at St. Andrews, Scotland, the game's birthplace. For non-golfing, shopping wives, a wool shop across the road from the St. Andrews courses offer cashmere sweaters at $21 upward, much under American prices.

Art-loving tourists are plagued by wildcat strikes in Paris' storied museums. In one day, attendants struck both the Louvre and Versailles Palace. With an expected three million tourists in Rome this summer, several museums and monuments are to be closed in July, August and September to give custodians vacations.

Switzerland's Lucerne, a crossroads for American touring parties, does not have Virginia's blue law problems. Merchants open their stores on Saturday nights and Sunday mornings for the Yankee dollar.

It's also in Lucerne that Americans, many at the half-way point of their tours, exchange tips with fellow travelers on what's ahead for them. Opinions and generalizations are as plentiful as the Alpine peaks. "Greece is good but hot. We had rain all over Italy. Paris is too expensive. Our guide is horrible. A waiter insulted us in Germany—we won't go back there."

From these remarks, one wonders of the impressions of visitors to our own tourist-minded Shenandoah Valley and the influence any one of us has on those impressions.

At least one American had a partial solution to the dollar's troubles. He tipped in dollar bills, saying, "If Europe is going to kill my dollars, then Europeans will suffer too."

Pedestrians seem to be winning the eternal battle against Paris' speed-maddened drivers. In five minutes, we saw two of them outside the Louvre jump three or four feet to safety in the nick of time while a French woman nearby shouted "lunatic" at the speeding, horn-blowing drivers.

Rome traffic also is the source of many complaints, although Roman drivers do have the knack of stopping just in time. To ease its congestion, Rome is considering dredging its narrow Tiber River for commuter boats. Perhaps Harrisonburg can do the same for Black's Run, a creek with far less odor than Venice's ancient sewage-scented canals.

During World War II, the American military commands issued booklets to GIs on customs and languages in countries where troops were to be stationed. We suggest the State Department could improve the American's image abroad by offering similar booklets with each new passport.

Occasionally, on the fringes of American touring groups one sees small clusters of natives laughing at the tour parties. It's then that one gets the impression the ugly American is suddenly becoming the funny American.

But, funny or not, the American tourist dollar being spent in Europe this summer obviously is a mainstay in the continent's economy. Thousands of shops advertise their acceptance of credit cards. And almost always three out of four of the advertised cards are issued only in the United States.

ADDRESS OF EARL HAMMER, JR., BEFORE THE VIRGINIA PRESS ASSOCIATION

Mr. HARRY F. BYRD, JR. Mr. President, the speech which has had perhaps the greatest acclaim in Virginia recently was delivered by Earl Hammer, Jr., before the Virginia Press Association at its annual convention at Virginia Beach.

Mr. Hammer is a Virginia native. He is producer of the top-rated television series "The Waltons." He was born in Nelson County, Va. Although he now lives in California, he has maintained a close contact with Virginia and as one will see from his speech, he deeply loves his native State.

The speech has been widely reprinted throughout Virginia. For example, the copublisher and executive editor of the Lynchburg News, Mr. Tom Glass, called it to the attention of editors of the news and it was published in full in the Lynchburg News.

There is so much good commonsense in the speech by Mr. Hammer that I think it is well to insert it in the Record so it can be read all over the United States. While it speaks of Virginia a great deal, his philosophy is the type of philosophy that has made this country great.

Mr. President, I ask unanimous consent that there be printed in the Record the speech by Mr. Hammer, producer of the top-rated television series "The Waltons."

There being no objection, the speech was ordered to be printed in the Record, as follows:

"The Walton's" an Affirmation of Virginia

(By Earl Hammer, Jr.)

(Editor's note: Earl Hammer, Jr., the Nelson County native whose top-ranked television series, "The Waltons," is based on his boyhood in Schuyler, gave this acceptance speech recently upon receiving the Virginia Press Association's "Virginian of the Year" award. It should be read by Virginians everywhere for it celebrates, in Mr. Hammer's closing words, "the love I have known here and the values which can sustain us through the uncertain years to come.")

There used to be a story told up in Nelson County about a funeral. The deceased, during his lifetime, had been less than an angel, as a matter of fact, he had been a miserable father, a detestable husband and a thoroughly bad citizen. Yet, at the funeral service, when the Preacher gave his Eulogy, he painted the departed in glowing terms, telling what a splendid husband he had been, what a loss to the community his absence would mean, how terribly his widow and children would miss him. The widow listened to the Eulogy with increasing wonder. Finally she turned to her eldest child and said, "Johnny, go in yonder, look in the coffin, and see if that's your pa."

I feel somewhat like that at the moment. So many fine things have been written and said about me this past year that I sometimes wonder if I shouldn't send somebody to see if that's really me.

They say that you should never let a Virginian start talking about his family because you're liable never to shut him up. You don't run that danger with me. Being a writer, I am used to communicating primarily through the written word. The idea of speaking to as large a group as this fills me with unabashed terror. I was persuaded to attempt this speech largely through some friends who tried to convince me that for this little while I would be as glib as Johnny Carson with the midnight hour approaching. It hasn't worked. I am a shy introverted writer . . . still reeling from the indignity of having during this past week reached my fiftieth birthday.

They have been a wonderful fifty years, and I would not trade them for anything. I was born in 1923 in Schuyler. There is a guidebook, written during the depression years by writers under the supervision of the WPA. In the book, Schuyler is described as "a tiny hamlet which rises in mild hilarity on Saturday nights." That writer should have been around on Sunday morning when we atoned for our sins at the Baptist Church.

People will tell you that there's a lot more sin around today than there used to be fifty years ago. I'm not sure there is. I always remember something my Grandmother Gianinni said which I asked her about the difference between her generation and mine. She answered "The only difference is that today people do on the front porch what they used to do out back."

When I was growing up back in Nelson County with my father, my mother, my four brothers and my three sisters, it seemed to me then, and it does now, that we were blessed with a good life.

We were in a Depression, and the Alberene Stone Corporation where my father worked as a machinist, had closed. We were poor, but nobody ever bothered to tell us that. All we knew was that we suffered an absence of money. But that didn't bother us. We were too occupied with day to day events: first came an end to winter. The melting of the icicles along the eves. Then March—time to climb Witt's hill with kites made of brown wrapping paper and flown on string which had been collected for that purpose all winter long, the blossoming of the dogwood and redbud and forsythia which told us that spring was back again. Summer would come and with it dozens of cousins from Richmond and Petersburg up to visit. At least once during a summer we would all pile in cars and run over to Uncle Benny Tapscott's farm in Buckingham County. We would feast on fried chicken on snow white cloths over picnic tables. Later on we would all go to the spring house and bring back chilled watermelons and eat them and spit the seeds on the ground. With the coming of fall we would learn to wear shoes again. On a Sunday we would all pile into my father's DeSoto and drive up to the recently opened Skyline Drive. Often we would simply stop the car and look out on the changeless beauty of those autumn leaves. Back home we would gather chinquapins and black walnuts. And when the frost killed the vines we would gather the last of the green tomatoes and the following day my mother's kitchen would be filled with the pungent aroma of green tomato relish. Finally the long silent winter would be upon us. Under our mother's supervision all eight of us children would gather around the long wooden kitchen table and do our homework until one by one we drifted off to bed, and there, sometimes with snow falling outside, we would call goodnight to each other, then sleep in the knowledge that we were secure. We thought we lived in the best of times.

But many years later, after I had grown up and become a writer living in New York, I learned that we had been "economically deprived." That we lived in a "depressed area" and that we suffered from a disease called "familism." The sociologists define "familism" as a type of social organization in which the family is considered more important than either other social groups or the individual.

Not knowing that we were afflicted with "familism", we thought we loved each other. Even today, with a highfaluting sociological name for it, I still prefer to call it love. We were demonstrative in our love, kissing and hugging a lot, often we would drink too much of the recipe, and end up singing old Baptist hymns around the piano.

These are the people, those were the days, the Virginia of the 1930's, that I have tried to record in my books and in the television series—The Waltons. Each week this series is seen by some forty million viewers in this country. It is also seen in Canada, Hong Kong, Japan, Australia, Ireland and Equador, to mention only a few countries . . . and I believe that every viewer goes away with some little knowledge of the good life we know here in Virginia.

In a single week, not long ago, we received commendations from the Council of Christians and Jews, the Society of Southern Baptists, the Religious Public Relations Council of the Methodist Church and the Church of the Latter Day Saints. Last Sunday though I think we went beyond wildest expectations. In a magazine called Twin Circle which is the voice of the National Catholic Press, given equal space with a picture of the Pope is a picture of the Walton family! I hope we haven't gone too far.

In addition, we have received six Emmy Awards, the Peabody Award from the University of Georgia, and the support of every television critic in the country.

In this connection I would like to thank the Members of the Virginia Press Association for a very special reason. In the beginning of the television series, the Waltons was 69th in a line-up of 65 shows in the Neilson ratings. Opposing Flip Wilson and Mod Squad we were in a spot which in television is called, Death Valley. We needed to reach the audience to let them know we were there. It was the members of the press who took up our cause, who informed the viewers of our presence. Thanks largely to the press, the audience found its way to the Waltons. From 69th position in the ratings, we have risen to a position where we are consistently in the top ten. For this I am extremely grateful.

That these plays are autobiographical, I think you know. The characters of the mother and father are based on the characters of my own mother and father. In real life I am the oldest of eight, but on television, due to economic considerations, we were forced to combine the characters of two of my younger brothers.

We do not try to preach sermons on the Waltons. Primarily our aim is to entertain. But certain values keep creeping in . . . while on other channels cardboard, cut out images are chasing each other down shadowy alleys, over on the Waltons we are affirming such old fashioned virtues as self-reliance, thrift, independence, freedom, love of God, respect for one's fellow man. . . . and affirmation of values which are typically Virginian, and which have sustained our country for nearly two hundred years.

The series is also about "familism."

The Disease is rampant here in Virginia, and I'm not sorry about it. Whatever else we can take into this bewildering new age, the most meaningful may be our preservation of a sense of love and reverence for the family and the traditional values therein. You have honored me here tonight most graciously. With your permission I accept that honor on behalf of my mother and in memory of my father.

One further word. I am proud to be a native of Virginia. I love this state, from the red clay hills of Nelson County to the Atlantic surf that pounds outside our door. I hope you will do all you can to keep Virginia green. I earnestly hope that you will keep it a place for lovers. And I pledge you that I will continue, through my writing, to celebrate the love I have known here and the values which can sustain us through the uncertain years to come.

QUORUM CALL

Mr. HARRY F. BYRD, JR. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR ADJOURNMENT TO MONDAY AT 11 A.M.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stands in adjournment until the hour of 11 a.m. Monday.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECOGNITION OF SENATOR STEVENSON MONDAY AND FOR PERIOD FOR TRANSACTION OF ROUTINE BUSINESS, TO BE FOLLOWED BY RESUMPTION OF CONSIDERATION OF THE UNFINISHED BUSINESS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that after the two leaders or their designees have been recognized on Monday, the distinguished Senator from Illinois (Mr. STEVENSON) be recognized for not to exceed 15 minutes, after which there be a period for the transaction of routine morning business of not to exceed 15 minutes, after which the Senate resume the consideration of the unfinished business.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER OF BUSINESS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent—these matters have been cleared on both sides of the aisle—that the Senate proceed to the consideration of Calendar Order Nos. 332 and 336.

The PRESIDING OFFICER. Without objection, it is so ordered.

APPOINTMENT OF ALTERNATES FOR GOVERNORS OF INTERNATIONAL MONETARY FUND AND INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

The bill (S. 1887) to provide for the appointment of alternates for the governors of the International Monetary Fund and of the International Bank for Reconstruction and Development was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the first sentence of subsection (b) of section 3 of the Bretton Woods Agreements Act (22 U.S.C. 286a) be amended to read as follows: "The President, by and with the advice and consent of the Senate, shall appoint an alternate for the governor of the Fund and an alternate for the governor of the Bank.".

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 93-350), explaining the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

EXCERPT FROM REPORT No. 93-350

PURPOSE

The purpose of the bill is to amend subsection (b) of section 3 of the Bretton Woods Agreements Act to change the existing provision that the alternate governor representing the United States on the board of governors of the Fund "shall also serve as alternate for the governor of the Bank." S. 1887 would authorize the President, by and with the advice and consent of the Senate, to appoint different individuals as alternates for the governor of the Fund and of the Bank.

COMMITTEE ACTION

On May 23, 1973, Senator Fulbright (by request) introduced S. 1887 in accordance with an executive communication from the Secretary of the Treasury, who serves as governor of the Fund and the Bank. The text of executive communication 59, dated May 14, 1973, reads as follows:

"THE SECRETARY OF THE TREASURY,
"Washington, D.C., May 10, 1973.

"Hon. SPIRO T. AGNEW,
"President of the Senate,
"Washington, D.C.

"DEAR MR. PRESIDENT: There is transmitted herewith a draft bill, 'To provide for the appointment of alternates for the Governors of the International Monetary Fund and of the International Bank for Reconstruction and Development,' together with a comparative type showing the changes that would be made in existing law by the bill.

"The proposed legislation would amend section 3(b) of the Bretton Woods Agreements Act to provide for the appointment by the President, with the advice and consent of the Senate, of separate alternate Governors of the International Bank for Reconstruction and Development and the International Monetary Fund. The legislation at present provides that the same individual serve as alternate Governor of both the Fund and the Bank.

"The proposed amendment would give the President, in appointing different individuals as alternate Governor of the Bank and the Fund, greater flexibility to select the individual most qualified to serve in each of these positions. Thus, in making these appoinments, the President would be able to take into account the differing functions being fulfilled by the Bank and the Fund in the international financial sphere.

"It would be appreciated if you would lay the proposed bill before the Senate. An identical bill has been transmitted to the Speaker of the House of Representatives.

"The Department has been advised by the Office of Management and Budget that there is no objection from the standpoint of the Administration's program to the submission of this proposed legislation to the Congress.

"Sincerely yours,
"GEORGE P. SHULTZ."

The Committee on Foreign Relations considered S. 1887 in executive session on July 24. Members expressed agreement with the general proposition that the Fund and the Bank are institutions of quite differing character and purposes, and that the United States Government might find it advantageous to have separate alternate governors representing this country on the boards of the two organizations. It is the understanding of the Committee that the President intends to nominate as alternate governor of the Fund the Chairman of the Board of Governors of the Federal Reserve System. The view was expressed that it was logical and appropriate normally to appoint a member of that Board to such a position, although in the past it has been occupied by a high official of the Department of State.

However, Members also strongly supported the view that the post of alternate governor of the Bank as a matter of course should continue to be occupied by a representative of the Department of State. Consideration was given to the proposition of amending S. 1887 to that effect, but it was decided instead to state this position clearly and forcefully in the report on the bill. With this understanding, the Committee, by voice vote and without any dissent, ordered S. 1887 reported favorably without amendment on July 24, 1973.

DISPOSAL OF OPIUM FROM NATIONAL STOCKPILE

The bill (S. 2166) to authorize the disposal of opium from the national stockpile was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Administrator of General Services is hereby authorized to dispose of, by negotiation or otherwise, approximately one hundred and forty-one thousand six hundred pounds (morphine content) of opium now held in the national stockpile established pursuant to the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98-98h). Such disposition may be made without regard to the requirements of section 3 of the Strategic and Critical Materials Stock Piling Act: *Provided,* That the time and method of disposition shall be fixed with due regard to the protection of the United States against avoidable loss and the protection of producers, processors, and consumers against avoidable disruption of their usual markets.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

LIMITATION OF STATEMENTS DURING TRANSACTION OF ROUTINE MORNING BUSINESS MONDAY

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that statements during the transaction of routine morning business on Monday next be limited to 3 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

H.R. 5777, TO REQUIRE THAT REPRODUCTIONS AND IMITATIONS OF COINS AND POLITICAL ITEMS BE MARKED AS COPIES OR WITH THE DATE OF MANUFACTURE, BILL PLACED ON CALENDAR

Mr. ROBERT C. BYRD. Mr. President, H.R. 5777 is identical in every respect with Calendar No. 328, S. 1880, the so-called Hobby Act reported last week by the Committee on Commerce. I ask unanimous consent that the Committee on Commerce be discharged from further consideration of H.R. 5777 and that the bill be placed on the calendar.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. ROBERT C. BYRD. Mr. President, the program for Monday is as follows:

The Senate will convene at 11 a.m. After the two leaders or their designees have been recognized under the standing order, the distinguished Senator from Illinois (Mr. STEVENSON) will be recognized for not to exceed 15 muintes, after which there will be a period for the transaction of routine morning business of not to exceed 15 minutes, with statements limited therein to 3 minutes.

At the conclusion of routine morning business, action will be resumed at about 11:30 a.m., on S. 372, the campaign reform bill. A rollcall vote, by previous agreement, will occur on final passage of the bill at no later than the hour of 3:30 p.m. Monday.

Rollcall votes, of course, may occur prior to the hour of 3:30 p.m. on amendments or motions relating to the bill or on other business which may have been cleared for action.

ADJOURNMENT TO MONDAY AT 11 A.M.

Mr. ROBERT C. BYRD. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the previous order, that the Senate stand in adjournment until the hour of 11 a.m. on Monday next.

The motion was agreed to; and at 3:38 p.m. the Senate adjourned until Monday, July 30, 1973, at 11 a.m.

CONFIRMATIONS

Executive nominations confirmed by the Senate July 28, 1973:

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

David Olan Meeker, Jr., of Indiana, to be an Assistant Secretary of Housing and Urban Development.

SECURITIES AND EXCHANGE COMMISSION

The following-named persons to be members of the Securities and Exchange Commission for the terms indicated:

A. A. Sommer, Jr., of Ohio, for the remainder of the term expiring June 5, 1976.

Ray Garrett, Jr., of Illinois, for the remainder of the term expiring June 5, 1977.

NATIONAL CREDIT UNION BOARD

William E. Young, of Washington, to be a member of the National Credit Union Board for the remainder of the term expiring December 31, 1973.

(The above nominations were approved subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

HOUSE OF REPRESENTATIVES—*Saturday, July 28, 1973*

The House was not in session today. Its next meeting will be held on Monday, July 30, 1973, at 12 o'clock noon.

CONFERENCE REPORT ON S. 502

Pursuant to an order of the House on Thursday, July 26, 1973, the conference report on the bill (S. 502) to authorize appropriations for the construction of certain highways in accordance with title 23 of the United States Code, and for other purposes, is herewith printed, as follows:

[Submitted by Mr. WRIGHT]

CONFERENCE REPORT (H. REPT. No. 93–410)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 502) to authorize appropriations for the construction of certain highways in accordance with title 23 of the United States Code, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the House amendment insert the following:

TITLE I

SHORT TITLE

SEC. 101. This title may be cited as the "Federal-Aid Highway Act of 1973".

REVISION OF AUTHORIZATION FOR APPROPRIATIONS FOR THE INTERSTATE SYSTEM

SEC. 102. Subsection (b) of section 108 of the Federal-Aid Highway Act of 1956, as amended, is amended by striking out "the additional sum of $4,000,000,000 for the fiscal year ending June 30, 1974, the additional sum of $4,000,000,000 for the fiscal year ending June 30, 1975, and the additional sum of $4,000,000,000 for the fiscal year ending June 30, 1976", and by inserting in lieu thereof the following: "the additional sum of $2,600,000,000 for the fiscal year ending June 30, 1974, the additional sum of $3,000,000,000 for the fiscal year ending June 30, 1975, the additional sum of $3,000,000,000 for the fiscal year ending June 30, 1976, the additional sum of $3,250,000,000 for the fiscal year ending June 30, 1977, the additional sum of $3,250,000,000 for the fiscal year ending June 30, 1978, and the additional sum of $3,250,000,000 for the fiscal year ending June 30, 1979."

AUTHORIZATION OF USE OF COST ESTIMATES FOR APPORTIONMENT OF INTERSTATE FUNDS

SEC. 103. The Secretary of Transportation shall apportion for the fiscal years ending June 30, 1974, June 30, 1975, and June 30, 1976, the sums authorized to be appropriated for such years for expenditures on the National System of Interstate and Defense Highways, using the apportionment factors contained in table 5, of House Public Works Committee Print Numbered 92–29, as revised in House Report Numbered 92–1443.

HIGHWAY AUTHORIZATIONS

SEC. 104. (a) For the purpose of carrying out the provisions of title 23, United States Code, the following sums are hereby authorized to be appropriated:

(1) For the Federal-aid primary system in rural areas, out of the Highway Trust Fund, $680,000,000 for the fiscal year ending June 30, 1974, $700,000,000 for the fiscal year ending June 30, 1975, and $700,000,000 for the fiscal year ending June 30, 1976. For the Federal-aid secondary system in rural areas, out of Highway Trust Fund, $390,000,000 for the fiscal year ending June 30, 1974, $400,000,000 for the fiscal year ending June 30, 1975, and $400,000,000 for the fiscal year ending June 30, 1976.

(2) For the Federal-aid urban system, out of the Highway Trust Fund, $780,000,000 for the fiscal year ending June 30, 1974, $800,000,000 for the fiscal year ending June 30, 1975, and $800,000,000 for the fiscal year ending June 30, 1976. For the extensions of the Federal-aid primary and secondary systems in urban areas, out of the Highway Trust Fund $290,000,000 for the fiscal year ending June 30, 1974. $300,000,000 for the fiscal year ending June 30, 1975, and $300,000,000 for the fiscal year ending June 30, 1976.

(3) For forest highways, out of the Highway Trust Fund $33,000,000 for the fiscal year ending June 30, 1974, $33,000,000 for the fiscal year ending June 30, 1975, and $33,000,000 for the fiscal year ending June 30, 1976.

(4) For public lands highways, out of the Highway Trust Fund, $16,000,000 for the fiscal year ending June 30, 1974, $16,000,000 for the fiscal year ending June 30, 1975, and $16,000,000 for the fiscal year ending June 30, 1976.

(5) For forest development roads and trails $140,000,000 for the fiscal year ending June 30, 1974, $140,000,000 for the fiscal year ending June 30, 1975, and $140,000,000 for the fiscal year ending June 30, 1976.

(6) For public lands development roads and trails, $10,000,000 for the fiscal year ending June 30, 1974, $10,000,000 for the fiscal year ending June 30, 1975, and $10,000,000 for the fiscal year ending June 30, 1976.

(7) For park roads and trails, $30,000,000 for the fiscal year ending June 30, 1974, $30,000,000 for the fiscal year ending June 30, 1975, and $30,000,000 for the fiscal year ending June 30, 1976.

(8) For parkways, $60,000,000 for the fiscal year ending June 30, 1974, $75,000,000 for the fiscal year ending June 30, 1975, and $75,000,000 for the fiscal year ending June 30, 1976, except that the entire cost of any parkway project on any Federal-aid system paid under the authorization contained in this paragraph shall be paid from the Highway Trust Fund.

(9) For Indian reservation roads and bridges, $75,000,000 for the fiscal year ending June 30, 1974, $75,000,000 for the fiscal year ending June 30, 1975, and $75,000,000 for the fiscal year ending June 30, 1976.

(10) For economic growth center development highways under section 143 of title 23, United States Code, out of the Highway Trust Fund, $50,000,000 for the fiscal year ending June 30, 1974, $75,000,000 for the fiscal year ending June 30, 1975, and $100,000,000 for the fiscal year ending June 30, 1976.

(11) For necessary administrative expenses in carrying out section 131, section 136, and section 319(b) of title 23, United States Code, $1,500,000 for the fiscal year ending June 30, 1974, $1,500,000 for the fiscal year ending June 30, 1975, and $1,500,000 for the fiscal year ending June 30, 1976.

(12) For carrying out section 215(a) of title 23, United States Code—

(A) for the Virgin Islands, not to exceed $5,000,000 for the fiscal year ending June 30, 1974, not to exceed $5,000,000 for the fiscal year ending June 30, 1975, and not to exceed $5,000,000 for the fiscal year ending June 30, 1976.

(B) for Guam not to exceed $2,000,000 for the fiscal year ending June 30, 1974, not to exceed $2,000,000 for the fiscal year ending June 30, 1975, and not to exceed $2,000,000 for the fiscal year ending June 30, 1976.

(C) for American Samoa not to exceed $1,000,000 for the fiscal year ending June 30, 1974, not to exceed $1,000,000 for the fiscal year ending June 30, 1975, and not to exceed $1,000,000 for the fiscal year ending June 30, 1976.

Sums authorized by this paragraph shall be available for obligation at the beginning of the fiscal year for which authorized in the same manner and to the same extent as if such sums were apportioned under chapter 1 of title 23, United States Code.

(13) Nothing in the first ten paragraphs or in paragraph (12) of this section shall be construed to authorize the appropriation of any sums to carry out sections 131, 136, 319 (b), or chapter 4 of title 23, United States Code.

(b) For each of the fiscal years 1974, 1975, and 1976, no State shall receive less than one-half of 1 per centum of the total apportionment for the Interstate System under paragraph (5) of subsection (b) of section 104 of title 23, United States Code. Whenever such amounts made available for the Interstate System in any State exceed the cost of completing that State's portion of the Interstate System, the excess amount shall be transferred to and added to the amounts apportioned to such State under paragraphs (1), (2), (3), and (6) of subsection (b) of section 104 of title 23, United States Code, in the ratio which these respective amounts bear to each other in that State. For the purpose of carrying out this subsection, there are authorized to be appropriated out of the Highway Trust Fund not to exceed $50,000,000 for the fiscal year ending June 30, 1974, $50,000,000 for the fiscal year ending June 30, 1975, and $50,000,000 for the fiscal year ending June 30, 1976. It is the sense of the Congress that this subsection is an interim provision to be reconsidered at the expiration of this authorization.

DEFINITIONS

SEC. 105. Subsection (a) of section 101 of title 23 of the United States Code is amended as follows:

(1) The definition of the term "construction" is amended to read as follows:

"The term 'construction' means the supervising, inspecting, actual building, and all expenses incidental to the construction or reconstruction of a highway, including locating, surveying, and mapping (including the establishment of temporary and permanent geodetic markers in accordance with specifications of the National Oceanic and Atmospheric Administration in the Department of Commerce), acquisition of rights-of-way, relocation assistance, elimination of hazards of railway grade crossings, acquisition of replacement housing, sites, acquisition and rehabilitation, relocation, and construction of replacement housing, and improvements which directly facilitate and control traffic flow, such as grade separation of intersections, widening of lanes, channelization of traffic, traffic control systems, and passenger loading and unloading areas."

(2) The definition of the term "urban area" is amended to read as follows:

"The term 'urban area' means an urbanized area or, in the case of an urbanized area encompassing more than one State, that part of the urbanized area in each such State, or an urban place as designated by the Bureau of the Census having a population of five thousand or more and not within any urbanized area, within boundaries to be fixed by responsible State and local officials in cooperation with each other, subject to approval by the Secretary. Such boundaries shall, as a minimum, encompass the entire urban place designated by the Bureau of the Census."

(3) The definition of the term "Indian reservation roads and bridges" is amended to read as follows:

"The term 'Indian reservation roads and bridges' means roads and bridges that are located within or provide access to an Indian reservation or Indian trust land or restricted Indian land which is not subject to fee title alienation without the approval of the Federal Government, or Indian and Alaskan Native villages, groups, or communities in which Indians and Alaskan Natives reside, whom the Secretary of the Interior has determined are eligible for services generally available to Indians under Federal laws specifically applicable to Indians."

(4) The definition of "urbanized area" is amended to read as follows:

"The term 'urbanized area' means an area so designated by the Bureau of the Census, within boundaries to be fixed by responsible State and local officials in cooperation with each other, subject to approval by the Secretary. Such boundaries shall, as a minimum, encompass the entire urbanized area within a State as designated by the Bureau of the Census."

EXTENSION OF TIME FOR COMPLETION OF SYSTEM

SEC. 106. (a) The second paragraph of section 101(b) of title 23, United States Code, is amended by striking out "twenty years" and inserting in lieu thereof "twenty-three years" and by striking out "June 30, 1976", and inserting in lieu thereof "June 30, 1979".

(b) (1) The introductory phrase and the second and third sentences of section 104 (b) (5) of title 23, United States Code, are amended by striking out "1976" each place it appears and inserting in lieu thereof at each such place "1979".

(2) The last four sentences of such section 104(b) (5) are amended to read as follows: "Upon the approval by Congress, the Secretary shall use the Federal share of such approved estimate in making apportionments for the fiscal years ending June 30, 1974, June 30, 1975, and June 30, 1976. The Secretary shall make a revised estimate of the cost of completing the then designated Interstate System after taking into account all previous apportionments made under this section in the same manner as stated above, and transmit the same to the Senate and the House of Representatives within ten days subsequent to January 2, 1975. Upon the approval by Congress, the Secretary shall use the Federal share of such approved estimate in making apportionments for the fiscal years ending June 30, 1977, and June 30, 1978. The Secretary shall make a revised estimate of the cost of completing the then designated Interstate System after taking into account all previous apportionments made under this section in the same manner as stated above, and transmit the same to the Senate and the House of Representatives within ten days subsequent to January 2, 1977. Upon the approval by Congress, the Secretary shall use the Federal share of such approved estimates in making apportionments for the fiscal year ending June 30, 1979. Whenever the Secretary, pursuant to this subsection, requests and receives estimates of cost from the State highway departments, he shall furnish copies of such estimates at the same time to the Senate and the House of Representatives."

DECLARATION OF POLICY

SEC. 107. Subsection (b) of section 101 of title 23, United States Code, is amended by adding at the end thereof the following new paragraph:

"It is further declared that since the Interstate System is now in the final phase of completion it shall be the national policy that increased emphasis be placed on the construction and reconstruction of the other Federal-aid systems in accordance with the first paragraph of this subsection, in order to bring all of the Federal-aid systems up to standard and to increase the safety of these systems to the maximum extent."

MINIMIZATION OF REDTAPE

SEC. 108. Section 101 of title 23 of the United States Code is amended by adding at the end thereof the following new subsection:

"(e) It is the national policy that to the maximum extent possible the procedures to be utilized by the Secretary and all other affected heads of Federal departments, agencies, and instrumentalities for carrying out this title and any other provision of law relating to the Federal highway programs shall encourage the substantial minimization of paperwork and interagency decision procedures and the best use of available manpower and funds so as to prevent needless duplication and unnecessary delays at all levels of government."

FEDERAL-AID URBAN SYSTEM

SEC. 109. (a) Subsection (d) of section 103 of title 23, United States Code, is amended by striking the first, second, third, fourth, and fifth sentences and inserting in lieu thereof the following: "The Federal-aid urban system shall be established in each urbanized area, and in such other urban areas as the State highway department may designate. The system shall be so located as to serve the major centers of activity, and shall include high traffic volume arterial and collector routes, including access roads to airports and other transportation terminals. No route on the Federal-aid urban system shall also be a route on any other Federal-aid system. Each route of the system to the extent feasible shall connect with another route on a Federal-aid system. Routes on the Federal-aid urban system shall be selected by the appropriate local officials so as to serve the goals and objectives of the community, with the concurrence of the State highway departments, and, in urbanized areas, also in accordance with the planning process under section 134 of this title. Designation of the Federal-aid urban system shall be subject to the approval of the Secretary as provided in subsection (f) of this section."

(b) Subsection (d) of section 105 of title 23, United States Code, is amended to read as follows:

"(d) In approving programs for projects on the Federal-aid urban system, the Secretary shall require that such projects be selected by the appropriate local officials with the concurrence of the State highway department of each State and, in urbanized areas, also in accordance with the planning process required pursuant to section 134 of this title."

REMOVAL OF DESIGNATED SEGMENTS OF THE INTERSTATE SYSTEM

SEC. 110. (a) Section 103(g) of title 23, United States Code, is amended to read as follows:

"(g) The Secretary, on July 1, 1974, shall remove from designation as a part of the Interstate System each segment of such system for which a State has not notified the Secretary that such State intends to construct such segment, and which the Secretary finds is not essential to completion of a unified and connected Interstate System. Any segment of the Interstate System, with respect to which a State has not submitted by July 1, 1975, a schedule for the expenditure of funds for completion of construction of such segment or alternative segment within the period of availability of funds authorized to be appropriated for completion of the Interstate System, and with respect to which the State has not provided the Secretary with assurances satisfactory to him that such schedule will be met, shall be removed from designation as a part of the Interstate System. No segment of the Interstate System removed under the authority of the preceding sentence shall thereafter be designated as a part of the Interstate System except as the Secretary finds necessary in the interest of national defense or for other reasons of national interest. This subsection shall not be applicable to any segment of the Interstate System referred to in section 23(a) of the Federal-Aid Highway Act of 1968."

(b) Section 103 of title 23, United States Code, is amended by adding at the end thereof the following new subsection:

"(h) Notwithstanding subsections (e) (2) and (g) of this section, in any case where a segment of the Interstate System was a designated part of such System on June 1, 1973, and is entirely within the boundaries of an incorporated city and such city enters into an agreement with the Secretary to pay all non-Federal costs of construction of such segment, such segment shall be constructed."

(c) The amendments made by subsections (a) and (b) of this section shall take effect June 30, 1973.

APPORTIONMENT

SEC. 111. (a) Section 104 of title 23, United States Code, is amended as follows:

(1) Paragraphs (1) and (2) of subsection (b) are amended by striking the words "star routes" each time they appear and inserting in lieu thereof "intercity mail routes where service is performed by motor vehicle".

(2) Paragraph (1) of subsection (b) is amended by striking out, "one-third in the ratio which the population of each State bears to the total population of all the States" and inserting in lieu thereof the following: "one-third in the ratio which the population of rural areas of each State bears to the total population of rural areas of all the States". The last sentence of such paragraph is amended by inserting "(other than the District of Columbia)" immediately after "No State".

(3) Paragraph (2) of subsection (b) is amended by striking out "one-third in the ratio which the rural population of each State bears to the total rural population of all the States" and inserting in lieu thereof the following: "one-third in the ratio which the population of rural areas of each State bears to the total population of rural areas of all of the States". The last sentence of such paragraph is amended by inserting "(other than the District of Columbia)" immediately after "No State".

(4) Paragraph (6) of subsection (b) is amended by striking the word "urbanized" wherever it appears and inserting in lieu thereof "urban", and by adding at the end thereof the following: "No State shall receive less than one-half of 1 per centum of each year's apportionment."

(5) Subsection (c) is amended by striking out "20 per centum" in each of the two places it appears and inserting in lieu thereof in each such place the following: "40 per centum" and by striking out "paragraph (1), (2), or (3)" and inserting in lieu thereof "paragraph (1) or (2)".

(6) Subsection (d) is amended to read as follows:

"(d) Not more than 40 per centum of the amount apportioned in any fiscal year to each State in accordance with paragraph (3) or (6) of subsection (b) of this section may be transferred from the apportionment under one paragraph to the apportionment under the other paragraph if such transfer is requested by the State highway department and is approved by the Governor of such State and the Secretary as being in the public interest. Funds apportioned in accordance with paragraph (6) of subsection (b) of this section shall not be transferred from their allocation to any urbanized area of 200,000 population or more under section 150 of this title, without the approval of the local officials of such urbanized area. The total of such transfers shall not increase the original apportionment under either of such paragraphs by more than 40 per centum."

(7) The last sentence of subsection (c) is hereby repealed.

(b) Notwithstanding the amendments made by subsection (a) of this section, no State (other than the District of Columbia) shall receive an apportionment for the primary system which is less than the apportionment which such State received for such system for the fiscal year ending June 30, 1973. In order to carry out this subsection, there is authorized to be appropriated out of the Highway Trust Fund for the Federal-aid primary system, an additional $17,000,000 for the fiscal year ending June 30, 1974, and $15,000,000 per fiscal year for the fiscal years ending June 30, 1975, and June 30, 1976.

APPORTIONMENT OF PLANNING FUNDS

SEC. 112. Subsection (f) of section 104 of title 23, United States Code, is amended to read as follows:

"(f)(1) On or before January 1 next preceding the commencement of each fiscal year, the Secretary, after making the deduction authorized by subsection (a) of this section, shall set aside not to exceed one-half per centum of the remaining funds authorized to be appropriated for expenditure upon the Federal-aid systems, for the purpose of carrying out the requirements of section 134 of this title.

"(2) These funds shall be apportioned to the States in the ratio which the population in urbanized areas or parts thereof, in each State bears to the total population in such urbanized areas in all the States as shown by the latest available census, except that no State shall receive less than one-half per centum of the amount apportioned.

"(3) The funds apportioned to any State under paragraph (2) of this subsection shall be made available by the State to the metropolitan planning organizations designated by the State as being responsible for carrying out the provisions of section 134 of this title. These funds shall be matched in accordance with section 120 of this title unless the Secretary determines that the interests of the Federal-aid highway program would be best served without such matching.

"(4) The distribution within any State of the planning funds made available to agencies under paragraph (3) of this subsection shall be in accordance with a formula developed by each State and approved by the Secretary which shall consider but not necessarily be limited to, population, status of planning, and metropolitan area transportation needs."

ADVANCE ACQUISITIONS OF RIGHTS-OF-WAY

SEC. 113. (a) The last sentence of subsection (a) of section 108 of title 23, United States Code, is amended by striking out "seven years" and inserting in lieu thereof "ten years".

(b) The first sentence of paragraph (3) of subsection (c) of section 108 of title 23, United States Code, is amended by striking out "seven years" and inserting in lieu thereof "ten years".

NOISE LEVEL STANDARDS

SEC. 114. Subsection (i) of section 109 of title 23, United States Code, is amended by adding at the end thereof the following: "The Secretary, after consultation with the Administrator of the Environmental Protection Agency and appropriate Federal, State, and local officials, may promulgate standards for the control of highway noise levels for highways on any Federal-aid system for which project approval has been secured prior to July 1, 1972. The Secretary may approve any project on a Federal-aid system to which noise-level standards are made applicable under the preceding sentence for the purpose of carrying out such standards. Such project may include, but is not limited to, the acquisition of additional rights-of-way, the construction of physical barriers, and landscaping. Sums apportioned for the Federal-aid system on which such project will be located shall be available to finance the Federal share of such project. Such project shall be deemed a highway project for all purposes of this title."

SIGNS ON PROJECT SITE

SEC. 115. The last sentence of subsection (a) of section 114 of title 23, United States Code, is amended to read as follows: "After July 1, 1973, the State highway department shall not erect on any project where actual construction is in progress and visible to highway users any informational signs other than official traffic control devices conforming with standards developed by the Secretary of Transportation."

CERTIFICATION ACCEPTANCE

SEC. 116. (a) Section 117 of title 23 of the United States Code is amended to read as follows:

"§ 117. Certification acceptance

"(a) The Secretary may discharge any of his responsibilities under this title relative to projects on Federal-aid systems, except the Interstate System, upon the request of any State, by accepting a certification by the State highway department, or that department, commission, board, or official of any State charged by its laws with the responsibility for highway construction, of its performance of such responsibilities, if he finds such projects will be carried out in accordance with State laws, regulations, directives, and standards establishing requirements at least equivalent to those contained in, or issued pursuant to, this title.

"(b) The Secretary shall make a final inspection of each such project upon its completion and shall require an adequate report of the estimated, and actual, cost of construction as well as such other information as he determines necessary.

"(c) The procedure authorized by this section shall be an alternative to that otherwise prescribed in this title. The Secretary shall promulgate such guidelines and regulations as may be necessary to carry out this section.

"(d) Acceptance by the Secretary of a State's certification under this section may be rescinded by the Secretary at any time if, in his opinion, it is necessary to do.

"(e) Nothing in this section shall affect or discharge any responsibility or obligation of the Secretary under any Federal law, including the National Environmental Policy Act of 1969 (42 U.S.C. 4321, et seq.), section 4(f) of the Department of Transportation Act (49 U.S.C. 1653(f)), title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000(d), et seq.), title VIII of the Act of April 11, 1968 (Public Law 90-284, 42 U.S.C. 3601 et seq.), and the Uniform Relocation Assistance and Land Acquisition Policies Act of 1970 (42 U.S.C. 4601, et seq.), other than this title."

(b) The analysis of chapter 1, of title 23, United States Code, is amended by striking out

"117. Secondary road responsibilities."

and inserting in lieu thereof the following:

"117. Certification acceptance.".

MATERIALS AT OFF-SITE LOCATIONS

SEC. 117. Section 121(a) of title 23 of the United States Code is amended by inserting after the period at the end thereof the following: "Such payments may also be made in the case of any such materials not in the vicinity of such construction if the Secretary determines that because of required fabrication at an off-site location the materials cannot be stockpiled in such vicinity."

TOLL ROADS, BRIDGES, TUNNELS, AND FERRIES

SEC. 118. (a) After the second sentence of section 129(b) of title 23, United States Code, insert the following: "When any such toll road which the Secretary has approved as a part of the Interstate System is made a toll-free facility, Federal-aid highway funds apportioned under section 104(b)(5) of this title may be expended for the construction, reconstruction, or improvement of that road to meet the standards adopted for the improvement of projects located on the Interstate System."

(b) The first sentence of subsection (e) of section 129, title 23, United States Code, is amended by striking out "on the date of enactment of this subsection". The third sentence of subsection (e) of section 129 title 23, United States Code, is amended by striking out "1968" and inserting in lieu thereof "1973".

URBAN AREA TRAFFIC OPERATIONS IMPROVEMENT PROGRAMS

SEC. 119. Subsection (c) of section 135 of title 23, United States Code, is hereby repealed and existing subsection (d) is relettered as subsection (c), including any references thereto.

TRAINING PROGRAMS

SEC. 120. Subsection (b) of section 140 of title 23, United States Code, is amended by striking out in the second sentence "and 1973," and inserting in lieu thereof ", 1973, 1974, 1975, and 1976", and by striking out "$5,000,000 per fiscal year" and inserting in lieu thereof "$5,000,000 per fiscal year for the fiscal years 1972 and 1973, and $10,000,000 per fiscal year for the fiscal years 1974, 1975, and 1976,".

PUBLIC TRANSPORTATION

SEC. 121. (a) Section 142 of title 23, United States Code, is amended to read as follows:

"§ 142. Public Transportation

"(a)(1) To encourage the development, improvement, and use of public mass transportation systems operating motor vehicles (other than on rail) on Federal-aid highways for the transportation of passengers (hereafter in this section referred to as 'buses'), so as to increase the traffic capacity of the Federal-aid systems for the movement of persons, the Secretary may approve as a project on any Federal-aid system the construction of exclusive or preferential bus lanes, highway traffic control devices, bus passenger loading areas and facilities (including shelters), and fringe and transportation corridor parking facilities to serve bus and other public mass transportation passengers, and sums apportioned under section 104(b) of this title shall be available to finance the cost of projects under this paragraph.

"(2) In addition to the projects under paragraph (1), the Secretary may, beginning with the fiscal year ending June 30, 1975, approve as a project on the Federal-aid urban system, for payment from sums apportioned under section 104(b)(6) of this title, the purchase of buses, and, beginning with the fiscal year ending June 30, 1976, approve as a project on the Federal-aid urban system, for payment from sums apportioned under section 104(b)(6) of this title, the construction, reconstruction, and improvement of fixed rail facilities, including the purchase of rolling stock for fixed rail, except that not more than $200,000,000 of all sums apportioned for the fiscal year ending June 30, 1975, under section 104(b)(6) shall be available for the payment of the Federal share of projects for the purchase of buses.

"(b) Sums apportioned in accordance with paragraph (5) of subsection (b) of section 104 of this title shall be available to finance the Federal share of projects for exclusive or preferential bus, truck, and emergency vehicle routes or lanes. Routes constructed under this subsection shall not be subject to the third sentence of section 109(b) of this title.

"(c) Whenever responsible local officials of an urbanized area notify the State highway department that, in lieu of a highway project the Federal share of which is to be paid from funds apportioned under section 104(b)(6) of this title for the fiscal years ending June 30, 1974, and June 30, 1975, their needs require a nonhighway public mass transit project involving the construction of fixed rail facilities, or the purchase of passenger equipment, including rolling stock for any mode of mass transit, or both, and the State highway department determines that such public mass transit project is in accordance with the planning process under section 134 of this title and is entitled to priority under such planning process, such public mass transit project shall be submitted for approval to the Secretary. Approval of the plans, specifications, and estimates for such project by the Secretary shall be deemed a contractual obligation of the United States for payment out of the general funds of its proportional share of the cost of such project in an amount equal to the Federal share which would have been paid if such project were a highway project under section 120(a) of this title. Funds previously apportioned to such State under section 104(b)(6) of this title shall be reduced by an amount equal to such Federal share.

"(d) The establishment of routes and schedules of such public mass transportation systems in urbanized areas shall be based upon a continuing comprehensive transportation planning process carried on in accordance with section 134 of this title.

"(e)(1) For all purposes of this title, a project authorized by subsection (a)(1) of this section shall be deemed to be a highway project.

"(2) Notwithstanding section 209(f)(1) of the Highway Revenue Act of 1956, the Highway Trust Fund shall be available for making expenditures to meet obligations resulting from projects authorized by subsection (a)(2) of this section and such projects shall be subject to, and governed in accordance with, all provisions of this title applicable to projects on the Federal-aid urban system, except to the extent determined inconsistent by the Secretary.

"(3) The Federal share payable on account of projects authorized by subsection (a) of this section shall be that provided in section 120 of this section.

"(f) No project authorized by this section shall be approved unless the Secretary of Transportation has received assurances satisfactory to him from the State that public mass transportation systems will fully utilize the proposed project.

"(g) In any case where sufficient land exists within the publicly acquired rights-of-way of any Federal-aid highway to accommodate needed rail or nonhighway public mass transit facilities and where this can be accomplished without impairing automotive safety of future highway improvements, the Administrator may authorize a State to make such lands and rights-of-way available without charge to a publicly owned mass transit authority for such purposes wherever he may deem that the public interest will be served thereby.

"(h) The provision of assistance under subsection (a)(2) or subsection (c) of this section shall not be construed as bringing within the application of chapter 15 of title 5, United States Code, any nonsupervisory employee of an urban mass transportation system (or of any other agency or entity performing related functions) to whom such chapter is otherwise inapplicable.

"(i) Funds available for expenditure to carry out the purposes of subsection (a)(2) and subsection (c) of this section shall be supplementary to and not in substitution for funds authorized and available for obligation pursuant to the Urban Mass Transportation Act of 1964, as amended.

"(j) The provisions of section 3(e)(4) of the Urban Mass Transportation Act of 1964, as amended, shall apply in carrying out subsection (a)(2) and subsection (c) of this section.

"(k) The Secretary shall not approve any project under subsection (a)(2) of this section in any fiscal year when there has been enacted an Urban Transportation Trust Fund or similar assured funding for both highway and public transportation."

(b) The analysis of chapter 1 of title 23, United States Code, is amended by striking out

"142. Urban highway public transportation."

and inserting in lieu thereof the following:

"142. Public transportation.".

ECONOMIC GROWTH CENTER DEVELOPMENT HIGHWAYS

SEC. 122. (a) Section 143 of title 23, United States Code, is amended by striking out "demonstration projects" each place it appears and inserting in lieu thereof "projects", and by striking out "demonstration project" each place it appears and inserting in lieu thereof in each such place "project", by striking out "the Federal-aid primary system" in each place it appears and inserting in lieu thereof in each such place "a Federal-aid system (other than the Interstate System)", and in subsection (d) by striking out "Federal-aid primary highways" and inserting in lieu thereof "highways on the Federal-aid system on which such development highway is located".

(b) Section 143(e) of title 23, United States Code, is amended to read as follows:

"(e) Except as otherwise provided in subsection (c) of this section, the Federal share of the cost of any project for construction, reconstruction, or improvement of a development highway under this section shall be the same as that provided under this title for any other project on the Federal-aid system on which such development highway is located."

(c) Section 143(a) of title 23, United States Code, is amended by striking out "to demonstrate the role that highways can play".

FEDERAL-STATE RELATIONSHIP

SEC. 123. (a) Chapter 1 of title 23, United States Code, is amended by adding at the end thereof the following new section:

"§ 145. Federal-State relationship

"The authorization of the appropriation of Federal funds or their availability for expenditure under this chapter shall in no way infringe on the sovereign rights of the States to determine which projects shall be federally financed. The provisions of this chapter provide for a federally assisted State program."

(b) The analysis of chapter 1 of title 23, United States Code, is amended by adding at the end thereof the following:

"145. Federal-State relationship."

BICYCLE TRANSPORTATION AND PEDESTRIAN WALKWAYS

SEC. 124. (a) Chapter 2 of title 23, United States Code, is amended by adding at the end thereof the following new section:

"§217. Bicycle transportation and pedestrian walkways

"(a) To encourage the multiple use of highway rights-of-way, including the development, improvement, and use of bicycle transportation and the development and improvement of pedestrian walkways on or in conjunction with highway rights-of-way, the States may, on Federal-aid highway projects, include to the extent practicable, suitable, and feasible, the construction of separate or preferential bicycle lanes or paths, bicycle traffic control devices, shelters and parking facilities to serve bicycles and persons using bicycles, and pedestrian walkways in conjunction or connection with Federal-aid highways. Sums apportioned in accordance with paragraphs (1), (2), (3), and (6) of section 104(b) of this title shall be available for bicycle projects and pedestrian walkways authorized under this section and such projects shall be located and designated pursuant to an overall plan which will provide due consideration for safety and contiguous routes.

"(b) For all purposes of this title, a bicycle or pedestrian walkway project authorized by subsection (a) of this section shall be deemed to be a highway project, and the Federal share payable on account of such bicycle project or pedestrian walkway shall be that provided in section 120 of this title.

"(c) Funds authorized for forest highways, forest development roads and trails, public lands development roads and trails, park roads and trails, parkways, Indian reservation roads, and public lands highways shall be available, at the discretion of the department charged with the administration of such funds, for the construction of bicycle and pedestrian routes in conjunction with such trails, roads, highways, and parkways.

"(d) No motorized vehicles shall be permitted on trails and walkways authorized under this section except for maintenance purposes and, when snow conditions and State or local regulations permit, snowmobiles.

"(e) Not more than $40,000,000 of funds authorized to be appropriated in any fiscal year may be obligated for projects authorized by subsections (a) and (c) of this section, and no State shall obligate more than $2,000,000 for such projects in any fiscal year."

(b) The analysis of chapter 2, title 23, United States Code, is amended by inserting at the end thereof the following:

"217. Bicycle transportation and pedestrian walkways."

SPECIAL URBAN HIGH DENSITY TRAFFIC PROGRAM

SEC. 125. (a) Chapter 1 of title 23 of the United States Code is amended by adding at the end thereof the following new section:

"§ 146. Special urban high density traffic program

"(a) There is hereby authorized to be appropriated out of the Highway Trust Fund $50,000,000 for the fiscal year ending June 30, 1974, $50,000,000 for the fiscal year ending June 30, 1975, and $50,000,000 for the fiscal year ending June 30, 1976, for the construction of highways connected to the Interstate System in portions of urbanized areas with high traffic density. The Secretary shall develop guidelines and standards for the designation of routes and the allocation of funds for this purpose which include the following criteria:

"(1) Routes designated by the Secretary shall not be longer than ten miles.

"(2) Routes designated shall serve areas of concentrated population and heavy traffic congestion.

"(3) Routes designated shall serve the urgent needs of commercial, industrial, airport, or national defense installations.

"(4) Any routes shall connect with existing routes on the Interstate System.

"(5) Routes designated under this section shall have been approved through the planning process required under section 134 of this title and determined to be essential by responsible local officials.

"(6) A route shall be designated under this section only where the Secretary determines that no feasible or practicable alternative mode of transportation which could meet the needs of the area to be served is now available or could become available in the foreseeable future.

"(7) The designation of routes under this section shall comply with section 138 of this title, and no route shall be designated which substantially damages or infringes upon any residential area.

"(8) Routes shall be designated by the Secretary on the recommendation of the State and responsible local officials.

"(9) No more than one route in any one State shall be designated by the Secretary.

"(10) Any route designated by the Secretary under this section must be on a Federal-aid system.

"(b) The Federal share payable on account of any project authorized pursuant to this section shall not exceed 90 per centum of the cost of construction of such project."

(b) The table of contents of chapter 1 of title 23 of the United States Code is amended by adding at the end thereof the following:

"146. Special urban high density traffic program."

PRIORITY PRIMARY ROUTES

SEC. 126. (a) Chapter 1 of title 23 of the United States Code is amended by adding at the end thereof the following new section:

"§ 147. Priority primary routes

"(a) High traffic sections of highways on the Federal-aid primary system which connect to the Interstate System shall be selected by each State highway department, in consultation with appropriate local officials, subject to approval by the Secretary, for priority of improvement to supplement the service provided by the Interstate System by furnishing needed adequate traffic collector and distributor facilities. For the purpose of this section such highways shall hereafter in this section be referred to as 'priority primary routes'.

"(b) The Federal share of any project on a priority primary route shall be that provided in section 120(a) of this title. All provisions of this title applicable to the Federal-aid primary system shall be applicable to priority primary routes selected under this section except that one-half of such funds shall be apportioned among the States in accordance with section 104(b)(1) of this title, and one-half shall be apportioned among the States in accordance with section 104(b)(3) of this title. Funds authorized to carry out this section shall be deemed to be apportioned on January 1 next preceding the commencement of the fiscal year for which authorized.

"(c) The initial selection of the priority primary routes and the estimated cost of completing such routes shall be reported to Congress on or before July 1, 1974.

"(d) There is authorized to be appropriated out of the Highway Trust Fund to carry out this section not to exceed $100,000,000 for the fiscal year ending June 30, 1974, $200,000,000 for the fiscal year ending June 30, 1975, and $300,000,000 for the fiscal year ending June 30, 1976."

(b) The table of contents of chapter 1 of title 23 of the United States Code is amended by adding at the end thereof the following:

"147. Priority primary routes.".

ALASKA HIGHWAY

SEC. 127. (a)(1) Chapter 2 of title 23 of the United States Code is amended by inserting at the end thereof a new section as follows:

"§ 218. Alaska Highway

"(a) Recognizing the benefits that will accrue to the State of Alaska and to the United States from the reconstruction of the Alaska Highway from the Alaskan border to Haines Junction in Canada and the Haines Cutoff Highway from Haines Junction in Canada to the south Alaskan border, the Secretary is authorized out of the funds appropriated for the purpose of this section to provide for necessary reconstruction of such highway. Such appropriations shall remain available until expended. No expenditures shall be made for the construction of such highways until an agreement has been reached by the Government of Canada and the Government of the United States which shall provide, in part, that the Canadian Government—

"(1) will provide, without participation of funds authorized under this title all necessary right-of-way for the reconstruction of such highways, which right-of-way shall forever be held inviolate as a part of such highways for public use;

"(2) will not impose any highway toll, or permit any such toll to be charged for the use of such highways by vehicles or persons;

"(3) will not levy or assess, directly or indirectly, any fee, tax, or other charge for the use of such highways by vehicles or persons from the United States that does not apply equally to vehicles or persons of Canada;

"(4) will continue to grant reciprocal recognition of vehicle registration and drivers' licenses in accordance with agreements between the United States and Canada; and

"(5) will maintain such highways after their completion in proper condition adequately to serve the needs of present and future traffic.

"(b) The survey and construction work undertaken pursuant to this section shall be under the general supervision of the Secretary."

(2) The analysis of chapter 2 of title 23 of the United States Code is amended by adding at the end thereof the following:

(b) For the purpose of completing necessary reconstruction of the Alaska Highway from the Alaskan border to Haines Junction in Canada and the Haines Cutoff Highway from Haines Junction in Canada to the south Alaskan border there is authorized to be appropriated the sum of $58,670,000 to be expanded in accordance with the provisions of section 218 of title 23 of the United States Code.

BRIDGES ON FEDERAL DAMS

SEC. 128. (a) Section 320(d) of title 23, United States Code, is amended by striking out "$16,761,000" and inserting in lieu thereof "$25,261,000".

(b) All sums appropriated under authority of the increased authorization of $8,500,000 established by the amendment made by subsection (a) of this section shall be available for expenditure only in connection with the construction of a bridge across lock and dam numbered 13 on the Arkansas River near Fort Smith, Arkansas, in the amount of $2,100,000 and in connection with reconstruction of a bridge across the Chickamauga Dam on the Tennessee River near Chattanooga, Tennessee, in the amount of $6,400,000. No such sums shall be appropriated until all applicable requirements of section 320 of title 23 of the United States Code have been complied with by the appropriate Federal agency, the Secretary of Transportation, and the State of Arkansas for the Fort Smith project, and the State of Tennessee for the Chattanooga project.

GREAT RIVER ROAD

SEC. 129. (a) Section 14 of the Federal-Aid Highway Act of 1954, as amended (68 Stat. 70; Public Law 83-350), is amended by striking out "$500,000" and inserting in lieu thereof "$600,000".

(b) Chapter 1 of title 23 of the United States Code is amended by inserting at the end thereof a new section as follows:

"§ 148. Development of a national scenic and recreational highway

"(a) As soon as possible after the date of enactment of this section, the Secretary shall establish criteria for the location and construction or reconstruction of the Great River Road by the ten States bordering the Mississippi River. Such criteria shall include requirements that—

"(1) priority be given in the location of the Great River Road near or easily accessible to the larger population centers of the State and further priority be given to the construction and improvement of the Great River Road in the proximity of the confluence of the Mississippi River and the Wisconsin River;

"(2) the Great River Road be connected with other Federal-aid highways and preferably with the Interstate System;

"(3) the Great River Road be marked with uniform identifying signs;

"(4) effective control, as defined in section 131 of this title, of signs, displays, and devices will be provided along the Great River Road;

"(5) the provisions of section 129(a) of this title shall not apply to any bridge or tunnel on the Great River Road and no fees shall be charged for the use of any facility constructed with assistance under this section.

"(b) For the purpose of this section, the term 'construction' includes the acquisition of areas of historical, archeological, or scientific interest, necessary easements for scenic purposes, and the construction or reconstruction of roadside rest areas (including appropriate recreational facilities), scenic viewing areas, and other appropriate facilities as determined by the Secretary.

"(c) Highways constructed or reconstructed pursuant to this section (except subsection (f)) shall be part of the Federal-aid system.

"(d) Funds appropriated for each fiscal year pursuant to subsection (g) shall be apportioned among the ten States bordering the Mississippi River on the basis of their relative needs as determined by the Secretary for payments to carry out this section.

"(e) The Federal share of the cost of any project for any construction or reconstruction pursuant to the preceding subsections of this section shall be that provided in section 120 of this title for the Federal aid system on which such project is located, and if such project is not on such a system, such share shall be 70 per centum of such cost.

"(f) The Secretary is authorized to consult with the heads of other Federal departments and agencies having jurisdiction over Federal lands open to the public in order to enter into appropriate arrangements for necessary construction or reconstruction of highways on such lands to carry out this section. Highways constructed or reconstructed by a State pursuant to this section which are not on a Federal-aid system, and highways constructed or reconstructed under this subsection, shall be subject to the criteria applicable to highways constructed or reconstructed pursuant to subsection (c) of this section. Funds authorized pursuant to subsection (g) shall be used to pay the entire cost of construction or reconstruction pursuant to the first sentence of this subsection.

"(g) There is authorized to be appropriated to carry out this section, out of the Highway Trust Fund, for construction or reconstruction of roads on a Federal-aid highway system, not to exceed $10,000,000 for the fiscal year ending June 30, 1974, $25,000,000 for the fiscal year ending June 30, 1975, and $25,000,000 for the fiscal year ending June 30, 1976, for allocations to the States pursuant to this section, and there is authorized to be appropriated to carry out this section out of any money in the Treasury not otherwise appropriated, not to exceed $10,000,000 for each of the fiscal years ending June 30, 1974, June 30, 1975, and June 30, 1976, for construction and reconstruction of roads not on a Federal-aid highway system."

(c) The table of contents of chapter 1 of title 23 of the United States Code is amended by inserting at the end thereof the following:

"148. Development of a national scenic and recreational highway.".

ALASKAN ASSISTANCE

SEC. 130. Subsection (b) of section 7 of the Federal-Aid Highway Act of 1966 is amended by striking out at the end of the last sentence "June 30, 1972 and June 30, 1973," and substituting "June 30, 1972, June 30, 1973, June 30, 1974, June 30, 1975, and June 30, 1976."

ROUTE 101 IN NEW HAMPSHIRE

SEC. 131. (a) The amount of all Federal-aid highway funds paid on account of those sections of Route 101 in the State of New Hampshire referred to in subsection (c) of this section shall, prior to the collection of any tolls thereon, be repaid to the Treasurer of the United States on or before October 1, 1977. The amount so repaid shall be deposited to the credit of the appropriation for "Federal-Aid Highways (Trust Fund)". At the time of such repayment, the Federal-aid projects with respect to which such funds have been repaid and any other Federal-aid project located on said sections of such toll road and programed for expenditure on any such project, shall be credited to the unprogramed balance of Federal-aid highways funds of the same class last apportioned to the State of New Hampshire. The amount so credited shall be in addition to all other funds then apportioned to said State and shall be available for expenditure in accordance with the provisions of title 23, United States Code, as amended or supplemented.

(b) Upon the repayment of Federal-aid highway funds and the cancellation and withdrawal from the Federal-aid highway program of the projects on said sections of Route 101 as provided in subsection (a) of this section, such sections of said route shall become and be free of any and all restrictions contained in title 23, United States Code, as amended or supplemented, or in any regulation thereunder, with respect to the imposition and collection of tolls or other charges thereon or for the use thereof.

(c) The provisions of this section shall apply to the following sections:

(1) That section of Route 101 from Route 125 in Epping to Brentwood Corners, a distance of approximately two and thirty one-hundredths centerline miles.

(2) That section of Route 101 in the vicinity of Sells Corner in Auburn, beginning approximately two and forty one-hundredths centerline miles east of the junction of Interstate Route 93 and running easterly approximately two miles.

FREEING INTERSTATE TOLL BRIDGES

SEC. 132. Section 129, title 23, United States Code, as amended by section 139 of this Act, is amended by adding at the end thereof the following new subsection:

"(h) Notwithstanding the provisions of section 301 of this title, in the case of each State which, before January 1, 1975, shall have constructed or acquired any interstate toll bridge (including approaches thereto), which before January 1, 1975, caused such toll bridge to be made free, which bridge is owned and maintained by such State or by a political subdivision thereof, and which bridge is on the Federal-aid primary system (other than the Interstate System), sums apportioned to such State in accordance with paragraphs (1) and (3) of subsection (b) of section 104 of this title shall be available to pay the Federal share of a project under this subsection of (1) such amount as the Secretary determines to be the reasonable value of such bridge after deducting therefrom that portion of such value attributable to any grant or contribution previously paid by the United States in connection with the construction or acquisition of such bridge, and exclusive of rights-of-way, or (2) the amount by which the principal amount of the outstanding unpaid bonds or other obligations created and issued for the construction or acquisition of such bridge exceeds the amount of any funds accumulated or provided for their amortization, on the date such bridge is made free, whichever is the lesser amount."

STUDY OF TOLL BRIDGE AUTHORITY

SEC. 133. (a) The Secretary of Transportation is authorized and directed to undertake a full and complete investigation and study of existing Federal statutes and regulations governing toll bridges over the navigable waters of the United States for the purpose of determining what action can and should be taken to assure just and reasonable tolls nationwide. The Secretary shall submit a report of the findings of such study and investigation to the Congress not later than July 1, 1974, together with his recommendations for modifications or additions to existing laws, regulations, and policies, except that in the case of the toll bridge at Chester, Illinois, the Secretary shall submit a report to the Congress not later than December 31, 1973.

(b) The Secretary of Transportation shall promulgate regulations establishing guidelines governing any increase in tolls for use of any bridge constructed pursuant to either the General Bridge Act of 1906 or the General Bridge Act of 1946.

NATIONAL SCENIC HIGHWAY SYSTEM STUDY

SEC. 134. (a) The Secretary of Transportation shall make a full and complete investigation and study to determine the feasibility of establishing a national system of scenic highways to link together and make more accessible to the American people recreational, historical, scientific, and other similar areas of scenic interest and importance. In the conduct of such investigation and study, the Secretary shall cooperate and consult with other agencies of the Federal Government, the Commission on Highway Beautification, the States and their political subdivisions, and other interested private organizations, groups, and individuals. The Secretary shall report his findings and recommendations to the Congress not later than July 1, 1974, including an estimate of the cost of implementing such a program. There is authorized to be appropriated $250,000 from the Highway Trust Fund to carry out this subsection.

(b) The Secretary of Transportation shall make a full and complete investigation and study to examine problems of user access to parks, recreation areas (including public recreation areas on Federal lakes), historic sites and wildlife refuges. Such study and investigation shall include, but not be limited to, an analysis of the desirability and feasibility of a national scenic road and parkways system referred to in subsection (a) including benefits to the user if any and the total long range environmental impact of such system on the Nation's recreation resources; alternatives to private automobile access to parks and recreation resources, including mass transit; and special problems of safe access to urban and metropolitan parks and recreation resources. In the conduct of such investigations and study, the Secretary shall cooperate and consult with other agencies of the Federal Government, the States and their political subdivisions, and interested private organizations, groups and individuals. The Secretary shall report his findings and recommendations to the Congress not later than January 1, 1975, including an estimate of the cost of implementing any suggested programs.

DISTRICT OF COLUMBIA

SEC. 135. None of the provisions of the Act entitled "An Act to provide a permanent system of highways in that part of the District of Columbia lying outside of cities", approved March 2, 1893 (27 Stat. 532), as amended, shall apply to any segment of the Interstate System within the District of Columbia.

CORRIDOR HEARINGS

SEC. 136. (a) The Secretary of Transportation shall permit no further action on Interstate Route I-287 between Montville and Mahwah, New Jersey, until new corridor hearings are held.

(b) The Secretary of Transportation shall permit no further action on the Corporation Freeway, Winston-Salem, North Carolina, until new corridor hearings are held.

(c) The new corridor hearings required by this section shall be held and the reports thereon shall be made no later than one year after the date of enactment of this section.

INTERSTATE SYSTEM

SEC. 137. (a) Paragraph (2) of subsection (e) of section 103 of title 23, United States Code, is amended as follows:

(1) The first sentence is amended by striking out "additional mileage for the Interstate System of two hundred miles, to be used in making modifications" and inserting in lieu thereof "additional mileage for the Interstate System of five hundred miles, to be used in making modifications".

(2) The fourth sentence is amended by striking out "the 1968 Interstate System cost estimate set forth in House Document Numbered 199, Ninetieth Congress, as revised," and inserting in lieu thereof the following: "the 1972 Interstate System cost estimate set forth in House Public Works Committee Print Numbered 92-29, as revised in House Report Numbered 92-1443."

(3) The fifth sentence is amended by striking out "due regard" and inserting in lieu thereof the following: "preference, along with due regard for interstate highway type needs on a nationwide basis,".

(b) Subsection (e) of section 103 of title 23, United States Code, is amended by adding the following:

"(4) Upon the joint request of a State Governor and the local governments concerned, the Secretary may withdraw his approval of any route or portion thereof on the Interstate System within any urbanized area in that State selected and approved in accordance with this title prior to the enactment of this paragraph, if he determines that such route or portion thereof is not essential to completion of a unified and connected Interstate System or will no longer be essential by reason of the application of this paragraph and will not be construed as a part of the Interstate System, and if he receives assurances that the State does not intend to construct a toll road in the traffic corridor which would be served by such route or portion thereof. The mileage of the route or portion thereof approval of which is withdrawn under this paragraph shall be available for designation on the Interstate System in any other State in accordance with paragraph (1) of this subsection. After the Secretary has withdrawn his approval of any such route or portion thereof, whenever responsible local officials of such urbanized area notify the State highway department that, in lieu of a route or portion thereof approval for which is withdrawn under this paragraph, their needs require a nonhighway public mass transit project involving the construction of fixed rail facilities, or the purchase of passenger equipment, including rolling stock for any mode of mass transit, or both, and the State highway department determines that such public mass transit project is in accordance with the planning process under section 134 of this title and is entitled to priority under such planning process, such public mass transit project shall be submitted for approval to the Secretary. Approval of the plans, specifications, and estimates for such project by the Secretary shall be deemed a contractual obligation of the United States for payment out of the general funds in the Treasury of its proportional share of the cost of such project in an amount equal to the Federal share which would be paid for such a project under the Urban Mass Transportation Act of 1964, except that the total Federal cost of all such projects under this paragraph with respect to such route or portion thereof approval of which is withdrawn under this paragraph, shall not exceed the Federal share of the cost which should have been paid for such route or portion thereof, as such cost is included in the 1972 Interstate System cost estimate set forth in table 5 of House Public Works Committee Print Numbered 92-29, as revised in House Report Numbered 92-1443. Funds apportioned to such State for the Interstate System, which apportionment is based upon an Interstate System cost estimate that includes a route or portion thereof approval of which is withdrawn under this paragraph, shall be reduced by an amount equal to the Federal share of such project as such share becomes a contractural obligation of the United States. No general funds shall be obligated under authority of this paragraph after June 30, 1981. No nonhighway public mass transit project shall be approved under this paragraph unless the Secretary has received assurances satisfactory to him from the State that public mass transportation systems will fully utilize the proposed project. The provision of assistance under this paragraph shall not be construed as bringing within the application of chapter 15 of title 5, United States Code, any nonsupervisory employee of an urban mass transportation system (or of any other agency or entity performing related functions) to whom such chapter is otherwise inapplicable. Funds available for expenditure to carry out the purposes of this paragraph shall be supplementary to and not in substitution for funds authorized and available for obligation pursuant to the Urban Mass Transportation Act of 1964, as amended. The provisions of section 3(e)(4) of the Urban Mass Transportation Act of 1964, as amended, shall apply in carrying out this paragraph."

PUBLIC MASS TRANSPORTATION STUDIES

SEC. 138. (a) The Secretary shall, in cooperation with the Governor of each State and appropriate local officials, make an evaluation of that portion of the 1972 National Transportation Report, pertaining to public mass transportation. Such evaluation shall include all urban areas. The evaluation shall include but not be limited to the following:

(1) Refining the public mass transportation needs contained in such report.

(2) Developing a program to accomplish the needs of each urban area for public mass transportation.

(3) Analyzing the existing funding capabilities of Federal, State, and local governments for meeting such needs.

(4) Analyzing other funding capabilities of Federal, State, and local government's for meeting such needs.

(5) Determining the operating and maintenance costs relating to the public mass transportation system.

(6) Determining and comparing fare structures of all public mass transportation systems.

The Secretary shall, not later than July 1, 1974, report to Congress the results of this evaluation together with his recommendations for necessary legislation.

(b) The Secretary shall conduct a study of revenue mechanisms, including a tax on fuels used in the provision of urban mass transportation service, and an additional gasoline tax imposed in urban areas, which could be used now or in the future to finance transportation activities receiving financial assistance from the Highway Trust Fund. Such study will include an analysis of the magnitude of the various potential sources of user tax revenues, the rates at which such taxes could be levied (including possible differential rates), the mechanisms for collection of such taxes, the incidence of such taxes, and the potential impact on transit usage caused by such taxes. The Secretary shall report to the Congress the findings of his study by no later than the 180th day after the date of enactment of this section.

(c) There is hereby authorized not to exceed $10,000,000 to carry out this section.

FERRY OPERATIONS

SEC. 139. (a) The last subsection of section 129 of title 23, United States Code, is hereby redesignated as subsection (g).

(b) Paragraph (5) of subsection (g) of section 129 of title 23, United States Code, as redesignated in subsection (a) of this section, is amended to read as follows:

"(5) Such ferry may be operated only within the State (including the islands which comprise the State of Hawaii) or between adjoining States. Except with respect to operations between the islands which comprise the State of Hawaii and operations between the States of Alaska and Washington, or between any two points within the State of Alaska, no part of such a ferry operation shall be in any foreign or international waters."

METRO ACCESSIBILITY TO THE HANDICAPPED

SEC. 140. The Secretary of Transportation is authorized to make payments to the Washington Metropolitan Area Transit Authority in amounts sufficient to finance 80 per centum of the cost of providing such facilities for the subway and rapid transit system authorized in the National Capital Transportation Act of 1969 (83 Stat. 320) as may be necessary to make such subway and system accessible by the handicapped through implementation of Public Laws 90–480 and 91–205. There is authorized to be appropriated, to carry out this section, not to exceed $65,000,000.

ENVIRONMENTAL IMPACT STATEMENTS

SEC. 141. (a) The Secretary of Transportation shall, not later than forty-five days after the date of enactment of this section, complete all necessary action on (1) the environmental impact statement pursuant to section 102(2)(C) of the National Environmental Policy Act of 1969, and (2) the application for approval under the General Bridge Act of 1946, with respect to the proposal for construction by the Department of Transportation of the State of New Jersey of a bridge over the Raritan River in such State for the purpose of such State's Highway Route 18.

(b) The Secretary of Transportation shall—

(1) by October 1, 1973—

(A) complete the draft environmental impact statement pursuant to section 102(2)(C) of the National Environmental Policy Act, and his determination under section 4(f) of the Department of Transportation Act and section 138 of title 23 of the United States Code, on the project for Interstate Route Numbered 66 in the State of Virginia from the National Capital Beltway to the Potomac River, which project is described in the 1972 estimate of the cost of completing the National System of Interstate and Defense Highways as estimate section termini E 10.4.2 at the Beltway to E 10.11.1 in Rosslyn.

(B) circulate such statement to all interested Federal, State, and local agencies and to the public for comment within forty-five days, and

(C) insure that notice of a public hearing on the design and location of such project is issued;

(2) insure that a public hearing is held within forty-five days after issuance of the notice pursuant to paragraph (1)(C) of this subsection; and

(3) not later than December 31, 1973, complete consideration of the information received at the hearing, review any comments on the statement received within the forty-five-day notice period referred to in paragraph (1)(B) of this subsection and any other information received by the end of such forty-five-day period and file the final version of such statement on the basis of such comments and information, together with any other final determination which he is required by law to make in order to permit the construction of such project to proceed. The determination of the Secretary shall be conclusive with respect to all issues of fact.

TRUCK LANES

SEC. 142. (a) Chapter 1 of title 23, United States Code, is amended by adding to the end thereof the following new section:

"§ 149. Truck lanes

"The Secretary may approve as a project on any Federal-aid system the construction of exclusive or preferential truck lanes."

(b) The analysis of chapter 1 of title 23, United States Code, is amended by adding at the end thereof the following:

"149. Truck lanes.".

HIGHWAY STUDIES

SEC. 143. The Secretary of Transportation shall report to Congress by January 1, 1975, on the feasibility and necessity for constructing to appropriate standards proposed highways along the following routes:

(1) A route from Brunswick, Georgia, or its vicinity, to Kansas City, Missouri, or its vicinity, so aligned to serve the following intermediate locations, or vicinities thereof: Columbus, Georgia; Birmingham, Alabama; Tupelo, Mississippi; Memphis, Tennessee; Batesville or Jonesboro, Arkansas; and Springfield, Missouri.

(2) A route from Kansas City, Missouri, or its vicinity, to Chicago, Illinois, or its vicinity, so aligned as to cross the Mississippi River at a point between Nauvoo, Illinois, on the north, and Hannibal, Missouri, on the south.

(3) A route from Amarillo, Texas, or its vicinity to Las Cruces, New Mexico, or its vicinity, so aligned as to serve the following intermediate locations, or vicinities thereof; Hereford, Texas; Clovis, New Mexico; Portales, New Mexico; Roswell, New Mexico; Ruidoso, New Mexico; Tularosa, New Mexico; and Alamogordo, New Mexico; together with a branch route from Alamogordo, New Mexico, or its vicinity, to El Paso, Texas, or its vicinity, to connect with Interstate Route No. 10 and the port of entry with Mexico.

(4) A route from the Port of Catoosa, Catoosa, Oklahoma, or its vicinity, to Interstate Route No. 35 to Ponca City, Oklahoma, or its vicinity.

(5) Extension of Interstate Highway 70 from Cove Fort, Utah, or its vicinity, in a westerly direction, so aligned to serve the intermediate locations of Ely and Carson City, Nevada, or their vicinities.

(6) A route from Kansas City, Missouri, or its vicinity, to Baton Rouge, Louisiana, or its vicinity, so aligned to serve one or both of the following intermediate locations or vicinities thereof: Fayetteville, Fort Smith, and Texarkana, Arkansas; or Little Rock, Arkansas, or any other route through the State of Arkansas determined feasible by such State and the Secretary.

(7) A route from Interstate Highway 380 from Waterloo, Iowa, via Dubuque, Iowa, to Interstate Highway 90 at Rockford, Illinois; and an extension of Interstate Highway 74 from the Davenport, Iowa-Moline, Illinois, area through Dubuque, Iowa, to Interstate 90 at LaCrosse, Wisconsin.

(8) Extension of Interstate Highway 27 from Lubbock, Texas, or its vicinity in a southerly direction to intersect with Interstate 20 and, proceeding further, to intersect with Interstate 10.

(9) A route from Salina, Kansas, or its vicinity, in a northerly direction to intersect with Interstate 80 in the vicinity of York, Nebraska, and, proceeding further, to Interstate 29 in the vicinity of Watertown, South Dakota.

(10) A route from Wichita, Kansas, or its vicinity to Tucumcari, New Mexico, or its vicinity, so aligned to serve the following intermediate locations or vicinities thereof: Pratt, Kansas; Meade, Kansas; Liberal, Kansas; Guymon, Oklahoma; Stafford, Texas; Dalhart, Texas; and Logan, New Mexico; or any other route through the State of Kansas determined feasible by such State and the Secretary.

INTER-AMERICAN HIGHWAY

SEC. 144. Section 4 of the Federal-Aid Highway Act of 1962 (Public Law 87–866; 76 Stat. 1145) is amended by striking out "$32,000,000" and inserting in lieu thereof "$42,000,000".

DONATIONS

SEC. 145. (a) Chapter 3 of title 23 of the United States Code is amended by adding at the end thereof the following:

"§ 323. Donations

"Nothing in this title, or in any other provision of law, shall be construed to prevent a person whose real property is being acquired in connection with a project under this title, after he has been tendered the full amount of the estimated just compensation as established by an approved appraisal of the fair market value of the subject real property, from making a gift or donation of such property, or any part thereof, or of any of the compensation paid therefor, to a Federal agency, a State or a State agency, or a political subdivision of a State, as said person shall determine."

(b) The analysis of chapter 3 of title 23, United States Code, is amended by adding at the end thereof the following:

"323. Donations.".

HIGH-SPEED TRANSPORTATION DEMONSTRATION

SEC. 146. The Secretary is authorized to undertake a study and demonstration program for high-speed bus service from collection points in the Washington, District of Columbia area to Dulles International Airport, Virginia. Such study and demonstration shall utilize exclusive bus transportation lanes between points of origin and termination of such service, and include, where necessary, the construction of such exclusive bus transportation lanes as well as terminal and parking facilities. Such study and demonstration shall also include the purchase of high-speed buses. As necessary to implement this section the Secretary shall undertake research into the development of buses designed to maintain high-speed, safe transportation. Not to exceed $10,000,000 of the amount authorized to be apportioned under section 104(b) (6) of title 23, United States Code, for the fiscal year ending June 30, 1975, shall be available to the Secretary to carry out this section and such sum shall be set aside for such purpose prior to the apportionment of such amount for such fiscal year.

RURAL HIGHWAY PUBLIC TRANSPORTATION DEMONSTRATION PROGRAM

SEC. 147. To encourage the development, improvement, and use of public mass transportation systems operating vehicles on highways for transportation of passengers within rural areas, in order to enhance access of rural populations to employment, health care, retail centers, education, and public services, there are authorized to be appropriated $30,000,000 for the two-fiscal-year period ending June 30, 1976, of which $20,000,000 shall be out of the Highway Trust Fund, to the Secretary of Transportation to carry out demonstration projects for public mass transportation on highways in rural areas. Projects eligible for Federal funds under this section shall include highway traffic control devices, the construction of passenger loading areas and facilities, including shelters, fringe and transportation corridor parking facilities to serve bus and other public mass transportation passengers, and the purchase of passenger equipment other than rolling stock for fixed rail.

FEDERAL-AID SYSTEMS REALIGNMENT

SEC. 148. (a) Section 103(b) of title 23, United States Code, is renumbered as section 103(b)(1) and a new section 103(b)(2) is added to read as follows:

"(2) After June 30, 1976, the Federal-aid primary system shall consist of an adequate system of connected main roads important to interstate, statewide, and regional travel, consisting of rural arterial routes and their extensions into or through urban areas. The Federal-aid primary system shall be designated by each State acting through its State highway department and where appropriate, shall be in accordance with the planning process pursuant to section 134 of this title, subject to the approval of the Secretary as provided by subsection (f) of this section."

(b) Section 103(c) of title 23, United States Code, is renumbered as section 103(c)(1) and a new subsection 103(c)(2) is added to read as follows:

"(2) After June 30, 1976, the Federal-aid secondary system shall consist of rural major collector routes. The Federal-aid secondary system shall be designated by each State through its State highway department and appropriate local officials in cooperation with each other, subject to the approval of the Secretary as provided in subsection (f) of this section."

(c) Section 103(d) of title 23, United States Code, is renumbered as section 103 (d)(1) and a new subsection 103(d)(2) is added to read as follows:

"(2) After June 30, 1976, the Federal-aid urban system shall be located in each urbanized area and such other urban areas as the State highway departments may designate and shall consist of arterial routes and collector routes, exclusive of urban extensions of the Federal-aid primary system. The routes on the Federal-aid urban system shall be designated by appropriate local officials, with the concurrence of the State highway departments, subject to the approval of the Secretary as provided in subsection (f) of this section, and in the case of urbanized areas shall also be in accordance with the planning process required pursuant to the provisions of section 134 of this title."

(d) Federal-aid systems realignment shall be based upon anticipated functional usage in the year 1980 or a planned connected system.

(e) In addition to the foregoing amendments, the second sentence of section 103 (c)(1) of title 23, United States Code, is amended to insert, after the words "local rural roads," the phrase, "access roads to airports,".

TOLL ROAD REIMBURSEMENT PROGRAM

SEC. 149. (a) Whenever the State of Louisiana has received its final apportionment of sums authorized to be appropriated for expenditure on the Interstate System, or on or after July 1, 1977, whichever first occurs, the Secretary shall, notwithstanding the provisions of subsection (b) of section 129 of title 23 of the United States Code, reimburse the Federal share of the actual cost of construction of new toll highways or improvements to existing toll highways in that State, construction of which highways or improvement is begun after July 1, 1973, but not including the cost of toll collection and service facilities, on the same basis and in the same manner as in the construction of free highways under chapter 1 of title 23 of the United States Code upon compliance with the conditions contained in this section.

(b) The Secretary shall reimburse the Federal share of the costs of construction as applicable to a project under section 120(a) of title 23 of the United States Code from funds apportioned to such State pursuant to paragraph (1) of subsection (b) of section 104 of title 23 of the United States Code whenever the State enters into an agreement with the Secretary whereby it undertakes performance of the following obligations:

(1) to provide for the construction of such highway in accordance with standards approved by the Secretary;

(2) all tolls received from the operation of such highway, less the actual cost of such operation and maintenance, shall be applied by the State to the repayment of the actual costs of construction, except for an amount equal to the Federal share payable of such actual costs of a project; and

(3) no tolls shall be charged for the use of such highway after the Federal share has been paid and the highway shall be maintained and operated as a free highway.

Upon the enactment of this section the Secretary shall, at the request of the State of Louisiana, enter into an agreement with that State if such agreement meets the requirements of this subsection. Reimbursements shall not be made until after the State receives its final apportionment of sums authorized to be appropriated for expenditure on the Interstate System or July 1, 1977, whichever first occurs.

(c) Such highway shall be designated as a part of the Federal-aid primary system, other than the Interstate System, before the payment of any Federal funds under this section, notwithstanding the mileage limitations in subsection (b) of section 103 of title 23 of the United States Code.

(d) The Federal share payable of such actual cost of the project shall be made in not more than fifteen equal annual installments, from the funds apportioned to the State pursuant to paragraph (1) of subsection (b) of section 104 of title 23 of the United States Code, with the first installment being made either (1) one year after the project agreement has been entered into between the Secretary and the State highway department or (2) either one year after the State receives its final apportionment of sums authorized to be appropriated for expenditure, on the Interstate System, or July 1, 1977, whichever first occurs, whichever of such clause (1) or (2) is last to occur. Such payment shall be applied against the outstanding obligations of the project.

PARKWAYS

SEC. 150. (a) Subsection (a) of section 207 of title 23, United States Code, is amended to read as follows:

"(a) Funds available for parkways shall be used to pay for the cost of construction and improvement thereof, including the acquisition of rights-of-way and related scenic easements."

(b) Section 207 of title 23, United States Code, is amended by adding at the end thereof the following new subsection:

"(d) Any parkway project on a Federal-aid system shall be subject to all of the requirements of this title and of any other law applicable to highways on such system."

RESEARCH AND PLANNING

SEC. 151. Subsection (c)(1) of section 307 of title 23, United States Code, is amended to read as follows:

"(c)(1) Not to exceed 1½ per centum of the sums apportioned for each fiscal year beginning with fiscal year 1974 to any State under section 104 of this title shall be available for expenditure upon request of the State highway department, with the approval of the Secretary, with or without State funds, for engineering and economic surveys and investigations: for the planning of future highway programs and local public transportation systems and for planning for the financing thereof; for studies of the economy, safety, and convenience of highway usage and the desirable regulation and equitable taxation thereof; and for research and development, necessary in connection with the planning, design, construction, and maintenance of highways and highway systems, and the regulation and taxation of their use."

TECHNICAL AMENDMENTS

SEC. 152. Title 23. United States Code, is amended as follows:

(1) Section 101(a) is amended by striking out "Secretary of Commerce" and inserting in lieu thereof "Secretary of Transportation".

(2) Section 109(g) is amended by striking out "Rct" and inserting in lieu thereof "Act".

(3) Sections 126(a) and 310 are amended by striking out "Commerce" each place it appears and inserting in lieu thereof "Transportation".

(4) The heading of section 303 is amended to read:

"Administration organization."

(5) Sections 308(b), 309, 312, and 314 are amended by striking out "Bureau of Public Roads" each place it appears and inserting in lieu thereof "Federal Highway Administration".

(6) Sections 312 and 314 are amended by

striking out "Commerce" each place it appears and inserting in lieu thereof "Transportation".

INCREASED FEDERAL SHARE—EFFECTIVE DATE

SEC. 153. Subsection (b) of section 108 of the Federal-Aid Highway Act of 1970 is amended to read as follows:

"(b) The amendments made by subsection (a) of this section shall take effect with respect to all obligations incurred after June 30, 1973."

TERMINATION OF FEDERAL-AID RELATIONSHIP

SEC. 154. (a) Notwithstanding any other provisions of Federal law or any court decision to the contrary, the contractual relationship between the Federal and State Governments shall be ended with respect to all portions of the San Antonio North Expressway between Interstate Highway 35 and Interstate Loop 410, and the expressway shall cease to be a Federal-aid project.

(b) The amount of all Federal-aid highway funds paid on account of sections of the San Antonio North Expressway in Bexar County, Texas (Federal-aid projects numbered U 244(7), U 244(10), UG 244(9), U 244(8), and U 244(11)), shall be repaid to the Treasurer of the United States and the amount so repaid shall be deposited to the credit of the appropriation for "Federal-Aid Highways (Trust Fund)". At the time of such repayment the Federal-aid projects with respect to which funds have been repaid and any other Federal-aid projects located on such expressway and programed for expenditure on such project, if any, shall be canceled and withdrawn from the Federal-aid highway program. Any amount so repaid, together with the unpaid balance of any amount programed for expenditure on any such project shall be credited to the unprogramed balance of Federal-aid highway funds of the same class last apportioned to the States, respectively. The amount so credited shall be available for expenditure in accordance with the provisions of title 23, United States Code, as amended.

HIGHWAY LITTER STUDY

SEC. 155. (a). The Secretary is directed to undertake a study of litter accumulation within the rights-of-way of the Federal-aid highway systems and recommend improved procedures to be used by the several States to prevent and clean up such highway litter on a regular basis. The Secretary shall report his findings and recommendations to the Congress by June 30, 1974.

(b) For the purposes of this section, the term "litter" means beverage and food containers, food wastes, paper products, smoking materials or packaging, and any other materials which the Secretary finds are commonly used and discarded by the traveling public and which, when discarded along highway rights-of-way, cause an unsightly appearance, a danger to public health or safety, or an unreasonable expenditure of public funds.

(c) Funds authorized to carry out section 307 of title 23, United States Code, are authorized to be used to carry out the investigation and study required by this section.

BRIDGE APPROACH STANDARDS

SEC. 156. Section 109 of title 23, United States Code, is amended by adding at the end thereof the following subsection:

"(k) The Secretary shall not approve any project involving approaches to a bridge under this title, if such project and bridge will significantly affect the traffic volume and the highway system of a contiguous State without first taking into full consideration the views of that State."

ALLOCATION OF URBAN SYSTEM FUNDS

SEC. 157. (a) Chapter 1 of title 23, United States Code, is amended by adding at the end thereof the following new section:

"§ 150. Allocation of urban system funds

"The funds apportioned to any State under paragraph (6) of subsection (b) of section 104 of this title that are attributable to urbanized areas of 200,000 population or more shall be made available for expenditure in such urbanized areas for projects in programs approved under subsection (d) of section 105 of this title in accordance with a fair and equitable formula developed by the State which formula has been approved by the Secretary. Such formula shall provide for fair and equitable treatment of incorporated municipalities of 200,000 or more population. Whenever such a formula has not been developed and approved for a State, the funds apportioned to any State under paragraph (6) of subsection (b) of section 104 of this title which are attributable to urbanized areas having a population of 200,000 or more shall be allocated among such urbanized areas within such State for projects in programs approved under subsection (d) of section 105 of this title in the ratio that the population within each such urbanized area bears to the population of all such urbanized areas, or parts thereof, within such State. In the expenditure of funds allocated under the preceding sentence, fair and equitable treatment shall be accorded incorporated municipalities of 200,000 or more population."

(b) The table of contents of chapter 1 of title 23, United States Code, is amended by adding at the end thereof the following:

"150. Allocation of urban system funds.".

FRANCONIA NOTCH, NEW HAMPSHIRE

SEC. 158. Notwithstanding section 109(b) of title 23 of the United States Code, the Secretary of Transportation is authorized, upon application of the Governor of the State, to approve construction of that section of Interstate Route 93 from B20.6 an interchange with State route 3A in North Woodstock, New Hampshire, to B22.1 an interchange with U.S. Route 3 in Franconia, New Hampshire, approximately twelve miles in length, as a parkway type highway to geometric and construction standards (whether or not in accordance with section 109(b)) which the Secretary determines are necessary for the safety of the traveling public, for the protection of the environment, and for the preservation of the park-like and historic character of the Franconia Notch area adjacent to the highway. The State of New Hampshire, with the concurrence of the Secretary, is authorized to permit the use of the above section of highway to specified types of vehicles during specified times of the day and of the year.

DWIGHT D. EISENHOWER HIGHWAY

SEC. 159. (a) The following segments of the National System of Interstate and Defense Highways which form a continuous interstate highway link from coast to coast are hereby designated as the "Dwight D. Eisenhower Highway":

(1) Interstate Route 70 between Washington, District of Columbia, and Denver, Colorado;

(2) Interstate Route 25 between Denver, Colorado, and Cheyenne, Wyoming; and

(3) Interstate Route 80 between Cheyenne, Wyoming, and San Francisco, California.

(b) Any law, regulation, map, document, record, or other paper of the United States in which such segments are designated or referred to shall be held to designate or refer to such segments as the "Dwight D. Eisenhower Highway."

CUMBERLAND GAP NATIONAL HISTORICAL PARK

SEC. 160. (a) Notwithstanding the definition of parkways in subsection (a) of section 101, funds available for parkways shall be available to finance the cost of reconstruction and relocation of Route 25E through the Cumberland Gap National Historical Park, including construction of a tunnel and the approaches thereto, so as to permit restoration of the Gap and provide adequate traffic capacity.

(b) Upon construction, such highway and tunnel and all associated lands and rights-of-way shall be transferred to the National Park Service and managed as part of the Cumberland Gap National Historical Park.

HIGHLAND SCENIC HIGHWAY

SEC. 161. (a) The Secretary of Agriculture (acting through the Forest Service) is authorized to develop and construct as a parkway the Highland Scenic Highway from West Virginia State Route 39 to U.S. 250 near Barton Knob. Notwithstanding subsection (c) of section 103 of title 23. United States Code, such parkway shall be a route on the Federal-aid secondary system.

(b) The route from Richwood, West Virginia, to U.S. 250 near Barton Knob, via West Virginia State Route 39 and the parkway authorized by subsection (a) of this section shall be designated as the Highland Scenic Highway.

(c) The Secretary of Agriculture is authorized to acquire rights-of-way, land containing such rights-of-way, and interests in land, including scenic easements and mineral rights, necessary to carry out the purpose of a scenic highway. In addition to the acquisition of such lands and interests in lands, funds available for parkways shall be available for the reclamation of lands within the scenic corridor of the Highland Scenic Highway.

(d) Funds available for highways shall be available for signs on Interstate highways, Appalachian highways and other appropriate highways at natural points of access to such geographic area, indicating the direction and distance to the Highland Scenic Highway and to Richwood as "Gateway to the Highland Scenic Highway".

(e) Funds available for parkways shall be available for upgrading that portion of West Virginia State Route 39 designated as the Highland Scenic Highway to appropriate standards for a scenic and recreational highway, including the construction of vistas and other scenic improvements.

(f) The Highland Scenic Highway as authorized by subsection (a) of this section and all associated lands and rights-of-way shall be managed as part of the Monongahela National Forest, solely for scenic and recreational use and passenger car travel.

(g) The Highland Scenic Highway as authorized by subsection (a) of this section shall be designed and constructed in accordance with standards appropriate for a scenic highway, providing for moderate speeds and minimizing modification to topographic contours and natural drainage.

(h) Construction of the portion of the Highland Scenic Highway as authorized by subsection (a) of this section which is proposed to be constructed through the upper Shavers Fork watershed shall not be initiated until—

(1) the Forest Service has acquired sufficient lands and interests in land (including mineral rights) in such watershed to assure an adequate scenic corridor for the Highland Scenic Highway and the control of water quality in Shavers Fork; and

(2) the completion of a geological and soil survey of any proposed route, conducted in cooperation with the Division of Water Resources of the West Virginia Department of Natural Resources.

(i) Any parkway authorized in the future to proceed southward in such area shall begin in the immediate vicinity of Richwood, West Virginia.

(j) Any connection of the Highland Scenic Highway as authorized by subsection (a) of this section with Corridor H of the Appalachian Development Highway System or any more northerly segment of the Highland Scenic Highway shall utilize existing routes and not involve construction through the

Monongahela National Forest between U.S. 250 and Cunningham Knob.

PROHIBITION OF DISCRIMINATION ON THE BASIS OF SEX

SEC. 162. (a) Chapter 3 of title 23, United States Code is amended by adding at the end thereof the following new section:

"§ 324. Prohibition of discrimination on the basis of sex

"No person shall on the ground of sex be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal assistance under this title or carried on under this title. This provision will be enforced through agency provisions and rules similar to those already established, with respect to racial and other discrimination, under title VI of the Civil Rights Act of 1964. However, this remedy is not exclusive and will not prejudice or cut off any other legal remedies available to a discriminatee."

(b) The analysis of chapter 3, title 23, United States Code, is amended by adding at the end thereof the following:

"324. Prohibition of discrimination on the basis of sex.".

DEMONSTRATION PROJECT—RAILROAD-HIGHWAY CROSSINGS

SEC. 163. (a) The Secretary of Transportation shall enter into such arrangements as may be necessary to carry out demonstration projects in Lincoln, Nebraska, Wheeling, West Virginia, and Elko, Nevada, for the relocation of railroad lines from the central area of the cities in conformance with the methodology developed under proposals submitted to the Secretary by the respective cities. The cities shall (1) have a local agency with legal authority to relocate railroad facilities, levy taxes for such purpose, and a record of prior accomplishment; and (2) have a current relocation plan for such lines which has a favorable benefit-cost ratio involving and having the unanimous approval of three or more class I railroads in Lincoln, Nebraska, and the two class I railroads in Wheeling, West Virginia, and Elko, Nevada, and multicivic, local, and State agencies, and which provides for the elimination of a substantial number of the existing railway-road conflict points within the city.

(b) The Secretary of Transportation shall carry out a demonstration project for the elimination or protection of certain public ground-level rail-highway crossings in, or in the vicinity of, Springfield, Illinois.

(c) The Secretary of Transportation shall enter into such arrangements as may be necessary to carry out demonstration projects in Brownsville, Texas, and Matamoros, Mexico, for the relocation of railroad lines from the central area of the cities in conformance with the methodology developed under proposals submitted to the Secretary by the Brownsville Navigation District, providing for the construction of an international bridge and for the elimination of a substantial number of existing railway-road conflict points within the cities.

(d) The Secretary of Transportation shall enter into such arrangements as may be necessary to carry out a demonstration project in East Saint Louis, Illinois, for the relocation of rail lines between Thirteenth and Forty-third Streets, in accordance with methodology approved by the Secretary. The Secretary of Transportation shall carry out a demonstration project for the relocation of rail lines in the vicinity of Carbondale, Illinois.

(e) The Secretary of Transportation shall enter into such arrangements as may be necessary to carry out a demonstration project in New Albany, Indiana, for the elimination of the existing rail loop and relocation of rail lines to a location between Vincennes Street and East Eighth Street, in accordance with methodology approved by the Secretary.

(f) The Secretary of Transportation shall carry out demonstration projects for the construction of an overpass at the rail-highway grade crossing on Cottage Grove Avenue between One Hundred Forty-second Street and One Hundred Thirty-eighth Street in the village of Dolton, Illinois, and the construction of an overpass at the rail-highway grade crossing at Vermont Street and the Rock Island Railroad tracks in the city of Blue Island, Illinois.

(g) The Secretary of Transportation shall carry out a demonstration project for the elimination of the ground level railroad highway crossing on United States Route 69 in Greenville, Texas.

(h) The Secretary of Transportation shall carry out a demonstration project in Anoka, Minnesota, for the construction of an underpass at the Seventh Avenue and County Road 7 railroad-highway grade crossing.

(i) The Federal share payable on account of such projects shall be that provided in section 120 of this title.

(j) The Secretary shall make annual reports and a final report to the President and the Congress with respect to his activities pursuant to this section.

(k) There is authorized to be appropriated to carry out this section (other than subsection (l)) not to exceed $15,000,000 for the fiscal year ending June 30, 1974, $25,000,000 for the fiscal year ending June 30, 1975, and $50,000,000 for the fiscal year ending June 30, 1976, except that two-thirds of all funds authorized and expended under authority of this section in any fiscal year shall be appropriated out of the Highway Trust fund.

(l) The Secretary, in cooperation with State highway departments and local officials, shall conduct a full and complete investigation and study of the problem of providing increased highway safety by the relocation of railroad lines from the central area of cities on a nationwide basis, and report to the Congress his recommendations resulting from such investigation and study not later than July 1, 1975, including an estimate of the cost of such a program. Funds authorized to carry out section 307 of title 23, United States Code, are authorized to be used to carry out the investigation and study required by this subsection.

FINANCIAL ASSISTANCE AGREEMENTS

SEC. 164. (a) No Federal financial assistance shall be provided under (1) subsection (a) or (c) of section 142, title 23, United States Code, (2) paragraph (4) of subsection (e) of section 103, title 23, United States Code, or (3) the Urban Mass Transportation Act of 1964, for the purchase of buses to any applicant for such assistance unless such applicant and the Secretary of Transportation shall have first entered into an agreement that such applicant will not engage in charter bus operations in competition with private bus operators outside of the area within which such applicant provides regularly scheduled mass transportation service. A violation of such agreement shall bar such applicant from receiving any other Federal financial assistance under those provisions of law referred to in clauses (1), (2), and (3) of this subsection.

(b) No Federal financial assistance shall be provided under (1) subsection (a) or (c) of section 142, title 23, United States Code, (2) paragraph (4) of subsection (e) of section 103, title 23, United States Code, or (3) the Urban Mass Transportation Act of 1964, for the purchase of buses to any applicant for such assistance unless such applicant and the Secretary of Transportation shall have first entered into an agreement that such applicant will not engage in school bus operations, exclusively for the transportation of students and school personnel, in competition with private school bus operators. This subsection shall not apply to an applicant with respect to operation of a school bus program if the applicant operates a school system in the area to be served and operates a separate and exclusive school bus program for this school system. This subsection shall not apply unless private school bus operators are able to provide adequate transportation, at reasonable rates, and in conformance with applicable safety standards, and this subsection shall not apply with respect to any State or local public body or agency thereof if it (or a direct predecessor in interest from which it acquired the function of so transporting school children and personnel along with facilities to be used therefor) was so engaged in school bus operations any time during the twelve-month period immediately prior to the date of the enactment of this subsection. A violation of an agreement under this subsection shall bar such applicant from receiving any other Federal financial assistance under those provisions of law referred to in clauses (1), (2), and (3) of this subsection.

BUS AND OTHER PROJECT STANDARDS

SEC. 165. (a) The Secretary of Transportation shall require that buses acquired with Federal financial assistance under (1) subsection (a) or (c) of section 142 of title 23, United States Code, (2) paragraph (4) of subsection (e) of section 103, title 23, United States Code, or (3) section 147 of the Federal-aid Highway Act of 1973 meet the standards prescribed by the Administrator of the Environmental Protection Agency under section 202 of the Clean Air Act, and under section 6 of the Noise Control Act of 1972, and shall authorize the acquisition, wherever practicable, of buses which meet the special criteria for low-emission vehicles set forth in section 212 of the Clean Air Act, and for low-noise-emission products set forth in section 15 of the Noise Control Act of 1972.

(b) The Secretary of Transportation shall assure that projects receiving Federal financial assistance under (1) subsection (a) or (c) of section 142 of title 23, United States Code, (2) paragraph (4) of subsection (e) of section 103, title 23, United States Code, or (3) section 147 of the Federal-aid Highway Act of 1973 shall be planned and designed so that mass transportation facilities and services can effectively be utilized by elderly and handicapped persons who, by reason of illness, injury, age, congenital malfunction, or other permanent or temporary incapacity or disability are unable without special facilities or special planning or design to utilize such facilities and services as effectively as persons not so affected.

TITLE II

SHORT TITLE

SEC. 201. This title may be cited as the "Highway Safety Act of 1973".

HIGHWAY SAFETY

SEC. 202. The following sums are hereby authorized to be appropriated:

(1) For carrying out section 402 of title 23, United States Code (relating to highway safety programs), by the National Highway Traffic Safety Administration, out of the Highway Trust Fund, $100,000,000 for the fiscal year ending June 30, 1974, $125,000,000 for the fiscal year ending June 30, 1975, and $150,000,000 for the fiscal year ending June 30, 1976.

(2) For carrying out section 403 of title 23, United States Code (relating to highway safety research and development), by the National Highway Traffic Safety Administration, out of the Highway Trust Fund, $42,500,000 for the fiscal year ending June 30, 1974, $55,000,000 for the fiscal year ending June 30, 1975, and $65,000,000 for the fiscal year ending June 30, 1976.

(3) For carrying out section 402 of title 23, United States Code (relating to highway safety programs), by the Federal Highway Administration, out of the Highway Trust Fund, $25,000,000 for the fiscal year ending June 30, 1974, $30,000,000 for the fiscal year ending June 30, 1975, and $35,000,000 for the fiscal year ending June 30, 1976.

(4) For carrying out sections 307(a) and 403 of title 23, United States Code (relating to highway safety research and development), by the Federal Highway Administration, out of the Highway Trust Fund, for each of the fiscal years ending June 30, 1974, June 30, 1975, and June 30, 1976, not to exceed $10,000,000 per fiscal year.

RAIL-HIGHWAY CROSSINGS

SEC. 203. (a) Each State shall conduct and systematically maintain a survey of all highways to identify those railroad crossings which may require separation, relocation, or protective devices, and establish and implement a schedule of projects for this purpose. At a minimum, such a schedule shall provide signs for all railroad-highway crossings.

(b) In addition to funds which may be otherwise available to carry out section 130 of title 23, United States Code, there is authorized to be appropriated out of the Highway Trust Fund for projects for the elimination of hazards of railway-highway crossings $25,000,000 for the fiscal year ending June 30, 1974, $75,000,000 for the fiscal year ending June 30, 1975, and $75,000,000 for the fiscal year ending June 30, 1976. At least half of the funds authorized and expended under this section shall be available for the installation of protective devices at railway-highway crossings. Such sums shall be available for obligation in the same manner and to the same extent as if such funds were apportioned under this chapter.

(c) Funds authorized by this section shall be available solely for expenditure for projects on any Federal-aid system (other than the Interstate System).

(d) 50 percent of the funds made available in accordance with subsection (c) shall be apportioned to the States in the same manner as sums authorized to be appropriated under subsection (a)(1) of section 104 of the Federal-Aid Highway Act of 1973 and 50 percent of the funds made available in accordance with subsection (c) shall be apportioned to the States in the same manner as sums authorized to be appropriated under subsection (a)(2) of section 104 of the Federal-Aid Highway Act of 1973. The Federal share payable on account of any such project shall be 90 per centum of the cost thereof.

(e) Each State shall report to the Secretary of Transportation not later than September 30, 1974, and not later than September 30 of each year thereafter, on the progress being made to implement the railroad-highway crossings program authorized by this section and the effectiveness of such improvements. Each State report shall contain an assessment of the costs of the various treatments employed and subsequent accident experience at improved locations. The Secretary of Transportation shall submit a report to the Congress not later than January 1, 1975, and not later than January 1, of each year thereafter, on the progress being made by the States in implementing projects to improve railroad-highway crossings. The report shall include, but not be limited to, the number of projects undertaken, their distribution by cost range, road system, nature of treatment, and subsequent accident experience at improved locations. In addition, the Secretary's report shall analyze and evaluate each State program, identify any State found not to be in compliance with the schedule of improvements required by subsection (a), and include recommendations for future implementation of the railroad-highway crossings program.

(f) Funds authorized by this section may be used to provide local government with funds to be used on a matching basis when State funds are available which may only be spent when local government produces matching funds for the improvement of railroad crossings.

BRIDGE RECONSTRUCTION AND REPLACEMENT

SEC. 204. (a) Subsection (e) of section 144 of title 23, United States Code, is amended by striking out "1972; and" and inserting in lieu thereof "1972,"; by inserting immediately after "1973," the following: "$25,000,000 for the fiscal year ending June 30, 1974, $75,000,000 for the fiscal year ending June 30, 1975, and $75,000,000 for the fiscal year ending June 30, 1976.".

(b) Subsection (f) of section 144 of title 23, United States Code, is relettered as subsection (g) (including references thereto); and immediately after subsection (e) the following new subsection (f) is inserted:

"(f) Funds authorized by this section shall be available solely for expenditure for projects on any Federal-aid system."

(c) Existing subsection (g) of section 144 of title 23, United States Code, is relettered as subsection (h) (including references thereto).

PAVEMENT MARKING DEMONSTRATION PROGRAM

SEC. 205. (a) Chapter 1 of title 23, United States Code, is amended by adding at the end thereof the following new section:

"§ 151. Pavement marking demonstration program

"(a) Congress hereby finds and declares it to be in the vital interest of the Nation that a pavement marking demonstration program be established to enable the several States to improve the pavement marking of all highways to provide for greater vehicle and pedestrian safety.

"(b) Notwithstanding the provisions of the last sentence of subsection (a) of section 105 of this title, the Secretary may approve under this section such pavement marking projects on any highway whether or not on any Federal-aid system, but not included in the Interstate System, as he may find necessary to bring such highway to the pavement marking standards issued or endorsed by the Federal Highway Administrator.

"(c) In approving projects under this section, the Secretary shall give priority to those projects which are located in rural areas and which are either on the Federal-aid secondary system or are not included on any Federal-aid system.

"(d) The entire cost of projects approved under subsections (b) and (f) of this section shall be paid from sums authorized to carry out this section.

"(e) For the purpose of carrying out the provisions of this section by the Federal Highway Administration, there is hereby authorized to be appropriated for the fiscal year ending June 30, 1974, $25,000,000, and for each of the fiscal years ending June 30, 1975, and June 30, 1976, out of the Highway Trust Fund, the sum of $75,000,000. Such sums shall be available for obligation in the same manner and to the same extent as if such funds were apportioned under this chapter.

"(f) Funds not required for pavement-marking projects authorized by this section may be released by the Secretary for expenditure for projects to eliminate or reduce the hazards to safety at specific locations or sections of highways which are not located on any Federal-aid system and which have high accident experiences or high accident potentials. Funds may be released by the Secretary under this subsection only if the Secretary has received satisfactory assurance from the State highway department that all nonurban area highways within the State are marked in accordance with the pavement-marking standards issued or endorsed by the Federal Highway Administrator for carrying out this program.

"(g) Each State shall report to the Secretary of Transportation not later than September 30, 1974, and not later than September 30 of each year thereafter, on the progress being made in implementing the program and the effectiveness of the improvements made under it. Each report shall include an analysis and evaluation of the number, rate, and severity of accidents at improved locations and the cost-benefit ratio of such improvements, comparing an adequate time period before and after treatment in order to properly assess the benefits occurring from such pavement markings. The Secretary of Transportation shall submit a report to the Congress not later than January 1, 1975, and not later than January 1 of each year thereafter, on the progress being made in implementing the program and the safety benefits achieved under it."

(b) The analysis of chapter 1 of title 23, United States Code is amended by adding at the end thereof the following:

"151. Pavement marking demonstration program.".

PAVEMENT MARKING RESEARCH AND DEMONSTRATION PROGRAMS

SEC. 206. (a) In addition to the research authorized by section 307(a) of title 23, United States Code, the Secretary of Transportation is authorized to conduct research and demonstration programs to improve the effectiveness and durability of various types of pavement markings and related delineators, to develop improved equipment and techniques for applying, erecting, and maintaining such markings and delineators, and to develop new traffic control materials, devices, and related delineators to assist the traveling public during adverse weather and nighttime driving conditions.

(b) There is authorized to be appropriated to carry out this section by the Federal Highway Administration, out of the Highway Trust Fund, $10,000,000 for the fiscal year ending June 30, 1974, and $10,000,000 for the fiscal year ending June 30, 1975.

HIGHWAY SAFETY ON INDIAN RESERVATIONS

SEC. 207. Section 402 of title 23 of the United States Code is amended by adding a new subsection (i) as follows:

"(i) For the purpose of the application of this section on Indian reservations, 'State' and 'Governor of a State' includes the Secretary of the Interior and political subdivision of a 'State' includes an Indian tribe: *Provided*, That, notwithstanding the provisions of subparagraph (C) of subsection (b)(1) hereof, 95 per centum of the funds apportioned to the Secretary of the Interior after date of enactment, shall be expended by Indian tribes to carry out highway safety programs within their jurisdictions: *And provided further*, That the provisions of subparagraph (E) of subsection (b)(1) hereof shall be applicable except in those tribal jurisdictions in which the Secretary determines such programs would not be practicable."

(b) Subsection (d) of section 402 of title 23, United States Code, is amended by inserting before the period at the end of the first sentence thereof the following: "and except that, in the case of a local highway safety program carried out by an Indian tribe, if the Secretary is satisfied that an Indian tribe does not have sufficient funds available to meet the non-Federal share of the cost of such program, he may increase the Federal share of the cost thereof payable under this Act to the extent necessary."

DRUG USE AND DRIVER BEHAVIOR HIGHWAY SAFETY RESEARCH

SEC. 208. (a) Section 403 of title 23, United States Code, is amended by inserting "(a)" immediately before the first sentence thereof, and by striking out "this section" each place it appears and inserting in lieu thereof "this subsection", and by adding at the end thereof the following new subsections:

"(b) In addition to the research authorized by subsection (a) of this section, the Secretary, in consultation with such other Government and private agencies as may be necessary, is authorized to carry out safety research on the following:

"(1) The relationship between the consumption and use of drugs and their effect upon highway safety and drivers of motor vehicles; and

"(2) Driver behavior research, including the characteristics of driver performance, the relationships of mental and physical abilities or disabilities to the driving task, and the relationship of frequency of driver accident involvement to highway safety.

"(c) The research authorized by subsection (b) of this section may be conducted by the Secretary through grants and contracts with public and private agencies, institutions, and individuals."

(b) There is authorized to be appropriated to carry out the amendments made by this section by the National Highway Traffic Safety Administration, out of the Highway Trust Fund, the sum of $10,000,000 per fiscal year for each of the fiscal years ending June 30, 1974, June 30, 1975, and June 30, 1976.

PROJECTS FOR HIGH-HAZARD LOCATIONS

SEC. 209. (a) Chapter 1 of title 23, United States Code, is amended by adding at the end thereof the following new section:

"§ 152. Projects for high-hazard locations

"(a) Each State shall conduct and systematically maintain an engineering survey of all highways to identify high-hazard locations which may constitute a danger to vehicles and to pedestrians, assign priorities for the correction of such locations, and establish and implement a schedule of projects for their improvement.

"(b) For projects to eliminate or reduce the hazards at specific locations or sections of highways which have high accident experiences or high accident potentials, by the Federal Highway Administration, there is hereby authorized to be appropriated, out of the Highway Trust Fund, for the fiscal year ending June 30, 1974, $50,000,000, and for each of the fiscal years ending June 30, 1975, and June 30, 1976, the sum of $75,000,000 shall be appropriated out of the Highway Trust Fund. Such sums shall be available for obligation in the same manner and to the same extent as if such funds were apportioned under this chapter.

"(c) Funds authorized by this section shall be available solely for expenditure for projects on any Federal-aid system (other than the Interstate System) except in the Virgin Islands, Guam, and American Samoa.

"(d) Funds made available in accordance with subsection (b) shall be apportioned to the States in the same manner as is provided in section 402(c) of this title, and the Federal share payable on account of any such project shall be 90 per centum of the cost thereof.

"(e) Each State shall report to the Secretary of Transportation not later than September 30, 1974, and not later than September 30 of each year thereafter, on the progress being made to implement projects for high-hazard locations and the effectiveness of such improvements. Each State report shall contain an assessment of the cost of, and safety benefits derived from, the various means and methods used to mitigate or eliminate hazards and the previous and subsequent accident experience at these locations. The Secretary of Transportation shall submit a report to the Congress not later than January 1, 1975, and not later than January 1 of each year thereafter, on the progress being made by the States in implementing projects for improvements at high-hazard locations. The report shall include, but not be limited to, the number of projects undertaken, their distribution by cost range, road system, means and methods used, and the previous and subsequent accident experience at improved locations. In addition, the Secretary's report shall analyze and evaluate each State program, identify any State found not to be in compliance with the schedule of improvements required by subsection (a) and include recommendations for future implementation of the spot improvements program."

(b) The analysis of chapter 1 of title 23, United States Code, is amended by adding at the end thereof the following:

"152. Projects for high-hazard locations.".

PROGRAM FOR THE ELIMINATION OF ROADSIDE OBSTACLES

SEC. 210. (a) Chapter 1 of title 23, United States Code, is amended by adding at the end thereof the following new section:

"§ 153. Program for the elimination of roadside obstacles

"(a) Each State shall conduct and systematically maintain an engineering survey of all highways to identify roadside obstacles which may constitute a hazard to vehicles and to pedestrians, assign priorities for the correction of such obstacles and establish and implement a schedule of projects for their elimination. Such a schedule shall provide for the replacement, to the extent necessary, of existing sign and light supports which are not designed to yield or break away upon impact. Yielding or breakaway sign and light supports shall be used, where appropriate, on all new construction or reconstruction of highways.

"(b) For projects to correct roadside hazards by the Federal Highway Administration, there is hereby authorized to be appropriated, out of the Highway Trust Fund, for the fiscal year ending June 30, 1974, $25,000,000, and for each of the fiscal years ending June 30, 1975, and June 30, 1976, the sum of $75,000,000. Such sums shall be available for obligation in the same manner and to the same extent as if such funds were apportioned under this chapter.

"(c) Funds authorized by this section shall be available solely for expenditure for projects on any Federal-aid system (other than the Interstate System) except in the Virgin Islands, Guam, and American Samoa.

"(d) Funds made available in accordance with subsection (c) shall be apportioned to the States in the same manner as is provided in section 402(c) of this title, and the Federal share payable on account of any such project shall be 90 per centum of the cost thereof.

"(e) Each State shall report to the Secretary of Transportation not later than September 30, 1974, and not later than September 30 of each year thereafter, on the progress being made in implementing the program for the removal of roadside obstacles and the effectiveness of such improvements. Each report shall contain an assessment of the costs and safety benefits of the various means and methods used to mitigate or eliminate roadside obstacles. The Secretary of Transportation shall submit a report to the Congress not later than January 1, 1975, and not later than January 1 of each year thereafter, on the progress being made by the States in eliminating roadside obstacles and the effectiveness of the improvements made under this program. The Secretary's report shall include, but not be limited to, an analysis and evaluation of each State program, identification of any State found not to be in compliance with the schedule of improvements required by subsection (a) and shall include recommendations for future implementation of the roadside obstacle removal program. In addition, to assess the safety benefits of varying roadside obstacle treatments, the report shall contain an assessment of the costs and safety benefits of the various means and methods used to mitigate or eliminate roadside obstacles."

(b) The analysis of chapter 1 of title 23, United States Code, is amended by adding at the end thereof the following:

"153. Program for the elimination of roadside obstacles.".

HIGHWAY SAFETY EDUCATIONAL PROGRAMING AND STUDY

SEC. 211. (a) The Secretary of Transportation, in cooperation with interested government and nongovernment authorities, agencies, organizations, institutions, businesses, and individuals, shall conduct a full and complete investigation and study of the use of mass media for informing and educating the public of ways and means for reducing the number and severity of highway accidents. Such a study shall include, but not be limited to, ways and means for encouraging the participation and cooperation of television and radio station licensees, for measuring audience reactions to current educational programs, for evaluating the effectiveness of such programs, and for developing new programs for the promotion of highway safety. The Secretary shall report to the Congress his findings and recommendations by June 30, 1974.

(b) For the purpose of carrying out subsection (a) of this section, there is hereby authorized to be appropriated the sum of $1,000,000 out of the Highway Trust Fund.

(c) The Secretary of Transportation, in consultation with State and local highway safety officials, shall develop a series of highway safety television programs of varying length, up to and including five minutes, for use in accordance with the provisions of the Communications Act of 1934. At least 50 per centum of the funds authorized and expended under subsection (d) of this section shall be allocated to the States at the discretion of the Secretary for approved programing projects. To the maximum extent feasible, the services of private individuals shall be utilized in carrying out this subsection.

(d) For the purpose of carrying out subsection (c) of this section, there is hereby authorized to be appropriated the sum of $4,000,000 out of the Highway Trust Fund.

CITIZEN PARTICIPATION STUDY

SEC. 212. (a) The Secretary of Transportation, in cooperation with State and local highway safety authorities, shall conduct a full and complete investigation and study of ways and means for encouraging greater citizen participation and involvement in highway safety programs, with particular emphasis on traffic enforcement and accident detection, response, and reporting, including, but not limited to, the creation of citizen adjuncts to assist professional traffic enforcement agencies and highway rescue agencies in the performance of their duties. The Secretary shall report to the Congress his findings and recommendations by June 30, 1974.

(b) For the purposes of carrying out this section, there is authorized to be appropriated the sum of $1,000,000 out of the Highway Trust Fund.

FEASIBILITY STUDY—NATIONAL CENTER FOR STATISTICAL ANALYSIS OF HIGHWAY OPERATIONS

SEC. 213. (a) The Secretary of Transportation shall make a study of the feasibility of establishing a National Center for Statistical Analysis of Highway Operations designed to acquire, store, and retrieve highway accident data and standardize the information and procedures for reporting accidents on a nationwide basis. Such study should include, but not be limited to, an estimate of the cost of establishing and maintaining such a center, including the means of acquiring the accident information to be stored therein, the methods to be used for its evaluation and the criteria needed to assure its proper utilization by appropriate public and private agencies and groups. The Secretary shall report to the Congress his findings and recommendations not later than January 1, 1975.

(b) For the purpose of carrying out this section, there is authorized to be appropriated the sum of $5,000,000 out of the Highway Trust Fund.

PEDESTRIAN AND BICYCLE SAFETY STUDY

SEC. 214. (a) The Secretary of Transportation shall make a full and complete investigation and study of pedestrian and bicycle safety. Such an investigation and study shall include, but not be limited to, the following:

(1) A review and evaluation of State and local ordinances, regulations, and laws and the enforcement policies, procedures, methods, practices, and capabilities for enforcing them.

(2) The relationship between alcohol and pedestrian and bicycle safety, with special emphasis on problem drinkers, both drivers and pedestrians.

(3) An evaluation of ways and means of improving pedestrian and bicycle safety programs.

(4) An analysis of present funding allocations for pedestrian and bicycle safety programs and an assessment of the capabilities of Federal, State, and local governments to fund such activities and programs.

In the conduct of such investigation and study, the Secretary shall cooperate and consult with other agencies of the Federal Government, the States, and their political subdivisions, and other interested private organizations, groups, and individuals.

(b) The Secretary shall, not later than January 31, 1975, report to the Congress the results of this investigation and study together with his conclusions and recommendations for appropriate legislation.

(c) There is hereby authorized not to exceed $5,000,000 from the Highway Trust Fund to carry out this section.

MANPOWER TRAINING AND DEMONSTRATION PROGRAMS

SEC. 215. (a) The first sentence of subsection (c) of section 402 of title 23, United States Code, is amended by inserting immediately after "approved in accordance with subsection (a)," the following: "including development and implementation of manpower training programs, and of demonstration programs that the Secretary determines will contribute directly to the reduction of accidents, and deaths and injuries resulting therefrom. Such funds".

PUBLIC ROAD MILEAGE

SEC. 216. Subsection (c) of section 402 of title 23, United States Code, is amended by inserting immediately after the third sentence the following: "Public road mileage as used in this subsection shall be determined as of the end of the calendar year preceding the year in which the funds are apportioned and shall be certified to by the Governor of the State and subject to approval by the Secretary."

MINIMUM APPORTIONMENT

SEC. 217. Subsection (c) of section 402 of title 23, United States Code, is amended by striking "one-third of 1 per centum" in the fifth sentence thereof, and inserting "one-half of 1 per centum".

HIGHWAY SAFETY PROGRAM APPLICABILITY

SEC. 218. Section 401, title 23, United States Code, is amended by adding at the end thereof the following: "For the purposes of this chapter, the term 'State' means any one of the fifty States, the District of Columbia, Puerto Rico, the Virgin Islands, Guam, and American Samoa, except that all expenditures for carrying out this chapter in the Virgin Islands, Guam, and American Samoa shall be paid out of money in the Treasury not otherwise appropriated."

INCENTIVES FOR COMPLIANCE WITH HIGHWAY SAFETY PROGRAMS

SEC. 219. Section 402 of title 23, United States Code, is amended by adding the following new subsection:

"(j) (1) In addition to other grants authorized by this section, the Secretary may make incentive grants in each fiscal year to those States which have adopted legislation requiring the use of seatbelts in accordance with criteria which the Secretary shall establish and publish. Such grants may only be used by recipient States to further the purposes of this chapter. Such grants shall be in addition to other funds authorized by this section. There is hereby authorized to be appropriated to carry out this paragraph, out of the Highway Trust Fund, not to exceed $25,000,000 for the fiscal year ending June 30, 1974, not to exceed $32,000,000 for the fiscal year ending June 30, 1975, and not to exceed $37,500,000 for the fiscal year ending June 30, 1976.

"(2) In addition to other grants authorized by this section, the Secretary may make additional incentive grants to those States which have made the most significant progress in reducing traffic fatalities based on the reduction in the rate of such fatalities per one hundred million-vehicle miles during the calendar year immediately preceding the fiscal year for which such incentive funds are authorized compared with the average annual rate of such fatalities for the four calendar year period preceding such calendar year. Such incentive grants shall be made in accordance with criteria which the Secretary shall establish and publish. Such grants may only be used by recipient States to further the purposes of this chapter. Such grants shall be in addition to other funds authorized by this section. There is hereby authorized to be appropriated to carry out this paragraph, out of the Highway Trust Fund, not to exceed $12,500,000 for the fiscal year ending June 30, 1974, not to exceed $16,000,000 for the fiscal year ending June 30, 1975, and not to exceed $19,000,000 for the fiscal year ending June 30, 1976.

"(3) Incentive awards authorized by this section shall not exceed 25 per centum of each State's apportionment as authorized by this chapter."

HIGHWAY SAFETY RESEARCH AND DEVELOPMENT

SEC. 220. The second sentence of subsection (a) of section 403 of title 23, United States Code, is amended to read as follows: "In addition, the Secretary may use the funds appropriated to carry out this section, either independently or in cooperation with other Federal departments or agencies, for making grants to or contracting with State or local agencies, institutions, and individuals for (1) training or education of highway safety personnel, (2) research fellowships in highway safety, (3) development of improved accident investigation procedures, (4) emergency service plans, (5) demonstration projects, and (6) related activities which the Secretary deems will promote the purposes of this section. The Secretary shall assure that no fees are charged for any meetings or services attendant thereto or other activities relating to training and education of highway safety personnel."

TRANSFER OF DEMONSTRATION PROJECT EQUIPMENT

SEC. 221. Section 403 of title 23, United States Code, is amended by adding at the end thereof the following new subsection:

"(d) The Secretary may, where he deems it to be in furtherance of the purposes of section 402 of this title, vest in State or local agencies, on such terms and conditions as he deems appropriate, title to equipment purchased for demonstration projects with funds authorized by this section."

ADMINISTRATIVE ADJUDICATION OF TRAFFIC INFRACTIONS

SEC. 222. Section 403 of title 23, United States Code, is amended by adding at the end thereof the following new subsection:

"(e) In addition to the research authorized by subsection (a) of this section, the Secretary shall, either independently or in cooperation with other Federal departments or agencies, conduct research into, and make grants to or contracts with State or local agencies, institutions, and individuals for projects to demonstrate the administrative adjudication of traffic infractions. Such administrative adjudication demonstration projects shall be designed to improve highway safety by developing fair, efficient, and effective processes and procedures for traffic infraction adjudication, utilizing appropriate punishment, training, and rehabilitative measures for traffic offenders. The Secretary shall report to Congress by July 1, 1975, and each year thereafter during the continuance of the program, on the research and demonstration projects authorized by this subsection, and shall include in such report a comparison of the fairness, efficiency, and effectiveness of administrative adjudication of traffic infractions with other methods of handling such infractions."

NATIONAL HIGHWAY SAFETY ADVISORY COMMITTEE

SEC. 223. Subsection (a) (1) of section 404 of title 23, United States Code, is amended by inserting immediately after "Federal Highway Administrator," the following: "the National Highway Traffic Safety Administrator,".

DATE OF ANNUAL REPORT

SEC. 224. The first sentence of subsection (a) of section 202 of the Highway Safety Act of 1966 (80 Stat. 736) is amended by deleting "March 1" and substituting in lieu thereof the following: "July 1".

HIGHWAY SAFETY NEEDS STUDY

SEC. 225. In order to provide the basis for evaluating the continuing highway safety programs authorized in title 23, United States Code, and to furnish Congress with the information necessary for the authorization of appropriations for such programs, the Secretary of Transportation, in cooperation with the Governors and appropriate State and local highway officials, shall make a full and complete study of highway safety needs and shall prepare recommendations and estimates of the costs for meeting such needs. Such estimates and recommendations shall identify the requirements to meet highway safety needs of the States, Puerto Rico, and the District of Columbia and would also consider those of Guam, American Samoa, the Virgin Islands and such other United States territories as the Secretary shall determine. The Secretary shall submit such detailed estimates and recommendations to the Congress not later than January 10, 1976.

DRIVER EDUCATION EVALUATION PROGRAM

SEC. 226. (a) Section 403 of title 23, United States Code, is amended by adding at the end thereof the following new subsection:

"(f) In addition to the research authorized by subsection (a) of this section, the Secretary shall carry out research, development, and demonstration projects to improve and evaluate the effectiveness of various types of driver education programs in reducing traffic accidents and deaths, injuries, and property damage resulting therefrom. The research, development, and demonstration projects authorized by this subsection may be carried out by the Secretary through grants and contracts with public and private agencies, institutions, and individuals. The Secretary shall report to the Congress by July 1, 1975, and each year thereafter during the continuance of the program, on the research, development, and demonstration projects authorized by this subsection, and shall include in such report an evaluation of the effectiveness of driver education programs in reducing traffic accidents and deaths, injuries, and property damage resulting therefrom."

(b) For the purpose of carrying out the amendment made by subsection (a) of this section, there is authorized to be appropriated $10,000,000 out of the Highway Trust Fund.

TRANSFER OF FUNDS AMONG HIGHWAY SAFETY PROGRAMS

SEC. 227. Section 104 of title 23, United States Code, is amended by adding at the end thereof the following new subsection:

"(g) Not more than 30 per centum of the amount apportioned in any fiscal year to each State in accordance with sections 144, 152, and 153 of this title, or section 203(d) of the Highway Safety Act of 1973, may be transferred from the apportionment under one section to the apportionment under any other of such sections if such a transfer is requested by the State highway department and is approved by the Secretary as being in the public interest. The Secretary may approve such transfer only if he has received satisfactory assurances from the State highway department that the purposes of the program from which such funds are to be transferred have been met."

CURB RAMPS FOR THE HANDICAPPED

SEC. 228. Paragraph (1) of subsection (b) of section 402 of title 23, United States Code, is amended by adding at the end thereof the following:

"(F) provide adequate and reasonable access for the safe and convenient movement of physically handicapped persons, including those in wheelchairs, across curbs constructed or replaced on or after July 1, 1976, at all pedestrian crosswalks throughout the State."

HIGHWAY SAFETY STANDARDS

SEC. 229. Subsection (h) of Section 402 of title 23, United States Code, is amended to read as follows:

"(h) Each uniform safety standard promulgated under this section on or before July 1, 1973, shall continue in effect unless otherwise specifically provided by law enacted after the date of enactment of the Federal-aid Highway Act of 1973. The Secretary shall not promulgate any other uniform safety standard under this section (including by revision of a standard continued in effect by the preceding sentence) unless otherwise specifically provided by law enacted after the date of enactment of the Federal-aid Highway Act of 1973."

FEDERAL-AID SAFER ROADS DEMONSTRATION PROGRAM

SEC. 230. (a) Chapter 4 of title 23, United States Code, is amended by adding at the end thereof the following new section:

"§ 405. Federal-aid safer roads demonstration program

"(a) The Federal-aid safer roads demonstration program shall consist of all public roads or segments thereof not on a Federal-aid system needing improvements to correct safety hazards, selected or designated by each State subject to the approval of the Secretary.

"(b) Not later than June 30, 1974, each State shall identify projects for the Federal-aid safer roads demonstration program for all public roads in such State not on the Federal-aid system, including projects to improve highway marking and signing, to eliminate roadside obstacles, to eliminate hazards at railroad-highway grade crossings, and to correct high-hazard locations, identified by accident reporting, traffic records, and hazards analysis systems established in accordance with standards promulgated under subsection (a) of section 402 of this title. Each State shall assign priorities for and undertake the systematic correction of identified hazards, to provide for the most effective improvement in highway safety.

"(c) There is authorized to be appropriated for the Federal-aid safer roads demonstration program for projects on public roads not on the Federal-aid system for the removal of roadside obstacles, the elimination of hazards at railroad-highway grade crossings, and the proper marking and signing of highways in accordance with subsection (b) of this section, out of the Highway Trust Fund, $50,000,000 for the fiscal year ending June 30, 1974, and $100,000,000 per fiscal year for each of the fiscal years ending June 30, 1975, and June 30, 1976. Such sums shall be apportioned among the States in accordance with the formula established under subsection (c) of section 402 of this title. The Federal share payable on account of any such project shall be 90 per centum of the cost thereof. The provisions of chapter 1 of this title relating to the obligation, period of availability, and expenditure for Federal-aid primary highway funds shall apply to funds apportioned to carry out this subsection. Prior to June 30, 1974, funds shall be available for such projects as determined by the State, subject to the approval of the Secretary.

"(d) For the purposes of this section, the term 'public road' means any road under the jurisdiction of and maintained by a public authority and open to public travel and which is not on a Federal-aid system.

"(e) It shall be the responsibility of each State to maintain adequate pavement markings on any public road marked with funds available under this section in such State.

"(f) In any State wherein the State is without legal authority to construct or maintain a project under this section, such State shall enter into a formal agreement for such construction or maintenance with the appropriate local officials of the county or municipality in which such project is located.

"(g) In carrying out the Federal-aid safer roads demonstration program authorized by this section, the Secretary shall coordinate such program with the programs and projects authorized in sections 144, 152, and 153, of this title and section 203(d) of the Highway Safety Act of 1973.

"(h) The Secretary shall file an interim report with the Congress on January 1, 1975, concerning the progress being made under the demonstration program authorized by this section and its effectiveness. The Secretary shall report to Congress on or before January 1, 1976, a comprehensive report on the program authorized by this section. Such reports shall include, but not be limited to, the number of projects undertaken, their distribution by cost range, roads system, means and methods used, and previous and subsequent accident experience at improved locations. In addition such reports shall analyze and evaluate the program State by State, and shall include such recommendations as he determines necessary for the further implementation of this program."

(b) The table of contents of chapter 4 of title 23, United States Code, is amended by adding at the end thereof:

"405. Federal-aid safer roads demonstration program.".

BICYCLE SAFETY

SEC. 231. (a) The fourth sentence of subsection (a) of section 402 of title 23, United States Code, is amended by striking out the period at the end thereof and inserting in lieu thereof the following: ", and bicycle safety."

(b) Paragraph (b)(1)(E) of section 402 of title 23, United States Code, is amended by striking out "and" before "(5)" and by striking out the period at the end of such paragraph and inserting in lieu thereof a comma and the following: "and (6) driver education programs, including research, that will assure greater safety for bicyclists using public roads in such State."

TITLE III

URBAN MASS TRANSPORTATION ACT OF 1964

SEC. 301. (a) The fifth sentence of section 4(a) of the Urban Mass Transportation Act of 1964 is amended to read as follows "The Federal grant for any such project to be assisted under section 3 shall be in an amount equal to 80 per centum of the net project cost."

(b) The amendment made by subsection (a) shall apply only with respect to projects which were not subject to administrative reservation on or before July 1, 1973.

(c) Section 4(c) of the Urban Mass Transportation Act of 1964 is amended by striking out "$3,100,000,000" in the first and third sentences and inserting in lieu thereof "$6,100,000,000".

(d) Section 9 of the Urban Mass Transportation Act of 1964 is amended—

(1) by striking out "to make grants" in the first sentence and inserting in lieu thereof "to contract for and make grants";

(2) by striking out "and designing" in the first sentence and inserting in lieu thereof "designing, and evaluation";

(3) by striking out "and (3)" in the second sentence and inserting in lieu thereof "(3) evaluation of previously funded projects; and (4)";

(4) by inserting "or contract" after "A grant" in the third sentence; and

(5) by striking out all that follows "Secretary" in the third sentence and inserting in lieu thereof a period.

(e) The provision of assistance under the amendments made by this section shall not be construed as bringing within the application of chapter 15 of title 5, United States Code, any nonsupervisory employee of an urban mass transportation system (or of any other agency or entity performing related functions) to whom such chapter is otherwise inapplicable.

(f) Section 12 of the Urban Mass Transportation Act of 1964 is amended by adding at the end thereof the following new subsection:

"(f) No person shall on the ground of sex be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal assistance under this Act or carried on under this Act. This provision will be enforced through agency provisions and rules similar to those already established, with respect to racial and other discrimination, under title VI of the Civil Rights Act of 1964. However, this remedy is not exclusive and will not prejudice or cut off any other legal remedies available to a discriminatee."

(g) Section 16(b) of the Urban Mass Transportation Act of 1964 is amended to read as follows:

"(b) In addition to the grants and loans otherwise provided for under this Act, the Secretary is authorized to make grants and loans—

"(1) to States and local public bodies and agencies thereof for the specific purpose of assisting them in providing mass transportation services which are planned, designed, and carried out so as to meet the special needs of elderly and handicapped persons, with such grants and loans being subject to all of the terms, conditions, requirements, and provisions applicable to grants and loans made under section 3(a) and being considered for the purposes of all other laws to have been made under such section; and

"(2) to private nonprofit corporations and associations for the specific purpose of assisting them in providing transportation services meeting the special needs of elderly and handicapped persons for whom mass transportation services planned, designed, and carried out under paragraph (1) are unavailable, insufficient, or inappropriate, with such grants and loans being subject to such terms, conditions, requirements, and provisions (similar insofar as may be appropriate to those applicable to grants and loans under paragraph (1)) as the Secretary may determine to be necessary or appropriate for purposes of this paragraph.

Of the total amount of the obligations which the Secretary is authorized to incur on behalf of the United States under the first sentence of section 4(c), 2 per centum may be set aside and used exclusively to finance the programs and activities authorized by this subsection (including administrative costs)."

TITLE IV

INAPPLICABILITY OF TIME REQUIREMENTS

SEC. 401. The time requirements in section 104(b) of title 23, United States Code, shall not be applicable to the apportionment of sums authorized for the fiscal year ending June 30, 1974, in any title of this Act, and the Secretary shall apportion such sums for such fiscal year as soon as practicable after the date of enactment of this Act.

CONFORMING ADJUSTMENTS

SEC. 402. All sums authorized in Public Law 93-61 are included within the authorizations contained in this Act for the fiscal year ending June 30, 1974, and the Secretary shall make such adjustments in apportionments made under Public Law 93-61 as may be necessary to conform such apportionments to this Act.

And the House agree to the same.

JIM WRIGHT,
JOHN A. BLATNIK,
JOHN C. KLUCZYNSKI,
HAROLD T. JOHNSON,
JAMES V. STANTON,
DON H. CLAUSEN,
Managers on the Part of the House.

LLOYD BENTSEN,
JENNINGS RANDOLPH,
EDMUND S. MUSKIE,
JOSEPH M. MONTOYA,
HOWARD BAKER,
ROBERT T. STAFFORD,
JAMES BUCKLEY,
Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 502) to authorize appropriations for the construction of certain highways in accordance with title 23 of the United States Code, and for other purposes, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report:

The House amendment struck out all of the Senate bill after the enacting clause and inserted a substitute amendment.

The committee of conference has agreed to a substitute for both the Senate bill and the House amendment. Except for clarifying, clerical, and conforming changes, the differences are noted below:

TITLE I

Short title

Senate Bill

Provides that the Act may be cited as the "Federal-Aid Highway Act of 1973".

House Amendment

Provides that the Act may be cited as the "Federal-Aid Highway Act of 1973."

Conference Substitute

This is the same as both the Senate bill and the House amendment.

Revision of authorization for appropriations for Interstate System

Senate Bill

This section provides authorizations for the Interstate highway program through the fiscal year 1976. $3.25 billion would be authorized for each fiscal year from 1974 through 1976. It amends subsection (b) of section 108 of the Federal-Aid Highway Act of 1956 by reducing the authorization by $750 million for each of those fiscal years.

House Amendment

This section authorizes the appropriation of an additional $8 billion for completion of the Interstate System. $3.5 billion per fiscal year for the fiscal years 1974 through 1978 and $2.5 billion for the fiscal year 1979.

Conference Substitute

This section authorizes the appropriation of $2.6 billion for fiscal year 1974, $3 billion per fiscal year for the fiscal years 1975 and 1976, and $3.25 billion per fiscal year for the fiscal years 1977, 1978, and 1979.

Authorization of use of cost estimates for apportionment of Interstate funds

Senate Bill

This section approves the use of apportionment factors contained in revised table 5 in the 1972 Interstate Cost Estimate (House Document 29, 92d Congress) for the apportionment of Interstate funds authorized to be appropriated for fiscal years 1974, 1975 and 1976.

House Amendment

This section approves the use of the apportionment factors contained in revised table 5 of the 1972 Interstate System Cost Estimate (House Public Works Committee Print No. 92-29, as revised in House Report Numbered 92-1443), for the apportionment of Interstate funds authorized to be appropriated for fiscal years 1974, 1975, and 1976.

Conference Substitute

This section is the same as the Senate bill and the House amendment with the exception that the Secretary of Transportation is required to make the apportionments rather than being authorized to do so.

Highway authorizations

Senate Bill

This section authorizes funds for the Federal-Aid and Federal domain roads programs for the fiscal years 1974, 1975, and 1976.

For the Federal-aid primary system in rural areas, $650,000,000; for the Federal-aid urban system, $850,000,000; for the Federal-aid secondary system in rural areas, $350,000,000; for the extensions of the Federal-aid primary and secondary systems in urban areas, $350,000,000.

Funds for parkways are authorized to be appropriated from the trust fund for the first time. Funds for forest highways and public lands highways are available from the trust fund in accordance with the practice established in the 1970 Federal-Aid Highway Act. Authorizations for Indian reservation roads and bridges are from the trust fund also for the first time. The authorizations for these highways are as follows:

[In millions]

Category	1974	1975	1976
Forest highways	$33	$33	$33
Public lands highways	16	16	16
Forest development roads and trails	75	75	75
Public lands development roads and trails	10	10	10
Park roads and trails	30	30	30
Parkways	75	75	75
Indian reservation roads and bridges	75	75	75

This section also authorizes $15 million for fiscal 1974, 1975, and 1976 for landscaping and scenic enhancement; $1.5 million for each of those years for the administrative expenses of the beautification program; and continues the territorial highway program established in the 1970 act with authorization to the territories in the following amounts:

[In millions of dollars]

Category	1974	1975	1976
Virgin Islands	2.5	2.5	2.5
Guam	2.0	2.0	2.0
American Samoa	1.0	1.0	1.0

For fiscal years 1974, 1975, and 1976, each State will receive at least ½ of 1% of total apportionments for the Interstate System. Whenever such amount exceeds the cost of completing the system in any State, the excess amount will be added to primary, secondary, and urban apportionments for such State in the ratio which the respective amounts bear to each other. For those costs, an additional $50 million will be authorized for the 1974, 1975, and 1976 fiscal years. The funds made available by this provision are to be obligated at the Federal share applicable to projects on such systems.

House Amendment

This section authorizes the appropriation, out of the Highway Trust Fund, of the following sums for each of the fiscal years 1974, 1975, and 1976:

For the Federal-aid primary system in rural areas, $700,000,000; for the Federal-aid urban system, $700,000,000; for the Federal-aid secondary system in rural areas, $400,000,000; for the extensions of the Federal-aid primary and secondary systems in urban areas, $400,000,000; for economic growth center development highways, $150,000,000; for forest highways, $33,000,000; and for public lands highways, $16,000,000.

This section eliminates the present single authorization for appropriation for the Federal-aid primary and secondary systems and their urban extensions within urban areas and substitutes a separate authorization for appropriation for the rural and the urban portions of these systems.

It also provides authorizations of $50,000,000 for each of the fiscal years 1974, 1975, and 1976 in addition to all other authorizations for the Interstate System, be apportioned to each of the States which otherwise would receive less than one-half of one percent of the Interstate apportionment for fiscal year 1974, 1975, or 1976, so long as such State has not completed Federal funding of the Interstate System within its boundaries.

Use of any funds authorized by this section for highway beautification (sections 131, 136 and 319(b)) or Chapter 4 of title 23, United States Code, is prohibited.

It also provides authorizations for $3,000,000 for each of the fiscal years 1974, 1975, and 1976 for necessary administrative expenses in carrying out sections 131, 136, and 319(b).

Authorizations are provided for the Territorial Highway Program for each of the fiscal years 1974, 1975, and 1976, as follows: Virgin Islands, $5,000,000; Guam, $2,000,000; and American Samoa, $1,000,000.

Sums authorized for the fiscal years 1974, 1975, and 1976, for certain categories of roads administered by the Department of Transportation jointly with either the Department of the Interior or the Department of Agriculture, are as follows:

[In millions of dollars]

	1974	1975	1976
Forest development roads and trails	170	170	170
Public lands development roads and trails	10	10	100
Park roads and trails	30	30	30
Indian reservation roads and bridges	100	100	100
Parkways	75	75	75

Conference Substitute

This section is the same as the House amendment with the following revisions:

(1) The Federal-aid urban system is funded at $780,000,000 for fiscal 1974 and at $800,000,000 per fiscal year thereafter and extensions of the Federal-aid primary and secondary system in urban areas are funded at $290,000,000 for fiscal year 1974 and at $300,000,000 per fiscal year thereafter.

(2) The Federal-aid primary system in rural areas is funded at $680,000,000 for fiscal year 1974 and $700,000,000 per fiscal year thereafter. The Federal-aid secondary system in rural areas is funded at $390,000,000 and $400,000,000 per fiscal year thereafter.

(3) Forest development trails are funded at $140,000,000 per fiscal year.

(4) Parkways are funded at $60,000,000 for fiscal year 1974 and at $75,000,000 per fiscal year thereafter from the general fund except that all of the cost of any parkway project on a Federal-aid system paid under this authori-

zation shall be paid from the Highway Trust Fund. The Conferees intend that vehicular use of parkways on the Federal-aid system shall be subject to regulation the same as on any other parkways.

(5) Indian reservation roads and bridges are funded at $75,000,000 per fiscal year.

(6) Economic growth center development highways are funded at $50,000,000 for fiscal year 1974, $75,000,000 for 1975, and $100,000,- for 1976.

(7) Administrative expenses for carrying out sections 131, 136, and 319(b) of title 23, United States Code, are funded at $1,500,000 per fiscal year.

(8) Funds for section 319(b) of title 23, United States Code (relating to landscaping and scenic enhancement), are deleted.

Subsection (b) of this section is the same as that subsection in the Senate bill.

Submission of certain reports

Senate bill

No comparable provision.

House amendment

This section requires the Secretary of Transportation to forward to the Congress within 30 days of the enactment of this act those reports submitted by FHWA required under sections 105(b)(2), 121 and 144 of the Federal-aid Highway Act of 1970. Such submission shall contain the Secretary's recommendations to the Director of the Office of Management and Budget unless these recommendations have already been submitted to the Congress.

Conference substitute

No comparable provision.

Definitions

Senate bill

This section amends subsection (a) of Section 101 to include traffic operation improvement programs (TOPICS) under the definition of "construction."

The definition of "Indian roads and bridges" is modified so that the Indian and Alaskan native villages, otherwise eligible for Indian services in general, would be eligible for funding under chapter 2 of title 23.

The definitions of "urban area" and "urbanized area" are changed to allow State and local officials, in cooperation with the Secretary, to fix urban and urbanized area boundaries, including at least the area designated by the Bureau of the Census.

House Amendment

This section provides a conforming amendment to the definition of the term "construction" to change the reference to the "Coast and Geodetic Survey" to its current name "National Oceanic and Atmospheric Administration" and by adding traffic engineering and operational improvements to the definition. The term "urban area" is amended to require the participation of appropriate local officials in the establishment of the boundaries of an urban area. The definition of the term "Indian reservation roads and bridges" is amended to make Alaskan native villages, groups, or communities eligible for funding under chapter 2 of title 23.

Conference Substitute

This section redefines the term "construction" as defined in the Senate bill, the term "Indian reservation roads and bridges" as defined in the House bill, the term "urban area" as defined in the Senate bill with an amendment to include parts of a multistate urban area and the term "urbanized area" as defined in the Senate bill with a technical amendment.

Extension of time for completion of system

Senate Bill

This section directs the Secretary to submit to Congress a revised Interstate System cost estimate in January of 1975 rather than January 1974.

House Amendment

This section would extend the time for completion of the Interstate System until June 30, 1979, and would further direct the Secretary to submit to Congress a revised Interstate System Cost Estimate in January of 1975 for making apportionments for fiscal years 1977 and 1978 and another cost estimate in January of 1977 for apportionment of Interstate funds for fiscal year 1979.

Conference Substitute

This section is the same as the House amendment.

Declaration of policy

Senate Bill

This section declares it to be in the national interest and the intent of Congress that the Secretary should administer the Federal-aid highway program in such a manner as to give the highest priority in all instances to highway safety and to the saving of human lives.

House Amendment

This section adds a new paragraph to the present declaration of policy to the effect that, after the completion of the Interstate System, it shall be a national policy to increase emphasis on the acceleration of other Federal-aid systems in order to bring all such systems up to standards and to increase their safety to the maximum possible no later than the year 1990.

Conference Substitute

This section adds a new paragraph to the present declaration of policy to the effect that since the Interstate System is now in the final phase of completion, it shall be the national policy that increased emphasis be placed on construction and reconstruction of the other Federal-aid systems in order to bring all such systems up to standards and increase their safety to the maximum extent.

Minimization of redtape

Senate Bill

Section 108 states the national policy, that, to the maximum extent possible, the procedures followed by the Secretary and other affected heads of Federal departments, agencies and instrumentalities shall encourage the minimization of paperwork and interagency decision procedures and the best use of available manpower and funds so as to prevent needless duplication and unnecessary delays at all levels of government.

House amendment

This section states the national policy, that, to the maximum extent possible, the procedures followed by the Secretary and other affected heads of Federal departments, agencies and instrumentalities shall encourage the "drastic" minimization of paperwork and interagency decision procedures and the best use of available manpower and funds so as to prevent needless duplication and unnecessary delays at all levels of government.

Conference substitute

This section is the same as the House amendment except that the term "drastic" has been amended to read "substantial".

Federal-aid urban system

Senate bill

This section expands the urban system as presently, designated to encompass all urban areas and to include collector streets and access roads to airports and other transportation terminals. This section also amends section 103 of Title 23 to allow local officials to select the urban system routes after consultation with State highway departments and in accordance with section 134 planning process, subject to approval by the Secretary.

House amendment

This section expands the Federal-aid urban system to include the collection and distribution of traffic. It also provides that a State not having a designated urbanized area may designate routes on the Federal-aid urban system for its largest population center, based upon a continuing planning process developed cooperatively by State and local officials and the Secretary.

Conference substitute

This section is the same as the Senate bill with the following changes:

(1) The Federal-aid urban system shall be established in each urbanized area and in such other urban areas as the State highway department may designate.

(2) The routes are to be selected by local officials with the concurrence of the State highway departments.

(3) In approving programs for projects on the system, the Secretary shall require that projects be selected by local officials with the concurrence of the State highway department.

Removal of designated segments of the Interstate System

Senate Bill

This section amends section 103(g) of Title 23 and requires the States to notify the Secretary by July 1, 1974, of their intent to build any remaining Interstate segments; otherwise, such segments would be removed from Interstate designation. Substitute alternative segments, however, could be considered up to one year after that date. By July 1, 1975, States would be required to submit a schedule for completion of the system (including alternate segments).

House Amendment

The section changes the date for removing from designation as part of the Interstate System of those segments for which a State has not submitted a schedule for expenditure of funds to complete the system from July 1, 1973 to July 1, 1974, and for submitting plans, specifications and estimates for approval by the Secretary from July 1, 1975 to July 1, 1977. The District of Columbia is exempted from this provision.

Conference Substitute

The same as the Senate provision except for technical amendments and two added provisions, one of which excepts the District of Columbia from the provisions of the section and the second of which requires construction of any portion of a designated Interstate segment wholly within the borders of a city if such city provides matching funds from its own resources. The effective date of the provision is made June 30, 1973. Subsection (h) of section 103, title 23, United States Code, is intended to give urban areas the authority and responsibility to complete transportation systems necessary for mobility of urban residents and essential for the economic viability or urban areas. Local funds for such designated segments of the Interstate System are to be provided by one or more of the units of local government that will be served by the facility.

Apportionment

Senate Bill

Section 113 amends the Federal-aid primary formula to substitute the phrase "intercity mail routes where service is performed by motor vehicles" for the words "star routes" as a more accurate description. Provision would also be made to establish a minimum of one-half of one percent for each State's apportionment of funds for the Federal-aid urban system and changing the word "urbanized" to "urban". This assures the apportionment of urban system funds on the basis of population in urban areas of over 5,000 in population, as defined in 23 U.S.C. 101(a). The authority to transfer apportionments between the Federal-aid primary and secondary systems, is increased from 20 to 30 percent. Authorization to transfer up to 30 percent of urban extension funds to the urban highway system is also provided. A conforming amendment deleting the last sentence of section 104(c) would also be made.

In addition, in any State in which the Administrator of the Environmental Protection Agency has certified that one or more air quality regions would fail to achieve by July 1, 1975, specified standard air quality levels under the Clean Air Act, the Secretary is authorized to require the State to transfer all urban extension sums apportioned to such State to the account of urbanized areas within such designated air quality region for emergency assistance for transportation system improvements.

House Amendment

This section would amend the Federal-aid primary formula to substitute rural population for general population. Provision is also made to establish a minimum of one-half of one percent for each State's apportionment of funds for the Federal-aid urban system. The section would increase the authority of the Secretary to approve the transfer of apportionments from one system to another from 20 to 50 percent. Such transfers may be made, on the one hand, between the Federal-aid primary and secondary systems under sections 104(b) (1) and (2) and, on the other hand, between extensions of the Federal-aid primary and secondary systems within urban areas and the Federal-aid urban system. Conforming amendments deleting the last sentence of section 104(c) are also made.

Conference Substitute

This section would amend section 104 of title 23 of the United States Code as follows:

(1) by revising the concept of "star routes" to make it conform to the present law;

(2) to amend the Federal-aid primary and Federal-aid secondary formulas to substitute rural area population for general population and rural population respectively and to exclude the District of Columbia from apportionments;

(3) to establish a minimum of one-half of one percent of each State's apportionment of funds for the Federal-aid urban system and by changing the word "urbanized" to "urban". This assures the apportionment of urban system funds on the basis of population in urban areas as the term urban area is defined in 23 U.S.C. 101(a);

(4) by increasing the authority of the Secretary to transfer apportionments from 20 percent to 40 percent in accordance with the provisions of the House amendment. Funds apportioned under section 104(b)(6) are not to be transferred from their allocation to an urbanized area of 200,000 population without approval of the local officials;

(5) conforming amendments deleting the last sentence of section 104(c) are made.

A new subsection (b) which would insure that no State (other than the District of Columbia) would receive an apportionment for the primary system less than that which they received for fiscal year 1973 and an additional $17,000,000 for fiscal year 1974 and $15,000,000 per year for fiscal years 1975 and 1976 is authorized for this purpose.

Apportionment of planning funds

Senate Bill

This section makes available to metropolitan planning agencies ½ of 1% of funds apportioned to States for the Federal-aid systems to be used for the purpose of carrying out section 134 of title 23, relating to transportation planning. Funds would be apportioned to the States on the basis of urbanized area population and further apportioned to metropolitan agencies within each State in accordance with a formula developed by each State and approved by the Secretary. Funds would be matched in accordance with section 120 of title 23 unless the Secretary determines that the interests of the Federal-aid highway program would be best served without such matching.

House Amendment

This section would make available to metropolitan planning agencies ½ of 1% of funds apportioned for the Federal-aid systems for the purpose of carrying out section 134 of title 23, relating to transportation planning. Funds would be apportioned to the States on the basis of population and further apportioned to metropolitan agencies in accordance with a formula developed by each State and approved by the Secretary. Funds would be matched in accordance with section 120 of title 23 unless the Secretary determines that the interests of the Federal-aid highway program would be best served without such matching.

Conference Substitute

This section is the same as the Senate bill and the House amendment.

Advance acquisition

Senate Bill

This section extends from 7 years to 10 years the allowable time period within which actual highway construction should begin following the advance purchase of right-of-way.

House Amendment

This section would extend from 7 to 10 years the allowable time period within which highway construction must begin following the advance purchase of rights-of-way.

Conference Substitute

This section is the same as the House amendment.

Noise level standards

Senate Bill

Subsection (a) of this section authorizes the Secretary to promulgate standards for the control of highway noise levels for Federal-aid projects approved prior to July 1, 1972. The Secretary would be authorized to approve projects on Federal-aid systems to help carry out noise-level standards.

Subsection (b) would also prohibit the initiation of any highway program or the construction of any highway project approved under title 23 after June 30, 1973, unless it is in conformity with guidelines promulgated by the Secretary to assure attainment of ambient air quality standards under the Clean Air Act, as amended, and consistent with implementation plans approved by the Administrator of the Environmental Protection Agency for air quality control regions requiring transportation controls.

House Amendment

Existing law requires that after July 1, 1972, plans, specifications and estimates for Federal-aid highways which are not compatible with noise level standards promulgated by the Secretary shall be disapproved. This provision would permit the Secretary to promulgate noise level standards for projects approved prior to July 1, 1972, and also permit the expenditure of Federal-aid funds to make these projects compatible with such standards.

Conference Substitute

This is the same as subsection (a) of this section in the Senate bill.

The omission of subsection (b) of the Senate bill in the Conference Report in no way lessens the Secretary's responsibilities under the Clean Air Act. The Conferees reaffirm his responsibilities in properly meeting the requirements of the Act. This is a reaffirmation of what the Conferees understand existing law to be.

The provision in the Senate bill requiring that after June 30, 1973, the Secretary must, before approval, find a highway program or project to be in conformity with the guidelines he has issued under section 109(j)(1) of title 23 is not contained in the conference substitute.

This provision was intended to assure that Federal-aid Highway programs and projects are not inconsistent with air quality control regulations for regions which under the Clean Air Act must impose transportation controls.

The Conferees agreed to delete this provision with the understanding that existing law, in section 109(j) of Title 23, section 110 of the Clean Air Act, and the National Environmental Policy Act, requires any proposed highway project to be consistent with the Clean Air Act implementation plan for the region in which it is located before such a project could be approved by the Secretary. The determination of consistency with such an implementation plan must be made by the Secretary of Transportation.

In view of the Conferees, it is critical that in affected urbanized areas the requirements of such transportation controls be considered when the priorities are established for projects through the metropolitan area comprehensive transportation planning process required by 23 U.S.C. 134. The Secretary should take all necessary steps to assure the consideration of Clean Air Act implementation plan requirements in the selection of projects and the planning processes of affected urbanized areas.

Signs on project site

Senate Bill

This amendment prohibits any informational signs, other than official traffic control devices, from being erected on any projects where actual construction is in progress.

House Amendment

This amendment would, after July 1, 1973, prohibit any informational signs, other than official traffic control devices, from being erected on any highway projects where actual construction is in progress and which would be visible to highway users.

Conference Substitute

This section is the same as the Senate bill and the House amendment.

Certification acceptance

Senate Bill

The authority of the Secretary pursuant to section 117 of Title 23 is amended to include all projects on Federal-aid systems except the Interstate. The Secretary is authorized to discharge his responsibilities relative to such projects by accepting a certification of the capability of the State to perform such responsibilities, if he finds that they will be carried out according to State regulations at least equivalent to those required by Title 23. The Secretary could rescind his acceptance of a State's certification at any time, but this alternative procedure would not lessen his responsibility under various environmental, civil rights, housing and relocation statutes.

House Amendment

This section amends section 117 of title 23, United States Code, by broadening its scope to include all Federal-aid systems except the Interstate System. Upon the request of a State, the Secretary may discharge his responsibilities under title 23 by accepting a certification of the State highway department if he finds that the State: (1) will carry out projects on such systems in accordance with State laws, regulations, directives and standards establishing requirements at least equivalent to those required under title 23; (2) the State meets the requirements of section 302 of title 23; and (3) the final decision by responsible State officials will be in the best overall public interest. The Secretary would be required to make a final inspection of such projects upon completion and require an adequate report of the estimated and actual cost of construction and such other information as he determines necessary. The acceptance of the State's certification by the Secretary may be rescinded by him at any time he determines it is necessary to do so. The procedure provided by this section is an alternative to that otherwise prescribed in title 23 and the Secretary is required to promulgate such guidelines and regulations as may be necessary to carry out the section.

This section does not affect or discharge the responsibility or obligation of the Secretary under any Federal law, including the National Environmental Policy Act of 1969, section 4(f) of the Department of Transportation Act and the Uniform Relocation Assistance and Land Acquisition Policies Act of 1970, other than title 23.

Conference Substitute

This section is the same as the House amendment with the following changes:

(1) The certification is to be by the State highway department or that department, commission, board, or official of any State charged by its laws with the responsibility for highway construction.

(2) The requirements in clauses (2) and (3) that the State meet the requirements of section 302 and that final decisions be made by responsible State officials are eliminated.

(3) Subsection (e) is the same as the Senate bill.

Materials at off-site locations

Senate Bill

This amends 23 U.S.C. 121(a), which authorizes progress payments to a State for cost of construction, to permit payments to be made for materials which are not in the vicinity of the construction if the Secretary determines that, because of the required fabrication at an off-site location, the materials cannot be stockpiled in the vicinity of the construction.

House Amendment

This section amends 23 U.S.C. 121(a), relating to progress payments to a State for cost of construction, to permit payments to be made for materials which are not in the vicinity of the construction if the Secretary determines that because of the required fabrication at an off-site location the materials cannot be stockpiled in the vicinity of the construction.

Conference Substitute

This section is the same as the Senate bill and the House amendment.

Toll roads, bridges, tunnels, and ferries

Senate Bill

This section provides that any toll road designated as part of the Interstate System which becomes toll free would be eligible for Interstate funding for the construction, reconstruction or improvement of such road in order to bring it up to required standards.

House Amendment

This section would amend section 129(b) of title 23 to provide that when a toll road which the Secretary has approved as a part of the Interstate System becomes toll free, apportioned Federal-aid Interstate highway funds may be expended for construction, reconstruction or improvement of such road to standards adopted for the improvement of projects on the Interstate System.

In addition, this section makes an amendment to section 133 of the 1970 Federal-aid Highway Act, by changing the date therein from 1968 to 1973. This would permit Federal participation in the costs of the two additional lanes which are required under that legislation to bring any 2-lane section of the Interstate System up to the minimum of four lanes. The section is applicable only to any section of toll road which is now two lanes, and which was designated as a part of the Interstate System before July 1, 1973.

Conference Substitute

This section is the same as the House amendment.

Control of outdoor advertising and junkyards

Senate Bill

This section amends section 131, Title 23, to provide that after January 1, 1974, or the end of the next session of a State legislature, controls under the Highway Beautification Act are extended to include signs beyond 660 feet from the highway right of way of the Interstate or primary systems when such signs are erected with the purpose of their message being read from the main traveled way. Such signs would be permitted within zoned and unzoned industrial and commercial areas. Nonconforming signs would have to be removed within five years from the time they become nonconforming unless determined otherwise by the Secretary. The Secretary is authorized to issue standards for public informational signs within the rights of way for the primary system as now provided along the Interstate System. The Highway Beautification Act is further amended to provide that just compensation be paid for those signs required to be removed if they were lawfully erected under State law prior to the enactment of the Federal Aid Highway Act of 1973. For the purpose of carrying out Section 131, as amended, $50 million is authorized from the Highway Trust Fund for each of the fiscal years 1974, 1975 and 1976.

Section 136(j) of title 23 is amended to require that just compensation be paid for removing, relocating or disposing of junkyards which were lawful on the effective date of State compliance legislation.

$15,000,000 is authorized out of the Highway Trust Fund for purposes of junkyard control for each of the 1974, 1975 and 1976 fiscal years.

House Amendment

Subsection (a) amends 23 U.S.C. 131(a) relating to the control of outdoor advertising by eliminating the present 660 foot limitation on the control of signs along the Interstate and primary systems. After January 1, 1974, the 10% penalty could be imposed on States which do not remove signs beyond 660 feet away which are "visible from the main traveled way of the system" and are "erected with the purpose of their message being read from such main traveled way."

Subsection (b) amends the outdoor advertising effective control provisions and clarifies the present law with respect to signs for the information of the traveling public. It provides that on or after July 1, 1974, or after the expiration of the next regular session of State legislatures, whichever is later, effective control shall mean that signs located beyond 660 feet of the right-of-way and visible from the main traveled way of the system and erected with the purpose of their message being read from the main traveled way shall be limited to directional and official signs and notices including but not limited to signs and notices pertaining to information in the specific interest of the traveling public, such as, but not limited to, signs and notices pertaining to rest stops, camping grounds, food service, gas and automatic service, lodging, natural wonders, scenic and historic attractions. Not more than three such signs facing in the same direction of travel shall be permitted per mile of Interstate or primary highway.

Subsection (c) amends 23 U.S.C. 131(d) relating to signs in areas zoned industrial or commercial in unzoned commercial or industrial areas. Since the present 660 foot limitation would be removed, the authority for erecting approved signs in areas zoned industrial and commercial (now valid within the 660 foot zone) would be extended for the sake of consistency to areas beyond 660 feet.

Subsection (d) amends 23 U.S.C. 131(e) to provide that signs that are not in conformity with State law shall be removed not later than 5 years after they become nonconforming unless the Secretary determines otherwise. The original act provided that any signs which were lawfully in existence on September 1, 1965, but were not in conformity, cannot be required to be removed before July 1, 1970, and other lawfully erected signs that were nonconforming could not be required to be removed for 5 years.

Subsection (e) amends section 131(f) to expand the present authority of the Secretary to provide standards for the erection along the Interstate System of signs providing specific information for the traveling public to include the same authority with respect to the Federal-aid primary system. A proviso is added that such signs on the Interstate and primary shall not be erected in suburban or urban areas or in lieu of signs permitted under 23 U.S.C. 131(d). Also, such signs shall not be erected where adequate information is provided by signs permitted under 23 U.S.C. 131(c).

Subsection (f) amends 23 U.S.C. 131(g) to provide that just compensation be paid for the removal of all outdoor advertising signs which have been lawfully erected under State law.

Subsection (g) amends 23 U.S.C. 131(m) to provide authorizations of $50 million for each of the fiscal years 1974, 1975 and 1976, for outdoor advertising control.

Subsection (h) adds two new subsections to 23 U.S.C. 131. The first provides that no directional sign, display or device lawfully in existence on June 1, 1972, which gives specific information to travelers shall be required to be removed until December 31, 1974, or until the State in which the sign, display or device is located certifies that such information advertised thereon may reasonably be available to motorists by some other method or methods, whichever shall occur first. The second provides that the United States shall pay 100 percent of the just compensation for the removal (including all relocation costs) of any sign, display or device which is removed prior to the enactment of this Act which after its removal is lawfully relocated and which is required to be removed again as a result of this amendment. Just compensation would be paid pursuant to this amendment of 23 U.S.C. 136(j), for removing, relocating or disposing of junkyards which were lawfully established under State law.

Subsection (b) authorizes $15 million out of the Highway Trust Fund for each of the fiscal years 1974, 1975 and 1976, for junkyard control.

Conference Substitute

The conference substitute contains no provisions relating to control of outdoor advertising or junkyards.

The deletion of these provisions should not be construed as discontinuing the programs or affecting the existing law. The present programs remain in effect. It is the expectation of the conferees that the Congress will consider additional authorizations and possible modifications in separate legislation.

The conferees expect that the Secretary will not invoke the 10 percent penalties for failure of the State to comply with the requirements of sections 131 and 136 where such failure is the result of the lack of availability of Federal matching funds.

Urban area traffic operations improvement programs

Senate Bill

No comparable provision.

House Amendment

This section would repeal section 135(c) of title 23 which provides that sums authorized to carry out that section shall be apportioned in accordance with section 104(b)(3) of title 23.

Conference Substitute

This section is the same as the House amendment.

Training programs

Senate Bill

This section extends authorizations in section 140, title 23, for the highway construction training program for three years through fiscal year 1976, $5 million would be provided for each of the fiscal years 1974, 1975, and 1976.

House Amendment

This section extends authorizations in section 140, title 23, for the highway construction training program for three years through fiscal year 1976. $10 million would be provide for each of the fiscal years 1974, 1975, and 1976.

Conference Substitute

This section is the same as the House amendment.

Public transportation

Senate Bill

This section amends the section 142 of title 23 to authorize the use of funds apportioned to each State for the Interstate system, extensions of the Federal-aid primary and secondary systems and the Federal-aid urban system to finance the Federal share of the costs of projects for public transportation purposes within urban areas. These funds could be used for the construction in urban areas of exclusive bus lanes, traffic control devices, passenger loading areas and facilities. Urban system funds could be used for the purchase of passenger equipment including fixed rail and for the construction of fixed rail facilities. Interstate funds would not be available for purchase of buses, but are available for exclusive or preferential bus, truck, and emergency vehicle routes or lanes.

Subsection (d) of section 142 of title 23 is repealed, thereby eliminating the requirement that exclusive bus lane projects must be less expensive and more feasible or prudent than additional automobile lanes.

The Federal share of the cost for public transportation projects would be the same as that provided for regular Federal-aid projects.

No bus acquired under this section could be used for charter, lease, sightseeing or other service in any area other than the area for which it was acquired. The Urban Mass Transportation Act of 1964, as amended would apply in carrying out the provisions of this section relating to the purchase of equipment and its use within urban areas unless the Secretary determines that provisions of Title 23 of the United States Code would be more appropriate.

Buses purchased under this section would have to meet emission standards prescribed by the Environmental Protection Agency under Section 202 of The Clean Air Act and Section 6 of the Noise Control Act and must meet, wherever practicable, special criteria for low emission vehicles set forth in Section 212 of the Clean Air Act and section 15 of the Noise Control Act. The Urban Mass Transportation Act of 1964, as amended, relating to planning and design of mass transit facilities to meet the special needs of the elderly and the handicapped and applying to the purchase and use of equipment within urban areas, would apply in carrying out this section.

Funds available under this section would be supplementary to and not in substitution for funds authorized and available for obligation pursuant to the Urban Mass Transportation Act of 1964, as amended.

The Secretary could authorize any State to make lands within the publicly acquired rights of way of any Federal-aid highway available without charge to a publicly owned mass transit authority.

House Amendment

This section would authorize the use of funds apportioned to each State for the Federal-aid systems to finance the Federal share of the costs of projects for highway public transportation purposes. Included within its scope would be construction of exclusive bus lanes, traffic control devices, passenger loading areas and facilities. Where sufficient land exists within any Federal-aid rights-of-way to accommodate needed rail or nonhighway public mass transit programs without impairing automotive safety or future highway improvements, the Administrator may, if he deems it in the public interest, authorize a State to make such lands available without charge to a publicly owned mass transit authority for such purposes.

Subsection (b) would permit the use of funds apportioned for the Interstate System to finance the Federal share of projects for exclusive or preferential bus, truck, and emergency vehicle routes or lanes. Projects under this section could be constructed to less than four lanes as now required by law.

Subsection (c) of this section would provide that if local officials of an urbanized area notify the State highway department that in lieu of a highway project paid from funds apportioned for the urban system they desire to fund a mass transit project involving construction of fixed rail facilities, or purchase of passenger equipment, including rolling stock for any mode of mass transit, and such project is in accordance with the planning process under section 134 of this title, plans may be submitted for approval to the Secretary. Approval of the plans, specifications, and estimates for such project would constitute a contractual obligation for payment of the Federal share of the cost of the project from general funds of the Treasury. Funds previously apportioned to the State for the urban system would be reduced by an amount equal to the Federal share of such mass transit projects. No assistance would be provided under this subsection for the purchase of buses to any State or local public body or agency thereof which engages in charter bus operations in competition with private operators outside the urbanized area within which the public body or agency provides mass transit service.

The establishment of routes and schedules of public mass transportation systems financed under this section shall be in accordance with the planning process under section 134 of this title. No project under this section would be approved unless the Secretary is assured that the mass transit systems would have adequate ridership to fully utilize the proposed project. The Federal share payable on account of any project under this section would be that provided in section 120 of this title.

No financial assistance would be provided under this section to any State or local public body or agency thereof which engages in the transporting of school children and school personnel to and from school and school related functions in competition with or supplementary to the service currently provided by a private transportation company, or other person, provided that such company or person provides adequate transportation at reasonable rates, and in conformance with applicable safety standards. This subsection would not apply if the State or local body was engaged in transporting school children or personnel during the 12-month period prior to the date of enactment of this subsection.

Subsection (i) would insure that a nonsupervisory employee of a publicly-owned mass transit system, not otherwise subject to the limitations on political activity of the Hatch Act, is not merely by virtue of assistance to transit systems under this section, restricted in his political activity at the Federal, State or local level.

Subsection (j) provides that funds made available under subsection (c) of this section would be supplementary to and not in substitution for funds authorized under the Urban Mass Transportation Act.

Subsection (k) would insure that the provisions of section 3(e)(4) of the Urban Mass Transportation Act would apply in carrying out subsection (c) of this section.

Conference Substitute

This section is an amalgam of the Senate and House provisions and would permit the Secretary to approve as a project on any Federal-aid system the construction of exclusive or preferential bus lanes, highway traffic control devices, bus passenger loading areas and facilities (including shelters) and fringe and transportation corridor parking facilities. In addition, beginning with funds authorized for fiscal year 1975, the Secretary may approve as a project on the urban system the purchase of buses, and beginning with funds authorized for fiscal year 1976 for the urban system, the Secretary may approve projects for the construction, reconstruction, and improvement of fixed rail facilities including the purchase of rolling stock for fixed rail. Not more than $200,000,000 of urban system funds for fiscal year 1975 are to be expended for the Federal share of projects for the purchase of buses.

Subsection (c) of the House amendment is retained, but its application is restricted to the fiscal years 1974 and 1975. Each State highway department shall submit to the Secretary each non-highway public mass transit project submitted to such department under this section by local officials, together with its determination with respect to such project under the section 134 planning process including its entitlement to priority.

In addition, the Secretary shall not approve any project for buses and rail facilities in any fiscal year when there has been enacted an urban transportation trust fund or similar assured funding for both highways and public transportation.

Provisions of the House amendment and the Senate bill relating to charter bus and school bus operations and the applicability of the Clean Air Act, Noise Control Act, and protections for the elderly and the handicapped are treated as separate provisions in the conference report.

Economic growth center development highways

Senate Bill

No comparable provision.

House Amendment

Subsection (a) would expand 23 U.S.C. 143 to allow the designation on any Federal-aid system other than the Interstate System of an economic growth center development highway. Present law now restricts such development highways to Federal-aid primary roads. The economic growth center development highways program is also made a permanent program rather than a demonstration project. The provisions applicable to highways of the Federal-aid system on which such development highway is located shall be applicable to development highways and to funds authorized for such highways except those which the Secretary determines are inconsistent with section 143.

Subsection (b) would amend 23 U.S.C. 143(e) to provide that the Federal share of the cost of construction of any development highway shall be the same as that provided for any other project on the Federal-aid system on which such development highway is located, thus converting the existing supplemental grant program to a basic grant program.

Subsection (c) contains a technical amendment to 23 U.S.C. 143(a) by eliminating language which states that the economic growth center development highway program is a demonstration program.

Conference Substitute

This section is the same as the House amendment.

Funds authorized for fiscal years 1972 and 1973 for the economic growth center development highway demonstration program which have not been obligated shall be available for obligation for the full Federal share of projects for which plans, specifications, and estimates are approved subsequent to enactment of this section.

Federal-State relationship

Senate Bill

No comparable provision.

House Amendment

This section adds a new section to chapter 1 of title 23 which declares that the authorization of Federal funds or their availability for expenditure under such chapter shall not infringe on the sovereign rights of the States to determine the projects to be federally financed, and that provisions of chapter 1 provide for a federally-assisted State program.

Conference Substitute

This section is the same as the House amendment.

Bicycle transportation and pedestrian walkways

Senate Bill

Under new section 145, Title 23, sums apportioned for the Federal-aid highway systems are made available for the development and improvement of bicycle transportation, equestrian trails and pedestrian walkways located on or in conjunction with highway rights-of-way.

Funds could be used to finance the Federal share of the cost of constructing separate or preferential bicycle lanes or paths, bicycle traffic control devices, bicycle shelters and parking facilities, pedestrian walkways, and equestrian trails. Projects to be authorized under this program would have to be located and designed according to an overall plan providing for safety and for contiguous routes.

Funds authorized and appropriated for forest highways, forest development roads and trails, parkways, Indian reservation roads and bridges and public lands highways would also be available for carrying out the provisions of this section at the discretion of the Department charged with the administration of such programs.

No motorized vehicle would be permitted on trails and walkways authorized under this section except for maintenance purposes.

House Amendment

This section would permit the use of sums apportioned for the primary, secondary, urban extension, and urban systems to construct, in conjunction with Federal-aid highway projects, separate or preferential bicycle lanes, bicycle traffic control devices, shelters and parking facilities to serve bicycles and persons using bicycles.

This section would also permit the use of funds authorized for forest highways, forest development roads and trails, parkways, Indian reservation roads and bridges, public lands highways, and public lands development roads and trails, for constructing bicycle routes in conjunction with such trails, roads, highways, or parkways.

No motorized vehicles would be permitted on the trails except for maintenance purposes, and when snow conditions permit, snowmobiles.

Conference Substitute

This section is the same as the House amendment except as follows:

(1) Pedestrian walkways are included within the scope of the provision.

(2) The obligation level is set at not more than $40 million in any fiscal year with no State to obligate more than $2 million for any such projects in any fiscal year.

(3) Bikeways financed under this section may utilize available land not on the highway right-of-way so long as the bike route accommodates bicycle traffic which otherwise would have used the Federal-aid route. The location, design, and construction of bikeways shall take into consideration maximum safety of persons using such bikeways.

Special urban high density traffic program

Senate Bill

This section adds a new section 147 to title 23 authorizing $50 million for each of the fiscal years 1974 and 1975 for the construction of special highways connected to the Interstate System in portions of urbanized areas with high traffic density. The Federal share for any project under this section could not exceed 90% of the cost of construction.

The Secretary would develop guidelines for designation of routes and allocation of funds according to several criteria. Routes selected could be no more than 10 miles long, would have to serve areas of concentrated population and heavy traffic congestion, would have to meet the urgent needs of commercial, industrial, airport, or national defense installations, and would have to connect with existing routes on the Interstate System. Any route selected would have to be approved through the section 134 planning process and could be designated only if the Secretary determines that no other feasible or practicable alternative mode of transportation would be available. Designation of routes would have to comply with section 138 of title 23 regarding parkland preservation and no route could be approved which substantially damaged or infringed upon any residential area. The Secretary could designate no more than one route in each State and would base his designation upon the recommendation of State and responsible local officials.

House Amendment

This section adds a new section to chapter 1 of title 23 which would authorize $100 million for each of the fiscal years 1974, 1975 and 1976, for special highways connected to the Interstate System in portions of urbanized areas with high traffic density. The Federal share for any project under this section could not exceed 90 percent of the cost of construction.

The Secretary would develop guidelines for designation of routes and allocation of funds to include several criteria. Routes selected could be no more than 10 miles long, would have to serve areas of concentrated population and heavy traffic congestion, the urgent needs of commercial, industrial or national defense installations, and would have to connect with existing routes on the Interstate System. Any route selected would have to be approved through the section 134 planning process and could be designated only if the Secretary determines that no other feasible or practicable alternative mode of transportation would be available. Designation of routes would have to comply with section 138 of title 23 regarding parkland preservation and no route could be approved which substantially damaged or infringed upon any residential area. The Secretary could designate no more than one route in each State and would base his designation upon the recommendation of State and responsible local officials. Routes must be on the Federal-aid system prior to designation.

Conference Substitute

This section is the same as the House amendment except as follows:

(1) The authorization is established at $50 million per fiscal year, and

(2) The requirement that a route designated under this section must be on a Federal-aid system prior to such designation is revised to strike the words "prior to such designation.".

Priority primary routes

Senate Bill

No comparable provision.

House Amendment

This section adds a new section to chapter 1 of title 23 to provide for the selection of not more than 10,000 miles of high traffic sections of highway which are on the Federal-aid primary system and connect to the Interstate System. Such sections are to be selected for priority of improvement in consultation with appropriate local officials and subject to the Secretary's approval. The Federal share of such projects shall be the same as the Federal share on other primary routes as provided in 23 U.S.C. 120(a) and the provisions of title 23 which are applicable to the Federal-aid primary system shall be applicable to the priority primary routes. Funds authorized for such routes shall be deemed to be apportioned on January 1 next preceding the commencement of the fiscal year for which authorized. A report to Congress on selection of routes and their estimated costs shall be made on or before July 1, 1974. Three hundred million dollars is authorized out of the Highway Trust Fund for each of the fiscal years 1974, 1975, and 1976, for carrying out the priority primary route program.

Conference Substitute

This is the same as the House amendment except that the 10,000 mile limitation on the system is eliminated and the authorization level is $100 million for fiscal 1974, $200 million for 1975 and $300 million for fiscal 1976. It is the expectation of the conferees that the event of this system will be about 10,000 miles.

Alaska Highway

Senate Bill

This section adds a new section 217 to title 23 and authorizes $58,670,000 for reconstructing the Alaska Highway from the Alaskan border to Haines Junction in Canada, and reconstructing the Haines Cutoff Highway from Haines Junction to the south Alaskan border.

House Amendment

This section adds a new section to chapter 2 of title 23 to authorize $58,670,000 for reconstructing the Alaska Highway from the Alaskan border to Haines Junction in Canada, and reconstructing the Haines Cutoff Highway from Haines Junction to the south Alaskan border.

Conference Substitute

This section is the same as the Senate bill and the House amendment.

Bridges on Federal dams

Senate Bill

This section provides increased authorization of $8.5 million to finance the construction of two bridges on Federal dams on the Arkansas and Tennessee Rivers located in the vicinities of Fort Smith, Arkansas, and Chattanooga, Tennessee, respectively.

House Amendment

This section would provide an increased authorization of $8.5 million to finance the construction of two bridges on Federal dams located in the vicinity of Fort Smith, Arkansas, and Chattanooga, Tennessee.

Conference Substitute

This section is the same as the Senate bill.

Great River Road

Senate Bill

No comparable provision.

House Amendment

This section provides construction funds of $20 million for each of the fiscal years 1974, 1975, and 1976, out of the Highway Trust Fund, to be matched on an 80% Federal and 20% State ratio. These funds will be applied on those portions of the Great River route on Federal-aid highways.

An additional $10 million for each of the fiscal years 1974, 1975, and 1976, is authorized out of the general fund. Those sections of the route on Federal lands will be entirely paid for by Federal funds.

One hundred thousand dollars will be apportioned to the 10 States bordering the Mississippi for planning.

Conference Substitute

This section is the same as the House amendment with the following changes:

(1) Subsection (a) relating to Congressional findings and purpose is eliminated.

(2) The Federal share of the cost of any project shall be that provided in section 120 of title 23 for the Federal-aid system on which the project is located and if the project is not on a system the Federal share shall be 70 percent.

(3) The authorization is provided at not to exceed $10,000,000 for fiscal year 1974, and $25,000,000 for each of the fiscal years 1975 and 1976.

Alaskan assistance

Senate Bill

This section amends the special Alaskan Highway authorization in the Federal-aid Highway Act of 1966 by providing $20 million from the Highway Trust Fund for each of the fiscal years 1974, 1975, and 1976. These funds are limited to Federal-aid highway projects.

House Amendment

The special Alaskan highway authorization in the Federal-aid Highway Act of 1956 is amended by providing $20 million from the Highway Trust Fund for each of the fiscal years 1974, 1975, and 1976. These funds are limited to Federal-aid highway projects.

Conference Substitute

This section is the same as the Senate bill and the House amendment.

Route 101 in New Hampshire

Senate Bill

No comparable provision.

House Amendment

The State of New Hampshire would be permitted to repay all Federal-aid highway funds paid on account of certain sections of Route 101 in the State of New Hampshire prior to the collection of any tolls on such sections. Upon such repayment, the Federal-aid projects for which such funds have been repaid and any other Federal-aid projects located on the sections involved and programed for expenditure on any such project, shall be credited to the unprogramed balance of Federal-aid highway funds of the same class which were last apportioned to the State of New Hampshire. Such amount shall be in addition to all other funds apportioned to the State and shall be available for expenditure in accordance with title 23. Upon repayment of Federal-aid highway funds and cancellation and withdrawal from the Federal-aid highway program of the projects on Route 101, such sections of said route shall become free of any and all restrictions contained in title 23 or any regulations thereunder with respect to the imposition and collection of tolls or other charges thereon or for the use thereof.

Conference Substitute

This section is the same as the House amendment except that the State of New Hampshire would be required to make these repayments on or before October 1, 1977 and failure to do so within this time would render this provision inoperative.

Freeing interstate toll bridges

Senate Bill

No comparable provision.

House Amendment

This section permits States which have constructed or acquired any interstate toll bridge on the Federal-aid primary system (other than the Interstate System) including approaches, before January 1, 1975, and which before that date, have caused the bridge to be made free, to use funds apportioned to it for the primary system and for extensions of the primary system within urban areas to pay the Federal share of a project of (1) such amount as the Secretary determines to be the reasonable value of the bridge after deducting the portion of such value attributable to any previous grant or Federal contribution in connection with its construction or acquisition, exclusive of rights-of-way, or (2) the amount by which the principal amount of outstanding unpaid bonds or other obligations created and issued for the construction or acquisition of such bridge exceeds the amount of funds accumulated or provided for their amortization on the date the bridge is made free, whichever is the lesser amount.

Conference Substitute

This section is the same as the House amendment.

Study of toll bridge authority

Senate Bill

This provision requires the Secretary of Transportation to undertake a study of existing laws and regulations governing toll bridges over navigable waters of the United States for the purpose of determining what action can and should be taken to assure just and reasonable tolls nationwide.

The Secretary is required to establish regulations to implement his responsibilities regarding rates of tolls under the General Bridge Act of 1946.

House Amendment

This provision would require the Secretary to undertake a study of existing laws and regulations governing toll bridges over navigable waters of the United States for the purpose of determining what action can and should be taken to assure just and reasonable tolls nationwide. A report to Congress is required by July 1, 1974, except in the case of the toll bridge at Chester, Illinois, a report to Congress is required by December 31, 1973.

Conference Substitute

Subsection (a) of this section is the same as the House amendment. Subsection (b) requires the Secretary of Transportation to promulgate regulations establishing guidelines governing any increases in tolls for use of any bridge constructed pursuant to the General Bridge Act of 1906 or the General Bridge Act of 1946.

National scenic highway system study

Senate Bill

No comparable provision.

House Amendment

The Secretary is directed to make a full and complete investigation and study to determine the feasibility of establishing a national system of scenic highways to link together and make more accessible recreational, historical, scientific and other similar areas of scenic interest and importance. In such investigation and study, the Secretary shall cooperate and consult with other agencies of the Federal Government, the Commission on Highway Beautification, the States and their political subdivisions and other interested private organizations, groups, and individuals. The Secretary shall report his findings and recommendations to the Congress by July 1, 1974, including an estimate of the cost of such program. This section authorizes $250,000 from the Highway Trust Fund to carry out this program.

Conference Substitute

Subsection (a) of this section is the same as the House amendment. Subsection (b) of this section requires the Secretary of Transportation to make a full and complete investigation and study to examine problems of user access to parks, recreation areas, historic sites and wildlife refuges. The finding and recommendations is to be submitted to Congress not later than January 1, 1975, including estimated costs of implementing any suggested programs.

District of Columbia

Senate Bill

No comparable provision.

House Amendment

This section exempts any segment of the Interstate System within the District of Columbia from the coverage of an 1893 Act (27 Stat. 532), as amended, relating to highways in the District of Columbia.

Conference Substitute

This is the same as the House amendment.

Corridor hearings

Senate Bill

No comparable provision.

House Amendment

This section requires the Secretary of Transportation to withhold any further action on Interstate Route I–287 between Montville and Mahwah, New Jersey, and on the Corporation Freeway in Winston-Salem, North Carolina, until new corridor hearings are held.

Conference Substitute

This is the same as the House amendment except that the new corridor hearings shall be held and reports thereon be made no later than one year after the date of enactment of this section.

Interstate System

Senate Bill

This section amends subsection (e) of section 103 of title 23 to provide that, at the joint request of a State Governor and the local government concerned, the Secretary can withdraw his approval of any Interstate segment, if he finds that a route is not essential to complete a unified and connected system within a State. Dollar-for-dollar substitution of the substitute essential connection would be permitted without restriction on length, and the existing 200 mile total limit for substitute routes would be repealed.

The cost of withdrawn Interstate mileage for any project would be the maximum Federal cost allowed for any substitute project. If no substitute essential connection is necessary, or if the cost of substitute mileage is less than the cost of the original route, the total amount or difference in amount would be available, in the urbanized area from which the non-essential route was withdrawn, for use on the urban system or for local public transportation purposes under section 142 of title 23 United States Code. Any costs incurred by reason of the development of the project withdrawn would be deducted from such amounts. Any mileage from a route or portion thereof which is withdrawn from designation and not replaced may be redesignated elsewhere as part of the Interstate System.

Costs would be that as of the date of withdrawal. In approving substitute mileage, the

Secretary would be required to "assure", rather than "give due regard to", connectivity of Interstate routes and extensions of routes which terminate within municipalities served by a single Interstate route, so as to provide through traffic service.

House Amendment

Subsection (a) (1) of this section eliminates the 200-mile limitation on additions to the Interstate System contained in the Cramer-Howard amendment. The subsection would leave the mileage open-ended as necessary for making modifications to the System.

Subsection (a) (2) of this section further amends the Cramer-Howard amendment to provide that the costs to the United States of the aggregate of all substitute mileage and mileage for modifications shall not exceed the cost of the aggregate of all mileage which is not to be constructed and is withdrawn as nonessential, as such cost is reflected in the 1972 Interstate System cost estimate rather than the 1968 estimate.

Subsection (a) (3) amends the Cramer-Howard amendment to require the Secretary in considering substitute routes and modifications to give "preference, along with due regard for interstate highway type needs on a nationwide basis," to routes in States in which other routes were or hereafter are withdrawn and extension of routes which terminate within cities served by a single Interstate route, so as to provide traffic service entirely through such cities.

Subsection (b) provides that upon the joint request of a State Governor and the local governments concerned, the Secretary may withdraw his approval of an Interstate route if the route is not essential to completion of a connected system and if the State does not intend to construct a toll road in the corridor which would be served by such route. The mileage withdrawn shall be available for designation on the Interstate System in another State. After the Secretary has withdrawn his approval, whenever responsible local officials notify the highway department that, in lieu of a highway, their needs require a nonhighway public mass transit project involving fixed rail or purchase of rolling stock and such project is in accordance with section 134 of this title, plans shall be submitted to the Secretary for approval.

Approval of plans, specifications and estimates shall be deemed a contractual obligation of the United States for payment out of the general fund of its proportional share of the cost of the project in an amount equal to the federal share which would have been paid for the withdrawn route. Funds previously apportioned to the State for the Interstate System shall be reduced by an amount equal to such federal share. No project would be approved unless the Secretary receives assurances that the public mass transportation systems would have adequate capability to fully utilize the proposed project.

Conference Substitute

This is the same as the House amendment except that the 200-mile limit is raised to 500 miles rather than made open-ended, and clarifying changes are made in the proposed new subsection (e) (4) of section 103 of title 23, U.S. Code. In the administration of section 103(e) (2) and (4), the Secretary shall make sure all options under these provisions are considered.

Public mass transportation studies

Senate Bill

No comparable provision.

House Amendment

This section authorizes $75 million out of the General Fund to evaluate the public mass transportation portion of the 1972 National Transportation Report submitted by the Secretary. The evaluation would be submitted to the Congress not later than July 1, 1974 by the Secretary and would be conducted in cooperation with the governors and appropriate local officials. Items to be included in the evaluation are listed in the Act.

Conference Substitute

This section is the same as the House amendment except for the following changes:

(1) The authorization has been reduced to $10 million, and

(2) the mass transportation tax study contained in the Senate bill has been retained as a separate subsection in this section.

Mass transportation tax study

Senate Bill

This section requires the Secretary of Transportation to conduct a study of revenue mechanisms, including fuel taxes on urban mass transportation services, which could be used to finance the transportation activities receiving financial assistance from the Highway Trust Fund. The report on this study is to be submitted by July 1, 1974.

House Amendment

No comparable provision.

Conference Substitute

This provision of the Senate bill is contained as a separate subsection in the section dealing with the public mass transportation evaluation.

Ferry operations

Senate Bill

This section amends 23 U.S.C. 129(g) (5) to allow ferries financed under Title 23 to travel in international waters between the islands which comprise the State of Hawaii, between any two points in Alaska, or between the States of Alaska and Washington.

House Amendment

This section would permit federal assistance for the construction of ferry boats for operation in international waters between the islands in Hawaii, between any two points in Alaska, and from Alaska to the State of Washington.

Conference Substitute

This section is the same as the Senate bill and the House amendment.

Metro accessibility to the handicapped

Senate Bill

This authorizes Secretary of Transportation to make payments of $65 million to the Washington Metropolitan Area Transit Authority to finance the cost of providing necessary facilities so that the subway and transit system being constructed in Washington, D.C. and environs could be made accessible to the handicapped through the implementation of Public Laws 90–480 and 91–240.

House Amendment

This section authorizes $65 million to the Secretary of Transportation to make payments to the Washington Metropolitan Area Transit Authority to finance the cost of providing necessary facilities to make the subway and transit system being constructed in Washington, D.C. and environs accessible to the handicapped through the implementation of Public Laws 90–480 and 91–240.

Conference Substitute

This section is the same as the Senate bill and the House amendment except that the Federal share is to be 80 per centum of the costs of these facilities.

Environmental impact statements

Senate Bill

This section directs the Secretary to complete by October 1, 1973, the draft environmental impact statement on Interstate 66 in Virginia from the National Capital Beltway to the Potomac River. The statement would have to be circulated to all interested public agencies for comments within 45 days and a public hearing would have to be held within 45 days after issuance of the required notice.

The Secretary is further required by December 31, 1973, to have completed his consideration and review of all comments and the information resulting from the hearing, to file the final version of the environmental impact statement, and to make the final determination required by law before construction of the project could proceed. The Secretary's determination on all issues of fact would be conclusive.

House Amendment

This section would direct the Secretary to expedite necessary final action on a highway bridge project at the Raritan River on State Highway 18 in New Jersey and another project on I–66 in Arlington and Fairfax Counties in Virginia.

Conference Substitute

This section is the same as the House amendment, which incorporated the Senate provision.

Truck lanes

Senate Bill

No comparable provision.

House Amendment

This section would permit the Secretary to approve as a project on any federal-aid system the construction of exclusive or preferential truck lanes.

Conference Substitute

This is the same as the House amendment. The conferees intend that these lanes may be permitted to be used during non-peak traffic hours by autos.

Highway studies

Senate Bill

This section requires feasibility and necessity studies of five routes proposed for highways to be included in the Interstate System; (1) a route from Brunswick, Georgia, to Kansas City, Missouri; (2) extension of Interstate 70 from Cove Fort, Utah, in a westerly direction; (3) a route from Amarillo, Texas, to Las Cruces, New Mexico; (4) a route from Kansas City, Missouri, to Baton Rouge, Louisiana; (5) a route from Kansas City, Missouri, to Chicago, Illinois; (6) a route from Waterloo, Iowa, to Rockford, Illinois, and an extension of Interstate 74 to Interstate 90; (7) extension of Interstate 27 from Lubbock, Texas, to intersect with Interstate 20 and with Interstate 10.

House Amendment

This section would require a feasibility study for constructing to appropriate standards highways along (1) a route from Brunswick, Georgia, to Kansas City, Missouri, (2) a route from Kansas City, Missouri, to Chicago, Illinois, (3) a route from Amarillo, Texas to Las Cruces, New Mexico, to El Paso, Texas, and (4) a route from Catoosa, Oklahoma, to Interstate Route 35 to Ponca City, Oklahoma.

Conference Substitute

This section is the same as the House provision except that all route studies contained in the Senate bill which were not duplicative of those in the House amendment are included. The term "appropriate standards" includes the highest standards, which may be those of the Interstate System. These studies and reports shall be made in cooperation with the affected States.

Inter-American Highway

Senate Bill

No comparable provision.

House Amendment

This section would authorize an additional $10,000,000 to liquidate obligations incurred attributable to the construction of the Inter-American Highway.

Conference Substitute

This is the same as the House amendment.

Donations

Senate Bill

No comparable provision.

House Amendment

This section adds a new section to chapter 3 of title 23, U.S. Code, to provide that nothing in that title or any other law prevents a person whose real property is being acquired under that title, after he has been tendered just compensation, from making a gift or donation of such property to a Federal agency or a State or State agency as he determines.

Conference Substitute

This is the same as the provision of the House amendment except that, additionally, gifts or donations of property may be made to a political subdivision of a State.

High-speed transportation demonstration

Senate Bill

The Secretary is authorized by this section to undertake a demonstration program, with sums from the Highway Trust fund not exceeding $10 million, for a high-speed bus service from Washington, D.C. to Dulles International Airport. Funds under this program could be used for the purchase of high-speed buses, the construction of exclusive bus lanes, terminals and parking facility, the conduct of research, and, if necessary, the financing of a portion of operating expenses.

House Amendment

No comparable provision.

Conference Substitute

This is the same as the Senate bill except that this is made a study (to be undertaken with administrative funds during fiscal year 1974), as well as a demonstration project. All authority to pay operating subsidies has been deleted, and the authorization level of $10,000,000 is to come from the urban system funds for fiscal 1975, to be set aside for this purpose prior to apportionment of such funds.

Rural highway public transportation demonstration program

Senate Bill

This section authorizes $30 million during the next two fiscal years to encourage the development of public mass transportation systems on rural highways. Projects eligible for funding would include traffic control devices, passenger loading facilities, fringe and corridor parking facilities to serve mass transportation passengers, and the purchase of passenger equipment other than railroad rolling stock. Equipment purchased under this section would have to meet applicable Federal standards with respect to air pollution, and facilities would have to meet the special needs of the elderly and the handicapped.

House Amendment

No comparable provision.

Conference Substitute

This is the same as the Senate bill, except that the program will begin with funds authorized for fiscal year 1975. This will permit proper project development.

Federal-aid systems realignment

Senate Bill

This section requires the realignment by June 30, 1975, of the Federal-aid primary, secondary and urban systems, based upon anticipated functional usage for the year 1980. The primary system would consist of rural arterial routes and their extensions into or through urban areas; the secondary system would consist of rural major collector routes; and the urban system would consist of urban arterial and collector routes, exclusive of extensions of rural arterial routes through urban areas. Access roads to airports would be made eligible for inclusion on the secondary system.

House Amendment

No comparable provision.

Conference Substitute

This section is the same as the Senate bill with the following changes:

(1) The designation of the primary system shall be by each State acting through its State highway department.

(2) The Federal-aid urban system will be located in each urbanized area and such other urban areas as the State highway departments may designate and the routes on this system shall be designated by appropriate local officials with the concurrence of the State highway department and subject to the approval of the Secretary.

(3) The effective date is set at June 30, 1976.

Toll road reimbursement program

Senate Bill

New section 146, title 23, authorizes the Secretary to reimburse States after they have received their final apportionment on the Interstate System, for 70% of the construction cost for new toll roads and improvements to existing toll roads. The Federal share would be drawn from funds apportioned to the State for its Federal-aid primary system.

Toll roads built under this program would have to comply with standards approved by the Secretary and would be subject to the same regulations now applicable to other Federal-aid systems. Except for costs of operation and maintenance, all tolls collected from users of these roads would be devoted to retiring obligations incured by the State for its 30% share.

The Federal 70% share of the cost of toll roads would be payable in not more than 15 equal annual installments from funds apportioned to the State for its Federal-aid primary system. After the Federal share has been fully paid, the highway would be maintained and operated as a free highway as a part of the primary system (or the Interstate System in the case of certain improved toll highways).

House Amendment

No comparable provision.

Conference Substitute

This provision is essentially the same as the Senate bill except as follows:

(1) the provision is limited in its application to the State of Louisiana.

(2) It is not made a part of title 23 of the United States Code.

(3) Any such highway is to be designated as part of the Federal-aid primary system (other than the Interstate System) before payment of any Federal funds under this section.

Parkways

Senate Bill

Section 207 of title 23 is amended to permit the acquisition of rights-of-way and related scenic easements from funds available for parkways. The provisions of section 106 (a) of title 23 relating to the obligation of funds would apply to funds available for parkways.

House Amendment

No comparable provision.

Conference Substitute

Subsection (a) of this section is the same as the Senate bill.

Subsection (b) provides that any parkway project on a Federal-aid system shall be subject to all the requirements of title 23 and to any other law applicable to highways on that system.

Research and planning

Senate Bill

This section permits the financing of local public transportation planning in addition to the other planning and research purposes indicated in section 307(c) (1) of title 23.

House Amendment

No comparable provision.

Conference Substitute

This section is the same as the Senate bill except for a clarifying amendment.

Technical amendments

Senate Bill

Several minor technical amendments are made to update existing language and correct typographical errors.

House Amendment

No comparable provision.

Conference Substitute

Same as Senate bill.

Increased Federal share—effective date

Senate Bill

The Federal share payable on account of any non-Interstate project is increased from 50% to 70% with respect to all obligations incurred after June 30, 1973, except for projects for which Federal funds were obligated on or before that date.

House Amendment

No comparable provision.

Conference Substitute

This section provides that the Federal share payable on account of any non-Interstate project is increased from 50 percent to 70 percent with respect to all obligations incurred after June 30, 1973.

Termination of Federal-aid relationship

Senate Bill

This terminates the San Antonio North Expressway as a Federal-aid project and provides for the return of any Federal funds paid to the State of Texas for that project to the United States for reapportionment.

House Amendment

No comparable provision.

Conference Substitute

This section is the same as the Senate bill. This provision does not constitute a precedent for similar future action.

Highway litter study

Senate Bill

The Secretary is directed to make a study of litter accumulation within the rights-of-way of Federal-aid highway systems outside of urban areas and to recommend to Congress by December 31, 1973, procedures which the States could use to prevent and clean up such highway litter on a regular basis.

House Amendment

No comparable provision.

Conference Substitute

This section is the same as the Senate bill except that the study would encompass all rights-of-way, not just those outside of urban areas, and the report date is June 30, 1974.

Bridge approach standards

Senate Bill

This would amend section 109 of title 23, U.S. Code, to prohibit the Secretary from approving any project which would significantly affect the highway system of a contiguous State without the concurrence of that State.

House Amendment

This section would amend section 106 of title 23, U.S. Code, to prohibit the Secretary from approving the plans, specifications, and estimates for any project to connect the Interstate System with a bridge over Long Island Sound unless the project has been approved by the State legislatures of New York and Connecticut.

Conference Substitute

This section would amend section 109 of title 23, United States Code, to provide that the Secretary shall not approve any project involving approaches to a bridge if such project and bridge will significantly affect the traffic volume and the highway system of a contiguous State without first taking into full consideration the views of that State.

Allocation of urban system funds

Senate Bill

Urban system funds apportioned under title 23 are to be made available to any urbanized area of 400,000 or more population within the State on the basis of population. These funds would be available for expenditure in another urbanized area within such State only where the responsible public officials in both such urbanized areas would agree to such a transfer.

This section would also allow urban system funds to be "passed through" to municipalities of 400,000 or more population, or combinations of municipalities in any urbanized area, where the Secretary finds that such municipality has sufficient authority to develop and implement a plan for expenditure of funds for the urban system and related highway public transportation purposes. Plans would be developed in accordance with the comprehensive, coordinated and continuing transportation planning process required by section 134 of title 23.

House Amendment

No comparable provision.

Conference Substitute

This section would add a new section to title 23, United States Code, to provide that funds apportioned to any State under section 104(b)(6) that are attributable to urbanized areas of 200,000 population or more shall be made available for expenditure in those areas for projects and programs approved under section 105(b) in accordance with a fair and equitable formula developed by the State and approved by the Secretary. This formula shall provide for fair and equitable treatment for incorporated municipalities of 200,000 or more population. If such a formula is not developed and approved, then such funds shall be allocated among such urbanized areas within such State in the ratio that the population within each such urbanized area bears to the population of all such urbanized areas or parts thereof within that State. In expending funds allocated under the preceding provision, fair and equitable treatment shall be accorded municipalities of 200,000 or more population.

Franconia Notch, New Hampshire

Senate Bill

This provides that for the purpose of facilitating the construction of the Interstate System in rural areas, where a segment not more than 12 miles in length is needed to develop a connected system, where this segment will increase safety and assist in the social and economic development of a rural area, and where a State formally requests it and the Secretary has postponed construction, then it is the sense of Congress that the Secretary shall reconsider the request of the State to approve construction of the segment as a parkway.

House Amendment

No comparable provision.

Conference Substitute

This section would authorize the Secretary of Transportation upon application of the Governor of the State to approve construction of a specified portion of Interstate Route 93 North Woodstock to Franconia, New Hampshire, approximately twelve miles in length, as a parkway-type highway, to geometric and construction standards which the Secretary determines necessary for the safety of the traveling public, for the protection of the environment, and for the preservation of the park-like and historic character of the Franconia Notch area adjacent to the highway. The State is authorized to permit, with the concurrence of the Secretary, the use of this section of the highway by specified types of vehicles during specified times of the day and of the year.

Dwight D. Eisenhower Highway

Senate Bill

This would designate certain specified segments of the Interstate system forming a continuous interstate highway link from coast to coast as the "Dwight D. Eisenhower Highway".

House Amendment

No comparable provision.

Conference Substitute

This section is the same as the Senate bill.

Cumberland Gap National Historical Park

Senate Bill

This section makes parkway funds available for the relocation of Route 25E through a tunnel to be constructed in the Cumberland Gap National Historical Park so as to restore and preserve the Gap and provide adequate traffic capacity.

House Amendment

No comparable provision.

Conference Substitute

This section is the same as the Senate bill.

Highland Scenic Highway

Senate Bill

This section provides for the construction of the Highland Scenic Highway from West Virginia State Route 39 to U.S. 250 near Barton Knob, West Virginia, as a parkway.

House Amendment

No comparable provision.

Conference Substitute

Except for technical and qualifying amendments this is the same as the Senate bill.

Prohibition of discrimination on basis of sex

Senate Bill

No comparable provision.

House Amendment

This section prohibits discrimination on the ground of sex on any program or activity receiving federal assistance or carried on under title 23, United States Code.

Conference Substitute

Except for technical amendments this is the same as the House amendment.

Railroad relocation demonstration

Senate Bill

This section authorizes $13.55 million to carry out demonstration projects in Lincoln, Nebraska, Wheeling, West Virginia, Elko, Nevada, and Brownsville, Texas, for the relocation of railroad lines from the central city to eliminate a substantial number of railway-road grade crossings within those cities. A general study of the relocation of rail lines from the central area of cities on a nationwide basis is also authorized with a report by July 1, 1975.

House Amendment

This section authorizes the Secretary to carry out 10 rail-highway demonstration projects in the following cities throughout the nation: Springfield, Illinois; Lincoln, Nebraska; Brownsville, Texas; E. St. Louis, Illinois; Carbondale, Illinois; New Albany, Indiana; Dolton, Illinois; Blue Island, Illinois; Elko, Nevada; Greenville, Texas. The Secretary is required to report to the President and the Congress with respect to his activities under this section. A total of $36.3 million is provided out of the Highway Trust Fund and $54.8 million out of the general funds in the Treasury for these projects. A similar section authorizes a demonstration project for an underpass in Anoka, Minnesota.

Conference Substitute

This section authorizes all of the demonstration projects contained in both the Senate bill and the House amendment except that there is a general authorization for carrying out this section at not to exceed $15,000,000 for fiscal year 1974, $25,000,000 for fiscal year 1975, and $50,000,000 for fiscal year 1976 except that two-thirds of all funds authorized and expended under this section in any fiscal year are to be appropriated from the Highway Trust Fund. The study contained in the Senate bill is retained.

Financial assistance agreements

Senate Bill

The Senate bill revision of section 142 contains in subsection (e) a requirement that no equipment acquired with financial assistance under this section is to be available for use in charter, leased, sightseeing, or other service in any area other than the area for which it was acquired.

House Amendment

The House amendment contains in several sections prohibitions against financial assistance to an applicant for the purchase of buses if that applicant after the date of enactment of the subsection is engaged or proposes to engage, directly or indirectly, in charter bus operations in competition with private bus operators outside the urbanized area within which the applicant provides mass transportation service. In addition no financial assistance is to be provided to an applicant which engages, directly or indirectly, in transporting school children and personnel to and from school and school authorized functions or which proposes to expand present routes, schedules, or facilities for that purpose in competition with or supplementary to service criteria provided by a private transportation company or other person so engaged in so transporting such children and personnel. This is not to apply unless the private transportation company is able to provide adequate transportation at reasonable rates and safely and is not to apply to an applicant which was so engaged any time during the year preceding the date of enactment of the subsection.

Conference Substitute

The conference substitute provides that no Federal financial assistance shall be provided under (1) section 142 (a) or (c) of title 23, United States Code, (2) section 103(e)(4) of title 23, United States Code, or (3) the Urban Mass Transportation Act of 1964 for the purchase of buses to any applicant unless the applicant and the Secretary of Transportation have entered into an agreement that the applicant will not engage in charter bus operations in competition with private bus operators outside the area in which the applicant provides regularly scheduled mass transportation service. In addition, no Federal financial assistance is to be provided under those provisions of law for the purchase of buses to any applicant who has not first entered into an agreement with the Secretary of Transportation that the applicant will not engage in school bus operations in competition with private school bus operators. This subsection is made inapplicable to any applicant with respect to the operation of a school bus program if the applicant operates a school system in the area to be served and operates a separate and exclusive school bus program for this school system. The same requirements are made that private operators of school buses be able to provide adequate transportation at reasonable rates and safely and that it is inapplicable to a State, local body, or agency which was so engaged in school bus operations during the 12-month period immediately prior to the date of enactment of this subsection. This subsection is not applicable to the transportation of school children along with other passengers by regularly scheduled bus service at either full or reduced fares.

A violation of these requirements shall bar the applicant from receiving any other Federal financial assistance under these provisions of law.

Bus and other project standards

Senate Bill

The Senate bill provides in its revision of section 142 of title 23 of the United States Code that equipment acquired under that section must meet EPA standards under section 202 of the Clean Air Act and section 6 of the Noise Control Act of 1972 and, wherever practicable, the equipment must meet special criteria for low-emission vehicles and for low-noise-emission products. This revision also required that the planning and design of mass transportation facilities must be such as to meet special needs of the elderly and handicapped. Equivalent provisions of this nature are contained in the section relating to the Rural Highway Public Transportation Demonstration Program.

House Amendment

No comparable provision.

Conference Substitute

This provision in the conference substitute is the same as the Senate bill except that it is a separate section and it has been made applicable to sections 142 (a) and (c) and 103(e) (4) of title 23, United States Code, and section 147 of the conference substitute (Rural Highway Public Transportation Demonstration Program).

Use of interstate system right-of-way

Senate Bill

No comparable provision.

House Amendment

This would amend section 111 of title 23, U.S. Code, to allow the State highway department to permit small food service establishments to operate at rest stop areas along the Interstate System right-of-way.

Conference Substitute

No comparable provision.

Participation in TOPICS and fringe parking programs

Senate Bill

No comparable provision.

House Amendment

This section requires the Secretary of Transportation to take such action as he deems necessary to facilitate broad participation by States in TOPICS programs and fringe and corridor parking facility projects.

Conference Substitute

No comparable provision.

Application to urban system of certain controls

Senate Bill

No comparable provision.

House Amendment

This section amends the description of the Federal-aid urban system to make the provisions of chapters 1, 3 and 5 of title 23 that are applicable to Federal-aid primary highways applicable to the Federal-aid urban system unless the Secretary determines them to be inconsistent with this subsection. The provisions of title 23 relating to control of outdoor advertising, junkyard control and scenic enhancement are, however, made specifically applicable to the Federal-aid urban system and the Secretary may not determine such section to be inconsistent with subsection 103(d) of title 23, U.S.C.

Conference Substitute

No comparable provision. The conferees look to the Commission on Highway Beautification to advise the Congress on the application of the controls required under section 131 to the Federal-aid urban system.

Prohibition of impoundment

Senate Bill

This section would prohibit the impoundment of sums authorized to be apportioned by section 104 of title 23, U.S. Code, which have been appropriated by Congress except specific sums determined by the Secretary of the Treasury as necessary to meet future expenditures from the Highway Trust Fund.

House Amendment

No comparable provision.

Conference Substitute

No comparable provision. The fact that this section of the Senate bill is not contained in the conference substitute shall not be construed to indicate anything other than complete agreement with the decision of the United States Court of Appeals for the Eighth Circuit in the case of the State Highway Commission of Missouri v. John A. Volpe, Secretary of Transportation of the United States, et al.

Access highways to public recreation areas on Federal lakes

Senate Bill

The new section authorizes $15 million for each of the 1974, 1975, and 1976 fiscal years for the construction of access highways to public recreation areas on Federal lakes. Such routes could not be longer than 35 miles, must connect with a highway on a Federal-aid system, and would be designated by the Secretary on the recommendation of State and local officials.

House Amendment

No comparable provision.

Conference Substitute

No comparable provision.

Preservation of parklands

Senate Bill

This section amends section 138, title 23, regarding parkland preservation, to include publicly-owned water recreation areas and historic water areas of national, state or local significance, as well as public lands.

House Amendment

No comparable provision.

Conference Substitute

No comparable provision.

Public hearings

Senate Bill

This section requires that, when plans are submitted for a Federal-aid project, the State highway department must provide assurance that it has taken steps to ensure and foster public participation in the development of such project before and after the required public hearings.

House Amendment

No comparable provision.

Conference Substitute

No comparable provision.

Programs

Senate Bill

This section amends section 105 of title 23, United States Code, relating to programs for projects on the Federal-aid system to substitute the State Governor for the State highway department in subsections (a), (b), and (g).

House Amendment

No comparable provision.

Conference Substitute

No comparable provision.

Public transportation in National Forests and Parks

Senate Bill

By amendments to sections 204 and 206, title 23, funds authorized for forest highways and park roads and trails are made available for the purchase of buses as well as for the construction of passenger loading facilities and parking areas, in order to provide interpretive and shuttle transportation services in national parks and forests as an alternative to private automobile transportation.

House Amendment

No comparable provision.

Conference Substitute

No comparable provision.

Fringe and corridor parking facilities

Senate Bill

Section 137 of title 23 is amended to allow the construction of publicly owned parking facilities in the central business district and the imposition of parking fee rates necessary to finance the liquidation of bonds or other obligations incurred in financing the local share of constructing such facilities, as well as financing the costs of maintenance and operation now authorized by law.

House Amendment

No comparable provision.

Conference Substitute

No comparable provision.

Payment to States for bond retirement

Senate Bill

Under present law, any State which issues bonds and uses the proceeds to construct projects on the Federal-aid primary or Interstate Systems, or extensions of any of the Federal-aid highway systems in urban areas, may use any sums apportioned to it for expenditure on such system to aid in the retirement of the principal of such bonds at maturity. This section authorizes, in the case of the Interstate System, repayment to the States of an amount equal to the interest in addition to the principal of such bonds.

House Amendment

No comparable provision.

Conference Substitute

No comparable provision.

Transportation planning in certain areas

Senate Bill

Section 134 of title 23 is amended to (1) require that States take reasonable measures to permit, encourage and assist public participation in the urban transportation planning process and (2) require the Secretary to develop minimum guidelines for such participation. These guidelines must include annual public hearings to review the planning process, plans and programs, and opportunity provided for consideration of alternative modes of transportation at such hearings. Noncompliance with these provisions by any urbanized area would result in the Secretary's disapproval of all Federal-aid highway projects within such urbanized area.

House Amendment

No comparable provision.

Conference Substitute

No comparable provision.

TITLE II

Introductory

The bill before the Conferees was S. 502, Title II of which, in the House bill, was the Highway Safety Act of 1973. The Senate also passed separate highway safety legislation, S. 893, which contained many provisions similar to those in the House passed bill, S. 502. The words "No provision" in various sections of the Statement of Managers relating to the Senate bill are not intended to convey the absence of Senate legislation, only that S. 893 was not technically in the Conference.

With respect to any apportionment of funds authorized in Title II, except as provided in section 401, if no time is prescribed for the making of such apportionment, then such apportionment shall be made in accordance with the time prescribed in section 104(b) of title 23, U.S. Code.

Short title

Senate Bill

No provision.

House Amendment

This section provides that this title may be cited as the "Highway Safety Act of 1973."

Conference Substitute

Same as House provision.

Highway safety

Senate Bill

No provision.

House Amendment

This section authorizes the appropriation out of the Highway Trust Fund of $200 million for fiscal year 1974, and $300 million for each of fiscal years 1975 and 1976, for carrying out section 402 of title 23 and $115 million for each of fiscal years 1974, 1975 and 1976 for carrying out section 403 programs by the National Highway Traffic Safety Administration.

It further authorizes the appropriation out of the Highway Trust Fund of $35 million for carrying out section 402 of title 23 for fiscal year 1974, and $45 million for each of fiscal years 1975, and 1976 and $10 million for each of fiscal years 1974, 1975, and 1976 for carrying out sections 307(a) and 403 of title 23 by the Federal Highway Administration.

Conference Substitute

This is the same as the House amendment except as follows:

(1) The authorization for section 402 to be carried out by the National Highway Traffic Safety Administration is reduced to $100,000,000 for fiscal year 1974, $125,000,000 for fiscal year 1975, and $150,000,000 for fiscal year 1976.

(2) The authorization for section 403 to be carried out by the National Highway Traffic Safety Administration is reduced to $42.5 million for fiscal year 1974, $55,000,000 for fiscal year 1975, and $65,000,000 for fiscal year 1976.

(3) The authorization for section 402 to be carried out by the Federal Highway Administration is reduced to $25,000,000 for fiscal year 1974, $30,000,000 for fiscal year 1975, and $35,000,000 for fiscal year 1976.

Rail-highway crossings

Senate Bill

No provision.

House Amendment

This section authorizes $150 million for fiscal year 1974, and $225 million for each of fiscal years 1975 and 1976 for elimination of hazards at rail-highway crossings in addition to funds otherwise available to carry out section 130 of title 23, United States Code. Two-thirds of these funds in any fiscal year are to be appropriated out of the Highway Trust Fund; one-third out of the general fund. Funds authorized are to be available for expenditure: (1) two-thirds for projects on any Federal-aid system (other than the Interstate System) apportioned in the same manner as sums authorized to be appropriated under section 105 of the Federal-Aid Highway Act of 1970, and (2) one-third for projects on highways not included on any Federal-aid system to be apportioned in the same manner as provided in subsection (c) of section 402 of title 23, United States Code. States would be required to conduct and systematically maintain a survey of all rail-highway crossings and establish and implement a schedule of projects for their separation, relocation or protection. At a minimum, such schedule shall insure that adequate signing is provided at all rail-highway crossings.

The Federal share payable on account of any such project is not to exceed 90 percent of the cost.

This section would further require each State to report yearly on the cost of treatments employed and the effectiveness of such improvements. The Secretary would report to Congress yearly on the progress being made by the States in implementing the program.

Conference Substitute

This is the same as the provision of the House amendment except that all funds are authorized from the Highway Trust Fund, projects must be on a Federal-aid system, 50 percent of the funds will be apportioned to the States in the same manner as sums authorized to be appropriated under paragraph (1) of section 104 of the Federal-Aid Highway Act of 1973 and 50 percent of such funds will be apportioned in the same manner as sums authorized to be appropriated under paragraph (2) of such section 104 and the authorization levels are reduced to $25,000,000 for fiscal year 1974 and $75,000,000 per fiscal year for 1975 and 1976. In addition to other moneys which may be available to the States for the conduct and maintenance of the surveys required by this section, funds provided under section 307(c) for research and planning may also be used.

Bridge reconstruction and replacement

Senate Bill

No provision.

House Amendment

This section authorizes the appropriation out of the Highway Trust Fund of $225 million for fiscal year 1974, and $450 million for each of fiscal years 1975 and 1976 to carry out the bridge replacement program established pursuant to section 144 of title 23, United States Code. Two thirds of the funds authorized and expended under the program would be from the Highway Trust Fund for projects on the Federal-aid system. One third would be from the General Fund for projects not included on any Federal-aid system.

Conference Substitute

This is the same as the House amendment except that all of the funds would be paid from the Highway Trust Fund, all of the projects must be on the Federal-aid system, and the authorization is reduced to $25,000,000 for fiscal year 1974, and $75,000,000 per fiscal year for fiscal years 1975 and 1976. Pending bringing unsafe and dangerous bridges and their approaches up to a minimum standard of safety, it is intended that funds authorized under sections 152 (projects for high hazard locations), 153 (program for the elimination of roadside obstacles) and section 151 (pavement marking demonstration program) may be used, in appropriate cases, to make interim safety improvements on bridges on the Federal-aid system.

Pavement marking demonstration program

Senate Bill

No provision.

House Amendment

This section establishes a special pavement marking demonstration program. The Secretary is authorized to approve pavement marking demonstration projects on any two-lane rural highway other than the Interstate System, in order to bring such highway up to marking standards issued or endorsed by the Federal Highway Administrator. This section authorizes the appropriation out of the Highway Trust Fund, of $125 million for each of fiscal years 1974 and 1975, for such purposes. Funds not required in a State for pavement-marking projects may be used for the elimination or reduction of high hazard locations. The Secretary must submit a report to Congress which includes an analysis and evaluation of the number, rate, and severity of accidents at improved locations beginning January, 1975, and each January thereafter.

Conference Substitute

This is the same as the House amendment except the authorization is reduced to $25,000,000 for fiscal year 1974, and $75,000,000 per fiscal year for fiscal years 1975 and 1976. The purpose of such reports is to provide continuing evaluation of the results achieved under this demonstration program. It is not the intention of the Committee to create an on-going, Federally funded, pavement marking program.

Pavement marking research and demonstration programs

Senate Bill

No provision.

House Amendment

This section authorizes the appropriation out of the Highway Trust Fund of $15 million for fiscal year 1974, and $25 million for fiscal year 1975 to conduct research and demonstration programs to improve the effectiveness and durability of various types of pavement markings and related delineators and to develop improved equipment and techniques for applying, erecting and maintaining such markings and delineators during adverse weather and nighttime driving conditions.

Conference Substitute

This is the same as the House amendment with the authorization reduced to $10,000,000 per fiscal year for fiscal years 1974 and 1975.

Highway safety on Indian reservations

Senate Bill

No provision.

House Amendment

This section amends section 402 of title 23, United States Code, to add a new subsection (i) to define the terms "State" and "Governor of a State" as including the Secretary of the Interior and "political subdivision of a State" as including an Indian tribe, in administering these programs on Indian reservations. This section further provides that if an Indian tribe cannot pay the non-Federal share of the cost of a local highway safety program the Secretary may increase the Federal share to the extent necessary.

Conference Substitute

This is the same as the provisions of the House amendment.

Drug use and driver behavior highway safety research

Senate Bill

No provision.

House Amendment

This section authorizes the Secretary to carry out research on (1) the relationship between the consumption of drugs and highway safety, (2) driver behavior, including the characteristics and physical abilities to perform driving tasks, and (3) the relationship of the frequency of driver accident involvement to highway safety. Computer-aided means to identify graphically those highway deficiencies that contribute to aberrant driver behavior may also be studied. This research may be conducted through grants and contracts with public and private agencies, institutions, and individuals. To carry out this research by the National Highway Traffic Safety Administration there is authorized to be appropriated out of the Highway Trust Fund, $15 million for the fiscal year 1974 and $25 million for fiscal year 1975.

Conference Substitute

This is the same as the House amendment except the authorization level has been reduced to $10,000,000 per fiscal year for fiscal years 1974, 1975, and 1976.

Projects for high-hazard locations

Senate Bill

No provision.

House Amendment

This section establishes a program for the elimination or reduction of hazards at specific locations or sections of highways which have high accident experiences or high accident potentials. Each state shall be required to systematically conduct and maintain an engineering survey to identify critical accident locations, assign priorities and establish and implement a schedule for their correction. To carry out this section, there is authorized to be appropriated $100 million for each of the fiscal years 1974, 1975 and 1976. Two-thirds of all funds authorized and expended under this section in any fiscal year shall be appropriated out of the Highway Trust Fund. Two-thirds of the funds authorized by this section shall be available for expenditure on any Federal-aid system other than the Interstate System. One-third would be available for projects on highways not on any Federal aid system.

This section further requires each State to report yearly on the cost and the effectiveness of improvements under this section. The Secretary shall report to Congress yearly on the progress being made in implementing the program.

Conference Substitute

This is the same as the House amendment except that all funds will be out of the Highway Trust Fund, all projects must be on a Federal-aid system (other than the Interstate system) and the authorizations are reduced to $50,000,000 for fiscal year 1974 and $75,000,000 per fiscal year for fiscal years 1975 and 1976. In addition to other moneys which may be available to the States for the conduct and maintenance of the engineering surveys required by this section, funds provided under section 307(c) for research and planning may also be used.

Program for the elimination of roadside obstacles

Senate Bill

No provision.

House Amendment

This section authorizes a comprehensive program by the Federal Highway Administration for the elimination of roadside obstacles both on and off Federal-aid highway systems. It requires each State to conduct and systematically maintain a survey of all expressways, major streets and highways, and through streets for the identification of roadside obstacles which may constitute a hazard to vehicles, assign priorities and establish and implement a schedule for their correction.

Beginning in 1974, each State shall be required to report yearly on the progress being made in implementing this program and the effectiveness of such improvements. The Secretary is to report to Congress on the progress of the program. The report shall analyze and assess each state program, identify those not in compliance with improvement schedules and contain the Secretary's recomendations for future implementation of the program.

To carry out this section, there is authorized to be appropriated for each of the fiscal years 1974, 1975, and 1976, $75 million, except that two-thirds of all funds expended under the authority of this section in any fiscal year shall be appropriated out of the Highway Trust Fund.

Conference Substitute

This is the same as the House amendment except that all funds are from the Highway Trust Fund, all projects are to be on a Federal-aid system (other than the Interstate system) and the authorization is reduced to $25,000,000 for fiscal year 1974 and remains at $75,000,000 for fiscal years 1975 and 1976. In addition to other moneys which may be available to the States for the conduct and maintenance of the engineering surveys required by this section funds provided under section 307(c) for research and planning may also be used.

Highway safety educational programing and study

Senate Bill

No provision.

House Amendment

Subsection (a) of this section authorizes the Secretary of Transportation to conduct investigations and studies into the use of mass media and other techniques for informing the public of methods of reducing the number and severity of highway accidents. The study is to include ways and means for: (1) encouraging participation and cooperation of television and radio station licensees, (2) measuring audience reaction to current educational programs, (3) evaluating the effectiveness of such programs, and (4) developing new programs for the promotion of highway safety. The Secretary is to report to the Congress his findings and recommendations by June 30, 1974. To carry out this subsection there is authorized to be appropriated out of the Highway Trust Fund $1 million.

Subsection (b) authorizes the Secretary to develop a series of highway safety pilot television messages, each not more than five minutes duration, for use in accordance with the provisions of the Communications Act of 1934. To carry out this subsection there is authorized to be appropriated out of the Highway Trust Fund $4 million.

Conference Substitute

This is the same as the House amendment.

Citizen participation study

Senate Bill

No provision.

House Amendment

This section authorizes the Secretary to investigate the means for encouraging greater citizen participation and involvement in highway safety programs, with particular emphasis on traffic enforcement and accident detection, response and reporting, including the creation of citizen adjuncts to assist professional traffic enforcement and rescue agencies in the performance of their duties. The Secretary is to report to Congress his findings and recommendations by June 30, 1974. To carry out this section there is authorized to be appropriated out of the Highway Trust Fund $1 million.

Conference Substitute

This is the same as the House amendment.

Feasibility study—National Center for Statistical Analysis of Highway Operations

Senate Bill

No provision.

House Amendment

This section authorizes the Secretary to make a study of the feasibility of establishing a National Center for Statistical Analysis of Highway Operations designed to acquire, store, and retrieve highway accident data and standardize information and procedures for reporting accidents on a nationwide basis. The study is to include an estimate of the cost of establishing and maintaining such a center including the means for acquiring the accident information to be stored therein. The Secretary is to report to the Congress his findings and recommendations not later than January 1, 1975. To carry out this section there is authorized to be appropriated out of the Highway Trust Fund $5 million.

Conference Substitute

This is the same as the House amendment.

PEDESTRIAN AND BICYCLE SAFETY STUDY

Senate Bill

No provision.

House Amendment

This section directs the Secretary to make a full and complete investigation and study of pedestrian safety problems in consultation with other agencies of the Federal government, the States and their political subdivisions, and other interested groups and organizations, and report to Congress his findings and recommendations for legislation no later than January 31, 1975.

Conference Substitute

The same as the House amendment except that the study is broadened to include bicycle safety as well.

MANPOWER TRAINING AND DEMONSTRATION PROGRAMS

Senate Bill

No provision.

House Amendment

This section would authorize funds appropriated to States for their highway safety programs to be used for the development and implementation of manpower training and demonstration programs, which the Secretary determines might help reduce traffic accidents.

Conference Substitute

This is the same as the House amendment. It is the intention of this provision that self-instructional training programs and techniques may be authorized by the Secretary.

Public road mileage

Senate Bill

No provision.

House Amendment

For purposes of apportioning funds for highway safety among the States, the public road mileage in each State would be determined at the end of each calendar year.

Conference Substitute

This is the same as the House amendment.

Minimum apportionment

Senate Bill

No provision.

House Amendment

The minimum amount available to any State for highway safety programs would be increased from one-third of one percent to one-half of one percent.

Conference Substitute

This is the same as the House amendment.

Highway safety program applicability

Senate Bill

No provision.

House Amendment

The purpose of this section is to broaden the term "State" to include not only the 50 States and the District of Columbia, and Puerto Rico, but also the Virgin Islands, Guam, and American Samoa. The effect of this provision is to make the latter three jurisdictions eligible for apportionment of section 402 funds. Since none of these jurisdictions have any Federal-aid highways, expenditures resulting from the obligations of each year's apportionment will be paid out of the general funds in the Treasury.

Conference Substitute

This is the same as the House amendment.

Incentives for compliance with highway safety programs

Senate Bill

No provision.

House Amendment

This section authorizes the Secretary to make incentive grants of up to 25% of a

State's section 402 apportionments in fiscal years 1974, 1975, and 1976 to those States which adopt legislation requiring the use of seatbelts in accordance with criteria established by the Secretary. Not to exceed $50 million is authorized to be appropriated for fiscal year 1974, and $75 million for each of fiscal years 1975 and 1976.

It also provides additional incentive grants, up to 25% of a State's section 402 apportionment, to those States making the most significant progress in reducing traffic fatality rates. Not to exceed $25 million is authorized to be appropriated for such purposes in fiscal year 1974 and not to exceed $35 million for each of fiscal years 1975 and 1976.

Conference Substitute

This is the same as the House amendment with the authorization for subsection (j) (1) reduced to $25,000,000 for fiscal year 1974, $32,000,000 for fiscal year 1975, $37.5 million for fiscal year 1976 and the authorizations for subsection (j) (2) reduced to $12.5 million for fiscal year 1974, $16,000,000 for fiscal year 1975 and $19,000,000 for fiscal year 1976.

Highway safety research and development

Senate Bill

No provision.

House Amendment

This section would amend section 403 of title 23, United States Code, to make it clear that research funds could be used for grants to or contracts with public agencies, institutions and individuals for all of the purposes listed in section 403. The Secretary would be required to provide assurances that no fees would be charged for training and education of highway safety personnel.

Conference Substitute

This is the same as the House amendment.

Transfer of demonstration project equipment

Senate Bill

No provision.

House Amendment

The Secretary would be authorized to transfer to State and local agencies the title to equipment purchased with research funds for demonstration projects.

Conference Substitute

This is the same as the House amendment.

Administrative adjudication of traffic infractions

Senate Bill

No provision.

House Amendment

This section would direct the Secretary to conduct research and make grants for projects to demonstrate the efficacy of administrative adjudication of traffic infractions. The Secretary would report his findings to Congress by July 1, 1975, and each year thereafter during the continuance of the program.

Conference Substitute

This is the same as the House amendment.

National Highway Safety Advisory Committee

Senate Bill

No provision.

House Amendment

The National Highway Traffic Safety Administrator would be added as an ex officio member of the National Highway Safety Advisory Committee.

Conference Substitute

This is the same as the House amendment.

Date of Annual Report

Senate Bill

No provision.

House Amendment

The date on which the Secretary is to make an annual report to Congress on the administration of the Highway Safety Act would be changed from March 1 to July 1.

Conference Substitute

This is the same as the House amendment.

Highway Safety Needs Study

Senate Bill

No provision.

House Amendment

This section directs the Secretary of Transportation, in cooperation with the governors and appropriate State and local highway safety officials, to make a full and complete study of highway safety needs related to programs in title 23, and prepare recommendations and estimates of the cost for meeting those needs. Such studies shall include the needs of the 50 States, Puerto Rico, the District of Columbia, Guam, American Samoa, the Virgin Islands and such other territories as the Secretary shall determine. The Secretary shall submit detailed estimates and recommendations to the Congress not later than January 10, 1976.

Conference Substitute

Same as the House amendment. To the extent practicable, the highway safety needs study authorized by this section shall take into account the findings of the studies authorized by this title and such other safety studies as may be conducted by the Department of Transportation. It is intended that this study be financed by funds allocated to the National Highway Traffic Safety Administration under section 403 of title 23, United States Code.

Driver education evaluation program

Senate Bill

No provision.

House Amendment

This section directs the Secretary of Transportation to carry out research, development and demonstration projects to improve and evaluate the effectiveness of various types of driver education programs and their effects in reducing traffic accidents, deaths, injuries, and property damage. Public and private agencies, institutions and individuals may be utilized to carry out such projects. Commencing July 1, 1975, and each year thereafter during the continuation of the program, the Secretary shall report to the Congress on the results of the projects funded under this program.

Conference Substitute

Same as the House amendment.

Transfer of funds among highway safety programs

Senate Bill

No provision.

House Amendment

This section authorizes the transfer of up to 30% of the funds apportioned in any fiscal year to a State in accordance with Section 144 (Bridge Reconstruction and Replacement), Section 152 (Projects for High Hazard Locations), and Section 153 (Program for the Removal of Roadside Obstacles) of the title 23, United States Code and section 203(d) of this Act (relating to rail-highway crossings) to any other of the above programs if such transfer is requested by the State highway department and is approved by the Secretary as being in the public interest.

Conference Substitute

Same as the House amendment.

Curb ramps for the handicapped

Senate Bill

No provision.

House Amendment

This provision adds a new requirement to paragraph 1 of subsection (b) of section 402 of title 23, United States Code by directing the Secretary of Transportation not to approve any State highway safety program authorized under section 402 which does not provide adequate and reasonable access for safe and convenient movement of the physically handicapped, including those in wheel chairs, across curbs constructed or replaced at all pedestrian crosswalks after July 1, 1976.

Conference substitute

Same as the House amendment.

Highway safety standards

Senate Bill

No provision.

House Amendment

This section amends section 402(h) of title 23, United States Code, to provide that each uniform safety standard promulgated under that section on or before January 1, 1973, shall continue in effect unless otherwise specifically provided by law enacted after the date of enactment of the Federal-aid Highway Act of 1973. The Secretary shall not promulgate any other uniform safety standard under that section (including a revision of a standard continued in effect by the preceding sentence) unless otherwise specifically provided by law enacted after the date of enactment of the Federal-aid Highway Act of 1973.

Conference Substitute

Same as the House amendment.

Federal-aid safer roads demonstration program

Senate Bill

No provision.

House Amendment

No provision.

Conference Substitute

This section adds a new section 405 to title 23, a version of which was in the Senate passed safety bill, S. 893. This section authorizes $50 million for fiscal year 1974, and $100 million for each of the fiscal year 1975 and 1976 out of the Highway Trust Fund for a demonstration program for the correction of safety hazards on highways off the Federal-aid System. The Federal share for such projects would be 90%.

By June 30, 1974, each State should identify hazards which are to be corrected under this program and assign priorities for their correction. The hazards to be corrected must fall within three major categories: 1) projects to improve highway marking and signing; 2) to eliminate roadside obstacles; and 3) to eliminate hazards at railroad-highway grade crossings. Each State would designate the projects and priorities for correcting the hazards within these categories, subject to the approval of the Secretary.

In carrying out the Federal-Aid Safer Roads Demonstration Program authorized by this section, the Secretary shall coordinate such program with the programs and projects authorized in sections 144, 152, and 153 of this title and section 203(d) of the Highway Safety Act of 1973.

An interim report on the progress of this demonstration program shall be filed by January 1, 1975, and a final report shall be filed on January 1, 1976, with recommendations for the future implementation of the program.

Bicycle safety

Senate Bill

No provision.

House Amendment

No provision.

Conference Substitute

This section amends section 402 to include bicycle safety among the areas to be covered by highway safety standards, and adds bicycle safety to required driver education programs.

While recognizing that bikeways physically separated from highways provide the best protection against injuries resulting from accidents between bicycles and motorized vehicles, the Managers believe that other measures can also help to promote bicycle safety.

The Managers expect that the results of the Pedestrian and Bicycle Safety Study authorized by another section of the conference substitute will provide guidance to the Secretary and the States in implementing this section.

TITLE III

Senate Bill

This title amends the Urban Mass Transportation Act of 1964 by authorizing the Secretary of Transportation to make grants or loans to State and local public bodies for payment of operating expenses incurred by a mass transportation system. These grants would be obligated on a two-third Federal, one-third local matching basis and funded by the allocation of $800 million over the next two fiscal years.

This title also provides an additional $3 billion in contract authority to sustain the Urban Mass Transportation Act's capital grant program through fiscal year 1977. The cost-sharing formula for this program would be changed from two-thirds, one-third to 90 percent Federal, 10 percent local. This new ratio for funding mass transit capital improvements coincides with the present Federal interstate highway financing ratio.

House Amendment

This title would increase to 80 percent the Federal share of capital grants under the Urban Mass Transportation Act of 1964, as amended, and increase from $3.1 billion to $6.1 billion contract authority under the Act.

It would also permit the Urban Mass Transportation Administration to make grants to States and local public bodies or agencies thereof and enter into contracts with private and public agencies to carry out technical studies relating to planning, engineering, design and evaluation or urban mass transportation projects. The Federal share would be determined by the Secretary.

Subsection 301(e) would insure that nonsupervisory employees are not brought under the restrictive political provisions of the "Hatch Act" merely because a transit system may be a recipient of Federal assistance under this section.

Protective provisions are also included which would prevent discrimination in the program on the basis of sex and provide from funds authorized for capital grants under the Act additional funding on a permissive basis for providing mass transit services to meet the special needs of the elderly and the handicapped.

This title further provides that no funds authorized to be obligated, appropriated or expended pursuant to the Urban Mass Transportation Act of 1964, as amended, shall be impounded or withheld from obligation.

No assistance would be provided for the purchase of buses to any State or local public body or agency thereof which engages in charter bus operations in competition with private operators outside the urbanized area within which the public body or agency provides mass transit service.

No financial assistance would be provided to any State or local public body or agency thereof which engages in the transporting of school children and school personnel to and from school and school related functions in competition with or supplementary to the service currently provided by a private transportation company, or other person, provided that such company or person provides adequate transportation at reasonable rates, and in conformance with applicable safety standards. This would not apply if the State or local body was engaged in transporting school children or personnel during the 12-month period prior to the date of enactment of this title.

Conference Substitute

This title is the same as the House provision except that the prohibition against impoundment is deleted and the references to unfair competition are covered in a new section 164.

TITLE IV

Senate Bill

No comparable provision.

House Amendment

Title V of the House amendment provides that the time requirements in section 104(b) of title 23, United States Code, are not applicable to apportionment of sums authorized for that fiscal year in any title of this Act and requires the Secretary to apportion these sums as soon as practicable after the date of enactment of this Act.

Conference Substitute

This is the same as the provision of the House amendment with an additional section that all sums authorized in Public Law 93–61 are included within the authorizations contained in this Act for fiscal year 1974 and requiring the Secretary to make appropriate adjustments in apportionments made under Public Law 93–61 to conform them to this Act.

JIM WRIGHT,
JOHN A. BLATNIK,
JOHN C. KLUCZYNSKI,
HAROLD T. JOHNSON,
JAMES V. STANTON,
DON H. CLAUSEN,
Managers on the Part of the House.

LLOYD BENTSEN,
JENNINGS RANDOLPH,
EDMUND S. MUSKIE,
JOSEPH M. MONTOYA,
HOWARD BAKER,
ROBERT T. STAFFORD,
JAMES BUCKLEY,
Managers on the Part of the Senate.

CONFERENCE REPORT ON H.R. 8825

Pursuant to an order of the House on Thursday, July 26, 1973, the conference report on the bill (H.R. 8825) making appropriations for the Department of Housing and Urban Development; for space, science, veterans, and certain other independent executive agencies, boards, commissions, and corporations for the fiscal year ending June 30, 1974, and for other purposes is herewith printed, as follows:

[Submitted by Mr. BOLAND]

CONFERENCE REPORT (H. REPT. NO. 93–411)

The Committee of Conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 8825) "making appropriations for the Department of Housing and Urban Development; for space, science, veterans, and certain other independent executive agencies, boards, commissions, and corporations for the fiscal year ending June 30, 1974, and for other purposes," having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 1, 6, 9, 11, 25, 31, 33, 34, 36, and 42.

That the House recede from its disagreement to the amendments of the Senate numbered 2, 12, 13, 15, 18, 19, 20, 24, 26, 37, 38, 39, 40, 41, and 43; and agree to the same.

Amendment numbered 4: That the House recede from its disagreement to the amendment of the Senate numbered 4, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$23,900,000"; and the Senate agree to the same.

Amendment numbered 5: That the House recede from its disagreement to the amendment of the Senate numbered 5, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert $75,000,000"; and the Senate agree to the same

Amendment numbered 7: That the House recede from its disagreement to the amendment of the Senate numbered 7, and agree to the same with an amendment, as follows: Restore the matter stricken by said amendment, amended to read as follows:

"OPEN SPACE LAND PROGRAMS

"For grants as authorized by title VII of the Housing Act of 1961, as amended (42 U.S.C. 1500–1500e), and the provision of technical assistance to State and local public bodies, $25,000,000, to remain available until expended: *Provided*, That no part of this appropriation may be used for financing a grant in excess of 50 per centum of the cost of any activity or project, except that grants made pursuant to section 706 of the Housing Act of 1961, as amended (42 U.S.C. 1500), may be made in an amount not to exceed 75 per centum; and the Senate agree to the same.

Amendment numbered 8: That the House recede from its disagreement to the amendment of the Senate numbered 8, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$22,413,000"; and the Senate agree to the same.

Amendment numbered 10: That the House recede from its disagreement to the amendment of the Senate numbered 10, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$65,000,000"; and the Senate agree to the same.

Amendment numbered 14: That the House recede from its disagreement to the amendment of the Senate numbered 14, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$3,166,000"; and the Senate agree to the same.

Amendment numbered 16: That the House recede from its disagreement to the amendment of the Senate numbered 16, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$11,460,000"; and the Senate agree to the same.

Amendment numbered 17: That the House recede from its disagreement to the amendment of the Senate numbered 17, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$19,780,000"; and the Senate agree to the same.

Amendment numbered 21: That the House recede from its disagreement to the amendment of the Senate numbered 21, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$566,600,000"; and the Senate agree to the same.

Amendment numbered 22: That the House recede from its disagreement to the amendment of the Senate numbered 22, and agree to the same with an amendment, as follows: Restore the matter stricken by said amendment, amended to read as follows: "not less than $12,500,000 shall be used only for Graduate Student Support; not less than $65,000,000 shall be used only for Science Education Improvement; and"; and the Senate agree to the same.

Amendment numbered 23: That the House recede from its disagreement to the amendment of the Senate numbered 23, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$72,000,000"; and the Senate agree to the same.

Amendment numbered 27: That the House recede from its disagreement to the amendment of the Senate numbered 27, and agree to the same with an amendment, as follows: In lieu of the matter stricken and inserted by said amendment, insert the following: "$2,676,261,000, plus reimbursements"; and the Senate agree to the same.

Amendment numbered 28: That the House recede from its disagreement to the amendment of the Senate numbered 28, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$75,500,000"; and the Senate agree to the same.

Amendment numbered 29: That the House recede from its disagreement to the amendment of the Senate numbered 29, and agree to the same with an amendment, as follows: In lieu of the matter inserted by said amendment, insert the following:

"ASSISTANCE FOR HEALTH MANPOWER TRAINING INSTITUTIONS

"For pilot programs for assistance in the establishment of new State medical schools, as authorized by title 38, United States Code, chapter 82, $25,000,000, to remain available for pilot programs under section 5072 of title 38, United States Code, until June 30, 1979"; and the Senate agree to the same.

Amendment numbered 30: That the House recede from its disagreement to the amendment of the Senate numbered 30, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$310,000,000"; and the Senate agree to the same.

Amendment numbered 32: That the House recede from its disagreement to the amendment of the Senate numbered 32, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$68,343,000"; and the Senate agree to the same.

Amendment numbered 35: That the House recede from its disagreement to the amendment of the Senate numbered 35, and agree to the same with an amendment, as follows: In lieu of the matter stricken and inserted by said amendment, insert the following: "$39,703,000"; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 3, 44, and 45.

EDWARD P. BOLAND,
JOE L. EVINS,
(except amendments Nos. 10 and 25),
GEORGE E. SHIPLEY,
J. EDWARD ROUSH,
ROBERT O. TIERNAN,
(except amendment No. 25),
BILL CHAPPELL,
ROBERT N. GIAIMO,
GEORGE MAHON,
BURT L. TALCOTT,
JOSEPH M. MCDADE,
BILL SCHERLE,
EARL B. RUTH,
E. A. CEDERBERG,
Managers on the Part of the House.

WILLIAM PROXMIRE,
JOHN L. MCCLELLAN,
JOHN O. PASTORE,
BIRCH BAYH,
LAWTON CHILES,
FRANK E. MOSS,
CHARLES MCC. MATHIAS, JR.,
MILTON R. YOUNG,
CLIFFORD P. CASE,
HIRAM L. FONG,
Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 8825) making appropriations for the Department of Housing and Urban Development; for space; science, veterans, and certain other independent executive agencies, boards, commissions, and corporations for the fiscal year ending June 30, 1974, and for other purposes, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying report:

Amendment No. 1: The following provision in the opening paragraph of the Senate bill, "and shall be made available for expenditure except as specifically provided by law" was not agreed to by the conferees because it was deemed to be an unnecessary restatement of existing provisions of law. It was therefore deleted without prejudice.

TITLE I—DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Amendment No. 2: Appropriates $5,120,000 for salaries and expenses, housing production and mortgage credit programs as proposed by the Senate, instead of $5,300,000 as proposed by the House.

Amendment No. 3: Reported in technical disagreement. The managers on the part of the House will offer a motion to appropriate $2,020,000,000 for housing payments as proposed by the Senate, instead of $2,100,000,000 as proposed by the House; and insert language earmarking not less than $280,000,000 for the payment of operating subsidies to Local Housing Authorities, instead of $315,000,000 as proposed by the Senate. The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The committee of conference strongly recommends that the legislative committees having jurisdiction over the authorization for "operating subsidies" paid to Local Housing Authorities should undertake a thorough study and evaluation of the "Brooke amendments," including alleged abuses involved in the use of these subsidies, and the effect of these provisions on the efficient management and operation of all Local Housing Authorities.

Amendment No. 4: Appropriates $23,900,000 for salaries and expenses, housing management programs, instead of $24,475,000 as proposed by the House and $23,155,000 as proposed by the Senate.

Amendment No. 5: Appropriates $75,000,000 for comprehensive planning grants, instead of $25,000,000 as proposed by the House and $110,000,000 as proposed by the Senate.

Amendment No. 6: Appropriates $10,134,000 for salaries and expenses, community planning and management programs as proposed by the House, instead of $9,875,000 as proposed by the Senate.

Amendment No. 7: Restores the House language and appropriates $25,000,000 for open space land programs, instead of $70,000,000 as proposed by the House and deletion of the item as proposed by the Senate.

Amendment No. 8: Appropriates $22,413,000 for salaries and expenses, community development programs, instead of $22,900,000 as proposed by the House and $22,176,000 as proposed by the Senate.

Amendment No. 9: Deletes language proposed by the Senate to prohibit use of any funds for administrative expenses unless the full amount of appropriations in this and previous Acts for community development assistance are made available for obligation or commitment.

Amendment No. 10: Appropriates $65,000,000 for research and technology, instead of $60,000,000 as proposed by the House and $71,450,000 as proposed by the Senate.

Amendment No. 11: Deletes language proposed by the Senate to earmark $1,000,000 for a study of the growing problem of natural gas explosions in residential areas. The committee of conference is agreed that some funds should be made available for such a study.

Amendment No. 12: Appropriates $9,546,000 for fair housing and equal opportunity functions as proposed by the Senate, instead of $9,750,000 as proposed by the House.

Amendment No. 13: Appropriates $6,042,000 for general departmental management as proposed by the Senate, instead of $6,150,000 as proposed by the House.

Amendment No. 14: Appropriates $3,166,000 for salaries and expenses, Office of General Counsel, instead of $3,250,000 as proposed by the House and $3,134,000 as proposed by the Senate.

Amendment No. 15: Appropriates $6,534,000 for salaries and expenses, Office of Inspector General as proposed by the Senate, instead of $6,825,000 as proposed by the House.

Amendment No. 16: Appropriates $11,460,000 for administration and staff services, instead of $11,500,000 as proposed by the House and $10,731,000 as proposed by the Senate.

The committee of conference has observed that the HUD management information systems and data processing personnel have developed several alternatives to the initial plans for leasing data communications equipment and services. Based upon informal estimates, these alternatives may save the department from $7,000,000 to $10,000,000 over the next eight years through installing government-owned and operated tele-processing equipment. The conference committee wishes to commend the department for responding so quickly with a high degree of professional expertise in the short time since the careful analysis of alternatives was recommended in the June 19, 1973, House report.

Amendment No. 17: Appropriates $19,780,000 for regional management and services, instead of $20,200,000 as proposed by the House and $19,769,000 as proposed by the Senate.

TITLE II—SPACE, SCIENCE, VETERANS, AND CERTAIN OTHER INDEPENDENT AGENCIES

Federal Communications Commission

Amendment No. 18: Inserts language proposed by the Senate to limit travel expenses to not to exceed $800,000.

National Aeronautics and Space Administration

Amendment No. 19: Appropriates $101,100,000 for construction of facilities as proposed by the Senate, instead of $87,800,000 as proposed by the House.

Amendment No. 20: Earmarks $56,300,000 for space shuttle facilities as proposed by the Senate, instead of $43,000,000 as proposed by the House.

National Science Foundation

Amendment No. 21: Appropriates $566,600,000 for salaries and expenses, instead of $561,600,000 as proposed by the House and $571,600,000 as proposed by the Senate. The funds provided include not to exceed $5,000,000 to commence construction of the Very Large Array radio telescope.

While the National Science Foundation appropriation for the first time has been limited to the current fiscal year, it is the intent of the conferees that obligations made in fiscal year 1974 shall not lapse solely for the reason that the activity for the performance of which the obligation is made is not commenced within the current fiscal year.

The committee of conference also recommends that appropriate technician training projects be funded to provide underpinning or support for scientific efforts.

Amendment No. 22: Earmarks not less than $12,500,000 for graduate student support and not less than $65,000,000 for science education improvement, instead of $14,000,000 and $69,000,000, respectively, as proposed by the House. The Senate had proposed deleting the House language.

Amendment No. 23: Earmarks a maximum of $72,000,000 for research applied to national needs, instead of $65,000,000 as proposed by the House and $79,200,000 as proposed by the Senate.

Securities and Exchange Commission

Amendment No. 24: Inserts language proposed by the Senate to limit travel expenses to not to exceed $840,000.

Selective Service System

Amendment No. 25: Appropriates $47,500,000 for salaries and expenses as proposed by the House, instead of $35,000,000 as proposed by the Senate.

Amendment No. 26: Inserts language proposed by the Senate that no funds in this Act may be expended for or in connection with the induction of any person into the Armed Forces of the United States.

Veterans Administration

Amendment No. 27: Appropriates $2,676,261,000 for medical care, instead of $2,670,350,000 as proposed by the House and $2,706,805,063 as proposed by the Senate; and deletes language proposed by the Senate earmarking funds for health care personnel, an unrestricted average daily patient census, and spinal cord injury home-care programs.

Amendment No. 28: Appropriates $75,500,000 for medical and prosthetic research, instead of $71,000,000 as proposed by the House and $77,800,000 as proposed by the Senate.

Amendment No. 29: Appropriates $25,000,000 for assistance for new State medical schools, instead of $55,000,000 for assistance for health manpower training institutions as proposed by the Senate.

Amendment No. 30: Appropriates $310,000,000 for general operating expenses, instead of $313,822,000 as proposed by the House and $300,000,000 as proposed by the Senate.

Amendment No. 31: Deletes language proposed by the Senate to prohibit the involuntary transfer or reassignment of regional directors.

Amendment No. 32: Appropriates $68,343,000 for construction, major projects, instead of $61,299,000 as proposed by the House and $70,435,000 as proposed by the Senate.

Amendment No. 33: Deletes language proposed by the Senate itemizing the projects and amounts for construction, major projects. The approved projects and amounts are as listed in the House report, except for the addition for air conditioning projects at Gulfport, Mississippi, $81,000; Huntington, West Virginia, $1,388,000; and Salisbury, North Carolina, $5,575,000, as proposed by the Senate.

The committee of conference also agrees with the statement in the Senate report concerning the VA hospital proposed for construction in Baltimore, Maryland.

Amendment No. 34: Deletes language proposed by the Senate to provide for a 5 percent transfer authority between construction projects.

The committee of conference is concerned about the number and magnitude of cost overruns on construction projects. Positive steps should be instituted to allay the need for extensive reprogramming.

Amendment No. 35: Appropriates $39,703,000 for construction, minor projects as proposed by the Senate, instead of $38,701,000 as proposed by the House. Deletes language proposed by the Senate earmarking for air conditioning projects. The additional $1,002,000 is for air conditioning projects at Waco, Texas, and San Juan, Puerto Rico.

Amendment No. 36: Deletes language proposed by the Senate concerning air conditioning.

Amendment No. 37: Authorizes a limitation of $500,000,000 on obligations for the loan guaranty revolving fund as proposed by the Senate, instead of $400,000,000 as proposed by the House.

Amendments Nos. 38 and 39: Delete transfer authority of 5 percent between construction appropriations as proposed by the Senate.

TITLE III—CORPORATIONS

Department of Housing and Urban Development

Amendment No. 40: Authorizes $15,080,000 for administrative expenses of the Federal Housing Administration as proposed by the Senate, instead of $15,280,000 as proposed by the House.

Amendment No. 41: Authorizes $175,851,000 for nonadministrative expenses of the Federal Housing Administration as proposed by the Senate, instead of $178,730,000 as proposed by the House.

Amendment No. 42: Deletes language proposed by the Senate to prohibit use of any funds for administrative and nonadministrative expenses unless the full amount of contract authority provided in this and previous Acts for the rent supplement program, the homeownership assistance program, the rental housing assistance program, and the public housing program are made available for obligation.

Amendment No. 43: Authorizes $7,750,000 for administrative expenses of the Government National Mortgage Association as proposed by the Senate, instead of $7,769,000 as proposed by the House.

TITLE IV—GENERAL PROVISIONS

Amendments Nos. 44 and 45: Reported in disagreement. The managers on the part of the House will offer a motion to insist on its disagreement to the amendment of the Senate that would impose further restrictions on the purchase, hire, operation and maintenance of passenger motor vehicles by the department and agencies included in this act.

CONFERENCE TOTAL—WITH COMPARISONS

The total new budget (obligational) authority for the fiscal year 1974 recommended by the committee of conference, with comparisons to the fiscal year 1973 amount, to the 1974 budget estimate, and to the House and Senate bills for 1974 follows:

	Amounts
New budget (obligational) authority, fiscal year 1973	$20,884,223,000
Budget estimates of new (obligational) authority, fiscal year 1974	18,617,453,000
House bill, fiscal year 1974	19,070,954,000
Senate bill, fiscal year 1974	19,118,373,063
Conference agreement	19,056,500,000
Conference agreement compared with—	
New budget (obligational) authority, fiscal year 1973	−1,827,723,000
Budget estimates of new (obligational) authority, fiscal year 1974	+439,047,000
House bill, fiscal year 1974	−14,454,000
Senate bill, fiscal year 1974	−61,873,063

Edward P. Boland,
Joe L. Evins,
(except amendments Nos. 10 and 25),
George E. Shipley,
J. Edward Roush,
Robert O. Tiernan,
(except amendment No. 25),
Bill Chappell,
Robert N. Giaimo,
George Mahon,
Burt L. Talcott,
Joseph M. McDade,
Bill Scherle,
Earl B. Ruth,
E. A. Cederberg,
Managers on the Part of the House.
William Proxmire,
John L. McClellan,
John O. Pastore,
Birch Bayh,
Lawton Chiles,
Frank E. Moss,
Charles McC. Mathias, Jr.,
Milton R. Young,
Clifford P. Case,
Hiram L. Fong,
Managers on the Part of the Senate.

CONFERENCE REPORT ON H.R. 7935

Pursuant to an order of the House on Thursday, July 26, 1973, the conference report on the bill (H.R. 7935) to amend the Fair Labor Standards Act of 1938 to increase the minimum wage rates under that act, to expand the coverage of that act, and for other purposes, is herewith printed, as follows:

[Submitted by Mr. Perkins]

CONFERENCE REPORT (H. REPT. No. 93-413)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 7935) to amend the Fair Labor Standards Act of 1938 to increase the minimum wage rates under that Act, to expand the coverage of that Act, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

SHORT TITLE; REFERENCES TO ACT

SECTION 1. (a) This Act may be cited as the "Fair Labor Standards Amendments of 1973".

(b) Unless otherwise specified, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the section or other provision amended or repealed is a section or other provision of the Fair Labor Standards Act of 1938 (29 U.S.C. 201–219).

INCREASE IN MINIMUM WAGE RATE FOR EMPLOYEES COVERED BEFORE 1966

SEC. 2. Section 6(a)(1) is amended to read as follows:

"(1) not less than $2 an hour during the period ending June 30, 1974, and not less than $2.20 an hour after June 30, 1974, except as otherwise provided in this section;".

INCREASE IN MINIMUM WAGE RATE FOR NON-AGRICULTURAL EMPLOYEES COVERED IN 1966 AND 1973

SEC. 3. Section 6(b) is amended (1) by inserting ", title IX of the Education Amendments of 1972, or the Fair Labor Standards Amendments of 1973" after "1966", and (2) by striking out paragraphs (1) through (5) and inserting in lieu thereof the following:

"(1) not less than $1.80 an hour during the period ending June 30, 1974,

"(2) not less than $2 an hour during the year beginning July 1, 1974, and

"(3) not less than $2.20 an hour after June 30, 1975."

INCREASE IN MINIMUM WAGE RATE FOR AGRICULTURAL EMPLOYEES

SEC. 4. Section 6(a)(5) is amended to read as follows:

"(5) if such employee is employed in agriculture, not less than—

"(A) $1.60 an hour during the period ending June 30, 1974,

"(B) $1.80 an hour during the year beginning July 1, 1974,

"(C) $2 an hour during the year beginning July 1, 1975, and

"(D) $2.20 an hour after June 30, 1976."

INCREASE IN MINIMUM WAGE RATES FOR EMPLOYEES IN PUERTO RICO AND THE VIRGIN ISLANDS

SEC. 5. (a) Section 5 is amended by adding at the end thereof the following new subsection:

"(e) The provisions of this section, section 6(c), and section 8 shall not apply with respect to the minimum wage rate of any employee employed in Puerto Rico or the Virgin Islands (1) by the United States or by the government of the Virgin Islands, (2) by an establishment which is a hotel, motel, or restaurant, or (3) by any other retail or service establishment which employs such employee primarily in connection with the preparation or offering of food or beverages for human consumption, either on the premises, or by such services as catering, banquet, box lunch, or curb or counter service, to the public, to employees, or to members or guests of members of clubs. The minimum wage rate of such an employee shall be determined under this Act in the same manner as the minimum wage rate for employees employed in a State of the United States as determined under this Act. As used in the preceding sentence, the term 'State' does not include a territory or possession of the United States."

(b) Effective on the date of the enactment of the Fair Labor Standards Amendments of 1973, subsection (c) of section 6 is amended by striking out paragraphs (2), (3), and (4) and inserting in lieu thereof the following:

"(2) Except as provided in paragraphs (4) and (5), in the case of any employee who is covered by such a wage order on the date of enactment of the Fair Labor Standards Amendments of 1973 and to whom the rate or rates prescribed by subsection (a) or (b) would otherwise apply, the wage rate applicable to such employee shall be increased as follows:

"(A) Effective on the effective date of the Fair Labor Standards Amendments of 1973, the wage order rate applicable to such employee on the day before such date shall—

"(i) if such rate is under $1.40 an hour, be increased by $0.12 an hour, and

"(ii) if such rate is $1.40 or more an hour, be increased by $0.15 an hour,

except that, in the case of an employee whose wage order rate was increased (pursuant to the recommendations of a special industry committee convened under section 8) during the period beginning on July 26, 1973, and ending before the effective date of the Fair Labor Standards Amendments of 1973, the wage order rate applicable to such employee shall be increased only if the amount of the increase during such period was less than the otherwise applicable increase prescribed by clause (i) or (ii) of this subparagraph and only to the extent of the difference between the increase during such period and such otherwise applicable increase.

"(B) Effective on the first day of the second and each subsequent year after such date, the highest wage order rate applicable to such employees on the day before such first day shall—

"(i) if such rate is under $1.40 an hour, be increased by $0.12 an hour, and

"(ii) if such rate is $1.40 or more an hour, be increased by $0.15 an hour.

In the case of any employee employed in agriculture who is covered by a wage order issued by the Secretary pursuant to the recommendations of a special industry committee appointed pursuant to section 5, to whom the rate or rates prescribed by subsection (a)(5) would otherwise apply, and whose hourly wage is increased above the wage rate prescribed by such wage order by a subsidy (or income supplement) paid, in whole or in part, by the government of Puerto Rico, the increases prescribed by this paragraph, shall be applied to the sum of the wage rate in effect under such wage order and the amount by which the employee's hourly wage rate is increased by the subsidy (or income supplement) above the wage rate in effect under such wage order.

"(3) In the case of any employee employed in Puerto Rico or the Virgin Islands to whom this section is made applicable by the amendments made to this Act by the Fair Labor Standards Amendments of 1973, the Secretary shall, as soon as practicable after the date of enactment of the Fair Labor Standards Amendments of 1973, appoint a special industry committee in accordance with section 5 to recommend the highest minimum wage rate or rates, which shall be not less than 60 per centum of the otherwise applicable minimum wage rate in effect under subsection (b) or $1.00 an hour, whichever is greater, to be applicable to such employee in lieu of the rate or rates prescribed by subsection (b). The rate recommended by the special industry committee shall (A) be effective with respect to such employee upon the effective date of the wage order issued pursuant to such recommendation, but not before sixty days after the effective date of the Fair Labor Standards Amendments of 1973, and (B) except in the case of employees of the government of Puerto Rico or any political subdivision thereof, be increased in accordance with paragraph (2)(B).

"(4)(A) Notwithstanding paragraph (2)(A) or (3), the wage rate of any employee in Puerto Rico or the Virgin Islands which is subject to paragraph (2)(A) or (3) of this subsection, shall, on the effective date of the wage increase under paragraph (2)(A) or of the wage rate recommended under paragraph (3), as the case may be, be not less than 60 per centum of the otherwise applicable rate under subsection (a) or (b) or $1.00, whichever is higher.

"(B) Notwithstanding paragraph (2)(B), the wage rate of any employee in Puerto Rico or the Virgin Islands which is subject to paragraph (2)(B), shall, on and after the effective date of the first wage increase under paragraph (2)(B), be not less than 60 per centum of the otherwise applicable rate under subsection (a) or (b) or $1.00, whichever is higher.

"(5) If the wage rate of an employee is to be increased under this subsection to a wage rate which equals or is greater than the wage rate under subsection (a) or (b) which, but for paragraph (1) of this subsection, would be applicable to such employee, this subsection shall be inapplicable to such employee and the applicable rate under such subsection shall apply to such employee.

"(6) Each minimum wage rate prescribed by or under paragraph (2) or (3) shall be in effect unless such minimum wage rate has been superseded by a wage order (issued by the Secretary pursuant to the recommendation of a special industry committee convened under section 8) fixing a higher minimum wage rate."

(c)(1) The last sentence of section 8(b) is amended by striking out the period at the end thereof and inserting in lieu thereof a semicolon and the following: "except that the committee shall recommend to the Secretary the minimum wage rate prescribed in section 6(a) or 6(b), which would be applicable but for section 6(c), unless there is substantial documentary evidence, including pertinent unabridged profit and loss statements and balance sheets for a representative period of years or in the case of employees of public agencies other appropriate information, in the record which establishes that the industry, or a predominant portion thereof is unable to pay that wage."

(2) The third sentence of section 10(a) is amended by inserting after "modify" the following: "(including provision for the payment of an appropriate minimum wage rate)".

(d) Section 8 is amended (1) by striking out "the minimum wage prescribed in paragraph (1) of section 6(a) in each such industry" in the first sentence of subsection (a) and inserting in lieu thereof "the minimum wage rate which would apply in each such industry under paragraph (1) or (5) of section 6(a) but for section 6(c)", (2) by striking out "the minimum wage rate prescribed in paragraph (1) of section 6(a)" in the last sentence of subsection (a) and inserting in lieu thereof "the otherwise applicable minimum wage rate in effect under paragraph (1) or (5) of section 6(a)", and (3) by striking out "prescribed in paragraph (1) of section 6(a)" in subsection (c) and inserting in lieu thereof "in effect under paragraph (1) or (5) of section 6(a) (as the case may be)".

FEDERAL AND STATE EMPLOYEES

SEC. 6. (a)(1) Section 3(d) is amended to read as follows:

"(d) 'Employer' includes any person acting directly and indirectly in the interest of an employer in relation to an employee and includes a public agency, but does not include any labor organization (other than when acting as an employer) or anyone acting in the capacity of officer or agent of such labor organization."

(2) Section 3(e) is amended to read as follows:

"(e)(1) Except as provided in paragraphs (2) and (3), the term 'employee' means any individual employed by an employer.

"(2) In the case of an individual employed by a public agency, such term means—

"(A) any individual employed by the Government of the United States—

"(i) as a civilian in the military departments (as defined in section 102 of title 5, United States Code),

"(ii) in any executive agency (as defined in section 105 of such title),

"(iii) in any unit of the legislative or judicial branch of the Government which has positions in the competitive service,

"(iv) in a nonappropriated fund instrumentality under the jurisdiction of the Armed Forces, or

"(v) in the Library of Congress;

"(B) any individual employed by the United States Postal Service or the Postal Rate Commission; and

"(C) any individual employed by a State, political subdivision of a State, or an interstate governmental agency, other than such an individual—

"(i) who is not subject to the civil service laws of the State, political subdivision, or agency which employs him; and

"(ii) who—

"(I) holds a public elective office of that State, political subdivision, or agency,

"(II) is selected by the holder of such an office to be a member of his personal staff.

"(III) is appointed by such an office holder to serve on a policy making level, or

"(IV) who is an immediate advisor to such an office holder with respect to the constitutional or legal powers of his office."

"(3) For purposes of subsection (u), such term does not include any individual employed by an employer engaged in agriculture if such individual is the parent, spouse, child, or other member of the employer's immediate family."

(3) Section 3(h) is amended to read as follows:

"(h) 'Industry' means a trade, business, industry, or other activity, or branch or group thereof, in which individuals are gainfully employed."

(4) Section 3(r) is amended by inserting "or" at the end of paragraph (2) and by inserting after that paragraph the following new paragraph:

"(3) in connection with the activities of a public agency,".

(5) Section 3(s) is amended—

(A) by striking out in the matter preceding paragraph (1) "including employees handling, selling, or otherwise working on goods" and inserting in lieu thereof "or employees handling, selling, or otherwise working on goods or materials",

(B) by striking out "or" at the end of paragraph (3),

(C) by striking out the period at the end of paragraph (4) and inserting in lieu there-

(D) by adding after paragraph (4) the following new paragraph:

"(5) is an activity of a public agency.", and

(E) by adding after the last sentence the following new sentence: "The employees of an enterprise which is a public agency shall for purposes of this subsection be deemed to be employees engaged in commerce, or in the production of goods for commerce, or employees handling, selling, or otherwise working on goods or materials that have been moved in or produced for commerce."

(6) Section 3 is amended by adding after subsection (w) the following:

"(x) 'Public agency' means the Government of the United States; the government of a State or political subdivision thereof; any agency of the United States (including the United States Postal Service and Postal Rate Commission), a State, or a political subdivision of a State; or any interstate governmental agency."

(b) Section 4 is amended by adding at the end thereof the following new subsection:

"(f) The Secretary is authorized to enter into an agreement with the Librarian of Congress with respect to any individual employed in the Library of Congress to provide for the carrying out of the Secretary's functions under this Act with respect to such individuals. Notwithstanding any other provision of this Act, or any other law, the Civil Service Commission is authorized to administer the provisions of this Act with respect to any individual employed by the United States (other than an individual employed in the Library of Congress, United States Postal Service, or Postal Rate Commission). Nothing in this subsection shall be construed to affect the right of an employee to bring an action for unpaid minimum wages, or unpaid overtime compensation, and liquidated damages under section 16(b) of this Act.".

(c) Section 7 is amended by adding at the end thereof the following new subsection:

"(k) No public agency shall be deemed to have violated subsection (a) with regard to any employee engaged in fire protection or law enforcement activities (including security personnel in correctional institutions) if, pursuant to an agreement or understanding arrived at between the employer and the employee before performance of the work, a work period of twenty-eight consecutive days is accepted in lieu of the workweek of seven consecutive days for purposes of overtime computation and if the employee receives compensation at a rate not less than one and one-half times the regular rate at which he is employed for his employment in excess of—

"(1) one hundred and ninety-two hours in each such twenty-eight day period during the first year from the effective date of the Fair Labor Standards Amendments of 1973;

"(2) one hundred and eighty-four hours in each such twenty-eight day period during the second year from such date;

"(3) one hundred and seventy-six hours in each such twenty-eight day period during the third year from such date;

"(4) one hundred and sixty-eight hours in each such twenty-eight day period during the fourth year from such date; and

"(5) one hundred and sixty hours in each such twenty-eight day period thereafter."

(d)(1) The second sentence of section 16 (b) is amended to read as follows: "Action to recover such liability may be maintained against any employer (including a public agency) in any Federal or State court of competent jurisdiction by any one or more employees for and in behalf of himself or themselves and other employees similarly situated.".

(2)(A) Section 6 of the Portal-to-Portal Pay Act of 1947 is amended by striking out the period at the end of paragraph (c) and by inserting in lieu thereof a semicolon and by adding after such paragraph the following:

"(d) with respect to any cause of action brought under section 16(b) of the Fair Labor Standards Act of 1938 against a State or a political subdivision of a State in a district court of the United States on or before April 18, 1973, the running of the statutory periods of limitation shall be deemed suspended during the period beginning with the commencement of any such action and ending one hundred and eighty days after the effective date of the Fair Labor Standards Amendments of 1973, except that such suspension shall not be applicable if in such action judgment has been entered for the defendant on the grounds other than State immunity from Federal jurisdiction."

(B) Section 11 of such Act is amended by striking out "(b)" after "section 16".

DOMESTIC SERVICE WORKERS

SEC. 7. (a) Section 2(a) is amended by inserting at the end the following new sentence: "The Congress further finds that the employment of persons in domestic service in households affects commerce."

(b)(1) Section 6 is amended by adding after subsection (e) the following new subsection:

"(f) Any employee who in any workweek is employed in domestic service in a household shall be paid wages at a rate not less than the wage rate in effect under section 6(b) unless such employee's compensation for such service would not because of section 209(g) of the Social Security Act constitute 'wages' for purposes of title II of such Act."

(2) Section 7 is amended by adding after the subsection added by section 6(c) of this Act the following new subsection:

"(l) Subsection (a)(1) shall apply with respect to any employee who in any workweek is employed in domestic service in a household unless such employee's compensation for such work would not because of section 209(g) of the Social Security Act constitute 'wages' for purposes of title II of such Act."

(3) Section 13(a) is amended by adding at the end the following new paragraph:

"(15) any employee employed on a casual basis in domestic service employment to provide babysitting services or any employee employed in domestic service employment to provide companionship services for individuals who (because of age or infirmity) are unable to care for themselves (as such terms are defined and delimited by regulations of the Secretary)."

(4) Section 13(b) is amended by striking out the period at the end of paragraph (19) and inserting in lieu thereof "; or" and by adding after that paragraph the following new paragraph:

"(20) any employee who is employed in domestic service in a household and who resides in such household; or".

RETAIL AND SERVICE ESTABLISHMENTS

SEC. 8. (a) Effective July 1, 1974, section 13(a)(2) (relating to employees of retail and service establishments) is amended by striking out "$250,000" and inserting in lieu thereof "$225,000".

(b) Effective July 1, 1975, such section is amended by striking out "$225,000" and inserting in lieu thereof "$200,000".

(c) Effective July 1, 1976, such section is amended by striking out "or such establishment has an annual dollar volume of sales which is less than $200,000 (exclusive of excise taxes at the retail level which are separately stated)".

TOBACCO EMPLOYEES

SEC. 9. (a) Section 7 is amended by adding after the subsection added by section 7(b) (2) of this Act the following:

"(m) For a period or periods of not more than fourteen workweeks in the aggregate in any calendar year, any employer may employ any employee for a workweek in excess of that specified in subsection (a) without paying the compensation for overtime employment prescribed in such subsection, if such employee—

"(1) is employed by such employer—

"(A) to provide services (including stripping and grading) necessary and incidental to the sale at auction of green leaf tobacco of type 11, 12, 13, 14, 21, 22, 23, 24, 31, 35, 36, or 37 (as such types are defined by the Secretary of Agriculture) or in auction sale, buying, handling, stemming, redrying, packing, and storing of such tobacco,

"(B) in auction sale, buying, handling, sorting, grading, packing, or storing green leaf tobacco of type 32 (as such type is defined by the Secretary of Agriculture), or

"(C) in auction sale, buying, handling, stripping, sorting, grading, sizing, packing, or stemming prior to packing, of perishable cigar leaf tobacco of type 41, 42, 43, 44, 45, 46, 51, 52, 53, 54, 55, 61, or 62 (as such types are defined by the Secretary of Agriculture); and

"(2) receives for—

"(A) such employment by such employer which is in excess of ten hours in any workday, and

"(B) such employment by such employer which is in excess of forty-eight hours in any workweek,

compensation at a rate not less than one and one-half times the regular rate at which he is employed.

An employer who receives an exemption under this subsection shall not be eligible for any other exemption under this section."

(b)(1) Section 13(a)(14) is repealed.

(2) Section 13(b) is amended by adding after the paragraph added by section 7(b) (4) of this Act the following new paragraph:

"(21) any agricultural employee employed in the growing and harvesting of shade-grown tobacco who is engaged in the processing (including, but not limited to, drying, curing, fermenting, bulking, rebuilding, sorting, grading, aging, and baling) of such tobacco, prior to the stemming process, for use as cigar wrapped tobacco; or".

TELEGRAPH AGENCY EMPLOYEES

SEC. 10. (a) Section 13(a)(11) (relating to telegraph agency employees) is repealed.

(b)(1) Section 13(b) is amended by adding after the paragraph added by section 9 (b)(2) of this Act the following new paragraph:

"(22) any employee or proprietor in a retail or service establishment, which qualifies as an exempt retail or service establishment under paragraph (2) of subsection (a) with respect to whom the provisions of sections 6 and 7 would not otherwise apply, engaged in handling telegraphic messages for the public under an agency or contract arrangement with a telegraph company where the telegraph message revenue of such agency does not exceed $500 a month and receives compensation for employment in excess of forty-eight hours in any workweek at a rate not less than one and one-half times the regular rate at which he is employed; or".

(2) Effective one year after the effective date of the Fair Labor Standards Amendments of 1973, section 13(b)(22) is amended by striking out "forty-eight hours" and inserting in lieu thereof "forty-four hours".

(3) Effective two years after such date, section 13(b)(22) is repealed.

SEAFOOD CANNING AND PROCESSING EMPLOYEES

SEC. 11. (a) Section 13(b)(4) (relating to fish and seafood processing employees) is amended by inserting "who is" after "employee", and by inserting before the semicolon the following: ", and who receives compensation for employment in excess of forty-eight hours in any workweek at a rate not less than one and one-half times the regular rate at which he is employed".

(b) Effective one year after the effective date of the Fair Labor Standards Amendments of 1973, section 13(b)(4) is amended by striking out "forty-eight hours" and inserting in lieu thereof "forty-four hours".

(c) Effective two years after such date, section 13(b)(4) is repealed.

NURSING HOME EMPLOYEES

SEC. 12. (a) Section 13(b)(8) (insofar as it relates to nursing home employees) is amended by striking out "any employee who (A) is employed by an establishment which is an institution (other than a hospital) primarily engaged in the care of the sick, the aged, or the mentally ill or defective who reside on the premises" and the remainder of that paragraph.

(b) Section 7(j) is amended by inserting after "a hospital" the following: "or an establishment which is an institution primarily engaged in the care of the sick, the aged, or the mentally ill or defective who reside on the premises".

HOTEL, MOTEL, AND RESTAURANT EMPLOYEES AND TIPPED EMPLOYEES

SEC. 13. (a) Section 13(b)(8) (insofar as it relates to hotel, motel, and restaurant employees) (as amended by section 12) is amended (1) by striking out "any employee" and inserting in lieu thereof "(A) any employee (other than an employee of a hotel or motel who is employed to perform maid or custodial services) who is", (2) by inserting before the semicolon the following: "and who receives compensation for employment in excess of forty-eight hours in any workweek at a rate not less than one and one-half times the regular rate at which he is employed", and (3) by adding after such section the following:

"(B) any employee who is employed by a hotel or motel to perform maid or custodial services and who receives compensation for employment in excess of forty-eight hours in any workweek at a rate not less than one and one-half times the regular rate at which he is employed; or".

(b) Effective one year after the effective date of the Fair Labor Standards Amendments of 1973, subparagraphs (A) and (B) of section 13(b)(8) are each amended by striking out "forty-eight hours" and inserting in lieu thereof "forty-six hours".

(c) Effective two years after such date, subparagraph (B) of section 13(b)(8) is amended by striking out "forty-six hours" and inserting in lieu thereof "forty-four hours".

(d) Effective three years after such date, subparagraph (B) of section 13(b)(8) is repealed and such section is amended by striking out "(A)".

(e) The last sentence of section 3(m) is amended to read as follows: "In determining the wage of a tipped employee, the amount paid such employee by his employer shall be deemed to be increased on account of tips by an amount determined by the employer, but not by an amount in excess of 50 per centum of the applicable minimum wage rate, except that the amount of the increase on account of tips determined by the employer may not exceed the value of tips actually received by the employee. The previous sentence shall not apply with respect to any tipped employe unless (1) such employee has been informed by the employer of the provisions of this section, and (2) all tips received by such employee have been retained by the employee, except that nothing herein shall prohibit the pooling of tips among employees who customarily and regularly receive tips."

SALESMEN, PARTSMEN, AND MECHANICS

SEC. 14. Section 13(b)(10) (relating to salesmen, partsmen, and mechanics, is amended to read as follows:

"(10)(A) any salesman primarily engaged in selling automobiles, trailers, trucks, farm implements, boats, or aircraft if he is employed by a non-manufacturing establishment primarily engaged in the business of selling such boats or vehicles to ultimate purchasers; or

"(B) any partsman primarily engaged in selling parts for automobiles, trucks, or farm implements and any mechanic primarily engaged in servicing such vehicles, if they are employed by a non-manufacturing establishment primarily engaged in the business of selling such vehicles to ultimate purchasers; or".

FOOD SERVICE ESTABLISHMENT EMPLOYEES

SEC. 15 (a) Section 13(b)(18) (relating to food service and catering employees) is amended by inserting immediately before the semicolon the following: "and who receives compensation for employment in excess of forty-eight hours in any workweek at a rate not less than one and one-half times the regular rate at which he is employed".

(b) Effective one year after the effective date of the Fair Labor Standards Amendments of 1973, such section is amended by striking out "forty-eight hours" and inserting in lieu thereof "forty-four hours".

(c) Effective two years after such date, such section is repealed.

BOWLING EMPLOYEES

SEC. 16. (a) Effective one year after the effective date of the Fair Labor Standards Amendements of 1973, section 13(b)(19) (relating to employees of bowling establishments) is amended by striking out "forty-eight hours" and inserting in lieu thereof "forty-four hours".

(b) Effective two years after such date, such section is repealed.

SUBSTITUTE PARENTS FOR INSTITUTIONALIZED CHILDREN

SEC. 17. Section 13(b) is amended by inserting after the paragraph added by section 10(b)(1) of this Act the following new paragraph:

"(23) any employee who is employed with his spouse by a nonprofit education institution to serve as the parents of children—

"(A) who are orphans or one of whose natural parents is deceased, and

"(B) who are enrolled in such institution and reside in residential facilities of the institution, while such children are in residence at such institution,

if such employee and his spouse reside in such facilities, receive, without cost, board and lodging from such institution, and are together compensated, on a cash basis, at an annual rate of not less than $10,000; or".

EMPLOYEES OF CONGLOMERATES

SEC. 18. Section 13 is amended by adding at the end thereof the following:

"(g) The exemption from section 6 provided by paragraphs (2) and (6) of subsection (a) of this section shall not apply with respect to any employee employed by an establishment (1) which controls, is controlled by, or is under common control with, another establishment the activities of which are not related for a common business purpose to, but materially support, the activities of the establishment employing such employee; and (2) whose annual gross volume of sales made or business done, when combined with the annual gross volume of sales made or business done by each establishment which controls, is controlled by, or is under common control with, the establishment employing such employee, exceeds $10,000,000 (exclusive of excise taxes at the retail level which are separately stated), except that the exemption from section 6 provided by subparagraph (2) of subsection (a) of this section shall apply with respect to any establishment described in this subsection which has an annual dollar volume of sales which would permit it to qualify for the exemption provided in paragraph (2) of subsection (a) if it were in an enterprise described in section 3(s)."

SEASONAL INDUSTRY EMPLOYEES

SEC. 19. (a) Effective January 1, 1974, sections 7(c) and 7(d) are each amended—

(1) by striking out "ten workweeks" and inserting in lieu thereof "seven workweeks", and

(2) by striking out "fourteen workweeks" and inserting in lieu thereof "ten workweeks".

(b) Effective January 1, 1974, section 7(c) is amended by striking out "fifty hours" and inserting in lieu thereof "forty-eight hours".

(c) Effective January 1, 1975, sections 7(c) and 7(d) are each amended—

(1) by striking out "seven workweeks" and inserting in lieu thereof "five workweeks", and

(2) by striking out "ten workweeks" and inserting in lieu thereof "seven workweeks".

(d) Effective January 1, 1976, sections 7(c) and 7(d) are each amended—

(1) by striking out "five workweeks" and inserting in lieu thereof "three workweeks", and

(2) by striking out "seven workweeks" and inserting in lieu thereof "five workweeks".

(e) Effective December 31, 1976, sections 7(c) and 7(d) are repealed.

COTTON GINNING AND SUGAR PROCESSING EMPLOYEES

SEC. 20. (a) Effective January 1, 1974, section 13(b)(15) is amended to read as follows:

"(15) any employee engaged in the processing of maple sap into sugar (other than refined sugar) or syrup; or".

(b)(1) Effective January 1, 1974, section 13(b) is amended by adding after paragraph (23) the following new paragraph:

"(24) any employee who is engaged in ginning of cotton for market in any place of employment located in a county where cotton is grown in commercial quantities and who receives compensation for employment in excess of—

"(A) seventy-two hours in any workweek for not more than six workweeks in a year,

"(B) sixty-four hours in any workweek for not more than four workweeks in that year,

"(C) fifty-four hours in any workweek for not more than two workweeks in that year, and

"(D) forty-eight hours in any other workweek in that year,

at a rate not less than one and one-half times the regular rate at which he is employed; or".

(2) Effective January 1, 1975, section 13(b)(24) is amended—

(A) by striking out "seventy-two" and inserting in lieu thereof "sixty-six";

(B) by striking out "sixty-four" and inserting in lieu thereof "sixty";

(C) by striking out "fifty-four" and inserting in lieu thereof "fifty";

(D) by striking out "and" at the end of subparagraph (C); and

(E) by striking out "forty-eight hours in any other workweek in that year" and inserting in lieu thereof the following: "forty-six hours in any workweek for not more than two workweeks in that year, and

"(E) forty-four hours in any other workweek in that year,".

(3) Effective January 1, 1976, section 13 (b)(24) is amended—

(A) by striking out "sixty-six" and inserting in lieu thereof "sixty";

(B) by striking out "sixty" and inserting in lieu thereof "fifty-six";

(C) by striking out "fifty" and inserting in lieu thereof "forty-eight";

(D) by striking out "forty-six" and inserting in lieu thereof "forty-four"; and

(E) by striking out "forty-four" and inserting in lieu thereof "forty".

(c)(1) Effective January 1, 1974, section 13(b) is amended by adding after paragraph (24) the following new paragraph:

"(25) any employee who is engaged in the processing of sugar beets, sugar beet molasses, or sugar cane into sugar (other than refined sugar) or syrup and who receives compensation for employment in excess of—

"(A) seventy-two hours in any workweek for not more than six workweeks in a year,

"(B) sixty-four hours in any workweek for not more than four workweeks in that year,

"(C) fifty-four hours in any workweek for not more than two workweeks in that year, and

"(D) forty-eight hours in any other workweek in that year,

at a rate not less than one and one-half times the regular rate at which he is employed; or".

(2) Effective January 1, 1975, section 13(b)(25) is amended—

(A) by striking out "seventy-two" and inserting in lieu thereof "sixty-six";

(B) by striking out "sixty-four" and inserting in lieu thereof "sixty";

(C) by striking out "fifty-four" and inserting in lieu thereof "fifty";

(D) by striking out "and" at the end of subparagraph (C); and

(E) by striking out "forty-eight hours in any other workweek in that year" and inserting in lieu thereof the following: "forty-six hours in any workweek for not more than two workweeks in that year, and

"(E) forty-four hours in any other workweek in that year,".

(3) Effective January 1, 1976, section 13(b)(25) is amended—

(A) by striking out "sixty-six" and inserting in lieu thereof "sixty";

(B) by striking out "sixty" and inserting in lieu thereof "fifty-six";

(C) by striking out "fifty" and inserting in lieu thereof "forty-eight";

(D) by striking out "forty-six" and inserting in lieu thereof "forty-four"; and

(E) by striking out "forty-four" and inserting in lieu thereof "forty".

LOCAL TRANSIT EMPLOYEES

SEC. 21. (a) Section 7 is amended by adding after the subsection added by section 9(a) of this Act the following new subsection:

"(n) In the case of an employee of an employer engaged in the business of operating a street, suburban or interurban electric railway, or local trolley or motorbus carrier (regardless of whether or not such railway or carrier is public or private or operated for profit or not for profit) in determining the hours of employment of such an employee to which the rate prescribed by subsection (a) applies there shall be excluded the hours such employee was employed in charter activities by such employer if (1) the employee's employment in such activities was pursuant to an agreement or understanding with his employer arrived at before engaging in such employment, and (2) if employment in such activities is not part of such employee's regular employment."

(b)(1). Section 13(b)(7) (relating to employees of street, suburban, or interurban electric railways or local trolley or motorbus carriers) is amended by striking out ", if the rates and services of such railway or carrier are subject to regulation by a State or local agency" and inserting in lieu thereof the following: "(regardless of whether or not such railway or carrier is public or private or operated for profit or not for profit), if such employee receives compensation for employment in excess of forty-eight hours in any workweek at a rate not less than one and one-half times the regular rate at which he is employed".

(2) Effective one year after the effective date of the Fair Labor Standards Amendments of 1973, such section is amended by striking out "forty-eight hours" and inserting in lieu thereof "forty-four hours".

(3) Effective two years after such date, such section is repealed.

COTTON AND SUGAR SERVICES EMPLOYEES

SEC. 22. Section 13 is amended by adding after the subsection added by section 18(a) the following:

"(h) The provisions of section 7 shall not apply for a period or periods of not more than fourteen workweeks in the aggregate in any calendar year to any employee who—

"(1) is employed by such employer—

"(A) exclusively to provide services necessary and incidental to the ginning of cotton in an establishment primarily engaged in the ginning of cotton;

"(B) exclusively to provide services necessary and incidental to the receiving, handling and storing of raw cotton and the compressing of raw cotton when performed at a cotton warehouse or compress-warehouse facility, other than one operated in conjunction with a cotton mill, primarily engaged in storing and compressing;

"(C) exclusively to provide services necessary and incidental to the receiving, handling, storing, and processing of cottonseed in an establishment primarily engaged in the receiving, handling, storing and processing of cottonseed; and

"(D) exclusively to provide services necessary and incidental to the processing of sugar cane or sugar beets in an establishment primarily engaged in the processing of sugar cane or sugar beets; and".

"(2) receives for—

"(A) such employment by such employer which is in excess of ten hours in any workday, and

"(B) such employment by such employer which is in excess of forty-eight hours in any workweek,

compensation at a rate not less than one and one-half times the regular rate at which he is employed.

Any employer who receives an exemption under this subsection shall not be eligible for any other exemption under this section or section 7."

OTHER EXEMPTIONS

SEC. 23. (a)(1) Section 13(a)(9) (relating to motion picture theater employees) is repealed.

(2) Section 13(b) is amended by adding after paragraph (25) the following new paragraph:

"(26) any employee employed by an establishment which is a motion picture theater;".

(b)(1) Section 13(a)(13) (relating to small logging crews) is repealed.

(2) Section 13(b) is amended by adding after paragraph (26) the following new paragraph:

"(27) any employee employed in planting or tending trees, cruising, surveying, or felling timber, or in preparing or transporting logs or other forestry products to the mill, processing plant, railroad, or other transportation terminal, if the number of employees employed by his employer in such forestry or lumbering operations does not exceed eight."

(c) Section 13(b)(2) (insofar as it relates to pipeline employees) is amended by inserting after "employer" the following: "engaged in the operation of a common carrier by rail and".

EMPLOYMENT OF STUDENTS

SEC. 24. (a) Section 14 is amended by striking out subsections (a), (b), and (c) and inserting in lieu thereof the following:

"SEC. 14. (a) The Secretary, to the extent necessary in order to prevent curtailment of opportunities for employment, shall by regulations or by orders provide for the employment of learners, of apprentices, and of messengers employed primarily in delivering letters and messages, under special certificates issued pursuant to regulations of the Secretary, at such wages lower than the minimum wage applicable under section 6 and subject to such limitations as to time, number, proportion, and length of service as the Secretary shall prescribe.

"(b)(1)(A) The Secretary, to the extent necessary in order to prevent curtailment of opportunities for employment, shall by special certificate issued under a regulation or order provide, in accordance with subparagraph (B), for the employment, at a wage rate not less than 85 per centum of the otherwise applicable wage rate in effect under section 6 or not less than $1.60 an hour, whichever is the higher (or in the case of employment in Puerto Rico or the Virgin Islands not described in section 5(e), at a wage rate not less than 85 per centum of the otherwise applicable wage rate in effect under section 6(c)), of full-time students (regardless of age but in compliance with applicable child labor laws) in retail or service establishments.

"(B) Except as provided in paragraph (4)(B), the proportion of student hours of employment under special certificates issued under subparagraph (A) to the total hours of employment of all employees in any retail or service establishment may not exceed (i) such proportion for the corresponding month of the twelve-month period preceding May 1, 1961, (ii) in the case of a retail or service establishment whose employees (other than employees engaged in commerce or in the production of goods for commerce) are covered by this Act for the first time on or after the effective date of the Fair Labor Standards Amendments of 1966 or the Fair Labor Standards Amendments of 1973, such proportion for the corresponding month of the twelve-month period immediately prior to the applicable effective date, or (iii) in the case of a retail or service establishment coming into existence after May 1, 1961, or a retail or service establishment for which records of student hours worked are not available, a proportion of student hours of employment to total hours of employment of all employees based on the practice during the twelve-month period preceding May 1, 1961, in similar establishments of the same employer in the same general metropolitan area in which the new establishment is located, similar establishments of the same employer in the same or nearby counties if the new establishment is not in a metropolitan area, or other establishments of the same general character operating in the community or the nearest comparable community. For the purpose of the preceding sentence, the term "student hours of employment" means student hours worked at less than $1.00 an hour, except that such term shall include, in States whose minimum wages were at or above $1.00 an hour in the base year, hours worked by students at the State minimum wage in the base year.

"(2) The Secretary, to the extent necessary in order to prevent curtailment of opportunities for employment, shall by special certificate issued under a regulation or order provide for the employment, at a wage rate not less than 85 per centum of the wage rate in effect under section 6(a)(5) or not less than $1.30 an hour, whichever is the higher (or in the case of employment in Puerto Rico or the Virgin Islands not described in section 5(e), at a wage rate not less than 85 per centum of the wage rate in effect under section 6(c)(3)), of full-time students (regardless of age but in compliance with applicable child labor laws) in any occupation in agriculture.

"(3) The Secretary, to the extent necessary in order to prevent curtailment of opportunities for employment, shall by special certificate issued under a regulation or order provide for the employment by an institution of higher education, at a wage rate not less than 85 per centum of the otherwise applicable wage rate in effect under section 6 or not less than $1.60 an hour, whichever is the higher (or in the case of employment in Puerto Rico or the Virgin Islands not described in section 5(e), at a wage rate not less than 85 per centum of the wage rate in effect under section 6(c)), of full-time students (regardless of age but in compliance with applicable child labor laws) who are enrolled in such institution. The Secretary shall by regulation prescribe standards and requirements to insure that this paragraph will not create a substantial probability of reducing the full-time employment opportunities of persons other than those to whom the minimum wage rate authorized by this paragraph is applicable.

"(4)(A) A special certificate issued under paragraph (1), (2), or (3) shall provide that the student or students for whom it is issued shall, except during vacation periods, be employed on a part-time basis and not in excess of twenty hours in any workweek.

"(B) If the issuance of a special certificate under paragraph (1) or (2) for an employer will cause the number of students employed by such employer under special certificates isued under this subsection to exceed four, the Secretary may not issue such a special certificate for the employment of a student by such employer unless the Secretary finds employment of such student will not create a substantial probability of reducing the full-time employment opportunities of persons other than those employed under special certificates issued under this subsection. If the issuance of a special certificate under paragraph (1) or (2) for an employer will not cause the number of students employed by such employer under special certificates issued under this subsection to exceed four—

"(i) the Secretary may issue a special certificate under paragraph (1) or (2) for the employment of a student by such employer if such employer certifies to the Secretary that the employment of such student will not reduce the full-time employment opportunties of persons other than those employed under special certificates issued under this subsection, and

"(ii) in the case of an employer which is a retail or service establishment, subparagraph (B) of paragraph (1) shall not apply with respect to the issuance of special certificates for such employer under such paragraph.

The requirement of this subparagraph shall not apply in the case of the issuance of special certificates under paragraph (3) for the employment of full-time students by institutions of higher education; except that if the Secretary determines that an institution of higher education is employing students under certificates issued under paragraph (3) but in violation of the requirements of that paragraph or of regulations issued thereunder, the requirements of this subparagraph shall apply with respect to the issuance of special certificates under paragraph (3) for the employment of students by such institution.

"(C) No special certificate may be issued under this subsection unless the employer for whom the certificate is to be issued provides evidence satisfactory to the Secretary of that student status of the employees to be employed under such special certificate."

(b) Section 14 is further amended by redesignating subsection (d) as subsection (c) and by adding at the end the following new subsection:

"(d) The Secretary may by regulation or order provide that sections 6 and 7 shall not apply with respect to the employment by any elementary or secondary school of its students if such employment constitutes, as determined under regulations prescribed by the Secretary, an integral part of the regular education program provided by such school and such employment is in accordance with applicable child labor laws."

(c) Section 4(d) is amended by adding at the end thereof the following new sentence: "Such report shall also include a summary of the special certificates issued under section 14(b)."

CHILD LABOR

SEC. 25. (a) Section 12 (relating to child labor) is amended by adding at the end thereof the following new subsection:

"(d) In order to carry out the objectives of this section, the Secretary may by regulation require employers to obtain from any employee proof of age."

(b) Effective January 1, 1974, section 13(c)(1) (relating to child labor in agriculture) is amended to read as follows:

"(c)(1) Except as provided in paragraph (2), the provisions of section 12 relating to child labor shall not apply to any employee employed in agriculture outside of school hours for the school district where such employee is living while he is so employed, if such employee—

"(A) is less than twelve years of age and (i) is employed by his parent or by a person standing in the place of his parent, on a farm owned or operated by such parent or person, or (ii) is employed, with the consent of his parent or person standing in the place of his parent, on a farm, none of the employees of which are (because of section 13(a)(6)(A)) required to be paid at the wage rate prescribed by section 6(a)(5),

"(B) is twelve years or thirteen years of age and (i) such employment is with the consent of his parent or person standing in the place of his parent, or (ii) his parent or such person is employed on the same farm as such employee, or

"(C) is fourteen years of age or older."

(c) Section 16 is amended by adding at the end thereof the following new subsection:

"(e) Any person who violates the provisions of section 12, relating to child labor, or any regulation issued under that section, shall be subject to a civil penalty of not to exceed $1,000 for each such violation. In determining the amount of such penalty, the appropriateness of such penalty to the size of the business of the person charged and the gravity of the violation shall be considered. The amount of such penalty, when finally determined, may be—

"(1) deducted from any sums owing by the United States to the person charged;

"(2) recovered in a civil action brought by the Secretary in any court of competent jurisdiction, in which litigation the Secretary shall be represented by the Solicitor of Labor; or

"(3) ordered by the court, in an action brought under section 15(a)(4), to be paid to the Secretary.

Any administrative determination by the Secretary of the amount of such penalty shall be final, unless within fifteen days after receipt of notice thereof by certified mail the person charged with the violation takes exception to the determination that the violations for which the penalty is imposed occurred, in which event final determination of the penalty shall be made in an administrative proceeding after opportunity for hearing in accordance with section 554 of title 5, United States Code, and regulations to be promulgated by the Secretary. Sums collected as penalties pursuant to this section shall be applied toward reimbursement of the costs of determining the violations and assessing and collecting such penalties, in accordance with the provisions of section 2 of an Act entitled 'An Act to authorize the Department of Labor to make special statistical studies upon payment of the cost thereof, and for other purposes' (29 U.S.C. 9a)."

SUITS BY SECRETARY FOR BACK WAGES

SEC. 26. The first three sentences of section 16(c) are amended to read as follows: "The Secretary is authorized to supervise the payment of the unpaid minimum wages or the unpaid overtime compensation owing to any employee or employees under sections 6 or 7 of this Act, and the agreement of any employee to accept such payment shall upon payment in full constitute a waiver by such employee of any right he may have under subsection (b) of this section to such unpaid minimum wages or unpaid overtime compensation and an additional equal amount as liquidated damages. The Secretary may bring an action in any court of competent jurisdiction to recover the amount of the unpaid minimum wages or overtime compensation and an equal amount as liquidated damages. The right provided by subsection (b) to bring an action by or on behalf of any employee and of any employee to become a party plaintiff to any such action shall terminate upon the filing of a complaint by the Secretary in an action under this subsection in which a recovery is sought of unpaid minimum wages or unpaid overtime compensation under sections 6 and 7 or liquidated or other damages provided by this subsection owing to such employee by an employer liable under the provision of subsection (b), unless such action is dismissed without prejudice on motion of the Secretary."

ECONOMIC EFFECTS STUDIES

SEC. 27. Section 4(d) is amended by—

(1) inserting "(1)" immediately after "(d)",

(2) inserting in the second sentence after the term "minimum wages" the following: "and overtime coverage"; and

(3) by adding at the end thereof the following new paragraph:

"(2) The Secretary shall conduct studies on the justification or lack thereof for each of the special exemptions set forth in section 13 of this Act, and the extent to which such exemptions apply to employees of establishments described in subsection (g) of such section and the economic effects of the application of such exemptions to such employees. The Secretary shall submit a report of his findings and recommendations to the Congress with respect to the studies conducted under this paragraph not later than January 1, 1976."

EFFECTIVE DATE

SEC. 28. (a) Except as otherwise specifically provided, the amendments made by this Act shall take effect on the first day of the second full month which begins after the date of the enactment of this Act.

(b) Notwithstanding subsection (a), on and after the date of the enactment of this Act the Secretary of Labor is authorized to prescribe necessary rules, regulations, and orders with regard to the amendments made by this Act.

And the Senate agree to the same.

CARL D. PERKINS,
FRANK THOMPSON, Jr.
JOHN H. DENT,
DOMINICK V. DANIELS,
PHILLIP BURTON,
JOSEPH M. GAYDOS,
WILLIAM CLAY,
MARIO BIAGGI,
ROMANO L. MAZZOLI,
Managers on the Part of the House.

HARRISON WILLIAMS,
JENNINGS RANDOLPH,
CLAIBORNE PELL,
GAYLORD NELSON,
THOMAS F. EAGLETON,
HAROLD E. HUGHES,
WILLIAM D. HATHAWAY,
JACOB K. JAVITS,
RICHARD S. SCHWEICKER,
ROBERT T. STAFFORD,
Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 7935) to amend the Fair Labor Standards Act of 1938 to increase the minimum wage rates under that Act, to expand the coverage of that Act, and for other purposes, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report:

The House recedes from its disagreement to the amendment of the Senate with an amendment which is a substitute for the House bill and the Senate amendment. The differences between the House bill, the Senate amendment, and the substitute agreed to in conference are noted below, except for clerical corrections, conforming changes made necessary by agreements reached by the conferees, and minor drafting and clarifying changes.

The House bill provided the following dollar amounts for the minimum wage:

1. Nonagricultural Employees.

A. Covered before 1966.

$2.00 an hour during the period ending June 30, 1974.

$2.20 an hour after June 30, 1974.

B. Covered in 1966 or 1973.

$1.80 an hour during the period ending June 30, 1974.

$2.00 an hour during the year beginning July 1, 1974.

$2.20 an hour after June 30, 1975.

Note: Presently covered Federal employees would receive two-step increase described in item 1A.

2. Agricultural Employees.

$1.60 an hour during the period ending June 30, 1974.

$1.80 an hour during the year beginning July 1, 1974.

$2.00 an hour during the year beginning July 1, 1975.

$2.20 an hour after June 30, 1976.

The Senate amendment provided the following dollar amounts for the minimum wage:

1. Nonagricultural Employees.

A. Covered before 1966.

$2.00 an hour during 1st year.

$2.20 an hour thereafter.

B. Covered in 1966 or 1973.

$1.80 an hour during 1st year.

$2.00 an hour during 2d year.

$2.20 an hour thereafter.

Note: Presently covered Federal employees would receive two-step increase described in item 1A.

2. Agricultural Employees.

$1.60 an hour during 1st year.

$1.80 an hour during 2d year.

$2.00 an hour during 3d year.

$2.20 an hour thereafter.

The Senate receded.

Both the House bill and the Senate amendment contained provisions relating to employees in Puerto Rico and the Virgin Islands. Both provided for hotel, motel, restaurant and food service employees on the islands to be treated for wage computation as if employed on the United States mainland. In addition, the House bill provided that Federal Government and Virgin Islands Government employees be treated for wage computation as if employed on the mainland. The Senate amendment differed by mandating mainland rates for employees of Puerto Rico, the Virgin Islands, and their political subdivisions. The House bill also contained a provision that employees of conglomerates be treated for wage computation as if employed on the United States mainland. The Senate amendment had no such provision.

For other covered workers in Puerto Rico and the Virgin Islands, the House bill provided wage order rates as follows:

1. Nonagricultural employees covered before 1966 to be increased by 25 percent of the pre-1973 rate and by 12.5% of such rate after one year after the first increase takes effect;

2. Nonagricultural employees covered in 1966 to be increased by three annual increases of 12.5% of such rate;

3. Agricultural employees to be increased by three annual increases of 15.4% of such rate (subsidized employees will have their increases applied to their wage rate as subsidized); and

4. Newly covered employees' rates to be set by special industry committees appointed under section 5.

No wage rate under a wage order could be less than 60 percent of the otherwise applicable wage rate in effect for U.S. mainland employees.

The Senate amendment provided as follows:

1. In first year for employees covered before 1973.—Any rate less than $0.80 an hour to be increased to $1. Subsidized agricultural employees will have their increase applied to their wage rate as increased by the subsidy. Any rate more than $0.80 an hour to be increased by $0.20 an hour.

2. In first year for employees covered in 1973.—Special industry committee to set rate at not less than $1.60 an hour, except that if an industry (or predominant portion thereof) established its inability to pay, wage rate to be not less than $1 an hour.

3. In second year and in each year thereafter for all employees.—Wage rate to be increased by $0.20 an hour in each year until the wage rate under section 6(a) is reached.

4. No wage rate under a wage order may result in reducing the increases provided in the Senate amendment.

The House bill retained the special industry committees which can adjust upward the wage rate increases required under the Act, and set rates for newly covered industries. It also retained the hardship review committees which could lower the amount of the mandated raises, in the face of documentary evidence of an inability to pay the mandated rates.

The Senate amendments retained the special industry committees which could raise the wage order rates above the mandated level, but not lower them. Hardship review committees would be discontinued.

Special industry committees were authorized to establish wage rates for newly covered industries.

The Senate recedes with an amendment as follows:

(1) Effective on the effective date of the legislation, presently covered employees are to receive the following increases:

(A) increases of 12 cents an hour if their wage order rates are less than $1.40 an hour; and

(B) increase of 15 cents an hour if their wage order rates are $1.40 an hour or higher.

An exception to this first increase is provided in the case of employees whose wage orders are increased during the period July 26 to the effective date of the legislation. With respect to such employees they are to receive this first increase only if the increase which they received during such period was less than this first increase and if it was less they are to receive the difference between the two increases.

(2) Newly covered employees (including commonwealth and municipal employees) are to have their wage rates set by special industry committees and this wage rate may not be less than 60 percent of the otherwise applicable rate under section 6(b) or $1.00 an hour, whichever is greater.

(3) All employees (other than commonwealth and municipal employees) will receive, beginning one year after the effective date of this legislation, yearly increases as follows:

(A) increases of 12 cents an hour per year if their wage order rates are less than $1.40, and

(B) increases of 15 cents an hour per year if their wage order rates are $1.40 an hour or higher.

Under this provision, when an employee's wage rate reaches $1.40 he will then receive the 15 cents annual increases. If such an increase for any employee will result in a wage order rate less than 60 percent of the otherwise applicable minimum wage or $1.00 an hour, which ever is greater, then the increase for such employee will be such greater figure.

(4) If a prescribed increase in the wage order rate of an employee would result in a rate equal to or greater than the otherwise applicable minimum wage rate of section 6(a) or (b), the minimum wage rate for that employee will be governed by such section and such employee will no longer be covered under a wage order.

(5) It is made clear that special industry committees may, in accordance with section 8, also provide increases in wage order rates (including rates for commonwealth and municipal employees).

(6) The authority for hardship review of the increases by special committees is discontinued.

(7) The following employees in Puerto Rico and the Virgin Islands are to have their rates set as if they were employed in the United States mainland: hotel, motel, restaurant and food services employees and United States employees and employees of the government of the Virgin Islands.

The House bill also provided that special industry committees shall recommend the otherwise applicable rate under section 6(a) or 6(b) except where substantial documentary evidence, including pertinent financial information, demonstrates an inability to pay such rate. The Senate amendment provided that the same substantial documentary evidence is required before a special industry committee could recommend less than $1.60 an hour for newly covered employees. The Senate receded.

The House bill further provided that a court of appeals may upon review of a wage order specify the minimum wage rate to be included in such wage order. The Senate amendment has no corresponding provision. The Senate receded.

With respect to Canal Zone employees, the House bill provided that the increase in the minimum wage prescribed by the 1973 Amendments would not apply to Canal Zone employees. The Senate amendment had no corresponding provision. The House receded.

The Senate amendment repealed the provision excluding the annual gross volume of so-called "Mom and Pop" stores which are part of enterprises from computation of annual gross volume of such enterprises, but continued the exclusion from coverage for such stores. The House bill contained no corresponding provision. The Senate receded.

The Senate amendment exempted from the Act's child labor provisions newsboys delivering shopping news and advertising material published by the newspaper, and repealed the child labor, minimum wage, and overtime exemptions currently applicable to homeworkers engaged in the making of holly wreaths from evergreens. The House bill had no corresponding provision. The Senate receded.

The House bill contained a minimum wage and overtime exemption for couples who serve as house-parents for children placed in an institution primarily operated to provide for their care and education. Individuals would have to be paid not less than $5,000 a year in cash wages and couples would have to be paid not less than $10,000 a year in cash wages. Couples would have to reside on the premises and receive their board and lodging without cost but with a provision allowing up to 30 percent credit against wages for board and lodging. The Senate amendment provided only an overtime exemption, applied only to couples who must be paid not less than $10,000 a year in cash wages, reside on the premises and receive their board and lodging without cost, and required that employees be employed to serve as parents of children who are orphans or have one parent deceased. The House receded.

The House bill required workers employed under service contracts with the U.S. whose wage rate is prescribed by section 6(e) to be paid at the section 6(a) rate. Presently, such employees are to be paid at the section 6(b) rate unless employed under certain linen supply contracts with the U.S., in which event they are to be paid at the section 6(a) rate. The Senate amendment required that all such employees be paid at the section 6(b) rate. Provision for the section 6(a) rate for certain linen supply contract employees would be repealed. The House and Senate agreed to retain the present language of section 6(e).

With regard to youth, the House bill changed existing laws (secs. 14 (b) and (c)) respecting employment of fulltime students at less than the minimum wage by—

(1) expanding employment permitted under these provisions from retail or service establishments and agriculture to any occupation other than a specified one or one determined by the Secretary to be particularly hazardous and removing the limit on the proportion of student hours of employment to total hours of employment for all employees;

(2) prescribing a new wage floor of the higher of 85 percent of the otherwise applicable minimum wage or $1.60 (or $1.30 in the case of agriculture), except for employment in Puerto Rico or the Virgin Islands where the floor is 85 percent of the otherwise applicable minimum; and

(3) except in the case of educational institutions, requiring (A) a finding of no substantial probability of job displacement if 5 or more students are to be employed, and (B) a certification by employer of no reduction in fulltime employment opportunities if less than 5 students are to be employed. The bill also required a summary of certificates issued to be included in the annual report.

The Senate amendment changed such law by expanding employment permitted to include private institutions of higher learning (but retaining for employment in retail or service establishments the existing limit on proportion of student hours of employment, except that in determining student hours of employment for purposes of such limit only those student hours (A) worked at less than $1.00 an hour, or (B) if the applicable State minimum wage law was in the base year at or above $1.00 a hour, worked in the base year at that minimum wage, would be included). The amendment retained the existing floor of 85 percent of the otherwise applicable minimum and made no change in the requirement of a finding of no substantial probability of job displacement before employment permitted, except that in the case of private institutions of higher learning no prior certification would be required unless such institutions violate the Secretary's requirements. The Senate receded with an amendment.

Under the amendment sections 14(a)-(c) will permit the employment at less than the minimum wage as follows:

1. The Secretary of Labor, to the extent necessary to prevent curtailment of opportunities for employment, shall by regulations or by orders provide for the employment of learners, apprentices, and of messengers employed primarily in delivering letters and messages, under special certificates at such wages lower than the minimum wage applicable under section 6, and subject to such limitation as to time, number, proportion, and length of service as the Secretary shall prescribe.

2. A. Full time students may be employed in retail and service establishments, at rates not less than 85 percent of the applicable minimum wage, or $1.60, whichever is higher (or 85 percent of the section 6(c) rate in the case of employment in Puerto Rico or the Virgin Islands) for a period of up to 20 hours per week (full time during vacation periods). Up to 4 students may be hired without the need for traditional pre-certification procedure (that is, a finding of no substantial probability of job displacement before the issuance of certificates) or the need to meet the historical experience test concerning the proportion of student hours worked during a base year, as set forth below. If more than four students are hired the existing pre-certification procedure will continue to apply and the proportion of student hours of employment (including for this purpose the first four students), to total hours of employment of all employees, shall not exceed such proportion for the corresponding twelve month period before the establishment was covered by the Act.

B. Full time students may be employed in agriculture at rates not less than 85 percent of the applicable minimum wage, or $1.30, whichever is higher (or 85 percent of the section 6(c) rate in the case of employment in Puerto Rico or the Virgin Islands) for a period of up to 20 hours per week (full time during vacation periods). For each student so employed after the fourth, the Secretary of Labor must find that such employment will not reduce the full-time employment of non-students before issuing certificates.

C. Full time students may be employed in higher educational institutions, at rates not less than 85 percent of the applicable minimum wage, or $1.60, whichever is higher, and a period of up to 20 hours per week (full time during vacation periods).

The conferees emphasize that the Secretary is to look to the number of students employed by an employer at any one time and not in a cumulative sense, in determining which certification procedure applies and the applicability of the historical proportion of student employment pursuant to the provision.

The House bill also provided a minimum wage and overtime exemption for students employed by an elementary or secondary school if the employment constitutes an integral part of the school's regular education program. The Senate amendment contained no corresponding provision. The Senate receded with an amendment which provides that the employment must satisfy applicable child labor provisions.

Both the House and Senate versions of the bill expanded the coverage of the Fair Labor Standards Act.

The House bill extended minimum wage and overtime protection to all employees in domestic service unless such employees' compensation would not, because of section 209(g) of the Social Security Act (requiring $50 in a calendar quarter for social security coverage), constitute wages for purposes of title II of that Act. Such employees who reside in a household would be excluded from coverage. The Senate amendment covered both day workers and "live-in" domestics, but provided only minimum wage protection for such employees and excluded babysitters from coverage.

The Senate receded to the House provision with an amendment to include "live-in" household service employees for minimum wage purposes but exclude them from overtime coverage. The amendment also contains a new exemption provision for certain babysitters and companions.

It is the intent of the conferees to include within the coverage of the Act all employees whose vocation is domestic service. However, the exemption reflects the intent of the conferees to exclude from coverage babysitters for whom domestic service is a casual form of employment and companions for individuals who are unable because of age and infirmity to care for themselves. But it is not intended that trained personnel such as nurses, whether registered or practical, shall be excluded.

The conferees believe that the people who will be employed in the excluded categories are not regular bread-winners or responsible for their families' support. The fact that these people performing casual services as babysitters or services as companions do some incidental household work does not keep them from being casual babysitters or companions for purposes of this exclusion.

The Senate amendment extended minimum wage and overtime protection to civilian employees in the military departments, employees in executive agencies, employees of the U.S. Postal Service and the Postal Rate Commission, legislative and judicial employees in the competitive service. Library of Congress employees, and employees employed by any State or political subdivision of a State other than elected officials and certain aides not covered by civil service or by any interstate governmental agency. In addition, a limited overtime exemption was provided for policemen, firemen, and employees of correctional institutions if under an agreement entered into between the employer and the employee a work period of 28 consecutive days is accepted in lieu of a workweek of 7 consecutive days and if overtime compensation is to be paid for employment in excess of 192 hours in such work period during the first year, 184 hours in such period during the second year, 176 hours in such period during the third year, 168 hours in such period during the fourth year, and 160 hours in such period thereafter.

The Senate amendment also provided that the Civil Service Commission would administer application of the Act to Federal employees other than Postal employees and Library of Congress employees. The House bill provided minimum wage and overtime protection to employees of States and their political subdivisions, and minimum wage protection to all United States employees. Overtime protection extended to certain United States employees in 1966 was retained. The House bill also provided an overtime exemption for State and political subdivision employees engaged in fire protection or law enforcement activities, and made no specific provision for administration of the Act. The Secretary of Labor would administer the Act to Federal employees.

The House receded with an amendment to treat Federal employees working as policemen, firemen, or in correctional institutions in the same manner as such State employees for the purposes of overtime.

These special overtime provisions are applicable to Federal law enforcement and fire protection activities. The conferees note, however, that such professional Federal employees as criminal investigators for the Federal Bureau of Investigation will be exempt by virtue of the provisions of Section 13(a)(1).

The conferees intend that the provisions of section 5341 of title 5, United States Code, requiring the section 6(a)(1) rate for prevailing rate system employees, will continue to apply.

The Senate amendment expanded the coverage of large retail and service activities to include employees of all establishments of chain operations in which the chain enterprise has gross annual sales of more than $250,000. The House bill had no similar provision. The Senate receded with an amendment that phased out the dollar volume establishment test in sec. 13(a)(2) as follows:

1. $250,000 until July 1, 1974.
2. $225,000 on and after July 1, 1974.
3. $200,000 on and after July 1, 1975.
4. Repealed July 1, 1976.

This provision is applicable equally to employees of certain establishments which are part of covered enterprises, whether those enterprises are complete business entities in and of themselves, or parts of other unrelated business activities such as in a so-called conglomerate.

With regard to agricultural employees the Senate amendment repealed the minimum wage exemption for local seasonal hand harvest laborers. Further, the days in which an employer employs seasonal hand harvest laborers would be included in determining if an employer uses the minimum number of man-days of labor which is required before minimum wage applies (500 man-days). The House bill contained no such provision. The Senate receded with an amendment to maintain the exemption for seasonal hand harvest laborers from minimum wage, but to include such workers as employees for purposes of the man-day test for coverage.

The Senate amendment repealed the limited overtime exemption provided by sections 7(c) and 7(d) for employees or industries found to be of a seasonal nature or characterized by marked annually recurring seasonal peaks of operation. The House bill contained no such provision. The Senate receded with an amendment which provided for a phase out of section 7(c) and 7(d) exemptions other than for cotton processing and sugar processing, as follows:

1. On January 1, 1974 the seasonal periods for exemption are reduced from 10 weeks to 7 weeks and from 14 weeks to 10 weeks.

2. On such date, the workweek exemptions are reduced from 50 hours to 48 hours.

3. Effective 1 year after such date, the seasonal periods for exemption are reduced from 7 weeks to 5 weeks and from 10 weeks to 7 weeks.

4. Effective 2 years after such date, the seasonal periods for exemption are reduced from 5 weeks to 3 weeks and from 7 weeks to 5 weeks.

5. Effective three years after such date, sections 7(c) and 7(d) are repealed.

The Senate amendment provided that the overtime exemption for cotton ginning and sugar processing employees (other than employees engaged in processing maple sap into maple syrup or maple sugar) be repealed. The House bill contained no such provision. The Senate receded with an amendment to phase down the overtime exemption for cotton ginning and sugar processing employees as follows:

1. In 1973, there is no change in the present overtime exemption.

2. In 1974, the workweek exemption is as follows: 72 hours each week for 6 weeks of the year; 64 hours each week for 4 weeks of the year; 54 hours each week for 2 weeks of the year; 48 hours each week for the balance of the year.

3. In 1975, the workweek exemption is as follows: 66 hours each week for 6 weeks of the year; 60 hours each week for 4 weeks of the year; 50 hours each week for 2 weeks of the year; 46 hours each week for 2 weeks of the year; 44 hours each week for the balance of the year.

4. In 1976, the workweek exemption is as follows: 60 hours each week for 6 weeks of the year; 56 hours each week for 4 weeks of the year; 48 hours each week for 2 weeks of the year; 44 hours each week for 2 weeks of the year; 40 hours each week for the balance of the year.

The workweek exemptions are applicable during the actual season within a period of twelve consecutive months as opposed to the calendar year and are not limited to a period of consecutive weeks.

In addition, the cotton processing and sugar processing exemptions under section 7 of the law are retained but limited to 48 hours during the appropriate weeks. Furthermore, it is provided that an employer who receives an exemption under this subsection will not be eligible for other overtime exemptions under section 13(b)(24) or (25) or section 7.

The Senate amendment repealed the minimum wage and overtime exemption for employees of motion picture theaters. The House bill contained no such provision. The Senate receded with an amendment which repealed the minimum wage exemption and which continues the overtime exemption for these employees.

The Senate amendment repealed the minimum wage exemption applicable to forestry and lumbering operations with 8 or fewer employees. The overtime exemption for such operations is retained. The House bill had no such provision. The House receded.

The House bill provided for a limited overtime exemption (14 weeks, 10 hours per day, and 48 hours per week) for certain employees engaged in activities related to the sale of tobacco. Such employees are currently covered by the section 7(c) exemption pursuant to determination by the Secretary. The Senate amendment had no corresponding provision. The Senate receded.

The Senate amendment repealed the minimum wage and overtime exemption for employees engaged in the processing of shade grown tobacco prior to the stemming process for use as cigar wrapper tobacco. The House bill had no such provision. The Senate receded with an amendment to maintain the overtime exemption for these employees.

The Senate amendment repealed the overtime exemption for employees of oil pipeline transportation companies. The House bill had no such provision. The House receded.

The Senate amendment repealed the minimum wage and overtime exemption for persons engaged in handling telegraph messages for the public under an agency or contract arrangement with a telegraph company, if they are so engaged in retail or service establishments exempt under section 13(a)(2) and if the revenues for such messages are less than $500 a month. The House bill contained no corresponding provision. The Senate receded with an amendment to phase out the overtime exemption as follows:

1. 48 hours in the first year after the effective date.

2. 44 hours in the second year.

3. Repealed thereafter.

The Senate amendment repealed the overtime exemption for seafood canning and processing employees. The House bill contained no such provision. The Senate receded with an amendment which phases out the exemption as follows:

1. In the first year after the effective date of the 1973 Amendments, the workweek exemption is 48 hours.

2. In the second year, the workweek exemption is 44 hours.

3. Effective on the beginning of the third year, the exemption is repealed.

With regard to certain local transit operating employees, the House bill phased down the overtime exemption in three steps as follows: During the first year overtime compensation will be required for hours of employment over 48 in a week, during the second year such compensation will be required for hours of employment over 44 in a week, and after the second year such compensation will be required for hours of employment over 42 in a week. In addition, in determining the hours of employment (for purposes of overtime compensation) of a bus driver or other local transit operator (the hours of his employment in charter activities is not to be included if the employment in charter activities was performed pursuant to an agreement with the employer and if such employment is not part of the employee's regular employment. The Senate amendment contained a similar provision but for all local transit employees, with the exemption to be repealed in the third year. The House receded.

It is noted that by virtue of the conferees' action on coverage of State and local government employment, together with its action on overtime pay in the local transit industry, operating employees of publicly and privately owned transit companies will be treated identically.

The Senate amendment provided that the overtime exemption for employees employed by hotels, motels, and restaurants be limited as follows: During the first year overtime compensation would be required for hours of employment over 48 in a week, and after the first year such compensation would be required for hours of employment over 46 in a week. The House bill repealed the overtime exemption for maids and custodial employees of hotels. The Senate receded with an amendment which provides that the overtime exemption for hotel, motel, and restaurant employees be limited as follows: during the first year overtime compensation will be required for hours of employment in excess of 48 in a week and after the first year such compensation will be required for hours of employment in excess of 46 in a week. For maids and custodial employees of hotels and motels the phase down is as follows:

1. 48 hours in the first year.
2. 46 hours in the second year.
3. 44 hours in the third year.
4. Repealed thereafter.

The Senate amendment revised the tip credit provisions of the Act so that they would not apply unless the employer has informed each of his tipped employees of the tip credit provision and all tips received by a tipped employee have been retained by such tipped employee (either individually or through a pooling arrangement).

The House bill contained no such provision. The House receded.

The conferees intend that the employer explain the tip provision of the Act to the employee, although the explanation may be in the form of a notice posted on a bulletin board accessible and understandable to all such employees.

The House bill replaced the limited overtime exemption for employees of nursing homes (overtime compensation required for hours of employment in excess of 48 in a week) by an overtime exemption (initiated by an agreement between the employer and his employees) which substitutes a 14-consecutive-day work period for the workweek and requires overtime compensation for employment over 8 hours in any workday and for over 80 hours in such work period. The Senate amendment provided that the limited overtime exemption for employees of nursing homes be further limited as follows: During the first year overtime compensation would be required for hours of employment in excess of the current 48 in a week, during the second year such compensation would be required for hours of employment in excess of 46 in a week, and after the second year such compensation would be required for hours of employment in excess of 44 in a week. The Senate receded.

The Senate amendment repealed the 40 percent tolerance for nonexempt activities by executive and administrative employees of retail and service establishments, and thereby made applicable to such employees the 20 percent tolerance for non-exempt activities by all other executive and administrative employees currently in effect under regulations of the Secretary. The House bill contained no corresponding provision. The Senate receded.

The House bill provided that establishments engaged in laundering, cleaning, and repairing of clothing or fabrics are to be considered as service establishments in administration of sections 7(i) (commission employees) and 13(a)(1) (executive and administrative personnel and outside salesmen) of the Act. Such activities are not now considered retail or service under the Act. The Senate amendment contained no corresponding provision. The House receded.

The Senate amendment provided that the existing overtime exemption for partsmen and mechanics in nonmanufacturing establishments primarily engaged in selling automobiles, trailers, or trucks be repealed; that the overtime exemption for salesmen, partsmen, and mechanics in nonmanufacturing establishments engaged in selling aircraft be repealed; that the overtime exemption for salesmen in automobile, trailer, or truck sales establishments be retained, and that the overtime exemption for salesmen, partsmen, and mechanics in farm implement sales establishments be retained. The House bill contained no similar provisions but added an overtime exemption for salesmen, partsmen, and mechanics who are employed by nonmanufacturing establishments engaged in boat sales and who sell or service boats. The Senate receded with an amendment under which: the overtime exemption for partsmen and mechanics in nonmanufacturing establishments primarily engaged in selling trailers is repealed; the overtime exemption for partsmen and mechanics in nonmanufacturing establishments engaged in selling aircraft is repealed; the overtime exemption for salesmen in automobile, trailer, truck sales and aircraft establishments is retained; the overtime exemption for salesmen, partsmen, and mechanics in farm implement sales establishments is retained; the exemption for partsmen and mechanics in automobile and truck sales establishments is retained; and, an overtime exemption is provided for salesmen engaged in selling boats.

The Senate amendment provided that the overtime exemption for food service establishment employees be repealed as follows: During the first year overtime compensation would be required for hours of employment over 48 in a week, during the second year such compensation would be required for hours of employment over 44 in a week, and thereafter such compensation would be required for employment in excess of 40 hours in a week. The House bill contained no such provision. The House receded.

The Senate amendment provided that the limited overtime exemption for employees of bowling establishments (overtime compensation required for hours in excess of 48 in a week) be repealed in two steps as follows: During the second year after enactment overtime compensation would be required for hours in excess of 44 in a week, and thereafter such compensation would be required for hours of employment in excess of 40 in a week. The House bill contained no such provision. The House receded.

The House bill provided that certain of the minimum wage and overtime exemptions provided in section 13(a) and 13(b) would not apply to a business establishment which controls, is controlled by, or is under common control with, but not related for a common business purpose to another establishment, if the combined sales or business volume of such establishments exceeded $10,000,000. The Senate amendment had no comparable provision. The House receded with an amendment under which the minimum wage exemptions provided in section 13(a)(2) for certain retail and service establishments, and section 13(a)(6) relating to agricultural employees, would not be available to an establishment which controls, is controlled by, or under common control with, another establishment the activities of which are not related for a common business purpose, but materially support the activities of the first establishment and the combined gross volume of the conglomerate is more than $10,000,000. Also, the section 13(a)(2) minimum wage exemption, relating to retail and service establishments, would be phased out for establishments which are part of conglomerates on the same schedule as applicable to the phase-out of the same exemption in the case of chain stores.

It is not the intention of the conferees that this provision shall apply on a mere showing of ownership or common control. Some relationship must exist demonstrating some interdependence for treating otherwise separate businesses as a unit for purposes of denying exemptions from section 6 which would otherwise be available under sections 13(a)(2) and 13(a)(6). Finally, nothing in this provision affects any overtime exemption or any minimum wage exemption other than those provided for retail and service establishments under subsection 13(a)(2) or agricultural employees under section 13(a)(6).

With regard to child labor the Senate amendment provided as follows:

1. The employment of children under age 12 in agriculture is prohibited unless they are employed on farms owned or operated by their parents or guardians, and children who are 12 or 13 may work in agriculture only if they have the written consent of their parents or guardians or if the parent or guardian is employed on the same farm. Existing law permits the employment (outside of school hours) of children of any age on farms in nonhazardous occupations.

2. Any person who violates the child labor provisions of the Act (or any regulation issued under such provisions) is subject to a civil penalty of not to exceed $1,000 for each such violation.

3. The Secretary of Labor may issue regulations requiring employers to obtain from any employee proof of the employee's age.

The House bill contained no similar provision. The Senate receded with an amendment that the provisions of this section (described in paragraph (1) above) shall not become effective until January 1, 1974, that the provisions prohibiting the employment of children under 12 on farms other than those owned or operated by their parents shall apply only in the case of employment on farms covered by the Act under the 500 man-day test, including conglomerate farms, and that parental consent shall be required for such children to work on non-covered farms.

The Senate amendment provided that the tip credit provision of the Act is not to apply unless the employer has informed each of his tipped employees of the tip credit provision and all tips received by tipped employees have been retained by them (either individually or through a pooling arrangement). The House bill contained no such provision. The House receded.

The Senate amendment amended the Age Discrimination in Employment Act of 1967 to include within the scope of its coverage Federal, State, and local government employees (other than elected officials and certain aides not covered by civil service), and to expand coverage from employers with 25 or more employees to employers with 20 or more employees. The annual authorization of appropriations ceiling was raised from $3 million to $5 million. The Age Discrimination Employment Act prohibits discrimination in employment on the basis of age in matters of hiring, job retention, compensation, and other terms, conditions, or privileges of employment. Protection under the Act is limited to individuals who are between the ages of 40 and 65. The House bill contained no similar provisions. The Senate receded.

The Senate amendment amended section 16(c) to authorize the Secretary not only to sue for back wages (which he can do now) but also to sue for an equal amount of liquidated damages without requiring a written request from the employee. The Secretary could also sue even though the suit might involve issues of law that have not been finally settled by the courts. In the event the Secretary brings such an action, the right of an employee provided by 16(b) to bring an action on behalf of himself, or to become party to such an action would terminate, unless such action is dismissed without prejudice, on motion by the Secretary. The House bill contained no similar provision. The House receded.

The Senate amendment amended section 9 of the Walsh-Healey Act to extend to employees of regulated private carriers the exemption from that Act presently applicable to employees of regulated common carriers. The House bill contained no similar provision. The Senate receded.

The Senate amendment contained a provision making clear the right of employees of State and local governments to bring private actions under Section 16(b) in Federal or State courts of competent jurisdiction for recovery under the Act. This provision was intended to overcome the decision of the Supreme Court in *Employees of the Department of Public Health and Welfare* v. *Missouri*, 93 S.Ct. 1614 (April 18, 1973) which held that Congress, in extending coverage under the 1966 amendments to certain employees of State and local governments had not explicitly provided an individual right of action in the Federal courts. The Senate amendment also provided an amendment to the Portal to Portal Act of 1947 which would preserve individual rights of action of State or local government employees which would otherwise be barred by the statute of limitations as a result of the Supreme Court's decision. A further provision made clear the right of Federal employees to bring an action in Federal or State court against the United States under Section 16(b) of the Act, in addition to the administrative remedies provided in the Senate amendment.

The House bill contained no similar provisions. The Senate receded with an amendment providing that employees of a public agency (defined to include the Government and agencies of the United States, a State or political subdivision, or any interstate governmental agency) may maintain an action against that public agency under section 16(b) in any Federal or State court of competent jurisdiction, and suspending the statute of limitations to preserve rights of actions of State or local government employees which would otherwise be barred as a result of the Supreme Court's decision. It is emphasized that this provision is a limited suspension of the statute of limitations and is applicable only to certain public employees.

The Secretary would be required by the Senate amendment to conduct studies (1) on the economic effects of the changes made in the minimum wage and overtime coverage, and (2) on the justification or lack thereof for each of the exemptions provided by sections 13(a) and 13(b). The report on the study described in clause (1) would be due not later than January 1, 1975, and the report on the study described in clause (2) would be due not later than January 1, 1976. The House bill contained no corresponding provision. The Senate receded with an amendment providing that these studies be provided for under section 4(d) of the Act and also requiring that such studies include an examination of the extent to which employees of conglomerates receive the section 13(a) and (b) exemptions and the economic effect of their inclusion in such exemptions.

The Secretary would have been required by the Senate amendment to contract for a study to determine the extent (if any) of the impact on employment of each increase in the minimum wage prescribed by the 1973 Amendments and to develop the necessary information on the probable impact (if any) on employment of future increases in minimum wages. Ninety days prior to the effective date of each increase prescribed by such Amendments, the Secretary is to provide the Congress with an employment impact statement establishing the probable impact on employment by category of employment of each such increase, together with a summary of the basis for each statement. The House bill contained no corresponding provision. The Senate receded.

The Senate amendment amended the Economic Stabilization Act of 1970 to provide that the President shall make appropriate adjustments in the maximum price which may be charged under the provisions of Executive Order 11723 (dated June 13, 1973), or any subsequent Executive order promulgated under that Act, for any agricultural commodity (at any point in the distribution chain) as to which the Secretary of Agriculture certifies to the President that the supply of the commodity will be reduced to unacceptably low levels as a result of any price controls or freeze order (or regulation) promulgated under that Act and that alternative means for increasing the supply are not available. The House bill contains no corresponding provision. The Senate receded.

The Senate amendment provided that the effective date of the Act is the 60th day following the date of the enactment of the bill. The House bill provided that the effective date is the first day of the second full month which begins after the date of the enactment of the bill, or August 1, 1973, whichever occurs first. The Senate receded with an amendment to make the effective date of the Act the first day of the second full month after the date of enactment.

Carl D. Perkins,
Frank Thompson, Jr.,
John H. Dent,
Dominick V. Daniels,
Phillip Burton,
Joseph M. Gaydos,
William Clay,
Mario Biaggi,
Romano L. Mazzoli,
Managers on the Part of the House.

Harrison Williams,
Jennings Randolph,
Claiborne Pell,
Gaylord Nelson,
Thomas F. Eagleton,
Harold E. Hughes,
William D. Hathaway,
Jacob K. Javits,
Richard S. Schweicker,
Robert T. Stafford,
Managers on the Part of the Senate.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

[*Pursuant to the order of the House of July 26, 1973, the following reports were filed July 27:*]

Mr. WRIGHT: Committee of conference. Conference report on S. 502 (Rept. No. 93-410). Ordered to be printed.

Mr. BOLAND: Committee of Conference. Conference report on H.R. 8825 (Rept. No. 93-411). Ordered to be printed.

Mrs. SULLIVAN: Committee on Merchant Marine and Fisheries. H.R. 37. A bill to provide for the conservation, protection, and propagation of species or subspecies of fish and wildlife that are threatened with extinction or likely within the foreseeable future to become threatened with extinction, and for other purposes; with amendment (Rept. No. 93-412). Referred to the Committee of the Whole House on the State of the Union.

Mr. PERKINS: Committee of conference. Conference report on H.R. 7935 (Rept. No. 93-413). Ordered to be printed.

[*Pursuant to the order of the House of July 25, 1973, the following report was filed July 28:*]

Mr. HALEY: Committee on Interior and Insular Affairs. H.R. 9130. A bill to amend section 28 of the Mineral Leasing Act of 1920, and to authorize a trans-Alaska oil and gas pipeline, and for other purposes; with amendment (Rept. No. 93-414). Referred to the Committee of the Whole House on the State of the Union.

EXTENSIONS OF REMARKS

SUZANNE BUFFINGTON, OF WEST VIRGINIA, SPONSORS APPROVED LEGISLATION TO AID THE DEAF BY GIRLS' NATION

HON. JENNINGS RANDOLPH

OF WEST VIRGINIA

IN THE SENATE OF THE UNITED STATES

Saturday, July 28, 1973

Mr. RANDOLPH. Mr. President, as my colleagues know, Girls Nation of America is sponsored by the Ladies Auxiliary of the American Legion. One of its major activities is a youth citizenship training course in the processes of the Federal Government, held annually in Washington, D.C. The participants are selected on the basis of their interest in Government and their abilities to demonstrate leadership. Each State sends two representatives to its annual Congress who hold the title of Senator. In July 1951, it was my privilege to serve as educational director of the Fifth Girls Nation Congress in Washington, D.C. At that time Mrs. Ruby Ward, of Kingwood, W. Va., was president of the ladies auxiliary.

During the 27th Girls Nation Congress, which ended last week I had the pleasure of counseling with the two Senators from West Virginia, Suzanne Buffington of Clarksburg and Lisa Carper of Shepherdstown. During our meeting I was pleased to learn that Miss Buffington had drafted a bill to authorize those who are deaf to claim an additional Federal income tax exemption because of their handicap. This measure was approved by the Girls Nation Congress. It was most gratifying to note this young woman had devoted her time and energies to a segment of our handicapped population.

Mr. President, I ask unanimous consent that a copy of that bill be printed in the Extensions of Remarks.

There being no objection, the text of the bill was ordered to be printed in the Record, as follows:

The 27th Girls Nation Congress

July 19, 1973.

Senator Suzanne Buffington of West Virginia introduced the following Bill, which was referred to the Committee on Labor and Public Welfare.

A bill to authorize those who are deaf to claim an additional Federal Income tax exemption because of their handicap.

Be it enacted by the Senate and House of Representatives of the Girls Nation of America in Congress assembled, that, a taxpayer who is deaf may claim an additional Federal Income Tax equal to the exemption the blind now receive by attaching to his return a certificate from a licensed Doctor of Audiology that his hearing is impaired a minimum of 80%. Presently additional exemptions are allowed for the blind, yet it is almost universally accepted by educators of the blind and deaf that deafness is a far greater handicap than blindness in so far as the learning process is concerned.

SENATE—*Monday, July 30, 1973*

The Senate met at 11 a.m. and was called to order by the Acting President pro tempore (Mr. METCALF).

PRAYER

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

Almighty God, who has given us this good land for our heritage, we humbly beseech Thee that we may always prove ourselves a people mindful of Thy favor and glad to do Thy will. Bless our land with honorable industry, sound learning, and pure manners. Save us from violence, discord, and confusion; from pride and arrogancy, and from every evil way. Defend our liberties, and fashion into one united people the multitudes brought hither out of many kindreds and tongues. Endue with the spirit of wisdom those to whom in Thy name we entrust the authority of government, that there may be justice and peace at home, and that, through obedience to Thy law, we may show forth Thy praise among the nations of the Earth. In the time of prosperity, fill our hearts with thankfulness, and in the day of trouble, suffer not our trust in Thee to fail; all which we ask through Jesus Christ our Lord. Amen.

—Common Prayer.

THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of Saturday, July 28, 1973, be dispensed with.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

WAIVER OF THE CALL OF THE CALENDAR

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the call of the legislative calendar, under rule VIII, be dispensed with.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

COMMITTEE MEETINGS DURING SENATE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that all committees may be authorized to meet during the session of the Senate today.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

EXECUTIVE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate go into executive session to consider the nomination under New Report.

There being no objection, the Senate proceeded to the consideration of executive business.

The ACTING PRESIDENT pro tempore. The nomination on the Executive Calendar, under New Report—Environmental Protection Agency will be stated.

ENVIRONMENTAL PROTECTION AGENCY

The second assistant legislative clerk read the nomination of Alvin L. Alm of the District of Columbia, to be an Assistant Administrator of the Environmental Protection Agency.

The ACTING PRESIDENT pro tempore. Without objection, the nomination is considered and confirmed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the President be notified about this and previous nominations about which he has not been notified.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

LEGISLATIVE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate resume the consideration of legislative business.

There being no objection, the Senate resumed the consideration of legislative business.

PULLING TOGETHER PEACEFULLY

Mr. SCOTT of Pennsylvania. Mr. President, on this Monday, I have a word for my colleagues on this side of the aisle. I am reminded that the word for Republican Party in Chinese is "Kung Hê Tang." Interestingly enough, translated it also means, "pulling together peacefully." Therefore, I am hopeful, during this week, that we on this side of the aisle, as the "Kung Hê Tang" party, which word, by the way, is the origin of the American slang phrase "gung ho," can all pull together peacefully and cooperate with the majority, so that at the end of the week we will have something to show for it, and can be understood in plain English by the American people.

ORDER FOR ROLLCALL VOTES ON AMENDMENTS TO THE FEDERAL ELECTION CAMPAIGN ACT AMENDMENTS OF 1973

Mr. MANSFIELD. Mr. President, I anticipate that amendments to the unfinished business will be made, and I ask unanimous consent that the votes on those amendments, if they are to be rollcall votes, occur beginning at the the hour of 2:30 p.m.

The ACTING PRESIDENT pro tempore. Is it that there will be no votes before 2:30 or that amendments that are still pending will be voted on beginning at 2:30?

Mr. MANSFIELD. There will be no rollcall votes if the Senate grants its consent to my unanimous-consent request.

The ACTING PRESIDENT pro tempore. Until 2:30.

Mr. MANSFIELD. And the rollcall votes would start at 2:30, but other kinds of votes would occur in the meantime.

The ACTING PRESIDENT pro tempore. Is there objection? The Chair hears none, and it is so ordered.

ORDER OF BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, the Senator from Illinois (Mr. STEVENSON) is recognized for not to exceed 15 minutes.

THE WATERGATE MATTER

Mr. STEVENSON. Mr. President, President Nixon has refused to release his tapes of recorded conversations not only to the Senate Select Committee, but also to the Watergate Special Prosecution Force headed by Archibald Cox within the Department of Justice. He has now ignored subpenas from both the committee and Mr. Cox, and is forcing the committee and Mr. Cox to go to court—and Mr. Nixon emphasizes the Supreme Court—in order to resolve these impasses. The result is delay. The result is also a confrontation between Mr. Nixon and Congress and a confrontation between Mr. Nixon and his own branch of the Government.

These confrontations would be avoided if the President honored the commitment he and Attorney General Richardson made to Congress and the Nation a few months ago. In his address 3 months ago today, announcing Mr. Richardson's nomination, the President said he was giving Mr. Richardson "absolute authority to make all decisions bearing upon the prosecution of the Watergate case and related matters," including "the authority to name a special prosecutor for matters arising out of the case." The President said he knew Elliot Richardson would be "fearless in pursuing the case wherever it leads."

In his testimony during the Senate Judiciary Committee's hearings on his nomination, Mr. Richardson acknowledged his "absolute authority" from the President and said he was passing on full authority to the special prosecutor, who turned out to be Mr. Cox.

In two exchanges of letters with me, in testimony before the Senate Judiciary Committee, and in guidelines submitted to the Senate, Mr. Richardson exercised his authority from the President to give the Senate certain explicit assurances about the duties, responsibilities, and authority of a special prosecutor in the Watergate affair:

In his May 17 letter to me, Mr. Richardson stated categorically that the special prosecutor "will have access to all relevant documents."

In his letter to me of May 21, Mr. Richardson stated that—

The special prosecutor, not the Attorney General, will determine what documents may be relevant to his mission.

And in his final set of guidelines submitted to the Judiciary Committee on May 21, Mr. Richardson stated that the special prosecutor would have "full authority" for "reviewing all documentary evidence available from any source, as to which he shall have full access."

It was upon Mr. Nixon's word and Mr. Richardson's assurances that the Senate Judiciary Committee approved, and then the Senate confirmed, the nomination of Mr. Richardson as Attorney General and gave approval to the independent investigation by Mr. Cox.

During the Senate debate just prior to Mr. Richardson's confirmation I said:

> It is upon the understanding contained in these documents, the record before the Judiciary Committee and the revised guidelines offered by Mr. Richardson, that the investigation will now proceed. I am hopeful the Senate will now approve Secretary Richardson's nomination and the appointment of Archibald Cox, and that the investigation will proceed. If so, it will be upon the assumption that, the Senate's advice and consent given, the rules and the central personalities will not be changed by the executive branch.

By denying Mr. Cox access to the tapes, Mr. Nixon has changed the rules. He has breached his contract with the Senate. He is not granting Mr. Cox the promised "full access" to "all documentary evidence" from "any source." He is betraying the trust of the Senate, of his own Attorney General and the special prosecutor who accepted the office upon the assurances of full authority.

I am sickened by the President's disdain for the orderly processes of the law. He does not seem to care about his own solemn assurances. They are made one day and are inoperative the next.

The President has now cut himself off from the people. He does not answer their questions. He has cut himself off from the Congress. He spurns requests for plainly relevant evidence. And he has cut himself off from the special prosecutor and his own Attorney General.

It was upon the special prosecutor that I pinned most of my hopes for an orderly and thorough investigation leading to truth and justice. Now the President is clearly obstructing justice. He is covering up the coverup. He has forced a confrontation with the judicial, as well as the legislative branch. By placing himself above the law and beyond accountability for his own words and actions, he threatens Congress with the choice of either confessing the bankruptcy of the system, by doing nothing, or of commencing impeachment proceedings. If the President had an honorable alternative—truth, vindication, and a quick conclusion for this unhappy chapter—the public has a right to assume he would take it. That he has failed to take that course can only lead the public to fear that it is not open to him.

If the President could only put the Nation's interest first, he would honor his word and cooperate with Congress and the Justice Department, so that truth might be known, justice done, and the ugly matter closed. Instead, he puts his own defense first and considers his defense best served by delaying actions in the courts. In the meantime, the investigations will drag on and on toward inconclusive and untimely results. And public suspicions will continue to grow.

I implore the President to keep his word to the Congress, his Attorney General, the special prosecutor and the American people.

By refusing to release his tapes of recorded conversations about the Watergate case, Mr. Nixon has provoked a confrontation with the Congress and with the administration's own special prosecutor, Mr. Cox.

These confrontations would be avoided if the President honored the commitment he and his Attorney General made to the Congress and the Nation.

In announcing his nomination of Elliot Richardson as Attorney General on April 30, the President told the Nation that he was giving Mr. Richardson "absolute authority to make all decisions bearing upon the prosecution of the Watergate case." This authority included the appointment of a special prosecutor.

Prior to his confirmation by the Senate, Mr. Richardson stated in an exchange of letters with me and in guidelines submitted to the Senate that the special prosecutor would have full authority for reviewing all documentary evidence available from any source, and that he would have full access to such evidence.

Mr. Nixon has shown his disdain for the orderly processes of the law. He does not seem to care about his own solemn assurances. They are made one day and are inoperative the next.

Mr. Nixon is covering up the coverup. If he had an honorable alternative—truth, vindication, and a quick conclusion for this unhappy chapter in our politics—the public has a right to assume he would take it. That he has failed to take that course can only lead the public to fear that it is not open to him.

Mr. President, I ask unanimous consent that the following documents be submitted at this point in the RECORD:

My May 3 letter to Mr. Richardson, cosigned by 28 Senators;

Mr. Richardson's May 17 response to that letter, addressed to me;

My further letter of May 18 to Mr. Richardson;

Mr. Richardson's May 21 response; and

The final set of guidelines, entitled "Duties and responsibilities of the Special Prosecutor," which Mr. Richardson submitted to the Senate Judiciary Committee on May 21.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

U.S. SENATE,
Washington, D.C., May 3, 1973.

Hon. ELLIOT L. RICHARDSON,
Attorney General-Designate,
Department of Justice,
Washington, D.C.

DEAR MR. RICHARDSON: As Attorney General you would immediately be faced with an unprecedented task of restoring public confidence in the integrity of the Federal government. We know you share our concern that justice prevail in all questions of official misconduct and that the public receive speedy assurance that an impartial investigation of the so-called Watergate Affair will be conducted thoroughly and relentlessly.

The Senate has called for appointment of an "independent" prosecutor. The true independence and impartiality of the prosecutor is essential. You have the power to make such an appointment. But a prosecutor is not made independent by virtue of an adjective. Neither his selection from outside the Justice Department, nor his approval by the Senate assures independence and a truly thorough and impartial investigation. That depends upon the character of the prosecutor and his authority, powers and resources.

We trust you to select for this position a man of unquestioned integrity, the highest professional ability and the tenacity with which to get the job done. We also expect you to make the scope of his inquiry broad enough to encompass all illegal conduct arising out of the conduct of the President's recent campaign and the growing evidence that justice has been obstructed in conjunction with that illegal activity. But that is not enough. The minimal powers and resources of a thoroughly independent prosecutor must include:

(1) The power to convene and conduct proceedings before a special grand jury, to subpoena witnesses, and to seek in court grants of immunity from prosecution for witnesses;

(2) The power and financial resources with which to select and hire an adequate staff of attorneys, investigators and other personnel, answerable only to himself;

(3) Assurance that the funds to pay for the services of staff and prosecutor will be continued for the time necessary to complete the investigation and prosecute any offenders;

(4) Assurance that the prosecutor will not be subject to removal from his duties except for the most extraordinary improprieties on his part;

(5) Full access to the relevant documents and personnel of the Department of Justice and all other offices and agencies of the Executive Branch; and

(6) Assurance that the prosecutor would be able to cooperate with any appropriate congressional committees.

The law appears to give you the authority to confer these powers, resources and assurances upon a special prosecutor. If the need arises for legislation to insure these requisites of independence and thoroughness, we will cooperate to that end in every way we can.

In closing we reiterate our trust in you, our confidence in your ability and our hope that forthright action now by the Executive will be enough to resolve these trying matters to the satisfaction and benefit of the nation.

Sincerely,

COSIGNERS OF STEVENSON LETTER TO RICHARDSON

Adlai E. Stevenson, III, Harold E. Hughes, Stuart Symington, Gaylord Nelson, Edmund Muskie, Philip A. Hart, Thomas F. Eagleton, James Abourezk, Lloyd Bentsen, Dick Clark, Joe Biden, William Proxmire, Alan Cranston, and Lawton Chiles.

Hubert Humphrey, John Tunney, Walter F. Mondale, Lee Metcalf, Walter D. Huddleston, William D. Hathaway Abraham Ribicoff, Harrison Williams, Frank Church, Quentin Burdick, Mike Mansfield, Jennings Randolph, Thomas J. McIntyre, J. Bennett Johnston, Jr., and Claiborne Pell.

THE SECRETARY OF DEFENSE,
Washington, D.C., May 17, 1973.

Hon. ADLAI E. STEVENSON III,
U.S. Senate.

DEAR SENATOR STEVENSON: Thank you for your letter of May 3 and for your expression of confidence in me. I agree wholeheartedly with your observations about the need to restore public confidence. I agree that this end will be served by the appointment of an independent Special Prosecutor with unquestioned integrity, the highest professional ability and great tenacity.

In examining both the record of the Senate Judiciary Committee hearing on my nomination and the points articulated in your letter, I am struck by how close we actually are in our approach to the definition of the Special Prosecutor's role. The detailed description of the Special Prosecutor's authority which I have today sent to the members of the Senate Committee on the Judiciary meets, I believe, all the points enumerated in your letter:

His scope of authority will extend beyond the Watergate case to include all offenses arising out of the 1972 Presidential Campaign and all allegations involving the President, members of his staff and other Presidential appointees;

His powers will include the handling of all prosecutions, grand jury proceedings, immunity requests, assertions of "Executive Privilege" and all decision as to whom to prosecute and whom not to prosecute;

He will have the authority to organize and select his own staff, responsible only to him, and to secure adequate resources and cooperation from the Department of Justice;

He will have access to all relevant documents;

He will handle relations with all appropriate Congressional Committees; and

He will be subject to removal only by reason of extraordinary improprieties on his part.

Some misunderstanding seems to persist on the subject of the relationship of the Special Prosecutor to the Attorney General. I have repeatedly stated that the Special Prosecutor must be given the authority to do his job independently, thoroughly and effectively. He will possess a truly unique level of independent authority within the Department of Justice. But it is also critical, in my view, both in the interests of the effective performance of the Department of Justice as a whole and the speedy and efficient support for the Special Prosecutor's mission, that the Attorney General retain that degree of responsibility mandated by his statutory accountability.

The laws establishing the Department of Justice give the Attorney General ultimate responsibility for all matters falling within the jurisdiction of the Department of Justice. Under the law, there is no way to handle prosecutions under the applicable Federal criminal laws outside that Department. A change in the law making the Special Prosecutor an independent agency, which I think would be wrong and harmful on the merits, could in any event be very complicated and time consuming. The outcome of any effort to change the law would be uncertain, the investigation would be disrupted, and prosecution seriously delayed.

Further, only the Attorney General can effectively insure the cooperation of other personnel within the Department of Justice (and within other agencies of the Executive Branch) and thus assure the marshalling of additional resources, including professional investigatory and prosecutorial staff, when the Special Prosecutor needs them. The Attorney General is responsible for allocating the overall resources of his Department consistent with the proper pursuit of its various responsibilities. Without being able to draw on these resources and the various sources of authority which are vested in the Attorney General as chief legal officer of the Nation, any investigation by a Special Prosecutor might be severely hampered.

The approach which I have developed is designed to provide the maximum possible assurance to the public that truth and justice will be properly, thoroughly and effectively pursued. As I have said before, the public will have an insurance policy comprised of four clauses:

The integrity of the Attorney General as reviewed and confirmed by the United States Senate;

The integrity of the Special Prosecutor as reviewed and affirmed by the United States Senate;

The terms and conditions articulated in my detailed description of the Special Prosecutor's authority and in testimony before the Senate Judiciary Committee, which assure the authority and independence of the Special Prosecutor; and

The investigation of the "Ervin Committee" as established by Senate Resolution 60.

With best regards,

Sincerely,

ELLIOT RICHARDSON.

U.S. SENATE,
Washington, D.C., May 18, 1973.

Hon. ELLIOT L. RICHARDSON,
Secretary of Defense, Department of Defense, Washington, D.C.

DEAR MR. SECRETARY: Your letter to me of May 17 is positive and represents a long step in the direction of an "independent prosecutor" in the Watergate episode.

It is my hope that with a clarification of certain points in that letter and your statement to members of the Judiciary Committee that remaining doubts about the impartiality of the investigator can finally be resolved and that justice delayed can now proceed with dispatch and the government can get on with all its business.

Specific points about the prosecutor's functions which you make in your May 17 letter and statement to the members of the Judiciary Committee are still consistent with your statement of May 7 that the investigation would be conducted "in the Department of Justice" and that as Attorney General you would retain "final responsibility" for all matters within the Department.

It would be helpful if at your earliest convenience you could explain the following points in your May 17 letter:

1. You state that the prosecutor's authority will extend to "all *offenses* arising out of the 1972 presidential campaign and all *allegations* involving the President, members of his staff and other presidential appointees." It is unclear whether you intend that the prosecutor will have the authority to investigate allegations of official misconduct of a *non-criminal* nature on the part of Executive branch personnel. The Congress has the constitutional responsibility for making the laws and overseeing the manner in which Executive branch personnel execute those laws. The Congress is the most appropriate body to investigate and make judgments about instances of official misconduct of a non-criminal nature. The Senate is exercising that responsibility. Is it your intention that the prosecutor's functions include the investigation of such non-criminal misconduct?

2. Your letter states that the prosecutor's powers "will include the *handling* of all prosecutions, grand jury proceedings, immunity requests, assertions of 'Executive privilege' and all *decisions* as to whom to prosecute and whom not to prosecute." Thus, the only decision-making power to which you explicitly refer concerns questions of whom to prosecute and whom not to prosecute. Is it the Administration's intention to reserve the decision-making responsibility on all such questions as convening grand jury proceedings, seeking in court grants of immunity for prospective witnesses and passing upon whether present or former Executive branch personnel can properly invoke "Executive privilege"?

3. You state that the prosecutor "will have the authority to organize and select his own staff." Does that authority include the authority to select staff members not now employed by the Department of Justice? What financial resources will be at the disposal of the prosecutor with which to retain the services of any such staff members outside the Department of Justice? And will you assure that the personnel and other resources of the Justice Department are at the disposal of the Prosecutor, except in cases where his use of personnel would unduly interfere with other activities of the Justice Department?

4. You state that the special prosecutor "will have access to all *relevant* documents." Is it your intention to reserve the right to determine what is relevant?

5. You state that the special prosecutor "will *handle* relations with all appropriate congressional committees." Is it your intention to reserve the right to control the access of the prosecutor to committees of the Congress, including the furnishing of information to such committees? My own strong conviction is that both justice and the truth will best be served by a prosecutor free to cooperate with both the Executive and the Legislative branches and to help coordinate their potentially conflicting investigatory activities.

6. The most serious doubt left lingering by your letter and oft-repeated statements is that by some law the Attorney General must retain the "responsibility" or final authority. You opposed a law to remove any such conflict between your statutory duty as Attorney General and your duty to the people as their chief law enforcement official. In the past, Attorneys General, including the acting Attorney General in this very matter, have resolved that conflict by disqualifying themselves. Your failure to do so in favor of an independent prosecutor raises no doubts in my mind about your integrity, but many doubts about your freedom to act. You are after all, an agent of the President and also a servant of the public. Those roles are not inevitably harmonious. Why do you refuse to disqualify yourself in favor of a prosecutor who can serve the people with a singleness of purpose?

Without a resolution of these questions it could be as difficult in the future as it has been in the recent past to find a man of the highest professional attainment and character to serve as prosecutor. In the meantime, delay eats like acid at the public trust and the cause of justice.

With the resolution of the questions raised by this letter and in the hearing of the Senate Judiciary Committee, I would hope your confirmation as Attorney General would proceed rapidly. At the same time, the prosecutor's investigation of the Watergate episode could proceed and in harmony with the investigation by the Senate Committee. If that does not happen, the doubts and suspicions will linger, partisan politics will intrude, the investigations will be disorderly, and the integrity of the Presidency impossible to restore for many years. I, therefore, look forward hopefully to your early response.

Sincerely,

ADLAI E. STEVENSON III.

THE SECRETARY OF DEFENSE,
Washington, D.C., May 21, 1973.
Hon. ADLAI E. STEVENSON III,
U.S. Senate,
Washington, D.C.

DEAR SENATOR STEVENSON: Thank you for your letter of May 18. I certainly share your hopes that any remaining doubts about the impartiality of the independent investigation and prosecution, to be handled by Archibald Cox, can now be finally resolved. Hopefully, as you so aptly point out, justice delayed can now proceed with dispatch and government can get on with all its business. I have just given members of the Senate Committee on the Judiciary a somewhat revised version of the guidelines under which the Special Prosecutor would operate. A copy is enclosed for your information.

In response to the specific questions raised by your letter, let me make the following points.

1. While the Special Prosecutor's functions would focus primarily on the investigations and prosecution of criminal offenses, he may in the process uncover improprieties or irregularities of a non-criminal kind. He would be free to take whatever action with regard to such improprieties or irregularities as he deemed appropriate, including disclosing them publicly and reporting them to other authorities for their action. There will inevitably, of course, be considerable overtap with the Ervin Committee's investigations, whether or not prosecution is sought in specific cases.

2. It is not my intention to reserve decision-making responsibility on any of the matters enumerated in the description of the Special Prosecutor's duties and responsibilities, as to which he is given full authority. Thus, all decisions as to grand juries, assertions of executive privilege, and seeking grants of immunity will be made by the Special Prosecutor, in a manner consistent with applicable statutory requirements.

3. The Special Prosecutor will have authority to select staff members not now employed by the Department of Justice. The Special Prosecutor will have all the financial resources that he will reasonably need for all his activities, including funds with which to hire non-departmental personnel. I will assure, as the guidelines make clear, that the personnel and other resources of the Department will be at the disposal of the Special Prosecutor, to the extent he may reasonably require them.

4. The Special Prosecutor, not the Attorney General, will determine what documents may be relevant to his mission.

5. The Special Prosecutor will be fully free to make all decisions relating to his dealings with Congressional Committees. I will not control the Special Prosecutor's access to any committee.

6. Having provided the Special Prosecutor with a charter which assures his total operational independence from the Attorney General, together with the resources necessary to carry out his mission effectively, I see no need to "disqualify" myself. I have no personal stake in this matter other than to see that justice be done swiftly, thoroughly and fairly. I hope that the selection of former Solicitor General Cox for the position of Special Prosecutor makes my determination in this regard amply clear.

I regard the questions you have raised as fair and responsible and I have tried to answer them in that spirit. I trust that the Senate and the Department of Justice can and will cooperate in this mission of enormous public importance. I will certainly do everything in my power to see that this occurs.

With kindest regards,

Sincerely,

ELLIOT L. RICHARDSON.

DUTIES AND RESPONSIBILITIES OF THE SPECIAL PROSECUTOR

The Special Prosecutor—There will be appointed by the Attorney General, within the Department of Justice, a Special Prosecutor to whom the Attorney General shall delegate the authorities and provide the staff and other resources described below.

The Special Prosecutor shall have full authority for investigating and prosecuting offenses against the United States arising out of the unauthorized entry into Democratic National Committee Headquarters at the Watergate, all offenses arising out of the 1972 Presidential Election for which the Special Prosecutor deems it necessary and appropriate to assume responsibility, allegations involving the President, members of the White House staff, or Presidential appointees, and any other matters which he consents to have assigned to him by the Attorney General.

In particular, the Special Prosecutor shall have full authority with respect to the above matters for:

Conducting proceedings before grand juries and any other invesigations he deems necessary;

Reviewing all documentary evidence available from any source, as to which he shall have full access;

Determining whether or not to contest the assertion of "Executive Privilege" or any other testimonial privilege;

Determining whether or not application should be made to any Federal court for a grant of immunity to any witness, consistently with applicable statutory requirements, or for warrants, subpoenas, or other court orders;

Deciding whether or not to prosecute any individual, firm, corporation or group of individuals;

Initiating and conducting prosecutions, framing indictments, filing informations, and handling all aspects of any cases within his jurisdiction (whether initiated before or after his assumption of duties), including any appeals;

Coordinating and directing the activities of all Department of Justice personnel, including United States Attorneys; and

Dealing with and appearing before Congressional committees having jurisdiction over any aspect of the above matters and determining what documents, information, and assistance shall be provided to such committees.

In exercising this authority, the Special Prosecutor will have the greatest degree of independence that is consistent with the Attorney General's statutory accountability for all matters falling within the jurisdiction of the Department of Justice. The Attorney General will not countermand or interfere with the Special Prosecutor's decisions or actions. The Special Prosecutor will determine whether and to what extent he will inform or consult with the Attorney General about the conduct of his duties and responsibilities. The Special Prosecutor will not be removed from his duties except for extraordinary improprieties on his part.

STAFF AND RESOURCE SUPPORT

1. Selection of Staff—The Special Prosecutor shall have full authority to organize, select, and hire his own staff of attorneys, investigators, and supporting personnel, on a full or part-time basis in such numbers and with such qualifications as he may reasonably require. He may request the Assistant Attorneys General and other officers of the Department of Justice to assign such personnel and to provide such other assistance as he may reasonably require. All personnel in the Department of Justice, including United States Attorneys, shall cooperate to the fullest extent possible with the Special Prosecutor.

2. Budget—The Special Prosecutor will be provided with such funds and facilities to carry out his responsibilities as he may reasonably require. He shall have the right to submit budget requests for funds, positions, and other assistance, and such requests shall receive the highest priority.

3. Designation and Responsibility—The personnel acting as the staff and assistants of the Special Presecutor shall be known as the Watergate Special Prosecution Force and shall be responsible only to the Special Prosecutor.

Continued Responsibilities of Assistant Attorney General, Criminal Division—Except for the specific investigative and prosecutorial duties assigned to the Special Prosecutor, the Assistant Attorney General in charge of the Criminal Division will continue to exercise all the duties currently assigned to him.

Applicable Departmental Policies—Except as otherwise herein specified or as mutually agreed between the Special Prosecutor and the Attorney General, the Watergate Special Prosecution Force will be subject to the administrative regulations and polices of the Department of Justice.

Public Reports—The Special Prosecutor may from time to time make public such statements or reports as he deems appropriate and shall upon completion of his assignment submit a final report to the appropriate persons or entities of the Congress.

Duration of Assignment—The Special Prosecutor will carry out these responsibilities, with the full support of the Department of Justice, until such time as, in his judgment, he has completed them or until a date mutually agreed upon between the Attorney General and himself.

A COMMENTARY ON WATERGATE

Mr. HELMS. Mr. President, I simply wish to make note of comments earlier in this Chamber by my friend, the distinguished Senator from Illinois (Mr. STEVENSON). I am sure that the Senator's comments will be publicized throughout the country by the news media: I suppose that, as customary, such reports will not be accompanied by anything to represent what might be called the "other side," offering a contrasting perspective.

I do not know what the Presidential prerogatives are in this matter, discussed with such finality and absolute certainty by the Senator from Illinois. I assume that they will be decided by the courts, which I think is the only proper forum for such determinations. But as a part of the background that might otherwise be ignored I have decided to read into the RECORD at this time a letter I received the latter part of June, bearing date June 19, 1973, from a boyhood friend of mine in Monroe, N.C. He is now a rear admiral in the U.S. Navy. He has had a distinguished career. He is now stationed in Norfolk, Va., and he is deputy chief of staff, Supreme Allied Commander of the Atlantic Fleet staff.

His name is James Wilson Nance, but we always knew him as "Bud" Nance. I received this letter in June, Mr. President. I telephoned my boyhood friend, "Bud" Nance, and asked him, if it ever became necessary, if I might make public disclosure of what he had written, and he said, "By all means. If it will help my country, do it."

Mr. President, lest anyone feel that "Bud" Nance is a man who fits into the cynical frame of reference of "military brass," let me say quickly that he is no such thing. I grew up with him, and from a small boy he was a person of immense character and integrity. It is in that context, Mr. President, that I want to read his letter, and, as the lawyers say, res ipsa loquitur—it speaks for itself. He wrote:

> DEAR JESSE: I have written you three letters in the last couple of months and have torn each of them up. I have written you on areas where I think we are wasting money in the military, our strategic posture and our boyhood together. Each time I have felt I would rather discuss these subjects with you in person. However, there is one subject I would like to put in writing to you. The subject is Watergate. Naturally, I have an extremely limited knowledge on the subject. However, I can definitely back the President on one of the subjects he has put forward and that was national security.
>
> My first job as a Rear Admiral was as Deputy Director for Operations—National Military Command Center. This is the place the press calls the "Top Secret War Room" in the Pentagon. Here, we acted as the operations center for the President, SecDef, and the Joint Chiefs. We were required to stay up to the minute on every diplomatic and military operation in the world. When any of the senior civilians or military leaders wanted to give orders to our forces, it was done through us. I was there during 1970 when so many things were leaked to the press that were definitely to the detriment of national security. In fact, I feel they were treasonous. I will list a few for you:
>
> a. During our initial moves into Cambodia, we conducted air strikes into the Southern areas of NVN. These strikes were to stop massed Communists troops from moving against the flanks of our troops as they moved against the Communist sanctuaries. These strikes and their proposed intensity were not announced to anyone. They were not known to but a very limited group. The entire operation was announced in the New York Times within hours after they began. The publication in the Times required us to stop the strikes and, I am sure, cost us lives of many of our people.

I continue reading the letter:

> b. I had advance knowledge of the Cambodian operation. I read articles in both the Washington Post and New York Times that showed they knew too. However, I don't think they knew the exact date. The articles they published, I am sure, gave the Communist good indications of what was coming. I am *sure* our operations would have been much more successful had the press not known.
>
> c. About three times each day, we sent statistics on the Cambodian operation to the White House. I remember once I sent some data over that was in error. These data made us look quite bad but it was what we thought was correct. We had a correction from Saigon, and we in turn corrected our input to the White House within an hour after our original submission. Would you believe the incorrect data came out in the next edition of the Washington Post! It was leaked by someone who wanted to make us look bad.

Then my friend wrote:

> I could go on and on, Jesse, but I think you can see from these few examples the problem the President was facing. I am confident, there was a group who were so intent on making the President look bad and our actions in VN fail that they were committing treason. I am equally sure there are some people now who will go to any lengths to see the President fall.

Then he closes on a personal note.

Mr. President, the point of this is that all these pious declarations about the President, all these charges that he has been some kind of a madman sitting down in the White House, all these declarations that he has no right to withhold anything, perhaps can be put in a proper perspective if, somewhere, somehow, sometime the other side can be told.

Now, I am frank in saying I hope that the President will win his confrontation in the courts. Future Presidents of the United States will suffer harassment if he does not win, and I think he will win, and after that I anticipate that the President will release such tapes and other information that may be of public importance.

I simply say that there are two sides to this thing. The President of the United States, I should think, has the same right that every other citizen in this country has—the presumption of innocence until proved guilty. The fact is that day after day he has been tried and convicted in the news media and in other forums in this country, and that, Mr. President, to me is another disgrace of 1973.

Thank you, Mr. President.

TRANSACTION OF ROUTINE MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under this previous order, there will now be a period for the transaction of routine morning business for not to exceed 15 minutes, with statements limited therein to 3 minutes.

COMMUNICATIONS FROM EXECUTIVE DEPARTMENTS, ETC.

The ACTING PRESIDENT pro tempore (Mr. MANSFIELD) laid before the Senate the following letters, which were referred as indicated:

AMENDMENT OF SMALL BUSINESS ACT

A letter from the Director, Office of Management and Budget, Executive Office of the President, transmitting the administration's views on S. 1672, to amend the Small Business Act. Referred to the Committee on Banking, Housing and Urban Affairs.

PROPOSED LEGISLATION FROM FEDERAL COMMUNICATIONS COMMISSION

A letter from the Chairman, Federal Communications Commission, transmitting a draft of proposed legislation to amend the Communications Act of 1934, as amended, to permit the Federal Communications Commission to grant radio station licenses in the safety and special and experimental radio services directly to aliens, representatives of aliens, foreign corporations, or domestic corporations with alien officers, directors, or stockholders; and to permit aliens holding such radio station licenses to be licensed as operators (with an accompanying paper). Referred to the Committee on Commerce.

REPORT ON EXCESS DEFENSE ARTICLES DELIVERIES

A letter from the Assistant Secretary for Congressional Relations, Department of State, transmitting, pursuant to law, a report on excess defense articles deliveries, for the third quarter of fiscal year 1973 (with an accompanying report). Referred to the Committee on Foreign Relations.

LIST OF REPORTS OF THE GENERAL ACCOUNTING OFFICE

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a list of reports of the General Accounting Office, submitted during the month of June, 1973 (with an accompanying report). Referred to the Committee on Government Operations.

PROPOSED LEGISLATION FROM FEDERAL COMMUNICATIONS COMMISSION

A letter from the Chairman, Federal Communications Commission, transmitting a draft of proposed legislation to amend section 1114 of title 18 of the United States Code to make the killing, assaulting, or intimidating of any officer or employee of the Federal Communications Commission performing investigative, inspection, or law enforcement functions a Federal criminal offense (with an accompanying paper). Referred to the Committee on the Judiciary.

INTERNATIONAL LABOR ORGANIZATIONS CONVENTION AND RECOMMENDATION

A letter from the Assistant Secretary for Congressional Relations, Department of State, transmitting, pursuant to law, texts of ILO Convention No. 135 and ILO Recommendation No. 143 (with accompanying papers). Referred to the Committee on Labor and Public Welfare.

REPORT OF COMMISSIONER OF EDUCATION

A letter from the Acting Secretary of Health, Education, and Welfare, transmitting pursuant to law, a report of the Commissioner of Education on the Administration of Public Laws 874 and 815, for the fiscal year ended on June 30, 1971 (with an accompanying report). Referred to the Committee on Labor and Public Welfare.

REPORT ENTITLED "PUBLIC HEALTH AND WELFARE CRITERIA FOR NOISE"

A letter from the Acting Administrator, United States Environmental Protection Agency, transmitting, pursuant to law, a report entitled "Public Health and Welfare Criteria for Noise," dated July 27, 1973 (with an accompanying report). Referred to the Committee on Public Works.

PETITIONS

Petitions were laid before the Senate and referred as indicated:

By the ACTING PRESIDENT pro tempore (Mr. METCALF):

A resolution adopted by the council of the county of Maui, Wailuku, Hawaii, praying for the enactment of legislation to return the Island of Kahoolawe to the people of the county of Maui and the State of Hawaii. Referred to the Committee on Armed Services.

A resolution adopted by the Board of Directors of the National Tribal Chairman's Association, Washington, D.C., relating to a realinement policy in regard to future Indian policies and programs. Referred to the Committee on Interior and Insular Affairs.

A letter from the firm of Sundlum, Tirana & Scher, of Washington, D.C., in the nature of a petition, relating to the proposed construction in the State of Alaska of a pipeline. Ordered to lie on the table.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. WILLIAMS, from the Committee on Banking, Housing and Urban Affairs, with an amendment:

S. 2058. A bill to amend the Securities Exchange Act of 1934 to provide for the regulation of clearing agencies and transfer agents, and for other purposes (Rept. No. 93-359).

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. BEALL:

S. 2283. A bill to amend the Communications Act to clarify the intent of Congress regarding regulation of CATV and broadcast pay television. Referred to the Committee on Commerce.

By Mr. MANSFIELD (for himself and Mr. METCALF):

S. 2284. A bill to provide for the issuance of a special postage stamp in commemoration of the life and work of Jeanette Rankin. Referred to the Committee on Post Office and Civil Service.

By Mr. HUMPHREY:

S. 2285. A bill for the relief of Miss Chandrika Jayasekera. Referred to the Committee on the Judiciary.

By Mr. JACKSON (for himself and Mr. FANNIN) (by request):

S. 2286. A bill to authorize the establishment of the Big Thicket National Biological Reserve in the State of Texas, and for other purposes. Referred to the Committee on Interior and Insular Affairs.

By Mr. HART:

S. 2287. A bill to supplement the Federal Trade Commission Act by amending it to increase competition, promote interstate and foreign commerce, prevent unreasonable restraints on commerce and the commercial working of technology advancements, to protect the freedom of employment for scientists and engineers, and for other purposes. Referred to the Committee on Commerce.

By Mr. PROXMIRE:

S. 2288. A bill to regulate closing costs and settlement procedures in federally related mortgage transactions. Referred to the Committee on Banking, Housing and Urban Affairs.

By Mr. BROOKE:

S. 2289. A bill for the relief of Sister Mary Theodora. Referred to the Committee on the Judiciary.

By Mr. HATFIELD:

S. 2290. A bill to amend the Social Security Act to provide for partial general revenues financing of benefits under title II thereof, to permit individuals covered under certain other retirement programs to elect not to be covered under social security, and to provide for the financing from general revenues of the health insurance programs established by parts A and B of title XVIII of such act. Referred to the Committee on Finance.

By Mr. CURTIS (for himself, Mr. HRUSKA, Mr. FANNIN, Mr. GOLDWATER, Mr. HELMS, and Mr. SCOTT of Virginia):

S.J. Res. 142. A joint resolution proposing an amendment to the Constitution of the United States relative to the balancing of the budget. Referred to the Committee on the Judiciary.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. BEALL:

S. 2283. A bill to amend the Communications Act to clarify the intent of Congress regarding regulation of CATV and broadcast pay television. Referred to the Committee on Commerce.

Mr. BEALL. Mr. President, I am today introducing legislation to preserve our free system of television and encourage new electronic services to expand on and complement these present services. My bill, the Preservation of Free Television Act of 1973, would require the Federal Communications Commission to make certain that the future development of pay TV will not reduce or impair the amount or quality of free television to the viewing public.

Mr. President, in the past 25 years, communications technology has leaped ahead making the wonders of the 1940's relics of the past. Without any doubt the most significant development in communications for the vast majority of our citizens and others throughout the world has been the advent of television. Through its magic, millions of people have been entertained and informed by viewing events that none would have hoped to witness 25 years ago. For the initial investment in a television receiver and the few dollars needed each year to supply power, the average viewer gets a ringside seat at events which make history. World renowned entertainers, championship sporting events, theater, movies, public affairs programs and indeed coverage of events the world over are commonplace on free TV today.

The fact that these programs are free, Mr. President, is ever more important today at a time when inflation is pinching so many pocketbooks. To many, the television set offers many hours of entertainment that cannot be afforded elsewhere. Many of our less affluent citizens can afford a television set where they cannot afford vacations, trips to movies or stadiums or to other events where the cost is prohibitive to them. It is a form of recreation and entertainment that is available to virtually all our citizens.

The bill I am introducing today would direct the FCC to make certain that this present situation is preserved in the future when developments in pay and cable television might make it possible for programing now seen at no charge to be taken out of the free system and placed on a pay system. This bill would allow cable and pay systems to develop, and offer to those who wish to pay, new programing not now regularly seen on free television. I believe that protection is going to be needed for the future and I believe the public wants this protection for the present system.

There is no question, Mr. President, that pay television has a great future in this Nation. There are now dozens of events and shows which do not appear regularly on free TV and which many members of the public will gladly pay to see.

Under this proposal pay TV will be able to develop its own new programing and develop its own audience. It will complement and add to the present free programing that hopefully will be continued.

Cable TV will also be able to grow steadily under this proposal. This bill will not change in any respect the present operation of cable television. Cable TV is a service which has brought home viewing to millions who were without television before. My home in western Maryland is one of those areas and is well serviced by an efficient cable system. Under this legislation, cable will be able to retransmit programs from free TV broadcasts, just as it does today. If the cable system wants to, it can, under this bill, tie in with pay television and offer, for more money presumably, a more diverse selection than what is available on free television. My bill would not interfere with the great service provided to Americans by cable television.

Mr. President, in conclusion, let me say that I believe this bill will benefit all concerned. It will give the FCC needed direction in dealing with the problems of television in the future. It will preserve for millions of Americans access to free television programing of a quality and quantity now enjoyed.

It will provide for the orderly development of pay television and allow pay systems to create new programing that will be available to those who want to pay for it.

It will confirm the place that cable holds in the present system and allow cable systems to expand and grow in conjunction with pay television.

Mr. President, I ask unanimous consent that material in connection with this subject be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

CAPITAL COSTS OF A WIRED NATION ARE PROHIBITIVE

The 1968 report prepared for the President's Task Force on Communications Policy, the most recent authoritative study available, estimates that it would cost $123 billion to wire all the 100 million television homes projected for the early 1980's. This would be equivalent to spending $25,000,000 a day for the next 12 years.

Today even the $123 billion is much too low an estimate:

(a) The report did not consider new FCC requirements for two-way capability and access channels, conservatively estimated to increase costs by about another $20 billion.

(b) It was based on 1967-1968 costs and annual inflation of 4% will add about another $90 billion over a 15-year period.

These two items alone almost double the estimated costs—to about $230 billion, more than one-half the national debt.

Moreover, much of the components in the wired nation will require replacement every generation—each 15 years—which means that if the country were wired by 1985, most of the $230 billion plant would shortly thereafter have to be replaced, at newly inflated costs.

Recognizing the enormity of these costs—even at 1968 figures—the report to the President concluded that it was economically unfeasible to wire the entire country and that a more realistic objective would be to wire 50% of the homes—those where the population density is greatest—which it concluded could be accomplished for about $8 billion. Other studies show that if as few as 25% of the homes were wired, cable pay television could outbid free television for its most attractive programs, with the result that those not reached by cable and those unable to pay the subscriber fees would lose the service they now receive free.

Aware that private investment cannot possibly provide funds of the magnitude required for a wired nation, the suggestion has been made by some that Federal assistance—direct grant or low interest loans—be used to help finance a nationwide system. These suggestions raise the issue of "national priorities"—should the Federal Government use funds urgently needed for important national goals to subsidize a wired nation. The attached table, taken from the most recent U.S. Government Budget, shows proposed expenditures totalling $232 billion over the next 10 years for the vital national programs listed, including pollution control and abatement, energy research, mass transit development, low and moderate income housing, education, health research, among others. The total projected expenditures over the next ten years for all these vital programs ($232 billion) approximate the costs of the wired nation alone.

THE BUDGET OF THE U.S. GOVERNMENT, FISCAL YEAR 1974

[In billions of dollars]

	Fiscal year 1974	Estimated, 1974–84
Space research and technology	3.1	31.0
Rural electrification, housing and water and waste disposal programs	.7	7.0
Pollution control and abatement	2.1	21.3
Mass transit development	.5	4.9
Aid for low- and moderate-income housing	2.03	20.3
Community planning, management and development (including OEO, water and sewer facilities, urban renewal, model cities, etc.)	2.6	25.9
Education (including revenue sharing, child development and emergency school assistance programs, etc.)	6.3	63.0
Support for biomedical research (primarily for cancer and heart disease)	1.7	16.9
Training health manpower	.7	7.1
Construction of health facilities	.2	1.9
Prevention and control of diseases	.5	4.7
Consumer safety	.2	1.9
Law enforcement and justice	1.9	18.8
Energy research	.8	7.7

	United States	Maryland
Total number of homes	67,475,900	1,262,700
Number of homes with television	65,101,280	1,232,590
Percentage of homes with television (percent)	96	98
Number of homes with cable connections	6,033,840	59,830
Percentage of homes with cable connections (percent)	9.3	4.9
Number of homes with pay TV connections	29,000	0

Blackout Now: Pay TV Later?

(By Robert J. Samuelson)

Ask Bob Cochran about football blackouts and he will give you a short lecture.

"There are too many spoiled people who think they're owed everything that's available," says the National Football League's director of broadcast. "We don't owe anybody anything. We owe our teams the protection of selling their tickets at home . . ."

The blackout: It's one of the great issues of the times. On football Sundays, it probably enrages more people than high meat prices, gasoline shortages and Watergate-stained politicians all put together.

It's also one of the great mysteries of the times. Last year the NFL sold 96 per cent of its seats. That doesn't satisfy the football owners. They recall that pro football wasn't always a national obsession. And they cling to the blackout like a security blanket.

Is that all there is to it? Is that the only reason the NFL maintains its bearhug on the blackout? A lot of people don't think so. They suggest another motive for the NFL's obstinacy. It's the Great Unmentionable of American sports and media: Pay TV.

Pay television, like a dark figure in the closet, has been lurking on the edge of American broadcasting for at least two decades. It's finally coming out, and, when it does, pro football could be one of the great beneficiaries.

The NFL will never admit this. Its commissioner, Pete Rozelle, is a shrewd man. To mention pro football and pay television in the same breath would kill the courtship before the marriage. It would destroy the very argument that the NFL is advancing for preserving the blackout—the fear that fans will abandon the stadium for the comfort of their living rooms.

Others aren't so reticent.

PROFITS AND LOSSES

Testifying before a Senate subcommittee last year, John A. Schneider, president of the CBS Broadcasting Group, expressed the networks' fears that football games might ultimately end up exclusively on cable television. "In the language of football, I recommend that this committee clearly rule that passing professional football games to CATV is offside and illegal," he said.

"Pay TV is clearly the issue," says one congressional aide. A senior official at the FCC puts it this way: "The NFL knows that once the public gets its lollipop (over-the-air broadcasts of home games), it can't be taken away."

Even the NFL's Cochran indicates that pay TV has its potential attractions. Asked about the practical possibilities of cable TV for pro football, he dismisses the thought with a wave of the hand. Pay TV (which is really just a variant of cable TV)? Well, he admits, "then you've got an argument . . ."

The owners of football teams aren't innocents; most are independently wealthy businessmen or professionals. However genuine and deep their love for the game, they aren't opposed to making money. Pro football may have once qualified as a quasi-public form of charity, but it doesn't anymore. Although most team financial records aren't public, the available information indicates that the teams are profitable—and comfortably so.

The NFL Players Association last year estimated that an average team has total revenues of $5.6 million and an operating profit—before taxes and interest on debt—of $1.7 million. At least two teams, the Green Bay Packers and the New England Patriots, have public shareholders and make their financial results public. They are not on the edge of poverty. Last year, the Packers had an after-tax profit of $480,203 (their worst year since 1965) and the Patriots had a profit of $545,313. As the Patriots (3 wins, 11 losses) show, football is one of the few businesses where you can succeed without being good.

But good businessmen are always looking to the future. NFL owners can expect their revenues from gate sales—where ticket prices will gradually rise—and from the networks to increase steadily if not spectacularly. The only prospect for a major breakthrough is pay TV—in essence, a massive extension of the stadium. It's a prospect for which any sound businessman would want to wait. It's not hard to see why. For the first time, pay TV is more than an abstraction. Some background:

Last year, the Federal Communications Commission approved new regulations for cable television designed—so the commission said—to allow CATV to expand into the nation's major cities. Cable television is already a $400 million industry, serving 6.5 million homes (about 10 percent on the country's TV households), and with the FCC's rules, it could get much, much bigger.

Cable TV is the vehicle for pay TV. Subscribers pay a monthly fee (usually $5 or $6); but after that, they get everything—weather service channels, stock prices, local programming—free. Pay TV is something else; it's an extra channel of programs—such as first-run movies or exclusive sports events—that can be received only by subscribers who pay a separate charge. The "pay TV" channel would be one of the open channels of the CATV system, whose coaxial cable can carry 20 or more television channels.

By the end of the year, there may be more than 100,000 homes receiving this kind of pay TV. But no one, including the NFL, knows quite what to expect from pay TV. Its destiny is a quagmire of uncertainties, to be shaped by more rules from the FCC, the possibility of congressional legislation, and the unpredictable reaction of the American public.

Granted then, the future is fuzzy. But if pay TV matures, it could be immensely profitable for professional football. It's easy to play with figures. Consider metropolitan Washington, the nation's 10th largest television "market" with approximately 3 million people. There are 950,000 "television homes." Suppose half of those homes subscribed to a cable system. Suppose, then, that one-third of these homes decided to buy Redskins' home games at, say $2 per game. With seven home games (and a $2 price), that totals more than $2 million, a large part of which would surely be paid to the Redskins for the rights to their games. The $2 price isn't unreasonable; in fact, it might be low. As long ago as 1964, an experimental pay television system in Hartford charged $2 for prize fights.

AMERICA'S SPORTS MANIA

To succeed, however, cable TV and pay-TV will clearly have to capitalize on America's sports mania. The new television entrepreneurs understand this. In New York, home games of the hockey Rangers and basketball Knicks are already offered on regular cable TV to attract subscribers. In the future, popular games probably won't come so cheaply; they'll be limited to pay TV.

"Our research indicates that obvious (sports) interest is largely confined to the cessionaires, and sometimes, local govern-Home Box Office (a 70 per cent-owned pay TV subsidiary of Time, Inc.) recently told a pay TV seminar. "Our research also makes it pretty unmistakably clear that the ultimate go, no-go decision in the family on subscribing to this kind of service (pay TV) is made by the male head of the household. Thus, while the whole family enjoys the movies, uncut and uninterrupted, the sports events may or may not be likely to tip the scales of decision-making in the family."

Although started just this year (and now serving only about 12,000 subscribers in eastern Pennsylvania), Home Box Office has already purchased sports packages from pro basketball's New York Nets, Milwaukee Bucks, Boston Celtics and Cleveland Cavaliers; hockey's New York Raiders and Cleveland Crusaders; and baseball's Cleveland Indians.

Home Box Office executives approached five or six NFL teams this year and got a cordial reception—until the teams were apparently asked by the commission's office to suspend any pay TV discussions. According to a Home Box Office spokesman, "The commissioner's office is in the middle of a pretty tough fight over (blackout) legislation and hearings . . . They're not really looking for another problem."

If it is ever to explore the tantalizing prospects of pay TV for home games, the NFL needs the current blackout. This is more than a matter of practical politics; it's also a legal necessity. Under the existing FCC rules, pay TV systems are barred from broadcasting any type of sports event that has been seen on local, over-the-air television during the previous two years—and chances are this two-year period will soon be lengthened to five years. Although the rules—from a legal point of view—are still a bit murky, it's likely that "home" and "away" games will be considered. separate types of sports events.

This means that once the Redskins—or any other professional football team—begin showing their home games on over-the-air television, the team may not be able to switch to pay TV for at least five years (during which time home games couldn't be broadcast). So putting the home games on television wouldn't simply be an experiment; it would be a legal precedent, and, as a practical matter, would probably rule out forever the possibility of selling the games to pay TV.

THE ANTITRUST EXEMPTION

Although Cochran doesn't think the NFL owes anyone anything, there are a lot of congressmen who feel otherwise. During the last session of Congress, at least 20 different bills were introduced which would have modified existing sports broadcasting practices.

Most students of the game, including Cochran, trace football's phenomenal rise in popularity to TV. If that's so, Congress might rightfully claim a small debt of gratitude. Back in 1961, Congress gave the football owners something that just about every businessman in America would like to have: an exemption from the anti-trust laws. The NFL desperately needed the exemption. A U.S. District Court judge had ruled that the teams could not bargain together (that is, as a league) with the television networks without running afoul of the anti-trust laws.

Even if Congress hadn't provided the exemption, there still would be football on TV, but each team would have to negotiate separately with local stations or the networks. Presumably, the teams in the bigger cities (with large advertising audiences) would receive bigger packages, while weaker teams in smaller cities would get less. And, taken together, it's probable that the teams would not do as well as they have by bargaining with the networks as a single unit on a take-it-or-leave-it basis.

In any case, the exemption became law in 1961, and the rest is history. In 1960, the 14 NFL teams received $3.1 million together for their television rights, todav, the network package reportedly comes to $47 million annually or about $1.8 million for each of the 26 teams. TV revenues now account for about one-third of pro football's total.

The medicine being proposed—either for the NFL to swallow voluntarily or to be forced down its throat bv legislation—seems mild enough; some might reasonably complain that it is too mild. The bill offered by Sen. John Pastore (D-R.I.), chairman of the Senate Subcommittee on Communication, wouldn't automatically lift the blackout. Only if a game is sold out 48 hours before kickoff—and Pastore has indicated he's willing to haggle over the time period—would there be local television. If there's no sellout—even if 99 per cent of the seats are sold—there's no local TV. Last year, according to the NFL, 82 of the 182 regular-season games would not have been affected, because they weren't sold out (even though 96 per cent of the seats were sold).

The NFL isn't buying this idea.

A COUNTERPROPOSAL

After mulling it for six months, the league told Pastore this spring that it feels as kindly toward his proposal as, say, Sam Huff used to feel toward Jim Brown. But to prove that he is a reasonable man, Rozelle made a counterproposal. He would be willing to:

Provide local television of the Super Bowl (a concession made last year) and

Consider lifting the blackout in the Hartford-New Haven area once the New York Giants move to the Yale Bowl late this season. (Connecticut fans have always been able to view the Giants' home games, and, under the NFL's proposal, New York would remain blacked out—even when the Giants are at Yale.)

Pastore isn't buying. So now it's a contest to see who understands the Congress better.

From a public relations standpoint, the NFL clearly has problems. No longer can it claim that modifications of the blackout will cause short-term financial harm; Pastore's bill—which requires the prior sell-out before all television—makes that argument virtually impossible, so the NFL isn't pushing this theme. Now, the NFL contends that the game's intangible livelihood—the wild, scrambling masses of a packed stadium that provide on-the-spot excitement—is threatened, because not all the ticket holders will show up if they can watch the game on television.

NO-SHOWS

This is the so-called "no-show" problem. The NFL says that it will not only smother the game's vitality, but also result in economic harm to people who live on stadium attendance—parking lot owners, hot dog concessionaires, and sometimes, local governments and stadium authorities which take a cut of the concessionaire income.

There are such creatures as no-shows. Last year, according to the NFL, 624,000 people bought tickets but didn't take their bodies to the game. That's about 6 per cent of total ticket sales (about 10 million).

But it's also true that about one third of the "no-shows" occurred during the last two games when the weather turned especially cruel, or when a team's dismal record had confirmed its mediocrity, or when a crucial game for a playoff berth could be seen on television.

These defections occurred without televising the home games, and there are lots of people, including Pastore, who think that the NFL's fears about soaring numbers of no-shows are wildly exaggerated. "These tickets don't go for pennies," says Pastore. "They go for big dollars. If you're a devotee of football, you like to see the real action."

The concessionaires—often firms like ARA Services or the Canteen Corp., an ITT subsidiary—aren't likely to win much sympathy. And it's dubious that many congressmen will be shaken by the distant spectre of unemployed, part-time hot dog vendors. The unfortunate middlemen are the cities and counties which own the stadiums—and which aren't collecting enough from the teams to pay off the debts. "We love the teams, but we are subsidizing them," one Kansas City official told Pastore's subcommittee last year. Some local officials have opposed lifting the blackouts and it's a tough position to take. They're saying that they've spent so much money to keep the teams happy that they can't afford to let the fans—whose money it ultimately is—watch.

All this may make the blackout issue look simple, but there are a few complications. Pastore's bill also covers pro basketball, hockey and baseball, and—as a result of the current FCC rules—involves the ultimate viability of pay TV.

Pay TV advocates argue that they can actually increase the amount of televised sports available to viewers. They contend that many professional teams—which don't regularly have sellouts and which aren't nearly as profitable as pro football—won't permit the televising of home games on "free TV" for fear of destroying gate attendance, but that they might put the games on pay TV for two reasons:

Because the pay TV audience is smaller, the threat to the home gate is less.

There's more money in it for the team.

By this logic, almost everyone is better off. The games would be available on some type of TV, and many teams' financial position would be improved, enhancing their ability to bid for top players and, thus, raising the quality of competition.

This is pay TV's pitch; it may ultimately turn out to be so much propaganda, but it should be given a chance to succeed or fail on its own merits—rather than be killed by legislative or regulatory fiat. That means a change in the current FCC rules, which, combined with Pastore's legislation, would effectively prevent pay TV from ever bidding for the home games of many pro teams. Once a team has lost its local blackout for even one game—as a result of a local sold-out game being telecast regionally or nationally over the network—the rules would prevent the team from offering any of its games to pay TV—even those games that aren't sold out.

You don't have to be against pay TV—which may ultimately prove a good way of widening viewers' television choice—to be against the current blackouts. No pro league should be able to use its bargaining power, which stems from anti-trust immunity granted by Congress, to impose a local blackout on sold-out games that are being televised nationally or regionally. The NFL is clearly betting that Congress won't be able to bestir itself to modify the blackout. Inertia is a powerful force. The House has done nothing yet, but last week Pastore easily pushed his bill through the Senate Commerce Committee.

The senator is betting that the NFL doesn't understand Congress. "I am not," he says carefully, "in this for the exercise."

[From the Washington Post, May 10, 1973]

INDIANS LEAD BASEBALL INTO PAY TV

(By Dave Brady)

Major-league baseball has taken a small but fateful step into pay TV, the next gold mine of electronics.

The Cleveland Indians made extensively unnoticed history on April 21, when their home game with the Boston Red Sox was transmitted by cable television exclusively to customers in such Pennsylvania communities as Allentown, Bethlehem, Wilkes-Barre, Mahanoy City and Hazleton. It was the first time ever that a major-league game was carried on pay cable TV.

The Indians contracted to show home games this season with Home Box Office Co. of New York City—which shortly will be 80 percent owned by Time, Inc.—with the approval of baseball commissioner Bowie Kuhn.

In the next week or so, a town named after Jim Thorpe; another, Lansford, where the first cable television system in the country was built, and Lehighton-Palmerton will be added to the network, which will then represent 100,000 potential customers.

Presently, most of them subscribe to systems that for $4.50 a month pick conventional television programs from about 12 stations and feed them into mostly mountainous terrain where signals otherwise would be difficult to pull in. Receivers in homes are converted for an installation fee.

In addition to that service, the Home Box Office firm offers exclusive sports events and current movies for another $6 a month. This system also requires a converter. Box Office now has 11,000 subscribers.

It has signed a five-year contract for the rights to American Basketball Association games since beginning operation in November and has bought the rights for showings outside the New York City area for most events in Madison Square Garden, including the Knicks and Rangers. Home Box Office also has contracts with the World Hockey Association and club deals with the Boston Celtics and Milwaukee Bucks.

Monday night the service carried a fight from Felt Forum in the Garden. Wrestling and roller derbies are on the schedule. The Westminster dog show also was televised and John Barrington, Home Box Office vice president, was asked about the appeal of such an event in the coal-mining towns.

"Our research shows that people like variety," Barrington said. "We researched the response to an Indians-Red Sox game and an ABA game we carried on viewed 114 customers in Hazleton.

"We got a pretty positive reading on the first Indians-Red Sox game the night before, but on Saturday night the ABA game drew 61 of the 144 viewers, or 42.4 per cent, and the baseball game 32, or 22.2 per cent.

"Of course, it was not a baseball attraction of great interest at this time of the year, while the ABA contest had continuity going for it as a playoff game.

"Of the programs picked up from conventional stations by the other cable systems, only 'Hawaii Five-O' and a special, 'Man Without a Country,' outdrew the basketball game on our outlet. We outdrew 'Maude' and a National Hockey League game.

"Most pay cable systems around the country show movies not available on conventional, or home TV, but we are unique in getting so much sports. We find that the family votes for movies but Dad makes the decisions and he likes sports, thus a combination makes more sense.

"Some nights we show two sports events or two movies, or a mix. We are on the air from about 7 p.m. to 11 p.m. We recently showed movies such as 'The French Connection' and 'Dirty Harry.' "

The indications are that the Indians are not getting rich as baseball's pioneers on pay cable TV, with the system collecting only $66,000 a month.

"I would say the Indians are getting peanuts now because of our limited income," Barrington said. "It is rather expensive to bring their games into Pennsylvania."

Bob Brown, public-relations director for the Indians, said from Cleveland, "I don't know how far the telecasts of the Indians' games will go; I doubt if it lasts. The Indians have been on a few times; the Cleveland Cavaliers (basketball) and Cleveland Crusaders (hockey) quite a lot.

"One deal made sense (for basketball and hockey); one (for baseball) did not. There are many aspects; financial is only one of them." Brown declined to elaborate.

Baseball has beaten profootball to pay cable doubtless recalling that football teams once settled for as little as $125,000 a season individually before selling their TV rights as a league-wide package. For the first year on that basis, each NFL club got $332,000; now it is up to $1.5 million. In 1973, the Redskins will get $125,000 just for their radio rights. In 1964, they brought $32,000.

Barrington says, in answer to criticism that pay cable is siphoning sports attractions from free, or home TV: "Most events are not being seen now, despite so much expansion. Less than 30 percent of all sports are shown on any kind of television."

By Mr. JACKSON (for himself and Mr. FANNIN) (by request):

S. 2286. A bill to authorize the establishment of the Big Thicket National Biological Reserve in the State of Texas, and for other purposes. Referred to the Committee on Interior and Insular Affairs.

Mr. JACKSON. Mr. President, by request, I send to the desk on behalf of myself and the Senator from Arizona (Mr. FANNIN) a bill to authorize the establishment of the Big Thicket National Biological Reserve in the State of Texas, and for other purposes.

Mr. President, this draft legislation was submitted and recommended by the Department of the Interior, and I ask unanimous consent that the executive communication plus additional material accompanying the proposal from the Secretary of the Interior be printed in the RECORD at this point in my remarks.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

U.S. DEPARTMENT OF THE INTERIOR,
Washington, D.C., July 14, 1973.

Hon. SPIRO T. AGNEW,
President of the Senate,
Washington, D.C.

DEAR MR. PRESIDENT: Enclosed is a draft of a bill "To authorize the establishment of the Big Thicket National Biological Reserve in the State of Texas, and for other purposes."

We recommend that this bill be referred to the appropriate committee for consideration, and we recommend that it be enacted.

The bill authorizes the Secretary of the Interior to acquire lands, waters and interests therein, within a area depicted on a map on file with the Department, to be known as Big Thicket National Biological Reserve. The Reserve, as depicted on this map, is 67,150 acres, most of which is in private ownership. The bill provides that the Reserve may not include more than 68,000 acres.

The Big Thicket of East Texas contains eight different biological habitats, ranging from savannah, to bald-cypress swamp, to upland mixtures of American beech, southern magnolia, white oak and loblolly pine. This biological crossroads is unique in the United States. Changes in elevation from 400 feet on the north to a few feet above sea level on the south, as well as changes from well-drained to swampy areas, and from fertile soil to intrusions of less fertile soil types, account for the variety of plant communities in the Big Thicket area. In addition to its extraordinary diversity of flora, the area contains a wealth of animal life, and magnificent specimens of individual tree species. The larger mammals include the Texas white-tail deer, red and gray fox, racoon, ringtail, mink, otter, skunks, opossum, bobcat, mountain lion, armadillo and on occasion, black bear. Three out of four species of insectivorous plants occur there. Over 300 birds have been listed for the Big Thicket, including the American egret, roseate spoonbill and the relatively rare red-cockaded woodpecker. The ivory-billed woodpecker, which was the largest woodpecker in North America, may survive in the area. The Thicket also contains the largest known specimens of American holly, black hickory and planer tree, as well as 40 wild orchid species, some found nowhere else.

The scientific resources of Big Thicket are outstanding, not only because a variety of biological communities are in close proximity, but because of the ecologic interplay between species. Explanation of these scientific values will be a major part of the interpretation by the Park Service of the Reserve. In addition to its scientific interest, the area is also one of great natural beauty, including park-like beech and magnolia stands, virtually impenetrable "thicket" areas, and picturesque bald cypress-water tupelo swamps.

The Big Thicket once comprised several million acres, but it has been greatly reduced by logging, clearing for agricultural uses and oil field operations, and more recently, vacation home subdivisions. It is now divided into strips and blocks of ecological islands and these islands are steadily being encroached upon.

Interest in preserving the Thicket as a part of the Park Service began before the Second World War, and Congressional interest has been manifested since the 90th Congress. We have studied the area to determine which of the remaining parts of the Thicket would be suitable for inclusion in a unit of the park system intended to preserve and interpret the biological values of the Big Thicket. Specifically, studies of the area were made in 1965 and 1966, and in April 1967, the Advisory Board on National Parks, Historic Sites, Buildings, and Monuments, found that "The Big Thicket, with its great variety of vegetational types, its magnificent specimens of individual tree species, its diversity of bird life . . . and its unusual animal communities, is of national significance." In October 1972, the Board reaffirmed its position and endorsed the establishment of the area as a Big Thicket National Biological Reserve.

After review of the current status of the lands and waters in the Big Thicket, we are now proposing a Big Thicket National Biological Reserve, consisting of 7 units and encompassing outstanding representative sections of the remaining Thicket and neighboring ecosystems. The principal purpose of the Reserve would be to preserve key areas for scientific study, rather than to provide solely for outdoor recreational opportunities. Development of the area for visitor use would consist mainly of access roads to the edges of the units, trails, interpretive facilities, primitive campsites and boat launching facilities so that visitors could explore the Reserve from the numerous streams, rivers, and bayous. In preserving the area for a scientific purpose, the Big Thicket National Biological Reserve is similar to the proposed Big Cypress National Fresh Water Reserve now before Congress, one of the purposes of which is to protect the unique natural environment of the Big Cypress area "from further development which would significantly and adversely affect its ecology". It is also similar to the joint federal-state effort at the Ice Age National Scientific Reserve in Wisconsin (16 U.S.C. 469d *et seq.*), which was created to protect, preserve, and interpret nationally significant values of Wisconsin continental glaciation, including moraines, kettleholes, swamps, lakes, and other reminders of the ice age.

The seven areas we are proposing for inclusion in the Reserve, and their approximate sizes, are as follows. Descriptions of these areas are set out in an attachment accompanying this report.

Unit	*Acreage*
Big Sandy	14, 300
Hickory Creek Savannah	668
Turkey Creek	7, 800
Beech Creek	4, 856
Neches Bottom and Jack Gore Baygall	13, 300
Beaumont	6, 218
Lance Rosier	20, 008
Total	67, 150

Under the terms of the proposed bill, owners of improved property acquired for the Reserve could retain noncommercial residential rights of use and occupancy for 25 years, or in lieu thereof, for a term ending at the death of the owner or the death of his spouse, whichever is later. Hunting, fishing and trapping on lands and waters under the Secretary's jurisdiction within the Reserve will be permitted, in accordance with applicable state and federal laws, except that the Secretary may designate zones where, and periods when, no hunting, fishing or trapping may be permitted for reasons of public safety, administration, fish or wildlife management, or public use and enjoyment. In addition, the bill authorizes the acquisition of the Reserve without purchase of oil, gas and other mineral rights. It is not our intention to acquire existing oil and gas leases or to acquire any other oil and gas rights.

It is expected that, based on June 1973 prices, total development costs will be approximately $4,572,000, of which $4,221,000 would be expended during the first five years following enactment. These costs will be primarily attributable to a visitor center, interpretive shelters, comfort stations, nature and hiking trails, boat launching facilities, maintenance unit construction, rehabilitation and restoration of a pioneer farm in the Turkey Creek Unit, parking areas, and access roads.

Annual operating costs will range from $94,000 in the first year to $853,000 in the fifth year following enactment. A man-year end cost data statement is enclosed.

Estimated land acquisition costs are expected to be $38,000,000. Of the land to be acquired, 66,987 acres are in private ownership. 25 acres in state ownership, 8 acres are owned by the City of Beaumont, and 130 acres by the Lower Neches Valley Authority. Under the terms of the bill, lands belonging to the state or a political subdivision of the state could be acquired only by donation.

At the present time we anticipate substantial new 1975 funding for the Land and Water Conservation Fund, which would be used to acquire lands for the Reserve, and we hope to approach full funding for this important program. Assuming this occurs, we can move ahead aggressively in the land acquisition program for Big Thicket.

We estimate that visitation to the reserve will be 190,000 visitor days during the first year and by the tenth year following enactment should reach 600,000 per year.

Time is running out for the Big Thicket, as development encroaches on the few areas remaining of this nationally significant resource. We urge prompt and favorable action by the Congress on this proposal for a Big Thicket National Biological Reserve.

The Office of Management and Budget has advised that there is no objection to the presentation of this report from the standpoint of the Administration's program.

Sincerely yours,

DOUGLAS P. WHEELER,
Acting Assistant Secretary of the Interior.

U.S. DEPARTMENT OF THE INTERIOR—NATIONAL PARK SERVICE, BIG THICKET NATIONAL BIOLOGICAL RESERVE (PROPOSED)

	19CY	19CY+1	19CY+2	19CY+3	19CY+4
Estimated expenditures:					
Personnel services	$51,000	$69,000	$218,000	$408,000	$491,000
All other	16,068,000	11,415,000	12,672,000	1,904,000	1,254,000
Total	16,119,000	11,484,000	12,845,000	2,312,000	1,745,000
Estimated obligations:					
Land and property acquisition	16,000,000	11,000,000	11,000,000		
Development	25,000	354,000	1,425,000	1,524,000	892,000
Operation and management (protection, maintenance, planning, development and operation of recreational facilities	94,000	130,000	420,000	788,000	853,000
Total	16,119,000	11,484,000	12,845,000	2,312,000	1,745,000
Total estimated man-years of civilian employment	3.0	5.0	19.0	38.0	45.0

DESCRIPTION OF UNITS—BIG THICKET NATIONAL BIOLOGICAL RESERVE

1. Big Sandy Unit—size, 14,300 acres.

The Big Sandy Unit is located in the northwestern portion of the Big Thicket area and extends from the Alabama-Coushatta Indian Reservation southwest along Big Sandy Creek approximately 12 miles.

The unit is a wild, well-watered, relatively unaltered area containing some of the finest examples of the Thicket's recognizable subtypes, ranging from the drier upland community to the stream bank and baygall community. Such diversity has its counterpart in the many kinds of mammals, birds, amphibians, and reptiles which inhabit the area. Thus the tract has outstanding possibilities for nature-trail interpretation and wilderness hiking.

2. Hickory Creek Savannah—size, 668 acres.

While not strictly Thicket-type vegetation, the longleaf pine-grassland association comprising the savannah is a distinctive threshold community bordering the true Thicket and bears an important relationship to it. The Hickory Creek example occupies part of a discontinuity in the Big Thicket type. This hiatus owes its existence primarily to an intrusion of soils that do not support the Thicket ecosystem. The contrast between the savannah and the actual Thicket is so marked that it serves admirably to illustrate the strength of the influence exerted by soil types on plant distribution, particularly in the case of the Big Thicket.

This unit is of outstanding value to botanists and naturalists because of the great variety of herbaceous plants it contains. The many different species here include many rare forms. Dominating the association is the dignified longleaf pine, one of the characteristic trees of the drier parts of the Big Thicket, here displayed in solitary prominence.

3. Turkey Creek Unit—size, 7,800 acres.

The Turkey Creek Unit extends from State Route 1943 south to State Route 420. The area illustrates a remarkable diversity of Upper Thicket vegetation types, including the largest known field of insectivorous pitcher plants in the region. The Southern portion of this tract is a locally important botanical study area and many regard it as the most beautiful area in the Big Thicket Region. In this area will be located the only visitor center development for the Biological Reserve. All other areas will be devoted to hiking trails, self-serving information exhibits, and comfort facilities only.

The unit embraces several miles of the lower reaches of Turkey Creek down to and including its confluence with Village Creek. Along its length are found splendid examples of the Big Thicket's "upper division" vegetative types. Two particular portions of the unit highlight its qualities. First, near the north end is a tract displaying perhaps the greatest variety of subtypes, each in outstanding condition, to be found within any comparable acreage in the Thicket. The series begins with what may be the largest known field of the fascinating insectivorous pitcher plant in the region, followed in quick succession by areas containing the savannah, upland hardwood, baygall, cypress swamp, stream bank, and beech-magnolia communities. Also, the northern end contains the now record Shagbark Hickory tree. The second outstanding portion of the Turkey Creek Unit is that containing the Village Creek confluence. It is an unusually well-preserved tract of mixed hardwoods typifying the stream bank community.

4. Beech Creek unit—size 4,856 acres.

The rolling uplands at the head of Beech Creek support some of the best examples of mixed hardwood forest in the Big Thicket. The area extends South of Highway 1746 and along the west side of Highway 97.

This unit lies in the heart of what may be considered the richest expression of the Big Thicket's "upper division." It occupies a well-drained, gently rolling benchland bordering the Neches River valley. The deep, fertile soils of this area support fine stands of the beech-magnolia-white oak-loblolly pine association which is the symbol of the Thicket. The entire unit has been subjected to some logging, but is believed to have the potential to recover fully once protection is instituted. It is selected on the basis of inferred quality, in both vegetative properties and wilderness values.

5. Neches Bottom Unit and Jack Gore Baygall—size, 13,300 acres.

The broad channel of the Neches River closely follows the eastern border of the Big Thicket Region. Its flood plain supports mature lowland hardwood forests that contain many species not found elsewhere in the Big Thicket. The Neches Bottom and Jack Gore Baygall Unit includes bottomland areas along the Neches River, which provide valuable habitants for endangered wildlife species.

It is laced with sloughs connecting with the river, and these contain immense specimens of bald cypress and water tupelo. The slightly elevated lands between the sloughs support equally large trees of many species representative of the Big Thicket's streambank community. The area has sustained some cutting and a few pine plantations exist between the Jack Gore Baygall and the river. Authorities consider this area to have promising potential to be one of the finest stands of lowland hardwood forests in the gulf coastal region. It, too is a good wildlife area and lies in the expected range of the ivorybilled woodpecker.

6. Lance Rosier Unit—size, 20,008 acres.

Located near the southern end of the Big Thicket, the Lance Rosier Unit is a relatively isolated and undisturbed example of the Lower Thicket vegetation type. This is the only representative of the Lower Thicket communities. This large area will facilitate preservation of wildlife species that might become endangered in the smaller tracts. This 20,008-acre unit is the largest of the eight units, which comprise the National Biological Reserve.

7. Beaumont Unit—size, 6,218 acres.

This unit is an irregular wedge of land at the confluence of Pine Island Bayou and the Neches River, immediately north of the city of Beaumont. The western boundary of the unit is formed in part by the Neches Canal, which starts at the Neches River and then passes underneath Pine Island Bayou on its southward course; thus the major portion of the unit is literally an island, surrounded by streams—both natural and manmade. The unit is a superlative representation of the Thicket's flood plain forest and stream bank communities. It is doubtful if a finer stand of the various hardwoods comprising these types exists. From all evidence, at least the southern third of the unit is that extreme rarity—an area which has never been logged, unless a few bald cypress were removed many years ago. This inviolate condition is probably attributable to the difficulty of access across the many sloughs and fingers of swampland which penetrate the area.

Its isolation and size give the Beaumont Unit the highest rank in wilderness quality in the entire area studied. It abounds with varied bird and animal life. Alligators have persisted in its interior sloughs, and the rare ivory-billed woodpecker was recently reported there.

By Mr. HART:

S. 2287. A bill to supplement the Federal Trade Commission Act by amending it to increase competition, promote interstate and foreign commerce, prevent unreasonable restraints on commerce and the commercial working of technology advancements, to protect the freedom of employment for scientists and engineers, and for other purposes. Referred to the Committee on Commerce.

Mr. HART. Mr. President, the patent licensing system in this country today looks like the loser in a barroom brawl. The bandaids, gauze patches, and wrappings pretty much disguise the form underneath.

Today, I introduce legislation which would do a bit of plastic surgery—incorporating the add-ons and restructuring the basic form so it reflects the true goals of the public-interest patent licensing system.

The goals of this bill are two: First, to make the patent licensing system serve the public interest by providing that the system cannot be used to block implementation of technology which is in the public interest. Second, to codify various legislative and court decisions which have said the same thing in limited areas of patent licensing.

Enactment of this bill would finally bring the United States into line with at least 20 other major industrial nations which long ago recognized the need for utilization of patented technology by the public to encourage rapid and open development.

In doing so, we should once more be competitive in the field of technology, offering more employment to our scientists and engineers and removing artificial restraints on competition patents can create.

Mr. President, the patent system, in its entirety, has been thought of in many quarters as existing for the special good and benefit of inventors or their corporate employers.

Of course, this was never the goal of the patent system. It was set up by the Constitution to benefit the public by promoting the progress of science and the useful arts. Obviously, neither has been served if a patent is obtained merely as a way of locking up the technology so that it cannot be used.

It seems clear to me, that in choosing the language to set up our patent system, the framers of the Constitution had in mind its forerunner, the Statute of Monopolies adopted in England in 1623. This authorized patents when not "mischievous to the state, by raising of the prices of commodities at home, or hurt of trade or generally inconvenient."

This country has faced up to the problem—on a piecemeal basis—a number of times in the past with specific incidences. I ask unanimous consent to include at the end of my remarks some of the more outstanding examples of these.

Also, I ask that an analysis of this bill be printed, along with the complete text.

Mr. President, the bill I think is not precedent-setting, but merely commonsense.

While still encouraging new ideas—and guaranteeing the inventor fair compensation—its sets out procedures whereby that new idea can be put to work for the public good.

I hope the proposals in this bill will widen discussion and draw support.

There being no objection, the bill and material were ordered to be printed in the Record, as follows:

S. 2287

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Act entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes," approved September 26, 1914, as amended (15 U.S.C., secs. 41–58), is hereby amended by adding at the end of section 5(a) thereof the following new paragraphs, to read as follows:

"(7) It is hereby declared an unfair act or practice subject to this Act, and an inequitable practice, for the owner of a United States patent or any licensee having sublicensing rights thereunder to refuse or fail to license such patent together with all available know-how necessary commercially to work the best modes of working the subject matter of the patent to any applicant in the United States on reasonable and nondiscriminatory terms, when the effect of such refusal or failure may be substantially to lessen actual or potential commerce, and:

"(A) The patented subject matter relates to the manufacture, use, sale, or commercial working of subject matter involving or related to public health, safety, or protection of the environment; and such subject matter is not commercially available to the public in any section of the country, or is available only in insufficient quantities, or in an inferior quality, or at price levels or subject to other conditions or circumstances the effect of which may be substantially to lessen competition in the manufacture, sale, or distribution of said subject matter or tend to create a monopoly therein, or which indicate that the same already exists; or

"(B) The patented subject matter has not been commercially worked during any continuous period of three years following the date of issue of the patent thereon, or of four years following the date of application for a patent thereon—unless such failure has been due solely to circumstances beyond the control of such owner and licensee; or

"(C) It is infeasible or impracticable for the applicant, without the grant of such license, to use or commercially work subject matter in a subsequently issued patent which he owns or under which he has a license; *Provided, however,* that such applicant has offered to license the subsequently issued patent to the owner or licensee of the original patent on reasonable and nondiscriminatory terms; or

"(D) The applicant commercially worked the patented subject matter in the United States before the actual filing date for the patent in the United States, or

"(E) The applicant is the maker or seller of a product of which the portion embodying the patented subject matter constitutes less than ten percent or is otherwise only a minor part.

"Any person injured or aggrieved by conduct declared an unfair act or practice by this paragraph may secure declaratory relief in respect to his entitlement to a license and the terms thereof, by civil action in a district court having jurisdiction of the parties, but nothing contained in this paragraph shall constitute a basis for an action for damages.

"(8) It is hereby declared an unfair act or practice subject to this Act for any corporation to enter into, maintain in effect, or in any way enforce or threaten to enforce any contract with any employee or prospective employee thereof which provides that or which as a practicable matter has the result that such employee shall not or cannot engage in any trade, profession, or calling, or any branch thereof, subsequent to the termination of his employment by such corporation, where the effect of such provision may be substantially to lessen competition or tend to create a monopoly in any line of commerce or substantially lessen the opportunity of such employee to pursue his livelihood: *Provided, however,* Nothing contained in this paragraph shall make unlawful any agreement that such employee shall not divulge to others or utilize for commercial purposes trade secrets of such corporation. Any employee or former employee of any corporation who is hindered, limited, or damaged in his pursuit of his livelihood or engaging in any trade, profession or calling, by reason of said corporation's violation of the provisions of this paragraph, may maintain an action in any court of competent jurisdiction for the recovery of such damages (including loss of anticipated profits, if any), together with the costs of maintaining such action, including attorneys' fees: *Provided, however,* That any such action shall be barred unless commenced within four years after the cause of action accrued.

Sec. 2. The Commission is authorized and directed to define any and all terms used herein, and otherwise to prescribe such procedural and substantive rules and regulations as may be necessary or appropriate for carrying out the purposes of this Act. The Commission, acting through its own attorneys, is authorized and directed to seek injunctive and such other relief as may be necessary or appropriate to prevent violation of any provision of this Act or of any rule or regulation promulgated hereunder, in any court of competent jurisdiction. The Commission shall further have all powers and enforcement duties with respect to unfair acts or practices subject to this Act as it does respecting unfair methods of competition and unfair acts or practices in commerce, and the provisions of the Federal Trade Commission Act (15 U.S.C., Secs. 41–58) shall otherwise be fully applicable with respect to unfair acts or practices subject to this Act.

Sec. 3. The Office of Management and Budget shall not inspect, examine, audit, or review the subpoenas, general or special orders, records, work, or congressional recommendations or testimony of the Commission or any member thereof or comment on any budget request made by the Commission, any other provison of law to the contrary notwithstanding. The Comptroller General shall conduct such reviews, audits, and evaluations of the Commission as he deems necessary. All accounts, budgets, and records of the Commission shall be submitted to the

General Accounting Office from time to time as the Comptroller General may require, and the Commission shall maintain, preserve, and make available for inspection by the General Accounting Office such records as the Comptroller General may require.

HISTORICAL EXAMPLES

Since at least a hundred years ago, the Federal courts have refused to enforce the privilege to exclude others, where the infringer was practicing technology important to public health, safety, or the environment. In the most famous of these cases, *The City of Milwaukee* v. *Activated Sludge, Inc.*, 69 F.2d 577, 593 (7th Cir. 1934), the City of Milwaukee was held to have infringed a patent for processing sewage, but the Seventh Circuit refused to grant an injunction. The court states:

"Ordinarily court will protect patents rights by injunctive process. . . . If, however, the injunction ordered by the trial court is made permanent in this case, it would close the sewage plant, leaving the entire community without any means for the disposal of raw sewage other than running it into Lake Michigan, thereby polluting its waters and endangering the health and lives of that and other adjoining communities."

Likewise, a Federal court has refused to enforce a patent which would provide poor people a cheap cure for rickets. In *Vitamin Technologists* v. *Wisconsin Alumni Research Foundation*, 146 F.2d 941, 945 (9th Cir. 1945), the court noted, "it is the poor people suffering with rickets who constitute the principal market for appellee's monopolized processes and products." Likewise, railroad car handbrakes, firehose couplers, and street lamps have been treated at various times as technology so imbued with public interest that injunctive relief has been denied against patent infringement. Whatever long term effect the patent system has in causing new inventions to come about has been reconciled with the immediate problem of saving or protecting human lives, safety, or the environment.

Congress itself has recognized the predominance of this public interest by providing for the compulsory licensing of plant patents, where such "is necessary in order to insure an adequate supply of fiber, food, or feed in this country and . . . the owner is unwilling or unable to supply the public needs for the variety at a price which may reasonably be deemed fair" (7 U.S.C. sec. 2404). In addition, Congress has provided for compulsory licensing of patents involving clean air, if the patent is "not otherwise reasonably available;" and the license is necessary to permit persons to comply with the Federal regulations promulgated under the Clean Air Act (42 U.S.C. sec. 1857h–6).

The Special Committee on Environmental Law of the American Bar Association recently adopted a resolution as follows:

"Resolved, That the American Bar Association supports the principle of mandatory licensing of patents in all areas of pollution control technology in those cases with respect to which the Environmental Protection Agency has determined that mandatory licensing is required because the patent holder is unwilling or unable to develop the patent or to supply the total market demand for the patented technology."

The government itself (the sovereign which grants the patent) has limited the private privilege to exclude by retaining the right to use patented inventions in public projects. Section 1498 of the Judicial Code (28 U.S.C. sec. 1498) provides that whenever a patented invention "is used or manufactured by or for the United States without license of the owner thereof," the patent owner's only remedy is for "his reasonable and entire compensation for such use and manufacture" by an action against the United States in the Court of Claims. The phrase "by or for" the use of the United States has been interpreted to include all contractors and subcontractors doing work for the United States. The original reason for this statute, and one that retains vitality today, is that the government retains the righ to undertake work involving the national defense and security, or other public necessities, without being blocked by the patent system, although it should pay reasonable compensation for the use of the patented invention.

An extension of this philosophy is found in the Atomic Energy Act (42 U.S.C. secs. 2182–2187). In essence, this Act provides that no patent shall be granted for inventions for use solely in atomic weapons, although an inventor may apply for an award from the Atomic Energy Commission for the contribution he has made. An inventor may obtain a patent for a nuclear invention which has a nonmilitary use; but if the Atomic Energy Commission declares that such a patent is "affected with the public interest," under defined criteria, then others may obtain a compulsory license under the patent in order to maximize the distribution and utilization of the invention.

Not only has Congress required a patent owner to license a patent when the government wishes to use a patented invention in a public project, but also the Congress has required that under some circumstances the government acquire title to certain patents. When the government finances the research work of an inventor, the government is sometimes entitled to any patent arising from such research (and even, in some circumstances, to a license to utilize any background patents which would make utilization of such a government-owned patent possible). This is true for solid waste disposal (42 U.S.C. sec. 3253(c)), saline and other water research (42 U.S.C. secs. 1954(b) and 1961c-3; see also 85 Stat. 161), coal research (30 U.S.C. secs. 666 and 951(c)), helium production and research (50 U.S.C. sec. 167b), arms control and disarmament research (22 U.S.C. sec. 2572), certain agricultural research (7 U.S.C. sec. 427i(a)), and research under certain funds dealing with Appalachia (40 App. U.S.C. sec. 302(e)). The fundamental notion of these statutory provisions is that if the government funds the research and thereby underwrites the process and risk of invention, it does not seem appropriate thereafter to give the hired contractor private monopoly privileges based upon his publicly funded government contract.

In specific recognition of this policy, President Nixon, on August 23, 1971, issued a revision of President Kennedy's 1963 Statement on Government Patent Policy, which recognizes that for all government contracts, certain patents (but not all of them) shall vest in the government. Such patents include those involving inventions (1) intended for general commercial use, (2) directly concerning public health, safety, or welfare, or (3) arising out of technology developed principally by or for the government.

Federal courts have also required compulsory licensing or cancellation of patents used to violate the antitrust laws or other economic regulatory law. Numerous court cases, for example, have demonstrated how various industries in the United States have used patent agreements as instruments of very tight output and price control, leading to a monopolization of trade and a stifling of competition. As the privately owned patent monopoly is an exception to the general rule in favor of competition in the United States, courts order the licensing of patents to safeguard the competitive system against the adverse side effects of the exclusionary power of a patent. As the Supreme Court pointed out just a few months ago, in *United States* v. *Glaxo Group Ltd.*, —— U.S. —— (January 22, 1973) (slip op. at 7):

"[T]o fashion effective relief. . . . [in antitrust suits] often involves a substantial question as to whether it is necessary to limit the bundle of rights normally vested in the owner of a patent, . . ."

Compulsory licensing provisions are also a familiar feature of court-sanctioned antitrust consent decrees. Moreover, compulsory licensing has been applied to both patents and secret know-how. The privilege to exclude others is thereby subordinated to other general rules which favor the growth and development of the economy to help the patent system best fulfill its role in a competitive economy.

All of these ad hoc applications are in full accord with the Paris Convention for the Protection of Industrial Property of 1883—to which the U.S. is a signatory. Section 5 of that Convention recognizes that it is appropriate to have compulsory licenses if a patented invention is not being utilized commercially:

"Each country of the Union shall have the right to take legislative measures providing for the grant of compulsory licenses to prevent the abuses which might result from the exclusive rights conferred by the patent, for example, failure to work."

In Constitutional terms, failure to use an invention is an abuse of the patent monopoly, for such nonuse fails to achieve the constitutional purpose of promoting the progress of science and the useful arts. Compulsory licensing of a patent which has not been worked has nothing to do with the antitrust laws; this nonworking provision arises out of the failure to exploit the patent and let the public benefit from the invention.

Practically every other major industrial nation in the world has enacted provisions to provide for the utilization of patented technology by the public where necessary to encourage rapid and open development and exploitation of such technology. The most common of these provisions in foreign law prevent private patent monopolists from excluding the public from practicing (1) technology involving the public health or safety, (2) technology not being commercially worked by its owner, and (3) technology on which someone has obtained a valuable improvement patent.

The public health and welfare provision generally adopted abroad provides for the compulsory licensing of patents relating to the public health or safety if certain economic conditions designed to protect the patent owner and the public are met. These include findings by an appropriate government agency that the patented technology involving such public health or safety is being made available to the public only in insufficient quantities or in an inferior quality or at abnormally high prices.

The nonworking provision generally adopted abroad provides that if technology is not being fully and effectively commercially worked after the expiration of three years from the grant of a patent thereon, or of four years from the date the application for a patent thereon was filed, another member of the public is given the opportunity to work the technology. Such provisions do not apply, of course, if the owner has a legitimate excuse for failing to commercially work the technology involved.

The improvement patent provision generally adopted abroad prevents the owner of an earlier and presumably less advanced patent from blocking newer and more advanced technology. To be fair to the owner of the earlier patent, however, he is generally required to license the owner of the improvement patent only if he is in turn permitted to practice the improved technology.

ANALYSIS OF THE BILL

The first paragraph of this Act to supplement the Federal Trade Commission Act [designated as paragraph (7) of section 5(d)] would simplify and clarify the law of compulsory licensing. Essentially, it declares the refusal or failure to license a patent on a reasonable basis (and in a commercially useful way) to be improper if two basic legal tests are met. First, and applicable in all circumstances, is the test, based on the Clayton Act, that the effect of such refusal to license have the requisite impact on interstate commerce of substantially tending to lessen actual or potential commerce. The second requisite condition varies, as delineated, by the following subparagraphs to the Act:

Subparagraph (A) codifies the long established *Activated Sludge* case by requiring the compulsory licensing of patents "related to public health, safety, or protection of the environment," when it is necessary to do so to insure the public's use of the subject matter on a reasonable basis. This provision provides standards by which a manufacturer can determine when his patent would appropriately be subject to compulsory licensing in this area, rather than leaving him to the possible uncertainty of a case-by-case decision.

Subparagraph (B) provides that if a United States patent has not been commercially utilized for a period of three years from issuance of four years from application, and someone else is willing to utilize or work that patent and pay a reasonable fee for a license thereunder, he is permitted to do so. This is a direct codification of the provision agreed to by the United States in Article 5 of the Paris Convention of 1883.

Utilization of such an unused patent does the patent owner no harm; and can only be a benefit both to him, as a result of license fees, and to the public, through the introduction of new technology. Generally, the only reason that a given manufacturer, or a whole industry (such as the drug industry), will tend not to grant licenses or otherwise utilize a patent is to block competition or prevent development of certain lines of technology. Otherwise, if a patent owner is not able to utilize the patented invention himself, there is no other rational reason for him not to license his patent. Under this provision, if the patent owner is unable to market his invention for reasons beyond the control of such owner," he then is not compelled to license the patent.

Subparagraph (C) provides that one patent may not be used to block the utilization of another. Often, one company will make a significant improvement over the invention of another (which improvement would have to be significant in order to be patentable). But, the company which had made the significant improvement might be unable to exploit this improvement because it would involve infringing a background or underlying patent owned by another. It frustrates the development of technological improvements to permit some patents to block the utilization of others containing significant improvements.

As a result, this bill would change the patent law to provide that one patent cannot be used to block the utilization or practice of another. The owner of the background patent is protected, however, because he does not have to license his background patent, unless he receives a license under the improvement. This permits two companies to practice the latest technology in competition with each other. This should stimulate considerably the expansion of industry and minimize court litigation. Moreover, opening up the commercialization of complementary inventions should do away with the need for elaborate industrywide patent pools which have been used in the past as devices to restrict the use or output of technology, to facilitate the division of markets, or to establish uniform, anticompetitive pricing policies. Of course, this provision would not permit the development of closed pools, which would be used to exclude the rest of an industry for the benefit of the members of a "club." That practice is already forbidden by the Sherman Act and such decisions as *Associated Press* and *St. Louis Terminal.*

Subparagraph (D) would protect a businessman who had commercially manufactured an item for which someone else had later filed and then obtained a patent. This provision is common in European patent law, for it is inequitable to force a manufacturer to take his product off the market if his product was on the market prior to someone else's actually filing his application for a patent and thereby giving notice that he planned to block this invention off for himself.

Subparagraph (E) permits compulsory licensing in situations where patented subject matter is "a minor part" of the product which the would-be licensee wishes to sell. It is unfair, and an undesirable blockage to commerce and industry, to permit a patent on only a small piece of a much larger machine or complex to block the sale or manufacture of such a complex machine. Such minor patents, or patents which deal with only a small part of a given area of technology, have been used in the past to block entire areas of technology. This has excluded others from coming in and competing, not as to the specific and claimed subject matter of the patent, but as to the whole area of technology. Through the use of such blocking patents, cartels have been able to divide markets to avoid newcomers from disrupting large and carefully controlled market schemes not related to the specific technology involved in the patent. Persons denied licenses to which this act entitles them may secure declaratory relief, but not damages, in the Federal courts. The refusal to grant a license would also constitute unclean hands, so the patentee could not sue an infringer to whom he improperly denied a license. Additionally, the FTC could enter a cease and desist order.

Such a general pattern of compulsory licensing, uniformly applied, and surrounded by provisions to safeguard the interests of the patent owner, but at the same time not to disregard other aspects of the public interest, should prove a useful means for promoting scientific and economic development and preserving competition. Maintaining a "safety valve" of compulsory licensing will open up sections of technology hitherto closed and provide an opportunity for qualified parties to carry inventions forward into production. This will increase the rate of utilization of patented techniques that have proven themselves commercially successful and needed by the public.

Such compulsory licensing should also prevent blocking valuable inventions and improvements thereon and will eliminate the opportunity for one manufacturer of a patented item to take over all competitors in similar items. Compulsory licensing, moreover, will remove opportunities for companies to impose as conditions for a license restrictions on use, output, markets, or prices, which interfere with efficient production and the free exercise of competitive forces in the economy. As the patent owner will receive a reasonable royalty in return for his license, his interests will be protected; and he will be rewarded for taking the risks he incurred. As a result, the undesirable side effects of monopolistic exclusion should be reduced while progress of science and the useful arts is maintained and fostered.

Paragraph (8) of this bill will assist scientists and engineers to pursue their livelihood. Some state trade secret laws, and the judicial interpretation of such state laws, have had the effect of denying to some scientists the opportunity to work for companies of their choice. Their mobility has been reduced, their personal freedom to change employers limited, their bargaining position weakened; and the more they have learned and the more productive they have become, the more they have been tied to their present employers.

All this has been done in the name of protecting trade secrets or formulas the scientists may have learned as a previous employee, although the protection given has not been so limited. Instead, the effect of some state decisions has been to prohibit an employee from working in his trade for a new company at all. This bill makes the law uniform and sets what I believe to be fair standards to protect both employers and employees. This is not a general trade secret law, however; and it neither legalizes nor makes illegal other agreements concerning trade secrets. Instead, it leaves the present law in the area undisturbed except to the extent necessary to protect the livelihoods of scientists and engineers.

By Mr. PROXMIRE:

S. 2288. A bill to regulate closing costs and settlement procedures in federally-related mortgage transactions. Referred to the Committee on Banking, Housing and Urban Affairs.

Mr. PROXMIRE. Mr. President, I introduce legislation to reduce closing costs on real estate transactions. If this bill is enacted, it will save the average home buyer at least $200 when he buys a house. On a nationwide basis, the annual savings to home buyers would exceed $700 million.

The typical home buyer is a helpless victim at the mercy of lenders, lawyers, real estate brokers, title companies and others who make a living off of real estate settlements. The average person only buys a home once or twice in his lifetime, and has little effective bargaining power over closing costs. The entire settlement process is a deep mystery for most home buyers, and on settlement day many suddenly realize they are required to pay hundreds or even thousands of additional dollars in closing charges for services which they don't really understand. Nor do home buyers have any way of judging whether the price they pay for each item appearing on their closing statements is fair and reasonable.

Under these circumstances, it is little wonder that home buyers are being overcharged for closing services. The extent of the overcharge was amply confirmed in a 1971 study conducted by the Department of Housing and Urban Development and the Veterans' Administration. This study showed a tremendous variance in closing costs between different sections of the country. Closing costs ranged from a low of $50 to a high of $2,000 for the same priced housing.

Some of this difference may be due to regional differences in taxes and recording procedures. But even when these factors are accounted for, there still is a great discrepancy between areas. As one HUD official put it, "In some areas it is almost a matter of charging all that the traffic will bear."

My bill deals with the problem of excessive closing costs in several ways.

First, it directs HUD to issue regulations to limit the amount of closing costs which can be charged in each section of the country. These regulations must be issued in 6 months and would apply to virtually all residential real estate transactions. These limits would apply to such items as title examinations, title insurance, surveys, and attorney fees.

Second, the bill improves the present system for disclosing closing costs. HUD is required to prepare an informational booklet on closing costs and a uniform settlement form to be used on all residential real estate transactions. Lenders are required to distribute the information booklet to all loan applicants and to give all prospective buyers and sellers a complete description of all closing charges 10 days in advance of any real estate settlement.

Third, the bill prohibits several anticompetitive practices in the settlement process which tend to raise charges. Kickbacks for referring business or real estate transactions are prohibited. Attorneys are barred from receiving commissions from title insurance companies; title insurance companies cannot write insurance on property when they are owned by or controlled by the seller of the property; and title companies are authorized to handle real estate settlements even where prohibited by State or local laws.

Fourth, the bill encourages long-term reform in land recording procedures by requiring HUD to set up a computerized demonstration program in various areas of the United States.

I believe these reforms fill go a long way toward reducing the excessive closing charges paid each year by millions of American homebuyers.

By Mr. HATFIELD:

S. 2290. A bill to amend the Social Security Act to provide for partial general revenues financing of benefits under title II thereof, to permit individuals covered under certain other retirement programs to elect not to be covered under social security, and to provide for the financing from general revenues of the health insurance programs established by parts A and B of title XVIII of such act. Referred to the Committee on Finance.

FINANCING REFORM OF SOCIAL SECURITY AND MEDICARE

Mr. HATFIELD. Mr. President, an index of the humanity of any civilization is how it takes care of its elderly. In our society, we have provided social security since 1935—albeit somewhat behind the first social security legislation which originated in Bismark's Germany in 1881. Still, for us it was a noble experiment. Virtually all Americans have grown to love and support the social security system. However, the system has become so encumbered with changes since its inception that few really know how it works, and even fewer would attempt to criticize it. Yet, there are upon examination, many shortcomings of the present system, some of which I would like to focus on today.

Today, social security is neither social nor security. It is not social in that all society does not equally participate. Nor is it security in that some are excluded, many are paid too little to retire on, and the trust fund concept is a sham that has little relationship to the insurance principles.

Let me first elaborate on the social part of social security. That is, who pays for the retirement of the elderly? As it now stands, as emphasized by the President's 1971 Advisory Council on Social Security and by the reports of the Brookings Institution, the social security system represents a transfer of income from lower and middle-income workers to the elderly unemployed. Social security contributions that support the system are not really insurance premiums, they are taxes. In fact, young workers could get three times the benefits from a private plan for such a level of contributions. And they are taxes on the wage of workers—currently the first $10,800 of earnings, but to rise to the $12,000 level in 1974 with automatic increases in 1975 and later geared to rises in average earnings. The current 5.85 percent tax on wages up to this level is matched by an equal amount from employers. But as the Brookings Institution studies have shown, this additional tax is really also paid by workers because employers shift this tax back to workers in lower wages—or fewer jobs.

This means that social security tax is now the most important tax for most workers earning under $12,000 per year. Its total cost to the $12,000 workers exceeds that of his income tax obligation, assuming a family with two children.

Thus, the social security contributions, really a payroll tax, have become a second most important tax in the American fiscal system—approaching $60 billion, second only to the income tax. But, the critical point here is that this tax falls on the lower and middle-income wage and salary workers because the tax rate falls to zero once income rises above $10,000 this year and $12,000 next year. The tax is at zero on all nonwage income—dividends, rent, interest, and profits. Thus, the original concept of insurance for the retired wage earner on an equitable basis is negated.

Having established that the social cost of providing for the elderly is borne inequitably, but by the current generation of lower and middle income working people, let us now turn to the social security benefits. More than 90 percent of Americans are covered by the system. But how does the system work in providing security?

Surely, for some recipients, $100 a month is not a sufficient pension on which to live.

Surely, for the wealthy the social security benefits are not really needed, nor for that matter, even taxed.

Surely, for some, they do not represent work actually done. It is possible to qualify for social security by having had shares in oil lease operations that are defined as self-employed income.

Surely, for others, that growing number who choose to work after 65 and add to the national product, there are no social security benefits even though they might have paid social security taxes all their working lives and are still taxed after 65 on their current incomes.

And surely, there is no vast trust fund to pay out pensions for the future—the trust fund is only $43.4 billion, about eight-tenths of next year's payments—for the payments are primarily financed by taxes on the working generation. And that is the critical point. To run the social security system as a private pension scheme is a myth recognized by social security experts.

Mr. President, during the last Congress I introduced similar legislation which provided for operating the social security program on a pay-as-you-go basis. I am pleased that the 92d Congress subsequently incorporated this concept into the law with the enactment of the 20-percent benefit increase which was effective for October 1972. Moreover, this concept was reendorsed with the later enactment of H.R. 1—the 1972 social security amendments.

WHAT SHOULD BE DONE?

Recognizing that taking care of the elderly is a social responsibility of the rich as well as the middle- and lower-income workers; and

Recognizing that benefits should flow to all Americans in adequate amounts to sustain a decent living standard;

I propose the following recommendations:

First, the social security benefit system should be separated from medicare with respect to financing, while medicare would continue to be administered by the Social Security Administration. Medicare would be financed by general tax revenues which would significantly lower the burden on the wage earners who are presently bearing the financial responsibility for it;

Second, the payroll tax should be made optional to the worker as long as he or she is a member of an insurance or pension program of at least comparable magnitude in his or her judgement. This is only fair in that private insurance and pension plans now offer more incentive than would the Federal plan on a free market. And the goal is security in one's old age; and

Third, the first $100 per month of social security benefits should be financed out of the general revenue, not the payroll tax. Today, an individual can be eligible for benefits of a program into which he has paid very little, the burden falling on the other wage earners contributing to social security. If it is accepted that an individual is entitled to benefits that are not related to how much he has contributed to social security, then the middle and lower wage earner should not have to bear the primary responsibility.

This plan could both spur recovery—by across-the-board payroll increase for workers to spend—and fight inflation by cutting labor costs of unit production as well as to revive business profits. It would increase employment and help the American balance of payments in competing with imports, while making exports more competitive. The new burden of social security would be more equitably distributed than the old burden of disproportionately taxing the lower- and middle-income workers.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD at this point.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2290

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

FINANCING FROM GENERAL REVENUES OF THE FIRST $100 OF SOCIAL SECURITY BENEFITS

SECTION 1. Section 201 of the Social Security Act is amended by adding at the end thereof the following new subsection:

"(i) In addition to any money appropriated, pursuant to the preceding provisions of this section, for any fiscal year to the Federal Old-Age and Survivors Insurance Trust Fund and to the Federal Disability Insurance Trust Fund, there is authorized to be appropriated to each such Fund in or with respect to each fiscal year, commencing with the fiscal year ending June 30, 1973, an amount equal to the amount of the expenses (other than administrative expenses) of each such Fund which are attributable to payments from such Fund, during such fiscal year, of monthly insurance benefits under this title to individuals (excluding, in determining the amount of such expenses incurred with respect to any individual, so much of any monthly insurance benefit of such individual as exceeds $100)."

ELECTIVE EXEMPTION FROM SOCIAL SECURITY COVERAGE BY INDIVIDUALS COVERED UNDER CERTAIN OTHER RETIREMENT PROGRAMS

SEC. 2. (a) (1) Section 210 of the Social Security Act is amended by adding at the end thereof the following new subsection:

"Service Excluded Under Election Made By Individual Covered by Qualified Retirement Programs

"(p) Notwithstanding the provisions of subsection (a), the term 'employment' shall not include any service with respect to which an election under section 3121(r) of the Internal Revenue Code of 1954 applies."

(2) Section 211(a) of such Act is amended—

(A) by striking out "and" at the end of paragraph (8);

(B) by striking out the period at the end of paragraph (9) and inserting in lieu thereof "; and"; and

(C) by inserting after paragraph (9) the following new paragraph:

"(10) There shall be excluded any income (and related items) with respect to which an election under section 1402(i) of the Internal Revenue Code of 1954 applies."

(b) (1) Section 1402(a) of the Internal Revenue Code of 1954 (relating to definition of net earnings from self-employment) is amended—

(A) by striking out "and" at the end of paragraph (9);

(B) by striking out the period at the end of paragraph (10) and inserting in lieu thereof "; and"; and

(C) by inserting after paragraph (10) the following new paragraph:

"(11) there shall be excluded any income (and related items) with respect to which an election under subsection (i) applies."

(2) Section 1402 of such Code (definitions relating to tax on self-employment income) is further amended by adding at the end thereof the following new subsection:

"(i) ELECTION OF EXEMPTION BY INDIVIDUAL COVERED BY QUALIFIED RETIREMENT PROGRAMS.—

"(1) IN GENERAL.—Any individual who at the close of his taxable year is covered by a qualified retirement program (as defined in section 3121(r)) may, at his option, in such manner and form and at such time as the Secretary or his delegate shall by regulations prescribe, elect to be exempt from the tax under section 1401 for such taxable year. An election made by an individual for any taxable year under this paragraph shall be irrevocable (and may not be subsequently changed by amendment of such individual's return for such year or otherwise).

"(2) APPLICABILITY OF ELECTION.—An election made by an individual under paragraph (1) shall apply with respect to all income derived during the taxable year for which it is made from every trade or business carried on by such individual (and with respect to all deductions attributable to each such trade or business and any distributive share of income or loss therefrom), and shall be effective with respect to any payments of estimated tax for the taxable year under section 6153 which fall due after it is made.

"(3) REQUIREMENT OF SIMULTANEOUS ELECTION WITH RESPECT TO EMPLOYMENT.—No election may be made for any taxable year under paragraph (1) by an individual who during such year performed service which constituted (or would but for an election under section 3121(r) constitute) 'employment' for purposes of chapter 21 unless such individual also makes an election with respect to all such service under section 3121(r); and, under regulations prescribed by the Secretary or his delegate, the election under paragraph (1) shall also include or be accompanied by such an election under section 3121(r)."

(c) Section 3121 of such Code (definitions under Federal Insurance Contributions Act) is amended by adding at the end thereof the following new subsection:

"(r) SERVICE EXCLUDED UNDER ELECTION MADE BY INDIVIDUAL COVERED BY QUALIFIED RETIREMENT PROGRAM.—

"(1) IN GENERAL.—For purposes of this chapter other than for purposes of the taxes imposed by section 3111, the term 'employment' shall not include any service with respect to which an election under paragraph (2) applies.

"(2) ELECTIONS OF EXEMPTION.—

"(A) IN GENERAL.—Any individual who at the close of his taxable year (which shall be determined in the manner provided by section 211(e) of the Social Security Act) is covered by a qualified retirement program may, at his option, in the manner provided in subparagraph (C), elect to be exempt from the tax under section 3101 for such taxable year. An election made by an individual for any taxable year under this paragraph shall be irrevocable (and may not be changed by amenment of such individual's return for such year or otherwise).

"(B) APPLICABILITY OF ELECTION.—An election made by an individual under this paragraph shall apply with respect to all service performed by such individual during the taxable year for which it is made which would constitute 'employment' for purposes of this chapter but for this subsection.

"(C) MANNER OF ELECTION.—An election by an individual under this paragraph to be exempt from the tax under section 3101 for any taxable year may be made only by filing a claim (which must be included in or accompany an election made under section 1402(i)(1) in the case of an individual who is described in section 1402(i)(3)) for a special refund of such tax under section 6413(d), by means of a credit against the income tax on account thereof under section 31(b) for such taxable year or otherwise.

"(3) MEANING OF 'QUALIFIED RETIREMENT PROGRAM'.—For purposes of this paragraph (and for the purposes of section 1402(i)) a 'qualified retirement program' means a program designed to provide, for workers covered thereunder, retirement, survivor and disability benefits which the Secretary of Health, Education, and Welfare determines to be comparable in value to the retirement, survivor, and disability benefits provided to individuals covered by the insurance program established by title II of the Social Security Act. An individual shall be deemed to have been covered by a qualified retirement program at the end of his taxable year only if he made (or had made on his behalf) contributions to, and was covered by, such program for all of the months of such year."

(d) (1) Section 6413 of the Internal Revenue Code of 1954 (special rules applicable to certain employment taxes) is amended by redesignating subsection (d) as subsection (e), and by inserting after subsection (c) the following new subsection:

"(d) SPECIAL REFUNDS ARISING OUT OF EXEMPTION BASED ON COVERAGE OF QUALIFIED RETIREMENT PROGRAM.—

"(1) IN GENERAL.—If an employee described in section 3121(r)(2)(A) receives wages from one or more employers for services performed during the taxable year, such employees shall be entitled (subject to the provisions of section 31(b)) to a credit or refund of any amount of tax, with respect to such wages, imposed by section 3101 and deducted from the employee's wages (whether or not paid to the Secretary or his delegate).

"(2) NOTIFICATION TO SECRETARY OF HEALTH, EDUCATION, AND WELFARE.—The Secretary or his delegate shall promptly notify the Secretary of Health, Education, and Welfare of each special refund allowed under this subsection."

"(2) Section 6413(c) of such Code (relating to special refunds) is amended—

(A) by inserting "BASED ON MULTIPLE EMPLOYMENT" after "REFUNDS" in the heading; and

(B) by inserting after "during such year" where it appears in clause (D) of paragraph (1) the following: "(after the application of section 3121(r)(1) in any case it applies)".

(e) Section 31(b) of such Code (relating to credit for special refunds of social security tax) is amended—

(1) by inserting "or 6413(d)" after "section 6413(c)" in paragraph (1); and

(2) by inserting after "to which paragraph (1) applies" in paragraph (2) the following: "and which represents a special refund allowable under section 6413(c)".

(f) Section 205(c)(5)(F)(i) of the Social Security Act is amended by inserting after "information returns" the following; ", elections made under sections 1402(i) and 3121(r) of the Internal Revenue Code of 1954,".

(g) The amendments made by this section shall apply only with respect to taxable years beginning after the date of the enactment of this Act.

FINANCING OF MEDICARE PROGRAMS FROM GENERAL REVENUES

SEC. 3. (a) (1) Section 1401 of the Internal Revenue Code of 1954 (relating to rate of tax on self-employment income) is amended—

(A) by striking out subsection (b) thereof; and

(B) by striking out "(a)" at the beginning of such section.

(2) (A) Section 3101 of such Code (relating to rate of tax on employees) is amended—

(i) by striking out subsection (b) thereof; and

(ii) by striking out "(a)" at the beginning of such section.

(B) Section 3111 of such Code (relating to rate of tax on employers—is amended—

(i) by striking out subsection (b) thereof; and

(ii) by striking out "(a)" at the beginning of such section.

(3) Section 6051(c) of such Code (relating to statements required to be furnished to employees by employers) is amended by striking out the last sentence thereof.

(4) (A) The amendments made by paragraph (1) shall be effective in the case of taxable years beginning after December 31, 1971.

(B) The amendments made by paragraph (2)(A) shall be effective with respect to wages received after December 31, 1971.

(C) The amendments made by paragraph (2)(B) shall be effective with respect to wages paid after December 31, 1973.

(b) (1) Section 1832 of the Social Security Act is amended by adding at the end thereof the following new subsection:

"(i) There are authorized to be appropriated to the Federal Hospital Insurance Trust Fund for each fiscal year (commencing with the fiscal year ending June 30, 1971) such sums as may be necessary to assure a sufficiency of moneys in such fund to permit the making of such payments therefrom as are authorized by law. Any funds authorized to be appropriated to such fund by this subsection for any fiscal year shall be in addition to any funds authorized to be appropriated for such year to such fund under any other provision of law."

(2) (A) Section 1837 of such Act is amended by adding at the end thereof the following new subsection:

"(f) Notwithstanding any other provision of this title, if, for any month, any individual is entitled to the insurance benefits provided under part A, such individual shall be deemed to be enrolled in the insurance program established by this part for such month and to be entitled to the benefits provided under such program."

(B) Section 1839(c) of such Act is amended by adding at the end thereof the following new sentence: "The preceding provisions of this subsection shall not be applicable to any individual deemed, under section 1837(f), to be enrolled in the insurance program established by this part."

(C) Section 1840 of such Act is amended by adding at the end thereof the following new subsection:

"(j) For purposes of this part, any premium owed by an individual, who is deemed (under section 1837(f)) to be enrolled for any month in the insurance program established by this part, shall be deemed to have been timely paid."

(D) Section 1844(a) of such Act is amended—

(i) in paragraph (1), (I) by inserting "(disregarding from such aggregate any premiums deemed to be paid under section 1840(f))" immediately after "Trust Fund", and (II) by striking out "and" at the end thereof;

(ii) in paragraph (2), by striking out the period at the end thereof and inserting in lieu of such period "; and"; and

(iii) by adding after paragraph (2) the following new paragraph:

"(3) a Government contribution equal to 200 per centum of the aggregate of the premiums deemed to be paid under section 1840(f)."

By Mr. CURTIS (for himself, Mr. HRUSKA, Mr. FANNIN, Mr. GOLDWATER, Mr. HELMS, and Mr. SCOTT of Virginia):

S.J. Res. 142. A joint resolution proposing an amendment to the Constitution of the United States relative to the balancing of the budget. Referred to the Committee on the Judiciary.

Mr. CURTIS. Mr. President, when I first took the oath of office as a Representative from Nebraska on January 3, 1939, the United States budget for fiscal year 1939 was out of balance by $3.862 billion, receipts of $4.979 billion having been exceeded by outlays totaling $8.841 billion.

Contrast these figures with the current statistics. According to the midsession review of the budget, published on June 1 by the Office of Management and Budget, there will be a deficit of $17.8 billion for fiscal year 1973. This deep plunge into red ink has come about despite the fact that receipts for 1973 will exceed expenditures for 1972. The same midsession review anticipates a deficit of $2.7 billion for fiscal year 1974, even though receipts in 1974 will be $16.2 billion more than outlays for 1973. In other words, Federal spending continues to race ahead of annually increasing revenues.

Some will say that to contrast current budget figures with those of 1939 is unrealistic since our population and gross national product have both vastly increased, and the quality of life and standard of living has undergone remarkable change. However, if those skeptics will look at the price of goods and services and the cost of living in 1939 and compare it with the present, they will see clearly the disastrous impact of spiraling deficit spending. If they will compare the national debt then and now, they will see the crushing burden which is being passed on to future generations of Americans—our children and grandchildren.

It appears to me that, with receipts increasing year after year and every year surpassing the outlays of the previous year's deficit budget, we should at least be able to balance the budget. Ideally, we should be able to create surpluses that can be applied toward reduction of the national debt. We cannot balance the budget, let alone reduce the debt, unless and until we bring outlays under control.

It is against this background that I am today introducing a constitutional amendment to implement the concepts of Federal budget control and a balanced Federal budget. I am proud to have joining with me as cosponsors five of my colleagues: Senators FANNIN, GOLDWATER, HELMS, HRUSKA, and SCOTT of Virginia.

I was a member of the Joint Congressional Study Committee on Budget Control, and I fully support the efforts it has undertaken to bring the budget under control. I am well aware that many excellent ideas have already been offered in this Congress to deal with various aspects of the problem. Our colleague, Senator BROCK, has introduced a bill, S. 40, which offers useful remedies. Likewise, S. 1641 embodying the recommendations of the Joint Committee on Budget Control holds out much promise.

However, after studying each of the sundry proposals offered thus far, including several which I myself have offered in past Congresses, I have become convinced that there is only one way to achieve real control over Federal spending and to obtain the "balanced budget" goal most of us desire. A statute providing for a balancing of the budget and limiting expenditures can be easily repealed or supplanted by a subsequent statute. A constitutional amendment that merely declares that the budget must be balanced is difficult to administer. What happens when there is not enough money? Who establishes the priorities? Such an amendment is fraught with problems. The only way we can truly achieve a balanced budget is through adoption of a constitutional amendment which mandates the collection of taxes to pay for any deficit if Congress or the President or both fail to carry out their other constitutional or legislative duties. Any solution that is not self-implementing subjects Congress and the Executive to the same political pressures that now prevent us from achieving a balanced budget.

In my estimation, none of the proposals offered thus far meets this criterion. They contain valuable suggestions for reforming antiquated congressional procedures, giving Congress a mechanism for judging priorities, and assigning responsibility for overall budget review. Pushed back to its root, however, our budget problem does not result from antiquated procedures, inadequate machinery, or fuzzy guidelines or responsibility. These are essentially peripheral problems. Our failure to control spending and balance the budget emanates primarily from a failure of will. Both the legislative and executive branches of Government have demonstrated repeatedly an unwillingness to stand against the political pressures to spend beyond our means. I believe legislators fail to meet this test primarily because they face pressures against which we provide no buffer—no insulation.

The Founding Fathers, actually aware as they were of the dangers of unbridled democracy—anarchy—on the one hand, and unbridled authoritarianism—dictatorship—on the other, would be horrified to find today how little remains of the insulation from the whims of pressure groups and the "body politic" in general which they rightly deemed so important to reasonable and successful government.

I have a considerable quarrel with people who advocate more Federal Government than I believe in—more so; this is, that I find authorized in the Constitution. I would have somewhat less quarrel with the advocates of big government, however, if they had the courage to collect the taxes necessary to pay for the programs they want to "give" the people. They do not. Invariably they want to spend now and let someone else pay later. In short, they are susceptible to the vast array of pressures to spend, against which there are presently almost no balancing pressures not to spend.

Out in Nebraska, we have a pay-as-you-go system. We have it not because our politicians are peculiarly wise and good, not because they are less susceptible to political pressures than lawmakers elsewhere, but because our Founding Fathers wrote into the State constitution a provision that requires the State to live within its income. I propose the adoption of that same principle for the Federal Government.

My proposal would require the President to submit a balanced budget to the Congress. If his estimate of receipts exceeded his request for spending, he would be required to calculate the required amount of surtax that it would take to put his budget in balance. If the Congress approved the President's budget as is, the surtax would automatically go into effect. The Congress could, however, reduce expenditures, or impose some other kind of tax to put the budget in balance, or they could let the surtax go into effect.

The President's estimates may be in

error or the Congress may vote much more spending than was recommended in the President's budget, so the proposal provides that at two later times during the year the Speaker of the House shall make an estimate of the spending authorized and the receipts, and if there will be a deficit, he must find the amount of surtax necessary to make up the deficit. If this deficit is not otherwise taken care of, this surtax automatically goes into effect.

This proposal would mean that if we are to spend, we have to collect the taxes. I believe it will result in reduced spending. The provisions of the amendment can be set aside with a three-fourths vote of Congress in times of emergency or a declaration of war.

Mr. President, I do not view this proposal as the whole answer. I strongly favor many of the concepts outlined in other proposals for restricting the congressional budget review and control procedures. Such reforms are properly the subject of legislative action and should not be spelled out in the Constitution.

I am not one who takes lightly the concept of amending our Constitution. It has, in fact, probably been amended too much already. But we are dealing here with a problem which has now plagued us almost constantly for over a third of a century, and, unless we take drastic action, it will only get worse. My analysis is that no simple legislative remedy will cure the problem for the reason I have already stated: Legislation can be repealed or supplanted by a simple majority of Congress at any time and legislation which is not self-implementing can be ignored by Congress—as we now regularly ignore the legislative mandate to adjourn each session by June 30, except in time of national emergency. Assume, for example, that a Committee fails to make a report or take an action mandated of it, or fails to do so in a timely fashion. What can be done? We are all too familiar with the many acts of Congress which require reports of various executive branch agencies and how often those reports are not received by the date due, or are never received at all. If nothing is done when an executive agency ignores the mandate of Congress, what likelihood is there that Congress will effectively discipline its own committees when they violate budget reform mandates, especially when that violation may be in response to political pressures which affect the entire Congress?

Mr. President, I believe the resolution I am introducing today will meet this problem in a workable and practical way. If this constitutional amendment is passed by the Congress and approved by three-fourths of the States, it would clearly, fairly, and without chaos compel the Federal Government to spend only the money that comes in each year.

In closing I want to note that I have continued in this Congress the study of the cost of proposed legislation which I began in the last Congress. Later in the week I will have a rather astonishing report of what the study shows so far for the 93d Congress. I hope my colleagues will take a careful look at that report because, in my opinion, it adds substantial impetus to the need for the kind of amendment I am proposing today.

Mr. President, I ask unanimous consent that a copy of my joint resolution and a brief outline of its basic operational concept be printed in the RECORD immediately following my remarks.

There being no objection, the joint resolution and outline were ordered to be printed in the RECORD, as follows:

S.J. RES. 142

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled (two-thirds of each House concurring therein), That the following article is hereby proposed as an amendment to the Constitution of the United States, which shall be valid to all intents and purposes as part of the Constitution when ratified by the legislatures of three-fourths of the several States within seven years after its submission to the States for ratification:

"ARTICLE —

"SECTION 1. On or before the fifteenth day after the beginning of each regular session of the Congress, the President shall transmit to the Congress a budget which shall set forth separately—

"(1) his estimate of the receipts of the Government, other than trust funds, during the ensuing fiscal year under the laws then existing;

"(2) his recommendations with respect to outlays to be made from funds other than trust funds during such ensuing fiscal year; and

"(3) if such recommendations exceed such estimate, a surtax rate which the President determines to be necessary to be applied with respect to the income tax of taxpayers to those portions of taxable years of taxpayers occurring during such fiscal year, so that such receipts will equal such outlays.

Such surtax shall be effective and so applied to such fiscal year except as otherwise provided in section 2 of this article.

"SEC. 2. During the first quarter of each fiscal year, and during the third quarter of each fiscal year, the Speaker of the House of Representatives shall—

"(1) estimate the receipts of the Government, other than trust funds, during such fiscal year;

"(2) estimate outlays to be made from funds other than trust funds during such fiscal year; and

"(3) (A) if such estimate of outlays exceeds such estimate of receipts, determine a surtax rate which the Speaker considers necessary to be applied, with respect to the income tax of taxpayers, to those portions of taxable years of taxpayers remaining in such fiscal year, so that such receipts will equal such outlays; or

"(B) if such estimate of outlays equals such estimate of receipts, determine that no surtax rate is necessary to be applied.

Any such determination shall be effective, and so applied, with respect to the remainder of such fiscal year commencing on the first day of the first month commencing at least 30 days after such determination by the Speaker. The surtax rate determined by the President under section 1 of this article shall not thereafter be applied commencing with such effective date.

"SEC. 3. During the last month of each fiscal year, the President shall review whether the receipts of the Government, other than trust funds, for such year will be less than the outlays other than trust funds for that fiscal year. If he finds that such receipts are going to be less than such outlays, he shall determine a surtax rate which he considers necessary to be applied with respect to the income tax of taxpayers, so that taxes received by the Government from such surtax, when added to other receipts of the Government, will equal such outlays. Such surtax shall be effective, and so applied, as determined by the President only during the next succeeding fiscal year. The surtax effective and applied uuder this section is in addition to any other surtax that may be effective and applied under this article and may not be superseded or modified under section 1 or 2 of this article.

"SEC. 4. The provisions of sections 1, 2, and 3 of this article may be suspended in the case of a grave national emergency declared by Congress (including a state of war formally declared by Congress) by a concurrent resolution, agreed to by a roll call vote of three-fourths of all the Members of each House of Congress, with each such resolution providing the period of time (not exceeding one year) during which those provisions are to be suspended.

"SEC. 5. This article shall take effect on the first day of the calendar year next following the ratification of this article.

"SEC. 6. The Congress shall have power to enforce this article by appropriate legislation."

BASIC OUTLINE OF PROPOSED CURTIS AMENDMENT: A CONSTITUTIONAL AMENDMENT FOR BUDGET CONTROL

(1) When the President submits his budget at the beginning of each year (e.g., in January, 1974), he must include an estimate of the income surtax necessary to cover any deficit in the proposed budget (i.e., the budget for FY '75).

(a) If he submits a deficit budget, Congress must either—

(i) find other ways of financing the deficit in that fiscal year,

(ii) reduce expenditures, OR

(iii) the surtax automatically goes into effect (for FY '75).

(2) Twice later, in the first and third quarters of the fiscal year for which the budget is effective (e.g., FY '75), the Speaker of the House must again estimate income, outlays and (if that estimate shows a deficit) the amount of surtax necessary to cover the deficit.

(a) Thus, if the President has miscalculated

OR

If Congress has acted in such a way as to create or increase a deficit,

THEN

(i) Congress must enact some other method of raising the necessary revenue, or

(ii) Congress must reduce expenditures, or

(iii) Congress must impose an additional surtax which goes into effect automatically (for the remainder of FY '75), sufficient to cover the additional deficit.

(3) At the end of the Fiscal Year (i.e., FY '75), the President makes a final estimate of income and outlays and any necessary adjustment in the surtax to cover any actual deficit.

(a) Again the surtax is automatic, but this time it is imposed in the succeeding fiscal year (FY '76).

(b) This surtax is in addition to any surtax which may prove necessary to meet a deficit in the budget for the succeeding fiscal year (i.e., FY '76) as a result of a deficit budget proposed by the President (in January 1975) or a deficit situation created by the Congress through the enactment of legislation.

(4) The automatic surtax can be rescinded in a deficit situation under only two circumstances.

(a) By a formal declaration of war by Congress.

(b) By a national emergency, formally

declared as such by the Congress by a three-fourths-vote.

(5) Any declaration of war or national emergency is effective for only one year and, unless renewed annually by the prescribed vote of the Congress, the emergency lapses and any deficit is again required to be funded by the automatic surtax provisions unless otherwise accommodated by Congressional action increasing the revenue or reducing spending.

(6) Trust funds would not be considered a part of the regular budget and surpluses in those trust accounts would not be applicable toward offsetting any deficit in the regular budget.

ADDITIONAL COSPONSORS OF BILLS

S. 1434

At the request of Mr. Roth, the Senator from Rhode Island (Mr. Pell) was added as a cosponsor of S. 1434, to amend the Internal Revenue Code of 1954 to disregard children's benefits received by an individual under the Social Security Act in determining whether that individual is a dependent of a taxpayer.

S. 1520

At the request of Mr. Roth, the Senator from New Mexico (Mr. Montoya) was added as a cosponsor of S. 1520, to establish a commission to study all laws, and executive branch rules, regulations, orders, and procedures, relating to the classifications and protection of information for the purpose of determining their consistency with the efficient operation of the Government, including the proper performance of its duties by the Congress.

S. 1812

At the request of Mr. McIntyre, the Senator from Nevada (Mr. Bible) was added as a cosponsor of S. 1812, a bill to improve the coordination of Federal reporting services.

S. 2058

At the request of Mr. Mondale, the Senator from Connecticut (Mr. Weicker), was added as a cosponsor of S. 2508, to amend the Securities Exchange Act of 1934 to provide for the regulation of clearing agencies and transfer agents, and for other purposes.

S. 2139

At the request of Mr. Proxmire, the Senator from New Hampshire (Mr. McIntyre) was added as a cosponsor of S. 2139, concerning the falsification of statistics.

S. 2147

At the request of Mr. Domenici, the Senator from South Carolina (Mr. Hollings) was added as a cosponsor of S. 2147, to conduct a study relating to the procurement and use by the Federal Government of products manufactured from recycled materials.

S. 2200

At the request of Mr. Cranston, the Senator from Nevada (Mr. Bible), the Senator from North Dakota (Mr. Burdick), the Senator from Nevada (Mr. Cannon), the Senator from Oregon (Mr. Hatfield), the Senator from Maine (Mr. Hathaway), the Senator from Iowa (Mr. Hughes), the Senator from Washington (Mr. Magnuson), and the Senator from Utah (Mr. Moss) were added as cosponsors of S. 2200, the Right to Financial Privacy Act.

S. 2280

At the request of Mr. Percy, the Senator from Oklahoma (Mr. Bartlett) was added as a cosponsor of S. 2280, to amend the Internal Revenue Code of 1954.

AMENDMENT OF COMMUNICATIONS ACT OF 1934—AMENDMENT

AMENDMENT NO. 446

(Ordered to be printed, and to lie on the table.)

Mr. MAGNUSON. Mr. President, on the calendar is S. 1841, Calendar 330, which deals with the broadcasting of football games. Whether we shall take that up before the adjournment or not, I do not know; but I am submitting an amendment to that bill to be printed. I send it to the desk at this time.

The PRESIDING OFFICER. The amendment will be received and printed and will lie on the table.

Mr. MAGNUSON. I ask that the amendment not be read, but merely printed in the Record.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment reads as follows:

Amendment No. 446

On page 2, line 5, strike "forty-eight" and insert in lieu thereof the following: "seventy-two".

AMENDMENT OF EXPORT ADMINISTRATION ACT OF 1969—AMENDMENT

AMENDMENT NO. 447

(Ordered to be printed, and to lie on the table.)

Mr. BENTSEN. Mr. President, I submit an amendment to S. 2053, a bill to amend the Export Administration Act of 1969 and ask that its text be printed in full in the Record.

My amendment would require the President to fully consider established and historical trading patterns in imposing any export controls which may be necessary as a result of abnormal foreign demand or domestic scarcity.

The amendment does not establish rigid historical quotas but it is a clear expression of congressional intent that, if our exports must be limited, established markets are to be given some preference over new and uncertain ones.

Mr. President, I am an advocate of expanding U.S. exports, not restricting them. But we must be in a position to adjust to world economic conditions when periodic foreign demand threatens to drain the U.S. cupboard bare.

I believe that our agricultural section can expand its production to meet our domestic needs as well as a substantial portion of the needs of the rest of the world. Nevertheless, bad harvests in many areas of the world have combined with a great increase in demand for protein and grain to place pressure on U.S. supplies and aggravate already high food prices.

We have already been forced to impose export controls on last year's crop of soybean and oil seed products. Rumors of export controls for wheat and feed grains drove the price for these products down the limit on the commodity markets this past Friday.

Over half of the new wheat crop has already been sold for export and a new sale of 500,000 tons of wheat to the People's Republic of China was reported yesterday. It is apparent that demand for the limited supply of U.S. wheat and other grains is increasing.

If export controls are imposed on these products, who should be denied access? In a hungry world whose order should go unfilled?

Mr. President, I believe that the equitable way to distribute prime commodities is to give consideration to previous trade patterns. Article XIII of the General Agreements on Tariff and Trade says that when all buyers cannot be served, the most equitable way of allocating supplies is on an historic basis. Japan, England, and Germany have long been purchasers of American farm produce. While our trade must be flexible enough to meet demands for new markets such as China and the Soviet Union, we must not forget our traditional trading partners with whom we have spent decades building commercial ties. For example, we have furnished over 90 percent of the soybeans consumed in Japan for the last 10 years. Now we are forced to ration soybeans to Japan because the Soviet Union bought 40 million bushels last fall. These export controls will have an adverse effect on our exports for some time. If we cannot guarantee a continuing supply to our established customers, other countries are more than ready to step into our markets. Brazil is already planting soybeans at such a rate that some Brazilian officials are warning that the country's coffee production is being reduced in order to plant soybeans. Brazil is actively seeking new markets at a time that we are limiting sales to the Japanese.

In addition, if export controls are extended to wheat and other grains without consideration of existing trading patterns, the Japanese may turn to the Australians with whom China has recently suspended purchases for political reasons. Mr. President, last year this country experienced a trade deficit with Japan of over $4 billion. We need to not only maintain, but to increase the levels of our exports to that country.

If agriculture is to bear an increasing role in balancing our trade accounts, then stable and reliable markets must be found and maintained.

If trade relations are suspended, there is no guarantee that they will be reestablished. Export controls under the best circumstances cause our traditional foreign buyers to look elsewhere. But export controls which do not give proper consideration to existing trading patterns will permanently damage American exports. What country wants to place its reliance in a trading partner who, after demanding that you purchase more of its products for years, suddenly imposes restrictions without some preference for previous trading relations.

Mr. President, we must assure Japan, as well as our other established trading partners, that we are serious about protecting our commercial ties during periods of shortages. I believe that my amendment, if adopted and complied with, will give those trading partners that assurance.

The application of shortrun controls should not be allowed to undermine the long-range advantage to our Nation of continuing mutually beneficial exchanges in world trade.

ADDITIONAL STATEMENTS

RIPPING COAL FROM THE NORTHERN PLAINS

Mr. MANSFIELD. Mr. President, as my colleagues here in the Senate know, Senator Metcalf and I are deeply concerned about the potential damage and harm that may come to eastern Montana as a result of unregulated surface coal mining. Montana has a tremendous resource and we are confident that we can participate in the effort to meet the energy crisis. However, this can be done only after detailed preplanning and regulated development. The State of Montana has enacted some very strong laws, and it is our hope that when the Senate returns after the August recess, that one of the first major pieces of legislation to be considered will be S. 425, the Federal mine reclamation legislation. It is essential that the bill be sent to the President prior to adjournment.

The July issue of Audobon magazine contains an excellent analysis of the strip mining situation, the problems, the benefits and the need to recognize individual interests. The article was written by Alvin M. Josephy, Jr., a leading authority on Indian affairs, a consultant to several administrations and the Vice-President of the American Heritage Publishing Co. Mr. Josephy is well informed in these developments in Montana and the neighboring States of Wyoming and the Dakota's.

The Audubon article entitled "Ripping Coal from the Northern Plains" was the subject of Edward P. Morgan's news commentary on ABC News on July 25.

Mr. President, I ask unanimous consent to have Edward P. Morgan's commentary printed at this point in my remarks in the Record, to be followed by the text of the Josephy article from the July issue of Audubon. Also, the Audubon article was repeated in the Sunday, June 29 issue of the Washington Star News.

There being no objection, the commentary and article was ordered to be printed in the Record, as follows:

Edward P. Morgan's News Commentary

This is Edward P. Morgan, ABC News Washington, with the Shape of One Man's Opinion. A look at American greed after this word.

What we continue to do to our country is criminal but nobody calls it a crime until it is too late. Modern robber barons are laying waste to millions of acres of land in Montana, Wyoming and the Dakotas in a colossal "coal rush", precipitated by the nation's so-called energy crisis, perhaps more aptly called an energy panic.

Undeniably we do need more energy and that northern tier of four states contains the richest known coal deposits in the world—an estimated trillion and a half tons deep underground and another 100 billion so close to the surface it can be readily scooped up by strip mining.

So we need more power and there's the source. But instead of orderly development, coordinated with government agencies on all appropriate levels to measure the environmental impact, protect the vital water supply and resident ranchers of the region, this is rape, the ruthless eviction of old settlers, the swindling of Indian tribes for the mining rights on their reservations and the old story of politicians playing ball with big business for "progress."

Politics is less involved in the Dakotas, whose stake in the coal strike is a smaller slice of the pie. Montana's leading elected officials, including Senators Mike Mansfield and Lee Metcalf, the governor and key state agencies have been trying with some effect to stem the land-grab chaos. In contrast, Wyoming's governor, a majority of the state legislature and at least one U.S. senator reportedly are happily abroad the exploiters' bandwagon, singing the theme song of boosting Wyoming's economy—and the devil take the devastating ecological consequences.

It's a big story, which has been building for at least three years, but very little critical media attention has been given to it in the four states involved. For too long, most newspapers and broadcasting stations in the area have been basically interested in the "establishment" side of the story—the classic American syndrome reflecting the virtues of wealth and indiscriminate growth to get it—never mind the disruptions so long as "we get ours." The coal rush has national ramifications. There is something wrong with media news judgment when, despite the legitimate distraction of Watergate, papers like the Washington Post, the New York Times and the Los Angeles Times have given it little or no attention. It is ironic that the first major expose of the situation should appear in a nature magazine, the July issue of Audubon. The heartbreaking "Agony of the Northern Plains," is described by Alvin M. Josephy Jr., an authority on American Indians, the West, and what corporate greed and governmental listlessness are doing to them both.

It's must reading, if you don't mind getting angry.

I'll have a footnote in 30 seconds.

In his Audubon magazine article, Alvin Josephy holds out some hope of restraining corporate rape of the land in the coal rush, despite spectacular lack of action by the federal government. Environmnentalists are pushing a number of lawsuits but court action is tortuously slow and meanwhile, "each week new projects are announced, the hurried pattern of development grows more chaotic, and the threat to the northern plains increases."

Ripping Coal From the Northern Plains

In October 1971, a "coordinating committee," composed of the U.S. Bureau of Reclamation and 35 major private and public electric power suppliers in 14 states from Illinois to Oregon, issued a dramatic document. Innocuously titled the North Central Power Study, it stunned environmentalists throughout the country and sent waves of horror among the ranchers, farmers, and most of the townspeople of the northern plains. Rushed through in a little over a year (the project was initiated in May 1970 by the then Assistant Secretary of the Interior for Power and Water Development, James R. Smith), and reflecting the goals and points of view of utility interests that were in business to sell electricity, the study proposed a planned development and employment of the coal and water resources of some 250,000 square miles of Wyoming, eastern Montana, and western North and South Dakota for the generation of a vast additional power supply for the United States.

The scope of the proposal was gargantuan—rivaling the grand scale of the region itself. One of the most serene and least spoiled and polluted sections of the nation, it averages about 4,000 feet above sea level and stretches below the Canadian border roughly from the Badlands and Black Hills in the east to the Bighorn Mountains in the west. It is a huge, quiet land of semiarid prairies, swelling to the horizon with yellow nutritious grasses; rich river valleys, lined with irrigated farms; low mountains, buttes, and rimrock ridges dark with cedar and ponderosa pine; open, windswept plains covered with sagebrush, greasewood, and tumbleweed; and hundreds of meandering creeks edged with stands of cottonwoods. The rains average only 12 to 14 inches a year, the topsoil is thin and fragile, easily eroded and blown or washed away, and the vegetation in most places must struggle for life. Towns and cities are small and few and far between, and distances measured along the infrequent highway and ribbons of railroad track are great. For almost a hundred years the natural grasses and irrigated hayfields have sustained big flocks of sheep and herds of cattle, and the region has been one essentially of large, isolated ranches and farms, whose owners have fought endlessly against blizzards, drought, high winds, and grasshoppers—and have treasured their independence and the spaciousness and natural beauty of their environment.

Ominously for them, the surface of their part of the country sits atop the Fort Union Formation (in the Powder River Basin of Wyoming and Montana and in the western part of the Williston Basin of Montana and the Dakotas), containing the richest known deposits of coal in the world. There are at least 1.5 trillion tons of coal within 6,000 feet of the surface, and perhaps more than 100 billion tons so close to the surface in seams 20 to 250 feet thick—as to be economically recoverable today by the relatively cheap modern techniques of strip-mining. This is, staggeringly, 20 percent of the world's total known coal reserves and about 40 percent of the United States' reserves. (The total national figure would be able to supply the country for an estimated 450 to 600 years should the present use trend continue.) But perhaps even more significantly, in view of recent environmental concerns, the sulfur content of these deposits of high-quality subbituminous coal in Montana and Wyoming and lesser-grade lignite in northeastern Montana and North Dakota is low enough to meet the new air pollution standards for coal-burning powerplants in urban areas.

In the past, very little of the northern plains coal has been mined, principally because of its comparatively lower BTU heat content and its distance from major markets, which made it less desirable competitively than Eastern coal. But by May 1970 the need for low-sulfur coal in the cities was hurrying a change in that thinking. In addition, an energy panic was in the offing—a panic concerned more with sources of future supplies of conventional fuels than with conservation, realistic planning and pricing, dampening of demand, and the development of alternative, non-polluting fuels. A large-scale (though little-publicized) rush to acquire exploration permits and leases for the low-sulfur coal in the northern plains—together with plans on how to maximize short-term and long-range profits from the enormous deposits—was already stirring the energy industry. It appeared evident that national policy, guided by the industry, would inevitably encourage the exploitation of the Western states' coalfields as an answer to the apparently diminishing supplies of fuels from elsewhere, the threat of growing dependency on the oil-producing nations of the Middle East, and powerplant pollution in the cities. So, strict overall government planning and regulation were necessary if the imposition of coal-based industrialization on the traditional farming-ranching economy and environment of the North Central states was not to bring disaster to the area and its people.

Viewing this as a mandate, the Department of the Interior and the 35 cooperating utilities launched their study. There were few persons in the affected region who were not already aware of the increasing attention being given to their coal; indeed, many landowners were already being subjected to the pressures of lease brokers, speculators, and coal companies. But the threat to the region as a whole was not yet visible, and the implications of the stupendous changes that the coal reserves would bring to the lives and environment of the people were not even dreamed of. The release of the North Central Power Study shattered that innocence.

Together with an accompanying document that dealt with the utilization of the region's water resources for the proposed coal development, the study suggested the employment of strip-mines in Montana, Wyoming, and North Dakota to supply massive amounts of coal to fuel minemouth powerplants, which by 1980 would produce 50,000 megawatts of power, and by the year 2000 approximately 200,000 megawatts. The power would be sent east and west over thousands of miles of 765-kilovolt transmission lines to users in urban areas. The study located sites for 42 powerplants—21 in eastern Montana, 15 in Wyoming four in North Dakota, and one each in South Dakota and Colorado. Their suggested sizes were mind-boggling. No fewer than 13 of them would generate 10,000 megawatts each (about 14 times as much as the original capacity of the Four Corners plant in New Mexico, much criticized as the world's worst polluter, and almost five times more than the 2,175 megawatts which that plant is now capable of generating). Other plants would range from a 1,000- to 5,000-megawatt capacity, in addition, 10 of the proposed giant 10,000-megawatt plants would be concentrated in a single area, 70 miles long by 30 miles wide, between Colstrip, Montana, and Gillette, Wyoming; another group, with a combined capacity of 50,000 megawatts, as targeted for another area close by.

To supply some 855,000 acre-feet of cooling water (an acre-foot is enough to cover one acre with one foot of water) which would be needed each year by the plants at the 50,000-megawatt level, the study proposed a huge diversion of water from the rivers of the Yellowstone Basin, requiring a large system of dams, storage reservoirs, pumping heads, and pipeline aqueducts to be built by the Bureau of Reclamation. As if that were not enough, the water resources document went further, envisaging—with great realism, as it has turned out—the construction of immense coal gasification and liquefaction plants and petrochemical complexes, located near the strip-mines and powerplants, and raising the need for water to at least 2,600,000 acre-feet a year.

Once they got over their shock at the stupendous dimensions of what was being proposed, environmentalists set to work dissecting the study. It was entirely oriented to the producer of electricity and dealt scarcely, or not at all, with such overwhelming problems as air, water, and noise pollution, strip-mining and the reclamation of ravaged land, the diversion of major rivers and resultant conflicts over water rights in the semiarid country, the degradation of the human and natural environments, the disruption of the region's economy, soil erosion, the destruction of fish and wildlife habitat, and the explosive influx of population with attendant social and economic strains and dislocations that would follow the carrying out of the project's individual schemes. Dr. Ernst R. Habicht Jr. of the Environmental Defense Fund found the plan almost unbelievable, pointing out that it called for the generation of "substantially more electricity than is now produced either in Japan, Germany, or Great Britain (and would be exceeded only by the present output of the United States or the Soviet Union)." The 855,000 acre-feet of water needed annually, just for the 50,000-megawatt goal, Habicht noted, was more than half of New York City's annual water consumption, and if the need rose to the proposed 2,600,000 acre-feet, it would exceed "by 80 percent the present municipal and industrial requirements of New York City (population 7,895,000)." Moreover, in wet years, the mammoth diversion would reduce the flow of the Yellowstone River by one-third, and in dry years by about one-half. "Water use of this order of magnitude in a semiarid region . . . will have significant environmental impacts," the scientist warned. "Extreme reduction in river flows and the transfer of water from agricultural use will drastically alter existing agricultural patterns, rural lifestyles, and riverine ecosystems."

All of this the study had, indeed, overlooked, but there was more. Analysis showed that coal requirements for the 50,000-megawatt level in 1980 would be 210 million tons a year, consuming 10 to 30 square miles of surface annually, or 350 to 1,050 square miles over the 35-year period, which the study proposed for the life of the powerplants. At the 200,000-megawatt level, the strip-mines would consume from 50,000 to 175,000 square miles of surface during the 35-year period. In addition, each coal gasification plant, producing 250 million cubic feet of gas per day, would use almost eight million tons of coal a year, eating up more land, as well as 8,000 to 33,000 acre-feet of water (estimates vary widely) and 500 megawatts of electric power.

The astronomical figure continued. At the 50,000-megawatt level, nearly three percent of the tri-state region would be strip-mined, an area more than half the size of Rhode Island. The transmission lines would require approximately 8,015 miles of right of way, which, with one-mile-wide multiple-use corridors, would encompass a total of 4,800 square miles, approximately the size of Connecticut. Power losses over the network of lines would exceed 3,000 megawatts, greater than the present average peak demand requirements of Manhattan, and would raise a serious problem of ozone production.

A population influx of from 500,000 to 1,000,000 people might be expected in the tri-state area. (The present population of Montana is 694,000; Wyoming, 332,000; and North Dakota, 617,000.) Half a million newcomers would mean a 500 percent increase in the present population of the coal areas and would result in new industrial towns and cities, putting added pressures on the states for public services and increased taxes. The quality of life, as well as the environment, would change drastically. At the 50,000-megawatt level, the proposed plants, even with 99.5 percent ash removal, would fill the air with more than 100,000 tons of particulate matter per year, detrimental to visibility and health. The combustion of the coal would introduce dangerous trace elements like mercury into the atmosphere; and the plants would emit at least 2,100,000 tons of sulfur dioxide (yielding, in turn, sulfurous and sulfuric acids that would be deposited by the wind on farms, ranches, communities, and forests) and up to 1,879,000 tons of nitrogen oxides per year. Though the study ignored the prospect, living in the Colstrip-Gillette area, with ten 10,000-megawatt powerplants, not to mention an unspecified number of coal gasification plants as neighbors, could be lethal.

If the simplistic report, blithely ignoring the need for scores of impact studies, bewildered environmentalists, it sent peals of alarm among many of the people of the three states. The powerful energy companies and utilities of the country, with the encouragement of the federal government, were going to turn them into an exploited and despoiled colony, supplying power to other parts of the nation. Far from planning the orderly development of their region, the study had considered only the needs of industry and, without publicity, without public hearings, without representation from, or accountability to, those who would be affected, had shown a green light to the devastation of life on the Great Plains.

Throughout the region, individuals were soon comparing notes and discovering that a coal rush of gigantic proportions was, indeed, already under way. Lease brokers, syndicate agents, and corporate representatives—many of them from places like Louisiana, Texas, and Oklahoma, with a long experience of wheeling and dealing in gas and oil rights—had been swarming across the plains country, and more coal lands than anyone had dared imagine were already locked away in exploration permits and leases. Ranch owners found out with a start that neighbors had already signed agreements, and that a strip-mine and powerplant might soon be disturbing their cattle or destroying their range. Irrigation farmers learned of corporations from Pennsylvania, Ohio, and Virginia buying options on the limited supplies of water, and worried about their own water rights. The areas of busiest activity matched the study's proposed sites for development, and rumors multiplied of industrial plans and commitments being so fast that they could not be stopped. In half a dozen districts in Montana and Wyoming that seemed most threatened, ranchers and farmers hastily organized landowners' associations, which banded together as the Northern Plains Resource Council—a loose federation based with volunteer officers and staff in Billings, Montana—to pool their information, pledge landowners to hold out against the strippers, and contest the coal interests in the courts and the state capitals.

From the start, opposition to the coal development was hobbled by a lack of reliable knowledge of what was going on. In the first place, it soon became evident that the coal and energy companies that were buying up the land and making plans to exploit the region had rejected the proposals of the North Central Power Study even before the document had been made public, and were proceeding, instead, on a voracious, every-developer-for-himself basis. Alarming as the suggestions of the Bureau of Reclamation and the utilities had been, they had nevertheless reflected the federal government's desire to guide development according to a comprehensive and orderly plan. Even the critical environmentalist groups had recognized that, if coal development was inevitable, the study was something with which to work—a plan susceptible to detailed examination and protective actions and modifications that would ensure a minimal degradation of the human and natural environments.

Now the study was nothing but a checklist of some—but far from all—of the opportunities for the fastest corporations with the most dollars. Aside from alerting the region's people to the scope of the calamity they faced, the study's effect was to draw additional attention in Wall Street and elsewhere to the possibilities of the immense coalfields and accelerate what was becoming a frantic, modern-day version of the California Gold Rush. By October 1972 the guideline aspects of the study were dead, and Secretary of the Interior Rogers C. B. Morton, aware of the concern in the region over the chaotic exploitation taking place, announced the formation of an interagency federal-state task force and the launching of a Northern Great Plains Resource Program to assess the social, economic, and environmental impacts of the coal development and, hopefully, "coordinate on-going activities and build a policy framework which might help guide resource management decisions in the future."

It was pretty much a case of locking the barn door after the horse was stolen. The 1971 study had been issued well after the coal rush had started, and the new study group—which was criticized because it did not provide fully enough for the participation of the public—would not release its final report until December 1975, although results were expected to be "incorporated into regional planning and decision-making by the end of the first year," or October 1973. In view of the rapid developments taking place, even this seemed too late. Regional planning by then would be almost impossible.

Meanwhile, other factors were adding to the confusion. Without the overall guidance, planning, or authority of any federal or state agency, it became difficult for anyone, including state officials, to assemble accurate and comprehensive information about who was acquiring what rights and where, and what they intended to do with them. The roster of those who were buying coal deposits read like a who's who of the energy industry: Shell Oil, Atlantic Richfield, Mobil, Exxon, Gulf, Chevron, Kerr-McGee, Carter Oil, Ashland Oil, Consolidation Coal (Continental Oil), Peabody Coal (Kennecott Copper), Westmoreland Coal, Reynolds Metals, North American Coal, Kewanee Oil, Kemmerer Coal, Concho Petroleum, Island Creek Coal (Occidental Petroleum), Cordero Mining (Sun Oil), Arch Minerals, Hunt Oil, Pacific Power & Light, Valley Camp Coal, Penn Virginia Corporation, National Gas Pipeline (Star Drilling), Farmers Union Central Exchange, Cooper Creek, and Western Standard.

They were all there, but so, also, were subsidiaries, subsidiaries of subsidiaries, fronts for bigger names, syndicates, partnerships, speculators, and lease brokers. Rights were acquired by a firm named Meadowlark Farms, suggesting to the public the bucolic image of dairy cows and buttercups rather than a coal strip-mine. The company was a subsidiary of Ayrshire Coal Company, formerly Ayrshire Collieries Corporation, which with Azure Coal Company was owned by American Metal Climax's Amax Coal Company. The worldwide construction firms of Peter Kiewit Sons in Omaha, Nebraska, and Morrison-Knudsen Company in Boise, Idaho, also held rights; the former, moving into Montana in a big way, owned the Big Horn and Rosebud Coal companies and half of Decker Coal Company, and the latter held 20 percent of Westmoreland Resources. There were names relatively unfamiliar to the public: Temporary Corporation, Tipperary Resources, Pioneer Nuclear, J&P Corporation, Ark Land Company, Badger Service Company, Allied Nuclear Corporation, BTU Inc., as well as dozens of individuals like Violet Pavkovich, Fred C. Woodson, E. B. Leisenring Jr., Billings attorney Bruce L. Eennis, and lease brokers Jase O. Norsworthy and James Reger.

All of them, to a greater or lesser extent, were engaged competitively, and the securing of permits and leases and the making of plans and commitments for exploitation were done with great secrecy. But the necessity to conceal activities and intentions from rivals also frustrated interested officials and the public, who were kept in the dark about plans for such projects as strip-mines, powerplants, new railroad spurs, water purchases, and coal gasification plants—all of which would affect their environment and lives—until the companies were prepared to announce them. By that time, commitments had been made, and though clues to some of the projects—like the number of companies or the amount of capital involved, the large size of a water pipline, or the required tonnage of coal—implied immense undertakings with serious impacts on the people and environments of large areas, questioners had to grapple for detailed and meaningful information and were at a disadvantage.

Perhaps the greatest confusion stemmed from the complex ownership rights to the coal and the land surface above it. Some of the coal is owned by the federal government and is administered by the Bureau of Land Management. Some is owned by the states; some by the Union Pacific or Burlington Northern railroads (though their legal rights to the coal, acquired originally with the railroad land grants of the last century, are being questioned by certain congressmen and organizations); some by Indian tribes (the Crow, Northern Cheyenne, and Fort Peck reservations in Montana and the Fort Berthold reservation in North Dakota); and some by private owners. A purchaser may secure an exploration permit or lease for the coal; but to get at it, he also has to deal with the owner of the surface—which frequently produces a problem. The surface rights, again, might be owned by the federal government, the states, the railroads, the Indians, or private owners. Where the same interest owns both the surface and the coal and is willing to part with them, there is no complication. But more often than not, private ranchers own or lease land above coal that does not belong to them. In the past, they or their forebears might have gotten their land from the federal government (under the various Homestead Acts) or from the railroads, but in both cases the government and the railroads reserved the mineral rights, including the coal, for themselves. Similarly, when the Crow Indians ceded some of their land to the government in 1904 and the government opened it to white settlers, the government retained the mineral rights. But in 1947 and 1948 it returned those rights to the Crows creating a situation of Indian tribal ownership of coal under white-owned ranches.

Strip-mining was not a concern when the original homesteaders bought their lands. If the coal were ever to be mined, they and the sellers undoubtedly envisioned deepmining, which would have disturbed only a small part of the surface. A strip-mine is a different matter, for it eats away the pasture, range, and farmland, and buildings that constitutes one's home and means of livelihood. The question of the surface owner's rights versus the rights of the purchaser of coal beneath his land is a matter of contention and will inevitably be tested in the courts. But the necessity of acquiring separate items of coal rights and surface rights from different owners (and sometimes when trying to create a large compact block of coal—from several different adjoining owners of both the coal and the surface) introduced bitter conflict and more confusion to the harassed region.

In Montana, a surface condemnation law that favored the coal purchasers made the situation worse. Under the influence of the Anaconda Company, which had wished to condemn land for copper mining at Butte, that state in 1961 had declared mining a "public use" and had given mineral companies the right of eminent domain. Speculators, lease brokers, and agents of corporations acquiring coal rights—sometimes even before they had bought the coal—now abused that law. They frightened many Montana landowners into signing exploration permits and leases or selling their lands on the purchaser's terms ("better than you'll get from any court"), and threatened condemnation proceedings against those who resisted. Episodes of angry confrontation and near-violence multiplied as the purchasers—nervously eyeing the progress of competitors and aware of large secret corporate plans that depended on timely acquisitions—pressured the landowners.

The unpleasantness visited on the Boyd Charter family in the Bull Mountain region north of Billings is typical of many small, human agonies. The Bull Mountain area is a particularly fragile one, a grassy parkland whose irregular topography includes rimrock walls and picturesque hills covered with dense growths of ponderosa pine. Because coal seams are exposed on rock walls and outcrop on the hillsides, contour stripping—the most destructive of all opencut techniques—probably would be necessary, and reclamation to restore the present natural beauty and scenic values would be virtually impossible. A Montana Coal Task Force, established by the state government in August 1972, urged that no strip-mining be permitted there unless a severe national coal shortage occurred in the future (an unlikely event for half a millennium), and Montana's Senator Mike Mansfield singled out the area as one district of the state in which strip-mining should be banned outright.

Nevertheless, the Bull Mountain area contains approximately 130 million tons of coal, the rights to which were quietly purchased by Consolidation Coal Company in permits and leases from Burlington Northern railroad and the State of Montana. Owned by Continental Oil Company (whose chairman, John G. McLean, also head of the National Petroleum Council, has been in the forefront of industry leaders warning of an energy crisis and advocating governmental encouragement of Western coal development), Consol, as the coal company is known, plans an $11.5 million strip-mine in the Bull Mountains, to be worked over a 25-year period. Its initial production would be about two million tons a year, but the figure would rise. For the present, there are no plans for a mine-mouth powerplant, and there is not enough coal to sustain a coal gasification development. Most of the coal would be shipped by train to customers in the upper Mississippi Valley, and a total of some 3,500 acres of the Bull Mountains would be subject to mining for those distant users, with additional acreage being disturbed by roads, installations, and the operations of the miners.

Though Consol officials recently made verbal promises to reshape the stripped land "to a contour similar to and compatible with its virgin contour, to save and replace topsoil, to revegetate, fertilize, and continue reclamation work, with as many replantings as necessary, until reclamation is successful," the company's leases, reflecting a traditional looseness in state and federal regulations, bound them to no such obligations. For instance, a lease made with Montana on June 3, 1970, for 640 acres of state-owned coal in the Bull Mountains merely obliged Consol "so far as reasonably possible" to "restore the stripped area and spoil banks to a condition in keeping with the concept of the best beneficial use," adding vaguely that "the lessee may prescribe the steps to be taken and restoration to be made." A $1,000 bond accompanied the lease, considered hardly enough to guarantee the reclamation of one acre in that area.

In 1970 Consol set about purchasing the surface rights necessary to make exploration drillings and mine the Bull Mountain coal. Many of the people in the nearest town, Roundup (population 2,800), welcomed the development. Small-scale deep-mining had been done for many years in the Bull Mountains; Tony Boyle, the former United Mine Workers president, had come from the area; and the townspeople, without landholdings at stake, saw prosperity for themselves in Consol's promises to spend $1,400,000 each year in the region and employ 80 men, whose needs, said the company, would generate 240 other jobs. To the Boyd Charters and other ranchers, however, plans for the strip-mine became a nightmare.

Originally from western Wyoming, the Charters and their three sons and a daughter ran cattle on approximately 20 sections of land, 10 of which they owned and the rest leased from the Burlington Northern. Without warning, they were visited one day by a land agent from Consol, who told them that the company had bought the coal beneath their land from the federal government and the railroad and now wanted to drill exploratory core holes preparatory to mining. He produced a form for them to sign, offering one dollar to release the company from any damages done to their property by the drilling. When the Charters refused to sign, the agent left them and made a tour of other ranches, relating, according to the word of one ranch owner, that the Charters had signed, and thus winning the agreement of a few of them.

The company thereafter began harassing the Charters. Higher officials, including a Consol regional vice-president from Denver and company attorneys, began showing up at their home, increasing the pressure on them, and gradually driving the family frantic with worry. After numerous sessions the visits stopped, and the Charters wondered if condemnation proceedings, under the Montana law, were to be instituted against them. Then, one morning, they heard a racket near their house. They ran out, discovered a Consol crew drilling core holes on a deeded part of their land, and ordered them to stop. A fat man, according to Boyd Charter, came over to them, threatening a fist fight. "I got as much ——— right on this land as you," he said. The infuriated Charters finally drove the crew off the property, and they have heard nothing more since then from Consol. But the company has tested all around the Charter ranch, it can get Burlington Northern to break the lease for its part of Charter's holdings, and it still intends to strip-mine the Bull Mountains in the near future. Far down the line from Continental Oil's national policy planner, John McLean, this small Montana ranching family is one of his victims.

Many similar conflicts have occurred elsewhere. Almost 150 miles by road southeast of the Bull Mountains, the Billings firm of Norsworthy & Reger helped Westmoreland Resources (a partnership of Westmoreland Coal, Kewanee Oil, Penn Virginia, Kemmerer Coal, and Morrison-Knudsen) assemble a package of rights to about one billion tons of very rich coal deposits at the head of Sarpy Creek for a huge strip-mine and at least one coal gasification plant. The area, a beautiful basin under the pine-covered Wolf Mountains in southeastern Montana, encompassed land ceded by the Crow Indians. White ranchers now owned the surface, but the tribe still owned the coal. In a series of transactions. Norsworthy & Reger and E. B. Leisenring Jr., a director of the Fidelity Bank in Pennsylvania, won permits for approximately 34,000 acres of Crow coal—apparently paying the Indians an average of $7.87 per acre and a royalty of 17.5 cents a ton for the first two years of production and 20 cents a ton for the next eight years—and then assigned their rights to Westmoreland Resources.

Surface rights still had to be won from the ranchers. Under threat of condemnation, some of them sold, but others resisted including the family of John Redding. Westmoreland and its agents became desperate for the Reddings' signatures. The company had plans to begin stripping in March 1974; a giant 75-cubic-yard walking dragline was under construction; contracts were being made to sell 76.5 million tons of coal over a 20-year period to four Midwestern utilities (Wisconsin Power and Light, Iowa's Interstate Power Company, Wisconsin's Dairyland Power Cooperative, and Minnesota's Northtern States Power Company to fuel a 1,600-megawatt generating plant near Henderson, Minnesota), and a 10-year optional agreement for the delivery of a whopping 300 million tons of coal had been signed with Colorado Interstate Gas Company, which was planning to build up to four coal gasification plants in the region.

Moreover, the abundant and rich coal deposits guaranteed enormous growth potential in the value of the area. Consol was acquiring coal and surface rights nearby, with leases whose language implied coal gasification plants and a large-scale industrialization of its own, and just to the east was still another huge developing coal-and-power center at Colstrip, where Montana Power Company was building new power-plant units, two of whose transmission lines would come through the Sarpy district to Hardin, Montana. The region was going to become one of the principal new coal-based industrial centers in the northern plains, with a city of perhaps 25,000 people, and Westmoreland's plans and needs to assemble and invest capital required the combining of their package of coal and surface rights as quickly as possible.

On February 25, 1972, Billings attorney Bruce Ennis served written notice on the Reddings that unless they agreed to sell the entire, or necessary, portion of their ranch to Westmoreland at $137 an acre within one week, Westmoreland would begin condemnation proceedings against them. John Redding had come to Sarpy 56 years before, had lived in a tent, then a cabin, and finally had established a home, a family, and a 9,000-acre ranch. Through good years and lean, fighting the elements and the Depression, the Reddings had reflected the tradition of Westerners who treasured the place they lived because they could "stand tall and breathe free," and they now proved tougher than the coal company. Calling Ennis' bluff, they stood firmly over their property with gun in hand, and the company eventually backed away. "We've gotten enough people to agree that, at least for the time being, we don't have to go the condemnation route," Westmoreland's president, Pemberton Hutchinson, announced, "We needed to settle with eight landowners, and we settled with six—and that's enough." (Actually, at last count, there were still three holdouts, including one who claimed that a Westmoreland agent had told her, "You'll be down on your knees begging to sell." The lands of the holdouts are so strategically located as to split the coal company's surface rights and limit initial operations to a comparatively small tract.)

In four instances in a different area, but one connected with the Sarpy Creek development, landowners actually had condemnation proceedings instituted against them, but by Burlington Northern railroad, which is building a 37-mile spur line from its main tracks at Hysham, Montana, up Sarpy Creek to take out coal from the new Westmoreland mine. Ranchers and other landowners opposed the railroad's demands for right-of-way easements, often through the best parts of their land, and the conflicts became angry and tense. One woman, harassed by the railroad, suffered a nervous breakdown. Another, Mrs. Montana Garverich, 67 years old, a widow with 14 grandchildren and eight great-grandchildren, who had lived on her land since 1912 and still operated her 4,000-acre ranch with the help of some of the children, fended off attempts to take her bottomland and was hauled into a U.S. District Court by the railroad. When the court found in favor of the Burlington Northern. Mrs. Garverich announced she would appeal, and the railroad, not relishing further action and its attendant publicity, rerouted its line in several places and dropped its suits.

As might be expected, hundreds of landowners in the three states, willingly or unwillingly, have already leased or sold their surface rights. Some, getting on in years and tired of strenuous, often harsh, existence on the plains, did so happily, taking what they could get and planning on retirement to an easier life somewhere else. Others became frightened, were cajoled, or failed to understand what was involved, and signed whatever was asked of them, while still others hired lawyers, dickered back and forth, and finally felt they had outsmarted the purchaser and had gained a good deal for themselves. On the whole, the negotiated terms differed from one lease to another, depending on how badly a company wanted a particular right and how resistant the owner was. One rancher may have given up all his rights for a dollar an acre, while his neighbor received more than $100 an acre and a small percentage royalty on each ton of coal taken from beneath his surface. The operations of the land buyers inevitably stirred up jealousies and divisions within families and among old friends and neighbors, some of whom wanted to sell out while others hoped for a united show of resistance against purchasers. At Sarpy Creek, at Otter, and elsewhere, distrust and defensiveness soured relationships that had existed happily for decades.

A division of opinion also affected those who did not have land at stake. Like the townspeople of Roundup, many citizens in all three states regard the coalfield development as an economic boon to the region and, not sharing the torment that such a point of view visits on a Montana Garberich or a John Redding, agree with the comment of Los Angeles financier Norton Simon, a development-minded director of the Burlington Northern: "For a state like Montana to have only 700,000 people is cockeyed." But others enjoy living on the northern plains precisely because of the small population and are fearful of pollution, the degradation of the environment, higher taxes, a change in life-style, and other unfavorable impacts that the development will have on their part of the country and their lives.

Meanwhile, the absence of hard information concerning exactly what the impacts will be, and when they will start to be felt, has become something of a scandal. Despite all the developments that have occurred, not a single meaningful impact study has yet been made of any one of them; nor will an in-depth study be available for the region as a whole, or for any one of the affected states, until Secretary Morton's resource program report is finished at the end of 1975. It has been estimated that more than 5.5 million acres of federal- and Indian-owned land have already been let out in coal permits and leases. More acreage has been let out by the states, the railroads, and private individuals. In Montana, the Northern Plains Resource Council, checking documents on file in many of the counties, estimates that at least 1.7 million acres, more than half of that state's surface covering economically strippable reserves, are already signed away. The figures in Wyoming and North Dakota are believed to be far greater. But such information, lacking the addition of anything but occasional and very brief and bare corporate announcements on how a certain quantity of coal at some particular locality is to be utilized, has only increased the sense of helplessness.

In Wyoming with strippable coal reserves of 23 billion tons in seven major coal areas, only a few of the mammoth projects that are certainly in store for the use of the resource have yet been described with any detail.

Near Rock Springs, the $300 million, 1,500-megawatt Jim Bridger powerplant is being constructed by Pacific Power & Light and Idaho Power Company, threatening an even worse degradation of Wyoming's air quality than is already caused by Pacific Power's offending 750-megawatt Dave Johnson plant at Glenrock on the North Platte River. And near Buffalo, Reynolds Metals has proposed the organization of a consortium of companies to build and operate a uranium enrichment plant requiring, according to Reynolds, "millions of kilowatts" of power. Coal for the powerplant to supply electricity to the $2.5 billion project would come from a strip-mine at the site, utilizing deposits of more than two billion tons owned by Reynolds. To provide the large amount of water that would be required, Reynolds has bought nearby Lake De Smet and has dammed Piney Creek for the diversion of its water into the lake, causing fears already among ranchers and farmers in that semiarid area of limited water. The uranium plant, the first one to be privately owned, might export some of its product to Japan; similarly, coal producers are known to be shopping for customers outside the United States. This raises the question of how valid is the exploitation of Western coal as an answer to the so-called energy crisis.

The Sierra Club, the Sheridan County Action Group, and several other Wyoming citizens' bodies, together with editor Tom Bell of the crusading High Country News in Lander, Wyoming have tried to ring the alarm bells in that state. Very much a specter to them is the North Central Power Study's suggestion that ten 10,000-megawatt plants could be built in the Gillette area. That possibility is made more real by the knowledge that the massive, 100-mile-long Wyodak beds, all in Campbell County, contain more than 62 billion tons of coal—the national high for a county—and that a single township contains 2.87 billion tons in spectacular seams averaging about 70 feet in thickness and lying within 500 feet of the surface. A number of energy companies have paid record prices—as high as $505 an acre—for the Campbell County coal, but although the Black Hills Power & Light Company has been stripping some 500,000 tons of coal annually from the area for years, only one new development has yet occurred. In May, American Metal Climax's Amax arm opened the Belle Ayr mine to strip six million tons a year from its 6,000-acre holdings. Kerr-McGee, Exxon, Atlantic Richfield, Ark Land Company, Mobil, and Cordero Mining (Sun Oil) are among the other large leaseholders in the area, all capable of opening additional strip-mines and building polluting complexes.

Moreover, the State of Wyoming generally, its governor and junior senator, and a majority of the members of the state legislature are development-oriented, welcoming the coal industrialization as a boost to the state's economy, and showing little appetite for conducting significant studies or enacting sufficiently strong reclamation and other laws that would give protection to the state but, at the same time, irritate and impede the energy companies.

In Montana, where large-scale coal mining is a new fact of life, the reverse is true, and state officials and agencies have, if anything, been ahead of many of the people in evidencing genuine concern over the uncontrolled character of the coal exploitation. On March 9, 1971, the state passed an Environmental Policy Act, which among other things, created a 13-member Environmental Quality Council, headed by George Darrow, a Billings geologist and state representative who had been one of the chief architects of the act. Fletcher E. Newby, another concerned Montanan, became executive director of the council, the functions of which include watchdogging the environmental problems in the state, recommending protective actions, and furthering state environmental impact statements. On August 2, 1972, on the recommendation of the council, the state created a Coal Task Force to watch the developing coal situation, identify problems, and recommend needed legislation or other action.

Both Montana bodies have tried to gather adequate information for laws necessary to protect the state, but cooperation from the federal level has been sorely missed. Aware of the regional character and the enormity of what was just beginning, the governor and state officers, from December 1971 on, appealed to the Environmental Protection Agency and various federal officials for a coordinated federal-state study of the total regional and state impacts of the coal development, but until the launching of the Interior Department's long-range study in 1972, they were told that reviews could only be made of impact statements on individual projects. This was ironic, in view of the fact that the regulations requiring the filing of such statements were, themselves, not being enforced.

By the fall of 1972, the every-man-for-himself development in Montana, occurring without meaningful impact statements or regulations strong enougn to provide protection to the environment, was becoming alarming. A study made by Thomas J. Gill for the state environmental Quality Council, and based on data supplied by various state agencies, pointed out that total strip-mined coal production in Montana would jump from 1.5 million tons in 1971 to 16 million tons in 1973 and to 75 to 80 million tons in 1980. At the 16 million-ton level in 1973, 275 to 520 acres of Montana land would be disturbed by the mines. Four strip-mines were already in operation in the state: At Colstrip, the Rosebud Mine of Western Energy, owned by Montana Power, was producing 5.5 million tons a year and in five years would raise the figure to 11.5 to 13 million tons, distributing 240 to 350 acres annually.

Also at Colstrip, Peabody Coal Company's Big Sky Mine was producing two million tons a year and would double the production in five years, disturbing 100 acres a year. In addition, Peabody was writing a mining plan for a new mine at Colstrip on 4,306.5 acres leased on April 1, 1971, without a preliminary environmental impact statement, from the Bureau of Land Management. At Decker, Montana, where Decker Coal Company, owned by Peter Kiewit and Pacific Power & Light, possessed one billion tons of strippable coal, the company had startled long-time ranchers in the area by disrupting a large part of the peaceful countryside within a matter of months, building a 16.5-mile-long railroad spur line, rerouting the main road, and beginning operations on a huge strip-mine committed to ship four million tons of coal annually to the Midwest. The fourth mine, a smaller one operated by Knife River Coal Company, produced about 320,000 tons a year and disturbed twenty acres annually. The state also expected the big Westmoreland mine at Sarpy, the Consol mine in the Bull Mountains, and another Peabody mine on the Northern Cheyenne Indian Reservation to begin operations within a couple of years.

Reclamation of the mined land was only one of the problems posed by the increased stripping in the state. Neither federal nor state regulations written into the leases carried any guarantees that the lands would be successfully restored, and railroad, private, and Indian leases were so deficient that they almost guaranteed that there would be no reclamation. For anyone concerned about the preservation of the land, Montana Governor Thomas L. Judge pointed out to Congress early in 1973, "the lease agreements make sinister reading." One contract, for instance, gave a company the "right to use and/or destroy so much of said lands as may be reasonably necessary in carrying out such exploration and mining." Reclamation experiments were being carried out by Big Horn Coal Company and at Colstrip, but they were inconclusive. The best estimates were that it would take many years and successive replantings with much fertilizer and large amounts of water, and would cost upward of $500, perhaps as much as $5,000, per acre, before one could tell if reclamation had truly worked in that dry and fragile land of thin topsoil. Yet the leases carried no bonds, or ridiculously low ones, usually less than would be required to pay for the restoration of a single acre. A company could make a try at reclamation, then walk away, forfeiting the bond and leaving it to the state or someone else to struggle with reclamation problems.

In addition, there was little information available about water problems that would result from the strip-mines. Some of them would seriously disturb patterns of drainage and surface runoff; at Decker, acquifers that lie among the coal deposits would disappear. The implications for the entire region's future water supply, especially as it felt the impact of increased demand for industry, were great, but no meaningful hydrological studies existed.

The powerplant problem in Montana, Gill's study showed, was still a relatively small cloud in the sky, but already an ominous one. On a 50-50 ownership basis with Puget Sound Power & Light Company, Montana Power was constructing two 350-megawatt units of a new plant at Colstrip, and had announced two more units of 700 megawatts each, with Puget Sound owning 75 percent of them. The first units were to be completed in 1975 and 1976, and the next two in 1978 and 1979. An initial environmental impact study, based on data supplied by Montana Power, was submitted by the State Department of Health's Division of Environmental Sciences, but was deemed inadequate and deficient on many counts. Fears of ineffective emission controls; widespread pollution harmful to vegetation, trees, and livestock; degradation of the quality of the air; and disruption of the ecosystem of a large region all seemed justified to many of those who analyzed the study. A final, 400-page version was more complete, but failed to still the fears. Alarm was heightened, moreover, by the prospect that additional polluting powerplants and other industrial installations were already being planned for the same area. In its own notice of appropriation for Yellowstone River water in 1970, Montana Power had indicated it planned to run a 31-mile-long, 60-inch pipeline, capable of conveying 250 cubic feet of water a second, from the river to Colstrip. This was more water than the powerplant units would need, would divert from downstream users about one-eighth of the Yellowstone's water at low flow in an average year, and suggested a future use for something else, perhaps a coal gasification plant, at Colstrip.

Gill's study also dealt with looming problems of transmission line corridors and options for water. Much of the power generated at Colstrip would be transmitted to consumers in the Pacific Northwest, requiring corridors for new lines across central and western Montana as well as Idaho. Conflict was already breaking out with landowners over rights-of-way for a new 40-mile-long corridor in the Bitterroot Valley in the western part of the state, and it was only the forerunner of what was sure to be a mass of angry confrontations as more plants were built and more corridors were sought to carry power east and west to distant consumers.

As to water, the study noted that the state's total existing and potential supply from the rivers of the Yellowstone Basin was 1,735,00 acre-feet a year; yet energy companies (possibly planning gasification and liquefaction plants) had already received options from the Bureau of Reclamation for 871,00 to 1,004,000 acre-feet per year and had requested or indicated interest in another 945,000 acre-feet per year from those streams! Where this would ultimately leave farmers, ranchers, towns, Indian tribes, and others with claims on the water was not stated, but Gill suggested that "it seems safe to assume that a supply of water sufficient to accommodate the coal developments . . . would require complete development of the area's water resources," including more dams, as well as the interbasin and interstate transportation of water via a network of aqueduct pipelines, built by the Bureau of Reclamation.

As if to underscore the pressures that were already building for water, Gill noted an intention of the HFC Oil Company of Casper, Wyoming, to construct two or more gasification plants in Dawson County, Montana; the proposed Colorado Interstate Gas plant at Sarpy, and another one near Hardin; and Consol's plan to build a complex of four of them on the Northern Cheyenne Indian Reservation in Montana. Since a three-plant complex would require 50,000 to 75,000 acre-feet a year, the total water needs, he suggested, would probably limit the number of complexes in Montana "to 12 or less," an observation that, in fact, focused on the one definitive limit (outside of the vast total coal supply) to the ultimate coalfield development of the entire region. In other words, he who gets the water can build, and after the water is all taken, there can be no more users.

The report finally mentioned problems of air pollution, the increase in population, and changes in the human environment. All were matters of pressing concern to the state, but in the absence of overall planning and controls, none of them could be discussed intelligently until plans for each project were made public. Then the impacts would have to be assessed on an individual project basis—a sure formula for the rapid deterioration of the human and natural environment.

Montana's growing distress over these problems was reflected when the state legislature convened early in 1973. Numerous regulatory bills were introduced, and by April several significant ones had become law. Coal was eliminated from the condemnation statute, and operators were prohibited from prospecting or mining until they had secured the permission of the owners of the surface rights. Both measures came too late to help all those who had already sold their surface under threat, but they took some of the pressure off the many Boyd Charters and John Reddings who were still holding out. Ahead, however, lay legal battles over the rights of coal purchasers versus those of the landowners. The companies, claiming that other state and federal statutes gave them rights, felt that they still had ways of getting the surface rights they needed. The legislature also passed a strong reclamation law that spelled out required reclamation procedures in detail; increased sharply the state tax on coal; set up a Resource Indemnity Trust Fund to rectify damage to the environment caused by the extraction of nonrenewable natural resources; established a centralized system for water rights; and created a power facility siting mechanism, giving the state's Department and Board of Natural Resources and Conservation authority to approve the location of generation and conversion plants, transmission lines, rail spurs, and associated installations.

Still missing, at that late date, was convincing evidence of concern or commitment on the part of agencies of the federal government. A major portion of the coal lands in the northern plains is public domain, administered by the Bureau of Land Management of the Department of the Interior. Every aspect of the bureau's practices in the granting of federal coal permits and leases has been severely criticized in Congress and by the General Accounting Office In March 1972, GAO focused on the question of whether the United States was receiving a fair price for its coal, and concluded that it probably was not.

In the past, the lack of competition for Western coal had permitted the securing of permits and leases for bonuses and royalties so low as to constitute a virtual steal in present-day terms. But the agreements ran for twenty years before they could be adjusted, and many of them still have long periods to run before the royalty can be raised. So the "steals" on those leases continue. Moreover, even the prices paid to the government today can be questioned. Permits and leases are awarded to applicants who pay the highest bonus in competitive bidding. But the royalty rate which the applicant must pay the government for each ton of coal produced is recommended to the Bureau of Land Management by the U.S. Geological Survey and is set as a fixed term or percentage for a specified number of years. Of late, the figures have usually been 17.5 cents for subbituminous coal and 15.5 cents for lignite—considered by many critics to be too low, in view of actual market conditions. In non-BLM deals, for example, producers have revealed with uninhibited realism the extent of their ravenous appetite for coal lands by offering higher royalties and letting speculators who assign them their rights tack on increased tonnage royalties for themselves. Moreover, companies who have leased the coal are now asking the federal government to do research that will establish the value of the coal—something which, if done before the leasing, might have gotten the government a higher price for it.

The General Accounting Office was even more critical on other points. Speculators could buy rights cheaply, hold onto them for long periods of time with no plans to mine the coal, then sell the rights at a large profit in the rising market. Reclamation and environmental requirements were almost nonexistent in older leases, and the Bureau of Land Management was ignoring this deficiency, waiting for each lease to come up for renegotiation on the twentieth year after the lease had been made. Newer lease had stiffer requirements, but they were not being enforced. In August 1972 a second GAO report spelled out its criticisms on this score more sternly, aiming its charges also at the Bureau of Indian Affairs, which was administering the leases of coal owned by Indian tribes. Technical examinations of environmental effects were not being conducted by either agency; coal operators were permitted to proceed with exploration and mining without approved plans; compliance and performance bonds covering the requirements, including reclamation, were not being obtained—or, if in some cases they were, the amounts were insufficient to cover estimated reclamation costs; required reports were not being received from operators; and procedures did not exist for the preparation of environmental impact statements, so they were not being made.

The criticisms pinpointed numerous violations of federal laws and the code of federal regulations by both the Bureaus of Land Management and Indian Affairs. The Department of the Interior made no meaningful response, and in October and November 1972, both Russell E. Train, chairman of the Council on Environmental Quality, and William D. Ruckelshaus, then administrator of the Environmental Protection Agency, urged the department to undertake remedial actions. Train particularly recommended an environmental impact statement on the overall coal leasing program. Except for directives to the field for a minor tightening up of enforcement procedures, silence in Washington continued, presumably because of a desire not to do anything until the President's national energy policy could be prepared and made public or the Northern Great Plains Resource Program study could issue a report.

Meanwhile, Secretary of the Interior Morton refused to uphold a resolution passed by the U.S. Senate on October 12, 1972, calling for a moratorium on further coal leasing of federal lands in Montana for one year or until the Senate could act on strip-mining legislation. Senators Mike Mansfield and Lee Metcalf of Montana and Frank E. Moss of Utah wrote angrily to Morton, terming his decision "arrogance of the executive branch" and "unconscionable," and criticizing his statement that the Senate could rely on the regulations of the Interior Department to guarantee "environmentally acceptable mining."

Actually, after April 1971, the Bureau of Land Management had held up the approval of all federal coal permits and leases in the northern plains until it could assess how much coal was already under lease and ascertain the demand and need for additional coal. It was conducting a study of the coal-rich Birney-Decker area in the Tongue River Basin of southeastern Montana, where many applicants hoped to secure rights to deposits of some 11 billion tons, and it used the study as one of the excuses for the unofficial moratorium. But the study was released (angering the coal companies by proposing the mining of only a limited strip, two townships wide, just north of the Montana-Wyoming border—"leaving out the best coal and including only the poorest area," according to one operator), and still no new BLM leases were approved. But now, according to Secretary Morton, the department would proceed "cautiously on a case-by-case basis," suggesting to the companies that even the desired part of the Birney-Decker region would soon be opened to them.

In a Senate speech on January 12, 1973, Mansfield called attention to what the energy crisis was doing to his state, complaining that the individual landowner was being treated "shabbily," attacking the utilities and coal companies for "approaching this situation with little compassion and regard for the future of this part of our nation," and asserting that "if we cannot have orderly and reasonable development of the vast coal resources in Montana and the West, there should be no strip-mining of coal."

Meanwhile, if the federal government was not protecting the non-Indian people of the region, it was actually selling out the Indians. The GAO criticisms of the Bureau of Indian Affairs merely scratched the surface of the derelictions of government trust obligations to the tribes. Indian lands in Montana contain approximately one-third of the state's total 30 billion tons of strippable coal reserves. Some of it is owned by the Fort Peck Indian Reservation in northeastern Montana, but the largest and most valuable deposits underlie the entire Crow and Northern Cheyenne reservations in the southeastern part of the state, roughly in the heart of the prized Colstrip-Gillette area. Beginning in 1966, the Bureau of Indian Affairs—which as legal protector of Indian resources must approve all tribal permits and leases—brought coal companies to the Northern Cheyenne tribal council, encouraging that body ultimately to sign a total of eleven exploratory permits for the tribe's land. Uninformed of the ramifications of strip-mining and of the omissions and deficiencies of Bureau of Indian Affairs coal leases (whose terms and regulations adhered pretty closely to those of the Bureau of Land Management), the tribal council put its trust in the BIA, one of whose officials was quoted as saying as late as 1972, "There are indications coal will be a salable product for only a few years." Encouraged to take money while the taking seemed good (bonuses, rentals with a floor of one dollar an acre, and royalties of 17.5 cents a ton), the tribe let out to Peabody, Amax, Consol, Norsworthy & Reger, and Bruce Ennis a total of 243,808 acres—a startling 56 percent of the reservation's entire acreage!

The permits were loosely worded as to reclamation and other environmental considerations; and, like BLM and most other permits, gave the operators the right to exercise lease options which were appended as part of the original agreements and which set forth the monetary and other terms of the leases. Thus, a permit holder could explore for the coal, discover its value, then secure it without the seller being able to negotiate for the really true value of the coal. The leases, in turn, gave the purchaser the right to use the Indian land for all manner of buildings and installations necessary for the production, processing, and transportation of the coal, opening the way for the construction of power, conversion, and petrochemical plants, railroad lines, associated industrial complexes, and new towns of non-Indians, whose numbers would submerge the approximately 2,500 Northern Cheyennes and turn the reservation quickly into an industrialized white man's domain.

Most members of the tribe were uninformed about the terms of the leases, but when Peabody and Amax exploration crews appeared, drilling among the Indian burial grounds and disrupting the Indians' lives, friction and unrest developed rapidly. Fearful for the future of the reservation, their culture, and the tribe itself, a number of Indians, mostly those who held allotments of their own land on the reservation, formed the Northern Cheyenne Landowners' Association to oppose the coal development. At almost the same time, Consol entered negotiations with the tribal council for another 70,000 acres of the tribe's land (which would have brought the total acreage held by permittees to 72 percent of the reservation). Consol's proposal, which was not made public to the tribal members, offered $35 an acre and a royalty of 25 cents a ton (7.5 cents above what the federal government was getting for BLM coal and what the Indians had received in all previous leases).

To the startled Indians, Consol explained that it intended to invest approximately $1.2 billion in an industrial complex that would include four coal gasification units and that implied a city of perhaps 30,000 non-Indian people on the small reservation. The company was in a rush to get the permit signed. It urged the Indians to forgo the usual practice of asking for competitive bids (it would mean "the loss of several months' " income to them), and it offered the tribe $1.5 million toward the cost of a new health center (needed badly by the Indians, but also by the non-Indian industry, whose white employes would, according to a clause in the proposed agreement, have access to the facility—inevitably becoming the center's major users). It also tried to pressure the Indians with a threat: "If Consol cannot conclude negotiations with the Northern Cheyenne tribe at an early date, Consol will be forced to take this project elsewhere . . . this project will be lost to the Northern Cheyenne, and it may be a long time before a project of this magnitude comes again, if ever."

But the company, which had prospective customers of its own for the coal, needed the deal more than the Indians did. Word of the proposal leaked out to the Northern Cheyenne Landowners' Association, and public meetings were held, cautioning the tribal council to go slowly. The higher price offered by Consol for the coal started some new thinking. Gradually, the tribal council could recognize problems with all the permits. The exercise by Peabody of its options to lease raised the question of whether the coal company should have had to negotiate anew, treating the leases as separate documents and letting the tribe ask for a fairer price for the coal.

The company's activities also were causing many resentments among the Indians; the terms of the Peabody lease were now seen to be too loose for the protection of the reservation; the enforcement of strip-mining procedures in the code of federal regulations was not being observed by the Bureau of Indian Affairs; and the possibility that corporations would erect gasification plants and other installations on Peabody's leased land posed a fearful threat to the Indians' future. The same questions were raised about Amax's permit, while in connection with a third permit, given to Bruce Ennis, the Billings lawyer, and then assigned by him to Chevron, the Indians wondered if this had been speculation with their property and if Ennis had received a royalty from Chevron on top of their own 17.5 cents—which would have been illegal.

After more public meetings and deliberations, the Northern Cheyennes called in an attorney of the Native American Rights Fund in Boulder, Colorado, for advice and to write an environmental code that would protect the reservation. Other attorneys were consulted, and on March 5th, postponing further consideration of the Consol proposal, with its threat of gasification plants, the Northern Cheyennes demanded that the Bureau of Indian Affairs declare null and void all their existing coal permits and leases. At the same time, the tribe implied that if the agency refused to undertake such action, the Northern Cheyennes would consider suing the federal government for not having protected the tribe and its resources, either in the drawing up and approving of the agreements or in the observance of provisions in the code of federal regulations. The tribal council indicated, moreover, that the Indians might prefer to mine and market their own coal themselves, drawing on independent expertise and, with the advice of competent environmental scientists, protecting the reservation with proper planning, regulations, and controls.

While the tribe's demand was being pondered by solicitors of the Interior Department, the coal companies' plans went forward. On March 21st, Peabody announced it would supply 500 million tons of coal from its Northern Cheyenne strip-mine to the Northern Natural Gas Company of Omaha and the Cities Service Gas Company of Oklahoma City, which jointly would build four gasification plants, at a cost of $1.4 billion, presumably in the vicinity of the mine. Each plant would employ up to 600 people (meaning an influx of many more non-Indians), and construction of the first plant would start in 1976. Peabody's coal, moreover, would only fuel two of the giant plants; the gas companies would need another 500 million tons from a second mine, which the Indians guessed would be opened by one of the other permit-holders.

Somewhat similar events were transpiring, meanwhile, on the Crow Indian Reservation, which abuts that of the Northern Cheyennes. The Crows had let out permits for 292,680 acres, including rights to the coal in the off-reservation Sarpy area, whose surface the Crows no longer owned. Some of the rights to that coal had been bought from them for 17.5 cents a ton by Norsworthy & Reger, who had then assigned the rights to Westmoreland. In view of the situation on the Northern Cheyenne Reservation, the Crows began to question the 17.5 cents-a-ton price they had received, as well as a 5 cents-a-ton overriding royalty that Westmoreland had paid Norsworthy & Reger, making it clear that Westmoreland had actually been willing to pay at least 22.5 cents for the coal.

In addition, when making the original deal, Norsworthy & Reger had persuaded the Crows that they could not sell their coal unless they also handed over rights to 30,000 acre-feet of water a year (which would be needed for gasification plants). Unknowledgeably, the Crows obliged, transferring one of their water options from agricultural to industrial use and turning it over to Norsworthy & Reger. Altogether, in fact, the Crows gave away to the different coal companies valuable options for 140,000 acre-feet of water per year without a penny of payment. Testimony by James Reger to the Montana Water Resources Board in Helena on May 20, 1971, relating how he had maneuvered the water from the Crows, angered the Indians when, almost two years later, it came to their attention. Again, the tribe felt that the Bureau of Indian Affairs had not offered protection, and now, as with the Northern Cheyennes, violations were noted in all the permits, and fears were raised for the people's future. Early in 1973, lease options were exercised by Gulf and Shell for reservation lands. A report was circulated that a non-Indian city of up to 200,000 people was being considered for the neighborhood of Wyola or Lodge Grass on the reservation. Sentiment for canceling all the tribe's leaves spread rapidly, and the tribal chairman, meeting with attorneys and Montana environmental experts, indicated that the Crows might take actions paralleling those of the Northern Cheyennes.

The resentments of the two tribes could seriously threaten some of the major projects being planned for the heart of one of the principal coalfields. As such, they would prove a significant impediment to the federal government's encouragement of the full-scale exploitation of the Western coal. But there is a greater threat inherent in the indictment that Indians, once again, were defrauded by their trustee, the Bureau of Indian Affairs, which, abetting the coal companies, opened the reservations to an exploitation marked by unfair terms, lack of protection, and deceit. Throughout the country, other Indians are coming to recognize that the massive nature of the coal developments means the end of the Crow and Northern Cheyenne reservations as they have been, and, with it, the almost certain extinction of those peoples as tribal groups. As a result, the situation has a growing significance to all Indians and bids fair to become another source of explosive confrontation between Native Americans and the federal government.

The lack of impact statements, the nonobservance of regulations, and the many violations of laws that have characterized the first years of the coal rush throughout the region have provided concerned environmentalists with opportunities for numerous law-suits. The Natural Resources Defense Council, the Environmental Defense Fund, the Sierra Club, and other organizations, consulting with attorneys, scientists, landowners, and environmental advocates like William L. Bryan jr. in the region, are currently preparing a number of cases which may attack some of the worst evils, bring about tighter controls and a modicum of order, and slow the headlong exploitation. In addition, an independent committee of twelve prominent natural scientists headed by Dr. Thadis W. Box, dean of the College of Natural Resources at Utah State University in Logan, was formed in April under the auspices of the National Academy of Sciences and the National Academy of Engineering. The committee was to review the ecological and environmental consequences of the coal and power operations, and its report is expected in July. Meanwhile, each week new projects are announced, the hurried pattern of development grows more chaotic, and the threat to the northern plains increases.

In Wyoming, Tipperary Resources, holder of one billion tons of coal, announces it will built a 1,200-megawatt powerplant near Buffalo, using water from 58 wells in the dry country; a new Atlantic Richfield strip-mine will ship 10,000 tons of coal a day to Oklahoma; Wyodak Resources Development Corporation will build a 200 to 300-megawatt plant near Gillette, using 1 to 1.5 million tons of strip-mined coal a year; and the total Wyoming coal production will jump from 10.9 million tons in 1972 to 30 million tons in 1976. In Montana, Basin Electric Power

Cooperative will build a generating plant to send power to eight states; coal will be shipped to two 600-megawatt plants that will be built in Oregon; a new Montana Power transmission line is planned to run from Anaconda to Hamilton, another from Billings to Great Falls, small parts of an eventual great new network.

In North Dakota, more than two million acres of land are believed already leased for strip-mines; companies holding rights to a billion tons of coal in Hettinger County will build four large-scale powerplants; the Michigan Wisconsin Pipe Line Company, arranging for the purchase of 1.5 billion tons of strip-mined lignite from the North American Coal Corporation, asks for 375,000 acre-feet of water per year from Garrison Reservoir on the Missouri River, enough for no less than 22 gasification plants; still another company wants water for eight more gasification plants. And so it goes.

The horrors conjured up by the North Central Power Study in 1971 are coming true even faster than that document proposed—and without the focus for planning and control which its blueprint provided. Is it, then, all over for the northern plains? Will they inevitably become another Appalachia? On the Tongue River near Birney, Montana, where strip-mines, powerplants, gasification plants, and other industrial installations threaten the land, air, water, and quality of life of the Irving Alderson Jr. family, fifth-generation owners of the Bones Brothers Ranch, Mrs. Alderson gives voice to a desperate, last-ditch courage that says there is still time to save the region.

"To those of you who would exploit us, do not underestimate the people of this area. Do not make the mistake of lumping us and the land all together as 'overburden' and dispense with us as nuisances. Land is historically the central issue in any war. We are the descendants, spiritually, if not actually, of those who fought for this land once, and we are prepared to do it again. We intend to win."

BOX CANYON: A NATIONAL TREASURE

Mr. McCLURE. Mr. President, on July 26, I introduced S. 2269, a bill to designate Box Canyon Creek, Idaho, as a component of the national wild and scenic rivers system. The bill is intended to head off further commercial development of Box Canyon and to save one of the last of South Idaho's fabled Thousand Springs in its natural state.

This particular canyon is the only one of its kind in the United States. It is a majestic, deep, true box canyon with sheer basalt walls. Dr. Howard A. Powers, a retired official of the U.S. Geological Survey, described it in this way:

> Box Canyon is one of the best examples of the geological features that tell the story of the great flood from Lake Bonneville that shaped the Snake River Valley. It is one of the geological wonders of North America.

Box Canyon is a "self-sustaining" ecosystem. The majority of the life there completes its life cycle entirely within the confines of the canyon. The most noticeable type of wildlife found in Box Canyon is the various species of birds that use the canyon walls as nesting sites, including the Golden Eagle. Until about 3 months ago when development was started on the lower end, the canyon was in a near pristine condition.

Down through the canyon meanders the Box Canyon Creek, which is fed by the Box Canyon Spring at the head of the canyon and flows into the Snake River at the mouth of the canyon. It is this creek which I seek to preserve by its inclusion in the wild and scenic rivers system. Box Canyon Spring is said to be the 11th largest spring in the United States. The main spring emerges at the floor of a cliff at the head of the alcove canyon and numerous other springs enter the creek along the canyon's entire length.

It is a part of the outlet of the Snake River aquifer known locally as "Thousand Springs." Approximately 15 percent of the discharges from the Snake River aquifer flow from Box Canyon. Most of the other large springs in the area have been developed.

And it is this same kind of development that is presently threatening Box Canyon. The quality of the water in Box Canyon Creek is excellent and highly desirable for fish production. The creek itself supports a good population of native rainbow trout. With these perfect conditions, it was only a matter of time before someone would seek to use those waters for commercial fish production. And that time is now upon us. Development has started on the lower end of the canyon for the establishment of a trout farm, and a diversion dam has been constructed half way down the creek to divert the water to that development. With the construction of the water diversion facilities, the "primitive" values of the lower portion of the canyon are now substantially gone and cannot easily be restored. I think it is therefore incumbent upon us to do whatever we can to preserve the natural qualities of the upper portion of this unique canyon.

Box Canyon has been a center of public controversy for the past 4 years. Although most of the surrounding land is privately owned, there is some Bureau of Land Management land near the mouth of the canyon, and most development plans would require a right-of-way over that public land. Ever since the first right-of-way application was filed with the Bureau, there have been innumerable meetings, field tours and discussions concerning the fate of the canyon. The area is currently under study by the National Park Service to determine its suitability for a National Monument, and at my urging, there has been discussion of a new concept of a national cultural park.

Such groups as the Idaho Environmental Council, Magic Valley Recreation Council, Greater Sawtooth Preservation Council, and the Idaho Wildlife Federation have urged that Box Canyon Spring be retained in its natural state. This bill that I have introduced offers a solution to the problems of saving the spring that is simple, inexpensive, quick and permanent, and with the least possible controversy. Specifically, the measure would place the upper Box Canyon Creek in a "wild river" status—guaranteeing that it would remain in a totally natural state. The lower end, which empties into the Snake River, would become a "recreational river," accessible by road and open to the public. The dividing line would be the diversion dam.

Of course, the bill will in no way interfere with the studies that the National Park Service is conducting. If at some later time that agency comes forth with a national monument or cultural park recommendation, it would not be incompatible with the wild and scenic river designation. The important thing that this bill does is to preserve the river in its present state, acknowledging the present development but prohibiting any additional development. In this manner, the area is protected until and if a more extensive management plan is adopted. I sincerely hope that action on the bill will be speedy so that its implementation can be started immediately in order to prohibit additional development in this highly unique area.

THE NEED FOR A COMPREHENSIVE RURAL HOUSING DELIVERY SYSTEM

Mr. McGOVERN. Mr. President, recently my valued friend and colleague from South Dakota, Senator JAMES ABOUREZK, joined with me in a joint presentation to the Senate Housing Subcommittee on the need to create a comprehensive rural housing delivery system.

As you know, we have outlined the concepts of what such a delivery system might be in our Emergency Rural Housing Act, which was introduced last week by Senator ABOUREZK and myself with 21 cosponsors from the Senate.

We believe that creation of such a comprehensive delivery system is an important task which can be accomplished this year as the Senate undertakes a thorough overhaul of our basic Federal housing programs.

Mr. President, I ask unanimous consent to have printed in the RECORD Senator ABOUREZK's perceptive statement on the subject and also the statement by Dr. George Rucker, of the Rural Housing Alliance, another witness who appeared before the subcommittee last week and who spoke directly to the subject.

There being no objection, the statements were ordered to be printed in the RECORD, as follows:

RURAL AMERICA NEEDS A HOUSING DELIVERY SYSTEM

(Statement by Senator JAMES ABOUREZK)

Mr. Chairman, if we are truly intent upon providing a decent home in a suitable living environment for every Amercan family, then the time has passed when the needs of rural America can be put on the back burner.

It would be unreasonable to expect a national policy to succeed if the needs of a third of the population were overlooked during the design of that policy. But, too often in the design of our major social legislation, that is what happens. Rural America gets overlooked.

The statistics tell the story: rural America has a third of the population, 60% of the housing need, median family income which is 77% of that in metropolitan areas, 44% of the nation's poverty families and has received possibly only a fourth of total Federal housing resources.

Across the board, from housing to health care to education and transportation, from the location of Federal facilities to the distribution of employment opportunities, rural America has been getting the short end of the stick.

Rural American is poorer and older. It has fewer doctors, less indoor plumbing, higher infant mortality rates, a more severe nutrition problem and triple the incidence of substandard housing when compared to urban America. Nearly every social index shows rural America trailing behind the cities.

These facts seem to be understood, and likewise it seems to be understood that all of America is paying the human and social cost of rural America's step-sister status, yet somehow these understandings are rarely translated into Federal policy. Housing is a perfect example.

On the one hand you have the Department of Housing and Urban Development, which is overwhelmingly urban-oriented but which has somehow managed to put 21% of its assisted units in rural America.

On the other hand you have the Farmers Home Administration, which has responsibility for a dozen other diverse programs in addition to housing, which is limited to places of less than 10,000 population and which has never had the full range of tools available to the cities through HUD.

To put it bluntly, the cities have a single agency which is responsible for seeing that the promise of a decent home for every family is attended to, but in rural areas the policy is fragmented, the agency which one might suppose to be in charge has many other things on its agenda as well and labors under debilitating administrative and statutory limitations.

To be even more blunt about it, urban America has a very sophisticated housing delivery system. Rural America does not.

Rural America lacks an adequate supply of mortgage credit. It lacks the institutional setup to deliver that credit. It lacks local financial institutions willing or able to deliver assisted housing credit on the scale necessary; we are limited not only by the lack of those institutions, but by their conservative lending policies and their geographic distribution. If you take the sum total of rural America's housing delivery system, including its enlightened private institutions, its nonprofits, its housing authorities, and what state and local efforts there are, you still come up with an incredible gap.

When you take into consideration the additional factor that there are nearly one million inadequately-housed rural American families with an estimated average rent-paying capacity of $14 a month, the gap becomes even more incredible.

Federal housing policy has not taken these gaps into account. Now that we are undertaking to overhaul two decades of housing programs, I respectfully submit that the time has come to do something about it.

Rural America needs a comprehensive housing delivery system. It's as simple as that. We do not have one now, and we will not be able to fulfill the 1949 promise until we do have one.

On Monday, July 16, Senator McGovern and I introduced the Emergency Rural Housing Act of 1973 with Senators Gale McGee, Ted Moss, Dick Clark, Jennings Randolph, Edward Kennedy, Mark Hatfield, Hubert Humphrey, Lee Metcalf, Ernest Hollings, Dan Inouye, William Hathaway, Mike Mansfield, Marlowe Cook, Harold Hughes, Phil Hart, Quentin Burdick, Birch Bayh, Frank Church, Ed Muskie, and John Tunney as co-sponsors.

It is similar to S. 361, which we introduced earlier this year and which Senator McGovern introduced last year. It is similar to the original version which I introduced last Congress in the House.

What this bill does is establish a housing delivery system for rural America, for rural areas and towns of under 25,000 population.

It borrows from the model of the REA to establish a housing delivery system in rural America. It would cause the creation of Rural Housing Associations—very similar to REA coops—at the local, area or state level—to function as housing delivery institutions with area-wide coverage responsibilities. Those associations, in turn, would have access to direct Treasury credit, subsidies and direction provided by the Emergency Rural Housing Administration.

The Rural Housing Associations at the field level would be controlled by those they serve—a principal fundamental to the success of the REA program. Very simply, people who are eligible for the program and those who served by it would elect the boards of directors which run it. It's the same concept as the REA coops, one of proven accomplishment in rural areas, one highly acceptable there, one which assures a high degree of local control and citizen participation.

The Associations would have great flexibility to work with any and all existing institutions—including Farmers Home, including HUD, including existing non-profit and local housing authorities.

The Associations would simply agree to serve families in need who would not be served by the existing institutions. This, too, is a basic REA concept—areawide coverage. The associations, in effect, would have a residual responsibility to fill our present gaps, by using a full range of tools and broad flexibility.

HUD has already spent over $100,000 on a project which indicates the workability of this kind of delivery system concept in rural America. Two years ago, it made a research grant to Basin Electric Power Cooperative in Bismarck, North Dakota, to see if that cooperative which generates and wheels electric power to more than 100 member rural electric cooperatives in the upper midwest, could function in the kind of catalytic role we invision in this legislation. The results are a phenomenal success. Working through the local REA coops, and laboring under all of the present shortcomings and constraints in present housing programs that one project, with only two full-time people, has been able to bring more than 2,500 new housing units into being.

I ask permission to insert the final report of that demonstration project in the record of proceedings of this Committee. If you read the report, you will learn that the kind of delivery system we are talking about has been tested and I would call the results a striking success.

Basically, all they were doing in that project was spreading the word about housing, educating, and matching local organizations to what limited federal resources were available. Our legislation seeks to expand on that experience by creating this sort of delivery system all over the country, and by equipping it directly with capital and subsidy mechanisms to provide what the existing system lacks.

At the national level, the bill creates the Emergency Rural Housing Administration. We called it "emergency" because we stipulated a five-year deadline for it, and wrote borrowing authority and appropriations adequate to meet the estimated need into the act. Now, I realize that may trouble some people, but we wanted, in this legislation, to define the scope of what it would take to do the job.

It is to be an independent agency, because this is the quandary we were in: if you give it to HUD, you are up against that overwhelming, dominating urban bias, which characterizes the agency; if you give it to Farmers Home, you are in that administrative bottleneck again, and there is little likelihood that you will ever get out of it. It is a predominantly farm-oriented organization, one set in its ways, a subordinate agency of still another predominantly farm-oriented organization.

At this point I would like to quote briefly from that Basin Electric report. The report said that "HUD operations in rural areas fall basically into the category of 'unused Federal programs.'" It noted further that the Farmers Home Administration has a definite bias in favor of those "with better incomes," whereas the major problem is shelter for low-income people.

One further comment on the fact that our legislation envisions an independent agency: we have learned that the consolidation of the executive branch into fewer and fewer giant departments, while looking good on paper, does not always function in the best interests of everyone concerned. When the Executive branch centralizes, power gravitates toward the White House and accountability to the Congress diminishes. Moreover, when you have really huge departments, such as HEW, you begin to hear people telling you that no man alive can administer them effectively.

The legislation creates a Rural Housing Investment Fund capitalized by Treasury—borrowings to provide capital for rural housing—rental and homeownership—financed by the Emergency Rural Housing Administration. We put this in the bill for three reasons: the taxpayers are entitled to the savings of direct Treasury financing, as reflected in the recent GAO report about the expensiveness of the interest subsidy programs; private capital and private lending institutions are not in rural America on anything near the scale necessary.

To the extent that they are there, this agency does not seek to replace their function but rather to address itself to that part of the housing need which they cannot or will not serve. Third, to call attention to the fact that if this government kept its books on a capital budget system, these investments would appear on the books as assets. Any banker would show these housing loans on his books as an asset. Our thinking is that the taxpayers deserve the same kind of rational bookkeeping.

The design of the homeownership subsidy program embodied in the bill is modeled after one used in Scandinavian countries, which for want of a better word we call the Norwegian plan. Suppose you had a family for whom homeownership is desirable, and the cost of a modest house for them would be $12,000 but their income is too low to support a $12,000 note even at 1% interest. In that case, up to half of the principal would be secured by a first mortgage at an interest rate as low as 1%. The first mortgage would be written for forty years, and upon payment of it, the second mortgage becomes payable. In case of death or sale, the full mortgage becomes payable.

No homeowner would be required to pay more than 20% of his adjusted annual income for principal, interest, taxes and insurance, but a borrower would be given the voluntary option to pay more if he so desired. This makes sense, because many of our poorly-housed poor are already paying much more than that for inadequate housing.

The bill provides for rehabilitation grants not in excess of $3500 for homeowners who are too poor to go under the Norwegian plan, and authorizes a billion dollars in appropriations for them.

The bill puts a priority on homeownership and in effect reserves rental housing for the very poorest families, those whose incomes are so low that if they were homeowners and received even the most generous subsidies, their incomes would not pay operation and maintenance costs. The section is very simple. It says that rents shall bear a reasonable relationship to the income of eligible persons, and in no case should rent including utilities exceed 25% of income. It authorizes annual contributions contracts through the Rural Housing Associations, provides 40-year, interest-free financing for the construction of the rental units, and authorizes repayments to the government to the extent that rent collections exceed operating and maintenance costs of the projects.

In short, we have provided the agency with a wide range of flexible tools—including homeownership, rehabilitation and rental financing.

I am not unaware of difficulties in passing legislation of this nature.

I realize that there will be strong opposition to direct Treasury financing of housing, despite the savings it represents to the taxpayers.

I realize that Congress is under pressure not to authorize new spending programs, particularly if it would appear to involve tax reform.

I realize that urging the creation of an independent agency is swimming upstream against the habits of recent decades to consolidate and to centralize power within the Executive branch.

But I would submit to you, with all due respect, that there are things in this bill which we absolutely must have and which I think we can achieve in this year's legislation.

First and foremost among them is the development of a comprehensive rural housing delivery system. We absolutely must design a delivery system which covers the gaps left open by our previous shortcomings and by the very character of rural America.

That delivery system should be equipped with a full range of tools. It should take into account the generally lower rent-paying capacity of rural America. It should take into account the disproportionate share of poverty and elderly households found in rural America. It should have tools at its disposal enabling it to serve everyone at the lower income levels. It should create a presence in rural America which is at least trying to work on the problem, and which covers every nook and cranny of rural America. It should be equipped with its own financial mechanisms, of whatever kind the Congress deems appropriate, instead of merely another "add-on" piggy-back arrangement which creates the local institutions but has to turn to a third party for its financing and subsidies. And there should be somebody in Washington, whether he's an Undersecretary of HUD, an Undersecretary of USDA, or the Administrator of an independent agency, who has comprehensive and final responsibility for rural housing. We have too many cooks in the kitchen. My first preference obviously would be a single-purpose agency dedicated solely to rural housing, but please, somewhere, let us put one man in charge of rural housing and let us equip him with a set of institutions covering every corner of rural America and with whatever money and mechanisms we finally make directly available to him.

I do not think it is impossible to write that kind of legislation, I do not think it is impossible to pass it, and I am sure it can be made to work.

There are three other concepts in this bill which I think are important. One is giving a prospective homeowner a voluntary option to pay more than 25% of his income for housing. There are a great many people living in rural shacks paying half, if not more, of their cash income for housing, and if that same amount would put them in a decent house, then there is no reason in the world not to allow them to do it.

The second is allowing a man to build a minimum house if that's all his income will support. The way it is now, there are too many shack-dwellers, and I could point to them on any reservation in South Dakota, who do have the income to support some kind of decent housing, but not enough to support an FHA-type $25,000 ranch house, who are living in open country or a small community and who would cry for joy at the chance to get a small, weather-proof, water-tight, well-heated, safe, solid home with plumbing. We should not force anyone to take such a minimum home, but it is just plain cruel to insist he must keep his family in a rotten shack until he can afford a fancy ranch house. If you make the minimum home concept a reality, you can count on people to fix them up, to enlarge upon them, as their income allows. It is happening in Puerto Rico on a dramatic scale.

The third concept I would argue for is letting a family live where they choose to live. I reject the growth center sociology. I know of too many elderly people who would prefer to live where they are, on their land, where they have spent all their lives rather than move into a growth center to achieve decent housing. In other words, they would trade their health for the right to live where they want to live. I do not think we should force them into that choice. I do not think we need to.

Mr. Chairman, there are possibly as many as three million American families in housing need who live within range of the Emergency Rural Housing Administration as we have defined it.

Perhaps one tenth of them have incomes over $10,000 a year.

About a third of them have incomes somewhere between $4000 and $10,000 a year.

Roughly 660,000 of them have incomes between $2000 and $4000 a year.

And nearly a million of those rural and small town families in housing need have incomes below $2000 a year, a group which includes a great many of our poorly-housed senior citizens.

There is no cheap way to provide housing for all of them; that is a matter of reordering our national priorities.

There is no cheap way to provide housing for all of them. We have a gross national product of over a trillion dollars, and I submit that the time has come to provide a decent home for every American family, including those in rural America.

Thank you.

STATEMENT OF GEORGE W. RUCKER

Mr. Chairman, Members of the Committee, my name is George Rucker and I am the Research Director of the Rural Housing Alliance, a private, nonprofit, research, information, and technical assistance organization dedicated to the improvement of housing conditions for low-income people in rural and small town America. We appreciate your invitation to appear and give you our views on rural housing programs.

We have provided members of the Committee with copies of the paper we submitted to Secretary Lynn earlier this year in response to his request for comments on Federal housing policies. It will provide you with our views on the subject in much greater detail than I shall attempt here today; and, if it is appropriate and you wish to make that paper a part of the hearing record, we would be pleased to see you do so.

RURAL HOUSING NEED

The 1970 Census of Housing indicated that nearly 4.3 million families were living in substandrad units—about 3.5 million of those lacked some or all of the plumbing fixtures we regard as essential in this country, and another 775,000 I have projected as occupying units which have all of the required plumbing facilities but are structurally dilapidated. Nearly 60% of those substandard occupancies—some 2.5 million households—are to be found outside of the nation's metropolitan areas, America's rural areas which contain only 30% of our population.

The Census indicated that another 2 to 4 million households are in units which are of "standard" quality but are overcrowded— depending on what definition you use for overcrowding. (The higher figure results if you consider *all* occupied units averaging more than 1 person per room as crowded; the lower figure if you apply that standard to households of less than 6 persons and a standard of more than 1.5 persons per room for households of 6 or more persons.) Nearly 30% of those crowded units are also to be found in nonmetropolitan areas.

Rural and small town America not only suffers from more than its share of inadequate housing, the fact that income levels are generally lower in such areas and that they suffer from a scarcity of credit and of other essential institutions means that it is that much more difficult for them to deal with their housing problems.

THE FEDERAL RESPONSE

Past programs of Federal housing assistance have suffered from some basic defects relative to their ability to serve rural and small town areas.

Public housing—the oldest of the direct subsidy programs and that most appropriate for serving those with the lowest incomes—has not only been quantitatively inadequate to the needs, it has been hampered by the fact that it is basically a local-initiative program, despite its Federal financing. In short, its effectiveness is subject to local will and capability, both in terms of initiating the use of the program and in terms of operating effectively under it. The urban focus of the Federal bureaucracy involved with the program has not helped. Not only did it respond to initiatives which, until recent years, were overwhelmingly urban in origin; but it has generally preferred dealing with large, urban project proposals to handling smaller ones from rural areas and small towns—probably regarding the former as a more effective use of their time and resources in terms of production levels.

Whatever the complex of reasons, the results are clear. A study we completed last year found that nearly half of the nation's counties—containing nearly one-fifth of its population—had *no* public housing program. The most recent data from HUD show that as of the end of last year, the 11 largest Housing Authorities in the country account for 30% of all the units. Almost half of all IHAs, those with less than 100 units each under Contract, account for less than 5% of all units.

Other HUD assistance programs—those tied to Federal Housing Administration insurance—run into the credit gap and the lack of institutions to make use of them when they make any effort to venture out of the metropolitan environment. Designed as they are, these programs are really harnessed to the chariots of the private sector—particularly its lenders and developers—and where those chariots aren't or don't go, the assistance doesn't go either. Again, the results are only too clear. During the thirty-month period from January 1970 through June 1972, FHA subsidy programs covered about 645 thousand units. Only 136 thousand of those—or 21%—went into nonmetropolitan areas.

Title V of the Housing Act of 1949 reflects Congressional recognition of the inability of FHA programs to operate effectively in rural areas and small towns. It authorized Farmers Home Administration to bridge the credit gap and it has certainly served to prevent the inequities in Federal Housing programs from being far worse than they are. But this agency, too, has been hampered. For one thing, it has had a tremendous increase in housing responsibilities in recent years with no concomitant increase in staff resources to handle them. The total program level for the agency (including housing) projected for Fiscal Year 1974 is almost six times the level which it handled in FY 1964; but the total personal resources which will be available next year are only half again as high as ten years ago!

Farmers Home has also been hampered by inadequate subsidy mechanisms. It has not had full comparability with its urban counterparts. It has never had a rent supplement authority, for example—though I recognize that this Committee attempted to correct that particular inequity last year and I hope you will persevere in the effort. Farmers Home Administration has not had the rehabilitation grant program that HUD had administered—though I recognize that this particular inequity is not the responsibility of the legislative committees but of the appropriations process.

The point is that, although the FmHA structure is far more suited to the needs of rural areas and small towns than the HUD structure, the program levels permitted Farmers Home have been only about one-fourth those of the HUD programs, even if you count *all* FmHA-financed housing units, and only about one-eighth of the level of HUD programs if you count only those FmHA units covered by direct interest subsidies. Moreover, the fact that Farmers Home has been almost completely limited to the interest-subsidy mechanism, which is inadequate to the needs of really low-income families, has meant that its housing assistance has been unable to keep up with rising housing costs. Between FY '68—before Congressional authorization of the interest credit program—and FY '72, the average income of a Farmers Home Administration borrower *rose* by 12%, though the size of the house he got went *down* by 9% (its cost went up by 40%). Finally, the pressure to handle substantially increased program levels with minimal increases in staff resources, is forcing FmHA to become more and more like its urban counterpart, FHA, and to depend increasingly on the private sector—a development which we believe will erode further its ability to serve those most in need wherever they may be.

We are especially concerned about efforts to enable Farmers Home to hire private appraisers, building inspectors, and loan servicers. We believe that if these duties pass from the hands of Federal employees to those in private sector, the road will be open to the kind of chicanery that nearly wrecked the Federal housing programs in many cities.

BASIC PRINCIPLES

This recital of past shortcomings indicates, it seems to us, some of the essential elements for a housing policy that is appropriate to the needs of rural and small town America.

People's rights are national

There must be a real acceptance of Federal responsibility and an end to the practice of leaving the national commitment in housing at the mercy of local will and ability, or at the mercy of the private sector's needs. In the past, all Federal programs—whether administered by HUD or by FmHA—have been essentially passive in character. What is needed, especially to do the toughest part of the job, is affirmative action. What is needed is a program that attempts to determine the need (where it is, who it is, and what portion of that need is likely to be met in the near future by existing programs and institutions) and then to move affirmatively to see that the gaps are filled and the job is done.

This is not to say that local initiative and local control should be ignored. We want to see the kind of local input that comes right from the people most concerned—those now living in bad housing. But we feel there should be a powerful Federal agency that can give support to local institutions to the extent of taking over the job should local, effective, people-oriented groups fail to materialize.

Housing people is expensive

There must be a genuine acceptance of the fact that—given the pattern of income distribution which exists in this nation, and has existed decade-upon-decade—our national housing commitment cannot be met on the cheap. Those most consistently left behind by the private market forces and by government programs are the households at the bottom of the income scale, and they are the people that it costs most to serve. That cost is substantial—there is no point in pretending that it isn't. But, it is certainly not prohibitive in an economy as potentially productive as ours.

Public financing is essential

Serving housing needs in a rural and small town environment demands the availability of credit, and private institutions can not be depended on for that availability. In addition, since the task is to serve those who require subsidy, it is far more economic and equitable to use direct Federal credit rather than paying the premium required to lure private credit where it would not otherwise go.

Subsidies required to reach the poor

Adequate subsidy beyond credit resources is also an essential element—and this is as true or truer for rural and small town areas as for the urbanized environment. A full range of subsidies makes the most sense in terms of permitting program flexibility to meet differing needs and possibilities. The greater relative stock of vacant, though substandard, housing in nonmetropolitan areas and the somewhat higher ratio of ownership there adds to the importance of program resources to upgrade and rehabilitate existing housing. But, as urban public housing has made crystal clear, capital subsidy is not enough for those at the bottom of the income ladder. The Census figures indicate that nearly half of the worst-housed have incomes of less than $3,000 a year and can't afford, out of those resources, the continuing costs of decent housing services, much less the initial acquisition cost of an adequate unit.

Effective delivery system needed

Finally, as we have tried to stress, the availability of a responsive housing delivery system is a particularly essential element in a housing policy that is to work in a rural environment. The public housing program has always reflected a recognition that the private sector can't be expected to respond to the needs of those most in need of housing assistance. In rural areas and small towns, that truism is even more to the point. Such success as Farmers Home Administration has had results in part, we believe, from its provision of an additional dimension to the real estate institutions in rural areas—from its direct participation in the delivery process, counseling families, helping them find land, housing or a builder, carrying out inspections and appraisals at no cost of the borrower, etc. But, it remains true that the agency has a basically passive stance. What is needed are more in the way of local institutions to work with whatever Federal programs are provided. Such institutions will not always create themselves—they must be encouraged and assisted and, occasionally, even established directly.

In short, no housing assistance mechanism can operate any more effectively than the institutions which must see to the availability of the housing and the provision of the assistance. A housing policy which is to be effective in rural and small town America must take cognizance of that fact.

REORDERING FEDERAL HOUSING POLICY

We are convinced that no amount of tinkering with the present housing system or programs will be truly effective in providing adequate housing to America's rural poor. To accomplish that, major reforms will have to be made in Federal housing policy—reforms which effectively challenge the prevailing mythology and misconceptions to which much Federal housing activity has been tied.

Having observed much of this activity in rural areas during recent years, we believe that what is needed is the establishment of a comprehensive national housing program which equitably serves the full range of housing needs and which does not leave the national purpose at the mercy of local will or capacity, or private initiative and interest. The present patchwork of Federal housing assistance programs for the rural poor reflects our failure to establish such a comprehensive program, and results in neglect of millions of American families, and the enrichment of a few private interests at an unnnecessarily high public cost.

PROPOSED ALTERNATIVES

The bill before this committee which would establish an Emergency Rural Housing Administration is clearly an attempt to move in the direction of a comprehensive rural housing program. In view of the fact that it contains elements directly relating to the basic principles we have outlined above, I would like to devote the remaining part of my statement to an analysis of that general approach to the problems of housing the rural poor. I hope that our comments—which grow out of our experience over the past seven years—will be of assistance to this committee as it considers this proposed legislation.

1. Establishment of a Separate Agency. The measure proposes to establish a separate and independent agency with specific responsibility and mandate for meeting the basic shelter needs of the nation's rural population, and provided with sufficient resources to deal with the credit, subsidy, and institutional gaps in rural America. It has been clear to us for sometime that such a need exists. The new structure should be dominated neither by the commercial agricultural interests of the Department of Agriculture nor by the overwhelming metropolitan/real estate/banker/builder interests of the Department of Housing and Urban Development.

By this, we do not see an agency created to compete with out duplicate the functions of the Farmers Home Administration. Over the years, I believe we have taken full cognizance of the board range of credit and institutional needs affecting nonmetropolitan areas. Clearly, the well being and reconstruction of our rural areas are dependent upon the existence of an effective rural credit agency—an agency with responsibility for meeting a broad range of rural needs, including housing, community facilities, agriculture, and community and economic development. The Farmers Home Administration should continue to serve a unique and vital role in this regard, and we would urge that that role be strengthened.

However, it is equally clear that the agency is unsuited to the immediate task of rehousing the rural poor, since it has neither the resources, mandate, nor operational structure to undertake a comprehensive rural housing program. And, as a result of factors associated with the agency's evolution, Farmers Home has exhibited neither the initiative nor the imagination in dealing with a largely low income rural housing problem. We say this out of our experience of several years in working both with the agency and with local groups attempting to get it to utilize more fully the program authorities that it has—including self-help and farm labor housing. The fact is that serving low-income people requires hard decisions by the local FmHA staff. It requires working with cases that are more difficult to process than average—requiring more in the way of clearing up credit records and checking out employment and income experience. It requires taking the risks involved in lending to those with marginal credit records. All too many FmHA Supervisors find this goes against the grain.

You don't have to take our word for this shortcoming in the FmHA housing record. A newly released study done by USDA personnel—Inadequate Housing and Poverty Status of Households notes at the outset that FmHA "has difficulty in reaching the very poor" and that its programs "have not helped very many poor households obtain adequate housing." This study suggests those below the poverty line should not even be considered as the target of Farmers Home Administration's housing programs.

We would see the need for an independent agency with the responsibility of providing minimum adequate housing, clean water, and sanitary facilities to the worst-housed of the nation's rural areas, and directed to ascertain the need for such housing in all areas with a population of 25,000 or less, to mobilize the resources of other agencies in developing a five-year plant for meeting those needs, and to act directly to insure that those people not being served by other agencies and programs are, in fact, served.

2. Provision of Adequate Subsidies: The proposed legislation would make available a range of subsidies designed to meet the needs for family ownership, home repair, and rental programs. For home ownership, the measure authorizes an imaginative subsidy mechanism which would allow payments on up to 50 percent of the principal to be deferred while protecting the investment interests of the government. As noted earlier in this statement, existing subsidy arrangements limiting assistance to the reduction of interest charged to the borrower, do not have the capacity to reach low income families.

With regard to families without sufficient income to acquire, operate and pay taxes and insurance on their own homes, the Emergency Rural Housing Administration Act would authorize the construction, operation, and maintenance of adequate rental housing, utilizing a sliding subsidy mechanism dependent upon a family's rent paying ability. In our view, such a program is most essential in light of the large number of families currently excluded by even the subsidized housing market. In the attached analysis of the bill (Item A) which we have prepared, we estimate that at the present time there exists nearly 1 million families in rural areas with an average monthly rent paying ability of only $14. For the most part, these families would be ineligible for public housing even if it were available. Consequently, a comprehensive approach such as that advocated in the proposed legislation would seem essential if we are serious about meeting the needs of the lowest income families.

And finally, the measure authorizes the provision of grants and loans for the purpose of bringing existing housing units up to an adequate level to insure a family's health, safety, and dignity. Such a provision is extremely important, particularly in Appalachia and Southeastern areas of the United States, where large numbers of families currently own their own homes and land but which lack the most basic amenities.

We believe that a major advantage which would flow from an agency funded directly out of the Treasury would be to free the taxpayer from the burden of providing housing facilities far more expensive than is necessary. In all of the housing programs, public and private, one of the standard preconceptions which control the type and cost of housing is its ready resaleability. That is considered essential for private investors whether it is in fact so or not. But a Treasury financed agency would not have to build a minimum two bedroom, 800 to 1,000 square foot house for every old person or couple who needed housing. Under the program proposed here, large numbers of families could be housed decently and safely in rehabilitated housing which private agencies would hesitate to finance because of their location and resaleability. Modest, durable, attractive houses half the size of the standard FHA/FmHA house could be built, quite adequate to the needs of couples or small families. Properly planned these houses would be economically expandable, but the cost of future expansion in the hands of more affluent ownership would not be in a public expense.

This is not unjustifiable criticism of the private insured or uninsured lending programs. They are what they are. But there is no reason why the taxpayer should pay twice as much for satisfactory minimum shelter as the family requires.

3. Establishment of a Rural Housing Delivery System: One of the most significant and innovative features of the proposed legislation is the establishment of an effective rural housing delivery system responsive to local needs. Local rural housing associations, chartered under state law but serving as delegates of a Federal agency would serve to decentralize the basic administration and create, an important institutional structure in rural communities. Patterned after the rural electric cooperatives, they would be controlled by those they serve—those who have the most direct interest in effective implementation of the rural housing program. These local agencies would also be required to enter into area responsibility agreements, in order to assure equitable geographic and racial service, and to assure fulfillment of national policy objectives in meeting the housing needs of "every American family."

The rural electrification program was established to fill a gap left by the private sector—to offset an obvious deficiency in the market mechanism. It did so by utilizing the initiative of those most directly affected, the rural people themselves. The Federal Government provided them with the necessary resources, in the form of credit and technical supervision, and it required, as a condition, that the local organizations operate as responsibly as if they were true public bodies.

Rural housing need reflects an obvious deficiency in the market mechanism. The logic of again tapping the initiative of those most directly affected seems to us compelling. The wisdom of again combining substantial Federal resources and responsibility in a partnership with state and local bodies seems to us appealing. The approach appears to offer the possibility of a housing assistance program which can be fully responsive to local needs and desires without abandoning the national concern for decent housing to local will and capability.

We would like to remind the Congress that there was a time when it had been proved to the satisfaction of almost everybody that rural areas could not be electrified. The power companies in collaboration with the American Farm Bureau had conducted studies which purported to prove with all objectivity that farmers could not afford to pay enough to justify rural electrification. Once REA came into existence the objectivity began to appear more like mist or myth than fact. The co-ops slashed the cost of construction per mile; they slashed the cost of meter reading to zero; they brought into being relatively inexpensive transformers ... *ad infinitum*. Once it was decided that rural areas would be electrified, the vast ingenuity of our society was brought into play, in a multitude of big and little ways. Would became could.

This leads us to another general comment, regarding the creation of an independent agency. There have been some comments indicating that an independent agency has become an undesirable thing. We submit to you if REA had been made a part of the Department of Commerce or the Department of Agriculture in its early years, the rate at which the program grew would have been tragically slowed, or the program might have died altogether, leaving marginal areas unserved to this day. In the Department of Commerce the power companies would have unlimited sway and would have crippled or destroyed the program. In the Department of Agriculture, the Extension Service would probably have had influence enough to achieve the same ends.

Rural electrification swept to a genuinely impressive achievement because (1) it was an independent agency with a single purpose; (2) it was financed out of the treasury and not mortgaged out to private money interests whose interests would have perverted the program; (3) the policies were set as a Federal responsibility; (4) the execution was local with consumer participation on an unprecedented scale. Rural electrification flowed from an assumption of Federal responsibility with local democratic control. We do not pretend the problems are identical. We do propose that the *principles* will apply.

4. Provisions for Direct Financing: Under the provisions of this bill, there would be established a central, public financing institution for rural housing and community facilities. The rural housing investment fund would be established by means of direct borrowings from the Treasury, with the funds to be used for the acquisition of land and construction of housing for all lower income people living in rural areas. Grant funds and other housing subsidies would be made from direct Congressional appropriations. On the basis of our experience, and as we have pointed out before, the Federal government can borrow money and lend it more cheaply than it can subsidize others to make credit available. But the present mythology which makes all public financing look like a "cost" rather than an investment has been utilized to block direct Federal lending. The funds to finance the construction, rehabilitation, and operation of subsidized housing should come out of the Treasury, from either tax revenues or Federal borrowings, and be applied as directly as possible.

CONCLUSION

Mr. Chairman, as is probably apparent, we believe that the introduction of the Emergency Rural Housing Administration Act and its consideration by this Subcommittee are most historic events in the evolution of the nation's rural housing policy. For too long, the basic needs of our rural people have been seriously neglected. The results of such neglect and discrimination are widespread rural poverty and human misery. However, this society has the capacity—both the resources and the knowledge—to alter the indecent housing conditions which currently exist in rural America. I hope we have the commitment.

Thank you once again for the opportunity to contribute to these hearings.

RURAL HOUSING ALLIANCE ANALYSIS OF COSTS OF THE PROPOSED EMERGENCY RURAL HOUSING ADMINISTRATION

"Estimate" is a polite word for "informed guess." The degree to which the "guess" in any given "estimate" is "informed" will vary according to how much is known in the first place and how much must be assumed in the process of making the guess. Estimating the costs of a not-yet existent Federal agency obviously involves an impressive (if not appalling) number of assumptions and those presented in this paper make no claim to great precision. On the other hand, they reflect an honest effort to arrive at approximate magnitudes of the costs involved in meeting the housing needs of the worst-housed in rural and small town America.

The beginning point for our estimates was the census data on households in units which lacked essential plumbing facilities, were severely overcrowded (averaging more than 1½ persons per room), or both. Since the proposed ERHA would serve all rural areas and places of less than 25,000 population (both inside and outside of Standard Metropolitan Statistical Areas), we assumed that this territory includes 90% of all households outside SMSAs and 80% of all households within SMSAs but outside of their central cities.

Factors critical to the cost of serving households must include both their size and their incomes. Published data of the kind we were seeking are available by each of these characteristics separately but not by both together (i.e., we know how many of the households lacking plumbing or severely overcrowded had incomes of less than $2,000 and how many were 1-person households, but we do not know how many of those with incomes of less than $2,000 were 1-person households, or how many of the 1-person households had incomes of less than $2,000).[1] This type of cross-tabulation was projected from the published data, in accordance with the assumption that, at a given income level, the larger the household the more likely it is to be in poor housing. The totals from the census data and our projections of the components by both income level and household size are presented in Table 1. The census data indicate nearly 3 million households in the proposed ERHA territory in housing need as we have defined it. They show one-third of that need accounted for by households with income below the $2,000 mark, and nearly one-fourth of it in 1-person households. We would guess that 15%–17% of the total was accounted for by 1-person households in that lowest income category, and (at the other end of the spectrum), between one-fifth and one-fourth by households of 3 or more persons in the $7,000 and above income category.

To allow for the impact of Federal programs since the 1970 Census, we had to make similar projections on the basis of program levels in the intervening period.[2] Here, other assumptions were also necessary—estimating the distribution of assistance under the various programs between the territory to be served by ERHA and more urban areas, for example.[3] A major implicit assumption is that all of the households served by the various programs were drawn from the ranks of those included in our initial estimate of need. This is almost certainly an assumption contrary to fact. At the same time, we have no way of guessing what portion would have been; nor do we have any estimate of how many households might have improved their situation without reliance on the programs.

Data in the *Fourth Annual Report on National Housing Goals* indicate that some 1.4 million households were served by Federal housing assistance programs between the last quarter of Fiscal 1970 (the time of the census) and the end of calendar 1972. Our guess is that nearly half of this went into places of less than 25,000 population—the areas to be served by the proposed ERHA. In addition to this allowance for the impact of prior programs, we have excluded from the remaining constituency of the proposed ERHA households with income presumably sufficient to achieve adequate housing without ERHA assistance.[1] The results are presented in Table 2.

Not surprisingly, our projections indicate that prior programs have been most effective in meeting the needs of those in the $4,000-$7,000 income range, and least effective in meeting the needs of those in the bottom income category. We estimate an existing need for ERHA assistance of more than 2 million households. More than two-thirds of that need is concentrated in households with incomes of less than $4,000 a year, and we would guess that nearly half is in 1- and 2-person households with incomes of less than $4,000.

ASSISTANCE TO UPGRADE UNITS

Based on tenure patterns reflected in the '70 Census, we estimate that 990 thousand of the households to be served are already homeowners (though of inadequate units). We arbitrarily assume that two-thirds of those are units which could be brought up to the required minimum standards. The proposed legislation authorizes grants of up to $3,500 where appropriate and if we assume that half of these current owners would require such grants, averaging $3,000 each, the total cost of the rehabilitation grant feature is projected at $990 million. The proposed legislation authorizes up to $1 billion for this authorization.

Let us (just arbitrarily) assume that one-third of those eligible for grants will also require loans to carry out the necessary rehabilitation work. Together with those not requiring grants, this would mean 440 thousand rehab loans in all, and if they averaged $5,000 in size, that would represent $2.2 billion in credit extended for upgrading of existing owner-occupied units. Assuming an average term of such rehab loans of 15 years and an average ability on the part of the borrowers to pay 3% interest on them, the annual interest subsidy costs on this part of the program would be $45.9 million a year (for 15 years).

OTHER HOMEOWNERSHIP ASSISTANCE

To estimate the number of households which might be eligible for homeownership assistance (in addition to those included above), we set certain income minimums, below which it was assumed that rental assistance was more appropriate.[5] On this basis, we projected some 508 thousand households to be served under the regular homeownership assistance proposed (including the deferred amortization of up to 50% of the loan where income requires it). Assuming further that the average acquisition cost of the housing required ranges from $12,000 for a 2-person household to $17,000 for households in the 5-or-more-persons category, this indicates a gross credit requirement of $7.7 billion to meet the needs of those households.

Based on our projected income levels and the formula proposed in the legislation for computing adjusted income, we have estimated that the *average* household being served this part of the ERHA program would have the ability to pay 2½% interest on the full amount of the loan required, assuming a 40-year term. (This includes many households that would be able to pay higher effective interest rates but also many that would require deferred amortization of part of the loan and a 1% interest rate on the remainder.) This indicated that the cost to ERHA of bridging the gap between that interest return and the cost of money to the government would approximate $197.2 million a year.[6]

RENTAL ASSISTANCE

The remaining 889 thousand households we assume will require rental housing assistance. Since these are the households at the bottom of the income ladder (too poor for homeownership), they require the deepest subsidy. In fact, we project their *average* rent-paying ability at less than $14 a month!

Assuming an average per unit acquisition cost for the required housing which ranges from $10,000 for a 1-person household to $17,000 for households of 5 or more persons, we project total capital requirements for rental housing at $11.0 billion. The annual amortization costs for that amount (at 6¼% over 50 years) would be $723.5 million and the potential rent from the households to be served reduces that by only $146.4 million, leaving $577.1 million to be made up by government subsidy. In addition, if one assumes an average of $1,200 per unit annually in operating costs (taxes, insurance, utilities, and maintenance), the 889 thousand units involved would require a total of almost $1.1 billion more annually to meet those costs.

SUMMARY OF COST ESTIMATES

In combination, these various estimates aggregate as follows:

(1) Gross capital costs for housing under the proposed ERHA are projected at $20,938 million. Most of this is expected to come back to the government eventually (either by repayment of the borrowers or when the housing involved changes hands). The low incomes of those to be served under the rental assistance program, however, indicates that something close to $4 billion in capital costs will have to be written off there.

(2) In the interim, the carrying costs which we have assumed represent the difference between amortization at the full cost of money to the government and amortization at the interest rate estimated as within the capability of the average household in each program. This difference we have projected at $820.2 million a year (including amortization of that part of the capital costs of the rental housing which we estimate will not be recoverable).

(3) Operating subsidies for rental assistance, in addition to the subsidy of full interest costs and a portion of the capital costs) are estimated as amounting to an additional $1,067 million per year.

(4) One-time rehabilitation grants totalling $990 million are contemplated.

ONE LAST CAVEAT

In the event that the repetition of such terms as "estimate", "project," and "assuming" have not sufficiently reinforced our initial comments, we repeat that what has gone before is our "best guess" based on published data and in the absence of any sophisticated econometric model and related computer calculations. It should be regarded as little more than general magnitudes subject to substantial margins of error. Any attempt at such estimates is bound to suffer from that characteristic, dependent as it must be on assumption multiplied by assumption. The best basis for determining program costs will be actual program experience. In the meantime, our "best guess" indicates that the sums contemplated by the proposed legislation are at least realistic.

FOOTNOTES

[1] The necessary cross-tabulations *can* be obtained from special runs of the Public Use Sample tapes, but the cost is in excess of $1,000 and funds were not available to secure those runs for this paper.

[2] Cross-tabulations by household size *and* income are available for public housing occupants but not for the other assistance programs.

[3] Based on the fragmentary indicators available, we estimated that 56% of public housing, 36% of rent supplement housing, and 27% each of other HUD-assisted housing went into ERHA's proposed territory. All FmHA assistance was included.

[4] Excluded were 1-person households with incomes of $4,000 and above, 2-person households with income of $7,000 and above, all 3-to-4 person households with incomes of $10,000 and above, and half of the larger households with incomes of $10,000 or more.

[5] It was assumed that 2-person households would require $2,500 or more income to qualify for homeownership assistance, 3- and 4-person households would require $3,700 or more in yearly income, and that larger households would require at least $4,000 a year incomes.

[6] Throughout this paper an average of 6¼% is assumed as the cost of money to the government.

TABLE 1.—HOUSING NEED IN ERHA TERRITORY AS OF 1970 CENSUS OF HOUSING

[In thousands of households]

Income level	Household size				All households
	1 person	2 persons	3 or 4 persons	5 or more persons	
Under $2,000	417–510	233–285	107–130	125–153	980.0
$2,000 to $3,999	144–176	203–248	121–148	126–154	660.2
$4,000 to $6,999	63–77	141–172	110–135	269–329	648.8
$7,000 to $9,999	5–7	17–21	110–134	190–233	358.6
$10,000 and over	0–1	0–3	98–120	197–241	327.7
All incomes	750.0	660.2	607.1	1,008.0	2,975.3

Source: Totals based on tables D–4 and E–4, "Metropolitan Housing Characteristics"; included were 90 percent of nonmetropolitan households and 80 percent of metropolitan households outside central cities; households in "need" being defined as those in units lacking essential plumbing facilities and those in units averaging more than 1⅓ persons per room. The cross-tabulations by both income and household size were projected on the assumption that, at any given income level, the larger the household the more likely it is to be in "need." In each case, a range is indicated reflecting plus-or-minus 10 percent of the projection.

TABLE 2.—ESTIMATED NEED FOR ERHA HOUSING ASSISTANCE AS OF 1973

[In thousands of households]

Income level	Household size				All households
	1 person	2 persons	3 or 4 persons	5 or more persons	
Under $2,000	382–468	219–267	96–118	121–148	910
$2,000 to $3,999	106–129	155–189	78–96	101–124	488
$4,000 to $6,999		80–89	31–37	179–218	322
$7,000 to $9,999			65–80	141–172	229
$10,000 and over				97–119	108
All incomes	542	504	301	710	2,057

Source: Estimated by subtracting from table 1 projections of households served by Federal housing assistance programs during the 4th quarter of fiscal year 1970, all of fiscal year 1971 and 1972, and the 1st half of fiscal year 1973. Total program levels taken from data in the "4th Annual Report on National Housing Goals"; distribution between places of less than 25,000 and places of 25,000 and above estimated on basis of data in "HUD Statistical Yearbook" (56 percent of public housing, 36 percent of rent supplements, and 27 percent of other HUD-assisted housing is assumed to go into ERHA areas); distribution among income levels and household sizes projected on basis of occupancy characteristics reported for programs by "HUD Statistical Yearbook" and by Farmers Home Administration.

AIR QUALITY

Mr. FANNIN. Mr. President, Gov. Jack Williams of Arizona, and a number of other officials from my State are meeting today with leaders of the Environmental Protection Agency to discuss proposed regulations to improve air quality.

The EPA has proposed regulations which are unreasonable, regressive, and quite likely unenforceable.

Governor Williams and our legislative leaders in Arizona have made a good faith effort to come up with pollution control programs that will be effective and acceptable. It is unfortunate that Federal officials with apparently no understanding or sympathy for our situation have insisted upon their own unrealistic proposals.

Mr. President, in recent weeks I have offered many articles and editorials for the RECORD to show the reaction of Arizonans to the EPA plan. Today I would like to present three more. I ask unanimous consent that these editorials, two from the Phoenix Gazette, and one from the Arizona Republic, be printed in the RECORD.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From the Arizona Republic, July 26, 1973]

EPA AND STATES RIGHTS

When the Environmental Protection Agency opens public hearings in Phoenix on Aug. 6 to ventilate whether Arizona is meeting air standards, one question which cannot be avoided is whether the federal government is mangling constitutional rights.

Arizona has established air standards for enforcement by 1975 which EPA finds lacking. The haggling over whose standards are the best is, however, secondary.

What really is at stake in EPA's iron-listed approach to making the states heel is the violence being done to states' rights.

Article 10 of the Bill of Rights assures that "the powers not delegated to the United States by the Constitution, nor prohibited by it to the States, are reserved to the States respectively, or to the people."

Advocates of the EPA's position might argue that those last three words—"to the people"—can be interpreted as the Congress (representatives of the people) empowering EPA to act. But the Congress did not spell out EPA's threats to limit parking lots, or force motorcycles off the roads, or establish gas rationing."

Loaders in the Arizona Legislature have made no secret of their intent to repudiate EPAs threats.

The consequence, under existing EPA philosophy, is that the state can be fined $25,000 a day if it does not enact and enforce standards demanded by EPA.

As Rep. Burton Barr accurately asks, What use is there for a state legislature any more if Washington just tells us what to do?"

Arizona is committed to a clean air program.

But we side with those leaders who are placing this constitutional question on the line, and demanding states' rights in a matter best resolved by elected representatives rather than bureaucrats with a taste for power.

[From the Phoenix Gazette, July 26, 1973]

EPA SHOULD CALL OFF HEARINGS

In view of the pending review of national clean air standards, it would be in order for the Environmental Protection Agency to suspend its efforts to impose drastic control strategies to reduce automotive air pollution in Arizona.

As a Wall Street Journal editorial reprinted on this page suggests, scientific and technical justification is woefully thin for the clean air standards the EPA is, with full bureaucratic zeal, endeavoring to establish here.

Moreover, it is questionable, to any the least, whether the costs of meeting the current standards—in terms of both their economic and social impacts—are justifiable. We believe that they are not, that the standards are unrealistically high.

Members of Congress finally are beginning to have second thoughts about the clean air standards, too.

It is to be hoped that Congress will promptly approve the $315,000 requested by the Senate Public Works Committee to finance a review of the standards by the National Academy of Sciences. In the light of the horrendous cost that would be involved in trying to achieve the current standards, that sum would be a small but a most wise investment.

The Academy is to be asked to complete its study by the end of next year, but to offer a short term evaluation by October. Thus it seems advisable for the EPA to call off the public hearings on its proposals scheduled for Aug. 6 in Phoenix and Aug. 8 in Tucson until the questions about what sound clean air standards ought to be are cleared up.

[From the Phoenix Gazette, July 19, 1973]

EPA'S CONTROLS TOO REGRESSIVE

That was a telling resolution the Maricopa County Board of Supervisors unanimously approved, urging the U.S. Environmental Protection Agency to drop its proposed measures to control auto pollution in Arizona.

One point made in the board's resolution has been too little noted in all the debate about EPA's drastic proposals, namely that such controls are "socially regressive."

Regressive is a fancy way of saying that the worse off you are, the more you are hurt. By saying that the EPA controls will be socially regressive, the supervisors are pointing out that the auto pollution regulations would tend to bear down harder the lower down on the social scale a person is.

It would be just as pertinent to note that the proposed EPA controls would be economically regressive. Indeed, there would seem to be little difference in the adverse effects the EPA regulations would have on the private ownership and use of automobiles, whether one is talking in economic or social terms.

In adjusting life styles to the new circumstances, if by some great misfortune the EPA controls were to be put into effect, the rich might be mildly inconvenienced, the middle class would be decidedly affected, but the poor would pay heavily in curtailment of the American right of mobility and in all the benefits that flow from it.

It might be argued that all of society would benefit from the cleaner air that might result from the measure to curb auto pollution. This is a valid point, but the benefits must be balanced off with the socio-economic costs. And when this is done, the unfavorable ratio that would stem from the EPA's extreme measures becomes clearly apparent.

As the Maricopa supervisors indicate in their resolution, Arizona's plan for dealing with the auto pollution problem would strike a much better balance between costs and benefits. It proposes mandatory vehicle inspections, emission controls on vehicles and bulk-tank farms, conversion of 10,000 vehicles to liquified petroleum gas and an improved air-quality surveillance system.

There is probably bound to be some regressiveness in any transportation control plan, but the state plan keeps it to a reasonable minimum. The EPA proposals, involving pricing and rationing schemes and stringent usage restrictions, are much too regressive and deserve to be scrapped.

REPRESENTATIVE BOB BERGLAND: A STAR IS RISING

Mr. MONDALE. Mr. President, I take great pleasure in calling the Senate's attention to several recent articles praising the outstanding work of Representative BOB BERGLAND, of Minnesota. In Minnesota people have for many years been aware of BOB BERGLAND's unusual knowledge of the problems faced by both rural and urban residents and of his skill in developing legislation which is sensitive to the needs of both.

It is, therefore, deeply gratifying for Minnesotans to find that people from other parts of the country are taking note of BOB BERGLAND's work and they are impressed by what they see. In its analysis of floor action by the House of Representatives last week, the Congressional Quarterly did an excellent feature article on BOB BERGLAND, entitled "Ambassador from the Farms." The article points out:

> When the Southern Democrats of the Agriculture Committee need to negotiate with the urban liberals of the north, they are likely to entrust the job to one man—Bob Bergland, Democrat of Minnesota.
>
> Part of the reason is Bergland's expertise. He spent six years in the Agriculture Department in the Kennedy and Johnson Administrations before returning to his own 600-acre farm in Roseau, 20 miles from the Canadian border.
>
> But an even more important reason for Bergland's role is his approach to politics. For his three years in Washington, Bergland has been the apostle of trade-off; he goes along with urban liberals on their legislation in exchange for their help with the farm bills that he cares about.

Last Sunday Minneapolis Tribune Correspondent David Kuhn reported the views of people with whom BOB has worked:

> "He's a very hard working, intelligent congressman who wanted a farm bill," said a high ranking Republican member of the Committee who did not want a farm bill. "He carried a lot of weight . . ." said Reuben Johnson, a lobbyist for the National Farmers Union.

In an article printed in today's St. Paul Pioneer Press entitled "Representative Bob Bergland: A Star Is Rising," Washington bureau chief, Al Eisele, observed:

> Adroitly maneuvering between the competing interests of urban and rural members, Bergland managed to keep alive the fragile coalition that allowed the complex farm legislation to pass after nine days of intense debate.

For any individual to have earned such widespread trust and respect would be a great achievement. That BOB BERGLAND has earned this position after having been in the Congress for 3 years is a remarkable personal triumph.

Mr. President, after reading these and other accounts of BOB BERGLAND's accomplishments, I believe my colleagues in the Senate will want to join me and Members of the House and the press in congratulating this unusually gifted and dedicated legislator.

Mr. President, I ask unanimous consent that the full text of the following articles be printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

AMBASSADOR FROM THE FARMS

When the southern Democrats of the Agriculture Committee need to negotiate with the urban liberals of the north, they are likely to entrust the job to one man—Bob Bergland, Democrat of Minnesota.

Part of the reason is Bergland's expertise. He spent six years in the Agriculture Department in the Kennedy and Johnson administrations before returning to his own 600-acre farm in Roseau, 20 miles from the Canadian border.

But an even more important reason for Bergland's role is his approach to politics. For his three years in Washington, Bergland has been the apostle of tradeoff; he goes along with urban liberals on their legislation in exchange for their help with the farm bills that he cares about.

So it was, on July 16, that Bergland offered the amendment that took cotton out of the farm bill, placated cotton farmers and their spokesmen in the House, and kept alive the fragile coalition that allowed the entire bill to pass three days later.

Bergland himself spoke to several key Democrats from urban areas between the time he offered the amendment and the time it passed. "When I talk to the urban liberals," he said, "I don't try to explain the intricacies of the farm bill. I explain to them about sections they are particularly interested in—conservation, food for peace, or food stamps."

"Labor wants to keep the farmer-labor coalition working, because it gives us a majority of the House. And so do I."

The idea wasn't original with Bergland. "The Speaker and Agriculture Committee Chairman Poage and I talked on the floor at 1:10 on Monday afternoon," Bergland recalled, "and they asked me if I would offer an amendment to delete cotton."

"They promised that if I moved to strike the cotton section of the bill, they would do their bit to get southern members to vote no or take a powder on the Dickinson amendment." It was the Dickinson amendment (sponsored by Alabama Republican William L. Dickinson) that would put a ban on food stamps to the families of strikers. Bergland feared that if it passed, liberals would back out of the farmer-labor coalition and there would be no farm bill—no food stamps at all, no food for peace program.

As it turned out, the Dickinson amendment carried and the farm bill passed anyway. But Bergland and other farm strategists believe the final bill got the labor support it needed only because much of the farm bloc had demonstrated its willingness to help out on the food stamp problem.

REPRESENTATIVE BOB BERGLAND: A STAR IS RISING

(By Al Eisele)

WASHINGTON.—For one, a long distinguished career in public office is now almost over. For the other, it may have just begun.

Last week's announcement by Rep. John Zwach, R-Minn., that he will not run for reelection next year and thus end the longest record of continuous service of any active Minnesota politician coincided with the emergence of Rep. Robert Bergland, D-Minn., as an influential figure in the U.S. House of Representatives.

Bergland, 45-year-old farmer and former Agriculture Department official from northwestern Minnesota's sprawling 7th District, scored a major personal triumph as the House passed a controversial new farm bill.

Bergland's pivotal role in the long and often chaotic debate of the land-mark bill won him the accolade most coveted by members of Congress—the trust and respect of colleagues from both parties.

Adroitly maneuvering between the competing interests of urban and rural members, Bergland managed to keep alive the fragile coalition that allowed the complex legislation to pass after nine days of intense debate.

His efforts were heralded by such diverse figures as Rep. Philip Burton, D-Calif., one of the most liberal members of Congress, and Agriculture Committee Chairman Bob Poage of Texas, one of the most conservative.

In a rare tribute for such a junior member (he is serving his second term), the non-partisan journal of legislative activity, "Congressional Quarterly," labeled him "ambassador from the farms."

"When the Southern Democrats of the Agriculture Committee need to negotiate with the urban liberals of the North, they are likely to entrust the job to one man—Bob Bergland, Democrat of Minnesota," CQ wrote last week.

The publication credited Bergland's expertise in farm matters—he spent six years in the Agriculture Department in the 1960s and still farms 600 acres near Rouseau—with his success in the farm bill.

"But an even more important reason for Bergland's role in his approach to politics," CQ noted. "For his three years in Washington, Bergland has been the apostle of trade-off; he goes along with urban liberals on their legislation in exchange for their help with the farm bills that he cares about."

That amendment, which he offered on July 16, called for striking the cotton section from the bill. It passed by a 207–190 vote after the House had approved two amendments bitterly opposed by Southern cotton growers.

Bergland took the action after it became obvious that the anti-cotton amendments were jeopardizing passage of other amendments and of the bill itself because of opposition from cotton state members.

Bergland conceded that removal of the cotton section could mean a reversion to 1958 regulations under which cotton production would be encouraged but that costs to the government would be great.

The amendment was opposed by key Republicans on the Agriculture Committee—of which Bergland is a member—including Rep. Charles Teague, R–Calif., who called it "a very, very strategic, wise move . . . . I certainly hope the members of this house will not fall for it."

However, the amendment won enough support from urban and liberal Democrats that it passed, giving cotton interests a strong bargaining position in the House-Senate conference committee since cotton spokesmen could hold out for reversion to the 1958 law which treats cotton growers favorably.

Actually, the idea to offer the amendment wasn't Bergland's but came from House Speaker Carl Albert and Poage, who asked Bergland if he'd offer the amendment.

"They promised that if I moved to strike the cotton section of the bill, they would do their bit to get Southern members to vote no or take a powder" on an amendment to ban food stamps for families of strikers, Bergland later explained.

Bergland feared that if the food stamp amendment passed, liberals would desert the rural-urban coalition needed to pass the over-all bill, and his strategy worked.

Bergland's new status in the House was officially recognized last Thursday when Speaker Albert and several dozen colleagues joined in celebrating his 45th birthday, with Bergland cutting a cake that said, "Happy Birthday, Mr. Ambassador."

But if last week was a triumphal one for an emerging star, it was tinged with sadness for the 66-year-old Zwach. First elected to the Minnesota House of Representatives in 1943. Zwach was serving his 40th year in public office when he made a decision to quit.

Zwach, who was elected to Congress in 1966 after serving 11 years as majority leader of the Minnesota Senate, cited health reasons and a desire to spend more time with his family and friends as his reasons for retiring.

MINNESOTAN MAJOR HOUSE FIGURE IN COMPLICATED FARM BILL

(By David Kuhn)

WASHINGTON, D.C.—As the farm bill plowed a crooked furrow toward passage in the House last week, the Congressman from Minnesota's 7th District was one of the major figures on the floor and behind the scenes.

On the floor, Rep. Bob Bergland, the Democrat from Roseau, could be seen huddling with Rep. Phillip Burton, the San Francisco Democrat who frequently speaks for organized labor; or with Rep. B. F. Sisk, a Democrat from the cotton country of Fresno, Calif., or with W. R. (Bob) Poage, the 73-year-old chairman of the Agriculture Committee from Waco, Texas; or with Speaker Carl Albert; or introducing strategic amendments.

Off the floor, he was arranging meetings between Poage and lobbyists for labor unions and farm organizations, or filling in a group of lobbyists on the latest strategy or trying to persuade urban liberals to vote for subsidies for farmers or asking conservative Southerners not to alienate labor.

It was an unusually large role for a second-term representative who ranks 13th out of 20 Democratic members on the Agriculture Committee, but it reflected his carefully cultivated ability to get along with both conservative and liberal Democratic colleagues.

"He tried his best to serve as a broker, shall we say, between the extreme liberal elements and the extreme conservative elements," Poage told a reporter.

"He carried a lot of weight and water," said Reuben Johnson, a lobbyist for the National Farmers Union. "Liberals from the cities tend to trust Bob, they respect his point of view and they know he's sympathetic to their problems."

"He's a very hard-working, intelligent congressman who wanted a farm bill," said a high-ranking Republican member of the committee who did not want a farm bill.

Getting new farm legislation to replace what he has called "unacceptable and disgraceful" current law has been Bergland's biggest goal in Congress.

With the farm population and its political influence steadily diminishing, he has advocated a policy of cooperating with urban lawmakers to get their help when it comes time for a farm vote.

Organized labor, the Farmers Union and National Farmers Organization have supported him, and he in turn helped muster rural support a few weeks ago for new minimum-wage legislation.

Thus, when it came time to try to push through a farm bill which he strongly supported, Bergland was in a position to talk with urban liberals as well as with the conservative Southerners who constitute much of the Agriculture Committee's Democratic membership.

Bergland described his role as that of "expediter," trying to "hold tenuous coalitions together." Both Southern Democrats and urban Democrats had "impossible demands," he said. "They're not natural allies. I guess that's an understatement."

Southerners associated with cotton growers wanted to avoid stiff limits on subsidy payments to any one grower, and many of them wanted to prohibit the issuance of food stamps to strikers. Northerners wanted it just the other way around.

Except for continuation of the food stamp program and food aid for foreign nations, many urban Democrats had little or no reason to support farm subsidies. How, they argued, could they justify that to housewives in their districts who were in an uproar over the price of food?

Some Republicans wanted no farm bill, believing with the Nixon administration that it was time to phase out subsidies. Others, especially those from farm districts, wanted a bill that was potentially less expensive than the one that passed.

As a result, during the two weeks of debate and amendments, alliances were flimsy at best.

At one point, Bergland was speaking for and voting with cotton. At another, he was speaking for and voting with labor. When strategy called for a move to delete cotton from the bill, Albert asked Bergland to do it. He agreed and explained why it was a good gamble to his labor and farm allies on and off the floor.

The climax came during eight hours of wearying debate Thursday afternoon and night. The House voted to ban food stamps to workers on strike, thereby assuring that large numbers of urban Democrats would vote against the entire farm bill.

Amidst much maneuvering, the members became a little boisterous at times, such as when Speaker Carl Albert ruled that a motion by Rep. Wilmer (Vinegar Bend) Mizell, R-N.C., was out of order.

As the burly, former major league pitcher strode threateningly toward the diminutive Albert on the speaker's platform, several members were heard shouting gleefully, "Kill the umpire."

Meanwhile, Bergland went to those members he calls "my city friends," asking them "to hold your nose" and support the bill despite the hated strikers ban, reminding them that it was the only way they could continue food stamps and foreign food aid, and telling them they would have another chance to overturn the strikers provision in the conference committee with the Senate.

At least a dozen urban liberals did vote for the bill, which passed comfortably, 226–182.

Attention now will turn to the conference committee. If its compromise between the House and Senate farm bills retains the anti-striker provision, which labor says it can't live with, or tight payments limits, which cotton says it can't live with, "there's going to be one knock-down fight again," Bergland predicted Friday.

A COURT DECISION OF GREAT SIGNIFICANCE

Mr. BROOKE. Mr. President, the battle against the impoundment of congressionally authorized and appropriated funds is being waged increasingly in the Federal courts.

The "power of the purse" is our foremost power and it is imperative that it be fully restored to us. I am encouraged by recent court decisions, which significantly limit the power of the executive branch to thwart spending decisions of the Congress.

On Friday, July 27, Judge Oliver P. Gasch, of the U.S. District Court for the District of Columbia, ordered the release of impounded funds appropriated pursuant to the authorization under title III of the National Defense Education Act. Judge Gasch's decision is in part a victory for the plaintiffs, the Commonwealth of Massachusetts and the District of Columbia; but more significantly, his ruling represents another positive step in the restoration of congressional power to set spending priorities.

I commend Judge Gasch's opinion and order to my colleagues and ask unanimous consent that the opinion and order be printed in the RECORD.

There being no objection, the opinion and order were ordered to be printed in the RECORD, as follows:

U.S. District Court for the District of Columbia

Commonwealth of Massachusetts, Plaintiff, v. Caspar W. Weinberger, et al., Defendants, Civil Action No. 1308–73.

District of Columbia, et al., Plaintiffs, v. Caspar W. Weinberger, et al., Defendants, Civil Action No. 1322–73.

OPINION

The above-titled consolidated actions came on for consideration on plaintiffs' motions for a preliminary injunction, defendant's motion to dismiss or in the alternative for summary judgment, and plaintiffs' cross-motions for summary judgment. Plaintiff in Civil Action No. 1308–73 is the Commonwealth of Massachusetts; plaintiffs in Civil Action No. 1322–73 are the District of Columbia and the members of the District of Columbia Board of Education. Defendants in both actions are Caspar W. Weinberger, Secretary of the Department of Health, Education, and Welfare; John R. Ottina, United States Commissioner of Education; and Roy L. Ash, Director of the Office of Management and Budget.

The Court, having considered the complaint, the said motions, oppositions thereto, supporting exhibits and affidavits, and argument by counsel in open Court, determines that summary judgment should be entered in favor of plaintiffs for the reasons set forth below. In granting plaintiffs' motions for summary judgment, the Court renders moot their motions for a preliminary injunction.

Plaintiffs are seeking to compel defendants to perform what they allege to be a ministerial duty under Title III–A of the National Defense Education Act of 1958, 72 Stat. 1488 as amended, 20 U.S.C. §§ 441–45 (hereinafter "the Act"). Specifically they seek relief in the nature of mandamus, declaratory judgment and an injunction to compel defendants to allot, apportion, and disburse or otherwise make available to the plaintiffs monies appropriated by Congress for fiscal year 1973 to provide matching funds for state and local education programs for minor remodeling and purchase of equipment as defined in Title III–A of the Act.

Defendants seek dismissal of the actions on the grounds that the Court lacks subject matter jurisdiction because the actions are barred by the doctrine of sovereign immunity and because they raise political questions and hence are nonjusticiable. Alternatively, defendants contend that summary judgment should be entered in their favor on the grounds that Title III-A of the Act and the terms of P.L. 92-334, § 101(d) as amended by P.L. 92-390, P.L. 92-446, P.L. 92-571, and P.L. 93-9, which appropriate monies for fiscal year 1973, give defendants discretion to reduce funding of the programs as they have done and that, in any event, the Executive Branch may, in the exercise of powers to control overall federal spending allegedly granted by Article II of the United States Constitution and recognized by the Congress, refuse to allot and expend sums whose allotment and expenditure is expressly required by an Act of Congress.

A comparison of the Statements Pursuant to Local Rule 9(h) of Material Facts as to Which There Is No Genuine Issue reveals that there are no disputes as to any facts material to the issues which are determinative of these actions. Hence summary judgment may appropriately be entered in favor of the parties entitled thereto as a matter of law.

The Court cannot concur in defendants' allegations that it is without subject matter jurisdiction. It has federal question jurisdiction under 28 U.S.C. § 1331, see, e.g., *State Highway Commission of Missouri v. Volpe,* Civil Action No. 72-1512 (8th Cir., decided April 2, 1973), jurisdiction under 5 U.S.C. § 702, see, e.g., *Commonwealth of Pennsylvania v. Weinberger,* Civil Action No. 1125-73 (D.D.C. preliminary injunction granted June 28, 1973), and mandamus jurisdiction under 28 U.S.C. § 1361, see, e.g., *Minnesota v. Weinberger,* Civil Action No. 4-73 Civ. 313, 42 U.S.L.Wk. 2004 (D. Minn., preliminary injunction granted June 7, 1973). Plaintiffs properly filed a mandamus action since they allege that defendants are refusing to perform a clear, nondiscretionary legal duty owed to plaintiffs.

The sovereign immunity doctrine does not bar the actions since they are clearly distinguishable from such cases as *Dugan v. Rank,* 372 U.S. 609 (1963), and *Mine Safety Appliances Co. v. Forrestall,* 326 U.S. 371 (1945), which did not involve allotments or disbursements alleged to be specifically required by the Congress. Moreover, as this Court noted in *City of New York v. Ruckelshaus,* Civil Action No. 2466-72 (D.D.C., decided May 8, 1973), the rule in this Circuit is that the defense of sovereign immunity is waived by the Administrative Procedure Act as to suits challenging the validity of agency actions. 5 U.S.C. §§ 701-706.

Since the issue presented in these actions is not how defendants should exercise discretion granted them under the statute in question but rather whether Congress has granted them unlimited discretion as to allotments and disbursements under the Act, the issue raises no political questions so to make it nonjusticiable according to the standards set forth in *Baker v. Carr,* 369 U.S. 186, 217 (1962). The case of *Housing Authority of San Francisco v. U.S. Department of Housing and Urban Development,* 340 F. Supp. 654 (N.D. Cal. 1972). cited by defendants as authority on this point is distinguishable for the reason that the plaintiffs therein were seeking to compel expenditures which that Court found were entrusted to administrative discretion by the Congress. 340 F. Supp. at 656. It did not decline to rule on the issue whether Congress had granted such discretion.

Having determined that it has jurisdiction to consider the merits of the action, the Court proceeds to examine Title III-A of the Act. In § 442(a)(1) of the Act, Congress provides for an allotment to be apportioned among the states according to a ratio set forth in § 442(a)(2); payments of matching funds out of a state's apportioned share are to be made pursuant to § 444 to any state which has submitted a plan approved by the Commissioner of Education (hereinafter "Commissioner") as meeting standards set forth in § 443. The parties agree that the plans submitted by plaintiffs have been approved by the Commissioner. They also agree that despite the submission of approved plans, plaintiffs have received no matching funds for purchase of equipment and minor remodeling as provided for by Title III-A of the Act because defendants have allotted only two million dollars out of what is alleged to be a fifty million dollar appropriation. Defendants concede this amount to be sufficient only to maintain in place the staffs who would administer Title III-A grants if there were any grants to administer.

As the Court reads § 442, that section grants the Commissioner discretion to reserve, for purposes designated in § 442(a)(1), up to 16 percent of the total amount appropriated by Congress for a given fiscal year. However, the Commissioner is obligated to allot all of whatever remains after he has reserved whatever amounts he chooses within those limits prescribed by Congress. Indeed, the apportionment ratio for determining the shares of individual states would make no sense if the Commissioner were free to allot whatever portion of the remainder he chose, for one element of the ratio is "the amount of such remainder" (after the Commissioner has reserved the portions he is authorized to reserve). If the Commissioner allots less than the full amount of the remainder, but then apportions individual shares according to the express terms of the ratio, the sum of the shares would exceed the allotment for the whole. Further internal support for the Court's reading of § 442(a) is to be found in the reallotment provisions of § 442(c), and in § 445, concerning loans to nonprofit private schools, in which Congress used permissive language ("the Commissioner is authorized to make loans") which contrasts markedly with the mandatory language ("the Commissioner shall allot") of § 442(a).

The appropriation of funds for Title III-A programs in fiscal year 1973 was made by means of a Continuing Resolution, P.L. 92-334 § 101(d) as amended. Congress thereby appropriated for Title III-A programs "[s]uch amounts as may be necessary for continuing the . . . activities, but at a rate for operations not in excess of the current rate. . . ." The parties agree that the "current rate" is the amount appropriated in P.L. 92-48 for fiscal year 1972, namely, the sum of fifty million dollars.

The Court does not agree with defendant's contention that the language "not in excess of" alters the terms of § 442 of the Act so as to give defendants the discretion they are claiming as their right. The intent of Congress in funding programs by means of the Continuing Resolution is succinctly stated in the House Report concerning the last amendment to the Resolution, extending funding to June 30, 1973, the end of the fiscal year:

> "The Continuing Resolution appropriates funds for the continuation of ongoing programs. It does not authorize the Executive Branch either to start new programs or to stop ongoing ones. The Resolution, within its terms and conditions, has the full force and effect of an appropriation act."

H.R. Rep. No. 93-20, 93rd Cong., 1st Sess. 2 (1973).[1] The Commissioner's action in alloting two million dollars so as to maintain the staffs to administer the Title III-A programs but to provide no funds for programs which the staffs could administer in no way complies either with the terms of the Continuing Resolution or the terms of the Act itself.

Finally, the Court cannot accept defendants' position that, regardless of the plainly expressed intent of Congress, the Executive Branch can withhold appropriated funds for programs established by statute simply because it desires to control overall federal spending or to give priority to other programs which it believes are more desirable. Control of federal spending is an entirely laudable objective, but there is no authority either in Article II of the Constitution or in the case law, for the defendants' position that they may achieve this by refusing to comply with the terms of a statute. Certainly the President's duty to see that the laws are faithfully executed cannot include the power defendants are claiming. As Justice Thompson, writing for the majority in *Kendall ex rel. Stokes* v. *United States,* observed: "To contend, that the obligation imposed on the President to see the laws faithfully executed, implies a power to forbid their execution, is a novel construction of the Constitution, and entirely inadmissible." 37 U.S. 522 (1838). For more recent authority on the question of the power of the Executive Branch to disregard statutory requirements, see, e.g., *Youngstown Sheet & Tube Co.* v. *Sawyer,* 343 U.S. 579 (1952); *State Highway Commission* v. *Volpe, supra.*

As to defendants' contentions that Congress conferred on them the discretion they claim to possess by its passage of the Anti-Deficiency Act, 34 Stat. 49, as amended, 64 Stat. 765, 31 U.S.C. § 665(c); the Budget and Accounting Act of 1921, 42 Stat. 20, 31 U.S.C. § 1 et seq. and the Employment Act of 1949, 60 Stat. 23, 15 U.S.C. § 1021 et seq., this Court finds nothing to support their position in the language or history of these statutes.

For all of the reasons set forth above, the Court finds that plaintiffs' motion for summary judgment should be granted.

OLIVER GASCH,
Judge.

Date: July 26, 1973.

[U.S. District Court for the District of Columbia]

ORDER

Commonwealth of Massachusetts, Plaintiff, v. Caspar W. Weinberger, et al., Defendants, Civil Action No. 1308-73.

District of Columbia, et al., Plaintiffs, v. Caspar W. Weinberger, et al., Defendants, Civil Action No. 1322-73.

These matters, which have been consolidated pursuant to Rule 42(a) of the Federal Rules of Civil Procedure, having come before the Court on plaintiffs' motions for summary judgment, plaintiffs' motions for preliminary injunction, and defendants' motion to dismiss, or in the alternative, for summary judgment, and the Court having heard argument by counsel in open court and having considered all pleadings and briefs filed herein by the parties, and the Court having concluded that there is no dispute as to any genuine issue of material fact and that the plaintiffs, the Commonwealth of Massachusetts, the District of Columbia, and the individually named members of the District of Columbia Board of Education, are entitled to judgment as a matter of law, and for the reasons given in the Opinion of the Court filed herewith, it is by the Court this 26th day of July, 1973.

Ordered that defendants' motion to dismiss or in the alternative for summary judgment be, and it hereby is, denied; and it is further

Ordered that plaintiffs' motion for summary judgment be, and it hereby is, granted, and that summary judgment be, and it hereby is, entered in favor of plaintiffs; and it is further

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[1] See also the views expressed by Congressman Mahon, a member of the House Committee on Appropriations, and Congressman Perkins, Chairman of the House Education and Labor Committee, at 119 Cong. Rec. H1016 (daily ed. Feb. 21, 1973), which evince an intent to appropriate the amount of fifty million dollars.

Adjudged and declared that § 442(a)(1) of the National Defense Education Act of 1958, 72 Stat. 1588 as amended, 20 U.S.C. § 441 et seq., requires the defendant Commissioner of Education to allot among the States for fiscal 1973 the amount of fifty million dollars, appropriated by Congress in § 101(d) of P.L. 92–334 as amended by P.L. 92–390, P.L. 92–446, P.L. 92–571, and P.L. 93–9, minus any amounts heretofore reserved pursuant to § 442(a)(1) for the purpose specifically designated therein and not in excess of the percentage allowances specified therein; and it is further

Ordered that the funds allotted to plaintiffs pursuant to the Order of this Court entered June 29, 1973, shall forthwith be made available for obligation and expenditure in accordance with 20 U.S.C. § 444 and shall remain available until totally expended or June 30, 1975, whichever shall first occur.

Oliver Gasch,
Judge.

THE NEED FOR A MANDATORY FUEL ALLOCATION PROGRAM

Mr. HUMPHREY. Mr. President, during the last few months many Members of this body have spoken out on the subject of the energy crisis. Indeed, few subjects have attracted as much attention and led to as much debate, nor produced as much confusion.

But there is one aspect of the energy situation which is crystal clear—and that is the need for the immediate imposition of a mandatory fuel allocation program. While the reasons for the current petroleum shortage are open to further investigation and discussion, the impact of the shortage is not a matter we can afford to ignore. By this I mean that our Nation's security and prosperity are at stake. Action is needed immediately to insure that vital services, such as agriculture and transportation, are allocated the necessary fuels.

Daily I have been expecting the administration to announce a mandatory oil allocation program. Daily my hopes are dashed. No such announcement is made. Daily I receive letters, telegrams, and phone calls from constituents saying that if action is not taken they will go out of business, their crops will not be harvested this fall, their schools and hospitals will be closed this winter for lack of adequate fuel.

This is not a situation we can allow to continue. On June 5 the Senate, by a vote of 85–10, passed the Emergency Petroleum Allocation Act of 1973. The House has yet to act on this measure. The reason: on July 10 Deputy Treasury Secretary William Simon told the House Commerce Committee, before which companion legislation is pending, that a decision whether to go to mandatory controls would be made "within the week" by the administration. That "week" has now stretched into 20 days.

The only way I can interpret this delay is either the administration is suffering from paralysis of the decisionmaking process or it is indifferent to the seriousness of the fuel supply situation.

Distasteful as the thought of mandatory controls may seem to be, the risks of disaster to our Nation are too great not to move forward at this time with this most necessary step. The newspapers in my state are filled with articles pointing out the failure of the voluntary allocation program. Mr. President, two recent articles, one from the July 17 St. Paul Pioneer Press, and one from the July 26, Minneapolis Star, are especially worth reading. I ask unanimous consent that they be inserted at this point in the Record, along with a message of July 19 to Minnesota's Legislature from the State Director of Civil Defense, Mr. James Erchul.

There being no objection, the material was ordered to be printed in the Record, as follows:

STATE "CAN'T HELP SOLVE GAS CRISIS"

Aside from listening to complaints, there isn't much state government can do about the fuel shortage, Minnesota Civil Defense Director James Erchul said Monday.

"Our hands are tied at the state level," he said in an interview. "We're taking complaints, but there's no policy. We're waiting for the federal government."

Erchul said his office has been able to take some minor actions to match up fuel-short dealers and supplies but basically is in the business of forwarding complaints to Washington.

Asked to sum up the fuel situation at midsummer, Erchul said:

"The major oil companies are putting a great emphasis on the production of gasoline; independents are still unable to get anywhere near what they need and hundreds of stations are closed."

Erchul is critical of the voluntary allocation program installed by the federal government May 21.

That program asks fuel producers and suppliers to follow certain guidelines in distribution of petroleum products. One guideline calls for giving top priority to farmers and food producing industry in general.

Erchul said the forthcoming harvest season will be a major test of the federal government's voluntary approach.

"We're really going to find out if the majors will adhere to the voluntary program," he said.

Gov. Wendell Anderson and Administration Commissioner Richard Brubacher had ordered fuel-conserving practices for state employees.

The state operates more than 2,000 passenger vehicles and uses more than 2 million gallons of gasoline a year.

Brubacher has asked all drivers of nonemergency vehicles to reduce speeds to 60 miles an hour or less and take other steps to lessen state gasoline consumption.

At the same time, the Economic Development Department is urging tourists not to fear a fuel shortage in Minnesota. Lisa Lebedoff, acting director of tourism, said a survey showed 5 per cent of the service stations in Minnesota are not cutting back on sales or hours of service.

Erchul said the heating oil situation for next winter and fuel for drying fall crops remain a question mark. Much depends on the weather.

"The worst possible combination would be a wet fall and an early cold snap," he said.

Erchul said some big companies, notably Standard Oil, are beginning to stockpile heating oil.

The state Education Department has begun a survey of public school districts to learn how many have been able to contract for fuel.

FARMERS SUFFERING FROM LACK OF FUEL IN MIDWEST

(By Jim Jones)

Shortages of fuel threaten to plague Upper Midwest farmers harvesting their crops this fall.

One of the problems is an unofficial fuel allocation system under which fuel retailers, some of whom are limited to last year's volume by petroleum product companies, tend to limit their retail customers to what the customers bought last year.

Farmers, having increased their acreage this year, are having trouble getting by on last year's supply.

In a few cases, this has led to so-called "black market" operations, in which a consumer gets some "extra" fuel by paying "extra" prices.

"Last year's fuel allocations simply aren't enough, and the situation is getting serious," says Jon Wefald, Minnesota commissioner of agriculture.

An unrelenting demand for food and feedstuff production has led to the fence-to-fence production concept, Wefald said, "but now the farmer is being told that he can not exceed last year's fund allocation.

"They aren't even sure they will get the amount allocated last year."

"Given the fantastic production that is out there in the fields, mandatory fuel allotments are necessary to assure harvesting."

Wefald called for a 25-percent increase in fuel allocations to meet the needs of the coming harvest. This year, Minnesota has 6.2 million acres in corn, up 10 percent; 4.4 million acres in soybeans, 23 percent greater than any soybean crop in the state's history.

Compared to 1972 crops, he said, oats acreage is up 12 percent, barely 18 percent and flax 69 percent.

"Crops this year are valued at $2.5 billion sitting out there in those fields, and the farmer needs fuel to get them out" Wefald said.

William J. Kuhfuss, president of the American Farm Bureau Federation, a 21-million member group, said "fuel is a real concern" for members of his organization.

He said "there has been more apprehension for fuels" than there have been actual shortages and that there has been a good reserve and supply buildup by some farmers, "but the long time fuel demands will increase."

A spokesman for the Farmers Union Central Exchange (Cenex) in St. Paul, said as long as a 100-percent owned refinery in Laurel, Mont., and 30-percent owned refinery in McPherson, Kans., are working at full capacity, "we think that we will come through OK.

"The Canadians have cut us back on crude (oil) at the Montana refinery, but we will not know what the situation will be until mid-August."

The co-op stations are not taking on any new customers.

The 350,000-member farm organization has 1,000 stations in nine states.

Shortages were reported in Colorado by a spokesman for the National Farmers Union.

"And there has been a little bit of black-marketing," he said.

"We think the only way to handle this situation is by mandatory allocation, and we are favorable to breaking up the control of fuel by some of the big companies," the spokesman said.

In Colorado, the situation is blamed on transportation but, the Farmers Union says it has indications fuel will be available when prices are higher.

The spokesman for the 250,000 farm family organization said "This is a classic instance of a company failing to meet the needs of its customers, and when it occurs people must step in through the government for some kind of allocation."

"We have a couple of weeks to go on the wheat harvest and we will be going into fall cultivation and harvesting of our fall crops," he said. "And a lot of oil will soon be needed for heat so this is not just a unique period we are entering into, but long-term period for energy use."

STATE OF MINNESOTA,
CIVIL DEFENSE DIVISION,
St. Paul, Minn., July 19, 1973.

To: Minnesota Legislature.
From: F. James Erchul, Director.
Subject: Teletype Message Regarding Fuel Situation.

The following is the teletype message which we sent to the Regional Office, Office of Preparedness, General Services Administration, Chicago, Illinois, concerning the fuel situation:

"A. Estimate of fuel situation

1. Gasoline—A very confused picture is developing in the retail of petroleum products throughout the state. Some stations apparently have unlimited supplies while others are on a very strict quota. As a result purchases are either limited by dollar value or gallons. In other instances stations have had to close down either temporarily or permanently due to lack of supplies. Shorter operating hours are now general throughout the state.

2. Diesel fuel—some commercial users are still having difficulty in securing adequate supplies in quantity. Governmental entities have been unable to secure fuel contracts.

3. Aviation gasoline—the airports served by Union 76 are generally in short supply or out of product in both 80 and 100 octane gasoline. This is seriously affecting crop dusting and spraying in the agricultural areas of the state.

4. Propane—no relief has occurred in the LP gas field. Dealers in rural areas are very apprehensive about their ability to supply the needs of farmers for crop drying this fall.

B. Effects of fuel shortage on people

Unemployment continues to rise as additional stations and distributors are forced to curtail activities or close entirely.

C. State activity

1. Fourteen major suppliers have responded to Governor Anderson's request for voluntary allocation of 10% of supply for emergency use to priority areas. Only three of those responding have agreed to make any supply available.

2. Commissioner Casmey of the Department of Education has instituted a heating fuel survey of all school districts in the state to determine their contract negotiations with suppliers and adequacy of those contracts to meet heating needs for the coming season by the respective school districts. Of 450 school districts canvassed, 44 districts have responded or about 10% of the state. Six districts have an assured fuel supply, 16 have reasonable assurances of supplies, 22 have no assurance. They indicate need for 1,128,000 gallons of #2, 49,000 of LP; and no estimate on amount of natural gas required.

3. Requests for assistance continue to flow in to the State Civil Defense Division from distributors and dealers throughout the State. These requests are forwarded to the Office of Oil and Gas through the regional office of the Office of Preparedness (GSA), Chicago, Illinois, on a daily basis.

D. Industry activity

1. Midland Cooperatives Inc. report they have been allocated crude royalties which will permit increase of product from the present 50% to 75% of refinery capacity by September first or earlier.

2. Several of the major suppliers have increased their allocation to distributors and retailers to 105% of last year's consumption.

3. Two major suppliers are permitting distributors and dealers to draw on their next month's allocation to meet current needs. This apparently will be permitted through the September allocation.

4. Canadian product is no longer available in quantity except for heavy fuels by action of the Canadian government.

E. Publicity accorded fuel shortage by news media

1. Industry advertising is still following conservation theme.

2. The media continues to highlight energy articles.

3. AAA advises that the fuel situation is improving or appears to improve. This may tend to defeat the request for conservation.

F. Major problems

1. Voluntary allocation system is not working.

2. New Federal guidelines have not been published as expected.

3. Governmental units still are not obtaining fuel bids.

4. Dealers on strict allocations will be unable to meet agricultural requirements during the harvest period.

G. Comments

1. Response to requests for assistance to the office of oil and gas has not materialized.

2. The administration announced rollback of prices on petroleum products may tend to reduce available supply to distributors and retailers.

H. Recommendations

1. The Office of Oil and Gas should delegate authority to act to their regional office to shorten reaction time. No such authority presently exists.

2. Some mandatory controls must be instituted by the Federal Government with an emergency supply available to meet priority needs.

Mr. HUMPHREY. Mr. President, in my estimation these newspaper articles and the report from Mr. Erchul clearly pinpoint the seriousness of the fuel situation, especially as it relates to Minnesota. But my State is not the only one suffering from the ineffectiveness of the voluntary fuel allocation program. The situation repeats itself in many other parts of the country, and leaves the Government no choice but to begin immediately a mandatory program. For this reason I am heartened by an article in Sunday's Washington Star-News reporting that the Nixon administration may at last announce such a program this week.

I certainly hope that Roberta Hornig's report is accurate and that "this week" will not stretch into the future as past weeks have had a way of doing. We just cannot afford to wait any longer to find a solution to this critical problem. We need answers now, for each day that passes without the administration acting on this vital matter the situation worsens; each day more independent dealers and distributors of gasoline are forced out of the market; each day we are closer to full-scale harvesting and drying of the fall crops; each day we are closer to those cold winter months when fuel is a necessity for keeping schools, hospitals, and other public institutions livable, to say nothing of private homes.

Mr. President, I ask unanimous consent that the article I have referred to from the Washington Star-News be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

NIXON TO ORDER OIL ALLOCATION

(By Roberta Hornig)

The Nixon Administration is scheduled to announce this week a mandatory oil allocation program that will require oil companies to distribute available crude oil and refined products—including gasoline, heating fuel and jet fuel—equitably to all customers.

In addition, states will be allotted a "reserve" to assure supplies to priority users ranging from farming and food processing activities to municipal services, public transportation, public utilities and telecommunications.

The mandatory program, designed principally to aid independents and areas of the nation experiencing difficulty in getting fuel supplies, is expected to be announced by President Nixon's new chief energy adviser, former Gov. John A. Love of Colorado.

It will be the first mandatory allocation program in peacetime in the nation's history. It does not involve any direct consumer rationing.

Drafts of the proposed program, scheduled to begin around Aug. 15, are currently circulating in the White House and at the Office of Management and Budget.

The program is in two parts, one applying to products destined for wholesalers and ultimately to consumers, the other covering crude oil going to refineries.

Covered are a wide range of products including gasoline, fuel oils, jet fuel, propane, butanes, naphtha and residual oils.

Exempted from allocations will be all petrochemicals, except those used in manufacturing feedstocks, lubricants, asphalt and refined solvents.

The program will be run by the Interior Department's Oil and Gas Office, which also will be authorized to investigate complaints, make adjustments, impose penalties and invoke sanctions.

If unusual weather conditions or supply disruptions lead to supply imbalances, the Office can also order transfer of supplies from one region of the country to another.

The program calls for reasonable, and fair prices for the products.

Under the crude oil allocation program, the major companies will be required to allocate, or share, domestic crude oil and imports from Canada and Mexico to "crude-deficient" small refineries in amounts necessary to get them up to 90 percent of their 1972 capacity.

Exempted from the sharing system would be imports from other areas of the world as well as any new domestic oil discoveries.

In order to qualify for oil allocations, refining companies must run at a capacity of less than 150,000 barrels a day.

The major refiners required to share their supplies are those refining products at higher levels.

If, by sharing, majors can prove that their own refinery capacity has been lowered, they can appeal to Interior's Office of Oil and Gas.

Within ten days after the effective date of program, each refiner will be required to submit a report to the government laying out its refinery capacity and how much oil will be available.

Currently, oil companies are supposed to be sharing their products, but on a voluntary basis.

Congress has been pushing for a mandatory program since early summer, when independent refiners and wholesalers complained they were being cut off from supplies by major companies. The Senate passed mandatory allocation legislation early last month and the House was moving toward similar action.

NEWS CENSORSHIP

Mr. McCLURE. Mr. President, we are moving through one of the most difficult periods of our history—a time when the faith of the American public in the most basic of our institutions has been horribly shaken. Above all, this is a time when the need for the truth has never been greater.

The well-being of our Nation depends greatly on the ability of the media to inform clearly, concisely, and with fact. They must constantly question—fairly, equally—all sides of any issue raised for the public judgement. But above all, the media must do their questioning and reporting in complete openness. It is this very openness that makes our free press most effective, most credible. Consumers of the news must not be denied facts germane to their making a choice—be it political, philosophical, or practical.

But if that openness and credibility is indeed denied the public, then surely we have been robbed of something precious—the ability to form an opinion based on truth. But then that is the nature of propaganda—tell only what you want told and censor what you do not want known. Holding back truths is as large a part of a "big lie" as the lie itself.

Recently, a group of distinguished Idaho broadcast journalists were addressed by a Washington, D.C. attorney who expressed the most outrageous and twisted sense of the power of the press that I have ever encountered—at least in this country.

I would ask that the following brief report filed by Boise United Press International Bureau Chief Richard Charnock be included in the RECORD. I do so with no further comment, because the news "control" extolled by lawyer Vincent Pepper is surely the most eloquent definition of censorship and political blackmail possible.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

BROADCASTERS ADVISED TO MAKE USE OF POWERS

(By Richard Charnock)

McCALL, IDAHO.—Less than 10 per cent of America's broadcast stations put any "fear of the ballot box" into their elected officials, a communications attorney told the Idaho broadcasters convention Monday.

Washington, D.C., lawyer Vincent Pepper, who specializes in problems of broadcasters told the 23rd convention, "You have the power to select what is newsworthy."

He said broadcasters must get the attention of their elected officials not only by editorializing but by control of their news programs.

"If they realize you have that power, they will listen to you a little more. If a congressman does not vote the way you like, don't play his tapes. If he does—play them in prime time. That's the power you have, and you are not using it."

He said less than 10 per cent of broadcast stations in the U.S. put any "fear of the ballot box" into their elected officials.

"Newspapers are on their way out as an effective medium," Pepper said, adding that broadcasting is backing newspapers against the wall, economically.

But he said to become the "press of the First Amendment," the broadcasting industry must divest itself of excessive government regulations.

A NEW, MORE STABLE SET OF INTERNATIONAL RELATIONS IN EAST AND SOUTHEAST ASIA

Mr. ROTH. Mr. President, during the past 5 years one of the most significant of our foreign policy endeavors has been the effort of the present administration to find a new, more stable set of international relations in East and Southeast Asia. The Nixon doctrine has been steadily implemented; a cease-fire agreement has been signed in Vietnam, all American ground soldiers have been removed from Indochina and a dialog with China has been initiated and developed.

On several previous occasions, I have suggested that we build upon this foundation by seeking the realization of a truly neutralized Southeast Asia in which the countries of that region are free to develop their own societies and national identities free from the threat of great power interference. While I realize that there are many obstacles to overcome before such a neutralization could be realized, I believe that the time has never been more propitious to begin such an endeavor, thanks to the improved relations among the great powers and the interest that has been shown in regional neutrality by a number of Southeast Asian countries, most particularly the members of the Association of Southeast Asian Nations—ASEAN.

The visit to our country of the Prime Minister of Japan, Mr. Tanaka, offers a unique opportunity to further Southeast Asian neutralization. Mr. Tanaka recently proposed that the Asian and Pacific countries, including the United States, Japan, China, and the Soviet Union, meet to discuss Asian peace and stability. I think this is a valuable and constructive proposal, important because a truly effective peace in East Asia will require more than separate bilateral understandings. Moreover, such a conference could be a useful complement in our Asian diplomacy to the efforts we are now engaged in our European diplomacy, in the mutual and balanced force reduction negotiations and the Conference on European Cooperation and Security, to bring about a reduction of tensions on that continent.

Certainly Japan is one of the countries that should be involved in any great power agreement respecting Southeast Asian neutrality. Japan has an important stake in the stability of that region, which is an important source of Japanese raw materials and has a strategic position with respect to Japanese shipping routes to India, the Middle East, Africa, and Europe. For the Southeast Asian countries, Japan is a major provider of foreign investment and foreign economic assistance as well as the foremost trading partner of most of the countries of the region.

Recently my attention was drawn to a translation of an editorial in a Japanese newspaper, the Yomiuri, concerning Japanese relationships with Southeast Asian countries and Southeast Asian neutrality. Because this editorial reflects Japanese interest in Southeast Asian developments and a certain school of Japanese thinking on its involvement with the region, I ask unanimous consent for its inclusion in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

SOUTHEAST ASIAN COUNTRIES AND JAPAN IN TRI-POLAR WORLD

The recent US-Soviet summit talks confirmed again the co-existence of the two countries, and furthermore, laid a new course toward mutual co-operation between the US and the Soviet Union. On the other hand, China, which is opposed to the world order led by the US and the Soviet Union, has conducted an H–Bomb test, as if to answer the Joint Communique issued by the US and the Soviet Union. Thus, the US, China and the Soviet Union are engaged in diplomatic actiivties which are delicately complicated with one another. We think that the Southeast Asian countries are groping, most eagerly, for a way to gain a new international position and maintain their peace and security in a tri-polar world which has emerged after the period of the cold war.

Already two years ago when China was admitted to the UN following US President Nixon's announcement of his decision to visit China, the Southeast Asian countries began to study the position they should hold in the new order to be established in Asia. One of their plans to meet the establishment of such a new order was the plan to neutralize Southeast Asia with the assurance of the great powers, which plan was revealed by the Declaration issued by the meeting of the Association of Southeast Asian Nations (ASEAN) held in Kuala Lumpur in November, 1971.

The relative importance of ASEAN as a key organization for regional co-operation in Southeast Asia has increased, because the "organizations born of the cold war," such as the Asian and Pacific Council (ASPAC) and the Southeast Asia Treaty Organization (SEATO), have ceased to exist in practice. Also the idea of neutralization, which was revealed by ASEAN, has gained greater importance than before, in connection with the way to be followed by the Indochina countries after the termination of the Vietnam War.

The Press Communique of the sixth ASEAN Foreign Ministers Conference, which was held in April this year at Pattaya, Thailand, mentions that "The security of Southeast Asia, for which the countries in this area must be held collectively responsible, should be interpreted to mean security in the broadest sense of the word, that is, the political, economic and social security in this area, and not the security in the ordinary military sense of the word." It may be said that this statement reflects the political necessity for the same Conference to produce a general agreement in spite of the conflicting interests and opinions among ASEAN nations. We think, however, that the same statement means, in the end, that the big countries should "respect" the position of the Southeast Asian countries which must live in such an environment. We earnestly hope that Southeast Asia will become stabilized as a "neutralized area whose peace and freedom are guaranteed."

BRISK DIPLOMATIC ACTIVITIES OF SOUTHEAST ASIAN LEADERS

In reality, the idea of neutralization, which was revealed by ASEAN, has come to the wall. On the other hand, however, there are some bright prospects for its implementation. In view of the present Sino-Soviet confrontation, it cannot be expected, for the time being, that the neutralization of Southeast Asia will be guaranteed by the US, China and the Soviet Union, however, have announced that they will uphold or respect the same idea. Also the US, which maintains military bases in two of the five ASEAN countries, has suddenly entered a period of confrontation, and is withdrawing from Vietnam militarily. We think it may become possible for Southeast Asia to have its neutralization guaranteed by the big countries some time in the future.

Isn't it most important for Southeast Asia, which must adapt itself to the new situation, to establish diplomatic relations or improve the existing relations with China, first of all? We can understand that the Southeast Asian countries, most of which have a great number of resident Chinese merchants in their territories, are anxious about the complicated problems to be brought about by the normalization of relations with China. Under the new situation created by the termination of the Vietnam War, however, it is necessary for these countries to overcome these problems. For this reason, we think Malaysia's establishment of diplomatic relations with China ahead of other ASEAN nations, which is scheduled to take place in the near future, has great significance. We hope that relations between Malaysia and China will develop further, because it is said that the adjustment of views on the China problem has been the major subject of discussion at the summit conferences which have been held frequently among Southeast Asian countries since this spring.

Furthermore, Burma began to move for participation in regional co-operation, after the conclusion of the Paris Agreement. Burmese Prime Minister Ne Win stated, while visiting Indonesia, that "The nations in this area should confer together to discuss how to attain our common purposes." It can be said that this statement has epoch-making significance because it means that Burma will put an end to the policy of seclusion it has maintained for ten years, and will take part in ASEAN or in the conference of Southeast Asian countries which ASEAN is planning to hold under its leadership.

Expectations on Japan mixed with suspicion

It is natural that the Southeast Asian countries, which have been trying to maintain their relative stability by "taking advantage" of the cold war in their respective ways, are starting efforts to meet the new situation, at this time when new relations between the US and the Soviet Union and between the US and China are becoming clear.

One important goal, which the Southeast Asian countries must attain hereafter, is the realization of "peaceful and free neutrality" not to be threatened by intervention by big countries. Another important goal is the stabilization of the internal political and social conditions through the attainment of economic independence and the improvement of the people's livelihood. Regardless of our wishes, the existence of Japan will necessarily loom large in connection with the latter goal, because Japan and Southeast Asian countries are dependent on each other economically, though to varying degrees.

Japan relies, for instance, on Southeast Asia for most of the tin and rubber it needs. Japan also accounts for about 40 per cent of the total volume of Indonesia's foreign trade, and one-third of that of Thailand and the Philippines.

Such economic interdependence between Japan and Southeast Asian countries may serve as a foundation for good neighborly relations between the two, if it develops favorably. If it follows an erroneous course, however, it will become a source of ceaseless friction and trouble, as can be seen from the boycott movement against Japanese goods which occurred last year under the leadership of Thai students. According to the results of the opinion polls conducted by JETRO last year in Thailand and Indonesia, the peoples of these two countries are almost equally divided between those expecting an improvement of relations with Japan and those who think that relations between Japan and their countries will worsen hereafter. This indicates that the peoples of these countries are suspicious or distrustful toward Japan, while placing expectations on the future role of Japan.

This fact is also indicative of the necessity for Japan to answer the expectations of Southeast Asian countries concretely and correctly, and at the same time, endeavor to eliminate the feeling of suspicion or distrust harbored by these countries toward Japan, so that Japan hereafter can establish unshakable good neighborly and friendly relations with Southeast Asian countries.

For this purpose, it is essential for Japan to take measures in accordance with the actual conditions in the respective Southeast Asian countries instead of only pursuing immediate interests as in the past, with sufficient consideration for the positions and interests of these countries in all such fields as Governmental assistance, foreign trade, private investments and personnel and cultural exchange.

A MAJOR CONSTITUTIONAL CONFRONTATION IN OUR COURTS

Mr. MONDALE. Mr. President, the refusal of President Nixon to produce the tapes of recorded conversations which both the Senate Watergate Committee and Special Prosecutor Archibald Cox wish to review threatens to produce a major constitutional confrontation in our courts.

Perhaps just as importantly, this refusal threatens to further undermine the faith of the American people in their President and foster the feeling that there is indeed something unseemly which the President is attempting to hide through his refusal to reveal tape-recorded information.

In this connection, Mr. President, I commend a recent editorial from the St. Paul Pioneer Press and ask unanimous consent that it be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

NIXON ON WRONG COURSE

President Nixon's position on release of the White House tapes inevitably increases public suspicion that he is concealing evidence of his own involvement or knowledge of illegal activities.

By refusing to make these tapes available to either the Senate Watergate committee or to the Department of Justice's own special prosecutor Archibald Cox, Mr. Nixon defies both the Legislative and Judicial branches of the United States government.

In his letter to Sen. Sam Ervin, chairman of the Senate Committee, Mr. Nixon said: "If release of the tapes would settle the central questions at issue in the Watergate inquiries, then their disclosure might serve a substantial public interest. . . "

But then Mr. Nixon says that he has personally decided the tapes "would not finally settle the central issues" and consequently no one else will be given access to them.

So here is an elected official, the President, who stands accused by John Dean, his own former White House counsel, of involvement in criminal activities. Yet this accused President arrogates to himself the role of deciding that the taped evidence available is to be concealed and suppressed. The common sense inference is that what is being concealed would reflect adversely on Richard Nixon's claims of innocence.

Mr. Nixon tries to justify his position by his own interpretation of presidential privileges under the doctrine of separation of powers among the Executive, Legislative and Judicial branches of the government. But Special Prosecutor Cox says: " . . . any blanket claim of privilege to withhold this evidence from a grand jury is without legal foundation." He adds that "happily, ours is a system of government in which no man is above the law." Sen. Ervin and the whole bipartisan membership of the Senate Committee state that the President has no constitutional or other authority to withhold the taped evidence from the Congress.

The next step in these proceedings presumably will be court actions on the honoring of the subpoenas for the tapes from Cox and the Ervin committee. This course could lead to placing the issue before the Supreme Court.

But no matter what develops in the courts, President Nixon's case is, in a larger sense, already being considered by the American people. His hopes to continue as an effective President depend on his ability to maintain trust and confidence among the public and members of the Congress.

This objective would best be served if the President would retreat from his present stubborn attitude of defiance and open up the White House records to the Senate committee and to Prosecutor Cox. It is not too late for such action. Influential members of the Republican party might yet be able to persuade Mr. Nixon to review his position and agree to an acceptable compromise, if he has not completely isolated himself from outside advice.

BALANCING THE BUDGET

Mr. HANSEN. Mr. President, I was very enthused last Thursday when I read the President's message about Federal spending for fiscal year 1973. Although Congress had voted to keep spending for the last fiscal year at a level of $250 billion, only $246.6 billion was actually spent. This means that the actual budget deficit for fiscal year 1973 was $14.4 billion—much smaller than the $24.8 billion deficit projected by the President in his budget message last January. This amount of deficit is still cause for alarm, but it is encouraging to learn that the projected budget deficit was reduced by $10.4 billion.

I am also pleased that the President has, as Secretary Shultz so aptly put it, "returned to that old-time religion" of striving for a balanced budget—balanced in the sense that Federal expenditures should not exceed the collected revenues. This should definitely be the mutual goal of both the administration and Congress during this fiscal year and each of the succeeding fiscal years. For that reason I have joined with the distinguished Senators from North Carolina (Mr. HELMS) and Virginia (Mr. HARRY F. BYRD, JR.) in sponsoring legislation requiring the President to submit a balanced budget to Congress each year. I think it is extremely important that this country get its fiscal house in order, and it will only do so once the budget is brought into balance.

President Nixon stated in his message that—

Inflation continues to be our most important economic problem.

I would say that curbing the forces of inflation is the most pressing and important national problem. The place to start is to balance the Federal budget, for by doing so we will alleviate the economic pressures at home and contribute to the stability of the dollar abroad. When the budget is not in balance, it is the average American taxpayer who picks up the tab through higher prices, a tight money market, and eventually through higher taxes.

Congress should begin by establishing national priorities for the various categories within the budget and attempt at all times to reduce the waste and inefficiencies which so often occur with over-zealous appropriations. At the same time we must become more sensitive to the needs of all Americans and begin to realize that when more revenues are distributed by way of special interest programs than are collected through taxes, it is the average American taxpayer who is paying for the generosity we so readily exude. I am very much in favor of spending our Federal revenues to establish and expand worthwhile programs designed to alleviate the oppressive burdens some groups of Americans are asked to bear, but at the same time I think we need to establish our priorities and attempt, as does the average housewife, to live within our budget.

I am encouraged by the fact that the President and Congress seem to be willing to work together to achieve the goal of balancing our budget, and I will do all I can to help bring that goal to reality.

HUGH SIDEY ON SENATOR ERVIN

Mr. McGOVERN. Mr. President, one of the Nation's most perceptive observers of national political developments is Mr. Hugh Sidey of Time, Inc. Writing in the current issue of Time, August 6, 1973, Mr. Sidey defends the manner in which Senator Ervin has presided over the special Senate committee investigating the Watergate scandals.

I ask unanimous consent that Mr. Sidey's article be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

The Country Lawyer and Friends

(By Hugh Sidey)

A goodly portion of the nation's lawyers seem to be in considerable anguish over the way the Watergate panel is questioning the witnesses. The letters, calls and telegrams pour in to Committee Chairman Sam Ervin with suggestions for questions, psychological tactics, and denunciations for missing opportunities to bludgeon witnesses to pulp.

In Washington, where there may be more attorneys per square foot than in any other city, the conversations are dominated by legal despair. The lawyers believe Ervin is doing an awful job in cross-examination. Young barristers and law school professors, freshly steeped in their textbook cases, are sure of it and can give you a lecture on how it should have been done.

There is now a hint in the mail that some of the public may want in on the act. Wives and husbands are arguing about separation of powers, reporters are being forced to carry copies of the Constitution with them. And all those people who were reared on Perry Mason whose steel-trap mind is always ahead of everybody else's, are wondering how come those fellows on the committee stammer, halt, fumble and they never get a witness to break down in tears and say "I did it. Take me away." I wonder.

I wonder if old Sam Ervin from Morganton, N.C., isn't a little wiser than all those kibitzers. Ervin is running an educational forum and not a court, and he knows it. The arguments are rooted in the Constitution, that is true, but now they transcend that. The big issue at this point is what each citizen thinks in his mind and feels in his heart about the President.

A big part of Ervin's job, as he sees it, is to bring all the President's men before the public, as well as the committee, and let anybody interested see them and hear them. He is resolute in his belief that there is something magic about truth. The folks after a while get some notion of who is lying and who is not. That emerges most often in small natural increments, not in blinding flashes of acrimony. The witnesses kind of do it themselves.

So old Sam runs a down-home operation with a bunch of good old boys on his committee. There's a war veteran with arm missing and a camera bug and an Ivy Leaguer and a fellow who used to cure country hams. There is some courtliness, a little cussing beyond earshot, some poetry, and a lot of Bible.

The White House does not see it that way, however. Over there they have decided that Ervin is out to get the President, that behind the "sweet little ole country bumpkin" facade lies a monster. Memories are short in this town. The Ervin committee is about as gentle as they come.

Though Sam is sore because he believes that his Constitution and his Government have been violated, there is remarkably little personal bitterness. After the day's hearings, he will tell you he still would like this cup to pass from him, to put it in his kind of language. Nothing would please him more than for Nixon to come there and drop all those documents and tape recordings on the committee table, exonerating himself. Or even, if not quite innocent, admit his errors openly and fully. Ervin gives the impression of a man willing to forgive a great deal if Nixon did that, and he thinks the country would be equally forgiving. Then Sam could go back to watching some of his favorite TV programs (*Gunsmoke* is one of them) and get a little time in the cool hills of his beloved North Carolina.

But so far the President will not yield on any front. So Sam goes on trying to open things up, goes on in his own way, which is not to press too hard, not to be overbearing or obnoxious—just kind of average American.

Something is happening out there. Almost all the polls are moving—against Nixon. There are no dramatic cave-ins, just steady erosion. Maybe that is what frightens the White House now. But Sam Ervin did not point the direction. Talking with him, one feels certain he would be about the same person if the polls were moving the other way—for Nixon. He is not after anybody. He is after something bigger—truth and honor.

If John Dean after a week of talking before the nation seems to be a threat to Nixon's professions of innocence, well, maybe that is the way it should be. And if John Ehrlichman after four days before the unblinking camera eye comes across as Attila the Hun, perhaps that, too, is a step toward the truth.

Sam Ervin said it. Rather, he borrowed from the Bible. "For whatsoever a man soweth, that shall he also reap." Sam believes it.

TIMELY REVIEW OF INTELLIGENCE COMMUNITY

Mr. PROXMIRE. Mr. President, in view of the impending confirmation vote for William E. Colby to be Director of Central Intelligence, I draw attention to today's column in the Washington Post titled "Harnessing the CIA" by Clayton Fritchey.

A full review of the intelligence community is long overdue. For a decade, Congress has deliberately looked the other way when it came to those delicate matters of espionage and "black" operations. We have allowed the executive department to take advantage of this acquiescence by broadly interpreting the mandate given to the intelligence community.

In two speeches the past month, I have pointed out the structure and operating mechanisms of the intelligence community insofar as was prudent. Many questions remain unanswered, however, and I am hopeful that the Armed Services Committee will consider some of these problems in greater detail.

When Mr. Colby comes before the Senate for a final confirmation vote, I will discuss some of the issues that require a fuller explanation by the intelligence community and I will make certain recommendations about legislative adjustments in the 1947 National Security Act and the congressional oversight function.

Mr. President, I ask unanimous consent that the Fritchey article be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

Harnessing the CIA

(By Clayton Fritchey)

Watergate is educating all of us, even those hawkish, anti-Communist senators who once felt that cold-war agencies such as the Central Intelligence Agency could do no wrong, and should, in effect, be above the law, or at least beyond it.

A new day is in sight when such a veteran patron of the Pentagon and the CIA as Sen. John Stennis (D-Miss.), chairman of the Senate Armed Services Committee, revolts against the excesses and abuses of our unmonitored spies and finally decides something has to be done about it.

So now, at long last, there is a good chance the CIA will be given a revised charter more in keeping with the new "era of international cooperation." Also, there is rising hope for the creation of a new joint congressional committee to keep tabs on secret intelligence activities, just as the Joint Atomic Energy Committee acts as the watchdog on secret nuclear activities.

Stennis, apparently disillusioned by the unauthorized war the CIA has run in Laos and by the agency's involvement in post-Watergate coverup efforts, says he has been forced "to definitely conclude that the entire CIA act should be fully reviewed." It's hard to believe that the same senator could have been saying less than two years ago (November 1971): "This agency is conducted in a splendid way. As has been said, spying is spying. . . . You have to make up your mind that you are going to have an intelligence agency and protect it as such, and shut your eyes some and take what is coming."

Fortunately, it now appears that Stennis and some of his senior colleagues are not prepared to take any more. Sen. Stuart Symington (D-Mo.), who is acting chairman of the Armed Services Committee while Stennis is convalescing from a robbery assault, has always said amen to the proposed review of the CIA.

As David Wise has pointed out in his invaluable new book on "The Politics of Lying," one of the "great myths perpetuated by the CIA is that its classified budget and activities are carefully watched by four House and Senate subcommittees," one of which is the five-man CIA armed services subcommittee headed by Stennis.

When Stennis was pronouncing his benediction on the CIA in the fall of 1971, Symington scornfully said, "I wish Stennis' interest in the subject had developed to the point where he had held just one meeting of the CIA subcommittee this year, just one meeting."

At that time, the late Sen. Allen Ellender (D-La.) was chairman of the Senate Appropriations Committee, and also chairman of the CIA appropriations subcommittee, which is supposed to go over the agency's budget chief watchdog on the CIA budget, Ellender rose to defend this scrutiny during the 1971 "line by line." So, as the Senate's reputed debate.

"This is a rather ticklish subject," he said. "It is a subject that I do not care to discuss in the open." Sen. J. William Fulbright (D-Ark.), however, pointed out that the CIA's financing of a secret army in Laos was no longer a secret, which led to the following exchange:

Fulbright: "It has been stated that the CIA has 36,000 there in Laos. It is no secret. Would the senator say that before the creation of the army in Laos they came before the committee, and the committee knew of it and approved of it?"

Ellender: "Probably so."

Fulbright: "Did the senator approve of it?"

Ellender: "It was not—I did not know anything about it."

Later, Ellender explained, "I never asked, to begin with, whether or not there were any funds to carry on the war in this sum the CIA asked for. It never dawned on me to ask about it."

It was a sorry echo of a similar confession made by the late Sen. Richard Russell, who, as head of the Armed Services Committee in 1961, was the chief congressional CIA watchdog when the agency engineered the disastrous Bay of Pigs invasion of Cuba. Russell said he had no advance knowledge of the intervention and, moreover, did not want to know about it.

In the wake of Watergate and the shifting around of Nixon men, the CIA has acquired a new director, William E. Colby, who, during his Senate confirmation hearings promised to keep the agency out of domestic affairs and to curb its involvement in secret wars overseas.

No doubt Mr. Colby means well, but experience strongly suggests that the prudent course is for Congress first to narrow the CIA's charter, and then make sure that a real watchdog committee be charged with keeping a constant and vigilant eye on its operations, especially the sub rosa ones.

CONSUMER COOPERATION

Mr. GURNEY. Mr. President, on July 11, 1973, I introduced Senate Resolution 138, a resolution that calls for a national consumer effort to conserve gasoline and decrease safety hazards on high-speed roads. Basically, the resolution calls for all motor vehicle operators traveling on high-speed roads on weekends and holidays, between the date of passage and Labor Day, September 3, 1973, to travel at a speed no greater than 10 miles per hour less than the posted speed limit and to turn on their headlights to encourage fellow travelers to join in this summertime, nationwide campaign to slow down, save gas, save lives, and save money. The big question mark which will decide the resolutions success or failure will be the reaction of the American people.

On July 27 the Washington Post printed a letter written by Mr. Joel Newsom of Annapolis, Md. Mr. Newsom displays the spirit of cooperation which can make such a consumer effort a success.

Some people will say that the only way to make drivers slow down on the highways is to lower speed limits and then see that they are strictly enforced. Some say that the American people will not do anything unless they are forced to do so. Mr. Newsom's spirit is an example of why I do not believe this.

The energy crisis requires both short and long term solutions such as pipelines and energy research and development. Mr. Newsom's enthusiasm shows that if Americans join together they can contribute to the solution of the immediate gasoline shortage.

Mr. President, I ask unanimous consent that Mr. Newsom's letter be printed in the Record following these remarks so that it can serve as an example for all of us.

There being no objection, the letter was ordered to be printed in the Record, as follows:

Slogans for 50-Miles-Per-Hour

If you are the one-in-a-thousand that wants to comply with government and oil companies exhortations to motorists to reduce highway speed to 50, but are reluctant to be a guinea pig, try this: Affix a card to the lower right corner of rear window that will inform the driver of the car immediately behind you that you are driving at 50 miles an hour—and your reason for doing so. You may prefer a slogan. Here are a few suggestions:

The government says 50, I'm going 50.

Don't hate me for driving at 50, I'm saving gas.

The oil companies say drive at 50. I agree.

Try driving at 50; you'll like it. I do.

What's a few minutes saved? Let's all drive at 50.

Save gas, save nerves, save lives. Drive at 50. I do.

Let's make driving fun again by holding to 50. I am.

Many will think the idea is silly. Okay, but at least the driver behind you now understands why you are traveling slower than others and that he can safely pass when conditions become favorable. And who knows? Perhaps he and thousands of others will decide to get on your bandwagon.

After all, you have the right to do your thing. Certainly the highway patrolman will smile on you even if no one else does.

Joel Newsom.

Annapolis.

GENOCIDE—AN INTERNATIONAL CRIME

Mr. PROXMIRE. Mr. President, there is much misunderstanding concerning provisions of the Genocide Convention. Article I establishes that genocide is an international crime. It states:

> The contracting parties confirm that genocide, whether committed in time of peace or time of war, is a crime under international law which they undertake to prevent and punish.

In effect, this article puts genocide on the list of other international crimes which nations have agreed to punish.

Some question the advisability of formulating human rights treaties on the international level, suggesting that genocide is more of a domestc concern. But the fact that 75 nations have already become signatories to the convention establishes that genocide is regarded throughout the world as an international—not domestic—concern.

The phrase "in time of war" has led some persons to question ratification—particularly in light of our tragic involvement at My Lai. But combat actions such as the My Lai massacre are specifically not within the scope of the treaty. They are, however, covered by other international conventions.

Lastly, it has been argued that ratification of the Genocide Convention may subject our prisoners of war to new hazards. This is not true. There is nothing now to prevent enemy governments from charging captured American servicemen with trumped-up charges if they so desire, and the treaty will not increase the likelihood that this may occur.

Mr. President, I hope the Senate will ratify the Genocide Convention without further delay.

NATIONAL AIR AND SPACE MUSEUM BUILDING PLANNED FOR COMPLETION BY 1976—DIRECTOR MICHAEL COLLINS EXPLAINS PROGRESS BEING MADE

Mr. RANDOLPH. Mr. President, during my service in the House of Representatives, I authored in 1946 a bill creating the National Air Museum and it was signed into law on August 12 of that year. The name was later changed to the National Air and Space Museum.

Ground was broken last year for the Museum, which is a part of the Smithsonian Institution and located on the Mall. Work is progressing on the facility which will house items of historical significance related to aviation. It will make possible for the first time a comprehensive presentation to the general public of notable air and space exhibits. Also presented will be the mathematics, physics, fuel chemistry, metallurgy, and broad engineering bases of aeronautics and space exploration.

The Museum will house scientific and technological advancements from the December 17, 1903, flight of Orville Wright, who traveled 120 feet in 12 seconds to the Apollo 11 command module which carried Neil Armstrong to the Moon where, on July 20, 1969, he became the first man to stand on the Moon.

The command module pilot of that flight, Michael Collins, is now the Director of the National Air and Space Museum and through the dedicated leadership he is providing, the facility and its many exhibits will be ready for our Nation's Bicentennial in 1976.

Mr. President, Mr. Collins has written a very informative and interesting article, "Aerospace on the Mall," in the June issue of Aerospace, the official publication of the Aerospace Industries Association of America, Inc.

I ask unanimous consent to have his comments printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

AEROSPACE ON THE MALL

(By Michael Collins)

To most Americans, the Smithsonian Institution means the old red, castle-like buildings on the South side of the Mall in Washington—the nation's attic, where one might find the Hope Diamond or Lindbergh's "Spirit of St. Louis." Today, however, the Smithsonian is a growing complex of museums and research facilities spread literally around the world.

On the Mall itself, the changing character of the Institution is nowhere more evident than between 4th and 7th St., S.W., directly across the street from the headquarters of the National Aeronautics and Space Administration, where the new National Air and Space Museum is rapidly rising out of a three-block-long hole in the ground.

A modern building with modern ideas, this new National Air and Space Museum is not as young as one might imagine. In fact, its charter dates back to 1946, when the late General H. H. Arnold, Army Air Corps, convinced Senator (then Congressman) Jennings Randolph, of West Virginia, that a systematic approach should be taken to preserving and displaying historic airplanes. The result was Public Law 722 of August 12, 1946, establishing a National Air Museum, whose responsibility it would be to "memorialize the national development of aviation; collect, preserve, and display aeronautical equipment of historic interest and significance; serve as a repository for scientific equipment and data pertaining to the development of aviation; and provide educational material for the historical study of aviation."

The Congress included provisions for selecting a site for a National Air Museum building to be located in the nation's capital, but it was not until 1958 that the present site was chosen and reserved for this purpose. Senator Clinton Anderson, of New Mexico; Leonard Carmichael, then Secretary of the Smithsonian; and aviation pioneer Grover Leoning, the famous aeronautical engineer, pilot, and amphibian designer, were instrumental in this process.

On July 19, 1966, Public Law 89-509 was passed, amending the name to be given this fledging: it was now to be the National Air *and Space* Museum. [I was unaware of this legislation at the time, having spent the 19th circling the earth 16 times aboard Gemini X.] This same Act authorized and directed the Regents of the Smithsonian Institution to prepare plans and construct a suitable building for the National Air and Space Museum.

Appropriations for construction were subsequently deferred by the Congress until expenditures for the Vietnam conflict had shown a substantial reduction. In 1971, with the help of Sen. Barry Goldwater, of Arizona, and James Webb, former NASA Administrator, among many others, $1.9 million was appropriated to redesign the building, to make it smaller so that it still could be constructed within the $40 million limit of Congressional authorization. In 1972, $13 million was appropriated and construction began, and mid-1973 finds a steel skeleton which daily assumes more definite form.

When completed, it will have a clean and crisp look which will create a harmonious balance between the sleek aerodynamic shapes within it and the classical elegance of its neighbor, the National Gallery of Art. The genius behid the design is Gyo Obata, of the St. Louis firm of Hellmuth, Obata and Kassabaum. Mr. Obata developed this concept after several years of study, and his award winning design has the approval of the Regents of the Smithsonian, the National Capital Planning Commission and the Commission of Fine Arts. In the shadow of the Capitol, the building will be worthy of its location, which is the finest available in the city of Washington.

The exterior of the building will be Tennessee marble of a pinkish hue matching that of the National Gallery of Art, and grey glass designed to filter out harmful ultraviolet rays.

However, as interesting as the exterior will be, it's the interior and its contents that keep me and my staff busy—planning, experimenting, refining, changing—looking for the ideal blend of subject matter. Our charter is an extremely broad one, beginning with man's first aspirations to fly, spanning his first faltering ascents in hydrogen and hot air balloons, and then recording the surge of powered flight which followed the fateful day in 1903 at Kitty Hawk.

From Kitty Hawk to the moon, the pace has been increasingly swift, the technology more and more sophisticated, the story ever more complex. No important segment of it can be slighted, not the contributions of a Goddard or a Lindbergh, nor the story of the aerospace industries and what they contribute to the quality of our lives.

In addition, I believe that a museum of this type should not only examine the past but explore future possibilities. I believe that it should not only display artifacts, but act as a catalyst in exchanging information, and to grow into a true national center for aerospace historical research.

Opposing these grandiose concepts are the realities of space and budget. The fuselage of a Boeing 747 is longer than our building is wide; a Saturn V, if parked along side it, would loom four times as high. Clearly, we must find an alternative to simply parking machines and putting velvet ropes around them. We must make the best possible use of the technology we represent in creative communications. We must communicate in a wide variety of ways: by showing objects, by labels, by sound, by film, by electromechanical and audio-visual devices of the highest fidelity and reliability. We must shift gears often, for a technique well suited for one subject may be completely inappropriate for another. For example, our hall on Ballooning may include a light, even frivolous treatment of some byproducts of the crazy era of ballooning, featuring balloon music, art, furniture—even a puppet show. On the other hand, the hall devoted to the Earthbound Benefits of Flight will be a thoughtful, carefully researched, highly documented treatment of the spinoffs resulting from air and space technology. In some areas, such at Early Rocketry, our collection may be far from complete, and substitutes for actual artifacts will be found. In other cases, however, we have more machines than floor space for their display, and the process of winnowing and selecting will be accomplished with an eye toward displaying only those machines of the greatest historic significance.

I think that our airplane collection is the best in the world. It includes the original Wright Kitty Hawk Flyer, Lindberg's Spirit of St. Louis, Amelia Earhart's Lockheed Vega, the first supersonic airplane, the Bell X-1, Billy Mitchell's Spad, a Messerschmitt ME-262 jet fighter, a Mitsubishi Zero, the North American X-15, the Douglas World Cruiser, the Langley Aerodrome, precision pilot Bevo Howard's Buecker Jungmeister, the first Boeing 707, and on it goes. In all we have two hundred and fifty airplanes, and of course not all of them will fit into the new building at once. For this reason, we will rotate exhibits as funds allow, and only a very few of the very finest (such as the Wright Flyer) will be on permanent display.

In regard to our space program, the Smithsonian has an agreement with NASA which allows us to acquire any object we wish, once NASA's technical requirement for it has terminated. From Alan Shepard's Mercury to the Apollo Eleven Command Module, we have acquired a representative sampling of spacecraft, supporting hardware, documentation, and photographs.

We have started an art collection, small at present, but one which we hope will grow, for frequently the artist's eye has captured the flavor of an important event with incomparable power and precision. Also, from a practical standpoint, color photographs may fade after fifty years, but oils are good for five hundred at least. In the new building, one hall will be devoted to air and space art, but in addition we will add paintings and three dimensional art objects wherever they enhance other exhibits.

In addition to the twenty-six exhibit halls, our new home will have two special purpose chambers for education and entertainment. One will be an auditorium with a fairly steep slanted floor, seating four hundred. The front of this room will accommodate a curved 55' x 75' screen, while the projection booth will be capable of handling the finest 70 mm projection equipment. With this potential for large scale visual presentations of the highest possible fidelity, we will be able to offer a dramatic substitute for viewing three dimensional objects. The auditorium will, of course, also be available for more conventional purposes, such as various lecture series which we present now and will continue to present in the future. For example, last autumn the National Air and Space Museum, in conjunction with the Smithsonian Astrophysical Observatory, hosted a nine-lecture series entitled "Man and Cosmos." During this series, some of the finest astronomers in the country provided (to standing room only crowds in a borrowed auditorium) a comprehensive and current survey of man's past and present concepts of the solar system, with particular emphasis on the results of space science research during the past decade. The auditorium in our new museum will be invaluable in allowing us to expand this type of activity.

The second special purpose chamber will be called the Spacearium, and it will most closely resemble a planetarium. The audience of three hundred will be seated in a circle under a pierced aluminum dome 70 feet in diameter. Upon this dome, from the center of the room, can be projected the night sky, including very accurate simulations of any part of the celestial sphere. In addition, special effects projectors will be used, both inside and outside the dome, to assist in creating the illusion that the visitor has left the surface of the planet and has traveled out into space. In keeping with the Smithsonian's reputation for research and accuracy, every attempt will be made to explain recent discoveries in the fields of astronomy and astrophysics, such as pulsars, quasars, and black holes. On a more frivolous, but entertaining level, the Spacearium can be used as a backdrop for a variety of non-scientific productions. It will also be a powerful teaching tool, and will be available to the District of Columbia and neighboring school systems as special school presentations are developed.

Another extremely valuable component of the new National Air and Space Museum will be the research library and information center. Unlike most other libraries, which have aerospace material diffused throughout their collections, our visitors will find concentrated in one spot a wealth of material relating to the history of flight. With more than 20,000 bound volumes and 200 periodicals, the library is today the broadest and most accessible source for scholarly research in a variety of aerospace fields, and the new building will give us room to grow. The Sherman Fairchild collection, for example, offers encyclopedic coverage of the pioneering early days, while at the other end of the spectrum we have one of the most complete collections of some 30,000 lunar photographs taken by Ranger, Surveyor, Lunar Orbiter, and the Apollo Lunar Missions. In general, our library is probably strongest in its photographic coverage, but it does not neglect other areas, and contains books going back to the 17th Century, as well as the most recent issues.

In some areas, the museum staff includes top experts, such as lunar geologist Dr. Farouk El-Baz, who is a renowned authority on lunar topography and morphology, and who is responsible for the lunar photo collection. While our library in its temporary quarters (the Arts and Industries Building on the Mall in Washington) is quite busy, we are eagerly looking forward to the day when we can expand far beyond our present activity level of 60 visitors, and 600 letters, per month.

In order to meet our deadline of opening to the public on July 4, 1976, it is necessary for us to get a head start in designing and constructing the exhibits to fill the 200,000 square feet of available space. We are using our temporary quarters in the Arts and Industries Building on the Mall in this effort. While not exactly modern, dating back to 1879, the Arts and Industries Building does contain four large exhibit halls whose dimensions are fairly close to those of a typical hall in our new building. In three of these four halls, we are fabricating modular exhibits as fast as our resources will allow, exhibits which can be dismantled and stored when we have a replacement for them, so that hopefully by 1976 we will have a storehouse full of exhibits which have been tested and critiqued by the public, and which can then be installed in the new building. So far we have produced a hall on Ballooning and on World War I Aviation, and we will next follow these with exhibits on Air Traffic Control, Life in the Universe, Exhibition Flying, and Flight to the Moon.

Unfortunately, modern exhibits techniques, leaning heavily on sophisticated audio-visual and electromechanical devices, can be extremely expensive—in some cases running over $60 a square foot of exhibition area. If we multiply this number by our 200,000 square foot total, the result is an alarming $12,000,000. The Congress has told us to build a $40,000,000 building, but certainly has made no commitment to finance an additional 30 percent to complete our exhibits program. Clearly help will be needed in this area, and I hope a large share of it will come from our friends in the aerospace industry. With an estimated six to seven million visitors in its first year of operation, our new building will offer an unparalleled opportunity to communicate with the American public, as well as our many foreign visitors. Our country has always been in the forefront of aerospace progress, and has benefited from it in countless ways. That message should be accurately developed in our exhibits, which have the potential of serving as an effective catalyst in the information transfer process.

But talk is easy, words are cheap. The new National Air and Space Museum will happen. The building will be completed in time for the Bicentennial. What kind of building it will be inside, what mood it will create, what message it will convey, all remain to be seen. Time and money are short; exhibits must be produced now, if 1976 is to see the opening of the most exciting museum in the world, which I have every reason to expect the new National Air and Space Museum to be.

DEPUTY SECRETARY OF DEFENSE CLEMENTS OWNS $65 MILLION IN MIDDLE EAST OIL FIRM

Mr. PROXMIRE. Mr. President, the visit of the Shah of Iran and his keen interest in the latest fighter aircraft in the United States, the F–14 and F–15, raises a number of interlocking relationships.

Deputy Secretary of Defense William P. Clements, the No. 2 man at the Pentagon is an old friend of the Shah's as a result of Clements' $65 million stock interest in the Middle East oil firm of SEDCO.

Thus Mr. Clements is in a position of being susceptible to pressure or self-interest when it comes to the question of F–14 or F–15 sales to Iran. Wisely, he has decided to remain aloof from any decision to sell these sophisticated aircraft to Iran.

Mr. President, this interlocking relationship was brought to light in Newsday by an enterprising reporter, Mr. Kenneth C. Crowe. The basic question raised by this article is to what degree does this international corporation intrude on the domestic interests of the U.S. Government? There is little doubt but that Mr. Clements will return to his old post at SEDCO once he retires from the Pentagon. And he still retains his massive financial stake in the company.

This makes for a most unusual situation, one that should have been headed off during the confirmation process. No high official of the Pentagon should be allowed to retain such a principal interest and control in a corporation that has defense ties.

Mr. President, I ask unanimous consent that the article from Newsday be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

The Shah Has a Texas Partner—Deputy Secretary of Defense Holds Stock Worth $65 Million in Oil-Drilling Company

(By Kenneth C. Crowe)

Washington.—Deputy Secretary of Defense William P. Clements Jr., who yesterday showed the Shah of Iran some of the sophisticated military hardware that the U.S. is trying to peddle, has a $65,000,000 investment in a Texas corporation which does extensive oil drilling in Iran and which recently went into business with a foundation headed by the Shah.

Clements, as the No. 2 man in the Pentagon, is in a position to influence the nation's military strategy and policies around the world—including dealings with Iran, which is buying billions of dollars in weapons from the U.S.

Clements' firm, SEDCO Inc. of Dallas, has 11 oil drilling rigs under contract to the oil consortium working the nationalized Iranian oil fields. The company earned $11,000,000 from these operations in 1972. Last month, SEDCO formed a new drilling subsidiary, Sediran, an Iranian company owned half by SEDCO and half by an Iranian bank and the Pahlevi Foundation, headed by the Shah. Sediran plans to have eight new drilling rigs operating this fall in Iran.

Clements, who founded SEDCO in 1947, resigned as chairman and chief executive officer on Feb. 2 after he was named deputy defense secretary. But he has retained his stock interest of 1,638,377 shares—worth about $65,535,000. Clements' block accounts for 16.2 per cent of the firm's stock—making it the largest single holding in SEDCO. His son, B. Gill Clements, has succeeded him as SEDCO's chief executive.

In an interview last week, Clements said that the Shah definitely was interested in acquiring Grumman-made F–14 fighter-bombers from the U.S. While the size of the order remains unknown, the Shah told newsmen that his country would buy at least one of the supersonic planes. The deal apparently is still in the proposal stage.

What will Clements' role be in deciding on more armaments for Iran? A high-ranking Defense Department spokesman answered: "He's a deputy secretary of defense and there'll be a recommendation from Defense on any proposal made. He will discuss it with the secretary of defense [James R. Schlesinger] and make recommendations . . . " He added, "Secretary Clements is particularly and personally interested in this question. He is knowledgeable about the Middle East."

After this comment by the spokesman, who asked that his name be withheld, Newsday outlined Clements' business interests in Iran and asked for comment from both Clements and the department on whether they considered this a conflict-of-interest situation.

A short time later, the same high-ranking spokesman returned with a different story: "I misspoke," he said. "He [Clements] said that he had not taken part and will not take part in any negotiations or recommendations on any military equipment that the Iranian government may wish to purchase from the U.S. He said that he knows the Shah, has known him for a long time and therefore is taking part in ceremonial activities during the visit of the Shah of Iran."

The Defense spokesman said that Clements had told him, "Since SEDCO is engaged in various activities in Iran, there should not be even the hint of impropriety or improper action." He said, "Any decisions to the extent they will be made will be made by Secretary Schlesinger on the recommendations of the assistant secretary or international security affairs [Robert C. Hill."] The U.S. Government Organization Manual, published by the government, shows that Hill and the other assistant secretaries fall under Clements, who falls under Schlesinger.

The Defense spokesman said that when Clements was nominated for his present post last December, he filed with the department's general counsel's office a detailed list of his financial holdings. He said, "In that review, Mr. Clements detailed the extent of SEDCO's Middle Eastern operations in the following countries: Iran, Oman, Abu Dhabi, Dubai, Quatar and Saudi Arabia."

He also said: ". . . the General Counsel's office pointed out SEDCO is not a defense contractor. Secondly, the Senate [Armed Services] committee was fully apprised of the interests of SEDCO worldwide and did confirm him with that knowledge without requiring any divestiture of stock."

Shah Mohammed Reza Pahlevi has been here this past week—he leaves today—to discuss oil needed by the U.S. and armaments he needs for his race with the surrounding Arab nations for military supremacy of the Persian Gulf. Since the British pulled out of the area in 1971, leaving a power vacuum, Iran—fat with oil money as the second largest producer in the Mideast—has been trying to fill the void. Andrews Air Force Base yesterday for demonstrations of both the Grumman-made F–14 Navy Tomcat fighter-bomber and McDonnell Douglas' F–15 Air Force Eagle fighter. Rumors were floating that the Shah, who has a penchant for sophisticated weaponry, is considering the purchase of 30 F–14s at $14,000,000 each and 50 F–15s, price unspecified.

Among SEDCO's Iranian connections:

The company owns and operates a pipeline service base at Bushehr, Iran, to service its equipment. SEDCO is one of the largest pipeline companies in the world, and is expected to build part of the Alaska Pipeline.

Through Terra Mar Consultants, a subsidiary with offices in Dallas and Tehran, Iran, SEDCO provides specialized geological, engineering and * * * In the past year, the U.S. has sold Iran $1.8 billion in weapons—and expects to sell it billions more.

Clements accompanied the Shah to management services to oil companies and governmental oil agencies, including the National Iranian Oil Co., which nominally runs Iran's nationalized oil field.

SEDCO's land drilling activity is concentrated primarily in Iran, according to its annual report. Of the company's 18 land drilling rigs listed in the report, 11 are under contract to the Iranian Oil Consortium, which operates under the auspices of the National Iranian Oil Co.

SEDCO's drilling division president, Spencer L. Taylor, said that four or five weeks ago an Iranian company, Sediran was formed to operate drilling rigs in that country. He said he expected to have eight more rigs working in Iran, through Sediran, this fall. Taylor said that SEDCO has a 50 per cent interest in the new company and that the balance is held by an Iranian bank and the Pahlevi Foundation, which was set up by the Shah to further education, public health, agriculture and public welfare in Iran. The foundation is headed by the Shah and among its officers are Iran's prime minister, the speaker of parliament and the president of the supreme court.

SEDCO, most of whose operations are overseas, was founded in 1947 by Clements, T. L. Wynne Sr. and I. P. LaRue Sr., father of former White House aide Frederick C. LaRue. Starting with a single rig, the company has become the largest offshore drilling company in the world and a major factor in the pipeline-laying business.

In 1972, Clements served as cochairman of the Texas Committee for the Reelection of the President and regional chairman of Business and Industry for Nixon.

When asked at his confirmation hearings why he wanted the Defense post, Clements replied: "I would have to say that my only motive in accepting this job, with all of its problems that are inherent in leaving Dallas and my business and my other activities, is one of patriotism . . ."

ANDREI AMALRIK

Mr. JACKSON. Mr. President, I would like to call the attention of my colleagues to a sobering analysis of the "cost of dissent in Russia" which appeared in the New York Times magazine of July 29. It is the case history of Andrei Amalrik, one Soviet liberal writer for whom the cost of dissent has been exile to Siberia, imprisonment, and now reimprisonment.

I ask unanimous consent that the article by Susan Jacoby entitled "Andrei Amalrik, Rebel," be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE COST OF DISSENT IN RUSSIA—ANDREI AMALRIK, REBEL

(By Susan Jacoby*)

The last day of Andrei Amalrik's three-year prison sentence for spreading "falsehoods derogatory to the Soviet state" has arrived. The 35-year-old scholar, writer and critic of the Soviet regime has paid dearly for insistence on what he has described as "the freedom which allows the authorities to do much to a man, but which renders them powerless to deprive him of his moral values." His term in a prison camp in the bleak northeastern region of Magadan expired on May 21.

But he failed to return to his home in Moscow, and his wife, Gyusel, made repeated telephone calls to officials in the camp only to learn that he was being held for investigation on new charges. Soviet law allows the state to investigate prisoners without releasing them at the end of their old terms. This provision is used as a selective, sometimes bewildering arbitrary weapon against political dissenters. Amalrik's trial was held at the camp in mid-July—and he has just been sentenced to another three years. Why he was again singled out is known only to the K.G.B. (Committee on State Security).

Andrei Alekseyevich Amalrik is best known in the West for his essay "Will the Soviet Union Survive Until 1984?" which combines a skeptical analysis of the possibilities for democratization in his country with speculation on the possible disintegration of the Soviet state through the catalytic force of war with China. He is also the author of "Involuntary Journey to Siberia," a superb journalistic account of his initial exile from Moscow as a "social parasite" in 1965. His books circulated inside the Soviet Union in underground typewritten *samizdat* (the Russian word literally means "self-published") copies before publication in the United States and Western Europe.

In many respects, Amalrik is the most original thinker to emerge from the spectrum of Soviet dissent during the past 10 years. He is essentially a rationalist and a pessimist who sees few redeeming qualities in either the Soviet political system or what he regards as the official Soviet value system. In "Will the Soviet Union Survive Until 1984" he asserts that "the Christian ethic, with its concepts of right and wrong, has been shaken loose and driven out of the popular consciousness. An attempt was made to replace it with 'class' morality, which can be summarized as follows: Good is what at any given moment is required by authority." In his concern over the absence of moral values in modern society, Amalrik is a throwback to the generation of prerevolutionary intellectuals who survived the Stalinist terror and lived to disinter the cultural heritage many had thought moribund.

Amalrik finds little hope of positive change in a society he divides into three main groups—a ruling bureaucratic élite, an insecure middle class concerned mainly about retaining its own economic privileges and a vast underclass of peasants and unskilled workers. In his view, people in the lowest class are so dulled and brutalized by centuries of repression that they are—at least at this stage of history—incapable of grasping the concepts of intellectual and economic freedom. This generally pessimistic analysis sets Amalrik apart not only from many contemporary Soviet dissidents but also from the mainstream of Russian political dissent flowing from the last century. The goodness of the *narod* (people) is an almost mystical concept in Russian political thought, and it survives today in both official Soviet and dissident ideologies.

Amalrik speaks with the voice of both an observer and a participant in the affairs of his country. Mother Russia moves him no more than Marxist-Leninist slogans. For Amalrik, patriotism is more a function of critical thought and honorable behavior than personal emotion. At his trial in 1970, he answered the charges that his writings were aimed against his native land in this way: "It seems to me that the main burden of my country at this time is to throw off the burden of the heavy past, and to do this my country needs free critical discussion and not self-praise. I think I am more of a patriot than those who shout about their love for the fatherland and who really mean love for their privileges."

The dispassionate quality in Amalrik's thought and personality is one reason he could never be a towering international symbol of dissent like his countryman Aleksandr Solzhenitsyn. There is too much irony and deadpan humor in his view of the world, too little self-importance in his personal manner for him to attain the stature of a symbol. It is impossible to imagine Solzhenitsyn telling an American television correspondent, as Amalrik did, that his Teddy bear had become a Maoist and received a Mao button as a souvenir of their Siberian exile.

"Does the Mao button mean that you are a Maoist?" the correspondent asked as the camera whirred.

"No, not me," Amalrik replied, his bright blue eyes staring innocently into the lens. "Only my Teddy bear."

In Moscow, he was not a signer of collective protests or a leading figure in the tiny, fragile coalition of political dissent which came to be known as the "democratic movement." He was a loner and an abrasive personality who baffled and antagonized his fellow dissidents almost as regularly as he antagonized Soviet officials. He frequently appeared outside courtrooms where other dissidents were being tried to demonstrate his moral support, but his own dissent was essentially the personal act of a rebel who, in Albert Camus's terms, "from his very first step, refuses to allow anyone to touch what he is."

The puzzle Amalrik posed for both his friends and foes is exemplified by a personal protest he made with Gyusel when they heard the Biafrans were starving to death during the Nigerian civil war. Andrei and Gyusel picketed the British Embassy in Moscow with signs urging Prime Minister Harold Wilson to end his support for the Federal Nigerian leader, Gen. Yakubu Gowon. Picketing the British was also an effective way to protest Soviet support for the Federal Nigerian side without getting arrested for an "anti-Soviet" act. A Soviet policeman who was guarding the embassy walked over to them and inquired in a friendly genuinely bewildered tone: "Of course I don't know what it is you're carrying signs about, but why do you do this by yourselves? Why don't you have a *kollektiv*?"

Andrei defined his personal philosophy in an open letter to Anatoly Kuznetsov, the Soviet author of "Babi Yar," who defected to the West during a trip to London in 1969. The letter, also entered as evidence by the state prosecutor in the 1970 trial, emphasized Andrei's constant theme—the need to preserve one's internal freedom regardless of outside pressures.

"You say that the K.G.B. has persecuted and blackmailed the Russian writer," he wrote Kuznetsov. "Of course, what the K.G.B. has done can only be condemned. But it is difficult to discern what the Russian writer has done to oppose this.

"The struggle against the K.G.B. is terrible, but what was the threat to the Russian writer if, before the first step abroad, he had refused to collaborate with the K.G.B.? The writer would not have gone abroad but he would have remained an honest man. By refusing to collaborate in this way, he would have lost a portion—perhaps a considerable portion—of external freedom but would have achieved a greater inner freedom.

"I want to condemn the philosophy of impotence and self-justification which runs through all you have said and written in the West. 'I was given no choice,' you seem to be saying—and this sounds like a justification not only for yourself but also for the whole of the Soviet creative intelligentsia, or at least for that liberal part of it to which you belong."

The formation of a man who makes Andrei Amalrik's choices is a complicated process; his wife believes that his family played a significant role. His father, Aleksei, was born in Moscow in 1906. The elder Amalrik's education was interrupted by the revolution, and he always wanted to enter a university even though he worked for years as a lighting technician in a film studio. He was encouraged in his aim by Andrei's uncle, who was a prosecutor for political cases at one point during the Stalin epoch.

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* Susan Jacoby, a freelance writer, lived in Moscow from 1969 to 1971. She is the author of "Moscow Conversations."

The uncle was arrested during the 1937 purges and sentenced to five years in prison camp. He was executed instead of being sent to camp because he lost his temper at the end of the trial and shouted, "This is not a Soviet court but a fascist torture chamber!"

Andrei was born in 1938 after his parents had been married 10 years. His father was about to complete his history studies at Moscow State University when the Germans invaded the Soviet Union in 1941. He was drafted and soon commissioned a lieutenant, but he made the mistake of remarking in the presence of several fellow officers that Stalin was responsible for the lack of military preparedness which allowed the Nazi armies to advance so swiftly into the Russian heartland during the early months of the war. He was arrested the next day and sentenced to eight years in camp. Like many imprisoned soldiers, the elder Amalrik was pardoned in 1943 because officers were desperately needed during the German siege of Stalingrad. In the spring of 1944, he was seriously wounded and classified an invalid.

"I was against the system when I was a child," Andrei said in an interview with Times correspondent James Clarity in 1970 after the books were published. "My protest is not here," he said, pointing to his head, "but here," pointing to his stomach. "It is organic. I am so opposed to this system that I want to do something with my hands. . . . I am against the regime not because it is dishonest, but from organic repulsion. For example, I cannot listen to the Soviet radio. I cannot read Pravda. It is crude, stupid and full of lies."

Andrei does not fit the standard mental image of a man who feels like doing something with his hands to oppose a political system. His slight stature and hollow chest bear evidence of the congenital heart defect discovered in childhood and the undernourishment of growing up in Russia during the war. His nearsightedness reflects years of intensive reading in badly lit rooms. Before he was sent to prison, he had a crewcut that made him look younger than his years. (Prisoners heads are shaved.)

Andrei's first open conflict with the Soviet system came when he was a history student at the same university in 1960. His diploma dissertation dealt with the ninth-century state of Kievan Rus; he concluded that the early Russian civilization was strongly influenced by Norman traders. Despite its seemingly distant and obscure subject, Andrei's dissertation was politically unacceptable because it contradicted the official historical line that Russian culture and civilization were produced by the Slavs alone. His senior professor told him the research was brilliant and the dissertation would be accepted if he would simply abandon his conclusion. Andrei refused and was expelled from the university. In the Soviet Union, expulsion from a university effectively bars a former student from any occupation appropriate to his training and intellectual ability.

The diploma dissertation was also responsible for Andrei's first official contact with the K.G.B. He wanted to send his aborted paper to a Danish professor of Slavic languages who shared his views and with whom he had been corresponding. Assuming the manuscript would be confiscated by the Soviet customs censor if he tried to send it through the open mails, Andrei requested the Danish Embassy to convey his dissertation to the well-known professor. The embassy agreed and sent an official representative to pick it up at Andrei's apartment. Without informing Andrei, the embassy then sent his manuscript to the Soviet Ministry of Foreign Affairs, which immediately turned it over to the K.G.B. The consequences were not serious at the time, because the K.G.B. apparently decided there was nothing overtly anti-Soviet in the material, but Andrei was warned not to make any further attempts to send the manuscript abroad.

The Dutch Embassy's action is significant because it typifies the behavior of many foreigners in Moscow—diplomats, journalists and businessmen—who find it impossible to accept the actions of people like the Amalriks at face value. In "Will the Soviet Union Survive Until 1984?" Andrei observes that Soviet society is characterized by a broad "gray belt" of activities that are permitted in theory but prohibited in practice. Because most Soviet citizens are afraid to engage in activities that fall within the gray zone, foreigners are automatically suspicious of Russians who are courageous enough to exercise their theoretical rights. An act that would seem perfectly normal in most other countries—like Andrei's attempt to communicate with the Danish scholar—is often regarded by foreigners who live and work in Moscow as K.G.B. provocation. In the pirandellolike atmosphere where Russians and foreigners meet, a Soviet citizen who invites a foreigner to his home is either hero or *agent provocateur*. Such attitudes do protect foreigners from genuine K.G.B. attempts at entrapment, but they are painfully insulting to people like the Amalriks, who wish to be regarded as neither heroes nor spies but simply as unintimidated human beings.

After Andrei's expulsion from the university, he lived alone with his father, who was partially paralyzed from a stroke and needed constant care. Andrei himself was excused from military service because of his heart defect. He took temporary jobs which gave him free time to look after his father, working at everything from delivering mail to keeping time at sports events. He devoted considerable effort, also, to writing plays, which he regarded as his real work.

Andrei acquired a small collection of unofficial abstract art, which flourished among intellectuals in the post-Stalin thaw despite Nikita Khrushchev's characterization of it as "dog s—." His involvement in the unofficial art world and his desire to promote the paintings of his friends were responsible for his early contacts with foreigners in Moscow.

It was not surprising when the combination of these "gray" activities led to Andrei's exile as a parasite in 1965. The parasite decree issued in 1960, provided that anyone who had not held a steady job for a month could be exiled from the cities to do "socially useful work," usually on collective farms in the most desolate, frigid regions of the country. Aimed at chronically absent or drunken workers, the law was soon used by the K.G.B. against intellectuals who wanted to spend their time writing, painting or pursuing other activities outside the official Soviet culture.

Andrei's exile to a Siberian collective farm provided most of the raw material for "Involuntary Journey." His reporting is distinguished by attention to detail and a precise sense of the difference between facts and subjective emotions. Striking a balance between amusement and outrage, Andrei meticulously describes every aspect of the Soviet machine that disrupted his life. There is a police inspector who spies a nude Matisse drawing on Andrei's wall during a search and volunteers the information that he can be sexually aroused only by fat women. He asks for Citizen Amalrik's opinion "as a scholar" of this sexual quirk. There is the former director of a wallpaper factory who receives a six-year camp sentence for embezzling 400 rubles—the equivalent of four months' salary for an average worker at the time. Andrei asks an interrogator why the man reecived such a long sentence for a small sum, and the police official replies: "Four hundred rubles is what he was caught with, but he must have stolen much more."

The Siberian exile had a much bitterer side for Andrei. After he received a telegram with the news that his father was seriously ill in the fall of 1965, Andrei obtained permission to return to Moscow for 18 days. His father was already dead when he arrived after bureaucratic delays and a trip on the Trans-Siberian railway. During this unhappy furlough in Moscow, he persuaded Gyusel to marry him, though they had met and seen each other only three times just before his exile. She returned with him to Siberia.

Gyusel is a painter whom Andrei had met through the unofficial art world. A full-blooded Tatar, she inherited an exotic and arresting combination of features—lustrous blue-black hair, an ivory skin that needs no cosmetics, near-black eyes with a slight upward tilt at the corners, the elongated neck and graceful shoulders of a Modigliani portrait. She is tall and proud and beautiful, and she never complains about the life she chose.

"I did not think of him as a political person when we were married," she once told me. "He had been in trouble as a student—but that happened to a great many intelligent students. He was interested in art, and most of the people in the unofficial art world seem odd by the standards of orthodox Soviet society. I only thought Andrei was an extremely intelligent, sensitive man. Did I think of myself as the wife of a Decembrist? Of course not. If we could foresee the future, how could anyone bear life."

Andrei and Gyusel both describe their life together in a collective farm in Siberia in terms of poverty and near-starvation. There was not enough food during the bitter winter for the ordinary farmers, much less the political exiles. Andrei and Gyusel ate potatoes three times a day, their meals becoming skimpier as the winter wore on and the supply dwindled. He and Gyusel would wade through snow waist-deep to chop wood for their cabin to keep from freezing to death. One of Gyusel's paintings describes that Siberian winter more fully than any words. Naked from the waist up, she is standing in front of a mirror. Andrei, gaunt and bearded, is bundled up in a sweater behind her. Their carriage is resolute, but both figures seem to quiver with cold. Gyusel had intended to produce a self-portrait, but she included Andrei because he liked to stand behind her and watch her work. She painted in half-hour stretches because her skin began to turn blue from the cold if she stood any longer without her sweater. The finished portrait conveys a sense of austerity and private pain. "We were beginning to understand what our lives would be," Gyusel said later.

Andrei was allowed to return to Moscow in July, 1966, after serving 18 months of his three-year exile. In a highly unusual move, his conviction was reversed by the Supreme Court of the Russian Republic, possibly because it had been a violation of Soviet law to classify the only living relative of an invalid as a parasite. But the decision was carried out too late. The invalid, of course, was dead.

Andrei and Gyusel were able to rent one room in a communal apartment just off the Old Arbat, Moscow's most important mercantile center before the revolution. The Amalriks' room was a sunless rectangle, about 15-by-10 feet, at the back of the communal flat. They shared the kitchen, bathroom and telephone with 11 other people; some of the neighbors spat into the phone and hung up if a call came for Andrei and Gyusel while they were not at home.

The spare furnishings included a treasured piano they insisted on keeping in the crowded room because it belonged to Andrei's father, a desk which doubled as a dining table, a wardrobe, a rickety bookcase and a few chairs. The library consisted mainly of 19th-century literature, historical works and a few art books that were presents from foreign friends. The library thinned out over the years as the K.G.B. carried off books in successive searches. The walls were covered with paintings by unofficial Moscow artists and Gyusel's own work. Gyusel painted and Andrei wrote in the confined space.

The apartment conjured up an image of the room above the antique shop in George Orwell's "1984," where Winston and Julia made love under the illusion that they were beyond the reach of the Thought Police. There were no illusions in the Amalriks' room; they knew exactly where the K.G.B. microphones were located. It was somehow possible to ignore the unseen listeners because Andrei and Gyusel insisted on the integrity of their own home.

They entertained friends, both Russians and foreigners, who were interested in the same subjects they were. The conversations ranged from old Russian history to jazz; the only words suppressed by the microphones were the names of other Russian friends. There was always Gyusel's fragrant home-brewed tea and some sort of food, even when they were nearly out of money. On one occasion, foreign friends arrived unexpectedly when the Amalriks were down to their last five-ruble note. Andrei handed Gyusel the money and suggested that she go to the grocery store and buy a snack for their guests. She returned with a small flower vase, saying there was no food worth buying. "Obviously, this is for you," Andrei said, handing the vase to their friends. "You see what kind of a practical wife I have."

The Amalriks were poor, although their financial situation was not as desperate as it was in Siberia. Gyusel earned some money painting portraits for foreign diplomats and journalists. Andrei took the same kinds of odd jobs he held before his exile. For a short period, he was able to write articles on insignificant subjects for little-known Soviet publications. However, the K.G.B. quickly cut off that source of income. Despite the precarious state of their finances, Andrei tried to donate royalties from an old archeology book written by his father for the restoration of art works in Florence after the devastating 1966 flood. His attempt was unsuccessful, since the Soviet authorities never willingly convert rubles into hard currency.

Andrei read German easily, although he lacked the practice to speak it fluently. He enjoyed talking to foreign friends who spoke German, and he often expressed the intention of teaching himself English if he were imprisoned and had some "spare time."

"Prison won't be so bad," he said. "I'll be living a life of luxury, paid for by the state, and it will give me a lot of time to think. To each according to his needs." Many of his fellow dissidents were ambivalent about Andrei because of his pessimism about the future of the democratic movement. Some were unsympathetic to his interest in matters outside the Soviet Union. "How can he care about floods in Florence," one asked, "when we've never had our heads above water in Russia!" However, the other dissenters respected Andrei even when they disagree with him, as he respected them.

Amid the uncertain condition of their lives, it was remarkable that Andrei managed to complete the 95,000-word manuscript for "Involuntary Journey" and the 15,000-word essay "Will the Soviet Union Survive Until 1984?" in a three-year period. But he managed to finish them by late 1969.

"Will the Soviet Union Survive" is a combination of scholarly observation which could only have been made by a Russian and speculation which bears some resemblance to the tea-leaf reading of Western Kremlinologists. Amalrik's observations on the Soviet middle class and its relationship to possible democratic changes are unique. "As is well known," he writes, "in any country the stratum of society least inclined toward change or any sort of independent action is that composed of state employes. . . . In our country, since all of us work for the state, we all have the psychology of Government workers." He concludes that the Soviet middle class does not provide a sufficiently strong base for a democratic movement, even though it has the most to gain from an extension of democratic principles and the rule of law.

He also challenges what he regards as a widely held American belief that the Soviet Union is bound to evolve into a more liberal society and that "foreign tourists, jazz records and miniskirts" will hasten the day. "It is possible that we will indeed have a 'socialism' with bare knees someday," Amalrik argues, "but not likely one with a human face."

The book is so iconoclastic by Soviet standards that it would seem laughable to pursue the idea that the author was secretly under the protection of the K.G.B. Nevertheless, there were persistent rumors that Amalrik was a K.G.B. agent, especially after he wrote his open letter to Kuznetsov. In the West, Kuznetsov was being portrayed as something of a hero; a few journalists in Washington and London swallowed the idea that anyone who criticized him must be working for the secret police.

They ignored the fact that Andrei did not rebuke Kuznetsov for leaving the country but for his actions as a member of the official intelligentsia inside the Soviet Union. One of the most ridiculous pieces of "evidence" in support of the theory of an Amalrik-K.G.B. connection was the fact that foreign correspondents were visiting the Amalriks on several occasions when the K.G.B. arrived to search their apartment. It is literally impossible for a Moscow correspondent who sees dissidents to avoid encountering the K.G.B.; surveillance is too much a part of the lives of both groups.

The six-month hiatus between publication of Andrei's books and his arrest in May, 1970, also added fuel to the rumors that he was a secret police agent. At one point, Andrei told his wife he hoped to receive a severe sentence that would end the K.G.B. rumors once and for all. Unlike the foreigners who were circulating the rumors, the Amalriks knew it was only a question of when—not whether—Andrei would be arrested.

"It got so we were afraid to leave the apartment," Gyusel recalled. "We were so frightened that Andrei might be taken while he was on the street or while I was away from the apartment, and we wouldn't have a chance to say good-by."

The arrest came when they were together in a small country cabin about 105 miles southeast of Moscow. Amalrik described himself then: "Patiently awaiting his return to prison, he occupies his time growing cucumbers and tomatoes."

Gyusel did not see her husband again until his trial the following November; Soviet law does not permit visitors while an investigation is being conducted. Andrei was charged under Article 190–1 of the criminal code, which prohibits dissemination of "falsehoods derogatory to the Soviet state" and carries a maximum three-year sentence. The case against him was based on the Kuznetsov letter, his two books and transcripts of two interviews with American television correspondents.

He pleaded innocent at his trial, but he did not try to prove his case because he insisted that "the principle of freedom of speech obviates any question of guilt." In this respect, he differed from certain other dissidents who have attempted to prove that their writings or statements were not, in fact, slanderous or derogatory to the Soviet state. Andrei told the court that "to sentence ideas, whether they are true or false, seems to me to be a crime in itself." Andrei's closing statement, in which he compared the trials of dissenters to medieval witch hunts, was believed to be responsible for his receiving a stricter sentence than the one demanded. The prosecutor asked for three years under an ordinary camp regimen; the judge sentenced him to three years under a more restrictive set of prison rules known as an intensive regime. As Andrei was taken out of the courtroom by police, Gyusel threw lilacs after him. One of the guards stomped on them, but an old cleaning woman picked up the flowers and tried to smooth them out.

Returning to their apartment in Moscow, Gyusel tried in some ways to carry on the life they had lived together. One night she arrived for dinner at my house in a floor-length maroon velvet evening dress. "I will not wear black while Andrei is in prison," she said. "He would want me to be proud and beautiful, not ugly and despairing."

But she found it nearly impossible to keep up her spirits when she learned in March that Andrei had nearly died of meningitis during the grueling trip to the Far East after the trial. He wrote her about his illness when he recovered consciousness; fellow prisoners told him he had been delirious for 15 days. He was removed from prison to a hospital only after he was so close to death that the director of the prison convoy refused to accept the responsibility for transporting him any farther.

Gyusel flew immediately to Siberia to inquire in person about Andrei's health. Camp officials refused to let her see him on grounds that her presence would overexcite him and impede his recovery. They did allow her to leave a toothbrush and a small package of nonperishable food, including 30 packets of instant Swiss beef-bouillon mix. Gyusel could not bring toothpaste because the guards would have had to squeeze it all out to make sure no messages were concealed inside. Unfortunately, Andrei was not able to use the bouillon mix because the Western packets were unfamiliar to the camp guards. They confiscated the tiny envelopes; foreign objects might be concealed inside.

Gyusel's hair began to fall out in large clumps after Andrei's illness; a hairdresser told her nerves were the cause. In Andrei's letters he told her to try to stop worrying so much about him. "One lock of your hair is dearer to me than 30 cubes of beef bouillon," he said. Andrei's hearing was permanently impaired by the meningitis; he was classified an invalid and excused from hard labor. When Gyusel visited him three times a year, she usually found him in good spirits, occasionally sending off letters of protest to camp authorities about violations of prisoners' legal rights.

Gyusel's main fear was that he would return from camp, write another book and be sent back to prison under a more severe law which permits seven-year sentences. She admitted that "I have said to him, 'Yes, you have your inner freedom, but a person also needs some freedom to breathe the air.' But I would not want him to be a different man—one person can't make moral decisions for another."

Assuming that Amalrik would be released on schedule in May, the Harvard University Russian Research Center and George Washington University both invited him to lecture and conduct research at their institutions. As the invitations were on their way to Moscow, news reached the United States that Amalrik was still in prison. The new indictment cited him once again for spreading "falsehoods derogatory to the Soviet state," this time among camp inmates. In such trials, camp guards and other prisoners are usually called as witnesses; the defendant is without a lawyer, and there are no courtroom spectators.

Because the Soviet authorities have allowed several prominent dissidents to emigrate during the past year, Andrei's friends had hoped that he would be permitted to, also. But there was no assurance that he would have accepted the invitations to leave the Soviet Union even if he were offered the choice.

His fate has attracted international concern, including that of the Association of American Publishers, which has made formal protests to top Soviet officials and a newly formed group of publishers and writers which still hopes to arouse sentiment in the United States Congress. How effective such lobbies can be on behalf of one individual so isolated and alone no one, of course, can say. "It's not like the Jewish immigration issue," one publisher conceded. "There just isn't any effective lobby on behalf of one man." But Andrei Amalrik, who always understood the consequences of dissident life, would be the last person to expect help. And as his wife told a friend in Moscow after he had nearly died of meningitis in the prison in Siberia: "In spite of everything, he is freer inside himself in jail than any of us who are walking around on the streets."

ANDREI AMALRIK SPEAKING

(An excerpt from "Will the Soviet Union Survive Until 1984?")

Scientific progress is generally considered the fundamental direction of contemporary development, and total nuclear war is regarded as the basic threat to civilization. And yet even scientific progress, with every passing year consuming progressively more of the world's production, could become regressive and civilization may perish without benefit of a dazzling nuclear explosion.

Although scientific and technical progress changes the world before our very eyes, it is, in fact, based on a very narrow social foundation. The more significant scientific successes become, the sharper will be the contrast between those who achieve and exploit them and the rest of the world. Soviet rockets have reached Venus, while in the village where I live potatoes are still dug by hand. [He is referring to the village of Akulovo, where the Amalriks spent summers in a small cabin.] This should not be regarded as a comical comparison; it is a gap which may deepen into an abyss.

The crux of the matter is not the way in which potatoes are dug but the fact that the level of thinking of most people is no higher than this manual level of potato digging. In fact, although in the economically developed countries science demands more and more physical and human resources, the fundamental principles of modern science are understood by only an insignificant minority. For the time being this minority, in collusion with the ruling élite, enjoys a privileged status. But how long will this continue?

THE SENATE IS DRAGGING ITS FEET ON THE GENOCIDE CONVENTION

Mr. PROXMIRE. Mr. President, in 1 week the Senate will break for a 1-month summer recess. I hope that after the recess we can take affirmative action on ratification of the Genocide Convention.

The United Nations General Assembly adopted this treaty on December 9, 1948, by a vote of 55 to 0, and 6 months later, President Truman submitted the convention to the Senate. In 1950, a subcommittee of the Foreign Relations Committee favorably reported the treaty to the full committee, but the committee took no final action.

Thirteen years later, Secretary of State Dean Rusk stated that, if the Senate would advise and consent, the Kennedy administration would ratify the Genocide Convention. In 1965, the Johnson administration repeated this pledge.

President Nixon, on February 19, 1970, recommended that the Senate "consider anew this important convention and to grant its advice and consent to ratification." He said that ratification would "demonstrate unequivocally our country's desire to participate in the building of international order based on law and justice." It should be added that the then Attorney General, John Mitchell, agreed with the Secretary of State's judgment that there were no constitutional obstacles to such U.S. action.

And now it is 1973, nearly a quarter of a century since the U.N. first adopted the treaty, and still the U.S. Senate has not ratified it. I have spoken in this chamber virtually every day for over 6 years on why we should ratify the convention, and I have rebutted the arguments raised against the agreement by its critics. There are no legal or moral barriers which should prevent the United States from becoming a contracting party.

Seventy-five nations, including most of our NATO and SEATO allies, are signatories to this treaty. Mr. President, I urge the Senate to stop dragging its feet. Ratify the Genocide Convention and allow the United States to become No. 76.

THE MANAGEMENT OF THE NATIONAL FORESTS

Mr. McGEE. Mr. President, during the short span of time encompassed by this coming week, decisions will be made for which America's national forests shall suffer or prosper for many years to come. This disproportioned ratio of minutes of cause to years of effect must weigh heavily upon the considerations we in the Senate are about to give to two very important matters—the Interior appropriations bill and the Packwood log export bill, S. 1033.

At no time in our history have the resources of America's great forests been more treasured or used. And yet, I would offer, without fear of contradiction, that at no time have our forests been more spent and abused. The course by which this country's incalculably valuable forest resources are being managed runs counter to the needs of today's Americans and the interests of tomorrow's citizens. Our national forests are being cut at a faster rate than ever before, and the replenishment of American timber lags in increasing numbers of acres with each passing year. The result is that America has less and less timber. That is the inescapable conclusion, the despicable result, which must be attached to the present timber management program being carried out in the United States today.

It is, therefore, particularly maddening to see a Forest Service budget which intends to reduce even further its reforestation program, a program that already fails to recover the vast amounts of forest land acres that are timbered. In the spring of this year, as the Interior Appropriations Subcommittee considered this budget, I asked the Forest Service why it was cutting back the reforestation program by 4,500 acres and why timber stand improvement was being reduced more than 100,000 acres. The Forest Service replied,

> The President has indicated an urgent need to hold the line on Federal spending to avoid further inflation and the need for a tax increase. In order to follow this direction, it has been essential to delay work on many desirable programs.

Two things seem apparent from that Forest Service reply. First, there can be no doubt that our timberland resources are being lessened with each year. Second, the shots are not being called by the Forest Service, but rather the White House, more specifically, the Office of Management and Budget.

Mr. President, I believe my colleagues can well understand my dismay when the Washington Post reported last Friday that the already record timber harvest of 11.8 million board feet, planned by the Forest Service for fiscal year 1974, would be increased by an additional 10 percent. In that same article, Chief of the U.S. Forest Service, John McGuire, made it quite clear that the 10 percent would be cut in response to a directive from the OMB. And so, more acres are laid to waste, and the gap between cutting and reforestation widens.

In its zeal to formulate the balanced budget and curb inflation, the staff of the OMB has overlooked one important cause of rising prices: scarcity. The forest management program, which these dubious experts of silviculture have arm twisted the Forest Service into advocating, is designed to provide just that—scarcity. The problem may not become immediately acute; it may never prove an embarrassment to the current administration, but it will come. Congress has the responsibility to provide for the future of this Nation, and I call upon my colleagues in the Senate to advocate and defend a sensible program that will keep America rich in her timber resources. I ask for nothing more than a tree to be planted in the national forest for every tree removed. I ask that we accept nothing less in our consideration of the fiscal year 1974 Interior appropriation, and that we insure its proper and complete execution.

Our work shall not be complete, however, until approval is won for Senator PACKWOOD's log export bill, S. 1033. This bill is essential, if we hope to provide sound legislation for the management of our timber resources.

My colleagues are familiar, I suspect, with my longstanding struggle to provide for an impartial study of the effects of clearcutting in our national forests. By that fight, many other aspects of national forest management have revealed themselves to me, particularly, the relationship of public and private lands as they are used by timber companies. Quite simply, because there already exists a limit on how much timber may be exported from a national forest, the large timber companies simply export timber off their own lands and process for lumber that which they cut in national forests.

It is by this sleight-of-hand policy that we in the Senate find ourselves assaulted with some very confusing arguments; arguments which contradict one another yet come from the same source. On the one hand, timbering interests have told us:

> No more wilderness. You are causing a national timber shortage and higher lumber prices.

Then we are told:

> Don't limit log exports. Our mills have all the wood they can handle, exporting is the only sensible thing to do with the excess logs.

My colleagues may be assured that both pleas are equally sincere, though perhaps not for the reasons stated. The national forests must remain open to the timbering interests so that they can cut as and where they please, leaving their own timber resources for export abroad. Log exports must not be limited, because with the national forests to back up their own supply, they need never worry about a resource to exploit.

While the Packwood bill provides definite restrictions on the cut from national forests which may be exported abroad, I hope my colleagues will agree that the export limit means much more to our national forests by its ability to limit the covert removal of that timber to facilitate the export of private timber resources abroad. I am confident that the successful passage of this bill will allow much of the pressure placed on our national forests to be removed.

Mr. President, I am confident that this week will be a turning point toward better forest management. The problems and their respective solutions stand in clear perspective, and I know my colleagues will act appropriately.

Mr. President, I ask unanimous consent that two articles recently appearing in the Washington Post, which I believe timely to the considerations on national forest policy we will be taking up this week, be printed in the RECORD for the perusal of my colleagues.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

CUT MORE, FOREST SERVICE TOLD—GUIDELINES URGE DOWNPLAY IN RECREATIONAL USE

(By George C. Wilson)

The U.S. Forest Service must concentrate on getting trees sold and cut even if this means postponing or cancelling programs designed to help hikers and others use the national forests, according to the latest White House budget guidance

This Nixon administration philosophy runs through an 85-page report entitled "Financial Planning Advice," which the U.S. Forest Service has sent to its field offices around the country.

John R. McGuire, chief of the U.S. Forest Service, said the document represents his implementation of what the White House Office of Management and Budget wants his agency to do in fiscal 1974.

McGuire, while stopping short of disavowing the directive, said "it is unfortunate that the country is facing inflation and thus cannot do more for natural resources." He added that the budget does not include "everything we would like to do."

The book of guidance will further fuel the current controversy over how much the Forest Service should get to manage the national forests and who should receive top priority in using them.

"In light of the current high demand for timber products for housing, etc.," states the guidance document, "and the national economic importance of increased lumber and plywood production, you must make every effort to insure that these levels are met or exceeded."

The levels refer to the amount of timber that can be sold and cut from the national forests. Secretary of Agriculture Earl L. Butz and John T. Dunlop, director of the President's Cost of Living Council, announced on May 29 that 10 per cent more timber would be sold off in calendar 1973 than contemplated originally for fiscal 1973. The amount for that year and fiscal 1974 is 11.8 billion board feet, more than can safely be cut in the opinion of some conservationists, but not in the view of McGuire.

McGuire has said however, that the Forest Service is way behind schedule in replanting the forests—a pacing item for determining how many trees can be cut down without reducing the yearly yield.

The guidance document stresses that in spending money, productive areas of the national forests should take precedence over the out-of-the-way places favored by hikers, birdwatchers, hunters and fishermen:

"Limit land-use planning to those areas where activity levels in the next five years will be greatest or where high-level commitments cannot be deferred . . . Fiscal 1974 general land use planning will be primarily concentrated on the largest timber producing forests and areas where it must be done in response to high impact developments (e.g., oil, gas or coal; transmission lines; etc.). Defer routine planning for less critical areas. . . .

"Planning for new recreation projects will not be done in FY 1974," the document continues. "Close high-cost, low-use facilities. Shift as much work as feasible to timber purchasers, states and counties, permittees or contractors . . ."

Further, the guidance book states, "recreation operation and maintenances costs will be reduced by giving consideration to closing up to 80 per cent of facilities for which standard level of operation and maintenance is estimated to cost more than $3 per visitor-day for campground and $6 per visitor-day for picnic, boating and swimming sites. Exceptions where justified can be made . . ."

In guidance which goes against the new trend for people to use parks and forests in the off-season to avoid crowds, the document states that U.S. forest facilities will be open a shorter time than usual in the off season in fiscal 1974.

In discussing roads and trails that run through the national forests, the budget guidance stated that any money saved in maintaining those routes "shall be reprogrammed to timber support activities."

This type of emphasis and the amount of money in the Nixon administration budget for the Forest Service is only part of the reason the service has suddenly become so controversial. Other reasons include the growing number of people who want to use the forests for recreation, the militancy of environmental groups who are suing the Forest Service over its tree-cutting practices in a number of places, and qualms among lawmakers about shipping U.S. logs to Japan at a time when timber supplies are limited.

FOREST SERVICE FIGHTS FOR LIFE

(By George C. Wilson)

The rancher turns his Cessna toward a big bare spot in the otherwise densely wooded mountainside of the Bitterroot National Forest outside of Missoula, Mont.

From the plane's back seat, the forester who used to manage the Bitterroot yells over the engine noise: "This is what we're fighting. There'll be nothing left of our forests if this keeps up."

The fight for the Bitterroot, it turns out, is part of a much larger battle—one that amounts to the biggest assault on the U.S. Forest Service since its founding 68 years ago.

And yet, like most other environmental issues, the battle is not a clear struggle between good and evil but an argument intensified by the difficulty of the choices.

Conservationists, fearing timber companies are about to cut down more than the national forest can stand, charge the U.S. Forest Service is derelict.

Politicians blame the Nixon administration for emphasizing lumber production at the expense of such other uses of the forest as hiking and fishing.

Timber companies, running short of wood from privately owned lands, chafe at the government's failure to grow more trees in the national forests.

And the Forest Service itself complains that it takes so long for a tree to grow that neither past Congresses nor administrations have been willing to take the long view and appropriate enough money for reforesting.

The feeling that time is finally running out makes for shrill debate.

"Unless Congress can stop (Agriculture Secretary Earl Butz) from overcutting the forests, there will be little timber left to manage," complains Guy Matthew (Brandy) Brandborg, the retired ranger who used to supervise the Bitterroot before the days of clear-cuttings.

Brandborg contends that clear-cutting—taking every tree, large and small, out of a designed area rather than selective cutting of mature timber—is killing his beloved Bitterroot and other national forests.

From the air, the Bitterroot does look like a forest wounded and scared because broad splotches of bare land left from clear-cutting. Brandborg served as guide that day in the Cessna flight in hopes of returning national forestry to more conservative harvesting techniques.

The protest movement he started back in his hometown of Hamilton, Mont., in 1969 has turned the Bitterroot into a national symbol of the way the Forest Service is managing the people's woodlands.

"What the once respected Forest Service let happen at the Bitterroot is appalling," scolds Sen. Lee Metcalf (D-Mont.), a ranking member of the Senate Interior Committee.

"They didn't know what they were doing," contends Ralph D. Hodges Jr., executive vice president of National Forest Products, in declaring that the Bitterroot logging was not done in a coordinated fashion.

"We went too much for the board in the past," concedes Richard Strong, a ranger still working in the Bitterroot out of the Forest Service's Hamilton office.

"This issue (the management of the national forests generally, not just the Bitterroot) is going to be around a lot longer than Watergate," warns Rep. Julia Butler Hansen (D-Wash.), chairman of the House Appropriations subcommittee which handles the Forest Service budget.

"If the administration impounds the extra money we voted this year for our forests," she said, "why, we have a lot of their pet ducks we can kill. We know people would rather pay for their forests than those bombs."

Stepping back from such debate, Richard Ayres, an environmental lawyer at the Natural Resources Defense Council, said that at the very least "all the fuss means we are approaching the limits of available timber," giving the questions about how, to what extent and for whom our forests should be cut a fresh sense of urgency.

These questions are being argued right now in a suit challenging the Forest Service's biggest sale of timber—more than 8.75

billion board feet from Tongass National Forest in Southeast Alaska.

The buyers, U.S. Plywood and Champion Papers Inc., intend to ship the timber to Japan. The Sierra Club protested that the area to be stripped of trees is bigger than Rhode Island.

In their U.S. District Court suit to stop the sale, the Sierra Club and the Sitka Conservation Society asserted that Congress never intended to put such a "grossly disproportionate emphasis" on timber production in setting aside forests for public use. They contended that the Forest Service in the Tongass sale violated the Multiple Use-Sustained Yield Act of 1960, which states that national forests are to be used not only for timber harvesting but for outdoor recreation, range, watershed, wildlife and fish as well.

"The Tongass has great resources of deer, bear and eagle, is rich in salmon, has magnificent hunting and scenic splendor and has streams vital to the watershed," the conservationists argued.

"Congress clearly did not intend to turn over 85 to 90 per cent of the area to the chain saw. . . . The Forest Service has plainly erred. It is using vast areas of the Tongass National Forest almost exclusively for a single use in derogation of other uses specified by Congress . . ."

The Forest Service, the plaintiffs charged, also violated the Organic Act of 1897 which set down ground rules for how trees should be harvested. They cited rules requiring trees to be marked for cutting. But, under the Tongass sale the buyers can cut down every tree out of designated areas—the so-called clear-cutting method which also is being contested in the Bitterroot and other national forests.

Further, the suit asserted that Congress set the forests aside for American citizens and that the Forest Service violated that directive by selling off trees that it knew were destined for Japan.

That suit—which has kept the Tongass from being cut since the Forest Service signed the sales contract with U.S. Plywood in 1968—has gone from the District Court in Anchorage, up to the Ninth U.S. Circuit Court of Appeals and is now back in District Court to assess evidence uncovered during the arguments.

New evidence against the Forest Service, according to Sierra Club lawyers, includes a study conducted for U.S. Plywood saying that the timber sale indeed would hurt the wildlife in the Tongass.

The Forest Service is also embroiled in a federal suit challenging its management—including clear-cutting—of the 1.6 million-acre Monongahela hardwood forest in West Virginia's Allegheny Mountains.

This suit has stopped timbering there pending a hearing on Aug. 15 before federal Judge Robert E. Maxwell of West Virginia's Northern District Court. The Izaak Walton League, Natural Resources Defense Council and Sierra Club are among the plaintiffs suing Butz and the Forest Service.

A broader suit against the Forest Service was filed in District Court here on July 6 by the Natural Resources Defense Council, Sierra Club and Wilderness Society. It challenged the right of the Forest Service to increase its sale of timber—as announced by the Nixon administration on May 29—by 1.1 billion board feet for fiscal 1974 without filing an environmental impact statement.

The plaintiffs charged in a press release that the increase was ordered by Butz "under intense pressure from the timber industry" and was "forced on the Forest Service with such short notice that proper sale planning to protect the quality of the national forests is virtually impossible . . ."

Beside fighting such court challenges, the Forest Service and its superiors in the administration are under attack in Congress. The Forest Service budget, its harvesting policies and log exports to Japan are among the issues in this second front.

"Funds added by Congress for Forest Service construction in fiscal year 1973 have been impounded and, almost without exception, proposed for different construction projects in fiscal year 1974," complained the House Appropriations Committee in adding $19 million to the $369 million budget recommended by President Nixon.

"The committee takes a dim view of these policies which fail to recognize that the priorities established by the Congress in the appropriations process are those of constitutional direction," it said in its report.

"It is time to stop and ponder what a nation without trees, water and natural beauty could be," the committee scolded. "Coupled with the necessity for fiscal restraints is also the mandate to be equally responsible to the future of this great nation."

Specifically, the committee complained that the Nixon administration has not spent enough money to replant the forests and produce maximum growth of trees. Also, the committee asserted that the budget cuts "have forced curtailment of recreation use of the national forests." It allocated the extra money appropriated to correct those shortcomings.

As for the extra money to handle timber sales resulting from increasing the number of boardfeet to be sold in fiscal 1974, the committee directed the administration to send Congress a request for supplemental funds and not dip into the extra $19 million voted for other purposes. The House passed the Forest Service bill overwhelmingly and sent it to the Senate where it is in committee.

The National Forest Products Association—the timber industry's trade group—disagrees with conservationists that clear-cutting is harmful to the national forests but agrees with them on the need to spend more money on reforestation. The association has supported higher budgets for the Forest Service.

But association spokesmen contend that their industry has to be assured of a constant supply of timber to operate efficiently. This is why, they said, that they have renewed their drive to get Congress to pass a bill assuring steady production of timber.

Sponsored this year by Sen. John J. Sparkman (D-Ala.), chairman of the Senate Housing Subcommittee, it calls for giving the Secretary of Agriculture a highway-type trust fund to manage the forests—including planting new trees. Up to $25 million a year from the fund—generated by lumber sales—could go to states or individuals to help them grow trees on their land. The bill declares it is the sense of Congress "that an orderly, substantial increase in the supply of timber is both possible and desirable in the years ahead."

The Sierra Club charges the bill (S. 1775) is designed "to cut as much wood as possible, as fast as possible with no regard for a sustained yield of timber or for other statutory uses of the forest. If the bill passes, the national forest lands will be overcut the same way that private timber lands have been . . ."

The beleaguered head of the U.S. Forest Service is a lanky, genial research specialist named John Richard McGuire. He concedes that the clear-cutting in the Bitterroot was overdone in an aesthetic sense because the spots carved out were too big; that his service is not reforesting nor providing as many recreational services as it would like to, and that there is indeed a lot of fire coming out of Congress nowadays about forestry practices.

But, on the other hand, he argues that clear-cutting is still a sound way to promote regrowth of the forest; that money shortages have forced the curtailment of reforestation and recreation service, and that the Forest Service is really caught in the crossfire as the White House and Congress wage their battle of the budget.

The national forests are not being overcut, he said in an interview. The fiscal 1974 plan to cut and sell 11.8 billion board feet of timber is well under the 13.6 billion board feet which the Forest Service reckons could be harvested without reducing the year-by-year yield.

"Basically," he said, "the idea is to cut no more than you grow," and the ratio is constantly re-examined.

As for former Bitterroot forest supervisor Brandborg, McGuire said he is one of those Forest Service alumni who feel "that any change from the way they managed it is not good."

Congress itself, McGuire said, discussing the shortage of funds for reforesting and recreation, "traditionally has been more liberal in appropriating funds for the timber program than for the wildlife and other programs."

Thus he said, the Forest Service has had to drain off its manpower to perform timber work Congress itself has loaded upon the rangers.

"We need a balanced program," McGuire said. "We need increased funding across the board—including more funding proportionately in the non-timber activities. This is what I say every year.

"We are far behind in things we ought to be doing." Part of the reason that neither Congress nor the administration has come through with the necessary money in the past, he said, "is that it always seems like one more year is not going to make that much difference. We've been out of kilter for at least a decade.

"The typical administration is going to look no farther ahead than the end of the administration. What I'm offering does not come for a long time ahead. So we've always had to get them (various administrations) to proceed on faith."

This year—given the environmental awareness and militancy in and out of Congress—just might be different.

PENSION REFORM

Mr. BEALL. Mr. President, the May and June issues of the Institute of Electrical and Electronics Engineers' magazine Spectrum contained articles by Mr. Richard Backe and Mr. Frank Cummings dealing with the need for pension reform and underscoring the unique pension problems of engineers.

Mr. Backe is the chairman of IEEE's Pension Committee and chairman of the joint pension committee of several engineering and scientific societies.

Mr. Cummings is a former Counsel to the Labor and Public Welfare Committee and helped draft the pension reform legislation while he was here. He presently is in private law practice.

I had the pleasure of participating in the first annual joint engineering society's legislative forum held in February 1972. Now that the Finance Committee has reached agreement on pension reform legislation, I am hopeful that the Senate will soon be taking favorable action on this matter.

While this legislation will not solve all of the problems of the engineers, and change in our tax laws or policies may be necessary for them, they are solidly behind the pension reform legislation.

Because of the interest of my colleagues in pension reform legislation, and the peculiar problems of our engineers, I ask unanimous consent that these articles be printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

YOU AND YOUR PENSION

(By R. J. Backe and F. Cummings)

Judging by the returns from the questionnaire included in last November's *Spectrum*, pension reform is a major issue among EEs.

More than 1000 IEEE members took the time to answer the 44 questions and return the questionnaire. Hundreds were concerned enough to write additional comments. Some respondents attached probing analyses several pages long and raised questions that have already been answered in issues of *Spectrum* subsequent to the survey issue. Other comments were more terse; not all were complimentary (see box).

Several members decided that the questionnaire was not designed to yield a precise consensus—they were correct. Others indicated that the respondent population might not be a representative cross section of the Institute's membership—they may also be correct.

The more interesting conclusions derived from the questionnaire, although a potpourri of facts and educated guesses, have sufficient validity to give the IEEE's pension committee guidance and support for its position papers, which will be summarized in part 2 of this article next month. (See Table I for a summary of questionnaire replies.)

DO YOU HAVE A PENSION PLAN?

This reponse came as no surprise. Only 60 percent of workers in the United States are now covered by pension plans; however, engineers, other professionals, and trade unions have traditionally led the way in such fringe benefits.

PLAN FINANCING

Several points are of interest here. Over 38 percent of the respondents said that their companies paid the entire cost of the pension plan. (This is less than the 44 percent who made the same statement in the 1972 IEEE salary and benefit survey.) Correlations of various questions indicate that the participants in plans paid for fully by the company have the least knowledge of the degree of the company's contributions.

In participatory plans, the employee's knowledge of company contributions rose. And when the employer-employee contribution questions were correlated, it was obvious that matching money plans were common in the levels equal to or below 3 percent of salaries. More than one half of the people reporting up to 3 percent employee contribution also reported an employer contribution at the same level. (This comprised about 10 percent of the respondent group.)

TOTAL TIME TO VEST

The correlation of this survey with the 1972 salary and fringe benefit survey was again excellent. The latter survey reported 6, 10, and 23.5 percent in the first three vesting intervals shown in Table I. (It also showed that 22.5 percent could not vest at all prior to retirement.)

These data add to the evidence that the average plan available to engineers requires more than ten years to vest. Perhaps a future survey can more precisely determine exactly where in the 11- to 15-year span the *average* lies, as this is a critical factor in determining the average cost of earlier vested benefits.

The early responses on graduated vesting indicate that many plans provide for some vesting at intervals five years less than required for full vesting.

VESTING STATUS—ARE YOU VESTED?

The interpretation of these answers depends on whether you're an optimist or pessimist. If you consider that only fully vested engineers could move to a new job with little or no loss, then only one out of three engineers (31 percent) enjoys true mobility.

A related question on portability that was included in the survey should have been phrased better. Few engineers without full vesting have any chance of portability because TIAA/CREF plans are not available to them. As expected, the overwhelming majority of respondents indicated a lack of any kind of portability.

ELIGIBILITY IN TERMS OF SERVICE AND AGE

These answers also correlate with the prior survey data and with other national surveys. In most plans, eligibility requirements are becoming nominal—at least with respect to vesting times. However, if the average vesting interval is reduced to five years or less at some future time, the retention of even a one-year-eligibility waiting period will then increase effective vesting times by at least 20 percent. This may be a seemingly trivial conclusion, but it will have a marked cost impact if the plan participants have an annual turnover interval in the five- to six-year range.

WORK EXPERIENCE AND AVERAGE SERVICE

Data on service and experience, although not shown in Table I, correlate well with the 1972 salary and fringe benefit survey. The average respondent to the pension questionnaire has between 15 and 20 years' experience and has worked an average of seven years for each employer.

The respondent to the salary and fringe benefit survey has 17.6 years of experience, has worked for three employers, and has been with the most recent employer for 6.5 years.

Both surveys suggest that engineers work about five years for their first several employers, but increase their job tenure gradually as they pass the midcareer point.

TOTAL FORFEITED PENSION YEARS

Forfeited pension years was the key question in the survey. It is too bad that more elaborative detail was not required. Here it had been assumed that respondents claimed as forfeited those prior years of service not vested with any previous employer, whether or not a pension plan did indeed exist.

Only one-third of the respondents said they were fully vested. The median number of forfeited years as reported by the survey is slightly less than ten; however, the survey also indicates that the average engineer had only a little more than ten years' employment with former employers. This means that *virtually all prior service time was forfeited*. And, because the average engineer respondent has already worked 6.5 years with his present employer, he is due to change jobs and again forfeit his pension rights.

More details are needed about plan costs, partial vesting, patterns of service, and forfeitures. Nevertheless, the typical engineer fits the following pattern: between 15 and 20 years of service, an average of three employers, and an average service period of 5.9 years (salary and fringe benefit survey). Because the average vesting period is 10 to 15 years, this means *no pension*.

IEEE REACTS

What can IEEE do? Long before results of the salary survey and pension questionnaire were tabulated, leaders of the IEEE began to tackle pension problems through various action groups.

In early 1972, a professional activities pilot experiment group (PAPE) was formed in Washington, D.C., chaired by Sajjad Durrani. PAPE was directed to evaluate the ways to influence favorably legislation and Government regulations affecting the engineer's professional life.

In the area of pension reform, PAPE was successful in making significant inputs to the 92nd Congress. They sponsored a successful pension reform rally in Washington attended by hundreds of engineers and Government leaders. In addition, good rapport was established with the Senate Labor Committee, testimony was given on two reform bills (S. 3598 and H.R. 12272), and a pension reform amendment (Title IV was added to a major technology bill (S. 32)).

Now the members of IEEE have afforded its leaders more freedom of action by voting for the Constitutional Amendment and charter revision. The work of the *ad hoc* PAPE group, therefore, has been taken over by a permanent entity—the Government Relations Committee (GRC) of the United States Activities Committee (USAC). Chaired by Harris O. Wood and comprised of five IEEE members from industry and Government, this group is aggressively seeking legislation to correct problems affecting the engineering profession.

It should be noted that most priority action goals established by GRC relate directly to civil and social problems that confront the nation as a whole. GRC proposes to deal with these through the proper, effective, and economical application of technology. Notwithstanding these other activities, private pension plan reform—a goal not uniquely desired by or beneficial to engineers—stands high on the action list of GRC for 1973.

EMPLOYMENT PRACTICES AND PENSION COMMITTEES

During most of 1972, there were other active *ad hoc* groups dealing directly with the pension problem.

These groups have also been replaced by permanent committees under USAC. The Employment Practices Committee, chaired by Leopold Neumann, will continue to address all areas of professional concern to engineers. They have already agreed upon a first set of employer-employee guidelines to be used as a continuing dialogue with industry leaders. These guidelines include minimum standards for retirement programs.

A Pension Committee has been established under R. J. Backe, which will: (1) perform liaison work with the Government, industry leaders, and IEEE members; (2) design suitable legislative or regulatory revisions dealing with pensions; (3) assist in devising IEEE's pension plan; (4) represent IEEE in cooperative efforts with all other engineering groups.

In discharging its duties, the pension group will rely on the services of the aforementioned USAC subcommittees as well as the Survey Committee of USAC and IEEE's New York and Washington staff experts.

IEEE STAFF ACCOMPLISHMENTS

No report of the Institute's activities in this area would be complete without summarizing the work of IEEE's staff. The past (and future) accomplishments of USAC depended on the continuity of action, enthusiasm, and hard work of Ralph Clark of the Washington Office and Joe Casey from New York Headquarters. These gentlemen enjoy more frequent contact with members than most volunteers, an important function in the feedback loop. Mr. Clark is the presently designated staff member for GRC and the Pension Committee. Mr. Casey is on the Employment Practices Committee.

Donald G. Fink, general manager of the

Institute, has taken a very personal interest in member's pension problems. Through his efforts, the actuarial firm, Martin A. Segal & Son, was retained by IEEE in July 1972. They were requested to design the best "after tax-dollars" pension plan that could be made available to members under current legislation and IRS regulations.

Many aspects of such a plan have been resolved and it is hoped that details can be announced by the fall of 1973. It is anticipated that this plan would offer annuity and trust options and have other features members have requested.

Although this effort was started last year, the planners had sufficient foresight to make provision for future favorable Government rulings as well as for reciprocal agreements with other professional engineering and scientific societies.

THE PROGRAM FOR 1973

Before the end of 1973, the Institute will spend considerable time and money in pursuit of the following:

Nonqualified IEEE plan

If various approvals are received, both inside and outside of the Institute, IEEE will offer its members a means to participate in a retirement plan run by IEEE in a manner similar to that used by the Institute's highly successful insurance programs.

This will provide a significant service to many members, particularly those who cannot wait. However, contributions to this plan will be taxed in the year they are earned—and it is *unlikely* that many employers could or would contribute to such a *nonqualified plan*. (The significance of a nonqualified plan is discussed next month.)

General legislative reforms

We will again testify in favor of pension reform bills that will improve the security of members funds in present company-run plans and that will provide plan members with more details of plan features, investment management, and income forecasts. The Williams, Javits, Beall bill (S. 4) cosponsored by a total 41 senators, is such a bill. Additionally, we will endeavor to make sure that pension reform *for engineers* does not stop with passage of S. 4 or the equivalent since this bill does not begin to address the engineers' vesting problem.

Private investment options

The Institute will actively support passage of the Keogh Amendment bills. These will permit us to make personal contributions to privately run plans with before-tax dollars.

Such bills would permit one either to: make tax-deferred contributions to those employee-run plans that permit such participation; or to make tax-deferred contributions to privately run plans—such as the proposed IEEE plan.

Treasury rulings

IEEE has applied for and will continue to seek ruling from the Treasury Department that would effectively direct IRS to treat engineers' pension plans the same as those of teachers, airline pilots, and plumbers. Without permititng *any* discrimination in favor of highly paid employees (that's us, believe it or not), the desired ruling would permit IEEE to set up a plan for its members (and possibly for other engineers and professional scientists) to which employees could contribute tax-exempt dollars.

Procurement regulations

The Institute will again support any changes in Government procurement regulations that would recognize the engineers' unique pension-forfeiture problem. Title IV of S. 32, introduced by Sen. Kennedy in both the 92nd and 93rd Congress, would do this. Such changes would prevent overhead rebates to the Government (reversionary credits) or reduction in plan costs to the employer when engineers terminate prior to vesting and thereby forfeit pension rights.

Joint technical society-industry management dialogs

IEEE has already been in conference with a number of societies to build up further momentum in a drive for reform. Before this year is out, IEEE expects that at least five to ten technical societies, representing well over 500,000 individuals, will be routinely cooperating in joint testimony and background dialogues with Congressional staff groups.

Of equal importance, IEEE will contact industry groups to secure by negotiation what may not be attainable through legislation. In this context, negotiation must be understood to mean nonbinding agreements of understanding between management officials of engineering employers and technical society representatives. Such agreements, based on professional ethics of the employee and the honor of the employer, will be discussed at the "Pheasant Rerun" conference on May 7–9. Pension reform will be the subject of the panel.

A qualified IEEE plan

Immediately upon obtaining a favorable Treasury ruling (or enabling legislation), IEEE will set up a plan to which "before-tax" (tax-deferred) dollars can be contributed. The plan will be offered to employers, and to individuals, if the regulations permit.

The law and the loopholes

The core of many of our pension problems lies within the United States' complex tax structure—a morass that repels most engineers and other laymen. Next month we shall examine the engineer's pension problems in terms of the present tax code.

READERS' RETORT

"The current lack of pension rights for electrical engineers is a problem for many of us. Contrast our problems with electricians or plumbers. The construction unions have a better deal for the vast majority of their membership!"

"My main gripe about my pension plan is that although I am now vested, I would lose all surivor benefit options if I am terminated before retirement."

"I think that early retirement is an important subject—since many employers of engineering personnel seem to be adopting the excuse of technological obsolescence to terminate older and higher paid engineers for whom their pension contributions would be larger. At the moment I am covered by the TIAA pension plan, which I find quite superior."

"I have little faith that IEEE will effectively advocate portable pension plans since Directors are mainly employers and hence have a conflict of interest."

"A more achievable solution would be for the Federal government to allow tax-privileged individual pension plans similar to those allowed for self-employed individuals."

". . . Rather than trying to force pension funds to protect the unthinking professional (there's a contradiction), I think the technical societies could better direct themselves to education of their members . . . [on] and how to manage their own income. And why shouldn't the technical societies, which already are acting in group travel and insurance, provide an 'investing fund' capability . . . ?"

"Our company has an office and staff to administer the retirement plan. This staff did not know *and could find out* the answers to the questions I have answered 'don't know.' Since I am more interested in remaining in an employed status than I am in uncovering the details of our company's retirement plan, I am not planning any militancy of my own."

"Total engineering experience, 25 years; average years per employer, three; longest time with one employer, eight; total forfeited years, all."

"As president of a small company, I have been unable to find a bank, insurance company, or other comparable organization offering a portable pension plan available to our employees. Of much more interest to me than Congressional meddling, is assistance in finding one or two such plans, particularly plans that offer tax breaks to offset the disadvantages of inflation. As an individual, I happen to have a limited equity with TIAA, but this plan is not available to our employees. I know of nothing wrong with the TIAA/CREF setup, other than the fact that it is available only to a limited group."

". . . questions concerning my employer's pension plan, in general, were answered by the company. The representative claimed that the employer contribution is set by the Internal Revenue Service regulations. I suspect that the company contributes as much as it can deduct from its corporate taxes, and no more. The area of pension portability is of prime interest to me and I am anxious for the U.S. Government to enact some new legislation in this area."

I. READER RESPONSE TO PENSION QUESTIONNAIRE IN PERCENT OF TOTAL RESPONDENT GROUP[1]

Do you have a pension plan?	Yes: 88	No: 12				
Plan financing: Percent of salary paid into pension fund	0	0 to 3	3 to 8	8+	Don't know	No answer
By employee	38	22	23	2	2	2.
By employer	4	12	16	12	42	5.
Total time to vest: Time in years	0	1 to 5	6 to 10	10+	Don't know	
	4	8	25	46	6	
Vesting status: Are you vested?	Fully	Partially	Not at all	Don't know	No answer	
	31	17	37	2	2	
Eligibility: Years' service	0 to 1	2 to 4	5+	Don't know	No answer	
	61	15	7	2	2	
Age	21	21 to 30	30	Don't know	No answer	
	37	13	16	7	14	
Total forfeited pension years	0 to 2	3 to 5	6 to 8	9 to 10	10+	No answer.
	20	13	11	16	18	10.

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[1] Percentages do not add up to 100 for responses after the first question because the 12 percent "no plan" answers have not been included. Also, rounding off has introduced errors of 1 or 2 percentage points in the totals.

PENSIONS: THE BIG LOTTERY

(By R. J. Backe and Frank Cummings)

Private pension plans are an important source of retirement income for engineers in the U.S. Although resources such as Government-sponsored Social Security, personal savings, and investments are widely available, the income they provide is often inadequate unless supplemented by a private pension plan.

Such private plans are motivated by the individual's need for personal security as well as competitive and social pressures on companies and other groups. However, the operational driving force behind most of them lies in tax advantages offered by the U.S. Internal Revenue Service (IRS). In fact, such plans usually offer little of special value to employers or employees unless they have been *qualified* by the IRS, for such qualification brings highly significant tax advantages.

ADVANTAGES OF IRS QUALIFICATION

For the employer, IRS qualification means tax deductions on his contributions to the plan. Like salary costs, such contributions are fully tax-deductible as business expenses, even though the money goes into a trust fund rather than into employees' pockets.

For the employee, there is no income tax to pay on his portion of the fund, until he actually receives retirement money. And when he is retired, the former employee is likely to be in a lower income tax bracket.

For the private retirement fund itself, all income—such as dividends, interest, and capital gains—is tax-exempt as long as the money remains in the fund.

PENSIONS WITH IMMEDIATE VESTING

In earlier articles on pension (*IEEE Spectrum*, November 1972, pp. 62–68, and May 1973, pp. 55–58), the key importance of "vesting" was emphasized. The articles pointed out that most private pension plans do not give the employee a fully vested interest until he has been in the plan for 10 to 20 years. Thus, each employee hopes he can outlast his fellows and collect a pension. The unpleasant fact is that many employees and most engineers never do collect. Currently, each pension winner reaps the benefits of payments made for five to ten not-so-lucky former employees.

If private pension plans provided immediate vesting, an engineer moving from job to job could accumulate his pension piecemeal instead of losing his pension rights with each job change.

The picture seems clear: engineers' pension needs would be best met by private pension plans, qualified by the IRS and offering immediate vesting. Why then don't employers offer such plans?

THE EMPLOYER'S DILEMMA

Employer resistance to pension plans with immediate vesting is based on a prospect of increased costs with no additional offsetting tax benefits. This same factor makes immediate vesting a rarity in union-run plans.

If new pension laws required immediate vesting for all existing pension plans, the annual cost increase needed to maintain present benefit levels could come to 25 percent or more of current corporate profits. This prospect could very well cause a large number of employers to lose their incentive to have any plan at all.

Pay your own way

Although immediate vesting can double the overall cost of operation of a pension plan, the increase for any individual employee would be small. In fact, the average engineer could purchase immediate vesting by using only a part of his normal salary increases for pension purposes over a period of a few years.

Salary money invested in plans run by employers or by a professional society like IEEE would seem to offer a practical way for engineers to get immediate vesting but, because of the IRS rules on "discrimination," which will be explained later in this article, such plans do not meet current tax-qualification requirements.

Many large corporations have set up special pension plans for key executives tailored to meet the mutual interests of the employer and his executives. Such plans often include immediate vesting, but they do not qualify for IRS tax bonuses, and the employer gets no deduction for pension money until it is actually given to the employee on retirement.

For small groups of executives, many corporations seem willing to forgo immediate tax deductions. But, to be responsive to their stockholders' financial interests, these corporations cannot incur such expenses for their entire work force, and that is substantially what the tax code demands if a plan is to be qualified by the IRS.

IRS "DISCRIMINATION" RULES

The Internal Revenue Code, administered by the IRS, contains guidelines designed to prevent pension-plan "discrimination" in favor of "higher paid employees." These are the guidelines that keep special executive pension plans from qualifying for tax bonuses. And these same guidelines present a frustrating barrier to tax qualification for any special pension provisions for engineers, unless *all* employees share similar benefits. For instance, any "engineers-only" pension plan that features immediate vesting would be ruled by the IRS as discriminatory against other employees who have nonimmediate vesting plans, *even if* the IRS were shown that the employer's contributions to each plan (the plan for the engineers, and the plan for everyone else) were proportionately the same.

A retirement plan set up by IEEE would be subject to similar treatment: Let us suppose that IEEE were to establish a retirement fund for its members, providing immediate vesting. Even if the plan itself were to receive preliminary IRS qualification, employers could not make tax-deductible contributions to the fund unless all their non-IEEE employees were covered by similar plans with immediate vesting. Even if the employer's contributions to the IEEE fund were identical to those he formerly paid into his own qualified plan, the IRS would hold that the arrangement was "discriminatory," and the entire plan would be disqualified.

Despite the apparent egalitarian intent of the Internal Revenue Code pension guidelines, their effect is to discriminate *against* engineers. For instance, trade unions that do not represent highly paid employees are free to set up the same tax-qualified, immediate-vesting plans that seems to be denied to the IEEE by the Code.

LOOPHOLES IN THE TAX RULES

A major hope for providing IEEE members with the pensions they need lies in working out an exception to the IRS rules that would allow IRS qualification to a multiemployer engineer-only plan.

The fact that such exceptions have worked for other groups leads us to expect that such a solution may also be found for engineers.

For instance, under present law, self-employed persons are allowed tax advantages for their own contributions to their own pension plans, which an employee of a corporation would not be allowed. Under the so-called Keogh law, a doctor, a lawyer, or even a self-employed engineer can set up his own pension plan, get a tax deduction for self-contributions of as much as $2500 a year, and thus solve much of his retirement problem. However, this arrangement offers no help to engineers who are employees unless proposed legislation extending this option is passed.

Professors are certainly more highly paid than other employees of colleges, yet they have their own special portable pension plan—TIAA-CREF—that offers immediate vesting and still is qualified by the IRS. The rulings and special section of the Internal Revenue Code that make TIAA-CREF viable were written many years ago and are not applicable to nonacademic engineers' current pension problems. But there is another precedent that seems to promise more direct application to the special pension needs of engineers who are employees.

The Hall case

Many years ago, a taxpayer took the position that higher paid workers could have a separate plan, with different vesting, as long as the contribution rate was not "discriminatory." The Treasury Department refused to agree, the taxpayer took the case to Court *and won*, in the United States Court of Appeals. The Government does not believe itself bound by this precedent and continues to disagree with it. Recent discussions, however, raise the hope that before long it may be possible to persuade the Treasury to relent, *at least in some cases*, and hopefully in ours.

IEEE STRATEGY AND PROSPECTS

With Treasury Department permission for an engineers-only plan, IEEE could go to employers and say: "Here is a plan. You can contribute to it. It will not cost you substantially more than you are now paying for pensions for your engineers in your own plan. It will have the advantage that you can offer engineers who join your company a plan with immediate vesting and the opportunity to accumulate, in a single pension plan, credits and contributions from all their employers." To that end, IEEE is working with the Treasury to try to effect a reappraisal of the Hall case, permitting an engineers-only multiemployer pension plan.

At the same time, we are testifying before Congress in hopes of establishing a national minimum vesting standard within the next five to ten years. And we are also testifying in behalf of broader permission in the Internal Revenue Code for tax-deductible contributions, not just by self-employed professionals, but by corporate employees as well.

Furthermore, we are supporting congressional efforts to enact a provision (which passed the Senate last year) to require, as part of Federal procurement regulations, that there be early vesting in pension plans that receive cost-reimbursible treatment under Government contracts.

To back all this up, we intend to develop pension plans that will meet these proposed standards and take advantage of any new tax rulings that we may be able to obtain.

WHAT YOU CAN DO

Whether you agree or disagree with this approach, you should let your views be heard. Write to Forum, *IEEE Spectrum*, 345 East 47 Street, New York, N.Y. 10017, or to the IEEE Pension Committee at the same address. This feedback is essential in designing a program to meet all the members' needs.

Equally important, let your Congressman know about your viewpoint on this important subject.

The Institute cannot and will not advise you on what position you as an individual should take. Your own circumstances will dictate your response to any legislative proposals. But as a U.S. citizen, you have both the right and the duty to participate in the governmental process. Hearings on key bills are being held right now. You should act at once if you want to exercise your rights effectively.

Your Post Office can give you the name and address of your U.S. Representatives and Senators. Your phone company can connect you to Western Union, which has a special rate for telegrams to the Congress. A minute of your time today may mean better vesting for you tomorrow.

WILL YOU BE A LOSER IN THE BIG PENSION LOTTERY?

Four out of five engineers never get any benefits from pension plans. Here is a checklist of questions an engineer should ask, to determine whether a pension plan is of real benefit to him.

Entry. At what point (age and years of service) does an employee become a "participant" in the pension plan? In other words, when do his credited years of service begin to accumulate? Many plans require that the employee reach a given age and be employed for an initial period of time before any years begin to count toward his pension.

Vesting. At what point do your earned pension credits "vest"? That is, how many years of participation (once you become a "participant" in the plan) do you need to qualify for a nonforfeitable pension—a benefit you don't lose if you change jobs, whether voluntarily or involuntarily. Note: even if you are "vested," that doesn't mean you get the pension when you vest. But it does mean that, if you live to retirement age (usually 65), you are guaranteed the pension at that time, even if you have changed jobs in the meantime.

Funding. How well is the plan "funded?" Is there a trust fund or an insurance contract holding the money to pay for your vested pension? If the employer went out of business today, or next year, or a few years from now, or if he "terminated" the plan, would there be enough money in the plan to pay off everything that is owed?

Termination. Does the employer have the unilateral right to terminate the plan at any time? If he has that right, is there enough money in the fund to pay off, even after termination of the plan?

Forfeiture. Even if there is "vesting," does the plan forfeit your pension under some circumstances? For instance, would you lose your pension credits if you went to work for a competitor, were fired for "cause," or quit voluntarily or without notice?

Benefits. What would the benefit level be, if you vested? What is an average pension? Are there early retirement features? Are there survivorship benefits for your spouse and children?

Service. How is "credited service" under the plan computed? Is there a provision for forfeiture of credited service if there is a "break in service"? Suppose you work enough years to vest, but the years are not all consecutive, do you still get your pension?

Implementation. When you vest, or when you leave your employer, do you get a certificate showing what your rights are? Do you know how to apply for benefits when you are 65, and to whom? Remember, it may be a long time before you retire, and the company may have moved, or changed, or disappeared in the meantime.

Feasibility. Most important is the key question: How many years does it take to vest? Is there any reasonable likelihood that you will work that many years? If you can't answer the last question with a "yes," then you don't really have retirement security under your present plan.

FOR FURTHER READING

Nader, Ralph, and Blackwell, Keete, You and Your Pension. New York: Grossman, 1973.

Winkelvoss, Howard, "Analysis of the cost of vesting in pension plans," U.S. Dept. of Labor, 1972.

Employee Benefits Fact Book 1972. New York: Martin E. Segal, 1972.

HIGH DRUG PRICES: A CASE STUDY

Mr. NELSON. Mr. President, on previous occasions I have presented to the Senate considerable evidence that the drug industry charges higher prices for their products in the United States than in other countries. The drug firms do not deny this fact. They charge what the traffic will bear, and they have been getting away with it. Today, I would like to describe a different situation which demonstrates in another way how the American people are being exploited because the law in this country permits that to be done. Although we have a good system to protect the public against the marketing of unsafe and ineffective drugs, we do not have any mechanism to protect the public against excessively high prices. Let us illustrate.

Sault St. Marie is a small city of 15,136 population in northern Michigan. Three miles away—a 10-minute ride over a toll bridge is its sister city of Sault St. Marie in Canada, population 81,290. In many respects these two cities are similar: Both are industrial areas, manufacturing machine parts, concrete products, and especially electricity and power. In one respect, however, the residents on the Canadian side are much better off, for if they are sick, they can buy drugs for much less than their counterparts on the U.S. side.

Orinase, discovered by the Hoechst Co. in Germany, is a drug used by people who have diabetes. Those who need it take it day after day over a long period of time. It is marketed in the United States by the Upjohn Co. The price to the druggist in Michigan is $82.68 for 1,000 0.5-milligram capsules. It is available to the druggist on the Canadian side under the brand name of Oramide for $6.63, less than one-twelfth as much.

Hydrodiuril is one of the most widely prescribed drugs in this country and is used by the elderly to relieve their high blood pressure. It is the kind of drug that people use for a long time. It is manufactured in this country by Merck, Sharp & Dohme and is available to druggists in this country for $75 for 1,000 50-milligram capsules. The same product in the same quantity is available to the druggist in Canada at $4.63 under the name Urozide.

Butazolidin is an anti-inflammatory drug manufactured in the United States by a subsidiary of the Swiss firm Ciba-Geigy. It is used for arthritis; it ranks among the top 100 drugs prescribed in this country; and it is used mostly by those in the medicare age group. In this country it is available to the druggist at $67.28 for 1,000 100-milligram tablets. In Canada it is available to the druggist at $3.67 under the trade name Phenbutazone. In other words, a resident on this side of the border would have to pay perhaps 18 times more for this drug than their neighbors on the Canadian side.

Furadantin is an anti-infective widely used for urinary tract infections. Manufactured by Eaton Laboratories, it is available to the druggist in Michigan at $161.88 for 1,000 100-milligram tablets. Three miles away in Canada this same drug is available to the druggist for $9.45 or about one-seventeenth as much under the brand name of Furatine.

The following table shows the vast differences in prices paid by the elderly of widely used drugs available in the United States and Canada. The U.S. prices, taken from the 1973 red book, are prices paid by the druggists in the United States, bought either directly from the manufacturer or through wholesalers. The Canadian prices are taken from the spring 1973 catalog of the Canadian subsidiary of the International Chemical & Nuclear Corp., an American corporation based in Irvine, Calif. No effort was made to select the lowest Canadian price.

I ask unanimous consent that the table referred to be printed in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

COMPARISON OF UNITED STATES AND CANADIAN BRAND NAME WHOLESALE DRUG PRICES

U.S. brand name, company, dosage form and quantity	Price to pharmacies: In United States	Price to pharmacies: In Canada	Brand name of drug marketed by ICN[1] in Canada	Official (generic) name and therapeutic category
Furadantin (Eaton):				
50 mg:				
100's	$10.26	$1.02	Furantine	Nitrofurantoin (anti-infective).
1,000's	80.94	5.30		
100 mg:				
100's	20.52	1.58		
1,000's	161.88	9.45		
Orinase (Upjohn):				
0.5 gm:				
500's	41.87	4.17	Oramide	Tolbutamide (anti-diabetic).
1,000's	82.68	6.63		
Hydrodiuril (Merck):				
25 mg:				
100's	3.80	.75	Urozide	Hydrochloro thiazide (diuretic).
1,000's	$36.50	$3.61		
50 mg:				
100's	6.00	.90		
1,000's	57.00	4.63		
Butazolidin (Geigy):				
100 mg:				
100's	7.08	.88	Phenbutazone	Phenylbutazone (anti-inflammatory anti-rheumatic).
1,000's	67.28	3.67		
Librium (Roche):				
25 mg: 500's	47.49	8.89	Corax	Chlorodiazepoxide (tranquilizer).
Valium (Roche):				
2 mg:				
100's	6.70	1.86	E-Pam	Diazepam (tranquilizer).
1,000's	67.53	15.94		

Footnotes at end of table.

U.S. brand name, company, dosage form and quantity	Price to pharmacies: In United States	Price to pharmacies: In Canada	Brand name of drug marketed by ICN[1] in Canada	Official (generic) name and therapeutic category
Valium (Roche):				
5 mg:				
100's	$7.25	$2.54	------------------	
1,000's	81.49	22.06	------------------	
10 mg:				
100's	11.10	4.08	------------------	
1,000's	111.63	36.00	------------------	
Darvon (Lilly):				
65 mg:				
100's	7.02	2.22	PRO-65	Propoxyphene (analgesic).
1,000's	74.20	15.00		
Darvon Compound (Lilly):				
65 mg:				
100's	7.32	2.45	PROCO-65	Propoxyphene plus APC (analgesic).
500's	34.77	11.00		
1,000's	77.04	17.78		
Terramycin (Pfizer):				
250 mg:				
100's	20.48	3.89	X-TET	Oxytetracycline (antibiotic).
500's	95.13	15.51		
Stelazine (Smith, Kline & French):				
5 mg:				
100's	10.25	2.10	Terfluzine	Trifluoperazine (tranquilizer).
1,000's	92.50	16.83		
10 mg:				
100's	12.80	2.95		
1,000's	115.00	23.10		
Diabinese (Pfizer): 100 mg: 500's.	23.79	8.56	Chloromide	Chlorpropamide (antidiabetic).
Premarin (Ayerst):				
1.25 mg:				
100's	6.91	3.45	Conjugated estrogens.	Estrogen.
1,000's	65.53	29.25		
Thorazine (Smith, Kline & French):				
25 mg:				
100's	3.80	1.05	Chlorprom	Chlorpromazine (tranquilizer).
1,000's	36.00	6.11		
50 mg:				
100's	4.40	1.25		
1,000's	41.75	8.33		
100 mg:				
100's	5.40	1.83		
1,000's	51.25	11.67		
Hygroton (USV Pharm. Co.):				
50 mg:				
100's	$6.72	$3.00	Uridon	Chlorthalidone (oral antihypertensive diuretic).
500's	33.60	13.93		
100 mg:				
100's	7.99	4.12		
500's	39.95	18.91		
Decadron (Merck):				
0.50 mg: 100's	10.35	49.8	Dexasone	Dexamethasone (corticosteroid).
0.75 mg: 100's	12.94	7.87		
Tofranil (Geigy):				
10 mg:				
100's	5.81	1.62	Impril	Imipramine (antidepressant).
1,000's	55.21	9.12		
25 mg.:				
100's	9.07	2.22		
1,000's	86.18	15.20		
50 mg:				
100's	15.45	3.47		
1,000's	146.75	24.70		
Ritalin (Ciba):				
10 mg:				
100's	6.24	3.13	Methidate	HCL Methyl-phenidate (mood elevator).
500's	30.89	14.31		
20 mg:				
100's	.77	5.47		
500's	[2] 42.50	25.49		
Eavil (Merck):				
10 g:				
100's	4.28	1.39	Levate	Amitriptvline (anti-depressant).
1,000's	40.62	8.08		
25 mg:				
100's	8.55	2.55		
1,000's	81.23	15.67		
50 mg:				
100's	15.20	4.45		
1,000's	144.29	30.00		
Flagyl (Searle):				
250 mg:				
100's	13.98	5.11	Trikacide	Metronidazole (anti-infective).
1,000's	122.00	27.56		
Mellaril (Sandoz):				
10 mg:				
100's	5.94	2.08	Thioril	Thioridazin (tranquilizer).
1,000's	56.40	15.27		
25 mg:				
100's	8.16	3.25		
1,000's	77.52	23.15		
50 mg:				
100's	8.94	4.86		
1,000's	84.96	36.10		

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[1] International Chemical and Nuclear Corporation.

[2] Half of 1,000 price of $85.01.

Mr. NELSON. Mr. President, why are these widely used drugs unavailable in this country at the same prices as in Canada?

Why should the people in the United States pay up to 18 times more for the same drug than our Canadian neighbors?

The American company, International Chemical & Nuclear, would be glad to sell the drugs in the United States at the same prices they sell in Canada. The fact is that this company at this time cannot sell these drugs in the United States at any price.

The explanation is that Canada has a compulsory licensing system for drug patents to protect the public against price gouging. If the Canadian Government finds that prices of drugs are too high as a result of a patent monopoly, it has the authority to direct the patent holder to license others on a reasonable royalty basis. This provides some competition as well as a fair return to the patent holder on the research and other developmental costs with respect to the licensed drug.

Both Canada and the United States have the mechanism to protect the public against unsafe and ineffective drugs. It is in the capability of the two countries to protect their citizens against excessively high prices where the contrast is striking. Canada has a patent licensing system to protect its people against excessively high prices. The U.S. Government, on the other hand, has no way to protect its people against such exploitation. The United States is the only industrial country in the world which has set no limits to the degree of exploitation of its citizens in matters pertaining to health. It is to rectify this deficiency that early this year I introduced a bill to protect the public against monopolistic excesses. The bill authorizes the Federal Trade Commission, upon the certification and with the advice of the Surgeon General of the Public Health Service, to require that a drug patent become available for reasonable royalty licensing on nondiscriminatory terms under certain conditions. The procedures set forth in the proposed legislation will assure due process of law and orderly and expeditious enforcement and administration of the act.

Mr. HARRY F. BYRD, JR. Mr. President, I suggest the absence of a quorum.

The **PRESIDING OFFICER.** The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. PASTORE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

FEDERAL ELECTION CAMPAIGN ACT AMENDMENTS OF 1973

The **PRESIDING OFFICER** (Mr. HUDDLESTON). Under the previous order, the Senate will resume the consideration of the unfinished business, S. 372, with a vote to occur at no later than 3:30 p.m. today.

The clerk will report the bill.

The legislative clerk read as follows:

A bill (S. 372) to amend the Communications Act of 1934 to relieve broadcasters of the equal time requirement of sec. 315 with respect to presidential and vice presidential candidates and to amend the Campaign Communications Reform Act to provide further limitation on expenditures in election campaigns for Federal elective office.

Mr. PASTORE. Mr. President, I send to the desk an amendment and ask that it be stated.

The PRESIDING OFFICER. The clerk will report the amendment.

The legislative clerk read as follows:

> On page 55, line 3, strike "(f)" and insert in lieu thereof "(f) (1)".
>
> On page 55, between lines 11 and 12, insert the following:
>
> "(2) Any person making an aggregate expenditure in excess of $1,000 to purchase services or products shall, for purposes of this subsection, be held and considered to be making such expenditure on behalf of any candidate the election of whom would be influenced favorably by the use of such products or services. No person shall make any charge for services or products furnished to a person described in the preceding sentence unless that candidate (or a person specifically authorized by that candidate in writing to do so) certified in writing to the person making the charge that the payment of that charge will not exceed the expenditure limitation applicable to that candidate under this section."

Mr. PASTORE. Mr. President, this is the amendment that I offered last Saturday. I explained it then, and I shall explain it once again in a very concise way.

Inadvertently, there is an inadequacy as to a particular situation in the bill that has been reported by the Committee on Rules and Administration. This does not have to do with disclosure, but actually deals with the limitation on expenditures. The bill as reported defines when a person acts on behalf of a candidate. That is a person must either be an agent of, or authorized by the candidate.

The situation arises as to what we do in the case of a person who acts independently and without being an agent and without being authorized. Can an entrepreneur go into a State and if he is not an agent of or authorized by a candidate expend an unlimited amount of money on behalf of the candidate?

As the bill is now drawn, the answer would be in the affirmative. Here we have gone so far as limiting the amount that an individual can give to a committee. He can give $3,000 for the Presidency. He can give $3,000 for any candidate for the Senate.

I think that a person could go into a community for any reason whatsoever, feeling that he would like to give a lot more than $3,000 for a particular candidate, either to elect him or to defeat him. He would go into that State, or if he were a resident, he could still do it, without consulting with the candidate, without getting his permission to be an agent, or without getting his permission to be authorized. He could go to a newspaper and buy $50,000 worth of advertisements. This would have to be disclosed in due time, as indicated by the Senator from Kentucky. However, insofar as the limitation on the expenditure of money on behalf of the candidate would have none.

In order to overcome that, what this amendment actually does is to say that that person can spend up to $1,000, but beyond that $1,000, in any event he would have to get the certification of one of the candidates. Therefore, if he came into the State of Rhode Island, for example, and he was against the Democratic candidate and two or three other candidates were running against that Democratic candidate, he would be free to spend up to $1,000, whatever amount he wants. However, beyond the $1,000, he would have to be certified by one of the opposing candidates.

An argument has been raised concerning the question of the constitutionality of this amendment. The constitutional question was raised insofar as an overall ceiling is concerned as to a candidate. We are not trying to limit the right of expression. We are not trying to do that at all. All we are trying to do is to limit the amount of expenditures. And I believe that it is constitutional. I believe that is in the public interest.

In this amendment what we have done is to accept subsection (f) on page 55. I would hope that the committee would accept this amendment and in that way clear up some of the very glaring inadequacies in that paragraph.

Mr. CANNON. Mr. President, I yield myself 3 minutes to ask the Senator from Rhode Island some questions.

The Senator would make it so that any person, including a committee, could not spend more than the aggregate amount or the total amount of $1,000 without being under the provision.

Mr. PASTORE. The Senator is correct.

Mr. CANNON. So that no person could make any expenditure unless they certify that it would not exceed the candidate's limit. If the amount were in excess of $1,000, by going back to subsection (f), it would make it so that they would have to have the approval of the candidate or else they could not proceed to spend the money in their behalf.

Mr. PASTORE. The Senator is correct. In other words, the committee bill takes care of an individual acting as an agent or an individual who is authorized. However, it does not take care of that individual who is not an agent or is not authorized, but acts independently.

Mr. CANNON. There is one other provision that I am concerned about. I do not know that we have taken care of it in the bill, and I do not know how to do it. That is where we have a person who is spending money against a particular candidate.

Mr. PASTORE. This would apply in that case, because then he would have to go to the opposition to get authorization.

Mr. CANNON. We could presume that if it was being spent against one candidate, it was being spent on behalf of the opposition to that candidate.

Mr. PASTORE. The Senator is correct. And he would have to have somebody's authorization. And if he did not get authorization, he would have to stop at $1,000.

Mr. CANNON. If it were a primary and someone attempted to spend money against a candidate—and we might have one or a dozen candidates in that primary—what situation would we have in that case?

Mr. PASTORE. In that case, he would be stopped at a thousand dollars unless he could go on and get a certification from the remaining 11—that is, not all of them, but any one of them.

Mr. CANNON. Does the Senator think there might be a constitutional problem under the free speech provision, where a person might want to come in and he does not care about any of the other 10 candidates, but he says, "I want to spend a lot of money, if I can, to defeat Joe Doakes, because I do not like him"?

Mr. PASTORE. That is right; and this amendment governs that. I repeat again, the constitutional question here is this:

> Giving and spending money do not constitute acts of verbal communication. In the words of Professor Paul Freund of Harvard Law School, "We are dealing here not so much with the right of personal expression or even association, but with dollars and decibels."

Mr. CANNON. So the Senator feels this would meet the constitutional test?

Mr. PASTORE. This would meet the constitutionality issue. The whole bill would.

Mr. CANNON. And would meet all situations where he might be spending, whether or not he wants to back a particular candidate?

Mr. PASTORE. Yes.

Mr. LONG. Mr. President, will the Senator yield?

Mr. CANNON. I yield to the Senator from Louisiana.

Mr. LONG. Can the Senator explain to me the current status of this amendment in this respect? It seems to me that it might be desirable to seek to prohibit someone from spending more than a thousand dollars trying to help a candidate or trying to hurt some other candidate.

Mr. PASTORE. That is right.

Mr. LONG. But I do not think that a person who does not want to have that thousand dollars spent in his behalf ought to be penalized because he was powerless to prevent someone from spending it on his behalf.

The PRESIDING OFFICER. The Senator's 3 minutes have expired.

Mr. CANNON. I yield myself 2 additional minutes.

Mr. LONG. From spending something he did not want to have spent.

Mr. PASTORE. If the Senator will yield, that is where they would get into the constitutional question, because then there would be a shutoff.

We have to realize that a person can speak. We have to realize that a person can indulge and engage and participate in a campaign. All we are saying is, "We are not stopping you from being against A or B or C, and you can say anything you want any time you want, but, now, when it comes to spending money to accomplish your purpose, when you get to the point of a thousand dollars, then you are getting to the question of whether or not you are defeating the public purpose, because you are going beyond the principle of the ceiling." Therefore, in that particular case, he would have to get the certification of someone, and that someone would have to give him permission to act within his ceiling.

Mr. LONG. Well, that might meet the problem. It just seems to be that the approach should be, if this type of thing is to be pursued, to make it unlawful for one who wanted to defeat candidate X, for example——

The PRESIDING OFFICER. The Senator's 2 minutes have expired.

Mr. CANNON. Two minutes more.

Mr. LONG. To make it unlawful for that person to spend more than a thousand dollars in trying to bring about the defeat of candidate X, unless he had the consent of candidate Y to do that.

Mr. PASTORE. That is what my amendment does. That is exactly the purpose of the amendment.

Mr. CANNON. It has been pointed out that it is covered, that no person may make any charge for the services, and cannot spend more than that amount in the aggregate unless he has the consent of the candidate; or, if he wants to spend more than that amount against Joe Doakes, then he has to get the consent of the other candidate, whoever he may be. Otherwise, they would not comply with the provisions of the law for certification.

Mr. PASTORE. Another point I would like to make is that they can hold all the rallies they want and do everything they want to, provided they do not spend over the thousand dollars unless it is certified by one of the candidates. That is the whole purpose of it. As I said before, it is not to limit expression or to close a person's mouth; it is merely to close his pocketbook in the public interest, in order to preserve the sanctity and purity of the elective process.

Mr. LONG. Does not that leave open this possibility, that candidate X and candidate Y are running, and a man wants to defeat candidate X, so therefore he prevails upon candidate Z to enter the race, and prevails on candidate Z to let him spend all this money saying what a bad candidate candidate X is? Does not that possibility remain open?

Mr. PASTORE. Of course it does, and that is always possible even today. If he does it as a ruse or as a subterfuge, that is his privilege as an American. No one can stop that.

Mr. CANNON. And if he gave it to a person who wanted to spend it against candidate X, and had it charged against his overall limit, even though he were not a serious candidate, he could do that, as long as he did not exceed the thousand dollar limit, or did not exceed the $3,000 limit which we have in here.

Mr. LONG. Mr. President, I congratulate the Senator from Rhode Island. I think he has improved the amendment, and I suppose the manager of the bill is now willing to support it.

Mr. CANNON. Personally, I have not checked with my minority colleague, but my present inclination, as manager of the bill, is to accept the amendment, which I think is a good one.

Mr. STEVENS. Mr. President, I would like to ask the Senator from Rhode Island a question.

Mr. COOK. I yield the Senator 5 minutes for that purpose.

Mr. STEVENS. I am sympathetic with what the Senator from Rhode Island is trying to do. I am wondering about the mechanism he has stated. What happens if someone comes to me or my campaign manager and makes a suggestion, for instance, that they put up a large billboard—which I do not use in campaigns, and always reject them—and he has a nice plan to put up billboards, and we say, "No, we do not want that," and the man says, "Well, I have a right to campaign if I want to, and I am going to put them up."

If those billboards cost more than a thousand dollars, somewhere along the line someone, whether it is the painter, the furnisher of the wood products, or the laborer who puts them up, is going to reach the limit of a thousand dollars, under my assumption. When is it, under the amendment, that someone has to come and ask us for permission before they bill?

Mr. PASTORE. Mr. President, let me point up the case. First of all, the Senator says, this person who comes to you is for you?

Mr. STEVENS. That is right.

Mr. PASTORE. But you do not want it?

Mr. STEVENS. That is right.

Mr. PASTORE. But he says, "We will do it anyway"?

Mr. STEVENS. We could get nasty and say he wants to bug my opponents, and I do not want him to do that.

Mr. PASTORE. In this case, he could not go over the $1,000, because surely your opponent is not going to charge it up to his own account. In other words, he would have to go to your opponent and get permission to go over the $1,000.

Mr. STEVENS. No; I am talking about someone for me, and he is going to buy lumber and paint and put them up. Who is it that is going to make the decision when they reach the $1,000, the person who has the idea?

Mr. PASTORE. No; when that person goes to get that billboard, and it is over $1,000, he has to have someone provide certification over the $1,000. He cannot put up a $1,500 billboard without someone's certification. All he can do, in the aggregate, is spend $1,000.

I do not see why there is any difficulty in the example the Senator gave at all, because it would be helpful to him. He does not want this person to do it.

Mr. STEVENS. I do not want to spend a dime for billboards in my State, but under the amendment it would be charged to me.

Mr. PASTORE. No, it would not be charged to the Senator at all. He is independent up to $1,000.

Mr. STEVENS. The amendment says that if anyone makes an expenditure in excess of a thousand dollars to purchase services or products, he is going to be held to act in my behalf if it would influence favorably my candidacy.

Mr. PASTORE. That is right.

Mr. COOK. Now, wait——

Mr. PASTORE. Now, wait a minute.

Mr. COOK. May I say to the Senator from Rhode Island, I do not believe that is what the amendment says. It is my understanding that the amendment says that if he spends or intends to spend over a thousand dollars, he has to have the candidate's permission. If he goes ahead and spends over a thousand dollars and does not have the candidate's permission, he falls under the criminal provisions of the bill, not the candidate but the individual.

Mr. STEVENS. I have no objection to the Senator from Rhode Island's second sentence.

Mr. COOK. Is my understanding correct?

Mr. PASTORE. No, no. As a matter of fact, this is what it says:

> Any person making an aggregate expenditure in excess of $1,000 to purchase services or products shall, for purposes of this subsection, be held and considered to be making such expenditure on behalf of any candidate the election of whom would be influenced favorably by the use of such products or services.

Now, you go on to say, and this is covered in your answer:

> No person shall make any charge for services or products furnished to a person described in the preceding sentence unless that candidate (or a person specifically authorized by that candidate in writing to do so) . . .

In other words, if you go to the Providence Journal and independently put in an ad of $1,500, they will say, "We cannot do it without certification."

Mr. COOK. But, if they do it, then the individual, not the candidate, is responsible for those actions.

Mr. PASTORE. Including the newspaper, would be responsible.

Mr. COOK. Right.

Mr. PASTORE. That is right, and subject to penal action.

Mr. COOK. I am wondering whether the Senator, because of the problem we have on this, obviously, and because of the real situation we present in relation to this—and I have not had the same things the Senator has—I am wondering whether he would consider modifying his amendment. I am not asking for the inclusion of any new language, but to take out the words,

> . . . (or a person specifically authorized by that candidate in writing to do so).

The reason I say that is that we now have got an accounting procedure that is rather difficult—extremely difficult—as a matter of fact, on the percentage of campaign expenditures that will have to be spent.

In making up the records and seeing to it that the appropriate records get filed, what bothers me is, I am afraid, in this kind of situation, this is something the candidate himself should be responsible for waiving, because it directly affects the specific amounts ground into the bill by reason of the 5 and 10 cent figure.

Mr. PASTORE. We have already done it. We have done it in section (F) on page 55. We have already done it.

Mr. COOK. I am not happy with that one either.

Mr. PASTORE. I know the Senator is not, but he can take it to conference and it can be ironed out for clarification. But the principle should be left in there. If you change this amendment, you have to change your amendment.

Mr. STEVENS. If the Senator from Kentucky will continue——

Mr. COOK. Yes.

Mr. STEVENS. As I understand the first part of the amendment, the first sentence says that if someone spends more than a thousand dollars and it would favorably affect my election, it will be charged to my limitation, right?

Mr. PASTORE. If he does, he has to come and get your certification.

Mr. STEVENS. That is not my question. The first sentence says, if he spends more than $1,000 it will be charged against my limitation.

Mr. COOK. No—no, sir.

Mr. PASTORE. No, no.

Mr. STEVENS. This is something done on my behalf.

Mr. PASTORE. Not unless you agree to it. It is only presumed to be in your behalf. Then you would have to agree to it and then it makes it in your behalf. If you do not agree to it, you destroy the presumption.

Mr. STEVENS. In the second sentence, if I refuse, or if any specifically authorized person refuses to consent to the expenditure of the funds, refuses to certify that it would not exceed my expenditure limitation, and he goes ahead and spends $2,000, am I charged with anything?

Mr. PASTORE. No. If you have not given him the certification then he is responsible under the penal section, and so is the person who gives him the services and the product. He is chargeable.

Mr. STEVENS. Then, to make the record clear, if a candidate refuses the certification, or his authorized representative under this portion—this is the new subsection (c), I take it, the same section we were talking about the other day—no part of it will be charged against the candidate who does not approve the expenditure.

Mr. PASTORE. That is correct.

Mr. STEVENS. Then can the Senator from Rhode Island tell me when it would be charged against the candidate?

Mr. PASTORE. When you certify it. When you certify it. If you certify it. For instance, let us assume that a friend of mine who happens to be a very wealthy man—and I do not know that many persons who are that wealthy—but a wealthy friend says to me, "Pastore, I cannot give you more than $3,000 for your campaign." You see?—He does not even come to me. He makes it known that he wants to act independently of me. You see? Now in this case here, if he spends that money, over a thousand dollars, he has got to get my certification and it is charged up to my overall ceiling.

Mr. STEVENS. The Senator from Rhode Island may have found the solution. I hope that he has. I want to make certain. Let me recount the experience I had when a labor union put out a special edition of its magazine. In that magazine was a 2-page recitation of the things the Senator from Alaska had done for that labor union. If that insertion in their magazine costs more than $1,000, it will be charged against me only if I certify that it would not exceed my limitation?

Mr. PASTORE. That is covered here in another section.

Mr. STEVENS. That is this section?

Mr. PASTORE. No. That is in another section, where these magazines are not considered an expenditure. That is in another section. That is in another section. But that labor union, it cannot go out to a circulated newspaper throughout the State and go above the $1,000 without your consent. But an internal periodical, that is part of that thing, they can do anything they want. That is in the law now. That is in the law. They have not waived that.

Mr. STEVENS. I see.

Mr. PASTORE. That is under a section of the old law.

Mr. STEVENS. I opposed the amendment of the Senator from Rhode Island the other day. I want to state that I would not oppose it now, because it is my understanding there could never be a time when this section would cause any candidate to have any such expenditures charged against his expenditure limitation under this new act unless either he or the person authorized by him had certified in writing that the expenditure would not exceed the limitation; is that correct?

Mr. PASTORE. That is correct.

Mr. STEVENS. Under those circumstances, that it could never be charged against a candidate without his consent, I do not object.

Mr. PASTORE. Without the certification, right.

Mr. COOK. Mr. President, may I say to the Senator from Alaska that the big change in here is the absolute necessity to change, as a result of the discussion and the colloquy last Saturday, the fact that there is not an absolute presumption. In other words, the absolute presumption of liability on the part of the candidate has been removed.

Mr. PASTORE. That is right.

Mr. COOK. We have now made it absolute that if in fact this occurs by reason of the new language submitted by the Senator from Rhode Island, if the aggregate is in excess of $1,000, that individual, that group, or that committee, must seek to obtain permission of the candidate or his designated agents to go over that amount. If he does, and goes over that amount, as I read that same literal sentence, and not having received permission from the candidate or his designated agent, then it is a matter of that individual or that committee and the source of the advertising being subject to the penalties under the terms of this act.

Mr. STEVENS. May I say to the Senator from Kentucky that my interpretation of the language is contrary to what he has just said. My interpretation of what the Senator from Rhode Island said is consistent with what you said. Under this language a person could spend $2,500, and that would be chargeable against my limitation, but no person could charge him for anything in excess of a thousand dollars. That is what the language says.

Mr. PASTORE. No, no, no. Will the Senator please read the amendment?

Mr. STEVENS. There is nothing in the language that says that if I do not consent, the charge set forth in the first sentence is not charged against my expenditure, because it says it shall be presumed that the only thing prohibited in this sentence is another person making a charge for that service which is already presumed by the first sentence to be on my behalf.

So I think that the Senator from Rhode Island has clarified what his intent is but the Senator's reading of the language would say that any expenditure over the thousand dollars is charged to my account, but if someone made expenditures of a thousand dollars, the person who rendered the $1,000 charge or that portion of the thousand dollars——

Mr. PASTORE. If the Senator will look on page 55(f) of the bill and read it, section (f) has to do with the person who is an agent or is authorized——

Mr. STEVENS. Right.

Mr. PASTORE. I am talking in the same language now, only I am applying it to a case where the person acts independently. In that case, I am saying you can act independently and spend $1,000. Beyond that, you have got to come under section (f), which is already in the bill.

Mr. STEVENS. But if he spent over $1,000, it is chargeable to me on the first sentence, but the person charging for the service cannot collect under the second sentence.

Mr. PASTORE. No, no; that is not it at all.

The point is this: No one can render these services and no one can produce these products without a certification if it is in the aggregate over a thousand dollars.

Mr. STEVENS. If the Senator from Rhode Island wants to put that in there, that no person shall render such services or make any charge——

Mr. PASTORE. It is in there.

Mr. STEVENS. It is not in there. It says you cannot charge for them. It does not say you cannot render services. It says that I am chargeable, as a candidate, with anything in excess of a thousand dollars. You can render services, but you cannot collect for them.

Mr. PASTORE. Look at page 55. How does subsection (f) read? That is in the bill.

> No person shall make any charge for services or products knowingly furnished to—

I am doing the same thing.

Mr. STEVENS. But the Senator from Rhode Island is defining what is on behalf of a candidate.

Mr. PASTORE. And so does the other subsection. I refer the Senator to page 53:

> "(3) For purposes of this subsection, an expenditure shall be held and considered to have been made on behalf of a candidate if it was made by—
>
> "(A) an agent of the candidate for the purposes of making any campaign expenditure, or
>
> "(B) any person authorized or requested by the candidate to make expenditures on his behalf."

Mr. STEVENS. The Senator's objective could be achieved by saying, "No person shall render or make any charge for any service or product described in the first sentence." Has not the Senator done it in the language? He has done it in what he has said.

Mr. PASTORE. If the Senator changes the other section and they accept his amendment, I will copy his amendment, too. I am copying the same portion.

Mr. COOK. Is the Senator from Alaska saying that in the Senator from Rhode Island's amendment, where it reads "No person shall make any charge," he wishes to insert "No person shall render or make"?

Mr. STEVENS. Any charge for any service that would exceed that.

For example, if someone prints a full page ad the newspaper does not get paid for it, I would still be charged with it, under the first sentence.

Mr. PASTORE. If the managers of the bill are willing to change paragraph (f) as it is now, they can change mine. Change it the same way. I do not care how the Senator puts it. I think it is explicit enough. If the word "render" seems to be the proper word to put in there and that would clarify it, I would be perfectly willing to amend it; but they both have to correspond. Otherwise, it would seem that we were talking about two different things.

Mr. MAGNUSON. Mr. President, will the Senator yield?

Mr. COOK. I yield.

Mr. MAGNUSON. A question occurs to me that has never been answered. Suppose the candidate knew nothing about the ad, where would the liability be?

Mr. PASTORE. The liability is this: When the man goes to buy the ad, the minute he says, "I want an ad," they are going to ask, "Have you been certified by the candidate?"

He is going to say, "No. I don't want to have anything to do with the candidate. I am acting on my own."

Then they say, "We can only accept your ad up to a thousand dollars."

If he says, "But I want a $1,500 ad," they say, "If you want a $1,500 ad, you have to get a certificate."

Why did I do this? Let me explain why. Under the present law, we have limited what anybody can give to a Presidential candidate or to a Senatorial candidate to the sum of $3,000.

I do not want to mention any names, but here is a very rich man who wants to do more for the President than just give him $3,000. What does he do. He does not go to see the President. He does not go to see the Republican or the Democratic Chairman of the National Committee. He wants to act independently.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. PASTORE. I yield myself 2 minutes.

He goes to the 50 States and gets himself a public relations outfit. He says, "I want you to put $50,000 worth of ads in every newspaper in every State in the Union, to re-elect So and So or to elect So and So." He is acting absolutely independently. Under the present bill, he can do that, and that is what I am trying to cure.

The fact is that without my amendment, the ceiling is rendered a mockery and is rendered innocuous, because all anyone need do is act independently and he can spend any amount of money he wishes.

Then what happens to the $3,000 we are talking about? It is made to look ridiculous. That is why I propose this amendment: in order to give to the candidate himself, control over his own campaign. That is the purpose of it.

Mr. MAGNUSON. Mr. President, my question still has not been answered.

Mr. PASTORE. What is it?

Mr. MAGNUSON. Suppose this is done: Suppose in a weekly newspaper the people know that a candidate is coming to town. Suppose three persons get together and take out a four-page ad. Somebody is coming to town—our candidate—and they do that without the candidate's knowing about it. Who is liable? The candidate?

Mr. PASTORE. If it goes over a thousand dollars, and nobody knows about that ad in the newspaper but the people who take out the ad, they are responsible.

Mr. MAGNUSON. Not the candidate?

Mr. PASTORE. Not the candidate.

Mr. COOK. Mr. President, I yield myself such time as I may require, and I yield now to the Senator from Kentucky.

Mr. HUDDLESTON. Mr. President, I have one question to ask the Senator from Rhode Island. I think his amendment addresses itself to the very real problem that was enunciated by him and other Senators on Saturday.

Under the amendment, we put limitations on what an individual and committees can do, what they can expend, what amounts they may contribute for and on behalf of a candidate, or in some cases for the benefit of particular candidates.

But no reference is made to what limitations might be placed on an officer of that organization, whose only objective is to defeat a candidate, and might make expenditures or a great effort merely against one candidate without taking positive action against another candidate who may be in the same race.

If a person undertakes that kind of activity and reaches a thousand dollars, must he be certified by some candidate?

Mr. PASTORE. By somebody; that is correct.

Mr. HUDDLESTON. Unless he becomes certified by some candidate.

Mr. PASTORE. Then the candidate comes under the restriction.

Mr. HUDDLESTON. My other question is: Does the Senator's amendment as written relate to a particular section of the bill or throughout the bill?

Mr. PASTORE. It would. This comes under the section that has to do with the limitation on expenditures. Even in spending a thousand dollars, the individual has to disclose it. We are not talking about disclosure, but we are talking about the limitation on expenditures. That is true. It goes right through the bill.

Mr. COOK. This is the point where we will determine the constitutional question.

Mr. PASTORE. That is correct.

Mr. COOK. I do not think there is any question about it. I do not think we can face it any other way. The circumstance would be when an individual wants to expend some money in excess of a thousand dollars; and if the amendment of the Senator from Rhode Island is adopted, when the person is campaigning for an individual, I think the constitutional point is raised, and I think then is when we make the determination under the first amendment whether we have the right to legislate.

Mr. PASTORE. Whether it is in violation of the Constitution—I personally doubt it—I subscribe to the idea that what we are here governing is more or less an expenditure in the public interest, of the democratic process, as against the right of a man to speak. We are not impinging upon that at all. He can do all the talking he wants to.

Mr. HUDDLESTON. There is language in the bill saying "influencing elections."

Mr. PASTORE. One way or another, I have to use the word "influencing" because there have been instances, as Senators know, where every day we and others become more or less advocates of a certain issue. To certain people that may be an unpopular issue. They may not agree with the position a Senator has taken. So they come into your State and they invade your State. They are not campaigning for your opponent but against you. It is more or less a vindictive thing. I am not stopping those people from coming in. All I am saying is that here is the candidate who is being attacked, and he is limited under the law. What is the limit on this person who comes into the State under those circumstances?

Mr. HUDDLESTON. I think the Senator has answered my question.

Mr. CANNON. Did the Senator amend the amendment to state "aggregate"?

Mr. PASTORE. Yes. Aggregate is in the present measure.

Mr. CANNON. How about "render or?"

Mr. PASTORE. I modify my amendment by adding "render or make."

Mr. COOK. Mr. President, will it be in order for the Senator to add a line in his amendment? May I suggest to the Senator from Rhode Island that for the purpose of clarity so that we can clear this up, that he also put in there between the words "shall" and "make" the words "render or."

Mr. PASTORE. "Render or make."

Mr. COOK. Then, we can take care of both situations.

The PRESIDING OFFICER. Who yields time?

Mr. CANNON. Mr. President, I yield myself 2 minutes.

The PRESIDING OFFICER. The Senator from Nevada is recognized.

Mr. CANNON. Mr. President, may I inquire whether or not the Senator's amendment has, after the words "making an" the word "aggregate"? Also, halfway down I wish to ask if it has these words: "no person shall render or make"?

Is that the way the amendment was modified?

The PRESIDING OFFICER. The Senator is correct.

Mr. CANNON. Then, I am prepared to yield back the balance of my time.

Mr. COOK. Mr. President, I yield myself 30 seconds on the bill.

The PRESIDING OFFICER. The Senator is recognized.

Mr. COOK. Mr. President, I am going to agree to the acceptance of this amendment, but I would want to repeat again that the first amendment does specifically say "prohibiting free exercise thereof; or abridging the freedom of speech." We have to remember the problems that we have gone into in this regard, and relative to the colloquy between my colleague from Kentucky and the Senator from Rhode Island I think we have pointed out that problem.

Mr. PASTORE. That is correct, and that goes into the history of the bill.

Mr. President, I ask that the amendment be read in toto as it is at the desk.

The PRESIDING OFFICER. The amendment will be read.

The assistant legislative clerk read as follows:

On page 55, line 3, between lines 11 and 12 insert the following:

"(2) Any person making an aggregate expenditure in excess of $1,000 to purchase services or products shall, for purposes of this subsection, be held and considered to be making such expenditure on behalf of any candidate the election of whom would be influenced favorably by the use of such products or services. No person shall render or make any charge for services or products furnished to a person described in the preceding sentence unless that candidate (or a person specifically authorized by that candidate in writing to do so) certifies in writing to the person making the charge that the payment of that charge will not exceed the expenditure limitation applicable to that candidate under this section."

Mr. PASTORE. I yield back my time.

Mr. CANNON. I yield back my time.

The PRESIDING OFFICER. All time is yielded back. The question is on agreeing to the amendment.

The amendment was agreed to.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the Senate by Mr. Marks, one of his secretaries.

REPORT OF THE NATIONAL ADVISORY COUNCIL ON ECONOMIC OPPORTUNITY—MESSAGE FROM THE PRESIDENT

The ACTING PRESIDENT pro tempore (Mr. Metcalf) laid before the Senate a message from the President of the United States, which, with the accompanying report, was referred to the Committee on Labor and Public Welfare. The message is as follows:

To the Congress of the United States:

Pursuant to Public Law 89–794, I have the honor to transmit herewith the Sixth Annual Report of the National Advisory Council on Economic Opportunity.

Richard Nixon.

The White House, *July 30, 1973.*

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Hackney, one of its reading clerks, announced that the House had agreed to the amendments of the Senate to the bill (H.R. 3867) to amend the act terminating Federal supervision over the Klamath Indian Tribe by providing for Federal acquisition of that part of the tribal lands described herein, and for other purposes.

The message also announced that the House had disagreed to the amendments of the Senate to the bill (H.R. 8760) making appropriations for the Department of Transportation and related agencies for the fiscal year ending June 30, 1974, and for other purposes; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. McFall, Mr. Yates, Mr. Steed, Mrs. Hansen of Washington, Mr. Boland, Mr. Mahon, Mr. Conte, Mr. Minshall of Ohio, Mr. Edwards of Alabama, and Mr. Cederberg were appointed managers on the part of the House at the conference.

The message further announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 8947) making appropriations for public works for water and power development, including the Corps of Engineers—Civil, the Bureau of Reclamation, the Bonneville Power Administration and other power agencies of the Department of the Interior, the Appalachian regional development programs, the Federal Power Commission, the Tennessee Valley Authority, the Atomic Energy Commission, and related independent agencies and commissions for the fiscal year ending June 30, 1974, and for other purposes; that the House receded from its disagreement to the amendments of the Senate Nos. 15 and 16 to the bill, and concurred therein.

FEDERAL ELECTION CAMPAIGN ACT AMENDMENTS OF 1973

The Senate continued with the consideration of the bill (S. 372) to amend the Communications Act of 1934 to relieve broadcasters of the equal time requirement of section 315 with respect to Presidential and Vice-Presidential candidates and to amend the Campaign Communications Reform Act to provide further limitation on expenditures in election campaigns for Federal elective office.

Mr. CANNON. Mr. President, I propose an amendment on page 55, line 3, after the words "No person shall" insert the words "render or."

That simply makes subsection (f) conform to the language we have just adopted in the amendment of the Senator from Rhode Island.

I am prepared to yield back the remainder of my time.

Mr. COOK. I yield back my time.

The PRESIDING OFFICER. All time is yielded back. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. CANNON. Mr. President, I send to the desk an amendment and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk proceeded to read the amendment.

Mr. CANNON. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered; and, without objection, the amendment will be printed in the Record.

The amendment, ordered to be printed in the Record, is as follows:

At the end of the bill, add the following new section:

Sec. —. (a) Any candidate of a political party in a general election for the office of a Member of Congress who, at the time he becomes a candidate, does not occupy any such office, shall file within one month after he becomes a candidate for such office, and each Member of Congress, each officer and employee of the United States (including any member of a uniformed service) who is compensated at a rate in excess of $25,000 per annum, any individual occupying the position of an officer or employee of the United States who performs duties of the type generally performed by an individual occupying grade GS–16 of the General Schedule or any higher grade or position (as determined by the Federal Election Commission regardless of the rate of compensation of such individual), the President, and the Vice President shall file annually, with the Commission a report containing a full and complete statement of—

(1) the amount and source of each item of income, each item of reimbursement for any expenditure, and each gift or aggregate of gifts from one source (other than gifts received from his spouse or any member of his immediate family) received by him or by him and his spouse jointly during the preceding calendar year which exceeds $100 in amount or value, including any fee or other honorarium received by him for or in connection with the preparation or delivery of any speech or address, attendance at any convention or other assembly of individuals or the preparation of any article or other composition for publication, and the monetary value of subsistence, entertainment, travel, and other facilities received by him in kind;

(2) the identity of each asset held by him, or by him and his spouse jointly which has a value in excess of $1,000, and the amount of each liability owed by him, or by him and his spouse jointly, which is in excess of $1,000 as of the close of the preceding calendar year;

(3) any transactions in securities of any business entity by him, or by him and his spouse jointly, or by any person acting on his behalf or pursuant to his direction during the preceding calendar year if the aggregate amount involved in transactions in the securities of such business entity exceeds $1,000 during such year;

(4) all transactions in commodities by him, or by him and his spouse jointly, or by any person acting on his behalf or pursuant to his direction during the preceding calendar year if the aggregate amount involved in such transactions exceeds $1,000; and

(5) any purchase or sale, other than the purchase or sale of his personal residence, of real property of any interest therein by him or by him and his spouse jointly, or by any person acting on his behalf or pursuant to his direction, during the preceding calendar year if the value of property involved in such purchase or sale exceeds $1,000.

(b) Reports required by this section (other than reports so required by candidates or political parties) shall be filed not later than May 15 of each year. In the case of any person who ceases, prior to such date in any year, to occupy the office or position the occupancy of which imposes upon him the reporting requirements contained in subsection (a) shall file such report on the last day he occupies such office or position, or on such later date, not more than three months after such last day, as the Commission may prescribe.

(c) Reports required by this section shall be in such form and detail as the Commission may prescribe. The Commission may provide for the grouping of items of income, sources of income, assets, liabilities, dealings in securities or commodities, and purchases and sales of real property, when separate itemization is not feasible or is not necessary for an accurate disclosure of the income, net worth, dealing in securities and commodities, or purchases and sales of real property of any individual.

(d) Any person who willfully fails to file a report required by this section, or who knowingly and willfully files a false report under this section, shall be fined $2,000, or imprisoned for not more than five years, or both.

(e) All reports filed under this section shall be maintained by the Commission as public records which, under such reasonable regulations as it shall prescribe, shall be available for inspection by members of the public.

(f) For the purposes of any report required by this section, an individual shall be considered to have been President, Vice President, a Member of Congress, an officer or employee of the United States, or a member of a uniformed service, during any calendar year if he served in any such position for more than six months during such calendar year.

(g) As used in this section—

(1) The term "income" means gross income as defined in section 61 of the Internal Revenue Code of 1954.

(2) The term "security" means security as defined in section 2 of the Securities Act of 1933, as amended (15 U.S.C. 77b).

(3) The term "commodity" means commodity as defined in section 2 of the Commodity Exchange Act, as amended (7 U.S.C. 2).

(4) The term "transactions in securities or commodities" means any acquisition, holding, withholding, use, transfer, or other disposition involving any security or commodity.

(5) The term "Member of Congress" means a Senator, a Representative, a Resident Commissioner, or a Delegate.

(6) The term "officer" has the same meaning as in section 2104 of title 5, United States Code.

(7) The term "employee" has the same meaning as in section 2105 of such title.

(8) The term "uniformed service" means any of the Armed Forces, the commissioned corps of the Public Health Service, or the Commissioned corps of the National Oceanic and Atmospheric Administration.

(9) The term "immediate family" means the child, parent, grandparent, brother, or sister of an individual, and the spouses of such persons.

(h) Section 554 of title 5, United States Code, is amended by adding at the end thereof the following new subsection:

"(f) All written communications and memorandums stating the circumstances, source, and substance of all oral communications made to the agency, or any officer or employee thereof, with respect to any case which is subject to the provisions of this section by any person who is not an officer or employee of the agency shall be made a part of the public record of such case. This subsection shall not apply to communications to any officer, employee, or agent of the agency engaged in the performance of investigative or prosecuting functions for the agency with respect to such case."

(i) The first report required under this section shall be due on the 15th day of May occurring at least thirty days after the date of enactment.

(j) Effective on the day after the date of enactment of this Act—

(1) section 304(f) of the Federal Election Campaign Act of 1971 is repealed;

(2) section 6(f) of this Act is amended—

(A) by striking out the paragraph designation "(1)", and

(B) by striking out paragraph (2) of such section;

(3) section 306(c)(1) of the Federal Election Campaign Act of 1971 is amended by striking out "(a)—(e)"; and

(4) section 315 of the Federal Election Campaign Act of 1971 is amended—

(A) by striking out of subsections (a) and (b) the phrase "(other than section 304(f))" wherever it appears; and

(B) by striking out subsection (c).

Any action taken under any provision of law repealed or struck out by this subsection shall have no force or effect on or after such day.

Mr. CANNON. Mr. President, the purpose of this amendment is to promote public confidence in the Federal Government. In order to cultivate confidence, it is necessary to let the citizens know what is going on in the Government that represents them. It is widely believed that Americans are being denied information which, if openly shared, would help to restore trust in elected officials and in the Government itself.

The public disclosure of income from sources other than one's government salary, or of transactions in stocks, bonds, or other securities, is almost nonexistent. The executive branch has a Presidential Executive order which is more of an administrative directive than a disclosure measure. The Federal courts subscribe to cannons of ethics but do not require any reporting of financial or business activities. In the Congress, each body has a "code of ethics" but those codes call for public reporting only with respect to contributions, gifts, or honorariums. Reports of outside income, activities, and holdings are filed on a confidential basis and are not open to the public.

If the principle of disclosure is to be honored, it should be observed by all officers and employees in policymaking positions in every branch, department or agency of the Government. And, the provisions of any disclosure provision should apply equally and uniformly to all—not to some officers and employees.

This is where my amendment differs from the action taken a day or two ago.

My amendment would apply equally to everyone who is compensated by the U.S. Government at an annual rate in excess of $25,000, or who performs duties of a kind generally assigned to an individual holding grade GS-16 or higher in the general schedule. In other words, the intent of this disclosure amendment is to reach every officer or employee of the U.S. Government who holds a policymaking position of the executive, or legislative, or judicial branches, from the President and the Vice President, and the Supreme Court and the Congress, down to the lowest civil servant falling within the compensation or grade levels provided in the amendment.

The PRESIDING OFFICER. Who yields time?

Mr. COOK. Mr. President, I have no objection to the amendment. We have discussed it at length last week. We now have an all inclusive proviso. I have no objection to the amendment.

Mr. CANNON. I yield back my time.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. CANNON. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. COOK. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. CLARK. Mr. President, I send to the desk an unprinted amendment and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

On page 59, after line 9 insert the following:

"(f) For purposes of the limitations contained in this section, all contributions made by any person directly or indirectly on behalf of a particular candidate, including contributions which are in any way earmarked, encumbered, or otherwise directed through an intermediary or conduit to that candidate, shall be treated as contributions from that person to that candidate."

On page 59, line 10, change "(f)" to "(g)".

Mr. CLARK. Mr. President, I yield myself 3 minutes.

The PRESIDING OFFICER. The Senator is recognized.

Mr. CLARK. Mr. President, this amendment is designed to clarify and reinforce the intentions of the Senate with regard to the earmarking of funds to a particular candidate through the conduit of a political committee. I understand from previous debate, and from discussion with the distinguished Senator from Nevada, that the intent of the committee was to treat earmarked funds as a contribution by the donor to the candidate and covered by the limits set in this bill. In my judgment there were two troublesome problems in the bill. We have just closed one with the amendment of the distinguished Senator from Rhode Island. I address myself to the other.

This amendment spells that out in no uncertain terms, by adding a new subsection to section 615:

For purposes of the limitations contained in this section, all contributions made by any person directly or indirectly on behalf of a particular candidate, including contributions which are in any way earmarked, encumbered, or otherwise directed through an intermediary or conduit to that candidate, shall be treated as contributions from that person to that candidate.

During the debate Friday on the amendment of the distinguished Senator from Illinois (Mr. STEVENSON) regarding the exemption of party committees from contribution limits, a number of my colleagues expressed great concern over the problem of earmarking funds through those committees. That concern is certainly justified and my amendment is designed to alleviate it. The provision would explicitly state that if a person or organization channels funds through an intermediary body to a candidate, those funds will count toward that person's contribution limit of $3,000 to that candidate.

I have no doubt that circumvention of the law, for one who is so inclined, will still be difficult to detect. But it is my hope that such an explicit statement limiting the earmarking of funds would help deter potential violators.

Mr. CANNON. Mr. President, I yield myself 3 minutes.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. CANNON. In our consideration of the bill, we considered this very subject, and it was the interpretation of the committee that under the committee language earmarking would not be permitted unless it were charged to the limits of the candidate.

However, as the Senator has pointed out, this language would make it absolutely clear; and in light of the fact that it is the committee's intent and it was so intended in the bill, I would certainly not object to the amendment. However, I would raise the point and make it clear in the legislative history that if a person gives $3,000 to a candidate, this does not preclude a contribution to a national committee or one of the senatorial campaign committees, provided there was no earmarking of the funds, even though some of those funds might eventually find their way back to a particular candidate. Is that the Senator's understanding?

Mr. CLARK. Yes, that is my understanding. I thank the Senator from Nevada.

Mr. CANNON. Based on that understanding, I am prepared to accept the amendment.

Mr. COOK. Mr. President, I accept the amendment. I yield back my time.

Mr. CANNON. I yield back my time.

Mr. CLARK. Mr. President, I yield back my time.

The PRESIDING OFFICER. All time on the amendment having been yielded back, the question is on agreeing to the amendment.

The amendment was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. MATHIAS. Mr. President, I call up my amendment No. 422.

The PRESIDING OFFICER. The clerk will read the amendment.

The second assistant legislative clerk proceeded to read the amendment.

Mr. MATHIAS. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

Amendment No. 422 is as follows:

TITLE

This title may be cited as the "Overseas Citizens Voting Rights Act of 1973".

CONGRESSIONAL FINDINGS AND DECLARATIONS

SEC. 1. (a) The Congress hereby finds that in the case of United States citizens domiciled or otherwise residing outside the United States, the imposition and application of a State or local residency or domicile requirement as a precondition to voting in Federal elections and the lack of sufficient opportunities for absentee registration and balloting in such elections—

(1) denies or abridges the inherent constitutional right of citizens to vote in Federal elections;

(2) denies or abridges the inherent constitutional right of citizens to enjoy their free movement to and from the United States;

(3) denies or abridges the privileges and immunities guaranteed under the Constitution to citizens of the United States and to the citizens of each State;

(4) in some instances has the impermissible purpose or effect of denying citizens the right to vote in Federal elections because of the method in which they may vote;

(5) has the effect of denying to citizens the equality of civil rights and due process and equal protection of the laws that are guaranteed to them under the fourteenth amendment to the Constitution; and

(6) does not bear a reasonable relationship to any compelling State interest in the conduct of Federal elections.

(b) Upon the basis of these findings, Congress declares that in order to secure, protect, and enforce the constitutional rights of citizens residing overseas and to enable such citizens to better obtain the enjoyment of such rights, it is necessary—

(1) to abolish completely for citizens residing overseas the domicile and residence requirements as preconditions to voting in Federal elections, and

(2) to establish nationwide uniform standards relating to absentee registration and absentee balloting by such citizens in Federal elections.

DEFINITIONS

SEC. 2. For the purposes of this Act, the term—

(1) "Federal election" means any general, special, or primary election held solely or in part for the purpose of selecting, nominating, or electing any candidate for the office of President, Vice President, Presidential elector, Member of the United States Senate, Member of the United States House of Representatives, Delegate from the District of Columbia, or Resident Commissioner of the Commonwealth of Puerto Rico;

(2) "State" means each of the several States, the District of Columbia, and the Commonwealth of Puerto Rico;

"(3) "United States" includes the several States, the District of Columbia, the Commonwealth of Puerto Rico, but does not include American Samoa, the Canal Zone, Guam, the Virgin Islands, the Trust Territory of the Pacific Islands, or any other territory or possession of the United States; and

(4) A "citizen residing overseas" means a citizen of the United States who is domiciled, or otherwise residing outside the United States.

RIGHT OF CITIZENS RESIDING OVERSEAS TO VOTE IN FEDERAL ELECTIONS

SEC. 3. (a) No citizen residing overseas shall be denied the right to register for, and to vote by an absentee ballot in any State or election district in any Federal election solely because at the time of such election he is not domiciled or otherwise residing in such State or district and does not have a place of abode or other address in such State or district if—

(1) he last voted or last registered to vote in such State or district, or if he did not so register or vote, was last domiciled in, such State or district prior to his departure from the United States;

(2) he has complied with the requirements concerning the casting of absentee ballots applicable in such State or district (other than any requirement which is inconsistent with this Act); and

(3) he is qualified to vote in such State or district but for his failure to maintain residence, domicile, or place of abode in such State or district; and

(4) has not registered to vote and is not voting in any other State or election district or territory or possession of the United States.

ABSENTEE BALLOTS FOR FEDERAL ELECTIONS

SEC. 4. (a) (1) Each State shall provide by law for the registration or other means of qualification of all citizens residing overseas and entitled to vote in a Federal election in such State pursuant to section 3(a) who apply, not later than thirty days immediately prior to any such election, to vote in such election.

(2) Each State shall provide by law for the casting of absentee ballots for Federal elections by all citizens residing overseas who are entitled to vote in such State pursuant to section 3(a), and if required by State law have registered or otherwise qualified to vote under section 4(a)(1); and who have submitted properly completed applications for such ballots no later than seven days immediately prior to such election and have returned such ballots to the appropriate election official of such State not later than the time of closing of the polls in such State on the day of such election. In the case of any such properly completed application for an absentee ballot received by a State or election district, the appropriate election official of such State or district shall as promptly as possible, in any event no later than (i) seven days after receipt of such a properly completed application, or (ii) five days after the date the absentee ballots for such election have become available to such official, whichever date is later, mail the following by airmail to such citizen:

(A) an absentee ballot,

(B) instructions concerning voting procedures, and

(C) an airmail envelope for the mailing of such ballot free of United States postage.

(b) (1) In the case of a citizen residing overseas, a State or election district may accept as an application for an absentee ballot to vote in a Federal election (and as an application for registration to vote in such election, if registration is required by such State or district) a duly executed overseas citizen Federal election postcard in the form prescribed by paragraph (2).

(2) The form of the overseas citizen Federal election postcard referred to in paragraph (1) shall be as follows:

(A) The card shall be nine and one-half inches by four and one-eighth inches in size.

(B) Upon one side, perpendicular to the long dimension of the card there shall be printed in black type the following:

FILL OUT BOTH SIDES OF CARD

POST CARD APPLICATION FOR ABSENTEE BALLOT FOR FEDERAL ELECTIONS

State or Commonwealth of _____________

(Fill in name of State or Commonwealth)

(1) I hereby request an absentee ballot to vote in the coming election:

(PRESIDENTIAL) (CONGRESSIONAL)
(General) (Primary) * (Special) election
(Strike out inapplicable words)

(2) *If a ballot is requested for a primary election, print your political party affiliation in this box:

(If primary election is secret in your State, do not answer)

(3) I am a citizen of the United States, and am qualified to register and vote in the above State in Presidential and Congressional elections, even though I am presently residing outside the above State and the United States (defined not to include the Territories and Possessions of the United States) and such State may not be my current domicile, and—

a. I last voted or was registered to vote in the above State

b. The above State was my last __________ domicile even though such State may not be my current domicile

(4) I was born on ----------------------
(Day) (Month) (Year)

(5) Until ----------------, my home (not
(Month) (Year)
military) residence in above State was
------------------------- in the country
(Street and number or rural route, etc.)
or parish of ----------------------------
The voting precinct or election district for this residence is -----------------------
(Enter if known)

(6) Remarks: ----------------------------
----

(7) Mail my ballot to the following address: ---------------------------------
----

(8) I am NOT requesting a ballot from any other State, Territory or Possession of the United States, and am not voting in any other manner in this election, except by absentee process, and have not voted and do not intend to vote in this election at any other address.

(9) --
(Signature of person requesting ballot)

(10) ---------------------------------------
(Full name, typed or printed)

(11) Subscribed and sworn to before me on ------------------------------------
(Day, month, and year)

------------------ --------------------
(Signature of official administering oath) (Typed or printed name of official administering oath)

(Title or rank, service number (if any), and organization of administering official)

INSTRUCTIONS

A. Type or print all entries except signatures. FILL OUT BOTH SIDES OF CARD.

B. Address card to proper State official.

C. Mail card as soon as your State will accept your application.

D. NO postage is required for the card if deposited with a U.S. Embassy, consulate legation or other office of a U.S. Government agency, either within or outside the United States.

E. This card is an application to vote only in FEDERAL ELECTIONS. If you wish to request a ballot for State and local elections, as well as Federal elections, and are qualified to do so in your State, you can use the Standard Federal Post Card Application or other form accepted by your State for this purpose.

(C) Upon the other side of the card there shall be printed in red and blue type the following:

FILL OUT BOTH SIDES OF THE CARD

---------------------- FREE of U.S. Postage
---------------------- Including Air Mail

---------------------- Official
---------------------- Mailing
---------------------- Address

OFFICIAL ELECTION BALLOTING MATERIAL—VIA AIR MAIL

To: --------------------------------------
(Title of Election Official)

(County or Township)

(City or Town, State)

(c) Overseas citizen Federal election post cards and the absentee ballots, envelopes, and voting instructions provided pursuant to this Act and transmitted to or from citizens residing overseas, whether individually or in bulk, shall be free of postage, including airmail postage, in the United States mail.

(d) The Administrator of General Services shall cause overseas citizen Federal election post cards to be printed and distributed to carry out the purposes of this Act, and he may enter into agreements with the Postmaster General, with heads of appropriate departments and agencies of the Federal Government, and with State and local officials for the distribution of such cards.

(e) Ballots executed outside the United States by citizens residing overseas shall be returned by priority airmail wherever practicable, and such mail may be segregated from other forms of mail and placed in special bags marked with special tags printed and distributed by the Postmaster General for this purpose.

ENFORCEMENT

SEC. 5. (a) Whenever the Attorney General has reason to believe that a State or political subdivision undertakes to deny the right to register or vote in any election in violation of section 4 or fails to take any action required by section 5, he may institute for the United States, or in the name of the United States, and action in a district court of the United States, in accordance with sections 1391 through 1393 of title 28, United States Code, for a restraining order, a preliminary or permanent injunction, or such other order as he deems appropriate.

(b) Whoever shall deprive or attempt to deprive any person of any right secured by this Act shall be fined not more than $5,000, or imprisoned not more than five years, or both.

(c) Whoever knowingly or willfully gives false information as to his name, address, or period of residence in the voting district for the purpose of establishing his eligibility to register or vote, or conspires with another individual for the purpose of encouraging his false registration to vote or illegal voting, or pays or offers to pay or accepts payment either for registration to vote or for voting shall be fined not more than $10,000, or imprisoned not more than five years, or both.

SEVERABILITY

SEC. 6. If any provision of this Act, or the application thereof to any person or circumstance, is held invalid, the validity of the remainder of the Act, and the application of such provisions to other persons or circumstances, shall not be affected.

EFFECT ON CERTAIN OTHER LAWS

SEC. 7. (a) Nothing in this Act shall—

(1) be deemed to require registration in any State or election district in which registration is not required as a precondition to voting in any Federal election, or

(2) prevent any State or election district from adopting or following any voting practice which is less restrictive than the practices prescribed by this Act.

(b) The exercise of any right to register or vote by any citizen residing overseas shall not affect the determination of his place of residence or domicile (as distinguished from his place of voting) for purposes of any tax imposed under Federal, State, or local law.

EFFECTIVE DATE

SEC. 8. The provisions of this Act shall take effect with respect to any Federal election held on or after January 1, 1974.

Mr. MATHIAS. Mr. President, I call up this amendment, and I say frankly that I am not going to press for its adoption because while it deals with a very vital area of our election laws, it does deal in an area in which I think we need further study and in which it would be unwise for the Senate to act without the benefit of detailed committee research. It deals with those large numbers of Americans, well over 1 million in Europe alone, who are residing overseas, who, because of their residence overseas, are cut off from participation in the political life of the Republic and for whom some redress really should be found.

I have discussed this problem with the distinguished Senator from Rhode Island (Mr. PELL), who is chairman of the subcommittee, and I find that he is particularly interested in this subject, himself, and he has assured me that the subcommittee will give very close attention to it; and on the basis of that assurance, I will not press for action on this amendment to this bill at this time, and I withdraw it from consideration.

The PRESIDING OFFICER. The amendment is withdrawn.

Mr. CANNON. Mr. President, if the Senator will yield, I would like to say that I personally am a supporter of the amendment. I think it is a good provision. I do not want to see it on this bill, but it is a proposition I have supported for a considerable period of time, and I hope we can have favorable action. As a matter of fact, I believe the committee did report out legislation to that effect, as I recall, at an earlier time.

Mr. COOK. Mr. President, I yield myself 1 minute on the bill.

May I say to the Senator from Maryland that we already covered, in the Voting Rights Act 2 years ago, the fact that American nationals overseas can vote in Presidential and Vice Presidential elections. We still have some problems on that issue with regard to local registrars and we had some serious problems by people who did not get ballots in time, and questions were raised.

Therefore, I would hope we would pursue this matter further, to see to it that it becomes a routine matter, that it can be done and not have problems raised which have arisen in the past as a result of our first efforts.

I commend the Senator for his move toward expanding this area as to existing procedures by which we can eliminate the bottlenecks we have had in the past by modifying our present law.

Mr. MATHIAS. Mr. President, I am aware of the efforts the committee made and the contributions of the Senator from Kentucky. I think it is a signal step forward. I think it would remove some of the questions that have arisen, and this also addresses itself to what the Senator from Kentucky referred to with reference to State registration, and the question of whether one has to reside in a State before he can register there, and, if so, what liabilities attach to that.

So I am happy that the chairman of the full committee and the ranking minority member of the committee, as well as the Senator from Rhode Island, have all expressed their interest. I feel very comfortable in withdrawing the amendment, because I feel sure the matter will receive the attention it deserves.

Mr. President, now I call up my amendment No. 357.

The PRESIDING OFFICER. The clerk will read the amendment.

The second assistant legislative clerk proceeded to read the amendment.

Mr. MATHIAS. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

Amendment No. 357 is as follows:

In section 4(a), after subsection (1), insert the following new subsection:

(2) at the end of paragraph (b) strike ";"

and insert "or (3) has knowledge or information that any other person or political committee has received contributions or made expenditures for the purpose of bringing about his nomination for election, or election, to such an office and has not notified that person or political committee in writing to cease receiving such contributions or making such expenditures." and redesignate the subsequent subsections accordingly.

Mr. MATHIAS. Mr. President, I modify my amendment and send the modification to the desk.

The modified amendment is as follows:

On page 16, line 8, add the following new subsection (10): "(10) striking 'j' at the end of paragraph (b) of section 301 and inserting "'or (3) has knowledge or information that any other person or political committee has received contributions or made expenditures for the purpose of bringing about his nomination for election, or election, to such an office and has not notified that person or political committee in writing to cease receiving such contributions or making such expenditures.' and redesignate the subsequent subsections accordingly."

Mr. MATHIAS. Mr. President, the modification merely relates to the position of the amendment in the bill.

This amendment is a very simple one, and it is intended to put to rest some of the pious nonsense that has gone on in our political system over a good many years when a man who is out scrambling, trying to get elected to some public office, says, "Oh, I am not a candidate. I am not running."

This amendment would make clear that if he has committees out working for him, raising money, doing other political activities, and if he does not disallow those efforts on his behalf, then he is a candidate and he is subject to all the legal restrictions and inhibitions which are placed by the law on candidates.

The amendment is just that simple. It is a put-up-or-shut-up kind of proposition. If he wants his friends scrambling on behalf of his candidacy, then he is a candidate, and he should so acknowledge. If he is not, he should say so and let the public draw its own conclusions. I believe that is, in words of one syllable, what the amendment purports to do.

Mr. COOK. Mr. President, I yield myself such time as I may require.

Let me say to the Senator from Maryland I understand what he is after. What really bothers me about this is that we are imposing another condition on a candidate to say he is or is not a candidate prior to the particular occasion when he may wish to say so. Under the present law in the respective States throughout the United States, a candidate is formally a candidate when he announces or files with the Secretary of State of his respective State within the time limits that are necessary under the law.

What this amendment really does is commit a man to be or not to be a candidate, for the purposes of this bill, well in advance of when he may be one, because of the enthusiastic attitudes of citizens in the United States who may want to convince him to be a candidate.

The thing that really bothers me is that we already have numerous candidates for the Presidency of the United States, three and one-half years from now.

Should the desires of an individual in public life really make him proclaim that he is a candidate for public office when he does not want to be one? That is the only thing that bothers me. I can see what the Senator is after. However, suppose that under the terms of this bill, a candidate should keep insisting, "I am not a candidate." Then, under the terms of the Senator's amendment, the provisions of the bill may apply to all people. They may say, "That is fine, but we are going to keep the headquarters open or going to keep the campaign going anyway."

I wonder about the significance of this language. It takes out of the hands of the individual whether he can determine whether he wants to be a candidate for office.

Mr. MATHIAS. Mr. President, if the Senator will yield, I think there is a slightly different gloss on the amendment than the Senator is putting on it. This does not require a man to put up a "Cook for President" banner.

Mr. COOK. Mr. President, let us not get me in that arena. We have enough in the Senate already that are in that arena. I would appreciate my name not being put in it.

Even if the man writes a letter and says, "Cease," what responsibility is there on that candidate if the individual does not want to cease? If that candidate writes and says, "You shall cease and desist and continue no further," what value is that under the bill?

Mr. MATHIAS. The question is not really whether a layman proclaims a man to be a candidate. The question is whether the candidate is subject to the provisions of the law as to reporting and disclosures and other matter which apply to candidates.

When a person becomes a candidate, he enters into a different status than that of a totally private citizen and acquires a great deal of liabilities and some additional ones by legislation in the form of the bill before us.

The amendment defines the time at which those liabilities apply. It does not create any new ones.

It does not relieve one of any duties. It simply makes it more definite as to when one has arrived at the point when he has to begin to completely agree that the campaign committee can start to raise money and take any political action in his name and on his behalf. And if the man does not disavow it, then, he must by implication do things that the statute requires him to do. It fixes the time on which his obligations begin and end.

Mr. COOK. Suppose that the man writes a letter and says, "cease," that eliminates his requirement to file. They can continue to perform their work on behalf of the candidate. Is that not correct?

Mr. MATHIAS. The Senator from Kentucky and I have both had the opportunity to observe that when a candidate publicly tells a committee to cease, it has a dramatic effect on the amount of money that can be collected and on the amount of activity that will take place.

I think that by defining the time when a person becomes a candidate, as a legal matter and not as a PR matter, we will have made the law clearer and will have relieved candidates of many of the potential uncertainties that plague their lives today.

Mr. COOK. Suppose that an individual were to start a one-man campaign for a certain man's candidacy and uses his own money. They write him a letter and say "cease." That means that the man does not have to file for the expenditures being made. But he is not relieved of any liability for that individual. I think that is the position we would be in, and the man would continue his activity.

What have we solved and what in the entire analysis is determined as to whether a person is or is not a candidate?

Mr. MATHIAS. I think there has been in the past a considerable amount of activity to promote candidacies which the presumptive candidate has disavowed and pretended was not to go forward. And in those periods of time, moneys were contributed which were not reported, and it was presumed that the law did not apply.

This is a mechanism by which we can put an end to that. It would provide for complete reporting if a candidate publicly says "I am not running," or if a person says "I am not a candidate and I am not running for the office for which these good friends of mine are promoting me, and I appreciate their efforts, but I want them to stop."

It seems to me that is a very strong implication in law and creates a problem for those who have done the promoting without authority, and it relieves the persons who did not consent to having his name advanced.

Mr. COOK. Mr. President, I yield myself 2 minutes in opposition to the amendment.

Mr. President, I feel that we have covered most of the situations which the Senator from Maryland is attempting to cover by the amendment of the Senator from Rhode Island.

We have said that no one can spend for or on behalf of a candidate more than $1,000 without receiving permission from the candidate. That does not apply after the candidate announces. It applies now when someone works on behalf of a candidate if that person thinks the man should be a candidate, if they expend an aggregate of $1,000 or more.

It seems to me that this language becomes redundant and places a burden on the individual to make himself a candidate before he wants to become a candidate, or it makes him deny that he wants to be a candidate when he wants to go through the prerequisites under the law as to when he can file and formally become a candidate.

It seems to me that what we have said by adopting the Pastore amendment is that if anyone wants to spend more than $1,000, that individual must receive the permission of the individual he is campaigning for.

Mr. MATHIAS. That covers expenditures. A man can raise $1 million and not spend a cent and not be covered by the Pastore amendment.

Mr. COOK. Well, if a man raises $1 million and does not expend one dime of it, how is he going to conduct a campaign for a candidate who has not as yet said that he wants to be a candidate, by reason of the fact that he has $1 million in advance and does not utilize it for or on behalf of promoting that candidate for public office? Under the terms of the bill, if they have a committee and a man wants to become a candidate, even though they have raised $1 million, that committee cannot give him more than $3,000 for his campaign. So, they have $997,000 that they have to find some outlet for. Is that not correct?

The PRESIDING OFFICER. The Senator's time has expired.

Mr. COOK. Mr. President, I yield myself an additional two minutes.

Mr. MATHIAS. Mr. President, the question is, what does that candidate have to do about it? The question is, what responsibility does the purported candidate acquire? The $1 million does not have to be raised by a committee. The $1 million may be raised by really some good, enthusiastic fundraiser for the purpose of getting Marlow Cook to run for the Presidency.

Mr. COOK. The unfortunate fact is that that person, having raised $1 million for that purpose, as an individual can only give $3,000 to my candidacy as the bill stands today.

Mr. MATHIAS. He might develop those committees. However, those are the mechanical details which flow from his action. This amendment goes not to that activity, but what happens to Marlow Cook?

Mr. COOK. Let me ask the Senator a question. Does the Gallup Poll make a man eligible for the Presidency? Can a man come out and say, "Senator Mathias is the only Republican who can beat those Democrats, and he will likely be a candidate, because he can win."

Now, as of that time is the Senator saying that if some individual calls the candidate and says, "We are starting to work right now, we think this is the thing to do," at that stage of the game the candidate, by reason of that public pressure, must say "Cease"? Because I must say that it seems to me again we run right in the face of the first amendment.

Mr. MATHIAS. For that reason I could not call up the Baltimore Sun or the Washington Post and say, "Don't publish that Gallup poll," but I can call up a fundraiser who is out beating the bushes for me and say, "Knock it off, I don't want it."

Mr. COOK. Well, under the Pastore amendment you have to do it in writing.

Suppose the Baltimore Sun puts an editorial in the newspaper and says they are for you; you cannot tell the editorial writer to cease.

Mr. MATHIAS. No; and this amendment does not attempt to reach that.

Mr. COOK. Mr. President, I think under the Pastore amendment we have sufficiently established that if anyone attempts to expend in excess of the aggregate of $1,000, he has to have permission from the candidate. I think that puts the candidate, perhaps unfairly at that stage of the game, into the position of being a candidate long before he wants to be one. This is a decision the individual has to make for himself, whether he does or does not want to be a candidate, but we are saying that now he must rely on the fact that he is going to be forced into being a candidate, or else deny he is a candidate, well in advance of the time when he may wish to do so. Therefore, Mr. President, I continue to oppose the amendment.

The PRESIDING OFFICER. Who yields time? Is time on the amendment yielded back?

Mr. COOK. I yield back the remainder of my time.

Mr. MATHIAS. I yield back the remainder of my time, and ask for the yeas and nays.

The yeas and nays were ordered.

Mr. COOK. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. COOK. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. COOK. Mr. President, I ask unanimous consent that the rollcall vote on amendment No. 357 of the Senator from Maryland (Mr. Mathias) occur at the hour of 2:30 p.m. today.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HARRY F. BYRD, JR. Mr. President, will the Senator from Nevada yield me a little time, so that I might ask some questions?

Mr. CANNON. Certainly. How much time does the Senator want?

Mr. HARRY F. BYRD, JR. Five minutes

Mr. CANNON. I yield 5 minutes on the bill to the Senator from Virginia.

Mr. HARRY F. BYRD, JR. Mr. President, I favor this bill basically; I think it is very important that a limitation be put on the amounts of contributions that individuals can make to political campaigns. I think it is very important that a ceiling be placed on expenditures for political campaigns. I favor the $25,000 limit which the Senate approved last week. It is in conformity with legislation which I introduced earlier this year, I think in January.

There are several questions I would like to ask the Senator from Nevada for purposes of clarification.

I am not clear as to how loans are handled by this legislation, and how a person being a candidate for the House of Representatives or the Senate gets his campaign started.

I would assume that a person wishing to be a candidate for Congress would establish a committee, a finance committee or a central committee, or whatever he might want to call it, and the question I ask now is, once that committee is established, can the committee borrow money from the bank and repay that money as contributions are received?

Mr. CANNON. The committee could negotiate loans. However, a loan is considered the same as a contribution. Loans or other things of value are considered the same as contributions, so there would be a maximum of $3,000 from any one person or any one source from the standpoint of the loan, other than the exempted committees, which are the national committee of the party or the senatorial campaign committee.

However, there is a provision in the law that does not prohibit a bona fide loan conducted in the normal course of business. The amount of the loan, of course, if a loan were negotiated at a bank in the normal course of business, would be charged against the candidate's overall limit of the money that he could spend. Of course, if it were repaid, then it would not be included in the total. In other words, is the Senator talking about the typical seed money type of situation?

Mr. HARRY F. BYRD, JR. Yes, it is the seed money that I was interested in.

Mr. CANNON. That is the situation. Subject to those limitations, they can go out and negotiate loans, or a family loan could be negotiated up to the extent of the maximum limit we have placed on an individual family. We have seen that in a number of instances, where family loans have been used for the purpose of commencing campaigns.

Mr. HARRY F. BYRD, JR. Well, let us take first a bank loan. A person becomes a candidate for the House of Representatives, and he appoints a finance committee, and the finance chairman goes to the bank to obtain a $25,000 loan as seed money.

Now, I assume, from what the Senator says, that he is permitted to borrow that $25,000 from the bank, to be repaid from contributions later.

Mr. CANNON. The answer is yes, and that is covered in title II of the criminal code amendments of the present law, section 591, which we do not change in this particular bill. It defines contributions, and says:

> "Contribution means—
>
> (1) a gift, subscription, loan, advance, or deposit of money or anything of value (except a loan of money by a national or State bank made in accordance with the applicable banking laws and regulations and in the ordinary course of business), made for the purpose of influencing the nomination for election, or election, of any person to Federal office,

And so on.

So the committee could go to a bank, under these terms, and negotiate a loan in the ordinary course of business to commence a campaign, but it is not therefore construed as a contribution. However, if the loan were negotiated so that that loan, together with other expenditures, exceeded the candidate's authorized expenditure, then he would be in violation.

Mr. HARRY F. BYRD, JR. I understand that. But the point I wanted to try to understand is that Mr. X, the finance chairman for a particular candidate, could go to the bank and seek a loan of $25,000. The bank officers would probably say, "This is for a committee. We cannot lend it on that basis, but if you endorse it, we will lend it."

Now, his endorsement is for $25,000 even though he is restricted to a $3,000 individual limitation of contributions, that restriction would not prevent the bank from accepting his endorsement, I assume?

Mr. CANNON. If the bank is actually making the loan in the ordinary course of business, they would not be limited to the $3,000 contribution, because it is not a contribution.

The PRESIDING OFFICER. The Senator's 5 minutes have expired.

Mr. CANNON. It is a loan, and a bona fide loan in the ordinary course of business, and that would not be considered a contribution.

Mr. HARRY F. BYRD, JR. I thank the Senator.

QUORUM CALL

Mr. CANNON. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. JOHNSTON). The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. CANNON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HATHAWAY. Mr. President, I call up my amendment which is at the desk.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

> On page 48, line 25, insert the following: Between "any" and "provision" insert "comparable".

Mr. HATHAWAY. Mr. President, I have discussed this amendment with the Senator from Nevada. The purpose of calling it up is really to have a colloquy to explain the provision with respect to the Federal law superseding the State law; and undoubtedly at the end of the colloquy I shall withdraw my amendment.

Do I correctly understand that the Federal law will preempt any State law with respect to any Federal candidate, regardless of whether or not the Federal law covers a certain area that the State law might cover?

Mr. CANNON. Mr. President, it is the intent of the committee to completely supersede State law with respect to Federal elections. Once a man becomes a candidate, he is required to meet the requirements of Federal law, and we do not interpret this to mean that he would then be required to meet other requirements that have been written into individual State laws insofar as his candidacy for Federal election is concerned including the amount of money he is required to spend, including the number of reports he is required to make and to whom, and all other matters we can conceivably think of at this point.

Mr. HATHAWAY. I thank the Senator. I was particularly interested in the reporting requirements. I understand that a candidate for Federal office now would still have to file those reports which are required by the law as it is being amended by this bill and that no State law which requires any other kind of reporting would have to be filed by a candidate for Federal office.

Mr. CANNON. That is the intent of the committee, and we believe that we have expressed it in the language. We certainly want it to appear clear in the RECORD that that is our understanding.

Mr. HATHAWAY. If the State had a law which is not covered by the Federal law, which applied to elections in general, the candidate for Federal office would not be obligated to conform with those State provisions?

Mr. CANNON. Other than insofar as is required to become a candidate.

Mr. HATHAWAY. I understand that.

Mr. CANNON. The State may have specific provisions as to becoming a candidate; there may be different filing fees in one State or another; the number of signatures on a petition required to nominate; different forms of nomination—all these matters are left up to the States.

Once a man is candidate for Federal office, we feel we have preempted the field in this act.

Mr. HATHAWAY. I thank the Senator from Nevada.

Mr. President, I withdraw my amendment.

Mr. GRIFFIN. Mr. President, on behalf of the Senator from Kentucky (Mr. COOK), I yield 5 minutes to the Senator from Tennessee on the bill.

Mr. BAKER. I wonder if I may take a little more than 5 minutes.

Mr. GRIFFIN. Yes.

Mr. BAKER. Mr. President, I am keenly aware of the need for reform of our electoral process. In the wake of Watergate and the massive erosion of public trust and confidence in the Government, we should expect no less. However, we must avoid what some have called an orgy of reform—that is, reform without purpose or direction; reform which treats the ailing body politic with band-aids instead of surgery; reform which resembles change for the sake of change.

In saying that—as I shall indicate later in my statement—I am not making allegations against the form and substance of this bill but, rather, conceptual concern.

I think electoral reform of the most fundamental type is in order. But I think we do ourselves, the system, and the country a grave disservice by attempting to legislate a solution before we are fully aware of what the problems are. A number of campaign finance proposals have been considered in connection with the pending business, and I have strongly supported many, including a strict limitation imposed on individual contributions, a limitation imposed upon expenditures, a ban on all cash contributions, a strict limitation upon cash expenditures, an effort to bring order out of the chaos of political committees, full public disclosure of contributions, a single designated repository for individual campaigns, an independent elections commission, and a number of other changes in the existing statutes.

However, the problem is far greater; and by my consideration and determination of the merits of this bill and the several amendments to it, I do not wish to imply a limitation of the scope of what I conceive to be the necessary initiative of structural electoral reform.

The need for electoral reform was not created by Watergate, but rather exacerbated by it. Fifteen years ago, a survey showed that 80 percent of the people polled through the Government could and should be trusted; but in the years since then, that percentage has declined to the point that only one out of every two people place much stock in the integrity of public officeholders, not to mention their ability to govern effectively. This is not the kind of faith that can be restored overnight; nor is it the kind that will be restored by piecemeal attempts at alteration of the existing statutes. It is, rather, the type of faith that will only be restored if we can convince the American people that we have undertaken the sort of political soul-searching that is required under the circumstances and that we have made a concerted effort to enact meaningful electoral reform.

Such reform, in my view, should include consideration of shortening the official length of political campaigns particularly that for President, lending some semblance of uniformity to our primary process through a system of regional primaries.

I recall that in the early spring of 1972, one of my colleagues in the Senate, on the opposite side of the Chamber, who was a candidate for President, remarked to me:

> We have to get away from this business of having an election every Saturday.

The signs of strain and weariness on his face were ample evidence of that necessity.

We need to broaden the base for the selection of delegates to national conventions, tying those delegates more directly to the percentage of popular vote won in a particular State, or possibly even the election of delegates to the national conventions. I believe we have to modify or abolish the 18th century vestigial remains of the electoral process which resulted from a compromise at the time of the founding of the Republic—I refer, of course, to the electoral college—so as to prevent the election of a minority President or the political manipulation of an election in the House of Representatives, and, in general, give the American people a broader opportunity to participate in the selection of candidates for office, once again with special emphasis on the manner in which we select our candidates for President and Vice President of the United States.

I would also urge that consideration be given to methods of improving the cooperation between the executive and legislative branches of Government.

Perhaps if the President and key members of his staff were to be offered permanent office space in the Capitol, we might find them more accessible and they might find us more willing to cooperate on legislative initiatives. This is not an attempt to diminish the separation of powers, but rather to improve relations and communication.

Nor is it a criticism of this administration, but rather a commentary on the state of the Presidency as it has evolved over many years. It is important, I believe, that in some way we return to the era of a first-name Presidency. It is important, I believe, that we find a way to reduce the aura of mystique which has come to engulf the institution itself.

These are the types of fundamental reform which are necessary, in my view, if we are to effectively arrest the erosion of public trust and confidence in our Government, and these are the types of reforms which require the most careful deliberation and scrutiny before enactment by Congress.

Despite the unquestioned good intentions, the thoroughness, the workmanlike approach of the responsible committees of Congress in presenting to us the Federal Election Campaign Reform Act, presently pending before the Senate, this piece of legislation and several amendments to it, in my judgment, do not reflect the kind of thorough consideration and thorough reevaluation of the political system in the United States, and the most delicate and functional part of it, the selection of public officials, which these times mandate.

Moreover, the proposed legislation makes no effort to anticipate or accommodate the recommendations authorized and mandated by Senate Resolution 60, adopted last February by a vote of 77 to 0.

This is not to say that the Select Committee on Presidential Campaign Activities, known in the press as the Watergate Committee, is a repository of political wisdom. It clearly is not. But I believe substantial recommendations for the reform of the Federal electoral system, which may lie technically beyond the scope of Senate Resolution 60 are as inevitable as the pursuit of the facts and I suspect that the report of the committee created by Senate Resolution 60 will be as careful and as responsible as members of that committee can contrive. Moreover, when the committee's report on findings of fact and recommendations for changes in campaign laws and procedures is filed not later than next February 28, it is likely, in my judgment, that many of its recommendations will either overlap or conflict with whatever action we may take on the pending measure.

Consequently, Mr. President, as a means of expressing my desire for a more comprehensive approach to electoral reform, and for a more comprehensive approach to the selection process and intelligent dealings with the overlapping jurisdictions between the several branches of government; and as a means of illustrating my concern that our approach is not fundamental enough, but certainly not as a criticism of the distinguished Members of the Senate who brought us this legislation, or the amendments adopted to it, or which were considered or failed to be adopted, without criticism of any Member of this body; but rather to express concern that our reform efforts be deeper and more comprehensive, it is my intention after first obtaining leave of the Senate under the Rules of the Senate to do so, to vote not for nor against this bill, but to answer present.

Mr. President, if it is in order at this time, I ask unanimous consent that on the rollcall on final passage of this bill I may be permitted to answer present instead of for or against.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CANNON. Mr. President, I yield myself 3 minutes.

I appreciate the remarks that my distinguished colleague has made and his reasons for making them. I simply point out that while it does appear that many of the changes in the bill are as a direct result of actions of the Watergate Committee and the matters that have there been disclosed, it is a fact that the reforms in the bill go far beyond the Watergate proceedings and as a direct result thereof.

Many of the proposals for change in the bill were initially in the bill that was passed in 1971. Many of them were proposals approved by the Senate, on the floor of the Senate. But when we went to conference, we were unable to get the House to agree to them, and we had to drop them. A number of provisions that the Senate voted on were dropped in conference. They are again, however, in this bill. They are provisions that we think should add some responsible features to the present election law.

I certainly agree with the distinguished Senator that we should look forward to recommendations of the committee when they have completed their work. They could well go into the election laws.

But I point out that I do not believe the American public is willing to wait until that time for the Senate to take some action. We had commenced action on this proposed legislation prior to the developments of Watergate.

The bill now before us is one that comes from two committees of the Senate. Two committees took jurisdiction over parts of the bill. The bill was considered first by the Committee on Commerce, on which the distinguished Senator from Tennessee and I both serve. After the Committee on Commerce had concluded its work on the bill, it was referred to the Committee on Rules and Administration for consideration of matters within its jurisdiction. So it is quite obvious that the bill has had considerable careful consideration.

I might say that the bill has received more consideration than some of the amendments that have been proposed on the floor of the Senate during the debate, and which I believe have stemmed from Watergate publicity. Many amendments have been offered and accepted simply as a result of the pressures of Watergate rather than as a result of study and hearings in committee—amendments that go to the very essence of their viability or desirability.

I simply say to the Senator that we often get ourselves into situations where we have to respond to pressures, and perhaps by legislating on the floor of the Senate we come out with legislation that has not been adequately considered in certain areas. As a result, we may find ourselves here a couple of years from now trying to amend the legislation again.

I also wish to point out to the distinguished Senator, the vice chairman of the Watergate Committee, established under a resolution, that the House has not even started to consider campaign legislation as of this time. It may be that at the time the Watergate Committee reports its recommendations, we will still be in a position of waiting to go to conference with the House. If so, I can assure the distinguished Senator, as one who will probably be a member of the conference committee, that I certainly would be willing to take into consideration at that time all of the recommendations that the Watergate Committee might make.

Mr. BAKER. Mr. President, will the Senator from Michigan yield me 1 minute?

Mr. CANNON. Mr. President, I will yield to the Senator from Tennessee whatever time he may require.

Mr. BAKER. I appreciate the remarks of the distinguished chairman of the Committee on Rules and Administration. He is entirely correct in every respect. It is simply that my concern for maintaining momentum for fundamental change might determine whether legislating will not have a far more sweeping effect than a charge that one voted for or against this particular measure.

By answering "present" I am trying to preserve all my options, and to put the Senate on notice that, for my own purposes, I intend to go much further than the bill goes. I do not doubt for 1 minute that the Senator from Nevada (Mr. CANNON) states the situation correctly and describes also the pressures that are at work. I am not critical of the committee that has brought to the Senate what I believe, by and large, is a good piece of legislation. But this is my way of saying that there is more to come.

I do not wish at this time to diminish in any respect the Senate's freedom to act as we have now acted, or are about to act, or to act in a new and different way at some point in the future, particularly after the report of the Watergate Committee.

I thank the Senator from Nevada for his remarks. I entirely concur.

Mr. CRANSTON. Mr. President, will the Senator yield?

Mr. BAKER. I will, if I have any time.

Mr. COOK. Mr. President, I yield myself 5 minutes on the bill. Does the Senator wish to address a question?

Mr. CRANSTON. I wanted to address a question or two to the Senator from Tennessee.

Mr. COOK. Mr. President, I yield to the Senator from California for the purpose of propounding a question to the Senator from Tennessee.

Mr. CRANSTON. Mr. President, I listened with great interest to the remarks of the Senator from Tennessee. I share with him the feeling that it will be necessary to go further than S. 372 goes, even though it provides remedies for problems that we knew of before the revelation of Watergate as well as dealing with some problems revealed by the Watergate investigation.

The distinguished chairman of the Committee on Rules and Administration and the distinguished chairman of the Finance Committee both have agreed to hold hearings in September on proposals for public financing of campaigns. Some of us have given a good deal of thought to public financing. There are now proposals that combine public and private financing and which go quite a bit further into the field of public financing.

I am delighted that the Senator from Tennessee will have further suggestions to make. I hope he will take a real, hard look at public financing—either a combination of public and private financing, or, as an alternative, all public financing.

First, I would like to ask the Senator if he has given thought to the possibility of public financing? My second question is, what likelihood is there that the committee on Watergate itself will come forward with specific suggestions in the field of campaign reform?

Mr. BAKER. Mr. President, if the Senator will yield——

Mr. COOK. Mr. President, I yield to the Senator to reply.

Mr. BAKER. I think it is likely that the Watergate Committee will have recommendations on institutional arrangements in the field of governmental involvement, in the field of electoral reform, financing, and the like. I think it is entirely possible the committee will make specific recommendations, even though we are not a reporting committee. I have not yet given attention to whether it will be appropriate for the committee to make recommendations on the question of public financing. As the Senator knows, I was one of the sturdiest opponents of public financing in the past. I am perfectly willing to say now on the floor of the Senate that I intend to reexamine that. In light of the hearings which have been held, in light of the changing and evolving times, I owe it to myself and the public to reconsider that possibility. However, if we finance campaigns from the Federal Treasury, we should be aware that we may have Federal regulations in the most delicate of all political processes, in the election of ourselves, and we may have a Federal bureaucracy telling us how to run campaigns. I still have that fear, but I must say I am now reexamining my feelings in that respect, and I do not rule out the possibility that I may turn to that in preference to any other form, although I must say it presently does not appeal to me. There are many aspects of it that do not appeal to me. However, I do not think it would be appropriate for me to delineate my feelings about public financing of campaigns at this time except to say I am not only willing but here publicly state my intent to reexamine that situation in light of the public disclosures.

Mr. CRANSTON. I thank the Senator for a very direct response to my questions. On the matter of public financing, a number of Senators have stated privately or on the Senate floor that they are reexamining their views in light of——

The **PRESIDING OFFICER.** The time of the Senator has expired.

Mr. CRANSTON. May I have 1 more minute?

Mr. COOK. Mr. President, I yield myself 5 minutes on the bill and yield 1 minute to the Senator from California.

Mr. CRANSTON. Others have said they have now come around to accepting public financing, something they have not supported previously. The Senator referred to the fact that Government bureaucrats might get control of political campaigning through public financing. That is one of the many pitfalls we must guard against, along with other problems, such as how do we give independent candidates a fair shake? I believe we will have to get answers to those questions, and I am delighted with the efforts to get the best answers which the Senator from Tennessee and other Senators will make.

The **PRESIDING OFFICER.** The Senator from Kentucky has 4 minutes.

Mr. COOK. Mr. President, may I first apologize to the Senator from Tennessee for not being here. He advised me of what he was going to say. The Senator from Kentucky wishes merely to commend the Senator for taking advantage of rule XII, in the position he finds himself in. I think we have to admit to ourselves that we were in a position where we worked on this bill in the Commerce Committee and then we were in a decided time limitation in the Committee on Rules and Administration that was imposed on us by the Senate.

I do not think there is any question that this bill deals basically wth two items, and only two items. First is the item on reporting; second, the item on financing. It does not deal with many of the problems that plague the Senator from Tennessee as he deals with the present hearings. We are not talking about methods of campaigning. We are not talking about responsibilities of candidates, whether they be positive or negative, which I know the Senator has had to deal with every day.

So I only say I look forward, I hope, to working with the Senator from Tennessee in developing that degree of response that we have all gotten as a result of the hearings and that we know must be taken into consideration and that we know must become a part of the debate and discussion on the floor of this body.

To that extent, this bill does not cover many of the fields which I know are extremely antagonizing at this stage of the game.

I can only say I am delighted he has taken this position under rule XXII, because the Senator from Kentucky is delighted to look forward to working in this area, under his leadership, with a view to meeting the challenge that all of us have to meet as a result of the disclosures that have been made and that may well be made.

So the Senator from Kentucky is delighted with the options that are available to the Senator from Tennessee. I only want to say that I hope he also feels they are available to me. I have worked on this matter in the Commerce Committee and I have worked on it in the Committee on Rules and Administration, and we have spent many days on the floor of the Senate, as the Senator well knows, up to now on this matter.

May I say to the Senator, just as an aside, I am afraid, in the present shape this bill may be in on final passage this afternoon, we will all have more than ample time to do what the Senator wants to do, because, having been a member of the conference committee 2 years ago with regard to this bill and the posture the Senate conferees had to take, we wound up with less than an adequate bill to bring back to the Senate. I think with a more adequate and with a fuller debate within the framework of the committee system, we will be able to touch the issues the Senator from Tennessee is concerned about.

Mr. BAKER. Mr. President, will the Senator yield to me in reply?

Mr. COOK. I yield.

Mr. BAKER. I thank the Senator from Kentucky. I have discussed many of the matters I have touched on the floor with him in committee. He may be assured I look forward to his participation in the Rules Committee and with other Members of the Senate in trying to formulate the best comprehensive approach in this area of the public trust, which is politics. I certainly do not intend to try to stake out a position of my own without the assistance of every member of every committee which has jurisdiction in the field and to which every Member of the Senate can make contributions. I am deeply appreciative of the remarks of the Senator from Kentucky. I look forward to collaboration with him in that respect in the future.

Mr. COOK. Mr. President, I yield the floor.

The **PRESIDING OFFICER.** Who yields time?

Mr. CANNON. Mr. President, I yield 10 minutes to the junior Senator from Rhode Island.

Mr. PELL. Mr. President, I urge my colleagues to enact S. 372, the Federal Election Campaign Act Amendments of 1973.

I congratulate the junior Senator from Nevada (Mr. CANNON) very much indeed on his excellent job of floor managing this most complicated piece of legislation.

Earlier this year I chaired hearings on this important campaign reform legislation. Testimony from many distinguished witnesses indicated that public faith in the integrity of our electoral processes continues to be seriously threatened by the undue influence which large contributions have on Federal elections. The enormous sums of money needed to conduct campaigns have caused many of our citizens to lose faith in our democratic processes. We must take decisive action to restore public confidence in our institutions of Government and in our elected officials.

We have all seen in the past few weeks how the actions of professional politicians have caused an increasing number of Americans to be disillusioned and to advise their children not to seek careers in politics.

Nevertheless, this is a complex and difficult problem. Whether we seek election reform through disclosure laws, or through limitations on overall campaign spending, and on individual contributions, constitutional issues involving first amendment freedoms are raised. Moreover, there are no easy ways to enforce these laws in a fair, efficient, and equitable manner. As I have stated in my additional views accompanying the Rules Committee report on S. 372, I have reservations about the constitutionality of these limitations and am troubled that they may put nonincumbents and minority candidates at a disadvantage.

Hopefully, public financing will ultimately provide us with a better and more effective way to address this problem. I have agreed to conduct hearings on public financing in the latter part of September. At that time, there will be a thorough examination of the viability of implementing the concept of public subsidization of election campaigns—a concept which, because it seems to me to minimize the constitutional issues, and because it would seem to assure minority candidates of a floor level of public funding—I support.

Yet, public financing is not without its problems. Among these are the proliferation of candidates in primary elections, criteria for determining who is entitled to subsidies, and how to arrive at an acceptable formula for allocating the subsidies. I am not at all sure that candidates from the major parties should be given larger subsidies than minority party or independent candidates; perhaps, the opposite is true. I am also not fully convinced that a candidate's subsidy should be determined by performance in previous elections. We must deal with these and other questions, and I renew my pledge to do this. It is my wish to have a viable public financing bill on the floor of the Senate at the earliest possible date.

Notwithstanding my support for the concept of public financing, I continue to favor any reasonable and earnest effort to improve, perfect, and better implement our election laws. This legislation, in its amended form, is such an effort. The Federal Election Campaign Act of 1971 is a good and, I believe, fundamentally workable law. Contrary to some recent reports in the press, I believe that this bill would strengthen, rather than weaken, our present law. It would require candidates to certify, in writing, to providers of services or supplies that spending limitations will not be exceeded; it would require all political committees which spend or receive over $1,000 per year to influence Federal elections to comply with the reporting requirements of the law; and, it would also require that persons individually expending over $100 must also report to the Commission.

My amendment, which was accepted by the Committee on Rules and Administration would provide that no contribution may be given to any candidate or political committee in excess of $100 during any calendar year unless such contribution is made by a written instrument identifying the person making the contribution. My amendment outlawed cash contributions in excess of $100. I am glad to say this amount was reduced to $50 on the floor of the Senate. Cash contributions can often be virtually impossible to trace, and they can provide an easy way to circumvent disclosure requirements and contribution limitations. The 1972 elections showed the abuses which could arise from excessive use of cash contributions.

By passing this amendment, I believe that at long last we will no longer have these black attache cases and brown paper bags full of $100 bills moving around the country, as they did last year.

Mr. President, I recognize that we cannot improve people or mores by law. However, I think that we can all agree that the offenses that have been committed, as brought out in the Watergate hearings, are offenses against public law and public mores, such as burglary, forgery, and others, and are really violations of the laws that have already been passed.

My own view is that we might have been well advised to let the present excellent law remain on the books unchanged and give it a chance to really work. I think that the full light of publicity on the sources of contributions will in itself act as an inhibiting cause so that if a man receives an improper contribution or a contribution from a questionable or improper source, that very fact will be a negative factor in his campaign for election or reelection. However, in any event the die has been cast, and the decision has been made that we should move ahead into these new fields.

I agree with the statement of the distinguished Senator from Tennessee that when the Watergate committee report is made, and has been finalized, there may be additional specific recommendations.

The bill, I am pleased to state, also provides that cash expenditures in excess of $100 are precluded. Both of these provisions are improvements directed at more full and open public disclosure and publicity of campaign contributions and expenditures. I will continue to support and favor such improvements.

Mr. President, I think the reasons for enacting S. 372, are compelling. It would, however, be a disservice to the public to contend that this legislation, public financing bills, or any election reform legislation would prevent a situation such as the complex series of events known as the Watergate affair. The reprehensible activities of forgery, nondisclosure, fraud, espionage, burglary, et cetera, are ones which are against present Federal and State criminal laws. Those who violate these laws are not likely to abide by the provisions of this law, or by any laws. They lack respect not only for the rule of law, but for the democratic process, and for the people of this Nation. We cannot legislate the integrity of our elected officials or of those who seek election. What we can do, and what I believe this bill attempts to do is to more fully expose those who abuse the electoral processes to public scrutiny, and to increased civil and criminal penalties.

One would hope that the general public would demand a higher standard of honesty and integrity in their elected officials. There is even a case in which a Member of Congress has been reelected when he was serving a jail sentence. I think that is more of a reflection on those who reelected this individual than it is on the Members of Congress.

Mr. President, to provide for more independent and better enforcement of election law, S. 372 provides for a Federal Election Commission. This commission would have primary civil and criminal responsibility for prosecuting illegal violations of Federal elections laws. The commission would also be the central body which would receive the reports required by law. This would lessen the considerable administrative burdens under our present laws. Having this independent Federal Election Commission is one of the most important aspects of this bill, and I strongly support it.

Mr. President, I again urge my colleagues to support S. 372. We must enact this legislation to help restore public confidence in the electoral processes.

We recognize that it is not a panacea. However, it is a step in the right direction. And I urge its passage.

Mr. COOK. Mr. President, I yield myself such time as I may require, and yield to the distinguished Senator from Virginia.

Mr. SCOTT of Virginia. Mr. President, I appreciate the Senator's yielding to me.

Mr. President, I will vote against final passage of this Election Campaign Act, but believe that I should briefly explain why I take this position.

While I would vote for a full disclosure law and vote for a measure that would provide for complete disclosure of all spending there are many objections to this bill.

As you know, Mr. President, over the past several days Senators have added amendment after amendment. I think we have a very confusing bill. It is not the same bill that came from our Rules Committee.

Just 2 years ago we had a so-called campaign reform bill that passed Congress. That indeed was a very complex law. It was difficult, if not impossible, for candidates for office to comply fully with every provision of that law.

I believe we are putting ourselves in a straitjacket by passing such legislation as this. It may well be that this is an incumbent's bill that we are acting on. It has been said from time to time that it is of more benefit to the incumbent Members of Congress than to their challengers. To me it is a confusing bill. I think it is a bad bill, and I shall have no hesitancy in voting against it.

Mr. President, I appreciate the kindness of the Senator from Kentucky in yielding time so that I could outline my reasons for opposing this measure.

The PRESIDING OFFICER. Who yields time?

Mr. COOK. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. COOK. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 353—AS MODIFIED

Mr. STEVENSON. Mr. President, I call up my amendment No. 353, and I send a modification to the desk.

The PRESIDING OFFICER. The clerk will state the amendment as modified.

The assistant legislative clerk read as follows:

On page 19, line 21, strike the numeral and insert in lieu thereof "$3,000".

Mr. STEVENSON. Mr. President, I ask that the amendment be modified in accordance with the modification I have sent to the desk.

The PRESIDING OFFICER. The amendment is so modified.

Mr. STEVENSON. Mr. President, under existing law, contributions of more than $5,000 received after the last reporting date before the election must be reported within 48 hours of receipt. Under S. 372, contributions of $5,000 must be reported within 24 hours. The effect of this amendment, as modified, is to require that contributions of $3,000 and over received after the last reporting date be reported within the 24 hours.

The bill (S. 372) now prohibits all individual and most political committee contributions in excess of $3,000. This amendment conforms the reporting requirement to the prohibition against contributions in excess of $3,000. It simply requires that those reporting provisions now applicable to contributions of $5,000 and higher, be applicable to contributions of $3,000 and higher.

I have discussed this amendment with the distinguished chairman of the Rules Committee, and I believe that he, and I hope the ranking minority member, are prepared to accept the amendment.

Mr. COOK. Mr. President, I yield myself 30 seconds.

This amendment conforms to the intent of the bill all the way through. We thank the Senator from Illinois for finding it. Basically, as a clerical amendment, we could probably make this change, but if there is any question about it, the amendment cures the problem, and I am perfectly willing to accept the amendment, and yield back the remainder of my time.

Mr. STEVENSON. I thank the Senator. I yield back the remainder of my time.

The PRESIDING OFFICER (Mr. JOHNSTON). All remaining time having been yielded back, the question is on agreeing to the amendment (No. 353), as modified, of the Senator from Illinois.

The amendment was agreed to.

The PRESIDING OFFICER. Who yields time?

Mr. COOK. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. STEVENSON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 351

Mr. STEVENSON. Mr. President, I call up my amendment No. 351.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk proceeded to read the amendment.

Mr. STEVENSON. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered. The amendment will be printed in the RECORD.

Mr. STEVENSON'S amendment (No. 351) is as follows:

On page 16, following line 18, insert the following:

(c) Section 302 of such Act is amended by adding at the end thereof the following new subsection:

"(d) In each case where a contribution $100 or over is received by a candidate or political committee, and identification required by this Act is not known, the campaign contribution shall be returned to the contributor if the required information has not been obtained within twenty days after receipt of the contribution. If sufficient information is still not known concerning the source of the contribution to permit its return within twenty days after receipt of the contribution, the contribution and its proceeds shall escheat to the United States."

Mr. STEVENSON. Mr. President, I send a modification to the desk and ask that the amendment be modified accordingly.

The PRESIDING OFFICER. The clerk will state the modification.

The assistant legislative clerk read as follows:

Modification of amendment 351:

On page 1, line 3, strike "or over".

On page 1, line 3 add "of over" immediately following the word "contribution".

The PRESIDING OFFICER. The amendment is so modified.

Mr. STEVENSON. Mr. President, under present law, and under S. 372, campaigns must report name, address, occupation and place of business of the person contributing over $100. There is no prohibition against accepting such contributions even when the information is not supplied at the time the contribution is made. Thus, a campaign can have full use for an indefinite period of time of contributions made without the required information.

This amendment simply provides that if a campaign does not obtain the requisite identification within 20 days of receipt of the contribution, the contribution must be returned. If there is enough information to permit its return, it must be returned to the contributor. If there is not sufficient information to permit return of the contribution to the contributor or it is to be turned over to the Government.

Without such a provision, the candidate might receive full benefit of such contribution and wait until after the election to try to get the requisite identification. If he is unable to provide the information, his campaign could receive a slap on the wrist, but the damage would have been done and the contributions would have been used for the benefit of the candidate.

This amendment simply supplies an element of prompt self-enforcement in an area where better enforcement is needed.

Again, I would hope that the committee would see fit to accept this amendment.

Mr. COOK. Mr. President, I yield myself such time as I may require.

I find the amendment rather inconsistent in relation to the debate we have had so far on the bill. First, we have accepted the Byrd amendment which requires how the funds can be used and requires how excess funds would be distributed, which does not have a great deal to do with the significance of this amendment, but at least, to some extent, it spells out the fact that the candidate cannot use it for his own use and he cannot embezzle it.

More than that, we are trying to get the people of the United States to become more enthusiastic about getting involved in the political system. We are saying that they should become more involved, but then we also are saying that if an individual sits down and writes out a check $101 or $105 and gives it to a candidate that he honestly wants to give it to, under present law, he can deduct a percentage of it on his income tax return as having given it to the candidate; and yet, somehow or other we find—maybe he is not going to find out until he gets his cancelled check that they could not find out the requirements, under the law, as to his name, address, place of business, and he has given his money to his Federal Government, when we know he did not want the Federal Government to get that money at all. He might even be offended at having given it to the Government.

That is like saying he should put so much money into a fund and it should be distributed equally to all the respective candidates. I can see that many people in the United States would be morally offended if they made a contribution to be distributed by a formula set up by the Congress and came to find out, by reading the newspapers, that their money which they wanted to go to candidate X, had gone to candidates X, Y, and Z, two of whom someone might be totally against, and one of whom he was for and sent his contribution to that man. It seems to me that if the amendment required that checks will be destroyed, or something of that nature, at least the integrity of the ability of the individual to want to give to the candidate of his choice is maintained, even though he did not comply with the law, which he may not know about, then I think many Americans will be particularly offended if they had to sit down and write out a check to the candidate of their choice and did not know that they were not complying with the restrictions under the law, and then came to find out that not only did their candidate not get their money but when they received their canceled check, they found out that, in effect, their check had escheated to the

Treasury of the United States, that their money went into the Treasury.

It seems to me that this really is going far afield with the ability of an individual to give. I think it is imposing on him and, really, not on the candidate—on the candidate by indirection but on the individual by direction, that he has to sit down and write out his check and put his name, address, business affiliation on the check, and if he fails to do so, the candidate has to send it back to him, if he knows where to send it back to him, and this individual who gave this sum of money without knowing what the requirement of the law was, finds out, in effect, that his money is escheated to the Federal Treasury.

If we are going to give him credit for this on his income tax, I might be able to buy it, but I cannot see how, when an individual wants to give money to a candidate who is not aware of the complexities of the law, if they fail to notify him, sends his check back, and he finds that the check has an endorsement on it that it has been received by the Treasury of the United States, and he has lost the voice of his money and his ability to contribute.

The person who will really be paralyzed by this amendment will not be the candidate but the individual who seeks to give his money to the campaign and because he has failed to read the intricate workings of the law, that he must have all these things on his check, and finds that his penalty, his money, will belong to the Government, and he will receive nothing except a total and complete loss to him of his money.

So, Mr. President, I must say, at least that this Senator cannot accept the amendment and feels that he would have to be violently opposed to it, not because of the responsibility of the penalty it imposes on the candidate, but the penalty it imposes on the individual who seeks to contribute to a campaign fund. I think he would be very much offended to find out that in his desire to support a candidate, he sits down and writes out a check and finds out that as a result of his failure to read the intricacies of the law, when he receives his cancelled check back, he finds out, in effect, that he made a contribution to the Treasury of the United States for which he receives absolutely nothing except the notification that, having failed to abide by the law, he is not violating the law for which he might be guilty of something and could be fined something, but violating the law to the extent that his entire penalty is his entire contribution, I think that is a very severe penalty to impose on a contributor who wishes to contribute to an individual's campaign.

Mr. CANNON. Mr. President, I agree with my colleague from Kentucky that this is not a good amendment. I can certainly see a lot of my constituents being very unhappy if they were to make a contribution and learn later that it had gone into the coffers of the Federal Government.

I think that the amendment of the Senator from West Virginia was a more responsible type of amendment, even though it covered funds left over from a campaign. With some provision such as that I would be inclined to go along. But we have a provision in the law now that tells what must be accompanying the contribution made. I would assume that those provisions would be complied with.

I would, therefore, have to oppose the amendment and urge its rejection.

Mr. COOK. Mr. President, in addition to what the Senator from Nevada has just said, under the terms of the bill now, if there is a failure to comply, the responsibility and the obligation is on the candidate, but under this amendment the obligation and the responsibility falls on the individual who made the contribution. Whereas, under the terms of the bill right now, we can violate the terms of the act, and we can violate it to the tune of $100,000, the penalty under here is not anywhere in the nature of $100,000 but, in this instance, for the failure of the individual to comply with this, his penalty, if he does not receive his check back, is 100 percent of his contribution. That seems to me, under those circumstances, to be an excessive penalty on the individual who wishes to make a contribution to an individual's campaign.

The PRESIDING OFFICER. Who yields time?

Mr. STEVENSON. I yield myself 3 minutes.

Mr. President, this bill, as amended by the Mondale amendment, recognizes a legitimate public interest in disclosure of economic interests of individuals who contribute more than $100. It says that the campaigns receiving such contributions are required to report the occupation and principal place of business of the donor. It requires reports, but then does not provide a good method of enforcement. It does not place any duty on the individual to report his occupation and principal place of business, and it says, in substance, that if the campaign committee wishes, it can go ahead and use the contribution, without making the report.

What I am suggesting is that, to put some teeth in the bill and to provide the candidates with a greater incentive to identify the occupations of the donors, there ought to be an obligation to turn the contribution over to the Government if the information is not reported.

It has been said that this would place an undue burden on the individual. It is a system with which I have lived voluntarily, and without any serious inconvenience either to my own campaigns in the past or to my own donors.

It seems to me that if an individual is offended by this requirement that he report his occupation, that gives more reason for requiring disclosure of that economic interest.

If it would make the chairman and the ranking minority member feel any better about this amendment, I would be glad to propose a further modification, to the effect that in the event any person whose contribution has been turned over to the United States pursuant to this section presents the Commission with evidence that he is the contributor, the Commission shall transfer to such person an amount equal to the amount of the contribution. That would eliminate the concern expressed by the ranking minority member, that innocent people giving a contribution to a candidate will find out later that, in fact, it went to the Government. If that is the concern, it could be put to rest by such a modification.

Would the chairman and the ranking minority member accept the amendment with this further modification?

The PRESIDING OFFICER. The Senator's time has expired.

Mr. COOK. I yield myself 2 minutes on the bill.

I say to the distinguished Senator from Illinois that he is going to make this commission a body that not only is going to make a determination of the report but also is going to make a determination as to whether the candidate has complied with the respective regulations of this bill; and on top of that, he is going to give them the burden to sit in judgment, to sit basically as a trial panel, to make a determination, first, whether the individual did this with premeditation, that he did not intend to put down his occcupation, so that they accuse him of having violated the law, and his money goes to the Federal Government, and this question will be determined by the commission.

I can only say to the Senator from Illinois that we can rationalize all these things and try to make something better out of what is; but it seems to me that when we get into this we have to make a determination in this bill as to whether the commission would have the authority to function against a contributor who would come under the terms of this requirement: whether this bill lends itself to the establishment of the commission for the purpose of making a determination as to whether the candidate has complied.

Now we are saying that the commission is going to be broadened to the extent that they make a determination as to whether the individual complied.

I think the Senator from Illinois will admit this: Let us say that an individual—a wife, a husband, anyone else—makes a contribution and finds out that in making a contribution of $150 to a candidate because he really believes in him, he did not mention his occupation or his address. We are talking about 50 States. Let us say the headquarters of a Presidential candidate is in New York or Florida and this individual is from Alaska and that they cannot find out where he is. Then the individual finds that his money is escheated to the U.S. Government. How, then, is he to plead his case? Where does he plead it? In Alaska? No. Apparently, he has to come before the commission. He has to spend $600 to travel to and from Alaska. When he pleads his case and they decide that he made a logical error and that he should get his money back, bureaucracy will give him his $150 back about 2½ years from now.

It seems to me that we really should not be called upon to have a file this thick on an honest individual who made a $150 contribution to a Presidential campaign whose headquarters is in New York City and he failed to comply with all the requirements of this law. I think we do him a tremendous injustice if we escheat his money to the Federal Government when he did not intend the money to go to the Federal Government, in the first place.

I do not think this adds a great deal to this amendment, other than a great deal more confusion.

Mr. STEVENSON. Mr. President, this requirement that the occupations of donors of more than $100 be reported has a loophole in it large enough to drive a truck through. It says reports are required, but then it does not effectively require the reports.

It recognizes that the public does have a legitimate interest in the economic interests of donors, but it does not require that donors report their occupations. It says to the candidates, "If you cannot report, you do not have to. Just go ahead and use the money." That does not provide much incentive for reports by candidates of the occupations of the donors of large campaign contributions—contributions over $100.

I do not wish to prolong the debate. I do not intend to ask for the yeas and nays. If the chairman and the ranking minority Member are prepared to yield back their time, I will yield back my time.

Mr. COOK. I yield back the remainder of my time.

The PRESIDING OFFICER. All time on the amendment having been yielded back, the question is on agreeing to the amendment of the Senator from Illinois, as modified.

The amendment, as modified, was rejected.

The PRESIDING OFFICER. The bill is open to further amendment. Who yields time?

What is the will of the Senate?

Mr. CANNON. Mr. President, I do not know whether or not there are other amendments to be called up. So far as the manager of the bill is concerned, I am ready to go to third reading of the bill at any time. We do have an amendment pending that is to be voted on, by a yea and nay vote, at 2:30.

The PRESIDING OFFICER. That is correct.

Mr. CANNON. Therefore, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. JOHNSTON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JOHNSTON. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk proceeded to read the amendment.

The amendment is as follows:

At the appropriate place insert the following new section:

SEC. —. Title III of the Federal Election Campaign Act of 1971 is amended by adding at the end thereof the following new section:

"USE OF CONTRIBUTED AMOUNTS FOR CERTAIN PURPOSES

"SEC. —. Amounts received by a candidate as contributions that are in excess of any amount necessary to defray his campaign expenses, and any other amounts contributed to an individual for the purpose of supporting his activities as a holder of Federal office, may be used by that candidate or individual, as the case may be, to defray any ordinary and necessary expenses incurred by him in connection with his duties as a holder of Federal office, or may be contributed by him to any organization described in section 170(c) of the Internal Revenue Code of 1954. To the extent any such contribution, amount contributed or expenditure thereof is not otherwise required to be disclosed under the provision of this Title, such contribution, amount contributed or expenditure shall be fully disclosed in accordance with regulations promulgated by the Commission. The Commission is authorized to promulgate such regulations as may be necessary to carry out the provisions of this section."

Mr. JOHNSTON. Mr. President, this amendment is introduced on behalf of myself and the Senator from Georgia (Mr. NUNN) and the Senator from Idaho (Mr. MCCLURE). All three of us have seen a real problem in the present law. The amendment is to cover the obverse situation from the Byrd amendment. The distinguished Senator from West Virginia introduced an amendment stating that campaign funds could not be used for personal purposes. It was an excellent amendment that made perfectly clear that no excess campaign funds or side funds, as they are often called, could be used for personal purposes of candidate or office holders after election. However, the amendment did not cover the obverse side and tell the incumbent Federal office holder what he could use those funds for.

This amendment would provide, first, that excess funds or other amounts contributed to an individual for purposes of supporting his activities as a holder of Federal office may be used by the candidate or individual to defray any ordinary and necessary expenses incurred by him in connection with his duties as a holder of Federal office, or may be contributed by him to a charitable organization.

The amendment does a couple of other important things. First, it requires a full disclosure of all amounts spent, in detail, and the purposes of those expenditures to be made. It also does something else that is very important, and that is it authorizes the Commission to promulgate rules and regulations which may be necessary to carry out the purposes of this amendment.

It is very important, Mr. President, that the Commission be authorized to make these rules to give us guidelines as to what the money can be spent for.

I was amazed when shortly after I arrived in the Senate I found there were no Federal funds to make the revision programs to report to the people back home. No Federal funds were available. But I was advised that excess campaign funds, by those lucky enough to have them, could not be used for that purpose. It is a part of the job of being a Senator but those excess funds cannot be used for that. A Senator would have to set up a separate fund if he were going to have programs back home, unless he were wealthy enough to be able to pay for those costs out of his own pocket.

Mr. NUNN. Mr. President, will the Senator yield?

Mr. JOHNSTON. I yield.

Mr. NUNN. I think this is an excellent amendment and I hope it will begin to clarify some of the obscure provisions of the law we are laboring under.

I wish to comment on the last observation of the Senator. We have been advised exactly the opposite, as far as television and radio are concerned, and extra newspaper advertisements. Although there are no Federal provisions we have been advised you can take them from political contributions, and we have been advised on different occasions different things about expenses when a Senator takes someone to lunch and loses the grabbing contest and ends up with the bill; when we have constituents here, here on constituent business from Georgia, whether we can take that out of a political fund. We have had so much conflicting advice that I think the Senator is performing a real service in trying to clarify this matter.

No one wants to use these funds for personal expenses but many items are not personal expenses, that are not reimbursed by the Federal Government, and there is no provision for, that most Senators are using these funds for, and there is a question about the legality of it.

I commend the Senator and I join him so that we can begin to clarify this and get written opinions on what the law is, what the regulations are, and we will have no doubt. I think that this will go a long way toward eliminating the gray area we operate in now.

Mr. JOHNSTON. I thank the Senator. I point out that in my judgment all these expenses that are ordinary and necessary to the business of being a Senator ought to be provided by the Government so that we should not have to rely on campaign funds or side contributions. Until we reach that point, we at least need clarifying language as to what we can spend money for, and rules to implement that language.

Mr. METCALF. Mr. President, will the Senator yield for a couple of questions?

Mr. JOHNSTON. I am glad to yield if I have the time.

Mr. METCALF. If a Senator had excess campaign funds, under the Senator's amendment would he be allowed to invest those in Government bonds so they would draw interest until the next campaign?

Mr. JOHNSTON. No, this amendment does not provide for that. I understand that is not otherwise allowable, and this would make no change in the law. It would simply deal with those expenses necessary to his job as a Senator.

Mr. METCALF. He would have to spend the funds? He could not save them and hold them over?

Mr. JOHNSTON. This amendment would neither permit it nor prohibit it.

Mr. CANNON. Mr. President, will the Senator yield?

Mr. JOHNSTON. I yield.

Mr. CANNON. The Senator responded with respect to his amendment. Under the Byrd amendment, it is broader than that and says, in addition:

> That notwithstanding the provisions of this section, any surplus or unexpended campaign funds may be contributed to a National or State political party for political purposes, or to educational or charitable organizations, or may be preserved for use in future campaigns for elective office, or for any other lawful purpose.

So that, under the Byrd amendment, the answer to the Senator's question would be "yes."

Mr. METCALF. Would that be changed, then?

Mr. CANNON. No; that provision would not be changed by the amendment of the Senator.

Mr. JOHNSTON. That is correct.

Mr. METCALF. Under the Byrd amendment, it would not be changed. Part of those campaign funds could be contributed to a State committee or some other committee for the support of an election organization; is that correct?

Mr. CANNON. The Senator is correct.

Mr. JOHNSTON. The amendment is in no way inconsistent with, but is supplementary to, the Byrd amendment.

Mr. METCALF. I thank the Senator.

Mr. CANNON. The Senator from Louisiana's amendment would make clear what is already intended under rule XLII, subsection (3), but it would clarify that point. I know there has been some need for clarification, one of the reasons being it was difficult to get an advisory opinion from the Commission. We hope, under the provision written in the bill, it will be possible for persons to have advisory opinions from the legal division of the Commission.

Mr. JOHNSTON. That is right; not only advisory opinion, but rules as to what can or cannot be done.

Mr. NUNN. Mr. President, will the Senator yield?

Mr. JOHNSTON. I yield.

Mr. NUNN. Is it not a fact that we have asked the Ethics Committee for rulings and we cannot even buy Coca-Colas and coffee to serve our constituents in our own offices and call them expenses, even though they are not reimbursed by the Federal Government?

Mr. JOHNSTON. I am told that is right.

Mr. NUNN. That is an absurdity. Expenses not to be reimbursed by the Federal Government will be permissible under the Senator's amendment?

Mr. JOHNSTON. Yes.

Mr. DOMENICI. Mr. President, will the Senator yield?

Mr. JOHNSTON. I yield.

Mr. DOMENICI. The Senator intends that amounts which are received by a candidate as contributions that are in excess of any amount necessary to defray his campaign expenses may be used by that candidate or individual to defray any ordinary and necessary expenses incurred by him in connection with his duties as a holder of Federal office?

Mr. JOHNSTON. That is correct.

Mr. DOMENICI. Do I understand the Senator means he or I would have such contributions occurring in and after an election, in our own right, for the purposes stated here?

Mr. JOHNSTON. That is correct, limited to the activities that are necessary in connection with that function.

Mr. DOMENICI. And subject to the rules of the Commission in the future?

Mr. JOHNSTON. That is right, subject to the rulemaking power and subject to the obligation to fully disclose everything that is both collected and spent.

Mr. DOMENICI. I thank the distinguished Senator.

Mr. CANNON. Mr. President, I am prepared to yield back the remainder of my time.

Mr. JOHNSTON. Mr. President, I yield back my time.

The PRESIDING OFFICER. All time on the amendment having been yielded back, the question is on agreeing to the amendment of the Senator from Louisiana, proposed for himself and other Senators (putting the question).

The amendment was agreed to.

The PRESIDING OFFICER. Pursuant to the previous order, the Senate will now proceed to vote on the amendment of the Senator from Maryland. The yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Alaska (Mr. GRAVEL) is necessarily absent.

I further announce that the Senator from South Dakota (Mr. ABOUREZK) is absent on official business.

I also announce that the Senator from Mississippi (Mr. STENNIS) is absent because of illness.

Mr. GRIFFIN. I announce that the Senator from New York (Mr. BUCKLEY), the Senator from Kansas (Mr. DOLE), and the Senator from Ohio (Mr. SAXBE) are necessarily absent.

The Senator from Arizona (Mr. GOLDWATER) is absent because of illness in his family.

The Senator from Ohio (Mr. TAFT) is absent on official business.

The result was announced—yeas 13, nays 79, as follows:

[No. 352 Leg.]

YEAS—13

Beall
Case
Hart
Huddleston
Mansfield
Mathias
McIntyre
Nelson
Packwood
Percy
Proxmire
Schweiker
Stevenson

NAYS—79

Aiken
Allen
Baker
Bartlett
Bayh
Bellmon
Bennett
Bentsen
Bible
Biden
Brock
Brooke
Burdick
Byrd, Harry F., Jr.
Byrd, Robert C.
Cannon
Chiles
Church
Clark
Cook
Cotton
Cranston
Curtis
Domenici
Dominick
Eagleton
Eastland
Ervin
Fannin
Fong
Fulbright
Griffin
Gurney
Hansen
Hartke
Haskell
Hatfield
Hathaway
Helms
Hollings
Hruska
Hughes
Humphrey
Inouye
Jackson
Javits
Johnston
Kennedy
Long
Magnuson
McClellan
McClure
McGee
McGovern
Metcalf
Mondale
Montoya
Moss
Muskie
Nunn
Pastore
Pearson
Pell
Randolph
Ribicoff
Roth
Scott, Pa.
Scott, Va.
Sparkman
Stafford
Stevens
Symington
Talmadge
Thurmond
Tower
Tunney
Weicker
Williams
Young

NOT VOTING—8

Abourezk
Buckley
Dole
Goldwater
Gravel
Saxbe
Stennis
Taft

So the Mathias-Stevenson amendment was rejected.

Mr. COOK. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. HATHAWAY. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. COOK. Mr. President, I send an amendment to the desk and ask that it be stated.

The PRESIDING OFFICER. The clerk will report the amendment.

The assistant legislative clerk proceeded to state the amendment.

Mr. COOK. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

> On page 48, line 25, after the word "supersede" add, "and preempt".

Mr. COOK. Mr. President, for the benefit of those who have been concerned in the past about having to file all of our Federal and regulatory forms, and are concerned as to whether they have to file State forms, and whether they have to be coexistent, at the bottom of page 48, we have a provision that reads:

> SEC. 403. The provisions of this Act, and of regulations promulgated under this Act, supersede any provision of State law with respect to campaigns for nomination for election, or for election, to Federal office (as such term is defined in section 301(c)).

Now, "supersede" is a word of art. So that we may have no question about it, this amendment adds "and preempt" any provision of State law with respect to campaigns for nominations for election to Federal office.

I think this totally clarifies the matter. It does not leave it up in the air as to interpretation of the word "supersede," and I think we have made it very clear, with the words "supersede and preempt," and I move the adoption of the amendment.

The PRESIDING OFFICER. The Senate will be in order.

Do Senators yield back the remainder of their time?

Mr. COOK. I yield back the remainder of my time.

Mr. CANNON. I yield back my time.

The PRESIDING OFFICER. All remaining time having been yielded back, the question is on agreeing to the amendment of the Senator from Kentucky (Mr. COOK).

The amendment was agreed to.

Mr. COOK. Mr. President, I ask unanimous consent, for and on behalf of the distinguished Senator from Kansas (Mr.

DOLE), to submit his remarks relative to the bill for printing in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

STATEMENT BY SENATOR DOLE

I certainly commend the efforts of those Senators who have spoken on the subject of election campaign reform. As one who supported the enactment of the Federal Election Campaign Act of 1971, I certainly believe there has been a clear demonstration of public support for efforts to put campaigns for public office on a high plane which will assist the voters in making reasoned, informed choices for their elected representatives. This support is well placed. The history of political campaigning—like the history of business, medicine, labor organizations and many other areas of human endeavor—discloses ample room for improvement.

I believe the 1971 act took many worthwhile steps toward establishing reasonable guidelines for those conducting Federal campaigns, identifying serious abuses of the elector process, and illuminating the financial dealings of contributors and candidates. The new act filled a great void in the law, for its predecessor, the Corrupt Practices Act, was certainly one of the most loophole-ridden statutes ever enacted. As with any new system, the mechanisms and processes established by the 1971 act had some rough edges and early deficiencies which were disclosed during the course of the 1972 campaign. The law is in need of improvements and refinement, and certain areas were clearly marked out for additional reform and legislative initiative.

SOME DOUBTS

I have been a consistent supporter of election law reform and support this year's effort to pursue it. However, I have some doubts that S. 372 as it stands today serves the fullest interest of achieving real reform. In fact, as the distinguished Senator from Kentucky [Mr. COOK] indicated on the floor last week, all that these changes may eventually mean is that anyone who runs for Federal office—win, lose or draw—will wind up in jail. I hope we have not produced such a result, but we have certainly added—along with many good and constructive features—a great deal of complex, highly complicated and hard-to-understand provisions to an already involved statutory framework.

Two points in particular raise serious questions in my mind. One deals with the conflicts between the first amendment and the limits placed by the bill on individual contributions and campaign spending. The second concerns the wisdom of pursuing what might be called a "one man—one dollar" philosophy of political campaigning.

CONFLICT WITH FIRST AMENDMENT

The 1971 act took the approach that disclosure of campaign finances was the most important and constructive goal to be pursued in campaign law reform. The guiding belief was that if a voter knew how much candidates were spending and the sources of their contributions he could then decide how to vote by taking this information into account along with the candidates' programs and positions on the issues.

It was recognized that the communications media, including broadcasting, presented a special case where one candidate could gain an unfair advantage over an opponent by monopolizing available time, space and access, through huge expenditures. Therefore, specific limits were set on amounts which a candidate can spend in these areas in primary and general elections. While clearly touching areas relating to the first amendment's freedoms of expression, the Congress felt—and quite correctly, I believe—that fairness and the public interest required some restraint on any candidate's ability to overwhelm the communications media in an age when they, especially radio and television, are of such great importance in the electoral process.

EQUAL TIME PROVISION

I, personally, felt the logical corollary to this limitation on broadcast expenditures would have been to provide an exemption from the so-called "equal time" provision of the Federal Communications Act for major party candidates for all federal offices. Such an exemption would have freed broadcasters from the requirement to furnish all candidates—even those of splinter parties or those without any serious possibility of receiving any substantial percentage of the vote—with second-for-second broadcast time equality.

Thus, greater opportunities would be provided for debates between major candidates for President, Senator and Congressman—in the style of the Nixon-Kennedy debates of 1960. Unfortunately, the equal time rule was not repealed in the 1971 act; however, I am pleased that the Senate has provided an across the board repeal of the equal time provision in S. 372. I consider it one of the most important and best features of the bill and believe it will provide the American voting public with a unique opportunity to make a sound assessment of the positions and proposals of the candidates in 1974.

But placing limits on the total expenditures a candidate may make or the total amounts an individual can contribute to support a candidate go far beyond the question of limiting "big money" influence in our political process; it reaches into the basic guarantees of the first amendment to freedom of speech, freedom of the press and freedom of association.

I believe the question of money in politics is one which requires very careful study and watchfulness. But the philosophy of the Congress in 1971 still seems, to me, the most sound and acceptable way to deal with it. Let the people know where a candidate gets his contributions and what he does with them, and then let the people express their approval or disapproval in the voting booth.

I do not believe we can go further in limiting and regulating the first amendment's guarantees without overstepping the Constitution's limits.

ADVANTAGE TO INCUMBENTS

In addition, I seriously doubt that a rule of "one candidate—one dollar" is good public policy. To put it quite simply, any imposed financial equality between candidates would create a lopsided advantage for any incumbent President, Senator or Congressman. If we are going to say that an incumbent's opponent can only spend X dollars to defeat him, we are guaranteeing the built-in advantage of any officeholder who is running for re-election. I do not know if a dollar figure has been placed on the value of incumbency, but it is a fact of political life that all other things being equal you have to out-spend an incumbent to beat him. Of course, equal financing might be of some importance in a campaign between two nonincumbents, but that type of race is the exception rather than the rule in the great majority of Senate and House contests—and in most of the Presidential races, too.

And the same rule applies in States and districts where one party holds a substantial advantage in registration and voter turnout. A candidate from the minority party would have to count on offsetting his advantage by outspending his opponent. And whether you are talking about bucking some big city machine or an intrenched rural establishment, the only chance a minority candidate has of mounting a creditable threat to his opponent is by pouring enough money into the race to get his message to the voters.

So, I do not see these efforts directed at achieving financial equality as worthwhile steps toward reform. They are questionable on constitutional grounds, and they clearly point the way to placing an unquestioned disadvantage on challengers to incumbent officeholders and on minority party candidates in heavily Democratic or Republican States and districts.

CONCLUSION

Two commitments in Kansas today—funeral services for W. L. White, the former editor of the Emporia Gazette and ceremonies at the Eisenhower Center in Abilene marking the 20th anniversary of the Small Business Administration—prevent my participation in the vote on final passage of S. 372. If present, however, I would cast my vote in favor of the bill with the hope that bill's weaknesses, deficiencies and questionable features can be improved upon by the House and lead to a final bill which will serve the broadest interests of reform in the process of electing our highest Federal officeholders.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. CANNON. Mr. President, as far as I know, there are no other amendments to be called up. I do not want to preclude any Senator from calling up amendments.

Mr. McCLELLAN. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. McCLELLAN. Is the bill subject to debate after third reading?

Mr. CANNON. The bill is subject to debate after third reading, I might say to my colleague, provided that the debate is concluded before 3:30 p.m. There is a unanimous-consent agreement that the bill will be voted on at or before that time.

Mr. McCLELLAN. I have no objection to third reading, but I do want to ask some questions about it.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill (S. 372) was ordered to be engrossed for a third reading, and was read the third time.

Mr. CANNON. Mr. President, I yield the Senator from Arkansas such time as he may require.

The PRESIDING OFFICER. Before the Senator proceeds, the Senate will be in order. Senators will take their seats.

The Senator from Arkansas may proceed.

Mr. McCLELLAN. Mr. President, I only wanted to inquire about one provision of this bill. I call the attention of the distinguished manager of the bill, on page 34, to subsection (d) at the bottom of the page. Its provision reads as follows:

> Notwithstanding any other provision of law, the Commission shall be the primary civil and criminal enforcement agency for violations of the provisions of this title, and of sections 602, 608, 610, 611, 612, 613, 614, 615, and 616 of title 18, United States Code. Any violation of any such provision shall be prosecuted by the Attorney General or Department of Justice personnel only after consultation with, and with the consent of, the Commission.

If I interpret this correctly, any violation of this title or any violation of the sections of the statute specifically referred to cannot be prosecuted by the Department of Justice except and until after it has consulted with the commission and obtained its consent to enforce the law and to bring prosecutions thereunder. If I interpret this section correctly as it reads, that seems to me to be the effect of it.

Mr. CANNON. The Senator is absolutely correct. That is not only the effect of it, that is the intention, as expressed in the language.

The Supreme Court has said on many occasions that Congress has the right, to protect the elective process, to take such actions as may be necessary. All of these sections that are referred to, and other sections which I think have perhaps been added pertaining to the protection of the elective process, do relate to that precise subject, and it was the intention of the committee to give the primary jurisdiction to the commission established under this Campaign Reform Act.

I would point out to my distinguished colleague that in the last election that was one of the areas that was subjected to a great deal of criticism, because of the fact that many, many violations—thousands of violations—were referred to the Department of Justice, and no action was taken. No action has been taken to date on many reported violations that were referred to the Department.

Mr. McCLELLAN. Well, this does not compel action any more than the law compels action now. It simply prevents an Attorney General from doing his duty under the law as he sees it, unless he gets permission of a commission to do it.

Mr. CANNON. We certainly would not think that the commission would withhold authority if they desired to act in that field.

Mr. McCLELLAN. And we would not think that an Attorney General would fail to do his duty.

Mr. CANNON. He did in the last election.

Mr. McCLELLAN. If he did, so may this commission. I do not think we have any assurance one way or the other, except that we are setting up a commission here, now, which prohibits the Attorney General from enforcing the law and doing his constitutional duty unless he gets the consent of that commission.

I think it is unconstitutional, and if this is a precedent, we can set up a similar commission for every department and agency of the Government—I am talking about constitutional offices—and say that they cannot do their duty unless they get the consent of some commission.

I think this is bad legislation. I think it is unconstitutional. I do not think we can say to the Attorney General, not only this one but the next one, "You cannot carry out your oath of office until you get the consent of some commission."

I just wanted to point out that this is, in my judgment, a fatal provision of this bill.

Mr. CANNON. Heretofore we have taken similar actions, and given the primary enforcement responsibility to some other independent agencies.

Mr. McCLELLAN. Let me ask the Senator if we have ever done that before in the area of enforcement of the law, in connection with a prosecution of a violation of the law.

Mr. CANNON. It is my understanding that we have.

Mr. McCLELLAN. Can the Senator cite such an instance, where the Attorney General could not act to enforce the law without the permission of some other agency?

These are criminal statutes we have here, and we are saying that a constitutional officer, the Attorney General, whose duty it is under the Constitution to enforce the law, to prosecute violators, cannot perform his duty until he gets the consent of this commission.

Mr. CANNON. Mr. President, I would say that in the hearings on this matter, the question was raised concerning the constitutionality of enforcement powers within an independent election commission. The Senator from Rhode Island (Mr. PELL) received a letter during the course of the hearings, a part of which is quoted as follows:

> As the commission's structure is similar to that of existing independent agencies of the executive branch, the judicial precedents defining the authority of these agencies is extremely relevant.
>
> Independent agencies have been found to have the constitutional authority to enforce the laws under their jurisdiction. For example, the Federal Trade Commission from its inception in 1914, has exercised law enforcement functions. In *National Harness Manufacturer's Assoc.* v. *Federal Trade Commission*, 268 F. 705 (6th Cir. 1920), its investigation and prosecution of statutory violations was held to be a valid exercise of executive and administrative authority and did not violate Articles I and II of the United States Constitution. Additionally, the Supreme Court has held that the Federal Trade Commission may institute proceedings, follow up decrees and police their obedience in the area within its jurisdiction.

Mr. McCLELLAN. I think the Senator is correct, that Congress can set up an independent agency if it desires to give it some law enforcement power, but here we set up an independent agency to take away from the Attorney General the constitutional powers and duties that he has under the Constitution and his oath. The Senator is saying that he cannot exercise those functions and perform those duties that he has taken an oath to perform, until and unless he gets the consent of a commission.

Mr. CANNON. I would say that that same issue would be raised with respect to the Interstate Commerce Commission.

Mr. McCLELLAN. Those are independent agencies. They are not constitutional agencies. Their powers, or whatever they are, derive from the statutes.

Mr. CANNON. This will be an independent agency and this is the statute that will give the agency the authority.

Mr. McCLELLAN. The Senator is giving this agency the authority to take away the constitutional authority of an office to function.

Mr. CANNON. No, we are not giving them the authority. We are doing that by legislation. We are taking that away by legislative action.

Mr. McCLELLAN. The Senator is trying to place it in a commission rather than a constitutional officer under the law, under the Constitution and his oath. I do not believe he can do that. I may be wrong.

Mr. CANNON. I would believe that the Department of Justice's constitutional authority with respect to violations of the law, that we are giving authority to the Federal Trade, the Interstate Commerce Commission, the FAA——

Mr. McCLELLAN. I suggest to the Senator that you have not given the Federal Trade Commission the power to keep the Department of Justice and the Attorney General from enforcing the law. Nowhere have we done that.

Mr. CANNON. I am not certain, without the act before me, whether that is specifically preempted in the act. I believe it is, but I cannot say of a certainty.

Mr. McCLELLAN. I raise this question because I believe we are making a great mistake here. I can be wrong, of course, but I discovered that and I felt that we were undertaking to take away the constitutional powers of the Attorney General and placing them in a commission, whether an independent agency or not, and I do not think we can do that under the Constitution.

Mr. AIKEN. Mr. President, suppose that a candidate for Congress spent $100,000 in securing the nomination to be the candidate for the Democratic Party in any State where the limit for primary expense is $125,000, and the Republicans of that same State, not desiring a conflict, decided they wanted to put him on their ballot, too, and they spent $50,000 persuading enough members of their party to write his name in on the primary ballot to give their nomination, too. Since this candidate would have the nomination of both parties, does he have to report the expenses of both parties in making out his report of primary expenditures?

Mr. COOK. Mr. President, I would answer that by saying, "Yes," he would, they would be double, because under the Constitution, a candidate on the ballot of one party, must go on the ballot of the other party, in the situation the Senator describes.

Mr. AIKEN. If he spent $100,000 to get the Democratic nomination and the Republicans spent $50,000, then he has exceeded the limitation, has he not?

Mr. COOK. No, he has not.

Mr. AIKEN. He can spend $125,000 in either party, or both?

Mr. COOK. May I say to the Senator that technically he would not have violated it. If we really look at it, we will see that this constitutes the individual as a candidate and if he becomes a candidate of one party, he has to go on that ballot—at least in my State he does—and even if he is a candidate of the other party, he has to go on the ballot as a candidate for that party. Strange as it may seem, and as novel as it may seem, his name has to appear on the ballot in both places. Therefore, he would have to make a report of his expenditures as a candidate of X party and also as a candidate of Y party.

Mr. AIKEN. But if both parties spent $150,000 or $175,000 getting him on their ballots as their candidate, then has he not exceeded the limitation which is permitted a candidate in a primary election?

Mr. COOK. I would say, Senator, in all fairness, the answer has got to be no.

Mr. AIKEN. Well, I was just reading some of the material that happened to be on my desk here and it would seem to me that a total expense of over $125,000 would be a violation.

Mr. COTTON. Mr. President, will the Senator from Kentucky yield for one more question on that point?

Mr. COOK. I yield.

Mr. COTTON. The question of the distinguished Senator from Vermont (Mr. AIKEN) is predicated on the assumption that there are only two parties, the Democratic and the Republican Parties. I seem to recall that——

Mr. AIKEN. And the Independent Party.

Mr. COTTON (continuing). When the distinguished senior Senator from New York first came to the Senate, or to the House, he was a candidate of the Republican Party and I think a party called the American Labor Party. Now all we have to do in order to up our expenditures, it seems to me, would be to run for the Republican and the Democratic nominations and also run for the nomination of a newly organized third party under this. Is that the Senator's interpretation? Or am I wrong?

Mr. COOK. That may well be true, but as we evaluate it, it is going to be the responsibility of that individual, if he so desires to do that. He has got to win the nomination of that respective party. Otherwise, we are proliferating the bill to the extent that we are saying not only would the candidate attempt to do that in an effort to get around the bill, but he would actually enter into an agreement or collaboration with the Republican and Democratic parties in the respective States, as set forth by the Senator from Vermont.

In fact, I am not so sure but that, somehow or other, we may try to do that as individuals, but I do not think we can subjugate the respective Republican and Democratic Parties which are the major parties, that they will lie down and watch a candidate be a candidate for both parties in order to get around to the provisions of this bill. That would be highly unlikely.

Mr. PASTORE. Mr. President, I should like to address myself to the question raised by my distinguished colleague from Arkansas (Mr. McCLELLAN).

What we need to do is look at page 33 of the bill which spells out the powers of the Commission. I must say that it was the deliberate purpose of the committees to give the power to prosecute and to bring action to this Commission. That seems to be the intent of the act. What we were saying here is, that while we did not want to trespass on the authority of the Attorney General, the fact still remains that insofar as that power pertains to this particular bill, the Attorney General would be more or less prohibited from acting because we would have double action unless there was consultation with the Commission. We spelled it out on page 33 of the bill which says clearly:

> to initiate (through civil proceedings for injunctive relief and through presentations to Federal grand juries), prosecute, defend, or appeal any court action in the name of the Commission for the purpose of enforcing the provisions of this title and of sections 602, 608, 610, 611, 612, 613, 614, 615, and 616 of title 18, United States Code.

Because the office of Attorney General is in fact a political office, because so many complaints have been made, and because not a sinble action has ever been brought or taken, there has been a tremendous amount of feeling that this power should be reposed in the Commission. That was more or less the hiatus in the last bill we passed, and we are trying to cure it in this bill.

It is true that we are in a way taking some power away from the Attorney General's office. But the power that the Attorney General's office enjoys was delegated by Congress; and Congress can modify it, improve it, add to it, and subtract from it. In this particular instance, we have subtracted from it.

Mr. McCLELLAN. Mr. President, will the Senator yield?

Mr. CANNON. I yield.

Mr. McCLELLAN. I think we interpret it correctly. The Senator is detracting from it. He is trying to take away from the Attorney General the power to prosecute unless he gets the consent of this agency.

Mr. PASTORE. In this instance, on the enforcement of this election bill.

Mr. McCLELLAN. They have the power themselves to prosecute. We have given it to them.

Mr. PASTORE. The Senator means the Commission?

Mr. McCLELLAN. The Commission.

Mr. PASTORE. We are giving it to them.

Mr. McCLELLAN. But then the Senator takes away that power from the Attorney General.

Mr. PASTORE. In other words, two agencies would have the same power at the same time to do the same thing.

Mr. McCLELLAN. What the Senator is complaining about is that the Attorney General in the past has not acted.

Mr. PASTORE. That is correct.

Mr. McCLELLAN. So the Senator cures that by giving the power to the Commission, and then he says, "You cannot prosecute unless you get our consent."

Mr. PASTORE. "You cannot prosecute under this bill."

Mr. McCLELLAN. The Senator is taking it away from them.

Mr. PASTORE. That is correct.

Mr. McCLELLAN. I think it is unconstitutional.

Mr. PASTORE. I do not think it is unconstitutional, because Congress can give it and Congress can take it away.

Mr. McCLELLAN. Except where the Constitution provides otherwise.

Mr. PASTORE. The Constitution says nothing about the power to enforce this law.

Mr. McCLELLAN. He takes an oath.

Mr. PASTORE. The titles we have here are not constitutional titles. This Criminal Code was passed by Congress. The Criminal Code is there because Congress put it there.

Mr. McCLELLAN. But he takes an oath of office to enforce this statute.

Mr. PASTORE. Not this statute—to enforce the laws of the land, and this is going to be the law of the land.

Mr. McCLELLAN. Part of the law of the land.

Mr. CANNON. The law of the land is that he does not have primary jurisdiction in this case.

The Senator said that the office of Attorney General is a constitutional office. I cannot find that in the Constitution. The office was created by statute. I read from one of the authorities that was given to the committee in its hearings:

> In fact, the responsibility to institute civil actions and criminal proceedings on behalf of the United States was not vested in the Attorney General for the first 72 years of the Nation's constitutional history.

That does not sound as though he is a constitutional officer. I read further:

> Under the Act of September 24, 1789, 1 Stat. 73, 92, that power was vested solely in the "attorney for the United States in that district . . ." The Attorney General was given no supervisory power over such district attorneys; he could merely "prosecute and conduct all suits in the Supreme Court in which the United States shall be concerned."
>
> The Attorney General was not given supervisory powers over district attorneys until enactment of the Act of July 31, 1861, 12 Stat. 285. Not until almost midpoint of this 72-year period were they subjected by statute to the direction of any executive officer, and then only to a Treasury Department official in connection with certain cases involving revenue matters.

It is quite clear, Mr. President, that the Attorney General is not a constitutional officer, under those provisions. He takes an oath to support and defend the Constitution of the United States, just as we do. But we can say by legislation, as we are doing here, what his duties are and what they are not.

Mr. PASTORE. I doubt it is a constitutional office.

The fact remains that if the Senate passes this bill and the House passes the bill and the President signs it, that is the law. We make the law, we change the law, and we give the power to the Attorney General to enforce the law or not to enforce it, according to the acts of Congress.

Mr. CANNON. I say to the Senator that the office of Attorney General was created by title 28, United States Code, by an act of Congress.

Mr. PASTORE. That is true.

Mr. CANNON. All we are doing here is saying in what he shall or shall not have primary jurisdiction, and we give him only secondary jurisdiction in this particular act.

Mr. DOMENICI. Mr. President, will the Senator yield for two questions?

Mr. CANNON. I yield.

Mr. DOMENICI. By way of clarification, let me use my State as a hypothetical situation. Under this law, in a general election for the U.S. Senate, it is my understanding that the candidate can spend or cause to be spent in his behalf $175,000. What concerns me is this: Suppose the Republican Party does some advertising of its four or five candidates, rents billboards or runs newspaper advertisements, let us say, with their Senate candidate, their presidential candidate, Attorney General, and Governor, and they pay for this, and it says, "The Republican Party says 'Vote for these four'."

Two questions about that. Is my understanding correct that under this law, the Commission could indeed pass rules and regulations that would allocate a portion of that to the Senate candidate? Is that true?

Mr. CANNON. Under the present law, there would be an allocation. There is one slight provision, one slight correction, and that is that the amendment of the Senator from Rhode Island today, which was adopted, provides that not more than a thousand dollars could be spent without having the approval of the candidate and having it charged to him.

It is conceivable that some committee, some group of persons, could spend up to the extent of $1,000 or less than $1,000 without having either the approval of the candidate or without having it charged to his overall limit. I think that is a correct interpretation of the Senator's amendment.

Mr. PASTORE. The answer is very simple. It is true that the State could rent the billboard and in no instance could the allocation of that be more than a thousand dollars, without the Senator's certificate. Once he certifies it, it is charged to him. But they can do this up to a thousand dollars and it is prorated to the Senator.

Mr. DOMENICI. The second question has to do with the hiring of staff.

Let us add to my hypothetical situation that the State has no limitation on how much a Governor can spend, so the Governor is not burdened by this, and they raise a half million dollars for the Governor's candidate. We are governing ourselves by this law, but he hires 15 people on his staff for the last 2 months of the campaign and is paying them to work. While they are working, they are working for the Senator, too.

Could the Senator address himself to what this law says about that?

Mr. PASTORE. If it could be prorated, it would have to be prorated. I say to the Senator, frankly, that the purpose of this measure is merely to give the Senator the absolute control of his own campaign.

I doubt very much that if the Governor hires a staff, they are going to start doing work for the Senator. They may throw the Senator's name in once in awhile; but if the Governor is paying them, they are going to be working for him. If they perchance begin to work for the Senator, whether it be clandestinely or not, it is a matter of proof.

The fact remains that if it is subterfuge, the Senator would have to be charged for it. In other words, the Senator could not go to the Governor and say, "Why do you not put 15 people on your staff to work for me?" It would be a subterfuge, under the law, and it would be chargeable to the Senator.

Mr. DOMENICI. I understand. However, I would disagree with the Senator that this does not happen. A Governor's candidate has staff people out working. They work for perhaps an entire ticket, including the Senator. Perhaps they are even instructing pollworkers and campaign people and have the Senator's paraphernalia with them and are on the payroll—the Governor candidate's payroll, not the Governor. If the Senate candidate knows this, it could be direct effort in his behalf for which money is being expended out of another committee, could it not?

Mr. PASTORE. It would not be chargeable to the Senator any more than if his wife went out and said, "Vote for my husband." It is when it comes down to spending money that this bill applies. That is what we are talking about, spending money. If a Governor hired 15 people to campaign for him and in the process of going around working for the Governor, at the headquarters talking to the Governor, they say, "Throw in a vote for DOMENICI," I do not think there is anything to worry about.

Mr. DOMENICI. Mr. President, does the manager of the bill concur?

Mr. CANNON. I think it is correct, unless you came under the terms of the Pastore amendment.

Mr. DOMENICI. I thank the distinguished Senator.

Mr. CANNON. I will say to my colleague, as well, we have given the commission this authority:

> (d) The supervisory officer shall, by published regulations of general applicability, prescribe the manner in which contributions and expenditures in the nature of debts and other contracts, agreements, and promises to make contributions or expenditures shall be reported. Such regulations shall provide that they be reported in separate schedules. In determining aggregate amounts of contributions and expenditures, amounts reported as provided in such regulations shall not be considered until actual payment is made.

So we have given them authority to draft rules and regulations.

Mr. DOMENICI. I thank the Senator.

Mr. CANNON. Mr. President, I ask for the yeas and nays on final passage.

The yeas and nays were ordered.

Mr. BENTSEN. Mr. President, I briefly wish to express my support for the Federal Election Campaign Act which we will vote on today. The Senate has gone a long way in this legislation toward achieving the goal of Federal elections which are fairly controlled and openly conducted.

The limits placed by this bill on campaign contributions and expenditures will protect the interests of both the candidates and the voters who participate in our electoral process. No man seeking election will be forced to compromise his views in order to finance his campaign and no voter bestowing his trust upon a candidate need worry about those who seek favors through their contributions which they could never win by their ballots alone. In effect, we are delivering upon the promise of a participatory democracy where a man's ideas—not the size of his bank account—are the most important factor in an election and where every fellow running in an election has the assurance that the same ground rules will apply equally to the other candidates in the field.

Now I am certainly not naive enough to believe that this legislation marks the end of campaign abuses and dishonest practices.

I may be a trusting man but as Mr. Dooley once said:

> Trust everybody, but be sure and cut the cards.

We have taken a long step here toward better elections but this bill will have to be followed up with effective enforcement.

Mr. President, the air of cynicism about Government and the distrust of public office holders which is growing in this country today has to be turned around. The people will tolerate abuse of their trust only so long before they take steps to remedy the abuse. We will celebrate the Bicentennial of just such an event in about 3 years and I would like to think that the promises of 1776 will be intact and renewed for that occasion by what we are doing here today. I commend the Senator from Nevada for the excellent service he has performed in bringing this legislation before us and I urge its adoption by the Senate.

Mr. HUMPHREY. Mr. President, the recent public revelations of the Watergate scandal have documented the influence and the ills of big money in American politics.

Even if a candidate accepts large contributions in good faith, the tinge of suspicion and the tinge of doubt as to what that candidate had to promise—even if there were no quid pro quo—seems to be ever present.

Mr. President, the electoral process in this country is too precious, too important to be decided on the auction block. Big money, large private contributions, and indeed, the need of a candidate to seek out the private contributions ought not to be the key to elections. There are more important elements in the judgment of a candidate's fitness for public office that the amount of money he can raise and spend.

Today, the Senate has taken an important step toward limiting the influence of big money in politics. The Federal Elections Campaign Act, as reported from the Committee on Commerce and the Committee on Rules and as amended on the floor effectively restructures campaign financing and the use of big money in politics.

One of the foremost reforms to come out of this bill is the creation of a Federal Elections Commission. This Commission will be the central repository of campaign contribution and expenditure disclosures. It will have subpena power and primary jurisdiction to bring civil and criminal actions in court to enforce campaign spending laws. The Commission will be composed of seven members, distributed among the two major political parties, with the Comptroller General being the seventh member.

The legislation also provides that each candidate will designate one central campaign committee. This committee will receive and post all reports and statements of expenditures and contributions filed or received on behalf of a candidate. It will provide a one-stop check on spending for a candidate and end the hiding of campaign contributions.

The legislation also limits campaign

contributions to $3,000 per individual to a candidate, places a $25,000 ceiling on the amount of money that one person can give to a variety of candidates in a single year, and limits spending for campaigns to 10 cents per eligible voter in any primary election and 15 cents per eligible voter in the general election.

Such spending limits mean, for example, the most any candidate could spend in a statewide general election for U.S. Senate in Minnesota would be $384,000.

Finally, Mr. President, during debate on the legislation the first step was taken toward a new system of campaign financing: the public financing of political campaigns. A 38 to 58 vote occurred on a public financing amendment offered by Senators KENNEDY and SCOTT of Pennsylvania. Although the amendment was defeated it was a very worthwhile effort. I was proud to be a cosponsor of the amendment and actively support it in the floor debate.

Mr. President, I have long been an advocate of public financing for political campaigns. I strongly supported the dollar checkoff system for public financing of Presidential elections, and before the July 4 recess of this year, I was successful, with Senator RUSSELL LONG of Louisiana, in securing enactment of a law that will require the Internal Revenue Service to place the dollar checkoff boxes on the front page of the tax return.

In my judgment, it is time now to expand the concept of public financing to all Federal elections.

The time has come in this country to reject the old system of private contributions and begin anew—begin a system of public financing of elections to Federal office.

If a system of public financing of Federal elections existed, the possibility of influence of special interest and large private contributors could be reduced, the influence of the average voter would be enhanced, candidates who are not independently wealthy would be encouraged to run for political office, and the key to elections would become the qualities of the man running rather than the size of his bank account or the number of wealthy friends he happens to have.

Mr. President, various Senators and many organizations have suggested several alternative methods of public financings. Make no mistake about it—there are some tough problems that must be considered before a system of public financing is passed. The problem of third parties, the possibility of frivolous candidates, the possibility of discrimination by the party in power, the timing and allotment of public financing dollars to candidates, the necessity to maintain the openness of the political system to all possible candidates—these are not problems of minor importance.

Still, Mr. President, we in the Congress have to face reality. The defects in the current system—even though we are eliminating some of those defects with the legislation presently before the Senate—are substantial. The present system does discourage competition, it does encourage secrecy, it leaves all too much room for influence among the special interest lobbies, and it does breed a certain amount of cynicism and disbelief among the average voter in the integrity of men elected to high public office.

These problems are as serious as the questions to be answered about public financing.

Mr. President, the American people want an electoral system they can believe in. The American people want a system of elections that is fair, that gives each candidate an equal chance, that promotes candidates who will act in the interest of the people, that insulates candidates from the special few, and that guarantees open, honest elections decided on the merits of the candidates and their stands on the issues.

Public financing would move this Nation a long way toward these goals.

Mr. President, I believe the Federal Elections Campaign Act of 1973 will help restore public confidence to our electoral process. This is positive legislation. It is crucial legislation. Its rapid consideration and passage by the House of Representatives is imperative.

Mr. MOSS. Mr. President, for several days the Senate has been engaged in debate on an issue of immense importance to the future of the democratic process in the United States—the Federal Election Campaign Act of 1973. The Congress took a giant step forward in 1971 when the Campaign Reform Act was passed. This was the first major revision of our finance campaign laws in almost 50 years. But the election of 1972 demonstrated certain weaknesses in the 1971 law. To prevent these weaknesses in future campaigns important and informative hearings were held earlier this year by the Senate Commerce Committee and the Senate Rules and Administration Committee in order to draft legislation. I wish to personally commend the efforts of Senator CANNON and Senator PASTORE for their contributions to this legislation. Their untiring work to improve the election process has demonstrated their sincere commitment to improving our election process. These men have helped to guide us through a difficult piece of legislation.

Mr. President, I strongly support campaign reform that will decrease the cost of elections. Having been involved in three strenuous campaigns for the U.S. Senate, I recognize the premium that is placed on campaign finances. Without access to money, it is impossible to wage any campaign at all, let alone a successful campaign. The modern technological age has often not been conducive to the "stump" campaign of a century ago, although, at least in my native State of Utah, it is still an effective means of campaigning.

Campaigns involve the active participation by representatives of many special interests. Many of these representatives feel that the only way to become involved in a campaign is through monetary contributions. Unfortunately, they are too often correct. In return for their monetary contributions, many such representatives then expect special favors. In effect, they are attempting to buy favors. And in far too many cases they are successful.

The legislation before us is a step in the right direction. It probably will not be a panacea. But a beginning must take place somewhere. Ultimately we will hopefully triumph over the scandals of previous campaigns that have too often occurred due to misuse of money.

Mr. President, many Senators have shown a special interest in this legislation. They have engaged in debate and deliberation out of conviction that our election process must be vastly improved if confidence by the American people in their political system is to be achieved. But, Mr. President, I fear that the American people have lost sight of the main thrust of this legislation due to the some three score amendments introduced, ostensibly to prevent apparent loopholes and provide certain improvements. Several of the amendments have raised legitimate concerns. But other amendments have created much debate, no definitive action, and little improvement. They have created confusion and misunderstanding. This is unfortunate because of the importance of this legislation. And where confusion exists in the Senate, confidence is found to be lacking among the American people in their political system. These people need to be especially reassured of the worth of their government during this period of mistrust and suspicion of government.

One of the outstanding features of this legislation is the creation of an autonomous Federal Election Commission that can supervise future Federal elections. We must be sure that appointments to these important and powerful positions, involve individuals who have demonstrated the highest integrity and morality. Theirs is a position of great responsibility. Their demeanor and actions must be beyond reproach.

It is refreshing that certain financial limitations have been placed on campaign contributions and expenditures. If greater participation in the democratic process will occur as a result of the limitations on contributions, our entire Government will be improved. Such participation can only come by limiting the very large contributions to campaigns. And if we can prevent "buying" of political office by placing limitations on campaign expenditures, some of the confidence of the past in the worth of political officials can be restored. Certainly there is no higher calling than to be an honored politician.

I strongly feel that some form of public financing of campaigns is important. Although there were certain weaknesses in the amendment offered earlier by Senator KENNEDY and minority leader SCOTT regarding public financing of House and Senate campaigns, I supported it because I felt that it was better than no legislation. One of the reasons this amendment was unacceptable to the majority of the Senators was that they felt that there should be hearings and consideration by the appropriate Senate committees on an issue of such importance. Senator CANNON, chairman of the Committee on Rules and Administration, and Senator PELL, chairman of the relevant subcommittee, have given assurances that they will conduct extensive hearings on public financing of elections this fall. I intend to testify in support of public financing at that time.

To summarize, the Federal Election Campaign Act of 1973 provides better safeguards against the misuse of money in campaigns than any previous legislation. It should prevent many of the past loopholes that have permitted corruption in campaigns. It is truly an "important, incredibly complex and enormously far-reaching political reform."

We, as United States Senators who are representatives of the American people, have a special position of trust. We must lead the way in providing a basis for a better image of representative government. The general intent of the legislation before us will be a step in the right direction. It insures that no contributor will essentially "own" a candidate for public office. And, whether we want to admit it or not, some contributors have at least felt they "owned" us on certain occasions. This has a demeaning effect on the image of representative government in the eyes of the American people. This legislation can prevent this. And it must.

I strongly urge my colleagues to vote in favor of S. 372, the Federal Election Campaign Act of 1973.

Mr. CANNON. Mr. President, I wish to express my appreciation to my colleagues in the Senate for their support in adopting the Federal Election Campaign Act Amendments of 1973.

This measure, as passed by the Senate, sets limits on contributions and expenditures; it prohibits the use of cash over $50; it creates a powerful and independent agency to oversee and enforce the law; and it calls for complete disclosure of receipts and expenditures as well as the income, assets, holdings in securities, and commodities of Federal candidates and others.

The bill, as passed, should restore the confidence of the public in the integrity of the Federal Government.

Mr. President, I wish to thank my colleagues on the Committee on Commerce and the Committee on Rules and Administration for their cooperation throughout the proceedings in committee and in the Senate in preserving the integrity and strength of this bill.

I also want to express my thanks to the staff members who participated in this effort: Jim Duffy, Jim Medill, and Joe O'Leary of the Rules Committee; Nick Zapple, Ward White, and John Hardy of the Commerce Committee; and Lloyd Ator of the Office of the Legislative Counsel, Ken Davis from Senator Scott's office, and Larry Smith of Senator Hatfield's office.

Mr. COOK. I wish to commend the chairman of the Committee on Rules and Administration for his efforts in connection with this bill. I concur in his statements relative to staff members.

If we are told we have to take this matter seriously I wish to say for the RECORD on final passage this will be the 26th rollcall vote, and we have had more than 25 voice votes on amendments. So we have treated this matter, I hope, seriously and we have tried our best to evaluate the bill. Certainly Senators have given a great deal of attention to it, and the problems they think they should address their remarks to, which they did.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. CANNON. I yield.

Mr. PASTORE. Mr. President, I join Senators in commending the staff of the Senator from Nevada and the Senator from Kentucky. I think we have a reasonably good bill at this juncture. I must say, and I would be unfair if I did not say it—this is not sour grapes with me—the one disappointment I have is the fact that we did not leave the exemption to section 315 solely to the Presidency and the Vice Presidency. I say that for practical reasons.

I was the one who thought it should be all inclusive. I went as far as the Governors, but when we met in conference we met tremendous opposition. The House is sensitive to it, and they said, "If you had left it alone for the Presidency and the Vice Presidency, we would have gone along with it." I said, "We will take it out for Senators and Congressmen."

They said, "No, you have offended us when you did it, and that is that."

The regrettable thing is that the expense for nationwide television programing is so large, and we have done so much to get networks to give free time; I think it is all going to be lost. My amendment was defeated 50 to 43. I regret there were not too many Senators on the floor to listen to what I had to say. They came in more or less by surprise and voted it up or down. I am not lamenting or criticizing that fact, but I would be terribly disappointed if the House took the same attitude again, and I think they might. It is regrettable because men who run for the Presidency know how hard it is to raise money to pay for nationwide broadcasts.

Mr. CANNON. Mr. President, I am prepared to yield back the remainder of my time.

Mr. COOK. I yield back the remainder of my time.

Mr. CANNON. I yield back my time.

The PRESIDING OFFICER. All time is yielded back. The question is, Shall the bill pass? The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. TOWER. Mr. President, on this vote I have a live pair with the distinguished Senator from Kansas (Mr. DOLE). If he were present and voting, he would vote "yea." If I were permitted to vote, I would vote "nay." Therefore I withhold my vote.

Mr. ROBERT C. BYRD. I announce that the Senator from Alaska (Mr. GRAVEL) is necessarily absent.

I further announce that the Senator from South Dakota (Mr. ABOUREZK), is absent on official business.

I also announce that the Senator from Mississippi (Mr. STENNIS) is absent because of illness.

I further announce that, if present and voting, the Senator from Alaska (Mr. GRAVEL) would vote "yea."

Mr. GRIFFIN. I announce that the Senator from New York (Mr. BUCKLEY), the Senator from Kansas (Mr. DOLE) and the Senator from Ohio (Mr. SAXBE) are necessarily absent.

The Senator from Arizona (Mr. GOLDWATER) is absent because of illness in his family.

The Senator from Ohio (Mr. TAFT) is absent on official business.

If present and voting, the Senator from Ohio (Mr. TAFT) would vote "yea."

The pair of the Senator from Kansas (Mr. DOLE) has been previously announced.

The yeas and nays resulted—yeas 82, nays 8, as follows:

[No. 353 Leg.]

YEAS—82

Allen
Bartlett
Bayh
Beall
Bellmon
Bentsen
Bible
Biden
Brock
Brooke
Burdick
Byrd,
  Harry F., Jr.
Byrd, Robert C.
Cannon
Case
Chiles
Church
Clark
Cook
Cranston
Curtis
Domenici
Dominick
Eagleton
Ervin
Fong
Fulbright
Griffin
Gurney
Hart
Hartke
Haskell
Hatfield
Hathaway
Helms
Hollings
Hruska
Huddleston
Hughes
Humphrey
Inouye
Jackson
Javits
Johnston
Kennedy
Long
Magnuson
Mansfield
Mathias
McClure
McGee
McGovern
McIntyre
Metcalf
Mondale
Montoya
Moss
Muskie
Nelson
Nunn
Packwood
Pastore
Pearson
Pell
Percy
Proxmire
Randolph
Ribicoff
Roth
Schweiker
Scott, Pa.
Sparkman
Stafford
Stevens
Stevenson
Symington
Talmadge
Thurmond
Tunney
Weicker
Williams
Young

NAYS—8

Aiken
Bennett
Cotton
Eastland
Fannin
Hansen
McClellan
Scott, Va.

PRESENT AND GIVING A LIVE PAIR, AS PREVIOUSLY RECORDED—1

Tower, against

ANSWERED "PRESENT"—1

Baker

NOT VOTING—8

Abourezk
Buckley
Dole
Goldwater
Gravel
Saxbe
Stennis
Taft

The PRESIDING OFFICER. On this vote there are 82 yeas, 8 nays, one Senator voting "present." The bill is passed.

So the bill (S. 372) was passed, as follows:

S. 372

An act to amend the Communications Act of 1934 to relieve broadcasters of the equal time requirement of section 315 with respect to candidates for Federal office, to repeal the Campaign Communications Reform Act, to amend the Federal Election Campaign Act of 1971, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Federal Election Campaign Act Amendments of 1973".

SEC. 2. (a) (1) Section 315(a) of the Communications Act of 1934 (47 U.S.C. 315(a)) is amended by inserting after "public office" in the first sentence thereof the following: ", other than Federal elective office (including the office of Vice President),".

(2) Section 315(a) of such Act (47 U.S.C. 315(a)) is further amended by—

(A) inserting "(1)" immediately after "(a)"; and

(B) adding at the end thereof the following new paragraphs:

"(2) The obligation imposed by the first sentence of paragraph (1) upon a licensee with respect to legally qualified candidates for Federal elective office (other than the offices of President and Vice President) shall have been met by such licensee with respect to such candidates if—

"(A) the licensee makes available to such candidates not less than fifteen minutes of broadcast time without charge during the period beginning ten days after the last date, under applicable State law, on which such candidates may file with the appropriate State officer as candidates, and ending on the day before the date of the election,

"(B) the licensee notifies such candidates during the period beginning on the day after the filing date and ending ten days thereafter, and

"(C) such broadcast will cover, in whole or in part, the geographical area in which such election is held,

"(3) No candidate shall be entitled to the use of broadcast facilities pursuant to an offer made by a licensee under paragraph (2) unless such candidate notifies the licensee in writing of his acceptance of the offer within ten days after receipt of the offer."

(b) Section 315(b) of such Act (47 U.S.C. 315(b)) is amended by striking out "by any person" and inserting "by or on behalf of any person".

(c)(1) Section 315(c) of such Act (47 U.S.C. 315(c)) is amended to read as follows:

"(c) No station licensee may make any charge for the use of any such station by or on behalf of any legally qualified candidate for nomination for election, or for election, to Federal elective office unless such candidate (or a person specifically authorized by such candidate in writing to do so) certifies to such licensee in writing that the payment of such charge will not exceed the limit on expenditures applicable to that candidate under section 614 of title 18, United States Code."

(2) Section 315(d) of such Act (47 U.S.C. 315(d)) is amended to read as follows:

"(d) If a State by law imposes a limitation upon the amount which a legally qualified candidate for nomination for election, or for election, to public office (other than Federal elective office) within that State may spend in connection with his campaign for such nomination or his campaign for election, then no station licensee may make any charge for the use of such station by or on behalf of such candidate unless such candidate (or a person specifically authorized in writing by him to do so) certifies to such licensee in writing that the payment of such charge will not violate that limitation."

(d) Section 317 of such Act (47 U.S.C. 317), is amended by—

(1) striking out in paragraph (1) of subsection (a) "person: *Provided*, That" and inserting in lieu thereof the following: "person. If such matter is a political advertisement soliciting funds for a candidate or a political committee, there shall be announced at the time of such broadcast a statement that a copy of reports filed by that person with the Federal Election Commission is available from the Federal Election Commission, Washington, D.C., and the licensee shall not make any charge for any part of the costs of making the announcement. The term"; and

(2) by redesignating subsection (e) as (f), and by inserting after subsection (d) the following new subsection:

"(e) Each station licensee shall maintain a record of any political advertisement broadcast, together with the identification of the person who caused it to be broadcast, for a period of two years. The record shall be available for public inspection at reasonable hours."

SEC. 3. The Campaign Communications Reform Act is repealed.

SEC. 4. (a) Section 301 of the Federal Election Campaign Act of 1971 (relating to definitions) is amended by—

(1) striking out ", and (5) the election of delegates to a constitutional convention for proposing amendments to the Constitution of the United States" in paragraph (a), and by inserting "and" before "(4)" in such paragraph;

(2) striking out paragraph (d) and inserting in lieu thereof the following:

"(d) 'political committees' means—

"(1) any committee, club, association, or other group of persons which receives contributions or makes expenditures during a calendar year in an aggregate amount exceeding $1,000;

"(2) any national committee, association, or organization of a political party, any State affiliate or subsidiary of a national political party, and any State central committee of a political party; and

"(3) any committee, association, or organization engaged in the administration of a separate segregated fund described in section 610 of title 18, United States Code;";

(3) inserting in paragraph (e)(1) after "subscription" the following: "(including any assessment, fee, or membership dues)";

(4) striking out in paragraph (e)(1) "or for the purpose of influencing the election of delegates to a constitutional convention for proposing amendments to the Constitution of the United States" and inserting in lieu thereof the following: "or for the purpose of financing any operations of a political committee, or for the purpose of paying, at any time, any debt or obligation incurred by a candidate or a political committee in connection with any campaign for nomination for election, or for election, to Federal office";

(5) striking out subparagraphs (2) and (3) of paragraph (e), and redesignating subparagraphs (4) and (5) as (2) and (3), respectively;

(6) striking out paragraph (f) and inserting in lieu thereof the following:

"(f) 'expenditure' means a purchase payment, distribution, loan, advance, deposit, or gift of money or anything of value, made for the purpose of—

"(1) influencing the nomination for election, or the election, of any person to Federal office, or to the office of presidential and vice-presidential elector;

"(2) influencing the result of a primary election held for the selection of delegates to a national nominating convention of a political party or for the expression of a preference for the nomination of persons for election to the office of President;

"(3) financing any operations of a political committee; or

"(4) paying, at any time, any debt or obligation incurred by a candidate or a political committee in connection with any campaign for nomination for election, or for election, to Federal office;

"(5) but shall not mean or include those who volunteer to work without compensation on behalf of a candidate;";

(7) striking "and" at the end of paragraph (h);

(8) striking the period at the end of paragraph (i) and inserting in lieu thereof a semicolon; and

(9) adding at the end thereof the following new subsection:

"(j) 'identification' means—

"(1) in the case of an individual, his full name and the full address of his principal place of residence; and

"(2) in the case of any other person, the full name and address of that person;

"(k) 'national committee' means the duly constituted organization which, by virtue of the bylaws of a political party, is responsible for the day-to-day operation of that political party at the national level, as determined by the Commission; and

"(l) 'political party' means a political party which, in the next preceding presidential election nominated candidates for election to the offices of President and Vice President, and the electors of which party received in such election, in any or all of the States, an aggregate number of votes equal in number to at least 10 per centum of the total number of votes cast throughout the United States for all electors for candidates for President and Vice President in such election.".

(b)(1) Section 302(b) of such Act (relating to reports of contributions in excess of $10) is amended by striking ", the name and address (occupation and principal place of business, if any)" and inserting "of the contribution and the identification".

(2) Section 302(c) of such Act (relating to detailed accounts) is amended by striking "full name and mailing address (occupation and the principal place of business, if any)" in paragraphs (2) and (4) and inserting in each such paragraph "identification".

(3) Section 302(c) of such Act is further amended by striking the semicolon at the end of paragraph (2) and inserting "and, if a person's contributions aggregate more than $100, the account shall include occupation, and the principal place of business (if any);".

SEC. 5. (a) Section 303 of the Federal Election Campaign Act of 1971 (relating to registration of political committees; statements) is amended by redesignating subsections (a) through (d) as (b) through (e), respectively, and by inserting after "SEC. 303." the following new subsection (a):

"(a) Each candidate shall, within ten days after the date on which he has qualified under State law as a candidate, or on which he or any person authorized by him to do so has received a contribution or made an expenditure in connection with his campaign or for the purpose of preparing to undertake his campaign, file with the Commission a registration statement in such form as the Commission may prescribe. The statement shall include—

"(1) the identification of the candidate, and any individual, political committee, or other person he has authorized to receive contributions or make expenditures on his behalf in connection with his campaign;

"(2) the identification of his campaign depositories, together with the title and number of each account at each such depository which is to be used in connection with his campaign, any safety deposit box to be used in connection therewith, and the identification of each individual authorized by him to make any expenditure or withdrawal from such account or box; and

"(3) such additional relevant information as the Commission may require."

(b) The first sentence of subsection (b) of such section (as redesignated by subsection (a) of this section) is amended to read as follows: "The treasurer of each political committee shall file with the Commission a statement of organization within ten days after the date on which the committee is organized.".

(c) The second sentence of such subsection (b) is amended by striking out "this Act" and inserting in lieu thereof the following: "the Federal Election Campaign Act Amendments of 1973".

(d) Subsection (c) of such section (as redesignated by subsection (a) of this section) is amended by—

(1) inserting "be in such form as the Commission shall prescribe, and shall" after "The statement of organization shall";

(2) striking out paragraph (3) and inserting in lieu thereof the following:

"(3) the geographic area or political jurisdiction within which the committee will operate, and a general description of the committee's authority and activities;"; and

(3) striking out paragraph (9) and inserting in lieu thereof the following;

"(9) the name and address of the campaign depositories used by that committee, together with the title and number of each account and safety deposit box used by that committee at each depository, and the identification of each individual authorized to make withdrawals or payments out of such account or box;".

(e) The caption of such section 303 is amended by inserting "CANDIDATES AND" after "REGISTRATION OF".

SEC. 6. (a) Section 304 of the Federal Election Campaign Act of 1971 (relating to reports by political committees and candidates) is amended by—

(1) inserting "(1)" after "(a)" in subsection (a);

(2) striking out "for election" each place it appears in the first sentence of subsection (a) and inserting in lieu thereof in each such place "for nomination for election, or for election,";

(3) striking out the second sentence of subsection (a) and inserting in lieu thereof the following: "Such reports shall be filed on the tenth day of April, July, and October of each year, on the tenth day preceding an election, and on the last day of January following an election. Notwithstanding the preceding sentence, the reports required by that sentence to be filed during April, July, and October by or relating to a candidate during a year in which no Federal election is held in which he is a candidate, may be filed on the twentieth day of each month.";

(4) striking out everything after "filing" in the third sentence of subsection (a) and inserting in lieu thereof a period and the following: "Any contribution of $3,000 or more which is received after the closing date of the last report required to be filed prior to any election shall be reported within twenty-fours after its receipt. If the person making any anonymous contribution is subsequently identified, the identification of the contributor shall be reported to the Commission within the reporting period within which it is identified."; and

(5) adding at the end of subsection (a) the following new paragraph:

"(2) Upon a request made by a Presidential candidate or a political committee which operates in more than one State, or upon its own motion, the Commission may waive the reporting dates (other than January 31) set forth in the second sentence of paragraph (1), and require instead that such candidates or political committees file reports not less frequently than monthly. The Commission may not require a Presidential candidate or a political committee operating in more than one State to file more than eleven reports (not counting any report to be filed on January 31 and special reports of contributions of $3,000 or more is required in paragraph (1) above) during any calendar year. If the Commission acts on its own motion under this paragraph with respect to a candidate or a political committee, that candidate or committee may obtain judicial review in accordance with the provisions of chapter 7 of title 5, United States Code.".

(b)(1) Section 304(b) of such Act (relating to reports by political committees and candidates) is amended by striking "full name and mailing address (occupation and the principal place of business, if any) in paragraphs (9) and (10) and inserting in lieu thereof in each such paragraph: "identification".

(2) Subsection (b)(5) of such section 304 is amended by striking out "lender, endorsers, and guarantors".

(c) Subsection (b)(12) of such section is amended by inserting before the semicolon the following: ", together with a statement as to the circumstances and conditions under which any such debt or obligation is extinguished and the consideration therefor".

(d) Subsection (b) of such section is amended by—

(1) striking the "and" at the end of paragraph (12); and

(2) redesignating paragraph (13) as (14), and by inserting after paragraph (12) the following new paragraph:

"(13) such information as the Commission may require for the disclosure of the nature, amount, source, and designated recipient of any earmarked, encumbered, or restricted contribution or other special fund; and".

(e) The first sentence of subsection (c) of such section is amended to read as follows: "The reports required to be filed by subsection (a) shall be cumulative during the calendar year to which they relate, and during such additional periods of time as the Commission may require.".

(f)(1) Such section 304 is amended by adding at the end thereof the following new subsections:

"(d) This section does not require a Member of Congress to report, as contributions received or as expenditures made, the value of photographic, matting, or recording services furnished to him before the first day of January of the year preceding the year in which his term of office expires if those services were furnished to him by the Senate Recording Studio, the House Recording Studio, or by any individual whose pay is disbursed by the Secretary of the Senate or the Clerk of the House of Representatives and who furnishes such services as his primary duty as an employee of the Senate or House of Representatives, or if such services were paid for by the Republican or Democratic Senatorial Campaign Committee, the Democratic National Congressional Committee, or the National Republican Congressional Committee.

"(e) Every person (other than a political committee or candidate) who makes contributions or expenditures, other than by contribution to a political committee or candidate, in an aggregate amount in excess of $100 within a calendar year shall file with the Commission a statement containing the information required by this section. Statements required by this subsection shall be filed on the dates on which reports by political committees are filed, but need not be cumulative.

"(f)(1) For purposes of this subsection—

"(A) 'Member of Congress' means Senator or Representative in, or Delegate or Resident Commissioner to, the Congress;

"(B) 'income' means gross income as defined in section 61 of the Internal Revenue Code of 1954;

"(C) 'security' means security as defined in section 2 of the Securities Act of 1933, as amended (15 U.S.C. 77b);

"(D) 'commodity' means commodity as defined in section 2 of the Commodity Exchange Act, as amended (7 U.S.C. 2);

"(E) 'dealings in securities or commodities' means any acquisition, holding, withholding, use, transfer, disposition, or other transaction involving any security or commodity; and

"(F) 'candidate' means an individual who seeks nomination for election, or election, to Federal office, whether or not such individual is elected, and, for purposes of this subsection, an individual shall be deemed to seek nomination for election, or election, if he has (1) taken the action necessary under the law of a State to qualify himself for nomination for election, or election, to Federal office, or (2) received contributions or made expenditures, or has given his consent for any other person to receive contributions or make expenditures, with a view to bringing about his nomination for election, or election, to such office.

"(2) Each candidate for election to Congress (other than a candidate who is a Member of Congress) shall file with the Commission a financial disclosure report for the calendar year immediately preceding the year in which he is a candidate. Such report shall be filed not later than thirty days after the individual becomes such a candidate.

"(3) Each individual who has served at any time during any calendar year as a Member of Congress shall file with the Commission a financial disclosure report for that year. Such report shall be filed not later than May 1 of the year immediately following such calendar year.

"(4) Each financial disclosure report to be filed under this subsection shall be made upon a form which shall be prepared by the Commission and furnished by it upon request. Each such report shall contain a full and complete statement of—

"(A) the amount and source of each item of income, other than reimbursements for expenditures actually incurred, and each gift or aggregate of gifts from one source of a value of more than $100 (other than gifts received from any relative or his spouse) received by him or by him and his spouse jointly during the preceding calendar year, including any fee or other honorarium received by him for or in connection with the preparation or delivery of any speech or address, attendance at any convention or other assembly of individuals, or the preparation of any article or other composition for publication;

"(B) each asset held by him, or by him and his spouse jointly, and the amount of each liability owed by him, or by him and his spouse jointly, as of the close of the preceding calendar year;

"(C) all dealings in securities or commodities by him, or by him and his spouse jointly, or by any person acting on his behalf or pursuant to his direction during the preceding calendar year; and

"(D) all purchases and sales of real property or any interest therein by him, or by him and his spouse jointly, or by any person acting on his behalf or pursuant to his direction, during the preceding calendar year.

"(5) The Commission may provide for the grouping of items of income, sources of income, assets, liabilities, dealings in securities or commodities, and purchases and sales of real property when separate itemization is not feasible or is not necessary for an accurate disclosure of the income, net worth, dealing in securities and commodities, or purchases and sales of real property of any individual.

"(6) All reports filed under this subsection shall be maintained by the Commission as public records. Such reports shall be available, under such regulations as the Commission may prescribe, for inspection by the public.".

(2) Subsection (f) of such section 304, as added by paragraph (1) of this subsection, shall apply with respect to calendar years commencing on or after January 1, 1974.

(g) The caption of such section 304 is amended to read as follows:

"REPORTS"

SEC. 7. Section 305 of the Federal Election Campaign Act of 1971 (relating to reports by others than political committees) is amended to read as follows:

"REQUIREMENTS RELATING TO CAMPAIGN ADVERTISING

"SEC. 305. (a) No person shall cause any political advertisement to be published unless he furnishes to the publisher of the advertisement his identification in writing, together with the identification of any person authorizing him to cause such publication.

"(b) Any published political advertisement shall contain a statement, in such form as the Commission may prescribe, of the identification of the person authorizing the publication of that advertisement.

"(c) Any publisher who publishes any political advertisement shall maintain such records as the Commission may prescribe for a period of two years after the date of publication setting forth such advertisement and any material relating to identification furnished to him in connection therewith, and shall permit the public to inspect and copy those records at reasonable hours.

"(d) To the extent that any person sells space in any newspaper or magazine to a legally qualified candidate for Federal elective office, or nomination thereto, in connection with such candidate's campaign for nomination for, or election to, such office, the charges made for the use of such space in connection with his campaign shall not exceed the charges made for comparable use of such space for other purposes.

"(e) Any political committee shall include on the face or front page of all literature and advertisements soliciting contributions the following notice:

"'A copy of our report filed with the Federal Election Commission is available for purchase from the Federal Election Commission, Washington, D.C.'

"(f) As used in this section, the term—

"(1) 'political advertisement' means any matter advocating the election or defeat of any candidate or otherwise seeking to influence the outcome of any election, but does not include any bona fide news story (including interviews, commentaries, or other works prepared for and published by any newspaper, magazine, or other periodical publication, the publication or which work is not paid for by any candidate, political committee, or agent thereof or by any other person); and

"(2) 'published' means publication in a newspaper, magazine, or other periodical publication, the publication of which work pamphlets, or other documents, or display through the use of any outdoor advertising facility, and such other use of printed media as the Commission shall prescribe.".

SEC. 8. Section 306(c) of the Federal Election campaign Act of 1971 (relating to formal requirements respecting reports and statements) is amended to read as follows:

"(c) The Commission may, by published regulation of general applicability, relieve—

"(1) any category of candidates of the obligation to comply personally with the requirements of section 304(a)-(e), if it determines that such action will not have any adverse effect on the purposes of this title, and

"(2) any category of political committees of the obligation to comply with such section if such committees—

"(A) primarily support persons seeking State or local office, and

"(B) do not operate in more than one State or do not operate on a statewide basis.".

SEC. 9. (a) Title III of the Federal Election Campaign Act of 1971 (relating to disclosure of Federal campaign funds) is amended by redesignating section 308 as section 312, and by inserting after section 307 the following new sections:

"FEDERAL ELECTION COMMISSION

"SEC. 308. (a)(1) There is hereby established, as an independent establishment of the executive branch of the Government of the United States, a commission to be known as the Federal Election Commission.

"(2) The Commission shall be composed of the Comptroller General, ex officio with the right to vote, and six other members who shall be appointed by the President by and with the advice and consent of the Senate. Of the six other members—

"(A) two shall be chosen from among individuals recommended by the President pro tempore of the Senate, upon the recommendations of the majority leader of the Senate and the minority leader of the Senate; and

"(B) two shall be chosen from among individuals recommended by the Speaker of the House of Representatives, upon the recommendations of the majority leader of the House and the minority leader of the House. The two members appointed under subparagraph (A) shall not be affiliated with the same political party; nor shall the two members appointed under subparagraph (B). The two members not appointed under such subparagraphs shall not be affiliated with the same political party.

"(3) Members of the Commission, other than the Comptroller General, shall serve for terms of seven years, except that, of the members first appointed—

"(A) one of the members not appointed under subparagraph (A) or (B) of paragraph (2) shall be appointed for a term ending on the April thirtieth first occurring more than six months after the date on which he is appointed;

"(B) one of the members appointed under paragraph (2)(A) shall be appointed for a term ending one year after the April thirtieth on which the term of the member referred to in subparagraph (A) of this paragraph ends;

"(C) one of the members appointed under paragraph (2)(B) shall be appointed for a term ending two years thereafter;

"(D) one of the members not appointed under subparagraph (A) or (B) of paragraph (2) shall be appointed for a term ending three years thereafter;

"(E) one of the members appointed under paragraph (2)(A) shall be appointed for a term ending four years thereafter;

"(F) one of the members appointed under paragraph (2)(B) shall be appointed for a term ending five years thereafter; and

"(G) the Comptroller General shall serve during his term of office as Comptroller General.

"(4) Members shall be chosen on the basis of their maturity, experience, integrity, impartiality, and good judgment. A member may be reappointed to the Commission only once.

"(5) An individual appointed to fill a vacancy occuring other than by the expiration of a term of office shall be appointed only for the unexpired term of the member he succeeds. Any vacancy occurring in the office of member of the Commission shall be filled in the manner in which that office was originally filled.

"(6) The Commission shall elect a Chairman and a Vice Chairman from among its members for a term of two years. The Chairman and the Vice Chairman shall not be affiliated with the same political party. The Vice Chairman shall act as Chairman in the absence or disability of the Chairman, or in the event of a vacancy in that office.

"(b) A vacancy in the Commission shall not impair the right of the remaining members to exercise all the powers of the Commission and four members thereof shall constitute a quorum.

"(c) The Commission shall have an official seal which shall be judicially noticed.

"(d) The Commission shall at the close of each fiscal year report to the Congress and to the President concerning the action it has taken; the names, salaries, and duties of all individuals in its employ and the money it has disbursed; and shall make such further reports on the matters within its jurisdiction and such recommendations for further legislation as may appear desirable.

"(e) The principal office of the Commission shall be in or near the District of Columbia, but it may meet or exercise any or all its powers in any State.

"(f) The Commission shall appoint a General Counsel and an Executive Director to serve at the pleasure of the Commission. The General Council shall be the chief legal officer of the Commission. The Executive Director shall be responsible for the administrative operations of the Commission and shall perform such other duties as may be delegated or assigned to him from time to time by regulations or orders of the Commission. However, the Commission shall not delegate the making of regulations regarding elections to the Executive Director.

"(g) The Chairman of the Commission shall appoint and fix the compensation of such personnel as may be necessary to fulfill the duties of the Commission in accordance with the provisions of title 5, United States Code.

"(h) The Commission may obtain the services of experts and consultants in accordance with section 3109 of title 5, United States Code.

"(i) In carrying out its responsibilities under this title, the Commission shall, to the fullest extent practicable, avail itself of the assistance, including personnel and facilities, of the General Accounting Office and the Department of Justice. The Comptroller General and the Attorney General are authorized to make available to the Commission such personnel, facilities, and other assistance, with or without reimbursement, as the Commission may request.

"(j) The provisions of section 7324 of title 5, United States Code, shall apply to members of the Commission notwithstanding the provisions of subsection (d)(3) of such section.

"(k)(1) Whenever the Commission submits any budget estimate or request to the President or the Office of Management and Budget, it shall concurrently transmit a copy of that estimate or request to the Congress.

"(2) Whenever the Commission submits any legislative recommendations, or testimony, or comments on legislation requested by the Congress or by any Member of Congress to the President or the Office of Management and Budget, it shall concurrently transmit a copy thereof to the Congress or to the Member requesting the same. No officer or agency of the United States shall have any authority to require the Commission to submit its legislative recommendations, or testimony, or comments on legislation, to any office or agency of the United States for approval, comments, or review, prior to the submission of such recommendations, testimony, or comments to the Congress.

"POWERS OF COMMISSION

"SEC. 309. (a) The Commission shall have the power—

"(1) to require, by special or general orders, any person to submit in writing such reports and answers to questions as the Commission may prescribe; and such submission shall be made within such reasonable period and under oath or otherwise as the Commission may determine;

"(2) to administer oaths;

"(3) to require by subpena, signed by the Chairman or the Vice Chairman, the attendance and testimony of witnesses and the production of all documentary evidence relating to the execution of its duties;

"(4) in any proceeding or investigation to order testimony to be taken by deposition before any person who is designated by the Commission and has the power to administer oaths and, in such instances, to compel testimony and the production of evidence in the same manner as authorized under paragraph (3) of this subsection;

"(5) to pay witnesses the same fees and mileage as are paid in like circumstances in the courts of the United States;

"(6) to initiate (through civil proceedings for injunctive relief and through presentations to Federal grand juries), prosecute, defend, or appeal any court action in the name of the Commission for the purpose of enforcing the provisions of this title and of sections 602, 608, 610, 611, 612, 613, 614, 615, 616, and 617 of title 18, United States Code, through its General Counsel; and

"(7) to delegate any of its functions or powers, other than the power to issue subpenas under paragraph (3), to any officer or employee of the Commission.

"(b) Any United States district court within the jurisdiction of which any inquiry is carried on, may, upon petition by the Commission, in case of refusal to obey a subpena or order of the Commission issued under subsection (a) of this section, issue an order requiring compliance therewith; and any failure to obey the order of the court may be punished by the court as a contempt thereof.

"(c) No person shall be subject to civil liability to any person (other than the Commission or the United States) for disclosing information at the request of the Commission.

"(d) Notwithstanding any other provision of law, the Commission shall be the primary civil and criminal enforcement agency for violations of the provisions of this title, and of sections 602, 608, 610, 611, 612, 613, 614, 615, 616, and 617 of title 18, United States Code. Any violation of any such provision shall be prosecuted by the Attorney General or Department of Justice personnel only after consultation with, the consent of, the Commission.

"(e)(1) Any person who violates any provision of this title and of sections 602, 608, 610, 611, 612, 613, 614, 615, 616, and 617 of title 18, United States Code, may be assessed a civil penalty by the Commission under paragraph (2) of this subsection of not more than $10,000 for each such violation. Each occurrence of a violation of this title and each day of noncompliance with a disclosure requirement of this title or an order of the Commission issued under this section shall constitute a separate offense. In determining the amount of the penalty the Commission shall consider the person's history of previous violations, the appropriateness of such penalty to the financial resources of the person charged, the gravity of the violation, and the demonstrated good faith of the person charged in attempting to achieve rapid compliance after notification of a violation.

"(2) A civil penalty shall be assessed by the Commission by order only after the person charged with a violation has been given an opportunity for a hearing and the Commission has determined, by decision incorporating its findings of fact therein, that a violation did occur, and the amount of the penalty. Any hearing under this section shall be of record and shall be held in accordance with section 554 of title 5, United States Code.

"(3) If the person against whom a civil penalty is assessed fails to pay the penalty, the Commission shall file a petition for enforcement of its order assessing the penalty in any appropriate district court of the United States. The petition shall designate the person against whom the order is sought to be enforced as the respondent. A copy of the petition shall forthwith be sent by registered or certified mail to the respondent and his attorney of record, and thereupon the Commission shall certify and file in such court the record upon which such order sought to be enforced was issued. The court shall have jurisdiction to enter a judgment enforcing, modifying, and enforcing as so modified, or setting aside in whole or in part the order and decision of the Commission or it may remand the proceedings to the Commission for such further action as it may direct. The court may consider and determine de novo all relevant issues of law but the Commission's findings of fact shall become final thirty days after issuance of its decision order incorporating such findings of fact and shall not thereafter be subject to judicial review.

"(f) Upon application made by any individual holding Federal office, any candidate, or any political committee, the Commission, through its General Counsel, shall provide within a reasonable period of time an advisory opinion, with respect to any specific transaction or activity inquired of, as to whether such transaction or activity would constitute a violation of any provision of this title or of any provision of title 18 over which the Commission has primary jurisdiction under subsection (d). Notwithstanding any other provision of law, no candidate or political committee shall be held or considered to have violated any such provision by the commission or omission of any act with respect to which an advisory opinion has been issued to that candidate or political committee under this subsection.

CENTRAL CAMPAIGN COMMITTEES

"SEC. 310. (a) Each candidate shall designate one political committee as his central campaign committee. A candidate for nomination for election, or for election, to the office of President, may also designate one political committee in each State in which he is a candidate as his State campaign committee for that State. The designation shall be made in writing, and a copy of the designation, together with such information as the Commission may require, shall be furnished to the Commission upon the designation of any such committee.

"(b) No political committee may be designated as the central campaign committee of more than one candidate. The central campaign committee, and each State campaign committee, designated by a candidate nominated by a political party for election to the office of President shall be the central campaign committee and the State campaign committees of the candidate nominated by that party for election to the office of Vice President.

"(c)(1) Any political committee authorized by a candidate to accept contributions or make expenditures in connection with his campaign for nomination or for election, which is not a central campaign committee or a State campaign committee, shall furnish each report required of it under section 304 (other than reports required under the last sentence of section 304(a) and 311(b)) to that candidate's central campaign committee at the time it would, but for this subsection, be required to furnish that report to the Commission. Any report properly furnished to a central campaign committee under this subsection shall be, for purposes of this title, held and considered to have been furnished to the Commission at the time at which it was furnished to such central campaign committee.

"(2) The Commission may, by regulation, require any political committee receiving contributions or making expenditures in a State on behalf of a candidate who, under subsection (a), has designated a State campaign committee for that State to furnish its reports to that State campaign committee instead of furnishing such reports to the central campaign committee of that candidate.

"(3) The Commission may require any political committee to furnish any report directly to the Commission.

"(d) Each political committee which is a central campaign committee or a State campaign committee shall receive all reports filed with or furnished to it by other political committees, and consolidate and furnish the reports to the Commission, together with its own reports and statements, in accordance with the provisions of this title and regulations prescribed by the Commission.

"CAMPAIGN DEPOSITORIES

"SEC. 311. (a)(1) Each candidate shall designate one or more National or State banks as his campaign depositories. The central campaign committee of that candidate, and any other political committee authorized by him to receive contributions or to make expenditures on his behalf, shall maintain a checking account at a depository so designated by the candidate and shall deposit any contributions received by that committee into that account. No expenditure may be made by any such committee on behalf of a candidate or to influence his election except by check drawn on that account, other than petty cash expenditures as provided in subsection (b).

"(2) The treasurer of each political committee (other than a political committee authorized by a candidate to receive contributions or to make expenditures on his behalf) shall designate one or more National or State banks as campaign depositories of that committee, and shall maintain a checking account for the committee at each such depository. All contributions received by that committee shall be deposited in such an account. No expenditure may be made by that committee except by check drawn on that account, other than petty cash expenditures as provided in subsection (b).

"(b) A political committee may maintain a petty cash fund out of which it may make expenditures not in excess of $100 to any person in connection with a single purchase or transaction. A record of petty cash disbursements shall be kept in accordance with requirements established by the Commission, and such statements and reports thereof shall be furnished to the Commission as it may require.

"(c) A candidate for nomination for election, or for election, to the office of President may establish one such depository in each State, which shall be considered by his State campaign committee for that State and any other political committee authorized by him to receive contributions or to make expenditures on his behalf in that State, under regulations prescribed by the Commission, as his single campaign depository. The campaign depository of the candidate of a political party for election to the office of Vice President shall be the campaign depository designated by the candidate of that party for election to the office of President.".

(b)(1) Section 5314 of title 5, United States Code, is amended by adding at the end thereof the following new paragraph:

"(60) Members (other than the Comptroller General), Federal Election Commission (6)."

(2) Section 5315 of such title is amended by adding at the end thereof the following new paragraphs:

"(98) General Counsel, Federal Election Commission.

"(99) Executive Director, Federal Election Commission."

(c) Until the appointment and qualification of all the members of the Federal Election Commission and its General Counsel and until the transfer provided for in this subsection, the Comptroller General, the Secretary of the Senate, and the Clerk of the House of Representatives shall continue to carry out their responsibilities under title I and title III of the Federal Election Campaign Act of 1971 as such titles existed on the day before the date of enactment of this Act. Upon the appointment of all the members of the Commission and its General Counsel, the Comptroller General, the Secretary of the Senate, and the Clerk of the House of Representatives shall meet with the Commission and arrange for the transfer, within thirty days after the date on which all such members and the General Counsel are appointed, of all records, documents, memorandums, and other papers associated with carrying out their responsibilities under title I and title III of the Federal Election Campaign Act of 1971.

(d) Title III of the Federal Election Campaign Act of 1971 is amended by—

(1) amending section 301(g) (relating to definitions) to read as follows:

"(g) 'Commission' means the Federal Election Commission;";

(2) striking out "supervisory officer" in section 302(d) and inserting "Commission";

(3) striking out section 302(f) (relating to organization of political committees);

(4) amending section 303 (relating to registration of political committees; statements) by—

(A) striking out "supervisory officer" each time it appears therein and inserting "Commission"; and

(B) striking out "he" in the second sentence of subsection (b) of such section (as redesignated by section 5(a) of this Act) and inserting "it";

(5) amending section 304 (relating to reports by political committees and candidates) by—

(A) striking out "appropriate supervisory officer" and "him" in the first sentence thereof and inserting "Commission" and "it", respectively; and

(B) striking out "supervisory officer" where it appears in the third sentence of subsection (a) and in paragraphs (12) and (14) (as redesignated by section 6(d)(2) of this Act) of subsection (b), and inserting "Commission";

(6) striking out "supervisory officer" each place it apears in section 306 (relating to formal requirements respecting reports and statements) and inserting "Commission";

(7) striking out "Comptroller General of the United States" and "he" in section 307 (relating to reports on convention financing) and inserting "Federal Election Commission" and "it", respectively;

(8) striking out "SUPERVISORY OFFICER" in the caption of section 312 (as redesignated by subsection (a) of this section) (relating to duties of the supervisory officer) and inserting "COMMISSION";

(9) striking out "supervisory officer" in section 312(a) (as redesignated by subsection (a) of this section) the first time it appears and inserting "Commission";

(10) amending section 312(a) (as redesignated by subsection (a) of this section) by—

(A) striking out "him" in paragraph (1) and inserting "it";

(B) striking out "him" in paragraph (4) and inserting "it"; and

(C) striking out "he" each place it appears in paragraphs (7) and (9) and inserting "it".

(11) striking out "supervisory officer" in section 312(b) (as redesignated by subsection (a) of this subsection) and inserting "Commission";

(12) amending subsection (c) of section 312 (as redesignated by subsection (a) of this section) by—

(A) striking out "Comptroller General" each place it appears therein and inserting "Commission", and striking "his" in the second sentence of such subsection and inserting "its"; and

(B) striking out the last sentence thereof; and

(13) amending subsection (d)(1) of section 312 (as redesignated by subsection (a) of this section) by—

(A) striking out "supervisory officer" each place it appears therein and inserting "Commission";

(B) striking out "he" the first place it appears in the second sentence of such section and inserting "it"; and

(C) striking out "the Attorney General on behalf of the United States" and inserting "the Commission".

Sec. 10. Section 312(a)(6) (as redesignated by this Act) of the Federal Election Campaign Act of 1971 (relating to duties of the supervisory officer) is amended to read as follows:

"(6) to compile and maintain a cumulative index listing all statements and reports filed with the Commission during each calendar year by political committees and candidates, which the Commission shall cause to be published in the Federal Register no less frequently than monthly during even-numbered years and quarterly in odd-numbered years and which shall be in such form and shall include such information as may be prescribed by the Commission to permit easy identification of each statement, report, candidate, and committee listed, at least as to their names, the dates of the statements and reports, and the number of pages in each, and the Commission shall make copies of statements and reports listed in the index available for sale, direct or by mail, at a price determined by the Commission to be reasonable to the purchaser;".

Sec. 11. Title III of the Federal Election Campaign Act of 1971 is amended by inserting after section 312 (as redesignated by this Act) the following new section:

"SUSPENSION OF FRANK FOR MASS MAILINGS IMMEDIATELY BEFORE ELECTIONS

"Sec. 313. No Senator, Representative, Resident Commissioner, or Delegate shall make any mass mailing of a newsletter or mailing with a simplified form of address under the frank under chapter 32 of title 39, United States Code, during the sixty days immediately preceding the date on which any election is held in which he is a candidate."

Sec. 12. Section 309 of the Federal Election Campaign Act of 1971 (relating to statements filed with State officers) is redesignated as section 314 of such Act and amended by—

(1) striking out "a supervisory officer" in subsection (a) and inserting in lieu thereof "the Commission";

(2) striking out "in which an expenditure is made by him or on his behalf" in subsection (a)(1) and inserting in lieu thereof the following: "in which he is a candidate or in which substantial expenditures are made by him or on his behalf"; and

(3) adding the following new subsection:

"(c) There is hereby authorized to be appropriated to the Commission in each fiscal year the sum of $500,000, to be made available in such amounts as the Commission deems appropriate to the States for the purpose of assisting them in complying with their duties as set forth in this section.".

Sec. 13. Section 310 of the Federal Election Campaign Act of 1971 (relating to prohibition of contributions in name of another) is redesignated as section 315 of such Act and amended by inserting after "another person", the first time it appears, the following: "or knowingly permit his name to be used to effect such a contribution".

Sec. 14. Section 311 of the Federal Election Campaign Act of 1971 (relating to penalty for violations) is amended to read as follows:

"PENALTY FOR VIOLATIONS

"Sec. 316. (a) Violation of the provisions of this title (other than section 304 (f)) is a misdemeanor punishable by a fine of not more than $10,000, imprisonment for not more than one year, or both.

"(b) Violation of the provisions of this title other than section 30 (b)) with knowledge or reason to know that the action committed or omitted is a violation of this Act is punishable by a fine of not more than $100,000, imprisonment for not more than five years, or both.

"(c) Any person who willfully fails to file a report required by section 304(f) of this Act, or who knowingly and willfully files a false report under such section, shall be fined $2,000 or imprisoned for not more than one year or both.".

Sec. 15. (a) Title III of the Federal Election Campaign Act of 1971 is amended by adding at the end thereof the following new sections:

"APPROVAL OF PRESIDENTIAL CAMPAIGN EXPENDITURES BY NATIONAL COMMITTEE

"Sec. 317. (a) No expenditure in excess of $1,000 shall be made by or on behalf of any candidate who has received the nomination of his political party for President or Vice President unless such expenditure has been specifically approved by the chairman or treasurer of that political party's national committee or the designated representative of that national committee in the State where the funds are to be expended.

"(b) Each national committee approving expenditures under subsection (a) shall register under section 303 as a political committee and report each expenditure it approves as if it had made that expenditure, together with the name and address of the person seeking approval and making the expenditure.

"(c) No political party shall have more than one national committee.

"USE OF CONTRIBUTED AMOUNTS FOR CERTAIN PURPOSES

"Sec. 318. Amounts received by a candidate as contributions that are in excess of any amount necessary to defray his campaign expenses, and any other amounts contributed to an individual for the purpose of supporting his activities as a holder of Federal office, may be used by that candidate or individual, as the case may be, to defray any ordinary and necessary expenses incurred by him in connection with his duties as a holder of Federal office, or may be contributed by him to any organization described in section 170(c) of the Internal Revenue Code of 1954. To the extent any such contribution, amount contributed or expenditure thereof is not otherwise required to be disclosed under the provision of this title, such contribution, amount contributed or expenditure shall be fully disclosed in accordance with regulations promulgated by the Commission. The Commission is authorized to promulgate such regulations as may be necessary to carry out the provisions of this section.

"AUTHORIZATION OF APPROPRIATIONS

"Sec. 319. There are authorized to be appropriated to the Commission, for the purpose of carrying out its functions under this title, and under chapter 29 of title 18, United States Code, not to exceed $5,000,000 for the fiscal year ending June 30, 1974, and not to exceed $5,000,000 for each fiscal year thereafter."

Sec. 16. Section 403 of the Federal Election Campaign Act of 1971 is amended to read as follows:

"EFFECT ON STATE LAW

"Sec. 403. The provisions of this Act, and of regulations promulgated under this Act, supersede and preempt any provision of State law with respect to campaigns for nomination for election, or for election, to Federal office (as such term is defined in section 301 (c))."

Sec. 17. (a) Paragraph (a) of section 591 of title 18, United States Code, is amended by—

(1) inserting "or" before "(4)"; and

(2) striking out "and (5) the election of delegates to a constitutional convention for proposing amendments to the Constitution of the United States".

(b) Such section 591 is amended by striking out paragraph (d) and inserting in lieu thereof the following:

"(d) 'political committee' means—

"(1) any committee, club, association, or other group of persons which receives contributions or makes expenditures during a calendar year in an aggregate amount exceeding $1,000;

"(2) any national committee, association, or organization of a political party, any State affiliate or subsidiary of a national political party, and any State central committee of a political party; and

"(3) any committee, association, or organization engaged in the administration of a separate segregated fund described in section 610;".

(c) Such section 591 is amended by—

(1) inserting in paragraph (e) (1) after "subscription" the following: "(including any assessment, fee, or membership dues)";

(2) striking out in such paragraph "or for the purpose of influencing the election of delegates to a constitutional convention for proposing amendments to the Constitution of the United States" and inserting in lieu thereof the following: "or for the purpose of financing any operation of a political committee, or for the purpose of paying, at any time, any debt or obligation incurred by a candidate or a political committee in connection with any campaign for nomination for election, or for election, to Federal office"; and

(3) striking out subparagraphs (2) and (3) of paragraph (e) and redesignating subparagraphs (4) and (5) as (2) and (3), respectively.

(d) Such section 591 is amended by striking out paragraph (f) and inserting in lieu thereof the following:

"(f) 'expenditure' means a purchase, payment, distribution, loan (except a loan of money by a national or State bank made in accordance with the applicable banking laws and regulations, and in the ordinary course of business), advance, deposit, or gift of money or anything of value, made for the purpose of—

"(1) influencing the nomination for election, or the election, of any person to Federal office, or to the office of Presidential and Vice Presidential elector;

"(2) influencing the result of a primary election held for the selection of delegates to a national nominating convention of a political party or for the expression of a preference for the nomination of persons for election to the office of President;

"(3) financing any operations of a political committee; or

"(4) paying, at any time, any debt or obligation incurred by a candidate or a political committee in connection with any campaign for nomination for election, or for election, to Federal office;".

SEC. 18. (a) (1) Subsection (a) (1) of section 608 of title 18, United States Code, is amended to read as follows:

"(a) (1) No candidate may make expenditures from his personal funds, or the personal funds of his immediate family, in connection with his campaigns for nomination for election, and for election, to, Federal office in excess, in the aggregate during any calendar year, of—

"(A) $100,000, in the case of a candidate for the office of President or Vice President;

"(B) $70,000, in the case of a candidate for the office of Senator; or

"(C) $50,000, in the case of a candidate for the office of Representative, or Delegate or Resident Commissioner to the Congress."

(2) Subsection (a) of such section is amended by adding at the end thereof the following new paragraphs:

"(3) No candidate or his immediate family may make loans or advances from their personal funds in connection with his campaign for nomination for election, or election, to Federal office unless such loan or advance is evidenced by a written instrument fully disclosing the terms and conditions of such loan or advance.

"(4) For purposes of this subsection, any such loan or advance shall be included in computing the total amount of such expenditures only to the extent of the balance of such loan or advance outstanding and unpaid."

(b) Subsection (c) of such section is amended by striking out "$1,000" and inserting in lieu thereof "$25,000", and by striking out "one year" and inserting in lieu thereof "five years".

(c) (1) The caption of such section 608 is amended by adding at the end thereof the following: "out of candidates' personal and family funds".

(2) The table of sections for chapter 29 of title 18, United States Code, is amended by striking out the item relating to section 608 and inserting in lieu thereof the following:

"608. Limitations on contributions and expenditures out of candidates' personal and family funds.".

(d) Notwithstanding the provisions of section 608 of title 18, United States Code, it shall not be unlawful for any individual who, as of the date of enactment of this Act, has outstanding any debt or obligation incurred on his behalf by any political committee in connection with his campaigns prior to January 1, 1973, for nomination for election, and for election, to Federal office, to satisfy or discharge any such debt or obligation out of his own personal funds or the personal funds of his immediate family (as such term is defined in such section 608).

SEC. 19. Section 611 of title 18, United States Code, is amended by adding at the end thereof the following new paragraph:

"It shall not constitute a violation of the provisions of this section for a corporation or a labor organization to establish, administer, or solicit contributions to a separate segregated fund to be utilized for political purposes by that corporation or labor organization if the establishment and administration of, and solicitation of contributions to, such fund do not constitute a violation of section 610."

SEC. 20. (a) Chapter 29 of title 18, United States Code, is amended by adding at the end thereof the following new sections:

"§ 614. LIMITATION ON EXPENDITURES GENERALLY.

"(a) (1) Except to the extent that such amounts are increased under subsection (d) (2), no candidate (other than a candidate for nomination for election to the office of President) may make expenditures in connection with his primary or primary runoff campaign for nomination for election to Federal office in excess of the greater of—

"(A) 10 cents multiplied by the voting age population (as certified under subsection (e)) of the geographical area in which the election for such nomination is held, or

"(B) (i) $125,000, if the Federal office sought is that of Senator, Delegate, Resident Commissioner, or Representative from a State which is entitled to only one Representative, or

"(ii) $90,000, if the Federal office sought is that of Representative from a State which is entitled to more than one Representative.

"(2) Except to the extent that such amounts are increased under subsection (d) (2), no candidate (other than a candidate for election to the office of President) may make expenditures in connection with his general or special election campaign for election to Federal office in excess of the greater of—

"(A) 15 cents multiplied by the voting age population (as certified under subsection (e)) of the geographical area in which the election is held, or

"(B) (i) $175,000, if the Federal office sought is that of Senator, Delegate, Resident Commissioner, or Representative, from a State which is entitled to only one Representative, or

"(ii) $90,000, if the Federal office sought is that of Representative from a State which is entitled to more than one Representative.

"(b) (1) No candidate for nomination for election to the office of President may make expenditures in any State in connection with his campaign for such nomination in excess of the amount which a candidate for nomination for election to the office of Senator from that State (or for nomination of election to the office of Delegate, in the case of the District of Columbia) might expend within the State in connection with his campaign for that nomination. For purposes of this subsection, an individual is a candidate for nomination for election to the office of President if he makes (or any other person makes on his behalf) an expenditure on behalf of his candidacy for any political party's nomination for election to the office of President.

"(2) No candidate for election to the office of President may make expenditures in any State in connection with his campaign for election to such office in excess of the amount which a candidate for election to the office of Senator (or for election to the office of Delegate, in the case of the District of Columbia) might expend within the State in connection with his campaign for election to the office of Senator (or Delegate).

"(c) (1) Expenditures made on behalf of any candidate shall, for the purpose of this section, be deemed to have been made by such candidate.

"(2) Expenditures made by or on behalf of any candidate for the office of Vice President of the United States shall, for the purpose of this section, be deemed to have been made by the candidate for the office of President of the United States with whom he is running.

"(3) For purposes of this subsection, an expenditure shall be held and considered to have been made on behalf of a candidate if it was made by—

"(A) an agent of the candidate for the purpose of making any campaign expenditure, or

"(B) any person authorized or requested by the candidate to make expenditures on his behalf.

"(d) (1) For purposes of paragraph (2):

"(A) The term 'price index' means the average over a calendar year of the Consumer Price Index (all items—United States city average) published monthly by the Bureau of Labor Statistics.

"(B) The term 'base period' means the calendar year 1970.

"(2) At the beginning of each calendar year (commencing in 1974), as there become available necessary data from the Bureau of Labor Statistics of the Department of Labor, the Secretary of Labor shall certify to the Federal Election Commission and publish in the Federal Register the per centum difference between the price index for the twelve months preceding the beginning of such calendar year and the price index for the base period. Each amount determined under subsection (a) shall be increased by such per centum difference. Each amount so increased shall be the amount in effect for such calendar year.

"(e) During the first week of January 1974, and every subsequent year, the Secretary of Commerce shall certify to the Federal Election Commission and publish in the Federal Register an estimate of the voting age population of each State and congressional district as of the first day of July next preceding the date of certification.

"(f) (1) No person shall render or make any charge for services or products knowingly furnished to, or for the benefit of, any candidate in connection with his campaign for nomination for election, or election, in an amount in excess of $100 unless the candidate (or a person specifically authorized by the candidate in writing to do so) certifies in writing to the person making the charge that the payment of that charge will not exceed the expenditure limitations set forth in this section.

"(2) Any person making an aggregate expenditure in excess of $1,000 to purchase services or products shall, for purposes of this subsection, be held and considered to be making such expenditure on behalf of any candidate the election of whom would be influenced favorably by the use of such products or services. No person shall render or make any charge for services or products furnished to a person described in the preceding sentence unless that candidate (or a person specifically authorized by that candidate in writing to do so) certified in writing to the person making the charge that the payment of that charge will not exceed the expenditure limitation applicable to that candidate under this section.

"(g) The Federal Election Commission shall prescribe regulations under which any expenditure by a candidate for Presidential nomination for use in two or more States shall be attributed to such candidate's expenditure limitation in each such State based on the number of persons in such State who can reasonably be expected to be reached by such expenditure.

"(h) Any person who knowingly or willfully violates the provisions of this section, other than subsections (c), (d), and (e), shall be punishable by a fine of $25,000, imprisonment for a period of not more than five years, or both. If any candidate is convicted of violating the provisions of this section because of any expenditure made on his behalf (as determined under subsection (c) (3)) by a political committee, the treasurer of that committee, or any other person authorizing such expenditure, shall be punishable by a fine of not to exceed $25,000, imprisonment for not to exceed five years, or both, if such person knew, or had reason to know, that such expenditure was in excess of the limitation applicable to such candidate under this section.

"§ 615. Limitations on Contributions by Individuals and on Expenditures by Certain Other Persons.

"(a) No individual shall make any contribution during any calendar year to or for the benefit of any candidate which is in excess of—

"(1) in the case of contributions to or for the benefit of a candidate other than a candidate for nomination for election, or for election, to the office of President, the amount which, when added to the total amount of all other contributions made by that individual during that calendar year to or for the benefit of a particular candidate, would equal $3,000; or

"(2) in the case of contributions to or for the benefit of a candidate for nomination for election, or for election, to the office of President, the amount which, when added to the total amount of all other contributions made by that individual during that calendar year to or for the benefit of that candidate, would equal $3,000.

"(b) No individual shall during any calendar year make, and no person shall accept, (1) any contribution to a political committee, or (2) any contribution to or for the benefit of any candidate, which when added to all the other contributions enumerated in (1) and (2) of this subsection which were made in that calendar year, exceeds $25,000.

"(c) (1) No person (other than an individual) shall make any expenditure during any calendar year for or on behalf of a particular candidate which is in excess of the amount which, when added to the total amount of all other expenditures made by that person for or on behalf of that candidate during that calendar year, woud equal—

"(A) $3,000, in the case of a candidate other than a candidate for nomination for election, or for election, to the office of President; or

"(B) $3,000, in the case of a candidate for nomination for election, or for election, to the office of President.

"(2) This subsection shall not apply to the central campaign committee or the State campaign committee of a candidate, to the national committee of a political party, or to the Republican or Democratic Senatorial Campaign Committee, the Democratic National Congressional Committee, or the National Republican Congressional Committee.

"(d) The limitations imposed by subsection (a) (1) and by subsection (c) shall apply separately to each primary, primary runoff, general, and special election in which a candidate participates.

"(e) (1) Any contribution made in connection with a campaign in a year other than the calendar year in which the election to which that campaign relates is held shall, for purposes of this section, be taken into consideration and counted toward the limitations imposed by this section for the calendar year in which that election is held.

"(2) Contributions made to or for the benefit of a candidate nominated by a political party for election to the office of Vice President shall be held and considered, for purposes of this section, to have been made to or for the benefit of the candidate nominated by that party for election to the office of President.

"(f) For purposes of this section, the term—

"(1) 'family' means an individual and his spouse and any of his children who have not attained the age of eighteen years; and

"(2) 'political party' means a political party which in the next preceding presidential election, nominated candidates for election to the offices of President and Vice President, and the electors of which party received in such election, in any or all of the States, an aggregate number of votes equal in number to at least 10 per centum of the total number of votes cast throughout the United States for all electors for candidates for President and Vice President in such election.

"(g) For purposes of the limitations contained in this section, all contributions made by any person directly or indirectly on behalf of a particular candidate, including contributions which are in any way earmarked, encumbered, or otherwise directed through an intermediary or conduit to that candidate, shall be treated as contributions from that person to that candidate.

"(h) Violation of the provisions of this section is punishable by a fine of not to exceed $25,000, imprisonment for not to exceed five years, or both.

"§ 616. Form of Contributions.

"It shall be unlawful for any person to make a contribution to or for the benefit of any candidate or political committee in excess, in the aggregate during any calendar year, of $50 unless such contribution is made by a written instrument identifying the person making the contribution. Violation of the provisions of this section is punishable by a fine of not to exceed $1,000, imprisonment for not to exceed one year, or both.

"§ 617. Embezzlement or Conversion of Political Contributions.

"Whoever, being a candidate, or an officer, employee, or agent of a political candidate, or a person acting on behalf of any candidate or political committee, embezzles, knowingly converts to his own use or the use of another, or deposits in any place or in any manner except as authorized by law, any contributions or campaign funds entrusted to him or under his possession, custody, or control, or uses any campaign funds to pay or defray the costs of attorney fees for the defense of any person or persons charged with the commission of a crime; or

"Whoever receives, conceals, or retains the same with intent to convert it to his personal use or gain, knowing it to have been embezzled or converted—

"Shall be fined not more than $25,000 or imprisoned not more than ten years, or both; but if the value of such property does not exceed the sum of $100, he shall be fined not more than $1,000 or imprisoned not more than one year, or both. Notwithstanding the provisions of this section, any surplus or unexpended campaign funds may be contributed to a national or State political party for political purposes, or to educational or charitable organizations, or may be preserved for use in future campaigns for elective office, or for any other lawful purpose.".

(b) Section 591 of title 18, United States Code, is amended by striking out "and 611" and inserting in lieu thereof "611, 614, 615, and 616".

(c) The table of sections for chapter 29 of title 18, United States Code, is amended by adding at the end thereof the following new items:

"614. Limitation on expenditures generally.
"615. Limitation on contributions by individuals and on expenditures by certain other persons.
"616. Form of contributions.
"617. Embezzlement or conversion of political contributions.".

Sec. 21. The Federal Election Campaign Act of 1971 is amended by adding the following new title after title III and redesignating the existing title IV and the sections thereof accordingly:

"TITLE IV—ASSISTANCE FOR VOTER REGISTRATION AND ELECTION ADMINISTRATION

"Sec. 401. This title may be cited as the 'Voter Registration and Election Administration Assistance Act'.

"DEFINITIONS

"Sec. 402. As used in this title—

"(1) 'Commission' means the Federal Election Commission;

"(2) 'State' means each State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, and any territory or possession of the United States;

"(3) 'political subdivision' means any city, county, township, town, borough, parish, village, or other general purpose unit of local government of a State, or an Indian tribe which performs voter registration or election administration functions, as determined by the Secretary of the Interior; and

"(4) 'grant' means grant, loan, contract, or other appropriate financial arrangement.

"FUNCTIONS OF THE COMMISSION

"Sec. 403. (a) The Commission shall—

"(1) make grants, in accord with the provisions of this title, upon the request of State and local officials, to States and political subdivisions thereof to carry out programs of voter registration and election administration;

"(2) collect, analyze, and arrange for the publication and sale by the Government Printing Office of information concerning voter registration and elections in the United States;

"(3) prepare and submit to the President and the Congress on March 31 each year a report on the activities of the Commission under this title and on voter registration and election administration in the States and political subdivisions thereof, including recommendations for such additional legislation as may be appropriate; and

"(4) take such other actions as it deems necessary and proper to carry out its functions under this title.

"(b) The Commission shall not publish or disclose any information which permits the identification of individual voters.

"ADVISORY COUNCIL ON VOTER REGISTRATION AND ELECTION ADMINISTRATION

"Sec. 404. (a) There is hereby established an Advisory Council on Voter Registration and Election Administration, consisting of the Chairman of the Commission, who shall be Chairman of the Council, and sixteen members appointed by the Chairman of the Commission without regard to the civil service laws. Four of the appointed members shall be selected from the general public, and four each shall be selected from the chief election officers of State, county, and municipal governments, respectively. No more than two of the appointed members in each category shall be members of the same political party.

"(b) Each appointed member of the Council shall hold office for a term of four years, except that any member appointed to fill a vacancy prior to the expiration of the term for which his predecessor was appointed shall be appointed for the remainder of such term, and except that the terms of office of the members first taking office shall expire, as designated by the Chairman of the Commission at the time of appointment, four at the end of the first year, four at the end of the second year, four at the end of the third year, and four at the end of the fourth year after the date of appointment. An appointed member shall not be eligible to serve continuously for more than two terms.

"(c) The Council shall advise and assist the Commission in the preparation of regulations for, and as to policy matters arising with respect to, the administration of this title, including matters arising with respect to the review of applications for grants under this title.

"GRANTS TO DEFRAY COSTS OF EXISTING VOTER REGISTRATION AND ELECTION ACTIVITIES

"SEC. 405. The Commission is authorized to make grants to any State or political subdivision thereof for the purpose of carrying out voter registration and election administration activities. A grant made under this section in any fiscal year shall not be in excess of 10 cents multiplied by the voting age population of the State or political subdivision receiving the grant, and the total amount of grants to any State and the political subdivisions thereof in any fiscal year shall not be in excess of 10 cents multiplied by the voting age population of the State.

"GRANTS TO IMPROVE VOTER REGISTRATION AND ELECTION ADMINISTRATION PROCEDURES

"SEC. 406. (a) The Commission is authorized to make grants to any State or political subdivision thereof to establish and carry out programs to improve voter registration and election administration. Such programs may include, but shall not be limited to:

"(1) programs to increase the number of registered voters or to improve voter registration, such as expanded registration hours and locations, employment of deputy registrars, mobile registration facilities, employment of deputy registrars, door-to-door canvass procedures, election day registration, re-registration programs, and programs to coordinate registration with other jurisdictions;

"(2) programs to improve election and election day activities, such as organization, planning, and evaluation of election and election day activities and responsibilities; improvements in ballot preparation, in use of absentee ballot procedures, and in voter identification, voting and vote-counting on election day; coordination of State and local election activities; and establishment of administrative and judicial mechanisms to deal promptly with election and election day difficulties;

"(3) education and training programs for State and local election officials;

"(4) programs for the prevention and control of fraud; and

"(5) other programs designed to improve voter registration and election administration and approved by the Commission.

"(b) A grant made under this section may be up to 50 per centum of the fair and reasonable cost, as determined by the Commission, of establishing and carrying out such a program. A grant made under this section in any fiscal year shall not be in excess of 10 cents multiplied by the voting age population of the State or political subdivision receiving the grant, and the total amount of grants to any State and the political subdivisions thereof in any fiscal year shall not be in excess of 10 cents multiplied by the voting age population of the State.

"GRANTS TO MODERNIZE VOTER REGISTRATION AND ELECTION ADMINISTRATION

"SEC. 407. (a) The Commission is authorized to make grants to any State for planning and evaluating the use of electronic data processing or other appropriate procedures to modernize voter registration or election administration on a centralized statewide basis. A grant made under this section shall not be in excess of one-half cent multiplied by the voting age population of the State receiving the grant, or $25,000, whichever is greater.

"(b) The Commission is authorized to make grants to any State for designing, programing, and implementing a centralized statewide voter registration or election administration system as described in subsection (a) of this section. A grant under this subsection shall not be in excess of 10 cents multiplied by the voting age population of the State receiving the grant.

"GRANTS FOR VOTER EDUCATION

"SEC. 408. The Commission is authorized to make grants to any State or political subdivision thereof for the purpose of carrying out nonpartisan citizen education programs in voting and voter registration. A grant made under this section in any fiscal year shall not be in excess of 10 cents multiplied by the voting age population of the State or political subdivision receiving the grant, and the total amount of grants to any State and the political subdivisions thereof in any fiscal year shall not be in excess of 10 cents multiplied by the voting age population of the State.

"TECHNICAL ASSISTANCE AND FRAUD PREVENTION

"SEC. 409. The Commission is authorized to make available technical assistance, including assistance in developing programs for the prevention and control of fraud, to any State or political subdivision thereof for improving voter registration, election administration and voter participation. Such assistance shall be made available at the request of States and political subdivisions thereof, to the extent practicable and consistent with the provisions of this title.

"APPLICATIONS FOR GRANTS

"SEC. 410. Except as otherwise specifically provided, grants authorized by section 405, 406, 407, or 408 of this title may be made to States, political subdivisions, or combinations thereof. Such grants may be made only upon application to the Commission at such time or times and containing such information as the Commission may prescribe. The Commission shall provide an explanation of the grant programs authorized by this title to State or local election officials, and shall offer to prepare, upon request, applications for such grants. No application shall be approved unless it—

"(a) demonstrates, to the satisfaction of the Commission that the applicant has a substantial responsibility for voter registration or election administration within its jurisdiction, and that the grant will not involve duplication of effort within the jurisdiction receiving the grant or the development of incompatible voter registration or election administration systems within a State;

"(b) sets forth the authority for the grant under this title;

"(c) provides such fiscal control and fund accounting procedures as may be necessary to assure proper disbursement of and accounting for Federal funds paid to the applicant under this title, and provides for making available to the Commission, books, documents, papers, and records related to any funds received under this title; and

"(d) provides for making such reports, in such form and containing such information, as the Commission may reasonably require to carry out its functions under this title, for keeping such records, and for affording such access thereto as the Commission may find necessary to assure the correctness and verification of such reports.

"REGULATIONS

"SEC. 411. The Commission is authorized to issue such rules and regulations as may be necessary or appropriate to carry out the provisions of this title.

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 412. For the purpose of carrying out the provisions of this title, there is authorized to be appropriated, for the fiscal year ending June 30, 1974, and for the two succeeding fiscal years, the sum of $15,000,000 each year for sections 405, 406, 407, and 408."

SEC. 22. (a) Any candidate of a political party in a general election for the office of a Member of Congress who, at the time he becomes a candidate, does not occupy any such office, shall file within one month after he becomes a candidate for such office, and each Member of Congress, each officer and employee of the United States (including any member of a uniformed service) who is compensated at a rate in excess of $25,000 per annum, any individual occupying the position of an officer or employee of the United States who performs duties of the type generally performed by an individual occupying grade GS–16 of the General Schedule or any higher grade or position (as determined by the Federal Election Commission regardless of the rate of compensation of such individual), the President, and the Vice President shall file annually, with the Commission a report containing a full and complete statement of—

(1) the amount and source of each item of income, each item of reimbursement for any expenditure, and each gift or aggregate of gifts from one source (other than gifts received from his spouse or any member of his immediate family) received by him or by him and his spouse jointly during the preceding calendar year which exceeds $100 in amount or value, including any fee or other honorarium received by him for or in connection with the preparation or delivery of any speech or address, attendance at any convention or other assembly of individuals, or the preparation of any article or other composition for publication, and the monetary value of subsistence, entertainment, travel, and other facilities received by him in kind;

(2) the identity of each asset held by him, or by him and his spouse jointly which has a value in excess of $1,000, and the amount of each liability owed by him, or by him and his spouse jointly, which is in excess of $1,000 as of the close of the preceding calendar year;

(3) any transactions in securities of any business entity by him, or by him and his spouse jointly, or by any person acting on his behalf or pursuant to his direction during the preceding calendar year if the aggregate amount involved in transactions in the securities of such business entity exceeds $1,000 during such year;

(4) all transactions in commodities by him, or by him and his spouse jointly, or by any person acting on his behalf or pursuant to his direction during the preceding calendar year if the aggregate amount involved in such transactions exceeds $1,000; and

(5) any purchase or sale, other than the purchase or sale of his personal residence, of real property or any interest therein by him, or by him and his spouse jointly, or by any person acting on his behalf or pursuant to his direction, during the preceding calendar year if the value of property involved in such purchase or sale exceeds $1,000.

(b) Reports required by this section (other than reports so required by candidates of political parties) shall be filed not later than May 15 of each year. In the case of any person who ceases, prior to such date in any year, to occupy the office or position the occupancy of which imposes upon him the reporting requirements contained in subsection (a) shall file such report on the last day he occupies such office or position, or on such later date, not more than three months after such last day, as the Commission may prescribe.

(c) Reports required by this section shall be in such form and detail as the Commission may prescribe. The Commission may provide for the grouping of items of income, sources of income, assets, liabilities, dealings in securities or commodities, and purchases and sales of real property, when separate itemization is not feasible or is not necessary for an accurate disclosure of the income, net worth, dealing in securities and commodities, or purchases and sales of real property of any individual.

(d) Any person who willfully fails to file a report required by this section, or who knowingly and willfully files a false report under this section, shall be fined $2,000, or imprisoned for not more than five years, or both.

(e) All reports filed under this section shall be maintained by the Commission as public records which, under such reasonable regulations as it shall prescribe, shall be available for inspection by members of the public.

(f) For the purposes of any report required by this section, an individual shall be considered to have been President, Vice President, a Member of Congress, an officer or employee of the United States, or a member of a uniformed service, during any calendar year if he served in any such position for more than six months during such calendar year.

(g) As used in this section—

(1) The term "income" means gross income as defined in section 61 of the Internal Revenue Code of 1954.

(2) The term "security" means security as defined in section 2 of the Securities Act of 1933, as amended (15 U.S.C. 77b).

(3) The term "commodity" means commodity as defined in section 2 of the Commodities Exchange Act, as amended (7 U.S.C. 2).

(4) The term "transactions in securities or commodities" means any acquisition, holding, withholding, use, transfer, or other disposition involving any security or commodity.

(5) The term "Member of Congress" means a Senator, a Representative, a Resident Commissioner, or a Delegate.

(6) The term "officer" has the same meaning as in section 2104 of title 5, United States Code.

(7) The term "employee" has the same meaning as in section 2105 of such title.

(8) The term "uniformed service" means any of the Armed Forces, the commissioned corps of the Public Health Service, or the Commissioned Corps of the National Oceanic and Atmospheric Administration.

(9) The term "immediate family" means the child, parent, grandparent, brother, or sister of an individual, and the spouses of such persons.

(h) Section 554 of title 5, United States Code, is amended by adding at the end thereof the following new subsection:

"(f) All written communications and memorandums stating the circumstances, source, and substance of all oral communications made to the agency, or any officer or employee thereof, with respect to any case which is subject to the provisions of this section by any person who is not an officer or employee of the agency shall be made a part of the public record of such case. This subsection shall not apply to communications to any officer, employee, or agent of the agency engaged in the performance of investigative or prosecuting functions for the agency with respect to such case."

(i) The first report required under this section shall be due on the 15th day of May occurring at least thirty days after the date of enactment.

(j) Effective on the day after the date of this Act—

(1) section 304(f) of the Federal Election Campaign Act of 1971 is repealed;

(2) section 6(f) of this Act is amended—

(A) by striking out the paragraph designation "(1)", and

(B) by striking out paragraph (2) of such section;

(3) section 306(c)(1) of the Federal Election Campaign Act of 1971 is amended by striking out "(a)-(e)"; and

(4) section 316 of the Federal Election Campaign Act of 1971 is amended—

(A) by striking out of subsections (a) and (b) the phrase "(other than section 304 (f))" wherever it appears; and

(B) by striking out subsection (c).

Any action taken under any provision of law repealed or struck out by this subsection shall have no force or effect on or after such day.

SEC. 23. It is the sense of the Congress that the salaries of Members of Congress, members of the President's cabinet, and members of the Federal judiciary shall not be increased in excess of the annual wage guidelines so long as wage and price controls continue.

The title was amended so as to read: "A bill to amend the Communications Act of 1934 to relieve broadcasters of the equal time requirement of section 315 with respect to candidates for Federal office, to repeal the Campaign Communications Reform Act, to amend the Federal Election Campaign Act of 1971, and for other purposes."

Mr. CANNON. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. SCOTT of Pennsylvania. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. CANNON. Mr. President, I ask unanimous consent that the enrolling clerk be authorized to make such technical and conforming changes within the bill as may be necessary to reflect, in the bill and in the Federal Election Campaign Act of 1971, the Communications Act of 1934, and chapter 29 of title 18, United States Code, the changes made in substantive law by the bill, and

That any new sections to be added to chapter 29 of title 18, United States Code, by amendments adopted by the Senate during the debate on this bill be placed under the primary jurisdiction of the Federal Election Commission.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Nevada? The Chair hears none, and it is so ordered.

Mr. BIDEN. Mr. President, we have just approvd S. 372, the Federal Elections Campaign Act of 1973. Long hours of constructive effort have gone into shaping of this legislation. Senators of diverse political tendencies have made valuable contributions to the final product, because we are painfully aware of existing unsavory campaign financing practices that must be eliminated if confidence and faith both in our political system and in politicians are to be resumed.

The bill, in the form it has passed the Senate, has a hard road ahead. It and similar legislation await action by the House of Representatives. And then, undoubtedly, should this point be reached, a conference will be necessary to reconcile differences. In what shape the ultimate legislation will emerge is unclear.

It is frequently the custom to greet the passage of a major bill on a note of triumph—or, if one opposes the bill, on a note of despair. But events have a way of modifying our enthusiasms and our despairs. I am inclined to believe that the bill, if passed, will be a step in the direction of reforming the existing system of political financing. I say "the existing system" because I am not certain that the existing system of raising private funds to conduct public elections is salvageable. It may be or may not be. Too often, private money in political campaigns is funny money with unfunny results. I, myself, prefer that we shift to public financing of elections. And I thank the floor manager of this bill, Senator CANNON, the distinguished chairman of the Senate Rules Committee, for his avowal to hold hearings later this year on public financing of elections.

In my opinion, the most valuable section of S. 372 may be the creation of an independent 16-member Federal Elections Commission, equipped with primary jurisdiction to bring criminal and civil court actions in respect to violations of campaign spending laws. I am not clear as to the consequences of the campaign-spending limits contained in the bill, as approved. It may be that it will strengthen incumbents and work against the efforts of challengers, that is, nonincumbents. It would be unfortunate if this were to prove to be the result. And, if so, the law in this respect should be changed.

Americans share a rising sense of dismay about abuses in our campaign-financing system. When we say that the American political system is the best that money can buy it is not a compliment, it is an epitaph.

Therefore, let us hope that this bill, if enacted, will bring about needed changes.

Change we should—and change we must. Otherwise, the Congress risks being pushed further to the outskirts of our society than it already is.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Berry, one of its readings clerks, announced that the House had passed, without amendment, the bill (S. 1993) to amend the Euratom Cooperation Act of 1958, as amended.

The message also announced that the House had agreed to the concurrent resolution (S. Con. Res. 42) providing for a conditional adjournment of the two Houses from August 3 until September 5, 1973.

COMMISSION ON FEDERAL ELECTION REFORM

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate turn to the consideration of Calendar No. 292, Senate Joint Resolution 110.

The PRESIDING OFFICER. The clerk will report the joint resolution.

The legislative clerk read as follows:

Calendar No. 292 (S.J. Res. 110) a joint resolution to establish a nonpartisan commission on Federal election reform.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Montana? The Chair hears none, and it is so ordered.

The Senate proceeded to consider the joint resolution which had been reported from the Committee on Rules and Administration with amendments on page 1, at the beginning of line 3, insert "That"; in the same line, after the amendment just stated, strike out "Section 1. This" and insert "this joint"; on page 4, line 3, after "(iii)", strike out "nine" and insert "eight"; at the beginning of line 8, strike out "seven" and insert "six"; in line 11, after the word "the", where it appears the first time, strike out "seven" and insert "six"; in line 13, after the word "Vice", strike out "Chairman" and insert "Chairman, who shall not be affiliated with the same political party,"; in line 25, after the word "level", strike out "II" and insert "III"; on page 5, line 22, after the word "by", strike out "law." and insert "law and the Constitution of the United States."; on page 6, line 11, after the word "service", strike out "or to classification and" and insert "but otherwise in accordance with"; on page 7, line 12, after the word "this", insert "joint"; and, at the beginning of line 21, insert "joint".

Mr. CANNON. Mr. President, I ask unanimous consent that the committee amendments be agreed to en bloc.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SCOTT of Pennsylvania. Mr. President, I send to the desk an amendment and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report the amendment.

The legislative clerk read as follows:

On page 7, line 15, strike "December 1, 1973." and insert in lieu thereof "one year from the date of enactment of this joint resolution."

Mr. SCOTT of Pennsylvania. Mr. President, the original intent of this resolution to establish a nonpartisan commission on Federal election reform was to have proposals presented to the Congress which could be considered and acted upon prior to the 1974 elections. However, the date of the proposed report, December 1, 1973, seems unreasonable as we view it now from late in July, and I would suggest a simple modification.

If, as expected, the Commission recommends major changes in election procedures, such as amendments to the Constitution, Congress will certainly need a great deal of time for study. Therefore, I suggest that the Commission report back to Congress 1 year from the date of enactment of the joint resolution. In this way, the Commission could be appointed, staffed and ready to go knowing that it would have some breathing room to produce a comprehensive report. Of course, the adoption of this amendment should not preclude final congressional approval this year of S. 372, which the Senate has just passed. I hope my amendment will be agreed to.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Pennsylvania.

The amendment was agreed to.

Mr. CANNON. Mr. President, I support this Senate Resolution 110 to create a nonpartisan study commission. The commission may address itself to many areas of the elective process not within the scope of the Federal Election Act Amendments, S. 372, which the Senate has just passed.

Mr. President, I want to emphasize that my approval of a study commission should not be construed, by any means, as a lessening of effort by Congress to press for early approval of S. 372, the Federal Election Act Amendments of 1973.

That Act is vitally necessary in order to provide more effective controls over campaign contributions and expenditures and the enforcement of the act by the Federal Election Commission.

With that clear understanding I am happy to lend my support toward the adoption of Senate Joint Resolution 110.

The PRESIDING OFFICER. The joint resolution is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment and third reading of the joint resolution.

The joint resolution (S.J. Res. 110) was ordered to be engrossed for a third reading and was read the third time.

The PRESIDING OFFICER. The joint resolution having been read the third time, the question is, Shall the joint resolution pass?

The joint resolution (S.J. Res. 110), as amended, was passed.

The preamble was agreed to.

The joint resolution, as amended, with its preamble, reads as follows:

Whereas the strength of our democracy rests on the integrity of our political processes;

Whereas the confidence of the public in the integrity of these processes must be assured;

Whereas the Congress and the President recognize the need to establish an impartial commission to study the conduct of election campaigns and to make recommendations concerning future practices: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assmbled, That this joint resolution may be cited as the "Election Reform Commission Act of 1973".

SEC. 2. There is hereby established an independent commission, to be known as the Nonpartisan Commission on Federal Election Reform (hereinafter referred to as the "Commission").

SEC. 3. The Commission shall—

(a) Conduct an extensive and exhaustive study of the practices engaged in by political parties and individuals in the course of Federal political campaigns, which might include, but would not be limited to, such matters as—

(i) the adequacy of procedures for the enforcement of existing laws relating to political campaigns and campaign financing;

(ii) the existing and alternative methods of financing political campaigns and limitations on campaign spending;

(iii) the review of Federal tax laws as they relate to the financing of political campaigns;

(iv) the purposes for which money is expended in political campaigns, such as development of campaign organizations, campaign advertising, voter registration, and polling;

(v) the methods and procedures by which candidates are nominated for Federal office by political parties;

(vi) the adequacy of safeguards against unethical, disruptive, fraudulent, violent, or otherwise wrongful campaign tactics;

(vii) the interrelationship of Federal, State, and local campaigns, and of Federal, State, and local laws relating to campaigns and campaign financing;

(viii) the length of the period over which candidates are required to campaign for nomination and election to Federal office.

(b) Consider the advisability of changing the term of office of Members of the House of Representatives, or the Senate, or the President of the United States.

(c) Make recommendations for such legislation, constitutional amendment, or other reforms as its findings indicate, and in its judgment are desirable to revise and control the practices and procedures of political parties, organizations, and individuals participating in the Federal electoral process.

SEC. 4. The Commission shall consist of the following members:

(i) four Members of the Senate, two from each of the major political parties, appointed by the President of the Senate as recommended by the majority and minority leaders;

(ii) four Members of the House of Representatives, two from each of the major political parties, appointed by the Speaker of the House of Representatives;

(iii) eight individuals from private life to be appointed by the President of the United States, two of whom shall be the respective chairmen of the national political parties having polled the highest and second highest vote pluralities in the last national election, and six of whom shall be selected from the general public on the basis of their experience and expertise in public service or political science. No more than four of the six selected from the general public shall be members of the same political party;

(iv) the Chairman and Vice Chairman who shall not be affiliated with the same political party, shall be designated by the Commission from among the members of the Commission.

SEC. 5. (a) Members of Congress who are members of the Commission shall serve without compensation in addition to that received for their services as Members of Congress; but they shall be reimbursed for travel, subsistence, and other necessary expenses incurred by them in the performance of the duties vested in the Commission.

(b) Each member of the Commission who is appointed by the President is entitled to pay at the daily equivalent of the annual rate of basic pay of level III of the Executive Schedule for each day he is engaged on the work of the Commission, and is entitled to travel expenses, including a per diem allowance in accordance with section 5703(b) of title 5, United States Code.

SEC. 6. The Commission shall adopt rules of procedure to govern its proceedings. Vacancies on the Commission shall not affect the authority of the remaining members to continue with the Commission's activities, and shall be filled in the same manner as the original appointments.

SEC. 7. (a) The Commission, or any members thereof as authorized by the Commission, may conduct hearings anywhere in the United States or otherwise secure data and expressions of opinion pertinent to its study. In connection therewith the Commission is authorized to pay witnesses travel, lodging, and subsistence expenses.

(b) The Commission may require directly from the head of any Federal executive department or agency or from the Congress, available information which the Commission deems useful in the discharge of its duties. All Federal executive departments and agencies and the Congress shall cooperate with the Commission and furnish all information requested by the Commission to the extent permitted by law and the Constitution of the United States.

(c) The Commission may enter into contracts with Federal or State agencies, private firms, institutions, and individuals for the conduct of research or surveys, the preparation of reports, and other activities necessary to the discharge of its duties.

(d) The Commission may delegate any of its functions to individual members of the Commission or to designated individuals on its staff and make such rules and regulations as are necessary for the conduct of its business, except as otherwise provided in this joint resolution.

SEC. 8. (a) The Commission may, without regard to the provisions of title 5, United States Code, relating to appointments in the competitive service but otherwise in accordance with General Schedule pay rates, appoint and fix the compensation of such additional personnel as may be necessary to carry out the functions of the Commission.

(b) The Commission may obtain services in accordance with section 3109 of title 5 of the United States Code, but at rates for individuals not to exceed the rate authorized for GS–18 under the General Schedule.

(c) Financial and administrative services (including those related to budgeting and accounting, financial reporting, personnel, and procurement) shall be provided the Commission by the General Services Administration, on a reimbursable basis, from funds of the Commission in such amounts as may be agreed upon by the Chairman of the Commission and the Administrator of General Services. The regulations of the General Services Administration for the collection of indebtedness of personnel resulting from erroneous payments apply to the collection of erroneous payments made to or on behalf of a Commission employee, and regulations of that Administration for the administrative control of funds apply to appropriations of the Commission.

SEC. 9. (a) The Commission shall submit to the Congress and the President such interim reports and recommendations as it considers appropriate, and the Commission shall make a final report of the results of the study conducted by it pursuant to this joint resolution, together with its findings and such legislative proposals as it deems necessary or desirable, to the Congress and the President at the earliest practicable date, but no later than one year from the date of the enactment of this joint resolution.

(b) Ninety days after submission of its final report, as provided in subsection (a) above, the Commission shall cease to exist.

SEC. 10. There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this joint resolution. Any money so appropriated shall remain available to the Commission until the date of its expiration, as fixed by section 9(b).

Mr. CANNON. Mr. President, I move to reconsider the vote by which the joint resolution was passed.

Mr. SCOTT of Pennsylvania. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

QUORUM CALL

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER OF BUSINESS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that following the disposition of the conference report on the bill making appropriations for public works today, the Senate then proceed to the consideration of Calendar 305, S. 5, a bill to promote the public welfare, on which there will be no action today, only opening statements. Therefore, no rollcall votes are expected today.

Mr. GRIFFIN. Mr. President, reserving the right to object, I wonder if the distinguished majority whip would permit me to have a quorum call, so that I may confer briefly with him.

Mr. ROBERT C. BYRD. Yes.

Mr. GRIFFIN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I temporarily withhold my request with respect to laying before the Senate S. 5 following the conference report.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

UNANIMOUS-CONSENT AGREEMENT ON S. 1914

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent, having been authorized by the distinguished majority leader to do so, that at such time as Calendar Order No. 337, S. 1914, a bill to provide for the establishment of the Board for International Broadcasting to authorize the continuation of assistance to Radio Free Europe and Radio Liberty, and for other purposes, is called up and made the pending business of the Senate, there be a time limitation for debate on the bill of 4 hours, to be equally divided between and controlled by the Senator from Arkansas (Mr. FULBRIGHT) and the Senator from Vermont (Mr. AIKEN);

That time on any amendment thereto be limited to 1 hour, with the exception of an amendment by Mr. FULBRIGHT, on which there be a 2-hour limitation;

That there be a one-half hour time limitation on any debatable motion, appeal, or amendment to an amendment; and

That the agreement be in the usual form.

The PRESIDING OFFICER. Without objection, it is so ordered.

The text of the unanimous-consent agreement is as follows:

Ordered, That, during the consideration of S. 1914, the so-called Board for International Broadcasting Act of 1973, debate on any amendment (except an amendment to be offered by the Senator from Arkansas (Mr. Fulbright), on which there shall be 2 hours) shall be limited to 1 hour, to be equally divided and controlled by the mover of such and the manager of the bill, and that debate on any amendment in the second degree, debatable motion or appeal shall be limited to ½ hour, to be equally divided and controlled by the mover of such and the manager of the bill: *Provided,* That in the event the manager of the bill is in favor of any such amendment or motion, the time in opposition thereto shall be controlled by the minority leader or his designee: *Provided further,* That no amendment that is not germane to the provisions of said bill shall be received.

Ordered further, That on the question of the final passage of the said bill, debate shall be limited to 4 hours, to be equally divided and controlled, respectively, by the Senator from Arkansas (Mr. Fulbright) and the Senator from Vermont (Mr. Aiken): *Provided,* That the said Senators, or either of them, may, from the time under their control on the passage of the said bill, allot additional time to any Senator during the consideration of any amendment, debatable motion or appeal.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BIBLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

PUBLIC WORKS AND ATOMIC ENERGY COMMISSION APPROPRIATIONS BILL, 1974—CONFERENCE REPORT

Mr. BIBLE. Mr. President, I submit a report of the committee of conference on H.R. 8947, and ask for its immediate consideration

The PRESIDING OFFICER (Mr. HELMS). The report will be stated by title.

The assistant legislative clerk read as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 8947) making appropriations for public works for water and power development, including the Corps of Engineers—Civil, the Bureau of Reclamation, the Bonneville Power Administration and other power agencies of the Department of the Interior, the Appalachian regional development programs, the Federal Power Commission, the Tennessee Valley Authority, the Atomic Energy Commission, and related independent agencies and commissions for the fiscal year ending June 30, 1974, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses this report, signed by all the conferees.

The PRESIDING OFFICER. Is there objection to the consideration of the conference report?

There being no objection, the Senate proceeded to consider the report.

(The conference report is printed in the House proceedings of the CONGRESSIONAL RECORD of July 26, 1973, at pages 26223–26230.)

Mr. BIBLE. Mr. President, naturally the Senate conferees could not uphold all of the projects and items for which the bill provided as it passed the Senate.

I am happy to say, however, that the Senate position was agreed to on the majority of items and projects where there was a difference between the House and Senate allowances.

The conference agreement provides a total of $4,749,403,000 in new budget obligational authority, which is $23,579,000 below the amount approved by the Senate; $73,008,000 over the House bill; $8,066,000 below the budget estimates; and $908,753,000 below the comparable appropriations for fiscal year 1973.

As these figures indicate, particularly in comparing the appropriations for this fiscal year and the past fiscal year, the conference action conforms to the conscientious and determined effort on the part of Congress to hold the line on expenditures and to try to make reductions. I emphasize that the appropriations provided by this Appropriation Act, as recommended by the conference committee, are almost $1 billion less than the amount appropriated for fiscal year 1973.

Mr. President, I would like to take a moment to commend the distinguished chairman of the Subcommittee on Public Works-AEC Appropriations of the House of Representatives, Representative JOE L. EVINS, for his diligence and cooperation in working out the differences in the bill as passed by the House and the Senate. Likewise, I would like to thank and commend the members of the conference committee for the very careful and fair consideration given to all matters in disagreement.

Inasmuch as the report of the conference committee has been printed, I shall not undertake to itemize the various changes on the many projects and items that were in disagreement. Briefly, however, I shall state the recommendations for the major agencies contained in the conference bill.

For the Atomic Energy Commission, the conferees agreed on a total of $2,336,538,000. This amount is $34,150,000 above the House allowance, and $11,800,000 below the amount allowed by the Senate. For the Corps of Engineers, civil works program, new budget obligational authority in the amount of $1,529,439,000 was approved, which is $27,423,000 above the House bill, and $7,612,000 below the amount approved by the Senate. For the Bureau of Reclamation, the conference allowance is $367,793,000. This is $11,435,000 more than the House allowed, and $4,167,000 below the Senate allowance.

There was no disagreement between the House and Senate allowances for the power agencies of the Department of the Interior and the other independent agencies and Commissions funded in this bill such as the Appalachian regional development programs, Federal Power Commission, the Tennessee Valley Authority, and others.

Mr. President, as I stated earlier, the conference agreement for the total bill is $8,066,000 below the budget estimates. The amount allowed on a number of projects and items, of course, exceeds the budget estimates in some cases, and is less than requested in others. The House and Senate committees provided for additional funds in those cases where we believed that the budget estimate was inadequate for efficient operations during the current year; and, in addition, both the House and Senate included in their separate bills a modest number of new starts on planning and on construction.

There is no question but that the Congress has the prerogative to make adjustments in the budget requests and establish its own priorities to the extent it believes necessary; and that is exactly what we did in this bill. The committee believes that the funds agreed to in conference are necessary and well justified.

Mr. President, I am happy to yield, first, to the Senator from North Dakota.

Mr. YOUNG. Mr. President, I want to commend the distinguished acting chairman of the Public Works Subcommittee, the senior Senator from Nevada (Mr. BIBLE). From the outset of the hearings to the conclusion of the conference with the House, he has done an outstanding job. I also want to commend the distinguished ranking member, the Senator from Oregon (Mr. HATFIELD), for the very fine job he has done.

Mr. President, I believe the Senate will be pleased with the result of the conference. The conference is recommending funds for Public Works and the Atomic Energy Commission that is $8 million below the budget estimates. However, the Senate was able in conference to hold nearly 70 percent of the additional funds added by the Appropriations Committee to the House bill.

Mr. President, this is a very difficult bill, and with many very worthwhile projects involved. I think the conferees have done a very fair and reasonable job.

Mr. BIBLE. Mr. President, I appreciate the sentiments of the distinguished Senator from North Dakota. This is a difficult job, and I appreciate his comments.

I would like to observe, among other things, that this is the first regular 1974 Appropriation Act to clear Congress, and in view of the fact that it is $8 million under the budget, I certainly see no reason why it should not be immediately signed by the President of the United States.

I yield to the Senator from Colorado.

Mr. DOMINICK. Mr. President, the Senator from Nevada was most courteous and helpful in his consideration of some of our reclamation projects in Colorado which were not funded by the House of Representatives. For example, the Senate put in, I believe it was, $1 million for construction on the Narrows project.

Mr. BIBLE. That is correct, and we retained that in conference.

Mr. DOMINICK. That was what I wanted to ask. I did not see it in the conference report.

Mr. BIBLE. It should be in the conference report. Perhaps I can turn to it quickly, but we did sustain the $1 million for the Narrows project.

Mr. DOMINICK. I thank the Senator from Nevada. I am extremely pleased with that result.

Mr. BIBLE. The Senator will find that item on page 29 of the conference report on the "Public Works AEC Appropriations, 1974" (H. Rept. 93–409). It is on the right hand page at the top: Pick-Sloan Missouri Basin program; Colorado-Narrows unit, $1 million. It is the 10th item from the top of the page.

Mr. DOMINICK. I see. I was thrown off by "Pick-Sloan." I thank the Senator.

Mr. BIBLE. I simply want to comment that we did the best we could to increase several of the Bureau of Reclamation and Corps of Engineers items, because we are in an energy crunch and a power shortage. For example, we were successful in including money for additional generating units for the Pacific Northwest and we sustained it in the conference. Several projects include hydroelectric power which is pollution-free and they should be brought on-line as quickly as possible.

Mr. DOMINICK. The Senator and I have been working together on these projects for quite a while. I very much appreciate his thoughtfulness and courtesy.

Mr. BIBLE. Also, it is unfortunate, I think, that the administration this time chose to zero in so deeply on worthwhile reclamation projects. I hope that attitude can be turned around.

Mr. COOK. Mr. President, will the distinguished Senator from Nevada yield to me?

Mr. BIBLE. I am very happy to yield to the distinguished Senator from Kentucky.

Mr. COOK. Mr. President, I see, with a degree of alarm—and I say this because I do not know how long I can drag out the fight—but I see with some degree of consternation that the $1,720,000 allotment for the Paintsville Lake which had been deleted from the Senate version, was accepted in conference, so that it is now up to us to pass judgment on it.

I feel that one fights a good fight, but if I were to put this to a vote in the Senate, I would be asking my colleagues to vote on something they know absolutely nothing about.

I wish to get into a discussion with the distinguished Senator from Nevada, because I am not through with the consternation I feel over the problems that exist relative to this particular project.

I must say to the Senator from Nevada that I am really not through "bugging" the Corps of Engineers, or "bugging" the Office of Management and Budget relative to how, as a matter of fact, this money shall be spent. I raised this question in the committee and in the subcommittee relative to this particular project, and the fact that the Corps of Engineers in its environmental impact study had made no evaluation of the particular valley that will be flooded as a result of the project, and the fact that since the turn of the century there have been wells drilled up there not only for oil but also for gas, and they have no knowledge—I repeat, the Corps of Engineers has absolutely no knowledge whether the gas wells and the old oil wells have been plugged.

As a result, we face several serious problems there, one of them being that if this dam is built and they start to fill in, that, conceivably, could tend to act as an absolute percolating effect to the nonplugged, old oil wells and what we would have with the total expenditure of some $31 million would be a dead lake the day it was completed, because it would completely destroy the water quality of the lake and would completely make it inadequate for any aquatic life whatsoever.

I must say to you, Mr. President, that I think this is tremendously distressing. I will pursue to my utmost the curtailment of the expenditure of these funds until the Corps of Engineers takes the project on, and the Corps of Engineers makes a determination.

Further, we have evidence that if this dam is built, there are serious siltation problems so serious they could even require the lake to be dredged every 5 to 10 years—as a matter of fact, the report made to my office from a water resource organization shows it would have to be dredged on the average of once every 8 to 10 years. If this were the case, obviously, the cost of maintenance would be tremendous.

We have also been told that the original ratio of expenditures to the necessity for sustaining the project are now well below 1 to 1. I absolutely believe that it is this Senator's responsibility to pursue this matter and see to it that these things are taken into consideration and that the Corps of Engineers, rather than deciding it, will have two meetings with the citizens in a given area in a matter of years in order to make determination that the project should go through, will realize its responsibility to the public involved.

There is also a serious question in my mind for a long time—and which I have been talking to the Senator from Nevada about—I cannot get through my mind the justification requirements for the Corps of Engineers to demand the taking, under eminent domain, of some 13,954 acres of land for an 840-acre lake. That ratio just seems unbelievable to me. I cannot understand it, unless the corps is responding to the proposition that it will acquire what it wants and then turn over the development of the balance to the U.S. Forest Service, so that the Forest Service, which does not have this right to acquire, can acquire utilization of the land for purposes that it might deem to be in the best interests of development for the Forest Service, but they do not have the legal right to come in and condemn.

So I must say to the Senator that I will pursue this matter—and I know that he knows that I will—because we just cannot fool the people of eastern Kentucky and tell them that they will have conceivably this great resource, that they will have this source of pure water when, in fact, they can have an absolutely dead lake at the time it is developed, at the time it is opened to the public.

It is my responsibility to see that that does not happen. I must say that I will pursue this matter as vigorously and as hard as I can. I cannot win if I cannot have a rollcall vote not to delete this $1,720,000 project. It would be unfair to the Senator from Nevada. It would be unfair to my colleagues in the Senate who obviously are not here and who know absolutely nothing about the project.

But I feel that these are unanswered questions. I have had several meetings with the Corps of Engineers. They have not been able to answer those questions. Therefore, I would seriously like the assurance of the distinguished Senator from Nevada, knowing that these things exist, that he will help him in seeing to it that these questions are honestly and logically answered so that we can know if, in fact, this Senator has to bite the dust on the project, it will be a project that will be an honest reality and not a dead lake.

Mr. BIBLE. I understand. Obviously, I was very sympathetic with the position of the senior Senator from Kentucky. I was so sympathetic with his viewpoint that I recommended to the Senate Committee on Appropriations that we take the money out of the Senate bill, which would put the whole issue in conference. This recommendation was approved by the committee and the Senate and no funds were provided for this project in the Senate version of the bill.

The Senator has my assurance that the committee and the Congress can review this project at any time at this very early stage of the project.

I may say also that the subcommittee went back to the Corps of Engineers after the very impressive arguments made by the Senator from Kentucky and others, and we received testimony from the corps about this matter. We inquired about several of the very points the Senator from Kentucky is raising now. The corps answered some of those points, or attempted to answer them. They went into the geologic fault question. They went into the oil and gas wells question. They went into the benefit-cost ratio question.

Mr. President, I ask unanimous consent that an excerpt from the transcript of the latest testimony we secured from the Corps of Engineers on the Paintsville project be printed at this point in the RECORD.

There being no objection, the testimony was ordered to be printed in the RECORD, as follows:

EXCERPT FROM HEARINGS BEFORE THE U.S. SENATE COMMITTEE ON APPROPRIATIONS, PUBLIC WORKS-AEC APPROPRIATION, FISCAL YEAR 1974

OPPOSITION

Senator BIBLE. We have opposition testimony from Mr. Brent Blackwelder, of the Environmental Policy Center, and others, who testified that over 3,000 oil wells are to be found in the drainage basins for the Paintsville and Yatesville Dams. It is felt that the Corps of Engineers may not fully understand the potential implication of this fact or has not properly disclosed them to the public.

Colonel EINEIGL. We are aware of the oil wells in the two basins. Approximately 45 producing oil and gas wells are located within the acquisition limits of the Paintsville project. There are 38 producing oil and gas wells within the acquisition limits of the Yatesville project. All oil wells are low producers with records showing that production has declined approximately 70 percent since 1964. All wells on project lands will be acquired in fee and all leases extinguished except in the producing well area of the Paintsville project. In that producing area, running about midway through the reservoir, oil and gas will be acquired in fee and leases appropriately subordinated to project purposes.

Based on the reported 3,000 oil wells in the drainage basins, this would average approximately 64 oil wells per acre. The Corps has not made a detailed listing of wells outside project limits, but from a general reconnaissance of the basins the above average number of wells per acre seems high. One exception, however, is two areas just outside acquisition limits of the Paintsville project where oil well density runs as high as 70 wells per acre. Most of these wells are either owned or being purchased by Ashland Oil and Refining Co. and are being operated efficiently with stream pollutants being under control.

Senator BIBLE. Mr. Brown, of the Committee on Paintsville Lake, testified that a geologic fault exists under the area to be covered by the proposed reservoir. What problems will this cause and did the Corps know of its existence prior to their request for funds?

Colonel EINEIGL. The existence of the faults in the vicinity of the Paintsville project has been known for many years. The location and description are contained in numerous publications. The Corps was aware of the subsurface conditions during survey report studies in the 1960's. In addition, a geologic reconnaissance of the proposed Paintsville reservoir area was conducted during the early design stage with all structural features being mapped and evaluated, including the faults in the area. Due to the age of the structural features, reservoir induced seismic activity is not anticipated in the Paintsville area. Design of the Paintsville dam and appurtenances, however, will include considerations for seismic accelerations which is a current design procedure for all Corps of Engineers reservoir projects. In this regard, an expert in the field of geophysics will assist in the evaluation of the geophysical aspects of the Paint Creek fault. No problems in developing a proper design are anticipated.

Senator BIBLE. Mr. Brown also testified that the economic loss that would result from building the reservoir is at least $8 million more than the benefits as calculated by the Corps. Are these estimates valid and if so, what is the implication?

Colonel EINEIGL. The 12 April 1973 issue of the Licking Valley Courier (West Liberty, Kentucky) reported that land owners in Johnson and Morgan Counties had added up their estimates of the value of their homes, farms, and tobacco bases and concluded that the total worth of these assets exceeded by $8,000,000, ". . . the 40 million dollars the Corps claims the dam and park would be worth to motel owners and the state of Kentucky which would operate the recreational area." It is unlikely that assets included in the landowner's estimate are identical to those that would be acquired for project purposes or that their estimate of the value of such assets is in accord with standard real estate appraisal practices. Other questions concerning the time period, the discount rate, and projected selling price of tobacco and land utilized in this estimate also remain unanswered. The origin of the $40,000,000 amount mentioned above is unknown.

From a national economic standpoint, studies indicate that project benefits exceed project costs. Although no regional economic analysis has been accomplished for this project it seems clear that expansion benefits should greatly exceed average annual project costs. Studies of the effects of public investment in water resources on local tax base has repeatedly shown that such investments result in an increase in tax base within a relatively short period.

Senator Bible. It is reported that 1,200 people representing an estimated 95% of the valley's property owners signed a petition in opposition to the construction of the dam. It appears that no, or little, consideration is being given to the feelings of the people. Shouldn't the people's considerations be a major factor in any decision to build the dam?

Colonel Eineigl. The petition referred to was presented to the District Engineer at the land-owners meeting in Paintsville on 27 April 1972. While it contains 1151 names, there are numerous duplications in signatures. Our study indicates that only 66 signers are owners of property within the project area. This is less than 6% of all those who signed the petition, and approximately 20% of all owners in the area. In every project the Corps of Engineers is directed to study, the concerns and interest of the public at large are carefully considered. While it is recognized that in any water resources project numerous people are adversely affected, in formulating such project, it is necessary to consider the benefits to the general public, often over a large area, which result from the several project purposes.

Senator Bible. It has been reported that 76 cemeteries with 1,856 graves would have to be moved. What is your comment on this matter?

Colonel Eineigl. The procedures developed by the Corps for handling this type relocation do take into account the feelings of the next of kin. Generally we try to relocate all cemeteries affected by a project into a single new cemetery for each county affected. After the reinternment site is selected we make an exhaustive effort to contact the next of kin. Relatives are asked to select the section of the new cemetery they would like the grave to be moved into and are given the opportunity to reserve adjacent plots for future family burials. After these contacts are made with the next of kin and the Courts approve our plans, a contract is awarded for the development of the new cemetery and for the actual disinterment and reinterment of the graves. Grave markers and monuments are re-set on the new site and markers are provided for all unmarked graves. Once all the cemeteries are relocated, the new site is deeded to a trustee group or to a cemetery association. Under such an arrangement we can be reasonably assured that the new cemetery will be properly maintained.

Mr. BIBLE. We even had comments in opposition from the wonderful people of Paintsville dealing with the cemetery problem. We asked the corps for their comments about that.

Mr. HUDDLESTON. Mr. President, will the Senator yield?

Mr. BIBLE. I should like to finish my statement, and then I will be happy to yield.

I assure the Senators from Kentucky that this project will receive constant review.

I should point out, as the Senator said, that this is a $31 million project. The corps has expended approximately $1,973,000 on Paintsville Lake to date. The budget request was $1,720,000, the figure we in the Senate deleted to put it in issue, and there is also $300,000 in reserve. So for the fiscal year they have $2 million available for expenditure.

We will certainly undertake a review of this project and we will call the Corps of Engineers before us as frequently as the Senators would like.

I must say that there are different viewpoints here, particularly from the Representative who lives in the district. He was the main proponent of the project. He came over and testified very strongly in favor of the project before our committee.

I am advised—and I think the advisers are correct—that the State of Kentucky has provided the assurances of local cooperation, cost-sharing, and so forth. The corps has said that, from an engineering standpoint, there should be no problem in locating and plugging the oil wells that might pollute the reservoir. They are of the opinion that it is an economically feasible project, and they have so stated.

Mr. COOK. The fact that they have said this can be done is a degree of assurance to me, because in their environmental impact study they never mentioned it. This is what concerned me, because it is obvious that they have made no survey to locate them, and this is what absolutely has to be done.

I must say to the Senator that I am going to keep a very candid eye on this project.

Mr. BIBLE. I am sure the Senator will, and he should.

I do not know whether this project is as valid as they say it is. For that reason, I know the Senator well enough that I can rest assured that he will follow it every step of the way. But this is really just the start of the project and if it appears that these viewpoints cannot be sustained, now is the time to take the necessary action.

Mr. COOK. I say to the Senator from Nevada that I am delighted he got those answers from the Corps of Engineers, because I requested them and I did not get them.

Mr. BIBLE. They may not completely answer all the problems the Senator has. I have dealt with the Corps of Engineers and the Bureau of Reclamation, and many times I have not been satisfied with all of their answers. I cannot say whether these answers will satisfy the qualms and the concerns, the justifiable concerns, of the wonderful people of Paintsville. I thought they made a case. I know they are losing land. Any time anyone loses land, farms and cemeteries, covered by water, it raises great problems of relocation. They have lived there for a lifetime and have to find other places to live.

I am very sympathetic, and we will constantly take a close look at this again next year. This project is in the very early stages. This is the first substantial construction money. The other has been preliminary engineering and designing.

I yield to the junior Senator from Kentucky.

Mr. HUDDLESTON. I thank the Senator from Nevada for yielding.

Mr. President, I commend the senior Senator from Kentucky for appropriately raising these serious and legitimate concerns about this project. As the project progresses, the Corps of Engineers and all those who have advocated this project are on notice that they must supply the answers to these very serious problems.

As the chairman has indicated, this project has been nurtured along by the Representative of the Seventh District of Kentucky, in whose district it lies, the Hon. Carl Perkins. He is convinced in his own mind and is very strongly supporting the project as being one that is in the best interests of the people of his district and the people of Kentucky.

I believe we should continue to insist that the Corps of Engineers and all those connected with the project make every effort to answer these objections and to provide the assurances that these concerns are taken care of as this project progresses.

Mr. BIBLE. I personally pledge, individually, to undertake an oversight of this project, because it does have problems. After the Senators from Kentucky have examined what the Corps of Engineers say in response to questions we asked in the committee, if the Senators have other questions and furnish them to me, we will see that they are answered.

Mr. COOK. Mr. President, unfortunately, there has been speculation that this is a political fight between the Representative from the seventh district and myself. He is a friend of mine. I hope he would say the same of me.

No question of politics is involved in this issue. The only politics is the reality of making an absolute determination, which is our responsibility, as to whether the project meets the criteria and whether the project, if in fact it is concluded, is done in a proper manner.

That is not politics. If it is, it is the politics of logic, and that is what we are here for. There are no political motives on the part of this Senator. As a matter of fact, if the Senator from Nevada would read my mail, he would understand that the political motives probably would be the other way.

I assure the Senator from Nevada that my interest in this project is to see whether, in fact, the Corps of Engineers has made the right decisions—whether the Corps of Engineers has made the right decision in its acquisitions, has made the right decision that construction can proceed, has made the right decision relative to the system as it now presents itself in that part of Kentucky, that the fault that lies just east of the dam site, with the conceivability of unplugged gas and oil wells, could reduce this lake to a puddle of goo. This Senator is going to see that that does not happen.

If that is politics, then it is the responsibility of the political system to see that if any expenditures are made, they are made in the proper and correct fashion; and I know that the Representative from the Seventh District of Kentucky would feel the same way.

Mr. BIBLE. I wish to add something that I do not think I mentioned at the beginning of our discussion.

This project was initially authorized by Congress. So the corps went forward under a mandate of Congress.

I again urge the Senator—I do not need to urge the Senator, because I know he will do it—to read the corps' justification and their reply to questions I asked pursuant to the doubts I had about this project. Then we will follow through again on another day.

Mr. HATFIELD. Mr. President, much has been said about the need for Congress to pass bills that are fiscally sound. The President made a case to the public that Congress contains big spenders and budget busters. I want to note, therefore, that our bill is slightly under the administration budget request, by about $8 million. I certainly hope, therefore, that there will not be efforts by the OMB and its operatives to impound funds included in this bill.

Those of us with a background in studying public works projects recognize that nearly all of these will add to the economic base of the local community where the project is located. What we do across the country is to enhance the economic foundation of a community when we invest funds on a local public works project. I stress the word invest, for this really characterizes the expenditure of these funds. We are investing in the economic future of many areas of the country.

By underpinning the economic foundation, we create in most cases increased tax revenues. These increased tax revenues from a local area mean more taxes to the Federal Treasury. I want to emphasize this to the people at OMB—by investing money in public works, we are generating more taxes into the Federal Treasury. Just as important are the increase in State and local taxes that occur. This translates into better schools, better fire and police protection, and the host of other local projects funded at the State and local level.

In addition, many of the public works projects are located away from population centers. There has been a lot of rhetoric about the need to diversify and spread out the population of this country, to spread it out away from the growing suburban sprawl that has spread out from existing population centers. I am committed to fight for such a diversification, and this public works appropriation bill does much to enhance the economic viability of the rural areas and small towns of this country.

Turning to another aspect of this bill, I need not mention that aspects of the energy crisis are upon us. We must act, and no amount of rhetoric or promises or determination can escape the need to spend money to solve these questions.

We need to put more power on the line now, plus investigate alternative energy sources. In the Northwest, we have the capacity to better utilize our existing hydro projects on the Columbia and Snake Rivers. We must add power generating facilities to meet the power needs of this section of the country.

In addition to these short-term needs, we must push research in other areas. I am pleased that this bill adds funds for thermonuclear fusion research, geothermal research, and solar research in amounts in excess of the original budget request.

The specifics of these are spelled out in the bill, but I wanted to make note of them. I hope that the budget officers at OMB will recognize that funds are needed for this research and that any impoundment of these funds only will fly in the face of the administration commitment to help solve our energy crisis. Having talked with John Love about his own commitment to working toward solutions to this problem, I know he is aware of the need to move ahead.

In closing, I want to thank my Senate colleagues for the support they give us on this bill. Senator BIBLE worked ably in behalf of all the Senate additions, and as usual, exhibited his mastery of this very complex issue. Also, Congressmen JOE EVINS and JOHN RHODES put forward the House position in their usual positive fashion.

We have in this conference report a good bill, a fiscally sound bill, and one that addresses the growing energy needs of this country. It provides added hydro power to the Northwest section of the country, where it is needed and needed now. It also provides critical funding for added research for new energy sources.

Mr. BIBLE. Mr. President, if no one else wishes to be heard on this appropriation bill and conference report I move that the conference report be agreed to.

The motion was agreed to.

GOUGH WHITLAM, AUSTRALIA'S NEW PRIME MINISTER

Mr. MANSFIELD. Mr. President, the Government of the United States and the Senate are having the privilege today of meeting with the Honorable Gough Whitlam, Prime Minister of Australia.

I had hoped it would have been possible to bring the Prime Minister to the floor of the Senate. He is an elected member of Parliament and, therefore, a colleague of ours, an associate; but too much of the time he had at his disposal has been taken up and he is now due in the Committee on Foreign Relations.

Mr. President, I have read some interesting articles about Mr. Whitlam. One is entitled "Whitlam: Forging a New Nationalism," written by Ross Terrill, who, by the way, is an Australian-born writer who teaches government at Harvard. He knows the Prime Minister of Australia very well and accompanied him on a visit to China early last year I believe it was. Also, an accompanying article entitled "A Terse, Tough Aussie 'PM' ", written by Mr. Terrill.

Mr. President, I think that this distinguished visitor of ours is a man who represents a new outlook. He is a new type. He is an independent ally. He is a staunch friend. He is a man able to make up his own mind and express his own judgments. He is a man who believes in the American Connection—if I may use that term—because the basis of Australia's foreign policy is tied to ANZUS, but not only to ANZUS because Australia is seeking to develop wider contacts and in so doing to establish its sphere of influence.

As a nation probably located, if it could be located, in the middle, between the small powers and the big powers, under Prime Minister Whitlam, Australia is charting a new course.

Mr. President, I ask unanimous consent that the articles I previously referred to, and an editorial published in the Baltimore Sun today, entitled "Australia's New Prime Minister," be printed in the RECORD.

There being no objection, the articles and the editorial were ordered to be printed in the RECORD, as follows:

[From the Washington Post, July 29, 1973]

WHITLAM: FORGING A NEW NATIONALISM

An election does not change a nation, but it can remind a nation of change that has been occurring, and of more that must come. Like a mirror suddenly held up, the election of the Labor Party last December did this Down Under.

A new nationalism has arisen, from a growth of cultural confidence and economic strength, and from the recognition of declining Western power in Asia. That is what the new Australian prime minister, Gough Whitlam, will try to convey in his visit to President Nixon this week.

After 23 years of rule by the Liberal Party, whose top figure, Robert Menzies, called himself "British to the bootheels," the Labor government has vented latent nationalism by interring the secondhand relic of British knighthoods and other "honors" and by sending to London an ambassador who remarked as he left that it was only a matter of time before Australia became a republic.

After two decades of a foreign policy based on fear of China and loyalty to the United States, Australia's new government in its first month recognized Peking and dropped Taipei, withdrew the remaining Australian troops from Vietnam, ended military aid to Saigon and sent a message to Mr. Nixon protesting the Christmas bombing of North Vietnam.

A small revolution in official values and priorities is also under way. Exit leaders for whom "the permissive society" was a twin serpent to that of "international communism." One Liberal (conservative) minister had prohibited the import of "The Carpetbaggers," "Last Exit to Brooklyn" and "The Ginger Man." Another had thrown out the maxim, "More important than pollution of the air, soil and water is pollution of the mind."

Enter leaders who had lost nine successive elections in which variations of these two catchcries counted heavily on the Liberal side. Now, banned books and films are available like spring flowers after winter. Divorce is being made simpler and cheaper. The death penalty has been abolished in all federal territories. A sales tax of 27.5 per cent on contraceptives has been done away with, and oral contraceptives are now subsidized under the national health program. Equal pay for women is being introduced. Remnants of racism have been removed from the laws, the draft has been ended and imprisoned draft dodgers set free.

"IT'S TIME"

Why did the turnabout come? The conservative coalition of the Liberal Party and the smaller Country Party had begun to crumble and lose the low-key respect which a prosperous, rather sleepy electorate had paid it from the Cold War until Vietnam. Labor's 1972 campaign slogan was simply, "It's Time."

Second, certain long-term changes have been taking place in Australia which Whitlam's Labor Party was most suited to grasp and embody. Most Australians live in big cities whose problems have mushroomed almost on the American scale. The Liberals, in part because their Country Party partners speak for the wheat, wool and dairy industries, were slow to map blueprints for urban areas. Whitlam, experienced in the dilemmas of sprawling urbanism and ready to employ central power to tackle them, had been busy on attractive policy proposals. The crucial voting swing to Labor in 1972 was in the neglected peripheries of Melbourne and Sydney.

Whitlam cashed in also on the new sense of living in Asia which young Australians have. Labor spoke of Asia as the place of Australia's destiny, while the Liberals portrayed it as a troublesome environment to be warded off where possible and patronized where not.

Labor's progressive policies were matched by a lively campaign, oiled with beer, music and pretty girls, attuned to youth, the cultural middle class, women and the new mood of nationalism. In a way, Labor did little more than catch up with a ferment of fresh values and ideas which the Liberals had failed to get abreast of.

Finally, the voters found Whitlam way out ahead of the Liberal prime minister, William McMahon, as leader, thinker and charmer.

"HIGH-HANDEDNESS"

After six months in office the Labor legislative program's chief motif is greater social and economic equality. Nationalization of industry is not in the cards (nor could be for constitutional reasons) but tax reform, big spending on education and sweeping proposals in health and other social welfare areas will restore something of Australia's past egalitarianism.

The Labor cabinet is uneven in capability, however, and Whitlam himself does not have the economic expertise to iron out problems caused by conflicting priorities, and especially by the specter of inflation—the thorniest issue, since a Labor government cannot easily be tough with the powerful trade unions.

The social programs, too, are producing grumbles from doctors and other professionals who had an easy ride under the Liberals, and these people are influential in just those suburban electorates which gave Labor its 1972 plurality.

Another problem for Whitlam is that some of his methods have aroused cries against "high-handedness" in a population wary of all politicians. His zeal to tip the balance of federalism more toward the center to carry out his new policies has got him into deep water with the state governments, even those led by Labor men. State officials have flown to London to object to Canberra's efforts at securing jurisdiction over offshore resources, and at abolishing the right of legal appeal to the British Privy Council. Whitlam's centralizing steps seem valid in themselves, but technically the states have a case—for they share sovereignty with Canberra in a compact that stems legally from London—and Whitlam might have consulted them more before steaming ahead.

Labor can never expect more than a modest majority under the present electoral system, and in the Senate (whose members did not all face the electors in 1972) it has no majority at all. A drop in the labor vote in the recent Victoria state election showed that opposition is substantial either to Whitlam's "high-handedness" or to the content of some of his reforms.

Yet his position is basically secure if only because the leader of the Liberal Party opposition, Billy Snedden, is far less impressive than Whitlam; a Gallup Poll last month showed Whitlam leading Snedden, 52 per cent to 37 per cent.

AN INDEPENDENT ALLY?

In foreign policy, the issue is whether Australia, as a small ally of the United States, can express its new nationalism by an independent line without bringing on a crunch.

Australia's basic foreign policy problem is to reconcile its history, as a white outpost founded to house excess British convicts, with its geography, as a southern footnote to Asia where the power of the West is in decline.

Until World War II Australia hardly had a foreign policy. It simply followed London and loyally sent troops to help fight Britain's wars without ever thinking there could be a war or crisis which was Australia's but not Britain's. Japan's attack on Australia jolted Canberra into some first steps toward a national foreign policy; a Labor government insisted on the return of Australian soldiers from the Middle East when Japan entered the war.

But during the 1950s and 1960s Liberal governments tended to follow Washington as unquestioningly as in more necessarily dependent days Australia had followed London. This policy came to a humiliating apogee in 1967 when Prime Minister Harold Holt cried out on the White House lawn, "All the way with LBJ." The Liberals had fused their country's European history and Asian geography by embracing the Asian policy of the leading Western power.

The collapse of LBJ's Asian policy and its replacement by the Nixon Doctrine pulled the rug from under Australian Liberals and helped Whitlam into office. Labor leaders had always opposed the Vietnam war, and their credibility with the voters rose as the debacle of the war intensified. Mr. Nixon's move to cut back U.S. commitments in Asia and encourage self-reliance set off an unraveling process in the region which scared the Liberals but gave Labor the chance to offer fresh, post-Cold War policies.

In the summer of 1971 Whitlam went to China to talk with Chou En-lai about the future of Asia. Liberals attacked him as an appeaser and a fellow-traveler. But it turned out that Henry Kissinger had supped in Peking the very week Whitlam did, and no sooner had Whitlam returned to Australia than Mr. Nixon announced that he himself would soon go to Peking, just as Whitlam had done. The Liberals were aghast and from that time onward they seemed always on the defensive in foreign policy.

THE BOMBING PROTEST

Under Whitlam, a threefold pattern of new emphasis has emerged.

The new government has launched a more independent foreign policy than Australia has ever had.

It does not share the previous view that Australian foreign policy should be based on loyalty to a protector. First, because the United States after Vietnam is not considered an all-sufficient protector for any small land in Asia. Second, because Australia has its own distinctive interests and values. Third, because the U.S.-Australia alliance is today as important for Washington as for Canberra.

The Labor government does not put in question the ANZUS alliance with the United States and New Zealand. What the Australian leaders do not accept is that ANZUS and SEATO are indivisible, as William Rogers has argued to Labor party leaders, or that a country allied to the United States must support all U.S. policies, as Kissinger has implied in saying that Whitlam cannot be selective about the U.S. alliance.

The flare-up between Washington and Canberra over the bombing of Vietnam last Christmas provided the first illustration of these problems. Whitlam sent Mr. Nixon a cable of protest which the administration considered "unforgivable" because it appeared to put Washington and Hanoi on the same moral footing. There was an "unofficial" reply which scorched the paper with language Canberra officials were quite unused to. Irritation spiraled as some Australian ministers, including the influential number three man in the government, Minister of Trade James Cairns, condemned Mr. Nixon harshly.

The Vietnam cease-fire reduced the tension, and the prospects are better now for mutually beneficial relations, though strains will continue over foreign investments and the two important U.S. communications bases in Australia.

Events will hinge partly on Whitlam's skill in reining in Labor's left wing, which wants to end the alliance totally, and on his avoiding the impetuosity which led him in May to speak on the "parlous" state of Mr. Nixon's presidency, and to suggest that Watergate would not have occurred if the executive was answerable to the legislature as it is in Australia. But the important point is for Whitlam to convince Washington that his nationalism is representative of a deep new mood in Australia.

A second foreign policy change in Canberra is that a policy of hope is replacing a policy of fear.

Australian governments have often fallen prey to fears of undefined dangers and consequently allowed defense policy to smother foreign policy. Dean Acheson noted after contact with Liberal Australian leaders that they felt "worried by the unknown."

There were barren concomitants to this fear and defensiveness: racism in immigration policy; a spooky view of the Asian map which, noting Communists to Australia's north, appeared to feel that because of gravity if for no other reason "they" had an inclination to sweep southward; warmth toward South Africa and Rhodesia.

Some critics in Australia and others like the premier of Singapore fear a Labor government will be isolationist. Yet Whitlam's first six months have seen active diplomatic engagement with more of Asia (and Europe) than ever before. As well as sending an ambassador to Peking, Australia has taken steps toward dealing with North Korea and become the first belligerent on Saigon's side in the Vietnam war to establish full diplomatic ties with Hanoi.

Whitlam has established diplomatic ties with East Germany, warmed up relations with India by a fruitful trip to Delhi in June, and effectively expressed the deep feelings in the Pacific about French nuclear tests by persuading the International Court of Justice to enjoin Paris to suspend testing plans.

The new government believes that Australia need not be fearful since no one threatens it, or has territorial or historical grievances against it, or even has a common border with Australia proper. Stress should be on seeking economic progress and maybe neutralization in the region.

Whitlam shares the view Mr. Nixon expressed six years ago that SEATO is "an anachronistic relic," and like many other leaders in the region he considers ASPAC (the Asian and Pacific Council) bankrupt. He hopes for the emergence in post-Vietnam Asia of a new regional forum "genuinely representative of the region and without ideological overtones."

A third new emphasis is that Whitlam's foreign policy is more influenced by progressive social values than Australian policy has previously been.

No Australian prime minister abroad has ever spoken as frankly on race and colonialism as Whitlam did during an Indonesian trip in February. Unlike Indonesia, he said, Australians "are the descendants of colonial authority. In all too sad a sense we are the colonizers." Then he vowed that his government "will strive mightily to right the wrongs that have been done to the original Australians."

Australia has a bad record on racism in its immigration policy, and on its treatment of the black aborigines who make up about 1 per cent of the population. But in the late 1960s the Labor Party moved ahead of the Liberals on this matter, and no stance of the new government has been more forthright than that on racism.

Aborigines' claims to ancient tribal lands, crucial to their future, have now been granted. Prospective immigrants from Asia or elsewhere are now considered on exactly the same footing as those from Europe.

Whitlam has made numerous other changes on race questions. Citizens of New Zealand who come from Samoa or other nonwhite territories may now enter Australia on the same basis as white New Zealanders; Canberra will not allow any "racially selected" sports team to enter or even pass through Australia; and so on.

Other foreign policy areas are also taking on an unaccustomed moralism under Labor. Australia's colony of New Guinea is being rushed even beyond its wishes toward independence, since Whitlam considers it morally objectionable for one race or nation to rule another; and Australia will phase out its garrisons in Asia, since the prime minister thinks it "unnatural" for armed forces of one nation to be stationed in another.

A NEW COURSE

Whitlam will not lack problems in foreign policy and some already impinge. It may prove better to seek an Asian regional forum of the lesser powers alone, rather than one with both China and Japan in it (as Whitlam hopes); in any case Australia will have to tread delicately, for no change of government alters the fact that Australia is in Asia but not fully of it.

On the crucial question of the U.S. alliance, it may prove technically impossible, even if it is politically possible, to secure the "joint control" over U.S. communications sites which the government is deeply committed to.

Yet Whitlam comes to Washington having made an impressive start in charting a new course for Australia, and no future government is likely to reverse it. He is giving this quickly changing country a vigorous, unracist, non-ideological voice in Asia, which is bound to increase its influence. And he is seeking a new independence for Australia in its ties with the United States, which the economic strength and national feeling Down Under make logical, and which the changed U.S. role in Asia makes inevitable.

A Terse, Tough Aussie "PM"

Edward Gough Whitlam was born in Melbourne 56 years ago, spent a formative period in Canberra which gave him a sense of the nation rare among politicians in a far-flung and states-minded land, then studied law in Sydney and settled down there. He has the bluff manner of a Sydney man (from where Labor leaders often come) rather than the dry manner of a Melbourne man (from where Liberal leaders often come).

Whitlam has a dominant air because of his height of 6 feet 4 and wide blue eyes, and the sense you get of a man stowing away for future use every available item he sees and hears, a man who almost never makes a casual remark.

These traits lead critics to call Whitlam "arrogant" and "lacking in warmth," yet they also explain his success. He believes in taking thought in order to improve society, and he hounds ideas to the point of action. For years he criss-crossed the country with Fabian zeal to diagnose ills first-hand, listened to a wide range of reforming opinion and matched his ideas with a game plan for winning power.

His visit to China in 1971 could have been a relaxing trip compared with Whitlam's way of filling a day in Australia. But between talks with Chou En-lai and other Chinese leaders, he plunged into social or historical investigation, at all times engaged with China as if no other country existed.

His staff can find Whitlam's mental fertility exacting. I have seen him in a car pull from his pocket an envelope on which he had scrawled facts and statistics about pensions, explain it with lightning speed to an aide, requisition for two days hence a full-length speech spelling it out, and then say firmly but without anger as he hopped out of the car to enter a TV studio: "And I don't want a lousy job like the last one you did on social services."

Whitlam's mental arrogance explains why his acts are often more radical than the window-dressing of his ideology would suggest. In a party which contains some automatic quasi-Marxists who cry fearsome slogans from the rooftops but wilt when it comes to hammering out policies which a majority of Australians can support, Whitlam has been called right of center. A lot of Australians are surprised that Whitlam is now pressing some measures which please left-wingers with whom he shares few natural vibrations.

Yet by his blend of social radical impulses and the courage of reason he has long cut through the distinction between quasi-Marxist left and "Gaitskellite" right in the Labor Party. It is on social values, not on fundamental economic ideas, that Whitlam is left-wing.

When the Labor Party got tied up in debilitating internal feuds over ideological matters, Whitlam tried to replace posturing with detailed work on policy. In the mid-1960s, when still deputy leader, he fought fiercely with the party's left-wing apparatus in the important state of Victoria (some wanted Whitlam expelled from the party).

He has an impetuous streak—he once hurled water on a Liberal minister in Parliament, and smashed a telephone on his desk after failing to get his way—and being a man of few self-doubts he risked his career by calling the leaders of his party "12 witless men."

Whitlam was not always good at raw intra-party politics in the 1960s, in part because smoothing feathers and counting heads was not his cup of tea (he has mellowed since). But the sheer impressiveness of his articulation of policy helped carry the day against the Victoria left-wingers.

Australian social mores range all the way from would-be aristocratic to earthy proletarian, and Whitlam's new team really is *new*. At the prime minister's residence soon after the new government took over, one felt a trace of shock on the part of servants used to waiting on "upper class" Liberal ministers. Whitlam was sitting in a bright floral sport shirt with a visitor on the veranda, while others came and went in casual attire and even swimming clothes. Mrs. Whitlam drifted by with an armful of clothes for the laundry. Crisp young aides were at work on documents in a gregarious manner, and their laughter rent the summer morning air.

A phone call drew the prime minister, and while he was away a prim lady who would fit in well in London clubland brought coffee in a gleaming silver pot. Pouring a cup for the visitor, she looked at the prime minister's empty chair and said distantly, "I won't pour that gentleman's because it will get cold." She must have known who "that gentleman" was, but maybe she was not yet quite able to call him "the PM."—Ross Terrill.

[From the Baltimore Sun, July 30, 1973]

Australia's New Prime Minister

President Nixon plays host today to a new breed of Australian prime minister, a man who seems to understand more clearly than his predecessors what policies are dictated by his country's geography. The visitor is Gough Whitlam, whose first half-year in power has transformed Australia's approach to foreign affairs. By condemning U.S. bombing in Indochina, recognizing Peking, rejecting policies smacking of white racism and giving priority to regional neighbors, particularly Papua New Guinea, Mr. Whitlam has shown a good sense of location.

Australia, after all, is not "down under" (down under from what?) but an Asian power, a Pacific power of great potential. The new prime minister has not particularly pleased the Nixon administration with his new directions. But he put his case well when he stated recently: "We recognize that as Australians we shall win no respect, nor shall we help out traditional friends in their own difficulties of withdrawing from military commitments or readjusting to the needs of a changing world, if our foreign policies remain an echo of other nations, taking no account of our own vital interests in security and trade or the sensibilities and aspirations of our neighbors."

President Nixon will find no echo in Mr. Whitlam, no servility in the hope of securing American guarantees against the big bad world so close to Australia's doorstep. Those days are gone for good. Nor, if the omens are correct, will he find a man delighting in the pulling of Uncle Sam's whiskers—an indulgence still practiced by extreme elements in his Labor party. Mr. Whitlam has been politician enough, after his Christmas outburst about the Hanoi-Haiphong bombings, to try to put things right with Washington.

In return, Mr. Whitlam probably would like a gesture signifying Australia's sovereignty over the U.S. Navy installation at North West Cape, an installation of great importance to Polaris operations in the Indian Ocean. This is an opportune moment for Mr. Nixon to make such a gesture. U.S.-Australian relations, based as they are on genuine friendship and common interests, certainly can surmount transistory irritations having already survived a period of ardent imbalance.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States, submitting nominations, were communicated to the Senate by Mr. Marks, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session, the Presiding Officer (Mr. Helms) laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations received today, see the end of Senate proceedings.)

FULL OPPORTUNITY AND NATIONAL GOALS AND PRIORITIES ACT

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of S. 5, with the understanding that there will be no action on the bill today, other than opening statements.

The PRESIDING OFFICER. The bill will be stated by title.

The bill was read by title as follows:

A bill (S. 5) to promote the general welfare.

The PRESIDING OFFICER. Is there objection to the request of the Senator from West Virginia?

There being no objection, the Senate proceeded to consider the bill.

ORDER OF BUSINESS TOMORROW

Mr. ROBERT C. BYRD. Mr. President, under the order entered last week, on tomorrow after the routine morning business the Senate will proceed to the consideration of S. 1560, the Emergency Employment Act of 1971, under a time limitation.

AUTHORIZATION TO TAKE UP S. 1880 OR OTHER MEASURES TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that upon the disposition of S. 1560 tomorrow, it be in order for the leadership to move either to take up S. 1880, a bill to protect hobbyists, or to return to the consideration of S. 5, or to take up any other measure which has been cleared for action.

The PRESIDING OFFICER. Without objection, it is so ordered.

AUTHORIZATION TO TAKE UP S. 1033, TO MAKE IT THE UNFINISHED BUSINESS FOR WEDNESDAY

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that if the bill has not been called up prior thereto, that at the conclusion of business tomorrow the Senate proceed to the consideration of S. 1033, the so-called timber export bill, for the purpose of making it the unfinished business for Wednesday.

The PRESIDING OFFICER. Without objection, it is so ordered.

QUORUM CALL

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR ADJOURNMENT TO TUESDAY, JULY 31, 1973

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in adjournment until the hour of 12 o'clock noon tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECOGNITION OF SENATORS JAVITS, HUDDLESTON, AND SCOTT OF VIRGINIA, FOR TRANSACTION OF ROUTINE MORNING BUSINESS AND FOR SENATE TO PROCEED TO THE CONSIDERATION OF S. 1560, TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that after the two leaders or their designees have been recognized tomorrow under the standing order, the distinguished Senator from New York (Mr. JAVITS) be recognized for not to exceed 15 minutes, after which the distinguished Senator from the Kentucky (Mr. HUDDLESTON) be recognized for not to exceed 15 minutes, following which the distinguished Senator from Virginia (Mr. SCOTT) be recognized for not to exceed 15 minutes, and that there then be a period for the transaction of routine morning business for not to exceed 15 minutes, with statements therein limited to 3 minutes, at the conclusion of which the Senate proceed, under the order previously entered, to the consideration of S. 1560.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECOGNITION OF SENATOR HANSEN

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on Wednesday, after the two leaders or their designees have been recognized under the standing order, the distinguished Senator from Wyoming (Mr. HANSEN) be recognized for not to exceed 15 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD subsequently said: Mr. President, I ask unanimous consent that the order previously entered for the recognition of the distinguished junior Senator from Wyoming (Mr. HANSEN) on Wednesday be vacated and that he be recognized on tomorrow, following the remarks of Mr. SCOTT of Virginia, for not to exceed 15 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

QUORUM CALL

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MONDALE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

FULL OPPORTUNITY AND NATIONAL GOALS AND PRIORITIES ACT

The Senate continued with the consideration of the bill (S. 5) to promote the general welfare.

Mr. MONDALE. Mr. President, S. 5, the pending measure, is a bill which has passed the Senate in almost identical form in two previous Congresses. It is the product of extensive hearings, extensive committee and Senate deliberation, and I would hope that it would pass overwhelmingly and that in this Congress we might see action in the House.

This measure seeks to establish a Council of Social Advisers in the office of the Presidency and require that council to prepare an annual social report which would be referred to the Joint Economic Committee and to the respective Labor and Public Welfare Committees of the House and the Senate. The council would have other responsibilities such as the establishment of an effort toward establishing social indicators to measure the social health of this country.

Mr. President, one of our most illuminating witnesses was Mr. Joseph Califano, who, as many know, served as President Johnson's key domestic counselor. Following his period of service in that position, he testified before our committee upon the almost total lack of information upon which we make social policy. Mr. Califano said:

> The disturbing truth is that the basis of recommendations by an American Cabinet officer on whether to begin, eliminate, or expand vast social programs more nearly resembles the initiative judgment of a benevolent tribal chief in remote Africa than the elaborate sophisticated data with which the Secretary of Defense supports a major new weapons system.

Support for this institution has come from a broad range of leaders in the field of human development and from persons who have been in government, as well as the academic community. As a matter of fact, they have repeatedly and strongly urged the creation of this Council of Social Advisers.

In the development of this legislation I have been privileged to have the long-term support and the creative contributions of the distinguished senior Senator from New York (Mr. JAVITS), who has cosponsored this measure from its beginning and who has been so helpful over the years in trying to develop it, improve it, and strengthen it.

The present measure, in title II, contains a series of sections under the heading "National Goals and Priorities." It seeks to establish in the Congress an office to better prepare the Congress when dealing with the broad objectives of goals and priorities.

This measure was originally introduced in separate bill form by the distinguished Senator from New York (Mr. JAVITS) and is now found as title II in S. 5.

Together these titles are designed to do something about the present anarchy in the field of human programs.

We have a nation in which we spend billions in education, billions in health, billions on poverty, and billions on various other human programs. Yet, when we ask those involved in these programs whether they are achieving the results intended and whether they are doing so in the most efficient way, and, indeed, whether they are counterproductive, one is often at a complete loss to obtain that essential information upon which any intelligent government should base its decisionmaking, as one of our witnesses said, the American Government seems to be proceeding on the theory of substandardization, by which we are doing better and better in little things and worse and worse in big things.

This council is designed to try to better analyze and evaluate and plan social programs so that we might better understand how we seek to educate our children, so that we might know better how well we are doing at this task of education, so that we might know better how to improve and make more efficient the effort at education.

The same is true with our efforts in the field of health, in the field of manpower, in the field of employment, and in the other areas, housing and the rest, which are essential services for a healthy and developing people.

I have been in the Senate now for more than 9 years. I guess that I have served on as many or more human problem committees and subcommittees than any other Senator, or at least as many as any other Senator. I am constantly surprised and sometimes shocked when we are holding hearings on programs—some of which cost several hundreds of millions of dollars a year—when I ask those who are in charge of the programs to tell us what they are accomplishing and what we are getting for our money. Usually they can fill us full of statistics and information that really is not helpful. They can tell us how many bricks there are in a building and how many lunches are served in the hot lunch program. However, if we ask them how many children are being educated, often they do not have the slightest idea. The same thing is true with respect to health and manpower programs. What might be called the hot facts concerning what is being achieved through these programs is often not available.

Yet this very condition of anarchy and uncertainty is becoming a strong force in the hands of those who seek to counsel the Government and the people to give up this effort and to conclude that there is no hope and that we should stop trying to deliver the essential services needed for the social health of our people.

I can think of nothing that would be more tragic to our country than that, for we know that despite our wealth, despite our strength, and despite the magnificence of our great country, there are still millions and millions of Americans who in no meaningful way share in the fullness of American life.

The programs that this council would seek to better understand and guide are the very programs on which social justice in our Nation depend. And this institution could contribute enormously to a more sophisticated, responsible, balanced, efficient, and extraordinary approach to human problems.

Mr. President, I understand that the distinguished Senator from New York wishes to comment upon this bill.

I yield the floor and suggest the absence of a quorum.

The **PRESIDING OFFICER.** The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. JAVITS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

Mr. JAVITS. Mr. President, I wish to state that I support fully both titles in the bill.

First, I wish to affirm my support of the need for the Senator from Minnesota's Council of Social Advisers as representing a recognition of the development of our society beyond the stage where economic advisers can do all that needs to be done.

Mr. President, in many cases the question is whether we are spending money most effectively and in the most wise manner. The Council on Economic Advisers will tell us what they think we are going to spend and perhaps what to spend in particular areas as a matter of economics. However, there is quite a difference between spending money in the desegregation of schools and spending money to enhance quality education. There is a far different thrust and a far different end result in saying that different means need to be used.

Accordingly, there are questions of blending manpower and training into public service jobs and welfare problems arising out of able-bodied people who are unable, for one reason or another, to get the training or to match the training up with a job.

This again goes far beyond the problem of money, it involves the redemption of people from the endemic cycle of poverty which comes ahead of social and economic problems.

I appreciate the fact that one of the most potent anti-poverty measures we have adopted is the providing of legal services for the poor.

All of these things represent areas in which the Council of Social Advisers could be very useful to the direction of recent efforts.

From the point of view of the amounts involved compared to the end results, the fact is that with a Federal budget in the area of $250 billion a year, we really should not be talking about the cost of an agency or the proliferation of an agency that will accomplish infinitely more in the years to come with respect to efforts in the national policy and the ability to make wiser decisions than we have heretofore in many cases.

I have from the beginning supported the effort of the distinguished Senator from Minnesota, and he has in turn done me the honor of supporting me in what is really the corollary activity to the one which he wants to be pursued, that is, the advice to Congress respecting national goals and priorities.

Mr. President, I suppose if one were to characterize my whole career here, it has been to contribute to giving the Congress a personality of its own, and to equipping it, through the efforts of its Members, to be really a coordinate branch of government, with innovation, decisionmaking, full partnership in national policy and the implementation of that policy, and against simply yielding questions for decision to the President because it was easier to step away from them than to wrestle with them.

The national goals and priorities concept which I introduced for the first time in December of 1969 with the Senator from Minnesota (Mr. MONDALE) as my principal cosponsor was exactly along that line. That was early, Mr. President, and national traumas, including Watergate, since then have now convinced us of the absolute necessity for an independence and an autonomy which we have so long yielded by either misfeasance or nonfeasance.

Mr. President, what the National Goals and Priorities Office is intended to do is to equip Congress with its own Office of Management and Budget, just like the President has, so that we might hold our own in these decisions regarding allocations and priorities, all within the context of appropriate national goals.

There is some history in this matter. General Eisenhower, when he was President, proposed a Commission on National Goals. We have had efforts in that direction, with special thrusts like the stockpiling of supplies of raw materials to keep the industrial machine going, the famous "Paley" Commission of some years ago.

But nevertheless, never has Congress been able to hold its own with respect to advisory fact-finding machinery for this purpose.

Mr. President, whereas title I remains pristine, pure, and unpassed, and needs to be dealt with as an original, innovative concept, title II, the one I have authored, has been overtaken by events. It is an idea whose time has come, and it is actually in process of being put into effect right now.

We had a special committee headed by the Senator from Arkansas (Mr. MCCLELLAN). When we were appalled by the inability to put on and administer a ceiling on the budget ourselves, we appointed a special committee to look into that question. It made an admirable report. I differed with some of it, but on the whole it was an admirable effort to begin to deal with that question.

At that point, a legislative standing committee on which I serve as the second ranking member was called upon, quite properly, to take over the Government Operations Committee. In point of seniority I am the ranking member, but I gave it up to the Senator from Illinois (Mr. PERCY) because I am also the ranking member of another committee, Labor and Public Welfare.

This committee is now considering legislation to implement the recommendation of the special committee and it is now before the subcommittee on Budgeting, Management, and Expenditures on which Senator METCALF is the chairman and the ranking member is the Senator from Ohio (Mr. SAXBE). This measure will come before the whole committee, of which I am a member.

I have discussed with the chairman of that committee, and will discuss with

Senator Percy, who is the ranking member, and the ranking member and chairman of the subcommittee, the advisability and perhaps even the desirability, instead of letting this title 2 proceed on its own, of referring it to the Government Operations Committee, so that it may be appropriately wrapped into the overall machinery for dealing with budget reform, which we will undoubtedly report out to the Senate. I shall be consulting with the Parliamentarian about the technique for doing that, which I am confident can be done.

Mr. President, when that is done, which I hope will be tomorrow, we have one advantage, in respect of S. 5, for the first time, and that is that it will become an instrument for a single purpose, to wit, the Council of Social Advisers; and I think that is only fair to Senator Mondale, in respect to his very gifted initiative. I shall support it for the reasons I have stated, and I hope to contribute to that concept by allowing the recognition of events which have actually occurred and are occurring to remove from the bill what represents another although related concept.

So. S. 5 would go forward as a single instrument for a single highly desirable purpose.

At this point I should like, first, to pay my respects to the Senator from Minnesota (Mr. Mondale) for his long struggle and endeavor to bring this idea into law; second, to express my appreciation for his having accommodated my idea up to now as an element of his bill; and, third, to assure him, notwithstanding the divorce of the two for very good reasons, which I have stated as a matter of legislative efficiency, of my continued indefatigable and convicted support of S. 5 as it is now represented by title I.

Mr. MONDALE. I thank the distinguished Senator from New York for those most gracious statements.

As I stated earlier, S. 5 has been the product of his efforts as well as my own. It was originally introduced three Congresses ago.

While title II and title I appear to go together, they are both being considered at the same time because they are both responsible forms which are built in for human development and security. They are program areas which the Senator from New York and I have worked on together for as long as we have been together since coming to the Senate, and which the committee reported and is responsible for.

The Council of Presidential Advisors tries to bring together the finest social scientists in America to advise the President, to advise Congress, and to advise the American people through the social report as to their appraisal of the effectiveness and the wisdom of trying to establish a system of social indicators that will permit us better to quantify and better to expand what we are doing, because it is a massive task to try to improve the social health of the people of the country.

In a real sense, title II, dealing with priorities, tries to do the same thing. It tries to deal with the present problem of Congress probing the archaic question of budgets, so that we might arrange our sources and apply them in the most efficient, effective way, so as to enable Congress, as the Senator puts it, as a coordinate branch to do a better job than it is doing today.

As the Senator points out, in a real sense the proposal offered by the Senator from New York is a part being incorporated in a broader sense in the proposals coming out of a committee on the budget and more recently the Government Operations Committee.

I, too, have some objections to some of the proposals, but I think the basic idea was first found in what is now known as title II. I hope that many of its provisions may be included in the proposal coming out of the Government Operations Committee.

Mr. JAVITS. I believe they will, I may say to the Senator, but also I think the fact that they will and the fact that legislation is almost ready on that score indicates that that is precisely what he is proposing.

It is one thing to know how much money we are going to have, but we also have to know how to divide it. The question of division is not a financial question strictly; it is a question of high policy in the social field. We are entitled to the best kind of advice on that high policy, which will point very important directions to the country. I think we have good advice in the machinery of the Council of Economic Advisers to deal with housing, technicalities involving tax credits, the effect upon the system of various methods of technicians, organizational problems, and the organization of problems of worker compensation, worker morale, and so forth. But I do not think the sophisticated nature of decisions on social policy are encompassed within that. They try to do it. But it is hardly their business. They are hardly trained for it. So the fact that one part of the bill is getting settled should help highlight the critical importance of the creative contribution of the Senator from Minnesota to the governmental machinery in the Council of Social Advisers. I hope very much that we can get the effect of what he wants.

Mr. MONDALE. I thank the Senator again. I suppose there is no person who has spent more man-years in listening to testimony affecting human problems than has the distinguished Senator from New York (Mr. Javits), whether it be on manpower, poverty, the whole range of educational programs, health programs, and all the rest.

I am sure he shares with me the frustration one feels in trying to find out what any responsible Government must know about the programs in terms of how well they are doing, what are they actually accomplishing, how efficiently are the resources being applied, or are there better ways to do it. Time and time again we have asked these questions, and many times, tragically, we cannot receive the answers because no one is available to answer them, or they come to us in a way that is not usable, just as in the defense sector, many times we find that it is difficult to obtain the central facts that one needs to evaluate. I am not talking about this administration. I am talking about the recurring practice by which it is difficult to obtain critical information regarding these programs.

I think this is one of the contributing factors to the growing sense of despair we are hearing today, even from some of the best universities, which seems to suggest that democracy lacks the capacity efficiently or effectively to deliver human services.

For example, we have heard this of late in the educational field, that there is no use, no way of delivering quality education to the poor or the disadvantaged. A book written by Dr. James did not say exactly that, but the thrust of his book was one of despair over the capacity of a free society to educate its own people.

That feeling is enforced by the way our present management of the programs is handled, the present way in which Congress approaches them, and the present way the Executive approaches them, all of which helps to contribute to the feeling that, somehow, they are not being managed properly.

Mr. JAVITS. Mr. President, I agree with the Senator from Minnesota.

We desperately need machinery. The Joint Economic Committee has done a very commendable job on looking into questions like the welfare question, but they cannot be expected to go into the whole range of social and budgetary questions, and we need an independent office to do it.

And a busy committee like the Committee on Labor and Public Welfare itself cannot deal with all the priority issues and should not, as they cut across jurisdictional lines. That is a simple illustration of why it is necessary to segregate out these problems and deal with them appropriately.

Mr. MONDALE. I am most grateful to the Senator from New York for his comments. I gather that tomorrow we may be moving to refer title II to the Senate Committee on Government Operations and, hopefully, we can act once again on S. 5, and, again hopefully, this time the House will respond.

Mr. JAVITS. I thank my colleague.

Mr. MONDALE. Mr. President, I yield the floor, and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. ROBERT C. BYRD. Mr. President, the program for tomorrow is as follows:

The Senate will convene at noon.

The following Senators will be recognized, each for not to exceed 15 minutes and in the order stated, following the recognition of the two leaders or their designees under the standing order: Mr. Javits, Mr. Huddleston, Mr. Scott of Virginia, and Mr. Hansen.

There will then be a period for the transaction of routine morning business, for not to exceed 15 minutes, with the usual 3-minute limitation on statements therein.

Following routine morning business, S. 1560, the Emergency Employment Act of 1971, will be taken up under a time limitation. Yea-and-nay votes will occur on amendments thereto and presumably on final passage.

Upon disposing of S. 1560, the Senate either will take up S. 1880, a bill for the protection of hobbyists, or will go back to S. 5, the measure which is presently pending, a bill to promote the public welfare. Yea-and-nay votes could occur.

I wish to make this clear: S. 1880 and S. 5 may both be taken up during the afternoon, depending upon what the time is and the circumstances, and so forth, but not necessarily in the order listed. Yea-and-nay votes could occur in relation to either or both of those bills.

At the close of business tomorrow, S. 1033, the Export Administration Act of 1969, will be laid before the Senate, so as to make it the unfinished business on Wednesday.

Mr. President, I repeat, yea-and-nay votes will occur on tomorrow.

ADJOURNMENT

Mr. ROBERT C. BYRD. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the previous order, that the Senate stand in adjournment until 12 o'clock noon tomorrow.

The motion was agreed to; and at 5:13 p.m. the Senate adjourned until tomorrow, Tuesday, July 31, 1973, at 12 noon.

NOMINATIONS

Executive nominations received by the Senate July 30, 1973:

DEPARTMENT OF DEFENSE

William Keith Brehm, of California, to be an Assistant Secretary of Defense, vice Roger T. Kelley, resigned.

OVERSEAS PRIVATE INVESTMENT CORPORATION

Marshall Trammell Mays, of South Carolina, to be President of the Overseas Investment Corporation, vice Bradford Mills, resigned.

NATIONAL HIGHWAY TRAFFIC SAFETY ADMINISTRATION

James B. Gregory, of California, to be Administrator of the National Highway Traffic Safety Commission, vice Douglas W. Toms, resigned.

CONFIRMATION

Executive nominations confirmed by the Senate July 30, 1973:

ENVIRONMENTAL PROTECTION AGENCY

Alvin L. Alm, of the District of Columbia, to be an Assistant Administrator of the Environmental Protection Agency.

(The above nomination was approved subject to the nominee's commitments to respond to requests to appear and testify before any duly constituted committee of the Senate.)

HOUSE OF REPRESENTATIVES—*Monday, July 30, 1973*

The House met at 12 o'clock noon.

The Chaplain, Rev. Edward G. Latch, D.D., offered the following prayer:

Let this mind be in you which was also in Christ Jesus.—Philippians 2: 5.

Eternal Father of our spirits, we enter this new week challenged by the daily duties which demand our attention and the persistent problems that perplex our people. Grant that we may realize that the hour has come when we must strengthen the moral and spiritual fiber of our Nation if we are to truly minister to the needs of our citizens and continue to be a beacon light for freedom among the nations of the world.

May our differences in party affiliation not make a difference in the principles which unify us as a nation and call us to work together for the common good.

Help us to seek Thy truth and Thy love that we may build a greater nation and a better world where people shall live in peace with justice, for freedom, and by good will.

In Thy holy name we pray. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Without objection, the Journal stands approved.

There was no objection.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Marks, one of his secretaries.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Arrington, one of its clerks, announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 8510) entitled "An act to authorize appropriations for activities of the National Science Foundation, and for other purposes."

The message also announced that the Senate had passed with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 8760. An act making appropriations for the Department of Transportation and related agencies for the fiscal year ending June 30, 1974, and for other purposes.

The message also announced that the Senate insists upon its amendments to the bill (H.R. 8070) entitled "an act to authorize grants for vocational rehabilitation services, and for other purposes," disagreed to by the House; agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. RANDOLPH, Mr. CRANSTON, Mr. WILLIAMS, Mr. PELL, Mr. KENNEDY, Mr. MONDALE, Mr. HATHAWAY, Mr. STAFFORD, Mr. TAFT, Mr. SCHWEIKER, and Mr. BEALL to be the conferees on the part of the Senate.

The message also announced that the Senate insists upon its amendments to the bill (H.R. 8760) entitled "An act making appropriations for the Department of Transportation and related agencies for the fiscal year ending June 30, 1974, and for other purposes," requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. ROBERT C. BYRD, Mr. MCCLELLAN, Mr. MAGNUSON, Mr. PASTORE, Mr. BIBLE, Mr. MANSFIELD, Mr. CASE, Mr. YOUNG, Mr. COTTON, Mr. STEVENS, Mr. MATHIAS, and Mr. SCHWEIKER to be the conferees on the part of the Senate.

The message also announced that the Senate had passed bills and a concurrent resolution of the following titles, in which the concurrence of the House is requested:

S. 1341. An act to provide for financing the economic development of Indians and Indian organizations, and for other purposes;

S. 1887. An act to provide for the appointment of alternates for the Governors of the International Monetary Fund and of the International Bank for Reconstruction and Development;

S. 1993. An act to amend the Euratom Cooperation Act of 1958, as amended;

S. 2060. An act to authorize the Secretary of Transportation to act to assure the continuance of rail services in the northeastern United States, and for other purposes;

S. 2075. An act to authorize the Secretary of the Interior to undertake a feasibility investigation of McGee Creek Reservoir, Okla.;

S. 2166. An act to authorize the disposal of opium from the national stockpile;

S. 2239. An act relating to intervening in and influencing the political affairs of foreign countries or political subdivisions thereof; and

S. Con. Res. 42. Concurrent resolution providing for a conditional adjournment of the two Houses from August 3 until September 5, 1973.

NATIONAL REGISTERED NURSES DAY

(Mr. BROWN of California asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. BROWN of California. Mr. Speaker, I am pleased to introduce a joint resolution to authorize and request the President to issue a proclamation designating one day during each year as "National Registered Nurses Day."

Recognition of the contribution of nurses to the health and well-being of our people is long overdue. Nursing services are, in the words of a paper by the Ad Hoc Nursing Impact Committee, "the keystone of health care delivery." Nursing provides the needed element of humanistic care based on personal health needs. Yet with the myriad of days and weeks we presently have to honor the contributions of our people, the nursing profession has been ignored.

I am frequently reminded of the value of the work of nurses and nurses' aides by my constituents. As one, George E. Bishop of Rialto, Calif., wrote me:

> The thoughtfulness and compassion given by the nurses and nurses' aides is above what could be expected of them . . .
>
> We have a National Week for lots of things, especially if they are trying to make a buck. So why not a week for our nurses.

I concur wholeheartedly with the sentiments of Mr. Bishop.

I believe that passage of such a resolution would be particularly timely. I say this because it is now widely recognized that the health needs of our people are not being met. There is a need for reorganization of our health care delivery system. And basic to a reform of our medical care system will be an increased emphasis on paramedical manpower. Thus we can expect the scope of nursing practice to expand in areas of primary, acute and long-term care. In addition, our current shortage of doctors means that it will be up to individuals like nurses to take on even greater responsibilities.

Mr. Speaker, this resolution has already received the strong support of the American Nurses' Association. I am sure that it has the support of the American people. It is worthy of our action.

PERMISSION TO FILE CONFERENCE REPORT ON H.R. 8658, DISTRICT OF COLUMBIA APPROPRIATIONS, 1974

Mr. NATCHER. Mr. Speaker, I ask unanimous consent that the managers may have until midnight tonight to file a conference report on the bill (H.R. 8658) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenue of said District for the fiscal year ending June 30, 1974, and for other purposes.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

CONFERENCE REPORT (H. REPT. NO. 93-416)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 8658) "making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending June 30, 1974, and for other purposes," having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 1 and 17.

That the House recede from its disagreement to the amendments of the Senate numbered 2, 3, 8, 10, 11, 12, 18, 19, and 20, and agree to the same.

Amendment numbered 4: That the House recede from its disagreement to the amendment of the Senate numbered 4, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$67,539,000"; and the Senate agree to the same.

Amendment numbered 5: That the House recede from its disagreement to the amendment of the Senate numbered 5, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$206,357,000"; and the Senate agree to the same.

Amendment numbered 7: That the House recede from its disagreement to the amendment of the Senate numbered 7, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$198,029,000", and the Senate agree to the same.

Amendment numbered 9: That the House recede from its disagreement to the amendment of the Senate numbered 9, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$218,443,000"; and the Senate agree to the same.

Amendment numbered 13: That the House recede from its disagreement to the amendment of the Senate numbered 13, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$45,010,000"; and the Senate agree to the same.

Amendment numbered 14: That the House recede from its disagreement to the amendment of the Senate numbered 14, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$11,931,100"; and the Senate agree to the same.

Amendment numbered 15: That the House recede from its disagreement to the amendment of the Senate numbered 15, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$13,629,500"; and the Senate agree to the same.

Amendment numbered 16: That the House recede from its disagreement to the amendment of the Senate numbered 16, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$128,178,000"; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 6 and 21.

WILLIAM H. NATCHER,
LOUIS STOKES,
ROBERT O. TIERNAN,
BILL CHAPPELL,
BILL D. BURLISON,
GUNN MCKAY,
J. EDWARD ROUSH,
GEORGE H. MAHON,
ROBERT C. MCEWEN,
VICTOR V. VEYSEY,
LAWRENCE COUGHLIN,
ELFORD A. CEDERBERG,
Managers on the Part of the House.

BIRCH BAYH,
JOHN L. MCCLELLAN,
DANIEL K. INOUYE,
LAWTON CHILES,
THOMAS F. EAGLETON,
CHARLES MCC. MATHIAS, Jr.,
HENRY BELLMON,
Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 8658) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending June 30, 1974, and for other purposes, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report:

Amendment No. 1: The following provision in the opening paragraph of the Senate bill, "and shall be made available for expenditure except as specifically provided by law" was not agreed to by the conferees because it was deemed to be an unnecessary restatement of existing provisions of law. It was therefore deleted without prejudice.

LOANS TO THE DISTRICT OF COLUMBIA FOR CAPITAL OUTLAY

Amendments Nos. 2 and 3: Appropriate $226,184,000 of which $177,969,000 shall be payable to the general fund as proposed by the Senate instead of $236,184,000 of which $187,969,000 shall be payable to the general fund as proposed by the House.

GENERAL OPERATING EXPENSES

Amendment No. 4: Appropriates $67,539,000 instead of $66,491,000 as proposed by the House and $68,564,000 as proposed by the Senate.

City Council.—The conference action provides an increase of $20,200 over the House allowance for rent, printing, supplies and materials as proposed by the Senate, but deletes the 8 additional positions proposed by the Senate.

Executive Office.—The conference action deletes the increases for the Office of Budget and Financial Management for contractual services ($124,400 for automation of the budget preparation process and $300,000 for revision of the District's accounting system) proposed by the Senate. Future requests for these programs should be more fully justified, particularly as to anticipated funding and staffing levels in subsequent years.

The conference action provides an additional planner and $10,000 for the Office of Planning and Management to coordinate existing planning functions and to develop a comprehensive study to assess the planning needs of the city and develop a program to meet those needs, instead of 6 additional positions and $50,000 as proposed by the Senate. The conference action deletes the 5 additional positions and $45,000 proposed by the Senate for the Community Services Division with the understanding that the Commissioner may provide the proposed services from other available funds.

The conference action provides 3 additional positions and $50,000 proposed by the Senate for the Office of Municipal Audit.

The conference action provides 2 additional positions and $19,200 for the Office of Human Rights instead of 4 positions and $38,400 proposed by the Senate. The allocation of the allowance is to be made by the Commissioner.

The conference action provides 14 positions and $186,700 to establish an Office of Consumer Affairs as proposed by the Senate. The managers are agreed that employment should remain at this level in the future.

Office of the Corporation Counsel.—The conference action deletes the 5 additional positions and $33,900 proposed by the Senate with the understanding that existing staff will be made available for legal services for the Office of Consumer Affairs.

Department of General Services.—The conference action approves the reduction of $23,000 and 4 positions for staffing the new District Station Houses 2 and 5 and the reduction of $77,100 in space rental funds as proposed by the Senate.

Department of Economic Development.—The conference action provides 5 additional housing inspectors and $37,450 to strengthen the lead base paint detection program and to identify the total unmet need in this area, instead of 10 positions and $74,900 as proposed by the Senate. The action provides $705,000 for the razing of abandoned or insanitary structures as proposed by the Senate. The action deletes the establishment of a new Office of Economic and Business Development proposed by the Senate with the understanding that if District officials still feel this is an urgent and important matter it can be presented again for consideration by the committees.

Public Library.—The conference action provides $25,000 for the increased cost of books instead of $50,000 as proposed by the Senate and deletes $50,000 for general improvements as proposed by the Senate.

Other Independent Offices and Agencies.—The conference action provides 3 additional positions and an increase of $35,500 for the Minimum Wage and Industrial Safety Board as proposed by the Senate.

The conference action deletes the additional clerk and $7,700 proposed by the Senate for the Recorder of Deeds.

The conference action provides 1 additional position and an increase of $9,000 for the Public Service Commission instead of 2 positions and $16,000 as proposed by the Senate.

The conference action provides an additional $50,000 for bicentennial activities instead of $150,000 as proposed by the Senate, which will allow a total of $150,000 for 1974 instead of $100,000 as proposed by the House and $250,000 as proposed by the Senate.

PUBLIC SAFETY

Amendment No. 5: Appropriates $206,357,000 instead of $210,960,000 as proposed by the House and $205,558,700 as proposed by the Senate.

Metropolitan Police.—The conference action approves the reduction of $330,000 proposed by the Senate.

Fire Department.—The conference action approves the additional 7 positions for a computerized fire-incident reporting system as proposed by the Senate.

Courts.—The conference action approves a reduction of $2,303,300 in the funds for reimbursement to the Department of Justice instead of $3,303,300 as proposed by the Senate.

Public Defender Service.—The conference action deletes the additional 15 positions and an increase of $170,600 proposed by the Senate.

Bail Agency.—The conference action provides 5 additional positions and an increase of $30,700 instead of 10 positions and $61,400 as proposed by the Senate.

Department of Corrections.—The conference action approves the reduction of 236 positions and $2,000,000 as proposed by the Senate.

Amendment No. 6: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur with an amendment in the language proposed by the Senate providing that $7,821,700 instead of $6,821,700 shall be available for reimbursement to the United States for services provided to the District of Columbia by the offices of the United States attorney and the United States marshal for the District of Columbia. The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

EDUCATION

Amendment No. 7: Appropriates $198,029,000 instead of $196,567,000 as proposed by the House and $199,399,700 as proposed by the Senate.

Public Schools.—The conference action deletes the increase of $100,400 for elementary education proposed by the Senate. The action provides an increase of $1,145,900 for junior high school education instead of $1,227,800 as proposed by the Senate. The action deletes the increase of $760,100 for senior high school education proposed by the Senate. The action deletes the increase of $46,800 for career development proposed by the Senate. The action provides an increase of $81,900 for special education as proposed by the Senate.

Federal City College.—The conference action deletes the increase of $204,000 for faculty for summer school. The action provides 2 additional positions and $57,300 for a science van and makes 3 temporary positions permanent for the Labor Studies Center as proposed by the Senate. The action provides 8 additional positions for institutional support.

Washington Technical Institute.—The conference action provides 11 additional positions and an increase of $177,200 instead of 22 positions and $354,400 as proposed by the Senate.

Amendment No. 8: Deletes provision of unvouchered allowance of $1,000 each for the Superintendent of Schools, the President of the Federal City College, the President of the Washington Technical Institute, and the President of the District of Columbia Teachers College proposed by the House and stricken by the Senate.

HUMAN RESOURCES

Amendment No. 9: Appropriates $218,443,000 instead of $216,401,000 as proposed by the House and $220,493,600 as proposed by the Senate.

Payments Assistance Administration.—The conference action provides $750,000 in direct appropriations plus an additional $750,000 to be made available by redirection of other resources of the Department to increase public assistance benefits from 80 to 90 percent of February 1970 cost of living standards effective April 1, 1974, provided funds are available from this appropriation. The Senate proposed an appropriation of $1,507,900 plus $1,507,900 from the redirection of resources to be effective January 1, 1974.

Social Rehabilitation Administration.—The conference action provides an additional appropriation of $750,000 plus $250,000 to be made available by redirection of other resources of the Department for day care with the provision that the average unit cost of all day care programs per child will not exceed $1,800. The Senate proposed an appropriation of $1,500,000 plus $500,000 from the redirection of resources.

The conference action provides an additional 15 positions and an increase of $167,359 for emergency family shelter and child abuse prevention instead of 29 positions and $334,700 proposed by the Senate.

The conference action provides 1 additional position and $25,000 for training foster parents instead of 2 positions and $50,000 as proposed by the Senate.

Mental Health.—The conference action provides 50 additional positions for Forest Haven instead of 100 positions as proposed by the Senate.

The conference action provides 18 additional positions and an increase of $350,000 for alcoholic treatment instead of 36 positions and $700,000 as proposed by the Senate.

HIGHWAYS AND TRAFFIC

Amendment No. 10: Provides $162,600 for traffic safety education as proposed by the Senate instead of $151,600 as proposed by the House.

Amendments Nos. 11 and 12: Appropriate $23,460,200 of which $17,227,300 shall be payable from the highway fund as proposed by the Senate, instead of $23,274,000 of which $17,041,100 shall be payable from the highway fund as proposed by the House.

Department of Motor Vehicles.—The conference action provides an additional position for administration, an increase of $11,000 for traffic safety, 4 additional positions for permit control, 15 positions and $175,200 to establish an emission control program, and an additional position for public vehicles as proposed by the Senate.

ENVIRONMENTAL SERVICES

Amendments Nos. 13, 14, and 15: Appropriate $45,010,000 of which $11,931,100 shall be payable from the water fund and $13,629,500 shall be payable from the sanitary sewage works fund, instead of $44,593,000 of which $11,878,400 shall be payable from the water fund and $13,436,000 shall be payable from the sanitary sewage works fund as proposed by the House, and $45,426,400 of which $11,983,800 shall be payable from the water fund and $13,823,000 shall be payable from the sanitary sewage works fund as proposed by the Senate.

Department of Environmental Services.—The conference action provides 16 additional positions and an increase of $416,700 instead of 32 positions and $833,400 as proposed by the Senate. The action provides for the reduction of 10 vacant sanitation worker positions instead of 20 positions as proposed by the Senate.

CAPITAL OUTLAY

Amendment No. 16: Appropriates $128,178,000 instead of $138,178,000 as proposed by the House and $128,041,900 as proposed by the Senate. The conference action provides $7,700,000 for the Department of Corrections correctional detention facility instead of $17,700,000 as proposed by the House, and $7,563,900 plus $10,136,100 to be redirected from Lorton complex projects as proposed by the Senate.

Amendment No. 17: Provides that $9,211,100 shall be available for construction services as proposed by the House instead of $11,811,100 as proposed by the Senate.

GENERAL PROVISIONS

Amendment No. 18: Inserts exception for the Department of Corrections in the limitation on the use of funds for overtime or temporary positions as proposed by the Senate.

Amendment No. 19: Increases the limitation on the use of funds for travel and per diem costs for $200,000 as proposed by the House to $210,000 as proposed by the Senate.

Amendment No. 20: Inserts exception for the Deparement of Corrections in the limitation on the number of temporary or part-time employees as proposed by the Senate.

Amendment No. 21: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which inserts language making funds available for procuring consultants as authorized by 5 U.S.C. 3109.

Conference Total—With Comparisons

Federal funds

New budget (obligational) authority, fiscal year 1973	$316,393,000
Budget estimates of new (obligational) authority, fiscal year 1974	432,998,000
House bill, fiscal year 1974	427,717,000
Senate bill, fiscal year 1974	417,717,000
Conference agreement	417,717,000
Conference agreement compared with:	
New budget (obligational) authority, fiscal year 1973	+101,324,000
Budget estimates of new (obligational) authority, fiscal year 1974	−15,281,000
House bill, fiscal year 1974	−10,000,000
Senate bill, fiscal year 1974	------------

District of Columbia funds

New budget (obligational) authority, fiscal year 1973	902,941,800
Budget estimates of new (obligational) authority, fiscal year 1974	991,224,000
House bill, fiscal year 1974	964,179,000
Senate bill, fiscal year 1974	958,659,500
Conference agreement	954,731,200
Conference agreement compared with:	
New budget (obligational) authority, fiscal year 1973	+51,789,400
Budget estimates of new (obligational authority, fiscal year 1974	−36,492,800
House bill, fiscal year 1974	−9,447,800
Senate bill, fiscal year 1974	−3,928,300

William H. Natcher,
Louis Stokes,
Robert O. Tiernan,
Bill Chappell,
Bill D. Burlison,
Gunn McKay,
J. Edward Roush,
George H. Mahon,
Robert C. McEwen,
Victor V. Veysey,
Lawrence Coughlin,
Elford A. Cederberg,
Managers on the Part of the House.
Birch Bayh,
John L. McClellan,
Daniel K. Inouye,
Lawton Chiles,
Thomas F. Eagleton,
Charles McC. Mathias, Jr.,
Henry Bellmon.
Managers on the Part of the Senate.

WINNING REPUBLICAN BASEBALL TEAM

(Mr. CONTE asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. CONTE. Mr. Speaker, as an indication of things to come, I want to inform this Chamber that the 1973 version of the Republican Baseball Team already has begun winning.

In the fateful and all-important coin toss for "first ups" in the annual Congressional Baseball Game tonight, my team's winning streak was kept intact.

We won the toss and will go to the plate first. And I can predict here today that not only will we be first at the beginning of the game, but we will also be first at the end.

For while there may be an energy shortage across the country, there is no energy shortage on the GOP team. We are sufficiently fueled by our desire to win our 10th straight congressional game and complete a "decade of victory."

This unheard-of string of success has caused many in the baseball world who once cried "break up the Yankees," to raise a similar plea against my talented athletes of the GOP. Their wishes are understandable, but they will not be fulfilled.

This is not an idle boast, but one based on fact. After 2 hard weeks of practice, our team is at its peak. In fact, to insure against overtraining, I had to suspend our last scheduled practice.

Mr. Speaker, we are ready for the contest.

I urge all my colleagues in this great Chamber to be present at Baltimore's Memorial Stadium this evening to witness the fulfillment of this prediction.

WHO IS BUGGING WHOM?

(Mr. FLOWERS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. FLOWERS. Mr. Speaker, I address this question to the gentleman from Massachusetts (Mr. Conte). Is there any truth to the rumor that one of the dugouts has been bugged?

Mr. CONTE. I will inform the gentleman, from what I have seen of the other team, we sure do not need any bugging!

Mr. FLOWERS. We heard rumors there was a dugout that your team had bugged, but we could not find out whether it was ours or your own.

Mr. CONTE. We will bug you on the field tonight.

JOHN EHRLICHMAN'S ATTITUDE

(Mr. BROWN of Ohio asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BROWN of Ohio. Mr. Speaker, I take this opportunity to express my shock and disgust at the attitudes and viewpoints displayed by former presidential aide John Ehrlichman in his testimony before the Ervin committee investigating the Watergate affair.

Mr. Ehrlichman's disdain for traditional Republican and American values has damaged the President, his legislative program and his foreign policy.

I deplore the Ehrlichman thesis that the "implied" constitutional powers of the Presidency can be stretched to justify burglary and other crimes.

Herman Talmadge, the distinguished Democratic Senator from Georgia on the panel, was exactly right when he pointed out to Ehrlichman during the hearings that Americans have always believed that a man's home is his castle. Mr. Ehrlichman's sarcastic reaction that such principles have "eroded" was shocking and does not represent the view of any Republican or any American I know.

It is a fundamental American principle, established in English common law centuries ago, that, no matter how humble a man's cottage may be, even the King of England cannot enter without the owner's consent.

J. Edgar Hoover, the late Director of the FBI, understood that principle completely and it was one of the things that made him a great lawman. Mr. Hoover's refusal to allow the FBI to be used in covert activities by White House staff members was apparently the reason Ehrlichman felt Mr. Hoover was "failing" and had outlived his usefulness.

President Nixon would have been much better served by the advice of J. Edgar Hoover than he was by men such as Ehrlichman who seemed to feel that respect for such legal principles and the individual are irrelevant to the Federal Government's operations.

I recognize the need for dealing with subversive elements in our society. Mr Hoover understood that need, too. And we cannot forget the climate which existed a couple of years ago when there was a concerted effort to halt the operation of the Federal Government.

Mr. Speaker, I hope that President Nixon would clearly and candidly repudiate the attitudes expressed by Mr. Ehrlichman during his testimony.

TO STOP ILLEGAL BUGGING

(Mr. LONG of Maryland asked and was given permission to address the House for 1 minute, and to revise and extend his remarks.)

Mr. LONG of Maryland. Mr. Speaker, in order to insure the right of privacy I am introducing today a bill to amend the Omnibus Crime Control Act of 1968 to require that all parties to a communication must consent before the conversation, whether it is telephonic or live, can be legally recorded or intercepted.

This bill is obviously designed to cover the situation that occurred for several years in the White House whereby hundreds, perhaps thousands of people, including White House staff, important officials of the Government, diplomats and others, had their conversations recorded without their knowledge.

My bill would require that they be informed. Under the present law only one person needs to know that a conversation is being recorded, and my bill would close that loophole in that law, except in cases of implied crimes or spies where conversations could be legally recorded by court order.

NAZI-LIKE ATTITUDE OF MR. EHRLICHMAN

(Mr. HAYS asked and was given permission to address the House for 1 minute, and to revise and extent his remarks.)

Mr. HAYS. Mr. Speaker, I was glad to hear the gentleman from Ohio (Mr. Brown) say what he did say about Mr. Ehrlichman. I made a speech the other day in which I said I thought Mr. Ehrlichman acted like a Nazi, and that he has the mentality of a Nazi. That has nothing to do with his name or with Germans, because there were millions of Germans who did not have a Nazi-like mentality. But the old Nazi fervor was to tell the big lie and tell it over and over, and tell it often enough and long enough so that people would believe it. Obviously Mr. Ehrlichman believes in that when he made the statement that Members totter on the floor drunk. And one would have believed from his statement that all Members totter on the floor and are drunk all the time when they cast their votes.

There is a gallery here, and there are always people in it who can make a judgment for themselves about this. And we know that it is a big lie.

I had some sympathy for Mr. Ehrlichman and his family before this. I still have some sympathy for his family, but if we were to lock him up from here on out it might be a good thing for the country.

CONGRESSIONAL PAY INCREASE MUST BE BLOCKED

(Mr. MAYNE asked and was given per mission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. MAYNE. Mr. Speaker, I urge all Members to vote today against the Federal Salary Act Amendments which are designed to grease the ways for a congressional pay increase by the end of the year. I fought the ill-advised increase 4 years ago, warning that it would set the worst possible example, and trigger inflationary psychology. I worked closely with the gentleman from Iowa in an unsuccessful effort to force a rollcall vote on the issue which we believed would have defeated the pay hike.

Every argument which we made against the 1969 increase has been proven correct and has even greater force and validity against the institution of any pay increase in the near future. Congress has been asking everyone else to tighten their belts in order to curb inflation. This is no time for us to make an exception for ourselves by allowing a congressional salary increase to go into effect. At the very least we should be willing to stand up and be counted on a rollcall vote which would make the position of each individual Member clear on this important issue.

PERMISSION FOR COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE TO SIT DURING SESSION TOMORROW

Mr. STAGGERS. Mr. Speaker, I ask unanimous consent that the Committee on Interstate and Foreign Commerce be allowed to sit during the reading of the bill tomorrow.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

FEDERAL PAY BILL

(Mr. HARSHA asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. HARSHA. Mr. Speaker, I shall vote against the pay raise bill for Members of Congress. I believe that during these times of inflation and high costs of Government it is wrong to vote ourselves a pay raise of this magnitude. How can we ask others to hold their demands for wage increases to a mere 5 percent or 6 percent increase and then vote to increase our own salaries by some sum considerably larger than this?

Another reason I am opposed to this legislation, S. 1989, is that it does not set any specific sum. We are left totally in the dark as to the amount of the raise. I believe there should be some public disclosure as to the amount of raise this bill authorizes before we vote on it. It does not disclose any amount and we are left only with rumor. I have heard the increase may run anywhere from $10,000 to $12,500 neither of these sums are consistent with the phase IV guidelines that others are required to meet. If Congress expects the rest of the Nation to comply with phase IV it should be willing to do likewise. Therefore my vote on a congressional pay raise is an emphatic no.

LET A JURY DECIDE EHRLICHMAN'S GUILT OR INNOCENCE

(Mr. CARTER asked and was given permission to address the House for 1 minute, to revise and extend his remarks, and to include extraneous matter.)

Mr. CARTER. Mr. Speaker, some time in the future a jury will decide as to the guilt or innocence of Mr. Ehrlichman. Until that time I think it behooves most of us not to look for faults as we go through life. Even when we find them, it is both wise and kind to be somewhat blind and remember the virtues behind them.

Some people have a propensity for rather cutting, biting remarks often on the floor of this House. I might, alluding to the distinguished gentleman who addressed the House, say that:

Sly and shrewd is the gentleman from Ohio
  And at times he appears refined,
But his words cut like the sting of a lash,
  His tongue should be confined.

JUDGMENT ON EHRLICHMAN PREMATURE

(Mr. GERALD R. FORD asked and was given permission to address the House for 1 minute, to revise and extend his remarks, and to include extraneous matter.)

Mr. GERALD R. FORD. Mr. Speaker, I personally know and I personally respect John Ehrlichman. He is a good friend and I am proud of that relationship. I think it is premature to make any judgment at this time on his testimony and his comments to the Ervin committee.

AMENDING THE ACT TERMINATING FEDERAL SUPERVISION OVER THE KLAMATH INDIAN TRIBE

Mr. MEEDS. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H.R. 3867) to amend the Act terminating Federal supervision over the Klamath Indian Tribe by providing for Federal acquisition of that part of the tribal lands described herein, and for other purposes, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 1, line 6, after "29." insert "(a)".

Page 2, line 2, strike out all after "Forest." down to and including line 13.

Page 2, line 13, insert:

(b) The condemnation action may be initiated either before or after the lands are offered for sale by the trustee, and for the purpose of carrying out the provisions of this section, there is hereby authorized to be appropriated not to exceed $70,000,000.

Page 2, after line 13, insert:

(c) The homesite provisions of section 28(g) shall apply to the lands acquired by the Secretary pursuant to this Act.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

Mr. MEEDS. Mr. Speaker, H.R. 3867 provides for acquisition by the United States of approximately 135,000 acres of Klamath Indian forest lands for inclusion in the Winema National Forest. The acquisition would be by condemnation. In the event the condemnation award exceeds $60 million, the House-passed bill would require the Secretary of Agriculture to notify the Committees on Interior and Insular Affairs and the Committees on Appropriations of the House and Senate, and if any committee disapproved the amount within 21 days the condemnation proceedings would be discontinued. The Senate deleted this provision because there was fear that its inclusion in the legislation would result in a veto. The administration takes the position that a provision of this nature violates the "separation of powers" between the executive and legislative branches and is therefore unconstitutional.

The other Senate amendment increases the amount authorized to be appropriated to satisfy the condemnation award from $60 million to $70 million. The purpose of this increase is to insure that adequate funds would be available to satisfy the condemnation award. This increase in the amount authorized to be appropriated should not result in additional cost to the Federal Government as the price paid for the forest lands will be based upon the fair market value as determined by normal condemnation proceedings. On the other hand, this increase in the amount authorized to be appropriated would prevent delay in the acquisition of these forest lands should the condemnation award be more than $60 million. Under the House language, if the condemnation award exceeds $60 million, there would have to be further congressional consideration before the lands could be acquired.

Mr. Speaker, concurrence in the Senate amendments has been recommended by Mr. Haley, chairman of the Committee on Interior and Insular Affairs, by all the sponsors of the legislation, and has been agreed to by the minority. I recommend that the House concur in the Senate amendments.

Mr. DELLENBACK. Mr. Speaker, I rise in strong support of the bill H.R. 3867. I concur in the Senate amendments and urge my colleagues to adopt this legislation providing for the Federal acquisition of the Klamath Indian lands.

These lands are an integral part of the forest system which is encompassed by the Winema National Forest. This national forest was created with the Klamath Termination Act which provided for the termination of the Klamath Indian Reservation and the disposal of their lands. The original disposal resulted in the sale of the land which is now the Winema National Forest to the Secretary of Agriculture and the establishment of a trust for the remaining lands. The act provided that at the time the trust was dispersed the lands had to first be offered to the remaining tribal members who had 6 months within which to purchase what lands they desired.

On December 9, 1970, the trustee initiated proceedings to dispose of the lands, however, none of the members of the trust expressed an interest in buying. On July 2, 1971, the trustee offered the lands at a minimum price of $51,369,731 to the Secretary of Agriculture who, under the law, had 12 months within which to buy before they were offered for public sale. The Secretary did not exercise his option to buy within the year deadline because of fiscal restraints in the executive branch and the land has now been offered for public sale.

The Klamath Indian forest contains 135,000 acres composed of 133,300 acres of timber, 1,100 acres of grassland, and 600 acres of other types of land. Under the original termination act it was intended that at such time as the Indian's relinquished the remaining land the Government should purchase it to be managed on a multiple-use and sustained-yield basis.

Only if the Federal Government purchases this scenic and bountiful timberland can we guarantee maximum long-run sustained-yield utilization of this magnificent resource. It is feared that the tremendous investment that would be necessary to operate this tract over a long period of time would force a private owner into a "cut and sell" operation in order to recover a substantial proportion of his capital outlay. There would be a strong incentive for rapid removal of the timber and, very possibly, instead of sound, immediate and complete reforestation, some alternate use such as subdivision of the area for residential purposes.

Federal purchase would provide the greatest benefit to the Klamath Indians and to other residents in the area by assuring jobs and recreational opportunities for future generations. A rapid cutting of the forest which is expected under private ownership would require a large transient labor force during the period of heavy cut and would severely affect the long-range stability of the local economy.

While there are many other factors that strongly favor Federal purchase of the remaining Klamath Indian Forest I did want to emphasize these points for your consideration today.

I urge my colleagues to act favorably on this proposal.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

COMMUNICATION FROM THE CLERK OF THE HOUSE

The SPEAKER laid before the House the following communication from the Clerk of the House of Representatives:

WASHINGTON, D.C.,
July 27, 1973.

Hon. CARL ALBERT,
The Speaker, U.S. House of Representatives.

DEAR MR. SPEAKER: I have the honor to transmit herewith a sealed envelope from the White House, received in the Clerk's Office at 12:20 PM on Friday, July 27, 1973, and said to contain a message from the President concerning the 5th Annual Report on the Administration of the Natural Gas Pipeline Safety Act of 1968.

With kindest regards, I am
Sincerely,

W. PAT JENNINGS,
House of Representatives.
By W. RAYMOND COLLEY.

FIFTH ANNUAL REPORT ON THE ADMINISTRATION OF THE NATURAL GAS PIPELINE SAFETY ACT OF 1968—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, referred to the Committee on Interstate and Foreign Commerce:

To the Congress of the United States:

I herewith transmit the Fifth Annual Report on the administration of the Natural Gas Pipeline Safety Act of 1968. This report has been prepared in accordance with Section 14 of the Act, and covers the period of January 1, 1972, through December 31, 1972.

RICHARD NIXON.

THE WHITE HOUSE, *July 27, 1973.*

SIXTH ANNUAL REPORT OF THE NATIONAL ADVISORY COUNCIL ON ECONOMIC OPPORTUNITY—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 93–136)

The SPEAKER laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, referred to the Committee on Education and Labor and ordered to be printed:

To the Congress of the United States:

Pursuant to Public Law 89–794, I have the honor to transmit herewith the Sixth Annual Report of the National Advisory Council on Economic Opportunity.

RICHARD NIXON.

THE WHITE HOUSE, *July 30, 1973.*

CONFERENCE REPORT ON H.R. 8947, PUBLIC WORKS APPROPRIATIONS, 1974

Mr. EVINS of Tennessee. Mr. Speaker, I ask unanimous consent for the immediate consideration of the conference report on the bill (H.R. 8947) making appropriations for public works for water and power development, including the Corps of Engineers—Civil, the Bureau of Reclamation, the Bonneville Power Administration and other power agencies of the Department of the Interior, the Appalachian regional development programs, the Federal Power Commission, the Tennessee Valley Authority, the Atomic Energy Commission, and related independent agencies and commissions for the fiscal year ending June 30, 1974, and for other purposes.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. EVINS of Tennessee. Mr. Speaker, I ask unanimous consent that the statement of the managers be read in lieu of the report.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

The Clerk read the statement.

(For conference report and statement, see proceedings of the House of July 26, 1973.)

Mr. EVINS of Tennessee (during the reading). Mr. Speaker, I ask unanimous consent that the statement be considered as read.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. EVINS of Tennessee. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, we bring you today the conference report on the public works-AEC appropriation bill for fiscal year 1974.

We are recommending a total of $4,749,403,000, agreed to by the conferees. I would like to point out that this figure is $8,066,000 under the President's budget request.

This bill originally passed the House on June 28 by a vote of 384 to 26 and passed the Senate on July 23 by an equally large margin of 82–3.

The original House version of the bill provided a total new obligational authority of $4,676,395,000. This was $81,074,000 under the budget estimate.

The Senate bill provided $4,772,982,000 which was $15,513,000 over the budget and $96,587,000 over the House bill. But we, in conference, have been able to reduce this amount.

I would like to repeat that this conference report we are recommending today is $8,066,000 under the budget. The final version is $73,008,000 over the House-passed bill, but it is $23,579,000 under the recently passed Senate bill. It is also a total of $908,753,000 under the appropriations for fiscal year 1973. There follows a summary of congressional action.

	Amount
New budget (obligational) authority, fiscal year 1973	$5, 568, 156, 000
Budget estimates of new (obligational) authority, fiscal year 1974	4, 757, 469, 000
House bill, fiscal year 1974	4, 676, 395, 000
Senate bill, fiscal year 1974	4, 772, 982, 000
Conference agreement, fiscal year 1974	4, 749, 403, 000
Conference agreement compared with:	
New budget (obligational) authority, fiscal year 1973	−908, 753, 000
Budget estimate of new (obligational) authority fiscal year 1974	−8, 066,000
House bill, fiscal year year 1974	+73, 008, 000
Senate bill, fiscal year 1974	−23, 579, 000
House bill under budget	−81, 074, 000

The largest amount of funds included in this bill is for the Atomic Energy Commission. The AEC total is $2,336,538,000, which is $92,837,000 under the budget request for 1974, and $296,872,000 below the appropriations for fiscal year 1973. The recommended reduction is applied principally to the weapons program.

Funding included in this bill for the Corps of Engineers and the Bureau of Reclamation is primarily to finance ongoing projects which are already under construction.

There are only 16 new planning starts recommended for the Corps of Engineers and six of those were in the budget request. For the Bureau of Reclamation, there are a total of three new planning starts, none were budgeted.

Concerning new construction starts, there are 18 in this bill for the Corps of Engineers, four of which were budgeted and six for the Bureau of Reclamation of which none were budgeted.

Mr. Speaker, in the area of water resources development, this is a most austere bill—a combined reduction for the Corps and the Bureau of Reclamation totaling $521,236,000 from the fiscal year 1973 level.

This committee again wants to reiterate its strong feeling that an increased effort must be made, not only to get ongoing projects back on schedule, but in view of the tremendous backlog of unfunded projects, funding must also be forthcoming to continue an orderly national water resource program in the public interest.

We continue to be deeply concerned with the administration's policy of slowdowns, stretchouts, and impoundments. This policy should be reversed—to continue it will only result in loss of project benefits and escalating higher project costs.

It is well known that this Nation faces a growing water and power crisis. We must meet the situation head-on with a more deliberate planning and construction schedule of the Corps of Engineers and the Bureau of Reclamation.

There are three items I would like to discuss specifically.

The managers have agreed that a serious situation exists along the flooded area of the Mississippi River. The committee feels that a substantial amount will be necessary for emergency repair work in order to prevent further damages from next spring's floods.

In view of the fact that this work must be completed by this December, a budget amendment to this bill from the Office of Management and Budget would have been the proper approach. However, the administration to date has failed to come forward with such an amendment.

In order that the Corps may proceed with this emergency repair work, soon as possible, the conferees are agreed that the Corps should make the necessary expenditures from the funds currently available and the Corps and the Office of Management and Budget are directed to send to the Congress at an early date a request for the amounts necessary to complete the necessary repair work.

In connection with amendment No. 15, the managers will offer a motion to recede and concur in the Senate amendment which will enable the Post Falls Irrigation District, Rathdrum Prairie Project, Idaho, authorized under the Water Conservation and Utilization Act of August 11, 1939, to receive approximately $200,000 in emergency funds from the Bureau of Reclamation. These funds, which will be repaid under conditions satisfactory to the Secretary of the Interior, are needed to correct the emergency situation caused by the deterioration of the 63-year-old discharge line, on which the irrigation district is dependent for its water supply.

The next item I wish to discuss is amendment No. 16, which was added in the Senate to allow funds appropriated in the Second Supplemental Appropriation Act for 1973 to be available for obligation for 20 days following the date of enactment of this bill. The managers will offer a motion to recede and concur in the Senate amendment.

This language is necessary because the second supplemental was not signed until July 1, the day after the end of fiscal year 1973. This technically prohibited some agencies from obligating funds contained in that bill.

So section 502 of this bill simply confirms the intent of the Congress that funds included in the Second Supplemental Appropriations Act will be available for obligation, but they will be used only for those purposes contemplated by the Congress.

In summary, Mr. Speaker, this is a good bill. The conference, in an effort to exercise fiscal responsibility and restraint, has reduced the Senate version by $23,579,000. We have made adjustments in the President's request and have rearranged priorities in many instances.

However, I repeat, we bring to the House a bill which is $8,066,000 below the budget request.

This is a significant statement when you realize that we are bringing back a conference report for Public Works for Water and Power Development and the Atomic Energy Commission. Certainly the committee hopes at, at an early date, our fiscal situation will permit a more adequate funding program for initiating planning and construction of projects in the backlog. In my opinion, higher priority must be given to the urgent water resources program or we will certainly be faced with a very costly, inefficient crash program in the years ahead to meet essential water supply, electricity, water quality power, and flood control requirements.

Certainly it is our hope and desire that these needed and necessary projects will be built in the public interest.

I will insert at this point a table outlining the conference action by appropriation item compared with the 1973 appropriation, the 1974 budget request, and the actions of the House and Senate.

CONFERENCE SUMMARY—PUBLIC WORKS—AEC APPROPRIATION BILL, 1974

						Increase (+) or decrease (−), conference action compared with—			
Agency and item	New budget (obligational) authority, fiscal year 1973	Budget estimates of new (obligational) authority, fiscal year 1974	House bill	Senate bill	Conference allowance	New budget (obligational) authority, fiscal year 1973	Budget estimates of new (obligational) authority, fiscal year 1974	House bill	Senate bill
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
TITLE I—ATOMIC ENERGY COMMISSION									
Operating expenses	$2,138,800,000	$1,754,750,000	$1,681,263,000	$1,722,563,000	$1,714,263,000	−$424,537,000	−$40,487,000	+$33,000,000	−$8,300,000
Plant and capital equipment	494,610,000	674,625,000	621,125,000	625,775,000	622,275,000	+127,665,000	−52,350,000	+1,150,000	−3,500,000
Total, title I, new budget (obligational) authority, Atomic Energy Commission	2,633,410,000	2,429,375,000	2,302,388,000	2,348,338,000	2,336,538,000	−296,872,000	−92,837,000	+34,150,000	−11,800,000
TITLE II—DEPARTMENT OF DEFENSE—CIVIL									
DEPARTMENT OF THE ARMY									
Corps of Engineers—Civil									
General investigations	57,805,000	52,900,000	53,939,000	57,356,000	56,142,000	−1,663,000	+3,242,000	+2,203,000	−1,214,000
Construction, general	1,203,943,000	858,517,000	864,569,000	874,487,000	873,589,000	−330,354,000	+15,072,000	+9,020,000	−898,000
Flood control, Mississippi River and tributaries	111,620,000	110,000,000	139,000,000	150,000,000	150,000,000	+38,380,000	+40,000,000	+11,000,000	
Operation and maintenance, general	409,100,000	413,000,000	403,625,000	414,625,000	409,125,000	+25,000	−3,875,000	+5,500,000	−5,500,000
Flood control and coastal emergencies	136,000,000	7,000,000	7,000,000	7,000,000	7,000,000	−129,000,000			
General expenses	32,183,000	32,883,000	32,883,000	32,883,000	32,883,000	+700,000			
Special recreation use fees		1,000,000	1,000,000	700,000	700,000	+700,000	−300,000	−300,000	
Total, Corps of Engineers—Civil	1,950,651,000	1,475,300,000	1,502,016,000	1,537,051,000	1,529,439,000	−421,212,000	+54,139,000	+27,423,000	−7,612,000
Cemeterial expenses									
Salaries and expenses	28,920,000	24,088,000	24,078,000	24,078,000	24,078,000	−4,842,000	−10,000		
Total, title II, new budget (obligational) authority, Department of Defense—Civil	1,979,571,000	1,499,388,000	1,526,094,000	1,561,129,000	1,553,517,000	−426,054,000	+54,129,000	+27,423,000	−7,612,000

Agency and item (1)	New budget (obligational) authority, fiscal year 1973 (2)	Budget estimates of new (obligational) authority, fiscal year 1974 (3)	House bill (4)	Senate bill (5)	Conference allowance (6)	Increase (+) or decrease (−), conference action compared with— New budget (obligational) authority, fiscal year 1973 (7)	Budget estimates of new (obligational) authority, fiscal year 1974 (8)	House bill (9)	Senate bill (10)
TITLE III—DEPARTMENT OF THE INTERIOR									
BUREAU OF RECLAMATION									
General investigations	$24, 142, 000	$15, 300, 000	$15, 880, 000	$17, 350, 000	$16, 850, 000	−$7, 292, 000	+$1, 550, 000	+$970, 000	−$500, 000
Construction and rehabilitation	269, 570, 000	177, 268, 000	184, 360, 000	196, 065, 000	194, 275, 000	−75, 295, 000	+17, 007, 000	+9, 915, 000	−1, 790, 000
Upper Colorado River storage project	46, 720, 000	23, 483, 000	24, 526, 000	26, 903, 000	25, 026, 000	−21, 694, 000	+1, 543, 000	+500, 000	−1, 877, 000
Colorado River Basin project	11, 200, 000	2, 000, 000	13, 500, 000	13, 500, 000	13, 500, 000	+2, 300, 000	+11, 500, 000		
Colorado River Basin project (appropriation to liquidate contract authorization)	(53, 000, 000)	(52, 500, 000)	(52, 500, 000)	(52, 500, 000)	(52, 500, 000)	(−500, 000)			
Operation and maintenance	78, 665, 000	82, 000, 000	82, 000, 000	82, 000, 000	82, 000, 000	+3, 335, 000			
Loan program	20, 380, 000	16, 672, 000	18, 372, 000	18, 422, 000	18, 422, 000	−1, 958, 000	+1, 750, 000	+50, 000	
Emergency fund		1, 000, 000	600, 000	600, 000	600, 000	+600, 000	−400, 000		
General administrative expenses	17, 140, 000	17, 120, 000	17, 120, 000	17, 120, 000	17, 120, 000	−20, 000			
Total, Bureau of Reclamation	467, 817, 000	334, 843, 000	356, 358, 000	371, 960, 000	367, 753, 000	−100, 024, 000	+32, 950, 000	+11, 435, 000	−4, 167, 000
ALASKA POWER ADMINISTRATION									
General investigations	597, 000	513, 000	513, 000	513, 000	513, 000	−84, 000			
Operation and maintenance	631, 000	756, 000	756, 000	756, 000	756, 000	+125, 000			
Total, Alaska Power Administration	1, 228, 000	1, 269, 000	1, 269, 000	1, 269, 000	1, 269, 000	+41, 000			
BONNEVILLE POWER ADMINISTRATION									
Construction	94, 500, 000	98, 000, 000	97, 500, 000	97, 500, 000	97, 500, 000	+3, 000, 000	−500, 000		
Operation and maintenance	31, 020, 000	33, 500, 000	33, 300, 000	33, 300, 000	33, 300, 000	+2, 280, 000	−200, 000		
Total, Bonneville Power Administration	125, 520, 000	131, 500, 000	130, 800, 000	130, 800, 000	130, 800, 000	+5, 280, 000	−700, 000		
SOUTHEASTERN POWER ADMINISTRATION									
Operation and maintenance	900, 000	900, 000	900, 000	900, 000	900, 000				
SOUTHWESTERN POWER ADMINISTRATION									
Construction	700, 000	465, 000	465, 000	465, 000	465, 000	−235, 000			
Operation and maintenance	6, 533, 000	6, 520, 000	5, 220, 000	5, 220, 000	5, 220, 000	−1, 313, 000	−1, 300, 000		
Total, Southwestern Power Administration	7, 233, 000	6, 985, 000	5, 685, 000	5, 685, 000	5, 685, 000	−1, 548, 000	−1, 300, 000		
OFFICE OF THE SECRETARY									
Underground electric power transmission research	1, 000, 000	1, 000, 000	750, 000	750, 000	750, 000	−250, 000	−250, 000		
Total, title III, new budget (obligational) authority, Department of the Interior	603, 698, 000	476, 497, 000	495, 762, 000	511, 364, 000	507, 197, 000	−96, 501, 000	+30, 700, 000	+11, 435, 000	−4, 167, 000
TITLE IV—INDEPENDENT OFFICES (EXCLUDING AEC)									
Appalachian Regional Commission: Salaries and expenses	1, 217, 000	1, 492, 000	1, 492, 000	1, 492, 000	1, 492, 000	+275, 000			
Appalachian regional development programs (funds appropriated to the President)	343, 000, 000	272, 000, 000	270, 000, 000	270, 000, 000	270, 000, 000	−73, 000, 000	−2, 000, 000		
Delaware River Basin Commission:									
Salaries and expenses	69, 000	69, 000	69, 000	69, 000	69, 000				
Contribution to the Delaware River Basin Commission	216, 000	242, 000	242, 000	242, 000	242, 000	+26, 000			
Total, Delaware River Basin Commission	285, 000	311, 000	311, 000	311, 000	311, 000	+26, 000			
Federal Power Commission: Salaries and expenses	24, 077, 000	27, 163, 000	27, 000, 000	27, 000, 000	27, 000, 000	+2, 923, 000	−163, 000		
Interstate Commission on the Potomac River Basin: Contribution to Interstate Commission on the Potomac River Basin	34, 000	34, 000	34, 000	34, 000	34, 000				
National Water Commission	760, 000					−760, 000			
Susquehanna River Basin Commission:									
Salaries and expenses	68, 000	71, 000	71, 000	71, 000	71, 000	+3, 000			
Contribution to Susquehanna River Basin Commission	150, 000	150, 000	150, 000	150, 000	150, 000				
Total, Susquehanna River Basin Commission	218, 000	221, 000	221, 000	221, 000	221, 000	+3, 000			
Tennessee Valley Authority: Payment to Tennessee Valley Authority Fund	64, 550, 000	43, 176, 000	45, 676, 000	45, 676, 000	45, 676, 000	−18, 874, 000	+2, 500, 000		

CONFERENCE SUMMARY—PUBLIC WORKS—AEC APPROPRIATION BILL, 1974—Continued

						Increase (+) or decrease (−), conference action compared with—			
Agency and item (1)	New budget (obligational) authority, fiscal year 1973 (2)	Budget estimates of new (obligational) authority, fiscal year 1974 (3)	House bill (4)	Senate bill (5)	Conference allowance (6)	New budget (obligational) authority, fiscal year 1973 (7)	Budget estimates of new (obligational) authority, fiscal year 1974 (8)	House bill (9)	Senate bill (10)
Water Resources Council: Water resources planning	$7, 336, 000	$7, 812, 000	$7, 417, 000	$7, 417, 000	$7, 417, 000	+$81, 000	−$395, 000		
Total, title IV, new budget (obligational) authority, independent offices	441, 477, 000	352, 209, 000	352, 151, 000	352, 151, 000	352, 151, 000	−89, 326, 000	−58, 000		
Total, new budget (obligational) authority, titles II, III, and IV (excluding AEC)	3, 024, 746, 000	2, 328, 094, 000	2, 374, 007, 000	2, 424, 644, 000	2, 412, 865, 000	−611, 881, 000	+84, 771, 000	+$38, 858, 000	−$11, 779, 000
Total, new budget (obligational) authority, titles I, II, III, and IV	5, 658, 156, 000	4, 757, 469, 000	4, 676, 395, 000	4, 772, 982, 000	4, 749, 403, 000	−908, 753, 000	−8, 066, 000	+73, 008, 000	−23, 579, 000
Memoranda:									
Appropriations to liquidate contract authorizations	(53, 000, 000)	(52, 500, 000)	(52, 500, 000)	(52, 500, 000)	(52, 500, 000)	(−500, 000)			
Total appropriations, including appropriation to liquidate contract authorizations	(5, 711, 156, 000)	(4, 809, 969, 000)	(4, 728, 895, 000)	(4, 825, 482, 000)	(4, 801, 903, 000)	(−909, 253, 000)	(−8, 066, 000)	(+73, 008, 000)	(−23, 579, 000)

Mr. WHITTEN. Mr. Speaker, our report on Public Works is unanimous. My colleagues on the committee have discussed items which we worked out in conference. I would like here to detail some of the major items which affect my section.

FLOOR CONTROL: MISSISSIPPI RIVER AND TRIBUTARIES

Mr. Speaker, I am sure everyone is aware of the vast devastation caused by the recent Mississippi River floods, damages estimated at $494,000,000; 13,610,000 acres were flooded, and 50,225 people were evacuated, and here we have provided for restoration and future prevention. We also provide herein a total amount of $150,000,000 for the Mississippi and tributaries for regular work.

YAZOO BASIN

For the Yazoo Basin, the conferees approved House of Representatives recommendations that within available funds, the Corps of Engineers restore those federally owned lands, currently under lease, to the condition which existed on those lands immediately prior to the 1973 spring floods of the Mississippi River.

Other projects in our section on which the conferees agreed are the Ascalmore-Tippo and Opossum Bayous, $350,000 for planning, land acquisition, and initiation of construction; the upper auxiliary channel, $1,100,000, of which $400,000 is included for planning and the remaining $700,000 is provided to initiate construction; Yazoo Backwater, $2,125,000 and $1,250,000 for the control structure.

CONFERENCE DIRECTIVES

We provided the following language supplementing the House directives:

> The managers again direct the Corps to proceed with the upper auxiliary channel, or alternate means of drainage, and the Ascalmore-Tippo and Opposum Bayous Projects.
>
> It is noted that this year's flood waters would have been approximately six feet lower had these projects been completed.
>
> In reference to the Yazoo Basin reservoirs, the Corps is urged to expedite the updating of the master plan to bring up to national standards the provision of recreational facilities, including the upgrading of access roads.
>
> Yazoo Basin: *"Provided,* that not less than $250,000 shall be available for bank stabilization measures as determined by the Chief of Engineers to be advisable for the control of bank erosion of streams in the Yazoo Basin, including the foothill area, and where necessary such measures shall complement similar works planned and constructed by the Soil Conservation Service and be limited to the areas of responsibility mutually agreeable to the District Engineer."

TENNESSEE-TOMBIGBEE NAVIGATION PROJECT

The sum of $18,000,000 has been provided for the Tennessee-Tombigbee Waterway, an increase of $3,500,000, which I suggested in the House. The conferees approved the House of Representatives directive that this sum is:

> for the construction, including excavation, of the Divide Cut portion located in Northeast Mississippi of Tennessee-Tombigbee Waterway.

This portion of the project will take the longest time to complete of any single aspect and assures its completion. For flood control for the Tombigbee River and tributaries, we provided $700,000.

RESERVOIR DEVELOPMENT

Mr. Speaker, we have once again provided for the four reservoirs—Enid, Arkabutla, Grenada, and Sardis—for regular development toward the master plan, the sum of $1,240,000. This is a real step in bringing recreational development up to national levels. We also directed and provided funds for the initiation of road improvements.

APPALACHIA

Funds in the total amount of $270,000,000 have been provided for the Appalachian Regional Development programs which have meant so much to the development of much of my district; projects which in other areas are largely handled by the Economic Development Administration. Under this program much of the area has received very valuable aid for roads and hospitals and now, in addition to access roads, we have finally started a Corridor Highway.

SERVICE ON APPROPRIATIONS

Mr. Speaker, as you know, I am ranking member of the Committee on Appropriations and feel indeed fortunate to serve on this Appropriations Subcommittee for Public Works and, at the same time, serve as chairman of the Appropriations Subcommittee on Agriculture, Environmental, Consumer Protection, with the main purpose of both being to provide for, protect, and preserve our Nation's natural resources.

You can understand why I enjoy serving in this capacity. It gives us such a wonderful opportunity to aid in things so essential to our well-being. My subcommittee provided funds for rural electrification, where we will never be satisfied until we reach everybody that we possibly can and eventually have area coverage here; for school milk funds for which we added over the budget; for school lunches where we have made great increases which the Department is trying to divert; for 4–H Club work, where we made 4–H available to youth in our cities; for nutrition aids in city and country; for ACP—now REAP, which we have restored again this year, and the SCS—and now our most pressing problem is that the executive branch is holding up the funds, thereby adding to costs and further damage to our environment.

RURAL DEVELOPMENT

Funds for REA, water and sewer grants, SRS and farm operating loans are still being held up. Unfortunately, by regulation, the Department is not making the funds for school lunch available as Congress intended. We are proud of our record on rural housing where, by changing one word "farm" to "rural" in the housing program, we led to the building of millions of rural homes. The money will be repaid. We are merely providing for rural people Government guarantees for loans which those in our urban areas have had for many years.

In the conference report before us, we attempted to meet, as far as circumstances would permit, the need for continuing the work of development and protection of each and every region, to aid in protecting our rivers and harbors and to aid navigation.

Mr. Speaker, I repeat a statement I have made on numerous occasions in the past:

> We could leave to our children all the money in the world, and a worn out land, and in effect we would leave them nothing. On the other hand, if we leave them a rich land with soil erosion stopped, with rivers and

harbors free of pollution, and our hillsides once again in trees, they'll make it, whatever our financial plight, for with a rich country behind them, they could establish their own financial system.

I wish to compliment my chairman, Joe Evins of Tennessee, and ranking majority member, John Rhodes of Arizona, Edward P. Boland of Massachusetts, John M. Slack of West Virginia, Otto E. Passman of Louisiana, Glenn R. Davis of Wisconsin, Howard W. Robisón of New York. They, along with our fine staff headed by Hunter Spillan and his associates, have done a wonderful job. And besides, we came out below the budget.

Mr. EVINS of Tennessee. Mr. Speaker, I yield to my dear friend, the gentleman from Arizona (Mr. Rhodes).

Mr. RHODES. Mr. Speaker, this is a unanimous conference report. There is no objection on the part of the minority.

I think, again, we need to reiterate that this is a very rare appropriation bill because it is under the budget by $8 million. I believe we have done a good job of reordering the priorities so that the funds which are appropriated herein will be reasonably sufficient to take care of practically all of the most important items in the Atomic Energy Commission, the Corps of Engineers, the Bureau of Reclamation, and other elements which are financed by this legislation.

Mr. Speaker, I support the conference report, as do the other conferees from this side of the aisle.

Mr. TOWELL of Nevada. Mr. Speaker, will the gentleman yield

Mr. RHODES. I yield to the gentleman from Nevada (Mr. Towell).

Mr. TOWELL of Nevada. Mr. Speaker, I urge my colleagues to join with me in voting unanimous approval of the conference report on the Public Works and Atomic Energy Commission appropriations.

I am especially pleased that the conference committee chose to restore the $15.1 million which the House had cut from the weapons testing program.

I believe that a sizable cutback in the testing program would be premature at this time. The United States cannot afford to slow down as long as China, the Soviet Union, and France continue testing atomic weapons. A strong weapons program also would help us to maintain a solid bargaining stance at the strategic arms limitation talks.

Hopefully, the day will come when it is no longer necessary to test and maintain a nuclear arsenal. Therefore, I think it would be wise to begin now in considering alternate uses for vast facilities such as the Nevada test site. Simply phasing out the test site would be a great waste of both manpower and money.

Several hundred Nevada workers have been laid off in recent months because of the termination of certain testing programs. It would be foolish for me to suggest that we continue funding outmoded programs solely to keep people working. What we need to do is establish new projects to absorb the work force.

Careful planning for the future use of established facilities and existing manpower would no doubt result in substantial savings of tax dollars. Please bear this in mind as we chart the course of the Atomic Energy Commission in the years to come.

I hope you will give the conference report your wholehearted support today.

Mr. EVINS of Tennessee. Mr. Speaker, I yield to the gentleman from Mississippi (Mr. Whitten).

Mr. EVINS of Tennessee. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The SPEAKER. The question is on the conference report.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. DELLENBACK. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 373, nays 9, not voting 51, as follows:

[Roll No. 399]

YEAS—373

Abdnor
Abzug
Adams
Addabbo
Alexander
Anderson, Calif.
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Archer
Arends
Armstrong
Ashbrook
Aspin
Bafalis
Baker
Barrett
Beard
Bennett
Bergland
Bevill
Biaggi
Biester
Bingham
Blackburn
Boggs
Boland
Bolling
Bowen
Brademas
Brasco
Bray
Breaux
Breckinridge
Brinkley
Brooks
Broomfield
Brotzman
Brown, Calif.
Brown, Mich.
Brown, Ohio
Broyhill, Va.
Buchanan
Burgener
Burke, Calif.
Burke, Fla.
Burke, Mass.
Burleson, Tex.
Burlison, Mo.
Burton
Butler
Byron
Carey, N.Y.
Carney, Ohio
Carter
Casey, Tex.
Cederberg
Chamberlain
Chappell
Chisholm
Clancy
Clark
Clausen, Don H.
Clawson, Del
Cochran
Cohen
Collier
Collins, Ill.
Collins, Tex.
Conable
Conlan
Corman
Cotter
Coughlin
Crane
Cronin
Daniel, Dan
Daniel, Robert W., Jr.
Daniels, Dominick V.
Danielson
Davis, Ga.
Davis, S.C.
Davis, Wis.
de la Garza
Dellenback
Dellums
Denholm
Dennis
Dent
Derwinski
Devine
Dickinson
Dingell
Donohue
Dorn
Downing
Drinan
Dulski
Duncan
du Pont
Eckhardt
Edwards, Ala.
Edwards, Calif.
Eilberg
Erlenborn
Esch
Evans, Colo.
Evins, Tenn.
Findley
Fish
Flood
Flowers
Flynt
Foley
Ford, Gerald R.
Ford, William D.
Forsythe
Fountain
Frelinghuysen
Frenzel
Frey
Froehlich
Fulton
Fuqua
Gaydos
Gettys
Gibbons
Gilman
Ginn
Goldwater
Gonzalez
Goodling
Grasso
Green, Oreg.
Green, Pa.
Griffiths
Gross
Gubser
Guyer
Haley
Hamilton
Hammerschmidt
Hanley
Hanrahan
Hansen, Idaho
Hansen, Wash.
Harrington
Harsha
Harvey
Hastings
Hawkins
Hays
Hébert
Hechler, W. Va.
Heckler, Mass.
Heinz
Helstoski
Henderson
Hicks
Hillis
Hinshaw
Hogan
Holifield
Holt
Holtzman
Horton
Hosmer
Howard
Huber
Hudnut
Hungate
Hunt
Hutchinson
Ichord
Jarman
Johnson, Calif.
Johnson, Colo.
Jones, Okla.
Jones, Tenn.
Jordan
Karth
Kastenmeier
Kazen
Keating
Kemp
King
Kluczynski
Kuykendall
Kyros
Latta
Leggett
Lehman
Lent
Long, La.
Long, Md.
Lott
Lujan
McClory
McCloskey
McCormack
McDade
McEwen
McFall
McKay
McKinney
McSpadden
Macdonald
Madden
Madigan
Mahon
Mailliard
Mallary
Mann
Martin, Nebr.
Martin, N.C.
Mathis, Ga.
Matsunaga
Mayne
Mazzoli
Meeds
Melcher
Metcalfe
Mezvinsky
Michel
Miller
Minish
Mink
Minshall, Ohio
Mitchell, Md.
Mitchell, N.Y.
Mizell
Moakley
Mollohan
Montgomery
Moorhead, Calif.
Moorhead, Pa.
Morgan
Mosher
Moss
Murphy, Ill.
Murphy, N.Y.
Myers
Natcher
Nedzi
Nichols
Nix
O'Brien
O'Hara
O'Neill
Owens
Parris
Passman
Patman
Patten
Perkins
Pettis
Pickle
Pike
Poage
Powell, Ohio
Preyer
Price, Ill.
Price, Tex.
Pritchard
Quillen
Railsback
Randall
Rangel
Rarick
Rees
Regula
Reuss
Rhodes
Rinaldo
Roberts
Robinson, Va.
Robison, N.Y.
Rodino
Rogers
Roncalio, Wyo.
Roncallo, N.Y.
Rooney, Pa.
Rose
Rosenthal
Rostenkowski
Roush
Rousselot
Roy
Roybal
Runnels
Ruppe
Ruth
Ryan
St Germain
Sarasin
Sarbanes
Satterfield
Saylor
Scherle
Schneebeli
Schroeder
Sebelius
Seiberling
Shoup
Shriver
Shuster
Sikes
Sisk
Skubitz
Smith, N.Y.
Snyder
Spence
Staggers
Stanton, J. William
Stanton, James V.
Stark
Steed
Steele
Steelman
Steiger, Ariz.
Stephens
Stokes
Stratton
Stubblefield
Studds
Sullivan
Symington
Symms
Talcott
Taylor, Mo.
Taylor, N.C.
Teague, Calif.
Teague, Tex.
Thompson, N.J.
Thomson, Wis.
Thone
Thornton
Tiernan
Towell, Nev.
Treen
Udall
Ullman
Van Deerlin
Vander Jagt
Veysey
Vigorito
Waggonner
Waldie
Walsh
Wampler
Ware
Whalen
White
Whitehurst
Whitten
Widnall
Williams
Wilson, Bob
Wilson, Charles H., Calif.
Wolff
Wright
Wyatt
Wylie
Wyman
Yatron
Young, Alaska
Young, Fla.
Young, Ill.
Young, S.C.
Young, Tex.
Zablocki
Zion
Zwach

NAYS—9

Cleveland
Conte
Gude
Koch
Obey
Riegle
Steiger, Wis.
Vanik
Yates

NOT VOTING—51

Anderson, Ill.
Ashley
Badillo
Bell
Blatnik
Broyhill, N.C.
Camp
Clay
Conyers
Culver
Delaney
Diggs
Eshleman
Fascell
Fisher
Fraser
Giaimo
Gray
Grover
Gunter
Hanna
Johnson, Pa.
Jones, Ala.
Jones, N.C.
Ketchum
Landgrebe
Landrum
Litton
McCollister
Maraziti
Mathias, Calif.
Milford
Mills, Ark.
Nelsen
Pepper
Peyser
Podell
Quie
Reid
Roe
Rooney, N.Y.
Sandman
Shipley
Slack
Smith, Iowa
Stuckey
Wiggins
Wilson, Charles, Tex.
Winn
Wydler
Young, Ga.

So the conference report was agreed to.

The Clerk announced the following pairs:

Mr. Rooney of New York with Mr. Charles Wilson of Texas.
Mr. Shipley with Mr. Landrum.
Mr. Blatnik with Mr. Wydler.
Mr. Delaney with Mr. Winn.
Mr. Fascell with Mr. Sandman.
Mr. Giaimo with Mr. Quie.
Mr. Gunter with Mr. Nelsen.
Mr. Litton with Mr. Peyser.
Mr. Fisher with Mr. Landgrebe.
Mr. Ashley with Mr. Mathias of California.
Mr. Gray with Mr. Maraziti.
Mr. Pepper with Mr. Bell.
Mr. Mills of Arkansas with Mr. Grover.
Mr. Slack with Mr. Eshleman.
Mr. Podell with Mr. Anderson of Illinois.
Mr. Reid with Mr. Johnson of Pennsylvania.
Mr. Roe with Mr. Broyhill of North Carolina.
Mr. Badillo with Mr. Conyers.
Mr. Jones of Alabama with Mr. Camp.
Mr. Hanna with Mr. Clay.
Mr. Milford with Mr. Diggs.
Mr. Culver with Mr. Young of Georgia.
Mr. Jones of North Carolina with Mr. McCollister.
Mr. Fraser with Mr. Wiggins.
Mr. Smith of Iowa with Mr. Stuckey.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

AMENDMENTS IN DISAGREEMENT

The SPEAKER. The Clerk will report the first amendment in disagreement.

The Clerk read as follows:

Senate Amendment No. 15: Page 13, line 19, insert: ": *Provided*, That the Post Falls Irrigation District, Rathdrum Prairie Project, Idaho, be eligible for use of emergency funds herein appropriated under the Act of June 26, 1948 (62 Stat. 1052), with repayment to be accomplished under conditions satisfactory to the Secretary of the Interior.".

MOTION OFFERED BY MR. EVINS OF TENNESSEE

Mr. EVINS of Tennessee. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. EVINS of Tennessee moves that the House recede from its disagreement to the amendment of the Senate numbered 15 and concur therein.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 16: Page 25, line 18, insert:

SEC. 502. Notwithstanding the provisions of section 301 of the Second Supplemental Appropriations Act, 1973 (Public Law 93-50), appropriations contained in that Act shall remain available for obligation for a period of 20 days following the enactment of this Act into law.

MOTION OFFERED BY MR. EVINS OF TENNESSEE

Mr. EVINS of Tennessee. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. EVINS of Tennessee moves that the House recede from its disagreement to the amendment of the Senate numbered 16 and concur therein.

The motion was agreed to.

A motion to reconsider the votes by which action was taken on the several motions was laid on the table.

GENERAL LEAVE

Mr. EVINS of Tennessee. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the conference report on H.R. 8947, just agreed to, and to include extraneous material and tables.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

APPOINTMENT OF CONFEREES ON H.R. 8760, DEPARTMENT OF TRANSPORTATION AND RELATED AGENCIES APPPROPRIATIONS, 1974

Mr. McFALL. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 8760) making appropriations for the Department of Transportation and Related Agencies for the fiscal year ending June 30, 1974, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments, and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from California? The Chair hears none, and appoints the following conferees: Messrs. McFALL, YATES, STEED, Mrs. HANSEN of Washington, Messrs. BOLAND, MAHON, CONTE, MINSHALL of Ohio, EDWARDS of Alabama, and CEDERBERG.

PERMISSION TO FILE CONFERENCE REPORT ON H.R. 8760, UNTIL MIDNIGHT TOMORROW

Mr. McFALL. Mr. Speaker, I ask unanimous consent that the managers may have until midnight tomorrow night, July 31, 1973, to file the conference report on H.R. 8760, Department of Transportation and Related Agencies Appropriations, 1974.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

PROVIDING FOR CONSIDERATION OF S. 1989, FEDERAL EXECUTIVE, LEGISLATIVE, AND JUDICIAL SALARIES

Mr. MATSUNAGA. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 512 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 512

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (S. 1989) to amend section 225 of the Federal Salary Act of 1967 with respect to certain executive, legislative, and judicial salaries. After general debate, which shall be confined to the bill and shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee in Post Office and Civil Service, the bill shall be read for amendment under the five-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except on motion to recommit.

Mr. MATSUNAGA. Mr. Speaker, I yield 30 minutes to the gentleman from Nebraska (Mr. MARTIN) pending which I yield myself such time as I may consume.

Mr. Speaker, House Resolution 512 provides for consideration of the Senate bill, S. 1989, which, as reported without amendment by our Committee on Post Office and Civil Service, would provide for more frequent review and, if necessary, adjustment of certain executive, legislative, and judicial salaries. The resolution provides an open rule with 1 hour of general debate, the time being equally divided and controlled by the chairman and the ranking minority member of the committee.

The proposed bill provides that after general debate, the bill shall be read for amendment under the 5-minute rule, at the conclusion of which the rule further provides that the committee shall rise and report the bill to the House with such amendments as may have been adopted. The previous question shall then be considered as ordered on the bill and amendments thereto to final passage, without intervening motion except one motion to recommit.

Mr. Speaker, contrary to popular conception, S. 1989 is not a pay raise bill for Members of Congress. Its provisions merely implement two major purposes:

First, to provide for review and adjustment of executive, legislative, and judicial salaries at 2-year intervals instead of the present 4-year intervals.

Second, to provide that the President's recommendations to Congress regarding such salaries be submitted not later than August 31, 1973, and not later than August 31 of each second year thereafter.

There is nothing in S. 1989 that says a salary increase is in order for 1973. If the President's recommendations due August 31, 1973, should in fact include a salary increase, there is nothing in S. 1989 which says how large or how small that increase ought to be—or when it should take effect. The President may recommend that such salary adjustments be effective after January 1, 1974, or they may come as soon as October 1973.

The proposed change from a quadrennial review and adjustment system to a biennial review and adjustment plan would make any salary adjustment more responsive to the issue of comparability, which has been the underlying basis for the adjustment of pay of Federal workers in recent years. An increase, if any, as the result of the enactment of S. 1989, would also be smaller in amount and less likely to offend the sensitivities of both Members and constituents alike.

Mr. Speaker, S. 1989 would also extend the procedure for adjusting salaries to include the salaries of the Vice President, the President pro tempore of the Senate, the Speaker of the House, and the majority and minority leaders of both Houses, but the bill excludes from the authority for adjusting salaries, salary adjustments for the Board of Governors of the Postal Service.

Mr. Speaker, I urge the adoption of House Resolution 512 in order that S. 1989 may be considered.

Mr. MARTIN of Nebraska. Mr. Speaker, I yield myself 5 minutes.

Mr. Speaker, "me thinks that the gentleman from Hawaii has protested too much" in regard to what this legislation is. As the gentleman has explained, House Resolution 512 provides for an open rule and 1 hour of debate on S. 1989, a bill to provide for an increase in pay for members in the executive, the judicial, and the legislative branches of our Government.

There are two main features of this bill, Mr. Speaker. First, it provides that the President shall report every 2 years, make a recommendation every 2 years instead of 4 years to the Congress in regard to the pay of the legislative, executive, and judicial branches of the Government.

It provides, as the gentleman from Hawaii has stated, that the President shall make a report by August 31 in the odd-numbered years instead of in January along with his budget message in the years immediately following a Presidential election. The Commission which the President appoints previous to these dates is to make a recommendation to the President, the President then studies those recommendations and makes a report to the Congress as to his recommendations on the pay scale for the above three branches of the Government.

Technically this is not a pay bill. From all practical standpoints, however, it amounts to an increase in pay because undoubtedly the executive branch of the Government will recommend to the Congress an increase in pay.

It provides that this increase shall be recommended by August 31 beginning this year. It provides further that unless one branch of the Congress or the other takes contrary action within 30 legislative days, that the change in the pay scale automatically goes into effect by the 1st of October. Who of us in the House believes we are so naive that we do not understand that this is a bill to increase the pay of the Members of Congress?

What citizen in the United States is so naive to believe that this is not a pay raise? I have here two headlines:

> **Rules Committee Clears Congressional Pay Raise.**

Here is another:

> **House to Vote on Hill Pay Raise.**

This is completely naive to try to represent—and this argument has already been made, and the Members will hear the same argument again a little later on—this argument is completely unbelievable and indefensible that this is not a pay raise piece of legislation for the Members of Congress as well as other branches in the Government.

Let me remind the Members of one thing: Every Member of this House asked for his job to represent the people of his congressional district. Every Member in this House, when he filed for office, knew what the pay was. Every Member of this House went out and worked to get elected. He or she campaigned and campaigned diligently, for the job. When that person was elected last November for the 93d Congress for the next 2 years, to my mind that constituted a contract; a contract between the Member and his constituents to serve in the House of Representatives for 2 years at the salary of $42,500.

If the pay is going to be changed to the Members of Congress, it should be changed in the 93d Congress, but not to become effective until January 3, 1975.

The SPEAKER. The time of the gentleman from Nebraska has expired.

Mr. MARTIN of Nebraska. Mr. Speaker, I yield myself 1 additional minute.

Mr. Speaker, that is the proper procedure, so that when the Members go out to campaign and others go out to campaign to be elected as a Representative in the Congress of the United States, the people themselves whom we represent know exactly what the pay is going to be and what our contract is with them.

As a consequence, Mr. Speaker, I hope that this rule is defeated. I am opposed to the rule. I am opposed to the legislation.

Mr. KEMP. Mr. Speaker, will the gentleman yield?

Mr. MARTIN of Nebraska. I yield to the gentleman from New York (Mr. KEMP).

Mr. KEMP. Mr. Speaker, I would like to commend the gentleman from Nebraska on his statement and associate myself with his remarks.

I too believe the rule should be defeated. I think the best place for Congress to start informing the people of this country as to our intentions regarding fiscal responsibility would be to defeat this rule and this legislation. I commend the gentleman for his statement and say that this is no time to be raising congressional salaries especially after two devaluations of the dollar and a national debt approaching one-half trillion dollars.

Mr. MARTIN of Nebraska. Mr. Speaker, I thank the gentleman for his remarks.

Mr. Speaker, I yield 5 minutes to the gentleman from Indiana (Mr. DENNIS).

Mr. DENNIS. Mr. Speaker, the bill before us is one of the worst bills; one of the least meritorious bills; one of the most indefensible bills that we will have to consider during the course of the 93d Congress. Everything is wrong with this measure and nothing is right about it.

In the first place, the whole plan of the Salary Act of 1967, which I am glad to say was inflicted on the American people before I had any part or parcel of the membership in this body, is wrong, because it seeks to pass the authority to set our salaries, which under the Constitution is our responsibility, over on to some anonymous commission and into the hands of the executive who has no possible business setting legislative salaries. This is a principle which has been regarded as wrong, so far as I know, every since the American Colonies revolted against George III.

The timing of this bill is wrong because—if it could ever be right—this is essentially a salary raise, as the gentleman from Nebraska has said, and here, we propose a raise somewhere in the neighborhood of 20 percent at a time in the economy when we are not letting other people have more than 5 or 6 percent at the most.

We amend this bill to make this recommendation come, not every 4 years, but every 2 years, and in off years—nonelection years—starting this year, so that as a matter of fact, we are building in an automatic pay raise for ourselves every nonelection year from now on.

Mr. Speaker, I submit to the Members that this is cynical politics at its worst. I was hopeful that perhaps we could clean this thing up a little bit when the gentleman from Arizona (Mr. RHODES) could offer his amendment which I and some 82 other Members of this House are cosponsoring, which would at least amend this measure so that if an individual Member offered a disapproval resolution of the recommended pay raise, he, as an individual, could force it to a vote and give us a real opportunity to vote on the issue, up or down. But I am informed that that amendment will be held out of order, so there is going to be no reasonable opportunity presented to the House to clean the bill up.

I suggest that if there were any honest intention to reform the law the proposal of the gentleman from Arizona (Mr. RHODES) would have been in this bill, and if it were not in the bill it would have been made in order in the rule. But neither one has been done.

I submit to the membership that those who support this bill are voting for a pay raise indirectly which they do not have the courage to support directly. They are voting for it under circumstances where they are not going to allow anybody who disagrees to have an opportunity to vote against it, because they have not got the courage to do that, either. And they are doing it on the cynical and insulting assumption that the American people are so stupid that they will not realize what is being done to them and will forget it when an election year rolls around.

I suggest to the Members that the honest, decent, responsible vote is "no" on the rule; and, if the rule should by some chance pass, then "no" on the bill.

Mr. SHUSTER. Mr. Speaker, will the gentleman yield?

Mr. DENNIS. I yield to the gentleman from Pennsylvania.

Mr. SHUSTER. Mr. Speaker, I rise in opposition to the rule and the bill S. 1989. It represents in principle one of the most fundamental issues that will face this 93d Congress during its entire term of office: Are we or are we not going to deal with the inflation that has been wracking this Nation for nearly a decade now when it comes to our own pocketbooks? Are we or are we not going to put an end to the runaway Government spending when our self interest is involved? Are we or are we not going to exercise fiscal restraint and give the Nation the leadership it needs and expects from us in tightening our own economic belts?

In this case, it is not the amounts of money involved. They are relatively small compared with the overall Federal budget. Nor is it a question of whether we can survive on our annual salary. I know that we can. The question here is one of principle and leadership. For most of the Nation—the average workingman, the pensioner, the young families—there is a real question of economic survival. There will be much belt-tightening, even more than there has been thus far, and that has been considerable. For most of the Nation, it is and will be a time for biting the economic bullet. If this Nation is to succeed in this effort, if it is to weather the coming trials, it must have leadership; it must have an example to follow; and we must provide it. That is the real issue here, Mr. Speaker, and that is why we must not only reject S. 1989 and any similar legislation, but we must reject it overwhelmingly.

Mr. ROUSSELOT. Mr. Speaker, will the gentleman yield?

Mr. DENNIS. I yield to the gentleman from California.

Mr. ROUSSELOT. Mr. Speaker, the bill, S. 1989, is a clever mechanism to allow for a substantial increase in pay for top executives in the executive, judicial, and legislative branches of Government in 1973, a nonelection year, rather than in 1974, an election year.

The question is not whether Members of Congress and other top officials of the Government deserve an increase in pay, but rather are we in the Congress going to set the pace for increased wage demands in the United States, and effect an acceleration of the inflationary pressures troubling our economy.

At the present time, the American economy is experiencing an uncommon rate of inflation, a rising cost of living, the highest food prices in recent memory, high interest rates, and the impact of the dollar crisis on the stock market. These economic conditions have resulted in the eradication of the purchasing power of every citizen and, especially the retired persons who are trying to live on fixed incomes. This has fostered an "inflationary psychology" in the country which is undermining the trust and faith in the American dollar.

These economic conditions have forced the administration into imposing a virtual freeze on prices, and a partial freeze on wages. In a further effort to lower and control inflation in our economy, the administration has urged the Congress to resist increasing budgetary requests and phase 4 specifically calls for a balanced budget.

Therefore, every sector of the economy has been called on to make major sacrifices in this anti-inflationary effort. This is a fundamental concern to everyone.

As elected representatives of the Congress we are looked on to provide leadership and to set examples of responsibility in the Government. To do otherwise is an abdication of our public trust and a disservice to the American people.

Mr. Speaker, to approve this legislation and, in effect, allow for sizable pay increases will be a signal to the American taxpayer—you make the sacrifices—we in the Congress will not.

To suggest an increase in pay this fall—$10,000 or more as has been reported—is ill-advised, ill-timed, and an invitation to the American people to disregard any and all efforts to rebuild the strength of our economy and inspire the confidence in the people.

I am opposed to the present system for fixing the pay of Members of Congress, Federal judges and top executives and I am opposed to this bill which makes the present system worse.

I urge that the bill be defeated.

Mr. WOLFF. Mr. Speaker, will the gentleman yield?

Mr. DENNIS. I yield to the gentleman from New York.

Mr. WOLFF. I thank the gentleman for yielding. I asked the gentleman to yield in order to clarify one point. There is a lot of objection to the salary increase, I know. How does the gentleman feel about outside income of Members of Congress in private practice?

Mr. DENNIS. In the first place, I believe it is an entirely different matter that we do not have before us today.

In the second place, if the gentleman wants my personal opinion, which has no particular value, I believe it depends on the private practice. If one is practicing before a governmental bureau, that is a crime, and should be. If one is using his influence, that is a different thing, and I do not believe in that, either. However a private law practice, not dealing with the agencies of the Federal Government, could be entirely proper, in my opinion. I myself, however, am not engaged in private practice.

Mr. MARTIN of Nebraska. Mr. Speaker, I yield 5 minutes to the gentleman from Iowa (Mr. SCHERLE).

Mr. SCHERLE. Mr. Speaker, last week President Nixon stated:

> The best way to hold down the cost of living is to hold down the cost of Government.

Last Friday I sent a letter, signed by many of my colleagues on both sides of the aisle, Republicans as well as Democrats, to the President stating simply this:

> This country needs to practice fiscal restraint now more than ever. By holding the line on salaries for top level bureaucrats, Members of Congress and judges, you can provide positive evidence that this Administration means business.

The Members from Georgia and California will be particularly interested to know that the Cost of Living Council has suspended the salary increases for officials in those two States because they did not conform with the Council's wage-price guideline.

This is a good time for Congress to reflect on the 41 percent salary increase that we all enjoyed back in 1969.

At that time, you will remember, our salary rose from $30,000 to $42,500—a 41 percent increase.

Now, the Patton commission has suggested a new figure, possibly as high as $55,000 a year, but probably closer to $53,125—25 percent higher.

If this legislation is passed, the salaries of Members of Congress, bureaucrats and judges will have gone up 66 percent in 4 years. How in the world can any Member of this body rationalize such an increase? Such extravagance is totally irresponsible.

The psychological effect is easily perceived. In 1969, we help to set the inflationary spiral in motion by failing to reject the wage hike proposed then. We are all suffering the consequences today, but none of us so much as the elderly. According to a television broadcast I saw yesterday, some of our older citizens are forced to resort to stealing just to live. This is inexcusable—these people are caught in an inflationary bind and have no means of supplementing their income. Adoption of this legislation will only trigger a new spiral of increases.

Now, how can we justify such deprivation? Every newspaper, radio and television station in my State is opposed to this increase, and particularly to the "no vote" concept.

Mr. Speaker, a raise in the allowance for district offices can be explained and people will accept. I would vote for this because it benefits our constituents rather than ourselves.

I would like to quote from the CONGRESSIONAL RECORD the words of my distinguished minority leader on the war powers bill on July 18, 1973:

> During the last 4 or 5 months I have heard a great deal in this Chamber and from the other Chamber, and I have read a great deal all around the country to the effect that the Congress has given up authority and that the Congress ought to do something to retrieve that authority.
>
> If you want to assert a right, you ought to be willing to stand up and say, I will vote for or against a certain power, or privilege or prerogative.

Mr. Speaker this House should reject the rule and vote no. The taxpayers strongly oppose to any such high pay raises particularly when they are implemented without a rollcall vote.

With the rest of the public required to hold the wage increases to 5½ percent, now is not the time to grant the Members of Congress, bureaucrats, and judges a 25-percent pay hike.

Two editorials are called to your attention.

[From the Daily Oklahoman, June 30, 1973]

MAKING A GOOD THING BETTER

How members of Congress can even consider embellishing an already generous pay-raise scheme while the public is called on for all kinds of sacrifices to combat inflation is beyond comprehension.

Not only is Congress sticking to its painless plan for obtaining a hefty salary hike, but, to add insult to the taxpayers' injury, it is talking about accelerating the procedure so the increases will come more frequently.

Congressmen evidently don't feel bound by the wage-control guidelines that effect the general populace. These call for pay increases to be held to about 5.5 per cent a year. Some union-management contract settlements have exceeded that figure, but then Congress should be setting the example for the rest of the nation.

Yet reports indicate the federal pay commission—known as the Commission on Executive, Legislative and Judicial Salaries—will recommend boosting congressmen's pay from $42,500 to $55,000 a year. That's an increase of 29.4 per cent. Under the present law the commission functions only every four years. Thus, the pay raise figures out to 7.3 per cent a year.

Even the Teamsters Union, no slouch in obtaining good settlements, could not do better than that in a three-year agreement tentatively reached with the truck industry. It calls for a 7.2 per cent raise in both wages and benefits in each of the first two years and a 6.6 per cent jump the third year.

From the congressional point of view, the best thing about the pay commission gimmick is that members themselves don't have to vote on a salary increase proposal. The recommendation goes to the president, who approves or modifies it then sends it to Congress. After 30 days, if Congress hasn't disapproved it, the recommendation takes effect automatically.

A bill approved this week by the Senate Post Office and Civil Service Committee would provide for the pay commission to be appointed every two years instead of four years. If this passes, future pressure to reduce the period to one year seems inevitable.

The high cost of living affects congressmen just as it does every other citizen. And it's true the job requires a high degree of hard work and energy and that living expenses in the nation's capital are exorbitant. But it is also true that congressmen receive allowances for office, staff and travel expenses. In addition to their salaries, members are given a $45,000 life insurance policy, regardless of their age or health, and full health insurance coverage. At a member's death, survivors usually receive a gratuity from Congress equal to a year's salary of $42,500. A retirement plan, to which members contribute, can result in pensions running as high as $34,000 a year after 32 years of government service.

Adherence to a salary-raise scheme that drew heavy criticism the first time around in 1969, when the pay was boosted from $30,000, reveals an indifference to public opinion. Unfortunately, the public is locked out of any direct influence, since Congress can always blame the raise on the commission. President Nixon, beset with Watergate erosion of his power, is in no position to resist, either.

(Editorial from Sioux City, Iowa, Channel 9 TV)

CONGRESSIONAL SALARY BOOSTS

A Senate Committee has cleared a new pay raise plan. It would automatically increase salaries of congressmen, political executives, and some civil servants every two years. It would conveniently spare Congress the present embarrassment of voting itself big pay increases every four years just before elections.

We join Iowa Representatives H. R. Gross and Bill Scherle in strongly opposing this potentially dangerous bill. Obviously, taking the pay boost matter out of the hands of our congressmen also takes it out of the hands of the American voters. We would be left with no leaverage whatsoever in controlling the size of future increases.

Past experience with the salary-determining panel, largely comprised of businessmen, has been alarming! Their last recommendation raised the congressional stipend 41 per cent in 1969. Now, it is reported another 30 per cent increase is on the way—up to $55,000.00 annually for our Legislators.

Let's not forget that our Senators and Representatives already enjoy more than generous expense accounts and privileges. Before we relieve Congress of acting upon embarrassing salary boosts, let's dwell upon the further irresponsible and inflationary actions that are apt to follow.

Mr. GERALD R. FORD. Mr. Speaker, will the gentleman yield?

Mr. SCHERLE. I yield to the distinguished minority leader.

Mr. GERALD R. FORD. Mr. Speaker, let me assure the gentleman from Iowa that I do intend to support the Rhodes amendment or any variation or version of it, because I do think that the Congress ought to be willing to vote yes or no on any pay increase.

I further remind my friend from Iowa that when this legislation was initially passed in 1967 or 1968, we had a motion to recommit on the Udall bill, and that motion to recommit would have knocked out this sort of backdoor approach without any action, and I voted for that.

So I believe that both he and I agree that the Congress ought to be partners in voting for or against whatever we do on the pay issue.

Mr. SCHERLE. Mr. Speaker, I hope that when we stand up to be counted, my distinguished minority leader will be right beside me. I hope that we can defeat this measure.

Mr. WYLIE. Mr. Speaker, will the gentleman yield?

Mr. SCHERLE. I yield to the gentleman from Ohio.

Mr. WYLIE. Mr. Speaker, if this is not a pay raise bill, it has been widely misinterpreted by the press. At least seven daily newspapers, which I have read this week, refer to this bill as a congressional pay increase bill.

Psychologically, the measure is ill-timed and ill-advised. If it is not a pay raise bill, why is it here? Why could we not let well enough alone? The Commission ought to be abolished, and we ought to have the intestinal fortitude to vote directly on congressional salaries. It is senseless to aggravate inflation with pay increases for high public officials. We cannot ask others to economize and vote to increase our own salaries. I urge a no vote on the rule.

Mr. MARTIN of Nebraska. Mr. Speaker, I yield such time as he may consume to the gentleman from Florida (Mr. BAFALIS).

Mr. BAFALIS. Mr. Speaker, I rise in opposition to S. 1989, a bill designed to permit a substantial pay increase for top executives of the executive, judicial, and legislative branches in 1973.

This legislation supposedly "perfects" the concept by which salaries for top executives of the Government are determined by requiring a report on pay every 2 years, instead of every 4 years. I use the word "perfects" advisedly. The bill does not perfect; but rather makes a bad concept worse.

In amending the Postal Salary and Revenue Act of 1967 to include the Commission on Executive, Legislative, and Judicial Salaries, the Congress removed itself from the constitutional responsibility of setting its own pay. This, I believe, was a mistake. To transfer to the executive branch the responsibility for setting pay is an abdication of public trust. It is but another example of Congress delegating authority to the executive branch, which properly belongs to the legislative branch. Experience under this law has obviously proven this procedure faulty because the Congress has before it now this legislation, S. 1989.

If pay increases for Members of Congress are justified, then we ought to acknowledge that they are a congressional responsibility and we should then be willing to vote accordingly. To do otherwise is a disservice to the American taxpayer and does little to instill confidence in our elected officials.

Mr. Speaker, I oppose this legislation and urge that we defeat it.

Mr. MARTIN of Nebraska. Mr. Speaker, I yield such time as he may consume to the gentleman from Nebraska (Mr. THONE).

Mr. THONE. Mr. Speaker, I oppose with all my vigor this proposal to have a Commission on Executive, Legislative, and Judicial Salaries named every 2 years. I urge all members to vote against this proposal.

Under present parliamentary procedure, it is impossible to offer amendments to the proposition under consideration. If it were possible, I would offer an amendment to make it impossible for any pay raise to be given Members of Congress unless a majority in both the House of Representatives and the Senate in recorded votes favored such a raise.

The present means of giving Members of Congress pay raises is a tricky, behind-your-back method. I will always oppose giving raises to Members of Congress by any method that is not direct, straightforward, and on the record.

But at this time, I feel it would be inappropriate to raise the pay of Members of Congress by any means. Our Nation is locked in a battle against inflation. To win this battle, Congress must show restraint in spending.

Stopping a congressional pay raise can prevent great increases in Federal spending. If only the salaries of the 535 Members of Congress were involved, a raise of $12,500 a year would cost the taxpayers another $6 million annually, which is a lot of money where I come from. But the same commission recommendations will also offer pay raises for several thousand high officials of the executive, judicial, and legislative branches.

The pay for the top bracket under civil service is now the same as for the bottom rung of federally appointive jobs. Therefore, I predict that if salaries of Members of Congress were raised $12,500 per year, ultimately more than a million Federal employees would have their pay raised by an average of $5,000 per year. This would amount to a gouge of another $5 billion annually out of taxpayers' pockets.

I was not a Member of Congress in 1969 when the last raise was passed. I feel it was a major factor in bringing on the fast-moving inflationary spiral we are trying to throttle. We must restore fiscal sanity to our Nation.

Beyond economics, however, it is a matter of principle. Congress is not only the legislative body, but it is supposed to be the agency to control how much the Government takes in and how much it spends. If some Members of Congress think that pay in the Senate and House must be higher, they should have the intestinal fortitude to stand up and be counted.

Mr. MARTIN of Nebraska Mr. Speaker, I yield such time as he may consume to the gentleman from Iowa (Mr. MAYNE).

Mr. MAYNE. Mr. Speaker, I rise in opposition to House Resolution 512, the resolution providing for House consideration of S. 1989, and I urge my colleagues in defeating this "Rule" and thereby defeating this unwise bill, previously passed by the Senate without debate and without any record vote.

President Nixon properly postponed making any recommendation for pay increases for the Congress, the executive, and the judiciary last January, an increase he could have recommended at that time under the provisions of the Federal Salary Act. It would have been wrong for the President to have recommended a pay increase at that time while on the other hand he was asking for the private sector of our economy to hold down wage increases, and while he was seeking to hold down spending by the Federal Government on many other programs through budget cuts and through reservation or impoundment of appropriated funds. I gave strong support to this wise action by the President, and I submit we should not force the President to send a congressional pay increase recommendation to the Congress at this time, when the private sector of our economy, especially beef processors, are undergoing the restrictions imposed by phase IV.

As I stated earlier today, S. 1989 is designed to grease the skids for a substantial congressional pay increase—and major increases for top officers in the executive and judiciary branches as well—to take effect this fall without one Congressman being on record with his constituents and taxpayers generally as voting "yea" or "no." I regret that the efforts of the senior Congressman from Iowa (Mr. GROSS), myself and other colleagues to force a vote on the resolution of disapproval to the 1969 pay increase were shrugged away by the majority of the House, and no vote was held. Had a vote been held, I believe the resolution of disapproval would have been overwhelmingly defeated, for each Congressman's constitutents would have been able to look to the record to see how he was recorded on the issue of whether the proposed pay increase should stand in the face of the need for holding down inflation and curbing Government spending.

The majority recessed the House, preventing any vote to be held on a resolution of disapproval, and through House inaction and Senate inaction the substantial pay increases recommended by President Johnson took effect. That increase triggered demands for comparable or higher increases in wages and benefits from practically every Federal employee group and every group receiving Federal assistance or benefits, and many Congressmen could not withstand the argument "You got yours, now give us our split" as group after group joined in marching on the Treasury. The failure of Congress to act responsibly in defeating the 1969 pay increase contributed significantly to the failure to make greater progress in curbing Federal spending and controlling inflation in the years since, culminating in the runaway inflation of phase III just prior to the imposition of the freeze and phase IV.

All the arguments we made in 1969 against the pay increase recommendation have been borne out by subsequent events. As I said earlier today, those arguments have even greater force and validity against an additional pay increase at this time. A pay increase at this point would set off a new round of inflation. The administration and Congress have been asking everyone else to tighten their belts and forgo wage increases and profits in order to curb inflation. This is certainly not the time to make an exception for ourselves by allowing a congressional pay increase to go into effect semiautomatically. At the very least, we should stand up and be counted in a record vote which would show the position of each Member on this important issue. S. 1989 would force the President to submit a pay increase recommendation to the Congress, with that recommendation to go into effect automatically within 30 days if not vetoed in the meantime by either the House or the Senate. The bill makes no changes in the act or in the rules also as to require the resolution of disapproval to be reported and taken up on the House floor as a matter of privilege, or to require that a record vote be held on the matter, or to require that any pay increase be approved by record vote of both Houses. Even if a pay increase would be appropriate at this time, it should not be accomplished by the shifty device provided by the Federal Salary Act as it would be amended by S. 1989. I urge my colleagues to put themselves on record with their respective districts and with all voters and taxpayers throughout these United States, by voting against House Resolution 512 and thereby defeating S. 1989. I further urge the committees concerned to undertake immediately consideration of the proposed reforms of the Federal Salary Act, so that never again will a pay increase take effect unless the House and the Senate affirmatively approve that increase through record votes.

Mr. MARTIN of Nebraska. Mr. Speaker, I yield such time as he may consume to the gentleman from Indiana (Mr. HUDNUT).

Mr. HUDNUT. Mr. Speaker, I rise in opposition to the motion to adopt House Resolution 512.

Ordinarily, I believe we should adopt a rule and have full debate on a bill; but in this instance, I feel the issue is so important that if the bill can be defeated by not adopting the rule, I am for defeating it now.

Although it has been suggested that S. 1989 is not technically a "pay raise" bill, practically speaking, it is such, and the entire public believes it. Everyone supposes—and I think rightly—that the passage of this bill would be the precursor to a congressional pay raise from 42,500 to $52,500 or some figure in that neighborhood.

I feel that such a raise would be unconscionable. It would set a bad example for the country in a time when we are trying to hold the line against inflation and limit wage and price increases to modest proportions. How could we justify raising our own salaries some 20 percent, when the vast majority of our fellow Americans are receiving at best something around 5 percent? I think it would be unjustifiable—in spite of the fact that Members of this great body have many heavy expenses, that many of them could use the extra income, that many of them could command much greater salaries on the outside, and that many are worth a great deal more than they are being paid here. But I sincerely believe that the pay raise proposals are extravagant and should not be enacted.

Also, I believe we should have an opportunity to stand up and be counted on this subject. I do not think it is wise for us always to vote on our own pay—we do not do it in business or our own offices—but if the recommended pay hike is going to be an excessive one, I think we should have a chance to express our will and indicate whether we approve or disapprove of what is proposed in our behalf. Therefore, I would hope for a recorded vote on this issue, whether it comes on the rule or the bill itself.

Finally, I want to say that if the rule, the bill, and finally the pay raise itself, are adopted, I will feel conscience bound not to accept the increase. I believe I made a contract with my constituents to serve and represent them in this Congress at a salary rate of $42,500, and I also believe that having taken a stand for fiscal conservatism, balanced budgets and restraints on spending elsewhere in this Congress, to be true to and consistent with my own principles, I must take a similar stand on this matter. Therefore, to me, it is a matter of my own integrity, and I urge my colleagues to vote down the resolution.

Mr. MARTIN of Nebraska. Mr. Speaker, I yield such time as he may consume to the gentleman from Mississippi (Mr. COCHRAN).

Mr. COCHRAN. Mr. Speaker, I am opposed to the passage of this bill for several reasons. As I understand this measure, its passage will almost insure that Congress will receive a pay increase this year without having to actually act on the matter.

I feel that the entire procedure needs changing, and I have cosponsored legislation for that purpose which would require that Members of this House must vote one way or the other on any proposed pay increase.

Across the Nation family budgets are burdened by higher prices, wage restrictions and heavy taxes. Until Congress finds a solution to the hardships caused by these problems, I cannot understand any justification for a salary increase for ourselves. If we really want to restore fiscal integrity in our Government, the best place to begin is in our own House. Instead of spending more tax dollars, let us conserve our financial resources where it is possible and put our money where our mouth is.

I do not think we should try to insult the intelligence of the American taxpayer by continuing this system that allows us to stand idly by while some Federal commission increases our salaries and at the same time say we cannot do anything about it.

I urge the Members of the House to change the law, but not in the misleading manner that this bill would propose. I hope my colleagues will vote against this measure and focus our attention on helping those on fixed incomes—the senior citizens, the veterans on pension, the handicapped, those wage-earners who because of higher taxes cannot possibly make ends meet, and those whose financial future depends on a sound economy that will permit a decent living for all our citizens free from spiraling inflation.

Mr. MARTIN of Nebraska. Mr. Speaker, I yield 2 minutes to the gentleman from Minnesota (Mr. NELSEN).

Mr. NELSEN. Mr. Speaker, in 1967, Congress enacted the Postal Revenue and Salary Act, which unwisely established the Commission on Executive, Legislative and Judicial Salaries. Since then, this Commission has made it very convenient for Members of Congress to enjoy a salary increase without facing up to the decision themselves.

I voted against the proposition in 1967 which, of course, put me in the category of voting against pay raises for Federal employees, and I was subsequently attacked on this issue in the following election.

One objection I cited at that time was the backdoor approach we were taking, which would permit a salary increase without our even having to cast a recorded vote on the question for the information of our constituents. Now we are again faced with much the same problem.

I want to say that the amount of the dollars involved is not the only big factor. The major factor is the example that we set for the people of this country. I know what people say on Main Street. They say, "My golly. Are they going to stand with us in trying to hold the line?" If we are going to check inflation, a poor way to go about it is for us to pose an example of grievous irresponsibility by voting a salary increase for Members of Congress.

I do not say most Congressmen are too much overpaid. Some may be, but the important thing is the example of self-discipline and fiscal restraint which we in Congress must set. This measure sets a bad example, and it should be soundly defeated.

Mr. CONABLE. Mr. Speaker, will the gentleman yield?

Mr. NELSEN. I yield to the gentleman.

Mr. CONABLE. Mr. Speaker, I wish to associate myself with the remarks of the gentleman from Minnesota (Mr. NELSEN). The point he makes is a good one: Although the money cost of a congressional pay increase is modest, the pattern is disastrous. It will weaken the lever of congressional restraint and widen the gap of alienation already separating the Government and the people. This type of device—the shocking irresponsibility of our deliberately avoiding a direct vote—is bad government. The result, the almost inevitable pay increase taking effect long before the next election, is bad morally. It is also bad politics and even worse economics. In short, as the gentleman from Indiana (Mr. DENNIS) said, there is nothing good about this increase, and I urge my colleagues not to withhold judgment, but to vote down the rule.

Mr. MARTIN of Nebraska. Mr. Speaker, I yield such time as he may consume to the gentleman from Ohio (Mr. GUYER).

Mr. GUYER. Mr. Speaker, I have the confidence today that the House of Representatives is going to take a bold and courageous step by voting down the salary bill before us.

As a freshman Congressman, I may not have the experience or overview of the salary situation in our Nation's Capitol, but I have a very definite view on how I feel about economy, fiscal responsibility, and what presents itself in the form of a commission action affecting the salary increases of 5,900 positions.

I am sure there is merit and truth to the statements of some of our colleagues, that you cannot serve in Congress and save money. I am also not too overly persuaded by some journalists' presentation of the so-called fringe benefits and emoluments of the congressional office. Most of these are merely the tools with which we do our job.

As a matter of fact, most of us could use additional funds for such services as newsletters, purchase of newspaper subscriptions of the papers in our district, and a dozen other legal and needed services not presently provided, but this is all beside the point.

Each one of us knew exactly what the salary was when we campaigned for the office. As a matter of fact, I am sure the unsuccessful candidates we defeated would welcome the present salary.

The real issue today is not whether this package is a precise salary raise, a recommendation to the President, or a disguised bonanza in an innocent garment. The issue is, whether this is the way and this is the day to make salary increases. I say it is not.

I have been an admirer of H. R. GROSS ever since I have met him and observed him in action. He is one of the few watchdogs of the National Treasury, and in my judgment represents the greatest thing that has happened to the U.S. Treasury since Reverend Watkinson persuaded Secretary of the Treasury Salmon Chase to put the motto "In God We Trust" on our coins back in the early 1860's when morale was low in this country.

Mr. GROSS seals his words with his deeds, and is both on hand and on target when the budget-busters threaten our economy.

For more than 6 months we have heard speeches reminding us of fiscal responsibility. We were variously told to be careful in our appropriations for education, flood control, vocational rehabilitation, farm target prices, water management, higher education, transportation, environment, social security, veterans, et cetera.

If these extravagances beyond the budgetary recommendations would lead to higher inflation, additional taxes, and ripple-triggering of other program requests for similar raises, how can support of this raise for personal higher salaries be justified?

I once heard that funeral directors had a hard time trying to look sad at a $10,000 funeral. I do not think this body need disguise its feelings on this issue.

We told 30 million people on social security their little increase of 5.6 percent would have to wait until July of next year. A single recipient would get a whopping raise of from $161 to $170 a month. A married couple would get a fantastic increase from $277 to $293 a month.

The Federal minimums for our other aged, blind, and disabled went from $130 to $140 a month for single people—and from $195 to $210 for married couples.

Our 3 million disabled veterans are waiting for adequate increases, and many more veterans never did receive the 20 percent makeup we have talked about giving them, from their social security short-change.

While the total amount of these proposed raises may seem small in comparison to our massive spending, how can we justify such an example in the face of rising prices, spiralling inflation, soaring food costs, and the myriad things folks have to pay for, to keep body and soul together?

Perhaps congressional salaries should have been placed on a system that provides rises in cost of living indexes. There may be even better methods to handle the matter.

I came prepared to support an amendment by Congressman JOHN RHODES, which would provide an opportunity to approve or disapprove a committee report or recommendation. It would prevent hiding behind procedural formalities, and would prevent this body from awarding itself an invisible raise by "silence giving consent."

Since Congress itself has been responsible for most of the massive spending in the past, I believe it is time for Congress to set an example today, by disapproving this bill, voting by recorded vote, setting the example for the rest of the country to follow, and be part of the answer instead of being part of the problem.

I, for one, have told my people how I feel, how I shall vote, and how I shall act when opportunity arises. There is a saying that "nobody shoots the bartender when the drinks are on the house." It should also be said that "they may also have some new bartenders next time."

Mr. MARTIN of Nebraska. Mr. Speaker, I yield such time as he may consume to the gentleman from Minnesota (Mr. Frenzel).

Mr. FRENZEL. Mr. Speaker, what is wrong with this bill (S. 1989) is what is not in it. Its principal flaw is that we are again giving away control of costs, insignificant in total, but enormously significant in symbolic value to the people.

The bill needs the Rhodes amendment so all Members will be required to be counted on the question of their own pay. Absent the amendment, the bill should fail.

If the right to vote were accorded, I would vote for a congressional pay raise subject to two conditions: First, it should not take effect during the congressional term in which the vote takes place, and second, it should not be in excess of the Federal guidelines, or other reasonable standard for periods prior to the stabilization program.

The job of a Congressman deserves a greater salary. Many Members give up significant careers to serve the people. All give up a normal homelife to accept a job with little security and great expense. The salary has been fixed since March of 1969. A raise is in order.

We have heard frequently that "it takes a rich man to run for Congress." I do not beileve that is true, but I do believe that it takes a rich man to be a Congressman. A pay raise would give better incentive for people other than those who are personally wealthy to run for Congress. The more people who feel they can run, the better served our representative government will be.

But, no matter what the virtues of the salary increase, I will vote against this bill if the amendment to provide a vote fails. It may not be a sound procedure to establish one's own pay, but the electorate favors that procedure, and, in fact, demands it.

Mr. MARTIN of Nebraska. Mr. Speaker, I yield such time as he may consume to the gentleman from Delaware (Mr. du Pont).

Mr. du PONT. Mr. Speaker, the question of congressional pay raises is before us today. The question of how much our elected Federal officials should be paid is an important one, one which deserves debate by the Congress and a vote on the question of a salary increase.

But as one long concerned with congressional reform, I see an even larger issue confronting us today: The reform of the unfortunate and improper method by which congressional pay increases are adopted. I would like to address myself briefly to these two questions.

First, should Members of Congress receive a pay raise at this time? The last pay raise for Congressmen was in 1969, at which time our salary was set at $42,500. The cost of living has increased nearly 25 percent since then, so it may be argued that we deserve at least a cost-of-living increase. Members of Congress who retired in 1969 have received a 20-percent increase in their retirement annuity since then; civil service employees have received a 32-percent increase during the same time. I would think a proposal to provide for regular cost-of-living increases for Members of Congress would be sensible.

But the pay raise question is quite different from a cost of living increase. The proposal by the Commission on Salaries may provide for an increase as large as $12,500 per year. With inflation rampant throughout or economy, and with phase 4 limiting wage increases for the working man to 5.5 percent, I find it impossible to support such a huge pay increase for ourselves. The Congress represents the political and governmental leadership of the Nation. As such we must lead, and we must set an example of economy for the Nation. I do not believe it fair to ask my constituents to limit their wage increases to 5.5 percent, while voting a 20 or 25 percent increase for myself.

Second, when Congress increases the salary of its Members, how should it be done? Not by stealth, not by avoiding the question by assigning the task to a commission on salaries. Not by devising a system whereby Members never even vote on the pay increases. When salaries are to be increased it should be done in the open, and by a record vote in the House and the Senate. And most important of all, Members should not vote for their own pay increases. There is no clearer case for a conflict of interest than asking a man to cast a judicious vote in favor of himself. Pay raises voted upon by the Congress should become effective after the next election.

Mr. Speaker, I believe that the present system, under which pay raises are recommended by a commission and then become effective unless the Congress affirmatively votes them down, is a poor one. I believe it should be changed. I will therefore support the rule on the bill, in hopes that some of the corrective amendments that will be offered can be voted upon. If they pass, and if the congressional pay raise can be limited to 5.5 percent, I will support the bill. But any proposal to permit a larger pay increase to become effective by congressional inaction, I will vigorously oppose.

Mr. MARTIN of Nebraska. Mr. Speaker, I yield 1 minute to the distinguished gentleman from California (Mr. Gubser).

Mr. GUBSER. Mr. Speaker, I believe that the job of being a Congressman is one of the most important jobs any human being could hold. The responsibilities are tremendous and the workload great. Decisions are made here which mean war or peace or which involve the future of humanity. The job is so important that it ought to have people occupying it who are worth $50,000 a year. And if they are not worth it, they should not be here.

I have never been accused of being an overbearing egotist, but I say to you in all frankness that I think I am worth $50,000 a year, and I am grieved that so many people have come down in this well today and confessed that they are not worth it.

Mr. MARTIN of Nebraska. Mr. Speaker, I yield 1 minute to the distinguished gentleman from Iowa (Mr. Gross).

Mr. GROSS. Mr. Speaker, late in the evening of December 11, 1967, this House considered the conference report on the bill which delegated to the President authority over the pay of Members of Congress, the Federal judiciary and top officials in the executive departments and agencies.

I opposed the conference report because it was a dangerous and unwarranted delegation of power to the President—an irresponsible act on the part of Congress, and I warned that "at the roots of this Christmas tree is a big can of worms."

I suggest that the worms have gotten out of the can.

I submit, Mr. Speaker, that the very fact that we are considering this bill today is sufficient proof that the Christmas package which this body bought in December of 1967—and I remind you that it originally cleared the House by only 12 votes—has not lived up to the warranties that were attached to it by its sponsors.

Certainly it has not lived up to the implied guarantee, given so glibly during debate at that time, that Members of the House would be taken "off the spot" with respect to their own pay.

The situation here and now is evidence the Members are "not off the spot." They are going to have to vote today—and I hope by recorded vote—on this bill which directs the President to submit a pay recommendation by August 31 in this nonelection year.

If the bill passes you will, upon returning from the August recess, have to vote again, up or down, on the pay the President thinks you should have. Thus you will get two votes for the price of one, a situation sponsors of the original legislation were so cleverly trying to avoid.

Since Congress reconvened last January, there has been a continuing debate both here and throughout the country on the subject of congressional versus executive powers and privileges. I have sat here day after day listening to one Member after another, and in particular to the leadership of this body, expounding on the dire need to reassert congressional authority and leadership in matters of vital national policy.

Consideration of impoundment legislation last Wednesday produced a classic debate on the powers of the executive versus those of Congress.

So it strikes me as strange, indeed, Mr.

Speaker, that the House is even seriously considering this bill which has as one of its new and major provisions the turning over to the President of the power to recommend the pay of the leadership of Congress—the Speaker of the House, the President pro tempore of the Senate, and the majority and minority leaders of both bodies.

On January 3, the opening day of the 93d Congress, our distinguished Speaker, Mr. Albert, in accepting his election by the House, stated:

> The House of Representatives must always safeguard its constitutional role as a strong and influential branch of our National Government; in my view, the most vital branch springing from and nourished by our people.
>
> To that end, I give you my pledge that I will work harder for that purpose in this session than I have ever worked in my life.

I can only assume, in view of those words, uttered only 7 months ago, that the Speaker opposes this bill.

Mr. Speaker, it will be an incredible performance if we here today say in effect to the President of the United States that we in Congress have neither the courage nor capability of setting our own salaries or those of our leadership; that this is a power we willingly, spinelessly, and overtly delegate to him.

Slice it thick or thin, Mr. Speaker, this bill sets the stage for a pay increase as recommended by the President in this nonelection year and every nonelection year thereafter.

This backdoor attempt comes at a time when the Federal Government is operating at a deficit, when the economy is laboring under restraints and controls in an effort to halt inflation, and at a time when every Member of Congress ought to be committed to reducing Federal spending and balancing the budget.

I predict, Mr. Speaker, that this move to pass the buck to the President and slip through the backdoor of the White House to get a pay raise before the election campaign of next year, is not going to deceive the taxpayers and voters throughout the country.

The rule and this legislation ought to be soundly defeated.

Mr. Speaker, I understand that the House will adjourn reasonably early today in order that the Members may go to Baltimore for a baseball game. I would think the ball game would be enough fun and frolic for one day.

I urge the Members to defeat the rule and scuttle further consideration of this bill which has for its purpose setting the stage for a pay increase in this nonelection year. The ball game ought to provide enough fun and gamesmanship for one day.

Mr. MARTIN of Nebraska. Mr. Speaker, I yield such time as he may consume to the gentleman from New Hampshire, (Mr. Wyman).

Mr. WYMAN. Mr. Speaker, I oppose this rule. I also oppose a salary increase for Members of Congress at this time when we are being asked to hold the line on prices and wages in the fight against inflation.

It is undeniable that any significant increase in pay for Congress would make it difficult if not impossible for Congress to vote to deny similar increases for others. The cost to the Government, and hence to the taxpayers of this country, for pay increases in both military and civilian branches over the last 4 years, has been enormous. The annual budget requirements for this runs into the billions and accounts in no small measure for the huge deficits that in turn have led to the cheapening of the U.S. dollar and a growing lack of public confidence at home and abroad in the will of the U.S. Government to run a businesslike fiscal operation or attain a balanced budget.

There is no denying that a good case can be stated for a pay increase. Recently there have been no less than six automatic pay increases for the civilian branch and specific increases for military personnel. In addition there is little real comparability between and with private industry pay levels for executives handling anything near the responsibilities of Members of Congress who each represent not only hundreds of thousands of constituents but billions of dollars in value of constituent business payrolls.

Yet this is not the time for a pay raise.

The vote on this rule will be interpreted as a vote favoring a pay raise even though the bill itself does not directly call for a raise but only requires the Salary Commission to report every 2 years instead of every 4 years. The objective, of course, is to have smaller increases recommended, but more frequently.

Mr. Speaker, I strongly oppose the bill and also the rule and urge its rejection by the House.

Mr. MARTIN of Nebraska. Mr. Speaker, I reserve the balance of my time.

Mr. MATSUNAGA. Mr. Speaker, I yield 1 minute to the gentleman from Massachusetts (Mr. Burke).

Mr. BURKE of Massachusetts. Mr. Speaker, I would like to point out to the Members of the House that I have been listening to these speeches against a pay raise for many years, and the question I raise here today is that all those who are voting against the pay raise and speaking against the pay raise, will they refuse it if it is voted? I think that is the real test, the real test of sincerity.

As I say, I have been listening to so many Members down through the years speaking out against a pay raise, and then watch them quietly disappearing into the shadows, and they are not around here to stand up on a recorded vote, or anything else. But in the Record their speeches are against a pay raise, and they send that back to their constituents.

I think we ought to be sincere here. I do not mind voting for a pay raise. I think that under the conditions the Members of the U.S. Congress operate today that a pay raise can be justified, and I will so notify the people of my district.

But as to those people who speak out against the pay raise, who are rising to extend their remarks, I wonder whether they will put in those remarks whether or not they intend to take the pay raise if it is voted for?

This above all: to thine own self be true.

Mr. MATSUNAGA. Mr. Speaker, I yield 3 minutes to the distinguished majority leader, the gentleman from Massachusetts (Mr. O'Neill).

Mr. O'NEILL. Mr. Speaker, it has been interesting listening to all those Members who have been asking for unanimous consent to revise and extend their remarks. I know that some of them are doing it for home consumption, and they will bring it to their local reporter in a Mercedes Benz, or some car of that type. There are those that believe that this should be a rich man's group.

When I came to the Congress some 20 years ago I can remember talking to Tom Flaherty who served in the Congress before me. I said to him, "Tom, why did you quit the Congress? You had no opposition, you were a great Congressman." He said, "I was here in the Congress 5½ years, and I am now in debt $18,000."

He spent the rest of his life trying to get out of debt. And you know, at that time they were receiving about $8,500 a year.

Mr. Speaker, last week I met a Korean who was traveling with the Interparliamentary delegation. He told me that he earned his doctorate at the University of Iowa with a study comparing a Congressman after he had retired from Congress, with a man from the administration, who had left the Government.

He said, "If the American people had known the shallow way in which the Congressmen were treated in later life, those people would have hung their heads in shame."

I mentioned to him the fact that, since then, increases had come along, and that a pension bill for them had been enacted.

Mr. Speaker, I admire my friend, the gentleman from California, Mr. Gubser, for having the courage to stand up here and support a pay raise this year.

As I have said, and as the distinguished gentleman from Massachusetts (Mr. Burke) has said, so many of the Members speak for home consumption, to get it to their local press. They will take a walk, they will sneak here and they will sneak there, but if the pay raise goes through, they will be the first in line to grab it. They will have no qualms then.

But the truth of the matter is this: There is misconception about this bill. This bill contains no pay raise. The Members know it, and everybody else knows it. This bill contains no pay raise.

Let us go through the bill and see what it really does. It provides for a salary review by the President's Salary Commission every 2 years rather than every 4 years. This would avoid recommending sizable increases at one time. In the past there have been sizable increases and there has been criticism.

If we came in every 2 years and we were on a cost-of-living basis, then there would not be criticism. There could not be the criticism because we would not be trying to get in line again, as we are now. By comparison, consider the fact that since we have had a pay raise there have been six automatic cost-of-living pay raises for civil service employees. Yet there are 6,000 total Government employees unable to get a pay raise although the cost of living for them has gone up 24 percent, just like it has for everybody else.

The bill further requires the President to send his recommendation to us by August 31 rather than in January. True, the bill takes the issue out of the election year. This was the intent of the present law, but the President delayed appointing of the Commission, and it could not make its presentation last January as it was supposed to.

The bill today would nail down the provision that the recommendation must be made in the First Session of each Congress. As the Members know, if we pass this bill, the President would send his recommendation to us by August 31, and it would then be up to the Post Office and Civil Service Committee to report a disapproval resolution to the floor of the House. We are not changing this method. We are merely advancing it from January to August. This change in machinery was supported and is supported by the Civil Service Commission, and the Senate passed it unanimously.

The SPEAKER. The time of the gentleman has expired.

Mr. MATSUNAGA. I yield to the gentleman from Massachusetts 3 additional minutes.

Mr. O'NEILL. I thank the gentleman.

Mr. Speaker, at this time I do not know what the Salary Commission has recommended to the President, and he has not sent us his recommendation. All I know is the rumors that are bruited about, and the rumors are about that the Commission is going to recommend $10,000 pay raise for Members of Congress from $42,500 to $52,500. I do not know if there is any truth in that. That is rumor; that is speculation. The rumor and speculation have it that the President of the United States is not going to go for that; that he is going to give the Members a 5.1 percent increase, and that 5.1 percent increase would give the Members a salary increase of $2,300. That is what the rumor is, and I have pretty good sources on these rumors.

But the truth of the matter is it is up to the President of the United States as to whether he wants to recommend that 5.1 percent increase or whether he wants to recommend nothing.

So we are not voting for a pay raise here this afternoon.

Many of the Members who have requested permission to revise and extend their remarks are misinforming the people at home. They are not voting today on a pay raise. Only the President of the United States under this law has the right to make a recommendation to this Congress.

Mr. SHUSTER. Mr. Speaker, will the gentleman yield?

Mr. O'NEILL. I yield to the gentleman from Pennsylvania.

Mr. SHUSTER. Mr. Speaker, I, for one, resent the implication that some of us are doing this only for home consumption.

I will ask the gentleman from Massachusetts if he will use his best efforts to see that we do have a recorded vote on this floor for or against such a pay raise.

Mr. O'NEILL. Believe me, I have been in public life for 35 years. I have never ducked an issue in my life, and I do not intend to duck this one or I would not be speaking up here.

Mr. SHUSTER. Will the gentleman go for a recorded vote?

Mr. O'NEILL. Yes, I would go for a rollcall vote at this moment if we could.

Mr. HAYS. Mr. Speaker, will the gentleman yield?

Mr. O'NEILL. I yield to the gentleman from Ohio.

Mr. HAYS. Mr. Speaker, I think if we could somehow or other get the amendment I offered a few years ago which would provide a floor of $10,000 and a ceiling of $50,000 and let each Member come in and certify at the beginning of the Congress what he is worth, and that would be what he would get, we could solve this problem.

Mr. LONG of Maryland. Mr. Speaker, will the gentleman yield?

Mr. O'NEILL. I yield to the gentleman from Maryland.

Mr. LONG of Maryland. Mr. Speaker, the gentleman has outlined some of the uncertainties in this legislation. I understand there is a further uncertainty, and that is that the pay increase in the sense of when we get it may not occur for 30 days thereafter but it could be any time the President chooses, perhaps sometime in 1974, perhaps in January or March or April or June. Is that true?

Mr. O'NEILL. The answer is "Yes."

Mr. Speaker, may I summarize by saying this is now in the hands of the President and nobody else as to whether or not a pay raise is recommended. He can accept the recommendation of that Commission, or he can recommend the 5.1 percent or he can turn in nothing. I want to warn the Members that if we do not act now there may be no pay raise next year for the Congress or for the 6,000 employees who come under this Act and there may be none until 1977.

Mr. Speaker, I hope the rule is adopted.

Mr. DENNIS. Mr. Speaker, will the gentleman yield?

Mr. O'NEILL. I yield to the gentleman from Indiana.

Mr. DENNIS. Mr. Speaker, I wonder why the gentleman thinks it is a good thing to have it in the hands of the President? I thought under the Constitution it was our responsibility. That is one of the things wrong with the bill.

Mr. O'NEILL. That is what the gentleman thinks but I do not agree with him. I think the obvious answer is the flood of Members who ran to the microphone and wanted to revise and extend their remarks. That is the obvious answer to the question.

Mr. MARTIN of Nebraska. Mr. Speaker, I resent very strongly the implications of the motives of those who oppose this bill as expressed by the two previous speakers from Massacusetts. I was tempted to request that their words be "taken down" but I did not do so.

There are some Members in the Congress who happen to be very sincere in their beliefs. I happen to know some Members who have not accepted previous pay raises to keep for their own use, but have taken those pay raises and given them for college scholarships; to religious organizations, or to benevolent institutions.

Mr. Speaker, I am afraid that some gentlemen cannot understand sincerity when they hear it.

I reserve the balance of my time.

Mr. MATSUNAGA. Mr. Speaker, I yield 3 minutes to the gentleman from Arizona (Mr. UDALL).

Mr. UDALL. Mr. Speaker, I had not intended to speak on the rule but it is obvious that the vote on the rule is going to be made a test vote by many so I want to leave with them a couple of thoughts.

The fact is that there is on the President's desk bought and paid for by the taxpayers a study by the Commission and that Commission report contrary to every newspaper report we have read everywhere in the United States of America does not cover Congressmen only. About 2,500 top positions in the three Federal branches are directly covered by this new salary plan recommended by this Commission. Another 2,000 or 3,000 top positions are indirectly involved through the effect of compression.

We can vote down the rule and we can vote down the bill and the salary plan is stll going to come to Congress. The President is mandated under the 1967 law to act on that report and send it to Congress.

So the question before us today is will the President send it to Congress in August or in January? There are 2,500 newspapers, I guess, in this country and I have not read one of them yet which has mentioned anything in connection with this legislation that would suggest that anyone other than Members of Congress is covered.

The President, as the majority leader has said, can make the comprehensive salary plan effective after the next election, or the next month, or next year, or never; or, he can recommend a pay cut for the top 2,500 or 5,000 officials in the Federal Government if he chooses to do so.

While we debate this legislation today, there are a number of points I want to make very clear.

As of this moment, we have no information on what the President will recommend for congressional action. I specifically have not decided whether to oppose or support a pay adjustment for our Federal executives, Members of Congress, or the Federal judiciary. It will depend in large measure on what the President recommends to us, and his evaluation of the necessity and size of such adjustments.

So let me repeat: When I learn what President Nixon requests, I will evaluate and decide at that time whether or not to support an adjustment in pay for all persons covered under the 1967 Pay Act. To do otherwise would be to act without all the facts and to ignore a Presidential request.

Let me also point out that, in my judgment, the legislation before us is a mechanical change to the existing law. It does not call for any pay raises, it does not speed up the effective date of any pay raise, it simply says that Congress should vote on any recommendations of the President in September of the applicable year, and to do this every 2 years, rather than every 4. It is still up to the President to recommend an amount and a time when he thinks such adjustments should go into effect, just as it is still Congress right to decide whether any raises at all should go into effect.

Therefore, I for one reserve my rights. I want to see what the President suggests. You can, with complete consistency, be for the rule, for the bill, and still be irrevocably against any pay raise now or next year or the next decade. This bill and this rule deal specifically and only with procedures and mechanics under established provisions of law. That is the first thing I wanted to talk about.

Now, I confess I have never understood all this talk of the kind we have heard today, about the procedure for adjusting salaries as contained in the 1967 law. I wrote down some of the words which were used: "connivance," "cynical," "insulting;" whether or not Congress votes on salary plans we are told is the ultimate test of our manhood, or courage. So many have asked why proponents are not willing to stand up and be counted? I have never understood the logic underlying these arguments. I hope someone some day will tell me where in the Bible or on what page of the Constitution, or where in the Federalist papers or in the writings of Thomas Jefferson can be found the ultimate, undying moral principle that legislators always must vote on their own pay, or be guilty of indecency, lack of manhood, political courage, or something else of vital significance.

I suggest to my friends a far different principle which is now imbedded in the law by a vote of this Congress in 1967. I want to defend that system, because that system proposes a different standard. Let me tell the Members what it is. Perhaps some of them will be shocked.

That principle is that no man should fix his own pay. We do not do it in industry; we do not do it in education; we do not do it in our own offices. Where in Heaven's name did this principle come from that only Congressmen should fix their own pay? This new system of 1967 says that it is wrong and unfair for legislators only to fix their own pay.

The SPEAKER. The time of the gentleman from Arizona has expired.

Mr. MATSUNAGA. Mr. Speaker, I yield 2 additional minutes to the gentleman from Arizona (Mr. UDALL).

Mr. UDALL. Mr. Speaker, in 1967 we suggested that we get some citizens and taxpayers involved in this process. We asked some outside people who are not Congressmen, who are not Federal judges, who are not members of the Cabinet, who do not direct the FBI, the Forest Service, or any other executive office; bring them into the act so that we have some citizen input and not put this load solely on the Members of Congress.

Suppose a person ran a company and had two or three divisions such as sales, promotion, and production. Would anyone say that each one of the major executives should fix his own pay and do it on national television just before the stockholders meeting. A more reasonable policy would say: "Let us have a committee of stockholders and senior officials come in and take a look at the company and see what it is paying its top men, compare opposite members in different divisions, see what they are paying in some comparable industries, and try to get a rational system. That is the principle involved.

My friends, I love the House of Representatives and this Congress. I have done as much as I could do in my years here to help elevate this Congress. I have tried to see to it that we keep salary levels such that we did not have just wealthy men or hacks serving here. I have tried to find some way of creating a system that will get and keep men and women of talent and skill who could make it a career. Somehow, someway, there ought to be a logical, national, continuing, periodic and noncontroversial way to adjust pay for the top people in Congress and in the other two branches. But I guess we haven't found it.

Do the Members know how many adjustments of congressional pay there have been in the last century? Six—six in the last century. There have been only nine since 1788, all during a period when we have had this philosophy of a lack of courage, manhood, do not delegate, do not let anybody else but legislators be involved in the fixing of pay.

If the Members want to go back to that system, fine, but I suggest to them as a better principle of political science that no man in public life should fix his own pay; that more representative groups have that responsibility. The report now on the President's desk was made by an outstanding commission of lawyers, labor leaders, and businessmen who know what executive talent is worth in this competition for brains. They have made a recommendation to the President. The very least we could do—the very least we should do is let the President submit that recommendation to us, and then decide what we want to do about it.

Mr. MONTGOMERY. Mr. Speaker, I urge my colleagues to vote against the rule. I am concerned that we are taking time to debate legislation which would provide us with a pay raise when there are so many pressing problems in the Nation which deserve and need our attention. I am baffled by the fact that just last week, we approved legislation which will set a spending ceiling for fiscal year 1974 and yet, if this bill is passed, it will add to Federal spending, not reduce it. I ask my colleagues where is the logic in all this. I am afraid it escapes me.

Must we be reminded that the American taxpayers are being hard put to make ends meet each month and yet we are considering a bill which could possibly raise our congressional salaries by 25 to 30 percent. And what is more, we are attempting to speed up the whole process so that the raise will be effective even sooner. Are we going to throw care to the winds and lose all sense of fiscal integrity? I certainly hope not.

Mr. Speaker, we keep hearing talk about the need for the Congress to reassert its authority. Well, I also believe the Congress needs to reassert its representation of the American taxpayers and reassert its responsibilities to vote in a manner which will be in the best interest of the taxpayers. We have been telling them that they are going to have to tighten their own belts, yet we are considering a bill which will cost the taxpayers more money.

Mr. Speaker, when I go home in August to visit with my constituents, I want to be able to tell them that the Congress struck a blow for fiscal integrity by voting down this bill. I want to be able to tell them that the Congress practices what it preaches by denying themselves a pay raise at this time. Therefore, I urge my colleagues to consider and consider carefully their vote this afternoon. I urge an overwhelming vote against this bill.

Mr. WRIGHT. Mr. Speaker, I have no idea what the Presidential commission will recommend, if anything, in the way of pay raises for top Federal executives, Members of Congress and the judiciary.

It seems predictable that some increase of some type probably will be recommended by that commission, since approximately 5 years will have elapsed since the last time pay levels were established for these categories, and since the administration is reporting such great difficulty in attracting the type of personnel it desires for the high-level executive posts covered under these categories.

At the present time, however, it seems desirable to speak a word of caution. Any large increase—any increase that might exceed the President's wage and price guidelines—would seem to be thoroughly inappropriate and particularly ill-timed.

While its direct effect in dollars no doubt would be negligible since a relatively small number of people would be affected, a large increase for those at the top levels of government—Congress included—could set the worst possible example in our efforts to inspire voluntary wage and price restraints in the control of inflation.

Of all people, those of us at the top levels of government—executive, legislative and judicial—have the greatest responsibility to set an example of restraint.

So long as we are asking others to forego large increases in the common battle against inflation, those of us in policymaking positions of government emphatically ought to do the same.

This bill, of course, does not provide for any increase. I shall vote for the rule to permit its orderly consideration. But I do consider it timely to speak this word of caution to members of the Commission. Any increase recommended for top levels of Federal officialdom should stay within the cost of living statistics and within the Presidential guidelines for annual increases allowed for the rest of the citizenry.

Mr. HORTON. Mr. Speaker, I rise in opposition to S. 1989, which would change existing procedures for approving pay increases for Members of Congress, Senators, judges and high-ranking executive branch officials.

Despite equities on the side of more regular adjustments in high level Federal salaries, there is a factor which none of us can ignore, which I feel outweighs all of the arguments in favor of this bill which will be put forth concerning fair compensation and good Government management. The fact is that this Nation is facing an unprecedented challenge to its economic viability in the world. The stability of the dollar, the deficit in our trade balance, and the fact that our own economy has been infected by the worldwide disease of inflation are crucial to the appropriateness of considering steps toward increasing the salaries of the highest paid Federal officials at this time. Despite the fact that there has been no increase in these salaries in 4 years, it is very difficult to justify a large increase at a time when the Government itself is encouraging stiff limitations on wage increases throughout the economy.

In this atmosphere, I see no way in which a bill which paces the way for rapid and substantial increases in high-level Federal salaries can be supported. As a Member of Congress who must bear substantial official expenses out of my personal salary, and who has no sources of outside income, a pay increase would be most welcome. But at a time when many people in this Nation who live on fixed or nearly fixed low incomes are having difficulty buying food and paying rent, and at a time when cutbacks are proposed for programs aimed at helping the poor and the elderly, I cannot justify a vote which could result in an increase at this time of several thousand dollars in the pay of those earning $36,000 a year or more.

Several arguments have been raised in support of this bill, which I believe, deserve notice and discussion. First is the fact that none of the officials covered in this legislation have received increases since 1969. In the past 4 years we have experienced more than a 24-percent increase in the cost of living index, and in the same period, other Government salaries have climbed approximately 37 percent. Adding to the argument of those favoring this legislation is the fact that the 1968 Salary Commission recommended a pay rate of $50,000 for Members of Congress and Senators, but President Johnson, while agreeing that such an amount was "justified," recommended $42,500 as being "preferable and more likely to receive the necessary support."

Another argument used in behalf of a pay raise for high-level Government officials is the bottleneck that has been created at the $36,000 level in GS 16, 17, and 18 positions, many of which, according to cost of living statistics would receive upward of $41,000 if it were not for the lid on Federal executive, legislative and judicial salaries.

It is true that if no adjustments are permitted in the salaries of those high-level executive officials, whose pay is now frozen, the Government may stand to lose some of its best people, particularly in fields where comparable private sector salaries have climbed rapidly since 1969.

The problem with the present system of setting executive, legislative and judicial salaries is that doing it every 4 years leaves almost no alternative to large jumps in these salary amounts. Rumors about the salary commission recommendations which will go to the President this year are that they include recommendations for about a $12,500 increase in the salaries of Congressmen and Senators. Under these circumstances, I believe that such increases should not be allowed to take effect during the same Congress which approves them. Nor do I feel that any increase of such magnitude should be approved without a mandatory rollcall vote in the Congress.

I do, however, feel there is a viable alternative to the present system which needlessly backlogs high-level salaries in the Executive, and which requires Congress to weigh massive increases for itself and other Federal officials every 4 years. I see no reason why these Federal salaries should be treated differently from salaries of all other Federal employees, which are currently under a system of automatic adjustments tied to increases in the cost of living. Few persons would or should object to giving 5.5 percent increases based on the increase in the cost of living to legislators, judges, and high-level executive officials.

Such a plan would mean that any increases in these salaries would be within the economic stabilization guidelines for wage increases in other sectors of the economy, and would avoid the 4-year bottleneck problem created by the present system. Today, a civil service employee who was earning $36,000 in 1969 is getting the same salary in dollars, but the real value of his income in terms of 1969 dollars is about $27,000. Thus, this system of reviewing salaries has meant a $9,000 cut in real income for these employees. Of course, the decrease in real income is even greater for those in higher salary brackets.

Since this bill would not adopt this sensible plan of annual cost-of-living increases, and would only change the timing and the ground rules for adopting lump sum increases for Federal officials, I must oppose the bill.

Under the present circumstances, I can see no justification for an increase which would make up for the past 4 years of inflation taking effect until the newly-elected 94th Congress convenes in January 1975.

Perhaps, before the end of this Congress, a more appropriate salary procedure such as the one I have suggested can be considered and adopted.

Mr. GOLDWATER. Mr. Speaker, during the debate on the war powers bill recently there was a great deal of time devoted to a restoration of Congress as a coequal branch of Government. At the time I pointed out that Congress indeed must regain its prerogatives as the legislative branch of Government. I also said that the best way to do this is to assert ourselves on the domestic front. In other words, in the area of economic and social programs let us stop legislating power away to the Executive.

Well, the distinguished gentleman from Arizona is going to make it easy for us. His amendment will do more than anything else to help us retrieve lost power. His amendment will do more than anything else to help us recapture our self-esteem. His amendment will do more than anything else to help us acquire the confidence and respect of the American people—confidence and respect that has been sadly lacking recently.

Mr. Speaker, in the past few years we have witnessed an unbelievable increase in what I refer to as the "Dear Colleague syndrome." I am not criticizing this practice. I have mailed a few "Dear Colleagues" also. But, if any one theme has characterized the "Dear Colleague" recently, it is the universal belief that Congress needs to get back in the ball game as a coequal with the executive and judiciary.

But, I surmise that as long as we give the President and some nonelected commission the right to set salaries for us, then we are going to be riding the bench for a long time. Even more tragically, the American people will continue to look upon us as a paper tiger, incapable of even standing up and voting on our salaries.

As the author of this amendment has pointed out, there is really no ironclad method of assuring ourselves of a vote of disapproval on the President's pay recommendations. We need such a method, and for the life of me, I fail to understand why anyone who subscribes to the constitutional doctrine of separation of powers would not be willing to stand up and vote his convictions on spending the taxpayers' dollars.

There is no excuse whatsoever for the double-standard inherent in the bill before us. This is the House of Representatives. We do not need the executive branch of Government to tell us what our salaries will be. We certainly do not need to take this back door approach to the salary question. If Members of the House feel that they need more money, then lets have the courtesy and good decency to let the people know how we voted on a salary increase.

I have heard the argument that this really is not a pay raise bill. This frankly does not wash. In truth its worse than a pay raise bill. I, for one, wish that we could have a vote here today on a pay raise, because I think that the vote would be overwhelmingly against a raise. No, what we have here today is a very devious little scheme to pave the way for a salary increase in a nonelection year as well as making certain that Congress is not blamed for its salary going up.

Stop and think about it. Where does the Congress have its greatest clout? It is the appropriations process. The Executive is dependent on us for money to run the Government. We control the purse string. Now, what in the world do people think when we turn right around and say that the Executive has the right to set our salaries? Taken to its logical conclusion, if we cannot stand on our own two feet and determine an item like pay increases, then we might as well pack our bags and announce to the American people that the Federal bureaucracy will handle appropriations for all phases of government.

This is a moment of truth. We either announce to our constituents that we are not afraid to assume our legislative responsibilities, or we tell them in effect that business is going on as usual.

Miss JORDAN. Mr. Speaker, we are discussing the rule providing for the consideration of S. 1989, which would amend the Federal Salary Act of 1967 with respect to executive, legislative and judicial salaries. The amendments to this act would alter the process in which salary increases are approved for judges, Congressmen and the like. I join many of my colleagues in opposing these pay increases. However, some opponents of pay increases for Senators and Congressmen seek to defeat the rule on this bill, preventing it from being discussed at all. I intend to vote in favor of the rule, since I feel that this issue should be dealt with directly, and not disposed of by a vote on a procedural question.

Mr. PRITCHARD. Mr. Speaker, last Thursday, in a marvelous display of legislative slight of hand, the Senate killed an attempt to block this automatic pay raise for Members of Congress—which could be as high as $12,500.

Senator JAMES B. ALLEN, sponsor of the "no-raise amendment" started out the day with what appeared to be a solid majority of well over half the Senate. After 4 hours of debate, his amendment had been whipsawed and watered down to a nonbinding "sense of the Congress" declaration that such raises should not exceed the 5.5-percent wage guidelines generally available to workers under phase IV wage controls. It is now up to the House of Representatives to block the 30-percent pay raise.

At a time when all other Americans are being asked to sacrifice to bring inflation under control, it is inappropriate and irresponsible for Congress to get a very sizable pay increase. Congress should be tightening its belt as an example to the American people.

The proposed hike is 30 percent more than our current paychecks and follows a 41-percent increase just 4 years ago. It is going to cause very justified indignation on the part of the public when the Government is asking our workers to settle for only 5.5-percent wage increases.

Also at issue is the manner in which pay raises are implemented. It is clear that the present system under which pay raises are granted was concocted to fool the public. Under rules of Congress, salary increases take effect without approval or disapproval of the Members. Thus, no Congressman can be accused of seeking a boost. Without any vote being recorded, a Congressman might even claim to constituents that, alas, he really did not want the raise.

However, the House and Senate do have the power to veto a congressional pay raise. I shall support efforts to that end today. In addition, I hope attempts to change the pay raise system will be successful. On the first day of the 93d Congress, I cosponsored H.R. 970 which would require both Houses of Congress to vote up or down on each pay raise that is recommended by the Commission of Executive, Legislative, and Judicial Salaries.

It is ironic that the current pay scheme was devised by some of the very legislators who are the most vocal advocates of a more open system in which all Members of Congress stand up to be counted.

Mr. NICHOLS. Mr. Speaker, the Congress once again comes to the matter of salary increases for Members of this body, the executive branch, Cabinet officers, Federal judges and members of the U.S. Supreme Court.

I want to make it abundantly clear to all of my colleagues that I am totally opposed to salary increases at this particular time. One of the primary responsibilities, as I view it, of the 93d Congress is to lead the fight against a spiraling rate of inflation that seems to grow with each passing month. The President and many Members of this Congress have been insistent in their demands with both business and labor that increases in wages and salaries be kept at around 5.5 percent although there will be some flexibility under phase IV. It would seem to me inconceivable and hypocritical on our part if we say to these segments, "Now we want you to hold down wage and salary increases but such requests do not apply to high ranking elected and appointed officials." Why, the very idea!

Mr. Speaker, we should be setting the example for the rest of the country to follow and it ill behooves this body at this time to support such increases as I hear have been recommended.

For many months now, we have been urging our constituents to tighten their belts to aid in the fight against inflation. We have read letters from them, complaining about the sharp increase in the cost of living. We have told them, after sympathizing with them, that the rate of inflation will slow down. But the rate of inflation will only slow down when the increase in salaries and wages are held to a minimum.

Mr. Speaker, I refuse to agree to a pay raise that would allow me to eat steak while my constituents are having trouble obtaining enough money to afford hamburger.

Mr. BINGHAM. Mr. Speaker, having listened to the debate on this resolution, I am constrained to vote for it.

I do so, first of all, because I believe the bill, S. 1989, passed by the Senate, amended if necessary, and then voted should be fully debated by the House, up or down on its merits. To vote "no" on the resolution before us—which is the normal "open rule," providing for 1 hour of general debate and allowing for the bill to be amended in the usual way—is to vote to choke off further discussion and not even to permit the bill to be voted on in amended form.

In addition, I may say, I believe the bill itself to be sound in its major aspects. I agree with the bill that the salaries of Members of Congress, Federal judges, and high-ranking Federal civil servants should be adjusted to reflect changed conditions, including the cost of living, every 2 years rather than every 4. It also makes sense that the President's recommendations on legislative, judicial and executive branch pay scales be submitted in August of nonelection years, rather than be subjected to the pressures of election years.

As the gentleman from Arizona (Mr. UDALL) has forcefully pointed out, it is not right that Members of Congress be required to set their own salaries. These salaries, along with salaries of judges and high executive branch officials, should be set, to the extent practicable, by a disinterested board. That, in effect is the system we have now, based on the Federal Salary Act of 1967.

It is perhaps worth repeating here, first, that the bill before us today is not a pay bill and will not increase congressional or any other salaries, or approve or disapprove such an increase; and, second, that we do not yet know what increases, if any, the President will recommend in congressional, judicial, and executive branch salaries.

Let me add only this: that I will oppose any salary increases in these categories which are out of line with wage controls or guidelines which are effective for other groups.

Mr. REID. Mr. Speaker, I regret that I missed the vote on the salary bill which occurred earlier today. I was en route from New York to Washington specifically to vote against this bill, which grants salary increases for Members of

Congress, among others, and which in my view runs counter to the wage and price guidelines that should, I believe, be enforced on a regular and equal basis. Unfortunately, the House voted earlier than I had expected, and although I requested in advance to be paired against the rule authorizing consideration of the bill, such a pair could not be arranged.

Mr. SIKES. Mr. Speaker, the proposal to enact congressional pay raise legislation with a minimum of fanfare is unwise and ill chosen.

At a time when the Nation has been asked to curtail pay hikes in keeping with phase IV guidelines, Congress should not provide an example by a boost in salaries far in excess of the recommendations being made for workers across the Nation.

Others are being asked to tighten their belts on pay boosts even as other prices soar far out of sight.

Members of Congress are not unique in their desire to make financial ends meet, in Government and at home.

But it is not in keeping with the dignity and prestige of Congress to slip a pay raise through in the manner projected. This action will not be so well hidden it will not be discovered or forgotten by election day.

Personally, I believe we should decline pay hikes as an example of fiscal constraint to the rest of the country. We are asking others to bite the bullet. Let us provide an example for them.

The system proposed is a disservice to the Congress and the Nation. It should be defeated. If and when pay raises become necessary for Members of Congress, it should be through frank acceptance of our own responsibility to vote yes or no. Pay raises should not be hidden behind an anonymous Commission as though it were done without the sanction of Congress.

Mr. DICKINSON. Mr. Speaker, I rise in opposition to S. 1989 for two reasons. First, I feel the timing on this type of legislation is terrible. We are in the midst of a freeze on beef, prices on other products as well as wages paid to the labor force are not allowed to be increased beyond a narrow limit, and in spite of these controls the cost of living continues to escalate. It would certainly be a slap in the face of the American public if we were to open the door for a substantial pay raise for ourselves under these circumstances.

It would be a more stinging slap because we would be opening the back door trying to allow the raise to slip in unnoticed. We would not be held publicly accountable for our position on this issue, and it is for this reason also that I object to this bill. I strongly believe the House ought to go on record being for or against a pay raise rather than passing a bill which would allow us to get the raise without an up or down vote.

More than any other issue before this country, the state of the economy plagues the minds of all Americans—most especially those who foot the bills. We would be derelict in our duty as representatives of the people if we added to the plight of the economy by passing this legislation. Although I will support passage of the resolution on the rule in anticipation of proposed amendments to the bill to make current procedures for pay raises more responsible, I oppose the legislation as it is written.

Mr. DON H. CLAUSEN. Mr. Speaker, it is not my intent to get involved in a prolonged debate here today on the pros or cons of the rule now before us to amend the Federal Salary Act of 1967. However, since so many people in this country have interpreted our action here today as dealing with the merits and demerits of a pay increase and since this may be the only opportunity we have to be recorded on this question, I wish to take just a minute to briefly register my concern.

I believe this entire question of a proposed pay raise for Members of Congress, Court Justices, and other Federal agency and department heads is a slap in the face of the average American taxpayer who is being asked daily to hold the line in the fight against inflation. In addition, the controversy surrounding such a raise at this time, in my judgment, has only added to the "inflation psychology" that must be dispelled.

By this or any subsequent vote on this question I would hope that our action here today will suggest to the American people that a majority in this body are genuinely sincere about checking inflation at this critical time in our Nation's economic history.

Mr. RHODES. Mr. Speaker, I intend to vote against this rule; I intend to vote against it for one reason. That is that this bill comes to the floor without any mechanism or any way of making sure the House will work its will by a record vote on a pay increase.

I can justify a pay increase. You can take the statistics and make a personal case for it, and I think all of us can do it if we want to vote for it.

But, Mr. Speaker, the one thing I have never been able to answer about the last pay increase which we had is the fact that I did not vote on it.

I think the institution of the House of Representatives, which has been buffeted enough in the last several months and years, will be buffeted even further if we do not stand up to be counted on this very important issue.

Here we have an inflationary situation in our country and we are doing our very best to hold it down. We are asking labor to forego pay increases which are inflationary; we are asking business to forego making profits which are inflationary; and then we try to get ourselves a pay increase without standing up to be counted. To me this is not the way the House of Representatives of which I am proud to be a Member should act.

If this rule is voted down, I hope that the great Committee on Post Office and Civil Service will take this as a mandate to bring this legislation back to the floor with machinery which will guarantee that the Members of the House must stand up and be counted on this very important issue.

Mr. MATSUNAGA. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER. The question is on the resolution.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. MARTIN of Nebraska. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 156, nays 237, not voting 40, as follows:

[Roll No. 400]

YEAS—156

Abzug
Adams
Addabbo
Annunzio
Aspin
Barrett
Bergland
Bingham
Blatnik
Boggs
Boland
Bolling
Brademas
Brasco
Breaux
Breckinridge
Brooks
Brown, Calif.
Brown, Mich.
Brown, Ohio
Broyhill, Va.
Burke, Mass.
Burton
Carey, N.Y.
Carney, Ohio
Cederberg
Chamberlain
Chisholm
Clark
Clay
Collins, Ill.
Corman
Cotter
Daniels, Dominick V.
Danielson
Dent
Derwinski
Dickinson
Dingell
Donohue
Drinan
Dulski
du Pont
Eckhardt
Edwards, Ala.
Edwards, Calif.
Eilberg
Erlenborn
Fish
Ford, Gerald R.
Ford, William D.
Fraser
Frelinghuysen
Frenzel
Fulton
Fuqua
Gibbons
Gonzalez
Gray
Green, Pa.
Griffiths
Gubser
Hanley
Hansen, Idaho
Hansen, Wash.
Harrington
Hawkins
Hays
Hébert
Helstoski
Hicks
Hogan
Holifield
Holtzman
Hosmer
Howard
Hungate
Johnson, Calif.
Jordan
Karth
Kastenmeier
Kluczynski
Koch
Kuykendall
Leggett
Lent
Long, La.
Long, Md.
McCormack
McFall
McKay
McKinney
Macdonald
Matsunaga
Mazzoli
Meeds
Metcalfe
Mezvinsky
Minish
Mink
Mitchell, Md.
Moakley
Mollohan
Moorhead, Pa.
Moss
Murphy, Ill.
Murphy, N.Y.
Nedzi
Nix
Obey
O'Neill
Passman
Patman
Patten
Pike
Powell, Ohio
Price, Ill.
Rangel
Rarick
Rees
Roberts
Rodino
Roncallo, N.Y.
Rooney, Pa.
Rosenthal
Rostenkowski
Roybal
Ruppe
Ryan
St Germain
Sarbanes
Sisk
Smith, N.Y.
Staggers
Stark
Steed
Stokes
Stratton
Sullivan
Teague, Tex.
Thompson, N.J.
Tiernan
Udall
Ullman
Waggonner
Wampler
Whalen
Widnall
Williams
Wilson, Charles H., Calif.
Wolff
Wright
Yates
Young, Alaska
Young, Tex.
Zablocki

NAYS—237

Abdnor
Alexander
Anderson, Calif.
Andrews, N.C.
Andrews, N. Dak.
Archer
Arends
Armstrong
Ashbrook
Bafalis
Baker
Beard
Bennett
Bevill
Biaggi
Biester
Blackburn
Bowen
Bray
Brinkley
Broomfield
Brotzman
Buchanan
Burgener
Burke, Calif.
Burke, Fla.
Burleson, Tex.
Burlison, Mo.
Butler
Byron
Carter
Casey, Tex.
Chappell
Clancy
Clausen, Don H.
Clawson, Del
Cleveland
Cochran
Cohen
Collier
Collins, Tex.
Conable
Conlan
Conte
Crane
Cronin
Daniel, Dan
Daniel, Robert W., Jr.
Davis, Ga.
Davis, S.C.
Davis, Wis.
de la Garza
Dellenback

Dellums
Denholm
Dennis
Devine
Dorn
Downing
Duncan
Esch
Evans, Colo.
Evins, Tenn.
Findley
Flood
Flowers
Flynt
Foley
Forsythe
Fountain
Frey
Froehlich
Gaydos
Gettys
Gilman
Ginn
Goldwater
Goodling
Grasso
Green, Oreg.
Gross
Grover
Gude
Guyer
Haley
Hamilton
Hammerschmidt
Hanrahan
Harsha
Harvey
Hastings
Hechler, W. Va.
Heckler, Mass.
Heinz
Henderson
Hillis
Hinshaw
Holt
Horton
Huber
Hudnut
Hunt
Hutchinson
Ichord
Jarman
Johnson, Colo.
Jones, Ala.
Jones, Okla.
Jones, Tenn.
Kazen
Keating
Kemp
King
Kyros
Latta
Lehman
Litton
Lott
Lujan
McClory
McCloskey
McCollister
McDade
McEwen
McSpadden
Madden
Madigan
Mahon
Mailliard
Mallary
Mann
Maraziti
Martin, Nebr.
Martin, N.C.
Mathis, Ga.
Mayne
Melcher
Michel
Miller
Minshall, Ohio
Mitchell, N.Y.
Mizell
Montgomery
Moorhead, Calif.
Morgan
Mosher
Myers
Natcher
Nelsen
Nichols
O'Brien
O'Hara
Owens
Parris
Perkins
Pettis
Pickle
Poage
Preyer
Price, Tex.
Pritchard
Quie
Quillen
Railsback
Randall
Regula
Reuss
Rhodes
Riegle
Rinaldo
Robinson, Va.
Robison, N.Y.
Rogers
Roncalio, Wyo.
Rose
Roush
Rousselot
Roy
Runnels
Ruth
Sarasin
Satterfield
Saylor
Scherle
Schneebeli
Schroeder
Sebelius
Seiberling
Shoup
Shriver
Shuster
Sikes
Skubitz
Snyder
Spence
Stanton, J. William
Stanton, James V.
Steele
Steelman
Steiger, Ariz.
Steiger, Wis.
Stephens
Stubblefield
Stuckey
Studds
Symington
Symms
Talcott
Taylor, Mo.
Taylor, N.C.
Teague, Calif.
Thomson, Wis.
Thone
Thornton
Towell, Nev.
Treen
Van Deerlin
Vander Jagt
Vanik
Veysey
Vigorito
Waldie
Walsh
Ware
White
Whitehurst
Whitten
Wilson, Bob
Wyatt
Wylie
Wyman
Yatron
Young, Fla.
Young, Ill.
Young, S.C.
Zion
Zwach

NOT VOTING—40

Anderson, Ill.
Ashley
Badillo
Bell
Broyhill, N.C.
Camp
Conyers
Coughlin
Culver
Delaney
Diggs
Eshleman
Fascell
Fisher
Giaimo
Gunter
Hanna
Johnson, Pa.
Jones, N.C.
Ketchum
Landgrebe
Landrum
Mathias, Calif.
Milford
Mills, Ark.
Pepper
Peyser
Podell
Reid
Roe
Rooney, N.Y.
Sandman
Shipley
Slack
Smith, Iowa
Wiggins
Wilson, Charles, Tex.
Winn
Wydler
Young, Ga.

So the resolution was rejected.

The clerk announced the following pairs:

Mr. Rooney of New York with Mr. Broyhill of North Carolina.

Mr. Gunter with Mr. Camp.

Mr. Roe with Mr. Sandman.

Mr. Reid with Mr. Eshleman.

Mr. Giaimo with Mr. Peyser.

Mr. Delaney with Mr. Coughlin.

Mr. Fascell with Mr. Wiggins.

Mr. Pepper with Mr. Bell.

Mr. Podell with Mr. Johnson of Pennsylvania.

Mr. Shipley with Mr. Mathias of California.

Mr. Slack with Mr. Anderson of Illinois.

Mr. Hanna with Mr. Winn.

Mr. Badillo with Mr. Conyers.

Mr. Ashley with Mr. Landgrebe.

Mr. Landrum with Mr. Wydler.

Mr. Culver with Mr. Diggs.

Mr. Smith of Iowa with Mr. Young of Georgia.

Mr. Fisher with Mr. Jones of North Carolina.

Mr. Charles Wilson of Texas with Mr. Milford.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PROVIDING FOR A CONDITIONAL ADJOURNMENT OF THE TWO HOUSES FROM AUGUST 3 UNTIL SEPTEMBER 5, 1973

Mr. O'NEILL. Mr. Speaker, I call up the Senate concurrent resolution (S. Con. Res. 42) providing for a conditional adjournment of the two Houses from August 3 until September 5, 1973, and ask for its immediate consideration.

The clerk read the Senate concurrent resolution as follows:

S. Con. Res. 42

Resolved by the Senate (the House of Representatives concurring), That when the two Houses adjourn on Friday, August 3, 1973, they shall stand adjourned until 12:00 noon on Wednesday, September 5, 1973, or until 12:00 noon on the second day after their respective Members are notified to reassemble in accordance with section 2 of this resolution, whichever event first occurs.

Sec. 2. The President pro tempore of the Senate and the Speaker of the House of Representatives shall notify the Members of the Senate and the House, respectively, to reassemble whenever in their opinion legislative expediency shall warrant it or whenever the majority leader of the Senate and the majority leader of the House, acting jointly, or the minority leader of the Senate and the minority leader of the House, acting jointly, file a written request with the Secretary of the Senate and the Clerk of the House that the Congress reassemble for the consideration of legislation.

The SPEAKER. The question is on concurring in the Senate concurrent resolution. Under the rules of the House, this vote must be taken by the yeas and nays.

The vote was taken by electronic device, and there were—yeas 370, nays 22, not voting 41, as follows:

[Roll No. 401]

YEAS—370

Abdnor
Abzug
Adams
Addabbo
Alexander
Anderson, Calif.
Andrews, N. Dak.
Annunzio
Archer
Arends
Armstrong
Ashbrook
Ashley
Aspin
Baker
Barrett
Beard
Bennett
Bergland
Bevill
Biaggi
Biester
Bingham
Blackburn
Blatnik
Boggs
Boland
Bolling
Bowen
Brademas
Brasco
Bray
Breaux
Breckinridge
Brinkley
Brooks
Broomfield
Brotzman
Brown, Calif.
Brown, Ohio
Broyhill, Va.
Buchanan
Burgener
Burke, Calif.
Burke, Fla.
Burke, Mass.
Burleson, Tex.
Burlison, Mo.
Butler
Byron
Carney, Ohio
Carter
Casey, Tex.
Cederberg
Chamberlain
Chappell
Chisholm
Clancy
Clark
Clausen, Don H.
Clawson, Del
Clay
Cleveland
Cochran
Cohen
Collins, Ill.
Collins, Tex.
Conable
Conte
Corman
Cotter
Coughlin
Crane
Cronin
Daniel, Dan
Daniel, Robert W., Jr.
Daniels, Dominick V.
Danielson
Davis, Ga.
Davis, S.C.
Davis, Wis.
de la Garza
Dellenback
Dellums
Denholm
Dennis
Dent
Derwinski
Devine
Dickinson
Dingell
Donohue
Dorn
Downing
Drinan
du Pont
Eckhardt
Edwards, Ala.
Edwards, Calif.
Eilberg
Erlenborn
Esch
Evans, Colo.
Evins, Tenn.
Findley
Fish
Flood
Flowers
Flynt
Foley
Ford, Gerald R.
Ford, William D.
Forsythe
Fountain
Fraser
Frelinghuysen
Frenzel
Frey
Fulton
Fuqua
Gaydos
Gettys
Gibbons
Gilman
Ginn
Goldwater
Gonzalez
Goodling
Grasso
Gray
Green, Oreg.
Green, Pa.
Griffiths
Grover
Gubser
Gude
Guyer
Haley
Hamilton
Hammerschmidt
Hanley
Hanrahan
Hansen, Idaho
Hansen, Wash.
Harrington
Harvey
Hastings
Hawkins
Hays
Hébert
Hechler, W. Va.
Heinz
Henderson
Hicks
Hillis
Hinshaw
Hogan
Holifield
Holt
Holtzman
Horton
Hosmer
Howard
Hudnut
Hungate
Hunt
Hutchinson
Ichord
Jarman
Johnson, Calif.
Johnson, Colo.
Jones, Ala.
Jones, Okla.
Jones, Tenn.
Jordan
Karth
Kazen
Keating
Kemp
King
Kluczynski
Koch
Kuykendall
Kyros
Latta
Leggett
Lehman
Lent
Litton
Long, La.
Long, Md.
Lott
Lujan
McClory
McCloskey
McCollister
McCormack
McDade
McEwen
McFall
McKay
McSpadden
Macdonald
Madden
Madigan
Mahon
Mailliard
Mallary
Mann
Maraziti
Martin, Nebr.
Mathis, Ga.
Matsunaga
Mayne
Mazzoli
Meeds
Melcher
Metcalfe
Mezvinsky
Michel
Minish
Mink
Minshall, Ohio
Mitchell, Md.
Mitchell, N.Y.
Moakley
Mollohan
Montgomery
Moorhead, Calif.
Moorhead, Pa.
Morgan
Mosher
Moss
Murphy, Ill.
Murphy, N.Y.
Myers
Natcher
Nedzi
Nelsen
Nichols
Nix
Obey
O'Brien
O'Hara
O'Neill
Owens
Parris
Passman
Perkins
Pettis
Pickle
Pike
Poage
Powell, Ohio
Preyer
Price, Ill.
Price, Tex.
Pritchard
Quie
Quillen
Railsback
Randall
Rangel
Rarick
Rees
Regula
Reuss
Rhodes
Riegle
Rinaldo
Roberts
Robinson, Va.
Robison, N.Y.
Rodino
Rogers
Roncalio, Wyo.
Roncallo, N.Y.
Rooney, Pa.
Rose
Rostenkowski
Roush
Rousselot
Roy
Roybal
Runnels
Ruppe
Ruth
Ryan
St Germain
Sarasin
Sarbanes
Satterfield
Saylor
Scherle
Schneebeli
Schroeder
Sebelius
Seiberling
Shoup
Shriver
Shuster
Sikes
Sisk
Skubitz
Smith, N.Y.
Snyder
Spence
Staggers
Stanton, J. William
Stanton, James V.
Stark
Steed
Steele
Steelman
Steiger, Ariz.
Steiger, Wis.
Stephens
Stokes
Stratton
Stubblefield
Stuckey
Studds
Sullivan
Symington
Symms
Talcott
Taylor, Mo.
Taylor, N.C.
Teague, Tex.
Thompson, N.J.
Thomson, Wis.
Thornton
Tiernan
Towell, Nev.
Treen
Udall
Ullman
Van Deerlin
Vander Jagt
Vanik
Veysey
Vigorito
Waggonner
Waldie
Walsh
Wampler
Ware
Whalen
White
Whitehurst
Whitten
Widnall
Williams
Wilson, Bob
Wilson, Charles H., Calif.
Wilson, Charles, Tex.
Wolff
Wright
Wyatt
Wylie
Wyman
Yates
Yatron
Young, Alaska
Young, Ill.
Young, S.C.
Young, Tex.
Zablocki
Zion
Zwach

NAYS—22

Andrews, N.C.
Bafalis
Brown, Mich.
Burton
Collier
Conlan
Dulski
Duncan
Froehlich
Gross
Heckler, Mass.
Helstoski
Huber
Kastenmeier
Martin, N.C.
Miller
Mizell
Patten
Rosenthal
Teague, Calif.
Thone
Young, Fla.

NOT VOTING—41

Anderson, Ill.
Badillo
Bell
Broyhill, N.C.
Camp
Carey, N.Y.
Conyers
Culver
Delaney
Diggs
Eshleman
Fascell
Fisher
Giaimo
Gunter
Hanna
Harsha
Johnson, Pa.
Jones, N.C.
Ketchum
Landgrebe
Landrum
McKinney
Mathias, Calif.
Milford
Mills, Ark.
Patman
Pepper
Peyser
Podell
Reid
Roe
Rooney, N.Y.
Sandman
Shipley
Slack
Smith, Iowa
Wiggins
Winn
Wydler
Young, Ga.

So the concurrent resolution was concurred in.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

AMENDING EURATOM COOPERATION ACT OF 1958

Mr. PRICE of Illinois. Mr. Speaker, I ask unanimous consent for the immediate consideration of the Senate bill (S. 1993), to amend the Euratom Cooperation Act of 1958, as amended.

The Clerk read the title of the Senate bill.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

Mr. HOSMER. Mr. Speaker, reserving the right to object, I rise for the purpose of requesting the gentleman from Illinois, the chairman of the Joint Committee on Atomic Energy, to explain the nature of the bill with respect to which he is making the unanimous consent request.

Mr. PRICE of Illinois. Mr. Speaker, S. 1993 would amend section 5 of the Euratom Cooperation Act of 1958 to increase the total amount of uranium enriched in the isotope U^{235} which the Atomic Energy Commission would be authorized to transfer to the European Atomic Energy Community. The Joint Committee on Atomic Energy's Subcommittee on Agreements for Cooperation held a hearing on this bill on June 22, 1973. The bill was carefully considered by the Joint Committee on Atomic Energy and reported favorably without dissent.

Section 5 of the Euratom Cooperation Act of 1958, as amended, presently authorizes the U.S. Atomic Energy Commission to transfer 215,000 kilograms of uranium enriched in the isotope U^{235} to the European Atomic Energy Community under the agreement for cooperation between the United States and Euratom.

The initial authorization for the transfer by the Commission of enriched uranium to the community occurred in 1958. That authorization was in conjunction with the United States-Euratom joint program agreement, and was 30,000 kilograms of contained uranium-235. The ceiling was increased to 70,000 kilograms in 1964, and was increased to its present level of 215,000 kilograms in 1967.

The new total of 583,000 kilograms is derived as follows: First, the present ceiling of 215,000 kilograms is principally for the initial fueling of commercial power reactors within the community having a total installed capacity of approximately 20,000 electrical megawatts. Second, the proposed increase of approximately 368,000 kilograms is intended to enable the AEC to provide the European Community with uranium enriched in the isotope uranium-235 for use in the following three areas:

Approximately 140,000 kilograms of enriched material will be used to complete the fueling for the original 20,000 megawatts of electrical generating capacity over the remaining lifetime of these reactors.

Approximately 203,000 kilograms of enriched material will be used to fuel new reactors, having a total installed capacity of 15,000 electrical megawatts over the entire life of the reactors.

Twenty-five thousand kilograms of enriched material can be used for nonpower purposes, such as the fueling of research and test reactors and other research and development in the peaceful uses of atomic energy.

These, then, are the quantities and the uses of the enriched uranium that could be furnished pursuant to this bill.

The proposed increase in the ceiling would not, by itself represent a firm commitment to supply the additional enriched uranium. The increase in the ceiling provided by this amendment would only enable the Community to purchase additional amounts of uranium enriching services under contracts with the AEC, together with small amounts of uranium-235 for other purposes. A definitive commitment to supply the enriched uranium would not arise until the execution of these contracts.

By law, the AEC cannot enter into contracts of furnishing uranium enriching services to customers in excess of its available capability. The AEC has testified that they will have the capacity to be able to furnish the enriched uranium. The distribution of enriched uranium authorized by this legislation would primarily be under toll enrichment contracts between representatives of the Community and the AEC. Under this type of contract, uranium concentrate is furnished to the Commission by the customer to be enriched in the isotope uranium-235. The Commission is performing an enriching service for the customer and the performance of that service has no effect on the supply of our own resources of natural uranium. The total increase of 368,000 kilograms of enriched material constitutes approximately 5 percent of our estimated production of enriched uranium between now and the time when the Euratom agreement expires in 1995.

If the full amount of enriched uranium authorized by this bill were purchased by the Community, the additional revenue to the Government from these transactions is estimated to be in excess of $2 billion. There may also be additional revenue to the U.S. industry from these transactions as a result of sales of uranium concentrates, conversion, fabrication and reprocessing services, and of reactor equipment.

All enriched material which would be transferred to the Community under contracts authorized by this amendment would continue to be subject to the applicable agreements for cooperation with Euratom. Among other things, these agreements include provisions for the safeguards against the diversion of special nuclear material to military applications.

This bill also incorporates a new method of expressing the ceiling. This method is intended to recognize the primary purpose for which the enriched material will be used. Again, of the total ceiling of 583,000 kilograms, all but 25,000 kilograms of enriched uranium will be used to fuel commercial power reactors within the Community having a total capacity of 35,000 electrical megawatts.

These are the highlights of the bill, Mr. Speaker. The Joint Committee believes that this increase in the authorization to transfer enriched material to Euratom represents a logical continuation of this Government's previous policy of supplying enriched uranium to the Community. Mr. Speaker, this is a sound and carefully considered bill and I urge its favorable consideration.

Mr. HOSMER. Mr. Speaker, I thank the gentleman for his statement.

Mr. Speaker, this is a housekeeping type of activity. For over a quarter of a century, the Government has been in the business of enriching uranium and for much of that time selling this service to domestic and overseas buyers. Enriched uranium is the fuel that is used in nuclear power reactors.

We have had, for historical purposes, a limit on the amount of this service which could be sold to overseas buyers. On previous occasions we have raised the limit as it seemed prudent to do so. This time, we have again carefully examined the situation and determined, with the unanimous vote of the Members on both sides of the aisle of the Joint Committee on Atomic Energy, that it is in the best interest of the country that we make in the limitation.

To reiterate, S. 1993 will authorize an increase in the ceiling on the amount of uranium enrichment services that the U.S. Atomic Energy Commission can furnish to the members of Euratom whose members are: France, West Germany, Italy, Belgium, the Netherlands, Luxembourg, the United Kingdom, Ireland, and Denmark.

The United States has long believed that peaceful trade promotes stability and good relations between ourselves and our friends abroad, and trade in a product as important as enriched uranium can be particularly helpful in the development and maintenance of strong and mutually beneficient economic ties.

There are a number of important economic benefits attendant upon foreign sales of uranium enrichment services. For example, while our prices for uranium enrichment services do not include a profit from a private financing viewpoint, our charges do provide for full recovery of all production costs, including amortization, interest on Government investment, and a provision for contingencies. Thus, the sale of these services abroad provide a net cash benefit to the U.S. Treasury. Further, this activity contributes toward the amortization of facilities which were initially built for defense purposes.

There is another important aspect of this picture I want to touch on as well. To date, the value of the enrichment services sold to Euratom is approximately $1.1 billion. The estimated value of the increase provided for in the proposed bill is about $2.2 billion, thus making an overall total of approximately $3.1 billion. This is a sizable sum by anyone's standards, but more significantly it constitutes an important source of foreign exchange revenues.

Our present balance of payments posture is far from rosy. The future is even worse—if one looks ahead to the projected import of massive quantities of Middle Eastern oil. In my opinion, if we are to redress the serious U.S. balance-of-payments deficits, the United States must look to the export of products based on advanced technology and heavy capital investment where U.S. superiority cannot be easily offset by labor cost differentials and other factors normally favoring foreign producers. Uranium enrichment is an export which meets this criterion to a high degree.

In this regard, I want to note that on July 31 and August 1, the Joint Committee on Atomic Energy will initiate phase I of comprehensive hearings on the future structure of the Nation's uranium enrichment industry. The committee plans to cover the full spectrum of our uranium enrichment operations, and, in particular, the committee intends to seek data which will enable it to gage the proper priority and weight to be assigned to maximizing U.S. foreign exchange receipts from the sale of separative work services to foreign customers. This facet of the enterprise has not heretofore been taken into account in planning the future organization of enrichment operations, and in my opinion, it may be the determining factor in deciding whether our national interest will best be served by a governmental or a nongovernmental structure.

Regardless of the ultimate nature of the enrichment organization, whether it be public, private, or some combination thereof, the point we must keep in mind is that supplying uranium enrichment services abroad is a unique opportunity for this Nation to capitalize on its technological developments and to contribute favorably to our balance-of-payments posture.

As my distinguished colleague (Mr. PRICE) has told you, this proposed legislation is clearly in the economic interest of the United States and should be acted upon favorably by this body.

APPLICABLE SAFEGUARDS

As required by the Atomic Energy Act of 1954, as amended, special nuclear material may be provided to the European Community only pursuant to an agreement for cooperation which is made in accordance with sections 123 and 124 of the act. The agreement under which the special nuclear material covered by S. 1993 would be provided is the additional agreement of June 11, 1960, as amended, between the United States of America and the European Atomic Energy Community—Euratom.

Under the additional agreement, the Community guarantees that no material, including equipment and devices transferred pursuant to the agreement to the Community or persons within the Community, will be used for atomic weapons, or for research on or development of atomic weapons, or for any other military purpose. (Art. XI of the joint program agreement of 1958, as incorporated by reference in the additional agreement of 1960). The Community further guarantees that it will establish and maintain a mutually satisfactory system of safeguards and control as provided in article XII of the agreement, to be applied to materials, equipment, and devices subject to the guarantee of peaceful uses.

Consistent with the requirements of the Treaty of Rome, which established Euratom, and based upon an undertaking contained in the additional agreement with the United States—article XI of the joint program agreement, incorporated by reference—a safeguards system was established by Euratom designed to give maximum assurance that any material, equipment, and devices made available pursuant to the additional agreement, and any source or special nuclear material utilized in, recovered from, or produced as a result of the use of such material, equipment, and devices, shall be utilized solely for peaceful purposes. Specific principles governing the establishment and operation of the safeguards system are set forth in annex B to the joint program agreement, as incorporated by reference in the additional agreement.

In summary, these principles require Euratom to:

First. Examine the design of equipment, devices, and facilities and approve it for the purpose of assuring that it will not further any military purpose and will permit the effective application of safeguards if such equipment, devices and facilities use, process or fabricate U.S.-origin special nuclear material—among other specified materials—or use any U.S.-origin special nuclear material produced as the result of the use of such U.S.-origin material.

Second. Require the maintenance and production of operating records to assure accountability for specified materials, including special nuclear material and material produced therefrom.

Third. Require that progress reports be provided to Euratom with respect to projects using material, equipment, devices, and facilties subject to the safeguards system.

Fourth. Establish and require the deposit and storage, under continuous safeguards, in Euratom facilities of special nuclear material covered by paragraph 2 above not currently being utilized for peaceful purposes in the community or transferred pursuant to the additional agreement.

Fifth. Establish an inspection organization which, first will have access at all times to all places and data, and to any person who by reason of his occupation deals with material, equipment, devices or facilities safeguarded under the additional agreement, necessary to assure accounting for source or special nuclear material subject to paragraph 2 above and to determine whether there is compliance with the guarantees of the community; and second, will make independent measurements of materials.

The system which Euratom has established to carry out the foregoing principles was the subject of consultations and visits between United States and Euratom experts to assure that the system effectively met the above principles and that the standards of materials accountability systems of the United States and community were comparable.

On April 5, 1973, the member states and the community signed with the International Atomic Energy Agency an agreement and protocol, which when brought into force, would implement article III, paragraph 4 of the Treaty on the Nonproliferation of Nuclear Weapons. These documents would constitute the acceptance of safeguards called for in paragraph 1 of article III of the treaty for the purpose of verification by the IAEA of the fulfillment of obligations assumed by the seven nonnuclear weapons states of Euratom under the treaty, with a view to preventing diversion of nuclear energy from peaceful uses to nuclear weapons or other nuclear explosive devices.

Procedures by which this safeguards agreement will be brought into effect are currently being undertaken by the individual member states. When it becomes effective for each of the seven nonnuclear weapons states, special nuclear material provided by the United States to recipients in those seven states will be subject to its requirements as well as to the requirements of the additional agreement for cooperation with the United States.

CHANGE IN TERMINOLOGY

In closing, I should note that this bill incorporates a new method of expressing the ceiling which is intended to recognize the primary purpose for which the uranium enriched in the isotope 235 will be used and which the Joint Committee on Atomic Energy believes can be more readily understood. Hence, the ceiling is now expressed in terms of the amount of the enriched uranium which will be necessary to fuel reactors in the European Community having a total installed capacity of 35,000 electrical megawatts. The bill also would authorize the transfer of 25,000 additional kilograms enriched uranium for other purposes. While the amount of enriched uranium required for the operation of a given reactor can be determined, there is no attempt to make a direct conversion from megawatts of electrical capacity to the number of required kilograms of enriched uranium. The term "other purposes" includes a number of uses, most of this enriched uranium will be used to fuel research and test reactors. A detailed explanation of a new method of expressing the ceiling appears on pages 5 and 6 of the committee's report.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

The Clerk read the Senate bill as follows:

S. 1993

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 5 of the Euratom Cooperation Act of 1958, as amended is amended by deleting the words "two hundred fifteen thousand kilograms of contained uranium-235" and substituting therefor the words "an amount of contained uranium-235 which does not exceed that necessary to support the fuel cycle of power reactors located within the Community having a total installed capacity of thirty-five thousand megawatts of electric energy, together with twenty-five thousand kilograms of contained uranium-235 for other purposes."

The Senate bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PERSONAL ANNOUNCEMENT

Mr. CHARLES WILSON of Texas. Mr. Speaker, I was unavoidably detained today, and I should like to have the RECORD indicate that had I been present I would have voted "yea" on rollcall No. 399 and "nay" on rollcall No. 400.

INCREASES IN RATES OF DISABILITY AND DEATH PENSION

Mr. TEAGUE of Texas. Mr. Speaker, pursuant to the special order granted Thursday, July 26, I move to suspend the rules and pass the bill (H.R. 9474) to amend title 38 of the United States Code to increase the monthly rates of disability and death pensions, and dependency and indemnity compensation, and for other purposes, as amended.

The Clerk read as follows:

H.R. 9474

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) subsection (b) of section 521 of title 38, United States Code, is amended by striking out "130" and inserting in lieu thereof "143".

(b) Subsection (c) of such section 521 is amended (1) by striking out "140" and inserting in lieu thereof "154"; (2) by striking out "145" and inserting in lieu thereof "159"; and (3) by striking out "150" and inserting in lieu thereof "164".

(c) Subsection (b) of section 541 is amended by striking out "87" and substituting in lieu thereof "96".

(d) Subsection (c) of such section 541 is amended by striking out "104" and substituting in lieu thereof "114".

SEC. 2. Section 541(d) of title 38 United States Code, is amended by striking "17" and substituting in lieu thereof "18".

SEC. 3. Section 542(a) of title 38, United States Code, is amended by striking the figures "42" and "17", respectively, and substituting in lieu thereof the figures "44" and "18", respectively.

SEC. 4. (a) Subsection (b) of section 415 is amended by striking out "100" and inserting in lieu thereof "110".

(b) Subsection (c) of such section 415 is amended by striking out "70" and inserting in lieu thereof "77".

(c) Subsection (d) of such section 415 is amended by striking out "67" and inserting in lieu thereof "74".

SEC. 5. Section 521(f)(1) of title 38, United States Code is amended by striking out "or the total earned income of the spouse" and inserting in lieu thereof "or the earned annual income of the spouse of not more than $3,600".

SEC. 6. Section 3203(a)(1) of title 38, United States Code, is amended by striking out "30" and inserting in lieu thereof "50".

SEC. 7. Subsection (b) of section 3010 of title 38, United States Code, is amended by inserting "(1)" immediately after "(b)" and by adding at the end of said subsection the following new paragraph:

"(2) The effective date of an award of disability pension to a veteran shall be the date of application or the date on which the veteran became permanently and totally disabled, if an application therefor is received within one year from such date, whichever is to the advantage of the veteran."

SEC. 8. Section 7 of this Act shall apply to applications filed after its effective date, but in no event shall an award made thereunder be effective prior to such effective date.

SEC. 9. This Act shall take effect on the first day of the second calendar month following the date of its enactment, except that section 5 of this Act shall take effect on January 1, 1974.

The SPEAKER. Is a second demanded?

Mr. HAMMERSCHMIDT. Mr. Speaker, I demand a second.

The SPEAKER. Without objection, a second will be considered as ordered.

There was no objection.

GENERAL LEAVE

Mr. TEAGUE of Texas. Mr. Speaker, I ask unanimous consent that all Members have 5 legislative days in which to extend their remarks in the RECORD on the bill under consideration.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. TEAGUE of Texas. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the bill, H.R. 9474, will grant a 10-percent cost-of-living increase to veterans, widows, and children receiving nonservice-connected pensions, and dependent parents receiving dependency and indemnity compensation. Ten percent has been added to the basic minimum rates; therefore, all pensioners and dependent parents are assured of at least a 10-percent increase, and in some instances, an increase higher than 10 percent.

The income limits of $2,600 per year for the single person, or $3,800 for the person with dependents, has not been changed. We are assured by the Veterans' Administration that this bill will restore practically all of the reductions in pensions which occurred as a result of the 20 percent social security rate increase last year. Since we have not raised the upper income limits, it will not bring back on the rolls any person who has exceeded the upper income limits. Veterans' Administration estimates this group to be about 20,000 out of 2,300,000 pensioners.

In addition to raising rates, the bill contains three other minor amendments:

First, at the request of the administration, we have placed a ceiling of $3,600 on the annual earned income of spouses.

Second, an amendment liberalizes the effective date of the award of a disability pension so that it becomes effective either the date of application or the date on which the veteran became permanently disabled, whichever is to the advantage of the veteran.

Third, when single veterans have been hospitalized for an extended period of time, their pension is now reduced to $30 per month during the hospital stay. In view of general cost-of-living increases, the bill contains an amendment raising the pension allowance of hospitalized veterans to $50 per month. The first year additional cost of the bill is $208 million.

Mr. DORN. Mr. Speaker, this bill, H.R. 9474, which will grant a 10-percent cost-of-living increase to veterans, widows, and children receiving nonservice-connected pensions and dependent parents receiving dependency and indemnity compensation, was reported by the Veterans' Affairs Committee unanimously.

This bill will be of substantial benefit to approximately 2.3 million veterans, widows, and children and dependent parents. The first year additional cost of this bill is $208 million.

This bill will restore most of the reductions in pensions which occurred as a result of the 20-percent social security rate increase last year. It will also have the same effect on any increase in income experienced by veterans or widows or dependent parents. Consideration is now being given to increases in railroad retirement. Beginning July 1, Federal civil service retirees received a cost-of-living increase. Increases of this type will result in downward adjustments of pensions; therefore, this 10-percent cost-of-living increase bill will offset those reductions which would occur January 1 of next year.

Usually the nonservice-connected pension program is associated with veterans of World War I, and it is true that more than 1 million World War I veterans and widows and children receive a pension; but it should be recognized that the nonservice-connected pension program is not restricted to veterans of World War I. As a matter of fact, there are more veterans from World War II receiving nonservice-connected pensions than from the older group of World War I veterans. There are about 5,000 Vietnam era veterans and 11,000 Vietnam era widows already on the pension rolls.

The non-service-connected pension program is a needs program based on disability of the individual and need as reflected by income level. Additional allowances are provided for veterans in such poor health that they require the aid and attendance of another person. There is also a special allowance for veterans and widows that are housebound. The basic purpose of the nonservice-connected pension program is to provide at least a minimum level of assistance for war veterans and their widows and children who are in need, either because of disability or lack of income, or both. Since the central concept of the program is need, the amount of pension paid is based on the pensioner's level of other income.

For instance, under this bill a single veteran with other income of less than $300 per year will receive a nonservice-connected pension of $143 per month. A single veteran with $1,400 a year other income would receive a smaller pension of $110 per month, while a single veteran near the income limit, receiving $2,500 a year other income would receive a modest pension of $42 per month. Individuals exceeding the income limits of $2,600 for the single veteran or widow; or $3,800 for the veteran or widow with dependents are not eligible for pension payments. In computing income, there are a variety of exemptions:

(1) payments of 6 months' death gratuity;

(2) donations from public or private relief or welfare organizations;

(3) payments by VA of pension, compensation, and dependency and indemnity compensation;

(4) payments under policies of U.S. Government life insurance or National Service Life Insurance, payments of servicemen's indemnity, and Servicemen's Group Life Insurance;

(5) lump sum social security death payments;

(6) ten percent of payments to an individual under public or private retirement, annuity, endowment, or similar plans or programs;

(7) amounts equal to amounts paid by a wife of a veteran for the expenses of his last illness and by a widow or child of a deceased veteran for—

(*a*) his just debts,

(*b*) the expenses of his last illness, and

(*c*) the expenses of his burial to the extent such expenses are not reimbursed by VA;

(8) amounts equal to amounts paid by a wife or widow of a veteran for the last illness and burial of the veteran's child;

(9) amounts equal to amounts paid by a veteran for the last illness and burial of his deceased spouse or child;

(10) proceeds of fire insurance policies;

(11) profit realized from disposition of real or personal property other than in the course of a business;

(12) payments received as a result of performance of jury duty or obligatory civic duties;

(13) payments of allowances under the War Orphans' and Widows Educational Assistance Act;

(14) payments of bonus or similar cash gratuity by a State based on service in the Armed Forces;

(15) amounts equal to prepayments made on indebtedness secured by a mortgage on real property;

(16) amounts in a joint bank account acquired by reason of death of joint owner;

(17) payments by a former employer to a retired employee as reimbursement for premiums by the retiree on supplemental health and medical insurance (social security);

(18) proceeds from retired servicemen's family protection plan provided in 10 U.S.C. chapter 73; and

(19) unusual medical expenses.

Mr. Speaker, I hope this bill will be enacted promptly, and that the President will sign it. If it is approved by the President, it will become effective the first day of the second calendar month following the date of its enactment.

Mr. Speaker, I insert at this point in my remarks pertinent excerpts from the committee report on H.R. 9474, including a background statement of the legislation, a more detailed explanation of the provisions of the bill, and relevant statistical and cost data:

BACKGROUND OF LEGISLATION

As the Committee reported to the House last year (see H.R. 11651 92nd Congress) the modern system for the payment of pension based on the nonservice connected disability or death of a war veteran has traditionally involved a basic premise of "need" on the part of the beneficiary. Accordingly, there have been established statutory income limitations which have been liberalized from time to time but which have been retained in principle to serve as the bench marks for determining the extent of need in each individual case. In the light of certain equities and with a view to preventing undue hardship, the Congress has provided a limited number of specific exclusions from income in determining pension eligibility. With the exception of such exclusions, however, all income must be considered. As a result, from time to time as income from other sources is increased, notably in the programs of Social Security, Railroad Retirement, Civil Service Retirement and private pension plans, the resulting impact on the veterans' pension program is direct and the non-service-connected pension is lowered when other income increases.

The Committee is particularly aware of the concern among pensioners that have received reductions in pension as a result of recent Social Security increases. There have been many bills introduced which would exempt all Social Security payments or the more recent Social Security increase from being counted for pension purposes. The Committee has again rejected these proposals because of the patent inequity involved. The Committee can find no justification for singling out one class of income such as Social Security and giving pensioners in receipt of that type of income preferential consideration while requiring veterans receiving other forms of retirement income to count all of that income and accept reductions when increases in retirement income occur.

It should be pointed out that although most attention has been focused on the 20% Social Security increase that became effective last year, that there are other types of retirement income which are involved in major increases. The Congress is presently considering an increase in Railroad Retirement. Federal Civil Service retirees received a cost-of-living increase on July 1 of this year. Hundreds of thousands of widows will be reporting additional income effective January 1, 1974, as a result of changes made in the Social Security program favorable to widows. In addition, Congress has voted another Social Security increase to become effective next year which will have an impact on veterans' pensions January 1, 1975. Obviously, it is not feasible for the Congress to react each time there is some change in a major source of retirement income for pensioners, and because of this, the Committee recommended to the House last year a new formula approach which provides for equitable reductions in pensions as the veterans' other income increases.

The formulae now in the law specify a maximum monthly rate for each group within designated income categories, and each individual's monthly benefit rate is computed by reducing the maximum rate by a specified number of cents for each dollar by which the minimum income limitation for that group is exceeded. Therefore the veteran's pension is related directly to his need, and as his other income increases his pension is lowered.

These new formulae for the payment of pension are most responsive to the needs of veterans and widows, and, as long as a pensioner's income does not exceed the maximum annual limitation, the bill enacted last year precludes the loss of aggregate income in the future when a pensioner receives an increase in income from some other source, regardless of the source. The Committee commended the ingenuity of the Veterans' Administration in devising this new approach as a technical service in the first instance, and the later policy endorsement of such approach which, it was stated "will effectively minimize future concerns as to the adequacy of the veterans' pension program vis-a-vis other income maintenance programs."

The Committee does not at this time believe it has received adequate justification for any radical departure from the basic principles of the pension program, a program which was substantially restructured in 1960 and one in which application of the needs concept was markedly improved in 1972. In hearings before the Subcommittee on Compensation and Pension in June 1973, the representative of the Veterans' Administration presented certain policy recommendations for consideration of the Committee. Certain of these have been embodied in the present bill while others will require further analysis and study as to their impact. The Committee feels, however, that there is an immediate need to recognize the urgency of providing a cost-of-living increase in the pension rate to offset the continuing inflationary spiral. That objective represents the main thrust of this bill.

EXPLANATION OF THE BILL

The bill is designed to accomplish the following objectives:

(1) It would provide a cost-of-living increase of not less than 10 percent in nonservice connected pension rates payable to approximately 2.3 million veterans of wartime service and their widows. As of June 1973, the cost-of-living index showed a 7.6 percent increase over the index at the time of the last pension increase (January 1, 1972). Since January 1, 1973 the index has increased almost exactly one point each succeeding month. Projecting this increase on a similar basis until the effective date of the bill, the Committee believes that it is fully justified in providing increases at the conservative figure of ten percent. Such a cost-of-living increase concept was recommended by the Veterans' Administration.

(2) Since the service connected death program of dependency and indemnity compensation for parents is based on a need concept similar to that in the pension program, the bill also provides, under the same rationale, a ten percent cost-of-living increase for such beneficiaries.

(3) Moderate increases are provided in the pension rates for children of deceased wartime veterans.

(4) Under present law, in determining a veteran's income for pension purposes, there is excluded $1,200 of his wife's income, or her total earned income, whichever is the greater. The bill would exclude $1,200 or $3,600 of earned income, whichever is the greater.

(5) Currently, a veteran, without dependents, who is hospitalized by VA for over two months suffers a reduction in his pension to not in excess of $30 a month. This limitation was placed in the law in 1960. With the increased costs of basic "creature comforts" since that date the Committee feels that in view of the increased costs of commodities such a veteran should have at least $50 monthly at his personal disposal (if, of course, his pension otherwise equals or exceeds that amount). The bill so provides.

(6) Finally, the bill adopts a Veterans' Administration recommendation concerning the effective date of an award of pension based on a nonservice connected permanent and total disability. Today, an award in such a

case is made payable from the date of claim for the benefit. The bill would provide that the effective date of an award of disability pension to a veteran shall be the date of application or the date on which the veteran became permanently and totally disabled, if an application therefor is received within one year from such date, whichever is to the advantage of the veteran.

There follow tables setting forth the current rates of pension payable to veterans and widows, and the rates of dependency and indemnity compensation payable to parents, and showing the new rates under the bill, set forth in $100 increments for easy reference to typical examples which would be authorized under the existing formula which is retained.

PENSION PROPOSAL

	Veteran alone		Veteran and 1 dependent		Widow alone		Widow with 1 dependent	
Income not over	Current	Bill	Current	Bill	Current	Bill	Current	Bill
$300	130	143	140	154	87	96	104	114
$400	127	140	140	154	86	95	104	114
$500	124	137	140	154	85	94	104	114
$600	121	134	138	152	84	93	104	114
$700	118	131	136	150	81	90	103	113
$800	115	128	134	148	78	87	102	112
$900	112	125	132	146	75	84	101	111
$1,000	109	122	192	143	72	81	100	110
$1,100	105	118	126	140	69	78	99	109
$1,200	101	114	123	137	66	75	98	108
$1,300	97	110	120	134	63	72	97	107
$1,400	93	106	117	131	60	69	96	116
$1,500	89	102	114	128	57	66	94	104
$1,600	84	97	111	125	54	63	92	102
$1,700	79	92	108	122	51	60	90	100
$1,800	74	87	105	119	48	57	88	98
$1,900	68	81	102	116	45	54	86	96
$2,000	62	75	99	113	41	50	84	94
$2,100	56	69	96	110	37	46	82	92
$2,200	50	63	93	107	33	42	80	90
$2,300	43	56	90	104	29	38	78	88
$2,400	36	49	87	101	25	34	76	86
$2,500	29	42	84	98	21	30	74	84
$2,600	22	35	81	95	17	26	72	82
$2,700			78	92			70	80
$2,800			75	89			67	77
$2,900			72	86			64	74
$3,000			69	83			61	71
$3,100			66	80			58	68
$3,200			63	77			55	65
$3,300			58	72			52	62
$3,400			53	67			49	59
$3,500			48	62			46	56
$3,600			43	57			43	53
$3,700			38	52			42	50
$3,800			33	47			42	47

DIC PARENTS

Income not over	1 parent current	Bill	2 parents not together current	Bill	2 parents together current	Bill
$800	100	110	70	77	67	74
$900	97	107	68	75	67	74
$1,000	94	104	66	73	67	74
$1,100	91	101	64	71	66	73
$1,200	88	98	61	68	65	72
$1,300	84	94	58	65	64	71
$1,400	80	90	55	62	62	69
$1,500	76	86	52	59	60	67
$1,600	72	82	49	56	58	65
$1,700	67	77	46	53	56	63
$1,800	62	72	42	49	54	61
$1,900	57	67	38	45	52	59
$2,000	51	61	34	41	50	57
$2,100	45	55	30	37	48	55
$2,200	38	48	26	33	46	53
$2,300	31	41	22	29	44	51
$2,400	24	34	18	25	42	35
$2,500	17	27	14	21	40	43
$2,600	10	20	10	17	38	47
$2,700					36	49
$2,800					34	41
$2,900					32	39
$3,000					30	37
$3,100					28	35
$3,200					26	33
$3,300					24	31
$3,400					22	29
$3,500					19	26
$3,600					16	23
$3,700					13	20
$3,800					10	17

For the further information of the Members there is included in the report the following table showing all active compensation, dependency and indemnity compensation, pension and retirement cases for all wars and regular establishment as of June 1973.

ACTIVE COMPENSATION, DEPENDENCY AND INDEMNITY COMPENSATION, PENSION AND RETIREMENT CASES, ALL WARS AND REGULAR ESTABLISHMENT, MONTH OF JUNE 1973

Entitlement	Disability total cases	Death total cases	Death beneficiaries			
			Total	Widows	Children	Parents
Total	3,256,746	1,654,287	2,367,713	1,162,103	1,008,580	197,030
Service connected	2,203,041	373,643	516,088	197,739	121,319	197,030
Compensation	2,203,041	107,379	123,061	1,454	246	121,361
Dependency and indemnity compensation		260,516	380,671	191,103	120,543	69,025
Dependency and indemnity compensation and compensation		5,748	12,356	5,182	530	6,644
Nonservice connected	1,053,179	1,280,605	1,851,585	964,343	887,242	
Public Law 86–211	906,375	1,164,070	1,733,055	849,243	883,812	
Prior law	146,804	116,535	118,530	115,100	3,430	
Special acts	63	39	40	21	19	
Retired emergency officers	460					
Retired Reserve officers	3					
World War II	1,860,092	735,654	1,168,152	386,193	650,074	131,885
Service connected	1,351,425	200,639	241,144	88,335	20,924	131,885
Compensation	1,351,425	85,937	97,267	782	57	96,428
Dependency and indemnity compensation		110,431	134,893	83,566	20,714	30,613
Dependency and indemnity compensation and compensation		4,271	8,984	3,987	153	4,844
Nonservice connected	508,664	535,015	927,008	297,858	629,150	
Public Law 86–211	497,016	531,203	922,533	294,108	628,425	
Prior law	11,648	3,812	4,475	3,750	725	
Retired Reserve officers	3					
World War I	561,980	653,307	673,288	640,499	32,141	64
Service connected	65,163	36,553	37,280	35,446	1,186	64
Compensation	65,163	854	873	347	12	514
Dependency and indemnity compensation		35,688	36,385	35,088	1,174	18
Dependency and indemnity compensation and compensation		11	22	11		11
Nonservice connected	496,356	616,754	636,008	605,053	30,955	
Public Law 86–211	363,697	529,158	547,417	517,531	29,886	
Prior law	132,659	87,596	88,591	87,522	1,069	
Retired emergency officers	460					
Korean conflict	281,867	125,487	286,544	43,123	216,580	26,841
Service connected	240,756	39,401	54,342	16,794	10,707	26,841
Compensation	240,756	16,486	20,024	181	29	19,814
Dependency and indemnity compensation		21,880	32,054	15,723	10,577	5,754
Dependency and indemnity compensation and compensation		1,035	2,264	890	101	1,273
Nonservice connected	41,111	86,086	232,202	26,329	205,873	
Public Law 86–211	39,901	85,986	232,040	26,234	205,806	
Prior law	1,210	100	162	95	67	

Entitlement	Disability total cases	Death total cases	Death beneficiaries			
			Total	Widows	Children	Parents
Vietnam era	358,822	58,626	129,740	31,142	77,286	21,312
Service connected	354,062	47,528	105,439	26,393	57,734	21,312
Compensation	354,062	33	74	17	40	17
Dependency and indemnity compensation		47,466	105,265	26,361	57,639	21,265
Dependency and indemnity compensation and compensation		29	100	15	55	30
Nonservice connected	4,760	11,098	24,301	4,749	19,552	
Public Law 86–211	4,760	11,098	24,301	4,749	19,552	
Regular establishment	191,671	49,216	77,572	30,490	30,738	16,344
Service-connected	191,609	49,201	77,557	30,475	30,738	16,344
Compensation	191,609	4,066	4,820	124	108	4,588
Dependency and indemnity compensation		44,733	71,751	30,072	30,409	11,270
Dependency and indemnity compensation and compensation		402	986	279	221	486
Special acts	62	15	15	15		
Spanish-American War	1,850	30,854	31,247	29,783	1,464	
Service-connected	13	305	310	288	22	
Compensation	13	3	3	3		
Dependency and indemnity compensation		302	307	285	22	
Nonservice connected	1,837	30,538	30,926	29,490	1,436	
Public Law 86–211	551	6,141	6,266	6,141	125	
Prior law	1,286	24,397	24,660	23,349	1,311	
Special acts		11	11	5	6	
Mexican Border Service	463	486	500	482	18	
Service-connected	13	2	2	2		
Compensation	13					
Dependency and indemnity compensation		2	2	2		
Dependency and indemnity compensation and compensation						
Nonservice connected	450	484	498	480	18	
Public Law 86–211	450	484	498	480	18	
Indian Wars	1	120	122	102	20	
Service connected		1	1		1	
Dependency and indemnity compensation		1	1		1	
Nonservice connected	1	118	120	101	19	
Prior law	1	118	120	101	19	
Special acts		1	1	1		
Civil War		537	548	289	259	
Service connected		13	13	6	7	
Dependency and indemnity compensation		13	13	6	7	
Nonservice connected		512	522	283	239	
Prior law		512	522	283	239	
Special acts		12	13		13	

COST

The total ascertainable cost of H.R. 9474 for the first fiscal year is estimated to be $208.4 million. There follows a table showing the total first 5-year cost of the bill with a breakdown of the separate costs of the various specific provisions.

Fiscal year	Caseload	Cost (millions)
I. Approximate 10 percent increase in pension rates and counting all wives' earnings greater than $3,600:		
1974	1,876,000	$196.0
1975	1,974,000	226.7
1976	2,090,000	239.0
1977	2,206,000	246.8
1978	2,336,000	255.7
II. 10 percent increase to DIC parents rates:		
1974	69,000	4.1
1975	68,000	5.4
1976	68,600	5.4
1977	68,400	5.3
1974	68,200	5.3
III. Increase children alone rates to $44 and $18 monthly:		
1974	321,000	6.2
1975	323,000	11.0
1976	318,000	10.8
1977	303,000	10.3
1978	278,000	9.4
IV. Increase reduced hospital benefit to $50 monthly:		
1974	11,500	2.1
1975	11,500	2.8
1976	11,500	2.8
1977	11,500	2.8
1978	11,500	2.8
V. Total cost:		
1974		208.4
1975		246.0
1976		258.0
1977		265.2
1978		273.2

Mr. HAMMERSCHMIDT. Mr. Speaker, I concur with the remarks of the distinguished chairman, the gentleman from Texas (Mr. TEAGUE).

Mr. Speaker, I rise in support of H.R. 9474, a bill to increase the rates of disability and death pension.

As a cosponsor of this measure, I commend it for your approval. The bill will provide a cost of living increase of not less than 10-percent in non-service-connected pension rates payable to approximately 2.3 million wartime veterans and widows. It will also provide a cost of living increase of 10 percent in the monthly dependency and indemnity compensation payments for parents of ex-servicemen who died of service-connected conditions.

I am confident that most members have received a heavy volume of mail from pensioners who have suffered a reduction in their monthly pension payments as a result of receiving a 20-percent increase in social security payments. The bill before the House, Mr. Speaker, authorizing as it does a 10-percent increase in the monthly rates of pension will to a great extent neutralize or offset the adverse effects of the social security increase upon veteran pensioners.

Under existing law, the amount of pension a veteran receives is dependent upon the amount of income he receives from other sources. When his income from other sources increases, irrespective of the source, whether it be social security or another form of income, his veteran pension payment is reduced. The complex formula that determines his entitlement to pension is drafted in such a manner, however, that the amount of the reduction in pension benefits is always in a lesser amount than the increase in income from other sources such as social security. Thus, the 20-percent increase in social security coupled with the resultant reduction in pension benefits still produces an increase in overall income.

Despite this significant factor, it was the view of the committee that a cost of living adjustment in pension rates was in order at this time. This adjustment in most cases is in an amount that will restore the same or greater pension than the veteran was receiving prior to the increase in social security.

The majority of the recipients of pension benefits, Mr. Speaker, are World War I veterans and the widows of deceased World War I veterans. The increase authorized by this bill is sorely needed. I urge that it be passed.

Mr. Speaker, I yield such time as he may consume to the gentleman from Pennsylvania (Mr. SAYLOR).

Mr. SAYLOR. Mr. Speaker, I rise in support of H.R. 9474, a bill to increase the rate of pension for veterans and widows.

Our committee, for many months, Mr. Speaker, has been deluged with requests for legislation that would eliminate the adverse effects of the 20-percent increase in social security payments. The bill before the House, Mr. Speaker, is not to be viewed as the committee's reaction to the social security increase. Instead, this bill represents our committee's independent judgment of the amount of increase for pensioners in the cost of living that will have occured when this bill is finally approved.

Coincidentally, I might add, it will cure the problem for most pensioners created by last year's social security increase. I am certain most Members are aware of the fact that the amount of pension received by a veteran is determined by the amount of income he receives from other sources. The greater the outside income, the less the pension payment. A social security payment is but one type of income that figures in the computation of income for pension purposes. Every year more than 50,000 veterans are eliminated from the pension rolls because of increases in variout types of income.

While I regret the fact that any veteran must suffer a reduction in pension because of an increase in his income, I must point out that the Congress in its wisdom many years ago determined that financial need was a prerequisite to the payment of pension. This need is measured by limitations on income from other sources.

Our committee is continually reviewing the pension programs to determine whether the pension rates and the income level are adequate. The bill before you represents the committee's views that a 10-percent increase in the monthly rates of pension can be justified. Accordingly, the bill will authorize a minimum increase of 10 percent in pension payments for approximately 2.3 million eligible veterans and widows.

A similar increase is authorized for service-connected causes.

Mr. Speaker, the modest increases authorized by this bill are warranted and are well deserved, and are dictated by the increase in the cost of living. I am pleased that, coincidentally, the increases will provide some relief to those who previously suffered a reduction in pension when social security was increased.

As a coauthor of the bill, I urge that it be passed.

Mr. HAMMERSCHMIDT. Mr. Speaker, I yield such time as he may consume to the gentleman from Indiana (Mr. Hillis), a member of the committee.

Mr. HILLIS. I thank the gentleman for yielding.

Mr. Speaker, I rise in support of this legislation.

Mr. Speaker, I rise in support of H.R. 9474 and, as a member of the House Veterans' Affairs Committee, would like to take a minute to discuss the bill's background and ramifications.

Last year when social security benefits were increased some 20 percent, Congress included no provision in that legislation to protect veterans benefits from being affected by the increase. As a result, some 20,000 veterans at the upper income limits lost all their veterans pension, and some 1.3 million veterans and widows saw their pension reduced by an average of $8.71 monthly.

Veterans pensioners were very upset—and rightfully so. While Uncle Sam was handing them a 20-percent social security increase with one hand, he was taking away a sizable portion of their veterans pension with the other hand, since veterans pensions are based upon income.

To correct this problem, I introduced legislation in October of last year which would restore all veterans benefits to their former levels by increasing the earnings limitations and the ceilings on income brackets. Unfortunately, Congress was not in session long enough afterward to take any action on this legislation.

Consequently, this was the first piece of legislation I introduced this year. I later reintroduced the bill with some 40 cosponsors, and some 60 or more of my colleagues introduced or cosponsored similar legislation. It was clear something needed to be done in order to allow these pensioners to maintain their standard of living at the same rate as other social security recipients, rather than just receive a part of the 20-percent cost-of-living increase.

This month, when the Pension Subcommittee of the Veterans' Affairs Committee began holding hearings on my bill and several similar measures, the subcommittee agreed immediate action was necessary to correct the inequity. Therefore, H.R. 9474, raising VA pension payments by 10 percent, was introduced and quickly adopted by the Veterans' Committee as a temporary, stopgap measure.

I am sorry we cannot do more for these veterans at this time, but I support this measure because it will grant immediate relief to many VA pensioners. I have also been assured that the Pension Subcommittee will look into this matter in greater depth next January, and I would hope that my bill can be adopted at that time to provide full and longer term relief for all those eligible to receive VA pensions.

Mr. HAMMERSCHMIDT. Mr. Speaker, I yield such time as he may consume to the gentleman from Ohio (Mr. Wylie).

Mr. WYLIE. Mr. Speaker, I rise in support of the bill.

Mr. Speaker, I rise in support of H.R. 9474 and urge its immediate passage. This bill would increase nonservice-connected disability pension rates by 10 percent. This legislation, of which I am a cosponsor, will provide for an increase in pension payments to approximately 2.3 million war veterans and widows of veterans.

This measure should relieve the plight of both veterans and widows who did not realize the full increase in recent increases in social security payments. This bill received unanimous support by the members of the Veterans' Affairs Committee and is supported by the administration.

I have introduced legislation in every session of Congress since my election to provide cost-of-living increases in pensions for our veterans. The cost-of-living index has increased by 7.6 percent since the last increase. So, this 10-percent increase is appropriate, proper, and modest under the circumstances, and I feel should receive the support of every Member of this House.

Mr. ZWACH. Mr. Speaker, I rise in support of H.R. 9474 because it is a bill aimed at carrying out the basic purpose of the Veterans' Administration pension program; aid for the needy wartime veteran and his dependents. This measure will increase the existing pension payments by at least 10 percent. It will keep the program abreast of the cost-of-living index which has increased by approximately 10 percent since the last pension increase in January 1972.

Dependency and indemnity compensation for dependent parents also will be increased by 10 percent. These are parents whose sons died as a result of service in the Armed Forces. Pension increases to dependent children are included in the bill.

Since 1960 a veteran without dependents after being hospitalized by the Veterans' Administration for a period beyond 2 months has his pension reduced to an amount not to exceed $30 a month. Recognizing that the cost of comfort items needed by hospitalized veterans has risen, this bill will increase the $30 to $50 in order to insure that the hospitalized veteran will not have to forego any of the basic comforts not offered by the hospital.

Another very desirable feature of the bill authorizes a change in the effective date of a pension award. Currently, it cannot be earlier than the date the claim is made. Under H.R. 9474, the award may be made retroactive for a period of up to 1 year of the date the application is filed, depending upon the date the evidence reveals that a permanent and total disability existed.

I believe this legislation is meritorious and I intend to vote for it.

Mr. MONTGOMERY. Mr. Speaker, I commend my colleague, Mr. Dorn, and the other members of the Veterans' Committee for reporting out this bill to assist our non-service-connected veterans and their dependents. I have received many letters from veterans in my district wanting to know why we give them Social Security increases and then turn right around and cut their veteran's pension. We all know this is a simplification of the problem because the Congress does not overtly cut a veteran's pension, but because of the way the present law reads this is the end result. What is often sad but true is that many of the veterans and/or their dependents do not actually receive cost of living increases when we raise social security benefits because we do not take action to protect their veteran's pension.

Mr. Speaker, I would point out that this bill is meant to be an interim measure, a stop-gap step if you please. With this legislation, we can correct the current problem our non-service-connected veterans are facing and protect their monthly incomes in times of rising food prices. It is my understanding that the Veterans' Committee will make a comprehensive study of the pension program for non-service-connected veterans during the second session of this Congress. I am very hopeful that this indepth study will result in legislation to solve this problem for the non-service-connected veterans once and for all.

Mr. Speaker, since this bill is being considered under the suspension of the rules it will require a two-thirds vote for approval. I urge my colleagues to give this measure an overwhelming vote of approval.

Mr. FORSYTHE. Mr. Speaker, during the past year we have witnessed a swirling controversy regarding the cost of living. With the crescendo of noise and recriminations regarding who, if anyone, is to be blamed, I fear that the true victim of this situation is not being heard. I refer to those Americans living on fixed incomes. I refer to those Americans who in the face of steadily mounting costs, see their real income being eroded relentlessly.

In full recognition of the problem

facing persons living on fixed incomes, the House and Senate in the closing days of the 92d Congress, enacted legislation increasing social security benefits by 20 percent. Yet Congress included no provision in the legislation to insure that veterans pensions were not decreased due to a higher social security income. As a result some 1.3 million veterans and their widows suffered a decrease in their pensions averaging $104 a year.

Today we have before us a bill which will in large measure alleviate the problem confronting our veterans. This legislation will grant a 10-percent cost-of-living increase to veterans, widows, and children receiving non-service-connected pensions, and dependent parents receiving dependency and indemnity compensation. Ten percent has been added to the basic minimum rates and thus all pensioners and dependent parents are assured of at least a 10-percent increase, and in some instances more. I have been assured by the Veterans' Administration that this bill will restore practically all of the reductions in pensions which occurred as a result of the 20-percent social security rate increase.

However, this legislation goes beyond the 1.3 million people adversely impacted by the social security rise in that it provides substantially increased benefits to 2.3 million veterans, children, widows, and dependent parents. The cost of living has risen 7.6 percent since the last time veterans' pensions were increased and the need for the present increase for all veteran pensioners is resoundingly clear.

Even beyond the question of pension levels, the bill before us accomplishes three other significant objectives:

First. Under the present law, in computing the level of a veteran's pension, $1,200 of his wife's income is excluded. This bill will raise that exemption to $3,600.

Second. Currently a veteran, without dependents, who is hospitalized for over 2 months, suffers a reduction in his pension of as much as $30. The present bill recognizes the increased cost of medical care and reverses this reduction process by providing that the pension allowance of hospitalized veterans is to be raised by $50 per month.

Third. This legislation also liberalizes the effective date of the award of disability pension so that it becomes effective on either the date of application or the date on which the veteran became permanently disabled, whichever is to the advantage of the veteran.

Mr. Speaker, I strongly urge my colleagues to support this bill. There can be no doubt of its need. One of the first pieces of legislation I introduced this year was one to restore to all veterans their former levels of income which had been reduced because of the social security increases. It was clear and remains clear that something need be done in order to allow these pensioners to maintain their standard of living.

Beset by the problems of advancing years in an increasingly youth oriented society and badgered by the forces of inflation, our veterans should not, indeed they must not, be abandoned by the Nation they have served. It is inconceivable that the Congress intended to raise social security benefits and decrease veterans' benefits. Adoption of the bill now before us, is an urgent matter.

I am, however, disappointed that this bill does not completely rectify the injustice caused to veterans by the social security increases. It does nothing to help these persons who, because of the upper income limitations, will be dropped from the veterans payroll. I am sorry that we cannot do more for these 20,000 veterans immediately, but I support this measure because it grants immediate relief to many VA pensioners. I have, however, been assured by the Veterans' Affairs Committee that they will continue to look into this matter in greater depth next January and I am hopeful that my bill can be adopted at that time in order to provide full and longer term relief for all those eligible to receive veterans pensions.

The SPEAKER. The question is on the motion offered by the gentleman from Texas (Mr. TEAGUE) that the House suspend the rules and pass the bill H.R. 9474, as amended.

The question was taken.

Mr. SAYLOR. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 385, nays 0, not voting 48, as follows:

[Roll No. 402]

YEAS—385

Abzug
Adams
Addabbo
Alexander
Anderson, Calif.
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Archer
Arends
Armstrong
Ashbrook
Ashley
Aspin
Bafalis
Baker
Barrett
Beard
Bennett
Bergland
Bevill
Biaggi
Biester
Bingham
Blackburn
Blatnik
Boggs
Boland
Bolling
Bowen
Brademas
Brasco
Bray
Breaux
Brinkley
Brooks
Broomfield
Brotzman
Brown, Calif.
Brown, Mich.
Brown, Ohio
Broyhill, N.C.
Broyhill, Va.
Buchanan
Burgener
Burke, Calif.
Burke, Fla.
Burke, Mass.
Burleson, Tex.
Burlison, Mo.
Burton
Butler
Byron
Carney, Ohio
Carter
Casey, Tex.
Cederberg
Chamberlain
Chappell
Chisholm
Clancy
Clark
Clausen, Don H.
Clawson, Del
Clay
Cleveland
Cochran
Cohen
Collier
Collins, Ill.
Collins, Tex.
Conable
Conlan
Conte
Corman
Cotter
Coughlin
Crane
Cronin
Daniel, Dan
Daniel, Robert W., Jr.
Daniels, Dominick V.
Davis, Ga.
Davis, S.C.
Davis, Wis.
de la Garza
Dellenback
Dellums
Denholm
Dennis
Dent
Derwinski
Devine
Dickinson
Dingell
Donohue
Dorn
Downing
Drinan
Dulski
Duncan
du Pont
Eckhardt
Edwards, Ala.
Edwards, Calif.
Eilberg
Erlenborn
Esch
Evans, Colo.
Evins, Tenn.
Findley
Fish
Flood
Flowers
Flynt
Foley
Ford, Gerald R.
Forsythe
Fountain
Fraser
Frelinghuysen
Frenzel
Frey
Froehlich
Fulton
Fuqua
Gaydos
Gettys
Gibbons
Gilman
Ginn
Goldwater
Gonzalez
Grasso
Gray
Green, Oreg.
Green, Pa.
Griffiths
Gross
Grover
Gubser
Gude
Guyer
Haley
Hamilton
Hammerschmidt
Hanley
Hanrahan
Hansen, Idaho
Hansen, Wash.
Harrington
Harvey
Hastings
Hawkins
Hays
Hébert
Hechler, W. Va.
Heckler, Mass.
Heinz
Helstoski
Henderson
Hicks
Hillis
Hinshaw
Hogan
Holifield
Holt
Holtzman
Horton
Hosmer
Howard
Huber
Hudnut
Hungate
Hunt
Hutchinson
Ichord
Jarman
Johnson, Calif.
Johnson, Colo.
Jones, Ala.
Jones, Okla.
Jones, Tenn.
Jordan
Karth
Kastenmeier
Kazen
Keating
Kemp
King
Kluczynski
Koch
Kuykendall
Kyros
Latta
Leggett
Lehman
Lent
Litton
Long, La.
Long, Md.
Lott
Lujan
McClory
McCloskey
McCollister
McCormack
McDade
McEwen
McFall
McKay
McSpadden
Macdonald
Madden
Madigan
Mahon
Mailliard
Mallary
Mann
Maraziti
Martin, Nebr.
Martin, N.C.
Mathis, Ga.
Matsunaga
Mayne
Mazzoli
Meeds
Melcher
Metcalfe
Mezvinsky
Michel
Miller
Minish
Mink
Minshall, Ohio
Mitchell, Md.
Mizell
Moakley
Mollohan
Montgomery
Moorhead, Calif.
Moorhead, Pa.
Morgan
Mosher
Moss
Murphy, Ill.
Murphy, N.Y.
Myers
Natcher
Nedzi
Nelsen
Nix
Obey
O'Brien
O'Hara
O'Neill
Owens
Parris
Passman
Patman
Patten
Perkins
Pettis
Pickle
Pike
Poage
Powell, Ohio
Preyer
Price, Ill.
Price, Tex.
Pritchard
Quie
Quillen
Railsback
Randall
Rangel
Rees
Regula
Reid
Reuss
Rhodes
Riegle
Rinaldo
Roberts
Robinson, Va.
Robison, N.Y.
Rodino
Rogers
Roncalio, Wyo.
Roncallo, N.Y.
Rooney, Pa.
Rose
Rosenthal
Rostenkowski
Roush
Rousselot
Roy
Roybal
Runnels
Ruppe
Ruth
Ryan
St Germain
Sarasin
Sarbanes
Satterfield
Saylor
Scherle
Schneebeli
Schroeder
Sebelius
Seiberling
Shoup
Shriver
Shuster
Sikes
Sisk
Skubitz
Smith, N.Y.
Snyder
Spence
Staggers
Stanton, J. William
Stanton, James V.
Stark
Steed
Steele
Steelman
Steiger, Ariz.
Steiger, Wis.
Stephens
Stokes
Stratton
Stubblefield
Stuckey
Studds
Sullivan
Symington
Symms
Talcott
Taylor, Mo.
Taylor, N.C.
Teague, Calif.
Teague, Tex.
Thompson, N.J.
Thomson, Wis.
Thone
Thornton
Tiernan
Towell, Nev.
Treen
Udall
Ullman
Van Deerlin
Vander Jagt
Vanik
Veysey
Vigorito
Waggonner
Waldie
Walsh
Wampler
Ware
Whalen
White
Whitehurst
Whitten
Widnall
Williams
Wilson, Bob
Wilson, Charles H., Calif.
Wilson, Charles, Tex.
Wolff
Wright
Wyatt
Wylie
Wyman
Yates
Yatron
Young, Fla.
Young, Ill.
Young, S.C.
Young, Tex.
Zablocki
Zion

NAYS—0

NOT VOTING—48

Abdnor
Anderson, Ill.
Badillo
Bell
Breckinridge
Camp
Carey, N.Y.
Conyers
Culver
Danielson
Delaney
Diggs
Eshleman
Fascell
Fisher
Ford, William D.
Giaimo
Goodling
Gunter
Hanna
Harsha
Johnson, Pa.
Jones, N.C.
Ketchum
Landgrebe
Landrum
McKinney
Mathias, Calif.
Milford
Mills, Ark.
Mitchell, N.Y.
Nichols
Pepper
Peyser
Podell
Rarick
Roe
Rooney, N.Y.
Sandman
Shipley
Slack
Smith, Iowa
Wiggins
Winn
Wydler
Young, Alaska
Young, Ga.
Zwach

So (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

The Clerk announced the following pairs:

Mr. Rooney of New York with Mr. Mills of Arkansas.
Mr. Gunter with Mr. Zwach.
Mr. Roe with Mr. Young of Alaska.
Mr. Shipley with Mr. Abdnor.
Mr. Giaimo with Mr. Wydler.
Mr. Delaney with Mr. Winn.
Mr. Slack with Mr. Anderson of Illinois.
Mr. Pepper with Mr. Wiggins.
Mr. Podell with Mr. Mitchell of New York.
Mr. Breckinridge with Mr. Jones of North Carolina.
Mr. Carey of New York with Mr. Sandman.
Mr. Hanna with Mr. McKinney.
Mr. Badillo with Mr. Conyers.
Mr. Fisher with Mr. Mathias of California.
Mr. Culver with Mr. Bell.
Mr. Diggs with Mr. Landrum.
Mr. Nichols with Mr. Camp.
Mr. Danielson with Mr. Johnson of Pennsylvania.
Mr. Fascell with Mr. Goodling.
Mr. Smith of Iowa with Mr. Eshleman.
Mr. Young of Georgia with Mr. Milford.
Mr. Rarick with Mr. Landgrebe.
Mr. William D. Ford with Mr. Peyser.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. YOUNG of Texas. Mr. Speaker, on behalf of the majority whip, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the rule that would have made in order S. 1989, the Federal Salary Act amendments.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

PROVIDING FOR CONSIDERATION OF H.R. 9286, MILITARY PROCUREMENT AUTHORIZATION, 1974

Mr. YOUNG of Texas. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 505 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 9286) to authorize appropriations during the fiscal year 1974 for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons, and research, development, test and evaluation for the Armed Forces, and to prescribe the authorized personnel strength for each active duty component and of the Selected Reserve of each reserve component of the Armed Forces, and the military training student loads, and for other purposes. After general debate, which shall be confined to the bill and shall continue not to exceed three hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Armed Services, the bill shall be read for amendment under the five-minute rule by titles instead of by sections. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. YOUNG of Texas. Mr. Speaker, I yield 30 minutes to the distinguished gentleman from Tennessee (Mr. Quillen) pending which I yield myself such time as I may consume.

Mr. Speaker, House Resolution 505 provides for an open rule with 3 hours of general debate on H.R. 9286, a bill to authorize appropriations for the fiscal year 1974 for military procurement and related purposes.

House Resolution 505 provides that the bill shall be read for amendment by titles instead of by sections.

H.R. 9286 authorizes appropriations during fiscal year 1974 for major procurement and research, development, test, and devaluation by the Department of Defense. It also authorizes the personnel strength for all of the active-duty components of the Armed Forces and for the Selected Reserve of all of the Reserve components of the Armed Forces.

The total number of active duty personnel authorized by the bill is 2,219,865, the lowest total since 1950, and almost 100,000 less than authorized for the fiscal year 1973.

The total amount authorized by the bill is $21,394,997,000.

Mr. Speaker, I urge adoption of House Resolution 505 in order that we may discuss and debate H.R. 9286.

Mr. QUILLEN. Mr. Speaker, House Resolution 505 provides for the consideration of H.R. 9286, the Military Procurement Authorization, under an open rule with 3 hours of general debate. The rule also provides that the bill will be read by titles instead of by sections.

The primary purpose of H.R. 9286 is to authorize funds for fiscal year 1974 for military procurement and related purposes.

The total amount authorized in this bill is $21,394,997,000. This is $625,391,000 below the amount requested by the Department of Defense.

The $21,394,997,000 authorized in this bill is only part of the $85,165,000,000 requested by the President for the Department of Defense in fiscal year 1974. Funds for personnel, operations and maintenance, and a part of procurement are made on the basis of continuing appropriations. Military construction is authorized in separate legislation.

In addition to authorizing funds, this bill authorizes the personnel strength for each of the active duty components of the Armed Forces for fiscal year 1974. The total number of active duty personnel authorized is 2,219,865. This is 94,188 fewer personnel than authorized for fiscal year 1973. It is the lowest since 1950. The breakdown by services is as follows: The Army—791,627; Navy—565,912; Marine Corps—196,363, and Air Force—665,963. This bill also authorizes personnel strength of the reserve components of the Armed Forces for fiscal year 1974.

Title VI of the bill continues the authority for merging military assistance and financing for South Vietnam, and local forces in Laos with Department of Defense funding. A ceiling of $1,300,000,000 is placed on authorizations for the support of military forces of South Vietnam and Laos during fiscal year 1974. Title VI also prohibits the use of any funds for carrying out directly or indirectly any economic or military assistance for North Vietnam in fiscal year 1974.

Mr. Speaker, I urge the adoption of this rule in order that the House may begin debate on H.R. 9286.

Mr. Speaker, I have no requests for time, but I reserve the balance of my time.

Mr. YOUNG of Texas. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

PERSONAL STATEMENT

Mr. GOODLING. Mr. Speaker, I would like the Record to show that I missed the last vote because I was out on the front of the Capitol having some pictures taken with 14 4–H'ers from my district and a similar number from Illinois. I should like to have the Record show that had I been present, I would have voted "yea" on the passage of the bill.

MILITARY PROCUREMENT AUTHORIZATION, 1974

Mr. HÉBERT. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 9286), to authorize appropriations during the fiscal year 1974 for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons, and research, development, test and evaluation for the Armed Forces, and to prescribe the authorized personnel strength for each active duty component and of the Selected Reserve of each reserve component of the Armed Forces, and the military training student loads, and for other purposes.

The SPEAKER. The question is on the motion offered by the gentleman from Louisiana.

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H.R. 9286, with Mr. Rostenkowski in the chair.

The clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the rule, the gentleman from Louisiana (Mr. Hébert) will be recognized for 1½ hours, and the gentleman from Indiana (Mr. Bray) will be recognized for 1½ hours.

The Chair recognizes the gentleman from Louisiana.

Mr. HÉBERT. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, before proceeding with the formal statement of the chairman on behalf of the Armed Services Committee I think it well to inform the members of the Committee as to the procedures which will be followed. This is with the consent of the gentleman from Indiana, the ranking minority member (Mr. Bray).

We will have 3 hours of debate for today, and it is the intention of the Committee to stay here in session until we use the entire 3 hours or whatever part of that 3 hours is necessary. I wish to invite attention to the fact that 3 hours is the number of hours provided by the Rules Committee. The Armed Services Committee asked for 4 hours but stated we would accept anything given to it by the Rules Committee, because following the procedure we have observed in the past, no Member is going to be cut off from debate in the consideration of this bill.

It is not my intention at any time during consideration to move to limit debate particularly on amendments. In that connection we will use our time this afternoon and then read the bill for amendment, at which time I will then move that the Committee rise, and we will come back on tomorrow and continue to read for amendments.

As we notice in the rule, the bill shall be read by titles instead of by sections, which means that a title will be considered as a whole and then passed, and then we will go to the second and the third and the fourth titles, as we go along. This will expedite the handling of the measure.

As to the number of amendments which we anticipate, I will say to the members of the Committee that never before since I have been a Member have I received so many "Dear Colleague" letters. It seems every morning when I go to my office there is another "Dear Colleague" letter about another amendment a Member will be offering.

It almost appears that in light of this attitude, committees may no longer have a function in this House and maybe the better procedure would be to let all legislation be written on the floor.

However, I will say that this bill is the committee bill. It is the bill from the Committee on Armed Services. This bill is trimmed as much as it can be trimmed. There is no fat in it as far as we know. It is all muscle. We could have taken the procedure of maybe fattening it up a little bit and letting it come to the floor and with that maneuver allow the bill to be cut down. The committee has refused to take that position. It is determined to defend the bill as it is written.

I desire also to call to the attention of Members of the House the fact that this bill was passed out of the committee by a vote of 38 to 1. This is in every sense of the word a committee bill. The gentleman from Indiana (Mr. Bray), the ranking minority member and I as chairman come here under the mandate of that committee to pass the bill as it was reported on that vote. This is what I intend to do and this is what I hope to accomplish and I hope I will have the cooperation of this body. I hope we will not be running all over the field in the next several days and that we will be able to get the legislation out in good order. Nobody will be cut off from debate and all my dear colleagues who have written me "Dear Colleague" letters will have all the time they need.

Mr. Chairman, H.R. 9286 authorizes appropriations for major military procurement, all research and development and the strength ceilings for the active duty and selected Reserve components of the Armed Forces.

This year, for the first time, the bill authorizes the annual average military training student load for each of the Armed Forces. The bill, as in previous years, contains a limitation on funds that can be made available for support of the military forces of South Vietnam and Laos:

The bill prohibits any obligation or expenditure of funds for aid to North Vietnam.

It is necessary for this authorization to pass before appropriations can be voted. Therefore, the bill is absolutely necessary for the continued operation of our Military Establishment.

DOLLAR TOTALS

Here is a rundown on cost totals:

DOD requested: $22,020,388,000.

Committee approved: $21,394,997,000.

Reduction: $625,391,000.

The committee actually made reductions totaling approximately $876 million but added authorization for two items in the amount of $251 million. So the net reduction is $625 million.

DEBATE

Since becoming chairman of the committee, I have—each year when bringing this bill to the floor—assured the House that I would make no move to cut off debate; that I was prepared to remain here as long as necessary for the House to work its will on the legislation.

I renew that pledge today.

COMMITTEE PROCEDURE

The report is available to all Members and explains in detail the committee's decision on the legislation. The report is some 150 pages long.

In addition to hearings by the full committee extending over almost 4 months, the legislation reflects exhaustive hearings by—

First, the Subcommittee on Research and Development, chaired by Mr. Price of Illinois, with Mr. Gubser as ranking minority member;

Second, the Subcommittee on Military Personnel, chaired by Mr. Fisher, with Mr. Dickinson as ranking minority member;

Third, the Subcommittee on Seapower, chaired by Mr. Bennett, with Mr. Bob Wilson as ranking minority member.

The hearings fill four volumes.

Following my remarks, I am going to yield to Mr. Price to explain the research and development authorizations; Mr. Bennett to discuss our ship construction program; and Mr. Dan Daniel to discuss the manpower decisions in titles III, IV, and V of the bill, substituting for our colleague, Mr. Fisher.

The committee's action on this bill results from extraordinarily hard work by these subcommittee leaders and equal diligence and cooperation by the membership of the committee and the various subcommittees; and I would like to express my appreciation to them. Legislation of this type makes extraordinary demands on the time of Members of Congress, often in tedious but important work that escapes public recognition. In view of the more than 4,400 pages of testimony taken by the committee over a 4-month period, it is simply unjust and unfair to refer to the committee's work as a cursory review or to accuse members of the committee of being afraid of hard work and careful analysis. I might add that every public witness who asked to testify was heard.

MAJOR REDUCTIONS

Let me just list the major reductions made by the committee: $330.9 million from the F-15 aircraft; $50.7 million from the Safeguard ABM system; $50.2 million from the subsonic cruise armed decoy—SCAD; $42 million from the aircraft warning and control system—AWACS; $36.4 million from the R.D.T. & E. authorization for the Navy and Marine Corps; and $25 million from the site defense program.

The committee effected a massive reduction in the military assistance program for South Vietnam and Laos. The limitation on spending of funds in support of military forces of South Vietnam and Laos was reduced by $800 million. The new ceiling is $1.3 billion.

The other reductions made by the committee are discussed in detail in the report.

COMMITTEE ADDITIONS

The committee added just two major items to the bill: $172.7 million for the procurement of 12 F-111F aircraft; $79 million for long-leadtime procurement to begin purchase of two more nuclear frigates, DLGN-41 and DLGN-42.

Language was included in the bill to require the contracts for the DLGN's to be entered into as soon as practicable unless the President advises the Congress that their construction is not in the national interest. Language is also included providing that the $172.7 million added to Air Force aircraft authorization funds shall be available only for the procurement of 12 F-111F aircraft.

SHIP CONSTRUCTION REDUCTIONS

While adding funds for the DLGN's, the committee made significant reductions in the shipbuilding and conversion requests of the Navy: $149.9 million was cut from the program for conversion of ballistic missile submarines; $20 million was cut from the program for conversion of conventionally powered frigates; and $22.7 million was cut from the authorization requested to cover prior year cost growth on the LHA program.

MANPOWER AUTHORIZATIONS

In approving the strength authorizations for the Armed Forces, the committee made these personnel decisions:

The number of enlisted aides for senior officers in the military services was reduced by 35 percent.

The number of officers in each service

who may participate in fulltime graduate education programs was reduced by 10 percent.

The committee endorsed the idea advanced last year by the Special Subcommittee on NATO Commitments, under the chairmanship of Mr. RANDALL, for creation of a NATO Common Fund which would provide for reimbursing the United States for the balance-of-payments deficit resulting from its NATO commitment.

The active duty strength authorized for the Armed Forces in the bill, which is 13,037 less than requested, is 2,219,865. This is 94,188 less than authorized last year; 464,000 below the strength level in 1964, before the Vietnam buildup; and 1,325,000 less than the strength at the peak period of the Vietnam war.

The strength of our Armed Forces in fiscal year 1974 will be the lowest since the Korean war.

F-14 DECISION

The committee, at the request of the Department of Defense, deleted the authorization for 10 F-4J aircraft for the Navy and in place thereof authorized 2 additional F-14 aircraft, bringing the total number of F-14's authorized in the bill to 50. This does not change the total authorization for Navy aircraft.

However, the committee rejected overwhelmingly the proposal of the Deputy Secretary of Defense for a flyoff completition between the simplified versions of the F-14, the F-15 and the F-4 as a follow-on to the F-14. The Department of Defense failed to convince the committee that money would be saved by such a prototype program.

COMMITTEE PERSPECTIVE

There are summarized in the report two important studies on the causes of cost escalation; these were prepared at the direction of the committee. One study was done by the Comptroller General and one by the Department of Defense. These studies will prove very valuable in helping the committee to better identify the various causes of cost escalation. These studies represent—I like to think—the beginning of a process of the committee, as the agent of the House, getting more deeply involved in fundamental decisionmaking on military policy. I would particularly call attention to the recommendation of the Comptroller General that the committee get involved in weapons decisions at an earlier point in the decisionmaking process. It is my intention that the committee will continue to pursue avenues of more effective review of military programs and continue to improve its capacity for independent analysis of defense proposals.

We have, in the report, attempted to discuss some broad policy areas in addition to simply explaining individual weapons systems. I would call your attention particularly to the discussion of personnel requirements and the discussion of technological advances deriving from our military research and development programs.

THE CONTINUING NEED FOR A STRONG DEFENSE

In the nature of things, there will be, I suspect, a number of amendments to reduce one program or another, or to use this bill to make changes by default in our foreign policy. I would stress for the committee that this is neither the time nor the place to change foreign policy by an ill-considered, back door approach; and this is certainly not the time to precipitately change our world position in regard to NATO.

We are in a time when negotiations are going on which we all hope will lead to greater arms control, a reduction of arms development and lessening of tension in the world. Neither now, nor at any time in history, has anybody won at a conference table what they were not in a position to defend on the battlefield.

The urge to dismantle large portions of our military establishment or to suddenly halt the developments which assure a modern armed force arises from an emotional and not a rational base. Detente and negotiations to improve world stability are products of our strength; they are not a reason for dismantling that strength.

It should be kept in mind that the treaties signed last year are arms limitation treaties. They are not disarmament treaties. The Soviets are not reducing their number of arms; they are not stopping the modernization of their weapons systems; and they are not removing their forces from central Europe.

Our Armed Forces must be based on the capabilities of any potential adversary, not on what some might presume are his present intentions. This bill is necessary if we are to continue to have such an armed force.

Mr. BRAY. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, the bill our committee presents to the House today provides $21.3 billion for procurement of weapons and research and development and sets the Active and Reserve strength limits for the coming year. Money can only be appropriated for the military departments pursuant to this authorization and the bill is, therefore, absolutely necessary for the continued maintenance of our national security.

The committee has left its imprint on this legislation. We have made reductions totaling $876 million and additions of $251 million for a net reduction of $625 million.

In addition, the committee has put specific language in the bill to assure that the additional money provided for the F-111, $172.7 million, can be spent only for that aircraft and the additional money provided for the DLGN's, $79 million, must be obligated unless the President informs the Congress that such is not in the national interest.

I point this out, Mr. Chairman, to stress the fact that the committee has worked its will on the legislation.

I would particularly call the attention of Members of the House to the fact that our authorization for research, development, test and evaluation, $8,321,797, is $194 million less than was authorized last year and is only $360 million more than was actually appropriated last year. When one allows for the effect of inflation it would be seen that we are, if anything, slightly reducing our level of research and development. When one reflects that our technology edge is the most important advantage we have over the evermore powerful Soviet military forces, it will be seen that any further substantial reductions in our research and development programs could be made only at peril to our national security.

Rather than a dry repetition of specific dollar reductions made, all of which are explained in the committee report, I would like to emphasize two points to the Members of the House. The first concerns the general impact of weapons spending and the second concerns the nature of the authorizations we act on in this bill.

THE TREND IN WEAPONS PROCUREMENT

As the cost studies performed at the committee's direction show, the unit cost of weapons systems has multiplied enormously. The money that will buy less than a thousand F-14 fighters today bought 100,000 fighter aircraft during World War II, after adjustment for inflation.

The main reasons for the soaring increase in unit cost are higher performance brought on by advanced technology and a sharp reduction in quantities procured.

It is significant, however, that what is sometimes termed the investment spending of the Defense budget, spending for weapons systems, has not increased when measured in constant dollars. The surge in unit cost has been accommodated within the Defense budget in two ways: by a decrease in the investment in strategic forces and by a reduction in number of weapons procured.

Two illustrations will demonstrate concretely what has happened:

Between 1956 and 1959 strategic forces investment averaged about $13 billion per year. It now averages less than $4 billion per year.

Annual aircraft procurement averaged 1,800 a decade ago. Today it is averaging around 500.

Two points should be kept in mind by the Members of the House: the first is that accommodation has been made so that weapons procurement has not driven the Defense budget upward. Weapons procurement spending has been remarkably level. The increases in Defense spending over the past decade have been caused by the war spending which is virtually completed and the increased costs for personnel associated with the effort to achieve an all-volunteer force.

The second thing to remember is that we cannot continue indefinitely to pay for quality improvement by a reduction in quantity. There comes a time when sheer superiority of numbers will overwhelm inadequate forces—even those with better weapons. We must have the Armed Forces we need to assure their continued deterrent capability and we must not let an obsession with higher unit cost result in an inadequately equipped force.

A PROGRAM FOR THE FUTURE

There is one thing that Members must understand about the bill on which we ask the support of the committee today. It is a fiscal 1974 authorization, but its principal effect will be felt long after fiscal 1974.

Some of the criticism for weapons systems authorized in the bill reduced themselves to the complaint that we do not need the system now. What they are overlooking is the simple fact that often we are not going to get the system now. But it is necessary to begin development now if we are to have needed systems in the future.

Some of the important weapon systems authorized in this bill will not come into the inventory in any sizeable number until the late 1970's or early 1980's. Some of the most frequently criticized systems in the bill, such as the Trident, the B-1, or SAM-D, are systems which are years away from deployment and if we are to have the capacity to deploy them at one point in the future when they might be desperately needed, we must proceed with their development now. Weapons development is a very complex process and it takes years to get from initial research to the finished system. We are, if anything, slowing down the process by insisting on the fly-before-buy approach to better control the cost of new systems.

The Interim Agreement on Offensive Weapons signed with the Soviets is a 5-year agreement that terminates in 1977. Since the Soviets have numerical superiority in important strategic areas and since there is nothing in the treaties to prevent them from improving their systems qualitatively, we must keep up our research and development efforts so that we will not be in a compromised position if a follow-on agreement is not signed.

If we want to be in the position to make a production decision on such important new systems as the site defense of Minuteman in 1977, we must allow the development to progress at a reasonable rate now.

Keep in mind that the Senate has indicated that failure to sign a follow-on offensive agreement may be taken as sufficient grounds to abrogate the ABM treaty. If we allow our Defense Establishment to deteriorate, there will be no incentive for the Soviets to agree to a follow-on offensive weapons agreement in 1977.

So I urge the Members not to be lulled by arguments which imply that the authorizations in this bill are wasteful because of the agreements signed to date and because of the atmosphere of détente.

Mr. PEPPER of the Rules Committee put it very well during our appearance before his committee when he stated:

> Tell the Russians we will cut down our forces when they cut theirs.

If the reasons advanced for stopping weapons development were valid, the Soviets would be stopping theirs.

I assure you that they are not. They are modernizing their armed forces at a much faster rate than we are and are improving their technology to the maximum of their capabilities.

OVERSEAS DEVELOPMENT

The personnel strengths authorized in the present bill reflect the continuation of a dramatic reduction in our Armed Forces from the peak of the Vietnam war years. The Armed Forces have been reduced by over 1,200,000 men in 4 years. The strengths authorized in the present bill will be almost 100,000 less than was authorized last year.

As important as the strength of our Armed Forces is its deployment. The deterrent capability of a force is a combination of its capability and its location. If the force is providing an effective deterrent, we should look for ways to solve any problems connected with it by measures other than relocating it. Proposals to suddenly withdraw great numbers of our force from overseas would reduce the deterrent capability of those factors without significantly reducing their long-range cost.

I hope the Members, therefore will not let this bill become a vehicle for forcing on the President irrational foreign policy decisions. We are presently involved in complex negotiations concerning reduction of forces in Europe. I can think of nothing that makes less sense than to reduce forces unilaterally at a time when you are conducting negotiations the purpose of which is to bring about a reduction of forces.

So I look upon this bill as both a signal of our intention to keep our forces strong into the future and as evidence that our military capability will be matched by a national will to meet our commitments. In that spirit, I urge all of you to support the legislation.

Mr. Chairman, I yield such time as he may consume to the gentleman from Illinois (Mr. ARENDS).

Mr. ARENDS. Mr. Chairman, I rise in support of the House Armed Services Committee and its recommendations on H.R. 9286, the annual Department of Defense Authorization bill for fiscal year 1974.

Unfortunately, some elements of the news media as well as some Members of Congress, have attempted to portray the military budget for fiscal year 1974 as a swollen, distorted fiscal monstrosity which has little or no justification.

Most of these same critics maintain that the President's 1974 budget includes huge increases for defense and sharp cutbacks for domestic programs. They say that these domestic programs are being starved and denied funds so that we can provide the lion's share of the budget to the military. This is all nonsense and patently untrue.

Let me give you the facts and you judge for yourself.

The facts are:

First. The defense share of the 1974 budget is the lowest since 1940.

Second. The national budget has experienced massive increases in nondefense spending. For example, the 1974 budget contains a $15 billion increase for nondefense spending over that recommended in fiscal year 1974.

Third. The defense budget primarily consists of two things:

Pay and allowances of personnel, et cetera; and

Purchase of goods and services.

PAY

Pay costs are tied to manpower levels through rates of pay and allowances set by Congress. The 1974 defense budget requests military and civilian manpower of 3.2 million. That is 1.6 million—one-third—below the 1968 level, and 474,000—13 percent—below the prewar, 1964, level.

Therefore, manpower is at the lowest level in the defense budget since 1950.

PURCHASES

The 1974 purchase spending amounts to approximately $37 billion. Allowing for general price inflation, that is 40 percent below the 1968 level, and 15 percent below the prewar, 1964, level. In dollars of constant buying power, this represents the lowest level of defense purchases since fiscal year 1951.

Putting both of these items together, that is, pay and purchases combined, the entire defense budget for fiscal year 1974, in terms of real buying power, is the lowest since fiscal year 1951.

Now, some will challenge the figures I have just given you by saying that "national defense costs" not only include military programs but should include the costs of veterans' programs as well. These programs are estimated to cost $12.2 billion for fiscal year 1974. The logic of combining the cost of veterans' programs with military costs is certainly questionable at best, particularly since about half of the cost of veterans benefits is for nonservice-connected conditions. However, to satisfy the critics, if we accept the cost of veterans' programs as part of our "national defense costs" we find that together they amount ot 34.6 percent of the total fiscal year 1974 budget—the smallest allocation of the budget for these purposes since 1940.

Stated another way, the 1974 budget provides the lowest share for national defense since fiscal year 1940, the fiscal year which ended 17 months before Pearl Harbor.

A budget of this kind can hardly be considered extravagant to anyone who places the smallest premium on his freedom.

Mr. HÉBERT. Mr. Chairman, I yield such time as he may consume to the gentleman from Illinois (Mr. PRICE).

Mr. PRICE of Illinois. Mr. Chairman, in an effort to expedite the legislative process and to enable the Committee to review the Defense budget in greater depth this year, Chairman Hébert divided the bill into four sections: Procurement of hardware other than naval vessels—procurement of naval vessels—research and development—and personnel matters. Each of these four broad categories was referred to a subcommittee of the full committee—or to those Members not assigned to one of the three legislative subcommittees reviewing a particular area of the budget.

The research and development portion of the budget was assigned to Subcommittee No. 1—of which I am privileged to be chairman. In our attempt to review this portion of the budget as thoroughly as possible, the subcommittee held 28 hearings with the various military services and Defense agencies to receive testimony justifying the fiscal year 1974 research and development budget.

I do not wish to imply that the subcommittee knows all of the answers or all of the problems associated with an $8.3 billion budget. The fiscal year 1974 research and development program for the Department of Defense includes more than 1,500 programs or projects. It is an impossible task for any committee or subcommittee to become intimately familiar with that large number of projects during a 4-month period. However, we did review the research and development programs on a line item basis—and the committee files contain written justification on all programs or projects for which $3 million or more is requested during this fiscal year. These justifications, or backup books, total 13 in number and include over a thousand pages of information.

The fiscal year 1974 request for research, development, test, and evaluation, including the increase of $61.3 million resulting from a civilian pay raise effective January 1, 1973, totals $8,619,188,000. The $16.3 million for the civilian pay raise was not included in the President's budget message. However, it was included in the testimony of Defense witnesses and supported by the backup justification material. Since no formal budget amendment was received by the committee, this $61.3 million was denied the Department of Defense as an additional authorization for appropriations and must be taken from the total amount authorized inasmuch as the civilian employees covered by this pay raise are entitled to it by a previous law enacted by the Congress.

The amount recommended by the committee—$8,321,797,000—is $236,103,000 less than the President's budget and is $297,391,000 less than the amount requested by the Department of Defense to include the civilian pay raise. The amount recommended by the committee is $194,750,000 less than was authorized by the Congress for fiscal year 1973.

Mr. Chairman, the committee report contains several pages on the necessity for maintaining a strong technological base to enable this country to stay abreast of Soviet technological achievements and to enable this country to avoid technological surprises by our potential enemies. Because of the strong feeling of the committee members for the necessity to maintain an adequate technological base, we very deliberately avoided reductions to the R. & D. budget that would have an adverse impact on that technological base. In fact, we recommended authorization of the full amount requested by the Department of Defense in this area.

In addition, our report contains several pages of accomplishments directly attributed to the defense technology base over the past several years. I refer my colleagues to pages 44 to 48 of the committee report.

In my 10 years as chairman of the Subcommittee of the Armed Services Committee charged with reviewing the research and development programs, I have been asked on several occasions, how does the defense research and development program benefit the civilian economy. In addition to the monetary benefits derived from the payroll in the civilian community, we have attempted to identify what we call the civilian spinoff from defense research and development. This is covered in the report on pages 48 to 51 and includes only a few of the hundreds of benefits derived by the civilian economy from defense sponsored research and development.

Let me concentrate on just one of those spinoffs to the civilian economy—namely, the contribution of military research and development to civil aviation. More than eight out of ten of all the commercial jet airliners operating in the free world today were designed and built in the United States. That simple statistic is one measure of this country's preeminent position in aeronautics.

One out of every four of those American-built jet airliners traces its lineage directly to a single Air Force bomber program. That simple statistic is a measure of the influence and importance of Air Force aeronautical research and development.

All of the jet airliners—all of them—developed and built in the United States have depended to a large extent on the availability of technology, or hardware, or both, generated by military-sponsored programs in aeronautical research, technology, development, or production.

Those are facts about today's commercial jet airliners. But they hold equally true, in a different sense, for all of civil aviation. For the study of the history of aeronautical progress in the United States shows that military sponsorship has provided most of the significant technological gains that have been made in American aviation.

A recent joint study by the Department of Defense, the National Aeronautics and Space Administration, and the Department of Transportation identifies 51 significant technological advances made in U.S. aviation since 1925. Military sponsorship has been responsible for 35 of them.

Government sponsorship, which included work funded by the military and by Government civilian agencies, was responsible for 45 of the 51 advances. The remaining six were results of work funded by private industry.

Forty-six of the 51 advances have been applied operationally. Of those, 31 were first used by the military, pioneering the way to later acceptance in civil aviation.

The reductions recommended by the committee in the research and development area are spelled out in the report and I will not take the time of the committee to repeat them at this time. They are included in the "Summary of Major Committee Revisions" beginning on page 7 of the report—and they are explained in greater detail in the section of the report beginning on page 43 under "Title II—Research, Development, Test, and Evaluation"—and further identified as committee changes under the various budget activities which begin on page 51 of the report.

Mr. Chairman, over the past several weeks the committee has received several hundred letters from individuals throughout the country urging the Congress to increase the Defense research and development budget to stay ahead of any potential adversary. The committee did not see fit to increase the research and development budget in view of the demands by others to reduce defense expenditures. I do believe that the amount recommended by the committee will support a balanced program—if efficiently managed—to enable us to maintain a technology posture adequate to cope with the threat of the future. I urge my colleagues to support the bill as reported by the committee.

Mr. CHARLES H. WILSON of California. Mr. Chairman, will the gentleman yield?

Mr. PRICE of Illinois. I yield to the gentleman from California (Mr. CHARLES H. WILSON).

Mr. CHARLES H. WILSON of California. Mr. Chairman, I want to express my complete support of the research and development portion of the bill, and probably to the entire bill.

The gentleman from Illinois (Mr. PRICE) has done an outstanding job as head of the Subcommittee on Research and Development.

Mr. Chairman, the way the B-1 research and development program is structured has allowed the Air Force/contractor team to follow a logical and careful step-by-step approach in developing a major weapon system. This has resulted in a development program where technical risk has been minimized and made it possible through good management visibility to accurately and promptly detect problems and make rational decisions for their solutions.

The visibility gained over the past 6 months, when engineering drawing releases went from 65 percent to 90 percent and fabrication of major structure for the first air vehicle accelerated, has yielded the hard data—material and man-hour costs—that could only be obtained by cutting metal and acquiring real time experience in assembling the first flight test aircraft.

Analysis of these data provided a more accurate assessment of cost and schedule requirements and indicated that if the schedule of first flight in April 1974, was to be maintained, it would require funds in excess of those programed for fiscal year 1974. The decision was obvious—hold the cost line and delay first flight by approximately 60 days, still holding to a first flight in the summer of 1974. The 60-day readjustment in first flight date will allow the contractor to use more economical schedules for subsystems installations in the first air vehicle.

While production decision is being rescheduled, the revised decision date still falls in fiscal year 1976, as previously planned; in fact, the new fiscal year 1976 date is such that the engine endurance and other key tests will have been completed before any production commitment is made. As we are all aware, moving ahead into production before engine endurance and other vital tests were completed has caused problems in other major programs. It is felt by all involved that this decision to put schedule and costs into a more balanced context will certainly result in lower ultimate costs and a better weapons system.

The contractor, Rockwell International, has been able to meet every major milestone to date since the inception of the program in June 1970. These included—preliminary design review, July 1971; mockup completion and review, October 1971; and critical design review, May 1973. At the same time, more than 680 individual parts of the B–1 airframe have been tested to verify structural integrity and producibility. Systems testing results, which have been outstanding, have included eight successful escape capsule parachute drops and three escape rocket sled ejection tests. These preassembly tests have given the contractor great confidence in his design estimates.

As in any R. & D. program, one expects design changes, and they do affect schedules. An example would be the decision in early 1972 to change from a mixed compression engine air inlet to an external compression inlet. It was found, as the contractor moved into detail design, that while the mixed inlet offered certain advantages over the external at supersonic speeds, those advantages were not great enough to offset the additional cost and complexity of the design. Detailed studies showed that for a very slight decrease in supersonic performance, the contractor could save weight, maintainability costs, and even gain in subsonic performance with the external compression inlet. The decision to go this route resulted in a redesign, which caused a revision in the schedule for that portion of the airframe.

There has been concern on the timing of the program readjustment announcement, and certainly with good reason. But the philosophy adhered to by the Air Force and the contractor during the B–1 program is best described by one word, "candid." It has always been the policy on the B–1 to announce as soon as possible any significant events, or decisions that take place. As soon as the course of action was established for the R. & D. program readjustment, the Air Force felt it should be announced, which it was.

Since the inception of the program in 1970 it has been known that the Air Force/contractor team was going to be faced with extremely tight funding, particularly during the early years of the R. & D. phase. They adhered rigidly to the yearly funding limits since inception and this will also be the case in fiscal year 1974. The whole aim has been to stay within the cost and remain on schedule, and now with validated test results and actual manufacturing experiences becoming available as the assembly of the first air vehicle accelerates, I am pleased that this current readjustment of the program will permit first flight in the last quarter of fiscal year 1974 as planned and has resulted in less than a 3-percent cost variance in the total R. & D. program.

I strongly support the B–1 program and ask for the support of the Committee.

Mr. BRAY. Mr. Chairman, I yield such time as he may consume to the gentleman from California (Mr. GUBSER).

Mr. GUBSER. Mr. Chairman, I support the statement made by my colleague from Illinois, the chairman of the Research and Development Subcommittee. After lengthy hearings, the report of the subcommittee containing its recommendations to the full committee was unanimous.

I commend my chairman and my colleagues on the subcommittee for their diligence and their participation in the long and tedious review conducted by the subcommittee.

Recently the United States signed a cease-fire agreement with North Vietnam, an action signifying the withdrawal of troops and hopefully the beginning of a lasting peace. Historically, after the cessation of hostilities, the need for the Armed Forces is carefully scrutinized and Vietnam is no exception.

The reduction of the Armed Forces at the end of World War II was understandable, because there was not another country whose military forces posed a threat to U.S. security. However, when we look at the world situation today, the cessation of fighting in Vietnam is the only change. The Soviet Union, even after signing the strategic arms limitation agreement, has indicated that it will continue to upgrade those offensive capabilities not covered by the agreement. The People's Republic of China has developed a nuclear weapon and one would expect that they are working to develop an effective delivery means. While all may hope that a satisfactory solution may be found for the Middle East, we cannot overlook the possibility of overt military action in that part of the world.

How does this affect Defense Research and Development? As one of the important instruments of national policy, our Armed Forces must be flexible, modern, and efficient. The United States must have an effective Armed Force, but one considerably smaller than in recent years. Therefore, to maintain force effectiveness with fewer personnel, military weapons and equipment must be superior to those of any potential adversary. We must have materiel to cope with international tensions not only as we know them today, but also as we envision them many years hence. To achieve this, a responsive and viable research effort is required to feed new technology to the development program.

The higher costs of modern weapon systems, along with reduced manning levels, makes it essential that we improve reliability and maintainability and reduce life cycle costs. The military departments have learned that by emphasizing these goals in applied research and the early stages of development, costly corrections or modifications downstream can be avoided.

The known or anticipated capabilities of potential enemies must also be considered. Their technological activities and capabilities are continually reviewed to assess the direction in which our own R. & D. efforts must be directed. As a Nation we must do this to prevent technological surprise.

The adequacy of our research and development efforts—as stated by one of our witnesses—must be measured against the efforts of our leading rival, because our comparative R. & D. efforts today will determine our comparative standing in weapons quality through the remainder of this century. Highly technical weapons systems require lead times which make timely research and development most crucial.

The hearing record of the Committee on Armed Services for the past several years is replete with testimony from various witnesses—including intelligence reports—that the Soviet Union and the People's Republic of China have substantially increased their efforts in military research and development to the point that today it is estimated that the Soviet Union spends more in this area than does the United States.

The dollar amount recommended to be authorized for defense R.D.T. & E. for fiscal year 1974 is $362.3 million more than was appropriated last year, but it is $194.8 million less than was authorized last year. However, $300 million of this apparent increase over appropriations merely provides for the increasing costs of doing business. Sixty-one million, three hundred thousand dollars of this apparent increase will be needed to pay the civilian employees of our defense laboratories. The raise to which they were entitled is a result of earlier congressional action. So there is no net increase over last year's appropriation.

The purchasing power of research and development money has been dropping steadily in recent years. In 1963, the first year that Congress authorized appropriations for research and development efforts, the purchasing power in "present dollars" was about $9.5 billion. Compare that to the amount recommended in this bill, $8.3 billion, and we see a reduction in purchasing power of $1.2 billion.

The research and development program supported by the funds recommended for authorization in this bill include very few new starts or new programs, but merely support on a continuing basis those initiated in prior years.

The security of this Nation is based on our maintaining an adequate military strength to deter thoughts or acts of aggression on the part of our potential enemies and encourage talks and negotiation instead. I believe that an effective deterrence is based on a possession of adequate numbers of a mixture of quality weapons plus the clear ability and will to use those weapons if it is ever necessary. Yesterday's research provided the quality that makes deterrent weapons competitive today—and today's research and development will determine the quality of deterrent weapons tomorrow. The Department of Defense's actions in framing an R. & D. budget request—and the actions of Congress in modifying and approving it—will determine to a large extent the ability of this country to deter and negotiate for many years to come.

The defense research and development budget recommended in the bill before us supports the minimum effort needed to maintain that effective deterrence. I urge the committee to fully support this bill.

Mr. HÉBERT. Mr. Chairman, I yield such time as he may consume to the gentleman from Virginia (Mr. DAN DANIEL).

Mr. DAN DANIEL. Mr. Chairman, we have thus far addressed sorely needed weapons systems and related subjects. These offer little security comfort, however, without superior quality, well-trained, highly disciplined, and properly motivated personnel.

Mr. Chairman, titles III, IV, and V of the pending bill pertain to Active and Reserve Force manning levels and military student loads.

The numbers in title III represent the levels of active military manpower which your Committee on Armed Services believes essential to meet the Nation's foreign policy commitments and contingencies and to insure its security. The strength authorized in this bill is 2,219,865—13,097 fewer than requested by DOD, and 94,188 less than authorized for fiscal year 1973.

Military manpower and defense-related civil service personnel, individually and collectively, in June of 1974 will be at the lowest points since the fall of 1950—1,325,000 below the 1968 war peak; 464,000 below the prewar 1964 level. It is almost 95,000 men below the number authorized for last year.

It is respectively suggested that prior to any further reduction, the Congress first review our commitment to determine if it is the will of the Congress and the people that they be met. To reduce capability while giving lip service to commitments further strains this Nation's credibility in the world.

Under title IV, the Reserve section, DOD requested an average manpower strength of 921,815. Your committee authorized 922,315, 500 more than requested but 66,544 fewer than authorized for fiscal year 1973.

We are experiencing some difficulty in meeting our Reserve requirements in the no-draft environment. The Reserve and National Guard waiting lists have been exhausted, and the authorization request was reduced by the Department to reflect manning levels the Reserve components hope to attain as opposed to requirements. Best estimates to date indicate that the Reserve Force levels requested in this bill are nearly 60,000 men below what military requirements dictate.

The committee recommends 11,800 spaces for the Coast Guard Reserve—the same as was authorized last year and 500 more than requested. Coast Guard and Department of Transportation representatives convinced the committee that 11,800 was the number required to fulfill the Coast Guard Reserve mission.

Title V—military training student loads is a new requirement in the authorization process. During fiscal year 1974, over 1,600,000 military personnel will undergo formal training of from 1 day to 18 months. This bill authorizes a total of 376,280 man-years of formal military training—500 fewer than requested—in five separate categories: Recruit, specialized, professional, flight, and officer acquisition training.

While the committee examined each category of training in depth, it concentrated on the one area in which the committee felt reductions could be justified—officer graduate education. The committee is not convinced that all of the existing "validated billets" actually require a graduate degree. A 10-percent reduction in the officer graduate education request was therefore levied against each service.

Mr. Chairman, we also reduced the number of enlisted aides by 35.8 percent from 1,722 to 1,105. These will be allocated to the individual services by the Department of Defense. The enlistment aides' training schools have been closed.

THE ALL-VOLUNTEER FORCE

The draft has not been used for over 6 months. We are in an all-volunteer force environment. It is too soon to determine whether or not this experiment will be successful. Through the initiation of higher pay scales, adjustments affecting military life, enlistment bonuses, and intensified recruiting we are making every effort to create a climate for success of the program.

U.S. FORCES IN EUROPE

There will be several amendments offered which would reduce our force levels, especially those in NATO. The committee must vigorously oppose such amendments.

There will be an opportunity for extended debate on this subject. However, I would like to set forth the compelling reasons why your committee would oppose major reductions in these forces:

First, NATO and the European continent are vital to the strategic interests of the United States, and to our political and economic interests. Europe is the first line of defense for America.

Second, the NATO alliance for the past quarter century has proven a deterrent to general war.

Third, the maintenance of U.S. troops in NATO provides the United States with a practical alternative to early use of nuclear weapons.

Fourth, the presence of U.S. troops in NATO increases the chances for success of mutual and balanced force reducing negotiations.

Fifth, removal of our forces would be interpreted by both our allies and the Warsaw Pact nations as a lessening of our resolve to meet our commitments. The repercussions would not only adversely affect our military credibility but also our economic relationships with our most valuable market.

The Members may well ask why we arrived at the strength figures contained in the report.

Department of Defense requests were presented to us by the experts, both military and civilian, who are charged with the responsibility of meeting our foreign policy commitments. The committee then tested and examined, questioned and dissected, and weighed every facet as objectively as we knew how. We believe this represents a force structure upon which to build in case of an emergency.

You might further question the utilization of this manpower. I cannot identify the assignment of each of these men. Again, in the final analysis, this must be left to the judgment of those appointed by the President and confirmed by the other body. Based on their arguments and measured against our commitments, it is our opinion these are required.

As we trust our physicians with our health and our lawyers and accountants with our material possessions, so must we trust the experts we have employed in this vital area of our lives.

To my knowledge this is the only profession where you train people to perform a function, then pray they never have to perform it, that their very existence will provide the deterrent to their use. But we cannot rule out the possibility of war.

A quick review of history reveals that only 8 percent of man's recorded past has been warless. It was Plato, I believe, who observed that only the dead have seen the end of war.

We very much hope, Mr. Chairman, that we have not reduced our personnel below safe levels. There is a danger in wielding the fiscal knife that we will sever muscle and bone.

The universal goal of peace may be on the horizon, but as an accomplished fact it continues to elude us. Let us therefore not too hastily beat our swords into plowshares, lest we find ourselves tilling someone else's fields.

I urge my colleagues to closely examine the committee report and to vote in favor of the bill as reported.

Mr. BRAY. Mr. Chairman, I yield such time as he may consume to the gentleman from Alabama (Mr. DICKINSON).

Mr. DICKINSON. Mr. Chairman, as ranking minority member on the Personnel Subcommittee, I rise to support H.R. 9286 and want to address my remarks to actions taken by the Armed Services Committee in titles III, IV, and V of the bill.

The number of active duty personnel authorized is 2,219,865. This is the lowest end strength that we have had since 1950. The vast majority of the committee have concluded that the personnel reductions which have been levied against the Department of Defense over the past 5 years have reduced the force to its minimum acceptable level. Further reductions could only be justified by reducing foreign policy commitments which the military force is structured to support.

In establishing these forces, we are mindful that certain Members of Congress desire us to unilaterally reduce our forces which are deployed overseas. Without going into any details at this time, I can think of no worse time for such action to occur. As each of you know, we will be entering discussions for mutual and balanced force troop reductions beginning on October 30, 1973. This has been a long-sought goal of the United States and its allies. For us to unilaterally take action now would be for us to give up our bargaining chips without receiving any concessions in return from the Warsaw Pact nations. We are already experiencing the futility of bargaining from weakness in Southeast Asia, and do not want to see this happen in Europe.

Our committee does not want the United States to become a "helpless giant"—made helpless by our own political leadership. I will have more to say on this subject when the amendments for unilateral reductions are made.

We reduced troop strength in three areas: First, the Army by 11,900 because of our withdrawal from South Vietnam; second, we reduced by 35.8 percent the number of enlisted aides provided to admirals and generals. This means a reduction of 617 from the 1,722 that were on board as of December 1972. This leaves a total of 1,105 enlisted aides. And, because of the pressures which we brought during our hearings, I am pleased to announce that the special schools for the training of such aides have been eliminated. We feel that some are necessary because too frequently the officers are required to spend the greater proportion of their off-duty hours hosting official functions. Too, we require them to live in houses which we provide, and these houses are often extremely large, old, and obsolete.

Additionally, we reduced the strength of the services by 10 percent of those who are scheduled to attend the graduate education programs. This is in the officer area.

Title IV relates to Reserves. While we authorized the strengths requested with the exception of the Coast Guard where we added 500, we are not at all satisfied that the numbers authorized were sufficient to perform all of the missions which are currently being assigned to the various Reserve components.

The numbers authorized for this year are approximately 66,000 less than were authorized for fiscal year 1973. Nevertheless, we recognize that there is a difficulty in attracting and retaining personnel in the Reserves in the all-volunteer era. Until we enact enlistment and reenlistment bonuses for Reserves, we will probably be continuing to face this shortfall of personnel. So, we accepted the figures in the main as recommended by the Department of Defense, but this must be used as a baseline from which to rebuild personnel strengths in the Reserves.

Title V relates to the training program for the military services. As the gentleman from Virginia told you, this is the first year that we have authorized a training program for the Department of Defense. Yet this area represents an annual investment of more than $6 billion. We reduced this program in the area of graduate education for officers. Next year, we hope to accomplish even more, believing that there is some duplication and some unnecessary training, and that we can eliminate costs as we further pursue this area.

In essence, Mr. Chairman, we have carefully gone over the manpower requirements and believe we have presented you with a balanced force structure capable of meeting military requirements and eliminating positions which we do not feel serve any military benefit.

I urge your support of the bill as presented by the committee.

Mr. LEGGETT. Mr. Chairman, I am pleased to note that the New York Daily News is now paramount to Jane's Fighting Ships as being an expert authority on naval powers worldwide. All we have to do is pick up the Christian Science Monitor of yesterday on Jane's Fighting Ships and we will see what they indicate is that taxpayers may not be getting their money's worth from the world's growing navies.

We find further suggestions in Jane's Fighting Ships for 1973 and 1974 which was published here this week. I might state that this is the document which has been cited on this floor by the Chairman of this Committee and the predecessor of the Chairman of this Committee and his predecessor for many years as the outstanding authority on what is right and what is wrong with international navies and particularly the naval war power structure in the United States.

We will of course have an abstract of Jane's Fighting Ships on the floor tomorrow.

What is pointed out in the Christian Science Monitor article is:

> The waterborne race to build bigger, costlier, and more specialized war ships may shortchange taxpayers—both in money and protection—claims the book's new editor, Captain John E. Moore.
>
> This just-retired deputy director of British Naval Intelligence points a scolding finger at his own Royal Navy and the navies of other major sea powers, including the United States.
>
> "Are the navies getting value for money?" he asks skeptically.
>
> All too frequently concentration on massive aircraft carriers, cruisers, and assault ships, he says, ties up much money in too few ships of limited capability.
>
> A glaring example is the American Navy's planned aircraft carrier CVN 70, carrying a price tag of $1 billion.
>
> Captain Moore asks "whether this vast sum could not be spent on smaller, less complicated, and cheaper ships." He suggests channeling some of the money instead into development of Hovercraft and underwater fleets, "fields in which the U.S. Navy is today a leader."

Mr. Chairman, I am at this point including the complete article from the Christian Science Monitor and I will obtain permission for this in the House.

The article follows:

NAVAL EXPERT QUESTIONS VALUE OF SUPERSHIPS

(By Peter C. Stuart)

LONDON.—Taxpayers may not be getting their money's worth from the world's growing navies.

So suggests the authoritative yearbook "Jane's Fighting Ships 1973–74," published here this week.

The waterborne race to build bigger, costlier, and more specialized warships may shortchange taxpayers—both in money and protection—claims the book's new editor, Capt. John E. Moore.

This just-retired deputy director of British Naval Intelligence points a scolding finger at his own Royal Navy and the navies of other major sea powers, including the United States.

"Are the navies getting value for money?" he asks skeptically.

All-too-frequently concentration on massive aircraft carriers, cruisers, and assault ships, he says, ties up too much money in too few ships of limited capability.

A glaring example in the American Navy's planned aircraft carrier CVN 70, carrying a price tag of $1 billion.

Captain Moore asks "whether this vast sum could not be better spent on smaller, less complicated, and cheaper ships." He suggests channeling some of the money instead into development of Hovercraft and underwater fleets, "fields in which the U.S. Navy is today a leader."

The Soviet Navy, by contrast, relies on proven standard designs of broad interchangeability, reports Jane's.

The best warship "bargain" may come from the Italian Navy. Its new Vittorio Veneto approvingly dubbed the "poor man's aircraft carrier"—is a medium-sized cruiser (8,850 tons with a crew of 530) packing a combined surface-to-air and anti-submarine launcher, and nine anti-sub helicopters.

"By keeping down size and costs," Captain Moore explains, "the Italians have produced ships which can deploy over large areas for anti-submarine operations and have shown the value of smaller and, therefore, more numerous ships."

MOSCOW, PEKING ACTIVE

The new issue of Jane's also chronicles the continued growth of the Soviet and Chinese navies.

The Soviet Navy is reported to have acquired, within the past year, a new class of submarines toting nuclear missiles outranging any in the American or British fleets.

The new Soviet Delta subs each contain 12 launching tubes for nuclear ballistic missiles of 4,000 miles range—outreaching the 2,800-range of Polaris missiles in American and British subs. Four of the new Soviet subs are believed afloat, while 13 others are being built.

Soviet seapower is also bolstered by a new class of 10,000-ton cruisers, multi-function fleet support ships, and prospect of the long-awaited completion of the aircraft carrier Kiev with "worldwide capability."

The Chinese Navy, meanwhile, is reported steaming full-speed-ahead from coastal defense toward possible intervention in the open seas.

The acquisition of missile-destroyers and "possibly nuclear" submarines, says Jane's makes it "questionable whether this navy is any longer in the self-defense category."

"There is . . . every likelihood," it warns, "that the next few years will see the Chinese Navy spreading its influence abroad.

Mr. Chairman, I think this. We have got a good bill before the House here on national defense. We have cut the bill not the amount that many of us would like to see but I think further cuts can be made, but I would hope we would address ourselves seriously tomorrow to some of these cuts and argue them rather deliberately. Speaking here today is a little bit like singing in the bathtub. We have not even a quorum of the full Committee on the floor today. Obviously we have other things maybe the House is more concerned with.

Mr. Chairman, this is a $21.5 billion bill. We have done a great study job in cutting down the speed of the development of the F–15 aircraft to where we are only going to build at a rate of some 39 per year. I think that is a very cautious way to proceed with a $10 million aircraft. We have made some other cuts in the bill that I think are rather well studied and thought out but there are some areas that are very bothersome and I intend to offer amendments tomorrow to strike from the Trident submarine program $885 million and from the landing heavy assault program $169 million—that is the LHA.

I am not going to spend a lot of time trying to cut $175 million from safeguard and $75 million from site defense. However, I do believe that we should spend a lot of time on the item section 601, where we purport to appropriate or authorize appropriations of $1.3 billion to carry on the war in Laos and South Vietnam. This item was put in the bill, was recommended in the bill by the Department of Defense before we ever had a negotiated peace out in Southeast Asia.

The item that was recommended was $2.1 billion. Even the chairman—not "even the chairman"—the chairman rebelled at this and said $500 million has got to be cut out of that item. The Pentagon trembled upon hearing this admonition from the chairman, and they sliced it out; no particular problem.

Then, the gentleman from Missouri, Mr. RANDALL who had been at the hearings—I myself had been at the research and development hearings and did not get a chance to hear the original testimony on this item, but I did review the record—rebelled and said:

> That is not enough. We have got to cut $300 million more on this item.

The gentleman from Louisiana (Mr. TREEN) who spoke here——

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. LEGGETT. Mr. Chairman, I would ask consent to proceed for 2 additional minutes.

Mr. HÉBERT. Mr. Chairman, I will split it and give the gentleman 1 additional minute.

Mr. LEGGETT. I am tempted to make a quorum call, but I am not going to do it.

I would say, we cut the additional $300 million out of this item, but believe it or not, the $1.3 billion that is left in there has not been justified.

We say that we justified $1.1 billion, but we have not even justified $1.1 billion because these funds clearly violate the Paris agreement and we should correct this language very particularly so that the SALT agreement is not violated.

I think many of us who are for curtailment of this bill—we support aid to South Vietnam and support the needed aid to Laos, but we just cannot authorize in bulk fashion $1.3 billion.

I am going to ask for a reduction of $100 million for the Sam D program.

As has been indicated we have before us a $21.4 billion defense authorization bill. Reductions have been made by the Committee of $625 million including $330.9 million in the F-15 program.

I am not going to comment on every point made by the chairman of the committee, our distinguished leader from Louisiana.

National defense is a complicated subject matter—we are all for it—there is nobody in the House who understands everything the Pentagon is doing and we can not look at every item in the budget.

In this bill however, we can look at a few of the larger systems in some detail.

I have drafted some concurring views in which colleagues PAT SCHROEDER and RON DELLUMS have joined. I have suggested we take a good look at the new Trident submarine program. The LHA program, the Safeguard ABM, and the site defense system, the Sam D system.

MILITARY PROCUREMENT STATEMENT

Let us consider the state of our economy: The dollar has lost 40 percent against the mark in 2 years. Gold has gone from $40 an ounce to $122. Yet our military spending as a proportion of GNP is half that of Germany, double that of France, and triple that of Canada. Despite this, and despite the record $91.7 billion in new military authority requested for 1974, committee reductions not requested or approved by the Pentagon, exclusive of the F-15 total only one-fourth percent of the bill. If national security considerations precluded further cuts, I would say let us grimace and pay the bill; but such is not the case.

I have developed five cuts that can be made with no decrease in military security and a $2.227 billion increase in economic security.

SUGGESTED AMENDMENTS

Trident submarine and missile system	$885 million
LHA (landing heavy assault ship)	169 million
Safeguard ABM (Sprint and Spartan)	175 million
Site defense ABM (sprint)	75 million
Vietnam military assistance	800 million
Sam D (Defense of Europe—new missile)	100 million
Total reductions	2,200 billion

First, let us look at the Trident missile submarine. Everyone likes the ballistic missile submarine. Senator PROXMIRE, Senator MCGOVERN, the Members of Congress for Peace Through Law—all recognize that the present Polaris-Poseidon system is our most valuable nuclear deterrent. I myself regard it as probably contributing more to national security than the rest of our military activities combined. Then why am I urging that we take a radical cut of $885 million out of the program?

Basically, I do this because my cut is not radical at all. What is radical is the Navy's ninefold acceleration of the program last year, and its $2.1 billion request this year. This accelaration is beyond all rational military and economic explanation. I propose we proceed with the program at a sensible and prudent pace.

The primacy of the missile submarine fleet lies not in its accuracy or striking power, both of which are exceeded by the ICBM and the manned bomber, but in its security. There is no way the Soviets can hope to locate and destroy any significant number of them. According to the Pentagon, there is no conceivable way this could change in the next decade. But as a reasonably prudent measure to protect ourselves against an unforeseen Soviet breakthrough, we are developing Trident.

Trident is really three systems: two missiles and a ship. Whereas the present Polaris and Poseidon A-3 missiles have a range of 2,500 nautical miles, the Trident I missile will have a range of 4,000 miles. This is important in that it immensely increases the volume of water in which the ship can operate while remaining within range of Soviet targets, thus making the presently hopeless task of Soviet antisubmarine forces even more hopeless. The new missile will reduce the transit time and increase the onstation time of each ship by simply increasing the size of the station.

This missile can and should be installed in our present ships in the late 1970's, but the Navy does not plan to do this. Instead, it wants to build a whole new class of ships, each costing about $1.3 billion—each 30 percent more than a nuclear aircraft carrier. The new ship with the Trident I missile is definitely a mixed bag.

It should be emphasized that deployment of the Trident ship at this time entails two security disadvantages, stemming from the fact that Trident is a larger ship carrying 24 missiles each versus Polaris/Poseidon's 16:

First. Given the tremendous destructive power of even a single nuclear warhead, the first axiom of nuclear deterrence is to maximize the probability that a relatively small number of warheads will get through. Thus, it is always desirable to place our eggs in the largest number of baskets to minimize the possibility that all will be taken out by enemy countermeasures. The most effective sea-based deterrent would be one in which each missile, whether it be Polaris, Poseidon, or Trident, had its own ship. Obviously this is impossible because of cost considerations, but we should not forget that the replacement of Polaris/Poseidon by Trident reduces the number of ships and thereby weakens the credibility of our deterrent.

The strategic arms limitation agreement limits us to 710 SLBM's plus Titans. Since the Pentagon refuses to retire any of the 54 Titans, we are limited to 656 SLBM's: The present number. Thus, for every two Trident ships we build, we will have to scrap three Polaris/Poseidons, thus simplifying the task of Soviet ASW forces.

Moreover, construction of the planned fleet of 10 Tridents will force us to scrap not only the 10 older Polaris ships, but 5 new Poseidon ships as well.

Second. While the quieter engines of Trident will reduce its susceptibility to passive sonar, its larger size will render it more detectable by active sonar than are our present ships.

Even if the new ships came free, it is questionable whether it would be a good move to buy them at this time. By the mid-1980's, of course, the story will be different. By that time the earliest Polaris ships will be showing signs of fatigue—and the Trident II missile will be available. This missile will have a 6,000-mile range, and will be too large for retrofit into the present ships. Its range should more than compensate for the Trident ship's larger size and smaller numbers. Then, not now, will be the time for the new ship.

There are three additional reasons why we should not buy the Trident ship at this time:

First, there is the problem of concurrency. It has been proven time and again that when you commit yourself to production at the same time that you are in the early stages of development, this is an open invitation to massive cost overrun.

Second, there is the plain fact that we do not know what we are designing. We are building a ship to meet a threat we cannot even define. How can we hope to counter this threat. If we proceed as the Navy would have us do, we may find ourselves in 1985 with a ship designed to counter an ASW threat that does not exist but not designed to counter one that does.

Third, there are the SALT talks. The White House tells us we need the Trident ship in production as a bargaining chip. I say Safeguard has shown us that "bargaining chips" are liabilities rather than assets. The more we try to get in under the wire before the agreement is concluded, the higher the ceilings will be and the more money all societies will waste. The threat to build Trident, and the technological and production base with which to do it, give us our bargaining power. We should use it.

I recommend, therefore, that we adopt the position of the Senate committee. Let us proceed with the Trident I missile at the Navy's recommended pace, and retrofit it into our existing ships. Let us proceed with the first ship as a development project, but let us put on ice deployment plans for later ships. By doing so we can save $885.4 million this year alone.

THE LHA CUT

Where the ballistic missile submarine is the program most vital to our national security, surely the LHA is one of the least vital. If we had no LHA's, I doubt anyone would miss them.

Where Polaris-Poseidon has been the best-managed defense program in history, LHA is indisputably one of the worst.

These are simple ships. They are large—in fact, larger than any combat ship in the Soviet Navy today—but they are hardly on the outer fringes of advanced technology. There is no reason why this program should have become a disaster, but a disaster it is.

The ships are more than 2 years late. Litton won the bid for the contract on an estimate of 4.1 million man-hours per ship in 1968; now we are now told it will take 11.2 million man-hours. Unit cost has increased nearly 100 percent and today everyone admits that projected costs and deliver dates are mere conjecture.

This disaster can be attributed to one cause only: mismanagement. Litton's shipbuilding division has gone through three presidents and six LHA program managers in an attempt to establish a successful team. No civilian purchaser would tolerate this level of incompetence; there is no reason why the U.S. Government should tolerate it.

Let us not approve the last $169.2 million until we see evidence that the taxpayers are going to get something for it.

The committee bill would authorize $1.3 billion for military assistance to South Vietnam and Laos. Tomorrow, I will offer an amendment to strike $800 million from that provision, leaving $500 million. This amount should be sufficient to discharge our obligations in Southeast Asia while honoring our commitments under the Paris peace agreement.

Article 7 of the Paris agreement states:

> From the enforcement of the cease-fire to the formation of the government provided for in Articles 9(b) and 14 of this Agreement, the two South Vietnamese parties shall not accept the introduction of troops, military advisers, and military personnel including technical military personnel, armaments, munitions, and war material into South Vietnam. The two South Vietnamese parties shall be permitted to make periodic replacement of armaments, munitions and war material which have been destroyed, damaged, worn out or used up after the cease-fire, on the basis of piece-for-piece, of the same characteristics and properties, under the supervision of the Joint Military Commission of the South Vietnamese parties and of the International Commission of Control and Supervision.

The Department of Defense has defined armaments, munitions, and war material as used in the agreement. Armaments and munitions are of course, easily defined. "War material" has been defined to include, and I quote:

> Those major end items whose principal use is for combat. Major end items are defined as a final combination of end products, component parts, and/or material which is ready for its intended use. War material which must be replaced on the basis of piece for piece, of the same characteristics and properties, are:
>
> 1. Tanks.
> 2. Military Aircraft.
> 3. Military self-propelled ships and watercraft and barges.
> 4. Armored Tracked Vehicles.
> 5. Military tactical wheeled vehicles and trailers.
> 6. Military tactical radios.
> 7. Land based military.
> 8. Military tactical telephones and teletypes.

By a strict adherence to this definition, we can provide all the aid allowed by the Paris agreement for far less than the $1.3 billion in the committee bill. Legal piece-for-piece replacement is all that is allowed. Deputy Assistant Secretary of Defense Dennis J. Doolin, testified before the Armed Services Committee that President Thieu's position was that—

> In the event of a North Vietnamese offensive along the lines of last Spring's invasion (1972) he would not require U.S. assistance, even the assistance of U.S. combat—air.

Mr. Doolin found this "heartening," and so do I. But if South Vietnam does not require massive American support, why should we program support levels higher than either 1967 or 1968, when the war was at its peak?

In fiscal year 1967 which included the now famous Tet offensive, aid in all categories contained in the MASF program was $1.26 billion; in fiscal year 1968, the level dropped to $1.135 billion; yet even though our troops are out, our prisoners are home, our budget is bursting, while our aid is restricted by the Paris agreement, while the Vietnamese claim to be able to defend themselves without our support, this bill contains $1.3 billion dollars in military assistance for South Vietnam and Laos.

Mr. Chairman, this is far too much and we simply cannot afford it, especially since neither we nor the Vietnamese need it—nor has it been justified.

The sum of $1.3 billion is far too much to spend in a year of peace. Over the last 20 years this Nation has expended something like $200 billion in Vietnam. It is a bit disconcerting after all of this aid and after the loss of 56,000 American lives, that we are about to spend another billion plus dollars in that troubled land in addition to the $600 million plus economic aid approved last week. It is time that we follow the dictates of the Congress, the Nation, and the Paris agreement and get out of Vietnam.

The money included in this bill will not speed our withdrawal, it will slow it. I do not believe that we should stop support of President Thieu and South Vietnam, but neither do I think that we should attempt to do for the South Vietnamese what they can do for themselves.

We have heard a lot about Vietnamization and peace with honor over the last 4 years. Well, supposedly, we have achieved both of those goals. Why, then, is the DOD coming here with this massive request for more aid?

My amendment will not terminate all military assistance to South Vietnam and Laos. Rather, it will reduce that assistance to the reasonable level provided under the Paris agreement.

The President has recently noted, and Secretary Doolin reemphasized for us, the following:

> Our military forces have left South Vietnam with honor.
>
> Our prisoners have returned to their homes and families. A full accounting for all those missing in action is stipulated.
>
> There is a cease-fire, though still imperfectly observed, in Vietnam and Laos.
>
> The South Vietnamese people have the opportunity to determine their own political future.

With all of these objectives in hand, why are such huge sums of money required for this program?

Mr. Doolin tells us that due to the "Fragile nature of the peace the flexibility provided by the present funding arrangement is vitally necessary. We must be prepared for contingencies in the future—this capability, available under MASF funding, would enable us to support South Vietnamese and Laotian forces as required if the negotiated peace began to crumble."

And what would support "as required" involve? Mr. Doolin told the committee:

> We have certain military options, too, of course.

Over the past 20 years those "certain military options" have cost 56,000 American lives, untold billions in money, and a loss of national unity from which we will be a long time in recovering. Even now the effects of Vietnam on our economy affect every American in the cost of a home, a car and a meal. This is the kind of option we let ourselves in for if we maintain a $1.3 billion aid program in Vietnam and Laos.

The DOD has said that this will be the very last year that they will come in with a request of this size. Frankly, gentlemen, I do not believe them. It is up to us to see that a reasonable aid program clearly within the limits of the Paris agreement is all that is allowed to leave our shores.

Mr. ROYBAL. Mr. Speaker, I rise in opposition to H.R. 9286 which authorizes $21.4 billion for the procurement and research and development of new weapons system. There are many features and concepts of this bill that I find personally troubling. However, there are four major criticisms that I would like to discuss.

The military procurement bill is the largest of the nontrust authorization bills that Congress will consider this year. The amount authorized by this bill represents a sum equal to 8 percent of the Federal budget. The bill covers the procurement of weapons for thousands of systems. Yet the committee only cut some $565 million from the amount that the Department of Defense requested.

Each day this body considers bills providing funds for social problems. We are consistently told that these programs are being cut 10, 20, or even 50 percent in the name of stopping inflation. Yet when we reach the military procurement bill the committee only cuts it 2.5 percent. I do not believe that this bill is sacrosanct and I question whether or not this Congress has taken a hard enough look at the proposed cost cutting amendments that have been offered on the floor.

Second, each year this Congress approves funding military projects which even its supporters admit will be obsolete by the time it is completed.

This year we have taken this charade one step further—we are being asked to authorize $3.7 billion for an aircraft carrier that is obsolete before construction even begins.

There is persuasive evidence that all aircraft carriers are obsolete. It has been argued that they would be easy targets in a nuclear war and we are the only country that is now building them. Yet we are asked to authorize expenditures for a CVN–70 nuclear carrier at a cost of at least $3 billion each.

The Navy admits the CVN–70 will have no unique function. Rather, it is justified by the rather nebulous terms of "sea control" and "power display and protection." I do not understand how we can spend $3 billion on useless carriers when we are cutting back our health, education, and welfare programs to our constituents.

Third, every year this Congress authorizes and appropriates billions of dollars for numerous military systems. And like clockwork each year, we are asked to appropriate even more money to cover the cost overruns. This year the Air Force and a builder of planes got into a long drawn out battle over cost overruns that ultimately resulted in the Government canceling the rest of its order. I am concerned—and I hope other Members of Congress share my concern—over the fact that we never really know the real cost of any military system when we approve it.

It has reached the point where the only thing we are sure of is that it will cost the American taxpayers more than what Congress has appropriated for the project.

Last, this bill authorizes military manpower at 2.2 million men with 606,000 of this total based overseas. There is little doubt this total should be reduced. We have troops in places where they are of little use—troops left over from the occupation days of World War II. Even the Defense Department admits the services are top heavy and overstaffed. Yet this Congress has refused to cut authorized personnel strength. I think it is time to cut costs by cutting back the number of people in the service.

It is clear that too much money has been wasted in developing and preserving unnecessary and costly weapons systems and military personnel levels while vitally needed community programs have suffered severe cutbacks.

I urge that you join me in opposing this military procurement bill.

Mr. CHARLES H. WILSON of California. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count. Forty-two Members are present, not a quorum. The call will be taken by electronic device.

The call was taken by electronic device, and the following Members failed to respond:

[Roll No. 403]

Anderson, Ill.
Archer
Badillo
Bell
Breaux
Burke, Calif.
Camp
Carey, N.Y.
Chamberlain
Chisholm
Clancy
Clark
Clay
Conyers
Crane
Culver
Delaney
Dickinson
Diggs
Eshleman
Evins, Tenn.
Fisher
Ford, William D.
Giaimo
Gray
Green, Pa.
Gunter
Hanna
Hansen, Wash.
Harsha
Hawkins
Holifield
Horton
Jarman
Johnson, Colo.
Johnson, Pa
Jones, N.C.
Ketchum
Kluczynski
Landgrebe
Landrum
McEwen
McKinney
Mailliard
Mathias, Calif.
Milford
Mills, Ark.
Murphy, N.Y.
Nix
Parris
Pepper
Peyser
Podell, N.Y.
Reid
Riegle
Rodino
Roe
Rooney, N.Y.
Ryan
Sandman
Schneebeli
Shipley
Slack
Smith, Iowa
Teague, Tex.
Ullman
Wiggins
Winn
Wydler
Young, Alaska
Young, Ga.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. Rostenkoski, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill H.R. 9286, and finding itself without a quorum, he had directed the Members to record their presence by electronic device, whereupon 362 Members recorded their presence, a quorum, and he submitted herewith the names of the absentees to be spread upon the Journal.

The Committee resumed its sitting.

The CHAIRMAN. When the Committee rose, there were 2 hours and 10 minutes remaining.

The Chair recognizes the gentleman from Indiana.

Mr. BRAY. Mr. Chairman, I yield 5 minutes to the gentleman from Virginia (Mr. Whitehurst).

Mr. WHITEHURST. Mr. Chairman, on the 24th of July our colleague, the gentleman from New York (Mr. Bingham) circulated a statement with attached charts relating to the U.S. naval forces vis-a-vis those of the Soviet Union and the Warsaw Pact. Much of this information and data is based on testimony which was offered by retired Rear Adm. Gene R. LaRocque, Director of Center for Defense Information. At the conclusion of his "Dear Colleague" letter, the gentleman from New York (Mr. Bingham) stated that it would be interesting to know to what extent if at all the Navy might dispute Admiral LaRocque's views and statements.

Those of us who read with interest these charts were indeed interested in seeing if there was a Navy position, and we have secured that. There is not time to circulate a "Dear Colleague" letter but certainly this information should be included in the Record, so at the appropriate time in the House I will obtain permission and I will include in the Record the Navy's comments.

Mr. Chairman, I might add I think it is significant I have found that the letter was persuasive, and I urge my colleague when this information is included to read it carefully.

Mr. HÉBERT. Mr. Chairman, will the gentleman yield?

Mr. WHITEHURST. I yield to the gentleman from Louisiana.

Mr. HÉBERT. Mr. Chairman, in the letter regarding this report does the gentleman from New York say anywhere that this Admiral LaRocque was only finding fault after he retired?

Mr. WHITEHURST. To my knowledge he did not raise that at any point.

Mr. HÉBERT. It is not said in the letter?

Mr. WHITEHURST. No.

Mr. HÉBERT. Does the gentleman also state that Admiral LaRocque appeared before our committee with the gentleman from Florida (Mr. Bennett) and had his day in court with those who believed as he believed?

Mr. WHITEHURST. He did not.

Mr. HÉBERT. Does the gentleman state that after the hearings to hear this admiral, who only scoffed after he retired, the committee holding the hearings reviewed his ideas?

Mr. WHITEHURST. No, Mr. Chairman.

Mr. HÉBERT. Does the gentleman in his letter indicate this was a rump session of the committee?

Mr. WHITEHURST. He does not. He indicated that a meeting was called but it was not in connection with the hearings of the duly constituted committee on the military procurement bill.

Mr. HÉBERT. That is the thing I want the Record to show, because it concerns me very much.

Mr. WHITEHURST. Of course it does.

Mr. HÉBERT. I am sure it concerns other committees also to find that after the normal procedure has been followed and after the normal path was walked, we find then some discontended Member is going to hold his own hearing.

Does the gentleman say he had the klieg lights and the television cameras at this session?

Mr. WHITEHURST. No, sir, he does not.

Mr. HÉBERT. He did not say that. That is one of the things that annoys me, and I appreciate the gentleman yielding to me, because I think the House should know these things.

Mr. WHITEHURST. I agree with the gentleman from Louisiana.

Mr. LEGGETT. Mr. Chairman, will the gentleman yield?

Mr. WHITEHURST. I yield to the gentleman from California (Mr. Leggett).

Mr. LEGGETT. Mr. Chairman, is it not a fact that at the rump session both sides were represented; there was the distinguished representative from Jane's Fighting Ships representing the Navy Department——

Mr. HÉBERT. Wait a minute. I am sorry, I apologize.

Mr. LEGGETT. And this was intended to be an informal, untelevised confrontation where we had both proponents of the carrier and opponents of the carrier, as I recall, in equal numbers. Is that not correct?

Mr. WHITEHURST. I was not at the meeting.

Mr. LEGGETT. I was at the meeting. I will state that as a fact.

Mr. HÉBERT. Mr. Chairman, will the gentleman yield to me?

Mr. WHITEHURST. I yield to the chairman of the committee.

Mr. HÉBERT. Mr. Chairman, I state to the gentleman from California that I would like to know by what authority he says the Navy had an official representative at that meeting.

Mr. LEGGETT. Let me state——

Mr. HÉBERT. He does not represent the Navy.

The CHAIRMAN. The time of the gentleman from Virginia has expired.

Mr. BRAY. Mr. Chairman, I yield 2 additional minutes to the gentleman from Virginia (Mr. Whitehurst).

Mr. LEGGETT. So that the Record is complete, I think what happened is that Mr. Bingham called and he asked the Navy Department for their best representative, which would be Admiral Zumwalt, to appear and set forth the best arguments in favor of the CVN–70.

Admiral La Rocque, retired, commander of a destroyer squadron, and holding substantial other defense credentials was asked to appear and point up his objections to the program. At the last minute, Admiral Zumwalt could not appear, but he did send one of his chiefs of Navy liaison, and they announced that the best person to set forth the Navy position would be the representative from Jane's Fighting Ships, Mr. Arnold Polmar, who wrote the section for the American Navy in Jane's International Fighting Ships.

Mr. WHITEHURST. Mr. Chairman, the gentleman is aware that last week Jane's Fighting Ships declared the Soviet Union is now the world's No. 1 seapower.

Mr. LEGGETT. Since the gentleman restates the position of Jane's Fighting Ships, is he also acquainted with the fact that the editor of Jane's Fighting Ships—Capt. John E. Moore—wrote a few days ago, as he edited the 1973 document just released, "we were spending too much money for very large ships, to wit, carriers; to wit, cruisers and frigates, when what we needed worldwide were more versatile, fast, missile deployed ships."

Mr. HÉBERT. Mr. Chairman, let me say to the gentleman that I am very intrigued by the statement of the gentleman from California, who is always a member of the committee in opposition to the majority so that this statement comes as no surprise, but the statement that the Navy had this man, the editor of Jane's Fighting Ships, or whoever else, I want to see the document or statement that the Navy sent an official representative to a rump meeting on this Hill.

The Navy is responsible to one committee in the legislative branch, which is the Committee on Armed Services, and the appropriation branch of the Committee on Appropriations.

Mr. Chairman, I include the material which I previously referred to for the information of the committee:

REAR ADMIRAL LA ROCQUE'S PRESENTATION OF JULY 18, 1973

COMMENTS ON SUBJECT PRESENTATION

1. Comments on RADM LaRocque's presentation to some members of the House of Representatives on July 18, 1973 are provided by enclosure (1). For ease of presentation the comments are shown in a left-right format, the left hand page containing comments and RADM La Rocque's charts on the right.

2. RADM La Rocque's material, in general, is overly simplistic and concentrates on the display of very selective statistics to make a point. Numerous other data which do not support his predetermined condemnation are deliberately omitted. Despite this misleading factor, an even more significant flaw in the presentation is restricting the comparison to corresponding numbers and types of platforms and systems without regard for the different missions assigned to the two navies.

3. Basic to an understanding of the different missions assigned to these two navies is an appreciation of the "Island" verses "Continental Land Power" status of the two nations. This is essential prior to attempting to compare the two navies as it explains the different structures as well as why it is essential that the US exercise "sea-control" while the USSR can win through the successful execution of a "sea-denial" campaign.

4. Even so, current Soviet construction programs indicate that they are not satisfied with a "sea-denial" capability and are moving toward a "sea-control" mission in order to contest the U.S. Navy, at least on a regional basis, to spread Soviet influence into the Third World. Thus, these new programs are stressing surface capabilities (aircraft carriers, fast escorts, underway replenishments) while the primary "sea-denial" force; i.e., the submarine, continues to be improved qualitatively. The Soviets learned a bitter lesson during the Cuban missile crisis of 1962, and have expended tremendous resources to insure that it will never happen again. After a decade of rebuilding, 1962 to 1972, their willingness—if not eagerness—to confront us in the Indian Ocean during the India-Pakistan War indicates that they are now able to engage in interposition against US interests and military forces even in distant areas.

CHART I

STRATEGIC FORCE STRENGTHS, MID-1973

	United States	U.S.S.R.
ICBM launchers	1,054	1,590
SLBM launchers	[1] 656	[2] 588
Strategic bombers	[3] 400	[4] 140
Total nuclear weapons	[5] 7,100	[6] 3,600
Megatonnage	×	4×
Air-defense fighters	500	3,000+
Antiaircraft missile launchers	500	10,000+

[1] Newest unit (Will Rogers) now 6-years old (1967).

[2] Additional Delta/SS–N–8 (4000+N.M.) class now under construction. Soviet SLBM force will surpass that of United States this year.

[3] B–52.

[4] Soviets concentrating on improving/enlarging ICBM and SLBM force while manned bomber force approaches obsolescence.

[5] Primarily due to United States multiple warhead (MIRV's)

[6] No MIRV's at present. U.S. advantage will be lost as Soviets MIRV their warheads which is expected by end of decade.

CHART II

While it is true that the average age of the U.S. fleet has been declining in recent years, it must be noted that this is almost entirely due to the massive decommissioning of older vessels. For example, since 1968 we have retired 492 ships most of which were over 20 years old. The effect this has on the average age of the fleet is obvious. The graph below depicts average age along with the size of the fleet and clearly shows that it was cutting the force—not new construction—that caused the decline.

It also should be pointed out that Soviets have a younger fleet than does the U.S. In the major combatant categories (surface ships and submarines) 32% of the U.S. force is more than 20 years old while only 6% to 7% of the Soviet force is that old.

Though average age is a useful statistic for some purposes, it is very misleading to present it without appropriate caveats as RADM La Rocque has done.

CHART III

RADM La Roque attempts through this distorted and incomplete set of tonnage data to indicate that the U.S. Navy holds a superior position over the USSR Navy. While tonnage is a useful factor to compare such things as total national resources and industrial capacity that is being directed toward defense (Naval) development, it is impossible to determine the capability of a force using tonnages. Tonnage does not indicate the fireships constructed, nor do aggregate tonnage figures indicate the numerical size of the force, or the ship types constructed. To demonstrate this, the two graphics attached point out that over the past decade the Soviets have succeeded in numerically outbuilding the U.S. in every major category of ship construction except auxiliaries (one ship) despite the fact that U.S. construction has been heavier in every category except minor combatants.

CHART IV

The figure shown for the number of missiles on Soviet strategic submarines is 130 less than they have. To dispel RADM La Rocque's doubt indicated by his footnote, the Soviets have 30 Y-class submarines, not 26. Otherwise, he has also omitted the 66 missiles carried by the G-class submarines which are no less threatening because they are on diesel-powered units. Applying these corrections, the USSR really has 588 submarines launched ballistic missiles (vice 458):

U.S.S.R.

	Missiles	Nuclear weapons
Y class	480	480
H class	30	30
D class	12	12
G class	66	66
Total	588	588

The superiority in numbers of missiles that the U.S. currently enjoys is only temporary and will almost surely end in the next year. The Soviets have an active construction program in their D-class while the U.S. has not built a SSBN since 1967. Furthermore, it seems likely that the Soviets will build submarines until the limit of 950 missiles permitted by the Strategic Arms Limitation Agreements of 1972 is reached.

The U.S. advantage in nuclear warheads will probably be more lasting but it is foolish to presume that the Soviets are not developing warhead capability for their SLBMs.

CHART V

The data presented, while not grossly incorrect, is presented in such a manner as to distort the true facts. The comparison is made between the U.S. nuclear ballistic submarine fleet and the Soviet equivalent. However, what this comparison fails to point out is that the U.S. figures represent the total U.S. SLBM force, while the USSR figures represent only a portion of their ballistic missile submarine force. A more complete and accurate comparison is counter proposed.

BALLISTIC MISSILE FORCE 1973

Class	United States	Class	U.S.S.R.
Washington	5	Yankee	30
Ethan Allen	5	Hotel	10
Lafayette	9	Delta	1
Madison	10	Golf	22
Franklin	12		
Total	43		63

CHART VI

The U.S. Navy construction funding graph presented by the Center For Defense Information has been constructed based on a selective time frame to emphasize what appears to be a rapid expansion in naval expenditure while, in reality, naval spending has merely been slowly returning to pre-Vietnam era construction expenditure levels. The attached graph shows a more complete picture.

CHART VII

The most significant misleading factor in this table is the erroneous grouping of "carrier-types". The Center for Defense Information has grouped U.S. helicopter carrying assault ships (LHA and LPH) with other carriers, whereas these units are actually sophisticated amphibious landing ships. Secondly, within this heading, the Soviet MOSKVA class CHG is incorrectly placed. This Soviet class should in fact be listed as a carrier in that its air complement (helicopters) are designed to directly engage enemy forces, i.e., conduct ASW. However, the MOSKVA class should be listed as a separate category. An accurate presentation is presented below:

MAJOR SURFACE COMBATANTS—1973

	United States	U.S.S.R.
Aircraft carriers (CVA/CV/CVS)	15	[1] 0
Helicopter carrier (CHG)	0	2
Cruisers	7	26
Destroyers and escorts	157	184
Total	179	212

[1] New class (KURIL) under construction.

CHART VIII

The same misrepresentation concerning carriers applies to this table as to the table entitled, "Major Surface Combatants—1973". That being LHA's and LPH's are amphibious assault landing ships that are equipped with helicopters to transport men and equipment to the shore; helicopters are used instead of World War II type landing craft to accomplish the task. These helicopters are not designed to engage the enemy directly as to aircraft found on attack carriers, ASW carriers, or the Soviet MOSKVA class ASW helicopter carrier. Also, the MOSKVA class CHG has again been mismatched, but this time with U.S. amphibious assault landing ships. The MOSKVA class is in ASW helicopter carrier and should be presented as a separate group. The Navy table entitled "Major Surface Combatants—1973" applies.

CHART IX

Figures are reasonably accurate but should be as shown below. In addition, it is believed reasonable to include a "total" line, as the Center does for other tables, to display the Soviet advantage.

NUCLEAR ATTACK SUBMARINES—1973

	United States	U.S.S.R.
Torpedo attack submarines	60	30
Cruise missile submarines [1]	0	40
Totals	60	70

[1] In addition to their superior antiship cruise missiles these units also carry torpedoes.

Even this corrected table omits the world's largest and most modern diesel-powered submarine force.

DIESEL ATTACK SUBMARINES—1973

	United States	U.S.S.R.
Torpedo attack submarines	26	185
Cruise missile submarines	0	25
Total	26	210

CHART X

Although not dated, this table contains all programs proposed by Navy to 1980. If all of these programs come to fruitation, we will have a total of 93 nuclear attack submarines which will still be some 20 units short of a reasonable estimate for the Soviet force of 1980.

Of even more significance is the fact that the Soviets currently enjoy a margin of superiority in certain facets of submarine warfare that we will not overtake—even by 1980. Our submarines are quieter but theirs are now, and will continue to be, faster, deeper diving, and equipped with superior weapon systems throughout the decade.

CHART XI

This table is extremely biased in that it compares the entire order-of-battle for all indigenous NATO member countries, as well as the U.S. Sixth Fleet and France against the force the Soviets normally maintain in the Mediterranean during periods of low tension in peacetime. In order to properly balance this comparison, the Soviet Black Sea Fleet must be included.

	NATO (including France)	Warsaw Pact (less U.S.S.R.)	Soviet Mediterranean Fleet	Soviet Black Sea Fleet [1]
Carriers	3	0	0	0
Helo ships	3	0	1	1
Cruisers	6	0	3	6
Destroyers	76	2	9	40
Subs	38	6	10	25
Subtotal	126	8	23	72
Total	126		103	

[1] Those units normally deployed to the Mediterranean have been subtracted.

Even this more balanced comparison is somewhat misleading in that it does not reflect the relative readiness, material condition, combat capabilities or command and control procedures of the two respective forces which favor the Soviets. In addition, it has been assessed that with the exception of a few Italian guided missile configured units, the vast majority of Mediterranean littoral navies are ill-equipped to engage modern Soviet units.

CHART XII

The manpower figures for the USSR is low. Counting only the men in the Mediterranean Fleet, the Soviets have about three times the manpower level shown.

The assertion that no Soviet aircraft can be counted in the Mediterranean area is grossly misleading. In fact, all the major aircraft of the Black Sea Fleet Air Force—about 95 units—are within range of the Mediterranean Sea. A large portion of this force is armed with air-to-surface missiles which pose a significant threat to ships.

CHART XIII

Gross total comparisons such as this are exceedingly misleading if not dangerous. In addition to the differing missions of the two major naval powers which has already been discussed, it omits two salient factors that would more heavily weigh on the outcome of a conflict at sea than a gross numerical comparison of blocks of allies.

First, it compares only large units and omits about 1800 Soviet and Warsaw Pact small combatants. These units, many of which are antiship missile configured, would play an important role in conflicts around the periphery of Europe; cutting our sea lines of communications to our principal sources of supplies, markets and to our allies.

Second, it accepts the premise that the U.S. need not maintain a navy capable of defending the United States or its interests unilaterally against the Soviet Union. No Warsaw Pact country other than the Soviet Union has an open-ocean navy. These are small capable navies designed to complement the Soviet Navy in enclosed seas contiguous to the Eurasian landmass such as the Baltic and Black Seas. Therefore, the following table is considered far move relevant:

MAJOR NAVAL COMBATANTS

	NATO	Warsaw Pact	United States	U.S.S.R.
Total ships	729	561	344	552

This expanded table reveals the relative balance of naval power that is of major concern to U.S. military planners. This expansion provides a comparison of the U.S. and Soviet percentages of NATO and Warsaw Pact naval forces. NATO has a total of 729 of whch 344 are U.S. or 47 percent. Conversely, the Warsaw Pact has 561 of which 552, or 98 percent, are Soviet. In addition, it is of major importance to note that the Soviets have approximately 100 more submarines then all of NATO, including France, combined.

Thus the gross numerical comparison of respective alliance totals is exceedingly dangerous as it not only lulls us into a false sense of security but, if this rationale were ever accepted as a valid yard stick, would quickly lead the U.S. into a position of second to the Soviet Union.

CHART XIV

The negative paragraph that the Center For Defense Information has presented for a SecDef statement has been taken out of context. To get the actual view of the Secretary of Defense the entire article must be reviewed. The full quotation is attached.

Defense Secretary Richardson on the Soviet Navy March 29, 1973.

"The capabilities of the Soviet Navy have continued to improve with the continued introduction of longer range, missile-equipped surface ships, nuclear-powered submarines, and aircraft. Soviet capabilities are best suited for interdiction of sea lines of communication (SLOCS). The Soviet Navy conducts coordinated exercises at considerable distances from the Soviet Union using naval aircraft, submarines, surface ships, and some strategic bombers of Long Range Aviation.

The Soviet Navy is also maintaining a steady presence in the Mediterranean.

The most significant challenge to our sea lines of communications (SLOCs) is the Soviet cruise missile and attack submarine force which currently consists of about 275 units, 75 percent of which are diesel-powered. By the late 70s or early 80s, however, a large percentage of the force will be long-range nuclear powered units capable of sustained operations in all open-ocean areas. Continued improvements in speed, quieting and missile-torpedo armament—particular cruise missiles—will considerably add to the Soviet submarine threat.

Additionally, the Soviet Navy has over 150 large and small cruise missile-armed surface combatants and a large number of ASM equipped medium bombers of Soviet Naval Aviation.

Although the Soviets have made significant improvements in their Navy, there remain some basic deficiencies and constraints in the use of these forces. The Soviets must contend with a paucity of all-weather ports, a lack of air cover when the surface fleet operates far from the Soviet homeland, and insufficient open-ocean replenishment, consequently, Soviet surface units and some submarines have significantly less combat and sustaining capability when operated far from the Soviet homeland. Further, the surface units are dispersed among four widely separated Soviet fleets.

The Soviets appear to be moving to correct these deficiencies. They are improving the endurance time of some of their ships and their methods of open ocean resupply, and have launched their first aircraft carrier. This ship, displacing about 40,000 tons, is the largest combatant ever built in the Soviet Union. Its relatively short flight deck indicates that it has been designed for the operation of vertical or short take off and landing (V/STOL) aircraft and helicopters."

CHART XVI

This 9.0 billion cost over thirty years is equivalent to an annual cost of $300 million or about 1% of Navy budget and less than .17% of U.S. budget. This carrier task force concept represents the backbone of the U.S. Navy's general purpose offensive capabilities and will be required to protect and promote U.S. economic and political interest around the world throughout the remainder of this century. Thus, when amortized over a 30 year period the cost has to be considered exceedingly low.

CHART XVII

It is impossible to offer the value of future Soviet construction to compare with that of U.S. ships addressed here.

The U.S. Navy delivered 263 ships during the decade ending in 1972. It is interesting to note that the Center for Defense Information conveniently neglected to make a U.S./USSR comparison here. Could it possibly be because during the same time period the Soviets constructed some 915 ships? A comparison chart is attached.

CHART XVIII

Although it is virtually impossible to provide a comparative analysis of Soviet and U.S. naval, and merchant ship expenditures for the past ten years, the fact remains that the Soviets have outbuilt us in both categories.

CHART XIX

The tabulation of naval comparisons is selectively biased in that it includes only areas in which the U.S. has "more". Balancing statements such as these below should be added to the list.

Item No. 3 should show the Soviets with over 1200 Naval aircraft.

7. The Soviet SS-N-8 strategic missile has a range of 4,000 + nm. The U.S. Poseidon range is 2,800 nm.

8. The Soviets have over 200 vessels armed with antiship missiles. The U.S. has none.

9. The Soviets have nearly 300 aircraft armed with antiship missiles. The U.S. has none.

10. The Soviets have 340 submarines. The U.S. has 125.

11. The Soviets have gas turbine-powered major combatants. The U.S. has none.

Mr. BRAY. Mr. Chairman, I yield such time as he may consume to the gentleman from Virginia, (Mr. ROBERT W. DANIEL, JR).

Mr. ROBERT W. DANIEL, JR. Mr. Chairman, I should like to discuss the appropriations authorization dealing with the Trident missile submarine program.

Within the triad of strategic deterrent forces of manned bombers, land-based missiles, and submarine-launched ballistic missiles, nuclear missile submarines with Polaris and Poseidon missiles are, because of their mobility and range, the most deadly and survivable,

Most military analysts hold the view that in 1973 our present submarines are generally invulnerable at sea and, with continuing technical improvements, will probably remain so into the 1980's. However, that is not to say that new Soviet antisubmarine warfare techniques or breakthroughs might not occur between now and when Trident becomes operational.

Antisubmarine warfare techniques which threaten one or two of our submarines are not considered a check on our strategic deterrence; but a means of detecting submarines on an effective, large-scale, real-time basis would pose such a threat. Antisubmarine warfare has a high priority in Soviet naval planning, and substantial resources are resultingly being devoted to research and development.

At present the Soviet Navy has almost 70 nuclear attack submarines and several hundred conventional submarines. It is not unreasonable to visualize the Soviets allocating more than one attack submarine and surface craft to track each of our Polaris and Poseidon submarines. The Soviets are continuing a rapid build-up of nuclear submarine capabilities. Construction programs include cruisers and destroyers with antisubmarine weapons systems and the first Soviet aircraft carrier. This ship with its short flight deck indicative of helicopter and vertical and short takeoff and landing aircraft applications almost certainly will be utilized in an antisubmarine warfare role.

More and more Soviet ships are being constructed to operate further from Soviet coastal waters. The Soviets presently maintain a large force in the Mediterranean and conduct coordinated naval aircraft, submarine, and surface ship maneuvers great distances from the Soviet Union. By spreading their growing forces around the globe, the Soviets improve their chances of tracking and destroying our strategic ballistic missile submarines.

From the time of the first Polaris patrol 12 years ago, the Soviet Navy has been working to attain the capability of neutralizing our Polaris submarines. Soviet antisubmarine warfare missions including search, detection, surveillance, localization and attack, are becoming better tested and more sophisticated. If the Soviets eventually perfect rapid search and detection surveillance techniques, our strategic submarines will become vulnerable to a number of existing Soviet weapons. A delay in implementing the Trident program only gives the Soviets that much leadtime to perfect antisubmarine techniques which would neutralize our present submarine strategic deterrent until Trident submarines are operational.

To assure credibility, future U.S. strategic forces must have survivability. The Trident system is being developed to insure that our Nation has a modern, survivable strategic deterrent into the 1980's and beyond. If we continue the Trident program at the currently planned rate, Trident will be available in time to replace a number of our aging Polaris submarines and to supplement greatly our Poseidon submarine force.

Trident's principal components and characteristics are the following:

A missile with an ultimate range of 6,000 miles capable of being targeted against the Soviet Union from the South Atlantic, South Pacific, and Indian Oceans. Such worldwide deployability makes effective Soviet antisubmarine warfare efforts against Trident virtually impossible.

A quieter, faster, and more maneuverable submarine. Such qualities would enable a Trident submarine to escape improving Soviet surveillance efforts.

A highly favorable at-sea to in-port ratio. Trident submarines would be able to stay on station longer than presently is the case with Polaris and Poseidon submarines.

Finally, high system reliability and efficiency. Reduced maintenance, drydock time intervals and repair costs would result.

Trident submarines, carrying 24 missiles, will replace Polaris submarines which will be almost 20 years old when the first Trident becomes operational. Polaris submarines have seen more strenuous service than any other type of Navy vessel. It is in the interest of national survival not to quibble over repairs and conversions of aging warships, but to produce a new class of submarines insuring the United States an elusive and effective weapon which the Soviets cannot hope to challenge successfully. Even in times of détente and "relaxed" tensions, we must remain prepared for this, Mr. Chairman, Trident is necessary.

Mr. HÉBERT. Mr. Chairman, I yield such time as he may consume to the gentleman from Florida (Mr. BENNETT).

Mr. BENNETT. Mr. Chairman, the bill that we have before us today includes for the construction of naval vessels, $3.8 billion for fiscal year 1973. It was $3 billion last year.

This will complete funding of 14 combatants: CVN–70, the first Trident, five nuclear submarines, and seven destroyers. It will provide long-lead items for five submarines of the nuclear type, seven destroyers, and one sea control ship. The full committee and subcommittee have added two nuclear frigates. The bill before us also gives funds for funding conversions of ships, the cost of which is outlined on page 3628 of the hearings.

Mentioned among these are two Polaris submarines which are changed to Poseidons; two frigates that are given antiaircraft power, and others.

Admiral Zumwalt, when he appeared before our committee said that the U.S. Navy for the first time is less in numbers of major combatant ships than the Soviet fleet. I refer to page 3632 of the hearings.

Mr. Chairman, I put into the RECORD the article of July 26, 1973, of the Philadelphia Inquirer about the Jane's analysis of our situation vis-a-vis the Russians in regard to combatant ships.

Mr. Chairman, I will read for the Members what one of the world's leading authorities on naval power says:

> SOVIET NAVY IS RATED STRONGEST
>
> LONDON.—One of the world's leading authorities on naval power says the Soviet navy, with its own air arm and a greater range of submarines, is now the most powerful navy in the world.
>
> Capt. John Moore, editor of Jane's Fighting Ships, writes in his first foreword as editor to the 1972–73 edition of the most authoritative annual on the world's navies, that the Soviet navy had made "staggering advances" in the last year. The edition was published Wednesday.
>
> But the United States' high expenditure on warships and other naval craft could in time restore the balance in world naval power, he adds.
>
> Moore predicts that China, already building missile destroyers, could soon make nuclear submarines and take its place among the world's naval powers.
>
> Moore, former deputy director of Britain's naval intelligence and himself a former submariner, became editor of Jane's Fighting Ships last year, succeeding Raymond V. B. Blackman who retired after editing the annual since 1949.
>
> Moore said of the Soviet navy: "Three major classes of ships have appeared, each several leaps ahead of its predecessor. The Kiev aircraft carrier—still under construction—is in a totally different league from the previously illustrated Moskva class helicopter cruisers; the 10,000-ton Kara class cruiser is an improvement on any previous cruisers, and the new Delta class ballistic missile submarine is similar in size to the Yankee class, but will carry the new 4,000-mile-range SSN8 missiles."
>
> Speaking of the new Soviet ships, Moore said: "These ships typify the Soviet navy which in 17 years has become a pre-eminent force with its own air power and with a greater range of submarines than any other. Above all, it has a far greater proportion of ships less than 10 years old than any other major fleet."
>
> Moore, however, added: "The USA, aware of its deficiencies, continues its program of massive carriers, the latest costing some 420 million pounds." This is about $1 billion.
>
> "A great deal of money is also being spent by the USA on innovations such as hovercraft and hydrofoils. This high American expenditure could well redress the balance of power in the future and overcome the disadvantages of the U.S. Navy's largely overage fleet," he said.
>
> Moore said Britain also was spending comparatively large sums of money on its naval building program.
>
> He cited the new "throughdeck" cruiser—a cruiser-class warship with a flight deck for helicopters and fighter-bombers—that may cost Britain about 70 million pounds, or $175 million.
>
> Britain also is ordering new antimine ships that may cost about five million pounds, or $12.5 million, each.
>
> Jane's was founded by a naval enthusiast, Fred T. Jane, in 1897. Since then, it has come out regularly every summer. When it was first published, it had 215 pages. This year's annual has 670 pages and lists 15,000 naval vessels belonging to all the navies in the world.

This is the first time that such a statement could have been made in history. Compared to the Russians, we are definitely slipping. As Admiral Zumwalt pointed out, we have been going behind, while the Russians are surging ahead. The Russian Navy surface combatants have gone to 202 while we have dropped to 179. I refer to page 3633 of the hearings.

Admiral Zumwalt also gave us an explanation of why cuts have occurred in the Navy at the request of the Navy. He said that the fleet "at the end of fiscal year 1974 will be the lowest since the 1930's, and this in the face of a burgeoning Soviet naval threat." I refer to page 3619 of the hearings.

When asked why, he said:

> To fund modernization of the Navy.

Then at page 3621, he shows in specifics how the ships have been cut back, showing a total cut of 46 percent in the combatant ships since fiscal 1968.

Mr. Chairman, I think many of the Members may want to refer to that particular chart, because it shows what the situation was in 1968, what it is now, and what our future is likely to be if we keep up at the present pace.

Not only has the Navy cut back in ships and personnel in order to save modernization costs needed for ships, but it has built in a new philosophy on the ships commented on also by Jane's. A few moments ago this feature was commented upon in the debate on the floor of the House. This is what the Navy calls a high-low mix in the Navy.

Mr. Chairman, what is this all about? The purpose of this is to get cheap, relatively inadequate ships which are capable of carrying on some combat; but which are not capable of taking on, ship for ship the Russian ship of comparable class. The reason for this is simply to save money. There is no other reason for it. It is only for the purpose of getting numbers of ships.

So we hope to be able to get really strong American ships in adequate numbers in time; but in the meantime, the Navy plans for less efficient, less effective ships; very much less efficient and very much less effective ships than Russian counterparts.

Now, in the period, 1970–75, we are in a building program with regard to ships which will result in 33 new major ships being built at a cost of $3.6 billion, or an average of $100 million per ship if you want to lump them together.

We are now embarking on a program at the request of the Navy which is what is called a low program. This started about 2 years ago and is really just now getting underway. From 1975 to 1979 production will be 80 ships at about the same cost or a little bit less than the cost that we had for the preceding high-performance type ships. The ships will be costed at about half the cost per ship of the others.

We cannot kid ourselves about them, however. They are inferior ships and do not compare in quality or ability in strike or survivability with the Russian ships which they will be meeting if we should have a war with them.

In our bill today we have some ships like that outlined. One is called the sea control ship. I am not sure that this is a particularly happy name for the ship, because it implies that we are trying to control the sea. The purpose is really to provide freedom of the seas, and I would prefer to have that name or some name of that kind applied to it, because we have no aspirations to prevent all others from use of the seas. These are intended for the purpose of seeing to it that we ourselves can in fact use the seas. That may seem to be one and the same thing, but for the purpose of semantics and clear thinking we should realize that we are not trying to take over all of the seas in the world and preclude everyone from them but are merely trying to be able to say that we can safely move men and materials when and where they are needed.

Another new type of ship is underway. The sea control ship might be thought about in the sense of a minicarrier or something of that nature but not necessarily a carrier. The next ship is a patrol hydrofoil ship, which has advantages in being built, other than just the fact that it will be a patrol ship, because it is in fact a breakthrough of a sort. It is a new type of ship and may be in fact opening up an arrangement for the future where we may have better ships, even much larger than that in this field.

There are also some 25 small craft here for pollution abatement. I also sit on the Installations Subcommittee. I am not chairman of that committee, but I sit on it, and the figure heard there was 14 percent or something of that sort of Navy funds being spent in military construction to see that we clear up our environment overall.

There are 25 ships being built under this bill for the purpose of moving sewage from ships that come into port so the sewage will not be dumped into the harbor. It is an expensive and environmentally necessary thing, although it is not a combat matter. We have to look at it in the overall view because we have to live in our environment and we have to prepare to do our part in receiving a better environment.

Another two ships in the bill are the DLGN No. 41 and 42. Admiral Zumwalt, on page 3637, said that these particular ships were the ones he picked out that he would like to have had. Admiral Rickover made a very strong presentation to the committee for them being built this year. The committee added them, thinking in times of relative peace, such as we have today, when we can build complicated and expensive ships which take years to build, it makes good sense to build what we can at this time of that type of vessel. Therefore our committee desires to have these two ships, these two frigates, No. 41 and 42, built in this year, and it added funds for them. We took out some other funds the Navy asked for. We did not ask for more than the Navy asked for, but we reached that figure by subtracting other things.

So, overall, the bill is not above the budget at all in this respect. The whole bill is not either.

Finally, I would like to discuss the Trident, but before I do so perhaps I should say something about the carrier because there was testimony also on that matter by Admiral Zumwalt, and he testified on page 3645, where he pointed out that he felt that the carriers are certainly worth their value of expenditure, and indicated their value to sea control is critical, and that this is recognized by the Soviets. And Admiral Zumwalt gave examples of where carriers being present prevented a war, because the Soviets were not able to get their troops in and their materiel in in sufficiently large quantities to overcome the fact that the carrier had come in those waters.

Finally, I would like to discuss briefly the Trident. There is $587 million here to complete the first Trident; and long-lead items, there are funds for three other Trident subs.

Admiral Zumwalt said at page 3638 that the most important thing we cannot do if this Nation is to survive is to reduce the Trident program.

Mr. BENNETT. Mr. Chairman, the Armed Services Committee has reported out a bill which contains $3,788,200,000 in "Shipbuilding and conversion funds, Navy." We have been told by Admiral Moorer, the prior Chief of Naval Operations and by Admiral Zumwalt, the present Chief of Naval Operations that we need an annual shipbuilding budget of at least $5 billion a year in order to begin to catch up with the Soviet Fleet. The amount reported this year, while not the total $5 billion, is a good step in the right direction.

The main items covered in this year's budget are the Trident submarine for which we are providing full funding for the first submarine and long-leadtime items for three more; the nuclear aircraft carrier, CVN-70, for which we are completing construction funding this year; the nuclear attack submarines SSN-688, for which we are funding five full submarines and providing long-leadtime items for two more nuclear frigates, DLGN-41 and 42. We are also completing the funding for seven destroyers, DD-963's, and providing long-leadtime items for seven more of this class.

We have included funds for conversion of two more Polaris submarines to the Poseidon missile and funds for conversion of two conventionally powered and one nuclear-powered guided-missile frigate, to more modern missile suits.

We are especially pleased that so much of the effort of the Navy is now directed toward a nuclear Navy. It took 100 years for the Navy to change from sail to steam. We hope that it will not take as long to make this change to nuclear utilization. While the original cost of the nuclear ships looks high, remember that the initial cost also includes the fuel for over 10 years of operation. While the nuclear ships may sound expensive it turns out that in fact when all of the costs are considered it costs between 50 and 100 percent more in fuel to operate a conventionally powered ship than it does to operate a nuclear ship.

In addition, we are stressing the importance of having our major ships not dependent on fuel oil at a time when there is a real energy crisis. Our new nuclear-powered carriers have enough energy in their cores to equal the oil in a line of tank cars running from here to Boston—500 miles of cars and 11 billion gallons of oil. This much is saved in over 10 years whenever a nuclear-powered carried is added to the fleet. A nuclear-powered frigate saves 2 billion gallons of oil or 100 miles of tank cars in over 10 years.

Mr. Chairman, the results of our existing nuclear-powered ships have been truly astounding. They provide reliability, dependability, and capability such as had not been dreamed of before. No nuclear-powered ship has ever had to abort its mission because of the failure of the propulsion plant. This is indeed a record to note. Nuclear power in our submarines has added a truly underwater capability to our submarines.

Mr. Chairman, our present and our future nuclear Navies are due primarily to the work of Admiral Rickover. I must stop to add a word of praise for his efforts because I hate to think of where we would have been if he had not been here to help sponsor the nuclear Navy.

Mr. Chairman, this is a crucial time and this year for the first time the Soviet Navy will not only have more conventional and nuclear-powered submarines than we have, they will also have more major surface ships in their Navy. This is no time for us to cut back on our building program.

I hope that the House will pass the program as proposed by the Armed Services Committee.

Before concluding my remarks, I would like to say some things in more detail about the Trident.

The reasons for building the Trident system and doing it now are overwhelming.

First. It answers survivability of a nuclear deterrent capability regardless of what actions other nations may take. While the land and sea based forces that we have are adequate now there are many indications that in the eighties they will not be. Without Trident we take a dangerous chance. With Trident a continuing adequate capability is assured. That assurance is a thrust for world peace because the knowledge by other countries of this weapon is the greatest deterrent of war that we have.

Second: Trident is necessary to assure we are not forced into a position of nuclear inferiority. The Soviets have built 37 nuclear ballistic missile carrying submarines since 1967—we have built none. They are continuing to build at the rate of 6 to 8 a year. We have not yet started. Trident offers us that opportunity to catch up.

Third: the Trident system provides the options for the future. Its new technology and room for growth assures a capability to meet any challenge in the vital area of nuclear weapon rattling. Without committing ourselves now, we will with the Trident system have a rapid capability for equipping our later Poseidon configured SSBN with the long range Trident I missile; of replacing our tiring Polaris submarine with new Trident II's; of providing a capability for an even greater future military deterrent abilities should strategic armament talks bog down.

Trident is being developed under the highest industrial priority to be available at the earliest practical time. It is an orderly program, well planned and well managed. Congress authorized and appropriated long lead time procurement funds last year. Delaying the program, that nearly all agree we will need, for 1 or 2 years will only make acquisition more expensive, perhaps by as much as a billion dollars. It makes sense to build it now and avoid the gamble.

Mr. Chairman, the other day I received a "Dear Colleague" letter about the Trident program—as did all of the other Members of the House. At this point for the RECORD, I would like to answer each of the matters raised by that letter.

First. The letter says:

> The acceleration of the Trident program threatens to waste untold billions through cost overruns.

There have been no overruns in either the Navy's two predecessors to the Trident; namely, the Polaris and the Poseidon programs. Indeed, these are the only major programs in the entire Department of Defense that have been managed as well. A major factor in this has been that the programs were managed by both Adm. Hyman G. Rickover and Adm. Levering Smith, both of whom will manage the Trident program.

Second. The "Dear Colleague" letter says:

> The arms limitation agreements of May 1972, and June of this year provide for a limitation on qualitative improvements in our strategic forces. The accelerated Trident program runs counter to the intention of these agreements.

This is not so. Over the weekend I have reexamined the SALT agreement and there is no limitation on qualitative improvements. Indeed, the Joint Chiefs of Staff have approved the SALT agreements only if the United States proceeded with further qualitative improvements. Last year both Secretary Laird and Admiral Moorer stated that the decision to go ahead with the Trident program was independent of the SALT talks.

Third. The "Dear Colleague" letter says:

> Admiral Zumwalt and Admiral Rickover have both testified that our Polaris fleet is

> not threatened by Soviet forces, and is not expected to be threatened in the next decade. Why, then, is the Pentagon seeking an acceleration of Trident?

I have been informed by both Admiral Zumwalt and Admiral Rickover that they made no such statement. Indeed, they could not. They know that the Soviets are making great efforts in their antisubmarine warfare work and we have no way of knowing exactly what the Soviets will develop in ASW until it is used against our submarines. The Polaris submarines are noisier and hence more subject to ASW detection and destruction than the Trident. The Trident will have all of the latest technology for quiet operation. This includes not only the new reactor system but other advances we have learned from building the class SSN-688 attack submarines.

By the time the Tridents are produced, the Soviets may be able to detect the old, noisier Polaris. By the time the Tridents are introduced into the fleet, the Polaris ships will have used up all of their designed life. In addition, by that time Polaris submarines will have had a more stringent life cycle than any other ship in any navy. Only the Polaris has had blue and gold crews which have alternated to keep the ship at sea as much as possible.

Fourth. The "Dear Colleague" letter says:

> We can achieve most of the benefits of the Trident submarine quickly by simply retrofitting the Trident I missile into the current Polaris fleet.

Again, this is not so. If Trident were retrofitted into the Polaris submarine, it would be at the end of the designed 20-year life of Polaris. The Navy plans to retrofit, if at all, only into the very newest of the Poseidon converted submarines. These submarines are the only ones capable of accepting the larger Trident I missile.

When the Polaris submarines were built, they actually took attack submarines, cut them in half, inserted the missile tubes and sent them out to sea. As I have said before, the Polaris is the hardest worked ship in any navy since the blue and gold crews alternate with one crew keeping the ship at sea while the other crew stays on shore. The Polaris submarine has the technology of the 1950's and early 1960's. Trident will have the technology of the 1970's in all areas, especially in quieting, sonars and propulsion.

The all-new Trident systems will be less costly than retrofitting Polaris submarines since there will be 50 percent more missiles per submarine; the Trident can be in the patrol area 15 percent more time than the Polaris; and due to its construction, the Trident submarines will have shorter time out of operation between missions and will be able to do much more maintenance during that time.

By designing the Trident submarine, its missile system and the land-based facilities all together, savings can be achieved especially in the use of tenders in foreign ports.

Both blue and gold crews can be homeported in the United States instead of in any foreign country.

In short, there will be between 50 and 60 percent more total availability for the Trident over its life cycle than the Polaris.

In addition, Admiral Rickover has informed the committee that the delay of 1 year in the lead submarine will increase its cost by about $100 million and there will be similar increases in the costs of the other submarines if they, too, are delayed.

Fifth. The "Dear Colleague" letter says:

> In 1976, without Trident, the United States nuclear arsenal will contain over 10,000 warheads—more than enough for a credible nuclear deterrent.

In answer to this, I say that the whole purpose of the Trident system is not to increase warheads but to increase the survivability of those warheads put to sea. Polaris presently is the most survivable system but when the Trident system becomes available, it will be approximately 20 years old and will need to be replaced in an orderly manner. 1978 is the key year. The replacement for the Polaris submarines has to be started within the next 2 to 3 years in order to have them replaced by the time they are 20 years old.

Sixth. The "Dear Colleague" letter says:

> This bill authorizes long-leadtime items for seven Trident submarines, each costing more than our most expensive nuclear aircraft carrier. This is simply too much to spend too soon.

This is not so. The bill authorized lead time items for three Trident submarines and full construction of the lead submarine. The long-leadtime items which were approved last year have been ordered and are in the process of manufacture. The cost of the Trident is not more than our nuclear aircraft carriers, because the submarine cost less than $500 million. The rest of the cost is in research and development, missiles, bases, schools and logistics.

The Seapower Subcommittee asked several questions of the Navy during its hearings. Those answers have now come in. First, the Seapower Subcommittee asked for a comparison of the cost of nuclear fuel and conventional fuel. The questions and responses follows.

Second, The Seapower Subcommittee asked several questions with respect to the AEGIS missile system, a most important system for the defense of our Navy's ships against the Soviet anti-cruise missiles. Those responses follow herewith:

Nuclear Fuel Matter

Question: Give a comparison of the annual cost of fuel between a nuclear and conventional carrier.

Answer: The estimated cost for the nuclear fuel which will be initially installed in the CVN-70, including the costs of uranium and other core materials, core fabrication, core installation, core removal, and fuel processing is about $90 million in FY 1973 dollars. This initial nuclear fuel is expected to provide for at least 13 years of normal operation of the CVN-70.

To carry out the same missions, an oil-burning aircraft carrier would consume about 11 million barrels of fuel oil. The Navy is currently paying $5.54 per barrel for navy distillate fuel oil of the type used by oil fire aircraft carriers. In addition, the Navy estimates it costs about $.25 per barrel for storage costs and $7.73 per barrel for the average peacetime costs for delivering fuel oil to ships operating on the high seas. This would bring the estimated current average peacetime cost to buy, store and deliver a barrel of distillate fuel to an oil fired aircraft carrier to $13.32 per barrel. For 11 million barrels this would approximate $145 million.

For comparison, if the conventional carrier were operated at the same tempo postulated for the nuclear carrier over 13 years, the following table shows the annual costs for fuel between a conventional carrier and a nuclear carrier in today's dollars:

Oil-Powered Carrier, $11 million per year.
Nuclear Carrier, $7 million per year.

The Navy has no information as to what the future price for oil will be in the current energy crisis, but expects it to increase. Should the cost of navy distillate fuel oil increase to as much as $10 a barrel in the future and other costs remain the same, then the comparison of annual fuel costs between a conventional and a nuclear carrier would be:

Oil-Powered Carrier, $15 million per year.
Nuclear Carrier, $7 million per year.

In calculating the above information, the average cost of delivering fuel oil was based on the procurement and operating cost of the current inventory of oilers. It is anticipated that future replacement oilers will cost much more. In addition, during wartime oilers are vulnerable to enemy attack and might not be able to deliver fuel oil to a carrier task force in a war zone. The value of nuclear propulsion under these circumstances is immeasurable.

THE AEGIS MISSILE SYSTEM

1. Would you agree that one of the most glaring deficiencies in our Fleet today is an operational area defense anti-missile system?

Fleet Air Defense is comprised of four major elements; long range combat air patrol aircraft, task force/ship area defense, point defense and close-in weapons systems. These systems are complementary and combine to provide the fleet defense in depth. While our present shipboard area defense systems (TALOS/TERRIER/TARTAR) have demonstrated a combat effectiveness greatly superior to that of our enemies, they have certain inherent limitations in areas vital to the ASMD problem. These are low-profile detection, performance in adverse environments (weather/electronic jamming), reaction time and fire power. Although some improvements are possible and have been or are being implemented, the existing systems have basic constraints. The fundamental systems approach to AEGIS provides great steps forward in detection, reduction of reaction time and increased fire power. The AEGIS ship will not only, in itself, be a superb area defense platform but it will provide increased effectiveness for the other air defense units in the entire task force.

While effective area defense is mandatory to reduce the number of attackers, advances in point defense/close-in defense systems must also be provided. Thus, Shipboard Fleet Air Defense planning involves both the task force and individual ships and provides mutually supportive systems that consider overall ship missions and roles and platforms values and includes destructive and electronic/mechanical deception systems.

2. We are developing the AEGIS System and it is my understanding that this System is far ahead of anything in the world today. Do you consider it essential that we deploy this System as soon as possible?

The AEGIS System is a fast reaction Surface Missile System with the capability for engaging multiple air and surface targets. It will be the Navy's and to the best of our knowledge the world's most advanced shipboard weapons system. The heart of the system is its computer-controlled, electronic scanning AN/SPY-1 Radar System which searches, detects and tracks multiple targets at long ranges and transmits guidance commands to semi-active intercepter missiles. We do consider it essential that the capability AEGIS promises should be introduced into the fleet as soon as possible. Maximum priorities have been given to this development program to ensure fleet introduction at the earliest practical date. The present test schedules will provide the necessary assurance of system effectiveness prior to procurement; which reflects a fundamental consideration for meeting the "fly before buy" principle.

3. In what ship or ships could the AEGIS System be installed?

Our studies show the AEGIS System to be feasible in any combatant displacing 6000 tons or more. There are no present plans to retrofit AEGIS into existing ships, though retrofitting is feasible in a strictly engineering sense. The new class of escorts, the DG class, is in concept design and is planned as the platform for AEGIS. This class has not yet been submitted to DOD or the Congress for approval. The modular design of the system has permitted scaling down from the original DLGN configuration to a less costly, lighter version suitable for escorts as small as 6000 tons, such as the DG.

4. Have we tested the AEGIS System sufficiently to come up with any statistics on the value of the AEGIS System working in conjunction with the Point Defense System?

a. Yes—AEGIS has been tested up to and including the system level at the Land Based Test Site, located at RCA, Moorestown, N.J. The most important result has been the operation of the phased array radar system. These successful tests are meeting all requirements of the test program. The reliability is proving better than predicted.

b. Following completion of the extensive tests at the Land Based Test Site, the AEGIS System will be further tested at sea, commencing in 1974 in the ordnance test ship *Norton Sound*, to confirm the quality of the results obtained ashore at the Land Based Test Site.

c. Analysis clearly shows that the AEGIS System has two important contributions for the Point Defense systems with which it operates:

(1) AEGIS firepower reduces the density of the enemy attack so that the Point Defense systems can engage without being overwhelmed.

(2) The accurate designation information from the AEGIS system permits rapid and direct target designation to Point Defense systems significantly truncating their reaction times.

5. Has any consideration been given to deploying the AEGIS System to a land base such as Rota or Guam to defend our Polaris overseas bases?

a. Not specifically—however, several shore-based installation options for AEGIS have been studied both as site-defense systems, and for radar surveillance (using the AN/SPY-1 phased array radar of the AEGIS system). This latter application appears attractive for upgrading our ASMD range facilities, particularly in providing the radar system capability needed for realistic and safe Anti-Ship Missile Defense testing and training.

b. It should be noted that the authenticity of the testing now in progress at the Land Based Test Site is prima facie evidence that the AEGIS System will perform as specified in ashore installation.

6. What is the present status of the AEGIS Program?

a. The heart of the AEGIS System, the AN/SPY-1 radar system with its associated command and control systems, is installed and tracking targets at the RCA Land Based Test Site in Moorestown, N.J. Similarly, the AEGIS Fire Control System is undergoing target tracking tests at the Raytheon test site at Wayland, Mass. There systems will be joined for integration and system testing at Moorestown this summer.

b. The MK-26 launching system is installed in the AEGIS test ship, USS *Norton Sound*, and within the next few weeks will commence test firings of Standard Missile blast test vehicles (BTV), BTV tests of HARPOON and Anti-Submarine Rocket (ASROC) are also scheduled.

c. Standard Missile Two has had three successful firings in three attempts at White Sands Missile Range. FTR-4 is scheduled for mid-August with further firings scheduled in mid-FY '74 and early in FY '75 including at-sea tests from *Norton Sound* in FY '75.

d. Movement of the radar and Fire Control Systems components from the Land Based Test Site to USS *Norton Sound* will commence this fall in preparation for system (Engineering Development Model-1) at sea testing in 1974.

e. Testing has been highly successful and results encouraging. The test program has had to be slowed down and modified because of fiscal reductions in 1973 and 1974 but the rigorous quality of the testing has not been compromised.

7. What type of an anti-missile defense system is being installed in the CVN-70?

The baseline used for the cost estimate of CVN-70 was the design of CVAN-69 which includes the Basic Point Defense Surface Missile System. Follow-on point defense systems such as NATO SEASPARROW Surface Missile System (NSSMS and Close-in Weapon System have not completed testing and evaluation. Since CVN-70 will not be delivered before 1980 final decision on which point defense systems will be installed will be made after further testing and evaluation of these new systems. Presently one or both of these new systems appear as likely candidates for CVN-70.

8. What anti-missile defense system is presently planned for the DD-963's?

The specific anti-ship missile defense (ASMD) System for DD-963 has not, as yet, been determined. As noted in the SAR reports, CNO made the decision in early 1972 that: (1) The existing Basic Point Defense Missile System (BPDSMS) should be installed as rapidly as possible on fleet ships, and therefore the DD-963 design would reserve space and weight margins for the future installation of a Point Defense System; and (2) That the design would also reserve space and weight for an EW suite pending further study of major questions regarding the effectiveness of the planned 963 suite. Analytic studies are currently being conducted to determine the ASMD (EW and Point Defense System) suite for the *Spruance* Class. The cost of this suite will not be known until a decision is made upon completion of this study effort. Final decision expected in December 1973.

9. How old is our present anti-missile point defense system?

Our Basic Point Defense System started development in 1965 with off the shelf equipment and was service approved in 1967. The first production model was installed in *USS Okinawa* in 1969. The system uses the air-to-air Sparrow Missile which dated back 20 years. There are significant limitations in the missile when used in a surface-to-air application.

The improved Point Defense System, consisting of NATO Seasparrow (now on the threshold of production) and the Target Acquisition System (now in engineering development) ultimately will supplement these systems. Several other point defense systems are in experimental and investigation stages for this use, such as Dual Mode Red Eye and Sea Chaparral. The Close-in-Weapon System (PHALANX), in the final stages of engineering development is intended as a last ditch defense in a wide variety of ships. The existing 5"/54 shipboard gun system has extremely limited ASMD capability.

Mr. BENNETT. I now will be happy to yield to the gentleman from California (Mr. LEGGETT).

Mr. LEGGETT. Mr. Chairman, I thank the gentleman for yielding.

I want to commend the gentleman from Florida (Mr. BENNETT) on the leadership the gentleman has given the Sea Power Subcommittee for the number of years that committee has been making recommendations with regard to the U.S. Navy.

The gentleman indicated that some of the new ships that are coming along are the PHM, the patrol hydrofoil missile ship.

I recall that when I first came to the Congress better than 10 years ago I was looking into the design of hydrofoils at that time, and now here we are some 11 years later, and we are still in the R. & D. stage. We have built two ships, and one of them, unfortunately, got buttoned up over in Bermuda. Now we had an ambitious program for the PHM, and that budget got cut. I am just wondering if the gentleman from Florida has any estimate as to when we will have a viable, employable or deployed mission capability, either with surface ships or with the hydrofoil ships.

Mr. BENNETT. Since the gentleman from California is a member of the same committee that I am, and has heard all the testimony that I have heard, I think the gentleman knows the answer as well as I do. I will say that the delay is not delay that the gentleman should feel unhappy about from the standpoint of the Navy, because the Navy has done its best to bring these ships to the place where they could be built.

The problem is that we just cannot pass a law to produce a weapon that is perfect just because we have the will of the Congress and in the Navy, because such will does not mean that that particular weapon or weapons system is going to work. We do not want to produce until we know for sure that it is going to work. We feel now that this will work. We have the funds in this bill, and in 2 or 3 years we may have the first one of these ships, because they are not really very complicated ships. They can be built in a fairly short period of time, unlike the more expensive 41 and 42 DLGN's.

Mr. LEGGETT. I would like to see these ships accelerated like our Navy is currently planning to accelerate the Trident program. We should get a target date and let us get a viable hydrofoil missile force deployed.

Mr. BENNETT. If the gentleman would ask for an amendment to that effect I might support it.

Mr. LEGGETT. Unfortunately, I have not done my homework, and I would not know the proper amount of money that would have to be put in this bill.

Mr. HÉBERT. Mr. Chairman, will the gentleman yield?

Mr. BENNETT. I am happy to yield to the gentleman from Louisiana (Mr.

Hébert), the chairman of our committee.

Mr. HÉBERT. Mr. Chairman, I thank the gentleman for yielding, and I wish to compliment the gentleman from Florida on the excellent presentation the gentleman has made.

Mr. BENNETT. I thank the gentleman very much.

Mr. ARMSTRONG. Mr. Chairman, I rise in support of the bill.

Mr. ARMSTRONG. Mr. Chairman, I rise in support of the bill and to express my strong belief that the credibility of American diplomacy rests upon the strength of our military power; and our diplomacy and military power are the principal deterrents to violence throughout the world.

I support this bill because it represents a practical minimum of military power to support our national objective of maintaining peace in the world. With that, I yield back my time, except to say as a minority member of the committee what a great privilege it is to serve under the leadership of our chairman and of our subcommittee chairman. I have the honor to serve on the Seapower Subcommittee, which has been an interesting and rewarding experience for me. I commend and thank our chairman and subcommittee chairman for giving me this opportunity.

Mr. HÉBERT. Mr. Chairman, I yield 7 minutes to the gentleman from Mississippi (Mr. Montgomery).

Mr. MONTGOMERY. Mr. Chairman, it has been rewarding for me to serve on the Manpower Subcommittee which was chaired by Mr. Fisher and by Mr. Daniel, and working with able counsel, Mr. Cook.

Mr. Chairman, I would like to discuss the reserve forces for which strength levels are included in this bill and the effect of the all volunteer concept as it pertains to both the Regulars and Reserves.

I am thoroughly convinced that the National Guard and Reserves will be stronger and more viable by getting away from the dependence on having the threat of draft induction to bring in so-called volunteer recruits. With some additional incentives for the Reserves, I believe the manpower strength levels can be maintained. However, I am not sure that the Regulars can make it during this all volunteer era.

The Reserve forces are a good buy for the taxpayers of this country. To maintain and train a reservist is one-eighth of the cost to train and maintain a Regular. For the first time since I can remember, the Guard and Reserves are now receiving adequate equipment to carry out meaningful training. My admonition to the commanders of the different Reserve units is that they had better realize that the responsibility is now theirs to demand the proper training and not allow any idle time to creep into the training schedule. I would be the first to admit that the Reserves can be improved, especially in the area of making sure the young enlisted men are given meaningful training.

The present strength for all reservists is 976,000. Under this bill reservists strengths are reduced to 920,000, a reduction of around 50,000 men. As of May 31, the total Reserve forces had a shortfall of 58,000 men. What concerns me is that the reduction in this bill takes care of the 58,000 shortfall. I would hope the Department of Defense is not adopting the policy of reducing the Reserves to meet the present strength levels. Of this 50,000 reduction in Reserve personnel, the Naval Reserve program was the hardest hit with a possibility that some 4,700 naval reservists will have to find other slots or be put in the Standby Reserves. Our committee did raise by 500, the number of men requested by the Pentagon for the Coast Guard Reserve.

I am encouraged by the report of the Committee on the Armed Services which clearly establishes the need not only to maintain but also to increase the strength of the Coast Guard Selected Reserve.

The present atmosphere of détente with the Soviet Union can easily lull us into an attitude of relaxing our readiness to protect our shores and our shipping facilities from the dangers of sudden warfare. We must remember that agreements and accommodations which are made by potential adversaries for their own convenience or advantage can easily be broken or reversed by potential adversaries. We must also remember that current intelligence indicates a continuing buildup in Soviet naval capability, which is rapidly overtaking our own. To this must be added the high level of Soviet fishing fleet and related intelligence gathering just off our own shores. These considerations dictate the maintenance of an adequate Reserve, trained and ready for immediate mobilization when necessary. That is the function of the Selected Reserve.

I hope that the Committee on the Armed Services will continue to monitor the situation concerning the actual strength and training of the Coast Guard Selected Reserve to assure that its authorized and actual strength is adequate, in the judgment of the committee, to carry out the wartime missions of the Coast Guard on short notice.

Other than PX privileges for reservists no incentive program has been initiated by the Defense Department or Congress in the last 4 years. However, the House did pass an enlistment and reenlistment bonus bill that died in the Senate and full time coverage under servicemen's group life insurance program, which also died in the Senate.

If several of the incentives that I am going to mention were enacted there is no question that the Reserves could maintain their strength levels. Incentives needed are enlistment and reenlistment bonuses, fulltime coverage under SGLI, survivors' benefits, retirement at age 55 following 20 years of creditable service, expanded medical, dental, and death benefits, lifting of the 60 point ceiling, educational assistance, and change in enlistment obligation.

These incentives would keep a person in the Reserves for a longer period of time and the incentives would pay for themselves in the long run by cutting down on the expense of constantly having to train new recruits.

Mr. Chairman, in my opinion, the Regular forces have more problems with strength levels than do the Reserves. Our Subcommittee on Manpower heard testimony on the all volunteer concept and what effect it will have and is having on the Regulars and Reserves. I have my reservations that the Regulars will be able to survive under the all volunteer concept. I, of course, support the all volunteer concept, but I do not believe that we should put our heads in the sand and ignore some of the warnings that came out of our hearings. I certainly do not believe we should dismantle the Selective Service before we are sure. I commend my colleague, Ed Boland from Massachusetts, and other members of the House conference committee for not going along with the Senate and instead insisting on the House position to provide funds for the Selective Service.

In early May the Comptroller General submitted a report and testified to our subcommittee. The title of his report was "Problems in Meeting Military Manpower Needs in the All Volunteer Force." The report noted that the Army especially would not make its quota of new recruits unless it reduces the educational and mental qualifications. What the GAO told us in May is turning out to be true today. The Secretary of the Army announced only last Friday that because the Army was unable to recruit enough volunteers it was lowering the standards by no longer requiring a high school diploma. The Navy is having the same problems as indicated by the fact it was 41 percent short of its recruiting goal in June. I assume the Navy will also be forced to lower its recruiting standards in the near future.

Lowering the educational and mental standards worry me more than anything else that has taken place in the Armed Forces. In some parts of the Nation, military recruiting has been over zealous and we are ending up with large numbers of recruits that were rejected by the Selective Service system either for physical or mental handicaps. These same people are now being taken into the service under the all volunteer concept.

I repeat that with incentives the Reserves can meet their strength goals and get quality recruits and quality reenlistments. However, under the all volunteer concept I am not so sure the Regular forces, especially the Army, and Navy, can reach their goals of quality recruiting.

I hope the Members will support the bill, especially that part pertaining to manpower of our armed services.

Mr. BRAY. Mr. Chairman, I yield 5 minutes to the gentleman from Kentucky (Mr. Carter).

Mr. CARTER. Mr. Chairman, let me preface my remarks by pointing out I have always believed in the building and maintaining of a strong military posture in the United States. I want the strongest in the world. We owe much to the dedicated soldiers and officers who have served our country over the years so faithfully, but over the years we have in many instances seen dedication diminishing and discipline disappearing. The roster of armchair admirals and generals is ever increasing as their devotion to duty seems to slacken.

In 1945 at the end of World War II it was necessary for us to maintain high troop levels in Europe and Japan. The Marshall Plan admittedly saved Western Europe and a similar plan saved Japan, but both of these cost us untold billions of dollars. Because of this present bill in the past few weeks we have really been brain washed by a succession of great military people and others of stature in our country, including my friend Admiral Moorer, whom I have probably known longer than any man in this House, General Goodpaster, Secretary Schlesinger, and they even resurrected the architect of the disaster in Vietnam, Dean Rusk, and brought him back for his influence in the passage of this bill.

For 28 years we have maintained high levels of forces throughout Asia and Europe at a tremendous cost to the American taxpayers. It is now time for us to realistically face the problem of moving to make appropriate reductions of our forces in Europe and Japan. Last year it cost the United States $2.9 billion to maintain our troops in Germany. Because of devaluation, this year the cost will be $3.2 billion. It will cost $286 million to maintain troops in Britain; $131 million in Spain; $150 million in Italy; $500 million in Japan; $600 million in the Ryukyus. Britain in her heyday never had such a far-flung battle line.

I assume that our country, as great as it is, cannot long survive under such a financial strain. Our Nation's balance-of-payments deficit is frighteningly high, and Secretary Schlesinger and other defense officials have testified that the U.S. balance-of-payments loss directly attributable to the 300,000 troops in Europe is $1.5 billion.

It is clear that the nations with substantial balance-of-payments surpluses should assume more of the cost of defense than those, such as the United States, with very real deficit problems. In other words, Germany should start defending Germany, and Japan should start defending Japan.

The money so unwisely spent in maintaining excessively high concentrations of forces in nonstrategic installations in Asia and Europe could be more responsibly spent for the conquest of cancer; for urban mass transit, for the lack of which our cities are dying; for loans to the poor for the purchase of homes and farms; for clean air and pure water, and for numerous other vital domestic programs. We cannot afford to turn our heads from this problem.

I believe we must face it and reduce unnecessary expenditures overseas by reducing troop levels in a reasonable and appropriate manner.

Mr. ESCH. Mr. Chairman, will the gentleman yield?

Mr. CARTER. I yield to the gentleman from Michigan (Mr. Esch).

Mr. ESCH. Mr. Chairman, I would like to commend the gentleman for his comments, and associate myself with him. I am looking forward to having us have a reasonable opportunity to be responsible and yet effective in developing a lean but efficient military system tomorrow.

Mr. CARTER. Mr. Chairman, I was happy to yield to the distinguished gentleman from Michigan.

I might add to this that I strongly support research and development. I feel that our military has been weak in this for 6 long years. I have pled with the Navy to do something about the Styx missile, and I have not seen anything accomplished in that area; the members of this committee know that today.

I believe in a stronger defense. I want the strongest in the world, but at the present time we have no means of detecting, deflecting, or shooting down this missile. It has a range of about 22.4 miles and is on target at that limit in 4.4 minutes; six-tenths of a minute before the average reaction time of our fleet. We must do something in this area.

I strongly support action toward improved research and development and getting a missile which will be more effective.

The CHAIRMAN. The time of the gentleman from Kentucky has expired.

Mr. BRAY. Mr. Chairman, I yield 1 additional minute to the gentleman from Kentucky (Mr. Carter).

Mr. HÉBERT. Mr. Chairman, will the gentleman yield?

Mr. CARTER. I yield to the chairman of the committee.

Mr. HÉBERT. Mr. Chairman, I say to the gentleman that I wish to compliment him on his presentation.

Mr. CARTER. Mr. Chairman, I certainly appreciate the gentleman from Louisiana yielding me this 1 minute.

Mr. HÉBERT. I cannot take credit for that. Mr. Bray did that.

Mr. CARTER. I certainly would like for the gentleman to get busy on research and development.

Mr. HÉBERT. I will say to the gentleman that we will keep very busy on research and development and I will stand with him.

Mr. CARTER. And produce something that will shoot down the Styx missile. It will help the United States a great deal, and the Navy in the Mediterranean.

Mr. HÉBERT. I hope the gentleman stands with the committee tomorrow.

Mr. CARTER. As the gentleman should know, I have never voted against any military appropriations bill to my knowledge, but it is necessary today for us to take care of the economy of the United States of America and strengthen this country internally. We have 1,189 installations around the world.

The CHAIRMAN. The time of the gentleman from Kentucky has again expired.

Mr. HÉBERT. Mr. Chairman, I yield 1 additional minute to the gentleman from Kentucky.

Will the gentleman yield to me?

Mr. CARTER. I yiled to the chairman of the committee.

Mr. HÉBERT. Mr. Chairman, with the minute I wish to tell the gentleman that I hope he stands with the committee when we come to the question of resolving our NATO forces and reduction of forces.

Mr. CARTER. Yes, sir.

Mr. HÉBERT. We all share the gentleman's opinion. We all agree with him. We all want these matters reduced, but we want them reduced in an orderly manner. We do not want unilateral withdrawal of our forces. I know the gentleman does not want that, for he wants a strong defense.

Mr. CARTER. The gentleman is doing all the talking. I should like to have a little time to respond.

Mr. HÉBERT. If the gentleman wants the strongest defense, he can get it. The only way to get the strongest defense is to defend the defense we have, and that defense we have demands that we make no unilateral withdrawal of our troops in NATO.

The CHAIRMAN. The time of the gentleman from Kentucky has expired.

Mr. BRAY. Mr. Chairman, I yield the gentleman 1 additional minute.

Mr. CARTER. In answer to the question about unilateral withdrawal, we have been in Europe for 28 years with a minimum expense each year of at least $3 billion. We owe these countries now $96 billion. We must be the most productive country in the world, or we would owe them a great deal more.

I would say that we must withdraw from various places around the world our troops, and we must strengthen this country internally.

Mr. STRATTON. Mr. Chairman, will the gentleman yield?

Mr. CARTER. I am happy to yield to the distinguished gentleman for a question.

Mr. STRATTON. I did not want to raise a question.

Mr. CARTER. All right, sir; then I cannot yield.

Mr. STRATTON. I would be glad to ask the gentleman a question.

The CHAIRMAN. The gentleman refused to yield.

Mr. HÉBERT. Mr. Chairman, I yield 1 minute to the gentleman from Texas (Mr. White).

Mr. WHITE. Mr. Chairman, I rise in support of H.R. 9286.

As has been said, this bill contains $3,788.2 million for the shipbuilding and conversion, Navy program. Let me give you some of the background out of which this program has arisen.

In 1962, the then chairman of the Armed Services Committee appointed a Special Subcommittee on the Composition of the Fleet and Block Obsolescence of Naval Vessels. The subcommittee emphasized the need for rebuilding the U.S. Navy and taking steps immediately to increase the shipbuilding program. Again, in 1967, the committee repeated its warning in its annual report about the necessity of replacing the fleet with larger numbers of new ships. In 1968, the Armed Services Committee, in its report called attention to the growing Soviet submarine menace and called for an increase in the shipbuilding program.

In 1968 Chairman Rivers created the Seapower Subcommittee which also looked into the satus of our naval vessels. Again the condition of our Navy was found to be deplorable and it called for an increased shipbuilding effort. In the spring of 1969 Chairman Rivers introduced his own shipbuilding bill and called for an annual shipbuilding program of at least $4 billion. At that time Admiral Moorer told the committee that a program of at least $4 billion a year would be needed in order to have a proper Navy in the period of 1980-90. In 1970, the committee again called for an increase in shipbuilding effort. In September and again in October Mr. Rivers took to the well of the House to give exhaustive speeches about the poor state of our Navy compared to the Soviets. Those speeches were well received throughout the country and helped the Navy in its efforts to obtain more ships. Each year the Armed Services Committee has tried to produce a sound shipbuilding program from which the Navy can meet its obligations.

You will notice that we have added long-leadtime items for two nuclear frigates to this year's bill. I would like to review briefly with you why we have done so.

It was the Congress that insisted upon putting nuclear propulsion in the naval vessels in the first place. Only by funding the reactors for the *Nautilus* and the *Sea Wolf* in the budget of the Atomic Energy Commission did the Navy accept nuclear submarines. The Polaris ballistic-missile submarines were constructed by the Navy only after the insistence of Congress that we have a fleet of ballistic-missile submarines. After Mr. McNamara decided to make the *John F. Kennedy* and the *America* conventionally powered it was the Congress that forced nuclear power for the *Nimitz*-class carriers.

Dealing more specifically with nuclear frigates this committee changed a conventionally powered frigate in 1961 to nuclear power and this ship became the *Truxtun*. In 1965 long-leadtime items for another nuclear frigate were authorized and appropriated. When the Department of Defense refused to allow the ship to be constructed, the Armed Services Committee reauthorized the whole frigate and put in mandatory language requiring the construction of the frigate. It also added long-leadtime items for a second frigate. In 1968 after Secretary Clifford took office, a new program was drawn up for the construction of nuclear frigates. This allowed for the construction of the DLGN-36 and -37 and at least four more frigates of the class DLGN-38.

It is vital that our Navy be updated to a nuclear Navy, to maintain a nonstop pace in any possible combat, and especially at a time when the scarcity of our oil reserves have reached a critical stage.

From this history it is obvious that it has taken the Congress to act in obtaining a nuclear fleet. Our actions this year are consistent with that prerogative of the Congress as set forth in the Constitution to provide and maintain a Navy.

Mr. HÉBERT. Mr. Chairman, I yield 7 minutes to the gentleman from California (Mr. DELLUMS).

Mr. DELLUMS. Mr. Chairman, today we are beginning debate on one of the most important questions decided by Congress. On one hand, problems of national security and national influence; on the other hand, power of an institution—the Defense Establishment—that takes the money and resources of our people and gives them back nothing that makes their lives here and now any better.

Our choice this week sets the parameters of all the other choices we in Congress make—economic, social, and political. The more efficiently we in Congress spend the military dollar, the more freedom we have to do something about all the other problems we face—from improving the lives of the people in the cities to removing the squeeze on the farmer and other primary producers—from giving U.S. citizens more money to buy more things and a better dollar to buy them with to finding more peaceful and productive ways to protect our interests in the world at large.

I sometimes think the distinguished committee on which I have the privilege to serve does not always realize the extreme importance of the effect of what they do for other committees of Congress.

They have done a lot of hard work on the Defense Department requests, but I have not felt the urgency—the drive for the highest possible standard of efficiency—that the rest of the House rightfully expects of us. Therefore, I seriously urge my colleagues to listen carefully to the various amendments being proposed this week, and to see that they ask the Pentagon to set a better example in this era of narrow budgets, starved programs, and lost opportunities.

The committee did make a cut of some $625 million from the DOD request of $22 billion. Half of that reduction—some $330.9 million—was the result of a major cut in the Air Force F-15 program. Much of the balance of the committee reductions—some $236.3 million—was either suggested by or concurred in by the Department of Defense. The remaining reduction made by the committee, which was not requested or approved by the Department of Defense, was only $57.8 million—one-fourth of 1 percent of the total DOD request.

While I compliment the committee on its $625 million reduction, I do not believe this kind of piecemeal reduction is the result of a considered reevaluation of basic conceptions of national interest and strategic and diplomatic doctrine in a vastly changed world.

As long as we in Congress refuse to attack the problem on this level and accept without question DOD's defense of its status quo, we will not really make any significant improvement in the efficiency of our military spending.

Unfortunately, the working methods of the Armed Services Committee do not favor this kind of basic reevaluation. The committee should not see its task as giving a "once over lightly" review of individual weapons systems—deleting a bit here and adding a bit there. We should not be preoccupied with bigger and faster weapons technology at the expense of lower cost multipurpose weapons. We should not let the shine of military brass blind us to the uncriticized assumptions on which they base their case. We simply cannot abdicate our broad policy and legislative oversight responsibilities to the so-called Pentagon experts, with their more narrowly focused outlook.

Ideally, and minimally, Mr. Chairman, as my colleague Mrs. SCHROEDER pointed out in her additional views, the committee should thoroughly and competently review all military programs and the assumptions behind each. The committee should encourage open debate and allow for sharp, critical questioning.

But at present, committee hearing procedures restrict debate and leave unanswered many important questions.

Ideally, hearings should be adversary in nature. But, unfortunately, only a very small percentage of the total number of witnesses who appeared before the Armed Services Committee on this measure were critical of military programs. Many of those were not taken seriously and their substantitve points, coming from respected experts, were dismissed.

The present committee hearing process, Mr. Chairman, makes it difficult to thoroughly examine defense programs and answer national security questions. If the committee wants to reestablish its policy and legislative oversight role and independence of action and judgment, it must certainly change its present hearing process.

Many of the amendments that will be proposed today and tomorrow are the result of long, hard work and prolonged open debate among informed members of the public and the defense community. And this wider debate has taken on basic questions the committee refuses to consider—national interest in a changing world and overall strategic doctrine. The facts and arguments put forth in this debate have convinced me that we can—indeed, must—reduce spending on at least, first, the accelerated Trident program; second, the Safeguard ABM and site defense; third, the landing heavy assault ship; fourth, the SAM-D missile for the defense of Europe; fifth, the CVN-70 nuclear carrier; and, sixth, the B-1 bomber. Also, we should minimize military assistance to Vietnam; I am convinced this assistance continues a civil war that otherwise would reach its own equilibrium. I urge my colleagues to support amendments in these areas.

At the proper time, I will propose an amendment on one of the most important areas of choice—namely, our overseas military manpower levels. We have over 600,000 men stationed abroad or afloat all over the world. After careful and detailed study of this question, it is my deep conviction that the size of this presence is bad for this country and bad for the world—and that it is up to Congress to do something about it.

My amendment is in two parts. The first part specifies end-strength manpower levels that would reduce present levels by 322,000. I have based the specific amounts for each service on study of the Pentagon responses to the detailed questions I have put to them on the rationale for the various missions we have abroad. I shall discuss these questions in a minute. The cuts for each service are:

Army	110,321
Navy	72,092
Marines	20,144
Air Force	109,606

The second part of the amendment establishes a 300,000-man limit to the amount of troops stationed overseas. This will insure that the cuts will be taken overseas. The exact location of the cuts is left to the discretion of responsible authorities in the Pentagon.

In my efforts to have the committee conduct a systematic review of this issue, I asked the Pentagon specific questions about each one of our military missions abroad.

I asked, for example, why—given the evident capacity of the South Koreans to take care of themselves—we have such a high level of troops there? What justification exist for top-heavy command structures in southern Europe? What about the small deployments we maintain in so many countries—Iran, Australia, Cyprus, Ethiopia, Morocco, and the numerous military assistance advisory groups—MAAG's?

And so on and so on, down the list for every country—and there are more than most Members are aware of—in which we have stationed military personnel. DOD's inadequate response to my original questions can be found beginning on page 23129 of the RECORD for July 10, 1973. These answers are extremely general and vague. They refer to threat perceptions that tell us nothing; nor could the answers justify any level of troops. The answers make complicated foreign policy assumptions as if there was the same assurance as on technical military matters. The answers rely on the Pentagon rhetoric developed under vastly different international situations 10 or 15 years ago. In a word, these answers confirm my suspicion that the real reason for most of our commitments is historical accident and bureaucratic inertia—not any on-going realities of 1973.

One purpose of my amendment is to reassert congressional control over our overseas military presence. For years, Congress has approved these manpower levels without seriously questioning basic rationale for these levels.

Yet we must be aware that manpower levels requested by DOD were not arrived at by constitutional processes of congressional control; in fact they represent an abdication of our control—not only to the executive, but to foreign countries.

The key point here is that there are no specific treaty obligations that force Congress to approve any level of troop commitment. Exact figures for each country are the result of executive agreements, and are not submitted to Congress for approval. Furthermore, such figures are the result of political foreign policy calculations—and are not based on military matters to which we may legitimately defer to military experts.

This last point is crucial. There is only one question the Pentagon is professionally equipped to answer with assurance: whether a force level in a certain country is necessary or sufficient to repel the threat that is responsible for its presence overseas. Yet in almost no case is the Pentagon able to give us this assurance.

Either our forces are unnecessary or they are not sufficient. Let me give an example of each. The South Koreans have one of the most battle-hardened armies in the world. It has well over 600,000 people under arms, and many of these have had combat experience in Vietnam, where we all know of their reputation. The North Koreans have an army of less than half a million men who have done nothing beyond border sniping since 1953. We assume the South Koreans will have the advantage of a defensive posture.

In other words, if any nation is relatively secure, it is South Korea. Yet we have top-heavy military establishment there of 38,000 troops which add a mere 7,000 fighting men in the combat division that we station there to provide ground combat support to the South Korean forces—although we must pay for all 38,000 men, when we count support and command troops. If the Nixon doctrine can be applied anywhere, it is in Korea. Given any sense of logic, there is no justification for the presence of these men, and we should bring them home.

The major part of our overseas presence is in Europe. One reason I have decided on the 300,000 level is my conviction that our European commitment is overextended and inefficient. This commitment is founded on unrealistic assumptions and built more around wishful thinking than a desire for a "lean, mean" efficient force that will do the job with less sacrifice from American taxpayers and less interference in Western Europe.

What is the situation in central Europe? No military analyst seriously claims that U.S. troops stationed there could repel any large-scale Soviet conventional attack. In this connection, I would like to quote General Lemnitzer, Commander of SHAPE, who said before the House Foreign Affairs Committee in 1970,

> One of the greatest problems that would confront NATO today would be a large conventional attack. Then we would be faced with a decision to use nuclear weapons or be defeated.

This is an astonishing admission.

What about other troops in Europe, in SETAF—The Southern European Task Force—and elsewhere? They are there on an assumption of a conventional war continuing past the 2 or 3 months that both the Warsaw Pact and the European NATO countries base their planning upon. Any possible conflict will be completely decided by that point, since neither side has the reserves to do any more fighting. These so-called support troops are no threat to the Soviets or anyone else, and a reduction in this area would have little or no effect on the military realities underlying the MBFR talks.

This is the military situation. Of course, any reduction on our part should be done in closest consultation with our NATO allies—closer consultation than our recent actions concerning Europe have displayed. But unless we face up to military realities, our discussion of political problems will be meaningless.

Mr. Chairman, the question of troop cuts is a serious and complicated one to which Congress has given too little attention in the past. I believe that when the dimensions of the situation are correctly grasped, the need for significant reductions becomes strikingly clear. We must begin the process of rationalization and adjustment; my amendment is a first step in that process.

Mr. BRAY. Mr. Chairman, I yield 5 minutes to the gentleman from Louisiana (Mr. TREEN).

Mr. TREEN. Mr. Chairman, I rise in solid support of H.R. 9286.

Before I address myself to the particular section in which I am interested, I might say in response to the gentleman who preceded me in the well that it is precisely because we want to have cities in this country to protect and farms in this Nation to protect that most of us solidly support this bill as the minimum necessary to preserve and insure the security of the United States.

Mr. Chairman, I rise in support of the program of military assistance recommended by the Committee on Armed Services for South Vietnam and Laos for fiscal year 1974.

The MASF authority requested in this legislation is unique, in that it provides military assistance only to South Vietnam and Laos. All other military assistance programs—MAP—are authorized and funded under the Foreign Assistance Act. Therefore, some sentiment now exists in the Congress for transferring this military support for these two nations from the Defense budget to the security assistance program. However, the flexibility provided by the present funded arrangement is still vitally necessary. The situation in Southeast Asia remains fluid. Stability has not been achieved. We must be prepared for contingencies in the future. The security assistance program is not designed to provide for meeting unforeseen operational or emergency requirements. This is extremely important because this capability, available under MASF funding, would enable us to support South Vietnamese and Laotian forces as required if the negotiated peace began to crumble.

This flexibility equates to strength and is the essence of the theory of deterrence. Continuation of support for South Vietnam and Laos in the Defense budget can greatly aid in stabilizing the critical balance which has been achieved in Indochina. Not to continue MASF support at this critical juncture might well be interpreted as an indication of a decrease in our commitment to support these two nations and further encourage the North Vietnamese to increase the tension and continue violations of the agreement, thus continuing instability and uncertainty in that area.

It was never anticipated that the achievement of stability and peace in Indochina would be easily attained. As Dr. Kissinger noted in Paris at the time of the signing of the agreement:

> We must recognize that ending the war is only the first step toward building the

peace. All parties must now see to it that this is a peace that lasts, and also a peace that heals, and a peace that not only ends the war in Southeast Asia, but contributes to the prospects of peace in the whole world.

This request for $1.3 billion authorization flows from our country's desire to encourage peace in that area. Without the flexibility to meet future contingencies, the present fragile beginnings may be completely undone and the sacrifices made in the past be rendered fruitless. We should not imply to North Vietnam that we will stand idly by if a major offensive is undertaken in violation of Hanoi's solemn agreement to reach a peaceful solution. The authorization request may, therefore, be viewed as a reasonable price to be paid in an effort both to prevent a rapid destabilization in Southeast Asia and to finally secure the peace in that area.

Contrary to assertions you may have heard, the justification for the $1.185 billion budget for the MASF program was not only given to the Armed Services Committee in detail but is also set out in detail on page 85 of the committee report.

Again, let me in closing emphasize that ending the war in South Vietnam was only the first step toward building the peace in South Vietnam. Let us make it possible for the South Vietnamese to live in peace by providing them the materiel support so essential to insure that peace.

Let us insure that our friends in South Vietnam will be given the same degree of support that their hostile neighbors to the North have been receiving from the Communist world. We can do no less if we really believe that peace in South Vietnam and in Southeast Asia will contribute to peace in the whole world.

Mr. HÉBERT. Mr. Chairman, I yield 1 minute to the gentleman from Oklahoma (Mr. Jones).

Mr. JONES of Oklahoma. I thank the Chairman.

Mr. Chairman, H.R. 9286 represents an exhaustive review of the military needs of this country, and I rise in support of this legislation. I particularly support the CVN-70 nuclear-powered aircraft carrier.

Recently one of our colleagues, the gentleman from New York (Mr. Bingham) addressed the question of the need for the CVN-70, and Mr. Bingham made a strong attack against the need for this particular nuclear aircraft carrier.

I believe the money we authorize for this CVN-70 will be money well and prudently spent. It also means that our colleagues here in the House deserve to hear both sides of the question before voting on any amendments to this section of the bill. Therefore, I obtained additional information, which I include at this point in the Record, from the Department of the Navy and other sources to reply to the study prepared by our colleague from New York. I hope that the majority of the House Members who are not here to listen to this debate today will read these comments in the Record before voting on this amendment tomorrow.

SUMMARY CONCLUSION

Mr. Chairman, Congressman Bingham's report implies that cancellation of CVN-70 will result in great savings from other programs which will not be needed if the carrier is not completed. Actually, CVN-70 is the last of three *Nimitz*-class nuclear-powered aircraft carriers which will enter the fleet to replace the seven aging and nearly worn-out World War II design carriers in active service. Funding CVN-70 does not, in itself, require funding additional ships or air wings. In fact, CVN-70 represents a minimum of modernization in a carrier force level that will be reduced a further 25 percent by the time she joins the fleet. Without the capability provided by such aircraft carriers, the Navy would require many more additional ships of other types to attempt to compensate for the lack of airpower at sea.

RECOMMENDATION

The $299 million appropriated for CVN-70 last year have been obligated for construction of the ship's nuclear propulsion plant, which is unique to the *Nimitz*-class carriers. There are no alternative uses for such equipment, which includes the largest components ever fabricated for the naval nuclear propulsion program.

DESCRIPTION OF CVN-70

The composition and functions of a carrier air wing are determined by the mission of the carrier in any specific area. Fighters such as the F-14 are employed in the long-range air defenses of a task force to be sure, but also to prevent air attack on merchant ships and military convoys and to escort carrier or land-based attack aircraft operating against hostile ships and bases. The number of antisubmarine aircraft embarked would vary with the mission and the area of operations, and would include fixed wing aircraft such as the S-3 as well as antisubmarine helicopters such as the SH-3. These find and destroy submarines threatening our merchant ships and convoys. A high mix of antisubmarine aircraft would be employed in areas where the submarine threat to friendly surface ships was high. Similarly, the number of attack aircraft embarked would vary with the mission and area of operations, and would be employed against hostile surface ships as well as in support of friendly forces ashore. The total mix of any particular air wing is thus tailored for the mutual support of each type of aircraft in the accomplishment of the overall mission, whether it be against enemy forces at sea or ashore.

THE DEVELOPMENT OF MODERN ATTACK CARRIERS

This section is constructed to support the author's opinion that aircraft carriers serve no purpose other than as instruments of intervention against nonnaval powers. More objective analyses by respected experts at home and abroad, as well as the record of the past 30 years indicate otherwise.

Mr. Bingham states that the carrier's function of providing fleet air cover has diminished as combat at sea between major surface forces has become less and less likely. It should be recognized that the likelihood of combat at sea, or even a full-scale showdown at sea, could be increased if we permit our naval strength to become inferior to a potential opponent. We cannot afford to rely on wishful thinking and ignore the realities of the world of today, a world in which we no longer possess superiority in nuclear arms as we once did. Soviet nuclear arms are on a par with ours.

The main effect of today's nuclear standoff is that the United States must look to conventional forces to provide the means of protecting our interests. Without sufficiently strong and mobile conventional forces we may have only two options where our national interests are threatened: to engage in nuclear war, or to back down. These were the only two options available to the Soviets in the 1962 Cuban missile crisis. The weakness then of the Soviet Navy and the then-existing U.S. strategic nuclear superiority forced them to back down in the face of a resolute U.S. stand.

Since then it has been increasingly evident that the Soviets have allocated vast resources to gaining nuclear parity and to naval building programs. While the Soviets have been building up and modernizing their navy, ours has been reduced by over 45 percent of its ships. The size of our fleet next year will be the smallest since the 1930's. At the time of the Cuban missile crisis we were operating 25 aircraft carriers—today we are down to 16 carriers and seven, or nearly half, of those date back to World War II.

In 1970, when few were taking note of the growing power of the Soviet Navy, General Wheeler, then Chairman of the Joint Chiefs of Staff, stated that 16 carriers were the minimum recommended to meet the requirements of our strategic guidance. He said that any number less than that would involve risks exceeding those considered to be prudent. The continuing growth in Soviet seapower and their addition of new types of ships such as aircraft carriers obviously indicate that the risks of neglecting our future carrier force would be well beyond the threshold of prudence. Mr. Bingham, nevertheless, dismisses the vital need for fleet airpower against such a threat and claims instead that the aircraft carrier is useful primarily against militarily inferior countries. In fact our carriers have been the balancing factor in past showdowns with the Soviet Union, such as the 1962 Cuban missile crisis and the 1967 Arab-Israeli war. The employment of carriers in the latter case would probably be described by some as "gunboat diplomacy," but it highlights the possibility of our future inability to support national policy if we permit our naval power to wither away. At the time of the 1967 Arab-Israeli Six Day War, the visible and credible power of aircraft carriers played an important role in supporting the valid interest of the United States. The late President Johnson highlights the unique value of on-the-scene carrier forces in deterring Soviet intrusion in the Middle East during the tense days of the Arab-Israeli war. In his book, "The Vantage Point," Mr. Johnson cited the grave situation when Soviet Chairman Kosygin threatened military action unless Israel unconditionally halted operations. The President ordered the 6th Fleet carrier striking forces to move into position 50 miles from the Syrian coast. In his words:

> We all knew the Russians would get the message as soon as their monitors observed the change in the fleet's pattern. That message, which no translator would need to interpret to the Kremlin leadership, was that the United States was prepared to resist Soviet intrusion in the Middle East.

We had 25 carriers in service at the time of the 1958 Lebanon action, 25 in service at the time of the Cuban missile crisis, 23 during the Arab-Israel war of 1967, and 19 in the year of the Jordanian Crisis. A projection of only 12 modern carriers in service by 1980 when CVN-70 is completed is cause for concern in itself, and any fewer than that number would be, based on our past actual experience, an obvious weakness in our national defenses.

Meanwhile, the Soviet Navy is shaping into a force which has the capability to support Soviet policy worldwide. The editor of the recently published 1973-74 edition of "Jane's Fighting Ships" describes the new Soviet aircraft carrier *Kiev* as a ship capable of "projection of power ashore." In his words:

> A ship of her size will have a worldwide capability and will be able to provide antisubmarine and air-strike power at any point where the Soviets deem intervention to be necessary.

The Soviet Navy's new *Kara*-class cruiser adds another dimension to their rapidly growing naval power. Janes editor states:

> She is a 10,000-ton cruiser with every available type of missile, gun, radar, and electronic device, with the exception of long-range SSM's. Very fast, she too clearly has a worldwide capability and it seems likely that a considerable number of this class of cruiser and the "Krivak" destroyers will be built.

THE MISSION OF NUCLEAR-POWERED ATTACK CARRIERS

1. SEA CONTROL

The United States is a maritime nation. We are bound by sealines of trade and commerce to other nations of the world, and depend on the Atlantic and Pacific Oceans not only as highways to import essential materials but as vital links in our chain of alliances.

It is on these extended sea routes that we as a nation are most vulnerable to external pressures. If a distant concentration of hostile force should disrupt our vital trade or rupture the ties of our alliances, or if we are unable to use the seas in the face of determined opposition then all elements of our national strength are threatened. If this opposition on the seas is carried to point of serious challenge to our use of the seas, our alliances are weakened, our freedom as a nation is imperiled.

The Soviets also perceive this as vulnerability, and they have chosen their weapons well. The Soviet Navy thus far is designed not to overpower us on the surface of the sea and to attack our shores, but to deny us the use of the seas and to drive us from the positions from which we support our alliances. They have produced in the past dozen years ships capable of concentrating significant naval force in areas of the world vital to us yet distant from us. Only in supporting air strength at sea are they limited.

We must evaluate this Soviet naval modernization in light of changing nuclear weapon realities in the world of today. Today, we no longer possess superiority in nuclear arms. Soviet nuclear arms are on a par with ours.

If we look to the future, it is reasonable and logical to consider that, so long as an approximate parity in nuclear delivery and defense systems exists between the U.S.S.R. and the United States, nuclear war can be prevented between them. The awful results to the populaces of both nations would make initiation of nuclear attack an irrational act.

Further, if we concede the irrationality of a nuclear war between the United States and the U.S.S.R., we must also hypothesize the improbability of a NATO war. Because of the enormous importance of the outcome of a NATO conflict, we have tied our nuclear commitment to NATO for over 25 years. The near certainty of a NATO war triggering a nuclear exchange is recognized by both parties. For this reason, it is logical to assume that both parties will try to avoid circumstances which could lead to a NATO war.

Therefore, the danger to our continued strength as a free nation can come, not from direct assault, but from a confrontation, or series of confrontations which would avoid these nuclear risks—a challenge based entirely on strength of conventional weapons which can be applied at the chosen scene. And the chosen scene could very well be in an area or in a situation where we cannot count on assistance, and we might be forced to back down, as the Soviets were forced to do over Cuba. If the Soviets should feel strong enough and think the outcome rewarding enough to engineer such confrontations they would be very rational and cautious, as we have acted when the preponderance of power lay with us—they would provide clear options which could allow us to back away, but our backing away would be quite clearly perceived by our allies and friends around the world.

If we become weak enough to allow these situations to develop, or even to become realistically possible, our allies may decide that we no longer have the will to continue as a great power. If so, there would first be an accommodation by some toward Soviet power, then a growing shift away and finally the United States could become an island, economically and militarily isolated. We would no longer have the strength to insure our freedoms, to control our national destiny.

Such confrontation, with such ominous implication, need never occur if we have the will to maintain the defensive strength to prevent it. And this includes the strength in conventional weapons to give us a choice in such a situation, the strength to deter such a crisis.

2. PROJECTION OF POWER ASHORE

It should be clearly understood that there is no viable plan for overseas military operations of any of our Armed Forces that does not depend on support from the sea. This is true whether that support or naval gunfire support, or all consumables, an amphibious landing, air support or naval gunfire support, or all of the foregoing. The sheer bulk of fuel and ammunition alone required by modern combat forces requires seaborne resupply. It is obvious that any ships, logistic or combatant, must be able to enter contested waters if need be to support operations ashore. This ability may be gained by the ship's own offensive and defensive systems, or by the protection provided by others.

Of all the existing types of United States or allied ships, only the aircraft carriers can quickly overcome a sophisticated hostile threat in contested areas. This ability alone adds to the inherent survivability that is designed into a carrier, the toughest warship afloat.

The aircraft carrier has this ability because of its aircraft, which are its main battery. They can strike at much greater range than missile launching ships and submarines, and because they return to launch again, the thousands of tons of ordnance in the carrier equate to sustained firepower unequaled in intensity or endurance by any other ship. This long-range punch is three dimensional. Carrier aircraft reach out hundreds of miles to seek out and destroy hostile aircraft, surface ships and submarines before they can attack our own forces. The long range umbrella of air superiority provided by the coordinated force of fighter-interceptors, airborne radar control aircraft and electronic warfare aircraft protects not only the ships of the carrier task force, but all shipping in the vast areas swept by the aircraft of the mobile carrier forces. Without such air superiority in areas within reach of hostile aircraft, none of our other surface forces would be able to survive for long. Air superiority is imperative for successful operations in either a naval campaign or a land campaign. This lesson was learned the hard way in World War II, and it is just as vital today as it was then.

Carrier-based airpower possesses two types of superiority over the tactical air forces of potential enemies. First, the radius of action of our carrier-based aircraft is greater than most of the short range tactical aircraft of potential enemies. The carrier can stand off and reach the enemy with the full weight of its strike effort, but only a small part of an enemy's air force can be directed against the carrier. Second, carrier mobility permits the rapid concentration of sea-based air power to the degree required to overcome hostile forces.

3. "PEACETIME PRESENCE"

The United Sates Navy, as well as the Army and Air Force, manifests an overseas presence sufficiently powerful and visible to make plain to any possible adversary, as well as to our allies, that any effort to challenge our vital overseas interests or those of our allies could bring confrontation with American armed might. Past employment of aircraft carriers to deter open hostilities in the Mediterranean area have proven the worth of our Mediterranean operations.

THE THREAT

New Soviet Navy ships capable of worldwide operations indicate that the Soviets have decided their expanding involvement worldwide requires their navy to have not only a sea-denial capability but the capability to project power into distant areas. The fact that the Soviets began building missile-carrying patrol craft in the 1960's for defense of home waters should not obscure the reality of their global high seas navy of the 1970's.

Soviet exercises such as Okean, in which all four Soviet fleets deployed worldwide for extensive "war-at-sea" maneuvers, indicate that the Soviet Navy is in fact a supernavy of a superpower.

As previously noted, our 6th Fleet carriers played a critical role in the Eastern Mediterranean during the Arab-Israel six-day war of 1967. Mr. BINGHAM's statement of a withdrawal of our ships is in error.

OTHER OPTIONS

The sea control ship can never be considered a replacement for an aircraft carrier. It is a small, austere ship designed to provide limited air capability to convoys operating well out of areas where they could encounter enemy air attacks—the South Atlantic, for example. It provides an improved antisubmarine capability for merchant ships and convoys. The aircraft carrier is essential to our naval capability to operate where concentrations of hostile air, surface, and submarine forces could be anticipated—the North Atlantic sealanes to Europe, or the Mediterranean, are examples.

The surface effect ship will provide a good antisubmarine capability when developed, if it lives up to its designer's claims. However, there are still uncertainties in its developmental progress. And when operational it will not insure protection of merchant ships and convoys from air attack.

CONCLUSIONS

The foregoing comments demonstrate that Mr. BINGHAM's conclusions are based on misinformation or possibly idealistic interpretation of the facts concerning the United States and Soviet Navies.

The severe reduction in the number of aircraft carriers compels completion of CVN–70 to provide the naval power required to meet the challenge at sea of the modern, powerful, worldwide Soviet fleet. Aircraft carriers are indispensable components of our naval strength. CVN–70 represents an absolute minimum replacement effort, already overdue, as the remainder of our veteran World War II carriers end their service lives and leave the fleet.

Mr. HÉBERT. Mr. Chairman, I yield 3 minutes to the gentleman from New York (Mr. STRATTON).

Mr. STRATTON. Mr. Chairman, I did not have an opportunity to get into the debate a moment ago with the gentleman from Kentucky (Mr. CARTER). He asked the question, "Why does not the Navy have anything to deal with the STYX missile?" The answer is, "The Navy does have something to deal with the STYX missile. The Hawk and Phalanx system is designed to deal with the STYX missile." This is one of the difficulties we run into, and that is that a lot of people are discussing these questions without being aware of the developments that have been made.

As the gentleman from Louisiana, the chairman of our committee, pointed out, if we want to continue to get this kind of protection, we have got to support the research and development budget as well as the other parts of this particular bill.

Also, I could not help but note that the distinguished gentleman from Kentucky said, "Well, we have been over in NATO for 28 years; it is time we got out." I asked the gentleman behind the rail, "Doctor, you are a distinguished medic. How long have you been a doctor?"

He said, "For 36 years."

I said, "You have been fighting disease all of that time, have you not?"

He said, "Yes, I have."

I said, "Well, it is still here, is it not?"

He said, "Yes, it is."

I said, "You would not want to give up the fight, would you?"

He said, "No, I would not."

I said, "Well, is that not the same thing with NATO? We have been there for 28 years. We have been preventing the Soviet Union from taking over Western Europe. Should we get out now? After all, the threat is still there."

I think that is the message that our committee is trying to bring to this House. We all recognize the temper of the times. We all recognize the temper of this House, but just because the situation has changed a little bit, just because we have had the Soviet Union here smiling a little bit in Washington, just because we have ended the draft and brought our troops back from the Southeast Asian area, many people argue that because we had to divert our attention to Europe, it is no time suddenly for us to dismantle our defenses and say there is not any threat any more, because the threat is still here. After all, that is the sort of thing that we have to be aware of when we decide what kind of strength to have in our military defenses.

I want particularly to point out to this House the fact that we have a threat, and we have a threat especially with regard to Soviet naval might. This is no dream story. There are those who tell us we have got nothing to worry about; that the Soviets are not a naval power. We had some discussion a little while ago about whether "Jane's Fighting Ships" was or was not representative of the Navy.

Let me point out that the New York Daily News on the 26th of July contained an article which pointed up these simple facts, that the Soviet Navy is now No. 1 in the world, the United States, No. 2, and China, No. 3, believe it or not.

This article points out there is only one possibility of the United States recouping its position and that is if we continue to put in the high expenditures that we have been putting into naval craft and particularly into carriers. If we continue to do the kind of thing that this bill calls for, in other words, we might conceivably get back into the No. 1 position. Otherwise we are hopelessly in No. 2. That is from the New York Daily News. I am sure all the Members who are familiar with New York recognize that they print only the facts.

Mr. Chairman, I intend to support H.R. 9286 and urge its approval by this body.

It is not my intention to repeat information already provided you by my distinguished colleagues from the Committee on Armed Services. However, I wish to dispel some of the mistaken impressions which some Members may have after reading some of the erroneous arguments raised against the naval ship program contained in this bill.

For example, one of the arguments suggests that—

> There is no real hurry to outgain the Soviets.

The implication of this argument is clear—there is not any great need to go forward with new construction in our naval ship program.

Our committee has received hundreds of pages of testimony to the contrary—testimony provided by both our military experts as well as our civilian secretariat. This testimony is replete with reflections of their concern that we may have already lost our previous claim to being the greatest naval power in the world.

I share that concern since I, too, believe that we are no longer No. 1. We have lost that position to the Russians.

Without attempting to regale you with statistical data to prove my point, let me read into the record an Associated Press news article which appeared in the New York Daily News on July 26 on the subject of naval power.

The article, dateline London, July 25, is entitled "Soviet Navy No. 1, U.S. 2d, China 3d, Authority Asserts." The article reads as follows:

> One of the world's leading authorities on naval power says the Soviet navy with its own air arm and a greater range of submarines is now the most powerful navy in the world.
>
> Capt. John Moore, editor of Jane's Fighting Ships, writes in the 1972–73 edition of the most authoritative annual on the world's navies that the Soviet navy has made "staggering advances" in the last year.
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> ### UNITED STATES STILL IN THERE
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> But the United States high expenditure on warships and other naval craft could in time restore the balance in world naval power, he adds.
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> Moore predicts that China, already building missile destroyers, could soon make nuclear submarines and take its place among the world's naval powers.
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> Moore, former deputy director of British naval intelligence, said of the Soviet navy:
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> "Three major classes of ships have appeared, each several leaps ahead of its predecessor. The Kiev aircraft carrier still under construction is in a totally different league from the previously illustrated Moskva class helicopter cruisers; the 10,000-ton Kara class cruiser is an improvement on any previous cruisers, and the new Delta-class ballistic missile submarine is similar in size to the Yankee-class, but will carry the new 4,000-mile range SSN8 missiles.
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> "Above all it has a far greater proportion of ships less than 10 years old than any other major fleet."
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> However, Moore added: "The U.S.A., aware of its deficiencies, continues its programs of

massive carriers, the latest costing some 420 million pounds," or about $1 billion.

"A great deal of money is also being spent by the U.S.A. on innovations such as hovercraft and hydrofoils. This high American expenditure could well redress the balance of power in the future and overcome the disadvantages of the U.S. Navy's largely overage fleet," he said.

As for China, Moore was in doubt whether its navy would stay a defense force much longer.

New submarines, possibly nuclear, have been seen, and with her ability to rival the western nations in missile and nuclear matters, there seems no reason why she should not embark on a Polaris-type program," Moore said.

The editor of Jane's Fighting Ships has no ax to grind except jealously to protect his credibility as one of the most authoritative independent sources of data on the navies of the world.

His estimates, therefore, deserve more than passing note, and since they do agree completely with the testimony received by our committee from our own naval and intelligence experts, I think it behooves us to face up to reality. We cannot afford to permit the Soviet Navy to alter the balance of world power in a manner which will make us truly vulnerable to the threat of nuclear blackmail.

I implore the Members of the House to reflect the determination of the American people to insure the freedom of the seas for all of the free world by going forward with the ship construction program recommended in this bill.

SOVIET NAVY NO. 1, U.S. 2D, CHINA 3D, AUTHORITY ASSERTS

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However, Moore added: "The U.S.A., aware of its deficiencies, continues its programs of massive carriers, the latest costing some 420 million pounds," or about $1 billion.

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Mr. BRAY. Mr. Chairman, I yield 2 minutes to the gentleman from California (Mr. BOB WILSON).

Mr. BOB WILSON. Mr. Chairman, it is rather interesting to hear the statement by the gentleman from California, quoting from "Jane's Fighting Ships," that it appears tomorrow in the debate the opposition intends to use this as its bible in advocating cuts in strength in the U.S. Navy.

I came through Chicago this morning at 6 o'clock on the Red Eye from California, and the lead editorial in the Chicago Tribune—I am sure the Chairman will be interested in this—says:

> We're No. 2 to the U.S.S.R.

The lead paragraph says:

> What has become increasingly evident in the last few years is now confirmed by "Jane's Fighting Ships," the authoritative British publication on naval power. The Soviet Union has taken the lead afloat over the United States.

They quoted Mr. LEGGETT's expert, Capt. John Moore, Deputy Director of British Naval Intelligence and editor of the current compendium, who—

> States that the Soviet Union has made staggering advances in the last year and, with its fleet air arm and a greater range in its submarines, is now the most powerful navy in the world.

He says:

> The new class of Kiev aircraft carriers, the new 10,000 ton Kara class cruiser, and the new Delta class ballistic missile submarine, Captain Moore reports, are all improvements over former vessels. The submarine is fitted with missiles of 4,000 mile range.

Mr. Chairman, I think it is rather unusual that we take this so much for granted that all of a sudden we, who have been the world's leading naval fleet, are now No. 2 and they are talking about making it perhaps No. 3 if some of the threats that are being made against this procurement bill are carried out tomorrow.

Mr. LEGGETT. Mr. Chairman, will the gentleman yield?

Mr. BOB WILSON. I am happy to yield to the gentleman from California.

Mr. LEGGETT. I thank the gentleman. I believe we share a common desire to have the U.S. Navy paramount worldwide.

There have been some of these statements that have been made, such as the gentleman has just quoted. These statements I have also heard made by some top people in our Navy Department, that we are second best. I find it difficult to square those statements with the facts.

I would ask the gentleman to answer some questions preliminarily.

How many aircraft carriers does the Soviet Navy have today? Which navy is currently better than the United States? How many warm-water ports does the Soviet Navy currently have today?

Would the gentleman answer those two questions?

Mr. BOB. WILSON. I will be happy to answer tomorrow.

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. BRAY. Mr. Chairman, I yield 3 minutes to the gentleman from Illinois (Mr. DERWINSKI).

Mr. DERWINSKI. Mr. Chairman, during the past weeks' several of my colleagues have stated that we should not build the CVN–70. They have stated that the Russians are not building carriers. However, just today I read an article in the Baltimore Sun that disputes these comments.

May I read to the House brief excerpts from the article I refer to?

> The statement by Adm. Sergei Gorshkov, supreme commander of the Soviet Navy, published by Pravda to mark the annual Navy Day celebrations in Moscow, underlined a recent Kremlin decision to reverse earlier policy and construct aircraft carriers.
>
> "The carriers mark an impressive and logical advance by the Soviet Navy," said the latest edition of Jane's Fighting Ships, an annual authoritative international report on the world's navies.
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> Admiral Gorshkov said yesterday the new aviation arm "increases many times such important naval abilities as mobility, operational distances and our invincible attack."

Mr. Chairman, there have been major economies made in the defense budget as to personnel, facilities, research and development, and modern weaponry. I do not believe that the CVN–70 should be the target when the House processes amendments to this bill tomorrow. Its development is essential to the long-term effectiveness of the U.S. Navy.

AUSTRALIA'S NEW PRIME MINISTER

President Nixon plays host today to a new breed of Australian prime minister, a man who seems to understand more clearly than his predecessors what policies are dictated by his country's geography. The visitor is Gough Whitlam, whose first half-year in power has transformed Australia's approach to foreign affairs. By condemning U.S. bombing in Indochina, recognizing Peking, rejecting policies smacking of white racism and giving priority to regional neighbors, particularly Papua New Guinea, Mr. Whitlam has shown a good sense of location.

Australia, after all, is not "down under" (down under from what?) but an Asian power, a Pacific power of great potential. The new prime minister has not particularly pleased the Nixon administration with his new directions. But he put his case well when he stated recently: "We recognize that as Australians we shall win no respect, nor shall we help our traditional friends in their own difficulties of withdrawing from military commitments or readjusting to the needs of a changing world, if our foreign policies remain an echo of other nations, taking no account of our own vital interests in security and trade or the sensibilities and aspirations of our neighbors."

President Nixon will find no echo in Mr. Whitlam, no servility in the hope of securing American guarantees against the big bad world so close to Australia's doorstep. Those days are gone for good. Nor, if the omens are correct, will he find a man delighting in the pulling of Uncle Sam's whiskers—an indulgence still practiced by extreme elements in his Labor party. Mr. Whitlam has been politician enough, after his Christmas outburst about the Hanoi-Haiphong bombings, to try to put things right with Washington.

In return, Mr. Whitlam probably would like a gesture signifying Australia's sovereignty over the U.S. Navy installation at North West Cape, an installation of great importance to Polaris operations in the Indian Ocean. This is an opportune moment for Mr. Nixon to make such a gesture. U.S.-Australian relations, based as they are on genuine friendship and common interests, certainly can surmount transitory irritations having already survived a period of ardent imbalance.

RUSSIA REPORTS IMPROVED NAVY

Moscow.—The supreme commander of the Soviet Navy said yesterday that his country's forces now possess a modern aviation arm that multiplies "many times" the Navy's operational range and "invincible attack."

Adm. Sergei Gorshkov's statement, published by *Pravda* to mark the annual Navy Day celebrations here, underlined a recent Kremlin decision to reverse earlier policy and construct aircraft carriers.

Only three years ago, Soviet military specialists considered carriers to be "extremely expensive giants of very doubtful efficiency."

Now, however, Western intelligence reports indicate the 45,000-ton carrier Kiev is to be unveiled within months and a sister ship, the Minsk, is under construction.

The carriers "mark an impressive and logical advance by the Soviet Navy," said the latest edition of Jane's Fighting Ships, an annual authoritative international report on the world's navies.

Admiral Gorshkov said yesterday the new aviation arm "increases many times such important naval abilities as mobility, operational distances and our invincible attack."

The Russian Navy Day declaration was noticeably less belligerent than last year when he boasted Soviet naval forces could destroy an enemy warship anywhere in the world.

Western military experts warn that the Soviet Navy is on the verge of completing a modernization program that has transformed a punchless coastal defensive fleet into a globe-circling force that effectively challenges American supremacy on the high seas.

Noting that most Russian sailors would celebrate Navy Day yesterday "far from home," Admiral Gorshkov said that his warships had shown the hammer and sickle in 72 ports worldwide last year.

The figure was further evidence of the Navy's phenomenal growth. Last July, the admiral said Soviet naval vessels visited 60 ports in the entire preceding three-year period.

The Soviet Navy also is emphasizing construction of nuclear submarines. It has 111 operational nuclear subs compared to 101 in the United States Navy, Jane's said in its latest edition.

Two years ago there were 87 nuclear subs in the Russian fleet, indicating the Soviet Union is commissioning an average of one new nuclear vessel every month.

Admiral Gorshkov's chief of staff, Adm. Nikolai Sergeyev, asserted in the Defense Ministry newspaper, Red Star, yesterday that these formidable submarines are capable of traveling great distances in a short period of time at great depths and high speeds."

Russia's submarine superiority is not restricted to nuclear vessels alone. America's conventioanl submarine force is outnumbered by 305 to 24.

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Mr. LEGGETT. Mr. Chairman, will the gentleman yield?

Mr. DERWINSKI. I yield to the gentleman from California.

Mr. LEGGETT. The gentleman made a statement that we need to build the carrier so that we can maintain the posture of our Navy.

Mr. DERWINSKI. I did not say "posture". I referred to defense supremacy.

Mr. LEGGETT. The statement was just made here by one of the gentlemen speaking that we do not have supremacy. Is it the position of the gentleman that we currently have supremacy?

Mr. DERWINSKI. My position is that so long as we maintain an effective defense force, this is the means of keeping peace. By weakening our defense posture, which heretofore has been—and I use the term again—supreme, is not the way, as stated by experts, such as our colleague from California (Mr. BOB WILSON) whose judgment I respect highly. I believe this is no time for us to be gambling with the defense of the United States.

Mr. LEGGETT. How does it happen our posture is jeopardized when we have some 16 deployed aircraft carriers and the Soviets have a modest-sized carrier, perhaps able to handle the Harrier V/STOL type aircraft, and they are better than we are, but still we have to move ahead with the great aircraft carrier CVN–7 in order to maintain our position of perhaps second best?

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. BRAY. Mr. Chairman, I yield the gentleman 1 additional minute.

Mr. DERWINSKI. The gentleman from California is one of the acknowledged experts in the House on this subject. Therefore, it is with a good deal of reluctance I try to engage in this conversation.

I believe the gentleman would concur there is presently a factor of obsolescence in some of our carriers. The Soviets, with their huge building program, which includes, I believe, a weekly launching of a submarine, have a fleet which is far more modern than ours.

I believe the budget request of the Navy and, for that matter, this entire bill, is really minimum to the defense needs of the United States.

I emphasize "defense" because this is what we are striving for.

Mr. BRAY. Mr. Chairman, I yield 5 minutes to the gentleman from Wisconsin (Mr. STEIGER).

Mr. STEIGER of Wisconsin. Mr. Chairman, the debate on the military procurement and manpower authorization provides an appropriate occasion to commend the Armed Forces for their performance in the transition to an all-volunteer force. As two senior members of the House Armed Services Committee—the gentleman from Florida (Mr. BENNETT) and the gentleman from California (Mr. BOB WILSON)—my good friend from Hawaii (Mr. MATSUNAGA), and I noted in a letter to all Members last week, the services obtained 97 percent of their recruiting goals for fiscal year 1973. In doing so, they achieved a higher quality mix than was obtained during periods of heavy drafts.

The quality of enlistments into the volunteer force is a matter of continuing importance. In the past, the system has been less than perfect in screening out individuals who were not capable of becoming good soldiers. I am greatly encouraged by the sophisticated screening system the services are developing to insure a military force with high standards of performance.

The Department of Defense year end report indicates that the Air Force, Navy, and Marine Corps will meet their fiscal year 1974 requirements with as rich a quality mix as they have obtained in the past. The Army—which must attract nearly one-half of the recruits needed by the Department of Defense—is faced with the most difficult task. To meet this challenge, Secretary Callaway has announced a sophisticated new program designed to bring the Army's accession process more in line with practices used by the other services. The screening program he has outlined consists of four components: moral standards, medical fitness, mental trainability, and military performance considerations.

MORAL STANDARDS

We all know that during periods of heavy draft use, some judges confronted juvenile troublemakers with the choice of serving their time in the Army or in jail. It is welcome news that the demise of the draft is bringing an end to the misuse of military service as a form of punishment. The Army has wisely decided that it only needs individuals who are motivated to join the service for the right reasons, not those whose police records indicate they will be nothing but trouble for their commanders.

Accordingly, the Army has placed stiff restrictions on the policy of granting waivers to men with court records. Waivers are now granted only where compelling evidence indicates that the applicant is not likely to become a disciplinary problem once in service. Army statistics demonstrate the improvements made under the volunteer force program. In fiscal year 1970 the Army granted moral waivers to 5.6 percent of its accessions. By fiscal year 1973 this figure was reduced to 1.3 percent.

MEDICAL FITNESS

An item currently undergoing a detailed review involves physical requirements for military enlistment. Every member of the Armed Forces must be physically fit to perform his job—but combat fitness is not necessarily required for all.

There have been no material changes in physical standards since 1945. This lack of innovation is inexplicable in view of the increasingly technological orientation of the military, which has dramatically reduced the combat-to-support ratio. When we have so many clerk-typists, computer programers, systems analysts, mechanics, aircraft repairmen, and the like, there is certainly no reason why each of these individuals must be fit for combat—so long as he can perform his job. If we need uniformed personnel rather than civilians in these noncombat slots, we should not increase our recruiting costs by diminishing the manpower pool through standards that have no relationship to job performance.

MENTAL TRAINABILITY

The Army measures general potential for training, and specific aptitude for technical skills, through a series of written examinations administered prior to enlistment. The Army's tests, as well as those of the other services, are converted into five mental categories for the purpose of measuring progress over time. The bottom 10 percent of the civilian population—the category V people—are automatically excluded from military service.

Contrary to the contention of those who support conscription, the mental category picture has improved during transition to the Volunteer Army.

In fiscal year 1969, 27.5 percent of the recruits were in category IV, the lowest group acceptable; in fiscal year 1973, this figure had dramatically decreased to 16.7 percent.

In fiscal year 1969, group III entrants—those with average abilities—comprised 38.1 percent; in fiscal year 1973, this figure had risen to 53.3 percent, which largely represents the improvement in the group IV picture.

At the same time, the enlistment figures for those in the highest categories has remained fairly stable—a modest decline from 34.4 percent in fiscal year 1969 to 30 percent in fiscal year 1973.

The Defense Department put this matter in perspective during testimony before Subcommittee No. 2 of the House Armed Services Committee:

> The quality objective is not to cause the entry rate of those in the highest mental groups, mental groups I and II, to be the highest possible and the entry rate of those in group IV to be the lowest possible. It is rather to match the learning capacities of new entries with the learning difficulty of jobs to be performed.

It is interesting to note that the mental abilities of military recruits is running much higher than the mental capability mix of the noncollege population, ages 19 to 21. Officers, of course, continue to be obtained almost exclusively from the college graduate population.

Beyond the categorization of enlistees by broad mental groupings, the Army has introduced a rigorous new aptitude battery system to test the potential of recruits prior to enlistment. This examination is particularly valuable in predicting a volunteer's potential for success in training. By supplementing generalized aptitude tests through use of the new batteries to measure specific skills, the Army will now be even more effective in screening out individuals who cannot measure up to the requirements of military service.

MILITARY PERFORMANCE CONSIDERATIONS

In recent months, the Army experimented with the use of high school graduation as an indicator of an individual's motivation and self-discipline in an effort to weed out those who cannot adjust to Army life. It should be noted that high school graduation was not used, however, as a means of assessing the trainability or mental capacity of recruits; that function has been filled by the various aptitude tests I have just discussed.

The high school graduation quotas proved to be a rather blunt management tool. The significance of obtaining a high school diploma, as every Member knows, varies greatly within States and around the country. Some school districts establish quite rigid standards, while others pass students virtually as a matter of course. The lack of "magic" in a high school diploma is further underscored by the fact that, even during use of the draft, nearly one-half of the category IV's, the lowest mental group acceptable, are high school graduates.

Studies have shown that 9 out of 10 high school graduates make good soldiers, as compared to 8 out of 10 non-high-school graduates. Consequently, use of the high school diploma served to screen out many good soldiers prior to enlistment. The Army would lose as many as eight good men in the non-high school-graduate category in its attempt to screen out the two bad ones.

It has been well known for many months that a change in this requirement would be forthcoming. As the Assistant Secretary of Defense for Manpower and Reserve Affairs told the Armed Services Committee this spring:

> Realistically, I am sure that the Army is going to have to come down from its 70-percent high school graduation objectives in order to meet its numerical requirements. How does it do this without downgrading quality? It does it simply by placing in the hands of good recruiters a little more leeway in selecting people who, even though they are not high school graduates, appear to have all the raw material for making them good military members.

Last week, the Army revised the inflexible constraints that had been used in recent months. Drawing on procedures used by the other services, the Army is implementing a two-stage program to modernize its quality controls.

First, the Army will maximize its high school graduate enlistments while recruiting non-high-school graduates who perform satisfactorily on the various enlistment examinations. The Army expects to enlist at least as many high school graduates in fiscal year 1974 as were attracted in fiscal year 1973.

Second, the Army is adopting much more stringent performance tests during training. Commanders have been given expanded authority to use rigid examinations and controls to screen out unacceptable recruits.

Men who indicate by their performance that they are not adapting to the discipline and style of military life will be relieved with honorable discharges prior to 180 days of service. In other words, the screening process has been changed from an inflexible limitation on the recruiter to a realistic evaluation procedure by the training organization. The Army will rely on actual behavior and performance, rather than a mere high school diploma to determine who will make a good soldier.

This process will have a beneficial impact on morale and readiness. Under the old philosophy, almost anyone who made it into the Army proceded through training and was assigned to a unit. As a result, potential troublemakers were not identified until they became an administrative problem to their commanders and a liability to their mission. Under the new system, the Army will be able to eliminate potential problems—both the 2 in 10 non-high-school graduates and the 1 in 10 high school graduates—before they compromise their unit's effectiveness.

The Army has designed a very thorough selection process to insure that those entering its units are fully qualified to achieve a satisfactory level of performance. After discussing this procedure with Secretary Callaway and Assistant Secretary Carl Wallace, I am convinced that this program will enhance the capabilities of our Army units.

THE OVERALL RECRUITING PICTURE

Manpower experts expect that recruiting figures will fluctuate from month to month as the services learn from experience. To the degree the problems arise, the Armed Forces have a number of broad options to insure that their mission will be accomplished without compromising quality.

Both the GAO volunteer force study, and the highly informative Brookings report—prepared for the Senate Armed Services Committee by Martin Binkin and Jerome D. Johnston—suggest a number of initiatives which could reduce accession requirements and increase the potential supply of fully qualified individuals.

First. Increasing opportunities for women. With the exception of the Air Force, no service has any intention of substantially increasing its women accession in the foreseeable future. The Army this year will take only 12,000 women, up from 9,000 last year. The potential is far greater. As GAO witnesses told the Armed Services Committee:

> We are quite impressed with the very rich supply of high school graduate women entering the work force each year, about 433,000 who could pass the physical examinations against our current recruiting program of only 30,000. So there is obviously quite an opportunity to build a force with a greater percent of women in uniform if it is desirable.

Second. Civilianization. Both Brookings and GAO have noted that the substitution of civilians for military manpower is an alternative that would not only reduce accession requirements, but could also decrease the manpower component of the defense budget. A Defense Department task force has identified over 100,000 positions ready for substitution. The fiscal year 1974 program, however, only calls for conversion of 31,000 spaces. Here is the potential for significant manpower reform to sustain the volunteer force.

Third. Prior-service enlistments. By increasing the enlistment of men who have already served, the military can further enlarge the manpower pool. Since this option also leads to the avoidance of expensive training costs, current restrictions on prior-service enlistments should be immediately reviewed.

Fourth. Lateral entry. This technique provides a means for the services to directly enlist someone with demonstrated skills at a pay grade commensurate with his civilian acquired training and ability. Although a few minor programs are in effect now, the Brookings report suggests much more needs to be done in this area.

There is another subject in which I have taken a deep personal interest—modernization of the compensation system. We need to enhance the visibility and therefore the effectiveness of present compensation levels. The first quadrennial review of military compensation—1967—concluded that military pay was so complex that the serviceman could not make a rational comparison of his wages to civilian compensation.

Aside from basic pay, military wages also include quarters and subsistence—or allowances for these items—and a "tax advantage" since the latter allowances are nontaxable. Surveys show that men at the end of their first tour underestimate the true value of their total pay by about 25 percent.

The resultant inability to make an accurate comparison to civilian wages has had an extremely negative impact upon recruitment and retention. And in our current compensation system, it means that $3 to $4 billion of the taxpayers money must be regarded as ineffectively spent, since the serviceman does not perceive the impact of that expenditure on his military pay.

To correct this huge wastage, the 1967 study recommended incorporating the various elements of compensation into a single lump sum salary, so that the full value of a man's wages would be visible in his paycheck. The cost of the initial investment for this program is far less than the potential savings, and I am hopeful that it will be considered at the earliest possible opportunity.

Finally, the most important action—which awaits approval of Congress—is passage of the Uniformed Services Special Pay Act. This measure is designed to solve the remaining manpower problems—health professionals, Reserves, and technical specialists.

The Special Pay Act was first introduced in the spring of 1972, and under the leadership of Chairman HÉBERT, passed the House in the 92d Congress by the overwhelming majority of 335 to 37. Despite the expiration of the induction authority, this measure remains unconsidered this session.

Budgeted at $225 million, this cost effective package requires our immediate attention. The selective reenlistment provisions of the bill would eliminate a bonus which is currently paid to every individual who signs up for a second tour, whether or not his skill is in short supply. Nearly $125 million will be saved by 1978 through this action, and the institution of a system which is directed only at skills in demand.

Mr. HÉBERT. Mr. Chairman, I yield 7 minutes to the gentleman from New York (Mr. PIKE).

Mr. PIKE. I thank the Chairman very much for yielding.

Mr. Chairman, for the last 4 years I have voted against the military procurement authorization bill. This year I am going to vote for the military procurement authorization bill. I am doing it for a couple of reasons, and I would like to explain why.

First of all, the philosophy of our committee has not greatly changed within the last year, but what has happened is that we have had a lot more light in the committee. We have had some new members who have, in my judgment, contributed greatly to the debates that we have had within our committee. We are considering options and alternatives in our committee in a better manner than we have in the past. As far as I am concerned, the committee, while it is still loaded in favor of the military, is perhaps less loaded in favor of them than it used to be. I think this is all to the good.

All of our committees of Congress are loaded to some extent in favor of their constituencies. I think we would do less writing of the law on the floor perhaps if the Committee on Armed Services were a little more liberal and the Committee on Foreign Affairs were a little more conservative. If our committees better represented the structure of the Congress as a whole, I do not think there would be the temptation to write the bills on the floor.

There is another reason no one has discussed yet. I think the military themselves are under tremendous pressure to examine their procurement bill. The reason for that pressure is that so much of our defense budget is now going into people. It has gone from 42 cents out of every defense dollar 4 years ago to 56 cents out of every defense dollar today. We have done this right within the Congress. This was a political judgment that was made. We were going to try to go the all-volunteer Army route. We all rolled over and said yes, we are going to go the all-volunteer Army route, because that was the popular way to go. However, it has turned out to be tremendously expensive to go that route. So, within a framework of budget sizes even remotely close to what we have had in the past there is going to be less money available for procurement and less money available for research and development and less money for operations and maintenance just because there has to be so very much more money for people and their quarters and their clubs and all of the little enticements we are using to get them into the service.

I would like to agree with the gentleman who preceded me in the well that the voluntary army is a success. Well, if the voluntary army is a success, which in my judgment it is not, for the fiscal year 1973 the Defense Department might have gotten 97 percent of their quotas, but the draft was operating through a good part of that year. So let us look at the last 6 months of the fiscal year, the first 6 months of this calendar year, and see what happened. In that case they only got 89 percent of their desired accessions, and in the last 3 months when all the pressure was off they only got 83 percent of their accessions, and that is DOD-wise. It is worse than that in the Army. In the last 3 months the Army was 26 percent short of their accession requirements, the Navy was 29 percent short and obviously there is huge pressure within the Department of Defense to cut down this bill.

So I will vote for it because I like the way the committee has been considering alternatives. I am going to vote for it because I think there has been pressure already to cut it down. This does not mean that I think everything that is in it is right or necessary, and I will offer a couple of amendments. And I want to describe them briefly. One has to do with the B–1 bomber. Last year we authorized $444.5 million for the B–1 bomber. That was last year's bite. This year's bite is more than that; it is $473.5 million.

By spending $444.5 million last year the program has slipped by 10 months and increased in cost by $1.2 billion dollars. So I am going to offer an amendment to cut out the B–1.

Mr. Chairman, my other amendment is as follows:

> Page 4, line 4, following "training" insert the following:
>
> By the end of fiscal year 1974 none of the above-mentioned active duty forces shall be stationed or based in any nation to aid in the defense of that nation where the nation in question is expending a smaller proportion of

its gross national product on its own defense than does the United States or has failed to officially notify the Secretary General of the North Atlantic Treaty Organization that henceforth its commitment to its own defense in terms of its own gross national product shall be at least equal to that of the United States for fiscal year 1974 and subsequent years.

Mr. Chairman, despite congressional efforts dating from the early 1960's to equalize the disproportionate burdens shared by the United States in respect to its partners in the NATO alliance, we are already well into the 1970's without having achieved any meaningful progress in this direction despite warnings and indicators, both ominous and hopeful, that we should have been bending every effort to do so.

It is now well past the 11th hour. The U.S. dollar now gasping for breath on foreign exchanges may well be a direct casualty, beyond hope of immediate resuscitation, of the astonishing generosity which has characterized U.S. efforts in defense of other nations, even when the objective evidence was that recipient nations were less in need of help than we were and, by any statistical measure, seemed less concerned about the threat to their own national survival than we were.

Ten years ago, in one of his more memorable pronouncements, John F. Kennedy said:

> Let us reexamine our attitude toward the cold war—We must deal with the world as it is—not as it might have been had the history of the last 18 years been different.

This was and still is an admirable injunction, but how much of it, I wonder, have we absorbed in the past 10 years, let alone the 18 which preceded it?

Remarkably little, I would say, on the basis of the status quo of the NATO partnership—particularly our share of it—which has been allowed to persist, little changed, year after year after year.

Twenty-five years have passed since the United States, towering above them both militarily and economically, took up station beside its European allies, and unfurled its unique nuclear umbrella. The United States giant still stands there today, resolutely holding that umbrella aloft, through arctic blast and scorching heat—and apparently heedless of all that has been taking place about him. Militarily, he is as imposing as ever; economically, he is beginning to ravel around the edges. Others, looking up at him with awe and pity, could comment as the Manchester Guardian did only last May:

> To suggest that Europe's economic progress justifies the view that the United States should no longer bear all the alliance's costs, obligations, and responsibilities is no more than a truism—as is the reminder that all the member nations of this coalition originally designed to bar the way to communism now practise an extensive policy of cooperation with Moscow and Peking in a new atmosphere of detente.

The truism referred to in that statement—that Europe's economic progress justifies the view that the United States should no longer bear all the alliance's costs, obligations, and responsibilities—would have been found to be abundantly clear even back in the early 1960's when the late President Kennedy urged us to reexamine our attitudes in the light of the world as it actually is. By that time, Europe had not only recovered from the wounds of World War II but had achieved, as well, a population base greater than Russia's and an industrial capacity as powerful as our own.

Despite this, and as late as 1966 in Senate hearings featuring Gen. Lauris Norstad, then Supreme Allied Commander, as witness, Senator SYMINGTON could be heard complaining:

> I think we are running out of money. If it is so important, as I gather it is from your testimony, that we maintain our position in Europe—we have lived up to our commitments 100 percent for 20 years, including those years you were the head of SHAPE—Why do these people not live up to their commitments?—all of them have increased their gold and reserves, some as much as 600 percent in the last 10 years.

General Norstad went on to agree with the Senator—and remember that the year was 1966, when the idea of an official devaluation of the dollar would have been scoffed at—that "the most important single item" to be discussed in U.S. policy with regard to NATO "is the value of the dollar."

That exchange occurred almost 7 years to the day over in the Senate Foreign Relations Committee room. Nothing has changed since. Our NATO partners are showing about the same degree of urgency in shouldering their share of the burden as always—which is to say none at all. The only thing that perhaps needs updating is Senator SYMINGTON's present indicative "we are running out of money" to the more perfect "we have run out of money."

Twenty-five years and a trillion defense dollars later, that tireless upholder of the nuclear umbrella for all the free nations of the world is beginning to feel the pinch and is becoming the darkly humorous butt of such jokes as David Brinkley has recently reported from London.

Perhaps you were listening the night he reported the one about the ubiquitous and well-heeled Japanese tourist who has all but replaced American tourist trade abroad and who excitedly reported to a London bobby that his pocket had been picked and that he was missing all his yen. "It happens all the time, sir," the bobby assured him—"probably some American gentlemen who hasn't eaten in 3 days."

There is, of course, a rational explanation of the curious reversal of economic fortunes between the victor and the vanquished which has occurred since World War II. In our efforts to shore up the defenses of our allies in what was supposed to be a common fight against the ruthless spread of communism, we have spent some $5 billion per year on military and related foreign aid. Since 1965, we have seen the national debt double itself, the cost of living climb by 38 percent, and the defense budget—one-quarter of it dedicated to Europe defense—rise 50 percent.

While continuing to mismanage our financial house, we have continued to show a commitment to NATO which is singular when viewed in relation to the commitment shown by our partners in the alliance. In 1971, the United States was devoting 7.3 percent of its gross national product to defense—again, one-quarter of it dedicated to European defense—while our European partners were allocating only 3.7 percent of their own GNP for their own defense. The continuing economic vigor of Germany today is attributable in no small part to the continuing disposition of the United States to subsidize the defense of even very rich nations. We might well look with envy at Japan, on the other side of the globe, which spends less than 1 percent of its GNP for military purposes and which has no military aid clients in a part of the world where we have plenty.

The cost of our commitment to the defense of Europe is estimated by congressional sources to run between $15 to $17 billion per year. The Pentagon states it is "only" $4 billion—the differential between maintaining 319,000 troops plus military dependents in Europe as opposed to maintaining them here in the United States. Regardless of whose figures you believe, you have to believe that the dollar is in deep trouble abroad, and that is in no small part due to the balance-of-payment deficits rolled up year after year in consequence of our zealous efforts in the defense of other nations than those they have been willing to make in their own behalf. Our subsidizing of their defense has freed their economies of such burdensome restraint and that is one of the reasons why their currencies seem to wax in vigor as ours continues to wane.

According to a Commerce Department study for 1972, U.S. military expenditures in Western Europe have accounted for almost 25 percent of this Nation's total worldwide balance-of-payments deficit. To persist in this policy exceeds simple altruism to the point of sheer fiscal madness. If it continues, we will have nothing to be altruistic with.

While quite obviously the amendment I am proposing is of extreme significance to the continuation of the NATO alliance, it does not necessarily mean the discontinuance of that alliance. That is neither my desire nor my intent.

Rather the amendment seeks to distribute the financial burden, for the defense of Europe particularly, more equally among the partners to the alliance than they have ever been accustomed to shoulder.

There are doubtless many in this Chamber who do not need to be told the facts of life, that although the current projection of U.S. defense costs are 7.5 percent of our gross national product for 1972, such NATO partners as West Germany will be spending only 4 percent of its gross national product for the same purposes. Is it any wonder, then, why West Germany devotes more of its GNP to domestic social programs than does the United States, why it has a lower unemployment rate than ours, why we can find no money for such things as day care centers but that West Germany has one of the most advanced day care programs in the world, or why the Deutsche mark daily grows stronger on international exchanges while the dollar grows progressively weaker? For those who need to be told the facts of life of what our lopsided commitment to NATO has entailed, I would highly recommend a reading of the outstanding report on the subject produced by the Subcommittee on NATO Commitments, chaired by our distinguished colleague from Missouri, William J. Randall, and which was reprinted in full in the Congressional Record for July 19.

Although the evidence is overwhelming that the United States should insist on a more equitable sharing of the costs of defending Europe within the context of the NATO alliance, there no doubt remains a sizable bloc of colleagues fearful of unilateral action to promote this and who will caution that we should not do it "now" for a variety of reasons, forgetting, perhaps, that this has become a cliché of debate on this issue for a dozen years, beginning in earnest following France's withdrawal in 1966.

Everyone agreed back then that the time was ripe to force a redistribution of the burden, but the "let's don't do it now" view prevailed. As voiced by General Norstad, it was let's don't do it now because—

> If you withdraw all of your so-called tactical forces—you leave yourself in a position where you have no choice between nothing and all-out thermonuclear war.

Those who would succeed the general in his distinguished post as SACEUR would reinforce the let's don't do it now view, as General Lemnitzer did in 1970.

Let's don't do it now, he suggested because—

> Any further unilateral reductions by the United States would be the wrong action at the wrong time.

Let's don't do it now, said his successor in 1971, General Goodpaster, because—

> We Americans and our NATO allies cannot afford to further reduce our already limited forces unless and until reciprocal and mutual force reductions are made by our potential adversaries.

In 1972, it was NATO Ambassador David Kennedy, who said let's don't do it now.

He said:

> This would be very badly taken by our European allies and very widely appreciated by the Russians. I don't think a few troops either way would make a great deal of difference, but we must keep strong in this period as we move into the (European security) conference with Russia. Very large changes would be unthinkable and would have a very serious effect on the alliance. We cannot permit it to happen. The time to move downward is when we get some sort of agreement.

This year, the cliche of debate will be let's don't do it now because later on this year, we might finally be sitting down with the Russians to talk about the long-stalled issue of mutual and balanced force reductions between NATO and Warsaw Pact forces first raised back in 1968. What it will be next year, God only knows.

There is not certainty, however, that even if we do it now, we are going to be able to keep George Washington from sinking out of sight in his oval frame on the plummeting dollar. We may seek to control events, but there is no assurance that events are not going to control us and force us, before long, to seek positive relief from having shouldered far more than our share of the NATO burden all these years.

But if we dare look at the world as it really is, we might conclude that more than 14 years separate the event of one Russian leader banging his shoe on a desk at the U.N., giving one U.S. President a rather bad scare in Vienna sometime later, and the more recent event of a champagne toast and jokes exchanged by another Russian leader and another U.S. President upon the conclusion of a renunciation of force agreement. Diplomatically, the distance between those events should be measured in light years.

If acceptance of the amendment I am offering involves some calculated risk, and I would agree that it probably does, I would still strongly suggest that failure to seize this or any other like opportunity involves the far greater risk of sapping the economic vitality of this Nation to the point where the choice will be made for us.

Mr. HÉBERT. Mr. Chairman, I yield 2 minutes to the gentlewoman from New York (Ms. Abzug).

Ms. ABZUG. Mr. Chairman, I have been reading this act, and particularly section 601, and I am quite concerned. I do not quite understand the provisions. One provision says:

> That nothing contained in this section shall be construed to prohibit support of actions required to insure the safe and orderly withdrawal or disengagement of U.S. forces from southeast Asia, or to aid in the release of Americans held as prisoners of war.

Well, are not both of these events already accomplished?

I would ask the chairman of the full committee if that is not so?

Mr. HÉBERT. I would state to the gentlewoman from New York that the language is fully explained in the report. That language has been left in there at the request of the Department of Defense. They considered it necessary to have it in there, and it is explained in detail in the report. On page 82 of the committee report it says:

> Logically, therefore, these obsolete references both in the affirmative grant of authority and in the restrictive provisions of section 601 should have been deleted for the fiscal year 1974. The Department of Defense, however, was reluctant to recommend these deletions in order to avoid any possible inferences that reasons other than obsolescence were the underlying motivation for seeking relief from existing restrictions . . .

And they recommended not to modify the existing statutory language.

Ms. ABZUG. I have read that, Mr. Chairman. I think that that is not the only obsolescence in the report because if one reads further the report indicates that there is a breakdown in the negotiations for a cease-fire in Laos. Today's newspapers indicate the contrary. We are providing $1.3 billion, Mr. Chairman, without any determination as to whether the cease-fire has broken down, without any guidelines whatsoever, without any authorization to continue a war. I should also like to add, that in the same committee report there is another section that also gives an idea as to the full measure of our commitment to obsolescence. I quote from the report:

> The committee recognizes, and the Department of Defense has acknowledged that some of the language of this section no longer reflects the current factual situation. For example, there are references in each of the sentences of section 601 to "free world forces" in support of Vietnamese Forces; in fact, however, the "free world forces" have withdrawn from Vietnam and their reintroduction is prohibited by the Paris Agreement of January 27, 1973, Ending the War, Restoring Peace in Vietnam. Similarly, with respect to the proviso of the third sentence of section 601, U.S. Forces have also withdrawn from Vietnam and the Americans held as prisoners of war have returned.

The CHAIRMAN. The time of the gentlewoman has expired.

Ms. ABZUG. Mr. Chairman, may I have 1 additional minute?

Mr. HÉBERT. I do not believe I have any more time. May I inquire of the Chair how much time I have remaining?

The CHAIRMAN. The Chair will state that the gentleman from Louisiana has 1 minute remaining.

Mr. HÉBERT. I yield the rest of our time to the gentlewoman from New York (Ms. Abzug).

Ms. ABZUG. Does the gentleman have any idea how much we spent in this kind of military assistance for this area in 1967?

Mr. HÉBERT. Is the gentlewoman asking me the question?

Ms. ABZUG. Yes.

Mr. HÉBERT. I should like to yield to the gentlewoman, who seems to have more information than I do.

Ms. ABZUG. My information is that in this area we spent $1.2 billion in 1967, which was the height of our military activity in Indochina, and today in 1973—after we have had a Paris Agreement and there is no evidence that the cease-fire has broken down, and we still see today that there is negotiation toward agreement in Laos)—we are asking for $1.3 billion without any meaningful definition of under what conditions aid should be given as is at least provided in the bill of the other body. Essentially what it is a war in Laos and in Cambodia, and I see no justification for it. I am shocked. It is like being in another world.

Mr. HÉBERT. There is nothing in here for Cambodia at all.

Ms. ABZUG. I meant Vietnam; excuse me.

The CHAIRMAN. The time of the gentleman has expired.

Ms. ABZUG. I thank the Chairman.

Mr. FRENZEL. Mr. Chairman, I rise to make some remarks about the Department of Defense Authorization Act of 1974. I strongly favor an adequate national defense, but I believe that this bill is extravagant. I probably will vote for final passage, but I will be supporting a number of amendments to reduce the total cost, and I am planning to offer at least one amendment myself.

While we are considering this bill, I think we ought to keep the words of President Nixon in mind insofar as congressional budget responsibility is concerned. In announcing phase IV, the President said:

> I will take those steps that I can take administratively to reach the goal of a balanced budget for Fiscal Year 1974. I shall start by ordering the number of Federal civilian personnel at the end of Fiscal Year 1974 total below the number now budgeted. The Office of Management and Budget will work with the agencies on this and other reductions. I urge the Congress to assist in this effort. Without its cooperation, achievement of the goal cannot be realistically expected.

To be sure, the President has warned that his Defense budget should be protected, but I agree with his general fiscal policies more than with his specific priorities, especially his military priorities. I believe we must hold the line on spending. I have consistently backed reasonable proposals to hold down our spending desires on the domestic front. Surely at least equal vigor is called for in attempting to hold down military spending.

The balanced budget has no special magic, but it is a symbolic, if elusive goal which, when reached, will be the first solid signal that both the executive and the legislative branches of Government really mean business on fiscal responsibility.

It appears that with the total money already, or soon to be, authorized, we will have busted our own budget ceiling. Nothing can have a greater negative effect on our attempts to hold down inflation. We must make every effort to control Government spending. I believe that there is enough fat on the Defense budget to significantly move us toward our budget ceiling, and I intend to do all I can to reach that goal.

This military authorization bill represents our best chance, and perhaps last chance as well, to make the necessary reductions in our total spending to achieve a balanced budget. Since the major spending bills are well along in the legislative process, and several are well in excess of budget figures, this military authorization is the one remaining bill through which we can hold our spending to $267 billion this fiscal year.

It would be too easy in considering this bill to state negative opinions about our Armed Services and the Department of Defense. Although I will support amendments reducing the bill before us today, I do favor a strong, sufficient national defense, and I believe that the Department of Defense and all branches of our Armed Services are all sincere in bringing before us what they perceive to be our defense needs. I believe that the men and women who have formulated these requests believe them to be what is really needed for the defense of the United States. I am grateful to these dedicated people. I would not want less than is necessary for national security myself.

However, I do take exception to some requests which have been made by the Department of Defense, ratified by the Committee on Armed Services and now before us for final House approval. This includes the B-1 bomber, the CVN-70, the troop strength levels, the LHA assault ships and the speedup on the Trident program. I intend to back efforts to change some of these spending requests and the policy implications which approval of some of these programs would mean. I do so not because I have any ax to grind with the Armed Services Committee or the Department of Defense. I do so with the conviction that some of these requests are perhaps desirable, but also probably not absolutely necessary at this time. To authorize those which are not necessary to national security would be wasteful.

The best way to make safe and significant cost reductions is in military manpower. I understand that personnel costs represent more than one-half of the defense budget. A small 10-percent reduction in military personnel is consistent with our withdrawal in Indochina and our new policy of negotiation and friendship. This might yield savings which could give us a balanced budget this year.

As we enter the post-cold-war era, and perhaps of equal importance, the post-industrial age, old standards and views of defense and foreign policy must change with the times. Our new defense policy ought to recognize the need for national security but be geared to sufficiency; we should maintain the deterrent force and flexible reponse while avoiding the entrapment of arms competition with other countries. This does not mean that we should stop development and research of new weapons and weapons systems. On the other hand, we do not need to be in a hurry to deploy each new generation of weaponry unless it is needed as a deterrent.

Our manpower requirements should change from one of as many ranks as possible to one of a select, highly trained and combat-ready force capable of being a short-term, conventional deterrent in a flexible-response strategy.

I believe that as long as we live in a modern world we will need and have an Army and a Department of Defense. The question I raise is what sort and size Army is needed to be a credible instrument of national policy in our changing world. Also, what sort of advanced weapons systems are best suited for sufficiency in light of attitudes and equipment of other nations in the world.

I take my stance against some of the committee's recommendations with some regret but with careful thought and consideration. I hope that this body as a whole also will take a long, hard look at what is being proposed and what is really needed. I particularly hope that favorable consideration be given to my amendment dealing with the size of the officer corps and to the Esch-Carter amendment.

Mr. BRAY. Mr. Chairman, as my colleagues know, I have been seriously concerned in recent years about the survival of the Coast Guard Reserve. The members of the Committee on the Armed Services and the Committee on Appropriations, supported by the entire House, have repeatedly indicated their support for a Coast Guard Reserve sufficient to carry out the wartime missions of the Coast Guard. There have been repeated efforts to reduce the authorized strength of the Selected Reserve of the Coast Guard in spite of testimony before the Armed Services Committee that the wartime missions and manpower requirements of the Coast Guard have increased substantially.

Again this year an effort was made to reduce the authorized strength of the Coast Guard Selected Reserve. I am encouraged to see that the Armed Services Committee has, in its report on H.R. 9286, taken a firm stand in opposing a further reduction in the authorized strength, and has maintained that strength at the fiscal year 1973 level of 11,800. I would, also, like to call to the attention of my colleagues two specific statements of the committee in its report, No. 93-383. On page 76 the committee says:

> With respect to the Coast Guard Reserve, the committee continues to believe that a Selected Reserve strength figure of approximately 17,000 is more nearly reflective of requirements than the 11,800 which the committee recommends for FY 1974. Every effort should be made to reach that higher figure in the years ahead.

The second statement of the committee, although made in specific reference to the Naval Reserve, is extremely significant, and applies to the authorized Selected Reserve strengths of all of the armed services.

The committee says, on page 76:

> The authorization is a floor, and does not preclude attempts to achieve the true requirment. This floor is merely a base from which strengths can be rebuilt to the manning level objectives commensurate with effective mobilization and deployment in an emergency.

This clear statement of congressional intent that the authorized strength is a floor is especially significant with respect to the Coast Guard, which has previously permitted its Selected Reserve to fall below the floor established by the Congress on several occasions.

The committee's continued belief "that a Selected Reserve strength figure of aproximately 17,000 is more nearly reflective of requirements than the 11,800" and that "every effort should be made to reach that higher figure in years ahead" is also extremely important. Testimony has shown, according to the committee report, that "there is a mobilization requirement within 30 days for the Coast Guard Reserve of approximately 23,000." As the committee, and the Congress, and the Coast Guard well know, the Selected Reserve was established to meet those wartime missions for which an early response is required—an early response which cannot be met by calling other components of the Ready Reserve or by recalling retired personnel. I trust that the Coast Guard will respect the committee's view that a Selected Reserve of approximately 17,000 is required to meet its early response wartime missions.

Mr. KING. Mr. Chairman, the name Trident has been given to a new generation of ballistic missile carrying submarines. This Trident system is being developed to insure that our Nation retains a viable strategic deterrent system in the 1980's and beyond.

The decision to proceed with Trident is not based on any single additional or recent threat; however, the Soviets have been working to attain a capability of neutralizing our Polaris submarines ever since the first one went to sea 12 years ago. Introduction of systems such as the Moskva class helicopter equipped ASW ships is indicative of the fact that the Soviets significant R. & D. efforts are being translated into hardware systems. These signals indicate that we cannot afford inaction.

Trident submarines will meet the challenge of the future by reducing the phenomena, such as noise, which permit an enemy to detect and destroy our submarines. Additionally, the ship is being designed for ease of maintenance and operation. Improved logistic support, decreased "turn around time" and longer intervals between overhauls all increase the availability of this submarine for patrol while decreasing the life cycle drain on the taxpayer's dollar. A Trident submarine force will be less expensive to operate for a given number of missiles in a "ready on station" status than current Poseidon submarines. First, since the Trident submarine can carry 50 percent more missiles, there can be 35 percent fewer Trident's on alert than would be required utilizing Poseidon submarines. Second, with the longer patrol period for Trident, there will be fewer refits required per year. Finally, the increased reliability of this new class submarine will allow shorter refit periods than for the older Poseidon submarine.

It is particularly desirable to have the flexibility of continental basing of a strategic deterrent force for both security and economic reasons. This option becomes available with the longer range Trident missile. Our submarines can be "on target" upon leaving port and transit times to patrol areas are avoided. We will not be forced to separate our crews from their families longer than is necessary due to the need to fly our people and material support overseas. This factor will aid retention efforts considerably and in the process help contain overall defense personnel training costs which have increased at an alarming rate in recent years.

In brief, we must support this Trident system, which will be quieter, faster, better equipped, and more cost-effective than her predecessors. By lending our support today, we can ensure this Nation's survivability to threats which may emerge over the next 30 years.

Mr. BADILLO. Mr. Chairman, I believe very strongly that the United States must have a strong, adequate defense and the military capability to protect our basic national interests and properly fulfill our treaty commitments. However, the legislation being debated today does not really accomplish this goal. It simply carries forward grossly distorted and misdirected priorities which serve to seriously damage and ignore a variety of pressing domestic problems. This measure makes a mockery of past and present complex diplomatic negotiations which seek to effect a détente with powers with whom we have been at odds for many years and to bring an end to actual armed hostilities. The military procurement bill is based upon assumptions and conditions which have not existed for 15 or 20 years. The simple fact is that we are confronted with a military spending measure which, in the main, is based on assumptions which are no longer relevant to changing world conditions. How can the American taxpayer be asked to support a theoretically peacetime defense money bill at a level higher than in any year during the war in Vietnam? It is curious to note—and is indeed a sad commentary on our Military Establishment—that this is the first time in America's history that defense expenditures have risen after a war.

The Armed Services Committee has once again demonstrated that it is the Pentagon's most effective lobbyist on Capitol Hill. I am sure that the committee will be quick to note that it made a number of reductions in the administration's request. It is important to bear in mind, however, that with two or three exceptions, of the 2.6 percent cut which the committee made, every reduction resulted from a prior Defense Department decision regarding the affected program and, in some instances, were suggested by the DOD itself. On those occasions when the committee did decide to reduce authorizations for certain weapons systems, the funds which could have been saved were frequently allocated to some other weapons system. As a consequence we are confronted with a measure which contains a number of highly questionable systems—such as the Trident nuclear submarines, the ill-fated LHA assault ship, ABMs and SAM-D anti-aircraft missiles—which, if cut, could save almost $1½ billion. This figure does not include an additional potential saving of almost $3 billion if we have the good sense to reject the funds authorized for the construction of the CVN-70 nuclear carrier.

One issue which should be subject to the closest possible scrutiny of the Congress is that of the current level of military forces, particularly those stationed overseas. The swollen military presence of 600,000 men and women overseas certainly contributes neither to this country's national security nor to that of the nations in which they are stationed. It has been estimated that the costs of our overseas military presence is almost $30 billion annually and that this figure constitutes about one-third of our serious balance-of-payments deficit. Furthermore, how is it possible to justify continuing this burdensome expense for military personnel serving in either nondefense positions or in frequently counterproductive or fruitless foreign policy initiatives. I, for one, cannot accept the argument that it is either in our interests or in our capabilities to defend some 65 or more nations throughout the world. We have just managed to shed one senseless military misadventure and must at all costs avoid becoming embroiled in any future ones. I fail to understand, for example, why we must maintain some 38,000 military personnel in South Korea when the ROK Army has proved its effectiveness in Vietnam and when the war in that country ended some 20 years ago. Why is it in our national interest to maintain 9,000 service personnel in Taiwan at a time when accelerated efforts are being made to establish a working relationship with mainland China? I believe ample proof exists that the number of U.S. military personnel stationed overseas is far more than is necessitated either by treaty commitments or by our national security requirements. Certainly the deployments of large numbers of American military personnel overseas were made as a consequence of a world situation which has changed drastically and the conditions and theories prevailing at that time are no longer valid. There is nothing to be gained from maintaining the status quo as far as our overseas troop deployments are concerned in defiance of changed world conditions.

Further, essential savings can be achieved by requiring greater efficiencies in the basic area of military personnel. Consider the fact that only 15 percent of the military are combat forces. Consider also the fact that there are presently more field grade and higher officers now than during the Second World War when there were more than 12 million men and women in the Armed Forces. Surely economies can be undertaken and substantial savings achieved by requiring the military to use manpower more efficiently, through reductions in troop level requests as well as current troop strengths in selected locations.

Mr. Chairman, the time is long past that we begin focusing our priorities and resources on those problems which are plaguing our own citizens and constituents—unemployment, housing, education, health care, mass transportation, air and water pollution, a rampant inflation and soaring taxes, among the myriad of difficult situations with which we are confronted. Meaningful initiatives could be taken on many of these problems by using only a fraction of the cost overruns on many of the weapons systems which this measure seeks to authorize. Instead of furnishing generals and admirals with butlers, let's do something for those in need in our crowded urban areas or in the impoverished rural areas of Appalachia and elsewhere.

The Congress must take affirmative and meaningful steps—in view of the administration's failure to do so—to continue to redirect our priorities and to effect needed economies in the defense budget. As we consider the military procurement authorization a number of important amendments will be offered—such as those deleting funds to procure the Trident submarine, to cut-back on funds for the LHA program, to delete funds for the CVN-70 nuclear-powered aircraft carrier, to substantially reduce the level of U.S. troops overseas and others—which seek to correct the gross inequities in our national priorities and to redirect our energies and resources. These amendments cannot be considered irresponsible—although there are those who will surely make such unjustified charges—and will neither detract from our basic national security nor from our ability to honor our treaty commitments. Further, this action will aid in reasserting congressional authority and control over our overseas military presence and the overall defense budget. The defense procurement bill cannot be considered as a sacred cow and something which must not be tampered with. By restoring some balance and sensibility to this area of the budget I am confident that the American taxpayer will end up getting more for his money through greater economies and efficiency, as well as a more responsible and responsive national security structure.

Mr. BLATNIK. Mr. Chairman, tomorrow the House will vote on H.R. 9286, the Department of Defense authorization bill. I have joined with three of my colleagues, Spark Matsunaga, Marvin Esch, and Tim Lee Carter, in sponsoring an amendment to reduce the U.S. active force level by 200,000, with half of that reduction to come from U.S. forces stationed overseas.

The time has come to begin reducing the number of U.S. troops stationed overseas. There are still over 600,000 troops outside the United States 28 years after the end of World War II. We have these forces there despite the signing of a Vietnam cease-fire, despite productive visits with the leaders of the Soviet Union and China, despite our balance-of-payments deficit which has helped to lead to successive devaluations of the dollar, and despite the successfully concluded SALT agreements.

The stationing of a massive number of troops in other countries is an anachronism of the cold war. We will not diminish our national security by reducing our physical presence around the world. On the contrary, reducing our presence overseas lessens the chance for new military involvements such as our recent unfortunate experience in Vietnam.

Furthermore, it is simply too costly to maintain our present overseas deployments.

The Pentagon's estimate of our NATO commitment is $17 billion, and we spend additional billions to support 300,000 non-NATO soldiers stationed outside Europe. Estimates for all our forces overseas range up to $30 billion, and this figure does not include funds for 167,000 civilian employees.

With the dollar under heavy pressure in the foreign financial markets, this is a good time to reduce the massive Defense Department budget, for which the administration is asking $85.2 billion in fiscal year 1974 appropriations. The amendment we are offering will result in moderate savings of approximately $2.5 billion. Overseas savings—vitally needed in view of our balance of payments problems—would total approximately $1.3 billion.

Such savings would enable us to reallocate funds for urgent needs. Programs to improve housing, hospitals, schools and pollution treatment all have to compete for scarce resources with military spending, and lately these domestic programs have been coming out second best.

The House recently adopted a ceiling on Federal expenditures and all of us, including the Defense Department, must learn to live within that ceiling.

Our amendment is a very reasonable and prudent measure. Even the Senate Armed Services Committee has recommended a 156,000 force level reduction for fiscal year 1974. The House should go on record in support of similar reductions. The Blatnik-Matsunaga-Esch-Carter amendment provides that opportunity.

The CHAIRMAN. Pursuant to the rule, the Clerk will now read the bill by title.

The Clerk read as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

TITLE I—PROCUREMENT

Sec. 101. Funds are hereby authorized to be appropriated during the fiscal year 1974 for the use of the Armed Forces of the United States for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons as authorized by law, in amounts as follows:

Aircraft

For aircraft: for the Army, $181,000,000; for the Navy and the Marine Corps, $2,958,300,000; for the Air Force, $2,739,100,000; *Provided,* That $172,700,000 of the funds available to the Air Force for aircraft procurement shall be available only for the procurement of twelve F–111F aircraft.

Missiles

For missiles: for the Army, $574,200,000; for the Navy, $680,200,000; for the Marine Corps, $32,300,000; for the Air Force, $1,573,200,000.

Naval Vessels

For naval vessels: for the Navy, $3,788,200,000, of which sum $79,000,000 shall be only for the long-lead-time items for the DLGN–41 and DLGN–42. The contracts for advance procurement for the DLGN–41, DLGN–42 shall be entered into as soon as practical unless the President fully advises the Congress that their construction is not in the national interest.

Tracked Combat Vehicles

For tracked combat vehicles: for the Army, $193,300,000; for the Marine Corps, $46,200,000.

Torpedoes

For torpedoes and related support equipment: for the Navy, $219,900,000.

Other Weapons

For other weapons: for the Army, $44,700,000; for the Navy, $41,900,000; for the Marine Corps, $700,000.

Mr. HÉBERT (during the reading). Mr. Chairman, I ask unanimous consent that title I be considered as read, printed in the Record, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

Mr. HÉBERT. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker pro tempore, Mr. O'Neill, having assumed the chair, Mr. Rostenkowski, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 9286) to authorize appropriations during the fiscal year 1974 for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons, and research, development, test and evaluation for the Armed Forces, and to prescribe the authorized personnel strength for each active duty component and of the Selected Reserve of each Reserve component of the Armed Forces and the military training student loads, and for other purposes, had come to no resolution thereon.

MRS. R. A. D. MORTON

(Mr. WHITE asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. WHITE. Mr. Speaker, in west Texas, we have a simple, yet profound, epitaph which is reserved for a very few people whose days on Earth make them deserving of it: Paso Por Aqui.

A literal translation is: "He—or she—passed by here." The broader meaning is that the person left a very definite imprint on the history of the area.

Mrs. R. A. D. Morton of El Paso was one of these.

Born in Charleston, Ill.—nee Julianne More—she was graduated from Charleston Teachers College. A direct descendant of Gen. Israel Putnam of Revolutionary fame, her paternal grandmother, Mary Louise Lee, was a relative of Gen. Robert E. Lee. Her father, Fred More, was owner and president of More-Mitchell Dry Goods and had many other interests including serving as County Clerk, being appointed by President Taft to the postmastership of Charleston, and serving as superintendent of the Charleston Traction System which was owned by Senator William B. McKinley.

She was Julie Morton to her friends, which meant she was Julie Morton to everyone.

Those El Pasoans who did not know her personally knew her as the "Christmas Lady" on a local radio station. Or through her many published poems. Or through her thoughtful and understanding writing on such social problems as transients, juvenile delinquents, and illegitimate children. Or through her prolific and meaningful works through the PTA, Boy Scouts, Little League, Writers League, El Paso Tuberculosis Association, Historical Society, Red Cross, Pan-American Round Table, El Paso Bar Auxiliary, Women's Department of the El Paso Chamber of Commerce, Women's Auxiliary of the University of Texas at El Paso, Minerva Mothers of Sigma Alpha Epsilon, Beautify El Paso Association, St. Patrick's Altar Society, El Paso Junior League, American Junior League Association, and others.

Thousands of young people and persons now adults have materially benefitted from her teachings in school. Hundreds have been rescued or given that extra boost from her tutoring. All look back with fondness on her special help. When her beloved husband, one of El Paso's all-time most prominent lawyers, passed away she was left with two young sons. She set herself to the task of rearing them with her own special brand of excellence. Both are now respected and admired members of the El Paso professional community—one a doctor and the other a lawyer.

Her strong preoccupation with the welfare of all humanity was beautifully tempered by her striking talents on the piano and as a vocalist. In 1938, her song about El Paso won a prize from the National Salesman Crusade.

She was further recognized nationally in 1940 when her biography was included in the publication "2,000 Principal Women of America."

On May 17, 1973, she passed away after a residence of over 50 years in El Paso. She is survived by her two highly successful sons, Dr. R. A. D. Morton, Jr., M.D., and Attorney Fred Morton; and 12 grandchildren: Priscilla, R. A. D. III, Margaret, Maria, Arthur, Andrew, Chris, Anne, John, Peter, Robert, and Mary Virginia.

It is my honor to memorialize her in the CONGRESSIONAL RECORD in behalf of her family, her community, and her country.

Julie Morton: Paso Por Aqui.

MAJORITY LEADER THOMAS P. O'NEILL, JR., SAYS PRESIDENT NIXON HAS LED THE NATION INTO AN INTOLERABLE ECONOMIC MESS

(Mr. O'NEILL asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. O'NEILL. Mr. Speaker, Hobart Rowan, the respected economic columnist of the Washington Post, has ably summarized the economic plight of this Nation under the uncertain leadership of this Republican administration.

In an article in Sunday's paper, Mr. Rowan points out that the food shortage best illustrates the lack of a strong hand at the helm. He notes that the waste of American resources during the Vietnam conflict and the two devaluations of the dollar have shattered international faith in the United States.

The tight money policy has driven home mortgage rates up 1 full percentage point in just a month—to a high of 8.5 percent.

In the Government at large, uncertainty and indecision prevail. Day-to-day operations are crawling along at a timid pace, and this Nation's ability to respond in the case of a national ergency would be severely hampered.

As many as 100 top policy-making jobs are going begging as businessmen and other professional men shun the invitation of the Nixon administration.

I cannot say I blame them. President Nixon has led the Nation into an intolerable economic mess.

WATERGATE MESS STALLS KEY POLICY DECISIONS

(By Hobart Rowan)

The Watergate mess, culminating now in President Nixon's refusal to turn over his tapes to the Ervin Committee or special prosecutor Archibald Cox, is still eroding public confidence in government.

Some argue that the day-by-day operations of the federal agencies continue unimpeded. That is only partially true: as many as 100 top policymaking federal jobs remain vacant as prominent business executives and professional men shun the invitation to join the Nixon administration.

An influential U.S. corporate leader told this correspondent the other day: "I am worried about what appears to be a near-cessation of government activity. There is no leadership, and something must be done to pull this country together."

But the specific problem of day-to-day governmental operations, as important as that is to people who need routine decisions, isn't the big one.

What troubles thoughtful people in the business community and elsewhere is that Presidential concentration on the Watergate problem has stalled policy decisions on the key issues of inflation, energy, food supplies and the U.S. role in a world in which it is no longer the dominant power.

The extravagant and dreadful misuse of American resources through the long years of war in Southeast Asia crippled the dollar, and forced Nixon into two devaluations which not only shattered faith in the U.S., but have enabled the rest of the world to compete more successfully for American farm products. A cheap dollar also leads to foreign takeover of some American enterprises.

The food problem well illustrates the absence of a strong hand at the helm.

Serious academic studies, notably one by Lester R. Brown of the Overseas Development Council, point to the fact that food shortages are going to be a worldwide problem for a long time to come, because of rising incomes coinciding with only limited possibilities for expanding food areas under cultivation. Meanwhile, a decline in the global fish catch threatens another major source of protein.

But so far as I know, no one in the Nixon administration in any policymaking capacity is giving serious thought to this problem, or considering any multilateral approach. No one is concerned with what might be called the world food economy.

In fact, our responses to the food problem have been uniquely selfish and inward-looking, Nixon having resorted to export controls on soybeans and related products even though that dealt a serious blow to Japan.

The energy problem, brought about in part by bad planning and greed on the part of the major oil producing companies was met initially with a degree of panic which inspired fear of immediate rationing.

But as a report by former Ambassador Peter G. Peterson to President Nixon spells out, there is no international policy on energy, even though this nation "can not go it alone."

Peterson pointed out that failure to cooperate with Japan and Europe on the use of Mideast oil might result in "cannibalism," driving oil prices out of sight, adding some $5 billion annually to the U.S. import bill.

But Washington isn't concentrating on an international approach to the energy problem. It is doing nothing significant to stimulate the production of smaller cars. Peterson, the strongest advocate of an integrated international economic policy that ties together our trade, monetary, energy and security problems is now out of government, and no one in Washington has yet picked up the ball.

All of these problems, meanwhile, are worsened by the short-term outlook for the domestic economy. The most pressing worry at the moment is a tight money policy which threatens to produce a monetary "crunch" similar to that of 1969–70.

In the space of one month, average mortgage rates spurted an unprecedented 1 full percentage point to about 8.5 per cent. Responsible government and industry leaders predict that the rate in areas not controlled by usury laws will run to about 9.5 per cent shortly.

A top government money expert freely acknowledges that the prime lending rate of commercial banks, now 8.5 to 8.75 per cent, could hit 10 per cent. "I wouldn't be surprised by that," he says.

None of this leads to a conviction that the men at the top in Washington have things very well in hand. The administration appears to be playing everything by ear, on a day-to-day basis, with little thought for the future.

In 1972, the Federal Reserve Board pursued an easy money policy, and the Agriculture Department promoted a policy of scarcity on the farms by keeping acreage out of production. Both policies having contributed mightily to inflation (and both traceable in part to political considerations), we have now shifted to a tight money policy, and a program to stimulate the production of food.

The average citizen can be forgiven if he wonders how long today's policies will last and snickers at official assurances that all is well. Can we go on this way for another 3½ years?

INVESTIGATION OF ARMY RECRUITING

(Mr. HÉBERT asked and was given permission to address the House for 1 minute, to revise and extend his remarks, and include extraneous matter.)

Mr. HÉBERT. Mr. Speaker, this morning the Washington Post carried a story relative to the Army's problems in getting an all-volunteer force. If referred to improper recruiting practices, fraudulent enlistments, and inadequate entrance medical examinations, all of which resulted in more than 29,000 unsuitability discharges last year and cost the Government $73 million.

The story was apparently initiated by a press release issued by a member of the Armed Services Committee. The release was couched in terms which would lead the reader to believe that this particular problem had been uncovered by the member. For example, the press release reads, in part:

> "If this is what we have to go through to fill up a volunteer Army, then let's have the facts," Aspin said. He said that Congress should begin a thorough investigation of the growing recruiting mess.

It is this admonition that "Congress should begin a thorough investigation" that I would like to address myself to, Mr. Speaker, in order to keep the record straight. On this point let me say that the matter has been under investigation by the Armed Services Committee since the middle of last April. And it comes as a surprise to me that a member of the committee was apparently not aware of this.

After assembling preliminary information, I assigned the case to the investigating subcommittee about the middle of June. Since that time an intensive investigation has been carried on, including staff visits to various problem areas from coast to coast. Upon a completion of this investigation I expect to have enough facts on which to make a decision as to the most appropriate course of action to be taken.

I might say that during our investigations we do not seek publicity—in fact, we seek to avoid it. Too much harm can be done by premature disclosure of allegations which later prove to be either without foundation or cannot be substantiated. The committee feels that it has a grave responsibility in this regard and, therefore, seeks to first assemble all of the facts and let them speak for themselves. I might say that this course of action also has certain side benefits for I find it obviates the need of hiring a public relations man.

I expect our investigation to be completed in the very near future and will report on the matter at that time.

MORTGAGES AT 9 PERCENT

(Mr. ANDERSON of California asked and was given permission to address the House for 1 minute to revise and extend his remarks, and include extraneous matter.)

Mr. ANDERSON of California. Mr. Speaker, housing is a necessity—not a luxury. Yet, the schizophrenic policy of the administration is driving up interest rates in a way that can only result in a greater housing shortage in the near future.

This tight-money policy not only represents a setback for young married couples who are anxious to become homeowners, it will also result in throwing hundreds of thousands of construction workers out of a job.

While I understand the need to clamp down on inflation by tightening credit, I feel that alternative measures can be taken which would slow down spending without hitting the prospective home buyer and the housing industry. I feel that Government action should be aimed at increasing housing—so that supply and demand make prices within reason—not jacking-up the interest rates to a level that prices nearly everyone out of the market.

At this point, I place in the Record the following editorial that appeared in today's Washington Post:

Mortgages at 9 Percent

> The steady and ominous climb of mortgage interest rates foreshadows inadequate housings construction. Inadequate construction means, in turn, greater crowding and deterioration in American homes for years to come. It is a well-known cycle and we have been through it many times before. But this time the rates appear to be headed toward truly unprecedented levels.
>
> Last month the average rate of mortgage interest was 7.6 per cent; currently it is around 8.5 per cent. Within a few months, the industry forecasts, it will be in the range of 9 to 9.5 percent. If that happens, housing starts may well drop by as much as 40 per cent over the next year. There is a dismal irony to these mortgage rates. Just as the misguided Agriculture Department is moving to open up the national forests to excessive lumbering supposedly to meet the building boom, another branch of the federal government is proceeding very effectively to tighten credit and turn the boom off.
>
> The country needs a high and stable rate of residential construction. The millions of younsters who were the crest of the postwar baby boom are now in their early to middle 20s, the age at which most Americans marry and establish independent households. They are the generation for which we built elementary schools at a great rate through the 1950s and high schools and universities through the 1960s. Now they need homes. They are the best educated and most affluent 25-year-olds in our history. But with mortgage interest rates over 9 per cent, not many of them are going to be buying houses.
>
> Both of the federal government's contradictory policies toward housing are, in fact, wrong and destructive. The administration is pressing the Forest Service to permit trees to be cut faster than the service can replant. The administration is also ordering the Forest Service to shift its resources away from the recreation to speed up timbering. The putative reason is that the lumber shortage is contributing to inflation. But lumber prices began to decline last May. The timing of this sudden push by the administration is distinctly peculiar.
>
> As for the mortgage rates, they are an extreme example of the familiar dilemma. Every time the Federal Reserve System finds it necessary to tighten the money supply, the first victim is the family that wants to buy a house. As an industry, building construction is an enormous part of the economy. Construction is currently running about $135 billion a year, well over one-tenth of the Gross National Product. But it is a huge industry made up, generally, of very small companies. They have none of the capacity for internal financing that a big corporation usually commands and they are very vulnerable to shifts in the commercial interest rates.
>
> A mortgage rate of 9 per cent would violate the usury statutes of many states, including Maryland, and the District of Columbia. In those jurisdictions, builders would either stop work altogether or be forced into unwholesome subterfuges. Certainly the federal responsibility has not been loaded onto one single instrument, the interest rate, with distressing consequences for a growing population that needs housing.

DEVELOPMENT OF B–1 SUPERSONIC BOMBER OF HIGHEST PRIORITY

(Mr. JONES of Oklahoma asked and was given permission to address the House for 1 minute, to revise and extend his remarks, and include extraneous matter.)

Mr. JONES of Oklahoma. Mr. Speaker, the development of the B–1 supersonic bomber is, in my opinion, an item of the very highest priority for our Nation, and I support continued funding for development of the prototypes for this strategically vital weapon.

Our experience in recent years amply demonstrates that our Nation must depend in part on an effective long-range bomber force; one that has multiple applications: as a show of deterrent ability in times of international crisis; as a strategic system that can be utilized in guerrilla actions such as we have seen in the Vietnam conflict, and ultimately, in conditions where worldwide nuclear attacks appear imminent.

There seems to be little doubt, on the basis of the intelligence this country has received, but what the Soviet Union is engaged in a stepped-up program to develop a new supersonic bomber, and it only seems logical to this Member that the United States must continue its commitment to development of the B–1 bomber.

The aircraft will be an updated replacement for the Air Force's strategic B–52, and will contain many major design improvements over what has been the Nation's principal strategic bomber system for nearly the last 30 years.

The B–1 will have the capability of flying at treetop level at nearly 700 miles per hour, thereby evading enemy radar detection; it will be capable of carrying nearly three times the nuclear firepower of the present B–52; and the new bomber will require a much shorter runway and will use far less fuel than the present B–52.

Mr. Speaker, as result of the detailed and painstaking study which has gone on into the study phase of the B–1 thus far, it is accurate to say that we are in better shape with the development of this particular weapon system than any other since World War II.

Mr. Speaker, I had the pleasure of personally visiting the Rockwell International plant in Los Angeles earlier this year where work is underway on the B–1 prototype, and I was most impressed with the progress that is being made on the aircraft. What I saw was an orderly development program which will provide great security for our Nation when completed.

I urge the House to continue its commitment to the development of this important defense system, and ask this body to evidence its continued support by approving funding of development of the B–1 in the forthcoming fiscal year procurement bill.

LEGISLATION FOR BETTER HEALTH CARE IN RURAL AREAS

(Mr. DE LA GARZA asked and was given permission to address the House for 1 minute, to revise and extend his remarks, and include extraneous matter.)

Mr. DE LA GARZA. Mr. Speaker, Congress in recent years has at times taken official action showing that Members recognize that the health of our rural citizens is not statistically as good as the health of citizens in urban areas.

It is a fact, an unpleasant fact, that the delivery of health care in many rural areas is either inadequate or nonexistent. A number of excellent legislative measures have been enacted by Congress over the years in an effort to remedy this deplorable situation.

The bill I am introducing today is designed to carry forward the fight to attain better health care for Americans living in rural areas.

My bill is directed toward the accomplishment of three major goals:

First, the coordination of Federal programs for health care delivery to rural areas;

Second, a full assessment of the health of rural Americans and the health care they receive; and

Third, assurance that rural areas receive their fair share of Federal funds available for the delivery of health care.

My bill provides for the establishment of an Office of Rural Health Care in the Department of Health, Education, and Welfare. The Office would be charged with administration of all Federal programs in the Department which relate to health care in rural areas, coordination with other Federal agencies with activities relating to rural health care, coordination of rural health care personnel training, and evaluation of departmental programs relatng to rural health care. The Office would also provide technical assistance to rural communities, organizations, and individuals interested in improvement of rural health care.

Mr. Speaker, this is a matter of great concern to me. In my district, the 15th District of Texas, many people live in rural areas where health care is sadly deficient. I know these people, I have been in their homes and talked with them, and I feel deeply that society has a responsibility to see to it that more nearly adequate health care is available to them.

Passage of my bill would be a step in that direction. I respectfully urge my colleagues to give it favorable consideration.

FOREIGN INVESTORS EAGERLY CLUTCHING FOR MORE AMERICAN HOLDINGS

The SPEAKER pro tempore (Mr. O'NEILL). Under a previous order of the House, the gentleman from Pennsylvania (Mr. GAYDOS) is recognized for 30 minutes.

Mr. GAYDOS. Mr. Speaker, there is an old French proverb which states:

> Wait until it is night before saying it has been a fine day.

There is a lot of truth there. I hope my colleagues keep the saying in mind as they watch foreign investors eagerly clutching for more American business holdings. I know I will.

We have seen other "fine days" end in nightmares. When foreign imports began to trickle into the country after World War II, there were those who saw the start of a "fine day." Imports, they said, would be a boon to the American consumer, because they were cheaper than similar products made here at home. They also contended a little competition from abroad would not hurt our high-priced American workers.

But, that trickle soon became a torrent. Imports poured into the country in ever-increasing quantities. In many cases the foreign manufacturer was subsidized by his government, enabling him to undersell domestic competitors. He was willing to take a financial loss now for huge profits later. He glutted our markets with his low-cost products, undercutting and eventually crushing the competition, forcing them to close their plants and lay off their workers. When the imported product achieved domination, the manufacturer recouped his previous losses by taking the lid off his price and sending it sky high. Look at our shoe industry where we have lost nearly 50 percent of the domestic market to imports. Is a pair of shoes any cheaper today?

Now, comes the dawn of another "fine day." We are seeing another trickle becoming a torrent. Imports still are coming into the country—only now their manufacturers are coming with them. They are building here, buying there, are gaining greater control everywhere. Our Nation has become an international supermarket with our businesses on sale at bargain basement prices. Foreign buyers are swallowing up companies in real estate, turbines, carpets, chocolate, and steel.

As the representative of the greatest steelmaking district in Pennsylvania, I was stunned by the news that Japan, our major competitor in the world steel market, is building a steel mill in New York. But shocked as I was by the announcement, I was astonished at the reaction of some people who saw the move as the start of another "fine day."

Like manna from Heaven they welcomed their friends from abroad. "Here they come," they cried, "with the answers to our unemployment problems, our trade problems and our international monetary problems."

I caution these people to temper their exuberance. I urge them to wait until nightfall before passing judgment on the day.

"Buy American" once had a patriotic ring to it. Now it has a hollow one. "Buy American" now is the battle cry of foreign investors. They see our businesses ripe for the picking and they are swarming over the countryside, their arms loaded with excess American dollars that nobody wants.

They do not come out of friendship. They have ignored chances in the past where a gesture of friendship would have been meaningful. They do not come, because of any great concern for the American worker, many of whom are unemployed, because of foreign imports. Do they come merely to make a profit on a business venture? I wonder. If the venture appears profitable to them, why not to an American?

I believe there are other reasons. Certainly, one of them is the fear that Congress at long last, and hopefully not too late, will enact legislation to control imports which threaten our industries. By buying or building here the foreign investor may wriggle out from under such controls and still retain, or increase, his share of the American market.

I also think these friends from abroad see a chance to assure their supply of our natural resources. Because they have none, they buy ours in massive qauntities. In recent years their need has grown as their production facilities expanded. The demand is so great that we have experienced critical shortages here at home in order to supply our customers abroad.

Here again Congress is showing signs of asserting itself to protect the American consumer, and once more the foreign manufacturer sees the chance to get off the hook.

Japan, for example, has little raw materials of her own and consequently, she buys heavily from us to meet her needs. Now she is displaying an intense interest in U.S. investments in this area. This is confirmed by no less an authority than American business representatives, who staged "Invest in America" seminars in Tokyo and Osaka, Japan.

Industry Week magazine, in its July 2 issue, quoted the executive director of the National Association of State Development Agencies, which cosponsored the seminars with our Commerce Department, as saying the Japanese response exceeded all expectations.

In the same issue of the magazine there also was an article which predicted that within 10 months Japan will acquire two or more major U.S. companies. These firms, the report said:

> Will be sizable (more than $100 million in sales) and in the energy-raw materials fields.

The desire to offset the Nation's trade deficit by selling more of our natural resources abroad has created domestic shortages. The result is that Congress now is seriously considering legislation to control products we ship abroad as well as those shipped to us.

What better way, then, for a foreign competitor to get around such import-export controls than to build or buy here. He escapes import tariffs, is close to the source of the raw materials he needs and he still retains his share of the American domestic market. To top it off, he can claim to create employment by hiring American workers.

Indeed, then, this run on American businesses by foreign investors may help our unemployment problem, our trade problems and our money problems. But only for a short time. A long-range view of the situation reveals pitfalls that must be avoided. Like the iceberg, it is not what we see that is dangerous. It is what we cannot see that can sink us.

A foreign-owned mill here, employing Americans, will be in direct competition with American-owned mills, also employing Americans. At first glance that may seem like nothing more than a classic example of our free enterprise system at work: fair and open competition among Americans.

But if, as in the past, that foreign-owned business gets a subsidy from its government it is not in fair and open competition. Able to sustain losses indefinitely, that company can undersell the American company and, eventually, force it to close shop. With the competition out of the way, the foreign-owned plant controls the market and can peg the price of its product as high as it wants.

The slight gain in employment which might have occurred when the foreign plant opened its doors will be more than offset by the massive layoffs of other American workers.

And, what guarantee do the few Americans working for a foreign employer have that their boss would not pack up and go home after trampling the competition. Or, if economic conditions are such that it would be cheaper for him to make his product back home do you think he would hesitate a minute? Do you think he would have the slightest concern as to what will happen to his employees and their families?

There is another facet that concerns me. It is the possibility that a struggle for market domination might occur in an industry that is vital to our national defense. Suppose it were the specialty steel industry at stake, and the American manufacturer was forced out of business. Could anyone here sleep easy, knowing his country's ability to defend itself rested in the hands of a manufacturer who has pledged allegiance to another flag?

I do not say this will happen. I do say

it could happen. That is why I joined my colleague from western Pennsylvania, the Honorable JOHN H. DENT, in introducing legislation to control foreign investments in the United States.

Our bill would limit foreign investors to no more than 35 percent of nonvoting securities and no more than 5 percent of voting securities in any U.S. business. It permits diversification in markets but prevents domination.

Mr. Speaker, I opened my remarks with a French proverb, I would like to close them with something from the steel mills of western Pennsylvania. Back home we have learned that when someone undergoes a sudden, dramatic change in character and comes on strong like an old friend, hand outstretched in friendship and a smile on his face, it is best to look out for a sucker punch.

I hope my colleagues will be looking for that punch and I pray our Commerce Department while selling American will not sell it out.

DOES AMERICA NEED THE SMALL BUSINESS AND PROFESSIONAL MAN?

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. PATMAN) is recognized for 60 minutes.

Mr. PATMAN. Mr. Speaker, the rush of events in this busy country of ours is so great that we are all inclined to be preoccupied with the events of yesterday or last month. This seems particularly true when a special time is put aside to provide recognition for a significant and specific aspect of our national life such as the American small business community which was given considerable recognition by this House during Small Business Week just 2 months ago. I think it is important to emphasize that our concern for such a vital segment of our economy is not over and done with at the end of a special memorial week, but should be the subject of continuing and constant attention throughout the year. With this thought in mind, I ask the Members to read the following statement from a well-informed and prominent American, Mr. Willard B. Simmons, who speaks for the National Association of Retail Druggists—NARD—an organization representing about 50,000 small businessmen and professionals in corner drugstores throughout the entire country. Incidentally, NARD is not only one of the most influential associations in the United States, with an impressive record as policymaker and spokesman for an important and useful industry, it is also an effective nerve center for molding public opinion in every nook and cranny of this Nation where close to one-half million entrepreneurs, professional pharmacists, and employees carry forward the old country store tradition right into modern community living. I should certainly mention that because of its strong commitment to public health education programs, NARD mounted one of the longest, most powerful, and effective campaigns against drug addiction ever carried out by a non-government group. Lasting over a period of 4 years, this campaign received generous and wholehearted acclaim from the highest officials of this Government.

Against such a remarkable background of public service, I believe that what Mr. William Simmons had to say to the faculty and students of St. John's University College of Pharmacy in Jamaica, N.Y., is indeed thought-provoking and highly pertinent to all of us who are charged with keeping out economy, and society, both strong and resilient. I commend Mr. Simmons' remarks to your attention today, and for renewed consideration whenever the deliberations of this House are directed to issues that touch upon the well-being of the small businesses of America:

DOES AMERICA NEED THE SMALL BUSINESS AND PROFESSIONAL MAN?

(By Willard B. Simmons)

Thank you, Dr. Bartilucci, the Very Rev. Joseph T. Cahill, President, St. John's University, members of the faculty, distinguished guests, fellow pharmacists, ladies and gentlemen:

It is always a pleasure to be with the young men and women who represent the future and strength of the profession of pharmacy.

I am especially grateful to the administration and faculty of St. John's for their invitation to participate in today's program.

I particularly appreciate this chance to be with representatives of the broad spectrum of the world of pharmacy and pharmaceuticals. As we well know, pharmacy is not a monolith. From research laboratory to retail marketplace, the talents, energies and dedication of many individuals are required to satisfy the needs of this society in these times. While I represent and speak for only one segment—the independent retail pharmacists—I am glad to be in the company of such diverse interests as are represented here.

On this occasion, I have been asked by your program committee to discuss the directions of pharmacy from the perspective of the independent retail pharmacist. That is a subject requiring us to contemplate a very broad perspective. For, I believe, in a very real sense, the future facing pharmacy—at all levels and in all segments—involves many questions and decisions. They lie at the heart of some of the most fundamental problems confronting our system and society.

On frequent occasions, my responsibilities take me to Washington. In our nation's capitol, at the seat of government, there are many voices, speaking of many matters. At present, one theme runs strong in the general conversations along the Potomac.

Among both Democrats and Republicans, among both liberals and conservatives, today one bears comments about changing our nation's directions, changing our emphases, changing our priorities. There is among our policymakers a spirit of reflection and introspection. Looking back over our decisions and directions in recent years, thoughtful leaders of all political persuasions are saying, in effect, that we in this country cannot go on doing in the future—or trying to do in the future—many things which we thought we could do in the past.

In the realm of foreign and domestic policy, there is currently of facing up to what can only be called the facts of life. It is being acknowledged now—as it was not acknowledged before—that no nation, no matter how strong or rich, and no economy, no matter how vigorous and prosperous, can indefinitely sustain some of the courses on which we have tried to travel during recent times.

Such reflection and such review can only be welcome. Without regard to some of the necessarily controversial aspects of changes proposed in our national direction, I think it can safely be said that Americans today—of all ages and all stations of life—are rightfully anxious to find the way back to a functioning system which will work. They seek a system which will assure for those who come after us a better quality of life, a greater enjoyment of human existence on this earth. To the extent that this period hastens us toward realization of such goals, I think we all are in sympathy with such objectives.

How does this relate to pharmacy? Let me answer that in the context of those for whom I speak—the nation's independent retail pharmacists.

Over the recent era, while we have pursued courses in foreign policy from which we are now turning back as a nation, we have also pursued a domestic policy and direction which I believe today proving false in both promise and their fulfillment.

Since World War II, American business—and with it, much of American government—have followed after the notion that since large units presumably buy and sell at lower prices, the way to assure the American consumer a bargain must be to permit and even to encourage the growth of larger retail discounter combines and conglomerates.

Other generations of Americans, in times past, saw this very differently. Until this post war era, it was a truism based on hard experience that concentrations of economic power—at any level—ultimately worked against the interests of a growing, viable, successful economy.

In other words, Americans of pre-war years knew that lower prices were the result of competition, not concentration: big economic units inevitably use size to undersell—and to destroy—smaller competitors; once that destruction is complete, there is no longer any effective marketplace control to protect the consumer. The wisdom of earlier times, though, has been dismissed and brushed aside and as a result, the patterns of post war America have developed almost in reverse of the patterns prevailing in the years before.

The consequences are evident on every hand. Modern day urban America is quite literally wrapped in the hands of the discounters and the larger chains. Go to any part of this nation—east or west, north or south—and stop into the giant shopping centers. The names of the stores you find here on Long Island are names you will find in almost every part of the country. These large corporates have truly encircled America and it is my thesis that we are now beginning to feel the consequences of those constraints.

Certainly the buying power of those vast national retail organizations is tremendous. By the modern wisdom—of which our business leaders and governmental leaders have become so enamored—this greater buying power should mean that American families of today would be enjoying the greatest bargains in history whenever and wherever they shop. Never in our history have we had such vast economic units serving our people and presumably never in our history should the people have had such bargains.

Yet, I ask, what are the actual results?

You know the answer as well as I: the results are almost opposite from what we were told they would be.

The American consumer has never faced such prices or costs as are now being imposed upon our family budgets.

The sustenance of the factory worker, the livelihood of the white collar worker, even the relative affluence of the professional, all are suffering from an erosion in value. This erosion has grown in direct proportion to the growth of the large chains and discounter combines and conglomerates which control the American marketplace in these times.

What I say is not mere rhetoric. Let me cite to you convincing—and, in my judgment, severely critical—support for this description of what has happened in our economy.

Early this year, the Cost of Living Council in Washington exempted all retail firms having less than $100,000 in annual volume. In announcing that policy, the Council noted that such firms comprise 75 percent of all retail establishments in this country, yet they account for only 15 percent of the total retail sales volume.

If we put it another way, this means that 25 percent of the retail enterprises in this country today have a stranglehold on 85 percent of the retail sales—the retail purchases made by the American consumer.

The intolerable burdens being imposed upon the American family budget now are plainly not burdens imposed by the small independent retail businessman and pharmacist. The Cost of Living Council admits this by saying controls aren't needed. It is only since the consumer found himself and herself wrapped in the large and discounter chains, as it were, that the consumer public of this nation has found the cost of living to be intolerable.

Where are the efficiencies of size and scale we were promised? Where are the economies we were told would result? Where are the bargains we were told would be ours? Obviously the policies we have pursued and tolerated through all these years are policies which today are culminating in failure for the people and failure for the system. Clearly the consequences which we are encountering on every hand dictate that we should pause, reflect, look back over our past directions, and seek to return to those principles which will permit us all to have a standard of living which we can afford.

These conditions and developments I am describing to you relate directly to the heart of pharmacy.

The keystone of this profession today—as it has always been—is the independent retail pharmacist. Over virtually all the life of our nation since the Industrial Revolution, the retail pharmacist—the man who runs, or used to run, the corner drugstore—or the independent retail pharmacy has been a memorable part of American life and lore. But in these modern times while industry and government alike have encouraged the growth of the large corporate chains, the retail pharmacist has had to live and survive in a strangely hostile environment.

For almost three decades, the independent pharmacist at the corner drug-store has been the isolated and unprotected target of greater and greater, stronger and stronger concentrations of economic power.

Whenever the independent pharmacist has sought relief by petitioning his government, he has been greeted time and time again in Washington by an openly and overtly hostile attitude for the most part. Congress has been immobile. The Department of Justice has been indifferent. The Federal Trade Commission has been—and continues to be—busily occupied with other concerns. The White House, all too often, has been inaccessible. The independent retail pharmacist has heard and read the words of high officials in his own government declaring the corner drugstore to be "obsolete"—something which, in the government's view, should be put out of its misery and out of its business.

I am pleased and proud to say—that the retail pharmacists of this country are men and women of pride, of courage, and of implicit toughness in their character and in their spirit. They have not—and if I know them, as I think I do, they will not—simply roll over and die. Through individual effort and through combined effort in organizations such as NARD, the independent pharmacists across the land have made—and continue to make—strong and valiant efforts to turn back the relentless tide of economic concentration.

Those efforts, I believe, are beginning to be rewarded with success.

It is evident from any perspective of our society at this moment that the people are rallying to support the cause which the independent pharmacist—and other independent businessmen—have been supporting all along. There is indignation in the marketplace from the consumer. There is protest, there is action and reaction. Just as surely as the voices of the people penetrated Washington to change some of our directions in policies abroad, so the voices of people are reaching—or will reach—the political leadership of this nation in regard to some of the policies which have been blindly and foolishly pursued in regard to our domestic affairs.

The protests rising across our land today are not merely protests against prices. Housewives and husbands, young people and old people, consumers of every shape, size, color and age, are protesting a marketplace—protesting an economy—which leaves them powerless, faceless, nameless and meaningless. And it is in that perspective particularly that we need to think about the retail pharmacist.

The role of the retail pharmacist has never been that of merely a dispenser of prescriptions nor of a nameless face behind the checkout counter.

As William Woods, NARD's Washington Representative and Associate General Counsel, said recently: The first role of the pharmacist is as a professional, serving the health and pharmaceutical needs of his community. But beyond that, the independent pharmacist must be employer, taxpayer, administrator, buyer, community leader, bookkeeper, public relations specialist, advertising exexcutive, psychologist and many other things or personalities.

In other words, the independent pharmacist is a key figure in personalizing what is otherwise the highly impersonal—and heartless—economic structure reaching into every American neighborhood. That role is not inconsequential. It has always been a very vital link in the strength of our enterprise system.

Let me make this one point. Our large corporations—including our large pharmaceutical makers—are deeply disturbed about the surveys showing a precipitate decline in public support of and respect for business. I know that concern is deep, for I hear it expressed all the time by leading executives. All of us who care about preserving the private sector must be distressed about the loss of public confidence in the private enterprise structure.

Yet the cause and effect is transparently clear. The drift of big business thinking has been to eliminate the smaller independent businessman and the retail pharmacist as the point of contact with the public. As that eradication has proceeded—as the business system has been depersonalized in the name of efficiency—the people have grown less and less respectful, more and more resentful of the impersonal system.

The same is true of government. As government has grown larger and larger, moved farther and farther away from the people, the public faith and confidence in it—and respect for it—may have shown some decline.

The lesson is very clear.

If we are going to maintain confidence in our private institutions or in our government, we have got to put the personal element back where it belongs—on top instead of underneath.

The independent pharmacist is a vital figure in this scheme of things. Making him stronger serves the self-interest of the large corporations, the large public agencies, the whole structure at the top of our society's organization.

I say this against another background.

Today the whole area of health care and delivery of health care is in the crucible of change and ferment. Both business and government are trying to find ways to satisfy the strong public demand in this sector. Yet the direction in which our policy planners are moving is the wrong direction—just as surely as directions in other sectors have been wrong.

The thrust is toward depersonalizing the health care system—toward taking out of it the critical and irreplaceable personal element at the end of the line where the system meets the people it is supposed to serve.

As a result, the actual direction in this area is down, not up—we are moving backwards, not forwards.

Let me cite only a few representative trends.

1. Take the case of our veterans. Only a few years ago, a service veteran receiving a prescription from a VA doctor could go immediately to his neighborhood pharmacist and have it filled. Today, though, for the most part, he cannot. He must, in many instances, mail his prescription to a distant facility and wait days or even weeks while the government system slowly gets around to filling the prescription and mailing it back.

Considering the state of the mails today, this is clearly a loss, not a gain, for the American veteran.

2. Take the case of our senior citizens. Almost every thrust made—by government and, to some extent, by private insurers—is toward requiring the senior citizen to go away from his neighborhood to get his prescription necessities filled from some routinized impersonal sort of central organization or agency. Furthermore, he is being restricted by these programs on what he can have. The emphasis everywhere is on limiting the prescription service to only a handful of best-seller type pharmaceuticals—and to eliminate entirely the compounded prescription which permits doctor and drug industry alike to give the patient the best quality of service and treatment.

Again, this is a loss. We are treating our elderly citizens like cogs on an assembly line and removing health care from their easy reach rather than putting it closer to them.

I could go on and on with other examples, but it is not necessary.

The obsession with efficiency at the cost of consideration and compassion and plain common sense is—or has been—leading us away from the realization of the kind and quality of life we all want in this land.

I think the climate is turning. I believe the American people—of all ages—are fed up and are making their feelings known and their resentment felt.

In this context, the people are now moving in the direction which independent, college-trained, thinking pharmacists have been trying to move for a long time.

That, maybe, answers the question back at the beginning. Ask what is the direction of pharmacy and I would reply that the direction is toward responsible leadership.

We are going to prevail. We are going to have the kind of America we want to have and can have. And I think you who have chosen pharmacy as your life have reason to be proud of your choice.

PUBLIC FUNDING OF ALL CONGRESSIONAL CAMPAIGNS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. MITCHELL) is recognized for 5 minutes.

Mr. MITCHELL of New York. Mr. Speaker, I am today introducing a bill aimed at providing public funding of all congressional campaigns. For some time now I have advocated the public funding of all election campaigns as the only way in which to avoid the sometimes questionable and too often illegal practices involved in financing them. There is no doubt in my mind that a change in the present loose money procedures is essential and in the public interest.

The bill I am offering today establishes a formula whereby all major party candidates for a seat in the House of Representatives and the U.S. Senate will receive funds from the Federal Government to finance their campaigns. There is also a provision allocating funds to all minor party candidates on a proportional basis.

There are, Mr. Speaker, several bills currently pending which deal with this subject. The Senate is currently working on a major piece of campaign reform legislation. All of these measures are certainly worthwhile and needed, but none go as far as this one with respect to public funding of campaigns.

A measure similar to this bill was introduced last week by Senators EDWARD KENNEDY and HUGH SCOTT as an amendment to S. 372, the Federal Elections Campaign Act. The amendment was tabled but it is my understanding that Senators KENNEDY and SCOTT intend to introduce it as a separate bill. It is imperative this concept receive strong bipartisan support in both Houses of Congress to insure passage.

For too long, too many have given too much lip service to worthy reform ideas but have failed to take definitive action to implement those ideas. The time for action, Mr. Speaker, is now.

CREDIT DISCRIMINATION AGAINST WOMEN

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Massachusetts (Mrs. HECKLER) is recognized for 5 minutes.

Mrs. HECKLER of Massachusetts. Mr. Speaker, I would like to submit for the RECORD an article which illustrates the inconvenience and aggravation that discriminatory credit policies practiced by our principal lending institutions cause families and individuals.

I am submitting a short editorial which appeared in Forbes magazine on August 1. The example cited in this article is another of thousands of incidents which emphasize the urgent need for legislation prohibiting discrimination against women seeking consumer credit.

NOW WOULDN'T THAT FROST YOU?

Dealing with American Express is as bad as it was a decade ago. I suppose almost everybody who has one of their credit cards has a story that can top this one. Anyway . . .

So long ago I've forgotten when, I asked for one of their cards in my wife's name. It came—but on my account number so that all her charges came to the office and each month had to be separated from mine, because none of hers had anything to do with business and some of mine did. So, well over a year ago, I asked for one in her name at our home address. Months went by. Bills, papers and tempers flew. Finally, some weeks ago there came a form referring to the application and asking us to check off references for her in terms of trust officer, banker, broker, accountant, attorney and gad knows what all.

Then, lo and behold, what do I find in my monthly credit card statement from American Express recently? A beautifully printed flier entitled, "Here Are 8 Good Reasons To Give Your Wife an American Express Money Card (In her own name)."

Subsequently she received, in virtually the same mail, a letter stating that my earlier application for her was "canceled" unless she sent in her accountant's name, and another envelope enclosing her American Express card as per application on "8 Good Reasons To Give Your Wife One"!

So, I've told my wife and kids and people here—if your time means anything to you (or this company) use your American Express credit card only as a last resort, only if they won't take anything else, including money.

CHILDREN'S ALLOWANCE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Minnesota (Mr. FRASER) is recognized for 5 minutes.

Mr. FRASER. Mr. Speaker, today I am reintroducing my children's allowance bill which would provide automatic, uniform payments to the parents of every dependent child. Currently, there are 62 nations with children's allowance programs: twenty-seven European nations, 20 African nations, Canada, Australia, New Zealand, Argentina, Bolivia, Brazil, Chile, Colombia, Uruguay, Iran, Israel, Lebanon, Cambodia, North Vietnam, and South Vietnam.

Under our children's allowance program, families could elect to receive a $50 a month payment—$600 a year—for each child under 18, regardless of family income or work status. These grants would be taxable income. However, any child receiving this allowance could not be claimed as a dependent for the $750 income tax exemption.

Children's allowance is preferable to a large income tax exemption for dependent children. Exemption is a highly regressive program which costs nearly $10 billion a year, yet is worth nothing to the poor, little to the average American, and a great deal to the rich. Those who need help the most are too poor to even pay an income tax to take advantage of the exemption. A progressively taxed cash grant of $50 per child would reverse the present upside down system and give most to the poor, a great deal more to the average family, and less to the rich. When the allowance is available to all children under 18 years of age, approximately 75 percent of the payments would go to families with incomes below $10,000 per year. If children's allowance is enacted, 77 percent of the 20 million children in poor families would be removed from poverty income status and 64 percent of the children of the near poor would be raised to middle income status.

The tables below compare the actual per child cash value of a $750 income tax exemption to the actual cash value of a $600 children's allowance after taxes and loss of the $750 exemption. Table 1 makes this comparison for families of four at several representative income levels. Table 2 demonstrates the approximate cash value of electing the allowance over the tax exemption at $10,000 income.

TABLE 1

Family income	Annual value of $750 tax exemption (per child)	Annual value of $600 children's allowance, after taxes (per child)
0	0	$600
$5,000	$120	385
$10,000	142	360
$25,000	240	168
$50,000	350	−75
$100,000	450	−210

Note: The breakeven point under children's allowance falls at the 40 percent tax rate ($32–36,000 income level).

TABLE 2.—*After electing children's allowance*

Income	$10,000
Approximate tax rate (percent)	.15
Tax exemption for 1 child	$750.00
Family loses	$112.50
Children's allowance for 1 child	$600.00
Family loses	$90.00
Money received	$600.00
Money lost	−202.50
Net cash value gained with children's allowance	$397.50
Final income	$10,397.50

While children's allowance payments are taxable, they will not be considered income for purposes of determining eligibility for Federal assistance programs such as food stamps.

The children's allowance would be administered by the Social Security Administration and funded out of general revenues. Since it is a universal program, the children's allowance will not employ the costly welfare apparatus that is designed to insure that benefits are adjusted for every change in family income or status. The children's allowance is not a poverty program. It is a program aimed at a segment of the population which is broadly believed to deserve and require a measure of assistance from society—our children. Our social security legislation, adopted a third of a century ago, is based on the recognition that there are certain risks in life—old age, death, disability, and unemployment—to which everyone is exposed. Thus, everyone contributes out of earnings, and benefits are made available as a right. By making children's allowances a right for all children, we protect them from the degrading stigma of welfare.

The children's allowance program would be phased-in over 7 years. In the first year payments would be made only for children under 6, who would then continue to receive payments until they are 18. In the second year of operation, all children under 8 would be entitled to payments; in the third year, children under 10, and so on. The phase-in system limits the initial cost of the program to $8 to $10 billion and helps target these dollars where they are most needed—to young families with preschool children. Furthermore, by implementing children's allowance using children's ages rather than family income, the program achieves an antipoverty effect without introducing a means test. It would remain a universal system, not a welfare program.

The cost of implementing children's allowance is as follows:

TABLE 3

	Billion
Initial yearly costs:	
Gross cost	$12.0
Recoupment:	
From taxing grants	2.4
From eliminating exemptions	3.0
Net cost	6.6
Additional costs for each phase-in year:	
Gross cost	5.0
Recoupment:	
From taxing grants	1.0
From eliminating exemptions	1.25
Net cost	2.75
Final yearly costs:	
Gross cost	42.0
Recoupment:	
From taxing grants	8.4
From eliminating exemptions	10.5
Net cost	23.1

ANSWERS TO OFTEN RAISED QUESTIONS CONCERNING CHILDREN'S ALLOWANCES

Critics of children's allowance proposals stress four points: The allowances may: First, damage work incentive; second, depress wages; third, not be spent on children; and fourth, result in an increased birth rate.

First. Since children's allowance is not a means-test program, there is no work incentive problem. Unlike AFDC which subtracts 67 percent of earnings, and unlike President Nixon's family assistance program which confiscates 50 percent of earnings, under children's allowance no one is denied benefits because he works.

Second. One of the most important advantages of a children's allowance is that it would correct the bias of the wage system against the working familyman without forcing him to submit to a poverty test and without confiscating part of his salary. The concept of equal pay for equal work cannot take into account differences in family size: A man or woman working full time at minimum wage can modestly support himself/herself, but if there are children, that family will fall below the poverty line. Children's allowance recognizes our society's need and responsibility for a healthy future generation.

Experience with children's allowances in other countries shows that allowances do not result in wage decreases unless the allowance is financed by a tax on the employers' payrolls. Where children's allowances are paid out of general revenues, they are not likely to affect wages. As a matter of fact, in Canada wages have risen since a children's allowance was adopted there.

Third. While it is hard to measure the extent to which the allowances are spent directly on children, Canadian surveys of their new children's allowance program indicate that most of the money actually did go for children's clothing, food, and medical care. As a matter of fact, during its first year of operation, the monthly production of children's shoes rose from 762,000 pairs to 1,180,000 pairs.

Fourth. Several studies have been made seeking to ascertain whether a children's allowance affects the birth rate. No evidence has been found that it does. For example, analysis of family size of AFDC recipients in different States indicates that there is no positive relationship between the number of children in welfare families and either the overall level of AFDC payments or the increase in payment associated with the presense of an additional child. Thus, added welfare payments for additional children do not seem to produce larger families under AFDC and there is no reason to believe that this would change under children's allowance. In fact, a comparison of average AFDC payments among States and proportions of large families on welfare in these States shows that high AFDC payments are markedly associated with smaller proportions of large families.

TABLE 4

Number of States	Percent of AFDC families with 4 or more children	Median AFDC payment to mother and 4 children
5	40–49	$135
20	35–39	170
17	30–34	248
9	26–29	266

The following table indicates that the proportion of families with four or more children declines slightly in relation to increases in the welfare payment made for the fourth child.

TABLE 5.—MARGINAL VALUE OF 4TH CHILD BY PERCENT OF AFDC FAMILIES WITH 4 OR MORE CHILDREN, 1967

Number of States	Marginal value of 4th child	Median percent of families with 4 or more children
8	$40–47	31.5
15	30–39	33.4
17	20–29	35.2
11	0–19	37.5

Finally, the consensus among demographers appears to be that children's allowance programs cannot be shown to have effected an upward trend in the birth rate where tried. Not one of the 62 countries with children's allowances has experienced a rising birthrate because of the allowance even though some enacted an allowance in hope it would raise birthrates.

CONCLUSION

One out of four children in the United States lives in poverty. Obviously these children cannot be blamed for their impoverishment. If we supply families with the means to provide adequately for their children, we may prevent the perpetuation of poverty-level subsistence these children almost inevitably face as adults, and help them develop into healthy and useful citizens.

AN EMBARRASSMENT OF RICHES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Wisconsin (Mr. KASTENMEIER) is recognized for 5 minutes.

Mr. KASTENMEIER. Mr. Speaker, several days ago, I reported on the rising profits in the oil industry during the second quarter of 1973. Indeed, the months of April, May, and June, in spite of the shortage of oil in various parts of the country, have turned out a bonanza of riches for the oil moguls.

I previously had presented figures showing the exorbitant rise in profits for Cities Service, Gulf, and Exxon. Now, the returns are in for several more oil firms. The Standard Oil Co. of California announced a 41.6 percent advance in net income for the second quarter. Business was so good for Standard of California that it proposed a 2 for 1 split of its common stock. The Standard Oil Co. of Indiana climbed 37 percent in the quarter, Continental Oil Co. rose 23.7 percent in the quarter, Atlantic Richfield Co. soared 50 percent in the quarter, Marathon Oil was ahead 65.6 percent in the quarter, Ashland Oil reported a 39 percent increase in earnings during the quarter, Phillips Petroleum gained 25 percent, Mobil Oil posted a 41.4 percent increase in net income for the second quarter, Texaco joined the list with a 44.5 percent increase in second quarter net income, and Shell recorded a 32 percent jump in second quarter income. With most oil companies earnings reported, the average jump in profits during this period of oil shortages has been more than 30 percent, making 1973 thus far one of the strongest periods in the industry's history.

The so-called energy crisis also has provided another windfall for the oil industry in the form of H.R. 9130, the Oil Industry Relief Act of 1973, a bill which may appear on the House floor this week.

JAKE GAITHER WAS LEGEND IN HIS OWN DAY AND TIME

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida (Mr. FUQUA) is recognized for 30 minutes.

Mr. FUQUA. Mr. Speaker, one of the greatest stories in sports comes to an active end on August 31, 1973. On that day, Alonzo Smith "Jake" Gaither officially ends his career at Florida A. & M. University in Tallahassee, Fla.

A story ends—a legend begins.

Few men have achieved the success that Jake Gaither has known in his chosen profession. Few men have achieved such universal respect and love from his fellow men. Few men have known the thrill that has come to this compassionate giant in taking young men and instilling confidence and pride in them to the extent that those lessons are never forgotten.

How much did he contribute through the lives of "my boys" as he calls them? There is no measure that I can use, only to say that this is the real success that Jake Gaither has had with his life.

For anyone who knows him, knows that deep down he feels that the contributions that "my boys" have made and still continue to make have made everything he ever tried to do worthwhile. It has made the pain of physical ailment, all of the toil and struggle to achieve both academic and athletic excellence for his beloved A. & M., all the effort and dedication more than worthwhile.

Not long ago there was an article in a major newspaper that quoted Coach Gaither as saying:

> What I got out of 42 years in the profession was the happiness of influencing the lives of hundreds of boys. I do not measure my success by what they did on the football field, but what they did 15 years later. The world doesn't owe Jake a thing.

That latter statement is probably one of the few times he has ever been wrong.

The world owes Jake Gaither a great deal.

Today, in the Congress, I call attention to the man and his achievements. It is a story in the best American tradition, one I think that every person in this great land of ours can read with pride.

When you describe this venerable gentleman who faces his sunset years with the same kind of dedication to his school and his profession that he demonstrated in his prime, you have to do it simply and honestly and without frills—because this is the way he is.

Considering everything he has done and everything he has meant to so many people, it is almost inconceivable to think Gaither got into coaching by accident—but it was by accident.

Born in Dayton, Tenn., as one of the five children of a Zion A.M.E. minister, Gaither himself wanted to be a lawyer and spent many of his boyhood days hanging around courthouses listening as lawyers pleaded their cases. His father, understandably, wanted the young Gaither to be a minister. Coaching was the furthest from the minds of both.

The death of his father during Gaither's senior year in college was perhaps the turning point in a life that later was to reshape the futures of countless scores of young Americans.

After his father died, Gaither had to assume "man-of-the-house" responsibilities, so when he got his degree from Knoxville College, he also got a job—as teacher and coach in a high school.

That was the beginning and it is obvious now that coaching was Gaither's real calling.

When he earned his B.S. degree in 1927 from Knoxville College, the good jobs and positions were not as open to the young black man as they are today. Pro football was a thing as remote to most college men of any race as going to the Moon. The logical livelihood of a man in his position had to be coaching.

It was a choice he has never had cause to regret. He had been an All-SIAC end for the Knoxville Bulldogs, and if teams in the Southern Intercollegiate Athletic Conference did not draw the public attention that the white conferences did, that did not dilute their power, talent or skill one iota.

Gaither had met a coed named Sadie Robinson at Knoxville who was to become his wife and the next 10 years were to be spent as head coach of Henderson-ville (N.C.) Institute and St. Paul Polytechnical Institute in Virginia before history was made and Jake Gaither became associated with Florida A. & M.

His first assignment was assistant to "Big Bill" Bell, but in 1945, A. & M. elevated him to the head job and for the next quarter century he enjoyed unparalleled success.

In those 25 years, Gaither's Rattlers never had a losing season. His worst records were 6 to 4 in 1946 and 7 to 3 in both 1965 and 1966. During that matchless era his teams won six national black collegiate football championships and the SIAC every year except 1951, 1952 and 1966, posting an overall record of 203-36-4.

Gaither produced at least one All-American at FAMU every year except 1949—a total of 35 and 11 of them two-time honorees. The late Willie Galimore, like his coach a member now of the Florida Sports Hall of Fame, made All-America three times.

He was the winningest active coach in the Nation at the time of his retirement.

Along with Galimore, other noted stars who played under Gaither included Bob Hayes of the Dallas Cowboys, Major Hazelton of the Miami Dolphins, Ken Riley of the Cincinnati Bengals, Roger Finnie of the New York Jets, Alfred Denson of the Minnesota Vikings and Hewritt Dixon and Carleton Oates of the Oakland Raiders.

A book by Gaither and his associates entitled "The Split Line T Offense of Florida A. & M. University" was published in 1963 by Prentice-Hall, Inc.

In 1969, the Washington, D.C. Touchdown Club chose Gaither to receive its award for the Outstanding Contribution to Football in the Nation and again he was named Coach of the Year by both the Southern Intercollegiate Athletic Conference and the National Association of Intercollegiate Athletics. The American Football Coaches Association elected him as a permanent member of its board of trustees in 1969.

Presently he is president of the Football Coaches Foundation and recently became the first black to be named to the famed Orange Bowl Committee of Florida. He serves as a member of the powerful television committee of the National Collegiate Athletic Association. Recently he was inducted into the Tennessee Hall of Fame and received a meritorious award from the American Football and Basketball Coaches' Association for his outstanding contribution to intercollegiate athletics. His other accomplishments and honors make up a list too long to enumerate, and the list keeps getting longer.

A city recreation center, park, and golf course were named in Gaither's honor in Tallahassee in 1954. The Tallahassee Quarterback Club presented Gaither its Service Award in 1956 and in 1960 the Rattler boss was named Coach of the Decade by the 100 Percent Wrong Club of Atlanta, Ga.

Gaither was named to the Helms Foundation Football Hall of Fame in 1961 and was selected Coach of the Year for small colleges in 1962. Also, in 1962 the Florida Sports Writers Association named him to its Hall of Fame.

Just recently Gaither was honored with two additional awards which he places high on his list of treasures. At a banquet in his hometown of Middlesboro, Ky., Gaither was made a Kentucky Colonel by proclamation of the Governor of the Blue Grass Commonwealth.

Shortly afterward, the East Tennessee Chapter of the Football Hall of Fame presented the Distinguished American Award for his "contributions to football, to his race, and to his community."

Even as he steps down and out of the place he has given most of his life, Jake Gaither is still battling for his school.

It is true that this amazing man's success came during a time when black athletes were not recruited by white schools. He had something good going for him, but it took outstanding coaching and an indelible knowledge of human nature to put it all together in the manner he did. He believes strongly in discipline and hard work toward the common goal.

A white coach with his background could have written his own contract with many schools and the prospects these days for outside financial connections would be limitless. Jake views it all with a philosophical tolerance that reveals his character. Not that he has not had offers—he has. But nobody could buy him away and it is still true, even in retirement. He says:

> If I did it all again, it'd be for A. & M., but I don't think I'd change schools for $10,000 difference in salary. Peace, happiness and contentment mean more to me than money.

He does not resent losing some top athletes in recent years to bigger and predominantly white universities. Integration, he knew, was inevitable. Long before it became fashionable, Gaither worked for better race relations.

But, he does resent efforts to phase out A. & M. because it is predominantly black.

> You can't destroy a people's alma mater overnight that has been built up over 80 years. Florida A. & M. has tradition. And the Black people are not responsible for this situation. We were put in it because of the times. Now they want us to suffer further by eliminating the school. It's not fair for us to be penalized twice. The citizens of Florida want A. & M. to remain autonomous. It's the people in Washington, HEW, that are causing the trouble. We've got solid alumni and pretty good facilities. We just don't have the money the other universities do.

The one thing he asked when we talked about doing this speech was that someone listen. He is deeply concerned about the attitude of some officials in the Department of Health, Education, and Welfare toward the work that Florida A. & M. has done. Gaither said:

> HEW has been giving us the devil because they say we have not integrated enough. Thirty percent of our teaching staff is white and there are 130 white students among a coeducational enrollment of about 4,000.
>
> We have one white on our football team, an offensive tackle will be a senior next season. We try to recruit whites but the good athletes are hard to find. They are grabbed up by the white schools.
>
> If they are not good, they do not have much chance of making our team.
>
> There is a tremendous adjustment to be made by a white. Negroes have been going through it for years. People call them dirty names . . . the militants. We had a good white player three years ago, a good kicker. He made good on 13 of his 14 field-goal tries. But the militants got to him. He had to leave.
>
> We had to take the initiative here in the Deep South to get white players. We got four boys from Atlanta, but three of them did not want to go to school (classes).
>
> It takes a hell of a lot of time to build up the racial attitudes that now exist and it takes a hell of a lot of time to tear it down. It is a condition that we didn't build up. They (whites) did years ago.
>
> I don't want a white boy just to say I got one. We want blue-chip players. But HEW is putting on a lot of pressure from Washington. It is cruel.
>
> We have to survive. The state keeps us going financially, but we have to compete for Florida athletes with the University of Florida, Tampa, Florida State, Miami, Georgia Tech, Alabama, Mississippi and Auburn.
>
> Then there are the other schools who can wine and dine the prospect and have influential alumni. We had one white man on our track team who was mediocre and a basketball candidate lasted a couple of days. One of these days we're going to come up with an outstanding white athlete.
>
> We have to compete with most of the major schools. Everybody is attracted to Florida because we have had good teams.

These statements are so typical of Jake Gaither. He wanted to talk about Florida A. & M. and its future rather than Jake Gaither.

And I am in complete agreement that Florida A. & M. should remain an autonomous institution. I say only that if its dedicated faculty were given more support, they would do even more than the tremendous job I feel they are doing today.

When you talk to Coach Gaither about his career and ask him just why he has been so successful, he talks a great deal about "his boys." It is couched in tones of genuine affection and esteem—his players were more to him than just students.

> I like to deal with hungry boys, not hungry for food in their stomachs, but hungry for recognition, for pride and accomplishment. I don't know if I could have practiced that philosophy at a rich man's school, although it's just too much a part of my philosophy of life. Football is more than a game, it is a laboratory to build manhood.
>
> Any boy who put on the Orange and Green at A. & M. had to know that I was the best friend he was ever going to have. He knew he could talk with me, he knew he could call me day or night and I'd be there. That's confidence.
>
> Another thing about football and my philosophy is that this is a game of mental attitude. It goes for life too. One team can drive down the field for 60 or 70 yards and appear invincible. A fumble or intercepted pass gives momentum to the other team and they drive down the field to score. That's mental attitude. My boys had to have confidence in me, they had to have a sense of pride and a will to win. I never walked off the field, win or lose, that I didn't feel I had done my very best.
>
> But I can tell you I never went out there to lose. I've often said I can teach more character winning than I can losing. A man has to play to win, and when he suffers a reverse, he has to know that he gave it his all.

Jake Gaither has overcome physical ailments that would have hampered a lesser man. He had two malignant brain tumors removed and was blind for three weeks. It was a hundred to one shot that he did not suffer some form of paralysis. He overcame that and all of the other handicaps that life put in his way. He said:

> I count as my biggest accomplishments beating Tampa in the first inter-racial game, not because we won; either team could have won the game—the score was 34–28—but because there were 47,000 at the game, 50–50 black and white, and not one incident in the game, the stands, or in the city (Tampa). And then we beat Grambling the next week in my last game as a coach.

Dr. Benjamin L. Perry, president of Florida A. & M. University, has this to say about Coach Gaither:

> What superlatives are adequate when one discusses a man whose accomplishments and deeds have bridged the generation gap; lifted youngsters from the ghetto and transformed them into productive citizens; reached a level of athletic success that has known no equal; and set an example in human relations that our nation and others would do well to follow.
>
> What superlatives are adequate to describe Jake Gaither who, as an academician, built one of the strongest health and physical education programs in the country; who, as a coach, won an incredible 203 of the 243 football games he coached at Florida A. and M. University, smashed through the racial barrier and blazed the trail for interracial football on the college level in the South, lifted Florida A and M University by its athletic bootstraps and made the word "Rattler" a household name.
>
> What superlatives are adequate in attempting to assess the value of a man to whom athletics is not an end in itself, rather a means to an end; to whom the ultimate goal is success in life, achieved through the facilities of a physically sound body and an educationally sound mind.
>
> What superlatives are adequate—I say none.

There is little more that can be said.

His life has been an inspiration. He is one of those rare individuals who have known in their own lifetime how much he is appreciated. It was just a few months ago that the largest graduating class in the history of Florida A. & M. was held in the Jake Gaither Gymnasium.

He wept at the standing ovation from the audience of 5,000. He could not help but remember the years it took to see this magnificent building erected—not for Jake Gaither—but for the university and the students he loved and served so well.

Here in the Halls of the Congress I have attempted to pay tribute to a great and good man. It would not be fitting not to again mention that lady who made everything worthwhile, his eternal sweetheart who shared his joys and sorrows. It goes without saying that she is a part of that legend.

To this wonderful couple I can only add that mankind will speak of your life and achievements so long as men admire courage, dedication, and accomplishment. In your lifetime, you already know that you have entered the pages of history.

We may not see your like again.

SOLAR ENERGY RESEARCH

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Mexico (Mr. RUNNELS) is recognized for 5 minutes.

Mr. RUNNELS. Mr. Speaker, today I have introduced legislation which would create in the Interior Department an Office of Solar Energy Research. This office would be charged with the dual duties of conducting extensive research in the area of solar energy conversion and of developing, fabricating, testing, demonstrating and certifying equipment and components usable in the transformation of solar energy into usable energy.

The energy crisis which has engulfed our Nation has vividly pointed out the need for extensive research in the field of untapped energy resources. One need only take a Sunday drive and try to purchase some gasoline to see the extent of the energy crisis. It has been reported that in Denver, Colo., 98 percent of all gas stations are now closed on Sunday. In New Mexico, which by the way, is the sixth largest oil producing State and the fourth largest gas producing State in the Nation, it has come to my attention that some oil companies have been unable to obtain sufficient amounts of diesel fuel with which to operate oil well drilling operations. I was recently contacted by an oil well servicing firm which may be forced out of business because of a shortage of fuel. These examples emphasize the fact that this Nation has come to rely to a dangerous degree on petroleum products for its energy needs. When we do not have the fuel to drill new oil and gas wells, we have serious problems.

Extensive studies have been made on the energy posture of the United States; however, relatively little is being done to solve the problems pointed out in these studies. The 1974 budget will most likely include about $12 million to be spent through grants made by the National Science Foundation for solar energy research.

My intent is to take the next step, to initiate a coordinated, large scale research effort in the field of solar energy conversion. The potential therein is certainly worth the effort. Solar energy is abundant, especially in the sunny parts of our Nation such as New Mexico. It is perpetual to the extent that the sun's power is perpetual. It is nonpolluting and, finally, it is an energy source which does not consume our planet's natural resources.

The Soviet Union, Japan, Israel, France and Australia have all begun research in solar energy conversion. It is time for this Nation to follow suit. If we do not, we could end up as a major military power without the energy resources to keep abreast, in the industrial sector, with the emerging economic blocs around the world.

Some scientists indicate that solar energy has great immediate potential in addition to its widely discussed long range potential. The photovoltaic conversion of solar energy directly to electricity could possibly become economically practical in the near future. Other processes offer similar potential. However, the bill I have introduced today is not limited in its scope to any single process. It allows all avenues to be explored. Of perhaps greater importance, it provides for the development, fabrication, and certification of components which have already advanced beyond the research phase. This will allow existing solar energy conversion processes and components to be introduced into immediate use wherever possible. In short, the scientific community working in the solar energy area will have an opportunity to assess and sort out what it already knows. Research can then be directed into those fields where it is most needed. The end result could be to orient the United States toward an inexpensive and abundant energy source.

The following is the text of my bill:

H.R. 9696

A bill to establish an Office of Solar Energy Research in the Department of the Interior, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, in view of the shortage of usable energy in the Nation and elsewhere and the inexhaustible amount of solar energy available, it is the policy of the Congress to provide for the development of practicable low-cost means of converting solar energy into a usable energy source on a large-scale basis for the purpose of conserving and increasing the energy resources of the Nation.

Sec. 2. (a) There is hereby established in the Department of the Interior the Office of Solar Energy Research (hereinafter referred to as the "Office").

(b) The Office shall have a Director who shall be appointed by the President by and with the advice and consent of the Senate and shall be compensated at the rate provided for level V of the Executive Schedule pay rates (5 U.S.C. 5315), and such other officers and employees as may be required. The Director shall be directly responsible to the Assistant Secretary for Energy and Minerals and shall have such duties and responsibilities as may be necessary to carry out the provisions of this Act.

SEC. 3. In order to accomplish the purposes of this Act, the Secretary of the Interior, (hereinafter referred to as the "Secretary"), acting through the Office, shall—

(a) coordinate, conduct, encourage and promote, by means of research grants and contracts, fundamental scientific research to develop economical processes and methods for collecting, converting, transmitting, storing and otherwise using solar energy and thereby transforming it into energy suitable for private and public use throughout the Nation;

(b) conduct appropriate research and technical development work (1) to determine, by laboratory and pilot project testing, the usable results of all aforesaid fundamental scientific research and all existing research and (2) to develop and fabricate solar energy transformation processes, equipment designs, and components to the point where they can be demonstrated, certified, produced, and operated on an economically practical scale;

(c) recommend to the Congress as he deems appropriate authorization for the construction and operation, or for participation in the construction and operation, of a solar energy conversion facility or any component thereof for any process or method which he determines has great promise of accomplishing the purposes of this Act, this recommendation to be accompanied by a report on the location and cost of the proposed facility and the engineering and economic details with respect thereto;

(d) undertake, through research grants and contracts, studies of possible environmental effects which will result from the use of solar energy; and

(e) compile on a semi-annual basis and make available to the public a listing of all solar energy conversion components, facilities, and equipment commercially available in the Nation for private or public use.

SEC. 4. In carrying out his functions under this Act, the Secretary, acting through the Office, shall—

(a) acquire where necessary the services of mathematicians, engineers, chemists, physicists, and other personnel by contract or otherwise;

(b) enter into contracts with private firms, educational institutions, and scientific organizations, provided that the expenditure of federal funds through said contracts shall be apportioned, at all times, so that (1) at least 30% of these funds shall be disbursed to private firms, none of which had a gross annual income of more than $25 million for each of the three fiscal years immediately preceding the fiscal year in which that firm enters into said contract, and (2) at least 30% of these funds shall be disbursed to educational institutions;

(c) make research and training grants;

(d) utilize, whenever deemed appropriate, the facilities of Federal scientific laboratories;

(e) implement a means of making available to interested parties information which is deemed appropriate for use in solar energy research and solar energy conversion equipment fabrication and development;

(f) establish and operate necessary facilities and test sites at which to carry on the continuous research, testing, development, certification, fabrication and programming necessary to effectuate the purposes of this Act;

(g) acquire inventions, patents, patent applications, licenses, secret processes, technical data, land and interests in land, and other property or rights by license, lease, donation or purchase;

(h) initiate and participate in national and international conferences relating to solar energy research and solar energy conversion equipment development.

SEC. 5. Research which shall be contracted for or otherwise authorized under the authority of this Act within the Nation shall be conducted in a manner in which all information and developments resulting therefrom attributable to Government expenditures shall be available to the general public.

SEC. 6. The Secretary shall report, on an annual basis, to the President and the Congress all actions taken by him under the provisions of this Act and all actions planned for the ensuing year.

SEC. 7. The Secretary may issue rules and regulations to effectuate the purposes of this Act.

SEC. 8. There are authorized to be appropriated such sums, to remain available until expended, as may be necessary, but not more than $125,000,000 in all, to carry out the provisions of this Act during the fiscal years 1974 to 1978, inclusive.

LEGISLATION FOR LONG-TERM ENERGY RESEARCH

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. ANNUNZIO) is recognized for 5 minutes.

Mr. ANNUNZIO. Mr. Speaker, today I am cosponsoring a package of six bills on energy research with my friend from Washington, MIKE McCORMACK and I commend Chairman McCORMACK of the Subcommittee on Energy of the Science and Astronautics Committee, for taking the initiative in the House to achieve this crucial technology so necessary to the security of our Nation and the welfare of our people.

These bills would establish a national program for research, development, and demonstration in the area of fuels and energy technologies and for upgraded coordination and financial support of Federal programs in energy research and development.

Our Nation is experiencing an energy crisis. Shortages of fuel this past winter particularly in the Midwest, resulted in shutdown of factories, closing of schools and, to put it mildly, inconvenience and hardship to many of our citizens. Every day there are more instances where insufficient natural gas, shortages of gasoline and diesel fuel for our transportation system, and other energy deficiencies are having a serious adverse effect on various sectors of our society.

These shortages are not due to insufficient domestic energy resources. We have enough coal reserves to meet our needs for literally hundreds of years. Comparatively speaking, we have done very little to develop our oil shale resources in the West, or our geothermal resources, or practical systems to use the energy from the sun, or other potentially useful energy sources. The fact that we have not undertaken a comprehensive energy research and development effort is one of the main reasons we are now confronted with this serious, complex situation.

What we have done in this area has been carried out with less than adequately coordinated leadership and management, with inadequate and inequitable funding, and with inadequate recognition of the importance of energy to our social and economic well-being.

Our legitimate demands for a clean environment emphasize the importance of a comprehensive, systematic attack on our energy problems. While clearly in certain situations there are tradeoffs between energy and the environment in the public interest, it need not, indeed it must not, become a choice of one or the other. We must vigorously pursue the development and application of science and technology to maximize our options, keeping both needs in focus. This includes the practical requirements of energy conservation, cutting down on wasteful and profligate use of energy and improving the efficiency with which we use our fuel and energy resources.

The legislation I am introducing today is not the final or total answer to all of our energy problems but it is an essential and vital part of any solution. It will serve to muster our scientific and technological resources to address specifically defined missions of major national importance and urgency. It provides for financial support and coordinating and management mechanisms that will assure the kind of discipline, thrust and commitment that has characterized our accomplishments in the fields of space and nuclear energy.

It will not distract or disrupt ongoing Federal efforts in the energy area, nor will it undertake to reorganize existing Federal energy functions. Rather it supplements and augments in a major way these ongoing efforts, and provides a method and system of coordination that can effectively function while the complex job of Government reorganization of energy functions is carried out. When and if an appropriate Federal energy research and development agency is established, the responsibilities and resources of the coordinating and management mechanism provided in this legislation can be transferred to that agency.

The legislation I am introducing includes the following features:

First, it identifies a specific mission and objective, namely, within 10 years the United States will have developed the capability to be self-sufficient in meeting its energy needs by environmentally acceptable means. By defining a time frame and objective the requirement for a disciplined, planned program becomes an integral ingredient for successful accomplishment.

Second, it provides through an interagency "Energy Research Management Project" an effective coordinating and management mechanism through which appropriate overview of Federal energy research and development programs can be carried out, and effective allocation of budget resources to support a comprehensive Federal program will be possible. The project would have an independent chairman appointed by the President, with the advice and consent of the Senate, a small technical and budget staff, and appropriate representatives of the Department of Interior, AEC, FPC, NSF, EPA, NASA and other agencies the President may designate. The project will be authorized to transfer funds to Federal agencies to augment ongoing programs. It may enter into agreements with universities, national laboratories, nonprofit organizations or industrial organizations to carry out portions of the energy research, development, and demonstration program.

Third, it sets up single purpose, corporate entities with Federal involvement and support limited to the development and demonstration phase, in five specific technological areas: coal gasification, shale oil, advanced power cycles, geothermal resources and coal liquefaction. This approach will greatly assist in achieving commercial practicality in these five areas where technological feasibility has been achieved but where the all-important transition to industrial production demonstration must be accomplished.

Fourth, it authorizes appropriations of moneys as follows:

a. $10 million annually for administrative expenses of the management project including consulting services and fund transfers to other Federal agencies for personal services.

b. $800 million for the fiscal year ending June 30, 1974, and each of the 4 following fiscal years to carry out provisions of the legislation.

c. $6 million annually for 10 years for the Coal Gasification Corp.

d. $5 million annually for 8 years for the Shale Oil Development Corp.

e. $6.5 million annually for 10 years for the Advanced Power Cycle Development Corp.

f. $8 million annually for 15 years for the Geothermal Energy Development Corp.

g. $7.5 million annually for 12 years for the Coal Liquefaction Corp.

A program of this magnitude and timing is essential if we are to avoid an ever-increasing dependence on imports of fuels and all that that entails with respect to the balance-of-payments problems, and national security.

Clearly, our long-term social, economic, and environmental future is at stake. Government and industry must team up in this major national effort to help in solving the energy problems facing the United States. There is hardly a higher priority issue on the Nation's agenda.

I urge prompt hearings on this bill and its early enactment into law.

ARCO, EXXON, AND BP THINK IT IS THEIRS—WHOSE ALASKAN OIL?

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from New York (Ms. ABZUG) is recognized for 10 minutes.

Ms. ABZUG. Mr. Speaker, as I examine the issues currently under discussion regarding the proposed Alaskan pipeline, I notice one key flaw inherent in the project, with or without the various environmental safeguards presently—and inexcusably—absent from the reported bill. This flaw is ownership and control of the Alaskan oil—with proved reserves estimated to be at least 28 percent of our entire domestic known reserves—and of the pipeline, are in the hands of a few corporate giants who have already completed agreements to prevent competition among themselves.

According to an article in the current issue of the New Republic, BP, Arco, and Exxon own 95 percent of the proven reserves and 81.7 percent of the pipeline. The latter two have already been cited in the FTC antitrust complaint, and all three are linked by a set of agreements which will reportedly result in oil prices of at least triple the costs involved.

Encouraging as it is that after years of protecting the anticompetitive practices of the major oil companies the FTC has finally initiated aggressive legal action, it would be most unwise for Congress to approve a bill which implicitly authorizes "Big Oil" to continue to strangle the independent sector, starve the consumer, and plunder the environment. The same companies who will monopolize the Alaskan project have spent millions of dollars advertising the so-called energy crisis while reaping higher and higher profits during the "shortage."

The need for divestiture legislation is widely recognized, and I commend the efforts of my colleagues in introducing several bills with this intent. In the meantime, we should incorporate strict regulations into any pipeline bill we approve to insure that prices reflect reasonable costs and not outrageous profits. In addition, I commend the following article from the current issue of the New Republic to the attention of my colleagues:

ARCO, EXXON AND BP THINK IT'S THEIRS—WHOSE ALASKAN OIL?

(By Muriel Allen and Richard Levy)

Hidden beneath tons of testimony, studies and rhetoric on the proposed $3.5 billion pipeline for Alaskan oil, the hottest untapped issue lies buried—a potential antitrust violation in the oil industry unmatched since the 1930s, when Saudi Arabia's vast oil reserves fell into the hands of four cooperating companies. The biggest oil field ever discovered on the North American continent, Prudhoe Bay, has "proved" reserves, by conservative estimates, of 10 billion barrels of oil. Common industry opinion puts the figure at over 30 billion barrels. The 10 billion barrels is about 28 percent of the total known reserves of the entire US, including those at Prudhoe.

Only three companies control the immense field, and they are tied together in agreements which eliminate any competition among themselves in the production of the oil. Atlantic Richfield (Arco), Exxon (formerly Humble Oil) and British Petroleum (BP) own about 95 percent of the proven reserves destined for the pipeline. They have agreed to share equally all leases and exploratory data. Together they will set the rate of production. The same three oil giants are the largest owners of the pipeline, holding 81.7 percent of it. The four other owners are Mobil, Phillips, Union and Amerada Hess. Before a nonowner company will tow a drilling rig up the Bering Sea to the Arctic North Slope it will have to know that it can get any new oil it may find to market. It will have to get assurance of shipping space in the Alaskan line from the owners. It is doubtful that space will be granted nonowners on the same terms as to the seven owners.

The anti-competitive agreements and the control of the pipeline will give the companies power to raise crude oil prices above already high levels, regardless of supply and demand. When crude prices go up, prices rise on refined products such as gasoline and home heating oil. The restrictive agreements will bring fat excess profits to the owners, far beyond a fair return on their investment. Alaskan oil will sell initially for a price over three times the cost, and go up from there. Multiply these profits by at least the 10 billion barrels estimate and the excess profit will be $28 billion.

Although Congress is debating reform of rights-of-way laws for federal lands that would remove one obstacle to construction of the Alaskan pipeline, it has so far failed to delve deeply into the antitrust aspects of the line. A few members in both houses, however, have perceived the problems and have started to attack them. Sen. Philip A. Hart, chairman of the Senate antitrust and monopoly subcommittee, is in the process of seeking both a report from the Justice Department and an antitrust review of Alaskan oil from the Federal Trade Commission. The FTC staff has just completed the first phase of its investigation into oil industry business practices. The investigation turned up strong evidence that the major oil companies, aided by bad government policies, have been able to engage in cooperative rather than competitive conduct at all levels of the industry. The report indicated that the firms are using current gasoline shortages to eliminate competition from the independent small distributors and retailers, to raise the price to the consumer, and to increase their relative shares of production, refining and marketing. Two of the firms named in the FTC investigation, Arco and Exxon, are two of the three main owners of the Prudhoe oil and the Alaskan pipeline.

In the House Rep. Robert Kastenmeier has requested a report from Attorney General Elliot Richardson on the progress of the Justice Department's investigation into Alaskan oil, already four years old, with no action announced. Kastenmeier has also written to the board chairman of Arco, BP and Exxon asking for copies of their agreements concerning Prudhoe oil. Both Sen. Floyd Haskell, and Rep. Donald Fraser have offered measures prohibiting an owner of a pipeline from shipping his own oil through it—a long step toward divesting pipelines from production and refining.

The FTC staff noted that the major oil companies' ownership of pipelines gives them an important instrument of control over crude oil produced by the independent producer and needed by the independent refiner. Sen. Henry Jackson, a strong proponent of the Alaskan pipeline, has agreed to work with Sen. Haskell on such a measure. Several members of Congress have offered proposals that would prohibit a company from engaging in more than one of the four major sectors of the petroleum business—production, refining, transportation and marketing. Sen. Jackson has ordered the Senate permanent subcommittee on investigations to investigate the FTC staff allegations. The FTC has issued a complaint against the eight largest oil firms alleging unlawful monopoly in their refining operations. A government antitrust suit could force the firms to get out of refining. But court intervention in the Alaskan pipeline project may be weakened by Senate passage July 17 of a rights-of-way law blocking new environmental challenges to construction of the line.

In 1964 Exxon and Arco joined in the exclusionary contract mentioned above known as the Arctic Slope Agreement. This contract states that if either firm ever wants to sell all or part of its interest, it must offer the sale to the other before selling it to anyone else. Besides this agreement between Exxon and Arco, BP had arrangements with the old Sinclair company for joint rights in the Prudhoe area. In 1969 Arco acquired Sinclair and Sinclair's joint rights with BP. So through Arco, all three owners of the Alaskan oil are tied together in agreements which severely limit competition among them. Some restriction of competition is mandated by Alaskan law, which sets an upper limit on the rate of production for conservation of resources. The state also requires the owners to develop and operate the oil field as if only one person owned it. In both cases, however, the agreements will tend to restrict competition much more than state statutes require.

Ownership of the pipeline which will carry the oil from Prudhoe Bay to the Port of Valdez on Alaska's south coast is critical, because the line will be the only economical, year-round means of transporting the oil to the continental U.S. The rights to Alaskan oil and its production held by companies other than the three already named will have almost no value if access to the line is denied. The Mineral Leasing Act of 1920 requires that pipelines such as the Alaskan line that cross federal lands be "common carriers." This means that a line must transport petroleum for others besides the owners without discrimination as to access or rates. But the unusual form of ownership of the Alaskan line will divide the pipeline's capacity among its seven owners. In effect the line will be seven lines with no one else having a contractual claim to "space"; that is a specified share of the capacity. The Interstate Commerce Commission Act does state that all shippers are to have equal access to a common carrier pipeline; thus a line which guarantees space to owners but not to outsiders seems to violate the duty of a common carrier. But experience with other lines owned by the same companies that control the Alaskan pipeline gives little ground for optimism that the common carrier status will be honored in the Alaskan project.

During an investigation into jointly owned pipelines held in June 1972 by the House Small Business Committee, Robert L. Wright, a former Justice Department antitrust specialist, testified that "in legal theory [jointly owned pipelines] furnish transportation without discrimination among shippers and . . . only at published rates. In practice they do neither." The committee found that Colonial Pipeline, owned by five of the same companies which own the Alaskan line, had discriminated against two outside shippers by burdening them with excess requirements which raised the cost of their shipments considerably. Privately refiners tell of being excluded from pipelines owned by members of the Alaskan group. By control of the line from Prudhoe, the owners will have enormous leverage on who can develop Alaskan oil and gas reserves, at what speed, and at what profit to others. One of the outside shippers could well be the U.S. government, which has a stake in the North Slope because the area includes the 73,000 square mile Naval Petroleum Reserve Number Four. The government will have to ask the owners of Prudhoe reserves if it can use their pipeline if it wants to move oil from "Pet Four" south, and it may be charged dearly for the service.

The Interstate Commerce Commission has authority to investigate illegal mergers involving pipelines and the management of pipelines, and it can ask Congress for new legislation granting it broader powers. But neither the ICC nor the Justice Department has shown any inclination to insure that the Alaskan line is organized as a common carrier. The White House is solidly behind the companies' proposal for the Alaskan line.

The impact of Alaskan oil on the Californian crude oil market will be striking because the three biggest owners of the North Slope reserves—Exxon, Arco and BP—own or control at least three-fourths of the proved reserves in California and Alaska, if the recently discovered field off Santa Barbara is included. In a free market a large new supply of cheaper oil would drive down crude prices set by less efficient producers, but California prices will not fall when the state gets Alaskan oil because there will be almost no competition among the Alaskan producers.

The owners of the Alaskan oil have disclosed that when their oil flows into California, crude oil prices will rise although the cost of Alaskan oil, delivered to California, should be much lower than the current prices for crude similar to that from Prudhoe. These prices range between $2.90 and $3.25 per barrel. In the oil industry, as volume increases costs fall quickly. The Alaskan pipeline will be the largest in the US. With prolific wells, the large line and supertankers, the owners will be able to move the product very cheaply. The companies themselves say exploration and drilling on the North Slope could cost six or seven times as much as that in California, but production will be 500 or more times higher than that of an average California well.

M. A. Adelman, professor of economics at MIT and the leading authority on the cost of producing crude oil, calculates the cost of producing a barrel of oil in Alaska at between 18 cents and 26 cents. This cost includes a 20 percent return on investment for the companies. Similarly the cost per barrel of the pipeline should be 55 cents and the tankers about 26 to 32 cents a barrel. In both cases this will allow the firms a 10 percent return on investment.

So the total cost per barrel of oil delivered to California before royalties and taxes should be under $1.20. But the Alaska group expects to sell it for $3.85 per barrel initially and $4.22 per barrel by the fifth year of operation. Relief from imported oil will be limited because the influence of Exxon and BP alone on world supply is sufficient to keep foreign oil from competing with the supply in Alaska.

Many oilmen believe that Alaska will ultimately yield more than three times the amount of oil already discovered. The potential for profits is immense and the beneficiaries will probably be as few as the treasure is great unless Congress and the courts intercede. More oil could be produced more rapidly at a lower price if more competitors were developing the area. Either action by the courts or legislation is needed to override the restrictive agreements of the Alaska group and prohibit any producing company from owning the pipeline.

A conversation between Senator Haskell, a strong proponent of tough antitrust enforcement, and Senator Hansen, an advocate of the Alaska group's pipeline proposal, sums up the matter. Haskell asked, "Why can't we get an independent carrier for Alaskan oil?" Hansen replied, "Because there's so much risk involved." "What risk?" Haskell asked. "With a 10 billion barrel field and an exclusive market? Give me a franchise and I'll resign from the Senate and run the operation."

AMENDMENT TO H.R. 9286

The **SPEAKER** pro tempore. Under a previous order of the House, the gentleman from Wisconsin (Mr. REUSS) is recognized for 10 minutes.

Mr. REUSS. Mr. Speaker, tomorrow I shall offer an amendment to H.R. 9286, designed to promote respect for law and order on the part of the Central Intelligence Agency:

> Page 8, after line 15, insert the following and renumber subsequent sections accordingly:
>
> SEC. 603. None of the funds authorized for appropriation pursuant to this Act shall be obligated or expended by the Central Intelligence Agency for purposes other than the collection, evaluation, correlation, and dissemination of information pertinent to the external security of the United States.

The Central Intelligence Agency has for years been a scofflaw. It is time to blow the whistle.

The National Security Act of 1947 set up a Central Intelligence Agency. Its statutory function is intelligence, but not operations, as it relates to the external security of the United States. Section 102 (d) (3) sets forth the duty of the CIA—

> to correlate and evaluate intelligence relating to the national security, and provide for the appropriate dissemination of such intelligence within the Government using where appropriate existing agencies and facilities: *Provided*, That the Agency shall have no police, subpena, law-enforcement powers, or internal-security functions.

For years the CIA has been flagrantly violating the law. Instead of sticking to the collection, evaluation, correlation, and dissemination of intelligence, it has engaged in all sorts of paramilitary operations. Instead of following the law that denies it "internal-security functions," it has engaged in just such functions.

Violating the prohibition against paramilitary operations goes back at least a generation.

In 1953, the CIA engineered the replacement of Iranian Premier Mohammed Mossadegh.

In 1954, it organized, trained, and financed a revolution in Guatemala.

In 1956, according to "The Invisible Government" by David Wise, it attempted to influence the presidential election in Costa Rica against President Jose Figueres. The attempt, which involved linking Figurers to the Communist Party, failed.

In 1961, it staged the Bay of Pigs disaster.

In 1964, according to a Washington Post report by Laurence Stern of April 6, 1973. it contributed $20 million to help Eduardo Frei's Christian Democratic Party defeat the Socialist Party of Salvatore Allende.

In Indochina, massive CIA guerrilla and counterguerrilla activities go back to the Kennedy administration. Here are a few highlights.

According to an April 1973 staff report of the Senate Subcommittee on U.S. Security Agreements and Commitments Abroad, the Laotian irregular special forces—the only effective pro-U.S. forces in the country—are "organized, trained, equipped, and controlled by the CIA."

In South Vietnam, the CIA worked with the Saigon government to establish and operate the Phoenix terror program. According to a South Vietnamese Embassy document, "Vietnam: Toward Peace and Prosperity 1967–71," Phoenix assassinated more than 26,000 government opponents during this period.

In Cambodia in 1970, according to a 1971 Manchester Guardian report by T. D. Allman, several CIA agents told guerrilla leader Son Ngoc Thanh, later Lon Nol's prime minister, they would do "everything possible" to help if he successfully mounted a coup against Sihanouk.

The collection of foreign intelligence, no matter how unlovely a business it is, is the proper task of the CIA. The conduct of paramilitary operations, lovely or unlovely, is not.

Examples of the violation of the internal security ban include the Agency's supplying tools to E. Howard Hunt for his burglary of the West Coast psychiatrist's office and disguises to enable him to interview Dita Beard in Denver, and the trafficking by CIA Deputy Director Lieutenant General Walters in the Watergate matter last year.

Even Acting CIA Director William Colby testifying at his Senate confirmation hearings on July 2, 1973, told Senator Symington:

> "I think it might be appropriate to limit the Agency's function to foreign intelligence and that in every case in the Act in which the word "intelligence" appears . . . that you have the word "foreign" inserted.

Mr. Colby was merely echoing the clear legislative history of CIA legislation. During the debate on the Central Intelligence Agency Act, May 27, 1949 (Cong. Rec. pp. 6947–6948), occurs the following by the bill's manager, the late Senator Tydings:

> Mr. Tydings. The bill relates entirely to matters external to the United States; it has nothing to do with internal America. It relates to the gathering of facts and information beyond the borders of the United States. It has no application to the domestic scene in any manner, shape, or form.
>
> Mr. Saltonstall. This intelligence agency does no work at all within the continental United States, except to assimilate information it receives elsewhere. Is that not correct?
>
> Mr. Tydings. The Senator is completely correct. There is not a single agent of this intelligence agency working within the United States in any form of espionage, directly or indirectly. It is purely and completely and wholly and simply in the foreign field. It has no connection with the FBI, it is not under the FBI, it does not do the same work as the FBI. Its sole effort is outside the United States.

What do you do when the law is consistently being violated? One thing you can do, and that is what my amendment seeks to do, is to say it again, in unmistakable terms. If this is done, would-be lawbreakers at the CIA will be subject to impeachment if they go ahead with their violations.

My amendment, it is true, simply provides that the CIA, not other governmental agencies, must stay out of internal security functions, and out of paramilitary foreign operations.

But this is precisely what is needed.

Other agencies of Government, including notably the Federal Bureau of Investigation, are responsible for internal security. If the CIA gets wind of a spy operating within our territorial boundaries, let it forthwith notify the FBI or other appropriate agency to take over.

Equally, requiring the CIA to obey the law and not to engage in paramilitary operations, does not mean that the Army, the Navy, the Air Force, or even the State Department may not, at some times and places, engage in such operations.

But keeping the CIA out of the paramilitary operations business has two great advantages, which no doubt occurred to the Congress in 1947 when it limited the CIA's functions.

First, by splitting up paramilitary operations among several agencies rather than centralizing them all in the CIA we erect some insurance against foolhardy action. Second, these agencies are responsible to a Cabinet chain of command, and to appropriate congressional committees, whereas the Director of the CIA is outside the hierarchy, and is responsible to the President and the Congress in only the vaguest and least visible sense.

If my amendment accomplishes nothing else, it will serve to remind us that ours is a government of laws, not of men.

THE RISING CONCERN OVER HIGH INTEREST RATES

(Mr. PATMAN asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. PATMAN. Mr. Speaker, the serious effects of the Federal Reserve's policies on the hopes of American families is discussed in an excellent editorial in today's Washington Post.

As the editorial clearly points out, the use of high interest rates and tight money policies to cure economic ills places an unfair burden on the low- and moderate-income families. The Post editorial accurately calls attention to the fact that higher interest rates will mean a sharp reduction in the number of housing units constructed, worsening already severe housing shortages for the lower end of the income scales.

Literally half of the Nation's population is priced out of the housing market at today's interest rates and the situation is worsening. Downpayments are up drastically, discount points are up along with interest rates. This means a tremendously higher cash outlay at the time of the mortgage closing and substantially higher monthly payments.

Mr. Speaker, we must remember that this not only affects the construction of new homes but the sale and resale and the rehabilitation of existing homes and apartments around the Nation.

Mr. Speaker, I place in the Record a copy of the Washington Post editorial of Monday, July 30, entitled "Mortgages at 9 Percent."

[From the Washington Post, July 30, 1973]

Mortgages at 9 Percent

The steady and ominous climb of mortgage interest rates foreshadows inadequate housing construction. Inadequate construction means, in turn, greater crowding and deterioration in American homes for years to come. It is a well-known cycle and we have been through it many times before. But this time the rates appear to be headed toward truly unprecedented levels.

Last month the average rate of mortgage interest was 7.6 per cent; currently it is around 8.5 per cent. Within a few months, the industry forecasts, it will be in the range of 9 to 9.5 percent. If that happens, housing starts may well drop by as much as 40 per cent over the next year. There is a dismal irony to these mortgage rates. Just as the misguided Agriculture Department is moving to open up the national forests to excessive lumbering supposedly to meet the building boom, another branch of the federal government is proceeding very effectively to tighten credit and turn the boom off.

The country needs a high and stable rate of residential construction. The millions of youngsters who were the crest of the postwar baby boom are now in their early to middle 20s, the age at which most Americans marry and establish independent households. They are the generation for which we built elementary schools at a great rate through the 1950s and high schools and universities through the 1960s. Now they need homes. They are the best educated and most affluent 25-year-olds in our history. But with mortgage interest rates over 9 per cent, not many of them are going to be buying houses.

Both of the federal government's contradictory policies toward housing are, in fact, wrong and destructive. The administration is pressing the Forest Service to permit trees to be cut faster than the service can replant. The administration is also ordering the Forest Service to shift its resources away from recreation to speed up timbering. The putative reason is that the lumber shortage is contributing to inflation. But lumber prices began to decline last May. The timing of this sudden push by the administration is distinctly peculiar.

As for the mortgage rates, they are an

extreme example of the familiar dilemma. Every time the Federal Reserve System finds it necessary to tighten the money supply, the first victim is the family that wants to buy a house. As an industry, building construction is an enormous part of the economy. Construction is currently running about $135 billion a year, well over one-tenth of the Gross National Product. But it is a huge industry made up, generally, of very small companies. They have none of the capacity for internal financing that a big corporation usually commands and they are very vulnerable to shifts in the commercial interest rates.

A mortgage rate of 9 per cent would violate the usury statutes of many states, including Maryland, and the District of Columbia. In those jurisdictions, builders would either stop work altogether or be forced into unwholesome subterfuges. Certainly the federal responsibility has not been loaded onto one single instrument, the interest rate, with distressing consequences for a growing population that needs housing.

FEDERAL RESERVE POLICIES CONTINUE TO WRECK THE HOUSING MARKET

(Mr. PATMAN asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. PATMAN. Mr. Speaker, last week I said—

> We are now seeing the fruits of the Federal Reserve Board's callous disregard for the economic well-being of the great majority of the American people.

When it made drastic changes in the interest rate structure, it created a situation in which it would be virtually impossible to assure a reasonable flow of funds to finance this Nation's home building efforts. As a result, people seeking decent housing find that they have been squeezed out of the financial market because there are simply no funds available at any price at their savings and loan associations, traditionally the source of home financing.

Unfortunately, there is no new evidence to show that the Federal regulatory agencies, who are supposed to assure a reasonable chance for all the people to obtain credit at reasonable rates, have recognized this fundamental responsibility. In fact, the situation has worsened as shown by the letter which I would like to include in the Record at this point.

RACINE SAVINGS
AND LOAN ASSOCIATION,
Racine, Wis., July 23, 1973.

Congressman WRIGHT PATMAN,
Rayburn House Office Building,
Washington, D.C.

DEAR CONGRESSMAN PATMAN: I have long admired you as the staunch watchdog of the monetary policy of this country and congratulate you on your statement in regard to the Federal Reserve Board action of July fifth. I wish to state that this action, establishing higher savings rates and also uncontrollable savings categories, is deplorable. The establishment of these high savings rates has set the pattern for extremely high mortgage rates for many years to come. It is inconceivable to imagine institutions being forced to pay high rates on savings and not charge high interest rates on mortgages that will put out of reach home purchases for millions of Americans. You must remember the motto of the United States Savings and Loan League—"The American Home—The Safeguard of American Liberties."

If the purpose of the Federal Reserve Board was to raise savings rates to compete with the short-term government bond market, these rates will still have no effect as the government bond market is considerably higher. As far as I know, there has been no money shortage for home purchases in this city and the mortgage rates have been at a moderate level. In most cities mortgage lending has been at an all-time high.

Congressman, can you imagine the turmoil for Savings and Loans, having billions of dollars at 5% in passbook savings, now being confronted with switching their same dollars to the inconceivable category created by Burns; namely, the $1000 minimum balance and no maximum rate which in this area has settled at 7½%. This is a 50% increase. Other categories will cost the associations 13% to 25% more. I think the big problem created is that, with all institutions being practically at par, there will only be switching of accounts in the same institutions, skyrocketing their money costs.

Savings and Loans, as you undoubtedly know, cannot raise their total mortgage portfolio yield at a fast rate. I don't think it was taken into consideration that many associations will have a difficult time meeting these rates and could, several years out, cause failures in the financial community. Today there is a great deal of loss of confidence in the government and if there are failures in financial institutions, we will have one big problem.

I will admit that savers are consumers, but I don't think that consideration was given to the other side of the ledger—that the consumer who pays my salary, supports the institution and pays the saver is the borrower. The unfortunate situation is that our young Americans just starting out are trying to purchase a home with the 5% down-payment while paying 9% and 9½% on mortgages. It is my feeling that this will apply the brakes to the mortgage market. I recall one of the first acts of our great president, John F. Kennedy, after being inaugurated, was to lower the FHA rate from 6% to 5¾% and shortly thereafter to 5½%. These were great days for the consumers on both sides—the savers and the borrowers—because the short-term government rates were kept under control. Another fact is that in January of 1973 the prime rate was 4¾%, and this morning's Wall Street Journal is indicating in several articles that it is possible that this will go to 9%. I cannot comprehend why the Administration and Congress worry about 5.5 wage controls and allows gigantic increases in other areas.

Another area I wish to touch upon is the inconsistency of the rules regulating the transfer of present accounts. The Savings and Loans are required to invoke a 90-day penalty on old accounts switching to the new higher rates which makes good sense. I am enclosing a copy of the commercial bank penalty prior to the July fifth ruling. It basically states that a bank is permitted to pay before maturity on a certificate of deposit when it is necessary to prevent great hardship to the depositor, and only when the hardship requirement is met and the depositor has signed an affidavit is the bank able to break the contract, but only on a forfeiture of accrued interest or three months' interest, whichever is less. Through some devious maneuvering the Federal Reserve Board has now said that banks can transfer automatically and laterally to the new accounts paying the high rates without penalty. If the savings market had gone down, I am sure the banks would have had to honor the contract rates. Now how can some ruling completely void this contract and move them automatically into higher rates? I believe commercial banks ought to be required to invoke the penalty as the Savings and Loans are. This type of inconsistency will make the bankers wear white hats and the Savings and Loans wear black hats. Besides that the Savings and Loans lost what was generally ½% all across the board and are in the same competition in the 4-year certificates with that unbelievable minimum of $1000. It may be coincidental that this big victory for the banks has been won while there has been a change in the Chairmanship of the Federal Home Loan Bank Board and an addition of new members.

I implore you, as a Congressman and Chairman of the House Banking and Currency Committee, to do everything in your power to demand an immediate investigation and hearing. In my twenty-one years in the business, this has been the most irrational move that was ever made.

On July fourth I was watching Racine's famous Goodwill Parade and thrilled again at being an American while Arthur Burns was sitting in Washington finalizing his infamous move of July fifth.

Yours truly,
GEORGE J. JANOSIK, *President.*

P.S.—I would appreciate hearing your thoughts on this serious situation.

PENALTY FOR WITHDRAWAL BEFORE MATURITY

1. Certificates of Deposit issued *before* July 1, 1973 are subject to the old rule on penalties as follows.

(d) Payment in emergencies.—In an emergency where it is necessary to prevent great hardship to the depositor, a member bank may pay before maturity a time deposit or the portion thereof necessary to meet such emergency: *Provided,* That before making such payment the depositor shall sign an application describing fully the circumstances constituting the emergency which is deemed to justify the payment of the deposit before maturity, which application shall be approved by an officer of the bank who shall certify that, to the best of his knowledge and belief, the statements in the application are true. Such application shall be retained in the bank's files and made available to the examiners authorized to examine the bank. Where a time deposit is paid before maturity the depositor shall forfeit accrued and unpaid interest for a period of not less than 3 months on the amount withdrawn if an amount equal to the amount withdrawn has been on deposit 3 months or longer, and shall forfeit all accrued and unpaid interest on the amount withdrawn if an amount equal to the amount withdrawn has been on deposit less than 3 months. When a portion of a time certificate of deposit is paid before maturity, the certificate shall be canceled and a new certificate shall be issued for the unpaid portion of the deposit with the same terms, rate, date and maturity as the original deposit.

SPECIAL LEGISLATION AFFECTING COPPER

(Mr. ROUSH asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. ROUSH. Mr. Speaker, I am cosponsoring a bill today with my colleague, Mr. TIERNAN, in the interest of a number of my constituents and for the American people at large. This is a bill to authorize the immediate disposal of copper from the national and supplemental stockpiles and limit the exports of copper and copper scrap during years when sales are made from the national stockpiles or during any period when price controls are in effect and the

U.S. prices for copper are lower than those in other world markets.

Domestically, we are experiencing a grave crisis in copper supply, due to a number of factors including a decreased world supply of copper, price restrictions on domestic copper which have stimulated, and an increased world market for copper.

There are many U.S. industries which are dependent upon copper including copper fabricators and wire producers and these will be forced to cut back or even curtail production and employment unless additional supplies are found. Fortunately, we have additional supplies and there is already pending a bill which would release a number of items from our national stockpiles. That bill, H.R. 7153 was introduced with the support of the administration, thereby indicating that our national defense needs would not be threatened by such a move. In fact, the actual amount of copper, 358,000 short tons, recommended for release from the stockpile in this bill I am cosponsoring today, is the same amount recommended in the bill introduced by Mr. HÉBERT authorizing the disposal of various materials from the national stockpiles. I cosponsor this bill singling out copper because of the special situation we find regarding that material today.

In joining other Members of Congress to introduce this special legislation affecting copper, it is my hope that the committee will proceed to take action swiftly on this issue.

THE FIRST 6 MONTHS: A LEGISLATIVE RECORD, JANUARY–JULY

(Mr. MAZZOLI asked and was given permission to extend his remarks at this point and to include extraneous matter.)

Mr. MAZZOLI. Mr. Speaker, in accordance with my custom of keeping my constituents informed of my legislative activities in the Congress, I am inserting in the CONGRESSIONAL RECORD a summary of my legislative work for the first 6 months of the 93d Congress.

Constituents in my district, may obtain additional copies of the summary or more detailed information by contacting my district office.

Summary of My Legislative Work

ENVIRONMENT

The most important environmental issue facing the Congress is the current energy crisis, including the gasoline shortage.

The gasoline shortage is the result of several interrelated factors that have limited supplies while increasing demand. The FTC is now investigating to see whether anticompetitive practices among major oil firms played any part in bringing about this shortage.

An adequate and secure supply of oil and fossil fuels is of vital importance to our Nation. While we seek other reliable, efficient and affordable sources of energy, we must act soon to gain a further supply of oil. The question is how best to obtain this needed resource.

We can continue to depend on Persian Gulf oil. But, this means more foreign-trade deficits, more dollar drains, and a less-independent America.

We can try to invoke tax incentives and other financial inducements to spur oil exploration and drilling. But, these ultimately add cost to each barrel of oil recovered. And, all such costs ultimately are borne by us consumers.

We can encourage more deep and surface mining for coal—the most abundant of the fossil fuels. But, the health hazards of deep mining are unarguable and have left many miners physically disabled, and the environmental costs of surface mining are largely unacceptable.

Another approach involves construction of a Trans-Alaska Pipeline System (TAPS) which assertedly will yield over 2 million barrels per day of crude oil when the line is in service. The Senate—by a vote of 77 to 20 on July 17—endorsed a quick start of the TAPS and went so far as to exempt the pipeline from further legal challenges under the National Environmental Protection Act.

The House Interior and Insular Affairs Committee has completed public hearings on similar legislation and is now marking-up a bill which will reach the House for final action sometime in early autumn.

With laws already on the books limiting air and water pollution, Congress is devoting strong attention to the problem of solid waste disposal.

It passed an extension of the Solid Waste Disposal Act authorizing funds for state-operated programs of solid waste disposal and for research and development on new waste-recycling techniques. I supported this measure which should be a source of real help to Kentucky in the years ahead.

Another important environmental measure which enjoys widespread support is the Land Use Planning Act sponsored by Senator Henry Jackson of Washington.

This measure—which the Senate has passed already—would establish an Office of Land Use Policy Administration in the U.S. Department of the Interior, and would assist states in developing programs for the rational, prudent and planned use of precious land resources.

Two other important measures passed by the Congress and signed into law by the President include extensions of the Highway Beautification and the Clean Air Acts. I supported both of these measures with enthusiasm since they are fundamental to a cleaner, more healthy, more attractive America.

Strip-mining regulation is a premier environmental issue nationally, and one of fundamental importance to Kentucky, where so much coal is mined.

In the 92nd Congress I co-sponsored strip-mining legislation which passed the House on October 11, 1972, but Congress adjourned before action could be taken in the Senate. The House Interior Committee has completed its hearings this session and is presently marking-up H.R. 3, the Coal Mine Surface Area Protection Act.

This bill would regulate strip-mining operations across the entire nation; would reclaim damaged terrain and turn it back to productive use; and would establish strict criteria for identifying the land which can be stripped (because it can be reclaimed) and the land upon which stripping is prohibited (because it can't be restored).

I sincerely hope a strong piece of legislation is passed by the Congress and enacted into law in the very near future.

CONSUMER PROTECTION

On April 4, 1973, President Nixon finally established the Consumer Product Safety Commission which the Congress authorized last year. This commission should prove a definite help to the consumers of the nation.

The House will soon take up legislation to create an independent Consumer Protection Agency. During the last Congress similar legislation passed the House, but languished and eventually died in the Senate.

This type of legislation is long overdue. The consumers of this country need such an agency. With proper leadership and direction, such an agency should not be a source of harrassment to the nation's business community. So, I will continue to support this concept until it becomes a reality.

During these first six months of the 93rd Congress, I co-sponsored several consumer-oriented legislative proposals. Among them were ones dealing with credit protection; unit pricing; open dating of perishable foods; and truth in food labeling.

A Truth-in-Lending measure to protect consumers from inaccurate and unfair billing practices is also working its way through the Congress.

I am particularly interested in a blood bank bill which would encourage donations—rather than sales and purchases—of whole blood. Passage of such legislation will go far to ensure that all blood recipients get a pure, safe and uncontaminated product.

The legislation would also establish a national clearinghouse of blood donors so that one who needs a rare and unusual blood type can quickly locate a willing donor.

Another very important aspect of consumer protection is the right of everyone to competent legal counsel and representation, regardless of ability to pay.

The House recently passed a bill which would establish a legal services corporation to dispense such services through local offices and local attorneys.

Many feel the House unwisely handcuffed the legal services lawyers by prohibiting them from engaging in necessary outside non-legal activities, including the right to lobby. I do not share these legitimate concerns. Rather, I believe the program will prove an effective advocate for the poor and needy who require legal representation.

HEALTH AND WELFARE

Legislation, which I have co-sponsored, to increase Federal support for emergency medical and emergency transportation services has passed both House and Senate. When minor differences in the two versions are resolved, the President will undoubtedly sign the measure into law. This legislation is vitally needed if Louisville, Shively and Jefferson County are to provide a strong air and surface ambulance capacity.

The House Committee on Education and Labor—my chief Committee assignment—demonstrated real leadership by reporting out the Vocational Rehabilitation Act. This would have provided much-needed funding for various programs to assist the handicapped in overcoming their physical and emotional disabilities and to help them lead personally fulfilling, remunerative lives. The Congress passed the bill with ease. The President vetoed it. And, the Senate sustained his veto. Thus, a worthy bill died.

A slightly different version was re-passed by the House recently. It is now in the Senate. Since virtually all the President's objections have been answered, it is hoped that the President will sign the bill into law when Congress completes its action, as is expected in the near future.

Also, Congress passed—and the President signed—a bill strengthening the Older Americans Act of 1965. This bill, which I vigorously supported, can provide a better life for our nation's older citizens. Could any bill be more worthy?

The issue which has produced a larger—and more steady—volume of mail to my office than any other issue since I came to Congress is the Supreme Court's decision of this past January liberalizing abortion.

The decision—which some eminent legal scholars consider a misapplication of the Constitution—limits severely the power of a state to regulate abortions and specifically prohibits states from banning abortions during the first three months of pregnancy.

Everyone agrees that it will take a Constitutional Amendment to nullify this disturbing and disappointing decision. Several Members of the House and Senate have introduced such constitutional amendments—commonly termed "right to life" amendments.

The approaches are varied. Rep. Hogan of Maryland's language seeks to guarantee fundamental rights of due process and equal protection of the law for all human life from conception. His bill would also establish legal safeguards against terminating the life of the handicapped, the disabled, and the elderly. I am a co-sponsor of Mr. Hogan's amendment.

Very recently Senator James Buckley of New York—with several co-sponsors—has prepared an amendment similar to Mr. Hogan's.

Congressman Whitehurst of Virginia has introduced an amendment which would restore to states and territories—acting through their elected representatives—the right to decide all quesions relating to the allowance or prohibition of abortion. Because of its democratic stance, I have also sponsored this amendment.

In a related matter, I introduced along with a number of my colleagues in the House a bill prohibiting medical institutions from requiring any employees to participate in an abortion procedure. In effect, this bill granted the right of conscientious objection to hospital employees with respect to abortion. This measure was enacted as an amendment to the Health Program Extension Act of 1973.

Currently, concern and dismay has been caused by press reports of macabre and gruesome experimentation being performed on live aborted human fetuses by individuals holding Federal grants.

Reports state that some such "experiments" involve severing the infant's head from its tiny body while, of course, the baby's still living and capable of feeling pain.

The House in June passed the National Biomedical Research Act of 1973 to which was attached an amendment—which I strongly and vocally supported during the debates—banning any expenditure of federal funds by the National Institutes of Health (NIH) to carry out such outrageous and disgusting experiments on live human fetuses. This amendment was adopted by an overwhelming majority—354 to 9.

The National Science Foundation authorization bill passed the House on June 22, and attached to it was a similar amendment prohibiting the use of Foundation funds for such fetal research. I also strongly supported this amendment.

I have introduced separate legislation making it a Federal crime to carry out any federally-supported research activity on a live aborted human fetus which hastens its death, or where its life is intentionally taken.

Recently, preliminary reports indicate the NIH is at long last establishing clear policy guidelines on fetal research which will avoid most, if not all, of these sickening situations while still allowing necessary medical research to take place. I'm sure the actions of the House hastened and helped form NIH policy in this respect.

LABOR

On June 6, 1973, the House passed H.R. 7935, the Fair Labor Standards Act Amendments of 1973, which increases the federal wage and reduces overtime-hour exemptions. I supported this bill to provide long-overdue relief to the working poor. The bill originated in the Committee on Education and Labor on which I serve.

On July 19, the Senate passed a separate—though essentially similar—version of the Minimum Wage Bill. A House-Senate Conference Committee will now try to resolve differences in the two measures.

There was, of course, a good deal of controversy on this bill, and the votes I cast on several of the bill's amendments were difficult ones.

The bill as passed by the House would extend minimum wage coverage for the first time to almost one million household domestics and to about five million federal, state and local employees.

Rep. Erlenborn of Illinois offered a substitute package for the Minimum Wage Bill. Though I could not support the entire substitute, I did support and vote for portions of his substitute: a youth differential provision; continued exemption of state and local governmental workers; and, a more gradual stepup to the full minimum. However, all of these amendments were defeated.

I hope the increased minimum which is needed by the unskilled—but willing—worker to meet living costs in these inflationary times will not prove a harm to our nation's small businessman.

Even though the federal black lung compensation program has been on the books since 1969, it remains in the news.

The federal portion of the program has expired and there is widespread demand that it be revived and extended to assist Kentucky and other coal mining states pay benefits to workers who suffer from black lung disease—medically called pneumoconiosis.

But, a monkey wrench has been thrown into the works. The wrench is the recent disclosure of the exorbitant attorney's fees—ranging over one million dollars a year—which are received by a few Kentucky lawyers who handle these black lung cases.

Ironically, a quirk in the federal law permits the large attorney fees—awarded actually by the state workmen's compensation board—to be paid out of federal revenues. Thus, the hard-pressed federal taxpayer "gets it in the neck" again.

I simply cannot in good conscience vote to extend the federal Black Lung Program unless it includes an ironclad assurance that no funds will be used to subsidize these tremendous black lung attorney fees.

I have sponsored two bills to help attain this ironclad assurance: H.R. 8835, which would deny the use of federal funds to subsidize attorney fees arising from awards in State workmen's compensation cases; and, H.R. 8838, which would severely limit such reimbursement to just a few hundred dollars.

These bills are currently pending before our Committee. Hearings have been held—including one in Eastern Kentucky on June 23rd—and action is expected in the near future.

Private pension reform is another labor matter occupying much of my time nowadays. It is certainly the subject of strong national attention.

Too frequently workers have paid money for many years into their company pension programs only to suffer the loss of their retirement benefits at the end of the line because the company has changed hands, or because the worker is laid off just short of the required retirement age or just short of completing the required number of years for retirement.

The General Subcommittee on Labor, of which I am a member, has been considering pension legislation. It has held hearings and has issued interim reports of findings.

It is virtually conceded that some governmental regulation of private pensions plans will be enacted in this Congress. The question simply is: how much is enough? How much would be too much? This is the $64,000 question.

If we decide it wrongly, we will neither help the worker, who needs a secure, predictable pension system, nor industry, which must not be unduly hamstrung in operating a pension for its employees.

TRANSPORTATION

The need for improved and enhanced mass transportation in our American cities is one of the most important—and most vexing—questions Congress has before it today.

The Federal Aid Highway program expired on June 30. The House, in considering new authorizing legislation, ran into a terribly thorny and nettlesome question. That was: should the Highway Trust Fund—made up of taxes paid on gasoline, tires and oil and other such highway user charges—be diverted to mass transportation?

Not without some misgiving, I voted for the Anderson amendment which would have permitted non-highway uses for the Highway Trust Funds. The amendment was defeated.

A conference committee, convened to work out differences in the House and Senate version of this Highway bill, recently completed its work, having reached an historic and unexpected compromise in this dilemma.

The conferees have recommended that the Congress accept the House version of the bill—barring use of Highway funds for non-highway purposes—for the next two fiscal years, 1974 and 1975.

But, in fiscal year 1976, the conferees adopt the Anderson Amendment approach—and permit the use of these funds for all forms of mass transportation—highway and non-highway alike.

I believe Congress will accept this new approach though some Members will continue to regard the Trust Fund as a sacroscanct trust never to be altered.

With better mass transit in this country, hopefully we will experience less traffic congestion, reduced levels of auto pollution and an easing of the fuel shortages we have today.

An associated transportation question is that of air safety. There were some 212 airline hijackings world wide from 1968–1972, with almost half of these occuring in the United States.

In an effort to prevent these terrible crimes, security procedures were ordered by Congress for all the airports in the country. These took the form of electronic and personal screening and search of all passengers and all hand luggage prior to boarding.

Though some have argued that these security procedures constituted unlawful and unwarranted invasions of privacy, the overwhelming majrity of air travelers—and I number myself in this group—are delighted to comply with these reasonable regulations. We want to get where we're going, and then get back home safely—and not by way of Cuba.

As we say in Kentucky, the proof is in the pudding. By any standard applied, the new procedures are effective. There has been no domestic hijacking since the pre-boarding searches took effect on January 5. Need more be said?

In leaving the subject of transportation, mention should be made of two local programs—one for auto and one for air transportation—which have generated widespread opposition. These are the proposal to widen the Watterson Expressway to ten lanes, and the proposal to build a jet port to the east of Jefferson County, to replace Standiford Field.

We cannot afford to go into the eighties, nineties, and beyond without a plan for our transportation needs. But, any plan for the long-run future is a "guesstimate" and can be wrong.

There will be fullest participation of the community's residents—those affected and those not—in both these matters. And the community's feelings will play a big role in the decisions reached.

For myself, I feel that some widening, redesign and upgrading of the Watterson is necessary for safety and for better handling of the traffic.

However, I am not convinced that a ten-lane "super" Watterson is the answer.

The jet port has been scaled-down quite substantially from its original announced size and may yet be further reduced in size to answer some of the criticisms.

The whole jet port question is very tentative and amorphous. The four recommended sites for a new jet port are still being evaluated. And, two really fundamental questions are only now being examined: Can Standiford be re-constructed to handle anticipated air traffic at acceptable human and financial cost? Does it need reconstruction at all? Maybe minor "facelifting" and the placement of sophisticated control equipment will satisfy the air traffic needs of the Louisville area for the foreseeable future.

In all honesty, I hope we do not have to build a new jet port—nor undergo the trauma of massive reconstruction at Standiford.

ECONOMY

Inflation, budget reform, spending priorities and impoundment of appropriated funds are key economic issues with which the Congress has been wrestling these past months.

On April 16, the House passed the Economic Stabilization Act extension, which continues for one additional year the present law under which the President has authority to take firm and drastic economic action, if the conditions seem to warrant such action.

In fact, it was under this authority that the President abruptly switched from Phase III—a total failure—and invoked Freeze 2 which will continue until Phase IV guidelines are unveiled.

A key factor in fighting inflation is the need to more tightly control spending by the Federal Government. Either we exercise fiscal and monetary restraint, or we must increase taxes to "pay the freight."

Budget reform efforts have centered on overhauling our appropriations machinery to ensure such increased discipline.

One of the major reform proposals is to set up a joint Budget Committee composed of House Members and Senators which will recommend spending limits for the various Congressional appropriating units. And, it will recommend revenue-raising measures in the event some committees exceed the pre-agreed spending total.

In order to trim government spending and reduce the Federal budget to manageable proportions, I have voted against programs I considered to be wasteful or unnecessary.

I voted against the Rural Environmental Assistance Program—a most worthy and commendable program over the years—because I felt its goals already were largely met and those remaining could be reached by existing legislative programs.

I also cast a "No" vote on restoring the Rural Water and Sewer program for similar reasons. And—with much reluctance—I later supported the President when his veto of the program was successfully upheld.

I also voted to strike the $58 million appropriation for the much-debated West Front extension of the Capitol Building. Rather than obliterate the West Front—the last original surface of the historic Capitol—I believe a restoration is more historically appropriate and certainly less expensive.

When the Rural Electrification Act was considered, I supported several very healthy amendments which promised to save money for the taxpayers. For the most part these amendments were in the measure which the President signed into law.

The bill directs the REA to grant special low-interest 2% loans only to the most needy rural electrification and telephone systems. All other REA cooperatives will be charged a higher interest rate.

This is a more equitable arrangement than existed under the former law, and provides a good example of how a compromise can retain the "muscle" of a bill while eliminating its "fat."

In addition to cutting back on wasteful spending, Congress must also be assured that the funds it appropriates are put to the programmatic uses for which intended. Presidential impoundment is thwarting these uses today.

Impoundment of funds is a power which all presidents have exercised over the years. But, President Nixon—more widely than others—has held back on spending federal funds which Congress has provided to accomplish a specific purpose.

It should be noted that virtually all such legislative purposes are on the statute books because they were signed into law by the President—because they enjoyed Presidential support. Only a relatively few pieces of legislation became law over a President's veto.

I have co-sponsored legislation which requires the President to notify Congress whenever he impounds funds. The measure also provides a clear procedure under which the House of Representatives and the Senate may approve the President's action or may disapprove it and require the President to cease such action. This bill has been reported by the House Rules Committee and is now before the House for a vote.

Louisville has been selected as a target city for economic development by the Economic Development Administration (EDA) of the United States Department of Commerce. As such, it is eligible for federal grants to attract new industries and, thus, to create new jobs in the special-impact inner city area.

Extension of the EDA's authority for one year was signed into law on June 18. The extension enjoyed my unequivocal support.

EDUCATION

The House Education and Labor Committee is presently marking-up H.R. 69, a bill to extend the Elementary and Secondary Education Act (ESEA), the Education of the Handicapped Act and the Adult Education Act.

Extensive hearings have been held on this measure, including one in Louisville this past spring.

The continuation of this Act, which provides Federal aid to the nation's elementary and secondary schools, is the most vital educational bill the Congress will consider since enactment of the present ESEA in 1965. At stake is the financial lifeline of all public education in America.

A strong challenge is being mounted against the ESEA technique of categorical grants for educational programs. Many want to see employed a kind of revenue-sharing, which entails terminating all existing categorical federal programs and a switch to local programming in the field of education.

I believe we have to consider consolidating some of the overlapping programs. And we must give greater latitude to local officials to make their own decisions. But, in my judgment, the opponents of ESEA want to go too far too fast.

I have also joined with a number of my House colleagues in sponsoring legislation to grant income tax deductions or credits for tuition paid to private and parochial schools.

Recent Supreme Court decisions overturning several such measures enacted by the states, however, seem to end any permissible federal aid to private and parochial education.

Perhaps a constitutions lawyer can develop a new approach to provide this needed help. But, I believe it's time for those interested in preserving an alternative to public schools to look elsewhere than to the Federal Government for relief.

An emergency Child Nutrition bill was passed for fiscal year 1973—the year just ended—to provide school districts with money—and the needed authority—to purchase food for school lunch programs directly rather than through the U.S. Department of Agriculture in times of rapidly rising food prices.

My Committee now is considering the Child Nutrition Education Act which includes a similar provision to cover future emergency situations involving the school lunch program.

The measure also provides for the payment of $25,000 to each state to hire a nutritional education specialist to develop programs on child nutrition. And, very importantly, the measure increases federal subsidies for school breakfast and lunch programs. I wholeheartedly support this measure and hope for its early passage.

An extension of the authority of the National Commission on Financing of Post-Secondary Education was enacted during this period. I supported this measure which should help to develop solutions for strengthening the financial positions of our nation's institutions of higher education.

Pending before the House Education Committee are bills providing for possible federal control of amateur athletics. This legislation grows out of the bickering and fighting among the National Collegiate Athletic Association (NCAA), the Amateur Athletic Union (AAU), and the International Oympic Committee (IOC). It's a sad commentary on the state of amateur sports when the Federal Government may be required to step in and "break" the fighters, just like boxing referees do in the ring.

DISTRICT OF COLUMBIA

As the House moves toward an historic vote on the question of granting "home rule"—elected local government—to the citizens of the District of Columbia, I have been in the thick of things as a newly-appointed member of the House District Committee.

The legislation, as one would imagine, is quite complex and the preliminary draft is the product of extensive hearings and countless hours of painstaking and laborious committee discussion.

In order to gain Congressional passage, the District of Columbia Home Rule Bill must draw clear and acceptable distinctions between the functions which—because of substantial federal interest—should remain under federal control, and the functions which properly should be controlled and discharged by locally elected public officials.

The task is a difficult one. But, I hope that this year the committee, by its diligent work, may be able to send the President a bill which will provide long-overdue rights of self-determination to residents of the District of Columbia.

Though I am a brand new member of the House "D.C." Committee, I have assumed the Chairmanship of its Subcommittee on Labor, Social Services and the International Community.

In this capacity, I have had the rare opportunity to shepherd a bill, in this case, the D.C. local option rent control bill, through all the essential legislative steps: introduction; hearings; mark-up; and, finally, to the House floor for debate, vote and final passage.

This was my first experience as the Floor Manager of a measure. It was interesting and exciting to explain the bill to the House, answer the questions asked, respond to the arguments leveled against the bill, "work" the floor for votes while the House's new voting machine flashed the count-down from 15:00 minutes to 0:00 minutes, and to see that my bill had prevailed by a vote of 210 to 144.

It was a day I'll not soon forget.

LAW ENFORCEMENT

The issue of obscenity and the subject of law enforcement assistance are two key issues in the area of law enforcement which have received consideration by the courts and the Congress respectively in recent months.

In June, the Supreme Court handed down a series of 5 decisions on the subject of pornography and obscenity. These decisions open the way for law enforcement authorities to limit distribution of sexually-oriented material determined to be offensive when measured against local community standards.

Using local community standards to establish legal obscenity is in my opinion, a step forward in the battle against salacious printed and pictorial material. I can, however appreciate the real concern of many who believe "bluenoses" may use the decision to curtail the sale or display of serious drama, books and films. This cannot be allowed to occur.

Authority for funding the Law Enforcement Assistance Administration (LEAA) expired June 30, 1973. There is little doubt that LEAA's life will be extended. But, there is some doubt about how it will be funded.

The Administration wants to convert the program from a block-grant to a special revenue sharing program.

The House, however, on June 18, by a vote of 391 to 0, went on record opposing this conversion. The Senate generally concurred. So, the LEAA seems to have been spared for the immediate future.

WATERGATE

The Watergate affair must be regarded as a tragedy from every viewpoint. It has placed a stigma on our nation, it has weakened America's international standing, it has paralyzed governmental operations and—most disturbing of all—has fostered great distrust and cynicism on the part of many citizens toward their government.

In the aftermath of this debacle, as the country's attentions are still riveted on the Senate Watergate hearings, there is increased discussion in initiating impeachment proceedings against President Nixon.

This causes me much consternation. While I definitely do not want misdeeds in high places—if proved—to go unpenalized, nonetheless impeachment is so profound and has so many traumatic consequences for the whole country, that it should not be lightly undertaken.

Perhaps the Senate hearings and the independent but related investigations of the Special Prosecutor, Archibald Cox, will point the way to some solution short of full-fledged impeachment.

Of course, were impeachment of Mr. Nixon to be pressed, I would do my human best to judge the question objectively—though probably not without sadness.

As an alternative to the impeachment process, Congresswoman Edith Green of Oregon has proposed a Constitutional Amendment which would define three circumstances under which Congress could act to mandate new elections. Mrs. Green's proposal is a variation on the parliamentary system's "vote of no confidence."

If two-thirds of both House and Senate believe that the President has lost the confidence of the people, new elections can be ordered. Thus, the people who originally elected the President—not the Congress—will settle the question of whether the President should remain in office.

Given the time in which we live, I'm sure Mrs. Green's suggestion will receive careful study and attention by the Congress in the days ahead.

FOREIGN AFFAIRS

On May 10, the House of Representatives voted 194 to 187 to prohibit the Department of Defense from transferring defense funds from one account to another to finance U.S. combat activities in Cambodia.

A later vote found the House voting to prohibit the use of any appropriated funds—not just defense funds—to be used to pay for combat activities in Cambodia or Laos.

The House also went on record in this same measure as opposing any extension of financial assistance to North Vietnam.

I voted in favor of all these amendments because—with our POW's thankfully now home—there is simply no reason to continue our presence in Indo-China.

Because of Presidential vetoes—and the threat of further vetoes—a compromise was worked with President Nixon whereby bombing raids over Cambodia and all other segments of Indo-China must cease after August 15, 1973.

If the President wants funding to conduct additional military activities in Southeast Asia after August 15, he must secure permission and authority from the Congress. This compromise has constitutional and historic implications with respect to the separation of powers of the branches of our government.

In this same connection, both the House and the Senate have passed War Powers Resolutions which endeavor to correct the imbalance which today exists between the Executive and Legislative branches of government in the life and death questions of war.

Essentially, these measures permit the President to commit armed U.S. forces to battle where an emergency appears to exist. However, within a limited period of time the President must report all the details to the Congress. He then must secure a vote of approval for his actions or he must withdraw the troops and cease the military actions.

I hope the President will not veto a War Powers bill when it reaches his desk. This is rational, sensible legislation which makes the Congress a partner with the President in these profound decisions. Such legislation might well help the U.S. avoid a future "unpopular" war like the Vietnam conflict.

In a more hopeful vein, the Congress passed a measure authorizing further funds for the Peace Corps. I supported this measure which was signed into law by the President. We need a continued and a constructive presence abroad. In my judgment, the Peace Corps fits this description.

I would be remiss without mentioning here the important issue of trade reform. This has both foreign policy and economic implications.

Currently, the House Ways and Means Committee is considering both the Administration's Trade Reform Act, and the Burke-Hartke bill. Each tries to avoid blind adherence to either protectionism—the Fortress America philosophy—or to classic free trade.

Each bill deals with quotas, tariffs, nontariff barriers, product dumping, plant and worker readjustment allowances, trade deficits—in short, each deals with the whole spectrum of foreign trade.

It is expected that the Committee will recommend some mid-way position to the House which is likely to be adopted.

Certainly—given the alarming trade deficits the U.S. is incurring for the first time in this century and given the two formal dollar devaluations the U.S. has announced within the past two years—action has to be taken.

CONGRESSIONAL REFORM

In January I voted to support the Speaker of the House in his proposal for the establishment of a Congressional panel to study the antiquated committee system the House employs and recommend changes to modernize it and make it more efficient. We are nearing the 21st century and yet trying to operate under 19th century rules. Change is definitely a must.

At the start of this Congress, we Democrats changed our rules to provide for the election—instead of the appointment—of committee chairman. So, at least "seniority"—the process by which the member who has served the longest becomes automatically the Committee chairman—has been discarded. Now merit and competence will be the determining factors.

Secrecy in the decision-making process is not in the nation's best interest. And, the House now operates under rules changed this year which just about prohibit secret meetings of any its committees.

Though some chairmen still have not "got the message", the vast majority have switched to open meetings—along with colorful suits and wide ties.

Another extremely important new development is the installation this year of an electronic-computerized voting system in the House chamber. This unique system greatly decreases the amount of time which must be spent on taking votes and establishing quorums. It also provides a visual picture to all in the House Chamber of the vote-tally during the 15 minutes the voting apparatus is open.

All of these reforms—and other which are even now in preliminary stages—are evidence of a new era in the Congress, an era in which Congress is making its operations more responsive and more responsible.

Congress will never be completely responsive nor responsible to its constituents—after all a group composed of imperfect humans can never become perfect. But, the commitment is there and improvement is an everyday occurrence.

It may truly be said of the House and the Congress: the times, they are a changin'.

In a separate, but related, vein, I have cosponsored H.R. 7612, the Clean Elections Act of 1973. The chief sponsors of this measure are Representative Udall (D-Arizona) and Anderson (R-Illinois).

This legislation is pending before the House Administration Committee. It is uncertain at this time when the Committee will take action on this matter, but I hope it does so—soon.

The bill basically provides for a limit in both campaign donations and campaign expenditures. The enactment of this bill will be a welcome step forward into a new era of politics.

H.R. 8920, LEAD-BASED PAINT POISONING PREVENTION ACT AMENDMENTS

(Mr. BROWN of Michigan asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. BROWN of Michigan. Mr. Speaker, H.R. 8920, Lead-Based Paint Poisoning Prevention Act amendments, is scheduled for floor action after the recess. In order that my colleagues might have an opportunity to read the Department of Health, Education and Welfare's views on the legislation, I request permission to insert, at this point in the RECORD, a letter dated July 24, 1973, from Acting Secretary, Frank C. Carlucci to Chairman Wright Patman of the Banking and Currency Committee.

SECRETARY OF HEALTH,
EDUCATION, AND WELFARE,
Washington, D.C., July 24, 1973.

Hon. WRIGHT PATMAN,
Chairman, Committee on Banking and Currency, House of Representatives, Washington, D.C.

DEAR MR. CHAIRMAN: There is now pending before the House of Representatives H.R. 8920, a bill favorably reported by your Committee, which would extend and modify the provisions of the Lead-Based Paint Poisoning Prevention Act (P.L. 91–695). We would like to offer our comments on this proposed legislation.

This bill would authorize the Secretary, Department of Health, Education, and Welfare: (1) to make grants to public agencies or units of general local government to any State and to private nonprofit organizations of any State for the purpose of (a) developing and carrying out local programs to detect and treat incidents of lead-based paint poisoning and (b) assisting such units in developing and carrying out programs to identify areas of high risk to health of residents due to the presence of lead-based paints and then to develop and carry out programs to eliminate the hazards of lead-based paint poisoning; (2) to consult with the Secretary, Department of Housing and Urban Development, in the development and conduct of a demonstration and research program to determine the nature and extent of the problem of lead-based paint poisoning in the urban areas of the United States, including methods in which surfaces, porches, and exterior surfaces of residential housing units to which children may be exposed; (3) to make grants to State Health Laboratories for the purpose of analyzing blood for lead content which is submitted from local lead-based paint detection programs; (4) to conduct research on multiple layers of dried paint film to ascertain the safe level of lead in residential paint products and to report to Congress on his findings and recommendations; (5) to take such steps and impose such conditions as necessary to prohibit the use of lead-based paint in residential structures constructed or rehabilitated by the Federal Government, or with Federal assistance in any form, ninety days after the date of enactment of this Act; (6) to establish, in consultation with Secretary, Department of Housing and Urban Development; a National Childhood Lead-Based Paint Poisoning Advisory Board to advise on policy relating to administration of this Act. Finally, the Secretary is responsible for promulgating regulations after consultation with the Secretary, Department of Housing and Urban Development, for establishment of an advisory board for each local program assisted under this Act. The bill authorizes a total appropriation of $52.5 million each for fiscal years 1974 and 1975.

The Department strongly opposes this proposed legislation. We believe that there are presently sufficient Federal authorities under which communities can be assisted. In addition, the President's 1974 budget proposes the use of the broader and more flexible authorities to assist State and local organizations in the conduct of demonstration programs on lead-based paint poisoning prevention. These authorities are included in sections 314(d) and 314(e) of the Public Health Service Act, and title V of the Social Security Act. Under section 314(d), grants for comprehensive public health services, funds which are allocated to the States on a formula basis may be used for lead poisoning control activities. Moreover, authority under 314(e) provides comprehensively for direct Federal initiatives in the form of special grants to meet health needs of limited geographical scope or of specialized regional or national significance. This highly flexible authority is idealy suited to support the Federal responsibilites in the lead poisoning control effort.

Grant authorities also exist under title V of the Social Security Act, Maternal and Child Health provisions, which have been utilized to encourage screening, detection and treatment of lead-based paint poisoning by States and other governmental units when their priority determinations indicate that these Federal resources should be utilized. Under other statutory authority, *e.g.*, sections 301, 304, ample authority exists for research, and development and experimentation in support of the lead poisoning control effort.

In addition to the fact that sufficient Federal authorities presently exist to support all activities necessary for lead-based paint poisoning control, we also feel that the proposed bill by continuing a categorical grant program runs counter to the constructive efforts of the Administration to simplify and consolidate Federal health grant programs and to encourage States and localities to meet their own individual requirements. The bill in fact would encourage local dependence on Federal support by increasing the Federal share of the cost from 75% to 90% and by removing the requirement that States or localities initiate a comprehensive program to eliminate the problem.

This Department also exercised control of household products containing lead-based paint pursuant to the Federal Hazardous Substances Act. As you know, pursuant to this statute, the Department issued regulations banning household products which contained paint with a lead base in excess of 0.5 parts per million and intended to proceed with a further reduction of that level (to .06) with regard to household products. This function (i.e., administration of the Federal Hazardous Substances Act), however, was transferred to the new Consumer Product Safety Commission pursuant to Section 30(a) of Public Law 92–573 (86 Stat. 1231). This transfer became effective May 14, 1973, and we therefore defer to the Consumer Product Safety Commission with regard to the impact of this legislation on the administration of the Federal Hazardous Substances Act.

Accordingly, we strongly recommend against the enactment of H.R. 8920. We believe the use of existing authorities contribute to a more orderly legal structure through which this and other major health problems of our Nation may be most effectively attacked.

We are advised by the Office of Management and Budget that there is no objection to the presentation of this report and that enactment of H.R. 8920 would not be consistent with the objectives of the Administration.

Sincerely,

/s/ FRANK C. CARLUCCI,
Acting Secretary.

CAMBODIAN BOMBING DECISION

(Miss HOLTZMAN asked and was given permission to extend her remarks at this point in the RECORD and to include extraneous matter.)

Miss HOLTZMAN. Mr. Speaker, I am extraordinarily pleased by the decision that has been reached in my lawsuit challenging the legality of President Nixon's bombing policies in Cambodia. Judge Orrin G. Judd of the U.S. district court in Brooklyn ruled on July 25, 1973, that the President's bombing of Cambodia is unconstitutional and has issued an injunction against any further bombing in Cambodia.

This is an historic and monumental decision. It is the first time that a President's war policies have been clearly and definitely labeled by a court as unconstitutional. It is also the first time that a court has ever enjoined a military action undertaken by this country.

At no time has Congress ever approved the President's Cambodian adventure. Therefore, I brought this suit in my capacity as a Member of Congress. I did so to fulfill the oath I took to uphold the Constitution of the United States. I also did this as a Representative of my district because the Federal funds that we desperately needed for aid to the elderly, for improved housing, and for better law enforcement are being drained off into this unconstitutional war. This war has already cost us almost a billion dollars.

The district court's decision reaffirms a basic constitutional principle: That no American lives can be sacrificed, no American lives can be risked, and no American tax dollars can be spent on a military effort without congressional approval.

For this reason, the people of this country are the real victors today. They now know that their Representatives in Congress who they have access to and who come from their communities have the definitive say about this country's warmaking policies.

This decision comes at a crucial time in our country's history. In the midst of Presidential claims of almost unlimited power, it serves as a reminder that the Constitution governs all of us.

I am introducing the text of Judge Judd's decision for the information of my colleagues.

[U.S. District Court, Eastern District of New York, 73–C–537]

ELIZABETH HOLTZMAN, INDIVIDUALLY AND IN HER CAPACITY AS A MEMBER OF THE UNITED STATES HOUSE OF REPRESENTATIVES; 1ST LT. ARTHUR WATSON, 43RD STRATEGIC WING, UNITED STATES AIR FORCE, ANDERSON AIR FORCE BASE, GUAM; CAPTAIN MICHAEL FLUGGER, 43RD STRATEGIC WING, UNITED STATES AIR FORCE, ANDERSON AIR FORCE BASE, GUAM; CAPTAIN JAMES H. STRAIN, 43RD STRATEGIC WING, UNITED STATES AIR FORCE, ANDERSON AIR FORCE BASE, GUAM; AND CAPTAIN DONALD E. DAWSON, 307TH STRATEGIC WING, UNITED STATES AIR FORCE O-TAPO, THAILAND, PLAINTIFFS, AGAINST JAMES R. SCHLESINGER, INDIVIDUALLY AND AS SECRETARY OF DEFENSE; JOHN L. MCLUCAS, INDIVIDUALLY AND AS ACTING SECRETARY OF THE AIR FORCE; AND WILLIAM P. CLEMMENTS, INDIVIDUALLY AND AS DEPUTY SECRETARY OF DEFENSE, DEFENDANTS

Plaintiffs having moved for summary judgment and declaratory and injunctive relief, and the court having received the papers submitted by both parties and having heard argument and having issued a Memorandum containing a statement of facts and a discussion of the applicable law, and due deliberation having been had, and the court having determined that no bond is required of the plaintiffs: it is

Ordered, adjudged and declared, that "there is no existing Congressional authority to order military forces into combat in Cambodia or to release bombs over Cambodia, and that military activities in Cambodia by American armed forces are unauthorized and unlawful;" and it is

Ordered, adjudged and decreed, that defendants James S. Schlesinger as Secretary of Defense, John L. McLucas as Acting Secretary of the Air Force, and William P. Clements, as Deputy Secretary of Defense, their officers, agents, servants, employees, and attorneys, and all persons in active concert or participation with them who receive actual notice of this judgment, are permanently enjoined and restrained from participating in any way in military activities in or over Cambodia or releasing any bombs which may fall in Cambodia; and it is

Ordered, that the effective date of the foregoing injunction shall be postponed until 4:00 o'clock in the afternoon, Eastern Daylight Savings Time, on Friday, July 27, 1973, in order that defendants may have an opportunity if so advised to apply to the Court of Appeals for a stay pending appeal.

Dated: Brooklyn, New York; July 25, 1973.

ORRIN G. JUDD,
United States District Judge.

[U.S. District Court Eastern District of New York, 73–C–537]

Elizabeth Holtzman, individually and in her capacity as a member of the United States House of Representatives; 1st Lt. Arthur

Watson, 43rd Strategic Wing, United States Air Force, Anderson Air Force Base, Guam; Captain Michael Flugger, 43rd Strategic Wing, United States Air Force, Anderson Air Force Base, Guam; and Captain James H. Strain, 43rd Strategic Wing, United States Air Force, Anderson Air Force Base, Guam, Plaintiffs, against James R. Schlesigner, individually and as Secretary of Defense; John L. McLucas, individually and as Acting Secretary of the Air Force; and William P. Clements, individually and as Deputy Secretary of Defense, Defendants.

Appearances: Newborne & Friedman, Esqs., Attorneys for Plaintiffs.

By: Burt Neudorne, Esq., Leon Friedman, Esq. of Counsel.

Hon. Robert A. Morse, United States Attorney, Attorney for Defendants.

By: James D. Porter, Jr., Esq., Cyril Hyman, Esq., Assistant U.S. Attorneys of Counsel.

Earle K. Moore, Esq., Attorney for Council for Christian Social Action of the United Church of Christ, et al., *Amici Curiae*.

Rabinowitz, Boudin & Standard, Esqs, Attorneys for Congressman Parren J. Mitchell, et al. *Amici Curiae*.

By: Michael Standard, Esq. of Council.

MEMORANDUM AND ORDER

Plaintiffs seek a determination that the President of the United States and the military personnel under his direction and control may not engage in intensive combat operations in Cambodia and elsewhere in Indochina in the absence of Congressional authorization required under Article I, § 8, Clause II of the Constitution. The case is before the court on plaintiffs' motion for summary judgment for lack of genuine issues of material fact. Additionally, plaintiffs seek declaratory and/or injunctive relief.

Plaintiffs have also moved to add as plaintiff another Air Force officer on active duty, Captain Donald Dawson, and to stay the defendants from ordering him to engage in bombing missions over Cambodia.

Posture of the Case

At an earlier stage this court denied defendants' motion to dismiss the complaint, and overruled the contentions that Congresswoman Holtzman lacked standing to challenge the military activities in question and that the controversy presented a nonjusticiable political question.

Both sides were given an opportunity to submit any additional papers that would bear on the appropriateness of summary judgment.

Facts

Review of the facts may begin with 1970, since the earlier phases of hostilities in Indochina have been summarized in an earlier case.

This court held in September 1970 in *Berk* v. *Laird,* 317 F. Supp. 715 (E.D.N.Y. 1970), *aff'd sub. nom., Orlando* v. *Laird,* 443 F. 2d 1039 (2d Cir. 1971), that Congress had authorized hostilities in Vietnam to that date through a series of appropriation acts.

Hostilities in Cambodia

In response to Presidential pronouncements concerning the necessity of military action in Cambodia, there was a series of Congressional responses seeking in the main to limit such military action, and culminating in two laws enacted on July 1, 1973 which directed that no funds might be expended for Cambodian combat activities after August 15, 1973.

On April 30, 1970, the President stated in an address to the nation that "North Vietnam has occupied military sanctuaries all along the Cambodian frontier with South Vietnam," that Cambodia had therefore called on the United States for assistance, and that attacks were therefore being launched "to clean out major enemy sanctuaries on the Cambodian-Vietnam border." *The Situation in Southeast Asia,* 6 Presidential Documents, 596, 597, 598.

On June 30, 1970, a report by the President on the Cambodian operation, released at San Clemente, California, stated that all American troops had withdrawn from Cambodia, but that the United States would continue to conduct air interdiction missions to prevent supplies and personnel being moved through Cambodia toward South Vietnam, and that "We do this to protect our forces in South Vietnam." The President also stated that one of the reasons for attacking the enemy's "sanctuaries" in Cambodia was that this would "enhance the prospects of a negotiated peace." *The Cambodian Operation,* 6 Presidential Documents 843, 850, 852.

The so-called Fulbright proviso, limiting military support to Cambodia except to the extent necessary to insure the safe withdrawal of United States forces from Southeast Asia and the release of American prisoners of war was adopted by the Congress during the summer of 1970 and inserted in the War Forces-Military Procurement Act of 1971 and became law with the President's approval on October 7, 1970. This proviso, which was repeated in every subsequent military appropriation and authorization act, reads as follows:

> . . . nothing [herein] shall be construed as authorizing the use of any such funds to support Vietnamese or other free world forces in actions designed to provide military support and assistance to the Government of Cambodia or Laos: *Provided further,* That nothing contained in this section shall be construed to prohibit support of actions required to insure the safe and orderly withdrawal or disengagement of U.S. Forces from Southeast Asia, or to aid in the release of Americans held as prisoners of war.

PL 91–441, 84 Stat. 905; PL 91–668, 84 Stat. 2020; PL 92–156, 85 Stat. 423; PL 92–204, 85 Stat. 716; PL 92–436, 86 Stat. 734; PL 92–570, 86 Stat. 1184.

On the evening of the same day the Fulbright proviso became law, October 7, 1970, the President addressed the nation by radio and television and stated that the North Vietnamese were carrying on aggression in Laos and Cambodia as well as in Vietnam and that "The war in Indochina has been proved to be of one piece; it cannot be cured by treating only one of its areas of outbreak." *The New Initiative for Peace in Southeast Asia,* 6 Presidential Documents 1349, 1350.

The Special Foreign Assistance Act of 1971 (PL 91–652, 84 Stat. 1942), approved January 1, 1971, provided:

> SEC. 7. (a) In line with the expressed intention of the President of the United States, none of the funds authorized or appropriated pursuant to this or any other Act may be used to finance the introduction of United States ground combat troops into Cambodia, or to provide United States advisers to or for Cambodian military forces in Cambodia.
>
> "(b) Military and economic assistance provided by the United States to Cambodia and authorized or appropriated pursuant to this or any other Act shall not be construed as a commitment by the United States to Cambodia for its defense.

On February 25, 1971, the President submitted a foreign policy report to Congress, saying again that the war in Indochina was "of one piece," that because of North Vietnamese infiltration in Cambodia "we faced the prospect of one large enemy base camp 600 miles along South Vietnam's flank;" and that our policy for Cambodia included "air missions against enemy supplies and personnel that pose a potential threat to South Vietnam or seek to establish base areas relevant to Vietnam." United States Foreign Policy for the 1970's: Building for Peace, 7 Presidential Documents 305, 328, 332.

On November 17, 1971, the so-called Mansfield amendment became law by action of Congress with the president's approval, and expressed the United States policy "to terminate at the earliest practicable date all military operations of the United States in Indochina." The pertinent portions of this amendment, which was part of the Appropriations Authorizations-Military Procurement Act, 1972, state:

> SEC. 601. (a) It is hereby declared to be the policy of the United States to terminate at the earliest practicable date all military operations of the United States in Indochina, and to provide for the prompt and orderly withdrawal of all United States military forces at a date certain, subject to the release of all American prisoners of war held by the Government of North Vietnam and forces allied with such Government and an accounting for all Americans missing in action who have been held by or known to such Government or such forces. The Congress hereby urges and requests the President to implement the above-expressed policy by initiating immediately the following actions:
>
> (1) Establishing a final date for the withdrawal from Indochina of all military forces of the United States contingent upon the release of all American prisoners of war held by the Government of North Vietnam and forces allied with such Government and an accounting for all Americans missing in action who have been held by or known to such Government or such forces.
>
> (2) Negotiate with the Government of North Vietnam for an immediate cease-fire by all parties to the hostilities in Indochina.
>
> (3) Negotiate with the Government of North Vietnam for an agreement which would provide for a series of phased and rapid withdrawals of United States military forces from Indochina in exchange for a corresponding series of phased releases of American prisoners of war, and for the release of any remaining American prisoners of war concurrently with the withdrawal of all remaining military forces of the United States by not later than the date established by the President pursuant to paragraph (1) hereof or by such earlier date as may be agreed upon by the negotiating parties.

In the Defense Appropriation Act of 1972 (PL 92–204) approved December 18, 1971, Congress specified:

> *S*EC. 738 (a) not to exceed $2,500,000,000 of the appropriations available to the Department of Defense during the current fiscal year shall be available for their stated purposes to support: (1) Vietnamese and other free world forces in support of Vietnamese forces; (2) local forces in Laos and Thailand; and for related costs, on such terms and conditions as the Secretary of Defense may determine . . . provided further, that nothing in clause (1) of the first sentence of this subsection shall be construed as authorizing the use of any such funds to support Vietnamese or other free world forces in actions designed to provide military support and assistance to the Government of Cambodia or Laos. Provided further that nothing contained in this section shall be construed to prohibit support of actions required to insure the safe and orderly withdrawal or disengagement of U.S. forces from Southeast Asia, or to aid in the release of Americans held as prisoners of war.

This language was continued in all subsequent military authorization or appropriations acts. See Appropriations Authorization-Military Procurement Act, 1972, PL 92–156, 85 Stat. 423, November 17, 1971; Sec. 501, Military Procurement Act, 1973, PL 92–436, 86 Stat. 734, September 26, 1972, Sec. 601: Department of Defense Appropriation Act, 1973, PL 92–570, 85 Stat. 1184, October 26, 1972 Sec. 737.

In the Foreign Assistance Act, 1971, approved on February 7, 1972, the Congress expressly stated that limited foreign aid to Cambodia "shall not be construed as a commitment by the United States to Cambodia for its defense." PL 92-226, 22 U.S.C. § 2416 (g). The Act recognized the existence of bombing in Cambodia, in language which both sides cite. The pertinent provisions of the Act read as follows:

SEC. 655. Limitations Upon Assistance to or for Cambodia.—(a) Notwithstanding any other provision of law, no funds authorized to be appropriated by this or any other law may be obligated in any amount in excess of $341,000,000 for the purpose of carrying out directly or indirectly any economic or military assistance, or any operation, project, or program of any kind, or for providing any goods, supplies, materials, equipment, services, personnel, or advisers in, to, for, or on behalf of Cambodia during the fiscal year ending June 30, 1972.

* * * * *

(c) No funds may be obtained for any of the purposes described in subsection (a) of this section into, for, or on behalf of Cambodia in any fiscal year beginning after June 30, 1972, unless such funds have been specifically authorized by law enacted after the date of enactment of this section. In no case shall funds in any amount in excess of the amount specifically authorized by law for any fiscal year be obligated for any such purpose during such fiscal year.

(d) The provisions of subsections (a) and (c) of this section shall not apply with respect to the obligation of funds to carry out combat air operations over Cambodia.

(e) After the date of enactment of this section, whenever any request is made to the Congress for the appropriation of funds for use in, for, or on behalf of Cambodia for any fiscal year, the President shall furnish a written report to the Congress explaining the purpose for which such funds are to be used in such fiscal year.

* * * * *

SEC. 656. Limitations on United States Personnel and Personnel Assisted by United States in Cambodia—The total number of civilian officers and employees of executive agencies of the United States Government who are citizens of the United States and of members of the Armed Forces of the United States (*excluding such members while actually engaged in air operations in or over Cambodia which originate outside Cambodia*) present in Cambodia at any one time shall not exceed two hundred. The United States shall not, at any time, pay in whole or in part, directly or indirectly, the compensation or allowances of more than eighty-five individuals in Cambodia who are citizens of countries other than Cambodia or the United States. For purposes of this section, "executive agency of the United States Government" means any agency, department, board, wholly or partly owned corporation, instrumentality, commission, or establishment within the executive branch of the United States Government. (Emphasis added).

On February 9, 1972, the President stated to Congress that North Vietnam continued to threaten the legitimate governments in Laos and Cambodia "in order to further its attacks on South Vietnam," and stated that "In Cambodia, operations are at the request of the Government and serve to relieve enemy pressures against Cambodia as well as South Vietnam." United States Foreign Policy for the 1970's: The Emerging Structure of Peace, and Presidential Document 235, 343–45.

On April 18, 1972, testimony before the House of Representatives Committee on Armed Services stated that a significant portion of the Navy and Air Force incremental war costs of $7,023,000,000 for fiscal year 1972 and Cambodia." Cong. Rec. 9173. Some information presented at that time was classified and made available for inspection only fied and made availble for inspection only by members of Congress.

On January 27, 1973, the parties participating in the Paris Conference on Vietnam signed an Agreement on Ending the War and Restoring Peace in Vietnam, which stated in Article 20(a):

> . . . The parties participating in the Paris Conference on Vietnam undertake to refrain from using the territory of Cambodia and the territory of Laos to encroach on the sovereignty and security of one another and of other countries.

The affidavit of the Assistant United States Attorney opposing the motion for summary judgment asserts that after January 27, 1973, despite a unilateral cessation of hostilities by the governments of Cambodia and the United States, "the North Vietnamese launched a general offensive in Cambodia, continuing the combat there. The military response of the United States continued."

In fact, there is evidence that air operations over Cambodia since January 27, 1973 have escalated sharply. A report on United States Air Operations in Cambodia prepared for the Subcommittee on United States Security Agreements and Commitments Abroad (April 1973—G.P.O.), states on page 7 that in the period February 16 through February 28, 1973, an average of twenty-three tactical air sorties a day and five B–52 sorties were flown in Cambodia. In the following two-week period, March 1–March 15, an average of fifty-eight tactical and gunship sorties and twenty B–52 sorties were flown. Between March 16–March 31, an average of 184 tactical sorties and fifty-eight B–52 sorties were flown. A statistical summary submitted by the Department of Defense to the Senate Armed Services Committee on June 19, 1973 shows that in the period October 30, 1972–January 27, 1973, 936 combat sorties were flown over Cambodia and that in the period January 27, 1973–April 30, 1973, 12,135 sorties were flown.

The last American combat troops were withdrawn from South Vietnam on March 28, 1973 and the last known American prisoners of war were released on April 1, 1973.

Secretary of State Rogers on April 3, 1973, submitted a statement on "Presidential Authority to Continue U.S. Air Combat Operations in Cambodia" to the Senate Committee on Foreign Relations at hearings concerning the Department of State Appropriations Authorization for fiscal 1974. The statement asserted its view that the conflicts in Laos and Cambodia are closely related to the conflict in Vietnam and, in fact, are so interrelated as to be considered parts of a single conflict.

Hearings on S. 1248 and H.R. 5610, 93d Con. 1st Session. p. 452. It was further stated that the presence of North Vietnamese troops in Laos and Cambodia threatened the right of self-determination of the South Vietnamese people, which was guaranteed by the Paris Agreement, and that air strikes in Cambodia were not for the defense of Cambodia as such, but to enforce compliance with the Vietnam (cease-fire) Agreement. *Id.* 453.

CONGRESSIONAL MOVES AFTER THE REPATRIATION OF AMERICAN PRISONERS OF WAR

The Defense Department sought authority in May 1973 to transfer $500 million to cover existing shortages of men and material. About $175 million was earmarked for Cambodian bombing operations. See 119 Cong. Rec. p. 14614 (May 8, 1973). On May 10, 1973, the House voted down the transfer authority by a vote of 219–188. 119 Cong. Rec. pp. 15286, 15317–15318 (May 10, 1973).

Immediately thereafter the House adopted the Long Amendment to the Second Supplemental Appropriations Bill, H.R. 7447, which explicitly forbade the use of Defense Department funds for the Cambodian bombing. The amendment read:

> None of the funds herein appropriated to the Department of Defense under this Act shall be expended to support directly or indirectly combat activities in, over, or from off the shores of Cambodia by United States Forces.

119 Cong. Rec. p. 15318 (May 10, 1973). The Long Amendment passed by a vote of 224–172. *Ibid.* at p. 15323.

Thereafter the Senate adopted a broader amendment to H.R. 7447, barring the use of any and all funds theretofore appropriated for the Defense Department for the bombing of Cambodia. It was introduced by Senator Eagleton on May 29, 1973:

> SEC. 305. None of the funds herein appropriated under this Act or heretofore appropriated under any other Act may be expended to support directly or indirectly combat activities in, over or from off the shores of Cambodia, or in or over Laos by United States forces.

119 Cong. Rec. p. 17124 (May 29, 1973). The Eagleton amendment was adopted by a vote of 63–19 on May 31, 1973. 119 Cong. Rec. p. 17692 (May 31, 1973).

Since the Eagleton amendment was more inclusive than the Long amendment, the measure went to a conference committee of the two houses. On June 29, 1973, the House receded and accepted the broader Eagleton amendment by a vote of 235 to 172. 119 Cong. Rec. p. 21173 (June 25, 1970). The House refused to adopt a proposed amendment to delay the effect of the Eagleton amendment. The vote was 204 to 204. *Ibid.* p. 21179.

Thereafter on June 26, 1973, the Senate agreed to the conference report on H.R. 7447 containing the Eagleton amendment. The vote was 81 to 11. 119 Cong. Rec. p. 21544 (June 26, 1973). The bill was then sent to the President.

The President vetoed H.R. 7447 on June 27, 1973. The House voted 241 to 173 to override the veto—a majority of sixty-eight votes but short of the required two-thirds vote. 119 Cong. Rec. p. 21778 (June 27, 1973). 1973).

On the same day, the Senate voted to attach the Eagleton amendment to H.R. 8410, a bill to continue the existing increase in public debt through November 30, 1973. The amendment read as follows:

> SEC. 501. No funds heretofore appropriated under any Act of Congress may be obligated or expended to support directly or indirectly combat activities in, over, or from off the shores of Cambodia or in or over Laos by United States forces.

119 Cong. rec. p. 21659 (June 27, 1973). The amendment was adopted by a vote of 67 to 29. *Ibid.* at p. 21661. Thereafter the debt limit bill with the Eagleton amendment was passed by a vote of 72 to 19. *Ibid.* at p. 21708.

On June 26, 1973, the House also adopted two amendments to the Continuing Appropriations Resolution (H.J. Res. 636), barring funds for Cambodian bombing. Congressman Long introduced the following amendment:

> None of the funds under this joint resolution heretofore appropriated may be expanded to support directly or indirectly combat activities in or over Cambodia or Laos or off the shores of Cambodia or Laos by United States forces.

Cong. Rec. p. 21310 (June 26, 1973). It passed by a vote of 218 to 194. *Ibid.* at p. 21319. Congressman Addabbo introduced a similar amendment.

> SEC. 108. None of the funds under this Joint Resolution may be expended to support directly or indirectly combat activities in or over Cambodia, Laos, Vietnam and South Vietnam or off the shores of Cambodia, Laos, North Vietnam and South Vietnam by United States forces without the express consent of Congress.

It passed by a vote of 240 to 172. *Ibid.* at p. 21320.

Faced with the dilemma of the President set upon vetoing any bill containing riders cutting off funds for Cambodian military operations and the urgency of providing funds for the operation of the federal government, Senator Fulbright on June 29, 1973, after conferences with White House representatives, introduced the following amendment to the Continuing Appropriations Resolution (H.J. Res. 636):

> SEC. 109. Notwithstanding any other provision of law, on or after August 15, 1973, no funds herein, heretofore or hereafter appropriated may be obligated or expended to finance the involvement of United States military forces in hostilities in or over or from off the shores of North Vietnam, South Vietnam, Laos, or Cambodia.

119 Cong. Rec. p. 2295 (June 29, 1973). The Senate voted to adopt the Fulbright amendment 64 to 26. *Ibid.* p. 22325. The Senate then voted to delete the earlier Eagleton amendment from the Continuing Appropriations Resolution. *Ibid.* p. 22325.

The House refused to pass S. 109 as worded and in conference S. 108 was adopted. 119 Cong. Rec. (June 30, 1973). The Conference Report was approved by the House on June 30. *Ibid.* at p. 22636. H.J. Res. 636, the Joint Resolution Continuing Appropriations for Fiscal 1974, Public Law 93–52, was signed into law by the President on July 1 and provided:

> SEC. 108. Notwithstanding any other provision of law, on or after August 15, 1973, no funds herein or heretofore appropriated may be obligated or expended to finance directly or indirectly combat activities by United States military forces in or over or from off the shores of North Vietnam, South Vietnam, Laos or Cambodia.

On July 1, the President also signed into law H.R. 9055, the Second Supplemental Appropriations Act, 1973, Public Law 93–50. The Act includes the following provision:

> SEC. 307. None of the funds herein appropriated under this Act may be expended to support directly or indirectly combat activities in or over Cambodia, Laos, North Vietnam and South Vietnam by United States forces, and after August 15, 1973, no other *funds heretofore appropriated, under any other Act may be expended for such purposes.* (Emphasis added).

OTHER FACTS

The defendants do not disagree with plaintiffs' contention that all ground combat troops were withdrawn from Indochina on March 28, 1973. There is reference in the papers to a few members of the armed forces stationed as guards to the Embassy in Saigon, but no assertion that they are there to continue the Vietnam war.

The complete repatriation of all known American prisoners of war is established by testimony before Congress quoted in plaintiffs' papers. Frank A. Sieverts, Special Assistant to the Deputy Secretary of State for Prisoner of War/Missing in Action Matters in testimony before the National Security Policy and Scientific Developments Subcommittee of the House Committee on Foreign Affairs, May 31, 1973, stated:

> It should be noted that there is no indication from these debriefings [of returning POW's] that any American personnel continue to be held in Indochina. All American prisoners known to any of our returned POW's have either been released or been listed by the communist authorities as having died in captivity. Returnees with whom I have talked, including those who appeared before this Subcommittee May 23, are clear in their belief that no U.S. prisoners continue to be held.

Defendants assert that the complete repatriation of prisoners of war is not an undisputed fact, but they have presented no evidence that there are any such prisoners remaining in North Vietnam or anywhere in Indochina. There remain, however, over 1,250 members of the armed forces listed as missing in action, who have not been located or officially declared to have died.

Plaintiffs and the *amici* assert that continuing hostilities in Cambodia do not represent activities of North Vietnamese troops, by a civil war between Khmer insurgents and the official government of Cambodia.

Plaintiffs and the *amici* also assert that continued U.S. bombing in Cambodia is causing the death and maiming of many civilians.

Defendants stated on oral argument that if summary judgment is denied, they would propose to offer testimony from Secretary of State Rogers, Secretary of Defense Schlesinger, and Dr. Kissinger concerning the necessity for the air operations and the importance of continuing bombing in Cambodia because of continuing confidential negotiations for a Cambodian cease-fire. No other offer of proof has been made on behalf of the defendants.

On July 23, 1973, the government informed the court that statistical data reflecting bombing activities in Cambodia between March 1969 and April 1970 had been "declassified" and were published in revised Table concerning fighter-bomber munitions and B–52 munitions in the Congressional Record for July 18, 1973. Defendants do not contend, however, that these facts were known to Congress before July 1, 1973. The court does not find that these facts are relevant to the issues dealt with herein.

DISCUSSION

1. *Legal Standards.*

The Court of Appeals of this circuit has spoken several times concerning earlier aspects of the Vietnam hostilities.

The teaching of *DaCosta* v. *Laird*, 471 F.2d 1146 (2d Cir. 1973), *Orlando* v. *Laird*, 443 F.2d 1039 (2d Cir. 1971), and *Berk* v. *Laird*, 429 F.2d 302 (2d Cir. 1970), is that the question of the balance of constitutional authority to declare war, as between the executive and legislative branches, is not a political question and hence presents a justiciable issue, if plaintiffs can succeed in showing that there are manageable standards to resolve the controversy.

The Court of Appeals in *Berk* v. *Laird*, *supra*, 429 F.2d at 305, stated that there might be manageable standards to determine whether "prolonged foreign military activities without any significant congressional authorization" might violate a discoverable standard calling for *some* mutual participation by Congress in accordance with Article I, section 8. (Emphasis from the original).

This court on remand found that Congress in appropriations bills from 1965 through 1969 had shown "its continued support of the Vietnam action" and that Congress' choice of appropriations bills rather than a formal declaration of war to effectuate its intent involved a political question which did not prevent the finding that the fighting in Vietnam was authorized by Congress and that such fighting was not a usurpation of power by either of the presidents who had been in office after 1964. *Berk* v. *Laird*, *supra*, 317 F.Supp. at 726, 728–31.

Nevertheless, appropriations bills do not necessarily indicate an open-ended approval of all military operations which may be conducted. See *Mitchell* v. *Laird*, 476 F.2d 533, 538 (D.C. Cir. 1973); Note, *Congress, The President and the Power to Commit Forces to Combat*, 81 Harv.L.Rev. 1171, 1802 (1968).

In affirming this court's Berk decision and Judge Dooling's similar *Orlando* decision, the Court of Appeals stated the test of whether there were manageable standards for adjudication as being "whether there is any action by the Congress sufficient to authorize or ratify the military activity in question." *Orlando* v. *Laird*, *supra*, 443 F.2d at 1042. It found that there was evidence of "an abundance of *continuing* mutual participation in the prosecution of the war." 443 F.2d at 1042. (Emphasis added).

More recently in *DaCosta* v. *Laird*, *supra*, 471 F.2d at 1151, the Court of Appeals dealt with the question "whether within the context of a lawful war, the president's order to mine the harbors of North Vietnam was properly authorized." It held in that instance (at p. 1155) that judges could not determine "whether a specific military operation constitutes an 'escalation' of the war or is merely a new tactical approach within a continuing strategic plan." However, it added (at p. 1156):

> In so stating, however, we specifically do not pass on the point urged by appellant whether a radical change in the character of war operations—as by an intentional policy of indiscriminate bombing of civilians without any military objective—might be sufficiently measurable judicially to warrant a court's consideration, i.e., might contain a standard which we seek in this record and do not find.

The court finds no evidence of intentional bombing of civilians, but the mining of North Vietnam harbors was a part of the war in Vietnam. If bombing in Cambodia is not part of the war in Vietnam, there may be a standard available here which the Court of Appeals did not find in *DaCosta*.

Therefore the manageable standard which this court must apply is the existence of Congressional authority for the present bombing activities over Cambodia, now that American forces have been withdrawn and prisoners of war have been repatriated. In order to be entitled to relief, plaintiffs must show, under this standard, and the test of "continuing mutual participation" set forth in *Orlando*, either that Congress has not participated with the executive in the authorization of the hostilities in Cambodia or that Congress has terminated any such authoriztion.

2. *The Extent of Congressional Authorization of Cambodian Hostilities.*

Cambodia was not mentioned in any of the appropriations bills referred to in Berk. The 1964 appropriations bill for the Department of Defense (PL 89–18, 79 Stat. 109) referred to "military activities in Southeast Asia." See 317 F.Supp. at 724. But the Department of Defense Appropriations Act for 1968 (PL 90–96, 81 Stat. 231, 240, § 639(a)) made appropriations available to support only

> (1) Vietnamese and other free world forces in Vietnam, (2) local forces in Laos and Thailand; and for related costs:

and subsequent authorization and appropritions bills used similar language. See 317 F.Supp. at 726–27.

Ever since the hostilities in Cambodia were announced by the President in April 1970, the appropriations bills have all contained the Fulbright proviso forbidding military support to the government of Cambodia, except in support of actions to insure the safe withdrawal of American forces or to aid in the release of prisoners of war. *Supra*, pp. 5–6.

The Mansfield amendment referred also to the desirability of an accounting for all Americans missing in action, but this was only in relation to the establishment of a final date for withdrawal of United States military forces from Indochina. *Supra*, p. 8. No Congressional purpose or authorization has been shown for the bombing of Cambodia in aid of persons missing in action, after all known prisoners of war have been released. Other actions by Congress specifically denied any commitment by the United States to Cambodia in its defense (*supra*, p. 6), and the Defense Appropriation Act for 1972, approved a month after the Mansfield amendment, referred only to the withdrawal of United States forces and the release of prisoners of war. *Supra*, p. 9.

The defendants point to the language in the Foreign Assistance Act of 1971, Section 655(d), excluding members of the armed forces engaged in air operations over Cambodia from the limitation on United States personnel in Cambodia, as an authorization for continued bombing. However the Senate report concerning this bill indicates that the authorization was intended to be correlative with the Fulbright proviso for it stated (Sen. Rep. No. 92–431, Nov. 8, 1971):

> Section 655 specifically excepts all combat air operation over Cambodia from this ceiling. This exception covers all United States and South Vietnamese combat air operations as well as combat air operations by other countries which involve the expenditure of U.S. funds. This exception is included because of the view of some Committee members that monetary limitations on air operations in Cambodia might jeopardize the continuing withdrawal of Cong. Admin. News, p. 1897.

Any inference flowing from the negatively phrased exception in Section 656 of the same act would be too indirect a route for Congress to express its will to continue a bombing operation which it had repeatedly questioned. The court does not find such authorization in the Foreign Assistance Act.

The documents described in the statement of facts indicate that Congress did not acquiesce in the Presidential statements that the Indochina war was all of one piece, but rather gave only limited authorization for continued hostilities in Cambodia.

Applying principles of the law of agency, as this court did in the *Herk* case, 317 F. Supp. at 728, it is the usual rule that the principal (Congress) may limit the duration of any authorization which it gives to the agent (the Executive). Section 38 of the Agency Restatement of the Law, Second (1958) states:

> § 38. Interpretation as to Duration of Authority
>
> Authority exists only during the period in which, from the manifestations of the principal and the happening of events of which the agent has notice, the agent reasonably believes that the principal desires him to act.

In considering the continued bombing of Cambodia, the removal of American forces and prisoners of war from Vietnam represents a basic change in the situation, which must be considered in determining the scope and duration of any Congressional authorization. The bombing of Cambodia in July 1973 is not "the sort of tactical decision traditionally confided to the Commander-in-Chief in the conduct of armed conflict," as once described by the then Assistant Attorney General Rehnquist. Rehnquist, *The Constitutional Issues. Administrative position* in 3 Falk, *The Vietnam War and International Law*, 163, 173 (1972).

The Congressional action before and after the beginning of hostilities in Cambodia does not include authorization to bomb Cambodia in order to achieve a Cambodia ceasefire or even to protect the Vietnamese cease-fire as urged by defendants. The extent of the power granted by Congress depends on the language used by Congress, not on the president's statements to Congress.

An emergency does not create power unless Congress has granted it. *Youngstown Sheet & Tube Co.* v. *Sawyer*, 343 U.S. 579, 629, 72 S.Ct. 863, 886 (1952). The Constitution provides (Article II, Section 3) that the President shall recommend to the Congress "such measures as he shall deem necessary and expedient," and that "he shall take care that the laws be faithfully executed." Nonaction by Congress does not constitute an implied grant of power. *Greene* v. *McElroy*, 360 U.S. 474, 79 S.Ct. 1400 (1959).

The question here is not the one posed by the government, whether aerial action in Cambodia is the termination of a continuing war or the initiation of a new and distinct war; but whether Congress has authorized bombing in Cambodia after the withdrawal of American troops from Vietnam and the release of prisoners of war.

3. *The Effect of the July 1, 1973 proviso.*

Authority to bomb Cambodia was not granted by the provisions adopted by both Houses of Congress on June 29, 1973 and signed by the President on July 1, 1973, forbidding any expenditure of funds in connection with hostilities over Cambodia after August 15, 1973. This is made clear by the statements of Senator Fulbright and others during the debate in the Senate, where Senator Fulbright stated:

> The acceptance of an August 15 cut off date should in no way be interpreted as recognition by the committee of the President's authority to engage U.S. forces in hostilities until that date. The view of most members of the committee has been and continues to be that the President does not have such authority in the absence of specific congressional approval. 119 Cong. Sec. 5 12560 (daily ed. June 29, 1973).

He reiterated this point in colloquy with Senator Eagleton:

> Mr. EAGLETON. I want to inquire as to what this resolution includes. What does it prevent within the next 45 days? Does it permit continued bombing between now and August 15?
>
> Mr. FULBRIGHT. As I have said, I do not regard him as having the right to do this. He has the power to do it. And unless we have something like this, the only sanction we have here is to impeach him. And I do not think that is practical. I do not recommend it. I know of no other alternative.
>
> Mr. EAGLETON. Would it permit the bombing of North and South Vietnam until August 15?
>
> Mr. FULBRIGHT. I do not think it is legal or constitutional. But whether it is right to do it or not, he has done it. He has the power to do it because under our system there is not any easy way to stop him.
>
> I do not want my statement to be taken to mean that I approve of it or think that it is constitutional or legal for him to do it. He can do it. He has done it. Do I make myself clear?
>
> Mr. EAGLETON. In a way yes, and in a way no. If we adopt this resolution, the President will continue to bomb Cambodia. That means quite simply that we will sanction it, does it not?
>
> Mr. FULBRIGHT. We do not sanction it. It does not mean that we approve of the bombing. This is the best way to stop it. I have never approved of it. And I do not wish my answer to indicate that I approve of the bombing, because I do not.
>
> Mr. EAGLETON. But the President will exercise a power to bomb in Indochina within the next 45 days, is that correct? A power that will now be sanctioned by our action?
>
> Mr. FULBRIGHT. The President has the power to do a lot of things of which I do not approve.
>
> Mr. EAGLETON. He will exercise that power, and whether he exercises that power wisely, we know that within the next 45 days he will exercise a right to bomb Cambodia—a right given him by the Congress of the United States.
>
> Mr. FULBRIGHT. I do not consider that he has the right to do it.
>
> 119 Cong. Rec. 22307 (June 29, 1973).

This is not a situation where the views of a few members of Congress, holding attitudes antithetical to the majority, are being proffered to defeat what Congress had intended to be a grant of authority. There is no indication of a contrary majority sentiment. Majorities in both Houses had previously made plain that they were opposed to any continuation of bombing in Cambodia, and they included an August 15 cutoff date merely in order to avoid the veto which had met their earlier efforts.

The defendants urge that Congress' will as expressed through bills which were not enacted cannot be used as a factor in interpreting the July 1 legislation. But this contention misconstrues the basic issue. The question is not whether Congress has affirmatively acted to disavow participation, but whether Congress has acted to authorize the continuation of hostilities in Cambodia. While Congress can exercise its war-making power through measures other than an express declaration of war, courts should not easily infer the exercise of such a grave responsibility. Legislative history as evidenced through bills that were vetoed is relevant to a judicial inquiry of whether or not Congress intended to participate in the military campaign under challenge.

It cannot be the rule that the President needs a vote of only one-third plus one of either House in order to conduct a war, but this would be the consequence of holding that Congress must override a presidential veto in order to terminate hostilities which it has not authorized.

In order to avoid a constitutional crisis that would have resulted in a temporary shutdown of vital federal activities (including issurance of monthly Social Security checks), due to lack of funds for the new fiscal year, Congress agreed to hold off any action affirmatively cutting off funds for military purposes until August 15, 1973.

This does not reach the qustion whether such activities had previously been authorized.

The period from now until August 15 is relatively short, the court necessarily having taken several weeks in studying the matter and preparing this memorandum. However, the court cannot say that the Cambodian and American lives which may be lost during the next three weeks are so unimportant that it should defer action in this case still further.

There are no disputed issues of material fact. The issues relate to the interpretation of Congressional acts.

Even if part of the fighting in Cambodia is being conducted by North Vietnamese troops rather than by Khmer insurgents, the court has found that there is no Congressional authorization to fight in Cambodia after the withdrawal of American troops and the release of American prisoners of war. Even though the executive and the military may consider Cambodian bombing an effective means of enforcing paragraph 20 of the Paris Agreement of January 27, 1973, it does not apepar that Congress has given its authority for such acts.

There is no indication that any of the classified information mentioned by the government will affect the interpretation of the Congressional acts or that the testimony of the officials suggested as witnesses will do so. The reasons which may have led the executive to continue bombing in Cambodia are not decisive, in the absence of continuing authority from Congress to do so.

There is nothing in the case of *Gilligan* v. *Morgan*, 41 U.S.L.W. 4966 (June 21, 1973) cited to the court during the typing of the opinion, which is contrary to what has been written above. The Supreme Court in *Gilligan* held that it would be inappropriate for a judge to evaluate the appropriateness of the "training, weaponing and orders" of the Ohio National Guard and establish standards to control the actions of the national Guard. Slip op. pp. 4, 6. What is involved in this case is not the training or tactics of American forces, but whether Congress has authorized the Cambodian bombing. That question is capable of judicial resolution, under the cases cited above, by applying traditional processes of statutory construction.

The court will therefore permit the addition of Captain Donald E. Dawson as plaintiff, and will grant summary judgment for declaratory and equitable relief as set forth in the accompanying judgment, but will postpone the effective date of the injunction until Friday in order to permit the defendants to apply for a stay from the Court of Appeals.

It is ordered that Captain Donald E. Dawson be added as a plaintiff, that plaintiffs have leave to file and serve a second amended complaint in the form proposed, and that the caption be amended accordingly.

Orrin G. Judd,
U.S. District Judge.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows to:

Mr. Pepper (at the request of Mr. O'Neill), for today, on account of necessary absence.

Mr. Jones of North Carolina (at the request of Mr. O'Neill), for today through Wednesday, August 1, on account of death in immediate family.

Mr. Ketchum (at the request of Mr. Gerald R. Ford), for today, on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, premission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. Patman, for 60 minutes, today, to revise and extend his remarks and include extraneous matter.

(The following Members (at the request of Mr. Moorhead of California), to revise and extend their remarks, and to include extraneous matter:)

Mr. Gubser, for 30 minutes, today.

Mr. Mitchell of New York, for 5 minutes, today.

Mr. Crane, for 5 minutes, today.

Mrs. Heckler of Massachusetts, for 5 minutes, today.

Mr. Kemp, for 10 minutes, today.

(The following Members (at the request of Mr. Breckinridge) to revise and extend their remarks and include extraneous material:)

Mr. Fraser, for 5 minutes, today.

Mr. Gonzalez, for 5 minutes, today.

Mr. Kastenmeier, for 5 minutes, today.

Mr. Mezvinsky, for 5 minutes, today.

Mr. Fuqua, for 30 minutes, today.

Mr. Runnels, for 5 minutes, today.

Mr. Annunzio, for 5 minutes, today.

Ms. Abzug, for 10 minutes, today.

Mr. Reuss, for 10 minutes, today.

Mr. Benitez, for 60 minutes, July 31, 1973.

Mr. Vanik, for 60 minutes, August 1, 1973.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. Mazzoli, to revise and extend his remarks in the body of the Record, notwithstanding the fact that it exceeds two pages of the Congressional Record and is estimated by the Public Printer to cost $731.50.

Miss Holtzman and to include extraneous matter, notwithstanding the fact that it exceeds two pages of the Record and is estimated by the Public Printer to cost $888.25.

Mr. Dellenback to revise and extend his remarks immediately following Mr. Meeds on Klamath Indian lands bill considered today.

Mr. Gross asked and was given permission to revise and extend his remarks on House Resolution 512.

Mr. Horton and to revise and extend his remarks and include extraneous material during debate on the rule covering S. 1989 today.

Mr. Goldwater, and to revise and extend his remarks and include extraneous material during debate on the rule covering S. 1989 today.

Mr. Stratton, to include certain extraneous matter with his remarks on the military assistance bill given in the Committee of the Whole today.

Mr. Whitehurst, to include extraneous matter with the remarks he made during the debate today on the military assistance bill.

Mr. Bennett, to include extraneous matter to immediately follow his remarks made in the debate today on the military assistance bill.

Mr. King, to extend his remarks in the debate on the military assistance bill.

The following Members (at the request of Mr. Moorhead of California) and to include extraneous material):

Mr. Burke of Florida.

Mr. Gerald R. Ford.

Mr. Carter in two instances.

Mr. Harvey.

Mr. Shoup.

Mr. Crane in five instances.

Mr. Miller in six instances.

Mr. Young of Illinois in two instances.

Mr. Hosmer in two instances.

Mr. Veysey in two instances.

Mr. Minshall of Ohio.

Mr. Hanrahan.

Mr. Price of Texas.

Mr. Kemp in two instances.

Mr. Robison of New York.

Mr. Findley.

Mr. Archer.

Mr. Derwinski.

Mr. Don Clausen.

Mr. Treen in two instances.

Mr. Broomfield in five instances.

Mr. Talcott.

(The following Members (at the request of Mr. Breckinridge) and to include extraneous material):

Mr. Lehman in three instances.

Mr. Owens.

Mr. Rosenthal in five instances.

Mr. Gonzalez in three instances.

Mr. Rarick in three instances.

Mr. Patten.

Mr. Nichols.

Mr. Carney of Ohio in two instances.

Mr. Waldie in seven instances.

Mr. Stokes in five instances.

Mr. de la Garza in three instances.

Mr. Danielson in five instances.

Mr. Brademas in six instances.

Mr. Diggs in three instances.

Mr. Reid.

Mr. Nedzi in two instances.

Ms. Abzug in 10 instances.

Mr. Cotter in 10 instances.

Mr. Obey in three instances.

Mr. Harrington in three instances.

Mr. McCormack.

SENATE BILLS REFERRED

Bills of the Senate of the following title were taken from the Speaker's table and, under the rule, referred as follows:

S. 1341. An act to provide for financing the economic development of Indians and Indian organizations, and for other purposes; to the Committee on Interior and Insular Affairs.

S. 1887. An act to provide for the appointment of alternates for the governors of the International Monetary Fund and of the International Bank for Reconstruction and Development; to the Committee on Banking and Currency.

S. 2060. An act to authorize the Secretary of Transportation to act to assure the continuance of rail services in the notheastern United States, and for other purposes; to the Committee on Interstate and Foreign Commerce.

S. 2075. An act to authorize the Secretary of the Interior to undertake a feasibility investigation of McGee Creed Reservoir, Oklahoma; to the Committee on Interior and Insular Affairs.

S. 2166. An act to authorize the disposal of opium from the national stockpile; to the Committee on Armed Services.

S. 2239. An act relating to intervening in and influencing the political affairs of foreign countries or political subdivisions thereof; to the Committee on the Judiciary.

ADJOURNMENT

Mr. BRECKINRIDGE. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 38 minutes p.m.), the House adjourned until tomorrow, Tuesday, July 31, 1973, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV executive communications were taken from the Speaker's table and referred as follows:

1180. A letter from the Acting Secretary of Health, Education, and Welfare, transmitting the annual report for fiscal year 1971 on the administration of Public Laws 81–874 and 81–815 by the Commissioner of Education, pursuant to sections 301(c) and 12(c) of those acts, respectively; to the Committee on Education and Labor.

1181. A letter from the Assistant Secretary of State for Congressional Relations, transmitting the texts of International Labor Organization Convention No. 135 and Recommendation No. 143, concerning Protection and Facilities to be Afforded to Workers' Representatives in the Undertaking (H. Doc. No. 93–135) to the Committee on Foreign Affairs and ordered to be printed.

1182. A letter from the Deputy Director, U.S. Information Agency, transmitting the annual report for fiscal year 1973 on the Agency's disposal of foreign excess property, pursuant to section 404(d) of the Federal Property and Administrative Services Act of 1949 (Public Law 81–152); to the Committee on Government Operations.

1183. A letter from the Assistant Secretary of the Interior, transmitting a report on activities of the Geological Survey conducted outside of the national domain during the 6 months ended June 30, 1973, pursuant to 43 U.S.C. 31(c); to the Committee on Interior and Insular Affairs.

1184. A letter from the Assistant Secretary of the Interior, transmitting a request that the application of the Lakeside Irrigation Water District, Hanford, Calif., for a loan under the provisions of the Small Reclamation Projects Act, be dropped from further consideration; to the Committee on Interior and Insular Affairs.

1185. A letter from the Chairman, Indian Claims Commission, transmitting reports of the final determinations of the Commission in docket No. 173–A, the *Cherokee Nation, Plaintiff*, and *The Cherokee Freedman and Cherokee Freedmen's Association, Intervenors* v. *The United States of America, Defendant*, and No. 123, *Cherokee Freedmen, and Cherokee Freedmen's Association, Ex Rel Edward Curls, Ruth Claggett, Jackson Smith, Gladys Lannagan, and Wilbert Rogers, Plaintiffs* v. *The United States of America, Defendant*, pursuant to 25 U.S.C. 70t; to the Committee on Interior and Insular Affairs.

1186. A letter from the Chairman, Federal Communications Commission, transmitting a draft of proposed legislation to amend the Communications Act of 1934, as amended, to permit the Federal Communications Commission to grant radio station licenses in the safety and special and experimental radio services directly to aliens, representatives of aliens, foreign corporations, or domestic corporations with alien officers, directors, or stockholders; and to permit aliens holding such radio station licenses to be licensed as operators; to the Committee on Interstate and Foreign Commerce.

1187. A letter from the Chairman, Federal Communications Commission, transmitting a draft of proposed legislation to amend section 1114 of title 18 of the United States Code to make the killing, assaulting, or intimidating of any officer or employee of the Federal Communications Commission performing investigative, inspection, or law-enforcement functions a Federal criminal offense; to the Committee on the Judiciary.

1188. A letter from the Chairman, American Revolution Bicentennial Commission, transmitting the annual report of the Commission for 1972, pursuant to Public Law 89–491; to the Committee on the Judiciary.

1189. A letter from the Secretary of Commerce, transmitting the annual report on the relative cost of shipbuilding in the various coastal districts of the United States pursuant to section 213(c) of the Merchant Marine Act of 1936, as amended; to the Committee on Merchant Marine and Fisheries.

1190. A letter from the Secretary of Commerce, transmitting a report on the administration of the Marine Mammal Protection Act of 1972 for the period of December 21, 1972, through June 21, 1973, pursuant to section 103(f) of the act; to the Committee on Merchant Marine and Fisheries.

1193. A letter from the Director, National Science Foundation, transmitting a report on the use of appropriated funds in fiscal year 1973 for the support of the executive dining room at the National Science Foundation, pursuant to section 1102 of Public Law 92–607; to the Committee on Appropriations.

Received From the Comptroller General

1191. A letter from the Comptroller General of the United States, transmitting a list of reports issued or released by the General Accounting Office during June, 1973, pursuant to 31 U.S.C. 1174; to the Committee on Government Operations.

1192. A letter from the Comptroller General of the United States, transmitting a report of the Office of Federal Elections on the Indiana Republican State Central Committee, prepared under the authority of section 308(a)(11) of the Federal Election Campaign Act of 1971 (Public Law 92–225); to the Committee on House Administration.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. STAGGERS: Committee on Interstate Committee and Foreign Commerce. H.R. 8351. A bill to amend the Rail Passenger Service Act of 1970, as amended, to provide financial assistance to the National Railroad Passenger Corporation, and for other purposes; with amendment (Rept. No. 93–415). Referred to the Committee of the Whole House on the State of the Union.

Mr. NATCHER: Committee of Conference. Conference report on H.R. 8658 with amendment (Rept. No. 93–416). Ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BROWN of California:

H.R. 9657. A bill to strengthen and improve the protections and interests of participants and beneficiaries of employee pension and welfare benefit plans; to the Committee on Education and Labor.

By Mr. BROWN of California (for himself, Mr. Annunzio, Mr. Bergland, Mr. Bowen, Mr. Fuqua, Mr. McCormack, Mr. Milford, Mr. Mosher, Mr. Roe, Mr. Symington, and Mr. Thornton):

H.R. 9658. A bill to further energy research and development by establishing a Geothermal Energy Development Corporation; to amend the National Science Foundation Act of 1950; and to authorize and direct the National Science Foundation to fund basic and applied research related to energy and thereby support the objectives of the Geothermal Energy Development Corporation; and for other purposes; to the Committee on Science and Astronautics.

By Mr. de la GARZA:

H.R. 9659. A bill to provide a mechanism to improve health care in rural areas through the establishment of the Office of Rural Health Care in the Department of Health, Education and Welfare, and for other purposes; to the Committee on Interstate and Foreign Commerce.

H.R. 9660. A bill to amend the National Firearms Act to exempt certain unserviceable machineguns from the registration requirements of that act; to the Committee on Ways and Means.

By Mr. ESCH:

H.R. 9661. A bill to amend the Communications Act of 1934 for 1 year with respect to certain agreements relating to the broadcasting of home games of certain professional athletic teams; to the Committee on Interstate and Foreign Commerce.

By Mr. GAYDOS:

H.R. 9662. A bill to require the President to include in the budget transmitted to Congress additional information showing the regional impact of the budget proposals by State and congressional districts, and for other purposes; to the Committee on Government Operations.

By Mr. KASTENMEIER:

H.R. 9663. A bill to protect the public health and welfare by providing certain minimum standards of sanitation for imported dairy products; to the Committee on Agriculture.

By Mr. KASTENMEIER (for himself, and Mr. Stokes):

H.R. 9664. A bill to amend the Voting Rights Act of 1970 to prohibit the States from denying the right to vote in Federal elections to former criminal offenders who have not been convicted of any offense relating to voting or elections and who are not confined to a correctional institution; to the Committee on the Judiciary.

By Mr. LEHMAN (for himself, Mr. Mitchell of New York, Mr. Fraser, Mrs. Chisholm, and Mr. Moakley):

H.R. 9665. A bill to authorize an experimental program to provide for care for elderly individuals in their own homes; to the Committee on Ways and Means.

By Mr. LEHMAN:

H.R. 9666. A bill to require States to pass along to individuals who are recipients of aid or assistance under the Federal-State public assistance programs or under certain other Federal programs, and who are entitled to social security benefits, the full amount of the 1972 and 1974 increases in such benefits, either by disregarding such increases in determining their need for assistance or otherwise; to the Committee on Ways and Means.

By Mr. LONG of Maryland:

H.R. 9667. A bill to amend title 18 of the United States Code to require the consent of all persons whose communications are intercepted under certain provisions relating to certain types of eavesdropping; to the Committee on the Judiciary.

By Mr. MITCHELL of New York:

H.R. 9668. A bill to amend the Federal Election Campaign Act of 1971, to establish a system of public financing of congressional election campaigns; to the Committee on House Administration.

By Mr. PARRIS (for himself, Mr. Beard, Mrs. Burke of California, Mr. Martin of North Carolina, Mr. Moakley, Mr. Rangel, Mr. Roy, Mr. Stokes, Mr. Young of Illinois, Mr. Rinaldo, and Mr. Waldie):

H.R. 9669. A bill to amend the Communications Act of 1934 for 1 year with respect to certain agreements relating to the broadcasting of home games of certain professional athletic teams; to the Committee on Interstate and Foreign Commerce.

By Mr. PRICE of Illinois:

H.R. 9670. A bill to strengthen and improve the protections and interests of participants and beneficiaries of employee pension and welfare benefit plans; to the Committee on Education and Labor.

By Mr. SHOUP:

H.R. 9671. A bill to authorize supplemental appropriations for National Science Foundation Energy Research and Development; to the Committee on Science and Astronautics.

By Mr. STUDDS:

H.R. 9672. A bill to authorize the disposal of approximately 258,700 short tons of copper from the national stockpile and the supplemental stockpile; to the Committee on Armed Services.

By Mr. WALDIE:

H.R. 9673. A bill to amend the Watershed Protection and Flood Prevention Act to incorporate construction and operation measures for the benefit of fish and wildlife resources in works of improvement authorized under that act; to the Committee on Agriculture.

H.R. 9674. A bill to strengthen and improve the protections and interests of participants and beneficiaries of employee pension and welfare benefit plans; to the Committee on Education and Labor.

H.R. 9675. A bill to amend the Federal Power Act; to the Committee on Interstate and Foreign Commerce.

H.R. 9676. A bill to require persons building powerplants which use public waters to operate cooling towers, unless they can demonstrate that there is no need for such towers, and for other purposes; to the Committee on Interstate and Foreign Commerce.

H.R. 9677. A bill to establish a national flood plain policy and to authorize the Secretary of the Interior, in cooperation with Federal agencies and the States, to encourage the dedication of the Nation's flood plains as natural floodways, to protect, conserve, and restore their natural functions and resources, and for other purposes; to the Commerce on Interior and Insular Affairs.

By Mr. WHALEN:

H.R. 9678. A bill, the Antihijacking Act of 1973; to the Committee on Interstate and Foreign Commerce.

By Mr. ZWACH:

H.R. 9679. A bill to amend the Public Health Service Act to encourage physicians, dentists, optometrists, and other medical personnel to practice in areas where shortages of such personnel exist, and for other purposes; to the Committee on Interstate and Foreign Commerce.

H.R. 9680. A bill to amend the Public Health Service Act to assist in alleviating the shortage of health care personnel in rural areas, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. MACDONALD:

H.R. 9681. A bill to authorize and require the President of the United States to allocate crude oil and refined petroleum products to deal with existing or imminent shortages and dislocations in the national distribution system which jeopardize the public health, safety, or welfare; to provide for the delegation of authority, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. DIGGS (for himself, Mr. Adams, Mr. Fraser, Mr. Dellums, Mr. Rees, Mr. Fauntroy, Mr. Howard, Mr. Mann, Mr. Mazzoli, Mr. Aspin, Mr. Rangel, Mr. Breckinridge, Mr. Stark, Mr. Gude, Mr. Smith of New York, and Mr. McKinney):

H.R. 9682. A bill to reorganize the governmental structure of the District of Columbia, to provide a charter for local government in the District of Columbia subject to acceptance by a majority of the registered qualified electors in the District of Columbia, to delegate certain legislative powers to the local government, to implement certain recommendations of the Commission on the Organization of the Government of the District of Columbia, and for other purposes; to the Committee on the District of Columbia.

By Mr. ANDERSON of California:

H.R. 9683. A bill to strengthen and improve the protections and interests of participants and beneficiaries of employee pension and welfare benefit plans; to the Committee on Education and Labor.

By Mr. BEVILL:

H.R. 9684. A bill to amend the Public Buildings Act of 1959 to require, when the construction or leasing of Government buildings or space is proposed for metropolitan buildings or space is proposed for Metropolitan Washington D.C. that alternative proposals be submitted for municipalities of less than 75,000 population in other parts of the country; to the Committee on Public Works.

By Mrs. COLLINS of Illinois:

H.R. 9685. A bill to amend the Coastal Zone Management Act of 1972 for the purpose of determining the causes and means of preventing shoreline erosion; to the Committee on Merchant Marine and Fisheries.

By Mr. FINDLEY:

H.R. 9686. A bill to amend section 3401 of the Internal Revenue Code; to the Committee on Ways and Means.

By Mr. FRASER (for himself, Mr. Badillo, Mr. Clay, Mr. Conyers, Mr. Diggs, Mr. Drinan, Mr. Fauntroy, Mr. Harrington, Ms. Mink, Mr. Mitchell of Maryland, Mr. Podell, Mr. Riegle, Mr. Stark, Mr. Stokes, Mr. Waldie, and Mr. Won Pat):

H.R. 9687. A bill to amend the Social Security Act to provide for a system of children's allowances, and for other purposes; to the Committee on Ways and Means.

By Mr. HARRINGTON (for himself, and Mr. Stokes):

H.R. 9688. A bill to amend section 102 of the National Security Act of 1947 to prohibit certain activities by the Central Intelligence Agency and to limit certain other activities by such Agency; to the Committee on Armed Services.

By Mr. HUNGATE:

H.R. 9689. A bill to require that a percentage of U.S. oil imports be carried on U.S.-flag vessels; to the Committee on Merchant Marine and Fisheries.

By Mr. KOCH (for himself, Mr. Fraser, Mr. Mitchell of Maryland, Mr. Rees, and Mr. Roncallo of New York):

H.R. 9690. A bill to prohibit discrimination on account of sex or marital status against individuals seeking credit; to the Committee on Banking and Currency.

By Mr. McCORMACK (for himself, Mr. Fuqua, Mr. Symington, Mr. Roe, Mr. Bergland, Mr. Brown of California, Mr. Milford, Mr. Thornton, Mr. Mosher, Mr. Annunzio, and Mr. Bowen):

H.R. 9691. A bill to further energy research and development by establishing a Coal Gasification Development Corporation; to amend the National Science Foundation Act of 1950 and to authorize and direct the National Science Foundation to fund basic and applied research related to energy and thereby support the objectives of the Coal Gasification Development Corporation; and for other purposes; to the Committee on Science and Astronautics.

H.R. 9692. A bill to further energy research and development by establishing an Advanced Power Cycle Development Corporation; to amend the National Science Foundation Act of 1050 and to authorize and direct the National Science Foundation to fund basic and applied research related to energy and thereby support the objectives of the Advanced Power Cycle Development Corporation; and for other purposes; to the Committee on Science and Astronautics.

By Mr. McCORMACK (for himself, Mr. Fuqua, Mr. Symington, Mr. Roe, Mr. Brown of California, Mr. Milford, Mr. Thornton, Mr. Mosher, Mr. Annunzio, and Mr. Bowen):

H.R. 9693. A bill to further energy research and development by establishing a Shale Oil Development Corporation; to amend the National Science Foundation Act of 1950 and to authorize and direct the National Science Foundation to fund basic and applied research related to energy and thereby support the objectives of the Shale Oil Development Corporation; and for other purposes; to the Committee on Science and Astronautics.

By Mr. McCORMACK (for himself, Mr. Fuqua, Mr. Symington, Mr. Roe, Mr. Bergland, Mr. Brown of California, Mr. Milford, Mr. Thornton, Mr. Mosher, Mr. Annunzio, and Mr. Bowen):

H.R. 9694. A bill to further energy research and development by establishing a Coal Liquefaction Corporation; to amend the National Science Foundation Act of 1950 and to authorize and direct the National Science Foundation to fund basic and applied research related to energy and thereby support the objective of the Coal Liquefaction Corporation; and for other purposes; to the Committee on Science and Astronautics.

H.R. 9695. A bill to establish a national program for scientific research, development, and demonstration in energy and energy related technologies and for the coordination and financial supplementation of Federal energy research and development; to establish a research corporation to demonstrate certain energy technologies; to amend the National Science Foundation to fund basic and applied research related to energy; and for other purposes; to the Committee on Science and Astronautics.

By Mr. RUNNELS:

H.R. 9696. A bill to establish an Office of Solar Energy Research in the Department of the Interior, and for other purposes; to the Committee on Science and Astronautics.

By Mr. BROWN of California:

H.J. Res. 691. Joint Resolution to authorize and request the President to issue a proclamation designating 1 day during each year as "National Registered Nurses Day"; to the Committee on the Judiciary.

By Mr. SEIBERLING:

H.J. Res. 692. Joint resolution, a national education policy; to the Committee on Education and Labor.

By Mr. PATMAN:

H. Con. Res. 278. Concurrent resolution authorizing the printing of additional copies of the joint committee print "Soviet Economic Prospects for the Seventies"; to the Committee on House Administration.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII,

Mr. BROYHILL of Virginia introduced a bill (H.R. 9697) to direct the burial of the remains of Marie E. Newman in Arlington National Cemetery, Arlington, Va.; to the Committee on Veterans' Affairs.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

257. By the SPEAKER: Petition of the council of the county of Maui, Hawaii, relative to the conveyance of the island of Kahoolawe to the State of Hawaii; to the Committee on Armed Services.

258. Also, petition of the city council, Chicago, Ill., relative to the application of Israel El Al Airlines for landing rights at Chicago-O'Hare International Airport; to the Committee on Interstate and Foreign Commerce.

EXTENSIONS OF REMARKS

HON. GLENN ANDERSON LAUDS BALTIC STATES

HON. GEORGE E. DANIELSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 30, 1973

Mr. DANIELSON. Mr. Speaker, our colleague, the Honorable Glenn Anderson, recently presented remarks to the Los Angeles Chapter, Lithuanian American Council, paying tribute to the "heroes and martyrs of Lithuania, Latvia, and Estonia."

Representative Anderson presented an optimistic, yet realistic, talk that related our values and our traditions to those of the peoples of the captive nations—Latvia, Lithuania, and Estonia. His statement that "your cause necessarily transcends any single people or any single nation is particularly significant, and I join with him in the belief that "while there is a nation in bondage, no nation is truly free."

Mr. Speaker, so that our colleagues may have the opportunity to read these enlightened and well-reasoned remarks, I place Representative Anderson's talk in the Record at this point:

Remarks of Congressman Glenn M. Anderson

Thank you Mr. Chairman—Ladies and Gentlemen.

Thank you for this opportunity to meet with you today, and to join in this tribute to the heroes and martyrs of Lithuania, Latvia and Estonia. And while the prime purpose of this occasion is to focus attention upon the continuing struggle of a gallant people to win personal freedom and national independence, in a larger sense your cause necessarily transcends any single people or any single nation. Many years ago a great American (Eugene Debs) once said, "While there is a soul in prison; I am not free." I think we might expand that thought to, "While there is a nation in bondage, no nation is truly free."

It is perhaps ironic that we are meeting here during a visit to this country by the Soviet Party Leader, Mr. Brezhnev. Let me say first of all, that I believe when the leaders of a foreign state come to this nation as guests of the President of the United States, they should be greeted with the same courtesy which we hope and expect that our President receives when he visits foreign capitals. It is necessary in an age of fearful dangers and immensely difficult problems for the heads of state of the most powerful countries in the world to meet from time to time. Nothing will be accomplished, for the people of the United States, or the people of the Soviet Union, or the peoples which are held in bondage by the Soviet Union, by any show of rudeness and discourtesy.

However, I do not believe that in the long run, the hopes for a world of peace and national freedom are served by closing our eyes to unpleasant facts. One of those facts is that the Soviet Union has ruthlessly imposed a military dictatorship upon its neighbors to the west, specifically including the free and independent people of the Baltic States. And, that this dictatorship imposed with tanks and machine guns at the cost of thousands of lives, continues to be maintained by force.

One of the dangers we face is the temptation to believe, or at least acquiesce in the idea that tyranny plus time equals respectability: That is, with the passing of years, what has been taken by force and maintained by force, somehow becomes the legitimate property of the conqueror.

I believe it would be wrong to hold out false hopes to those who must endure unpopular puppet governments imposed by foreign troops. As a practical matter there is little immediate likelihood of imminent liberation for these people. And whatever our wishes and feelings in the matter, there are realistic limits to American power. But I also believe it would be profoundly wrong for the United States to simply write off the Baltic States' struggle for freedom, or indeed to forget the peoples of all the eastern European nations which have at least as much claim to our sympathy and support as the people's of Southeast Asia.

Clearly the era in history known as the Cold War is drawing to a close and some new epoch in international affairs has begun. The Soviet Union, while maintaining absolute immediate control over its own people and those of its neighbors, has indicated an interest in opening doors to the western world. There is a mutual desire for trade, for some degree of cultural exchange, for normalization of relationships between the so-called superpowers. The experts tell us that this desire did not come about miraculously as the result of some sudden change of heart on the part of the men in the Kremlin. Rather it is a logical reaction to increasing danger from the East, that is, from China, and increasing demands on the part of the Soviet people and their subject states for a better and freer life. These pressures apparently cannot be resisted indefinitely with concentration camps and machine guns.

Apparently the President and Dr. Kissinger believe, and I certainly support them in this, that an opportunity may exist not merely to sell some wheat and computers to Russia and perhaps to receive some products in return, but to achieve a decisive change in the unhappy state of the world which has existed ever since the end of World War II.

But if that change is to be real rather than merely cosmetic, it must ultimately encompass military and political as well as purely economic agreements. For the Cold War will not truly end until American troops are in America, and Russian troops are in Russia—and nowhere else. And that "generation of peace" which President Nixon and Dr. Kissinger seek is not likely to come to pass until all nations are free from foreign despotism and the people of this earth live under governments of their own choosing.

I know that many of you here tonight have known first hand the horrors of living under a totalitarian regime—as I have not—and therefore perhaps it is you who should be speaking and I who should be listening.

But that, perhaps unfortunately, is not how matters have been arranged here today. In any event, I am sure you would agree that we are all Americans now—and that our essential task is to preserve free government here, if it is to remain a viable hope for men everywhere in the world.

And in that vein—we might ask ourselves, what is the nature of totalitarian regimes, whether they frankly label themselves as such, or choose to masquerade as "People's Republics?" First of all, a dictatorial regime almost invariably assumes absolute power in the guise of defending the people against some threat—external or internal. Dictators do not usually say to the people, "I am taking power because I enjoy it or want it." Rather they will argue that there is a grave emergency, a danger of "capitalist encirclement" if the dictatorship is of the left—or a "communist conspiracy" if of the right—or to forestall invasion of they don't bother about ideology. Presumably, the dictator invariably shoots you for your own good.

Secondly, dictatorships invariably choose to cover their acts under a mantle of secrecy. As the Bible says, and as Senator Ervin has noted, evil deeds are best done in darkness. Those whose conduct offends the consciences of men will find reasons why the press should be suppressed, why dissent and debate represent not a healthy antidote to the errors of politicians and bureaucrats, but a menace to public order.

Free governments make mistakes—sometimes dreadful mistakes. But so long as men and women are permitted to stand up in public and condemn these mistakes, or to describe them in the press and on television, the possibility of corrections exists.

Third, is the use of force. Now all governments must ultimately possess, and be willing, to use, power to enforce their laws. Totalitarian regimes rest not on the support or consent of the people, but upon the fear of the secret police. In my view, the world which we have begun to enter will no longer be divided so much by communism versus capitalism, as it will be by those nations where leaders are chosen by and subject to the will of the people, and those nations where the people live in fear of their so-called leaders.

Whatever fancy names dictatorships may give themselves, they are always characterized by certain ugly similarities: There is the omnipresent secret police whose business it is to check on everyone else's business, to listen to our phone calls, keep track of our movements—particularly when we meet together for some common political end—and monitor what we read, watch and even think.

And there are the freight and cattle cars carrying people away from their communities off to camps. And the students, writers, artists, and intellectuals continually being arrested for vague "crimes." And the fact that conviction invariably follows arrest, particularly in connection with political offenses, which in turn is followed by a quick and mysterious disappearance of the accused. Finally, there is the conspicuous display of raw power—armed soldiers in the streets—as a constant reminder to the people that resistance is futile.

But again I need not detail these facts for you here—many of you have experienced them first hand, and most of the others know them all too well from the fate of loved ones and relatives.

My plea to you, however, is that, while enjoying the benefits of this free nation, you make use of your knowledge and your experience to help us maintain that freedom. For I do not think that the United States has some God-given immunity to the fate that has fallen on so many nations.

Although the event we are commemorating here was grim and sad, I would not wish to leave you with too depressing a message. The history of mankind is, too often, a record of sorrows. But it is also a story of human hope. And if we are all sinners, we are also therefore eligible for redemption.

Clearly there are some new and hopeful elements in the breakup of traditional alliances and enmities which is now taking place in the world. For one thing we are witnessing, in Korea, in Germany and perhaps ultimately in Vietnam, tentative moves toward reunification of those countries which were torn apart by World War II. Only a few years ago most of us would have regarded such movement as almost inconceivable without another major war. But what seems to be happening is that ancient historical, cultural, religious and social bonds are proving stronger than political ideology or economic theory. Thus the desires of the peoples of these countries to be reunited and free cannot indefinitely be ignored by their leaders.

As you all know, Europe too is a social, a political, a religious and an historic community. The ancient ties that have bound eastern and western Europe together are beginning to reassert themselves even today, in the form of increased trade, travel and cultural exchange. Given time and freedom from another major war, I think these natural and organic ties will grow steadily stronger. And the time may come when the Soviet Union will begin to see that free and independent states in Eastern Europe might prove more useful as a bridge to the Common Market countries of the west than as a series of fortifications to shut out the west. When and if that happens, the Soviets may well wish to reexamine their present policies with regard to the Baltic States.

Finally I think we have entered a phase in history where the large nations, the so-called super-powers, may begin to question the benefits to themselves and to their own people of unlimited expansion and global empires. Certainly we here in America are asking ourselves whether it is really to our interest to maintain armies all over the world and hence to become involved in everyone else's quarrels. I think this lesson will not be lost on the Soviets.

And so it may well be that those of you who have maintained your faith in and continued the struggle for the right of small nations to live in peace, unmolested by their larger and more powerful neighbors, will yet be vindicated by history. At least we have the right to continue to hope—and to keep green the memory of those who suffered and died in mankind's ancient struggle against tyranny and for the inalienable human right to live under a government of our own choosing.

POINT MUGU: FEDERAL EMPLOYEES SACRIFICED FOR PRIVATE PROFITS

HON. JEROME R. WALDIE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 30, 1973

Mr. WALDIE. Mr. Speaker, an absolutely outrageous Navy decision to contract out its activities in the Pacific Missile Range at Point Mugu, Calif., to private industry is being followed despite the fact that it was based upon erroneous findings. The decision to convert PMR was made in light of a potential for recurring annual savings and the Government's general policy of relying on the private enterprise system to supply its needs. Reportedly, the projected annual savings amounted to $1.5 million. However, a cost study prepared by Task Force 1, the employees' organization at Point Mugu, estimates that the conversion will be much more costly than previously estimated by the Navy and identifies the following three major areas as not being adequately considered by the Navy:

First. Potential decreases in efficiency, responsiveness and flexibility under contracting;

Second. Transfer or retirement of affected retired staff; and

Third. Procurement and administration of contract services.

Because of the interest and concern of employees, civic groups and Members of Congress regarding this proposed conversion, the U.S. General Accounting Office launched an investigation to review the costs and other factors involved in justifying this conversion. The following is an excerpt from the Comptroller General's interim report dated July 24, 1973:

> We met with Navy officials and reviewed records at Navy Headquarters and at Point Mugu. The purpose of the plans for contracting at Point Mugu is to follow the policy of reliance on the private enterprise system, expressed in Office of Management and Budget Circular No. A–76. The annual savings figure of $1.5 million is not adequately supported and—as believed by senior responsible officials—could prove to fluctuate heavily up or down. Realistic data for a cost comparison will not be available until the Navy designates the specific functions to be contracted and requests and receives bids from potential contractors.

It is clear that the Navy cannot substantiate its claim of $1.5 million savings per year by contracting out PMR and it is also clear that the study which was conducted to justify the Navy's decision was deceptive and done in complete secrecy. A transcript of the minutes of a meeting held by the top officials of the Naval Air Systems Command which fell into the hands of the Subcommittee on Manpower and Civil Service is included at the end of my remarks.

The participants at the meeting expressed doubt that the contracting out to industry, which would eliminate 1,400 civil service jobs, would save costs. Actually, it was said that the cost to Government would increase. At one point Rear Adm. T. R. McClellan, chief of the systems command, remarked, "Now that the President has put his stamp on this ill-considered action, we must carry it out." At another point he remarked, "Apparently the analyses which led to these—decisions were completely unconfused by facts." Further, the official study was "made in complete secrecy." He said he was not given the facts on which to base a realistic appraisal of contracting out versus in-house performance. "If I was uncertain about anything, I could not ask any questions because of the secrecy requirement," he said. Admiral McClellan sought to find out how the study originated. "Who originated the boundaries?" he asked. The official who made the study replied that he did not know. At another point in the meeting, one of the Navy's civilian officials said, "Our experience has been that GOCO—Government-owned contract operated—which is what Point Mugu would be under the proposal, contracting out 'costs more money' than doing the work in-house with civil service employees."

The Navy has used OMB Circular A–76, the Government regulation on commercial and industrial products and services, as justification for the decision to contract our PMR. However, the Navy does not classify PMR as a commercial or an industrial facility and, therefore, using OMB–A–76 as justification is clearly, on its face, illegal.

The effective intent of those who decided that PMR should be contracted is to give "private enterprise" a clear profit of about $2 million per year without any investment or risk on their part. This profit would be given at the expense of the Navy's local employees and the American taxpayers. Furthermore, it would cost the taxpayers at least $6 million more per year so that the contractor could have this profit.

A great national facility is rapidly becoming a disaster area while the Navy continues to expend millions of dollars in management effort, overtime, travel and other costs to prepare for the day when the bids come in. If the Navy could not substantiate its arguments when it started the action, it should not have started. If it cannot substantiate its arguments now, it should not continue. The Navy knows that the bids will not support its position. The Government should not enter into cost plus contracts, as the PMR contract would be, unless such contracts are undoubtedly the only viable alternative.

Today, I am calling upon the Navy to either reverse its decision to contract out the Pacific Missile Range at Point Mugu, Calif., or to stop its attempt to convert this base until it can present hard proof as to cost-savings—something which I am convinced will not be forthcoming.

Mr. Speaker, the text of the minutes of the Naval Air Systems Command meeting which took place at the Pentagon on April 19, 1973, follows:

MINUTES OF MEETING, NAVAL AIR SYSTEMS COMMAND, WASHINGTON, D.C., THURSDAY, 19 APRIL 1973

Subject: Review Shore Establishment Realignment (SER) decisions with respect to PMR, and determine how these decisions bear on the current reorganization study

Enclosure: (1) List of attendees

(NOTE.—These minutes are not a verbatim transcript, but are a paraphrase made from longhand notes taken at the meeting. Therefore, there may be errors and omissions.)

1. The meeting was Chaired by RADM McClellan, NAVAIR (AIR–00). RADM Wittmann was moderator and Acting Chairman in the absence of RADM McClellan.

Rear Admiral McCLELLAN. SER decisions which have been approved by the Navy, DOD, and the President, and announced publicly, are considered irreversible. These decisions include the facts that PMR will be Government Owned/Contractor Operated (GOCO), that 1,448 Civil Service billets will be reduced, and that 225 military billets will be reduced. Apparently the analyses which led to these SER decisions were completely unconfused by facts. We are here for a brainstorming session to inquire into the analyses and to try to apply facts to this situation.

Rear Admiral WITTMANN. We are here to try to determine the top-on-down objectives of the SER decisions. We want to try to find out what they want to get out of this action. In other words, what they are trying to do.

Rear Admiral THOMAS. ADM McClellan, I like your personal letter to the Director of Naval Laboratories.

Rear Admiral WITTMANN. I would like to call on the DDR&E representative first.

J. A. WEBSTER. I have come to this meeting as an observer. I have no orders as to what to say, and I am unprepared from that point of view. We have been watching the PMR situation for some time, and the only serious problem we have encountered was in trying to explain to Senator McIntyre the funding flow between commands at Point Mugu. We in DOD believe a single Commanding Officer would be good; however, it is the Navy's business how they want to organize. We would look with great concern over any lack of support to NMC and would be interested in whether the new organization would continue to support the Army and the Air Force, and whether downrange support would be continued.

(At this point, the meeting was interrupted while RADM McClellan took a message requiring him to be at the office of CNO in about five minutes. He then departed.)

J. A. WEBSTER. What kind of control at Point Mugu does the Navy want? Perhaps in your organization study, you consider us part of the problem. However, General Starbird does not want to manage someone else's business. There are only three of us in his office to oversee Ranges, and there are no plans to augment this office. Therefore, I see no chance that any kind of "Range Czar" would be established in DDR&E.

Captain DUNNING. I understand everything out at Mugu is going to change shortly, and all the projects are going to have to pay for services.

Commander BELK. That is not entirely correct. Beginning in 1975, projects will be required to pay direct costs only. We in OP–983 have a major interest in PMR, as well as AUTEC. We had no idea that this "SER Action" was coming about. We had no questions asked of us at all. As far as we know, General Starbird deferred to us with respect to SER at PMR. We have a great interest in what we maintain at PMR from a development and test point of view. PMR has the greatest capabilities of any Navy range for development tests, and we are concerned that that capability be maintained, particularly the capability to support OT&E. We have no intent to interfere on how, but we have a great interest on the outcome.

Rear Admiral Wittmann. OP–983, as sponsor for PMR, you should be vitally involved in the dollars required. In the past, NAVAIR and NAVMAT, and the Fleet, got a free ride. Now, we are going to have to pay.

Commander Belk. The projects are only going to have to pay for the direct funding. The intent of General Starbird's policies are that if the projects cannot get the services they need at PMR, they can go elsewhere for the same price. We are concerned with monitoring DT&E, and OPTEVFOR is monitoring IT&E.

Rear Admiral Wittmann. What do you in OP–983 need and want to do? Do you back the development work? Aren't you interested in 6.2, 6.3, and 6.4 money?

Commander Belk. Our real interest is development tests and IOT&E. NMC is in NAVAIR. We are interested in what they do, but we are primarily concerned about the range support.

Rear Admiral Wittmann. You are not interested in NMC?

Commander Belk. Well, we have the line item for PMR.

Rear Admiral Wittmann. MAT–04 is also concerned about PMR funding. I would like to call on Rear Admiral Thomas.

Rear Admiral Thomas. PMR is not a MAT–04 function, it is a MAT–09 function. Apparently, we have been given the responsibility in NAVMAT because we can tiptoe barefoot across the lawn on all of NAVMAT and SYSCOM functions. Perhaps this SER action has been a result of the fact that the Fleet has been cheated at PMR. By that I mean, having to do their work on weekends.

V. J. Prestipino. We have a great interest in PMS. I would like to correct an impression given earlier in this meeting. That is, for most development test functions, there is simply no other place to go. Therefore, we have to maintain our range capability at Point Mugu.

P. G. Andricos. I am here as an observer and not as a GOCO expert.

Rear Admiral McClellan. (Who had returned to the meeting sometime earlier with the announcement that a meeting in CNO had been delayed, and that he could continue in this meeting for awhile). Who is here from NAVMAT who knows how this SER study was made?

R. G. Iverson. I am the one who made the study, and I was given the following boundary conditions: First, there has to be absolute secrecy; second, that the Range was required to convert to GOCO; third, that conversion had to be complete by the end of Calendar Year 1974; and fourth, that the study had to show net savings in about five years. I have never been to PMR and I had no listing of workload or the people there. If I was uncertain about anything, I could not ask any questions because of the secrecy requirement.

Rear Admiral McClellan. Who established the boundaries?

R. G. Iverson. Who established the boundaries? I don't know.

Rear Admiral McClellan. Did Dr. Lawson's staff give you the boundaries?

Rear Admiral Thomas. How does Lawson get into the chain?

V. J. Prestipino. He has a direct channel to the Assistant Secretary of the Navy for R&D.

Rear Admrial McClellan. If we requested a presentation on all the aspects of this study, who would make it?

R. G. Iverson. I wrote the paper.

Rear Admiral McClellan. Then I request of you that you tell me all the factors that were involved in the study.

R. G. Iverson. I was directed to go GOCO and show a savings. GOCO is more flexible. You have the ability to increase or decrease more rapidly.

J. A. Raxroth. Our experience has been that GOCO costs more money. In the papers called, "The Case Study", you show contractor monitoring being accomplished by 100 civilians, 5 officers, and 1 enlisted man. How did you arrive at this?

R. G. Iverson To do a study like this, you are forced to work backward. I had the logistic support background information from FY 1969, primarily to find out about cross-servicing. I scaled the information from FY–69 to the current total population.

Rear Admiral McClellan. How can you assume that the Range can be reduced? It appears that someone decided to reduce the Range and you made a study to make it palatable.

R. G. Iverson. Yes sir.

Commander Belk. Just the opposite is the case. Our studies show that there has been a 40% increase in workload at the Range, and our projections are that with the implementation of IOT&E, there will be a further increase required of approximately 25%.

Rear Admiral Harnish. What about SAMTEC? In the Congressional Report draft that we have a copy of, it states that we are to convert to a GOCO portion of the SAMTEC. I have talked to the Vice Commander of SAMTEC and he is of the opinion that the Commanding General of SAMTEC is not interested in a joint contract, nor am I. If the objective of the SER action is to decrease cost and to reduce Civil Service personnel we can accomplish that.

Rear Admiral McClellan. Now that the President has put his stamp on this ill-considered action, we must carry it out.

Rear Admiral Harnish. We can carry it out providing we have a clear understanding of what is intended.

Rear Admiral McClellan. That is what we have to thrash out. What will be the parameters? What flexibility have we, and what can we do?

Rear Admiral Harnish. Those of us at Point Mugu are concerned about what is meant by GOCO.

Rear Admiral McClellan. GOCO has been around for some time.

Rear Admiral Wittmann. Is SAMTEC operated by GOCO; is that illustrative of what is wanted?

R. G. Iverson. We had no desire to make a single range and I don't believe SAMTEC is in the final version.

Rear Admiral Wittmann. Is NAS intended to be host to the Range?

R. G. Iverson. The Range is currently serviced by NAS.

Rear Admiral Harnish. NAS is part of the Range.

Rear Admiral Wittmann. Do we have latitude?

R. G. Iverson. From my study, I understood there were wage board personnel in the Air Station that provided service to both PMR and NMC, such as communications and calibration, that would have to be continued. Therefore, they should be retained with NAS to provide that service to the future GOCO.

Rear Admiral Harnish. Did you understand that the Range is presently a host or a tenant?

R. G. Iverson. Presently a tenant, but does support the host.

V. J. Prestipino. We have got a problem. This study was made on a crash basis. No request for information outside of the working room was permitted, and Bob Iverson could not unravel it all.

R. G. Iverson. I don't think you have to follow the detailed directions.

Rear Admiral Wittmann. You mean we can set up a GOCO and have some latitude as to where the people are coming from, such as NMC, NAS and the Range? Obviously, DDR&E has nailed down the GOCO. How much to T&E?

J. A. Webster. DDR&E did not recommend GOCO.

Rear Admiral Wittmann. If we change the support function, we have a problem. No change in a line item is permitted unless you go to SECNAV.

J. A. Webster. GEN Starbird is not concerned. He is merely performing a staff function for DDR&E.

Commander Belk. GEN Starbird wants the Navy to run the Range.

Rear Admiral Harnish. But the policy comes from Starbird's office. I would like to get someone to retract the words GOCO. If the intent of GOCO is complete contractor operation as it has been employed, for example, in ordnance production facilities, it would be contrary to past experience. I do not think GEN Starbird or the Navy would back it. We should get that restriction out. We can achieve the required savings without it.

Rear Admiral Wittmann. The word GOCO cannot be reversed.

Rear Admiral Harnish. GOCO is not simple at Mugu.

Rear Admiral Wittmann. Can we agree that we have to keep GOCO, but that we have flexibility on how we do it? I notice that the end requirement provides about 1400 Civil Service and about 1400 contractor personnel. What we contract for and how we run the Range is flexible. We will reduce 1,448 civilians and 225 military. Having accomplished those things, we have complied with SER. I hope you are not going to hold our feet to the fire on the exact savings.

F. Paul. How about the eight million dollars required to implement SER? Someone has to come up with that.

Rear Admiral Harnish. We would need some of those funds in FY 74 and some in FY 75. If our present plans are approved, photo would be contracted out, which is now part of NMC. Therefore, there are many problems that need to be resolved, and we cannot take the over-simplistic approach used in SER.

Rear Admiral Wittmann. How do we do the savings? Who is in charge of operating the Range? Is the contractor in charge of range operations?

Commander Belk. I believe AUTEC is an example of GOCO.

Rear Admiral Harnish. In my judgment, Barking Sands is not strictly GOCO. We have Civil Service personnel to evaluate the contractor, and military personnel to operate and maintain the aircraft.

Rear Admiral Wittmann. We must meet GOCO and reductions specified, but it appears that how much mixing between Range and NMC is our business.

J. A. Webster. The Navy is going to be the prime user of PMR. However the Navy plans to manage it, we would just like them to be able to explain it to us.

(At this point, the meeting was adjourned as 12 noon, with NAVAIR and PMR personnel to reconvene in RADM Wittman's office at 1400.)

UNDERSTANDING SOVIET GOALS IN EUROPE

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, July 30, 1973

Mr. CRANE. Mr. Speaker, despite recent meetings in Helsinki, and discussions in Washington and Moscow, there is little evidence that the Soviet Union has in any way changed its long-range goal of dominating Europe, both East and West.

There is some evidence, however, that many in the West, including our own country, no longer believe that the Soviet Union is serious about its goals.

Writing in the New York Times of July 11, 1973, C. L. Sulzberger points out that:

> The Soviet Union's diplomatic offensive has now succeeded in altering a basic Western and, above all, United States precondition that has hitherto underlain the complex of East-West negotiations.

Mr. Sulzberger is referring to the question of mutual and balanced force reductions. We still insist that such reductions be "mutual," but we seem to have backtracked on the requirement that they be "balanced."

He notes that—

> A sizable shrinkage in U.S. forces stationed in Europe means they must return across the Atlantic. A similar shrinkage in Soviet forces means they simply have to pull behind the U.S.S.R.'s frontier. If three American divisions fly home, they are a lot further than than three Russian divisions motoring eastward.

While our NATO allies are concerned that any force reductions be "balanced," the new Defense Secretary, James Schlesinger, gave what Mr. Sulzberger refers to as "an ugly hint to the alliance that America was reevaluating the situation and reckoned there were 35 fewer Soviet and Warsaw Pact divisions in East Europe than NATO's own intelligence staff originally estimated. Allied diplomats promptly suspected Washington was getting ready to respond to political pressures and reduce its forces."

It is to be hoped that such unrealistic thinking does not prevail in this administration. The stakes in Europe are far too high for us to withdraw our troops in the hope that the Soviet Union will do the same, and to be unconcerned with the specific numbers involved.

Fortunately, there are a number of observers in Europe who are well aware of the real stakes in this conflict. One is Dr. Franz Josef Strauss, leader of the Christian Social Union and emerging as the outstanding opposition politician in West Germany, championing European unity, friendship with the United States, and anticollectivism.

In an interview with the magazine, To The Point, Dr. Strauss stated that—

> Soviet policy in Europe wants to use German Ostpolitik to expand its influence into Western Europe and to prevent the Common Market countries from forming a federal political union with a common defence . . . The alternative to it is an Atlantic Policy.

Dr. Strauss notes that—

> The basic struggle is now between the idea of a being in the image of God, that is, man with an inalienable right to individual freedom and rights, or the vision of man as a cog in the machine of a great society. Here, some people view the symbiosis between Germany and Russia as a possible "common society" opposed to Western society.

I wish to share with my colleagues the interview with Dr. Franz Josef Strauss which appeared in the June 30, 1973, issue of To The Point, and insert it into the Record at this time:

Franz Josef Strauss

ORIGIN

Born September 6, 1915, son of a Munich artisan. Studied economics, classical languages, history and German culture at Munich university. Conscripted in 1939, served until 1945 on the front in France and Russia, and as first lieutenant saw the war out in an American POW camp.

POLITICAL CAREER

Founder member of the CSU (Christian Social Union) in 1945. Elected secretary-general of the party and member of West German Parliament in 1948. First cabinet appointment as Minister for Special Tasks in Adenauer government 1953–1955; Minister of Atomic Questions 1955–1956, Defence 1956–1962 and Finance 1966–1969.

Now a key figure in the Christian opposition in the Bundestag. A skilled politician, dangerous opponent in debate and expert on economic affairs, European integration and European security.

To The Point. Dr. Strauss, where is Europe going? Is integration at an end?

Strauss. The '70s will decide Europe's long-term future: whether the free countries of Europe will move towards a political union with a common policy towards the East, with the United States, in a reorganised NATO, or whether they will renounce political union and tie their future to economic and political co-operation with Moscow. The consequences of *Ostpolitik*, the CESC negotiations in Helsinki and MBFR negotiations in Vienna must be seen in this context.

Soviet policy in Europe wants to use German *Ostpolitik* to expand its influence into Western Europe and to prevent the Common Market countries from forming a federal political union with a common defence. It is not in our interest to support this policy. The alternative to it is an Atlantic policy, which is not anti-Soviet, but which gives priority to Atlantic co-operation.

To The Point. Does Atlantic co-operation have any meaning today?

Strauss. NATO cannot go on as it is. The Americans are worried about European economic competition and are therefore no longer willing to shoulder the whole burden of defence as they did when Europe was economically weak. They want a different division of burdens: this is the core of Kissinger's call for a new Atlantic charter. The Americans are prepared to accept European economic competition, if the Europeans are willing to shoulder their part of the burden. Then NATO would have an American and a European pillar. The European one is only feasible if Europe's NATO countries, or the Common Market countries, are prepared to unite in an active political organisation.

To The Point. In the light of growing anti-Americanism in Europe, how can this European pillar be built? We have just heard that Chancellor Brandt is not an "Atlantean" but a man in Bismarck's tradition.

Strauss. One should not see Willy Brandt in historical masks, but rather as Willy Brandt. He is in danger of eventually being named Wilhelm the Third. I sometimes have the impression that Brandt is moving between incompatible political aims. I said once in Parliament that one cannot simultaneously pursue European unification and support Russian policy towards Western Europe. Ultimately, one has to choose.

To The Point. Anti-Americanism does not only exist in Germany.

Strauss. Anti-Americanism began in a misrepresentation of the Vietnam war, but there is more to it. What is behind anti-Americanism is the resurgence of Marxism—an old, rotten, obsolete salvation doctrine—which, because of its appeal to justice, appeals to the younger generation. The world is being painted in black and white: the "bad capitalists" in the US and the "benefactors of mankind" in Moscow. Still, a majority of the German voters—and, I think, of German youth—prefers co-operation with the US to the "other solution". But we must not deceive ourselves: this majority is decreasing and the number of those who want co-operation with Moscow is increasing.

This is a consequence of *Ostpolitik*. The problem also concerns the US where, inevitably, there are anti-German and anti-European reactions to anti-American actions in Germany. The Soviets know this. And this results in the US and Europe drifiting apart. Sometimes I think that those who want to move Europe closer to Moscow welcome the anti-European reactions in the US.

To The Point. But the US and also France have long applauded *Ostpolitik*.

Strauss. It is a mysterious procedure. The Soviets have let the Stalin-Hitler alliance slip into oblivion, while keeping alive the idea of German responsibility for the war. This means that our present allies simultaneously sympathise with the Soviet Union against the Germany of yesterday, while they are allied with the Germany of today against the dangers of tomorrow. Adenauer has linked Germany's "yes" to Europe and to NATO with our allies' irrevocable support for German reunification.

To The Point. A whole-hearted support?

Strauss. This duty was certainly more and more annoying for them: they would have like to have had dealings with the East, which this tie prevented. If the Germans free themselves from these duties, the American, English and French cannot resent Germans taking this burden from them. As soon as *Ostpolitik* is seen to be more than a price for peace paid to the Soviets, more than war reparations, the Germans having to pay with partition of their country and large territorial losses, and suddenly Western interests are jeopardised, then the West's applause of *Ostpolitik* changes to mistrust. In private, they ask "Quo vadis Germany?"

To The Point. In Holland, the Christian parties are vanishing and in Germany they are torn between left and right. Can they continue to exist when the churches are empty?

Strauss. Christian democratic parties are in a phase of decadence. It is too early to say whether this is part of an historical process or merely a low point in the graph of history. It will depend on the parties and on their leading personalities. The churches have lost faith in themselves and this has led to fringe movements such as the "God is dead" theology. But in both churches one can see tendencies against this decadence.

To The Point. Do you still want to keep the Christian label?

Strauss. We Christian democratic or Christian social parties are faced with the question of whether the capital "C," meaning "Christian," fits into the political scene. By striking off the "Christian" now, we might help the forces of dissolution, therefore we should postpone the decision. If it must be cut out, then it should only be done when the social and spiritual situation is clearer.

To The Point. In France, Christian Democracy has been replaced by Gaullism, a movement which stresses French patriotism and social reforms. In Germany, where Socialism is appealing to patriotism—a winning combination in Germany since 1918—what can you oppose?

Strauss. The basic struggle now is between the idea of a being in the image of God, that is, man with an inalienable right to individual freedom and rights, or the vision of man as a cog in the machine of a great society. More and more, the nation is replaced by "society"—understood as socialist society. Here, some people view the symbiosis between Germany and Russia as a possible "common society" opposed to Western society. Individual freedom stands opposed to "class rights" of the other side. It is typical how the word "democracy" is being misused through the slogan of "democratising society." Democracy is an irreplaceable principle of controlling and allocating the power of the state. It means that a worker, a Nobel Prize winner, a beggar or a millionaire have the same vote.

But if you try to transpose the principle of democracy into the institutions of society, you destroy freedom. The best examples of this process are the German universities, where "democratisation" has reduced freedom of research, learning and teaching.

To The Point. And what are you doing to counter this?

Strauss. This question will decide the world of tomorrow. I have said that the alternative to the socialist policy of Marxist parties cannot be the same policy by Christian Marxist parties, but rather the ideals of the free, responsible citizen, the creation of individual property and the ideal of equal opportunities for education and the acquisition of wealth for everyone. Our society and our youth must choose between the two ideals of individual freedom and of collectivism. I am sure that youth is prepared to understand, that it is only being misled, so we have to contact youth at an age when, in previous days, we considered it unfit for politics. We cannot let the Left take over youth at this stage: we are now going into the schools.

To The Point. Are you optimistic?

Strauss. We still have equal chances.

To The Point. What do you think of the mass media? Europe is being poisoned: one is no longer allowed to say "I am an individual", but nightly the television says "You must be a collectivist."

Strauss. We must clearly define the role of the mass media. I am wholly for press freedom, but this does not mean press privilege. Radio and TV have no right to attempt to change society. We have put it into the Bavarian constitution that radio and TV have the right and duty to report unbiasedly, to differentiate between information and comment and in the commentary to reflect different opinions. In Germany, radio and TV are public corporations; whether we will ever have private organisations depends upon technical and constitutional developments. Up till now, radio and TV have been controlled by radio councils and there the representatives of the CDU/CSU have been sleeping for too long. They must catch up with the Socialists who have pursued their aims with more energy.

What have the Christian Democratic parties done to help young journalists who are not leftist? If young journalists are chances for advancement only on the Left, it is hardly a wonder that the picture is one-sided. We must catch up.

PEOPLE AGAINST HIGHWAY EXPANSION IN WINDSOR

HON. WILLIAM R. COTTER

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Monday, July 30, 1973

Mr. COTTER. Mr. Speaker, last Friday the Governor of the State of Connecticut finally acknowledged the validity of arguments of scores of opponents to the construction of the controversial northern segment of Interstate 291, a beltway which would have cut through a municipal water supply reservoir and through stable, racially, and economically integrated neighborhoods.

The Governor ordered the State Transportation Department to examine alternative transportation plans, in effect killing this segment of I–291.

His decision was clearly a victory for the citizen opponents who have invested thousands of volunteer hours in research, analysis, dialog, comments, and lobbying. Their effort was prodigious, their output well documented and convincing, and the outcome was inevitable.

My own limited involvement in this effort to stop I–291 came at the behest of one such individual, a Windsor, Conn., housewife who decided to do something about the impending construction of what she called a "Berlin Wall" that would have bisected her neighborhood.

We have often heard of the power of an aroused citizenry, but in most instances the spark of public outrage and concern must be ignited by one person. In Windsor that individual was Alice Finstad.

In a few short weeks in the summer of 1972 following publication of the draft environmental impact statement on the proposed highway in Windsor, Mrs. Finstad marshalled facts and mobilized people and formed People Against Highway Expansion in Windsor—PAHEW. I had the pleasure of setting up several meetings in Washington with Federal agencies and was impressed by her well-prepared arguments.

Through PAHEW's efforts the very serious dislocations I–291 would cause in one of Greater Hartford's few racially integrated middle-class neighborhoods were finally accorded attention.

While Alice Finstad and PAHEW were building up a well-documented case, including a sophisticated noise pollution study, on the effect of I–291 on a densely settled neighborhood, Charlotte Kitowski of West Hartford and her Citizens' Committee on I–291 had been developing a massive study of the impact of the highway on the Metropolitan District Commission Reservoir which serves in excess of a quarter of a million people.

Mrs. Kitowski's group compiled a 539 page "comment" on the draft environmental impact statement that exhaustively examined such issues as lead pollution in the drinking supply and noise levels on surrounding homes.

Because this was truly a citizens' victory I want to pay tribute to those who have played a prominent role, often at great personal expense. While the following list is by no means complete it is fairly representative of the scores of citizens who responded to this effort:

Dr. George N. Bowers of West Hartford who prepared a 60-page analysis of the impact of the highway on water purity.

Dr. Robert Brewer, assistant professor of zoology and ecology, Trinity College, Hartford, Conn.

Douglas L. Brooks, National Advisory Committee on Oceans and Atmosphere.

Richard J. Dalphin, assistant professor of civil engineering, University of Hartford.

Frank E. Elger, Yale University Ecologist.

Ernest B. Gardow, University of Hartford.

Archie J. Golden, M.D., Wethersfield, Conn., chairman of Conn. Clean Air Task Force Health Committee.

Mrs. Barbara Tucker of West Hartford, president SHAME.

Mrs. Reuben Plen of Windsor, Conn.

Mr. Maurice Devin of Windsor, Conn.

Mrs. Olive Folger of Windsor, Conn.

Mrs. Raymond Ferrari of Windsor, Conn.

Mrs. Mabel Wilshire of Windsor, Conn.

Mrs. Edward Judge of Windsor, Conn.

Mrs. Peter Sawka of Windsor, Conn.

Miss Josephine Baracchi of Windsor, Conn.

Mrs. Sally Morrison of West Hartford.

Thomas Zetterstrom of Canaan, Connecticut.

Jonathan von Ranson, editor of the Newington Town Crier.

Former State Senator Jay Jackson of West Hartford.

Robert Watkins of Bloomfield.

Mario Zavarella, Windsor Town Planner.

James A. Swomley, Bloomfield Councilman.

Mark Juneau, a University of Hartford student who worked on the noise pollution study.

State Senator Wilbur Smith of Hartford.

Ellen Douglass of West Hartford.

Myra Bowers of West Hartford.

Toby Moffitt, director of the Connecticut Citizens Action Group.

Lauchlin McLean, West Hartford Councilman.

State Senator Nicholas Lenge of West Hartford.

POLITICS: CEMENT OF CIVILIZATION

HON. DAVID R. OBEY

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Monday, July 30, 1973

Mr. OBEY. Mr. Speaker, during the Watergate hearings last week, Senator Montoya asked Mr. Gordon Strachan what advice he would give to young people who had the opportunity to serve in politics and government. The young White House aide who had just testified about his participation in the Watergate affair replied he would recommend they "stay away."

In my judgment that answer reflects far more on Mr. Strachan than it does on politics.

The problem lies not so much with politics, as Mr. Strachan would imply, but rather with the character of some of the people who have gravitated to it in recent years.

Because it makes so much sense, I want to include below a recent editorial from the Milwaukee Journal. Politics, the editorial says, "needs good people in its ranks, not leftovers."

I hope all young people take note. The editorial follows:

Cement of Civilization

Sadly, a recent Gallup Poll shows that only one adult in four would like to have a son go into politics as a career. This is a sharp decline from the last survey, taken in 1965, when 36% of those interviewed would approve of a son choosing politics as his lifework. The chief reason cited for the current distaste is a belief that politics is "too corrupt or crooked." That may seem logical in view of the Watergate scandals, yet it is well to note that real politicians—the kind who run for elective office—are not clustered at the center of the perfidy. Rather, the culprits are lawyers, admen and others from the world of business who sought to pervert the political process. Politics may not be the most noble calling, but it is important work. It is, as someone once said, the "cement of civilization." It needs good people in its ranks, not leftovers.

POLICE - COMMUNITY RELATIONS: CLOSING THE GAP

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, July 30, 1973

Mr. RANGEL. Mr. Speaker, in the past few months, New York City has experienced a welcome improvement in police-community relations and cooperation. Citizens are beginning to come to the aid of fellow citizens in trouble. Young people are beginning to respect, and welcome the police in the struggle to make New York a better place in which to live.

An excellent example of this renaissance in good feeling was recently reported in the New York Times, in an article entitled "Police Employing T.V. To Start a Dialogue." I insert the article for the attention of all CONGRESSIONAL RECORD readers:

[From the New York Times, July 11, 1973]

POLICE EMPLOYING TV TO START A "DIALOGUE"

(By John J. O'Connor)

Clustered in front of two television monitors in a long narrow storefront on the Lower East Side yesterday, city police officials, members of the Ninth Precinct and local residents watched an hour-long production called "No More Words."

The production offered selections, videotaped by Community-Action-Newsreel, a branch of Young Filmakers Inc., from a recent week-long "dialogue" instigated by the Ninth Precinct in an effort to isolate specific problems and specific solutions" for the area it covers—south from 14th Street to East Houston Street and east from Broadway to the East River.

The precinct has a staff of 260; the area has a population of about 100,000 and the dialogue with local residents, community leaders and local youth gangs ran for a total of 35 hours.

For the police, the use of the dialogue and video had one overriding purpose. As one officer put it, "We want no hot summer down here." The new concept, devised by Sgt. John Kelly and Sgt. Daniel Daley with the support of Inspector Edward Rogers of the Ninth Precinct, was geared to "get the people involved."

MANY TOPICS COVERED

As condensed in "No More Words," the frank and wide-ranging dialogue appears to have enlisted all sides. Among those speaking out at the meetings, which included 25 members of the Ninth Precinct, were:

Three teen-aged Dynamite Sisters, counterparts of the Dynamite Brothers, a large local gang. Calling for more jobs and more police, they were asked, "What's your biggest problem out there on the street?" The answers: "Killing."

John Davis, a teacher and local resident, who had "bad vibes" about the way the girls were being "used" to do "public-television business."

A community leader charging that the police were reluctant to intervene in explosive situations involving blacks or Puerto Ricans.

A gang member explaining the prevalence of weapons, with the observation that "cops got guns, other people got guns," and adding that "you don't want anybody to get on your back."

ON A REGULAR BASIS

Emoe community groups were confronted by critical residents. After announcing plans for a new social program, a Mobilization for Youth worker was asked by a young man how there seemed to be "money for programs, but none for jobs." A spokesman for University of the Streets, which provides vocational training, was immediately faced with a graduate who is still looking for a job.

Despite the criticism, however, the police are optimistic about the experiment. Inspector Rogers announced yesterday that the dialogues were being put on a continuing basis, with one session scheduled every six weeks.

All sides insist that the dialogues must be uninhibited. At one meeting, Luis Fuentes, district 1 school superintendent, urged his audience to take advantage of "an opportunity to tell these public servants how they can best serve us."

He then extended, however, his "complete and wholehearted thanks and support to the Ninth Precinct, adding that "not all policemen are pigs, and a lot of us are pigs."

Throughout the tape, the dominant concern was the lack of jobs in the area for young people. Police officials stressed that limited department funds were being used to support "cultural festivals," some bus trips and other diversions, but that they had little or no control over the job market.

The point, they stressed, was that the police were sympathetic to legitimate problems. At one point, an officer came to the defense of local youths, declaring that many drug-related crimes in the area had been traced to "transients" from outside the area using local methadone centers.

A POSITIVE ASPECT

Near the end of "No More Words" a gang leader said that the dialogue had given him a chance to get to know some good policemen.

"When I see cop on the street," he said, "before I wanted to spit in his eye. Now I want to shake his hand." That positive aspect of the situation, several members of the Ninth Precinct said after the screening, should be used to counter-balance some of the "bad press" the gangs have been getting lately.

Community-Action-Newsreel, on Rivington Street, has been training local residents in the use of videotape equipment since the beginning of this year. The resulting "documentaries" have been shown in the neighborhood, on cable TV and occasionally on television.

"No More Words" will be used in various parts of the city to demonstrate a new concept of police-community relations.

I have contacted the New York Police Department, urging them to utilize this excellent film in other parts of our community.

RALLY AMERICA IS A GREAT SUCCESS

HON. J. HERBERT BURKE

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 30, 1973

Mr. BURKE of Florida. Mr. Speaker, earlier this month a group of citizens from Broward County, Fla., came to the Nation's Capital at their own expense to rally America. Many of my colleagues in the Congress and some officials from the administration attended this fine event and from the comments I received thereafter, it obviously was a tremendous success.

It was heartening to witness such enthusiasm from the citizens I am honored to represent in the Congress, especially when the peddlers of doom are harking their lamentations daily and would like to destroy our Nation's people by destroying our form of government.

Many of you who attended this rally on July 10 heard the proclamation brought forth by the Greater Fort Lauderdale Chamber of Commerce, but for those of you who did not attend I am presenting the resolution passed by the chamber. The resolution follows:

RESOLUTION OF THE GREATER FORT LAUDERDALE CHAMBER OF COMMERCE

Whereas, our country has recently celebrated its 197th anniversary and proudly looks forward to its Bi-Centennial year, and

Whereas, our country has been tested by the ravages of foreign war and the tragedy of internal dissension, and

Whereas, the citizens of this country have consistently united in purpose and strength in time of crises, and

Whereas, our representative form of government has provided our country with just and democratic elected officials to serve in the best interest of our people, now

Therefore, be it resolved:

That the Greater Fort Lauderdale Chamber of Commerce has declared this event of July 10, 1973, as Rally America! in honor and grateful appreciation of our 535 members of Congress and appointed officials who dedicate their lives to the greatest welfare of our country.

And furthermore we convey and reaffirm the solidarity and dedication of the citizens of Broward County, Florida, to the American Democratic system of government which has been tempered and found worthy during nearly two centuries of existence.

Adopted this the 10th day of July, 1973.

FLOOD CLAIMS FOR USE AS RECREATIONAL FACILITIES

HON. JEROME R. WALDIE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 30, 1973

Mr. WALDIE. Mr. Speaker, I am introducing a bill to establish a national floodplain policy and to authorize the Secretary of the Interior, in cooperation with Federal agencies and the States, to encourage the dedication of the Nation's flood plains as natural floodways, to protect, conserve and restore their natural functions and resources and for other purposes.

The flood plains of the Nation's rivers and streams naturally serve functions of floodwater detention and regulation, water conservation including groundwater replenishment, soil conservation, bottomland hardwood timber production, and fish and wildlife production. In conserving soil and reducing sediment production, they lengthen the life of downstream reservoirs, channels, harbors, and estuarine areas. Additionally, they provide open space areas of scenic and other outdoor recreational attractions and sites for scientific and educational ecological purposes. These functions and values deserve full recognition in the planning and development of the Nation's lands and waters which are not presently provided because of imperatives of economic development.

The proposed bill would declare that flood plains have the above values to the Nation; would direct Federal agencies constructing, sanctioning, or assisting the construction of water and land development work which affects flood plains to give priority consideration to their preservation, would authorize such agencies to acquire, support, and encourage the acquisition of estates in flood plains at Federal cost with administration optionally vested in the States; would require perpetual use of such acquired lands for such purposes as are compatible with the intent of the bill, including fish and wildlife habitat, outdoor recreation, timber production, natural area preservation, and the like, as well as established conforming economic uses.

The bill would require Federal planning and construction agencies to conduct public hearings and to obtain and publish the views of the Secretary of the Interior prior to implementing plans in the Nation's flood plains. It would insure consistency in the administration of the bill's provisions with other acts through the development of guidelines by the Water Resources Council. Use of eminent domain would be limited where valid and effective land-use regulations are in effect.

The objective of the bill is to encourage selection of nonstructural alternatives by Federal flood control and flood prevention planners in the interest of natural area preservation and maintenance of environmental quality. Planners would be clearly provided the option of analyzing the benefits and costs of flood-plain acquisition as an alternative to channelization or other flood protection and prevention measures. Where this alternative demonstrated a competitive or better benefit-cost ratio, agencies would be encouraged to seek its authorization.

The proposal is in harmony with the declarations and purposes of the National Environmental Policy Act of 1969, the Fish and Wildlife Coordination Act as amended, the National Flood Insurance Act of 1968, and the Wild and Scenic River Act as well as many other acts.

It would supplement and round out existing water development planning authorities. It would be a logical corollary of the Fish and Wildlife Coordination Act which provides that fish and wildlife shall be equally considered with other features in water resource development planning. In many cases, fish and wildlife, as well as outdoor recreation and flood control, could be best served at lowest cost by outright acquisition of flood hazard areas. Further, the bill complements the provisions of section 103 of the National Environmental Policy Act of 1969 which requires review of present statutory authority, regulations, policies, and procedures which prohibit full compliance with purposes and provisions of that act followed by the proposal of corrective, conforming measures.

Since the proposal anticipates least-cost solutions to flood management with coincident natural area and environmental quality preservation, savings in flood control and flood prevention costs as well as in social costs are expected.

I include the full text of this bill in the RECORD:

H.R. —

A bill to establish a national flood plain policy and to authorize the Secretary of the Interior, in cooperation with Federal agencies and the States, to encourage the dedication of the Nation's flood plains as natural floodways, to protect, conserve, and restore their natural functions and resources, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) this Act may be cited as the "Flood Plains Conservation Act".

(a) The Congress finds and declares that the flood plains of the streams and rivers of the United States are natural floodways rich in a variety of natural, recreational, esthetic, and scientific resources of immediate and potential value to the present and future development of our Nation; that encroachment upon these flood plains by flood-damageable developments increases the damages and hazards of floods and causes increasingly higher costs for effective flood control; that unplanned or poorly planned wetland reclamation, drainage, flood prevention, flood control, runoff and water flow retardation, erosion control, channelization, and channel rectification as well as development and use of flood plains have destroyed or have the potential of destroying the basic natural environment and the resource and other values of such flood plain areas and has restricted the most efficient and beneficial utilization of such areas, including, but not limited to: their use for floodwater flowage, detention, and storage; conservation of soil and water; scenic, greenspace, and recreational purposes; wildlife and timber production; nursery, rearing, and food supply of fishes; and scientific and educational purposes; and that it is the policy of Congress to preserve, protect, develop, and where possible to restore, the flood capacity and resources of the Nation's flood plain areas for this and succeeding generations through comprehensive and coordinated long-range planning, development, and management designed to produce the maximum benefit for society from such flood plain areas, taking full and explicit account of nonmonetary and intangible benefits and values as well as monetary and tangible benefits and values both long run and short run.

(c) The purpose of this Act is to effectuate the policy set out in (b) above and to insure that the preservation of flood plains and their unique natural functions and values, their other values, and related human uses shall be equally considered and coordinated with other means and measures planned and adopted for the development and management of the Nation's surface and ground waters. It is the further purpose of this Act to encourage the participation of State and local public bodies in effecting the policies and objectives set out herein.

SEC. 2. (a) All Federal agencies conducting, assisting, permitting, or supporting construction of water and related land development, urban and industrial development, agricultural development, highway development, airport development, other construction, or any related activity in or on the flood plains of the United States are directed to give priority consideration to the protection and preservation of flood plain resources and related values, and shall in formulating plans for flood prevention, flood control, flood routing, runoff and water flow retardation, drainage, soil conservation, erosion control, navigation and similar and related developments, or for assisting in planning and furthering such developments, select structural means and programs of flood plain management that will preserve, protect, and restore the natural flood capacity, soil conservation, and groundwater replenishment functions; the natural scenic, inspirational, esthetic, and recreational values; the natural commercial fish and wildlife and timber values; and the historic, archeologic, ecologic, and other scientific values of flood plains to the fullest practicable extent.

(b) All Federal agencies authorized to plan, conduct, assist, permit, or support through financial or technical assistance any construction or any activity in or on the flood plains of the United States are hereby authorized to modify or to require modifications of project plans and are authorized to acquire or support the acquisition of flood plain lands in fee or easement, to withdraw public lands, to accept donations of lands or interests in lands or of funds to be used to acquire lands or interests in lands for purposes of this Act, and to convey or reconvey title to or administration of any such lands acquired by the United States to appropriate non-Federal public bodies or to other Federal agencies with appropriate conditions to assure their availability for public uses not incompatible with the purposes of this Act and to effect such purposes: *Provided,* That such acquisitions shall be limited to those which the Federal planning agency finds will contribute significantly to rational flood plain management in harmony with the purposes of this Act: *Provided further,* That notwithstanding other provisions of law, such acquisitions as are so found shall be made at Federal cost and shall be nonreimbursable.

(c) Properties acquired pursuant to this Act shall be dedicated in perpetuity to uses which are compatible with intermittent flooding and which are in accord with the purposes of this Act, including but not limited to fish and wildlife propagation, public outdoor recreation, sustained-yield timber production, scientific research, and scenic and cultural pursuits: *Provided,* That lands acquired in easement estates may continue to be used for agricultural, lumbering, or other uses not incompatible with the principal purposes for which the easement was acquired if they have been so used within a five-year period preceding the consummation of the easement, but they may only be encumbered by additions of buildings, other structures, or facilities that are flood-proofed in accordance with Federal standards and they may not be newly cleared except in accordance with a sustained-yield timber management plan: *And provided further,* That lands acquired in fee which have value to the national park, national recreation area, national wildlife refuge, wilderness, or wild and scenic river systems shall be made available to the Secretary of the Interior for administration in such a manner as he may deem appropriate: *Provided, however,* That any lands acquired within the exterior boundaries of a national forest, national grassland, other Federal reservation, or State or local park shall be added to and become part of such reservation or park, and shall be administered by the agency administering such reservation or park under appropriate conditions as provided in subsection (b) of this section.

(d) Federal lands acquired or withdrawn for purposes of this Act shall continue to be used for such purposes and shall not become the subject of exchange or other transactions if such exchange or other transaction defeat the initial purpose of their acquisition.

(e) Federal agencies authorized by this section to acquire or to support the acquisition of lands shall not acquire lands by condemnation for purposes of this Act if such lands are located within any State, or political subdivision thereof which has in force and applicable to such lands a duly adopted, valid zoning law or ordinance that conforms with the purposes of this Act. In order that the provisions of this subsection may be carried out, the Water Resources Council shall issue guidelines, specifying zoning standards which are consistent with the purposes of this Act.

(f) The Water Resources Council shall establish such principles, guidelines, standards, and procedures as may be necessary to insure that the administration of this Act shall be consistent with the administration of the National Flood Insurance Act of 1968 (82 Stat. 572), and with the policies set out therein.

SEC. 3. All Federal agencies, in planning for the use or development of water and land resources or in considering applicants for Federal assistance or license for the planning, use, or development of such resources, shall conduct public hearings during the formulation of plans and prior to any implementation of the plans and shall obtain and publish the views of the Secretary of the Interior as to the probable effects of said use and development on the flood plains prior to their implementation. The Secretary shall, in the light of the declaration of policy and purposes set out herein, conduct investigations, report his findings, and shall recommend any needed measure to protect flood plains which are found to have significant natural and other values including, where appropriate, his recommendation that the proposed structural and mechanical measures not be carried out: *Provided*, That whenever he recommends against structural and mechanical changes to the stream or flood plain, he shall also consider whether it is feasible and desirable to place such flood plains in public ownership through acquisition of fee title or easement, and to make recommendations to that end. The Secretary shall make available his views, and recommendations within ninety days after receipt of documents which adequately set out the plans for the project proposed.

SEC. 4. The Secretary of the Interior is authorized and directed to conduct and sponsor studies, surveys, and research related to the hydrologic and ecologic characteristics and values of the Nation's flood plains and to their management for the best interests of the people as a whole. This shall include research into uses of flood plains in their natural state, including but not limited to compatible uses for industry, agriculture, flood storage, groundwater replenishment, and wildlife propagation.

SEC. 5. The words defined in this section shall have the following meanings for the purposes of this Act, to wit: (1) The term "flood plain" means lands, wetlands, swamps, marshes, bogs, and waters within the natural or simulated natural once in one hundred-year flood frequency boundaries of any river or stream of the United States.

(2) The term "river or stream" means any fluvial water, perennial or intermittent.

(3) The term "United States" includes the fifty States and Puerto Rico, the Virgin Islands, Guam, American Samoa, and the District of Columbia.

(4) The term "fish and wildlife" shall include birds, fishes, shellfish, mammals, and all other classes of wild animals and all types of aquatic and land vegetation upon which these forms are dependent.

(5) The term "Federal agency" shall include but not be limited to all Federal corporations and all departments and independent agencies of the Federal Government.

(6) The term "Federal reservation" means national parks, national monuments, national forests, tribal lands embraced within Indian reservations, military reservations, and other lands and interests in lands owned by the United States, and withdrawn, reserved, or withheld from private appropriation and disposal under the public land laws. Also lands and interests in lands acquired and held for any public purposes.

SEC. 6. (a) There are hereby authorized to be appropriated such sums as may be necessary to carry out the provisions of this Act.

(b) Federal agencies authorized to plan, conduct, assist, permit, or support construction and related water development activities are hereby authorized to transfer, from funds appropriated therefor, moneys to the Secretary of the Interior to carry out the necessary investigations and reporting required by this Act.

(c) The Secretary of the Interior is authorized to accept contributions and donations of funds, lands, and other valuable considerations for purposes of this Act.

ROSEMEAD, CALIF., OBSERVES 14TH BIRTHDAY

HON. GEORGE E. DANIELSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 30, 1973

Mr. DANIELSON. Mr. Speaker, this Saturday, August 4, 1973, marks the 14th anniversary of the city of Rosemead, Calif.

The incorporation of Rosemead on August 4, 1959, ended one era and began another in the long and colorful history of the community. Around 1852, a couple named John and Harriet Guess came to settle in the San Gabriel Valley. By 1867 they had purchased a ranch covering 100 acres along what is now known as Valley Boulevard.

At about the same time, a man named L. J. Rose established his ranch, the Rosemead Ranch, between today's Rosemead Boulevard, Walnut Grove Avenue, Grand Avenue, and Shea Place.

Other pioneers joined Rose and the Guesses in this part of the San Gabriel Valley and the community of Rosemead began to develop around their two ranches.

Throughout the 1880's Rosemead consisted primarily of large ranches. By 1920, however, Rosemead had been divided into small truck farming areas and chicken and rabbit farms. The year 1919 was an historic one as it marked the opening of the first grocery store, with two more soon to follow. And this was only the beginning.

Despite the objections of many that Rosemead should remain strictly a residential area, other businesses developed. By 1925, Rosemead had its first newspaper and in 1927 the Rosemead Chamber of Commerce was organized. The First City Bank and a post office arrived in 1928.

By 1930, with the population at 5,000, Rosemead was buzzing. It contained 50 businesses, a public library, a doctor, several churches, and two schools. Growth continued at a furious pace in Rosemead, as it did throughout California in the 1940's and 1950's, until by the time of incorporation in 1959, the population had swelled to 16,000.

Today, after 14 more years of growth, Rosemead is home to approximately 42,000 people. It is a truly thriving community, with a healthy balance of industry and commerce, as well as variety in the makeup of its population.

The people of Rosemead have devoted much time and effort during the past 14 years to make the city of Rosemead a vital contributor to the Nation as well as to the area surrounding the city. As I see the community of Rosemead continuing to thrive, I have great hopes for the future of this city.

A city that has progressed so far in so short a time surely will do even better in the future.

U.S. TROOPS IN EUROPE

HON. BENJAMIN S. ROSENTHAL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, July 30, 1973

Mr. ROSENTHAL. Mr. Speaker, I am including below, for the benefit of Members considering the military procurement bill, some important material relevant to the question of U.S. troop levels in Europe and worldwide. The following material was prepared for hearings by the Subcommittee on Europe, which I chair, on U.S. troops levels in Europe:

A comparison of U.S. military and civilian balance of payments which demonstrates the large role of military expenditures in our balance-of-payments deficit;

Tables on burden-sharing among the NATO nations, which convincingly show the excessive burden borne by the United States for the defense of Western Europe;

The estimated cost of U.S. general purpose forces for NATO and European contingencies, by region in fiscal year 1972 which elucidates the U.S. contribution to the defense of NATO:

An editorial from today's New York Times favoring a phased withdrawal of U.S. troops from Europe.

It is my hope that Members will examine these tables carefully and their implication for American foreign policy and the American dollar before the debate and votes tomorrow on U.S. troop levels overseas.

The material follows:

COMPARISON OF U.S. MILITARY AND CIVILIAN BALANCE OF PAYMENTS

[Millions of dollars]

	U.S. defense expenditures abroad					Deliveries of U.S. military equipment [1]					Net U.S. military balance of payments deficit				
	1960	1965	1970	1971	1972	1960	1965	1970	1971	1972	1960	1965	1970	1971	1972
Worldwide	3,087	2,952	4,851	4,829	4,724	335	830	1,480	1,912	1,166	2,752	2,122	3,371	2,927	3,558
Western Europe [2]	1,652	1,468	1,775	2,021	2,252	222	516	599	929	461	1,430	952	1,176	1,092	1,791
Germany (FRG)	649	714	1,080	1,265	1,379	152	253	194	589	212	497	461	886	676	1,167

[1] Under U.S. military agency sales contract; does not include straight commercial sales.

[2] Includes European NATO countries plus Austria, Spain, Sweden, Switzerland and Yugoslavia.

THE ABOVE SUMMARY OF MILITARY BALANCE OF PAYMENTS IS INCLUDED IN AND CAN BE COMPARED TO THE FOLLOWING SUMMARY OF ALL U.S. BALANCE OF PAYMENTS ACCOUNTS OVER THE SAME PERIOD

	1960	1965	1970	1971	1972
U.S. Worldwide balance of payments (current accounts and long-term capital flow)	1,174	1,846	3,038	9,281	9,243

Source: All data is taken from Department of Commerce sources including updated figures supplied directly to the Subcommittee on Europe.

BURDEN SHARING

DEFENSE EXPENDITURES AS A PERCENTAGE OF GROSS NATIONAL PRODUCT

	1965	1970	1971	1972
Belgium	3.0	2.7	2.6	2.6
Denmark	2.8	2.4	2.5	2.3
France	5.2	4.0	3.9	3.7
West Germany	4.3	3.3	3.4	3.4
Greece	3.6	4.9	5.0	4.5
Iceland				
Italy	3.3	2.7	2.9	2.8
Luxembourg	1.4	.8	.9	1.0
Netherlands	4.0	3.5	3.5	3.3
Norway	3.8	3.4	3.4	3.4
Portugal	6.2	6.8	6.4	5.9
Turkey	5.1	4.5	4.4	4.0
United Kingdom	5.8	4.8	5.0	4.9
Total:				
NATO Europe	4.55	3.68	3.72	3.64
EC NATO	4.56	3.63	3.68	3.60
United States	7.6	8.0	7.1	6.7
Canada	3.0	2.4	2.3	2.1

Note: "NATO Europe" is all NATO countries but the United States and Canada. "EC NATO" includes all NATO countries which are members of the European Economic Community as of 1973: Belgium, Denmark, France, West Germany, Italy, Luxembourg, Netherlands, and the United Kingdom.

DEFENSE EXPENDITURES AS A PERCENTAGE OF TOTAL TAX REVENUES

	1965	1970	1971 [1]
Belgium	9.8	7.8	7.4
Denmark	9.1	5.7	5.6
France	14.2	11.3	10.8
West Germany	13.2	9.7	9.7
Greece	18.1	NA	NA
Iceland			
Italy	11.4	8.9	9.5
Luxembourg	4.4	2.4	2.3
Netherlands	11.4	8.7	8.3
Norway	11.2	8.9	8.1
Portugal	30.2	31.1	NA
Turkey	30.3	23.0	NA
United Kingdom	19.1	12.8	13.9
Total:			
NATO Europe	14.2	[2] 11.8	NA
EC NATO	14.1	10.4	10.4
United States	30.0	26.1	24.6
Canada	11.2	7.8	7.1

[1] Latest figures available.

[2] Not including Iceland and Greece.

MEN IN ARMED FORCES PER 1,000 POPULATION

	1965	1970	1971	1972
Belgium	11.3	9.8	9.9	9.2
Denmark	10.7	9.0	8.2	8.7
France	11.4	10.0	9.8	9.6
West Germany	7.7	8.0	7.9	7.9
Greece	18.7	18.1	18.0	17.4
Iceland				
Italy	7.6	7.7	7.7	7.8
Luxembourg	16.7	1.6	1.6	1.5
Netherlands	11.0	9.3	8.8	9.2
Norway	8.7	10.6	9.2	9.0
Portugal	16.1	19.3	22.7	18.4
Turkey	14.2	13.6	14.1	11.9
United Kingdom	8.1	7.0	6.8	6.6
Total:				
NATO Europe	10.0	9.5	9.6	9.15
EC NATO	8.9	8.25	8.1	8.1
United States	13.7	15.4	13.0	11.4
Canada	6.1	4.4	3.9	3.8

Note: Figures rounded to nearest 10th.

Sources: [GNP] U.N. Monthly Bulletin of Statistics through 1971, AID estimates for 1972. [Tax Revenues] OECD, 1973 Edition of "Revenue Statistics of OECD Member Countries." [Defense Exp.] NATO International Staff. [Armed Forces] International Institute of Strategic Studies (London).

ESTIMATED COST OF U.S. GENERAL PURPOSE FORCES FOR NATO AND EUROPEAN CONTINGENCIES, BY REGION, FISCAL YEAR 1972

[Costs in millions of dollars]

Region and force	Units		Total cost
	In Europe	In United States	
CENTRAL REGION			
Army divisions:			
Active	4-1/3	3-2/3	8,250
Reserve		6	2,100
Air Force tactical wings:			
Active	7	9	5,650
Reserve		7-1/3	750
Antisubmarine and antiair warfare forces (percent of total)[1]	10	25	2,300
Airlift and sealift forces (percent of total)[1]		50	600
Subtotal			19,650
SOUTHERN REGION			
Marine active divisions/wings	1/9	8/9	1,050
Navy active carrier task forces	2	2	2,600
Antisubmarine and antiair warfare forces (percent of total)[1]	5	10	1,000
Amphibious and other naval forces (percent of total)[1]	7	26	1,100
Subtotal			5,750
Total			25,400

[1] In U.S. force structure; excludes escorts for attack carriers.

Sources: Charles L. Schultze and others, Setting National Priorities: The 1972 Budget (Brookings Institution, 1971), p. 55; statement of Secretary of Defense Melvin R. Laird in Department of Defense Appropriations for 1971, Hearings before a Subcommittee of the House Committee on Appropriations, 92d Cong. 2d sess. (1970), pt. 1, p. 270; statement of General Leonard F. Chapman, Jr., Commandant of the Marine Corps, ibid., p. 740; testimony of Admiral Thomas H. Moorer in CVAN-70 Aircraft Carrier, Joint Hearings before the Joint Senate-House Armed Services Subcommittee of the Senate and House Armed Services Committees, 91st Cong. 2d sess. (1970), p. 135; The Military Balance, 1970–71 (London: Institute for Strategic Studies, 1970), pp. 3–5; statement of William W. Kaufmann in Changing National Priorities, Hearings before the Subcommittee on Economy in Government of the Joint Economic Committee, 91st Cong. 2d sess. (1970), pt. 1, p. 211. From John Newhouse (ed) "U.S. Troops in Europe", Brookings Institution, Washington, D.C. 1971.

[From the New York Times, July 29, 1973]

TROOPS IN EUROPE

For nearly three decades the United States has maintained an expeditionary force in Western Europe, which has been blessed for a generation with peace, prosperity and relative stability. So much is evident fact; a strange situation has now arisen in which this historical truth is being cited to support both sides of a debate resuming on Capitol Hill for the third year running

The status quo has worked—don't tamper with it That is the kernel of the traditional Administration argument that American troop strength in Europe must be retained at its present level. The increasing circle of critics argues that, precisely because the military commitments of the last 28 years have worked so well, the job of the American garrisons is done and the boys can be brought home.

Neither of these arguments is acceptable as the premise from which to examine the future United States role in the defense of Western Europe. It is not enough to say that the troops should remain where they are just because they have been there for longer than a majority of Americans can remember. It is certainly not enough to argue that all, or even a substantial number, of these troops should come home just because Europe has become prosperous and safe and Leonid I. Brezhnev seemed like such a pleasant fellow when he dropped in the other day.

The Secretary of Defense, James R. Schlesinger, has shown a new Administration awareness of Congressional sensitivities by conceding that the United States might well be paying more than its "fair share" of European defense costs. Over 6 per cent of this country's gross national product goes to fulfill American commitments to the North Atlantic Treaty Organization, he told a House committee, compared with a West European average of 4.1 per cent of G.N.P. for defense expenditures. The promised effort to increase the European contribution will be an essential element in the Administration's campaign to stall off any major cuts in strength.

More important in determining how soon and how much the American force can be reduced will be the tenor of the eagerly anticipated East-West negotiations to achieve a mutual reduction of forces in Europe, those of the Warsaw Pact as well as NATO. These talks are to open Oct. 30 in Vienna.

There mere fact of work in progress cannot be held as a legitimate reason to shun all consideration of a unilateral American cutback, since the talks may go on for more years than anyone now cares to contemplate. Against the Vietnam and Cambodia experiences, Congressional critics have good grounds for being suspicious of self-serving Administration pleas to delay action while allegedly delicate diplomatic steps are under way. An abrupt Congressional move to force unilateral reduction in American forces in Europe before the negotiations even begin, however, is clearly not justified by any urgency of circumstance

The American expeditionary force in Europe will—and should—be phased down, though certainly not out, over the coming years This must be accepted as an integral reality in the self-examination which the NATO allies have now undertaken.

But the growing weakness in the Administration's argument before the Congress is the inability so far to present any coherent, if necessarily long-range, program for winding down what is portrayed as an almost open-ended commitment in perpetuity. As Representative Riegle, Republican of Michigan, warned Administration witnesses at House hearings: "Policies that do not make sense to the American people only increase the mood of isolationism in the United States."

WIRIYAMA MASSACRE—ONLY PART OF THE PICTURE

HON. LOUIS STOKES

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, July 30, 1973

Mr. STOKES. Mr. Speaker, while it is heartening to see the world's attention focused upon Portuguese atrocities in Mozambique, it is wise to remember that what happened at Wiriyama on December 16, 1972, was not an isolated incident in any respect. The African people have been subjected to slaughter, torture, starvation, physical, and mental abuse since the first Portuguese settlers arrived on the continent. Genocide is not a word which I use lightly or rhetorically. But genocide is the name which must be applied to Portuguese policies in southern Africa.

In recent years, the Portuguese Army has used napalm, defoliants, and bombs to obliterate the lives of the African people. The methods and the material may be more sophisticated than they have been in the past, but the goal has remained constant for centuries—genocide.

Mr. Speaker, Catholic clergy have testified to personal knowledge of Portuguese-perpetrated slaughters. They felt that they could no longer remain silent, and they have received support for their position from the Pope.

The Portuguese Embassy has sent every Member of Congress a press release dated July 19, 1973. Mr. Speaker, the Embassy's statement never denies that the massacre occurred. Instead, it relates newsmen's accounts of the difficulty of locating the precise site of the massacre. The Portuguese Government apparently has not asked its own soldiers where the slaughter occurred. I suggest that they discuss this matter among themselves before sending another communication to the U.S. Congress.

The Mozambique Liberation Front—Frelimo—has issued a statement which places the Wiriyama massacre in the proper context. The only context is that of Portuguese policy toward the African citizens. It is a policy of genocide—almost beyond comprehension in its brutality.

I would like my colleagues to read Frelimo's statement for themselves. I, therefore, include it below:

PRESS STATEMENT

World attention has recently been focused—with a mixture of horror and indignation—on a report by Spanish and British priests describing the massacre by Portuguese troops of about 400 Mozambican civilians in a village in Tete Province.

While welcoming the international denunciation and condemnation of this genocidal act, the Mozambique Liberation Front wishes to point out that this massacre must not be seen in isolation. In fact, massacres are the common practice of the Portuguese troops in Mozambique, they are inherent to the Portuguese colonial system. As early as 1960, more than 500 villagers from Mueda in Northern Mozambique, were slaughtered with grenades and machine-gun fire as, in a peaceful demonstration, they demanded independence from the Portuguese authorities.

Time and again, FRELIMO has published detailed reports of many other large-scale Portuguese atrocities against the Mozambican people. These reports—some of which have been presented periodically to the U.N. Commission of Human Rights—describe the bombing and destruction of whole villages, plundering, forced removal of population, the torture and murder of prisoners of war, and the use by the Portuguese army of chemical weapons in the liberated areas. Let us recall just a few cases:—

In June, 1970, the Portuguese troops arrived in the village of Joao, in Tete Province, gathered everybody they could find (about 60 people, among them children), and told them dig a big hole "for us to hide from the bandits". The people, unaware, obeyed. At a certain point the Portuguese told the people to enter into the hole "to see if all of us will fit into it". The hole was still not big enough. The people enlarged it. Then the soldiers said: "Let us try again". The people entered again, and now there was room for all. When our people were inside, the Portuguese started shooting at them. They killed all 60 Mozambicans and buried them in the hole.

In another village, in Xidecunde, in February 1972, the Portuguese soldiers locked 16 people—men, women (some with babies) and children—in a house and threw grenades inside. 15 people were killed—among them 4 pregnant women and 6 babies. Only one woman survived, with the loss of an arm, blown off by the grenade.

On September 28, 1972, in Angonia, Tete, the Portuguese locked up about 30 people inside a house, set fire to the house and burnt all of them to death. The people were accused of knowing the hide-outs of the FRELIMO guerrillas.

In early December, 1972, as a reprisal against FRELIMO's successful attack against the town of Tete, the Portuguese troops rounded up the neighbouring villagers and arrested 60 people. They were locked inside a house and burnt to death.

In May, 1973, Rhodesian troops in Mucumbura massacred 15 people from a village. They took others away in their helicopters, and they were never seen again.

By the end of 1971, Portuguese soldiers in Tete ordered civilians to leave their villages and the day when they were on their way to other places, they were attacked by helicopters and savagely slaughtered. On that occasion, several mothers were caught with their children and forced by the Portuguese troops to crush their babies in mortars. (Reported also in the South African newspaper The Star, November 6, 1971).

In our reports we have also denounced an infamous practice which has become common among Portuguese soldiers: killing all pregnant women by ripping open their abdomens with bayonets to take out the fetus in order, in their own words, "to prevent the birth of new terrorists". Sometimes they placed explosives inside the woman's dead body as a booby-trap, to kill other villagers when they bury her.

More recently other voices have also been raised in Mozambique, especially those of priests, condemning these crimes. We recall the overwhelming evidence given by the White Fathers Missionary Congregation, who decided to leave Mozambique in May, 1971, appalled by the crimes and torture inflicted on Mozambicans. In October, 1972, a Portuguese priest, Father Afonso da Costa, revealed in a Press Conference in Europe, after being expelled from Mozambique, that he had irrefutable information that over one thousand Mozambican civilians had been massacred in Tete Province alone, between March 1971 and May 1972.

The colonial repression is worsening and spares no one. In June, 1972, 1800 people were arrested in Southern Mozambique, on the grounds that they had contacts with or were working for FRELIMO. In January, 1973, two priests were jailed and sentenced by a military court to terms of 5 months and 20 months respectively, charged with having denounced the atrocities of the Portuguese army. In mid-June, 1972, 30 African Presbyterian church leaders were arrested and jailed; two of them, the Head of the Presbyterian Church in Mozambique, and a member of a local Church Council, were murdered in jail. In announcing their deaths in December, 1972, the colonial authorities alleged that they had "committed suicide".

One does not need to look too far to find the reasons for these acts. It is sufficient to quote the words of the Commander-in-Chief of the Portuguese army in Mozambique, General Kaulza de Arriaga. He has said that "the Portuguese strategy in Africa should be aimed at achieving an equilibrium between the black and white population". After having hailed the export of slaves to Brazil as a good thing, he put forward the present aims of Portuguese action: "on the one hand, the growth of the white population; on the other, the limitation of the black population". He could not have been more explicit.

It is, therefore, this fascist policy of genocide combined with the desperation of the colonialist troops who are suffering defeat after defeat in their war against the Mozambican people, which is the root cause of these bestial acts.

This is the context in which the atrocities denounced by the Spanish and British priests should be seen.

Several times we have expressed our regret that the world conscience, the peace and freedom-loving people, have not played as effective a role as they both could and should have done in denouncing and condemning Portuguese colonialism. It is our earnest hope that the world-wide reaction to the recently revealed crimes of the Portuguese colonial army is an indication of a growing awareness of the true nature of Portuguese colonialism and of the imperative need to oppose and combat it.

COMMISSION ON THE REVIEW OF THE NATIONAL POLICY TOWARD GAMBLING

HON. LAWRENCE J. HOGAN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 24, 1973

Mr. HOGAN. Mr. Speaker, when the Treasury-Postal Services appropriations bill is before the House on Wednesday, I intend to offer an amendment to add

$356,000 to finance the Commission on the Review of the National Policy Toward Gambling.

The Commission was established prospectively by Public Law 91-452 on October 15, 1970, to become active 2 years after the effective date of that act. The purpose of the Commission is to review the effectiveness of law enforcement practices in controlling and taxing gambling activities, to prepare a study of existing statutes relating to gambling in the United States, and consider and make recommendations on the changing of laws, statutes, and practices regarding gambling. The statutory mandate requires that the Commission make appropriate recommendations for legislation and administrative action to the President and the Congress of the United States. The Commission may make special interim reports as it deems advisable and must make a final report within the 4-year period following its establishment. The Commission terminates 60 days after the submission of the final report.

The Commission comprises 15 members, 4 of whom were appointed by the Speaker of the House, 4 by the President of the Senate, and the remaining 7 by the President. The following is a list of the members of the Commission and the dates of their appointments to the Commission:

COMMISSION TO REVIEW THE NATIONAL POLICY TOWARD GAMBLING

MEMBERSHIP

Senator John L. McClellan (D. Ark.).*
Senator Howard W. Cannon (D. Nev.).*
Senator Marlow W. Cook (R. Ky.).*
Senator Edward J. Gurney (R. Fla.).*
Congressman Lawrence J. Hogan (R. Md.).*
Congressman John E. Hunt (R. N.J.).**
Congressman James M. Hanley (D. N.Y.).*
Congressman Charles J. Carney (D. Ohio).***

The public members were appointed by the President on December 23, 1972.

Chairman—Charles H. Morin, Wayland, Massachusetts. Attorney, Colson & Shapiro, Washington, D.C.

James M. Coleman, Jr., Asbury Park, New Jersey. Attorney, Prosecutor of Monmouth County, N.J.

David D. Dowd, Jr., Massillon, Ohio. Prosecuting Attorney, Stark County, Ohio.

Ethel D. Allen, Philadelphia, Pennsylvania. Physician and Surgeon, City Councilwoman, 5th District, Pennsylvania.

Joseph A. Gimma, New York, New York. Partner, Hornblower & Weeks-Hemphill, Noyes, Chairman New York State Racing Commission, New York.

Robert List, Carson City, Nevada. Attorney General, State of Nevada.

Charles F. Phillips, Jr., Lexington, Virginia. Professor of Economics, Washington and Lee University, Virginia.

To support the Commissioners in their work a professional staff is presently being assembled. The staff will include an executive director, deputy director, a general counsel and representatives from law enforcement, as well as the social sciences, the number of which will be limited to budget ceilings.

The Office of Management and Budget has recommended an appropriation of $356,000 for the Commission in fiscal year 1974.

Budget analysis—OMB proposal

11.1 Permanent positions	$207,000
11.3 Positions other than permanent	--------
11.5 Other personnal compensation	4,000
12.1 Personnel benefits	21,000
21.0 Travel and transportation of persons	31,000
23.0 Rent, communications and utilities	7,000
24.0 Printing and reproduction	15,000
25.0 Other services	60,000
26.0 Supplies and materials	4,000
31.0 Equipment	7,000
99.0 Total	356,000

There is a widespread call for decriminalization of gambling as a victimless crime. Apart from philosophical or religious considerations, two major lines of argument are offered to justify change: First, to raise public revenue and second, to cut down profits going to organized crime.

The widespread interest in the various States is reflected by an increasing public acceptance of legalization. For example, referendums by a margin of 7 to 1—New Jersey, Ohio, New Hampshire, Maryland, Washington, Iowa, and Montana. Presently eight States have lotteries in operation. New York City, three New York counties, and Connecticut either have or are considering off-track betting. Thirty States have horse racing and 10 State have dog racing. Nevada has casinos and slot machines. California has card parlors, and many States allow bingo and raffles for charitable purposes.

In the near future 14 States are actively considering lotteries; 5 States are actively considering sports pool betting, and many other States are studying casinos, off-track betting, specialized race betting schemes such as the exacta and daily numbers game. It has been forecast that within the next 5 to 10 years 30 States will have lotteries. Many others will legalize bingo and raffles, some will legalize sports betting, numbers, and off-track betting, and several others are considering established casinos.

Presently in the States 56 percent of our population are exposed to lotteries and 85 percent of our population are now exposed to some form of legalized gambling.

The Commission was created by the organized crime statute which Congress passed in 1970 to take stock of where our Nation is and what directions it should take in the future regarding this critical social issue of gambling. The Commission must necessarily decide whether the existing statutes of the United States are in need of change, and must necessarily further decide whether the present Federal statutory and regulatory scheme should be continued. For example, there are existing Federal statutes which outlaw some of the current practices of the States and by the news media. It must determine, among other things, whether the States should retain the right to decide upon the legality of gambling.

In addition, it will be necessary to review the existing practices in law enforcement and judicial administration regarding the existing statutes in both this country and in foreign jurisdictions and to make an interim report to the President and the Congress in the fall of 1974. This interim report will provide the basis for additional public hearings to be held on the recommendations of the Commission allowing the final report to reflect an awareness of the reaction of the public to the recommendations.

In short, it will be the work of the Commission to discover the attitudes of law enforcement agencies and the general public to its recommendations and then to provide the meaningful data upon which the public may ultimately concern itself regarding this social issue.

It is further anticipated that there be a second interim report reflecting those attitudes in the fall of 1975. Therefore, the work of the Commission must be finished by October of 1976, and to be of real meaning to the President and the Congress, it should be finished by December of 1975. Thus, it is necessary to assemble the mechanical means of accomplishing the Commission's work as soon as possible.

As a member of this Commission, I think it is appropriate to discuss some of the proposals which are presently under consideration for this Commission. These proposals generally are to conduct a national survey of law enforcement to determine the effectiveness of the existing practices regarding enforcement of gambling laws through criminal enforcement procedures.

In addition, we are to examine the existing practices of the various States regarding the revenue aspects of taxation of gambling. Further, it would appear that it is necessary to study the existing attitudes of the various States which prohibit and/or allow certain gambling practices. The Commission may well find it necessary to propose uniform State laws as an ultimate recommendation.

To guide States which are considering widening legal gambling the Commission must prepare a study of the revenue which is available through the various legalized experiences in this country, compare that with the experiences of foreign jurisdictions and ultimately be prepared to comment upon the revenue impact of State-run legalized gambling, as well as the national advisability of such activity.

It is submitted that many of these States are desperately crying for leadership on behalf of the Federal Government to provide the answers to many questions regarding both revenue and the effect upon law enforcement and its conversant effects upon the social mores of their population. In contemplating a State lottery, for example, States want to raise revenue? Does it stop illegal gambling? How do costs compare with results?

Presently there exists principle conflicts between the Federal laws and regulations and many of these activities in the States. Specially, excise taxes, the Federal Communications Commission laws of the Postal Service and the criminal Code of the United States, title 18 as enforced by the Justice Department, provide real violations which are presently being corrected by the States in order to carry out their legalized gambling

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*appointed 9/6/72.
**appointed 10/5/72.
***appointed 2/73.

functions. It is submitted that these conflicts must be resolved.

The Commission is further to study the effectiveness of the Federal statutes as they exist. This Commission was purposely delayed for a 2-year period in order to allow its study to encompass a new gambling statute—title 18, U.S.C., 1955—which was passed concurrently by Congress with the statute creating the Commission. The last statute completed the cycle of Federal involvement and made gambling jurisdiction of the Federal Government concurrent with that of the States.

The Commission must study the effectiveness of these Federal statutes, not only in terms of their possible infringement upon the States, but also in terms of the cost of the Federal enforcement prohibiting gambling. This cost must be weighed against the ultimate resulting effect in terms of tax dollars spent. The effectiveness must include the need to consider statutory alternatives, such as changes in our methods of taxation of gambling activity. No one really knows how much income organized crime receives from gambling. The corruption of police and public officials by gamblers is another important concern.

To sum up, Mr. Speaker, I feel that it is vitally important to the Nation that this Commission begin its work. I urge my colleagues to support my amendment to appropriate $356,000 for fiscal year 1974 for the work of this Commission.

WASHINGTON REPORT

HON. WILLIAM E. MINSHALL

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, July 30, 1973

Mr. MINSHALL of Ohio. Mr. Speaker, herewith is my July Washington report and results of the Minshall opinion poll:

WASHINGTON REPORT, JULY 1973

Watergate: The Ship of State Sails On . . . Despite the pervasiveness of the issue and contrary to doom-criers who sell short the sea-worthiness of our Constitution in times of crisis, the Watergate flood has not capsized our government—nor will it. Though it rocks the boat temporarily, as witness the dollar fluctuation abroad, the end result hopefully will be to irrigate some long arid acres of thought in the Nation's Capitol . . . The Watergate flood should bring about a welcome harvest of reforms—not only in campaign practices, but in a return of constitutional powers to the Congress which, over the last 40 years, paved the way to Watergate by abrogating more and more of its responsibilities to the White House.

Congress Is Hard At Work, far less distracted from its duties by Watergate than headlines would have you believe. Nearly 400 votes and quorum calls have been recorded in the House of Representatives alone as we pause for a breather at the midway mark of the First Session. Capitol Hill's hive of committees is buzzing with legislative activity: restructuring of foreign aid, compaign and election reforms, import quotas, investigations of the energy crisis, environmental issues, tax reform and dozens of other important matters, all either under study or due for committee hearings this year. My Defense Appropriations Subcommittee continues to meet in day-long sessions that will go on well into late autumn.

Silver Lining Department—Despite our problems, Americans have much for which to be grateful. Never before in this century has the outlook been brighter for world peace. Long-time enemies are beginning to communicate for the first time in years and a heartening spirit of detente marks the new relationships between the United States and China, the United States and the Soviet Union, Japan and China, India and Pakistan, East and West Germany, North and South Korea—even North and South Vietnam are at least talking to each other . . . At home, the shadows of war and the draft have been lifted from the lives of our youth, with Selective Service mothballed for the first time since 1947 . . . And, despite inflation, Americans are more affluent than ever before. Employment has risen by 4.4 million since the Administration launched its new economic policies in 1971, the largest 21-month increase in history, more than double the long-term average. Per capital disposable real income, the amount left over after taxes and adjustments for inflation, is up 7.5%, twice the long-term average. Total output, up 11.5% since August 1971 shows the most rapid growth rate over a comparable period in the last two decades.

Phase 4, essentially a re-run of Phase 2, will embody much the same controls that helped dampen inflation between November 1971 and January 1973. Voluntary controls, under Phase 3, proved disastrous, ended June 13th when the President clamped a 60-day price freeze that will be supplanted by Phase 4 August 12th. Phase 4 will continue the 5.5—guideline for wage increases, require Cost of Living Council approval for price increases by major business and industry, and will add new price ceilings on gasoline, heating oil and diesel fuel. However, the freeze on all food prices but beef was lifted in an effort to prevent future food shortages and even prices later on. Either your pocketbook or your market basket will be somewhat lighter in the next few weeks, but on September 12th the entire food industry will be brought under the same Phase 4 controls as all other sectors of the economy . . . Any system of controls is full of uncertainties. Even though Phase 4 is mandatory, its success still will depend to a great extent on compliance by business, labor and consumers. I am pleased that the Phase 4 package contained no request for an anti-inflationary tax increase—instead *the Administration is placing heavy emphasis, as am I, on holding down Federal spending, right down the line.* When Americans are asked to pull in their budgetary belts to fight inflation, the Federal Government should certainly do the same.

Reminder: In addition to my Federal Building office, I have two other locations in the 23rd District to serve you—9 to 1, Mondays through Saturdays, at 20939 Lorain Road, Fairview Park, telephone 333-9936, and 1 to 4 every Tuesday at North Royalton City Hall, 13834 Ridge Roard, telephone 237-5686. The latter is through the cooperation of Mayor Harry E. Loder, Jr.

See the U.S.A. on the first new map of the coterminous (lower 48) States published by the Geological Survey since 1961. Scale 1 inch to 40 miles, this six color map measures 54x80, in two sections, has inserts of Hawaii, Alaska and territories. Plain or buff background. Send $2.00 in check or money order to: U.S. Geological Survey, Washington, D.C., 20244, and allow a week to 10 days for processing.

Thanks to all the nearly 20,000 of you who answered the Minshall Opinion Poll. Results are on the reverse side of this newsletter.

MINSHALL OPINION POLL RESULTS

[In percent]

	Yes	No	Undecided
1. Do you believe:			
(a) The President had prior knowledge of the Watergate break-in?	36.4	47.6	16.0
(b) The President knew of or participated in the cover-up?	64.2	23.2	12.6
2. Do you think the President has done a good job in foreign affairs?	73.6	16.0	10.4
3. Has he done a good job handling domestic affairs?	25.6	63.8	10.6
4. Should Congress further curtail spending to slow inflation?	78.0	10.0	12.0
5. If Congress does not keep within the budget ceiling, should the President refuse to spend the funds?	67.0	17.6	15.4
6. Phase 4 economic controls, due in August, are under study by the administration. Do you favor controls on:			
(a) Food prices	69.0	17.4	13.6
(b) Rent	65.0	19.0	16.0
(c) Wearing apparel	60.8	25.8	13.4
(d) Petroleum products	72.4	16.6	11.0
(e) Home appliances	57.4	27.8	14.8
(f) Interest rates	65.4	23.0	11.6
(g) Corporate profits	64.0	24.6	11.
(h) Wages	59.8	27.0	13.2
7. If both sides honor the peace agreement, do you approve of U.S. aid to Indochina, including North Vietnam, for reconstruction purposes?	17.2	74.2	8.6

8. What is the most important issue facing the Nation today?	Percent
(1) The economy	50.2
(2) Watergate	32.6
(3) Law and order	4.4
(4) Biased news media	1.8
(5) The environment	1.2
(6) Indochina	.8
(7) Miscellaneous	5.0
No opinion	4.0

VOTES ON THE MINIMUM WAGE GIVE ANSWER TO CRYING NEED

HON. WILLIAM LEHMAN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 30, 1973

Mr. LEHMAN. Mr. Speaker, the House and Senate conferees have agreed on the Fair Labor Standards Amendments of 1973 to increase the minimum wage to $2.20 an hour.

I supported the minimum wage increase in the Education and Labor Committee and on the House floor.

A recent editorial in the Miami Herald closely reflects my own reasons for supporting this legislation to allow people to work their way out of poverty.

I urge President Nixon to sign this fair wage increase into law.

The editorial follows:

[From the Miami Herald, July 23, 1973]

VOTES ON THE MINIMUM WAGE GIVE ANSWER TO CRYING NEED

Looking through the want ads and trying to find a handyman or a maid might cause some persons to discount the action of Congress on the minimum wage as a matter affecting very few people. Who in the world would be working today for $1.60 an hour, with everybody begging for help?

The answer is a great number, more perhaps than we realize, say employment officials, though unfortunately they did not offer precise figures. Many of the jobs in that proliferation of want ads, for example, pay only $1.60 an hour. What Congress proposes to do is raise the floor to $2.20 over a period of time, perhaps as early as 14 months. This then will boost the earnings, through the ripple effect, not only of persons making the minimum but those now making more. For if the lowest man on the wage ladder gets a boost, so must the man on the second rung, and the third.

The result, warned opponents, will be more unemployment plus more inflation, which shortly will discount the working man's gains. That is one side of the long and bitter battle waged in Congress over the increased minimum wage, which both House and Senate have approved. It now goes to conference but may be vetoed by the President.

The other side argued that the economy would be stimulated by the measure, which not only raises the minimum but extends the protection to millions not currently covered and eliminates overtime exemptions in many categories.

It is well to bear in mind what the figures mean in weekly earnings. At the present minimum wage, a worker earns but $64 a week, or $3,328 a year. If he is supporting a wife and two children on that, he is deep in officially defined poverty. At the rate of $2.20 he would be making only $88 a week, or $4,576 a year. That would put a family of four barely above the poverty level.

Many on welfare today are people who work but do not make sufficient earnings to support their families. Raising the minimum and applying it to more people would move the nation closer to much needed welfare reform.

The objection about the over-all effect on the economy and the threat of inflation was answered adequately, we think, by the Senate Labor and Public Welfare Committee. It said it "does not believe that a successful anti-inflation program depends upon keeping the income of millions of American workers below officially established poverty levels."

HOW TO MAKE IT HAPPEN

HON. OLIN E. TEAGUE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, July 30, 1973

Mr. TEAGUE of Texas. Mr. Speaker, Mr. R. C. Wilson, president and chief executive officer, Collins Radio, participated in a panel at the 19th annual meeting of the American Astronautical Society in Dallas, Tex. On June 21, 1973. Because of the importance of his comments, I am including his address in the RECORD for the benefit of my colleagues and the general public:

ADDRESS OF R. C. WILSON

It is a great pleasure to meet here with leaders in astronautics from around the world in this 19th annual meeting of the American Astronautical Society. The rich cultural and geographic diversity represented by the participants in this three-day gathering is symbolic, I think, of the global benefits that only a few farsighted observers could foresee even a decade or two ago.

In the last century, Alfred Lord Tennyson glimpsed such a future in his poem, Locksley Hall, when he wrote:

"For I dipt into the future, far as human eye could see,
Saw the vision of the world, and all the wonder that would be;
Saw the heavens fill with commerce, argosies of magic sails,
Pilots of the purple twilight, dropping down with costly bales."

Today the air commerce that Tennyson envisioned is a basic way of life, even though the critics and the skeptics in the early years of aviation could visualize no practical benefits to mankind. Air travel is today being supplemented by benefits from our activities in outer space—truly a realization of the benefits that Tennyson foretold.

The contribution of our investments in space to the welfare of mankind are currently substantial and will increase significantly with time. The members of this audience can appreciate the enrichment of life on earth that will ensue—however, a recent series of interviews with the man on the street here in Dallas confirmed the fact that the average citizen has little understanding or appreciation of the space program. Specifically the space laboratory has considered to be a waste of taxpayers money—and there appeared to be a common feeling that the same money could have been much more effectively spent on welfare or social programs here on earth.

Ultimately we must convince the peoples of the world that space represent a good investment of current dollars. In order to do so, they must be first informed and, more importantly, convinced. This will require that all of us who so ardently believe in space take the initiative in presenting the "case for space" to the public in simple down-to-earth terms—and even more importantly that we take the initiative to provide them with the goods and services that bring them personally into contact with the benefits from space investments.

Today I'd like to attempt to cover two areas of benefits from space—and to present those benefits in terms that are salable. The two areas are communication and navigation. Through our history the progress of mankind has been closely related to these two fields. The effective utilization of space potential provides for major advances in both fields.

First let's talk about communication. This history of the world is full of the violence of man against man. Much of this violence came about because of a lack of communication, only a few hundred years ago even the next town was too far away for understanding to develop.

As a result, city fought city and state fought state, as communication improved, so did understanding. In my opinion, the greatest single contribution of the space program has been its message to the people of the world that all of us mortals share a fragile perch in space.

Who can ever forget the impact of Sputnik I, beeping its way over the world, or the first views of the earth from the moon? Suddenly all of humanity could see how small spaceship earth really is and how interdependent are all of its passengers.

Surely these dramatic communications startled even the most hostile mentality and caused it to reflect soberly on the need for cooperation among mankind. In my opinion much of the progress that has been made toward peace on earth has been due to that awesome message from space.

On a less philosophical plane there has been a continuing progress in communication from one country to another. The televising of the Olympic Games from Mexico in 1968 was an international love-in. Who can forget the emotion of the closing ceremonies when the packed stands sang La Golondrina—the Mexican "Home Sweet Home"—while the athletes from all over the world danced and laughed together. How could anyone who saw tiny Olga Korbut perform so magnificiently for Russia in the 1972 games withstand her captivating charm? President Nixon's recent visit to Red China gave most Americans a completely different and more favorable impression of China and its people than any they had had before.

In America the advent of national television was a major factor in enabling all of us to see our country in perspective and then to initiate long-overdue reforms. Today the promise of satellite communications is that of providing instant live pictures and voice communications to even the most remote and underdeveloped corners of the globe. In a way, globe space communications are analogous to the advent of mass television in the United States. Surely international social, economic and political reform will progress as a result of this escalation in understanding. It is one thing to read a reporter's view of the news and quite another to see and hear the actual happenings for yourself. There can be no question but that the understanding among peoples will grow rapidly and the probability of conflict will lessen as a result of space communications.

On still another aspect of space communication—it will permit economically feasible communications within underdeveloped countries who cannot afford the vast investment required to duplicate a bell system. The effects in terms of the quality of life may be gauged by one, among many, global problems—the threat of overpopulation. Here communication—the transmission of birth control information—is crucial. Today we have the potential capability to communicate with all of the world's people. Our previous investments in space have made this possible.

Before passing the social-political implications of space communications, it may be well to point out that reliable "hot lines" between heads of state may serve as the final factors in heading off a new world war, and I would point out the obvious international ties that will be strengthened by the apollo-soyuz program between the United States and the Soviet Union to rendezvous and dock spacecraft in 1975. It is a measure of the progress in understanding that has been developed between the people of the two countries—achieved partly through our space investment—that a joint space program was not widely accepted in both countries when it was first proposed by President Kennedy, but is today an approaching reality. A recent Gallup survey shows the dramatic improvement that has taken place in the manner in which Americans view Russia. Let me quote some statistics:

In 1954—less than two decades ago, 75 percent of those Americans questioned held a highly unfavorable view of Russia. Today this has been reduced to only 30 percent.

In the same span of time those with highly favorable opinions of Russia increased from 1 percent to 21 percent.

And all those holding favorable views in varying degrees increased from 5 percent to 34 percent.

While all of this improvement in attitude cannot be attributed to space communications, they have certainly played a key role in facilitaing this dramatic change.

Surely the benefit from space in the one field of human togetherness has already given a value equal to many times the cost of the total space program. However, if that isn't enough, there are very substantial economic benefits to the United States and to the world

The telecommunications field is growing rapidly throughout the world. It's a huge international activity. Annual volume for the principal types of equipment is expected to reach around 14 billions of dollars next year. The increasing economies of communications through space will escalate the growth of that industry. The recent decision of Canada to install a satellite communications system illustrates the point. The cultural enrichment among the peoples of the world can well be imagined. Think, for example, of the Eskimos watching Charles Boyer conducting a tour through the Louvre.

With the passage of time the economics of space communications will continue to improve. The Space Shuttle will make it more economical to put the birds in orbit. The space station may well become a service station for communication satellites. Power supplies will grow even more effective. With increasing capability in the satellites, earth stations will become less costly. The use of microelectronics will provide for highly reliable, secure communications and the use of digital technology for both voice and data will make the total system more efficient.

With all of these factors working together, the worldwide industry growth should exceed anything experienced in the past. No island will be so remote, no ship or airplane so small that it cannot be equipped with an earth terminal. At last, we frustrated sports fans will be able to enjoy live weekend sports on television while flying to the remote corners of the earth.

Truly the economics of the space communication industry will be impressive. We in America who have made the principal investments in space will derive substantial material benefits as well as enjoying the inner satisfaction that can be derived from this splendid contribution to the welfare of the peoples of the world.

The sale of the products and services to equip the communication plant is only the beginning of the benefits that will accrue. Commerce today is multinational and complex. It will grow more so with the passage of time. Think of the economies and efficiencies that will be possible with the instant availability of worldwide data and voice communications. Such communications can permit an industry or a country to manage itself much more efficiently. Decisions can be made more promptly and more confidently on the basis of information easily retrieved and correlated. And by thus quantifying more of the factors that go into a decision, instead of relying on business or political intuition, the risk of failure can be reduced and bolder, more effective decisions can be made

A simple example of what good communications can do is in the logistics of warehousing. If each warehouse must be self-sufficient in the area it serves, the total inventory requirement is much greater than when a number of warehouses supplement each other through well-coordinated communication. Slow-moving items in one location may be fast-movers in another—and stocks can be moved rapidly from one location to satisfy needs in another.

Thus the communications capability provided by satellites will make this a more peaceful, more enjoyable, more prosperous, and more efficient world.

Another facet of space exploration that is not appreciated by most of the world's public is the potential for substantially improving worldwide navigation even though the importance of excellence in navigation has been amply demonstrated throughout the history of mankind.

In the middle ages the first mariners to use a lodestone—or north-seeker—were able to sail in poor visibility when others could not—a telling advantage in commerce or in war. It was the invention not only of the magnetic compass but other navigation aids such as the quadrant and the mariner's astrolab which were prerequisite to the age of exploration in the 15th and 16th centuries. And the man who typifies that age as much as any of the famous explorers was one who never went to sea but who greatly aided the art of navigation—Prince Henry the Navigator.

There has been a steady increase in the need for improved navigation in our modern society as speeds increase and the movement of goods and people escalates. This movement has become so great that our sea lanes and our air lanes have become overcrowded. In order to fully utilize this capacity we need to establish position much more accurately, thus enabling us to utilize more vessels and aircraft with less spacing between them.

For example, if we can double the number of aircraft going across the ocean in a given air corridor, we can avoid the necessity of using longer and less economic routes to achieve the same capacity. Moreover, increased navigational accuracy reduces meandering by the ship or aircraft thus shortening the voyage and saving fuel.

Satellites were first proposed as an aid in providing position determination for ships in a story written by E. E. Hale in 1873 entitled, "The Brick Moon." Hale envisioned a system of four 200-foot diameter spherical satellites placed 4,000 nautical miles above the earth in circular polar orbits.

Although the scheme visualized by Hale was not practical, we do today have the technical capability to provide accurate navigation from space. Let's consider some of the benefits. The present world fleet of Boeing 747's amounts to 200 aircraft. If improved navigation can save one minute—one flying minute—out of every hour, the saving would amount to 10,000 flying hours per year for a saving of over $12 million. The fuel saved would provide the electrical energy requirements for a city of about ¾ million people per year.

Again the world's civil airlines flew nearly 4½ billion miles in 1972. If improved navigation could reduce that by one-sixtieth, it would mean 75 million fewer miles would have to be traveled to deliver the same number of passengers and same amount of freight. In fuel costs and in the number of aircraft required, this would mean a very substantial saving.

The FAA tells us that the air carrier delay costs in the United States were $157 million in 1969, and those will increase to over a billion dollars in 1982. Improved navigation can reduce those delay costs, to say nothing of the improvement that will take place in the dispositions of the air travelers. It is intolerable to contemplate the FAA's projection that the peak hour delays of 20 to 60 minutes at key terminals will increase to over two hours by 1982 unless substantial improvement is made in navigation.

On the oceans, forecasts of the increased traffic make it imperative that more accurate navigation methods be developed not only to facilitate the flow of goods and services but to avoid accidents.

Only seven years ago the total volume of petroleum transported by tanker was less than one billion tons per year. Ten years from now it is expected to exceed 13 trillion tons.

Even today we are witnessing unacceptable accident levels. During fiscal 1972 more than 1,300 vessels of more than 300 tons each were involved in collisions or groundings. The disastrous grounding of the *Torrey Canyon* in 1967 focused public attention on the rising danger from collision or stranding of vessels carrying hazardous materials. A major part of the solution lies in improved navigational accuracy. Already the *Queen Elizabeth II*, using navigational aid from NAVSAT, has obtained positional accuracy within the length of the vessel, or approximately 1,000 feet. Her captain has said that this increased navigational accuracy by satellite has meant a saving of $40,000 worth of fuel per year.

Even this kind of accuracy will doubtless improve with time. With such accuracy we can quickly see the possibilities, both in increased traffic and safety. In safety, in avoidance of delay, in the increased utilization of equipment, in reduced use of fuel and materials resources, savings can be effected.

Let's take just one small facet. The American Maritime Administration estimates that celestial position fixing involves 380 hours annually per ship. On a United States flag ship, this represents about $2,800. The commission has estimated that the yearly benefit that idealistically could be achieved by 1975, using automated satellite-derived navigation information, is between $600 thousand and $1.4 million for all U.S. ships.

In the world of pleasure boating and pleasure flying safety and economy can be substantially improved. Rescue operations of all kinds can be greatly facilitated by the ability to quickly and accurately locate the aircraft, ship, or exploration party that is in trouble.

In the realm of ecology, it may be possible to establish a system to rapidly and accurately locate forest fires in their early stages. Prompt action can be taken to extinguish them with resultant savings to our economy and to our environment.

In summary, it is my belief that the benefits to mankind from improved communications and navigation will prove to be far greater than all of the money expended to date on space programs. The story on communications benefits alone is imperative and should be readily saleable throughout the world. Our selling job will become ever easier as time goes by and coordinated efforts by Government and industry provide continually improving communications capability. People will be able to directly relate to space communication advantages. To Americans, the nightly weather forecast on television is not complete without a satellite picture of the weather formations. An increasing percentage of the world's population will have daily, tangible reminders of the benefits of space communication. The appeal of these improved communications can be universal and can be sold to all segments of our population from the loftiest philosophers and most dedicated scientists to the teenagers in Korea who want to watch the Rolling Stones.

The potential benefits from navigation are also very substantial. However, unlike communications, they are not available here and now. While we can do a good selling job in the abstract, it will take action to make the benefits real and thus to really convince the public. The first action which appears vitally needed is a government decision to establish an effective operating satellite navigation system. Industry must then provide the hardware and software that will give tangible benefits to a broad cross section of people from air travelers to weekend sailors and nature lovers.

In my opening comments, I indicated that in order to make it happen we needed to convince the public of the value of space investments through down-to-earth selling and through the development of the tangible benefits to which people can relate. Additional research and quantification would permit the formulation of a much harder hitting merchandising presentation than I have been able to present today. This association may wish to undertake a project of putting together the total story of space benefits—and translating them into languages that appeal to various elements of our population in earthly terms.

Even more important than a selling job is the active development of appropriate goods and services. Through our combined efforts, in concert with our governments, we can expand present capability and provide new benefits. Surely it is within our combined capability—let's take the necessary actions—let's make it happen.

NEW CITY GOVERNMENT FOR WASHINGTON, D.C.

HON. CHARLES C. DIGGS, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, July 30, 1973

Mr. DIGGS. Mr. Speaker, today 15 of my colleagues on the District Committee and I have the privilege of introducing a clean bill, H.R. 9682, the District of Columbia Self-Government and Governmental Reorganization Act.

After 6 months of intensive work by the Subcommittee on Government Operations, chaired by my distinguished colleague from Washington (Mr. ADAMS) and an additional month of extensive markup by the full committee, this bill represents a comprehensive proposal for major reforms in the operation of the District's government as well as providing self-government for the residents of the city.

The key provisions of H.R. 9682 are:

First. An elected Mayor and City Council composed of 13 members;

Second. Establishment of a high-level commission for the consideration of appointment of judges;

Third. Significant incorporation of many recommendations of the Nelsen Commission including:

Establishment of the National Capital Planning Commission as the central planning agency for the metropolitan area.

Transfer of the Redevelopment Land Agency and the National Capital Housing Authority to the city government.

Establishment of a comprehensive financial management system for all governmental operations.

Fourth. Provides a multiyear authorization in amounts appropriated by Congress for a lump-sum Federal payment.

Fifth. Grants to the city for the first time the authority to borrow funds outside of the Department of the Treasury.

Sixth. Prohibits the taxation of personal income of nonresidents—commuter tax.

While this bill grants to the city the power to control local problems and local issues, the bill affirms the constitutional power of Congress to legislate at any time with respect to the District of Columbia.

I am pleased to introduce this bill with the solid support of most of my colleagues on the District of Columbia Committee.

This support is occasioned by the hard work of the committee and the full and comprehensive analysis of all problems and issues which a self-determination measure initially encompasses. This bill is a result of much deliberation and compromise and it is my feeling that most points of view and alternatives have been aired and, to the extent possible, reflected in this piece of legislation.

I appeal to all Members of this House to examine closely this bill and am hopeful that such examination will lead to a respect for the theory and thrust of the bill and will lead to swift passage by this House.

ANNUAL MUSIC CAMP AT EASTERN KENTUCKY UNIVERSITY

HON. TIM LEE CARTER

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Monday, July 30, 1973

Mr. CARTER. Mr. Speaker, it is my pleasure at this time to share with my colleagues an article on the annual Stephen Collins Foster Music Camp held at Eastern Kentucky University. This account appeared in the London, Ky., Sentinel-Echo for July 12, 1973.

Camps, such as that held at Eastern, give young people an opportunity to learn a broad range of musical skills and to benefit from the expert advice of college-level instructors. Each participant is also given a chance to study that aspect of music most interesting to him, whether it be woodwind ensembles, brass, or percussion arrangements.

In sponsoring this 38th annual retreat, Eastern Kentucky University continues its fine record of public service. In challenging young minds, it helps create a greater interest in the quest for knowledge, and in showing high school age youth a glimpse at univeristy life, their entrance into the world of higher education will be made a little easier.

The article follows:

FOSTER MUSIC CAMPERS MIX WORK AND PLAY

(By Fawn Conley)

Summer is traditionally a time for kids to relax and recuperate from the rigors of school. But for the students who are attending the 38th annual Stephen Collins Foster Music Camp at Eastern Kentucky University, the classes and work are not quite over.

High school students from all over, including Hawaii and Germany, come to the camp to learn about music and work with college faculty members. Some say the camp isn't exactly what they expected, while others know how much work it was going to be.

The days for the campers start at 7 a.m., with reveille and a general clean-up of rooms. Breakfast is next at 7:30, but the real work starts at 8:30 when rehearsals begin for the band members.

After a two-and-a-half hour workout with camp director John C. Lawson, who is also an assistant professor of music at EKU, the students go to class, on a volunteer basis. The class is music fundamentals, or theory class, according to the campers.

"It used to be required," said Mr. Lawson, commenting in the class. "But we'd rather have a class of 12 interested students than 25 who were not," explaining why the class is no longer mandatory.

Tammy Moores, a sophomore-to-be at Richmond's Madison Central High School, says she goes because she is interested in music. A trumpet player, Miss Moores goes to all the classes because she hopes to major in music when she comes to college at EKU.

Although she had grown up hearing about the camp while living in Richmond, she was not really prepared for all the work that goes along with the camp. But, she says, "It's worth it. I'm learning a lot." Miss Moores also feels that the camp is a "lot more fun" than school.

The rest of a camper's day goes something like this: theory classes last for an hour-and-forty-five minutes, then there is a break for lunch.

After lunch it's back to work again with rehearsals for the small ensembles and the orchestra woodwind sectionals, on alternating days. The orchestra practices for an hour-and-a-half in the afternoon and then there is the chamber music group, for all who are interested in that sort of thing.

There is a little time for relaxation, however, from 3:30 to 5 in the afternoon. This time is scheduled for recreation, which could mean a trip to downtown Richmond with special permission, or a trip to the campus bookstore to look for an EKU sweatshirt or jersey to take home as a souvenir of a month of hard work.

Dinner comes next, with stage band rehearsals following that from 6 to 7:30 in the evening. Then, the evening program goes into effect, which includes everything from swimming parties to volleyball games with the music faculty, which the students won. There was also a softball game the first week, which the instructors won.

Other evening events include concerts, recitals or trips which the students are required to attend.

Saturdays are much the same as other days at the Foster Music Camp. There is no sleeping late for the orchestra or band who alternate early morning rehearsals every week. Whoever gets the early bid one week, gets to sleep an extra two hours the next week before going to rehearsal.

Usually summer means a chance for school aged kids to swim, get a good tan, play some tennis or just catch up on some much needed sleep. But for Foster Music Camp students summer means a chance to work with college professors, a chance to meet new people and a chance to learn about music.

FISH AND WILDLIFE PLANNING

HON. JEROME R. WALDIE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 30, 1973

Mr. WALDIE. Mr. Speaker, presently the Watershed Protection and Flood Prevention Act—title 16, section 1008—is worked in such a way in respect to giving planning consideration to fish, wildlife and the environment that it is like giving the fox veto authority over the installation of safeguarding mechanisms at the henhouse.

Typically, plan formulation under the Watershed Protection and Flood Prevention Act utilizes fish, wildlife and recreation benefits to help justify the project. However, actual projects again do not provide adequate access for these purposes.

I am introducing a bill that will give fish, wildlife and the environment equal consideration with other project objectives during plan formulation and will insure adequate public access to realize the benefits projected during project justification.

I include the full text of this bill in the record:

H.R. —

A bill to amend the Watershed Protection and Flood Prevention Act to incorporate construction and operation measures for the benefit of fish and wildlife resources in works of improvement authorized under that Act

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 12 of the Watershed Protection and Flood Prevention Act (16 U.S.C. 1008) is amended to read as follows:

"SEC. 12. (a) Construction and operation measures for the benefit of fish and wildlife resources shall be incorporated, in accordance with the provisions of the Fish and Wildlife Coordination Act (16 U.S.C. 661 et seq.) in works of improvement authorized under this Act. The Secretary, the Secretary of the Interior, and the Fish and Game Agency of the State in which such project is located, shall jointly decide on the acceptance or rejection of measures proposed under the Fish and Wildlife Coordination Act for incorporation into works of improvement.

"(b) Access for fishing, hunting, and other outdoor recreation by the public to reservoirs constructed under this Act shall be provided to insure the maximization of project hunting, fishing, and other outdoor recreation benefits. Less than full public access may be provided in cases where the Secretary and the Secretary of Interior agree that limitation of such access is appropriate and reasonable in accordance with the purposes of this Act and the Fish and Wildlife Coordination Act."

A VICTIM NATION

HON. J. EDWARD ROUSH

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 30, 1973

Mr. ROUSH. Mr. Speaker, it is both frightening and depressing to know that the June 30 estimates of the Bureau of Narcotics and Dangerous Drugs figure heroin users now at 626,000 with an estimated cost of $18 million daily to support their addiction. Obviously this must and does lead to crime to support their habit. A special task force report this year submitted to the criminal law section of the American Bar Association and the Drug Abuse Council further concluded:

> The United States has the greatest concentration of heroin addicts in the world and represents the world's most lucrative market for all kinds of opiates.

Two years ago, the Foreign Affairs Committee, responsive as always to congressional concern, provided authority for the President to make the decision to cut off foreign assistance when recipient countries were found remiss in efforts to prevent the unlawful disposal of drugs produced in their country from reaching the United States. Under that amendment the President can cut off foreign aid when he determines that a country has failed to take adequate steps to prevent narcotic drugs and other controlled substances—as defined by the Comprehensive Drug Abuse Prevention Control Act of 1970—produced or processed, in whole or in part, in such country, or transported through such country, from being sold illegally within the jurisdiction of such country to U.S. Government personnel or their dependents, or from entering the United States unlawfully.

Despite the intensity of our drug problem the President has never used this provision, which I believe is an important weapon in the fight to control drug abuse in the United States.

Perhaps some of you saw the newspaper article of a few weeks ago about the Afghan farmers who are harvesting a bumper crop of opium poppies on land newly developed, irrigated, with U.S. foreign aid. No, the money was not intended for that purpose, but that is where it went. The same article mentioned the lack of enthusiasm on the part of the Afghan Government in curbing the growth of the opium poppy or in pushing farmers, traffickers, and smugglers to cease this activity. Supposedly, a "threat" of the removal of foreign aid was transmitted. I do not think that a threat is enough and I think it is time we take decisive action. There are those in this country urging strong penalties for drug traffickers in the United States. I do not see how we can consider such action if we do not deal firmly with those countries which produce the basic ingredient, opium poppies, and then allow trafficking internationally.

The committee bill does offer a large dose of persuasion in the form of financial assistance to countries to help them combat the drug problem; the bill helps them isolate the disease and eliminate the crop that causes it in the amount of $50 million for international narcotics control in each of the fiscal years 1974 and 1975.

But I do not believe that this is enough, it has not proven to be so far, and I believe that those Members of Congress whose constituents are daily victims of drug traffic will recognize the need for and support this legislation. What we have is a national problem, even though some areas of the country may escape the epidemic quality that drug abuse reaches in our large cities.

It seems to me that it is time for straight talking and straight thinking. We have offered these countries a large carrot in assistance and I believe we must back that up with an equally obvious stick. I would hope the President would act more forcefully.

Some will say that this will have no effect on those countries which do not receive foreign aid. That is certainly true, but hardly to the point since two-thirds of the "Golden Triangle," namely, Thailand and Laos both do receive foreign assistance and the Golden Triangle is a major source of opium.

I would ask why we should condone with foreign assistance funds the inability of countries to police illicit drug production, when the results of that failure are felt so severely here in the United States? Do we not encourage such apathy and inefficiency, not to say as we should also, corruption, by our accepting attitude?

Two years ago a gentleman from the U.S. Bureau of Narcotics and Dangerous Drugs, Department of Justice, made a statement I have not forgotten. He told the chairman of the Subcommittee on Europe of the House Foreign Affairs Committee that:

> The United States is a victim nation in the heroin traffic. With all the determination and resources of the Government, with all the support of the American people and our State and local police and courts, the problem can never be solved on a completely domestic basis.

And he was so right; we are still a victim nation and only decisive action will change that fact.

A staff survey team of the Committee on Foreign Affairs in January of this year issued a report dealing with United States and Southeast Asian countries efforts against the international drug trafficking. They recommend that the United States continue to "apply diplomatic and economic pressures at the highest levels of government in Southeast Asia to insure that there is no weakening of narcotics suppression efforts which have been started." They also recommended that where conclusive evidence showed high ranking or influential figures involved in narcotics, the U.S. Government should strongly urge those governments to prosecute such individuals more vigorously than has been the case in the past. And then they concluded:

> If these efforts are unsuccessful, the United States should terminate all economic and military assistance to that country.

That is exactly the stand I take today. If these countries do not stem the production and transportation of narcotic drugs, then foreign economic and military aid should be removed. Somehow we must quarantine the American people from further infection with a drug culture which destroys and wastes lives, ravages families, produces crime and corruption, and weakens our society.

FINDINGS OF THE SELECT COMMITTEE ON CRIME

HON. JEROME R. WALDIE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 30, 1973

Mr. WALDIE. Mr. Speaker, the Select Committee on Crime, which was organized in May of 1969, has recently disbanded and issued its final reports. I would like to call the Members' attention to one of these reports, "Drugs in Our Schools."

I believe that drug abuse among our youth is one of the most important issues the committee investigated. In hearings held in New York, Miami, Chicago, Kansas City, San Francisco, and Los Angeles the committee heard testimony concerning the extent to which drugs are being bought, sold, and abused by children of our Nation's schools.

Testimony was heard from public school representatives, media representatives, police, personnel of drug abuse programs, representatives from court systems, students, and various medical, technical, scientific, and social science experts. Both witnesses and members of the committee have described the problem as one that demands the full cooperation of State, local, and Federal governments.

The severity of the drug abuse problem was identified in detail by the committee's examination. Findings show that youth who become involved in drugs come from every racial, religious, socioeconomic, and geographic segment of our society. While there are many reasons why young people experiment with drugs, the most important factors initially are probably peer pressure and curiosity. It seems that young people continue to take drugs because they like the pleasurable sensations that the drugs bring on.

While many young people experiment with drugs and do not become regular users, statistics show that an increasing number of our school-age youth are using large amounts of drugs on a regular basis. A survey sponsored by the National Institute of Mental Health, covering 25 schools located in different areas of the country, indicates that every major section of the country has a serious drug problem among its youth. The surveyed schools ranged from economically deprived inner-city schools to affluent suburban schools, with broad-based student bodies from all major racial, religious, and socioeconomic groups in the country.

According to a 1971 FBI report, narcotic arrests of young people under the age of 19 had increased 765 percent during the preceding 5-year period. In the preceding 3-year period, over 432,000 teenagers had been arrested for crimes involving drugs. In that period, drug arrests among young people increased from 109,000 per year to 172,000 per year. California was the only State in the Nation to show a decrease in youthful drug arrests in the 1969–71 period. In view of these statistics, the need for drug educational and rehabilitational programs became most evident to the members of the committee.

The overproduction of harmful drugs by drug manufacturers, as a factor contributing to drug abuse among young people, soon became a chief concern of the committee. Under investigation, the direct connection between overproduction by legitimate firms of amphetamines, barbiturates, tranquilizers, and other drugs, and the growing problem of drug abuse was revealed. Legitimate companies manufacture 90 percent of the drugs in the illegal market, and there are three to four times as many young people using amphetamines and barbiturates as there are using heroin.

For example, there are only two recognized desirable medical uses for amphetamines—the treatment of narcolespy and hyperkinesis in children, both rare diseases. While only 1 million doses per year are needed for the treatment of these diseases, there were 3 billion amphetamines produced and consumed in the country in 1969. In 1970, the committee introduced legislation to establish quotas on the production of amphetamines, and finally, in 1973 the Government forced manufacturers to cut back their production by 82 percent—even this cutback permits companies to produce a surplus of amphetamines.

Committee investigations revealed that barbiturate abuse is an even more serious problem. There were over 5 billion barbiturates produced in 1970—a 43 percent increase over the prior year. At this level of production, there are enough barbiturates produced to permit everyone in this country to commit suicide twice. As many as 30 percent of the students had used barbiturates in some of the schools studied.

Recently, the Justice Department has rescheduled nine barbiturates, having a high potential for abuse, from schedule III to the more strict controls of schedule II, thereby limiting the quantity that can be legally produced. The committee has further asked the Justice Department to require manufacturers to document an existing medical need for their production levels.

Committee investigation has also revealed a possible connection between drug advertising and drug abuse and has further determined that "there is sufficient reason for a thorough inquiry into the impact of advertising on drug abuse by the young."

Over $211 million is spent annually by drug manufacturers to convince the American public of the importance of drugs in their daily lives. One in every six television advertisements is a drug advertisement—the effect of this advertising on young people is undoubtedly substantial.

The Code Review Board of the National Association of Broadcasters has adopted new guidelines for drug advertising which will go into effect in September 1973. Regardless of the effectiveness of this effort at self-regulation, the committee has recommended that Congress monitor drug advertising to determine the extent to which it may in the future contribute to drug abuse.

In recognition of these problems, the committee has made the following initial and basic recommendations:

First, every school board in the country should develop a well conceived plan directed at ending drug abuse in the schools. Each school district should institute programs of instruction for its teachers whereby the teachers are thoroughly educated in the drug abuse problems germane to the school district and school at which the teacher is employed. In addition, there should be drug abuse counselors for every school which requires them.

Second, the Federal Government should provide funds to assist local school boards in establishing these programs for their schools.

Third, the Federal Government should force manufacturers to cut back their production of certain potentially harmful drugs.

Fourth, Congress should monitor the effectiveness of the voluntary advertising guidelines adopted by the radio and television industry.

Mr. Speaker, the committee's work has provided us with understanding of what is initially needed to begin combatting the drug abuse problem of young people, and further requires that Congress continue to investigate ways in which the Federal Government can aid the efforts of local communities. I urge all Members to give this problem of drug abuse among young people their full attention and consideration.

WESTERN UNION'S MESSAGE: LESS FOR MORE

HON. BENJAMIN S. ROSENTHAL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, July 30, 1973

Mr. ROSENTHAL. Mr. Speaker, I have just written to the Chairman of the Federal Communications Commission and the Director of the Cost of Living Council urging them to halt an FCC-approved 25 to 100 percent increase in Western Union telegram and mailgram rates as extremely inflationary and totally unjustified.

A soon-to-be-released study of Western Union and the FCC by my office shows that the Commission has allowed Western Union service to deteriorate steadily in the face of ever-increasing rates and unkept promises for improved performance.

FCC held no public hearings on the latest rate hike, in which the company got everything it asked for. The following price increases were approved June 6 but because of the price freeze they will not go into effect until August 13:

First. 100 percent increase in the charge for messenger delivery of telegrams from $1.50 to $3.

Second. 50 percent increase in basic charge for overnight money orders from $2.65 to $3.95.

Third. 75 percent increase in basic overnight telegram charge from $1.70 to $3 and 100 percent increase in the charge for each additional word over 100 words 1.5 cents to 3 cents.

Fourth. 25 percent increase in charges for mailgrams from $1.60 to $2 for up to 100 words and from $.80 to $1 for each additional 100 words.

The FCC has totally failed to meet its public interest obligation to consumers. It is more concerned with the welfare of its wealthy client, Western Union, than with how that company serves the public. It has consistently ignored the mountain of complaints filed against the company and has totally overlooked Western Union's failure to meet its own speed-of-delivery standards.

Rather than penalize Western Union for consistently failing to meet its obligations to the public, the FCC has seen fit to reward it with eight rate increases during the past 10 years. If the new increases are permitted to go into effect, consumers will be paying $6.75 to send a telegram that cost only $2.10 just 10 years ago.

In return for the rate increase, the company has promised the FCC it would improve its speed-of-delivery telegram standards from the present 6 hours in most circumstances to 5 hours. FCC's own records show Western Union consistently fails to meet present standards and, therefore, cannot be expected to meet the new ones.

The planned rate increases only worsen a situation that is already deplorable. In view of the inflationary nature of these increases and the decreasing productivity and quality of service associated with Western Union and its telegram service, I have asked the Cost of Living Council to immediately cancel the increases and investigate their appropriateness. My letters to the FCC and the Cost of Living Council follow:

HOUSE OF REPRESENTATIVES,
Washington, D.C., July 28, 1973.

Hon. DEAN BURCH,
Chairman, Federal Communications Commission, Washington, D.C.

DEAR MR. BURCH: I am writing to protest increases in the charges for Public Message Service and Mailgrams approved last month by the Commission. According to an FCC memorandum adopted June 6, 1973, Western Union will be permitted:

1. 100% increase in the charge for messenger delivery of messages in the Telegram and Overnight Telegram classifications from the present charge of $1.50 to $3.

2. 50% increase in the basic charge for Overnight Money Orders from $2.65 to $3.95.

3. 75% increase in the basic charge for Overnight Telegrams from $1.75 to $3 and a

100% increase in the charge for each additional word over 100 words from $.015 to $.03.

4. 25% increase in the charges for Mailgrams filed by telephone, tieline, or over the counter from the present $1.50 to $2 for 100 words or less and from $.80 to $1.00 for each additional 100 words or less.

In view of the deteriorating quality of Western Union service—documented by the FCC—and in light of the need to control inflation, I feel that these increases ranging from 25% to 100% are not justified. The FCC memorandum of June 6 calling for a one-hour reduction in the maximum time period for delivering or attempting to deliver telegrams and day money orders does not justify such increases. It has generally been the policy of the FCC to allow Western Union to set its own telegram speed-of-delivery standards, yet the company has consistently failed to meet even these liberal self-established requirements. Furthermore, the Commission has not taken firm action in recent years against Western Union for its failure to fulfill its promises of improved delivery service. In fact, rather than penalize poor service, the Commission has rewarded Western Union by approving higher rates and loose service standards. Thus, I do not feel that these latest company promises to improve the quality of delivery can be taken seriously nor do they justify increasing rates.

In considering an increase in charges for messenger delivery service, one must realize that all too frequently when messenger delivery has been specified by the customer, the telegram is merely telephoned to the recipient and then dropped in the mail by Western Union. The sender, unaware of this violation of Western Union tariffs, rarely receives the refund to which he is entitled. A 100% increase in the rate for messenger delivery service, therefore, only worsens a situation that is already deplorable.

In light of these factors I ask that the Commission immediately rescind these recently approved rates. Furthermore, I request that any consideration of rate increases await completion of the Commission study of domestic telegraph speed of delivery service recently announced in the Federal Register of July 16.

Sincerely,

BENJAMIN S. ROSENTHAL,
Member of Congress.

HOUSE OF REPRESENTATIVES,
Washington, D.C., July 28, 1973.

Hon. JOHN T. DUNLOP,
Director, Cost of Living Council,
Washington, D.C.

DEAR MR. DUNLOP: I am writing to urge that the Council halt a 25–100% increase in Western Union's rates scheduled to go into effect at the end of the current price freeze, on August 13.

On April 18, 1973, the Western Union Telegraph Company filed revised tariff schedules seeking to raise the rates for the company's Mailgram and Public Message Services. The new rates were promptly approved by the FCC and were scheduled to become effective June 17, 1973. However, due to the imposition of the post-Phase III price freeze, the newly revised tariffs will not become effective until August 13, 1973.

Such drastic increases are extremely inflationary and thus contradict the President's intentions as reflected in his Phase IV program. Furthermore the quality of service offered by Western Union has deteriorated steadily in the face of ever-increasing rates and unkept promises for improved performance. Ample evidence of the deterioration can be found in the increasing numbers of complaints against Western Union filed with the various federal and state regulatory agencies. Yet the FCC allows the telegraph company to establish its own speed of delivery standards without penalizing Western Union for its failure to meet these standards. The FCC has also allowed Western Union to close or curtail a vast number of telegram offices and to curtail sharply office hours.

In view of Western Union's decreasing productivity and rapidly diminishing quality of service, the actual price increase to the company is greater than the approved increase. In any event, the increases are totally unjustified and inflationary.

The revised tariff schedules provide for:

1. 100% increase in the charge for messenger delivery of messages in the Telegram and Overnight Telegram classifications from the present charge of $1.50 to $3.

2. 50% increase in the basic charge for Overnight Money Orders from $2.65 to $3.95.

3. 75% increase in the basic charge for Overnight Telegrams from $1.70 to $3 and a 100% increase in the charge for each additional word over 100 words from $.015 to $.03.

4. 25% increase in the charges for Mailgram filed by telephone, tieline, or over the counter from the present $1.60 to $2 for 100 words or less and from $.80 to $1.00 for each additional 100 words or less.

I request that the Council suspend these recently approved rate revisions and investigate their appropriateness.

Sincerely,

BENJAMIN S. ROSENTHAL,
Member of Congress.

THIRTEENTH ANNUAL QUESTIONNAIRE RESULTS

HON. JAMES HARVEY

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, July 30, 1973

Mr. HARVEY. Mr. Speaker, I would like to take this opportunity to report to my colleagues the results of our 13th annual questionnaire conducted recently throughout the Eighth Congressional District of Michigan. I am very pleased with the great interest that was shown by the 14,625 persons who used this convenient way to express their views on issues of major national importance.

I am very grateful also to the weekly and daily newspapers throughout the district for their wonderful cooperation in devoting considerable space to the questionnaire. This fine cooperation assured us that every resident of the Eighth District would have the chance to vote in this questionnaire, through either a special mailing or our newspapers.

I think it is of particular interest to note the results of the question dealing with aid to North Vietnam. Ninety-two percent of those who participated opposed such aid and I think this is a good indication of sentiment on this issue throughout the country.

Participants were overwhelmingly in favor of capital punishment—84 percent—a fact which I think reflects the great concern of Americans over the growing problem of crime.

Besides having the standard format of questions, this year's questionnaire provided space for constituents to give me legislative ideas and suggestions for ways of serving them better in Congress. Many persons took advantage of this opportunity to give a wide range of suggestions and ideas from tax reform to automobile safety standards.

Complete questionnaire results are as follows:

TABULATION OF 1973 CONGRESSIONAL QUESTIONNAIRE

[In percent]

Do you favor—

1. United States assistance for the postwar reconstruction of North Vietnam?

	Yes	*No*
Arenac County	8	92
Bay County	11	89
Huron County	7	93
Lapeer County	4	96
Saginaw County	10	90
Sanilac County	6	94
Tuscola County	6	94
Total Eighth District	8	92

2. Legislation to prevent the President from committing U.S. troops to combat more than 30 days without Congressional approval?

Arenac County	79	21
Bay County	79	21
Huron County	69	31
Lapeer County	77	23
Saginaw County	74	26
Sanilac County	87	13
Tuscola County	75	25
Total Eighth District	76	24

3. Amnesty for draft evaders living abroad if they perform several years of public work upon their return?

Arenac County	39	61
Bay County	40	60
Huron County	21	79
Lapeer County	27	73
Saginaw County	32	68
Sanilac County	39	61
Tuscola County	27	73
Total Eighth District	33	67

4. Stronger wage and price controls?

Arenac County	93	7
Bay County	90	10
Huron County	83	17
Lapeer County	75	25
Saginaw County	84	16
Sanilac County	82	18
Tuscola County	79	21
Total Eighth District	83	17

5. President's refusal to spend funds appropriated by Congress when *he* believes they are excessive?

Arenac County	64	36
Bay County	67	33
Huron County	74	26
Lapeer County	68	32
Saginaw County	66	34
Sanilac County	74	26
Tuscola County	66	34
Total Eighth District	67	33

6. Federal health insurance program financed by employer-employee contributions?

Arenac County	30	70
Bay County	52	48
Huron County	58	42
Lapeer County	52	48
Saginaw County	45	55
Sanilac County	49	51
Tuscola County	46	54
Total Eighth District	47	53

7. Federal funding assistance to state and local programs which provide day care centers for children of working mothers?

Arenac County	30	70
Bay County	30	70
Huron County	31	69
Lapeer County	27	73
Saginaw County	37	63
Sanilac County	29	71
Tuscola County	27	73
Total Eighth District	31	69

8. Administration's decision to transfer most of the Office of Economic Opportunity programs and discontinue OEO?

Arenac County	79	21
Bay County	74	26
Huron County	67	33

Lapeer County	79	21
Saginaw County	79	21
Sanilac County	72	28
Tuscola County	74	26
Total Eighth District	75	26

9. Federal aid to private and parochial schools?

Arenac County	58	42
Bay County	40	60
Huron County	45	55
Lapeer County	28	72
Saginaw County	40	60
Sanilac County	35	65
Tuscola County	23	77
Total Eighth District	36	64

10. Issuance of food stamps to striking workers?

Arenac County	21	79
Bay County	25	75
Huron County	14	86
Lapeer County	28	72
Saginaw County	15	85
Sanilac County	15	85
Tuscola County	22	78
Total Eighth District	19	81

11. Capital punishment for certain major crimes?

Arenac County	70	30
Bay County	86	14
Huron County	88	12
Lapeer County	87	13
Saginaw County	83	17
Sanilac County	86	14
Tuscola County	82	18
Total Eighth District	84	16

12. Legalization of marijuana?

Arenac County	8	92
Bay County	10	90
Huron County	5	95
Lapeer County	16	84
Saginaw County	16	84
Sanilac County	14	86
Tuscola County	5	95
Total Eighth District	13	87

13. Legislation that would allow news reporters to keep their sources of information confidential?

Arenac County	53	47
Bay County	69	31
Huron County	57	43
Lapeer County	66	34
Saginaw County	58	42
Sanilac County	60	40
Tuscola County	60	40
Total Eighth District	61	39

14. Present operations of the United States Postal Service?

Arenac County	21	79
Bay County	33	67
Huron County	33	67
Lapeer County	24	76
Saginaw County	48	52
Sanilac County	37	63
Tuscola County	35	65
Total Eighth District	39	61

Total Number of Responses:

Arenac County	149	1
Bay County	2, 778	19
Huron County	1, 316	9
Lapeer County	1, 169	8
Saginaw County	5, 849	40
Sanilac County	1, 754	12
Tuscola County	1, 608	11
Total Eighth District	14, 623	

The Eighth Congressional District includes:

Arenac (City of Standish; Lincoln and Standish Townships);

Bay County (all but Gibson and Beaver Townships);

Huron County (all):

Lapeer County (all);

Saginaw County (all but Jonesfield, Richland, Lakefield, Fremont, Marion, Brant, Chapin, Brady, St. Charles, Chesaning, Albee, Maple Grove, Taymouth, and Birch Run Townships);

Sanilac County (all but Buel, Fremont, and Worth Townships);

Tuscola County (all but Arbela Township).

SENATOR KENNEDY'S FINE LEGISLATIVE LEADERSHIP

HON. EDWARD J. PATTEN

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, July 30, 1973

Mr. PATTEN. Mr. Speaker, I wonder how many Americans are familiar with the fine legislative leadership provided in the previous 92d Congress by the chairman of the Senate Health Subcommittee—Senator EDWARD M. KENNEDY, of Massachusetts.

I have a feeling that not many of our citizens are aware of Senator KENNEDY's superb legislative leadership and record—and this is unfortunate. I personally believe that he does not get the public credit he deserves for his legislative achievements in the health care field.

Perhaps the main reason Senator KENNEDY fails to receive the credit he has earned is his almost legendary personality—one that almost obscures his excellent legislative record. To my surprise and disappointment, I have heard many people say, "Sure, TED KENNEDY has a great personality, but what has he done in the Senate?"

Mr. Speaker, I have followed the impressive legislative work of Senator KENNEDY, because I serve on the House Labor-HEW Subcommittee on Appropriations.

So to those who are not familiar with the exceptional leadership and accomplishments of Senator EDWARD M. KENNEDY, I submit for the record some of the bills he authored during the previous Congress that were signed into law. The legislative record of the Massachusetts Senator—especially in health care—shows that he has done a great deal in the Senate for the American people.

Senator KENNEDY was chief sponsor of these health care bills that are now the law of the land—laws that help millions of people:

The new effort to conquer cancer.

Research and training in digestive diseases.

Aid to medical and dental schools.

A nutrition program to help the elderly.

Expanded education and training of nurses.

Maternal and child health care.

Attacking heart, lung, and blood diseases.

Funds to control communicable diseases.

Preventing the closing of public service hospitals.

Providing medical services to areas suffering from medical manpower shortages.

There were other bills Senator KENNEDY introduced as main sponsor that were enacted, but the ones listed above were the major ones in health care. This is really distinguished leadership.

He is, of course, chief sponsor in the Senate of the Health Security Act—his main legislative interest. Senator KENNEDY has spoken out—in the Senate and throughout the country—on the importance of enacting national health insurance.

Legislation sponsored by Senator KENNEDY—and Representative MARTHA GRIFFITHS in the House—is desperately needed in America, because health coverage is now inadequate and costs continue to soar. It is incredible and disgraceful that America—the wealthiest and most resourceful nation in the world—ranks so poorly in longevity. U.S. male life expectancy ranks 25th in the world, with American females listed 11th. We should be first in health. Our health care system is in urgent need of revamping.

Senator KENNEDY's strong interest in health care continues to be evident in the present Congress. Just a few of his 1973 activities as chairman of the Health Subcommittee include inquiries into the new but hazardous field of psychosurgery; the fight to continue several major health programs, from hospital construction to community mental health centers; Health Maintenance Organizations—prepaid medical care plans; and unauthorized sterilization financed by Federal funds.

Mr. Speaker, Senator KENNEDY is a dedicated and effective chairman and is highly respected by his colleagues for his efforts and record. I am happy that his work is gradually being recognized by others as well.

For example, in the book by Stewart Alsop, "The Center: People and Power in Political Washington," KENNEDY was called one of the Senate's "very able Members." Early this year, Time magazine reported the following on Senator KENNEDY: "His colleagues say he is a far abler Senator than is generally known." And that conservative but respected Republican Senator from Kansas, ROBERT J. DOLE, then Republican National Committee chairman, called EDWARD KENNEDY, "an outstanding Senator" on the TV program, "Face the Nation," December 17, 1972.

Mr. Speaker, I salute EDWARD M. KENNEDY, who is truly "an outstanding Senator."

POWERPLANT LICENSING

HON. JEROME R. WALDIE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 30, 1973

Mr. WALDIE. Mr. Speaker, I am introducing a bill containing several amendments to the Federal Power Act which are designed to give Federal environmental agencies the ability to influence on behalf of resources conservation and environmental protection the design, construction, and operation of power generating plants in the United States.

Hydroelectric powerplants have been subject to such influence since 1920. Electric plants fueled by nuclear energy were made subject to such environmental influence by the recent decision of the

Federal district court in the Calvert Cliffs case.

The Federal Power Commission and the Atomic Energy Commission are now authorized to require that their licenses make modifications or additions to electric generating plant construction and operation plans in order to minimize adverse effects on the environment and to take maximum advantage of opportunities provided by such installations to enhance fish and wildlife resources and other aspects of the environment. The two Commissions are authorized and directed too seek review by Federal and State agencies on projects proposed for licensing and to solicit their recommendations on environmental matters.

In contrast no such licensing procedure is required for thermal electric powerplants using coal, oil, sawdust, gas, or other nonnuclear fuels.

The principal direct adverse environmental effects from nonnuclear thermal plants are air and water pollution. Moreover, some of them are located on filled wetlands, which in their natural condition support fish and wildlife of value. Also, many of them pull fish and other aquatic organisms into their cooling water systems, causing heavy losses.

This bill will offer several advantages over the present situation. It would unify environmental control over construction of nonnuclear plants—rather than having one agency concerned with air pollution and another agency concerned with some other facet of environmental protection.

Thermal pollution from nonnuclear powerplants is serious. Numerous instances of enormous fish kills at thermal powerplants have been recorded. Yet the Federal Government now has no direct way through which it can insist that thermal powerplants using nonnuclear fuels are designed, constructed, and operated so as to avoid thermal pollution.

A requirement for Federal licensing of nonnuclear thermal electric plants would put such plants on a comparable basis with nuclear and hydroelectric plants from the standpoint of Federal requirement for environmental protection measures.

I include the full text of this bill in the RECORD:

H.R. —

A bill to amend the Federal Power Act

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 3(11) of the Federal Power Act (16 U.S.C. 791, et seq.) is amended to read as follows:

"(11) 'project' means—

"(A) a complete unit of improvement or development, consisting of—

"(i) a power house, all water conduits, all dams and appurtenant works and structures (including navigation structures) which are a part of said unit, and all storage, diverting, or forebay reservoirs directly connected therewith, or

"(ii) a nonnuclear thermal power plant and any appurtenances thereto, and

"(B) the primary line or lines transmitting power therefrom to the point of junction with the distribution system or with the interconnected primary transmission system, all miscellaneous structures used and useful in connection with said unit or any part thereof, and all water-rights, rights-of-way, ditches, dams, reservoirs, lands, or interest in lands the use and occupancy of which are necessary or appropriate in the maintenance and operation of such unit;".

(b) Section 3 of such Act is amended by striking out the period at the end of paragraph (16) and inserting "; and", and by adding at the end of such paragraph the following:

"(17) 'nonnuclear thermal power plant' means a thermal power generating plant utilizing nonnuclear fuel."

SEC. 2. Section 4(e) of the Federal Power Act is amended by striking out all that precedes the first proviso and inserting in lieu thereof the following:

"(e) to issue or deny licenses to citizens of the United States, any association of such citizens, any corporation organized under the laws of the United States or any State, or any State or municipality, for construction, operation, and maintenance of—

"(1) nonnuclear thermal power plants,

"(2) dams, water conduits, reservoirs, and hydroelectric power houses, and

"(3) transmission lines, and other project works relating to facilities described in paragraph (1) or (2),

all as necessary or convenient for development, transmission, or utilization of (A) electric power which is or may be transmitted in interstate commerce and/or across any part of public lands and reservations of the United States (including the Territories), or (B) the surplus water or water power from any Government dam."

SEC. 3. Section 9 of the Federal Power Act is amended by redesignating subsection (c) as subsection (d) and by inserting after subsection (b) the following new subsection:

"(c) Satisfactory evidence that the proposed project works and the operation thereof will comply with all State and Federal laws on maintaining the quality of the environment, including specifically the National Environmental Policy Act of 1969 and the Fish and Wildlife Coordination Act, and regulations issued pursuant thereto, and that the operation of the project will not contribute to the pollution of air or water as such contribution is defined by appropriate State and Federal authorities."

SEC. 4. Section 10(c) of the Federal Power Act is amended—

(1) by inserting "(1)" after "(c)",

(2) by striking out "for the purposes of navigation and",

(3) by striking out "shall so maintain and operate said works as not to impair navigation", and

(4) by adding at the end thereof the following new paragraph:

"(2) That the licensee shall maintain and operate hydroelectric projects works so as not to impair navigation."

SEC. 5. Section 14 of the Federal Power Act is amended by adding at the end thereof the following new subsection:

"(c) This section shall not apply to any project which consists principally of a nonnuclear thermal powerplant and its appurtenant works."

SEC. 6. Section 18 of the Federal Power Act is amended to read as follows:

"SEC. 18. (a) The Commission shall require the construction, maintenance, and operation by a licensee at its own expense of such lights and signals as may be directed by the Secretary of the Department in which the Coast Guard is operating.

"(b) The Commission shall require the construction, maintenance, and operation by a licensee at its own expense of such fishways as may be prescribed by the Secretary of the Interior.

"(c) The operations of any navigation facilities which may be constructed as a part of any dam or diversion structure built under this Act, whether at the expense of the licensee hereunder or of the United States, shall at all times be controlled by such reasonable rules and regulations in the interest of navigation, including the control of the level of the pool caused by such dam or diversion structure, as may be made from time to time by the Secretary of the Army and for willful failure to comply with any such rule or regulation such licensee shall be deemed guilty of a misdemeanor, and upon conviction thereof shall be punished as provided in section 316 hereof.

"(d) The Commission shall require the incorporation in the construction and operation of a project by a licensee at its own expense of such measures, facilities and equipment for the control of air pollution as may be prescribed by the Administrator of the Environmental Protection Agency, in accordance with the Clean Air Act (42 U.S.C. 1857 et seq., as amended)."

SERVICE FOR CONSTITUENTS—NOT MORE SALARY

HON. VICTOR V. VEYSEY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 30, 1973

Mr. VEYSEY. Mr. Speaker, I rise to call on the House to reject S. 1989 and to send a message back to the people of America that we, in this body, are going to set an example in the battle against inflation. We do not need a salary increase now, nor do the high officials in the executive branch. We do need to fight inflation, and if we turn this down we may help establish credibility in Government and confidence in our leadership.

There are many weaknesses in the "commission" formula of salary increases in S. 1989. If a salary increase is justified, the Congress should vote it on a straight up or down vote, rather than hiding behind a commission recommendation which can be slipped through to become effective unless we take some unusual action to block it.

Further, it seems self-serving for Representatives and Senators to vote to permit a salary increase during our present term of office. We knew what the salary was when we ran for office, and I will bet none of us ran on a platform of "Elect me, and I'll raise my salary." Any change in salary made by the Congress should become effective at the start of the next Congress.

Now, I do not imply that the job of Congressman is not important or not demanding. It is. Most of us work very hard to serve our constituency. Some adjustments are long overdue which would improve the effectiveness of our service to our districts. There are inequities as compared with other efficiently run operations.

For example, the $3,000 limitation on costs of maintaining a second home in Washington, D.C., for income tax purposes is archaic and unfair. It should be adjusted to the actual costs incurred, just as anyone else would receive if sent to represent his business interests.

The effectiveness of our offices could be improved with a little more money for staff, equipment, supplies, and services.

We need these things to do a better job. Not more salary. Not now.

YONKERS, N.Y., CENTENNIAL

HON. PETER A. PEYSER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, July 30, 1973

Mr. PEYSER. Mr. Speaker, the great city of Yonkers, N.Y. recently celebrated its 100th anniversary. On the occasion of that celebration Mr. Oxie Reichler, editor emeritus of the Yonkers Herald Statesman, has written an article entitled "Why I like Yonkers" which appeared in the Centennial brochure. It is a very well done piece, and I would like to have it appear in the CONGRESSIONAL RECORD at this point so that others throughout the country may have this opportunity to learn about Yonkers:

WHY I LIKE YONKERS

Let me tell you why I like Yonkers very much.

This is a good time and place for such an explanation—during these last few ceremonial hours at the Yonkers Raceway—as we conclude a whole year of celebrating our Centennial as a City.

There is a "commencement time" air today for our nearly quarter-million residents, for obviously, in a way, we are "graduating," after one hundred years of pursuing municipal efforts and "studies." Like the "graduates," we go forth to confront dramatic new prospects of civic adventure.

I feel qualified to communicate these comments about our city and its people, not only as a 43-year resident but because my work for a couple of generations kept me at a post where I could constantly observe and record the life of Our Yonkers—its politics and government, its assets and liabilities, its births and deaths, its saints and sinners, its schools and houses of worship, its service clubs and thousands of other organizations, its workers and employers, its commuters and professional people, its centers of culture, of health and of social services—and its thousands of wonderful volunteers in a myriad of community causes, without whom Yonkers could not have grown so well.

I greatly admire Yonkers because of its exciting and entertaining history, because of the constant and sometimes recordbreaking growth and achievements despite enormous obstacles—successes accomplished mostly because of what has been thought and planned and shared and done by the men and women of our community in the last 100 years—and during at least two and one-half centuries before that.

Yonkers, a wonderful town, is in the midst of a great transformation. As it often has been.

Here was an Indian paradise from the time King David ruled over ancient Israel (some 3,000 years ago) until the White Man set foot here in 1646.

Do you know that some insist it was Yonkers Indians who sold Manhattan Island to Peter Minuit, district manager for the Dutch West India Company, on that June day in 1626? And that neither gold nor wampum was involved in the deal, but that the trade was for many chests of brightly colored cloth, beads and trinkets valued at 60 guilders, or five pounds sterling?

I like to remember that Yonkers was a sprawling unincorporated area until it became a town in 1788, when the United States of America was only a dozen years old. In 1855 Yonkers became one of the most attractive incorporated villages in the East—geographically huge, because the Village of Yonkers extended all the way down into the Bronx to the banks of the Harlem River!

As you know, Yonkers became a city on June 1, 1872—a third-class city. To please the State Legislature in Albany, so we could get that city charter we wanted, we had to surrender all the Bronx part of Yonkers, which soon thereafter became part of the City of New York.

As we conclude our Year of Centennial, we may well speculate whether our children and grandchildren will want to celebrate another Yonkers-entennial 35 years hence in 2008. At that time, our community will have functioned for one hundred years as a second-class city, a charter we got from the Legislature in Albany in 1908.

Yonkers has demonstrated that it is the only larger city in the state that has been growing in population every year for over a quarter-century. Many years ago we had outraced Syracuse industrially. A few years ago, Yonkers sprang ahead of Syracuse in population and ours is now the fourth largest city in the Empire State (63rd in the USA)—exceeded in the state, according to the latest census, only by New York City, Buffalo and Rochester.

(It is possible—don't laugh, for we certainly have room enough in our 28 square miles—that one day we will more than quadruple our present population and become a first-class city like New York. That requires one million souls within our boundaries.)

Yonkers is great, in my book, because of its innumerable resources, a city with a wealth of large and small industries; a city of some 2,500 large and small wholesale and retail businesses (including world-famous stores like Wanamaker's, Gimbel's and S. Klein); a city with hundreds of professional centers large and small; a community with scores of public and private halls of education, ranging from nursery schools to colleges; a city with many dozens of spiritual centers.

I like to live in Yonkers because we have a standard of living far above that of the national average.

I find civic pride in the fact that we have nearly 70,000 households, with per household income reportedly well over $15,000, an increase of 25 per cent above the $12,000 figure provided by the 1970 federal census. Moreover, Yonkers eats well, spending about one-fourth of its outlays in food stores.

Yonkers is land and buildings, plus the facilities required, but—mostly—Yonkers is people. Living here are an extraordinairly large number of highly educated persons with important executive or similar assignments in noted organizations—physicians and surgeons, teachers, engineers, architects, writers, bankers and lawyers. By the way, it was to Yonkers that the first lawyer in New York State, came, away back there in 1648. He was the young lord (Jonkheer) from whom our city got its name, Adriaen van der Donck.

Among the factors that are heading Yonkers into the great transformation I have mentioned are the State Arterial which will open our downtown shopping areas to those sections in our city's east and northeast, and points beyond. Another bright development in the cards is the rebuilding of the Getty Square district as an ultra-modern retail market extending into South Yonkers and the Riverdale border. Just ahead, also, is the extensive development of the Otis Elevator complex, with housing accommodations, and other industrial expansions along the riverfront and—for light industry—in the Hudson River Country Club properties. Moreover, there is in prospect the City Hall-Library construction, and also considerable other cultural and educational projects.

Do you realize that the Yonkers we like has a government corporation that is in the billion-dollar class, with an annual "business" in excess of $100 million. In a sense, every man, woman and child living here is a member—even a trustee—of this vast operation. The kind of government and politics, the kind of public service that is provided, the degree of economy by which this "business" buys a dollar's worth of material or service for each dollar spent—all this depends directly upon the interest displayed and the activity resorted to by each citizen. Yes, we can have a Yonkers paradise if and when we truly and collectively want to have such a lovely and prosperous hometown.

I am happy because I foresee substantial progress toward this goal. I believe that our active Chamber of Commerce, and also our zealous Junior Chamber of Commerce (Jaycees), will be even more influential and effective, guiding business and industrial and community progress. I predict a renewed and reinvigorated civic organization, with strong nonpartisan leadership, that will guide politics and government into channels of maximum service without fear of economic woes or municipal bankruptcy. One of the special reasons I have come to admire Yonkers is that I have seen such organizations develop and serve, under the leadership of men and women who are or have been wise and courageous, civically, politically, governmentally, socially, culturally, economically, professionally, and spiritually.

Through all its history, Yonkers has had a quota of doomsayers.

Many have despaired of our community and its future—sometimes (as in the Civil War) advocating that Yonkers pull out of the United States and operate its own "federal government." In good and bad times, we have heard the wails and moans of the Gloomy Guses, recommending that we don sackcloth and ashes over our dark civic fate, which they assured us was hopeless. Well, the joykillers have always been disappointed—and I expect they always will be.

Indeed, I find Yonkers wonderful in the way that it confounds the pessimists, and the way in which it adjusts to disaster. Once Yonkers had a great hat factory, producing men's headgear. It died, but Yonkers attracted a number of other industries to replace it.

Until a generation ago, Yonkers had the biggest rug and carpet manufactory anywhere—Alexander Smith & Sons—but in the middle of a crippling strike it closed its doors and moved South. Yonkers promptly filled the buildings with dozens of fine and various industries, most of them still flourishing and much expanded.

Similarly, Yonkers weathered contamination of our splendid water supply—by keeping cool heads and boiling the water till the matter was cleared up. The Herald Statesman printed a Sunday Morning extra, and delivered it free to every doorstep in Yonkers (subscriber or not) with a gigantic headline: Boil Your Water. It was the paper that got Yonkers to keep its cool.

We have had our share of minor and major disasters—natural ones (floods, tremors, building collapse, etc.) and manmade (wars, depression, bank closings, scandals).

Yonkers, dependably and admirably, emerged from each light or serious catastrophe stronger and better.

Let those who have little hope for or confidence in Yonkers and its future realize that many of the world's largest banking houses believe that Yonkers has a rosy future, and they are investing many millions of dollars here. They have no doubts about our city and its prospects. They expect us to grow every day in every way.

You'll find no Gloomy Gus, no doomsayer, in any of these banking operations or their executives, institutions serving Yonkers with from one to a dozen branch banks each—financial houses like (alphabetically) the Bank of Commerce, Bank of New York, Chase Manhattan, Chemical Bank, County Trust, First National City, Fourth Federal Savings & Loan, Hudson Valley National, Manufacturers Hanover, Marine Midland, National Bank of North America, National of Westchester, Peoples Savings, Westchester Federal Savings & Loan, Yonkers Savings, and Yonkers Savings & Loan.

These financial institutions—some in Yonkers for over a century, some eager newcomers—have researched Yonkers thoroughly. They have put their investments right here, where we are.

Moreover, the commercial banks manifest their confidence in Yonkers over and above their investments of money and construction of facilities. When the City of Yonkers or other local government agencies want to borrow money, these banks fall all over one another to compete for the business—and as a result Yonkers enjoys low interest rates, often lower than many another community of our size or larger.

I like Yonkers because, in virtually every area of activity (except perhaps public attention to politics and government) Yonkers residents manifest consistently imaginative attitudes, pride in their personal fields, and an ardent attitude in their avocations. That is why it is such a warm and good feeling to be part of a thriving and progressive Yonkers, where there is easy access to the massive assets of culture-rich Westchester County and also the gerat metropolis to the South, including all the adult playgrounds in the upcounty and upstate neighborhoods. And some day, I hope, we shall have a strong and influential citywide civic organization, which will generate such attitudes and talents to gird our politics and government!

All of us in Yonkers are properly proud of our recreational facilities—our city and county parks like Untermeyer Tibbetts Brook and Dunwoodie and many smaller ones providing all kinds of sports, including golf, tennis, basketball, baseball, swimming, skating and boating. And we have Yonkers Raceway, one of the largest and best-equipped harness-racing tracks in the world.

Yonkers is admirable for its distinguished homes, fine apartment houses, private and public housing recently completed or in process.

There are so many reasons to like Yonkers—ranging from the delight that Yonkers school children learn to read so much more effectively than elsewhere, to the happy tidings that we generate many beauty contest winners at local, county and state levels—and youthful marble champions, too!

There are broader and more general reasons to like Yonkers. It is both a thriving and populous city and an attractive suburban community, replete with many small village-type areas like Crestwood, Armour Villa, Park Hill and McLean Heights.

I love our riverfront—and like to speculate how one day it may be transformed, over its entire four and one-half miles, into a combination of marinas and parks, winding paths and boardwalk for strolling, as well as a Port of Yonkers to serve much river and ocean traffic.

As it is, we share with thousands upon thousands of visitors, the every-day beauty of the rolling and lordly Hudson and its ships, plus the breath-taking view of the Palisades on the New Jersey shore—a scene almost without compare except along Canada's Saguenay River and among Sweden's and Norway's magnificent fjords.

I like Yonkers because of its hills and dales, its fine residential areas, the bustling business and industrial sections. I like our ultra-modern clusters of retail stores that attract thousands of shoppers from great distances, including Riverdale and Woodlawn in the Bronx and communities also to the east and north, even from Rockland County.

For me, among the more glowing places in Yonkers are our Houses of History, which we can display proudly and lovingly to our families and to all our personal or business visitors. For example, I like to walk by or visit our historic shrines—like St. John's Episcopal Church in Getty Square, where George Washington knelt in prayer.

It's historically gratifying to visit our Manor Hall, near the riverfront where Washington Avenue begins. It was built in 1682 and is the oldest building still standing in all Westchester. Washington frequent visited the Philipse family before the Revolutionary War, and for a time in the last century it served as our City Hall. It's now a state-operated shrine.

Thanks to the Yonkers Historical Society and its dedicated leaders, the Sherwood House at 340 Tuckahoe Rd. has been preserved and restored. It depicts how Yonkers lived two centuries ago. A typical farmhouse of that era, it is one of the few pre-Revolutionary structures still standing in the metropolitan area. By the way, the Sherwood House became the home in 1800 of Yonkers' first medical doctor! Any resident can be helpful in its further restoration as one of our precious Houses of History.

I like to stroll at North Broadway and Shonnard Place, realizing that the first golf game in America was played at that point in 1888, when St. Andrew's Golf Club was located there. I like to visit the Hudson River Museum in Trevor Park, on Warburton Avenue, and to spend a wonderful hour in its Planetarium, one of the finest in the East.

It is a pleasure to visit the Yonkers Sports Hall of Fame at 285 Nepperhan Avenue, where our Yonkers champions in almost every sport are enthroned, with suitable memorabilia. And I like to stroll at the south city line on Riverdale Avenue, near the Seton School, aware that the famous Samuel Clemens (Mark Twain) used to live and stroll thereabouts too, and that some of America's first popular motion pictures were produced in that section.

Another enjoyable walk is in the area of 544 North Broadway, where Edwin H. Armstrong (who in youth had lived at 1032 Warburton Avenue) developed his invention of static-free broadcasting—Frequency Modulation (FM), which not only improved radio broadcasting and reception tremendously, but provides us with the bell-like clarity of voice and music on our television sets.

Walk or drive high in the Dunwoodie section (overlooking Central Park Avenue near the Cross County Parkway) and observe the broadcasting tower at the Dunwoodie Seminary, from which daily lessons are sent by television into all the parochial schools in the Catholic Archdiocese of New York.

Whenever I pass any of the many Otis Elevator Company buildings along the Hudson (or notice the name Otis on an elevator anywhere in the Nation or overseas) I think with civic pride of the fact that we have here the largest elevator and escalator factory in the world. More than that it was here in Yonkers in 1852 that Elisha Graves Otis invented the first safe elevator.

The Otis story is something for teachers to tell their pupils in the classroom. Tall and bearded Mr. Otis, then 41 years old and in chronically poor health, had been poor and a business failure. As a master mechanic for the Yonkers Bedstead Manufacturing Company, he had provided a number of bright ideas for his boss, Josiah Maize. Now his special problem was to develop a hoist to lift heavy equipment to the upper floor. Hoists were not new. Even the Romans had them. But all had a built-in flaw. If the rope or suspension cable broke, the hoist and everything and everyone on it plunged to the ground.

Mr. Otis came up with the idea that a good, tough, steel wagon spring, meshing with a ratchet, might do the trick. If the rope gave way, the spring ends would catch and hold, he suggested. He made the improvement and it worked—but for many months it was not acceptable to hoist users until he demonstrated his invention at a Crystal Palace exhibition in New York—hoisting himself to the ceiling on a platform and ordering the rope cut. It was cut, and the wagon spring snapped into place in the ratchets. The platform remained aloft. Mr. Otis doffed his hat and told the crowd, "All safe, gentlemen! All safe!" Otis elevators were then widely demanded.

How could Mr. Otis even dream—a century and a quarter ago—that this Yonkers invention would enable vast cities to spring up toward the sky instead of spreading to the horizon? How could he foresee that this Yonkers-born idea would make possible an Empire State Building 1,250 feet above the street or the even-higher twin structures of the World Trade Center in lower Manhattan?

Another important Yonkers invention was made on Nepperhan Avenue at the Ethyl Corporation, where Dr. Graham Edgar developed the Octane Scale, which measures the anti-knock quality of gasoline. This scale is in use all over the world, even in the Soviet Union and in the People's Republic of China.

Also on our riverfront is the Refined Syrups & Sugars division of the world-famous Corn Products Company. I like to consider with satisfaction that almost any dish or packet of ice cream "has a little Yonkers in it," Flosweet liquid sugar.

When I behold any one of the several plants here of the Phelps Dodge Cable and Wire Co.—especially the Habirshaw unit on the riverfront near the foot of Main Street—I recall the manufacture of what may have been the greatest secret weapon of all, contributing to our victory in World War II against Germany. In that plant (a former sugar refinery) Habirshaw built—in utter secrecy—a hollow cable that was 65 miles long. It was shipped under heavy escort across the Atlantic, and the cable was laid across the English Channel in the dead of night. When Gen. Dwight D. Eisenhower invaded the Normandy coast of France (Operation Pluto), this Yonkers cable provided him with one million gallons of fuel a day for his armies, his armada of ships and his fleets of planes.

Another Habirshaw-built "weapon" of that nature has permitted all of us on the American Continent to sleep without fear of surprise missile attacks. A cable of styroflex, this one 3,000 miles long, is strung across the Arctic wastes—from Hudson's Bay in Canada to the tip of Alaska. It is called the DEW Line (Distant Early Warning) to give our government and our people time to respond when and if war should break out again.

Sometimes, when I'm walking or riding in Sunnyside Drive, it is easy to imagine the golden voice of Madame Schumann-Heink, world-famous opera star, who lived there and who occasionally gave "free concerts" for students and teachers at School Three on

Hamilton Avenue, which her children attended.

The other day, when Mrs. Richard M. Nixon was observing her 60th birthday anniversary, it gave me a bit of civic pride to recall that she spent some years here and that she has relatives here, including the real estate man and a leading Republican, Edward O. Sullivan Jr.

When afoot or in a car on Park Hill Avenue, it is pleasant to notice the attractive home of Justice Anthony J. Cerrato at No. 179 and to realize that in that structure and on those grounds, for many years, lived the noted actor Richard Bennett and his talented daughters—Constance, Barbara and Joan. And not far from there on Park Hill stands a mansion where the widely known "Father Divine" ruled over the faithful of his cult.

Yes, it is possible to arrange a guided tour that would pass the homes of many distinguished Americans, some living, some dead, whose fame spread far beyond their hometown—folks like Sid Caesar, Art Carney, Morey Amsterdam, Anne Bancroft, Ella Fitzgerald, William C. Handy, Gene Krupa, Jerome Kern, Geoffrey O'Hara, Charles P. Steinmetz, Leo Baekeland, Samuel Tilden, Samuel Untermeyer, Gen. Joseph W. (Vinegar Joe) Stilwell, Ambassador Ellsworth Bunker, former Mayor and Congressman JOHN E. ANDRUS, and on and on, a roll call that can stir patriotic pride in any Yonkers heart.

Another brightly shining facet of Yonkers is our complex of cultural interests, to which large numbers of people devote themselves with deep understanding and skilled enthusiasm. These participate in music, literature, painting and related arts, and also the dance and the drama.

I recall how, some years ago, after a brief refresher course in higher mathematics, I discovered that Yonkers rated as the second most cultural community in the Nation, on the basis of its magazine reading—outclassed only by Denver.

My joy in Yonkers is rooted especially in our daily newspaper, The Herald Statesman, on which I was privileged to serve for nearly four decades. It is a journal of high repute, familiar to those in journalism and its fringes everywhere, even overseas on the Continent and in the Orient. The Herald Statesman is a frequent prize-winner. It is interestingly written, courageously edited, attractively illustrated, and it provides the press leadership that a progressive city badly needs. When traveling, match our Yonkers paper with that of any other family paper in the state or nation, and readily perceive that Yonkers is being unusually well-served. It is Yonkers' largest retailer, with more than 50,000 individual transactions each publishing day. It meets fully the needs of readers, and of display and classified advertisers. And readers are provided with extraordinarily dependable delivery service by an army of young independent merchants, each serving the public and also building a financial foundation for his personal career.

A year ago, when our Yonkers Centennial Year began, I publicly recommended that—in addition to the various municipal ceremonies, flag-raisings, dedications, concerts, parties and other programs and projects—we do something personal and special.

I suggested that every man and woman in Yonkers, and every boy and girl too, celebrate individually in three simple ways. I suggested:

First, say something nice about Yonkers every day—better yet, several times a day—at home and while away from home.

Second, write something nice about Yonkers every day—to as many people, businesses, institutions and organizations as you can.

Third, do something nice for Yonkers, even though it is something for yourself—like keeping your lawn neat, growing some flowers, planting a tree, sweeping a sidewalk, painting the house, making your business attractive inside and out, stimulating courtesy and thoughtfulness among associates and staffs—by personal example. Be a volunteer in any good cause. Support worthy causes financially. Serve in public office.

It didn't sound like much—that each of us determine, for a whole year, to say, write and do something nice for Yonkers. But many persons in Yonkers liked the idea and did just that. And Rep. Peter Peyser printed my idea in the Congressional Record, it had a national audience too. Yonkers is the gainer.

Such a civic program is good and useful, not only during our Centennial Year but for every day in every year during our tomorrows. We all have something constructive to offer for our century-old city. It's one way to make civic dreams come true!

LEAGUE OF UNITED LATIN AMERICAN CITIZENS

HON. E de la GARZA

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, July 30, 1973

Mr. DE LA GARZA. Mr. Speaker, recently the League of United Latin American Citizens—known universally as the LULAC's—adopted a resolution recognizing and supporting the Secretary of Labor and the national migrant worker program.

Knowing of the good work done by the LULAC's—done historically before anybody else was emphasizing interest in this area of the Spanish surnamed—I spread this resolution on the RECORD so that all my colleagues on the House floor might read what the LULAC's have done and what they wish to do to continue the all important effort in seeking to assist the migrant.

RESOLUTION

Whereas, The League of United Latin American Citizens has sought full equality of job opportunity for all Americans, and

Whereas, The Migrant Farmworker has suffered from the greatest widespread unemployment, underemployment and poverty of any particular group in our Nation, and with the impact of technology which continues to drastically reduce opportunities for migratory farm work, and

Whereas, The Migrant Farmworker is ill equipped with marketable job skills for any other meaningful employment and far too few attempts are being made to assist them, and

Whereas, The Migrant Farmworker moves through a number of states and regional jurisdictions, state and local governments are unable to meet their needs, and

Whereas, The Secretary of Labor earmarked $20 million from the National FY 71–72 MDTA unapportioned account to train Migrant Farmworkers in marketable job skills beyond farm work, which created the National Migrant Worker Program within the national office of the Department of Labor and local training program operations throughout the United States, and

Whereas, This training has assisted Migrant Farmworkers obtain skills and permanent year 'round employment, and

Whereas, The earmarked $200 million were not fully used for the National Migrant Worker Program and those funds used have been exhausted and no new funds were earmarked for the continuation of this all-important effort,

Therefore be it resolved, That the Secretary of Labor be requested to continue and enlarge the National Migrant Worker Program as a national project which has had a significant impact on those in our society neglected the most and in the greatest need, our Migrant Farmworkers, and

Be it further resolved, That this resolution be distributed by our local LULAC councils to all Congressmen and Senators whose districts fall within any Migrant Farmworker area.

Be it further resolved, That the Secretary of Labor be recognized and commended for his actions in assisting in the plight of the Migrant Farmworker,

Which we hereby bestow according to the tenets of the League of United Latin American Citizens assembled in the 44th Annual National Convention, the 23rd of June, 1973, in Albuquerque, New Mexico.

MR. GORDON FULCHER

HON. J. J. PICKLE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, July 30, 1973

Mr. PICKLE. Mr. Speaker, the citizens of Texas recently lost one of their finest and most respected public servants, Mr. Gordon Fulcher. He passed away while working into the night on the business of the Texas Water Quality Board, where he has served as chairman since 1968.

I first became friends with Gordon in the 1930's when he was the editor of the Austin American-Statesman. He added a tremendous amount of character to the State Capitol's newspaper, and his guidance was reflected in every public stand the paper took.

It is no overstatement to say that every important civic and political achievement of the time bore the mark of Gordon Fulcher's wisdom. I especially recall his support of the Lake Buchanan Dam project near Austin and his continuing leadership in making the Lower Colorado River Authority one of the Nation's finest water management systems.

During these years, I came to know Gordon's twinkling personality and his dominant voice in public affairs. It was then that we passed the first of many fine evenings trading political reminiscences and stories. He became one of my most valued friends and associates, and I know President Johnson often sought his advice.

Gordon left the newspaper business in 1946 to devote nearly 20 years to his land development interests, but in 1962 he came back to Texas and bought the Atlanta Citizen-Journal. Once again his influence was reflected by a newspaper's pages, and the Citizen-Journal became one of Texas' leading weekly publications.

In 1968, Gov. John Connally asked Gordon to assume the chairmanship of the Texas Water Quality Board. Though he was nearly 60, his instincts led him to accept that tough, sometimes unpopular position, and under his leadership the board took decisive action to clean up Texas waters.

Gordon felt that Texas could handle her own pollution problems without extensive Federal help, and his firm, even-handed treatment of polluters made Texas a leader in developing state environmental programs.

Somehow, Gordon also found time to establish the Texas Star, a Sunday newspaper supplement that became a focal point for statewide issues and reached millions of readers. Economic pressures which claim so many publications also forced the Star to suspend operation, although Gordon was working to revive the Star at the time of his death.

Personally, I will miss Gordon Fulcher as I could few men. His visits always meant midnight story swapping and some of the most stimulating exchanges of ideas I have ever encountered. His advice was always well-reasoned and pointed, and you knew Gordon's only interest was in the people.

The extent to which Texans will miss Gordon Fulcher is reflected in the many public statements and editorials issued upon his death, and I would like to conclude with some of these remarks about a rare and truly good man.

Atty. Gen. John Hill:

> I feel a sense of personal loss; I've lost a friend, a man I had learned to know from working with him, an intelligent, dedicated, hardworking, colorful individual.

Lt. Gov. Bill Hobby:

> He gave unselfishly of himself to a tough job, and the whole state is in his debt.

Hugh Yantis, executive director of Texas Water Quality Board:

> His forceful approach was a very great factor in the progress we have made in cleaning up the state's waters.

Sam Wood, editor of the Austin American-Statesman, memorialized the former editor of the capitol city newspaper as "one of the top newspapermen in the State."

Waco News-Tribune:

> A major goal for Chairman Fulcher was to prove that Texas can handle its own pollution problems rather than helpless turning to federal authority to clean up its lakes and streams and wells. This meant double burden on Fulcher and his colleagues, prodding local governments and industries on the one hand, while dealing with federal regulators on the other. Undoubtedly, the strain of this unpaid service to Texas hastened Mr. Fulcher's final heart seizure.

THE 30TH INTERNATIONAL PARIS AIR SHOW

HON. OLIN E. TEAGUE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, July 30, 1973

Mr. TEAGUE of Texas. Mr. Speaker, I have received a report on the 30th International Paris Air Show based on the attendance of several members of the Committee on Science and Astronautics. Their observations and conclusions merit the attention of my colleagues, the executive department, and the public:

THE 30TH INTERNATIONAL PARIS AIR SHOW

Several Members and staff of the Committee on Science and Astronautics attended the Thirtieth International Paris Air Show, from May 27 to June 1. As in previous years, the major purposes were (1) viewing current aerospace technology, both foreign and domestic; (2) viewing both flight and static demonstrations; (3) discussing and reviewing the current state-of-the-art in various technologies with representatives of the international aeronautics and astronautics industrial community, journalists, and government officials; (4) assessing the relative positions of the United States and other countries in the fields of aviation and space; (5) assessing major trends and problem areas.

OVERVIEW

The 1973 Air Show provided an impressive demonstration of foreign capabilities—but a closer look suggests that our international competition is much less optimistic about the future in certain fields than two years ago.

It is evident that the Paris Air Show is regarded as the major event of its kind; it affords an unparalleled opportunity to demonstrate hardware, assess competition, create and strengthen business relationships, and perhaps most important, create sales opportunities.

Other indicators are also useful in assessing the value of the Air Show. International goodwill is one example. Another factor is international image. Finally, despite the attendant costs and problems involved in international air show participation, major U.S. manufacturers continue to be strong in their praise of the benefits of the Paris Air Show, and the shows at Farnborough, England and Hanover, Germany. Additionally, many are positive in their outlook concerning future shows in Tokyo, Japan and Sao Paulo, Brazil.

The comments of U.S. participants are noteworthy because of the disadvantages of U.S. exhibitors in comparison with their foreign counterparts. In military aviation, for example, there are the Department of Defense rules regarding aircraft bailment to manufacturers for air show purposes. In the case of the Lockheed C-5A, the $750,000 fee required by the Defense Department led to a decision by Lockheed not to show the aircraft. Additionally, there is no provision for formal U.S. government support on the flight line and neither the Department of Commerce nor the Department of Transportation provides relief in the form of support services. This situation is in stark contrast to the cooperation, financial and logistics support and encouragement offered by foreign governments to their own exhibitors for both military and civil areospace products.

Approximately 571,000 visitors from all over the world attended the Paris Air Show, of whom 42,000 were registered business visitors. There were 624 companies from 20 countries participating; approximately 150 U.S. firms exhibited their products, 75 of which had displays in the American pavilion.

The American Embassy in Paris reported on the results achieved by the 75 firms exhibiting in the U.S. pavilion: About $57,000,000 in sales—immediate and 12-month projections.

The primary objective of more than two-thirds of the exhibitors was to gain exposure to new business prospects and ninety-five percent of the exhibitors accomplished this objective. In total, there were 67 representation agreements signed plus an additional 227 agency agreements under negotiation at the close of the Show.

MEMBERS VIEWS

Rep. John W. Davis (D.-Ga.) expressed his views as follows: "The Europeans seem to be making dramatic progress in the area of developing quiet short take off and landing aircraft which could hold from 25 to 75 passengers. I think there is now, and will be over the next decade or so, a large market in the United States for such aircraft, and I am convinced that current American efforts are at too low a level to meet the challenge posed by this European initiative.

The European companies are not hampered by anti-trust laws and their developmental effort as to new aircraft is heavily subsidized by government funds. With the constraints of anti-trust legislation in the United States, American aircraft manufacturers are not free to band together in a joint research and development enterprise. Too, government support in the form of funds for the National Aeronautics and Space Administration is at a bare bones level. The Paris Air Show strengthened a belief I already had formed to the effect that it is time for NASA to redouble its efforts in aeronautics and that funding should be generously increased for the development of STOL aircraft with quiet engines and low pollution."

The reactions and views of Rep. Larry Winn (R.-Kan.) were stated in these words. He said, "On every count, the show represented a mind-boggling showcase of advanced technology in a wide variety of fields including aerospace, electronics, metallurgy, and communications. The display of aircraft and avionics, aviation subsystems and components, spacecraft and space hardware, and air traffic control equipment showed not only a vast range of current capabilities but also dramatic previews of the future in many fields.

The U.S. continues to appear to be the major force in the international aerospace market. Clearly, however, the USSR and European nations are narrowing the lead in aerospace technology which this country has so long enjoyed. But I am unwilling to ascribe this strictly to a cutback in Federal R&D or a stagnation in technological excellence. Rather, I see our lead being narrowed due to a much more complicated set of reasons which include a tougher international marketplace, substantial foreign government support for their industries, and high levels of European and Japanese technical excellence.

Finally, it is my conclusion that in spite of the many claims regarding the relative decline of U.S. R&D, the U.S. continues to be the dominant force in the fields of aviation and space. Even in areas where there is a gap, there is every evidence that our foreign competition will not go unchallenged. Designs for the DC-10-Twin and the 7X7 are being pursued to "combat" the A300-B. Even our abandonment of the SST Program need not spell disaster if in fact we continue an aggressive program of research."

Rep. Barry Goldwater (R.-Calif.) concluded that while "the U.S. is a world leader in aviation because of its past investment in research and development and its industrial capability, our lead is by no means assured." He said, "American industry needs to be more competitive and innovative—the international aerospace market is going to be tougher in the future." But the U.S. Government can't remain aloof; better arrangements for financing export sales must be established. "In short," Mr. Goldwater said, "the U.S.

government must be an active partner with industry—without taking over as has been done in some other countries."

According to Rep. Paul Cronin (R.-Mass.) the Apollo/Soyuz exhibit and the joint appearance of the Soviet cosmonauts and the Apollo 17 astronauts marked a positive step forward in the emerging U.S.-Soviet detente. He said, "The very evident cooperation between the U.S. and Soviet Union in the space program is a worthwhile contribution to future relations between our countries."

Mr. Cronin found it valuable to see the exhibits of firms from his district (AVCO and Raytheon) and pointed out that "sales resulting from company participation in such shows as the Paris Show are not only beneficial to Massachusetts but to the U.S. economy. Aerospace exports are vital to helping solve our balance of payments problem."

The broad range of foreign technological capabilities also impressed Mr. Cronin who concluded, "We are not the only nation in the world with advanced technology. We've got to realize the world is a more competitive place and that to maintain our position we must combine innovation with continued investment in research and development."

Rep. Marvin L. Esch (R.-Mich.) reported that, "The U.S. House of Representatives' trip to the Paris Air Show was highlighted by the meeting between the Soviet cosmonauts and the United States Apollo 17 astronauts.

The visit to the Soviet Space Pavilion and extensive meetings with the Soviet space scientists and cosmonauts highlight the great desire of the Soviet Union to work cooperatively in space. Strikingly symbolic was the joint U.S.-USSR Pavilion which contained the model of the Apollo/Soyuz 1975 joint mission. Leaving all technical considerations aside, one cannot overstate the significance of the political and social implications of that display in Western Europe. Equally significant is the current desire by the Eastern community to move ahead cooperatively in their own space effort and the willingness of their personnel to work with NASA for mutually beneficial achievements in this decade."

Concerning the aviation aspects of the Air Show, Mr. Esch said, "As a member of the U.S. delegation, I was particularly struck by the increasing challenge of the European community to our aerospace industry in general and our aircraft and avionics companies in particular. While visiting and meeting with diversified exhibitors, my perception was that while other countries are supportive of their industry and most desirous to encourage the development and export of civilian aircraft and related support equipment, the U.S. has yet to develop an effective, realistic policy for sustaining our industrial group."

Mr. Esch concluded that, "That is a matter which Congress must address itself to in the near future. If our nation is to maintain leadership in this field we must develop a new vehicle for the delivering of services and encouraging our industrial groups so that that they may effectively compete in the world market in the next decade."

HIGHLIGHTS OF EXHIBITS AND FLIGHTS DEMONSTRATIONS

Space

1. One of the major attractions at the Show was a pavilion containing a full scale representation of a U.S. Apollo Command/Service Module linked with a Soviet Soyuz spacecraft. The Apollo/Soyuz exhibit was located near the main entrance to the Show grounds where it was a clearly visible symbol of the growing political detente between the United States and the Soviet Union. Less apparent, but very real, is the extent to which American and Soviet technical people have been able to cooperate in joint planning and in making major changes in their respective spacecraft in preparing for the planned 1975 joint rendezvous, docking and research mission. Approximately 400,000 visitors observed this exhibit which was described in French, English and Russian.

2. The Soviet space exhibit was a masterful example of the soft-sell; many booklets were available in both French and English. Carefully emphasized were the international aspects of their program; on each major spacecraft component was painted the flag of the nation that had made it. Among their exhibits was a full-sized replica of the Lunokhod-2, an eight-wheeled unmanned lunar vehicle. Also included in their exhibits were full scale replicas of research, applications and planetary satellites—about equally divided in emphasis.

3. In contrast, the U.S. space exhibits were far more limited, and examples of many of our accomplishments were missing. There was a full-scale model of the Lunar Rover, and a partial model of the SKYLAB, but most of the other U.S. exhibits were small scale models.

4. Cooperative efforts characterized important segments of the German and French space activities at the Show. The German programs showed particular emphasis on having both U.S. and European partners, whereas the French cooperative efforts tended to be more European oriented. Specific examples Messerschmitt-Boelkow-Bolhm (MBB) in conjunction with NASA for launch in 1975; and the Franco-German Symphonie communications satellite now tentatively scheduled for launch in early 1975.

AVIATION

New entries

1. Among the new aircraft appearing at the Paris Air Show for the first time were the following major entries:

Grumman F-14 Tomcat Fighter from the U.S.

German-Dutch VFW-Fokker 614, 40-seat twin-engine transport.

Saab-Scania SK-37, two seat trainer from Sweden—a version of the AJ-37 Viggen Fighter.

French Dassault-Breguet Falcon 30, small transport and the Falcon 10 corporate aircraft.

Airbus Industrie A-300B, 260-seat widebody, twin-engine transport.

Soviet production version of the TU-144 Supersonic Transport.

2. A large number of new aircraft designs, new aircraft concepts and proposals were shown and discussed at the Show. They range across the spectrum in payload and type; some are merely preliminary paper designs at the discussion stage while others were announced as intentions to proceed with development. These included the following:

Boeing's proposed 7X7 family—from a long range, four engine aircraft to a short haul twin-jet.

Two new French Aerospatiale designs in the 30-passenger and 70-passenger class.

The French Dassault-Breguet Mirage G8A—the proposed French Air Force fighter for the 1980's.

The British Short SD3-30 Turboprop Transport, a 30-passenger aircraft.

An Italian design by Renaldo Piaggio; a 30-passenger turboprop transport.

U.S. aircraft

3. Major U.S. aircraft entries in the Paris Air Show were the Navy's Grumman F-14A Tomcat Fighter, a World Airways Boeing 747 Convertible (either passenger or cargo capability) and the Northrop F-5 Freedom Fighter. The F-14 performed in a stunning series of flight demonstrations at low levels despite low hanging clouds during much of the Show. The F-5 demonstrated its brilliant versatility and showed why such a large number of these aircraft have been exported to other nations and why about 450 of the successor F-5E aircraft were sold prior to first flight test of the prototype. The Boeing 747 Convertible was one of the dominating features of the flight line, although visits by the public were restricted. Lockheed's L-1011 was represented by a British Court charter aircraft which flew into Le Bourget several times during the Show—as a vivid example of U.S. penetration of the European market.

McDonnell-Douglas was active in pressing for a DC-10 twin jet. Important to the McDonnell-Douglas marketing effort is an indication of a continuing shift to short to medium range aircraft in coming years in Europe. McDonnell-Douglas did not show a DC-10 but did arrange for one of its buyers—UTA—to schedule one of its tri-jets for a short period static display.

Foreign aircraft

4. A major Soviet aircraft entry in the Air Show was the TU-144 Supersonic Transport. Despite its fatal crash, for as yet unannounced reasons, the TU-144 seen and flown at Paris was a substantially different and greatly improved airplane from previously seen prototypes. The consensus of informed observers is that the TU-144 is being aimed directly at the world market. Committee Members who went through the airplane were impressed by its "commercial appearance."

5. Under the leadership of Britain's Ministry of Aerospace and Shipping and its articulate Minister, Michael Heseltine, more than 100 British companies teamed at the Show to present an airframe and electronics capability image that, although directed at various European partnerships, was aimed at selling Britain as having a national industry capable of providing a wide range of research and production on an international basis. Britain, however, showed little new in aircraft.

6. Flight demonstrations of the French-British Concorde reflect a more aggressive marketing effort. In addition to the demonstration flights for the audience at the Air Show, trips were made by the Concorde for airline customers with airline-style service at Mach 2. Members of the press, and other visitors including some Members of the U.S. Congress were invited on some of the demonstration flights.

7. As a major entry by the European aerospace industry, a first appearance at the Paris Air Show was made by the Airbus Industrie A-300B Transport. Flying at the Show, the A-300B was visible evidence that the Europeans are driving hard to compete with the Americans. Despite its apparent technical solidity, the aircraft is not doing well economically: as of the time of the Show in early June, only 13 orders had been placed (none in North America) and no new orders had been booked in the previous 6 months. One explanation may be that the planned 250 to 260 passenger payload does not correspond to the high standard of comfort provided by the 747, the L-1011 and the DC-10.

8. Continuing the trends of previous shows, more general aviation, business and commuter aircraft, and helicopters were placed on display by many nations. Virtually every participating country at the Show had at least one type of general aviation or commuter aircraft to display.

9. The objective of reducing noise levels for all types of aircraft was apparent in every aspect of the Show from discussions to flight demonstrations. The subject of noise has a place of prominence that it is certain to maintain in the future. The developing marketing strategies for all types of commercial aircraft are incorporating noise considerations as central selling points.

CONCLUSIONS

1. The biannual Paris Air Show continues to be the dominant international marketing forum in aviation and space technology. By offering a broad variety of the latest and best in aerospace technology, it provides not only a convenient marketplace for buyers and sellers, but also a place where government officials and others associated with aviation and space may acquire information and insights highly important to their effective performance.

2. The U.S. continues to be the leading factor in the world aerospace market—with a U.S. export value of $3.8 billion in 1972. The largest part of these exports goes to Western Europe. From another point of view which is disturbing to the Europeans, while 30 percent of the *non-communist world's* aerospace products are purchased by the Western European nations, only 9 percent are produced there. In contrast, the U.S. produces almost 90 percent.

3. With regard to Europe's space efforts, the situation parallels that of the aviation industry. Europe has now abandoned the Europa II launch vehicle. France is seeking partners to join in development of the L-3S as the primary European launch vehicle. In the meantime, however, the rather limited European space funding has been tentatively diverted to a large extent by the recent agreement to participate in the development of the $300 million Sortie Module for use with the U.S. Space Shuttle. It is significant that this decision will result in a much greater U.S. launch capability in relation to our foreign competition.

This problem is further compounded by the recent U.S. dollar devaluation and the greater inflation rate in Europe. These factors have combined with the result that American product prices have been reduced, in effect, approximately 20 to 30 percent in the past year or so.

6. In a perceptive editorial, Robert Hotz of *Aviation Week and Space Technology* analyzed the European aerospace problem this way:

First, Europe has not organized as a market to support the industry alliances it has achieved at the technical level. The captive markets created by each European consortium are still too small.

Second, European aerospace has concentrated so much on developing new lines of technically advanced hardware that it has badly neglected its marketing and sales capability. European marketeers are discovering too late that many of their products, while fine flying machines, just miss most of the operating airlines requirements. There was a veritable snowstorm of "paper" airplanes emanating from European manufacturers that emphasize this tendency to produce hardware without much thought as to where and how it can be sold. One observer described it as "technology in search of a market". Another factor is the heavy constant overhead that European aerospace firms are forced to carry.

Third, the competition is getting tougher. U.S. industry has learned some major new lessons in productivity, product development and the vital need for exports. European sales teams are not used to the kind of rough and tumble game that Boeing, Lockheed and McDonnell-Douglas have been playing against each other for decades. They tend to interpret it as some kind of American plot.

7. As repeatedly stated in speeches and private discussions at the Air Show, senior European officials recognize the above problems—particularly the need for an integrated European aerospace industry and an integrated market. The Europeans are searching for an effective means of establishing multination development and production programs that can compete effectively with U.S. hardware. Thus far no clear answers have emerged: knowledgeable industry officials agree that even efficient consortiums may not provide the full solution for the Europeans to compete successfully. The European industry, the officials agree, must somehow be honed down to a reasonable size despite various objections.

Overall, the establishment of an integrated European aerospace industry within the framework of the European Economic Community remains a tenuous proposition still largely dependent on legal restructuring of companies, a still vague airline interest in European sources for equipment replacement, the melding of divergent national interests and the future of the Anglo-French Concorde Supersonic Transport.

8. An emerging feature of the international aerospace market which will have significant effects on the U.S. position in the future is that many foreign nations are now demanding some kind of quid pro quo rather than making conventional outright purchases of U.S. aircraft and products. This quid pro quo takes the form of joint ventures, associations, or industrial offsets with the end result being that U.S. developed technology sometimes is exported only to appear later as competition to U.S. goods. Yet, there are no easy answers to this complex question; the various ramifications of "technology exports" will be prominent in major international business and governmental negotiations on trade for at least the remainder of this decade.

9. While the European problems are clearly visible, those facing the U.S. are more difficult to define with precision. We must be on guard against deluding ourselves that because we have been dominant in the aerospace marketplace since the end of World War II, this condition will continue indefinitely with no effort on our part. The ground avionics field is a vivid example of what happens when superior European technology is meshed with superior organization and is backed firmly by government. The growing French strength in air traffic control systems is beyond question.

10. As seen by members of the Committee on Science and Astronautics who attended the Air Show, the U.S. should take the following actions:

(a) U.S. industry needs to be more competitive and innovative.

(b) Substantial public and private investment in research and development must continue.

(c) Better financing arrangements for financing export sales must be developed.

(d) The Federal Government must be an active partner with industry and support it—without taking control. Sound, realistic policies to accomplish this must be developed.

(e) Cooperative efforts with the Soviet Union and others must be continued, but these efforts must be balanced with other national interests based on the U.S. remaining a strong competitor in the international market.

(f) A new look should be taken at our anti-trust legislation which takes into account the changing world competitive environment: more cooperation between U.S. firms may be required.

THERMAL LOADING ACT OF 1973

HON. JEROME R. WALDIE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 30, 1973

Mr. WALDIE. Mr. Speaker, I want to introduce a bill that can be cited as the "Thermal Loading Act of 1973." The objective of the bill is to place the burden of proof on a power company to justify not building a cooling tower, rather than on the environmental agency to prove why one is needed. The advantage is that power companies would clearly understand that cooling towers are required on all thermal electric plants—either nuclear-fired or fossil fuel-fired. Fossil fuel-fired powerplants are not required to have an FPC permit, and therefore environmental considerations are not necessarily given high priority.

I believe that power companies would welcome this act, since all would be under the same cost burden and they would avoid many construction delays. At the same time, environmentalists would have fewer problems in connection with such projects. Beyond that, this bill would avert substantial environmental damage in the future.

I include that full text of this bill in the RECORD:

H.R. —

A bill to require persons building powerplants which use public waters to operate cooling towers, unless they can demonstrate that there is no need for such towers, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Thermal Loading Act of 1973".

SEC. 2. Notwithstanding any other provision of law, any person who operates any facility for the generation of electrical energy which uses or diverts waters shall install and use adequate cooling towers or other closed systems of cooling such waters before they are returned to the body of water from which they were derived.

(b) The Federal Power Commission, with respect to nuclear powered generating facilities, and the Secretary of the Interior, with respect to fossil fuel powered generating facilities, may, upon application, except any person from the requirements of section 2 of this Act if such person can show to the Commission or to the Secretary, as the case may be, that the discharge or effluents from such generating facility would not cause damage to functioning ecosystems.

SEC. 3. Any person who violates any provision of this Act shall be fined not more than $10,000, or imprisoned for not longer than six month, or both.

SEC. 4. For the purposes of this Act, the term "damage" means the substantial impairment of the natural functions of an existing ecosystem which is deemed by the Secretary to be clothed with an actual or potential public interest.

SEC. 5. This Act will apply to any generating facility which is constructed or begins operation on and after the end of the six-month period beginning on the date of enactment of this Act.

CORNELL PRESIDENT SPEAKS ABOUT GRADUATE EDUCATION

HON. HOWARD W. ROBISON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, July 30, 1973

Mr. ROBISON of New York. Mr. Speaker, earlier this year Dr. Dale Corson, president of Cornell University, Ithaca, N.Y., addressed himself to the challenges facing graduate education in the United States.

Dr. Corson, a distinguished educator and outstanding university president, spoke very pointedly about many of the problems faced by those responsible for quality graduate education.

Because Dr. Corson speaks in some detail about the relationship between graduate education and the Federal Government, it seems appropriate that his remarks edited for the RECORD be shared with the House of Representatives:

GRADUATE EDUCATION AND RESEARCH—A STRATEGY FOR THE 1970'S

(By Dale R. Corson)

INTRODUCTION

The situation was never so good.

Enrollment in graduate education is now over a million students, up from 420,000 ten years ago. Some 390,000 of these are full-time pre-doctorals, compared with 150,000 in 1962.

Federal dollars available for academic research are fairly stable at somewhat under $2 billion per year. NSF annual funding is running at more than $600 million. The research component of the total NIH budget is scheduled to rise from $1.47 billion in FY–72 to $1.48 billion in FY–73 and $1.52 billion in FY–74.

Net growth in this whole picture has slowed greatly, but after the hectic expansion of the 60's, it is welcome to have a breather.

We don't want too many Ph.D.s anyway, since the teaching market has slacked off.

Market forces will do a good job of providing the right amount and mix of manpower, provided government subsidies don't intrude. If some students have to work harder to secure an advanced education, there is nothing wrong with that.

All of these statements bear the curse of partial truth. And we certainly haven't had any notable success in marshalling convincing rebuttals.

CURRENT FEDERAL POLICY

Now for some additional facts.

Graduate Student Support. Full-time graduate students supported by Federal fellowships and traineeships in 1967 numbered 51,000, or 17% of the total. Today the number is 17,000 and the percentage is 4.6%.

Most notable is the cutback in NIH fellowship and training grants, which will drop by $60 million over fiscal years 1973 and '74, on the way to being phased out altogether.

NSF support for graduate students was $20 million in FY-1972 and is phasing down to $9 million in FY-1974.

There were 32,000 NDEA Title IV Graduate Fellowships awarded two years ago. Last year there were 2,000 and this year there are none.

Research Support. In research, there is a fundamental change in emphasis brought about by an order-of-magnitude increase in the pressure for quick results. Mission-oriented research is king. NSF has had to pick up fundamental research formerly sponsored by others.

The evidence for the shift in emphasis comes up daily. Grants are giving way to contracts, with targeted goals and month-by-month progress reviews. The detailed Request for Proposals leads the way to these contracts. Problem-solving interdisciplinary research is the route to the end of the rainbow.

Disciplinary research, the training of younger minds, where do they fit in?

New Agencies. The effect is compounded by several new agencies with limited traditions in research, DOT, HUD, EPA—all are under political pressure to produce quick results.

New Priorities. What we see is a major shift in priorities. The Administration is worried, and rightly so, about economic stability and control of inflation. It is worried, and rightly so, about our loss of international leadership in the high-technology industries. Some reaction to these pressures is inevitable and desirable.

EFFECTS

The Swinging Pendulum. I believe the pendulum is swinging dangerously too far. Investment in the future is taking a back seat. Graduate education has emerged at the very bottom of the priority list.

We built up a lot of programs in the '60's to meet the Federal Government's direct request or indirect financial stimulation, and now we are stuck with the machinery we created, including tenured professors on the payroll. The fluctuations in national policy have been far more rapid than the response time of a system which cherishes and depends upon long-term stability of programs and faculty.

Options For Supporting Graduate Students. The cutback in direct graduate support is certain to cause hardship or undesirable results in one or more of the following ways:

1. The universities pick up the check.
2. The students pick up the check. (Perhaps some of them can. We are soon going to find out.)
3. The student population will decline in those areas which in the past were identified as meriting special support to serve future public needs.

We may, however reluctantly, find ourselves increasingly driven to some kind of means test for graduate student financial aid.

Minority Students. There is a special irony in the case of minority students. They have been encouraged to come to our institutions. Now significant numbers are prepared to attend graduate school, just at the critical moment when financial help is drying up.

At Cornell, minority students are now receiving 35% of the University's total unrestricted aid funds for graduate students. We do not see how we can expand this aid further without outside assistance.

Neutral or Positive Consequences. Not all the internal effects of the external decisions are necessarily bad. Some are neutral, or at least hard to assess.

One likely consequence is an increase in the professional master's degree. We need to ask ourselves whether we like this phenomenon and what we ought to be doing to shape it or adjust to it.

If the newly announced recommendations of the Commission on Government Procurement are adopted, each institution may be able to enter into a single "master" contractual arrangement with the lead agency sponsoring research on that campus, with the terms applying to all the research sponsored by all Federal entities. We do not yet know whether this will be put into practice.

Another vague shape on the horizon is Senator Kennedy's legislation to establish a NASA for civilian technology. If it comes about, it may change the rules of the ball game.

ARGUMENTS AND REBUTTALS

We have tried to convince the Federal decision-makers of the error of their ways. So far to no avail.

Let me give you an example. Congressman Howard Robison wrote to Secretary Weinberger on behalf of the Title VI Language and Area Studies program, pointing out the damage which would be done by HEW's complete withdrawal. Secretary Weinberger's response states:

"We are hopeful that in the present situation Cornell University will determine that the value of its international programs is so fundamental to the University's basic mission that it will be able to continue the core activities as part of the priority concerns of its ongoing academic efforts."

So there you have it. We must go it alone. And we could, on this one program, if it weren't for the other demands created by Federal withdrawal.

Meaningful Response. Despite the frustrations, a necessary part of the strategy is to keep pressing the soundest possible rebuttals to every Federal argument which we believe ill-conceived. We have no chance to change anything if we argue that the present situation is hard on academic administrators, or budgets, or professors, or even students.

We have to talk meaningfully in terms of the national welfare, especially for the future.

Our most creative minds are a resource we can hardly afford to waste. The problems of achieving a better society are a challenge greater than Sputnik. Intellect—educated, creative intellect—should be at the highest premium in our history.

Manpower Forecasting. Argument about manpower needs is powerful, but tricky. We are not likely to know for sure about shortages until it is already too late.

We can point out that manpower forecasts have been notoriously unreliable in the past. In the late 1950's and early 1960's, the need for scientists and engineers was overstated. A temporary oversupply has led to the unwarranted conclusion that we can cut back on the new input.

Meanwhile, we ought to be working to improve the reliability of forecasting.

Manpower Pool. Our best hope is to develop further the point that social utility arises out of the general pool of highly trained manpower. Selective support for certain categories such as the health related professions should continue. A stable and moderate level of funding, without the sharp peaks and valleys of the past, is what we need.

Federal Responsibility? One of the arguments of the Federal establishment is that the matters we are discussing are not properly its responsibility. Private initiative prevail.

The Federal position is invalid, in my judgment, with regard to minority graduate students. Where will we get the minority professionals we need so badly? This is too big a problem for the universities to handle financially, and too important to the Nation to see it go by default.

Federal responsibility for assuring our future supply of creative manpower seems to me inescapable. Otherwise it is like deferred maintenance—saving money in the short run at high future cost.

Secretary Weinberger has pointed to the imperative need to be able to stop things; I agree, but we have the right to ask for some limitation on the rate of decline. If it makes defense to drop the Federal responsibility it would be only reasonable and fair to give notice of intent.

In research, we need to keep Federal focus on the notion that our priorities should be guided by promising *leads* as much as by *needs*.

We must stress institution building as the only way to assure pay-off in the long run. Universities do not perform well in a 100-yard dash. It's in the two-mile race that we score our points.

Revenue sharing. Another answer we are given is that revenue sharing will pick up the slack, and we should turn our attention to our State capitols. I see no chance in New York that a single cent can be obtained from this source.

Concentration of Resources. Something else we must advocate is the need to concentrate resources where it will do the most good.

During the middle 1960's we supported new centers of excellence, with geographic dispersion. This was an admirable objective but we do not seem to have the political or economic stamina to succeed. We will have to put some of these goals aside until another day.

The problem is illustrated by forecasts that doctoral output will decline at the top 60 institutions over the next few years accompanied by an increase in the output of other universities.

We have to find a way to make the point that quality in graduate education should be the major Federal objective in the 1970's rather than expansion of output as was the case in the '60's.

ALTERNATIVES TO FEDERAL SUPPORT

We need to think about possible alternatives to Federal support and I have mentioned two: the institution and the student.

Industry is another, but I do not hold out much hope here. Stockholders resolutions opposing charitable donations are appearing on the proxy statements this year.

Foundations. We have been urged to call the attention of the major private foundations to our plight. Well and good, and I hope they will respond. But we cannot expect any major replacement of the loss of Federal support. Some foundation executives believe universities incapable of responding effectively to the challenges of present day social and technological problems.

Graduate Research Assistantships. A final alternative is to rely on university-based research, with its need for assistantships, as the key to support of graduate education. This, some believe, will automatically channel the students in the right direction.

As with so many of the arguments we are running up against, this one is partly true, but its has its weaknesses.

Unfortunately, every funding path one follows seems to lead back to a diverse program of direct Federal support of graduate education through training grants, traineeships, and fellowships.

INTERNAL MEASURES

If we are to convince others that universities have an important role to play, there are some things we need to do internally.

Efficiency. We must demonstrate that we are reasonably efficient in the use of facilities and equipment.

Problem-oriented Research. We must rely less on the traditional disciplines and put more emphasis on interdisciplinary centers and research teams. Such efforts have not always been successful, but we need to keep trying. I would like to prove that a university can deal with the "real" problems of society effectively.

Creation of a Record. We need to get our own house in order and to agree on what we want to accomplish. In the present climate, progress will be slow and patience and perseverance will be at a premium. We need to "create a record"—to respond to the present high-priority social and technological objectives, to lay a groundwork of convincing argument, not just for this year, this Congress and this Administration, but for the years and Congresses and Administrations to come.

OBJECTIVES

Objectives I suggest we focus on include these:

A stable pool of highly trained manpower

Selective emphasis on fields of visible social utility

Opportunity for the disadvantaged

Opportunity for the most creative minds

Concentration of resources on the best programs and departments.

Improvement in our manpower forecasting ability

A powerful University-based basic research capability

Continuing review of research and manpower policy from outside the Federal Government

Avoidance of crippling collapse in support

ADVOCACY

To get all this done, we need to push every button on the console and use every channel of communication. And we need to consider whether we are adequately organized to carry this out.

No longer is there a Science Advisor in the White House, nor a President's Advisory Committee, nor an Office of Science and Technology.

Some of this former role has been taken over by the Director of the National Science Foundation. How are we going to provide him with systematic input on our views and problems? Should we seek on our own to establish a mechanism for collecting and presenting our thoughts? Without such a mechanism, who is to judge the success and quality of the new thrusts the Federal Government is making?

Another channel we must keep open is with the Secretary of Health, Education and Welfare.

We must find ways to convince the newer agencies like DOT and EPA that some form of university orientation and graduate support must be built into their programs from the very beginning.

Any contacts we can make directly with the White House and the Office of Management and Budget should be pursued. So should our regular contacts with the members and committees of the Congress. Systematic cultivation of Congressional staff personnel is a vital investment in the future.

We must make every possible use of the associations of higher education and the National Academies of Sciences and Engineering.

Professional societies presumably seė the same problems that we do and we ought to lose no opportunity to exchange views and to make common cause.

There is an additional possible aproach we should consider. In a world where the emphasis is increasingly on results, on applications, on mission-oriented research, I think we ought to engage some of the people in that end of the business to be our spokesmen for basic research and the development of educated manpower.

I believe it is possible to identify some distinguished industrial leaders who understand the complex relationships between research and application who also have ready access to the present power structure of the Federal government.

THE ULTIMATE GOAL

As a final word, I should like to repeat the thought that we keep constantly before us the fact that the goal we serve is the ultimate naional welfare, and not the narrow special interests of the higher education community. If this doesn't come across in the presentations we make—if we talk only about hardships for students and professors and academic budgets—we aren't going to make it.

NATIONAL STUDENT LOBBY URGES CONTINUATION OF BIOMEDICAL RESEARCH FELLOWSHIPS

HON. BENJAMIN S. ROSENTHAL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, July 30, 1973

Mr. ROSENTHAL. Mr. Speaker, biomedical research is one of the most important areas of research being conducted today in the United States or throughout the world. Its achievements have, through the years, saved lives and helped millions to a healthier life. The Nixon administration's decision to phase out training grants to students would seriously damage our future research capability.

Last week, the National Student Lobby testified before the Senate Subcommittee on Labor and Health Education in favor of a substantial appropriation for a continuation of the biomedical research program. Ms. Fran Reibman, the associate director of the lobby, offered some persuasive testimony regarding not only the negative impact of the contemplated phaseout on medical science; but the devastating waste in human potential it will cause.

Because her testimony highlights the human as well as the scientific value of the NIH fellowship program, I recommend it to all my colleagues:

TESTIMONY OF THE NATIONAL STUDENT LOBBY

Mr. Chairman, we would like to thank you for the opportunity to testify here today. We appear on behalf of the National Student Lobby and the Graduate Student Association, SUNY at Buffalo in opposition to the impending phase-out of the National Institutes of Health Training Grants and Fellowships.

Today, we are well aware of the potential damage to our nation that develops when our natural resources are taken for granted, however, it would appear that we do not learn from our mistakes. We are here this afternoon not to remind you that our forests, natural fuel, and waters are in jeopardy, but to speak of the imminent stifling of our most precious natural resource, Our Mind Power. Has it not become clear to us that "A Mind Is A Terrible Thing To Waste?"

THE NEED FOR BIOMEDICAL RESEARCH

The Administration has taken the position that the "need for a greater number of trained biomedical research scientists has passed . . . ," and that the supply of researchers will soon exceed the demand. Furthermore, they argue that this oversupply will lead to a situation of unemployment.[1] These arguments are not consistent with the projections of the NIH Reports[2] that state that by 1983 we will need 112,360 Doctoral biomedical scientists, as compared with 66,800 scientists in 1971; accordingly we question the justification for eliminating this program. The President's Science Advisory Committee has stated that "The implication that we are training a surplus of biomedical Ph.D.'s appears unfounded, at least to the panel. All but 1.3% of these Ph.D.'s graduating in 1968 and 1969 found positions in which they are appropriately utilizing their graduate education . . ."[3] Furthermore, we must realize that with every new advance made a broad range of research opportunities is created, expanding the potential job market. It is rather obvious that the Nixon Administration has rejected the advice of a panel which it created.

The Administration has proposed a new system of contracting as an alternative to fellowships and training grants. We consider this system inadequate, as it will tend to restrict students to specific projects and force students to work only with their assigned professors. The contract system has already been proven ineffective in Europe and would turn research in this country back to an apprenticeship system. Contract research along with training grant cutbacks is an expression of "We know all there is to know." When will we begin to recognize the fact that many of our major breakthroughs in science have been discovered through basic research, conducted in areas not even focused on.

The weakness in the proposed contracting system is that it is equivalent to having charged the National Cancer Institute to cure cancer in 1946, long before we had knowledge of the structure of DNA. This system is also a reflection of the contract system in the U.S.S.R., where genetics was completely ignored because Lysenko, the man at the top, did not believe in genetic theory. Experience has made it crystal clear that a research picture directed from the top can be short sighted and ultimately disasterous. The latest function of this system might be to delay any major breakthrough in curing cancer, heart disease, or other health menaces for years.

THE NEED FOR EXPANDED FUNDING FOR FELLOWSHIPS AND TRAINING GRANTS

We would like to call your attention to a basic point, that we believe the Administration and the Office of Management and Budget appear to be oblivious to; research, whether publicly or privately funded; whether on the Masters, pre- or post-Doctoral level is a full time job. Research grants are not a charitable handout, in fact, in a great many instances students working in Laboratories, hospitals, and clinics are a source of cheap labor, (what research scientist in his right mind would work for $3,200 or less). According to Nobel Laureate Dr. James Watson, researchers between the ages of 25 and 35 are in their peak periods for creative research. Are we going to throw away these young minds, because the OMB deems these grants unnecessary?

In his testimony before the House Sub-Committee on Public Health and Environment, Dr. Zapp stated that, "The program, does not target funds on needy or disadvantaged students." He went on to state "Beneficiaries of research training support—whether M.D. or Ph. D.'s—are generally qualified for jobs with substantial income potential. Such persons are generally able to afford the costs of loans and other general financial assistance for their education as an investment in their own future . . ." This statement was evidently made with complete disregard of the PSAC report or the findings of the Bureau of Social Science Research.

We question the rationale behind Dr. Zapp's argument. The BSSR survey found that most students could not finance their own education, nor could their families substantially contribute, and their loans could not be substituted for stipends without negative consequences.[4] Let us not cloud this issue by introducing dubious arguments pertaining to discrimination or the status of disadvantaged students. In fact, without this program, study in this area would be restricted to only the affluent. This program is open to all students who meet the academic requirements regardless of their social or economic backgrounds.

The economic payoffs that Dr. Zapp alludes to are illusory. In 1970 the average Ph.D. with a doctorate in bio-science earned $16,000.[5] Obviously, full-time bio-medical research is not a lucrative field. Yet the advances made by R&D's over recent years have saved billions of dollars in health care[6] and provided billions of dollars to the pharmaceutical industry.

Let us consider the fact that without basic research there is no medical science. Have we found so many answers that we have no more questions, or do we want to hide our heads in the sand and hope that the maladies that now afflict us will go away? Are we willing to place research on the wholesale market and sell it to the highest bidder?

In reply to a letter from the Director of the OST, the Chairman of the President's Cancer Panel stated: "It is my opinion that fellowships and training grants, assuming proper selection and wise administration are essential if we are to carry out the mandate of the President and Congress in the National Cancer Act of 1971 . . . there are certain areas where sufficient numbers of highly skilled bio-medical scientists do not exist today and are essential. We need fellowships and training grants to attract the brightest scientists to programs."

In a letter to President Nixon, dated January 25, 1973, the President's Cancer Panel stated the following: "Most bio-medical scientists and the National Cancer Advisory Board are concerned we spend too little on basic research and too much applying present care, when it is inadaquate."

Considering the aforementioned statements, we cannot understand why no new training grants or fellowships have been awarded since January 27, 1973. What happened to the $42,603,000 that went unspent in research training programs, or the $105,293,000 that was not spent in other research programs? If we consider that the pressure for more research increases in proportion to the rapidly rising health care costs, then, we can only assume that these funds were unjustifiably impounded in an effort to present the public with a picture of how the Administration has effectively saved money. Ultimately, the cose of these training grants and fellowships cannot be measured in terms of money, they must be measured in terms of saving human lives.

CONCLUDING RECOMMENDATIONS

To date, there is no truly accurate way to project the number of bio-scientists that will be needed in the future; we must rely on the past to predict the future. In the early 1950's when penicillin was discovered we had no way of knowing that new strains of bacteria would appear that would be immune to it. However, these new strains of bacteria created a new field of research positions. With every answer a new question arises, answers that lead to new and more complex questions. We are forced to work on the assumption that our projections are understatements.

The theory of oversupply that the Administration postulates is unfounded. The ratio of R&D's must be increased in relation to health care costs or medical technology will be severely handicapped. The situation of unemployment that the Administration is projecting must be viewed as a direct result of the vast cuts in funding to Medical Schools, Clinics, Nursing Programs, and Laboritories. Unemployment in bio-medical research is not an indication of oversupply, rather, it is an indictment against the Administration for its shortsighted economic policies in the area of research and medical technology.

In conclusion, we believe that phasing out this program would serve only to divert young, original minds to other more lucrative fields. We therefore respectfully suggest that the 1974 Budget appropriate $152,996,000 for Research training programs, and add to that amount $42,503,000 from last year's funds.

FOOTNOTES

[1] Administration Press Release on the 1974 Budget.

[2] The Training Programs of the Institutes of the National Institutes of Health, Fiscal Year 1974, Volume I.

[3] President's Science Advisory Committee, Scientific and Educational Basis for Improving Health, Report of the Panel on Biological and Medical Science of the President's Science Advisory Committee . . . Office of Science and Technology, 1972.

[4] The Bureau of Social Research, Inc. of Washington, D.C. Questionnaire Responses.

[5] Subcommittee on Public Health and Enviroment, Hearings, March 20, 22, 23, 1973, page 25.

[6] The Journal of Laboratory and Clinical Medicine, Vol. 79, March 1972, Number 3 . . . Editorial "The Dollar Benefits of Biomedical Research: A Cost Analysis, by. H. H. Fudenberg, Professor of Medicine, University of California, San Francisco.

Tables:

Table 36, Vol. I, NIH Fiscal Year Report, 1974.

Table 28, Vol. I, NIH Fiscal Year Report, 1974.

TABLE 36.—DEMAND FOR DOCTORAL BIOMEDICAL SCIENTISTS: ESTIMATED ACTUAL FISCAL YEAR 1971 AND PROJECTED TO FISCAL YEAR 1983

[In thousands]

	Nature of demand			Demand on biomedical-science manpower pool for—				
Fiscal year ending June of—	Total	Replacement	New	All activities	Research	Teaching	Clinical service	Administrative, etc.
Estimated actual: 1971	6.8	2.3	4.5	66.8	30.20	19.20	7.20	10.20
Projected:								
1972	6.7	2.5	4.2	70.98	32.25	20.22	7.66	10.85
1973	6.92	2.65	4.27	75.25	34.51	21.11	8.11	11.82

Footnotes at end of table.

TABLE 36.—DEMAND FOR DOCTORAL BIOMEDICAL SCIENTISTS: ESTIMATED ACTUAL FISCAL YEAR 1971 AND PROJECTED TO FISCAL YEAR 1983—Continued

[In thousands]

Fiscal year ending June of—	Nature of demand			Demand on biomedical-science manpower pool for—				
	Total	Replacement	New	All activities	Research	Teaching	Clinical service	Administrative, etc.
Projected—Continued								
1974	7.02	2.81	4.21	79.46	36.93	21.82	8.53	12.18
1975	7.10	2.97	4.13	83.59	39.33	22.49	8.94	12.83
1976	7.07	3.13	3.94	87.53	41.69	23.06	9.33	13.45
1977	7.09	3.27	3.82	91.35	43.98	23.60	9.72	14.05
1978	7.08	3.42	3.66	95.01	46.18	24.10	10.11	14.62
1979	7.04	3.55	3.49	98.50	48.26	24.59	10.49	15.16
1980	6.98	3.68	3.30	101.80	50.19	25.06	10.88	10.67
1981	7.19	3.81	3.38	105.18	52.19	25.52	11.28	16.19
1982	7.45	3.93	3.52	108.70	54.28	25.98	11.70	16.74
1983	7.73	4.07	3.66	112.36	56.45	26.46	12.14	17.31

Sources: Annex tables D-1 and E-1.

TABLE 28.—FAMILY PROFILE OF NIH TRAINEES DURING CALENDAR YEAR 1970[1]

Characteristics	Training level		
	Pre-doctoral	Postdoctoral	
		Ph.D.	M.D.
Marital status, current:			
Single (percent)	41	19	13
Married	56	78	86
Other status	3	3	1
Total number of dependents:			
None	58	35	18
1	21	22	15
2 or more	21	43	67
Number of dependent children:			
None	74	49	24
1	14	26	20
2 or more	12	25	56
Occupation of father:			
Unskilled labor or farm worker	5	6	3
Skilled, semiskilled operative	22	23	11
Technical or semiprofessional worker	5	4	2
Salesman or clerical worker	8	11	10
Proprietor, manager, business executive, or official	26	24	31
M.D., D.D.S., D.V.M	6	6	17
Teacher, college professor, other educator.	7	7	6
Other professional	16	15	16
Other	5	5	3
Father's highest education level:			
Less than high school graduate	19	23	17
High school graduate	23	25	18
Some college	17	16	15
College graduate	17	15	17
Postgraduate study	23	20	34
Parent's income at trainee's graduation from college:			
Less than $5,000	9	14	9
$5,000 to $9,999	33	37	26
$10,000 to $14,999	28	25	23
$15,000 or more	30	24	41
Median	$10,785	$9,885	$13,090

[1] Based on a population of 4,758 for NIH predoctoral trainees, 811 for NIH postdoctoral Ph.D. trainees, and 1,198 for NIH postdoctoral M.D. trainees. Student trainees questionnaire, items 11, 13, 15, 16, and 17.

AMENDMENT TO H.R. 9286

HON. PAUL FINDLEY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, July 30, 1973

Mr. FINDLEY. Mr. Speaker, during consideration of H.R. 9286 on July 31, I intend to offer for consideration the following amendment:

On page 15, after line 9, insert the following: "It is the sense of the Congress that the durability of the NATO Allied Command is vital to our national interest and that United States support for it should include basing not less than two full-strength army divisions in Europe for at least five years."

TRANSPORTATION AND THE ENERGY CRISIS

HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 30, 1973

Mr. BROWN of California. Mr. Speaker, the corporate business interests which control most of the energy sources today, both in our Nation and abroad, are currently engaged in a massive effort to persuade us that they, and they alone, know what is good for the people of the world. They tell us, on television and in newspapers, that they are working to solve the energy crisis which has been thrust upon them by environmentalists and others who have prevented them from taking the steps which they intended to take. With their massive advertising budgets they are attempting to convince us that all we need do is stop regulating them so much, and all will be well.

I have dealt with such nonsense several times in other remarks on the floor, as you well know, Mr. Speaker. I have said that we cannot rely on those whose main concern is profit to protect the public interest, and many others have said it before me.

But today I would like to take just a few minutes to enter in the RECORD a study by George W. Brown—no relation to me, the name similarity is merely coincidental—a professional transportation consultant who has reached the same conclusion, and gone beyond that obvious statement to propose specific measures which deserve consideration by this body in our deliberations about transportation and the energy crisis.

Dr. Brown, who has a BA degree in general science, a MS degree in metallurgy and chemistry and a Ph. D. in physiology, presented his paper at the Connecticut Conference On Transportation on May 16 of this year.

I submit his analysis for the RECORD at this point:

TRANSPORTATION AND THE ENERGY CRISIS

(By George W. Brown, Ph. D.)

Energy, atmosphere, water, and land are man's most precious assets, requiring prudent management to insure the longest possible lifetime for mankind on planet earth. The saddest law of the universe, the second law of thermodynamics, states that eventually the earth will die. Significantly, the second laws deals with energy, proving the fact that wherever free energy is converted to work or heat a certain amount is irretrievably lost, no matter how perfect the conversion system. Man can exist within the confines of this sad law for several million years or he can squander his irreplaceable energy reserves, as we have been doing for the past 20 years in the United States, and shorten his survival time to a few hundred years, or less.

The present American transportation system is a major factor for the World's serious depletion of energy reserves, fouling of the atmosphere, and destruction of the land. Our technologists have created, and continue to create, a transportation system requiring an individual who must move from one place to another to either drive an automobile on roads and streets created for its use, or fly on jet aircraft. Both modes of travel are designed to maximize fuel and atmospheric consumption. Furthermore, our Society has become structured in such a way as to demand the maximum daily movement of a maximum number of people. As if this weren't enough, we are now in the midst of the process of maximizing the consumption of fuel, air, and land required to move our worldly goods. From 1965 to 1970 we have increased the tonnage of freight moved on the highways 99.3%.[1]

In terms of human values we can state that the American Transportation System is the largest technological failure the world has ever seen. During 1970 the motor vehicle portion of this system was directly responsible for taking the lives of 54,700 people while injuring an additional 3.6 million.[2] A conservative cost estimate for killing and injuring these citizens is 13.6 billion dollars.[3] Twenty five per cent of the registered motor vehicles in the United States were involved in accidents during 1970.[4] One wonders why these yearly costs do not cause rational men responsible for transportation planning to recognize the failure of the system. Their sole response is to blame the users of the system for its failure.

In addition to its direct human life and dollar cost, our transportation system is devouring untenable amounts of irreplaceable energy resources. Sooner or later men will come to recognize that available energy is the most precious commodity on this earth. Without energy, money and possessions are worthless. Each of us requires about 3000 Calories in food energy each day,[5] and we need to recognize the caloric requirements of our transportation systems. Of course the sources of energy are different for transportation and for living. The energy required for our transportation systems is *not* replaceable while the energy we consume as food is largely replaceable. In other words, the well *will* run dry for transportation energy. It is only the timing that is in doubt. Therefore, let us consider our transportation energy consumption in human equivalents. During 1970 our automobile population in the United States consumed 65.6 billion gallons of gasoline[1]. The average energy content of a gallon of gasoline is 32,144 Calories.[6] Therefore, the 1970 road and street usage of gasoline to run only our automobiles consumed sufficient en-

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Footnotes at end of article.

ergy to feed 1.93 billion humans a 3000 Calorie per day diet for one year. If we disregard light, medium, and heavy single unit trucks, and consider only semitrailer and trailer trucks, utilized in the main to supplant rail freight shipments, we find that this category of heavy trucks consumed 8.4 billion gallons of diesel fuel during 1970[1]. Diesel fuel energy content averages 36,263 Calories per gallon[6], and the human caloric equivalent for 1970 was enough energy to feed 277 million people for one year. Domestic air travel in the United States during 1970 required 6.9 billion gallons of fuel[7], enough calories to feed a 3000 Calorie per day diet to 230.3 million people for a year. The tragedy associated with this profligate consumption of energy is, we are not getting a good transportation system in return for our extravagance. Passenger, freight, and mail movements are becoming progressively less efficient as the dollar costs for the services escalate even more than the general inflation trends.

Government agencies cannot be relied upon to make rational predictions regarding energy reserves or the effect of transport decisions on future consumption. By 1969 the United States, with only 5.7% of the World's population, was consuming 29.9% of the World's crude oil production. In energy terms, our motor vehicles consumed 16 times as many calories as was required to feed our entire human population. In spite of the implications for petroleum shortages inherent in this enormous consumption of fuel, a petroleum geologist representing the U.S. Geological Survey (at a meeting called by the Governor of Iowa to discuss environmental problems) in December 1970 stated there was no possibility of petroleum shortages in the United States for the forseeable future. Upon closer questioning regarding the source of his predictions he admitted that his assurances were based upon statements submitted by the major oil corporations. As late as the Spring of 1971 Secretary Volpe of the U.S. Department of Transportation was enthusiastically supporting the concept of a subsidy for the creation of an American fleet of SST's with admitted fuel consumptions of at least 15,000 gallons per hour. The idea that World oil reserves might not be able to sustain the additional strain implied by an SST transport system was considered a frivoulous argument advanced by eco-freaks. Yet the winter of 1972 found farmers unable to obtain fuel for grain drying and public institutions unable to obtain fuel oil for heating purposes. It is obvious that government information regarding the exact status of the present energy crisis cannot be relied upon, particularly when the oil corporations are allowed to treat oil reserve information as confidential. It is equally obvious that our extravagant consumption of petroleum products in support of an obsolete transportation system cannot continue without dire consequences.

In the long run drastic changes will have to be made in our transportation systems and replaceable fuel energy sources will have to be developed. For the immediate future, transportation planning must be oriented to human needs rather than to corporate or machine needs. Any transport system utilizes resources, and the primary resources which have great significance for human needs are energy, atmosphere, and land. In order to impress upon planners the vital cost of transport modes a "human equivalent" scale for air, land, and energy consumption is required. Three thousand Calories is a reasonable daily requirement for food energy for one human. Therefore, a 3000 Calorie Unit can be treated as one "human equivalent" for energy consumption. One adult engaged in normal activities will have a respiratory exchange of about 26,000 cubic inches per hour.[8] Thus, 26,000 cubic inches of air can be treated as one "human equivalent" for atmopheric consumption. It appears reasonable to suggest that one half acre of land per person is required for housing and agriculture to support a population base, so ½ acre can be designated a land "human equivalent."

Utilizing a human equivalent scale, based on these concepts, we can visualize the costs inherent in transporting 360 passengers 500 miles by air, automobile, or train. A B-747 jet, fully loaded, could make this 500 mile trip in 1.1 hrs., with a fuel consumption of 3,911 gallons[7] and requiring 25,600 acres of land for two safe landing fields. The human equivalent for fuel is 46,700; land use—51,200; atmospheric consumption—2,409,000 for a total human equivalent scale value related to energy, land, and atmospheric consumption, of 2,506,900. Ninety automobiles, carrying four passengers each, could transport the 360 passengers 500 miles via freeways in 10 hours with a fuel consumption of 3,316 gallons.[1] The human equivalent for fuel is 40,330; land use—56,000; and atmospheric consumption—1,642,500 for a total equivalent scale value of 1,728,830. One train would transport the 360 passengers 500 miles in 8.3 hours with a fuel consumption of 1,238 gallons.[9] The human equivalent for fuel is 14,965; for land use—12,121; and for atmospheric consumption 723,627 producing a total equivalent scale value of 750,713. Thus it is readily apparent that the transportation systems selected for heavy subsidy were the most destructive choices, when due concern is given for the use of our irreplaceable resources of energy, land, and atmosphere. It is also apparent that continued expansion of air and automotive transport modes cannot continue. The notion that we can continue an absolute 4.5 million vehicle per year expansion of our motor vehicle population if only exhaust emissions are controlled, at the expense of greater fuel consumption and larger sized engines, is a cruel hoax, accomplishing nothing but diverting our attention from the fact that our transportation systems are failing.

Rational action must be taken *now* to provide time in the immediate future for the planning and development of long term tenable transportation systems. Some immediate actions required are:

1. Prohibit the construction of one more square inch of rural or urban freeways. We must recognize that the automobile is essentially a low speed transportation device suitable for moving people and goods from thinly populated areas to junctions on high density traffic corridors. Paved road surfaces are required in these rural areas, and they have been neglected in order to concentrate on rural and urban freeway construction. Under no circumstances should the use of automotive transport be planned for high speed, high traffic density, long distance movements or for urban commuter transportation.

2. Discontinue the costly and inefficient attempts to promote emission controls. Instead of these standards, the DOT could place mandatory limitations on the size of engines for all new automobiles and set national rural speed limits of 50 MPH. One hundred cubic inch displacement engines are now available in passenger automobiles which give better than 30 miles per gallon fuel consumption. If these limitations had applied to the automobiles in use during 1970 the fuel saved in that one year would have been 36 billion gallons.[1]

3. Tax presently available automobiles and trucks at a rate commensurate with their fuel consumption and road damage potential. This would accelerate the existing trend toward smaller, more economical cars, and put heavy freight shipments back on the railroads. If the freight shipped in semi-trailer and trailer trucks during 1970 had been diverted to the railroads we would have saved 2.4 billion of disesel fuel,[1][10] enough to heat 1.2 million homes for one year in the Northern portions of the country.

4. Remove all public subsidy for airline operations and require all flights to carry a full passenger load or cancel. The small percentage of citizens demanding airline service should be required to bear the full dollar cost for this extravagant use of resources. If during 1970 the airlines had been forced to cut services commensurate with full passenger loads, we would have saved 4.2 billion gallons of fuel.[7]

5. Provide major subsidy for rail freight, passenger, and urban mass transit construction and operations. At the present time rail transportation offers the greatest potential for conservation of vital resources in both urban and rural environments. Therefore, an effort at least as great as that now devoted to highway and street programs should be directed toward creating an efficient rail transit system.

6. Modify all urban renewal programs to provide housing, school, and recreational areas adjacent to business areas. We can no longer afford the concept that we must move entire segments of the population twice a day because some irrational technologists decreed it was possible.

7. Drastically reduce the costs and improve the efficiency of our communication systems. Considerable transportation energy could be conserved by lowered cost for telephone use and development of low cost closed circuit television.

For the long term future we must begin now to develop replaceable energy resources. This is what the Atomic Energy Commission would have us believe they are doing when they promote nuclear power. As might be expected from a Commission born in secrecy and dedicated to the concept of maintaining an impenetrable lead curtain around their operations, AEC promises of unlimited sources of energy are largely illusory. Sources of fuel for their present generation of reactors are very limited, the prospects for an ultimate fusion reactor are dim, and the public health hazard inherent in following the nuclear rainbow is so great that the resources of the U.S. Treasury are required to provide liability insurance for nuclear plants.[1] Fortunately, there are promising leads for the development of replaceable energy resources. It is estimated that solar heating and cooling of a home in Massachusetts can be accomplished for a total investment of $3,000.[12] Given this same collector system and a method for energy conversion and storage we would be well on the way toward a mobile power source. Electrified municipal transit systems are feasible in many of our cities if we use the water power sources available. My home town has two dams on a river where electrical power used to be generated. Both have been deactivated. One could easily run an area wide transit system. Refuse from our larger cities can be used as a valuable source of "methane, a highly suitable fuel for propulsion systems. Wind power is likely to again be taken seriously. A new 10,000 ton sailing passenger vessel is due to be launched late in 1973 to provide luxurious accommodations for transoceanic passages at speeds comparable to other ocean liners. A 17,000 ton sailing freighter has also been designed in Hamburg, Germany.[13]

The need for immediate and long term revision of transportation and energy policies is urgent. Yet we see private Corporations gaining absolute control over all sources of fossil fuel energy as well as uranium ore. Accompanying this is the trend toward corporate farming and control of the food cycle. Thus, corporate control of the Calorie, man's most precious commodity, already exists for fossile fuels, and is rapidly becoming a reality for food energy. The public must gain a voice in the control of energy expenditure before present policies destroy all of us. Experience has demonstrated that the creation of another government agency or groups of agencies won't get the job done. The Federal Department of Transportation was created to bring about an integrated rational transportation policy and we have seen nothing but a proliferation of old mistakes.

Footnotes at end of article.

Democracy must be injected into the decision making process. We must devise a Public Advocate system[14]. The system would require that a paid public advocate would have the right and duty to argue for the Public's position before all decision making bodies. For example, a State Highway Commission could not make a decision based on their staff's recommendations until they had heard the Public Advocate's presentation. Energy, atmosphere and land use policies directly affect the lives of all citizens. It is a public scandal of major dimensions when we allow Corporate interests, in collusion with governmental entities, to have dictatorial power concerning the use of these resources. Granting eminent domain power to highway interests and utility corporations without a referendum for the citizens affected should not be tolerated. Absolute control of the World's energy reserves cannot be entrusted to the oil corporations without public veto power at the Board level. People all over the World are beginning to recognize these evils and demanding democratic decision making processes. In the United States we call this citizen criticism the consumer or environmental movement, and minor concessions to public participation are beginning to appear. So far, the concessions are primarily cosmetic. Governmental Agencies and private corporations exhibit a deep distrust of the public. New media coverage of policy decisions affecting the public welfare is often superficial and hostile to public interests. Recently, in response to public clamor for representation, regional planning commissions have been directed to form citizen advisory committees to 'aid in the planning process'. Naturally, no money was provided the citizen advisory committees for professional help to create a citizen advocate position, nor were the advisory committees allowed a decisive vote at meetings of the entire planning commission. When some of these citizen advisory committees devoted the time and found voluntary help necessary to develop rational regional transportation plans, the parent planning commissions simply abolished the rebellious advisory committees and formed new committees with membership more likely to conform with established polcy of unlimited growth of the automotive transport sector. In depth news media coverage of this type of outrageous behavior on the part of Public Officials and Agencies is almost nonexistent. We must create a Democratic system to protect us from special interest policy decisions. There is no better use of public funds than expenditures directed toward providing paid Public Advocates to forcefully present the public interest position in opposition to vested interests before all corporate and governmental agencies where decisions affecting the welfare of citizens are made. Such proceedings must receive complete, accurate, in depth news media coverage. Hopefully our institutions will respond in a constructive manner to this type of public interest pressure. If they will, irate citizens will eventually revolt against dictatorial control over vital resources.

FOOTNOTES

[1] *Highway Statistics, 1970,* U.S. Department of Transportation/Federal Highway Administration, pp. 52 & 54.

[2] *Accident Facts,* 1971 Edition, National Safety Council, pp. 2 & 3.

[3] *Accident Facts,* 1971 Edition, National Safety Council, p. 5.

[4] *Accident Facts,* 1971 Edition, National Safety Council, p. 40.

[5] *Human Physiology,* 3rd Edition, Winton & Bayliss, p. 219.

[6] *Handbook of Chemistry & Physics,* 40th Edition, Chemical Rubber Publishing Company, p. 1908.

[7] *Aircraft Operating Cost & Performance Report, Aug., 1971,* Civil Aeronautics Board.

[8] *Human Physiology,* 3rd Edition, Winton & Bayliss, p. 132.

[9] *Environment,* April, 1972, p. 16.

[10] *Environment,* April, 1972, p. 19.

[11] See *Price-Anderson Act.*

[12] Paul Rapaport, Scientist, RCA Laboratories & Paul Schmidt, Chief Staff Scientist, Honeywell Corporation on NBC *Today* Program, 3/28/73.

[13] *Popular Science,* June, 1971, pp. 48 & 49.

[14] *Environment, Economics & Institutions,* Presentation to 14th Conference, U.S. National Commission for UNESCO, Omaha, Nebraska, 6/8/71, Irving K. Fox, Professor of Regional Planning, University of Wisconsin.

ANCIENT ORDER OF HIBERNIANS—59TH OHIO STATE CONVENTION

HON. CHARLES J. CARNEY

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, July 30, 1973

Mr. CARNEY of Ohio. Mr. Speaker, on Saturday, July 28, 1973, I had the pleasure of addressing the 59th Ohio State Convention of the Ancient Order of Hibernians which was held in North Jackson, Ohio. I would like to take this opportunity to congratulate Mary E. Murphy, who was chosen Irish Woman of Mahoning County 1973, and Judge Joseph E. O'Neill, who was chosen Mahoning County's Irishman of the Year 1973.

In my remarks, I related the story about nine Irishmen who were sentenced to hang for treason by Queen Victoria. Instead, they were banished from their homeland, only to become outstanding leaders in their adopted countries. So, too, have countless Irish immigrants in America and throughout the world become leaders in the perpetual struggle for liberty, equality, and justice.

Mr. Speaker, I insert excerpts from the program and the story in the RECORD at this time:

ANCIENT ORDER OF HIBERNIANS—59TH OHIO STATE CONVENTION

PREAMBLE TO OUR CONSTITUTION

It is hereby declared and decreed, that the purpose of this Organization, the Ancient Order of Hibernians in America is:

(1) To promote friendship, unity and Christian charity among its members.

(2) To uphold and sustain loyalty to the government of the United States of America, by the members of this Organization living here in America, or whatever government under which its members may be citizens.

(3) To aid and advance by all legitimate means the aspirations and endeavors of the Irish people for complete and absolute independence.

(4) And to foster the ideals and cultivate the history and traditions of the Irish race throughout the world.

Its membership is confined exclusively to practical Catholics of Irish blood or descent, who are citizens of the United States or who have declared their intentions to become citizens of the United States, and to citizens of the commonwealth of Canada or of any other Democratic government on the Western Hemisphere.

Its work embraces every lawful demand of Christian friendship and fraternity between its members and the protection of all dependent on them. Under its Constitution, provision is made for the care of the sick and infirm among the membership and for the protection of widows and orphans in accordance with the dictates of Christian fraternity.

Hon. Charles J. Carney, Congressman, U.S. House of Representatives. 19th Ohio Congressional District.

Charles J. Carney has served as Ohio Senator for 20 years, and is now serving his second full term as U.S. Congressman for the 19th Ohio Congressional District. He has authored many bills while serving in the Ohio Senate and now takes an active part in nine major committees in Congress. Carney is a well known Catholic laymen and has served with many civic and fraternal organizations.

Ohio's only county board wishes you a successful and enjoyable convention.

MAHONING COUNTY BOARD

Rev. Thomas Kelly, Chaplain
David P. McGuire, President.
Joseph Nalley, Sr., Vice President.
Charles V. Byrne, Treasurer.
Thomas Reilley, Recording Secretary.
Thomas Cox, Financial Secretary.

Division No. 5

Rev. Timothy O'Neil, Chaplain.
Edward F. Donlin, President.
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Patrick Leonard, Marshall.
James Miller, Jr., Sentinel.
Joseph Nalley, Jr., Past President.

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Lawrence T. Purdy, Organizer.
Alexander Hamilton, Historian.
James D. Kelly, Chr. Press & Publicity.
Michael J. Killgallen, Immed. Past President.

Compliments of Judge Joseph E. O'Neill, 7th District Court of Appeals, Mahoning County's Irishman of the Year—1973.

Irish Woman of Mahoning County—1973, Mary E. Murphy, welcomes you in the most traditional gaelic greeting "dia is Muire stob uilig"—may God and Mary bless you all.

CONVENTION COMMITTEES

Joseph Nally, Jr., Chairman, AOH Arrangements.

Peg Bannon, Chairman, LAAOH Arrangements.

Mary Ann Murphy, Secretary.

Reception committee

Charles V. Byrne, Delores Cummings, Mary Murphy, John B. Carney.

Banquet

Dick McGuire and Alice Orosz.

Registration

Ronald Skowron, Joan Mauerman, Terri Mullins.

Program book

Tom Reilley, Joe Nalley, Sr., Catherine Crawford.

Greetings

Marge Egan, Marcie McGuire, Donald Skowron.

Publicity

James Kelly, Mary Murphy, William Holt.

Decorations

Mahoning County LAAOH.

Entertainment

Edward Donlin.

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Eugene J. Callan Family.
Rosemary Durkin.
Atty. Ben K. Kelly.
Atty. Jos. A. Modarelli.
Atty. Don L. Hanni.
The Ringside Hostesses.
"Mae and Mary" (Nez).
Rick Marino-Marino Cab, Niles.
Jack Lynch, Jr.
John "Irish" Lyden.
Judge & Mrs. Frank X. Kryzan.
Acme Bonding Co.
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Judge & Mrs. John J. Leskovyanski.
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Marlene & Mickey Murphy.
Mary Ann Murphy.
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Charlie Byrne.
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Helen F. Gorman.
John McCabe.
Ralph, Peggy, Matthew McDonough.
Ralph & Barb McDonough.
Kennedy's Jug, Niles-Canfield Road.
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Sean Brendan Reilley.
Joe & Peg Nalley.
Sr. Mary Lee Nalley.
Leo & Patty Dempsey.
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Mr. & Mrs. J. W. Maher.
Al Kopnitsky, Jr.
Joe Damelic.
Mr. & Mrs. Robert Barry.
Mr. & Mrs. James Cahill.

THEY CHEATED THE HANGMAN

The crowd ceased its growling and became ominously silent as the nine young men came tramping across the cobblestone street which led from the prison to the courthouse. They were leaders of the young Ireland disorders, convicted of treason against the queen, and they were surrounded by soldiers and chained together like common felons. The year was 1848. The penalty for their crime was death.

Except for her majesty's officials and the prisoners, the courtroom was empty. These men must be dealt with firmly; the spirit of rebellion which they represented must be scotched without further delay. The presiding judge cleared his throat and began:

"Patrick Donahue, Charles Duffy, Thomas McGee, John Mitchell, Thomas Meagher, Terence McManus, Michael Ireland, Morris Lyene and Richard O'Gorman, you have been tried and found guilty of treason against the crown. Have you anything to say before the court passes sentence?"

Thomas Meagher had been chosen by the group to be their spokesman. It was a warm spring day and the windows of the court were open. He knew that the crowd, which stood silently outside, could hear him.

Meagher's statement to the court was delivered in clear, ringing tones which carried out to the crowd, as the judge well knew.

"Your lordship," he said, "this is our first offense, but not our last. If you can find it possible to be easy with us this once, sir, we pledge our word as gentlemen that we will do better next time. And the next time we will not be fools enough to get caught."

A roar of applause poured in from the crowd outside. The irate judge flushed crimson and banged his gavel for order. He promptly sentenced them to be hanged to death.

The story of the nine young Irish leaders spread around the world and caught the popular fancy. Protests engulfed the British Government, and Queen Victoria found it inadvisable to carry out the death sentence on these courageous young men. Instead, she ordered the sentence commuted to life imprisonment in the penal colonies of what was then the wild and uninviting land of Australia.

They were just what Australia needed; the men and the moment had arrived together. Patriots and fearless, they soon bade farewell to the penal colony and turned their undeniable talents to more fruitful pursuits.

John Mitchell made his way to the United States and had a brilliant career in the politics of New York State; his son became Mayor of New York City. Tom McGee rose swiftly to become an esteemed member of the Canadian House of Commons. Thomas McManus and Patrick Donahue became brigadier Generals in the Union Armies during the Civil War. Richard O'Gorman became the Governor-General of Newfoundland. Tom Meagher became governor of Montana.

Three of the original nine spun their careers in the land to which they had been exiled. Morris Lyene served as a brilliant Attorney-General of Australia, winning many a legal tilt against the British Barristers, and Lyene was succeeded in that office by his old fellow-prisoner, Michael Ireland.

Bitterest pill of all for Queen Victoria came in 1871 when she found herself dealing with the newly elected prime minister of Australia, Mr. Charles Duffy. To her amazement and distress, the Queen learned that this was the same Charles Duffy who had been exiled for high treason twenty-three years before. When the records of the other eight compatriots of Duffy were brought to the Queen, she seemed pleased. Perhaps she realized at last that by cheating the hangman she had enriched humanity.

OUTSTANDING NATIONAL 4-H LEADER FROM KENTUCKY

HON. TIM LEE CARTER

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Monday, July 30, 1973

Mr. CARTER. Mr. Speaker, it is my pleasure at this time to congratulate Mrs. Stella Wethington upon her recent recognition as one of four outstanding 4-H leaders in America.

As many of my colleagues know, the 4-H organization has rendered valuable service to our Nation. The "Head, Heart, Hands, Health" philosophy behind 4-H has channeled the energies of America's youth into constructive projects for the benefit of their local communities.

Mrs. Wethington's association with 4-H spans some 25 years. During those years, she has received numerous awards for her outstanding club work. An expert in organization and administration, her talents are in great demand at leadership conferences on the local, State, and national levels.

Groups sponsored by Mrs. Wethington are consistently among the outstanding clubs in the Commonwealth.

The zeal she displays in her pursuit of 4-H work is infectious. Her enthusiasm has helped in spreading the message of 4-H—"To Make the Best Better."

I congratulate Mrs. Stella Wethington upon her selection. It is my belief that in giving so unselfishly to the youth of Kentucky and to the 4-H Clubs of that State, she has accomplished her goal to make the world a better place in which to live.

I commend to the attention of my colleagues an article written in tribute to her career in 4-H Club work.

CASEY 4-H LEADER IS AMONG FOUR TO GET NATIONAL RECOGNITION

LIBERTY (Spl.).—"If I had to give up 4-H, I don't know what I'd do—it's been such a part of me," says Stella Wethington, a Casey County, Kentucky 4-H leader who has devoted much of her time to 4-H for the past 25 years. Her influence in 4-H has extended from the county level throughout the Southern Region of the United States, culminating with her selection this week as one of the outstanding 4-H leaders in the country.

Stella will be one of four adult 4-H volunteer leaders recognized for their contributions to 4-H Friday night, during the National 4-H Conference in Washington, D.C. She thus becomes part of a select group of eight leaders so honored nationally, for this annual award to leaders was initiated only last year.

Although Stella was never a 4-H member herself, you could almost call her one, for she says she had to learn right along with the children she led. Her 4-H involvement began with a trip to 4-H camp with local youth the summer before she actually decided to be a leader. The next spring, her oldest daughter and several other little girls in the community asked her to be their 4-H project leader and teach them how to make an apron. "I didn't know how to make an apron," she remembers, "but when a child asks you to help, you can't say no. I went to the county extension office and got project books—and made an apron before I taught the children." And she continued to first learn herself and then help the young people in her community with projects—from clothing and foods to electricity and agricultural projects, demonstrations, public speaking, talent shows, and all their other 4-H activities.

Creston, where Stella and her husband, Earl, operate the local store and post office, is a small rural community seven miles from the county seat town of Liberty. Until 10 years ago, Creston children attended a two-room elementary school there and, for more than 14 years, Stella worked with most of these youngsters—about 70 each year—as their 4–H leader, helping them with all their 4–H programs. She also was leader for the community's Teenage 4–H Club.

"You get a group of 4-H'ers together, and someone to work with them, and they can accomplish anything they want to," she says, recalling how the Creston 4-H'ers raised money for electric wiring and other improvements in the local school. She also tells with pride of their outstanding safety program, one of the first in that part of the state for 4-H'ers. The club was so active that they were selected county champion club 10 of the 14 years before the school was consolidated and the club organization changed.

Since then, Stella has worked with all 4-H Clubs in Casey County, helping especially with recreation. "That's another thing I've learned through 4-H," she says. "When I first started as a leader, I knew I had two feet but didn't know what to do with them except walk. I wanted to learn something special that I could help the children with so I started going to recreation workshops, buying books and records, and learning simple recreation programs I could teach the children." Stella is now in demand to help with recreation programs for 4-H and many other groups throughout Casey County and in many counties nearby. And, for the past two years, she has been asked to conduct the recreation program at the Southern Regional 4-H Leader Forum at Rock Eagle, Ga.

Stella attended the first Regional Leader Forum there in 1968 and her enthusiasm helped spark a similar Leader Forum for Kentucky and she has served on the planning committee for the state Leader Forums that have been held since then.

She feels that such leaders' meetings are invaluable training for 4-H leaders and believes that the Kentucky 4-H Leaders Council, organized in 1954, has done much for the 4-H program in the state. Stella was a member of the State Council when it was organized, serving for six years then; was selected again, in 1965, to represent her area 4-H Council on the state Council; and has been a member since then. Elected president of this state group in January, she has also served as vice president and secretary.

Stella has been a member of her county 4-H Council since she became a 4-H leader and has held all the offices, except treasurer, in this organization. And Casey County has selected her one of their representatives on the Lake Cumberland Area 4–H Council every year since it was organized in 1954. She has served as both president and secretary of the area Council. She has also worked with other 4-H councils in the state and has helped a nearby county organize a county 4-H council for the first time.

Although a grandmother, Stella has young ideas—and is known throughout the state for her enthusiasm for 4-H and for her ability to give objective assistance on any 4-H plans and programs. Unlike those leaders whose interest in 4-H fades when their children grow up, Stella's 4-H leadership has never faltered—even though her youngest daughter's last year in 4-H was 1958 (all three of her daughters were active 4-H'ers and two of them were 4-H Congress delegates). Stella has gone as a leader to most state 4-H conferences held at the University of Kentucky since her leader role began; works with local 4-H'ers at the State Fair; has written many articles on 4-H for her local newspaper; helps plan and conduct the area 4-H Convention for 4-H'ers in the Lake Cumberland Area; and travels many miles each year—in her own area and in other parts of the state—to judge at 4-H Variety (talent) Shows and 4-H Fairs.

Stella has gone to 4–H camp with her county group every year but one since she has been a leader and feels camping is one of the best things 4–H offers children. She is one of her county's two representatives on the planning council for Lake Cumberland 4–H Center, the camping facility now being developed in that section of the state, and has been county chairman of the general fund-raising campaign for the Center—her county has already met its quota.

Despite her work as a storekeeper and assistant postmaster and her numerous 4–H activities, Stella finds time to be very active in her church—she serves on the Official Board; has been youth superintendent and is now an assistant teacher; has been a member of the Hospital Board for years; has been president of her county Homemakers organization, although she has now given up her Homemakers Club work to devote more time to 4–H and church youth; and, for 22 years, has helped with County Health Department clinics at the local schools. Last year, the Liberty and Casey County School Association presented her with a trophy for outstanding leadership, recognizing all her work with the county's youth.

"What I really like best about 4–H are the lasting friendships you make with 4–H'ers and adults from near and far," she says. Not only do 4–H'ers from her own county come to Stella as a friend as well as a leader, but those from other counties ask her advice, too. She has many 4–H friends throughout the state and still corresponds with three of the five International Farm Youth Exchanges to whom her family has been host. She values, too, the friendships made at regional and national events. As a result of her first trip to the Regional 4–H Leader forum, Stella was invited to represent Kentucky leaders at the Mississippi State Convention and was also introduced to the Mississippi legislature during her visit there.

Like 4–H members, Stella considers her trip to National 4–H Congress in Chicago the highlight of her "4–H career"—she was chosen by the state 4–H Leaders Council to represent them and accompany Kentucky's delegation in 1970. At this event, she was chosen to represent all the nation's 4–H leaders at the head table during the Ford Motor Company's Achievement Banquet.

UNILATERAL U.S. TROOP REDUCTIONS FROM EUROPE: WHAT IT MIGHT MEAN?

HON. DAVID C. TREEN

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 30, 1973

Mr. TREEN. Mr. Speaker, if during the debate of H.R. 9286, authorizing military appropriations for fiscal year 1974, we are to base our discussion of unilateral troop withdrawal on something more than utopian visions and chimerical expectations I think it is important that we consider this very complex issue from as many focal points as possible. I am, consequently, attaching some articles which I believe will serve to further this upcoming debate.

In a Newsweek article of June 25, 1973, M. Arnaud de Borchgrave points to some of the dangers facing the NATO partnership. Victor Zorza, in a commentary in Monitor, June 27, 1973, discusses the loss of U.S. credibility in Europe, as well as some of the fears being expressed by our European allies. West German Defense Minister, Helmut Schmidt, and British Defense Minister, Lord Carrington, in an interview with Vision also express the opinions of their respective governments with respect to European defense policy.

The articles follow:

[From Newsweek, June 25, 1973]

WESTERN EUROPE'S DRIFT TOWARD NEUTRALISM

(By Arnaud de Borchgrave)

Two weeks ago, NATO released an intelligence study of Soviet military strength in Eastern Europe—and the details were startling. In the past five years, Warsaw Pact armies have deployed 6,000 additional tanks (to increase their advantage to 4 to 1), and the number of Russian aircraft poised against Western Europe is up 50 per cent. But on the Belgium Radio news that night, these sensational disclosures were buried after a long story about a truck spilling a load of milk. Thus, when NATO Foreign Ministers gathered in Copenhagen last week for their spring meeting, they faced a twofold threat: a Soviet buildup that cannot be ignored, and a public that increasingly doesn't give a damn.

Indeed, Western Europe's attitude toward the Soviet Union can be paraphrased as: "Don't bother us with news that disturbs our vision of a new era in which defense is obsolete." Under the magic spell of "pan-European vistas," Western Europe is sliding toward neutralism. And in off-the-record talks in six capitals, I was told by key foreign and defense policy planners that they are powerless to reverse the drift. The press recently hailed as a Western "victory" at Helsinki the Russians' agreement on a European-security-conference agenda that included some noncommittal verbiage about "freer circulation of people, ideas and information." But much more significant than this victory was the deadlock in Vienna, where the Russians have dragged their feet on agreeing to a date for the start of talks on mutual and balanced force reductions. By procrastinating in Vienna but appearing reasonable in Helsinki, Moscow made sure that Western Europe would continue what amounts to unilateral disarmament.

The West European inclination to let down its guard has been encouraged by the mistaken notion—spread by Soviet diplomats on the cocktail circuit—that détente-minded doves in the U.S.S.R. have won a Kremlin showdown against expansion-minded hawks. Only a few experts realize or care that Soviet party chief Leonid Brezhnev won his arguments for a "new look" foreign policy by convincing his colleagues that it would be the most effective way to break up NATO and neutralize Western Europe. While Moscow has made an important shift in tactics, policy planners say the goals the Kremlin has pursued since the early 1950s are unchanged.

Hit Parade: For practical purposes, Moscow has achieved two of its four main geopolitical objectives: conventional military superiority in Europe over the U.S. and its allies, and recognition of Moscow's hold on Eastern Europe. Next on the Kremlin hit parade is the withdrawal of U.S. forces from Europe and the collapse of NATO. This, in the Kremlin scenario, is to come about as a result of internal pressures in the United States and growing European doubts about American reliability. Despite Secretary of State William Rogers's effort to reassure America's allies last week, many openly voiced fears of a "new Yalta"—a Nixon-Brezhnev deal behind NATO's back on troop cuts—which would leave Europe in the lurch. The fourth Kremlin goal—to put the productive capacity of the West to work for the Soviet Union—is also very much on track. An analysis of Brezhnev's recent visit to West Germany shows that the Russians certainly got the better of the economic bargain.

West German Chancellor Willy Brandt's preoccupation with Ostpolitik and the strengthening of Germany's economic ties with Russia, moreover, will delay and hinder the consolidation of the West European community. But the biggest obstacle to real European union remains France—whose concept of a united Europe is Paris thumbing its nose at the United States. What other European officials are saying about the French isn't fit to print in a family magazine. So in studied disunity, West European nations go on spending $28 billion a year on independent conventional forces that have little if any credibility. Budget and personnel problems grow more serious by the month. Denmark cuts back its armed forces and postpones modernization. Belgium further reduces compulsory military service, and West Germany's Second Army Corps drops to 42 per cent of combat strength.

The real problem for Mr. Nixon and the Europeans is that as long as Western Europe does not exist as a strong entity that can stand up to the Soviet Union, there is no substitute for American power. U.S. disengagement from Europe would be an open invitation to Russia to become the military supervisory power on the Continent—an intolerable shift in the world balance of power. But for the United States to continue playing its defensive role, the Europeans—with monetary reserves twice the size of America's—will have to contribute more. Despite vehement disclaimers from Paris, international monetary reform, the Nixon round of trade negotiations and the U.S. presence in Europe are inextricably linked.

Two months ago, the Nixon Administration asked Europe what sort of relationship it wanted with the United States over the next decade. Not only has there been no concerted European answer; unreconstructed Gaullists even objected to any discussion of the question. But in Copenhagen last week, France agreed to let NATO at least think about a new "conceptual framework" for the alliance. The one they come up with had better be good. For unless the Atlantic concept is revived and strengthened—based on today's realities and with the understanding and support of the people—protectionist, isolationist and neutralist forces will scuttle what's left of the partnership.

[From the Monitor, June 27, 1973]

EUROPE FEELS UNITED STATES-SOVIET SQUEEZE

(By Victor Zorza)

While Russian eyes were smiling at Mr. Nixon, there was a glint of steel in the looks the Kremlin was casting at Europe. Moscow is telling the Europeans that they had better accommodate themselves to the arrangement between the big two, or else they will be left out in the cold.

The Kremlin is not saying this openly, in formal diplomatic notes or even in its newspapers, but by hints and innuendo. While it has not had a bad word to say about the Nixon administration for many months past, it has reserved its harshest criticism for "aggressive NATO circles" in Europe which, it complains, want to slow down the rapid warming up in the relations between Washington and Moscow. What's more, the Kremlin is right.

When Secretary of State William Rogers arrived in Copenhagen for a NATO council meeting earlier this month, the fears of his European colleagues threatened to get out of hand. Mr. Rogers seems to have been taken by surprise, for he had to depart from the prepared text of his opening remarks to reassure them that the United States did not intend to make a big-power deal with the Kremlin at their expense. Even the French seemed mollified, and American officials congratulated themselves on how well they had handled an explosive situation.

But as soon as French Foreign Minister Michel Jobert returned to Paris he denounced "the temptations of the superpowers to settle through their discussions the division of world responsibilities." He deplored Europe's dependence on the U.S. for nuclear protection, and Washington's insistence that the Europeans must pay for this with trade concessions. He came close to saying that the U.S. was operating a nuclear protection racket, and that the agreements between Washington and Moscow might add to their own security while detracting from the security of Europe.

The French are no longer alone in their suspicions, although the other European leaders are less willing to speak as bluntly—or as honestly—to the Americans. U.S. officials can no longer rely on the European allies to say exactly what is on their mind. A reliable administration source concedes that there is an increasing uneasiness—all the more insidious for rarely being made explicit—that superpower diplomacy might "sacrifice the interests of traditional allies."

The remark was made by none other than Henry Kissinger. But his proposal that the U.S. and Europe should renegotiate the terms of the nuclear protection arrangement gave rise to even more suspicion. Europe, Dr. Kissinger suggested, should strengthen its conventional forces so that it should be able to manage without American nuclear weapons in the early stages of a conflict. This would, of course, also enable the U.S. to withdraw some of its own troops from Europe.

European governments are convinced that Mr. Nixon will order a troop withdrawal, though perhaps of only 10 percent to start with, for internal political reasons. Dr. Kissinger reassures them that the negotiations he proposes "are not a subterfuge to withdraw U.S. forces regardless of consequences," but they don't altogether believe this. They see the impending Vienna conference on European troops cuts as being designed, at least in part, to enable both the U.S. and the Soviet Union to withdraw some of their troops from Europe.

Partial withdrawal would be in the interest of both the U.S. and the Soviet Union, but it would still leave Europe in the shadow of Russia's massive conventional forces, though with a less rapid recourse to American nuclear help if the new arrangement proposed by Dr. Kissinger comes into being.

For the U.S., the slowing down of the nuclear response mechanism in Europe is part of the global arrangement with the Soviet Union designed to protect the two superpowers from being drawn into a mutually destructive conflict by the interests of their clients. When the White House and the Kremlin worked hard to achieve a stand-off of this kind in Vietnam and in the Middle East, Europe applauded their success. Now that Europe's own turn has come, as it was bound to, the Europeans complain.

But they have a remedy which was denied to the Vietnamese and the Arabs. They can put together an independent European nuclear deterrent, made up of British and French components. There are signs that this is being seriously considered. The formidable political obstacles which prevented this in the past could be rapidly swept aside by the growing European fear that the Americans are no longer to be trusted for protection, and that the Russians are poised to exploit Europe's feeling of insecurity for their own ends.

HELMUT SCHMIDT, WEST GERMAN DEFENSE MINISTER

Vision: To what extent and in what ways would closer integration of western European defence efforts be desirable in view of possible US troop reductions in Europe?

Helmut Schmidt: First of all, it has to be remembered that the question of withdrawing US forces stationed in Europe has been under discussion for years—especially within the United States. But in fact such withdrawals are not an item on the political agenda of the Washington administration. On the contrary, the US government has confirmed it will not reduce its troop levels in Europe so long as the other side does not take equivalent measures.

Irrespective of this, however, a closer integration of west European defence efforts is indeed desirable, and in the last two years we have made noteworthy progress in this direction. European cooperation in the security field is bound to give added strength to the European alliance. It cannot be a substitute for the presence of American troops in Europe, but it can lighten the US burden and make the European defence contribution more effective.

In the light of previous experience, practical results are more important than perfect institutions. One practical result is the "Eurogroup" of ministers—unfortunately at the moment without France—which can harmonise and coordinate defence policies. One example of a successful Eurogroup initiative was the setting up of the European Defence Intensification Programme (EDIP) for NATO, which is intended to make it easier for the Americans to maintain their presence in Europe. It could serve as a model for future European cooperation in the defence sector.

Naturally though, better European defence coordination in the future will depend on the speed of progress in the political unification of western Europe.

Vision: What would you consider the political and strategic value of a joint European arms procurement agency?

Schmidt: Such an agency—if it were set up—would, in my opinion, be more of political than strategic value. Military cooperation cannot set the pace for political unification, it must go hand in hand with it.

I do not mean that in formulating their security policy the members of the enlarged EEC should wait for any spectacular results which might be achieved in the next five or ten years on the way to political union. We can start studying now what kind of joint European security policy could be set up and how soon.

There are some flaws in present cooperation, which could possibly be corrected through a joint arms procurement agency. I think, for instance, that greater standardisation of arms and equipment can be achieved through more collaboration between the different national arms industries. Also, it is surely an anachronism in today's Europe and today's NATO to have vehicles and tanks from four NATO members stationed in the same NATO area, and using the same kind of fuel, but independently serviced by four separate supply lines.

Vision: Would it contribute to western Europe's security if a nuclear force were set up based on the existing French and British deterrents?

Schmidt: I have never thought much of attempts to complicate the economic and political unification of Europe by discussions on the usefulness of a common European nuclear force. In my opinion, such a nuclear force can only become a subject for discussion once European political unity is a reality. The process of economic and political unification alone already entails enough problems.

Once political unity has been achieved, Europe will certainly examine what new defence efforts are needed, in the light of the European and world security situation obtaining at the time. But nobody can say today what direction any new decisions might take.

LORD CARRINGTON, BRITISH DEFENCE MINISTER

Vision: Britain is insisting on the need for greater military cooperation among European countries. Is this necessary at a time of greater detente and when negotiations might start with the Warsaw Pact?

Lord Carrington: The British government is convinced that western Europe must assume a larger share of the responsibility for its own defence. The improved military capability which this implies can be achieved only by closer defence collaboration between the European members of NATO.

At a time when the Warsaw Pact's expenditure on defence is growing, while that of NATO countries is static or declining, there is no conflict between this essentially long-term policy and NATO's long standing aim of reducing tension between East and West. On the contrary, I believe that the prospects of achieving genuine detente and a reduction of East-West force levels depend ultimately on the Warsaw Pact powers being convinced that our determination to defend our territory and our ideals cannot be undermined either by pressures from without or erosion from within.

I do not deny that there are practical problems involved here but I am convinced of the validity of NATO's corporate belief that effective defence is the precondition of genuine detente.

Vision: There is no Europe without France, and France does not want to join NATO. Does this mean there is no chance of a compromise?

Carrington: Let us be quite clear that France is a member of the North Atlantic Alliance and has been ever since the North Atlantic Alliance Treaty was signed on April 4, 1949. The French decision of March 1966 involved withdrawal from the integrated military structure of NATO, not from the Alliance itself.

France is also a leading member of the European Communities which Britain now proposes to join, and already there is a very wide range of collaborative equipment projects (the Concorde and the Jaguar are only two examples) in which France and Britain are jointly involved. In fact we run more of these collaborative projects with the French than with any of our other allies.

The fact is therefore that the kind of compromise you mention already exists. There are the closest links between France and NATO and between France and individual members of NATO and my belief is that these will continue to be developed.

Vision: Many Europeans believe that a European initiative would accelerate an American pull back. Do you share this feeling?

Carrington: Certainly not. Leading members of the United States Administration (and in particular President Nixon himself) have made it very clear that their undertaking to maintain and if necessary improve the level of their forces in Europe is dependent on us Europeans making reciprocal efforts to improve our military capabilities. As I have said, practical measures of European collaboration may be the best way of achieving this improved capability.

No one doubts that the defence of western Europe is an important strategic requirement of the United States and to that extent their military presence here is self-interested. But it seems to me that unless the Western Europeans are seen to be taking their own defence seriously and making a fair contribution to achieving it, the US Administration would have the greatest difficulty in justifying their present European policy to their Congressional and other critics, and indeed might have to review the realism and the validity of that policy. However much the United States may wish to preserve the integrity of western Europe they can hardly hope to do so without the wholehearted commitment to it of the western Europeans themselves.

Vision: What will be the first steps in a renewed effort to increase European military cooperation?

Carrington: The first steps have already been taken. We are all members of NATO and work together to improve our military cohesion and capability through its network of committees and working parties. In addition there are numerous bilateral and trilateral contacts between the European nations, covering a wide range of activities from military staff talks to collaborative equipment projects. This year incidentally I am the chairman of the Eurogroup of defence ministers which has as one of its primary aims the encouragement of collaborative European defence efforts. And I am sure that that these endeavours will be given extra impetus and a new sense of urgency by the enlargement of the EEC.

It is the sum total of all these efforts rather than any spectacular new initiative which is most likely to bring about more effective European defence collaboration.

NATIONAL ASSOCIATION OF TRADE AND TECHNICAL SCHOOLS

HON. GERALD R. FORD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, July 30, 1973

Mr. GERALD R. FORD. Mr. Speaker, the trade and technical schools in this country are doing a very important job. The Congress should, I think, encourage them in the work they are doing. We can also, I believe, help them in that work by challenging them to do better. Recently Congressman JOHN DELLENBACK spoke to the National Association of Trade and Technical Schools. I believe Congressman DELLENBACK'S remarks should be shared with my colleagues. I therefore include them in the CONGRESSIONAL RECORD so that all may read them. Mr. DELLENBACK'S speech follows, preceded by a letter to the association from the President of the United States:

THE WHITE HOUSE,
Washington, June 6, 1973.

My warmest greetings go out to the delegates at this Ninth Annual Conference of the National Association of Trade and Technical Schools.

The complexities and challenges of modern living have placed new demands on this Nation's education system. With your high professional, ethical and qualitative standards, you are helping America meet these demands by helping students find a socially productive and personally rewarding life in the areas of trade and technology. Through the achievements of these individuals your members immeasurably advance the economic strength and vitality of our society.

I wish you a most successful and rewarding conference.

RICHARD NIXON.

NATTS ANNUAL CONFERENCE PRESENTATION BY HON. JOHN DELLENBACK

I do appreciate the chance to be here with you tonight. I was asked earlier today whether I would be sure to make a copy of my talk available, and I was reminded of one of the reasons why I've always been afraid of prepared talks—ones that had been written out for you, as I suspect happens too often, in Washington, by one's staff. You know, the story is told about a Senator, who at one time was in Washington, and he had a staff that he used regularly to write all his speeches. And he was really a terrible guy to work for. There was nothing much that a staff could do that was really pleasing to him, and no matter what they'd put out in the way of efforts, he'd always find something wrong.

And he was a very ambitious man, politically, and he really hoped that the Senate would not be his final resting place, so far as political office was concerned. Finally he had the forum that he was really looking for. It was to be before a large group of people, some 3,000 or so, personally present, and in addition to that, he was to be on nationwide radio and nationwide television, and he thought this was really the time for *the* speech.

And as was customary with him, he called his speech writer in and lashed into him, and first raked him up one side and down the other side, and tore him apart, and then finally told him that he wanted this speech, and he wanted a real speech that would set the people agog with being impressed what a great speech-maker he was, and he just lashed him and sent him out of the office.

Well he was due to go that night to the occasion, but the speech-writers somehow didn't quite have the speech ready for him, and he kept waiting for it, and he didn't get it and he didn't get it, and finally as he was just having to go, as he was starting out the door, the speech writer handed him the speech and said, "Here it is, Senator. You're on your way." And he didn't get a chance to read it in the car as he went, and he got up before the audience, and he started into the speech.

And it was really a pretty well done speech. He was really winding up, and he got to the stage where he was saying, "Now there are five particular points by which I have lived all my life. These five points have been engraved in my mind, and never will I forget them. They're the sort of thing that one should build his life upon. They're the sort of thing I've always built my life on. They're the sort of guiding principles by which this nation should live. They are—"

And he flipped the page, and there it said, "Get yourself out of this one, you S.O.B."

(Laughter and applause.)

So I've always made it a point to at least look down the pages, if anybody has ever written a speech. But as a matter of fact, that isn't—as you'll soon be aware—what I'm dealing with tonight.

I do appreciate the chance to share with you extemporaneously some of the things that I feel about this particular group, and about the broader sweep of type of education that you represent, and some of the Congressional involvement with education in general, and this particular part of education in particular.

You know, I think that basically, private vocational schools in the scheme of things, legislatively speaking, and I say this against six years in the state legislature where we dealt with educational problems, and now into the seventh year of dealing on a Congressional level with educational problems, that private vocational schools are still relatively little known.

Now there are advantages to this, and there are disadvantages to this, but I think that basically it's a thing that you've—in the past—been struggling with. For years, as we've legislated, we've tended to deal with the traditional higher education. We've dealt with four-year degree granting institutions. We've dealt with graduate study. We've dealt with all of the facets that go with traditional higher education, research, et cetera, et cetera.

But in my opinion, in the field of education, the hottest properties right now, and I'm talking from a legislator's standpoint, are probably community colleges. Now these are your cousins, really. These are the cousins, it seems to me, that have very real similarities to private proprietary, vocational, trade, technical, call it what you will. But to proprietary education, community college is a real cousin. There are areas where they've broken ground for you. And there are areas where, it seems to me, that you've broken ground for them.

Certainly it is that the Congress in the last several years, however, has broken out of the shell of dealing just with the traditional higher education. We've even gotten past the phase of just talking in terms of higher education. And we've substituted in the higher education amendments, or in the—technically, the Education Amendments of 1972, we've substituted the phrase "post-secondary" education in a series of places.

No longer are we going to be dealing with 2600-2700 institutions. I'm persuaded that from now on, to a very significant degree, the Congress when it legislates in this field, is going to be dealing with the—and you know the figure better than I, perhaps—it's tough to get a hold on what the figure is—but it's perhaps nine or ten thousand, or maybe even more, institutions, because if you get past the traditional "higher education" or 2600 or 2700, as close as we can get the figure, into the field that you occupy such a significant potential role in, a present and growing role in, you're dealing with many, many thousands.

Now, at the forefront of these, as best I can get the statistics, and I was reading Belitsky's book to try to add to my knowledge in this particular field. At the forefront we have the trade and technical schools. We have here something like 43 percent of the schools—I think his figures were, or 42 percent of the schools, and something like 53 percent of those who, at the time he was gathering his statistics, were involved in this particular field. I think that the Federal concern rises from a series of things.

It arises from an interest in diversity in education. It arises from a real desire to have access for students, which means—as we see the word in the Finance Committee, as we've been studying it—it means every person having the right to have available to him or her access to some post-secondary education for which he or she is qualified.

Now you see, there are lots of words in there that open the door wide for proprietary education. I think higher education is a part of that, but it's only a part of it. We are clearly in a situation where we want to be sure that young people have a choice, and when we went into a program like the basic opportunity grant program, we were reaching for a choice, not on the part of the institutions, to determine, any more than has been traditionally the case, whom they will have as their students, but a choice on the part of the students. So that a young person, or an older person, because when we talk post-secondary education—as you know—we're going way beyond the traditional high school graduate. We're talking about every individual having access, having choice, making the determination of where it is that he or she wants to go.

I think that we are getting away, finally, slowly, and it's awfully hard, from the social stereotype that if anybody has got it, if they're really well-qualified, they're going to go on and get a B.A. or a B.S. degree. They're going to go on to a four year institution. And only, somehow, if they don't really have it, if they're second class citizens, somehow, then do they go on to some kind of post-secondary education. This isn't the way it should be, and it is the way that it has been, in my mind, largely because parents—the social situation, has sort of ingrained this in young people. And when you talk to a young person, at least in years gone by, it's been a question if they really have done well in high school, the question has been where are you going on to get your further education? And it's been sort of expected that they will produce the name of some college or unversity, and that's what every well qualified young person has had as the ideal.

And I think that we're getting away from this. I think that we're getting away from the social stigma. We're getting away—and here it is, you see, that I say you and community colleges are cousins, because community colleges have helped to break down that stigma. Have helped to—by having first class education as we do with community colleges in my state of Oregon—we are having the ground broken so that young people can make a viable, understandable choice between alternative roads. Not between a first class education and a second class education, but between different *kinds* of education. And it's a thing in which you clearly also fit. Where you are the ones who are helping, as you move forward further and further, doing a better and better job, wtih the education to which you've devoted yourselves, you're helping break down that stigma. And I think that Congress sees this, and I think this is part of the reason we are having expanding federal concern in this particular area.

And as we break that barrier, and as we look at the modern society with its complexities and its needs, we're seeing that there's more and more need for good first class occupational education. The Congress is becoming aware of this. And I think as we become aware of this, we're going to find that legislation reflects that awareness.

Now I'm here today, and I got the invitation some months ago, because of the fact that I'm convinced as part of the law-making groups on the federal level, that this is an important, and steadily growing in its importance, segment of post-secondary education. And to have the chance to meet and talk with you, even briefly, was a significant move for me. I was glad to do it, as a reflection of what I feel is important in your group. And I'm here secondly because also one of the real frustrations you find in the Congress is that while you're expected to know everything that you ought to know, when you go to legislate, if you're honest with yourself, you know you don't. You know that we are the supreme generalists. We're supposed to hit the floor and vote on all sorts of legislation, authoritatively, not just maybe, but yes or no. On the ground that it's good legislation or bad legislation, which presupposes that we know what it's all about. And not only we know what that bill's all about, but we know what the facts are that underlie that bill, and we can make a sound determination of whether it's good or bad.

And I'm frank to admit to you that even though I've been a teacher, even though I've wrestled with education problems on my state legislative level, even though ever since I've been in the Congress I've been on the Education Committee, and have wrestled with problems now for going on seven years, I don't know everything I should know. I constantly run out of time to pick up all the information that I should have. And so the second reason I'm here today is to try to help add to the fund of information that I ought to have, if I'm going to legislate soundly.

And it was with this in mind that I asked that a chance be set up for me today to go out and see—not all of the schools in this area, although I wish there'd been time for that, but at least some of them. And so they picked out as representative schools three of the ones in the area, and I spent the afternoon doing that. And I'm grateful for having had a chance, to see the Bryman Schools, and I'm appreciative of Jay Olins making that possible and being with us. To see the Control Data Institute, and for Earl Burk helping with that. I'm grateful. And I then had a chance to see the Academy of Trades, and Tom Edwards and Pat Patterson were helpful in that. And I'm grateful.

Because here, having a chance to see these schools, I was impressed by a series of things. And they added to the impressions that I had before, about this kind of education that you represent. I was impressed by—and I could dwell at length on each one of these things, but let me just tick off some of them. I was impressed by relevancy, and that's a much overused word these days, and yet it's critically important. That education, if you're going to waste your time on it, or spend your time on it, if the student is going to invest his or her time and dollars, it must be relevant. It can't be just something esoteric that'll somehow leave them no worse off than when they started. But it must be relevant to what it is they're going to do.

I saw interest. As I looked around the classrooms that we had a chance to see, or around the shop where people were working, I was impressed by the fact that I say nobody looking bored. I saw nobody looking out the window, or dreaming and whiling away time. There was real demonstrated active interest in what each of these basically young, but some not so young people, were doing.

I saw what I thought was flexibility in the chance of not really being locked in, even when, in one of the schools, we were dealing with text that was printed, or at least a booklet of the general course content. It was a looseleaf book, subject to being changed. And I think that too often, in postsecondary education, people get locked in, and when the professor gives the same lecture he's given before and before and before and before, and the same notes can be used from the father's class when the son takes the class some years later. And even though that isn't true generally in higher education, I saw flexibility in this kind of education in which you're involved.

And I see what looked like alert teachers without tenure. Teachers who were pouring themselves into what they were doing, and were extemporizing in what they were doing. I see in schools like yours success, measured in the marketplace, instead of just in the halls of academia by old standards, or by some objective curricula of somehow if you do this well you get a 95, and if you do that well you do a 70, but really, not being tied to what you're going to do with it afterward. It seems to me your success has to be measured in the marketplace, in lots of ways. Whether you can place your graduates, whether you can make a profit in what you do, and if you can't place your graduates, you're not going to make a profit. And so in the very real sense there's a measurement in the marketplace.

I see relatively small classes, and I see what more and more looks to me like high quality. Now, I'm a member, as was pointed out by Cliff of the Commission for the Study of the Financing of Post-Secondary Education. And I was going to go into some length on that, but I won't. Out of kindness to you, and out of the fact that that plane will leave, whether I'm aboard it or not.

But I'd say only this about what the Commission's in the process of studying. Here we have a 17 member presidential Commission. There are two members of the House on it, John Brademas of Indiana and I. There are two members of the Senate on it, and the other 13 members were appointed by the President from all branches of the business community, of the banking community, of the educational community, and basically, I'm impressed by the Commission.

We're looking at, and one of our first decisions was, because the language of the statute is ambiguous on this. Were we to study higher education financing? Or were we to study post-secondary education financing? And we made this decision, as the first hard decision that we made in the Commission—hard, not in the sense of difficult to make, but hard in the sense of that's what we were going to build the study on—we decided we were there to study the financing of post-secondary education, and it's with this in mind that we're going forward with what we're doing.

We'll take another opportunity, or you'll have a chance to read it somewhere, as to how the Commission is functioning. We've been meeting at least once a month, generally twice a month, ever since the beginning of this year. We're due to have our job done by the end of December, so that we can get the report to the President, and to the Congress, to see if we can move forward with legislation in this field.

What is it that the Congress is doing at the present time? Well it isn't going to be any major authorizing legislation, in my opinion, this year. In the Education Amendments of 1972 we made some long strides. We created such a complex bill, that when it came to the Conference Committee on which I served, you know, when the House passes one version of a bill and the Senate passes another version, and they don't quite meet, you don't have a law. What you have is two different almost pieces of legislation under the same number, and you have to appoint Senate conferees and House Conferees.

We had, in the bills that had been passed, more than 270 points of difference. Not 270 points in the bills, but 270 points that the Senate felt one way about and the House felt anoher way about. It took us a conference of two and a half months to hammer out those differences, and we finally did. And out came the Education Amendments of 1972.

The next year or so, in my opinion, is going to very largely be spent digesting, in the educational community, what it is that's been done. We have here things like the basic opportunity grant programs, that really is going to be extremely important to schools like yours. And if you be not already familiar with it, you know that—at least all of you know that most likely that it deals with a concept of a grant—not to schools, but of a grant to those who would be educated.

And in a situation like that, where a young person, or an older person who qualifies for this kind of a grant, can decide where he or she is going to spend it. What it does to schools like you, which can compete in the marketplace, and we have covered with BOG proprietary institutions, and we've covered part time students for the first time in this kind of grant legislation.

And it makes it possible for you, as the program grows and is implemented with more and more dollars, to set up what quality you can, and you know, that when you move forward, and you get the student. Now it's nowhere nearly funded. It basically reaches for a proposed grant of $1400.00 a year. It's not nearly fully funded this year. But we're going to be digesting what's going to be happening with BOG, and what's going to happen with supplemental education opportunity grants, how we're going to move forward with college work study, what we're going to do with national direct student loans, et cetera. And much of the year is going to be spent with that.

We've got some major problems with student loans. Question how's the secondary market going to work. Can students pay back large loans over the time that's provided in the legislation? A major concern for you all.

What about the default rate with student loans? And whether or not you're all familiar with this, you should be familiar, that one of the black eyes that you carry in the Congress—and this has come up in several times in Committee as we've discussed the whole loan concept, and whether or not the loan legislation that the federal government passes really should be available to proprietary institutions and their students. And the statistic that they keep throwing back in the face of some of us who feel that you should be covered by these loan programs, is that about three-quarters of the defaults today have been with loans to students attending proprietary institutions. I'm not arguing the point. I'm not arguing the justifications, or the reasons why. I'm merely saying to you, be alert to it, because that's one of the problems that exists at the present time so far as future legislation is concerned.

I think that another thing that's going to happen in these couple of years that lie immediately ahead is hopefully we're going to be able to launch, into real active being, the so-called 1202 commissions. May mean nothing to you. But what we provided for in the legislation was that there be state planning for education within the borders of each individual state, that each state should set up a commission to do this planning, and we provided that in that planning, there should not be representation just of traditional higher education. We provided that there should be representation of the broad sweep of post-secondary education, including again, proprietary schools. Because we feel that you should be cranked into this process, and you shouldn't be treated over here, when the rest of it is done over there.

A couple of brief comments, on where I think legislation—so far as appropriations, is going to go. This year, the appropriations committee stayed with the older programs. And I'm thinking now particularly about student aid, because that's probably the section of this type of financing that comes closest to fitting into your area of particular concentrated interest. And remember what we're talking about with the old programs were the national defense, now called the national direct student loans. The college work study, and what was the old education opportunity grants.

Now you all didn't care about the educational opportunity grants. You did care about college work study, and about national direct student loans, because your students were eligible for those. We, in addition to going forward with those two programs, and going forward with the educational opportunity grants, and creating the BOG, the Basic Opportunity Grants, we made those two additional programs also, covered by proprietary schools. Or students at your schools covered by them. So all four of them are basically now within your purview, the things that you're interested in. We move forward with financing, and the figures happen to be—for College Work Study, we appropriated $270 million, plus. For Direct Student Loans we appropriated $293 million. For Educational Opportunity Grants, $210 million. And then we began the basic opportunity grant with $122 million. So that the total appropriations in these fields are $895 million plus.

With proprietary schools involved all the way across the board.

Now what are we going to do in the 1974 appropriations? Nobody knows yet. The Appropriations Committee has been meeting on this, it hasn't yet finalized it. My own guess would be this. That we're going to look very hard at BOG to see how it works, and going to see how it works with schools like yours. We haven't had any experience with it yet, and my guess is that instead of making major changes in appropriation levels, we will probably go forward with the same level of college work study, we will go forward with the same level of national defense student loans, or national direct student loans, my guess is we will also go forward with the same level of supplemental educational opportunity grants.

But in this BOG program, the Basic Educational Opportunity Grant Program, because we're going to stay with the President's budget of $959 million, instead of $622 million for just this particular area of aid, probably the BOG program will go from $122 million, up to about $450 million. Which means a very considerable additional help for those students moving forward into this field.

It's going to be difficult. It's going to be difficult to make it work. We're probably going to have to limit it as we did this year. We limited it to first year students. Next year, because there isn't enough money there to fully fund it, we're probably going to limit it to first and second year students, would be my guess.

What about the task for private profit-seeking schools like yourselves? Seems to me that you've got at least five tasks. You've got the one of the gathering of more complete information about yourselves. We don't have that. And it's tough to get it from you. I think that some of you don't have it yourselves. Your associations don't have all they should have. I think you *must* gather that data, or else we're not going to be able to soundly build legislation on it.

Secondly, keep your standards high. You're going to be under pressures. There are going to be challenges to the accreditation process, in my opinion. We've cranked it into the legislation that accreditation is significant as to whether students will be able to get aid. I urge you to keep your standards high. Don't let them fold as there will be pressure to make them fold.

Thirdly, you've got to help lower that default rate that I talked about a minute ago. Fourthly, I would urge you to improve the mixing with the rest of post-secondary education. Things like the 1202 Commissions. I urge you not to be defensive, and the name of the association will remain anonymous, but I was deeply disturbed at one time, when before a Congressional Opinion Committee, and it was not your association that was involved, a representative of an association appeared to testify, and I was impressed all the way through that the testimony was defensive, instead of saying what it is you do. And what it is you do so very well. And there's much that you do, and do well. It was always attacking the rest of higher education, for the reasons that *they* didn't do this well, and *they* didn't do that well.

And in my mind, about 85 percent of the potential testimony was wasted, because it was attacking the foe—if there be a foe—and defensive, instead of telling your story. I would urge you *not* to be defensive. You'll have attacks on you, but you've got to mix, you've got to have a closer relationship with the rest of post-secondary education.

And lastly, I would urge you to stay flexible. Don't ossify too quickly. You're part of the cutting edge, right now. You're moving into the area, and it's a mixed blessing area, where you're no longer unknown. Where your role is going to be accepted more and more by legislatures, and by legislators. And there will be a tendency, as you move into this, to stop being the cutting edge, and become bureaucratic, and get to be ossified. I would urge you as much as you can not to do that. Stay flexible, because part of your promise, part of your great contribution, lies in that.

In my opinion, America's need for post-secondary education—is growing. Not declining. But it's also changing. The total need is different from the need within a given sector. The total need is growing, and the total need is changing. In the combination of that need, and that change, lies what seems to me like the combined challenge and opportunity for you and your schools and your sister schools, that are like unto you in other fields.

I am more optimistic than ever, after what I've been today, and what I've had a chance to hear today, and what I've had a chance to read today, that you are going to look at that need and that change, you're going to see it—not just as a challenge, but as a giant opportunity. And that you're going to rise to the occasion.

It's a real pleasure to have been here with you. I apologize for having to leave and not stay for the rest of the program, but it's been a very real pleasure. Thanks so much.

THE RETIREMENT INCOME SECURITY FOR EMPLOYEES ACT OF 1973

HON. JEROME R. WALDIE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 30, 1973

Mr. WALDIE. Mr. Speaker, today I am introducing the Retirement Income Security For Employees Act of 1973. This bill is identical to S. 4 of the 93d Congress and is intended to rectify the unconscionable situation that affects millions of retirement-age Americans by revitalizing our Nation's organization of private pension plans.

In the past, studies have shown that these pension benefit plans have failed time after time in fulfilling their promise of retirement security, a circumstance mainly attributable to the corruption of a few and the mismanagement of many others. When a worker loses his pension, he is losing the single largest asset, other than social security, that he has built up after a lifetime of labor. If we now fail to provide meaningful reform to strengthen the income security for America's workers, the heartbreaking stories of unrealized hopes and dreams, of broken promises, and of the utter despair of old-age destitution will continue to belie the proposition that ours is a land of opportunity.

Private pension plans have undergone enormous expansion since the last world war, and today comprises the greatest fund of practically unmanaged assets in the United States. Presently, nearly half of the Nation's labor force, almost 35 million workers, are covered by 34,000 pension plans operating in this country. Yet, many of these employees will never harvest the fruits of their labor because they will be victimized by the loopholes through which employers may now slip. Millions of workers continue to lose their pensions because they change jobs, because their jobs are closed down, because the companies for which they work are sold or go bankrupt, because their employers are negligent in their promised payments, or because the operations of their employers are moved to other communities. The necessity for dealing with this issue must be considered one of the most pressing of our day.

Through the evidence of past failures and the testimony of contemporary experts, it is indeed apparent that any legislation upon which we are to act must meet certain minimum standards in a wide range of areas in need of Federal regulation and that only a comprehensive bill, such as the one which I am introducing, will accomplish such a purpose. The aspects of vesting, funding, fiduciary and disclosure requirements, plan termination insurance, and an experimental and voluntary portability program are those most deserving of attention and it is to these areas that my bill is addressed.

Mr. Speaker, under the provisions of this bill, the act would cover all pension and profit-sharing plans except those of Federal, State, and local governments, religious organizations, and those with 25 or fewer participants. It would impose minimum vesting requirements in pension plans whereby employees, after 8 years of service, would be entitled to a vested, nonforfeitable right to 30 percent of their accrued pension benefits, and, thereafter, each year would acquire an additional 10 percent to such right until, at the end of 15 years' service, they would be entitled to 100 percent vested benefits. It would establish minimum funding requirements for pension plans to assure that all unfunded pension liabilities of the plan will be funded over a 30-year period. It would establish a voluntary program for portability of pension credits through a central fund, whereby employees of participating employers may transfer vested credits from one employer to another upon change of employment.

In addition, a plan termination insurance program would be established to guarantee that vested pension credits of employers will be paid upon termination of a pension plan when there are not sufficient assets to pay the workers' vested benefits. The bill prescribes new stringent rules of conduct required for trustees and fiduciaries administering employee benefit funds, and prohibits conflicts of interest and various specific practices to prevent actual or potential misuse of such funds. It requires additional and comprehensive disclosure of vital data in reports to be filed with the Federal Government, and understandable explanations to workers of their rights and obligations under their pension plans.

The bill makes it unlawful for any person to discharge, suspend, expel, fine, discipline or discriminate against participants in order to interfere with their rights under the plan or the act or for the purpose of preventing the attainment of their rights under the plan or the act. And finally, it establishes Federal jurisdiction and adequate remedies to both the Government and individual worker for judicial and administrative enforcement of the bill's provisions, including recovery of pension benefits due.

For too long, the laborers of America have been driven to shock and despair by the failure of pension plans to assure some measure of security for the years of their retirement. For too long, the benefits for which they have worked have been abused by insufficiency or deception. For too long, 35 million Americans have been forced to wait for legislation that would seek to remedy the defects in the system of pension plans and provide the retirement security that is rightfully theirs.

Mr. Speaker, as an individual whose greatest personal financial asset, other than a home, is my pension fund payments, I realize the disaster that would await me and my family if my pension program were inadequate. Happily, Members of the House of Representatives, as all Federal employees, have a sound retirement system. I think that we can do no less for all Americans, and I think enactment of my bill will move toward that goal.

AID ASSISTANCE

HON. PARREN J. MITCHELL

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 26, 1973

Mr. MITCHELL of Maryland. Mr. Speaker, the House has considered H.R. 9360, the Mutual Development and Cooperation Act, which admirably intends to—

> Focus bilateral development assistance on acute problem areas and encourage the developing countries to allow the poorest people to participate more effectively in the development process.

To those of us who are friends of Africa, this would seem to signal a long-awaited end to the dismal current American performance; that performance being $2.7 billion of AID loans and grants that have been allocated for Africa in the past. Since World War II, the United States has given Africa only 2 percent of its total economic and military aid to developed and developing nations. During that time, we have assisted more than 100 developing countries, 40 of which reside in Africa. The population of those developing countries that have received U.S. assistance is estimated—1972—to be around 1,763 million. The developing nations in Africa contain 18.5 percent of the population of the developing world which has received American assistance. But Africa has never received over 12.5 percent of the AID budget for development loans and grants. In fact in this budget, as in past ones since 1964, Africa will receive about one-third of what should be its proper share.

Other figures reveal that Africa is not given fair treatment in AID assistance. The 25 Latin American countries which have received aid have a population of about 296 million compared with 326 million for the aid-receiving African nations. However, Latin America, by the end of fiscal year 1973, had received $6.2 billion support from AID compared with Africa's $2.9 billion. This year's breakdown is outlined in the following manner:

Asia, fiscal year 1973, $474.6 million; proposed fiscal year 1974, $457.8 million.

Latin America, fiscal year 1973, $315.1 million; proposed fiscal year 1974, $274.7 million.

Africa, fiscal year 1973, $162.2 million; proposed fiscal year 1974, $159.7 million.

This inequity in the distribution of AID assistance becomes more appalling when one considers that of the 25 nations that the United Nations has defined as "least developed," 16 are in Africa, while 1 is in Latin America. If our new assistance program aims at helping poor developing nations, these figures reveal a blatant contradiction of that purpose.

Specific instances of this inequity can be noted by contrasting AID program projection for various nations around the world. Afghanistan, for example, which has a population of 18 million would receive an allotment of $17.8 million, while Zaire, which has a greater population of 18.7 million would receive only $7.1 million. The Yemen Arab Republic, with a population one-third that of Zaire's, would receive $7.2 million. Contrast the Dominican Republic which has a population of only 4.9 million and yet would receive $10.8 million with Sudan which has a population of 16.7 million and would receive only $5.4 million. Tanzania, with a population almost seven times that of Paraguay, receives less money than that nation.

Opponents of foreign aid may argue that this money is simply being given away to Africa as a noble cause. Actually, the situation is quite different. For instance, consider the economic benefits we derive from Africa. In 1971—the most recent data available—American firms had investments in Africa of about $2.8 billion—excluding South Africa. They earned $557 million from these investments. In 1972, the AID program for Africa was $175 million, which amounts to less than half the profits American businessmen made the year before. And of that $175 million given to Africa, $104 million was to be repaid to the United States in future years. It is clear that our economic relationship with Africa is very favorable to the United States. In a way, Africa really aids the United States, rather than vice-versa.

The point I am making is simply that to discuss this bill as a legitimate, serious attempt by this Congress to restructure the AID program so as to help the poorer nations of the world without giving a substantial increase to developmental aid to Africa is not only short-sighted, but rather, it reflects an out right, overt racism on our part.

THE SOCIAL SECURITY DILEMMA OF THE BLIND

HON. WAYNE OWENS

OF UTAH

IN THE HOUSE OF REPRESENTATIVES

Monday, July 30, 1973

Mr. OWENS. Mr. Speaker, to have the sense of sight, and then to lose it, is surely one of the saddest tragedies which can befall an individual. Yet in most cases, the misfortune does not end there. Society views the blind person as handicapped. He is looked upon as being unable to meet the demands and requirements of the average job. Thus, the individual finds his loss double; he is deprived first of sight, and then of employment.

Several weeks ago, I received a very special letter from Mrs. Norma N. Spencer, president of the Utah State Association of the Blind. In her letter, she notes the sorry personal and economic predicament the newly blind person finds himself in. She points out that one of the most difficult problems he faces is his present coverage under social security.

Under existing social security law, only subsistence level income is provided for the blind person who has worked for at least 20 quarters in social security covered work. Benefits can be cut off if the individual is employed and earns as little as $140 per month.

There is a pressing need for legislation to remedy this situation. One such piece of legislation is H.R. 6554, the "disability insurance for the blind" bill, introduced by Congressman BURKE, and cosponsored by Congressman MILLS. This bill would allow for qualification for disability benefits to persons who are legally blind and who have worked for six quarters in social security covered jobs. It also provides for benefits to continue, without respect to earnings, for as long as blindness lasts.

At this point, I am including the text of Mrs. Spencer's letter, as well as the Burke bill. While the Committee on Ways and Means has yet to hold hearings on this and related legislation, I urge my colleagues to study it and consider its merits. We must not allow legislative shortcomings to further hinder those already set back by physical handicaps.

UTAH STATE ASSOCIATION OF THE BLIND,
June 20, 1973.

Congressman WAYNE OWENS,
Longworth House Office Building,
Washington, D.C.

DEAR CONGRESSMAN OWENS: Thank you so much for your telegram of acknowledgment of my telegram concerning S7, the over-riding veto Rehabilitation bill. Even though the bill did not make it, we sincerely appreciated your efforts in our behalf.

Now I have another matter which I would like to bring to your attention. And that is House Resolution 6554, which is a Social Security amendment which the National Federation of the Blind has been seeking to have passed for many years. We are an affiliate of NFB. They refer to the bill as: "the Disability Insurance for the Blind" bill. At our state convention last month a resolution was passed to support the bill.

Are you familiar with this bill? I am enclosing a copy of the "Fact Sheet" concerning NFB views on the bill. In accordance with our resolution, we also favor these views.

As a rehabilitation teacher for the blind, I see many pathetic cases which I feel could be improved with the passage of the bill. I can think of two cases in particular within walking distance of down-town Salt Lake City. The living conditions, in each instance, are deplorable. The housing situation in both consists of an old, run-down shack, with only the bare essentials inside. I realize that there are thousands upon thousands of people in the general population who live in dire poverty. But to me, blind persons seem so much more vulnerable that it makes it all the more tragic.

Another aspect of the economic problems of the blind (and one which perturbs me deeply) is what I would call: "the Social Security dilemma."

The questions confronting the blind individual in this instance are: should he play it safe, sitting at home in his rocker, without a job, effortlessly collecting his Social Security check each month?

Or instead, should he seek employment and possibly earn too much money to keep his Social Security standing? And furthermore, hypothetically, possibly risk failing at a job and losing it and then not qualify for reinstatement under Social Security.

The fear of this final possibility is enough to deter many capable blind persons from even accepting employment, let alone seeking it.

With the tremendous adjustment which accompanies the transmitter experience of losing vision, comes with it, as a usual intregal facet, fear, loss of self-confidence and self-esteem. All too often the newly-blinded individual is not willing to assume the risk of losing his only means of financial security.

I believe that passage of the "Disability Insurance" bill may help to provide an incentive for those people by removing the threat of no income should they try at a job and fail.

In this way, instead of making blind people more dependent, it could make them more free. It could likely create a situation where a substantially higher rate of blind persons (proportionately) would enter the work force. Thus not only helping themselves, individually, but obtaining personal gratification through the dignity of achieving success, but also, in the process, help society as a whole.

Will you please obtain a copy of this bill and study it? Then, on its merits, decide if you could co-sponsor it?

We would be so grateful for your support. We feel that it is vitally important to the blind.

Thank you so much for your previous support, and we hope that you will continue to support our endeavors.

Sincerely,
Mrs. NORMA N. SPENCER,
President.

H.R. 6554

A bill to amend title II of the Social Security Act so as to liberalize the conditions governing eligibility of blind persons to receive disability insurance benefits thereunder

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 214(a) of the Social Security Act is amended by adding "or" after the semicolon at the end of paragraph (3), and by inserting after paragraph (3) the following new paragraph:

"(4) in the case of an individual who has died and who was entitled to a benefit under section 223 for the month before the month in which he died, 6 quarters of coverage;".

(b) Section 215(b)(1) of such Act is

amended by striking out "shall be the quotient" and inserting in lieu thereof "shall (except as provided in paragraph (5)) be the quotient".

(c) Section 215(b) of such Act is further amended by adding at the end thereof the following new paragraph:

"(5) In the case of an individual who is blind (within the meaning of 'blindness' as defined in section 216(i)(1)), such individual's average monthly wage shall be the quotient obtained by dividing (A) the total of his wages paid in, and self-employment income credited to, all of the calendar quarters which are quarters of coverage (as defined in section 213) and which fall within the period after 1950 and prior to the year specified in clause (i) or clause (ii) of paragraph (2)(C), by (B) the number of months in such quarters; except that any such individual who is fully insured (without regard to section 214(a)(4)) shall have his average monthly wage computed under this subsection without regard to this paragraph if such computation results in a larger primary insurance amount."

(d) Section 216(i)(3) of such Act is amended to read as follows:

"(3) The requirements referred to in clauses (i) and (ii) of paragraph (2)(C) are satisfied by an individual with respect to any quarter only if—

"(A) he would have been a fully insured individual (as defined in section 214) had he attained age 62 and filed application for benefits under section 202(a) on the first day of such quarter, and (i) he had not less than 20 quarters of coverage during the 40-quarter period which ends with such quarter, or (ii) if such quarter ends before he attains (or would attain) age 31, not less than one-half (and not less than 6) of the quarters during the period ending with such quarter and beginning after he attained the age of 21 were quarters of coverage, or (if the number of quarters in such period is less than 12) not less than 6 of the quarters in the 12-quarter period ending with such quarter were quarters of coverage; or

"(B) he is blind (within the meaning of 'blindness' as defined in paragraph (1) of this subsection) and has not less than 6 quarters of coverage in the period which ends with such quarter.

For purposes of clauses (i) and (ii) of subparagraph (A) of this paragraph, when the number of quarters in any period is an odd number, such number shall be reduced by one, and a quarter shall not be counted as part of any period if any part of such quarter was included in a prior period of disability unless such quarter was a quarter of coverage."

(e) The first sentence of section 222(b)(1) of such Act is amended by inserting "(other than such an individual whose disability is blindness, as defined in section 216(i)(1))" after "an individual entitled to disability insurance benefits".

(f) Section 233 (a)(1) of such Act is amended—

(1) by striking out the comma at the end of subparagraph 'B) and inserting in lieu thereof "or is blind (within the meaning of 'blindness' as defined in section 216(i)(1)),";

(2) by striking out "the month in which he attains age 65" and inserting in lieu thereof "in the case of any individual other than an individual whose disability is blindness (as defined in section 216(i)(1)), the month in which he attains age 65"; and

(3) by striking out the second sentence.

(g) Section 223(c)(1) of such Act is amended to read as follows:

"(1) An individual shall be insured for disability insurance benefits in any month if—

"(A) he would have been a fully insured individual (as defined in section 214) had he attained age 62 and filed application for benefits under section 202(a) on the first day of such month, and (i) he had not less than 20 quarters of coverage during the 40-quarter period which ends with the quarter in which such month occurred, or (ii) if such month ends before the quarter in which he attains (or would attain) age 31, not less than one-half (and not less than 6) of the quarters during the period ending with the quarter in which such month occurred and beginning after he attained the age of 21 were quarters of coverage, or (if the number of quarters in such period is less than 12) not less than 6 of the quarters in the 12-quarter period ending with such quarter were quarters of coverage, or

"(B) he is blind (within the meaning of 'blindness' as defined in section 216(i)(1)) and has not less than 6 quarters of coverage in the period which ends with the quarter in which such month occurs.

For purposes of clauses (i) and (ii) of subparagraph (A) of this paragraph, when the numbers of quarters in any period is an odd number, such number shall be reduced by one, and a quarter shall not be counted as part of any period if any part of such quarter was included in a period of disability unless such quarter was a quarter of coverage."

(h) Section 223(d)(1)(B) of such Act is amended to read as follows:

"(B) blindness (as defined in section 216 (i)(1))."

(i) The second sentence of section 223(d) (4) of such Act is amended by inserting "(other than an individual whose disability is blindness, as defined in section 216(i)(1))" immediately after "individual".

SEC. 2. In the case of an insured individual who is under a disability as defined in section 223(d)(1)(B) of the Social Security Act, who is entitled to monthly insurance benefits under section 202(a) or 223 of such Act for a month after the month in which this Act is enacted, and who applies for a recomputation of his disability insurance benefit or for a disability insurance benefit (if he is entitled under such section 202(a)) in or after the month in which this Act is enacted, the Secretary shall, notwithstanding the provisions of section 215(f)(1) of such Act, make a recomputation of such benefit if such recomputation results in a higher primary insurance amount.

SEC. 3. The amendments made by this Act shall apply only with respect to monthly benefits under title II of the Social Security Act for and after the second month following the month in which this Act is enacted.

A RESPONSE TO THE MOBIL OIL CORP.

HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 30, 1973

Mr. BROWN of California. Mr. Speaker, during the week of July 9 of this year an "open letter" to Congressmen on the gasoline shortage, written by the Mobil Oil Corp., appeared in hometown newspapers of Congressmen throughout the country. Although it purports to give the complete facts of the situation, it falls considerably short of this goal. The explanation of the shortage and the proposed remedies included in the ad are self-serving and inadequate.

Today I am submitting the following detailed response to the charges Mobil has made:

A RESPONSE TO THE MOBIL OIL CORP.

(By George E. Brown, Jr.)

Mobil Oil Corporation recently placed an "open letter" to Congressmen on the gasoline shortage in hometown newspapers of members of the House of Representatives. Individual corporations like Mobil have spent millions of dollars on such advertisements. Similar propaganda efforts have been fostered by the American Petroleum Institute and the American Gas Association, two trade organizations who alone spent $12 million on three recent energy campaigns.

Mobil tries to "set the record straight" on the gasoline shortage. Although their intention is not to get into "a posture of charges and counter-charges," more commonly known as free and open debate, I feel compelled to respond to their arguments and their recitation of so-called facts. I also suggest that if Mobil Oil Corporation and the petroleum industry were really serious about finding solutions to the energy crisis, they would take the millions of dollars they are now spending on misinforming the American public and spend it on research and development efforts.

Mobil's first point is that "Gasoline production is at an all-time high." More specifically they say:

"When they hear the word 'shortage,' many people think the industry must be supplying less than before. Far from it.

"The U.S. oil industry is making more gasoline than ever—5% more than last year."

In the first place, the fact that Mobil Oil Corporation and the oil industry is "making" (i.e. producing and refining) more gasoline than ever in no way means that the industry is "supplying" (i.e. transporting and marketing) that gasoline. So the fact that gasoline production is at an all-time high proves very little; indeed, gasoline production has frequently been at an all-time high over the past few years.

In the second place, when I hear the word shortage I do not necessarily think that the industry is supplying "less than before," rather I think that the industry must be supplying less than they could be supplying. And the facts substantiate this view of the shortage. New York state's antitrust chief, Assistant Attorney General Charles A. La Torella, recently cited figures that cast doubt on the authenticity of the shortage. He pointed out that as of June 1, gasoline reserves totaled 202.5 million barrels. But he said that last year, when no "crisis" existed, stocks were 1.6 million to 9.6 million barrels less.

The Office of Oil and Gas in the U.S. Department of Interior publishes a biweekly report entitled "Summary of Current Petroleum Industry Operations." The July 13, 1973 report concluded that gasoline stocks are now 2 million barrels above last year, that normally there should be a strong downward movement in gasoline stocks at this season of the year, but that instead the opposite has occurred. The Office reported that in early April gasoline inventories were 24 million barrels below the previous April, and now we have a surplus. These statistics indicate that the short-term gasoline shortage is probably phony and that the industry must be supplying less than they could be.

But there is additional evidence that the oil industry has been underproducing. Last fall oil refineries were running at 85 per cent capacity and even at lower capacity while the oil industry assured the country that there would be no shortages in the winter months. Mobil Oil Corporation was making these same assurances. For example, an Office of Emergency Preparedness memorandum of a telephone conversation with Mobil Oil, May 26, 1972, states:

"Mobil expects to have adequate supplies and transportation to meet the Number 2 oil requirements of its own customers during the 1972–1973 heating season."

Yet shortages were soon to follow. Thus the short-term gasoline shortages can be best explained by oil industry failure to produce and supply what they were capable of.

Mobil's second "fact" is that "Political decisions have produced the shortage." Mobil asserts that seven factors, "all essentially resulting from political decisions," have produced today's so-called shortage. These factors are Mobil's full explanation of the crisis. I disagree with Mobil and the oil industry in their explanation on two major counts: first, some of their reasons for the shortage are incorrect and second their explanation as a whole is incredibly inadequate and ignores the prime causes of the problem.

First let me briefly examine what Mobil Oil does say to explain the crisis. One factor they cite is that the "United States is short of refining capacity." This observation seems to be accurate, but Mobil's explanation of why this is so isn't. One recent Mobil ad answers the question of why oil companies haven't built more refineries by saying "Mainly environmental and financial constraints . . . have effectively kept oil companies from obtaining satisfactory sites for new refineries." This argument is repeated in the open letter when Mobil talks about "environmental constraints."

I immediately wonder why Mobil could not simply add new capacity to existing refineries. But beyond that, the notion that anti-pollution controls have stopped the building of refineries does not look convincing in light of recent actions by the oil industry. For example, since President Nixon's Energy Policy speech at least eight oil companies are expanding or building new refineries to increase the nation's capacity by 10% or 1.5 million barrels per day. Exxon announced a $400 million expansion. These activities coincide with present environmental standards which are the strictest ever in recent history. Clearly these standards have been no block to attempts to build or expand these refineries. I am at a loss to explain why the environmental standards are no longer a stumbling block unless, of course, they never were.

And advertising claims to the contrary, oil companies have had little trouble in the late '60's in overriding environmental concerns when they wanted to. Mobil itself built a plant in Joliet, Illinois. Mobil's explanation is obviously deficient.

The most reasonable explanation for the shortage of refinery capacity is not given by Mobil or the oil industry. It is oil company self-protection. In a recent issue of the highly respected *New York Review of Books*, Emma Rothschild explained:

"They (oil companies) have been unwilling to build new refineries because they experienced excess capacity after a building splurge in the 1960's, which in a classic example of business overshoot, stimulated attempts to create more demand: campaigns to 'Discover America' by buying more gasoline, the selling of excess gasoline at discount prices to the same independent retailers whom major suppliers are now attempting to crush."

I think this is a far more plausible explanation of the present refinery shortage: to blame the problem on "environmental concerns" is an insult to all of those who have sought an acceptable energy-environment balance.

Many of the other factors given by Mobil are insufficient to explain the short-term gasoline shortage. To say that today's shortage is caused by the failure to construct a pipeline in Alaska ignores two important facts. First, even if a pipeline had been built already, it would hardly now be pumping sufficient oil to solve the shortage Mobil says already exists. In addition, recent estimates indicate that by 1980 Alaskan oil will supply less than a tenth of U.S. oil demand. This is hardly the panacea to our present problems.

Oil companies are also on weak ground when they try to explain shortages by pointing to the fact that two of the major oil-exporting countries in the Middle East and North Africa have reduced crude oil production. Though these sources of oil will undoubtedly become more significant in the future, they can't explain present shortages. For in 1973, according to predictions in a "fact sheet" that accompanied the President's energy message, less than 14% of oil used in the United States will be imported from the entire Eastern Hemisphere. It is hard to fathom an explanation which tries to explain the apparent shortage on minor fluctuations in supply from only two of the many countries we get oil from in the Eastern Hemisphere.

The thrust of one argument Mobil makes about the causes of the energy crisis is less disputable. Mobil says that government regulatory policies have contributed to the problem. I agree. The oil import quota policies, for example, have limited imports of refined gasoline to practically zero. But of government policies Mobil claims "oil companies had no control." However, oil companies have consistently lobbied for such quotas and thus are partially at fault in this regard.

Regulatory policies of the Federal Power Commission have also contributed to the present problem. In the past I have often attacked these policies mainly because of their industry orientation.

But above all, Mobil Oil Corporation can be faulted for what they fail to say in their explanation for the gasoline shortage. All of the reasons they give are a well designed subterfuge which ignores the most important cause of the crisis: the structure and performance of the oil industry itself. A recent staff report of the Federal Trade Commission, part of the culmination of an almost two year study, presented conclusions which bear directly on this point.

The report says that the "major firms, which consistently appear to cooperate rather than compete in all phases of their operation, have behaved in a similar fashion as would a classical monopolist: they have attempted to increase profits by restricting output." The report presents detailed analysis of anti-competitive practices by the nation's largest oil companies which have helped cause the shortage of gasoline. And the six reasons it gives for the gasoline shortage are markedly distinct from those given by the oil industry.

Federal investigators are not the only ones to support a different explanation for the energy crisis. For example, Florida Attorney General Robert L. Shevin filed a 68-page suit in federal court July 9 against 15 major oil companies for federal antitrust violations. He declared that the gas shortage is a result of anti-competitive practices manipulated by the major oil companies to protect their profits. Similar statements have emanated from top law-enforcement officers in at least five other states.

As I testified before the Antitrust and Monopoly Subcommittee of the Senate Judiciary Committee on June 26, a great deal of the responsibility for our present energy shortage is that gas producers are holding gas off the market in order to get more profits by selling it later. S. David Freeman, Director of the Ford Foundation's Energy Policy Project and former White House Adviser, put the issue in clear terms when he warned

"The 'energy crisis' could well serve as a smoke screen for a massive exercise in picking the pockets of the American consumer to the tune of billions of dollars a year."

The major oil companies are compounding the fuel shortage by using shortages they helped create to drive out their competition. Although Mobil denies this charge in their letter, the facts are quite clear. As the Federal Trade Commission report concluded:

"A final cause of the shortage is the fact that efforts by the majors to squeeze the independents' market share have kept retail gasoline prices from responding to excessive demand . . . the majors have used the shortage as an occasion to attempt to debilitate, if not eradicate, the independent marketing sector. They are doing this not by lowering prices in those areas where they compete with independents but simply by not permitting their prices to rise."

The result of major oil company actions has been that over 1,200 independent stations had been forced to close by May 30. Such stations have continued to close at the rate of about 200 a week. These consequences of actions by major companies are serious; they are further evidence that the structure and performance of the oil industry itself are the prime reasons for the present gasoline shortage.

Mobil claims that the gasoline shortage is not contrived and that there is "no conspiracy." The assertion that there has been "no conspiracy" is certainly debatable; recent evidence on this point indicates that there may well have been collusion on the part of the oil companies. But even if there was no conspiracy, this does not mean that the shortage was not contrived, The big oil companies did not have to get together and secretly plan out a shortage; rather each of the companies have behaved in a similar fashion to produce the shortage.

The recent FTC report indicated that the behavior of the large integrated firms could be characterized as cooperative rather than competitive. There is direct evidence of interdependence and absence of competition in the petroleum industry in the following areas: bidding combines, banking interlocks, joint ownership of oil pipelines, joint production, international joint ventures, and other actions. Oil firms have behaved similarly and cooperatively with respect to influencing legislation, bidding for crude leases, establishing the purchase price of crude oil, transporting crude oil, refining crude oil, and marketing gasoline.

Mobil also claims that "Oil is one of the least-concentrated major industries in the world." They assert that "No oil company supplies as much as 9% of the U.S. gasoline market." These "facts" are a ridiculous distortion of reality. Dr. John W. Wilson, Chief of the Division of Economic Studies of the Federal Power Commission, recently explained that the only analytically meaningful measures for assessing market concentration are those based on available uncommitted reserves. And if one looks at these figures, a totally different view of the industry is clear. For example, 80.6% of the reported uncommitted reserves in the Permian Basin are controlled by the 4 largest producers. The 8 largest producers control 94.2% of the uncommitted reserves in this area. Of the uncommitted reserves in Alaska, 93.9% of them are controlled by the 4 largest producers while 99.9% are controlled by the 8 largest firms. And for the entire United States, the comparable figures are 51.0% for the 4 largest firms and 73.9% for the 8 largest firms.

This data is especially significant if one knows the familiar rule of thumb that in industries where the eight largest firms have at least 50% of the sales, normal unrestrained market forces are likely to be an insufficient guarantee against monopolistic market performance. I believe that this evidence about the structure of the industry and my previous elaboration of the performance of the industry goes a long way toward explaining the energy shortage that we are presently experiencing. Any oil company which tries to explain the entire short-term shortage using the results of "political decisions" is hardly setting the record straight. Rather, companies like Mobil have mutilated the facts to fit their own views and to protect their interests.

Mobil's next point in the open letter concerns the independent marketers. The ad does not deny the fact that hundreds of independent marketers are already out of business and that more will follow. Rather, Mobil says

"You should know that the overwhelming majority of service station dealers in this country are independent businessmen, whether they sell under the Mobil brand name or the brand of one of our major competitors . . ."

This is simply not true, M. B. Holdgraf, executive vice-president of Hudson Oil Company of Kansas City and founding member of the Independent Gasoline Marketers Council, contradicted Mobil's statement when he testified:

". . . such dealers are not independent. Their competitive behavior is controlled by their suppliers. The products they handle and the prices they charge, the marketing concepts they employ, are determined, directly or indirectly, by the refiner to whom they are committed. The branded jobber or dealer, who markets in the name of a refiner-supplier, cannot claim to be independent in a competitive sense. To the contrary, the true independent marketers, not affiliated with a particular refinery, compete by striving for efficiency, lower costs, lower prices, and better services, while the majors compete by imitating one another."

These same independent marketers are the ones being ruined by current policies of major oil companies.

Probably the most important question Mobil's open letter raises is "Where do we go from here?" This question is important because the real energy crisis is not a short-term problem, but a medium- and long-range one. It is this problem we should be acutely aware of today. And it is in the area of long-term solutions that the Mobil statement is especially disappointing.

Mobil presents self-serving "solutions" instead of the best solutions. I say this because the 25 largest oil companies are all involved also in natural gas. 18 of them have invested in oil shale and uranium. 11 are in coal. And 6 of the ten largest oil companies have vested interests in all four of these domestic fuels—oil, gas, coal, and uranium. And the solutions Mobil gives involves finding new reserves of oil and gas, producing non-conventional oil and gas from oil shale and coal, and constructing nuclear power plants at an accelerated pace. In other words, Mobil and the oil industry want to do what will maximize their profit, not maximize our future energy supply.

As a member of the Energy Subcommittee of Science and Astronautics, I have tried to find real solutions to the future energy crisis. I think that the record amply demonstrates that if oil companies are left to themselves, our problems will only continue. The solutions I have proposed can be grouped in three categories: finding the best alternate sources of energy, cutting down on consumption of energy and gasoline supplies, and providing consumer-oriented regulation of the oil industry.

I believe we should be developing alternate energy sources which have great potential but which the oil industry is to a large extent ignoring. I have authored legislation to create a Geothermal Energy Development Corporation. This bill authorizes the National Science Foundation to fund basic research related to energy as well as establishing the corporation. I am also co-sponsoring legislation which would establish a national program of scientific research, development and demonstration in energy and energy-related technologies, and provides for the coordination and financial supplementation of federal energy research and development. I believe that these efforts will lead to the development of the best solution to present shortages.

At the same time I have favored a variety of proposals to cut down on consumption of energy and gasoline supplies. These proposals include recent actions which would have diverted highway trust fund money to public transportation, using a graduated excise tax based on gas consumption to discourage large gas-consuming cars, and employing tax incentives and other means to stimulate recycling of lubrication oil. These are just a few of the actions I have supported to provide a real solution to the long-term energy crisis.

Finally, I have recommended legislative action which would provide strong regulation of the petroleum industry to assure that producers do not use present shortages they are responsible for to extract the maximum possible tribute from the American people. The action I recommended included amending the Natural Gas Act to require the Federal Power Commission to set prices based solely upon costs plus a fair rate of return, and to require production at those rates, and outlaw the notorious optional pricing procedure. With prices set in such a manner, I do not believe that the industry would be motivated to manufacture "shortages" in a play to increase their profits.

Action along these lines would provide the best means of meeting our future energy needs. I suggest that the three categories of proposals which I am working on are realistic plans which attempt to solve our problems objectively. They are motivated by an understanding of the real facts of the energy situation and the gasoline shortage, not by false reasoning and misunderstanding of the situation displayed by Mobil Oil Corporation.

SHOUP STATEMENT ON ENERGY

HON. DICK SHOUP

OF MONTANA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 30, 1973

Mr. SHOUP. Mr. Speaker, it is time for Americans to wake up and recognize the grave implications of today's energy problems. It is time for the Federal Government, industry, and the scientific community to make a united effort to develop long-term energy resources. Two of these resources are geothermal power and solar energy.

Important breakthroughs in the use of solar energy were forecast recently at a Paris meeting of 900 scientists. The reality of the solar energy picture was expressed by French physicist Ivan Peyches. He said:

> The speed at which solar energy will be put to use is a direct function of the world's fear of running out of conventional energy sources.

I am appalled at the shortsighted tunnel vision with which some people in responsible positions operate. Mr. R. W. Fri, Acting Administrator of the Environmental Protection Agency, spoke to the National Coal Association on June 18. He suggests that:

> Before our fossil fuel resources are completely exhausted we must develop a "perpetual" energy supply.

I suggest that a "perpetual energy supply" be developed as soon as possible.

No two sources appear to agree on how long our reserves of oil, gas, coal, and other energy producing resources will last. The consensus says, however, that the fossil fuels are finite in character, that natural gas will go first, oil will be next with 80 percent depletion in 50 years with coal lasting 200 to 300 years.

The Interior Department has provided some interesting statistics and projections in "United States Energy Through the Year 2000." In 1971, domestic natural gas provided 96 percent of our supply, 4 percent being imported. Their projections show our year 2000 gas supply as being 58 percent domestic, 28 percent imported, and 14 percent synthetic. The latter will come from gasification of coal.

We can extend our supplies of gas by gasification of coal. There are serious considerations involved here, however. Our coal production now accounts for more than half our electricity. We must not divert the coal to gasification before we provide alternative means for producing electricity. Another objection to gasification is that the process involves converting one fuel into another fuel form at the expense of the consumer.

Petroleum supply problems grow more acute. In 1971, domestic sources provided for 74 percent of our needs. This will drop to 56 percent in 1980 and to less than 30 percent by the year 2000. We will have to rely on outside sources for over 70 percent of our petroleum.

Oil reserves could be increased markedly if we go to production from shales and tar sands. Environmental problems arise from these resources. Shales are difficult. They are compacted materials which when dug up and processed increase in bulk, creating a monumental disposal problem. So, at best, we are faced with increased reliance on imports. In the face of the unstable situation in the Middle East we must look now to the alternatives. We, as a nation, can no longer rest assured that there will be ready supplies of crude oil and petroleum products to meet our import requirements.

There has been a great deal of rhetoric regarding the energy crisis and efforts to step up production of fossil fuels to meet this crisis. Stepped-up production of coal, gasification, and the Alaska pipeline are frequently mentioned as solutions.

I agree that we must work on these as short-term measures but it is essential that we push development of long-term alternatives that do not require fossil fuels.

A factor which dictates conservation of fossil fuels is our thriving and growing petrochemical industry. This is a $20 billion industry, employing thousands and producing paints, plastics, fabrics, cosmetics, asphalt, lubricants, medicines, vitamins, and a multitude of other products. The lifeblood of this industry is fossil fuel. It cannot exist without these resources. We must look at alternative energy sources so that we insure future generations of adequate resources for the production of real goods.

Let us look at what has been done with other energy sources. The geothermal power production at the Geysers area north of San Francisco will reach 389 megawatts by the end of this year. To put this into perspective, this is enough power for the domestic needs of San Francisco.

In my district of western Montana we have a great geothermal potential that is only now being investigated. We also have an aluminum plant; an industry with a real thrist for electric power. This plant requires 372 megawatts of power for its operation, again nearly the equivalent of the needs of San Francisco or the domestic needs of the State of Montana. It is certainly within the realm of possibility that geothermal sources will one day provide domestic and industrial power for our State and much of the northwest. Research and development money will be needed before this can be accomplished.

One of the reasons for the tremendous increase in demand for electricity is our increasing reliance on air-conditioning, particularly in our urban areas. This use has shifted the peak load to midafternoon, the peak period of incoming solar radiation. While solar energy is not a panacea for all our energy problems the December 1972 NSF–NASA report singles out heating and cooling of residential and commercial buildings as the most promising application of solar energy.

"Solar One," a solar house recently completed at the University of Delaware uses the sun's energy for heating and cooling and will also convert sunlight into electricity to run household appliances. We have the technology with which to harness solar energy for a number of uses now. Let us at least start to eliminate the afternoon peak loads caused by our air conditioners. Let us stop procrastinating and hedging and get on with the job at hand.

Let us take a look at our energy needs using the term "quad" as an energy unit. A "quad" represents a quadrillion Btu's—British thermal units. To put things in perspective, in 1890 we as a Nation consumed 7 "quads" of energy as opposed to 70 "quads" in 1971.

In the United States, on a clear day, approximately 225 quads of solar energy fall on a flat surface of a thousand square miles. This is three times our annual energy needs falling on an area 10 miles wide and 100 miles long during 1 clear day. We have 3 million square miles of land area in the continental United States—one-tenth of 1 percent of our land area intercepts solar energy equivalent to three times our annual energy requirements, in 1 day.

Solar energy is an infinite energy source as far as man is concerned. It is a resource that knows no geographic bounds. Except for the high latitudes, there are no "have nots" when you consider the Sun as an energy source. It is a self-expending resource in the Earth's natural energy cycles. Amounts that man can capture and put to use constitute a net energy benefit as contrasted with the use of fossil fuels.

We can no longer continue blithely on our way ignoring continuing depletion of our fuels. While it may not happen in my time or in yours, these finite fuels will eventually be gone. I do not suggest that solutions to our energy needs are simple but I say that we must begin now the process of harnessing geothermal, wind and solar resources for the conservation and eventual replacement of fossil fuels as energy sources.

We took up the space challenge when Sputnik was launched. Our achievements in space stand as an example of what we can accomplish with motivation. I am confident we can do the same in the generation of energy without the sacrifice of our environment. Our greatest danger is to listen to those who tell us that these goals are too remote, that we should not pursue them. I say if we listen to them they will surely bring an economic and industrial dark ages. Let this instead be a renaissance, a transition to a period of ample, clean power for all our needs.

I propose that we begin with a significant acceleration of our research and development programs. The attached bill is a start in this direction. Mr. Speaker, I insert it in its entirety at this point in the RECORD.

The bill follows:

H.R. —

A bill to authorize supplemental appropriations for National Science Foundation Energy Research and Development

Be it enacted by the Senate and the House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the National Science Foundation Energy Research and Development Supplemental Appropriations Authorization Act.

FINDINGS AND DECLARATION OF PURPOSE

SEC. 2. (a) The Congress hereby finds and declares—

(1) That fossil fuel reserves are finite and though coal resources are estimated to be adequate for two to three hundred years, an eighty percent depletion of oil reserves has been forecast by 2025 with gas reserves due to be depleted earlier;

(2) That the United States with 6 percent of the world population is using 35 percent of the world's energy and mineral production with energy requirements continuing to increase both here and abroad;

(3) That our dependence on oil imports increases annually while the sources of supply become less dependable;

(4) There are recognized hazards associated with the production of nuclear energy;

(5) That fossil fuels cannot be expended solely for the production of energy in the face of growing needs for the production of real goods by a viable petrochemical industry;

(6) That geothermal energy sources are capable of providing substantial energy during a time of growing concern for our energy reserves;

(7) That solar energy can be considered as an infinite energy reserve which offers a solution to our long range energy requirements.

SEC. 3. (a) There is hereby authorized to be appropriated to the National Science Foundation, Research Applied to National Needs, for the fiscal year ending June 30, 1974 for the following areas of research:

(1) Geothermal energy, $20,000,000;

(2) Solar energy, including wind, solar thermal conversion, photo-voltaics, ocean thermal and photosynthetic production of organic materials and hydrogen, $80,000,000;

(b) There is hereby authorized to be appropriated to the National Science Foundation, Research Applied to National Needs, for each of the four fiscal years beginning July 1, 1974, for the following areas of research:

(1) Geothermal energy, $45,000,000;

(2) Solar energy, as in Sec. 3 (a) (2), $230,000,000.

THE 1973 CAPTIVE NATIONS WEEK

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, July 30, 1973

Mr. DERWINSKI. Mr. Speaker, the response of broad segments of our society to the annual observance of Captive Nations Week has been most reassuring. Our people are not prone to forget that one-third of mankind still is under totalitarian communist bondage. Further examples of the success of the 15th observance of Captive Nations Week are as follows:

PROCLAMATION: STATE OF MISSOURI

Whereas, all peoples yearn for freedom and justice; and

Whereas, these basic rights unfortunately are circumscribed or unrealized in many areas in the world; and

Whereas, Missouri has an abiding commitment to the principles of independence, personal liberty, and human dignity; and

Whereas, it remains a fundamental purpose and intention of the Government and people of Missouri to recognize and encourage constructive actions which foster the growth and development of independence and human freedom:

Now, therefore, I, Christopher S. Bond, Governor of the State of Missouri, do hereby designate the week of July 15–21, 1973 as Captive Nations Week and invite the people of Missouri to observe this week with appropriate ceremonies and activities, and I urge them to give renewed devotion to the just aspirations of all people for independence and human liberty.

In testimony whereof, I have hereunto set my hand and caused to be affixed the Great Seal of the State of Missouri, in the City of Jefferson, this 13th day of July, 1973.

CHRISTOPHER S. BOND,
Governor.

Attest:

JAMES KIRKPATRICK,
Secretary of State.

PROCLAMATION: STATE OF NEBRASKA

Whereas, the imperialistic policies of Russian Communists have led, through direct and indirect aggression, to the subjugation and enslavement of the peoples of Poland, Hungary, Lithuania, Ukraine, Czechoslovakia, Latvia, Estonia, White Ruthenia, Rumania, East Germany, Bulgaria, Mainland China, Armenia, Azerbaijan, Georgia, North Korea, Albania, Idel-Ural, Serbia, Croatia, Slovenia, Tibet, Cossackia, Turkestan, North Vietnam, Cuba, and others; and

Whereas, the desire for liberty and independence by the overwhelming majority of peoples in these conquered nations constitutes a powerful deterrent to any ambitions of Communist leaders to initiate a major war; and

Whereas, the freedom-loving peoples of the captive nations look to the United States as the citadel of human freedom and to the people of the United States as leaders in bringing about their freedom and independence; and

Whereas, the Congress of the United States by unanimous vote passed Public Law 86–90 establishing the third week in July each year as Captive Nations Week and inviting the people of the United States to observe such week with appropriate prayers, ceremonies and activities; expressing their sympathy with and support for the just aspirations of captive peoples:

Now, therefore, I, J. James Exon, Governor of the State of Nebraska, do hereby proclaim the week of July 15–21, 1973, as Captive Nations Week in Nebraska, and call upon the citizens to join with others in observing this week by offering prayers and dedicating their efforts for the peaceful liberation of oppressed and subjugated peoples all over the world.

In witness whereof, I have hereunto set my hand and caused the Great Seal of the State of Nebraska to be affixed.

Done at the State Capitol, Lincoln, Nebraska, this 5th day of July in the Year of Our Lord One Thousand Nine Hundred and Seventy-Three.

J. James Exon,
Governor.
Allen J. Beermann,
Secretary of State.

Proclamation: State of New Jersey

Whereas, the joint resolution approved July 17, 1959 (73 Stat. 212) by the United States Congress authorizes and requests the President of the United States of America to proclaim each year the third week in July as "Captive Nations Week", until such time as freedom and independence shall have been achieved for all captive nations of the World; and

Whereas, the Ukrainian, Tatar, Slovak, Serbian, Russian, Romanian, Polish, North Caucasian, Lithuanian, Latvian, Kalmuck, Jewish, Hungarian, Georgian, Estonian, Croatian, Cossack, Chinese, Byelorus, Bulgarian, Azerbaijani, Armenian, Albanian peoples, and many others, are still held in captivity by Communist Imperialism; and

Whereas, the Communist regimes continue to violate the Universal Declaration of Human Rights by suppressing religious, cultural and economic freedom and the right of national self-determination and political sovereignty; and

Whereas, those peoples are constantly struggling for their freedom, human rights and independence as witnessed by the events in Poland and Hungary in 1956 and by the recent turmoil in Lithua and Soviet Jewry and in Czechoslovakia and Romania, and thus serving as a mighty barrier against further expansion of the Communist menace toward the free World; and

Whereas, the United States of America enjoys the friendship of all the captive peoples and represents a source of inspiration to them; and

Whereas, it is clearly in the best interests of all peoples throughout the World and of the United States to encourage and help the Captive Nations to attain their just aspirations for freedom, independence and all God-given human rights;

Now, therefore, I, William T. Cahill, Governor of the State of New Jersey, do hereby proclaim July 15–21, 1973, as Captive Nations Week in New Jersey, and invite all our freedom-loving citizens to observe this week and support the cause of freedom and justice for the nations held in cruel captivity by Communist tyranny.

Given, under my hand and the Great Seal of the State of New Jersey, this tenth day of July, in the year of Our Lord one thousand nine hundred and seventy-three, and in the Independence of the United States, the one hundred and ninety-eighth.

William T. Cahill,
Governor.
Robert M. Falcry,
Acting Secretary of State.

(From the Sunday News, July 15, 1973)

Lest We Forget

This week—from today through July 21—Americans observe Captive Nations Week, a time for reflection on the fate of peoples and countries enslaved by communism.

These "huddled masses yearning to breathe free" look to the U.S. for deliverance as the immigrants of another era sought liberty and opportunity here.

We cannot abandon them, or cease striving by every means at our command to lift the yoke from their necks.

[From the Evening Press, July 11, 1973]

Relic or Relevant?

No reader of letters to the editor of this newspaper can fail to be aware that a good many of his fellow citizens are loathe to regard Captive Nations Week, which begins Sunday, as a dying relic of the rapidly receding Cold War.

To them the annual observance, established by Congress 14 years ago to show American support for the freedom of such countries as Poland, Lithuania, Tibet and North Korea, is a commemoration of what they feel U.S. foreign policy should be.

The governments of the countries involved vigorously deny that they are the "captives" of anyone, of course, and the Soviet Union, whose relations, with the U.S. have changed dramatically in scarcely more than a year, is affronted by the inclusion of such Soviet republics as Turkestan, the Ukraine and Cossackia on the captive list.

These nations of Europe and Asia were specified in a resolution adopted in 1959. It also requested the President to issue a yearly Captive Nations Week proclamation. The proclamations began as detailed listings of countries that had lost their independence. But in the past few years they have become more general statements affirming this country's support of the right of national self-determination.

When President Eisenhower issued the first Captive Nations proclamation on the eve of Vice President Nixon's visit to Moscow in 1959, Soviet Premier Nikita S. Krushchev flew into a rage and the Soviet press thundered its protests. Nowadays the Communists—and most Americans—pay scant attention to Captive Nations Week.

The father and leading promoter of the captive nations idea is Dr. Lev. E. Dobriansky of Georgetown University. He argues (Ukrainian Quarterly, summer 1973) that no matter what U.S.-Soviet agreements are made, this country must not relax its defenses. Americans must continue to police the world because "All current, substantial evidence points to the eventual outcome of new captive nations."

Dr. Dobriansky also wants the presidential proclamation to be more forceful. Because of all the summit conferences and East-West bear-hugs that have occurred in the past year, President Nixon's statement for Captive Nations Week will probably be carefully tailored so as not to anger the Soviet and Chinese leaders more than necessary.

Captive Nations Week—1973: Statement of the Ukrainian Congress Committee of America

From July 15 to July 21, 1973, the American people will mark the 15th annual observance of Captive Nations Week. This yearly manifestation is based on Public Law 86–90, which was passed by Congress and signed by President Eisenhower in July 1959.

Given the number of significant international developments thus far in 1973, including the recent summit meeting between President Richard M. Nixon and Leonid I. Brezhnev, General Secretary of the Communist Party of the Soviet Union, and the Conference on European Security and Cooperation, the first phase of which was held in Helsinki, Finland with 34 states participating, it seems that genuine peace and understanding have descended upon the world, and that there no longer is a captive nations problem to deal with.

But such is not really the case. Despite the Soviet peace overtures, as expressed in Washington and Helsinki, the Soviet Russian totalitarian government has not changed its policies toward the captive nations. The oppression and persecution of the Ukrainian people, as well as of the other non-Russian peoples of the USSR, go on unabated.

Therefore, we appeal to our Branches and Member Organizations to commemorate this year's Captive Nations Week with appropriate celebrations and manifestations and to demonstrate the concern of freedom-loving Americans for those who are enslaved and dominated by the Communist powers.

The captive nations, both in the Soviet Union and in the satellite countries, have defied and resisted Soviet Russian efforts to suppress their freedom and their undying quest for national statehood. As stated in the resolution that underlies Public Law 86–90: ". . . The desire for liberty and independence by the overwhelming majority of the people of these submerged nations constitute a powerful deterrent to war and one of the best hopes for a just and lasting peace . . ."

Brezhnev and his brand of policies will bring neither peace nor justice to the peoples of the world. He has remained a Stalinist, and his policies of Russification and persecution of the Ukrainian people clearly indicate that he is not a believer in peace.

Consequently, while observing this year's Captive Nations Week, we strongly urge all UCCA Branches and Member Organizations to do the following:

Take active part in all public observances and gatherings marking this year's Captive Nations Week, along with other American and ethnic patriotic organizations;

Appeal to U.S. Senators and Congressmen to call the attention of the U.S. Government to the plight of the captive nations and the persistent violations of the basic human rights of these peoples by the USSR and its subservient Communist puppets in Europe and Asia;

Appeal to the Governors and Mayors in the United States to honor this singular event by issuing special Captive Nations Week proclamations in their respective states and cities, thus demonstrating their belief in the cause of universal human freedom and justice;

And, finally, to appeal to the American people for their understanding and support of the struggle of the captive nations, and to lend their moral support in this unequal battle against the Communist tyranny that enslaves the millions of captive peoples throughout the world.—Executive Committee, Ukrainian Congress, Committee of America.

Governor Rockefeller Proclaims Captive Nations Week

Governor Nelson Rockefeller proclaimed the week of July 15 through 21 as the 15th annual Captive Nations Week to kindle the hopes of the many millions of people languishing behind the Iron and Bamboo curtains. Similar proclamations are being issued by President Nixon and Mayor Lindsay as well as many other governors and mayors in accordance with U.S. Public Law 86–90 establishing this annual observance.

Judge Matthew J. Troy, Chairman of the Captive Nations Week Committee of New York, observes that "While there are captive nations there will be no true freedom in the world. Those who enslave others never enjoy complete freedom from fear, rebellion and even assassination."

Judge Troy stresses the added importance of observing this Captive Nations Week because of the proposed charter placed before the recent Helsinki Conference on Security and Cooperation by Soviet Minister Andrei Gromyko. This charter calls for maintaining a status quo on all political units of Europe and Asia. If adopted this would effectively legalize and guarantee the permanent enslavement of the more than thirty nations now languishing under Communist imperialism.

The Committee Chairman announced that St. Patrick's Cathedral in Manhattan offered a special Captive Nations Mass on the opening day, Sunday, July 15 at 10 a.m.

After Mass, Judge Troy and guests of honor led a massive procession up Fifth Avenue at 11:15 a.m. from St. Patrick's Cathedral to 72nd Street, and then to the Central Park Mall. The procession included refugees from many enslaved nations plus local veteran and civic organizations and many other friends of Captive Nations.

A program of native folk dances from various captive nations was presented at the mall at 12 noon, along with a short talk by a distinguished guest of honor.

The Committee will sponsor a motorcade through midtown Manhattan on Thursday evening, July 19, starting from First Avenue and 40th Street at 6 p.m.

The public is invited to attend and participate in these varied activities and may contact the Committee by calling (212) 728-1275.

MURDER BY HANDGUN: A CASE FOR GUN CONTROL—NO. 10

HON. MICHAEL HARRINGTON

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, July 30, 1973

Mr. HARRINGTON. Mr. Speaker, a recent editorial in the Washington Post noted that 6 months have passed since Senator JOHN STENNIS was shot in front of his home in the District of Columbia. Those 6 months have seen many public statements of sorrow and anger, many "fresh calls for strong gun controls," but little concrete action to stem the flow of handguns.

The editorial states:

> In a real sense, the cause of sound gun controls would be better served if public officials would forego those empty statements about "senseless shootings" and "tragic events" each time one of the victims happens to be someone a lot of people know. . . . Only when public officials come to realize that the same senseless tragedies are occurring every day to ordinary people are we likely to see the enactment of effective controls on deadly weapons.

The articles on handgun murders which I have been inserting into the CONGRESSIONAL RECORD each day have attempted to make the same point: Every day, in fact, every 4 minutes, a man or woman or child is killed senselessly, needlessly, by a handgun. All of us, you, I, our families, our friends, are, and will continue to be, potential victims of violence as long as there are so many handguns in civilian hands.

A murder can, and does, occur any time, any place, for any reason, or for no reason. The murder which we are describing today happened because of a dispute over the price of an ice cream cone.

Albert Anderson, a father of 10 children, was told by one of his children that an ice cream vendor would sell only two cones for the price that had formerly bought three. The vendor said the price of cones had gone up.

Anderson went back to his home and returned with a pistol. He exchanged shots with the ice cream vendor, who was also armed. Police could not say who fired the first shot, but the ice cream vendor was wounded and Anderson was killed.

Prof. Leonard Berkowitz of the University of Wisconsin and many other psychologists have noted that violence is very often impulsive. "It is not primarily planned, purposeful activity," he wrote in Psychology Today magazine. "Neither is it the 'inevitable' result of internal drives of maladjustments. These things set the stage and help carry the action forward, but in many cases it is also important that there be a stimulus or immediate cue to trigger aggression."

The gun can be that stimulus to violence. "The finger pulls the trigger," Professor Berkowitz wrote, "but the trigger may also be pulling the finger."

We can only speculate what would have happened in Albert Anderson's case if a gun had not been so readily available during that moment of anger and rage. Perhaps his anger would have subsided. Perhaps Anderson would have used his fist. Perhaps a murder would not have resulted.

I suggest that public officials, rather than wringing their hands over "senseless shootings" and "tragic events" should make it as difficult as they possibly can for people to murder people. We must take the responsibility for controlling the circulation of the deadliest murder weapon of all—the handgun.

Two articles from the Washington Post follow:

HAND GUNS AND HAND WRINGING

Nearly six months ago, Sen. John C. Stennis of Mississippi was shot at point-blank range in front of his home on Cumberland Avenue NW, an event which prompted a wave of public reaction from all over the nation. There were statements of sorrow and anger and from public officials, fresh calls for strong gun controls. As always, however, these calls have subsided as public attention shifted to other matters. As we have seen all too often, the mere passage of time is one of the more effective weapons in the arsenal of gun lobbyists. While public attention wanders, the gun people never let up in their opposition to serious controls.

When a public figure is shot, there are political pledges of support for stiffer gun legislation, but the opponents are safe in characterizing these statements as simple reflexes, not to be taken seriously. We need only recall some of what was said right after Senator Stennis was shot. President Nixon, for one, endorsed the concept of legislation to restrict the sale of cheap "Saturday night specials," the hand guns widely used in stick-ups, assaults and murders. He said that "most reasonable people believe" that these hand guns should be controlled and he announced that the Attorney General and Sen. Roman L. Hruska (R-Neb.) would try to work out a formula for hand-gun legislation that could pass Congress. Many members of Congress, conscious of national sentiment at that moment, chimed in with supporting statements. But so far, nothing has happened on this score in Congress, and nothing more has been heard from President Nixon on the subject.

Locally, people may also recall that Mayor Walter E. Washington said on Jan. 31 that strong gun-control legislation was then under review by city officials—and would be included in the District's 1973 legislative program. "We must find a way in this nation to control the use of hand guns and 'Saturday night specials,'" the mayor declared. But so far, no local bill has been sent to Capitol Hill; if one is in the offing, the public hasn't heard about it.

To be sure, six months isn't a long time in the legislative process. But experience suggests that it's enough time for some 5,000 Americans to be murdered by gun-fire and for thousands more to be wounded in gun accidents. In a real sense, the cause of sound gun controls would be better served if public officials would forgo these empty statements about "senseless shootings" and "tragic events" each time one of the victims happens to be someone a lot of people know. This would at least spare us the false hopes raised by these false promises. Only when public officials come to realize that the same senseless tragedies are occurring every day to ordinary people are we likely to see the enactment of effective controls on deadly weapons.

FATHER OF 10 SLAIN IN ROW OVER ICE CREAM

CHICAGO, July 28.—A fight over an ice cream cone led to a sidewalk shootout and the death of a father of 10 children on Chicago's Westside Friday night.

Police said a quarrel began after one of Albert Anderson's 10 children told him an ice cream vendor would sell only two cones for the money which formerly bought three. Vendor A. C. Thomas, 24, said the price of cones had gone up.

Police said Anderson, 46 went back into his house and returned with a pistol. Anderson and Thomas, who also was armed, exchanged shots. Police said it was not clear who fired first.

Anderson was shot once in the chest and pronounced dead at St. Anne's Hospital. Thomas was shot in the left leg and was listed as in serious condition.

RECENT WEEKLY REPORTS FROM CONGRESSMAN PRICE OF TEXAS

HON. ROBERT PRICE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, July 30, 1973

Mr. PRICE of Texas. Mr. Speaker, as part of my continuing effort to keep my constituents informed about my activities in the Congress, I am including in the RECORD at this time the texts of my recent news reports to the district:

WEEKLY REPORT FROM CONGRESSMAN BOB PRICE

(February 8, 1973)

This week Congressman Bob Price was admitted to Bethesda Naval Hospital in Washington for evaluation of an incident of chest pain and discomfort. During the next ten days while the Congress is in recess in honor of Lincoln's Birthday, the Congressman will undergo extensive testing and treatment procedures. As a result of several months of strenuous activity involving an election campaign, the introduction and preparation of several new bills in the 93rd Congress, trips to the new 13th Congressional District, and the assumption of responsibilities as one of the few members named to serve on two major Committees in the new Congress, doctors have detected evidence of extensive physical exhaustion requiring an undetermined period of rest and convalescence.

The office of Congressman Price will continue to operate on a full time basis and staff personnel will respond to constituent inquiries and needs until the Congressman returns to the office in the weeks ahead.

On February 7, legislation similar to that introduced by Congressman Price to reinstate the Rural Environmental Assistance Program was approved by a large majority vote in the House of Representatives. Price, as a Member of the House Agriculture Committee, has in recent weeks met several times with Agriculture Secretary Butz to discuss and express his support for REAP, which has been of great benefit to our Nation's farmers in conserving and protecting our land, air and water resources.

The bill now goes to the Senate for action.

Congressman Price has continued to receive encouraging remarks concerning the three bills he has introduced this year which are designed to combat the energy crisis by establishing a Council on Energy Policy and incentives to allow for the continuation of exploration for our oil and gas reserves. Price plans to seek the support of his colleagues in Congress in the months ahead to build up our Nation's energy supply thereby decreasing our dependence on the importation of these vital resources from other countries.

WEEKLY REPORT FROM CONGRESSMAN BOB PRICE

(February 2, 1973)

This has been a busy week for the Committee on Agriculture of which I am a Member. On Thursday, the Committee approved legislation to reinstate the Rural Environmental Assistance Program and sent this legislation to the House where it will be voted on within the near future. As a sponsor of a comparable bill to reinstate this valuable Federal cost-sharing conservation program, I could not be more pleased with the outcome of the Committee's decision. I can only hope that the Congress will follow suit by approving this bill as soon as possible.

Monday, February 5, brings another week of meetings for the Committee on Agriculture. During this time hearings will be held on legislation I recently introduced to restore the Farmers Home Administration emergency loan program which has proven to be invaluable to the farmers in our district and the nation who have been hard hit by extremely bad weather conditions during the last several years. It is anticipated that the Agriculture Committee will once again act quickly to approve this legislation and send it to the House Floor for further action.

This has been a week in which Americans have rejoiced over seeing the names of those POW's who will soon be returning to their homes. For the last several years I have been wearing two of the POW bracelets which contain the names of two men who used to be my flying buddies during the Korean Conflict. Soon I hope to send the bracelets I have been wearing to these men who have constantly been in my thoughts as a small expression of appreciation for their extraordinary service to our Nation. Others who have been wearing these bracelets might wish to do the same.

The cold-blooded and cowardly shooting and wounding of Senator John Stennis this week has touched off a new wave of demands for gun control legislation. It is sad that the Congress has, like an ostrich with its head in the sand, ignored the crime epidemic brought on by a decade of liberal, permissive leadership; but just as sad is the way in which the Congress is reacting to the brutal assault of one of its own Members. Contrary to the plea of liberals whose only solution is the confiscation of guns—"Let's get the guns off the streets" they say—the time has come for a return to strict law enforcement and for the infusion of new backbone in our courts and law enforcement system. Instead of getting the guns off the streets, I believe what we really need is to get the criminals off the streets.

WEEKLY REPORT FROM CONGRESSMAN BOB PRICE

(January 24, 1973)

This has been a truly historical week in American history. Starting with ceremonies last Saturday to mark the reinauguration of President Nixon for a second term, citizens everywhere were later stunned upon learning of the untimely death of former President Lyndon B. Johnson.

As a member of the Texas Congressional Delegation, it was my solemn privilege to join in leading our Nation in ceremonies at the Capitol rotunda to honor Mr. Johnson for his tireless service to the Nation and to our State of Texas.

It is ironic that President Johnson's death should precede by one day the marking of another historic event and a cause for which he labored so hard, the announcement of a ceasefire in the Vietnam War. Americans everywhere have been greatly relieved to hear this long-sought good news, and we can be thankful to both Presidents Nixon and Johnson that they showed great strength and determination to achieve an honorable peace. Perhaps the best news of all is that the waiting and anxiety of the brave families and friends of our Prisoners of War Missing in Action will soon be at an end.

The legislative activities of the 93rd Congress continued at a fast pace throughout the week. While agreeing in principle with the President's efforts to hold down Federal spending, after much study and several conferences with the Secretary of Agriculture and other Members of Congress, I introduced a bill to reinstate the Rural Environmental Assistance Program which has proven over the years to be of great benefit not only to agriculture, but also to the Nation in the areas of water and soil conservation.

With the energy situation in our country becoming more critical daily, I further submitted a bill similar to one I introduced last year to establish a Council on Energy Policy. It is my hope that the Congress will act quickly on this legislation in order to establish a means to systematically arrive at solutions to the fuel shortage crisis which has crippled communities across the Nation this winter.

WASHINGTON REPORT FROM CONGRESSMAN BOB PRICE

(January 23, 1973)

Today Congressman Bob Price introduced legislation which, if enacted, will require the Secretary of Agriculture to carry out the provisions of the existing law providing for the authorization and funding of the Rural Environmental Assistance Program. "While I agree in principle with and applaud the President's efforts to keep Federal expenditures within reasonable limits," Price stated, "I feel that the effects brought about through the discontinuance of this important program would be detrimental to the long range preservation of our most vital human resources—namely our soil, water and air."

Noting that the Rural Environmental Assistance Program has worked effectively as a Federal cost sharing program for conservation programs installed by farmers since the 1930's, the Texas Congressman went on to mention some of the accomplishments made possible through this program: "REAP has enabled our farmers to do more to clean up and preserve our environment than any other federally sponsored program. Through this program our farmers have been able to protect our soil through the establishment and improvement of vegetative cover, stripcropping practices, terracing, the re-seeding of marginal land, and cross fencing for grazing. REAP has also provided for strides to be made in the areas of sediment retention and chemical runoff control, drainage, irrigation and related practices and livestock water utilization and distribution on ranches. Through this program our farmers have also been able to embark upon activities which have slowed the spread of noxious brush and weeds, accounted for a major portion of our reforestation program on private lands, helped aid wildlife conservation and increased the development of recreational areas."

Price went on to state that it would be unfair of us to demand America's farmers to take on the burden of the conservation of our natural resources single-handed when it is evident that REAP has benefited not only rural America, but our Nation as a whole. He added that it is not feasible at this time for farmers to initiate and continue long range programs without the aid of cost sharing initiatives provided by the Federal Government especially if we are to continue to feed the starving millions abroad.

"I am looking forward to the hearings which will soon be held on this matter by the Committee on Agriculture of which I am a member and I am hopeful that the Administration will reconsider its action with regard to this important program," Price concluded.

WASHINGTON REPORT FROM CONGRESSMAN BOB PRICE

(January 3, 1973)

Immediately upon the convening of the new 93rd Congress today, Congressman Bob Price introduced several bills dealing with a variety of important issues for consideration, including:

A Constitutional Amendment to permit voluntary prayer in the Nation's classrooms and other public buildings.

A Constitutional Amendment setting minimum attendance requirements for Members of Congress—failure to be present and voting on at least 70% of recorded yea and nay votes would result in the dismissal from office of a delinquent Congressman.

A Constitutional Amendment to prohibit deficit spending by the Federal Government except in time of war or national emergency, and to require a retirement of the National Debt over a one hundred year period.

A bill to abolish the limitation on outside income for social security beneficiaries over the age of 65.

A bill to provide tax credits for expenditures made in the exploration and development of new reserves of oil and gas in the United States.

A bill to establish a Council on Energy Policy to advise the Congress and the President in the formation and execution of a national energy policy to meet the future needs of the United States.

A bill to modify the Delaney Amendment to the Federal Food and Drug Act to permit the use of DES in animal feeds when residues from such use may be present in inconsequential and harmless amounts.

A bill to reestablish November 11th for the annual observance of Veterans Day in the United States.

A bill to modify the inheritance tax laws applicable to farmers, ranchers, businessmen and other property owners.

"I believe the 93rd Congress has a great challenge ahead—we have an opportunity to take up the unfinished business of the past and to enact responsible new legislation to meet the pressing needs of the American people. As the Representative of the new 13th

Congressional District of Texas, I shall vigorously attempt to promote the views of all of my constituents in the Congress and to seek legislative action in those areas which meet with their needs," Price said.

REGIONAL GOVERNMENT BY EXECUTIVE ORDER ON THE MARCH

HON. JOHN R. RARICK

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 30, 1973

Mr. RARICK. Mr. Speaker, on February 10, 1972, President Nixon signed Executive Order 11647, titled "Federal Regional Councils," and embarked this Nation on a course of regional government, dividing the country into 10 Federal regional districts.

At the time, I remarked in the RECORD of—

> The vast powers which, without congressional approval . . . placed in the hands of the President and his heads of departments and agencies (control) over food supply, money and credit, transportation, communications, public utilities, and other facets of the lives of our people. (CONGRESSIONAL RECORD, Feb. 16, 1972.)

This EO divided the United States into 10 separate and distinct Federal regions, to be administered and controlled by 10 Federal regional councils. All the administrators are appointed and serve at Executive pleasure and are not subject to voter approval. Additionally, Congress has no review of the activities of these regional functionaries.

The power of the Federal regional councils was recently extended and amended by Executive Order 11731 issued on July 25, 1973. Under the new order, the Departments of Agriculture and the Interior are now "regionalized." Other changes will be noted in the new Executive order, which I request to follow my remarks.

The Advisory Commission on Intergovernmental Relations set up the groundwork for the 10-region concept. Congress, in drafting the legislation establishing the ACIR, exempted this important Commission from legislative oversight. The ACIR, therefore, is sheltered from congressional inquiry into its activities and spending of taxpayers' money. The voters have no investigative powers over the Commission which takes credit for laying out the controversial 10 standard Federal regions.

Earlier this session, I introduced H.R. 6869 which would include the Advisory Commission on Intergovernmental Relations within the definition of "advisory committee," and thus bring it under legislative oversight. It would remove the special exemption the commission now enjoys.

It is interesting to note that the chairmanship of the regional government bureaucrats is under the control of the Deputy Director of the Office of Management and Budget, another agency not under congressional oversight.

Regionalization of our sovereign States with control centralized in Washington will inevitably reduce the status and power of State governments. The impact of "regional government" by Executive order has a far-reaching and revolutionary affect on the ideal of "government by laws rather than men."

Executive Order 11731 follows:

PRESIDENTIAL DOCUMENTS

TITLE C—THE PRESIDENT

Executive Order 11731

Amending Executive Order No. 11647 Relating to Federal Regional Councils

On February 10, 1972, I formally established Federal Regional Councils for each of the ten Federal regions, and established an Under Secretaries Group for Regional Operations to strengthen and improve services to the public at the regional level. I have now determined that the mandate of the Federal Regional Councils should be broadened to include the coordination of direct Federal program assistance to State and local governments (as well as grant assistance as now provided), that the membership of the Councils and the Under Secretaries Group for Regional Operations should be changed, and that the Deputy Director of the Office of Management and Budget should be substituted as Chairman of the Under Secretaries Group in place of the Associate Director of that agency.

Now, therefore, by virtue of the authority vested in me as President of the United States of America, sections 1, 2, and 3 of Executive Order No. 11647[1] of February 10, 1972, are amended to read as follows:

SECTION 1. *Federal Regional Councils.* (a) There is hereby continued a Federal Regional Council for each of the ten standard Federal regions. Each Council shall be composed of the principal regional officials of the Departments of Labor, Health, Education and Welfare, Housing and Urban Development, Agriculture, the Interior, and Transportation, the Office of Economic Opportunity, the Environmental Protection Agency, and the Law Enforcement Assistance Administration.

The President shall designate one member of each such Council as Chairman of that Council and such Chairman shall serve at the pleasure of the President. Representatives of the Office of Management and Budget may participate in any deliberations of each Council.

(b) Each member of each Council may designate an alternate who shall serve as a member of the Council involved whenever the regular member is unable to attend any meeting of the Council.

(c) When the Chairman determines that matters which significantly affect the interests of the Federal agencies which are not represented on any such Council are to be considered by the Council, he shall invite the regional director or other appropriate representative of the agency involved to participate in the deliberations of the Council.

SEC. 2. *Functions of the Council.* Each Federal Regional Council shall be constituted as a body within which the participating agencies will, under the general policy formulation of the Under Secretaries Group, and to the maximum extent feasible, assist State and local government by the coordination of the Federal program grants and operations through:

(1) the development of better ways to deliver the benefits of Federal programs over the short term;

(2) the development of integrated program and funding plans with Governors and local chief executives;

(3) the encouragement of joint and complementary Federal grant applications by local and State governments;

(4) the expeditious resolution of conflicts and problems which may arise between Federal agencies;

(5) the evaluation of programs in which two or more member agencies participate;

(6) the development of more effective ways of allocating Federal resources to meet the long-range needs of State and local communities;

(7) the supervision of regional interagency program coordination mechanisms; and

(8) the development of administrative procedures to improve day-to-day cooperation on an interagency and intergovernmental basis.

SEC. 3. *Under Secretaries Group for Regional Operations.* The Under Secretaries Group for Regional Operations is hereby continued and shall be composed of the Under Secretaries of Agriculture, the Interior, Labor, Health, Education, and Welfare, Housing and Urban Development, and Transportation, the Administrator of the Law Enforcement Assistance Administration, the Deputy Director of the Office of Economic Opportunity, the Deputy Administrator of the Environmental Protection Agency, an Associate Director of the Domestic Council, and the Deputy Director of the Office of Management and Budget, who shall serve as the Chairman of the Group. When the Chairman determines that matters which significantly affect the interest of Federal agencies which are not represented on the Group are to be considered by the Group, he shall invite an appropriate representative of the agency involved to participate in the deliberations of the Group. The Under Secretaries Group for Regional Operations shall, consistent with the objectives and priorities established by the President and the Domestic Council, establish policy with respect to Federal Regional Council matters, provide guidance to the Councils, respond to their initiatives, and seek to resolve policy issues referred to it by the Councils. The Under Secretaries Group, under the Chairmanship of the Deputy Director of the Office of Management and Budget, shall be responsible for the proper functioning of the system established by this order.

RICHARD NIXON.

THE WHITE HOUSE, *July 23, 1973.*

FRANK M. BRANDSTETTER IS RECIPIENT OF AMERICA AWARD

HON. FRED B. ROONEY

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 30, 1973

Mr. ROONEY of Pennsylvania. Mr. Speaker, it is with great pleasure that I bring to the attention of my colleagues the recipient of a religious heritage of America Award, Frank M. Brandstetter, my friend and an outstanding American.

A native of Hungary, Frank has served his adopted country well, both during World War II as a staff aide to General Ridgeway, and later in a variety of humanitarian efforts. He is currently the vice president and managing director of the Las Brisas Hotel in Acapulco and has truly used his position for the benefit of the community there. Among other things, he has heavily supported the nearby orphanage of La Casa Hogar Del Nino and has employed these children at his hotel, thereby not only helping them with their own support but also teaching them about the hotel business.

Frank was recently honored with the

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[1] 37 FR 3167; 3 CFR, 1970 Comp., p. 146.

presentation of the "Business and Professional Leader of the Year Award" at the 23d National Awards Program of the Religious Heritage of America held at the Washington Hilton Hotel. Because of the timely significance of his acceptance speech, I would like to share it with you at this time:

Speech by Frank M. Brandstetter

Thank you, Mr. Stone, for your kind remarks.

Dear Fellow Americans, I am profoundly grateful for the Religious Heritage of America Award; and I express my thanks to the committe which chose me.

The essence of religion is to worship God, to follow moral guidelines in our lives; and thus to perfect ourselves by seeking goodness in everything. But the seeking cannot be a passive philosophy! We must reach out to grasp perfection in our own actions, in our relationships with others, in our work, in our mental attitudes.

It is a ceaseless striving. We cannot attain the best unless we work at it. We must be aware of the principles of justice and integrity. More—we must commit ourselves with our whole heart to their realization: Justice and integrity. This awareness and this commitment are the rocks upon which all religious faiths inspire their followers to be good citizens of our "beautiful, yes—beautiful" United States of America! Only a religious faith as solidly based as this, can be a vital force in our lives.

The bicentennial of this Nation is 1976. Two hundred years of democracy—a government by and for the people. But some do not believe this and they see signs of decadence; for them there is a loss of self-confidence and self-assurance.

We, as a Nation and a People, are faced with many problems. Only strong religious faith is our weapon to overcome them. There is nothing so desperately needed at the present time as a renewal of religious faith; and a renewal of hope in our democracy!

Our Founding Fathers demanded justice and integrity, truth and individual dignity. Let every American be brave and valiant and personally overcome the challenge against our Nation. How? This question is answered by a constant striving for perfection in his or her responsibilities and thus they will exemplify a loyal leadership! And this collectively is the life of our Nation as a free Democracy dedicated to justice and integrity. My dear fellow Americans, there is a solemn obligation upon each citizen to give this Nation "a vote of confidence and loyalty"; and to have a personal renewal of hope in this great Nation! Proudly speak the words: "beautiful America", because we have a Constitution and laws to protect and strengthen this Nation, United States of America, and may God bless our Country! Thank you!

IMPACT OF NIXON PROPOSALS ON LAND-GRANT COLLEGES

HON. JOHN BRADEMAS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 30, 1973

Mr. BRADEMAS. Mr. Speaker, in January of this year President Nixon proposed to the Congress a budget which would have had, in the words of a June 1973 study by the National Association of State Universities and Land-Grant Colleges, a staggering impact on colleges and universities.

Says the study:

> Reports from institutions . . . predict losses of revenue ranging from approximately $1 million, for some of the smaller public universities, to more than $20 million for large multi-campus systems if the Nixon proposals are actually implemented.

The study went on to document the ravaging blows the President's budget would have dealt to our institutions of postsecondary education with regard specifically to the health sciences and student aid.

Mr. Speaker, the Members of the House, in a prudent and wise decision, rejected the President's budget proposals in these areas.

H.R. 8877, which provided fiscal 1974 appropriations for the Departments of Labor and Health, Education, and Welfare, raised the President's request for health manpower support from $382 million to over $706 million. Even that drastic increase, Mr. Speaker, will not provide as much money for health manpower programs as was appropriated in 1973, when over $738 million was available.

And the House rejected, as well, the President's approach to funding student aid programs, by appropriating money for the Supplementary Opportunity grant program, as well as the direct loan program, both of which the President wanted to dismantle. By providing these funds, Mr. Speaker, while at the same time cutting the funds appropriated for the Basic Opportunity Grant program, the House was able to follow the dictates of the authorizing legislation and stay within the President's budget request.

But I want to remind my colleagues, Mr. Speaker, that the bill approved by the House is not yet the law of the land.

A Labor-HEW measure has yet to be approved in the Senate, and we do not know if the House's views will prevail in conference, nor, indeed, do we know that the President will sign the bill.

So by way of congratulating the Members of the Labor-HEW Appropriations Subcommittee, so ably chaired by the distinguished gentleman from Pennsylvania (Mr. FLOOD) as well as the members of the Committee on Appropriations, chaired by our distinguished colleague from Texas (Mr. MAHON) I insert the study prepared by the National Association of State Universities and Land Grant Colleges at this point in the RECORD.

For I want to remind my colleagues that the thoughtful changes made by the committee—and subsequently endorsed by the House—to the President's proposals for higher education mean a great deal to our colleges and universities.

Mr. Speaker, the summary of the study to which I refer follows:

THE IMPACT OF NIXON BUDGET CUTBACKS ON STATE UNIVERSITIES AND LAND-GRANT COLLEGES

SUMMARY OF A SURVEY

JUNE, 1973.

If changes proposed for federal higher education support in President Nixon's 1973–74 budget are put into effect, the financial impact on colleges and universities will be staggering.

Reports from institutions holding membership in the National Association of State Universities and Land-Grant Colleges (NASULGC) predict losses of revenue ranging from approximately $1 million, for some of the smaller public universities, to more than $20 million for large multi-campus systems if the Nixon proposals are actually implementeed. NASULGC membership consists of the nation's 71 land-grant colleges and universities and a number of other large public universities. The biggest cuts would come in the areas of student aid and health sciences. However, virtually every on-going higher education program has either been eliminated or reduced substantially in the 1974 budget request.

REVENUE SHARING NOT THE ANSWER

College representatives fighting to save these vital funds are being told that they should seek revenue sharing funds being sent to the states. For large universities with extensive research and highly specialized training programs, the problem with this approach lies in the fact that state legislatures are not likely to provide funding for programs that benefit the nation as a whole more than any individual state or community.

"Clearly there are too many problems of national scope to rely upon a sudden shift to revenue sharing or independent state management," noted Stanley J. Wenberg, vice president for state and federal relations for the University of Minnesota, which receives approximately 73 percent of its research budget from federal funds.

"How can a university that has achieved tenth or eleventh place in national service—as measured by its grant record—maintain its momentum, its staff, its potential by having all its national and international endeavors placed in the village hall's consideration of competing local concerns?"

Colleges and universities object to the fact that the President is proposing specific cutbacks in the education area without corresponding specificity in his "education revenue sharing" proposal. At the same time, he has refused to request funds to implement the institutional support section of the Higher Education Amendments of 1972.

President's proposals unexpected

The need for widespread mutual understanding of local, state and federal responsibilities is the key problem at present, university spokesmen agree. The lack of understanding is evidenced by the fact that many public universities had already developed their requests for state appropriations for the next fiscal period prior to the release of the Nixon budget without any knowledge of the proposed reductions in federal contributions.

"This is a new and wholly unforeseen development," noted Iowa State University President W. Robert Parks, who is also president of NASULGC. He observed that many of the funds for land-grant universities have been coming to institutions since before the turn of the century.

"These are not 'frill funds.' They go straight to the support of the core functions of the university in teaching, research and extension."

Cutbacks in basic programs devastating

Even before the threatened federal funds cut-off, public institutions across the country were facing the prospect of no more than "hold the line" budgets. For most colleges and universities there is little change of replacing federal funds from other sources. President Parks predicted that the added loss of revenue in many cases will result in critical cutbacks in basic educational programs and services.

"Public higher education has been faced with a grave financial crisis throughout the last four years, and we have taken drastic measures to cope with this situation," noted

Willard L. Boyd, president of the University of Iowa. "Against that background, the federal cutback is devastating." President Boyd's institution will lose $9.6 million in federal support of educational programs. In addition, the university could lose up to $3.2 million in student loan funds and tuition income. The loss in tuition income is based on an expected decline in enrollment if student aid funds are inadequate to assist many students who would otherwise enroll.

Universities caught in a budget vise

Testifying before the California State Senate Finance Committee, President Charles J. Hitch of the University of California recommended that a special session of the state legislature be called to consider the impact of the reversal in federal policy and what might be done about it.

"As matters now stand, we are caught firmly in a budget vise between Washington and Sacramento and the federal side is tightening painfully," Hitch told the legislators.

The university head noted that an early estimate of an $80 million loss in federal revenue for his institution over the next 28 months, based on proposed cuts and losses of new awards, has now been revised upward to well over $100 million for the period.

"And that's not counting the additional $100 million we expected for health science construction," he added. "A great deal of our basic research will be affected, as will language and area studies, graduate student support, agriculture, student aid and, perhaps hardest hit, the health sciences."

Hitch noted that if many of the President's proposals become public policy, several of the university's key programs will be eliminated, others will be reduced dramatically and the balance will have to be reevaluated and restructured.

Institutions stand to lose millions

The University of Wisconsin System has issued a detailed table of estimated expenditures from federal funds, reflecting the President's budget proposal. The analysis shows that the system could lose as much as $25 million under this budget in 1973–74. This would include $15.7 million in student aid funds and $9.3 million for other educational programs. The Madison campus alone would lose $14 million in revenue.

Other state and land-grant universities which have released estimates of the total amount of federal funds for operating expenses (losses for capital outlay are not included) they would lose under the new budget proposals and the amounts of the estimated losses include:

University of Michigan, $8 million.
University of Missouri, $7.1 million.
University of Illinois, $5.6 million.
Iowa State University, $4.5 million.
Rutgers University, $4.0 million.
University of New Mexico, $3.5 million.
University of Tennessee, $3.5 million.
Auburn University, $3.3 million.
University of Maine, $2 million.
University of Oklahoma, $2 million.
University of New Hampshire, $1.9 million.
Unversity of Rhode Island, $1.8 million.
Montana State University, $1.1 million.

It should be noted that these figures are not exactly comparable because some institutions did not try to include estimates of losses in student aid funds while others did.

Institutional reports detail the impact of cutbacks in specific programs. The following analyses relate to some of the reductions that will have the most serious effect on college and university operations.

Crippling blow to health sciences

The severest cuts in higher education federal support in the President's scheme of things would be in the area of the health sciences. Universities across the nation would lose millions in training grants, capitation grants for pharmacy, nursing, veterinary medicine, optometry, podiatry, allied health and public health and the elimination of regional medical programs.

"I find it very disheartening that the deepest cuts of all should be in the health sciences, for I thought that if we had consensus anywhere it was that we badly need more health practitioners," stated President Hitch.

The proliferation of university programs and enrollments in the health sciences in recent years has come about largely because of federal budget incentives based on the establishment of health-related education as a high federal priority.

Most state universities which have set elaborate plans in motion for an expansion in health sciences fields, in response to the national need, must now consider reducing enrollments and the variety of academic offerings that have been developed to meet modern-day needs.

Capitation grants

Capitation grants, which are grants paid to the institution in direct proportion to the number of students enrolled, have become the backbone of many schools and departments devoted to the health sciences. The original federal intent in establishing these grants was "to provide a dependable financial base" for education in the health sciences.

As a measure of just how important these funds are, the University of California noted that 15 percent of the Davis Veterinary Medicine School's core support budget and 40 percent of the San Francisco School of Nursing's instruction and research budget come from these grants.

The University of Illinois reports that loss of capitation grants will take away 25 percent of the budget of the College of Pharmacy with "serious and compounded impact" because the new and innovative programs are precisely those developed and sustained by this federal source.

Still another example of the effect of the loss of capitation grants is offered by Michigan State University. Its School of Nursing would lose $55,600 if the grants are eliminated. Unless the funds could be replaced from other sources, this could result in a 20 percent reduction in student enrollment and a loss of four faculty positions.

Public health programs

There are only 19 schools of public health in the United States and only 18 schools of veterinary medicine. Almost all of these are located at major state universities or land-grant colleges. Yet these institutions, each of which must serve residents of several states, are faced with the necessity of making serious reductions in both staff and enrollment due to the threatened withdrawal of federal support.

The University of Minnesota has announced that the Administration's proposals would cause the elimination of 29 of 50 F.T.E. (fulltime equivalent) faculty in the school of public health, as well as traineeship support for 173 of 256 students.

The University of Michigan reports that its School of Public Health faces the greatest potential loss of federal funds during 1973–74 of all of the university's schools and colleges. Myron E. Wegman, dean of the school, has called the budget reduction especially harsh because since 1958 schools of public health have responded to the Congressional mandate to expand and to increase health manpower in such vital fields as community mental health, environmental control and health facilities planning.

At Michigan, the budget reduction for the School of Public Health, as of July 1, 1973, means the loss of support for more than 35 fulltime faculty at all ranks. It also means no new students will receive federal support.

Dean Wegman comments: "What is even more devastating is the shift in the values of our government and nation from high priority public health problems such as mental health, pollution and health care planning programs designed to cut the escalating costs of health care, to a provincial nineteenth century concept of letting the other fellow do it."

Crisis in student aid

The Nixon Administration has proposed that "no qualified student who wants to go to college . . . will be barred by lack of money."

Student aid has received the highest federal budget priority, accounting for the seven percent overall increase in the higher education budget. However, the Nixon plan for achieving financial access for all students calls for a complete restructuring of federal student aid programs in a manner that campus student aid officials say will fail to accomplish his desired goal.

At the same time, a major tug of war is developing between the chief executive and Congress which threatens to delay the passage of any student aid appropriations measures for fall, 1973.

The confrontation is developing over the President's failure to request any funds for either the National Direct Student Loan (NDSL) program or the Supplemental Opportunity Grants (SOG) program. He requested a reduced amount for the College Work-Study program. This is in direct opposition to the Education Amendments of 1972, which contain the requirement that the three existing student aid programs be funded at specified levels before any sums are appropriated for the new Nixon program of Basic Opportunity Grants (BOG). Under this program needy students are eligible for up to $1400 of assistance less whatever their families may "reasonably" be expected to contribute, but not more than one-half of the total costs, including board, room, tuition and fees.

Although informed sources believe that Congress will appropriate money for existing programs along with approving the requested $622 million for basic grants, the President may use his veto power to delay action. And, if this fails, he could continue his policy of impounding funds appropriated for purposes of which he disapproves.

Students the losers

Whatever the end result, students are bound to be the losers, according to university financial aid officers. Until the final decisions on funding federal programs have been made, universities will not know how much money they will have available for student assistance in the fall. Many institutions are already late in making their traditional announcements of aid for incoming freshmen. A number of financial aid offices are predicting that they may not be able to start informing students as to their financial aid package until late summer and perhaps not until after the opening of the fall term.

"Students are in danger of becoming the unwilling victims of the battle between the President and Congress over federal support for education," observed Chancellor Albert H. Bowker of the University of California at Berkeley. "The debate in Washington is beginning to have an impact on the lives of Berkeley students. The uncertainties about future federal grants and loans, the reduction of research opportunities and the rising cost of education may force many to consider ending their studies."

Problems with BOG program

Problems in implementing the new BOG program, about which there are still many unanswered questions, make the fall, 1973 start-up date extremely tight. Before the program can be put into effect, universities must conduct analyses of family contribution for each qualified student. At present uniform national standards for determining distribution of BOG funds on an equitable basis throughout the country have not yet been released, and standardized family contribution forms are still in the planning stage.

Universities have estimated that under the BOG program there will be money available for more students but in smaller amounts. The result will be greater pressure on state and university funds, since no student may cover more than half his educational costs from federal sources.

Michigan State University, which has one of the most extensive programs of student financial aid of any university in the nation, has conducted a study that shows that some of its students who are currently receiving SOG's will receive less under BOG, and some will receive no grant at all. The latter is due, according to the university, to (1) the treatment of family assets and (2) the manner in which Social Security and Veterans Benefits are handled.

"If it becomes necessary to place the reduction formulas into effect, practically all students now receiving SOG's would receive less grant money next year than this year," a university spokesman reported.

This university, along with numerous others throughout the country, is calling for the continuation of the SEOG program as a companion to the BOG program to correct inequities and to guard against the adverse effects of inadequate funding of BOG until the new program can be properly funded and phased-in.

Loan programs

Campus spokesmen also are fearful of the intended shift from the government-subsidized NDSL program to emphasis on privately financed loans guaranteed by a new federal Student Loan Marketing Association. A report on the student aid situation at the University of Illinois noted that graduate students will be especially adversely affected by this shift because "experience shows that the mobile graduate student has trouble finding a bank to make such a loan."

According to other university reports, all students have experienced difficulty in getting private loans in recent years because of the reluctance of lending institutions to tie up more funds for this purpose. With the prime interest rate going up—and likely to keep doing so—student loans are not profitable investments for most banks.

The University of Rhode Island estimates that under the Nixon program at least 1,000 of its students who formerly could have qualified for the NDSL program would have to borrow from banks in order to stay in college. From 35 to 40 percent of the university's needy students already are borrowing from banks in order to maintain themselves in college and there is no indication from loan institutions that they will be able to increase support actiivty to help additional students.

LAWRENCE M. CARINO

HON. WILLIAM S. BROOMFIELD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, July 30, 1973

Mr. BROOMFIELD. Mr. Speaker, Lawrence M. Carino recently stepped down after a 1-year term as chairman of the Detroit Chamber of Commerce. In a speech delivered at the board's annual meeting, he reviewed the activities of the past year and outlined the challenges that lie ahead for the chamber and Detroit.

Unlike the forecasters of doom and gloom who seem to delight in their pessimistic warnings, Mr. Carino looks to the future with hope. More important, he and the chamber are dedicated to working for that future in sharp contrast to many who are quick to criticise, but are short on solutions. This takes hard work and long hours and the chamber of commerce has shown itself willing to deliver the necessary effort when called upon.

Whether it is counseling small businessmen, attracting new industry, and more jobs to cut unemployment or participating in the revitalization of downtown Detroit, the chamber of commerce has been at the forefront. Mr. Carino initiated or assisted these and many other community-oriented projects within the past year and I would like to join the chamber of commerce and the people of Detroit in offering him my congratulations.

From his unique vantage point as a successful businessman and acknowledged civic leader, he has been able to draw conclusions and offer proposals that have value not only for Detroit but the country as well. Therefore, I include the following speech which was printed in the Detroiter Business News in the RECORD for the benefit of my colleagues:

STATEMENT BY LAWRENCE M. CARINO

I approach with mixed emotions these last few official acts—including the delivery of some comments appropriate to the occasion—of the twelve months it has been my honor and privilege to serve as chairman of your Chamber's Board of Directors.

I will remember this past year as one of unparalleled opportunity to serve the community which all of us . . . beyond our own personal and business pursuits . . . must regard as more than worthy of our best and dedicated efforts.

My tenure as chairman . . . and how rapidly it has passed! . . . also will be recalled in terms of my high and growing regard for those individuals with whom it has been my pleasure to work. Our Chamber . . . and, in fact, our entire community as Greater Detroiters . . . may be justly proud and confident of the caliber of people pledged to the well-being and betterment of Southeastern Michigan.

I would like to touch very briefly on some of the Chamber's many accomplishments during my period of concentrated involvement. Equally important, I believe, are what I see as some of our most crucial and pressing obligations . . . as individuals and as an organization . . . in months just ahead.

Among the very many meetings and planning sessions in which I have found myself involved, I chalk up as among the most meaningful a meeting one Saturday morning a little over a year ago. That was when about half of the Chamber's Board of Directors and several other key leadership people gathered to discuss ways and means of undergirding the economic revitalization of Detroit. Out of that meeting came what I viewed . . . and still view . . . as a series of truly fateful and far-reaching discussions with the idealistic yet intensely practical leadership of Detroit Renaissance, followed by the Chamber's acceptance of a major share of responsibility for the all-important mission of helping restore the brilliance of our city's once-shining image. Despite the serious tarnishing which that image has undergone in recent years—both justly and most unjustly—the return to its full luster is not only possible, but imperative if much else is to be accomplished.

Image-making, in this case, must be far more than cosmetic. It must reflect a fundamental soundness of resources and planning. It must be based on not just a local conviction, but a demonstrable fact that business and commerce in Detroit are not merely viable, but thriving, fully ready and capable in meeting intense competition from around the nation and, increasingly, from around the world. Of paramount importance in this effort, of course, is the preservation and creation of jobs. But most fundamentally, it involves the retention and the attraction of business and industry, the maintenance of Detroit's once virtually unchallenged position of commercial health, excellence and creativity.

Though there undeniably has been slippage in this area, it has not been as severe as sometimes pictured. Though Detroit has lost economic ground over the past decade, it can be reclaimed. Though we have suffered perhaps more than our share of urban ills, they manifestly have not been fatal.

In our programs to implement such positive views, we can be proud of the Chamber's lead . . . under the capable direction of Bob Hastings . . . in bringing to the attention of both government and union leaders the need for a coalition effort by business, government and labor to re-create the economic climate necessary to stimulate job development. To a large degree, I think, we have been successful in stimulating such action—which is, at its heart, simply a matter of reordering some people's priorities.

I also want to single out the good work of our President's Club under the direction of Charlie Chestnutt, so largely responsible for the greatest membership building year in the history of this organization. We now stand at an all-time high of 43-hundred member firms with an assigned membership of more than 7,000 individuals throughout the region.

In the limited time available, it is impossible for me to adequately credit all who have, through volunteer service on our various committees and staff, furthered the Chamber's many action programs.

I must, however, mention Daylight Saving Time—five years in the achieving, and almost entirely through the initiative and effort of the Greater Detroit Chamber of Commerce. This . . . and not a few other notable accomplishments . . . came through our vastly improved legislative liaison, for which our Government Relations Division and Gordon Traye, our man in Lansing, deserve abundant credit and steadfast support.

In addition, I would note with no small satisfaction the adjustments in the Governor's $380 million dollar tax reduction package, with that portion so vital to business amounting to same $45 million dollars each year over the next two years.

In the vital and already-mentioned area of image-rebuilding, our newly created Communication Division merits considerable praise, with chief attention due our much-acclaimed new monthly magazine, the Detroiter. It fills a long-felt need in our city and, I'm sure, will go on to exceed the impressive heights already reached in only two issues. In the communications field, the new semi-monthly Detroiter Business News also promises to be of considerable value and practical use, as does the Chamber's advertising and PR contract with nationally respected Carl Byoir & Associates.

Also demanding all-too-brief mention are the work by our Transportation Department which led the way to downward adjustments in North Atlantic air cargo rates effective in Detroit . . . the Chamber's major role in securing for Detroit the federal IRS and McNamara buildings and in recently announced state plans to purchase Executive Plaza . . . the Chamber's Job Centers, in the past year interviewing more than 15,000 applicants and placing nearly 2,000 . . . our Small Business Advisory Department, counseling 124 small businesses, bringing 11 into being, creating 43 new jobs and saving 49 others . . . and, of course, the Chamber's Project Pride '73 campaign—good for the Chamber from a grassroots community relations point of view and, most important of all, good for a cleaner, more livable city.

It is now passé . . . but still very much to the point . . . to press the fact that our system—the business and industrial establishment of which we're all very much a part—has been and continues under vicious, unprecedented, and mostly unjustified attack. As Henry Hazlitt has written: "Ignorance, shortsightedness, envy, impatience, good intentions, and utopian idealism have combined to engender an endless barrage of charges against free enterprise. And the return fire, if free enterprise is to be preserved, must also be endless." The return fire, I would further submit, can best come from businessmen speaking with a concerted voice, with that kind of forceful voice coming most convincingly . . . almost exclusively . . . when orchestrated by such organizations as your Greater Detroit Chamber of Commerce.

What can we do about the criticism—and, more importantly, about the restrictive laws and regulations to which the criticism inevitably leads? What we must do is take our case . . . in increasingly urgent terms . . . to the public, just as the other side has done. Fortunately, the people of America have a long history of responding favorably to the truth, and it's about time they heard the truth about the opponents of private industry.

We must show our fellow Americans that what they have been getting from what has been called the Disaster Lobby is a mixture of fiction and exaggeration . . . that our environment is getting cleaner and healthier all the time, not dirtier, as they have been told . . . that our free enterprise system has in fact made this nation the envy of the world and that, if the system is overturned or systematically strangled to death, our living standard will be the first casualty.

We've got to show the people of America . . . and with this Chamber one of the best vehicles I know . . . that if they permit the government to take over industrial production and marketing, their own freedom will disappear . . . their freedom in an open market to buy the products they want, in the sizes and colors they want them, at a price they are willing to pay.

The Big Lie about our system has, of course, been promulgated and spread by the professional and so-often self-aggrandizing consumerists, as if all of us weren't consumers. And let the people of America be warned that on the day the professional consumer propagandists . . . the Ralph Naders . . . determine what shall be made and sold in this country, the people of America had better learn to like the things Ralph Nader likes . . . because that's all they'll be able to get.

It is organizations such as, preeminently, your Greater Detroit Chamber of Commerce, which can help the beleaguered business community find its voice and, even more important, properly use it. It can help correct a ridiculous, really tragic situation which University of London economist P. T. Bauer described in these words:

"Our market system delivers the goods people want, but its supporters cannot explain why or how.

"Other systems, generally socialist, do not deliver the goods, but their supporters readily explain why they do not, cannot, or should not do so.

"Our system is long on desired goods and short on effective arguments.

"Other systems are short on desired goods but long on successful arguments."

It's a situation, as I said, that is as ridiculous as it is tragic, and it renders the Greater Detroit Chamber of Commerce . . . and organizations like it across the country . . . never more important than they are today.

The Chamber, of course, can be no more effective than its individual member businesses are enthusiastic in their support. All of the new activites I mentioned a few moments ago . . . and the other pro-business, pro-free enterprise, pro-America programs still on the drawing boards . . . represent increased dollar needs for the Chamber, needs to which many of you already have graciously responded by increasing your dues investment.

In my concluding words as your Chairman, let me reemphasize my heartfelt conviction that the attack on the world's greatest, most creative, and yet most compassionate economic system demands the best that is in us by way of response. And that, in short, demands continued support of this Chamber and, hopefully, a reexamination of that support with an eye to judging whether it really has been enough.

For, putting it mildly, the duty of defending our system does not fall exclusively on professional economists. It falls upon each of us who realizes the untold benefits of free enterprise, and the very real threat of its destruction, to expound his convictions within the sphere of his own influence . . . and to support other, stronger voices expounding like convictions. And our strongest most united voice . . . as I have said . . . is embodied in the organization which has brought us together tonight. The opportunity we mutually and capably face . . . with the Chamber as our spokesman . . . is fully as great as the challenge.

I'll close now by expressing my sincere appreciation to the Board of Directors seated before you for having elected me to the duties of the past year and the tremendous experience which those duties constituted. And I thank innumerable others for being so responsive and cooperative in assisting me when you were asked. Further, I commend the leadership experience to those who have never really known it. Working through the Greater Detroit Chamber of Commerce, you will come to know the power for good engendered by the spirit of men and women working together for the things in which they truly believe.

ENERGY CRISIS PREDICTED IN 1960

HON. BILL ARCHER

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, July 30, 1973

Mr. ARCHER. Mr. Speaker, it seems to have become the practice of many, both in and out of Congress, to blame the Nation's oil producers for the current energy crisis. These same persons seem blind to the fact that for years the more farsighted spokesmen for the oil industry have been sounding an alarm that has been largely ignored.

One such knowledgeable spokesman is Michael T. Halbouty of Houston, a well respected consulting geologist and independent oil operator. As far back as 1960, Mr. Halbouty made some startling predictions relative to the Nation's energy outlook.

Recently the Houston Chronicle published portions of a speech he presented before the American Association of Petroleum Geologists on November 3, 1960. Because of the haunting accuracy of his remarks, and their timeliness, I submit the article for the RECORD at this point.

[From the Houston Chronicle, July 15, 1973]

HALBOUTY CAN NOW SAY: "I TOLD YOU SO" BACK IN 1960

(By Max B. Skelton)

Michael T. Halbouty made two predictions during a 1960 speech in Los Angeles.

The Houston consulting geologist and independent oil operator said an energy crisis would develop by 1975 unless domestic explorations for new oil and gas reserves increased sharply.

He also predicted consumers would ignore such warnings until actually facing shortages and would then blame the petroleum industry.

AHEAD OF TIME

Shortages have developed well ahead of 1975 and there have been many charges that oil companies have conspired to contrive the crisis.

And Halbouty has been receiving requests for copies of the speech he made on Nov. 3, 1960.

"It is rather fantastic when you look at today's situation and at what was said more than 12 years ago," says Halbouty, who was the 1966–67 president of the American Assn. of Petroleum Geologists, the world's largest group of earth scientists.

The Los Angeles speech was made at a time the United States had a surplus of oil. Domestic crude oil productive capacity was in excess of 9.7 million barrels a day but actual production was only 7 million. Oil imports were approaching 2 million barrels a day despite a mandatory control program that was then less than two years old.

TWO MAIN POINTS

Halbouty's speech emphasized two points. First, the surplus conditions were discouraging exploration for new domestic reserves. Second, long range forecasts indicated spiraling demand within a decade not only would eliminate the idle productive capacity but would require the discovery of tremendous new reserves.

Halbouty's concern was underscored by the fact only 46,000 domestic wells were drilled in 1960 compared with a record 58,000 in 1956.

Speaking before the Pacific section of the association he later headed, Halbouty said he believed the nation was reaching toward a severe economic crisis "as well as an imposition on our national security by our not doing everything possible to increase our domestic production now." He said the impact of an energy shortage would be absolutely disastrous.

"Unless there is an appreciable and sustained turnaround in our exploratory activities, I can safely predict that between now and 1975 we will have an energy crisis in this country which will cause repercussions throughout the width and breath of this great nation of ours like a devastating earthquake."

There have been hopeful signs in recent months but the end of the drilling slump is not yet in sight. Only 28,771 wells were completed in 1972 and only 27,300 in 1971.

APATHY DECRIED

"It is appalling to me that the American people can be so apathetic to what is so obvious to some of us in the industry," Halbouty said in 1960.

"They are not experiencing shortages now and evidently they care less what will happen in the future. Some of these days the shortage will catch up with us and then the people will say 'The industry is to blame, why weren't we told?' Well, I am telling them now."

Prior to making his predictions. Halbouty said an economist of note had said that an additional 52 billion barrels of domestic oil would have to be discovered in 10 years to permit the nation to enter the 1970s with the same reserves ratio that existed in 1960.

Industry reports indicate only 26.1 billion barrels of new crude oil reserves, exclusive of Alaska, were discovered in 1961–1970 but that actual production exceeded 28 billion.

NATURAL GAS DEMAND

Halbouty also quoted a natural gas authority as forecasting demand would nearly double within 10 years and that this and retention of the reserves ratio would require the drilling of 925,000 wells and the discovery of 305 trillion cubic feet of new gas in the 1960s.

Between 1961 and 1970, natural gas demand increased from 13 to 21 trillion cubic feet a year. The 371,033 wells drilled during that period discovered 197.9 trillion cubic feet of new reserves but actual production exceeded 170 trillion.

SOME FARMWORKERS FEAR "CHAVEZ"

HON. BURT L. TALCOTT

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 30, 1973

Mr. TALCOTT. Mr. Speaker, Members of the Congress and most people who do not live or work near the row crop farms of America do not have sufficient information to understand the real problems of the farmworker in California.

I wish it were possible for Members of the congressional committees to hold hearings in the field, in California, where the workers are, where the problem exists.

We who sit several thousands of miles away in air-conditioned offices, and may never have seen lettuce or grapes grow or workers cut lettuce or pick grapes, cannot understand the problems.

Until hearings are held in the farm area, we must rely on the observations from the fields.

Mary K. Shell, of the Capitol News Service of California has told a story that is seldom understood but needs to be told. Those who are interested in the facts of the farm labor disputes in California should read the report.

National farm labor legislation is urgently needed now. I insert the article from the Paso Robles Daily Press at this place in the RECORD:

FARMWORKERS FEAR CHAVEZ; NOW TELL OF UFW "BLACKMAIL"

(By Mary K. Shell)

A few months ago they were covered under a United Farm Workers Union contract. But no longer and they're free to talk to tell what it was like.

UFW is supposd to be a champion of the farm workers, but a group of Chicano farm workers here tell quite a different story a story of three years of intimidation and oppression under UFW of discrimination, or threats and shakedowns by union hiring hall bosses.

These workers are amoung the several thousand (more than 8,000 to date) California farm workers who are now working under a Teamster's contract.

UFW head, Cesar Chavez claims they are "sweetheart" contracts a deal between the Teamsters Union and the growers. The growers, however, insist a majority of their workers voluntarily signed petitions asking for Teamster representation.

The farm workers interviewed here verify this contention.

After hearing the workers describe the UFW hiring hall operation, it's not surprising that another union, in this instance, the Teamsters, has been successful in gaining support from the people who harvest California's crops. All but two growers in the Coachella Valley and 19 growers in Kern and Tulare counties signed with the Teamsters when their UFW contracts expired in April.

Nearly all the growers in the Delano area (where Chavez launched his crusade eight years ago) are also expected to sign with the Teamsters when their UFW agreements terminate later this month.

Meanwhile Chavez and UFW are acting like a rejected suitor who refuses to accept the fact that the affair is over. In spite of the signed petitions, in spite of the fact nearly all the workers are busily working in the fields, Chavez is still trying to convince the world that the workers are "on strike" and he is calling for a boycott of Teamster harvested grapes.

The Teamsters, armed with years of experience in the art of union organizing, walked into fertile territory when they kicked up the dust of California farmlands. The workers were like overripe plums falling into their outstretched hands.

The Chicano farm workers interviewed talk bitterly about the three years under Chavez and UFW. First, they complained they had no voice at all in the signing of the UFW contracts on 1970.

As one worker put it, "They (the growers) told us we would have to join Chavez if we wanted a job." Resentment has been festering ever since.

Under the UFW contracts once independent workers were forced into a position of being totally dependent upon the union hiring hall bosses for their job assignments.

First they needed a "dispatch card" from the union. But before they were given a "dispatch card" they had to pay up their union dues.

One worker complained he had to pay two years' dues for his wife who had been sick before she was eligible for a "dispatch card." It cost more than $100.

And, they also complained about UFW playing favorites. Some of the workers would be given first opportunity to work when a call came in, regardless of another worker's seniority with a particular grower.

A woman who has worked for 16 years in Kern County grape vineyards described it like this: "They (the hiring hall bosses) would tell us, 'we'll give you a dispatch card when we feel like giving you one. You can get down on your knees and beg for a dispatch card'."

Another woman said sometimes certain workers would be forced to wait three or four days for a dispatch card.

Others had better luck. The same woman worker said, "Some people go there and they pay through the back door and they get sometimes 40 dispatches. See, they're blackmailing the people."

She said the people working for UFW in the hiring hall complained they were making only $5 a day and they needed help to pay their bills.

"So they say, 'you give me a hand and I'll give you a dispatch'."

UFW's hiring hall operations—the intervention of the union in many long-standing relationships between the workers and the growers is most often cited as the reason for the growing anti-Chavez feeling.

Many of the workers had been employed by the same grower for a number of years. It was a direct relationship. The worker asked for a job and was hired by the grower.

UFW coming between the two without the worker's consent was a source of constant irritation. No longer could the worker seek his own employment. Instead, he was forced to wait his turn at the hiring hall, no matter how experienced he or she might be.

EUROPEAN REACTION TO THE UNITED STATES-SOVIET SUMMIT AND POSSIBLE UNILATERAL U.S. TROOP REDUCTIONS IN EUROPE

HON. DAVID C. TREEN

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 30, 1973

Mr. TREEN. Mr. Speaker, in recent days I have taken the opportunity to point out some of the possible dangers which would result if we unilaterally withdrew our troops from overseas. During a recent television program, "Meet the Press", British Prime Minister Heath also warned of the dangers our pulling out of Europe would produce. I am enclosing an article explaining his position.

For the benefit of my colleagues, who will be discussing this question of troop withdrawal shortly, I am also inserting other articles which discuss the fears of France that the superpowers might reach an accord to the detriment of our European allies. This is a fear which would be compounded if we decided to reduce our troop strength in Europe without prior consultation with our allies. And finally, I am inserting an article by the British Lord Chalfont, a former Minister of State in the Commonwealth Office. Lord Chalfont refutes the idea that the threat to Western Europe has declined and considers it a notion of childlike simplicity.

I think these articles raise questions which demand our consideration in the upcoming debate and I believe further that they illustrate, yet again, why it would be detrimental for us to unilaterally reduce our troop strength at the present time.

The articles follow:

[From the London Times, Feb. 5, 1973]

OVERSEAS—MR. HEATH WARNS UNITED STATES ON THE DANGERS OF PULLING OUT OF EUROPE

Mr. Heath has told Americans that a good many countries in Europe might start making a deal with the Russians if the United States withdrew most of its troops from Europe.

Appearing in a nationally televised interview broadcast today, Mr. Heath refused to name the European countries he had in mind, but said Britain would not be among those giving way to Russian political pressures. "That is not our history," he said. "It is not our approach."

Mr. Heath mentioned, in a separate context, that it remained his policy to maintain the British nuclear deterrent. Amid strong indications here that bringing Britain's force up to date was now a live issue, he said he would not "discuss particular weapons at this stage, because we are not at the point of making decisions."

Mr. Heath chose deliberately not to evade discussion of the hypothesis of an American withdrawal, even though there is not the slightest indication that the topic, in terms of reducing American strength in Europe to a token force, had come up in his two days of talks with President Nixon.

The topic is a real one in Congress, however. A few hours after Mr. Heath left yesterday, Senator Mike Mansfield, the majority leader, who had met Mr. Heath at the private meeting of the Senate foreign relations committee, again raised his challenge. He proposed halving what he called the 300,000-strong American force in Europe over the next five years, to reduce it to a "leaner, better, more effective fighting force". For good measure, Mr. Mansfield threw in a demand for an end to all American foreign aid round the world.

In the National Broadcasting Company's *Meet the Press* programme a questioner mentioned congressional opinion in asking Mr. Heath to give good reasons for keeping more than a token American force in Europe.

Mr. Heath said that Europe had been and remained a vital interest to the United States. He could not agree that a token force would serve those interests. The Soviet Union, he said, would be unlikely to regard "a symbolic force as really having any meaning at all."

Americans were entitled to ask Europeans to maintain balanced orthodox forces. He recognized that as Europe became more prosperous, it would be able to play a larger part in the orthodox forces. But he reminded his audience, as he had done in his speech to the National Press Club last week, that European contributions to NATO were already "very large." For every American serviceman in Europe there were 10 West Europeans under arms. "Well, that is quite a proportion, 10 to one", he said.

Asked again what would happen if America did withdraw most of its forces, Mr. Heath replied: "Well, I think the general conclusion would be that America was becoming isolationist, withdrawing into herself, and is no longer interested in world affairs." The Soviet Union and China would be quick to draw the same conclusion.

He had absolutely no doubt that the Soviet Union still posed a military threat to Europe. Only through strength and the possibility of balance could agreement be reached. "Once you are found to be weak, there isn't any possibility [of agreement]."

Asked if he was suggesting that Soviet troops might start crossing borders after the United States withdrew most of its troops, Mr. Heath again did not shrink from the hypothesis.

"Well, what I would say is: the Soviet Union would then start using much greater influence in Europe . . . and, of course, you might very well then find that Europe would say: 'What is the point of standing up for our own sort of freedom and organization if we are just going to be on our own like this? Perhaps we had better start doing a deal with the other side'."

Observers here could not recall any European in recent years putting so forcefully the case of scepticism towards detente and raising the alarms of potential European instability.

To an extent the Nixon Administration and the American right wing embrace the same view, at least in public, and base on it much of their argument for holding the line on troop withdrawals while the talks on mutual and balanced force reductions are pursued.

Mr. Heath, whose interview was recorded before completion of his final round of talks with the President at Camp David, said there had been important results.

The future development of relationships between the European Community, Japan and the United States, and trade and monetary reform were, he said, subjects on which the talks had been "very valuable".

He also said in the interview that he believed that Concorde was a viable project. He rather doubted that the American decision not to build their own supersonic airliner was a permanent decision for all time.

[From the Washington Post, June 27, 1973]

BREZHNEV FAILS TO ALLAY PARIS SUMMIT FEARS

(By Jonathan C. Randal)

PARIS, June 26—Soviet Leader Leonid I. Brezhnev's efforts to persuade France that he and President Nixon concluded no secret deals behind Europe's back encountered some French skepticism today.

Although the Soviet leader relentlessly pursued his attempts to mollify the French during nearly seven hours of talks with President Georges Pompidou, French press reports provided just the kind of hints which the touchy French interpreted as Soviet-American dictation.

The press reports said in essence that Mr. Nixon and Brezhnev were dangling the possibility of Paris as the site for a climactic December East-West summit conference to bury the Cold War in return for a French agreement to speed up the European security conference.

The final communique of the Brezhnev-Nixon talks spoke of "possibilities for completing" the European security conference "at the highest level."

White House negotiator Henry A. Kissinger explained that the United States insisted on a guarded reference to such a summit meetting to see if the forthcoming foreign ministers' conference of nations involved in the security talks produces results.

Neither the communique nor Kissinger referred to Paris as the site for a summit nor December as the date.

The French, in reports attributing the idea to sources close to Mr. Nixon, said that it smacked of heavy handed super-power pressure tactics. Although French spokesmen diplomatically said that no such project had been discussed at the Brezhnev-Pompidou meetings at the chateau of Rambouillet 30 miles southwest of Paris, the French government is nevertheless supicious.

Pompidou's press spokesman said, however, that the president "didn't need to be reassured that he had no fears," and added that Brezhnev's rundown of his American meetings was "very interesting and important for the world's future."

The French, at the 35-nation security conference whose second phase gets under way in Helsinki July 3 at foreign minister level, argue that the only way to extract meaningful concessions from the Soviets is to avoid setting arbitrary deadlines, such as would be needed to start planning now for a summit.

As French spokesmen reiterated in the wake of the leaks from America, France feels that the level of any final European security conference can be determined only after special committees finish their work in Geneva. "For the time being", the spokesman added, Helsinki remains the Soviet and French choice for the site of a concluding conference.

The only leverage the West can exert in trying to obtain meaningful Soviet commitment for "free movement of people and ideas" across what used to be called the Iron Curtain, the French feel, is to make Moscow sweat.

In the short term, the Soviets stand to be the big winners in any case since any document emerging from the security conference will tend to legitimize Soviet hegemony in Eastern Europe.

Political observers seeking to understand why American sources apparently leaked the "jumbo summit" project speculated that Mr. Nixon wants such an international gathering as a substitute for his fruitless attempts to promote a meeting of Atlantic Alliance chiefs of state this fall.

Observers stressed that Pompidou could scarcely display enthusiasm about such a Paris "jumbo summit" without appearing to accept Soviet-American dictation to France and the other Europeans.

Only 10 days ago, a NATO meeting in Copenhagen agreed that nothing should be said or decided about any grand finale for the European security negotiations until their results became clear.

Pompidou, Breszhnev and their spokesmen sought to put the best possible public face on their meeting.

Brezhnev toasted Pompidou at lunch to the effect that "the period of dangerous tensions of the Cold War" was over and "we are entering a period of peace and cooperation which delivered mankind from the threat of nuclear war."

Pompidou said through a spokesman that the day's talks were "very positive and very constructive," almost the same words Brezhnev used to describe his talks with Mr. Nixon.

Brezhnev sought to quiet French—and all West European—fears about his Washington agreement on preventing nuclear war, saying it "serves the vital interests of all peoples."

The French spokesmen reiterated that Brezhnev had assured Pompidou that he and Mr. Nixon had reached no decision which would directly involve France or any other third country.

[From the New York Times, June 25, 1973]

EUROPE REACTS WARILY TO U.S.-SOVIET ACCORDS

(By Flora Lewis)

PARIS, June 24—Europeans have welcomed the new agreements between President Nixon and Leonid I. Brezhnev with caution and a certain skepticism.

It is plainly considered in Europe's interest that the United States and the Soviet Union reduce the danger of major war, since the assumption remains that Europe would be the prime battlefield unless a world wide nuclear conflict developed.

But, responsible officials here noted, the fear also remains that Soviet-American agreement will be at Europe's expense.

The tone of press and private official comment in Britain, France and West Germany has reflected this double-edged reaction and uncertainty, only slightly eased by Secretary of State William P. Rogers' assurances that the new accords will in no way diminish the United States' support for its allies.

In the view of qualified officials, it will take much more complete and detailed explanation to European chancelleries of just what the Nixon-Brezhnev meetings accomplished before European governments being to draw their own policy conclusions.

BREZHNEV VISIT AWAITED

France will hear the Soviet version first, since Mr. Brezhnev will arrive in Paris tomorrow night on his way home from the United States and will spend a day and a half with President Pompidou.

Preparations for the Pompidou-Brezhnev meeting provide an example of the ambivalent attitude of the European states toward what Mr. Brezhnev called "the new track" in Soviet-American relations.

No special agreements are expected and no significant negotiations have been arranged here. The visit will be primarily a gesture to show the Soviet Union's continued interest in its own improved relations with Western Europe and particularly with France, which took the lead in promoting an East-West thaw when President Charles de Gaulle journeyed to Moscow in 1966 and signed a joint declaration of principles with President Nikolai V. Podgorny.

French commentators in the last week have been expressing pleasure at the new evidence found, and at the same time noting wistfully that Moscow is now clearly much more interested in its dealings with Washington.

Mr. Pompidou went to Bonn to see Chancellor Willy Brandt at the end of last week. They talked a good deal about European security, which Mr. Pompidou defined as "defense plus détente." Mr. Brandt said pointedly, in reference to American desires to rejuvenate the North Atlantic Treaty Organization, that refurbished Atlantic relations could in no case put in question West Germany's policy of reconciliation with the Communist states.

Each made clear the importance he attached to his country's own direct dealings with Moscow, and implied concern that these might be undermined by a new Washington-Moscow relationship.

A "NEW YALTA" FEARED

Some of the more Gaullist elements of the French press have spoken of the danger of a "new Yalta," a secret deal by the superpowers to establish a kind of joint domination over Europe and even the world. Though with more reserve and more open appreciation for the decline of the cold war, similar fears have been expressed in Britain and West Germany.

Despite Washington's arguments, officials here observed * * * Soviet-American commitment to prevent nuclear confrontation will necessarily erode the United States pledge to defend Western Europe against a large-scale conventional attack by the Soviet Union. The Soviet build-up in conventional military strength has been much noted, along wtih the growing pressures in the United States for reduction of American troop strength in Europe.

These circumstances have served to reinforce the arguments of the French about the value of their own nuclear force for Europe's defense. However, it is conceded that the French force cannot be considered "European" until political unity emerges clearly on the horizon, something that is still a long way off.

But the question for "independent defense" is once again a current topic in Paris. A speech by Foreign Minister Michel Jobert early last week stressing this subject provoked more questions than it answered. Chancellor Brandt asked Mr. Pompidou to explain it, without achieving much clarity on which way French policy is evolving.

Still, it now seems evident that the issue of European defense will be crucial in coming American-European negotiations and the promised review of Atlantic relationships.

[From the New York Times, June 28, 1973]

PARIS INFLEXIBLE ON DEFENCE POLICY

The most concrete result of the 10 hours of talks between Mr. Brezhnev, the Soviet party leader, and President Pompidou at the Chateau de Rambouillet, was the decision to meet again early next year in Russia.

The brief communiqué for the press issued this afternoon emphasized again the "broad mutual understanding" of the talks and their "atmosphere of friendship". Mr. Pompidou told Mr. Brezhnev this morning that the friendship between France and the Soviet Union was "certainly one of the essential bases of peace and cooperation in Europe and in the world".

However, Mr. Brezhnev failed to convince M Pompidou that the agreement he had reached with President Nixon on the prevention of nuclear war was anything more than a bilateral agreement between the two super powers. France continues to maintain that nothing short of general and controlled disarmament will remove the threat of nuclear war.

Meanwhile, France will pursue its independent, defence policy and, with the prospect of a reduction of American troops in Europe and the possible creation of a neutral zone in central Europe, it will maintain its military effort.

The difference of opinion between France and Russia on the mutual reduction of forces and the Vienna negotiations remains unbridged. In M Pompidou's way of thinking, France will continue to keep itself closely informed about the progress of these negotiations, but will maintain its defence, effort with the aim of achieving an independent deterrent.

It was being emphasized here tonight that this was one of the key aspects of the Franco-Soviet talks, and an uncompromising reassertion of the French standpoint.

Somewhat surprisingly, there was no question during the 10 hours of talks of a grand East-West summit at the close of the third phase of the European security conference, to open at Helsinki on July 3, although this was expressly mentioned in the Soviet-American communiqué last week.

Such a summit, in the French view, depends on the extent to which concrete results are achieved in the first two phases of the conference.

There was agreement to develop and increase cooperation between the two countries. M. Giscurd d'Estaing, the French Minister of Economics and Finance, will go to Moscow on July 10 to sign a 10-year economic cooperation agreement already agreed upon.

He also told Mr. Patolichev, the Soviet Minister for Foreign Trade, that France was ready to prolong existing credit terms to Russia for the purchase of capital goods after the present agreement ends next year.

The two leaders drove to Orly airport just after noon, and Mr. Brezhnev flew directly to Moscow.

[From the London Times, June 1, 1973]

WEST MUST LINK ARMS TO FILL DEFENCE GAPS

(By Lord Chalfont)

There is a childlike simplicity about the idea that the military threat to Western Europe has disappeared and that therefore the American troops can all go home and NATO, the last embarrassing relic of the Cold War, can be dismantled. The logical extension of this cosy philosophy is that there is no need for military defences at all, and that the West could now safely embark upon a massive programme of unilateral disarmament. It is, however, right to point out that as long as the Soviet Union keeps 20 divisions at a high state of combat readiness in East Germany, such a policy might contain a certain element of risk; and no politician who advocated it could expect to be taken seriously. Concern about the state of Western Europe's defences is not a symptom of chronic militarism—it is simply a reflection of the proposition that if the governments of Western Europe think it right to maintain defences against an external threat, those defences ought to be sound. It is possible to argue that it is wrong to spend enormous sums of money on military establishments and there can be more than one opinion on the matter; what is surely beyond dispute is that to spend enormous sums of money on ineffective military establishments is not only wrong, but feeble-minded and irresponsible.

As I have sought to demonstrate in previous articles, the strategy of the West is basically defective. In the event of a change in Soviet foreign policy and a breakdown in the system of mutual nuclear deterrence between the super-powers leading to a military attack on Western Europe, the Atlantic Alliance would be faced with using nuclear weapons in the very early stages, or seeing its considerably weaker conventional forces quickly overrun—a strategy which has been vividly described as presenting a choice between suicide or surrender. This situation, already disturbing, would become positively dangerous if pressure in the United States Congress led to a substantial withdrawal of American troops from Europe. The enlargement of the European Community and the tentative moves towards political union in Western Europe provide an opportunity to restore a situation which has been deteriorating alarmingly in recent years.

One obvious way of proceeding is to seek to eliminate the threat by political and diplomatic means—to persevere with policies of *détente* until the danger of military conflict no longer exists. It is, however, essential to do so without losing our grip on reality. Of the various East-West negotiations in progress at the moment, none shows any sign of bringing about a dramatic change in the situation. The Strategic Arms Limitation agreements so far concluded between the United States and the Soviet Union have turned out to be little more than measures by the two super-powers to preserve the nuclear balance at a lower cost to themselves. There is nothing wrong with such agreements, but no one should believe that they have any bearing on the security of Western Europe, still less anything to do with nuclear disarmament. The next round of Strategic Arms Limitation Talks may well have more direct implications for Europe in that they will be concerned with such things as forward-based systems and "tactical" nuclear involvement in the defence of Western Europe. It is, to say the very least, unlikely that the discussions will do much to increase the confidence of Europeans in the existing system of defence.

The talks on European Security and Cooperation in Helsinki are similiarly unlikely, on their own, to lead to any substantial change in the military situation, although they might in certain circumstances affect the outcome of the Vienna talks on mutual and balanced force reductions. These negotiations are profoundly important, but the present indications are that most of the concessions are likely in the long run to be made by the West, and that initially the Americans will agree to reduce their forces in Europe by a percentage of their current strength in exchange for a similar *percentage* reduction by the Russians. The immediate effect of this, taken in conjunction with the relative ease with which the Russians could move their troops back into Eastern Europe, would be a further weakening of the Western defensive position. The search for permanent political solutions in Europe will be long and complicated and it is essential that in pursuing them we do not place ourselves at a serious disadvantage by negotiating from a rapidly weakening position.

It is, therefore, vital that Western Europe should now begin to repair the gaps in its defences; and it might be as well to deal first with a proposal which comes to the surface from time to time—most predictably whenever Mr. Heath meets M. Pompidou. It is the suggestion that the nuclear weapons of Britain and France should be "pooled" in some way, possibly as the basis for something called a European nuclear deterrent. There are so many decisive arguments against this half-baked proposal that it is possible only to list them briefly. Militarily, the idea suffers from all the weaknesses of the obsolete concept of massive retaliation, aggravated by the fact that Western Europe is a densely populated industrial conglomeration so close to the Soviet Union that warning time of a nuclear attack would be negligible.

Then there is the vital political question of how this weapon system is to be controlled. Past experience does not suggest the likelihood of full and immediate agreement between the French President and the British Prime Minister; and what about the Chancellor of West Germany? It seems inconceivable that he could be left out of a decision so vital to the survival of his country. Yet if it were proposed that he should take part in it there would not be much left of the Ostpolitik or of the Non-Proliferation Treaty. Finally, the economic implications of constructing a modern strategic striking force in Europe, capable of presenting a credible deterrent to the Soviet Union are so formidable that much of the advantage of enlarging the Community would be cancelled out.

What is needed in Europe is not another nuclear armoury which would be doubtful as a deterrent and useless as a defence; but a non-nuclear system strong enough to deter aggression at its own level but able to offer an effective defence if deterrence should fail. This does not necessarily mean any substantial increase in the level of forces. It *does* mean using the resources which already exist intelligently and efficiently. The Eurogroup of 10 nations has made a useful start in repairing some of the gaps in important types of equipment, such as artillery and main battle tanks, but a great deal more remains to be done. Possibly the most important decision which will have to be faced sooner or later is that which affects the disposition of ground forces. It is clearly ridiculous that the powerfully equipped American forces should be stationed where an attack is least likely, just because that is where they happened to be when an entirely different war ended a quarter of a century ago. Of course, the upheaval and inconvenience of a comprehensive redeployment would be considerable; but it seems a small price to pay for getting strong defenses astride the obvious line of any advance into the heartland of West Europe.

There are many other improvements which could be brought about by more intelligent and cooperative planning among the European members of the Alliance. What the defence planners call, somewhat inelegantly, "interoperability" is still some way from perfect. For example, there are military airfields in some NATO countries which are technically unsuitable for use by the aircraft of their allies—a state of affairs which must afford the Russian planners a certain amount of quiet amusement. Then there are more obvious requirements such as standardization of arms and equipment, rational division of responsibility between members of the Alliance in the manufacture and procurement of equipment, and a higher degree of specialization, especially among smaller countries who cannot, in any case, afford to cover the whole spectrum of military preparedness. There is something ludicrous about the spectacle of the various members of a military alliance competing with each other in arms production, each trying to maintain "balance forces" of its own without regard to the collective requirements of the alliance and each with its own ideas about equipment, training, command and organization.

There is, however, one final and important consideration. It is that no substantial improvements are likely to take place until the European Community emerges as an identifiable and influential body within the Alliance. Without a large measure of common defence planning there is unlikely to be much progress in political unification; and without political unity the EEC will have lost most of its meaning.

AMATEUR SPORTS IN THE UNITED STATES

HON. JOSHUA EILBERG

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 30, 1973

Mr. EILBERG. Mr. Speaker, I recently received a letter from the president of the U.S. Olympic Committee, Philip O. Krumm, urging me to oppose the proposed Amateur Athletic Act of 1973.

As I understand this legislation, it calls for the establishment of the U.S. Amateur Athletic Board to oversee the operation of amateur sports in this country and the National Sports Development Foundation to promote the growth of amateur sports.

In his remarkable letter, Mr. Krumm states:

> Without question, this is the most dangerous legislation ever put forward for passage in the history of our country.

I, for one, Mr. Speaker, would like to thank Mr. Krumm for pointing this out to me and the other Members of Congress. All along we have been worrying about the war in Southeast Asia, the economy, Watergate, and civil rights, when we should have been concerned about who is in charge of the high jump and 220-yard dash in this country.

His letter continues:

> It not only calls for the regimentation of our amateur organizations by governmental control of amateur sports in our country but seeks control of our youth in their everyday, off-the-streets sports and competition which certainly must remain free in the defense of their and our civil rights.

This is a very fine statement and I agree that athletes should be free to compete when and where they want. For this reason I am surprised that Mr. Krumm does not seem to recall many recent incidents in which amateur athletes were prevented from taking part in meets run by one national organization because another national organization had not sanctioned that particular competition.

In these cases the leaders of the amateur athletic organizations were certainly not worried about "competition which must remain free" and the athletes' "civil rights." They were concerned solely with maintaining their own power and influence and restricting the activity of the rival organization.

Mr. Krumm also says:

> The complexities of amateur sports organizations in the United States call for a sound understanding and well-planned intelligent effort on the part of those organizations now holding the international franchise or rights, so to speak. Years of experience are behind these organizations and one might in a broad sense say that an excellent job has been done through experience and exposure and knowledge gained over a period of many years by all of these sports federations.

Again, Mr. Speaker, I could not agree more with the president of the U.S. Olympic Committee. Our young men and women deserve the best support possible when they compete in international events. They should not have to worry at all about anything but doing their best.

That is why I wonder about the caliber of management of our 1972 summer Olympic team, which was the only one of 122 teams at Munich to have sprinters disqualified because they failed to show up for their heats; the only one which was forced to return a medal because an athlete was permitted to use a forbidden drug, and the only one which lost a gold medal in basketball because its officials permitted a game to run in overtime until the opposition had won.

Finally, Mr. Krumm warns us that—

> If this bill is passed, the United States Olympic movement is in serious jeopardy as there is no doubt that the International Olympic Committee may cancel out the American franchise and prohibit Americans from competing in the Olympic games by reason of the fact that Rule 25 of the International Olympic Committee, composed of 134 nations, states clearly that there shall be no government intervention, interference or control of amateur sports in the Olympic movement.

Mr. Speaker, I wonder if Mr. Krumm credits the members of this body with any sense at all. Everyone knows that for years the Communist countries have completely subsidized and administered their athletic programs and that in reality their athletes are professionals. If the International Olympic Committee suddenly tried to enforce this rule, all of these teams would have to be disqualified along with the United States and there would be no Olympic movement.

I believe the Congress should give the proposed legislation very serious consideration simply because Mr. Krumm's letter indicates that the people who are in charge of amateur sports in the United States do not really understand that the important people in athletic competition are the athletes themselves with the spectators in second place and the administrators a distant last.

SOUTH BEND, IND., TRIBUNE EDITORIAL ON "WHITE HOUSE BUGGING"

HON. JOHN BRADEMAS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 30, 1973

Mr. BRADEMAS. Mr. Speaker, I insert at this point in the RECORD the text of an editorial published July 18, 1973, by the South Bend, Ind., Tribune entitled "White House Bugging":

WHITE HOUSE BUGGING

> Is there no end to the distasteful revelations before the Senate committee about the behavior and atmosphere in the White House? Almost every day brings a new disclosure of questionable ethics.
>
> The news that all of President Nixon's conversations in his office and all his telephone calls have been secretly recorded for two years is a genuine shock.
>
> Hundreds of official visitors including heads of foreign states have had their conversations with the President put on tape without their knowledge or permission. No advance warning or beeping sound has been given on the recorded telephone calls, a violation of telephone company regulations.
>
> All this has been done for historical purposes, according to Alexander P. Butterfield, the former White House aide who accidentally spilled the truth. Eventually the transcriptions are to be placed in the Nixon Library (what president these days can retire from office without building a memorial library for himself?).
>
> This is going too far for the sake of history. The practice should be stopped immediately.
>
> If the recordings are for history only, why were they done so secretly? According to Butterfield only four men including the President and himself, plus the necessary Secret Service technicians, knew that they were being made. Not even John Ehrlichman, the No. 2 man on the White House staff, and John Dean III, the White House counsel, were aware of the recording operation, he believes.
>
> Since the recording devices were turned on automatically whenever anyone spoke, no individual could have a truly private conversation with the President, man to man. Undoubtedly many persons who thought they were talking to Mr. Nixon in true privacy are astounded to learn that every word they spoke has been placed on tape and filed in the White House.
>
> The disclosure makes it easier to understand the atmosphere around the President

that spawned the illegal buggings and breakins testified to in the Watergate hearings; also, the so-called national security espionage plan that Mr. Nixon approved, including buggings and burglaries, only to rescind his OK a few days later under pressure from the late J. Edgar Hoover.

More than that, it emphasizes the intrigue that infested the White House staff, with one clique holding secrets from another—a genuinely unhealthy atmosphere.

If Mr. Nixon looked upon the secret recording system only as a way to preserve a historical record of his presidency, which he may have done, this can only be interpreted as a dangerous lack of sensitivity to the feelings of those with whom he dealt.

There are circumstances in which the taping of a session or a conversation is desirable for the sake of accuracy, but it only should be done with the knowledge of all participants.

Now that the truth is out, Mr. Nixon should without fail turn over to the Senate committee the tapes on those key conversations with Dean and others that would help fix the guilt for the Watergate break-in and cover-up. He owes that to the country.

"PETE" STARK: MAVERICK BANKER GOES TO WASHINGTON

HON. MICHAEL HARRINGTON

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, July 30, 1973

Mr. HARRINGTON, Mr. Speaker, among our many colleagues in the House, FORTNEY "PETE" STARK brings a most interesting background to his current role as Congressman. He has worked hard and contributed much of his considerable talents to this institution. His efforts to make Congress into a responsive body rather than an artifact have served as an example to his colleagues. Through sheer dedication and skill, PETE STARK has made a lasting and valuable impression after only a short time on the job.

A profile of him appeared in the spring 1973 issue of Business and Society Review/Innovation, under the title "Maverick Banker Goes to Washington." As the article concludes, being a maverick is a question of "relative to whom?" I commend the article to my colleagues' attention, so that we all might appreciate the kind of creativity and insight that Representative STARK has brought to Congress.

The text of the article follows:

MAVERICK BANKER GOES TO WASHINGTON

(By R. B. Miller)

"Trouble is, too many bankers think they are some kind of god."

It's that kind of statement that earned Fortney H. Stark, ex-president of the Security National Bank of Walnut Creek, California, the name of maverick in banking circles. "Pete" Stark was certainly not a typical banker, and so he stood out from the crowd. After all, how many bank presidents install an illuminated eight-foot peace symbol on the outside wall of their headquarters office?

Will Representative Stark be a maverick congressman? He is not so sure, though he's not about to change his style. In Congress there are a number of others with liberal, even far out, ideas. The matter of being a maverick, then, is really a question of "relative to whom?"

A transplanted native of Wisconsin, who studied engineering in Massachusetts (at MIT), Pete Stark received an MBA from the University of California at Berkeley. Two years later, he founded Beacon Savings and Loan Association in Antioch, California, and two years after that in 1963, he founded Security National. It was here that he tried out some of his off-beat (for banking) ideas. He started an on-going minority hiring and training program before many other banks even got around to hiring their first black bookkeeper. His bank initiated an account executive program, in which each customer is assigned a bank officer who serves as his personal financial consultant. Stark even edited a bi-monthly newspaper for customers of Security National.

Actually, many of those ideas, as well as Stark's appearance—longish hair, modish clothes—weren't all that radical. Moreover, they apparently worked. When he sold the bank (the closing was held two days after he was sworn in as Representative of the Eighth Congressional District of California) it had grown to five offices in the San Francisco bay area, with resources of $100 million. The sale to the Triad Corporation, an international investment group based in Beirut, brought twenty-nine dollars a share, when the market price was ten dollars. "For the first time in years I don't owe money," Stark observed.

The new congressman has some critical things to say about banks and bankers in general. Much of it has to do with taking care of the poor. Though his bank made considerable strides in this area, he feels the major trouble is that, on the whole, bankers are indifferent to the problems facing the cities and the disavantaged who live there—banks as they are now constituted, he says, simply aren't designed to deal with poor people. In addition to believing that banks should be truly "concerned about how they are serving their customers," he contends there is a need for an alternative kind of organization. The way things now stand, Stark declares, "the only unique thing banking has is a pool of information," and the bankers aren't even making effective use of that.

Pete Stark is, as one might gather, an advocate of business involvement in government. After all, he points out, in this day and age "business cannot exist without the government. You've got to pay your share; . . . everything is interdependent; . . . business has to be vitally concerned" and become socially responsible. If industry doesn't make this effort, the legislature will. To illustrate the point, he cited the truth-in-lending law. Stark was one of the leaders of the truth-in-lending movement that resulted in the landmark legislation, passed in 1969, that requires retailers and lenders to state the effective rate of interest they charge. Last year, he also challenged the constitutionality of the Bank Secrecy Act of 1970. Working with the American Civil Liberties Union of Northern California, he fought provisions requiring banks to report domestc transactions over $10,000. This part of the suit was upheld last fall by a United States district court. The ACLU, continuing the suit, is asking the United States Supreme Court to overturn various parts of the Act affecting foreign transactions.

Stark was appointed to the House Banking and Currency Committee, chaired by Wright Patman, in a move that was somewhat surprising for Congress to have made. Stark and another freshman Representative—who, incidentally, had no banking experience—were in contention for one of three vacancies. The Democratic political leaders, in their wisdom, decided the appointment with the toss of a coin, and Stark won. As a liberal, he may not be a particular friend to banking. At the same time, it isn't clear how much of a friend he'll be to Chairman Patman, a populist from Texas and hardly a buddy of the big bankers.

How and why did the head of a successful business enterprise get involved in politics? Pete Stark has always been issue-oriented, which was one reason he got into banking. After all, he notes, next to the bedroom and the bathroom, people are most concerned about money. But he wasn't sure political office was the place for someone with his interests and concerns. Then last spring, several people asked him to run in the Democratic primary against long-time (twenty-eight years) incumbent George Miller. Stark didn't think he had much chance in the six-way race against Miller, but he ran away with it. He did figure he would have a fairly easy time against the Republican opponent in November. However, with George McGovern losing the essentially liberal district to Richard Nixon, Stark had to fight hard to achieve his 53 percent of the total.

Stark ran with the idea of using his campaign headquarters as his regular base of operations. He plans to do case work in his district, working through regional offices of Social Security, immigration, the military, etc. His idea is to keep things closer to home, and solve problems and answer questions for his constituents more rapidly.

Looking ahead, what are Pete Stark's goals? In the near term, he figures on running again for Congress in 1974. Beyond that, he'd eventually like to be the Secretary of Health, Education, and Welfare, because he feels HEW needs substantial restructuring to be responsive to the needs of the people. But, as he points out, that will have to await a "more responsive" man in the White House.

MEET THE LADIES OF THE CLIPT WINGS SORORITY

HON. FRED B. ROONEY

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 30, 1973

Mr. ROONEY of Pennsylvania. Mr. Speaker, it is with pleasure that I bring to the attention of my colleagues an article from the Sunday Call-Chronicle newspaper of Allentown, Pa., about the formation of the Lehigh Valley Chapter of the Clipt Wings Sorority.

This newly organized group of about 20 retired stewardesses representing various periods in airline history from the 1940's to the present, especially enjoys swapping experiences about changes which have occured as airline service has become more complex.

These women, who have been contributing to the community through other organizations, have now banded together to support several very worthwhile causes including Lehigh Valley Multiple Sclerosis Society. In addition they are providing support for the child of a Korean leper. Also, St. Joseph's Children and Maternity Hospital in Scranton, which specializes in programs for neurologically damaged children, has been the major beneficiary of their charitable contributions.

These ladies are to be sincerely commended for their enthusiastic support of many worthwhile causes which have proved to be of benefit to the entire community.

I certainly extend my best wishes to them for the success of their organization and for the continuation of their service to the community.

The article follows:

MEET THE LADIES OF THE CLIPT WINGS SORORITY

(By Doris Leete)

When former airline stewardesses get together, you can count on congenial company. Ask any permanently grounded "stew" belonging to the newly organized Lehigh Valley chapter of Clipt Wings Sorority about her fellow members and she's likely to reply: "We all feel as though we've known one another for a long time, even though some of us have just met."

They're a lively group, with outgoing personalities—a trait airlines seek in an applicant—varied backgrounds and experiences that cover the globe.

There are 20 retired stewardesses in the growing local sorority started by president Hope (Mrs. William B.) Carpenter of Mt. Bethel, the wife of a flight engineer. Mrs. Carpenter had been president of a chapter in Houston, Tex., while flying with Pan Am (1961–64). Pleased with the camaraderie of the Lehigh Valley group, she is hoping to reach more ex-stewardesses in this area.

COMPARING PROCEDURES

What is interesting, she says of the membership, is the difference in hiring plateaus. Since the women represent different airlines and at different stages, they have enjoyed comparing procedures.

The Clipt Wingers have served on airlines from six months to 10 years and have flown both domestically and internationally. They have had as passengers foreign potentates, presidential candidates, show biz personalities and international playboys. All have a stock of amusing anecdotes to swap.

ACROSS OCEANS

As publicity chairman Karen (Mrs. Bruce) Berrettini of Allentown describes the group: "We've walked coast to coast, across the oceans and over the North Pole, holding the hands of novice passengers, reassuring those with little flying experience and joking with those who've been around.

"We've delivered babies and aided coronaries, and we've competed with other airlines to prove that ours offered the finer service."

Grounded for one reason or another—mostly because of marriage and motherhood—some of the girls became the brides of boys back home, and a few are wed to pilots. Now the parents of 46 children, they are homemakers, nurses, teachers, volunteers in nursery schools, libraries and political organizations.

ALL ENTHUSIASTIC

The women are all enthusiastic about the new Clipt Wings chapter. They hold a luncheon meeting once a month and have drawn up a program that includes time for fun and fellowship and for good deeds as well. Members have voted to support a child of a Korean leper, and the Lehigh Valley Multiple Sclerosis Society. Their major charity is St. Joseph's Children and Maternity Hospital in Scranton. The hospital specializes in the care of neurologically damaged children.

PERSONAL INTEREST

The former stewardnesses retain a personal interest in the flying profession and as passengers are apt to cast critical glances at flight personnel, subconsciously comparing present service with their own past performances.

Those who remember the days when a lone stewardess was assigned to a 70-passenger plane, (today's 747 jet crew complement calls for 12 to 15 stewardesses), feel that many former niceties are missing. "It's a shame that the girls are too busy to be charming hostesses." observes Hope Carpenter. "They don't give of themselves as we used to," contends Mary (Mrs. William) Marston of Bethlehem, Delta 1958–60.

NO BETTER

Observes Clipt Wings membership chairman Betty (Mrs. Glen) Nyman of Bethlehem: "I don't think stewardesses are any better or any worse today." Betty, the wife of a Pan Am flight engineer, flew with United from 1955 to 1964, making the transition from piston engine to jumbo jet.

The only stewardess on a DC–6 coach flying from Chicago to Los Angeles, she recalls: "I would be loaded down collecting coats and hats from the 70 passengers at the beginning of a flight. When I think of all the baby bottles and baby food I've warmed in my time—as many as 14 infants at a time—and the passengers I've tried to put at ease. When passengers were interested in a bridge game I'd even manage to get a foursome together.

PASSED THE GOODIES

"I can remember," Betty continues, "when passengers weren't offered meals in flight but would pick up box lunches at the airport for $1.50. Some would also bring a bag of cookies aboard and pass them around. We stewardesses would offer them a beverage and you'd think we were giving them the moon, they were so appreciative. Passengers are much sophisticated today and they've come to expect a choice of cocktails and a menu listing three entrees."

Some of the women recall that regulations and uniforms were more military during their term of service. No eye makeup was allowed, only lipstick was permitted. A watch and one ring were the only accessories a girl might wear.

HATS IMPORTANT

"So much emphasis was placed on hats," remembers one ex-stewardess. "We were grounded if we didn't wear them at all times, both during flight and at the terminals. It was thought that the hats expressed authority and give passengers a sense of confidence in case of emergency. Today most airlines don't even issue hats."

AMUSING TALES

The onetime ladybirds have amusing tales to tell on themselves.

"One charter flight I remember well," says an attractive mother, "involved the Dallas Cowboys. Being young, single and interested in the opposite sex at the time, I was excited to learn that I would be one of two stewardesses on a plane being sent from Dallas to Chicago to pick up the 58 football players. It was enough to send any young girl into a frenzy. All the way to Chicago, I checked and rechecked my makeup.

"I was certain that as soon as I descended the stairs there'd be a football player who would become enamored of me by the time we reached Dallas. Then we started to board our passengers. They averaged 6 feet, 5 inches in height and more than 260 pounds in weight. We were more frightened than charmed by this more than 15,000 pounds of manhood. They put away five kegs of beer, 22 gallons of orange juice, 16 gallons of milk and 15 gallons of water.

"As you can imagine, I and the other stewardess didn't have the fun we had expected, but worked ourselves until we were nearly dead on our feet."

A TREND

How do the women feel about the idea of men infiltrating the sisterhood in the role of stewards? Some look at it as a trend and think it's good, believing that male counterparts can handle an unruly passenger more easily and in the case of emergency might inspire more confidence. Others express opposition, declaring that this is a woman's job and should remain so.

The women agree that a stewardess career is a marvelous and good-paying one for a young woman, with travel privileges making it especially attractive. The girls work hard, they point out, but it's a fun job really, even though the speed of the present-day jets allows stewardesses less layover time for exploring between flights.

SENATE—*Tuesday, July 31, 1973*

The Senate met at 12 o'clock noon and was called to order by the President pro tempore (Mr. EASTLAND).

PRAYER

Rabbi Sheldon Ephraim Elster, Agudas Achim Congregation of Northern Virginia, Alexandria, Va., offered the following prayer:

Determiner of human history.

We come together from the world of committee hearings, meetings with constituents, the morning headlines, and the Dow Jones average:

To give pause
To praise
To give thanks

Disturb us, O Lord, ruffle us from our complacency; make us dissatisfied with the peace of ignorance, the quietude which arises from a shunning of the horror, the defeat, the bitterness, and the poverty, physical and spiritual, of men.

Shock us, O Lord, deny to us the false Sabbaths which give us the delusions of satisfaction amid a world of war and hatred.

Wake us, O Lord, and shake us from the sweet and sad poignancies rendered by half-forgotten melodies and rubric prayers of yesteryears.

Make us know that the border of the Senate is not the border of living, and the walls of Thy temples are not shelters from the winds of truth, justice, and reality.

Grant us integrity and Thy wisdom. Amen.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States, submitting nominations, were communicated to the Senate by Mr. Marks, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session, the President pro tempore laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the Committee on Armed Services.

(For nominations received today, see the end of Senate proceedings.)

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Hackney, one of its reading clerks, announced that the House had passed a bill (H.R. 9474) to amend title 38 of the United States Code to increase the monthly rates of disability and death pensions, and dependency and indemnity compensation, and for other purposes, in which it requested the concurrence of the Senate.

HOUSE BILL REFERRED

The bill (H.R. 9474) to amend title 38 of the United States Code to increase the monthly rates of disability and death pensions, and dependency and indemnity compensation, and for other purposes, was read twice by its title and referred to the Committee on Veterans' Affairs.

THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of Monday, July 30, 1973, be dispensed with.

The PRESIDENT pro tempore. Without objection, it is so ordered.

COMMITTEE MEETINGS DURING SENATE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that all committees may be authorized to meet during the session of the Senate today.

The PRESIDENT pro tempore. Without objection, it is so ordered.

THE CALENDAR

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendars Nos. 333 and 334.

The PRESIDENT pro tempore. Without objection, it is so ordered.

SURVIVOR ANNUITIES OF CIVIL SERVICE RETIREES

The bill (S. 628) to amend chapter 83 of title 5, United States Code, to eliminate the annuity reduction made in order to provide a surviving spouse with an annuity, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 8339(j) of title 5, United States Code, is amended by inserting immediately after "is reduced" a comma and the following: "for any month during which that employee or Member is married for any portion of the month,".

SEC. 2. The amendment made by this Act shall only apply with respect to monthly payments of annuities paid for any month commencing on or after the date of enactment of this Act.

CREDITING OF NATIONAL GUARD TECHNICIAN SERVICE IN CONNECTION WITH CIVIL SERVICE RETIREMENT

The bill (S. 871) to amend title 5, United States Code, to correct certain inequities in crediting of National Guard technician service in connection with civil service retirement, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 8332(b) of title 5, United States Code, relating to creditable service for civil service retirement purposes, is amended by striking out the last sentence.

(b) Section 8334(c) of title 5, United States Code, relating to deposits for periods of creditable service for civil service retirement purposes, is amended by striking out the last sentence.

(c) Section 8339 of title 5, United States Code, relating to computation of civil service retirement annuities, is amended by striking out subsection (1).

(d) Section 3(c) of the National Guard Technicians Act of 1968 (82 Stat. 757; Public Law 90-486), relating to crediting of National Guard technician service for Federal employees' leave, death, and disability compensation, group life and health insurance, severance pay, tenure, and status, is amended by striking out the second sentence.

SEC. 2. The foregoing provisions of this Act shall become effective as of January 1, 1969.

ORDER OF BUSINESS

The PRESIDENT pro tempore. The distinguished minority leader is recognized.

Mr. SCOTT of Pennsylvania. Mr. President, I yield back my time.

The PRESIDENT pro tempore. Under the previous order, the distinguished Senator from New York (Mr. JAVITS) is now recognized for not to exceed 15 minutes.

THE BUSINESS OF GOVERNMENT AND THE POOR

Mr. JAVITS. Mr. President, I should like the Chair to notify me when I have consumed 10 minutes of my time.

Mr. President, we are now in the first month of fiscal year 1974, a new fiscal year—or business year—for the Federal Government.

Government is a big business and preoccupation with the Watergate scandal—of unquestioned importance in itself—should not divert us from the need to do the Government's business and from making an assessment of the manner in which the business of the Federal Government has been conducted over the last fiscal year in certain key human programs. The business of Government has legitimately focussed in this period on general issues touching all Americans—the economy, the power to wage war, the end of our involvement in Southeast Asia, the environment, and the reform of our governmental institutions.

However, in no area does the Federal Government operate more directly as a businessman—that is, as a provider of services—than in the area of the programs to eliminate poverty, reduce unemployment, and to enable Americans to become self-supporting.

It is in that area where the successes or failures of Government are most keenly felt in human terms; and it is there also that the administration's emphasis on the need to run programs in a businesslike fashion has been most pronounced.

The administration's objectives in this regard have been repeatedly and clearly stated:

First, to assure managerial and cost efficiency. In that connection, the President stated in his March 4, 1973, address to the Nation regarding community development:

> We are determined to get a dollar's worth of service out of every dollar's worth of taxes. . . . This means we will continue to press for *greater efficiency and better management* in Federal government. (emphasis added).

Second, to turn responsibility and resources back to the State and local governments through general and special revenue sharing, replacing so-called categorical grants. In his state of the Union address of January 22, 1971, President Nixon stated:

> The time has now come in America to reverse the flow of power and resources from the States and communities to Washington, and *start power and resources flowing back from Washington to the States and communities* . . . where States and local Government can better do what needs to be done, let us see that they have the resources to do it there.
>
> Let's face it. Most Americans today are simply fed up with government . . . They will not—and they should not—continue to tolerate *the gap between promise and performance in government.* (emphasis added)

Third, to insure that funds reach their intended beneficiaries. President Nixon, in his radio message of February 24, 1973, commenting on the antipoverty effort, said:

> The money which left Washington in a seemingly inexhaustible flood was reduced to a mere trickle by the time it had filtered through the layers of bureaucrats, consultants and social workers—and finally reached those whom it was supposed to help. *Too much money has been going to those who were supposed to help the needy themselves. Those who make a profession out of poverty got fat; the tax-payers got stuck with the bill;* and the disadvantaged themselves got little but broken promises. (emphasis added)

Mr. President, these are commendable long-term objectives, but the unfortunate and ironic lesson of the last fiscal year is that in attempting to effect these changes "overnight" and "on its own" in defiance of the will of the Congress, the administration has precipitated in the short-term a situation of managerial chaos and waste and interrupted benefits to the poor.

Ironically, the administration's actions have undermined the very capacity and credibility of State and local government upon which the administration hopes to build its "New Federalism," tending toward creation of a new "gap" at the local level between promise and performance.

This past fiscal year—particularly the last 6 months—was characterized by "on again—off again" directives, midstream reversals of policies, impoundments, and "rescissions" which have left State and local government in a state of confusion, the poor and others in need in a chronic state of despair, and the taxpayer's "domestic" dollar devalued again in terms of the benefits to be derived therefrom.

The fiscal year began with a commitment by the administration to continue OEO and its programs through fiscal year 1974—a commitment contained in the Economic Opportunity Act Amendments of 1972, which the President signed into law, on September 20, and reaffirmed as to fiscal year 1973 by his signing on October 31, 1972, the supplemental appropriations bill providing funds for the program for that fiscal year—that is, the fiscal year just ended.

It ended—after 6 full months of attempts by the administration to dismantle the program—with OEO attempting to comply in the last hours of the fiscal year, with the order of the U.S. District Court for the District of Columbia that it make all appropriated OEO funds available.

Another example: The fiscal year 1973 began with a budget request by the administration for a total of $1,595,297,000 for manpower training programs, including $265.5 million for the Neighborhood Youth Corps summer job program and an additional request of $1.25 billion for the public employment program under the Emergency Employment Act—amounts which were also promptly made available by the Congress.

In the middle of the fiscal year, the administration proposed "rescission" of all funds for the Neighborhood Youth Corps and at the same time a diversion for the use of summer jobs for youth of as much as $333 million in Emergency Employment Act funds, which had been requested basically for adults.

The administration subjected other manpower training programs to "freezes" and ceilings, and reversals of policies through the early months of this year.

The fiscal year ended with the administration being forced to spend most of the funds for the Neighborhood Youth Corps, under order of the U.S. District Court for New Jersey, again literally in the last hours of the fiscal year.

The fiscal year began with the enactment of a $2.5 billion ceiling on child care and other social services under the Social Security Act, but no material change in legislation with respect to the substance or coverage of the programs themselves.

Then, in January 1973 the administration sought to impose new regulations to be effective in April—only 3 months from the "airing" of these proposals—drastically altering the conduct of child care and other social services programs under title IV. When opposition arose, the effective date was postponed into fiscal year 1974.

The fiscal year ended with the Senate Committee on Finance adding to the debt ceiling bill an amendment—basically in response to S. 1220, introduced by Senator MONDALE and myself with 41 cosponsors—to prohibit implementation of any new regulations until January 1, 1974. In the very last hours of the fiscal year, in conference, the provision was compromised so as to apply through October 31—2 months less than the authors of the bill thought was needed—and that provision was made a part of the Renegotiation Act signed by the President, again at the close of the fiscal year.

Mr. President, accordingly, in the end it appears that Congress, with its intent upheld by the courts, has "triumphed"; but is there any real victory? I should say there is none. For, the individuals, governments, and taxpayers have had to stand on the sidelines right up to the last hours of fiscal year 1973 and see their ability to plan and, therefore, to benefit from funds go down the drain as funds for these efforts have been tossed back and forth—first in the hands of Congress, then "intercepted" by the administration, and finally put in their rightful place by the courts as "referee."

It is bad enough that we have not made advance funding provisions for social programs, of the kind which would give them the security enjoyed by efforts in defense and space.

But to subject those on the local level to this kind of uncertainty is the worst kind of inefficiency and mismanagement, and the results are clear: Competent management—much less improved management—goes out the window; States and localities unavoidably get into a "credibility gap" with those they are to serve; and the disadvantaged get little but broken promises—and a glut at the end which could hardly be handled efficiently—not because the managers are getting "fat," but because funds are siphoned off to additional administrative expenses necessitated by "stop" and "go" planning.

The poor, the governments, and the taxpayers were entitled to rely upon the administration's continuation of the OEO program, the administration's requests for manpower training, public service employment, and summer jobs; and the continuation of social services pending legislative reform.

Any uncertainty in that reliance should have been eliminated when Congress, pursuant to the administration's own requests, made funds available and thus—as the other principal Federal partner—"closed the deal."

Mr. President, change is always disruptive—that is its nature. But when it is attempted to be effected unilaterally by the executive branch midstream in a fiscal year and contrary to previous actions agreed to by Congress and the executive branch, it can do downright violence to the helpless citizens and managers on the State and local level caught in the crunch.

To them it has been more than an academic debate. These actions have had their toll on and have disrupted millions of people, thousands of units of State and local government and other institutions, and adversely affected the use of billions of the taxpayer's money.

The administration's actions have touched 26.5 million persons in poverty, more than 1.7 million youth in the target group for summer jobs, 4.6 million families, and an additional 3 million aged, blind, and disabled persons receiving social services.

The actions have undermined the planning of 1,000 community action agencies, 15,000 units of city government and each of the State governments not only in areas directly affected, but also in related areas such as welfare, housing, and economic development planning, as well as related private commitments. When one piece is held in suspension, an entire structure of community planning may be put in jeopardy.

These actions have put in "limbo" the expenditure of all or a part of $800 million in OEO antipoverty funds, $1.25 billion in Emergency Employment Act appropriations, and $265 million in Neighborhood Youth Corps funds, as well as $2.5 billion in funds for social services.

The ACTING PRESIDENT pro tempore. The Chair informs the Senator that 10 minutes have expired.

Mr. JAVITS. I yield myself 2 additional minutes.

Mr. President, I include, incidentally, among the startling examples I have referred to $1 billion in health funds found unspent by the Department of Health, Education, and Welfare, notwithstanding our determination that they could be spent, that they should be spent, and a follow-on report of an outstanding group coming from the National Institutes of Health and of a special commission, for example, relating to heart disease, and so forth, which also ties into the billion dollars in funds that was unspent for health.

Mr. President, in his message of March 4, 1973, to which I referred earlier, President Nixon said:

> We are stopping programs which have failed.

To stop programs across the board, unilaterally, in an abrupt way through rescissions, freezes, and changes taking effect upon promulgation or shortly thereafter violates the first principle of sound management—evaluation and selectivity.

Even if one assumes that these "Great Society" programs have "failed"—which I do not—we are not dealing with a "product line" that can be shut off overnight or "taken off the shelves," but a service line which is the very "lifeline" for millions of our citizens.

If it is to be improved, it must be done by the Congress and the Executive together, and while it is being accomplished current benefits should not be eliminated, or interrupted. To do so is not only unfair in human terms, but unsound as a matter of economy.

It can be said that the administration was not without justifiable complaint as we entered into the last half of this fiscal year; its policies for special revenue sharing were too often dismissed "out of hand" by the Congress; in some cases "liberals" may have been somewhat "conservative" in clinging to the programs of the 1960's "as is."

But the experience of this fiscal year—whatever its justification or provocation—is behind us now and the question is whether we will benefit from the experience of the last fiscal year or repeat it.

It can be avoided if both the administration and the Congress "set sail" this fiscal year on a course of "domestic reapproachment"—a commitment to work together on establishing legislatively a format for the future of these programs. The administration should do that—that is its duty—so that these programs may now be put on the track in permanent legislation and so that we do not have a repetition in fiscal 1974 fiscal year of the disaster which struck these programs in fiscal year 1973.

We are fortunate that already there is legislation "in the works" or "in the wings" that provides a real opportunity to develop mutual confidence in working in that way—in short, cases where Congress and the administration do not seem too far apart and where a little bit of "give and take" on both sides could mark a new beginning in cooperation.

First, in the case of manpower training reform—sought to the administration since 1969—the Senate Committee on Labor and Public Welfare has reported, for consideration by the full Senate and the Senate has not adopted, S. 1559, the Job Training and Community Services Act of 1973, sponsored by Senator GAYLORD NELSON, of Wisconsin, and myself. It adopts basically in the field of manpower training the special revenue-sharing approach advocated by the administration letting State and local government conduct these efforts in the future with wide discretion.

At this point the administration's official position is that decentralization should be accomplished administratively under an extension of existing authority, which Congress has thus far denied—it approves a separate public service employment program.

I call upon the administration to abandon these unilateral plans and work with us on an acceptable legislative approach for job training, including a quotient of public service employment and community services.

Second, the House of Representatives has already passed and the Senate will soon consider the administration's proposal to establish a new legal services corporation, which I introduced in the Senate. The question of the composition of the Board of Directors, which has been the principal "hangup" over the past 2 years, is no longer a basic issue.

Here is a great opportunity to attain an accommodation along the basic blueprint of the administration, thus avoiding the necessity of fighting continuing and self-defeating battles over the direction of the existing legal services program.

The program should not be hanging in midair. Again, a firm agreement between us and the administration is essential in order to carry this through.

Third, with respect to OEO and community action programs, Senator NELSON and I have already indicated, by including special provisions in S. 1559, the Job Training and Community Services Act of 1973, a willingness to try out the special revenue-sharing concept in respect to community action agencies. With funding of the current direct funding effort secured through this fiscal year—which appears will be the case under an appropriations bill passed by the House and now before the Senate—it is my hope that we would meet early this fall the question of the future of the programs after fiscal year 1974 so that we are not in another cliffhanger situation a year from now. It is the duty of the Administrator to bargain in good faith with us.

Fourth, in the field of social services, the moratorium against administrative action through October, provides an interregnum in which legislation should be worked out.

Mr. President, the administration and the Congress share the desire for the establishment of a new partnership between the levels of Federal, State, and local government—that is the gist of the "new federalism." If that goal is to be accomplished and managerial efficiency and cost-effectiveness are to be maintained over the short as well as the long-term, there must be a new partnership "horizontally" at the Federal level between the Executive and the Congress. To that end, I urge immediate negotiations between the offices of the administration and the appropriate congressional committees for the purpose of agreeing on the measures necessary to insure an orderly implementation of antipoverty, manpower, and social programs. In that spirit, I hope that the unfortunate, if not tragic, experience of the past fiscal year will not be repeated.

Mr. President, I ask unanimous consent to have printed in the RECORD an article entitled "A Billion in Health Funds Found Unspent by HEW," which was printed the New York Times.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

A BILLION IN HEALTH FUNDS FOUND UNSPENT BY HEW

(By Harold M. Schmeck, Jr.)

WASHINGTON, July 26.—During the last year, the Nixon Administration did not spend nearly $1.1-billion in funds Congress had intended for major health programs, according to figures obtained by the House Commerce Committee.

The total withheld was more than one-fifth of the roughly $4.759-billion allotted to the Health Services and Mental Health Administration and the National Institutes of Health, the two largest health-related agencies of the Department of Health, Education, and Welfare.

The discrepancies between funds available for spending and funds spent were found in the mass of data sent to Congress by the department.

This led to an exchange of letters between the Commerce Committee chairman, Represenative Harley O. Staggers, Democrat of West Virginia, and Caspar W. Weinberger, Secretary of Health, Education and Welfare.

"I am dismayed that you have felt it appropriate to impound the billion dollars your letter describes," Mr. Staggers said in the latest letter, which he made public. "I am not convinced that this is legal, necessary, or in the best interests of the people of our nation."

He asked the Secretary for program-by-program justification for not spending the money that was allocated in the continuing Congressional resolution under which the department's spending was authorized during the 1973 fiscal year.

The funds authorized by the resolution were, in effect, appropriations. They were handled through the resolution mechanism because of the President's veto of the health appropriation bill for 1973.

In a letter to Mr. Staggers, Secretary Weinberger defended the withholding of the funds as legal, but a spokesman for the Commerce Committee said there had not yet been a reply to the request for a program-by-program analysis.

A detailed breakdown of the unspent funds showed that even some of the programs given special public emphasis by the President were affected. For example, the National Cancer Institute left $58,859,000 unspent in a total budget authority of $492,205,000.

The National Heart and Lung Institute left unspent $44,217,000 from its permissible spending level of $300-million.

Most severely hit were Federal mental health programs of $743,723,000 available, $199,209,000 was unspent.

The Administration's decision not to spend such large sums that had, in effect, been appropriated was criticized sharply today by Representative Paul C. Rogers, chairman of the Commerce Committee's Health and Environment subcommittee.

Mr. Rogers, Democrat of Florida, said the Administration was not carrying out the laws passed by the Congress and was thus distorting the constitutional premise of the separation of powers.

Saying he considered it a "very serious situation," Mr. Rogers suggested it might be necessary to hold hearings on the subject and even to call for the resignations of officials who refuse to carry out the laws involved.

In his letter to Secretary Weinberger, Mr. Staggers said the programs in question had been created to meet specific needs, such as protection from disease, health manpower, biomedical research and improved health services of many kinds.

"Unless these needs in fact do not exist, or have been met, or are being met by alternative superior programs, then these impoundments must be considered a sad failure of our Government's commitment to serve its people," the letter said.

A spokesman for the Department of Health, Education and Welfare said there would be no comment until Mr. Weinberger had replied to Mr. Stagger's latest letter.

ORDER OF BUSINESS

The PRESIDENT pro tempore. Under the previous order, the Senator from Kentucky is recognized for not to exceed 15 minutes.

CAMPAIGN CONTRIBUTIONS AND EXPENDITURES

Mr. HUDDLESTON. Mr. President, yesterday the Senate completed action on S. 372. That legislation is designed to overcome many of the obvious abuses which have occurred in recent years in campaigning. Most of these abuses apparently have their roots in money—in excesses of money and the influence which persons or groups with unlimited funds may bring to bear upon political contests.

In a democracy, seats in the legislative branch and the highest offices of the executive should not be for sale. The rich should not exercise undue influence in the electoral process simply because of their wealth. Nor should a candidate enjoy a special advantage over his opponent because he can command large sums of money not available to those he is running against.

At the same time, we should not go to the other extreme and enact legislation which will so restrict contributions and expenditures that the built-in advantage which the well-known and established candidate enjoys is insurmountable. Money is the means by which the little known candidate becomes a well-known candidate, and to restrict money is to restrict the ability to become recognized and to have one's position publicized.

Thus, what we need is a balanced system—one which neither encourages or permits the buying and selling of elections nor one which guarantees the election of well-known and established candidates.

I hope that the bill which the Senate passed yesterday will go far toward achieving this balance. I do not believe that it is the final and perfect solution to our longstanding problem of election reform, but I do believe that it is a step in the right direction and that it can pave the way for even additional improvements in the future.

It is clear that campaigns have simply come to cost too much. It is time to change the situation in which any candidate can spend any amount of money. That is one thing S. 372 does. It sets overall limits on the amount that can be spent in both primary and general elections—a move that may take some of the circuslike, packaged-and-sold image out of political campaigns.

It also sets limits on the amount which an individual or an organized group may contribute to a specific campaign. This should restrain individual influence on elections and preclude the development of situations in which it can be suggested that a Federal officeholder owes his election or his vote to a single individual or to a special interest. It should also preclude the buying of offices such as ambassadorships through contributions to winning Presidential candidates.

The bill further strengthens the reporting and auditing controls on campaign spending in an attempt to insure that records are properly and adequately kept and retained. Persons contributing more than $100 will have to provide their names, addresses, and places of business; and contributions of more than $50 must be made by check or other written instrument. Candidates will have to establish special campaign accounts for the handling of contributions and expenditures.

Mr. President, all of these changes represent a vast improvement over the existing system of financing and running Federal elections. I strongly support both the spirit and the substance of these changes. They represent a genuine attempt at reform.

At the same time, however, I hope that we will not look upon this legislation—as good as it may be—as a panacea for all the problems and difficulties associated with political campaigns. It could very well be that this legislation in its application will create as many problems as it solves. It may close some loopholes, only to open new ones. In all probability we will not know the answer to that question until 2 years from now when the law goes through the test of actual application.

I myself have two major reservations in that regard. One, by placing rather strict limitations on spending and at the same time enacting a whole host of reporting requirements and other legal technicalities to be met, we may very well further jeopardize the chances of a "minor" or little-known candidate. It seems to me that the requirements of this bill will necessitate at least one or more full-time professional people, trained in the law or accounting, to supervise its application in each candidate's race. I am sure some minor candidates will never be able to afford such professional assistance.

It was that very concern about nonestablished candidates that prompted me to introduce an amendment relating to the suspension of the equal time provisions of section 315 of the Communications Act of 1934. That my amendment, which is now incorporated in the bill, provides that in congressional races that suspension can occur only after a radio or television station offers each candidate in that race 15 minutes of equal air time. The purpose of that amendment was simply to prevent minor candidates from being shut out of the media while their opponents may be given free broadcast exposure.

I just hope that we have not enacted so many requirements, requiring so much effort to comply with them, that we will intimidate or scare away nonestablished candidates.

A second reservation that I have concerns the ability of an individual candidate to present his views to the public. A campaign, as we know, is an effort on the part of an individual to sell himself, to try to sell his views, to try to sell his hopes and aspirations for his people to the voters of his State or of a particular district.

I do not impute anything evil or improper by the use of the word "sell." Certainly I do not mean buying an election. By "sell" I mean the opportunity to explain, persuade, or even contrast with an opponent the views and opinions that you may have. That is the very essence of our democratic system.

We just simply cannot do that without making certain expenditures, the cost of which are beyond a candidate's control. The price of a postage stamp is set, as is the price of television time, newspaper advertising, and the cost of traveling across a State or district. And in these times of inflation, those costs will undoubtedly go up and up.

If we end up with restrictions that are too severe, the people who are going to suffer will be the general populace, because they will not have the opportunity to know what a candidate is really for, and what he is not for—and they will not be able to make an informed judgment as to which candidate represents what they consider to be in the best interests of the country.

When I began my campaign I did so as a relatively unknown State senator running against a former Governor who was quite well known. I had to spend money—in fact, friends of mine had to borrow money on my behalf—so that I could overcome the so-called recognition factor and also to present and contrast my views with those of my opponent. I have some doubts as to whether I could have overcome those obstacles under all the restrictions of the present bill.

I hope that I am wrong on both counts. I hope these reforms will not inhibit minor candidates nor restrict one's ability to present his views to the public. Certainly I have reason to hope and believe that is not the case or I could not have supported the bill so strongly.

But I do not see the bill as a panacea; nor do I have a closed mind as regards each provision. It may be that some of our reforms went too far, or it might be that they did not go far enough. And perhaps there are still other needed reforms which have not been addressed in this bill. We will not really know until we have seen how the law works under actual campaign conditions.

I think it extremely important that following the congressional elections of 1974 that the appropriate committees of Congress examine in detail the application of these new provisions. I would hope, and I feel certain it will be the case, that these committees will make such an examination and report back to the full Senate and House and the American people any recommendation for further improvements or corrections in the law.

Another thing I would like to say at this point is that we have yet to hear the recommendations and report from the Senate Select Committee on Presidential Elections. While the thrust of this bill deals mainly with the financing of campaigns, I expect that the so-called Watergate Committee will have many additional recommendations for reform in areas other than financial. In many ways the regulation and supervision of campaign activities—as opposed to campaign financing—is even more important—and more difficult—to accomplish. I also expect that the Watergate Committee will also have recommendations in the area of financing Presidential campaigns. Certainly they deserve a full hearing. So we must await the findings of Senator Ervin's committee and its recommendations before we consider our efforts even halfway completed.

Mr. President, we have made an honest and genuine effort to reform political campaigning for Federal offices in this country. I hope that in the process we have restored some faith and trust to the American people whose confidence has been so badly shaken in recent months.

I think it is accurate to say that confidence in their Government—in their public officials—by the people is a necessary ingredient to the proper operation of a free and democratic system. It, therefore, behooves all of us to take every step possible to restore and maintain the public's confidence in us as individuals and in our system.

There is an old proverb I quote on occasion that says—

> Even an honest man arouses suspicion when he stoops to tie his shoe laces in a melon patch.

When we seek public office, we put ourselves in the public "melon patch," so it is proper to open up the election processes to the fullest possible public scrutiny—to place appropriate restraints on the manner in which campaigns are conducted. S. 372 does this to a substantial degree.

But we must maintain an open mind and a constant search for improvement. Two years from now, after we have seen this law in operation, we may see the need for further improvement. For instance, there is the whole matter of public financing, which requires detailed examination and exhaustive study. Campaign spending laws are like tax laws; you close one loophole and another pops up. Some aspects of our reform attempts may have been too restrictive. If so, they can be corrected.

The key, I think, is to constantly strive for improvement with the traditional goal of free and open elections in which all persons and all views are guaranteed equal access to the political process being our constant objective.

ORDER OF BUSINESS

The PRESIDENT pro tempore. Under the previous order, the Senator from Virginia (Mr. SCOTT) is recognized for not to exceed 15 minutes.

Mr. HANSEN. Mr. President, will the Senator yield?

Mr. SCOTT of Virginia. I yield to the distinguished Senator from Wyoming.

Mr. HANSEN. Mr. President, I ask unanimous consent that two of my staff people, Brent Kunz and Mike Schumaker, may be on the floor during this particular period of time.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SCOTT of Virginia. Mr. President, I ask unanimous consent that a member of my staff may also be on the floor at this time.

The PRESIDING OFFICER. Without objection, it is so ordered.

NOMINATION OF RUSSELL E. TRAIN TO BE ADMINISTRATOR OF ENVIRONMENTAL PROTECTION AGENCY

Mr. SCOTT of Virginia. Mr. President, as you know, Russell E. Train has been nominated to head the Environmental Protection Agency and the Public Works Committee on which I serve, will commence hearings tomorrow on Mr. Train's nomination. Let me say initially that while I have only met Mr. Train personally within the last few days, I have known of him for several years and I understand that he enjoys a very fine reputation. Therefore, it is not my intention today to be critical of Mr. Train. He apparently is a very fine individual.

Nevertheless, the Senate is called upon to advise and consent to the President's nomination. I believe we should give thoughtful consideration to this important matter and not attempt to dispose of it during the short time before the August recess.

As you know, Mr. President, the Environmental Protection Agency was created to permit effective governmental action to protect our environment. In reviewing the United States Code yesterday, I noticed that there are 44 pages of laws and annotations relating to air pollution control in the main part of the volume and 60 pages in the pocket part. This for an agency created less than 3 years ago. The Administrator has general jurisdiction over air quality standards and specifically over new sources of air pollutants. He establishes deadlines for automobiles to reduce given percentages of objectionable emissions, reviews State standards, and possible sources of air pollution; such as new powerplants, and new oil refineries. Recent proposals seek to determine whether given individuals can drive their cars to work or not and if so, whether they have to pay a parking tax on their automobiles.

The Congress may have gone too far in the Clean Air Act of 1970 and we may need to review such features as automobile emission standards and other phases of the law. I understand that the Supreme Court a few weeks ago in a 4-to-4 decision affirmed a lower court ruling that the Environmental Protection Agency must disapprove any State air quality control plan which does not prohibit significant deterioration of air quality even when air pollution concentrations are already lower than Federal standards require. In fact, this decision has been interpreted by some to prohibit the construction of any new plant in a rural area which would add to air pollution. It could have a significant effect on the Nation's future development.

Mr. President, every Member of the Senate is proud of the fact that we live in a country with a high standard of living, in a nation that is the envy of the world. We want to maintain this standard and, if possible, to have more of the good things of life for each of our citizens. The question which concerns me is whether or not Mr. Train, with the vast power given to the Administrator, would take a positive approach and reduce pollution without reducing our standard of living. Mr. Train is listed in "Who's Who in America." Following his name appears the word "conservationist." This may appear to be a minor matter, but Mr. Train is a lawyer, a graduate of Columbia Law School, a member of the District of Columbia Bar; he has had no specific educational background in the field of ecology or conservation. Why would he not be listed as "Russell E. Train, lawyer"? He is a former judge of the U.S. Tax Court. Why would he not be listed as "judge" or "jurist"? Of course, he did resign his position as a judge in order to accept the position of president of the Conservation Foundation.

Now, Mr. President, I am not criticizing Mr. Train because of the self-styled title of conservationist, but I do believe his backround and philosophy require more examination than the Congress can give in the few days remaining before our recess. Mr. Train is a former Under Secretary of the Interior and presently Chairman of the Council on Environmental Quality. Why would he not be listed as "Russell E. Train, Government Official?"

It raises a question in my mind, Mr. President, as to where this nominee's heart is; where his emphasis is. Does he have a concern for retaining the high standard of living we are privileged to enjoy, while at the same time making reasonable effort to protect our environment; or is he a conservationist first, regardless of what effect that may have on our standard of living?

This matter was illustrated in the lead editorial in the Washington Star and News on June 19 entitled, "The Clean Air Collision," and I ask unanimous consent, Mr. President, that this editorial be printed in it entirety in the RECORD at this point.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

THE CLEAN AIR COLLISION

The clean-air ideal that Congress embraced so enthusiastically three years ago is coming into hard collision with the fact that its attainment—on the schedule envisioned—simply may not be possible through any rational means. Developers emerging last week from both the Supreme Court and the Environmental Protection Agency reinforce that view. They cast heavier doubt on the nation's ability to meet the air-purity standards set by Congress, to become effective in 1975.

First came the court's decision that air quality cannot be allowed to deteriorate significantly *anywhere* in the country—even out in the great unpopulated expanses where pollution doesn't begin to approach the limits set by the Clean Air Act of 1970. This interpretation of the act might, if rigidly applied, serve virtually to paralyze growth in underdeveloped areas that are seeking new industry. And dispersal of some industry from the larger congested cities to rural towns should, we think, be a part of the general program to reduce pollution. But the worst impact of this decision may hit the metropolitan centers in a way that relates, detrimentally, to both pollution and energy production. If new electric plants and other utilities cannot be located outside the areas of urban contamination, the problems of depollution and power supply will become much more difficult.

But the extent of this restriction will be unknown until there is clarification by the court, which gave no written opinion, and hence no guidance at all, but only upheld a lower court decree by a tie vote. Further litigation must be awaited to get the needed answers. And meanwhile, some major cities have only the dimmest prospect, or none at all, of meeting the air standards set for the year after next.

That became more starkly apparent last Friday when the EPA rolled out a partial plan for meeting Congress' requirements. An astounding reduction of traffic is contemplated in 18 urban areas—possibly even a total ban on private cars in Los Angeles, and a 60 percent cutback of driving in northern New Jersey. This is a good deal more than public opinion can be expected to bear. Certainly the prospective plans for the Washington area (on which we will have more to say later) would come as a jolt to countless wage-earners here.

Taken as a whole, the EPA's ideas for

> urban sectors, going into effect so soon, could exact intolerable economic penalties and prove politically indefensible. Given a bit more time, the widespread public-transit improvements now underway, and anti-pollution equipment on autos, can greatly ease the pain of transition to cleaner air.
>
> Fortunately, the acting EPA chief, Robert W. Fri, seems to have no delusions about all this. In presenting the highly restrictive plan, Fri said he was "not sure these are the results that Congress intended," and that he will "explore with Congress the desirability of extending the deadlines for these areas that are so deeply affected." That is the wise course. Congress should begin reexamining the Clean Air Act, with a view to revisions that would allow more flexibility in reaching some of its goals. The need is for careful coordination, to achieve the final high objectives with the least possible economic damage.

Mr. SCOTT of Virginia. Mr. President, we will note the editorial commences with a statement that the clean-air ideal Congress embraced so enthusiastically 3 years ago may not be possible through any rational means and concludes with the suggestion that we explore the desirability of extending deadlines and reexamine the Clean Air Act with a view to revisions that would allow more flexibility in reaching some of its goals. The need is for careful coordination to achieve the high objectives with the least possible economic damage.

The city of Los Angeles undoubtedly has a serious smog problem, but the thought of eliminating 80 percent of the automobiles within the city does not seem reasonable. Neither does the 60 percent cutback of driving in northern New Jersey. Should not an alternative be sought to such a problem?

When we hear of prospects of gasoline shortages should not we question whether everything is being done as rapidly as possible to obtain oil from Alaska, from the Continental Shelf, from marginal wells? Are we unnecessarily prohibiting the use of heavy fuel oil? Are we unnecessarily reducing the effectiveness of our automobile motors and reducing the mileage per gallon of gas by Government regulations? Will Government regulations close down or reduce the employment in the chemical center within the Kanawha Valley of West Virginia? Or in the coalfields of various parts of our country? Are we doing the necessary research to make the maximum use of nuclear energy, water power, and energy from the sun? Would the nominee, as head of the Environmental Protection Agency, concentrate on finding ways to retain or increase our high standard of living or would he give undue emphasis to ecology?

Frankly, Mr. President, I believe that Mr. Train is a reasonable person. My conversation with him, lasting about an hour, a few days ago leads me to this conclusion. Nevertheless, this Agency can have such a drastic effect upon the individual freedom of our citizens and existing law gives such wide discretion to the Administrator that I feel his nomination should be examined in detail and that each of us, representing one of the States, should look into the background of the nominee and determine for himself whether he wishes to advise and consent to the President's nominee. It is not a nomination that should be acted upon in haste.

A news item, of July 27, quotes Mr. Train as saying, anyone seeking amendments to the strict clean air law of 1970 will have "the burden of proof—to unequivocally demonstrate the law needs changes." He also predicted, "a tough time ahead when American people will be tested on whether they are willing to stick to their commitment to a cleaner environment." The account states that he stressed his independence several times at a press conference following announcement of his nomination as Administrator and stated that "EPA is an independent regulatory agency with a strong independent character." Mr. Train stated that he made this clear to the President and that the President agreed that the independence of EPA is of paramount importance.

Mr. President, I believe we need to review the part the nominee played in stopping construction of the jetport in Florida north of the Everglades National Park and other activities over the past several years. Does he approve of the parking tax on commuters that EPA has recently suggested? Does he approve of eliminating downtown street parking in Washington? Mr. President, I believe that Government at every level exists for the benefit of the people. It is the servant, not the master of people. If people want to drive their automobiles to work, I believe they should feel free to do so without penalty. If we have sufficient concern about the environmental damage should not we work toward having a rapid rail transit so appealing; or some other form of mass transit with less pollution, so appealing that people will voluntarily abandon their personal automobile in many instances. We can also strive for an alternative to the gasoline motor. Concentration on research rather than prohibition can well be the answer.

I am hopeful that the Congress can reexamine various aspects of the law which may have been too hastily passed but pending that will consider very carefully the emphasis which may be placed upon existing laws by any nominee before advising and consenting to his heading an office which so vitally affects the day-to-day activities of the people as the Environmental Protection Agency.

Mr. President, I yield the remainder of my time to the distinguished Senator from Wyoming.

The PRESIDING OFFICER (Mr. HUDDLESTON). At this time, in accordance with the previous order, the Senator from Wyoming is recognized for not to exceed 15 minutes, plus the 2 minutes remaining of the time of the Senator from Virginia.

Mr. HANSEN. Mr. President, I would first like to compliment my friend, the distinguished Senator from Virginia, for having called attention in his excellent speech to the importance of the office that has been offered to my good friend, Judge Russell E. Train.

Let me say that I have known Judge Train for a number of years. I did not meet him when he was a member of the Tax Court. However, I did meet him very shortly thereafter, prior to his becoming President of the Conservation Fund. I sat as a very interested listener and participant during the time of his confirmation here to the position of Under Secretary of Interior, and I listened more recently when he became Chairman of the Council of Environmental Quality. So, I look forward to an old friend participating in another role and anticipate the hearings in which he will be the main participant. These hearings will be conducted by the Public Works Committee of the Senate prior to action by the Senate on his nomination to become Administrator of the Environmental Protection Agency.

Judge Train is a distinguished American and is certainly a person that we could all admire, and indeed do admire very much. My participation—along with my distinguished friend, the Senator from Virginia—is prompted not by the slightest of misgivings about Judge Train as a man, his dedication to America, or his full commitment to the ideals and to the kind of government we have. It is with respect to all of those causes that have caught up most Americans as we have gone forward in the last several decades in trying not only to have a better environment for all people, but also to make certain that each person has an equal chance and an equal opportunity with that of every other person.

I rise today, Mr. President, because it is an easy trap for Congress to fall into, to assume that because there is great drive and great momentum for a particular idea, we should become a part of that crusade. Certainly the effort to improve the quality of life in America by cleaning up and improving the environment is just such a crusade.

Back in 1969, I was a participant, in my home State, in Casper, at the first statewide environmental conference ever held in the State of Wyoming. There were a number of prominent national speakers. The general thrust of the comments heard during that day, was that what was needed in America was the passage of some tough laws to get at the guys wearing the black hats, the industrialists, the manufacturers, the businessmen, capitalists. Running through the thread of the appeal made by most speakers was the assertion that we could have a better environment, that there was no reason why we would not or could not have one almost overnight, if Congress just got on with the business of passing laws making it an illegal act to continue practices which were contributing to a deterioration of our environment.

My good friend from Virginia has already referred to the story in the Washington Star-News, but in order that I may also address the point that Russell Train makes, let me say again that he made 2 points in the Washington Star-News article of Friday, July 27.

First:

> Train said he will be taking over EPA at a time when it is in a period of change. The "first early excitement" of the environmental movement is over and the country is now at

> the point where implementation of antipollution laws "is the job to do," he said

Further on in the article:

> Commenting on one of the major issues he will have to face as EPA administrator, Train said anyone seeking amendments to the strict Clean Air law of 1970 will have "the burden of proof . . . to unequivocably demonstrate" the law needs changing.

The Washington Post of May 9, 1973, contained a story written by Jack Egan about Robert W. Fri. The story is headlined "Fri Pledges To Oppose Pollution."

In the article, listing the adverse economic impacts likely to occur during the next 5 years as a result of environmental compliance costs, he points out:

> A $250 boost in manufacturing price for each automobile and small truck.
>
> A 10 per cent average national increase in electricity costs.
>
> A $6.60 to $9.90 price increase for each net ton of steel shipped.
>
> A rise in oil prices of 8 cents per barrel to meet air and water pollution standards and one cent per gallon for gasoline to meet lead regulations.
>
> The closing of 60 to 65 marginal mills in the pulp and paper industry with a loss of 16,000 jobs.
>
> The shutdown of about 100 fruit and vegetable canning plants and the elimination of 7,000 jobs.

Mr. President, I could read more of the article, but I think that illustrates the point I had in mind and the point I tried to make in Casper, Wyo., back in 1969. Late in the program, I made the observation that we can indeed clean up our environment, and there is no doubt that all of us should clean it up, but let us not fool ourselves, it is going to cost money, and if we want to do it quickly enough, it is going to cost jobs and bring about unemployment.

I could cite specifically the case, a couple of years ago, where a rubber and tire manufacturing plant in Ohio was shut down for either 10 days or 2 weeks because, in order to comply with the clean air quality standards, the whole plant operation had been changed from coal to natural gas. Natural gas was not available in sufficient quantity at that particular time of year to satisfy all of the needs, and with the interruptible contract that this particular plant had, it had no alternative but to shut down temporarily.

So my point this morning, Mr. President—and I expect to speak in further detail later during the week—is that we need to examine these environmental protection laws closely. We need to know what the costs are going to be in terms of jobs and in terms of standards of living, and I think now is the appropriate time to ask my good friend Russell Train what laws he thinks might be changed and what laws he believes should be changed, and to bring this information forward before the public, in order that every American may better understand precisely what the costs are going to be upon all Americans, and what the costs will be in terms of national security.

With 76 percent of all of our energy coming from oil and natural gas, and with about a third of the total amount we consume in America today being imported from foreign countries, it is not inappropriate to ask, What will a continued program of importation do to America's national security? Will we become more dependent than we can afford to become upon foreign nations? Will these foreign countries have inordinate control or domination over America's foreign policy? Will we be given the latitude to act freely and independently, doing and pursuing what we believe is right? Or will we become captive to a policy dictated by foreign nations to whom we must look for our oil and gas supplies as we try to accomplish, among other things, the environmental goals we set in America back in 1970?

These are just some of the considerations, Mr. President, that we need now to examine; and I would say that America is fortunate in having a man nominated by the President who is able to articulate the position of this administration very well, who is a skilled lawyer, who is well versed in the problems of conservation, and to whom I think we must look for answers to questions that I believe should be asked.

So, in closing, Mr. President, let me say that I think we have a very important job to do in the next few days. It is too easy to pass laws and to think that, because a movement or a crusade is a popular one, we will not raise any objections. But we are just beginning to see the tip of the iceberg as we run head on into the problems that a law so far reaching starts to provide.

I had a letter a couple of days ago from the Governor of the State of Utah, the Honorable Calvin L. Rampton, who said among other things that to comply with the air quality standards that have been proposed for Utah alone would cost the motorists of his State some $40 million. He predicted, among other things, that it would practically destroy the business communities in a four-county area where the bulk of some 75 to 80 percent of Utah residents live.

These are some of the costs America will be facing—even though I speak of Utah as only one State—as we get to know better and more clearly than we do now what the costs will be.

I again compliment my distinguished friend, the junior Senator from Virginia (Mr. Scott), for calling to the attention of the Senate the importance of the job that is now shortly to be open for confirmation by the Senate.

Mr. SCOTT of Virginia. I should like to compliment my friend the Senator from Wyoming on the fine remarks he has just made. We seem to be in general agreement that the nominee of the President is a very fine gentleman but there is some question as to just what emphasis he would put on the problem of the environment and its relationship to our standard of living.

We seem to be in general agreement on the necessity of the Senate's advising and consenting; to look at his background; to look at his philosophy; and to look at his emphasis. I am sure the distinguished Senator would agree that in this question of the environment, we want to adopt a rule of reason. We could have a clean environment, perhaps, if we did not have any people. But I believe we would agree that we are in favor of people continuing to exist on this planet, although people do pollute.

So, in the total overall picture, taking it by all of its corners, we should attempt to do what is reasonable under the circumstances. We want to determine the reasonableness of the views of the nominee of the President to head this very important agency.

Mr. HANSEN. Mr. President, I appreciate very much what the distinguished Senator from Virginia (Mr. Scott) says. These are precisely the kinds of inquiries we now should be making of ourselves. I think that if we do that with diligence and with balance, we will come up with better answers than would otherwise be the case.

Let us remember that for most Americans, it is important to have a job. It is important to have a check coming in. Most of us have to work for a living. Most of us know that we cannot discharge the responsibilities that we owe to our families—our wives, our children, and others—unless we are able to continue in a general fashion the sort of life style that America enjoys today.

The alternatives, despite the fact that we would like to accomplish them immediately, have a very high price tag affixed to them.

Again I say, the distinguished Senator from Virginia (Mr. Scott) has made a very fine contribution in focusing on some of the problems and in suggesting some of the questions that we should ask ourselves as we consider the successor-to-be Administrator of the Environmental Protection Agency.

Mr. SCOTT of Virginia. Mr. President that is very kind of the Senator from Wyoming. I am flattered that the distinguished Senator and former Governor of his State, appears to see eye to eye with me on this very important matter.

Let me say that I understand a subcommittee of the Public Works Committee is considering possible revisions to the Clean Air Act. I am asking a member of my staff to examine this situation, to see whether we should recommend some changes. We would hope that various Members of this body would also look at the act and determine whether we should make some changes in the law.

Again my thanks to my colleague for joining me today.

TRANSACTION OF ROUTINE MORNING BUSINESS

The PRESIDING OFFICER (Mr. Huddleston). Under the previous order, there will now be a period for the transaction of routine morning business for not to exceed 15 minutes, with statements therein limited to 3 minutes?

Is there any morning business?

ORDER FOR CONSIDERATION OF THE COLBY NOMINATION AND TIME LIMITATION

Mr. ROBERT C. BYRD. Mr. President, as in executive session, I ask unanimous consent that at such time as the nomination of Mr. William E. Colby to be Director of Central Intelligence is called up and made the pending question before the Senate, there be a time limitation of 2½ hours on the nomination, with 1 hour under the control of the distinguished Senator from Missouri (Mr. SYMINGTON), 1 hour under the control of the distinguished Senator from Iowa (Mr. HUGHES), and 30 minutes under the control of the distinguished Senator from Massachusetts (Mr. KENNEDY).

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that instead of the 2½ hours on the Colby nomination, which was allocated previously, there be 3 hours on the nomination, with the addendum that the additional 30 minutes will be under the control of the distinguished Senator from South Carolina (Mr. THURMOND).

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent, as in executive session, that on the nomination of William E. Colby to be Director of Central Intelligence, an additional 30 minutes be allowed, to be under the control of the Senator from Wisconsin (Mr. PROXMIRE).

The PRESIDING OFFICER (Mr. HELMS). Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that, tomorrow, following the transaction of routine morning business, the Senate go into executive session to take up the nomination of Mr. William E. Colby to be Director of Central Intelligence, and that upon disposition of that nomination, the Senate then return to its consideration of the unfinished business.

The PRESIDING OFFICER. Without objection, it is so ordered.

QUORUM CALL

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the role.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMUNICATIONS FROM EXECUTIVE DEPARTMENTS, ETC.

The PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

Report of National Science Foundation

A letter from the Director, National Science Foundation, transmitting, pursuant to law, a report of that Foundation relating to the total amount of appropriated funds used in fiscal year 1973 for the support (direct and indirect) of the Executive Dining Room at the National Science Foundation (with an accompanying report). Referred to the Committee on Appropriations.

Report on Final Determinations With Respect to Claim Cases of Certain Indians

A letter from the Chairman, Indian Claims Commission, reporting, pursuant to law, on final determinations with respect to Docket No. 173-A, The Cherokee Nation, Plaintiff, and the Cherokee Freedmen and Cherokee Freedmen's Association, Intervenors v. the United States of America, Defendant (with accompanying papers). Referred to the Committee on Appropriations.

Report on the Relative Cost of Shipbuilding in the Various Coastal Districts of the United States

A letter from the Secretary of Commerce, transmitting, pursuant to law, a report on the Relative Cost of Shipbuilding in the Various Coastal Districts of the United States, dated June, 1973 (with an accompanying report). Referred to the Committee on Commerce.

Report on Administration of the Marine Mammal Protection Act of 1972

A letter from the Secretary of Commerce, transmitting, pursuant to law, a report on the administration of the Marine Mammal Protection Act of 1972 (with an accompanying report). Referred to the Committee on Commerce.

Reports of Comptroller General

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report entitled "Increased Use of Felled Wood Would Help Meet Timber Demand and Reduce Environmental Damage in Federal Forests", Department of Agriculture, Department of the Interior, dated July 30, 1973 (with an accompanying report). Referred to the Committee on Government Operations.

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report entitled "U.S. Foreign Aid to Education: Does Brazil Need It?", Department of State, Agency for International Development, Department of Treasury, ACTION, dated July 30, 1973 (with an accompanying report). Referred to the Committee on Government Operations.

Report of United States Information Agency

A letter from the Deputy Director, United States Information Agency, transmitting, pursuant to law, a report of that Agency, for the fiscal year 1973 (with an accompanying report). Referred to the Committee on Government Operations.

Request for Withdrawal of Loan Application

A letter from the Assistant Secretary of the Interior, requesting the withdrawal of a loan application by the Lakeside Irrigation Water District of Hanford, California, for a loan under the provisions of the Small Reclamation Projects Act (with an accompanying paper). Referred to the Committee on Interior and Insular Affairs.

Report of Geological Survey Relating to Areas Outside the National Domain

A letter from the Assistant Secretary of the Interior, reporting, pursuant to law, on the Geological Survey relating to areas outside the national domain. Referred to the Committee on Interior and Insular Affairs.

Report on Equal Employment Opportunity Commission

A letter from the Chairman, Equal Employment Opportunity Commission, transmitting, pursuant to law, a report of that Commission, for the fiscal year ended June 30, 1972 (with an accompanying report). Referred to the Committee on the Judiciary.

Report of Environmental Protection Agency

A letter from the Acting Administrator, Environmental Protection Agency, transmitting, purusant to law, a report of that Agency, dated April 1973 (with an accompanying report). Referred to the Committee on Public Works.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. MAGNUSON, from the Committee on Commerce, without amendment:

S. Res. 138. Resolution relating to national consumer effort to save gas and arrive alive (Rept. No. 93-360).

By Mr. WILLIAMS, from the Committee on Banking, Housing and Urban Affairs, with amendments:

S. 386. A bill to amend the Urban Mass Transportation Act of 1964 to authorize certain grants to assure adequate commuter service in urban areas, and for other purposes (Rept. No. 93-361), together with additional and supplemental views.

By Mr. BIBLE, from the Committee on Appropriations, with amendments:

H.R. 8917. An act making appropriations for the Department of the Interior and related agencies for the fiscal year ending June 30, 1974, and for other purposes. (Rept. No. 93-362).

EXECUTIVE REPORTS OF COMMITTEES

As in executive session, the following favorable reports of nominations were submitted:

By Mr. TOWER, from the Committee on Armed Services:

Lt. Gen. Samuel C. Phillips (major general, Regular Air Force) U.S. Air Force, to be assigned to a position of importance and responsibility designated by the President, in the grade of general.

By Mr. EAGLETON, from the Committee on the District of Columbia:

Orman W. Ketcham, of Maryland, to be an Associate Judge, Superior Court of the District of Columbia; and

Edmond T. Daly, of the District of Columbia, to be an Associate Judge, Superior Court of the District of Columbia.

By Mr. EAGLETON, from the Committee on the District of Columbia:

Henry S. Robinson, Jr., of the District of Columbia, to be a member of the District of Columbia Council;

Marguerite C. Selden, of the District of Columbia, to be a member of the District of Columbia Council; and

W. Antoinette Ford, of the District of Columbia, to be a member of the District of Columbia Council.

(The above nominations were reported with the recommendation that the nominations be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. TOWER:

S. 2291. A bill for the relief of Dr. Manucher Nazarian. Referred to the Committee on the Judiciary.

By Mr. TAFT:

S. 2292. A bill to amend the National Labor Relations Act to extend its coverage and protection to employees of nonprofit hospitals, and for other purposes. Referred to the Committee on Labor and Public Welfare.

By Mr. EAGLETON:

S. 2293. A bill to amend the provisions of title XVIII of the Social Security Act which relate to the definition of "spell of illness." Referred to the Committee on Finance.

By Mr. GURNEY:

S. 2294. A bill to designate the hospital in Tampa, Fla., as the "Melvin T. Dixon Veterans Hospital." Referred to the Committee on Veterans' Affairs.

S. 2295. A bill to amend title II of the Social Security Act to permit a wife, who is caring for her disabled husband, to receive wife's insurance benefits thereunder without regard to her age, if her husband is entitled to old-age or disability benefits thereunder and requires the services of a full-time aide or attendant. Referred to the Committee on Finance.

By Mr. HUMPHREY (for himself, Mr. MONDALE, Mr. METCALF, Mr. MANSFIELD, Mr. MCINTYRE, and Mr. HUDDLESTON):

S. 2296. A bill to provide for the protection, development, and enhancement of the national forest system its lands and resources, and for other purposes. Referred to the Committee on Agriculture and Forestry.

By Mr. KENNEDY (for himself and Mr. SCOTT of Pennsylvania):

S. 2297. A bill to amend the Presidential Election Campaign Fund Act, and for other purposes. Referred to the Committee on Finance.

By Mr. MATHIAS:

S. 2298. A bill for the relief of Robert M. Johnston. Referred to the Committee on the Judiciary.

By Mr. MUSKIE (for himself, Mr. ERVIN, and Mr. GURNEY) (by request):

S. 2299. A bill to provide authority to expedite procedures for consideration and approval of projects drawing upon more than one Federal assistance program, to simplify requirements for operation of those projects, and for other purposes. Referred to the Committee on Government Operations.

By Mr. INOUYE (for himself and Mr. BAKER) (by request):

S. 2300. A bill to amend the International Travel Act of 1961 to provide for Federal regulation of the travel agency industry. Referred to the Committee on Commerce.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. TAFT:

S. 2292. A bill to amend the National Labor Relations Act to extend its coverage and protection to employees of nonprofit hospitals, and for other purposes. Referred to the Committee on Labor and Public Welfare.

Mr. TAFT. Mr. President, I am today introducing a bill to amend the National Labor Relations Act to bring private, nonprofit hospitals within the purview of that act and the jurisdiction of the National Labor Relations Board. I have given the matter of collective bargaining rights for health care employees considerable thought. I sincerely believe that the citizens of this country have a right to expect continuous health care services without interruption from labor disputes. I also believe that the health care institutions and labor organizations representing employees in such institutions have a moral obligation to provide such services. The public's right to receive uninterrupted health care and the health care institution's obligation to provide these services should, to the fullest extent possible, also be consistent with the right of health care employees to have a voice in the determination of their wages, hours, and working conditions. Legislation has been introduced by Senators CRANSTON and JAVITS to provide a straight extension of the NLRA to employees of nonprofit hospitals without inclusion of safeguards. This legislation, in my judgment, is not responsive to patient care needs and does not adequately respond to the issues involved. Many proposals other than the CRANSTON-JAVITS approach have also been suggested to deal with this issue. Essentially, each proposal, however, must consider the very basic issue in labor, management relations—that is, how does one minimize, or terminate work stoppages. Final-offer-selection, arbitration to finality, and other labor management settlement procedures merit consideration in examining this most complex issue, especially when nonprofit hospitals who employ more than 90 percent of all workers in private hospitals are being considered for inclusion in the National Labor Relations Act. The proposal I am introducing today may not be the ultimate answer or solution to this issue. I do believe, however, it can provide a basis to begin a responsible discussion of the direction in which the Congress should proceed.

To begin at the origins of union organization, the NLRA does not deal with the proliferation of bargaining units so potential in hospitals. While proliferation of bargaining units is also a problem for industry in general, the effects of jurisdictional conflicts in manufacturing are much different than in health care institutions. It is an entirely different issue when a jurisdictional dispute disrupts production or curtails shipment of products than when a jurisdictional dispute prevents adequate delivery of health care services to patients. I do not believe the injury, if any, to employee rights to bargain outweighs the proper public interest in patient care. There should be a statutory direction to the National Labor Relations Board limiting the number of bargaining units with respect to health care institutions. The bill I am introducing will limit the number of units in a health care institution to four. This will reduce jurisdictional strife and limit the potential for work stoppages over bargaining. A proliferation of units would have the contrary result with the risk that hospitals would be engaged in a perpetual bargaining atmosphere where patient care would constantly be jeopardized.

Second is the problem of bargaining. Because of the public responsibility of the health care industry, the bargaining process itself should be as responsive as possible and the services of the Federal Mediation and Conciliation Service should be employed by the parties to the maximum extent possible. In addition, the parties should be required at the request of either to submit their impasse issues to nonbinding factfinding. It would be my hope that where factfinding is used the recommendations of an impartial observer would be useful to the parties in resolving their issues.

Next is the critical and very difficult issue of strikes. Strikes in hospitals pose the threat of a discontinuance of institutional health care including emergency medical services, perhaps to an entire community. This threat is to life itself and requires an extremely thorough review by the Congress. If nonprofit hospitals and other health care providers are brought under the NLRA, great care must be exercised to insure that the importance of continued health care is placed above economic disagreements. In the field of labor relations, unfortunately, a strike may be the only possible solution to an impasse and may over the long run better serve the public than other alternatives. But, bargaining strikes are not the only type of disputes that occur in the daily intercourse between labor and management. There are, for example, recognition disputes, jurisdictional disputes, unfair labor practice disputes, grievance disputes, et cetera. In each of these circumstances there are avenues open for redress which do not require the use of self-help by means of the strike or the picket. I believe, therefore, a balance between employee rights and the public right is met if all strikes are prohibited except a strike for a contract following the exhaustion of the bargaining procedure. In the latter case, the health care institution should be given advance notice of exactly when the strike will occur and thus have the opportunity to make provision for the transfer of patients and patient care before the stoppage commences. The lockout, of course, should be under the same restrictions. The bill I offer so provides.

Finally, the public's right to health care should not be required to wait on the delays which are incident to the processes and procedures of our administrative law system when interruption of health care is unlawfully threatened. The bill which I introduce provides for immediate relief by way of court injunction in the event of an unlawful strike or lockout.

There are other matters with which the bill deals, but I have outlined here the principal goals which I believe must be accomplished if the right of the public to health care is to be accommodated with the right of the health care employee to collective bargaining. If this accommodation is not made, then we will be subrogating the right of 200 million Americans to the wishes of 1½ million health care employees. This we should not do.

I ask unanimous consent that the text of the bill be printed in its entirety in the RECORD along with a sectional analysis.

There being no objection, the bill and analysis were ordered to be printed in the RECORD, as follows:

S. 2292

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That Section 1 of the National Labor Relations Act is amended by adding at the end thereof the following new paragraph:

"It is also declared to be the policy of the United States to eliminate labor disputes in health care institutions where such disputes interrupt or interfere with patient care."

SEC. 2(a) Section 2(2) of such Act is amended by striking out the phrase: "or any corporation or association operating a hospital, if no part of the net earnings inures to the benefit of any private shareholder or individual,".

(b) Section 2(3) of such Act is amended by inserting between the words "time to time" and "or" the following: "any physician employed by a health care institution."

(c) Section 2(4) of such Act is amended by changing the period after the word "organization" to a semicolon and adding the following: "*Provided,* That an individual or organization which assists or participates in a violation of section 8(g) of this Act shall for a period of one year lose its status as a labor organization under this Act with respect to the employees of the health care institution or institutions affected by such violation."

(d) Section 2(5) of such Act is amended by changing the period after the word "work" to a comma and adding the following: "and which is not excluded from status as a representative under section 2(4) above."

(e) Section 2 of such Act is amended by adding at the end thereof the following new subsection (14):

"The term 'health care institution' shall include any hospital, convalescent hospital, health maintenance organization, nursing home, extended care facility, or other institution devoted to the care of sick or aged persons."

SEC. 3(a). Section 8(d) of such Act is amended by inserting between the words "subsection" and "shall" in the last sentence of the last paragraph the following: ", or who engages in any strike or work stoppage in violation of section 8(g),". (b) Section 8 of such Act is amended by adding at the end thereof the following new subsection (g):

"(1) When a collective bargaining agreement is in effect between a health care institution and a labor organization which is the bargaining representative of its employees, the agreement shall continue in full force and effect, without recourse to strikes, picketing or lockouts, except as expressly permitted by this subsection (g), and in negotiations for a renewal of such agreement the following procedure shall apply:

"(A) The agreement shall not be terminated or modified unless the party desiring such termination or modification serves written notice of the proposed termination or modification on the other party not less than 90 days prior to the expiration date thereof, or not less than 90 days prior to the proposed effective date of such termination or modification, whichever date is later.

"(B) After service of the 90-day notice of proposed termination or modification, the party serving such notice shall offer to and shall meet and confer with the other party at reasonable times in an effort to satisfy the requirements of section 8(d), and the other party shall agree to and shall meet and confer at reasonable times for such purpose.

"(C) No later than 60 days prior to the expiration of the 90-day notice of proposed termination or modification, the party who served such notice shall notify the Federal Mediation and Conciliation Service if an agreement has not been reached. If said party fails to notify the Service within the time required, neither the agreement nor the 90-day notice period shall expire until 60 days after said party finally notifies the Service as required. Upon receipt of such notice the Service shall forthwith assign a mediator who shall promptly arrange meetings between the parties and serve as a mediator with respect to unresolved issues. The parties shall meet in the presence of the mediator at such times as the mediator may direct.

"(D) If upon expiration of the 90-day notice period an agreement has not been reached, the Director of the Service shall upon the written request of either party forthwith initiate a fact-finding proceeding by serving written notice on both parties and within 5 days thereafter shall provide the parties with a list of five persons from which list the parties shall, within 5 days of receipt of said list, each alternately strike one name until only one name remains. The person whose name remains shall serve as a fact finder in connection with the dispute. The party who served the notice of contract termination or modification shall be the first to strike a name: *Provided,* That the parties may, within 10 days after the Director notifies the parties of the initiation of the factfinding proceeding, designate the factfinder by any other means mutually agreeable to both parties. If the parties fail to designate a factfinder within the time limits herein prescribed, the Director shall appoint the factfinder. Within 60 days following notice to the parties of the initiation of the factfinding proceeding, the factfinder shall hold hearings, hear testimony and argument, and issue a written report to the Director of the Service and to the parties setting forth his recommendations for settlement of the issues in dispute and the reasons for such recommenations. The recommendations of the factfinder shall be advisory only and shall not be binding upon either party.

"(E) The provisions of section 207(c) of the Labor-Management Relations Act of 1947 shall apply to the factfinding proceedings. The costs of factfinding, including the fees and expenses of the factfinder, shall be shared equally by the parties.

"(F) No person who has a pecuniary or other interest in any organization of employees or employers or employers' organizations which are involved in the dispute shall be the factfinder.

"(G) During the 30-day period following issuance of the factfinding recommendations, the parties shall meet and confer at reasonable times in an effort to resolve their dispute or to agree upon a procedure for a binding resolution thereof. If upon expiration of said 30-day period the parties have not resolved their dispute, or if factfinding is not utilized then 30 days or more following expiration of the 90-day notice period, the labor organization may serve upon the employer and the Service a 30-day strike notice, or the employer may serve upon the labor organization and the Service a 30-day lockout notice. In the event either such notice is served, the employer shall submit its offer in writing to the labor organization and to the mediator. The Service shall thereafter within the 30-day notice period conduct a secret ballot vote or votes among the employees in the bargaining unit, in accordance with rules and regulations which shall be adopted by the Director of the Service, to determine (i) whether the employees in the bargaining unit accept or reject the employer's offer and (ii) if the labor organization has served a 30-day strike notice and the members have rejected the employer's offer, whether under the internal rules of the labor organization a strike is authorized by the bargaining unit. The Service shall certify the results of the vote or votes. If the Service certifies that the employees in the unit have accepted the employer's final offer, the labor organization and the employer shall execute an agreement on that basis. If the Service certifies that the employees in the unit have authorized a strike under the internal rules of the labor organization, the labor organization may call a strike and engage in picketing upon expiration of the 30-day strike notice. If a 30-day lockout notice is served, the employer may initiate a lockout upon expiration of the 30-day lockout notice: *Provided,* That the party initiating the work stoppage must notify the other party and the Service in writing as to the time the work stoppage will commence and such notice must be given at least 10 days before that time. If the work stoppage does not commence at the stated time, the 30-day strike or lockout notice shall be voided as of that time and there shall be no strike or lockout until a further 30-day strike or lockout notice has been served, unless the parties otherwise mutually agree in writing. In the event a subsequent 30-day strike or lockout notice is served, it shall be within the discretion of the mediator to determine whether an additional secret ballot vote or votes of the employees shall be taken. *Provided,* That the mediator shall have the authority to require a secret ballot vote or votes of the employees as provided herein at such time or times after any 30-day strike or lockout notice has been given as the mediator reasonably believes is in the interest of settlement.

"(2) When a health care institution and a labor organization which is the bargaining representative of its employees enter into negotiations for an initial collective bargaining agreement, such negotiations shall be conducted in accordance with the procedures set forth in section 8(g)(1), without recourse to strikes, picketing or lockouts, except as expressly permitted therein. For such purposes, the party desiring to commence negotiations may serve a notice commencing the 90-day period of section 8(g)(1)(A) at any time after the date of certification by the Board or voluntary recognition by the employer.

"(3) Except as expressly permitted by these sections 8(g)(1) and (2), it shall be an unfair labor practice for any labor organization to engage or participate in, authorize, or sanction, or to induce or encourage any individual to engage or participate in, (i) a strike or work stoppage of any kind whatsoever, or for any reason whatsoever, against a health care institution, or (ii) any picketing of any kind for any purpose of, or at the premises of, a health care institution; or to threaten any of the aforementioned acts in this section 8(g)(3); and except as so permitted in sections 8(g)(1) and (2) it shall be an unfair labor practice for a health care institution to engage in a lockout: *Provided,* That nothing contained in this subsection (g) shall prohibit publicity other than picketing for the purpose of truthfully advising the public of the existence of a dispute with said health care institution unless any effect of such publicity is (i) to induce any employee of such institution or any other individual, in the course of his employment, not to pickup, deliver or transport goods, or not to enter said employer's premises, or not to perform services, or (ii) to induce such an employee or individual to engage in a strike or work stoppage of any kind whatsoever or for any reason whatsoever.

"(5) A health care institution and a labor organization which is the bargaining representative of its employees shall not be required to comply with the notice requirements for contract termination and modification set forth in section 8(d)."

SEC. 4. Section 9 of such Act is amended by adding at the end thereof the following new subsection (f):

"Notwithstanding anything to the contrary in section 9(b), the Board shall not decide that any unit in a health care institution is appropriate for purposes of collective bargaining which (i) includes professional employees unless all of the professional employees employed by such institution are included therein; or (ii) includes technical employees (as defined from time to time by the Board) unless all of the technical employees employed by such institution are included therein; (iii) includes clerical employees unless all of the clerical employees employed by such institution are included therein; or (iv) includes service and maintenance employees—which shall be defined to include all employees except (A) professional, technical and clerical employees and (B) any individual employed as a guard to enforce against employees and other persons rules to protect property of the employer or to protect the safety of persons on the employer's premises—unless all of the service and maintenance employees employed by such institution are included therein. Managerial employees and others customarily excluded by the Board from representation under section 9 shall be excluded from the bargaining units permitted hereunder: *Provided,* That the Board shall not by virtue of this section 9(f) disturb bargaining units narrower in scope which were in existence prior to the effective date of this subsection: *Provided further,* That units other than those set forth above may be agreed to by the employer and the labor organization."

SEC. 5. (a) Section 10(l) of such Act is amended by striking the period at the end of the first sentence and adding ", and cases given priority under subsection (n)."

(b) Section 10(m) of such Act is amended by striking the period and adding "or(n)."

(c) Section 10 of such Act is amended by adding at the end thereof the following new subsection (n):

"Whenever it is charged that any person has engaged in an unfair labor practice within the meaning of section 8(g), the preliminary investigation of such charge shall be made forthwith and given priority over all other cases except cases of like character in the office where it is filed or to which it is referred. Upon filing such a charge, the charging party may file a complaint in any court in the United States having jurisdiction of the parties for appropriate injunctive relief pending the final adjudication of such matter. Upon the filing of any such complaint the court shall have jurisdiction to and shall grant injunctive relief or a temporary restraining order, notwithstanding any other provision of law: *Provided,* That no temporary restraining order shall be issued without notice unless a complaint alleges that substantial and irreparable injury to the charging party or other persons will be unavoidable and the court determines there is probable cause to believe based upon a verified complaint there is a violation of section 8(g). Upon filing of any such petition the court shall, before issuance of a preliminary injunction, cause notice thereof to be served upon any person involved in the charge and such person, including the charging party, shall be given an opportunity to appear by counsel and present any relevant testimony: *Provided further,* That for the purposes of this subsection a court shall be deemed to have jurisdiction of a labor organization (i) in the judicial district in which such organization maintains its principal office, or (ii) in any judicial district in which its duly authorized officers or agents are engaged in promoting or protecting the interests of employee members. The service of legal process upon such officer or agent shall constitute service upon the labor organization and make such organization a party to the suit."

SEC. 6(a) Section 303(a) of the Labor Management Relations Act is amended by inserting "or 8(g)" between "8(b)(4)" and "of". (b) Section 303 of the Labor-Management Relations Act is amended by adding at the end thereof the following new subsection (d):

"Any health care institution, labor organization or patient or other occupant of a health care institution injured, in whole or in part, by reason of a violation of section 8(g) of the National Labor Relations Act (and, in the event of death, the representative of the estate of such patient or other occupant) may sue in a United States District Court or in any other court having jurisdiction of the parties in the same manner as provided in section 303(b). In such an action, the court may award actual damages and the costs of the suit, and, in the event of injury to health or death of a patient or occupant, attorneys' fees in a reasonable amount, and punitive damages in such reasonable amount as may be assessed by the trier of fact."

SECTION-BY-SECTION ANALYSIS OF PROPOSED AMENDMENTS TO NATIONAL LABOR RELATIONS ACT

The intent of this amendment to the National Labor Relations Act is to accommodate the right of the public to health care with the right of health care employees to engage in collective bargaining.

STATEMENT OF PURPOSE

The amendment to Section 1 declares it to be the policy of the United States to eliminate labor disputes in health care instructions.

DEFINITIONS

The amendment to Section 2(2) eliminates the exemption for not-for-profit hospitals.

Section 2(3) removes physicians from definition of employee.

Section 2(4) provides for loss of status as bargaining representative if labor organization engages in unlawful strike or picketing.

Section 2(14) is new and defines "health care institution" broadly so that all such institutions will be affected by the same rules.

BARGAINING PROCEDURE

Section 8(g) is a new provision which in subsection (1) provides impasse resolution procedure for health care institutions in the event of an impasse in negotiations for a renewal agreement. Strikes, picketing, and lockouts will be prohibited until the impasse procedure has been exhausted.

Subsection (1)(A) requires 90-day notice of termination of the agreement.

Subsection (1)(B) requires good faith bargaining following the 90-day notice period.

Subsection (1)(C) requires 60-day notice to the FMCS prior to termination of the agreement. Requires mediation by Federal mediator during final 60 days prior to termination (unlike NLRA subsec. 8(d), which requires notice to FMCS but does not require mediation).

Subsection (1)(D) provides for advisory (nonbinding) fact finding at request of either party.

Subsection (1)(E) requires an additional 30-day cooling-off period for further bargaining in light of the fact-finding recommendations or expiration of agreement. If agreement is not reached during that period, a 30-day strike notice or lockout notice may be given. If a strike notice is given, a secret ballot strike vote will be conducted by the FMCS. Provides for 10-day notice before strike or lockout can commence.

Subsection (2) provides same impasse resolution procedure in the event of an impasse in negotiations for an initial agreement.

UNLAWFUL STRIKES, PICKETING, AND LOCKOUTS

Subsection (3) provides that any strike or picketing of or lockout by a health care institution is an unfair labor practice, except in the impasse situation discussed above. Designed to prohibit recognition strikes (not prohibited by NLRA) and recognitional picketing (inadequately regulated by NLRA subsec. 8(b)(7), and to plug loopholes in secondary boycott and other provisions of NLRA. Proviso permits handbilling and similar advertising that does not disrupt deliveries or result in work stoppages.

BARGAINING UNITS

Section 9(f) is a new provision designed to minimize bargaining unit fragmentation and proliferation, which pose a serious threat to the efficient functioning of health care institutions. Such institutions are particularly vulnerable to the practice of fractionalizing the work force into numerous units, and the NLRB has already shown a dangerous tendency in this direction. This section would provide for not more than four broad bargaining units in health care institutions (in addition to security guards, who must have a separate unit if they are organized)—(1) professional employees, (2) technical employees, (3) clerical employees, and (4) service and maintenance employees. Narrower units would be permitted by agreement. These four categories could be combined into fewer units, although the board does not combine office clericals with other employees if either party objects and under NLRA subsec. 9(b) it cannot include professional employees with nonprofessionals unless the professionals vote for such inclusion.

EXPEDITED RELIEF FOR VIOLATIONS

The amendment to Section 10 gives unfair labor practice charges involving strikes and picketing at health care institutions priority over other cases in NLRB regional offices.

Section 10(n) is a new provision which is patterned generally after NLRA subsec. 10 (l), although it would permit a health care institution to seek temporary injunctive relief in Federal court to prevent an unlawful strike or picketing while the board investigates and processes the institution's unfair labor practice charge. Experience under 10(l) has proved that, even in priority cases, the board cannot respond swiftly enough in obtaining temporary injunctive relief to prevent irreparable injury.

RIGHT TO BRING CIVIL SUIT

The amendment to section 303 provides a course of action to persons injured by reason of a violation of the new section 8(g).

Section 6(a) provides a course of action for private persons for injury due to unlawful strikes or lockouts.

By Mr. EAGLETON:

S. 2293. A bill to amend the provisions of title XVIII of the Social Security Act which relate to the definition of "spell of illness." Referred to the Committee on Finance.

Mr. EAGLETON. Mr. President, the bill I am introducing today is designed to enable elderly persons residing in nursing homes to break the medicare "spell of illness" or benefit period and renew their eligibility for hospital insurance benefits.

Under the part A hospital insurance program, limited hospital, extended care, and home health benefits are available during a single spell of illness. When those benefits are exhausted, no further benefits are available until there is a new benefit period. The spell of illness concept springs from the basic intent of medicare to provide protection against health care costs associated with relatively short-term acute illnesses.

Under current law, a benefit period is ended with the close of the first period of 60 consecutive days on each of which the individual "is neither an inpatient of a hospital nor an inpatient of a skilled nursing facility."

For purposes of this section of the law, a skilled nursing facility is defined as—

> An institution which is primarily engaged in providing to inpatients (A) skilled nursing care and related services for patients who require medical or nursing care, or (B) rehabilitation services for the rehabilitation of injured, disabled, or sick persons.

The result of the law is that a person who resides in a skilled nursing facility, even though he or she is receiving a level of care lower than skilled nursing, is unable to break a benefit period. The situation was summarized very succinctly in a letter to me of April 20, 1972, from then Commissioner of Social Security Ball:

> Once a person has used up his benefit days, he cannot begin a new benefit period until he has not been an inpatient of any hosptal or any institution that is primarily engaged in providing skilled nursing care for 60 consecutive days—whether or not the institution is participating in the Medicare program and regardless of the level of care he is receiving.

As we all know, many elderly people must spend their last years in a nursing home, not because they require skilled nursing care, but simply because they are no longer able to care for themselves in their own homes and a nursing home is the only available alternative. For these people the nursing home is not a medical institution but a substitute home.

Yet if the institution in which they reside is determined to be a skilled nursing facility, they are denied the medicare benefits available to persons fortunate enough to be able to remain in their own homes.

When this matter came to the attention of the Congress in 1967, it was thought that the provision of 60 lifetime reserve hospital benefit days would solve the problem.

However, in my judgment, this has not proved to be an adequate and equitable solution.

In the first place, the copayment for lifetime reserve days is now $36 per day—a considerable burden on many elderly people.

Second, even those lifetime reserve days may be exhausted. In the last 6 months, two instances have come to my attention of nursing home residents who have used both the hospital care available during a single spell of illness and the 60 lifetime reserve days. These people, who will be confined to nursing homes for the remainder of their days, will have no further hospital insurance benefits under medicare.

It is my understanding that the law is written as it is because there is concern that if a benefit period could be broken in the case of nursing home residents by a 60-day period during which they were certified as receiving a level of care lower than skilled nursing the result would be an artificial shifting of patients back and forth between levels of care for the purpose of qualifying them for additional medicare benefits.

Whether or not this could or would happen, I do not know. But I believe the answer is not to deny all nursing home residents the opportunity to renew their eligibility for hospital insurance benefits but to devise an adequate test for determining whether a person is actually receiving long-term personal or custodial care.

Therefore, my bill provides that a person residing in a skilled nursing facility may end a spell of illness with the close of the first period of 180 consecutive days on each of which he was receiving neither skilled nursing care nor rehabilitation services.

My proposal, I want to make clear, is not designed to provide medicare coverage for long-term custodial care. Under current law reimbursement for such care is specifically excluded. My proposal is designed simply to enable persons who require personal or custodial care to have the same medicare benefits that are available to others.

Mr. President, I ask unanimous consent that the text of my bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2293

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 1861(a)(2) of the Social Security Act is amended to read as follows:

"(2) ending with the close of—

"(A) the first period of 60 consecutive days thereafter on each of which he is neither (i) an inpatient of a hospital nor (ii) an inpatient of a skilled nursing facility, or

"(B) in the case such individual meets the condition imposed by subparagraph (A)(i) but does not meet the condition imposed by subparagraph (A)(ii), the first period of 180 consecutive days thereafter on each of which—

"(i) he is an inpatient of a skilled nursing facility, and

"(ii) receives neither (I) skilled nursing care and related services (as described in subsection (j)(1)(A)), nor (II) rehabilitation services (as described in subsection (j)(1)(B))."

SEC. 2. The amendments made by the first section of this Act shall be applicable in the case of determinations under title XVIII of the Social Security Act, with respect to the ending of any spell of illness, made after the date of enactment of this Act; except that no spell of illness shall, by reason of such amendments, be determined to have ended prior to the date of enactment of this Act.

By Mr. GURNEY:

S. 2294. A bill to designate the hospital in Tampa, Fla., as the "Melvin T. Dixon Veterans' Hospital." Referred to the Committee on Veterans' Affairs.

Mr. GURNEY. Mr. President, today I am reintroducing legislation to honor a man who made a great contribution to Florida and to the Nation, the late Melvin T. Dixon. This bill would name the newly constructed veterans' hospital in Tampa, Fla., the Melvin T. Dixon Veterans' Hospital.

I introduced this legislation last year, only a few months after Mr. Dixon's untimely death of a heart attack. Perhaps the best indication of the esteem in which he was held came in the form of a resolution from the Veterans Liaison Council of Pinellas County which had worked so closely with him and knew, firsthand, of his dedication to the veterans of Florida. The council, in fact, came right out and called for the naming of the new Veterans' Administration hospital in his honor, and for good reason.

As an employee of the division of veterans' affairs, State of Florida, Mel Dixon worked on behalf of veterans from the time of his disability discharge from the Air Force in 1945 until his death. As State service officer he initiated and implemented programs designed to improve the economic and social status of all veterans and families of veterans.

As one who had distinguished himself during World War II, he understood the problems veterans face—and did something to solve them. In short, Mel Dixon spent his life serving his country and those who have fought in its defense. Such dedication deserves recognition and by naming the new Veterans' Administration hospital in his honor, I can think of no more fitting a way to give it.

For the benefit of my colleagues who might not know of Mr. Dixon or his efforts in the field of veterans' affairs, I ask unanimous consent that the aforementioned bill, a biographical sketch, and a moving eulogy about him by his friends and colleagues, be printed in the RECORD at the conclusion of my remarks.

There being no objection, the bill and material were ordered to be printed in the RECORD, as follows:

S. 2294

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Veterans' Administration hospital in Tampa, Florida, is hereby designated as the "Melvin T. Dixon Veterans Hospital", in memory of the late Melvin T. Dixon and in commemoration of his many years of distinguished service to veterans and their families.

SEC. 2. Any reference in any law, regulation, document, map, or other paper of the United States, to the hospital described in the first section of this Act shall be deemed a reference to such hospital as the "Melvin T. Dixon Veterans Hospital".

[From the CONGRESSIONAL RECORD, Apr. 27, 1972]

RESOLUTION

Whereas a new Veterans Administration Hospital is now under construction, and scheduled to be dedicated as a Veterans Hospital the latter part of this year 1972 at Tampa, Florida; and

Whereas The Honorable Melvin T. Dixon having served the State of Florida in the Department of Community Affairs, Division of Veterans Affairs, since his appointment on March 17, 1948, until his recent demise; and

Whereas during his term of office as State Service Officer for the State of Florida, he did initiate and brought to fruition, innovations within the program designed to the economic and social status for all veterans, their widows and orphans; and

Whereas Melvin T. Dixon was a gentleman of irreproachable morals and ethical principles with a deep compassion for his fellow men. To covet nothing that was his neighbors, to think seldom of his enemies, often of his friends, and everyday of his opportunity to serve. Therefore

Be it resolved that the Veterans Liaison Council of Pinellas County, incorporating into its Council Units of the World War I and World War II. The American Legion, AMVETS, The Disabled American Veterans, The Jewish War Veterans of the United States of America, the Marine Corps League, Military Order of the Purple Heart, Veterans of Foreign Wars, and other service organizations whose members have served their Country in time of war.

And we, do hereby respectfully request, and earnestly urge that you exercise your high office in naming this new hospital "The Melvin T. Dixon Memorial Veterans Administration Hospital", so that his name will always be an inspiration to all and further preserve his memory as an outstanding example to those others who have dedicated their lives and careers to the service for the veteran, his dependents and orphans, and be it further resolved that copies of the Resolution be submitted to the following:

The Honorable Donald E. Johnson, Administrator of the Veterans Administration.

The Honorable Congressional Delegation of Florida.

The Honorable Members of the Board of County Commissioners.

To the Membership of the various Civic Clubs.

To the News Media.

And to the widow, Mildred Howell Dixon and children, Sarah Celia, Mary Kathleen, and Michael Howell.

ABE BAKER.
President, the Veterans Liaison Council of Pinellas County, Fla.

MELVIN T. DIXON, 1917–72

Melvin T. Dixon was born in Nashville, Tennessee on May 30, 1917, fourth of 5 children of Sarah & James Dixon.

He received his education in the State of Tennessee where he attended the University of Tennessee, which was interrupted by World War II.

Mel enlisted in the United States Air Force on April 21, 1941, and retired as a 1st Lt. from service due to disabilities incurred in service on February 13, 1945.

March 1, 1945, Mel was employed by the Veterans Administration as a Contact Representative in the St. Petersburg Florida Regional Office, training new contact representatives. He resigned on April 14, 1946.

On April 15, 1946, Mel accepted a position with the then Florida Department of Veterans Affairs, under David L. Wylie, State Service Officer, as a Claims Specialist.

In 1947, he was named Asst. State Service Officer. On March 17, 1949, David L. Wylie passed away and Mel was named Director and held that position until his untimely passing on January 7, 1972.

Upon assuming the duties as Director, he was named the Department Service Officer for The American Legion.

When Florida State Agencies were reorganized, the Department of Veterans Affairs became the Division of Veterans Affairs under the Department of Community Affairs. Mel became the Director, and the name State Service Officer was deleted from file but not from rank.

Mel has held the following positions and served on numerous veterans committees: Past President of the American Legion Service Officers Association; Past President of the National Association of State Directors of Veterans Affairs; Past President of the Southern Governors' Veterans Advisory Council; Past President of the Southeastern Service Officers Association and a member of President Johnson's Advisory Council 1967–68. Mel has also served on committees both local and statewide such as The Governors Employ of the Handicapped; Geriatrics Seminars; The Governors Action Task Force and the Veterans Liaison Council.

Mel was a much sought after speaker. He was a first come first served speaker. As to the size of a post, organization or any other group, it did not matter who called first, he committed himself to that organization.

Mel was married to the former Mildern Howell and had 2 daughters, Sarah Cecelia and Mary Kathleen and one son Michael Howell.

Melvin T. Dixon passed away on January 7, 1972 of a heart attack.

"WE SAY"

He was a man who lived by a challenge; this challenge gave him work to do, a job that he could call his own, where he could both lose himself and find himself in the daily job of doing it. Where his hands would not be tied nor his talents cramped, where his spirits would not be dwarfed by selfishness and greed and where he could breathe the pure sweet air that was his birth right. It gave him a job where opportunities reached outward and upward to the blue skies above, where his loved ones and he would never know confining boundaries or limited horizons; a job where he could earn a decent, honest living and realize just compensation for hard work. A job where he never felt the crippling chains of another's favor.

It gave him the work to do among his fellow men where he could feel at the setting sun that he had given a bit of happiness to a troubled world. That he had eased the load of his brothers' shoulders; that in some way he had brought peace and quiet to fearful hearts.

It gave him work to do, a job where he could be glad of life because it gave him the chance to love and to work and to play and to look up at the stars to be satisfied with his possessions; but not content with himself until he had made the best of them; to despise nothing in the world, except falsehood and meanness and to fear nothing except cowardliness. To covet nothing that was his neighbor's except his kindness of heart and gentleness of manner; to think seldom of his enemies, often of his friends, and every day of his opportunity to serve.

And at last, it gave him the courage to take the job and do it well, for only in so doing could he expect to find his own untarnished happiness.

And this is the challenge by which he lived his life. For this kind of challenge in the daily struggles of life there are no medals, and no decorations, but it has enshrined him in the hearts of a vast host of friends and associates.

As State Service Officer, Melvin T. Dixon's scholarship in veterans affairs, his seriousness of purpose, and his sincere dedication in perpetuating the commitments this State and Nation has made to its veteran population, have brought unparalleled prestige to the Veterans program. A gentleman of irreproachable moral and ethical principles and one with a deep compassion for his fellow man, Mel initiated and brought to fruition several innovations within the program designed to improve the economic and social status of veterans, their widows and orphans.

He simply stood up straight and tall, and bravely fought the foe; until one day God took his hand and said: "Come, my son, It's time to go."

By Mr. GURNEY:

S. 2295. A bill to amend title II of the Social Security Act to permit a wife, who is caring for her disabled husband, to receive wife's insurance benefits thereunder without regard to her age, if her husband is entitled to old-age or disability benefits thereunder and requires the services of a full-time aide or attendant. Referred to the Committee on Finance.

Mr. GURNEY. Mr. President, today I am introducing legislation which will help a segment of our population we seem to ignore all too frequently: our disabled.

My bill would grant, to the wife of a disabled individual who is confined to a bed or wheelchair, and is generally considered to need constant aid and attendance, the same type benefits presently granted to a wife who has in her care a child entitled to a child's insurance benefit.

The need for this type of legislation is underscored every time I receive a letter like the one I got recently from the legislative director of the Tampa Bay Paralyzed Veterans Association. In it he asked why wives could receive benefits for a child up to age 18, but not for her disabled husband, despite the undeniable fact that a man confined to a wheel chair is harder to care for than a teenager. If the theory that "the mother's time is required at home because of the child and she therefore has no time to work for a livelihood" is valid, why not apply it to an even more compelling circumstance. The logic behind such a suggestion is hard to refute. First, we admit that the time of a widow or the wife of a disabled person, caring for children, is worth something: We grant her a special benefit for this purpose because we acknowledge that if she is caring for the children she cannot hold outside employment at the same time. Then, we acknowledge that some persons are so severely disabled that they cannot work, and need constant aid and attendance. Why, then, do we not permit benefits to wives of disabled individuals who are giving their husbands this special care—care that would cost our Government considerably more if we paid someone else to do the work. As I said, this logic of not doing this escapes me, and, beyond that, proposed benefit to disabled persons would be such a help to people who are sorely in need.

Mr. President, the cost of this bill would be small. First of all, only married disabled persons would be eligible for this special benefit. This would mean that approximately 150,000 persons would become immediately eligible for benefits and about 100,000 persons currently entitled to reduced benefits would become eligible for full-rate benefits. The cost per year, over and above current law, would be roughly $200 million.

Mr. President, I think this type of action by the Congress is long overdue. I welcome the support and consideration of my colleagues, and I hope we can act on this as soon as possible.

I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2295

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a)(1) section 202(b)(1) of the Social Security Act is amended to read as follows:

"(B)(1) has attained age 62 or

"(ii) in the case of a wife—

"(I) has in her care (individually or jointly with such individual) at the time of filing such application a child entitled to a child's insurance benefit on the basis of the wages and self-employment income of such individual, or

"(II) has in her care at the time of filing such application such individual, if such individual has a physical or mental condition whch has lasted or can be expected to last for a continuous period of not less than 12 months and by reason of which he requires the services of a full-time aid or attendant,".

(2) Section 202(b)(1) of such Act is amended by adding immediately before the comma at the end thereof the following: "and such individual (in the case of an individual who, at the time referred to in subparagraph (B)(ii)(II), had a physical or mental condition described in such paragraph) no longer has such condition or is no longer in the care of such wife".

(b)(1) Section 202(q)(5)(A) of such Act is amended—

(A) by striking out the period at the end thereof and inserting in lieu of such period "; or"; and

(B) by adding after clause (ii) thereof the following new clause:

"(iii) for any month in which she has in her care her husband (if such husband is the person on whose wages and self-employment income her wife's insurance benefit is based, and if such husband has a physical or mental condition which has lasted or can be expected to last for a continuous period of not less than 12 months and by reason of which he requires the services of a full-time aide or attendant).".

(2) Section 202(q)(5)(B) of such Act is amended by inserting "or (iii)" immediately after "subparagraph (A)(ii)".

(3) Section 202(q)(5)(C) of such Act is amended by inserting "or a husband described in subparagraph (A)(iii)" immediately after "subparagraph (A)(ii)".

(4) Section 202(q)(7)(B) of such Act is amended to read as follows:

"(B) in the case of wife's insurance benefits, any month in which she had in her care—

"(I) individually or jointly with the person on whose wages and self-employment income such benefit is based, a child of such person entitled to child's insurance benefits, **or**

"(II) her husband (if such husband is the person on whose wages and self-employment income such benefit is based, and if such husband has a physical or mental condition which has lasted or can be expected to last for a continuous period of not less than 12 months and by reason of which he requires the services of a full-time aide or attendant),".

(c) Section 203(c)(2) of such Act is amended to read as follows:

"(2) in which such individual, if a wife under age sixty-five entitled to a wife's insurance benefit, did not have in her care—

"(A) individually or jointly with her husband, a child of her husband entitled to a child's insurance benefit, or

"(B) her husband (if such husband has a physical or mental condition which has lasted or can be expected to last for a continuous period of not less than 12 months and by reason of which he requires the services of a full-time aide or attendant),

and such wife's insurance benefit for such month was not reduced under the provisions of section 202(q); or".

SEC. 2. The amendments made by this Act shall be effective with respect to monthly insurance benefits under title II of the Social Security Act for months after the month in which this Act is enacted.

By Mr. HUMPHREY (for himself, Mr. MONDALE, Mr. METCALF, Mr. MANSFIELD, Mr. MCINTYRE, and Mr. HUDDLESTON):

S. 2296. A bill to provide for the protection, development and enhancement of the National Forest System, its lands and resources, and for other purposes. Referred to the Committee on Agriculture and Forestry.

FORESTS FOR THE FUTURE

Mr. HUMPHREY. Mr. President, I introduce for appropriate reference a bill to improve the management of the Nation's forests.

The entire National Forest System stands in jeopardy due to shortsighted Nixon administration policies.

This year's forestry budget is $116 million less than the rockbottom figure needed. Every aspect of management of the 187 million acres of forest lands is being short-changed.

These past 5 years have been one of platitudes, while both present and future needs have been ignored.

To correct this deplorable condition, we must reform the budget process. One-eyed bookkeepers must be gotten out of the Nation's forests.

This bill, the National Forest Environmental Management Act, would totally reform the Nation's forest management policies.

It would require Congress and the executive branch to set long- and short-term goals for national forest use and jointly to translate these goals each year into action programs through the annual budgetary process.

This approach is designed to open up the long-range national planning on our forests to greater public participation by using the law and the forum of the Congress to set our Nation's goals. Too much secrecy surrounds the formulation of a President's annual budget.

Current administration forest policies cause me great concern.

In national forests across the land, campground and recreation facilities are overcrowded and neglected under a shortsighted policy that wastes resources and destroys forests.

And this is happening at a time when there is an unprecedented number of people using our forests.

Watershed work is being funded at $5 million below needs, and expenditures for advanced timber practices are almost $10 million below the amount needed.

The administration requested funds for capital investment in recreation areas and pollution abatement and related programs at an amount almost $14 million below optimum requirements.

It slashed road and trail funds by over $60 million, thus complicating the sale of timber, adding a burden to local governments and producing inferior quality roads.

Twenty percent of commercial forest lands is in need of reforestation and stand improvement.

Over 5 million acres of national forest land need to be reforested and over 13 million acres need improvement.

Yet the budget request of the administration reduces funds for growing the timber vitally needed for the future.

My bill would require that at least 110 percent of the acreage cut in the previous year be reforested. And it explicitly provides for a program of complete reforestation in the national forests by the year 2000.

For too long we have marched backwards in our forest policies. In my judgment this bill comes to grips with tomorrow's resource problems now before we have an irreversible crisis in our forests.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2296

Be it enacted by the Senate and the House of Representatives of the United States of America in Congress assembled, That this Act may be cited as "The National Forest Environmental Management Act of 1973."

FINDINGS

SEC. 2. The Congress hereby finds and declares that—

(a) the air, soil, water, plants, and animals are resources that are finite and renewable,

(b) the minerals are not a renewable resource,

(c) the conservation of the environment is essential to achieving an ecologically healthy and economically functioning resource base,

(d) the National Forest System is a substantial resource base vital to the Nation's vigor,

(e) comprehensive planning is needed to secure the greatest net public benefit from the National Forest System,

(f) proper levels of funding for investment and management of the National Forest System is essential to achieving optimum potential resource benefits on a timely basis,

(g) the resources of the National Forest System, renewable and nonrenewable, should be used or preserved in accordance with defined public goals and purposes.

(h) for renewable resources it is essential that the rate of use not exceed the ability and commitment to renew the resource, that these conservative levels of extraction not be violated, and that management move to achieve optimum resource output levels.

(i) for nonrenewable resources the method and rate of extraction from the national forest lands shall encourage the conservative development of such resources in a manner that extracts the optimum amount at any given time, and does not render unrecoverable the remaining material resources or produce substantial, avoidable, on-site or off-site adverse consequences for the environment,

(j) the National Forest System is national in scope, made up of diverse lands, in different geographic regions and they vary in their relation to the lands, resources and people in each region,

(k) it is essential that the organization of the service to be provided to the people of the United States from the ground up shall be designed and maintained to meet the goal and mission of the National Forest System locally, regionally, and nationally.

(l) The modernization of the laws governing the administration of the National Forest System will measurably assist in attaining national goals in the public interest.

SEC. 3. Title 16, United States Code, section 531, is amended by adding at the end as definitions:

(a) Forest land. Any land bearing or capable of bearing forest trees as its principal natural vegetal cover.

(1) Commercial forest land is defined as producing or capable of producing industrial wood in a quantity in excess of 25 cu. ft. per acre of annual growth.

(2) Reserved commercial forest land meets the above specifications but is formally withdrawn or withheld from industrial utilization by lawful policies.

(3) Noncommercial forest land is forest tree bearing land capable of producing less than 25 cu. ft. per acres per year of annual growth of industrial utilizable wood.

(b) Forest trees—woody plants having a well developed stem attaining a height of more than 12 feet when fully grown.

(c) Forage—edible vegetation for livestock or wildlife produced seasonally or annually on or by herbaceous or shrubby plants including grasses, grasslike plants, forbs and browse.

(d) Rangeland—any land bearing, or capable of bearing, forage as its principal vegetal cover.

(1) Commercial rangeland is defined as producing or capable of producing forage in a quantity in excess of 50 lbs. per acre per season of usable forage for domestic livestock.

(2) Reserved commercial rangeland meets the above specifications but is formally with-

drawn or withheld from industrial utilization by lawful policies.

(3) Noncommercial rangeland is forage bearing land capable of producing less than 50 lbs. per acre per season of usable forage for domestic livestock.

(e) Recreational land is any land, no matter what its cover, which has esthetic qualities which makes it suitable for the enjoyment of outdoor recreational activities.

(1) Intensive recreational land is an area which is so situated that the conduct of other industrial activities on it will exclude recreational use.

(2) Extensive recreational land is an area where managed industrial activities on a regular, seasonal or intermittent basis can be carried on without substantial dimunition or exclusion of regular, seasonal or intermittent of recreational activities.

(f) Other Natural Resource land is land which lacks the vegetal cover described above or is swamp, glacier, natural rock or of other surface characteristics.

(g) National Forest System shall be composed of national forest lands created from the public domain of the United States, lands secured by purchase, donation, exchange or other means and shall include the national grasslands and land utilization areas administered under Title III of the Farm Tenant Act (7 U.S.C. 1012), and other Federal lands which may from time to time be properly designated for administration by the Forest Service as part of said system.

(h) "Areas of critical environmental concern," as used in this Act refer to lands within the National Forest System as that term is defined in the "Land Use Policy and Planning Assistance Act".

TITLE II—GENERAL MANAGEMENT AUTHORITY

MANAGEMENT

SEC. 101. The Secretary shall manage the National Forest System in accordance with Section 1 of this Act and in accordance with principles of the Multiple-Use and Sustained-Yield Act of 1960 in a manner which will assure payment of fair market value by users of such lands, unless otherwise provided for by law, and which will provide maximum opportunities for the public to participate in decisionmaking concerning such lands. The Secretary shall manage the National Forest System also in accordance with any applicable land use plans which he has prepared pursuant to section 103, except to the extent that other Federal laws require the Secretary to take specific actions. Management of the national forest lands shall include the authority to:

(a) regulate, through permits, licenses, leases or such other instruments as the Secretary deems appropriate, the use, occupancy or development of the National Forest System not provided for by other laws;

(b) require land reclamation as a condition of use, and require performance bonds, guaranteeing such reclamation in a timely manner from any person permitted to engage in extractive or other activity likely to cause significant disturbance to or alteration of the National Forest System.

(c) insert in permits, licenses, leases, or other instruments to use, occupy, or develop the National Forest System provisions authorizing revocation or suspension upon violation of any regulations issued by the Secretary under any Act applicable to the National Forest System or upon violation of any applicable State or Federal air or water quality standard and implementation plans; and

(d) the prompt development of regulations for the protection of areas of critical environmental concern.

INVENTORY

SEC. 102. The Secretary shall prepare and maintain on a continuing basis an inventory of all national forest lands, and their tangible and intangible resource values, giving required recognition to areas and situations of critical environmental concern. This inventory shall be kept current so as to reflect changes in conditions and identify new and emerging resources and values. Such inventory shall include identification of geographical management boundaries for all units of the national forest lands. To the extent possible inventory data shall be gathered, analyzed and made available to State and local governments for purposes of planning, coordinating, and regulating the uses of non-Federal lands in proximity to national forest lands.

LAND USE PLANS

SEC. 103. (a) The Secretary shall, with public participation, develop, maintain, and, when appropriate, revise land use plans for the National Forest System consistent with the terms and conditions of this Act and coordinated with the Land Use Policy and Planning Assistance Act or other law, and with other land use plans, including the statewide outdoor recreation plans developed under the Act of September 3, 1964 (78 Stat. 901), of State and local governments and other Federal agencies.

(b) In the development and maintenance of land use plans, the Secretary shall:

(1) use a systematic interdisciplinary approach to achieve integrated consideration of physical, biological, economic, and social sciences;

(2) give priority to the designation and protection of areas of critical environmental concern;

(3) rely, to the extent it is available, on the inventory of the National Forest System, their resources, and other values;

(4) consider all present and potential uses of the lands;

(5) consider the relative scarcity of the values involved and the availability of alternative means, materials, techniques, including recycling, and sites for realization of those values;

(6) weigh long-term public benefits against short-term local or individual benefits; and

(7) consider the requirements of applicable pollution control laws including State or Federal air, water, and noise quality standards and implementation plans.

LONG-RANGE PLAN

SEC. 104. The Secretary shall cause to be developed facts and data on forest, range and other land including but not limited to (1) their resources, their condition, productivity and their potential; (2) the uses, present and potential, for commodity and non-commodity purposes; (3) all relevant facts on environmental, ecologic, biologic and economic aspects of management and use, present and future.

BALANCED RESOURCE BUDGET

SEC. 105. (a) Based upon data developed as provided in this title, the Secretary shall present to the Congress a long-range natural resources physical budget for the National Forest System which sets forth—

(1) the demand for and the supply of the natural resources of the National Forest System for the present and future.

(2) the current balance and the projected balance for the decade ahead and the next 5 decades of the various resources and services said lands can supply.

(3) the public and private lands and resources and their respective biologic and ecologic ability and potential to supply resources and services, present and future.

(b) In fiscal year 1975 and thereafter at the start of each decade the Secretary shall cause to be presented to the Congress when it convenes his estimate of the natural resources physical budget of the National Forest System along with his recommendations for each of the next 5 decades ahead.

(c) The Congress shall hold such public hearings on said physical budget hearing public and private witnesses and shall within one year by joint resolution set forth a statement of policy which shall be the guide of the President in framing fiscal budgets for National Forest System activities for the decade ahead.

(d) Within ninety days after the commencement of each Congress, the Congress may by joint resolution adopt a policy for the biennium, taking into account any factors it deems appropriate, whenever in its judgment conditions have changed to a degree sufficient to amend the policy for the biennium.

(e) In accordance with (c) or (d) above there shall be included in the annual fiscal budget for the management and utilization of the National Forest System a request for a level of funding sufficient to assure a high level of resource growth and production under high environmental standards that will enable these lands to meet the needs of the American people for resources proportional to the ability of the national forest lands to produce such products and services; *Provided,* That the overall and specific plans of environmental national forest management that Secretary shall use for budgetary formulation shall be designed to secure the optimum level of management on all national forest lands by the year 2000 and their maintenance at this level thereafter: *Provided further,* That whenever the budget as presented recommends a course that will accomplish less than the minimum required by law, the Secretary shall specifically recite the reason for his so recommending and shall state his reasons for requesting the Congress to ratify the lesser program: *And provided further,* That any amount appropriated by the Congress and signed into law by the President, up to the amount projected by the estimate of the Congress of the funds needed to achieve lawfully created program goals shall be expended for such programs and may only be impounded when the President finds a condition subsequent which shows conclusively that such expenditure would fail to assist in achieving such a lawful program goal.

(f) As part of this goal each annual budget shall contain a request for funds sufficient to reforest an acreage equal to at least 110 per centum of the area on which it is estimated timber will be harvested in the preceding fiscal year plus an amount to improve the stands of young growing forests with trees between the ages of five years and seventy-five years on an acreage equal to at least 110 per centum of the areas computed above: *Provided,* That when the Secretary finds that (1) the backlog of areas that will benefit by such treatment has been eliminated, (2) the cost of treating the remainder of such area exceeds the economic and environmental benefits to be secured from their treatment, or (3) the total timber supplies of the United States are adequate to meet the future needs of the American people in an environmentally sound manner with forest products at a reasonable price, the budget request for these elements of forest management may be adjusted accordingly.

(g) The Secretary shall determine an environmentally sound level of timber harvest for the commercial forest land within each national forest management unit for the sustained yield rotation period, and shall determine projected harvest levels for each of the next five years, the decade ahead, and the rotation period: *Provided,* That among other things, the Secretary shall consider the present condition of the forest, the level and type of present and future uses of the forest, and the opportunities to realize the benefits under the criteria of this Act: *Provided further,* That in determining forest harvest levels for timber removal the Secretary shall determine the present potential of the various sites to grow trees and the optimum level of growth that can be secured under environmentally sound systems of management: *And provided further,* That the actual harvest levels shall be expressed in terms of the sustained output of forest resources based on the actual growth of timber being secured from the sites; and the potential harvest levels shall be expressed in terms of the potential of such sites to produce timber on an environmentally sound basis under the principles and criteria of this Act.

(h) The Secretary shall determine an environmentally sound level of grazing, water, soil, recreation and wildlife management for each national forest management unit for a management period, and shall determine projected harvest or use levels for each of the next five years and the decade ahead. *Provided,* That among other things, the Secretary shall consider the present condition of the land and resources, the level and type of present and future uses and the opportunities to realize the benefits under the criteria of this Act: *Provided further,* That in determining national forest program levels the Secretary shall determine the present potential of the various sites and the optimum level of management that can be secured under environmentally sound systems of management: *And provided further,* That the actual program levels shall be expressed in terms of the sustained output of resources based on that actually being secured from the sites; and the potential program levels shall be expressed in terms of the potential of such sites to produce resources on an environmentally sound basis under the principles and criteria of this Act.

TITLE III—OTHER ACTS AMENDED

SALE OF TIMBER

SEC. 201. The Act of June 4, 1897 (16 U.S.C. 476), relating to the sale of timber is repealed and the following is enacted therefor: "For the purpose of achieving and maintaining an environmentally sound forest, now and for the future, on the National Forest System the Secretary, under rules and regulations he may prescribe, may sell at fair market value such trees and forest products as may be compatible with the goals and standards set forth in this Act and other pertinent laws applicable to the National Forest System.

"The Secretary shall select for each such sale the method of sale and timber measurement which in his judgment is designed to encourage a high level of use of the trees to be harvested: Provided, That as measured over the sustained yield rotation period applicable to the site and species, the silvicultural harvesting systems applied shall be those which in the judgment of the Secretary best influence and promote both a high level of environmental quality and economic benefits from the national forest resources. The Secretary shall prescribe the size of each sale, and unless he has determined that extraordinary conditions exist or the quantities of timber to be sold are small, he shall widely advertise and give public notice of all sales. If, upon proper offering no satisfactory bid is received for a sale, or the bidder fails to complete the purchase, the sale may be offered and sold without further advertisement. However, in any event the Secretary shall exercise due care that public notice is utilized so as to encourage public participation in securing sales. Payments for sales shall be made to the Secretary, and the moneys arising therefrom shall be accounted for in a special account and covered into the Treasury. Such sales, before being offered, shall be marked and designated, supervision of the cutting and removal, and the measurement of the forest products shall be conducted by persons employed by the Secretary and such persons may have no interest in the purchase or removal of such products nor be directly or indirectly in the employment of the purchaser thereof."

ROAD AND TRAIL SYSTEM

SEC. 202. Section 4 of the Act, entitled "An Act to enable the Secretary of Agriculture to construct and maintain an adequate system of roads and trails for the national forests, and for other purposes," approved October 13, 1964 (78 Stat. 1089; 16 U.S.C. 535), is amended by (1) inserting "(a)" immediately after "Sec. 4," and (2) adding at the end of such section a new subsection as follows:

"(b) (1) The Secretary shall maintain a long-term, decade ahead, and annual transportation plan for the national forests, setting forth the permanent multiple resource and use roads and trails considered essential for sound environmental and economic management of the National Forest System under the jurisdiction of the Forest Service. The annual budget of the Forest Service shall contain a request for sufficient appropriations to accomplish (A) the construction of new roads, trails and bridges to provide a forest development system, (B) the reconstruction of roads, trails and bridegs needed to maintain the system, and (C) cooperative financing with other public agencies and with private agencies or persons to secure the construction of roads, all in a relation to each other, that promotes proper development of an environmentally sound system of roads and trails. The Secretary shall minimize the number of permanent roads constructed for incorporation in said system by timber purchasers under agreements providing for reduced timber prices. The Secretary shall use the funds appropriate under section 205 of title 23, United States Code, and under the fourteenth paragraph under the heading 'Forest Service' of the Act of March 4, 1913 (16 U.S.C. 501), only for construction or extraordinary maintenance, and shall request funds needed for regular annual maintenance as a part of the forest protection and utilization budget. When the estimated cost of road construction in any fiscal year will require a contract to be let under sub-section (c) of section 205 of title 23, United States Code, a road shall be constructed in whole or in part by a timber purchaser in return for a reduction in the appraised price of timber sold for his estimated cost only if (A) the road is planned solely for the removal of timber on that one timber sale and is not for incorporation in the forest development road network, or (B) the road is to be used for multiple use and resource management and (i) the standard of construction meets environmental and management standards for permanent roads, (ii) funds available under the fourtheenth paragraph under the heading 'Forest Service' of the Act of March 4, 1913 (16 U.S.C. 501), and under section 205 of title 23, United States Code, are insufficient to secure construction with appropriated funds, and (iii) the aggregate estimated cost for the miles of such permanent roads planned to be constructed by timber purchasers during that fiscal year on national forest lands will not substantially impair timber revenues received and payments made under the sixth paragraph under the heading 'Forest Service' of the Act of March 4, 1913 (16 U.S.C. 500), or under section 33 of the Bankhead-Jones Farm Tenant Act (7 U.S.C. 1012) to the counties within that national forest. There shall be maintained a system of cost allocation, public accounting, and data that fairly reflects the overall national forest road needs and program. In the development of transportation systems for the various management units of the national forests, the Secretary shall by regulation provide the public with information regarding planned roads and trails and shall provide the public with an opportunity to express views and offer suggestions with respect to such planned roads and trails."

ORGANIZATION

SEC. 203. The on-the-ground field offices, district rangers and forest supervisors, and the field supervisory offices, regional offices, shall be so situated as to provide the optimum level of convenient, useful services to the public, giving first priority to the maintenance and location of facilities in rural areas and towns within and adjacent to the national forest and Forest Service programs being supervised in accordance with the standards in section 901(b) of the Act of November 30, 1970 (84 Stat. 1383), as amended.

REPORTS

SEC. 204. The Secretary shall prepare and publish and submit to the Congress a national plan to achieve the purposes of the Act by June 30, 1974, and shall publish and submit to the Congress an annual report each fiscal year thereafter not more than one hundred and twenty days after the close of the fiscal year.

By Mr. KENNEDY (for himself and Mr. SCOTT of Pennsylvania):

S. 2297. A bill to amend the Presidential Election Campaign Fund Act, and for other purposes. Referred to the Committee on Finance.

PUBLIC FINANCING FOR SENATE AND HOUSE ELECTIONS

Mr. KENNEDY. Mr. President, on behalf of Senator HUGH SCOTT of Pennsylvania and myself, I send to the desk a bill to provide public financing of Senate and House elections, and to bar the option of private financing for major party candidates in all Federal elections, Presidential as well as congressional.

The most obvious lesson of Watergate is the growing national awareness of the corrosive power of money in politics. At a single stroke, by enacting a program of public financing for Federal elections, we can shut off the underground rivers of private money that pollute politics at every level of the Federal Government. If Watergate has taught us anything, it is that disclosure is not enough, that sunlight is not an adequate disinfectant, that public financing is the only effective antidote to the infectious power of money in political campaigns.

As everyone knows, the United States has the best political system that money can buy, and it is a disgrace to every principle on which our Republic stands.

Congress has already gone part way. Already, public funds will be available under existing law to finance the Presidential election campaign in 1976. The time has come to take the next great step toward open and honest government. The time is now ripe—indeed overripe—to eliminate private financing in Presidential elections and to apply the clear, simple principle of public financing to Senate and House elections as well. Only in this manner can we drive the money changers from the temple of Federal politics.

In offering this legislation, we pay well-deserved tribute to the wise insight and effective legislative leadership of Senator LONG. Without his continuing initiatives over the past decade, the principle of public financing would still be where Theodore Roosevelt left it at the turn of the century—as an abstract concept instead of a practical program, a solid foundation on which Congress is ready to build.

The legislation we are introducing today writes into bill form the public financing proposal which we offered as a Senate floor amendment last week, and which was defeated by the relatively narrow margin of 53 to 39. The legislation builds on the basic principle of Senator Russell Long's dollar checkoff, which was enacted by Congress in 1971 and amended in 1973. As indicated by the summary attached as an appendix to these remarks, the bill makes only a handful of changes in the principle and technical operation of the dollar checkoff.

We believe that the checkoff is directly applicable to the financing of congressional elections. As the Senate floor debate indicated last week, the principles of the checkoff are entirely adequate to deal with the various unusual circumstances that may arise with respect to campaigns by candidates of major and minor parties for Senate and House seats.

In large part, the successful application of the checkoff to congressional elections reflects the fact that the details of the checkoff enacted in 1971 were hammered out by its principle sponsors—Senator Long, Senator Mike Mansfield, and Senator John Pastore—with full regard for the rights of minor party candidates, in anticipation of the possible 1972 candidacy of Governor Wallace.

In part, however, the checkoff is also technically sound, because it reflects the exhaustive consideration given to the issue by several Congresses over many years, going back at least to 1966, when the idea was first approved by the Senate and enacted into law. As a result of the extensive hearings conducted by the Senate Finance Committee in 1967, together with the refinements of succeeding Congresses, the far-reaching measure enacted in 1971 for public financing of Presidential elections provides an excellent foundation on which to build.

Under the terms of the legislation we are introducing, public funds would be available to candidates of major parties in Presidential, Senate and House elections, based on a general formula allocating 15 cents for each voter in Presidential elections; 15 cents per voter or $175,000, whichever is greater, for Senate elections, and $90,000 or the average expenditure in the two preceding elections, whichever is greater, for House elections.

Candidates of minor parties—those winning between 5 and 25 percent of the vote—would be entitled to public funds under two approaches—either in proportion to the party's showing in the past election, or retroactively on the basis of its showing in the current election.

The 5 to 25 percent formula strikes a reasonable balance for minor parties. It neither freezes them out entirely, nor encourages them excessively. The 5 percent threshold showing required of such parties to receive public funds is low enough to prevent "locking in" the existing two-party system, and yet high enough to prevent the artificial proliferation of splinter parties set up merely to take a political joyride at the taxpayer's expense in a Federal election year.

The legislation, which would go into effect for the 1976 elections, prohibits private financing by major party candidates, but allows minor party candidates to use private funds to reach the level of spending of major party candidates. In addition, the amendment applies only to general and special elections, not to primaries and runoffs, which would continue to be financed by private funds.

Under existing law, future Presidential election campaigns will be financed by public funds through the so-called dollar checkoff, by which taxpayers indicate on their tax form that $1 of their net tax liability, or $2 on a joint return, is to go into a general fund for financing Presidential campaigns. The legislation we are introducing increases the amount of the checkoff to $2, or $4 on a joint return, in order to insure that adequate funds will be available to finance the expansion of the program to cover Senate and House elections.

Current estimates indicate that the cost of the program would be approximately $150 million for a Presidential election year, and $100 million for the off-year congressional elections. Thus, the total amount of public funds required for the 4-year election cycle would be $250 million, or an average cost for the program of about $60 million a year.

Obviously, the legislation Senator Scott and I are proposing is not the whole answer to the many complex questions that inevitably arise in any consideration of public financing.

For example, like the dollar checkoff, the bill deals only with general elections; it does not provide public financing for primaries. Yet, the high cost of primaries must be an area of major concern if we are to achieve comprehensive reform of campaign financing and ease the immense financial burden of running for public office.

Similarly, the bill applies only to Federal elections. It does not cover State and local elections, where fund raising is extremely difficult, and where the political influence of large contributors may be just as insidious as in Federal elections.

Another major area our bill does not touch is the question of the need for various additional incentives for private contributions in areas where private financing will still operate, such as the use of indirect Federal subsidies like tax credits and tax deductions, or other proposals that have been widely discussed in recent years, like the matching grant plans and voucher plans.

The bill we are offering does not deal with these areas for the simple reason that they have so far proved intractable to congressional action. As yet, there is no broad or bipartisan consensus in the Senate or House on the approach we should adopt.

Perhaps, as a result of hearings to be held this fall, appropriate legislation will be forthcoming to deal effectively with these areas as well.

But to use the present difficulty of dealing with such problems as an excuse for inaction in other important areas of public financing is to ignore the public will and to misjudge the magnificent opportunity we now have for a significant step forward in the important area of public financing.

In fact, this is an area in which the people are far ahead of Congress. A Gallup Poll released last June showed broad public support for financing political campaigns with public funds instead of private contributions. Fifty-eight percent of the persons polled a margin of 2 to 1, consisting of a majority in each category, Democrats, Republicans, and Independents alike—believes that the Federal Government should provide public funds to all candidates for President and Congress, and that private contributions should be prohibited.

And barely 4 weeks ago, on a rollcall vote of 62 to 30, a margin of better than 2 to 1, with broad bipartisan support, the Senate soundly defeated a move to repeal the dollar checkoff.

It is safe to say, therefore, that the principle of public financing via the dollar checkoff is now solidly cemented in the public laws of the United States.

What Senator Scott and I propose to do is to extend the accepted principle of the dollar checkoff to Senate and House elections. Surely, if the principle of the checkoff is good enough for the public financing of Presidential elections, it is also good enough for Senate and House elections.

And if, in the future, as a result of hearings to come later this year and beyond, Congress decides to adopt a different or modified version of public financing, then changes will obviously be required in the dollar checkoff as well. In that event, it will be no more difficult to amend the checkoff, whether it applies only to Presidential elections, or to Senate and House elections, too.

By enacting this legislation, we will establish the principle that public funds should be used to support the campaigns of candidates for the Senate and the House. It will be a new departure in American public life, full of promise for the future, full of potential, at last, for making the legislative branch of our Government truly responsive to the people.

For generations, we have blindly accepted the principle of private financing, long after the principle had become twisted and distorted in a way that no democracy worthy of the name could tolerate. For years, we have talked of campaign slogans in phrases like the politics of peace, the politics of hope, and the politics of reconciliation, but behind it all was a much more cynical form of politics—the politics of money.

Today, at a time when all our institutions are under question over Watergate, the millions of private dollars pouring into election campaigns have given politics the air of dirty business. The abuses breed cynicism among our citizens and dropouts from our democracy.

We know that the problems of campaign financing are, if anything, even more serious in Senate and House elections than they are in Presidential elections. Now, we have the chance to end all that. We can eliminate the power of private money and vested interests in Federal elections. We can shut off the underground rivers of influence money that pollute our politics. We can clean the stables of our Government and tell America we are beginning to learn the lesson of Watergate.

In sum, I believe that the provision of public funds for Senate and House elections is the best investment the American taxpayer can make today to end what has become the most flagrant single abuse in our democracy, the unconscionable power of money. Rarely have we had the opportunity to act to meet so great a need. It is time to take a step that can keep our political system running and responsive.

I am honored and delighted to work with Senator HUGH SCOTT in a bipartisan effort to reach this goal. He has been an outstanding leader on legislation in the area of election reform, and I am pleased to join with him on this new effort, which offers such enormous benefit to Americans concerned about the quality of their Government.

Mr. President, I ask unanimous consent that, following the remarks of Senator SCOTT, a summary of the bill and the text of the bill may be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

[See exhibit 1.]

Mr. SCOTT of Pennsylvania. Mr. President, I am pleased to join once more the senior Senator from Massachusetts (Mr. KENNEDY) in offering a proposal to finance publicly all general and special elections for Federal office. Although our proposal was tabled last week when it was offered to the campaign reform bill, we were pleased with the support we received at this time.

The Kennedy-Scott bill tracks, to the extent possible, the existing check-off provisions already in the law affecting Presidential elections. We have now added congressional elections and banned the option of private financing for all Federal elections. In addition we have proposed an increase in the amount of the checkoff from $1 to $2, or $4 on a joint return.

Our proposal would allow a spending limit of 15 cents per eligible voter, the same figure, coincidentally, as provided for in S. 372 which the Senate passed yesterday. The program will go into effect for the 1976 elections.

Mr. President, I have discussed this proposal with the distinguished chairman of the Finance Committee (Mr. LONG) and I am encouraged that he will move expeditiously on this matter. He has certainly been among the leaders in proposing and enacting the checkoff for Presidential elections and I know that he will be with us in the consideration of congressional elections.

EXHIBIT 1

S. 2297

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) Subtitle H of the Internal Revenue Code of 1954 is amended to read as follows:

"Subtitle H—FINANCING OF FEDERAL ELECTION CAMPAIGNS

"Chapter 95. Federal Election Campaign Fund

"Chapter 96. Federal Election Campaign Fund Advisory Board

"Chapter 95—FEDERAL ELECTION CAMPAIGN FUND

"Sec. 9001. Short title.
"Sec. 9002. Definitions.
"Sec. 9003. Conditions for eligibility for payments.
"Sec. 9004. Entitlement of eligible candidates to payments.
"Sec. 9005. Certifications by Comptroller General
"Sec. 9006. Payments to eligible candidates.
"Sec. 9007. Examinations and audits; repayments.
"Sec. 9008. Information on proposed expenses.
"Sec. 9009. Reports to Congress; regulations.
"Sec. 9010. Participation by Comptroller General in judicial proceedings.
"Sec. 9011. Judicial review.
"Sec. 9012. Criminal Penalties.

"SEC. 9001. SHORT TITLE.

"This chapter may be cited as the 'Federal Election Campaign Fund Act'.

"SEC. 9002. DEFINITIONS.

"For purposes of this chapter—

"(1) The 'Federal office' means the office of President or Vice President of the United States, or of Senator or Representative in or Resident Commissioner or Delegate to the Congress of the United States.

"(2) the term 'Federal election' means a general or special election for Federal office.

"(3) The term 'Comptroller General' means the Comptroller General of the United States.

"(4) The term 'authorized committee' means, with respect to a candidate of a political party for Federal office, any political committee which is authorized in writing by such candidate to incur expenses to further the election of such candidate. Such authorization shall be addressed to the chairman of such political committee, and a copy of such authorization shall be filed by such candidate with the Comptroller General. Any withdrawal of any authorization shall also be in writing and shall be addressed and filed in the same manner as the authorization.

"(5) The term 'candidate' means, with respect to any Federal election, an individual who (A) has been nominated for election to Federal office by a major party, or (B) has qualified to have his name on the election ballot in the geographical area in which the election is to be held, or (C) in the case of a presidential election, has qualified to have his name on the election ballot (or to have the names of electors pledged to him on the election ballot) as the candidate of a political party for election to the office of President or Vice President of the United States in 10 or more States. For purposes of paragraphs (8) and (9) of this section and purposes of section 9004(a)(2), the term 'candidate' means, with respect to any preceding Federal election, an individual who received popular votes for Federal office in such election.

"(6) The term 'eligible candidate' means a candidate of a political party for Federal office who has met all applicable conditions for eligibility to receive payments under this chapter set forth in section 9003.

"(7) The term 'fund' means the Federal Election Campaign Fund established by section 9006(a).

"(8) The term 'major party' means, with respect to any Federal election, a political party whose candidate for Federal office in the preceding election for such office received, as the candidate of such party, 25 percent or more of the total number of popular votes received by all candidates for such office.

"(9) The term 'minor party' means, with respect to any Federal election, a political party whose candidate for Federal office in the preceding election for such office received, as the candidate of such party, 5 percent or more but less than 25 percent of the total number of popular votes received by all candidates for such office.

"(10) The term 'new party' means, with respect to any Federal election, a political party which is neither a major party nor a minor party.

"(11) The term 'political committee' means any individual, committee, association, or organization (whether or not incorporated) which accepts contributions or makes expenditures for the purpose of influencing, or attempting to influence, the nomination or election of one or more individuals to Federal office.

"(12) The term 'qualified campaign expense' means an expense—

"(A) incurred (i) by the candidate of a political party for the office of President to further his election to such office (ii) by the candidate of a political party for the office of Vice President to further his election to such office or to further the election of the candidate of such political party for the office of President, or both, (iii) by the candidate of a political party for other Federal office to further his election to such office, or (iv) by an authorized committee of a candidate of a political party for Federal office to further the election of one or more such candidates to such office,

"(B) incurred within the expenditure report period (as defined in paragraph (13)), or incurred before the beginning of such period to the extent such expense is for property, services, or facilities used during such period, and

"(C) neither the incurring nor payment of which constitutes a violation of any law of the United States or of the State in which such expense is incurred or paid.

An expense shall be considered as incurred by a candidate or an authorized committee if it is incurred by a person authorized by such candidate or such committee, as the case may be, to incur such expense on behalf of such candidates or such committee. If an authorized committee of a candidate of a political party for Federal office also incurs expenses to further the election of one or more other individuals to Federal, State, or local elective public office, expenses incurred by such committee which are not specifically to further the election of such other individual or individuals shall be considered as incurred to further the election of such candidate for Federal office in such proportion as the Comptroller General prescribes by rules or regulations.

"(13) The term 'expenditure report period' with respect to any Federal election means—

"(A) in the case of a major party, the period beginning with the first day of September before the election, or, if earlier, with the date on which such major party nominated its candidate for election to Federal office, and ending 30 days after the date of the election; and

"(B) in the case of a party which is not a major party, the same period as the expenditure report period of the major party which has the longest expenditure report period for such election under subparagraph (A).

"SEC. 9003. CONDITIONS FOR ELIGIBILITY FOR PAYMENTS.

"(a) IN GENERAL.—In order to be eligible to receive any payments under section 9006, a candidate of a political party in a Federal election shall, in writing—

"(1) agree to obtain and furnish to the Comptroller General such evidence as he may request of the qualified campaign expenses with respect to which payment is sought;

"(2) agree to keep and furnish to the Comptroller General such records, books, and other information as he may request;

"(3) agree to an audit and examination by the Comptroller General under section 9007 and to pay any amounts required to be paid under such section; and

"(4) agree to furnish statements of qualified campaign expenses and proposed qualified campaign expenses required under section 9008.

"(b) MAJOR PARTIES.—In order to be eligible to receive any payments under section 9006, a candidate of a major party in a Federal election shall certify to the Comptroller General under penalty of perjury, that—

"(1) such candidate and his authorized committees will not incur qualified campaign expenses in excess of the aggregate payment to which he will be entitled under section 9004; and

"(2) no contributions to defray qualified campaign expenses have been or will be accepted by such candidate or any of his authorized committees except to the extent necessary to make up any deficiency in payments received out of the fund on account of the application of section 9006 (d), and no contributions to defray expenses which would be qualified campaign expenses but for subparagraph (C) of section 9002(12) have been or will be accepted by such candidate or any of his authorized committees. Such certification shall be made within such time prior to the day of the Federal election as the Comptroller General shall prescribe by rules or regulations.

"(c) MINOR AND NEW PARTIES.—In order to be eligible to receive any payments under section 9006, a candidate of a minor or new party in a Federal election shall certify to the Comptroller General, under penalty of perjury, that—

"(1) such candidate and his authorized committees will not incur qualified campaign expenses in excess of the aggregate payments to which the eligible candidate of a major party is entitled under section 9004; and

"(2) such candidate and his authorized committees will accept and expend or retain contributions to defray qualified campaign expenses only to the extent that the qualified campaign expenses incurred by such candidate and his authorized committees certified to under paragraph (1) exceed the aggregate payments received by such candidate out of the fund pursuant to section 9006. Such certification shall be made within such time prior to the day of the Federal election as the Comptroller General shall prescribe by rules or regulations.

(d) Except as provided in subsections (b) (2) and (c)(2) of this section, no mandate of a major party, minor party, or new party, or any of the authorized committees of such candidate shall accept contributions to defray qualified campaign expenses.

"SEC. 9004. ENTITLEMENT OF ELIGIBLE CANDIDATES TO PAYMENTS

"(a) IN GENERAL.—Subject to the provisions of this chapter—

"(1) An eligible candidate of a major party in a Federal election shall be entitled to payments under section 9006 equal in the aggregate to the greater of

"(A) 15 cents multiplied by the voting age population of the geographical area in which the election for such office is held, as determined by the Secretary of Commerce under the Federal Election Campaign Act of 1971;

"(B) $175,000, if the Federal office sought is that of Senator; or

"(C) the greater of $90,000, or the average expenditure of a major party candidate, determined pursuant to such rules or regulations as the Comptroller General may prescribe, in the two preceding elections for the Federal office, if the office sought is that of Representative.

"(2)(A) An eligible candidate of a minor party in a Federal election shall be entitled to payments under section 9006 equal in the aggregate to an amount which bears the same ratio to the amount computed under paragraph (1) for a major party as the number of popular votes received by the candidate for such office of the minor party, as such candidate, in the preceding election for such office bears to the average number of popular votes received by the candidates for such office of the major parties in the preceding election for such office.

"(B) If the candidate of one or more political parties (not including a major party) for Federal office was a candidate for such office in the preceding election for such office and received 5 percent or more but less than 25 percent of the total number of popular votes received by all candidates for such office, such candidate, upon compliance with the provisions of section 9003 (a) and (c), shall be treated as an eligible candidate entitled to payments under section 9006 in an amount computed as provided in subparagraph (A) by taking into account all the popular votes received by such candidate for such office in the preceding election for such office. If an eligible candidate of a minor party is entitled to payments under this subparagraph, such entitlement shall be reduced by the amount of the entitlement allowed under subparagraph (A).

"(3) An eligible candidate of a minor party or a new party in a Federal election whose candidate in such election receives, as such candidate, 5 percent or more of the total number of popular votes cast for such office in such election shall be entitled to payments under section 9006 equal in the aggregate to an amount which bears the same ratio to the amount computed under paragraph (1) for a major party as the number of popular votes received by such candidate in such election bears to the average number of popular votes received in such election by the candidates for such office of the major parties. In the case of an eligible candidate entitled to payments under paragraph (2), the amount allowable under this paragraph shall be limited to the amount, if any, by which the entitlment under the preceding sentence exceeds the amount of the entitlement under paragraph (2).

"(b) LIMITATIONS.—The aggregate payments to which an eligible candidate of a political party shall be entitled under subsections (a) (2) and (3) with respect to a Federal election shall not exceed an amount equal to the lower of—

"(1) the amount of qualified campaign expenses incurred by such eligible candidate and his authorized committees, reduced by the amount of contributions to defray qualified campaign expenses received and expended or retained by such eligible candidate and such committees, or

"(2) the aggregate payments to which the eligible candidate of a major party is entitled under subsection (a)(1), reduced by the amount of contributions described in paragraph (1) of this subsection.

"(c) RESTRICTIONS.—An eligible candidate of a political party shall be entitled to payments under subsection (a) only—

"(1) to defray qualified campaign expenses incurred by such eligible candidate or his authorized committees, or

"(2) to repay loans the proceeds of which were used to defray such qualified campaign expenses, or otherwise to restore funds (other than contributions to defray qualified campaign expenses received and expended by such candidate or such committees) used to defray such qualified campaign expenses.

"SEC. 9005. CERTIFICATIONS BY COMPTROLLER GENERAL.

"(a) INITIAL CERTIFICATION.—On the basis of the evidence, books, records, and information furnished by the eligible candidates of a political party and prior to examination and audit under section 9007, the Comptroller General shall certify from time to time to the Secretary for payment to such candidates under section 9006 the payments to which such candidates are entitled under section 9004.

"(b) FINALITY OF CERTIFICATIONS AND DETERMINATIONS.—Initial certifications by the Comptroller General under subsection (a), and all determinations made by him under this chapter shall be final and conclusive, except to the extent that they are subject to examination and audit by the Comptroller General under section 9007 and judicial review under section 9011.

"SEC. 9006. PAYMENTS TO ELIGIBLE CANDIDATES.

"(a) ESTABLISHMENT OF CAMPAIGN FUND.—There is hereby established on the books of the Treasury of the United States a special fund to be known as the 'Federal Election Campaign Fund'. The Secretary shall, as provided by appropriation acts, transfer to the fund an amount not in excess of the sum of the amounts designated to the fund by individuals under section 6096 and such additional sums as Congress may appropriate to insure that moneys in the fund will be adequate to meet the entitlements of eligible candidates.

"(b) TRANSFERS TO THE GENERAL FUND.—The Secretary is authorized to transfer to the general fund of the Treasury such amounts of moneys in the fund as he determines from time to time are in excess of the amounts which eligible candidates are or will be entitled to receive.

"(c) PAYMENTS FROM THE FUND.—Upon receipt of a certification from the Comptroller General under section 9005 for payment to the eligible candidates of a political party, the Secretary shall pay to such candidates out of the fund the amount certified by the Comptroller General. Amounts paid to any such candidates shall be under the control of such candidates.

"(d) INSUFFICIENT AMOUNTS IN FUND.—If at the time of a certification by the Comptroller General under section 9005 for payment to the eligible candidates of a political party, the Secretary or his delegate determines that the moneys in the fund are not, or may not be, sufficient to satisfy the full entitlements of the eligible candidates of all political parties, he shall withhold from such payment such amount as he determines to be necessary to assure that the eligible candidates of each political party will receive their pro rata share of their full entitlement. Amounts withheld by reason of the preceding sentence shall be paid when the Secretary or his delegate determines that there are sufficient moneys in the fund to pay such amounts, or portions thereof, to all eligible candidates from whom amounts have been withheld, but, if there are not sufficient moneys in the fund to satisfy the full entitlement of the eligibile candidates of all political parties, the amounts so withheld shall be paid in such manner that the eligible candidates of each political party receive their pro rata share of their full entitlement.

"SEC. 9007. EXAMINATION AND AUDITS; REPAYMENTS.

"(a) EXAMINATIONS AND AUDITS.—After each Federal election, the Comptroller General shall conduct a thorough examination and audit of the qualified campaign expenses of the candidates of each political party for Federal office.

"(b) REPAYMENTS.—

"(1) If the Comptroller General determines that any portion of the payments made to an eligible candidate of a political party under section 9006 was in excess of the aggregate payments to which the candidate was entitled under section 9004, he shall so notify such candidate, and such candidate shall pay to the Secretary an amount equal to such portion.

"(2) If the Comptroller General determines that an eligible candidate of a political party and his authorized committees incurred qualified campaign expenses in excess of the aggregate payments to which an eligible candidates of a major party was entitled under section 9004, he shall notify such candidate of the amount of such excess and such candidate shall pay to the Secretary an amount equal to such amount.

"(3) If the Commission determines that

an eligible candidate of a major party or any authorized committee of such candidate accepted contributions (other than contributions to make up deficiencies in payments out of the fund on account of the application of section 9006(d) to defray qualified campaign expenses (other than qualified campaign expenses with respect to which payment is required under paragraph (2)), he shall notify such candidate of the amount of the contributions so accepted, and such candidate shall pay to the Secretary an amount equal to such amount.

"(4) If the Comptroller General determines that any amount of any payment made to an eligible candidate of a political party under section 9006 was used for any purpose other than—

"(A) to defray the qualified campaign expenses with respect to which such payment was made, or

"(B) to repay loans the proceeds of which were used, or otherwise to restore funds (other than contributions to defray qualified campaign expenses which were received and expended) which were used, to defray such qualified campaign expenses, he shall notify such candidate of the amount so used, and such candidate shall pay to the Secretary an amount equal to such amount.

"(5) No payment shall be required from an eligible candidate of a political party under this subsection to the extent that such payment, when added to other payments, required from such candidate under this subsection, exceeds the amount of payments received by such candidate under section 9006.

"(c) Notification.—No notification shall be made by the Comptroller General under subsection (b) with respect to a Federal election more than 3 years after the day of such election.

"(d) Deposit of Repayments.—All payments received by the Secretary under subsection (b) shall be deposited by him in the general fund of the Treasury.

"Sec. 9008. Information on Proposed Expenses.

"(a) Reports by Candidates.—A candidate of a political party for Federal office in a Federal election shall, from time to time as the Comptroller General may require, furnish to the Comptroller General a detailed statement, in such form as the Comptroller General may prescribe, of—

"(1) the qualified campaign expenses incurred by him and his authorized committees prior to the date of such statement (whether or not evidence of such expenses has been furnished for purposes of section 9005), and

"(2) the qualified campaign expenses which he and his authorized committees propose to incur on or after the date of such statement.

The Comptroller General shall require a statement under this subsection from such candidates of each political party at least once each week during the second, third, and fourth weeks preceding the day of the Federal election and at least twice during the week preceding such day.

"(b) Publication.—The Comptroller General shall, as soon as possible after he receives each statement under subsection (a), prepare and publish a summary of such statement, together with any other data or information which he deems advisable, in the Federal Register. Such summary shall not include any information which identifies any individual who made a designation under section 6096.

"Sec. 9009. Reports to Congress; Regulations.

"(a) Reports.—The Comptroller General shall, as soon as practicable after each Federal election, submit a full report to the Senate and House of Representatives setting forth—

"(1) the qualified campaign expenses (shown in such detail as the Comptroller General determines necessary) incurred by the candidates of each political party and their authorized committees;

"(2) the amounts certified by him under section 9005 for payment to the eligible candidates of each political party; and

"(3) the amount of payments, if any, required from such candidates under section 9007, and the reasons for each payment required.

Each report submitted pursuant to this section shall be printed as a Senate document.

"(b) Regulations, Etc.—The Comptroller General is authorized to prescribe such rules and regulations, to conduct such examinations and audits (in addition to the examinations and audits required by section 9007 (a)), to conduct such investigations, and to require the keeping and submission of such books, records, and information, as he deems necessary to carry out the functions and duties imposed on him by this chapter.

"Sec. 9010. Participation by Comptroller General in Judicial Proceedings

"(a) Appearance by Counsel.—The Comptroller General is authorized to appear in and defend against any action filed under section 9011, either by attorneys employed in his office or by counsel whom he may appoint without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and whose compensation he may fix without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title.

"(b) Recovery of Certain Payments.—The Comptroller General is authorized through attorneys and counsel described in subsection (a) to appear in the district courts of the United States to seek recovery of any amounts determined to be payable to the Secretary as a result of examination and audit made pursuant to section 9007.

"(c) Declaratory and Injunctive Relief.—The Comptroller General is authorized through attorneys and counsel described in subsection (a) to petition the courts of the United States for declaratory or injunctive relief concerning any civil matter covered by the provisions of this subtitle or section 6096. Upon application of the Comptroller General, an action brought pursuant to this subsection shall be heard and determined by a court of three judges in accordance with the provisions of section 2284 of title 28, United States Code, and any appeal shall lie to the Supreme Court. It shall be the duty of the judges designated to hear the case to assign the case for hearing at the earliest practicable date, to participate in the hearing and determination thereof, and to cause the case to be in every way expedited.

"(d) Appeal.—The Comptroller General is authorized on behalf of the United States to appeal from, and to petition the Supreme Court for certiorari to review, judgments or decrees entered with respect to actions in which he appears pursuant to the authority provided in this section.

"Sec. 9011. Judicial Review.

"(a) Review of Certification, Determination, or Other Action by the Comptroller General.—Any certification, determination or other action by the Comptroller General made or taken pursuant to the provisions of this chapter shall be subject to review by the United States Court of Appeals for the District of Columbia upon petition filed in such Court by any interested person. Any petition filed pursuant to the section shall be filed within thirty days after the certification, determination, or other action by the Comptroller General for which review is sought.

"(b) Suits To Implement Chapter.—

"(1) The Comptroller General, the national committee of any political party, and individuals eligible to vote in an election for Federal office, are authorized to institute such actions, including actions for declaratory judgment or injunctive relief, as may be appropriate to implement or construe any provision of this chapter.

"(2) The district courts of the United States shall have jurisdiction of proceedings instituted pursuant to this subsection and shall exercise the same without regard to whether a person asserting rights under provisions of this subsection shall have exhausted any administrative or other remedies that may be provided at law. Such proceedings shall be heard and determined by a court of three judges in accordance with the provisions of section 2284 of title 28. United States Code, and any appeal shall lie to the Supreme Court. It shall be the duty of the judges designated to hear the case to assign the case for hearing at the earliest practicable date, to participate in the hearing and determination thereof, and to cause the case to be in every way expedited.

"Sec. 9012. Criminal Penalties.

"(a) Excess Campaign Expenses.—

"(1) It shall be unlawful for an eligible candidate of a political party for Federal office in a Federal election or any of his authorized committees knowingly and willfully to incur qualified campaign expenses in excess of the aggregate payments to which the eligible candidates of a major party are entitled under section 9004 with respect to such election.

"(2) Any person who violates paragraph (1) shall be fined not more than $5,000, or imprisoned not more than one year or both. In the case of a violation by an authorized committee, and officer or member of such committee who knowingly and willfully consents to such violation shall be fined not more than $5,000, or imprisoned not more than one year, or both.

"(b) Contributions.—

"(1) It shall be unlawful for an eligible candidate of a major party in a Federal election or any of his authorized committees knowingly and willfully to accept any contribution to defray qualified campaign expenses, except to the extent necessary to make up any deficiency in payments received out of the fund on account of the application of section 9006(d), or to defray expenses which would be qualified campaign expenses but for subparagraph (C) of section 9002(12).

"(2) It shall be unlawful for an eligible candidate of a political party (other than a major party) in a Federal election or any of his authorized committees knowingly and willfully to accept and expend or retain contributions to defray qualified campaign expenses in an amount which exceeds the qualified campaign expenses incurred with respect to such election by such eligible candidate and his authorized committees.

"(3) Any person who violates paragraph (1) or (2) shall be fined not more than $5,000, or imprisoned not more than one year, or both. In the case of a violation by an authorized committee, any officer or member of such committee who knowingly and willfully consents to such violation shall be fined not more than $5,000, or imprisoned not more than one year, or both.

"(c) Unlawful Use of Payments.—

"(1) It shall be unlawful for any person who receives any payment under section 9006, or to whom any portion of any payment received under such section is transferred, knowingly and willfully to use, or authorize the use of, such payment or such portion for any purpose other than—

"(A) to defray the qualified campaign expenses with respect to which such payment was made, or

"(B) to repay loans the proceeds of which were used, or otherwise to restore funds (other than contributions to defray qualified campaign expenses which were received and expended) which were used, to defray such qualified campaign expenses.

"(2) Any person who violates paragraph (1) shall be fined not more than $10,000, or imprisoned not more than five years, or both.

"(d) False Statements, Etc.—

"(1) It shall be unlawful for any person knowingly and willfully—

"(A) to furnish any false, fictitious, or fraudulent evidence, books, or information to the Comptroller General under this subtitle, or to include in any evidence, books, or information so furnished any misrepresentation of a material fact, or to falsify or conceal any evidence, books or information relevant to a certification by the Comptroller General or an examination and audit by the Comptroller General under this subtitle; or

"(B) to fail to furnish to the Comptroller General any records, books, or information requested by him for purposes of this chapter.

"(2) Any person who violates paragraph (1) shall be fined not more than $10,000, or imprisoned not more than five years, or both.

"(e) KICKBACKS AND ILLEGAL PAYMENTS.—

"(1) It shall be unlawful for any person knowingly and willfully to give or accept any kickback or any illegal payment in connection with any qualified campaign expenses of an eligible candidate or his authorized committees.

"(2) Any person who violates paragraph (1) shall be fined not more than $10,000, or imprisoned not more than five years, or both.

"(3) In addition to the penalty provided by paragraph (2), any person who accepts any kickbacks or illegal payment in connection with any qualified campaign expense of an eligible candidate or his authorized committees shall pay to the Secretary, for deposit in the general fund of the Treasury, an amount equal to 125 percent of the kickback or payment received.

"(f) UNAUTHORIZED EXPENDITURES AND CONTRIBUTIONS.—

"(1) Except as provided in paragraph (2), it shall be unlawful for any political committee which is not an authorized committee with respect to an eligible candidate of a political party for Federal office in a Federal election knowingly and willfully to incur expenditures to further the election of such candidate, which would constitute qualified campaign expenses if incurred by an authorized committee of such candidate, in an aggregate amount exceeding $1,000.

"(2) This subsection shall not apply to (A) expenditures by a broadcaster regulated by the Federal Communications Commission, or by a periodical publication, in reporting the news or in taking editorial positions, or (B) expenditures by any organization described in section 501(c), which is exempt from tax under section 501(a) in communicating to its members the views of the organization.

"(3) Any political committee which violates paragraph (1) shall be fined not more than $5,000, and any officer or member of such committee who knowingly and willfully consents to such violation and any other individual who knowingly and willfully violates paragraph (1) shall be fined not more than $5,000 or imprisoned not more than one year, or both.

"(g) UNAUTHORIZED DISCLOSURE OF INFORMATION.—

"(1) It shall be unlawful for any individual to disclose any information obtained under the provisions of this chapter except as may be required by law.

"(2) Any person who violates paragraph (1) shall be fined not more than $5,000, or imprisoned not more than one year, or both.

"Chapter 96. FEDERAL ELECTION CAMPAIGN FUND ADVISORY BOARD

"SEC. 9021. ESTABLISHMENT OF ADVISORY BOARD.

"(a) ESTABLISHMENT OF BOARD.—There is hereby established an advisory board to be known as the Federal Election Campaign Fund Advisory Board (hereinafter in this section referred to as the 'Board'). It shall be the duty and function of the Board to counsel and assist the Comptroller Federal of the United States in the performance of the duties and functions imposed on him under the Federal Election Campaign Fund Act.

"(b) COMPOSITION OF BOARD.—The Board shall be composed of the following members:

"(1) the majority leader and minority leader of the Senate and the Speaker and minority leader of the House of Representatives, who shall serve ex officio;

"(2) two members representing each political party which is a major party (as defined in section 9002(8)), which members shall be appointed by the Comptroller General from recommendations submitted by such political party; and

"(3) three members representing the general public, which members shall be selected by the members described in paragraphs (1) and (2).

The terms of the first members of the Boards described in paragraphs (2) and (3) shall expire on the sixtieth day after the date of the first presidential election following January 1, 1976, and the terms of subsequent members described in paragraphs (2) and (3) shall begin on the sixty-first day after the date of a presidential election and expire on the sixtieth day following the date of the subsequent presidential election. The Board shall elect a Chairman from its members.

"(c) COMPENSATION.—Members of the Board (other than members described in subsection (b)(1)) shall receive compensation at the rate of $75 a day for each day they are engaged in performing duties and functions as such members, including travel time, and, while away from their homes or regular places of business, shall be allowed travel expenses, including per diem in lieu of subsistence, as authorized by law for persons in the Government service employed intermittently.

"(d) STATUS.—Service by an individual as a member of the Board shall not for purposes of any other law of the United States, be considered as service as an officer or employee of the United States."

(b) The amendments made by subsection (a) of this section shall take effect on January 1, 1974, except that no payments shall be made from the Federal Election Campaign Fund before January 1, 1975.

SEC. 2. DESIGNATION OF INCOME TAX PAYMENTS TO FEDERAL ELECTION CAMPAIGN FUND.

(a) Effective with respect to taxable years ending on or after December 31, 1973, section 6096 (a) (relating to designation of income tax payments to the Federal Election Campaign Fund) is amended to read as follows:

"SEC. 6096. DESIGNATION BY INDIVIDUAL.

"(a) IN GENERAL.—Every individual (other than a nonresident alien) whose adjusted gross income for the taxable year is $2 or more may designate that $2 shall be paid over to the Federal Election Campaign Fund in accordance with the provisions of section 9006 (a). In the case of a joint return of husband and wife, each spouse may designate that $2 shall be paid to the fund.

"(b) MANNER AND TIME OF DESIGNATION.—A designation under subsection (a) may be made with respect to any taxable year—

"(1) at the time of filing the return of the tax imposed by chapter 1 for such taxable year, or

"(2) at any other time (after the time of filing the return of the tax imposed by chapter 1 for such taxable year) specified in regulations prescribed by the Secretary or his delegate.

Such designation shall be made in such manner as the Secretary or his delegate prescribes by regulations, except that, if such designation is made at the time of filing the return of the tax imposed by chapter 1 for such taxable year, such designation shall be made either on the first page of the return or on the page bearing the taxpayer's signature."

(b) The amendments made by this section shall apply with respect to taxable years beginning after December 31, 1972. Any designation made under section 6096 of the Internal Revenue Code of 1954 (as in effect for taxable years beginning before January 1, 1973) for the account of the candidates of any specified political party shall, for purposes of section 9006(a) of such Code, as amended, be treated solely as a designation to the Federal Election Campaign Fund.

* * *

KENNEDY-SCOTT PUBLIC FINANCING BILL—PRESIDENTIAL, SENATE, AND HOUSE ELECTIONS—SUMMARY OF PRINCIPAL PROVISIONS

1. The bill amends the existing law providing public financing for Presidential elections by extending its provisions to include public financing for Senate and House elections as well.

2. The existing law is Senator Russell Long's "Presidential Election Campaign Fund Act," known as the dollar check-off. The Act, as passed by Congress in 1971 and amended in 1973, provides public financing for Presidential elections. Except as provided in this summary, the provisions of the bill are essentially identical to the provisions of the dollar check-off now applicable to Presidential elections.*

3. The bill provides public funds for general and special elections for the Senate and House, but not for primaries or run-off elections.

4. It makes public financing mandatory for Senate and House elections. Thus, it bars the option of private financing by major party candidates.

5. It also bars the option of private financing for Presidential elections. Under the dollar check off in existing law, public financing is available as an alternative to private financing for Presidential elections. Thus, a candidate now has the option of using either public financing or private financing for his campaign.

6. It establishes a Federal Election Campaign Fund on the books of the Treasury, to be funded through the dollar check-off and general appropriations acts of Congress, and from which public funds will be made available to eligible candidates. Amendments to the check-off on the Debt Ceiling Act of July 1, 1973, have now eliminated the so-called "special accounts," and have left only a "general" account to be allocated by formula among Presidential candidates. Under the bill, the general account would be broadened to provide funds for Senate and House candidates as well.

7. It increases the amount of the dollar check-off from $1 to $2 (or $4 on a joint return).

8. It authorizes Congress to appropriate funds to make up deficits left in the general account after the operation of the dollar check-off.

9. The amendment follows the basic formula in the dollar check-off for allocating public funds among candidates of major and minor parties.

10. In Presidential and Senate elections, a candidate of a "major party"—a party that received 25% or more of the total number of popular votes received by all candidates for the office in the preceding election—is entitled to receive public funds in the amount of 15c per eligible voter.

A floor of $175,000 is provided for major party candidates in Senate elections. In Congressional elections, the entitlement of a major party candidate is the greater of $90,000 or an amount based on the average expenditure per voter in the two preceding elections in the district.

11. A candidate of a "minor party"— a par-

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*See the "Presidential Election Campaign Fund Act," P.L. 92–178, 85 Stat. 497, 562–575 (December 10, 1971), as amended by the Debt Ceiling Act, P.L. 93–53, 87 Stat. 134, 138–139 (July 1, 1973).

ty that received more than 5% but less than 25% of the popular vote in the preceding election—is entitled to receive public funds in proportion to his share of the vote in the preceding election. A candidate of a minor party may increase his entitlement on the basis of his performance in the current election

12. A candidate of a "new party"—a party that is not a major party or a minor party—is entitled to receive public funds in proportion to his share of the popular vote in the current election, if he receives more than 5% of the vote in the election.

13. Public funds will be available for expenditures made by a candidate of a major party during the period beginning with the date on which the party nominates its candidate and ending 30 days after the election. Public funds will be available for candidates of other parties during the longest period in which they are available to a candidate of a major party.

14. Individuals or committees not authorized by a candidate may not spend more than $1,000 during the campaign on behalf of the candidate of a party eligible for public funds.

15. Like the dollar check-off, the program will be administered by the Comptroller General.

16. The program will go into effect for the 1976 Congressional elections.

17. The cost of the bill is estimated at $150 million in a Presidential election year and $100 million in the off-year Congressional elections. Thus, the total cost of the program over the four year election cycle is $250 million, yielding an average cost of about $60 million a year.

By Mr. MUSKIE (for himself, Mr. ERVIN, and Mr. GURNEY) (by request):

S. 2299. A bill to provide authority to expedite procedures for consideration and approval of projects drawing upon more than one Federal assistance program, to simplify requirements for operation of those projects, and for other purposes. Referred to the Committee on Government Operations.

JOINT FUNDING SIMPLIFICATION ACT OF 1973

Mr. MUSKIE. Mr. President, on behalf of myself, Mr. ERVIN and Mr. GURNEY, I introduce, by request, a bill to provide authority to expedite procedures for consideration and approval of projects drawing upon more than one Federal assistance program; to simplify requirements for operation of those projects, and for other purposes.

This legislation was requested by the Office of Management and Budget and builds upon language included in title III of S. 834, the Intergovernmental Cooperation Act of 1973. I ask unanimous consent that a letter from the Director of the Office of Management and Budget explaining the need for the legislation be printed in the RECORD at this point.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

OFFICE OF MANAGEMENT AND BUDGET,
Washington, D.C., March 20, 1973.
Hon. SPIRO T. AGNEW,
President of the Senate,
Washington, D.C.

DEAR MR. PRESIDENT: I am transmitting for appropriate action a draft of the Joint Funding Simplification Act of 1973. It is similar to legislation enacted by the House of Representatives in the 91st Congress, which the Administration supported and continued to support in the 92nd Congress.

The proposed bill would provide the means by which the funds, procedures and administrative requirements of related programs could be brought together simply and speedily to support a particular project or group of projects for which Federal assistance is being sought. Thus, the proposal supplements such other efforts of the Administration to streamline Federal assistance as revenue sharing and administrative reform of grant program requirements.

Over the past several years we have been conducting experiments in funding simplification under existing limited authority including our Integrated Grant Administration (IGA) experiment now being conducted in 27 jurisdictions throughout the country. The experience gained through the conduct of the IGA Program has convinced us that permanent legislative authority is desirable. It is unnecessarily difficult, expensive, and time-consuming to attempt to bring together resources from different programs to meet the expressed needs of grant recipients when we must rely almost entirely on the flexibility of individual agency authorities.

The proposed legislation would not affect the substance of existing grant programs. The identity and the purpose of each program would remain untouched. However, program funds could be applied to appropriate projects more effectively and more expeditiously under the proposed authorities.

In the past, we have supported Intergovernmental Cooperation Act proposals because they would have been useful, although not legally required, in moving forward with simplification and improvements in grant administration. At this point, however, many of the improvements have been made administratively, and additional legislative leverage is no longer necessary in view of the progress that has been made. We, therefore, have drafted the enclosed bill concentrating on Joint Funding which does require legislation.

We urge the prompt enactment of this bill.
Sincerely,
ROY L. ASH, *Director.*

ADDITIONAL COSPONSORS OF BILLS AND JOINT RESOLUTIONS

S. 1036

At the request of Mr. MUSKIE, the Senator from Colorado (Mr. HASKELL) was added as a copsponsor of S. 1036, a bill to amend the Internal Revenue Code of 1954 with respect to legislative activity by certain types of exempt organizations.

S. 1963

At the request of Mr. BELLMON, the Senator from Alaska (Mr. GRAVEL) was added as a cosponsor of S. 1963, to provide for legislative budget review by the General Accounting Office.

S. 2200

Mr. BAYH. Mr. President, I am pleased to join with my distinguished colleagues, Senators CRANSTON, BROCK, ERVIN, MATHIAS, and TUNNEY in cosponsoring S. 2200, the Right to Financial Privacy Act of 1973.

As introduced to the Senate on July 19, 1973, S. 2200 insures to our citizens, as bank customers, that disclosures of their private bank accounts, by financial institutions to Government officials, will only be made in accordance with reasonable procedural safeguards. This guarantee would seem to most of our citizens to be one that they already have—but unfortunately, this is not the case. At the present time, Government officers, investigators, and agencies are able to see an individual's bank records through informal arrangements made with financial institutions. No administrative or judicial subpena is needed for Government officers to review these records. Worse yet, the individual's consent is not needed nor in most cases is the individual even notified before the intrusion process begins. This is a flagrant disregard of a citizen's rights, and a flagrant disregard of the 4th amendment protection against irresponsible search and seizure.

I admit that it is sometimes necessary for our investigatory agencies to be able to obtain the information contained in some of the records of financial institutions to insure that they can do their jobs. I admit that these records are essential for carrying out criminal investigations—often the information revealed by personal checks, withdrawals, deposits, or loans is fundamental to a case involving criminal action. However, I cannot admit that to secure this information it is necessary to violate the fourth amendment. I cannot admit that the financial institution should be the one to determine who should view these records. I cannot admit that this is an issue that our courts need not decide. For that reason, to protect our citizens and yet allow investigators to perform their duties, S. 2200 allows government investigators to have access to these records only when one of the following requirements is met: the investigators and the bank have obtained the customer's consent, there has been an administrative subpena and summons, a search warrant has been issued, or there has been a judicial subpena. Under S. 2200 all customers must be notified before their private records are disclosed.

The premise which S. 2200 is based upon, that our citizens should be protected against unreasonable intrusion into their financial affairs, is a premise that the Bill of Rights insures. It is also a premise which the Senate assumed would be followed in 1970. The Senate Report to the Bank Secrecy Act reads:

> Access by law enforcement officials to bank records required to be kept under this title, would, *of course,* be only pursuant to a subpoena or other lawful processes that is presently the case. The legislation in no way authorizes unlimited fishing expeditions into banks' records on the part of law enforcement officials. Senate Report No. 90-1139 91st Cong. 2nd sess.

Although the Senate assumed this and the Bill of Rights insured it, the fact of the matter is that this is not the case. Obviously, a disparity exists between the way the system is supposed to operate and the way it actually works. For that reason let us enact our assumption into law. Let no doubt exist about our rights, let no gray area exist in safeguarding our private records. If our dealings are illegal they can be revealed through our records, but with the court's sanction—and not a decision rendered by a bank official or a Federal investigator.

Mr. President, too often, we in the Congress have allowed the Executive branch to exercise its own discretion in affairs concerning the rights of our citizens. Too often, we have allowed it, by default, the opportunity to pass judgment on constitutional questions which ought properly to have been resolved by the courts. We see the effects of this action, or may I say nonaction, every day. By passing S. 2200, the Right to Financial Privacy Act, we give the courts back the responsibility to determine the use of the fourth amendment, as to when "probable cause" exists for search and seizure, a responsibility which they should have. Mr. Justice Powell once wrote:

> The historical judgement, which the fourth amendment accepts, is that unreviewed executive discretion may yield too readily to pressures to obtain incriminatory evidence and overlook potential invasions of privacy and protected speech.

Mr. President, I agree with Justice Powell's evaluation of the fourth amendment. It is my hope that the Senate will concur in that judgment and give the courts the power to determine when it is necessary and proper to invade the financial privacy of our citizens.

SENATE JOINT RESOLUTION 138

At the request of Mr. CURTIS, the Senator from Wyoming (Mr. HANSEN), and the Senator from Oregon (Mr. HATFIELD) were added as cosponsors of S.J. Res. 138, to amend the Economic Stabilization Act.

ADDITIONAL COSPONSORS OF CONCURRENT RESOLUTION

SENATE CONCURRENT RESOLUTION 41

At the request of Mr. TOWER, the Senator from Nebraska (Mr. HRUSKA) and the Senator from New Mexico (Mr. DOMENICI) were added as cosponsors of Senate Concurrent Resolution 41.

CIVIL SERVICE RETIREMENT—AMENDMENT

AMENDMENT NO. 448

(Ordered to be printed, and to lie on the table.)

Mr. GURNEY. Mr. President, my good friend Senator Moss and I are today submitting an amendment to S. 1866, a civil service retirement bill providing for an increase in the minimum benefit accruing to civil service retirees commensurate with the minimum benefit available for social security beneficiaries. My amendment, quite simply, would place back in the bill section 3 which has been deleted by the Senate Post Office and Civil Service Committee in the final version of S. 1866.

Section 3, in our opinion, is one of the more important parts of the bill. While the other parts of the bill are certainly laudatory, section 3 is the part that provides for a $20 per month across-the-board benefit increase for all civil service retirees who retired prior to 1969, when the Congress changed the method of computation from a base of the high 5 years of earnings to a base of the high 3 years of earnings. The $20 a month increase, then, will benefit those who retired prior to the more liberal computation method.

Mr. President, I have spoken with a number of Federal retirees on this point. It seems to be the feeling of the Federal retirees in my acquaintance that they would rather have the section 3 provision included in S. 1866, get an up or down vote on the floor and risk a Presidential veto, than they would have us pass the bill as it is currently written. This is primarily because the new supplemental security income program, which will be going into effect in January, will cover most of the tragically low-pensioned civil service annuitants. Once January rolls around, the need for S. 1866 as currently written will nearly vanish.

I would like to remind my colleagues that many, many Federal retirees receive far less in monthly annuities than Social Security beneficiaries. It was just last Friday that I placed in the RECORD an article in the Washington Star-News detailing the sad state of affairs in Miami Beach, where many senior citizens are turning to shoplifting to put food in their mouths. I do not really understand why we, in the United States of America, should find it necessary to force people who have worked their entire lives to steal in order to eat. Social security beneficiaries have received more than a 25-percent increase in benefits due to congressional action in the last year. In that same time period, benefits for civil service annuitants have risen by about 6 percent. This seems somewhat inequitable to me.

Senator Moss and I welcome the support of our colleagues.

AMENDMENT OF FOREIGN ASSISTANCE ACT OF 1961—AMENDMENT

AMENDMENT NO. 449

(Ordered to be printed, and to lie on the table.)

Mr. HARTKE. Mr. President, I submit an amendment to S. 2026, the Mutual Development and Cooperation Act of 1973, and ask unanimous consent that it be printed in the RECORD at the conclusion of my remarks.

Mr. President, the newspapers have reported that the Senate Foreign Relations Committee is considering a proposal to further subsidize exports similar to the U.S. Export Credit Development Fund proposed in S. 2026, sponsored by the distinguished Senator from Minnesota (Mr. HUMPHREY). A similar proposal was recently stripped from a foreign aid authorization bill on the floor of the House.

When the foreign aid bill is reported out of the Senate Foreign Relations Committee, it is scheduled to be referred to the Finance Committee. I introduce my amendment today to make it clear that I oppose the creation of an Export Development Credit Fund and that I intend to press my opposition within the Finance Committee and on the Senate floor.

What has so-called developmental aid done to the countries which have received it? With few exceptions, American meddling in the internal economic affairs of foreign countries has been deleterious to the indigenous cultural patterns and calamitous to U.S. national interests. With our genuine goodwill and economic resources, we have tried to steer these nations along the path once charted by the United States in its early economic development. These goals have oftentimes been strange and unknown to our foreign neighbors who, feeling American pressure, have tried to bend in the direction charted by U.S. economic advisers.

Our efforts have been in vain. They have been disruptive and disadvantageous to those peoples forced to follow our economic dictates. It would have been far better had we never decided to help these lands Americanize their economies.

Today we too as a nation feel the squeeze of a misguided domestic economic system. Rising prices, shortages of beef and other foodstuffs, and abortive controls, all aggravated by political scandal in the highest office of government. Let us turn from the presumptuous attitude of thinking we can solve the problems of the world. We must first begin to pull ourselves up by our own bootstraps.

The bill, S. 2026, to extend soft loans to the developing countries via the mechanism of a "United States Export Development Credit Fund" stems from the loftiest of humanitarian principles, but they have been tried and they have been found wanting.

A few examples of our past failures should suffice in substantiating this argument. The American AID complex in India is shutting its doors. American officials presided over the largest single attempt at providing developmental aid for several years only to admit defeat in the end. The alliance for progress, the citadel of America's Good Neighbor Policy toward Latin America, is chided by some Latin Americans as the alianza pará progresso, with stress on the second syllable in the word para which, when translated into English, means the alliance to stop progress.

It is time we stopped kidding ourselves about the whole issue of foreign aid. Let us learn the lessons of history so that we will not be forced to relive the sins of the past. The best we can do to help our foreign friends is to put our own economic house in order. Therefore, in recognizing the blunders of the past and acting on these experiences positively, I submit this amendment which would have the effect of eliminating the Export Development Credit Fund.

There being no objection, the amendment was ordered to be printed in the RECORD, as follows:

AMENDMENT NO. 449

On page 9, beginning with line 18, strike everything through page 14, line 19.

PROTECTION OF HOBBYISTS—AMENDMENT

AMENDMENT NO. 450

(Ordered to be printed, and to lie on the table.)

Mr. TOWER submitted an amendment, intended to be proposed by him, to the bill (H.R. 5777) to protect hobbyists against the reproduction or manufacture of certain imitation hobby items and to provide additional protections for American hobbyists.

AMENDMENT NO. 451

(Ordered to be printed.)

Mr. JACKSON (for himself, Mr. MAGNUSON, Mr. MOSS, Mr. MCCLURE, Mr. KENNEDY, and Mr. NELSON) proposed an amendment to House bill 5777, supra.

NOTICE OF MEETING OF SENATE GOVERNMENT OPERATIONS AD HOC SUBCOMMITTEE ON FEDERAL PROCUREMENT

Mr. CHILES. Mr. President, I want to announce that there will be a meeting of the Senate Government Operations ad hoc Subcommittee on Federal Procurement on Wednesday, August 1, 1973, at 3 p.m. in room 3302.

The subcommittee will receive a briefing by former members of the staff of the Government Procurement Commission on the recommendations of the Commission.

NOTICE OF HEARINGS ON S. 1840

Mr. BURDICK. Mr. President, I would like to inform my colleagues that the Subcommittee on Disaster Relief of the Senate Public Works Committee will hold hearings on S. 1840, the Disaster Preparedness and Assistance Act of 1973, and related measures on September 11, 12, and 13. Hearings will begin at 9:30 each morning and are to be held in room 4200, Dirksen Building. Those who wish to testify should contact Clark Norton of the subcommittee staff on extension 6176.

NOTICE OF HEARINGS ON PATENT LAW REVISION

Mr. McCLELLAN. Mr. President, as chairman of the Subcommittee on Patents, Trademarks, and Copyrights, I desire to announce that the subcommittee has decided to reopen the hearings on the general revision of the patent law, title 35.

The hearings are being reopened for the purpose of receiving testimony on various important new issues, such as are contained in S. 1321. The hearings will include the following subjects:

First, modification of patent examination proceedings to provide public adversary hearings;

Second, the creation of the Office of Public Counsel;

Third, establishment of a system for deferred examination of patent applications;

Fourth, revision of the patent fee schedule, including the establishment of maintenance fees; and

Fifth, administrative restructuring of the Patent Office, including the proposed establishment of the Patent Office as an independent agency.

The hearings will be held on September 11, 13, and 14 in room 1114 of the Dirksen Senate Office Building and will commence each day at 10 a.m.

Anyone desiring to testify during the hearings should contact the office of the subcommittee at 202-225-2268.

NOTICE OF ADDITIONAL DAY OF JOINT HEARINGS TO CONSIDER S. 1751, "THE DEEPWATER PORT FACILITIES ACT OF 1973"

Mr. BIDEN. Mr. President, due to the heavy voting schedule of last Wednesday, July 25, the joint subcommittee established by the Committees on Interior and Insular Affairs, Commerce, and Public Works to consider deepwater port legislation was unable to hear in full the testimony of those witnesses who were scheduled to appear in the afternoon. In order for these witnesses to complete their testimony, an additional day of hearings will be held on August 1, beginning at 9:45 in room 155 of the Russell Senate Office Building. The witnesses who will appear at that time are:

First, Brig. Gen. James L. Kelly, U.S. Army Corps of Engineers;

Second, Barbara Heller, Environmental Policy Center;

Third, Eldon Greenberg, environmental council for law and social policy;

Fourth, William Futtrell, Sierra Club, task force on offshore development;

Fifth, Dr. William Gaither, dean, College of Marine Studies, University of Delaware; and

Sixth, Robert Taggart, president, Sea Transfer Systems, Inc., Fairfax, Va.

ANNOUNCEMENT OF HEARINGS ON COSMETIC SAFETY BILL

Mr. KENNEDY. Mr. President, as chairman of the Senate Health Subcommittee, I would like to announce that the Health Subcommittee will be holding hearings on S. 863, a bill to amend the Food, Drug, and Cosmetic Act with respect to cosmetic safety, which was introduced by my colleague on the subcommittee, Senator EAGLETON. The hearings will be held September 12 and 13 in the Labor and Public Welfare Committee hearing room—room 4232, Dirksen Building. All persons interested in testifying should contact the Health Subcommittee staff in room 4226, Dirksen, at 225-7675.

COSMETIC SAFETY ACT

Mr. EAGLETON. Mr. President, I am most grateful to the distinguished Senator from Massachusetts (Mr. KENNEDY) for his prompt response to the need for hearings on the Cosmetic Safety Act which I introduced in February.

In 1938 Congress moved to impose some regulations over cosmetics following reports of blindness caused by an eyelash dye and permanent baldness caused by a hair preparation. No substantive revision of this law has been made since that date, although there have been many health hazards on the cosmetic market in the past years. The National Commission on Product Safety reported that 60,000 people, mostly women, are injured by cosmetics every year severely enough to restrict activity for 1 day or require medical attention.

There can be no question that today's consumer is increasingly aware of the limited information now on labels of cosmetics and that he or she needs more product information. I was very pleased that Giant Food Co. announced today an important and noteworthy effort in the labeling of its cosmetic products. For each of these products there will now be a listing of all ingredients, and appropriate warning statements, such as would be required if the provisions of my bill were enacted. However, this breakthrough by one company does not insure that other industries and retailers will choose to follow their lead.

The Cosmetic Safety Act addresses itself to letting the consumer know what cosmetic products consist of, and that adequate safety testing is done by the manufacturer. Briefly, the bill would require manufacturers to list all ingredients on the label, as well as relevant cautionary statements. It would require that all cosmetics be tested for safety and that all test data be submitted to the Food and Drug Administration prior to marketing. In addition, it would require that all cosmetic compositions and consumer complaints be filed with the Food and Drug Administration and that all cosmetic manufacturers and packagers register with the agency.

Mr. President, I hope that all Members of Congress will take an interest in this important consumer protection measure. The hearings scheduled in September will certainly establish the need for redefinition of the Government's responsibility for insuring that cosmetic products offered for sale to the public are safe, and that consumers have available the information they need to make informed purchases and to protect themselves against unnecessary injury.

ADDITIONAL STATEMENTS

THE NEW OVERSEAS TERMINAL AT PHILADELPHIA INTERNATIONAL AIRPORT

Mr. SCOTT of Pennsylvania. Mr. President, the Philadelphia Port Corp., in its July-August issue, has published a timely and informative article about the new overseas terminal at Philadelphia International Airport and the airport's potential. In this article, Henry Reichner says this new facility "will have tremendous implications for the economy of Philadelphia and the entire region."

I ask unanimous consent that this article be printed in today's RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

PHILADELPHIA IS A GREAT CITY

(By Henry Reichner)

Dedication of the new Overseas Terminal this Spring is just one indication that Philadelphia International Airport is on the launching pad for a flight that will have tremendous implications for the economy of Philadelphia and the entire region.

Completion of the new $22 million runway, Cargo City facilities now under construction, changes in the domestic terminal over the past few years, and commencement of additional domestic facilities are also harbingers of things to come.

There are other things going on around Philadelphia International which are just as important but perhaps not as visible. The Sheraton Hotel and office complex at Airport Circle, the Scott Plaza Office Building, the Holiday Inn down the Industrial Highway, etc., are examples of airport-connected capital investments which should bring great dividends for the region. Even less visible is the multiplicity of air freight/air cargo activities such as distribution warehouses, truck terminals, and the like, which are mushrooming up in the general airport area.

Along with all this promise for the future, we currently pay the price of construction, confusion, and congestion which accompany change and improvement. The airport administration is doing all it can to minimize the adversities of change and deserves support and understanding as we move ahead.

Philadelphia International Airport means much to the Delaware Valley today; it will mean more in the future. The over 6.5 million passengers who arrived and departed on scheduled flights from this facility and the 102,000 tons of cargo which moved through the airport last year are only a beginning. Future growth will come and be sustained with all-out business community support of promotion and use of the airport.

Even today, Philadelphia International is a major factor in the regional economy. The operation of the airport facility alone is a multimillion dollar business. The value of the "plant" is more than $100 million today and $150 million more is being spent to improve facilities. Airport expenditures today run around $9 million a year. Philadelphia International Airport alone generates more than $10 million in revenue to the City, exclusive of the head tax. Additionally, the airline industry and other airport-oriented businesses pay annually more than $360,000 in local taxes.

These figures are modest ones which deal solely with the airport and airport-related business activity and improvement. They do not include business activity and payrolls which are here in the Delaware Valley because we have a major air facility, nor do they include those who have remained in the region because of our aviation facilities.

Philadelphia aviation is big business and good business for all of us who work towards making the region a better place to live, work and do business in.

Let's boost it and those who are doing their bit to move ahead!

A CHALLENGE FOR PHASE IV FROM THE NATIONAL COUNCIL OF SENIOR CITIZENS

Mr. CHURCH. Mr. President, on June 30 the Congress attempted to provide some measure of help to older Americans now trying desperately to stay afloat despite the relentless increase in the cost of living. We voted a cost-of-living increase, later set at 5.9 percent, to go into effect next June. This was intended as a "down payment" on the cost-of-living increase, enacted last year, which was to go into effect on January 1975.

Much as I personally had hoped that the "installment" could have gone into effect this year instead of next, I recognized the June 30 action would promise at least some relief for the elderly.

Last week, however, the Nixon administration announced its phase IV economic plan and gave the Nation's elderly some very bad news indeed. In no way does the new plan help older Americans; instead, it will tend to generate higher costs on services and products of vital importance to retired persons.

Mr. Nelson Cruikshank, president of the National Council of Senior Citizens, was prompt to criticize phase IV. He also called for a 10-percent social security increase beginning next January instead of July.

Mr. Cruikshank's arguments are powerful. I ask unanimous consent to have printed in the RECORD an NCSC news release giving Mr. Cruikshank's views in some detail.

There being no objection, the news release was ordered to be printed in the RECORD, as follows:

NEW PHASE IV ECONOMIC PLAN PUTS BIGGEST INFLATION BURDEN ON BACKS OF ELDERLY

WASHINGTON, D.C.—"The Administration's new Phase IV economic plan puts the biggest burden of inflation on the backs of elderly Americans least able to afford it," says Nelson H. Cruikshank, President of the 3,000,000 member National Council of Senior Citizens.

Cruikshank called upon Congress to step in to protect the elderly. He said Congress should make a new attempt to pay Social Security beneficiaries a cost-of-living increase of 10 per cent beginning January 1, 1974 instead of 5.6 per cent next July. "This Administration has made no effort to protect the poor from unreasonable inflation and it is now up to Congress to keep the worker and retiree from being plowed under by big business financial machinery," said Cruikshank.

Cruikshank noted that the latest available figures from the U.S. Department of Labor indicate that the average elderly couple must budget 35.2 per cent of their income for food and medical costs and an additional 35 per cent for housing (mostly in rents). "Landlords already have free access to raid the pitiful financial resources of seniors. Under the new economic plan representatives of the food and health-care industries have been given a license to raid the senior pocketbook."

"The thrust of Phase IV," the 71-year old senior leader stated, "is the most recent example of the ongoing policy of economic repression applied against the nation's elderly. The President's record of opposition to senior citizens is long and well documented."

Cruikshank cited several examples of this record, chief among them, the shrill opposition by the President to the 20 per cent increase in Social Security benefits enacted by Congress last year.

"When the President was finally maneuvered into a position where he had to sign the benefit boost, he warned then of what was to come," Cruikshank declared. "In his statement accompanying the signing of the benefit increase legislation, President Nixon declared that he would cut back on domestic social programs in the future, and he didn't waste any time redeeming that pledge. That's about the only pledge he has kept.

"In January of this year, when the President released his new budget message, he recommended that literally hundreds of social domestic programs be either ended entirely or drastically reduced," Cruikshank noted. "Among the most blatantly political of these planned budget cuts was the President's plan to reduce the coverage available to Medicare enrollees while maintaining the payroll tax at the same rate—an additional burden of $1.2 billion for the elderly while continuing the contribution by the young workers."

"Shortly after that bombshell," Cruikshank pointed out, "the President announced that beginning in July 1973, all participants in Medicare part B (doctors insurance) would have to increase their premium payments by 50 cents a month." This plan was halted, temporarily by the imposition of the recent price freeze. Cruikshank pointed out, however, that: "With the removal of any real controls over rising health-care costs, the President will now be able to raise part B premiums by .50 cents a month or perhaps even more to help balance the budget."

"The President has not limited himself to attacks on health programs for the elderly, however," Cruikshank declared. "At the same time that he initiated the ill-fated Phase II program which included absolutely no controls upon rent increases, he also halted construction of Federally-financed low-cost housing for the elderly."

A BALANCED BUDGET

Mr. CURTIS. Mr. President, having served in the Congress of the United States for more than a third of a century, nothing in the way of legislation should surprise me. I am nonetheless, astounded at the ability of my colleagues in both Houses to keep dreaming up new spending proposals. They have been introducing such measures year after year with monotonous regularity. About the time I begin to feel the brains of the spenders have been picked dry, lo and behold, the hopper is filled with a batch of boldly imaginative and innovative schemes for scattering the hard-earned money of our constituents throughout the length and breadth of the land.

As I pointed out in remarks on Monday introducing Senate Joint Resolution 142 I took the oath as one of the Representatives from Nebraska on January 3, 1939. The budget for the fiscal year 1939, which ended 6 months later, was out of balance by $3,862,000,000 because receipts totaled $4,979,000,000 were exceeded by outlays that totaled $8,841,000,000.

Now, just compare those figures with statistics for the current period. According to the latest statistics just released, there will be a deficit of $14.4 billion for fiscal 1973 which just ended. This figure is somewhat lower than the $17.8 billion deficit I mentioned on Monday, but it is still substantial. And, as I noted then, this substantial deficit occurred in spite of the fact that receipts for 1973 will exceed expenditures for 1972.

A mid-session review of the budget, published June 1 by the Office of Management and Budget, projected a deficit of $ 2.7 billion for fiscal 1974. More recent statistics suggest the possibility of a balanced budget in fiscal 1974. This is, of course, encouraging, but it is still difficult to understand why we cannot achieve a surplus inasmuch as receipts in fiscal 1974 are expected to be $16.2 billion more than the expenditures for 1973.

[In billions of dollars]

Fiscal	Receipts	Outlays	Deficit
1972	208.6	231.9	23.2
1973 estimate	232.2	246.6	14.4
1974 estimate (as of June 1)	266.0	268.7	2.7
1974 estimate (as of July 27)	269.0	269.0	0

It appears to me that, with receipts increasing year after year, we should be able not only to balance the budget but to create surpluses that can be applied toward reduction of the national debt. We cannot balance the budget, let alone reduce the debt, unless and until we bring outlays under control. We have made some progress, as the deficits have dropped, first from $23.2 billion to $14.4 billion, to $2.7 billion, with the possibility of a balanced budget for the first time in years. We would make even greater progress, however, if we did a better job of cutting spending.

While the figures I have given indicate surpluses will replace deficits if receipts continue to increase and the brakes are applied to outlays, the outlook for a return to fiscal responsibility is not very bright. The spenders will find plenty of ways to get rid of the money that comes in, no matter how large a sum the taxpayers produce. Not only will the spenders increase current authorizations and appropriations; they will find new ways of dissipating the hard-earned tax payments sent to the Nation's Capital by the millions of individual and corporate taxpayers.

Incidentally, the same taxpayers must supplement these tax payments with additional sums to State capitols and city halls in order to enable the State and local governments to match the money that flows out from Washington.

A preliminary study dealing with the cost of spending legislations introduced during the first 7 months of the 93d Congress, which has been prepared at my request, eloquently demonstrates that it will be all but impossible to achieve balanced budgets. Present indications are that the spenders will see to it that whatever billions our working population and our businesses and industries pay in taxes will be spent as soon as possible and that they will never be enough. This will mean deficit after deficit, more and more borrowing, higher and higher interest rates, more and more inflation, and higher and higher prices. When and where will it all end?

The study, which is by no means complete, includes over 360 measures which would, if all were enacted into law, call for the spending of a total of $697,393,906,000 during the next 4 fiscal years, as the following table shows:

APPENDIX A

[In thousands of dollars]

Department or agency	Fiscal— 1974	1975	1976	1977	4-year total
Department of Agriculture	495,238	462,288	392,288	397,288	1,747,102
Department of Commerce	3,708,957	395,844	324,970	70,100	4,499,871
Department of Defense (nondefense functions)	129,883	61,000	61,000	61,000	312,883
Department of Health, Education, and Welfare	24,516,952	80,970,962	125,239,408	119,730,848	350,458,170
Department of Housing and Urban Development	24,098,500	22,517,500	15,873,500	373,500	62,863,000
Department of the Interior	3,918,615	2,763,133	2,627,133	2,462,300	11,771,181
Department of Justice (and the judiciary)	3,287,750	3,056,250	4,095,775	3,814,481	14,254,256
Department of Labor	23,596,500	24,676,500	20,096,000	13,720,000	82,089,000
Department of State	81,500	25,000	25,000	25,000	156,500
Department of Transportation	11,239,900	7,240,000	5,184,000	4,705,000	28,368,900
Department of the Treasury	14,434,629	14,338,500	4,362,500	4,352,500	37,488,129
Civil Service Commission	5,000	5,000	5,000	5,000	20,000
Environmental Protection Agency	477,990	468,100	454,400	144,500	1,544,990
Federal Communications Commission	5,000	7,500			12,500
Federal Trade Commission	5,000	5,000	5,000	5,000	20,000
Interstate Commerce Commission	408,000	408,000	408,000	408,000	1,632,000
National Foundation on the Arts and the Humanities	161,000	280,000	400,000		841,000
National Science Foundation	392,600	773,600	980,000	200,000	2,346,200
Small Business Administration	75,000	100,000	125,000		300,000
Other agencies	46,530,438	20,031,081	21,053,987	9,052,718	96,668,224
Total	157,568,452	178,585,258	201,712,961	159,527,235	697,393,906

The figure for 1977 should probably be much higher, but considerable restraint was used during the compilation of these figures. Where bills stated that programs would be established for less than 4 years, projections for part or all of the remainder of the 4-year period were not made unless it was obvious that the programs would not stop once they were created.

For example, a program to provide tutorial services for homebound children authorizes $55,000,000 for fiscal 1974 and "such sums as may be necessary" for fiscals 1975 and 1976. Inasmuch as the bill calls for a 3-year program, $55,000,000 has been projected for each of the second and third years.

Let me mention another example, a bill which calls for the establishment and operation of national centers for spinal cord injuries. The measure calls for authorizations of $15,000,000, $25,000,000, and $30,000,000, respectively, for the first, second and third years of the program. Presumably there will still be victims of spinal cord injuries needing help during the fourth year, so an additional $30,000,000 has been projected.

Many bills use the phrase "such sums as may be necessary" or similar language, but no attempt was made to determine what sums would be necessary. Obviously a good many billions ought to be added to the total and it is hoped that the necessary data can be provided when supplements to the study are issued.

I should like to explain some of the difficulties a researcher encounters when he tries to attain meaningful comparability of pricetags for pending legislation. For one thing, there is a singular lack of consistency in the format of proposed legislation as regards the drafting of the spending authority.

While some bills include a specific dollar authorization for a specific fiscal year or years, other measures authorize specific appropriations but with no fiscal year limitations. Still other proposals contain only an authorization for "such sums as may be necessary to carry out the purposes of the act." This early in the Congress, estimates have not yet been made for many of the bills in the latter category. A further complicating factor is that some authorizations are 2 or 3 fiscal years, while others provide authorizations for 8 or 9 years and still others authorize a specific annual appropriation to continue year after year, ad infinitum.

Obviously, then, it becomes very difficult to obtain a single cost total. If a total for fiscal 1974 is tabulated, the real magnitude of expenditures anticipated in pending legislation is vastly diminished. If, on the other hand, a total is arrived at without regard to fiscal year limitations, it is less useful because expenditures are meaningful primarily in terms of the span of time in which they will occur. In addition, no such total can be developed with any precision since some bills authorize specific annual appropriations without specifying a cutoff date.

Certain guidelines were adopted to provide a meaningful framework in which to view the data. Cost totals were developed for each of the 4 fiscal years as well as an overall total. These totals include the projections which I discussed earlier.

The study includes a review of all bills and joint resolutions introduced in both Houses through July 24, about 12,500 measures.

Where the same or similar bills have been introduced in both bodies, or more than once in the same body, the authorization figures were included only once, using the highest funding level where variations in cost occurred.

Because the study covers only new programs or legislation vastly expanding or modifying the direction of existing ones, it excludes such important categories as the following:

First. Bills authorizing appropriations for the simple extension of existing programs.

Second. Bills relating to defense and military spending.

Third. Bills authorizing appropriations for established public works programs.

Fourth. Bills establishing repayable loan operations similar to the rural telephone bank.

Fifth. Bills providing income tax deductions, exclusions, credits, or incentives.

Sixth. Bills increasing benefits or modifying coverage under social security, veterans, civil service, and railroad retirement pension programs.

Seventh. Bills costing less than $1,000,000 for at least 1 of the 4 years.

Eighth. Bills where no specific dollar figures were included in the authorizing language and no cost estimates are yet available.

Against that framework, let us analyze a few of the study's results and implications.

The more than 360 measures included in the study represent proposed expenditures for fiscal 1974 of $157,568,452,000, which is 58.65 percent of the $268,665,000,000 budget for next year.

The Budget Outlook for 1975 and Beyond, which appears in The United States Budget in Brief, a publication of the Office of Management and Budget, indicates that outlays for fiscal 1975 will total at least $288,000,000,000. This is the figure that would result if restraint is exercised. If all the bills included in the study were enacted into law, they would add $178,585,258,000 to the fiscal 1975 total, an addition of 62.01 percent.

The granddaddy of all spending bills is the Health Security Act. While the Department of Health, Education, and Welfare has not yet estimated the cost of this proposal, it did make an estimate for the version of the legislation that was introduced in the 92d Congress. The current measure is, if anything, more liberal than its predecessor, for which reason I believe the HEW estimate of $100,200,000,000 for a full year would err on the side of conservatism when applied to the present bill. I have, however, used that figure.

Inasmuch as the benefits from the Health Security Act would not go into effect until the latter half of fiscal 1975, its costs do not show up in full in the study until fiscal 1976, with a 3-year total amounting to $250,500 million. Had the bill's provisions been in effect for the full 4-year term, covered by the study, the aggregate would have been $400,800 million for this one bill.

While we are on the subject of health, let me point out that during 1971, the last year for which figures are available, national health expenditures in this country totaled $75,011 million—$46,548 million private and $28,463 million public. In other words, the Health Security Act would cost more in 1 year than present national health spending.

Let us make some other statistical comparisons. In 1971, the assets of the commercial banks in our Nation totaled $646,300 million. Although this is an astronomical figure, it is considerably less than the $697,393,906,000 which the 360-odd bills included in my study would cost in 4 years.

Personal consumption expenditures during 1970 totaled $615,800 million, including the following items:

	Billions
Food	$114.0
Housing	91.2
Transportation	77.9
Clothing, shoes, etc	52.8
Medical care	47.3
Household furniture, equipment, and supplies	43.3
Recreation	39.0
Personal business	35.5
Electricity, gas, water, other fuels, ice, telephone, and telegraph	33.5
Alcoholic beverages	17.7
Tobacco	11.2
Private education and research	10.4
Personal care	10.1
Religious and welfare activities	8.8
Foreign travel and other, net	4.8
Domestic service	4.7
Jewelry and watches	4.0
Miscellaneous	9.6
Total	615.8

The above figures represent the market value of goods and services purchased by individuals and nonprofit institutions, and the value of food, clothing, housing, and financial services received by them as income in kind. They include the rental value of owner-occupied houses, but not purchases of dwellings.

If all of the 360-plus bills that I have referred to become law, the taxpayers, bond purchasers, and money lenders would have to come up with almost $700,000,000,000 during the next 4 years. This is a sum that absolutely staggers the imagination.

Unfortunately, it constitutes only part of the problem. Passage of such a package of bills or even a few of the more expensive ones, such as the Health Security Act, would accelerate inflation to the danger point. Inflation is a tax with no exemptions. It is exacted from everyone—young, old, and middle aged.

Accompanying the increased taxation and accelerated inflation would be more and more regimentation as the already swollen bureaucracy became even larger. Nearly every activity would be run or supervised by the Federal Government and the vastly increased number of bureaucrats would gain more and more power.

Not only would the bureaucrats wield more power, incidental to their ordinary activities, but they would also wield more and more political power as their numbers grew. Eight States already have more than 100,000 Federal civilian employees each, constituting an army of 1,260,000:

California	309,000
Illinois	110,000
Maryland	127,000
New York	179,000
Ohio	100,000
Pennsylvania	140,000
Texas	150,000
Virginia	145,000
Total	1,260,000

These States also have 212 of the 538 votes in the electoral college, thus constituting a potential balance of power in a presidential election.

Mr. President, we must call a halt to the wild spending, the increase of bureaucratic regimentation, and the concentration of political power that result from passage of more and more new governmental programs. We must end the long string of deficits that have brought about the inflation that now plagues us.

We can balance the budgets in the years ahead by simply holding the line on spending. The annual increases in receipts that are generated by our free enterprise system should not be frittered away by passage of a multitude of new proposals. Instead they should be applied to debt reduction and, hopefully toward a gradual lightening of the tax burden.

Mr. President, adoption of the resolution which I introduced on Monday will enable us to assure that future deficits will not add to the gigantic national debt we have already accumulated. As our growing economy permits us to reduce this debt, our economic health will improve and there will be more people able to meet their own needs out of their own incomes and less and less need for growing Federal bureaucracy. Sounds almost too good to be true? Perhaps, but let us try it. Maybe we will like it.

TRIBUTE TO WRIGHT PATMAN

Mr. BENTSEN. Mr. President, I take this time to commemorate our most senior Member of Congress and a dear friend of mine, Congressman WRIGHT PATMAN, as he approaches his 80th anniversary.

Congressman PATMAN was elected to the House of Representatives in 1928 and is now serving his 23d consecutive term—the dean of the Congress having served longer than any other current Member. During these many years of public service, Congressman PATMAN has captured the respect and admiration of many of the country's top leaders. A respect that has been fostered by an ever increasing sincerity and devotion to represent the people of the United States. That devotion finds Congressman PATMAN in his office at 7:30 in the morning ready to do the business of the country.

An important leader cannot afford to make a decision without fully considering its consequences, and Congressman PATMAN is a man who epitomizes this position. He is always well informed as to the makeup of any pertinent legislation. And once the Congressman decides on an issue, he will stick to it showing a consistency of cause that is truly refreshing. I have heard it said that—

> Once Congressman PATMAN has committed himself to a particular piece of legislation you can bet he knows that legislation and will fight for it doggedly if he feels it will further the situation of the people.

As chairman of both the powerful Committee on Banking and Currency and Joint House-Senate Economic Committee, and vice chairman of the Joint House-Senate Committee on Defense Production, Congressman PATMAN has the ability to greatly influence the lives of all Americans. In fact, his all-persuasive influence has led the New York Times to remark that—

> Patman is so frequently in the financial news that he often is the financial news.

But Congressman PATMAN bears this heavy responsibility admirably, taking the position that the job needs to be done for the people of the United States are entitled to nothing less than full representation.

We only need to look at the Congressman's legislative record to learn that he is not just a man of words—but action. He is author of the bill, which passed in 1936, to pay the veterans of World War I the remaining half of their adjusted compensation. He coauthored the Robinson-Patman Act of 1936, a key protection of small business.

He was cosponsor, in 1934, of the Federal Credit Union Act.

He sponsored all major amendments designed to upgrade Federal credit unions and was the author of the bill which created a National Credit Union Administration.

His legislative efforts have helped develop a credit union movement which today totals 23,000 credit unions with 26 million members and $20 billion in assets. Author of most major small business legislation which has passed Congress in the last two decades, Congressman Patman has been the sponsor of virtually all legislation dealing with banks, savings and loans institutions, and the general financial community which has passed the Congress in recent years.

This is only a small minority of the legislation that the Congressman has accomplished, and, to be sure, more vital legislation is to come in the future.

In addition to his legislative efforts, Congressman Patman has been a consistent champion of rural electrification and legislation benefiting the family farmer. Throughout his congressional career, he has been a fighter for plentiful credit on reasonable terms. He has consistently opposed high interest rates and tight money policies.

I have served with Wright Patman in the House. I now serve with him as a member of the Joint Economic Committee which he chairs. My respect for him as a man and as a public servant has grown with our friendship.

All in all, I believe the late President Johnson sums up what we all know about Congressman Wright Patman:

> (Few) have served longer and with more experience than Wright Patman. None has served better and few as well. He represents the best in America's conscience and heritage, but most of all he always votes, works and fights for what he believes is best for the folks.

U.S. VETO IN U.N. SECURITY COUNCIL

Mr. SCOTT of Pennsylvania. Mr. President, in the past, the United States has carefully and judiciously exercised its right to veto in the U.N. Security Council. Recently casting its fifth veto in 27 years, the United States rejected an anti-Israel resolution sponsored by Egypt and asserted itself in "defense of justice."

I ask unanimous consent that an editorial in the Philadelphia Inquirer strongly backing this U.S. position, be printed in the Record and I commend the Inquirer for its forthright stand.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

A One-Sided Resolution Vetoed

Casting its third veto this year, but only its fifth in the 27-year history of the United Nations, the United States had valid reasons to reject a one-sided anti-Israel resolution sponsored by Egypt. It was unfortunate, and hardly auspicious for peace prospects in the Middle East, that America stood alone in defense of justice for Israel among 15 Security Council members.

Perhaps an abstention would have sufficed, since Israel no doubt would have ignored the resolution anyway. But the Nixon Administration had a point to make and it was made forcefully by Ambassador John Scali, our chief spokesmen at the U.N.

The resolution deplored the continuing Israeli occupation of Arab territories seized during the Six-Day War in 1967 but, as Mr. Scali noted, made no mention of Israel's right to "secure and recognized boundaries" as provided by a U.N. resolution shortly after the war.

Return of occupied territories should be negotiable within the framework of a peace agreement—but it is unrealistic to expect Israel to abandon territories as a pre-condition to negotiations when neighboring Arab countries refuse to recognize Israel's right to exist within any boundaries and in fact threaten to drive the Israelis into the sea.

"Secure and recognized boundaries" for Israel, whatever those boundaries may be, is a crucial ingredient in any recipe for peace in the Middle East. The United Nations acknowledged as much in 1967. It should continue to do so.

CAPTIVE NATIONS WEEK

Mr. TAFT. Mr. President, on Monday of last week, Mayor Ralph J. Perk of Cleveland, Ohio, gave a very fine speech before members of military and veterans organizations in commemoration of Captive Nations Week. Since his remarks meaningfully express my feelings, I ask unanimous consent that they be printed in the Record.

There being no objection, the speech was ordered to be printed in the Record, as follows:

Remarks by Mayor Ralph J. Perk

Reverend clergy, ladies and gentlemen, members of military and veterans organizations, citizens of Cleveland, thank you for participating in this ceremony in commemoration of Captive Nations Week.

As you are aware, one of the most positive steps undertaken by the United States Congress to meet the Communist challenge to freedom was the adoption of the Captive Nations Resolution in 1959, which is known as Public Law 86–90.

The Congress of the United States issued a proclamation designating the third week in July as Captive Nations Week and invited the people of the United States to observe such a week with appropriate ceremonies.

We are assembled here this evening to reaffirm our support to this resolution and to demonstrate to the world that our will and determination to see the world free from oppression and foreign domination is as strong in 1973 as it was in 1959.

The leaders of the Soviet Russian empire have publicly declared that the Soviet objectives in the world have not altered one iota since the Bolshevik seizure of power in 1917.

The Kremlin reassures all of its Communist dictators that Soviet power will be used to promote all the so-called "national wars of liberation."

It is time now to put the whole problem of the Soviet's ideas of "national liberation wars" into true perspective.

Let us look into the past and learn, finally, a lesson from history.

In the last 55 years, the Russian Communist imperialism led to the subjugation of 40% of the world's population.

One-third of the world's land surface is in the hands of Communist dictators.

The tragedy of the free world is that these phenomenal successes have been achieved by Communists, not because of the superiority of their ideology, but primarily because we lack knowledge of their aims. We lack information. We lack foresight, and we have unwittingly given assistance to the same Soviet power. These victories were achieved by the Soviets because of our ignorance of communism's potential danger to our own Nation.

As the captive nations resolution suggest, our Nation is built on the free and creative energies of people drawn from every quarter of the globe. It is an unique historical experiment, plainly, the greatest experiment of mankind.

This Nation is a living revolution that moves the hearts and minds of freedom-loving rather than just peace-loving people everywhere.

Against this unique revolution which created the United States of America, the so-called Communist revolution is but a dressed-up phantom, shielding the most reactionary barbaric and imperialist forces of all time.

Our American society is not perfect. But by all evidence it is unquestionably one that has given so much, in so many ways, to so many, within a short span of the history of man.

An organization such as the American Nationalities Movement of Ohio is a vital force because it and its members believe in a free economic, political and personal life.

We believe individually and jointly that America's greatness is not necessarily its economic or military strengths, but rather in its historical dedication to liberty. This country has served as a symbol of hope and inspiration toward freedom for oppressed people now as in the past.

It is our duty to speak on behalf of the silent ones, on behalf of those whose future is in doubt in these changing times of shifting policies and adjustments in alignments.

There is a need now more than ever for America to be strong morally and in every way to be cognizant of its deep spiritual and historical ties to many people now captive and under yoke of communist oppression.

America today—now—must re-affirm its role of champion of the cause of the oppressed and enslaved peoples, those we call the Captive Nations.

We must take a positive stand in favor of demanding the withdrawal of Soviet troops from Central and Eastern Europe. For example, Romanian diplomats have urged that troop cuts by the Soviet Union be accompanied by assurances that the forces not be shifted elsewhere, into Hungary, which was not permitted to take part in the security talks in Helsinki, Finland even though its welfare was at stake in the talks.

If Soviet military power perils Hungary, it perils all nations and impedes the aspiration to freedom of all peoples.

Imperialistic and militaristic Soviet tactics must be vigorously denounced.

Soviet military occupation and oppression of smaller nations such as Czechoslovakia, and others, must be challenged. We must learn from the lessons of the past in order to better meet the dangers of the present and of the future. Unceasing persecution of intellectuals in countries like Lithuania, Croatia and Ukraine to name a few, does much to undercut confidence in the promise of a better future, regardless of the successes achieved in the field of international commerce.

In closing I wish to say—

We would proudly refer to the basic fact of our life—that our liberty is the product of the first successful revolution against colonialism. Our people, drawn from all nations of the world, have come to these shores in the search for freedom and the opportunity in a progressive society.

We can never forget our origins or the nature of the world we live in. This is one of the reasons that Americans must never forget the fate of those who lost liberty and would like to regain it. That is why Captive Nations Week is an important reminder.

RETIREMENT OF JIM BROWN

Mr. METCALF. Mr. President, last June 30th Jim Brown retired from Federal service. More than 80 years old Jim must have been the oldest employee on the Hill. He started his Federal employment with the Forest Service and during the famous forest fire of 1910 he rode ahead of the flames and saved himself from the inferno by jumping off his horse and plunging into the Blackfoot River.

Born in the mining town of Philipsburg, Mont., on July 16, 1889, Jim was one of the early graduates of the University of Montana Law School in 1916. He practiced law for a time with the firm of Bickford and Murphy in Missoula and after World War I he came to Washington as an associate general counsel of the Bureau of War Risk Insurance. It was then he gained his sympathy for the concerns and problems of men in the military service, a concern that he held throughout his entire life.

He returned to Montana and became the manager of one of the largest stores in Missoula. It was in this capacity that I first met Jim when I was a student at the University of Montana. During the Depression he sold the store to a chain and returned to the law. He has worked for the National Labor Relations Board, for the Justice Department, for Civil Aeronautics Authority and again for the Justice Department.

He retired from Government 19 years ago but the retirement did not stick. Since March 1954, he has been employed as a legal assistant to the Senate Judiciary Committee, first on the Internal Security Subcommittee and until the first of July on the Immigration and Naturalization Subcommittee.

During recent years Jim Brown has begun to commit to paper some of his recollections of frontier days in Montana and Federal service spanning more than 60 years, interspersed with various stints of activities as a businessman in his native Missoula. His stories include reflections during his solo trips deep into the wilderness areas which he has continued to make each year despite the fact that he has long since been an octogenarian.

One of the great treats for many underprivileged children in the Washington area during the Christmas season has been this spry, white haired gentleman telling and reading his stories of life in the old days and his delightful comments on fellow human beings for whom Jim Brown has such deep and abiding love.

It is my hope that Jim Brown's retirement will provide him with time to set down his recollections and pass on to a younger generation the practical wisdom he has accumulated during a fascinating lifetime.

PROTECTION FOR U.S. TECHNOLOGY

Mr. TOWER. Mr. President, when the Export Administration Act of 1969 was originally being debated, I noted two potential problems with trade between the United States and Communist nations.

First, danger exists in selling high technology items to Communist countries, items which inherently have a strategic military value. Second, the Soviet Union has expressed a consistent interest in "turnkey" projects where knowhow is provided foreign nations who then operate a plant to produce a product.

I believe recent trade developments affecting integrated circuits and IC technology justify these concerns. One instance in which integrated circuit technology was provided to a Communist country, Poland, has occurred and it occurred even though the United States, with a simple "no" vote at the Coordinating Committee of the Consultative Group of Nations—CoCom—could have prevented it.

STRATEGIC IMPORTANCE OF INTEGRATED CIRCUITS

Electronics is a basic defense industry, just as steel and explosives are. Not a ship or a plane or a tank or a missile moves without electronics. Vast expenditures for research and development over the last two decades have enabled the United States to maintain a substantial lead in electronics over the Communist world. Moreover since the Soviet Union and Eastern Bloc have achieved parity with us in most of the other defense oriented technologies, electronics represents a "keystone technology" to them.

Given integrated circuit technology at low or virtually no cost, they can very soon draw abreast of or pass us militarily.

An integrated circuit is a tiny, rugged electronic device of which the active part is about the size of a pinhead that performs the same functions that dozens of large and fragile vacuum tubes used to perform. More important to military applications, integrated circuits perform these functions in a space far more limited, using far less power, and withstanding far greater extremes of temperature, shock, and vibration, than were ever possible with the older technologies. The integrated circuit helped offset the lead the Russians held with their large missile boosters in the early 1960's. The minuteman program, the Apollo guidance computer, and many classified military programs would all have been impossible without integrated circuit technology. And the capability of the MIRV—upon which we rely so heavily in the SALT I agreements on strategic offensive systems—is absolutely dependent upon integrated circuits.

WHY TECHNOLOGY IS THE KEY

Mass production of complex integrated circuits by the millions is relatively easy, once the hard-won secrets of technology are understood. Mr. Jack King of Texas Instruments who was awarded the Medal of Science by President Nixon for the invention of the integrated circuit, explains why:

> All integrated circuit technology is based on an understanding of a few basic processes. The more one learns about these procedures, the easier it is to understand and build a whole spectrum of IC's, from the simplest to the most complex.

THE PROBLEM

We must be certain that any bilateral agreement with Communist countries protects our integrated circuit knowhow as well as other high technology knowhow.

The problem is made even more acute by the absence of the traditional protections. Usually, a company can protect its product technology through patents. If for example, our integrated circuit technology were protected by patents recognized by the Communist countries, they could not be produced within the Communist countries without appropriate payment to the American companies which developed the technology. These payments would fund further R. & D. which would improve existing integrated circuit technology in this country and develop new concepts. In short, the Communist countries would not be able to acquire American integrated circuit technology at the fraction of their cost to this country. They would instead be financing further American advances in the state of the art.

However, patent protection does not now exist because American companies have not made timely patent filings in Communist countries. This failure was not an oversight but rather the result of cooperation with our Government's policy during the so-called cold war.

As late as 1968, the Commerce Department was denying applications to sell transistors to Eastern Bloc nations on the grounds of national security. To have filed patents and thereby exposed the essential ingredients of integrated circuit technology to Communist nations would clearly have been against the national interest as expressed by our Government.

THE SOLUTION

Any bilateral agreement with a Communist country which allows the sale of high technology and its products must provide for commercial protection of the technology.

The only payment for technology is market share. If a one time payment for knowhow is substituted for the opportunity to sell to a market the supplier becomes a consultant instead of a manufacturer. Such a change in status would severely limit the benefits which a given technology can bestow upon our economy.

I do not presume to detail the manner in which our negotiators would provide protection for our technology. I simply wish to stress how important it is that this critical technology not be provided to Communist countries without payment adequate to protect our leadership position.

JAPAN'S COMPLEX SOCIETY

Mr. BROOKE. Mr. President, on my recent trip to Asia I had the opportunity to spend several days in Japan. While there, I was impressed by the vitality of that nation while at the same time intrigued by its multitude of contradictions. Today, in the New York Times, Richard Halloran has described Japan as both "self-confident and unsure." His excellent article cogently describes the contradictory nature of Japanese society.

Mr. Halloran outlines several fascinating characteristics of that country and its involvement in the world:

> Japanese per capita income is fast approaching that of the United States. The average Japanese can afford almost all the luxuries enjoyed by his counterpart in America. On the other hand, housing in Japan is

insufficient "in extremes" for almost everyone.

Japan is an industrial giant yet its port facilities are woefully inadequate.

Japan's railroads are some of the most modern in the world, yet there is great dissatisfaction among their users because of crowded conditions on them.

The work week for the average Japanese is becoming shorter but there is little space for adequate recreation facilities to allow beneficial use of increased leisure time.

Japan has great political and social cohesion, yet experiences continuing incidences of political chaos and violence.

Internationally, Japan is recognized as an economic giant and one of the principal actors in the international system. Yet she has been unwilling to assume a high diplomatic profile in the world.

These aspects of its society and politics illustrate the complex nature of the Japanese nation and the position it finds itself in at present.

Few can argue against the crucial importance of U.S. relations with Japan. However, I am deeply troubled by the apparent lack of understanding that a viable relationship can be maintained with Japan only if we understand and adjust to the complex nature of Japanese society. I speak here of apparent administration disinterest evidenced by cutbacks in funding requests, for the various Asian study programs around the United States that have contributed so much to our understanding, not only of Japan but of the Far East in general. It is crucially important that these programs continue if we are to have a sophisticated source of information on the rapidly changing conditions in that part of the world.

I ask unanimous consent that the article by Mr. Richard Halloran, entitled "Japan at Once Self-Confident and Unsure as Nixon and Tanaka Go Into Talks," be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

JAPAN AT ONCE SELF-CONFIDENT AND UNSURE AS NIXON AND TANAKA GO INTO THEIR TALKS

(By Richard Halloran)

WASHINGTON, July 30.—The Japan symbolized by Premier Kakuei Tanaka as he prepares to meet with President Nixon tomorrow is a nation with more self-confidence than at any time since World War II—and a nation with little sense of direction.

The Japanese are more certain of themselves today because they have developed immense organizational, technical and financial skills; because they have acquired economic strength and affluence; because they have the political talents to run their country well and to exert considerable influence in Asia and on the world scene.

Yet they seem unsure about what to do with themselves and their power. Their leaders are unable to conjure up a cohesive vision of national objectives at home or abroad. They are unsure of how to use their strength to win the recognition of other nations to which politically articulate Japanese so clearly aspire.

Thus Japan in the summer of 1973 appears to the Western mind, as she almost always has, as a nation with a confusing personality.

It is a land in which incomes are fast approaching those of Americans and in which the days of cheap labor are gone. The average Japanese could easily own a color television set and all the other household appliances he wants or take a vacation trip to Hawaii.

UNDIGESTED ALIEN SYSTEM

At the same time he lives in cramped, almost squalid housing, breathes polluted air, rides over narrow, potholed roads and suffers from inflation even worse than that in America. His factories gleam but his ports are insufficient; his railroads run swiftly and on time but he is packed into them like a sardine; his work week is shortening but there is little space for him to find recreation.

Japan is a nation of political and social order. There is an internal discipline that keeps the crime rate of Tokyo about a tenth of that in New York. Political rights are respected and there is little threat of subversion from either right or left. The Government unquestionably enjoys the loyalty of the vast majority of the population of 105 million.

But the capital city reels quietly in political chaos. The Japanese, after a quarter of a century of their second try at parliamentary government, have yet to digest what is still an alien system. Moreover, the conservative ruling party, in power too long, is stagnant and unimaginative, and the increasingly strong Communist party threatens to rupture the consensus by which the nation is governed.

Perhaps the most noticeable force is nationalism. The Japanese openly express great pride in what they have accomplished since the devastation of the war, especially in their economy, and they are eager to have other nations accord them the prestige they believe they deserve.

A SELF-MADE MAN

On the other hand, the Japanese leaders are still unwilling to have their nation assert itself in the diplomatic sphere. They are unwilling to stand up and be counted on almost all issues, they are ever watchful of the way the wind is blowing and then shifting with it; they shy from bearing the political responsibilities of a major power.

Mr. Tanaka himself in many ways personifies the hopes and the disappointments of Japan. He came to power a year ago this month with great promise of vigorous leadership at home and an assertive policy abroad.

The Premier is built like a fire plug and has the energy of a team of sprinters. He is a self-made man, with few of the educational and family credentials of his predecessors. When he came to office, he was hailed as the first of a new breed of populist, professional politicians to become Premier.

His domestic plan was to remodel the Japanese archipelago, moving people and industries from the crowded Pacific seaboard to less-developed regions, to build up instead of out, and to restore some green living space to the people.

But his plan has never really gotten started, as Mr. Tanaka has been unable to muster the support of business and the bureaucracy and has been stopped by Opposition parties charging that the plan would only spread pollution and other social ills.

In foreign policy, Mr. Tanaka started off in a flash with a visit to Peking last fall during which he opened diplomatic relations between Japan and China. Since then, however, he has slipped back into the mold of many of his predecessors, watching and waiting and reacting, but not taking any initiatives.

Japan may not be so inexplicable as she seems, however. Her situation appears to be the consequence of three strong currents that sometimes run parallel but often cross one another.

NOW AN INWARD SEARCH

The first is the 105 years of burrowing, assimilating and rejecting things from the West. Though that confusing process continues it has largely been replaced by an introspective search into the national culture for ways to live in the modern world. The search, in turn, has produced many compromises, more in form than in substance.

Take marriage. A generation ago most marriages were arranged by parents, with little say for the prospective spouses. Today the majority of couples find each other—but do not marry without the consent of their parents.

The second current is the 28 years of reconstruction and economic expansion that have given Japan the third most powerful economy in the world and the lead in many industries such as shipbuilding.

The emphasis during those years has been on industrial production and exports. The consumer has been neglected, which accounts for many imbalances and for the growing demand that more attention be paid to the quality of life.

The third current has developed in the two years since the "Nixon shocks" of the summer of 1971 cut Japan loose from her moorings to the United States. President Nixon's abrupt shift in China policy, without consulting the Japanese, plus his sudden imposition of an import surtax and the floating of the dollar, told the Japanese that their dependence on the United States had come to an end.

ESTABLISHMENT UNPREPARED

That was undoubtedly inevitable, given nationalist desires for independence, but it came before the Establishment—the businessmen politicians and Government officials—were ready. As a result the nation is adrift, floundering almost rudderless on the international seas, and probably will be until its leaders are willing to grasp the helm and set a course.

The human resources of the Japanese are imposing. The most literate people in Asia and perhaps the world, they consume vast quantities of books, magazines and newspapers and have available a big output of television and radio programs.

Society is free of the racial tensions of America since the Japanese are ethnically unified. However, there is an outcast class, like India's untouchables, that they manage to keep hidden.

A work ethnic akin to that of Puritan New England remains strong throughout most of Japan. American officials and scholars have produced tomes trying to explain why the Japanese have done so well; it may be an oversimplification, but the fundamental reason is that they work like blazes.

The Japanese, some of their intellectuals say, are not a philosophical people, but are adept at organizing technical, human and financial resources—a people who get things done. Much of their technical skill a generation ago was imported; today it is mostly home-grown.

While much has been made of their cumbersome process of reaching decisions by consensus, long-time western observers have noted that the lapsed time from idea to execution is about the same in Japan as in the West.

As for international affairs, a basic reason for the inability or unwillingness—or both—to move to the front rank in world political affairs, despite all the personal and national self-confidence is political weakness at home.

Japan seems to have a Western-style parliamentary government, but under the surface is a fierce struggle to mesh that alien form with the substance of Japanese ways of doing things.

In the West decisions are made by majority vote, with minority rights respected. In Japan, where decisions are made by consensus, the majority cannot assert its will since that would be "tyranny of the majority" and would incur public wrath.

In the West a premier is head of government, an officer of considerable authority. In Japan the Premier is actually only first among equals in the Cabinet, that body having collective responsibility for administration. Only an exceptionally strong and persuasive premier, experience has shown, can move things forward.

Moreover, the political parties, from right to left, are badly fragmented. The Liberal-Democratic party, which has governed since Japan regained independence in 1952, is split into five major and as many minor factions. It has shown a paucity of new ideas, new faces and new hopes in recent years.

On the left, the Japan Socialist party, which staged a comeback in the general election last December, is also split and lacks new and stimulating leadership. The vacuum has been filled by the Japan Communist party, probably the best organized, best-led and best-financed political force.

The two other parties have slipped in recent months, which may be the first step in eliminating the fragmentation and moving toward polarization.

The Democratic Socialist party lacks appeal except to a small group of labor leaders and moderate leftist intellectuals Komeito, or Clean Government party, the political arm of the Sok, Gakkai Buddhist sect, appears to have frightened off support with its aggressive ways.

REDUCTION IN RELIANCE

Like so much in Japan the attitude toward the United States is a mixture, part love and part hate, seasoned with a strong dash of practicality.

The Watergate affair has further weakened the credibility of the United States. Many Japanese wonder whether its day is past and whether the Americans are still capable of governing themselves.

That follows growing doubts about the United States' defense commitment to Japan. No thoughtful Japanese really believes that the United States will risk Chicago if Osaka is threatened with nuclear bombardment; many defense planners even worry about the American commitment in a conventional war.

The economic and trade issues, and especially the admittedly rough diplomatic style of the Nixon Administration in handling the Japanese in recent years, has reduced reliance on the United States.

On the other hand, many Japanese have expressed admiration for the American system and the way it has risen above Watergate. They have spoken appreciatively of the Congressional investigations and the role of the press—and a few have said wistfully that they wished the sort of thing would happen in their country.

On the defense issue, many Japanese complain about the presence of American bases, but they take a deep breath at the suggestion that the Yankees go home and leave Japan to defend herself—and to pay for it.

Similarly though many Japanese dislike the way the Nixon Administration has dealt with them on economic issues, the United States market takes about 30 per cent of Japan's exports each year and is the principal supplier of Japan's food imports and many other items. So, the Japanese reason, the best course is to patch things up and keep going.

That appears to be Mr. Tanaka's attitude as he approaches his meeting with Mr. Nixon. The premier, as he was when he and Mr. Nixon met in Hawaii last September, may be more independent in tone and style. But he has openly expressed the view that Japan, in her own interest, must stick with the United States.

TRIBUTE TO SPENCER M. SMITH, SR.

Mr. JACKSON. Mr. President, one of the outstanding conservation leaders of the Nation is Dr. Spencer M. Smith, Jr., the secretary for the Citizens' Committee on Natural Resources, which has its offices here in Washington, D.C. Dr. Smith's father recently passed away in Ottumwa, Iowa, and Dr. Smith subsequently wrote a letter to the editor of the Ottumwa Daily Courier expressing some thoughts about his father.

Mrs. Victoria Smith Barrett, of Painesville, Ohio, the daughter of Dr. Smith, forwarded me a clipping of the letter. In her accompanying letter, Mrs. Barrett beautifully evaluated the significance of her father's expression:

> This article not only reflects the great love and respect he had for his father but offers an insight into the small town and its citizens which are the fabric of America. The optimism that more good men exist than bad men is a thought that not only my grandfather believed in but which my father has grown to believe in also. In these troubled times, I'm inclined to believe that there is something special in that belief.

At this point, Mr. President, I ask unanimous consent that this fine article from the Ottumwa Daily Courier of July 2, 1973, appear in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

GOOD MEN MAKE GOOD TOWNS

Editor, the Courier:

Memories are strange—some elusive, while others are clear and undimmed by time.

I recall my father's often repeated comment regarding someone who had passed on, "A good man; the town will miss him." The person may have been an employe, farmer, businessman, civic leader—well, the list was long.

With the irreverence of youth I said, "Dad, do any bad people ever die?"

Ignoring the sarcasm and with customary patience, he replied that he was sure this happened, but, fortunately, it was more rare than we thought. He said, "Most people don't become president, discover electricity, or become heroes. They work hard, raise better kids than they think, and contribute to the community in many important if not dramatic ways. Therefore we are lucky that there are so many good ones."

As I view his reply in retrospect, our luck makes Ottumwa "a good town," and fortunately there are a lot of "Ottumwas" in the United States—because of good men.

Another "good man" passed away last Wednesday. He was Spencer Smith.

Spencer M. Smith, Jr.

PRACTICAL FOREIGN RELATIONS IN SPRINGFIELD, VT.

Mr. AIKEN. Mr. President, I would like to call the Senate's attention to a column that appeared in this morning's Washington Post.

Marquis Childs has recently spent time in Vermont and has reported on a very successful "foreign relations" activity involving the United States and the Soviet Union.

For the information of the Senate, a leading machine tool company in Springfield, Vt., has recently completed a $5.5 million contract to sell its machines to the Soviet Union for use in producing parts for a tractor plant in the Ukraine.

The negotiations were long and tedious, but fruitful. As a result not only have Vermont machine tool experts gained a better understanding of their counterparts in Russia, but the contract between the company and the Russians, referred to by Mr. Childs, has also provided employment and better living conditions for many people in Springfield and the neighboring towns up and down the Connecticut River Valley.

I am glad that Mark Childs was able to witness firsthand the ingenuity of Vermonters and their ability to help make this a better world to live in.

I commend to the Senate Marquis Childs' column entitled "Practical Foreign Relations in Springfield, Vt.," and ask that it be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

PRACTICAL FOREIGN RELATIONS IN SPRINGFIELD, VT.

(By Marquis Childs)

Springfield, Vt.—That slightly absurd term "foreign affairs" ordinarily connotes the corridors of power in world capitals and ministers of state flying off to summit meetings. Here in the green hills of Vermont is a working example of what foreign relations can mean when practical men come together for a common good.

Springfield has long been the center of a machine tool industry that does about 15 per cent of the nation's business in machine tools. The three principal companies have the kind of advanced technology that is one reason for America's great productivity. They now have contracts with the Soviet Union for tool-making machines that increases their total output and employment by a substantial margin.

For a reporter who spends a great deal of time interviewing solemn diplomats in the corridors of power, it is a welcome change to talk to men who, with their advanced technology, have forged a small but significant link with another world. They have discovered in going back and forth between Moscow and Springfield how different the two worlds are and, yet, how much they have in common in technology and the problems of production.

A delegation of Russian machine tool specialists visited Springfield two years ago after they had seen the products of the Jones and Lamson Company, a subsidiary of Textron, at a machine tool show in Chicago. That was the start of long and detailed negotiations that ended with a contract as thick as a good sized telephone book.

The principal machine the company is selling the Russians is, to one who knows next to nothing about machine tools, a marvel of advanced technology. A cylinder of unprocessed steel is put into it, buttons are pushed, and the operation is carried out by a tape previously programmed by computer. In a matter of minutes, as the tape ends, the crude steel has been transformed into a handsomely forged machine part complete with grooves for ball bearings. The product is accurate to one-thousandth of an inch.

The machines sold by Jones and Lamson will be installed in a tractor plant at Kharkov, in the Ukraine. They will turn out 72 pieces an hour. The cost of each machine is $165,000; the contract totals roughly $5.5 million.

What the Americans have learned about the Russians—and presumably the learning process has worked the other way, too—is almost as important as the end result. John L. Jensen, chief of engineering in the Jones and Lamson plant, has made 10 trips to Moscow to work out the deal. He found his opposite numbers very knowledgeable about machine tools, shrewd yet friendly. Once they had been convinced, by watching a demonstration in Springfield, of the machine's capability, they were ready to negotiate. The Russians wanted certain guarantees which the company could not give, since when the machines were installed their operation was no longer under the control of the men who devised and produced them. Once this hurdle was over the deal moved forward rapidly.

In the different approach to production problems that Jensen observed, one was conspicuous. The Soviets wanted a complete plant layout so that machines would move the parts on the production floor from start to finish. No American company would make a similar investment, since the cost could not be justified by a saving in labor costs. Under the Soviet system, however, it is not the outright cost of, say, $100 a month for each worker but the social cost in housing, education, entertainment, etc., that the state provides the worker. The company replied that their best performance was in making a single machine, but if that was what Kharkov wanted, they would provide it. The contract specifies the complete operation.

This is a very small deal compared with some of the pie-in-the-sky deals for Soviet natural gas and oil trumpeted by high-powered promoters. But it is a demonstration of how people-to-people understanding can mean practical achievement. And to one escaping briefly from Washington, it is good to see men like Robert S. Jones, head of the company, who worked his way up from machine operator and who has been twice in Moscow, directing the kind of production that has made the nation strong.

Slowly understanding can grow. It can mean peaceful competitive co-existence, a phrase so often invoked. That is the reality rather than the loud rhetoric of the politicians.

MIDWEST AND NORTHEAST RAIL CRISIS

Mr. HARTKE. Mr. President, on Friday of last week, the Senate passed S. 2060, a bill which deals with the impending railroad crisis in the Midwest and Northeast. Some of the press reports of the floor debate which took place on that bill indicate that its impact was not fully understood in all respects.

A question was raised during the debate about the treatment of the previous $125 million loan to the Penn Central under S. 2060. In a colloquy with the distinguished Senator from Virginia (Mr. HARRY F. BYRD, JR.), I noted that a portion of the $210 million authorized by S. 2060 could be used to defray any hypothetical default on that loan to the Penn Central. In other words, if the Penn Central were to default on that loan—and there is no present indication that they will—the provisions of S. 2060 would make available up to $125 million to defray that default.

By our passage of S. 2060, however, the Senate did not offer to bail out the railroad on a default of a Government obligation. For every dime offered under S. 2060, there must be a paid-for contractual service. For example, if the Penn Central defaulted on $50 million of its loan, the Department of Transportation could pay the $50 million, but only by requiring the Penn Central to perform $50 million in services by Government contract for otherwise stranded shippers and rail passengers. That is the correct meaning of my statement, which appears on page S26292 of the RECORD:

Under the pending bill, that $125 million would be included in any service contract entered into with the Penn Central.

Mr. President, I thank my colleagues for affording me this opportunity to emphasize a point in last Friday's debate which has been overlooked.

THE 1973 WHEAT CROP

Mr. BELLMON. Mr. President, as a representative of one of the country's largest wheat producing States, I have been greatly concerned about the movement of the 1973 wheat crop during the heavy harvest season. For the last several months I have been in close contact with the principal railroads, to make certain that every reasonable effort was made to get the grain to storage with a minimum of loss.

This year, Oklahoma has harvested the largest wheat crop in its history. Due to the extraordinary efforts of the railroads and a high degree of cooperation between local shippers, trucking industry, and the railroads, it appears Oklahoma farmers had only a minimum amount of difficulty in moving the wheat.

Mr. President, many critical comments are made about railroads. The fact is that this country's transportation system has moved a record quantity of grain over the last 12 months. While there have been problems, the fact is that the job has been handled in an expeditious and effective manner. Speaking for the State of Oklahoma, I would like to publicly compliment and thank railroads and truckers who have moved Oklahoma's grain for the remarkably efficient job they have done under trying conditions.

Should foreign demand for American agriculture commodities remain high, the strain in the Nation's transportation will likely continue for some years. Congress, as well as the executive branch of Government needs to take note of the needs of these industries and give them the incentive and the support they need to expand services to meet this new and growing need.

Mr. President, I ask unanimous consent that letters from William J. Dixon, president of the Chicago, Rock Island and Pacific Railroad Co., and Mr. L. Cena, vice president, operation, of The Atchison, Topeka and Santa Fe Railway Co. be printed in the RECORD.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

CHICAGO, ROCK ISLAND AND PACIFIC RAILROAD CO.,
Chicago, Ill., July 5, 1973.

Hon. HENRY BELLMON,
U.S. Senate,
Washington, D.C.

DEAR SENATOR BELLMON: While your letter of June 29 regarding the demand for grain cars in the Oklahoma, Kansas, and Texas wheat belt does not ask for a reply, I would like to tell you something about what we are doing and the circumstances contributing to this very abnormal year.

It is a fact that there are fewer cars available to the Southwest than would be the case in a normal year. We have some 1200 fewer covered hoppers in this area than last year. But there is a good reason for this.

Because of a late spring and so much rain, the farmers did not order fertilizer until long after they usually do. Thus many of our cars that would normally be free at this time to haul grain are still moving fertilizer. And because the fertilizer is still moving, the cars we would normally lease from fertilizer companies (their privately owned equipment) during the peak season are still being used by these companies for their own movements and are therefore not available to us. We obtained 500 cars from just one of these companies last year.

Another drain is occasioned by the continued demand for cars on the north end of our system. In normal years, the requirements for grain cars in Iowa and other northern states is very low at this time. I need not tell you that these states are continuing to offer grain and, of course, we cannot refuse them their fair share.

That is just a part of the difficulty. But we are trying to offset it. We are currently taking delivery of 500 additional covered hoppers and have used local truckers in substituted service to the greatest extent possible. Here are the figures of substitute trucks loaded in your area up to July 1st (1973 versus 1972):

1972	998
1973	4,480

This breaks down as follows:

	1972	*1973*
Oklahoma area	995	3,408
Amarillo area	3	818
Wichita area	0	141
Hutchinson area	0	113

The 700 open-top hoppers we had earlier from eastern lines were taken back and put in train movements of grain to go out through the East Coast ports. Now, however, we are starting to get some of these back. We will take as many as we can lay our hands on. They will be used in shorter hauls where opportunities for exposure are less.

Although our limited resources should possibly be used for other much needed work, I have just ordered a number of our heavy bad order covered hoppers restored to service.

I just want to assure you that on our side, we are really trying. It serves no purpose here to complain now of the fact that CCC could have moved its grain while we had cars stored but put it off until we were behind, or that incentive per diem has drained off huge sums we could have used to put cars in service.

I appreciate the opportunity your letter afforded for me to bring you up to date on our efforts to meet this year's extraordinary requirements.

Sincerely,

WILLIAM J. DIXON.

THE ATCHISON, TOPEKA AND SANTA FE RAILWAY CO.,
Chicago, Ill., July 12, 1973.

Senator HENRY BELLMON,
U.S. Senate, Committee on Agriculture and Forestry, Washington, D.C.

DEAR SENATOR BELLMON: This will acknowledge your letter of June 29, in regard to car supply for the winter wheat harvest and with particular reference to grain stored on the ground.

You are correct that I maintain close surveillance of wheat on the ground and, of course, am concerned that it has been necessary for Santa Fe shippers to place wheat on the ground for the first time in many years. Believe you are familiar with the circumstances that have created this situation this year but, if not, shall be glad to write you in greater detail.

Am particularly interested and concerned about your comment that the grain stored on the ground is suffering damage resulting in great losses and that a portion of the record wheat crop will be lost because of inability to move it in an orderly manner. I have heard such comments only from a particular area of the Oklahoma-Texas Panhandle. This is contrary to advice I have received from others to the effect that there will be little or no damage if the wheat does not remain in the open for more than two or three weeks.

We are taking every possible means to supply the maximum number of cars for the wheat and are hopeful that we will have it all under cover by the latter part of this month, if not before.

Very truly yours,

L. CENA,
Vice President—Operations.

THE REAL TRANSPORTATION CRISIS

Mr. MONDALE. Mr. President, I would like to call the Senate's attention to an article which appeared in the July 4, 1973, issue of Construction News. This article, entitled "The Real Transportation Crisis," analyzes America's rural transportation system and points out the inadequacy of rural roads, rail lines and waterways to handle present and future traffic volume. With greatly expanded agricultural production this year and the administration's recently announced decision to bring an additional 19 million acres back into production in 1974, rural America is headed for a transportation crisis in attempting to move commodities over abandoned track, neglected roads and clogged waterways.

Urgent action is needed to prevent costly bottlenecks in the immediate months ahead, but we must also take long range steps to assure that our Nation is served by a fully adequate rural transportation system.

Last May I introduced a bill designed to alleviate the crisis in rail transportation by reversing the continuing abandonment of rural branch lines. This measure, S. 1749, would require a 5-year prior notification before the Interstate Commerce Commission could consider most abandonment requests, and it would also establish a program of loans and loan guarantees to assist local communities or nonprofit user groups to maintain rail service if an abandonment cannot be prevented.

As evidence of the need for action to upgrade not only rail, but all modes of transportation serving rural areas, I submit for the consideration of the Senate the July 4 article from Construction News.

Mr. President, I ask unanimous consent that the full text of the following article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE REAL TRANSPORTATION CRISIS

Sandwiched between other national crises plaguing the U.S. is another potential debacle which until recently has been lost in the shuffle. And yet its reverse impact on the economy could, unless checked in time, be the most harmful of all our current and impending problems.

At a time when we are matter-of-factly producing space hardware to explore the moon and orbit the earth, the paradoxical truth is that this nation doesn't have adequate transportation wherewithal—rail, highway or waterway—to get its bulk farm commodities to the marketplace.

An immediate, housewife-documented consequence is higher food prices. Perhaps even more serious, in the long run, is our inability to efficiently move millions of tons of wheat, feed grains and soybeans to our ports for overseas shipment. This is crucial because agricultural exports offer the best and perhaps last hope for achieving a more favorable balance of trade and rejuvenating the U.S. dollar.

No one questions the capability of our farmers to raise the crops. And the government can and has put millions of set-aside acres back into production for the stated purpose of hiking agricultural exports from the present $8.1-billion annual level to as much as $18-billion by 1980. But, as long as our transport facilities remain in disrepair and disarray, this productive potential is at least partially academic.

Helping focus national attention on this problem was testimony submitted to the Congress last March by Associated Construction Publications Ray Metzger Jr., publisher of Construction News and Construction Digest editor Art Graham told the House Transportation Subcommittee that there is a direct and obvious link between skyrocketing food prices and (a) abandonment of thousands of miles of rail trackage serving rural areas and (b) hundreds of thousands of miles of deteriorating primary, secondary and farm-to-market roads suffering from 30 years of accumulated neglect.

Since then there has been a rapid-fire series of developments:

On April 5, Transportation Secretary Claude S. Brinegar announced establishment of a full-time DOT task force to deal with the freight car shortage. "Outside of the northeast," he explained, "the most serious railroad problem is the shortage of freight cars especially for grain loading. We are very much aware of the difficulties this poses for shippers trying to move grain to meet contractural commitments."

Concurrently, The Road Information Program (TRIP) launched a press media campaign to explain the impact of inadequate roads on the cost of transporting farm commodities and, ultimately, on retail food prices.

At the invitation of Gov. Dan Walker of Illinois, farm and transportation leaders from 12 states participated in a Mid-American Agricultural Rail Transportation Crises Conference at Chicago, April 9–10. "Farmers have been asked by the Nixon Administration to put millions of additional acres into grain production, but what good will this do if they can't get the grain they've already produced to market?" Walker asked, adding: "Poor movement of grain products has the same effect on food prices that limited supplies of red meat has on consumer prices."

Representatives of 17 states which account for about 85 per cent of the nation's wheat, soybean and feed grain production convened again in Chicago May 16–18 for a Midwest Grain Movement Conference co-sponsored by Illinois and Nebraska. This seminar resulted in a dozen-odd major resolutions demanding immediate, priority cause cure consideration of the grain shipment impasse. Governor Walker in turn submitted these recommendations to the National Governors' Conference at Lake Tahoe, Nev., June 3.

Meanwhile, on April 30, Sen. Hubert H. Humphrey (D-Minn.) introduced a joint resolution instructing the Secretary of Transportation to make "a full and complete investigation and study of farm-to-market roads, railroad beds and availability of operational rail lines serving rural areas in the U.S. for the purpose of determining the condition and adequacy of such roads and rail lines to carry the volume and weight of agricultural and other commodities from rural areas necessary for the nation's economy." A report on the findings of this study, together with DOT's recommendations for remedial action, would be submitted to the President and Congress not later than next December 31.

A week later, Minnesota's other Democratic senator, Walter F. Mondale, introduced legislation (S. 1749) to establish within the Department of Transportation a Rural Rail Transportation Administration with authority to make loans or loan guarantees to maintain and/or reestablish rail service for major agricultural areas. Explaining that in his state alone there will be 304 communities isolated from operational railroad facilities by 1980, and that a third of these cities and towns presently must rely on secondary roads restricted to less than 9-ton carrying capacity, Mondale said he was afraid that "many of our rural communities will be left to die" unless they are provided adequate transportation access. He also referred to the world demand for farm products as "the major hope of preventing a sharp deterioration in the U.S. balance of payments" which, he said, makes it "doubly critical not only to the agricultural community but also to the nation's overall economic future that we maintain rural rail lines."

Why this sudden furor? Essentilaly, what we have had for many years is an inevitable crisis waiting for a time to happen.

More than 46,000 miles of railroad trackage—principally those lines traversing sparsely populated rural regions—have been abandoned in the past 40 years. Railroads today are functioning with 30,000 fewer locomotives and 840,000 fewer cars than they had during their peak years in the 1930s. This loss equates to 13 mine line railroads, stretching from coast to coast, each located 100 miles apart and each having 2,300 locomotives and 64,000 cars.

When the nation launched its expanded roadbuilding program in 1956 the emphasis was, with justification, on the planned interstate expressway network and on modernization of heavily-traveled federal-aid primary routes. Although these two systems represent only 7 percent of our total highway mileage, they now carry 50 percent of all automobile and truck traffic.

As a result, however, much of the remaining 3.6-million miles of roads and streets have gotten only cursory attention. Except for routine minimal mintenance, most of the 2-million miles of non-federal-system rural roads have gone untouched and unimproved for 30 years or more. As an example, of the 373,000 highway bridges built before 1935, 343,000—almost 90 percent are on county secondary and other rural roads. And some 88,900 bridges, or one out of every six in the U.S., are now classified as "critically deficient."

These combined conditions provided the ingredients for what Governor Walker has referred to as the grain shipment "time bomb—one of the nation's major domestic problems that has been swept under the rug too long."

The fuse was three precipitating factors: a bumper grain crop in 1972, the sale in the past 12 months of more than 700 million bushels of wheat, feed grains and soybeans to Russia, and record floods which closed the Mississippi and Missouri rivers to barge traffic for weeks this spring.

"It is no wonder then that we find ourselves faced with great difficulties," Robert C. Liebenow, president of the Corn Refiners Assn., told the second Chicago conference in his keynote address. "Movement of grain and grain products so far in 1973 exceeds 1972 loadings by almost 50 percent. Total grain to be exported in fiscal 1973 is almost 75 million metric tons compared with 50 million metric tons in fiscal '72. And this massive increase in demand for transportation came on the heels of a peak year in 1972.

"Implications of the present railroad car shortage extend beyond the plight of shippers," he added. "Shortages of transportation inevitably will result in price list dislocations in various markets. Thus, we face a price impact on food products at a very time when this nation is engaged in serious efforts to moderate food price increases to the ultimate consumer."

Liebenow, who is a former president of the Chicago Board of Trade called on the government to "openly assume responsibility of dealing with this problem because after all, it bears direct responsibility for the crisis situation because of the Russian grain sales."

Acknowledging that the accumulated "structural problem" impeding the flow of farm commodities will require fundamentally new policies and long-range legislation, Liebenow went ahead to emphasize that "I don't believe this country can await the resolution of this underlying problem. Legislation of this kind cannot come quickly enough. More immediate action is required."

His recommendation was that the President promptly commission an inter-agency study, under auspices of the Cost of Living Council, to determine what steps can be taken that would promise quick relief to the American consumer. This commission would examine and report on such questions as:

Could a more liberal admixture of trucking and rail transportation provide significant short-term relief?

Can the government perhaps including the Defense Department ease its claim to an inadequate supply of freight cars?

Could the government profitably use emergency authority to coordinate truck, rail, and shipping transportation?

Should emergency legislation be sought on a temporary basis, leaving open the question of appropriate long-range solutions?

Later, the conference approved a somewhat parallel resolution drafted by Metzger and Graham which calls on the National Governors' Conference to take the initiative in formation of an ad hoc committee to deal with the problem.

Serving on the committee would be appointees from the Midwest Grain Movement and Governors' conferences, chairmen of the Senate and House public works and transportation committees and representatives from the Departments of Transportation and Agriculture.

"Much of the specific data on abandoned and inadequate rail facilities and substandard roads and bridges has already been compiled," Metzger said, "and the impact of this transportation bottleneck on grain movement and food prices has been confirmed.

"It would be the responsibility of the committee to evaluate this information, pinpoint the best and most practical short- and long-range solutions to the problem, and then to make recommendations and draft legislation to help overcome these transportation inadequacies."

Although the overall financial position of the nation's railroads seriously impairs their capability to make capital investments in new rolling stock and improvement of facilities, it would be unfair to imply that there hasn't been a major effort by most companies during the past decade to cope with increased carloading demands, not only for grain but for lumber, aggregates, automobiles and other bulk commodities and manufactured products.

As was pointed out by representatives of the Assn. of American Railroads during the grain movement conference, U.S. railroads established an all-time record of 778-billion ton-miles of freight service in 1972, an increase of 5.2 per cent over the previous year. And grain car loadings—including those for both domestic and export shipments averaged 32,660 per week for the first 10 weeks of this year, an increase of nearly 44 per cent over the corresponding period in 1972. This was accomplished despite the fact that there were 40,000 fewer freight cars in service last year than in 1969, when the previous all-time rail traffic record was set.

Since 1960, when virtually all rail grain shipment was in boxcars, railroads have been adding an average of about 11,000 covered hopper cars to their fleets annually. They and private shippers now operate 190,000 of these large hopper cars, and another 5,000 were on order as of last March 1.

It is generally true that, as a group, railroads still rank well down the list in terms of management, operational and labor efficiency. But gains also are being made in this area. A special AAR task force already is well along in a design study for a greatly expanded computerized freight car information program, while improvements are still being made in the basic system now in use. And various individual railroads are continuing to develop new and highly sophisticated computer programs within their own systems.

These stubborn facts remain, however: (a) railroads still do not have sufficient rolling stock to handle loading volume requirements, and existing fleets are not being utilized with maximum efficiency; (b) thousands of miles of rural area rail trackage are no longer in use, and more abandonments are in the offing, and (c) as much as half of the roadbed mileage still in service is inadequate and unsafe for today's 100-ton hopper car loadings.

Without a sustained, multi-billion dollar infusion of funds for new rolling stock and for needed improvement of roadbeds and other physical facilities. U.S. railroads will be extremely hard pressed to meet mounting demands for movement of grain and other basic commodities in the immediate future, let alone handle their subsequent burden of an overall national freight load which, according to DOT predictions, will double by 1985.

As was repeatedly emphasized at the two grain movement seminars, this situation also mandates immediate attention to the other modes of transportation, i.e. rural and farm-to-market roads and inland waterways.

Although over-the-road shipment of heavy bulk farm commodities for distances of more than 50 miles has, in the past, been considered prohibitively expensive, many rail-isolated farmers and suppliers are now left with no alternative. In Illinois alone, because of the lack of railroad lines and/or cars, truck hauling of grain increased by nearly 19-million bushels in 1972.

This extended truck-hauling trend will continue to accelerate. And, even within the prescribed 50-mile radius, the movement of grain to elevators and the equally important transporting of fertilizer, feed grain and heavy equipment to farmers is being choked off or made much more expensive by horse-and-buggy secondary roads and dilapidated, unsafe bridges.

It was this fact which prompted Rep. William H. Harsha (R-Ohio) to comment, during recent floor debate on the Federal-Aid Highway Act of 1973, that actual and proposed abandonment of thousands of miles of rail trackage is putting "an inordinate burden on our already overburdened highway system and leaves highways—many of them inadequate—as the sole source and method of moving goods and services in and out of many of our rural communities." Harsha went ahead to point out that this is a significant factor in steadily rising food prices.

Overdue improvements and expansion of the nation's waterways system have been almost equally slow in coming. Commercially navigable inland channels were extended by a scant 290 miles, or only slightly more than 1 per cent, in the 1960–70 decade, and stop-and-go funding of Army Corps of Engineers programs has stalled dozens of needed lock and dam and navigation projects.

A case in point is the old Lock & Dam 26 on the Mississippi River at Alton, Ill. The 41-million tons design capacity of these locks was reached and passed five years ago, and barge tow delays of as much as 18 hours are not uncommon.

There is no practical alternative route for these barges and, in addition to the present delay-loss to shippers and consumers of millions of dollars a year, there exists the possibility of structural failure which would immediately deprive all cities on the upper Mississippi and Illinois rivers of through-barge transportation.

Testifying before Congressional appropriations committees in mid-May, James B. Meanor Jr., manager of the Metropolitan St. Louis Chamber of Commerce transportation department, warned that "with the railroad car shortage becoming even more serious, loss of barge service to and from the upper midwest area would result in extremely serious conditions for its people and industry.

"In this connection, grain exports, much of which move south by barge, are extremely important to improving our balance of trade deficit," he added.

Meanor urged quick release of funds for replacement of Lock & Dam 26, explaining that, even if construction were to start immediately, the new facility would not be fully operational for another seven or eight years.

Sen. R. Vance Hartke, chairman of Senate's Surface Transportation Subcommittee, sums up the total picture in this manner: "The situation, simply put, is that our needs for fast, safe and efficient ways to move people and goods are far in excess of the capacity of available systems.

"Our rail system is in disrepair. The waterways are nowhere near their full potential as useful carriers. And, despite tremendous strides made in recent years, many of our roads and streets are still either unsafe or inadequate for the traffic volumes they are required to handle."

A number of other influential Congressional leaders are now speaking out on this problem and the enigma of more and more bypassed and isolated "ghost towers" in the hinterlands contrasting sharply with people-packed transport-jammed urban areas.

"Our population distribution today is badly unbalanced, with 80 per cent of all Americans living on 5 per cent of the nation's land area," explains Rep. John A. Blatnik (D-Minn.), chairman of the House Public Works Committee. "Half of all our people live on the perimeter of the mainland within 50 miles of the Atlantic, Pacific, the Gulf of Mexico or the Great Lakes.

"We can and we must reverse this flow, and in so doing we can do much to reduce the population pressures that are at the root of today's urban congestion," he stated, adding: "One way to get people back to countryside America is through the development of adequate highways that will encourage industry to locate in rural and small town areas.

"In our concern over the undeniable transportation crisis of our cities," Blatnik concluded, "we cannot afford to overlook or minimize the vital transportation needs of rural America."

Rep. Don Clausen (R-Calif.) echoed the same logic when he said that "if there is ever going to be a change in the quality of life in America, it's going to be brought about as a result of creating either new economic growth centers or revitalizing and diversifying some of the more sparsely populated areas in the U.S.

"If we are going to reverse or slow this outmigration from our rural sections, and if we're going to stop the stacking of people on top of one another in the big cities, then we must stop giving total consideration to allocating funds where the population is without giving some consideration to where the population can be," Clausen pointed out.

The grain shipment impasse is, obviously just one important symptom of a number of interlocking problems from which the only key is a carefully conceived, adequately financed and quickly implemented national transportation plan.

SBA—20 YEARS OLD AND STILL GROWING

Mr. JAVITS. Mr. President, since 1953, when the Small Business Administration was established by a concerned Congress, the Agency has recognized the importance of keeping the small business community alive and thriving.

The essence of the American economic system of free enterprise is open competition and the establishment of SBA 20 years ago by the Eisenhower Administration was due recognition of the primary role small business plays in our economic system.

For nearly two decades, the Agency has sought to fill the major needs of the Nation's more than 8 million small businesses. This period has opened a dramatic surge of individual initiative in a competitive atmosphere where small businesses is such a dynamic force in our economy.

SBA has provided small firms financial assistance through loans and long-term equity financing, help in obtaining Government prime and subcontracts; and management and technical advice and counseling. The Agency also helps victims of disasters, and in a substantial way, broadens opportunities for individual imagination, initiative and enterprise.

The Agency places increased emphasis on identifying and analyzing small business problems, and has coordinated the combined efforts of public and private sectors to fulfill their needs.

SBA's role continues to be one of leadership in stimulating and coordinating all possible sources of assistance needed to develop new concerns and strengthen the competitive position of these already in existence.

Although the SBA originally was established as a temporary agency with a 2-year life span, the Congress in 1958 made it a permanent fixture in the Federal establishment. The wisdom of that decision is clearly evident in the Agency's record of performance and in the growth and strength of small business.

I want to recognize officially the SBA's 20th anniversay year and to commend its dedicated employees and Administrator Tom Kleppe through whose efforts the small business community is helped to continue to be such a vital force in our national economy.

SPANISH-SPEAKING CITIZENS IGNORED

Mr. KENNEDY. Mr. President, the first annual report of the HEW Advisory Committee for the Education of the Spanish-Speaking and Mexican Americans, catalogs the past failures of this administration.

The report notes the continued high dropout rate among Spanish-speaking high school students, while the requests for bilingual education funds have been held at a totally inadequate level, less than the authorized level of $135 million.

In addition, the committee, which was appointed by President Nixon, states that 10 of the 16 points in the 16-point equal employment plan announced by President Nixon on November 5, 1970, have not been implemented. The failure to fulfill the promise of equal opportunity in the Federal Government cannot be allowed to continue. The Federal Government must be the leader in the effort to assure an equal employment opportunity to all Americans.

I believe the recommendations of the advisory committee represent steps which should have been taken long ago and I urge their consideration by my colleagues.

Mr. President, I ask unanimous consent that the summary of the findings of the Advisory Committee and its recommendations be printed in the RECORD.

There being no objection, the summary was ordered to be printed in the RECORD, as follows:

RECOMMENDATIONS

IV. SUMMARY OF FINDINGS

1. The Committee has found the following situations to be in demand of immediate action for remediation or elimination as the case may be:

a. The drop-out rate among Spanish Speaking high school students is among the highest.

b. Curriculum has not been developed specifically to meet the needs of Spanish Speaking children to any noticeable degree in programs especially as related to early childhood development, counseling and guidance programs, psychological services and guidance training.

c. Not enough teachers have been trained to work with Spanish Speaking children or parents.

2. The President's 16 Point Plan is not being implemented insofar as it is failing to comply with numbers 2, 3, 4, 5, 7, 8, 9, 13, 14, 15, which read:

"2. Begin an intensified drive to recruit Spanish surnamed persons, particularly for identified public contact positions, in areas of heavy Spanish Speaking population, including the Southwestern states and in Chicago, Detroit, and New York, and certain other major metropolitan areas."

"3. Use specialized recruitment teams, to include Spanish Speaking persons, for college recruitment, particularly at colleges with heavy Spanish Speaking enrollments."

"4. Begin work immediately with OEO, DHEW, HUD, Labor to find ways to enhance opportunities at all levels for Spanish surnamed Americans in programs dealing with the Spanish Speaking population as well as in other programs and in key occupations."

"5. Step up recruitment for Cooperative Education Program at colleges with significant numbers of Spanish Speaking students to permit entry from FSEE registers without necessity of written examination."

"7. Hold an EEO conference of Federal managers and equal opportunity officials in the Southwest designed to assure equal opportunity for Spanish Speaking Americans."

"8. Develop plans for Federal agencies under CSC area office leadership to work with high schools in Spanish Speaking areas to make known job opportunities in the Federal Government and to counsel and to encourage students to stay in school."

"9. Hire for summer employment in Federal agencies high school and college teachers from schools serving Spanish Speaking students to give them understanding of the Federal Government which they can relate to students."

"13. Provide additional training programs on EEO and personnel management for Federal managers in areas of Spanish Speaking population."

"14. With the Department of Labor, explore the feasibility of establishing an Intergovernmental Training Facility for upward mobility and skills training for Federal, state, and local careers in the Southwest, probably in San Antonio."

"15. Collect necessary data and broaden analysis of minority statistics to bring out special information relating to employment and upward mobility of Spanish surnamed persons in the Federal Government."

3. The same failure in appropriately designed courses of study that meet the needs of the Spanish Speaking is found at institutions of higher learning.

4. Insufficient official support and inadequate funding of programs in bilingual bicultural education as evidenced by recent reduction in the various discretionary appropriations. A recent letter to Senator Fannin of Arizona from the Office of the Secretary, DHEW, contained the following paragraph which substantiates the importance of the bilingual bicultural programs:

"Our view that the Bilingual Program better meets the needs of the Spanish Speaking rests in our belief that non-English speaking children need to be instructed in their native language to insure that concepts are learned while at the same time providing English as a second language instruction to enable them to learn through that language as well. Additionally, the utilization of both languages as mediums of instruction provides the children the opportunity to develop pride in the culture that each language represents, thus creating a better learning situation. Since the Bilingual Program focuses on the primary grades it insures that children, through proper educational programs, remain in school rather than waiting until they have dropped-out and then providing them with a remedial program."

5. Significant low reading scores among the Spanish Speaking represent a serious obstacle in the academic achievement for these children.

6. Career education and long range planning for further study have fallen very short of meeting the needs of the Spanish Speaking in public schools. Inadequate vocational and academic counseling and planning have kept Spanish Speaking students uninformed about their occupational and academic possibilities.

7. Many Spanish Speaking high school graduates are either denied college entrance or failed during their freshman year because of their low academic standing due to inappropriately designed secondary education.

8. The cost of a college education, both public and private, has soared to an inacessible degree for the majority of Spanish Speaking candidates. Varied financial aid plans i.e., Federal Grants, work study and loans are so limited that too many eligible students are forced to drop out before the end of the school year.

9. Many local school authorities are uninformed about the needs of bilingual bicultural education in their areas at all levels.

10. Widely diverging practices in the education, accreditation and certification of Spanish Speaking students and professionals who have "foreign degrees", from Latin American secondary schools and universities demand the establishment of valid guidelines to be followed by colleges, universities and state departments of education. While some states and institutions grant credit at a Master's degree level to Doctor of Education degrees from Latin American universities, still others require a minimum of 21–24 "convalidating" *undergraduate* credits for certification at a bachelor's degree level and even then do not allow Latin Doctors of Education thus certified, to teach at the university. For instance, a full master's degree program of 30–36 credit hours is required of Cuban

professionals in Florida, without any waiver in consideration of number of university degrees or of professorships held or experience had in teaching at the university level in their own country.

A case in point also is the so called Hardin Report. A careful study of Dr. Hardin's *evaluating Cuban Education,* School of Education, University of Miami, which was done under a grant from the USOE in the early sixties seriously misconstrues Cuban university degrees and credits. In an effort to equate them to American college studies and university courses, and to make them conform to the American college credit system, the very nature and content of the courses is ignored and the individual's rights are grossly denied. An example of this is Dr. Hardin's evaluation of the *Professor of Languages* degree in which only 81 credit hours are recognized when in fact all students are required to finish a total of 120 hours before being accepted as candidates for graduation.

Similar instances of improper evaluation and accreditation of foreign degrees can be found in all areas.

Migrant children are not being adequately served due to insufficient number of programs available in their respective areas. In places where programs existed they do not last long enough to accomplish their goal even halfway. Most Head Start Migrant programs last only six weeks.

V. RECOMMENDATIONS

The right of every child to an equal education is the fundamental law of the land. However, the existence of inequitable school facilities or a differentiated curriculum poses serious strains upon the Constitution and laws of the United States under the "equal protection" and the procedural "due process clause"; as well as the Civil Rights Act of 1964 (42 U.S.C. 2000d, 2000d1) The denial of said Constitutional guarantees is tantamount to the denial of justice. The discriminatory practice of administering with design by the inequitable distribution of public moneys a school system that fails to provide for the full development of the Spanish Speaking child's innate potential because of a different language and culture, which inevitably results in lower IQ tests, is a violation of the aforementioned constitutional rights and privileges. Hence, the Advisory Committee on the Education of the Spanish and Mexican Americans submits the following recommendations which correspond with findings previously listed.

1. (a) That programs in bilingual bicultural education in both Spanish and English be established in every school whose Spanish Speaking membership is 20% or higher, of its total school enrollment. Minimally, in those schools where there is a sufficient number of Spanish Speaking students at any level a warrant group instruction in basic skills, instruction in Spanish Language Arts & Culture must be provided, along with English as a second language. Optimally, a program in bilingual bicultural education should be designed for both Spanish Speaking children and native English Speaking children and include instruction in both Spanish and English in all curriculum areas. Efforts should be made to provide instruction in Spanish as a second language to native English Speaking children so that they may interact in Spanish with Spanish Speaking peers as early as possible. It is the opinion of this Committee that education for the Spanish Speaking be designed, not only to enable them to move quickly and efficiently into the American mainstream, but also to retain their Spanish language and those attributes of their hispanic culture which have contributed so much to the culture of America. It is through bilingual bicultural programs that this goal is best achieved, without damage to the self-image of the Spanish Speaking child enrolled in an American school. It will then be possible to eliminate the high drop-out rate among Spanish speaking high school students, to meet the special academic needs of all Spanish-Speaking students and to provide programs in vocational education, community participation, psychological and guidance services and curriculum counseling that will enable all Spanish Speaking children to achieve their full potential within American education systems.

(b) That an essential component of any program in bilingual bicultural education must of necessity include the training of teachers to work with both Spanish and English speaking children in both languages.

(c) An effort needs to be made to encourage local school authorities in areas of high concentration of Spanish Speaking to explore the actual needs of this population. Dissemination of information pertinent to bilingual bicultural education needs to be more systematically carried on by DHEW.

2. That the Office of Education enforce and fully comply with the entire President's 16 Point Program and make available a progress report of all pertinent information on what is being done to employ more Spanish Speaking.

3. According to the President's concern, more programs for the Spanish Speaking that utilize technological innovation and that lead to career education need to be stimulated.

4. That a study be made on the teaching of beginning reading to Spanish Speaking children so that its findings may be attached to all guidelines for submitting proposals relative to educational programs designed for such children at the elementary level. The advantages of beginning reading instruction in Spanish, with reinforcement in English, need to be established through experimentation.

In the meantime, the acquisition of reading, especially of decoding skills, in English, should not depend on "Look and Say" or "sight" approaches, such as commonly used by basal developmental reading series, commonly used in American Schools. A linguistic approach to reading based on the alphabetic principle and sound symbol correspondences would do away with the interferences that Spanish Speaking children generally have to cope with in learning to read in a language (English) whose spelling system is so different from theirs.

5. That transitional or "Zero Year" college programs be provided to enable high school graduates who have academic deficiencies to cope with standard freshman courses.

6. That "night" and "week-end" two-year mobile college programs be provided to enable migrants to work toward attaining a college degree while earning a living.

7. That financial aid programs, i.e., The Educational Opportunity Grants Program, The National Direct Student Loan Program, College Work-Study Program, be substantially increased in accordance with the increasing cost of a college education.

8. That programs that waive "Test Scores and Grade Point Averages" to admit Spanish Speaking students to graduate and professional schools be increased. (The Universities of Stanford and Michigan have such programs).

9. That a conscientious indepth comparative study of Latin American and North American educational systems be made by recognized, well informed authorities in their respective areas so that "advisory interpretations or opinions" issued upon request by the Institute of International Studies may be accurately based and non-damaging to Spanish Speaking students and/or professionals seeking recognition of their academic or professional status in this country.

The degrading practice of forcing professionals holding Latin American university degrees to go through various "re-training programs" that either duplicate already acquired experiences or provide "academic" content of absolutely no value in the practice of the profession must be made to cease in all sections of the country.

State certification practices in regard to graduates from institutions in Spanish Speaking countries must be made to conform to validly established guidelines, rather than to the personal appraisal of state department of education officials.

10. That statistics on Spanish Speaking be kept in all programs and systematically disseminated to all school systems and interested agencies and groups.

11. That information regarding grants awarded to private companies for the development of educational materials for Spanish Speakers be disseminated to all school systems and interested agencies and groups.

12. That specific amounts of discretionary funds be made available for continuance of programs in greatest needs affecting the Spanish Speaking.

13. That migrant children be guaranteed educational continuity specially in relation to early childhood programs.

14. That the Advisory Committee become known as the National Advisory Committee on the Education of the Spanish Speaking and as such, be made a permanent Statutory Presidential Committee. Its members should become advisors to all divisions of USOE concerned with the Education of the Spanish Speaking throughout the nation.

A TRAGEDY AT LOGAN INTERNATIONAL AIRPORT

Mr. **BROOKE.** Mr. President, this morning, while approaching Logan Airport's runway, No. 4, Delta Airline flight No. 723 crashed into a retaining wall.

The DC–9 out of Burlington, Vt., via Manchester, N.H., flipped over and instantly burst into flames. At this moment the fate of the 83 passengers and 5 crewmembers is not certain. However, reports from the scene indicate there will be few survivors.

The people of Boston are stunned by this tragedy. Our city has been spared similar tragedies in recent years and the pain is particularly great. Our resources are mobilized to do all we can to heal the survivors and search for and identify the victims and help their families.

There is no solace to be found in such suffering. The immense loss of life is staggering and grief spreads far across the land.

It may be some time before we learn what caused this frightful crash. According to the flight recorder, the crash occurred at 11:09 a.m. Yet, so much happened before and after this moment. For too many the tragedy will long endure.

From here in Washington all we can offer is prayer and our determination to do all we can to prevent further air tragedies. To those brave men and women at Logan Airport and in the hospitals throughout Boston, a word of thanks is due for a valiant and noble effort on behalf of their fellow man.

COURT DECIDES ON BEHAVIOR MODIFICATION

Mr. **ERVIN.** Mr. President, behavior modification has been coming to congressional attention more and more often both through the news media and in letters from American citizens, because of its extreme potential for encroachment upon individual rights. Certainly there could be no more offensive violation of a person's privacy than a manipulation of his relationship to the world around him. There could be no greater abuse of one's freedom of thought than to alter the very manner of his thinking.

In my statement to the Health Subcommittee during their hearings on human experimentation in March 1973, I discussed the matter of behavior modification in our prisons and mental institutions. At that time, there had been no definitive court case having to do with this practice. On July 10, 1973, the Wayne County Circuit Court, in the State of Michigan handed down such a case. Since John Doe against Department of Mental Health for the State of Michigan is the first of what is likely to be a series of decisions relating to the alteration of behavior and individual rights, it is worthy of discussion in the Record for the information of Senators and American citizens.

The plaintiff was committed to the Ionia State Hospital as a "criminal sexual psychopath." He had been charged with the murder and subsequent rape of a student nurse at the Kalamazoo State Hospital while he was confined there as a mental patient. After his arrival at Ionia, he agreed to participate in a "study for the treatment of uncontrollable aggression." The study had been proposed by Drs. Ernst Rodin and Jacques Gottlieb of the Lafayette Clinic, a facility of the Michigan Department of Mental Health.

John Doe against Department of Mental Health turned on the issue of whether informed consent can be given by an involuntarily detained mental patient for experimental psychosurgery. The court first noted three elements of informed consent: the person must have the capacity to consent, the consent must be knowing, and it must be voluntary. Because the risks of experimental psychosurgery are so great, the court decided that it is not possible to gain consent from an involuntarily confined mental patient, for it could not be competent, knowing, and voluntary.

The court found that the capacity of an individual in the plaintiff's situation is reduced by his mental condition, the deprivation stemming from involuntary confinement, and from the effects of "institutionalization." A knowledgeable consent, said the court, is "literally impossible," since the facts surrounding any brain surgery are so uncertain. Also, the court stated that the consent of a mental patient confined against his will to experimental psychosurgery cannot be voluntary, for he lives in an environment that is inherently coercive. His privileges, indeed, his release from the institution may depend upon his willingness to cooperate with the authorities; he cannot reason as an equal with doctors and with administrators over whether he should undergo psychosurgery. The court concluded, then, that the three basic elements of informed consent could not be determined with sufficient certainty to warrant resort to such an "invasive procedure."

The opinion states that since adequate consent cannot be obtained in these circumstances, a doctor performing psychosurgery on an involuntarily confined patient would be liable to him in a civil action for battery. Furthermore, according to the court, State action in such a situation violates the first and fourteenth amendments and is an unconstitutional invasion of privacy.

The court said that the freedom to generate ideas is a necessary prerequisite to any freedom to express ideas. Therefore, the former freedom must be constitutionally protected:

> To allow an involuntarily-detained mental patient to consent to the type of psychosurgery proposed in the case, and permit the State to perform it, would be to condone State action in violation of basic first amendment fights of such patients, because impairing the power to generate ideas inhibits the full dissemination of ideas.

The court cites several cases as authorities for the right of privacy, including *Olmstead* v. *United States*, 277 U.S. 438 (1928); *Griswold* v. *Connecticut*, 381 U.S. 479 (1962); *Stanley* v. *Georgia*, 395 U.S. 557 (1969); *Rowe* v. *Wade*, 41 L.W. 4213 (1973). The court asserts that—

> [T]here is no privacy more deserving of constitutional protection than that of one's mind. Intrusion into one's intellect, when one is involuntarily detained and subject to the control of institutional authorites, is an intrusion into one's constitutionally-protected right of privacy.

Of course, the decision of a Michigan county court is not controlling precedent in other jurisdictions. Even so, the case is the first significant one having to do with experimental psychosurgery on persons institutionally confined. As such, the court's analysis and conclusions will undoubtedly be given serious consideration in subsequent cases, regardless of jurisdiction.

The court's reasoning with regard to the consent issue applies not only to involuntarily confined mental patients, but to all persons involuntarily confined; in particular, our Nation's thousands of prisoners. In my statement to the Health Subcommittee last March, I asked;

> [C]an an inmate freely volunteer for a program to alter his mind when he is in a prison setting?

At least with regard to experimental psychosurgery, the Michigan court has rendered a negative response to that question.

I take this opportunity to renew my plea for greater congressional oversight of programs involving the alteration of the human mind. The Constitution did not withhold its guarantees from prisoners or from the mentally ill. It is our duty to assure that constitutional freedoms are afforded to all citizens, including those who are institutionally confined.

THE COURTS SUSTAIN CONGRESS ON IMPOUNDMENT

Mr. HUMPHREY. Mr. President, the massive impoundment of congressionally appropriated funds by the present administration is as illegal today as it was in January of 1973. It is still an item veto today, as it was in January of 1973. It is still as wrong and as much a threat to the congressional control over power of the purse today as it was in January 1973. It is still having a devastating effect on people-oriented programs in the cities and on crucial health research in cancer or lung diseases.

Fortunately, Mr. President, it is apparent the judicial branch of this Government has agreed with the congressional view of impoundment: it is illegal, an overstepping of executive authority, and it must be stopped. In case after case, the court has said to the President of the United States: You must spend what the Congress appropriates. You do not have the right to an item veto. You do not have power over the purse.

Mr. President, the Washington Post has reported the latest court decision on the impoundment question. It notes that the President's attempt to subvert the appropriations process suffered another setback in the U.S. district courts in Washington, D.C., when two judges ruled that funds for school construction and hospital maintenance must be released for their intended destinations in Massachusetts and the District of Columbia. These intended cuts are a blatant example of the politically motivated, socially irresponsible policies upon which impoundment is based, and I am pleased to see that sensible rulings by the courts will preclude the implementation of such backward programs.

Another article appearing in the New York Times concerns the withholding of nearly $1.1 billion in funds Congress had intended for major health programs. Chairman Harley O. Staggers of the House Commerce Committee, which detected the huge discrepancies between funds available and funds spent on various health programs, expressed his outrage at this arbitrary action on the part of the administration. Staggers said in a correspondence to Caspar Weinberger, Secretary of Health, Education, and Welfare:

> I am dismayed that you have felt it appropriate to impound the billion dollars your letter describes.

He continued:

> I am not convinced that this is legal, necessary, or in the best interests of the people of our nation.

Mr. President, I can only echo the sentiments of Chairman Staggers in my opposition to this failure of the administration to meet the needs of its people. We must continue to press forward in our efforts to stop the President from defying the intent of the Congress.

I ask unanimous consent that these two articles be printed in the Record.

There being no objection, the articles were ordered to be printed in the Record, as follows:

A Billion in Health Funds Found Unspent by HEW

(By Harold M. Schmeck, Jr.)

Washington, July 26.—During the last year the Nixon Administration did not spend nearly $1.1-billion in funds Congress had intended for major health programs, according to figures obtained by the House Commerce Committee.

The total withheld was more than one-fifth of the roughly $4.759-billion allotted to the Health Services and Mental Health Administration and the National Institutes of Health, the two largest health-related agencies of the Department of Health, Education, and Welfare.

The discrepancies between funds available for spending and funds spent were found in the mass of data sent to Congress by the department.

This led to an exchange of letters between the Commerce Committee chairman, Representative Harley O. Staggers, Democrat of West Virginia, and Caspar W. Weinberger, Secretary of Health, Education and Welfare.

"I am dismayed that you have felt it appropriate to impound the billion dollars your letter describes," Mr. Staggers said in the latest letter, which he made public. "I am not convinced that this is legal, necessary, or in the best interests of the people of our nation."

He asked the Secretary for program-by-program justification for not spending the money that was allocated in the continuing Congressional resolution under which the department's spending was authorized during the 1973 fiscal year.

The funds authorized by the resolution were, in effect, appropriations. They were handled through the resolution mechanism because of the President's veto of the health appropriation bill for 1973.

In a letter to Mr. Staggers, Secretary Weinberger defended the withholding of the funds as legal, but a spokesman for the Commerce Committee said there had not yet been a reply to the request for a program by program analysis.

A detailed breakdown of the unspent funds showed that even some of the programs given special public emphasis by the President were affected. For example, the National Cancer Institute left $58,895,000 unspent in a total budget authority of $492,205,000

The National Heart and Lung Institute left spending level of $300 million.

Most severely hit were Federal mental health programs of $743,723,000 available, $199,209,000 was unspent.

The Administration's decision not to spend such large sums that had, in effect, been appropriated was criticized sharply today by Representative Paul G. Rogers, chairman of the Commerce Committee's Health and Environment subcommittee.

Mr. Rogers, Democrat of Florida, said the Administration was not carrying out the laws passed by the Congress and was thus distorting the constitutional premise of the separation of powers.

Saying he considered it a "very serious situation," Mr. Rogers suggested it might be necessary to hold hearings on the subject and even to call for the resignations of officials who refuse to carry out the laws involved.

In his letter to Secretary Weinberger, Mr. Staggers said the programs in question had been created to meet specific needs, such as protection from disease, health manpower, biomedical research and improved health services of many kinds.

"Unless these needs in fact do not exist, or have been met, or are being met by alternative superior programs, then these impoundments must be considered a sad failure of our Government's commitment to serve its people," the letter said.

A spokesman for the Department of Health, Education and Welfare said there would be no comment until Mr. Weinberger had replied to Mr. Stagger's latest letter.

JUDGE ORDERS HEW SPENDING

The Nixon administration's economy drive, which has come mostly in the form of attempts to impound congressionally authorized funds, suffered two more setbacks in U.S. District Court here yesterday.

Judge Oliver P. Gasch ordered the release of about $1.1 million in school construction funds for the District of Columbia and Massachusetts.

Judge John H. Pratt granted an injunction that prohibits the closing of eight Public Health Service hospitals.

Both orders were directed at the Department of Health, Education and Welfare.

Gasch found that HEW must release funds, part of $50 million appropriation under Title III–A of the National Defense Education Act, because the law "requires the Commissioner of Education to allot among the states" the money appropriated by Congress. Education Commissioner John Ottina had allotted only $2 million of the funds.

The money had been reserved June 29, pending the judge's ruling, so that it would not revert back to the federal treasury the next day, at the end of the 1973 fiscal year.

Massachusetts will get about $1 million and the District about $100,000.

Pratt agreed with the Seafarers Union, which sought the injunction against the hospital closings, that there is "even more reason today" to grant the injunction than last week, when he had issued a temporary restraining order.

In the meantime, Congress restated its desire to keep open the hospitals, which have served merchant seamen, American Indians and government employers for more than 180 years. The Nixon administration sought to shut down the facilities in favor of comparable care elsewhere.

THE TAPES—AND MR. COX

Mr. STEVENSON. Mr. President, the Attorney General has suggested that I "misunderstand" the assurances contained in his document of May 21, 1973, entitled "Duties and Responsibilities of the Special Prosecutor."

The record and Mr. Cox's charter are incapable of misunderstanding.

The President has denied the special prosecutor access to the tapes of conversations about the Watergate case. The guidelines given the Senate on the President's express authority say the special prosecutor shall have "full authority" for "reviewing all documentary evidence available from any source, as to which he will have full access."

Executive privilege is not applicable. That doctrine is rooted in the doctrine of separation of powers. Separation of powers is inapplicable in this instance because the powers are not separate. Mr. Cox is a member of the executive branch at the insistence of the administration. He is not a member of the judicial branch. Mr. Cox is seeking judicial enforcement of his subpena, but only because the White House has denied him "access" to the tapes. Having forced Mr. Cox to seek a remedy in court, the White House cannot now assert that the doctrine of separation of powers is applicable, because a court is involved.

If later, after gaining access to "all documentary evidence," Mr. Cox determined that certain evidence was relevant and sought to introduce the evidence in a criminal proceeding, the President would have an opportunity to interpose objections based on the doctrine of separation of powers. That question is not now before us, nor is the question of whether the Department of Justice or the White House has final authority to assert on behalf of the executive branch objections based on the separation of powers. If these questions did arise later, they would not, I believe, justify the suppression of relevant evidence in a criminal proceeding.

The President appears to take the position that Mr. Cox is not, after all the assurances to the contrary, independent. In his letter of July 23 to Mr. Cox, Charles Alan Wright, on behalf of the President, suggested that if Mr. Cox is part of the executive branch—as Mr. Cox has acknowledged:

> You are subject to the instructions of your superiors, up to and including the President, and can have access to presidential papers only as and if the President sees fit to make them available to you.

The President may be taking the position that Mr. Cox is dependent—an employee of the executive branch and, therefore, subject to orders. That position would be totally at variance with the assurances of independence given the Senate by Mr. Richardson on the President's behalf.

In his letter of May 21 to me, expressing his hope that the guidelines issued on that date would resolve "any remaining doubts about the impartiality of the independent investigation and prosecution," Mr. Richardson said:

> Hopefully, as you so aptly pointed out, justice delayed can now proceed with dispatch.

But Mr. Cox has not been permitted to proceed with dispatch. The President is delaying the investigation by obstructing Mr. Cox's access to "all documentary evidence from any source."

If the President persists, the investigation will bog down in a morass of charges and countercharges and abstruse arguments over unreal issues. The investigation will drag on and on toward inconclusive and untimely results, and the Congress could in time be confronted with the choice of either confessing the bankruptcy of the system, by doing nothing, or of commencing impeachment proceedings. My purpose in imploring the President to give Mr. Cox access to all relevant documentary evidence, including the tapes of conversations relating to the Watergate case, is to avoid that choice of intolerable alternatives and get this grim matter closed and behind us as quickly as possible.

H.R. 8947, PUBLIC WORKS APPROPRIATION BILL

Mr. WILLIAMS. Mr. President, yesterday the Senate passed the conference report on H.R. 8947, which appropriates funds for the Nation's needed public works and other undertakings, including the Tocks Island conservation project, on the Delaware River bordering our Garden State of New Jersey.

When this matter was before us last year, I made clear that my support for this authorized multipurpose undertaking, which undoubtedly will benefit many millions of people, was contingent upon resolution of questions raised by CEQ concerning eutrophication or pollution control of its waters.

I am now pleased to point out this matter is well on its way to resolution, following enactment of the new Federal

Water Pollution Control Act of October 18, 1972. As explained by its conference manager, this new act authorizes Federal programs and EPA financial assistance "to control any potential water quality or eutrophication problems of the authorized Tocks Island Reservoir."

Pursuant to this new landmark law, on May 31, 1973, all of our four Delaware River Basin State Governors and Secretary Morton for the United States, "after consultation with all State and Federal water pollution control agencies" concerned, unanimously agreed in their DRBC Resolution 73–5 to take all steps necessary "to afford adequate—water pollution—protection of the reservoir."

I particularly point out this resolution specifically includes the Governors' commitment to manage all agricultural or "nonpoint sources of water pollution in the area, and drainage areas tributary thereto," in accordance with EPA policy and regulations relating to erosion and sediment control, fertilizer use, and land disposal of animal wastes.

Other suggestions made during the past year, to insure that this project's needed environmental benefits to New Jersey will be provided without adverse side effects, have been and should be implemented well before Tocks Island's completion in the early 1980's. For example, also last May 31, 1973, each of our four Delaware Basin State Governors and Secretary Morton for the Federal Government also adopted their DRBC resolution No. 73–6, reducing the planned level of recreation development at Tocks Island Lake and its surrounding recreation area to a maximum of 4 million visits a year, or 42,000 a day. In addition to reducing impact on the project environment, this also reduces its effect on highways.

Mr. President, the need for this project's benefits is known; the effort to minimize or avoid its adverse environmental effects is well underway. I extend my statement in support of H.R. 8947 to include the following letter from a former Governor of our State concerning New Jersey's need for the Tocks Island conservation projects.

I ask unanimous consent that the letter be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

JULY 10, 1973.

Hon. HARRISON A. WILLIAMS, Jr.,
Russell Senate Office Building,
Washington, D.C.

DEAR SENATOR PETE: I understand the House recently approved the Administration's full appropriation recommendation for Tocks Island. This important matter should then come before you soon.

You will recall the need for Tocks Island; you played an articulate role in the demand for its authorization, and again for its acceleration during and after our drought disaster of the sixties.

The current State and Federal re-evaluations reaffirming the need for Tocks Island are impressive. That need is long established. It was affirmed in the 1931 and 1954 Supreme Court Delaware River allocation cases, for example. The Report of the Special Master underlying the 1954 Decree raising New York's allocation emphasized that New Jersey has "increased water needs for substantial quantities", that "New Jersey must obtain its additional supplies from the Delaware", and that New Jersey may do so if there are new storage releases to the mainstem to compensate for its increased withdrawals from the Delaware.

This same need was established through all of the Incodel, DRBC and other interstate efforts that followed—and most vividly during the protracted Delaware drought crisis of the recent sixties. As Governor of New Jersey and Chairman of the Basin States' emergency efforts throughout that crisis (during which, despite conservation, we were actually reduced to proposed tank car water delivery for New Jersey), I assure you no computer is required to prove the need for Tocks Island—to meet the new far greater water needs of this and other Delaware Basin States.

That harrowing crisis established beyond question that Tocks Island, up on the tri-State boundary, is required to supply the conservation storage needed to permit greater diversion of New York's authorized allocation from the Basin above, as well as augmented flows needed for increased downstream New Jersey-Pennsylvania needs and to hold the Delaware's salt line below Philadelphia's intakes.

Governor Cahill's study, and all others under the Northeast Water Supply Act of 1965 which Congress enacted to prevent repetition of that drought disaster, also affirm Tocks Island's necessity—as well as its environmental superiority over any of its alternatives—to meet the known human water supply, flood protection, energy supply, recreation, and other requirements of the people dependent on the Delaware.

The suggestion that all land purchased for this authorized multipurpose undertaking be used only for recreation does not seem responsive to those known human needs. The case against that proposal was succinctly stated last year by Secretary Morton—making clear that the limited waters of this great interstate stream must be used for all public purposes, including recreation. That proposal also ignored the fact that the needed development it would destroy is the foundation of a well-considered plan for forever preserving the Delaware's entire upper 75 miles as a wild and free-flowing scenic recreation River, conserving its seasonal high flows in Tocks Lake for mainstem flood control, water supply, energy supply and recreation, preserving the 75 square mile region around it as a national recreation area, and supplying sustained Lake releases needed to improve the low-flows and water quality of the mainstem's remaining 165 free-flowing miles and Delaware Bay.

The adjustments suggested to assure Tocks Island serves New Jersey's needs without adverse side effects are under way and will be implemented well before its completion. The new Federal Water Pollution Control Act of last October contains special provisions and financial assistance to assure its water pollution control, the Delaware Basin State Governors have now unanimously agreed to provide such before Tocks' completion, and its recreation level is now reduced to 42,000 daily visitors (21,000 New Jersey) to minimize highway impact.

New Jersey's water supply, energy and other environmental needs for Tocks Island are established beyond question, and are mounting. Its Federal carrying costs are mounting. I thus urge your full and favorable consideration of this important Delaware Basin Project matter when it comes before you.

Warm personal regards,
Sincerely,

RICHARD J. HUGHES.

TIME FOR A NEW CUBA POLICY

Mr. FULBRIGHT. Mr. President, there appeared recently in the Washington Post an uncommonly thoughtful and perceptive article on the all but forgotten subject of Cuba by Congressman CHARLES W. WHALEN, Jr. of Ohio. Representative WHALEN develops the thesis that our Cuban policy remains "one of the last vestiges of our cold war posture." Latin American leaders, he points out, "no longer take seriously our anti-Cuban exhortations," because, in their judgment, "If the United States can switch on China, they can switch on Cuba." Calling for a United States-Cuban détente, Representative WHALEN cites the benefits which would accrue in the entire hemisphere. Eliminating the Cuban issue, he points out, would "enable the OAS to focus attention in more urgent priorities such as trade, economic development and regional integration."

Mr. President, I ask unanimous consent to have Congressman WHALEN's excellent article printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

TIME FOR A NEW CUBA POLICY

(By Charles W. Whalen, Jr.)

The recent Nixon-Brezhnev summit and the less visible OAS meetings now being held in Lima, Peru, raise logical questions about our Cuban policy, one of the last vestiges of our cold war posture. Although a low priority on the agenda, Cuba undoubtedly was discussed by President Nixon and General Secretary Brezhnev. In the Lima sessions delegates are considering "proposals to revamp the inter-American system." Within this change, Peruvian or Chilean representatives undoubtedly will offer a resolution permitting OAS member states to resume relations with Cuba (a similar motion, offered by Peru in 1972, lost by a 7–13–2 margin). At both of these forums of private and public diplomacy one can visualize the discomfort of the United States spokesmen in attempting to justify a Cuban policy which is clearly outdated and inconsistent with the international détente which the President, himself, has so effectively fostered.

Although Brezhnev may not have pressed the Cuban issue with the President, there is reason to believe that the Russians are interested in a U.S.-Cuban rapprochement. This is strongly suggested by recent authoritative articles in the Soviet official press. These news reports stem, perhaps, from Russian frustration with the limited returns on their $1.5 million per day investment in Cuba. Or perhaps they reflect a growing disenchantment with Castro. Regardless of the Soviet's view of Cuba, one thing is clear: a reduction of the Soviet military presence on that island is in the best interests of the American nations. Further, a triangular U.S.-Cuba-Soviet dialogue could lead to positive negotiations on this issue.

At the Lima meeting, an extremely close tally on the Cuban issue is likely. Panama and Venezuela hold the key to the vote outcome. Although both of these countries have given strong indications that they plan to normalize relations with the Cuban government, whether they will do so in the context of the OAS is uncertain. Argentina is the latest entrant to the fold of those nations which have reestablished diplomatic relations with Cuba, joining Mexico, Peru, Chile, Guyana, Barbados, and Trinidad and Tobago.

This crumbling of the 1964 OAS ban, when member countries collectively severed commercial and diplomatic ties with Cuba, is unmistakable and irreversible. Cuba's subversive activities have lessened perceptibly in the hemisphere since Che Guevera's unsuccessful 1967 efforts in Bolivia. Thus, in the eyes of most Latin governments, Cuba no longer poses a serious threat to their existence. Furthermore, while there are those in the United States who minimize the "analogy of the Nixon approach to Peking," this rationale for a possible Washington policy shift is not lost on our neighbors to the south. As one of our diplomats recently noted, most Latin ministers and presidents say to themselves: "If the United States can switch on China, they can switch on Cuba." These Latin officials, therefore, no longer take seriously our anti-Cuban exhortations. Moreover, they have no desire to be embarrassed as were the Japanese with our China shock.

How long will it take for us to realize that our Cuban policy is nonproductive? My discussions with certain administration representatives lead me to believe that they are told *not* to think about a change in our Cuban doctrine. Rather, they apparently are being encouraged by their superiors to search for other dubious reasons to support our present hardline. The traditional justifications for preserving activities, the Soviet military presence, our present stance—Cuba's subversive and the "obligations" of the OAS ban—obviously are weakening in substance and are being de-emphasized by high officials. The charge that Castro is not interested in improving relations (in contrast to Mao Tse-tung's and Chou En Lai's receptive attitudes when we opened relations with China) now is used increasingly to justify our intransigence.

Fidel Castro's May 1 speech did exude hostility to the United States. Yet his talk contained some interesting new twists. Castro indicated that: (1) Cuba is willing to cooperate with *any* Latin American nation, not just socialist countries; (2) Cuba would consider joining a regional organization whose membership did not include the United States; and (3) Guantanamo is not the "main thing." While one must admit that Castro's predictability is suspect, United States' officialdom, to avoid possible future embarrassment, should not ignore his latest comments.

Why are we so inflexible in terms of our Cuban policy? There are those who believe that the President is very sensitive to the Cuba matter. Some claim that the President's unfavorable impression of Castro, stemming from his 1959 private conference with the Cuban leader at the U.N. still lingers. Others maintain that the President is strongly influenced by his Cuban-American neighbors in Florida. Still another version has it that the President does not take kindly to the savage treatment accorded him in the Cuban press. Whatever the reason, I believe that the time is ripe for the President to come to grips with this nagging issue.

The most important reason for improving relations with Cuba lies in the unity of the inter-America system. A more relaxed political atmosphere and improved hemispheric relations most assuredly will occur if a U.S.-Cuban détente is reached.

The Cuban issue has divided OAS member nations in recent years. Its discussion has dominated much of this organization's deliberations, thereby severely limiting its effectiveness. Defiance of the OAS ban by other Latin countries will further exacerbate hemispheric relations, accelerate the erosion of the OAS, and embarrass the United States and those nations which adhere to our intractable position. Thus, removal of this cancer is imperative.

Eliminating the Cuban issue not only will reduce tension among American states but will permit re-direction of hemispheric policy. It will enable the OAS to focus attention in more urgent priorities such as trade, economic development and regional integration. A significant contribution toward the realization of these objectives will occur if the United States conforms its Cuban attitudes to our new, pragmatic approach to China and Russia.

A NEED FOR A SWEDISH-AMERICAN THAW

Mr. HUMPHREY. Mr. President, I would like to bring to the attention of Senators an editorial in yesterday's Minneapolis Tribune supporting Senate Resolution 149.

The Tribune makes an excellent point: Now is the time for the President to end the diplomatic cold war between the United States and Sweden. The time has come to welcome a Swedish Ambassador in Washington and to send our Ambassador to Stockholm.

Mr. President, nothing can be accomplished by continuing our present policy which is rooted in resentment and hostility. The United States and Sweden can only drift further apart. We need dialog, but we have diplomatic isolation which takes us further away from the exchange which solves problems between nations. As the Tribune ably argues, our relations with Sweden at least deserve to be on the same level as those we have established with other governments which have been extremely vocal in their criticism of the United States.

Mr. President, I ask unanimous consent that the editorial from the Minneapolis Tribune be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

> NEED FOR A SWEDISH-AMERICAN THAW
>
> President Nixon should seize the opportunity for a bold foreign-policy initiative offered to him recently by his one-time rival for the presidency. "The time has come to normalize our relations with Sweden," Sen. Hubert Humphrey said last week. We agree. So would most Sweden-watchers, who think the time for containing Sweden has passed.
>
> His long record of opposition to alien ideologies gives Mr. Nixon the chance to mend the breach without risk of being called soft on socialism. We recognize that the administration has been rankled by Swedish criticism of American involvement in Indochina, but we hope the President remembers that such criticism has also come from some of his friends abroad—Leonid Brezhnev, for example, and Chou En-lai.
>
> Diplomatic obstacles impede normalization. The United States has had no ambassador in Stockholm since last August; Sweden recalled its ambassador from Washington last January. Under those circumstances, a covert visit by Henry Kissinger to Prime Minister Olof Palme might be a first step in reopening top-level communications. Later, there could even be a Stockholm summit. It is not beyond reason to suggest that Americans might one day see and hear, by satellite relayed television, the Star Spangled Banner being played in Stockholm's Kungs-tradgarden near the royal palace.
>
> Humphrey describes the administration's actions as "infantile petulance." That may be a bit strong, but surely it is time to drop the pretense that the Scandinavian middle kingdom does not exist.

GENOCIDE: THE IMPORTANCE OF INTENT

Mr. PROXMIRE. Mr. President, article II of the International Convention on the Prevention and Punishment of the Crime of Genocide explicitly states which acts constitute genocide:

> In the present Convention, genocide means any of the following acts committed with intent to destroy, in whole or in part, a national, ethnical, racial or religious group, as such:
>
> (a) Killing members of the group;
>
> (b) Causing serious bodily or mental harm to members of the group;
>
> (c) Deliberately inflicting on the group conditions of life calculated to bring about its physical destruction in whole or in part;
>
> (d) Imposing measures intended to prevent births within the group;
>
> (e) Forcibly transferring children of the group to another group.

There has been some question as to the meaning of certain terms, that is, "in whole or in part," "group," and "mental harm." So that there would be no misconceptions in this regard, the Senate Foreign Relations Committee recommended that two understandings be added to this article. These read:

> (1) That the U.S. Government understands and construes the words "intent to destroy, in whole or in part, a national, ethnical, racial, or religious group, as such" appearing in article II to mean the intent to destroy a national, ethnical, racial, or religious group by the acts specified in article II in such a manner as to affect a substantial part of the group concerned.
>
> (2) That the U.S. Government understands and construes the words "mental harm" appearing in article II(b) to mean permanent impairment of mental faculties.

Thus it is seen that perhaps the most critical element used to determine whether or not an act is genocidal is intent. As the committee stated:

> Basic to any charge of genocide must be the intent to destroy an entire group because of the fact that it is a certain—group, in such a manner as to affect a substantial part of the group.

This means, then, that the controversial school busing and birth control clinics would not fall within the jurisdiction of the Genocide Convention since the key element of intent is lacking.

Because it is crucial that intent be present in order to punish someone for the crime of genocide, it is clear that ratification of this treaty will not result in a rash of charges of genocide. Mr. President, the Senate should ratify the Genocide Convention now.

CAMBODIA

Mr. FULBRIGHT. Mr. President, as a result of discussion this morning in the Committee on Foreign Relations, Secretary of State Rogers has been invited to appear before the committee in public session on Thursday, August 2, to discuss the Cambodian situation. Recent news reports from Phnom Penh indicate a continuing deterioration in the position of the Lon Nol government despite intensive U.S. air action and the reported introduction of U.S. advisers. The advent of a possible crisis in Cambodia suggests the desirability of a clear statement and an open discussion of the administration's intentions with regard to the American role in Cambodia in the days immediately ahead.

The committee's experience in its dealings with the administration over

Cambodia has been an extremely unfortunate one. Both Congress and the American people have repeatedly been misled with regard to the administration's actions and intentions in that country.

In early April 1970 the Secretary of State described to the committee efforts which he said the administration had taken to insure respect for Cambodia's neutrality. With regard to past U.S. actions he gave the committee his complete assurance that the United States' "hands are clean and that its heart is pure." He stated that the administration had no intention of widening the war and that our best policy was to avoid any action which would appear to violate the neutrality of Cambodia. Unknown to the committee or the public at the time the Secretary spoke was the fact that thousands of B–52's had bombed Cambodia during the preceding 13 months. The Secretary of State, as it now appears, was a party to that decision.

On April 27, 1970, as indications of possible U.S. involvement in Cambodia became stronger, the Secretary again appeared before the committee.

In response to almost unanimous counsel of the committee that the United States avoid any involvement in Cambodia the Secretary assured us that he and the President shared our desire to avoid a possible repetition of our experience in South Vietnam. With regard to the possibility of U.S. combat or support activities in Cambodia the Secretary promised that he would try to consult with the Congress before any action was taken. Three days after these statements were made massive U.S. air and ground forces moved against Cambodia.

In announcing the invasion of Cambodia to the American people on April 30, 1970, the President had this to say:

> For 5 years, neither the United States nor South Vietnam has moved against these enemy sanctuaries because we did not wish to violate the territory of a neutral nation. Even after the Vietnamese Communists began to expand these sanctuaries 4 weeks ago, we counseled patience to our South Vietnamese allies and imposed restraints on our own commanders.

This statement must also be reevaluated in the light of our recently acquired knowledge that between March 1969 and April 30, 1970, American B–52's had flown 3,630 missions and dropped 100,000 tons of bombs on Cambodia. We also now know that during the period to which the President referred we had also regularly sent Special Forces teams into Cambodia supported by fighter bombers.

It is the knowledge of these facts that induces the committee at this critical juncture to call upon the Secretary to make clear the administration's intentions. The negotiations which were supposed to have been taking place now turn out to be nonexistent. The bombing which was claimed to be necessary in order to secure a cease-fire, now appears to be ineffective even in maintaining a minimal defensive effort.

I hope that the Secretary of State will accept our invitation and that he will be able to assure us that the laws which the President has signed will be respected and that the American military role in Cambodia will at long last be terminated, not later than August 15, 1973.

THE COURTS AND SPEEDY TRIAL—OUT TO LUNCH

Mr. ERVIN. Mr. President, a recent article which appeared in the New York Times strikingly underlines the speedy trial dilemma facing the criminal courts in this country. The article, based on studies by the Economic Development Council and the Judicial Data Processing Office of the city of New York, provides a statistical analysis of the amount of time that New York State Supreme Court justices handling criminal cases in New York City actually spend on the bench each working day. Among other interesting statistics, the study by the Economic Council notes that the justices sitting in Manhattan spend an average of 3 hours and 21 minutes per day on the bench. This amounts to approximately 52 percent of their nominal working day. The Judicial Data Processing Center survey cited in the Times article found that State supreme court justices in Queens and the Bronx spend an average of 17.1 percent of the court day in recess and 24.2 percent of the court day in recess and 24.2 percent at lunch.

While I, as a former jurist, can view the statistics generated by these studies with the benefit of an understanding and sympathetic eye, it nevertheless appears to me that the trial delays and underutilization of court facilities noted in these surveys go somewhat beyond that which can be characterized as normal or acceptable. The Economic Council report cited several factors which apparently played a major role in causing court delays.

> Late court reporters, delays in fetching prisoners, late prisoner deliveries, absence of tardy attorneys, late jurors in pending trials, a missing interpreter or sometimes the late arrival of the judges themselves, often cause a part to be shut down.
>
> Many of these staff problems could be alleviated by better supervision and where outside parties or agencies are at fault, the adoption and enforcement of sanctions and policies designed to insure proper function of the court.
>
> When any delay occurred and the judge left the bench there was frequently a progressive breakdown until the part shut down for the day. When a part closed at any time in the afternoon, the court staff usually disappeared. We could not determine their location or how they might be reassembled if new work were to be found.

In summary, the Economic Council study ascribes the delays noted in its survey to—

> The failure of the judiciary to schedule its work load properly and to discipline lawyers and other court personnel who were absent or tardy.

The problems of court delay in the State Supreme Court of New York City are similar to those being experienced in the Federal courts. I have proposed a solution to court delay in the Federal courts in S. 754, the speedy trial bill. The Economic Council calls for sanctions and policies to insure proper function of the court. S. 754 includes such sanctions and policies. The bill requires automatic dismissal with prejudice of any case which is not brought to trial within its mandatory time limits. This sanction should effectively curtail the extensive pretrial delays which frequently occur in the Federal court system. The dismissal sanction provides a selfish motive for the criminal defendant to seek a speedy trial and provides a harsh penalty for any unjustifiable delay by the prosecution or the courts in bringing a case to trial. S. 754 also provides that each Federal court district prepare a plan detailing its requirements for additional staff and resources which will be needed to achieve the ultimate goal of commencement of trial within 60 days of arrest. Faced with a stiff dismissal sanction and the availability of sufficient administrative assistance under the provisions of S. 754, Federal judges will no longer be able to allow the type of activities which frustrate speedy justice in the State Supreme Court of New York City.

For too long the Congress has relied on the Federal courts to put their own house in order. For a variety of reasons, the hoped-for improvements have not been forthcoming. What is now necessary is a national statement of policy that the Congress will no longer tolerate business as usual in Federal criminal trials. Only strong legislation such as S. 754 will provide the momentum and the pressure to achieve speedier trials and insure that we never have to read an article that says that Federal district judges spend almost a quarter of their working days at lunch.

Mr. President, I ask unanimous consent that the full text of the New York Times article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

JUDGES FOUND ON BENCH ONLY 52 PERCENT OF DAY

(By David Burnham)

During a sample week, the State Supreme Court justices handling criminal cases in Manhattan were on the bench an average of 3 hours and 21 minutes a day, or 52 per cent of their nominal working time, a study by the Economic Development Council has found.

The study by a task force of management specialists concluded that the two major causes of what is called the "substantial under-utilization" of the courts was the failure of the judiciary to schedule its work load properly and to discipline lawyers and other court personnel who were absent or tardy.

23 MINUTES SHORTER

Although other sections of the council's examination of State Supreme Court were released last summer by Presiding Justices Harold A. Stevens and Samuel Rabin, the highly critical reports concerning the handling of criminal cases in Manhattan never were publicly distributed.

The court-utilization study, dated Nov. 28, 1972, and a brief follow-up study dated January of this year, were done without cost for the courts by a team of eight management and system specialists working full time.

For the first study the task force monitored 19 Manhattan courtrooms from Feb. 28 to March 24 last year, when it found that the average on-the-bench time was 3 hours and 44 minutes. During the follow-up study, which covered the week of last Dec. 11–15, the on-the-bench time declined to 3 hours and 21 minutes.

The general rules of the Judicial Conference, the umbrella organization of state courts, say the courts in the state shall open "not later than 10 A.M." and close "not earlier than 5 P.M." and that daily session "shall total not less than six hours."

Supreme Court Judge Edward R. Dudley, who administered the courts during the period covered by the council study, said the report was "full of half truths," partly because it "gives no idea of what goes on in the back room or the chambers." He also complained that the management specialists who did the study at the request of Judge Stevens, the presiding justice of the Appellate Division, First Department, "never talked to me."

Neither Judge Stevens nor Gerald Stern, director of administration of the courts in the first department, could be reached for comment about the report.

Discussing the major causes of the "down time" of the courts, the council report said that with the exception of the decentralized narcotic parts, "there appeared to be no procedures for transferring work or obtaining additional cases when a fully staffed part was on standby basis or about to close in the afternoon for lack of cases."

The report said the lack of procedures to coordinate the courts was aggravated "by poor staff support both from within and outside the court."

SEVERAL FACTORS CITED

"Late court reporters, delays in fetching prisoners, late prisoner deliveries, absence of tardy attorneys, late jurors in pending trials, a missing interpreter or sometimes the late arrival of the judges themselves, often cause a part to shut down," the report continued.

But the council said these staff failures did not exonerate the judges. "Many of these staff problems," the report said, "could be alleviated by better supervision and, where outside parties or agencies are at fault, the adoption and enforcement of sanctions and policies designed to insure proper functioning of the court."

"When any delay occurred and the judge left the bench," the report said, "there was frequently a progressive break-down until the part shut down for the day. When a part closed at any time in the afternoon, the court staff usually disappeared. We could not determine their location or how they might be reassembled if new work were to be found."

The council's first report, which monitored the Manhattan courts during most of March 1972, provided an hour-by-hour breakdown of the activity recorded by the monitors. "While the court was officially open at 10 A.M., only limited bench activity was apparent," the report said, noting that judges were on the bench in only 58 per cent of the parts.

From 11 A.M. to 1 P.M. the council found that judges were on the bench in 71 per cent of the courts, the high point of their work day.

During the period from 1 P.M. to 2 P.M., the normal time for lunch, the average proportion of judges on the bench dropped to 7 per cent; it jumped back to 53 per cent from 2 P.M. to 3 P.M. and 61 per cent from 3 P.M. to 4 P.M.

Of the period from 4 P.M. to 5 P.M., the report said: "Substantially less was accomplished during this hour than any of the previous hours. Utilization by judges active on the bench dropped to 38 per cent of capacity."

Although the council report involved only Manhattan judges, other studies have found similar problems elsewhere in the city. An analysis for the Judicial Data Processing Office from June 16 to Aug. 4, 1970, in the Bronx and Queens, found that 17.1 per cent of the court day was spent in recess and 24.2 per cent for lunch.

The report on the on bench activity of the Manhattan judges became available at a time when the courts' performance has been criticized by several officials, including Mayor Lindsay, former Police Commissioner Patrick V. Murphy and Paul J. Curran, the former chairman of the State Commission of Investigation who earlier this week became the United States Attorney for the Southern District of New York.

The Mayor's Criminal Justice Coordinating Council said in its annual report three weeks ago that the backlog of felony cases in the State Supreme Court meant that "its ability to deter crime is negated."

Another problem is the large number of arrested persons awaiting trial in jail because they cannot meet bail requirements. Though there are many different reasons for pre-trial detention, there were 1,310 defendants awaiting supreme court action in Manhattan as of the last week in May, and to the city Department of Correction.

WILBUR COHEN'S PROPOSALS TO IMPROVE SOCIAL SECURITY

Mr. CHURCH, Mr. President, former Health, Education, and Welfare Secretary Wilbur Cohen has been a longtime friend of the Senate Special Committee on Aging.

He was the first witness when the Subcommittee on Aging—predecessor to the present Committee on Aging—began its hearings in 1959.

Since then, Mr. Cohen has given invaluable assistance on several important projects, including the economics of aging study of a few years ago.

Mr. Cohen, now dean of the School of Education at the University of Michigan and cochairman of the Institute of Gerontology at that university and Wayne State University, has once again performed an invaluable service to the committee.

At a July 25 hearing on future directions in social security Dean Cohen described the next steps that, in his view, should be taken to improve our social security system still further. Impressed as he is by steps taken by the Congress in 1972 and 1973 to improve social security, he nevertheless offers challenging ideas for next steps and for long-range action.

Mr. President, the prepared statement on which Dean Cohen based his presentation is rich in ideas and wisdom. I ask unanimous consent that it be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

Future Directions of Social Security

(By Wilbur J. Cohen)

1. The Social Security program is the largest and most effective public program to prevent dependency and poverty. It keeps some 10 million persons out of poverty. If the social security program were abolished, the number of persons in poverty in the United States would increase by about 40 percent—from 25 million to 35 million persons.

2. The Social Security program has other important objectives in addition to preventing dependency and poverty. It enables individuals to have greater freedom of choice when certain hazards arise. It enables them to plan ahead. It helps employers, the economy and the Congress to allocate resources to meet human needs in a compassionate yet orderly, responsible, and effective manner.

3. The Social Security program is much more than a retirement program. It is the largest life insurance program, the largest disability insurance program, the largest health insurance program, as well as the largest retirement program in the nation. The face value of the life insurance in force under the social security program is approximately equal to all the private life insurance in force in the nation.

4. However, only about one-half of all contributions paid under the program are currently for cash retirement benefits. About 30 percent of the cost of cash benefits under the Social Security program is for survivors and disability insurance benefits.

5. Poverty due to the death of the breadwinner in the family has been virtually eliminated in the United States. Whereas this was a major cause of poverty some 50 to 75 years ago, it has been virtually eliminated as a cause of poverty. The social security program was one of a number of factors which helped to achieve this result.

6. The Social Security program is a form of social insurance. It is different from private insurance, but it is a form of insurance. There is a pooling of the risk and premiums are made into a fund from which benefits are paid. The Social Security program is a form of group insurance which provides a high degree of protection at a relatively low cost. The right to social security benefits is legally enforceable in the courts as are the contractual provisions of private insurance.

7. The cash benefits paid under the Social Security program take into account both equity and adequacy. The marriage or balancing of these two conflicting goals is part of the genius which the Congress has incorporated in the program. If one factor were to be given weight to the total exclusion of the other, it would undoubtedly necessitate a basic structural change in the financing of the program and its acceptance by the American people.

8. The Congress has been very responsible in operating the program on a financially sound basis. The long-range financial schedule in the law gives as realistic assurance in this uncertain world as is possible of the financial long-range soundness of the program. The law requires public disclosure on the financial operations of the program, past, present, and future.

9. The Social Security program has been significantly improved since 1965 as a result of the 1972 and 1973 amendments. Social Security is now on a "dynamic" basis related to changes in wages and the cost of living. In this respect it is superior to many fixed contractual private retirement programs in affording beneficiaries a greater degree of protection in the future.

10. The "dynamic" character of the program should be further improved and extended. Social Security should be improved as productivity and earnings increase. It is not sufficient to increase social security benefits to retired individuals solely in relation to cost of living increases. It is recommended that a special study be made of social security systems in other countries where benefits are automatically related to changes in earnings in the economy.

11. Administrative costs of the Social Security system are very low. The preliminary figures for the fiscal year 1973 show that such costs as a percentage of contributions were as follows:

	Percent
OASI	1.5
Disability insurance	4.2
Medicare, part A	2.4
Medicare, part B	11.7
OASDHI	2.4

12. The Social Security cash benefit and Medicare programs are basically sound and have been administered in an efficient manner. They should remain nonpolitical and be subject to independent review every fifth year by an Advisory Council of distinguished

individuals with respect to both contributions, benefits, and administration.

13. The Social Security and Medicare programs enjoy a high degree of support from the general public, organized labor, the Congress and other groups. Although dissatisfaction and criticism is rather widespread with respect to many aspects of our established institutions, these do not generally apply to Social Security and Medicare. That is not to say that there are not bona fide criticisms of the present program, but on the whole these do not go to the fundamental aspects of the program by any substantial sector of the nation. Although some economists have made a number of criticisms of the financing of the program, these views are not so widely shared by the beneficiaries or taxpayers. While these criticisms should be considered, it would be unwise to make basic structural changes in a system which has been so successful and widely accepted, unless there is very clear evidence of the wisdom of such changes.

14. The Social Security and Medicare program has been well accepted by the American people in large part because it is a universal program which provides for eligibility to benefits as a matter of statutory right with a minimum of administrative discretion, covering the rich and the poor as well as the middle-income, irrespective of race, color, creed, or sex, as a national program not dependent on State or local discretion with Congress acting as the Board of Directors of the enterprise. The Congress, irrespective of political affiliation, has shown a high degree of responsibility in carrying out its functions under the Social Security program.

15. A key aspect of the Social Security and Medicare system has been its incremental improvement which has permitted the changes to be successfully inaugurated with careful planning, widespread acceptance by individuals affected, participatory involvement of groups with special concerns, and gradual adaptation of costs by the economy.

16. If consideration is to be given to any administrative changes in the program, then one possibility would be to reestablish something like the original Social Security Board to administer the program. This Board would consist of three persons nominated by the President, with the advice and consent of the Senate, for six years rotational terms with not more than two members from any one political party.

17. The benefits of Social Security should be further improved. Among the changes which should be made are: some additional "drop-out" years of low or no earnings so as to increase the average earnings on which benefits are based, an increase in the maximum earnings limit for contributions and benefits, and payment of disability benefits commencing with the fifth month of disability and to individuals unable to engage in their customary occupation.

18. A difficult social policy question arises with respect to the "retirement test." This provision in the law has been criticized and amended more frequently than almost any other. There are good reasons, however, for going slowly on any further changes in this program. The law was amended this year again to increase the allowable limit from $2100 a year to $2400 for next year. This results in a favorable situation where a retired couple can draw $5000 a year in tax-free social security benefits plus $2400 in earnings plus some income from investments and private retirement without paying any Federal income tax—or a very small income tax. If any further consideration is to be given to liberalization of the retirement test, then an increase in the 1% increment to 2%, after age 65, should be given priority. The repeal of the retirement test would be an undesirable use of several billion dollars worth of funds which are more urgently needed for higher priority needs. Only the small number of individuals who were working would benefit from the repeal of the retirement test with no improvement in the benefits for the millions who cannot work.

19. Women who perform household and family duties should be able to contribute to the insurance program on an amount equivalent to the self-employment rate on the average earnings of all women working four quarters in the latest prior year. Women would then receive benefits in their own right with the provision that a married woman would always receive at least one-half as much as her husband. Special consideration should be given to assuring equal treatment for women and men in the program.

20. General revenues are already approaching one-third of the overall social security system. In the calendar year 1972, total outlays for the OASDI, Medicare, and Public Assistance programs were $70.7 billion, and general revenues (Federal and State) were 29 percent of the total. This total was divided as follows:

	Billions	*Percent*
Employer contributions	$25.5	36.1
Employee contributions	24.6	34.8
General revenues [1]	20.6	29.1
Total	70.7	100.0

[1] Public assistance, payments to uninsured individuals and contributions toward Part B of Medicare.

The outlays for 1974 will be substantially larger overall and for each of the three sources. As the components of the social security system are modified, we should consider reallocating the general revenue portion in a more satisfactory way than at present.

While there is merit to the idea of reducing the impact of the payroll tax, such action should not be taken without full consideration by the Congress of its impact on present and future programs, including national health insurance.

A basic change in the financing of the social security system might open the possibility that a future Administration or Congress would change the program to include an income and/or assets test. The strong public support for the social security system is that most individuals want to have their benefits come to them without any such investigation which they associate with the "welfare" system. When you have a delicate mechanism working well and paying 30 million people every month, we should be sure we don't tinker with it in a way which may destroy its psychological and political acceptance.

21. The financing basis of social security should be modified so as to reduce the burden on low-income earners and make the financial incidence less regressive. The proposal advocated by Senator Russell Long to refund to low-income individuals 10 percent of their earnings—roughly the combined social security contribution, warrants support.

22. In addition, a federal contribution out of general revenues should be considered for meeting the cost of benefits paid to individuals with less than 40 years of contributions which were not covered by the combined employer-employee contributions.

23. The maximum earnings base for contributions and benefits should be increased so that the coverage is approximately the same as when the Congress adopted the $3000 limit in 1939. A maximum base of $20,000 should be established for 1975.

24. An immediate step should be taken to include high cost continuing prescription drugs in the Medicare program and to provide hearing aids and glasses with appropriate co-sharing of costs.

25. Part A and B of Medicare should be combined so as to relieve the aged person of contributions to Part B after retirement.

26. The Secretary of Health, Education, and Welfare should be authorized to establish a local, regional or State fee schedule for some or all procedures where this would be deemed to be necessary or desirable to the effective operation of the program. The Secretary would be required to hold a public hearing on the proposal in the area covered by such a schedule.

27. Many allegations have been made about the increase in incomes of physicians under the Medicare and Medicaid programs. There have been individual cases of fraud and abuse which should be stopped. There should be continued monitoring of the fees and costs and any irregularities rectified. But on the whole, there is no evidence so far that physicians as a group have reaped rewards out of line with the increased cost-of-living and earnings in other areas or that they have suffered any injustice under the program in terms of their incomes. A sound program of health insurance necessitates that all providers of care receive reasonably adequate compensation commensurate with their education, skill, experience and responsibility.

28. The recent action of the Congress in establishing Professional Standards Review Organizations for Medicare and Medicaid (PSRO) is sound. Professional responsibility for professional judgments should be encouraged. In addition, the Congress should seek to develop other measures to assure consumer advice in the medical program in appropriate ways.

NATIONAL HEALTH INSURANCE

29. A national health insurance plan covering all persons in the nation should be adopted on an incremental basis which would become effective over a period of about five years in order to enable administrative implementation to be effective, efficient, and appropriate to conditions throughout the nation.

30. A basic improvement in the Medicaid program should be taken along the lines suggested by Senator Long. Basic medical benefits would be supplied to low-income individuals through the Medicare program. The cost of these benefits would be met by the federal government thus relieving the States of part of the present costs of Medicaid.

31. A second change would be to add to the Medicare program a major medical benefit which would provide hospital coverage after 30 days, and physicians and related services after a cost of $1000. The legislation would provide that after two years the amounts would be reduced to 15 days and $500, and after two additional years these amounts would be repealed so as to assure full coverage.

32. Another change would be to add to the Medicare program maternity benefits—pre-natal and post-natal medical service. This program would include medical benefits for the child during the first year of life, including all remedial medical benefits necessary to assist in the correction of any defects.

SUPPLEMENTARY SECURITY INCOME

33. The establishment of the Supplementary Security Income program in the 1972 amendments was an important and historic step in the right direction. This completely federally financed and administered program should be further improved so that income poverty will be abolished for all aged, blind, and disabled persons in the nation. The changes recently enacted by the Congress were sound.

34. The Supplemental Security Income program should be amended by reducing the age from 65 to 62 and then in two additional years to age 60 and in two additional years to age 55.

35. With the changes proposed above, the number of persons in poverty in the United States should be reduced from about 25 million to between 15 to 20 million persons. A

program of public service employment could bring this total down to less than 15 million persons by 1976. The number of persons in poverty would then be less than 7.5 percent of the population. It would be possible by 1980–85 to virtually eliminate poverty in the United States if additional measures were taken by the Congress. These measures are outlined in a separate statement.

Private Retirement Plans

36. The Social Security and private retirement systems are not a burden on the economy. They are a key element in a free, competitive and dynamic economy and a compassionate society. They provide a major incentive to the saving which is required for the investment which makes it possible for our economic system to grow, expand, and innovate.

37. Private pension plans should be continued and strengthened. They can and should be a useful and important supplement to social security. They can never be the basic plan unless the Congress were to compel every employer to provide some specific level of protection and then repeal the social security program. That is not a realistic approach.

38. Every major business enterprise should be required to provide a minimum supplementary protection to social security which is financed through a private plan. Such a plan would be a requirement for federal tax purposes and would require some vesting of benefits, reinsurance of the program, full reserves after a period of years, and complete public disclosure of investments, liabilities, and expenditures.

39. Congress should establish a nonpartisan Commission to review various proposals and experience, with particular reference to the Congressional debate on the welfare reform proposal recommended by President Nixon, and to present to the Congress in 1977 proposals which, if adopted, would abolish poverty in the United States by 1982.

40. The $2.5 billion limit on federal expenditures for social services established by Congress in 1972 should be re-examined. Special consideration should be given to expanding social services to the aged, in early childhood, for the mentally retarded, and for family planning. A cost-of-living increase in the limit should be considered.

41. I believe that the productive genius of our nation will continue to result in improvements in the real income of the people of this nation. The increased income must be shared in some appropriate and acceptable way among all those who helped make the increase possible. A social security system is one way to assure that the aged, the disabled, and widows and orphans share in the increased affluence.

42. One of the important and perplexing questions involved in retirement policy is whether there should be any "normal" retirement age in social security and whether the present "normal" retirement age of 65 should be lowered, increased, retained or whether there should be several ages at which individuals are eligible for benefits.

The original idea of a single normal retirement age of 65 embodied in the 1935 law has now been changed by Congress to a variable or flexible retirement age.

If a person is unable to work due to disability, he or she may retire at any age and draw full benefits.

A widow may begin to draw her benefits at age 60, while a disabled widow may begin drawing benefits at age 50.

While "full benefits normally begin at age 65, individuals may draw an actuarially reduced benefit at age 62. In addition, an individual may receive an increased benefit if he or she retires after age 65.

At age 72, an individual may draw full benefits and full wages.

There are, therefore, several options and choices for the individual. Many people are not aware of this policy in the law. The older Americans Act should be amended to provide retirement counseling to persons beginning at age 50 so they can intelligently plan their retirement and so we can dispel the idea of a single retirement age. Individuals differ in their health, occupation, strength, attitudes, interests, and experiences. They should be free to choose that combination of benefits and circumstances which best suits them. That is meaningful freedom of choice.

The idea of "complete retirement" at a given age is becoming more unacceptable. Two related developments are occurring more frequently: "phased retirement" and "work and retirement."

This approach can best be explained by utilizing some possible examples from University employment:

At age 62 a faculty member might "retire" and draw one-half of his private retirement benefit and teach one-half of the year. He could elect whether to draw the actuarially reduced social security benefit for that part of the year when not working, or defer the benefit to age 65.

At age 65 such an individual might draw two-thirds of his private retirement benefit and teach that proportion of the year which entitled him to draw his normal social security benefit.

At age 67, he or she could draw the full private retirement benefit and the full social security, increased by 2 percent if the benefit were delayed until age 67.

The individual might work until age 72 and draw the full social security benefit increased by 7 percent.

While such flexibility and options might not be immediately suitable for manufacturing or assembly-line work, it may prove acceptable in professional, service, and related activities which are growing in our economy. Employers and unions should be encouraged to consider this approach.

43. The Congress—our economy—the nation is faced with several important social policy decisions in the future as our gross national product increases. If we assume that in the future our gross national product will increase at about the same rate as it has in the past, how shall the increase be distributed, for instance:

1. In increased incomes to those who work and their immediate families:

2. In increased income to those who have retired, or are disabled, or are widows;

3. In increased educational services to the young as well as to the individuals throughout their lifetime;

4. In increased funds for medical research, and access of high quality health and medical services to all the people;

5. In increased payments to reduce or eliminate poverty;

6. In increased payments for the control of environmental pollution.

7. In some decreased taxes.

We will probably do some of each of all seven during the coming decade. The Congress should develop a ten-year plan to accomplish this.

44. If we are to have increased income growing out of an increased gross national product, before we lower the retirement age or reduce the working week too much, we should consider a policy of providing a 16-week "sabbatical." Thus, instead of reducing the work week from 40 hours to say 35 hours, we could have a 37½- or 36-hour week, and a periodic sabbatical for every worker every 10, 7, and or 5 years. A 16-week sabbatical would make it possible for an individual to return to a community college or university and take such courses as might prepare him or her for a second career, retirement, or a college degree. This alternative should be fully explored before we make decisions utilizing our available resources all in one direction.

45. The retirement deduction in the Federal income tax should be changed into a retirement tax credit. This would be more favorable to low- and middle-income individuals. It could be done at no net cost to the Federal Treasury.

46. If general revenue sharing is continued, a condition for receipt of Federal funds to States and localities should be a rebate of property taxes to older persons with low incomes. Such a requirement could be added to any other appropriate Federal Grant to the States.

47. Consideration should be given to termination of the General Revenue Sharing law when its five-year duration terminates. The $30 billion authorized under that law should be devoted to higher priority needs of our economy with a specific determination by the Congress of what these priorities are.

48. Federal-State relationships under the public assistance, maternal and child health, and social service provisions of the Social Security Act have greatly deteriorated in the past four years. A complete re-examination of this important relationship should be undertaken with a view to making changes in the Federal law and administrative and organizational relationships.

CUTTING AND USE OF TIMBER

Mr. METCALF. Mr. President, the latest in a long series of indictments of administration handling of our forests has appeared in a report of the General Accounting Office.

Dated July 30, 1973, the GAO report is entitled "Increased Use of Felled Wood Would Help Meet Timber Demand and Reduce Environmental Damage in Federal Forests." It tells of waste of valuable resources, inadequate research into new ways of utilizing all felled timber, and inadequate and inefficient processing capacity in our mills.

The GAO report examined the performance of the three Government agencies involved in selling standing timber contracts; Agriculture's Forest Service and Interior's Bureaus of Land Management and Indian Affairs. The vast bulk of the timber comes from Forest Service land.

One study, based mainly on the Forest Service's own research, states that in 1969, about 400 million cubic feet of usable felled wood—equivalent to one-fifth of the entire 1972 nationwide timber harvest on the land of all three agencies—was left in sale areas in Oregon, Washington and California. Furthermore, GAO was told the abandoned timber was physically suitable for plywood, lumber, or fiberwood.

Mr. President, I charge again that the Nixon administration is interested only in getting trees cut—and let the consequences be hanged. It is one thing to deliberately subvert the long-standing mandate of Congress that weight be given to multiple uses of timber lands. It is adding insult to injury to concentrate almost solely on cutting trees while slashing funds for the research which would make wood fibers go farther, and impounding funds earmarked for reforestation or firefighting.

There being no objection, the excerpts were ordered to be printed in the Record, as follows:

[Comptroller General's Report to the Congress]

Increased Use of Felled Wood Would Help Meet Timber Demand and Reduce Environmental Damage

(Department of Agriculture, Department of the Interior B-125053)

WHY THE REVIEW WAS MADE

Each year Agriculture's Forest Service and Interior's Bureaus of Land Management (BLM) and Indian Affairs (BIA) sell standing timber under contracts to thousands of purchasers.

The agencies require purchasers to cut down designated trees in timber sale areas. The purchasers decide which felled wood to remove and have left large volumes in the sale areas.

Because unremoved felled wood often creates environmental problems and because shortages in timber supply are expected, GAO made this review to learn whether unremoved felled wood was usable and, if it was, to evaluate what the three agencies were doing or could do to insure maximum desirable use of wood felled in future sale areas.

GAO reviewed these matters in Washington, D.C., Oregon, Wisconsin, Georgia, Utah, and Louisiana.

Photos throughout the report illustrate various aspects of the felled wood problem.

FINDINGS AND CONCLUSIONS

To help insure the maximum desirable use of wood felled in future Federal timber sale areas and thereby help meet the growing demand for wood and lessen the undesirable economic and environmental effects of leaving too much felled wood in the forests, the agencies needed to take action to:

Insure that purchasers remove all felled wood that, on a sale-area basis, can be economically marketed;

Insure that, in determining what is marketable and in setting the minimum selling price, adequate consideration is given to the various economic and environmental benefits that the Government could realize if more usable felled wood were removed from the sale areas and used; and

Explore ways of increasing wood-processing capabilities to insure optimum use of felled wood.

Background

The three agencies manage about 121 million acres, or about 95 percent, of the total commercial forest land managed by all Federal agencies. This land contains about 40 percent of the Nation's commercial timber.

During fiscal year 1972, about 14.1 billion board feet of timber was harvested from land managed by the three agencies. Of this, 11.7 billion board feet came from Forest Service land. The agencies collected gross timber sale revenues that year totaling about $451.5 million, including about $38 million collected by BIA for the sale of Indian-owned timber.

The President's Cabinet Committee Task Force on Softwood Lumber and Plywood said there could be a gap between timber supply and demand in 1974 which could result in higher prices and fewer houses built.

Effects of leaving felled wood in timber sale areas

Although the agencies did not have specific data available on the amounts of economically marketable felled wood that had been left in their sale areas, information obtained from the Forest Service showed that the large volumes of unremoved felled wood have included large quantities physically suitable for making wood products.

For example, a Forest Service researcher, who reported that more than 400 million cubic feet—equivalent in volume to about 2.4 billion board feet—of usable felled wood was left in the three agencies' sale areas in California, Oregon, and Washington in 1969, told GAO that this wood had been physically suitable for lumber, plywood, or fiberwood products. He did not estimate, however, what portions were suitable for each of these products or how much the purchasers could have economically marketed.

Other Forest Service reports published in 1965 and 1972 indicated that the felled wood left in Federal, State, and private logged over areas on the Pacific coast had included large quantities of logs of the size normally used to make lumber and plywood, for which there is a strong demand.

Felled wood remaining in sale areas:

Often caused delays in planting new trees and problems in applying cultural practices to speed their growth.

Created serious fire hazards resulting in damages considerably greater than in areas where felled wood was not present.

Caused air pollution (from unintentional fires or intentional ones to reduce the fire hazard and facilitate replanting), water pollution, and damages to natural beauty, and

Often led to cost increases in various forest management practices, such as fire protection, fire suppression, tree planting, and tree thinning.

Conditions not conducive to optimum use of wood

Although specific data was not available on how much unremoved felled wood could have been economically marketed, GAO identified two conditions not conducive to obtaining the maximum desirable use of wood felled in Federal timber sale areas.

First, under timber sale contracting procedures:

The agencies designated which trees were to be felled and set minimum selling prices for wood meeting minimum merchantability standards but did not require that purchasers remove all wood meeting the minimum standards. Therefore, the purchasers were not prohibited from moving from one sale area to another after removing only the best timber.

No provision was made for considering, in establishing minimum merchantability standards and setting the minimum selling price, the economic and environmental benefits to the Government if more usable felled wood were removed and used. Therefore, some usable felled wood was not considered merchantable and not included in the selling price determination, although the benefits to the Government from removing and using it may have been greater than any price reductions that might have resulted from including it in the sale.

Second, in many locations the absence or limited capability of such wood-processing facilities as sawmills, plywood plants, pulp mills, and particleboard plants made it impractical to remove all usable wood included in a sale.

The agencies had not explored whether, where, and how Federal financial and other assistance might be provided in increasing wood-processing capabilities.

Compared with Federal agencies, some large private companies which own and manage land for timber production have far less felled wood left on their land after harvesting. Although differences in age and quality of trees appear to be contributing factors, these companies are able to use more felled wood from their land because:

They are not faced with contractual problems confronting Federal agencies.

They consider benefits to be gained by increased removal.

They have integrated wood-processing facilities that can produce a variety of wood products.

The Forest Service adopted action plans in June 1972 directed at increasing the use of wood felled in its sale areas. The plans, however, did not deal fully with conditions identified by GAO as not conducive to the maximum desirable use of felled wood.

Resolving such problems will require changes in contracting methods, procedures, and requirements and may warrant Federal assistance in establishing or improving wood-processing facilities.

RECOMMENDATIONS

The Forest Service, BLM, and BIA should:

Modify timber sale procedures to insure that purchasers are required to remove economically usable felled wood that can be processed by facilities in the sale area vicinity (for example, an appraisal zone);

Establish methods and procedures under which economic and environmental benefits to the Government from increased use of felled wood will be recognized in determining the amount to be removed from the sale area, considering the feasibility of shipping wood outside the sale area vicinity;

Ascertain, and set as a national goal, the optimum level for use of wood felled in sale areas that can be attained under the best timber-processing technology available; and

Identify areas where local processing facilities are inadequate to insure optimum use and explore whether and how Federal assistance should be provided to increase timber-processing capabilities.

AGENCY ACTIONS AND UNRESOLVED ISSUES

Agriculture substantially agreed with these recommendations and said plans were being or would be developed to implement them. In May 1973 Agriculture announced that, as one of several steps to be taken to increase timber supply, the Forest Service would change its timber sale contracts to require that purchasers remove specified wood from sale areas.

Interior said GAO's recommendations might not be fully appropriate for Indian-owned land managed by BIA. It cited several problems and conditions—including the need to carefully consider major policy changes—which it believed would have to be considered in implementing GAO's recommendations with respect to BLM land.

Agriculture also cited problems and conditions—primarily supply and demand imbalances for fiberwood products—but it proposed actions to deal with them within the basic framework of GAO's recommendations.

GAO believes the two Departments should coordinate their efforts to bring their expertise and knowledge to bear on the complex problems involved.

Such coordination should provide for uniformity in developing modified policies, procedures, and contractual requirements to increase the use of felled wood. Uniformity is important because the agencies sell timber in the same market areas.

MATTERS FOR CONSIDERATION BY THE CONGRESS

Some changes in the Federal agencies' traditional policies and methods of appraising and selling timber will be needed if the agencies are to achieve the maximum desirable use of felled wood to help meet the growing demand for wood and thereby reduce undesirable effects of leaving too much felled wood in Federal timber sale areas.

ACTIONS NEEDED TO INCREASE THE USE OF WOOD FELLED IN FEDERAL TIMBER SALE AREAS

Forest Service research studies and other information show that each year timber purchasers leave large volumes of trees and parts of trees felled in Forest Service, BLM, and BIA timber sale areas. Actions are needed to increase the use of wood felled in future timber sale areas because unremoved felled wood in past sale areas:

Included large quantities that could have been used for lumber, plywood, and fiberwood products, assuming that it could have been marketed;

Often caused delays in planting new trees and problems in carrying out cultural practices to speed up their growth, and thereby resulted in loss of timber growth;

Created a serious fire hazard;

Caused environmental damages, such as air pollution (from burning), water pollution, and marring of natural beauty; and

Often increased the costs of various forest management and protection practices, including fire protection and suppression and tree planting and thinning.

The agencies did not have specific data on the amounts of economically marketable felled wood that purchasers had left in Federal timber sale areas. We identified two basic conditions, however, that were not conducive to the optimum use of wood felled in such areas.

Under their contracting procedures and methods, the agencies neither required purchasers to remove all merchantable felled wood nor provided for adequately considering, in determining what was merchantable and setting the minimum selling price, the various economic and environmental benefits that could have been realized if more usable felled wood were removed from the sale areas and used.

Under the circumstances, the agencies did not prohibit a purchaser from moving from one sale area to another after he removed only the best timber. Further, some usable felled wood was not considered merchantable and not included in the selling price determination although the benefits to the Government from removing and using it may have been greater than any price reduction that might have resulted from including it in the sale.

The lack, or the limited capability, of wood-processing facilities in some locations reduced purchasers' capability to profitably market usable felled wood.

Solving these problems will require innovations in the agencies' contracting procedures and methods and may warrant Federal assistance in establishing more wood-processing facilities or in increasing the capability of existing facilities.

Forest Service and BLM officials have recognized that leaving felled wood in sale areas is a major problem. In August 1971, the Chief of the Forest Service assigned a special committee of Forest Service personnel to evaluate the problem. In June 1972 the Forest Service adopted several recommendations and action plans proposed by the special committee and assigned various Forest Service organizations the responsibility for implementing them within specific target dates. Those recommendations were directed at increased use of wood felled in Forest Service sale areas. The action plans, however, did not deal fully with the conditions we identified as not conducive to optimum use of felled wood.

Usable felled wood left in sale areas

Timber purchasers have left large volumes of felled wood in Forest Service, BLM, and BIA sale areas in many different timber-producing regions. The agencies must dispose of unremoved felled wood to reduce the fire hazard and facilitate regrowth of trees.

According to Forest Service research studies and other information, much of the felled wood left in the sale areas was physically suitable for lumber, plywood, and fiberwood products. The agencies did not have specific data, however, on how much of the felled wood could have been economically marketed.

A Forest Service research study report and supplementary information obtained from the research analyst who made the study showed that in 1969 about 400 million cubic feet of usable felled wood—equivalent to about one-fifth of the 1972 nationwide timber harvest on Forest Service, BLM, and BIA land—was left in Forest Service, BLM, and BIA sale areas in Oregon, Washington, and California. The Forest Service research analyst told us that the felled wood was physically suitable for plywood, lumber, or fiberwood. The analyst's study did not include estimates of what portions of the total volume were suitable for each of these products or how much could have been economically marketed by the purchasers.

Forest Service reports published both before and after the research study indicated, however, that substantial volumes of such wood were of the size normally suitable for lumber and plywood, for which there is a strong demand. For example:

A 1965 Forest Service report on U.S. timber trends stated that nearly 400 million cubic feet of logging residues, including 1.5 billion board feet of wood included in the sawtimber (timber suitable for making lumber and plywood) inventory, had been left behind annually on Federal, State, and private logged-over areas on the Pacific coast.

A 1972 Forest Service report on forest statistics for the United States showed that about 525 million cubic feet of logging residues, including about 1.6 billion board feet of wood included in the sawtimber inventory, was left on Federal, State, and private logged-over areas on the Pacific coast during 1970.

The above reports did not state why the timber purchasers did not remove the felled wood. The research report stated, however, that, as economic and technological changes occur, felled wood being left in sale areas may represent a substantial base for increases in paper and board production with no additional drain on the timber resource.

Forest Service officials in the Intermountain Region told us that the volume of felled wood left in Forest Service sale areas in that region—which includes national forests in Wyoming, Idaho, Utah, and Nevada—was significant, but that no studies for determining that region's overall volume had been made. One Forest Service research study showed that felled wood left in a typical lodgepole pine sale area in Wyoming would amount to about 3,600 cubic feet per acre. Regional officials told us that nearly all of the felled wood left in Forest Service sale areas in that region was physically suitable for fiberwood products and that some was suitable for lumber.

Information obtained from a Forest Service research official in the Forest Service's Northern Region—which includes national forests in North Dakota, South Dakota, Montana, Idaho, and Washington—indicated that large volumes of felled wood had been left in sale areas in that region. Forest Service researchers had surveyed several sale areas in two national forests in western Montana and estimated that an average of more than 100 tons of felled wood per acre had been left in the areas. The researchers estimated that 90 percent of this felled wood was 4 inches or more in diameter at the small end. Forest Service officials stated that felled wood of that size is suitable for fiberboard, pulp, or lumber, depending upon its quality.

Forest Service officials in the Eastern Region, which includes national forests in 12 States, and the Southern Region, which includes national forests in 13 States, told us that, although the problem in those regions was not as great as in other Forest Service regions, about 2 to 10 percent of the felled wood which met merchantability standards for lumber, pulp, and fiberwood products was left in sale areas in their regions. They stated that other felled wood left in the sale areas was below the standards but was physically suitable for lumber, pulp, or fiberboard products.

TRIBUTE TO SENATOR TALMADGE

Mr. NUNN. Mr. President, it is with pleasure that I bring to the attention of my colleagues an article which appeared in the summer edition of Dixie Business entitled "It Seems to Me" by Max Lockwood.

The article is an excellent tribute to my distinguished colleague from Georgia, Senator HERMAN E. TALMADGE.

As chairman of the Senate Committee on Agriculture and Forestry, as second ranking majority member of the Senate Finance Committee, and now as a member of the Select Committee on Presidential Campaign Activities, Senator TALMADGE has ably demonstrated his knowledge of the problems which face our Nation and their possible solutions. Senator TALMADGE, now in his 16th year in the U.S. Senate, is serving his State and his Nation with honor and dignity.

It is with great pride that I ask unanimous consent that this article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

IT SEEMS TO ME

(By Max Lockwood)

Herman E. Talmadge, Democrat, of Lovejoy, Georgia; born Telfair County, near McRae, Georgia on August 9, 1913, son of Eugene and Mattie Thurmond Talmadge, now serving as the distinguished Senior United States Senator from the State of Georgia, is my candidate as the next president of the United States.

Senator Talmadge has a long career of public service, unequaled by many of those whose names have been prominently mentioned for that high office. There is no doubt in my mind but that the Senior Senator from Georgia is as knowledgeable and understanding of that which constitutes the best interests of the people of the United States as does any other figure in public office in our country today.

He stands as an equal to men like Humphrey of Minnesota, Jackson of Washington State, Wallace of Alabama, Connally of Texas, Goldwater of Arizona, Church of Idaho, Percy of Illinois, Bayh of Indiana, Kennedy of Massachusetts, Muskie of Maine, and the host of other contenders.

There is no doubt but that Governor Wallace has opened the door of the White House to outstanding southern leaders who find themselves capable and qualified to seek the office of the Presidency. Herman Talmadge has distinguished himself as the Chief Executive of the State of Georgia and his service in the United States Senate has not been without recognition on the part of his peers, where he is held in high esteem.

As the very able Chairman of the Senate Committee on Agriculture and Forestry, the Senator finds himself at the center of the stage in an era when our nation's capacity to help solve the food and fibre crisis facing the world may become the only workable solution to many of the problems which face our nation.

As the second ranking majority member on the Senate Finance Committee, Senator Talmadge has a working understanding of the budget, and is perhaps one of the most knowledgeable men in the United States today on economic affairs and matters of fiscal responsibility as relates to the workings of government.

Long a fighter for the military and economic protection of our Nation, Senator Talmadge has stood against the tide of those who would destroy our armed services and who through ignorance more so than design, would destroy our agricultural economy which is in fact the very basis of our survival in the free world.

As a member of the Joint Committee on Internal Revenue Taxation and as a member of the Joint Economic Committee, he has shown the good sense to caution those who would buy now and pay later that their thoughtless actions could well lead our nation to economic disaster.

He has worked long hours to convince our nation's leaders that we must turn our attention to the needs of our rural areas if our cities are to survive. His leadership has not gone unnoticed and the result of his hours of research and labor have been rewarded with passage of the first meaningful legislation in this area in more than three decades.

Even now, as the leadership of the United States seeks out its best to sit in judgement of the leadership which occupies the White House itself, the Chairman of that distinguished Committee turns to Herman Talmadge of Georgia to take a leading role. He does so now, with dignity and courage befitting such a call to service.

Senator Herman E. Talmadge is a great Georgian, an outstanding American. He is Presidential Timber of the highest sort. Those of us who know him best, perhaps appreciate his greatness least. Let's begin now, to sound the call.

TRAGEDY AT LOGAN INTERNATIONAL AIRPORT

Mr. KENNEDY. Mr. President, this morning a tragic plane crash at Logan International Airport in Boston, Mass., took the lives of 88 people. My heart goes out to the families of those lost, and I am sure that I express the sympathy of all Members of this body on the sudden loss of those loved ones.

Moments after the tragic crash, the city of Boston Police Department and Fire Department had taken action to provide emergency assistance. Massachusetts General Hospital and the Boston City Hospital immediately responded to provide crucial service. All of the men and women who worked so efficiently and quickly are to be commended for their efforts.

Mr. Alexander Butterfield, the Administrator of the Federal Aviation Administration has informed me that Isabel A. Burgess of the National Transportation Safety Board has already arrived on the scene to investigate the cause of the crash.

Once again, let me express the heartfelt sympathy of the Members of the Senate to the families of those who died this morning, and let them know that our prayers are with them.

INTERNATIONAL SPACE HALL OF FAME

Mr. DOMENICI. Mr. President, today I would like to go on record by saying that the city of Alamogordo, N. Mex., has announced that they will establish an International Space Hall of Fame, with an appropriate shrine to be supported by the historical foundation of the city. A charter for this International Space Hall of Fame was proclaimed by resolution of the Alamogordo Chamber of Commerce and City Commission. Following this, the Governor of the State of New Mexico issued an official proclamation designating Alamogordo as the site for an International Space Hall of Fame.

Dr. Charles Stark Draper, president of the National Academy of Astronautics, has been contacted and offered the services of the academy in selecting nominees for the Hall of Fame. Dr. Draper is best known as the prime inventor of the inertial test-guidance system for navigation of space vehicles.

Plans for the International Space Hall of Fame will be presented at the next meeting of the academy at Baku, Russia, in October by Dr. Draper and by Dr. Ernest Steinhoff, a delegate to the meeting from Alamogordo, N. Mex. This international academy was founded by distinguished pioneers in space research in 1961 for promotion of international cooperation and communication among the various space scientists throughout the world.

Recently a symposium of international space laboratories was held, under the auspices of the academy, in Cloudcroft, N. Mex., in the fall of 1969. This symposium coincided with the dedication of the new Sacramento Peak Observatory telescope. Distinguished scientists from all over the world attended the conference and toured the facilities of the Tularosa Basin.

It is planned that contributions from Holloman Air Force Base, White Sands Missile Range, and NASA Apollo Sites will be major tourist attractions in the Tularosa Basin. In addition, exhibits provided by Wernher von Braun and Associates, which directed the first successful American orbital experiment and many other pioneer space contributions, will be featured.

Alamogordo is located on U.S. 54–70, between El Paso, Tex., and Albuquerque, N. Mex., and historically on the route of the old Santa Fe Trail, which today is near the Trinity Site, location of the first atomic fission explosion in July 1945.

Upon receiving notification of this historic moment, I contacted Dr. James Fletcher, Director of NASA, and asked that his agency provide the necessary cooperation to make this venture successful. It is a policy of NASA that all relics and artifacts of our space exploration program are donated to the Smithsonian Institute, but upon request could be loaned out to the International Space Hall of Fame in Alamogordo.

I am very confident that the city of Alamogordo has the necessary ingredients and attitude to make the International Space Hall of Fame a reality.

MILTON EISENHOWER IS RIGHT—RADIO FREE EUROPE AND RADIO LIBERTY SHOULD CONTINUE

Mr. HRUSKA. Mr. President, I wish to address a few words on the subject of continued funding for Radio Free Europe and Radio Liberty. In August of 1972, President Nixon established a Study Commission on International Radio. The Commission, after thorough study, submitted its report this year. Its findings speak loud and clear for the continuation of Radio Free Europe and Radio Liberty. The Commission also recommended the creation by congressional action of a Board for International Broadcasting to receive appropriated funds for allocation to Radio Free Europe and Radio Liberty.

Despite the Commission's findings, there have been arguments that Radio Free Europe and Radio Liberty are no longer needed. These arguments point to the bettering of relations between the Soviet Union and the United States and seek to end the operations of the radios on the grounds that they are "throwbacks" to the cold war era.

Naturally, all of us are pleased with the recent events that have occurred in United States-Soviet relations. Insofar as they lead to peace, they are good. President Nixon's trip to the Soviet Union in May of 1972 and the recent June visit of Leonid Brezhnev to the United States are evidences of that progress.

But such arguments which link the improved relations between the United States and the Soviet Union to the discontinuance of Radio Free Europe and Radio Liberty miss the basic thrust of the Commission's Report on International Radio. The thrust of the report is that the very progress that has been made in United States-Soviet relations does not diminish the need for Radio Free Europe and Radio Liberty. In fact, progress toward détente increases the value of Radio Free Europe and Radio Liberty.

Observing that "it is unfortunate that the spirit of détente has not filtered into Soviet internal policies for their peoples and for the citizens of Eastern Europe," the Commission report goes on to state that:

> It would be a mistake for us to assume that Detente will bring an end to tight internal security of the Soviet Union and Eastern Europe. Soviet security leaders fear the dissemination of the free flow of news. So long as they continue to do so there is an apparent need for Radio Free Europe and Radio Liberty.

Recent reports do not indicate that internal security in Eastern Europe and the Soviet Union has been reduced to any significant degree. The free flow of news and ideas has yet to become a reality in the Soviet Union and in Eastern Europe. Soviet citizens are perhaps the most isolated of all peoples on this earth when it comes to the free flow of information. A Western newspaper in the Soviet Union is a rarity. Even Communist newspapers from the West are screened and censored if they are critical of particular developments in the Soviet Union or Eastern Europe.

Were it not for Radio Free Europe and Radio Liberty, the peoples of the Soviet Union and Eastern Europe would receive only the news that their governments choose to give them. The Commission report states:

> Whether we like it or not, we must recognize that detente in relations with the outside world is for the communist governments by no means congruent with relaxation of restrictions, censorship, and all other inhibitions which impede the right of their own people to be informed.

Nor has détente reduced the amount of Soviet shortwave broadcasting. In fact, quite the contrary seems to be occurring. Two Soviet stations—Radio Moscow and Radio Peace and Progress—maintain the largest foreign radio service in the world. During the period from 1962 to 1972 Soviet shortwave broadcasting increased from 1,000 program hours a week to nearly 1,900 program hours a week. Soviet and Eastern European broadcasts directed at North America and Western Europe now total about 1,350 program hours a week.

There is a great need on our part to insure that the peoples of Eastern Europe and the Soviet Union continue to receive much needed news and information. The particular advantage that Radio Free Europe and Radio Liberty have is that they are not considered by the people who listen to them to be official government radios.

Broadcasting in the languages of Eastern Europe and the Soviet Union, Radio Free Europe and Radio Liberty devote major attention to Soviet and East European domestic affairs. They fill in news that the government chooses to leave out. A people who are informed can never be totally controlled. Immeasurably, Radio Free Europe and Radio Liberty have fostered détente by giving the peoples of the Soviet Union and Eastern Europe information.

Hopefully, an informed citizenry in the Soviet Union and Eastern Europe can provide the pressure needed to make East-West détente a workable reality.

As we know, détente is a two-way street. Unfortunately, the Soviet Union continues to reject the premise of the free flow of information. As long as this is the case, Radio Free Europe and Radio Liberty have a job to fulfill by providing information to the peoples of the Soviet Union and Eastern Europe.

BEEF SUPPLY CRISIS

Mr. HRUSKA. Mr. President, it has been nearly 2 weeks since the President announced his phase IV program of economic controls. At the time of his announcement, I commended the President for his efforts to bring this inflation under control and get our economy back to its rightful operation under the laws of supply and demand.

At the same time, I recognized the difficulties the administration faced in choosing the right combination of controls for phase IV. I expressed disappointment that the administration chose to retain the price ceilings on beef. It is unrealistic to have a national policy that singles one product out as being inflationary. Although there is definite relief in sight with the announced end of controls in September, I am vitally concerned with the effect this singling out will have on all phases of the beef industry.

Mr. President, in the last 2 weeks it has become abundantly clear that my concerns have proven correct—the beef industry is in turmoil. I rise today to respectfully urge the President to reconsider his phase IV policy with regard to the price ceiling on beef.

Reports to my office in the past week have been grim. Shortages in the supply of beef will surely result if the freeze is continued. The beef packing industry is in a calamity. This can mean only one thing: much higher prices once the ceilings on beef are removed come September 12. Should the price ceiling on beef be retained as is, the damage to the beef industry will be acutely felt by every American consumer for months to come.

Mr. President, I should like to insert in the RECORD several items which clearly point out the gravity of the situation.

Reports coming from Nebraska indicate that some meat packing plants are closed; some are operating at less than full capacity; others are anticipating close downs.

First, I submit a letter for every Member's reading which sets forth the problem that has been created by this freeze on beef prices. I particularly urge the President's advisers to consider two key sentences:

> It takes 2 years to develop choice beef in the size and quality that the American public demands. It cannot be turned off and on, such as in the case of the automotive and steel industries.

Next, I should like to insert at this point several stories which have appeared in Nebraska's largest newspaper, the Omaha World Herald. These articles testify to the severity of the problem.

I call upon the President to remove the price ceiling on beef immediately. While prices can be expected to rise in the immediate future, it can only be balanced when the supply is satisfactory enough to meet the demand. That is what the farmer wants. That is what the meat processor wants. That is the only real way to meet the wants of the American consumer.

Mr. President, I ask unanimous consent to have these items printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

AMERICAN BEEF PACKERS, INC.,
Omaha, Nebr., July 25, 1973.

Senator ROMAN HRUSKA,
U.S. Senate, Old Senate Office Building,
Washington, D.C.

DEAR SENATOR HRUSKA: This letter sets forth my thinking on Phase IV and in effect on the beef industry. Let me preface my remarks by saying that I have no crystal ball—I can only give you my opinion of the situation.

First, postponing the lifting of price ceilings altogether and allowing a free economy whereby the law of supply and demand would ultimately prevail was a terrible mistake. Singling out beef in the manner in which it was done is causing a calamity among beef packers. Any time a definite date is given (such as September 12), feeders will hold their cattle until that date or until they are offered enough money that they feel the price will be no more on that date. As of today, we have August Futures at $53.67. This has created a situation whereby a feeder can sell his cattle to the Futures Market for delivery on August 7 or anytime thereafter and doesn't have to wait until September 12. This was done in great volume on July 24 across the country. The least the government could have done was suspend trading in August Futures, as we have a built-in new competitor—the Mercantile Exchange.

It is my understanding that the Agriculture Department has been stating publicly that "cattle could not be held over two weeks and then there would be plentiful supplies." I have been in this business approximately 35 years and I have seen farmers hold cattle 60 to 90 days with no problems.

The government created chaos in the cattle feeding industry by putting a freeze on, as a large amount of cattle are placed on feed from June through October. Consumption of beef is quite heavy from October through February, with the highest rate of consumption falling in January. It takes two years to develop choice beef in the size and quality that the American public demands. It cannot be turned off and on, such as in the case of the automotive and steel industries. Ranchers and feeders program their production and must think in terms of six months to a year ahead. Radical changes in government policies such as we have had in the past few months are making them jittery along with the bankers who finance them.

To give you some economic explanation of the meat packing business, a reasonable price for slaughter cattle would be $48 cwt. to be able to sell beef at 71 cents to 72 cents per lb. This is a mythical ceiling for most packers that sell conventional dressed beef. Today they are asking 50 cents lb. to as much as 51½ cents lb. for their beef, which is $80 to $81 cwt. cattle. Beef packers are closing all over the country. Women are buying beef, poultry and pork like it was going out of style and the industry is in chaos.

One thing I think we dearly need in order to have reasonably priced beef, pork and poultry in this country is export quotas on corn milo and soybeans. We should determine animal numbers in the U.S. and retain adequate supplies to fatten them out for our own markets. Otherwise, I can see the Japanese and many other countries buying up our grain and soybeans and indirectly running up the price of our meat. All livestock feeders weigh the cost of their ingredients against the estimated market value of the fat animal and then determine if it is economically feasible. We need reasonably priced corn to have reasonably priced meat—it falls hand in glove and there is no way to separate it.

Thank you for listening to my thoughts on this matter.

Yours truly,

FRANK R. WEST,
Chairman of the Board and President.

PACKER SAYS BEEF PRICES MAY ROCKET

If the beef price ceiling isn't lifted soon, there'll be a "price explosion" when it does come off, the executive vice president of the National Independent Meat Packers Association said Tuesday.

John Mohay said: "The beef market will be in a first-class mess" if the ceiling isn't lifted before its scheduled Sept. 12 ending.

The "only solution" to avoiding beef shortages "is the immediate removal of the ceiling price on beef," Mohay said. The association has been telling that to the Nixon Administration for some time now, and hand carried the message to the White House again Tuesday, he said.

Some stores won't have beef for sale in about 10 days unless quick action is taken to lift the ceiling, he added.

PHONE INTERVIEW

"The beef supply will dry up in two weeks time, and there will be serious dislocations (shortages) in retail stores next week," Mohay said.

He commented in a telephone interview from Washington as a World-Herald check showed at least 19 per cent of the employes in Nebraska's meat processing industry are out of work and more may be soon.

Mohay, whose association represents packers doing 65–70 per cent of the U.S. beef business, said he doesn't have statistics on how many plants now are closed or workers laid off. Many are closing and reopening for short periods across the nation he said.

"Almost all have cut back substantially and probably none are operating at more than 70 per cent (normal)," Mohay said.

The number of beef cattle at the 11 major markets Tuesday (including Omaha, Sioux City and Sioux Falls) was down 25 per cent from a week ago and 55 per cent from two weeks ago, he said. Monday's total was 30 per cent below a week earlier and 50 per cent under two weeks earlier.

PLANTS TO REOPEN

In the Midlands, one firm announced it was reopening but, generally, industry spokesmen said they expect more plants to close.

At Spencer, Ia., Spencer Foods Inc., said it will reopen its plants at Spencer and Schuyler, Neb., today, on a temporary basis.

The firm laid off all production and maintenance workers Monday, saying it couldn't get cattle because of Phase 4 regulations. Tuesday, President Jerry Kozney said the company has received a limited amount of cattle, the Associated Press said.

"It's going to get worse. It's only a matter of time until most all the meat packing plants close down" unless the ceiling is lifted, said George Davis, manager of the American Stores Packing Co. in Lincoln, where as many as 125 of the plant's 700 employees have been laid off.

LAYING OFF

There is no central office collecting information on how many slaughterers and processors are shut down in the state, but telephone checks showed plants closing or laying off workers in several cities.

In Omaha, for example, Union Packing Co. has laid off about 100, half its force, and may have to close, President Carl Frohm said.

John Roth and Son of Omaha, which employs 60, shut down.

Greater Omaha Packing Co., which shut down last week, remained closed, * * * which employs 55, would reopen as soon as the ceiling is lifted.

At Sioux Beef in Omaha, the work force has been halved, laying off about 25, said spokesman Elmer Hoff.

At Dakota City, the Iowa Beef Processors plant remained closed.

STRIKE

About 1,600 members of the Amalgamated Meat Cutters and Butcher Workmen Local 22 have been on strike a week, and no progress was reported from a session with a federal mediator Monday night.

Company spokesman Dennis Gaukel said the beef ceiling was one factor in the strike. Iowa Beef's Mason City, Ia. plant also has shut down, laying off more than 100 persons, he said.

SHUTS WEDNESDAY

Flavorland Industries of Sioux City, Ia. said it will close Wednesday for an indefinite period. The shutdown comes four days after the company told the Nixon administration that keeping controls on beef prices would endanger meat supplies.

Similar problems are reported in smaller, outstate plants.

* * * Co. manager Bill Mahar said the plant is open this week, but isn't buying cattle for next week and may close then.

Nebraska Agriculture Director Glenn Kreuscher said in Lincoln more closings are likely.

Many feeders will hold cattle off the market until the Sept. 12 ceiling deadline, hoping to get a "significant gain in prices," he said.

THEN A GLUT

But if all do that, the market then will be glutted and prices "could go the other way," he said.

Kreuscher said he wished the Nixon administration had continued its Phase 2 program. "Things were going fairly well in Phase 2, and with a few adjustments" the situation would have improved, Kreuscher said. "It's been all mixed up since then."

BEEF PINCH FELT; SWIFT TO CUT BACK

(By Frank Santiago)

A beef pipeline that appeared to get smaller by the hour Friday is threatening to drain meat supplies to the food counter.

Swift & Co. announced it will close beef packing plants Monday at Grand Island and Des Moines, reducing the company's production 30 to 35 percent.

The packer joins other major meat processors stopping operations in the Midwest. They blame the Phase 4 beef price freeze.

The announcement was among a series of developments:

A spokesman for Safeway in Phoenix told the Associated Press the chain may be forced to lay off its retail butchers if a shortage of beef is not improved. Safeway officials in Omaha were unavailable for comment. However, Neil Shaver of Shaver Food Marts told The World-Herald he "didn't know yet" if a shortage would result in a payroll cutback. "There is the possibility," he said.

Charles A. Monasee, president of the American Community Stores Corp., operators of Hinky Dinky stores, said shoppers may find some "dislocations" or shortages of beef in coming days, but it won't be widespread. Beyond a week, however, the supply is questionable, he said. "We don't see any long supply ahead."

Officials of 25 major independent meat packers mapped out strategy Thursday in a meeting at the Hilton Hotel for a scheduled session early next week with the Cost of Living Council in Washington. The packers, according to United Press International, said their kill floors are running about 60 per cent capacity and the situation will get worse next week.

A spokesman for the American Meat Institute said Friday that Agriculture Secretary Earl L. Butz agreed to meet representatives of the beef industry next Wednesday in Washington.

The packers meeting here speculated that a shortage will intensify unless enough pressure is put upon the Nixon administration to lift the freeze and open the beef market prior to the scheduled Sept. 12 life date, said UPI.

Shortages have emerged in wholesale beef with some companies in Omaha distributing the meat to their customers, including institutions and restaurants, on an allotment basis.

Arthur Kulakofsky, general manager of the Ak-Sar-Ben Beef Co., described the wholesale market as "in utter chaos."

He said "we've been rationing for a week."

One hotel manager called, he said, and pleaded for beef. He was turned down "completely," said Kulakofsky. It was the third or fourth place the manager had called in an effort to find meat.

The Swift announcement said the shutdowns will idle 500 workers. The work forces at the plants are about equal.

The Swift spokesman blamed abnormal beef markets for the shutdown and said the plants will remain closed until the supply increases.

MORRELL HALTS BEEF OPERATION

SIOUX FALLS, S. DAK.—John Morrell & Co., South Dakota's largest meat packer, announced Friday it is halting all beef slaughter operations until further notice and laying off 200 persons.

General Manager Bob Atkins said the action was taken because of the government ceiling on beef prices.

BEEF PLANTS CLOSE ACROSS MIDLANDS

(By John Taylor)

At mid-afternoon Friday word hadn't yet got around to folks in Rock Port, Mo.

Even at John Carter's barber shop it wasn't the prime topic of conversation.

"I'm just like all the rest of them," Carter said in a telephone interview. "I hate to see it done. Folks haven't heard much about it but what does know about it sure hates it."

The word was, that in the town of 1,300 about 400 would be out of work come Monday: casualties of Phase 4.

Murie Schraeder, plant manager for the Missouri Beef Packers in Rock Port, said that the firm will be shutting down all operations Monday morning.

FREEZE BLAMED

He blamed the closing on the continued freeze of beef prices which is part of President Nixon's Phase 4 economic guidelines.

"We've been down three times since the ceiling has been imposed," he said.

The freeze will hit Rock Port especially hard, Schraeder said.

"Other than this plant there's no place to work around here. And every time this happens we lose a few people. It's very costly to us because we have trained them.

"It's pretty disheartening. I know the problem will go away when the ceiling is lifted."

The plant probably will remain closed until Sept. 12, the date the beef price freeze is lifted, he said.

FEW BRIGHT SPOTS

There were few bright spots in Midlands beef industry, as one after another, beef processors either closed Friday, announced they would close or would curtail operations.

No one, including the U.S. Department of Agriculture official in Lincoln, could say exactly how many plants have ceased operations or how many people are out of work.

But a World-Herald check turned up at least 13 plants in Nebraska, South Dakota, North Dakota, Iowa and Missouri, which have closed or are operating at less than full capacity.

3,670 JOBLESS

At least 3,670 persons either are out of work or soon will be.

The American Meat Institute said it has confirmed reports of certain beef processing and packing plant closings, among them:

John Morrell and Co., Sioux Falls and South St. Paul, Minn., to close Monday with total John Morrell layoffs more than 300.

Rath Packing Co., Waterloo, Ia., closing cutting operations Monday with 72 layoffs.

Swift fresh meats, Grand Island, Neb., and Des Moines to close Monday with total 425 layoffs.

In Scottsbluff, Neb., the Scottsbluff Packing Co. announced it will close temporarily beginning next week.

Richard Corey, president of the firm, said Phase 4 price controls were the major reason for the plant's closing.

"We absolutely haven't been able to buy any cattle at all. The market is just too high," Corey said.

Corey said it is hoped the firm can reopen within the next couple of weeks. He said the closing will affect some 55 workers.

"Nearly everyone has been affected some way," said Dr. D. C. Breeden, area supervisor for the Agriculture Department's meat and poultry inspection programs in Lincoln.

SMALL PLANTS OKAY

"Oddly enough, there is one segment of the industry that has increased their business: The small plants engaged in processing either farm animals for individual farmers or for individual * * *

Breeden said his office has "a lot of inspectors on standby status checking with us every day to determine whether a plant is going to operate or not."

The office has about 350 inspectors who operate at plants throughout Nebraska and "probably 75 per cent are on the job," he said. "We're using this time for training and other administrative activities. We also have given a number of employes summer vacations."

FLAVORLAND

In Omaha, one of the latest plants to close is the Omaha plant of Flavorland Industries, Inc. The plant, formerly known as Sioux Beef Co., closed at the end of the day Friday, idling 105 persons.

James R. McDonald, chairman of the board and president of the company, said the firm's West Fargo, N.D., plant also closed Friday. He said the closings are the result of the company's inability to pass on increased livestock costs under the ceiling price. The firm's Sioux City plant closed Tuesday. Total Flavorland layoffs, said the American Meat Institute, are 350–400.

Union Packing Co. of Omaha has laid off 100 employes, about half of its working force. President Carl Frohm said the plant may have to close, said Associated Press.

Meanwhile, Farmland Foods, Inc. said that its Carroll, Ia., pork plant will resume operations Monday.

The plant was closed June 14 as a result of the freeze on all food. About 40 employes will be asked to return to work at Carroll, the company said. However, continued operations remains uncertain and a company official said that "we'll just have to feel our way along."

[From the Washington Star News, July 31, 1973]

SLAUGHTERING OFF, PLANTS CLOSE: BEEF SHORTAGE WORSE

(By William Delaney)

The nation's cattle-slaughter total has plummeted to its lowest daily level since the consumer meat boycott last spring, while shortage-plagued beef packers report at least 25 plants closed and more than 10,000 workers idle.

Even as beef-country Republicans on Capitol Hill discussed alternatives today to the administration's Sept. 12 deadline for lifting retail beef ceiling prices, more layoffs were reported here—at Safeway's Washington division meat-distribution center in Landover, Md.

Officials of both Safeway and Murry's Steaks Inc. here confirmed that Washington suburbanites, like many consumers elsewhere in the country, have begun stockpiling beef for fear of impending shortages and of almost-certain higher prices after mid-September.

Such major beef buyers as the D.C. government and the University of Maryland, for example, have been unable to contract through normal channels for September supplies.

One D.C. wholesaler, stocked with only half his normal beef supplies this week, says he is having to prorate allocations to his prized local customers, which include the Rive Gauche restaurant and the Washington Hilton.

Agriculture Secretary Earl L. Butz told reporters yesterday morning he believes President Nixon "will not cave in" to pressures to lift the beef price freeze at least partially, thereby encouraging ranchers to bring cattle to market before Sept. 12.

But later yesterday, after an hour-long private session at the Capitol with six major middle western slaughterers and Nebraska's two Republican senators, he told The Star-News:

"They (beef processors) are obviously hurting."

Asked if the administration would reconsider its thus-far-adamant adherence to its Sept. 12 price-freeze cut-off, he replied:

"We're half way there . . . Well, I just don't know. This is not my decision."

Though area supermarket chains have predicted an ample supply of beef this week, a spokesman for Safeway's 170-store Washington division said yesterday that an unspecified number of workers had been laid off Friday at the division's "pre-fab" beef plant at Landover.

Jack Luber, vice president of the 16-store Murry's Steaks frozen beef chain in the Washington area, said sales were 30 percent above normal last week and would have been higher, had Murry's had enough steaks.

Agriculture Department analysts yesterday estimated the day's total slaughter at federally inspected beef plants at 79,000—23.4 percent below last Monday's USDA estimate and the lowest daily slaughter total since April 9, the Monday after the week-long national consumer meat boycott.

"We think even that's a big figure," said executive vice president John Mohay of the National Independent Meat Packers Association. "We think it's more like 50,000."

"There's not a beef packer in the U.S. that's operating at anywhere near capacity," Mohay said.

By yesterday, he calculated, 25 plants run by 17 major beef packers had closed down mainly because cattle were being withheld from market pending the lifting of the retail beef price ceiling Sept. 12, or because processors could not afford the $53.42 per hundredweight market price for cattle when their break-even point is around $48.

Sen. Carl T. Curtis, R-Neb., said after the closed-door session with the processors, Butz and Chairman Herbert Stein of the Council of Economic Advisers, that he feels Sen. John G. Tower, R-Texas, will "shortly" push an amendment to permit beef packers to "pass along" immediate raw agricultural cost increases since June 8, as pork and poultry processors were allowed to do 12 days ago under the administration's new Phase IV guidelines.

"The heavy demand for beef is helping create a 'black market' in Washington," according to the president of a leading local beef supply firm. "But it's not fair to call it a 'black market.' It's just free enterprise. Restaurants and hotels want the meat, and they're willing to pay prices over the ceiling to get it," said the supplier, who asked not to be identified.

"What's happening is that a lot of suppliers are just anticipating the September price release. They're selling at whatever they can get, as if it's already a free market."

The supplier said he feels the ceiling violations are justified "if you consider all the people who might be put out of work by this unfair freeze."

"Everyone's buying over the ceiling just to stay in business," another leading wholesaler said. "Those of us who have contracts at freeze levels are taking a beating. We're buying black market, and selling legitimate. Most of us are lucky to break even.

"But we can't afford to say no to our customers," he said. "Once you close your doors, people drift elsewhere. Then when the freeze is over you have to rebuild your business."

A spokeswoman for the Cost of Living Council said its investigations indicate black marketing is "infrequent" on the national level.

The District government, which buys for such institutions as D.C. General Hospital, said it was notified earlier this month by its main supplier, General Services Administration, that its regular monthly contracts are in trouble.

"We're now scrounging around on the open market doing our own bidding," a District spokesman said.

TAXES AND THE MULTINATIONALS

Mr. HARTKE. Mr. President, I ask unanimous consent that a table I have prepared be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. HARTKE. The data approximate the effective Federal income tax rates for selected American companies' foreign sales and their percent of total sales, foreign earnings and their percent of total, the scope of sales and the effective rate of taxation is shown for each company for the years 1969–71. The firms selected were taken from a table submitted by Congressman CHARLES VANIK to the Joint Economic Committee in July of last year. The corporations are multinational in nature. All of them obtain substantial earnings from sales and profits abroad. It should be noted that this is only a partial listing. It does, however, adequately demonstrate the effects of tax advantages which are granted under the present system to the large mutinational companies. I am again trying to shed some factual light on the subject of Federal taxation of U.S.-based multinational enterprises. Basic information is particularly lacking in this area.

Further, the same companies disregard Security and Exchange Commission rules on disclosure of taxes paid to foreign governments. SEC rule 5–04,15 provision for income and excess profits taxes, provides that State, local, and foreign taxes be listed separately from Federal taxes, United States Steel, IBM, RCA, National Cash Register, and Colgate-Palmolive combined United States and foreign taxes in all tax statements available. In order to rationally proceed in this important area of tax reform, we need to have access to information from all sources—from the administration as well as from private business.

I would like to emphasize some major results of a study done by Congressman VANIK concerning Federal taxation of American corporations. Up to 10 percent of the country's top industrial corporations paid no Federal income taxes in the years 1969–71. About 10 to 15 percent of the top 100 industrial firms earning profits, paid U.S. taxes at an effective rate of less than 10 percent. Legal tax avoidance was estimated to amount to $1.2 billion. An unequal share of the Federal corporate tax falls on the smaller companies, promoting monopolistic power. At the same time, the larger companies caused a net loss of jobs in the 3-year period preceding 1971. The comparatively smaller companies registered a net gain in employment.

As I have pointed out in previous statements, present Federal taxation legislation lacks any kind of comprehensive unity and purpose. It is out of date, and we are not even told what its effect is. I ask the Members of this Chamber to urge the administration, the Secretary of the Treasury, and the corporations to provide public access to all relevant information.

Foreign direct investment by U.S. companies has been increasing at a rate of 15 percent. On the basis of present trends this figure will rise to over 20 percent by 1980. By contrast, the GNP of the world's principle industrialized countries will increase between 3 and 5 percent. If a corporation's sales were to be equated with a nation's output of goods and services, then 54 of the world's 100 biggest money powers would be multinational corporations and only 46 would be countries. General Motors, for example, with a yearly turnover of more than $24 billion, was in 15th place on this list, just behind Spain, Sweden, and Holland and just before Belgium, Argentina, and Switzerland. Exxon and Ford each made more money than the GNP of Pakistan, Denmark or Austria.

I am not against bigness per se, but I am vigorously opposed to unregulated bigness that adversely affects the United States' trading position in the world. Multinational firms export American jobs by the hundreds of thousands, as they move their operations abroad in search of cheaper labor, nonunion shops, and tax holidays.

One glance at this list of American multinational firms selling between 40 and 50 percent of their turnover abroad demonstrates the gravity of this problem. In order to facilitate these foreign sales, much of the manufacturing of their products is done overseas resulting in the loss of former American export markets and jobs.

Once these firms have resettled in foreign countries, avoiding many American taxes and slipping under the tariff barriers of the host country, they begin selling their products in markets formerly served by their American plants. This adds to the U.S. balance-of-payments deficit. The foreign affiliate is run by foreign labor, and since production in the American plant has dropped off or been replaced by the subsidiary, Americans are forced to sacrifice their jobs in order that these superinternational companies can expand their profits.

At present, our tax laws make an overseas investment more attractive than one in Indiana. For example, profits earned by a foreign subsidiary of an American firm are not taxed until they are repatriated. To the extent that the firm does pay taxes to a foreign government, these taxes count as a dollar-for-dollar credit against any Federal tax liability. Profits made in Indiana are taxed when earned. And taxes paid to the State of Indiana can only be taken as deduction against gross income rather than as a Federal tax credit. My bill will plug both of these gaping loopholes. For example: taxes on overseas profits of foreign subsidiaries would be taxed as soon as these profits are earned. There would be no tax deferral. As for tax credits, the Hartke-Burke approach would eliminate them and require that foreign taxes on corporate profits be deductible instead of credited on their tax accounts. The depreciation allowances for companies owning business property in foreign lands would be tightened. The allowance would be computed on the basis of actual useful life of property to the corporations and on the basis of the straight line accounting methods rather than an accelerated method.

We cannot ignore nor fail to correct the growing power of these giant multinational concerns. They feel no allegiance to any national entity. They support no government on ideological grounds. They have no qualms about investing in democratic or totalitarian, capitalistic or socialistic, civilian or military governments as long as their profit goals can be realized.

The Foreign Trade and Investment Act of 1973 is designed to put our industry on an even footing with foreign competition and make domestic investment just as attractive as investment abroad. By controlling predatory trade practices and regulating the American-based transnational firm, the Hartke-Burke approach to trade policy will put America back on the path to a world of free and fair trade.

EXHIBIT 1

U.S. COMPANIES HEAVILY DEPENDENT ON FOREIGN SALES AND EARNINGS, AND THEIR EFFECTIVE CORPORATE INCOME TAX RATES

Company	Estimated foreign sales 1970 (millions)	Percent of total	Foreign earnings (millions)	Percent of total	Where sales and profits come from	Effective corporate income tax Rate [1] 1971	1970	1969
Standard Oil (N.J.)	$8,277	50	$681.2	52	Worldwide	(2)	(2)	(2)
Mobil Oil	3,267	45	246.3	51	Canada, Middle East	(2)	16.8	7.2
ITT	2,673	42	123.6	35	Europe, Latin America	4.9	4.2	14.4
Texaco	2,540	40	(2)	(2)	Worldwide	3.2	8.0	.8
Gulf Oil	2,428	45	115.5	21	Middle East, South America, Canada	4.9	1.9	.6
Standard Oil of California	1,885	45	209.3	46	Middle East, South America, Indonesia	(2)	16.0	5.1
Catapillar Tractor	1,118	53	(2)	(2)	Export Sales Worldwide	35.7	41.7	(2)
Occidental Petroleum	1,105	46	(2)	(2)	Middle East, South America, Africa	(2)	1.4	0
Dow Chemical	771	40	46.4	45	Worldwide	22.5	32.2	26.8
CPC International	692	50	31.1	51	do	(2)	27.5	29.7
Colgate Palmolive	670	55	(2)	(2)	do	(2)	(2)	(2)
National Cash Register	643	45	15.3	51	do	(2)	(2)	(2)

[1] This data is courtesy of Hon. Charles A. Vanik: testimony before the Joint Economic Committee, July 19, 1972.

[2] No data available.

Source: The study is based entirely on information from public sources, including 10-K reports, registration statements, and prospectuses filed with the Securities and Exchange Commission as well as annual reports to shareholders and annual reports to the Interstate Commerce Commission.

THE GUARANTEED STUDENT LOAN PROGRAM

Mr. PELL. Mr. President, on June 22, 1973, the Subcommittee on Education conducted hearings on the guaranteed student loan program, that program under which students in our Nation's colleges and universities can get loans, subsidized or unsubsidized, from private banks.

In the Education Amendments of 1972, a change was made in that program. Before the amendments were enacted, a student from a family with an adjusted gross income of less than $15,000 was assumed to be in need of assistance and therefore was eligible for a subsidized loan, while people with a gross income of over $15,000 could only receive a loan with no interest subsidy.

During the conference on the 1972 amendments, the House conferees insisted upon the establishment of a needs test for the guaranteed student loan program. What in effect the needs test amendment did was to change the program from one of loans of convenience for middle-income families to one of loans on the basis of need.

Both last year and this year the loan programs were markedly affected. Last year, recognizing that the effect of the new amendment would be too substantial for quick implementation, the Senate acted to delay the effect of the new amendments, and the loans continued to be made at about the same volume and to the same people as the year before. This year, the 1972 amendments are in effect, and applications for loans are down 40 percent. It is quite clear that many of those who previously received the loans will not receive them this year.

The members of the Subcommittee on Education were concerned about this and held hearings which somewhat substantiated these effects. Although witnesses attributed the drop in loans to many different factors, there is basic agreement that the difficulty stems from the 1972 amendments. This is a most unfortunate situation, and I know that I would be in favor of legislation which would return the guaranteed student loan program to its status before the 1972 change.

However, we understand that even if we do take action, the House may not go along with any changes. Furthermore, the banks of the Nation as well as student loan officers have indicated that action by only one body will throw a stoppage into the guaranteed student loan program as it exists right now, so that even those people who are now receiving the loans would cease to get them.

I believe that what we are now hearing about is only the beginning, for more and more students will be refused loans.

I would hope that we could amend the statute and give relief to those who are most affected by the current inflation. the middle-income family.

THE GUARANTEED STUDENT LOAN CRISIS

Mr. JAVITS. Mr. President, I share the concern of the distinguished chairman of the Subcommittee on Education, Senator PELL, with respect to the burgeoning crisis in the guaranteed student loan program, a program where a 40-percent falloff is already evident. While the subcommittee's June 22d hearings indicated that there will be an increase from present levels as the opening of the school year approaches, the fact remains that many students from families of moderate income will be unable to obtain the funds which they had anticipated receiving in order to attend the college or vocational institution of their choice.

The existence of a crisis in guaranteed student loans is pointed up particularly by the excellent staff report of the House Committee on Education and Labor following visits to seven regional offices of the Office of Education from July 16th to the 23d. As the report indicates, students in the middle-income brackets are particularly adversely affected, the very students to whom the program is primarily directed. It is these students who are not usually eligible for other assistance programs and who must turn to guaranteed student loans in order to obtain a postsecondary education.

The reasons for the crisis are, of course, complex, including factors attributable to changes made in the law last year, the changing nature of the money market, and administrative difficulties. I ask unanimous consent that the House staff report be made a part of my remarks in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. JAVITS. As the Senator from Rhode Island has pointed out, we are now frustrated in achieving a solution to this problem at this late hour before the beginning of the new school year. I hope, however, that if our fears as to the difficulties faced by the guaranteed student loan program are borne out that our committee will press for a workable solution.

In concluding, I should like to recall a passage from the Supplemental Views submitted by the minority Senators of the Committee on Labor and Public Welfare as part of the report on S. 659, the bill which eventually became Public Law 92-318, the Education Amendments of 1972:

> In considering the availability of a higher education, we refer not only to those in the poverty category but also the large number of young people from middle-income families whose resources are insufficient to meet the mounting costs of a college education. We must be careful lest our campuses be occupied principally by those at the poverty level, who qualify for special aid, and those from the upper income brackets, who can afford to pay—a campus peopled only by the very rich and the very poor, pricing out the middle income, is also violative of the American system.

EXHIBIT 1

STAFF REPORT, FIELD TRIP INVESTIGATING GUARANTEED LOAN PROGRAMS

Pursuant to the instructions of the Chairman of the Subcommittee, the Chairman of the full Committee, and the ranking minority Member of the full Committee, several members of the staff visited seven regional offices of the Office of Education during the period July 16–23, to inquire into reports of problems with the Guaranteed Loan program.

The staff members traveling and their itinerary was as follows:

Kansas City, Mo., July 16—A. C. Franklin, Subcommittee Counsel; William H. Cable, Full Committee Counsel; Christopher Cross, Minority Legislative Associate.

Atlanta, Ga., July 17—Franklin and Cable.

Dallas, Tx., July 18—Jim Harrison, Subcommittee Staff Director; and Robert Andringa, Minority Staff Director.

San Francisco, Ca., July 19—Harrison, Cable, Andringa.

Seattle, Wa., July 20—Andringa.

New York, NY., July 20—Franklin, Cross, and William Gaul, Full Committee Associate Counsel.

Boston, Ma., July 23—Harrison and Andringa.

In all seven of these site visits, the format was similar. School aid officers, officials of lending institutions, and officials of State Guarantee Agencies were invited to come to the regional office to talk frankly with the staff members and to answer questions and express their own concerns. No effort was made to summon a representative cross-section of the various communities, nor was there a formal transcript made of any of the meetings. The staff has kept lists of names of those in attendance, but they have deliberately not been included in this report, because the persons in attendance were urged to speak in an individual, rather than a representative capacity. In some of the meetings, the staff met with the school and bank officials simultaneously; in others, separately. At some of these meetings, HEW officials were present. At others, they were not. It is the unanimous observation of the staff that the substance of the meetings and cooperative spirit displayed were much the same whether or not the various groups were together.

We also believe it would be useful to say for the record that the attitude of the agency officials and the other persons invited to the meetings was uniformly constructive, helpful and concerned primarily with getting at the facts. Some of the participants were more obviously there as advocates than were others, but at no time did point-making take precedence over efforts to help us find the facts.

The following observations are generally subscribed to by all the staff members who participated in these sessions. Not all of us would subscribe to every letter of what appears in this report, but none of us discern major errors of reporting.

The staff members do not believe we were commissioned to make recommendations for legislative solutions to any of the problems we observed, and we have sought to avoid that in this report.

I—SCOPE OF THE PROBLEM

1. Before we departed Washington, all of us had been told that the loan volume—so far in 1973—i.e. amount of money lent and the number of borrowers having loans approved—was down substantially from last year's corresponding period. Although an occasional lender or school felt the figure too high, it was the clear consensus of those to whom we talked in the field that the program was "down" 40% or more as compared, to this time last year. Unusual backlogs of applications are on the desks of some student aid officers, but no one asserted that this accounted for the major part of the drop-off. The field trip confirmed that in Calendar 1973 dollar volume is generally lower, month-by-month, than for any year since 1970.

2. Unsubsidized loans are being made only rarely, but this is not inconsistent with the general pattern of lending institutions in earlier years. So we found evidence neither of any drop-off in unsubsidized loans nor that unsubsidized loans were taking up the slack.

3. Most lenders decline as a matter of policy to make "split loans"—a subsidized loan for the amount recommended by the institution and an unsubsidized loan for the remainder of the student's request.

4. While everyone felt that the net volume of the program would decline this year, there was some disagreement as to the precise mathematics of the decline. It was widely believed by those to whom we talked that the situation would improve, however the number of borrowers would be less than before and that amounts of individual subsidized loans would be reduced. Yet statistics provided us by OE suggested that the "average loan" was actually going up by a few dollars.

II—EFFECT OF THE DECLINE

1. In each of the meetings, the participants were asked if this year's decline represented an actual drop in the number of students who would be attending school—or merely a drop in the number who would do so with the help of guaranteed loans. The reactions to this question were not uniform. In Atlanta, Dallas, San Francisco, Kansas City and New York, aid officers felt strongly that some rejected borrowers would be unable to attend the schools they chose initially, but the aid officers were reluctant to assert that substantial numbers of students would be out of school. In Boston, however, the aid officers did assert that a "substantial" number of students would be unable to register in the fall. All of the officers questioned felt that the difficulty in obtaining loans would work a hardship on many students and their families.

2. There was a general belief—attested to by both student aid officers and lenders that the most serious reductions in previous loan levels are being felt by students whose adjusted family incomes are $10,000 and up. Although there were horror stories told of students from families having lesser incomes being found lacking in need for any loan, the persons to whom we talked felt that the largest number of turn-downs were in the "middle-income" bracket.

3. While some student aid officers and most lenders admitted their own and complained of each other's unwillingness to exceed the recommendations produced by the need analysis computer—or received by the bank from an aid officer—they repeatedly suggested that the recommended amount least likely to be changed was one assessed by the computer as zero. In other words, student aid officers occasionally, and banks very rarely, were willing to increase a small recommendation, but they were almost never willing to grant any loan to a student with a zero recommendation, treating the zero recommendation virtually as a barrier to a subsidized loan.

4. Many lenders have selective policies, refusing to lend to freshmen, or to students who had no previous customer relationship with the bank. The lenders did not seem inordinately distressed to learn that such policies might make them ineligible for participation in SLMA.

III—REASONS

A. Program-related reasons

1. (a) The most frequently and urgently stated reason for the decline, was the needs analysis requirement. "You have changed the program", one could paraphrase much of

what was said, "from loans of convenience to loans of necessity. It is no longer a program for middle-income people. It is now for those who can demonstrate a need."

(b) A frequently voiced complaint was that the needs test multiplied the paper work involved and tripled application processing time.

(c) By those participants who agree to a needs analysis in principle, there was substantial criticism of the existing needs analysis systems as leading to results which were variously described as ranging from unfair to absurd.

2. (a) Paradoxically, although no one had a good word for the needs analysis systems, almost no one was willing to depart from the needs figures that system prescribed. There were, in each of the regional meetings, aid officers who claimed a willingness to depart from the needs analysis result, and some lenders who said they were willing to exceed the recommendation of the loan officer. But they were a minority.

(b) It was not always immediately apparent, but careful questioning elicited in each meeting a deep underlying apprehension about the fate of an institution whose aid officer regularly exceeded even patently absurd needs analysis computations at the hands of some future HEW or GAO auditor. Audits of the recent past have left discernible psychic scars on aid officers.

3. There was some ambivalence as to where the participants wanted the responsibility for choice actually lodged. Some aid officers and some bankers indicated that they felt they were professionally competent to make those judgments, and just didn't want Big Brother and his auditors second-guessing them. Others—aid officers and bankers alike—argued that they did not, in fact, know their clients personally and well enough to make these judgments and they wanted further guidance in writing from the government. It seemed to us that those who wanted authority and responsibility were substantially outnumbered by those who did not.

4. Bankers who were willing to exceed the institution's recommendation did ask for access in some manner to the kind of data available to the student aid officers through the Parents' Confidential Statement. They were, of course, wholly respectful of the confidential nature of the PCS, and did not expect to be shown it. But they did think that a synopsis of the information it contained would enable them to make better judgments as to the adequacy or inadequacy of the aid officer's judgment.

5. There was widespread criticism of HEW because of:

(a) the absence of a program manual.

(b) inadequate guidance as to what constitutes "adequate documentation" for a recommended increase over the needs analysis figures.

(c) apparent ambivalence in OE to the relationship between the expected family contribution and the guaranteed loan itself.

(d) what some viewed—rather convincingly—as the fall-out from an internal struggle within the Office of Education between those who wanted the Guaranteed Loan program to be strictly needs-oriented, and those who thought of it as a liberalized version of what had begun as the "middle-income family's student aid."

6. It was repeatedly asserted that OE had departed from Congressional intent. Floor comments about the "presumption of need" for persons with income of under $15,000 were cited, and those citing them felt that the program as administered (or perhaps the statute as written) had not reflected that kind of assumption.

7. OE's delay in announcing the latest special allowance was cited once or twice.

8. The great delay in announcing the 1973 allocations and guidelines for other student aid programs was cited repeatedly as adding to the slowness and possibly to the decline in loan applications and approvals.

B. Non-program related reasons

1. A general decline in the number of loan applications was cited by several, but not all, aid officers.

2. In one meeting, at least, the commercial bankers affirmed that the fact that, notwithstanding the special allowance, they could make more money in other areas tended to discourage them from active participation in this program—even if it were further "sweetened". In the same meeting, in fact, the commercial bankers participating were unanimous that they lost money on the program. Some asserted they were in it only for reasons of community service or to create good will. (One banker used the phrase "to recruit customers".) The motivations of other types of lenders were varied.

3. Frequent staff changes at aid offices and in lending institutions, and the low priority college administrators put on staffing the loan offices were both mentioned as slowing down the work of these offices.

4. A lack of direct contact between schools and prospective borrowers and between lenders and prospective borrowers was mentioned.

5. With the end of the draft, with the inflation of educational costs, and for other, perhaps deeper reasons, there seems to be a gradual lowering of the value people are putting on higher education. A parent who would use his savings a few years ago to send his child to college, or a student who would mortgage his own future earnings to enter or remain in college is not as frequently encountered today.

IV—A RECOMMENDATION, AFTER ALL

Having piously eschewed any intention or authority to make recommendations at the beginning of this paper, the staff members who made these trips do have one recommendation which we believe should be implemented whatever the legislative or administrative action taken to meet the existing situation.

We found in region after region that our meetings, bringing student aid officials and lenders together in large numbers was infrequent. For each group, the other was, prior to our meetings, an anonymous group of shadow figures at the other end of a paper chain or a telephone. But they did take advantage of the opportunities to exchange views and they appeared to benefit substantially from meeting together. And we think they should be brought together to discuss their common problems—and the problem of their mutual clients—the student and the student's family.

CONCLUSION OF MORNING BUSINESS

Mr. NELSON. Mr. President, is there further morning business?

The PRESIDING OFFICER. Is there further morning business? If not, morning business is closed.

EMERGENCY EMPLOYMENT AMENDMENTS OF 1973

The PRESIDING OFFICER. Under the previous order, the Senate will now proceed to the consideration of S. 1560, which will be stated by title.

The second assistant legislative clerk read as follows:

A bill (S. 1560) to extend the Emergency Employment Act of 1971, to provide public service employment for disadvantaged and long-term unemployed persons, and for other purposes.

The PRESIDING OFFICER. The time for debate on this bill is limited to 1 hour, to be equally divided between and controlled by the majority and minority leaders. There is a time limitation of one-half hour on any amendment, debatable motion, or appeal, except on the amendment to be offered by the distinguished Senator from Ohio (Mr. TAFT), on which there is a limitation of 2 hours.

Mr. NELSON. Mr. President, the proposed legislation now before the Senate, S. 1560, the Emergency Employment Amendments of 1973, would extend this successful job creation program for 2 additional years, and focus it more sharply on disabled and Vietnam-era veterans, the poor, and the long-term unemployed.

On July 25 the Senate began consideration of S. 1560. A detailed statement about the bill and a section-by-section analysis of the legislation can be found on pages S14663 through S14666 of the CONGRESSIONAL RECORD of July 25.

While the overall budget—as proposed by the administration—will increase by some $19 billion between 1973 and 1974, the pending legislation proposes to hold the line on spending: the bill authorizes precisely the same amount for fiscal year 1974 as was appropriated for last year—$1.250 billion.

HOW THE PROGRAM WORKS

It is a pleasure to say that the Emergency Employment Act has no vast Federal bureaucracy to administer it. It is a billion dollar program—but the Federal staff at its peak included about 70 professionals working full time.

The Emergency Employment Act is a locally designed and operated program, just as Congress designed it to be. In fact, it represents an encouraging example of what decentralization of responsibility in the manpower field can mean.

Here is how the program works.

When national unemployment is above 4.5 percent, the legislation authorizes Congress to appropriate $1 billion for a nationwide public service employment program. In addition, regardless of the nationwide unemployment rate, the bill authorizes $250 million for areas of substantial unemployment having over 6 percent unemployment.

Congress has appropriated the full authorization—$1 billion in year 1972; $1.25 billion in 1973.

Every State, and any city or county of 75,000, can be a program agent. There are now 50 States and 620 cities and counties acting as program agents.

Outside of the larger cities and counties—which have administrative responsibility for their own programs—the Governor of the State is responsible for the operation of the Emergency Employment Act program. In the balance of State areas, the Governor provides funds to local governments to hire the unemployed.

The money is distributed among the program agents by formula, in proportion to the number of unemployed. In effect, a city or a State gets the same share of the national funds as its share of the national unemployment.

States and localities are given very broad discretion about the kinds of public jobs in which the unemployed can be placed. The idea is to allow each jurisdiction to make the decision as to which priorities are most pressing, not to have Washington make that decision.

In order to spend the dollars to which they are entitled by the allocation formula, a program agent must file an application with Washington pledging to comply with the law in providing employment benefits and conditions equivalent to those for regular workers, to avoid displacing existing workers, and to seek reform of civil service requirements that set up artificial barriers in the way of job and advancement opportunities for the disadvantaged.

VETERANS, DISADVANTAGED, AND LONG-TERM UNEMPLOYED

Mr. President, in recognition that the employment situation in the Nation as a whole has improved since the passage of the Emergency Employment Act in the summer of 1971, the committee has proposed that the act be more sharply focused on those most in need of jobs, specifically Vietnam veterans, the poor, and the long-term unemployed.

The continued high rates of unemployment for young Vietnam war veterans is a national scandal.

The overall rate of unemployment for these veterans—6 percent with some 262,000 looking for work in June—is serious enough.

But for those 20 to 24 years of age the rate of unemployment was even more serious: 10.5 percent in June—up nearly 2 percent since May—with 163,000 young veterans looking for work.

For younger black veterans, the unemployment rate is over 15 percent.

The Emergency Employment Act—with a potential of about 180,000 jobs a year if it operated at the appropriated $1.25 billion level—could make a serious dent in the unemployment problem of these veterans.

With this in mind, the bill provides for all sponsors of public service employment programs to prepare plans designed to assure that by the end of fiscal year 1974, 50 percent of the jobs under the Emergency Employment Act will be held by veterans. It would, of course, be possible for more of the jobs to go to veterans at the discretion of the local communities.

During its 2 years of operation the EEA has done well by veterans. Fully 27 percent of the jobs have been filled by Vietnam-era veterans. But we can and we must do better.

For the remaining jobs under the program we believe it only fair that they be reserved for the economically disadvantaged, and those who have been seeking work unsuccessfully for 15 weeks or more who are called the long-term unemployed. As of February 1973, some 39 percent of those hired under the act qualified as disadvantaged and 12 percent came to the program from the welfare rolls. As economic conditions in general improve, the committee believes it important that future emphasis be given to providing jobs for those who need them most, and who have the greatest difficulty in finding jobs in the private sector.

A person who has been looking for 15 weeks or more—nearly 4 months—as some 775,000 Americans had been in June of this year—deserves help. So the amendments are written to provide eligibility for the long-term unemployed even if they do not qualify as poor or as veterans.

NEED FOR EMPLOYMENT PROGRAMS

Mr. President, the continued existence of mass poverty in the midst of the wealth of America is in large part due to continued extraordinarily high rates of unemployment in rural and inner city poverty areas.

Manpower training programs, excellent as they are where good jobs are available at the end of the training program, are helpless where decent jobs are not to be found.

A growing understanding of these facts led to passing the public service employment program. Recognition of these facts should lead the Senate and the Congress to extend the Emergency Employment Act in 1973.

Of all the testimony the committee received on the Emergency Employment Act, among the most moving was that given by Mayor Richard Hatcher of Gary, Ind. He spoke directly to the heart of the matter.

Mayor Hatcher pointed out that we have a choice: either we provide jobs or we inevitably create the conditions that lead to crime and welfare.

Mayor Hatcher said·

> If you go to cities with the highest unemployment rate or the highest underemployment, you will not only find there the greatest slum areas but also the highest crime rate. That is the sad reality.
>
> If we leave the unemployed idle—the ultimate costs will be 100 times greater to the government than if we put them under a program of public service employment . . .
>
> We can reduce the ultimate government costs by giving these people jobs where they can render useful services and compete with their coworkers to improve their qualifications for jobs of a higher grade-level, and where they have a steady income to make them self-reliant . . . to sustain themselves at a decent level . . .

Mayor Hatcher states the case for continuing the Emergency Employment Act about as well as it can be put.

If we are serious about the work ethic, then we must be serious about providing work opportunity.

If we are serious about reducing the welfare rolls, then we must be serious about providing adequate earned income.

Communities where 30 percent of the workforce is subemployed are bound to be communities in the most serious trouble, trouble with crime, trouble with welfare, trouble with hopelessness and despair.

The Government—and this world—owes no one a living. But the Nation does owe each of its citizens an opportunity to earn that living for himself.

The Emergency Employment Act extension we are considering today is too small a measure to meet the need. But it does represent a healthy start in the right direction.

The bill represents a compromise between those who would like to see the program substantially expanded, and the harsh reality of the administration's opposition to continuing the program at all.

In the judgment of the committee, the Emergency Employment Act is one of the very best manpower programs we have yet enacted. It is a proven success in the field and it ought to be extended.

Mr. President, I ask unanimous consent to have printed in the RECORD a letter sent to me as chairman of the subcommittee from the National Association of Concerned Veterans, and another letter sent to me on this legislation from the U.S. Conference of Mayors, along with an attached resolution.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

NATIONAL ASSOCIATION OF
CONCERNED VETERANS,
Washington, D.C., July 30, 1973.

Hon. GAYLORD NELSON,
Chairman, Subcommittee on Employment, Manpower, and Poverty, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: The National Association of Concerned Veterans strongly supports S. 1560, as amended, the "Emergency Employment Amendments of 1973". This measure, if enacted, will greatly assist the efforts to facilitate the readjustment of our many jobless and underemployed Vietnam era veterans.

The Emergency Employment Act of 1971 has served to reduce the level of unemployment among young veterans both directly and tremendously. In addition, many EEA positions were used by state and local governments to provide needed services for Vietnam era veterans; such as counselling, job placement, and educational or training placement. Thus the EEA has assisted both veterans and local governments, as well as the Federal Government.

The discontinuation of EEA would directly and adversely affect thousands of young veterans presently gainfully employed. In short, the liquidation of EEA would unnecessarily increase the unemployment rate and also eliminate many services from which large numbers of Vietnam era veterans currently benefit.

The NACV (formerly the National Association of Collegiate Veterans), as a Vietnam era veterans' organization has actively assisted state and local governments in the attaining of national goals of young veterans' readjustment. It is for such reasons that the NACV urges expeditious passage of S. 1560, as amended.

Respectfully yours,
JAMES M. MAYER,
President.

U.S. CONFERENCE OF MAYORS,
Washington, D.C., July 26, 1973.

Hon. GAYLORD NELSON,
Chairman, Senate Subcommittee on Employment, Poverty, and Migratory Labor, Washington, D.C.

DEAR SENATOR: As you know the United States Conference of Mayors first called for a major public service employment effort underwritten by the Federal Government in 1967. We have continued to support such a program.

We were gratified with the action by the Congress and the President in enacting the Emergency Employment Act of 1971. This program has proved an effective means of bringing those with limited skills into the labor market. Many have moved from the public sector into private employment, while many others have moved from the Emergency Employment Program onto regular city payrolls.

We therefore urge that the Public Employment Program be continued.

I enclosed herewith a copy of the resolution on this subject which was adopted by the United States Conference of Mayors at its Forty-First Annual Meeting in San Francisco on June 20, 1973.

Sincerely,

JOHN J. GUNTHER,
Executive Director.

RESOLUTION NO. 17—PUBLIC EMPLOYMENT

Whereas, the Administration plans to terminate the Emergency Employment Act (EEA); and

Whereas, the well-documented need for public services continues to exist in our nation's cities; and

Whereas, nearly five million Americans are now unemployed and several millions more are either underemployed or have completely abandoned the labor market; and

Whereas, these crises of unemployment and pubilc service needs coverage in our nation's cities; and

Whereas, the Public Employment Program (PEP) implemented under the EEA has been a proven success in meeting these crises by providing public employment to all segments of the unemployed population and by providing both a necessary expansion of existing success and a testing ground for new public services and public service delivery systems.

Now, therefore, be it resolved that the U.S. Conference of Mayors reiterates its support for permanent public service employment as an essential component of national manpower policy.

Be it further resolved that the U.S. Conference of Mayors calls upon Congress to enact and the President to approve legislative and appropriations adequate to continue public service employment in our cities.

Mr. NELSON. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. PELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PELL. Mr. President, I ask unanimous consent that Mr. William Young be given the privilege of the floor during the course of this debate.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. TAFT. Mr. President, I ask unanimous consent that Mr. Roger King have the privilege of the floor during the course of the debate.

The PRESIDING OFFICER. Without objection, it is so ordered.

Who yields time?

Mr. TAFT. Mr. President, I call up my amendment to the bill which is at the desk and ask that the clerk read it.

The PRESIDING OFFICER. The amendment of the Senator from Ohio, in the nature of a substitute (No. 430), will be read.

The second legislative clerk proceeded to read the amendment.

Mr. TAFT. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered

Amendment No. 430 is as follows:

Strike out all after the enacting clause and insert in lieu thereof the following:

That this Act may be cited as the "Public Employment Act of 1973".

STATEMENT OF FINDINGS AND PURPOSE

SEC. 2. (a) The Congress finds and declares that—

(1) the incidence of unemployment and poverty still persists at high levels in some of the Nation's cities and rural areas, notwithstanding the current high state of the general economy;

(2) the Nation has failed to fulfill the goal set twenty-five years ago in the Employment Act of 1946 to assure maximum levels of employment through public policy;

(3) continued high unemployment in some areas severely, limits the work opportunities available to low-income persons, and migrants, persons of limited English-speaking ability, and others from socioeconomic backgrounds generally associated with substantial unemployment and underemployment;

(4) work opportunities must be made available for the increased number of persons in the labor force, including the many young persons who are entering the labor force, persons who have recently been separated from military service, and older persons who desire to remain in, enter, or reenter the labor force;

(5) there still exist unmet needs for public services in urban and rural areas in such fields as environmental quality, health care and public health, housing and neighborhood improvements, recreation, education, public safety, maintenance of streets, parks, and other public facilities, rural development, transportation, beautification, conservation, crime and fire prevention and control, prison rehabilitation, and other fields of human betterment and public improvement.

(b) It is therefore the purpose of this Act to utilize unused and underused manpower resources by providing such unemployed, underemployed, and disadvantaged persons with employment in jobs providing needed public services so as to provide them with appropriate training and related services to enable them to move into permanent employment.

DEFINITIONS

SEC. 3. As used in this Act, the term—

(1) "Secretary" means the Secretary of Labor;

(2) "State" includes the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, and the Trust Territory of the Pacific Islands;

(3) "public service" includes, but is not limited to, work in such fields as environmental quality, health care, education, public safety, crime prevention and control, prison rehabilitation, transportation, recreation, maintenance of parks, streets, and other public facilities, solid waste removal, pollution control, housing and neighborhood improvements, rural development, conservation, beautification, and other fields of human betterment and community improvement;

(4) "health care" includes, but is not limited to, preventive and clinical medical treatment, voluntary family planning services, nutrition services, and appropriate psychiatric, psychological, and prosthetic services;

(5) "unemployed persons" means—

(a) persons who are without jobs and who want and are available for work; and

(b) adults who or whose families receive money payments pursuant to a State plan approved under title I, IV, X, or XVI of the Social Security Act (1) who are determined by the Secretary of Labor, in consultation with the Secretary of Health, Education, and Welfare, to be available for work, and (2) who are either (i) persons without jobs, or (ii) persons working in jobs providing insufficient income to enable such persons and their families to be self-supporting without such public assistance;

and the determination of whether persons are without jobs shall be made in accordance with the criteria used by the Bureau of Labor Statistics of the Department of Labor in defining persons as unemployed;

(6) "underemployed persons" means—

(a) persons who are working part-time but seeking full-time work;

(b) persons who are working full time but receiving wages below the poverty level determined in accordance with criteria as established by the Director of the Office of Management and Budget.

FINANCIAL ASSISTANCE

SEC. 4. (a) The Secretary of Labor shall enter into arrangements with eligible applicants in accordance with the provisions of this Act in order to make financial assistance available in areas of persistent high unemployment for the purposes of providing transitional employment for unemployed and underemployed persons in jobs providing needed public services and training and manpower services related to such employment which are otherwise unavailable, and enabling such persons to move into employment or training not supported under this Act.

(b) Not less than 85 per centum of the funds authorized to be appropriated pursuant to this Act shall be expended for wages and employment benefits to persons employed in public service jobs pursuant to this Act.

ELIGIBLE AREAS AND APPLICANTS

SEC. 5. (a) The Secretary shall designate as areas of persistent unemployment those areas within the United States in which he determines, upon the basis of standards generally comparable with those set forth in paragraphs (1) and (2), that there has existed substantial and persistent unemployment for an extended period of time. There shall be included among the areas so designated any area—

(1) where the Secretary of Labor finds that the rate of unemployment, excluding unemployment due primarily to temporary or seasonal factors, is currently 6 per centum or more and has averaged at least 6 per centum for the qualifying time periods specified in paragraph (2); and

(2) where the Secretary of Labor finds that the annual average rate of unemployment has been at least—

(A) 50 per centum above the national average for three of the preceding four calendar years, or

(B) 75 per centum above the national average for two of the preceding three calendar years, or

(C) 100 per centum above the national average for one of the preceding two calendar years.

(m) An area as defined in subsection (a) shall continue to be deemed an area of persistent high unemployment until the rate of unemployment has been less than 6 per centum, on the average, for the succeeding twelve months.

(c) In determining the rate of unemployment for the purpose of subsection (a), persons who were, at the time of their employment under this Act, being counted as unemployed in determining such rate of unemployment shall continue to be so counted if they continue in such employment.

(d) Whenever the Secretary makes any determination required by subsection (a) of this section, he shall promptly notify the Congress and shall publish such determination in the Federal Register.

(e) Financial assistance under this Act may be provided by the Secretary only pursuant to applications submitted by eligible applicants which shall be—

(1) units of State, and general local government; or

(2) Indian tribes on Federal or State reservations.

ELIGIBLE PARTICIPANTS

SEC. 6. (a) Financial assistance under section 4 of this Act may be provided by the Secretary pursuant to an application submitted by an eligible applicant and approved by the Secretary which will provide transitional public service employment to unemployed, underemployed, and low-income persons as defined in section 3 (5) and (6) of this Act.

(b) Notwithstanding the provisions of subsection (a) above, the Secretary may provide financial assistance to such other unemployed or underemployed persons or groups of persons as he may designate when deemed by the Secretary to be in the public interest.

APPLICATIONS

SEC. 7. (a) Financial assistance under this Act may be provided by the Secretary for any fiscal year only pursuant to an application which is submitted by an eligible applicant and which is approved by the Secretary in accordance with the provisions of this Act. Any such application shall set forth a public service employment program designed, in areas of persistent high unemployment, to provide transitional employment for unemployed and underemployed persons in jobs providing needed public services and, where appropriate, training and manpower services related to such employment which are otherwise unavailable, and to enable such persons to move into employment or training not supported under this Act.

(b) Programs assisted under this Act shall, to the extent feasible, be designed with a view toward—

(1) developing new careers, or

(2) providing opportunities for career advancement, or

(3) providing opportunities for continued training, including on-the-job training, or

(4) providing transitional public service employment which will enable the individuals so employed to move into public or private employment or training not supported under this Act.

(c) An application for financial assistance for a public service employment program under this Act shall include provisions setting forth—

(1) assurances that the activities and services for which assistance is sought under this Act will be administered by or under the supervision of the applicant, identifying any agency or institution designated to carry out such activities or services under such supervision;

(2) a description of the area to be served by such programs, and a plan for effectively serving on an equitable basis the significant segments of the population to be served, including data indicating the number of potential eligible participants and their income and employment status;

(3) assurances that special consideration will be given to the filling of jobs which provide sufficient prospects for advancement or suitable continued employment by providing complementary training and manpower services designed to (A) promote the advancement of participants to employment or training opportunities suitable to the individuals involved, whether in the public or private sector of the economy, (B) provide participants with skills for which there is an anticipated high demand, or (C) provide participants with self-development skills, but nothing contained in this paragraph shall be construed to preclude persons or programs for whom the foregoing goals are not feasible or appropriate;

(4) assurances that special consideration in filling public service jobs will be given to unemployed and underemployed persons who served in the Armed Forces in Indochina or Korea on or after August 5, 1964, in accordance with criteria established by the Secretary (and who have received other than dishonorable discharges); and that the applicant shall (A) make a special effort to acquaint such individuals with the program, and (B) coordinate efforts on behalf of such persons with those authorized by chapter 41 of title 38, United States Code (relating to job counseling and employment services for veterans) or carried out by other public or private organizations or agencies;

(5) assurances that, to the extent feasible, public service jobs shall be provided in occupational fields which are most likely to expand within the public or private sector as the unemployment rate recedes;

(6) assurances that due consideration be given to persons who have participated in manpower training programs for whom employment opportunities would not be otherwise immediately available;

(7) a description of the method to be used to recruit, select, and orient participants, including specific eligibility criteria, and programs to prepare the participants for their job responsibilities;

(8) a description of unmet public service needs and a statement of priorities among such needs;

(9) a description of jobs to be filled, a listing of the major kinds of work to be performed and skills to be acquired, and the approximate duration for which participants would be assigned to such jobs;

(10) the wages or salaries to be paid persons employed in public service jobs under this Act and a comparison with the wages paid for similar public occupations by the same employer;

(11) where appropriate, the education, training, and supportive services (including counseling and health care services) which complement the work performed;

(12) the planning for and training of supervisory personnel in working with participants;

(13) a description of career opportunities and job advancement potentialities for participants;

(14) assurances that procedures established pursuant to section 11(a) will be complied with;

(15) assurances that agencies and institutions to whom financial assistance will be made available under this Act will undertake analysis of job descriptions and a reevaluation of skill requirements at all levels of employment, including civil service requirements and practices relating thereto, in accordance with regulations promulgated by the Secretary;

(16) assurances that the applicant will, where appropriate, maintain or provide linkages with upgrading and other manpower programs for the purpose of (A) providing those persons employed in public service jobs under this Act who want to pursue work with the employer, in the same or similar work, with opportunities to do so and to find permanent, upwardly mobile careers in that field, and (B) providing those persons so employed, who do not wish to pursue permanent careers in such field, with opportunities to seek, prepare for, and obtain work in other fields;

(17) assurances that all persons employed under any such program, other than necessary technical, supervisory, and administrative personnel, will be selected from among unemployed and underemployed persons;

(18) assurances that the program will, to the maximum extent feasible, contribute to the elimination of artificial barriers to employment and occupational advancement, including civil service or other employment requirements which restrict employment opportunities for the disadvantaged;

(19) assurances that not more than one-third of the participants in the program will be employed in a bona fide professional capacity (as such term is used in section 13 (a)(1) of the Fair Labor Standards Act of 1938), except that this paragraph shall not be applicable in the case of participants employed as classroom teachers, and the Secretary may waive this limitation in exceptional circumstances; and

(20) such other assurances, agreements, and conditions, consistent with the provisions of this Act, as the Secretary deems necessary, in accordance with such regulations as he shall prescribe.

APPROVAL OF APPLICATIONS

SEC. 8. An application, or modification or amendment thereof, for financial assistance under this Act may be approved only if the Secretary determines that—

(1) the application meets the requirements set forth in this Act;

(2) the approvable request for funds does not exceed 90 per centum of the cost carrying out the program proposed in such application, unless the Secretary determines that special circumstances or other provisions of law warrant the waiver of this requirement;

(3) an opportunity has been provided to officials of the appropriate units of general local government to submit comments with respect to the application to the applicant and to the Secretary; and

(4) an opportunity has been provided to the Governor of the State to submit comments with respect to the application to the applicant and to the Secretary.

Non-Federal contributions may be in cash or in kind, fairly evaluated, including but not limited to plant, equipment, or services.

TRAINING AND RELATED SERVICES

SEC. 9. For the purpose of providing training and related services, and the acquisition or the rental or leasing of supplies, equipment, materials, and real property necessary to enable persons to be employed in public service employment programs assisted under this Act, the Secretary shall utilize, in addition to any funds otherwise available under federally supported manpower programs, not to exceed 15 per centum of the amounts appropriated under this Act for each fiscal year.

SPECIAL RESPONSIBILITIES OF THE SECRETARY

SEC. 10. (a) The Secretary shall establish procedures for periodic reviews by an appropriate agency of the status of each person employed in a public service job under this Act to assure that—

(1) in the event that any person employed in a public service job under this Act and the reviewing agency finds that such job will not provide sufficient prospects for advancement or suitable continued employment, maximum efforts shall be made to locate employment or training opportunities providing such prospects, and such person shall be offered appropriate assistance in securing placement in the opportunity which he chooses after appropriate counseling.

(b) The Secretary shall review the implementation of the procedures established under subsection (a) of this section six months after funds are first obligated under this Act and at six-month intervals thereafter.

(c) From funds appropriated pursuant to section 12, the Secretary may reserve such amount, not to exceed 1 per centum, as he deems necessary to provide for a continuing evaluation of programs assisted under this Act and their impact on related programs.

SPECIAL PROVISIONS

SEC. 11. (a) The Secretary shall not provide financial assistance for any program or activity under this Act unless he determines, in accordance with such regulations as he shall prescribe, that—

(1) the program (A) will result in an increase in employment opportunities over those which would otherwise be available, (B) will not result in the displacement of currently employed workers (including partial displacement such as a reduction in the hours of nonovertime work or wages or employment benefits), (C) will not impair existing contracts for services or result in the substitution of Federal for other funds in

connection with work that would otherwise be performed, and (D) will not substitute public service jobs for existing federally assisted jobs;

(2) persons employed in public service jobs under this Act shall be paid wages which shall not be lower than whichever is the highest of (A) the minimum wage which would be applicable to the employee under the Fair Labor Standards Act of 1938, if section 6(a)(1) of such Act applied to the participant and if he were not exempt under section 13 thereof, (B) the State or local minimum wage for the most nearly comparable covered employment, or (C) the prevailing rates of pay for persons employed in similar public occupations by the same employer;

(3) funds under this Act will not be used to pay persons employed in public service jobs under this Act at a rate in excess of $12,000 per year;

(4) all persons employed in public service jobs under this Act will be assured of workmen's compensation, health insurance, unemployment insurance, and other benefits at the same levels and to the same extent, if any, as other employees of the employer and to working conditions and promotional opportunities neither more nor less favorable than such other employees enjoy;

(5) the provisions of section 2(a)(3) of Public Law 89-286 (relating to health and safety conditions) shall apply to such program or activity;

(6) the program will, to the maximum extent feasible, contribute to the occupational development or upward mobility of individual participants;

(7) every participant shall be advised, prior to entering upon employment, of his rights and benefits in connection with such employment.

(b) Where a labor organization represents employees who are engaged in similar work in the same area to that proposed to be performed under any program for which an application is being developed for submission under this Act such organization shall be notified and afforded a reasonable period of time in which to make comments to the applicant and to the Secretary.

(c) The Secretary shall prescribe regulations to assure that programs under this Act have adequate internal administrative controls, accounting requirements, personnel standards, evaluation procedures, and other policies as may be necessary to promote the effective use of funds.

(d) The Secretary may make such grants, contracts, or agreements, establish such procedures, policies, rules, and regulations, and make such payments, in installments and in advance or by way of reimbursements, or otherwise allocate or expend funds made available under this Act, as he may deem necessary to carry out the provisions of this Act, including necessary adjustments in payments on account of overpayments or underpayments. The Secretary may also withhold funds otherwise payable under this Act in order to recover any amounts expended in the current or immediately prior fiscal year in violation of any provision of this Act or any term or condition of assistance under this Act.

(e) The Secretary shall not provide financial assistance for any program under this Act unless he determines, in accordance with regulations which he shall prescribe, that periodic reports will be submitted to him containing data designed to enable the Secretary and the Congress to measure the relative and, where programs can be compared appropriately, comparative effectiveness of the programs authorized under this Act and other federally supported manpower programs. Such data shall include information on—

(1) characteristics of participants including age, sex, race, health, education level, and previous wage and employment experience;

(2) duration in employment situations, including information on the duration of employment of program participants for at least a year following the termination of participation in federally assisted programs and comparable information on other employees or trainees of participating employers; and

(3) total dollar cost per participant, including breakdown between wages, training, and supportive services, all fringe benefits, and administrative costs.

(f) The Secretary shall not provide financial assistance for any program under this Act unless the grant, contract, or agreement with respect thereto specifically provides that no person with responsibilities in the operation of such program will discriminate with respect to any program participant or any applicant for participation in such program because of race, creed, color, national origin, sex, political affiliation, or beliefs.

(g) The Secretary shall not provide financial assistance for any program under this Act which involves political activities; and neither the program, the funds provided therefor, nor personnel employed in the administration thereof shall be, in any way or to any extent, engaged in the conduct of political activities in contravention of chapter 15 of title 5, United States Code.

(h) The Secretary shall not provide financial assistance for any program under this Act unless he determines that participants in the program will not be employed on the construction, operation, or maintenance of so much of any facility as is used or to be used for sectarian instruction or as a place for religious worship.

AUTHORIZATION APPROPRIATIONS

SEC. 12. (a) There are authorized to be appropriated to carry out this Act $500,000,000 for each fiscal year ending prior to July 1, 1977. In addition to the sums authorized under the first sentence of this subsection there are authorized to be appropriated $100,000,000 each fiscal year for each increment of one-half of 1 per centum by which the Secretary determines that the average rate of national unemployment (seasonally adjusted) for three consecutive months exceeds 5 per centum.

(b) Notwithstanding any other provision of law, any funds appropriated to carry out this Act which are not obligated and expended prior to the end of the fiscal year for which such funds were appropriated shall remain available for obligation and expenditure until expended.

(c) For the purpose of affording adequate notice of funding available under this Act, appropriations under this Act are authorized to be included in the appropriation Act for the fiscal year preceding the fiscal year for which they are available for obligation. In order to effect a transition to the advance funding method of timing appropriation action, this subsection shall apply notwithstanding that its initial application will result in the enactment in the same year (whether in the same appropriation Act or otherwise) of two separate appropriations, one for the then current fiscal year and one for the succeeding fiscal year.

Amend the title so as to read: "A bill to provide public service employment opportunities for unemployed, underemployed, and low-income persons residing in areas of high and persistent unemployment, and to thereby assist urban and rural areas in filling unmet needs for adequate public services."

The PRESIDING OFFICER. Is this the amendment on which there is to be 2 hours of debate?

Mr. TAFT. The Chair is correct.

The PRESIDING OFFICER. Who yields time?

Mr. TAFT. I yield to the Senator from Rhode Island (Mr. PELL).

Mr. PELL. Mr. President, I ask unanimous consent that the pending amendment may be temporarily set aside in order that I may offer an amendment for consideration at this time.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. PELL. Mr. President, I send to the desk an amendment.

The PRESIDING OFFICER. The clerk will read the amendment.

The second assistant legislative clerk proceeded to read the amendment.

Mr. PELL. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment reads as follows:

On page 5, line 16, strike the period after "program," insert in lieu thereof a comma, and add the following: "except that the requirements set forth in the amendment made by subsection (a) are authorized to be modified (in accordance with regulations which the Secretary shall prescribe) to the extent appropriate to provide public service jobs for persons unemployed as the result of the closing of a Defense Department facility or reduction in activities at a Defense Department facility sufficient to cause a substantial increase in unemployment."

Mr. PELL. Mr. President, I send a modification to the desk.

The PRESIDING OFFICER. The modification will be reported.

The assistant legislative clerk read as follows:

On page 5, line 16, strike the period insert in lieu thereof a comma, and add the following: "except that the requirements set forth in the amendment made by subsection (a) are authorized to be modified (in accordance with regulations which the Secretary shall prescribe) to the extent appropriate to provide public service jobs for persons unemployed as the result of the closing of a Defense Department facility or reduction in activities at a Defense Department facility sufficient to cause a substantial increase in unemployment."

The PRESIDING OFFICER. The amendment is accordingly modified.

Mr. PELL. Mr. President, the amendment, is intended to permit the public service employment program to be utilized by State and local governments to combat substantial unemployment caused by the closing of Defense Department installations.

The amendment will not add to the cost of the program. It simply will give to the Secretary of Labor the flexibility required to utilize the public service employment program to meet the unique and monumental employment problems faced by communities confronted with major military base closings.

The bill before us very properly focuses the public service employment programs on the needs of Vietnam era veterans, the economically disadvantaged, and those who have been unemployed for at least 15 weeks.

On a national basis those priorities are entirely proper. However, in my own State of Rhode Island we are confronted with an economic disaster with the announced closing of naval bases at New-port and Quonset Point which will mean the direct loss within the State of 22,000 military and civilian jobs. These base closing, according to estimates, will increase the unemployment rate in Rhode Island from the current level of less than 6 percent to an unemployment rate of from 11 to 15 percent.

In those circumstances, it is entirely possible, and indeed probable, that the priorities and requirements established by the bill will not be responsive to the needs of my State. Indeed, strict application of the national requirements and priorities might well prohibit Rhode Island from utilizing all of the funds allocated to it under the formula in the bill.

Most specifically, I do not think it would be appropriate, in the circumstances I have described, to require persons who have lost their jobs because of base closings to remain unemployed for 15 weeks before they are eligible for assistance under the public service employment program.

Mr. President, we are attempting in Rhode Island to bring every possible resource to bear on a comprehensive program to adjust to the economic disaster caused by the administration's decision to close these naval bases.

It just will not make any sense, in planning such a comprehensive program, to require the thousands of Rhode Islanders losing their jobs because of the base closings to sit out a 15-week waiting period of unemployment.

My amendment will apply to very few situations in the entire country. My amendment will be applicable to the State of Rhode Island and to other States severely affected by base closings, and is in fact essential if the public service employment program is to play any effective role in helping my State through an immensely difficult economic period.

Mr. President, I ask the manager of the bill if he would be willing to accept the amendment.

Mr. NELSON. Mr. President, under the circumstances outlined by the distinguished Senator from Rhode Island of a substantial increase in unemployment due to defense base reductions, it would be useful to have the authority to modify the otherwise applicable requirement that all new public service jobholders must be either disadvantaged or long-term unemployed. I therefore not only have no objection, but I am perfectly willing to accept the amendment.

Mr. PELL. Mr. President, I thank the distinguished Senator from Wisconsin very much.

Mr. President, I ask unanimous consent that the names of Senators PASTORE, BROOKE, KENNEDY, CRANSTON, and TUNNEY be added as cosponsors of my amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

The question is on agreeing to the amendment, as modified, of the Senator from Rhode Island (putting the question).

The amendment was agreed to.

The PRESIDING OFFICER. The question recurs on the amendment of the Senator from Ohio.

Mr. TAFT. Mr. President, I yield myself such time as I may need.

The PRESIDING OFFICER. The Senator from Ohio is recognized.

Mr. TAFT. Mr. President, my amendment is in the nature of a substitute and incorporates S. 2263, a bill I introduced and had printed in the RECORD last week. My proposal provides an authorization of $500 million, to be authorized for each fiscal year ending July 1977. In addition, $100 million is authorized in any fiscal year for each increment of one-half of 1 percent over 5 percent national unemployment, seasonally adjusted, for 3 consecutive months.

The analysis of the bill states that the escalator figure is 6 percent for additional authorizations over $500 million. After considering this amount, the figure was changed to 5 percent.

Transitional public service employment can be of great help to State and local governments in creating a comprehensive manpower program that is responsive to changing economic conditions and implemented in concentrated areas of high employment. As I have said, I feel that S. 1560 failed to consider the changing nature of the unemployment program in the country, and misinterprets the reasons for enactment of the Emergency Employment Act—EEA.

The EEA had its origin in July 1971, and was a response to a period of rising unemployment, which by August of that year had climbed to a national level of 6.1 percent. Many highly skilled and experienced individuals were out of work during this time frame, and what these people needed was a job, immediately. Moreover, they had the ability and the talents to take on a job immediately if a proper job could be found to use their talents.

Enrollment statistics for the public employment program—PEP—an offspring of EEA, revealed that approximately two-thirds of the individuals receiving help under this program were nondisadvantaged and almost three-fourths of them possessed, at least, a high school diploma. For these individuals, a transitional job creation program met an immediate need for gainful employment until they could resume regular employment when economic conditions returned to normal. EEA and PEP proved to be very positive programs and more than $2.25 billion has been expended over a 2-year period to assist States and localities to provide transitional employment opportunities.

Since July 9, 1971, however, the economy has improved. The majority of people served by PEP and EEA have found unsubsidized jobs. Admittedly, the unemployment rate still is not acceptable, but the country is confronted with a very different kind of problem than 2 years ago, as the unemployment population now consists of, basically, people who need extensive help and training to be employed, even in the most marginal job. S. 1560 acknowledges the changing nature of this target group and amends section 7 of the Emergency Employment Act as follows:

> (17) Assurances that all persons employed under any such program, other than necessary technical, supervisory, and administrative personnel, will be selected from among unemployed persons who are from economically disadvantaged backgrounds or who have been unemployed for not less than fifteen weeks immediately prior to employment under such program.

Other than this very general statement and a rather rigid veterans preference section, S. 1560 is extremely inadequate in focusing upon the special unemployment problems that face the country. For many individuals presented with severe unemployment problems manpower training programs provided for in the Job Training and Community Services Act of 1973, S. 1559, should be a far more effective and responsible approach.

I do see a need, however, for enactment of some type of selective public service employment program. Unemployment is still extremely high in certain inner city and rural areas, even though unemployment has been reduced nationally. These pockets of excessive unemployment exist throughout the country and reflect especially high unemployment rates for black and minority groups in inner city areas.

Manpower training alone will not be sufficient to respond to the unemployment problems in these areas. Public service employment programs are necessary to complement manpower training in these areas, as training must be followed by a job, if it is to have any value. Further, in many of these concentrated areas of high unemployment, many veterans, especially from minority groups, are unemployed. Many of these men returning from Vietnam do have skills that could be immediately used. They should be given an opportunity to be employed in transitional public service programs. S. 1560 does respond to this problem, although somewhat too rigidly. Employment of veterans certainly should be given priority, but not at the complete exclusion of other deserving groups.

One of the problems in channeling funds to pockets of high unemployment has been the lack of accurate and informative statistics. This problem, however, can and should be corrected. Moneys expended for public service employment programs should be channeled to where the needs are. Strict safeguards should be included to insure that such expenditures are not used for political purposes at the State or local levels and that the transitional nature of training employment is maintained. S. 1560 is not satisfactory or responsive in these areas.

I would much prefer a public service employment program directed to where the real needs of the country are and not a program that merely reflects a pressured response by the Congress.

I, therefore, offer an amendment in the nature of a substitute to S. 1560. This amendment, No. 430, incorporates S. 2263, the Public Employment Act of 1973, a bill I introduced in the Senate last week. Specifically the substitute is designed to provide public employment opportunities for individuals who are unemployed and underemployed and, thereby, assist urban and rural areas in filling unmet needs to provide needed public services.

Although unemployment has been reduced nationally since the massive Emergency Employment Act was enacted 2 years ago, unemployment is still extremely high in certain inter-city and rural areas. I believe that the substitute I offer will provide the type of selective public service employment program presently needed to complement manpower training in geographic regions where continuing high unemployment is found. I would also point out that S. 1559, the Job Training and Community Services Act of 1973 which passed the Senate last week, contains a section permitting use of manpower funds for public service employment under the revenue sharing concept.

Local officials would make a decision as to the amount of the total manpower training effort to be directed toward public service employment. Thus, funds will be available for public service employment in areas that do not qualify under my proposal.

The major features of the substitute are as follows:

First, it would provide assistance to units of State and general local government, and Indian tribes on Federal or State reservations, which have persistent unemployment. The Secretary of Labor's designation of such areas is to be based on average rates of unemployment over an extended period of time. These rates cover specific geographical areas where unemployed is currently 6 percent or more and has averaged 6 percent or more and has been at least 50 percent above the national average for 3 of the preceding 4 calendar years; 75 percent above the national average for 2 of the preceding 3 calendar years; or 100 percent above the national average for 1 of the preceding 2 calendar years. The act also provides that an area will lose its eligibility when unemployment drops under 6 percent for 12-month period.

Second, the Secretary of Labor has authority to provide assistance to the underemployed as well as the unemployed. Consequently, special target groups such as displaced scientists and engineers in an eligible area could be served under the act.

Third, it retains many of the Emergency Employment Act's restrictions on transitional employment, suitable training, and manpower services. I really should say, rather than restrictions, requirements in those connections. Similarly, special consideration must continue to be given to Vietnam and Korean veterans.

Mr. President, the substitute also has two provisions to which I would particularly like to call the attention of Senators. This provision, an esclator authorization clause upgrades the amount of the authorizations involved in the event that there is an increase in the national employment rate of more than one-half of 1 percent over the base of 5 percent, as I mentioned earlier. This concept I believe has a great deal of potential to alleviate unemployment probelms in the country. The other trigger concept regarding local unemployment problems is based on the Area Development Act of 1961, with which I believe most Senators are familiar. The purpose of that act was to establish an effective program to alleviate conditions of substantial and persistent unemployment and underemployment in certain economically distressed areas. The legislation reflected public concern over both industrial areas that had suffered a decline in economic activity and poor rural areas that were lacking in economic activity.

Generally, the ARA authorized a continuing program to provide job opportunities and to determine the causes of unemployment, underemployment, underdevelopment, and chronic depression. It was intended to encourage the formulation and implementation of national, State and local programs to raise income levels and otherwise bring about solutions to depressed area problems. More specifically, the law authorized the provision of Federal loans and grants in order to help attract new industries to, and increase employment opportunities in, areas with persistent unemployment problems and low income rural areas.

The criteria used in the ARA—Section 5a—for eligibility of an area for assistance reflected a significant change in the Department of Labor's area classification program. Specifically, the ARA added the concept of "long duration of unemployment" to the area classification system in its definition of "substantial and persistent unemployment." Previously the Department of Labor had merely classified areas of "substantial unemployment" which applied to any area with an unemployment rate in excess of 6 percent, irrespective of the duration of that unemployment rate. Thus, the ARA was aimed primarily at areas that were persistently economically depressed.

Similarly, S. 2263 is aimed at these same types of areas of persistent unemployment. Despite the overall improvement in the national unemployment rate since the enactment of the Emergency Employment Assistance Act in 1971, there continue to be pockets of excessive unemployment in certain inner-city and rural areas. The selective approach of the ARA is what is again needed to reduce unemployment in such areas.

That is why we have adopted the formula approach of the ARA in section 12 of this particular bill.

The substitute as we have drafted it and introduced it today has an amendment which would authorize some $500 million for each fiscal year through fiscal year 1977. Additionally, it authorizes $100 million for each increment of one-half of 1 percent by which the seasonally adjusted national unemployment rate exceeds 5 percent for 3 consecutive months.

I urge adoption of the substitute, as I believe it is a fiscally responsible and constructive approach to unemployment needs of the country.

Mr. President, I would also like to comment that there is, I believe, available, or has been made available to Senators, a table allegedly setting out the counties and areas that would be covered under the provisions of S. 2263 as introduced, and therefore under the substitute.

I would point out that this was based on a preliminary computer printout prepared by the Department of Labor, and is not complete.

The printout is from area labor markets and does not take into account the provisions of the substitute bill, which include any general unit of local government meeting the unemployment criteria. I also do not believe that it takes into account eligible Indian reservations, which are covered in the substitute provision.

Mr. President, I believe that this substitute is a substantial improvement over S. 1560 and one more likely of actual enactment into law than the committee bill.

I hope this amendment can be adopted. If not, then I hope at some later time in this session, following the general pattern we have outlined in the amendment, to work out proposals toward a employment assistance bill of this type.

I reserve the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. TAFT. Mr. President, I ask for the yeas and nays on the amendment.

The yeas and nays were ordered.

Mr. NELSON. Mr. President, I ask for yeas and nays on final passage of S. 1560.

The yeas and nays were ordered.

Mr. NELSON. Mr. President, the concept proposed by the Senator from Ohio (Mr. TAFT) would be a very useful and creative refinement of any public service employment bill. If, in fact, unemployment were below the 4½-percent level, I think it would be good to have. In fact, it would be a useful device to add to the existing provisions of the Emergency Employment Act.

However, with unemployment at its present level, I regret very much that I am unable to support the Senator's amendment because it would cut back the national public service employment program. As I say, Senator TAFT's proposal should be given consideration as part of public service employment legislation in the future because it has great merit.

Mr. President, the Senator's amendment seeks to amend the Emergency Employment Amendments of 1973 to limit the entire program to areas of substantial and persistent unemployment.

Mr. President, I am in agreement with the Senator from Ohio on the principle of limiting the Emergency Employment Act to those who are most in need of jobs.

That is why the committee proposed to limit jobs under the extension we are proposing to disabled and Vietnam veterans, the poor, and the long-term unemployed.

It seems to me, however, we would defeat our purpose if we said that an unemployed veteran is ineligible for a public service job under the program simply because the city he lives in is not an area of substantial and persistent unemployment.

Senator TAFT's amendment would restrict eligibility under the Emergency Employment Act to areas of "substantial and persistent" unemployment, and would use the same measure of unemployment, as currently used by the Department of Labor.

Areas of substantial and persistent unemployment certified by the Department are eligible for Economic Development Administration assistance—EDA areas.

When you compare the requirements for areas of substantial unemployment under the current Emergency Employment Act and the requirements for areas of "substantial and persistent unemployment" which Senator TAFT proposes, you find the following:

Under section 6 of the existing Emergency Employment Act, an area—including an inner city area—must have unemployment of 6 percent or more for 3 consecutive months.

Senator TAFT's substitute requires not only that an area have over 6 percent unemployment but also that one of the three following criteria must be met:

First. Unemployment at least 50 percent higher than the national average for 3 of the past 4 calendar years, or

Second. Unemployment at least 75 percent higher than the national average for 2 of the last 3 calendar years, or

Third. Unemployment 100 percent above the national average for one of the preceding 2 calendar years.

Senator TAFT's proposal would allow the Secretary to name an area of any size. However, the Department of Labor now restricts areas of persistent unemployment to counties, labor market areas, and to cities of 250,000 population. The present definition makes no provision at all for smaller areas—inner city neighborhoods for instance.

In June 1973, the Department recognized 406 areas of persistent unemployment. In contrast some 947 areas with unemployment of over 6 percent are receiving help under section 6 of the EEA.

The Emergency Employment Act which the committee bill proposes to extend includes an extended authorization for section 6 of the Emergency Employment Act, setting aside $250 million for areas of substantial unemployment of over 6 percent. Under the act, the section 6 program continues in areas of high unemployment even after the national program "triggers" out as national unemployment falls below 4.5 percent.

Mr. President, in my view adopting the amendment of the Senator from Ohio, would be unwise for several reasons.

Senator TAFT's amendment would eliminate the program entirely for those counties, States, and cities of 75,000 population which are now receiving funds under section 5 of the Emergency Employment Act, the national program. The bill authorizes $1 billion for the national program—the same as was appropriated last year.

Second, it would cut back sharply on the number of areas now receiving special additional help because of unemployment of over 6 percent. There are now 947 such areas. Under Senator TAFT's amendment, we would have only 406 areas defined by the Labor Department as areas of substantial and persistent unemployment.

Third, it would eliminate from eligibility veterans and people unemployed for 15 weeks or more who need the economic opportunity this bill can provide unless they happen to reside in an area of substantial and persistent unemployment.

Fourth, it would—by repealing the national program—put the Senate of the United States on record as recognizing the present level of unemployment of about 5 percent as acceptable. When we passed the Emergency Employment Act in the summer of 1971, we set a national rate of 4.5 percent as the target. Are we now to raise that target to 5 percent?

Finally, it seems to me, that 180,000 jobs a year under a fully funded Emergency Employment Act is modest enough in the face of nearly 4 million unemployed. There are more than that number of unemployed young veterans in the Nation.

As our recognition of the crucial tie between unemployment and poverty grows clearer, surely this is not the time to curtail the Federal Government's major job creation program.

Mr. NELSON. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. TAFT. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ALLEN. Mr. President, will the Senator yield for a question?

Mr. TAFT. I yield.

Mr. ALLEN. Would the Senator's amendment result in a small authorization, or does it merely provide for the same amount of money to be spent in fewer places?

Mr. TAFT. It would result in a smaller authorization. Current authorizations would be $500 million under the Taft substitute. There is the possibilty for increases of $100 million for each rise in national unemployment of a half percent rate above 5 percent—in other words, an additional $100 million for each half percent if unemployment goes above the 5-percent figure. S. 1560 provides for $1.25 billion; $1 billion in section 5; and a quarter of a billion dollars in section 6.

Mr. ALLEN. What would be the limit, then, on the escalation provided?

Mr. TAFT. No limit would be provided on the escalation, except the limit set by the triggering of one-half percent.

Mr. ALLEN. In other words, it could run higher than the authorization provided by the bill?

Mr. TAFT. It could run higher than the authorization only after a triggering of approximately 3½ percent above the current unemployment rate of 5 percent.

Mr. ALLEN. Initially, though, it would be a half billion dollars less. Is that correct?

Mr. TAFT. $750 million less.

I point out, also, in fairness—and this is an interesting point—that if national unemployment should fall below the 4½-percent level, the authorization of section 5 funds under S. 1560 would be prohibited as I understand it.

I ask the Senator from Wisconsin if that is a correct interpretation.

Mr. NELSON. Yes, that is correct. If unemployment fell below 4.5 percent, there would be, under Senator TAFT's proposal, $500 million available for areas of substantial and persistent unemployment, while under the committee proposal; $250 million would be available for areas of substantial unemployment. If the nationwide unemployment rate goes below 4.5 percent, Senator TAFT's proposal, I would have to agree, it would then be better than the committee proposal in one respect, at least—namely, that there would continue to be an authorization of $500 million for public service employment.

Mr. ALLEN. I thank the Senator.

Mr. DOMINICK. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. DOMINICK. Will the Senator yield me about 15 minutes?

Mr. TAFT. Mr. President, how much time remains?

The PRESIDING OFFICER. The Senator from Ohio has 35 minutes remaining.

Mr. TAFT. I yield 15 minutes to the Senator from Colorado.

Mr. DOMINICK. I thank the Senator.

Mr. President, it is always a pleasure for me to rise in consort with the Senator from Ohio. We fought the good battle side by side on a number of bills, and we have not been very successful to date. I am not sure that we will be successful on this one; but I can say that what he is trying to do, although not exactly up my line, is at least much better than the committee bill, if I may say so, with all due deference to the Senator from Wisconsin.

On June 29, 1971, I took a stand in opposition to the Emergency Employment Act of 1971 and pointedly forecast that one of the features of this "transitional" program was that it would inevitably become permanent. I now rise to extend congratulations to myself for taking a giant step forward in the profession of soothsaying, because here we are again to extend what was called then the emergency bill. It looks to me as though this program, if it is passed by the Senate, is going to stay on for a few more years, and probably more than any of us would like.

As I review this bill this year, I have some comments, some of which I made before. As I did then, I object now to the legislation because I think it creates in every local government around this country a permanent pool of permanently subsidized public service jobs.

Let me be honest. This is not a meaningful bill or an emergency bill. All one has to do is to read the entire digest of June 28, 1971, of the RECORD in the House of Representatives, to see that this does not provide a meaningful program for those people who were laid off during the rapid rise in the unemployment rate at that time.

Where was the increase in unemployment? It was among the aerospace workers, among the defense workers, among the manufacturing employees. The only group who are among those who account for the increase dealt with in this bill are the veterans who returned from Vietnam. But if I am correct in reading the bill, before anything can be done about that, a local municipality, be it Federal, State, or quasi-local or quasi-legislative in nature, such as a school district or something of that kind, must file an application with the Secretary. The Secretary then has to go through and look at about 14 different requirements, which include determining whether these programs are going to be sufficient for the people who are proposed to be employed; and, in addition, the Secretary has to determine whether there is really a large enough pool of unemployed people in that area to warrant the program to begin with.

I am happy that the veterans have been given special preference, and I congratulate the Senator from Wisconsin for including this. I think that is good. I think it should be that way. It is a pretty horrible thing for a man to be asked to defend his country in hostilities, and then come home and face the prospect of not being able to get a job. They are given preference under this program, and that is a very good point.

But this bill did not really meet the emergency, other than to reduce the number of unemployed by 123,000 to 125,000. It did not provide any comprehensive program to enable aerospace workers to find new jobs; it did not provide jobs for manufacturing employees who are out of jobs because we no longer need defense products. It did not help New England shoe factory employees who were out of jobs because of foreign imports.

Mr. President, the conferees in 1971 did leave in the word "transitional" but they defined it as "permanent." The only possible claim the bill has to being transitional is that it is a 2-year program.

Proponents of the bill argued that since the program was only authorized for 2 years, it would not provide a permanent subsidy of local jobs. But now, as I forecast, we are asked to extend it. As we all know, Federal legislation comes closer to achieving immortality than all the gods of ancient Rome and Greece. We might as well be practical about it. Every program we have had goes on forever in Congress and in this Government. It stays on for years and years, unless we do something about stopping it to begin with.

Another argument made by the proponents of the bill is that it is traditional because the trigger mechanism shuts off the obligation of money after the national unemployment rate has gone below 4½ percent for 3 months in a row, but this has been shattered by two things. The first is the addition of the so-called special employment assistance program. This provides a permanent fund of $250 million a year, to remain in effect regardless of what the national figure for unemployment is, to be used for areas of unemployment above 6 percent. This is truly a permanent Federal subsidy of State and local jobs. Hence, even if the national level of unemployment were only 2 percent, nevertheless $250 million would be available to hire people at the local where unempoyment is 6 percent or more.

I am not in the least reluctant to come to grips with persistent and chronic unemployment in this Nation. But we should not try to deal with chronic, persistent unemployment through a small categorical program, and that is what we are dealing with here.

In addition, the types of jobs which are provided under this program will not be transitional. The only provision of the bill which might establish a transitional program is a section which requires—and I use the word "requires" in the most generous sense—that applications will, "to the extent feasible," provide programs "designed with a view toward" developing new careers and other transitional activities, including training. But the requirement is barely better than no requirement at all.

The real meaning of "transitional" can be seen from the definition as set forth in the conference report of this bill as reported 2 years ago in the House:

> It was with these concerns in mind that the conferees agreed that the word "transitional" be included in this act.
>
> Does not in any way limit that amount of time an individual can stay on a specific public service employment job—and no regulations may require such limitation;
>
> Does not limit the kind of jobs to be made available under the program; specifically, jobs are not to be limited to those which are inherently temporary; jobs to be funded under this act are to include such jobs as policemen, teachers, nurses, firemen, other jobs recognized as necessary and permanent in nature;
>
> Does not put any limit on the contracts between the Labor Department and State and local sponsors as to the duration and the nature of the jobs;
>
> Does not put any limitation on full length of employment authorized under the act, or the re-employment of those who have been laid off government jobs because of fiscal problems at the local levels.

From this quotation, I think it can be seen that "transitional" really means "permanent," because individuals can stay on the job for the entire program, and the jobs which can be subsidized are permanent—teachers, policemen, nurses.

I believe that it is clear that we will not be voting on an emergency transitional program but that we will be voting today to extend a permanent Federal subsidy of permanent jobs in the State and local segments of our Government.

Let me make this even more clear. In the print I have before me, section 5(a), first of all, sets out the amount authorized to be appropriated. In 1974, $1,000 million which when added to the special employment assistance program comes to $1.25 billion and then such sums as may be necessary for fiscal year 1975.

Section (b) says that no further obligation of funds appropriated may be made subsequent to determination by the Secretary that the rate of national unemployment has receded below 4.5 per cent, except as provided in section (2). What does section (2) say? If at any time subsequent to this, the rate of national unemployment equals or exceeds 4.5 percent for 3 consecutive months, the Secretary shall, notwithstanding the previous paragraph, resume the obligation of funds appropriated under this section.

So we get an on-again, off-again, in-again, out-again Finnegan, going on all the time, with a 3-month requirement, and nobody knows what months we are talking about.

Then there is the interesting factor of subsection (3). This reads:

> (3) In determining the rate of national unemployment for the purpose of this section only, persons who were, at the time of their employment under this Act, being counted as unemployed in determining the rate of national unemployment shall continue to be so counted if they continue in such employment.

In other words, they are given jobs at Federal expense, and they are still counted as unemployed. Is that an employment bill, or is that a personal and permanent subsidy of Federal and local government? The question provides its own answer.

What we are saying in this bill is that we provide a job under the act as reported. They then become employed but for the purpose of determining whether or not the specific level of unemployment has been created they are treated as unemployed.

All I can say is that this is designed specifically for the purpose of creating a number of people statistically to be counted as unemployed so that this program can continue.

We do need a comprehensive program. We started on that with the development of an additional role for the National Science Foundation of Aerospace Workers. This is a fruitful approach, something from which those people can be retrained to get civilian jobs as opposed to what they had before. It was a good approach. It is different than putting them on as file clerks in some office where they probably could not get on unless they were relatives of the county commissioner. This has been a boondoggle for every down-at-the-heels official who has ever been. It will continue in that way.

We need a program that will provide new jobs, and we have gotten one, and the net result has been that the national unemployment level has gone down. We keep forgetting the Government cannot give anything to people it has not taken from them, but we put in these brandnew, pink ribbon programs to catch the eye of the public, as if money rains down from the clouds and not from the pockets of taxpayers, and now we are asked to continue them.

Now we are being asked to continue this same type of approach.

Mr. NELSON. Mr. President, will the Senator yield?

Mr. DOMINICK. Yes, I am happy to yield.

Mr. NELSON. On the question of nepotism under this program, is the Senator aware that the Department of Labor assured us yesterday and on previous occasions that they have found no significant incidence of nepotism in this program?

Mr. DOMINICK. There is no prohibition against it, is there?

Mr. NELSON. That is a different matter from asserting that every down-in-the-heels relative of every county commissioner who has a few jobs under the program can get such a job, when the Department of Labor in this Republican administration says that that is not so.

Mr. DOMINICK. I do not know whether that is so or not. I do not doubt it if they do. But I will stake my own knowledge that that is true: that if a person has a rich relative, he can get a public service job that is going to be paid by the local government. It is a good idea to "get him off my back and put him on the public payroll."

Mr. NELSON. I am usually more prepared to rely on the distinguished Senator from Colorado than I am on one of the executive agencies. However, they are administrating the program and have assured us that there is no such problem around the country. If what the Senator says is true, how does he support the administration's concept of manpower revenue sharing or of general revenue sharing?

Mr. DOMINICK. I do not see how that comes into it.

Mr. NELSON. If the emergency employment program as administered by the program agent—that is cities and counties of 75,000 or more—is unacceptable, how can the Senator support a manpower revenue sharing program operated by the same county commissioners and mayors? Under the manpower bill approved by the Senate last week cities of 100,000 and counties of 150,000 would be prime sponsors.

I believe that the Senator approved the concept in the manpower revenue sharing program. If my memory serves me correctly, I believe the Senator voted for the $6 billion revenue sharing program.

Mr. DOMINICK. I did vote for general revenue sharing. You bet I did. And I voted in favor of general revenue sharing, because it is the only way we can decentralize the question of Federal spending.

The PRESIDING OFFICER. The time of the Senator from Colorado has expired.

Mr. DOMINICK. May I have 3 minutes more?

Mr. TAFT. I yield 3 minutes to the Senator from Colorado.

Mr. DOMINICK. In manpower revenue sharing, what we are talking about is the administering of training programs in public service, where they are asked to come into a county courthouse and file papers.

Mr. NELSON. Public service employment is an eligible activity in the manpower program.

Mr. DOMINICK. That is one of the things I objected to in committee. I do not think the Federal Government ought to be saying to every person who is seeking employment in public service that he is going to get it. I particularly do not see how they are going to get it.

Then when it is said that they are statistically unemployed, there is a typical example that we are not providing any reasonable training program.

I have just a few more things to say. At least, I will say to the Senator that he has gone into areas where there are specific problems and said, "OK. Let us do something in specific areas, not on the basis of nationwide political appeal." That is far more sensible. Of course, there are problems in the State of Washington and problems in the State of Wisconsin. There are problems with the reemployment of aerospace people. That is an area in which we can do something, but were not, even under that bill, going to be able to provide it unless we have extremely meaningful programs which will get them out from being on the payroll, at general taxpayers' taxes, and say, "All right. Isn't this a nice piece of gravy I have picked up?" In other words, I am against the committee bill and think the substitute is far better.

The PRESIDING OFFICER. Who yields time?

Mr. NELSON. Mr. President, how much time do I have?

The PRESIDING OFFICER. The Senator from Wisconsin has 54 minutes on the amendment.

Mr. NELSON. Was it 1 hour to a side?

The PRESIDING OFFICER. One hour to each side.

Mr. NELSON. Mr. President, just in brief response——

The PRESIDING OFFICER. The Senator from Wisconsin.

Mr. NELSON. Let me read to the Senate the comments of the President when he signed the Emergency Employment Act on July 12, 1971. At that time the President said:

> America needs more jobs, and it needs them now. This administration is working to meet this need. The Emergency Employment Act of 1971 will mean more than 150,000 additional new jobs for our unemployed and our underemployed. I am especially pleased that our returning veterans will be favored by the act, and that those with little or no job training, such as unskilled youth will also have a chance to get jobs through this measure. The jobs provided by the act will be in the field of public service, in such areas as environment, health, education, public safety, crime prevention prisons. transportation, park maintenance, recreation, rural development, and sanitation.
>
> A very important feature . . . is that the jobs will be 'transitional' . . . The employment will be real and steadying; it will not be a dead-end entrapment in permanent public subsidy . . .

Then, in the 1973 manpower report of the President, released in March of this year, let me read one sentence:

> According to recent surveys, the jobs are perceived as useful, rather than "make-work," by both the persons holding them and the public whom they serve.

On the transitional aspect, I would like to point out that there are presently about 134,000 people working under this program, hired by local municipal, county, or State governments. The peak employment was 184,000 in July of 1972. However, the cumulative employment has been 308,741 people. So 174,741 people have moved through the program. According to a sample survey, only 3 percent of those who left the program are now unemployed. About 22 percent had found jobs in the private sector. Others were in school, the Army, in training, or working in unsubsidized public sector jobs.

I might comment further that I do not think we intended to create a program which was absolutely transitional. That is to say, when a local government hires some disadvantaged youth or other individual and then trains him for the job—for a needed public service function that ought to be performed—we did not intend that at the end of the 2 years the sponsor would arbitrarily fire this unemployed or disadvantaged individual, who had finally become trained to hold a job in public service only to turn that job over to someone else.

As a matter of fact, I agree with the Senator from Colorado and the Senator from Ohio that this is by no means a perfect program. I would like to explore further, through hearings in the future, refinements in the public service employment program including the concept that is advocated here on the floor today by the Senator from Ohio.

I think we ought to be looking at one neglected aspect of public service employment. The public sector is the biggest employer in America. The cities, counties, and States, and the Federal Government, are larger employers—taken all together—than any industry in this country.

We have made a special point, and rightly so, many years of insisting that employers in the private sector not discriminate against people on any ground. Yet there is great discrimination in public employment, simply in the manner in which civil service requirements are administered. Many of the tests are irrelevant to the job to be performed.

A substantial percentage of the employment opportunities in this country are in the public field. Those best equipped to get these good jobs in the public employment field are the educated children of the middle class simply because they are best at taking exams. We are depriving many people who are perfectly capable but who have not had the chance for an education, of the opportunity to get into the public service field.

So I think we have an obligation to continue our efforts to improve this public service employment program so as to develop more effective provisions for reaching out to the deprived person—an individual who was high school or grade school dropout or for other reasons did not have the opportunity to get the training and the skill or the education required to get the civil service job—and allow him an opportunity to get a public service job and provide education and training in order not only to hold that job, but to go up the scale of public service employment. Until we do that in a substantial well-planned program, we will continue to deprive people who have the ability to fill jobs at all levels of Government, but who have had no training to avail themselves of that opportunity.

I shall be glad to work with the Senator from Ohio and the Senator from Colorado—both of whom would agree, I am sure, that we ought to be doing something special for people who are qualified to perform in jobs in public service, but who have not had the training for it. We ought to do something special to give them some opportunity for these jobs in the public service sector. This present program addresses itself to that issue, but not in a sufficiently sophisticated and refined way, and I recognize that shortcoming.

However, at this time, to cut off the

program, as the amendment proposed by the Senator from Ohio would do, I think is premature. As a matter of fact, we set the trigger at 4½ percent when we passed the bill originally back in 1971. We decided then that so long as unemployment remains above 4½ percent, that constitutes an employment emergency and triggers this program providing public service job opportunities. Unemployment continues well above 4.5 percent—with over 4 million unemployed. I do not know of anything that has happened to change the basis for our decision about the trigger level we made in 1971.

Mr. President, how much time do I have? This time is on the amendment?

The PRESIDING OFFICER. Yes.

Mr. NELSON. And on the bill I have how much time?

The PRESIDING OFFICER. Five minutes on the bill.

Mr. NELSON. I yield the floor.

Mr. JAVITS. Mr. President, will the Senator from Wisconsin yield me 5 minutes?

Mr. NELSON. Mr. President, how much time do I have remaining on the amendment?

The PRESIDING OFFICER (Mr. BARTLETT). The Senator from Wisconsin has 45 minutes remaining.

Mr. NELSON. Mr. President, I yield all of the time to the Senator from New York which he desires.

Mr. JAVITS. Mr. President, do I have time on the bill?

The PRESIDING OFFICER. The Senator from New York has 30 minutes on the bill.

Mr. JAVITS. Mr. President, I yield myself 5 minutes.

The PRESIDING OFFICER. The Senator from New York is recognized for 5 minutes.

Mr. JAVITS. Mr. President, I am opposed to the substitute amendment of the Senator from Ohio. I would like to say first that I understand perfectly the reason for its proposal.

The Senator from Ohio has followed what is a rather consistent philosophy in respect of his attitude toward this measure. It has been mainly based upon the very words that he used in his substitute. The Senator from Wisconsin and I have approached the matter on the basis of general and in the case of particular areas "substantial" unemployment. The Senator from Ohio approached it on the basis of "substantial and persistent unemployment." Therefore the intermediation of the public service employment has had an additional test; namely, the test of persistency.

That is the main reason why I am against the substitute amendment. I think the substitute is much too limited considering the point we wish to make and the programs we are seeking to continue, which the Senator from Wisconsin and I believe is an essential element of dealing with unemployment.

Our bill has been triggered by the 4.5-percent unemployment rate. Let us remember that most of the provisions are not in effect unless the rate is 4.5 percent or higher. We need public service employment to do an adequate job of meeting unemployment which is unacceptable. On the other hand, what the Senator from Ohio is asking us to do is to change the bill to a situation of dealing with essentially particular cases where we have persistent unemployment.

That is why I say that it is entirely consistent with that philosophy. However, I believe that in view of the size of our public service employment program—which is not great—it should be continued. Give or take a small percentage, we are dealing with about 200,000 public service jobs and against a basic element of almost 5 million unemployed. Let us remember that—though the percentage has dropped—it is still well above 4.5 percent. The numbers have not dropped significantly. In June of 1971 we had 4,184,000 unemployed, and in June of 1973, we had 4,256,000 unemployed. It is still of the same order of magnitude, and it remains about the same in terms of the aggregate number. And that is the point toward which our bill directs itself.

We argued much this same question in respect to the manpower training bill where it was pointed out that there is only an allowable element in the manpower training bill for public service employment. It is an eligibile activity.

But in response to the urgency of the Senator from Ohio, we pledged in good faith that public service employment would not come in through the back door on manpower training, and that the fundamental thrust of the bill would be manpower training fundamentally.

The reason that we were able to do that was that coming along right behind the manpower training bill was this particular bill for public service employment. And this is shown most vividly in respect of the public service employment opportunities estimated to veterans, because we have given for all practical purposes 50 percent of the job opportunities in this bill for veterans. The veterans' rate of unemployment is materially higher than the national average, and it deserves that kind of treatment.

I understand that the Senator from Wisconsin (Mr. NELSON) argued that point very strongly in opposition to the substitute. I associate myself with his views on that score.

Mr. President, coming back to the fundamental philosophical point, I would like to show how it works out in figures. The best figures we have been able to get on the basis of the criteria which the Department of Labor has already available for "persistent unemployment" is that some 406 areas of the country would be areas of substantial and persistent unemployment.

Mr. TAFT. Mr. President, would the Senator yield at that point?

Mr. JAVITS. Mr. President, I yield to the distinguished Senator from Ohio.

Mr. TAFT. Mr. President, the Senator was not present on the floor at the time I pointed out that the best available information that came from the Department of Labor does not really take into account the formula provision of the substitute, as proposed.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. JAVITS. Mr. President, I yield myself an additional 5 minutes.

The PRESIDING OFFICER. The Senator from New York is recognized for an additional 5 minutes.

Mr. TAFT. Mr. President, the figures mentioned by the Senator from New York do not include figures for all units of general local government or include Indian reservations, both eligible under the provisions of the substitute.

Mr. JAVITS. Mr. President, in response to the point made by the Senator from Ohio, all we claim is that this is what the Department of Labor has now. They have in the figures the current criteria and the current data. They say that there will be 406 areas. The Senator from Ohio may be correct in what he has written into his substitute. I cannot say. All I can say is what they tell us. They tell us that they have not information on what other areas could be included under the language of the substitute.

The fact is that currently we have 947 areas under section 6, which is the 6 percent-plus unemployment rate of this particular measure. So, I make no claims of an affirmative character. We simply do not know what other areas could be covered under the Taft substitute.

All we can do is make claims of a negative character. That is all the information the Department of Labor can give us.

I do it only illustratively. I do not wish to dispute with the Senator from Ohio about the finite and exact number of areas, except to point out the differences between the two approaches, his approach to public service employment and our approach to it in the bill.

I gather that the Senator from Ohio approaches it from a different philosophical point of view, which is that of persistent unemployment, which leads us into the area of endemic unemployment and so on.

The Senate has to take its choice between these two concepts.

I used the particular provisions we made for veterans merely to underline that the bill does follow the philosophical approach we claim.

I find myself very much on the side of the issue represented by the bill. The issue is: Shall we have a program to deal with unemployment once unemployment is above a 4.5 percent level nationally as a material component of manpower policy or shall we reserve public service employment only for the areas of "persistent" unemployment?

I opt for the formula provided in our bill.

I say frankly that we are facing the issue. We did not try to fudge in respect of the manpower training bill. We are not trying to get through the backdoor in order to have public service employment as a component of the manpower training bill. We hope that there will be minimum utilization of that fact in the manpower training bill. However, we face it frankly. We are dealing with an essential element when dealing with unacceptable employment rate, referring to about 200,000 of these public service employment jobs.

So we provide for it by separate legislation and a separate appropriation.

I wish to point out, too, incidentally, that under this bill the Appropriations

Committee and the Congress generally will have a choice in the funding of the general element and the element of $250 million which is specially provided for in this bill.

The PRESIDING OFFICER. The time of the Senator has expired again.

Mr. JAVITS. I yield myself 2 additional minutes.

Finally, Mr. President, I believe that we must understand one other thing about this matter. I have been the strongest advocate—and I understand that this point has been argued very effectively by the Senator from Colorado (Mr. DOMINICK)—and have constantly sought to develop amendments and work things out in conference with a view toward making it clear that this is a transitional program, that is, that we expect the workers to transit from a public service job into private employment or a regular public service job, in a fluid way. The bill has been shaped very importantly toward that end.

I would like to pledge myself to the Senate to continue that effort and that activity, both on the legislative side, that is, in the provisions which we make respecting the matter, and on the substantive side in legislative oversight. I thoroughly agree with my colleagues that this should be, wherever possible, a bridge by which the occupant of a job learns work habits, is trained in certain skills, and then moves out into the regular employment stream.

I believe that we have made a good start on that.

There has been a considerable turnover in respect to these public service jobs. But we are by no means home free, and I simply wish to add my continuing pledge to the Senate in that respect, and also in respect to try to work out this public service employment so that it fits into the manpower training system—especially as the administration, hopefully, will consider our manpower training bill as the first earnest effort on special revenue sharing. I think it can properly be characterized as the first special revenue sharing bill.

So I state to the Senate that I will do my utmost to work out a unified system by which the totality will be manpower training reform in the very best way of which we are capable, in which public service employment will be an element, thus further guaranteeing its transitional character.

Mr. President, I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. TAFT. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator from Ohio has 18 minutes.

Mr. TAFT. Mr. President, I yield myself 5 minutes.

I think the distinguished Senator from New York, as always, has emphasized the difference that exists between the substitute and S. 1560, very fairly and very accurately. I would urge the Senate to adopt the substitute on exactly the point that the Senator from New York makes.

The amendment I offer is directed at areas of persistent unemployment. This is the direction a public service employment program should take. As has been pointed out, the manpower revenue sharing bill that passed last week provides that an eligible activity under the bill would be public service unemployment.

It makes a great deal of sense to keep the basic public employment program within the manpower revenue sharing concept. However, I believe we should recognize, and I do recognize in the substitute, that there is an overall Federal responsibility that goes beyond that. There is in this country and there have been for many years, areas of persistent unemployment at very unacceptable rates. These are generally the same underdeveloped areas that I referred to earlier regarding the history of the ARA.

It is those areas toward which I believe that a special public service employment program should be directed. I believe a Federal program is needed in these areas of the country because of the very persistent economic problems they face.

I point out, with the changes occurring in the economy today, there may be some who are worried, "Will my state qualify under the substitute or S. 1560?"

The answer is, "A State, or region thereof, will qualify under the substitute if the State, or region has persistent unemployment over the rate of 6 percent." Under the committee bill basically any region may qualify under section 5 of the EEA. The section 5 coverage of EEA, however, may not be in effect, if the national rate of unemployment goes under 4.5 percent. If this occurs and local unemployment rates are still well over 6 percent, only $250 million will be available under the committee bill as compared to at least $500 million under the substitute.

In fact unemployment has improved somewhat in some of our large cities. The problem is in the smaller cities and the rural areas. I have just received a news tape today from a UPI dispatch which shows some interesting developments in this direction. It reads as follows:

> The number of major cities with unemployment of 6 per cent or more fell to 36 in July, the lowest in 32 months, the Labor Department said Tuesday.
>
> This was the fewest of the nation's 150 largest metropolitan areas to have "substantial unemployment" of at least 6 per cent since November of 1970 when there were also 36 cities on the list. It hasn't been lower since there were 35 in September, 1970. Johnstown, Pa., was deleted from the new list.
>
> The major cities category on the substantial unemployment list reached a high of 63 in October, 1971 but has been on a downward trend since.
>
> The number of smaller cities and communities on the list remained unchanged at 736, marking only the second time unemployment in smaller communities has failed to decline since peaking out at 853 in July of last year.

Thus the places where the real need is for this special federally directed and federally run manpower training program is in small cities and rural areas where unemployment problems persist.

Mr. President, I suggest the absence of a quorum.

Mr. JAVITS. Mr. President, before the Senator does that, will he yield?

Mr. TAFT. I yield.

Mr. JAVITS. I would like to know the state of the time. How much time remains in opposition to the Taft substitute?

The PRESIDING OFFICER. There is 45 minutes remaining, controlled by the Senator from Wisconsin, on the amendment.

Mr. JAVITS. I yield myself 5 minutes of that time, with the permission of the Senator from Wisconsin.

The PRESIDING OFFICER. The Senator from New York is recognized.

Mr. JAVITS. I yield to the Senator from New Mexico, who has indicated he has some questions.

Mr. DOMENICI. Mr. President, I would like to discuss my feelings about two proposals, and the proposal generally, with the Senator from New York, and at the same time propound some questions to the Senator from New York about the bill.

First of all, it would seem to me that the Senator from New York might be saying that there have been no real changes in the use of federal money to help employ people in our cities or in the public sector at the local level from last year to this.

However, it does seem to me that there has been one major change, and that is the General Revenue Sharing Act, which has, in a real way, been dollars in the hands of local units of government to expand on their own service needs and I would assume, thus, to hire people unemployed or who are looking for work, while the local units of government do the job they are expected to do for their citizens. I am not suggesting that would take up all the unemployment slack, or endemic unemployment, or manpower training needs, but I would suggest looking at the priorities of the expenditure of money that that event has occurred, which could have a serious impact on the area we are addressing ourselves to, with control at the local level as to who will get the job or the job services to expand on. Would the Senator comment on that observation?

Mr. JAVITS. Yes. The comment would have to be both plus and minus. Let me first give the plus. There is no question about the fact that public service employment will have been aided by general revenue sharing, because governments have to hire people, and so forth. On the other hand, it will not necessarily be focused on the economically disadvantaged or other groups in need. On the contrary, the record indicates that when the community is hiring, de novo as it were, there is more likely to be a concentration on skills, and so forth. Second, the two go together, in that, because of general revenue sharing, there are more slots open as general jobs in the public service field. The public employment program participant goes in because he is underemployed under the program and he then kind of graduates when he has some skill and may go into a job which may be made available because of general revenue sharing. So the Senator is right that there is a relationship but it is not one of a substitution.

Mr. DOMENICI. Whether it is used for a training program or whether it is used for people having a difficult time seeeking employment, the bill says they will be employed in the public sector doing the things that the city, county, or village would do, or should do. So I assume that we will put this into the total public service employment category, will we not?

Mr. JAVITS. Yes. I should like to point out and give the Senator a figure which is interesting. Thirty-two percent of those who have gone through this program, have gone on to employment in the public sector, so that that would be facilitated by general revenues.

Mr. DOMENICI. Let me summarize this. There are inconsistencies which I find as I travel in my State. The people I came in contact with last year as I traveled through every community in the State about this program, was basically that, indeed, it permitted the cities and counties to take citizens that would otherwise apply for manpower training programs, or some kind of unproductive job or unproductive training program, and put them into actual employment. To that extent, they favored it, but they were favoring it, Senator, from the standpoint in lieu of something else, or over some kind of welfare-oriented program.

I recently saw a statistic which startled me, in that it seems the States of the Nation are now acquiring great resources. They are kind of the affluent part and the Federal Government is the one in the red. This is an anomaly which has occurred only in the past few years—I believe in the past 2, where we find States with a $2, $3, or $4 million surplus in their general funds. Now I wonder what would the Senator's obserservations be in response to the question: Is this program in lieu of some other welfare-oriented program? Second, is this program calculated to cause the States to face up to their responsibilities at the local level and let their cities and counties have more local resources, more authority to tax from the general revenues of the States, and do the local job at the local level?

Coming from a city and a mayoral position, it seems to me we pump money into the cities. The State looks back and says "Since the Federal Government reimburses you, we will leave the manpower program alone and we will leave the other programs alone. Let the Federal Government solve it."

I am very much concerned that there are some conflicts in philosophy here.

Mr. JAVITS. Answering in reverse order, I would expect that legislative oversight should be very clear that the program should not be made available except on the basis of self-help aided to what the Federal Government may be able to do under the law. Remember, we are only talking about 200,000 jobs as against 4,300,000 unemployed. So there is plenty of room for the Federal Government to insure funds reach areas most in need through the use of discretionary funds and so forth.

I would feel that to the maximum extent possible we should favor areas which cannot be otherwise helped—a startling example of which is Newark, N.J., bearing in mind the de minimis numbers involved.

On the first part of the question, is it in lieu of something else, the answer is no, it is not in lieu of something else. It is an endeavor to deal more effectively with the problem—to wit, the aggregate unemployment problem. It is not in lieu of other efforts which may be made in the welfare field, and so forth.

As a matter of fact, that is one of the reasons why I oppose the Taft substitute, because that is an effort—that is, it seems to me to be essentially "in lieu of." I believe that this particular program, that is the EEA program—because of its relatively small size—has to be in aid of rather than in lieu of some other program.

Mr. DOMENICI. It seems to me that Senator TAFT's substitute is more calculated to cause the smaller communities in rural America to take advantage of the program than is the main bill, which is perhaps calculated to cause migration into the large metropolitan areas and away from the small towns and villages of rural America to take advantage of the program.

It seems it is more apt to cause the reverse, that is, the ability of the small town to the extent that the 200,000 jobs and this amount of money can have an impact. Would the Senator comment on that?

Mr. JAVITS. We see nothing in the Taft program which makes it differently usable from our program. It just has other criteria. As a matter of fact, it seems to me, because again the Department of Labor has not yet been able to give us the accurate data, that areas of persistent unemployment may well be in the big city areas, the slum areas, as they are to some degrees already under our bill.

So I feel that it is just the reverse that, if anything, the Taft program would be more inclined to go to the core of the elements of the big cities than even our program.

Mr. DOMENICI. I thank the Senator from New York very much.

Mr. JAVITS. I thank the Senator.

Mr. DOMINICK. Mr. President, I have been listening to this dialog between my friend from New Mexico and my colleague from New York. One of the things that is interesting about the bill that came out of the committee is the fact that they have a section 5B3 which says that when a person has a public service unemployment job for purposes of determining how many people are employed or unemployed, he or she is considered to be unemployed.

So the longer they stay there, the longer the unemployment level stays high. Then there is a provision in here which says that we cannot get any more than $12,000. So we are, for the purposes of Federal statistics, making it perfectly possible to get $12,000 a year out of the Federal Government as our pay and be considered unemployed.

A whole lot of people in this country are going to find that very hard to swallow. Those provisions are not in the substitute of the Senator from Ohio, and that is another reason why I am in favor of his proposal.

The PRESIDING OFFICER. Who yields time?

Mr. NELSON. Mr. President, is the Senator from Ohio prepared to yield back the remainder of his time?

Mr. TAFT. I am ready to yield back the remainder of my time if the Senator is ready to yield back his.

Mr. NELSON. I yield back the remainder of my time.

Mr. JAVITS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. JAVITS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Does the Senator from Ohio yield back the remainder of his time?

Mr. TAFT. Yes.

The PRESIDING OFFICER. All time on the amendment has been yielded back. The question is on agreeing to the amendment of the Senator from Ohio. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The second assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Alaska (Mr. GRAVEL) is necessarily absent.

I further announce that the Senator from South Dakota (Mr. ABOUREZK) is absent on official business.

I also announce that the Senator from Mississippi (Mr. STENNIS) is absent because of illness.

Mr. GRIFFIN. I announce that the Senator from Arizona (Mr. GOLDWATER) is absent because of illness in his family.

The Senator from Tennessee (Mr. BAKER) is detained on official business.

The result was announced—yeas 25, nays 70, as follows:

[No. 354 Leg.]

YEAS—25

Allen
Bartlett
Bellmon
Bennett
Brock
Buckley
Chiles
Cotton
Curtis
Dole
Domenici
Dominick
Fannin
Griffin
Gurney
Hansen
Helms
Hollings
Hruska
McClure
Packwood
Saxbe
Scott, Va.
Taft
Tower

NAYS—70

Aiken
Bayh
Beall
Bentsen
Bible
Biden
Brooke
Burdick
Byrd, Harry F., Jr.
Byrd, Robert C.
Cannon
Case
Church
Clark
Cook
Cranston
Eagleton
Eastland
Ervin
Fong
Fulbright
Hart
Hartke
Haskell
Hatfield
Hathaway
Huddleston
Hughes
Humphrey
Inouye
Jackson
Javits
Johnston
Kennedy
Long
Magnuson
Mansfield
Mathias
McClellan
McGee
McGovern
McIntyre
Metcalf
Mondale
Montoya
Moss
Muskie
Nelson
Nunn
Pastore
Pearson
Pell
Percy
Proxmire
Randolph
Ribicoff
Roth
Schweiker
Scott, Pa.
Sparkman
Stafford
Stevens

Stevenson
Symington
Talmadge
Thurmond
Tunney
Weicker
Williams
Young

NOT VOTING—5

Abourezk
Baker
Goldwater
Gravel
Stennis

So Mr. TAFT's amendment was rejected.

Mr. JAVITS. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. NELSON. Mr. President, I move to lay that motion on the table.

The PRESIDING OFFICER (Mr. HELMS). The question is on agreeing to the motion to lay on the table the motion to reconsider.

The motion to lay on the table was agreed to.

Mr. MAGNUSON. Mr. President, I wish to express my support for S. 1560, a bill to extend the Emergency Employment Act of 1971. The bill provides public service employment for Vietnam veterans, long-term unemployed persons, and the disadvantaged.

It will also allow 6,000 Washington State workers employed today under this program, to keep their jobs. Recently, the Senate overwhelmingly passed S. 1559, a bill to provide job training for the disadvantaged. Together, these bills provide a powerful program for those workers needing training and a job.

The Emergency Employment Act of 1971 has worked. Local officials have hailed it as the best Federal program enacted in the last 4 years. The jobs created under EEA have been meaningful and productive.

Congress should extend this program. As Senator NELSON, the distinguished floor manager knows, I have led the fight as chairman of the Labor, Health, Education, and Welfare Appropriation Subcommittee, to see that this program receives full funding.

In fiscal year 1972, I floor managed the appropriation bill that provided the initial $1 billion to get this program started. In fiscal year 1973, my subcommittee provided $1.25 billion for EEA. Once this authorization bill is enacted, I pledge my efforts to provide additional funds in fiscal year 1974.

Does it not make sense to give a person a job instead of paying him unemployment compensation or welfare benefits? People in my State want to work. In 1969, the unemployment rate stood at 3.3 percent in Washington State. In 1971, at the height of the so-called Nixon recession, unemployment totaled 15 percent and my State was experiencing an economic recession. Today, unemployment still stands at 7.5 percent—well above the national average—and yet the administration wants to end the EEA program which now provides 6,126 jobs in Washington State. This is an absolute mistake.

I want to express praise to Chairman NELSON and Senator JAVITS for their outstanding leadership in providing the Nation with meaningful manpower training and public service employment programs. Thousands of persons will benefit from their efforts.

Mr. President, I ask unanimous consent to place in the RECORD some statistics on the impact of the EEA program in Washington State and the text of my testimony before the committee in support of both S. 1560 and S. 1559.

There being no objection, the items were ordered to be printed in the RECORD, as follows:

PUBLIC EMPLOYMENT PROGRAM—CURRENT EMPLOYMENT AND CUMULATIVE EMPLOYMENT, FEBRUARY 1973

Washington	6,000	13,757	69,292,372
Clark County	105	287	1,202,500
Thurston County	40	79	470,650
Yakima County	223	509	2,186,927
Seattle	885	1,919	11,044,986
Tacoma	210	409	2,324,532
King County	932	2,554	13,832,266
Pierce County	293	603	3,192,379
Snohomish County	582	1,487	6,996,704
Whatcom County	91	204	1,009,703
Kilsap County	186	368	1,838,777
Spokane	207	524	2,511,367
Washington Indian Tribes	49	97	445,785
Balance of Washington	2,197	4,717	22,235,796

JOB TRAINING AND EMPLOYMENT LEGISLATION, 1973

U.S. SENATE, SUBCOMMITTEE ON EMPLOYMENT, POVERTY, AND MIGRATORY LABOR OF THE COMMITTEE ON LABOR AND PUBLIC WELFARE,

Washington, D.C., May 4, 1973.

The subcommittee met, pursuant to recess, at 10 a.m. in room 4200, Dirksen Office Building, Senator Gaylord Nelson (chairman) presiding.

Present: Senators Nelson, Taft, Dominick, and Schweiker.

Committee staff members present: Richard E. Johnson, counsel; and John K. Scales, minority counsel.

Senator NELSON. Our first witness this morning is Senator Magnuson of Washington.

Senator, the committee is very pleased to have you before the committee this morning. Your statement will be printed in full in the record, and you present it in whatever way you wish.

STATEMENT OF THE HON. WARREN G. MAGNUSON, A U.S. SENATOR FROM THE STATE OF WASHINGTON

Senator MAGNUSON. Thank you, Mr. Chairman, I appreciate the opportunity to be here not only to testify on this particular bill, but this is one of my first opportunities to thank this committee for the fine cooperation we had over the past 2 years in getting support for my two major extensions of unemployment insurance. Unemployment has been a very serious matter in many areas of the Nation, including my State. This problem fits into a proper discussion of this particular bill, too.

Now, the act before you, and I want to commend the Senator from Wisconsin, Senator Nelson, and Senator Javits for their efforts to initiate reforms in the Nation's manpower training program.

I especially endorse section 201(b)(9) of their bill. Specifically, this section authorizes transitional public service employment as one of the allowable activities that a prime sponsor under the act may engage in.

As the chairman knows, I have been a very strong supporter of the Emergency Employment Act of 1971, which this committee is responsible for authorizing after, I might add, a very long and bitter struggle with the administration.

As chairman of the Labor, Health, Education, and Welfare Appropriations Subcommittee, I think I have had some experience with that, I floor-managed the appropriation bill providing the initial $1 billion in funding for the Emergency Employment Act; and in fiscal year 1973, my subcommittee approved an additional $1.25 billion for this critical job-producing program.

The Emergency Employment Act of 1971 made possible, and I am sure this committee has the figures, but I want to repeat them, for 192,675 federally-supported public service jobs for unemployed and underemployed workers in fiscal year 1972.

Now, had they all been on the relief rolls, or had they received some form of unemployment insurance, this would have been more costly in real terms. At that peak, 9,000 of these jobs were being held by unemployed Washington State workers in my State.

It is with this background in mind that I oppose the decision by the Nixon administration to phase out EEA. That decision is premature, in my judgment, because the national rate of unemployment, 5 percent, is still far too high.

In the State of Washington, the total rate of unemployment is still 8.3 percent, but I think 9.5 would be a figure closer to actual truth.

In Washington State, 6,176 people are now working because of the Emergency Employment Act of 1971. If this program is ended, these people will lose their existing jobs and, because unemployment is so high in Washington State, many will be forced to accept some form of government-sponsored relief.

May I add something here which I talked to the chairman about many times informally, when people go on relief, or have to go on relief, the minimum cost is $4,250 a year. I know that. That is the minimum, and then you figure the humility, the embarrassment, men that want to work, they do not even want to tell their neighbors they are on relief, and it all adds up to the need for a program like public employment for the unemployed.

Now, I said the decision is premature, and over 6,000 workers are involved now in my State. This simply does not make sense to me. If these people are working and providing local government with a vital service, why should the Federal Government terminate their jobs? Particularly when not enough private sector jobs exist in many areas of the Nation.

Mr. Chairman, it was with this problem in mind that I contacted your subcommittee about adding a provision to S. 1599 that would allow prime sponsors at their discretion to use their funds for public service employment jobs if the prime sponsor determined that this was the wisest use of limited manpower training dollars, and that is what you are trying to do in your bill, as I understand it.

It is obvious to me that training an individual for a job that does not exist is the worst possible use of these resources. The individual living in a State with a high rate of unemployment wants a job, not a training course.

More specifically, under section 201(b)(9) prime sponsors in Washington could use most of their manpower funds, for as long as necessary, to provide public service employment to the unemployed, including engineers, scientists, and technicians.

Of course, as soon as local officials find that community manpower needs have changed, they would be free to reallocate their manpower sources among other activities suggested in section 201 in order to meet new priorities.

I feel that my State and the local units of government within its boundaries are ready to assume responsibility for this type of decisionmaking.

They have been progressively prepared for undertaking such programs by being involved in Federal manpower projects and locally funded manpower activities and by receiving mayors' and Governors' grants for the purpose of coordinating manpower planning.

The city of Seattle and surrounding units of government including King and Snohomish Counties have formed a consortium in order to be designated as a pilot comprehensive manpower program, CMP.

As such, they would receive a bloc grant for several categorical manpower programs rather than a separate grant for each program.

I hope that the Department of Labor will soon approve their CMP application. These units of government have certainly shown an outstanding ability to run a wide variety of manpower activities.

Recently, they rapidly mounted very complex and responsive manpower program activities to implement the provisions of the Emergency Employment Act.

In addition to this desirable flexibility in delivery that S. 1599 authorizes, I like the nature of the public service employment authorized—transitional employment for unemployed and underemployed persons in jobs providing needed public services.

Since all manpower efforts are focused upon preparing people for, and matching them with, existing jobs, it is logical that funds for public employment programs should be limited to those enabling participants to move onto the employer's regular payroll or obtain other suitable public or private employment.

In conclusion, I believe that public service employment can often be a very effective means of resolving manpower problems.

However, I think that State and local officials are in the best position to determine when an individual will benefit more from public service employment than from another manpower activity.

Therefore, I favor the approach embodied in section 201 of S. 1559 which would integrate public service employment as but one allowable activity in a comprehensive manpower system.

So, I heartily endorse the bill. I compliment you people on bringing it to the attention of the Senate, and I think this is very desirable flexibilty in trying to meet this problem.

Senator NELSON. We appreciate your taking the time to come over this morning to present your testimony.

Senator MAGNUSON. Thank you. One thing I want to add, Senator, is that manpower training is a laudable goal.

We try to do the best we can, but when you get down to the Appropriations Committee with the Department of Labor, the hearings will start next week, you will find the number of enrollees who are put into, as it were, the pipeline for training, and then the number of jobs that are available when they come out, it is a pretty sad story. Your bill attempts to provide both training and jobs.

Senator NELSON. That is what it is all about.

I am puzzled myself by the timing of the administration's proposal to terminate the program.

In any event with the unemployment at the level it is, the program should be continued for another year or two or three.

I quite frankly myself think you ought to have a permanent public service employment act.

Senator MAGNUSON. You are so right, I have often thought the same thing, in view of the fact that we have such difficulties, as you will recall vividly, on the Senate floor, and going over to the House, in getting assistance for the long-term unemployed.

The Congressman from Wisconsin was a lot of trouble, as you recall, and I think he was serious about what he was saying, but I think we have got to consider some point on the unemployment question when we have a permanent piece of legislation. I do not know what figure you might use, 6 percent, 6½ percent, the experts will figure it out, but when it reaches that, unemployment benefits are expended or a job is offered.

Mr. WILLIAMS. Mr. President, 2 years ago I rose to support with great enthusiasm, the original Emergency Employment Act of 1971. Today, after closely monitoring the program, my convictions are even firmer and I rise again to support its extension and continuance.

The public employment program—PEP—of the Emergency Employment Act has proved its worth many times over. A consulting team commissioned by the Committee on Labor and Public Welfare recently completed an evaluation of the first 18 months of the program stating unequivocally that:

> PEP has demonstrated its effectiveness as a countercyclical strategy. A permanent program should be created which phases in as unemployment rises above 4.5 percent.

During the past 2 years, over 280,000 persons have found employment with the program. In my own State of New Jersey alone, over 17,000 men and women have been placed in jobs which have provided additional government services to citizens throughout the State.

The biggest proponents of PEP—aside from the unemployed who have derived its benefits directly, have been the mayors and other local government officials from every region and section of the country.

To best illustrate this point, I would like to briefly quote excerpts from the testimony of two distinguished mayors from New Jersey:

> Mayor Arthur J. Holland, of Trenton.—The Public Employment Program (PEP) established by the Emergency Employment Act of 1971 has been the best program to come out of Washington in the last 4 years of those that were intended to meet the needs of the cities.
>
> This particular program is the greatest thing that happened to our city in the last several years. It has enabled us to maintain essential services which otherwise would have to be sustained through additional taxation or be reduced. It has enabled the city of Trenton to maintain essential services for which funds were not available. Moreover, PEP proved to be a most effective manpower program, providing on-the-job training, as well as opportunity for educational advancement.
>
> Mayor Patricia Sheehan, of New Brunswick.—. . . public employment, in the view of many economists, is the least inflationary way to expand the economy's employment opportunities. . . . Public employment . . . produces nearly one dollar's worth of employment for cash dollar expended . . . [a] second and strongest justification, from our point of view, is the desperate shortage of public goods and services which our cities face . . . [j]ob needs to excess of five times the present level of PEP have been identified.

These statements truly speak for themselves. The Emergency Employment Act can clearly stand on its own merits.

As the chairman of the Committee on Labor and Public Welfare, I wish to commend the chairman of the Employment, Poverty, and Migratory Labor Subcommittee, the distinguished Senator from Wisconsin (Mr. NELSON) and the ranking minority member of the committee the distinguished Senator from New York (Mr. JAVITS) for their hard work and dedication with regard not only to this bill S. 1560 but for last week's successful passage of S. 1559, "The Job Training and Community Services Act of 1973."

Mr. MUSKIE. Mr. President, S. 1560, the Emergency Employment Act Amendments of 1973, would extend for 2 years a popular and successful Federal job program which has been enthusiastically received in my home State of Maine—the public employment program—PEP.

Under the bill $1.25 billion would be authorized in fiscal year 1974 for grants to State and local governments and Indian tribal organizations to fund public service jobs for veterans and others who cannot find work in areas of high unemployment. The value and effectiveness of this program can be demonstrated by considering two brief points.

First, the program has met its goal of providing a transition to permanent employment by paying for jobs with Federal funds until local budgets could pick up the costs. The Federal goal was to have the cost of 50 percent of the temporary public service jobs taken over by State and local governments on a permanent basis. In Maine, local and county governments have committed themselves to hiring 70 to 80 percent of present PEP workers with their own funds. In one community, Mechanic Falls, the program made such a successful contribution that it helped lower the tax rate below 1969 levels, and the town was still able to pick up the cost of employing all 12 of the workers who found jobs under the program. At the State level, PEP funds were used in the department of environmental protection to hire 16 persons, whose duties ranged from investigation to water quality analysis. Their work was so vital that the legislature agreed to fund all 16 positions this year. The Federal program can now help other individuals who are out of work .

Second, the program is still necessary to combat the chronic high unemployment in my State. Despite the employment of more than 2,200 workers under the PEP program, 14 of Maine's 16 counties suffered unemployment rates above 6 percent last year, and unemployment was 10 percent or more in three of those counties. The continued need for the program is further demonstrated by the fact that Maine communities applied for twice as many positions last year as could be funded under the program.

To this praise of PEP, Mr. President, I would like to add a major concern of program officials in Maine: the specificity of the Labor Department's computation of job statistics. In a largely rural State like Maine, pockets of high unemployment often become obscured in the Labor Department's statistics. I was pleased that S. 1559, the job training bill passed last week by the Senate, directs the Secretary of Labor to improve the Department's statistical sampling, and I am hopeful that this directive will provide significantly better targeting of Federal funds to areas most in need of job programs.

Mr. President, the Emergency Employment Act is exactly the kind of Federal program which should be a top priority. I hope it will continue to receive strong congressional support.

Mr. KENNEDY. Mr. President, I rise to fully support the emergency employment bill now before the Senate.

Since July 1971, when the Emergency Employment Act of 1971 was signed into law, some 308,000 individuals have been employed in public service jobs. Those men and women were earning income, fulfilling vital public service needs and contributing to the welfare of their country—instead of drawing welfare checks.

Today, the need for this program continues. Unemployment still is at 5 percent. Approximately 5 million Americans are unemployed, the number of persons receiving some form of welfare assistance now is at 12 million and the number of poor in this Nation remains over 24 million.

Even these statistics do not fully measure the depth of the problem. While the rate of unemployment for the city of Boston was 3.9 percent for the year of 1970, 22 percent of the labor force were unable to find full-time jobs at pay scales providing a decent wage. The subemployment index, which was first developed by former Secretary of Labor Willard Wirtz in 1967, showed that we are talking about nearly one-third of the labor force in our cities who are excluded from decent jobs—not by their lack of skills or desire—but by the lack of jobs.

It is that failure that fuels the cycle of welfare. It is that failure that fuels the cycle of poverty. And it is that failure that spells a pauper's existence for millions of our citizens.

We have not moved very far from the time when President Roosevelt talked of a third of the Nation ill-housed, a third ill-clothed and a third ill-fed. That was in the midst of the depression. Today, 40 years later, there still are 24 million Americans whose lives are crippled by poverty and despair.

The fundamental cause of poverty in this country is one of joblessness and low-paid jobs which take everything a man has to give and provide a bare survival wage in return.

The lack of economic opportunity, of jobs, perpetuated over decades, has harassed millions of families out of rural America into inner cities already exploding the dreams of their youth in enforced idleness. In the end, we have witnessed the sometimes silent, sometimes shrill sound of the disintegration of inner city neighborhoods.

The answer is jobs, jobs at decent pay, and along with the invigorated economy to provide those jobs we need a program creating decent jobs through direct Federal funding.

The past 2 years of the Emergency Employment Act have demonstrated the potential of this program. Some 308,000 persons were employed by 670 cities, States, and counties. Twenty-seven percent of the jobs were provided to Vietnam era veterans. Most of the jobs, according to the manpower report of the President, "are perceived as useful, rather than 'make work' by both the persons holding them and the public whom they serve."

The evaluation of the EEA program by Sar Levitan and Robert Taggart of the Center for Manpower Policy Studies of the George Washington University, by the GAO, by the Urban Coalition, and by the National Manpower Policy Task Force all concluded the program was meeting important public service needs. It is providing hospital assistants in Chicago, more police in Detroit, more water service inspectors in Dayton.

In my own State, there were some 15,864 persons hired during the 2-year program and both local communities and the State have requested the program's extension and protested the administration's proposal to end this program.

Perhaps one of the best examples of the potential of EEA was shown in meeting the needs of the Spanish speaking in Massachusetts. Bilingual teachers, Spanish-speaking guidance assistants, and interpreters have been employed throughout the State and 20 bilingual social workers and cases aides also have been hired. For many offices, it is the first time that a non-English-speaking client has been able to communicate with department of public welfare employees.

I am pleased as well that Massachusetts was very close to meeting the new requirements now placed within this bill for at least 50 percent of the new hires to be Vietnam-era veterans. Under the practices and policies carried out for the past 2 years, some 40 percent of the public service employment program participants in Massachusetts were Vietnam-era veterans. In Massachusetts, some 9.6 percent of the participants were minority group members, 25 percent were welfare recipients and 33 percent were disadvantaged. I am also pleased to cosponsor the amendment of the Senator from Rhode Island (Mr. Pell) to give special consideration to individuals affected by defense base closings.

I would ask unanimous consent to have placed in the Record following my statement, a progress report prepared by the EEA program director in Massachusetts at the State level, as well as a brief report of some of the innovative programs begun in the community of Holyoke. Boston and other prime sponsors had equivalent experiences with the program and support its expansion.

I commend the chairman of the Subcommittee on Employment, Poverty, and Migratory Labor, the distinguished Senator from Wisconsin (Mr. Nelson) for his leadership in seeking the extension of EEA. I believe that during the next 2 years, our responsibility is to emphasize the permanent aspects of this program.

I believe the bill before us deserves the full support of the Senate and the Congress as a first step in that direction. By enacting this program, we will begin to assure to those who have been forced to exist on the fringes of the Nation's economy, jobs paying decent wages and, in the process, we will be meeting vital needs in our hospitals, in our schools, and in the basic fulfillment of vital local government services.

There being no objection, the progress reports were ordered to be printed in the Record, as follows:

Program of Holyoke

The implementation of the E.E.A. Program in Holyoke led to a few innovative programs being provided to take care of some vital unmet public service needs. These were in addition to the obvious assistance that was provided to the financially beleaguered city departments in the way of extra clerks and laborers.

We will limit this narrative to the innovative programs that were funded and also to "success stories" relating to individuals.

DISTRICT COURT

They were able to provide for a Spanish Interpreter to help with the increase in Spanish speaking clients.

Through E.E.A., they were able to institute an around the clock probation officer availability. The attached letter to O.M.A. from the Chief Probation Officer, explains it further.

HOLYOKE STREET SCHOOL

An experimental alternative school for high school drop outs was established with E.E.A. funds. Their success is such that they are on the verge of receiving School Department sanction and future funding.

HEALTH DEPARTMENT

They were able to provide much needed assistance to school nurses, particularly in the disadvantaged sections of the City and to the Spanish speaking pupils.

BOYS CLUB

They were able to finally get a competent maintenance man who also doubles as a Spanish Interpreter.

POLICE DEPARTMENT

They were able to get people to perform clerical and dispatching duties in order to free up police officer for other duties.

They were also able to help staff TPU (Team Policing Units) with clerical help.

A satellite office of D.E.S. was established in the Model Cities staff complete with "Job Bank". It includes an Interviewer and Counselors. Their primary responsibility is to serve the Model City neighborhood, but they also service any other city resident who needs help. They were invaluable in the Job Development effort for E.E.A. when it appeared layoffs were coming.

An Industrial Development Coordinator was hired to work with Industry and the Chamber of Commerce in attempts to revive present industry and entice new companies to settle in Holyoke. This has proven to be a worthwhile undertaking with a couple of successes already. It is the first time the Mayor's Office has had a direct link with industry.

DAY CARE CENTERS

This is one of the more successful areas of E.E.A. involvement. By the additional staffing of various Day Care Centers such as Model Cities, Headstart, Holyoke Day Care and the School Department Day Care Center, many more youngsters were able to be served and many more mothers were able to work than would otherwise have been possible.

They, Day Care Centers, have been provided with Teachers, Teacher-Aides, and Secretaries.

Y.W.C.A.

The Y.W.C.A. has initiated an "Adolescent Mothers Program" that has proven to be outstanding. (See Attached Material).

INDIVIDUAL SUCCESS STORIES

There have been numerous instances where an individual was in dire need, by virtue of things other than money or just a job, and has been helped tremendously through E.E.A.

The Commonwealth of Massachusetts and EEA—A Progress Report

This progress report describes the Emergency Employment Program administered by the Executive Office of Manpower Affairs

(OMA). The report briefly discusses the implementation of EEA, the objectives of the program, and the implementation status of numerous special efforts designed to make the Massachusetts public employment program meaningful to the large number of unemployed in this state. The report does not attempt to cover all aspects of the program, but only those taken beyond what was necessary to achieve minimal compliance with the Act.

Four major topics are discussed—

(a) OMA's programmatic efforts to create positions and programs for targeted significant segments of the unemployed;

(b) OMA's creation of EEA positions in employment related jobs;

(c) OMA's effort to achieve permanency by attacking the institutional barriers to employment of EEA participants;

(d) OMA's training and career development plans.

I. BACKGROUND

When the EEA was funded in August of 1971 the Commonwealth had an unemployment rate of 7.9%. The unemployment rate in the Commonwealth had risen steadily from 4% in November of 1969 to 7.5% in January of 1972 to a peak of 7.9% in March of 1972. Since November 1971 the unemployment rate in Massachusetts has remained at or above 7%. As of March 208,000 people were out of work in the Commonwealth.

In March of 1972, Massachusetts ranked eighth in the U.S. in severity of unemployment. More disturbing, however, is the fact that while unemployment nationwide is receding, Massachusetts unemployment is continuing to climb. This unemployment pervades the entire labor market, from the well-educated and highly skilled scientist to the unskilled laborer.

Given these stark realities OMA has designed a comprehensive public employment program that reaches out to all segments of the unemployed population in Massachusetts.

Special projects have been developed by the OMA staff to serve the manpower needs of both the state and the local governments, as well as to provide meaningful employment opportunities to certain segments of the unemployed population. In effect the EEA afforded the OMA staff the opportunity to address some of the institutional barriers that have precluded the labor-market mobility of the disadvantaged as well as to develop new programs and positions that would strengthen the service delivery capacities of state and local governments.

The Office of Manpower Affairs, the program agent for the State, had a staff of two persons (The Secretary of Manpower Affiairs, Mrs. Mary B. Newman and her secretary) when the Governor first received the EEA guidelines in August of 1971. Mrs. Newman had just been appointed three weeks prior to that time and had numerous responsibilities in addition to EEA.

As a result the initial EEA funding application was completed entirely by persons loaned from other departments, most of whom had little knowledge of Manpower programs.

In addition to the problems created by OMA's newness, the inexperience of its staff, and the newness of EEA, the efforts to achieve the program objectives of hiring "significant segments" and planning for jobs which meet the highest public service needs were constantly in conflict with the Department of Labor's requirement to put people to work immediately. As a consequence, positions created initially often had little chance for permanency and frequently were filled by non-significant segments, thus putting the state in a position of continually catching up or rectifying what occurred during the first few months.

II. ORGANIZATION

As program agent for Massachusetts' balance of state EEA grant, OMA services 339 cities and towns and 12 executive agencies. OMA has received a total of $22.2 million dollars in Section 5, Section 6, and discretionary funds, resulting in the creation of 4,000 PEP positions.

The PEP grant is administered at the local level through 24 consortia. Since county units are not recognized as general purpose units of government in Massachusetts, the potential existed for OMA to have to deal individually with 339 cities and towns as employing agents under the EEA program. Consequently, the OMA prepared and submitted legislation that would allow cities and towns to join to participate in and administer the program. The passage of this bill provided OMA not only with a manageable structure for implementing the EEA, but also a tool for developing a comprehensive public employment program and an effective manpower planning component at the local level.

From the outset the Secretary of Manpower Affairs viewed the Emergency Employment Act as a potential catalyst for change in state and local relations, as well as in inter-local relations. For the first time cities and towns were joining together to develop a coordinated local response to demands of a federal program. One city or town in each consortium was selected to be the "sub-agent liason" to OMA for the purposes of EEA. The sub-agent has been responsible for coordinating the programs administrative functions and reporting to OMA. The 24 sub-agent towns are directly responsible to the OMA.

The 24 consortia have hired mainly PEP participants to staff their individual programs. Each consortium has a PEP coordinator responsible for the management of the PEP grant. Each consortium also has or shares with other consortia a training and carrer development coordinator. Many consortia also have employed job developers and training specialists to develop permanent, non-subsidized positions for PEP participants.

In effect, the PEP consortia have become integrated manpower planning and delivery systems servicing communities within a specified geographical area. Given this organizational structure the OMA was then prepared to develop and implement a program at the state and local level that would address the objectives of the EEA.

III. SIGNIFICANT SEGMENT RECRUITMENT AND SELECTION

A. Vietnam era veterans

From the inception of PEP, OMA has placed highest priority on employing Vietnam Era Veterans. Specific steps taken beyond those required by the Act include:

(1) Notification of over 400 local Veterans organizations and veterans agents of EEA opportunities for public service employment for Vietnam era Veterans. Each was urged to assist EEA in recruitment.

(2) Funding of 2 EEA positions, one in DES and one in the State Office of Veterans Services, to devote full time to active outreach and recruitment of Vietnam era Veterans.

(3) Restriction by OMA, with very few exceptions, of all hiring to Vietnam era Veterans since April of this year. Prior to that time, hiring had been limited solely to Significant Segments, including Vietnam era Veterans.

As a result of these efforts OMA has filled approximately 32% of its positions with Vietnam era Veterans. Particularly noteworthy is that under Section 6, over 38% of the positions are filled by Vietnam era Veterans.

B. Spanish speaking

OMA has strongly encouraged employing agents to develop employment opportunities for Spanish speaking persons in order to provide a much needed bilingual capability to state and local agencies. Numerous positions of this kind have been created both at the state and local level.

The most comprehensive EEA project was undertaken by the Department of Public Welfare. A recent study by the Florence Heller Graduate School for Advance Studies in Social Welfare at Brandeis University, as well as a series of reports in the Boston Globe have pointed out the growing, critical, unmet needs of the State's Spanish-speaking welfare recipients. In Boston alone there are over 1,100 Spanish AFDC cases and in Springfield it has been estimated that 850 (or 20%) of the 4,900 AFDC cases are of Spanish origin.

The Office of Manpower Affairs has allocated EEA funds to the Department of Public Welfare to enable them to begin to meet the unmet special public service needs of this population of Welfare recipients. To date 20 bi-lingual social workers and case aides, a coordinator and a bi-lingual clerk have been hired and placed in offices throughout the State—Lowell, Holyoke, Springfield, Chelsea, Fall River, New Bedford, Lynn, Lawrence, Woburn and Boston. In several instances this will be the first time that a non English Speaking client will be able to communicate with department employees.

Other EEA positions created to serve the needs of the Spanish speaking include:

Bi-lingual teachers.

Spanish-Speaking Guidance Assistants.

Interpreters.

Spanish Facilitators.

Spanish-Speaking Coordinators (Portugese Speaking Coordinator).

Finally, to maximize EEA recruitment efforts for Spanish speaking persons, all available EEA vacancies were distributed to Spanish speaking community organizations.

C. The disadvantaged

The Office of Manpower Affairs has placed a high priority on recruiting and placing disadvantaged persons in state employment. A recent report prepared by the *Governor's Council on the Employment of the Disadvantaged* indicated that for the most part disadvantaged persons had not been hired for public service jobs and that little had been done in the state to rectify this situation.

This report cited several steps which needed to be taken to open up employment opportunities for the disadvantaged. Explained below are some of the steps OMA has attempted to implement with EEA funds:

All hiring agents were notified that the employment of disadvantaged persons was of highest priority, second only to the employment of Vietnam era Veterans. To insure that disadvantaged persons were aware of job vacancies OMA:

(1) distributed a list of all vacancies to Community Action Agencies and other organizations which work with disadvantaged persons and encouraged them to take an active role in outreach and recruitment.

(2) worked closely with the Department of Public Welfare to identify and actively recruit work-ready welfare recipients.

The Department of Public Welfare assisted OMA in recruiting Welfare recipients for EEA positions by designating Regional Coordinators who assigned EEA liaison workers at numerous local service centers. Each liaison worker was provided with EEA job data and was instructed to screen caseloads, make referrals, and do follow up. Welfare representatives were also invited to attend meetings of local consortia and to assist in recruiting Welfare recipients.

At the present time 1,070 or 26% of all EEA participants placed to date have been Welfare recipients, at an estimated welfare saving of well over $3,000,000. 683 of these positions were funded under Section 5 and 390 under Section 6. In addition special job development and recruitment efforts were aimed at general relief recipients using Section 6 lag funds and discretionary funds as well as at WIN enrollees using Section 5 lag funds. Savings and welfare should be viewed cumulatively, particularly if the goal of 50% permanent placement is achieved.

In addition to the efforts made to recruit welfare recipients from local welfare service offices, EEA embarked on a Special Works Project under the WIN Program.

D. WIN/EEA

In January of 1972 a linkage was worked out between OMA and WIN Special Works Projects to allow for the creation of public service jobs, paid for by a combination of AFDC grants and EEA money. The basic approach of this program was to establish EEA jobs in state agencies that would match the work skills and residency of WIN enrollees and supplement EEA funds with AFDC grants that otherwise would have been paid to WIN enrollees. This linkage allows OMA to fund twice the number of WIN jobs (for significant segments) that could have originally been funded without the use of AFDC grants It also allows male heads of households on AFDC to be placed in EEA positions without suffering the loss of welfare benefits.

The status of WIN/EEA participants once placed in the program is the same as any other EEA participant. In addition, the participant remains a WIN enrollee and is entitled to receive all his Welfare benefits. To help increase his chances for permanency, only WIN enrollees in the job-entry hold category were chosen. Also, only heads of households were chosen, as selection of other WIN enrollees might have jeopardized their families' welfare status.

Approximately 250 WIN slots have been created to date. Because this Special Works Project expires on July 1, 1972, substantial effort has gone into assisting participants to qualify for a Civil Service appointment to the special slot to which he has been assigned. OMA hopes to place some enrollees into unsubsidized employment and others into the public sector component of the Talmadge Amendment to the Social Security Act before this time.

Over 100 of the positions created under this program have gone to the Department of Public Welfare—50 Case Aides, 50 Junior Clerks and Junior Clerk/Typists, and 10 Laborer positions. The next largest portion of jobs (39 positions) went to the Division of Employment Security for 19 Junior Clerks and Junior Clerk/Typists, 11 Employment Aides, 9 Senior Interviewers and 1 Principal Interviewer.

Among the benefits of this program must be counted the opportunity for many disadvantaged individuals to make an entry, however tentative, into the public service system. The success of the experience both for them and for the agencies will prove an important determinant in the funding of other public service employment jobs under Talmadge and, more generally, in the establishment of career ladders for disadvantaged individuals in the public service.

E. The handicapped

The state presently has several efforts underway to develop job opportunities for persons who, because of a variety of physical handicaps might otherwise not receive public service employment. EEA has provided positions to the following agencies:

1. *Massachusetts Commission for the Blind:*

Five blind participants have been made available to work on a regional basis to refer blind persons to a variety of services, including employment opportunities.

2. *Massachusetts Commission on the Employment of the Handicapped:*

An EEA participant has been employed as staff to the Commission to work on developing employment opportunities for handicapped persons. A major portion of his time is spent contacting employers and discussing with them the possibilities of making positions available. EEA plans to fund the Commission with additional positions which can work on actual placement and counseling.

F. Technologically unemployed

1. *Linkage With The Aerospace Employment Project (ADAPT)*

To help alleviate the employment crisis in the aerospace and defense industries and to satisfy the growing management needs of state and local government, the ADAPT project was funded in the Spring of 1971. Made possible through a contract with the Departments of Labor and Housing and Urban Development at a cost of $1.3 million, it is sponsored by the National League of Cities and the U.S. Conference of Mayors.

Approximately 90 highly-skilled professionals displaced from private industry in the Massachusetts area, the nation's largest pocket of unemployed professonals, were selected for this program. With backgrounds in the fields of Engineering, Science, Mathematics, and Management, they attended an intensive retraining effort to equip them for public sector employment, only to find at the completion of that training that jobs were still not available.

The Massachusetts EEA program has recognized the need to establish linkages with ADAPT in order to find employment for these former participants of DOL manpower training and to capitalize on their valuable training. To date 24 ADAPT participants have been hired. They are filling positions such as Management Systems Analysts, Solid Waste Disposal Engineers, and Town Engineers in 3 state agencies and 16 different cities and towns throughout the Commonwealth as well as undertaking the personnel and evaluation study mentioned below.

2. *Project SWEEP* (Statewide Emergency Employment Program)

Five (5) field representative positions have been allocated by OMA to the Masschusetts Science and Technology Foundation to implement Project SWEEP. This will allow MSTF to "sweep" the State's various industries to ascertain their future and present need for manpower services. These representatives gather data from Electronic and Commercial firms on a personal basis, for anlaysis by specialists at the Foundation. They also explain the availability of various Manpower Training programs, and discuss how they might meet these firms needs. An inhouse training program tailored to the special needs and interests of these EEA participants is now begin developed.

G. Ex-offenders and corrections

The Office of Manpower Affairs has identified the ex-offender as an additional significant segment of the unemployed population which requires special attention by EEA because of the barriers he confronts in seeking employment. At the same time the rehabilitated ex-offender faces severe employment barriers, he possesses insight and expertise which is extremely valuable in working with problems of corrections and related fields. In order to help the ex-offender establish a creditable work record and at the same time work to fill a pressing public need, Massachusetts has developed several projects designed to allow the ex-offender to help others. They include:

1. Twelve EEA positions to the Law Offenders Division located in local DES offices across the state, to assist law offenders in prison and in the street find jobs.

2. Eighteen EEA positions outstationed at the following 4 Boston-area private agencies which deal with corrections problems:

Massachusetts Halfway House Inc.—where participants are administrators and planners of new community-based corrections programs, as well as counselors.

Boston Court Resource Project—where participants work with the young first offenders after their arrest and arraignment, but before their first trial.

Massachusetts Correctional Association—as researcher/counselor, our EEA participant assesses former inmates' need and directs them to community resources.

Libra—at this Cambridge-based center for ex-offenders run by ex-offenders under the auspices of the Department of Youth Services, EEA participants are employed as reentry counselors, community resources coordinators, and court liaisons.

3. Fifteen special positions in corrections and correction-related fields including:

Department of Corrections—where 11 professional EEA positions are funded to allow the Department to become more flexible and innovative in its approach to immediate and long-range corrections problems; where 6 corrections Social Worker positions are assigned to the superintendent of 6 penal institutions to help them solve special problems.

Board of Parole—where 2 Spanish-speaking Special Service Assistants travel with Parole Officers to facilitate communication between them and the parolees or inmates with whom they work.

New Perspective School—where 2 EEA participants deal closely with youths who by and large have arrest histories and troubled backgrounds, and have not been able to succeed in the standard educational system.

Approximately 50 ex-offenders have been hired by the Mass. EEA programs.

IV. CREATION OF EMPLOYMENT RELATED JOBS

In order to maximize the services available to the state's unemployed population, OMA strongly encouraged cities and towns to use Section 5 lag funds for the creation of employment-related EEA positions. The response was most positive. Over 66 positions were created at the local level, in many instances providing cities and towns a manpower capability for the first time. Some of the positions created were:

21 Job Developers.

10 Federal Program Coordinators.

35 Community/Economic Development Specialists.

In addition, approximately 55 EEA staff persons were hired including:

25 EEA Coordinators and Assistants.

30 Training and Supportive Service Coordinators.

Several consortia have expanded their staff efforts beyond traditional employment-related duties to undertake other much-needed manpower related tasks. For example:

EEA/ADAPT participants are involved in a special personnel and evaluation study in 4 Massachusetts communities representing a cross-section of the State. Because of the short lead time provided for the EEA program, local governments were unable to develop specific, comprehensive and farsighted plans for the utilization of their EEA participants. This study will undertake to do the job analysis, the evaluation of local public service needs, the identification of future manpower requirements, and the development of career plans that should have been accomplished before EEA funding.

This study will also analyze the present personnel structure of each local government involved to determine where EEA positions are currently established, how these positions fit into the present structure, and the general value of these positions to the needs and goals of the individual municipal departments.

Day care

Our EEA experience has made it clear that in many cases the provision of a job opportunity alone was not sufficient to put a previously disadvantaged person to work. Also necessary were supportive services, such as day care, counseling and transportation.

EEA therefore encouraged cities and towns to provide EEA positions to public and private agencies providing such service. Perhaps the supportive service most needed and yet most lacking in Massachusetts was day care for young children of parents who without such services could not work. A recent statewide poll indicated the existence of a potential day care market of 148,000 children needing but not receiving day care services. Also indicated by this poll was a population of 36,000 working mothers of children ages 0–6 who were experiencing difficulty in obtaining care for their children.

To help alleviate this public service shortage, the Office of Manpower Affairs created 130 day care positions with Section 5 lag funds. Approximately 50 programs are involved in this effort, including Head Start, Public Welfare, Public Health, and Mental Health. Over half of these EEA positions provide for classroom staff with the remaining positions divided among administrative, clerical and maintenance personnel, social service coordinators, nutritionists, paramedics, parent and volunteer coordinators, child advocates, and listening aides. Based on current statistics 200 new spaces for children have been made available so far providing $30,000 worth of services.

Responsible to the various subagents and outstationed at private nonprofit day care facilities, these EEA participants have helped to link the political structure of the participating cities and towns to the social service providers in the community, creating a new awareness among subagents of the day care needs in their community and of the possibilities of EEA as a public service employment program.

In the short run this program has maximized the employment opportunities of the working mother. In the long run the successful experiences of the EEA/Day Care program should provide greater public support for the creation of an Office of Children's Services in the Commonwealth.

V. PERMANENCY-REMOVING INSTITUTIONAL BARRIERS

Research by the Office of Manpower Affairs staff into the present employment problems facing disadvantaged EEA participants has uncovered a myraid of institutional barriers. We have allocated funds to the following special project aimed at removing these barriers, to ensure that our disadvantaged participants have a realistic employment opportunity and to enable us to meet our 50% permanency goal.

A. *Personnel Analysts*—There has never been a validation study made of any of the hundreds of examinations one must pass in order to secure permanent positions in the Massachusetts Civil Service System. Because a large number of our EEA participants must take and pass these examinations to secure permanent jobs, OMA decided to allocate 6 EEA participant positions to the Division of Civil Service and the Bureau of Personnel and Standardization to work in this area of exam validation.

Three of these positions, Junior Personnel Administrative Assistants, have been allocated to the Division of Civil Service to perform the position analysis and the development of job descriptions upon which exams are based. They will be working with those cities and towns covered under Civil Service, fulfilling a function which has never before been provided.

In the Bureau of Personnel and Standardization, 3 Junior Personnel Analysts will augment the present staff assigned to perform position analysis in the State's various Human Service Agencies. These EEA participants will be paying special attention to the possibility of broadbanding tests for certain entry-level positions, and creating new positions such as Human Service Aides, for positions which presently have similar duties but a number of different tests.

B. *Civil Service Preparation*—Because most of OMA's EEA participants have provisional Civil Service appointments, they must go through the regular Civil Service procedure of getting their name on an eligible list in order to secure a permanent position. These procedures are quite complicated (from how you know what permanent vacancies exist to how you fill out an application for these vacancies) even for the non-disadvantaged.

To help the disadvantaged participant overcome this institutional barrier to his employment, OMA staff wrote a pamphlet on how to go about getting a permanent Civil Service Job—"Massachusetts Civil Service—Getting Into the System, How to Do It". In non-bureaucratic language the pamphlet spells out the various steps one must follow to obtain a permanent job. Each EEA participant is to receive one of these pamphlets.

C. *Equal Employment Opportunity in State Government—Equal Employment Opportunity Officers*—To effectively monitor the administration of any new or presently existing programs or procedures which affect the disadvantaged, OMA has made 13 EEO Officer positions available to the Governor's Office on Minority Affairs. These individuals will be assigned to each of the 10 Executive offices in Massachusetts and will be responsible for ensuring equal employment opportunity within the agencies under their jurisdiction. The EEO officers will also serve as advocate for disadvantaged and minority group members within the Executive Agencies under their jurisdiction.

Mr. NELSON. Mr. President, do I correctly understand that the yeas and nays have been ordered on final passage?

The PRESIDING OFFICER. The Senator is correct.

Mr. NELSON. How much time remains to the Senator from Wisconsin on the bill?

The PRESIDING OFFICER. Three minutes.

Mr. NELSON. And how much time remains to the other side?

The PRESIDING OFFICER. Seventeen minutes.

Mr. NELSON. I am prepared to yield back the remainder of my time, if the opposition is willing to yield back its time.

Mr. YOUNG. Mr. President, I yield back the remainder of the time in opposition.

Mr. NELSON. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. All time has been yielded back. The question is on agreeing to the committee amendment in the nature of a substitute as amended.

The amendment as amended was agreed to.

The PRESIDING OFFICER. The question now is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading and read a third time.

The bill was read the third time.

PUBLIC SERVICE JOBS PROGRAM MUST BE CONTINUED

Mr. HUMPHREY. Mr. President, I strongly support S. 1560, Emergency Employment Amendments of 1973, to extend the Emergency Employment Act of 1971, providing for public service employment opportunities for disadvantaged and long-term unemployed persons.

Mr. President, despite improvements in the economy since the enactment of the Emergency Employment Act of 1971, unemployment has continued at a totally unacceptably high level, still exceeding the level of 4.5 percent at which the provisions of this law are to be implemented. And it is abundantly clear that the national economic situation is highly unstable, presenting the serious possibility of reduced employment in various sectors in the midst of a continuing significant expansion of the labor force.

What must not be overlooked, however, in the midst of these evaluations of the economic future, is that right now, despite recent improvements, there are extensive areas of unemployment and underemployment across America. In June 1973, for example, there were 37 major labor areas of substantial or persistent unemployment and 736 other areas. In Minnesota, the Duluth area continues to confront substantial unemployment and rural poverty remains a harsh reality in a number of counties. As of June, there were 21 areas of substantial unemployment in Minnesota and 19 areas of persistent unemployment.

However, the Emergency Employment Act has had a significant impact upon pervasive conditions of joblessness and underemployment. It has provided extensive job opportunities at decent wages—a direct route to promoting economic stability, and a dramatic response to the critical problems of cities and communities across America struggling to maintain public services and endeavoring to improve and expand community services in health care, education, neighborhood improvement, public safety, environmental protection and the betterment of parks and recreation facilities, crime prevention, transportation, fire protection, and social services.

Over the past 2 years, the public employment program has provided funds to some 670 State, city, and county program agents to hire a cumulative total of 308,741 unemployed and underemployed individuals to work on needed public jobs. In Minnesota, cumulative expenditures as of February 1973, totalled about $20.7 million, and the aggregate number of persons hired totaled 3,270.

I cannot comprehend why the administration would propose to terminate the public employment program in fiscal 1974. In alleging that this plan is consistent with the increase in new jobs in the private sector, the administration ignores continuing and extensive human despair and anxiety.

On February 1, 1973, in introducing S. 705, the Employment Opportunities Act of 1973, I called for the establishment of a permanent program of public service employment as an integral part of national manpower development and training policies. I stated that the time has come for the Federal Government to become the employer of first opportunity—reversing its failure to become even employer of last resort—to restore the confidence of several million jobless and underemployed Americans and their hope in America's future. The program I presented for the creation of 1 million new public service jobs was directed to the achievement of the long-delayed national objective of promoting maximum employment, production, and purchasing power. I remain convinced that this policy should operate on a continuing and sustained basis, on the premise that no level of unemployment can be regarded as "acceptable" and, therefore, not in need of Federal assistance. The legislation I presented set a realistic level of job creation in services urgently needed by our communities. In addition, it called for the establishment of a National Council of Manpower Advisors, to meet the vital requirement to identify and review on a sustained basis and in a comprehensive manner the manpower goals and needs of the Nation.

I am gratified that the legislation being acted upon by the Senate today, in concert with the Job Training and Community Services Act of 1973, S. 1559, recently passed by the Senate, establish important foundations for structuring the urgently needed national manpower policies which I have outlined.

S. 1560 would extend the provisions of the Emergency Employment Act for 2 years, maintaining authorizations at $1.25 billion in fiscal 1974, and providing for such sums as may be necessary in fiscal 1975.

I fully support the intent of this legislation to focus assistance to those in greatest need and for whom the Government has the clearest responsibility: Disabled and Vietnam-era veterans, the economically disadvantaged, and those unemployed for 15 weeks or more. The report on this legislation states flatly that "an unemployment rate of 8.7 percent for young veterans is intolerable." The latest figures show a further percentage increase, and I have been deeply disturbed by the administration's failure to address this critical problem effectively. Truly, these young men fully merit the simple justice of being provided with job opportunities.

Mr. President, the harsh fact is that over 4 million Americans are today looking for work, and for a great number of these people these jobs cannot be found. The simple economic lesson that should have been learned by now is that a public employment program is one of the most cost-effective ways of reducing unemployment, and that it yields a severalfold return on the Federal-cost dollar through taxes on earned income and through reduced public assistance and service outlays. It has enabled countless cities and towns to maintain essential services. And it has restored the vital sense of self-respect and hope for thousands of American families.

Continuing the Emergency Employment Act programs constitutes an important contribution to achieving economic stability, both through reducing the impact of joblessness upon families and through reducing the pressures which tend to generate further unemployment. And this legislative action can be a decisive step toward solving severe problems of poverty in inner-city and rural areas. For countless people a public service job has meant the learning of new work skills, leading to on-going public or private employment at significantly higher wages. A decent respect for human dignity demands that we continue to provide these opportunities.

JOBS FOR AMERICANS

Mr. CRANSTON. Mr. President, S. 1560, the Emergency Employment Amendments of 1973, is an absolutely essential piece of legislation to continue the fight against the scourge of unemployment which deprives 1 of every 20 Americans of a decent standard of living and some measure of dignity, and deprives the Nation as a whole of the contribution these some 4 million out-of-work men and women can make to the economic well-being of our Nation.

S. 1560 is a reasonable and modest bill. I personally believe it is far too modest. I support establishment of an on-going public service employment program, as proposed in legislation I introduced earlier this year, S. 793, the "Public Service Employment Act of 1973," building upon our successful 2-year experience with the Emergency Employment Act of 1971. S. 793 is identical to S. 3311 which I had introduced in the 92d Congress. S. 793—which I hope will be taken up by the subcommittee after this more urgent extension of the Emergency Employment Act is dealt with—would provide for a permanent program of public service employment. But I recognize the need to go forward with this extension of the EEA now.

In 1971 when we initially adopted the Emergency Employment Act, then S. 31, I said:

> We have acted to stem a paramount emergency that affects virtually every town, city, and county, urban and rural, East and West, North and South.

Mr. President, we cannot quit now. We cannot say, "Well, the 4 million of you that are unemployed don't need jobs as much as 5 million unemployed did a year ago."

As an original cosponsor of the Emergency Employment Act during the last Congress, I was dismayed and disappointed to see that the President's fiscal year 1974 budget recommendations requested no extension of EEA programs after the July 1 expiration date. The national unemployment rate is hovering around 5 percent—that is well over 4 million Americans unemployed. In my own State of California unemployment is at 4.9 percent—that actually means there are 421,000 Californians without jobs, people who are actively seeking employment and cannot find it. That is simply unacceptable.

The President's budget message, if I can paraphrase, basically stated that we do not need EEA jobs anymore. I cannot stress too strongly my complete disagreement with the administration's analysis. It is inconceivable to me when the verifiable need—not even counting underemployed or aliented workers or those who have dropped out of the labor market—is over 4 million jobs, that the administration's response to these disgraceful figures is to terminate the EEA program.

WHY EXTEND THE EMERGENCY EMPLOYMENT ACT?

Mr. President, the Emergency Employment Act programs have provided some 298,000 jobs since August of 1971. In my home State of California over 44,000 men and women have been employed in EEA jobs. Over 20,000 Californians were in EEA jobs in February of this year. I would like to point out an interesting correlary here. In December of 1972 the unemployment rate in California was at 5.4 percent—representing some 468,000 Californians out of work. In June of this year it was 4.9 percent, representing some 421,000 Californians looking for work. The unemployment rate has dropped five-tenths of a percent and some 47,000 Californians have found work. EEA programs were employing over 20,000 individuals in February of 1973. What the administration seems to say to us is—let California have 441,000 people unemployed—instead of 421,000—its only a few tenths of a percent.

Percentages are deceiving, Mr. President. For example, in San Jose, Calif., the unemployment rate is 4.1 percent—but 19,600 people are out of work. In San Diego the unemployment rate for May was 4.8 percent—but nearly 24,000 people were looking for jobs. In Stockton, it is 6.8 percent and 9,000 people are jobless. In the Los Angeles-Long Beach area, 149,900 people are out of work with a 4.5-percent unemployment rate. The San Francisco-Oakland area: 66,000 unemployed—a 4.8-percent unemployment rate. In Anaheim-South Anaheim-Garden Grove, 22,600 unemployed equals a 4.3-percent unemployment rate. In Riverside-San Bernardino-Ontario, 5.1-percent unemployment means 19,800 people looking for work. And on and on across California, as the following figures show:

Area	Unemployed	Rate
Sacramento	17,100	5.4
Fresno	12,300	5.7
Bakersfield	5,900	4.9
Oxnard-Simi Valley-Ventura	6,000	4.6
Stockton	9,000	6.8
Santa Barbara	4,600	4.6
Salinas-Seaside-Monterey	4,900	(1)
Vallejo-Farifield-Napa	3,700	4.5
Modesto	10,400	(1)
Santa Rose	5,200	(1)

[1] Not available.

This administration is asking that California—and the Nation—settle for a permanent class of unemployed Americans. Mr. President, I am not willing to settle for that, and I do not think anyone else—much less those 4 million unemployed are either—except perhaps those still employed at the White House.

While the national unemployment rate has dropped from the crushing levels of 1971, there are still well over 4 million Americans unemployed. Blacks, Chicanos, Indians, orientals, women, and teenagers and other groups, traditionally the last to get hired and the first to get fired, and returning veterans are finding that there are even fewer jobs available to them than before. The black jobless rate is at 10 percent; the Chicano jobless rate is at 8.2 percent; 5.9 percent of the women in the labor force are unemployed.

The ghettos, barrios, and Indian reservations of America continue to reflect unemployment rates in excess of 20 percent.

During the subcommittee hearings on S. 1560, Assistant Secretary of Labor Kolberg stated in response to a question I raised about the administration's failure to seek an extension of the EEA:

> However, despite the fact that the EEA program was mounted and run effectively within the constraints of time and statute, the projected economic and manpower milieu for fiscal year 1974 do not support the extension of this act. A number of factors argue for nonextension of this legislation. Since the program began, unemployment has declined, the number of private sector jobs has increased substantially, and the financial ability of State and local governments to meet the demand for public services has improved.

Mr. President, I would like to point out that over 4 million unemployed Americans is a great deal more than just numbers. These are the people for whom Mr. Kolberg's "projected economic and manpower milieu" holds no promise—who have not gotten the message "unemployment has declined." For example, "over 4 million people" approximates the entire civilian labor force of Iowa, Kansas, Missouri, and Nebraska being out of work at the same time. Or if one could imagine the approximate total civilian labor force of Colorado, Montana, North Dakota, South Dakota, Utah, Wyoming, Alaska, Idaho, Oregon, and Washington being unemployed at the same time, then one could begin to appreciate just what is meant when the current administration says that "things are looking brighter."

It should also be pointed out that the civilian labor force increases by over 2 million persons a year. At such a rate of increase, it will not be too long before even a 4-percent unemployment rate—deemed acceptable by the current administration—will translate to over 4 million Americans out of work each year.

Mr. President, there are still, according to the administration's own estimates, 865 areas of substantial or persistent unemployment. "Substantial" means the area has a jobless rate of 6 percent or more, discounting seasonal or temporary factors, with the rate expected to continue for at least 2 more months. "Persistent" means the annual average unemployment rate was 6 percent or more for the last calendar year, and has been at least 50 percent above the national average for several years.

The Hunter's Point area of San Francisco is an area of "substantial" employment. The administration's solution? Close the Hunter's Point Naval Shipyard which employs over 5,000 Hunter's Point residents. The logic—if I may be so loose in my description—of that escapes me and the residents of that already hard-hit area.

Yet, the administration says that the "projected economic and manpower milieu does not support extension" of the EEA. Go tell that to the people of Hunter's Point.

Mr. William Bechtel, executive director of the State Manpower Council of the State of Wisconsin said in December:

> It would be comforting to think that these serious unemployment, poverty and welfare problems will ultimately go away as the economy returns to "normalcy". The exact opposite is true. The competition for jobs is going to get worse, not better, because the potential labor force is growing more rapidly than the job supply. The postwar boom in births is now sending workers into the labor market at an increased rate, and this will continue for about a decade. This will make it extremely difficult to get back to the relatively low unemployment situation we had in 1968 and 1969—a time when cities were burned because of acute social and economic distress and when the Kerner Commission and the Urban Coalition recommended a program of 1 million public service jobs to fight unemployment and urban unrest. In the past 12 months, employment has increased by 2.3 million, yet unemployment has remained essentially unchanged.

The Emergency Employment Act is not a cure-all. It is a bandaid for a deep wound in the American economy. But it is a beginning. The administration would prescribe instead its "special manpower revenue sharings"—a dubious medication at best, and to my mind, quite possibly an illegal one.

What we need, Mr. President, is jobs. Not more White House promises. This administration has already got more "promises to keep" than it can keep track of. Promises of a sound economy—if we will only go without jobs for awhile. Promises of clean water—if we will only forego expenditure of clean water funds for awhile. Promises of an end to war in Indochina—if we will only drop a few more million tons of bombs. Promises of an end to inflation—if we will only stop eating for awhile.

Mr. President, I am tired of promises. The committee that has reported S. 1560 is tired of promises, and most of all, I think the American people are tired of promises. They cannot after all, eat promises. They cannot put food into hungry mouths based on hope.

THE NEED FOR PUBLIC SERVICES

One of the primary components of the Emergency Employment Act of 1971 was the vital need for public services. No problem facing the Nation has been more thoroughly documented than the plight our cities and other units of Government as they grapple with solving problems of declining revenues.

As Mayor Joseph L. Alioto of San Francisco told the committee:

> I don't think it makes the slightest difference whether the mayor is a Republican or the Senator a Democrat, or whether it is the mayor of a northern city or a southern city, a big city or a little city. I think, you will find almost unanimous agreement among the mayors of this country that the public employment programs of the Federal Government are good, that they are sound, and that they ought to be continued.
>
> When you are dealing with unemployment rates in our cities of 20 and 30 percent in ghetto areas, that is a 'crisis'. Wishing isn't going to make it otherwise, and talking isn't going to make it otherwise, but patient legislative and governmental action would help alleviate it.

If this Nation were now as prosperous in public goods—in housing and schools, in hospitals and transportation, in park land and recreation facilities—as some segments of our population are in the goods of private life, then perhaps it would be time to consider resting on our oars and sharing the leisure some enjoy.

But this is not the case. The Nation, in fact, is starved for many public goods in the midst of private opulence.

We need the mind and muscle and the hard, good work of all our citizens if we are to meet the enormous challenges of the last quarter of this century and if we are to make a highly technological and growing society a fit habitat for democratic man. We need full employment, not just to provide work and income to individuals, and to sustain their families, but to meet the Nation's needs which are not now being met.

The desperate need for better public services is too well known by all of us who seek a decent life for ourselves and our children in this crowded, impersonal society.

As long ago as 1963, the Commission on Automation and Technology urged public service employment as a manpower policy and documented the need for some 5.3 million jobs.

Greenleigh Associates, a respected firm of management consultants, on contract for the Office of Economic Opportunity, stated that there were at least 4.3 million jobs available in needed public services that could be performed by the unemployed.

The Kerner Commission, in the spring of 1968 when unemployment stood at 3.6 percent, recommended an immediate program of 500,000 jobs based on the Greenleigh and Automation Commission estimates of potential jobs.

The Urban Coalition commissioned Dr. Harold L. Sheppard, of the W. E. Upjohn Institute, to survey the number of jobs available in large cities. He reported in January 1969, that there were some 240,000 jobs immediately available just in the cities of 100,000 population or more.

Meanwhile, with unemployment at 5 percent and the numbers of unemployed over 4 million, the demand for State and local services continues to expand.

A growing population requires additional services just to stay in place. If our cities are to be made decent places to live, rather than fearful places of want, crime, and desperate flight to the suburbs, everyone who has looked closely at the problem has recognized that a substantial expansion of public services is needed.

The jobs created under the EEA have contributed substantially to the ability of cities and counties across the Nation to meet the needs of citizens.

In identifying jobs created under the PEP program, local governments cited the following public service areas as employing 168,724 PEP participants at the end of June: 37,119 in public works and transportation; 35,432 in education; 20-247 in law enforcement; 16,872 in hospital and health services; 13,498 in parks and recreation; 8,436 in social services; 6,749 in environmental quality improvement; 3,374 in fire protection and 26,997 in administration and miscellaneous public services.

These are real jobs, providing real services. Not makework jobs, not "WPA-type jobs," as the President said when he vetoed the first attempt to enact a public employment program in 1970.

During the June joint hearings of the Subcommittees on Human Resources and Employment, Poverty and Migratory Labor in San Francisco and Los Angeles, which I was privileged to chair, I was struck by the stories of EEA participants about the work they were doing—and would not be doing if Congress followed the President's advice. One witness in particular, an ex-heroin addict working with young people with drug related problems, told the subcommittees in San Francisco:

> I am presently on the methadone program, and we have a lot of people who are so-called rehabilitated and have been clean for up to two years and they can't find jobs and eventually say, "Well, to hell with it. Why not use it anyway because we can't get jobs." This may be a bad attitude but when you're hunting and hunting and hunting, and I know, I went through the same thing before I got on with E.E.A. . . . I was just completely flatly turned down.
>
> So, because of E.E.A. I've been off the streets, and I really am unhappy, when I heard funding was going to be cut back. I'll be without a job again, and who knows what's going to happen to me.

Mr. President, I know what is going to happen to her and the thousands like her if we let the EEA die.

I say let us bury the administration's funeral philosophy, not the EEA—the most successful job development program we have ever had. Let us enter this "mileau" and authorize the most modest, very focused program this bill, S. 1560 contains.

Let me cite some of the successes to illustrate the impact of this program in California.

The Los Angeles Unified School District has provided some 1,700 jobs through use of EEA funds. They will vanish if the EEA is not extended. Mr. President, I ask unanimous consent that a chart reflecting the types of jobs the Los Angeles Unified School District has created through the EEA be printed at the conclusion of my remarks.

If these 1,700 positions are no longer available, the school district will simply have to reduce its teaching strength, and have larger classes.

Mr. President, that is just plain stupid. Our inner city schools are in need of more personnel—not less.

The county of San Diego will lose some 1,150 positions if the EEA is not extended. And on and on—until some 20,000 California jobs have disappeared.

The Emergency Employment Act has fulfilled its promise and more. The profiles of public employment program employees manifests that the impact of the EEA has been significant in personal as well as economic and service terms. EEA employees were previously unemployed longer than the National average—69 percent had been jobless 5 weeks or more before they got their EEA job; 73 percent of the whole PEP program—77 percent in region IX, which includes California—have transferred to regular employment.

It is foolish economy at best to seek an end to the EEA programs. Instead, we should be considering expansion of the program—rather than fighting for its very existence.

VETERANS' UNEMPLOYMENT—A NATIONAL DISGRACE

Mr. President, S. 1560 attempts to focus more directly on the long-term unemployed and disadvantaged. It alters the Emergency Employment Act in two major respects. First, 50 percent of the jobs in S. 1560 are to go to veterans, and second, the bill reserves the remaining jobs for the economically disadvantaged and those who have been seeking work unsuccessfully for 15 weeks or more—called the long-term unemployed.

The veterans provision, replacing the present "special consideration" for veterans provision in the EEA, is one I worked to develop with Senators NELSON and WILLIAMS in committee. It provides a much sharper focus for the activities of local program agents under the EEA. Instead of a simple "priority" as in existing law, S. 1560 as reported requires each program sponsor make commitments to ensure that by the end of fiscal year 1974, not less than 50 percent of all EEA jobs will be filled by Vietnam veterans or disabled veterans. Specific steps designed to meet that commitment must be set forth in plans submitted to the Secretary. Moreover, these plans must describe the types of jobs to be made available to veterans which will utilize the skills they acquired while in military service.

As chairman of the Health and Hospitals Subcommittee of the Veterans' Affairs Committee, and the past chairman of the Subcommittee on Veterans' Affairs of the Labor and Public Welfare Committee prior to the Legislative Reorganization Act of 1970, I have been a major participant in the efforts of the Congress over the last 4 years to give veterans employment programs a higher priority in the present administration.

CRANSTON ACTIONS ON VETERANS' EMPLOYMENT

VETERANS' OUTREACH

In 1970, in Public Law 91-219, the Veterans' Employment and Training Act of 1970, I authored a veterans' outreach services program which is designed to assure that all veterans are aware of, and, hopefully, take advantage of the readjustment and other benefits to which they are entitled. These provisions direct the VA actively to seek out eligible veterans and their dependents—to insure that they have this information and to counsel them as to their various eligibilities.

The specified outreach services included in the new chapter 3 of the title 38, United States Code, were: a letter to each veteran at the time of his discharge or release from the military informing him of all programs and benefits for which the veteran or his dependents may be eligible; contact in person or by telephone of all veterans who do not have a high school education or the equivalent at the time of their discharge: distribution of information on a general basis describing all veterans programs and services; and assistance in preparation and presentation of all claims which might be made pursuant to laws administered by the VA.

The requirement that contact with all returning educationally disadvantaged veterans be made by the VA in person—if this is possible—or by telephone is the result of an amendment which I authored in Public Law 92-540, which was enacted last October 24.

EMERGENCY EMPLOYMENT ACT

In the 1971 EEA, I worked in committee and conference to insure that returning veterans were afforded special consideration for public service jobs.

VETERANS' EMPLOYMENT SERVICE

In 1972, I authored title V of the Vietnam Era Veterans' Readjustment Assistance Act of 1972—Public Law 92-541—which title was entitled the "Veterans Employment and Readjustment Act of 1972." This act made a number of major revisions in the chapter 41, title 38, United States Code, enabling provisions for the Veterans' Employment Service in the Department of Labor. I had first authored these provisions in S. 3867, the 1970 vetoed Manpower Act, again in S. 2091 which I introduced in 1971.

The first major change in the revised chapter 41—as made by Public Law 92-540—was to alter the definition of "eligible veteran" to include persons who served in the active military, naval or air services, and who were discharged or released with "other than a dishonorable discharge." This changed the previous requirement that all persons receiving assistance under chapter 41 be discharged under other than "dishonorable conditions." The purpose of this amendment was to include all veterans who receive general and undesirable discharges or, occasionally, bad conduct discharges, which are imposed administratively without court-martial proceedings.

I would point out that the most significant revision contained in Public Law 92-540, Mr. President, was to section 2003, which was amended to provide for the assignment in each State by the Secretary of Labor of representatives of the Veterans' Employment Service to serve as assistant veterans' employment representatives—AVER's—and that one additional AVER be assigned to each State for each 250,000 veterans residing in that State. The AVER's, as well as the VER's, are directed to seek out and develop job opportunities for unemployed veterans.

On July 25, Mr. President, I was assured by the Office of the Assistant Secretary of Labor for Manpower that the Labor Department will finally assign the appropriate AVER's—amounting to an additional 68 AVER's—as required by the October 24, 1972, law. This is the result of a 10-month battle I have had with the Department of Labor and the Office of Management and Budget to bring about implementation of—and, in fact, obedience to—the mandates of the law. These 68 new AVER's will be in addition to the some 25 now on the job, thereby complying with the provisions of Public Law 92-540 which require that a total of 93 AVER's be assigned.

In Public Law 92-540 the duties of the Veterans Employment Representatives and AVER's in section 2003 were modified to include among their duties, job development. The revised section also included provision for maximum coordination with officials of the VA in their conduct of job fairs and job marts—the first statutory recognition of these VA activities—and a provision requiring maximum use of electronic data processing and telecommunications systems and the matching of an eligible veterans' particular qualifications with an available job or on-the-job training or apprenticeships opportunity in line with those qualifications.

Section 2006 in chapter 41 was also modified to include a new subsection (a) which directs the Secretary of Labor to estimate the funds necessary for the proper and efficient administration of the chapter—"Job Counseling, Training and Placement Service for Veterans." The subsection further provides that the Secretary shall include in this estimate the funds necessary for salaries, rents printing and binding, travel, and communication.

These estimates are also directed to be listed as a special item in the Department of Labor's annual budget request and estimated funds necessary for counseling, placement, and training services to veterans provided by States public employment service agencies are directed to be specified by the Secretary in the separate budgets of those agencies.

A new subsection (c) of section 2006 was also added to require that the amount in the budget estimates be available for these purposes unless otherwise provided in Appropriations Acts.

Finally, Mr. President, Public Law 92-541 added a new section 2008 to chapter 41, which directs the Secretary of Labor to consult with the VA Administrator on a timely basis, in order to insure maximum effectiveness of the chapter 41 programs, and to minimize unnecessary duplication of effort.

VETERANS JOB SECURITY IN FEDERAL CONTRACTS

In addition, the 1972 act added two new provisions to chapter 42, reflected in new sections 2012 and 2013 of the chapter. Section 2012 requires that in any contracts entered into by the Federal Government for the purchase of goods or services, the firm or individual contracting with the Government must give special emphasis to the employment of qualified service-connected disabled veterans and Vietnam era veterans. This requirement also applies to any subcontractor or party to that contract. The provision further required that the President promulgate regulations which required that: first, each contractor list all of its suitable job openings with the appropriate local employment service; and second, each local employment service office to give veterans priority in referral to these jobs.

The new section also contains a provision providing a mechanism whereby any disabled veteran or Vietnam veteran who believes that a Federal contractor has failed to comply with the provisions of the section, may file a complaint with the Veterans' Employment Service of the Department of Labor, and provides for prompt referral to the Secretary and his prompt investigation of the complaint.

Section 2013 specifies that no annuity, entitlement, or benefit awarded any veteran will be regarded as income for the purposes of determining his eligibility for participation in manpower training programs conducted under the Economic Opportunity Act of 1964 or the Manpower Development and Training Act of 1962, or any other manpower training program utilizing Federal funds.

VETERANS AMENDMENT IN S. 1559

In S. 1559, the "Job Training and Community Service Act of 1973" which passed the Senate last week by the overwhelming margin of 88 to 5, the members of the committee added provisions, which I proposed, to build upon sections 2012 and 2013 and the AVER's section 2003 provisions.

First. The Secretary—in section 205(b)(5)—has a special Federal responsibility to utilize in the nationwide computerized job bank and matching program the listing of all suitable employment openings in local employment service offices and the requirement that special emphasis in employing certain veterans be provided by all Federal contractors, and subcontractors—as required by section 2012 (a) of title 38;

Second. The Secretary—in section 205 (c)(5)—is directed to utilize that amount of the funds available to carry out his responsibilities under section 205 of the reported bill as is needed for him to carry out fully and effectively his responsibilities for assigning the AVER's for providing the special emphasis in addition to job listing, and for his other duties under chapter 41 of title 38; and

Third. Each State is required—in section 206(b)(8)—to set forth in its prime sponsorship plan submitted to the Secretary arrangements for assisting the Secretary in enforcing these Federal contractor and subcontractor listing and special emphasis requirements under section 2012(a) of title 38.

In addition, amendments were made in the provisions with respect to local—employment and training councils under section 203(2)—regional—area planning councils under section 206(b)(3)—and national—National Employment Opportunities Council under section 404(a)—manpower planning councils to require that veterans organizations be represented on these councils.

VETERANS' COST OF INSTRUCTION

I also authored the veterans' cost-of-instruction—VCI—amendment to the Education Amendments of 1972, now Public Law 92-318, which provides for a grant covering the estimated cost of instruction for veterans in institutions of higher education which have increased their veteran enrollment by at least 10 percent. Under the provisions of the VCI program, a school must establish and carry out significant special veterans programs, including a veterans affairs office, a veterans tutorial program, a veterans prep or college preparatory program, and a veterans work study outreach program. The provision which I authored also requires that schools must make maximum use of all available work/study funds for veterans in the school.

VETERANS' WORK-STUDY PROGRAM IN GI BILL

In 1972, in Public Law 92-540, I authored another provision to establish a veterans' student services program which is a special veterans work/study program, in which the veteran students utilized under the program are entitled to $250 per week in return for their services during continuing enrollment at the school for up to 100 hours of work to assist the VA per semester or basic enrollment period. The provision further stipulates that veterans employed under this provision shall be disadvantaged veterans, chosen with a view toward need to augment the veterans income in order to continue in school; motivation; the veterans's ability to obtain transportation to the location where these services will be performed; and, in the case of a disabled veteran, the compatibility of the work assignment to the veterans' physical abilities. This program, designed to assist the VA in carrying out its responsibilities—while at the same time assisting needy veterans in completing and maximizing their educational opportunities—will be able to aid some 3,200 GI bill trainees a year. Much of the work done can be to carry out outreach activities for other veterans.

S. 1560 AMENDMENTS

S. 1560, the Emergency Employment Amendments of 1973, the bill we are considering today, contains an amendment which I offered on the floor last week—and which the floor managers of the bill (Senators NELSON and JAVITS) accepted—which I think will contribute significantly to veterans' ability to pursue their educational opportunities under the GI bill through the utilization of the proven split-jobs concept.

The amendment I offered alters section 14 of the EEA—the definitions section of the act—to include in the definition of "public service" jobs work in veterans outreach programs and a subsequent definition of "veterans outreach." This definition would include the veterans outreach services program carried out under the provisions of subchapter IV of chapter 3 of title 38, United States Code, and provides for the "full utilization" in these VA outreach programs of veterans receiving GI bill assistance or participating in vocational rehabilitation programs under title 38.

Utilization of the proven split-jobs concept in veterans outreach programs through the Emergency Employment Act is one step we can take to provide a fair chance to these men and women—especially GI bill trainees needing part-time jobs to meet their expenses in our overinflated economy—to become employed in productive public service work and not have to wage the misdirected war on inflation at home after the sacrifices we have already called upon them to make in Indochina.

Under this amendment, Mr. President, we double the help the EEA can provide to returning and recently returned veterans by hiring vets in public service jobs to help other veterans learn about and make use of their GI bill assistance benefits and to help direct them toward productive job opportunities as well.

We have fought the battle for equity for veterans on many fronts—but most appalling is the Nixon administration's refusal all along to much more than talk about the problems on veterans employment. It has opposed every one of the initiatives I have just described.

As Senator NELSON said on Wednesday of last week:

> The continued high unemployment for young Vietnam war veterans is a National scandal.

In the first quarter of this year the unemployment rate for 20- to 24-year-old Vietnam veterans was at 9.4 percent—over 148,000 veterans looking for full-time work. Nearly 23 percent of those men have been looking for work for more than 15 weeks. Another 31.9 percent have been trying to find a job for from 1 to more than 3 months. In June, the unemployment rate for aged 20 to 24 Vietnam veterans stood at an astounding 10.5 percent—with 163,000 young veterans looking for jobs. Jobs, Mr. President, which do not exist—unless you take someone else's.

The national overall rate of unemployment for Vietnam veterans is at 6 percent—some 260,000 veterans of the war in Indochina to whom America has said—thanks fellows, next window please, and handed a subscription to "Jobs for Veterans"—the administration's glossy P.R. brochure trumpeting the success of the administration's bankrupt answers to veterans' unemployment problems which is a national shame.

For Vietnam era veterans, 6 percent unemployment means for them it is still 1971—just as it is for blacks, chicanos, Indians, women and older persons.

CONCLUSION

As I have tried to illustrate, S. 1560 is a vital measure for many reasons. We must act on it as expeditiously as possible. I want to thank the distinguished floor managers of the bill—Senator NELSON and Senator JAVITS—and their able staff assistants for their cooperation in working out the amendments of S. 1560 which I offered for myself and Senator KENNEDY last week. These amendments, as I explained then, were generally controversial and were developed as part of S. 793 in light of the past 2 years of experience with the Emergency Employment Act programs.

Mr. President, I ask unanimous consent that my explanation of these six amendments—one of which is designed to help still more veterans—from the RECORD of July 25, pages 25937–25940 be set forth at this point in the RECORD.

Mr. President, I urge—I implore—the Members of the Senate to join with me in voting for the passage of S. 1560, and in securing the President's signature on this measure—so that we can continue to assist the thousands of Americans who have already been aided by EEA programs and begin to help the hundreds of thousands of unemployed persons we have not yet helped, and so that we can continue to move forward—not backward—in our struggle to provide every American who can and wants to work with a decent job.

That should be our goal. It is my goal. And I firmly believe that the Emergency Employment Amendments of 1973 is one very important step in reaching that goal.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

EXPLANATION OF AMENDMENTS

Mr. President, I want to thank the distinguished floor manager of the bill under consideration this morning (Mr. NELSON) for his helpfulness in working out the six amendments I intend to offer en bloc to S. 1560, the Emergency Employment Amendments of 1973. I also greatly appreciate the spirit of accommodation and compromise on the part of the minority floor manager (Mr. JAVITS).

Five of these amendments reflect provisions contained in legislation which has long been under consideration in the Employment, Poverty and Migratory Labor Subcommittee; namely, S. 793, the "Public Service Employment Act of 1973," which I introduced earlier this year. S. 793 is identical to S. 3311 in the 92d Congress. S. 793—which I hope will be taken up by the subcommittee after this more urgent extension of the Emergency Employment Act is dealt with—would provide for a permanent program of public service employment, built on the successful Emergency Employment Act experience. These provisions from that bill are generally noncontroversial and have been developed in light of the past 2 years of experience with the Emergency Employment Act programs.

I would now like to explain briefly the purpose and expected impact of these amendments to the Emergency Employment Act of 1971 (Public Law 92–54), which I am offering for myself and the distinguished Senator from Massachusetts (Mr. KENNEDY).

MAINTENANCE OF EFFORT

My first amendment adds a new section 8 to the bill in order to add a new subparagraph (9) to section 12(a) of the act, to insure that EEA funds are not used to hire any person to fill a job opening created by the action of an EEA employer in laying off or dismissing any regular employee—except for cause pursuant to applicable personnel policies and collective bargaining agreements not supported with EEA funds.

This amendment is needed to prevent the situation in which an employer lays off a regular local government employee, only to rehire that same person or someone else at a later date under an EEA grant to do the same work he or she was doing. Those who are laid off by a city with financial difficulties are usually those with the least seniority. They are frequently from a disadvantaged background or are recently hired veterans. They are the very people from the very neighborhoods and groups we are targeting this legislation to help.

There are plenty of jobs that need doing in almost every city in the country. Through the EEA we can supply the funding to assist local communities in providing employment to those who need it most.

But the Emergency Employment Act is for new jobs, not to supplant those local government workers who are now rendering needed services to their communities. It is not simply a "musical chairs" game where the city abuses its employees' job security to bargain for some new Federal funds.

EMPLOYMENT PROBLEMS OF WOMEN

Mr. President, the next amendments I have offered as a new section 9 to be added to S. 1560 would amend section 2 of the EEA—the statement of findings and purposes—to give greater visibility to the significant employment problems of women.

The first amendment in this set changes the statement of findings and purposes of the act in clause (1) to specify women as a group which has been "associated with substantial unemployment and underemployment."

The second amendment in this set is to clause (2) of EEA section 2 and is similar in purpose to my amendment to clause (1). Clause (2) of section 2 discusses the failure of employment opportunities to keep pace with the many individuals entering and reentering the labor force. Clause (2) at present specifically cites the difficulties in this respect of young persons, individuals recently separated from the military and elderly persons; my amendment to clause (2) of the act would specifically list women who are entering or reentering the labor force among these groups listed in clause (2) of section 2.

Mr. President, the Subcommittee on Employment, Poverty and Migratory Labor received extensive testimony during the 1972 hearings on comprehensive manpower reform and public service employment legislation discussing the compelling employment problems of women from Ann Scott, then legislative vice president, of the National Organization of Women (NOW). In addition to difficulty in getting jobs, those women who are employed, as manifested most recently in a study done in conjunction with the President's Council of Economic Advisors, receive significantly less compensation for their work.

Mr. President, the national unemployment rate is at 5 percent. The unemployment rate for women in the labor force is 5.9 percent. That is clearly unacceptable. I believe these amendments to section 2 will help in providing visibility to the serious employment problems with which women in this country are faced.

BILINGUAL INFORMATION REGARDING EEA JOBS

Mr. President, my third amendment is designed to insure that individuals of limited English-speaking ability are provided with access to information by each EEA sponsor—in their primary language—which will inform them of employment opportunities in public service jobs.

The amendment would change section 7 of EEA—which is the provision setting forth the required assurances in order to obtain assistance under the act—to include under section 7(c) in subparagraph (7) a requirement that a description of the special methods to be used to acquaint persons of limited English-speaking ability with the availability of public service jobs funded under the Emergency Employment Act be included in any application for assistance under the act.

Among Spanish-surnamed people alone the unemployment rate is 8.2 percent. It would seem a minimal yet highly desirable addition to the EEA to insure that people of limited English-speaking ability are provided in their primary language all necessary information about EEA jobs.

ELIMINATING ARTIFICIAL BARRIERS TO PUBLIC EMPLOYMENT

Mr. President, the Emergency Employment Act has now been in operation since the summer of 1971. In section 7, subparagraph (15) of the act, assurances were required from public agencies and institutions to whom financial assistance was made available under the act that they would begin analyses of job descriptions and reevaluations of job requirements at all levels of employment—including Civil Service requirements, and that these analyses would be provided to the Secretary.

Subparagraph (7) was intended to be implemented in conjunction with the existing requirements of subparagraph (18) of section 7(c) of the act. Subparagraph (18) requires assurances from program agents that public service employment programs conducted under the act will contribute to the elimination of artificial barriers to employment and occupational advancement, including civil service requirements, which restrict employment opportunities for disadvantaged persons.

However, in drafting its regulations to carry out these two subparagraphs the administration sharply limited the amount of funds that could be spent on the administration of the Emergency Employment Act. Partly, as a result of this restriction, and also because of the urgent need to implement the EEA as quickly as possible in the summer and fall of 1971, many jurisdictions failed, or were unable, to comply fully with the legislative requirements with regard to the analysis of job descriptions, evaluations of job requirements, and reviews of Civil Service procedures.

I want to underline how important it is that progress be made in this important area. By this amendment, I hope to provide not only a legislative requirement for progress in this area to carry out the purposes of the 1971 act, but also a direction to the Secretary in my amendment to section 11 of the act to set aside funds to provide technical assistance to program agents in this area.

The National Civil Service League over a period of a year, in its "pacemaker" program demonstrated that, it is indeed possible to make significant progress in improving the administration of civil service laws, and to effectively open up civil service employment and promotional practices and opportunities so that they can operate in a truly equitable manner.

Mr. President, the original draft of my amendment to subparagraph (15) would have required assurances that the information and analyses required under the provision of the 1971 act had been provided by programs agents before any additional assistance was authorized by the Secretary. It was my strong feeling that the 2 years the Emergency Employment Act has been in existence provided sufficient time to fulfill the mandates of the law, and that the foot-dragging which has occurred with regard to section 7(c)(15) and (18) of the act should not be allowed to continue. However, after consultation with the distinguished floor managers of the bill (Senators Nelson and Javits), and in light of the rapid implementation of the EEA, I have modified this amendment to require either that such programs be in place or that first assurances be provided that such actions will be undertaken by the program agents. My strong intention is for the Secretary to require in most every case that the analyses have been made and that positive efforts toward revision of practices, policies, and regulations have been taken before going forward with refunding. Only in cases where ample justification exist should the Secretary accept more empty promises of progress, but should require some tangible evidence of intention and action toward achievement of the needed reforms.

TECHNICAL ASSISTANCE AND EVALUATION SET ASIDE

Mr. President, I would hope that the technical assistance which my section 11 amendment mandates the Secretary to provide would be consistent with the excellent model provided by the "pacemaker" program. That program had very broad support, and revealed, among other things, that reform of existing Civil Service procedures is clearly in the self-interest of local communities. It revealed at the same time that those communities need outside assistance in beginning such reforms.

In providing technical assistance under this provision, it is expected that the Secretary will make available to program agents and sponsors information on the experiences of other communities in this regard, so that they might benefit from the successful experiences of other communities.

Mr. President, this same provision couples with technical assistance as a secretarial responsibility the conduct of program evaluations. This provision is modeled on section 205(b)(3) which I authored in S. 1559, the Job Training and Community Services Act of 1973, adopted 88 to 5 by the Senate yesterday. To date, we do not believe the Labor Department has carried out or stimulated sufficient hard evaluations of EEA effectiveness, especially in terms of the compliance of grantees with program assurances provided in their applications—especially the removal of artificial employment barriers which was the subject of my discussion of the preceding amendment.

In addition, Mr. President, the amendment requires that the Secretary set aside sufficient funds, though not more than 1 percent of the amount appropriated for the act, in order to carry out his duties under this provision. Moreover, the amendment requires the Secretary to notify the Congress as to the amount of the funds which he has earmarked for use in implementing this provision in order that the Congress—which has had a long standing interest in this issue, particularly the members of the Senate Subcommittee on Employment, Poverty, and Migratory Labor—may be informed of the Secretary's plans and progress on this matter.

Mr. President, this procedure is identical to one included in an amendment which I offered in subcommittee to section 409 of S. 1559, and which the Senate passed yesterday by such an overwhelming margin, with regard to labor market information.

WELFARE RECIPIENTS

My next amendment, Mr. President, would insert a new subparagraph (19) in section 7(c) of the act requiring that due consideration be given to the employment of welfare recipients who want and are available to work. The purpose of this amendment is, I think, self-evident. The amendment also adds a new requirement that program agents maintain linkages between welfare agencies and other social services programs designed to help individuals get off welfare and become self-sufficient.

Mr. President, it has always seemed absurd to me to train people for jobs that do not exist. To require welfare recipients to register for and accept work if they are able to work, can be productive. But, when—as all studies of the WIN program show there has never been enough work for all those who signed up for jobs—there is not nearly enough work to be had, it is a counterproductive proposition. That has been the failure inherent in the WIN—work incentive—program. For example, in my home State of California there are some 421,000 men and women looking for jobs. Nearly a half million unemployed. But these are only the official Bureau of Labor Statistics unemployment tabulations. Welfare recipients for the most part are not counted in these figures.

In his recent book, "Do the Poor Want To Work? A Social-Psychological Study of Work Orientations," Leonard Goodwin, a member of the Brookings Institution governmental studies staff, states that the WIN program has failed, because in the final analysis most of the participants end up without jobs. Goodwin points out that a work requirement for welfare mothers could mean pushing more of them through WIN—even though 80 percent of them would not obtain jobs in the open market, or it could mean forcing them to fill the lowest paid jobs in American society. Either course, states Goodwin, would increase their psychological dependence on welfare and discourage further work effort. Public service employment would provide a program to rectify that situation by providing decent and meaningful employment in jobs that are real jobs. Individuals will be paid by the employers and not at the welfare office—the latter lacking both dignity and pride—two essential parts of any wage.

VETERANS OUTREACH PROGRAMS

Mr. President, another amendment I am offering would alter section 14 of the EEA—the definitions section of the act—to include in the definition of "public service" jobs work in veterans outreach programs and a subsequent definition of "veterans outreach." This definition would include the veterans outreach services program carried out under the provisions of subchapter IV of chapter 3 of title 38, United States Code, and provides for the "full utilization" in these VA outreach programs of veterans receiving GI bill assistance or participating in vocational rehabilitation programs under title 38.

Veterans, Mr. President, are the particular emphasis of S. 1560, and in my last amendment I seek to insure that existing veterans assistance programs are fully coordinated with job opportunities made available through the Emergency Employment Act.

Mr. President, as the author of the veterans outreach services program established in the provisions of section 240 and section 241 in subchapter IV of title 38 of the United States Code, I seek through this amendment to enhance the effectiveness and relevance of the outreach services which can be provided through the EEA—especially the "split jobs" concept I will discuss next. Under this title 38 program, outreach services are provided designed to assure that all veterans are aware of, and, hopefully, take advantage of the readjustment and other benefits to which they are entitled.

Section 240 directs the VA actively to seek out eligible veterans and their dependents—and personally contact those veterans who are disadvantaged—to insure that they have this information and to counsel them as to their various eligibilities.

The specified outreach services include a letter to each veteran at the time of his discharge or release from the military informing him of all programs and benefits for which the veteran or his dependents may be eligible; contact in person or by telephone of all veterans who do not have a high school education or equivalent at the time of their discharge; distribution of information on a general basis describing all veterans programs and services; and assistance in preparation and presentation of all claims which might be made pursuant to laws administered by the VA.

Mr. President, the absolutely outrageous unemployment rates for veterans are totally unacceptable. In May of this year the unemployment rate for veterans aged 20 to 24 was at 8.7 percent. We must—indeed it is the moral obligation of the Federal Government to do so—do all we can to see to it that these disgraceful unemployment rates among young veterans are radically reduced. And these rates do not take account of GI bill trainees struggling to make ends meet and frozen out of the part-time job market.

Utilization of the proven split-jobs concept in veterans outreach programs through the Emergency Employment Act is one step we can take to provide a fair chance to these men and women—especially GI bill trainees needing part-time jobs to meet their expenses in our overinflated economy—to become employed in productive public service work and not have to wage the misdirected war on inflation at home after the sacrifices we have already called upon them to make in Indochina.

Under this amendment, Mr. President, we double the help the EEA can provide to returning and recently returned veterans by hiring vets in public service jobs to help other veterans learn about and make use of their GI bill assistance benefits and to help direct them toward productive job opportunities as well.

The 1971 Labor and Public Welfare Committee report on S. 31, the Senate EEA bill (Senate report No. 92–48), includes language I proposed then discussing the concept of "split-jobs" under the Emergency Employment Act for veterans. The report states:

". . . [T]he Committee believes that there is a great opportunity under this public service employment program to assist educationally and economically disadvantaged veterans enrolled in college under the GI bill and who are struggling to make ends meet. Many more of these men, who often are high school dropouts, could pursue college or junior college training if they had part-time jobs to supplement their GI bill educational assistance allowances.

"The Committee is hopeful that the Secretary of Labor would give serious consideration to the great potential of such an allocation of public service jobs. Along the same lines the Committee feels that, to the extent practicable, he should also give special preferences to veterans disabled with service-connected conditions who are nevertheless employable."

The Secretary subsequently did issue regulations providing for and encouraging the use of such "split" Emergency Employment Act jobs, and my amendment is intended, in part, basically to codify those existing Labor Department regulations.

Mr. President, literally thousands of recent veterans have been helped to gain additional education and training while employed through the use of the split jobs concept. Highly successful "split jobs" EEA programs have been directed by Governors in Illinois, South Carolina, Pennsylvania, Arizona, and Washington, as well as by numerous mayors and county administrators—including a highly successful program operated by the city of San Francisco, in conjunction with the San Francisco Community College, which has provided split jobs for over 250 GI bill trainees under the EEA.

Mr. JAVITS. The amendment which relates to the veterans outreach—as we understand that amendment, as explained to the Senator from Wisconsin and myself—would simply qualify another type of public service employment—to wit, the employment of veterans who would be engaged in finding other veterans to whom the program is necessary. What we want to be sure about in that regard is that the work which is authorized for veterans outreach includes not only finding a veteran who will get public service employment but also seeing that veteran is brought the aspects of the bill which we consider important—to wit its transitional nature. So we would expect the veteran authorized to be employed for veterans' outreach will not only get the veteran what is called a Pep job but will also to see that veterans out of that job, if that is possible, and into regular employment or manpower training or whatever would be the transition which he should make logically in order to carry out the intent of the bill.

Mr. CRANSTON. That was certainly included in the purpose of this amendment.

I should like to reiterate that in the 1971 Committee on the EEA report is a proposal for providing for "split jobs", for two or more veterans working half time, for example, to fill one EEA job slot.

Mr. JAVITS. The other question relates to the welfare amendment. We asked the Senator to change a word there to make it "due consideration," simply because we wanted to be sure to rebut any idea that we were creating another preferential class. We have a preferential class for veterans. We do not wish to create a preferential class for those on welfare as such, although many may fall into the category of "economically disadvantaged" which is a focus of our bill.

Mr. CRANSTON. We have already made that change in the amendment.

Mr. JAVITS. Am I correct also that amendment which says you should not fire somebody in order to hire somebody else under the PEP program—really has no substantive purpose other than to prevent cheating on that program. This would be improper and immoral. We are just locking it into the act.

Mr. CRANSTON. The Senator, as always, understands the amendment perfectly.

Mr. JAVITS. I thank the Senator.

Mr. President, so far as we are concerned on this side, I see no objection to the amendment.

Mr. CRANSTON. I thank the Senator very much.

I also thank again the distinguished Senator from Wisconsin for all his help and cooperation in the matter.

Mr. NELSON. Mr. President, I have no objection to the amendments. I think they are useful improvements in the language of the bill.

The PRESIDING OFFICER. The question is on agreeing to the amendments en bloc.

The amendments were agreed to.

LOS ANGELES UNIFIED SCHOOL DISTRICT EMERGENCY EMPLOYMENT ACT OF 1973, NUMBER AND KINDS OF POSITIONS

Position	Positions funded as subagents of city of Los Angeles	Positions funded as subagents of county of Los Angeles	Total
Accounting Analyst	1		1
Accounting Clerk	1		1
Administrative Aide	4	1	5
Administrative Assistant	1		1
Administrative Trainee (P/T)	7		7
Apprentice Auto Mechanic	7		7
Apprentice Gardener	38	8	46
Apprentice Office Machine Repairman	8		8
Apprentice Painter	12	6	18
Area Custodial Supervisor (A)	1		1
Area Gardening Supervisor (A)	1		1
Assistant Area Operations Supervisor	2		2
Assistant EDP Programer Analyst	6		6
Assistant Playground Director			0
Assistant Public Information Officer	2		2
Assistant Security Agent	59	13	72
Audio Visual Technician	4		4
Auditor	1		1
Boundary Coordinator	1		1
Building Engineer Trainee	11		11
Carpenter	6	2	8
Children's Attendant (F)(C)	20		20
Clerk	3		3
Clerk Bookkeeper	3		3
Clerk Typist (A)	33	12	45
Clerk Typist (C)	8		8
Coordinator (Certificated)	1		1
Custodian	400	83	483
Data Control Clerk	2		2
Data Systems Analyst	2		2
Education Aide (A)	83	16	99
Education Aide (C)	240	60	300
Elementary Science Aide	5		5
EDP Programmer Analyst	5		5
Field Gardener	4		4
Gardener	18	4	22
Gardener (P/T)	2		2
Handgrader	24		24
Illustrator	2		3
Intermediate Clerk-Stenographer	3		9
Intermediate Clerk-Typist	7	2	3
Key Punch Operator	3		8
Maintenance Helper	12	6	12
Maintenance Supervisor		1	1
Office Machine Repairman	4		4
Painter	36	6	42
Painter Foreman	1		1
Payroll Clerk	3		3
Personnel Analyst		1	1
Personnel Assistant	21		21
Personnel Clerk	11	5	16
Pest Control Operator	4		4
Photographer	1		1
Play Leader			0
Proposal Writer	2		2
Research Assistant	6		6
Security Communications Operator	3		3
Senior Auditor	3		3
Statistical Clerk	3		3
Student Draftsman (P/T)	2		2
Supervising Security Agent	3		3
Teacher (C)	191	17	208
Teacher Assistant	123		123
Temporary Consultant	1		1
Youth Service Workers (summer only)		69	69
Veteran's Advisor	2	1	3
Volunteer Program Aide	2		2
Watchman	2		2

Note: P/T—part time; A—12-month position; C—10-month position; F—Female.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass? The yeas and nays have been ordered, and the clerk will call the roll.

The second assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Nevada (Mr. CANNON) and the Senator from Alaska (Mr. GRAVEL) are necessarily absent.

I further announce that the Senator from South Dakota (Mr. ABOUREZK) is absent on official business.

I also announce that the Senator from Mississippi (Mr. STENNIS) is absent because of illness.

I further announce that, if present and voting, the Senator from Alaska (Mr. GRAVEL) would vote "yea."

Mr. GRIFFIN. I announce that the Senator from Arizona (Mr. GOLDWATER) is absent because of illness in his family.

The result was announced—yeas 75, nays 21, as follows:

[No. 355 Leg.]

YEAS—75

Aiken
Baker
Bartlett
Bayh
Beall
Bellmon
Bentsen
Bible
Biden
Brooke
Burdick
Byrd, Robert C.
Cannon
Case
Chiles
Church
Clark
Cook
Cranston
Dole
Domenici
Eagleton
Ervin
Fong
Fulbright
Griffin
Gurney
Hart
Hartke
Haskell
Hatfield
Hathaway
Huddleston
Hughes
Humphrey
Inouye
Jackson
Javits
Johnston
Kennedy
Long
Magnuson
Mansfield
Mathias
McClellan
McGee
McGovern
McIntyre
Metcalf
Mondale
Montoya
Moss
Muskie
Nelson
Nunn
Packwood
Pastore
Pearson
Pell
Percy
Proxmire
Randolph
Ribicoff
Schweiker
Scott, Pa.
Sparkman
Stafford
Stevens
Stevenson
Symington
Talmadge
Tunney
Weicker
Williams
Young

NAYS—21

Allen
Bennett
Brock
Buckley
Byrd,
Harry F., Jr.
Cotton
Curtis
Dominick
Eastland
Fannin
Hansen
Helms
Hollings
Hruska
McClure
Roth
Saxbe
Scott, Va.
Taft
Thurmond
Tower

NOT VOTING—4

Abourezk
Goldwater
Gravel
Stennis

So the bill (S. 1560) was passed, as follows:

S. 1560

An act to extend the Emergency Employment Act of 1971, to provide public service employment for disadvantaged and long-term unemployed persons, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Emergency Employment Amendments of 1973".

AUTHORIZED APPROPRIATIONS

SEC. 2. (a) Section 5(a) of the Emergency Employment Act of 1971 is amended by striking out "and $1,000,000,000" and inserting in lieu thereof "$1,000,000,000 each" and by inserting before the period at the end thereof a comma and the following: "and for the fiscal year ending June 30, 1974, and such sums as may be necessary for the fiscal year ending June 30, 1975".

(b) Section 5 of such Act is further amended by adding at the end thereof the following new subsection:

"(d) Whenever the Secretary makes a determination that the rate of national unemployment (seasonally adjusted) has exceeded 5 per centum for three consecutive months, he shall within ten days of such determination, notify the Congress and shall publish such determination in the Federal Register. At such time the Secretary shall recommend to the Congress any further steps including recommendations for legislation, if any, he deems appropriate."

(c) Section 6(a) of such Act is amended in the second sentence thereof by striking out "for the succeeding fiscal year" and inserting in lieu thereof "for the two succeeding fiscal years, and such sums as may be necessary for the fiscal year ending June 30, 1975".

EMPLOYMENT OF THE ECONOMICALLY DISADVANTAGED LONG-TERM UNEMPLOYED

SEC. 3. (a) Subparagraph (17) of section 7(c) of the Emergency Employment Act of 1971 is amended to read as follows:

"(17) assurances that all persons employed under any such program, other than necessary technical, supervisory, and administrative personnel, will be selected from among unemployed and underemployed persons who are from economically disadvantaged backgrounds or have been unemployed for not less than fifteen weeks immediately prior to employment under such program;".

(b) The amendment made by subsection (a) shall be applicable with respect to all persons to be newly hired in public service jobs from funds made available from appropriations for fiscal years beginning after June 30, 1973, except that the requirements set forth in the amendment made by subsection (a) are authorized to be modified (in accordance with regulations which the Secretary shall prescribe) to the extent appropriate to provide public service jobs for persons unemployed as the result of the closing of a Defense Department facility or reduction in activities at a Defense Department facility sufficient to cause a substantial increase in unemployment.

ALLOCATION OF FUNDS

SEC. 4. Section 9 of the Emergency Employment Act of 1971 is amended by striking out "in an equitable manner, taking into consideration the" each place it appears in subsections (a) and (b) of such section and inserting in lieu thereof the following: "in the same".

PRIORITY FOR VETERANS

SEC. 5. (a) Subparagraph (4) of section 7(c) of the Emergency Employment Act of 1971 is amended to read as follows:

"(4) plans for providing public service jobs supported under this Act to disabled veterans or veterans of the Vietnam era residing in the area served, including (A) the commitment that by the end of the fiscal year ending June 30, 1974, not less than 50 per centum of all public service jobs supported under this Act will be filled by such veterans and the specific steps to be undertaken during such fiscal year for progressing toward the achievement of such commitment, and the commitment to maintain not less than such per centum during the succeeding fiscal year, except that the requirements set forth in this clause may be modified (in accordance with regulations which the Secretary shall prescribe) to the extent appropriate where there are not a sufficient number of job openings in the program or the population of such area does not include a sufficient number of such veterans who are unemployed or underemployed, (B) descriptions of the types of jobs to be made available to such veterans, with special emphasis on the development of jobs which will utilize, to the maximum extent feasible, the skills which such veterans acquired in connection with their military training and service, (C) the special efforts to be made by the applicant to acquaint such veterans with the program and the public service jobs available to veterans under this Act, and (D) the method the applicant proposes to utilize to coordinate efforts in behalf of such veterans with those activities authorized by chapter 41 of title 38, United States Code (relating to Job Counseling and Employment Services for Veterans), or carried out by other public or private organizations or agencies;".

(b) Subsection (a) of section 14 of such Act is amended at the end of clause (B) of subparagraph (6) by striking out the period and inserting in lieu thereof a semicolon, and by inserting after subparagraph (6) the following new subparagraph:

"(7) 'disabled veteran' means a person defined as a 'disabled veteran' in section 2011 (1) of title 38, United States Code; and 'veteran of the Vietnam era' means a person defined as a 'veteran of the Vietnam era' in section 2011(2) (A) of such title;".

CLARIFYING AMENDMENT

SEC. 6. Subparagraph (3) of section 4 of the Emergency Employment Act of 1971 is amended to read as follows:

"(3) Indian tribal organizations."

COMMENTS ON APPLICATIONS

SEC. 7. Section 8 of the Emergency Employment Act of 1971 is amended by striking out "and" at the end of subparagraph (3), by striking out the period at the end of subparagraph (4) and inserting in lieu thereof "; and", and by inserting after subparagraph (4) the following new subparagraph:

"(5) an opportunity has been provided to labor organizations representing employees who are engaged in similar work in the same area to that proposed to be performed under the application to submit comments with respect to the application to the applicant and to the Secretary."

MAINTENANCE OF EFFORT

SEC. 8. Section 12(a) of the Emergency Employment Act of 1971 is amended by striking out "and" at the end of subparagraph (7), by striking the period at the end of subparagraph (8) and inserting in lieu thereof "; and ", and by inserting after subparagraph (8) the following new subparagraph:

"(9) no funds under this Act will be used to hire any person to fill a job opening created by the action of an employer in laying off or terminating the employment (except for cause pursuant to applicable personnel procedures) of any regular employee not supported under this Act."

SPECIAL PROVISIONS

SEC. 9. (a) Section 2 of the Emergency Employment Act of 1971 is amended—

(1) in subparagraph (1) by inserting "both men and women in" after "to"; and

(2) in subparagraph (2) by inserting "the many women who are entering or reentering the labor force," after "including".

(b) Subparagraph (7) of section 7(c) of such Act is amended by adding at the end thereof a comma and "including a description of the special methods to be used to acquaint persons of limited English-speaking ability with the availability of public service jobs funded under this Act".

(c) Subparagraph (15) of section 7(c) of such Act is amended to read as follows:

"(15) assurances that agencies and institutions to whom financial assistance is made available under this Act have undertaken, or will undertake, analyses of job descriptions and reevaluations and, where shown necessary, revisions of qualification requirements at all levels of employment, including civil service requirements and practices relating thereto, in accordance with regulations prescribed by the Secretary, with a view toward removing artificial barriers to public employment of those whom it is the purpose of this Act to assist;".

(d) Section 7(c) of such Act is amended by adding after subparagraph (18) the following new subparagraph and renumbering the succeeding subparagraphs as appropriate:

"(19) assurances that due consideration will be given to employing welfare recipients who want and are available for work and that appropriate linkages will be established and maintained with welfare agencies and with other programs making special efforts to assist welfare recipients to become self-sufficient;"

(e) Section 11(c) of such Act is amended to read as follows:

"(c) The Secretary shall set aside for each fiscal year, out of sums available under section 9(a) (2) of this Act, an amount, not to exceed 1 per centum, which he determines is necessary and appropriate to enable him to provide for technical assistance to eligible applicants seeking to comply with the requirements of this Act (including such assistance as is necessary to assist such applicants to comply with assurances made pursuant to subparagraph (15) of section 7(c) of this Act) and a continuing evaluation of programs assisted under this Act and their impact on related programs; and shall no later than thirty days after such sums are made available notify the appropriate committees of the Congress of the amount so set aside and the basis for his determination of need and appropriateness."

VETERANS OUTREACH

Sec. 10. Section 14(a) of the Emergency Employment Act of 1971 is amended—

(1) in subparagraph (3) by inserting "veterans outreach," after "beautification,"; and

(2) by adding at the end of subparagraph (7) (as inserted by section 5(b) of this Act) the following new subparagraph:

"(8) 'veterans outreach' means the veterans outreach services program carried out under subchapter IV of chapter 3 of title 38, United States Code, with full utilization of veterans receiving educational assistance or vocational rehabilitation under chapter 31 or 34 of such title 38."

Mr. JAVITS. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. NELSON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. MOSS subsequently said: Mr. President, I ask unanimous consent that the Secretary of the Senate be authorized to make technical and clerical corrections in the engrossment of S. 1560 which was passed earlier today by the Senate.

The PRESIDING OFFICER. Without objection, it is so ordered.

DISABILITY PAY TO RETIRING GENERALS AND ADMIRALS

Mr. HARRY F. BYRD, JR. Mr. President, as chairman of the General Legislation Subcommittee of the Committee on Armed Services, I have received a letter dated July 24, 1973, showing a sharp drop in awards of disability pay to retiring generals and admirals from 1972 to 1973.

During the Armed Services Committee hearings, and as a result of those hearings, I directed an inquiry to the Department of Defense. The results of that inquiry show that a high percentage of top ranking officers were drawing tax-free disability pay, on retirement.

For example, in the Air Force, more than half the retiring generals were given disability, even though 77 percent of them had passed flight pay physicals within 6 months of retirement.

When the figures showing such a high percentage of disability awards to retiring generals and admirals were divulged, I held a special meeting of the General Legislation Subcommittee of the Committee on Armed Services, and as a result of that, the letter which I have received today shows that there has been a substantial change in Department policy.

The figures I have just received from the Department of Defense show that for the period from March 1 to May 31 of this year, only 12.1 percent of retiring generals and admirals received disability pay, compared to 52.3 percent for the same months in 1972.

For Army and Air Force colonels and Navy captains, there was a drop from 22.4 percent in 1972 to 11.7 percent this year.

Mr. President, I wish to stress that I have no wish to deny disability pay to service personnel of any rank who are legitimately entitled to it. My only purpose is to eliminate abuses of the system. I am pleased that the Defense Department has acted to prevent the award of unjustified disability pay, and I commend Dr. Wilbur, the Assistant Secretary.

It is to be noted, under the new Pentagon guidelines, that the percentage of disability awards to retiring enlisted personnel and lower-ranking officers has declined less drastically than the percentage for generals and admirals.

This seems to indicate that the system is being applied fairly, and that those actually entitled to disability are receiving it.

That is all that I seek, Mr. President.

Mr. President, I ask unanimous consent that the letter from the Department of Defense to me as chairman of the subcommittee and signed by Richard S. Wilbur, Assistant Secretary of Defense for Health and Environment, be printed in the Record.

There being no objection, the letter was ordered to be printed in the Record, as follows:

Assistant Secretary of Defense,
Washington, D.C., July 24, 1973.

Senator Harry F. Byrd, Jr.,
Chairman, Subcommittee on General Legislation, Senate Committee on Armed Services, U.S. Senate, Washington, D.C.

Dear Mr. Chairman: In late 1972, the Secretary of Defense recognized that there were variances in treatment of members under the physical disability retirement laws. Accordingly, additional guidelines (see Enclosure 1) were issued to the Military Departments on January 29, 1973, for use in making determinations of unfitness. The Office of Assistant Secretary of Defense (Health and Environment) was directed to closely monitor determinations of fitness and review directly those cases that would result in disability retirement of a general/flag-rank officer or a medical corps officer.

Under the new guidelines, disability retirement and its attendent tax relief will not be conferred in cases where a service-incurred condition is not disabling for the duties of the member's grade or office. For the first time, it is recognized that deterioration of the human body with age—and within boundaries—is normal, to be expected, and not of itself unfitting.

Literal and strict interpretation of present policy means that when a member is fit to perform the duties of his office, rank, grade, or rating, he may not be separated for physical disability; if he is unfit to perform such duties, he may not be retained on active duty—unless he is retained as an exception to policy in a limited assignment status. We believe application of these new guidelines will insure closer adherence to the letter and spirit of the laws, and this the intent of Congress.

The enclosed tables represent the first comparative data available which depicts the impact generated by the new guidelines. The data are generally self-explanatory and, while some of the numbers are small, we believe them to be significant. In Enclosure 2, representing retirements in the Army, Navy, Air Force and Marine Corps, the percentage of retiring officers retired for physical disability has fallen from 18.9% to 10.5% when comparing the first three months under the new rules with the same three months last year. Enlisted men for the same period have dropped from 23.0% to 12.7%

The decreases for higher ranking personnel, in both the officer and enlisted ranks, are even greater. Disability retirement for general/flag rank officers has gone from 52.3% to 12.1% and for colonel/captain—22.4% to 11.7%. The rate of disability retirements for lower ranking personnel has remained about the same—even rising in the case of E1 to E3—indicating that proper medical evaluation is not being denied any member in the determination of fitness.

Enclosure 3 represents retirements only in the Army, Navy, and Air Force since the Marine Corps does not have a separate medical service. While disability retirements have fallen off more than 50% for medical service officers as it has for all other officers, it can be noted that the relative difference between the two groups has remained about constant. This statistic will be monitored closely to determine possible causes. Under present guidelines, the differences should disappear. Medical service personnel fill a unique role in the military, i.e., one that is non-combative in nature requiring less stamina and physical acuity. The fact that they may be allowed to enter active duty without meeting all the normal standards of physical fitness does not justify higher rates of disability, however, because evaluation at time of departure also would be in conformance with lesser standards. This is because all members in an active duty status will be considered fit for duty so long as they are physically able to perform assigned duties to a degree that will satisfy continued employment.

Information on retiring members who have drawn hazardous-duty pay within six months of retirement is also being gathered but is not yet complete. When a member is being processed for separation for reasons other than physical disability, his continued performance of duty until he is scheduled for separation for other purposes creates a strong presumption that the member is fit for duty. The full impact of this concept should eliminate physical disability retirement for most personnel receiving hazardous-duty pay.

We intend to observe closely the present system through December 1973 to determine whether further changes are indicated. When maximum objectivity and uniformity have been achieved, the guidelines will be published in a change to Department of Defense Directive 1332.18, subject: "Uniform Interpretation of Laws Relating to Separation From the Military Service by Reason of Physical Disability." Monitorship will be continued thereafter in the Office of the Assistant Secretary of Defense (Health and Environment).

Hopefully you will find the enclosed data informative and indicative of present trends in the application of physical disability retirement within the Department of Defense.

Sincerely,

Richard S. Wilbur, M.D.

MESSAGE FROM THE KOUSE

A message from the House of Representatives by Mr. Berry, one of its reading clerks, announced that the House insisted upon its amendment to the bill (S. 1672) to amend the Small Business Act, disagreed to by the Senate; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. Patman, Mr. Stephens, Mr. Gonzalez, Mr. Gettys, Mr. Annunzio, Mr. Hanley, Mr. Brasco, Mr. Koch, Mr. Mitchell of Maryland, Mr. Widnall, Mr. J. William Stanton, Mr. Williams, Mrs. Heckler of Massachusetts, Mr. Rousselot, and Mr. Burgener were appointed managers on the part of the House at the conference.

The message also announced that the House had disagreed to the amendment of the Senate to the joint resolution (H.J. Res. 542) concerning the war powers of Congress and the President; asked a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. Zablocki, Mr. Morgan, Mr. Hays, Mr. Fraser, Mr. Fascell, Mr. Mailliard, Mr. Findley, Mr. Broomfield, and Mr. Frelinghuysen were appointed managers on the part of the House at the conference.

ENROLLED BILLS SIGNED

The message further announced that the Speaker had affixed his signature to the following enrolled bills:

H.R. 3867. An act to amend the act terminating Federal supervision over the Klamath Indian Tribe by providing for Federal acquisition of that part of the tribal lands described herein, and for other purposes; and

H.R. 8947. An act making appropriations for public works for water and power development, including the Corps of Engineers—Civil, the Bureau of Reclamation, the Bonneville Power Administration and other power agencies of the Department of the Interior, the Appalachian regional development programs, the Federal Power Commission, the Tennessee Valley Authority, the Atomic Energy Commission, and related independent agencies and commissions for the fiscal year ending June 30, 1974, and for other purposes.

VISIT TO THE SENATE BY HON. KAKUEI TANAKA, PRIME MINISTER OF JAPAN, AND OTHER DISTINGUISHED VISITORS FROM JAPAN

Mr. MANSFIELD. Mr. President and Members of the Senate, this body is indeed fortunate this afternoon to have as its guests a most distinguished statesman—a leader of a great nation of the Pacific, His Excellency the Prime Minister of Japan, Mr. Kakuei Tanaka, accompanied by His Excellency Mr. Masayoshi Ohira, Minister for Foreign Affairs; His Excellency Mr. Takeshi Yasukawa, Ambassador to the United States; His Excellency Kiyohiko Tsurumi, Principal Adviser—Deputy Vice Minister for Foreign Affairs; Mr. Yoshio Okawara, Senior Adviser—Director General of the American Affairs Bureau, Ministry of Foreign Affairs; Mr. Akitane Kiuchi, private secretary to the Prime Minister; Mr. Hiroaki Fujii, private secretary to the Foreign Minister; Mr. Yukio Satoh, First Secretary, Embassy of Japan; Mr. Masumi Muramatsu, interpreter; Mr. Sadaaki Numata, interpreter; and Mr. Konosuke Ishii, official cameraman.

It is a distinct privilege for the joint leadership and the Members of this body on both sides of the aisle to participate in this welcome to these representatives of a country for which we have the great affection, highest regard, and deepest respect; a country toward which we look forward to strengthening our mutual interdependence based upon a firm foundation of equality; a country which has contributed much to peace in recent years in the Pacific and can contribute much to peace in that part of the world in the years and in the decades ahead.

I would like at this time to yield to the distinguished Republican leader.

Mr. SCOTT of Pennsylvania. Mr. President, I join in the statement by the distinguished majority leader recognizing the presence of the distinguished Prime Minister of Japan, Mr. Kakuei Tanaka, together with Mr. Masayoshi Ohira, Minister for Foreign Affairs; Mr. Takeshi Yasukawa, Ambassador to the United States; Mr. Kiyohiko Tsurumi, Principal Adviser; Mr. Yoshio Okawara, Senior Adviser; and other members of the Prime Minister's party.

As one who has had the pleasure of visiting in Japan some 18 times, I am particularly pleased to join in this recognition of the presence of these distinguished visitors and to note our very great pleasure that they are here, and to note again this opportunity for renewal of our warm friendship and regard for the people of Japan, for their peace-loving disposition, their power and influence in the world as a force for good, and of our delighted privilege to be able to pay this tribute to them at this time.

RECESS SUBJECT TO THE CALL OF THE CHAIR

Mr. MANSFIELD. Mr. President, if the Senator will yield, I would like to ask unanimous consent, on behalf of the distinguished Republican leader and myself, that the Senate stand in recess, subject to the call of the Chair, for the purpose of paying our respects to the Prime Minister and his party.

Mr. SCOTT of Pennsylvania. Mr. President, I will match that by saying I have been there 18 times, and I am sure the Prime Minister will understand me if I say I am proud of those 18 ju hachi ki visits.

[Applause, Senators standing.]

The PRESIDING OFFICER. Without objection, the Senate will stand in recess subject to the call of the Chair.

At 3:33 p.m. the Senate took a recess subject to the call of the Chair; whereupon, the Senate reassembled at 3:36 p.m., when called to order by the Presiding Officer (Mr. Helms).

IMPOUNDMENT PROCEDURES

Mr. ERVIN. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on S. 373.

The PRESIDING OFFICER (Mr. Helms) laid before the Senate the amendments of the House of Representatives to the bill (S. 373) to insure the separation of Federal powers and to protect the legislative function by requiring the President to notify the Congress whenever he, the Director of the Office of Management and Budget, the head of any department or agency of the United States, or any officer or employee of the United States, impounds, orders the impounding, or permits the impounding of budget authority, and to provide a procedure under which the Senate and the House of Representatives may approve the impounding action, in whole or in part, or require the President, the Director of the Office of Management and Budget, the department or agency of the United States, or the officer or employee of the United States, to cease such action, in whole or in part, as directed by Congress, and to establish a ceiling on fiscal year 1974 expenditures, which were to strike out all after the enacting clause, and insert:

TITLE I—IMPOUNDMENT CONTROL PROCEDURES

Sec. 101. (a) Whenever the President, the Director of the Office of Management and Budget, the head of any department or agency of the United States, or any officer or employee of the United States, at any time on or after the date of the enactment of this Act and before July 1, 1974, impounds any funds authorized or made available for a specific purpose or project, or orders, permits, or approves the impounding of any such funds by any other officer or employee of the United States, the President shall, within ten days thereafter, transmit to the House of Representatives and the Senate a special message specifying—

(1) the amount of the funds impounded;

(2) the date on which the funds were ordered to be impounded;

(3) the date the funds were impounded;

(4) any account, department, or establishment of the Government to which such impounded funds would have been available for obligation except for such impoundment, and the specific projects or governmental functions involved;

(5) the period of time during which the funds are to be impounded;

(6) the reasons for the impoundment, including any legal authority invoked by him to justify the impoundment; and

(7) to the maximum extent practicable, the estimated fiscal, economic, and budgetary effect of the impoundment.

(b) Each special message submitted pursuant to subsection (a) shall be transmitted to the House of Representatives and the Senate on the same day, and shall be delivered to the Clerk of the House of Representatives if the House is not in session, and to the Secretary of the Senate if the Senate is not in session. Each special message so transmitted shall be referred to the Committee on Appropriations of the House of Representatives and to the Committee on Appropriations of the Senate; and each such message shall be printed as a document for each House.

(c) A copy of each special message submitted pursuant to subsection (a) shall be transmitted to the Comptroller General of the United States on the same day it is transmitted to the House of Representatives and the Senate. In order to assist the Congress in the exercise of its functions under sections 102 and 104, the Comptroller General shall review each such message and inform the House of Representatives and the Senate as promptly as possible with respect to (1) the facts surrounding the impoundment set forth in such message (including the probable effects thereof) and (2) whether or not (or to what extent), in his judgment, such impoundment was in accordance with existing statutory authority.

(d) If any information contained in a special message submitted pursuant to subsection (a) is subsequently revised, the President shall within ten days transmit to the Congress and the Comptroller General a supplementary message stating and explaining such revision. Any such supplementary message shall be delivered, referred, and printed as provided in subsection (b); and the Comptroller General shall promptly notify the House of Representatives and the Senate of any changes in the information submitted by him under subsection (c) which may be necessitated by such revision.

(e) Any special or supplementary message transmitted pursuant to this section shall be printed in the first issue of the Federal Register published after such transmittal.

(f) The President shall publish in the Federal Register, in each month which begins on or after the date of the enactment of this Act and before July 1, 1974, a list of any funds impounded as of the first calendar day of that month. Each such list shall be published no later than the tenth calendar day of the month and shall contain the information required to be submitted by special message pursuant to subsection (a).

SEC. 102. Any impoundment of funds set forth in a special message transmitted pursuant to section 101 shall cease if within sixty calender days of continuous session after the date on which the message is received by the Congress the specific impoundment shall have been disapproved by either House of Congress by passage of a resolution in accordance with the procedure set out in section 104. The effect of such disapproval shall be to require an immediate end to the impoundment.

SEC. 103. For purposes of this title, the impounding of funds includes—

(1) withholding or delaying the expenditure or obligation of funds (whether by establishing reserves or otherwise) appropriated for projects or activities, and the termination of authorized projects or activities for which appropriations have been made, and

(2) any other type of executive action or inaction which effectively precludes the obligation or expenditure of available funds or the creation of obligations by contract in advance of appropriations as specifically authorized by law.

SEC. 104. (a) The following subsections of this section are enacted by the Congress—

(1) as an exercise of the rulemaking power of the House of Representatives and the Senate, respectively, and as such they shall be deemed a part of the rules of each House, respectively, but applicable only with respect to the procedure to be followed in that House in the case of resolutions described by this section; and they shall supersede other rules only to the extent that they are inconsistent therewith; and

(2) with full recognition of the constitutional right of either House to change the rules (so far as relating to the procedure of that House) at any time, in the same manner and to the same extent as in the case of any other rule of that House.

(b) (1) For purposes of this section and section 102 the term "resolution" means only a resolution of the House of Representatives or the Senate which expresses its disapproval of an impoundment of funds set forth in a special message transmitted by the President under section 101, and which is introduced and acted upon by the House of Representatives or the Senate (as the case may be) before the end of the first period of sixty calendar days of continuous session of the Congress after the date on which the President's message is received by the Congress.

(2) For purposes of this section and section 102, the continuity of a session shall be considered as broken only by an adjournment of the Congress sine die, and the days on which either House is not in session because of an adjournment of more than three days to a day certain shall be excluded in the computation of the sixty-day period referred to in paragraph (1) of this subsection (and in section 102) and the thirty-day period referred to in subsection (d) (1). If a special message is transmitted under section 101 during any Congress and the last session of such Congress adjourns sine die before the expiration of sixty calendar day of continuous session (or a special message is so transmitted after the last session of the Congress adjourns sine die), the message shall be deemed to have been retransmitted on the first day of the succeeding Congress and the sixty-day period referred to in paragraph (1) of this subsection and in section 102 (with respect to such message) shall commence on such first day.

(c) Any resolution introduced with respect to a special message shall be referred to the Committee on Appropriations of the House of Representatives or the Senate, as the case may be.

(d) (1) If the committee to which a resolution with respect to a special message has been referred has not reported it at the end of thirty calendar days of continuous session after its introduction, it is in order to move either to discharge the committee from further consideration of the resolution or to discharge the committee from further consideration of any other resolution with respect to the same message which has been referred to the committee.

(2) A motion to discharge may be made only by an individual favoring the resolution, may be made only if supported by one-fifth of the Members of the House involved (a quorum being present), and is highly privileged (except that it may not be made after the committee has reported a resolution with respect to the same special message); and debate thereon shall be limited to not more than one hour, to be divided equally between those favoring and those opposing the resolution. An amendment to the motion is not in order, and it is not in order to move to reconsider the vote by which the motion is agreed to or disagreed to.

(3) If the motion to discharge is agreed to or disagreed to, the motion may not be renewed, nor may another motion to discharge the committee be made with respect to any other resolution with respect to the same special message.

(e) (1) When the committee has reported, or has been discharged from further consideration of, a resolution with respect to a special message, it shall at any time thereafter be in order (even though a previous motion to the same effect has been disagreed to) to move to proceed to the consideration of the resolution. The motion shall be highly privileged and not debatable. An amendment to the motion shall not be in order, nor shall it be in order to move to reconsider the vote by which the motion is agreed to or disagreed to.

(2) Debate on the resolution shall be limited to not more than two hours, which shall be divided equally between those favoring and those opposing the resolution. A motion further to limit debate shall not be debatable. No amendment to, or motion to recommit, the resolution shall be in order, and it shall not be in order to move to reconsider the vote by which the resolution is agreed to or disagreed to.

(f) Motions to postpone, made with respect to the consideration of a resolution with respect to a special message, and motions to proceed to the consideration of other business, shall be decided without debate.

(g) All appeals from the decisions of the Chair relating to the application of the rules of the Senate or the House of Representatives, as the case may be, to the procedure relating to any resolution referred to in this section shall be decided without debate.

SEC. 105. If the President, the Director of the Office of Management and Budget, the head of any department or agency of the United States, or any other officer or employee of the United States impounds any funds authorized or made available for a specific purpose or project or orders, permits, or approves the impounding of any such funds by any other officer or employee of the United States, and the President fails to transmit a special message with respect to such impoundment as required by this title, the Comptroller General shall report such impoundment and any available information concerning it to both Houses of Congress; and the provisions of this title shall apply with respect to such impoundment in the same manner and with the same effect as if such report of the Comptroller General were a special message submitted by the President under section 101, with the sixty-day period provided in section 102 being deemed to have commenced at the time at which the Comptroller General makes the report. As used in section 104, the term "special message" includes a report made by the Comptroller General under this section.

SEC. 106. The Comptroller General is hereby expressly empowered as the representative of the Congress through attorneys of his own selection to sue any department, agency, officer, or employee of the United States in a civil action in the United States District Court for the District of Columbia to enforce the provisions of this title, and such court is hereby expressly empowered to enter in such civil action any decree, judgment, or order which may be necessary or appropriate to secure compliance with the provisions of this title by such department, agency, officer, or employee. Within the purview of this section, the Office of Management and Budget shall be construed to be an agency of the United States, and the officers and employees of the Office of Management and Budget shall be construed to be officers or employees of the United States.

SEC. 107. Section 203 of the Budget and Accounting Procedures Act of 1950 shall not be applicable with respect to funds impounded on or after the date of the enactment of this Act and before July 1, 1974.

SEC. 108. Nothing contained in this title shall be construed as—

(1) asserting or conceding the constitutional powers or limitations of either the Congress or the President;

(2) ratifying any impoundment heretofore or hereafter executed or approved by the President or any other Federal officer or employee, except insofar as pursuant to statutory authorization then in effect; or

(3) affecting in any way the claims or defenses of any party to litigation concerning any impoundment ordered or executed before the date of the enactment of this Act.

TITLE II—CEILING ON FISCAL YEAR 1974 EXPENDITURES

SEC. 201. Expenditures and net lending during the fiscal year ending June 30, 1974, under the budget of the United States Government shall not exceed $267,100,000,000.

SEC. 202. (a) Notwithstanding the provisions of any other law, the President shall, in accordance with this section, reserve from expenditures and net lending, from appropriations or other obligational authority otherwise made available, such amounts as may be necessary to keep expenditures and net lending during the fiscal year ending June 30, 1974, within the limitation specified in section 201.

(b) In carrying out the provisions of subsection (a) the President shall reserve amounts proportionately from appropriations and other obligational authority available for each functional category, and to the extent practicable, subfunctional category (as set out in the United States Budget in Brief), except that—

(1) no reservations shall be made from amounts available for interest, veterans' benefits and services, payments from social insurance trust funds, public assistance maintenance grants under title IV of the Social Security Act, food stamps, military retirement pay, medicaid, and judicial salaries; and

(2) no reservations from authority available for any functional category or subfunctional category shall have the effect of reducing the total amount available for any specific program or activity (as set out in the budget accounts listing in the Budget of the United States Government for Fiscal Year 1974, pages 167–312) within that particular category by a percentage which is more than 10 percentage points higher than the net percentage of the overall reduction in expenditures and net lending resulting from all reservations made as required by subsection (a).

(c) (1) Reservations made to carry out the provisions of subsection (a) shall be subject to the provisions of title I of this Act unless made in accordance with the proportional reservation and percentage requirements of subsection (b).

(2) In order to assist the Congress in the exercise of its functions under this title and title I with respect to reservations made to carry out the provisions of subsection (a), the Comptroller General shall review each such reservation and inform the House of Representatives and the Senate as promptly as possible whether or not, in his judgment, such reservation was made in accordance with the requirements of subsection (b).

(d) In no event shall the authority conferred by this section be used to impound funds, appropriated or otherwise made available by Congress, for the purpose of eliminating a program the creation or combination of which has been authorized by Congress.

Sec. 203. In the administration of any program as to which—

(1) the amount of expenditures is limited pursuant to this title, and

(2) the allocation, grant, apportionment, or other distribution of funds among recipients is required to be determined by application of a formula involving the amount appropriated or otherwise made available for distribution,

the amount available for expenditure (after the application of this title) shall be substituted for the amount appropriated or otherwise made available in the application of the formula.

And amend the title so as to read: "An Act to require the President to notify the Congress whenever he impounds funds during the fiscal year 1974, to provide a procedure under which the House of Representatives or the Senate may disapprove the President's action and require him to cease such impounding, and to establish for the fiscal year 1974 a ceiling on total Federal expenditures."

Mr. ERVIN. Mr. President, I move that the Senate disagree to the amendments of the House of Representatives and request a conference on the disagreeing votes of the two Houses thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed; and the Presiding Officer appointed Mr. Ervin, Mr. Muskie, Mr. Ribicoff, Mr. Chiles, Mr. Percy, Mr. Javits, and Mr. Gurney conferees on the part of the Senate.

UNANIMOUS-CONSENT AGREEMENT ON H.R. 8917

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that at such time as the bill (H.R. 8917), making appropriations for the Department of the Interior, is called up and made the pending question before the Senate, there be a time limitation thereon of 2 hours, to be equally divided between the Senator from Alaska (Mr. Stevens) and the Senator from Nevada (Mr. Bible), with one-half hour on any amendment, debatable motion, or appeal, and that the agreement be in the usual form as to the division and control of time.

Mr. JAVITS. Mr. President, will the Senator yield for one question?

Mr. ROBERT C. BYRD. I yield.

Mr. JAVITS. Which one is this?

Mr. ROBERT C. BYRD. This is the one making appropriations for the Department of the Interior. This has been cleared with the Senator from North Dakota (Mr. Young) and the Senator from Alaska (Mr. Stevens) on the Senator's side of the aisle.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

The text of the unanimous-consent agreement is as follows:

Ordered, That, during the consideration of H.R. 8917, the Department of the Interior Appropriation Bill, debate on any amendment, debatable motion or appeal shall be limited to ½ hour, to be equally divided and controlled by the mover of any such amendment or motion and the manager of the bill: *Provided,* That in the event the manager of the bill is in favor of any such amendment or motion, the time in opposition thereto shall be controlled by the minority leader or his designee.

Ordered further, That on the question of the final passage of the said bill, debate shall be limited to 2 hours, to be equally divided and controlled, respectively, by the Senator from Alaska (Mr. Stevens) and the Senator from Nevada (Mr. Bible): *Provided,* That the said Senators, or either of them, may, from the time under their control on the passage of the said bill, allot additional time to any Senator during the consideration of any amendment, debatable motion or appeal.

HOBBY PROTECTION ACT

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate now proceed to the consideration of Calendar No. 338, H.R. 5777, which is a similar bill to Calendar No. 328, S. 1880.

The PRESIDING OFFICER. The bill will be stated by title.

The assistant legislative clerk read as follows:

A bill (H.R. 5777), to require that reproductions and imitations of coins and political items be marked as copies or with date of manufacture.

The PRESIDING OFFICER. Without objection, the Senate will proceed to its consideration.

Mr. JACKSON. Mr. President, I ask unanimous consent that the following professional staff members of the Committee on Interior and Insular Affairs be granted the privilege of the floor during the Senate's consideration of H.R. 5777, the pending measure: William Van Ness, Jr., Grenville Garside, Jim Barnes, and Peter Van Oppen.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. TOWER. Mr. President, I ask unanimous consent that during the consideration of H.R. 5777 and amendments thereto, Mr. Larry Combest of my staff be permitted to be present on the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JACKSON. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. MAGNUSON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. Helms). Without objection, it is so ordered.

Mr. MAGNUSON. Mr. President, S. 1880 and H.R. 5777, the House-passed version of this bill, would require the marking of imitation numismatic and political items in order to prevent their being sold or traded as originals.

This act requires that any imitation political items be plainly and permanently marked with the calendar year of manufacture. Additionally, any imitation numismatic item would be permanently marked "copy".

There are many collectors of these items in the United States and millions of dollars are spent in the buying and selling of these items. The amateur hobbyist is not sufficiently well versed to identify the counterfeit items and the counterfeit laws do not cover these matters.

It is necessary and important that this legislation be passed giving the Federal Trade Commission authority to act as well as providing for civil suits to stop people from marketing imitation items which are not marked with the calendar year of manufacture or with the word "copy."

Mr. President, I do not believe there will be any objection to the bill by the Senate.

My colleague from Washington intends to add an amendment to the bill. It is an amendment concerning petroleum allocation programs. I have talked to members of the committee who are interested, and they are willing that we should accept the amendment to this bill.

So far as I am concerned, and the rest of the Commerce Committee, we are in agreement with this amendment.

Mr. JACKSON. Mr. President, I want to express my appreciation to the distinguished chairman of the Commerce Committee for his report in connection with the amendment to provide for a program of mandatory fuel allocations. The amendment is similar to S. 1570 which was previously passed by the Senate. I will offer in a modified form which I believe will be acceptable on the House side.

Mr. President, I now call up my amendment which is at the desk and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk proceeded to read the amendment.

Mr. JACKSON. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with and that the Senator from Minnesota (Mr. Humphrey) be added as a cosponsor.

The PRESIDING OFFICER. Without objection, it is so ordered, and the amendment will be printed in the Record.

On page 5, after line 8, insert the following new title:

TITLE II—EMERGENCY PETROLEUM ALLOCATION ACT OF 1973

FINDINGS AND PURPOSES

Sec. 101. (a) The Congress hereby determines that shortages of crude oil and refined petroleum products caused by inadequate domestic production of crude oil and refined petroleum products, environmental constraints, and the unavailability of imports sufficient to satisfy domestic demand, now exist or are imminent. The Congress further determines that such shortages have created or will create severe economic dislocations and hardships, including loss of jobs, closing of factories and businessses, reduction of crop plantings and harvesting, and curtailment of vital public services, including the transportation of food and other essential goods. The Congress further determines that such hardships and dislocations jeopardize the normal flow of commerce and constitute a national energy crisis which is a threat to the public health, safety, and welfare and can be averted or minimized most efficiently and effectively through prompt action by the executive branch of Government.

(b) The purpose of this Act is to grant to the President of the United States specific temporary authority to deal with shortages of crude oil and refined petroleum products or dislocations in their national distribution system. The authority granted under this Act shall be exercised for the purpose of minimizing the adverse impacts of such shortages or dislocations on the American people and the domestic economy.

DEFINITIONS

SEC. 102. For purposes of this Act—

(2) The term "independent marketer or distributor" means a person who is engaged in the marketing or distributing of refined petroleum products, other than a person who is engaged in the marketing or distribution of a refined petroleum product pursuant to—

(A) an agreement or contract with a refiner to use a trademark, trade name, service mark, or other identifying symbol or name owned by such refiner (or by a person who controls, is controlled by, or is under common control with such refiner), or

(B) an agreement or contract under which any such person engaged in the marketing or distribution of a refined petroleum product is granted authority to occupy premises owned, leased, or in any way controlled by a refiner (or person who controls, is controlled by, or is under common control with, such refiner).

(2) The term "refined petroleum product" means gasoline, kerosene, distillates (including number 2 fuel oil), or diesel fuel.

MANDATORY ALLOCATION

SEC. 103. (a) Not later than ten days after the date of enactment of this Act the President shall promulgate a regulation providing for the mandatory allocation of crude oil and refined petroleum products in amounts based upon historic supply relationships to the extent practicable and equitable and at prices determined under such order. Such regulation shall take effect not later than fifteen days after its promulgation. Such regulation shall to the maximum extent practicable provide for—

(1) protection of public health, safety, and welfare, and the national defense;

(2) maintenance of all public services (including facilities and services provided by any State or local government or authority);

(3) maintenance of all essential agricultural operations, including farming, ranching, dairy and fishing activities and services directly related to the cultivation, production and preservation of food;

(4) preservation of an economically sound and competitive petroleum industry, including the priority need to restore and foster competition in the producing, refining, distribution, and marketing sectors of such industry, and to preserve the competitive viability of independent refiners, marketers and distributors;

(5) equitable distribution of crude oil and refined petroleum products at equitable prices among all regions and areas of the United States and sectors of the petroleum industry including the petrochemical industry, independent marketers, refiners and distributors and among all classes of consumers;

(6) economic efficiency; and

(7) minimization of economic distortion, inflexibility, and unnecessary interference with market mechanisms.

(b) The order promulgated and made effective under subsection (a) shall remain in effect until March 1, 1975, except that the President or his delegee may amend the regulation issued under subsection (a) so long as the regulation, as amended, meets the requirements of that subsection.

ADMINISTRATION AND ENFORCEMENT

SEC. 104. (a) Sections 205 through 213 of the Economic Stabilization Act of 1970 (as in effect on the date of enactment of this Act) shall apply to regulations prescribed under section 103 and to any action taken by the President (or his delegate) under this Act as if such regulation had been prescribed and such action taken under the Economic Stabilization Act of 1970; except that the expiration of authority to issue and enforce regulations and orders under section 218 of such Act shall not affect any authority to issue and enforce regulations under this Act.

(b) The President may delegate all or any portion of the authority granted to him under this Act to any officer or employee of the Federal government he deems appropriate.

EXPIRATION

SEC. 105. The authority to issue, amend, and enforce regulations under sections 103 and 104 expires at midnight February 28, 1975, but such expiration shall not affect any action or pending proceedings, civil or criminal, not finally determined on such date, nor any action or proceeding based upon any act committed prior to March 1, 1975.

EFFECT ON OTHER LAW AND ACTIONS TAKEN THEREUNDER

SEC. 106. (a) All actions duly taken pursuant to clause (3) of the first sentence of section 203(a) of the Economic Stabilization Act of 1970 in effect immediately prior to the date of enactment of this Act, shall continue in effect until modified or rescinded by or pursuant to this Act.

(b) The provisions of this Act, and the authority granted therein, shall take precedence over any program for the emergency allocation of crude oil or petroleum products established by any State or local government, and any conflict between such a program and any program, plan, regulation, or order established pursuant to this Act shall be resolved in favor of the latter.

MONITORING BY FEDERAL TRADE COMMISSION

SEC. 107 (a) During the forty-five-day period beginning on the effective date of the regulation first issued under section 103 —, the Federal Trade Commission (hereafter in this section referred to as "Commission") shall monitor the actions taken pursuant to this Act by the President and his delegate, and by persons subject to the provisions of this Act; and not later than sixty days after such effective date shall report to the President and to the Congress respecting the effectiveness of this Act and actions taken pursuant thereto.

(b) The Commission shall have the authority under sections 6, 9, and 10 of the Federal Trade Commission Act (notwithstanding the exceptions in section 6 (a) and (b) of the Federal Trade Commission Act) to gather and compile such information concerning the effectiveness of this act and actions taken pursuant thereto and to require the furnishing of such information by all persons as may be required to implement the provisions of this section.

(c) For purposes of implementing this section, officers or employees duly designated by the Commission, upon presenting appropriate credentials and a written notice from the Commission to the owner, operator, or agent in charge, are authorized—

(1) to enter, at reasonable times, (A) any premises in which anyactivity relating to the production, transportation, refining, or sale of petroleum products is conducted; and

(2) to inspect, at reasonable times and in a reasonable manner, such premises. Each such inspection shall be commenced and completed with reasonable promptness.

(d) Notwithstanding any other provision of law—

(1) the Commission in carrying out this section may appear in its own name and be represented by its own attorneys;

(2) chapter 35 of title 44, United States Code, shall not apply to the activities of the Commission under this section.

Mr. JACKSON. Mr. President, the amendment I propose is an emergency measure to deal with an urgent problem to which Members of the Senate need no introduction.

Mr. President, for months we have been receiving phone calls, telegrams, letters, and personal visits from those directly affected by fuel shortages. We are hearing from farmers, builders, city officials, independent refiners, and marketers of petroleum products. They are all concerned with fuel shortages and the failure of the "voluntary" allocation program to provide any relief.

It is clear that we are no longer dealing with the isolated, spot shortages predicted by some earlier this year. What we are confronting is the prospect of serious, prolonged, and widespread shortages which are beginning to have a real impact on our economy, on the standard of living enjoyed by many Americans, on competition, and on the structure of the petroleum industry.

When cities cannot get bids on fuel contracts for vital public services, when independent gas stations are closing by the thousands, when crop planting and food distribution are threatened by fuel shortages, when a major shortage in heating oil this fall and winter appears inevitable, then there can be no doubt that our national fuel distribution system has stopped functioning effectively.

Congress recognized the need to adopt policies designed to deal with fuel shortages when it authorized the President in the Economic Stabilization Act amendments to establish priorities of use and to provide for the allocation of crude oil and petroleum products to meet essential needs and prevent anticompetitive effects resulting from shortages.

The Senate again recognized on June 5, 1973, when it adopted S. 1570, the "Emergency Petroleum Allocation Act of 1973," by an overwhelming majority, that a "voluntary" allocation program would not and could not work.

I regret that the House of Representatives has not yet acted on S. 1570 as passed by the Senate. The House's failure to act was, in part, based upon reliance on the statements and testimony of administration spokesmen that in the next few days or weeks the President would act to implement a mandatory fuel allocation program. That reliance now appears to have been misplaced. On June 10, Deputy Secretary Simons of the Treasury Department, in testimony before the House Interstate and Foreign Commerce Committee, indicated that the administration would make a decision on a mandatory allocation program within 7 days. That was 21 days—3 weeks ago.

Now, in the last few days before the August recess, there has still been no decision from the administration as to "when," or even "if," there will be a mandatory fuel allocation program.

Mr. President, I ask unanimous consent to have printed in the RECORD at the conclusion of my remarks a July 25 floor statement by Congressman TORBERT H. MACDONALD on the reliance the House placed on administration statements and the causes of the delay.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. JACKSON. Mr. President, the administration's reluctance to act is apparently the result of a conflict between two groups of White House advisers and Cabinet officers. One group—composed of those familiar with the situation—openly admits the failure of the voluntary allocation program and has been urging adoption of a mandatory program for the past 2 months. This group recognizes that without a mandatory program it is absolutely inevitable that the already crippled independent sector of the petroleum industry will be effectively wiped out by the end of September. The loss of the independents will mean the loss of the only aggressive source of competition and lower prices in the marketing of gasoline and other fuels.

The second group, in part made up of advisers and Cabinet officers, opposed a mandatory allocation program on the grounds that Government should not interfere with the forces of the marketplace.

Mr. President, the country cannot afford any more extended internal debate in the White House on this issue. The Nation needs and must have an equitable mandatory allocation program; and we must have it now before Congress adjourns for the August recess.

There is no assurance that the administration will act after the recess. We have had weeks and months of indecision already.

Since the Senate passed S. 1570 on June 5 there has been little improvement in either supply or in the system for allocation of the Nation's available petroleum. Those few highly advertised gains which have been made have been short term, cosmetic in nature, and have ominous implications for the future. What the Senate in June foresaw in the weakness of a system of voluntary allocations has since been demonstrated. This is evident in press reports, and in each day's constituent mail from farmers, independent gasoline retailers, municipalities, and motorists.

Last week, in describing our current fuel situation in testimony before the Senate Interior Committee, Gov. John Love, who is now charged with coordination of energy policy for the administration, made the following statement:

> I believe that most of us are aware that the gasoline situation has improved significantly. While there still are spot shortages, this is primarily due to the significant increases in refinery output, with U.S. refineries hitting an all time high during the week of July 6, 1973, of 98.8% of capacity. While I recognize that we have simultaneously drawn down our crude stocks somewhat and that our refinery output could be reduced due to maintenance or accidents, I am encouraged by the current production. I hope that these high production levels can be maintained. In spite of claims to the contrary by some, I believe that we probably continue to have significant potential for refinery debottlenecking and minor expansions in the near term.
>
> I am less certain of the situation for this winter. I have directed an intensive review. While our projections are preliminary at this stage, they seem to indicate that we will be able to meet fuel needs this winter, if all goes well and we do not experience severe cold conditions; if we have bad weather, we can expect some shortages. (Emphasis supplied)

Mr. President, I share Governor Love's "hopes." I also share his uncertainty for the situation this winter. However, I am not encouraged by the figures I see. I strongly doubt that we can maintain refinery runs at the current levels and, even if we do, they will not be adequate to meet the growing demand for fuel oil. My review of the situation indicates that gasoline and diesel fuel shortages still exist; that while refineries are operating close to capacity, the production is of motor fuels and that not only are we drawing down crude oil stocks, we are also failing to build up critically needed inventories of heating oils. Furthermore, current production levels are often at the expense of routine preventive maintenance which will probably result in future refinery breakdowns. We simply cannot operate on an "if all goes well" basis and fail to take into consideration, at least for planning purposes, that we may have cold weather this winter.

Mr. President, the administration's latest public pronouncement on their intention concerning a mandatory program was made yesterday by Governor Love before a House Banking Subcommittee. I have not read Governor Love's full statement, but if the story on page 4 of this morning's Washington Post is correct, it is clear that Congress must act on this matter before the August recess.

The story quotes Governor Love as saying:

> There has been a noticeable deterioration in the compliance of most oil companies in the past two or three weeks. . . . Some companies have given formal notice that they do not intend to comply further with the voluntary petroleum allocation program.

The article continues:

> Since mid-June hearings which revealed that some companies were not complying with the guidelines, Love said that several major oil companies have notified his office they can no longer comply.
>
> He said companies such as Sunoco, Phillips, Cities Service and Gulf had delayed plans to withdraw from various marketing areas in order to comply with the various allocation plans.
>
> But he said, they have recently notified him, they will continue to withdraw unless mandatory provisions are imposed.

Mr. President, this is not news. Two months ago when the Senate was considering S. 1570, I stated on the floor of the Senate that the major oil companies were not complying with the voluntary program. It was clear then that unless Government acted they would continue to withdraw from low-profit market areas. I would remind Members of the Senate that many of these low-profit market areas are in their States. And once an oil company moves out and cuts off supply it will not be easy to get new sources of supply.

In the face of the uncontested failure of the voluntary program, and in view of the admitted disaster present policies hold for the American consumer, for vital public services, for competition, and for the independent sector of the petroleum industry, it is remarkable that the administration has failed to act.

The administration has not only failed to act, they have failed to even make a decision.

This morning's story in the Washington Post states:

> Love said he hopes to announce a decision this week on *whether* the program will be replaced with a mandatory system. (Emphasis added.)

Mr. President, I would have thought the issue would be "when" and not "whether."

The article goes on to state that Governor Love told a House Banking Subcommittee that no decision on a mandatory program has been made yet.

The article further states:

> Love said he is still weighing the options now open including retaining a revised voluntary allocation program, adopting a half mandatory and half voluntary program or adopting a fully mandatory system for all of the industry.

Mr. President, we have had enough footdragging and weighing of options. We have had enough study; we have had too much delay.

The administration's failure to act is irresponsible. The major oil companies say they need a mandatory program. The independents' survival requires a mandatory program. State and local government support a mandatory program.

The only opposition I am aware of comes from a few White House advisers who would rather see the country go to hell in a hand basket before they would support any form of Federal intervention in the marketplace.

Mr. President, the Nation cannot afford this type of ideological rigidity at the highest seat of government.

We cannot allow competition in the oil industry to be destroyed simply for the purpose of proving or disproving a disputed principle among two schools of economic theory.

The country needs leadership on this matter, and if the administration is going to default, it is incumbent upon Congress to act.

The nationwide fuel shortages have major impact upon the consumer. They also have a severe and longer lasting impact on the independent marketer, on the structure of the industry, and on competition. The major oil companies tell us that supplies are up over last year. Be this as it may, because of the inability of independent marketers to obtain adequate supplies of gasoline, many efficient independent operators have already gone out of business and others are in very serious financial condition. Having been already weakened by the failure of the administration's voluntary allocations program, these small distributors who have survived are now faced with near certain bankruptcy and eviction from the marketplace in the form of the proposed oil price regulations effective under phase IV.

As interpreted by the Cost of Living Council, these regulations forbid any automatic rise in prices at the retail dealer's pump even if prices charged to him by the supplier have increased. This results from a provision of the regulations which fix the post-August 12 ceiling retail price of diesel fuel, heating oil, and gasoline as the price paid to the supplier on August 12 plus the margin available on January 10, 1973. The regulation allows no pass-through for increased costs. In January, prior to the curtailment of supplies, independents were generally operating on a high volume, low margin, low price basis. Since that time the supplies to a large number of independents have been drastically cut. There consequently is no way that independents facing such circumstances can maintain margins of the January 10 level and continue to operate as viable business enterprises.

Mr. President, it is imperative that the United States maintain a competitive structure in the gasoline marketing industry. To that end, what is required is some relief for the independent sector of the industry and not further Government regulations which will serve to drive many out of business and thereby further reduce competition. The White House staff rationale for this policy has been quoted as the belief that "station prices are the most visible to the public and must be held down." Mr. President, the destruction of the already weakened competitive structure of this country's petroleum distribution system is too high a price to pay for good public relations at the White House, no matter how great their current need.

Mr. President, I ask unanimous consent that the text of a letter I recently wrote to the Cost of Living Council on this matter together with some reports from the trade press be included in the RECORD at the end of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 2.)

Mr. JACKSON. Mr. President, it is essential that the administration move now, and move decisively to minimize the impact of fuel shortages and dislocations in the fuel distribution system. More specifically, mandatory action must be taken to: protect the public health, safety, and welfare; to maintain public services and essential agricultural operations; to preserve an economically sound and competitive petroleum industry; to provide for equitable distribution of fuels at equitable prices among all regions and areas of the United States and all classes of consumers; to achieve economic efficiency and minimize economic distortion, inflexibility and unnecessary interference with market mechanisms.

The administration has already waited too long to address the problem. Congress must insure that it waits no longer. By the time Congress returns in September, the fuel demands of the harvest season will be upon us and the surging seasonal requirements for heating oils will be imminent. Neither of these needs will stand deferment.

Mr. President, I ask unanimous consent that a report by the Petroleum Industry Research Foundation on the expected shortages of heating oil in the fall and winter be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 3.)

Mr. JACKSON. The report states:

> Our calculations show that—after adjustment for a decline in secondary stocks at the East Coast—we will enter the coming heating season with stocks only slightly higher than a year ago. Since demand is expected to be up by over 6% and since last year's comparable stock level would have been clearly insufficient for a normal winter, the distillate heating oil supply outlook for next winter is quite precarious, notwithstanding the apparent high level of current primary stock accumulation.
>
> If the winter is even slightly colder than normal, if the substitution of distillate fuel oil for curtailed gas supplies is significantly larger than last year, if refinery runs cannot be sustained at an average rate of 92% of capacity over the next 9 months or if the level of imports falls 3–4% below our projected average volume of 500,000 b/d during the heating season, a shortage could be expected to develop.

Mr. President, the amendment I propose today is patterned after the essential elements of S. 1570 as adopted by the Senate on June 5, 1973. The amendment has been shortened and simplified. It is a broad delegation of power to the President, but it does require the implementation of a mandatory allocation program.

This amendment, in much the same way as did S. 1570, states that it is the finding of Congress that extraordinary shortages of petroleum products exist and that they have created severe dislocations and hardships. It finds that the absence of governmental intervention will result in the effective elimination from the marketplace of the independent sector of the petroleum industry. The amendment establishes a petroleum allocation program having as objectives the necessary actions which I have discussed. The amendment directs that this program be mandatory and it requires that it be put into effect not later than August 15, 1973.

Mr. President, the need for this legislation is both critical and urgent. Congress must seize the initiative and act if we are to avert a still greater crisis than that which we now face. I hope that this measure will receive the strongest support of my colleagues.

Mr. President, only a few days ago, administration spokesmen were belittling and viewing with alarm the Federal Trade Commission's action against the major oil companies to restore some semblance and degree of healthy competition to this industry. This puzzling concern for and defense of the giants of the oil industry must be contrasted with the administration's callous indifference to the plight of the independent refiner, terminal operator, distributor, and marketer.

Competition in the oil industry is a major issue of public policy. Congress cannot stand idly by while the independent sector is strangled as a result of Government inaction. The beneficiaries of this failure to act are the major oil companies. Ironically, with administration assistance the majors stand to achieve increased power and market dominance—an objective that the antitrust laws have in the past denied them.

The recent report of the Federal Trade Commission made a similar finding as to the general effect of Federal and State energy policy. At page 27 of the report, in a summary to chapter III, the report notes:

> The industry operates much like a cartel with 15 to 20 integrated firms being the beneficiaries of much federal and state policy. Thus, the federal and state governments with the force of law do for the major companies that which would be illegal for the companies to do themselves.

Mr. President, I urge early and favorable action on the amendment. This is the last chance for Congress to preserve competition and a viable independent sector in the oil industry.

I ask unanimous consent to have printed in the RECORD several newspaper articles.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 4.)

EXHIBIT 1

STATEMENT OF CONGRESSMAN TORBERT H. MACDONALD, JULY 25, 1973

In the course of the first session of this Congress, a great many members have addressed the House on the subject of the "energy crisis." Indeed, I know of no other subject which has attracted as much attention and debate nor one which has produced as much confusion and misinformation.

As the ranking majority member of your Committee on Interstate and Foreign Commerce and Chairman of the Subcommittee assigned responsibility for energy matters, I have endeavored to measure the dimensions of the crisis and to chart an appropriate legislative course to deal with it. While that effort continues, I must report to you that—with each passing day—I grow more convinced that crisis conditions do not exist in fact but only in the advertising copy of the major oil and gas companies. Increasingly, economists and engineers have come forward to testify to the adequacy of domestic and world reserves to meet our short and long term demand for fossil fuels. To this the companies now respond that the problem is not that there are shortages in the basic fuels but that we have failed to provide sufficient economic incentives for corporate America to go get them. For those of my colleagues who have heard this argument let me only point out that the largest of the major oil companies reported an increase in earnings of 54% in the second quarter of this year—and that this was accomplished in spite of price controls. How will we be able to create economic incentives sufficiently high to encourage increased production when oil companies are permitted to profit so handsomely from the shortage?

I remain skeptical. There is, however, one aspect of the co-called energy crisis which is very real and that is the shortage of refined petroleum products. Over 2,000 independent marketers of gasoline who have been driven out of business in the last few months can attest to this shortage as can the thousands of motorists in Denever who have been forced to wait in long lines for limited supplies of gasoline. In my own section of the country, New England, the shortage has been especially acute and its effect on the independent jobber and retailer especially devastating.

Several members have suggested on this floor that the gasoline shortage has been contrived or orchestrated by the major oil companies to purge from the business their only significant competitors, the independent non-branded dealers. I do not know the truth of that allegation but—whether intended or not—this clearly has been the result.

In April, Congress included authority in the "Economic Stabilization Act Amendments of 1973" to permit the President to order mandatory allocations of gasoline and other petroleum products to prevent the major oil companies from taking unfair competitive advantage during the period of shortage. The President decided instead to rely on a "voluntary" program which encouraged the major companies to share their supplies with their competitors. As we are all aware, the voluntary program has failed miserably. Convinced that it would, I introduced legislation in May to set up a mandatory allocation program to preserve the independent marketing segment of this industry. Because nearly one third of the northeast market is serviced by independents, virtually the entire New England delegation joined me in this effort as well as 74 other co-sponsors. Similar legislation was introduced by my colleagues from other sections of the country. Nevertheless, I believe most of us who urged mandatory controls were hopeful that the Administration would see the light and act to make legislation unnecessary. This hope was soon shown to have been misplaced.

After the situation worsened in June, the full Commerce Committee was convened for the priority consideration of my proposal to legislatively mandate controls. Our initial witness, Deputy Secretary of the Treasury William Simon, appearing on behalf of the Administration, urged the Committee not to take action. We were told a decision on whether to go to mandatory controls would be made within the week by the Administration. Knowing that the Congress would not be able to act within a week's time to bring legislative relief for the independent marketer, I was willing to wait an additional seven days to see if the Administration would finally do the right thing.

Seven days stretched to eight, then nine, then ten. I was disposed to be patient. The President was in the hospital; his energy advisor, Governor John Love of Colorado, was new to the job. Yet with each additional day's delay, the competitive situation grew worse. I began to probe the bureaucratic reaches of the Administration to find out when a decision would be made and announced. With each inquiry I received new promises that a decision was forthcoming. It is now fifteen days since the Committee was told a decision would be made "within a week."

When I asked Governor Love to come before the Committee to report on what is delaying the decision, I was told that the earliest he could do so would be the end of next week. I recognize, of course, that he has an extremely difficult task before him and there are great demands placed on his time, but to refuse to appear until the day before the Congress proposes to adjourn evidences on behalf of the Administration indifference to the problem facing the independent marketer and to the concern which has been expressed by the Congress.

Mr. Speaker, I do not report these events with a sense of anger—although I think there is some basis for that. Rather I feel a sense of regret and disappointment because I can only conclude that the failure of the Administration to act results either from a paralysis of the decision-making process or a lack of resolve to take steps which are opposed by the major oil companies. Whatever the cause, small business and the American people will pay the price for the indecision of these last weeks. If, as a result, independent distributors and dealers of gasoline are forced out of the market, the price could well be measured in the millions of dollars.

EXHIBIT 2

U.S. SENATE,
Washington, D.C., July 26, 1973.

Dr. JOHN T. DUNLOP,
Director, Cost of Living Council,
Washington, D.C.

DEAR DR. DUNLOP: I have been seriously disturbed by the inability of independent marketers to obtain adequate supplies of gasoline. Because of the supply problem many efficient independent operators have already gone out of business and others are in very serious financial condition.

The purpose of this letter is to call to your attention that the Phase IV gasoline regulations appear to further aggravate the critical problems facing the independent marketer. Information that I have received indicates that your Council's gasoline regulations coupled with the failure of the Voluntary Petroleum Allocation Program could force many of the already weakened efficient independents out of business and into bankruptcy.

In light of the foregoing, I am concerned about the Cost of Living Council's decision to set January 10, 1973 as the profit margin date for marketers in Phase IV, while setting the comparable date for crude oil producers and refiners at May 15, 1973.

The January 10, 1973, date is a time when many independent marketers had relatively low margins. At that time several marketers were experiencing price wars and margins were compressed. Furthermore, many independents had not experienced supply cutbacks in early January of the magnitude they are now experiencing. As a consequence, independents were generally operating in January on a high volume, *low margin* and low price basis. Since that time the supplies to large numbers of independents have been drastically reduced as a result of the current gasoline shortage. There is no way that independents facing such circumstances can maintain margins of the January 10 level and continue to operate as viable business enterprises.

It is urgent that the United States maintain a competitive structure in the gasoline marketing industry. Price competition has all but disappeared since gasoline supplies have been reduced and the independent marketers' sources of supply have been cut in half. The independents need and deserve some relief and not a further government regulation which will have the effect of driving many out of business and reducing competition. This seems, however, to be the consequence of the gasoline price regulations.

It would indeed be tragic if at a time when Congressional and public concern over the need to maintain and restore competition in the petroleum marketing industry is at its highest point the government, by indirection, imposed a price regulation which has the direct effect of helping to put the primary source of competition in the marketing of gasoline out of business.

I would appreciate receiving a full report on the Council's rationale regarding margins and permissible cost pass-throughs by July 31, 1973. In addition, you should be informed that hearings on this and related questions may be held the latter part of next week.

Sincerely yours,

HENRY M. JACKSON,
Chairman.

EXHIBIT 3

THE OUTLOOK FOR DISTILLATE HEATING OIL, IN THE WINTER OF 1973–74

(Report of Petroleum Industry Research Foundation, Inc.)

SUMMARY OF FINDINGS

For the second consecutive year we approach the winter with the likelihood that heating oil supplies will be insufficient to meet demand. Last winter a shortage was averted as a result of a very mild 1st quarter—approximately 10% warmer than normal—following a 6% colder than normal 4th quarter.

Had the 1st quarter been normal, the additional increase in demand would have reduced distillate stocks by more than 20 million barrels which would have resulted in widespread shortages.

Our calculations show that—after adjustment for a decline in secondary stocks at the East Coast—we will enter the coming heating season with stocks only slightly higher than a year ago. Since demand is expected to be up by over 6% and since last year's comparable stock level would have been clearly insufficient for a normal winter, the distillate heating oil supply outlook for next winter is quite precarious, notwithstanding the apparent high level of current primary stock accumulation.

If the winter is even slightly colder than normal, if the substitution of distillate fuel oil for curtailed gas supplies is significantly larger than last year, if refinery runs cannot be sustained at an average rate of 92% of capacity over the next 9 months or if the level of imports falls 3–4% below our projected average volume of 500,000 b/d during the heating season, a shortage could be expected to develop. To prevent, or at least contain, the shortage, the government must take several steps in advance of the heating season. These would include imposition of mandatory product allocation so that available supplies of heating oil are evenly distributed throughout the market, encouragement of maximum imports by permitting a full pass-through of the substantially higher cost of foreign oil; and raising the permissible sulfur level of all distillate imports to 0.5–0.7%, since the available quantities of foreign oil with a lower sulfur content are insufficient to meet our projected import requirements.

An analysis of the above findings is found in the following pages.

Historic growth

In the past two years distillate demand increased at an average annual rate of 7%—more than 3 times its average growth during the previous five years (1964–69). This reflects the sharp rise in the requirements of peripheral distillate fuel oil markets—electric power plants and natural gas customers with alternate fuel facilities. The effect of the increase in electric utility demand on total distillate fuel oil demand is shown below.

TABLE I.—DISTILLATE DEMAND—I-IV

[In thousand barrels per day]

	1970	1971	1972	Annual increase
Utility	66	92	144	+48.0
Other	2,242	2,305	2,497	5.5
Total	2,308	2,397	2,641	7.0

Outlook for 1973 Heating Season

Table II below shows the actual distillate supply-demand position for the 1st quarter of 1973 and projections for the subsequent four quarters.

TABLE II.—DISTILLATE SUPPLY-DEMAND PROJECTION, DISTRICT I–IV

[Thousand barrels per day]

	1973: Quarter—					
	1st (actual)	2d	3d	4th	Year	1974, 1st quarter
Crude runs [1]	10,359	10,483	10,600	10,545	10,498	10,495
Distillate yield	25.17	22.40	22.75	24.0	23.6	24.75
Output	2,607	2,348	2,410	2,530	2,473	2,598
Plant	5	5	5	5	5	5
Imports	531	200	175	450	338	550
Net to V	−13	−25	−20	−20	−19	−20
Supply	3,130	2,528	2,570	2,965	2,797	3,133
Demand	3,567	2,230	1,885	3,250	2,730	3,900
Stock (million barrels)	(−39.3)	(+28.0)	(+13.0)	(−26.2)		(−69.07)
Stock end quarter (million barrels)	102.1	130.1	193.1	166.9		97.9

[1] Includes net unfinished oil.

We are projecting an increase in demand of 6.2% over the comparable period of the year before—with distillate demand averaging 3,571,000 b/d for the entire heating season. The increase is about in line with the increase in the last heating season after adjustment for degree day differential.[1]

The stock levels in Table II are the balancing items in our projection. The 97.9 million barrels figure shown for the end of the heating season will be equal to about 25 days of 1st quarter demand. This would be the lowest ratio in more than a decade. Thus, the stock levels shown in Table II do not assure adequate supplies in the 1st quarter of 1974. On the other hand, these stock levels would probably be sufficient to minimize a shortage. The question is therefore whether it is likely that the supply projections in Table II will be attained and the demand projections not exceeded. As is shown in the following paragraphs, this is by no means certain. In the absence of specific government actions it may even be considered unlikely.

(1) In the past the industry has estimated the maximum sustained utilization of refining capacity at 92%. This rate has been used in our projection. Currently U.S. refineries are running at a higher rate. In a major attempt to resolve the gasoline shortage refineries during the past several weeks have been operating in excess of 95% of capacity.[2] It is not known how long the industry can continue to operate at this rate. Several refineries that should have come down for normal maintenance were not shut down this summer. Last year the industry experienced several breakdowns. It is conceivable that the stress placed on refineries this summer due to the high operating rates and the higher average sulfur content of imported crudes could result in additional unscheduled downtime during the next eight months.

(2) We have assumed that the '73–'74 winter will be normal. If it turns out to be only 3% colder, demand would increase by more than 75,000 b/d—and stocks at the end of the 1st quarter would be drawn down by an additional 14 million barrels. To make up this shortfall refineries would have to operate at a sustained crude throughput rate of 95%. Since this is unlikely, a heating oil shortage during the first quarter would probably develop.

HEATING SEASON DEMAND—PAD I–IV

	Thousand barrels per day	Stocks end 1st quarter (million barrels)
A. Normal winter	3,571	97.9
B. 3 percent colder	3,648	83.9

(3) Even if the weather is normal, our demand projection in Table II could prove conservative. This is due to the uncertainty surrounding the extent of the *natural gas shortage* this winter—and the effect it will have on distillate heating oil demand. Firm gas curtailments[3] last winter (November-March) totaled 565.6 billion cu ft. Based in part on data presented by the Federal Power Commission to the Cost of Living Council it can be projected that approximately 27% of this shortfall was replaced by distillate fuel oil—the equivalent of 26 million barrels. Given an FPC projection of a firm gas shortfall of 670.2 billion cu ft for this winter the equivalent distillate requirement would amount to 31 million barrels as illustrated on the following page.

FIRM GAS CURTAILMENTS, WINTER (NOVEMBER–MARCH)

	1972–73 billion ft[3]	Million barrels	1973–74 billion ft[3]	Million barrels
Met by:				
Distillate	152.7	26	181.0	31
Residual	260.2	41	308.3	49
Other fuels and unmet demand	152.7		180.9	
Total	565.6		670.2	

A large portion of the shortfall last year was met either by other fuels or remained unmet. If customers this winter attempt to have all their needs met and other fuels are not available, distillate demand could be considerably higher than projected, as a result of the firm gas shortfall.

In addition, there is virtually no information on the volume of distillate and residual fuel oil consumed as a result of gas curtailments to interruptible users.

(4) Another problem this winter not generally encountered in the past is that *secondary stocks are currently very low*, relative to primary stocks,[4] and will likely remain so into the heating season. This would affect our estimate of a minimum safe working inventory of primary stocks, since it assumes a normal relationship between secondary and primary stocks.

A survey of the expected stock levels of most East Coast independent terminal operators indicates that they expect to go into the heating season with inventories some 9 million barrels below what they consider normal—about 70% of physical storage capacity.

STOCKS OF INDEPENDENT TERMINAL OPERATORS—DISTRICT 1

[In millions of barrels]

	Sept. 30		
Expected L level	Desired level	Shortfall	Capacity
3.5	12.05	8.55	17.5

On September 30, 1972 the combined stock levels of this group was 8 million barrels which was then considered insufficient for a normal winter. This projected shortfall in stocks is serious since the independent terminal operators account for approximately 25% of District I distillate fuel oil sales (and 40% of New England's sales). In a number of markets distribution facilities are predominantly controlled by Independents. If these marketers are short of oil their customers will be, too, even if the overall level of primary stocks appears adequate. It is for this reason that mandatory governmental allocation of available supplies are required. In the absence of such allocation there is a considerable possibility of sporadic shortages next winter.

(5) Table II projects an *import level of 500,000 b/d* during the six month winter period and while 531,000 b/d did come in during the 1st quarter of 1973, it is likely that a portion of that volume had been stored offshore in expectation that restrictions on imports would be relaxed. Furthermore, European distillate stocks were unusually high last February as a result of a very mild winter. Thus, the record imports of the first quarter are no indication that this level can be maintained throughout next winter.

(6) Another factor which could well impede imports of distillate fuel oil is the statutory *sulfur content* of this product. In a growing number of markets in the Northeast air pollution regulations require a maximum sulfur level of 0.3 or 0.2 percent for distillate heating oil. Next October sulfur levels will be lowered in Philadelphia and both counties of Long Island. U.S. supplies can generally meet the lower sulfur levels without difficulty. However, foreign distillate heating oil—particularly European products—cannot. Most European product has a sulfur level of 0.5% or slightly more. In the first quarter of this year the U.S. brought in 200,000 b/d of distillate from Europe and other Eastern Hemisphere sources of which only about 25% had a sulfur below 0.5%. This winter our demand for this type of product will be significantly higher while Europe's supply will be lower since low-sulfur African crude oil shipments to Europe are on the decline while high-sulfur Middle East shipments are rising, as the following table shows.

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[1] The 1972/73 season was colder than the previous one.

[2] Crude runs to refinery capacity excludes NGL's etc.

[3] Excludes gas curtailments for interruptible gas users.

[4] Primary stocks are those carried by refiners and pipelines. Only primary stocks are reported to the API and are the basis for inventory calculations both by the API and the Bureau of Mines. Stock figure in Table II are primary stocks.

WESTERN EUROPEAN CRUDE OIL IMPORTS

[In million barrels]

	African	Middle East
1970	1,665	2,072
1971	1,415	2,494
1972	1,332	2,950

If the U.S. is to import 500,000 b/d of distillate oil, in excess of 200,000 b/d will have to come from Eastern Hemisphere sources (primarily Western Europe). This can only be accomplished if the sulfur levels of imported distillate could be temporarily raised by means of legal waivers to about 0:5–0.7% in areas where statutory limitations require a lower sulfur content. Since about ⅔ of East Coast distillate supplies will be of domestic origin and, hence, can probably meet the more stringent sulfur level requirements a waiver on the sulfur levels of imports would not significantly increase air pollution.

(7) Another way to increase distillate imports would be to temporarily *relax statutory sulfur levels of residual fuel oil*. The entire increase in residual fuel oil imports into PAD I during the next heating season—about 125,000–130,000 b/d—will be in the sulfur level category of 0.5% and less.

This type of residual fuel oil is qualitatively very close to distillate fuel oil. Most of it is made in Caribbean export refineries from a mixture of 65–75% low-sulfur African crude and 25–35% Venezuelan or other high-sulfur crude. In the second half of last year 450–500,000 b/d of low-sulfur crude oil was imported into the Caribbean for this purpose. This year the volume of this crude oil required to meet East Coast low-sulfur residual fuel oil demand is likely to be 150–200,000 b/d higher, according to industry estimates.

If residual fuel oil sulfur levels in all East Coast areas where the statutory limit is below 1% could be raised to 1% for the heating season, this would permit the importation into the U.S. of significant volumes of distillate heating oil which otherwise would go into the production of low-sulfur residual fuel oil. While it is difficult to determine the magnitude of this volume, a rough estimate would be 100,000 b/d.

The raising of residual fuel oil sulfur levels in the U.S. would also permit the substitution of high-sulfur Middle East crude for low-sulfur African crude in Caribbean refineries, with the result that some of the freed low-sulfur crude could be imported into the U.S. In this connection, the National Petroleum Refiners Association has estimated that 350,000 b/d of U.S. refining capacity is idle because of inability to obtain low-sulfur crude oil, the only usable feedstock for certain domestic refineries. If this capacity could be activated it would yield up to 95,000 b/d of distillate fuel oil.

(8) The *substantial current price differential between imported distillate oil and domestic contract cargo supplies* could also impede maximization of imports.

Historically, imported distillate fuel oil has generally been lower priced than the domestic product. This relationship prevailed until the late fall of 1972. At the beginning of last year's heating season, the landed price of distillate heating oil (ex-duty) ranged from 9.0¢ to 9.5¢/gallon, while the domestic cargo contract price stood at 10.9¢/gallon.

Since last December this relationship has drastically changed. The landed price of the foreign product ranges currently from 21.5¢ to 23.5¢/gallon, while the domestic contract cargo price is 12¢/gallon. Thus, the imported product is now nearly twice as expensive as the domestic product purchased under contract.

Under these circumstances marketers with substantial deficits between contractual supplies and total requirements are reluctant to import distillate fuel oil, since this would render them uncompetitive with marketers able to draw primarily on domestic supplies, such as integrated refiners and their contract customers. The current relatively low level of imports is evidence of this reluctance. More foreign oil could be imported than is actually the case. But despite inadequate inventories, independent cargo buyers are fearful of bringing in a product whose landed cost approaches the prevailing retail price to ultimate consumers.

Permission by the Cost of Living Council to average the cost of foreign and domestic supplies in the determination of resale prices does not significantly alleviate the problem for marketers with a preponderance of import requirements.

In an uncontrolled market prices would tend to rise to the level of imports. Under the existing system of controlled domestic prices this is of course not possible. Thus, the attempt to protect the consumer from price increases may aggravate the shortage, unless a way can be found to distribute the higher cost of imports more evenly among all marketers than is presently the case.

APPENDIX

1972—DISTILLATE FUEL OIL DEMAND

[Thousand barrels per day]

	Quarter—				
	1st	2d	3d	4th	Year
District:					
I	2,040	1,088	736	1,735	1,396
II	1,112	741	623	1,049	883
III	281	238	321	280	278
IV	68	80	83	96	84
I–IV	3,501	2,147	1,763	3,160	2,641

EXHIBIT 4

[From the Oil Daily, July 27, 1973]

GASOLINE DEALERS FACE PRICE SQUEEZE: NEW RULING BARS AUTOMATIC INCREASE

WASHINGTON.—Gasoline dealer representatives have been jolted by an interpretation from the Cost of Living Council on the Phase IV proposed oil price regulations which they say would bar any automatic increase in their pump postings after Aug. 12 for increased prices to them from their suppliers.

Charles Binsted, National Congress of Petroleum Retailers, said this interpretation was given to the dealers by an attorney, Mary Jane Reynolds, in the Cost of Living Council's counsel's office earlier this week.

COULDN'T BELIEVE IT

"At first I couldn't believe it," he said, "but she said that is exactly what the regulations propose."

Miss Reynolds, Binsted said, had told him that the virtual "freeze" on station prices, even if suppliers' prices rose, was inspired by the White House staff who, he quoted her as saying, "believe that station prices are the most visible to the public and must be held down."

She pointed out that section 150.358(A) of the proposed oil price rules clearly states that the ceiling retail price of diesel fuel, heating oil and gasoline for any station "is the actual price paid by the seller for the product sold at that location on Aug. 12, 1973, plus the actual mark-up applied by the seller at that location on Jan. 10, 1973, to the cost of the same product."

PASS-THROUGH

There is no provision, she pointed out, for automatic pass-through by dealers of higher prices charged dealers after Aug. 12.

The only upward price adjustment that the price rules permit dealers—usually unbranded dealers—to make is for higher-cost foreign gasoline they import with tickets from the Oil Import Appeals Board. In such cases, they can weight the average of their domestic and foreign product and then add their actual cents-per-gallon mark-up as of Jan. 10, 1973.

Miss Reynolds, Binsted noted, said that the Cost of Living Council would hope that since station prices cannot automatically be raised, if suppliers' or jobbers' prices to stations are raised, suppliers or jobbers will be deterred from raising prices to their station customers.

"WE CAN'T BELIEVE IT"

"This is driving us right up the wall," Binsted said. "We can't believe it. But, that's what she said."

Pressed for an explanation of how dealers could appeal for higher price postings after Aug. 12, if suppliers prices to dealers were increased, Binsted said Miss Reynolds explained that one provision of the general price regulations for Phase IV provides for "periodic" checks by agents of the Internal Revenue Service and implied some adjustments might be permitted after such checks.

Binsted said the dealers in many areas where there were price wars in January this year are also put at a great disadvantage because their margins then were depressed but now the price rules proposed by the government would freeze them at those margins.

He said this was unfair and would also have to be changed.

MORE DETAILS SOUGHT

Binsted said that some 300 dealers and their representatives attended a panel hearing with CLC here Tuesday sought by the dealers for more details on the proposed oil price rules.

But, the higher-price pass-through issue was not raised then, because the dealers were unaware of that issue.

The dealers have been on Capitol Hill pleading for relief and have pressed their case with GOP house leader Ford, Mich., and others—including Sen. Hart, D-Mich., Congressman Conte, R-Mass., and a number of others. It is uncertain yet what the congressmen or senators can do for the dealers, however, if the CLC stands firm.

[From the Washington Post, July 31, 1973]

UNITED STATES WEIGHS SHIFT ON OIL ALLOCATION

(By Peggy Simpson)

John A. Love, White House energy chief, said yesterday that oil company compliance with the voluntary petroleum program has deteriorated noticeably in the past three weeks.

Love said he hopes to announce a decision this week on whether the program will be replaced with a mandatory system.

Love, former governor of Colorado and now director of the President's energy policy office, told a House Banking subcommittee that no decision on a mandatory program has been made yet.

"There has been a noticeable deterioration in the compliance of most oil companies in the past two or three weeks," he said. "Some companies have given formal notice that they do not intend to comply further with the voluntary petroleum allocation program."

Since mid-June hearings which revealed that some companies were not complying with the guidelines, Love said that several major oil companies have notified his office they can no longer comply.

He said companies such as Sunoco, Phillips, Cities Service and Gulf had delayed plans to withdraw from various marketing areas in order to comply with the various allocation plans.

But he said, they have recently notified him, "they will continue to withdraw unless mandatory provisions are imposed."

Of the 2,646 cases of fuel shortages the energy office is reviewing, 17 pertain to mass transit.

He said active cases are increasing at the rate of 235 a week. The complaints are divided into three broad areas—marketers without ample supplies of gasoline, purchasers of bulk wholesale quantities who are complaining about price increases and agricultural producers.

Love said he is still weighing the options now open including retaining a revised voluntary allocation program, adopting a half mandatory and half voluntary program or adopting a fully mandatory system for all of the industry.

In answer to questions he said he did not believe the oil companies had conspired to restrict supplies or raise prices.

"I am convinced the dimensions of the energy problem far exceed anything the oil companies did or did not do," Love said, and added that the problems stem partly from a growing consumer consumption and a fall-off of energy production.

"If people see the problem as some sort of plot they will fail to see the real dimensions of the energy situation," Love said.

He said even if the Alaska oil pipeline is built, he doubts that oil imports can be reduced because the demand is growing so strongly.

HILL PUSH GROWS FOR ALLOCATION; LOVE PROMISES DECISION SHORTLY

(By Jim Collins)

WASHINGTON.—A congressional, and administration, showdown on whether mandatory controls should be imposed on allocations of crude oil to refiners and products to marketers and consumers was clearly in sight at the weekend.

Sen. Jackson, D-Wash., who pushed through detailed mandatory, oil allocation legislation more than a month ago was growing increasingly impatient at the weekend with what he considered "foot-dragging" by the White House on this issue.

Jackson, it was learned, was planning to attach the substance of the mandatory allocation in S–1570—passed overwhelmingly by the Senate June 5—as an amendment to a House-passed bill which is now before the Senate.

QUICK ACTION SEEN

If he succeeded in this, approval after conference of the oil allocation plan in such a bill, would write it into law quickly.

Jackson pressed Nixon energy advisor John Love at a hearing Thursday on promulgation by the administration of a mandatory program quickly, under authority the President already possesses in the Economic Control Extension Law.

The Washington-state senator may also have his eyes on efforts by a potential Democratic rival for the White House in 1976—Sen. Edward Kennedy, D-Mass., who chaired a hearing Friday before the Senate antitrust subcommittee to press Love and other administration officials on a mandatory oil allocation program.

MAY NOT BE TOTAL

Love told Kennedy that he expects to issue a program "the first of the week"— but there was no positive assurance on Friday it would be a totally mandatory system.

Love said he had only been on the job full-time for 10 days and he wants to make sure that the allocation system finally promulgated does not make the situation worse on oil supplies and distribution.

Kennedy cited problems New England fuel oil dealers are having filling storage for next winter. He said they have only about 350,000 barrels now but need about two million barrels to meet anticipated winter demands.

MALDISTRIBUTION

Love agreed there are problems facing the independent fuel oil dealers, but he pointed out stocks "overall" on the East Coast appear to be in good shape. He said the independents' stock shortages were the result of "maldistribution."

Love said that what he is aiming at is improving supplies to the extent possible, as quickly as possible.

He said there are "debottlenecking" steps that can be taken at refineries to increase output, and that an effort will be made to get independent refiners more crude oil.

SAFETY VALVE MEASURE

Love said the administration is also examining possible steps to increase imports of finished products, which he said would be the safety valve possibly available to meet requirements, after all refining capacity that can be used is supplied with the feedstocks available in the U.S.

The former Colorado governor said that when he was the chief executive here before resigning recently to come to the White House he had imposed an allocation system based on 1972 distribution patterns—but that did not accommodate any growth in demands, and growth has been rapid this year.

He said priority requirements of petroleum products are also an important element of any allocation program adopted, and "everyone thinks he is a priority consumer."

RESHUFFLING SUPPLIES

But Love warned that an allocation program cannot increase supplies, all it can do is reshuffle available supplies among competing consumers.

Love said he is also in touch with the Cost of Living Council to make sure that oil price rules proposed by that agency do not get in the way of increasing supplies, or create distribution problems.

He said short-term relief on the fuel oil situation might also be achieved by modifying fuel-sulfur rules, particularly for electric utilities, and this is being closely studied at the White House.

PROBLEMS IN CALIFORNIA

Love said his main hope and purpose is to avoid a consumer rationing program. He pointed out that Sen. Tunney, D-Calif. (a close friend of Kennedy's) had warned that if gasoline rationing were imposed in Los Angeles the government "would have to call out the National Guard to enforce it."

William Simon, another witness Friday before Kennedy, provided the most definitive statements at the hearing.

Simon outlined the background of the shortage of petroleum products, particularly gasoline, and the problems faced by independent refiners, distributors and dealers.

INDEPENDENTS VITAL

He said the independents "have had a healthy influence on the petroleum industry" making it possible for consumers to buy gasoline at lower prices.

And, he said the gasoline shortage has hit the independents the "hardest," with independent refiners no longer able to obtain adequate crude supplies.

Simon said that hundreds of independent gasoline stations have been closed down across the country and those that can buy foreign gasoline find it available only at much higher prices, which hurts them competitively.

MAJORS DEFENDED

Simon defended the majors, however, against charges of holding down prices to squeeze the independents.

He took issue with the Federal Trade Commission staff report on the major oil companies which had suggested that in a normal competitive market the cure would be for prices to increase—but the majors had not increased prices in order to "eradicate the independent market sector."

Simon said that "it is worth pointing out what the major oil companies have been doing in regard to pricing of gasoline is simply following price control regulations. Generally speaking, the price controls during Phase II applied to major companies, but did not affect independents."

FTC COMPLAINT

Simon also asserted that the FTC's complaint against eight major oil companies, which FTC officials say is aimed at a "significant divestiture" of refining and production operations from marketing, "gives me great concern because of its implications for domestic energy supply in the future."

He said antitrust policy was a little out of his line as deputy treasury secretary and chairman of the Oil Policy Committee "but I am most concerned about our nation's petroleum needs and how best to get through the immediate situation facing us."

He said one of the primary problems now is the shortage of refinery capacity, "and I believe that this shortage could be made worse by divestiture."

Simon made these other points:

WIDESPREAD WILLINGNESS

1) There has been "widespread willingness" within the industry to participate "in some form of allocation program."

2) Many companies are "genuinely trying to cooperate, although particular features of the (voluntary) program pose difficulties and, for this reason, different allocation schemes have been adopted by companies.

3) The voluntary program is confronted with "some legal and supply difficulties."

4) Some companies can't fully comply because of prior contracts and others simply do not have enough crude or products to meet base-period requirements.

IMPROVED PLAN NEEDED

5) An "improved" allocation program is needed, "possibly with some mandatory features."

6) The options now available to Love and the administration are (1) retention of a voluntary program with modifications, (2) a partially mandatory-partially voluntary plan, or (3) a fully mandatory program covering all segments of the industry.

Simon said that in considering a mandatory program the objectives would be:

SELF-ADMINISTERING

To make it "self-administering," so far as possible.

Avoid conflicts with existing business practices or contracts.

Develop separate programs for crude oil and products and LPG.

Provide priorities for various essential users of products and LPG.

Pre-empt various state and local allocation plans.

FORCE MAJEURE PROVISIONS

Permit force majeure provisions in contracts to become operative, to end, where necessary, existing contractual obligations.

Avoid "forcing" a supplier to sell crude oil or products "below cost," so it could not be legally challenged as "confiscatory."

And imposition of sanctions for those companies who refuse to comply with a mandatory program, "as well as incentives for those companies agreeing to comply with it."

[From the Oil Daily, July 27, 1973]

LOVE PUSHED FOR ALLOCATION DECISION—MAY COME AT END OF WEEK

WASHINGTON.—Sen. Jackson, D-Wash., chairman of the Senate Interior Committee, Thursday pressed John Love, President Nixon's energy advisor, to issue as quickly as possible a mandatory system of oil allocations.

Love, appearing to talk about establishment of strategic oil reserves in the U.S., said the matter was being given intensive study, and the program might be issued later this week or early next week.

Love said there were serious issues involved which still have to be settled, however, before the program can be issued.

FUEL OIL DEFICIT

Jackson also cited a study of next winter's fuel oil deficit, prepared by John Lichtblau, Petroleum Industry Research Foundation, Inc., who recommended maximizing imports of crude and products with a pass-through of higher prices and easing of sulfur restrictions on fuel oil.

Jackson tossed the ideas at Love for his comment, but he had little to offer.

The senator said he personally favors easing the fuel-oil sulfur controls and hopes this will be given careful study by the administration.

DEALER PRICE PROBLEMS

Jackson also cited price problems service station dealers would have under the proposed Phase IV price control system on petroleum, which he pointed out would hold dealers' margins to those existing on Jan. 10, 1973, which may have been depressed.

Jackson said he had just sent a letter to Cost of Living Council director Dunlop, urging the CLC to reconsider its proposal for a Jan. 10 ceiling for dealers, asserting that "it is urgent that the U.S. maintain a competitive structure in the gasoline marketing industry."

He told Dunlop price competition has all but disappeared since gasoline supplies have tightened and the independent marketers' source of supply "have been cut in half."

NEED FOR RELIEF

He also told Dunlop the marketers which deserve some relief and not further government regulation will have the effect of driving many out of business and reducing competition.

He asked Dunlop to send him a full report on the CLC's rationale regarding dealer margins and "permissible cost pass-throughs" by July 31.

He told Dunlop that hearings on this and related questions may be held by the Interior Committee next week.

Jackson said he had conferred with station dealer representatives Wednesday about their problems—but he did not mention one of the prime beefs right now, which is that they apparently would be frozen at their Aug. 12 prices, plus margins, for purchases from suppliers, even though suppliers' prices to them rose after Aug. 12.

Mr. MOSS. Mr. President, I firmly support this amendment even though it does not go as far as I would like to see it go. When the Senate passed S. 1570, an amendment which I offered to protect independent dealers and branded dealers from the predatory practices of their suppliers, was added by the Senate. This amendment would have provided for the protection against arbitrary termination and cancellation of franchises for the branded people, and would have prohibited discriminatory practices in dealings with the independents.

No comprehensive petroleum industry plan is going to work until each member in the distribution chain is adequately protected from the discriminatory practices of his suppliers.

But, since it is the intent of the amendment which we currently offer to act solely as an interim measure, I can well understand the need to make the mandatory allocation amendment as clean and concise as possible in order to gain swift House concurrence. I would think it would be a great tragedy if we were to adjourn this weekend, some 3 months into the gasoline shortage, without Congress taking the necessary step to protect the American people through allocation of petroleum product supplies.

At least, should the House act on S. 1570 before adjournment this fall, adequate protection would exist so that our winter fuel oil shortage and next spring's gasoline shortages will be manageable and the burdens minimum.

Mr. President, I join with the Senators from Washington in moving the adoption of the mandatory allocation amendment.

Mr. MAGNUSON. Mr. President, last week, the voluntary petroleum allocation program, resolved 259 cases. That sounds fine. But last week, the voluntary petroleum allocation program received 319 new, active incidents of fuel shortages. While some might consider the 34-percent success rate in resolving cases as a bright note in this voluntary program, I consider the 66-percent failure rate as a sad commentary on the voluntary program and as a call for mandatory allocation now.

I do not know how long the current energy czar, John Love, is going to wait to implement a mandatory program. He has been around now for about a month. Since the tenure of several other White House energy czars has not been much longer than 1 month, we will probably have a change in leadership before a mandatory program is ever implemented.

It is somewhat ironic that the State worst hit by gasoline shortages is the State of Colorado, the State that John Love left 1 month ago to become energy czar. According to the Office of Oil and Gas, most Denver service stations open early in the morning and sell their day's quota by noon. This results in the unavailability of gasoline for motorists in the afternoon and evening. It is reported that one-quarter of Denver's gas stations have closed down completely. The Yellow Cab Co. in Denver, which transports some 7,000 passengers a day, will have to close down in a few days since their supplier has told them that they would only have 1 more week's gasoline available.

And out on the west coast, out our way, with our reservoirs down, the problem of blackouts exists, as we may not have enough hydroelectric power. The utilities, threatened with natural gas shutoffs, are going to have to use fuel oil to power generators this winter. It was reported last week that one large utility is going to burn crude oil in order to avoid depending upon refineries for manufactured fuel oil.

The whole attitude has been "'every man for himself." That is wrong. If we are going to have to pull through this together, let us get together and pull. Let us stop this silly voluntary plan in which there is no enforcement and an excessive failure rate, and get on with a mandatory program petroleum allocation.

Mr. McCLURE. Mr. President, I am very pleased to rise in support of H.R. 5777 and urge its passage. I commend the senior Senator from Indiana for his introduction of the measure in the Senate and commend the members of the Commerce Committee for reporting this bill favorably. Protection for America's hobbyist is long overdue. I have heard from one hobbyist after another about the problem of unmarked coin replicas and several numismatic publications have editorially cried out for quick congressional action to curtail one of the numismatic hobby's biggest problems—the traffic and distribution of deceptive fakes and replicas of both United States and foreign coins.

I am proud to be a cosponsor of this bill for, while a Member of the House of Representatives I introduced similar legislation to protect coin collectors against misrepresentation of rare coin reproductions. H.R. 5777 clearly accomplishes this aim by requiring any imitation numismatic item to be plainly and permanently marked "copy." Collectors have had a problem with replicas purchased in a package, and only the package indicating that the coins were imitations. When the coin is removed it is not possible to distinguish it from the original, and some fraud has occurred, because the coin itself was not clearly marked as a copy.

Chester Krause, publisher of the Numismatic News Weekly, in a statement before the committee on February 28, stated the problem clearly when he said that—

> The problem of the numismatists is that obsolete monetary issues from throughout the world, and the American colonial period, are not subject to counterfeit laws. Neither are trade, token or commemorative medal issues, nor obsolete paper money obligations circulated in 19th century America by private firms and banks, all of which fall within the numismatic realm.

Mr. President, passage of this bill would not only plug a loophole in the law and prevent fraud upon the unwary coin collector, but, more important, preserve the integrity of the coin-collecting hobby.

Now, Mr. President, I commend the Senator from Washington for bringing this much needed measure to the floor at this time and in this form.

Certainly, the question of mandatory allocation of supplies is a controversial matter. I do not think any of us welcome the idea that Government must somehow interfere in the usual market distribution in this way. It is with reluctance that many of us have come to the point of accepting the need for mandatory allocations of supplies.

I have said this so often, I hesitate to repeat it. Mandatory allocation does not increase supplies. It really distributes the shortages in a way which may be more equitable for all segments of our society. So I think there is a need for this kind of program.

The voluntary restraints have not worked as well as we had hoped they might, and they have not worked for a number of reasons. One major reason may be that there are antitrust constraints upon the companies that distribute supplies, and they find it difficult to consult together in order to make allocations. So they need legislation of this kind to assist them in making allocations and to be able to sit down with the Government planners who will allow the kind of rational allocations that they otherwise could not make.

The second major reason is that they

have contract commitments which they find difficult to break. I know that some of the energy companies have indicated that they are reluctant and that their legal departments have indicated to them that there is a legal hazard to them to divert supplies from contracts they have signed in order to relieve shortages which they recognize exist.

I know and I have been critical of a number of the attempts that have been made to allocate supplies. I know that some areas of our country are short of supply. It is my firm belief that unless we have some allocations of a mandatory nature, those shortages will continue to plague some areas of our country.

I have been challenged upon a number of occasions to prove there was a shortage to the agricultural economy in my area of the country. I can prove it. I had a staff man today talking to a number of distributors and farmers in my State with respect to whether or not they were actually short of supplies. It occurs in two ways. A farmer told me he has been out of gasoline twice in the last 2 weeks for 2 days each time. Another farmer said he was not short; he simply goes out to his hay baler and gets gasoline, gets another supply, and goes back to the baler. He does it, because he cannot get a delivery to his farm, and the reason he cannot is that he had last year a source of supply from a supplier now out of business, because the distributor cannot get supplies.

So there are these shortages that are plaguing the agricultural economy of our country and it requires the kind of allocation this proposal has.

With respect to the FTC report, I have been critical of the FTC, and I do not necessarily buy all the conclusions and innuendoes in the FTC staff report. But I do think it requires a look at it, and despite that fact, whether I agree with the staff report or not charging collusion and monopoly practices in the industry, the shortages do exist and as they do exist, regardless of the reason, they must be dealt with. That is another reason why the mandatory program is necessary.

Mr. President, I have one question for the Senator from Washington with respect to the priorities of allocation. On the third page of the amendment, starting at line 5 and going through line 4 of the next page it lists a number of considerations in the allocation of fuel supplies. I take it from the fact that agriculture and some others are mentioned in the third listing, that this is not intended as a numerical listing of priorities. Is that correct?

Mr. JACKSON. The Senator is correct. They are not listed in the order of priorities. It is an attempt to state objectives and to identify specific problems we know that affect in a substantial way the public.

Mr. McCLURE. In the past we have indicated there were priorities such as agriculture and transportation, being fundamental to the food supply, as No. 1 priorities, in a quota sense.

Mr. JACKSON. I would say to the Senator that this legislation is being offered in a context of growing food shortages. It is offered in full recognition of all the problems that we are keenly aware of in connection with shortages that have occurred, especially those concerning petroleum supplies on the farm. Therefore, as far as agriculture is concerned, it is obvious to me that in the listing of agriculture as an objective and as a priority the administrator will certainly want to focus very sharply on that aspect of our economy.

Mr. McCLURE. I am certain that is my understanding from the discussions I have had with Governor Love and others within the administration. I know without any question they share that sense of urgency with regard to the agriculture and transportation segments of the industry, and, in general, some of the other problems outlined in the amendment. But I think the record should show we do not intend that we take these in numerical priorities as items we are urging. They are items that demand attention in any allocation. I share that thought with the Senator from Washington.

I know too, while Governor Love stated publicly on a number of occasions he is opposed to mandatory allocations, the administration shares the urgency and they are trying to develop a rational program for meeting the petroleum requirements of industry and various segments of our society. I do not think this amendment now being offered is in conflict with the goals they have stated and upon which I know they are working.

Governor Love was before the Senator's committee this morning, the Committee on Government Operations, talking about a different matter, the proposed reorganization of government in the Department of Energy and Natural Resources. But it was striking that the majority of the discussion among Senators and the majority of questions with respect to the very broad question of governmental reorganization dealt with this problem of energy resources and allocation of supplies in the country today.

It is a very serious problem. For that reason I am pleased to join with the Senator from Washington in sponsoring this amendment. I commend him for bringing it up in this session.

(At this point Mr. BARTLETT assumed the chair.)

Mr. JACKSON. I thank the Senator. I do want to say there have been honest differences of opinion about voluntary versus mandatory allocation programs. This is understandable. I do not think any of us like the phraseology "mandatory." It sounds compulsory. I find, however, that some of the people in the White House and in the administration who previously opposed a mandatory approach are now thinking that we must go the mandatory route, because the voluntary approach is not working.

The article to which I referred quoting Governor Love I think brings home the problem facing Governor Love—the voluntary approach is simply not working.

I do not know Governor Love's private position on this, therefore, I shall not comment. I have an idea what it is, but I will reserve comment on it. However, other high officials in the administration want to move on a mandatory program. I think they recognize there are two major problems: One, there is the problem of sanctity of contracts. For the benefit of the Senate, I ask unanimous consent to have printed in the RECORD page 7 of the committee report on S. 1570 which passed the Senate last month. The report states the six reasons why a voluntary program would not work and why a mandatory program is necessary.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

REPORT ON S. 1570

A mandatory program is necessary on the following grounds:

(1) *Compliance.* Adherence to a voluntary program is certain to be uneven and to be limited by its cost or inconvenience to individual companies. The more serious fuel shortages become, the greater the possible gains to a particular producer or refiner from non-compliance.

(2) *Equity.* A voluntary allocation program penalizes cooperators and favors non-cooperators. Its cost will be greatest to the most public-spirited (or public relations-sensitive) firms.

(3) *Coverage.* A voluntary allocation program is unlikely to provide an equitable geographic distribution. Both the structure of distribution and the allocation policies of States that are self-sufficient in petroleum will tend to exacerbate regional imbalances unless Federal allocation policies are binding upon producers and refiners.

(4) *Credibility.* An allocation program that depends for its implementation upon the private decisions of the major oil companies, and which is adhered to selectively according to their respective convenience, will not generate maximum public confidence, but will exacerbate the inevitable public resentment over whatever distribution of shortages results from the program.

(5) *Competition.* Under a "voluntary" program, if it is to be effective, producers and refiners must be encouraged to cooperate or coordinate their policies in ways that are ordinarily proscribed in the antitrust laws. The Administration proposals released this month, for example, permit and possibly require if they are to be effective, the allocation of customers and market areas among refiners, and permit the major integrated firms to fix prices on crude oil sales by independents, by keying the latter to "posted" field prices. The encouragement of such practices, however temporary, would undoubtedly have some lasting effect upon market structure and upon competition.

(6) *Lawfulness.* In numerous decisions, the Federal courts have established the principle that encouragement by a Federal administrative or regulatory agency of a proscribed form of market structure or of proscribed economic behavior does not create either civil or criminal immunity from the antitrust laws. To the extent that any voluntary allocation program encourages actions such as market sharing or price fixing that are otherwise illegal, it exposes both the cooperating companies and the program itself to lawsuits.

Mr. JACKSON. The other problem, as my colleague knows, relates to antitrust problems. We have not covered antitrust issues in this amendment. It was an emergency move. It is my hope that when we pass this amendment the House will accept it before the recess and then proceed in September with S. 1570 which is pending in the Committee on Commerce in the House. I have been informed that the committee intends to act on that legislation after the recess. In the meantime, during the August recess the country faces some very bad situations without this amendment. It is for those reasons that I have introduced this amendment to this bill. I think there are reasonable grounds to believe that the House will accept the amendment and that it can be placed on the President's desk for signature.

Mr. McCLURE. I wish to add that certainly no one would understand that a mandatory allocation program solves any of the short-range or intermediate-range or long-range problems of energy supplies. But it is one of the moves we will have to take necessarily, because of the national crisis in which we find ourselves, that will unjustifiably and inequitably destroy individuals as well as cause distortions in the economy, and which could be avoided in the very short term by a mandatory program.

Mr. JACKSON. It is the lesser of evils.

Mr. McCLURE. I agree with the Senator.

Mr. JACKSON. Anytime one has to deal with shortages it is an unpleasant task. The biggest problem we face is how to solve the problem of shortages in a very complicated industry, the oil industry.

How do we move crude oil and petroleum products from one area of the country to the other when they are subject to a myriad of contracts? This raises all sorts of legal problems for the administration, the industry, and for the independent operator. That is one of the problems we are trying to handle in this amendment. I think we have experimented long enough on a voluntary approach. Governor Love has conceded the problems. Obviously it has not worked. In his hometown of Denver, Colo., there is a classic crisis in which they are having a continuous series of problems by reason of a lack of adequate distribution of petroleum products.

Mr. President, I ask unanimous consent that the distinguished junior Senator from Delaware (Mr. BIDEN) may be added as a cosponsor of the amendment.

The PRESIDING OFFICER (Mr. DOMENICI). Without objection, it is so ordered.

Mr. McCLURE. I thank the Senator from Utah for yielding me this time.

Mr. HANSEN. Mr. President, will the Senator yield?

Mr. MOSS. I am happy to yield to the Senator from Wyoming.

Mr. HANSEN. Mr. President, are we on a time limitation?

The PRESIDING OFFICER. No, we are not.

Mr. BARTLETT. Mr. President, will the Senator yield?

Mr. MOSS. I am glad to yield to the Senator from Oklahoma.

Mr. BARTLETT. I would like to ask a few questions of the Senator from Washington. First, is this proposal similar to or identical with the proposal he introduced sometime ago as a fuel allocation bill?

Mr. JACKSON. I am sorry. I was distracted for a moment.

Mr. BARTLETT. The question is, Is this proposal identical with or similar to the proposal that was adopted by this Chamber earlier this year, sponsored by the Senator from Washington?

Mr. JACKSON. It is similar to it in that it is a stripped-down version of S. 1570. S. 1570, as adopted had a number of floor amendments that were not directly related to mandatory allocations and, second, S. 1570 did cover the antitrust problem. The amendment I propose today does not cover the antitrust situation, the reason being that the Members on the House side are now holding hearings on S. 1570, which includes the antitrust matter, and they want more time to consider the matter. Therefore, the amendment I have offered is an effort to try to measure up to what they would agree to on a concurring basis without requiring further hearings in the House or a conference. I would like the House to concur in and accept this amendment.

Mr. BARTLETT. I would like to ask the distinguished Senator from Washington and our distinguished chairman a further question. Does this amendent provide for abrogation of contracts, as did the other proposal?

Mr. JACKSON. It covers abrogation of contracts. When I say "stripped-down," what we have done in order to achieve the basic objectives, other than the antitrust laws, contained in S. 1570, it to delegate the power and direct the President to establish a mandatory program. This is the only way we could do it in a bill reduced to its essentials. So while we have a series of specifics in S. 1570 the bill we passed on June, 1973, and which is pending in the House, we have a broader delegation of authority to the President in the proposed amendment.

Mr. BARTLETT. I would further like to ask the distinguished Senator: Does this amendment give any options to the President, or does this mandate directly a fuel allocation program without any options on his part as to when it might start?

Mr. JACKSON. It requires that there be a mandatory program in effect 25 days after enactment. Within that time the President has broad authority to determine how that mandatory system will work; but it is a mandatory system that becomes effective within 25 days to achieve, of course, the objectives set out, starting—if the Senator has a copy of the amendment there——

Mr. BARTLETT. I do not have it before me. I did not receive one.

Mr. JACKSON. I will see that the Senator has one. I will give him a copy.

Starting on page 3 of the unprinted amendment, he has broad authority, subject to the achievement of the objectives which are set out on line 21, section 103. The specific areas that relate to objectives and I indicate to the Senator from Oklahoma that they are not set out in a priority order. These are objectives they want to achieve and what they should do.

Mr. BARTLETT. Do I understand the distinguished Senator correctly that the allocation program would have to be initiated by the President within 10 days after enactment of this act?

Mr. JACKSON. Yes; that is correct.

Mr. BARTLETT. And that, further, it would cover all crude oil and all refined petroleum products?

Mr. JACKSON. There is written in there—I think the Senator has that—"in amounts based upon historic supply relationships to the extent practicable and equitable." So there is discretionary authority.

Mr. BARTLETT. In other words, the President, then, must within 10 days of the enactment of this act, put into effect a mandatory allocation program for crude oil and refined products under certain conditions of relationships, and so on?

Mr. JACKSON. I wanted to add, if the Senator will look down on line 1, right under that——

Mr. BARTLETT. I see that.

Mr. JACKSON. Such regulation shall take effect not later than 15 days after promulgation. So we are saying, really, that the effective date would be about August 25.

Mr. BARTLETT. Because the distinguished Senator modified an amendment of mine concerning the exemption of stripper production from provisions of the Economic Stabilization Act and from fuel allocation provisions, would be receptive to an amendment to his amendment to that effect, using the language that was offered by the distinguished Senator from Washington in that modification?

Mr. JACKSON. As the Senator knows, I am in sympathy with and support what the Senator is talking about, but if we put that in this amendment, there are other important amendments a number of Senators will wish to put in the bill. The House will then not accept the bill and we will defeat what we are trying to do.

I will assure the Senator that, in connection with the amendment in S. 1081, the so-called Alaska pipeline bill, I shall do everything in conference to see that it is retained. As the Senator may know, I believe the House granted a rule today on the so-called Alaska pipeline bill and it will come up for debate on Thursday. Hopefully, the staffs will be able to work on the differences during the recess, and we should be able to complete the conference the first week we return in September, so that we can get the bill to the President early in September. We will do everything we can to see that the Senator's amendment, as modified, will be in that conference report.

Mr. BARTLETT. Mr. President, I would like to observe to the distinguished Senator from Washington that I think this would be a very appropriate place in that on page 3 we have the language the Senator has already covered in pointing out the mandatory allocation of crude oil. This would cover all crude oil. It would seem that this would be a logical step to follow the point the distinguished Senator made in his opening remarks when he cited the importance to the consumer and to the producer of shortages, that we have reference not only to the consumption of crude oil products, but also of meat products where the price is such a controlling factor.

I believe the distinguished Senator from Washington is aware that there are many in the business of agriculture who consider price to be a very controlling factor, equal to that of supply as far as crude oil is concerned.

As far as the refined products of crude oil are concerned, I would like to ask the distinguished Senator, referring back to his remarks, if an exemption in the case of stripper oil production is not made, might it not very well result in the replacement of that oil by the refined oil and thus result in an increased cost of at least $1 a barrel and result in the plugging of our reserves of crude oil which are in very short supply in this country?

Mr. JACKSON. Mr. President, I am very sympathetic to what the distinguished Senator from Oklahoma has to say. However, the problem before the Senate is not that particular situation. The problem that is facing the Senate is what the House will accept in the way of an amendment to the pending bill.

I have been in touch with Members of the House. I have given my commitment that we would confine the amendment to a stripped-down mandatory bill. They do not want a broad bill on an emergency basis. We should bear in mind that under the procedure in the House—and this is the key and I want my good friend to understand, that the procedures in the House are totally different from those in the Senate in this respect—the procedure would be that in order to concur in a Senate amendment, the mover must get unanimous consent. So, any one Member of the House can object and that will kill the motion to concur in the amendment I am offering.

The only alternative left under the House rules would be for the mover to ask for a rule from the Rules Committee if we start to load this measure down with any amendment. And I have attempted to work with the House committee on this. We would kill the measure if we were to agree to such an amendment. I do not want to take the responsibility for this.

I am fully sympathetic with the position of the Senator, and I have assured him that I will do everything I can to see that the amendment is retained in conference on S. 1081. I do not say that in an idle way. I repeat that his amendment will be considered the first week in September, assuming that the House acts on Thursday and Friday as I understand they will, on the Alaskan pipeline bill.

If this amendment is accepted, we will be back where we started with in S. 1570.

Mr. President, I hope that explains the parliamentary situation.

Mr. BARTLETT. Mr. President, I would like to comment to the distinquished chairman that I think he knows that I have very high regard for his assurance to me personally and as a Senator representing the State of Oklahoma.

I appreciate his interest in this particular area, because it was his modification of my amendment that was almost unanimously accepted.

I think the distinguished chairman knows that in discussions we had in the Committee on Interior and Insular Affairs, I did favor the stripped-down version of the fuel allocations bill. I think the distinguished chairman also knows that I did feel very strongly that one concern with the fuel allocations program, which does not have some exemptions, such as for stripper wells, can become counter-productive, as the Senator cited in making the comparison with crude oil.

In the absence of shortages, there will be a strong inclination to program and prevent any natural increases of prices that are necessary in order to provide a sufficient supply. There has been much talk about shortages, influenced by all of us, including myself. I realize that this proposal is intended to allocate those shortages fairly across the Nation. But I think it is also important for us to be concerned with supply and to have an opportunity, at least, for a small segment of domestic production to have a marketplace function, so that we can provide the independent, small business men, of whom there are still thousands, fortunately, that extra long term to find more oil.

I certainly support the chairman's interest and his proposal for research and development. This is, of course, a longer range approach. Their approaches are shorter range and will deal with the Nation in the immediate future, where there are problems of immediate shortages.

I should like to offer such amendment, and I hope that the distinguished Senator would reach this conclusion. Certainly I recognize that the distinguished Senator is knowledgeable in the area of relationships between the House and the Senate. I have no such knowledge. I would guess and would venture that this amendment, if it proved to be acceptable to the Senate and unacceptable to the House, could be taken out in conference if it were going to be a burden to this particular legislation.

Mr. JACKSON. Mr. President, will the Senator yield?

Mr. BARTLETT. I yield.

Mr. JACKSON. Again, I wish to emphasize the procedural problem. We have no intention of going to conference on this measure. If we go to conference, the amendment is "dead."

The amendment that the Senator referred to, and which is now pending on the House side, is in S. 1081, the bill that we passed by such a wide margin in the Senate. That bill will come up on the floor of the House on Thursday.

The only reason my amendment is being offered to this bill is that we discussed it with the leadership and with the House Committee on Interstate and Foreign Commerce, and they are willing to accept it. If they do not accept it, that will make the effort here in vain. It is that simple.

I should like to have the antitrust amendment from S. 1570 in the pending amendment, but the House Members want more time on the antitrust amendment, which is now pending before the House Committee on Interstate and Foreign Commerce. So we stripped down from the bill we passed, S. 1570 the essentials and incorporated them into an amendment that would be acceptable to the House Members. If they will accept it, then the bill will go directly to the President, hopefully tomorrow. It is a procedural problem we face.

Mr. FANNIN. Mr. President, will the Senator yield for a unanimous-consent request?

Mr. JACKSON. I yield.

Mr. FANNIN. Mr. President, I ask unanimous consent that Mr. David Stang, of the staff of the Committee on Interior and Insular Affairs, be accorded the privilege of the floor during the debate on the bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BARTLETT. Mr. President, first I should say that I understand a little more clearly the expeditious manner in which the Senator from Washington hopes to move with this amendment to the bill.

But let me ask the Senator this question: Is he saying that this stripper well amendment is unacceptable to the House, or that he does not know whether it is acceptable or not?

Mr. JACKSON. I cannot answer that. I have an understanding that they do not want to go beyond the language contained in the amendment that I have offered. We had a lot of other things in S. 1570, as the Senator knows. A number of other Senators offered amendments that were adopted.

One amendment that is very important, which I had hoped they would go along with, deals with the antitrust problem in connection with allocations. The House wants more time to study and to offer amendments. So I did not include that provision in this particular amendment.

This amendment contains what they would be willing to concur in. We are trying to avoid going to a conference. We are trying to avoid delay. We are trying to make it possible, before we leave for the August recess, for the President to have in his hands the tools to implement a mandatory allocation program.

Without this legislation, the President cannot, under existing law, force movement of oil from areas of surplus to areas of scarcity. He cannot abrogate contracts. This amendment makes it possible to preempt the right to contract if necessary, just as the mandatory allocation that passed the Senate last month provided.

This is why the voluntary program is collapsing.

Mr. PASTORE. Mr. President, will the Senator yield? Do I understand it is also to give the President authority to fix prices?

Mr. JACKSON. No, we do not give him that authority. He has that authority now under the Economic Stabilization Act.

Mr. McCLURE. Mr. President, who has the floor?

The PRESIDING OFFICER. The Senator from Oklahoma has the floor.

Mr. BARTLETT. I yield to the Senator from Idaho.

Mr. McCLURE. Mr. President, my understanding of the situation is that there is the bill pending in conference between the House and the Senate. That is already there. The bill we acted on earlier will require a conference. There is no possibility of having that done before we leave; the only possibility we have is to do something relatively simple, that has the possibility of getting passed before the end of this week and being sent to the President.

My understanding is that that other bill could be solved in conference as rapidly as this one could be solved in conference, and I wonder if the Senator from Washington might not agree with the statement that to go to conference on this one would consume as much time as going to conference on the other bill.

I would also assume that if we pass this legislation now, and it is signed into law, and then later on we go to conference on S. 1570 and that becomes law, those more comprehensive provisions of the bill we have already passed would supersede this action. Is that correct?

Mr. JACKSON. The Senator is correct.

Mr. McCLURE. So this is temporary?

Mr. JACKSON. This is an interim, emergency measure to try to deal with a special problem that is very important and very complicated.

There are two major problems in trying to do equity to the American consumer on petroleum products under the existing circumstances. I want to repeat this: It is fine to talk about equitable distribution of oil throughout the country. The problem arises that major oil companies have contracts with independents and others to provide a certain amount of gasoline and petroleum products to those needing it.

It may well be, and it is at this moment in fact the situation, that certain areas of the country have more supply than they need. In order to take care of areas of shortage, we would have to, in effect, take away from areas of surplus, but under the existing contracts, you cannot take it away. That is the problem. There is no law on the books that gives that authority. That is why the program is voluntary, and that is why the oil companies face a serious problem of lawsuits. This is why the voluntary program is breaking down. Governor Love today, in the article which I have read into the RECORD, pointed out that they are running into real trouble.

The second area relates to antitrust, which we covered in the previous bill, S. 1570.

This is simply an emergency move pending House action on S. 1570 after the recess, at which time I would hope we would pass S. 1507, the comprehensive bill referred to by the Senator from Idaho, which will supersede this temporary emergency measure.

Several Senators addressed the Chair.

Mr. BARTLETT. I yield to the Senator from Arizona.

Mr. FANNIN. Only for a question, which I would like to ask as rapidly as I can of the Senator from Washington.

I understand his desire to adjust this amendment in a way that would be accepted by the House of Representatives. To make it more acceptable, does he not consider that if we would delete section 107, which I consider a very controversial section, that would accomplish his objective?

I think it would add greatly to the chances of acceptance by the House of Representatives. I certainly do not think they would want to get into this controversial issue without having considerable debate on the floor. I would just ask the distinguished Senator from Oklahoma, if the Senator from Washington would accept that amendment, if he would offer it.

Mr. BARTLETT. I would like to have the answer of the distinguished Senator from Washington.

Mr. JACKSON. Mr. President, the language starting on line 21 of page 5 of the amendment, entitled "Monitoring by Federal Trade Commission," was language that we put in in lieu of the antitrust language to make it more acceptable to the House members. I believe that this provision will be useful and necesary in the light of all the problems that we are faced with in connection with the plight of the small independent distributor and retailer. I do not see anything in it that is unfair. I think it helps to provide the kind of assurance that is needed for the independent distributor and marketer, and it was in the light of the feelings expressed by members on the House side that we put it in. It is in lieu of the antitrust proposal which, as I say, we will consider when we go to conference after we return from the August recess.

Mr. FANNIN. I would like, if the Senator from Oklahoma will yield, to have his comment, and to have the Members who are present on the floor of the Senate understand just how serious this particular stipulation would be for monitoring by the Federal Trade Commission, which begins on page 5, line 21. Following through to line 13, on page 6, it says:

> (c) For purposes of implementing this section, officers or employees duly designated by the Commission, upon presenting appropriate credentials and a written notice from the Commission to the owner, operator, or agent in charge, are authorized—

Listen to this:

> (1) to enter, at reasonable times, (A) any premises in which any activity relating to the production, transportation, refining, or sale of petroleum products is conducted, and
>
> (2) to inspect, at reasonable times and in a reasonable manner, such premises.—

And that, of course, is subject to their judgment—

> Each such inspection shall be commenced and completed with reasonable promptness.
>
> (d) Notwithstanding any other provision of law—
>
> (1) the Commission in carrying out this section may appear in its own name and be represented by its own attorneys;
>
> (2) chapter 35 of title 44, United States Code, shall not apply to the activities of the Commission under this section.

Mr. President, this is going too far in giving police power to the Federal Trade Commission in this instance, when I think it is unnecessary in this particular amendment, if we really are sincere in wanting to accomplish the objectives we are talking about.

Mr. JACKSON. May I say that this simply provides a reasonable means by which we can monitor this program, to find out whether or not they are really making the allocation on a fair and equitable basis. There is no issue that affects private enterprise to a greater degree in this country today than the survival of the small independent operator, whether it is the refiner, whether it is the distributor, or whether it is the retailer. This is what the country is worked up about, Mr. President. When we talk about the oil shortage, the oil problem in general, the great discussion is, "What will happen to that small independent operator during this squeeze?"

We are not trying to meddle in anyone's business. All we are doing here is to give the FTC the authority to see to it that the mandatory program for equitable allocations is carried out. I think this is a reasonable and sensible administration of the program.

Mr. FANNIN. Mr. President, I have just as much concern as the Senator from Washington about protecting the independent, but will we really accomplish that by this stipulation? I believe that we are working a hardship on the overall oil industry. I believe that we are working a hardship on the independent as well as the majors. I think it is unnecessary to have this amendment, this stipulation. It is, I think, unfair. I would think it should be deleted. The amendment would be greatly enhanced and, certainly, would be far more acceptable to both House and Senate Members if it were deleted.

Mr. BARTLETT. Mr. President, I should like to comment further on what the Senator from Washington had to say about his concern, which I know is sincere, for the independent business man connected with the oil industry, and his feelings towards the station operator, the jobber, the refiner, and all those connected with the industry. But the one who can do something about a solution to the shortages is the independent producer. That was the purpose of the amendment I inquired about, to have the exemption from the provisions of this act so that the independent producer and the small business man would have the incentives and could have the incentives in order to do something about the shortages.

We do a lot of talking about shortages but we do nothing about solving them. It is vital that we have this exemption so that there will be an opportunity when the allocation takes place, and it will be clear from the very beginning, if this bill becomes law, that it did not include the stripper well production, that it did not include the marginal production, that if it is not marketed, sooner or later the stripper well will be plugged and abandoned forever. Those in the oil industry know that once an oil well is plugged, it is plugged forever.

Mr. HANSEN. Mr. President, will the Senator from Oklahoma yield?

Mr. BARTLETT. I yield.

Mr. HANSEN. Mr. President, as the Senator from Washington has oftentimes said, let us be honest with ourselves. I think this is a good time to be honest with ourselves. I do not think that the overriding concern in America today is what may happen to the small independent. It is, what will be the situation with our fuel supplies. That is what the argument is all about. That is what the concern is all about. The concern in New England and up and down the east coast today is not so much the question of from whom are we going to buy our oil or our gas, as it is the question of will there be any oil or gas to buy.

So I think it is most appropriate that we think of the role that the stripper wells producer does play in the scheme of things. As I understand it, one out of every eight barrels of oil production within the continental United States today comes from a stripper well, a well that by definition has a production of, on a 24-hour basis, of 10 or less barrels per day. That accounts for a whale of a lot of oil that we have here in the United States. Thus, to ignore the impact that an authorization given the President of the United States to vitiate contracts or to decide on his judgment alone where we will divert crude oil from one place to another, can be most disruptive.

I know of stripper well operation that oftentimes the margin, as it became less and less, gets down to where 1 or 2 cents a barrel makes the difference, whether we are plugging the well and abandoning it or keeping it in production.

Now if we do not want to have to look, as I know the Senator from Washington does not want to have to look, toward the Middle East with increasing dependency on those countries over there, who are becoming more aware of the power of the clout they have because of the fact that we look more and more toward the Middle East for our oil supplies, and if we do not want to give them greater authority over our destiny, if we do not want to have to submit—if we are forced into blackmail—into that sort of international activity, then it is important that we look at the contribution the stripper well can make.

I appreciate the legislative situation as the Senator from Washington has spelled it out. I appreciate the fact that there may not be time enough between now and the weekend, when we are going to adjourn, to get a conference between House and Senate which is to include that sort of provision in this amendment to the bill now on the floor of the Senate.

Mr. MOSS. Mr. President, in response to the statement just made by the distinguished Senator from Wyoming (Mr. HANSEN), I am in agreement with him that the real problem, the bedrock problem, we are confronted with, is more production so that we can again get into a surplus or at least into a balanced situation where our demand is not outrunning our supply.

Mr. HANSEN. It is not what we buy from the independent so much as it is, will there be any oil to buy?

Mr. MOSS. That is correct. When we move into that situation, we have a situation of distribution where there may be maldistribution. The so-called Alaska pipeline bill which we passed in this body, and which is now in the House and on which we go to conference, contains provisions from the Senator from Oklahoma on the stripper well. It contains a distribution amendment that I added, which has the "day in court" factor in it, in order to improve distribution, also the antitrust provisions, and so forth.

What we are concerned with here today is, can we, in the 3 days left to us, before we go on our recess, pass and give to the President the power to have allocations made during that interim period, until we finally act on the full bill on petroleum products, rather than have the narrow distribution as we now have it in many parts of the country?

The position taken by the Senator from Washington, with which I agree, is that since the House committee chairman has already committed himself that he will accept this narrow, stripped down amendment, if we pass it today in this bill, that that can become or at least can be passed by the House and, if signed by the President, can be effective during the interim period. There is no other way to get any effective work done. If we put on something else, then it is unknown whether the chairman of the House committee would accept it, and the chances are good that he would not accept any additional amendments.

Mr. BARTLETT. Mr. President, I should like to say to the Senator from Utah, it is for the very concerns that he cites, of having concern not only about allocating shortages but doing something about them positively, that it is most vital in allocating crude oil we do not allocate that crude oil from the stripper wells because, in the process of allocating, it will result in more shortages and would not result in incentives to reduce the shortages, on the other hand. I think it is most appropriate that this bill have that provision.

This particular amendment that I am discussing to the amendment of the Senator from Washington is most appropriate in a stripped down version of a fuels allocation amendment, because it does provide this incentive. In looking at the problem we have today concerning meat and other food, we know that prices become a relevant factor. I would therefore hope that the Senator from Washington could accept this amendment.

I ask the Senator from Washington if he could accept this amendment, because it seems to me that it would be most appropriate to this proposal. It deals with crude oil. It exempts that small portion of it that is in the hands almost entirely of the small businessman, whom he wants to help, in the hands of those people who have found 75 percent of the wildcat oil in this country, and it does do something to reduce the shortages.

So I ask the Senator whether he could accept this amendment.

Mr. JACKSON. No, I cannot accept the amendment, for the reasons previously stated.

The purpose of the amendment before the Senate at this time is to get approval on the House side before August 3 or by August 3, so that it will be on the President's desk. The Senator's amendment, as modified, is pending in the House in S. 1081. The House committee received a rule today from the Rules Committee. The amendment is coming up on Thursday in connection with the so-called Alaska pipeline bill. We will act on that when we reconvene in September.

I have assured the Senator from Oklahoma that I will do everything I can to assist. We have a long list of amendments that we can start tacking on here and kill it. It is that obvious. I am not going to take responsibility for that result.

As I mentioned, we have the antitrust amendment which I would like to see in this bill, but if we do that, the House will not accept it. If the Senator from Oklahoma brings in his amendment, they will not accept it. There is a long list of other amendments. Senator Moss is holding back on his amendment. I have asked him to do that.

The Senate will have to decide whether or not it wants to give the President this stripped-down authority to deal with an emergency situation. If the Senate does not wish to do so, that is fine. The Senate has to work its will.

Mr. HANSEN. Mr. President, will the Senator yield?

Mr. BARTLETT. I yield.

Mr. HANSEN. I could not agree more with the distinguished Senator from Washington. I think it is important that we know what the facts are. Let us be honest with ourselves. We are talking about an amendment that apparently has been cleared with the House, and I do not deny that. I know that if it were not that way, the Senator from Washington would not report it that way.

But the important thing is this: The way this amendment is drafted, as I read it—and I ask the distinguished Senator from Oklahoma whether it is not a fact—that when you confer upon the President of the United States or anyone else the authority to break contracts, to allocate crude on the basis of his determination where need may exist, you may very well take an action that would result in the closing down of many stripper wells.

In the past 5 years or more, I believe more than 15,000 stripper wells per year have been plugged and abandoned. Yet I am sure I need not remind the distinguished Senator from Washington that one out of every eight barrels of oil we produce in this country comes from a stripper well.

This amendment would give the President of the United States the authority to take action which seemingly would keep every little independent in business. God bless them, I love them all; and I want them to stay in business. But I am more concerned about having this country stay in business, and I am concerned about an action that could diminish the supply of oil in this country by 12.5 percent—one-eighth of the total volume—if we start monkeying around with the allocation of crude oil coming from these stripper wells.

I ask the Senator from Oklahoma if these are not some of the reasons why he put the stripper well amendment on the Alaska pipeline bill?

Mr. BARTLETT. I say to the Senator from Wyoming that that was one of the prime reasons. He will recall that quite a few years ago, back in World War II, we had a subsidy program for stripper wells. In four States in the East, it amounted to 75 cents a barrel. The distinguished Senator from Kansas knows that this had quite an effect in his State, as well as the midcontinent producing

States, to the amount of 35 cents a barrel if the production was quite low, around five barrels or below, and on down to 20 cents a barrel, up to nine barrels.

This amendment, as modified by the distinguished Senator from Washington, does not have a subsidy in it, but it does permit the free marketplace to operate. It is most important that any authority the President would have in allocating fuels contain the freedom of action that would be very beneficial to the entire economy and also to provide some solution, though perhaps small, to the shortages we have.

Mr. JACKSON. I wonder whether I can help clarify the legislative record and the existing law with reference to stripper wells.

No. 1, under the Economic Stabilization Act, price controls apply only to the 23 major oil companies, not to small producers.

No. 2, the President, under existing law and this amendment, has full authority to act in accord with the action taken by the Senate in S. 1081 in exempting the stripper wells. I should like all this to be a part of the legislative record on the amendment. I would hope that the President—and he can do it under the broad authority he has—in connection with the implementation of the mandatory amendment that is now pending, would provide, in his discretion, for relief of stripper wells. I make that as a part of our colloquy here and a part of the legislative record. I hope that the President, in the fulfillment of the legislative intent—as expressed by the Senate previously, when the Bartlett amendment was adopted—would implement it in the context of the discretionary authority that he now has under existing law.

All I am trying to do is to avoid bogging this amendment down with amendments which will not be acted upon by the House. The House is going to act on S. 1570 in September. What is critical is what is going to happen in the month of August, in the peak of the period when we have real fuel shortage problems facing many parts of this country.

Mr. BARTLETT. There is no one in this body for whom I have greater admiration or whose word or efforts I respect more than the distinguished Senator from Washington. He has displayed those efforts and support in my direction on several occasions, and I appreciate it. I recognize that he has made certain commitments to Members of the House, and I realize that these are overriding with him.

However, as a Senator from Oklahoma, I have a commitment to the citizens of that State, also; and I believe that the final decision should rest with the Members of this body as to whether the amendment I have been discussing would be appropriate or inappropriate as an amendment to the amendment of the Senator from Washington and an amendment of this act.

Therefore, Mr. President, I would like to send to the desk this amendment.

The PRESIDING OFFICER. The amendment will be stated.

The second assistant legislative clerk proceeded to read the amendment.

Mr. BARTLETT. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered; and, without objection, the amendment will be printed in the RECORD.

The amendment, ordered to be printed in the RECORD, is as follows:

> At the end of the amendment of the Senator from Washington, add the following:
>
> SEC. . (a) The first sale of crude oil and natural gas liquids produced from any lease whose average daily production of such substances does not exceed ten barrels per well shall not be subject to price restraints established pursuant to the Economic Stabilization Act of 1970 as amended, or to any allocation program for fuels or petroleum established pursuant to that Act or to any Federal law for the allocation of fuels or petroleum.
>
> (b) The agency designated by the President or by law to implement any such fuels or petroleum allocation program shall promulgate and cause to be published regulations implementing the provisions of this section.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. BARTLETT. I yield.

Mr. HUMPHREY. Mr. President, yesterday I placed in the RECORD on page 26571 a review of the fuel situation in the State of Minnesota, as was prepared for me and delivered to me by the Minnesota Civil Defense Director, Mr. F. James Erchul. Mr. Erchul has been working closely with the office of the Minnesota congressional delegation, as he has with the Office of Oil and Gas in the Department of Interior. In this report the Commissioner of Agriculture in the State of Minnesota, Mr. Jon Wefald, stated as follows:

> Given the fantastic production that is out there in the fields, mandatory fuel allotments are necessary to assure harvesting.

The newsstory goes on to state:

> Wefald called for a 25-percent increased in fuel allocations to meet the needs of the coming harvest. This year, Minnesota has 6.2 million acres in corn, up 10 percent; 4.4 million acres in soybeans, 23 percent greater than any soybean crop in the state's history.
>
> Compared to 1972 crops, he said, oats acreage is up 12 percent, barley 18 percent and flax 69 percent.
>
> "Crops this year are valued at $2.5 billion sitting out there in those fields, and the farmer needs fuel to get them out" Wefald said.

Mr. President, I fully appreciate the deep concern expressed here over the stripper wells. I think there is great merit in the argument that has been made on the amendment of the distinguished Senator from Oklahoma. I believe I supported that amendment at the time we voted on the bill, S. 1570, in the Senate, but the situation in my State in the month of August is going to be critical.

First of all, we are going to have much of our harvest in that month. A good deal of that harvest is going to depend on the ability of our farmers to have fuel that is necessary to bring in the crops. Second, a little later on this year we will be faced with the problem of the drying of the corn crop and soybeans. The fuel oil industry has a desperate shortage of propane and natural gas. Without the fuel oil we have a substantial reduction insofar as the feed equivalent value is concerned.

So I plead with Senators to permit this provision that has been offered by the Senator from Washington and others. I have asked to be a cosponsor with him because my interest for months has been in this fuel allocation program. I plead with Senators to let this become part of the bill because, as the Senator from Washington pointed out, unless we do this, whatever kind of allocation program is announced, and we hope one will be shortly, it will not be able to meet the requirements. With all due respect to our distinguished friend from Oklahoma, and I fully appreciate his obligation to his constituents and, indeed, his obligation to his own set of principles and commitments, I would hope first, that if a rollcall vote is to be held on the amendment of the Senator from Oklahoma, while I feel it has great merit and ultimately will become the law because of the time factor, that that amendment would be defeated and that the proposed proposal of the Senator from Washington, along with those of us who cosponsored it, would be accepted.

We face a critical problem and the problem is whether or not we are going to have the fuel in the months of August and September to harvest one of the best crops our State has ever been able to produce. If we are unable to harvest those soybeans and if we are unable to harvest the corn crops, all the estimates of this Government about the available supply of feed grains and protein will go down the drain.

We are facing a crisis that requires more than a debate here in the Senate, and I have been one of those who has been urging the administration to go into a mandatory allocation program on fuels. We have been promised a program time after time. Almost a month ago Mr. Simon of the Department of the Treasury promised there would be within a week a mandatory fuel allocation program, and we still do not have it. This week I read again that the administration is contemplating such action and I hope it will. It is fair to say whatever program they launch it will not be as effective as it can be and should be unless the Jackson amendment is made a part of this bill.

Mr. BARTLETT. Mr. President, I would like to respond to my distinguished friend, the Senator from Minnesota that I certainly share his concern about the shortages. The whole purpose of this amendment—which is an amendment modified by the distinguished Senator from Washington, of very recent enactment into the pipeline bill—is to do something about these shortages while we are allocating them. I think it is most vital that we have this small, maybe 10 or 12 percent of the total crude oil production. It is marginal and it is just on the border of going under. They must be given some new life, and an opportunity must be provided for those people who have this production to have some encouragement, refining as they are now, with some price adjustment, so that there will be more oil produced in this country and so that the shortages will be reduced.

Mr. President, I ask for the yeas and nays on the amendment.

The yeas and nays were ordered.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. BARTLETT. I yield.

Mr. HUMPHREY. I would like to say that I cannot disagree with the substance of the Senator's argument. I think it has great merit. I know allocations alone are not the answer. The more we have to allocate, the better.

I was pleased with the comment of the Senator from Washington in making legislative history in this debate because it is my honest judgment, in light of the action taken in the pipeline bill, as well as S. 1570, that the whole record here of the Senate is in support of the stripper well operation that the Senator from Oklahoma mentions, and to which he is addressing his remarks.

It is my hope that the administration, or whoever is responsible for administering any allocation program, and I believe it is Governor Love who is now the energy czar, so to speak, will bring about what the Senator from Oklahoma seeks in his amendment to be done.

My concern is, and I have to rely on the Senator from Washington, that in light of the rules in the House, unless we stay with the kind of trimmed down, shortcut measure that the Senator from Washington would sponsor here, without the amendment of the Senator from Oklahoma, we will get nothing. That is my concern. I really believe this debate, whatever the result of the vote on the amendment of the Senator from Oklahoma may be, will result in the achievement of the goal of the Senator from Oklahoma.

My plea to whoever administers the program is that they listen to him, the Senator from Wyoming, and to others who have spoken. This argument makes all the sense in the world.

I have been on conferences with associates in the other body, and to say the least they are insistent on abiding in detail to the House rules.

Mr. McCLURE. Mr. President, will the Senator yield?

Mr. BARTLETT. I yield.

Mr. McCLURE. I thank the Senator for yielding. While we are talking about this particular amendment, another matter came up. I say to the Senator from Minnesota that, indeed, we have plenty to allocate now; it is an allocation of shortage rather than supply. If we cut production, we will be allocating more shortages rather than fewer with such an allocation, and I think we should clearly understand that we would be doing nothing in an allocation bill to increase the supply.

I asked the Senator to yield because the question of the FTC authority has been raised and the question of expiration has been raised, and there are two expiration periods, one under section 105, which is the expiration date for the authority to enforce and to allocate. That expiration date is February 28, 1975, very clearly spelled out, but the limitation on the authority of the FTC, which also has been brought into question, is simply contained implicitly in the language, and not explicitly.

It says the FTC has authority during the 45-day period, beginning with the effective date of the regulation, to do the things that are set forth in that section. Then we provide further that at the expiration of 60 days, it shall report its findings based on what it found in that 45-day period.

I will ask the Senator from Washington if that is the limitation on the FTC authority under this proposal and if there is expiration of that authority at the end of that period of time.

Mr. JACKSON. The Senator has stated the situation accurately. That is the situation.

Mr. McCLURE. I thank the Senator.

Mr. BARTLETT. Mr. President, I ask unanimous consent that Nolan McKean have the privileges of the floor during the debate and votes on this measure.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BARTLETT. Mr. President, I yield to the Senator from Texas.

Mr. TOWER. Mr. President, I would not send down to the other end of the street any kind of mandatory control bill that did not have the proper exemptions that I wanted in there if I wanted those exemptions to prevail. I have had a little experience with economic planners. I am one of the coauthors of the Economic Stabilization Act, and I have been minority manager every time we have reviewed it. I say if anyone wants an exemption and exception in there, he had better put it in, because the economic planners do not understand things sometimes, and it is obvious that they do not understand our fuel crisis, because there has been an exacerbation of this crisis by the rollback in the price of crude.

It does not make sense, and it is going to affect the very strippers we are talking about, the marginal producers, and is going to result in more shortages. So I think we need to nail the message to the legislation, and I therefore support the amendment of the Senator from Oklahoma. I think we would be foolish to adopt this amendment without the amendment of the Senator from Oklahoma.

Mr. BARTLETT. Mr. President, I certainly share the views of the Senator from Texas. I think his advice is well taken.

Mr. HANSEN. Mr. President, will the Senator yield?

Mr. BARTLETT. I yield.

Mr. HANSEN. Mr. President, being in the agriculture business myself, I share the concern and I know firsthand what shortages of fuel or what other essential elements of farming or ranching operations may mean. It is precisely because of that knowledge that I agree with the statement of the distinguished Senator from Texas—it is important to nail down what needs to be in this amendment; and I say to my good friends, it is better to pass no amendment than it is to pass the wrong kind of amendment. If we were to pass the wrong kind, and as a consequence of our actions, actions are taken by the President which will indeed assure the earlier plugging of stripper wells than would otherwise occur, then we have not helped anything. As the distinguished Senator from Idaho has said, we have made it certain that the job of allocation will be a more formidable one than it would have been otherwise, and we would be spreading more severe shortages than otherwise would be the case.

So I can only say the facts are that the combination which we have on imports and record production at domestic refineries actually has put stocks of gasoline and heating oils at midyear in a position to meet the expected demand for the last half of the year without serious disruption. Those are the facts. We can talk about matters based upon earlier experiences this year and what is in store for us during the harvest season, and the facts are on the other side. We probably have gotten over the hump. With imports now coming along worldwide, with the refineries humming along at near capacity most places, we are over the hump. Let us not now turn around and reverse the situation that has been improving as we have been going into the summer and bring about discouragement to stripper wells that could result in abnormally shutting off about one-eighth of the total inland production that we have in the United States.

It seems important to me that we keep these stripper wells in business. It seems important to me that we recognize the facts of life, and if we believe that one-eighth of our total domestic production is important, then I say let us put that in the bill now, because I think that to do otherwise would be to take the most premature action that we could recognize.

I would say to my good friend from Oklahoma that certainly there are people who have taken positions on this issue in the past, and I know they are eager to see written into law a mandatory allocation provision. I do not disagree with the writing of such a bill, but I think it would be a terrible mistake if it were to be written without a protection in the bill that would assure that we would keep these stripper wells in business.

I thank my friend from Oklahoma for yielding to me.

UNANIMOUS-CONSENT REQUEST

Mr. MANSFIELD. Will the Senator yield?

Mr. BARTLETT. I yield.

Mr. MANSFIELD. Mr. President, I wonder if it would be possible, in view of a situation which has developed, vote on the Bartlett amendment within a very short period of time, and then on the Jackson amendment regardless of the outcome on the Bartlett amendment, and then lay this bill aside for the purpose of taking up the farm bill conference report.

I had stated that I would not take up any measure which, in my opinion, would be pocket vetoed while the Congress was in recess. I have been informed by three or four Senators in whom I have the greatest confidence that Secretary Butz has informed members of the committee that the President would not veto this conference report on the farm bill. If we do not take action tonight, with that quid pro quo, as far as I am concerned, it means the 3-day rule in the House could be invoked, it would then go over into September, then we have a 20-day wait, and it would create a most difficult situation.

I know the distinguished Senator from Oklahoma has always been most cooperative, and I know what the farm program means to him, and to a lot of us, too. So I make this plea at this time on that basis.

Mr. BARTLETT. Mr. President, I will certainly comply.

I yield to the Senator from Arizona.

Mr. FANNIN. Mr. President, reserving the right to object, I just want to say to the majority leader that I have an amendment to the amendment of the distinguished Senator from Washington.

Mr. MANSFIELD. Mr. President, if I could have the attention of the distinguished Senator from Washington, I am informed now that there will be another amendment to his amendment, by the distinguished Senator from Arizona (Mr. Fannin). Could we, at the conclusion of the vote on the Bartlett amendment, lay this bill aside, which would mean of course, that the Senator from Texas could not offer his amendment as he had intended to, after the disposal of the amendment. However, he could do so at a later time.

The Jackson amendment would be the pending amendment tomorrow.

Mr. JACKSON. Mr. President, may I say that if I could see a copy of the Senator's amendment, it might be an amendment that I could endorse if it is in keeping with what the House would accept. I would be very happy to do so if that were the case.

Mr. FANNIN. Mr. President, I did discuss this with the distinguished Senator from Washington. It would be to delete section 107 in its entirety. That relates to the Federal Trade Commission.

Mr. JACKSON. The Senator is referring to the amendment that applies only for 60 days, to monitor the system of fuel allocation.

Mr. FANNIN. Mr. President, I have great respect and admiration for the Senator from Washington. I know what he is trying to achieve. I commend him for it. However, at the same time, I understand the arrangements he has made, but do not feel in fairness to the other Members of the Senate that it would be proper not to consider the severity of this amendment without that provision being deleted.

Mr. JACKSON. Mr. President, I wonder if we could get an agreement on a time certain to vote on the amendment. Could we agree on a time to vote tomorrow?

Mr. FANNIN. Mr. President, that would be agreeable. I would like to vote on the amendment tomorrow.

Mr. HANSEN. Mr. President, would the Senator from Oklahoma yield for a question?

Mr. BARTLETT. I yield.

Mr. HANSEN. Mr. President, with respect to all the points being raised about who speaks for the White House, in all honesty I would ask my good friend, the Senator from Washington, who speaks for the House.

Mr. JACKSON. Mr. President, we talked to the key people on the House committee.

Mr. HANSEN. Both Republicans and Democrats?

Mr. JACKSON. I do not want to get into that. They are the key people on the Commerce Committee in the House.

I am making a record here before we go into recess. We are in a mess on the distribution of petroleum products in this country.

Mr. HANSEN. And I do not want to exacerbate it.

Mr. JACKSON. Mr. President, I want to give the Members of the Senate a chance to vote on this question. If the Members of the Senate do not want to do anything about it, that is fine. At least we will know who tried to get some legislation through. And if we want to bog the amendment down with a lot of amendments that are unacceptable in terms of the emergency situation, that is fine. We will call the roll and find out who is doing what.

Mr. HANSEN. Mr. President, I find great merit in the calling of the roll, may I say to my good friend, the Senator from Washington.

Mr. BARTLETT. Mr. President, I yield the floor.

Mr. DOLE. Mr. President, I ask that I be listed as a cosponsor of the amendment of the Senator from Oklahoma.

Mr. BARTLETT. Mr. President, I ask unanimous consent that the name of the Senator from Kansas (Mr. Dole) be listed as a cosponsor of my amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOLE. Mr. President, I have received a copy of a letter to Dr. John T. Dunlop, of the Cost of Living Council, from George Bruce, past president of the National Stripper Well Association, of Wichita, Kans.

I ask unanimous consent that this letter be printed at this point in the Record.

There being no objection, the letter was ordered to be printed in the Record, as follows:

Aladdin Petroleum Corp.,
Wichita, Kans., July 26, 1973.

Dr. John T. Dunlop,
Cost of Living Council,
Washington, D.C.

Dear Dr. Dunlop: The 353,696 small stripper oil wells in the United States during the year 1971, produced slightly less than ½ billion barrels of domestic crude oil (423,322,056 bbls). This average of 3½ barrels of oil per day, per well, is the safe, dependable supply of domestic crude oil located in the U.S. All of these wells are connected to refineries by pipelines and is a quality of oil suitable for use by the refinery to which they are connected and their oil delivered.

This ½ billion barrels of oil, in 1971, represents approximately 1/10 of the total domestic oil production in this nation. These small wells are being forced to sell their oil at substantially below replacements costs and in many areas the oil income from these wells is less than the actual cost to operate them.

As a result, these small wells are being plugged and abandoned at an increasing rate. Consequently, this production is declining and the remaining reserve oil, lost for all time.

There were 5,434 of these small oil wells plugged and abandoned, resulting in a decline in reserves of 138 million barrels during the 12 months, ending January 1, 1972. The total reserves as of January 1, 1972, of approximately 5 billion barrels of crude oil represents approximately 1/7 of the total oil reserves of the U.S.A.

If these small wells are forced to be plugged and abandoned, it will require 4,233 tank loads of 100,000 barrels each year to make up this lost supply. This would be equal to 354 tank loads of 100,000 barrels each month, necessary to import into the U.S.A. to make up this lost supply of crude oil.

This supply of approximately ½ billion barrels of domestic oil, or approximately 1⅓ million barrels each day of safe, dependable, domestic crude oil is the oil vital to our domestic refineries continuing their operation.

There must be an adequate price for domestic crude oil to assure the continued operation of *all* of these small stripper oil wells. If these small wells are forced to be plugged and abandoned, because of lack of an adequate price, it will destroy the inland refineries in the U.S.A.; it will also destroy the independent marketers of petroleum products; and will destroy the tax base in every county, in every one of the 27 states in which these 353,696 wells are located.

Respectfully yours,
Geo. H. Bruce,
Past President of the National Stripper Well Association.

Mr. DOLE. Mr. President, I think that the letter from Mr. Bruce demonstrates very clearly what the distinguished Senator from Oklahoma and others have been speaking about and talking about with reference to stripper wells and the amount of oil produced by some 350,000 or more stripper wells located in some 27 States in this country which produce about a half a billion barrels of oil. About 1⅓-million barrels a day are produced.

I certainly share the views expressed by the Senator from Oklahoma that if we get any action from the Cost of Living Council based upon their idiotic process of rolling back prices with some two-tier price system, we had better have the intention in the law.

Therefore, I hope that every Senator representing the 27 States having marginal oil producing wells takes a good look at the amendment offered by the distinguished junior Senator from Oklahome.

It is very important, of course, to my State of Kansas. It is important to 26 other States, as well. I think it is particularly important at a time when we are talking about a crisis and an oil shortage. And some are saying that we are in that crisis now.

I am therefore pleased to cosponsor that amendment. And I yield the floor.

UNANIMOUS-CONSENT AGREEMENT

Mr. MANSFIELD. Mr. President, if the distinguished Senator would yield. I ask unanimous consent that the vote on the Bartlett amendment occur no later than 2 minutes from now.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, if I may have the attention of the Senate, and I think that most of the bases have been covered, I ask unanimous consent that at the conclusion of the vote on the Bartlett amendment, the pending business be laid aside until late tomorrow afternoon, and that at the conclusion of the vote, the Senate proceed to the consideration of the conference report on the authorization bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that at no later than 6 p.m. tomorrow evening, the vote occur on the Fannin amendment to the Jackson amendment, that at 12 noon on Thursday, the Jackson amendment be voted on, that at 1 p.m. the Tower amendment be voted on, and that at no later than 2:30 p.m., there be a final vote.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Montana?

Mr. TOWER. Mr. President, reserving the right to object, might I ask the distinguished majority leader if that could be rephrased. I think we could confine it to these time frames. However, rather than any specific time to vote—I have 1 hour on my amendment, which is a very specific amendment dealing with the beef shortage crisis—if some time could be yielded on the bill, I am willing to have 1 hour on my amendment, provided a little time could be yielded from the bill so that if a little time is needed, we could get it.

Mr. MANSFIELD. That would be agreeable. I ask unanimous consent that the vote on the Tower amendment be at 1 p.m. on Thursday, and a final vote no later than 4 p.m. Thursday, allowing time on the bill, if needed.

Mr. TOWER. Mr. President, I would like to use it before my vote, rather than after. That would be like shutting the gate to the corral after the horses had already galloped off.

Mr. MANSFIELD. That would be all right. I ask unanimous consent that there be 1 hour on the bill after the Jackson amendment is disposed of at noon Thursday that 1 hour be allowed between the end of that vote and the vote on the Tower amendment at 2 o'clock, the Senator from Texas to have 1 hour of that time, and that there be a vote on final passage of no later than 3 p.m.

The PRESIDING OFFICER. Is there objection?

Mr. HANSEN. I am sorry, Mr. President; I did not understand the request of the majority leader.

Mr. MANSFIELD. Wednesday 6 p.m., vote on the Fannin amendment; noon on Thursday, vote on the Jackson amendment. Then there will be at least an hour on the bill, to be followed by an hour for the distinguished Senator from Texas to offer his amendment and dispose of it, the final vote to occur not later than 1 hour after the vote on that amendment.

Mr. TOWER. Mr. President, reserving the right to object, and I shall not object, my amendment is at the desk. I just want to make sure that it is not covered by the rule of germaneness, and that the amendment, in that it is at the desk, will be considered germane.

The PRESIDING OFFICER. For the information of the Senator, there is no unanimous consent agreement covering germaneness. There will be no rule of germaneness unless there is a specific agreement to so provide.

Mr. TOWER. The Senator from Texas is aware of that; I just wanted to nail it down.

The PRESIDING OFFICER. Does the Senator from Montana also ask unanimous consent that rule XII be waived?

Mr. MANSFIELD. That is right.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

The text of the unanimous consent agreement is as follows:

Ordered, That, during the further consideration of H.R. 5777, the so-called Hobby Protection Act, there be 2 hours debate on the bill, which time will start running after the vote on the Jackson amendment at noon, Thursday, August 2, 1973.

Ordered further, That there be 1 hour of debate on an amendment to be offered by the Senator from Texas (Mr. TOWER), the vote on which will occur at 2:00 p.m., Thursday, August 2, 1973.

Ordered further, That the vote on the amendment to be offered by the Senator from Arizona (Mr. FANNIN) occur not later than 6:00 p.m., Wednesday, August 1, 1973, and that the vote on final passage occur not later than 3:00 p.m., Thursday, August 2, 1973: *Provided,* That time under control on the passage of the said bill may be allotted to any Senator during the consideration of any amendment, debatable motion or appeal.

Mr. MANSFIELD. Now, Mr. President, I am informed that there may be a problem. I suggest the absence of a quorum.

Mr. CANNON. Mr. President, will the Senator temporarily withhold that?

I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

UNANIMOUS-CONSENT AGREEMENT ON S. 372

Mr. CANNON. Mr. President, I ask unanimous consent that, in making the technical and conforming changes in the text of S. 372 necessitated by the amendments of the Senate to that bill, the Secretary of the Senate be authorized to conform the definition of "expenditure" contained in section 591 of title 18, United States Code, as it would be amended by the bill to make it the same as the definition of "expenditure" contained in section 301 of the Federal Election Campaign Reform Act of 1971, as it would be amended by the bill.

The PRESIDING OFFICER (Mr. JOHNSTON). Is there objection to the request of the Senator from Nevada? Without objection, it is so ordered.

HOBBY PROTECTION ACT

The Senate continued with the consideration of the bill (H.R. 5777) to require that reproductions and imitations of coins and political items be marked as copies or with date of manufacture.

Mr. ROBERT C. BYRD. Mr. President, may we have order in the Senate?

The PRESIDING OFFICER. The Senate will be in order. Senators will please take their seats, and let there be order, so that Senators may be able to proceed.

Mr. JACKSON. Mr. President, I ask unanimous consent to proceed for 1 minute.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. JACKSON. Mr. President, just so that the Members of this body will fully understand what this amendment provides, we voted unanimously, except for one vote, to take care of the stripper wells in connection with S. 1081, the so-called Alaska oil pipeline bill. I supported that amendment.

I would point out that that amendment is coming up in the House of Representatives on Thursday in connection with the Alaska pipeline bill. If we vote to add this amendment on this bill, then I just want to say to this body, the House is not going to act on a mandatory allocation authority. I want every Member of the Senate to understand what the meaning of this particular amendment is. It is going to kill it, and there will be no action. We are going away during the month of August, and if there is a crisis, and the administration cannot allocate oil and petroleum products, let every Member of the Senate understand why. There is no authority now to make effective a mandatory allocation system.

Mr. BARTLETT. Mr. President, I ask unanimous consent to proceed for 1 minute.

The PRESIDING OFFICER. Is there objection?

Mr. BARTLETT. Mr. President——

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senator from Oklahoma be recognized for 1 minute.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BARTLETT. Mr. President, this proposal is most appropriate to the fuel allocations bill, allocating fuel oil. If we believe that there is some opportunity to stimulate the economy and stimulate industry in order to reduce shortages, we can then accept this amendment, the wisdom of which the Senate has already seen, and to provide this extra incentive.

We are not going to be able to rely on the administration or on those in administrative positions to consider such action as this on their own. If the Senate really believes in the stripper wells and really believes in protecting this very delicate production from early abandonment, then I urge them to support the amendment and make it a part of the crude oil allocation, because that is the purpose of the amendment of the Senator from Washington.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Oklahoma.

The yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce

that the Senator from Alaska (Mr. GRAVEL) and the Senator from Wyoming (Mr. McGEE) are necessarily absent.

I further announce that the Senator from South Dakota (Mr. ABOUREZK) is absent on official business.

I also announce that the Senator from Mississippi (Mr. STENNIS) is absent because of illness.

Mr. GRIFFIN. I announce that the Senator from Arizona (Mr. GOLDWATER) is absent because of illness in his family.

The Senator from Tennessee (Mr. BAKER) and the Senator from Oregon (Mr. HATFIELD) are detained on official business.

If present and voting, the Senator from Oregon (Mr. HATFIELD) would vote "nay."

The result was announced—yeas 43, nays 50, as follows:

[No. 356 Leg.]

YEAS—43

Allen
Bartlett
Beall
Bellmon
Bennett
Bentsen
Brock
Buckley
Burdick
Byrd, Harry F., Jr.
Byrd, Robert C.
Cook
Curtis
Dole
Domenici
Dominick
Eastland
Fannin
Fong
Fulbright
Griffin
Gurney
Hansen
Hartke
Helms
Hruska
Johnston
Long
Mansfield
Mathias
McClellan
Pearson
Percy
Proxmire
Randolph
Schweiker
Scott, Pa.
Scott, Va.
Stevens
Taft
Thurmond
Tower
Young

NAYS—50

Aiken
Bayh
Bible
Biden
Brooke
Cannon
Case
Chiles
Church
Clark
Cotton
Cranston
Eagleton
Ervin
Hart
Haskell
Hathaway
Hollings
Huddleston
Hughes
Humphrey
Inouye
Jackson
Javits
Kennedy
Magnuson
McClure
McGovern
McIntyre
Metcalf
Mondale
Montoya
Moss
Muskie
Nelson
Nunn
Packwood
Pastore
Pell
Ribicoff
Roth
Saxbe
Sparkman
Stafford
Stevenson
Symington
Talmadge
Tunney
Weicker
Williams

NOT VOTING—7

Abourezk
Baker
Goldwater
Gravel
Hatfield
McGee
Stennis

So Mr. BARTLETT's amendment was rejected.

Mr. JACKSON. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. PASTORE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. HARTKE. Mr. President, the bill before the Senate today (H.R. 5777) is designed to require that any imitation political item be plainly and permanently marked with the calendar year of its manufacture and that any imitation numismatic item be marked "copy." Failure to take this action would constitute an unfair or deceptive act or practice in commerce under the Federal Trade Commission Act. Recognizing this need, I introduced S. 1880 on May 23 of this year and am pleased that it has received favorable consideration by the Senate Commerce Committee.

It has been estimated that there are more than 1 million persons in the United States today who collect coins, tokens, paper money, and commemorative medals. A smaller, but nevertheless steadily increasing number of Americans are engaged in collecting political items. Millions of dollars are spent each year by collectors of numismatic and political items. It is, therefore, not surprising that a prosperous business in imitation items has emerged.

Most imitation numismatic items are produced in Europe, the Near East, and Southeast Asia. Unfortunately, some of these fake items have been sold as original for thousands of dollars each. It is this danger which my bill seeks to prevent. Fake items should not be traded as originals, and the possibility for that to happen would be eliminated if my bill is enacted into law.

Mr. President, the production of imitation coins and political items threatens the value of the original pieces. They create havoc in the world of the people who collect them, and there is nothing in the present law to prevent this deception. While the U.S. Secret Service does excellent work in controlling the counterfeiting of current U.S. coins, there is no provision of law which regulates the ever-increasing tide of copies of noncurrent coins.

Mr. President, my proposed legislation, S. 1880, is identical to H.R. 5777, sponsored in the current session of Congress by Representatives ECKHARDT and MOSS. The House Committee on Interstate and Foreign Commerce estimated the cost of the bill at $50,000 for each of the next 5 fiscal years. The House passed H.R. 5777 on May 16 by an overwhelming majority.

WAR POWERS ACT

Mr. FULBRIGHT. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on House Joint Resolution 542.

The PRESIDING OFFICER (Mr. BIDEN) laid before the Senate a message from the House of Representatives announcing its disagreement to the amendment of the Senate to the joint resolution (H.J. Res. 542) concerning the war powers of Congress and the President, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. FULBRIGHT. I move that the Senate insist upon its amendment and agree to the request of the House for a conference on the disagreeing votes of the two Houses thereon, and that the Chair be authorized to appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. FULBRIGHT, Mr. MANSFIELD, Mr. SYMINGTON, Mr. MUSKIE, Mr. AIKEN, Mr. CASE, and Mr. JAVITS conferees on the part of the Senate.

APPOINTMENTS BY THE VICE PRESIDENT

The PRESIDING OFFICER. The Chair, on behalf of the Vice President, appoints the following Senators to attend the 17th Session of the United Nations Food and Agriculture Organization Conference, to be held in Rome, Italy, November 10–29, 1973: the Senator from Kentucky (Mr. HUDDLESTON) and the Senator from Nebraska (Mr. CURTIS).

The Chair, on behalf of the Vice President, appoints the following Senators to attend the International Conference on Marine Pollution of the Intergovernmental Marine Consultative Organization—IMCO—to be held in London, England, October 8–November 2, 1973: the Senator from Washington (Mr. MAGNUSON), the Senator from Rhode Island (Mr. PELL), and the Senator from Maryland (Mr. BEALL).

AGRICULTURAL ACT AMENDMENTS—CONFERENCE REPORT

Mr. TALMADGE. Mr. President, under the previous unanimous-consent agreement, what is the pending business?

The PRESIDING OFFICER. The Senate will now proceed to the consideration of the conference report on S. 1888.

Mr. TALMADGE. I yield to the distinguished majority leader.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that on the substitute to be offered by the distinguished Senator from Georgia, the manager of the bill, there be a time limitation of 20 minutes; that on the amendment to be offered by the distinguished Senator from North Carolina (Mr. HELMS) there be a time limitation of 20 minutes, the time to be equally divided, according to the usual custom, between the sponsor of the amendment and the manager of the bill, and, in the first instance, for the amendment in the first degree, between the manager of the bill and the ranking Republican member or whomever he may designate.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. MANSFIELD. Mr. President, does the Senator intend to ask for the yeas and nays on his amenment?

Mr. HELMS. Yes.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that it be in order at this time to ask for the yeas and nays on the Helms amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. PASTORE. Mr. President, could we have a limitation of 10 minutes on votes?

Mr. MANSFIELD. I am glad the Senator reminded me of that.

For the information of the Senate, any votes from now on will be 10 minutes in duration, period.

Mr. TALMADGE. I expect, also, to ask for the yeas and nays on the substitute.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that it be in order at this time to ask for the yeas and nays on the substitute.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. TALMADGE. Mr. President, I ask for the yeas and nays on the substitute.

The yeas and nays were ordered.

Mr. TALMADGE. Mr. President, I ask unanimous consent that the privilege of the floor be granted to the following persons during the consideration of S. 1888 and any votes thereon: Harker Stanton, Henry Casso, James Thornton, Forest Reece, and William Taggart.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. TALMADGE. Mr. President, I ask the Chair to lay before the Senate a conference report on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 1888), to extend and amend the Agricultural Act of 1970 for the purpose of assuring consumers of plentiful supplies of food and fiber at reasonable prices, and ask for its immediate consideration.

The Senate proceeded to consider the report, which reads as follows:

Conference Report

The committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 1888), to extend and amend the Agricultural Act of 1970 for the purpose of assuring consumers of plentiful supplies of food and fiber at reasonable prices, having met, after full and free conference, have been unable to agree.

Joint Explanatory Statement of the Committee of Conference

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 1888), to extend and amend the Agricultural Act of 1970 for the purpose of assuring consumers of plentiful supplies of food and fiber at reasonable prices, submit the following joint statement to the House and the Senate in explanation of the accompanying conference report:

The House amendment struck out all after the enacting clause of S. 1888 and inserted in lieu thereof the language of H.R. 8860 as passed by the House.

There were 111 substantive differences between S. 1888 and the House amendment. The conferees were able to reconcile 110 of these differences, but were unable to agree on the provision in the House amendment which would, under specified conditions, prohibit food stamp assistance to strikers.

The language upon which the conferees reached agreement (omitting the one point upon which they were unable to agree) is as follows:

That the Agricultural Act of 1970 is amended as follows:

(1) Title I is amended to read as follows:

"TITLE I—PAYMENT LIMITATION

"Sec. 101.—Notwithstanding any other provision of law—

"(1) The total amount of payments which a person shall be entitled to receive under one or more of the annual programs established by titles IV, V, and VI of this Act for the 1974 through 1977 crops of the commodities shall not exceed $20,000.

"(2) The term 'payments' as used in this section shall not include loans or purchases, or any part of any payment which is determined by the Secretary to represent compensation for resource adjustment or public access for recreation.

"(3) If the Secretary determines that the total amount of payments which will be earned by any person under the program in effect for any crop will be reduced under this section, the set-aside acreage for the farm or farms on which such person will be sharing in payments earned under such program shall be reduced to such extent and in such manner as the Secretary determines will be fair and reasonable in relation to the amount of the payment reduction.

"(4) The Secretary shall issue regulations defining the term 'person' and prescribing such rules as he determines necessary to assure a fair and reasonable application of such limitation: *Provided,* That the provisions of this Act which limit payments to any person shall not be applicable to lands owned by States, political subdivisions, or agencies thereof, so long as such lands are farmed primarily in the direct furtherance of a public function, as determined by the Secretary. The rules for determining whether corporations and their stockholders may be considered as separate persons shall be in accordance with the regulations issued by the Secretary on December 18, 1970."

DAIRY PROGRAM

MILK MARKETING ORDERS

(2) Section 201 is amended by—

(A) amending section 201(e) by striking out "1973" and inserting "1977", and by striking out "1976" and inserting "1980", and

(B) adding at the end thereof the following:

"(f) The Agricultural Adjustment Act as reenacted and amended by the Agricultural Marketing Agreement Act of 1937, as amended, is further amended by:

"(1) striking the period at the end of subsection 8c(17) and adding in lieu thereof the following: ': *Provided further,* That if one-third or more of the producers as defined in a milk order apply in writing for a hearing on a proposed amendment of such order, the Secretary shall call such a hearing if the proposed amendment is one that may legally be made to such order. Subsection (12) of this section shall be construed to permit any cooperative to act for its members in an application for a hearing under the foregoing proviso and nothing in such proviso shall be construed to preclude the Secretary from calling an amendment hearing as provided in subsection (3) of this section. The Secretary shall not be required to call a hearing on any proposed amendment to an order in response to an application for a hearing on such proposed amendment if the application requesting the hearing is received by the Secretary within ninety days after the date on which the Secretary has announced his decision on a previously proposed amendment to such order and the two proposed amendments are essentially the same.'

"(2) inserting after the phrase 'pure and wholesome milk' in section 8c(18) the phrase 'to meet current needs and further to assure a level of farm income adequate to maintain productive capacity sufficient to meet anticipated future needs'."

MILK PRICE SUPPORT, BUTTERFAT PRICE SUPPORT SUSPENSION

(3) Section 202 is amended by—

(A) striking the introductory clause which precedes subsection (a);

(B) effective April 1, 1974, inserting in subsection (b) before the period at the end of the first sentence in the quotation the following: "of pure and wholesome milk to meet current needs, reflect changes in the cost of production, and assure a level of farm income adequate to maintain productive capacity sufficient to meet anticipated future needs"; and

(C) inserting in subsection (b) after the first sentence in the quotation the following: "Notwithstanding the foregoing, effective for the period beginning with the date of enactment of the Agriculture and Consumer Protection Act of 1973 and ending on March 31, 1975, the price of milk shall be supported at not less than 80 per centum of the parity price therefor."

TRANSFER OF DAIRY PRODUCTS TO THE MILITARY AND TO VETERANS HOSPITALS

(4) Section 203 is amended by striking out "1973" and inserting "1977".

DAIRY INDEMNITY PROGRAM

(5) Section 204 is amended by—

(A) striking out "1973" and inserting "1977"; and

(B) striking subsection (b) and substituting therefor the following:

"(b) Section 1 of said Act is amended to read as follows:

" 'Section 1. The Secretary of Agriculture is authorized to make indemnity payments for milk or cows producing such milk at a fair market value, to dairy farmers who have been directed since January 1, 1964 (but only since the date of enactment of the Agriculture and Consumer Protection Act of 1973 in the case of indemnity payments not authorized prior to such date of enactment), to remove their milk, and to make indemnity payments for dairy products at fair market value to manufacturers of dairy products who have been directed since the date of enactment of the Agricultural Act of 1970 to remove their dairy products from commercial markets because of residues of chemicals registered and approved for use by the Federal Government at the time of such use. Any indemnity payment to any farmer shall continue until he has been reinstated and is again allowed to dispose of his milk on commercial markets.' "

DAIRY IMPORT STUDY

(6) Title II is amended by adding at the end thereof the following:

"Sec. 205. The Secretary of Agriculture is authorized and directed to carry out a comprehensive study to determine the effect upon domestic dairy producers, handlers, and processors and upon consumers of increases in the level of imports, if any, of dairy products and report his findings, together with any recommendations he may have with respect to import quotas or other matters, to the Congress of the United States no later than January 1, 1975. For the purposes of this section dairy products include (1) all forms of milk and dairy products, butterfat, milk solids-not-fat, and any combination or mixture thereof; (2) any article, compound, or mixture containing 5 per centum or more of butterfat, or milk solids-not-fat or any combination of the two; and (3) lactose, and other derivatives of milk, butterfat, or milk solids-not-fat, if imported commercially for any food use. Dairy products do not include (1) casein, caseinates, industrial casein, industrial caseinates, or any other industrial products, not to be used in any form for any food use, or an ingredient of food; or (2) articles not normally considered to be dairy products, such as candy, bakery goods, and other similar articles."

"PRODUCER HANDLERS

"Sec. 206. The legal status of producer handlers of milk under the provisions of the Agricultural Adjustment Act, as reenacted and amended by the Agricultural Marketing Agreement Act of 1937, as amended, shall be the same subsequent to the adoption of the amendments made by the Agriculture Act of 1973 as it was prior thereto."

WOOL PROGRAM

(7) Section 301 is amended by—

(A) striking out "1973" each place it occurs and inserting "1977", and by striking out the word "three" each place it occurs; and

(B) adding at the end thereof the following:

"(6) Strike out the first sentence of section 708 and insert the following: 'The Secretary of Agriculture is authorized to enter into agreements with, or to approve agreements entered into between, marketing cooperatives, trade associations, or others engaged or whose members are engaged in the handling of wool, mohair, sheep, or goats or the products thereof for the purpose of developing and conducting on a national, State, or regional basis advertising and sales promotion programs and programs for the development and dissemination of information on product quality, production management, and marketing improvement, for wool, mohair, sheep, or goats or the products thereof. Advertising and sales promotion programs may be conducted outside of the United States for the purpose of maintaining and expanding foreign markets and uses for mohair or goats or the products thereof produced in the United States.'."

WHEAT PROGRAM

WHEAT PRODUCTION INCENTIVES

(8) Effective beginning with the 1974 crop section 401 is amended by striking out "1971, 1972, and 1973" and inserting "1971 through 1977" and section 107 of the Agricultural Act of 1949, as it appears therein is amended by—

(A) amending section 107(a) to read as follows:

"(a) Loans and purchases on each crop of wheat shall be made available at such level as the Secretary determines appropriate, taking into consideration competitive world prices of wheat, the feeding value of wheat in relation to feed grains, and the level at which price support is made available for feed grains: *Provided*, That in no event shall such level be in excess of the parity price for wheat or less than $1.37 per bushel."

(B) substituting the word "payments" for the word "certificates" in section 107(b);

(C) striking the quotations mark at the end of section 107(b); and

(D) adding at the end of the section the following:

"(c) Payments shall be made for each crop of wheat to the producers on each farm in an amount determined by multiplying (i) the amount by which the higher of—

"(1) the national weighted average market price received by farmers during the first five months of the marketing year for such crop, as determined by the Secretary, or

"(2) the loan level determined under subsection (a) for such crop

is less than the established price of $2.05 per bushel in the case of the 1974 and 1975 crops, $2.05 per bushel adjusted to reflect any change during the calendar year 1975 in the index of prices paid by farmers for production items, interest, taxes, and wage rates in the case of the 1976 crop, and the established price for the 1976 crop adjusted to reflect any change during the calendar year 1976 in such index in the case of the 1977 crop, times in each case (ii) the allotment for the farm for such crop, times (iii) the projected yield established for the farm with such adjustments as the Secretary determines necessary to provide a fair and equitable yield: *Provided*, That any increase that would otherwise be made in the established price to reflect a change in the index of prices paid by farmers shall be adjusted to reflect any change in (i) the national average yield per acre of wheat for the three calendar years preceding the year for which the determination is made, over (ii) the national average yield per acre of wheat for the three calendar years preceding the year previous to the one for which the determination is made. If the Secretary determines that the producers are prevented from planting, any portion of the farm acreage allotment to wheat or other nonconserving crop, because of drought, flood, or other natural disaster or condition beyond the control of the producer, the rate of payment on such portion shall be the larger of (A) the foregoing rate, or (B) one-third of the established price. If the Secretary determines that, because of such a disaster or condition, the total quantity of wheat (or other nonconserving crop planted instead of wheat) which the producers are able to harvest on any farm is less than 66⅔ percent of the farm acreage allotment times the projected yield of wheat (or other nonconserving crop planted instead of wheat) for the farm, the rate of payment for the deficiency in production below 100 percent shall be the larger of (A) the foregoing rate, or (B) one-third of the established price. The Secretary shall provide for the sharing of payments made under this subsection for any farm among the producers on the farm on a fair and equitable basis."

TERMINATION OF WHEAT ACREAGE CERTIFICATE PROGRAM, FARM ACREAGE ALLOTMENTS

(9) Section 402 is amended by inserting "(a)" after the section designation and adding the following at the end of the section:

"(b)(A) Section 379b of the Agricultural Adjustment Act of 1938 (which provides for a wheat marketing certificate program) shall not be applicable to the 1974 through 1977 crops of wheat, except as provided in paragraphs (B) and (C) of this subsection.

"(B) Section 397b(c) of the Agricultural Adjustment Act of 1938, as amended by subsection (a) of this section (which provides for a set-aside program), shall be effective with respect to the 1974 through 1977 crops of wheat with the following changes:

"(i) The phrase 'payments authorized by section 107(c) of the Agricultural Act of 1949' shall be substituted for the word 'certificates' and the phrases 'certificates authorized in subsection (b)' and 'marketing certificates' each place they occur.

"(ii) The word 'domestic' shall be stricken each place it occurs.

"(iii) The second sentence of section 379b (c)(1) is amended to read as follows: 'If a set-aside of cropland is in effect under this subsection (c), then as a condition of eligibility for loans, purchases, and payments authorized by section 107(c) of the Agricultural Act of 1949, the producers on a farm must set aside and devote to approved conservation uses an acreage of cropland equal to (i) such percentage of the wheat allotment for the farm as may be specified by the Secretary and will be estimated by the Secretary to result in a set-aside not in excess of thirteen and three-tenths million acres in the case of the 1971 crop; plus, if required by the Secretary, (ii) the acreage of cropland on the farm devoted in preceding years to soil conserving uses, as determined by the Secretary.'

"(iv) The third sentence in 379b(c)(1) is amended to read as follows: 'The Secretary is authorized for the 1974 through 1977 crops to limit the acreage planted to wheat on the farm to a percentage of the acreage allotment.'

"(v) '1971 through 1977' shall be substituted for '1971, 1972, and 1973' each place it occurs other than in the third sentence of section 379b(c)(1).

"(vi) The last sentence of section 379b(c) (1) is amended to read as follows: 'The Secretary shall permit producers to plant and graze on set-aside acreage sweet sorghum, and the Secretary may permit, subject to such terms and conditions as he may prescribe, all or any of the set-aside acreage to be devoted to hay and grazing or the production of guar, sesame, safflower, sunflower, castor beans, mustard seed, crambe, plantago ovato, flaxseed, triticale, oats, rye, or other commodity, if he determines that such production is needed to provide an adequate supply, is not likely to increase the cost of the price-support program, and will not adversely affect farm income.'

"(vii) After the second sentence of section 379b(c)(3) the following shall be inserted: 'The Secretary may, in the case of programs for the 1974 through 1977 crops, pay an appropriate share of the cost of practices designed to carry out the purposes of the foregoing sentences.'

"(C) Sections 379b (d), (e), (g), and (i) of the Agricultural Adjustment Act of 1938, as amended by subsection (a) of this section, shall be effective for the 1974 through 1977 crops amended to read as follows:

"'(d) The Secretary shall provide for the sharing of payments made under this section for any farm among producers on the farm on a fair and equitable basis.

"'(e) In any case in which the failure of a producer to comply fully with the terms and conditions of the program formulated under this section precludes the making of loans, purchases, and payments, the Secretary may, nevertheless, make such loans, purchases, and payments in such amounts as he determines to be equitable in relation to the seriousness of the default.

"'(g) The Secretary is authorized to issue such regulations as he determines necessary to carry out the provisions of this title.

"'(i) The Secretary shall carry out the program authorized by this section through the Commodity Credit Corporation.'

"(D) Section 379c of the Agricultural Adjustment Act of 1938, effective only with respect to the 1974 through 1977 crops of wheat is amended to read as follows:

"'SEC. 379c. (a)(1) The farm acreage allotment for each crop of wheat shall be determined as provided in this section. The Secretary shall proclaim the national acreage allotment not later than April 15 of each calendar year for the crop harvested in the next succeeding calendar year. Such national allotment shall be the number of acres he determines on the basis of the estimated national average yield for the crop for which the determination is being made will produce the quantity (less imports) that he estimates will be utilized domestically and for export during the marketing year for such crop. If the Secretary determines that carryover stocks are excessive or an increase in stocks is needed to assure a desirable carryover, he may adjust the allotment by the amount he determines will accomplish the desired decrease or increase in carryover stocks. The national acreage allotment for any crop of wheat shall be apportioned by the Secretary among the States on the basis of the apportionment to each State of the national acreage allotment for the preceding crop (1973 national domestic allotment in the case of apportionment of the 1974 national acreage allotment) adjusted to the extent deemed necessary by the Secretary to establish a fair and equitable apportionment base for each State, taking into consideration established crop rotation practices, the estimated decrease in farm acreage allotments, and other relevant factors.

"'(2) The State acreage allotment for wheat, less a reserve of not to exceed 1 per centum thereof for apportionment as provided in this subsection, shall be apportioned by the Secretary among the counties in the State, on the basis of the apportionment to each such county of the wheat allotment for the preceding crop, adjusted to the extent deemed necessary by the Secretary in order to establish a fair and equitable apportionment base for each county taking into consideration established crop-rotation practices, the estimated decrease in farm allotments, and other relevant factors.

"'(3) The farm allotment for each crop of wheat shall be determined by apportioning the county wheat allotment among farms in the county which had a wheat allotment for the preceding crop on the basis of such allotment, adjusted to reflect established crop-rotation practices and such other factors as the Secretary determines should be considered for the purpose of establishing a fair and equitable allotment. Notwithstanding any other provision of this subsection, the farm allotment shall be adjusted downward to the extent required by subsection (b).

"'(4) Not to exceed 1 per centum of the State allotment for any crop may be apportioned to farms for which there was no allotment for the preceding crop on the basis of the following factors: suitability of the land for production of wheat, the past experience of the farm operator in the production of wheat, the extent to which the farm operator is dependent on income from farming for his livelihood, the production of wheat on other farms owned, operated, or controlled by the farm operator, and such other factors as the Secretary determines should be considered for the purpose of establishing fair and equitable farm allotments. No part of such reserve shall be apportioned to a farm to reflect new cropland brought into production after the date of enactment of the set-aside program for wheat.

"'(5) The planting on a farm of wheat of any crop for which no farm allotment was established shall not make the farm eligible for an allotment under subsection (a)(3) nor shall such farm by reason of such planting be considered ineligible for an allotment under subsection (a)(4).

"'(6) The Secretary may make such adjustments in acreage under this Act as he determines necessary to correct for abnormal factors affecting production, and to give due consideration to tillable acreage, crop rotation practices, types of soil, soil and water conservation measures, and topography, and in addition, in the case of conserving use acreages to such other factors as he deems necessary in order to establish a fair and equitable conserving use acreage for the farm.

"'(b)(1) If for any crop the total acreage of wheat planted on a farm is less than the farm allotment, the farm allotment used as a base for the succeeding crop shall be reduced by the percentage by which such planted acreage was less than such farm allotment, but such reduction shall not exceed 20 per centum of the farm allotment for the preceding crop. If no acreage has been planted to wheat for three consecutive crop years on any farm which has an allotment, such farm shall lose its allotment. Producers on any farm who have planted to wheat not less than 90 per centum of the allotment for the farm shall be considered to have planted an acreage equal to 100 per centum of such allotment. An acreage on the farm which the Secretary determines was not planted to wheat because of drought, flood, or other natural disaster or condition beyond the control of the producer shall be considered to be an acreage of wheat planted for harvest. For the purpose of this subsection, the Secretary may permit producers of wheat to have acreage devoted to soybeans, feed grains for which there is a set-aside program in effect, guar, castor beans, cotton, triticale, oats, rye, or such other crops as the Secretary may deem appropriate considered as devoted to the production of wheat to such extent and subject to such terms and conditions as the Secretary determines will not impair the effective operation of the program.

"'(2) Notwithstanding the provisions of subsection (b)(1), no farm allotment shall be reduced or lost through failure to plant the farm allotment, if the producer elects not to receive payments for the portion of the farm allotment not planted, to which he would otherwise be entitled under the provisions of section 107(c) of the Agricultural Act of 1949.'"

REPEAL OF PROCESSOR CERTIFICATE REQUIREMENT

(10) Section 403 is amended by inserting "(a)" after the section designation and by inserting at the end thereof the following:

"(b) Sections 379d, 379e, 379f, 379g, 379h, 379i, and 379j of the Agricultural Adjustment Act of 1938 (which deal with marketing certificate requirements for processors and exporters) shall not be applicable to wheat processed or exported during the period July 1, 1973 through June 30, 1978; and section 379g is amended by adding the following new subsection (c):

"(c) The Secretary is authorized to take such action as he determines to be necessary to facilitate the transition from the certificate program provided for under section 379d to a program under which no certificates are required. Notwithstanding any other provision of law, such authority shall include, but shall not be limited to the authority to exempt all or a portion of wheat or food products made therefrom in the channels of trade on July 1, 1973, from the marketing restrictions in subsection (b) of section 379d. or to sell certificates to persons owning such wheat or food products made therefrom at such price and under such terms and conditions as the Secretary may determine. Any such certificate shall be issued by the Commodity Credit Corporation. Nothing herein shall authorize the Secretary to require certificates on wheat processed after June 30, 1973."

SUSPENSION OF WHEAT MARKETING QUOTAS

(11) Section 404 is amended by striking "1971, 1972, and 1973" wherever it appears and inserting "1971 through 1977", and by striking "1972 and 1973" and inserting "1972 through 1977".

STATE AGENCY ALLOTMENTS, YIELD CALCULATIONS

(12)(a) Section 405 is amended by striking out "1971, 1972, and 1973" and inserting "1971 through 1977"; and by repealing paragraph (2) effective with the 1974 crop; by inserting "(a)" after the section designation; by changing the period and quotation mark at the end of the section to a semicolon; and by adding at the end of the section the following:

"(b) Effective with respect to the 1974 through 1977 crops, section 301(b)(13)(K) of the Agricultural Adjustment Act of 1938 is amended by adding after 'three calendar years' the following: '(five calendar years in the case of wheat)', and section 708 of Public Law 89–321 is amended by inserting in the second sentence after 'determining the projected yield' the following '(except that in the case of wheat, if the yield is abnormally low in any one of the calendar years of the base period because of drought, flood, or other natural disaster, the Secretary shall take into account the actual yield proved by the producer in the other four years of such base period)'."

SUSPENSION OF QUOTA PROVISIONS

(13) Section 406 is amended by striking out "1971, 1972, and 1973" and inserting "1971 through 1977".

REDUCTION IN WHEAT STORED TO AVOID PENALTY

(14) Section 407 of the Agricultural Act of 1970 is amended by adding at the end thereof the following: "Notwithstanding the foregoing, the Secretary may authorize release of wheat stored by a producer under section 379c(b) of the Agricultural Adjustment Act of 1938, as amended, prior to the 1971 crop, whenever he determines such release will not significantly affect market prices for wheat. As a condition of release, the Secretary may require a refund of such portion of the value of certificates received in the crop year the excess wheat was produced as he deems appropriate considering the period of time the excess wheat has been in storage and the need to provide fair and equitable treatment among all wheat program participants.".

APPLICATION OF THE AGRICULTURAL ACT OF 1949

(15) Section 408 is amended by striking out "1971, 1972, and 1973" and inserting "1971 through 1977".

COMMODITY CREDIT CORPORATION SALES PRICE RESTRICTIONS

(16) Section 409 is amended by striking out "1971, 1972, and 1973" and inserting "1971 through 1977".

SET-ASIDE ON SUMMER FALLOW FARMS

(17) Section 410 is amended by striking out "1971, 1972, and 1973" and inserting "1971 through 1977".

FEED GRAIN PROGRAM

(18) Effective only with respect to the 1974 through 1977 crops of feed grains, section 501 is amended by—

(A) striking out that portion through the first colon and section 105(a) of the Agricultural Act of 1949, as it appears therein, and inserting the following:

"SEC. 501. (a) Effective only with respect to the 1971 through 1977 crops of feed grains, section 105(a) of the Agricultural Act of 1949, as amended, is further amended to read as follows:

"'SEC. 105. Notwithstanding any other provision of law—

"'(a)(1) The Secretary shall make available to producers loans and purchases on each crop of corn at such level, not less than $1.10 per bushel nor in excess of 90 per centum of the parity price therefor, as the Secretary determines will encourage the exportation of feed grains and not result in excessive total stocks of feed grains in the United States.

"'(2) The Secretary shall make available to producers loans and purchases on each crop of barley, oats, and rye, respectively, at such level as the Secretary determines is fair and reasonable in relation to the level that loans and purchases are made available for corn, taking into consideration the feeding values of such commodity in relation to corn and the other factors specified in section 401(b), and on each crop of grain sorghums at such level as the Secretary determines is fair and reasonable in relation to the level that loans and purchases are made available for corn, taking into consideration the feeding value and average transportation costs to market of grain sorghums in relation to corn.'."

(B) adding at the end thereof the following:

"(b) Effective only with respect to the 1974 through 1977 crops of feed grains, section 105(b) of the Agricultural Act of 1949, as amended, is further amended to read as follows:

"'(b)(1) In addition, the Secretary shall make available to producers payments for each crop of corn, grain sorghums, and, if designated by the Secretary, barley, computed by multiplying (1) the payment rate, times (2) the allotment for the farm for such crop, times (3) the yield established for the farm for the preceding crop with such adjustments as the Secretary determines necessary to provide a fair and equitable yield. The payment rate for corn shall be the amount by which the higher of—

"'(1) the national weighted average market price received by farmers during the first five months of the marketing year for such crop, as determined by the Secretary, or

"'(2) the loan level determined under subsection (a) for such crop

is less than the established price of $1.38 per bushel in the case of the 1974 and 1975 crops, $1.38 per bushel adjusted to reflect any change during the calendar year 1975 in the index of prices paid by farmers for production items, interest, taxes, and wage rates in the case of the 1976 crop, and the established price for the 1976 crop adjusted to reflect any change during the calendar year 1976 in such index in the case of the 1977 crop: *Provided*, That any increase that would otherwise be made in the established price to reflect a change in the index of prices paid by farmers shall be adjusted to reflect any change in (i) the national average yield per acre of feed grains for the three calendar years preceding the year for which the determination is made, over (ii) the national average yield per acre of feed grains for the three calendar years preceding the year previous to the one for which the determination is made. The payment rate for grain sorghums and, if designated by the Secretary, barley, shall be such rate as the Secretary determines fair and reasonable in relation to the rate at which payments are made available for corn. If the Secretary determines that the producers on a farm are prevented from planting any portion of the farm acreage allotment to feed grains or other nonconserving crop, because of drought, flood, or other natural disaster or condition beyond the control of the producer, the rate of payment on such portion shall be the larger of (A) the foregoing rate, or (B) one-third of the established price. If the Secretary determines that, because of such a disaster or condition, the total quantity of feed grains (or other nonconserving crop planted instead of feed grains) which the producers are able to harvest on any farm is less than 66⅔ percent of the farm acreage allotment times the yield of feed grains (or other nonconserving crop planted instead of feed grains) established for the farm, the rate of payment for the deficiency in production below 100 percent shall be the larger of (A) the foregoing rate, or (B) one-third of the established price.

"'(2) The Secretary shall, prior to January 1 of each calendar year, determine and proclaim for the crop produced in such calendar year a national acreage allotment for feed grains, which shall be the number of acres he determines on the basis of the estimated national average yield of the feed grains included in the program for the crop for which the determination is being made will produce the quantity (less imports) of such feed grains that he estimates will be utilized domestically and for export during the marketing year for such crop. If the Secretary determines that carryover stocks of any of the feed grains are excessive or an increase in stocks is needed to assure a desirable carryover, he may adjust the feed grain allotment by the amount he determines will accomplish the desired decrease or increase in carryover stocks. State, county, and farm feed grain allotments shall be established on the basis of the feed grain allotments established for the preceding crop (for 1974 on the basis of the feed grain bases established for 1973), adjusted to the extent deemed necessary to establish a fair and equitable apportionment base for each State, county, and farm. Not to exceed 1 per centum of the State feed grain allotment may be reserved for apportionment to new feed grain farms on the basis of the following factors: suitability of the land for production of feed grains, the extent to which the farm operator is dependent on income from farming for his livelihood, the production of feed grains on other farms owned, operated, or controlled by the farm operator, and such other factors as the Secretary determines should be considered for the purpose of establishing fair and equitable feed grain allotments.

"'(3) If for any crop the total acreage on a farm planted to feed grains included in the program formulated under this subsection is less than the feed grain allotment for the farm, the feed grain allotment for the farm for the succeeding crops shall be reduced by the percentage by which the planted acreage is less than the feed grain allotment for the farm, but such reduction shall not exceed 20 per centum of the feed grain allotment. If no acreage has been planted to such feed grains for three consecutive crop years on any farm which has a feed grain allotment, such farm shall lose its feed grain allotment: *Provided*, That no farm feed grain allotment shall be reduced or lost through failure to plant, if the produced elects not to receive payment for such portion of the farm feed grain allotment not planted, to which he would otherwise be entitled under the provisions of this Act. Any such acres eliminated from any farm shall be assigned to a national pool for the adjustment of feed grain allotments as provided for in subsection (e)(2). Producers on any farm who have planted to such feed grains not less than 90 per centum of the feed grain allotment shall be considered to have planted an acreage equal to 100 per centum of such allotment. An acreage on the farm which the Secretary determines was not planted to such feed grains because of drought, flood, or other natural disaster or conditions beyond the control of the producer shall be considered to be an acreage of feed grains planted for harvest. For the purpose of this paragraph, the Secretary may permit producers of feed grains to have acreage devoted to soybeans, wheat, guar, castor beans, cotton, triticale, oats, rye, or such other crops as the Secretary may deem appropriate, considered as devoted to the production of such feed grains to such extent and subject to such terms and conditions as the Secretary determines will not impair the effective operation of the program.'.",

(C) amending the last sentence of section 105(c)(1) to read as follows:

"The Secretary shall permit producers to plant and graze on set-aside acreage sweet sorghum, and the Secretary may permit, subject to such terms and conditions as he may prescribe, all or any of the set-aside acreage to be devoted to hay and grazing or the production of guar, sesame, safflower, sunflower, castor beans, mustard seed, crambe, plantago ovato, flaxseed, triticale, oats, rye, or other commodity, if he determines that such production is needed to provide an adequate supply, is not likely to increase the cost of the price-support program, and will not adversely affect farm income."

(C) striking out "1971, 1972, 1973" where it appears in that part which amends section 105(c)(1) of the Agricultural Act of 1949 and inserting "1971 through 1977", and by amending the second sentence of section 105 (c)(1) to read as follows: "If a set-aside of cropland is in effect under this subsection (c), then as a condition of eligibility for loans, purchases, and payments on corn, grain sorghums, and, if designated by the Secretary, barley, respectively, the producers on a farm must set aside and devote to approved conservation uses an acreage of cropland equal to (i) such percentage of the feed grain allotment for the farm as may be specified by the Secretary, plus, if required by the Secretary (ii) the acreage of cropland on the farm devoted in preceding years to soil conserving uses, as determined by the Secretary."

(D) amending the third sentence of section 105(c)(1) to read as follows: "The Secretary is authorized for the 1974 through 1977 crops to limit the acreage planted to feed grains on the farm to a percentage of the farm acreage allotment.",

(E) striking out paragraphs (1) and (3) of subsection (e), changing "bases" to "allotments" wherever it appears in paragraph (2) of subsection (e), and striking out all of subsection (g).

(F) inserting after the second sentence of section 105(c)(3) the following: "The Secretary may, in the case of programs for the 1974 through 1977 crops, pay an appropriate share of the cost of practices designed to carry out the purposes of the foregoing sentences."

COTTON PROGRAM

SUSPENSION OF MARKETING QUOTAS FOR COTTON, MINIMUM BASE ACREAGE ALLOTMENT

(19) Section 601 is amended by—

(A) striking out "1971, 1972, and 1973" wherever it appears therein and inserting "1971 through 1977",

(B) striking "1970, 1971, and 1972" from paragraph (2) and inserting "1970 through 1976",

(C) effective beginning with the 1974 crop, striking out the following from section 344a (a) in section 601 "for which a farm base acreage allotment is established (other than pursuant to section 350(e)(1)(A))",

(D) striking "1974" from paragraph (3) (1) and inserting "1978", and by striking "1972 and 1973" from paragraph (4) and inserting "1972 through 1977",

(E) effective beginning with the 1974 crop, adding at the end of section 350(a) in paragraph (4) of section 601 the following: "The national base acreage allotment for the 1974 through 1977 crops shall not be less than eleven million acres.",

(F) effective beginning with the 1974 crop, striking "soybeans, wheat or feed grains" from the last sentence of section 350(e)(2) in paragraph (4) of section 601 and inserting "soybeans, wheat, feed grains, guar, castor beans, triticale, oats, rye or such other crops as the Secretary may deem appropriate",

(G) effective beginning with the 1974 crop, striking the words "an adjoining" in the first sentence of section 350(h) as found in paragraph (4) of section 601, and inserting in lieu thereof "any other nearby".

COTTON PRODUCTION INCENTIVES

(20) Section 602 is amended by—

(A) striking "1971, 1972, and 1973" wherever it appears therein and inserting "1971 through 1977", by striking "the 1972 or 1973 crop" where it appears in that part amending section 103(e)(1) of the Agricultural Act of 1949 and inserting "any of the 1972 through 1977 crops", and by striking out "acreage world price" in that part amending section 103(e)(1) of the Agricultural Act of 1949, and substituting "average price of American cotton in world markets";

(B) in that part amending section 103(e) (1) of the Agricultural Act of 1949 striking out "two-year period" wherever it appears therein and substituting "three-year period"; and by striking out that part beginning with "except that" in the first sentence and substituting "except that if the loan rate so calculated is higher than the then current level of average world prices for American cotton of such quality, the Secretary is authorized to adjust the current calculated loan rate for cotton to 90 per centum of the then current average world price.";

(C) effective, beginning with the 1974 crop, amending section 103(e)(2) of the Agricultural Act of 1949, as it appears in such section 602 to read as follows:

"(2) Payments shall be made for each crop of cotton to the producers on each farm at a rate equal to the amount by which the higher of—

"(1) the average market price received by farmers for upland cotton during the calendar year which includes the first five months of the marketing year for such crop, as determined by the Secretary, or

"(2) the loan level determined under paragraph (1) for such crop

is less than the established price of 38 cents per pound in the case of the 1974 and 1975 crops, 38 cents per pound adjusted to reflect any change during the calendar year 1975 in the index of prices paid by farmers for production items, interest, taxes, and wage rates in the case of the 1976 crop, and the established price for the 1976 crop adjusted to reflect any change during the calendar year 1976 in such index in the case of the 1977 crop: *Provided*, That any increase that would otherwise be made in the established price to reflect a change in the index of prices paid by farmers shall be adjusted to reflect any change in (i) the national average yield per acre of cotton for the three calendar years preceding the year for which the determination is made, over (ii) the national average yield per acre of cotton for the three calendar years preceding the year previous to the one for which the determination is made. If the Secretary determines that the producers on a farm are prevented from planting, any portion of the allotment to cotton because of drought, flood, or other natural disaster, or condition beyond the control of the producer, the rate of payment for such portion shall be the larger of (A) the foregoing rate, or (B) one-third of the established price. If the Secretary determines that, because of such a disaster or condition, the total quantity of cotton which the producers are able to harvest on any farm is less than 66⅔ per centum of the farm base acreage allotment times the average yield established for the farm, the rate of payment for the deficiency in production below 100 per centum shall be the larger of (A) the foregoing rate, or (B) one-third of the established price. The payment rate with respect to any producer who (i) is on a small farm (that is, a farm on which the base acreage allotment is ten acres or less, or on which the yield used in making payments times the farm base acreage allotment is five thousand pounds or less, and for which the base acreage allotment has not been reduced under section 350(f), (ii) resides on such farm, and (iii) derives his principal income from cotton produced on such farm, shall be increased by 30 per centum; but, notwithstanding paragraph (3), such increase shall be made only with respect to his share of cotton actually harvested on such farm within the quantity specified in paragraph (3)."

(D) effective, beginning with the 1974 crop, amending the third sentence of section 103(e)(4)(A) of the Agricultural Act of 1949, as it appears in such section 602 to read as follows: "The Secretary is authorized for the 1974 through 1977 crops to limit the acreage planted to upland cotton on the farm in excess of the farm base acreage allotment to a percentage of the farm base acreage allotment.".

(E) The second sentence of Section 103(e)(4)(A) is amended to read as follows: "If a set-aside of cropland is in effect under this paragraph (4), then as a condition of eligibility for loans and payments on upland cotton the producers on a farm must set aside and devote to approved conservation uses an acreage of cropland equal to (i) such percentage of the farm base acreage allotment for the farm as may be specified by the Secretary (not to exceed 28 per centum of the farm base acreage allotment), plus, if required by the Secretary, (ii) the acreage of cropland on the farm devoted in preceding years to soil conserving uses, as determined by the Secretary."

(F) the fourth sentence of section 103(e)(4)(A) of the Agricultural Act of 1949 as found in section 602 is amended to read as follows: "The Secretary shall permit producers to plant and graze on set-aside acreage sweet sorghum, and the Secretary may permit, subject to such terms and conditions as he may prescribe, all or any of the set-aside acreage to be devoted to hay and grazing or the production of guar, sesame, safflower, sunflower, castor beans, mustard seed, crambe, plantago ovato, flaxseed, triticale, oats, rye, or other commodity, if he determines that such production is needed to provide an adequate supply, is not likely to increase the cost of the price-support program, and will not adversely affect farm income."

(G) inserting after the second sentence of section 103(e)(5) of the Agricultural Act of 1949 as it appears in such section 602 the following: "The Secretary may in the case of programs for the 1974 through 1977 crops, pay an appropriate share of the cost of practices designed to carry out the purposes of the foregoing sentences."

COMMODITY CREDIT CORPORATION SALES PRICE RESTRICTIONS FOR COTTON

(21) Section 603 is amended by striking out "1974" and inserting "1978".

MISCELLANEOUS COTTON PROVISIONS

(22) Sections 604, 605, 606, 607, and 608 are each amended by striking out "1971, 1972, and 1973" and inserting "1971 through 1977".

COTTON MARKET DEVELOPMENT

(23) Section 610 is amended by inserting after the words "shall be" in the second sentence the following words "10 million dollars," and by striking the balance of said sentence, and further by striking out "1972 and 1973" and inserting "1972 through 1977" in the third sentence.

COTTON INSECT ERADICATION

(24) Title VI is amended by adding at the end thereof the following:

"SEC. 611. Section 104 of the Agricultural Act of 1949, as amended, is amended by adding a new subsection (d) as follows:

"'(d) In order to reduce cotton production costs, to prevent the movement of certain cotton plant insects to areas not now infested, and to enhance the quality of the environment the Secretary is authorized and directed to carry out programs to destroy and eliminate cotton boll weevils in infested areas of the United States as provided herein and to carry out similar programs with respect to pink bollworms or any other major cotton insect if the Secretary determines that methods and systems have been developed to the point that success in eradication of such insects is assured. The Secretary shall carry out the eradication programs authorized by this subsection through the Commodity Credit Corporation. In carrying out insect eradication projects, the Secretary shall utilize the technical and related services of appropriate Federal, State, private agencies, and cotton organizations. Producers and landowners in an eradication zone, established by the Secretary, who are receiving benefits from any program administered by the United States Department of Agriculture, shall, as a condition of receiving or continuing any such benefits, participate in and cooperate with the eradication project, as specified in regulations of the Secretary.

"'The Secretary may issue such regulations as he deems necessary to enforce the provisions of this subsection with respect to achieving the compliance of producers and landowners who are not receiving benefits from any program administered by the United States Department of Agriculture. Any person who knowingly violates any such regulation promulgated by the Secretary under this subsection may be assessed a civil penalty of not to exceed $5,000 for each offense. No civil penalty shall be assessed unless the person shall have been given notice and opportunity for a hearing on such charge in the county, parish, or incorporated city of the residence of the person charged. In determining the amount of the penalty the Secretary shall consider the appropriateness of such penalty to the size of the business of the person charged, the effect on the person's ability to continue in business, and the gravity of the violation. Where special measures deemed essential to achievement of the eradication objective are taken by the project and result in a loss of production and income to the producer, the Secretary shall provide reasonable and equitable indemnification from funds available for the project, and also provide for appropriate protection of the allotment, acreage history, and average yield for the farm. The cost of the program in each eradication zone shall be determined, and cotton producers in the zone shall be required to pay up to one-half thereof, with the exact share in each zone area to be specified by the Secretary upon his finding that such share is reasonable and equitable based on population levels of the target insect and the degree of control measures normally required. Each producer's pro rata share shall be deducted from his cotton payment under this Act or otherwise collected, as provided in regulations of the Secretary. Insofar as practicable, cotton producers and other persons engaged in cotton production in the eradication zone shall be employed to participate in the work of the project in such zone. Funding of the program shall be terminated at such time as the Secretary determines and reports to the Congress that complete eradication of the insects for which programs are undertaken pursuant to this subsection has been accomplished. Funds in custody of agencies carrying out the program shall, upon termination of such program, be accounted for to the Secretary for appropriate disposition.

"'The Secretary is authorized to cooperate with the Government of Mexico in carrying out operations or measures in Mexico which he deems necessary and feasible to prevent the movement into the United States from Mexico of any insects eradicated under the provisions of this subsection. The measure and character of cooperation carried out under this subsection on the part of the United States and on the part of the Government of Mexico, including the expenditure or use of funds made available by the Secretary under this subsection, shall be such as may be prescribed by the Secretary. Arrangements for the cooperation authorized by this subsection shall be made through and in consultation with the Secretary of State. The Commodity Credit Corporation shall not make any expenditures for carrying out the purposes of this subsection unless the Corporation has received funds to cover such expenditures from appropriations made to carry out the purposes of this subsection. There are hereby authorized to be appropriated to the Commodity Credit Corporation such sums as the Congress may from time to time determine to be necessary to carry out the purposes of this subsection.'."

SKIPROW PRACTICES

(25) Title VI is further amended by adding the following new section:

"SEC. 612. Section 374(a) of the Agricultural Adjustment Act of 1938, as amended, is hereby amended by adding the following new sentence: 'Where cotton is planted in skiprow patterns, the same rules that were in effect for the 1971 through 1973 crops for classifying the acreage planted to cotton and the area skipped shall also apply to the 1974 through 1977 crops.'."

PUBLIC LAW 480

(26) Section 701 is amended by striking out "1973" and inserting "1977"; and title VII is further amended by adding at the end thereof the following:

Section 103 of such Act is amended by inserting before the semicolon at the end of subsection (o) the following: "and that commercial supplies are available to meet demands developed through programs carried out under this Act."

"SEC. 704. Title IV of such Act is amended by adding at the end thereof the following:

"'SEC. 411. No agricultural commodities shall be sold under title I or title III or donated under title II of this Act to North Vietnam, unless by an Act of Congress enacted subsequent to July 1, 1973, assistance to North Vietnam is specifically authorized.'"

MISCELLANEOUS PROVISIONS

(27) Title VIII is amended as follows:

BEEKEEPER INDEMNITIES

(A) Section 804 is amended by striking out "December 31, 1973" and inserting "December 31, 1977".

(B) By adding at the end thereof the following:

"FHA LOANS

"SEC. 807. The first sentence of section 305 of the Consolidated Farm and Rural Development Act is amended by striking out '$100,000' and inserting '$225,000'; and by striking out 'or (b)' and inserting '(b) the loans under which sections to any one borrower to exceed $100,000, or (c)'.

"COST OF PRODUCTION STUDY

"SEC. 808. The Secretary of Agriculture, in cooperation with the land grant colleges, commodity organizations, general farm organizations, and individual farmers, shall conduct a cost of production study of the wheat, feed grain, cotton, and dairy commodities under the various production practices and establish a current national weighted average cost of production. This study shall be updated annually and shall include all typical variable costs, a return on fixed costs equal to the existing interest rates charged by the Federal Land Bank, and return for management comparable to the normal management fees charged by other comparable industries. These studies shall be based upon the size unit that requires one man to farm on a full-time basis.

"LIVESTOCK STUDY

"SEC. 809. (a) The Secretary of Agriculture is authorized and directed to carry out a comprehensive study and investigation to determine the reasons for the extensive loss of livestock sustained each year, through injury and disease, while such livestock is being transported in interstate commerce for commercial purposes. The Secretary is also authorized and directed to conduct, in connection with such study and investigation, an intensive research program for the purpose of developing measures that can be taken to reduce materially the number of animals lost, through injury and disease, during transportation for commercial purposes.

"(b) The Secretary of Agriculture shall submit to the Congress not more than four years after the date of enactment of this section a final report on the results of his study and investigation and research together with such recommendations for administrative and legislative action as he deems appropriate. He shall submit such interim reports to the Congress as he deems advisable, but at least one at the end of each twelve month period following the date of enactment of this section.

"(c) There is authorized to be appropriated such sums as may be necessary to carry out the provisions of this section, but not more than $500,000 in any fiscal year.

"WHEAT AND FEED GRAINS RESEARCH

"SEC. 810. In order to reduce fertilizer and herbicide usage in excess of production needs, to develop wheat and feed grain varieties more susceptible to complete fertilizer utilization, to improve the resistance of wheat and feed grain plants to disease and to enhance their conservation and environmental qualities, the Secretary of Agriculture is authorized and directed to carry out regional and national research programs.

"In carrying out such research, the Secretary shall utilize the technical and related services of the appropriate Federal, State, and private agencies.

"There is authorized to be appropriated such sums as may be necessary to carry out the provisions of this section, but not more than $1,000,000 in any fiscal year.

"TECHNICAL SUPPORT

"SEC. 811. The Department of Agriculture shall provide technical support to exporters and importers of United States agricultural products when so requested. Such support shall include, but not be limited to, a review of the feasibility of the export proposal, adequacy of sources of supply, compliance with trade regulations of the United States and the importing country and such other information or guidance as may be needed to expand and expedite United States agricultural exports by private trading interests.

"EXPORT SALES REPORTING

"SEC. 812. All exporters of wheat and wheat flour, feed grains, oil seeds, cotton and products thereof, and other commodities the Secretary may designate produced in the United States shall report to the Secretary of Agriculture, on a weekly basis, the following information regarding any contract for export sales entered into or subsequently modified in any manner during the reporting period: (a) type, class, and quantity of the commodity sought to be exported, (b) the marketing year of shipment, (c) destination, if known. Individual reports shall remain confidential but shall be compiled by the Secretary and published in compilation form each week following the week of reporting. All exporters of agricultural commodities produced in the United States shall upon request of the Secretary of Agriculture immediately report to the Secretary any information with respect to export sales of agricultural commodities and at such times as he may request. Any person (or corporation) who knowingly fails to report export sales pursuant to the requirements of this section shall be fined not more than $25,000 or imprisoned not more than one year, or both. The Secretary may, with respect to any commodity or type or class thereof during any period in which he determines that there is a domestic supply of such commodity substantially in excess of the quantity needed to meet domestic requirements, and that total supplies of such commodity in the exporting countries are estimated to be in surplus, and that anticipated exports will not result in excessive drain on domestic supplies, and that to require the reports to be made will unduly hamper export sales, provide for such reports by exporters and publishing of such data to be on a monthly basis rather than on a weekly basis."

"DISASTER RESERVE

"SEC. 813. (a) Notwithstanding any other provision of law, the Secretary of Agriculture shall under the provisions of this Act establish, maintain, and dispose of a separate reserve of inventories of not to exceed 75 million bushels of wheat, feed grains, and soybeans for the purpose of alleviating distress caused by a natural disaster.

"Such reserve inventories shall include such quantities of grain that the Secretary deems needed to provide for the alleviation of distress as the result of a natural disaster.

"(b) The Secretary shall acquire such commodities through the price support program.

"(c) Except when a state of emergency has been proclaimed by the President or by concurrent resolution of Congress declaring that such reserves should be disposed of, the Secretary shall not offer any commodity in the reserve for sale or disposition.

"(d) The Secretary is also authorized to dispose of such commodities only for (1) use in relieving distress (a) in any State, the District of Columbia, Puerto Rico, Guam, or the Virgin Islands and (b) in connection with any major disaster determined by the President to warrant assistance by the Federal Government under Public Law 875, Eighty-first Congress, as amended (42 U.S.C. 1855 et seq.), or (2) for use in connection with a state of civil defense emergency as proclaimed by the President or by concurrent resolution of the Congress in accordance with the provisions of the Federal Civil Defense Act of 1950, as amended (50 U.S.C. App. 2251–2297).

"(e) The Secretary may sell at an equivalent price, allowing for the customary location and grade price differentials, substantially equivalent quantities in different locations or warehouses to the extent needed to properly handle, rotate, distribute, and locate such reserve.

"(f) The Secretary may use the Commodity Credit Corporation to the extent feasible to fulfill the purposes of this section; and to the maximum extent practicable consistent with the fulfillment of the purposes of this section and the effective and efficient administration of this section shall utilize the usual and customary channels, facilities, and arrangements of trade and commerce.

"(g) The Secretary may issue such rules and regulations as may be necessary to carry out the provisions of this section.

"(h) There is hereby authorized to be appropriated such sums as may be necessary to carry out the purposes of this section.

"IMPORTED COMMODITIES

"SEC. 814. Notwithstanding any other provisions of this Act, the Secretary shall encourage the production of any crop of which the United States is a net importer and for which a price support program is not in effect by permitting the planting of such crop on set-aside acreage and with no reduction in the rate of payment for the commodity.

"EMERGENCY SUPPLY OF AGRICULTURAL PRODUCTS

"SEC. 815(a) Notwithstanding any other provision of law, the Secretary of Agriculture shall assist farmers, processors, and distributors in obtaining such prices for agricultural products that an orderly, adequate and steady supply of such products will exist for the consumers of this nation.

"(b) The President shall make appropriate adjustments in the maximum price which may be charged under the provisions of Executive Order 11723 (dated June 13, 1973) or any subsequent Executive Order for any agricultural products (at any point in the distribution chain) as to which the Secretary of Agriculture certifies to the President that the supply of the product will be reduced to unacceptably low levels as a result of any price control or freeze order or regulation and that alternative means for increasing the supply are not available.

"(c) Under this section, the term 'agricultural products' shall include meat, poultry, vegetables, fruits and all other agricultural commodities in raw or processed form, except forestry products or fish or fishery products.

"RURAL DEVELOPMENT

"SEC. 816. (a) Section 401 of the Rural Development Act of 1972 (86 Stat. 670) is amended by substituting the words 'fire' and 'fires' for the words 'wildfire' and 'wildfires', respectively, wherever such words appear.

"(b) Section 404 of the Rural Development Act of 1972 (86 Stat. 671) is amended to read as follows:

"'SEC. 404. APPROPRIATIONS.—There is authorized to be appropriated to carry out the provisions of this title $7,000,000 for each of three consecutive fiscal years beginning with the fiscal year for which funds are first appropriated and obligated by the Secretary of Agriculture carrying out this title.'

"(c) Section 306(a) of the Consolidated Farm and Rural Development Act is amended by adding at the end thereof the following:

"'(13) (A) The Secretary, under such reasonable rules and conditions as he shall establish, shall make grants to eligible volunteer fire departments for up to 50 per centum of the cost of firefighting equipment needed by such departments but which such departments are unable to purchase through the resources otherwise available to them, and for the cost of the training necessary to enable such departments to use such equipment efficiently.

"'(B) For the purposes of this subsection, the term "eligible volunteer fire department" means any established volunteer fire department in a rural town, village, or unincorporated area where the population is less than two thousand but greater than two hundred, as reasonably determined by the Secretary.'

"SEC. 817. Section 310B(d) of subtitle A of the Consolidated Farm and Rural Development Act is amended by adding at the end thereof the following:

"'(4) No grant or loan authorized to be made under this Act shall require or be subject to the prior approval of any officer, employee, or agency of any State.

"'(5) No loan commitment issued under this section, section 304, or section 312 shall be conditioned upon the applicant investing in excess of 10 per centum in the business or industrial enterprise for which purpose the loan is to be made unless the Secretary determines there are special circumstances which necessitate an equity investment by the applicant greater than 10 per centum.

"'(6) No provision of law shall prohibit issuance by the Secretary of certificates evidencing beneficial ownership in a block of notes insured or guaranteed under this Act or Title V of the Housing Act of 1949; any sale by the Secretary of such certificates shall be treated as a sale of assets for the purposes of the Budget and Accounting Act of 1921. Any security representing beneficial ownership in a block of notes guaranteed or insured under this Act or Title V of the Housing Act of 1949 issued by a private entity shall be exempt from laws administered by the Securities and Exchange Commission, except sections 17, 22, and 24 of the Securities Act of 1933, as amended; however, the Secretary shall require (i) that the issuer place such notes in the custody of an institution chartered by a Federal or State agency to act as trustee and (ii) that the issuer provide such periodic reports of sales as the Secretary deems necessary.'

"AGRICULTURAL CENSUS

"SEC. 818. Notwithstanding any other provision of law, the Secretary of Commerce shall conduct a census of agriculture in 1974 as required by section 142 of title 13, United States Code, and shall submit to the Congress, within thirty days after the date of enactment of the Agriculture and Consumer Protection Act of 1973, an estimate of the funds needed to conduct such census."

(28) By adding at the end thereof the following new title X:

"TITLE X—RURAL ENVIRONMENTAL CONSERVATION PROGRAM

"SEC. 1001. Notwithstanding any other provision of law, the Secretary shall carry out the purposes specified in clauses (1), (2), (3), (4), and (6) of section 7(a) of the Soil Conservation and Domestic Allotment Act, as amended, section 16(b) of such Act, and in the Water Bank Act (16 U.S.C. 1301 et seq.) by entering into contracts of three, five, ten, or twenty-five years with, and at the option of, eligible owners and operators of land as determined by the Secretary and having such control as the Secretary determines to be needed on the farms, ranches, wetlands, forests, or other lands covered thereby. In addition, the Secretary is hereby authorized to purchase perpetual easements to promote said purposes of this Title, including the sound use and management of flood plains, shore lands, and aquatic areas of the Nation. Such contracts shall be designed to assist farm, ranch, wetland, and nonindustrial private forest owners and operators, or other owners or operators, to make, in orderly progression over a period of years, such changes, if any, as are needed to effectuate any of the purposes specified in clauses (1), (2), (3), (4), and (6) of section 7(a) of the Soil Conservation and Domestic Allotment Act, as amended; section 16(b) of such Act; the Water Bank Act (16 U.S.C. 1301 et seq.); in enlarging fish and wildlife and recreation sources; in improving the level of management of nonindustrial private forest lands; and in providing long-term wildlife and upland game cover. In carrying out the provisions of this title, due regard shall be given to the maintenance of a continuing and stable supply of agricultural commodities and forest products adequate to meet consumer demand at prices fair to both producers and consumers.

"(1) to effectuate the plan for his farm, ranch, forest, wetland, or other land substantially in accordance with the schedule outlined therein;

"(2) to forfeit all rights to further payments or grants under the contract and refund to the United States all payments or grants received thereunder upon his violation of the contract at any stage during the time he has control of the land if the Secretary, after considering the recommendations of the Soil and Water Conservation District Board, or the State forester or other appropriate official in a contract entered into under the provisions of section 1009 of this title, determines that such violation is of such a nature as to warrant termination of the contract, or to make refunds or accept such payment adjustments as the Secretary may deem appropriate if he determines that the violation by the owner or operator does not warrant termination of contract;

"(3) upon transfer of his right and interest in the farm, ranch, forest, wetland, or other land during the contract period to forfeit all rights to further payments or grants under the contract and refund to the United States all payments or grants received thereunder unless the transferee of any such land agrees with the Secretary to assume all obligations of the contract;

"(4) not to adopt any practice specified by the Secretary in the contract as a practice which would tend to defeat the purposes of the contract;

"SEC. 1002. Eligible landowners and operators for contracts under this title shall furnish to the Secretary a plan of farming operations or land use which incorporates such practices and principles as may be determined by him to be practicable and which outlines a schedule of proposed changes, if any, in cropping systems or land use and of the conservation measures which are to be carried out on the farm, ranch, wetland, forests, or other land during the contract period to protect the farm, ranch, wetland, forests or other land and surrounding areas, its wildlife, and nearby populace and communities from erosion, deterioration, pollution by natural and manmade causes or to insure an adequate supply of timber and related forest products. Said plans may also, in important migratory waterfowl nesting and breeding areas which are identified in a conservation plan developed in cooperation with a soil and water conservation district in which the lands are located, and under such rules and regulations as the Secretary may provide, include a schedule of proposed changes, if any, to conserve surface waters and preserve and improve habitat for migratory waterfowl and other wildlife resources and improve subsurface moisture, including, subject to the provisions of section 1001 of this title, the reduction of areas of new land coming into production, the enhancement of the natural beauty of the landscape, and the promotion of comprehensive and total water management study.

"SEC. 1003. (a) Approved conservation plans of eligible landowners and operators developed in cooperation with the soil and water conservation district or the State forester or other appropriate State official in which their lands are situated shall form a basis for contracts under this title. Under the contract the landowner or operator shall agree—

"(5) to comply with all applicable Federal, State, or local laws, and regulations, including those governing environmental protection and noxious weed abatement; and

"(6) to such additional provisions as the Secretary determines are desirable and includes in the contract to effectuate the purposes of the program or to facilitate the practical administration of the program: *Provided*, That all contracts entered into to effectuate the purposes of the Water Bank Act for wetlands shall contain the further agreement of the owner or operator that he shall not drain, burn, fill, or otherwise destroy the wetland character of such areas, nor use such areas for agricultural purposes: *And provided further*, That contracts entered into for the protection of wetlands to effectuate the purposes of the Water Bank Act may include wetlands covered by Federal or State government easement which permits agricultural use, together with such adjacent areas as determined desirable by the Secretary.

"(b) In return for such agreement by the landowner or operator the Secretary shall agree to make payments in appropriate circumstances for the use of land maintained for conservation purposes as set forth in this title, and share the cost of carrying out those conservation practices and measures set forth in the contract for which he determines that cost-sharing is appropriate and in the public interest. The portion of such cost (including labor) to be shared shall be that part which the Secretary determines is necessary and appropriate to effectuate the physical installation of the conservation practices and measures under the contract, but, in the case of a contract not entered into under an advertising and bid procedure under the provisions of section 1009(d) of this title, not less than 50 per centum or more than 75 per centum of the actual costs incurred by the owner or operator.

"(c) The Secretary may terminate any contract with a landowner or operator by mutual agreement with the owner or operator if the Secretary determines that such termination would be in the public interest, and may agree to such modification of contracts previously entered into as he may determine to be desirable to carry out the purposes of the program or facilitate the practical administration thereof or to accomplish equitable treatment with respect to other similar conservation, land use, or commodity programs administered by the Secretary.

"SEC. 1004. The Secretary is authorized to make available to eligible owners and operators conservation materials including seeds, seed inoculants, soil conditioning materials, trees, plants, and, if he determines it is appropriate to the purposes of this title, fertilizer and liming materials.

"SEC. 1005. (a) Notwithstanding the provisions of any other title, the Secretary may establish multiyear set-aside contracts for a period not to extend beyond the 1977 crop. Such contracts may be entered into only as a part of the programs in effect for wheat, feed grains, and cotton for the years 1974 through 1978, and only producers participating in one or more of such programs shall be eligible to contract with the Secretary under this section. Producers agreeing to a multiyear set-aside agreement shall be required to devote this acreage to vegetative cover capable of maintaining itself throughout such period to provide soil protection, water quality enhancement, wildlife production, and natural beauty. Grazing of livestock under this section shall be prohibited. Producers entering into agreements under this section shall also agree to comply with all applicable State and local law and regulation governing noxious weed control.

"(b) The Secretary shall provide cost-sharing incentives to farm operators for such cover establishment, whenever a multiyear contract is entered into on all or a portion of the set-aside acreage.

"Sec. 1006. The Secretary shall issue such regulations as he determines necessary to carry out the provisions of this title. The total acreage placed under agreements which result in their retirement from production in any county or local community shall in addition to the limitations elsewhere in this title be limited to a percentage of the total eligible acreage in such county or local community which the Secretary determines would not adversely affect the economy of the county or local community. In determining such percentage the Secretary shall give appropriate consideration to the productivity of the acreage being retired, if any, as compared to the average productivity of eligible acreage in such county or local community which the Secretary determines would not adversely affect the economy of the county or local community.

"Sec. 1007. (a) The Secretary of Agriculture shall appoint an advisory board in each State to advise the State committee of that State (established under section 8(b) of the Soil Conservation and Domestic Allotment Act) regarding the types of conservation measures that should be approved to effectuate the purposes of this title. The Secretary shall appoint at least six individuals to the advisory board of each State who are especially qualified by reason of education, training, and experience in the fields of agriculture, soil, water, wildlife, fish, and forest management. The advisory board appointed for any State shall meet at least once each calendar year. Said appointed members shall include, but not be limited to, the State soil conservationist, the State forester, the State administrator of the water quality programs, and the State wildlife administrator or their designees: *Provided*, That such board shall limit its advice to the State committees to the types of conservation measures that should be approved affecting the water bank program; the authorization to purchase perpetual easements to promote the purposes of this title, as described in section 1001 of this title; the providing of long-term upland game cover; and the establishment and management of approved practices on multiyear set-aside contracts as provided in section 1005 of this title.

"(b) The Secretary of Agriculture, through the establishment of a national advisory board to be named in consultation with the Secretary of the Interior, shall seek the advice and assistance of the appropriate officials of the several States in developing the programs under this title, especially in developing guidelines for (1) providing technical assistance for wildlife habitat improvement practices, (2) evaluating effects on surrounding areas, (3) considering aesthetic values, (4) checking compliance by cooperators, and (5) carrying out programs of wildlife management authorized under this title: *Provided*, That such board shall limit its advice to subjects which cover the types of conservation measures that should be approved regarding the water bank program; the authorization to purchase perpetual easements to promote the purposes of this Act, as described in section 1001 of this title; the providing of long-term upland game cover; and the establishment and management of approved practices on multiyear set-aside contracts as provided in section 1005 of this title.

"Sec. 1008. In carrying out the programs authorized under sections 1001 through 1006 of this title, the Secretary shall, in addition to appropriate coordination with other interested Federal, State, and local agencies utilize the services of local, county, and State committees established under section 8 of the Soil Conservation and Domestic Allotment Act, as amended. The Secretary is also authorized to utilize the facilities and services of the Commodity Credit Corporation in discharging his functions and responsibilities under this program. The Secretary shall also utilize the technical services of the Soil Conservation Service, the Forest Service, State forestry organizations, soil and water conservation districts, and other State, and Federal agencies, as appropriate, in development and installation of approved conservation plans under this title.

"Sec. 1009. (a) In furtherance of the purposes of this title, the Secretary of Agriculture is authorized and directed to develop and carry out a forestry incentives program to encourage the development, management, and protection of nonindustrial private forest lands. The purposes of such a program shall be to encourage landowners to apply practices which will provide for the afforestation of suitable open lands and reforestation of cutover and other nonstocked and understocked forest lands and intensive multiple-purpose management and protection of forest resources so as to provide for production of timber and related benefits.

"(b) For the purposes of this section, the term 'non-industrial private forest lands' means lands capable of producing crops of industrial wood and owned by any private individual, group association, corporation, or other legal entity. Such term does not include private entities which regularly engage in the business of manufacturing forest products or providing public utilities services of any type, or the subsidiaries of such entities.

"(c) The Secretary shall consult with the State forester or other appropriate official of the respective States in the conduct of the forestry incentives program under this section, and Federal assistance shall be extended in accordance with section 1003(b) of this title. The Secretary shall for the purposes of this section distribute funds available for cost sharing among and within the States only after assessing the public benefit incident thereto, and after giving appropriate consideration to the number and acreage of commercial forest lands, number of eligible ownerships in the State, and counties to be served by such cost sharing; the potential productivity of such lands; and the need for reforestation, timber stand improvement, or other forestry investment on such land. No forest incentives contract shall be approved under this section on a tract greater than five hundred acres, unless the Secretary finds that significant public benefit will be incident to such approval.

"(d) The Secretary may, if he determines that such action will contribute to the effective and equitable administration of the program established by this section, use an advertising and bid procedure in determining the lands in any area to be covered by agreements.

"(e) In implementing the program under this section, the Secretary will cause it to be coordinated with other related programs in such a manner as to encourage the utilization of private agencies, firms, and individuals furnishing services and materials needed in the application of practices included in the forestry incentives improvement program. The Secretary shall periodically report to the appropriate congressional committees of the progress and conduct of the program established under this section.

"Sec. 1010. There are hereby authorized to be appropriated annually such sums as may be necessary to carry out the provisions of this title. The programs, contracts, and authority authorized under this title shall be in addition to, and not in substitution for, other programs in such areas authorized by this or any other title or Act, and shall not expire with the termination of any other title or Act: *Provided*, That not more than $25,000,000 annually shall be authorized to be appropriated for the program authorized under section 1009 of this Act."

ADVISORY COMMITTEE REPEAL

Sec. 2. Section 301 of the Act of August 14, 1946 (Public Law 79–733), as amended (7 U.S.C. 1628), is hereby repealed.

FOOD STAMPS

Sec. 3. The Food Stamp Act of 1964, as amended, is amended as follows:

(a) The second sentence of section 3(e) of the Food Stamp Act of 1964 (7 U.S.C. 2012 (e)) is amended—

(1) by striking out "or"; and

(2) by inserting before the period at the end thereof the following: ", or (3) any narcotics addict or alcoholic who lives under the supervision of a private nonprofit organization or institution for the purpose of regular participation in a drug or alcoholic treatment and rehabilitation program."

(b) Section 3(e) of the Food Stamp Act of 1964 is amended by striking out the last sentence therein and inserting in lieu thereof the following sentence: "No individual who receives supplemental security income benefits under title XVI of the Social Security Act shall be considered to be a member of a household or an elderly person for any purpose of this Act for any month if such person receives for such month, as part of his supplemental security income benefits or payments described in section 1616(a) of the Social Security Act (if any), an amount equal to the bonus value of food stamps (according to the Food Stamp Schedule effective for July 1973) in addition to the amount of assistance such individual would be entitled to receive for such month under the provisions of the plan of the State approved under title I, X, XIV, or XVI, as appropriate, in effect were December 1973, assuming such plan were in effect for such month and such individual were aged, blind, or disabled, as the case may be, under the provisions of such State plan or under Public Law 92–603 as amended. The Secretary of Health, Education, and Welfare shall issue regulations for the implementation of the foregoing sentence after consultation with the Secretary of Agriculture.

(c) Section 3 of the Food Stamp Act of 1964 (7 U.S.C. 2012) is amended by adding at the end thereof the following new subsection:

"(n) The term 'drug addiction or alcoholic treatment and rehabilitation program' means any drug addiction or alcoholic treatment and rehabilitation program conducted by a private nonprofit organization or institution which is certified by the State agency or agencies designated by the Governor as responsible for the administration of the State's programs for alcoholics and drug addicts pursuant to Public Law 91–616 'Comprehensive Alcohol Abuse and Alcohol Prevention, Treatment, and Rehabilitation Act' and Public Law 92–255 'Drug Abuse Office and Treatment Act of 1972' as providing treatment that can lead to the rehabilitation of drug addicts or alcoholics."

(d) Section 5 of the Food Stamp Act of 1964 (7 U.S.C. 2014) is amended by adding at the end thereof the following new subsection:

"(d) The Secretary shall establish uniform national standards of eligibility for households described in section 3(e)(3) of this Act."

(e) Section 5(c) of the Food Stamp Act of 1964 (7 U.S.C. 2014(c)) is amended by adding at the end thereof the following: "For the purposes of this section, the term 'able-bodied adult person' shall not include any narcotics addict or alcoholic who regularly participates, as a resident or nonresident, in any drug addiction or alcoholic treatment and rehabilitation program."

(f) Section 10 of the Food Stamp Act of 1964 (7 U.S.C. 2019) is amended by inserting at the end thereof the following new subsection:

"(i) Subject to such terms and conditions as may be prescribed by the Secretary in the regulations pursuant to this Act, members of an eligible household who are narcotics addicts or alcoholics and regularly participate in a drug addiction or alcoholic treatment and rehabilitation program may use coupons issued to them to purchase food prepared for or served to them during the course of such program by a private nonprofit organization or institution which meets requirements (1), (2), and (3) of subsection (h) above. Meals served pursuant to this subsection shall be deemed 'food' for the purposes of this Act."

(g) Section 5(b) is amended by inserting the following before the period at the end of the second sentence: ": *Provided*, That such standards shall take into account payments in kind received from an employer by members of a household, if such payments are in lieu of or supplemental to household income: *Provided further*, That such payments in kind shall be limited only to housing provided by such employer to such employee and shall be the actual value of such housing but in no event shall such value be considered to be in excess of the sum of $25.00 per month".

(h) The fourth sentence of section 5(b) is amended to read as follows:

The Secretary may also establish temporary emergency standards of eligibility for the duration of the emergency, without regard to income and other financial resources, for households that are the victims of a mechanical disaster which disrupts the distribution of coupons, and for households that are victims of a disaster which disrupted commercial channels of food distribution when he determines that such households are in need of temporary food assistance, and that commercial channels of food distribution have again become available to meet the temporary food needs of such households: *Provided*, That the Secretary shall in the case of Puerto Rico, Guam, and the Virgin Islands, establish special standards of eligibility and coupon allotment schedules which reflect the average per capita income and cost of obtaining a nutritionally adequate diet in Puerto Rico and the respective territories; except that in no event shall the standards of eligibility or coupon allotment schedules so used exceed those in the fifty States.

(i) Section 10(e) is amended by striking out "and (6)" and inserting in lieu thereof the following: "(6) issuance of coupon allotments no less often than two times per month; (7) notwithstanding any other provision of law, the institution of procedures under which any household participating in the program shall be entitled, if it so elects, to have the charges, if any, for its coupon allotment deducted from any grant or payment such household may be entitled to receive under title IV of the Social Security Act and have its coupon allotment distributed to it with such grant or payment; and (8)"; and (2) by adding at the end thereof the following: "The State agency is required to submit, prior to January 1, 1974, for approval, a plan of operation specifying the manner in which such State agency intends to conduct the program in every political subdivision in the State, unless such State agency can demonstrate that for any political subdivision it is impossible or impracticable to extend the program to such subdivision. The Secretary shall make a determination of approval or disapproval of a plan of operation submitted by a State agency in sufficient time to permit institution of such plan by no later than June 30, 1974."

(j) Section 16(a) is amended by striking out in the first sentence "June 30, 1972, and June 30, 1973" and substituting "June 30, 1972, through June 30, 1977", and by inserting at the end of the first sentence of subsection (a) the following new sentence: "Sums appropriated under the provisions of this Act shall notwithstanding the provisions of any other law continue to remain available until expended."

(k) Section 10(h) is amended by adding at the end thereof the following: "Subject to such terms and conditions as may be prescribed by the Secretary, in the regulations issued pursuant to this Act, members of an eligible household who are sixty years of age or over or elderly persons and their spouses may also use coupons issued to them to purchase meals prepared by senior citizens' centers, apartment buildings occupied primarily by elderly persons, any public or nonprofit private school which prepares meals especially for elderly persons, any public or nonprofit private eating establishment which prepares meals especially for elderly persons during special hours, and any other public or nonprofit private establishment approved for such purpose by the Secretary. When an appropriate State or local agency contracts with a private establishment to offer, at concessional prices, meals prepared especially for elderly persons during regular or special hours, the Secretary shall permit eligible households who are sixty years of age or over or elderly persons and their spouses to use coupons issued to them to purchase such meals."

(l) Section 3(b) of the Food Stamp Act of 1964 (7 U.S.C. 2012(b)) is amended to read as follows: "The term 'food' means any food or food product for home consumption except alcoholic beverages and tobacco and shall also include seeds and plants for use in gardens to produce food for the personal consumption of the eligible household."

(m) Section 7(a) of the Food Stamp Act of 1964 (7 U.S.C. 2016(a)) is amended to read as follows:

"(a) The face value of the coupon allotment which State agencies shall be authorized to issue to any households certified as eligible to participate in the food stamp program shall be in such amount as the Secretary determines to be the cost of a nutritionally adequate diet, adjusted semiannually by the nearest dollar increment that is a multiple of two to reflect changes in the prices of food published by the Bureau of Labor Statistics in the Department of Labor to be implemented commencing with the allotments of January 1, 1974, incorporating the changes in the prices of food through August 31, 1973, but in no event shall such adjustments be made for cause of the coupon allotment for such households, as calculated above, is a minimum of $2.00."

(n) The following new section is added at the end of such Act:

"SEC. 17. Notwithstanding any other provision of this Act, members of eligible households living in the State of Alaska shall be permitted, in accordance with such rules and regulations as the Secretary may prescribe, to purchase hunting and fishing equipment for the purpose of procuring food for the household except firearms, ammunition, and other explosives, with coupons issued under this Act if the Secretary determines that (1) such households are located in an area of the State which makes it extremely difficult for members of such households to reach retail food stores, and (2) such households depend to a substantial extent on hunting and fishing for subsistence purposes."

(o) Section 3(f) of the Food Stamp Act of 1964 (7 U.S.C. 2012(f)) is amended by striking the second sentence and inserting in lieu thereof the following new sentence: "It shall also mean a political subdivision or a private nonprofit organization or institution that meets the requirements of sections 10(h) or 10(i) of this Act."

(p) Section 3(e) is amended by adding at the end thereof the following new sentence: "Residents of federally subsidized housing for the elderly, built under either section 202 of the Housing Act of 1959 (12 U.S.C. 1701q), or section 236 of the National Housing Act (12 U.S.C. 1715z–1) shall not be considered residents of an institution or boarding house for purposes of eligibility for food stamps under this Act."

COMMODITY DISTRIBUTION PROGRAM

SEC. 4. (a) Notwithstanding any other provision of law, the Secretary of Agriculture is hereby authorized until July 1, 1974 (1) to use funds available to carry out the provisions of section 32 of Public Law No. 320, Seventy-fourth Congress, as amended (7 U.S.C. 612c), and not expended or needed for such purpose to purchase, without regard to the provisions of existing law governing the expenditure of public funds, agricultural commodities and their products of the types customarily purchased under section 32 for donation to maintain the annually programmed level of assistance for schools, domestic relief distribution, and such other domestic food assistance programs as are authorized by law, and (2) if stocks of the Commodity Credit Corporation are not available, to use the funds of the Corporation to purchase agricultural commodities and the products thereof of the types customarily available under section 416 of the Agricultural Act of 1949 to meet such requirements.

(b) The Secretary is prohibited from furnishing commodities to summer camps as authorized under section 416 of the Agricultural Act of 1949, section 32 of Public Law 74–320, and section 709 of the Food and Agriculture Act of 1965 if the number of adults participating in the activities of such camp is in excess of one for each five children under 18 years of age participating in such activities.

(c) No individual who receives supplemental security income benefits under title XVI of the Social Security Act shall be considered to be a member of a household for any purpose of the Food Distribution Program for families under section 32 of P.L. 74–320, section 416 of the Agricultural Act of 1949, or other law for any month if such person receives for such month, as part of his supplemental security income benefits or payments described in section 1616(a) of the Social Security Act (if any), an amount equal to the bonus value of food stamps (according to the Food Stamp Schedule effective for July 1973) in addition to the amount of assistance such individual would be entitled to receive for such under the provisions of the plan of the State approved under title I, X, XIV, or XVI, as appropriate, in effect for December 1973, assuming such plan were in effect for such month and such individual were aged, blind, or disabled, as the case may be, under the provisions of such State plan or under Public Law 92–603 as amended. The Secretary of Health, Education, and Welfare shall issue regulations for the implementation of the foregoing sentence after consultation with the Secretary of Agriculture.

SHORT TITLE

SEC. 5. This Act may be cited as the "Agriculture and Consumer Protection Act of 1973."

HERMAN E. TALMADGE,
JAMES O. EASTLAND,
GEORGE MCGOVERN,
JAMES B. ALLEN,
CARL T. CURTIS,
G. D. AIKEN,
MILTON R. YOUNG,
Managers on the Part of the Senate.

W. R. POAGE,
THOMAS S. FOLEY,
BERNIE SISK,
JOHN R. RARICK,
ED JONES,
Managers on the Part of the House.

DESCRIPTION OF DIFFERENCES RECONCILED

The 111 differences and a description of how the conferees reconciled 110 of them follows:

(1) *Senate* payment limitation excluded resource adjustment payments.

House (i) included diversion and resources adjustment payments, (ii) added a new paragraph (4) which provided for reductions in the payment limitation in cases where lands or allotments are leased, and (iii) amended existing paragraph (4) to provide for rules designed to achieve an "effective and economical" (rather than "fair and reasonable") application of the limitation.

The Conference substitute adopts the Senate provision with an amendment to paragraph (4) to preserve the definition of corporate "persons" originally adopted by U.S. Department of Agriculture regulations after the enactment of the Agricultural Act of 1970.

(2) *Senate* generally provided for a five year bill.

House generally provided for a four year bill, except that the payment limitation provision covered five years.

The Conference substitute generally provides for a four year bill.

(3) *Senate* increased the minimum dairy support price on manufactured milk to eighty percent of parity for balance of current marketing year.

House increased that support price to eighty percent permanently.

The Conference substitute increases the minimum support price to eighty percent of parity for the balance of the current marketing year and for the next marketing year, which ends March 31, 1975.

(4) *Senate* limited dairy imports to two percent of annual consumption subject to exceptions.

The Conference substitute deletes this provision.

(5) *Senate* gave dairy import license priority to domestic producers and processors for "any increase in the quantity to be imported under this section".

House gave such priority for "dairy products not currently being imported", specified that such priority shall be for thirty days, prohibited the transfer of licenses, and excluded casein and caseinates from "dairy products".

The Conference substitute rewrites both provisions to require the Secretary of Agriculture to make a comprehensive study of the dairy import situation and to report to the Congress no later than January 1, 1975, his findings and recommendations relative thereto.

(6) *House* preserved the legal status of producer handlers of milk.

The Conference substitute includes this provision.

(7) *House* increased the minimum wheat price support loan to $1.49 per bushel (from $1.25 in present law).

The Conference substitute increases the minimum wheat price support loan to $1.37 per bushel.

(8) *Senate* wheat "target price" for 1974 was set at $2.28 per bushel.

House "target" was $2.05.

The Conference substitute sets the 1974 and 1975 wheat "target price" at $2.05 per bushel, with adjustments in 1976 and 1977.

(9) *House* provided for adjustment of the prices paid index for wheat, corn, and cotton "to reflect any change in (i) the national average yield per acre . . . for the three calendar years preceding the year for which the determination is made, over (ii) the national average yield per acre . . . for the three calendar years preceding the year previous to the one for which the determination is made."

The Conference substitute adopts the House provision, but the application of the "escalator clause" will not be applicable to the 1974 or 1975 crops of wheat, corn, and cotton. In 1976 any adjustments occurring as the result of changes in farm costs and yields in the previous year would be reflected in the 1976 "target" prices. In 1977 the adjusted 1976 "target price" will be used as a basis for the 1977 "target price", but any adjustments occurring as the result of changes in farm costs and yields in the previous year would be reflected in that 1977 "target price".

(10) *Senate* provided for payment of one-third of "target price" for wheat, feed grains, and cotton *only* where producer is prevented from *planting*.

House provided such payment *also* where producer is prevented from harvesting.

The Conference substitute provides such payment where the producer is prevented from planting or where he harvests less than two-thirds of a normal crop.

(11) *Senate* extended the fifteen million acre limitation on the wheat set-aside.

The Conference substitute deletes this provision.

(12) *House* provided authority for practice payments for measures to protect annual wheat, feed grain, and cotton set-aside from pests and devote it to wildlife habitat.

The Conference substitute includes this provision.

(13) *House* added cotton, triticale, oats, and rye to crops specifically mentioned which the Secretary may permit to be counted as wheat or feed grains for the purpose of preserving acreage history.

The Conference substitute includes this provision.

(14) *Senate* suspended wheat certificate collections from processors on enactment.

House suspended it on July 1, 1973.

The Conference substitute includes the House provision.

(15) *House* provided authority to Secretary to exempt wheat and wheat food products in channels of trade on July 1, 1973, from such collections.

The Conference substitute includes the House provision.

(16) *Senate* made inapplicable to wheat the provision that the farm projected yield shall not be less than the proven yield.

House put wheat farm projected yield on a five-year (like county project yield) instead of three-year base, and provided that in computing the actual yield (which would be governing if greater) if one of the five years is abnormally low because of a natural disaster, that year shall be disregarded.

The Conference substitute includes the House provision.

(17) *Senate* permitted marketing without penalty of certain wheat stored to avoid penalty.

House authorized the Secretary to permit such marketing with authority to require a refund or part of the certificate payment made in the year the excess wheat was produced.

The Conference substitute includes the House provision.

(18) *House* provided for a minimum corn price support loan at $1.19 per bushel (instead of $1.00 in present law).

The Conference substitute sets the minimum corn price support loan at $1.10 per bushel.

(19) *Senate* set the corn "target price" for 1974 at $1.53 per bushel.

House "target" was $1.38.

The Conference substitute sets the 1974 and 1975 corn "target prices" at $1.38 per bushel with adjustments in 1976 and 1977.

(20) *House* provided that acres cut from farm allotments because of failure to plant would be assigned to a national pool for adjustment of feed grain allotments as provided by section 105(e)(2) of 1949 Act.

The Conference substitute includes this provision.

(21) *House* gave the Secretary discretionary authority to waive requirement that wheat and feed grain producers devote their conserving bases to approved conservation uses.

The Conference substitute includes this provision and extends it to cotton.

(22) *Senate* struck out all after first sentence of section 105(e)(2) of the Agricultural Act of 1949 (which dealt with adjustments of feed grain base acreages, which are replaced in the bill by acreage allotments).

The Conference substitute includes this provision with a technical revision to conform it to Item 20 above by substituting the word "allotments" for the word "bases".

(23) *House* permitted sale or lease of cotton from base acreage to farms which have no base acreage.

The Conference substitute includes this provision.

(24) *Senate* provided a minimum national base acreage for cotton of ten million acres.

House provided minimum of eleven million acres.

The Conference substitute includes the House provision.

(25) *House* permitted cotton base acreage in case of disaster to be planted in a "nearby" rather than "adjoining" county.

The Conference substitute includes this provision.

(26) *House* struck the provision requiring compliance with set-aside as condition of receiving base acreage through release and reapportionment, or sale, lease or other transfer.

The Conference substitute deletes this House provision.

(27) *House* based cotton price support loan level on the average "price of American cotton in world markets" rather than the average "world price".

The Conference substitute includes this provision. The Conferees intend that the Secretary shall obtain quotations in world markets for American cotton, supplemented by any other relevant price information available, for use in the determination of average price and in the establishment of the loan level at ninety percent of the three-year average.

(28) *Senate* based cotton price support loan level on price of strict low middling one and one-sixteenth inches, instead of middling one inch.

The Conference substitute deletes this provision.

(29) *Senate* provided for adjustments in loan level to keep United States cotton in line with world prices and retain adequate share of world market.

House provided for adjustment down to ninety percent of current world price.

The Conference substitute includes the House provision.

(30) *Senate* based cotton payments on the five-month average price of strict low middling one and one-sixteenths in the designated spot markets.

House based cotton payments on the average price received by farmers during the calendar year in which the marketing year begins.

The Conference substitute includes the House provision.

(31) *Senate* set the cotton "target prices" for 1974 at 43 cents per pound.

House "target" was 38 cents.

The Conference substitute sets the cotton "target price" at 38 cents per pound in 1974 and 1975, with adjustments in 1976 and 1977.

(32) *House* provided for payment of one-third of the "target price" to a producer prevented from planting or harvesting cotton, even though he could have planted or harvested another non-conserving crop.

The Conference substitute provides such payment where the producer is prevented from planting or harvests less than two-thirds of a normal crop.

(33) *Senate* authorized Secretary to limit cotton planted in excess of base acreage.

The Conference substitute includes this provision.

(34) *House* did not require cotton to be planted to qualify for payments.

The Conference substitute deletes this provision.

(35) *House* struck out prohibition against grazing cotton set-aside during the five principal months of the growing season, and specifically authorized the Secretary to permit hay, triticale, oats, or rye to be planted on cotton set-aside.

The Conference substitute adopts this provision and extends it to wheat and feed grains.

(36) *Senate* based CCC cotton sales price restrictions on strict low middling one and one-sixteenth.

House set CCC domestic release price at 115 percent of the loan.

The Conference substitute deletes both these provisions.

(37) *Senate* extended section 608 of the Agricultural Act of 1970, thereby making inapplicable section 203 of the 1949 Act, which requires competitive support levels for cottonseed and soybeans.

The Conference substitute includes this provision.

(38) House amended section 610 of the Agricultural Act of 1970 to provide that the first grant by CCC provided for thereunder for cotton market promotion shall be $10 million annually (instead of the amount not exceeding $10 million withheld from producers because of the payment limitation).

The Conference substitute includes the House provision. It is the intent of the Conferees that the Secretary shall not approve agreements with the contracting organizations for sales promotion programs.

(39) *House* provided for a civil penalty of up to $5,000 for violation of cotton pest eradication program regulations.

The Conference substitute includes this provision.

(40) *House* authorized appropriations to the Commodity Credit Corporation for the cotton pest eradication program.

The Conference substitute includes this provision.

(41) *House* extended to the 1974 through 1977 crops of cotton the same skip row rules that applied to the 1971 through 1973 crops.

The Conference substitute includes this provision.

(42) *Senate* permitted sales under title I of P.L. 480 for dollars to any country if assistance could be made available to that country under title II.

The Conference substitute deletes this provision.

(43) *Senate* required the President to take steps to assure that commercial supplies are available to meet demands developed through programs carried out under P.L. 480. The Senate also required that applications for participation in programs under P.L. 480 include considerations of supplementary cash dollar sales at that time or in the future.

The Conference substitute includes only the requirement that the President take steps to assure that commercial supplies are available to meet demands developed through programs carried out under P.L. 480.

While the *Conference substitute* does not accept the remainder of the Senate statutory provision, the conferees wish to emphasize the direction in the Senate Committee report on S. 1888 for action consistent with U.S. obligations under international agreements and the capabilities of the recipient country.

(44) *Senate* prohibited the use of foreign currencies under P.L. 480 for military, defense, or internal security purposes.

The Conference substitute deletes this provision.

(45) *House* prohibited P.L. 480 sales or donations to North Vietnam unless assistance is specifically authorized by act of Congress enacted after July 1, 1973.

The Conference substitute includes this provision.

(46) *Senate* required applications for export subsidies to specify the kind, class, and quantity of the agricultural commodity, and the regional geographic destination. Required publication of such information within seventy-two hours after the application is filed.

The Conference substitute includes a revised version of this provision (see also Item 80).

(47) *Senate* made title XVI Social Security supplemental assistance participants eligible for food stamp and food distribution programs if they meet income and resource criteria.

The *Conference substitute* includes a revised version of this provision.

Nothing in this amendment would affect the provisions of section 401 of the Social Security Amendments of 1972, which provides a limitation on fiscal liability of States for optional state supplementation, including the cashing out of food stamps, under the supplemental security income program. Neither would the amendment affect the eligibility of supplemental security income beneficiaries for food stamps under temporary emergency standards established by the Secretary of Agriculture for victims of a disaster.

(48) *House* extended food stamp program to certain participants in drug addiction and alcoholic treatment programs.

The Conference substitute includes this provision.

(49) *House* required payments in kind to be taken into account in food stamp eligibility standards.

The Conference substitute includes this provision, but modifies it to apply only to the actual value of housing provided by an employer not in excess of $25.00 per month.

(50) *Senate* provided for application of the same eligibility standards for participation in the commodity distribution program under section 32 of P.L. 74–320 or section 416 of the Agricultural Act of 1949 as for participation in the food stamp program.

The Conference substitute includes a revised version of this provision (see also Item **97**).

The revised language provides that each State agency is required to submit to the Department of Agriculture for approval, prior to January 1, 1974, a plan of operation for conduct of the food stamp program in their State and particularly specifying any areas of the State where it is impossible or impracticable to extend the program. The Secretary is required to make a determination on all State plans in sufficient time to permit implementation of the food stamp program by no later than June 30, 1974.

(51) *Senate* prohibited the establishment of resource eligibility criteria of less than $3,000 for each individual sixty years of age or over.

The Conference substitute deletes this provision.

(52) *Senate* permitted establishment of temporary emergency eligibility standards for households that are the victims of a mechanical disaster which disrupts the distribution of coupons.

The Conference substitute includes this provision, but limits its application to the duration of the mechanical disaster.

(53) *Senate* raised the face value of coupon allotments for households that include persons medically certified as requiring a special diet due to disease or organic difficulty by the amount needed to assure a nutritionally adequate diet.

The Conference substitute deletes this provision.

(54) *Senate* provided for certification of eligibility upon request in the case of households receiving public assistance from any State under a program approved pursuant to title IV of the Social Security Act, and for action within thirty days after initial request in the case of other households upon the basis of a simplified application and reasonably available documentation verifying income.

The Conference substitute deletes this provision.

(55) *Senate* required income of migrant (as defined in 42 U.S.C. 242h) households earned on a seasonal basis to be averaged over three, six, or twelve months, as elected by the applicant, with certification of eligibility to be made for a like period of time.

The Conference substitute deletes this provision.

(56) *Senate* required participating households to report within thirty days after the close of each quarter any increase in income or resources or decrease or change in household composition which would lower its coupon entitlement and which occurred in that quarter.

The Conference substitute deletes this provision.

(57) *Senate* repealed the provision of section 10(c) prohibiting discrimination by reason of race, creed, origin, or political belief.

The Conference substitute deletes this provision.

(58) *Senate* made all political subdivisions, upon approval of a State plan, eligible for institution of the program within ninety days after request therefor, and repeals the existing final provision of section 10(e) for orderly expansion among the several States.

The Conference substitute deletes this provision. (See also Items 50 and 97.)

(59) *Senate* required employment by the State agency of one certification worker for each thousand participating households and one out-reach worker for each five hundred nonparticipating households with incomes below the poverty guidelines.

The Conference substitute deletes this provision.

(60) *Senate* repealed the present provisions of section 10(e) (5) for the use of other federally funded agencies for out-reach purposes.

The Conference substitute deletes this provision.

(61) *Senate* provided for federal reimbursable retroactive relief wherever appropriate by reducing the amount to be charged the aggrieved household for coupon allotments.

The Conference substitute deletes this provision.

(62) *Senate* required issuance of coupons at least twice a month.

The Conference substitute includes this provision.

(63) *Senate* required that at election of recipient, charges for coupons be deducted from payments to recipient under title IV of the Social Security Act and coupons be distributed with such payments.

The Conference substitute includes this provision.

(64) *Senate* required the federal government to pay eighty percent of all costs of the administrative responsibility assigned to the States under the Act (instead of, as at present, sixty-two and one-half percent of the direct salary, travel, and travel-related cost (including normal fringe benefits) involved in out-reach under section 10(e)(5), certification for non-welfare households, and hearings).

The Conference substitute deletes this provision.

(65) *Senate* provided that funds appropriated to carry out the Food Stamp Act shall remain available until expended.

The Conference substitute includes this provision.

(66) *Senate* repealed section 16(b) (which requires the bonus value of coupon allotments to be kept within available appropriations).

The Conference substitute deletes this provision.

(67) *Senate* permitted food stamps to be used by persons over sixty and their spouses to purchase meals prepared by nonprofit private establishments and private establishments contracting with State or local agencies preparing meals for elderly persons.

The Conference substitute includes this provision.

(68) *House* changed the definition of "food" to make imported foods eligible for purchase with food stamps.

The Conference substitute includes this provision.

(69) *Senate* provided that the semi-annual (instead of annual) adjustment of coupon allotments to reflect changes in food prices shall begin with an adjustment August 1, 1973, to reflect changes through April 30, 1973.

House made semi-annual adjustment provision effective January 1, 1974, to reflect changes through August 31, 1973, and provides for adjustments in $2.00 increments.

The Conference substitute includes the House provision.

(70) *Senate* permitted food stamps to be used in certain areas and cases in Alaska for the purchase of hunting and fishing equipment, except firearms, ammunition, and other explosives.

The Conference substitute includes this provision, but limits the use of food stamps to the purchase of such equipment used directly for the procurement of food.

(71) *House* prohibited issuance of food stamps to strikers.

The Conferees were unable to agree on this item, but did agree on the fact that they deplore the lack of enforcement of existing food stamp regulations which require that an able-bodied person in the household register for employment "including a person who is not working because of a strike or lockout at his usual place of employment." It is the specific intent of the Conferees that this provision of the regulations be rigidly and uniformly enforced by the Department of Agriculture and those agencies administering the program at the local level under the auspices of the Department. Eligibility of strikers for food stamps should be carefully scrutinized prior to certification and certification made only in those cases where the household of the individual striker applicant meets all of the requirements of eligibility as in the case of other applicants.

(72) *House* provided that residents of federally subsidized housing for the elderly under certain acts shall not be excluded from the food stamp program as residents of an institution or boarding house.

The Conference substitute includes this provision.

(73) *Senate* permitted loans under sections 302, 303, and 304 of the Consolidated Farm and Rural Development Act even if the indebtedness against the security exceeds $100,000, so long as the indebtedness under those sections does not exceed that amount.

The Conference substitute includes this provision, but modifies it to permit such loans up to $100,000 if the total indebtedness against the security does not exceed $225,000.

(74) *Senate* required production cost studies for wheat, feed grains, cotton, and dairy.

The Conference substitute includes this provision.

(75) *Senate* required a study of the reasons for, and means of preventing, loss of livestock in transit through injury and disease.

The Conference substitute includes this provision.

(76) *Senate* recommended an international grains agreement conference.

The Conference substitute deletes this provision.

(77) *Senate* created a National Agricultural Transportation Committee.

The Conference substitute deletes this provision.

(78) *Senate* authorized appropriation of $500,000 per year for a wheat and feed grain research program and provided for a Wheat and Feed Grain Research Committee.

House authorized a similar effort by the Secretary of Agriculture with an authorized appropriation of $1,000,000.

The Conference substitute includes the House provision.

(79) *Senate* provided for technical assistance to exporters and importers of U.S. agricultural products.

The Conference substitute includes this provision.

(80)(a) *Senate* required reporting within seventy-two hours of export contracts of wheat, feed grains, oilseeds, and their products.

House required reporting on a weekly basis and included cotton.

(b) *Senate* required that such reports be promptly made public.

House required that such reports be kept confidential but that compilations be published.

(c) *House* required reporting of marketing year of shipment, destination only if known, and any information with respect to export sales of agricultural commodities requested by the Secretary.

(d) *House* permitted Secretary to suspend requirement for publishing data under certain circumstances.

(e) *Senate* provided for an agricultural export market development unit within the Foreign Agricultural Service.

The Conference substitute revises the reporting requirement provisions of both bills. (See also Item 46.)

In place of the authority for complete suspension of publication of the information obtained from reports required of exporters under the section, provision is made for continuous reporting and publication on a monthly basis, under the same limitations as provided in the House amendment.

The managers also intend that the authority given the Secretary to suspend weekly publications and weekly reporting and substitute, instead, reporting and publication on a monthly basis be interpreted as a limitation of the Secretary's authority to make such suspension, or if made, his authority to proclaim an extension of such suspension.

Prior to issuing such suspension of the requirement of weekly reports, and of weekly publication of a compilation of data from such reports, the Secretary must find that all the conditions for such suspension exist simultaneously. An extension of a suspension, or additional extension after the first extension has been made, shall require a new determination by the Secretary that the extension should again be promulgated.

The reports required to be made by exporters to the Department are not affected by the existence or non-existence of funds made available for subsidy of export sales of commodities.

(81) *House* required the Secretary of Agriculture to report on steps to implement GAO recommendations in Russian wheat sales report.

The Conference substitute deletes this provision.

(82) *Senate* required the Council of Economic Advisers to monitor developments affecting food and fiber costs.

The Conference substitute deletes this provision.

(83) *House* provided for an emergency reserve of wheat, feed grains, and soybeans.

The Conference substitute includes this provision, but limits the total quantity of commodities to a total amount not to exceed 75 million bushels.

(84) *House* required the Secretary to permit planting on set-aside without loss of payment of any crop of which U.S. is a net importer and which is not price supported.

The Conference substitute includes this provision. The Conferees intend that the term "price supported" include crops for which payments are made as well as those for which CCC loans and purchases are made available. Thus, sugar cane and beets, for example, would not be considered as suitable crops to be planted under this provision.

(85) *House* required adjustment of ceiling prices of any agricultural product if the Secretary determines that the supply will be reduced to unacceptable levels.

The Conference substitute includes this provision with changes designed to clarify its application.

(86) *Senate* extended for two years the time within which the secretary is to submit a report detailing the contribution of the rural fire protection program to achieving the purposes of title IV of the Rural Development Act of 1972.

The Conference substitute deletes this provision.

(87) *House* prohibited any *grant* under section 310B of the Consolidated Farm and Rural Development Act from being subjected to prior State approval.

(Both the Senate bill and the House amendment prohibited any loan under that section from being so subjected.)

The Conference substitute includes this provision and applies it to all loans or grants under the Act.

(88) *Senate* prohibited requiring more than ten percent equity for loans under section 304, 310B, or 312 of Consolidated Farm and Rural Development Act.

The Conference substitute includes this provision.

(89) *House* exempted participations in notes insured or guaranteed under the Consolidated Farm and Rural Development Act from Securities and Exchange Commission laws with technical changes.

The Conference substitute includes this provision.

(90) *Senate* affirmed the national policy of strengthening family farms and required annual reports thereon.

The Conference substitute deletes this provision.

(91) *Senate* restricted multi-year set-aside contracts to wheat, feed grain, and cotton programs.

The Conference substitute includes this amendment.

(92) *House* prohibited grazing on multi-year set-aside and required compliance with State noxious weed laws.

The Conference substitute includes this provision.

(93) *House* limited retirement of acreage under title X of 1970 Act in any county or local community to a percentage which will not adversely affect its economy.

The Conference substitute includes this provision.

(94) (a) *Senate* required State advisory board to meet at least once a year.

The Conference substitute includes this provision.

(b) *House* required such board to include the State soil conservationist, the State forester, the State administrator of the water quality programs, and the State wildlife administrator or their designees.

The Conference substitute includes this provision.

(c) *Senate* limited the national advisory board to advising on wildlife phases of the multi-year set-aside program.

House limited the advice of the State and national advisory boards to water bank conservation measures, perpetual easement purchases, long-term upland game cover, and multi-year set-aside practices.

The Conference substitute includes the House provision.

(95) *Senate* made the State Director of Wildlife Resources an ex-officio member of the State ASC Committee.

The Conference substitute deletes this provision.

(96) *Senate* reduced the grant authority for water and waste disposal facilities in section 306(a)(2) of the Consolidated Farm and Rural Development Act from $300 million to $50 million per year, but directed the Secretary to make such grants in the case of water facilities. It also reduced the planning grant authority under section 306(a)(6) of such Act from $30 million to $5 million per year, but directed the Secretary to make such grants in the case of water systems.

The Conference substitute deletes this provision.

(97) *Senate* required the Secretary of Agriculture to use funds appropriated under section 32 of the Act of August 24, 1935, and other available funds to purchase commodities of the types customarily purchased under section 416 of the Agricultural Act of 1949 needed to provide recipient households under section 416 with 125 percent of their daily nutritional requirements.

The conference substitute includes a revised version of this provision (see Item 50).

The revised language (subsection (a)) gives the Secretary authority, until June 30, 1974, to use funds appropriated under section 32 of the Act of August 24, 1935 to purchase commodities of the types customarily purchased under section 416 of the Agricultural Act of 1949. This action was necessary to continue the Federal food distribution program during any period when there are no surplus commodities up until June 30, 1974. At that time, it is the expectation of the conferees that the food stamp program will have been implemented nationwide (under Item 50) and that those areas of the country which had previously relied upon the Federal food distribution program will be receiving food stamp assistance.

The conferees also included language in subsection (b) to clarify the definition of "summer camp" in section 416 of the Agricultural Act of 1949, section 32 of P.L. 74–320, and section 709 of the Food and Agriculture Act of 1965 to provide that the number of adults participating in the activities of such camp not exceed more than one for each five children.

(98) *Senate* required the Secretary of Commerce to conduct a census of agriculture in 1974 as required by section 142 of title 13 of the U.S. Code: and within thirty days of enactment of the bill to submit an estimate of the funds needed to conduct such census.

The Conference substitute includes this provision.

(99) *Senate* contained a short title and policy statement for forestry incentives provisions.

The Conference substitute deletes this provision.

(100) *Senate* restricted forestry incentives to owners of 500 acres or less.

House restricted eligibility to tracts of 500 acres or less unless significant public benefit will result.

The Conference substitute includes the House provision.

(101) *Senate* excluded manufacturing and utility *corporations* (not individuals).

House excluded forest manufacturing and utility *entities*.

The Conference substitute includes the House provision.

(102) *House* restricted forestry incentive program to a "pilot" program excluded non-federal public lands, and did not specifically provide for recreation, scenic, environmental, watershed, forage, and fish and wildlife benefits.

The Conference substitute includes this provision, but deletes the reference to a "pilot" program.

(103) *Senate* provided specifically for forestry incentive payments and limited any person to not more than $2,500 annually.

The Conference substitute deletes this provision.

(104) *Senate* provided for distribution of funds for cost-sharing after consideration of enumerated factors.

House required distribution of funds among and within the States after consideration of somewhat different factors.

The Conference substitute includes the House provision.

(105) *Senate* authorized Secretary to designate ex officio members of State and local committees for forestry incentive program to be selected from (1) small owners, (2) private forest manager or consulting foresters and (3) wildlife and other private or public resource interests.

The Conference substitute deletes this provision.

(106) *Senate* required ten-year forest management contracts from forestry incentive program participants.

The Conference substitute deletes this provision.

(107) *Senate* limited REAP practices to permanent measures, and limited federal cost-sharing for such measures to not to exceed fifty percent.

House permanently required three, five, ten, and twenty-five year contracts, and perpetual easements to carry out the purposes of the REAP, Great Plains, and water bank programs.

The Conference substitute includes the House provision.

(108) *House* authorized the use of CCC in carrying out program described in Item 107 and multi-year set-aside.

The Conference substitute includes this provision.

(109) *Senate* postponed the effective date of regulations under the Occupational Safety and Health Act of 1970, fixing minimum field re-entry periods after the application of certain pesticides (Federal Register, Vol. 38, No. 83, pp. 10715–10717) from June 18, 1973, to a date at least thirty days following submission of findings to Congress made after hearings held as soon as possible after enactment of the bill.

The Conference substitute deletes this provision. The Conferees, however, are fully mindful of the action of the Department of Labor in recent months in promulgating and attempting to enforce what has proven to be arbitrary and capricious regulations affecting farm workers and their employers. The Conferees strongly recommend that in the promulgation of future regulations the Secretary of Labor take into account both the expertise and the vital interests of both farmers and consumers, as well as providing an adequate public hearing process where all affected parties will have an opportunity to be heard.

(110) *House* repealed section 301 of the Agricultural Marketing Act of 1946 (which provides for a national research advisory committee).

The Conference substitute includes this provision.

(111) *Senate* provided short title "Agriculture and Consumer Protection Act of 1973".

House provided a short title "Agriculture Act of 1973".

The Conference substitute includes the Senate provision.

The Conferees also wish to express their intent in regard to the following:

DAIRY INDEMNITIES

The Conferees have taken note of the fact that the authority for dairy indemnity payments on milk has expired on June 30, 1973. In approving the four-year extension and amendment of this program the Conferees are also mindful that some claims for milk may arise during the period from June 30, 1973 to the date of enactment of this bill.

It is the intent of the Conferees that such claims occurring during this period be entertained by the Secretary and if the claimants otherwise qualify, the fact that these losses occurred during this period should not disqualify their claims.

HERMAN E. TALMADGE,
JAMES O. EASTLAND,
GEORGE MCGOVERN,
JAMES B. ALLEN,
CARL T. CURTIS,
GEORGE D. AIKEN,
MILTON R. YOUNG,
Managers on the Part of the Senate.

W. R. POAGE,
THOMAS S. FOLEY,
B. F. SISK,
JOHN R. RARICK,
ED JONES,
Managers on the Part of the House.

Mr. TALMADGE. Mr. President, the conferees reported in disagreement, because of one point in dispute. The Senate conferees unanimously agreed to the other 110 points in dispute, which are included in an amendment in the nature of a substitute which I am about to send to the desk. Not all the House conferees signed the report.

I send to the desk the substitute amendment that covers the 110 points recommended by all the Senate conferees, and I ask that it be stated.

The PRESIDING OFFICER. Does the Senator want the conference report agreed to before calling up the amendment?

Mr. TALMADGE. Yes.

The PRESIDING OFFICER. Without objection, the conference report is agreed to.

The substitute reads as follows:

In lieu of the matter proposed to be inserted by the House amendment insert the following:

That the Agricultural Act of 1970 is amended as follows:

(1) Title I is amended to read as follows:

"TITLE I—PAYMENT LIMITATION

"SEC. 101. Notwithstanding any other provision of law—

"(1) The total amount of payments which a person shall be entitled to receive under one or more of the annual programs established by titles IV, V, and VI of this Act for the 1974 through 1977 crops of the commodities shall not exceed $20,000.

"(2) The term 'payments' as used in this section shall not include loans or purchases, or any part of any payment which is determined by the Secretary to represent compensation for resource adjustment or public access for recreation.

"(3) If the Secretary determines that the total amount of payments which will be earned by any person under the program in effect for any crop will be reduced under this section, the set-aside acreage for the farm or farms on which such person will be sharing in payments earned under such program shall be reduced to such extent and in such manner as the Secretary determines will be fair and reasonable in relation to the amount of the payment reduction.

"(4) The Secretary shall issue regulations defining the term 'person' and prescribing such rules as he determines necessary to assure a fair and reasonable application of such limitation: *Provided*, That the provisions of this Act which limit payments to any person shall not be applicable to lands owned by States, political subdivisions, or agencies thereof, so long as such lands are farmed primarily in the direct furtherance of a public function, as determined by the Secretary. The rules for determining whether corporations and their stockholders may be considered as separate persons shall be in accordance with the regulations issued by the Secretary on December 18, 1970."

DAIRY PROGRAM

MILK MARKETING ORDERS

(2) Section 201 is amended by—

(A) amending section 201(e) by striking out "1973" and inserting "1977", and by striking out "1976" and inserting "1980", and

(B) adding at the end thereof the following:

"(f) The Agricultural Adjustment Act as reenacted and amended by the Agricultural Marketing Agreement Act of 1937, as amended, is further amended by:

"(1) striking the period at the end of subsection 8c(17) and adding in lieu thereof the following: ': *Provided futher*, That if one-third or more of the producers as defined in a milk order apply in writing for a hearing on a proposed amendment of such order, the Secretary shall call such a hearing if the proposed amendment is one that may legally be made to such order. Subsection (12) of this section shall not be construed to permit any cooperative to act for its members in an application for a hearing under the foregoing proviso and nothing in such proviso shall be construed to preclude the Secretary from calling an amendment hearing as provided in subsection (3) of this section. The Secretary shall not be required to call a hearing on any proposed amendment to an order in response to an application for a hearing on such proposed amendment if the application requesting the hearing is received by the Secretary within ninety days after the date on which the Secretary has announced his decision on a previously proposed amendment to such order and the two proposed amendments are essentially the same.'

"(2) inserting after the phrase 'pure and wholesome milk' in section 8c(18) the phrase 'to meet current needs and further to assure a level of farm income adequate to maintain productive capacity sufficient to meet anticipated future needs'."

MILK PRICE SUPPORT, BUTTERFAT PRICE SUPPORT SUSPENSION

(3) Section 202 is amended by—

(A) striking the introductory clause which precedes subsection (a);

(B) effective April 1, 1974, inserting in subsection (b) before the period at the end of the first sentence in the quotation the following: "of pure and wholesome milk to meet current needs, reflect changes in the cost of production, and assure a level of farm income adequate to maintain productive capacity sufficient to meet anticipated future needs"; and

(C) inserting in subsection (b) after the first sentence in the quotation the following: "Notwithstanding the foregoing, effective for the period beginning with the date of enactment of the Agriculture and Consumer Protection Act of 1973 and ending on March 31, 1975, the price of milk shall be supported at not less than 80 per centum of the parity price therefor."

TRANSFER OF DAIRY PRODUCTS TO THE MILITARY AND TO VETERANS HOSPITALS

(4) Section 203 is amended by striking out "1973" and inserting "1977".

DAIRY INDEMNITY PROGRAM

(5) Section 204 is amended by—

(A) striking out "1973" and inserting "1977"; and

(B) striking subsection (b) and substituting therefor the following:

"(b) Section 1 of said Act is amended to read as follows:

" 'SECTION 1. The Secretary of Agriculture is authorized to make indemnity payments for milk or cows producing such milk at a fair market value, to dairy farmers who have been directed since January 1, 1964 (but only since the date of enactment of the Agriculture and Consumer Protection Act of 1973 in the case of indemnity payments not authorized prior to such date of enactment), to remove their milk, and to make indemnity payments for dairy products at fair market value to manufacturers of dairy products who have been directed since the date of enactment of the Agricultural Act of 1970 to remove their dairy products from commercial markets because of residues of chemicals registered and approved for use by the Federal Government at the time of such use. Any indemnity payment to any farmer shall continue until he has been reinstated and is again allowed to dispose of his milk on commercial markets.' "

DAIRY IMPORT STUDY

(6) Title II is amended by adding at the end thereof the following:

"SEC. 205. The Secretary of Agriculture is authorized and directed to carry out a comprehensive study to determine the effects upon domestic dairy producers, handlers, and processors and upon consumers of increases in the level of imports, if any, of dairy products and report his findings, together with any recommendations he may have with respect to import quotas or other matters, to the Congress of the United States no later than January 1, 1975. For the purposes of this section dairy products include (1) all forms of milk and dairy products, butterfat, milk solids-not-fat, and any combination or mixture thereof; (2) any article, compound, or mixture containing 5 per centum or more of butterfat, or milk solids-not-fat, or any combinations of the two; and (3) lactose, and other derivatives of milk, butterfat, or milk solids-not-fat, if imported commercially for any food use. Dairy products do not include (1) casein, caseinates, industrial casein, industrial caseinates, or any other industrial products, not to be used in any form for any food use, or an ingredient of food; or (2) articles not normally considered to be dairy products, such as candy, bakery goods, and other similar articles."

"PRODUCER HANDLERS

"SEC. 206. The legal status of producer handlers of milk under the provisions of the Agricultural Adjustment Act, as reenacted and amended by the Agricultural Marketing Agreement Act of 1937, as amended, shall be the same subsequent to the adoption of the amendments made by the Agriculture Act of 1973 as it was prior thereto."

WOOL PROGRAM

(7) Section 301 is amended by—

(A) striking out "1973" each place it occurs and inserting "1977", and by striking out the word "three" each place it occurs; and

(B) adding at the end thereof the following:

"(6) Strike out the first sentence of section 708 and insert the following: 'The Secretary of Agriculture is authorized to enter into agreements with or to approve agreements entered into between, marketing cooperatives, trade associations, or others engaged or whose members are engaged in the handling of wool, mohair, sheep, or goats or the products thereof for the purpose of developing and conducting on a national, State, or regional basis advertising and sales promotion programs and programs for the development and dissemination of information on product quality, production management, and marketing improvement, for wool, mohair, sheep, or goats or the products thereof. Advertising and sales promotion programs may be conducted outside of the United States for the purpose of maintaining and expanding foreign markets and uses for mohair or goats or the products thereof produced in the United States.'."

WHEAT PROGRAM

WHEAT PRODUCTION INCENTIVES

(8) Effective beginning with the 1974 crop section 401 is amended by striking out "1971, 1972, and 1973" and inserting "1971 through 1977" and section 107 of the Agricultural Act of 1949, as it appears therein is amended by—

(A) amending section 107(a) to read as follows:

"(a) Loans and purchases on each crop of wheat shall be made available at such level as the Secretary determines appropriate, taking into consideration competitive world prices of wheat, the feeding value of wheat in relation to feed grains, and the level at which price support is made available for feed grains: *Provided*, That in no event shall such level be in excess of the parity price for wheat or less than $1.37 per bushel."

(B) substituting the word "payments" for the word "certificates" in section 107(b);

(C) striking the quotation mark at the end of section 107(b); and

(D) adding at the end of the section the following:

"(c) Payments shall be made for each crop of wheat to the producers on each farm in an amount determined by multiplying (i) the amount by which the higher of—

"(1) the national weighted average market price received by farmers during the first five months of the marketing year for such crop, as determined by the Secretary, or

"(2) the loan level determined under subsection (a) for such crop

is less than the established price of $2.05 per bushel in the case of the 1974 and 1975 crops, $2.05 per bushel adjusted to reflect any change during the calendar year 1975 in the index prices paid by farmers for production items, interest, taxes, and wage rates in the case of the 1976 crop, and the established price for the 1976 crop adjusted to reflect any change during the calendar year 1976 in such index in the case of the 1977 crop, times in each case (ii) the allotment for the farm for such crop, times (iii) the projected yield established for the farm with such adjustments as the Secretary determines necessary to provide a fair and equitable yield: *Provided*, That any increase that would otherwise be made in the established price to reflect a change in the index of prices paid by farmers shall be adjusted to reflect any change in (i) the national average yield per acre of wheat for the three calendar years preceding the year for which the determination is made, over (ii) the national average yield per acre of wheat for the three calendar years preceding the year previous to the one for which the determination is made. If the Secretary determines that the producers are prevented from planting, any portion of the farm acreage allotment to wheat or other nonconserving crop, because of drought, flood, or other natural disaster or condition beyond the control of the producer, the rate of payment on such portion shall be the larger of (A) the foregoing rate, or (B) one-third of the established price. If the Secretary determines that, because of such a disaster or condition, the total quantity of wheat (or other nonconserving crop planted instead of wheat) which the producers are able to harvest on any farm is less than 66⅔ percent of the farm acreage allotment times the projected yield of wheat (or other nonconserving crop planted instead of wheat) for the farm, the rate of payment for the deficiency in production below 100 percent shall be the larger of (A) the foregoing rate, or (B) one-third of the established price. The Secretary shall provide for the sharing of payments made under this subsection for any farm among the producers on the farm on a fair and equitable basis."

TERMINATION OF WHEAT CERTIFICATE PROGRAM, FARM ACREAGE ALLOTMENTS

(9) Section 402 is amended by inserting "(a)" after the section designation and adding the following at the end of the section:

"(b) (A) Section 379b of the Agricultural Adjustment Act of 1938 (which provides for a wheat marketing certificate program) shall not be applicable to the 1974 through 1977 crops of wheat, except as provided in paragraphs (B) and (C) of this subsection.

"(B) Section 379(c) of the Agricultural Adjustment Act of 1938, as amended by subsection (a) of this section (which provides for a set-aside program), shall be effective with respect to the 1974 through 1977 crops of wheat with the following changes:

"(i) The phrase 'payments authorized by section 107(c) of the Agricultural Act of 1949' shall be substituted for the word 'certificates' and the phrases 'certificates authorized in subsection (b)' and 'marketing certificates' each place they occur.

"(ii) The word 'domestic' shall be stricken each place it occurs.

"(iii) The second sentence of section 379b (c) (1) is amended to read as follows: 'If a set-aside of cropland is in effect under this subsection (c), then as a condition of eligibility for loans, purchases, and payments authorized by section 107(c) of the Agricultural Act of 1949, the producers on a farm must set aside and devote to approved conservation uses an acreage of cropland equal to (i) such percentage of the wheat allotment for the farm as may be specified by the Secretary and will be estimated by the Secretary to result in a set-aside not in excess of thirteen and three-tenths million acres in the case of the 1971 crop; plus, if required by the Secretary, (ii) the acreage of cropland on the farm devoted in preceding years to soil conserving uses, as determined by the Secretary.'

"(iv) The third sentence in 379(c) (1) is amended to read as follows: 'The Secretary is authorized for the 1974 through 1977 crops to limit the acreage planted to wheat on the farm to a percentage of the acreage allotment.'

"(v) '1971 through 1977' shall be substituted for '1971, 1972, and 1973' each place it occurs other than in the third sentence of section 379b(c) (1).

"(vi) The last sentence of section 379b (c) (1) is amended to read as follows: 'The Secretary shall permit producers to plant and graze on set-aside acreage sweet sorghum, and the Secretary may permit, subject to such terms and conditions as he may prescribe, all or any of the set-aside acreage to be devoted to hay and grazing or the production of guar, sesame, safflower, sunflower, castor beans, mustard seed, crambe, plantago ovato, flaxseed, triticale, oats, rye, or other commodity, if he determines that such production is needed to provide an adequate supply, is not likely to increase the cost of the price-support program, and will not adversely affect farm income.'

"(vii) After the second sentence of section 379(b) (3) the following shall be inserted 'The Secretary may, in the case of programs for the 1974 through 1977 crops, pay an appropriate share of the cost of practices designated to carry out the purposes of the foregoing sentences.'

"(C) Sections 379b (d), (e), (g), and (i) of the Agricultural Adjustment Act of 1938, as amended by subsection (a) of this section, shall be effective for the 1974 through 1977 crops amended to read as follows:

"'(d) The Secretary shall provide for the sharing of payments made under this section for any farm among producers on the farm on a fair and equitable basis.

"'(e) In any case in which the failure of a producer to comply fully with the terms and conditions of the program formulated under this section precludes the making of loans, purchases, and payments, the Secretary may, nevertheless, make such loans, purchases, and payments in such amounts as he determines to be equitable in relation to the seriousness of the default.

"'(g) The Secretary is authorized to issue such regulations as he determines necessary to carry out the provisions of this title.

"'(i) The Secretary shall carry out the program authorized by this section through the Commodity Credit Corporation.'

"(D) Section 379c of the Agricultural Adjustment Act of 1938, effective only with respect to the 1974 through 1977 crops of wheat is amended to read as follows:

"'Sec. 379c. (a) (1) The farm acreage allotment for each crop of wheat shall be determined as provided in this section. The Secretary shall proclaim the national acreage allotment not later than April 15 of each calendar year for the crop harvested in the next succeeding calendar year. Such national allotment shall be the number of acres he determines on the basis of the estimated national average yield for the crop for which the determination is being made will produce the quantity (less imports) that he estimates will be utilized domestically and for export during the marketing year for such crop. If the Secretary determines that carryover stocks are excessive or an increase in stocks is needed to assure a desirable carryover, he may adjust the allotment by the amount he determines will accomplish the desired decrease or increase in carryover stocks. The national acreage allotment for any crop of wheat shall be apportioned by the Secretary among the States on the basis of the apportionment to each State of the national acreage allotment for the preceding crop (1973 national domestic allotment in the case of apportionment of the 1974 national acreage allotment) adjusted to the extent deemed necessary by the Secretary to establish a fair and equitable apportionment base for each State, taking into consideration established crop rotation practices, the estimated decrease in farm acreage allotments, and other relevant factors.

"'(2) The State acreage allotment for wheat, less a reserve of not to exceed 1 per centum thereof for apportionment as provided in this subsection, shall be apportioned by the Secretary among the counties in the State, on the basis of the apportionment to each such county of the wheat allotment for the preceding crop, adjusted to the extent deemed necessary by the Secretary in order to establish a fair and equitable apportionment base for each county taking into consideration established crop-rotation practices, the estimated decrease in farm allotments, and other relevant factors.

"'(3) The farm allotment for each crop of wheat shall be determined by apportioning the county wheat allotment among farms in the county which had a wheat allotment for the preceding crop on the basis of such allotment, adjusted to reflect established crop-rotation practices and such other factors as the Secretary determines should be considered for the purpose of establishing a fair and equitable allotment. Notwithstanding any other provision of this subsection, the farm allotment shall be adjusted downward to the extent required by subsection (b).

"'(b) Not to exceed 1 per centum of the State allotment for any crop may be apportioned to farms for which there was no allotment for the preceding crop on the basis of the following factors: suitability of the land for production of wheat, the past experience of the farm operator in the production of wheat, the extent to which the farm operator is dependent on income from farming for his livelihood, the production of wheat on other farms owned, operated, or controlled by the farm operator, and such other factors as the Secretary determines should be considered for the purpose of establishing fair and equitable farm allotments. No part of such reserve shall be apportioned to a farm to reflect new cropland brought into production after the date of enactment of the set-aside program for wheat.

"'(5) The planting on a farm of wheat of any crop for which no farm allotment was established shall not make the farm eligible for an allotment under subsection (a) (3) nor shall such farm by reason of such planting be considered ineligible for an allotment under subsection (a) (4).

"'(6) The Secretary may make such adjustments in acreage under this Act as he determines necessary to correct for abnormal factors affecting production, and to give due consideration to tillable acreage, crop rotation practices, types of soil, soil and water conservation measures, and topography, and in addition, in the case of conserving use acreages to such other factors as he deems necessary in order to establish a fair and equitable conserving use acreage for the farm.

"'(b) (1) If for any crop the total acreage of wheat planted on a farm is less than the farm allotment, the farm allotment used as a base for the succeeding crop shall be reduced by the percentage by which such planted acreage was less than such farm allotment, but such reduction shall not exceed 20 per centum of the farm allotment for the preceding crop. If no acreage has been planted to wheat for three consecutive crop years on any farm which has an allotment, such farm shall lose its allotment. Producers on any farm who have planted to wheat not less than 90 per centum of the allotment for the farm shall be considered to have planted an acreage equal to 100 per centum of such allotment. An acreage on the farm which the Secretary determines was not planted to wheat because of drought, flood, or other natural disaster or condition beyond the control of the producer shall be considered to be an acreage of wheat planted for harvest. For the purpose of this subsection, the Secretary may permit producers of wheat to have acreage devoted to soybeans, feed grains for which there is a set-aside program in effect, guar, castor beans, cotton, triticale, oats, rye, or such other crops as the Secretary may deem appropriate considered as devoted to the production of wheat to such extent and subject to such terms and conditions as the Secretary determines will not impair the effective operation of the program.

"'(2) Notwithstanding the provisions of

subsection (b)(1), no farm allotment shall be reduced or lost through failure to plant the farm allotment, if the producer elects not to receive payments for the portion of the farm allotment not planted, to which he would otherwise be entitled under the provisions of section 107(c) of the Agricultural Act of 1949.' "

REPEAL OF PROCESSOR CERTIFICATE REQUIREMENT

(10) Section 403 is amended by inserting "(a)" after the section designation and by inserting at the end thereof the following:

"(b) Sections 379d, 379e, 379f, 379g, 379h, 379i, and 379j of the Agricultural Adjustment Act of 1938 (which deal with marketing certificate requirements for processors and exporters) shall not be applicable to wheat processed or exported during the period July 1, 1973 through June 30, 1978; and section 379g is amended by adding the following new subsection (c):

"(c) The Secretary is authorized to take such action as he determines to be necessary to facilitate the transition from the certificate program provided for under section 379d to a program under which no certificates are required. Notwithstanding any other provision of law, such authority shall include, but shall not be limited to the authority to exempt all or a portion of wheat or food products made therefrom in the channels of trade on July 1, 1973, from the marketing restrictions in subsection (b) of section 379d, or to sell certificates to persons owning such wheat or food products made therefrom at such price and under such terms and conditions as the Secretary may determine. Any such certificate shall be issued by the Commodity Credit Corporation. Nothing herein shall authorize the Secretary to require certificates on wheat processed after June 30, 1973."

SUSPENSION OF WHEAT MARKETING QUOTAS

(11) Section 404 is amended by striking "1971, 1972, and 1973" wherever it appears and inserting "1971 through 1977", and by striking "1972 and 1973" and inserting "1972 through 1977".

STATE AGENCY ALLOTMENTS, YIELD CALCULATIONS

(12) (a) Section 405 is amended by striking out "1971, 1972, and 1973" and inserting "1971 through 1977"; and by repealing paragraph (2) effective with the 1974 crop; by inserting "(a)" after the section designation; by changing the period and quotation mark at the end of the section to a semicolon; and by adding at the end of the section the following:

"(b) Effective with respect to the 1974 through 1977 crops, section 301(b) (13) (K) of the Agricultural Adjustment Act of 1938 is amended by adding after 'three calendar years' the following: '(five calendar years in the case of wheat)', and section 708 of Public Law 89-321 is amended by inserting in the second sentence after 'determining the projected yield' the following '(except that in the case of wheat, if the yield is abnormally low in any one of the calendar years of the base period because of drought, flood, or other natural disaster, the Secretary shall take into account the actual yield proved by the producer in the other four years of such base period)'."

SUSPENSION OF QUOTA PROVISIONS

(13) Section 406 is amended by striking out "1971, 1972, and 1973" and inserting "1971 through 1977".

REDUCTION IN WHEAT STORED TO AVOID PENALTY

(14) Section 407 of the Agricultural Act of 1970 is amended by adding at the end thereof the following: "Notwithstanding the foregoing, the Secretary may authorize release of wheat stored by a producer under section 379c(b) of the Agricultural Adjustment Act of 1938, as amended, prior to the 1971 crop, whenever he determines such release will not significantly affect market prices for wheat. As a condition of release, the Secretary may require a refund of such portion of the value of certificates received in the crop year the excess wheat was produced as he deems appropriate considering the period of time the excess wheat has been in storage and the need to provide fair and equitable treatment among all wheat program participants.".

APPLICATION OF THE AGRICULTURAL ACT OF 1949

(15) Section 408 is amended by striking out "1971, 1972, and 1973" and inserting "1971 through 1977".

COMMODITY CREDIT CORPORATION SALES PRICE RESTRICTIONS

(16) Section 409 is amended by striking out "1971, 1972, and 1973" and inserting "1971 through 1977".

SET-ASIDE ON SUMMER FALLOW FARMS

(17) Section 410 is amended by striking out "1971, 1972, and 1973" and inserting "1971 through 1977".

FEED GRAIN PROGRAM

(18) Effective only with respect to the 1974 through 1977 crops of feed grains, section 501 is amended by—

(A) striking out that portion through the first colon and section 105(a) of the Agricultural Act of 1949, as it appears therein, and inserting the following:

"SEC. 501. (a) Effective only with respect to the 1971 through 1977 crops of feed grains, section 105(a) of the Agricultural Act of 1949, as amended, is further amended to read as follows:

" 'SEC. 105. Notwithstanding any other provision of law—

" '(a) (1) The Secretary shall make available to producers loans and purchases on each crop of corn at such level, not less than $1.10 per bushel nor in excess of 90 per centum of the parity price therefor, as the Secretary determines will encourage the exportation of feed grains and not result in excessive total stocks of feed grains in the United States.

" '(2) The Secretary shall make available to producers loans and purchases on each crop of barley, oats, and rye, respectively, at such level as the Secretary determines is fair and reasonable in relation to the level that loans and purchases are made available for corn, taking into consideration the feeding value of such commodity in relation to corn and the other factors specified in section 401(b), and on each crop of grain sorghums at such level as the Secretary determines is fair and reasonable in relation to the level that loans and purchases are made available for corn, taking into consideration the feeding value and average transportation costs to market of grain sorghums in relation to corn.'."

(B) adding at the end thereof the following:

"(b) Effective only with respect to the 1974 through 1977 crops of feed grains, section 105(b) of the Agricultural Act of 1949, as amended, is further amended to read as follows:

" '(b) (1) In addition, the Secretary shall make available to producers payments for each crop of corn, grain sorghums, and, if designated by the Secretary, barley, computed by multiplying (1) the payment rate, times (2) the allotment for the farm for such crop, times (3) the yield established for the farm for the preceding crop with such adjustments as the Secretary determines necessary to provide a fair and equitable yield. The payment rate for corn shall be the amount by which the higher of—

" '(1) the national weighted average market price received by farmers during the first five months of the marketing year for such crop, as determined by the Secretary, or

" '(2) the loan level determined under subsection (a) for such crop

is less than the established price of $1.38 per bushel in the case of the 1974 and 1975 crops, $1.38 per bushel adjusted to reflect any change during the calendar year 1975 in the index of prices paid by farmers for production items, interest, taxes, and wage rates in the case of the 1976 crop, and the established price for the 1976 crop adjusted to reflect any change during the calendar year 1976 in such index in the case of the 1977 crop: *Provided*, That any increase that would otherwise be made in the established price to reflect a change in the index of prices paid by farmers shall be adjusted to reflect any change in (i) the national average yield per acre of feed grains for the three calendar years preceding the year for which the determination is made, over (ii) the national average yield per acre of feed grains for the three calendar years preceding the year previous to the one for which the determination is made. The payment rate for grain sorghums and, if designated by the Secretary, barley, shall be such rate as the Secretary determines fair and reasonable in relation to the rate at which payments are made available for corn. If the Secretary determines that the producers on a farm are prevented from planting any portion of the farm acreage allotment to feed grains or other nonconserving crop, because of drought, flood, or other natural disaster or condition beyond the control of the producer, the rate of payment on such portion shall be the larger of (A) the foregoing rate, or (B) one-third of the established price. If the Secretary determines that, because of such a disaster or condition, the total quantity of feed grains (or other nonconserving crop planted instead of feed grains) which the producers are able to harvest on any farm is less than 66⅔ percent of the farm acreage allotment times the yield of feed grains (or other nonconserving crop planted instead of feed grains) established for the farm, the rate of payment for the deficiency in production below 100 percent shall be the larger of (A) the foregoing rate, or (B) one-third of the established price.

" '(2) The Secretary shall, prior to January 1 of each calendar year, determine and proclaim for the crop produced in such calendar year a national acreage allotment for feed grains, which shall be the number of acres he determines on the basis of the estimated national acreage yield of the feed grains included in the program for the crop for which the determination is being made will produce the quantity (less imports) of such feed grains that he estimates will be utilized domestically and for export during the marketing year for such crop. If the Secretary determines that carryover stocks of any of the feed grains are excessive or an increase in stocks is needed to assure a desirable carryover, he may adjust the feed grain allotment by the amount he determines will accomplish the desired decrease or increase in carryover stocks. State, county, and farm feed grain allotments shall be established on the basis of the feed grain allotments established for the preceding crop (for 1974 on the basis of the feed grain bases established for 1973), adjusted to the extent deemed necessary to establish a fair and equitable apportionment base for each State, county, and farm. Not to exceed 1 per centum of the State feed grain allotment may be reserved for apportionment to new feed grain farms on the basis of the following factors: suitability of the land for production of feed grains, the extent to which the farm operator is dependent on income from farming for his livelihood, the production of feed grains on other farms owned, operated, or controlled by the farm operator, and such other factors as the Secretary determines should be considered for the purpose of establishing fair and equitable feed grain allotments.

"'(3) If for any crop the total acreage on a farm planted to feed grains included in the program formulated under this subsection is less than the feed grain allotment for the farm, the feed grain allotment for the farm for the succeeding crops shall be reduced by the percentage by which the planted acreage is less than the feed grain allotment for the farm, but such reduction shall not exceed 20 percentum of the feed grain allotment. If no acreage has been planted to such feed grains for three consecutive crop years on any farm which has a feed grain allotment, such farm shall lose its feed grain allotment: *Provided,* That no farm feed grain allotment shall be reduced or lost through failure to plant, if the producer elects not to receive payment for such portion of the farm feed grain allotment not planted, to which he would otherwise be entitled under the provisions of this Act. Any such acres eliminated from any farm shall be assigned to a national pool for the adjustment of feed grain allotments as provided for in subsection (e) (2). Producers on any farm who have planted to such feed grains not less than 90 per centum of the feed grain allotment shall be considered to have planted an acreage equal to 100 per centum of such allotment. An acreage on the farm which the Secretary determines was not planted to such feed grains because of drought, flood or other natural disaster or condition beyond the control of the producer shall be considered to be an acreage of feed grains planted for harvest. For the purpose of this paragraph, the Secretary may permit producers of food grains to have acreage devoted to soybeans, wheat, guar, castor beans, cotton, triticale, oats, rye, or such other crops as the Secretary may deem appropriate, considered as devoted to the production of such feed grains to such extent and subject to such terms and conditions as the Secretary determines will not impair the effective operation of the program.'.",

(C) amending the last sentence of section 105(c)(1) to read as follows:

"The Secretary shall permit producers to plant and graze on set-aside acreage sweet sorghum, and the Secretary may permit, subject to such terms and conditions as he may prescribe, all or any of the set-aside acreage to be devoted to hay and grazing or the production of guar, sesame, safflower, caster beans, mustard seed, crambe, plantago ovato, flaxseed, triticale, oats, rye, or other commodity, if he determines that such production is needed to provide an adequate supply, is not likely to increase the cost of the price-support program, and will not adversely affect farm income."

(C) striking out "1971, 1972, 1973" where it appears in that part which amends section 105(c)(1) of the Agricultural Act of 1949 and inserting "1971 through 1977", and amending the second sentence of section 105(c)(1) to read as follows. "If a set-aside of cropland is in effect under this subsection (c), then as a condition of eligibility for loans, purchases, and payments on corn, grain sorghums, and, if designated by the Secretary, barley, respectively, the producers on a farm must set aside and devote to approved conservation uses on acreage of cropland equal to (i) such percentage of the feed grain allotment for the farm as may be specified by the Secretary, plus, if required by the Secretary (ii) the acreage of cropland on the farm devoted in preceding years to soil conserving uses, as determined by the Secretary."

(D) amending the third sentence of section 105(c)(1) to read as follows: "The Secretary is authorized for the 1974 through 1977 crops to limit the acreage planted to feed grains on the farm to a percentage of the farm acreage allotment.",

(E) striking out paragraphs (1) and (3) and (3) of subsection (e), changing "bases" to "allotments" wherever it appears in paragraph (2) of subsection (e), and striking out all of subsection (g).

(F) inserting after the second sentence of section 105(c)(3) the following: "The Secretary may, in the case of programs for the 1974 through 1977 crops, pay an appropriate share of the cost of practices designed to carry out the purposes of the foregoing sentences."

COTTON PROGRAM

SUSPENSION OF MARKETING QUOTAS FOR COTTON, MINIMUM BASE ACREAGE ALLOTMENT

(19) Section 601 is amended by—

(A) striking out "1971, 1972, and 1973" wherever it appears therein and inserting "1971 through 1977",

(B) striking "1970, 1971, and 1972" from paragraph (2) and inserting "1970 through 1976",

(C) effective beginning with the 1974 crop, striking out the following from section 344a (a) in section 601 "for which a farm base acreage allotment is established (other than pursuant to section 350(e)(1)(A))",

(D) striking "1974" from paragraph (3)(1) and inserting "1978", and by striking "1972 and 1973" from paragraph (4) and inserting "1972 through 1977",

(E) effective beginning with the 1974 crop, adding at the end of section 350(a) in paragraph (4) of section 601 the following: "The national base acreage allotment for the 1974 through 1977 crops shall not be less than eleven million acres.",

(F) effective beginning with the 1974 crop, striking "soybeans, wheat or feed grains" from the last sentence of section 350(e)(2) in paragraph (4) of section 601 and inserting "soybeans, wheat, feed grains, guar, castor beans, triticale, oats, rye or such other crops as the Secretary may deem appropriate",

(G) effective beginning with the 1974 crop, striking the words "an adjoining" in the first sentence of section 350(h) as found in paragraph (4) of section 601, and inserting in lieu thereof "any other nearby".

COTTON PRODUCTION INCENTIVES

(20) Section 602 is amended by—

(A) striking "1971, 1972, and 1973" wherever it appears therein and inserting "1971 through 1977", by striking "the 1972 or 1973 crop " where it appears in that part amending sections 103(e)(1) of the Agricultural Act of 1949 and inserting "any of the 1972 through 1977 crops", and by striking out "acreage world price" in that part amending section 103(e)(1) of the Agricultural Act of 1949, and substituting "average price of American cotton in world markets";

(B) in that part amending section 103(e) (1) of the Agricultural Act of 1949 striking out "two-year period" wherever it appears therein and substituting "three-year period"; and by striking out that part beginning with "except that" in the first sentence and substituting "except that if the loan rate so calculated is higher than the then current level of average world prices for American cotton of such quality, the Secretary is authorized to adjust the current calculated loan rate for cotton to 90 per centum of the then current average world price.";

(C) effective, beginning with the 1974 crop, amending section 103(e)(2) of the Agricultural Act of 1949, as it appears in such section 602 to read as follows:

"(2) Payments shall be made for each crop of cotton to the producers on each farm at a rate equal to the amount by which the higher of—

"(1) the average market price received by farmers for upland cotton during the calendar year which includes the first five months of the marketing year for such crop, as determined by the Secretary, or

"(2) the loan level determined under paragraph (1) for such crop

is less than the established price of 38 cents per pound in the case of the 1974 and 1975 crops, 38 cents per pound adjusted to reflect any change during the calendar year 1975 in the index of prices paid by farmers for production items, interest, taxes, and wage rates in the case of the 1976 crop, and the established price for the 1976 crop adjusted to reflect any change during the calendar year 1976 in such index in the case of the 1977 crop: *Provided,* That any increase that would otherwise be made in the established price to reflect a change in the index of prices paid by farmers shall be adjusted to reflect any change in (i) the national average yield per acre of cotton for the three calendar years preceding the year for which the determination is made, over (ii) the national average yield per acre of cotton for the three calendar years preceding the year previous to the one for which the determination is made. If the Secretary determines that the producers on a farm are prevented from planting, any portion of the allotment to cotton because of drought, flood, or other natural disaster, or condition beyond the control of the producer, the rate of payment for such portion shall be the larger of (A) the foregoing rate, or (B) one-third of the established price. If the Secretary determines that, because of such a disaster or condition, the total quantity of cotton which the producers are able to harvest on any farm is less than 66⅔ percent of the farm base acreage allotment times the average yield established for the farm, the rate of payment for the deficiency in production below 100 percent shall be the larger of (A) the foregoing rate, or (B) one-third of the established price. The payment rate with respect to any producer who (i) is on a small farm (that is, a farm on which the base acreage allotment is ten acres or less, or on which the yield used in making payments times the farm base acreage allotment is five thousand pounds or less, and for which the base acreage allotment has not been reduced under section 350(f), (ii) resides on such farm, and (iii) derives his principal income from cotton produced on such farm, shall be increased by 30 per centum; but, notwithstanding paragraph (3), such increase shall be made only with respect to his share of cotton actually harvested on such farm within the quantity specified in paragraph (3)."

(D) effective, beginning with the 1974 crop, amending the third sentence of section 103(e)(4)(A) of the Agricultural Act of 1949, as it appears in such section 602 to read as follows: "The Secretary is authorized for the 1974 through 1977 crops to limit the acreage planted to upland cotton on the farm in excess of the farm base acreage allotment to a percentage of the farm base acreage allotment.".

(E) The second sentence of Section 103(e) (4)(A) is amended to read as follows: "If a set-aside of cropland is in effect under this paragraph (4), then as a condition of eligibility for loans and payments on upland cotton the producers on a farm must set aside and devote to approved conservation uses an acreage of cropland equal to (i) such percentage of the farm base acreage allotment for the farm as may be specified by the Secretary (not to exceed 28 per centum of the farm base acreage allotment), plus, if required by the Secretary, (ii) the acreage of cropland on the farm devoted in preceding years to soil conserving uses, as determined by the Secretary."

(F) the fourth sentence of section 103(e) (4)(A) of the Agricultural Act of 1949 as found in section 602 is amended to read as follows: "The Secretary shall permit producers to plant and graze on set-aside acreage sweet sorghum, and the Secretary may permit, subject to such terms and conditions as he may prescribe, all or any of the set-aside acreage to be devoted to hay and grazing or the production of guar, sesame, safflower, sunflower, castor beans, mustard seed, crambe, plantago ovato, flaxseed, triticale, oats, rye, or other commodity, if he determines that such production is needed to provide an adequate supply, is not likely to increase the cost of the price-support program, and will not adversely affect farm income."

(G) inserting after the second sentence of section 103(e)(5) of the Agricultural Act of 1949 as it appears in such section 602 the following: "The Secretary may in the case of programs for the 1974 through 1977 crops, pay an appropriate share of the cost of practices designed to carry out the purposes of the foregoing sentences."

COMMODITY CREDIT CORPORATION SALES PRICE RESTRICTIONS FOR COTTON

(21) Section 603 is amended by striking out "1974" and inserting "1978".

MISCELLANEOUS COTTON PROVISIONS

(22) Sections 604, 605, 606, 607, and 608 are each amended by striking out "1971, 1972, and 1973" and inserting "1971 through 1977".

COTTON MARKET DEVELOPMENT

(23) Section 610 is amended by inserting after the words "shall be" in the second sentence the following words "10 million dollars," and by striking the balance of said sentence, and further by striking out "1972 and 1973" and inserting "1972 through 1977" in the third sentence.

COTTON INSECT ERADICATION

(24) Title VI is amended by adding at the end thereof the following:

"Sec. 611. Section 104 of the Agricultural Act of 1949, as amended, is amended by adding a new subsection (d) as follows:

"'(d) In order to reduce cotton production costs, to prevent the movement of certain cotton plant insects to areas not now infested, and to enhance the quality of the environment, the Secretary is authorized and directed to carry out programs to destroy and eliminate cotton boll weevils in infested areas of the United States as provided herein and to carry out similar programs with respect to pink bollworms or any other major cotton insect if the Secretary determines that methods and systems have been developed to the point that success in eradication of such insects is assured. The Secretary shall carry out the eradication programs authorized by this subsection through the Commodity Credit Corporation. In carrying out insect eradication projects, the Secretary shall utilize the technical and related services of appropriate Federal, State, private agencies, and cotton organizations. Producers and landowners in an eradication zone, established by the Secretary, who are receiving benefits from any program administered by the United States Department of Agriculture, shall, as a condition of receiving or continuing any such benefits, participate in and cooperate with the eradication project, as specified in regulations of the Secretary.

"'The Secretary may issue such regulations as he deems necessary to enforce the provisions of this subsection with respect to achieving the compliance of producers and landowners who are not receiving benefits from any program administered by the United States Department of Agriculture. Any person who knowingly violates any such regulation promulgated by the Secretary under this subsection may be assessed a civil penalty of not to exceed $5,000 for each offense. No civil penalty shall be assessed unless the person shall have been given notice and opportunity for a hearing on such charge in the county, parish, or incorporated city of the residence of the person charged. In determining the amount of the penalty the Secretary shall consider the appropriateness of such penalty to the size of the business of the person charged, the effect on the person's ability to continue in business, and the gravity of the violation. Where special measures deemed essential to achievement of the eradication objective are taken by the project and result in a loss of production and income to the producer, the Secretary shall provide reasonable and equitable indemnification from funds available for the project, and also provide for appropriate protection of the allotment, acreage history, and average yield for the farm. The cost of the program in each eradication zone shall be determined, and cotton producers in the zone shall be required to pay up to one-half thereof, with the exact share in each zone area to be specified by the Secretary upon his finding that such share is reasonable and equitable based on population levels of the target insect and the degree of control measures normally required. Each producer's pro rata share shall be deducted from his cotton payment under this Act or otherwise collected, as provided in regulations of the Secretary. Insofar as practicable, cotton producers and other persons engaged in cotton production in the eradication zone shall be employed to participate in the work of the project in such zone. Funding of the program shall be terminated at such time as the Secretary determines and reports to the Congress that complete eradication of the insects for which programs are undertaken pursuant to this subsection has been accomplished. Funds in custody of agencies carrying out the program shall, upon termination of such program, be accounted for to the Secretary for appropriate disposition.

"'The Secretary is authorized to cooperate with the Government of Mexico in carrying out operations or measures in Mexico which he deems necessary and feasible to prevent the movement into the United States from Mexico of any insects eradicated under the provisions of this subsection. The measure and character of cooperation carried out under this subsection on the part of the United States and on the part of the Government of Mexico, including the expenditure or use of funds made available by the Secretary under this subsection, shall be such as may be prescribed by the Secretary. Arrangements for the cooperation authorized by this subsection shall be made through and in consultation with the Secretary of State. The Commodity Credit Corporation shall not make any expenditures for carrying out the purposes of this subsection unless the Corporation has received funds to cover such expenditures from appropriations made to carry out the purposes of this subsection. There are hereby authorized to be appropriated to the Commodity Credit Corporation such sums as the Congress may from time to time determine to be necessary to carry out the purposes of this subsection.'."

SKIPROW PRACTICES

(25) Title VI is further amended by adding the following new section:

"Sec. 612. Section 374 (a) of the Agricultural Adjustment Act of 1938, as amended, is hereby amended by adding the following new sentence: 'Where cotton is planted in skiprow patterns, the same rules that were in effect for the 1971 through 1973 crops for classifying the acreage planted to cotton and the area skipped shall also apply to the 1974 through 1977 crops.'."

PUBLIC LAW 480

(26) Section 701 is amended by striking out "1973" and inserting "1977"; and title VII is further amended by adding at the end thereof the following:

Section 103 of such Act is amended by inserting before the semicolon at the end of subsection (o) the following: "and that commercial supplies are available to meet demands developed through programs carried out under this Act."

"Sec. 704. Title IV of such Act is amended by adding at the end thereof the following:

"'Sec. 411. No agricultural commodities shall be sold under title I or title III or donated under title II of this Act to North Vietnam, unless by an Act of Congress enacted subsequent to July 1, 1973, assistance to North Vietnam is specifically authorized.'"

MISCELLANEOUS PROVISIONS

(27) Title VIII is amended as follows:

BEEKEEPER INDEMNITIES

(A) Section 804 is amended by striking out "December 31, 1973" and inserting "December 31, 1977".

(B) By adding at the end thereof the following:

"FHA LOANS

"Sec. 807. The first sentence of section 305 of the Consolidated Farm and Rural Development Act is amended by striking out $100,000' and inserting '$225,000'; and by striking out 'or (b)' and inserting '(b) the loans under such sections to any one borrower to exceed $100,000, or (c)'.

"COST OF PRODUCTION STUDY

"Sec. 808. The Secretary of Agriculture, in cooperation with the land grant colleges, commodity organizations, general farm organizations, and individual farmers, shall conduct a cost of production study of the wheat, feed, grain, cotton, and dairy commodities under the various production practices and establish a current national weighted average cost of production. This study shall be updated annually and shall include all typical variable costs, a return on fixed costs equal to the existing interest rates charged by the Federal Land Bank, and return for management comparable to the normal management fees charged by other comparable industries. These studies shall be based upon the size unit that requires one man to farm on a full-time basis.

"LIVESTOCK STUDY

"Sec. 809. (a) The Secretary of Agriculture is authorized and directed to carry out a comprehensive study and investigation to determine the reasons for the extensive loss of livestock sustained each year, through injury and disease, while such livestock is being transported in interstate commerce for commercial purposes. The Secretary is also authorized and directed to conduct, in connection with such study and investigation, an intensive research program for the purpose of developing measures that can be taken to reduce materially the number of animals lost, through injury and disease, during transportation for commercial purposes.

"(b) The Secretary of Agriculture shall submit to the Congress not more than four years after the date of enactment of this section a final report on the results of this study and investigation and research together with such recommendations for administrative and legislative action as he deems appropriate. He shall submit such interim reports to the Congress as he deems advisable, but at least one at the end of each twelve month period following the date of enactment of this section.

"(c) There is authorized to be appropriated such sums as may be necessary to carry out the provisions of this section, but not more than $500,000 in any fiscal year.

"WHEAT AND FEED GRAINS RESEARCH

"Sec. 810. In order to reduce fertilizer and herbicide usage in excess of production needs, to develop wheat and feed grain varieties more susceptible to complete fertilizer utilization, to improve the resistance of wheat and feed grain plants to disease and to enhance their conservation and environmental qualities, the Secretary of Agriculture is authorized and directed to carry out regional and national research programs.

"In carrying out such research, the Secretary shall utilize the technical and related services of the appropriate Federal, State, and private agencies.

"There is authorized to be appropriated

such sums as may be necessary to carry out the provisions of this section, but not more than $1,000,000 in any fiscal year.

"TECHNICAL SUPPORT

"SEC. 811. The Department of Agriculture shall provide technical support to exporters and importers of United States agricultural products when so requested. Such support shall include, but not be limited to, a review of the feasibility of the export proposal, adequacy to sources of supply, compliance with trade regulations of the United States and the importing country and such other information or guidance as may be needed to expand and expedite United States agricultural exports by private trading interests.

"EXPORT SALES REPORTING

"SEC. 812. All exporters of wheat and wheat flour, feed grains, oil seeds, cotton and products thereof, and other commodities the Secretary may designate produced in the United States shall report to the Secretary of Agriculture, on a weekly basis, the following information regarding any contract for export sales entered into or subsequently modified in any manner during the reporting period: (a) type, class, and quantity of the commodity sought to be exported, (b) the marketing year of shipment, (c) destination, if known. Individual reports shall remain confidential but shall be compiled by the Secretary and published in compilation form each week following the week of reporting. All exporters of agricultural commodities produced in the United States shall upon request of the Secretary of Agriculture immediately report to the Secretary any information with respect to export sales of agricultural commodities and at such times as he may request. Any person (or corporation) who knowingly fails to report export sales pursuant to the requirements of this section shall be fined not more than $25,000 or imprisoned not more than one year, or both. The Secretary may, with respect to any commodity or type or class thereof during any period in which he determines that there is a domestic supply of such commodity substantially in excess of the quantity needed to meet domestic requirements, and that total supplies of such commodity in the exporting countries are estimated to be in surplus, and that anticipated exports will not result in excessive drain on domestic supplies, and that to require the reports to be made will unduly hamper export sales, provide for such reports by exporters and publishing of such data to be on a monthly basis rather than on a weekly basis."

"DISASTER RESERVE

"SEC. 813. (a) Notwithstanding any other provision of law, the Secretary of Agriculture shall under the provisions of this Act establish, maintain, and dispose of a separate reserve of inventories of not to exceed 75 million bushels of wheat, feed grains, and soybeans for the purpose of alleviating distress caused by a natural disaster.

"Such reserve inventories shall include such quantities of grain that the Secretary deems needed to provide for the alleviation of distress as the result of a natural disaster.

"(b) The Secretary shall acquire such commodities through the price support program.

"(c) Except when a state of emergency has been proclaimed by the President or by concurrent resolution of Congress declaring that such reserves should be disposed of, the Secretary shall not offer any commodity in the reserve for sale or disposition.

"(d) The Secretary is also authorized to dispose of such commodities only for (1) use in relieving distress (a) in any State, the District of Columbia, Puerto Rico, Guam, or the Virgin Islands and (b) in connection with any major disaster determined by the President to warrant assistance by the Federal Government under Public Law 875, Eighty-first Congress, as amended (42 U.S.C. 1855 et seq.), or (2) for use in connection with a state of civil defense emergency as proclaimed by the President or by concurrent resolution of the Congress in accordance with the provisions of the Federal Civil Defense Act of 1950, as amended (50 U.S.C. App. 2251–2297).

"(e) The Secretary may sell at an equivalent price, allowing for the customary location and grade price differentials, substantially equivalent quantities in different locations or warehouses to the extent needed to properly handle, rotate, distribute, and locate such reserve.

"(f) The Secretary may use the Commodity Credit Corporation to the extent feasible to fulfill the purposes of this section, and to the maximum extent practicable consistent with the fulfillment of the purposes of this section and the effective and efficient administration of this section shall utilize the usual and customary channels, facilities, and arrangements of trade and commerce.

"(g) The Secretary may issue such rules and regulations as may be necessary to carry out the provisions of this section.

"(h) There is hereby authorized to be appropriated such sums as may be necessary to carry out the purposes of this section.

"IMPORTED COMMODITIES

"SEC. 814. Notwithstanding any other provisions of this Act, the Secretary shall encourage the production of any crop of which the United States is a net importer and for which a price support program is not in effect by permitting the planting of such crop on set-aside acreage and with no reduction in the rate of payment for the commodity.

"EMERGENCY SUPPLY OF AGRICULTURAL PRODUCTS

"SEC. 815(a) Notwithstanding any other provision of law, the Secretary of Agriculture shall assist farmers, processors, and distributors in obtaining such prices for agricultural products that an orderly, adequate and steady supply of such products will exist for the consumers of this nation.

"(b) The President shall make appropriate adjustments in the maximum price which may be charged under the provisions of Executive Order 11723 (dated June 13, 1973) or any subsequent Executive Order for any agricultural products (at any point in the distribution chain) as to which the Secretary of Agriculture certifies to the President that the supply of the product will be reduced to unacceptably low levels as a result of any price control or freeze order or regulation and that alternative means for increasing the supply are not available.

"(c) Under this section, the term 'agricultural products' shall include meat, poultry, vegetables, fruits and all other agricultural commodities in raw or processed form, except forestry products or fish or fishery products.

"RURAL DEVELOPMENT

"SEC. 816. (a) Section 401 of the Rural Development Act of 1972 (86 Stat. 670) is amended by substituting the words 'fire' and 'fires' for the words "wildlife,' and 'wildfires', respectively, wherever such words appear.

"(b) Section 404 of the Rural Development Act of 1972 (86 Stat. 671) is amended to read as follows:

" 'SEC. 404. APPROPRIATIONS.—There is authorized to be appropriated to carry out the provisions of this title $7,000,000 for each of three consecutive fiscal years beginning with the fiscal year for which funds are first appropriated and obliged by the Secretary of Agriculture carrying out this title.'

"(e) Section 306(a) of the Consolidated Farm and Rural Development Act is amended by adding at the end thereof the following:

" '(13) (A) The Secretary, under such reasonable rules and conditions as he shall establish, shall make grants to eligible volunteer fire departments for up to 50 per centum of the cost of firefighting equipment needed by such departments but which such departments are unable to purchase through the resources otherwise available to them, and for the cost of the training necessary to enable such departments to use such equipment efficiently.

" '(B) For the purposes of this subsection, the term "eligible volunteer fire department" means any established volunteer fire department in a rural town, village, or unincorporated area where the population is less than two thousand but greater than two hundred, as reasonably determined by the Secretary.'

"SEC. 817. Section 310(d) of subtitle A of the Consolidated Farm and Rural Development Act is amended by adding at the end thereof the following:

" '(4) No grant or loan authorized to be made under this Act shall require or be subject to the prior approval of any officer, employee, or agency of any State.

" '(5) No loan commitment issued under this section, section 304, or section 312 shall be conditioned upon the applicant investing in excess of 10 per centum in the business or industrial enterprise for which purpose the loan is to be made unless the Secretary determines there are special circumstances which necessitate an equity investment by the applicant greater than 10 per centum.

" '(6) No provision of law shall prohibit issuance by the Secretary of certificates evidencing beneficial ownership in a block of notes insured or guaranteed under this Act or Title V of the Housing Act of 1949; any sale by the Secretary of such certificates shall be treated as a sale of assets for the purposes of the Budget and Accounting Act of 1921. Any security representing beneficial ownership in a block of notes guaranteed or insured under this Act or Title V of the Housing Act of 1949 issued by a private entity shall be exempt from laws administered by the Securities and Exchange Commission, except sections 17, 22, and 24 of the Securities Act of 1933, as amended; however, the Secretary shall require (i) that the issuer place such notes in the custody of an institution chartered by a Federal or State agency to act as trustee and (ii) that the issuer provide such periodic reports of sales as the Secretary deems necessary.'

"AGRICULTURAL CENSUS

"SEC. 818. Notwithstanding any other provision of law, the Secretary of Commerce shall conduct a census of agriculture in 1974 as required by section 142 of title 13, United States Code, and shall submit to the Congress, within thirty days after the date of enactment of the Agriculture and Consumer Protection Act of 1973, an estimate of the funds needed to conduct such census."

(28) By adding at the end thereof the following new title X:

"TITLE X—RURAL ENVIRONMENTAL CONSERVATION PROGRAM

"SEC. 1001. Notwithstanding any other provision of law, the Secretary shall carry out the purposes specified in clauses (1), (2), (3), (4), and (6) of section 7(a) of the Soil Conservation and Domestic Allotment Act, as amended, section 16(b) of such Act, and in the Water Bank Act (16 U.S.C. 1301 et seq.) by entering into contracts of three, five, ten, or twenty-five years with, and at the option of, eligible owners and operators of land as determined by the Secretary and having such control as the Secretary determines to be needed on the farms, ranches, wetlands, forests, or other lands covered thereby. In addition, the Secretary is hereby authorized to purchase perpetual easements to promote said purposes of this Title, including the sound use and management of flood plains, shore lands, and aquatic areas of the Nation. Such contracts shall be designed to assist farm, ranch, wetland, and nonindustrial private forest owners and operators, or other owners or operators, to make in orderly progression over a period of years, such changes, if any, as are needed to effectuate any of the purposes specified in clauses (1), (2), (3), (4), and (6) of section 7(a) of the Soil Conservation and Domestic Allotment Act, as amended; section 16(b) of such Act; the Water Bank Act (16 U.S.C. 1301 et seq.); in enlarging fish and wildlife and recreation sources; in improving the level of management of nonindustrial private forest lands; and in providing long-term wildlife and upland game cover. In carrying out the provisions of this title, due regard shall be given to the maintenance of a continuing and stable supply of agricultural commodities and forest products adequate to meet consumer demand at prices fair to both producers and consumers.

"(1) to effectuate the plan for his farm, ranch, forest, wetland, or other land substantially in accordance with the schedule outlined therein;

"(2) to forfeit all rights to further payments or grants under the contract and refund to the United States all payments or grants received thereunder upon his violation of the contract at any stage during the time he has control of the land if the Secretary, after considering the recommendations of the Soil and Water Conservation District Board, or the State forester or other appropriate official in a contract entered into under the provisions of section 1009 of this title, determines that such violation is of such a nature as to warrant termination of the contract, or to make refunds or accept such payment adjustments as the Secretary may deem appropriate if he determines that the violation by the owner or operator does not warrant termination of the contract;

"(3) upon transfer of his right and interest in the farm, ranch, forest, wetland, or other land during the contract period to forfeit all rights to further payments or grants under the contract and refund to the United States all payments or grants received thereunder unless the transferee of any such land agrees with the Secretary to assume all obligations of the contract;

"(4) not to adopt any practice specified by the Secretary in the contract as a practice which tend to defeat the purposes of the contract;

"SEC. 1002. Eligible landowners and operators for contracts under this title shall furnish to the Secretary a plan of farming operations or land use which incorporates such practices and principles as may be determined by him to be practicable and which outlines a schedule of proposed changes, if any, in cropping systems or land use and of the conservation measures which are to be carried out on the farm, ranch, wetland, forests, or other land during the contract period to protect the farm, ranch, wetland, forests or other land and surrounding areas, its wildlife, and nearby populace and communities from erosion, deterioration, pollution by natural and manmade causes or to insure an adequate supply of timber and related forest products. Said plans may also, in important migratory waterfowl nesting and breeding areas which are identified in a conservation plan developed in cooperation with a soil and water conservation district in which the lands are located, and under such rules and regulations as the Secretary may provide, include a schedule of proposed changes, if any, to conserve surface waters and preserve and improve habitat for migratory waterfowl and other wildlife resources and improve subsurface moisture, including, subject to the provisions of section 1001 of this title, the reduction of areas of new land coming into production, the enhancement of the natural beauty of the landscape, and the promotion of comprehensive and total water management study.

"SEC. 1003. (a) Approved conservation plans of eligible landowners and operators developed in cooperation with the soil and water conservation district or the State forester or other appropriate State official in which their lands are situated shall form a basis for contracts under this title. Under the contract the landowner or operator shall agree—

"(5) to comply with all applicable Federal, State, or local laws, and regulations, including those governing environmental protection and noxious weed abatement; and

"(6) to such additional provisions as the Secretary determines are desirable and includes in the contract to effectuate the purposes of the program or to facilitate the practical administration of the program: *Provided*, That all contracts entered into to effectuate the purposes of the Water Bank Act for wetlands shall contain the further agreement of the owner or operator that he shall not drain, burn, fill, or otherwise destroy the wetland character of such areas, nor use such areas for agricultural purposes: *And provided further*, That contracts entered into for the protection of wetlands to effectuate the purposes of the Water Bank Act may include wetlands covered by Federal or State government easement which permits agricultural use, together with such adjacent areas as determined desirable by the Secretary.

"(b) In return for such agreement by the landowner or operator the Secretary shall agree to make payments in appropriate circumstances for the use of land maintained for conservation purposes as set forth in this title, and share the cost of carrying out those conservation practices and measures set forth in the contract for which he determines that cost-sharing is appropriate and in the public interest. The portion of such cost (including labor) to be shared shall be that part which the Secretary determines is necessary and appropriate to effectuate the physical installation of the conservation practices and measures under the contract, but, in the case of a contract not entered into under an advertising and bid procedure under the provisions of section 1009(d) of this title, not less than 50 per centum or more than 75 per centum of the actual costs incurred by the owner or operator.

"(c) The Secretary may terminate any contract with a landowner or operator by mutual agreement with the owner or operator if the Secretary determines that such termination would be in the public interest, and may agree to such modification of contracts previously entered into as he may determine to be desirable to carry out the purposes of the program or facilitate the practical administration thereof or to accomplish equitable treatment with respect to other similar conservation, land use, or commodity programs administered by the Secretary.

"SEC. 1004. The Secretary is authorized to make available to eligible owners and operators conservation materials including seeds, seed inoculants, soil conditioning materials, trees, plants, and, if he determines it is appropriate to the purposes of this title, fertilizer and liming materials.

"SEC. 1005. (a) Notwithstanding the provisions of any other title, the Secretary may establish multiyear set-aside contracts for a period not to extend beyond the 1977 crop. Such contracts may be entered into only as a part of the programs in effect for wheat, feed grains, and cotton for the years 1974 through 1978, and only producers participating in one or more of such programs shall be eligible to contract with the Secretary under this section. Producers agreeing to a multiyear set-aside agreement shall be required to devote this acreage to vegetative cover capable of maintaining itself throughout such period to provide soil protection, water quality enhancement, wildlife production, and natural beauty. Grazing of livestock under this section shall be prohibited.

Producers entering into agreements under this section shall also agree to comply with all applicable State and local law and regulation governing noxious weed control.

"(b) The Secretary shall provide cost-sharing incentives to farm operators for such cover establishment, whenever a multiyear contract is entered into on all or a portion of the set-aside acreage.

"SEC. 1006. The Secretary shall issue regulations as he determines necessary to carry out the provisions of this title. The total acreage placed under agreements which result in their retirement from production in any county or local community shall in addition to the limitations elsewhere in this title be limited to a percentage of the total eligible acreage in such county or local community which the Secretary determines would not adversely affect the economy of the county or local community. In determining such percentage the Secretary shall give appropriate consideration to the productivity of the acreage being retired, if any, as compared to the average productivity of eligible acreage in such county or local community which the Secretary determines would not adversely affect the economy of the county or local community.

"SEC. 1007. (a) The Secretary of Agriculture shall appoint an advisory board in each State to advise the State committee of that State (established under section 8(b) of the Soil Conservation and Domestic Allotment Act) regarding the types of conservation measures that should be approved to effectuate the purposes of this title. The Secretary shall appoint at least six individuals to the advisory board of each State who are especially qualified by reason of education, training, and experience in the fields of agriculture, soil, water, wildlife, fish, and forest management. The advisory board appointed for any State shall meet at least once each calendar year. Said appointed members shall include, but not be limited to, the State soil conservationist, the State forester, the State administrator of the water quality programs, and the State wildlife administrator or their designees: *Provided*, That such board shall limit its advice to the State committees to the types of conservation measures that should be approved affecting the water bank program; the authorization to purchase perpetual easements to promote the purposes of this title, as described in section 1001 of this title; the providing of long-term upland game cover; and the establishment and management of approved practices on multiyear set-aside contracts as provided in section 1005 of this title.

"(b) The Secretary of Agriculture, through the establishment of a national advisory board to be named in consultation with the Secretary of the Interior, shall seek the advice and assistance of the appropriate officials of the several States in developing the programs under this title, especially in developing guidelines for (1) providing technical assistance for wildlife habitat improvement practices, (2) evaluating effects on surrounding areas, (3) considering aesthetic values, (4) checking compliance by cooperators, and (5) carrying out programs of wildlife management authorized under this title: *Provided*, That such board shall limit its advice to subjects which cover the types of conservation measures that should be approved regarding the water bank program; the authorization to purchase perpetual easements to promote the purposes of this Act, as described in section 1001 of this title; the providing of long-term upland game cover; and the establishment and management of approved practices on multiyear set-aside contracts as provided in section 1005 of this title.

"SEC. 1008. In carrying out the programs authorized under sections 1001 through 1006 of this title, the Secretary shall, in addition to appropriate coordination with other interested Federal, State, and local agencies, utilize the services of local, county, and State committees established under section 8 of the Soil Conservation and Domestic Allotment Act, as amended. The Secretary is also authorized to utilize the facilities and services of the Commodity Credit Corporation in discharging his functions and responsibilities under this program. The Secretary shall also utilize the technical services of the Soil Conservation Services, the Forest Service, State forestry organizations, soil and water conservation districts, and other State, and Federal agencies, as appropriate, in development and installation of approved conservation plans under this title.

"SEC. 1009. (a) In furtherance of the purposes of this title, the Secretary of Agriculture is authorized and directed to develop and carry out a forestry incentives program to encourage the development, management, and protection of nonindustrial private forest lands. The purposes of such a program shall be to encourage landowners to apply practices which will provide for the afforestation of suitable open lands and reforestation of cutover and other nonstocked and understocked forest lands and intensive multiple-purpose management and protection of forest resources so as to provide for production of timber and related benefits.

"(b) For the purposes of this section, the term 'non-industrial private forest lands' means lands capable of producing crops of industrial wood and owned by any private individual, group, association, corporation, or other legal entity. Such term does not include private entities which regularly engage in the business of manufacturing forest products or providing public utilities services of any type, or the subsidiaries of such entities.

"(c) The Secretary shall consult with the State forester or other appropriate official of the respective States in the conduct of the forestry incentives program under this section, and Federal assistance shall be extended in accordance with section 1003(b) of this title. The Secretary shall for the purposes of this section distribute funds available for cost sharing among and within the States only after assessing the public benefit incident thereto, and after giving appropriate consideration to the number and acreage of commercial forest lands, number of eligible ownerships in the State, and counties to be served by such cost sharing; the potential productivity of such lands; and the need for reforestation, timber stand improvement, or other forestry investments on such land. No forest incentives contract shall be approved under this section on a tract greater than five hundred acres, unless the Secretary finds that significant public benefit will be incident to such approval.

"(d) The Secretary may, if he determines that such action will contribute to the effective and equitable administration of the program established by this section, use an advertising and bid procedure in determining the lands in any area to be covered by agreements.

"(e) In implementing the program under this section, the Secretary will cause it to be coordinated with other related programs in such a manner as to encourage the utilization of private agencies, firms, and individuals furnishing services and materials needed in the application of practices included in the forestry incentives improvement program. The Secretary shall periodically report to the appropriate congressional committees of the progress and conduct of the program established under this section.

"SEC. 1010. There are hereby authorized to be appropriated annually such sums as may be necessary to carry out the provisions of this title. The programs, contracts, and authority authorized under this title shall be in addition to, and not in substitution for, other programs in such areas authorized by this or any other title or Act, and shall not expire with the termination of any other title or Act: *Provided*, That not more than $25,000,000 annually shall be authorized to be appropriated for the programs authorized under section 1009 of this Act."

ADVISORY COMMITTEE REPEAL

SEC. 2. Section 301 of the Act of August 14, 1946 (Public Law 79-733), as amended (7 U.S.C. 1628), is hereby repealed.

FOOD STAMPS

SEC. 3. The Food Stamp Act of 1964, as amended, is amended as follows:

(a) The second sentence of section 3(e) of the Food Stamp Act of 1964 (7 U.S.C. 2012(e)) is amended—

(1) by striking out "or"; and

(2) by inserting before the period at the end thereof the following: ", or (3) any narcotics addict or alcoholic who lives under the supervision of a private nonprofit organization or institution for the purpose of regular participation in a drug or alcoholic treatment and rehabilitation program."

(b) Section 3(e) of the Food Stamp Act of 1964 is amended by striking out the last sentence therein and inserting in lieu thereof the following sentence: "No individual who receives supplemental security income benefits under title XVI of the Social Security Act shall be considered to be a member of a household or an elderly person for any purpose of this Act for any month if such person receives for such month, as part of his supplemental security income benefits or payments described in section 1616(a) of the Social Security Act (if any), an amount equal to the bonus value of food stamps (according to the Food Stamp Schedule effective for July 1973) in addition to the amount of assistance such individual would be entitled to receive for such month under the provisions of the plan of the State approved under title I, X, XIV or XVI, as appropriate, in effect for December 1973, assuming such plan were in effect for such month and such individual were aged, blind, or disabled, as the case may be, under the provisions of such State plan or under Public Law 92-603 as amended. The Secretary of Health, Education, and Welfare shall issue regulations for the implementation of the foregoing sentence after consultation with the Secretary of Agriculture.

(c) Section 3 of the Food Stamp Act of 1964 (7 U.S.C. 2012) is amended by adding at the end thereof the following new subsection:

"(n) The term 'drug addiction or alcoholic treatment and rehabilitation program' means any drug addiction or alcoholic treatment and rehabilitation program conducted by a private nonprofit organization or institution which is certified by the State agency or agencies designated by the Governor as responsible for the administration of the State's programs for alcoholics and drug addicts pursuant to Public Law 91-616 'Comprehensive Alcohol Abuse and Alcohol Prevention, Treatment, and Rehabilitation Act' and Public Law 92-255 'Drug Abuse Office and Treatment Act of 1972' as providing treatment that can lead to the rehabilitation of drug addicts or alcoholics."

(d) Section 5 of the Food Stamp Act of 1964 (7 U.S.C. 2014) is amended by adding at the end thereof the following new subsection:

"(d) The Secretary shall establish uniform national standards of eligibility for households described in section 3(e)(3) of this Act."

(e) Sections 5(c) of the Food Stamp Act of 1964 (7 U.S.C. 2014(c)) is amended by adding at the end thereof the following: "For the purposes of this section, the term 'able-bodied adult person' shall not include any narcotics addict or alcoholic who regularly participates, as a resident or nonresident, in any drug addiction or alcoholic treatment and rehabilitation program."

(f) Section 10 of the Food Stamp Act of 1964 (7 U.S.C. 2019) is amended by inserting at the end thereof the following new subsection:

"(i) Subject to such terms and conditions as may be prescribed by the Secretary in the regulations pursuant to this Act, members of an eligible household who are narcotics addicts or alcoholics and regularly particpate in a drug addiction or alcoholic treatment and rehabilitation program may use coupons issued to them to purchase food prepared for or served to them during the course of such program by a private nonprofit organization or institution which meets requirements (1), (2), and (3), of subsection (h) above. Meals served pursuant to this subsection shall be deemed 'food' for the purposes of this Act."

(g) Section 5(b) is amended by inserting the following before the period at the end of the second sentence: ": *Provided*, That such standards shall take into account payments in kind received from an employer by members of a household, if such payments are in lieu of or supplemental to household income: *Provided further*, That such payments in kind shall be limited only to housing provided by such employer to such employee and shall be the actual value of such housing but in no event shall such value be considered to be in excess of the sum of $25.00 per month".

(h) The fourth sentence of section 5(b) is amended to read as follows:

The Secretary may also establish temporary emergency standards of eligibility for the duration of the emergency, without regard to income and other financial resources, for households that are the victims of a mechanical disaster which disrupts the distribution of coupons, and for households that are victims of a disaster which disrupted commercial channels of food distribution when he determines that such households are in need of temporary food assistance, and that commercial channels of food distribution have again become available to meet the temporary food needs of such households: *Provided*, That the Secretary shall in the case of Puerto Rico, Guam, and the Virgin Islands, establish special standards of eligibility and coupon allotment schedules which reflect the average per capita income and cost of obtaining a nutritionally adequate diet in Puerto Rico and the respective territories; except that in no event shall the standards of eligibility or coupon allotment schedules so used exceed those in the fifty States.

(i) Section 10(e) is amended by striking out "and (6)" and inserting in lieu thereof the following: "(6) issuance of coupon allotments no less often than two times per month; (7) notwithstanding any other provision of law, the institution of procedures under which any household participating in the program shall be entitled, if it so elects, to have the charges, if any, for its coupon allotment deducted from any grant or payment such household may be entitled to receive under title IV of the Social Security Act and have its coupon allotment distributed to it with such grant or payment; and (8)"; and (2) by adding at the end thereof the following: "The State agency is required to submit, prior to January 1, 1974, for approval, a plan of operation specifying the manner in which such State agency intends to conduct the program in every political subdivision in the State, unless such State agency can demonstrate that for any political subdivision it is impossible or impracticable to extend the program to such subdivision. The Secretary shall make a determination of approval or disapproval of a plan of operation submitted by a State agency in sufficient time to permit institution of such plan by no later than June 30, 1974."

(j) Section 16(a) is amended by striking out in the first sentence "June 30, 1972, and June 30, 1973" and substituting "June 30, 1972, through June 30, 1977", and by inserting at the end of the first sentence of subsection (a) the following new sentence: "Sums appropriated under the provisions of this Act shall, notwithstanding the provisions of any other law, continue to remain available until expended."

(k) Section 10(h) is amended by adding at the end thereof the following: "Subject to such terms and conditions as may be prescribed by the Secretary, in the regulations issued pursuant to this Act, members of an eligible household who are sixty years of age or over or elderly persons and their spouses may also use coupons issued to them to purchase meals prepared by senior citizens' centers, apartment buildings occupied primarily by elderly persons, any public or nonprofit private school which prepares meals especially for elderly persons, any public or nonprofit private eating establishment which prepares meals especially for elderly persons during special hours, and any other public or nonprofit private establishment approved for such purpose by the Secretary. When an appropriate State or local agency contracts with a private establishment to offer, at concessional prices, meals prepared especially for elderly persons during regular or special hours, the Secretary shall permit eligible households who are sixty years of age or over or elderly persons and their spouses to use coupons issued to them to purchase such meals."

(l) Section 3(b) of the Food Stamp Act of 1964 (7 U.S.C. 2012(b)) is amended to read as follows: "The term 'food' means any food or food product for home consumption except alcoholic beverages and tobacco and shall also include seeds and plants for use in gardens to produce food for the personal consumption of the eligible household."

(m) Section 7(a) of the Food Stamp Act of 1964 (7 U.S.C. 2016(a)) is amended to read as follows:

"(a) The face value of the coupon allotment which State agencies shall be authorized to issue to any households certified as eligible to participate in the food stamp program shall be in such amount as the Secretary determines to be the cost of a nutritionally adequate diet, adjusted semiannually by the nearest dollar increment that is a multiple of two to reflect changes in the prices of food published by the Bureau of Labor Statistics in the Department of Labor to be implemented commencing with the allotments of January 1, 1974, incorporating the changes in the prices of food through August 31, 1973, but in no event shall such adjustments be made for value if the coupon allotment for such households, as calculated above, is a minimum of $2.00."

(n) The following new section is added at the end of such Act:

"SEC 17. Notwithstanding any other provision of this Act, members of eligible households living in the State of Alaska shall be permitted, in accordance with such rules and regulations as the Secretary may prescribe, to purchase hunting and fishing equipment for the purpose of procuring food for the household except firearms, ammunition, and other explosives, with coupons issued under this Act if the Secretary determines that (1) such households are located in an area of the State which makes it extremely difficult for members of such households to reach retail food stores, and (2) such households depend to a substantial extent on hunting and fishing for subsistence purposes."

(o) Section 3(f) of the Food Stamp Act of 1964 (7 U.S.C. 2012(f)) is amended by striking the second sentence and inserting in lieu thereof the following new sentence: "It shall also mean a political subdivision or a private nonprofit organization or institution that meets the requirements of sections 10(h) or 10(i) of this Act."

(p) Section 3(e) is amended by adding at the end thereof the following new sentence: "Residents of federally subsidized housing for the elderly, built under either section 202 of the Housing Act of 1959 (12 U.S.C. 1701q), or section 236 of the National Housing Act (12 U.S.C. 1715z-1) shall not be considered residents of an institution or boarding house for purposes of eligibility for food stamps under this Act."

COMMODITY DISTRIBUTION PROGRAM

SEC. 4. (a) Notwithstanding any other provision of law, the Secretary of Agriculture is hereby authorized until July 1, 1974 (1) to use funds available to carry out the provisions of section 32 of Public Law No. 320, Seventy-fourth Congress, as amended (7 U.S.C. 612c), and not expended or needed for such purpose to purchase, without regard to the provisions of existing law governing the expenditure of public funds, agricultural commodities and their products of the types customarily purchased under section 32 for donation to maintain the annually programmed level of assistance for schools, domestic relief distribution, and such other domestic food assistance programs as are authorized by law, and (2) if stocks of the Commodity Credit Corporation are not available, to use the funds of the Corporation to purchase agricultural commodities and the products thereof of the types customarily available under section 416 of the Agricultural Act of 1949 to meet such requirements.

(b) The Secretary is prohibited from furnishing commodities to summer camps as authorized under section 416 of the Agricultural Act of 1949, section 32 of Public Law 74–320, and section 709 of the Food and Agriculture Act of 1965 if the number of adults participating in the activities of such camp is in excess of one for each five children under 18 years of age participating in such activities.

(c) No individual who receives supplemental security income benefits under title XVI of the Social Security Act shall be considered to be a member of a household for any purpose of the Food Distribution Program for families under section 32 of P.L. 74–320, section 416 of the Agricultural Act of 1949, or other law for any month if such person receives for such month, as part of his supplemental security income benefits or payments described in section 1616(a) of the Social Security Act (if any), an amount equal to the bonus value of food stamps (according to the Food Stamp Schedule effective for July 1973) in addition to the amount of assistance such individual would be entitled to receive for such month under the provisions of the plan of the State approved under title I, X, XIV, or XVI, as appropriate, in effect for December 1973, assuming such plan were in effect for such month and such individual were aged, blind, or disabled, as the case may be, under the provisions of such State plan or under Public Law 92–603 as amended. The Secretary of Health, Education, and Welfare shall issue regulations for the implementation of the foregoing sentence after consultation with the Secretary of Agriculture.

SHORT TITLE

SEC. 5. This Act may be cited as the "Agriculture and Consumer Protection Act of 1973".

Mr. HELMS. Mr. President, I inquire of the Chair as to the proper time to submit an amendment.

Mr. TALMADGE. Now would be all right.

Mr. HELMS. Mr. President, I send to the desk, on behalf of Senator THURMOND——

The PRESIDING OFFICER. Will the Senator withhold?

Mr. HELMS. Yes.

The PRESIDING OFFICER. There is a time limitation of 20 minutes on the substitute amendment which has just been sent to the desk. Does the Senator wish to intervene, notwithstanding the agreement that 20 minutes be allowed on that substitute?

Mr. TALMADGE. I do not think I will take my full 20 minutes. As soon as we get through, we will yield back time on the substitute, and then the Senator's amendment will be in order.

Mr. HELMS. I thank the Senator.

Mr. TALMADGE. Mr. President, the conferees met for a number of days. The bill was very complex. There were 111 differences. The conferees worked very hard in attempting to resolve them and did resolve 110 of them. However, there was one difference that could not be resolved, the House provision which prohibited the issuance of food stamps to strikers.

Because of this one difference, the conferees were forced to report in disagreement. I have submitted an amendment in the nature of a substitute incorporating the 110 items on which the conferees were in agreement.

In resolving the 110 differences, both the Senate and House conferees maintained the principal thrust and purpose of the bill as it passed the Senate.

The major provisions of the bill will be in effect for 4 years.

The target price concept, the escalator clause, increased dairy price supports, the bread tax removal, the extension of Public Law 480, the extension and expansion of the food stamp program, full protection of the aged, blind and disabled, the forestry incentives program, and the long-range environmental protection program are all included in the bill.

Target prices for wheat are set at $2.05 for both 1974 and 1975, with the House escalator clause to be applicable both to 1976 and 1977. For feed grains, the target price is set at $1.38 for corn, and for cotton at 38 cents per pound, with the escalator effective as in wheat.

Dairy price supports are to be at 80 percent of parity both for the remainder of the 1973–74 marketing year and for the 1974–75 marketing year as well.

The wheat certificate charge to processors will expire retroactively as of July 1, 1973.

The provisions of the bill relating to commodities are all designed to provide this Nation with an abundance of food and fiber yet still provide our farmers with the protection they so sorely need.

Mr. President, while the Senate conferees were unable to attain the levels of protection as originally envisioned, I believe that the compromises agreed to still accomplish our purposes, and I ask the Senate to approve this bill.

Mr. President, I wish to say that I have assurance from the distinguished Secretary of Agriculture, Mr. Butz, who called me this afternoon to say he will urge the White House to approve the bill. I may say that in conference we not only had to negotiate with the other body, but we also had to negotiate with the Department of Agriculture and the White House, as well, because to get a bill vetoed is to achieve nothing substantial for the consumers and the farmers of this country.

Mr. JAVITS. Mr. President, will the Senator yield to me for a unanimous-consent request?

Mr. TALMADGE. I yield.

Mr. JAVITS. Mr. President, I ask unanimous consent that a letter I sent to the Senator from Georgia (Mr. Talmadge) as principal conferee, be printed in the Record.

I am pleased that the conferees went along with most of my recommendations.

There being no objection, the material was ordered to be printed in the Record, as follows:

July 27, 1973.

Hon. Herman E. Talmadge,
Chairman, Senate Agriculture Committee, Washington, D.C.

Dear Herman: I would like to communicate to you my view on only a few (I realize there are many) of the differences between the Senate and House versions of the Agriculture and Consumer Protection Act of 1973 which has now gone to the conference committee. It is my belief that the following Senate provisions should be retained:

(1) The Senate provisions amending Public Law 480 ("Food for Peace") are both realistic and worthwhile. They expand country eligibility to participate in the program to the level that existed before restriction amendments were passed—a level that is necessary to its equitable functioning. The program, to obtain its humanitarian goals, must be available to as many countries as possible.

(2) (a) The Senate modifications to the eligibility standards for food stamps are needed for a fairer and more useful application of the program. Specifically, I urge retention of the $3,000 minimum on eligibility criteria for persons 60 years of age and over, the temporary emergency eligibility standards, and the increase in face value of coupons for persons whose medical requirements dictate a special diet.

(b) In addition, I strongly urge adoption of the House provisions extending the food stamp program to participants in alcoholic and drug addiction treatment programs and prohibiting exclusion from the program of residents of federally subsidized housing.

(c) But, I am strongly opposed to other aspects of the House bill. One such provision would require that payments in kind be taken into account in determining eligibility standards. The other would deny food stamps to striking workers. Both amendments are unfair and discriminatory. The former provision would severely discriminate against migrant workers who receive housing (invariably substandard) from their employer. If any payments in kind are not included in a worker's income, they should not be used to distort the equitable operation of the eligibility requirements. The latter would deny benefits to those otherwise eligible for reasons wholly irrelevant to the purposes of the program. Such prejudging of the merits of a labor dispute should not be undertaken, especially where the necessities of life are concerned.

(3) I urge retention of the Senate provisions relating to Forestry Incentives. In all respects they provide for a more thorough, detailed and well-thought-out program that is necessary for the protection of the nation's forest lands. The necessity of such measures is clear.

(4) I recommend retention of the Senate provisions creating a National Agricultural Transportation Committee, and the policy declaration relating to the strengthening of family farms.

(5) Similarly, I urge adoption of the House provision which requires the Secretary to report on steps to implement GAO recommendations relating to the Russian wheat sale and the section that provides for an emergency reserve of wheat, feed grains and soybeans.

(6) I am opposed to the Senate amendment that would postpone the effective date of regulations promulgated under the Occupational Safety and Health Act of 1970 relating to periods of re-entry following application of certain pesticides, as the Department of Labor has already been ordered to delay their implementation by an order of the United States Court of Appeals.

(7) Finally, I oppose the cutbacks in grant authority for water and waste disposal facilities pursuant to Section 306(a)(2) of the Consolidated Farm and Rural Development Act that are contained in the Senate version. These grants have proved useful in the past and should not now, when they are becoming even critical to the quality of our rural lands, be so severely slashed.

I trust that suitable consideration will be given to these views by the conferees.

With best wishes,

Sincerely,

Jacob K. Javits.

Mr. TALMADGE. Mr. President, I yield to the Senator from Nebraska.

Mr. CURTIS. Mr. President, I urge adoption of this conference report. The bill is not quite as good as the one passed by the Senate, but it does meet so far as possible major features concerned with the approval of the House conferees.

I, too, have been informed by the Secretary of Agriculture that this bill, if it follows the provisions outlined in the conference report, meets with the approval of the administration. I have the understanding that it will be signed into law. It is important that we act on this legislation tonight. It is very important that the House meet their 3-day rule and complete this before we adjourn.

The last farm bill that we passed was enacted several months after the winter wheat was planted.

I am prepared at the appropriate time to yield back the remainder of my time.

I urge the adoption of the substitute.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. CURTIS. I yield.

Mr. PASTORE. As I understand it, the conflict is whether or not food stamps will be given to the hungry families of strikers. I understand that the Senate was very amenable to it, but the House had gone on a contrary course. The conference report before us reverts back to what we did in the Senate.

Mr. President, will the Senator yield further?

Mr. CURTIS. I cannot yield except for a question. I do wish to answer the question that has been raised. The Senate bill had no provision denying food stamps to strikers. The proposal now at the desk in the nature of a substitute incorporates what the conferees did agree on. I understand an amendment will be offered on the floor.

Mr. PASTORE. As the conference report stands now, it has no such provision.

Mr. CURTIS. It has no such provision.

Mr. PASTORE. Therefore, the food stamps can be given.

Mr. CURTIS. The Senator is correct.

Mr. PASTORE. I shall vote for the conference report.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. TALMADGE. I yield.

Mr. MANSFIELD. Mr. President, for the record I want to state again that this bill would not have seen the light of day had there been a very strong possibility that as a result of our being out of session a pocket veto would result. But on the basis of the assurance given to the distinguished chairman of the committee and the distinguished ranking Republican member of the committee by Secretary Butz and by others, as well, it would appear that if the proposal of the Senator is adopted, the chances are very good that the bill will be signed. On that basis, hopefully there will be no broad substitutes.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. CURTIS. I yield 1 minute to the Senator from Vermont.

Mr. AIKEN. Mr. President, the bill as agreed upon by the conferees is an excellent agriculture bill. Its provisions are fair all around. Some compromises were necessary with the administration, but they have been reached, and I am satisfied that when this bill reaches the White House it will be approved.

Mr. HUMPHREY. Mr. President, will the Senator yield to me for 1 minute?

Mr. TALMADGE. I yield 1 minute to the Senator from Minnesota.

Mr. HUMPHREY. Mr. President, I am deeply interested in this legislation and I am deeply concerned about the conference report. May I say that while there are features in it that may not appeal to every Senator, the question is, "Do Senators want a farm bill or not?" Without a bill the agriculture economy will fall into utter chaos and the consumers of this Nation will suffer unbelievably.

I think the choice is quite evident. While we do not get all we need or want, at least we have a bill that contains many new principles and features which will protect both the farmers and the consumers of this Nation. We should approve it.

I commend the chairman for his dedication.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. TALMADGE. I yield.

Mr. PASTORE. Is it not a fact that we must be concerned about the action taken by the Senate, that in the event there are hungry children of strikers that they can get food stamps? I hope we do not give in.

Mr. HUMPHREY. When the Senator from North Carolina offers his amendment and presents it for debate, it is my intention at the proper time to move to table.

Mr. TALMADGE. Mr. President, I move that the Senate concur in the amendment of the House with the amendment which is now pending at the desk, which I have just described.

I am ready to yield back my time.

Mr. MATHIAS. Mr. President, will the Senator tell us the estimated cost of the program as agreed to in conference?

Mr. TALMADGE. It would depend entirely on what commodities bring in the marketplace. At the present prices of commodities it will not cost anything for support prices—nothing, zero.

Mr. MATHIAS. Would the Senator feel that is a reasonable expectation?

Mr. TALMADGE. The Senator's expectations are as good as mine. I expect prices to remain good.

Mr. DOLE. Mr. President, will the Senator yield?

Mr. CURTIS. I yield.

Mr. DOLE. I commend the conferees and the members of the committee, and I will make all my speeches on the bill after it passes. However, as the Senator from Georgia, the Senator from Nebraska, and others have pointed out, we have a good bill, and it is in our interests to pass it as quickly as possible.

Mr. TALMADGE. Mr. President, I yield back the remainder of my time.

Mr. CURTIS. I yield back the remainder of my time.

The PRESIDING OFFICER. All time is yielded back.

Mr. HELMS addressed the Chair.

The PRESIDING OFFICER. The Senator from North Carolina is recognized.

Mr. HELMS. Mr. President, I send to the desk on behalf of the Senator from South Carolina (Mr. THURMOND), the Senator from New York (Mr. BUCKLEY), the Senator from Virginia (Mr. SCOTT), and myself an amendment to the substitute, for which I ask immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

At the appropriate place in the committee substitute insert the following:

SEC. 4. (a) The Food Stamp Act of 1964, as amended is amended by inserting in section 5 thereof the following:

"(e) Notwithstanding any other provision of law, a household shall not participate in the food stamp program while its principal wage-earner is, on account of a labor dispute to which he is a party or to which a labor organization of which he is a member is a party, on strike: *Provided*, That such ineligibility shall not apply to any household that was eligible for and participating in the food stamp program immediately prior to the start of such strike, dispute, or other similar action in which any member of such household engages: *Provided further*, That such ineligibility shall not apply to any household if any of its members is subject to an employer's lockout."

(b) Section 3 of such Act is further amended by adding at the end thereof the following new subsections:

"(o) The term 'labor organization' means any organization of any kind, or any agency or employee representation committee or plan, in which employees participate and which exists for the purpose, in whole or in part, of dealing with employers concerning grievances, labor disputes, wages, rates of pay, hours of employment, or conditions of work.

"(p) The term 'strike' includes any strike or other concerted stoppage of work by employees (including a stoppage by reason of the expiration of a collective-bargaining agreement)."

Mr. PASTORE. Mr. President, may we have order in the Senate?

The PRESIDING OFFICER. The Senate will be in order.

Who yields time?

Mr. HELMS. Mr. President, I yield myself such time as I may require.

The language which has just been read is precisely the language contained in the bill passed by the House and which language was eliminated by the conferees.

This is an issue on which no Senator needs any explanation from me. I shall not consume the time of the Senate. Senators here, and the American people, understand that this is a question of whether the taxpayers' money shall be used to pay people not to work.

I only ask unanimous consent that my additional views as printed in the committee report may be published in the RECORD at this point, so that a complete record may be available in connection with the vote that is about to occur.

There being no objection, the additional views were ordered to be printed in the RECORD, as follows:

ADDITIONAL VIEWS

I agree with many of the provisions of this bill relating to farm commodity programs. I view the bill as an improvement over the existing Agriculture Act. It seeks to give the nation's farmers assistance they need to continue to increase their income while providing Americans with an adequate food supply. Given proper administration, it could provide some opportunity for relief to the nation's taxpayers by providing for reduction in the cost to the government of the farm program—assuming production and price projections will be accurately made.

I will support this bill on the Floor of the Senate because I am convinced that, overall, it will be beneficial to the nation's farmers and taxpayers. I must dissent, however, from two decisions of the Committee on matters which are part of the bill, but are collateral to the farm program:

1. The bill authorizes open-end appropriations for five years for the Food Stamp Program. The Committee declined to adopt an amendment which would prohibit the distribution of food stamps to any household where the head of the household is engaged in a labor strike. I supported this amendment and dissent from the Committee's decision not to include it in the Food Stamp Program authorization.

According to the United States Department of Agriculture and the General Accounting Office the current provisions of the Food Stamp Act do not permit the exclusion of strikers from the Food Stamp Program, so long as they register for employment and accept work at any plant or site not subject to a strike (See letter below). The practical effect of this is to make almost all strikers eligible to receive food stamps, since few are offered employment elsewhere during the relatively brief period of a strike. Because few such offers are received, most strikers escape the requirement of the law to accept work elsewhere when offered, and thus they do not forfeit the right to receive food stamps.

The Food Stamp Program was established in 1964 to help provide an adequate diet for those Americans whose incomes are below the poverty level due to their inability to work. It has done a great deal for needy Americans and I support its operation on behalf of the truly needy of our society—but *only* the truly needy who are unable to support themselves.

Congress included a work requirement in the Food Stamp Act which makes it plain that the congressional intent in designing the Food Stamp Program was that it should not benefit those who refuse to work.

Congress has failed, however, specifically to prohibit employed workers, who qualify for the program only because of their participation in a strike, from receiving benefits under the program. The interests of the American consumer and taxpayer, and the maintenance of our system of free collective bargaining, demand that such a prohibition be established.

Free collective bargaining has been chosen by Congress as the system of labor-management negotiation best able to promote economic stability and avoid industrial strife. This system protects the rights and interests of workers, companies, and consumers. The imperative fundamental premise of free collective bargaining is absolute government neutrality in the labor-management contest. While the government acts to oversee and referee the process, the results of the contest are determined by the independent bargaining strengths of the parties.

Public assistance to *either* side in a labor dispute violates the concept of free collective bargaining and violates the rights of the opposing party. Public assistance in the form of the distribution of food stamps to strikers' households has the undeniable effect of giving a distinct economic advantage to the union in the collective bargaining contest.

The duration of strikes has increased significantly since the advent of welfare payments to strikers. To continue to make these payments will only fuel this trend, thus bringing more pressures on our already troubled economy and further undermining the principles of free collective bargaining which is so vital to the American free enterprise system.

In this era of perilous inflation, constantly rising taxes, and public discontent with the state of the economy, this Committee should be particularly sensitive to the needs of the working American, who is both taxpayer and consumer. I believe this Committee should respond to any opportunity to lighten the burdens of inflation and taxes and especially when this can be done without hardship to any legitimate recipient of government services. Due to the average annual income of most union members and the strike benefits available from union funds, few strikers can plead that they are subjected to hardship through no fault of their own simply because they are denied food stamps to which they are not entitled.

The granting of welfare benefits to strikers deals a double blow to the taxpayer-consumer. Food stamp benefits allow workers to prolong strikes and drive up the costs of production, which are ultimately passed on to the consumer. Our current inflation has been made worse by subsidized, lengthy strikes and the abnormally high settlements and decreased production of goods and services. By using tax dollars to subsidize strikers, the government is increasing the consumer's tax burden while using his money to drive up the cost of the very goods and services he must buy.

Now is the time to break this vicious circle which penalizes every America taxpayer and consumer. By prohibiting the distribution of food stamps to strikers, Congress can reduce the cost of the program to the taxpayer and reduce the rate of inflation. I respectfully dissent from this Committee's decision not to include such a prohibition in the food stamp authorization.

2. In conjunction with the proposal of the new farm bill, the Committee agreed to propose the extension of Public Law 480, the so-called Food for Peace program. The Committee acted to cure an anomalous situation

in P.L. 480 which currently allows the *donation* of food under Title II to some communist countries to which the United States could not *sell* food under Title I. The Committee amended P.L. 480 to allow sales under Title I to any country which can receive donations under Title II.

I agree with the Committee that we should not be able to *give* food to communist countries under authority of P.L. 480 and not be able to *sell* it to the same countries under the program. However, Title I of P.L. 480 allows sales under long-term credit arrangements with interest rates as low as two per cent. I proposed a substitute amendment which would have *allowed* sales to these countries, but at an interest rate no lower than that being paid by the United States government on money it was borrowing at the time of the sales agreement.

There has recently been an outcry in Congress and among the public concerning the fact that the United States Treasury subsidized the huge sale of wheat to the Soviet Union in 1972 through export subsidies (this sale was under statutory authority other than P.L. 480). Many national leaders oppose the use of taxpayers' money to subsidize a sale to our sworn enemies when we face so many unmet needs at home. I agree with them. Yet, the Committee's amendment to P.L. 480 would allow just this type of subsidized sale to other communist countries.

I believe that Congress should assert its prerogative to prevent this and future administrations from subsidizing sales to communist countries. I therefore believe that the Committee should have proposed to allow sales under P.L. 480 to communist countries only at rates of interest equivalent to the cost of funds to the United States Treasury.

I therefore respectfully dissent from the Committee's decision to allow sales to communist countries under the credit terms of Title I of P.L. 480.

DEPARTMENT OF AGRICULTURE,
OFFICE OF THE GENERAL COUNSEL,
Washington, D.C., May 8, 1973.

Hon. JESSE HELMS,
Committee on Agriculture and Forestry,
U.S. Senate, Washington, D.C.

DEAR SENATOR HELMS: You have requested our opinion as to whether there is authority under the Food Stamp Act of 1964, as amended, to include in the regulations governing the Food Stamp Program a provision prohibiting the households of strikers from participating in the program.

The 1971 amendments to the Food Stamp Act (Public Law 91–671, 84 Stat. 2048) incorporated into the Act the so-called "work requirement." The amended section 5(c) of the Act provides that a household shall not be eligible to participate in the program if it includes an able-bodied unemployed adult (with certain exceptions) who fails to register for, or refuses to accept, employment. That section concludes with the following provision:

"Refusal to work at a plant or site subject to a strike or a lockout for the duration of such strike or lockout shall not be deemed to be a refusal to accept employment."

The House Committee Report, H.R. Rept. No. 91–1402, 91st Cong., 2d Sess. 11 (1970), contains the following statement with respect to this provision:

"The committee debated at length the question of striker participation in the Food Stamp Program; it rejected a provision which would have automatically made strikers ineligible for food stamps. In lieu of such a provision the committee adopted language which clearly states that no person (neither a striker or a nonstriker) need accept employment or training at a struck plant or site. The committee does not wish to take sides in labor disputes and does not believe this bill is the proper place to solve labor-management problems."

In view of the foregoing provision in the Food Stamp Act, it is clear that strikers may not be excluded from the Food Stamp Program so long as they register for employment and accept work at any plant or site not subject to a strike.

Sincerely,

JOHN A. KNEBEL,
General Counsel.

The PRESIDING OFFICER. Who yields time?

Mr. TALMADGE. Mr. President, I yield such time as the Senator from Minnesota may desire.

Mr. HUMPHREY. Mr. President, as the Senator from North Carolina said, we are all aware of what the issue is. We need no clarification regarding the fact that the Senate did not adopt this measure when it was before us before. However, I believe the matter was voted upon in the Committee on Agriculture and Forestry, and it was defeated. There are honest differences of opinion about this amendment. I simply say to my colleagues, if you want a farm bill, you must vote down this amendment, because it will precipitate such a debate in the House that there will be no bill, and I say, most respectfully, we must have a farm bill. Our current farm laws expire this year.

Therefore, without cutting off debate, I want to serve notice to the Senate that I am going to move to table this amendment. If the Senator from North Carolina has completed his argument, and if he is willing to yield back his time, we are ready to vote.

Mr. HELMS. Mr. President, I am glad to yield to the Senator from South Carolina (Mr. THURMOND) such time as he may need.

Mr. CHILES. Mr. President, will the Senator yield for a question?

Mr. HELMS. I yield on the Senator's time.

Mr. CHILES. I wonder if the Senator would explain a little whom this amendment would cover. Listening to the language, first he talks about a member of a household who was out on strike. Then it says something about "or who was a member of an organization that was out on strike." If he was a member of the AFL–CIO and they had a strike going on somewhere, would it cover him?

Mr. HELMS. It means simply that able-bodied people, whether they are members of any organization or not, if they choose not to work for any reason satisfactory to them, shall not be entitled to food stamps furnished by the taxpayers of the United States.

Mr. CHILES. The concern I have is what if there is a strike in one portion of a business and they close down the business and there are other workers that work for that company, or suppose a steel mill goes out on strike and General Motors closes down, because they cannot get steel. How far does this bill go toward covering people who are laid off and are out of work, not because they had anything to do with the strike or elected to strike, but because there is a strike and they are cut out of work?

Mr. HELMS. Mr. President, I assume the Senator's question is on his time, and not mine? I suggest that he read the text of my amendment, the language of which is very clear.

The PRESIDING OFFICER. The Chair thought that the Senator yielded for a question.

Mr. HELMS. In which case I cannot yield. I have only a few minutes. I promised to yield to the distinguished Senator from South Carolina (Mr. THURMOND).

The PRESIDING OFFICER. The Senator declines to yield further.

The Senator from South Carolina is recognized.

Mr. THURMOND. Mr. President, I think the conferees have done a fine job on this farm bill. I wish to commend the distinguished Senator from Georgia and the distinguished Senator from Nebraska, who had a part in it. The only question here is this: The Senate bill did not have a provision that prohibited strikers from enjoying food stamps. The House bill did. That is in contention now. The rest of the provisions have been agreed to. It is simply a question of whether you want strikers to have food stamps. On that issue, I am confident the American people would not favor it.

On November 17, 1970, and again on January 26, 1971, I introduced a bill to amend the Food Stamp Act of 1964 in order to prohibit food stamp distribution to a household where the head of the household is engaged in a labor strike.

This bill was referred to the Committee on Agriculture and Forestry, and the full Senate did not vote on this matter. I rise to support this measure again as an amendment to the farm bill.

Mr. President, I do not believe that the majority of the people know that striking workers can receive food stamps. When our taxpayers realize this fact, they are outraged, because their tax dollars are being used to help one side in a labor dispute.

To provide strikers with food stamps is to allow the Government to take sides in the dispute. This is not the purpose of the food stamp program. The purpose of the food stamp program is to assist those who are unable to work or to find employment and, therefore, cannot support their families. It should not be the purpose of the program to subsidize those who have jobs and are able to support their families.

Mr. President, the taxpayers bear the ultimate burden of financing this program. Tax dollars should not be spent on food stamps for those who voluntarily refuse to work, but should be used to help those who are genuinely in need.

The Department of Agriculture does not keep records on the distribution of food stamps to strikers. However, in a recently published study, the Wharton School of Finance estimated that in the first normal year when wage and price controls have no effect, strikers will obtain a benefit of some $238,826,000 in food stamps. In my opinion, this is outrageous.

The time has come to reevaluate our priorities in regard to the food stamp program, and I hope that this amendment receives prompt and favorable consideration.

Mr. President, I urge all of my colleagues to cast a vote in favor of the taxpayers of America and to vote in favor of this amendment.

In closing, I simply want to say the issue is very clear. If a man is on strike, he does not draw food stamps. Why should he draw food stamps? If he is unable to get a job, if he is unemployed, he can draw food stamps, but if the worker goes out on strike and does not work, under this amendment he cannot draw food stamps. I hope the amendment will be adopted, because I think it is proper and I believe it will meet with the approval of the American people.

Mr. TALMADGE. Mr. President, first I want to state that this problem would not be a problem if the present law were enforced. The present law provides that anyone who wants to get food stamps must first sign up for work, and that if a job is available, he must take that job. That does not require him to break a strike and go back to work, but he must sign up for work.

In addition to that, if he has as much as $1,500 in liquid assets, he is not entitled to get food stamps under any conditions.

The problem arises because the Department and agencies concerned have been dilatory in permitting people to sign up for stamps in violation of the law.

In accordance with that fact, on page 40 of our conference report, we state that we:

> deplore the lack of enforcement of existing food stamp regulations which require that an able-bodied person in the household register for employment "including a person who is not working because of a strike or lockout at his usual place of employment." It is the specific intent of the Conferees that this provision of the regulations be rigidly and uniformly enforced by the Department of Agriculture and those agencies administering the program at the local level under the auspices of the Department. Eligibility of strikers for food stamps should be carefully scrutinized prior to certification and certification made only in those cases where the household of the individual striker applicant meets all of the requirements of eligibility as in the case of other applicants.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. TALMADGE. I yield.

Mr. PASTORE. Mr. President, that recitation by our distinguished manager of this conference proves, in my opinion, unequivocally that the amendment that is being proposed is antilabor and is unhumanitarian and absolutely unnecessary, and I think that what we are trying to do here is punish people who legitimately go out on strike.

As the Senator from Georgia has pointed out, there are certain prerequisites that have to be complied with that satisfy the intent and principle of the law, and to go beyond that, in my humble opinion, at this moment is being antilabor and unhumanitarian.

Mr. TALMADGE. Mr. President, I yield the remainder of my time to the Senator from Minnesota.

Mr. HUMPHREY. Mr. President, I just want to make one more observation. We have heard here about taxpayers' money. There are no greater numbers of taxpayers in America than the working people of this country, the men and women who work in the shops and factories. They pay their taxes. Those taxes are withheld. Sometimes they are overly withheld. When they are out on strike, it is something not decided by them alone because it is a result of negotiations between labor and management, in which both sides are responsible. When the strike is over they go back on a payroll and they continue to pay taxes to the Government. They pay taxes before, they pay taxes afterward, and they pay taxes while they are on strike in various ways.

The right to strike in this country is a precious right, and the Senator from Rhode Island in his colloquy with the manager of the bill on the regulations applying to food stamps, makes the case. I, for one, believe that abuses under these regulations have not been overly abused and I further believe that they have been reasonably well administered.

Either denying food stamps to eligible striking employees by law or by too severe administration of rules constitutes an intervention in the collective bargaining process, something which great care must be taken to avoid.

This amendment is not necessary. More importantly, if we agree to it, we will in effect kill the farm bill. And everyone knows it. Mr. President, I yield back the remainder of my time.

Mr. NELSON. I have grave reservations over the concept of using tax paid for food stamps in situations involving a dispute between labor and management. It seems to me that it compromises the principle of free collective bargaining. However, it is also clear that if the Helms amendment is adopted the farm bill cannot be passed and it is critically important that this bill pass. I would hope that we could have hearings on this issue and deal with it on the merits separated from this important farm legislation.

Mr. TALMADGE. Mr. President, I yield back the remainder of my time.

Mr. HELMS. Mr. President, Senators may express whatever opinions they like. However, I find it interesting that the comment would be made on the floor that this is an antiworkingman measure when the working people in this country who stay on the job would not be affected by this provision.

Senators may cast aspersions if they like on the intent of this amendment. However, I reiterate that this is a measure which the vast majority of the American people want.

My point this evening is that I want to have the Senate vote this measure up or down so that we can all stand up and be counted.

Mr. HUMPHREY. Mr. President, has all time been yielded back?

The PRESIDING OFFICER. Has the Senator from North Carolina yielded back his time?

Mr. HELMS. No; I have not. I reserve the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. HELMS. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. Four minutes remain to the Senator from North Carolina. The time has been yielded back on the other side.

Mr. HELMS. Mr. President, as far as my amendment's killing the farm bill, I do not understand the logic of that argument. It does not make sense. As I said at the outset of my remarks, the language of the amendment is precisely that language contained in the bill passed by the House.

If we are to indulge in subterfuge around here, let us lay it all out. As far as the existing legislation that is on the books, I have to differ with my friend, the Senator from Georgia. His view, as expressed, is not the information we have from the GAO. We were advised that there is no existing authority to preclude food stamps for people who deliberately walk out on the job. I have put the information on the record.

It is clear that deep down every Senator knows what the real issue is. I repeat that I want everyone to stand up and be counted on this issue.

I yield back the remainder of my time.

Mr. HUMPHREY. Mr. President, I move to table the amendment of the Senator from North Carolina.

The PRESIDING OFFICER. The question is on agreeing to the motion to table the Helms amendment.

Mr. HELMS. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion to table the Helms amendment. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Alaska (Mr. GRAVEL), the Senator from Michigan (Mr. HART), and the Senator from Wyoming (Mr. McGEE) are necessarily absent.

I further announce that the Senator from South Dakota (Mr. ABOUREZK) is absent on official business.

I also announce that the Senator from Mississippi (Mr. STENNIS) is absent because of illness.

Mr. GRIFFIN. I announce that the Senator from Arizona (Mr. GOLDWATER) is absent because of illness in his family.

The Senator from Utah (Mr. BENNETT) and the Senator from Oregon (Mr. HATFIELD) are detained on official business.

The result was announced—yeas 58, nays 34, as follows:

[No. 357 Leg.]

YEAS—58

Aiken
Allen
Bayh
Beall
Bentsen
Bible
Biden
Brooke
Burdick
Byrd, Robert C.
Cannon
Case
Clark
Cook
Cranston
Eagleton
Fong
Fulbright
Hartke
Haskell
Hathaway
Huddleston
Hughes
Humphrey
Inouye
Jackson
Javits
Kennedy
Magnuson
Mansfield
Mathias
McGovern
McIntyre
Mondale
Montoya
Moss
Muskie
Nelson
Pastore
Pearson
Pell
Percy
Proxmire
Randolph
Ribicoff
Saxbe
Schweiker
Scott, Pa.
Sparkman
Stafford
Stevens
Stevenson
Symington
Taft
Tunney
Weicker
Williams
Young

NAYS—34

Baker
Bartlett
Bellmon
Brock
Buckley
Byrd,
  Harry F., Jr.
Chiles
Church
Cotton
Curtis
Dole
Domenici
Dominick
Eastland
Ervin
Fannin
Griffin
Gurney
Hansen
Helms
Hollings
Hruska
Johnston
Long
McClellan
McClure
Metcalf
Nunn
Packwood
Roth
Scott, Va.
Talmadge
Thurmond
Tower

NOT VOTING—8

Abourezk
Bennett
Goldwater
Gravel
Hart
Hatfield
McGee
Stennis

So the motion to table the Helms amendment was agreed to.

Mr. TALMADGE. Mr. President, is all time expired on the substitute?

The PRESIDING OFFICER. All remaining time has been yielded back.

Mr. TALMADGE. Have the yeas and nays been ordered?

The PRESIDING OFFICER (Mr. BIDEN). The yeas and nays have been ordered. The question is on concurring in the House amendment with the amendment in the nature of a substitute therefor by the Senator from Georgia (Mr. TALMADGE). On this question, the yeas and nays have been ordered and the clerk will call the roll.

The second assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Alaska (Mr. GRAVEL), the Senator from Michigan (Mr. HART), and the Senator from Wyoming (Mr. MCGEE) are necessarily absent.

I further announce that the Senator from South Dakota (Mr. ABOUREZK) is absent on official business.

I also announce that the Senator from Mississippi (Mr. STENNIS) is absent because of illness.

Mr. GRIFFIN. I announce that the Senator from Arizona (Mr. GOLDWATER) is absent because of illness in his family.

The Senator from Utah (Mr. BENNETT) and the Senator from Oregon (Mr. HATFIELD) are detained on official business.

If present and voting, the Senator from Oregon (Mr. HATFIELD) would vote "yea."

The result was announced—yeas 85, nays 7, as follows:

[No. 358 Leg.]

YEAS—85

Aiken
Allen
Baker
Bartlett
Bayh
Bellmon
Bentsen
Bible
Biden
Brock
Brooke
Burdick
Byrd,
  Harry F., Jr.
Byrd, Robert C.
Cannon
Case
Chiles
Church
Clark
Cook
Cotton
Cranston
Curtis
Dole
Domenici
Dominick
Eagleton
Eastland
Ervin
Fannin
Fong
Fulbright
Griffin
Gurney
Hansen
Hartke
Haskell
Hathaway
Helms
Hollings
Hruska
Huddleston
Hughes
Humphrey
Inouye
Jackson
Javits
Johnston
Kennedy
Long
Magnuson
Mansfield
McClellan
McClure
McGovern
McIntyre
Metcalf
Mondale
Montoya
Moss
Muskie
Nelson
Nunn
Packwood
Pastore
Pearson
Pell
Percy
Proxmire
Randolph
Schweiker
Scott, Pa.
Scott, Va.
Sparkman
Stafford
Stevens
Stevenson
Symington
Talmadge
Thurmond
Tower
Tunney
Weicker
Williams
Young

NAYS—7

Beall
Buckley
Mathias
Ribicoff
Roth
Saxbe
Taft

NOT VOTING—8

Abourezk
Bennett
Goldwater
Gravel
Hart
Hatfield
McGee
Stennis

So the House amendment with the amendment of the Senator from Georgia (Mr. TALMADGE) in the nature of a substitute therefor was agreed to.

Mr. TALMADGE. Mr. President, I move that the Senate reconsider the vote by which the amendment was agreed to.

Mr. ROBERT C. BYRD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. TALMADGE. Mr. President, I ask unanimous consent that the printing of the conference report as a Senate report be waived, as the report will be printed by the House of Representatives.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR ADJOURNMENT UNTIL 10 A.M.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in adjournment until 10 o'clock tomorrow morning.

The PRESIDING OFFICER. Without objection, it is so ordered.

QUORUM CALL

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

LIMITATION OF DEBATE ON FEDERAL HIGHWAY CONFERENCE REPORT

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on the conference report on the Federal highway bill there be a limitation of 1 hour and 30 minutes, to be divided equally between the Senator from Texas (Mr. BENTSEN) and the Senator from Vermont (Mr. STAFFORD), and that the time on any debatable motion or appeal in relation thereto be limited to 10 minutes, to be equally divided in accordance with the usual form.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECOGNITION OF SENATORS TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that tomorrow, after the two leaders or their designees have been recognized under the standing order, the distinguished Senator from Minnesota (Mr. HUMPHREY) be recognized for 15 minutes, and that he be followed by the junior Senator from West Virginia for not to exceed 15 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR CONSIDERATION OF DEPARTMENT OF THE INTERIOR APPROPRIATIONS BILL TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that upon the conclusion of the aforementioned orders for the recognition of Senators tomorrow, the Senate proceed to the consideration of H.R. 8917, a bill making appropriations for the Department of the Interior.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR SENATE TO PROCEED TO THE CONSIDERATION OF CONFERENCE REPORT ON THE FEDERAL AID TO HIGHWAYS ACT TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that upon the disposition of H.R. 8917 tomorrow, the Senate proceed to the consideration of the conference report on the Federal highway bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR CONSIDERATION OF NOMINATION FOR DIRECTOR OF CENTRAL INTELLIGENCE AGENCY TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that upon the disposition of the conference report on the Federal aid to highways bill, the Senate go into executive session to consider the nomination of Mr. William E. Colby for the office of Director of the Central Intelligence Agency.

The PRESIDING OFFICER. Without objection, it is so ordered.

QUORUM CALL

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR CONSIDERATION OF S. 1033 TODAY VACATED

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the previous order providing for the consideration of S. 1033 at the close of business today, so as to make it the unfinished business on tomorrow, be vacated.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. ROBERT C. BYRD. Mr. President, the Senate will convene tomorrow at 10 a.m.

After the two leaders or their designees have been recognized under the standing order, the distinguished Senator from Minnesota (Mr. HUMPHREY) will be recognized for not to exceed 15 minutes, after which the junior Senator from West Virginia will be recognized for not to exceed 15 minutes, after which the Senate will proceed to consider the bill making appropriations for the Department of the Interior, H.R. 8917, under a time limitation of 2 hours on the bill, with one-half hour on any amendment. It is anticipated that there will be a yea-and-nay vote on final passage of that bill.

Upon the disposition of the Interior appropriation bill, the Senate will take up the conference report on Federal aid to highways, under a time limitation of 1½ hours; and it is anticipated that there will be a yea-and-nay vote on the adoption of the conference report.

Upon the disposition of the conference report on the Federal highway bill, the Senate will go into executive session to consider the nomination of Mr. William E. Colby to be Director of Central Intelligence. There is a time limitation on that nomination of approximately 3½ to 4 hours, but it is not anticipated that that much time will be consumed. I would anticipate that it would be a fairly good guess to say that the nomination would require 2 hours, a little more or a little less. I anticipate a yea-and-nay vote on that nomination.

Under the order that was entered by the distinguished majority leader earlier today, there will then be a vote on an amendment by Mr. FANNIN to the bill H.R. 577, the so-called Hobby Protection Act, at no later than 6 p.m. tomorrow.

Therefore, Mr. President, there will be at least four yea-and-nay votes tomorrow and possibly more.

ADJOURNMENT UNTIL 10 A.M. TOMORROW

Mr. ROBERT C. BYRD. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the previous order, that the Senate stand in adjournment until 10 a.m. tomorrow.

The motion was agreed to; and at 7:18 p.m. the Senate adjourned until tomorrow, Wednesday, August 1, 1973, at 10 a.m.

NOMINATIONS

Executive nominations received by the Senate July 31, 1973:

IN THE AIR FORCE

The following officer to be placed on the retired list in the grade indicated under the provisions of section 8962, title 10, of the United States Code:

To be lieutenant general

Lt. Gen. Earl C. Hedlund, [redacted]FR (major general, Regular Air Force) U.S. Air Force.

IN THE ARMY

The following-named officer under the provisions of title 10, United States Code, section 3066, to be assigned to a position of importance and responsibility designated by the President under subsection (a) of section 3066, in grade as follows:

To be lieutenant general

Maj. Gen. John J. Hennessey, [redacted] U.S. Army.

IN THE NAVY

Adm. Bernard A. Clarey, U.S. Navy, for appointment to the grade of admiral, when retired, pursuant to the provisions of title 10, United States Code, section 5233.

DEPARTMENT OF STATE

Roger Kirk, of Michigan, a Foreign Service Officer of class 2, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Somali Democratic Republic.

DEPARTMENT OF COMMERCE

Karl E. Bakke, of Virginia, to be General Counsel of the Department of Commerce, vice William N. Letson, resigned.

OVERSEAS PRIVATE INVESTMENT CORPORATION

Herbert Salzman, of New York, to be a member of the Board of Directors of the Overseas Private Investment Corporation for the remainder of the term expiring December 17, 1974, vice J. D. Stetson Coleman, resigned.

HOUSE OF REPRESENTATIVES—*Tuesday, July 31, 1973*

The House met at 12 o'clock noon.

Rev. Jerome J. Nedelka, vicar, Christ the King Church, East Meadow, Long Island, N.Y., offered the following prayer:

Most gracious Father in heaven, we thank You for the gift You have given us in this free country governed by the people through their elected representatives in Congress. We ask Your blessing today upon these men and women assembled here in the House of Representatives whose responsibility it is to fulfill the sacred trust given to them by the people. Lord, we ask You to direct their consultations and deliberations. Fill them with Your spirit so that Your glory may be revealed; that the safety, honor, and welfare of Your people here in the United States of America may be served; and that all things may be so ordered and settled by their endeavors, upon the best and most sure foundations, that peace and happiness, truth and justice, may be established among us for all generations. And this we ask in the name of our Lord and Saviour Jesus Christ. Amen.

THE JOURNAL

The **SPEAKER.** The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Without objection, the Journal stands approved.

There was no objection.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Arrington, one of its clerks, announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 8947) entitled "An act making appropriations for public works for water and power development, including the Corps of Engineers—Civil, the Bureau of Reclamation, the Bonneville Power Administration and other power agencies of the Department of the Interior, the Appalachian regional development programs, the Federal Power Commission, the Tennessee Valley Authority, the Atomic Energy Commission, and related independent agencies and commissions for the fiscal year ending June 30, 1974, and for other purposes."

The message also announced that the Senate had passed a joint resolution of the following titles, in which the concurrence of the House is requested:

S.J. Res. 110. Joint resolution to establish a nonpartisan commission of Federal election reform.

THE REVEREND JEROME J. NEDELKA

(Mr. WYDLER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WYDLER. Mr. Speaker, it is with great pride and appreciation that I acknowledge that our prayer this morning was offered by the Reverend Jerome J. Nedelka, vicar of Christ the King Episcopal Church in East Meadow, N.Y. For the past 5 years, Father Nedelka has creatively dealt with his administrative duties at Christ the King, effectively using his marketing and business background obtained prior to entering the seminary.

As a leader in ecumenical affairs, Father Nedelka has organized and is the convener of the East Meadow Clergy Association which has brought together in fellowship clergy of the Roman Catholic, Orthodox, Lutheran, Methodist, Polish National Catholic, and Jewish faiths. He is also his bishop's representative to the Committee on Soviet Jewry.

Concerned not only for his parishioners' spiritual well-being, but their physical well-being and that of our environment as well, Father Nedelka has become involved in the ecology and conservation movement on Long Island and was recently appointed chairman of the Commission on Environment and Ecology of the Episcopal Diocese of Long Island.

Father Nedelka's community involvement and concern for his fellow man is shared by his wife, Ruth, a registered nurse, their two children, Andrew and Nicholas, and by his nephew, Larry Nedelka, a recent high school graduate who has volunteered his time and energies serving my constituents in my New York congressional office. The presence of the Frank and Jerome Nedelka families in the House gallery today, indicates the importance of familial support in Father Nedelka's life and work.

It is with great pleasure that I thank Father Nedelka for his inspiration this morning, and express my gratitude to my colleagues for their courtesy in extending the privilege of the rostrum of the U.S. House of Representatives to Father Nedelka, a distinguished vicar from the fabulous Fifth Congressional District of New York.

CONFERENCE REPORT ON HOUSE JOINT RESOLUTION 512, EXTENDING AUTHORITY OF THE SECRETARY OF HOUSING AND URBAN DEVELOPMENT WITH RESPECT TO INSURANCE OF LOANS AND MORTGAGES

Mr. PATMAN submitted the following conference report and statement on the joint resolution (H.J. Res. 512) to extend the authority of the Secretary of Housing and Urban Development with respect to the insurance of loans and mortgages, to extend authorizations under laws relating to housing and urban development, and for other purposes:

CONFERENCE REPORT (H. REPT. No. 93-417)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the joint resolution (H.J. Res. 512) to extend the authority of the Secretary of Housing and Urban Development with respect to the insurance of loans and mortgages, to extend authorizations under laws relating to housing and urban development, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows: That the Senate recede from its amendments numbered 1, 2, 5, and 6.

That the Houes recede from its disagreement to the amendments of the Senate numbered 3, 7, and 8, and agree to the same.

Amendment numbered 4: That the House recede from its disagreement to the amendment of the Senate numbered 4, and agree to the same with an amendment as follows: Strike out the matter proposed to be stricken out by the Senate amendment, and in lieu of the matter proposed to be inserted by the Senate amendment insert the following: "$664,000,000 on July 1, 1973"; and the Senate agree to the same.

Amendment numbered 9: That the House recede from its disagreement to the amendment of the Senate numbered 9, and agree to the same with an amendment as follows: On page 4 of the Senate engrossed amendments, strike out lines 9 through 14 and insert in lieu thereof the following:

(c) Notwithstanding any other provision of law, the Government National Mortgage Association is authorized and directed to utilize the authorization provided by section 305(c) of the National Housing Act to make commitments to purchase mortgages with respect to which commitments to insure under the National Housing Act were issued prior to July 1, 1973, and such commitments to purchase shall be made in the same manner and on the same terms and conditions as commitments to purchase were made by such Association prior to June 1, 1973.

And the Senate agree to the same.

Amendment numbered 10: That the House recede from its disagreement to the amendment of the Senate numbered 10, and agree to the same with amendments as follows: On page 4, line 21, of the Senate engrossed amendments, before the semicolon insert the following: ", and redesignating clauses (1) and (2) as clauses (A) and (B), respectively".

On page 5, lines 3 and 4, of the Senate engrossed amendments, strike out "insured under section 235 of this Act and" and insert in lieu thereof the following: "which was insured under section 235 of this Act more than 6 months prior to the date of enactment of this paragraph and".

On page 6, of the Senate engrossed amendments, strike out the quotation marks in line 7, and insert after line 7 the following:

"(3) In any case where the Secretary determines that the correction of defects is feasible, he shall take appropriate steps to assure that expenditures made under this subsection are used solely for the purpose of correction of defects. Expenditures made pursuant to this subsection shall be made from the insurance fund obligated for the insurance of the particular mortgage involved. There are authorized to be appropriated such sums as may be necessary to reimburse the insurance funds for expenditures or anticipated expenditures under this subsection."

And the Senate agree to the same.

Amendment numbered 11: That the House recede from its disagreement to the amendment of the Senate numbered 11, and agree to the same with an amendment as follows: On page 6, line 15, of the Senate engrossed amendments, strike out "and approving"; and the Senate agree to the same.

WRIGHT PATMAN,
W. A. BARRETT,
LEONOR SULLIVAN,
THOMAS L. ASHLEY,
WILLIAM S. MOORHEAD,
ROBERT G. STEPHENS, Jr.,
FERNAND J. ST GERMAIN,
HENRY D. GONZALEZ,
HENRY S. REUSS,
MARGARET M. HECKLER,
Managers on the Part of the House.

JOHN SPARKMAN,
WILLIAM PROXMIRE,
HARRISON A. WILLIAMS,
ADLAI E. STEVSNSON,
JOHN TOWER,
WALLACE F. BENNETT,
EDWARD W. BROOKE,
Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the joint resolution (H.J. Res. 512) to extend the authority of the Secretary of Housing and Urban Development with respect to the insurance of loans and mortgages, to extend authorizations under laws relating to housing and urban development, and for other purposes, submit the following joint statement to the House and the Senate in explanation of the effect the action agreed upon by the managers and recommended in the accompanying conference report:

AUTHORIZATIONS FOR HOUSING AND URBAN DEVELOPMENT PROGRAMS (AMENDMENTS 1–8)

The House resolution provided "open end" authorizations for Fiscal Year 1974 for the following HUD programs: urban renewal, model cities, open-space-urban beautification-historic preservation and neighborhood facilities. The Senate amendment authorized for Fiscal Year 1974 additional amounts of $29 million in contract authority for the section 236 rental assistance program; $140 million for annual contributions under the public housing program; $1.328 billion for grants under the urban renewal program; $232.5 million for grants under the model cities program; $63 million for grants under the open space program; and $40 million for grants under the neighborhood facilities program.

The conference report contains the Senate amendments with the following changes:

(1) no additional authorization for section 236 rental assistance in lieu of the $29 million contained in the Senate amendment;

(2) an additional authorization of $664 million for the urban renewal program in lieu of the $1.328 billion contained in the Senate amendment; and

(3) no additional authorization for the model cities program in lieu of the $235.5 million contained in the Senate amendment.

TERMINATION OF MORATORIUM ON FEDERAL HOUSING ASSISTANCE PROGRAMS (AMENDMENT 9)

The Senate amendment required the HUD Secretary to cease the suspension of Federal housing assistance programs or the withholding of funds for the current or any succeeding fiscal year, and to carry out such programs to the full extent possible pursuant to the contract authority or other funds appropriated or otherwise made available by the Congress. The amendment included similar provisions for the housing assistance programs administered by the Farmers Home Administration. The House resolution contained no such provisions. The conference report contains the Senate amendments.

GNMA—PURCHASE OF FHA MORTGAGES (AMENDMENT 9)

The Senate amendment required the Government National Mortgage Association to purchase FHA mortgages for which commitments to insure were issued prior to July 1, 1973, in the same manner and on the same terms and condition as GNMA purchased such mortgages prior to June 1, 1973. The House resolution contained no such provision. The conference report contains the Senate amendment with clarifying technical language.

EXPENDITURES TO CORRECT OR COMPENSATE FOR SUBSTANTIAL DEFECTS IN FEDERAL HOUSING ADMINISTRATION INSURED MORTGAGED HOMES (AMENDMENT 10)

The Senate amendment authorized the HUD Secretary to make expenditures for correcting serious defects in one- and two-family homes financed under FHA's sections 203 and 221(d) mortgage insurance programs, provided that:

(1) the original mortgage amount was no greater than the statutory ceiling permitted under the section 235 program;

(2) the defect is one which existed on the date of the insurance commitment;

(3) a proper inspection would have revealed the defect; and

(4) the mortgage was insured no earlier than three years prior to enactment of this resolution.

The House resolution contained no such provision.

The conference report contains the Senate amendment with two amendments. The first amendment clarifies the authority of the Secretary of HUD to make expenditures for the correction of defects out of the insurance funds obligated for insurance of the mortgages involved. The amendment also authorizes such appropriations as may be necessary to reimburse the insurance funds for expenditures or anticipated expenditures. The second amendment makes clear that payments made to or on behalf of owners of homes with defects are to be used to pay the costs of correcting those defects, where correction is feasible, and not for other purposes.

The necessity to provide compensation to owners of FHA-insured homes was brought on by a massive failure of FHA over the past several years in adequately inspecting homes prior to FHA approval. Large numbers of low- and moderate-income families purchased overpriced and defective homes in reliance on FHA approvals and inspections. The conferees expect that this pattern of negligence will not be repeated in the future. The conferees also expect the Secretary of HUD to recognize fully his responsibility to provide a thorough and adequate inspection of homes prior to the approval of mortgage insurance, not only to protect the financial interests of the Government but also the interests of the buyers.

PRIORITY FOR APPLICATIONS IN AREAS AFFECTED BY BASE CLOSINGS (AMENDMENT 11)

The Senate amendment required the HUD Secretary to give priority in processing and approving applications for certain housing and community development programs to State and local units of government seriously and adversely affected by Department of Defense base closings. The House resolution contained no such provision. The conference report contains the Senate amendment with an amendment limiting the priority to the processing of applications.

Wright Patman,
W. A. Barrett,
Leonor Sullivan,
Thomas L. Ashley,
William S. Moorhead,
Robert G. Stephens, Jr.,
Fernand J. St Germain,
Henry B. Gonzalez,
Henry S. Reuss,
Margaret M. Heckler,
Managers on the Part of the House.
John Sparkman,
William Proxmire,
Harrison A. Williams,
Adlai E. Stevenson,
John Tower,
Wallace F. Bennett,
Edward W. Brooke,
Managers on the Part of the Senate.

APPOINTMENT OF CONFEREES ON S. 1672, AMENDING THE SMALL BUSINESS ACT

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (S. 1672) to amend the Small Business Act, together with the House amendment thereto, insist on the House amendment, and agree to the conference requested by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Texas? The Chair hears none, and appoints the following conferees: Messrs. Patman, Stephens, Gonzalez, Gettys, Annunzio, Hanley, Brasco, Koch, Mitchell of Maryland, Widnall, J. William Stanton, Williams, Mrs. Heckler of Massachusetts, Messrs. Rousselot and Burgener.

PERMISSION TO FILE CONFERENCE REPORT ON H.R. 6370, EXTENDING LAWS RELATING TO PAYMENT OF INTEREST ON TIME AND SAVINGS DEPOSITS

Mr. PATMAN. Mr. Speaker, I ask unanimous consent that the managers may have until midnight tonight to file a conference report on the bill (H.R. 6370) to extend certain laws relating to the payment of interest on time and savings deposits, to prohibit depository institutions from permitting negotiable orders of withdrawal to be made with respect to any deposit or account on which any interest or dividend is paid, to authorize Federal savings and loan associations and national banks to own stock in and invest in loans to certain State housing corporations, and for other purposes.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Conference Report (H. Rept. No. 93-418)

[To accompany H.R. 6370]

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 6370) to extend certain laws relating to the payment of interest on time and savings deposits, to prohibit depository institutions from permitting negotiable orders of withdrawal to be made with respect to any deposit or account on which any interest or dividend is paid, to authorize Federal savings and loan associations and national banks to own stock in and invest in loans to certain State housing corporations, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

EXTENSION OF AUTHORITY FOR THE FLEXIBLE REGULATION OF INTEREST RATES ON DEPOSITS AND SHARE ACCOUNTS IN FINANCIAL INSTITUTIONS

Section 1. Section 7 of the Act of September 21, 1966 (Public Law 89-597), is amended by striking out "August 1, 1973" and inserting in lieu thereof "December 31, 1974".

PROHIBITION ON CERTAIN ACTIVITIES BY DEPOSITORY INSTITUTIONS

Sec. 2. (a) No depository institution shall allow the owner of a deposit or account on which interest or dividends are paid to make withdrawals by negotiable or transferable instruments for the purpose of making transfers to third parties, except that such withdrawals may be made in the States of Massachusetts and New Hampshire.

(b) For purposes of this section, the term "depository institution" means—

(1) any insured bank as defined in section 3 of the Federal Deposit Insurance Act;

(2) any State bank as defined in section 3 of the Federal Deposit Insurance Act;

(3) any mutual savings bank as defined in section 3 of the Federal Deposit Insurance Act;

(4) any savings bank as defined in section 3 of the Federal Deposit Insurance Act;

(5) any insured institution as defined in section 401 of the National Housing Act; and

(6) any building and loan association or savings and loan association organized and operated according to the laws of the State in which it is chartered or organized; and, for purposes of this paragraph, the term "State" means any State of the United States, the District of Columbia, any territory of the United States, Puerto Rico, Guam, American Samoa, or the Virgin Islands.

(c) Any depository institution which violates this section shall be fined $1,000 for each violation.

EXTENSION OF AUTHORITY OF FEDERAL DEPOSIT INSURANCE CORPORATION OVER INTEREST RATES PAID ON DEPOSITS BY NONINSURED BANKS

Sec. 3. Section 18(g) of the Federal Deposit Insurance Act (12 U.S.C. 1828(g)) is amended by—

(1) inserting in the second sentence thereof "or dividends" immediately after "the payment and advertisement of interest"; and

(2) striking out in the tenth sentence thereof "(1)", and by further striking out in such sentence ", and (2) there does not exist under the laws of such State a bank supervisory agency with authority comparable to that conferred by this subsection, including specifically the authority to regulate the rates of interest and dividends paid by such noninsured banks on time and savings deposits, or if such agency exists it has not issued regulations in the exercise of that authority".

CONVERSION OF MUTUAL SAVINGS AND LOAN ASSOCIATIONS INTO STOCK ORGANIZATIONS

Sec. 4. Section 402 of the National Housing Act (12 U.S.C. 1725) is amended by adding at the end thereof the following new subsection:

"(j)(1) Except as provided in paragraph (2), until June 30, 1974, the Corporation shall not approve, under regulations adopted pursuant to this title or section 5 of the Home Owners' Loan Act of 1933, by order or otherwise, a conversion from the mutual to the stock form of organization involving or to involve an insured institution, including approval of any application for such conversion pending on the date of enactment of this subsection, except that this sentence shall not be deemed to limit now or hereafter the authority of the Corporation to approve conversions in supervisory cases. The Corporation may by rule, regulation, or otherwise and under such civil penalties (which shall be cumulative to any other remedies) as it may prescribe take whatever action it deems necessary or appropriate to implement or enforce this subsection.

"(2) After December 31, 1973, the Corporation may approve any study application filed prior to May 22, 1973, pursuant to regulations in effect and adopted pursuant to this title or section 5 of the Home Owners' Loan Act of 1933."

AUTHORITY FOR FEDERAL SAVINGS AND LOAN INSTITUTIONS AND NATIONAL BANKS TO INVEST IN STATE HOUSING CORPORATIONS

Sec. 5. (a) The Congress finds that Federal savings and loan associations and national banks should have the authority to assist in financing the organization and operation of any State housing corporation established under the laws of the State in which the corporation will carry on its operations. It is the purpose of this section to provide a means whereby private financial institutions can assist in providing housing, particularly for families of low- or moderate-income, by purchasing stock of and investing in loans to any such State housing corporation situated in the particular State in which the Federal savings and loan association or national bank involved is located.

(b) Section 5(c) of the Home Owners' Loan Act of 1933 (12 U.S.C. 1464(c)) is amended by adding at the end thereof the following new paragraph:

"Subject to regulation by the Board but without regard to any other provisions of this subsection, any such association whose general reserves, surplus, and undivided profits aggregate a sum in excess of 5 per centum of its withdrawable accounts is authorized to invest in, to lend to, or to commit itself to lend to any State housing corporation incorporated in the State in which the home office of such association is situated, in the same manner and to the same extent as the statutes of such State authorize a savings and loan association organized under the laws of such State to invest in, to lend to, or commit itself to lend to such State housing corporation, but loans and loan commitments under this sentence shall be subject to appropriate limitations prescribed by the Board, and no association may make any investment, other than loans and loan commitments, under this sentence of its aggregate outstanding direct investment under this sentence, determined as prescribed by the Board, would thereupon exceed one-fourth of 1 per centum of its assets."

(c) Paragraph seventh of section 5136 of the Revised Statutes (12 U.S.C. 24) is amended by adding at the end thereof the following: "Notwithstanding any other provision of this paragraph, the association may purchase for its own account shares of stock issued by any State housing corporation incorporated in the State in which the association is located and may make investments in loans and commitments for loans to any such corporation: *Provided*, That in no event shall the total amount of such stock held for its own account and such investments in loans and commitments made by the association exceed at any time 5 per centum of its capital stock actually paid in and unimpaired plus 5 per centum of its unimpaired surplus fund."

(d) (1) The Federal Savings and Loan Insurance Corporation with respect to insured institutions, the Board of Governors of the Federal Reserve System with respect to State member insured banks, and the Federal Deposit Insurance Corporation with respect to State nonmember insured banks shall by appropriate rule, regulation, order, or otherwise regulate investment in State housing corporations.

(2) A State housing corporation in which financial institutions invest under the authority of this section shall make available to the appropriate Federal supervisory agency referred to in paragraph (1) such information as may be necessary to insure that investments are properly made in accordance with this section.

(e) For the purposes of this section and any Act amended by this section—

(1) The term "insured institution" has the same meaning as in section 401(a) of the National Housing Act.

(2) The terms "State member insured banks" and "State nonmember insured banks" have the same meaning as when used in the Federal Deposit Insurance Act.

(3) The term "State housing corporation" means a corporation established by a State for the limited purpose of providing housing and incidental services, particularly for families of low or moderate income.

(4) The term "State" means any State, the District of Columbia, Guam, the Commonwealth of Puerto Rico, and the Virgin Islands.

PREMIUM PAYMENTS BY INSURED SAVINGS AND LOAN ASSOCIATIONS TO THE FEDERAL SAVINGS AND LOAN INSURANCE CORPORATION

SEC. 6. The text of section 404 of the National Housing Act (12 U.S.C. 1727) is amended to read as follows:

"SEC. 404. (a) (1) The Corporation shall established a primary reserve which shall be the general reserve of the Corporation and a secondary reserve to which shall be credited the amounts of the prepayments made by insured institutions pursuant to former provisions of subsection (d) and the credits made pursuant to the first sentence of subsection (e).

"(2) The Corporation may accomplish the purposes and provisions of this section by rules, regulations, orders, or otherwise as it may consider necessary or appropriate.

"(b) (1) Each institution whose application for insurance is approved by the Corporation shall pay to the Corporation, in such manner as it shall prescribe, a premium for such insurance equal to one-twelfth of 1 per centum of the total amount of all accounts of the insured members of such institution. Such premium shall be paid at the time the certificate is issued by the Corporation under section 403, and thereafter annually, except that under regulations prescribed by the Corporation such premium may be paid semiannually.

"(2) If, at the close of any December 31, the primary reserve equals or exceeds 2 per centum of the total amount of all accounts of insured members of all insured institutions as of such close, no premium under paragraph (1) of this subsection shall be payable by any insured institution with respect to its premium year beginning during the year commencing on May 1 next succeeding such December 31, except that the foregoing provisions of this sentence shall not be applicable to any insured institution with respect to any of the twenty premium years beginning with the premium year commencing with the date on which such certificate is issued.

"(c) The Corporation is further authorized to assess against each insured institution additional premiums for insurance until the amount of such premiums equals the amount of all losses and expenses of the Corporation; except that the total amount so assessed in any one year against any such institution shall not exceed one-eighth of 1 per centum of the total amount of the accounts of its insured members.

"(d) (1) The Corporation shall not, on or after the date of enactment of this sentence, accept or receive further payments in the nature of prepayments of future premiums as was formerly required by this subsection (including any such payments which have accrued or are payable under such former provisions). When no insured institution has any pro rata share of the secondary reserve, other than any such share immediately payable to it, the Corporation may take such steps as it may deem appropriate to close out and discontinue the secondary reserve.

"(2) The Corporation may provide for the adjustment of payments made under former provisions of this subsection or made or to be made under subsections (b) and (c) of this section in cases of merger or consolidation, transfer of bulk assets or assumption of liabilities, and similar transactions, as defined by the Corporation for the purposes of this paragraph.

"(e) The Corporation shall credit to the secondary reserve, as of the close of each calendar year a return on the outstanding balances of the secondary reserve, during such calendar year, as determined by the Corporation, at a rate equal to the average annual rate of return to the Corporation during the year ending at the close of November 30 of such calendar year, as determined by the Corporation, on the investments held by the Corporation in obligations of, or guaranteed as to principal and interest by, the United States. Except as provided in subsections (f) and (g), the secondary reserve shall be available to the Corporation only for losses of the Corporation and shall be so available only to such extent as other accounts of the Corporation which are available therefor are insufficient for such losses. No right, title, or interest of any institution in or with respect to its pro rata share of the secondary reserve shall be assignable or transferable whether by operation of law or otherwise, except to such extent as the Corporation may provide for transfer of such pro rata share in cases of merger or consolidation, transfer of bulk assets or assumption of liabilities, and similar transactions, as defined by the Corporation for purposes of this sentence.

"(f) If (i) the status of an insured institution as an insured institution is terminated pursuant to any provision of section 407 or the insurance of accounts of an insured institution is otherwise terminated, (ii) a conservator, receiver, or other legal custodian is appointed for an insured institution under the circumstances and for the purpose set forth in subsection (d) of section 401, or (iii) the Corporation makes a determination that for the purposes of this subsection an insured institution has gone into liquidation, the Corporation shall pay in cash to such institution its pro rata share of the secondary reserve, in accordance with such terms and conditions as the Corporation may prescribe, or, at the option of the Corporation, the Corporation may apply the whole or any part of the amount which would otherwise be paid in cash toward the payment of any indebtedness or obligation, whether matured or not, of such institution to the Corporation, then existing or arising before such payment in cash: *Provided*, That such payment or such application need not be made to the extent that the provisions of the exception in the last sentence of subsection (e) are applicable.

"(g) If, at the close of December 31 in any year after 1971, the aggregate of the primary reserve and the secondary reserve equals or exceeds 1¼ per centum of the total amount of all accounts of insured members of all insured institutions but the primary reserve does not equal or exceed 2 per centum of such base, each insured institution's pro rata share of the secondary reserve shall, during the year beginning with May 1 next succeeding such close, be used, to the extent available, to discharge such institution's obligation for its premium under subsection (b) for the premium year beginning in such year, but only to the extent of such percentage, to be the same for all insured institutions and to be not less than 30 nor more than 70 per centum of such premium, as the Corporation may determine; and the use of such pro rata shares as provided in this sentence shall continue unless and until the next sentence or the last sentence of this subsection shall become operative. If, at the close of any December 31 occurring before the last sentence of this subsection shall become operative, the aggregate of the primary reserve and the secondary reserve is not at least equal to 1¼ per centum of the total amount of all accounts of insured members of all insured institutions, the use of any insured institution's pro rata share of the secondary reserve under the first sentence of this subsection shall terminate with respect to its premium under subsection (b) for the premium year beginning during the calendar year commencing on May 1 next succeeding such December 31, and such termination shall continue unless and until the first sentence of this subsection shall become operative. If, at the close of any December 31, the primary reserve equals or exceeds such 2 per centum, the Corporation shall, at such time (which shall be the same for all insured institutions and shall not be later than May 1 next succeeding such close) and in such manner as the Corporation shall determine, pay in cash to each insured institution its pro rata share of the secondary reserve.

"(h) (1) Each insured institution shall make such deposits in the Corporation as may from time to time be required by call of the Federal Home Loan Bank Board. Any such call shall be calculated by applying a specified percentage, which shall be the same for all insured institutions, to the total amount of all withdrawable or repurchasable shares, investment certificates, and deposits in each insured institution. No such call shall be made unless such Board determines that the total amount of such call, plus the outstanding deposits previously made pursuant to such calls, does not exceed 1 per centum of the total amount of all withdrawable or repurchasable shares, investment certificates, and deposits in all insured institutions. For the purposes of this subsection, the total amounts hereinabove referred to shall be determined or estimated by such Board or in such manner as it may prescribe.

"(2) The Corporation shall credit as of the close of each calendar year, to each deposit outstanding at such close, a return on the outstanding balance, as determined by the Corporation, of such deposit during such calendar year, at a rate equal to the average annual rate of return, as determined by the Corporation, to the Corporation during the year ending at the close of November 30 of such calendar year, on the investments held by the Corporation in obligations of, or guaranteed as to principal and interest by, the United States.

"(3) The Corporation in its discretion may at any time repay all such deposits, or repay pro rata a portion of each of such deposits, in such manner and under such procedure as the Corporation may prescribe. Any procedure for such pro rata repayment may provide for total repayment of any deposit, if total repayment of any and all deposits of equal or smaller amount is likewise provided for.

"(4) The provisions of subsection (f) of this section and of the last sentence of subsection (e) of this section shall be applicable to deposits under this subsection, and for the purposes of this subsection the references in such subsection (f) and such last sentence to the prepayments and the pro rata shares therein mentioned shall be deemed instead to be references respectively to the deposits under this subsection and the pro rata shares of the holders thereof, and the reference in such subsection (f) to that subsection shall be deemed instead to be a reference to this subsection."

STATE TAXATION OF FEDERALLY INSURED FINANCIAL INSTITUTIONS

Sec. 7. (a) This section may be cited as the "State Taxation of Depositories Act".

(b) The Congress finds that the national goals of fostering an efficient banking system and the free flow of commerce among the States will be furthered by clarifying the principles governing State taxation of interstate transactions of banks and other depositories. Application of taxes measured by income or receipts, or other "doing business" taxes, in States other than the States in which depositories have their principal offices should be deferred until such time as uniform and equitable methods are developed for determining jurisdiction to tax and for dividing the tax base among States.

(c) With respect to any taxable year or other taxable period beginning on or after the date of enactment of this section and before January 1, 1976, no State or political subdivision thereof may impose any tax measured by income or receipts or any other "doing business" tax on any insured depository not having its principal office within such State.

(d) For the purpose of this section—

(1) The term "insured depository" means any bank the deposits of which are insured under the Federal Deposit Insurance Act, any institution the accounts of which are insured by the Federal Savings and Loan Insurance Corporation, or any thrift and home financing institution which is a member of a Federal home loan bank.

(2) The term "State" means any of the several States of the United States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, and American Samoa.

(c)(1) The Advisory Commission on Intergovernmental Relations shall make a study of all pertinent matters relating to the application of State "doing business" taxes on out-of-State commercial banks, mutual savings banks, and savings and loan associations. Such study shall include recommendations for legislation which will provide equitable State taxation of out-of-State commercial banks, mutual savings banks, and savings and loan associations. Such recommendations shall include, but shall not be limited to, the matter of the proper allocation, apportionment, or other division of tax bases and such other matters relating to the question of multistate taxation of commercial banks, mutual savings banks, and savings and loan associations as the Commission shall determine to be pertinent. In conducting the study, the Commission shall consult with the Secretary of the Treasury, the Federal Reserve Board, the Federal Deposit Insurance Corporation, the Federal Home Loan Bank Board, appropriate State banking and taxing authorities, and others as needed.

(2) The Commission shall make a report to the Congress of the results of its study and recommendations not later than December 31, 1974.

(3) There are authorized to be appropriated to the Commission such sums as may be necessary to carry out the provisions of this subsection.

Sec. 8. The provisions of this Act shall take effect on the thirtieth day after the date of its enactment, except that the amendments made by sections 1 and 5 shall take effect on the date of enactment of this Act.

And the Senate agree to the same.

Wright Patman,
Fernand J. St Germain,
Frank Annunzio,
W. A. Barrett,
Jim Hanley,
Frank J. Brasco,
William R. Cotter,
John Joseph Moakley,
Thomas L. Ashley,
William B. Widnall,
John H. Rousselot,
Albert W. Johnson,
J. William Stanton,
Garry Brown,
Managers on the Part of the House.

John Sparkman,
William Proxmire,
H. A. Williams,
Thomas J. McIntyre,
John Tower,
Wallace F. Bennett,
Edward W. Brooke,
Managers on the Part of the Senate.

Joint Explanatory Statement of the Committee of Conference

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 6370) to extend certain laws relating to the payment of interest on time and savings deposits, to prohibit depository institutions from permitting negotiable orders of withdrawal to be made with respect to any deposit or account on which any interest or dividend is paid, to authorize Federal savings and loan associations and national banks to own stock in and invest in loans to certain State housing corporations, and for other purposes, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report:

The House bill extended until September 30, 1975, the authority of various Federal financial regulatory agencies to establish flexible ceilings that may be paid by most banks on time and savings deposits, and by most building and loan, savings and loan, and homestead associations and cooperative banks on deposits, shares, and withdrawable accounts. The Senate amendment extended the same authority until June 1, 1974. The conferees accepted the compromise date of December 31, 1974.

The House bill prohibited depository institutions from allowing the owner of a deposit or account on which interest or dividends is paid to make withdrawals by negotiable or transferrable instruments for the purpose of making transfers to third parties. The Senate amendment differed from the House bill in that it did not prohibit such withdrawals with respect to depository institutions in Massachusetts and New Hampshire. The Senate amendment also differed in that its prohibition on such withdrawals with respect to depository institutions in 48 States and its exception with respect to Massachusetts and New Hampshire expired on the same date as is prescribed in Section 7 of the Act of September 21, 1966. The conferees accepted a compromise which prohibits such withdrawals in depository institutions in 48 States, making an exception for such withdrawals in depository institutions in Massachusetts and New Hampshire. The compromise also deletes credit unions from the definition of "depository institution".

The House bill extended the authority of the Federal Deposit Insurance Corporation over interest rates paid by non-insured banks, except to non-insured banks in any State where total deposits of non-insured financial institutions in such State are less than 20% of total deposits of all financial institutions in such State. The Senate amendment extended the authority of the Federal Deposit Insurance Corporation over interest rates paid by non-insured banks to NOW accounts in such banks. The conferees accepted the House provision.

The House bill extended the authority of the Federal Home Loan Bank Board in the same manner as it extended the authority of the Federal Deposit Insurance Corporation. The Senate amendment contained no comparable provision. The conferees receded to the Senate position.

The House bill amended section 5(c) of the Home Owners' Loan Act and paragraph seven of section 5136 of the Revised Statutes in order to permit national banks and certain savings and loan associations chartered by the Federal Home Loan Bank Board to invest in, lend to, and to commit themselves to lend to State housing corporations incorporated in the State in which the head office of the association is located. The investments of any such association may not exceed ¼ of 1 percent of its assets, and its loans and loan commitments may not exceed 1 percent of the total outstanding loans which it makes or purchases. The Senate amendment differed from the House bill in that it: (1) had no ceiling on the amount of loans and loan commitments that any such association may make to State housing corporations other than whatever ceiling the Federal Home Loan Bank Board may, by rule, prescribe; (2) placed the same aggregate limitation on investments which any such association may make to State housing corporations, as does the House bill, except that in the Senate amendment the Federal Home Loan Bank Board may, by rule, set a smaller aggregate limitation; (3) directed the Federal Savings and Loan Insurance Corporation, the Board of Governors of the Federal Reserve System, and the Federal Deposit Insurance Corporation to regulate investment in State housing corporations; and (4) defined the terms "insured institution", "State member insured banks", "State nonmember insured banks", "State housing corporation", and "State". The House receded to the Senate provision.

The Senate amendment amended section 402 of title IV of the National Housing Act to direct the Federal Savings and Loan Insurance Corporation not to approve until December 31, 1973, conversions from the mutual to stock form by savings and loan associations the accounts of which are insured or would become insured by the Corporation. The House bill contained no comparable provision. The House conferees accepted the Senate provision with an amendment. Under the provision adopted by the conferees, the Corporation is directed not to grant approval to applications for conversion from the mutual to stock form until June 30, 1974; with the exception that study applications filed with the Corporation before Senate passage of S. 1798 on May 22, 1973, may be considered on the merits after December 31, 1973, in accordance with regulations then in effect and adopted pursuant to Title IV of the National Housing Act or Section 5 of the Home Owners' Loan Act of 1933.

The Senate amendment amended section 404 of title IV of the National Housing Act to establish a new procedure for payment by insured savings and loan associations of premiums into the reserve fund of the Federal Savings and Loan Insurance Corporation. The House bill had no comparable provision. The conferees accepted the Senate provision.

The Senate amendment directed the Advisory Commission on Intergovernmental Relations to make a study with respect to the application by the States of "doing business" taxes on out-of-State commercial banks, mutual savings banks, and savings and loan associations and to report the results of such study together with its recommendations to Congress not later than December 31, 1974. The Senate amendment also contained a list of specific types of taxes which the States and political subdivisions thereof may impose on insured depositories on or after the date of enactment of the section of the amendment containing such provision and before January 1, 1976. Such list did not include taxes measured by income or receipts or other "doing business" taxes. The Senate amendment defined insured depositories to mean banks insured by the Federal Deposit Insurance Corporation, institutions insured by the Federal Savings and Loan Insurance Corporation, and thrift and home financing institutions which are members of any Federal home loan bank. The House bill had no comparable provision. The conferees adopted a version which does not alter the study in any way, which eliminates the list of permissible State taxes and in lieu thereof explicitly states that no State or political subdivision thereof may impose any tax measured by income or receipts or any other "doing business" tax on any insured depository not having its principal office within such State, and which alters the effective date provision so that the prohibition on State taxation discussed above is with respect to any taxable year or period beginning on or after the date of enactment of this section of the conference substitute and before January 1, 1976. The effective date was altered so that the prohibition would not affect a State or political subdivision thereof in the middle of a taxable year or period.

The House bill and the amendments made by it took effect 30 days after enactment, except the Regulation Q extension amendment and the State Housing Corporation amendment took effect on enactment. The Senate amendment contained no comparable provision, and, therefore, it took effect on enactment. The Senate receded to the House provision.

Wright Patman,
Fernand J. St Germain,
Frank Annunzio,
W. A. Barrett,
Jim Hanley,
Frank J. Brasco,
William R. Cotter,
John Joseph Moakley,
Thomas L. Ashley,
William B. Widnall,
John H. Rousselot,
Albert W. Johnson,
J. William Stanton,
Garry Brown,
Managers on the Part of the House.
John Sparkman,
William Proxmire,
H. A. Williams,
Thomas J. McIntyre,
John Tower,
Wallace F. Bennett,
Edward W. Brooke,
Managers on the Part of the Senate.

PERMISSION TO FILE CONFERENCE REPORT ON H.R. 6912, AMENDING PAR VALUE MODIFICATION ACT

Mr. PATMAN. Mr. Speaker, I ask unanimous consent that the managers may have until midnight tonight to file a conference report on the bill (H.R. 6912) to amend the Par Value Modification Act, and for other purposes.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Conference Report (H. Rept. No. 93-424)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 6912) to amend the Par Value Modification Act, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows: That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

That the first sentence of section 2 of the Par Value Modification Act is amended by striking out the words "one thirty-eighth of a fine troy ounce of gold" and inserting in lieu thereof the following: "0.828948 Special Drawing Right or, the equivalent in terms of gold, of forty-two and two-ninths dollars per fine troy ounce of gold".

Sec. 2. The Par Value Modification Act is amended by adding at the end thereof the following new section:

"Sec. 5. It is the sense of the Congress that the President shall take all appropriate action to expedite realization of the international monetary reform noted at the Smithsonian on December 18, 1971."

Sec. 3. (a) Sections 3 and 4 of the Gold Reserve Act of 1934 (31 U.S.C. 442 and 443) are repealed.

(b) No provision of any law in effect on the date of enactment of this Act, and no rule, regulation, or order under authority of any such law, may be construed to prohibit any person from purchasing, holding, selling, or otherwise dealing with gold.

(c) The provisions of this section, pertaining to gold, shall take effect when the President finds and reports to the Congress that international monetary reform shall have proceeded to the point where elimination of regulations on private ownership of gold will not adversely affect the United States' international monetary position.

TITLE II—FOREIGN CURRENCY REPORTS

STATEMENT OF FINDINGS

Sec. 201. The Congress finds that—

(1) movements of mobile capital can have a significant impact on the proper functioning of the international monetary system;

(2) it is important to have as complete and current data as feasible on the nature and source of these capital flows, including transactions by large United States business enterprises and their foreign affiliates;

(3) it is desirable to emphasize this objective by supplementing existing legal authority for the collection of data on capital flows contained in section 5(b) of the Emergency Banking Act of 1933 (12 U.S.C. 95a) and section 8 of the Bretton Woods Agreements Act of 1945 (22 U.S.C. 286f).

AUTHORITY TO PRESCRIBE REGULATIONS

Sec. 202. (a) The Secretary of the Treasury (hereafter referred to as the "Secretary") is authorized and directed, under the authority of this title and any other authority conferred by law, to supplement regulations requiring the submission of reports on foreign currency transactions consistent with the statement of findings under section 201. Regulations prescribed under this title shall require that such reports contain such information and be submitted in such manner and at such times, with reasonable exceptions and classifications, as may be necessary to carry out the policy of this title.

(b) Reports required under this title shall cover foreign currency transactions conducted by any United States person and by any foreign person controlled by a United States person as such terms are defined in section 7(f)(2)(A) and 7(f)(2)(C) of the Securities Exchange Act of 1934.

ENFORCEMENT

Sec. 203. (a) Whoever fails to submit a report required under any rule or regulation issued under this title may be assessed a civil penalty not exceeding $10,000 in a proceeding brought under subsection (b) of this section.

(b) Whenever it appears to the Secretary that any person has failed to submit a report required under any rule or regulation issued under this title or has violated any rule or regulation issued hereunder, the Secretary may in his discretion bring an action, in the proper district court of the United States or the proper United States court of any territory or other place subject to the jurisdiction of the United States, seeking a mandatory injunction commanding such person to comply with such rule or regulation, and upon a proper showing a permanent or temporary injunction or restraining order shall be granted without bond, and additionally the sanction provided for failure to submit a report under subsection (a).

And the Senate agree to the same.

Wright Patman,
H. S. Reuss,
William S. Moorhead,
Thomas M. Rees,
Richard T. Hanna,
Andrew Young,
Pete Stark,
Robert G. Stephens, Jr.,
William B. Widnall,
Albert W. Johnson,
J. William Stanton,
Bill Frenzel,
Managers on the Part of the House.
John Sparkman,
William Proxmire,
Harrison Williams,
John Tower,
Wallace F. Bennett,
Charles H. Percy,
Managers on the Part of the Senate.

Joint Explanatory Statement of the Committee of Conference

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 6912) to amend the Par Value Modification Act, and for other purposes, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report:

The House bill amended section 2 of the Par Value Modification Act to establish a new par value of the dollar, one dollar equal to 0.828948 Special Drawing Right or, in terms of gold, forty-two and two-ninths dollars per fine troy ounce of gold. The House bill stated the definition of the dollar as a fraction. The Senate amendment made the same change in the definition of the dollar but stated it in terms of a decimal. The conferees accepted the House provision.

The House bill contained a sense of Congress statement concerning international monetary reform. The Senate amendment contained no comparable provision. The conferees accepted the House provision.

The House bill legalized private ownership of gold as of the date when the President reports to Congress that elimination of regulation on private ownership will not adversely affect the international monetary position of the United States. The Senate amendment legalized private ownership of gold as of December 31, 1973. The conferees accepted the House provision.

The Senate amendment contained impoundment control procedures. The House bill had no comparable provision. The Senate receded to the House.

The Senate amendment established a ceiling on fiscal year 1974 expenditures. The House bill had no comparable provision. The Senate receded to the House.

The Senate amendment directed the Secretary of the Treasury, by rule, to require multinational corporations to submit reports of foreign currency transactions. The House bill had no comparable provision. The conferees agreed to the Senate provision with a clarifying change.

The Senate amendment prohibited assistance to North Vietnam unless specifically authorized by Congress. The House bill had no comparable provision. The Senate receded from its provision, although the conferees favored the Senate provision. The conferees believed that the matter should be handled in a different way procedurally.

Wright Patman,
H. S. Reuss,
William S. Moorhead,
Thomas M. Rees,
Richard T. Hanna,
Andrew Young,
Pete Stark,
Robert G. Stephens, Jr.
William B. Widnall,
Albert W. Johnson,
Bill Frenzel,
Managers on the Part of the House.
John Sparkman,
William Proxmire,
Harrison Williams,
John Tower,
Wallace F. Bennett,
Charles H. Percy,
Managers on the Part of the Senate.

REFERRAL OF H.R. 4382 TO COMMITTEE ON ARMED SERVICES

Mr. DORN. Mr. Speaker, I ask unanimous consent that the Committee on Veterans' Affairs be discharged from further consideration of the bill H.R. 4382 and that such bill be referred to the Committee on Armed Services.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

PERMISSION FOR COMMITTEE ON RULES TO FILE REPORTS

Mr. BOLLING. Mr. Speaker, I ask unanimous consent that the Committee on Rules may have until midnight tonight to file certain privileged reports.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

APPOINTMENT OF CONFEREES ON HOUSE JOINT RESOLUTION 542, WAR POWERS OF CONGRESS AND THE PRESIDENT

Mr. ZABLOCKI. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the joint resolution (H.J. Res. 542) concerning the war powers of Congress and the President, with a Senate amendment thereto, disagree to the Senate amendment, and request a conference with the Senate thereon.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin? The Chair hears none, and appoints the following conferees: Messrs. Zablocki, Morgan, Hays, Fraser, Fascell, Mailliard, Findley, Broomfield, and Frelinghuysen.

THE AIR FORCE F-15 FIGHTER AIRCRAFT

(Mr. JONES of Oklahoma asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. JONES of Oklahoma. Mr. Speaker, an integral part of developing the new B-1 bomber system as a first line of both offensive and defensive strike capability is in the procurement of a tactical fighter specifically designed to excel in the air-to-air combat role. It is my view the Air Force F-15 fighter aircraft, whose airframe is being manufactured by McDonnell-Douglas, meets the criteria for superiority in this role.

Although certain test requirements for engine performance remain to be met on the F-15, our committee has been assured that McDonnell-Douglas has satisfied all required specifications and performance tests for the airframe either on or ahead of schedule.

As the Air Force's first air superiority fighter in more than 25 years, the F-15 will be capable of performing tactical missions of fighter sweep, escort and combat air patrol. To perform such tasks, the F-15 must be able to acquire, identify, engage and destroy enemy aircraft in either contested or enemy airspace and in enemy-controlled radar environment.

McDonnell-Douglas, in its role as manufacturer of the airframe for the F-15, has met flight test milestones in less than one-third of the time allotted under its contract, and has produced the most trouble-free flight evaluation program ever experienced by the Air Force with a completely new aircraft system. The maneuverability and handling qualities of the airframe for the F-15 have met all estimates and the performance has exceeded all predictions.

Mr. Speaker, I believe our House Armed Services Committee has made a reasonable and economic estimate in authorizing the procurement of 39 F-15 aircraft at a total cost of $587.6 million in fiscal year 1974, and I urge the House's support of this recommendation.

MR. EHRLICHMAN'S POSITION

(Mr. HAYS asked and was given permission to address the House for 1 minute.)

Mr. HAYS. Mr. Speaker, yesterday the gentleman from Kentucky took offense at what I had to say about Mr. Ehrlichman, and came to the defense of Mr. Ehrlichman.

I do not believe anybody in this Congress would think that Time magazine is biased against the Republican Party or against any Republican, and I would suggest that the gentleman from Kentucky (Mr. Carter) and other Members might like to read this week's issue of Time and what Time has to say about whether or not Mr. Ehrlichman believes in democracy or whether he does not. I believe my position of yesterday will be substantiated, because it is pretty obvious from his appearance on the witness stand that he does not believe in the Bill of Rights or the American democratic system.

And furthermore, I would just like to point out that neither he nor any of the rest of the people who are testifying over there were ever elected to any office whatever, from dogcatcher to whatever one cares to mention.

THE RESULT OF LAST NIGHT'S CONGRESSIONAL BASEBALL GAME

(Mr. CONTE asked and was given permission to address the House for 1 minute, and to revise and extend his remarks and include extraneous matter.)

Mr. CONTE. Mr. Speaker, it is my happy duty to inform this Chamber of the results of last night's Congressional Baseball Game in Baltimore's Memorial Stadium.

Of course I will not boast nor gloat, but merely will report the facts of the game. And the chief fact is that, for the 10th consecutive year, my Republican charges rolled over what is laughingly called our Democratic opposition.

We beat them from the pitcher's mound and from the batter's box; we beat them in the field and on the basepaths. And when the carnage was over, the Republican team had rung up another smashing victory, 12 to 4—a score that, as the sportswriters say, could have been much worse.

As in the past, our team had many stars last night—Pitcher Bob Michel won his 11th game: Lou Frey rapped three hits: Will Hudnut and Bill Keating hit the ball hard; and our glove-work at nearly every position was superior.

In addition, we unveiled a fire-balling new pitcher—Bill Cohen of Maine. When and if Bob Michel ever gets relegated to the bullpen, we have got another potential 11-game winner coming up.

With such a galaxy of stars to choose from, my GOP teammates nevertheless selected me as most valuable player for our club this year. Inspired by this great honor, I am already plotting the continuation of Republican supremacy next year.

Mr. Speaker, I urge my opposite number from the Democratic team, Mr. Clark, to rally the tattered remnants of his club and begin immediately to practice for next year's game. Like all great champions, the Republican team needs topflight competition.

Mr. DAVIS of South Carolina. Mr. Speaker, will the gentleman yield?

Mr. CONTE. I yield to the gentleman from South Carolina.

Mr. DAVIS of South Carolina. Mr. Speaker, first of all, I would like to congratulate the distinguished manager of the opposition team. I congratulate him also on being selected the outstanding player of the game.

I wish also to take note that the Democrats were confined to synthetic uniforms. I noted that the gentleman from Massachusetts was wearing a cotton one. I wonder if the amendments to the agriculture bill were for the benefits of the opposition baseball team.

Mr. CONTE. Mr. Speaker, I can assure the gentleman from South Carolina it was not a contribution from Cotton Inc. either.

RESTRAINT OF TRADE IN BEEF INDUSTRY

(Mr. PEYSER asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. PEYSER. Mr. Speaker, today I am going to be calling on the Attorney General of the United States to start an investigation to study the possibility that meat producers and wholesalers are engaged in an illegal restraint of trade by withholding beef from the marketplace.

In the city of New York we are seeing a situation developing right now in which meat producers are refusing even to bid on contracts for the city for municipal hospitals for a 2-week period.

We in effect are being told by these suppliers that the Government is going to knuckle under to beef producers and the public be damned as far as getting any food is concerned.

Mr. Speaker, it seems to me that meat producers, both the wholesalers and the suppliers, should be abiding by the laws of the land. In effect, right now they are blackmailing us, and I believe the Attorney General should look into the situation.

Mr. VANIK. Mr. Speaker, will the gentleman yield?

Mr. PEYSER. I yield to the gentleman from Ohio.

Mr. VANIK. Mr. Speaker, I concur in what the gentleman from New York has said.

I want to point out that I have information that cold storage facilities in my community have been filled to capacity with beef and meat products. I have reports that they are being filled by speculators who are contemplating high profits. This withholding of meat supplies may constitute an illegal restraint of trade.

Mr. PEYSER. Mr. Speaker, I thank the gentleman.

HON. ROBERT J. HUBER SPEAKING ON CONCURRENT RESOLUTION NO. 271

(Mr. HUBER asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. HUBER. Mr. Speaker, I am today introducing House Concurrent Resolution No. 271, which is designed to get some action on the remaining missing-in-action cases in Southeast Asia. The bills I am placing in the "hopper" contain 48 cosponsors representing a broad cross section of the Congress, both politically and philosophically. I believe that this is truly a nonpartisan issue and I am certain most of the Members agree with me.

This last week I met with the National League of Families of American Prisoners and Missing in Southeast Asia who were here for their convention and fourth annual dinner. It was a moving evening and I came away feeling more strongly than ever that we have to make this one last effort for these families. They are truly desperate for some recognition that they have not been forgotten now that the fighting is scheduled to stop in 2 weeks and the POW's have returned.

I, myself, do not intend to give up on this issue and plan to circulate still another "Dear Colleague" letter on this matter after the August recess, as I feel that everyone here in the House will want to make this last effort on behalf of these families.

As some of my colleagues may know, Senator JOHN TOWER has introduced identical legislation in the other body and other Senators are joining him in this commendable effort. I invite and solicit your support.

Mr. MONTGOMERY. Mr. Speaker, will the gentleman yield?

Mr. HUBER. I am glad to yield to the gentleman.

Mr. MONTGOMERY. I would certainly like to be associated with the gentleman's remarks. I also attended the meeting last week of the families of the missing in action. I am certainly proud to be a cosponsor of the resolution.

CHALLENGE TO CONSTITUTIONAL AUTHORITY OF CONGRESS

(Mr. BROOKS asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. BROOKS. Mr. Speaker, on July 12, 1973, I announced a Government Activities Subcommittee investigation of the expenditure of Federal funds for improvements on private property in the name of Presidential security. I have repeatedly attempted to obtain from the General Services Administration the pertinent facts and documents needed. It now appears that a systematic effort is underway to prevent the subcommittee, the Congress and the American people from learning the true facts.

I was informed yesterday by the Administrator of GSA that he had been instructed, following a 3-hour meeting at the White House on Sunday with Mr. Ron Ziegler and Mr. Leonard Garment, that no further information or materials would be made available to the subcommittee at this time.

Mr. Speaker, once again we are witnessing White House appointees. Attempting to hamper a congressional committee from performing its legitimate function. Consequently, I have asked the chairman of the Government Operations Committee to issue subpenas for the needed documents and testimony. Congress cannot permit this assault on its constitutional authority to go unchallenged.

CALL OF THE HOUSE

Mr. RUTH. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. O'NEILL. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The call was taken by electronic device; and the following Members failed to respond:

[Roll No. 404]

Alexander
Badillo
Bingham
Boggs
Breckinridge
Broyhill, Va.
Camp
Clark
Diggs
Evins, Tenn.
Fisher
Ford, William D.
Fraser
Gray
Gubser
Gunter
Hanna
Jones, N.C.
Landgrebe
Milford
Mills, Ark.
Moorhead, Pa.
Murphy, N.Y.
Patman
Pepper
Reid
Roe
Roncalio, Wyo.
Rooney, N.Y.
Rose
Ruth
Smith, Iowa
Sullivan
Teague, Tex.
Towell, Nev.
Waggonner
Winn

The SPEAKER. On this rollcall 396 Members have recorded their presence by electronic device, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

IS IT GOODBY LAOS?

(Mr. SIKES asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. SIKES. Mr. Speaker, the headlines on yesterday said the Reds are to get 80 percent of Laos. The North Vietnamese were left undisturbed along the Ho Chi Minh Trail to South Vietnam. The agreement between contesting forces for Laos specifies a withdrawal of all foreign forces within 60 days. The Communists say there were no North Vietnamese in that country. Everyone knows this is not true, that means those who are to withdraw are the 17,000 Thai forces which are fighting for the Vientiane government and 350 American military advisers. This is the result of the treaty which our Mr. Kissinger worked out.

We can hope for the best. Hope is about all that is left in this case. It may be found that, for the sake of expediency and for getting the Reds to accept an agreement, the United States has virtually abandoned Laos.

PERSONAL EXPLANATION

Mr. COLLIER. Mr. Speaker, on rollcall No. 398, on Thursday, July 26, the RECORD shows me as not voting. I was on the floor throughout the evening debate and voted on every amendment and for the recommittal motion just previous to the vote on final passage.

I inserted my card in the electronic voting slot and pushed the "nay" button. Obviously, I failed to note that my vote did not record. But I would like the permanent RECORD to show that if it had, I would have been recorded as voting against final passage.

MILITARY PROCUREMENT AUTHORIZATION, 1974

Mr. HÉBERT. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 9286) to authorize appropriations during the fiscal year 1974 for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons, and research, development, test and evaluation for the Armed Forces, and to prescribe the authorized personnel strength for each active duty component and of the Selected Reserve of each Reserve component of the Armed Forces, and the military training student loads, and for other purposes.

The SPEAKER. The question is on the motion offered by the gentleman from Louisiana.

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill H.R. 9286, with Mr. ROSTENKOWSKI in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the committee rose on yesterday, it had agreed that title 1, ending on page 3, line 6 of the bill, would be considered as read and open to amendment at any point.

Are there any amendments to be proposed to title 1?

Mr. REUSS. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I had intended to offer at this point an amendment to the bill H.R. 9286, which amendment was set forth in this morning's RECORD at page 26711 and following. It would have provided that the Central Intelligence Agency must stay out of internal security functions, and that it must stay out of paramilitary foreign operations.

The amendment is directed at certain practices which have been with us for some time. In the case of internal security functions, we have the recent revelations that the CIA is supplying burglary equipment. In the case of paramilitary foreign operations as opposed to the collection, coordination, and dissemination of intelligence, operations have taken place in as diverse places as Iran, Guatamala, Costa Rica, Cuba, Chile and various countries in Indochina.

The amendment would have simply provided that the acts of 1947 and 1949, the basic Central Intelligence Agency legislation, meant what they said. I have had an opportunity to discuss my views and the amendment both with the distinguished chairman of the committee, the gentleman from Louisiana (Mr. HÉBERT) and the distinguished chairman of the subcommittee most concerned with the CIA, Mr. NEDZI. I believe that the general views which I have expressed are shared by those leaders.

I am well aware that the subcommittee concerned has been conducting hearings in depth on this problem. It is my understanding that it is the intention of the distinguished gentleman from Michigan (Mr. NEDZI), the chairman of the subcommittee, that immediately after the recess it will start upon the task of evolving substantive legislation which will go to the two problems I have mentioned; the unauthorized foreign operations, and the unauthorized internal security conduct of the Central Intelligence Agency.

May I ask the gentleman from Michigan whether my understanding is substantially correct?

Mr. NEDZI. Mr. Chairman, will the gentleman yield to me?

Mr. REUSS. I yield to the gentleman from Michigan (Mr. NEDZI).

Mr. NEDZI. Mr. Chairman, I would be very pleased to confirm what the gentleman from Wisconsin has said. There is unanimity that the National Security Act of 1947 should be amended. There is unanimity on the part of the subcommittee, and it is the intention of the chairman, as well as the full subcommittee, to get together immediately following the recess with specific legislation amending the Security Act of 1947.

At the present time, it is anticipated that the amendments and suggestions proposed by the gentleman from Wisconsin may be considered. Indeed, the chairman himself has a number of suggestions which are going to be incorporated into the substantive changes.

Mr. REUSS. I am delighted to hear what the gentleman from Michigan just said.

Mr. HÉBERT. Mr. Chairman, will the gentleman yield?

Mr. REUSS. I yield to the distinguished chairman of the committee.

Mr. HÉBERT. Mr. Chairman, I would express my deep appreciation to the gentleman in the well for his understanding and cooperation in this area. I assure the gentleman the chairman of the subcommittee, Mr. NEDZI, has been conducting a very excellent investigation in depth of the situation, and it will be brought to the attention of the gentleman at the appropriate time.

Mr. REUSS. I thank the gentleman from Louisiana.

In view of what has now been spread on the record, I have no intention of pressing my amendment at this time. I am confident that substantially similar substantive legislation will be forthcoming. Of course, I pledge my best efforts to help in its enactment.

Mr. NEDZI. Mr. Chairman, will the gentleman yield?

Mr. REUSS. I yield to the gentleman from Michigan.

Mr. NEDZI. I should like to express the appreciation of the subcommittee for the gentleman's understanding and cooperation in this matter. I assure him that the subcommittee indeed will cooperate with him.

Mr. REUSS. I thank the gentleman.

AMENDMENT OFFERED BY MR. LEGGETT

Mr. LEGGETT. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. LEGGETT: On page 2, line 11, after "Army" strike "$574,200,000" and insert in lieu thereof "$449,200,000."

Mr. LEGGETT. Mr. Chairman, this is the first of a series of amendments that I intend to offer. Some of my colleagues on the committee intend to offer other amendments. I would suspect that they would involve in total perhaps $3 billion.

I said at the outset of my concurring remarks that I voted for this bill, as I have voted for each and every defense bill that has come to this floor, and that basically everyone is for motherhood, prosecution of the Watergate burglars, and national defense. There are degrees of enthusiasm as between reasonable people on all of these issues, which is the reason, at least on the defense issue, why we hold civilian oversight hearings on the Pentagon.

This particular amendment is one of five amendments I intend to offer.

One amendment is for $885 million, to reduce the Trident missile system.

There is an amendment of $169 million to delete the funds for the landing helicopter assault ship. I have an amendment to reduce Safeguard ABM by $175 million.

For the site defense of ABM there is an amendment to reduce the figure by $75 million.

On the Vietnam military assistance, including Laos, it would be $800 million.

I also have an amendment to reduce Sam–D by $100 million.

I want to say at the outset that I do not intend to kill any single one of these programs. Every program I support, I just do not support them to the extent, and with the enthusiasm of our current authorization.

I believe that if we want to save money we should do it in the authorization bill. This is a $21.5 billion authorization bill, the largest single authorization program, outside of the trust fund authorizations which are included in the HEW bill, that will come to this floor.

If we are concerned with reallocating priorities, and measuring one program against another, I believe we have to take a good, close look at some of these programs.

We have not looked at them all. There are probably only a half dozen programs we would ask the House to review in some detail here this afternoon. I would hope we could have some kind of reasonably long debate on some of these items.

Believe me when I say that there are more than 1,000 different programs we are not even glancing at, reviewing, or taking a look at.

I believe that Safeguard is one we can review quite closely. This program, of course, for the Safeguard ABM and the site defense program, is involved in my current amendment.

The only thing allowed under title I is a $100 million reduction for the procurement amounts in the ABM program.

Mr. Chairman, the Members might ask: "Are we killing the ABM program by taking out the $100 million here and the $150 million out of research and development which is included both in site defense and in the Safeguard antiballistic missile account?"

The answer to that, very simply is "No," because even after this amendment, we are going to have nearly a half a billion dollars in the program for antiballistic missile defense.

The committee has wisely taken some money out of the Safeguard account. The Pentagon originally wanted $215 million for research and development; the committee took out $25 million. They wanted $185 million for Safeguard procurement; the committee took out $25 million, which left a total Safeguard program of $350 million.

In the site defense program the Pentagon wanted $170 million; we took out $25 million, and there was $145 million left in that program. In addition, we have $190 million in the advance ballistic missile defense system. So our total current program is $685 million.

Mr. Chairman, I believe that this total

program could be reduced by $258 million. The reason I say that is because the Pentagon admits that the Safeguard program is what we call the "Model T" of the antiballistic missile programs. We have already spent in this program $5 billion for the Safeguard and $4 billion for the NIKE X program.

The CHAIRMAN. The time of the gentleman from California (Mr. LEGGETT) has expired.

Mr. LEGGETT. Mr. Chairman, I ask unanimous consent that I may be allowed to proceed for 5 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

Mr. PRICE of Illinois. Mr. Chairman, reserving the right to object—and I shall not object; I will not object at this point—I merely wish to clarify whether the gentleman's amendment reduces this item $100 million or $125 million.

Mr. LEGGETT. No, Mr. Chairman, it reduces it $100 million.

Mr. PRICE of Illinois. Mr. Chairman, the figure which we have here would indicate it would reduce it $125 million.

Mr. Chairman, I withdraw my reservation of objection.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. LEGGETT. Mr. Chairman, I do not think it is a cataclysmic point whether the amendment at this time is for $100 million or $125 million, and I am not going to ask unanimous consent to conform the amendment, if that is the proper figure. I have not had an opportunity to check it myself.

We have spent $9 billion on the antiballistic program, and as of today we have 30 of the Spartans deployed at Grand Forks and 70 of the Sprints deployed at Grand Forks. We are authorized under the SALT I agreement to deploy another 81 missiles around Washington, but because of political reasons we are not doing anything on that program. That program is not offered by the Department of Defense this year.

So what we have to do is to rationalize this $9 billion of expenditures, taking into consideration the 100 missiles which we have at Grand Forks. That is $90 million per missile.

Mr. Chairman, I do not think that it takes a master of defense theory to recognize that those 100 missiles at Grand Forks are not going to do very much, really, to protect our national deterrent capability. Even if the Soviets inflict or try to inflict a first strike, we will still have 656 missile tubes at sea, each missile tube having 10 separate targetable nuclear warheads, or about 6,560 deployed missiles at sea that are totally sacrosanct from any kind of an international conflagration. How the 100 ABM's at Grand Forks will measurably participate in the defense of this Nation is not really readily apparent.

I think we should go ahead and finish Grand Forks but at a leisurely pace of a half a billion dollar rate, maybe, and not the three-quarter billion dollar rate that the bill would call for.

The bill also calls for a 100-percent acceleration in what we call the site defense program. Last year we had a site defense program, which is an automated ABM. Bear in mind, all ABM's, Sprint and Spartan, are new except the 100 around Washington, and they are barred by the SALT agreement. Here we go with a new site agreement which accelerates it from $180 million to the new research level which was wisely reduced by Chairman PRICE to the $145-million level.

I think even this item can be very substantially reduced, because the only way the system can be deployed is to abort the SALT agreement. All we have to do is read on page 118 of our report where we quote the Committee on Appropriations last year in their report. It said:

> The Committee was also concerned as to the total cost of this program. The estimated total development cost of the program, as presented in the January budget, was from $700 to $800 million. As presented in support of the June 30th budget amendment, the development cost was estimated to be 100 percent more. It was further estimated that the cost of defending one Minuteman wing with this system will be from $1.6 to $2.4 billion, including only procurement and construction costs. There would be additional personnel and operation maintenance costs over and above this amount.
>
> It is not clear, considering the present treaty limiting the deployment of ABM systems, as to just where and how the proposed new system would be deployed. Until these matters are more clear, the Committee believes a more reasonable pace of development is appropriate.

As you recall, the Senate and the House Committees on Appropriations did slow it down last year. I think the total program should be slowed down this year. We can find out in a few years whether the Soviets will comply with the SALT agreements, and at that time we will not have spent another $2 billion getting ready for something that is going to be put concrete by further agreements at the executive level.

Mr. PRICE of Illinois. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, the amendment offered by the gentleman from California does not reduce this item by $100 million but, rather, by $125 million.

The gentleman said he would not be opposed to the completion of the Grand Forks site but would suggest that we proceed in a more leisurely manner. I think if we did that and withheld $125 million out of this bill just to accomplish more leisurely programing, we would eventually add more, probably twice as much, to the cost of completion of this project.

We have had these arguments about the site program for a long time. There has been a bit of merit to some of the arguments, but one thing we overlook is that if we had not proceeded with these programs, me might not today have the SALT agreement signed, sealed, and delivered.

This program now is in keeping with the terms of that agreement. It was within a few days of our original announcement of the development of the ABM that the Soviets first advanced their willingness to take part in the strategic arms limitation talks. There is strong evidence that the development of the ABM led the Soviets to cooperate in some form of arms limitation.

The ABM treaty allows two systems, one around the Nation's Capital and one around the ICBM field. We have already indicated, as a result of congressional action last year, that we will not build a system around our Nation's Capital.

The Soviets have a system around their capital, and have indicated that they will deploy a system around the ICBM field. In providing defense for the ICBM we have to assume that some of the missiles can be fired from their silos following an attack, and Safeguard enhances the invulnerability of the ICBM field, and thus improves its potential deterrence.

The installation of our ABM system at Grand Forks is almost 90-percent complete. It would be sheer folly to adopt this particular amendment when we are within 10 percent of completion of this site. And I am certain that, as I said before, to proceed to do it in a leisurely manner by reducing this budget by $125 million is going to cost us twice as much in the long run, and maybe more than that.

Mr. ICHORD. Mr. Chairman, will the gentleman yield?

Mr. PRICE of Illinois. I yield to the gentleman from Missouri.

Mr. ICHORD. Mr. Chairman, I, too, like the chairman of the R. & D. Subcommittee, was concerned when the gentleman from California (Mr. LEGGETT) said he did not know whether his amendment reduced it $125 million or $100 million.

I would ask the distinguished gentleman in the well if it is not true that when we stretch out these development programs and proceed in a more leisurely manner, as the gentleman from California proposed, that we will in the long run spend more money than if we were to proceed on schedule?

Mr. PRICE of Illinois. The gentleman from Missouri is definitely correct.

One of the main reasons for many cost overruns in the military programs has been an effort to stretch out programs, and every one we do this to adds to the total cost of that program.

Mr. ICHORD. It looks good, I would say to the gentleman from Illinois, to say that we can cut this and save some money, but in the long run we will spend more money.

Mr. PRICE of Illinois. The gentleman from Missouri is correct.

Mr. LEGGETT. Mr. Chairman, will the gentleman yield?

Mr. PRICE of Illinois. I yield to the gentleman from California.

Mr. LEGGETT. Is it not a fact that on the ABM program after we had negotiated the termination agreement at the Maelstrom site and the Whiteman site located in the district represented by the gentleman from Missouri that we had cancellation charges that exceeded $300 million? And so by accelerating the ABM program the year before last we in fact cost the country this extra money.

Mr. PRICE of Illinois. I do not see any connection between the statement made by the gentleman from California and the facts here. We are talking about the

Grand Forks site and not about sites we have already canceled.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. HUNT. Mr. Chairman, I move to strike the last word, and I rise in opposition to the amendment offered by the gentleman from California (Mr. LEGGETT).

Mr. ICHORD. Mr. Chairman, will the gentleman yield?

Mr. HUNT. I yield to the gentleman from Missouri.

Mr. ICHORD. Mr. Chairman, I want to take this time to correct a misimpression which the gentleman from California (Mr. LEGGETT) either intentionally or unintentionally left, and that was that I was interested in the Safeguard system because of Safeguard spending in my district. Let me say to the gentleman that the sites referred to are not in my district, and I am not interested in any development of the Safeguard system because of the financial impact upon my district.

Mr. LEGGETT. If the gentleman will yield, I meant to refer to the State of Missouri.

Mr. HUNT. Mr. Chairman, I rise in opposition to the amendment.

As it is, the Armed Services Committee has made a reduction in R.D.T. & E. funds for the Safeguard system which will require limiting the testing of the system that would normally be undertaken in fiscal 1974. Further cuts now would merely provide chaos in a program which has been severely cut back and which has had considerable termination costs because of the reductions in line with the ABM Treaty.

Its equipment readiness date is October 1974—a little more than a year away.

The Safeguard program has, over the past 4 years, survived some of the most detailed examination and severe criticism ever experienced by a defense program. Nevertheless, the Congress as a whole recognized the advantages of having such a capability. Over the years many arguments such as: It will not work; it is not safe; it is too complex, and so forth, have been used, then abandoned, primarily due to a remarkably successful system test program and a deployment that is on schedule.

Now with the limitation to a one-site deployment, one of the arguments of opponents to continued deployment and completion of the Grand Forks site is, "the limited capability provided by only 100 interceptors is not worth the cost to complete the site."

Let us keep several points in mind:

First, the Safeguard system will provide a limited defense of retaliatory forces in the Grand Forks area as well as protection of a portion of the United States against accidental or light ICBM attacks.

Second, the limited deployment at the Grand Forks site will complicate a potential attack planner's tasks and can create uncertainties in his confidence of destroying U.S. land-based retaliatory forces with a single strike—thus an effective deterrent.

Third, the Grand Forks deployment will provide for the first time experience in operating a complex ABM system and its support equipment which cannot be obtained during the R. & D. phase of a program. This experience base will be crucial in the new systems we might need in the future if there is not a follow-on SALT treaty on offensive weapons.

It is significant to recognize that the Soviets have made tremendous strides in ballistic missile related technology and are accumulating a wealth of experience in these fields. I have no doubt they will continue to focus major attention on ABM development and will deploy the maximum level of ABM permitted by the treaty. In addition, the threat posed by the Soviet strategic ballistic missile force, although numerically limited, can and probably will increase with qualitative improvements which are permitted under terms of the Interim Offensive Arms Limitation Agreement.

In summary, our ballistic missile defense capability is nearing reality. I urge you to think of the advantages of completing the Safeguard deployment at Grand Forks which, in my opinion, equate to strength, experience, deterrence, and a favorably balanced strategic nuclear equation.

I listened to a marked degree to the gentleman's discussion, and I came to one conclusion. When one starts to talk about "this leisurely method," I think we have been so leisurely in our attitudes that we have neglected the entire problem. We cannot see the forest for the trees. No offense is meant to my learned colleague, but if the gentleman cannot tell the difference between $100 million and $125 million, that, in my mind, raises a very serious question as to whether or not the adequacies of all his observations are correct. If one cannot detect a $25 million mistake—then what are the required qualifications to even discuss the matter. I urge the defeat of this amendment.

Mr. HÉBERT. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I do not want to take too much time except to indicate what I have already stated before. I shall not indulge my colleagues too long.

Here, Mr. Chairman, is a typical example of what this committee is going to be confronted with in the constant offering of amendments. The gentleman from California, a very keen student and a very diligent, conscientious individual, does not even know how much money is involved when he offers this amendment. He does not know whether it is $100 million or $125 million. But it indicates what I am trying to stress, and that is the irresponsibility of these amendments, for the better part, that come up.

I say to the members of this committee that if the Armed Services Committee had brought into this House a zero bill, there would be some Members of the House who would offer amendments to have a minus bill.

It is kill, kill, kill, reduce and cut figures, without any thought except to reduce ad infinitum, and there is no practical logic to it.

The only reason I rise in opposition is to indicate that and to ask that the amendment be defeated as a forerunner of what we will be facing today.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California (Mr. LEGGETT).

The amendment was rejected.

AMENDMENT OFFERED BY MRS. SCHROEDER

Mrs. SCHROEDER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mrs. SCHROEDER: Page 2, line 15, strike out "$3,788,200,000", and insert in lieu thereof "$3,131,200,000".

Mrs. SCHROEDER. Mr. Chairman, I ask support in deleting from this bill the authorization of $657 million for further construction of the CVN–70 nuclear aircraft carrier.

This carrier is the least justifiable of all the Navy's weapons requests. Consider for a moment why this program should be stopped:

In the first place, the ship alone will ultimately cost $1 billion and one complement of aircraft will cost another $1 billion. In addition, the necessary nuclear support ships will cost a further $1 billion. So that altogether we are committing ourselves now to a future hardware expenditure of $3 billion minimum. With the ever-present possibility of cost overruns, the cost may well run higher.

In the second place, we already have, or will soon have, 15 attack carriers, three of which will be nuclear. This fleet is currently and in the foreseeable future more than adequate to meet assigned tasks and threats, even under "worst-case" conditions. This carrier fleet stands alone in the world in its strength and size. Not counting the CVN–70, it will soon have the nuclear carriers in operation, each one of which has twice the firepower of an old carrier.

Furthermore, this carrier, like all the others, has no strategic role to play. It contributes only marginally to any realistic, or desirable, mission. Indeed, it is a ship in search of a mission, and besides that, it is highly vulnerable to attack.

The Navy justifies the construction of ships like the CVN–70 on the basis of "sea control" and "power display and protection." Ignoring the questionable wisdom of these missions, and their undesirable foreign policy implications, the jobs can be done better and less expensively by other weapons now deployed or under active development.

I recall that during the Bangladesh crisis, the Navy sent an aircraft carrier into the Bay of Bengal, no doubt as a "power display." India, however, viewed the move as a menacing gesture, and as a result we lost a few more points with that great eastern power. Is this the kind of thing our carriers will be used for in the future?

If you need further evidence of the shallowness of the argument, I suggest you look on pages 36–38 of the Armed Services Committee's report on this bill. The committee cites three specific reasons why the CVN–70, and similar type aircraft carriers, are needed:

First, because we might be denied land-based airfields. Of course, the report fails to mention that when operating in defended areas only about 35 to 40 of its aircraft will be available for attack missions. One wonders how important this can really be—except perhaps in out of the way places in this world where we have no business in the first place.

Second, that it is needed to defend against a heavy attack on our naval forces from cruise missiles that could be launched by the Soviets. This is sheer hogwash, since in such a highly unlikely situation the carrier would be a sitting duck itself.

And third, that by going nuclear we will be saving on oil. Maybe this is an argument for the propulsion system, certainly not for the ship itself.

To cancel the CVN-70 boondoggle means that Congress might have to pay heavy termination costs to contractors. The total may run as high as $100 million. But I believe that it is worth it. After all, it makes good sense to get out if it only costs us 3 percent of the total projected cost. While I would have preferred that our military planners had been sufficiently foresighted not to have drawn us into this mess in the first place, I believe we would be doing everyone a service by stopping this project now. Let us use the taxpayers' money to build up areas where we are weak, not waste their money by overbuilding the portion of the fleet that is already the unquestioned world leader.

I humbly ask that you give me your support on this amendment.

Mr. HUNT. Mr. Chairman, will the gentlewoman yield?

Mrs. SCHROEDER. I yield to the gentleman from New Jersey.

Mr. HUNT. Mr. Chairman, has the gentlewoman read the latest report of "Jane's Fighting Ships"?

Mrs. SCHROEDER. I have read the statement of the editor of "Jane's Fighting Ships" stating the United States has too many large-type ships similar to this carrier.

Mr. HUNT. The gentlewoman was speaking in respect to the strength and the quality of the Navy. If she would pursue that a little bit further, I think she would find—and perhaps she already has—that they say that we are now second to the Soviet fleet. Has the gentlewoman read that?

Mrs. SCHROEDER. Sir, I agree that we——

Mr. HUNT. Has the gentlewoman read that portion?

Mrs. SCHROEDER. They do not say that qualitatively; they say quantitatively. I think there is no question that the Soviets have more submarines.

The CHAIRMAN. The time of the gentlewoman from Colorado has expired.

(At the request of Mr. LEGGETT and by unanimous consent, Mrs. SCHROEDER was allowed to proceed for an additional 5 minutes.)

Mrs. SCHROEDER. I yield to the gentleman from California (Mr. LEGGETT).

Mr. LEGGETT. Mr. Chairman, I have a question for the gentlewoman at this point. I do not believe anyone in the United States today, as far as I can tell, has got a copy of Jane's Fighting ships, inasmuch as it was just published in London last week, but we do have some newspaper articles.

Mr. HUNT. Mr. Chairman, will the gentleman yield?

Mr. LEGGETT. If the gentleman has the document, I would be glad to yield to him, but I think the best evidence we have got of Jane's Fighting Ships is the article that appeared by Peter Stuart in the Christian Science Monitor I talked about yesterday on the floor.

In that article the new editor, Capt. John E. Moore, retired deputy director of British Naval Intelligence, points a scolding finger at his own Royal Navy and the navies of other sea powers, including the United States.

"Are the navies getting value for money?" he asks skeptically.

"All too frequently concentration on massive aircraft carriers, cruisers, and assault ships," he says, "ties up too much money in too few ships of limited capacity."

A glaring example is the American Navy's planned aircraft carrier CVN 70, carrying a price tag of $1 billion.

I ask the gentlewoman, if it is true that the Soviet Union is No. 1 over the United States, do they do it with aircraft carriers?

Mrs. SCHROEDER. No. In carriers we have unquestioned superiority. Jane's Fighting Ships admits that we are far superior in the number of attack carriers, far more carriers. The one or two carriers that the Soviets have, land only hover craft, and we do not classify such ships as carriers in our fleet.

Mr. LEGGETT. These hover craft are only good for about a half an hour in the air and have a cruising radius of 125 or 150 miles. Is it not a fact that they only have one, not 16 like the United States currently possesses?

Mrs. SCHROEDER. I think that is very true.

Mr. LEGGETT. If it is true the Soviet navy, according to Jane's and the gentleman from New Jersey, is really No. 1, would the gentlewoman conclude that perhaps the aircraft carrier is not the best indication of the capability of an international navy?

Mrs. SCHROEDER. I think that is very true. It is ranked No. 1, and part of it is because of its submarines.

Mr. KING. Mr. Chairman, will the gentlewoman yield?

Mrs. SCHROEDER. I yield to the gentleman from New York (Mr. KING).

Mr. KING. Mr. Chairman, I understand the gentleman from California is going to try to knock out the Trident. That is a submarine, and is liable to be stationed at Mare Island in his district, so he had better do some thinking about that also.

Mr. LEGGETT. I say to the gentleman from New York that the Trident——

Mr. KING. They do not dock any of them in my district in the Adirondacks.

Mr. LEGGETT. If they do, I shall be glad to consider it.

Mr. KING. Get them out to Mare Island, pull the plugs out of them. That is where they launch subs by sinking them.

The CHAIRMAN. To whom does the gentlewoman from Colorado yield?

Mrs. SCHROEDER. I yield to the gentleman from California (Mr. LEGGETT).

Mr. LEGGETT. I say that with a 40-foot draft on that Trident, it can hardly get into San Francisco Bay. That is why we are going to have to build new bases for them. It cannot get into any existing base, so we have to build new bases up in Washington.

Mrs. SCHROEDER. Mr. Chairman, I want to make several comments. I think the whole thing about the Soviet Navy we should be concerned about is the fact that they are ahead of us in submarines. I am not sure the carrier is the way to go. I think we should put our dollars where they are needed most.

Mr. STRATTON. Mr. Chairman, will the gentlewoman yield?

Mrs. SCHROEDER. I yield to the gentleman from New York (Mr. STRATTON).

Mr. STRATTON. Mr. Chairman, in earlier years the argument against the carrier, which was made a moment ago by the gentleman from California, has always been that the Soviet Navy has no carriers; so therefore, it has been argued that the carrier is really not an important war vessel.

Well, the fact of the matter is that the Soviet Navy not only has one carrier almost completed already but we now learn that they are building a second carrier.

Mrs. SCHROEDER. But they are much smaller.

Mr. STRATTON. Obviously the Soviets believe that the carrier is important enough so they must make every effort to catch up. That is exactly what they are doing now.

Mrs. SCHROEDER. The two Soviet carriers are nowhere near the 95,000-ton carrier we talk about when we talk about the CVN-7.

Mr. HUNT. Mr. Chairman, will the gentlewoman yield?

Mrs. SCHROEDER. I yield to the gentleman from New Jersey.

Mr. HUNT. When we start talking about who is No. 1, and if the gentleman from California now admits we are No. 2, as Jane's says, then why should we proceed to try to make ourselves No. 3? We do need the nuclear-powered carrier.

Mrs. SCHROEDER. But listen to what we are saying. The way to become No. 1 is not to put the funds in another carrier. We are No. 1 in that area. Put the money in areas where we are deficient.

Mr. HUNT. We have overage carriers now.

That is where we are deficient and I am pleased to note that the gentleman from Colorado concedes that point.

Mr. SIKES. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, the gentlewoman is very persuasive, but I am not persuaded and I rise in opposition to the amendment.

The U.S. Navy of today is a little more than half its size of just a few years ago. The cutback includes aircraft carriers, which made our naval strength significant in all parts of the world. The carrier was the core of that strength.

We are prone to overlook the fact that despite the great buildup in nuclear capability in recent years no nation has fought an atomic war, and probably none ever will. It would be the height of folly to engage in the wholesale death and destruction which nuclear war would bring.

We must maintain our conventional capability, too, and carriers can meet any challenge from nuclear weapons to conventional bombs. They are designed to operate in the face of any hostile attack. They are the key to America's maritime strength. They can help to protect our merchant vessels everywhere.

Seapower is the key to the maintenance of the U.S. presence abroad in time of war. It cannot be done by airpower alone.

Without strong and mobile conventional forces, we will have only two options when our national interests are threatened; either go to nuclear war or back down. Those were the options available to the Soviets in the 1962 Cuban missile crisis. The Soviets had a weak navy then. We had strategic nuclear superiority, and the Soviets backed down.

Since that time the Soviets have allocated vast resources to gain nuclear parity, and they now have it, and perhaps more.

They have placed equal emphasis on naval shipbuilding programs. They have built up and modernized their navy. Theirs is the most modern navy in the world, because it is the newest, and many of the experts will tell us in overall fighting power it is superior to ours, certainly in some respects.

Our Navy has been reduced by 45 percent of its ships, and the size of the American fleet next year will be the smallest since the 1930's.

We had 25 aircraft carriers at the time of the Cuban missile crisis. Now we have 16. We are going down to 15. Nearly half of them are World War II carriers. That means that they are suffering from physical deterioration and technical obsolescence, which comes from age. We cannot ignore that.

Where the number of ships is limited, quality is essential. Our number certainly is limited. We must have new ships and equipment.

We propose to build a nuclear-powered carrier, and this is doubly important in an age when energy fuels are getting scarcer and more difficult to supply, and when there are fewer supply ships. This ship can operate for 10 years—10 years without refueling. It is a must for American forces.

The amendment should be defeated.

Mr. WHITEHURST. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I have listened with interest to the debate, and I read with particular interest the minority view of the gentlewoman, and I listened to her comments in the well just a few minutes ago.

I think it is an interesting thing to see the kind of navy the Soviet Union has developed, because the Soviet Union has developed a navy directly as a result of the lesson it learned in the Cuban missile crisis 11 years ago.

Bear in mind that they knew they were beginning from scratch, and so what they were starting with was the assumption that they should build first a fleet that would be able to challenge the United States on the high seas, not to control the seas, but to challenge us in a way that would deny us the control of the seas.

Hence the large submarine fleet, and hence the surface units with which they began the development of the Styx missile. In other words, they began to develop those kinds of vessels which would not run them into a great expense and which would enable them at the same time to pose a definite surface challenge to us. There has just been made the mention of the construction of two additional new carriers by the U.S.S.R. Admiral Gorshkov himself has admitted that they have got to go this route because the Soviet Union knows that without attack carriers they cannot, in fact, finally and effectively challenge the United States on the high seas.

Mr. Chairman, I think that if we are to learn any lesson, it is the lesson the Soviet Union has learned from us. So this afternoon, as I stand in this well, I do not argue about what we have got right now; it is what we have got to have in 1980 and in the decades to follow.

What is going to be the situation? Shall we rely on bases abroad? Indeed not. We had 500 airbases abroad at the end of World War II; today we have got 37. We can try to operate from those bases if we get into a critical situation and see if we have permission to use them; we will not have them.

The Soviet Union, being a continental landpower, does not have to worry about this as we do. We rely absolutely on the rest of the world for our raw materials. Sixty percent of the vital strategic materials that we use in our industry comes from abroad, and over 90 percent of the items to which we are accustomed at some point are derived from resources that we get from overseas.

Mr. STRATTON. Mr. Chairman, will the gentleman yield?

Mr. WHITEHURST. I yield to the gentleman from New York.

Mr. STRATTON. Mr. Chairman, the gentleman has made a very important statement, particularly with regard to the possible lack of overseas land airbases in time of emergency.

Is it not true that in the Mediterranean today the Soviets usually have more ships in the Mediterranean than we have, and so the only measure of our superiority and of our ability to be effective in the Mediterranean if anything develops in the Middle East lies in the fact that our force contains two aircraft carriers?

Mr. WHITEHURST. The gentleman is absolutely correct.

The gentleman will remember 2 years ago or 3 years ago, when we went to the Mediterranean, the conversation we had there with Admiral Kidd.

Mr. STRATTON. And the situation is even more critical today, is it not, since we now have to depend more and more upon that Middle Eastern oil?

Mr. WHITEHURST. The gentleman is absolutely correct.

Mr. LEGGETT. Mr. Chairman, will the gentleman yield?

Mr. WHITEHURST. In a moment I will to the gentleman.

Mr. Chairman, it will take or would take over the period of time for the period that this vessel operated under nuclear power 11 million barrels of fuel oil that will not be used because this vessel will have nuclear propulsion.

Because of this, we will have 90 percent greater aviation fuel capacity than with a conventionally powered *Forrestal* type.

It will have 50 percent greater ordnance capacity than a conventionally powered *Forrestal*-type ship.

The gentlewoman made reference to the cost of the ship. Of course it is costly; all great weapons systems are.

The CHAIRMAN. The time of the gentlewoman has expired.

(By unanimous consent, Mr. WHITEHURST was allowed to proceed for 2 additional minutes.)

Mr. WHITEHURST. Her figures are not incorrect. If you count the aircraft that would be put aboard it and the escorts, the total cost in this period we are talking about for the 30-year life of the ship, will come to about $9 billion, but that is the equivalent of an annual cost of $300 million or about 1 percent of the Navy budget or less than 0.17 percent of the total U.S. budget. For Heaven's sake, let us see it in perspective.

Mr. LEGGETT. Will the gentleman yield?

Mr. WHITEHURST. I yield to the gentleman.

Mr. LEGGETT. I thank the gentleman for yielding.

I think the gentleman made a very good argument in favor of nuclear carriers. As you will recall, we were all out in the Mediterranean together getting the same statistics on the pragmatism of the nuclear carrier over the oil-burning carrier. I agree with the gentleman that we are going to have areas where it will be most cost effective, but the gentleman's argument in talking about all of these logistics and such as that is really an excellent argument to build carriers forever.

I do not believe there is anybody in the Department of the Navy or in the Pentagon who is serious today in contemplating a CVN after 1971 or 1972. The whole argument is, have we built the last nuclear carrier, or will we build CVN–70, which is the last nuclear carrier?

I am sure the gentleman well understands the fact that carriers do have some vulnerability considering the fact that we are as blind as we are in areas like the Mediterranean and other seas and are in fact developing longer range missiles all the time for our submarines which pose a considerable threat.

The CHAIRMAN. The time of the gentleman has again expired.

(By unanimous consent, at the request of Mr. LEGGETT, Mr. WHITEHURST was allowed to proceed for 1 additional minute.)

Mr. WHITEHURST. Go ahead. What is your question?

Mr. LEGGETT. Does the gentleman question whether or not this is the last proposed carrier of the Pentagon?

Mr. WHITEHURST. It may well be. This is a subjective judgment.

Mr. LEGGETT. The gentlewoman's argument is not really too inane. If the Pentagon itself suggests winding up this program and if this is the last ship, then should not——

Mr. WHITEHURST. Let us ask the gentlewoman if this is the last ship which she supported. She still would not support it. That makes your argument more specious, I think.

Mr. LEGGETT. I think the gentleman's time expired.

Mr. PRICE of Illinois. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, the fiscal year 1974 military procurement authorization bill before the House today includes $657 million for the balance of funds to allow the Navy to build its fourth nuclear powered aircraft carrier CVN-70. Last year's Department of Defense budget as approved by Congress contained $299 million for advance procurement for CVN-70 to allow the start of procurement for the long leadtime nuclear propulsion plant components for this ship. I support the need to build this ship for our Navy.

My service on both the House Armed Services Committee and the Joint Committee on Atomic Energy provides me a unique vantage point from which to view our defense.

Every American must recognize that the United States no longer has a nuclear weapons capability superior to that of the Soviets. Therefore, the United States cannot resort to nuclear retaliation over any issue for which we are not willing to risk our own annihilation. In my view, this situation dictates that we must maintain sufficient nonnuclear forces to provide a credible deterrent to lesser conflicts. All of the branches of our military services have such capabilities. A primary mission of our Navy is to insure that our first-line naval striking forces can carry out their mission against the threats the Soviets are presently developing.

Our major surface warships must have this capability, or we may end up without a credible deterrent to Communist encroachments which do not warrant escalation to a nuclear war. The all-nuclear carrier task force, with nuclear powered carriers as the heart of the task force, has the best chance of countering the nonnuclear naval threat the Soviets are developing.

For the foreseeable future the aircraft carrier will be the principal offensive striking arm of the Navy in a nonnuclear war. No other weapon system under development can replace the long-range, sustained, concentrated firepower of the carrier air wing. Torpedo-firing nuclear submarines, cruise missile-firing nuclear submarines, nuclear frigates with antiair and antisubmarine capabilities, all are needed to supplement and augment the capabilities of the nuclear carrier. But it is the carrier which provides the offensive punch.

It is widely understood that American nuclear superiority over the past 25 years has deterred nuclear war; it is not as widely understood that our naval superiority over this period has deterred lesser wars. If we do not maintain the capability to operate our first-line naval striking forces in all areas required by our national interests, we will have given up the ability to carry out sustained military operations away from our shores, not only by the Navy but by the other services as well. And in such a circumstance, where can we look for help? This country has friends, and this country has allies; let us hope that we never have to find out whether they are the same people. Every day there are more indications that we must not be placed in a position where we must make such a test.

We may well discover—because of the fault of no one—that we are alone. It is with no sense of frivolity that I liken our position in those circumstances, as we look around for help, to that of Adam in the Garden of Eden who, when asked by Eve, "Do you love me?" responded, "Who else?" Who else, indeed, can we look to to help us? We may well have at that time as little choice as Adam; and this has one simple moral: We must be independently capable of taking care of ourselves. We must avoid dependence on foreign bases including the overseas land airbases so often cited by some who oppose building nuclear carriers.

That this country has the choice of building nuclear-powered submarines and surface warships is a story in itself. At one time we were the only such nation. Of course, other nations quickly recognized that you cannot have a creditable naval force without nuclear propulsion. Accordingly, we were joined in having this special capability by the nations who do not want to be second. But if we do not continue to utilize our talents in this highly specialized technology, we will lose it.

I want all of us to recollect that the entire history of naval nuclear propulsion, starting with the *Nautilus*, the world's first nuclear submarine, required the leadership of the Congress, and the origin of which can be directly traced to the Congress.

At the beginning, the Congress was far from expert on nuclear matters, but it did have a sufficient understanding—an understanding lacking in the executive branch—to recognize the essentially clear message of the potential that was represented by nuclear propulsion. The Congress must follow through in its efforts to fuel for the propulsion if its first-line warships are taken advantage of.

I do not need to point out that nuclear propulsion is by no means restricted to submarines. A problem that faces the Congress this year, and may face us in years to come, is to get the Department of Defense to understand the importance of nuclear propulsion in our surface ships, too. I am referring, of course, to our aircraft carriers and the ships that accompany these carriers.

It took many years for the Congress to get the Department of Defense to understand the importance of providing nuclear propulsion in our new aircraft carriers. Regrettably, the two carriers following the *Enterprise*, which is our first nuclear carrier—the *America* and the *John F. Kennedy*—are oil fired despite the pleas of Congress to make them nuclear.

Finally, in 1966, the Defense Department came forward with a plan to build three nuclear-powered aircraft carriers. Two of these are now under construction, the *Nimitz* and the *Dwight D. Eisenhower*. For the 3 years starting in 1969 we tried to get the administration to make up its mind whether or not it is going to build the third ship of this class, the CVN-70. Last year the administration finally recognized the vital importance of proceeding with this ship and included funds for advance procurement in the budget. Unfortunately, the delay in making the decision to proceed has added unnecessarily to the cost of the ship. However, there is no point in crying over spilt milk—we have no choice now but to proceed without further delay. The ship, which even now will not be completed until 1980, is urgently needed in the fleet to replace aging World War II carriers which cannot cope with the Soviet threat of the 1980's and beyond. The CVN-70 will be able to operate the most advanced models of tactical aircraft. She will be operating with the fleet well into the 21st century.

Older carriers have no growth potential left. Even with the extensive modernization accomplished in each class, deficiencies remain in relation to carrier requirements for the 1980's.

If the Navy retires carriers at 30 years of age—the current Navy estimate of useful life of a carrier—we will have a carrier force of 11 to 12 carriers through 1985 with no new carrier construction. Funding CVN-70 now will allow a force of 12 to 13 carriers between 1980 and 1985. The range in force estimates depend on the age when the *Midway* is retired.

It is not clear how long the *Midway* can be retained in service, as no carrier has ever been extended in operation beyond 30 years. In my view, the rapid increase in technology makes many of our weapons systems obsolete much before the end of their physical lifetime. She underwent an extensive modernization between 1966 and 1970. When the CVN-70 joins the operating fleet in 1981, the *Midway* will be 36 years old.

Attack carriers are being operated harder than any surface ships in naval history. As the number of carriers is reduced, the requirements placed on each carrier are increased. The carriers in the fleet today were designed to specifications which assumed a 20-year ship life. Therefore, the assumption that all of our present carriers can provide 30 years or more of reliable operation is questionable.

The reasons for building the CVN-70 now are the acute need for force modernization and the fact that while carrier force levels have decreased sharply, the worldwide tactical air strike requirements have not. In addition, for the first time in the quarter century since World War II the United States is faced with a naval threat challenging our ability to maintain free use of the seas. The mobility and sustained firepower available only in an all-nuclear carrier task force is required to counter this threat.

A special joint subcommittee of the Senate and House Armed Services Committees published a report and an 800-page hearing record on the CVAN-70 in April 1970. The subcommittee report concluded we should go ahead with this nuclear carrier. I thoroughly believe the events of the last 3 years reinforce the position taken by that special joint subcommittee. You will recall that the Chairman of the Joint Chiefs of Staff, General Wheeler, testified that, in his view, 16 attack carriers were needed for the foreseeable future.

Subsequent to his testimony, due to fiscal constraints, the Navy has been forced to phase out all antisubmarine warfare carriers and assume the submarine role on the attack carriers. In addition, the number of attack carriers is planned to be reduced to 12 in the next few years. The number of ships in the Navy as a whole, by the end of fiscal year 1974, will be the smallest it has been since the mid-1930's.

Meanwhile, the Soviet naval threat continues to expand in quality and quantity. They have even started building aircraft carriers. This will enable them to extend the range of operation of their surface fleet.

All of these events emphasize the importance of modernizing our carrier forces and the importance of increasing the number of nuclear powered warships in the fleet. I agree with Admiral Zumwalt's statement:

> It would be difficult to overstate the importance of CVN-70 to our naval strength of the future. The range of naval missions made possible by the four nuclear powered aircraft carriers the United States will have when CVN-70 is completed in 1980 will be essential if we are to continue to insure our free access to the vital seas of the world in support of our national interests. I consider CVN-70 to be of unique importance among our general purpose weapon systems.

The nuclear surface warships I have talked about today will cost a lot of money. But the advancement of technology has caused all military hardware to become complex and costly. With the fiscal constraints placed on the economy and the desire of our people to devote their energies to solving the many internal problems of our Nation, it is onerous to make major investments for our future military security. It is tempting to conclude that we cannot afford to pay the high costs of the weapons needed to counter our potential enemies successfully. However, if the investment for our future military security is not made now, there may be no future. As President Truman so aptly said:

> All national security programs are expensive and we might as well face up to it.

The price we must pay to have an adequate defense is small compared to the price we will pay if we have an inadequate defense.

The statement by President Eisenhower quoted on the keel of the nuclear aircraft carrier now under construction which will bear his name sums up the situation:

> Until war is eliminated from international relations, unpreparedness for it is well nigh as a criminal as war itself.

The United States needs modern warships—ships with modern weapons and nuclear propulsion. Our fleet of ships designed in World War II is getting too old and outdated to match the modern weapons of the newly built Soviet fleet.

The choice we face is to embark on a vigorous program of fleet modernization including nuclear surface warships, both carriers and frigates, or accept the fact that we will soon find ourselves unable to defend our national interests. I hope history will record that the American people have the courage and determination to do what is necessary to maintain the strength of our great Nation.

Mr. WRIGHT. Mr. Chairman, will the gentleman yield?

Mr. PRICE of Illinois. I yield to the gentleman from Texas.

Mr. WRIGHT. Mr. Chairman, I would like to suggest a few thoughts concerning the A-7D, for which authorizations will be included in the Senate bill, but those authorizations are not included in this committee bill. Permit me to suggest one valid reason why some additional A-7D procurement should be considered.

With the advent of the "all-volunteer force" for the armed services and the increasing cost of providing an adequate defense for the country, the "Total Force Concept" for the Air Force becomes more and more important. Under this concept it is imperative that the 400-odd 18-year-old F-100's in the Air National Guard be replaced. Current plans call for the transfer of the first three squadrons of A-7D's into the ANG in the first and second quarters of next year as a first step in implementing this much needed modernization program.

However, it must be recognized that modernization of the Air National Guard cannot be done at the expense of the active forces. Since the replacement aircraft for the A-7D is not scheduled into the active force inventory until late in 1977 at the earliest, the first line active force strength must be protected either by buying additional A-7D aircraft to replace those being transferred to the ANG or by buying additional aircraft specifically for use by the ANG. I am sure that these facts are what led to the action by the Senate Armed Services Committee to amend the defense appropriation authorization bill for fiscal 1974 to add the procurement of 24 A-7D aircraft.

In view of the above facts, I should like to urge the House conferees to give serious consideration to supporting this Senate amendment in conference.

Mr. ARMSTRONG. Mr. Chairman, I rise in opposition to the amendment proposed by my colleague from Colorado. In my judgment, the gentlewoman has proceeded from a mistaken premise; the conclusion is therefore wrong.

The sponsor of this amendment argues there is no strategic role for CVN-70 and this ship contributes only marginally to other missions.

I respectfully disagree. As other members of the committee have pointed out, the Soviet Navy has been growing rapidly. Indeed, testimony before the Sea Power Subcommittee underscores the grim reality that the United States can no longer claim more than parity with Soviet naval strength. Many knowledgeable observers contend that the United States has already become a second-rate naval power.

We need a strong nuclear carrier capability in order to maintain naval parity and to keep alive our hope of recapturing naval superiority. To eliminate CVN-70 under these circumstances would be a grave mistake.

A modern carrier fleet is required to protect freedom of the sea. And, as Mr. WHITEHURST has pointed out, keeping the sealanes open is essential to the security of this Nation—not merely for theoretical or esoteric reasons, but plainly freedom of the sea is essential for the very survival of our country.

I have never been one who believes that the weight of an argument depends upon its length. So for that reason, and since other speakers have already pointed out the need of CVN-70 and the essential weakness of the arguments advanced in support of the amendment, I will not take the time of the committee to further discuss the overall mission of this carrier

But there is one aspect of the debate which I think should be clarified. My colleague from Colorado has raised a proper question as to the number of carriers which this Nation should maintain. I would like to respond by quoting from Admiral Linder's statement before the Sea Power Subcommittee:

> The number of aircraft carriers the United States should maintain in active service is not an easily derivable single quantity resulting from a simple equation. Rather, it is a matter of careful and deliberate judgment, balancing projected wartime requirements against current budget limitations.
>
> The number of aircraft carriers maintained in active service is an annual compromise between the military judgment of wartime requirements and the level of budgetary support that can actually be allocated to those requirements in peacetime. The Joint Chiefs of Staff annually develop strategic and general purpose force requirements to meet the objectives of the national strategy, based on the stated wartime needs of commanders of unified and specified commands around the world. These force levels are based on the current and projected threat posed by potentially hostile power, strength of our allies, and probable wartime situations. Fiscal guidance issued by the Secretary of Defense, in consideration of total national objectives and resources available, establishes the limiting parameters within which the services and the Joint Chiefs of Staff then formulate their recommendations as to force levels. The Secretary of Defense makes the final decisions which are reflected in the budget submission. The FY 1974 budget provides for 15 aircraft carriers.
>
> When it is remembered that we had 98 aircraft carriers in active service in the closing months of World War II, when our total national assets were mobilized for war, it is evident that peacetime active force levels, constrained by peacetime fiscal considera-

tions, provide fewer aircraft carriers than the numbers needed to meet all situations that might possibly develop in wartime.

In conclusion, I recommend the House reject this ill-considered amendment.

Mr. JONES of Oklahoma. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, when I came to serve on this committee as a first term Member, I came with an open mind and with a commitment to cut out waste and inefficiency in the Department of Defense or any department of the Government.

When I was appointed to the Subcommittee on Naval Affairs, I had had some doubts about the need for a large expenditure for a weapons system such as the CVN–70. Frankly, I carried these doubts until the testimony before our subcommittee. I was persuaded, in large measure, by the testimony of a gentleman whom I have grown to respect for his independence and for his commitment to reduce waste and inefficiency, and that is Admiral Rickover.

I regret that the gentlewoman from Colorado (Mrs. SCHROEDER) was not present at the subcommittee hearings when Admiral Rickover presented the case for the CVN–70, so that she could get answers to some of the questions she raises today.

I think some facts have been presented which do need to be discussed, and set in perspective.

First of all, the gentlewoman from Colorado mentioned that the CVN–70's aircraft would have only about a 35-percent offensive capability. I am unable to detect where the gentlewoman from Colorado gets these figures. I have checked again with the Department of Defense and other sources to try to verify those figures, and those figures cannot be verified.

Approximately two thirds of the aircraft carried on the CVN–70 would have an offensive attack capability and an additional 15 percent would have a support capability to support the bombing aircraft, or about 85 percent would be of an offensive capability.

I think if we look at the use of the aircraft carriers in Southeast Asia we find that in some cases as much as 80 percent of the aircraft carried were committed to offensive attack operations. Perhaps the aircraft carrier has the most flexibility as far as carrying out its specific missions as any weapons system in the Navy. I think it is fallacious to say that this particular aircraft carrier does not have a mission. It has the most flexible mission both in a nuclear situation and in the conventional sense. And as a deterrent, I think we should not overlook the fact that the deterrent capability of our aircraft carrier force has been unmistakable. It has been one of the major reasons why we have not been engaged in major sea warfare in the past 25 years. And that is a moneysaver right there.

When one considers that at the close of World War II, it was costing the United States $300 million a day to conduct that war, and in today's dollar, it would be over $650 million, any deterrent capability of any weapons system will be a savings in money in the long run.

I think it is also well to consider the comments made by the gentlewoman from Colorado about land based air facilities, and that these can carry out the mission of the Navy without need for carriers. This is a fond hope at best.

At the present time, we have 37 bases overseas, and of those at least 11 probably could not be used in time of war for various political reasons. Also, we have reason to believe that there will be further reductions in overseas bases and, frankly, I would support such a move. Now when you look at cost effectiveness, we see it would cost $1 billion for the CVN–70 and the aircraft thereon would cost another billion dollars. Of course, the aircraft costs will be there, regardless of whether we have the CVN–70 or not. If we look at that cost compared to what we are spending on land bases in Spain alone, we find that it is less expensive to build the CVN–70 than to maintain the land base. Since the 1950's, when we have had our bases in Spain, the United States has spent a little over $3 billion in aid to Spain to have the rights to those bases, and that cost does not include, for instance, such items as foreign exchange spent in Spain.

The CHAIRMAN. The time of the gentleman from Oklahoma has expired.

(On request of Mr. HUNT, and by unanimous consent, Mr. JONES of Oklahoma was allowed to proceed for 1 additional minute.)

Mr. HUNT. Mr. Chairman, I take this opportunity to compliment my colleague, the gentleman from Oklahoma, on his very excellent research and rationale that he has applied to his amendment. It is most refreshing to find someone like the gentleman from Oklahoma who takes so much time to delve into the real and actual value of the carrier that we need so very badly, who is not to be swayed by emotional factors but who simply states the facts as they really are. I think at this stage of the game his argument which he has just made is very conclusive, and I am certain that his contribution will do much to defeat this amendment.

Mr. JONES of Oklahoma. I thank the gentleman from New Jersey.

I will say that we would all like to live in a world in which human kindness flows freely, but I think if we are realistic, we have to recognize the fact that we live in a world where aggression is possible and where the greatest deterrent to aggression is the flexible power of this country to deter it.

Mr. BINGHAM. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, I believe there are many points in which reductions can be made in this bill, and I shall support other efforts at reduction. But I honestly do not know of any case where I think there is more outrageous waste than in this particular case of the CVN–70.

I want to commend the gentlewoman from Colorado for her amendment. She has well stated the case.

Let me just mention a few points. We are talking here about 12 attack carriers in 1980 as against 11 carriers. The case that is to be made for this carrier—and I do not care whether it is nuclear or not—has to be for that increment. Do we need 12 as against 11 in 1980?

The gentleman who just spoke, the distinguished gentleman from Oklahoma, mentioned deterrents. There is no nuclear deterrent in a carrier force. The Navy does not claim there is such a deterrent. The carrier has to do only with conventional warfare. In a nuclear war, the carrier is known to be vulnerable and has no significance whatever.

Now let us compare the carrier strength of the United States with that of the Soviet Union. We have today 14 or 15 carriers. We will have 11, according to the Navy's schedule, by 1980 without CVN–70. These are attack carriers in every sense of the word, major vessels.

The Soviets have only one carrier and it is only half the size of ours or less, capable of accommodating, not the kind of aircraft that operate from our carriers, but a V/STOL-type of aircraft with limited capabilities. The Soviets appear to be building a second carrier of the same type. That is the state of the comparison today. Even the most ardent proponents of the theory that the buildup of the Soviet Navy represents a grave threat to our security cannot make a case in terms of the relative strengths of the carrier fleets.

What does the Navy say are the missions of the attack carriers? There are three. First, sea control. I happen to believe that in talking about sea control, the Navy is talking in obsolete concepts of 19th century and early 20th century warfare, but let us pass that point. Surely there are more effective and economical ways of providing sea control or the safety of sea lanes than by huge and vulnerable carriers that themselves require escort vessels for protection and that have to devote a large proportion of their aircraft to their own defense. The sea control ships that are proposed would appear to be a far more economical and efficient way of accomplishing the objective of sea control.

The projection of power ashore is the second mission. We have seen such operations off North Vietnam. One can argue about how effective they have been, but, aside from this essential point to vote them in the Vietnam war our carriers were never subjected to effective air or missile or sea-borne opposition. Thus there remains a big query as to whether they could have operated effectively if there had been such opposition.

In any case, the Vietnam war conflict seems to be the type of conflict in which carriers would be most useful, that is to say conflicts in the third world—not a conflict with the Soviet Union, not a matter of direct threat to our national security, but the kind of war that we have been involved in Southeast Asia and which we have had very grave reason to question.

The third mission for carriers is "peacetime presence" or show-the-flag" operations.

I would submit to the Members that

there are very grave doubts as to the importance of such operations. Certainly we do not need a $3 billion vessel—and I use that figure because of the need for aircraft and escort vessels to accompany the CVN–70—for good-will visits to foreign ports. Indeed I am told the carriers are wearing out their welcome in the Mediterranean ports. There is indeed a serious question as to whether such visits are not overdone.

Certainly the Navy's sending of the aircraft carrier to the Bay of Bengal during the Indian-Pakistan war was generally considered to be a counterproductive gesture, a type of gunboat diplomacy which was of no use to the Pakistanis and was deeply resented by the Indians.

The gentle lady from Colorado has properly stressed the tremendous expense of the CVN–70, its aircraft and escort vessel. If we look at the 30-year expected life of this carrier and the number of times the planes would have to be replaced, the cost is even more staggering—it could well amount to $9 billion.

Mr. Chairman, I am not opposed to carriers as such. While they are probably doomed to extinction—just like the battleships of the past—but no doubt they still have their uses in today's world.

The point I want to stress is that in my view the Navy has completely failed to prove its case that 11 carriers as of 1980 will not be enough.

I urge support of the Schroeder amendment.

Mr. BENNETT. Mr. Chairman, I move to strike the last word and I rise in opposition to the amendment.

There are a number of things we need some clarification upon. One is ambiguity in the use of the word "strategy." I do not want to belabor it but I do think we ought to look at it. It has been stated the carrier has no strategic use. As a matter of fact, before the Polaris and Poseidon it was our most important strategic weapon in the sense that we are talking about; that is, a deterrent by a second strike capability.

Some people do not realize the total strategy of America with regard to this. Our strategy is that we design some of our weapons to prevent war of a nuclear type from arising by the presence of strength in our own nuclear forces, to wipe out an enemy if they attack us with nuclear weapons. That kind of war we hope always to prevent, and the fact that we have had the carriers in the past decades is probably the chief reason why we have not had that kind of war. To say carriers have no strategic value is obviously absurd.

It has been said we have too many of these carriers, but they are absolutely essential to the overall strategy for America, because we do need to have at least two of these in each of the two major oceans; that, is the Pacific and the Atlantic. They are important also from the standpoint of bringing into our forces the modern, up-to-date type carrier rather than those which are going out, not only because of the age of some carriers we use today and when they were built, in World War II, but also because of the fact that the older carriers have become obsolescent in some degree in the details of their configuration.

As we look at these modern nuclear carriers we find their tremendous value is also from the standpoint of being able to keep the seas free so that we can move troops and materiel. We also see they do in fact have even a second strike capability, not as great now as our Polaris and Trident but significant.

The major fact is that if in our day we did have nuclear war or a conventional war we would be able to move troops and material. We would be hard put to find a more important place to put our defense money. In fact, Admiral Zumwalt on page 3645 in the hearings said:

> I think the first thing to counter is the statement that aircraft carriers are a waste of money. Their value to sea control is critical and is also recognized by the Soviets.

He goes on to talk about the war in Jordan and how we prevented a type of war there from expanding.

Mr. KEMP. Mr. Chairman, will the gentleman yield?

Mr. BENNETT. I yield to the gentleman from New York.

Mr. KEMP. Mr. Chairman, I commend the gentleman for his statement and wish to associate myself with his remarks.

It is unfortunate that there are those who believe conventional war does not also need a strong deterrent force. The gentleman mentioned the Syrian tank invasion of Jordan, I believe in September of 1970, and he was exactly right in pointing out to our colleagues that at the time our President sent the 6th Fleet into the Mediterranean as a deterrent to larger war. In fact the Syrian tanks were withdrawn and the chances of war negated and the peace, fragile as it is, still exists in that troubled area of the world.

The same thing happened when President Johnson in the 6-day war vis-a-vis the Soviet threat of getting involved in the Arab-Israeli conflict used the 6th Fleet as a deterrent. It was a deterrent to conventional war and the extension of warfare in the Indian-Pakistan dispute.

The gentleman makes an excellent point. I associate myself with his remarks and with those of the gentleman from Oklahoma who made the point that as costly as an arms race is, there is one thing costlier, and that is arms inferiority. This Nation can ill afford to be arms inferior at a time like this when we are truly in a position to negotiate a reduction of tensions rather than by confrontation. I hope this amendment is defeated.

Mr. BENNETT. Mr. Chairman, I would like to point out that this continuation of funding for this carrier is for the continuation of a ship we authorized in the last Congress.

Mr. HÉBERT. Mr. Chairman, will the gentleman yield?

Mr. BENNETT. I yield to the distinguished chairman of the committee (Mr. HÉBERT).

Mr. HÉBERT. Mr. Chairman, I ask the gentleman to yield in order to direct the attention of the House to the fact that this amendment was originally offered and discussed in the Armed Services Committee. If the gentleman recalls, it was thoroughly discussed in the subcommittee which he so ably handles. What was the vote in that subcommittee?

Mr. BENNETT. It was not unanimous. The gentlewoman from Colorado (Mrs. SCHROEDER) was there.

Mr. HÉBERT. Only the gentlewoman from Colorado, from Denver, supported the amendment. When it came to the full committee, the vote was 29 to 5 against the amendment.

I merely make this statement of fact for the benefit of the House.

The CHAIRMAN. The question is on the amendment offered by the gentlewoman from Colorado (Mrs. SCHROEDER).

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mrs. SCHROEDER. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 88, noes 323, not voting 22, as follows:

[Roll No. 405]

AYES—88

Abzug
Adams
Addabbo
Anderson, Calif.
Ashley
Aspin
Badillo
Bergland
Bingham
Blatnik
Brademas
Brown, Calif.
Burke, Calif.
Burke, Mass.
Burlison, Mo.
Burton
Carey, N.Y.
Carney, Ohio
Chisholm
Clay
Collins, Ill.
Conyers
Corman
Culver
Danielson
Dellenback
Dellums
Diggs
Drinan
Eckhardt
Edwards, Calif.
Forsythe
Fraser
Frenzel
Green, Pa.
Griffiths
Gude
Harrington
Hawkins
Hechler, W. Va.
Heckler, Mass.
Helstoski
Holtzman
Howard
Hungate
Jordan
Kastenmeier
Koch
Leggett
Lehman
Long, Md.
McCloskey
Macdonald
Matsunaga
Meeds
Metcalfe
Mezvinsky
Mink
Mitchell, Md.
Moakley
Moorhead, Pa.
Moss
Owens
Rangel
Rees
Reuss
Riegle
Rodino
Rosenthal
Roybal
Ruppe
St Germain
Sarbanes
Schroeder
Seiberling
Stark
Stokes
Studds
Symington
Thompson, N.J.
Tiernan
Vanik
Vigorito
Waldie
Whalen
Yates
Young, Ga.
Zwach

NOES—323

Abdnor
Anderson, Ill.
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Archer
Arends
Armstrong
Ashbrook
Bafalis
Baker
Barrett
Beard
Bell
Bennett
Bevill
Biaggi
Biester
Blackburn
Boggs
Boland
Bolling
Bowen
Brasco
Bray
Breaux
Breckinridge
Brinkley
Brooks
Broomfield
Brotzman
Brown, Mich.
Brown, Ohio
Broyhill, N.C.
Broyhill, Va.
Buchanan
Burgener
Burke, Fla.
Burleson, Tex.
Butler
Byron
Carter
Casey, Tex.
Cederberg
Chamberlain
Chappell
Clancy
Clark
Clausen, Don H.
Clawson, Del
Cleveland
Cochran
Cohen
Collier
Collins, Tex.
Conable
Conlan
Conte
Cotter
Coughlin
Crane
Cronin
Daniel, Dan
Daniel, Robert W., Jr.
Daniels, Dominick V.
Davis, Ga.
Davis, S.C.
Davis, Wis.
de la Garza
Delaney
Denholm
Dennis
Dent
Derwinski

Devine
Dickinson
Dingell
Donohue
Dorn
Downing
Dulski
Duncan
du Pont
Edwards, Ala.
Eilberg
Erlenborn
Esch
Eshleman
Evans, Colo.
Fascell
Findley
Fish
Flood
Flowers
Flynt
Ford, Gerald R.
Fountain
Frelinghuysen
Frey
Froehlich
Fulton
Fuqua
Gaydos
Gettys
Giaimo
Gibbons
Gilman
Ginn
Goldwater
Gonzalez
Goodling
Grasso
Gray
Green, Oreg.
Gross
Grover
Gubser
Guyer
Haley
Hamilton
Hammerschmidt
Hanley
Hanrahan
Hansen, Idaho
Hansen, Wash.
Harsha
Harvey
Hastings
Hays
Hébert
Heinz
Henderson
Hicks
Hillis
Hinshaw
Hogan
Holifield
Holt
Horton
Hosmer
Huber
Hudnut
Hunt
Hutchinson
Ichord
Jarman
Johnson, Calif.
Johnson, Colo.
Johnson, Pa.
Jones, Ala.
Jones, Okla.
Jones, Tenn.
Karth
Kazen
Keating
Kemp
Ketchum
King
Kluczynski
Kuykendall
Kyros
Landrum
Latta
Lent
Litton
Long, La.
Lott
Lujan
McClory
McCollister
McCormack
McDade
McEwen
McFall
McKay
McKinney
McSpadden
Madden
Madigan
Mahon
Mailliard
Mallary
Mann
Maraziti
Martin, N.C.
Mathias, Calif.
Mathis, Ga.
Mayne
Mazzoli
Melcher
Michel
Miller
Minish
Minshall, Ohio
Mitchell, N.Y.
Mizell
Mollohan
Montgomery
Moorhead, Calif.
Morgan
Mosher
Murphy, Ill.
Myers
Natcher
Nedzi
Nichols
Nix
Obey
O'Brien
O'Hara
O'Neill
Parris
Passman
Patman
Patten
Perkins
Pettis
Peyser
Pickle
Pike
Poage
Podell
Powell, Ohio
Preyer
Price, Ill.
Price, Tex.
Pritchard
Quie
Quillen
Railsback
Randall
Rarick
Regula
Rhodes
Rinaldo
Roberts
Robinson, Va.
Robison, N.Y.
Rogers
Roncalio, Wyo.
Roncallo, N.Y.
Rooney, Pa.
Rostenkowski
Roush
Rousselot
Roy
Runnels
Ruth
Ryan
Sandman
Sarasin
Satterfield
Saylor
Scherle
Schneebeli
Sebelius
Shipley
Shoup
Shriver
Shuster
Sikes
Sisk
Skubitz
Slack
Smith, N.Y.
Snyder
Spence
Staggers
Stanton, J. William
Stanton, James V.
Steed
Steele
Steelman
Steiger, Ariz.
Steiger, Wis.
Stephens
Stratton
Stubblefield
Stuckey
Sullivan
Symms
Talcott
Taylor, Mo.
Taylor, N.C.
Teague, Calif.
Teague, Tex.
Thomson, Wis.
Thone
Thornton
Towell, Nev.
Treen
Udall
Ullman
Van Deerlin
Vander Jagt
Veysey
Waggonner
Walsh
Wampler
Ware
White
Whitehurst
Whitten
Widnall
Wiggins
Williams
Wilson, Bob
Wilson, Charles H., Calif.
Wilson, Charles, Tex.
Wolff
Wright
Wyatt
Wydler
Wylie
Wyman
Yatron
Young, Alaska
Young, Fla.
Young, Ill.
Young, S.C.
Young, Tex.
Zablocki
Zion

NOT VOTING—22

Alexander
Camp
Evins, Tenn.
Fisher
Foley
Ford, William D.
Gunter
Hanna
Jones, N.C.
Landgrebe
Martin, Nebr.
Milford
Mills, Ark.
Murphy, N.Y.
Nelsen
Pepper
Reid
Roe
Rooney, N.Y.
Rose
Smith, Iowa
Winn

So the amendment was rejected.

The result of the vote was announced as above recorded.

AMENDMENT OFFERED BY MR. LEGGETT

Mr. LEGGETT. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. LEGGETT: Page 2, line 15, strike out "$3,788,200,000" and insert in lieu thereof "$3,619,000,000".

Page 2, line 21, insert immediately after "interest" the following: ": *Provided*, That no part of the funds available to the Navy shall be available for the landing helicopter assault ships (LHA) program".

Mr. LEGGETT. Mr. Chairman, I must comment that the House has had an opportunity to readjust priorities to the amendments that have already been offered to the extent of about $1 billion, but you have not chosen to exercise the options given to you. However, we are going to continue to offer these opportunities

This particular amendment we are offering at this time is to reduce the total funding for the landing helicopter assault program by $169 million.

The amendment is very simple. You might say "Well, why reduce Litton's program in Pascagoula by $169 million and terminate the LHA program?"

The fact of the matter is this did not terminate the program. We have already appropriated and authorized better than $950 million for the landing helicopter assault program, and to date the only thing that we can see is that one LHA is 38 percent complete.

When we were in here a year ago we had one LHA that was 2 percent complete. Admittedly, we have gone into planning and R. & D. in a great number of other items, but the fact remains that when this House approved $950 million for the LHA program a few years ago we had every intention of approving a nine-ship program at a total cost of about $1.4 billion. But now we find that due to cost overruns, the fact that the Navy has tried to get $55 million in payments back from Litton and has been restrained from doing this by the court, we have converted this program to a cost reimbursement program rather than payments according to the original contract.

We find that in addition to the $951 million that we have authorized and appropriated, and in spite of the fact that we are only 38 percent complete with one ship, that the Navy is asking for a funding of $169 million which is the purported tail end of the program. And if I can give you the termination dates on these ships, the first ship was supposed to be completed on the 30th of March of this year, and that ship has now been extended to the 14th of March of 1975.

Rather than building nine ships, they have converted the program to a five-ship program.

The second ship is going to be completed not in June of this year, but in September of 1975. The third ship is not going to be completed in October of this year, but in February of 1976. The fourth ship is not going to be completed in November of this year, but in July of 1976. And the fifth ship is not going to be completed next April, but will be completed in December of 1976.

And so what I see, and what the writers in national defense have said in a number of articles that were written in national periodicals, there is no purpose in approving the last 10 percent of the LHA program because it is not going to be earned for at least 3 years. And they indicate that the total program now for five ships is $1.14 billion. But the case is in court. We do not know whether the court is going to approve a $100 million claim for Litton, a $200 million claim for Litton, or more.

So, considering the fact that we well might be spending——

The CHAIRMAN. The time of the gentleman has expired.

(By unanimous consent, Mr. LEGGETT was allowed to proceed for 3 additional minutes.)

Mr. LEGGETT. Mr. Chairman, considering the fact that we might be spending the same amount for five ships that we thought last year and the year before we would be spending for nine ships, I think that we would be foolhardy to give up the last straw of control that we have over this program. Because it will not breach the contract. It has nothing to do with the problems of the shipyard down at Pascagoula, and it gives better bargaining power to the contractor as far as settlement.

It gives better bargaining power to the contractor as far as settlement, and I do not think that these funds are going to be appropriated. I do not think that our committee ought to authorize them. I think we ought to keep a handle on this contract for next year and the next year, and even in two years if we authorize it, we will be authorizing funds a year earlier.

Mr. HUNT. Mr. Chairman, will the gentleman yield?

Mr. LEGGETT. I yield to the gentleman from New Jersey.

Mr. HUNT. Referring back to the discussion on the litigation between the United States against Litton, is it not true, too, that the courts might decide, and conceivably so, in favor of the Government and pay nothing?

Mr. LEGGETT. Exactly.

Mr. HUNT. Just one more question which I am a little bit interested in. Can the gentleman really assure the House that the reducing figures in this amendment, as I figure, at $169.2 million are accurate? I am still a little dubious about the gentleman's figures. He was $25 million off on the last one, and I want to make sure the gentleman is correct on this one.

Mr. LEGGETT. I think the gentleman's apprehensions are warranted, but I made these compilations myself, and I can assure him that the differences in the amendment do correspond with the representations here on the floor.

Mr. HUNT. I thank the gentleman.

Mr. MOLLOHAN. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, we all agree that Congress must exercise firm control over expenditures. But we must also guard against indiscriminately slashing funds from military programs. I am afraid that is just what we would be doing if we approve this amendment. The five LHA's under contract to Litton represent the heart of our amphibious assault capability for the rest of this century.

Obviously, there have been scheduling problems and cost increases. But there is an explanation for this that we should know and understand. The Department of the Navy awarded the LHA contract to Litton because this company offered the best proposal for building the LHA's the way the Navy wants them built. The basic objective is to devise an automated assembly line process and to reduce costs.

During World War II, America successfully used assembly line shipbuilding techniques. But, after the war, ships were built "one here" and "one there" to divide limited business among the Nation's shipyards. The end result was higher costs. In the meantime, Sweden, Japan, and the Soviet Union have taken our World War II mass production techniques and successfully refined them. This is what we are attempting to do at Pascagoula where the LHA's are under construction.

The latest Navy audit of Litton's operations at Pascagoula reveals that the company is overcoming the problems it has experienced. According to the Navy Report—

The company has merged and reorganized operations, which has resulted in more efficient management.

Planning and scheduling have improved.

Productivity has increased.

Manpower and skill shortages have mostly been overcome. Now while delivery of the LHA's is 2 years behind schedule, it is imperative to note that the first ship contract is 47 percent complete, and the others are well on the way.

The amendment under consideration refers to supposed cost overruns. However, there really are not any cost overruns. On every contract of this kind there is a target price. There is also a ceiling price—which means costs cannot exceed a specific amount. The special problems Litton has encountered in devising an automated process warrant payment of the ceiling price.

Escalation clauses were also written into both the target and ceiling contracts for the LHA's. And this is not unusual. Escalation clauses are added to most Government shipbuilding contracts to compensate for increased, long-term labor and material costs. So it is not factual to infer that the escalation costs in this contract constitute cost overruns. The Cost of Living Index has risen 27.1 percent since January of 1968—ample evidence that these escalation costs are justifiable, not imaginary.

The Navy has also emphatically enforced its contract with Litton. The ceiling price has not been violated and the Navy assures us that it will not be. To deny funding at this point would violate the Navy's contract with Litton, which would allow the company to demand a renegotiated contract. The result would be even higher costs or do without the LHA's, which the Navy must have to maintain a minimum of assault readiness. The Navy is adamant that its contract still represents the cheapest, quickest, and most promisingly efficient way to obtain these vessels.

Mr. Chairman, I oppose this amendment in the national interest and urge that it be defeated.

Mr. SPENCE. Mr. Chairman, I move to strike the last word and rise in opposition to the amendment.

Mr. Chairman, I do not want to belabor the point, but I just want to point out a few things that I think should be brought to the attention of the Members.

Mr. Chairman, the purpose of my remarks here today is to share with my colleagues some of the facts about the landing heavy assault—LHA—ship, and explain why I feel that its authorization is not only appropriate and justified, but also vital to our military posture.

First, for those of you who are not familiar with the LHA and its mission as a weapon system, here is some background information.

Amphibious assault ships have one basic purpose; that is, to transport and land Marines or other combat troops. An efficient amphibious assault force is necessary for two reasons. First, it provides a flexible force for use in smaller scale conflicts, such as insurrections. Second, it provides us with the capability to seize footholds on heavily defended territory, where sealift or airlift would be impossible.

Currently, a naval amphibious assault is accomplished by sending landing forces to the target area in a group of specialized ships, and then launching the assault by using the vehicles from these ships to transport the landing force to the beach.

The problem with the present approach is twofold. One, it is too slow. The obsolete and aging World War II ships which now comprise our amphibious assault force have speeds ranging from 11 to 17 knot, whereas a 20 knot capability is considered a minimum requirement. Two, the specialized nature of the ships we now have severely restrict the effectiveness of the operations. An extensive study carried out jointly by the Navy and the Secretary of Defense indicated that fewer large general purpose ships were more economical for the amphibious assault program than a larger number of small specialized ships. It was from this determination that the concept and design of the LHA was developed.

The LHA is an entirely new class of ships which will carry a balanced load of troops, combat vehicles, and combat cargo; land these forces under assault conditions by helicopters, amphibian vehicles, and landing craft; and provide command and control facilities for the assault operations.

The LHA will be a 40,000-ton ship, slightly more than 800 feet in length. It combines the characteristics of several current amphibious ship designs, including a full length flight deck, a docking facility for landing craft, a large garage for trucks and other vehicles, and sleeping area for an entire battalion. With these facilities, it will combine the features of the amphibious assault ship—LPH—the amphibious cargo ship—LKA—and the amphibious transport dock—LPD—in a single hull. In most categories, the LHA will exceed the capabilities of each of these ships. In other words, we are buying a ship which will not only do everything that three different specialized ships will now do, but it will also do them better.

It is especially important to note during this debate, in which economy is such a large factor, that upon approval of the LHA construction program in 1966, it was possible for 18 specialized assault ships to be dropped from the approved building program by the Secretary of Defense. In addition, three active amphibious ships were subsequently retired.

Concern has been expressed in the minority report you now hold, and elsewhere, about whether or not the LHA program should be continued. Some of my colleagues believe that the funds your committee has recommended for five LHA's, which are now well into production, should be deleted. In an attempt to discredit the ship itself, they are using the general dissatisfaction with the manner in which Litton systems has carried out its obligation under its contract. They say that since the unit cost has increased, and the ships are late in delivery, Congress should call it quits on the LHA. This would be a tragic mistake.

Cancellation of the LHA program would not only mean a loss of substantial funds already spent or obligated, but also—and more importantly—it would mean the loss of the capability to carry on versatile operations in far-flung parts of the world. As I noted earlier, the LHA will effectively meet both our peacetime and wartime amphibious requirements with modern ships. The LHA is advanced in concept, and being built with equipment and techniques which will greatly improve the effectiveness of the whole amphibious force.

It should be remembered that Congress first authorized the ships in a multiyear contract that began in fiscal year 1969. The contract had a ceiling price, though only the target price was funded. Under this type of contract, the Government is obligated to pay the ceiling if costs legitimately rise to that point, or else pay termination costs. So far, the costs are estimated to be more than $750 million. This means that if the contract is terminated, the Government will lose at least three quarters of a billion dollars and still not get the ships it critically needs to round out a credible assault force.

It is true that Litton has been plagued by labor and management problems since being awarded the contract for the LHA program. However, it would be misleading to attribute the entire cost growth to mismanagement, as many have attempted to do. In 1970, there was a reduction in the number of ships contracted for from nine to five, because of a lessening in amphibious force requirements. As any businessman knows, the unit cost for an expensive item is bound to increase as the number ordered decreases. It is completely reasonable, therefore, that a contract adjustment be made when four of the nine ships originally ordered were canceled.

There is an especially important factor involved in the cost and management problems which most critics overlook. That is, with the construction of the LHA we are witnessing the advent of a shipbuilding technique which is entirely new to this country. Termed "series production," this modular assembly method involves extensive use of automation. It has been employed with great success in Europe and Japan, and the expectation is that it will mean huge savings in this country in the future. Meanwhile, we must realize that, being the first attempt by an American shipyard, there were certain to be design problems and resulting extra expenses.

As the ship was designed, therefore, numerous changes had to be made, and additional work had to be accomplished. Even so, the additional charges for design changes amounted to less than 5 percent of the original price, which is an exceptionally low amount for a highly complex 40,000-ton ship of a design never before built.

Finally, there is the omnipresent problem of inflation, which pervades the shipbuilding industry, as it does all segments of our economy.

The situation today is bright. All five LHA's are under construction in varying degrees. While all of the production problems have not yet been solved, significant progress has been made and the ships are taking shape. The Navy has taken a firm stance with respect to cost overruns on this project. In hearings before the Armed Services Committee they reaffirmed their intent to hold Litton to the terms of the contract.

If Congress should renege on its commitment to provide the Navy with these ships, it will be taking an action which would result in the loss of many millions of dollars. This would be a double blow to the taxpayer, since it could seriously affect the ability of his country to respond to emergencies throughout the world.

Mr. LOTT. Mr. Chairman, will the gentleman yield?

Mr. SPENCE. I yield to the gentleman from Mississippi.

Mr. LOTT. Mr. Chairman, I wish to associate myself with the remarks made by the gentleman from South Carolina in opposition to the amendment.

Mr. Chairman, when I heard that a few of my colleagues in the House would once again take a potshot at Litton Industries' "shipyard of the future" in Pascagoula, Miss., I had to shake my head in amusement. I now know how Billy Kilmer must have felt when his detractors repeatedly suggested that he was not qualified to lead the Redskins. I also sense his immense pride when he responded by leading the Redskins to the Super Bowl, always keeping a step ahead of his critics who were reminding him every day that he would not be able to produce.

It seems, Mr. Chairman, that some people refuse to look at the facts—no matter how positive and productive those facts might be.

Such is the case with Litton's shipyard and its LHA program. Those who were against the concept of this modern shipyard from the beginning are the ones who continue to criticize the yard—even while production continues to climb, even when one milestone after another is being met.

I think these critics need to be reminded that this is the first shipyard of its kind—the only one of its kind—in the entire United States. By what yardstick are we measuring the progress of this only child? How can we compare it to something else when there is nothing else to compare it to? We have a steak in a plateful of beans and some of us are complaining that it does not taste like beans.

Let me cite just a few figures, if I might, to cement my case. The overall LHA program—including design, engineering, procurement, and production of all five ships—is approximately 51 percent complete. Keels have been laid for three. Fabrication on the keels of LHA's 4 and 5 is underway. The first LHA is scheduled for launching in December and approximately 81 percent of its steel has been erected. The entire electronic suit for LHA 1 has already been tested prior to installation aboard the ship. Two weeks ago the 343-ton superstructure for the deckhouse of LHA 1 was placed aboard the ship.

The General Accounting Office report in March of this year pointed out that the present management, since being installed in July of 1972, has responded to 12 major milestones on the first LHA set by the Navy in August of 1972, by completing them all on time or early.

The report, while suggesting that there is little doubt that Litton and the Navy substantially underestimated the problems involved in starting a new facility, stressed the fact that Litton has taken very aggressive action to bring the yard to its full production capabilities. Present management has also moved up the DD–963 construction schedule to the point where they are now operating on an advance schedule. And while the DD–963 program is in no way related to the LHA program, it does reinforce the fact that the shipyard of the future is functioning effectively today.

In short, Mr. Chairman, I would suggest that Litton's critics look at the full picture rather than at negative bits and pieces of a report that, indeed, recognizes and praises the giant steps made at the shipyard of the future.

Mr. MONTGOMERY. Mr. Chairman, will the gentleman yield?

Mr. SPENCE. I yield to the gentleman from Mississippi (Mr. MONTGOMERY).

Mr. MONTGOMERY. Mr. Chairman, I also associate myself with the remarks made by the gentleman. In the last 12 months much progress has been made in the construction of the LHA's. LHA No. 1 will be launched in December and work has begun on the other four LHA's contracted for.

It just does not make sense to stop a program which is from 47 to 51 percent completed and this is what the amendment would do if adopted, stop the construction. The Navy and Marine Corps need these assault ships and it is up to Litton to push even stronger to complete these ships in a reasonable time. And I urge the Navy to work with Litton and Litton work with the Navy to settle their differences in order that we get good ships at contract prices and within a certain time frame.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California (Mr. LEGGETT).

The amendment was rejected.

Mr. BINGHAM. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I take this time to clarify something that was brought up during the general debate yesterday. I am sorry I was not on the floor at the time the matter came up. This had to do with the meeting held at my invitation—along with five other Members—to hear from Rear Admiral LaRocque, retired, Director of the Center for Defense Information, and Mr. Norman Polmar, U.S. editor of Jane's Fighting Ships.

The origin of that meeting was as follows. At the request of one of the officers in the liaison group of the Navy I hosted a breakfast for Admiral Zumwalt to which were invited some 30 or 40 Members. At the breakfast Admiral Zumwalt outlined very forcefully his views about the growing threat of the Soviet Navy. At the close of the breakfast, I asked Admiral Zumwalt if he would be willing to have a joint discussion of matter with Admiral LaRocque, because having discussed these matters with Admiral LaRocque I knew he had a different point of view. Admiral Zumwalt said he would be glad to. We tried for several weeks to arrange a time when such a joint meeting could be held, but we apparently could not find a time that would be convenient for Admiral Zumwalt.

I then suggested to the Navy's representative that we set a date for the meeting and that if Admiral Zumwalt could not attend he could send a representative. I understood that this procedure was acceptable to the Navy.

The meeting was duly scheduled. I was told that Admiral Zumwalt would not be available and that Mr. Norman Polmar would speak in his place.

I was later told that the Navy wanted it understood that Mr. Polmar would not represent Admiral Zumwalt or the Navy, and that the statement to the contrary contained in our invitation to the meeting was incorrect. However, Mr. Polmar was invited by the representatives of the Navy to speak at the meeting so as to present a point of view that they thought would be appropriate.

The meeting was held. All Members of the House were invited to it in a letter signed by six Members. It was held in one of the rooms here at the Capitol.

The chairman of the committee mentioned yesterday that he had heard there were TV and klieg lights there. This was not by my arrangement. One Member, who apparently had been cooperating in the making of a documentary film, asked if it would be all right to have a TV camera there, and it was there, but not for the purpose of publicizing the meeting. We issued no publicity or press releases. The meeting was intended to educate the Members and so that they might hear conflicting points of view.

There were indeed conflicting points of view. Since the meeting, I have circulated to all Members charts which were presented at that meeting by Admiral LaRocque, and as I suggested in my letter, it might be interesting to note the Navy's point of view on those charts. The Navy's point of view has now indeed been duly presented in yesterday's CONGRESSIONAL RECORD pursuant to the request by the chairman of the committee.

That is the story of the meeting. There was nothing insidious about it. All Members were invited.

I think it is part of our obligation as Members of Congress to try to find out as much about these matters as we can. The men who spoke were experts. Admiral LaRocque has a distinguished record in the Navy. He retired in 1972 and is now director of the Center for Defense Information.

Mr. HÉBERT. Mr. Chairman, will the gentleman yield?

Mr. BINGHAM. I yield to the distinguished chairman of the committee (Mr. HÉBERT).

Mr. HÉBERT. Mr. Chairman, I want to thank the gentleman for clearing up the record. However, I think it best that the record show that on July 17, 1973, a communication was directed to the gentleman from New York by E. K. Snyder, rear admiral, U.S. Navy, Chief of Legislative Affairs, which reads:

CHIEF OF LEGISLATIVE AFFAIRS,
July 17, 1973.

Hon. JONATHAN B. BINGHAM,
House of Representatives,
Washington, D.C.

DEAR MR. BINGHAM: I must clarify and correct an error in your Dear Colleague letter announcing the appearance of Mr. Norman Polmar and Rear Admiral (retired) Gene LaRoque in a discussion of the "Navy's budgetary requests." Mr. Polmar was suggested as a substitute for Admiral Zumwalt in these discussions because he is considered one of the foremost independent experts in the composition and strengths of the Navys of the world. He is considered an ideal participant for the type of discussion envisioned in which the need for a strong U. S. Navy may be questioned; however, one point must be made abundantly clear. Mr. Polmar will be speaking strictly for himself and his personal views do not necessarily represent those of the Navy Department or Admiral Zumwalt.

Any misunderstanding that may have led you to believe that Mr. Polmar was a representative of Admiral Zumwalt is regretted. However, I feel certain that Mr. Polmar will provide the group with a very stimulating and interesting perspective at this important juncture in time.

Sincerely,

E. K. SNYDER,
Rear Admiral, U. S. Navy,
Chief of Legislative Affairs.

The CHAIRMAN. The time of the gentleman from New York has expired.

(By unanimous consent, Mr. BINGHAM was allowed to proceed for an additional one-half minute.)

Mr. BINGHAM. Mr. Chairman, I thank the chairman for reading Admiral Snyder's letter. I would just point out that I did call attention to the substance of the letter at the meeting itself. Members who attended will testify that I did so and that I said I had misunderstood. I had thought Mr. Polmar was there as a "representative" of Admiral Zumwalt, but it turned out he was there as a "substitute" for the admiral, and I pointed that out.

AMENDMENT OFFERED BY MR. LEGGETT

Mr. LEGGETT. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. LEGGETT: Page 2, line 12, strike out "$680,200,000" and insert in lieu thereof "$675,200,000".

Page 2, line 15, strike out "$3,788,200,000" and insert in lieu thereof "$2,960,400,000".

Page 2, line 21, immediately after "interest" insert the following: ": *Provided*, That $40,000,000 of the funds available to the Navy shall be available for the Trident program".

Mr. LEGGETT. Mr. Chairman, this amendment, when we compute the addition, if it has been done correctly, will reduce the procurement for the Trident missile and submarine program by $832.8 million, and would be in conjunction with a $52.6 million reduction in research and development, for an approximate total program reduction of $885 million.

This is a rather large amendment. If Members will look at page 110 of the committee report, the figures are set forth there on the total program, as to where we are.

As Members will recall, last year we approved in excess of $350 million for the Trident program. I did not object to the Trident program at that time. Since that time things have happened. We have negotiated agreements. Particularly we have had an acceleration in the Trident program from a $350 million plus level to a total level of $2,042 million. That is the amount of money we are talking about in this bill, in the atomic energy bill and in the military construction bill for this total program.

What is the Trident submarine program? It is a program which is scheduled to cost $13.5 billion for ten 24-tube submarines. It does not take a master mathematician to recognize that if we divide 13½ by 10 we get $1.3 billion per submarine.

We are not just authorizing a submarine and a half in this bill with the $2.1 billion program I have talked about. If Members will look at the report and the backup materials provided by the Navy Department, they will see they indicate, in what they call the long-lead time component money, which our amendment proposes to strike, there are funds for the second, for the third, for the fourth, for the fifth, for the sixth, and for the seventh Trident submarine.

Consider this. The Trident submarine costs one-third more than the most expensive aircraft carrier this Nation has ever authorized and tried to build. It costs one-third more than the CVAN–70, about which we just had the rather extensive debate.

Here we are approving in this bill money for seven Trident submarines, all costing one-third more than the aircraft carrier, if the program proceeds as it is originally scheduled.

The other body had very severe reservations about the speed of this program. The other body unanimously, Republicans and Democrats alike, supported in subcommittee an amendment to strike $885 million from the R. & D. and procurement accounts because of the fact that they did not want to waste money.

What they were concerned about was the report, which is classified, from the General Accounting Office, which has this to say about the missile, and this is the unclassified portion I shall read:

In addition, we found indications that the Trident I missile cost estimate was prepared in a hurried atmosphere and that it may significantly understate the actual cost of deploying this weapon. The original cost estimate for the Trident I missile contained the caveat that it might be as much as 50 percent understated. This estimate was the basis for the amount reported to the Congress as the total cost to deploy the Trident I missile.

The CHAIRMAN. The time of the gentleman from California (Mr. LEGGETT) has expired.

(By unanimous consent, Mr. LEGGETT was allowed to proceed for 5 additional minutes.)

Mr. LEGGETT. Mr. Chairman, in addition, GAO reported on the shipbuilding program as follows:

We were informed that this was a class F, or "ball park," type best estimate prepared in the absence of adequate design and cost data, and based on gross approximate parameters. The bases for this estimate were bid data from prior attack submarine and ballistic missile submarine development. Returned (actual) cost data from these acquisitions were not used. The estimate was also made for the less desirable of two candidate hull types. Furthermore, this estimate was initially made for a 20-missile tube submarine and later adjusted to a 24-tube configuration by the addition of a fixed amount to the shipbuilding and conversion, Navy, estimates for each ship. Agency officials could not document the basis for this portion of the Trident submarine shipbuilding and conversion, Navy, estimate.

The GAO further states in the unclassified section:

Navy officials stated that the original Trident shipbuilding and conversion, Navy, estimate was revised in May 1972 to reflect a single-hull, 24-missile tube configured submarine, and was based on actual cost data from prior 640 class ballistic missile submarines. Navy officials stated that the revised estimate has been improved from a class F ball park type to a class D "feasibility estimate". This estimate was reported in the June 1972 SAR. We were informed that a budget quality (class C) type Trident shipbuilding and conversion, Navy, estimate cannot be made until firm submarine characterisitcs are issued by the CNO, et cetera.

Those are the unclassified analyses contained in a secret document prepared by the General Accounting Office. Those are not my figures. I believe that they would certainly justify our going slow on this program.

Of course, in addition to the GAO analysis, the thing they did not touch on was the fact that by building 240 new tubes in 10 Trident submarines, replacing 160 tubes in 10 old-style A-3 submarines, we will, in fact, be breaching the SALT agreement which was recently negotiated just a year ago, because at that time we were limited to the existing 656 tubes, and if we wanted to transfer to the water some of our Titans, we had the option to do that. But the Air Force and the Department of Defense have opted against that particular option.

Over the past 2 weeks, President Nixon and Mr. Brezhnev have entered into an agreement, and they have said as follows:

> Over the course of the next year the two sides will make serious efforts to work out the provisions of the permanent agreement on more complete measures on the limitation of strategic offensive armaments will be based of signing it in 1974.
>
> Second. New agreements on the limitation of strategic offensive armaments will be based on the principles of the American-Soviet documents adopted in Moscow in May 1972 and the agreements reached in Washington in June 1973; and in particular, both sides will be guided by the recognition of each other's equal security interests and by the recognition that efforts to obtain unilateral advantage, directly or indirectly, would be inconsistent with the strengthening of peaceful relations between the United States of America and the Union of Soviet Socialist Republics.
>
> Third. The limitations placed on strategic offensive weapons can apply both to their quantitative aspects as well as to their qualitative improvement.

Of course, what the President is saying and what they have in mind is the putting of limitations on MIRV's and putting limitations on numbers and continuing the limitations we have got on numbers, and that they do not intend to abort the agreements we made last year. These agreements made between Brezhnev and President Nixon were made after this particular submission was sent to the Congress of the United States, and this would certainly justify our going slow on this program.

It would certainly justify our going slow on this program. I would think the Senate when they unanimously acted in subcommittee to slow down the program had in mind exactly the understandings between our President and Mr. Brezhnev in the recently executed agreements and also had in mind the policy statement of the General Accounting Office which was delivered to our committee and which was elaborately set forth in the first 30 to 40 pages of our supporting document and which states——

The CHAIRMAN. The time of the gentleman has again expired.

Mr. LEGGETT. Mr. Chairman, I ask unanimous consent to proceed for 2 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

Mr. ARENDS. Mr. Chairman, reserving the right to object—and I do not object, but I am inclined to object—I think the gentleman has had 10 minutes already, and there are many, many Members who would like to have the opportunity to speak on this subject. We have a long day ahead of us, and I hope the gentleman would give consideration to the extending of his remarks for the remainder of the time.

Mr. LEGGETT. I thank the gentleman for not objecting.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. LEGGETT. Mr. Chairman, what they say is, when you accelerate these programs too fast, they cost money. The argument will be made that we will lose $100 million unless we go ahead and move forward with this program at the rate of seven ships a year. I do not think that argument can be substantiated. I say let us build one of the Tridents and take a look at it and, if we want to, we can authorize more.

Mr. HUNT. Will the gentleman yield?

Mr. LEGGETT. I yield to the gentleman.

Mr. HUNT. Will the gentleman give us the exact figure of the amount of money he is trying to reduce this bill by?

Mr. LEGGETT. Yes. The total amount both in research and development and in procurement will be $885 million.

Mr. HUNT. $885 million. Is it factual and can we assure the House that these figures are correct, bearing in mind the $25 million error the gentleman made before?

Mr. LEGGETT. As I say, those apprehensions are warranted, but I want to assure the gentleman we will have $1.2 billion left in this and accompanying bills to build the Trident system if we enact this amendment with these figures as I have represented.

Mr. HUNT. And those figures are now correct?

Mr. LEGGETT. Yes.

Mr. HUNT. That is good.

Mr. YOUNG of Florida. Mr. Chairman, I rise in opposition to the amendment.

(By unanimous consent Mr. YOUNG of Florida was allowed to proceed for 5 additional minutes.)

Mr. YOUNG of Florida. Mr. Chairman, it is difficult for a Member of Congress to serve on the House Committee on Armed Services for more than a few weeks without getting a very, very healthy respect for the destructive capability of U.S. Armed Forces and also, Mr. Chairman, of the destructive capability of the forces of the Soviet Union. It does not take a member of that committee many more weeks after that to become completely convinced in his own mind and heart, with every conviction that he has, that the best thing we can do is to avoid a war, to avoid a military confrontation, especially a nuclear war, when the Members compare what the two nations do have in the way of destructive capability and what they may be able to do to each other and to the rest of the world, their determination to prevent a war becomes very, very evident.

There is no question about the value of a deterrent. When we were little kids a number of years ago we always knew that the bully on the block did not pick on the kid who was able to defend himself. History is going to record time and time again that the big nations or the bully nations or the aggressor nations did not pick on another nation that they thought was going to be able to defend itself.

Look at World War II and Pearl Harbor and all of the information we have gathered on that. The Japanese would never have attacked Pearl Harbor, by their own admission, had they thought we would be able to rebuild and reclaim a position of military strength and go on to defeat them.

The Russians would never have moved into Czechoslovakia or Hungary if they thought those nations would have been able to resist.

So a deterrent is essential. There can be no question of that. We do not want to deter on a possible basis; we want to deter on a definite basis.

The gentleman from California (Mr. LEGGETT) who proposes this amendment, along with his "Dear Colleague" letter, sent a copy of an editorial which appeared in the New York Times. The editorial did not say a whole lot, but if you read it thoroughly you come to this last sentence where they say:

> But against the possibility that such a weapon would not be needed the nation is spared the outlay of funds for which far better uses abound.

I submit, in response to the letter sent by the gentleman from California and this editorial, that the possession of a weapons system that will guarantee us or come close to guaranteeing us that we will deter an aggressor, that we will prevent the outbreak of war, is certainly money well spent. The fact that we have such a weapons system would be the most effective guarantee we have that it would never have to be used.

Actually, the most effective weapons concept that we have even contemplated as a deterrent, let alone as a strategic capability, is the triad, the bomber, the ICBM, and the missile-firing submarine. If the Soviet Union had a Congress like we have here in America where they had an opportunity to have free and open debate on the amounts of money that were going to be spent on defense, and on what that money was going to be spent for, and if I had, and if many of us had, the opportunity to serve in a body like that in the Soviet Union, and we were looking at the potential strength of the United States and we saw the U.S. triad system, with our bombers armed with nuclear devices, with our Minuteman, ICBM's, and our potential strength because of the Trident submarine that we were going to build, that is the one weapon that would scare me more than anything, the Trident submarine system. Because not only will it have the power and the strength to hit hard and accurately, and to run silent and fast and to run deep, but the Soviet Government, their military, as of today, does not have the state of the art to accurately detect the location of that submarine.

They know where our ICBM fields are. They can watch and they can tell if we make a launch. They know where our bombers are based, and they can tell when they are airborne and headed in their direction, they can tell that, but as of today they are not exactly sure where that submarine is. They are having a difficult time with the Poseidon. But the state of the art is developing, and antisubmarine warfare techniques are improving. They are able, to a certain extent, to detect the Poseidon and the Polaris submarines, but the Trident is going to be a different story. It will be much more difficult to detect. The Trident submarine is going to be able to hide in four or five times the amount of ocean from which it could launch a ballistic missile. That is a deterrent, and certainly a weapon to be feared by the Soviet Union.

If I had to make a choice today, if I could only have one of the three of the triad, the Trident would be my choice because of that capability for survivability.

Mr. KEMP. Mr. Chairman, will the gentleman yield?

Mr. YOUNG of Florida. I yield to the gentleman from New York.

Mr. KEMP. Mr. Chairman, I thank the gentleman for yielding to me.

Mr. Chairman, I would like to congratulate the gentleman from Florida on the statement the gentleman has made, and to associate myself with the remarks made by the gentleman. I also wish to announce my opposition to the amendment.

I also believe that the gentleman from Florida has made a very important point, and that is that there is no such debate going on in the Soviet Union about what to do to overcome our lead, and let us keep that lead. I think the gentleman from Florida has made a most important statement in recognizing the tremendous deterrent effect that will have.

Again I want to congratulate the gentleman from Florida, and to associate myself with the gentleman's very cogent and important remarks.

Mr. YOUNG of Florida. Mr. Chairman, I thank the gentleman from New York for his comments.

Mr. STRATTON. Mr. Chairman, will the gentleman yield?

Mr. YOUNG of Florida. I yield to the gentleman from New York.

Mr. STRATTON. Mr. Chairman, I, too, want to join in congratulating the gentleman from Florida because the gentleman has made a very important point. The gentleman has pointed out that so far as we know, the Polaris submarine and the Poseidon submarine are unable to be detected by the Soviet Union, but that the Soviets are making great advances and if we do not go to a larger submarine that will cover a larger area, we could be putting all of our eggs in one basket, and that could be a very dangerous basket.

I also want to mention the fact, in that connection, that in Monday's Washington Post it includes a report from Moscow that talks about their new fleet of missile submarines, and that the Soviet Union submarines are now circling the globe submerged, and at high speeds, with an all-seeing means of observation from which nothing can escape.

So they are making progress, and would it not be dangerous if we did not try to make the same kind of progress?

Mr. YOUNG of Florida. I thank the gentleman from New York for his comments, and the gentleman from New York is exactly correct, and again I thank the gentleman for his comments.

Mr. Chairman, I would like to respond, if I have the time, to several statements written by the gentleman from California (Mr. Leggett) in his "Dear Colleague" letter.

After the conversation about the $25 million error earlier in his figures relative to Safeguard and the site defense program, I want to go to point No. 5 of his letter where he says:

> In 1976 without Trident, the U.S. nuclear arsenal will contain over 10,000 warheads, more than enough for a credible nuclear deterrent.

Mr. Chairman, there is no really reasonable way that we can deal with this assertion that the United States will have over 10,000 strategic warheads in 1976 without divulging material and information that is very highly classified; but I want to say this, that I have done some addition on my own and some detecting on my own, and if we add up every nuclear device that we have, every warhead that we have in the missile system, and add to all of the nuclear bombs that we might have in our stockpile, if we add them all together, including the bombs, we still do not come anywhere near the 10,000 figure that the gentlemen mentions in his "Dear Colleague" letter.

Mr. LEGGETT. Mr. Chairman, will the gentleman yield?

Mr. YOUNG of Florida. I yield to the gentleman from California.

Mr. LEGGETT. If we multiply 16 times 10 times 41, do we not get over 6,000? If we multiply 3 by 1,000, do we not get 3,000? And if we multiply 450 by 2, do we not get nearly 1,000? Are not those all nonclassified items, and does not that add up to 10,000?

Mr. YOUNG of Florida. I thank the gentleman for his contribution, but my arithmetic and my addition do not come to 10,000 or anywhere near 10,000—and I am adding the bombs, and I do not understand that the gentleman included bombs in his remarks.

Now going to point No. 6, I think this is a question we ought to be concerned about. The gentleman says again in his letter:

> This bill authorizes long leadtime items for 7 Tridents, each costing more than our most expensive nuclear carrier.

He has apparently disregarded some of the facts that should be taken into consideration here, where, if you disregard the cost for the first Trident—we would admit that this includes several high-cost items, one-time lead ship costs that any new program is going to have—the average cost of the Trident without missiles for the remaining 10 ships is $483.1 million. With 24 Trident I missiles, average cost for nine follow ships is about $695 million. This is expressed in escalated dollars, taking into account the inflationary factor. The funding for the completion of the CVN carrier we just talked about contained in this year's bill is $657 million. So the Trident is not more expensive than the carrier. And the gentleman's math is once again in error.

Mr. Chairman, we are not here today participating in a debating society when the winners will be determined by applause of the audience. We are, in fact, making a decision that will determine the capability of our future effectiveness to deter war—yes, a decision that will determine the capability of our national defense in the year A.D. 2000 and beyond. By defeating this amendment we are buying a pound of prevention rather than accepting an ounce of cure.

Mr. RANDALL. Mr. Chairman, I rise in opposition to the amendment of the gentleman from California.

Mr. Chairman, before I proceed may I digress to correct again the arithmetic of the gentleman from California? Up to this point the gentleman from New Jersey (Mr. Hunt) has taken all of the credit for correcting the error of our colleague, Mr. Leggett, between $100 million and $125 million. Actually some of us on the east side of the aisle made the first calculation of error. I happened to find the error and handed a slip of paper to the ranking Member, the gentleman from Illinois, (Mr. Price) to the effect that Mr. Leggett was really in error by $25 million. Just before I came to the well we have had another illustration of some pretty bad arithmetic, because just in the last few seconds the gentleman from California said that 450 plus 450 equals 1,000.

For a long while we had a military concept of assured destruction in this country which we call the Triad. We are talking about the mix of bombers, land-based missiles, and seapower. I want to take just a few minutes to discuss this, the old ULMS which we now call the Trident.

I may not take all of my 5 minutes. I do want to make a point of comparison between items in the Triad of our weapons. We know some Soviet submarine missiles might be able to reach and destroy some of our bomber bases. We have an alert time of only 15 minutes, and some of them could be hit. Some of them may just not be able to get off the ground. Then some of these undersea Soviet submarines could possibly destroy our Minuteman silos. They could do that by what we call a sudden, blinding attack, by destroying our radar and guidance systems and thereby delaying the launching of the Minuteman. This would give the Soviets time to deploy their SS-9's, being the big multiwarheads with heavy megatonage. It will take 20 to 30 minutes for these big missiles to arrive, but this delaying time will give us some time to fire our offensive weapons system.

Mr. HUNT. Mr. Chairman, will the gentleman yield?

Mr. RANDALL. I yield to the gentleman from New Jersey.

Mr. HUNT. Mr. Chairman, it has come to my attention that the gentleman referred to me earlier in his discussion. I take no pride of authorship and I never did that. The gentleman from California made a $25 million mistake. I do take pride of authorship in discussing it and I will not let the gentleman from California forget it—$25 million is not a cheap mistake.

Mr. RANDALL. I thank the gentleman. We will not let the gentleman from California forget it.

Mr. Chairman, with the Trident we are talking about a weapon which has high survivability. We have tried to increase the survivability of our bombers by dispersing them. We are trying to harden our Minuteman silos, but the fact remains that the Minuteman silos all across this country will be targets which the Soviets are going to try to destroy. They will put everything they have against them. I suggest to the Members they will do this. It is not hypothetical. It is possible. It is likely. Hopefully and prayerfully we say it will never happen.

But if they do our country could become a smoldering ruin, because that is where the targets are—in this country.

We are talking of a sophisticated sea-based weapons system, because the Trident is a great deal more than just another submarine. It has the advantage of moving the threat of Soviet setbacks away from the homeland. Any effort of the Soviets to detect the Trident while at sea is going to be difficult. But whatever attack is made on the Trident—the Soviets will not be attacking major population centers.

Most military analysts agree that as of now, today, our missile-carrying submarines are almost invulnerable. Of course there may continue to be technological developments. There may be a new defensive sonar. In any event into the foreseeable future, even into the 1980's we have in the Trident a weapon that based on current technology is simply immune from attack.

We have in the Trident submarine deterrent that patrols on antisubmarine warfare cannot destroy.

The CHAIRMAN. The time of the gentleman from Missouri has expired.

(By unanimous consent, Mr. RANDALL was allowed to proceed for 5 additional minutes.)

Mr. RANDALL. Mr. Chairman, so the submarine we are talking about—that is, our Trident—will give us a system that can stay on station. It can send its radio transmissions. It can make its radar search. It will be almost impossible to find. That is not to say there may not be sometime in the future a system developed which can have such a thing as real time detection. If that time ever comes then, notwithstanding, we have a weapons system which is still far superior to any other in our Triad. The Trident has some components that some Members may not be fully advised of. It has a range of 6,000 miles. Think of that. That will permit targeting on the U.S.S.R. from such places as the South Atlantic, the South Pacific, or the Indian Ocean. Repeating, as to the Trident today, an effective antisubmarine effort is virtually impossible.

Mr. STRATTON. Mr. Chairman, will the gentleman yield?

Mr. RANDALL. I want to make one more point and I will be delighted to yield to the gentleman who is an authority on submarine warfare.

Mr. Chairman, Members may ask what is the difference between the Trident and the old Polaris and the old Poseidon. There are two important differences. The real difference is the silence of the Trident with the resulting impossibility of detection. It has a high sea-to-port ratio and it has the most accurate firing capability of any weapon in our arsenal.

Mr. STRATTON. Mr. Chairman, will the gentleman yield?

Mr. RANDALL. I yield to the gentleman from New York.

Mr. STRATTON. I appreciate the gentleman yielding. I would not want to interrupt his train of thought but there were several points he has mentioned which I would like to comment on. This Congress has already approved the Trident program. We authorized a certain amount last year and we are now asked to authorize a little bit more this year.

As the gentleman from Missouri has just pointed out, we are pushing the Trident program primarily in order to get a submarine missile that will go 4,000 miles, and perhaps even 6,000 miles. At the present time the best we have, with our Poseidon system, is a missile that can reach out only 2,500 miles.

Yet, the frightening thing, as the gentleman knows, is that while we hope, with this Trident program to get a submarine that can fire a 4,000-mile missile, we suddenly learned, because we have only about 2,500 miles with the Poseidon, just 6 months ago, that the Soviets have already leapfrogged with a 4,000-mile missile which they have on hand today, in 1973. They are way ahead of us in this field already, in other words, and that is another reason why we have got to press ahead with this Trident program rather than to delay it and to move "more leisurely," as the gentleman from California would have us do under his amendment.

Mr. RANDALL. Mr. Chairman, I thank the gentleman for his contribution. I yield back the balance of my time. Let the RECORD show that I did not use all of the additional 5 minutes granted by unanimous consent.

Mr. ROBERT W. DANIEL, JR. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, the effect of the amendment offered by the gentleman from California will be to slow down the development of the Trident program, suggesting that there is no real hurry in this field. I will say that as of today, such an argument might seem to have merit, but from this day until the Trident becomes operational in the latter part of this decade or in the early 1980's, a lot can happen.

The Soviets are spending huge sums for antisubmarine warfare, land-based ASW aircraft, helicopter carriers, new destroyers, and cruisers with antisubmarine weapons. They have an attack submarine force which is much greater than ours. Theoretically, they could deploy several submarines or surface craft or a combination thereof to shadow each one of our strategic submarines.

With the stalemate in the ICBM race, and possible development of the fractional orbital bombardment system, giving us only 15 minutes' warning, our ICBM's and land-based bombers could fall victim to a vicious first strike. Then, only our strategic submarines would be left as an effective counter.

These systems are designed, not so much for use in war, but to prevent war; as a means of guaranteeing to any adversary his inability to win in any real sense of that word. The only way to assure such persuasion in the future is to improve the most survivable weapon, the strategic submarine.

Polaris submarines were designed for a 20-year life. They have been subjected to constant patrols since they were delivered. The first of the series were delivered 12 years ago. With each cruise, the chances for breakdowns and failures increase, as does the cost of making repairs. These submarines can only last so many years. The original 10 must be replaced by at least the early 1980's. Trident must be pushed with reasonable speed, and to me that means inclusion of the $885 million this year.

The gentleman from California questioned how we could build 10 new 24-tube submarines under SALT I. My response to that is that Trident is a qualitative improvement in weapons systems, not a quantitative one. As Trident submarines become operational, our Polaris submarines will be retired. We will stay within the 710 tube limit as prescribed in SALT I.

Further, SALT II with qualitative restraints has not been signed, and if signed, will not be signed until next year. The interim agreement signed this year in Washington would not be violated regarding unilateral advantage. There will be no good faith violation of this interim agreement as we press on with Trident. This system gives us no unilateral advantage over the Soviets.

It simply allows us to update our systems as the Soviets improve their antisubmarine warfare systems. At the same time, their qualitative improvement of antisubmarine warfare and strategic missiles is being pressed forward.

I would say parenthetically, in closing, that if the Trident were in violation of the 1972 agreement, it would seem proper that opponents of the Trident appropriation authorization as reported would oppose the entire program, and not just its timing. To me, this seems contradictory.

Mr. Chairman, I yield back the balance of my time.

Mr. SIKES. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, there was a time when the U.S. Polaris submarine fleet was by far the most powerful in the world. The Russians possessed hundreds of submarines, but none comparable to the 30 or more nuclear-powered missile-launching submarines then in the U.S. Navy. Theirs could harass our coasts. They could play havoc with our shipping. But they did not possess the destructive power to a nation's heartland which the Polaris-type submarine provides.

Now all of this has changed. A few years ago the Russians got back into the submarine business in a wholesale manner. They have or they are building many more modern submarines than we. They are rapidly catching up in all the capabilities for undersea-launched nuclear destruction that we possessed. They are building faster, quieter submarines.

And submarine detection methods are improving day by day. They, the Russians, will have the capability to find and destroy our submarines unless we stage other breakthroughs.

Mr. Chairman, the Trident submarine is a breakthrough. It will be one of the quietest, the most powerful, the longest range submarine in the sea. At the first hint of trouble the Trident can go to sea. It will not be a sitting duck at the dock. And at sea the Trident can use half the ocean areas of the world as a launch site. Its missiles can reach 6,000 miles. We can station Tridents anywhere within a 30-million-square-mile area of ocean, and be on station almost indefinitely.

This will present the Russians with an almost impossible tracking situation.

This is the kind of weapon the Russians respect, and as more and more American cities and military installations come under the threat of Russian missiles, we need new power, additional power, with which to strike back, with which to deter that first strike.

Remember, we gave away our hopes for an effective antiballistic missile system in the SALT talks. Now deterrence is our principal weapon, and deterrence can be built into the Trident submarine.

The Trident is a solid bargaining chip for the upcoming SALT talks.

The Trident system is one of the best hopes of mankind for peace. It is the Russians who want it sunk now, not the American people. The American people want this country to be able to defend itself. Trident gives us new capability to do it.

I ask that the amendment be defeated.

Mr. PRICE of Illinois. Mr. Chairman, I rise in opposition to the amendment to reduce the Trident program.

It is generally accepted that the Cuban missile crisis was brought to a successful conclusion because the United States had the strategic nuclear weapons and the military capability to insure that in a showdown the Soviet Union would be decisively defeated. That is the basic reason why the Soviet Union pulled their missiles out of Cuba. Since that time despite the thaw in the relations between the United States and the U.S.S.R. the Soviets have continued an aggressive buildup of their offensive land-based striking power. They also have continued to build up their nuclear powered submarine fleet.

As Soviet nuclear submarine strength has increased, our supremacy under the seas of the world has gradually diminished. We must modernize our nuclear submarines and keep pace with Soviet advances in this field or be willing to accept the consequences of being second best.

If we stand still, then 5 or 10 years from now we may have a rerun of the Cuban missile crisis except next time we might finish a poor second.

The budget proposed by the Department of Defense for fiscal year 1974 requests funds to build the first Trident ballistic missile submarine and procure long leadtime items for succeeding ships. I strongly support the Trident program and I strongly urge that we proceed now with building these important submarines.

The Trident submarines and missiles are needed to increase the survivability of our seaborne deterrent in the 1980's and beyond, and to provide for replacement of our aging Polaris submarines. No talks or understandings with the Soviets can change the fact that our Polaris submarines are simply wearing out and must be replaced if we are going to have a sea-based strategic deterrent. Even under the Trident program recommended by the Department of Defense, the oldest Polaris submarine will be 19 years old when the first Trident submarine is scheduled to join the fleet. The Polaris submarines were designed for an operating life of 20 years and it is unreasonable to expect them to operate for a longer life without having major breakdowns. This fact cannot be ignored. Even though our dedicated people have done an outstanding job of designing, building and maintaining our first missile launching submarines they are aging day by day and will wear out. There is a limit to what can be replaced in these ships and therefore new ones must be started.

Our existing 41 ballistic missile submarines were designed using the technology of the 1950's. The Trident submarines are being designed with all the latest technology. They will be much more difficult to detect and attack than our Polaris submarines. Recently developed noise reduction features which cannot be backfitted in the Polaris submarines will be included in the Trident submarines to make these ships much quieter. The longer range of the new Trident missiles and the capabilities of the Trident submarines will give them vastly more ocean area to hide in. The limited range of our Polaris and Poseidon missiles forces our existing ballistic missile submarines to operate in areas in which the Soviets can concentrate their rapidly improving antisubmarine warfare forces.

The Trident submarines and their longer range missiles will permit basing our ballistic missile submarines in the U.S. ports. I want to emphasize this important advantage of the Trident program—no foreign basing will be required. I believe the Members of Congress understand the desirability of having our deterrent forces invulnerable to international political actions. This is becoming a more and more sensitive matter day by day. It cannot be ignored any longer. It is indeed fortuitous that Trident provides us with a solution.

Proposals to delay the Trident program merely put off the time we must construct new ballistic missile submarines and result in large added cost. The Navy has estimated that the cost of delaying for a year the planned 10-ship Trident program would be over $1 billion. Last year Congress approved funds to buy the long leadtime items for the first Trident submarine and three fellow ships. Construction of the first Trident submarine in fiscal year 1974 will allow the program to continue in an orderly manner. Delaying the first ship would cause a major disruption and saddle the program with much higher costs in the future. This point to many may be rather subtle. To those familiar with complex technology programs it will be readily understandable. It concerns the need for maintaining organizations of highly specialized talents and manufacturing and construction organizations of specialized nature viable. Proficiency in such matters degrades fast if active challenges are not maintained on the organizations involved. We cannot afford atrophy in areas which are so critical to the defense and security of our Nation.

The Soviets have shown no inclination to delay their submarine ballistic missile program. They well understand the value of these powerful weapons. The Soviets have tested an improved missile with a range of about 4,000 miles. In essence, they already have their equivalent of the Trident. It is surprising to me that this critical fact has not been more generally recognized.

We were once preeminent in submarine ballistic missiles. Cutbacks proposed in advanced submarine programs such as Trident will result in loss of the special position our Nation has had in this field. Unless we proceed with construction of the Trident submarines and their missiles we will be faced with having only old, obsolete ships compared to the modern, larger Soviet force. The Trident program is one of the most important items in the proposed budget and I recommend the Congress approve proceeding with the program without delay.

Mr. LONG of Maryland. Mr. Chairman, I move to strike the last word.

I have been doing a lot of reading and listening on the needs of our national defense. The theme that runs through all of it is the Russian menace. We have heard the theme of the Russian menace again and again here in this forum.

To meet this menace we are asked greatly to expand our bomber system, our aircraft carrier system, our submarine program. For this we are asked to continue to spend more money than we have. We are forced to continue to deny all kinds of domestic needs, including water and sewerage systems and health care, and adequate defense against street crime. For this we continue to pour fuel on the fires of inflation.

Is this menace as great as it is claimed to be?

Is all this expenditure on armament the proper response?

I do not know. I doubt whether very many Members in this room know just how great this menace is supposed to be and what we must have in order to answer it.

Mr. Chairman, I must say there are moments when I am frightened at the possibility of the Russians pouring nuclear missiles on us, from the sea and across the North Pole, and I want to be just as safe as money can make us be.

I believe that is the feeling of most of the Members here in this room.

We want to spend what we must spend. We do not want to spend any more than we need to spend.

But there is one thing that puzzles. If the Russian menace is as great as the Nixon administration in its military budget request claims it to be then why has the Nixon administration consummated all kinds of deals to help the Russians with their grain problem, with their technical problems, and to engage with them in all kinds of trade?

Only a couple of weeks ago, commodity credit loans were proposed in order to help the Russians buy on credit so they would not even have to touch their gold and dollar reserves.

This was a foreign aid program to Russia I voted against but which passed 2 to 1 in this body that claims to be so frightened of the Russians. By a vote of 2 to 1 we approved this economic help to the Russians. Now, why all this arms buildup?

They have been able to do it because for 30 years they have starved every domestic program they had. They have denied their agriculture. They have taken their best minds, their scientists, they have taken capital and all their equipment away from their domestic programs, including agriculture, and they have put them into armaments. And just at the time when the shoe begins to pinch, the Nixon administration and the Congress came to their help. Then, having done that, we come back in this body and say, "We must have more weapons to meet the Russian menace"—a menace which we have proceeded over the last few years to subsidize.

What kind of sense does this make? Shouldn't we make up our minds whether the Russians are a menace or whether they are not?

Voltaire said a couple of hundred years ago, speaking about a different subject: "If it did not exist, it would be necessary to invent it."

I sometimes think that is true of the Russian menace. If it did not exist, it would be necessary to invent it. There are a lot of Members in this room who are representing a lot of people who are making money by it. It has become convenient to subsidize the Russian menace, because this will make it all the more necessary for us to turn around and expand all of our industrial-military complex to meet that menace.

Mr. LEGGETT. Mr. Chairman, will the gentleman yield?

Mr. LONG of Maryland. I yield to the gentleman from California.

Mr. LEGGETT. Mr. Chairman, I wish to commend the gentleman for his statement, and I would particularly point out that it is a fact that presently the United States has 41 Polaris-Poseidon submarines, the Soviets have 25 Yankees submarines, and we both have 16 tube missiles, and their average range is 2,500 miles.

Mr. LONG of Maryland. I am stunned by the quantities.

Mr. Chairman, I must say that I support the gentleman's amendment.

Mr. STEELE. Mr. Chairman, I rise in opposition to the amendment and in support of full funding for the Trident program.

There are few who would dispute the view that the avoidance of nuclear war depends importantly on the ability of the United States to maintain a credible second-strike nuclear capability. In short, it is essential for both our Nation's security and world peace that no potential nuclear enemy ever doubt the ability of our strategic forces to survive a nuclear attack and retaliate in a manner which would inflict unacceptable damage on the aggressor country.

It is increasingly accepted that our sea-based deterrent has the best prospects of all strategic offensive systems for long-term survivability and therefore for preserving the strategic balance of power and with it peace in the world.

Trident is designed to become the most survivable element in our sea-based deterrent force and therefore the keystone of all our strategic forces in the 1980's and beyond. Trident, moreover, promises to provide the United States with increased flexibility in the strategic arms limitation talks which could lead to a new round of agreements substantially reducing the total number of nuclear weapons allowed on each side.

Mr. Chairman, the Trident program is on schedule, following the plan which this House wisely approved last year. Now, however, there are those who desire to slow the pace by at least 2 years by cutting funds. While having the best intentions, the supporters of this amendment are, in effect, declaring their willingness to gamble with the adequacy of the U.S. nuclear deterrent in the future. I simply cannot responsibly join in this gamble. The stakes are too high and the consequences too certain should it be lost. I therefore urge my colleagues to vote against the amendment and against any reduction of the momentum in the Trident program.

Mr. Chairman, while I believe that the majority of the Members of this House support the Polaris-Poseidon program, there are some members who question the need for the accelerated Trident program which we mandated last year. They allege that the relative superiority and invulnerability of our existing submarines, sufficiency of existing weapons in destructive capability, and the unpredictable nature of future threats to our systems preclude the necessity of maintaining the Trident schedule.

I am pleased that even many of these Members have expressed their belief in the importance of maintaining a highly survivable sea-based strategic deterrent. Their major question seems not to be "why Trident?" but rather "why Trident now?"

It is true that our Polaris-Poseidon force today is an awesome sea-based deterrent which has been relatively free from worry about a serious, Soviet Anti-Submarine Warfare (ASW) threat. Moreover, the completion of our Poseidon conversion will provide us with an increased number of warheads. However, numbers in themselves mean absolutely nothing unless survivability goes hand in hand with those numbers.

Our present submarines were built with the technology of the 1950's. They possess inherent weaknesses which in time, our Navy experts believe, will make them vulnerable to a degree far greater than today. The exact moment of vulnerability of course is not precise, but Soviet technology is and has been moving with increasing speed and effect. Complacency in light of this progress is not warranted.

We originally built the Polaris submarine as a relatively makeshift ship by cutting in half an attack submarine on the building ways. The result was highly satisfactory and came at an opportune time. The first Polaris missile was a short-range 1,200-mile missile. Fortunately we proceeded to develop a series of more sophisticated and longer-range missiles which have led to the current Poseidon missile. Had we been content to live with that earliest submarine and its missiles, without improvement, we would be almost forcing our submarines to operate on the very coasts of the Soviet Union to reach targets.

Moreover, in view of the steady improvement of today's antimissile technology, failure to improve on that first missile system would have placed us in an increasingly awkward and weakened position both in world politics and strategic arms negotiations. In short, it is necessary in this business of strategic deterrence to keep ahead of the game—to do otherwise is to invite the adversary to develop a counter. In the present case, the combination of providing the Trident submarine with a very large patrol area and quieter operating systems can make the development of an effective antisubmarine warfare counter to Trident virtually prohibitive economically. Such a degree of survivability is stabilizing in that it does not invite a counter.

THE BASIC OBJECTIVE

The basic objective of our strategic policy is to preserve the sufficiency of our deterrent in order to make nuclear attack unattractive. That sufficiency has been placed in serious doubt by Soviet momentum in building up their already powerful strategic forces, particularly their sea-based forces. The strides that the Soviet Union has been making in naval power is evidenced by the assertion by Capt. John Moore, one of the world's foremost experts on naval matters, that the Soviet Navy is now the most powerful in the world. Captain Moore's statement is included in his foreword to what many individuals consider the most authoritative annual on the world's navies, Jane's Fighting Ships, of which he is editor.

Soviet strategic momentum was only partially arrested by the strategic arms limitation agreements. It is imperative that the United States have a credible and logical means of insuring that the Soviets do not gain a position of nuclear superiority. The Trident program is an essential part of that credible and logical means.

The Trident system will be capable of either replacing in part or augmenting existing systems and will be virtually invulnerable to the broadest spectrum of possible future threats. I believe that the best action we can take to preserve our nuclear sufficiency is to continue on schedule the Trident program.

The Trident submarine is being planned for introduction into the fleet in 1978. It will be equipped with the new Trident I missile which will have a range of over twice that of the present Poseidon missile. This will enable the Trident submarine to operate in over 4½ times the ocean area that the Polaris submarines can operate in.

When it enters the fleet, the Trident system will give our country the equivalent of what the Soviets reportedly already have—a deployed 4,000-mile sea-launched ballistic missile. Moreover, the Trident is being designed to operate much more quietly than our present SSBN's as well as to operate faster and last longer.

THE POLARIS/POSEIDON PROGRAM

For years the Polaris/Poseidon program has served as the bulwark of our Nation's strategic deterrent. And it has done the job superbly. But these ships cannot be expected to perform their vital mission indefinitely.

Our present fleet of 41 Polaris/Poseidon submarines was built in a relatively short period during the late 1950's and the early 1960's. In fact, all of our present SSBN's were deployed in the 7-year period between 1960 and 1967. At the peak of the Polaris building program, 13 submarines appeared in 1 year.

The first of these submarines represented an accelerated effort to attain a sea-based deterrent at the soonest possible moment. As I noted, smaller attack submarines then under construction were literally cut in half to permit the addition of a missile compartment, thus providing for the earliest possible introduction into the fleet. Subsequent classes improved quieting, depth capability, and habitability, but the basic ship technology has otherwise not generally changed.

No ship in the fleet has been worked as hard as the Polaris/Poseidon with its blue and gold crews. Each submarine generally comes in from a mission, replenishes its supplies, and goes right back out on a new mission, leaving the old crew ashore. In the words of the House Armed Services Committee, the result has been that "these submarines have been subjected to more missions and have been longer on station than any other class of ship in the fleet."

When they were built, these submarines were not expected to have an operating life longer than 20 years. Yet, some of them are nearly a dozen years old today, and they are beginning to show the effects of age. While the Navy may be able to stretch the life of a few of these ships to 25 years, it would be foolhardy to permit this force to become either overage or technically obsolete.

Assuming that replacement will occur under guidelines similar to the existing strategic arms limitation agreement, the introduction of the first Trident submarine in 1980—as this amendment proposes—followed by 3 in the 3 succeeding years and thence 2 each year thereafter, would result in all Polaris/Poseidon ships exceeding 20 years before retirement; 13 would be 24 or more years old; and the oldest would be 26. This schedule would clearly jeopardize the Navy's ability to continue to discharge its vital strategic mission. It is a far wiser approach to get on with the procurement of the first 10 Trident submarines, as requested by the Department of Defense.

Moreover, there are absolute limits as to the improvements which can be made in the present ships. Growth potential provides only for modest improvements in quieting, sonar, or missiles. It is not economically realistic to convert the first 10 SSBN's to Poseidon, for example. And introduction of the Trident I missile in the remaining 31 ships would use all of their missile growth potential. Only a few noise reduction improvements are feasible in the existing ships. Significant noise reduction sufficient to maintain a lead against anticipated acoustic technology advances requires the radically different and quiet propulsion plant planned for the Trident submarines; this cannot be backfitted in existing SSBN's.

In short, the existing Polaris/Poseidon SSBN's do not have an indefinite life, and do not represent current technical capability in areas important to future sea-based strategic forces.

THE TRIDENT

Trident, on the other hand, is virtually synonymous with survivability. And in strategic deterrence, survivability is the name of the game. Through a combination of greater patrol area, greater missile range, and through a submarine which provides great improvements in quietness, mobility and self-defense, Trident promises to be the most invulnerable system in our arsenal for decades to come.

The entire program is being designed to markedly improve the at-sea to inport ratio over that achieved by Polaris during the past 12 years. As a result of long-life reactor cores, optimized logistic support facilities, improved system maintainability, two-crew manning, and U.S. basing, the Trident ships will realize up to 15 percent or more time at sea than have their predecessors over the past years.

Effective targeting of today's 2,800-mile range sea-based systems denies the broad ocean areas to our SSBN's. However, the great ocean area that is available would provide an insurmountable obstacle to ASW forces of present and future years. Trident would put that area to use. The very long ranges provided by the Trident missiles will permit Trident submarines to patrol at least 4½ times and perhaps up to 10 times the total ocean area available to today's SSBN's, while maintaining the most important targets within range. Some key areas will become easily targetable from U.S. home bases in either the Atlantic or the Pacific. Availability of such vast areas provides operational flexibility to select patrol areas of prevailing seasonal storms, high biological noise and other phenomena to blunt attempts of acoustic ASW sensors to detect Trident.

Moreover, Trident will incorporate additional features which will provide marked advantages over our present submarines in what must be anticipated to be an increasingly hostile environment.

First, incorporation of a new, quieter reactor and propulsion plant design will provide quieting improvements to combat detection not possible in today's SSBN's. Second, Trident will be optimally configured to include an advanced sonar with a capability which far overshadows that available to today's SSBN's, and which cannot be backfitted into today's SSBN's because we have literally used up the growth margin available in that older design ship. The greater increased detection range of the new sonar alone will provide a giant step in survivability, permitting Trident to evade adversaries long before she herself becomes detectable by an enemy.

With the new propulsion plant, Trident will be provided with more power which can be used in the form of speed and/or mobility. The quieter Trident submarine will be capable of patrolling or transiting at higher speeds with equivalent degrees of quietness than can today's ships.

Finally, the Trident submarine will provide growth potential for missile advancements which may be required to accommodate future Soviet advances. Today's SSBN's which have so flexibly made the transition to Poseidon, will have exercised growth margin to the fullest possible degree if the decision is made to backfit the all-new Trident I missile. On the other hand, Trident incorporates growth margin to meet future threats by any number of possible avenues, and can readily accommodate new sensors and other defensive equipment.

THE BACKFIT OPTION

Some of my colleagues have advocated backfitting the Trident I missile into our existing Poseidon submarines in order to upgrade our deterrent forces and defer the Trident for 2 years. This, to my thinking, is false economy.

It is true that the backfit option provides for rapidly upgrading our sea-based missiles in response to a dramatic increase in the threat against our deterrent forces, or to a need to minimize our reliance on overseas bases. However, Trident is capable of increasing available ocean area for submarine operations by a multiple of 4 to 14 or more times over that available to Polaris/Poseidon missiles, depending upon concepts of targeting and selection of ocean areas. Backfit submarines—today's SSBN's—can use only part of this expanded operating area in a normal patrol period because a requirement for higher speeds to permit coverage of the entire area would markedly increase the detectability of these submarines. Trident, with an improved, quiet propulsion plant, is not limited to area use. Furthermore, backfit submarines are space-limited and cannot accommodate the sonar and quieting improvements which will be inherent in Trident. And finally, backfitting into Poseidon submarines does not alter the aging problem facing the existing 41-ship force. To be a believable deterrent, SSBN's must be reliable as well as survivable. This is why backfit—alone—is not an amenable alternative.

Mr. Chairman, it is imperative that we not permit the credibility of the most survivable element of our strategic forces to erode. While a short-term increase in survivability might be provided by installing the Trident I missile in our current SSBN's, such a measure does nothing to offset the ravages of time or technological advances which would threaten our aging ships as they advance into the 1980's and beyond. Prudence dictates that we update some portion of our submarines to stay abreast or ahead of anticipated Soviet advances.

WHY TRIDENT NOW

When one considers the rapidity with which the Soviets might deploy an antisubmarine warfare threat once the state of the art in sensors or kill mechanisms has been sufficiently advanced, it becomes clear why proceeding with Trident as quickly as possible is so essential. The Soviets have made tremendous advances in building a fleet of modern, high-speed surface ships and high-speed nuclear attack submarines. Thus they are acquiring vehicles which require only the adaptation of a new development in order to endanger our existing Polaris-Poseidon force. Thus we must cut the leadtime necessary to provide an adequate deterrent. Six to seven years are required to design, develop, and deploy a new SSBN in an orderly manner. With a building rate of three ships per year, it would be the early 1980's before 10 Trident submarines would be operational under even the current accelerated schedule. If need be, delivery dates of follow-on ships can be modified in future years. However, we cannot regain lost leadtime if we fail to continue our current Trident pace and find ourselves in a serious dilemma later.

Moreover, if we delay this program 2 years, we will have to pay the financial costs as well. Admiral Rickover has told the House Armed Services Committee that if the Trident submarines are not funded this year as required, the cost of the first Trident ship will increase by $100 million and the cost of the others will increase by comparable amounts. The nuclear components authorized last year and consisting of huge masses of metal being shaped and formed to meticulous reactor requirements are coming off the production line as planned. Any halt will not only delay the long leadtime items for the other submarines, but will increase the costs as well. In the event that the program is not funded, it is not unlikely that the manufacturers of these very complex components will find it better business to concentrate on the reactor program for private industry than to deal with the on-again, off-again programs of the Navy.

SALT

Some of our colleagues have implied that the present Trident schedule conflicts with the strategic arms limitation agreements with the Soviet Union. On the contrary, the controlled modernization of our strategic deterrent is essential if we are to make further progress in the next round of strategic talks with the Russians. The Trident program is the keystone to such modernization, and as such, deserves full support.

What is more is that early Trident introduction will provide us with the flexibility needed to react to SALT in a manner which will assure us the strongest deterrent forces permissible under any new agreement. If "freedom-to-mix" results from SALT II, we can readily increase the sea-based systems which provide the greatest survivability. If SALT results in an overall lesser number of launchers—that is, a cutback on total land-based and sea-based missiles—we will be in a position to put more under the sea, and thereby enhance their survivability, as we phase out numbers of land-based weapons. If we were to delay the first ship, the long leadtime required to build nuclear ships would destroy our choice of options. We can always slow a building rate, but picking up the pace is very, very costly. We cannot afford to get into that kind of "catch-up" game.

SUMMARY

In essence, this debate boils down to a simple matter—should this Nation in light of the strategic reality today, proceed with the development of the next generation strategic missile system now, thereby providing for continued effectiveness of our deterrent forces for the future, or should we follow a wait-and-see approach. I firmly believe that we must go ahead now with the Trident program in order to insure the long-term survivability of our nuclear deterrent, which is the key to preserving the strategic balance of power and with it peace in the world. I urge my colleagues to support the full authorization for the Trident program.

Mr. BENNETT. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, the purpose of having this Trident program, of course, is to retain the credibility of the United States in its position to be a deterrent against nuclear conflict. Its purpose is to see to it that we never have a nuclear conflict by making it unrewarding to any nation to launch a nuclear attack.

When you look back a little bit in history, at the end of World War II, and think about what we were thinking at that time, and the probable events that might occur after that world war, and the fact that we might be forced into a nuclear war, and we realize in the decades that have followed the strength of the United States in this field, you can see that it was this strength which in fact preserved the deterrent.

That has been the greatest thrust to retain peace in that period of time.

There is no treaty conflict involved in the production of the Trident as planned in this bill. Over the weekend I read again the SALT agreements, and there is nothing at all in them that is in conflict with this bill. The gentleman proponent of this amendment may think that this bill will be added to the total of our submarine fleet; but when the Tridents come into existence they will come into existence when the existing fleet will be beyond the age of utilization. The old submarines will be put into the stockpile of our standby fleet rather than into actual utilization. Therefore, the Tridents are a follow-on for the programs which we already have in existence.

This is a replacement of the Poseidon program, replacing old vehicles of this nature. The Russians already have the Delta, which is comparable with the Trident.

It has been said many times by the proponents of this amendment that it will cost more than a nuclear carrier. It was interesting to see what opponents of this bill thought about the nuclear carrier cost a few minutes ago because then they were talking against the carrier. They made it sound as though it was going to cost $3 billion. But the cost now is $1 billion according to these same opponents of the bill as written.

Although they say each Trident submarine will cost $1 billion, that is not true. The figures show it will be less than $500 million for a submarine. The only way they arrive at the cost figure they cite for Trident is by the process of adding the facilities, the ports, the research and development, and everything else to it and dividing it by the number of submarines we presently intend to acquire. As far as I know, that has never been done for any other particular purchase.

The author of the amendment is not opposed to the idea of building these ships, but he thinks they are very expensive and he does not want to build them at the rate suggested. The gentleman says that he might save money by slowing down, but, to the contrary, we will expend more money by slowing down.

I would like to point out that this program is managed by Admiral Rickover, who has a program accomplishment record, in the Poseidon and Polaris field, of having no overruns. This is about the only place you can look at any place in defense of any construction effort, even nondefense, where you have no overruns. Although I cannot guarantee there will be no overruns, this dedicated and able man and his fine group working together have produced no overruns in the past on the expensive Polaris and Poseidon programs and I feel the past is the prophet of the future.

Admiral Rickover has estimated what it would cost. The chances of overruns are very small when he is the man making the estimates.

In concluding my remarks, I read to

the Members from a letter I received from Admiral Zumwalt, our able and dedicated C.N.O. In it he said:

> In my judgment, the Soviets are pursuing a heavy program of ASW development . . . My judgment is strengthened by observing some of the following advancements:
>
> Soviet deployment and sustained construction of improved quieter SSN's with improved ASW capability.

Second:

> An obvious increase in emphasis in ASW, as evidenced by deployment of capable new ships and sensors, as well as increased participation in ASW exercises.

Third:

> Increased confidence in reliability of ships and capability of crews as evidenced by increasing out-of-area deployments.

And I might say that the recitation in the press recently by the head of the Navy of Russia was along this same line, saying their Navy could detect anything.

The CHAIRMAN. The time of the gentleman has expired.

(By unanimous consent, Mr. BENNETT was allowed to proceed for 2 additional minutes.)

Mr. BENNETT. Then Admiral Zumwalt in that letter goes on to say, fourth:

> Increasing experience with strengths and weaknesses as well as operating requirements or patterns of a deployed submarine missile system so similar to our own.

Then, finally, Admiral Zumwalt, summarized as follows on this Trident program:

> Trident is being designed to meet the threat which is anticipated in the next decade, the precursors of which may be observed to be developing today. In the light of the extensive lead time required to develop and build a system which has greatly increased tolerance to an improved Soviet ASW capability, it is simply not prudent to delay commencement of Trident.

Finally, Mr. Chairman, I would quote to you what Admiral Zumwalt said before our committee. He did not say this in his prepared testimony. We just asked him what was the most dangerous thing we could do to the entire budget of the Navy, and this is what he said—and this is on page 3638 of the hearings, and you can read it there if you wish to. He said:

> The most important thing we cannot do if the nation is to survive is to reduce the Trident program.

The CHAIRMAN. The time of the gentleman has again expired.

Mr. KING. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, the name Trident has been given to a new generation of ballistic missile carrying submarines. This Trident system is being developed to insure that our Nation retains a viable strategic deterrent system in the 1980's and beyond.

The decision to proceed with Trident is not based on any single additional or recent threat; however, the Soviets have been working to attain a capability of neutralizing our Polaris submarines ever since the first one went to sea 12 years ago. Introduction of systems such as the MOSKVA class helicopter equipped ASW ships is indicative of the fact that the Soviets' significant R. & D. efforts are being translated into hardware systems. These signals indicate that we cannot afford inaction.

Trident submarines will meet the challenge of the future by reducing the phenomena, such as noise, which permit an enemy to detect and destroy our submarines. Additionally, the ship is being designed for ease of maintenance and operation. Improved logistic support, decreased "turn around time" and longer intervals between overhauls all increase the availability of this submarine for patrol while decreasing the life cycle drain on the taxpayer's dollar. A Trident submarine force will be less expensive to operate for a given number of missiles in a "ready on-station" status than current Poseidon submarines. First, since the Trident submarine can carry 50 percent more missiles, there can be 33 percent fewer Tridents on alert than would be required utilizing Poseidon submarines. Second, with the longer patrol period for Trident, there will be fewer refits required per year. Finally, the increased reliability of this new class submarine will allow shorter refit periods than for the older Poseidon submarine.

It is particularly desirable to have the flexibility of continental basing of a strategic deterrent force for both security and economic reasons. This option becomes available with the longer range Trident missile. Our submarines can be "on target" upon leaving port and transit times to patrol areas are avoided. We will not be forced to separate our crews from their families longer than is necessary due to the need to fly our people and material support overseas. This factor will aid retention efforts considerably and in the process help contain overall defense personnel training costs which have increased at an alarming rate in recent years.

In brief, we must support this Trident system, which will be quieter, faster, better equipped, and more cost-effective than her predecessors. By lending our support today, we can insure this Nation's survivability to threats which may emerge over the next 30 years.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California (Mr. LEGGETT).

The amendment was rejected.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

TITLE II—RESEARCH, DEVELOPMENT, TEST, AND EVALUATION

SEC. 201. Funds are hereby authorized to be appropriated during the fiscal year 1974 for the use of the Armed Forces of the United States for research, development, test, and evaluation, as authorized by law, in amounts as follows:

For the Army, $2,031,686,000;

For the Navy (including the Marine Corps), $2,675,300,000;

For the Air Force, $3,110,811,000; and

For the Defense Agencies, $504,000,000, of which $24,600,000 is authorized for the activities of the Director of Test and Evaluation, Defense.

Mr. HÉBERT (during the reading). Mr. Chairman, I ask unanimous consent that title II be considered as read, printed in the RECORD, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

AMENDMENT OFFERED BY MR. PIKE

Mr. PIKE. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

> Amendment offered by Mr. PIKE: Page 3, line 16, after "Air Force" strike out "$3,110,811,000" and insert "$2,637,311,000, none of which shall be used for the B-1 bomber development program."

(By unanimous consent, Mr. PIKE was allowed to proceed for 5 additional minutes.)

Mr. PIKE. Mr. Chairman, I have not sent out any "Dear Colleague" letters, and I hope that the debate on this issue does not take too long. It does not delay the B-1 program, it kills it dead.

I hope the mathematics have been clear. I have struck $473.5 million from the Air Force procurement.

I have asked for the extra time because, while there are just 4½ lines in the 150-page committee report on the subject of the B-1 bomber, those 4½ lines represent $473.5 million. That is this year's bite in the development program. I ask the Members to visualize a B-1 bomber. This room, from the blue up there to the blue up there, is 139 feet long, and the B-1 is 4 feet longer than that. This room, from the blue wall there to the blue wall there is 93 feet wide, and the B-1 with its wings folded is 15 feet narrower, and with its wings extended, it is 44 feet wider.

Now that the Members can visualize it, color it gold, because if we were to take a lump of gold of the weight of the B-1 bombers which are being developed, the cost of the three development B-1 bombers, the lump of gold—and this is pricing gold at a price it has not even reached yet, $125 an ounce; it is getting close, but it has not gotten there—would be about 50 percent cheaper than the B-1 bomber.

The program, I am delighted to be able to say, has involved no cost overrun whatsoever, and the Pentagon has hit upon a unique device for avoiding cost overruns. They put out cost-plus contracts so there can never be a cost overrun on the B-1 bomber, because the B-1 bomber's cost is going to be whatever it costs.

What does it cost? Last year at this time they told us that if we would appropriate $444.5 million, the cost to complete the program would only be $9,978.8 million more. This year, having appropriated the $444.5 million last year, they tell us that if only we will appropriate $473.5 million this year the cost to complete the program has not gone down from $9.9 billion; it has gone up to $12,064,600,000. We have appropriated $444.5 million last year. We are asked to appropriate $473.5 million this year, and we are approximately $1.2 billion further behind, if we appropriate the money, than we were when we started.

I do not really know how many millions of Russians we have to be able to have the assured capability of killing in order to have what we deem to be an adequate deterrent force.

I happen to believe that with our Polaris submarines and with our Poseidon submarines and with our Trident submarines—which I do support and have supported—and with our ICBM's, we have the deterrent capability. I just believe very strongly, however, that the galloping cost of this program—and it changes faster than our hearings can keep up with it—it has changed by $80 million up since we concluded our hearings on this bill and concluded our markup on this bill.

We cannot keep up with the cost growth of this program. We never will be able to keep up with the cost growth of this program. I would like to hope that the argument made of all places in Aviation Week and Space Technology we might pay some attention to. Here is what an Air Force general said in Aviation Week and I am quoting from the issue of June 26, 1972:

"If we do not get the B-1, we can forget all else in the field of strategic offense manned systems," one Air Force planner told Aviation Week and Space Technology.

"Once the horse was replaced by something else," he noted, "they didn't go on improving horses."

I think this is where we have gotten to in the realm of manned strategic systems. I am sure that the last charge of the cavalry was a magnificent sight to see, but here we are charging and charging and charging in pursuit of an elusive bomber. We wasted $1.5 billion building two and a half B-70's and decided not to produce them. We are wasting what they tell us now is going to be $3 billion to produce three B-1's, and I firmly believe we are not going to produce them. They are going to cost $100 million each when we start production if we put the missiles in them and that does not count the cost of the nuclear warheads on the missiles. I just do not believe we are going into that kind of program. I do not believe we need that kind of program. I honestly think that the Air Force and this Nation would be stronger if we put the money somewhere else.

Mr. LONG of Maryland. Mr. Chairman, will the gentleman yield?

Mr. PIKE. I yield to the gentleman from Maryland.

Mr. LONG of Maryland. Mr. Chairman, I am very interested in the gentleman's remarks. I might point out that part of the B-1 bomber is made in my district. I voted against it the last time.

Mr. PIKE. The B-1 program is so big that part of the B-1 bomber is made in everybody's district.

Mr. LONG of Maryland. I believe it.

Mr. PIKE. I want the gentleman to know no matter where one lives some little part of the B-1 bomber is made, and I have no doubt the gentleman has gotten a letter from someone saying he must support the program.

Mr. LONG of Maryland. And all the letters are alike.

The gentleman has not said much about the military effectiveness of the B-1 bomber.

Mr. PIKE. If all of our 1,046 ICBM missiles miss, and all of our Polaris missiles miss, and all of our missiles we have on the Poseidon miss, and all the Tridents miss, then perhaps the B-1 might have possibly some use.

Mr. LONG of Maryland. What other plane do we have to perform the military function if we do not have this plane?

Mr. PIKE. The basic job of the B-1 bomber is to carry the nuclear missiles called SRAM's and also carry nuclear weapons, and they also have the capability of carrying conventional bombs.

Mr. LONG of Maryland. Does this take the place of the B-52?

Mr. PIKE. Yes.

Mr. LONG of Maryland. The B-52 is supposed to be worn out although the Russians do not have a bomber anything like this good.

Are there any other aircraft such as the FB-111 that can do the job just as well?

Mr. PIKE. I would not say the FB-111 can do the job as well because it does not have the range or carrying capability but I do say the cost of the B-1 bomber compared to its utility makes buying it a real exercise in waste. I just do not believe it will ever get bought.

Mr. LONG of Maryland. So the gentleman puts the whole argument basically on the tremendous cost?

Mr. PIKE. Yes, and on the fact that in my judgment the winner of the next war is not going to be he who grinds his enemy into the finest powder.

Mr. PRICE of Illinois. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, no part of the B-1 is manufactured in my district.

In our deliberations, we must never forget that there is an unequivocal need for the B-1. We need it to modernize our heavy bomber force, and thus to maintain the effectiveness of that force. We cannot rely forever on our aging B-52's, which are based on the technology of the early 1950's and which were designed to counter a threat considerably less capable than the far more sophisticated threat expected in the 1980's and thereafter.

Without an effective bomber force in the future, we would find ourselves in an untenable position. Consider the following:

Five years ago, Russia had about 800 ICBM's, but today it has twice that number. Five years ago, the United States had 1,054 ICBM's; today we have the same number. In short, in the past 5 years, the U.S.S.R. has gone from a position of inferiority to a position of 3-to-2 advantage over the United States in terms of numbers of ICBM launchers, and also has a considerable advantage over the United States in terms of ICBM "throw weight." Also, the U.S.S.R. today is actively testing several new or significantly improved ICBM's, but the United States has no new ICBM under development.

Five years ago, Russia had fewer than 100 SLBM launchers, but today it has more than five times that number. And the Soviets are continuing to build new ballistic missile submarines. Five years ago, the United States had 656 SLBM's; today we have the same number.

Five years ago, we had twice as many delivery vehicles of all types—ICBM's, SLBM's, and bombers—as the Soviet Union. Today, the Soviet Union has the advantage in numbers of delivery vehicles. And this Soviet quantitative advantage over the United States is expected to widen further over the next 5 years as we continue to phase out some of our older B-52's and the Soviets complete the buildup of their SLBM force to the level permitted by the Interim Agreement on Strategic Offensive Arms.

What this means is that modernization of our strategic bomber force—which is extremely important in any event—takes on added significance. How much added significance as someone said recently: "Ask any boy in a big city whether or not the best way to stay out of a fight is by being the smallest kid on the block."

Inasmuch as the B-1 will assure the continued effectiveness of the bomber force, it will strengthen our deterrent posture in the years ahead. Related to the nature of our future deterrent posture, it is evident that the B-1 will be an important contributor to stability. The B-1 probably would not be perceived as a very good "first strike" weapon—despite its accuracy and megatonnage—because of the relatively long warning time available compared with that of SLBM's and ICBM's. This factor—combined with the B-1's high degree of survivability, and its ability to be launched under positive control and recalled without expending its weapons—means that the B-1 possibly would make the greatest contribution of all our forces to stability. And of course, the B-1's effectiveness—and its cost-effectiveness—are extended by virtue of the fact that it can be used in both a strategic role and a conventional role.

So there can be no question about the need for the B-1. It will be a highly capable system which will strengthen our deterrent posture in the coming decades by maintaining the effectiveness of our bomber force. And within this context, it will also be an important contributor to strategic stability. I urge that you give the B-1 program your fullest support.

Mr. HUNT. Mr. Chairman, will the gentleman yield?

Mr. PRICE of Illinois. I yield to the gentleman from New Jersey.

Mr. HUNT. Mr. Chairman, I want to tell the gentleman that likewise no part of the B-1 is made in my district, and perhaps the gentleman who spoke previously has never heard of improvement being carried on with equines but maybe the name "Secretariat" might refresh his memory.

Mr. SAYLOR. Mr. Chairman, will the gentleman yield?

Mr. PRICE of Illinois. I yield to the gentleman from Pennsylvania (Mr. SAYLOR).

Mr. SAYLOR. Mr. Chairman, does the

gentleman know of any airplane which has ever been built by any company or by any country which did not have its defects that had to be worked out as the plane was developed?

Mr. PRICE of Illinois. I never have, and I do not think anyone else has.

Mr. Chairman, I hope the committee will reject this amendment.

Mr. GUBSER. Mr. Chairman, I rise in opposition to the amendment.

It seems the thrust of the arguments in opposition to the B-1 is that we have enough delivery capability with our strategic missiles so that a bomber in the future will not be necessary to our national security.

First I believe that we must, though we do it reluctantly, presume that even though a spirit of detente does exist today and we have made some remarkable progress in agreements with potential enemies this is still a dangerous world.

I, for one, must continue to believe it is a dangerous world so long as the very potent military forces of the Soviet Union are amassed ready to strike at central Europe on a moment's notice.

I, for one, must continue to believe that this is a dangerous world in which we live so long as the Soviet Union continues to spend more of its gross national product on armament than we are spending, so long as it continues to develop offensive weapons.

There is no question but what the balance of military power is shifting drastically and dramatically in favor of the Soviet Union. Considering the realities of leadtime in the development of highly complex weapons systems, one cannot help but conclude that we cannot afford to be latter-day Neville Chamberlains and hope that a few breakthroughs signal peace in our time.

The present Soviet advantage in strategic missiles, coupled with the Soviet intensive military research and development program, has increased the need for manned bombers, and certainly has made the manned bomber more important in the strategic equation.

The bomber gives us flexibility which we need. The bomber complicates the problems of a potential enemy, and requires him to find a means of meeting that threat. In addition to a role of nuclear deterrence, the bombers possess the inherent capability of delivering massive fire power in a conventional conflict.

Stop for a moment and try to imagine a military force which possessed only strategic missiles. Try to imagine where we would be if we had only our Minuteman missiles, our Polaris, and our Poseidon fleet, and the Trident fleet coming along.

That sort of posture would be fine if we intended to be the aggressor and if we intended to launch a first strike. But I do not believe anybody in this room truly believes the United States of America intends to launch a first strike and bring about a nuclear conflict. We will not be the aggressor. So, we will not have the option of what kinds of weapons we use. We will have to respond to an attack. That is where a mixture of weapons, a variety of weapons and the capability to respond to different threats, is absolutely essential.

I believe it would be most foolhardy, the most foolhardy thing this country could ever do, if we put all our eggs in the strategic missile basket. That we simply cannot afford to do.

Mr. KEMP. Mr. Chairman, will the gentleman yield?

Mr. GUBSER. I yield to the gentleman from New York.

Mr. KEMP. I appreciate the gentleman yielding. I believe he is making an extremely important contribution to this debate.

The statement was made earlier, during another amendment, and it is germane to what we are talking about right now, that there are those of us on both sides of the aisle, because of our support for these kinds of programs, who only look upon Soviet Russia as a menace. I believe that is an unfortunate choice of words.

I would suggest that one of the reasons why this administration, and our President, has been able to bring into reality an era of negotiation rather than confrontation is primarily because this Nation has maintained its credibility of deterrence and its strength in strategic weapons. Weakness doesn't help negotiations it is a hinder. Under President Nixon and Dr. Kissinger we have stopped trying to buy the world's love and have started earning its respect. We are holding out the hand of friendship to the world but not out of weakness or trepidation.

I will tell the Members there are some people who would still consider Soviet Russia a menace, and those are the Hungarians, the Czechs, and the Poles plus millions of other captive peoples. But if we are to truly enter an era of successful negotiation, we should negotiate from strength and not from weakness. I urge the defeat of this amendment.

The CHAIRMAN. The time of the gentleman from California (Mr. GUBSER) has expired.

(By unanimous consent, Mr. GUBSER was allowed to proceed for 5 additional minutes.)

Mr. GUBSER. Mr. Chairman, I thank the gentleman for his contribution.

There is one other point about the need to have a bomber that is very seldom mentioned, but which I think is terribly important. Let us assume that we were engaged in an intense negotiation with some foreign country and that we were being blackmailed at the conference table. Assume further that the only thing we had to prevent them from gaining what they wished by blackmail negotiation methods was our deterrent threat.

Now, if we rely strictly upon missiles, we have only one level of deterrence. The missile is either in the silo or we press the button and it is on the way to the target with no way of calling it back.

We have no means of upgrading our deterrent posture.

But if we have a bomber, it has one level of deterrent capability when it is in its bay on the ground, it has a higher level of deterrent capability when it is in the air, and when it is halfway to its potential enemy's boundaries, it has a higher level of deterrent capability.

Mr. Chairman, is it not obvious that a man sitting at a negotiating table, knowing that those bombers were halfway to his country, would begin to think a little bit more seriously about whether they wanted to have a nuclear war on their hands and whether they wished to pursue their tactics of nuclear blackmail.

I believe that the strategic bomber provides us a means of upgrading our deterrent posture in order to assist our negotiators who might be sitting at the conference table during a crisis.

Mr. Chairman, I believe we ought to take note of the fact that only 10 percent of the Defense budget, already diminished in real terms, is allotted today to the strategic forces. Within that 10 percent of the diminished budget less than half is allotted to the most flexible and proven strategic system, the bomber. This is expected to remain true as the B-1 is introduced into the inventory.

I repeat the fact that bombers make a unique, irreplaceable, and effective contribution to our deterrent capability and make critically important contributions to strategic stability. These bombers are expected to be of considerable value in the future, much longer than the current B-52 can remain effective and serviceable.

Accordingly, the development of the B-1 is essential to insure the continued contributions of the bomber force in the years ahead.

Mr. Chairman, I strongly urge that we reject the amendment offered by the gentleman from New York.

Mr. HUNT. Mr. Chairman, will the gentleman yield?

Mr. GUBSER. I yield to the gentleman from New Jersey.

Mr. HUNT. Mr. Chairman, I thank the gentleman for yielding.

I have been listening to the gentleman's discussion. I must agree with the gentleman thoroughly.

One of the things that was not touched upon while we discussed the B-1 is the fact that the bombers we do have in the armament now are old. The new weaponry and the new systems of weaponry we have in the arsenal are most important so that the B-1 will be equipped to carry either conventional or nuclear warheads, as the case might require, and as a deterrent factor. I do not know of any nation who would attack this country if they knew we had in the air two or three B-1's with long-range missiles attached to the fuselage that could be used at any moment.

So the main objective in obtaining the B-1 is to get into the inventory of U.S. military forces a weapon that will be effectual in case we are attacked or in case an attack is imminent, or as a deterrent to attack.

You know, there are such things as sabotage and power failures that might affect the nuclear equipment supply we have, but with several B-1's in the air, as you pointed out, this is a most valuable tool to us to stay out of war rather than getting into one, and I compliment the gentleman on his presentation.

Mr. GUBSER. I thank the gentleman. I consider the "Cross of Gold" speech was the greatest speech of all time. However, it has been supplanted by the "Bomber of Gold" speech, and I wish to yield now to the author of that speech.

Mr. PIKE. I thank the gentleman very much for yielding.

I frankly agree with my friend in much of what he has said, but I think when you paint this as a black or white or all or nothing situation with manned or unmanned bombers you are underestimating the role of carriers with their nuclear attack planes and the planes that we have stationed in Europe, also.

Mr. DICKINSON. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I have been very interested in the debate on this issue. While I have not spoken on other items that have been in the bill, I intend to do so on some items that will come up, and I do wish to make a couple of points in relation to the B–1.

I listened to what the author of the proposed amendment said, and what he said is true in the main. I am very much concerned, also, with the cost of the B–1. I would like it if we did not need it, but I think the main point I would like to make here, which we should not lose sight of, is that this is research and development money.

Whether or not we buy the B–1 is another question. At this point in time I am opposed to the procurement of B–1's because there are still many problems yet to be solved and bugs to be worked out with the B–1. However, I certainly think we would be extremely foolish if at this time, after the money we have already spent, we were to abandon all research and development in this area.

As the House well knows, we have already done away with the research and development for the SST. What we need is a capability and the ability to advance the state of the art of aerodynamics and SST's and supersonic bombers, both at the high and low level. This bomber would have almost supersonic capacity at low level and certainly have supersonic capacity at high level.

The point is that this is research and development money and if we do not go forward and develop our technology, we will find ourselves falling behind Russia in another area. It takes a very long leadtime to work out the research and development. It is not something you can simply start and stop at will. So, in knocking out this money, as the amendment does, it will knock out all research and development in this area of critical expertise, and I believe the House would be extremely foolish to do away with it at this time.

Mr. PRICE of Texas. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, as the B–1 R. & D. program enters its fourth year, I am personally most pleased with the reports I get concerning cost, schedule, and performance—the three key flashing lights on every major defense program. I am fully aware of the recent Air Force announcement concerning the rescheduling of several future milestones in order to assure a continuing balance between schedule and cost. Those aroused by that message would appear to have very short memories concerning the extent of schedule and cost adjustments encountered by earlier weapons systems.

The news that the total B–1 R. & D. current cost estimate remains within 3 percent of the 1970 projection is a most refreshing departure from the precedent of the past two decades. Throughout the 1930's and the 1960's, the common experience has been R. & D. cost increases of 50 percent to 200 percent. The remarkable resistance to cost increase demonstrated in the management of the B–1 R. & D. program seems particularly commendable during a period when, in food costs alone, we have experienced a 305 rise.

As far as schedules are concerned, every major contractural milestone to date has been met on or ahead of schedule. I am advised that rollout will still take place the third quarter of fiscal year 1974 and I am confident that first flight will take place on schedule during the fourth quarter of fiscal year 1974.

Completion of over 18,000 hours of wind tunnel testing combined with detailed tests of the structure and critical systems serve to verify the airplane's comparability and integrity. Everything points to an airplane that will fully meet performance specifications and mission requirements.

In overall perspective, by any reasonable measure, we have every reason to be pleased both with the management and the achievements of the B–1 research and development program.

B–1 CREW ESCAPE MODULE

The B–1 crew escape concept has three basic design objectives:

First. Safe escape from the aircraft in almost all flight regimes and on the ground.

Second. Post landing survival.

Third. Minimum degradation to crew station efficiency such as minimum personal equipment, maximum console and instrument space and full seat adjustment.

Conventional ejection seats afford very poor compliance with all of these objectives.

At the time of the B–1 engineering development contract award, the crew escape module, although proven on the F–111 series, was recognized to be a complex technical challenge requiring extensive testing to qualify the system prior to first flight. The awareness, coupled with potential R. & D. and production program cost schedule and performance impacts, resulted in over 2 years of the most meticulous design and risk assessment analysis. Alternative escape methods were again exhaustively reviewed during the summer and fall of 1972. On November 22, 1972, the Air Force concluded that the original design concept of a 600-knot system was not achievable with acceptable risk in time to support first flight. However, an interim module, man-rated to 450 knots, is realistic with acceptable risk for first flight. This module will provide flight test crew safety at least equivalent to ejection seats. Work is proceeding to provide the original 600-knot capability by production decision time.

A tight schedule of subsystem testing remains to be accomplished prior to first flight due to required design improvements in the capsule stabilization system.

Subsystem and full system testing since the November 1972 decision has been highly successful and within performance requirements. The B–1 crew module, proposed for a 21st century military aircraft, is now considered to be a low technical risk.

EFFECT OF WEIGHT ON PERFORMANCE

In the course of detailed design and structural testing, it has been deemed prudent to budget additional weight for B–1 structure to assure integrity and long structural life. The effect of increased weight on the B–1 mission performance has been offset by increasing takeoff gross weight, which extracts a small penalty of approximately 1,000 feet in takeoff distance.

At current design operating weight, the B–1 range performance is within 4 percent of the initial basic design mission requirements when carrying full design payloads and employing undiminished penetration speeds. Such a small discrepancy at this stage of development contrasts favorably with the performance status of recently highly successful jet airframes such as the DC–8 and 747.

Current B–1 performance permits penetration following refueling all the way at low level to 100 percent of the target system—a capability not possessed by strategic aircraft now in the inventory.

B–1 WEIGHT

When assessing the weight status of the B–1 program it is useful to consider the lessons of several military aircraft systems developed in the 1960's which have experienced severe structural problems. Limited fatigue life was at the root of those problems which were identified soon after the B–1 program began in mid-1970.

To preclude similar problems on the B–1 the Air Force and the contractor elected to change the emphasis from fixed weight requirements, as had been used in the 1960's programs, to weight goals that could be adjusted to assure structural integrity. This concept of "weight goals" instead of "fixed weight requirements" had been well proven in the successful development of commercial jetliners. Airliner design objectives are similar to those of the B–1: Not only is static strength essential but, more importantly, the integrity of a protracted—flight hour—fatigue life is mandatory to assure that the B–1 will serve as the strategic deterrent backbone into the 21st century. Moreover, it is intended that the B–1 will achieve that long service life without the need for the sort of postproduction structural modifications or retrofits which have proven so costly to several previous military aircraft.

It was fully realized that a price would be paid for the benefits of structural integrity which accrue from a change in emphasis from fixed weight numbers to adjustable weight goals. On the basis of detailed engineering drawings completed earlier this year, that price turns out to be an increment in airframe structural weight and an attendant increase of $2 million in the projected unit production cost.

Most significantly it should be noted, first, that this special program has been accomplished without impairing the critical mission performance of the B-1, and second, that the controlled increase in the unit cost is far less expensive than the alternate of continual structural modifications and retrofits during the long operational life of the B-1.

TECHNICAL CONCERNS

At this time there are no significant technical problems on the B-1 development program.

A thorough structural analysis and testing program involving 680 different parts has revealed no known or anticipated structural deficencies.

The same note of confidence pertains to performance and flight characteristics, where nearly 19,000 hours of wind tunnel testing verify that the airplane will meet all Strategic Air Command requirements.

In the systems area, the customary refinements and adjustments will be necessary, but none approach the category of insurmountable problems.

EMUX, the multiplexing system on the airplane, has caused us some trouble. The problems have been of a development nature and now that solutions have been identified, we have set up daily milestones which are monitored very closely. As a result, we are starting to get qualifiable hardware.

Development problems have also resulted in some delay in CITS, the central integrated test system. This delay has no impact on initial flight testing, however, and all areas of concern are being remedied.

The current brake system is acceptable for flight testing, but will require further development to meet longevity goals appropriate for production aircraft.

Stringent windshield requirements have caused problems, too, but again those being delivered are acceptable for flight testing. The problem has not been in the bird-proofing, deicing, or defogging characteristics, but rather with the challenge of incorporating all those features into a windshield with excellent optical qualities.

Another area that was of concern early in the program was the wing pivot joint. Following a highly successful static test, a fatigue test program was started. At the end of 1½ aircraft lives, small cracks were developing inside the bolt holes which connect the titanium lugs to the lower aluminum wing planks. This section has been redesigned by using an auxiliary spar to take the loads through that joint. Currently, we have completed 4½ lives on the pivot, and 2¾ lives on the revised joint with no evidence whatsoever of any cracking.

Based on previous aircraft history, ripple problems had been anticipated in the area of hydraulic pumps. These problems were precluded on the B-1 by a parallel initial development program with vendor selection based on test performance. The hydraulic pumps selected have now undergone a complete integration test with the engine, auxiliary power unit, the secondary power system, and the drive generator—and performed perfectly.

The way the B-1 research and development program is structured has allowed the Air Force contractor team to follow a logical and careful step-by-step approach in developing a major weapon system. This has resulted in a development program where technical risk has been minimized and made it possible through good management visibility to accurately and promptly detect problems and make rational decisions for their solutions. The visibility gained over the past 6 months, when the engineering drawing releases went from 65 to 90 percent and fabrication of major structure for the first air vehicle accelerated, has yielded the hard-data material and man-hour costs that could only be obtained by cutting metal and acquiring real time experience in assembling the first flight test aircraft. Analysis of these data provided a more accurate assessment of cost and schedule requirements and indicated that if we were to maintain the schedule of first flight in April 1974, we would require funds in excess of those programed for fiscal year 1974. The decision was obvious to hold the cost line and adjust first flight 60 days, still holding to a first flight in the last quarter of fiscal year 1974, as originally planned. The 60-day readjustment in first flight data will allow the Air Force contractor team to use more economical schedules for subsystems installations in the first air vehicle. While production decision is being rescheduled the revised decision date still falls in fiscal year 1976, as previously planned; in fact, the new fiscal year 1976 date is such that the engine endurance and other key tests will have been completed before any production commitment is made. As we are all aware, moving ahead into production before engine endurance and other vital tests were completed has caused problems in other major programs. It is felt by all involved that this decision to put schedule and costs into a more balanced context will certainly result in lower ultimate costs and a better weapons system.

The Air Force contractor teams have been able to meet every major milestone to date since the inception of the program in June 1970. These included preliminary design review, July 1971; mockup completion and review, October 1971; and critical design review, May 1973. At the same time, they have tested more than 680 individual parts of the B-1 airframe to verify structural integrity and producibility. Systems testing results, which have been outstanding, have included eight successful capsule parachute drops and three escape capsule rocket sled ejection tests. These preassembly tests have given great confidence in the design estimates. As in any R. & D. program, one expects design changes, and they do affect schedules. An example would be the decision in early 1972 to change from a mixed compression engine air inlet to an external compression inlet. It was found, as they moved into detail design, that while the mixed inlet offered certain advantages over the external at supersonic speeds, those advantages were not great enough to offset the additional cost and complexity of the design. Detailed studies showed that for a very slight decrease in supersonic performance they save weight, maintainability costs, and even gain in subsonic performance with the external compression inlet. This decision, of course, resulted in a redesign, which caused a revision in the schedule for that portion of the airframe.

There has been concern on the timing of the program readjustment announcement, and certainly with good reason. But the philosophy adhered to by the Air Force and the contractor during the B-1 program is best described by one word, "candid." It has always been the policy on the B-1 to announce as soon as possible any significant events or decisions that take place. As soon as the course of action was established for the R. & D. program readjustment, it was announced.

Since the inception of the program in 1970 they knew we were going to be faced with extremely tight funding, particularly during the early years of the R. & D. phase. They have adhered rigidly to the yearly funding limits since inception and this will also be the case in fiscal year 1974. The whole aim has been to stay within cost and remain on schedule, and now with validated test results and actual manufacturing experience becoming available as the assembly of the first air vehicle accelerates the current readjustment of the program will still permit first flight in the last quarter of fiscal year 1974 as planned and has resulted in less than a 3-percent cost variance in the total R. & D. program.

Mr. Chairman, as a former jet fighter pilot in the Korean war, I am keenly interested in U.S. strategic air capabilities. I make it a point to keep abreast of achievements in air technology and equipment as they occur.

It is because of my keen interest that I have been following the development of the new manned bomber, the B-1. And it is because of my understanding of its development process and my insight into the technical aspects of the plane and its equipment that I am so disturbed by recently published reports that the B-1 is having cost and management problems. These reports are misleading and inaccurate and I want to set the record straight.

According to one article:

> Government auditors (GAO) have uncovered a $1.3 billion cost overrun in the Air Force B-1 strategic bomber program. . . .

In fact, a $1.3 net cost estimate increase did occur between the time that the Air Force developed a preliminary estimate of total program costs and the time that the request for proposal was received from the aircraft industry. This increase constituted a necessary and appropriate update of the preliminary program estimate and was documented in recurring reports to the Congress.

The increase was not uncovered by the GAO or any other agency. Likewise, the increase is not, as alleged, a cost overrun, it represented conscious Air Force effort in an evolutionary process to identify and price out all elements of cost applicable to the program.

These particular adjustments of the preliminary estimate included: First, an amount for economic escalation over the life of the development program and to update the production program to fiscal year 1970 dollar value; second, an amount attributed to the AMSA program, the forerunner of the B–1; and third, amounts for testing and support and SRAM interface not previously charged to the B–1 program.

So it can be seen that the $1.3 figure I mentioned earlier is not an "overrun" as popularly understood. Rather, as was accurately pointed out by GAO, it represents the change in the Government estimate for the total B–1 programs as developed over the period from June 1969 to June 1970, and reported to Congress in the selected acquisition reports—SAR. In this connection I would stress that the program estimate shown in the June 1969 report was a preliminary Government estimate developed prior to the issuance of the Air Force's request for proposal for the private sector development contract. Thus as the source selection was completed and the contract figures became available, the estimates were revised and the new figures were incorporated in the June 1970 report.

The reported increase was largely caused by economic escalation, but there were some technical bookkeeping reasons for it as well. Between June 1969 and June 1970, the cost estimate increased $982 million solely as a result of translating costs of the development program and the procurement program to current dollar values. This represented sheer inflation. But just as important from a cost reporting view, the June 1969 SAR value was in constant fiscal year 1968 dollars in accordance with the then existing ground rules for SAR preparation. In contrast, the June 1970 value was a mixture of escalated dollars for development and constant fiscal year 1970 dollars for procurement. Inclusion of inflation factors was not routine and ground rules were not established to apply escalation factors uniformly in program reporting until the September SAR. The remainder of the $1.3 billion increase included $139 million of AMSA study funds not previously charged against the B–1 program, as well as another $187 million for other Government costs such as test support, SRAM interface, and so forth, and some program adjustments and corrections.

Finally the value of $10.1 billion reflected in the June 1970 SAR was the estimate for the total B–1 program to include the development contracts with North American Rockwell and General Electric, costs to develop the avionics, and a current best estimate for the costs of an eventual procurement program for which no contracts are anticipated until a year after the aircraft first flies in 1974.

Mr. Chairman, regarding a new program estimate, the Air Force has submitted revised estimates to Congress each quarter. By September 1970, these estimates reflected further anticipated increases in the program to $11.4 billion. These anticipated program costs prompted the Air Force to undertake an intensive study of the entire program, including its management philosophy. As a result the entire development program has been revised and significant cost reductions and scheduled improvements have been realized.

In accordance with the outlines of the revised development the B–1 is being designed for considerable growth in avionics during the later years of its lifetime. This is being done in recognition of the fact that the defensive threat which the B–1 must cope with will increase in severity during the late 1980's. However, the avionics system that will be installed in the production B–1 aircraft is expected to be considerably less costly and will be specifically tailored to meet the threat anticipated for its early flying years. This initial production avionics system will take maximum advantage of existing technology and its development will be paced to insure that the first production B–1 to join the strategic air command force will have a fully operational avionics system sized and configured to perform its total offensive-defense avionics tasks.

Speaking of offensive-defensive tasks, contrary to the impression gained from newspaper accounts, the SRAM test program has been quite successful. Recent flight tests launched from both the B–52 and FB–111 have reinforced Air Force and OSD confidence that the SRAM will be a very effective missile. The operational flexibility of the B–1 is increased by the availability of the SRAM. But this is by no means the only weapon planned for use by the B–1. Other weapons offer an extremely effective means of delivering large megatonnage against very large or very hard targets against which the lighter weight, low yield missile warheads are not nearly as useful.

Mr. Chairman, it has also been alleged that the B–1 program is being managed outside of existing directives prescribing DOD procedures for development programs. To the contrary, the B–1 program is the first program to come under the Laird-Packard approach to management, and focuses on getting full benefits for tax dollar expenditures.

The Air Force has implemented the Laird-Packard management practices on the B–1 program. The revised program of reducing the number of test aircraft and the elimination and reduction of many unsuccessful management practices that have hampered past programs is an example of the direct application of these practices.

I think the Air Force should be proud of its record on keeping the B–1 on schedule and within the authorized congressional fiscal levels. The fiscal baseline for the current program was established in the June 30, 1970, SAR to Congress and since that time the total cost of the development program has been reduced by over $55 million from that fiscal baseline. In addition, the Air Force has kept the program on schedule.

It is important to note that a primary objective of this revision process was to reduce the national resource commitment for the B–1 program to the lowest possible level prior to reaching the planned production decision point of April 1975. Under this program revision process the total dollars committed at the time of first flight were reduced and the production decision authority will be given 1 full year of actual flight performance upon which to base a production decision. This is in accordance with the DOD "fly before buy," concept.

All in all, from its very inception the B–1 program has been extremely cost conscious. The Air Force and the Department of Defense have determined that the program must be run with a continuing high level emphasis on controlling costs. It has, however, been equally emphasized that the B–1 must be a useful and cost effective weapon system, a system that will continue to provide a credible strategic deterrent for the United States in the years ahead. In my judgment, the current B–1 program meets both these objectives.

Mr. Chairman, there is a greater awareness of domestic needs in this country today than ever before. This has led to heavy pressure on Federal efforts to meet these needs. At the same time there is a budget problem, for our resources are obviously not limitless.

It goes without saying that doing the things we are talking about in this country and achieving our national goals, are not "either/or" propositions. We must strive to accomplish as many as possible. But if we are not secure in our national defense, and other nations bring us to feel, all our programs and our hopes, however well intentioned, will go out the window. Conversely, if we have the best military posture in the world, and other needed, high-priority programs suffer at the expense of this, then we have lost in another way. Consequently, we must study as best we can the capabilities of potential enemies—not as a scare tactic, not to produce a panic reaction—but because the capabilities of potential enemies are, after all, the true measure of the forces we really need.

One has to say the Soviet ballistic missile force is increasing in numbers. Their submarine capability, with sea-launched missiles, is also increasing. In fact, in total land and sea-based missile payload, the Soviets have more than a 2 to 1 advantage over U.S. resources.

In aircraft, the Soviets have a new swing-wing bomber prototype, and they are turning out about one new fighter design each year. In the process they are not phasing out their current bomber force. As a consequence, while we retain a lead in heavy bombers, we do not in total heavy and medium bombers. In fact, our strategic bomber force has been cut drastically in recent years. We have phased out the entire B–58 force sooner than previously planned, and our purchases of the FB–111 have been sharply reduced.

In my judgment, and I know my thinking is shared by Air Force balance-of-forces experts, the national defense system of this Nation should be buttressed by an appropriate mixture of three strategic force elements; bombers, land-based missiles, and sea-based missiles.

As a result of simulated war gaming and other forms of systems analysis it has been demonstrated that to maintain an assured destruction capability, a combination of bombers and missiles has definite advantages over either an all-bomber or an all-missile force. This way, the enemy must program his resources to counter both missiles and aircraft. By dividing his efforts, he cannot concentrate on any one system. He is thus less likely to neutralize even one of our strategic force elements, let alone all three. Further, this complicates his defense problems considerably and requires commitment of far more resources.

On the basis of this strategic concept the question of what would be the effect of stripping manned bombers from our deterrent forces is answered. Obviously, we would have to put much greater reliance on missiles. In my view, we would have less flexibility and fewer options to consider in response to an enemy threat.

A few years ago, when intercontinental ballistic missiles were first becoming operational, it was then thought to be impossible to defend against them. But with systems like ABM, this has changed, actually enhancing rather than reducing the strategic role of manned aircraft.

There are other advantages of maintaining advanced aircraft in the defensive inventory. For instance, you can have a show of strength with bombers without threatening a cataclysmic confrontation, for manned aircraft can be controlled. They can be pulled back at the right time. You cannot say the same for missiles.

From another perspective, there are no crystal balls in the national defense business; it is impossible to foretell all the various uses to which our strategic forces will be put. For example, no one foresaw the extensive use of the B-52 and the flying tanker in Southeast Asia. Tactical and strategic uses are openended. The options often depend on the imagination directed toward a plane's use rather than on the particular limitations of the plane itself.

It is with the needs of the future in mind that the need for developing the B-1 becomes so compelling. Modernization of our forces is essential if we are to continue to possess a credible deterrent to the enemy. Planes do wear out. Their capabilities do become exhausted by new performance demands. The B-52 has been the backbone of our bomber system for more than a decade. But, the prototype B-52 was based on technology of the late 1940's, and first flew in 1952. The latest models were built in 1962.

Since the early days of World War II, American forces have never had to fight in the face of enemy air superiority. The Air Force is proud of that record. It has been a vital factor in dissuading would-be aggressors, and defeating those whose ambitions ran away with their judgment. I believe our pilots are the best in the world, but skill and determination can go only so far to compensate for inadequate equipment.

Eventually, technology changes so much that either potential new developments cannot be incorporated into old aircraft, or is it simply not economical to do so. Thus it makes sense to produce a modern aircraft that can handle the threat and will have growth potential for future developments.

The Air Force believes, and I agree, there are several specific factors that dictate against continuous modification of the present force of bombers. The latest model B-52—the "H" model—represents about the maximum growth attainable within the constraints of the basic design. Development of any new bomber aircraft requires about 8 years. By the time the Air Force could have a significant operational number of B-1's in the inventory, the B-52 will be 17 to 20 years old.

Also, if a major structure fatigue in the B-52 were detected, it could be too late to produce a timely replacement aircraft. The problem is compounded by large uncertainties in the magnitude of costs required to keep the old system viable. We have already invested $2.5 billion in the B-52 update costs through fiscal 1969.

Finally, while the effectiveness of the B-52 can be upgraded by equipping the current force with the latest weapons and systems, it would be unduly expensive to make the plane faster, carry more payload, fly lower, or have a smaller radar cross-section.

Mr. Chairman, some people have asked me why cannot the FB-111 be used as a replacement for the B-52? The answer is that the FB-111 was developed from the F-111 design only as an interim aircraft to replace the B-52C through F models as they neared the end of their operational life expectancy. As a strategic bomber, the FB-111 design has definite limitations—it has limited payload capacity, limited avionics capabilities, limited range, and it requires greater tanker support than does the B-52 or the B-1.

I have also been asked what is to keep the B-1 from becoming obsolete even before it can be ready for active duty. The answer to this is that the B-1 is being designed to take advantage of the many technical advances growing out of the past decade. Compared to the B-52, the B-1 will have a higher penetration speed, a reduced radar cross-section, a larger payload capacity, a better capability to penetrate at lower altitudes, a quicker reaction launch, and the characteristics necessary to operate from austere dispersal bases. The B-1 also possesses better electronic countermeasures, target-finding systems, and weapon delivery systems. Taken together this equipment will further improve the ability of the B-1 to deal with enemy targets in both nuclear and non-nuclear wars and confrontations.

Finally, the B-1 will not become obsolete before full operational readiness because there is a built-in growth factor, whereby allowances are made for incorporating further advances as they are developed.

Over the past 5 years, technical risks have been reduced through an extensive advanced development program. This provides additional assurance that the full-scale development program, though methodical, will not be excessively drawn out. The attainment of the date for the initial operational capability—IOC—with the B-1 is not the primary driving factor in this program. However, based on present and anticipated funding and an orderly progression of development, defense planners now expect the B-1 to be operational in 1978.

Mr. Chairman, I would like to turn for a moment to another factor which improves the bomber component of our strategic forces; namely, increasing the effectiveness of manned bombers as an instrument of control in limited conflict. On the basis of my experence, I believe that much of the misunderstanding on this point is caused by one prevalent but erroneous view of aerospace power, particularly military aerospace power, and this view is reinforced by movies and novels on the subject.

It is commonly held that the usefulness of military aerospace power is confined almost solely to preventing or deterring nuclear war. Yet those who hold this view have not apparently digested yet one of the more important points that President Nixon emphasized in his foreign policy report to the Congress:

> The overriding purpose of our strategic posture is political and defensive: to deny other countries the ability to impose their will on the United States and its allies under the weight of strategic military superiority. We must insure that all potential aggressors are unacceptable risks in contemplating a nuclear attack, or nuclear blackmail, or acts which could escalate to strategic nuclear war, such as a Soviet conventional attack on Europe.

To fulfill this broader purpose of our strategic forces, Mr. Chairman; that is, to control limited conflict, we need a capability for selective retaliation against such an attack. Bombers are not the only weapons that could perform this task, but they are clearly the best suited for it. Missiles once launched are committed, and they impose on the opponent a heavy demand for quick reaction. This, in turn, invites uncontrolled escalation. By contrast, bombers can be prepositioned in close proximity to the target or placed on airborne alert, thus providing more time for the opponent to consider his reponse and react in a deliberate, carefully controlled manner.

The factors I have just detailed will assume a much greater importance after Communist China has acquired an ICBM force of significant size. Our strategic forces will then have to be prepared for retaliation against both China and the Soviet. Or then again they might be called upon to retaliate only against China. In this latter case, bombers could be used repeatedly against China and still be a part of the deterrent to the Soviet.

I would also point out that our need for bombers is much more urgent today than it was 5 years ago when we had a wide margin of strategic superiority—with or without bombers—over the Soviet Union and when China did not have a nuclear capability. Today, with a policy of strategic sufficiency, we need forces that incorporate the versatility of manned bombers. Only with forces such as these can we operate from a position of near parity to achieve the two major objectives that I mentioned earlier; to deter full-scale nuclear conflict, and to deter or control limited conflict.

Mr. Chairman, I hope this short review of the need for the B-1 bomber coupled with my review of its programmatic soundness from a fiscal and a functional point of view will demonstrate to our colleagues that the B-1 is a needed plane and a good buy for the money.

I cannot overstate the importance of continuing the development and testing of this aircraft. From its very inception, it has been the most important corner this Nation has turned since the decision was made to develop the ICBM on a priority basis. And inasmuch as we are still facing the threat of nuclear holocaust and since we still face an implacable enemy in communism, the B-1 program must continue at full speed.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York (Mr. PIKE).

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. PIKE. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 96, noes 313, not voting 24, as follows:

[Roll No. 406]

AYES—96

Abzug
Addabbo
Aspin
Badillo
Barrett
Bergland
Bingham
Blatnik
Bolling
Brademas
Brasco
Brown, Calif.
Burke, Mass.
Burlison, Mo.
Burton
Carey, N.Y.
Carney, Ohio
Chisholm
Clay
Cohen
Collins, Ill.
Conyers
Corman
Culver
Dellums
Diggs
Drinan
Dulski
Eckhardt
Edwards, Calif.
Eilberg
Evans, Colo.
Fascell
Findley
Foley
Ford, William D.
Forsythe
Fraser
Frenzel
Green, Pa.
Harrington
Hechler, W. Va.
Helstoski
Holtzman
Howard
Hungate
Johnson, Colo.
Jordan
Karth
Kastenmeier
Koch
Kyros
Lehman
Long, Md.
Macdonald
Mazzoli
Metcalfe
Mezvinsky
Mink
Mitchell, Md.
Moakley
Moorhead, Pa.
Moss
Nedzi
Obey
O'Hara
Owens
Pike
Podell
Pritchard
Rangel
Rees
Reuss
Riegle
Robison, N.Y.
Rodino
Rosenthal
Ryan
St Germain
Sarbanes
Schroeder
Seiberling
Stark
Stokes
Studds
Thompson, N.J.
Tiernan
Udall
Ullman
Van Deerlin
Vanik
Waldie
Whalen
Wolff
Yates
Young, Ga.

NOES—313

Abdnor
Adams
Anderson, Calif.
Anderson, Ill.
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Archer
Arends
Armstrong
Ashbrook
Ashley
Bafalis
Baker
Beard
Bell
Bennett
Bevill
Biaggi
Biester
Boggs
Boland
Bowen
Bray
Breaux
Breckinridge
Brinkley
Brooks
Broomfield
Brotzman
Brown, Mich.
Brown, Ohio
Broyhill, N.C.
Broyhill, Va.
Buchanan
Burgener
Burke, Calif.
Burke, Fla.
Burleson, Tex.
Butler
Byron
Carter
Casey, Tex.
Cederberg
Chamberlain
Chappell
Clancy
Clark
Clausen, Don H.
Clawson, Del
Cleveland
Cochran
Collier
Collins, Tex.
Conable
Conlan
Conte
Cotter
Coughlin
Crane
Cronin
Daniel, Dan
Daniel, Robert W., Jr.
Daniels, Dominick V.
Danielson
Davis, Ga.
Davis, S.C.
Davis, Wis.
de la Garza
Delaney
Dellenback
Denholm
Dennis
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Derwinski
Devine
Dickinson
Dingell
Donohue
Dorn
Downing
Duncan
du Pont
Edwards, Ala.
Erlenborn
Esch
Eshleman
Fish
Flood
Flowers
Flynt
Ford, Gerald R.
Fountain
Frelinghuysen
Frey
Froehlich
Fulton
Fuqua
Gaydos
Gettys
Giaimo
Gibbons
Gilman
Ginn
Goldwater
Gonzalez
Goodling
Grasso
Green, Oreg.
Griffiths
Gross
Grover
Gubser
Gude
Guyer
Haley
Hamilton
Hammerschmidt
Hanley
Hanrahan
Hansen, Idaho
Hansen, Wash.
Harsha
Harvey
Hastings
Hays
Hébert
Heckler, Mass.
Heinz
Henderson
Hicks
Hillis
Hinshaw
Hogan
Holifield
Holt
Horton
Hosmer
Huber
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Hutchinson
Ichord
Jarman
Johnson, Calif.
Johnson, Pa.
Jones, Ala.
Jones, Okla.
Jones, Tenn.
Kazen
Keating
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Ketchum
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Kluczynski
Kuykendall
Landrum
Latta
Leggett
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Litton
Long, La.
Lott
Lujan
McClory
McCloskey
McCollister
McCormack
McDade
McEwen
McFall
McKay
McKinney
McSpadden
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Mailliard
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Maraziti
Martin, Nebr.
Martin, N.C.
Mathias, Calif.
Mathis, Ga.
Matsunaga
Mayne
Meeds
Melcher
Michel
Miller
Minish
Minshall, Ohio
Mitchell, N.Y.
Mizell
Mollohan
Montgomery
Moorhead, Calif.
Morgan
Mosher
Murphy, Ill.
Myers
Natcher
Nelsen
Nichols
Nix
O'Brien
O'Neill
Parris
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Peyser
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Powell, Ohio
Preyer
Price, Ill.
Price, Tex.
Quie
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Randall
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Rhodes
Rinaldo
Roberts
Robinson, Va.
Rogers
Roncalio, Wyo.
Roncallo, N.Y.
Rooney, Pa.
Rostenkowski
Roush
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Roy
Runnels
Ruppe
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Sandman
Sarasin
Satterfield
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Sebelius
Shipley
Shoup
Shriver
Shuster
Sikes
Sisk
Skubitz
Slack
Smith, N.Y.
Snyder
Spence
Staggers
Stanton, J. William
Stanton, James V.
Steed
Steele
Steelman
Steiger, Ariz.
Steiger, Wis.
Stratton
Stubblefield
Stuckey
Sullivan
Symington
Symms
Talcott
Taylor, Mo.
Taylor, N.C.
Teague, Calif.
Teague, Tex.
Thomson, Wis.
Thone
Thornton
Towell, Nev.
Treen
Vander Jagt
Veysey
Vigorito
Waggonner
Walsh
Wampler
Ware
White
Whitehurst
Whitten
Widnall
Wiggins
Williams
Wilson, Bob
Wilson, Charles H., Calif.
Wilson, Charles, Tex.
Wright
Wyatt
Wydler
Wylie
Wyman
Yatron
Young, Alaska
Young, Fla.
Young, Ill.
Young, S.C.
Young, Tex.
Zablocki
Zion
Zwach

NOT VOTING—24

Alexander
Blackburn
Camp
Evins, Tenn.
Fisher
Gray
Gunter
Hanna
Hawkins
Jones, N.C.
Landgrebe
Milford
Mills, Ark.
Murphy, N.Y.
Pepper
Pickle
Reid
Roe
Rooney, N.Y.
Rose
Roybal
Smith, Iowa
Stephens
Winn

So the amendment was rejected.

The result of the vote was announced as above recorded.

The CHAIRMAN. Are there further amendments to be proposed to title II? If not, the Clerk will read.

The Clerk read as follows:

TITLE III—ACTIVE FORCES

SEC. 301. For the fiscal year beginning June 1, 1973, and ending June 30, 1974, each component of the Armed Forces is authorized an end strength for active duty personnel as follows:

(1) The Army, 791,627;
(2) The Navy, 565,912.
(3) The Marine Corps, 196,363;
(4) The Air Force, 665,963;

except that the ceiling for any armed force shall not include members of the Ready Reserve of such armed forces ordered to active duty under the provisions of section 673 of title 10, United States Code, members of the Army National Guard or members of the Air National Guard called into Federal service under section 3500 or 8500, as the case may be, of title 10, United States Code, or members of the militia of any State called into Federal service under chapter 15 of title 10, United States Code, or on active duty for training. Whenever one or more units of the Ready Reserve are ordered to active duty after the date of enactment of this section, the President shall, on the first day of the second fiscal year quarter immediately following the quarter in which the first unit or units are ordered to active duty and on the first day of each succeeding six-month period thereafter, so long as any such unit is retained on active duty, submit a report to the Congress regarding the necessity for such unit or units being ordered to active duty. The President shall include in each such report a statement of the mission of each such unit ordered to active duty, an evaluation of such unit's performance of that mission, where each such unit is deemed deployed at the time of the report, and such other information regarding each such unit as the President deems appropriate.

Mr. HÉBERT (during the reading). Mr. Chairman, I ask unanimous consent that title III be considered as read, printed in the RECORD, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

AMENDMENT OFFERED BY MR. PIKE

Mr. PIKE. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. PIKE: page 4, line 14, after "training" insert "By the end of fiscal year 1974 none of the above-mentioned active duty forces shall be stationed or based in any nation to aid in the defense of that nation where the nation in question is expending a smaller proportion of its gross national product on its own defense than does the United States or has failed to officially notify the Secretary General of the North Atlantic Treaty Organization that henceforth its commitment to its own defense in terms of its own gross national product shall be at least equal to that of the United States for fiscal year 1974 and subsequent years."

Mr. SYMINGTON. Mr. Chairman, will the gentleman yield?

Mr. PIKE. I yield to the gentleman from Missouri.

Mr. SYMINGTON. I thank the gentleman for yielding.

Mr. Chairman, I would like to address briefly that portion in H.R. 9286 which deals with the F-15A Eagle program.

First, what has been done here? The House Armed Services Committee has reduced the authorization from the requested $918.5 million to $587.6 million—a reduction in the amount of aircraft from 77 to 39. The committee indicated in its report that this decision was based on the fact that there have been some slight problems with the engine and that it has not completed the military qualification test. I do not intend to offer an amendment to restore this cut; however, I would like to offer some observations to my colleagues in the hope that the House will reconsider this decision at some future date.

Since the F-15 program began in January of 1970, program milestones have been consistently achieved on or ahead of schedule with one exception: That of the Pratt & Whitney F-100/F-401 engines which were to pass their qualification tests by February 28 of this year.

The qualification test program for the Pratt & Whitney F-100 engine which will be used in the F-15 is only the second time that any jet engine has been required to demonstrate its performance at altitude—performed in a large wind tunnel—at extreme speeds. In the early tests some slight problems were detected, and subsequently the nonfunctioning components have been redesigned. Since then, the engine has successfully completed a modified 150 hour endurance test and the full specification qualification test is scheduled to be completed in September.

The F-100 engine has performed extremely well in the F-15 flight test program. The F-15 has made 636 flights on 8 aircraft; over 1,300 engine flight-hours have been accumulated with no major failures.

Mr. Chairman, this is not a question of whether or not to go forward with a weapon. That decision has been made by the Government and supported by the Congress. There is no question that the F-15 will be built or that it should be. The Soviets have developed 13 new fighters in the past 18 years, while we have not developed one since the F-4. Reliability of the F-15 and its systems have been outstanding. Avionic reliability has been particularly noteworthy, and initial program results indicate that it will achieve an avionic reliability level which is almost four times that of the outstanding F-4.

A great deal of the debate on the overall bill concerns economy, and properly so. So we should view any decision affecting the production schedule of the F-15 in the light of its impact on total runout costs. It is manifest that a slowdown at this time will increase the total cost. Variation in the buildup rate from 12 down to 6 per month will have the short-term effect of reduced spending; however, according to the Defense Department to whose judgment we are inclined to defer when much larger sums are under consideration, the attendant increase in the cost of the 77 aircraft at a later date will be approximately $145 million over the programed buy of 77 aircraft in fiscal year 1974.

We can also consider this issue from another aspect of our economy, that of our balance of payments. While we neither expect nor desire to sell certain super weapons to our friends and allies abroad, there will always be a legitimate market for an air-superior fighter, as witness the export record of the F-4.

The Air Force strongly supports going ahead with the full F-15 program. McDonnell Douglas has lived up to every aspect of its contract. It has stayed within cost, on schedule, and has met the performance goals established by the Air Force. In view of the foregoing factors, the committee's decision would appear to be penny wise. I hope it will be reversed before it becomes pound foolish as will inevitably be the case if the cut stays in the bill.

Mr. PIKE. Mr. Chairman, this amendment, we are going to be told, will destroy NATO, or will destroy the defense of Europe, or will destroy the Atlantic Alliance, or something like that, so let me tell the Members what it will do.

This amendment does not require that one single person be pulled out of Europe, but it does require that the European nations are going to pay their fair share of the cost of keeping them there. That is all it says. It says that we Americans are not going to have troops stationed in any nation, not just Europe but in any nation, to aid in the defense of that nation when the taxpayers of that nation are paying a smaller percentage of their gross national product to defend themselves than we pay.

Mr. Chairman, in the past year the value of the dollar as opposed to the German mark has decreased by approximately 33 percent, and Germany is where most of our troops are.

Our gold flow problem is tremendous.

Our balance of payments problem is tremendous.

The dollar is under assault all over the world.

Uncle Sam is holding up the nuclear umbrella, and while he is holding up the nuclear umbrella his economy is deteriorating.

This amendment says that by the end of fiscal year 1974, almost a year from now, these other nations either will have passed a budget saying they are going to spend as much of their gross national product to defend themselves as we do or will have told the Secretary General of the NATO Alliance that they intend to do so.

Mr. Chairman, it does not require that a single troop be pulled out of Europe, but it does require that they pay their fair share.

Now, I do not know what the end result is going to be. I am willing to help them defend themselves if they will bear a fair share of the burden, but I am not willing to help them defend themselves when they think that we should spend 7½ percent of our gross national product for national defense and they can get away with spending 2, 3, or 4 percent because they know that the taxpayers of America will take care of them.

The taxpayers of America have been taking care of them for long enough. Let us allow them to pay their own fair share.

Now, we can look at all the charts about NATO. Sure, that is all true about NATO. But how much help do we get from NATO in Japan or in the Pacific or in Southeast Asia or anywhere else? Not one bloody bit. They are contributing very little for their own defense. They are counting on us to contribute to them for their defense.

Mr. Chairman, it is a very simple proposition. The Department of Defense always tells us what the gross national product of all these other countries is. I would like the Department of Defense to tell us again whether they are being fair in their contributions in relation to what we are doing. We have not had an American President since Harry Truman who has not asked for the European nations to do more.

We talk about getting a common fund to pay for NATO. It is all very well to talk about it, but NATO will not go for it. As long as we are willing to continue to pick up the tab, they are willing to continue to let us pick up the tab.

All this amendment says is that they shall pay their fair share from now on. If they are not interested in defending themselves, then the American taxpayers should not pay the cost of maintaining these troops in Europe, should not lose all the bases in the United States of America in order to keep bases abroad, and should not contribute to the gold flow the way we are with our troops in Europe.

This does nothing to any alliance whatsoever except to say: "You pay your full share."

Mr. RANDALL. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, the amendment we are considering is not, as the gentleman from New York (Mr. PIKE) says, a rather simple amendment. He says that it does not call for withdrawing any troops from NATO.

He has made it sound as though all we have to do is say to our allies, "Here, you are going to have to spend the same amount of your gross national product as we do."

Mr. Chairman, I suggest to the Members that on the face of it, it is sort of a demogagic amendment because he has made it sound simple, although it is actually not simple. Make no mistake about it this is intended to kill NATO.

I do not know what percentage of our GNP is spent on defense from year to year, whether it is 5 or 6 percent—I think it is probably nearer 7 percent—but the amendment of the gentleman from New York is not only unrealistic, but it will be virtually impossible to work out this kind of a mandate and have to say to a little country like Norway or Denmark, "You are going to have to spend the same percentage as the United States or we say goodby to you."

Now let us talk for just a few minutes about NATO. We are going to have several NATO amendments here this afternoon. There is going to be a lot of discussion about NATO before the night is over. Now we should discuss for awhile the reasons why we should not do anything to dismantle NATO at this time.

Mr. Chairman, I was privileged to chair the NATO Subcommittee for 2 or 3 years back in 1970, 1971, and 1972. As a member of the committee, my good right arm, was the gentleman from New York (Mr. STRATTON). I would like to quote a remark he made—"mature statecraft requires you do not abandon a policy that is working well in order to achieve some other policy you do not know is going to work so well."

With all the frustrations we have—and there is a frustration over NATO, no doubt about it—and for that reason the gentleman from New York has hit upon a point that is very appealing.

In NATO we have had 25 years of success. General Eisenhower before his passing said this should be called "The successful alliance"—think of it 28 years without a war. Look anywhere else around the world and try to find where there has been no aggression or wars except in western Europe.

Let me say to you at this time that Members should consider, when you get ready to vote on this amendment, a few points, to keep in mind.

In the first place, those who would recommend withdrawing of part or all our forces from Europe may do so because they have one aim, which is a reducation of some kind in our unfavorable balance of payments. That kind of worry or frustration is understandable.

Yes, we have a most successful alliance in NATO. The gentleman from New York has served us with an appeal. Now, if we can ever turn the corner and get over the big hurdle of deficit in the balance of payments problem, which unfortunately has been about $1 billion a year, then we would be home free and to use another figure of speech out of the woods.

The truth of the matter is, whether it has been explained to you or not, our allies have provided us with EDIP, or the European Defense Improvement Fund. They have put in $1 billion 2 or 3 years ago and then another $1 billion in 1971. They have put in $5 billion over a period of 5 years. You do not hear about that much.

The second point is if we propose this reduction in forces, how can we avoid this kind of a reduction being a hurt or a detriment to ourselves? Let us think a little about our own welfare. We have had an effective alliance and an international agreement that has worked. Let us not rush into a unilateral reduction of forces, because that is what this amendment would provide for.

It has been said that we can reduce tensions by bringing the troops home, and then we redeploy them quickly. That has been an alluring appeal for a long time; it is a temptation. It is said we can bring them home with our new C-5A's and then have rapid redeployment. I am sure you have heard that appeal before.

But in straight budget terms, talking about dollars only let me tell you there is not only no saving in cost, but on the other hand there is an increase in cost. The reasons for that are quite simple. One is you must have prepositioned equipment in Europe and you must also have the training equipment in this country.

The CHAIRMAN. The time of the gentleman has expired.

(By unanimous consent, Mr. RANDALL was allowed to proceed for 5 additional minutes.)

Mr. DAN DANIEL. Will the gentleman yield?

Mr. RANDALL. I am happy to yield to the gentleman.

Mr. DAN DANIEL. The gentleman raised the question as to the amount of money we were spending in our NATO operation. We contribute 1.2 percent of our GNP to NATO. The total is $17 billion which is 1.2 percent of $1,365 billion.

Mr. RANDALL. I thank the gentleman. Let it be known the gentleman from Virginia has been chairing the Manpower Subcommittee of the House Committee on Armed Services. He is a well-informed gentleman and an authority in this field. I am sure he will have quite a lot to add to this debate in a little while.

Not only is rapid redeployment a matter of 3,000 miles, but it is a question of the actual cost of the airlift and sealift. It can be a proven fact, and we have figures available to prove this. I could go back to the committee table and get them. But we have had enough figures this afternoon and some incorrect figures. One thing is certain, the cost would actually be greater for the rapid redeployment than inplace troops.

We have another matter to keep in mind in connection with all of these NATO amendments, and that is to remember what happened up in Helsinki. There was an East-West security conference there. When Donn Mintoff from Malta got through trying to get all of the Africans in it, it was adjourned with nothing accomplished. But in early October this year there will be a sincere effort made to reach a mutual balanced force reduction.

All of us have heard of and should know about what is called the mutual balanced force reduction. That effort will commence in Vienna, in October.

Here is a thought all of us should keep clearly in mind as we hear the vote on the amendment of the gentleman from New York. If we at this time on this floor pass any kind of amendment that amounts to a unilateral reduction, then how can we expect to have any possible success as we confer on MBFR in October in Vienna?

In other words, the Soviets will have what they want before they sit down at the conference table. They may not even show up for the conference.

Today we all hear a lot about détente, and the euphoria that seems to come about because of it, but let me suggest that détente is at present a matter of intention, a matter of announced intention if you please. The capability of the Warsaw Pact is real. It is greater than it has ever been. It has been 5 or 6 years since the death of Mr. Khrushchev, but there has not been even 1 year since his death that the capability of the Soviet Union has not increased. So we should keep in proper perspective such a thing as intention vis-a-vis capability.

Mr. GUBSER. Mr. Chairman, will the gentleman yield?

Mr. RANDALL. I yield to the gentleman from California (Mr. GUBSER) who was a faithful, hard-working member of the Subcommittee on NATO Commitments, which it was my honor to chair.

Mr. GUBSER. Mr. Chairman, I thank the gentleman for yielding.

Does not the gentleman from Missouri agree that the amendment offered by the gentleman from New York would place the forward defenses of the United States in the hands of other countries. By manipulating the percentage of their gross national product which went toward their defense, they could, if they chose, actually eliminate the forward line of defense of the United States and make the decisions for us.

Mr. RANDALL. The gentleman is correct, and the gentleman has just provided a valuable contribution.

Before we vote on the Pike amendment, let us underscore and reemphasize that we are not talking about chasing some little brown man around in the bush in Southeast Asia; we are talking about our own frontline of defense—our own security, the security of this United States.

Mr. HUNT. Mr. Chairman, will the gentleman yield?

Mr. RANDALL. I yield to the gentleman from New Jersey, a member of the committee.

Mr. HUNT. Mr. Chairman, I thank my colleague, the gentleman from Missouri, for yielding to me.

Mr. Chairman, I would like to make this observation, and see whether or not the gentleman from Missouri would agree with me.

Under the amendment that is now pending, which has been offered by the gentleman from New York, a member of our committee, is it not possible if we were to adopt this amendment that we could station all of our 300,000 troops in Europe in the country of Portugal where they are using 8.3 percent of their gross national product for defense?

Mr. RANDALL. That is correct. May I tell the gentleman from New Jersey, we could also keep our troops in Greece and in Turkey.

Mr. HUNT. The gentleman is correct. That is why this amendment is rediculous, and why I oppose the amendment.

The CHAIRMAN. The time of the gentleman has expired.

Mr. ICHORD. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman and members of the committee, I rise in opposition to the amendment, although I must frankly say that I have a great deal of sympathy for the amendment.

When the gentleman from New York offered his amendment in committee, I had considerable difficulty in making up my mind and coming to the conclusion that the amendment should be rejected.

The gentleman from New York is correct in what he says about the arguments against reducing our commitment to NATO. For years those who have been concerned about the deteriorating U.S. financial position and the declining value of the U.S. dollar have urged the reduction of U.S. Forces in Europe and the assumption by other NATO nations of a greater sharing of the burden. The experts have said, "Yes, they are right. There should be a more equitable sharing of the burden, but now is not the time to do it." Thus, we have continued to bear a disproportionate share of the burden and in many respects I think we have weakened our allies, to paraphrase Lincoln, by doing something for them which they should be doing for themselves.

During the past years the President has proposed spending in excess of 100 billion dollars more than what we have collected. The Congress cut about $30 billion in some places but added back about $30 billion in other places. So the Congress authorized the spending of substantially the same amount proposed by the President and such fiscal irresponsibility has been the primary cause of inflation and our very serious dollar problems. The most pressing challenge of this Congress is to find some way to bring expenditures in line with revenues. To date, we have found no permanent solution. True, we did set a spending limit of $267.1 billions in the impoundment bill but such a figure still contemplates a sizable gap between expenditures and revenues.

In view of our very serious budgetary problems, I find it exceedingly difficult to justify spending $16 or $17 billion a year for maintaining our troops and dependents in Europe, when the countries being protected are making only half the effort of the United States in terms of defense spending as a percentage of their gross national product.

Mr. Chairman, I would point out that at this time there is only one nation, one NATO nation, that would meet the terms of the amendment of the gentleman from New York, and that is the country of Portugal. I would observe that this amendment is to become effective on June 30, 1974, 11 months from today. It would definitely have the effect of wrecking NATO. It would probably rule out any chances of getting any meaningful balanced force reductions from the Warsaw Pact forces. Those nations that would be willing to increase their defense spending as a percentage of their gross national product could not possibly conform to this amendment in only 11 months. I doubt if they would have the time for their parliamentary bodies to take action. If they did spend the necessary money to conform with the amendment, would it be spent properly?

I would support the amendment of the gentleman from New York, if he provided for an effective date of 1975, because I think our NATO allies should be bearing a greater proportion of the cost of defending those countries. But the amendment as drawn with an effective date only 11 months hence would wreck, completely dismantle, NATO, and I must rise in opposition to the amendment. I hope the members of the committee will reject the amendment overwhelmingly.

Mr. ARENDS. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, as one who has been privileged over a number of years to attend NATO conferences, and having heard all of the debate every day, the thing uppermost in the minds of all of those parliamentarians from the United States in attendance was always requesting a plea on our part for the NATO members to do more. Historically, this is exactly what has been happening. They have been accepting and picking up a little bit more of the burden of NATO as the years have progressed. Apparently they have not done as well as some of us would like to see, and perhaps not even what some might determine to be a fair share. But yet the fact remains that progress has been made, and the fact remains that we still today have avoided a war in that part of the world.

Mr. Chairman, I want to talk to you today about NATO and America's role in the Alliance; why we joined NATO, what it has accomplished, and where we are today.

You will recall the tide of Soviet expansion during the 1940's, when the Soviet Army was kept on a wartime footing numbering more than 4,000,000 men, while the Western Allies demobilized their forces in Europe from 5,000,000 to less than 1,000,000 a year after the end of the war. After the Czech coup of 1948 and on the eve of the Berlin blockade, the U.S. Senate passed by overwhelming vote the Vandenberg resolution.

With that act the Senate outlined a formula for American security that acknowledged the primary lesson of two world wars. Our destiny is as permanently linked to Europe's as our origins and our ideals. This lesson is even more valid now as weaponry has become more destructive, we and Europe have become more economically interdependent, and the globe has shrunk, as it were, in time, distance and natural resources.

The Vandenberg-Connally formula: "Association of the United States, by constitutional process, with such regional and other collective arrangements as are based on continuous and effective self-help and mutual aid," has worked in Europe. But, we in America are in peril of being victimized by our success. Some of us are growing impatient with bearing the burden of helping to defend Europe. We are confounded by the paradox of deterrence; that because it has worked in Europe it seems unnecessary. I am reminded of Santayana's observation that "he who ignores history is condemned to repeat it."

Five U.S. Presidents have supported our commitment to NATO because there are only two superpowers in the world. Only the United States can provide the margin of military power that assures stability in Europe.

Since its inception in 1949, NATO has weathered many crises. Berlin, three times; Cuba, to name a few. But the last NATO crisis was the 1968 invasion of Czechoslovakia. NATO's prime accomplishment is 28 years of peace in Europe.

With the 1970's, we began an era of negotiations. This emerging détente in Europe would not have been possible without the collective will and strength and perseverance of NATO that turned the Soviets away from confrontation toward negotiation. For the first time since the close of World War II, we have the opportunity mutually to reduce the level of confrontation in central Europe, as well as its associated burden on national budgets. But the Soviets would find little advantage to reducing their forces if, in the course of these talks or before they begin, we unilaterally began withdrawing troops from Europe.

Our forces deployed to Europe have not been immutable, nor should they be. They have changed according to changing needs. There was a buildup from one to five U.S. divisions during the Korean war when many felt that a war in Europe was imminent. There was a decline in the late 1950's followed by buildups during the Berlin crises. Since the last Berlin crisis in 1962, we have withdrawn from Europe over 100,000 troops. In Europe today we have 4⅓ Army divisions, 29 Air Force squadrons, and the 6th Fleet in the Mediterranean. I might add that besides bolstering NATO's southern flank, the 6th Fleet has an important role with regard to the eastern Mediterranean.

In the 1950's we furnished a large share of NATO's troops and weapons until our allies could rearm themselves. Now our allies provide some 90 percent of the ground troops, 80 percent of the ships, and 75 percent of the aircraft committed to NATO in Europe today. The Soviets perceive no inconsistency between détente and military strength. They provide twice the proportion of land and air forces to the vital central region of Europe than we do.

Whether our allies are carrying a fair share of the burden is a complex question which depends as much on one's perception of the stakes involved in European security as on any measure of economic or social costs or military capability. The cost of our forces in Europe and their U.S.-based support is $7.7 billion. In fact, the cost of all our general-purpose forces that are formally committed to NATO, including those stationed in the United States, is some $17 billion. This is less than half the $37 billion our allies are spending on their defense—and ours for that matter—this year. They are spending this amount with a smaller combined GNP than ours.

We do spend a larger proportion, 6 percent, of a much greater gross national product on worldwide defense than our allies. But that sum spent on our commitment to NATO, $17 billion, represents a smaller portion of our wealth, 2 percent, than our allies' 4 percent of their combined GNP's.

The allies have increased their defense budgets by 30 percent in the last

3 years, a substantial raise after inflation.

The European allies plan to put into service more than 600 tanks, 500 combat aircraft, a substantial number of submarines and destroyers, and other sophisticated equipment from this year through 1976. The Defense Department will press them to do even more.

NATO's strategy and forces have been tailored to our perceptions of the changing military balance between the alliances. These NATO adjustments have not always been so rapid as we in the United States would like, but the alliance has been responsive nonetheless. As a state of strategic parity developed between the United States and the Soviet Union in the 1960's it became clear that tripwire ground forces and massive retaliation, as a viable strategy for NATO, was obsolete. After some years of American persuasion, NATO formally adopted the strategy of a flexible range of responses across the entire spectrum of potential violence. With the adoption of the strategy of flexible response, the alliance shifted its emphasis somewhat from nuclear preparedness to conventional defense, raising the ante of any attempt at coercion, incursion or a fait accompli.

In the 1970's we have encouraged our allies further to improve their forces because it is prudent to do so. The arms negotiations underway are quite complex and hence limited in scope. Meanwhile, the Soviet Union is continuing to improve both its strategic and general purpose forces.

In Central Europe, the Soviet Union has a slight margin of superiority in numbers of troops, aircraft and tanks. But success in countering the Warsaw Pact across the entire range of risk is within our grasp. The North Atlantic Alliance has a greater population by half and three times the gross produce of the Warsaw Pact countries. What are needed are the wisdom and the willingness to tailor these superior resources so as to field an equivalent conventional capability.

In sum, ladies and gentlemen, the United States took the unprecedented step of joining an alliance in peacetime because it was in America's interest to do so.

NATO has worked and is still working. It has been instrumental in preserving peace in Europe for 28 years. Our troops are in Europe today because a forward defense in concert with our allies is the best posture for the United States.

The size and capability of our forces in Europe are crucial because Soviet strength remains undiminished. The Soviet's behavior has changed, their ambitions may have become more modest, but their military capability has increased over the years and exceeds that required for defense and hegemony in Eastern Europe.

Finally, our forces make a vital material and psychological contribution to the rough conventional balance between NATO and the Warsaw Pact. We must face up to the fact that the alternative to an adequate NATO conventional capability in Europe is an earlier recourse of nuclear weapons, with all the risks that such a policy entails in this era of nuclear parity.

Well, there is another alternative. To forsake our commitment to Europe. But, if we do so, America might well become isolated and life and liberty in this country as we know it—and have sacrificed for it since 1776—would cease to exist.

I urge the defeat of this amendment.

Mr. VANIK. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I want to rise in support of the amendment offered by the gentleman from New York (Mr. PIKE). Some 18 months ago, I was in a conference, a trade conference, abroad. I was told by a very, very prominent German diplomat, "You put your house in order; you Americans must put your house in order."

I said, "Yes, and in response we ought to put on to your shoulders a greater part of the cost of defense, a greater part of the NATO defense."

Mr. Chairman, I cannot understand today how we can justify keeping 219,000 young men in Germany who are working at military wages that are close to starvation with their depreciated dollars in order to release young Germans to work in factories making automobiles and other things for the American market. It is absolutely, incredibly stupid. Young Germans are working at higher wages in their own factories, while our troops stand-in for them at the NATO line of defense.

Their productive strength is going into foreign commerce, while our resources are going into troops who live at depression wages in a foreign country, in which life has become too expensive to those who use American dollars.

I will tell the Members why we need this force in Europe. I believe it was a part of the deal that was made by Mr. Connally in connection with the Smithsonian accord; in exchange for money agreements it was agreed we would maintain troop levels in Europe.

I will tell the Members why we are involved so extensively. It is because of the multinational investment by American corporations in Western Europe.

Let us put the cards on the table for what they really are. What do we get from the American multinationals by way of tax payments? In the studies before the Ways and Means Committee, it is almost impossible to find a decent tax contribution by the American multinationals which find it so profitable to operate in this theater of the world.

Let us not kid ourselves. Our troops are there because it was a part of a money deal, a part of the continuing money arrangement. They are also there to provide that visible protection for the dollar investment throughout Western Europe. I think it is time we tried to find out what kind of tax remuneration the U.S. Treasury is getting for this kind of investment in troop strength. I say to the Members that it is very, very little.

Tomorrow, I am going to make public a corporate tax report of the 146 largest corporations of America. I want the Members to study it. I want them to read it, because it points out the very, very small contribution by these very large multinational corporations. It also points out the diminishing contribution to the cost of running this country by American corporations.

Mr. Chairman, as a member of the Ways and Means Committee, I want to take this time to thank the Armed Services Committee for its comments which appear on page 68 in the report on this defense procurement bill. In this section of the report, the committee defends the need for our present force levels and support efforts on behalf of NATO. The committee states—in a manner more frankly expressed than I have ever seen before—the fact that much of this military shield and "tripwire" has been placed in Europe for the protection of American multinational corporations and their massive investments.

To quote from the report:

> There are some 4,000 multinational companies operating throughout the world and the great majority of these are Western European and North American. In 1972, the U.S. directed almost a third of all its exports to Western Europe. U.S. corporations and private citizens have over $25 billion in capital investments in Europe on which there is an annual return of nearly 10 percent. The U.S. derives certain other economic benefits from its position in the NATO alliance *including a favorable climate for U.S.-owned corporations in Europe* and favorable attitudes on international monetary issues resulting in European support for the dollar. (Emphasis added)
>
> *Thus, U.S. forces are not stationed in Europe as an act of charity to weak allies.* (Emphasis provided by Committee)

Total U.S. direct investments worldwide have a book value of $90 to $120 billion. Profits thereon are close to $20 billion, or some 20 percent of total profits of U.S. corporations. As the committee states, approximately a quarter of this investment and the profit from it comes from Western Europe.

Who benefits from our force commitment to NATO? What corporations gain from our yearly commitment to NATO of some $17 billion in taxpayer funds?

According to testimony given to the Ways and Means Committee during the recent tax reform hearings this spring, in 1966, 80 percent of taxable income which U.S. corporations received from foreign sources went to 430 corporations with assets of over $250 million, and 90 percent went to U.S. corporations with $100 million or more in assets.

The question then arises: How much of a contribution do these few corporations make in Federal corporate income taxes to help pay for the military protection and "favorable climate" provided by our NATO commitment?

Again, from testimony before the Ways and Means Committee this spring, it was reported that taxes paid to the Federal Treasury on some $20 billion in foreign-derived profits was only about $1 billion—or an effective tax rate of 5 percent. Tomorrow, I am addressing the House on the subject of the effective tax rates paid by our Nation's largest 100 industrial corporations. The listing of these corporations and their effective Federal corporate tax rates will show that many of these multinationals pay extremely low rates of tax—and in some cases no tax on earnings reported to shareholders.

The way in which these corporations avoid paying the statutory corporate tax rate is through a complex series of provisions in the tax code which provide for deferrals, special deductions, and credits against foreign taxes. These tax subsidies have been defended on the basis that they are needed to keep American companies abroad competitive with foreign companies. Only now are we beginning to see some of the true dimensions of the subsidy costs for these foreign business operations—not only subsidies in the tax code, but military subsidies as well.

Mr. Chairman, it is unconscionable that the taxpayers of America should be maintaining a military garrison abroad for the sake of a limited number of giant corporations. The committee's report is an admission of gunboat-dollar diplomacy of the worse sort.

I support the amendments to reduce the level of our military manpower commitments overseas. I thank the committee for providing this statement which should help all of us in reassessing the role of multinationals and the tax treatment of these giant corporations.

Mr. STRATTON. Mr. Chairman, I move to strike the last word.

Mr. Chairman, this amendment was offered in the committee. It is a very enticing amendment; it sounds good, sounds simple. It is also a subtle amendment, and it is a very mischievous amendment, a very damaging one, because what it does is simply to destroy the entire NATO alliance in one blow.

Of all the NATO countries, as has already been indicated, there is only one that has a larger share of its gross national product presently going for overall defense than we do, and that is Portugal. Therefore, if what we want is to destroy NATO this afternoon, this is certainly the way to do it.

This is not to say that everything is good in NATO. There are people who have said, for example, that they think we ought to reduce our forces in NATO, and a case perhaps could be made for some reductions under proper circumstances. There are others who say we ought to restructure our defense pattern in NATO; some of our troops are not in the right place, they say. The Brookings Institution, for example, has suggested that we ought to rotate our troops back and forth from Germany rather than keep them over there all the time along with their families; and that, too, is a point of view that at least deserves some consideration.

There are also those who say we ought to insist that our allies make a greater contribution to the NATO defense pattern. Certainly that is true. We have in fact been insisting on just that. As a result, the Germans this year have upped their contribution.

In fact, a recommendation made by our committee a year ago for the establishment of a common NATO fund to pick up the balance-of-payments deficit we are now facing is a proposal that is being pushed hard by the United States with our NATO allies.

All these are suggestions which have been made with respect to NATO. I believe many of them are sound suggestions and ought to be considered.

But this amendment is a meat-ax amendment. This amendment would mean the end of NATO, this year, now, without any delay, without any consultation with our allies, without any regard for the commitments which have been made, and without even bothering to wait to see whether the Soviets themselves are going to make any corresponding reduction in Europe.

This idea that we are in Europe today to defend the Europeans is something that should have disappeared with the beginning of World War II. Obviously we are not in Europe to defend the Germans or the French or the Dutch or the Belgians. We are in Europe basically and essentially to defend ourselves, because we learned, after the mistakes that led to World War I and to World War II, that if a strong military power ever takes over all of Western Europe, that is a grave threat to our security. So we are in NATO to defend the United States of America, not to defend Germany.

Take a look at Iceland, for example. Under this amendment we could not even keep any military personnel in Iceland, because they devote practically none of their gross national product to defense. Yet if we were to remove the very vital U.S. antisubmarine warfare force that we presently have in Iceland in order to keep an eye on that rapidly growing Soviet submarine fleet as it comes down from the Norwegian Sea, we would be in really serious trouble.

Or, what about the 6th Fleet in the Mediterranean, which is protecting the Middle East and hopefully is protecting our oil supply lines from the Middle East? What precise country does that protect? Whose gross national product do we have to figure out, to see whether we can keep the 6th Fleet sailing in the Mediterranean?

These are the kinds of thing that have not been even mentioned by those who support this amendment, and show why the amendment is such a destructive one.

Yes, we do spend more of our gross national product on defense than some of the other NATO countries, but we are a much larger country after all and we have a lot more to defend. We are a super power. We have to defend in the East and we also have to defend in the West; and we have to defend in the field of strategic weaponry too.

After all we do not want the Germans to have strategic weapons. We do not want the Japanese to have nuclear weapons either. We have assumed that nuclear umbrella responsibility ourselves, so that there will not be a dangerous nuclear proliferation. Are we going to switch now and say that because these countries do not spend any money on nuclear weapons we are not going to put any of our forces there?

This idea of trying to base our military decision on what somebody's gross national product happens to be is real idiocy. Let us proceed toward peace in an orderly way.

Mr. CAREY of New York. Mr. Chairman, I rise in support of the amendment offered by the gentleman from New York.

Mr. Chairman, I dislike very much to intrude in a colloquy on an amendment between two of my respected colleagues from the same State, but in terms of what was just said by my colleague, Mr. STRATTON, I scarcely recognize the thrust of the amendment offered by my colleague, Mr. PIKE.

I believe it is an entirely reasonable amendment, a provident amendment, one which will cause our NATO allies to exert more of their own resources in our common defense.

Mr. PIKE. Mr. Chairman, will the gentleman yield?

Mr. CAREY of New York. I yield to my colleague from New York.

Mr. PIKE. First I should like to say that anyone who has read the amendment will be aware that it says it pertains to troops stationed in other countries to aid in the defense of those countries. The 6th Fleet thus far is not stationed in any other country.

Mr. Chairman, they are trying to get us to create a base in Greece for them.

As far as our facilities in Iceland are concerned, I will make two points:

First, at the moment the Icelanders are trying very hard to kick us out of Iceland; and second, our troops are not there for the defense of Iceland. I will concede they are there for our own defense, and the amendment would not have any effect on them.

Mr. CAREY of New York. Mr. Chairman, the gentleman has clarified the amendment, and I understood it was this way.

I want to speak to this particular point. The best way to have good allies in combat is to try to make sure that there are common benefits and that we are fighting on a common front.

I am a predecessor of NATO in a sense. I was in an American infantry unit under a British corps commander in the Canadian Army. It is true that they had a liquor ration and we did not have one, so there are benefits to fighting on a common front.

Let me suggest now that what is happening is that we are living by different parameters than our comrades in arms.

My colleague from New York, Mr. STRATTON, made reference to a Brookings study conducted, I believe, by Dr. Freed, who is formerly a staff counsel to the National Security Council. What he is suggesting is that—

> When you live in Germany, do as the Germans do; when you live in Belgium, do as the Belgians do; but do not have an army overseas under NATO living by American logistics and by American parameters.

Mr. Chairman, the answer is that we are not part of a completely composite force in NATO. We are attempting to defend Europe by American standards. That is why the imbalance of payments is so aggravating, as the gentleman from Ohio has indicated. We were told by the Belgians and the Germans and we were told by the bankers—

> Get your house in order, do not impose your lifestyle over here in such a way that we could not afford to bring our force levels up to your force level, because we could not live by your logistical standards.

Why in the world do we not defend Europe by using a joint base arrangement, in order to provide protection for Germany and our allies in other parts of continental Europe? What reason is there for a separate, expensive, exclusive American base system?

Mr. STRATTON. Mr. Chairman, will the gentleman yield?

Mr. CAREY of New York. I yield to the gentleman from New York in order to discuss why we should not use joint base councils in defending Europe.

Mr. STRATTON. Mr. Chairman, I take it that the gentleman supports the study he referred to by the Brookings Institute. Well, if he does, if he does wish to change our base set up, that change will take some time. But if the Pike amendment is adopted there will be no time to work out any changes at all. The Pike amendment will simply wash out the NATO structure now, without waiting. It would throw out the baby with the bath.

Mr. CAREY of New York. Mr. Chairman, I decline to yield further.

Dr. Freed was before the Joint Economic Committee, and as part of this study he said that if we want to force the NATO partners to do more in composite areas with us on joint bases and living in the same style as far as our troops are concerned, we can save a half a billion to a billion and a half dollars over a 3-year period. Here is a half a billion dollars, and that will not weaken NATO; it will strengthen NATO and provide goals to make our participation more effective in the defense of the European nations involved.

It will also teach the non-NATO nation a lesson. That non-NATO nation is France, and French Prime Minister Pompidou has indicated that he is not going to consider our defense of Europe in terms of trade negotiation, because he says that is not related to the franc or to the needs of France, or NATO, in relation to the gross national product of the nations of Europe.

Mr. Chairman, with the adoption of this amendment, all Europe would be involved on a firm basis. I believe the amendment does not destroy NATO; it puts NATO on all fours with the President's doctrine. The President has said that we will help nations who help themselves, and all the gentleman from New York (Mr. PIKE) is saying in his amendment is "Let us all help ourselves in common defense in the same degree as measured by our gross national product."

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York (Mr. PIKE).

RECORDED VOTE

Mr. PIKE. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

RECORDED VOTE

The vote was taken by electronic device, and there were—ayes 130, noes 282, not voting 21, as follows:

[Roll No. 407]

AYES—130

Abzug
Adams
Addabbo
Anderson, Calif.
Andrews, N.C.
Ashbrook
Ashley
Aspin
Badillo
Barrett
Bergland
Biaggi
Boland
Bolling
Brademas
Brasco
Brown, Calif.
Brown, Mich.
Burke, Calif.
Burke, Mass.
Burlison, Mo.
Byron
Carey, N.Y.
Carney, Ohio
Carter
Chisholm
Clay
Cleveland
Collier
Collins, Ill.
Conte
Conyers
Corman
Cronin
Daniels, Dominick V.
Danielson
Dellums
Dent
Diggs
Donohue
Drinan
Edwards, Calif.
Eilberg
Evans, Colo.
Foley
Ford, William D.
Gaydos
Giaimo
Grasso
Green, Pa.
Grover
Hanley
Harrington
Hastings
Hawkins
Hechler, W. Va.
Heckler, Mass.
Helstoski
Hicks
Holtzman
Howard
Hungate
Johnson, Colo.
Kastenmeier
Koch
Kyros
Latta
Leggett
Lehman
Lent
Litton
Long, Md.
McCloskey
Macdonald
Madden
Mazzoli
Melcher
Metcalfe
Mezvinsky
Miller
Minish
Mink
Mitchell, Md.
Moakley
Moorhead, Pa.
Moss
Nix
O'Hara
O'Neill
Owens
Pickle
Pike
Podell
Rangel
Rarick
Rees
Riegle
Rodino
Rogers
Roncalio, Wyo.
Roncallo, N.Y.
Rosenthal
Roush
Roy
Roybal
Ryan
St Germain
Sarbanes
Saylor
Schroeder
Skubitz
Snyder
Stanton, James V.
Stark
Steele
Stokes
Studds
Sullivan
Thompson, N.J.
Tiernan
Udall
Van Deerlin
Vanik
Vigorito
Waldie
Wolff
Yates
Yatron
Young, Ga.
Zwach

NOES—282

Abdnor
Anderson, Ill.
Andrews, N. Dak.
Annunzio
Archer
Arends
Armstrong
Bafalis
Baker
Beard
Bell
Bennett
Bevill
Biester
Bingham
Blatnik
Boggs
Bowen
Bray
Breaux
Breckinridge
Brinkley
Brooks
Broomfield
Brotzman
Brown, Ohio
Broyhill, N.C.
Broyhill, Va.
Buchanan
Burgener
Burke, Fla.
Burleson, Tex.
Burton
Butler
Casey, Tex.
Cederberg
Chamberlain
Chappell
Clancy
Clark
Clausen, Don H.
Clawson, Del
Cochran
Cohen
Collins, Tex.
Conable
Conlan
Cotter
Coughlin
Crane
Culver
Daniel, Dan
Daniel, Robert W., Jr.
Davis, Ga.
Davis, S.C.
Davis, Wis.
de la Garza
Delaney
Dellenback
Denholm
Dennis
Derwinski
Devine
Dickinson
Dingell
Dorn
Downing
Dulski
Duncan
du Pont
Eckhardt
Edwards, Ala.
Erlenborn
Esch
Eshleman
Fascell
Findley
Fish
Flood
Flowers
Flynt
Ford, Gerald R.
Forsythe
Fountain
Fraser
Frelinghuysen
Frenzel
Frey
Froehlich
Fulton
Fuqua
Gettys
Gibbons
Gilman
Ginn
Goldwater
Gonzalez
Goodling
Green, Oreg.
Griffiths
Gross
Gubser
Gude
Guyer
Haley
Hamilton
Hammerschmidt
Hanrahan
Hansen, Idaho
Hansen, Wash.
Harsha
Harvey
Hays
Hébert
Heinz
Henderson
Hillis
Hinshaw
Hogan
Holifield
Holt
Horton
Hosmer
Huber
Hudnut
Hunt
Hutchinson
Ichord
Jarman
Johnson, Calif.
Johnson, Pa.
Jones, Ala.
Jones, Okla.
Jones, Tenn.
Jordan
Karth
Kazen
Keating
Kemp
Ketchum
King
Kluczynski
Kuykendall
Landrum
Long, La.
Lott
Lujan
McClory
McCollister
McCormack
McDade
McEwen
McFall
McKay
McKinney
McSpadden
Madigan
Mahon
Mailliard
Mallary
Mann
Maraziti
Martin, Nebr.
Martin, N.C.
Mathias, Calif.
Mathis, Ga.
Matsunaga
Mayne
Meeds
Michel
Minshall, Ohio
Mitchell, N.Y.
Mizell
Mollohan
Montgomery
Moorhead, Calif.
Morgan
Mosher
Murphy, Ill.
Myers
Natcher
Nedzi
Nelsen
Nichols
Obey
O'Brien
Parris
Passman
Patman
Patten
Perkins
Pettis
Peyser
Poage
Powell, Ohio
Preyer
Price, Ill.
Price, Tex.
Pritchard
Quie
Quillen
Railsback
Randall
Regula
Reuss
Rhodes
Rinaldo
Roberts
Robinson, Va.
Robison, N.Y.
Rooney, Pa.
Rostenkowski
Rousselot
Runnels
Ruppe
Ruth
Sandman
Sarasin
Satterfield
Scherle
Schneebeli
Sebelius
Seiberling
Shipley
Shoup
Shriver
Shuster
Sikes
Sisk
Slack
Smith, N.Y.
Spence
Staggers
Stanton, J. William
Steed
Steelman
Steiger, Ariz.
Steiger, Wis.
Stratton
Stubblefield
Stuckey
Symington
Symms
Talcott
Taylor, Mo.
Taylor, N.C.
Teague, Calif.
Teague, Tex.
Thomson, Wis.
Thone
Thornton
Towell, Nev.
Treen
Ullman
Vander Jagt
Veysey
Waggonner
Walsh
Wampler
Ware
Whalen
White
Whitehurst
Whitten
Widnall
Wiggins
Williams
Wilson, Bob
Wilson, Charles H., Calif.
Wilson, Charles, Tex.
Wright
Wyatt
Wydler
Wylie
Wyman
Young, Alaska
Young, Fla.
Young, Ill.
Young, S.C.
Young, Tex.
Zablocki
Zion

NOT VOTING—21

Alexander
Blackburn
Camp
Evins, Tenn.
Fisher
Gray
Gunter
Hanna
Jones, N.C.
Landgrebe
Milford
Mills, Ark.
Murphy, N.Y.
Pepper
Reid
Roe
Rooney, N.Y.
Rose
Smith, Iowa
Stephens
Winn

So the amendment was rejected.

The result of the vote was announced as above recorded.

AMENDMENT OFFERED BY MR. DELLUMS

Mr. DELLUMS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

> Amendment offered by Mr. DELLUMS:
>
> On page 4: Line 1, strike "791, 627" and insert in lieu thereof "681, 306"; line 2, strike "656,912" and insert in lieu thereof "493,820"; line 3, strike "196,363" and insert in lieu thereof "176,219"; line 4, strike "665,963" and insert in lieu thereof "556,357".
>
> On page 5: After line 2, add the following proviso: ": *Provided*, That no funds appropriated by Congress may be used after June 30, 1974 for the purpose of maintaining more than 300,000 military personnel assigned or homeported at overseas bases; or afloat on a regular basis in the Western Pacific or Mediterranean."

(By unanimous consent, Mr. DELLUMS was allowed to proceed for 10 additional minutes.)

Mr. DELLUMS. Mr. Chairman, today I propose an amendment on one of the most important areas of choice—namely, our overseas military manpower levels.

We have over 600,000 men and women stationed abroad or afloat all over the world. After careful and detailed study of this question, it is my deep conviction that the size of this presence is bad for this country and bad for the world—and that it is up to Congress to do something about it.

My amendment is in two parts. The first part specifies end-strength manpower levels that would reduce present levels by 322,000. I have based the specific amounts for each service on study of the Pentagon responses to the detailed questions I have put to them on the rationale for the various missions we have abroad. I shall discuss these questions in a minute. The cuts for each service are:

Army	110,321
Navy	72,092
Marines	20,144
Air Force	109,606

The second part of the amendment establishes a 300,000 person limit to the amount of troops stationed overseas. This will insure that the cuts will be taken overseas. The exact location of the cuts is left to the discretion of responsible authorities in the Pentagon.

In my efforts to have the committee conduct a systematic review of this issue, I asked the Pentagon specific questions about each one of our military missions abroad.

I asked, for example, why—given the evident capacity of the South Koreans to take care of themselves—we have such a high level of troops there? What justification exist for top-heavy command structures in southern Europe? What about the small deployments we maintain in so many countries—Iran, Australia, Cyprus, Ethiopia, Morrocco, and the numerous Military Assistance Advisory Groups—MAAG's?

And so on and so on, down the list for every country—and there are more than most Members are aware of—in which we have stationed military personnel. DOD's inadequate response to my original questions can be found beginning on page 23130 of the RECORD for July 10, 1973. These answers are extremely general and vague. They refer to threat perceptions that tell us nothing; nor could the answers justify any level of troops. The answers make complicated foreign-policy assumptions as if there was the same assurance as on technical military matters. The answers rely on the Pentagon rhetoric developed under vastly different international situations 10 or 15 years ago. In a word, these answers confirm my suspicion that the real reason for most of our commitments is historical accident and bureaucratic inertia—not any on-going realities of 1973.

One purpose of my amendment is to reassert congressional control over our overseas military presence. For years, Congress has approved these manpower levels without seriously questioning basic rationale for these levels.

Yet we must be aware that manpower levels requested by DOD were not arrived at by constitutional processes of congressional control; in fact they represent an abdication of our control—not only to the Executive, but to foreign countries.

The key point here is that there are no specific treaty obligations that force Congress to approve any level of troop commitment. Exact figures for each country are the result of Executive agreements, and are not submitted to Congress for approval. Furthermore, such figures are the result of political foreign-policy calculations—and are not based on military matters to which we may legitimately defer to military experts.

This last point is crucial. There is only one question the Pentagon is professionally equipped to answer with assurance: Whether a force level in a certain country is necessary or sufficient to repel the threat that is responsible for its presence overseas. Yet in almost no case is the Pentagon able to give us this assurance.

Either our forces are unnecessary or they are not sufficient. Let me give an example of each. The South Koreans have one of the most battled-hardened armies in the world. It has well over 600,000 people under arms, and many of these have had combat experience in Vietnam, where we all know of their reputation. The North Koreans have an army of less than half a million men who have done nothing beyond border sniping since 1953. We assume the South Koreans will have the advantage of a defensive posture.

In other words, if any nation is relatively secure, it is South Korea. Yet we have top-heavy military establishment there of 38,000 troops which add a mere 7,000 fighting men in the combat division that we station there to provide ground combat support to the South Korean forces—although we must pay for all 38,000 men, when we count support and command troops. If the Nixon doctrine can be applied anywhere, it is in Korea. Given any sense of logic, there is no justification for the presence of these men, and we should bring them home.

The major part of our overseas presence is in Europe. One reason I have decided on the 300,000 level is my conviction that our European commitment is overextended and inefficient. This commitment is founded on unrealistic assumptions and built more around wishful thinking than a desire for a "lean, mean" efficient force that will do the job with less sacrifice from American taxpayers and less interference in Western Europe.

What is the situation in Central Europe? No military analyst seriously claims that U.S. troops stationed there could repel any large-scale Soviet conventional attack. In this connection, I would like to quote General Lemnitzer—Commander of SHAPE—who said before the House Foreign Affairs Committee in 1970:

> One of the greatest problems that would confront NATO today would be a large conventional attack. Then we would be faced with a decision to use nuclear weapons or be defeated.

This is an astonishing admission.

What about other troops in Europe, in SETAF—the southern European Task Force—and elsewhere? They are there on an assumption of a conventional war continuing past the 2 or 3 months that both the Warsaw Pact and the European NATO countries base their planning upon. Any possible conflict will be completely decided by that point, since neither side has the reserves to do any more fighting. These so-called support troops are no threat to the Soviets or anyone else, and a reduction in this area would have little or no effect on the military realities underlying the MBFR talks.

This is the military situation. of course, and reduction on our part should be done in closest consultation with our NATO allies—closer consultation than our recent action concerning Europe have displayed. But unless we face up to military realities, our discussion of political problems will be meaningless.

Mr. Chairman, the question of troop cuts is a serious and complicated one to which Congress has given too little attention in the past. I believe that when the dimensions of the situation are correctly grasped, the need for significant reductions becomes strikingly clear. We must begin the process of rationalization and adjustment; my amendment is a first step in that process.

Where interested laymen must decide issues on which experts disagree, our main weapon is the ability to ask the correct questions.

There is a growing consensus that we should have some cuts in military manpower, as we see from the actions of the Armed Services Committees of both Houses of Congress. It is now realized that cuts are both desirable and possible. The question is now: How much? The main determinant of the size of the cut is Europe—both because of the size of our commitment there and because only there is it seriously claimed that the troops are military necessary and sufficient to meet perceived threats. I will therefore concentrate on European problems—especially since political claims of the Defense Establishment are seen here in their purest form.

I think we have to ask, first of all, what does the present NATO commitment give us militarily in the way of a "flexible response"—that is, effective so-called "conventional" defense to be used as a diplomatic breathing space before nuclear escalation? In other words, how long can we confine damage to Europe?

It is clear that 90 days is the outside limit, after which the conventional fighting will be over in Europe: Neither the Warsaw Pact armies, which are built for attack, nor the European NATO countries have plans or reserves beyond 90 days. Therefore, the great support capacity we have built up for beyond that 90-day period is useless unless we intend to liberate Europe by strictly nonstrategic means, which contradicts our nuclear guarantee. This support capacity can therefore be cut without damage.

Meanwhile, our deployment for fighting within the 90-day period is extremely inefficient—first, the troops are stationed in wrong places; second, we have much smaller percentage of combat-skill troops than we will need for a short, sharp defense; third, we have a lot of civilian dependents that will slow down troop movements and restrict our responses—

these are but a few problems. It is clear that reorganization could take place that would give us a more efficient fighting force and still allow manpower reductions.

I believe that when we understand the purpose of our conventional NATO forces—which must be effective enough to discourage and slow down an invasion but very definitely not effective enough to allow us to fight a successful, long drawn-out conventional war that would devastate Europe and make a mockery of our nuclear guarantee—when we understand this purpose, it is very difficult to maintain that cuts cannot be accommodated militarily.

That leaves us with political factors as the determinants for our troops in Europe. It depends on the spokesman and the audience whether the military argument is still maintained or whether it is conceded and then asserted that the reasons against unilateral reductions are mostly political.

The administration finds it convenient to defend its position from both sides. For example, we are told that the mutual force reduction talks mandate a long delay in unilateral troop cuts. But the reason for this is sometimes that the talks will bring about substantial cuts, and sometimes just the opposite—namely, that the natural logistic advantages of the Soviets mean that we can only give up very little without substantial concessions from their side.

I think there are a couple of things we should understand about the MBFR talks. First, our negotiators are working with what they believe is a gun at their back. They are so afraid that Congress will become impatient and take matters into their own hands that they are willing to make very real concessions to get quick results, as shown by the dropping of the principle of "balance" in what should now be called the mutual force reduction talks. This bargaining disadvantage can only be overcome if before the talks begin we remove some of the indefensible fat from the NATO structure and give our negotiators a less vulnerable position and breathing space from political pressure.

Second, the Soviets have substantial, practical, economic, and political reasons to reduce their troop levels. They would rather use these resources in their faltering economy or protecting themselves from China.

It is these concrete reasons that have caused them to enter into the talks, and these reasons will not disappear if we make unilateral cuts—especially cuts that do not give the Soviets any real military advantage. Therefore the claim so often heard that they will lose all interest in troop reduction negotiations if they see us make any sort of cut does not seem plausible. They will still want to make cuts, and they will still want to do it in the context of negotiations.

If we understand these diplomatic realities—realities presented to me during administration briefings—we need not be pressured by stories of diplomatic doom and disaster if we do not tie our hands in advance.

For these reasons, I do not find the taboo on European cuts persuasive. We can and should make cuts there. It would be an action that would prove a more sincere will to ease the burden on the taxpayer than starving a hundred domestic programs. It would rationalize our military posture in a vastly changed world. Mr. Chairman, I urge as strongly as I know how the adoption of this amendment to provide a meaningful, significant reduction in overseas power levels.

Mr. Chairman, I would now like to make a few off-the-cuff remarks.

The major argument in opposition to this amendment and the amendments that have gone before this amendment and that will come after is that we must protect the integrity of this budget, because it is calculated to defend human life, primarily American human life.

The fundamental contradiction in that argument is that we have not understood clearly that the same people we attempt to defend in this budget, millions of American people, are at this moment dying. They are dying from hunger and disease and inadequate education, crippling disease, drugs, crime, pollution, broken dreams, lost confidences, and lost hope.

The CHAIRMAN. The time of the gentleman from California (Mr. DELLUMS) has expired.

(By unanimous consent, Mr. DELLUMS was allowed to proceed for 2 additional minutes.)

Mr. DELLUMS. Mr. Chairman, this is the reality. Many people are dying in this country because we have not come to grips with the serious human problems we must come to grips with. It is one thing for us to mobilize against fear, but I would suggest to the Members that it is insanity to mobilize against reality, and the reality is that our people desperately need help.

It seems to me that if you and I are assuming our major responsibilities, then we must strike some balance between the amount of funds we spend for defense and desperately needed funds we must spend in the domestic area to save the same lives we seek to save with more weapons systems and more men and more material throughout the world. If we do that, then this 93d Congress can do down in history as a Congress that truely attempted to defend what this country stands for, the democracy, the freedom, the humanity, and the justice.

Mr. Chairman, my amendment is only one step in that direction. Let us strip some of the fat from this budget, and let us say to the American people that we are willing to take the risk and protect the freedoms this country stands for. To do less would be to lack the faith in the very Constitution and the very principles we came to Congress to protect.

Finally, if you and I must risk death, then let us risk that death trying to save human life in our country. It would be a fitting epitaph to people who believe in freedom and justice and in the democratic way of life.

Mr. DAN DANIEL. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, the result of this amendment would be to destroy NATO.

> Too often Americans concentrate on the advantages that the Atlantic Alliance has brought Europe, and skim over or ignore the benefits that Americans have derived as well.
>
> U.S. self-interest demands that Americans regard their own security as inextricably intertwined with the security of Western Europe.
>
> The alliance has helped to prevent general war, a war that would just as surely threaten the territory of the United States as the territory of Europe. The alliance has maintained a stable balance of power that has enabled East-West détente to go forward. The alliance has kept within the Western orbit the economic and technological resources of the nations of Western Europe, which have played a crucial role in America's economic prosperity.
>
> In 1966, NATO formally adopted a strategy of "flexible response" in the belief that nuclear capabilities, while ultimately the overriding deterrent, should not be the first available response to military challenge.
>
> There are many in the United States who would argue that the fact of a net foreign exchange deficit of more than a billion dollars is sufficient to dictate a U.S. force reduction. I disagree with that view.
>
> I believe that the force structure necessary to maintain our commitments to European security must be provided first: But then we must find ways to ease the foreign exchange burden of that commitment.

Mr. Chairman, if these words sound familiar it is not surprising. They are taken from an address by Senator TED KENNEDY to the North Atlantic Assembly on May 19, 1973.

Regarding withdrawal of troops from Europe, there is certainly nothing which legally binds us to remain there. We can cut and run any time we see fit to do so.

The question is, do we really want to do this? Do we want to take the risks involved? Are we willing to gamble with the lives of the people of the United States and our European allies? For this is what we will be doing if we abandon our treaty partners.

Following World War I, our Nation felt it had no mutual interests with Europe. We would not join the League of Nations, we turned our backs on the world, withdrew to our own shores, and embarked on an era of concentration on strictly domestic issues.

For this we got an Adolf Hitler who could indulge his sick hatred of the non-Aryan, secure in the knowledge we would not intervene.

Likewise in the Orient, the Japanese embarked on military adventures on the Asian mainland, convinced we would not involve ourselves. The Germans and Japanese, vengeful and land-hungry, ultimately brought down on the globe World War II. We paid a terrible price for our isolation.

When that war was over, and Russia hungrily eyed the city of Berlin, only the determination of the Allies—and most notably, the determination of one man, President Harry S. Truman—stood between the Red Army and that island of freedom in East Germany.

Again at the beginning of the 1950's, after our Secretary of State Acheson had declared a policy of noninvolvement in that area, the Army of North Korea, aided and abetted by the fledging Communist Government of Red China, swept down on its southern neighbor.

Right now, we observe the futility and frustration which accompany the attempt at bargaining without chips, as Mr. Kissinger attempts to persuade the North Vietnamese to comply with the provisions of the Paris agreement.

If the experience of the past quarter-century fails to impress, consider a present situation. Few will argue that NATO has played a major role in development of an economic community which, dedependent on mutuality of interests, will go far in promoting a continuing peace.

On the continent of Africa, with no machinery for cooperation, no sense of common interest, no spirit of community—and no element of protection by any of the advanced nations of the world—nations have fallen prey to those who would promote the interests of Russia and of Red China. Internal upheavals are a constant, confusion reigns in virtually every country, plot and counterplot, coup and counter-coup, fill the pages of the world's newspapers, and development of this region which has so much to offer the rest of the world withers away, victim of the struggle to control by the Communist giants.

While I of course believe we must constantly review and reassess our treaty commitments around the world, we would be naive in extreme to believe the Warsaw Pact nations are not following our debates and our actions, and making their own interpretations of our assessments. Any further unilateral move toward isolationism would surely be interpreted as a retreat from the moral commitments we have made and which have preserved a measure of peace in Europe for more than a generation.

We no longer seek to be the world's policemen—nor do we want to be. But we cannot afford to walk away from our commitment to the peace of the world. For if we turn our backs, and walk away, wars will surely follow us home.

Mr. BROOMFIELD. Mr. Chairman, will the gentleman yield?

Mr. DAN DANIEL. I yield to the gentleman.

Mr. BROOMFIELD. I wish to compliment the gentleman for his excellent statement.

I am very much opposed to the amendment under consideration.

Mr. Chairman, as one who has worked persistently for a reduction of our forces around the world, I agree with the principle embodied in this amendment. But I seriously disagree with its methods and timing.

Reducing our overseas forces is a fine goal. For the past several years I have sponsored bills to begin gradual troop withdrawals in Europe and have called for similar phased reductions of our forces in other parts of the world.

This should be accomplished at the negotiating table with the full participation and cooperation of our allies and not with a meat ax as this amendment proposes.

Under the Nixon doctrine, I am pleased that we have made progress in reducing our troop commitments around the world. In the past several years, we have taken a half-million men out of southeast Asia, reduced our forces in Korea by one-third and brought home troops from Japan, Okinawa and many other parts of the world.

We are just now beginning to make progress in mutual force reductions in Europe.

Thirty years ago, U.S. troops made a vital contribution to the security of Europe and the world. They served as a major deterrent to Soviet aggression in Europe throughout the years of the cold war.

Now that Western Europe has emerged as a vigorous and economically sound partner in the free world, there is no reason why it should not shoulder an increasingly greater share of its defense costs and it is doing so.

Germany, the country in which two-thirds of our troops are located, has just recently signed a $2 billion total offset agreement to help us relieve the burden of maintaining our forces there.

At the same time, we have served notice that we want to begin withdrawing some of the 307,000 troops we have stationed in Western Europe provided the Warsaw Pact nations will do likewise.

As one who has long-advocated such troop cuts, I am pleased that the administration will begin negotiations with the Soviets this October on mutual and balanced troop withdrawals in Europe.

If we succeed in these talks, we will win not only a reduction in U.S. forces in Europe, but Soviet troops as well; plus a Europe defended by Europeans and a healthier U.S. economy.

This amendment proposes to hand the Soviets on a silver platter what they have just agreed to bargain for over the negotiating table.

Its timing could not possibly be worse.

Mr. Chairman, I believe that our 30-year investment in Western Europe can be made to pay valuable dividends this fall if the Congress does not cut the legs out from under our negotiators by ordering a precipitous withdrawal of U.S. forces. I intend to oppose this amendment for all these reasons. If these talks fail to produce meaningful and mutual troop pullbacks, I assure you that I will be among the first to call for congressionally mandated cuts.

Mr. DAN DANIEL. I thank the gentleman for his contribution.

One further comment.

The gentleman from California referred to the positioning of our troops in Europe. Of course, the gentleman knows we have an integrated force there. We have our forces along a historical invasion route in the center and the south, the British have theirs where the gentleman from California thinks ours ought to be, which faces the northern plain. That area is defended at this time by the British, who have done pretty well in tank warfare.

Mrs. HOLT. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, in opposition to this amendment, I am concerned, as many Members are, about the cost of our NATO commitment, but I am also convinced that security interests of the highest importance to the United States, demand that we reject this simplistic proposal for unilateral reductions in our force levels. Even the Baltimore Sun on Sunday surprise me very much with the lead editorial, which reads as follows:

[From the Baltimore Sun, July 29, 1973]

No Time for Troop Cutbacks

With no little reluctance, this newspaper has come to the conclusion that this is not the time for immediate unilateral troop withdrawals from Europe. Our judgment does not rest on the litany heard from four successive administrations over a period of two decades. We do not believe the early pullback of one or even two of our four divisions would encourage belligerent actions on the part of the Soviet Union; Kremlin leaders have bigger fish to fry with Washington. We do not believe NATO would start to unravel or Western Europe, so prosperous and confident, would become prone to "Finlandization," as government spokesmen contend.

No, we do not believe any of that. (What we do believe is that unilateral cutbacks now would harm the broad yet particular national interests of the United States at a pivotal stage of detente diplomacy.) Last month foreign ministers of 34 nations met at Helsinki for the Conference on Security and Co-operation in Europe—an enterprise Soviet propagandists had promoted for years. The rather blatant purpose of this conference was to give an aura of legitimacy to Soviet hegemony over the peoples of Eastern Europe. Its collateral thrust was to emphasize the "European idea" at the obvious expense of the United States and Canada. The United States agreed to go to Helsinki in the hope that loud demands for more freedom to travel and exchange ideas plus emphasis on the integrity of small nations like Romania might nullify the Soviet advantage. But more important, we showed up in Helsinki on the understanding—since confirmed—that the Russians would agree to open negotiations on mutual troop reductions in Vienna beginning October 30.

These troop-reduction talks, the first in postwar history, are normally considered in their East-West context since the ostensible end-goal is some sort of thinning down of the massive forces along the Iron Curtain. This is at it should be. But it is most important that we also consider the troop-cut discussions in terms of our over-all relations with the nations of Western Europe. Any immediate U.S. withdrawals would complicate the already difficult quest at NATO headquarters in Brussels for a common Western negotiating position at the Vienna talks. Our allies, let it be remembered, are as wary of Vienna as we were of Helsinki since the prospect of any U.S. withdrawals, in any context, troubles them. If we should go to Vienna in a weakened negotiating position, this would limit our bargaining room at later Helsinki meetings and compromise the Nixon-Kissinger efforts to put our economic and political as well as military relations with Western Europe in better harmony.

These are big-stakes issues because our real national interests are on the line in Europe as they never were in the misguided Indochina adventure. These issues far transcend any economies that would be achieved by bringing home substantial numbers of troops and dependents now in Europe. They override the need to curb the Executive fronts. We understand and indeed share the impatience of legislators who have long believed our large military presence in Europe is wasteful and anachronistic. This impatience may force some token withdrawals this year as part of the over-all reductions sought by the Senate Armed Services Committee. (But we must urge Congress to resist pressure for a significant pullout from Europe at a moment when our relations with our NATO allies are at a sensitive juncture.) Let us reconsider a unilateral approach again next year after we have had a chance to see if Vienna negotiators can make real progress on mutual cutbacks.

Especially now at a time when the success of our NATO alliance and the very presence of these forces are in large measure responsible for the agreement by the Soviet Union and the Warsaw Pact to talks on the mutual balanced reduction of forces. I think we have a chance to bring about this now.

We know that the budget cost of our forces deployed in the European area is not our most serious problem. If we brought them home, we would still have this sizable problem. To maintain airlift and sealift capability from this country would be more expensive.

But it is our military balance of payments in NATO Europe that is a serious concern.

William J. Casey, Under Secretary of State for Economic Affairs, said on July 12 that in fiscal year 1972 this deficit for NATO Europe comprised about one-sixth of the overall worldwide basic balance-of-payments deficit. The balance deteriorated from a surplus of $1 billion in 1970 to a deficit of about $2.7 billion in 1972. But he said, due to the changing monetary picture that trend has turned around. Of course, we have got to hold down inflation in this country.

The gentleman from Missouri (Mr. RANDALL) last year chaired the subcommittee in evaluating our commitment to NATO. That subcommittee pinpointed where the burden sharing is unequal and how it can be adjusted without weakening NATO militarily. The executive branch has now proposed the solution recommended by this subcommittee to the NATO Ministerial Council. On June 7, at the meeting of the Defense Planning Committee, Defense Secretary Schlesinger asked the ministers to work on the development of a multilateral program to compensate the United States for the additional burden it assumes by stationing its troops in Europe. They agreed, and we expect that a formal report on that will be made in December.

Mr. RANDALL's subcommittee recommended the establishment of a NATO common fund, and General Goodpaster said he felt this common fund would solve our deficit. Contributions into the fund would come from countries which experience a balance-of-payments windfall from troops stationed in their country and also from those who receive protection from those troops.

In our simplistic approach, we often overlook the fact that the Federal Republic of Germany has since the early 1960's faithfully negotiated and renegotiated bilateral offset agreements with the United States to eliminate our military deficit in our balance of payments.

We and our NATO allies have been able to build a dynamic and prosperous world economy from the shambles of war because we worked together, not only to rebuild the world economy, but also because we worked together to provide our own common security.

Deputy Secretary Rush testified early in July that the approach to eliminating our balance-of-payments deficit should not be to forego programs which are essential to our security.

To this end, as a matter of legislative history, I would say that this body should make it known that we support the recommendations for a NATO common fund and for further offset agreements with our allies, and indicate our belief that such action is absolutely necessary if we continue the level of U.S. deployment of troops in Europe.

Mr. Chairman, the four points that I have tried to make here are:

First. Because the deficit in our balance of payments caused by military costs in Europe is a small part of the total;

Second. Because we have turned that around;

Third. Because we are working diligently with our NATO allies to improve the balance of payments and the budgetary help they are already providing; and

Fourth. Because there will be an inevitable and disadvantageous spillover into our economic relations with our major trading partners if we ignore their deep security concerns.

Mr. Chairman, I urge this body to reject proposals for unilateral reductions of our European troop deployment.

Mr. PRICE of Illinois. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, the question is frequently asked: "Why does the United States have over 300,000 troops in Europe 28 years after World War II ended there?"

Well, they certainly are not there to refight the battles of World War II. They are there, because our military commitments stipulate the amount of U.S. support to the NATO structure, and today this requires about 300,000 troops.

Will we always need 300,000 Americans stationed on European soil? Now that is a reasonable question that honorable men with differences of opinion can argue in good faith—and not emotionally.

The Western alliance has provided over 20 years of successful deterrence. The alliance, the Marshall plan, military assistance—and the U.S. nuclear umbrella—have permitted our allies essentially unbridled recovery and economic growth. As an undesirable—perhaps unanticipated—consequence of this phenomenal growth, the United States has become a debtor nation to Europe in the 1970's instead of enjoying the favorable creditor position that prevailed in the 1950's and 1960's. It now requires the addition of about $1.5 billion annually to our unfavorable balance of payments to keep our troops in Europe. This should be reduced. Secretary of Defense Schlesinger said recently that America's allies must face up to the need to help the United States address the balance-of-payments problem.

But supposing they do not face up to the balance-of-payments problem right now—should we jeopardize all of the resources we have invested in the cause of peace by a precipitous and probably ill-conceived action? I think not.

As a result of rapid growth over the past 10 or 12 years, the Soviet strategic nuclear forces have reached essential parity with those of the United States. The May 1972 SALT agreements recognized this fact of life. But does such recognition somehow indicate that the United States should completely unbalance the badly balanced situation involving NATO and Warsaw Pact tactical forces?

Our distinguished colleague from New York (Mr. STRATTON) did us a great service when he published an updated version of the famous Randall report on America's military commitment to NATO, in the July 19, 1973, issue of the RECORD. The tables on force comparisons, page 25000, are very revealing. NATO conventional forces are significantly below Warsaw Pact strength in every category—tanks, mechanized infantry, artillery, aircraft. It does not make sense, to me, for the United States to unilaterally increase this imbalance by withdrawing forces without comparable reductions being made by the pact forces.

I am aware of the "reduction in force" arguments based upon détente, good trade relations, good will, the proposed balanced force reduction studies now under consideration and so forth. However, I strongly favor waiting for the outcome of SALT II, the force reduction studies, the European security conference, and others, before recommending any troop withdrawals from Europe.

Unilateral U.S. force reductions which appear based on bilateral United States-U.S.S.R. understanding will quickly and seriously erode for our allies the credibility of the U.S. commitment to NATO, particularly as Soviet and Warsaw Pact forces continue to increase in numbers of weapons.

I do not believe in token force reductions. A token force reduction is like a breach in a dike. One small crack can destroy the entire edifice—a small political concession can destroy the treaty.

I repeat—let us await the outcome of some of these important conferences on SALT, MBFR, the European Security Conference, even the disarmament meetings and U.N. deliberations before we take any action which will have significant long-range consequences.

I would hope that this House is not panicked into a situation where its reaction is comparable to throwing the baby out with the bath water. We have been through too much and invested too much national resources to jeopardize it all now with a move which most certainly would be false economy.

This is certainly not the time to institute changes just for the sake of doing something different.

We and our allies must continue to meet our commitments to the Western alliance until it is absolutely certain that reduced efforts provide no windfall to the Warsaw Pact.

Mr. MITCHELL of New York. Mr.

Chairman, I rise in opposition to the amendment offered by the gentleman from California.

Mr. Chairman, the gentleman from California's amendment to the procurement bill would reduce U.S. military presence abroad by 50%. It is imperative to note that the rationale set forth to support the amendment—as exemplified by the statement that this would be a "step which would not decrease, but increase national security"—is clearly unsound. Reductions as called for in the proposed amendment obviously would jeopardize our national security in a number of critical ways. In this regard, it is important to understand exactly what contributions our overseas forces make to our security posture.

The President has stated on numerous occasions that the three basic principles of U.S. foreign policy for building a lasting peace are "partnership, strength, and willingness to negotiate." The role of our military forces in bringing this present era of negotiation to fruition in a stable peace is crucial. Yet the question is continually asked: "Why do we need so many troops abroad, 25 years after World War II?"—when the seldom asked, but correct and pertinent question is: "How large must our overseas presence be in order to make our proper contribution to the deterrence of World War III?" This latter question is the important question—the question which accurately highlights that the purpose of our overseas forces is to deter future conflict.

Our forward deployed forces serve four significant functions in this respect. First, they are an important aspect of U.S. foreign policy. Forward deployed forces underwrite overall stability in Europe and the Pacific. This makes detente feasible, and visibly demonstrates our resolve to honor commitments and defend U.S. interests. Second, in concert with political and economic initiatives, these forces also provide the basis for collective security, and assist in self defense efforts of selected countries. Third, they support our national security objectives which require forces to deter, in conjunction with free world forces, attacks against friends and allies whose security is essential to the United States. Fourth, they are essential elements in our overall defense posture. Not only do they support agreed defense strategy, but they also unmistakably provide a wide range of response options, including a capability to respond rapidly to contingencies.

In support of his proposed amendment, the gentleman from California has stated that—

> Korea is a case where our troops are not necessary; Central Europe is a case where they are not sufficient.

On this point, he has overlooked a basic truth. Where the threat and U.S. national interests are most significant, we underwrite our commitments by garrisoning our military forces on the sovereign territory to be defended. This strategy thus emphasizes the special deterrence afforded by these forces when combined with indigenous forces. It also exploits the deterrence capabilities of the U.S. strategic nuclear forces, of proximity forces located nearby, and of other forces in the United States which might be deployed quickly in a crisis. This strategy—where the emphasis is on garrisoning forces on the sovereign territory of our allies—has proven quite successful. The foremost example is the deterrence of aggression against NATO. Significantly, this strategy has also worked in deterring aggression in Korea since the truce in 1953.

In short, he seems to imply that our current strategy does not work—when in fact just the opposite is true. It has worked well to deter aggression, and that is what our overseas deployments are all about.

Specifically, with regard to NATO, our friend from California has stated that—

> The military uselessness of our troops in Europe is an open secret.

However, it is obvious that the Soviets do not share that view. Since General Eisenhower activated NATO Headquarters in 1951, not one square foot of allied territory has fallen under Soviet domination.

The NATO countries have devised a common strategy which has evolved over the years to meet changing conditions and realities. Current NATO strategy in an era of relative strategic nuclear parity between the United States and the Soviet Union calls for a wide range of capabilities—strategic nuclear, theater nuclear, and conventional—to pose a credible deterrent to aggression at any level. To support agreed NATO strategy—and our national security objectives—NATO requirements receive high priority. Additionally, our European forces are essential to U.S. security objectives and commitments in the Middle East and African areas.

It is imperative that we take our NATO commitment very seriously—a commitment supported for more than two decades by each President, by every Congress, and by most Americans. Unilateral reductions at this time could not only destroy the current tenuous military balance in Europe, but also destroy the prospect of orderly, balanced, mutual force reductions.

In the Pacific, the United States has individual treaties with the nations involved, as opposed to the collective security of the NATO treaty. Nevertheless, the military requirement for forward basing forces in the Pacific area is essentially the same as for Europe. Our bases and forces in the Pacific provide the presence needed to demonstrate convincingly our resolve to honor U.S. treaty commitments. Also of major importance, our forces there provide an essential U.S. element in the evolving balance of power situation in Asia among Japan, China, the U.S.S.R., and ourselves.

Of course, it is important to recognize that substantial and precipitous reductions in our overseas forces would be seen by our allies, and our potential adversaries as a lessening of our interest and commitment. If we were to make unwarranted reductions, we should not be surprised if the political results were to our profound disadvantage.

As has been correctly noted by the Department of Defense, the military balance at this critical juncture in world affairs is very delicately poised. There is no doubt that we have a considerable stake in maintaining the balance, including forward deployments, while efforts are made to increase its stability. Unwarranted cuts in our military presence overseas would erode our strength, would seriously weaken the U.S. positions in international negotiations, and would undercut efforts to develop a more stable balance at reduced cost to all involved. And clearly it is these efforts which are fundamental to the development of a lasting peace.

I strongly urge that you cast your vote against the proposed amendment.

Mr. HÉBERT. Mr. Chairman, I do not intend to ask that the debate be limited, as I promised, but however I do think it is fair for the Members, so they may make some plans, to ask how many individual Members want to talk on this amendment. This is merely for the sake of guidance so we can go to dinner or plan to stay until midnight or tomorrow morning or whatever, but it is to find out how we stand.

The CHAIRMAN. The Chair observes six Members standing.

Mr. HÉBERT. That is a minimum of a half hour if they do not ask for more time.

Mr. HUNT. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from California. It is the amendment's intent, as I understand it, to reduce our forces stationed overseas, primarily those in Europe. While I know who offers the amendment, what I do not know is, Who wants it?

The President does not want it. He knows the NATO countries have been overlooked during our involvement in Vietnam. He has declared this to be the "Year of Europe." He knows that an atmosphere of growing detente does not mean that Utopia has arrived.

The Secretary of Defense does not want it. He recognizes that a viable strategy for the deterrence of aggression requires both a nuclear and conventional warfare capability. He recognizes that the first line of defense for the United States is in Europe.

The Secretary of State does not want it. He recognizes that our Nation's credibility, and the very existence of a Free World, relies in large part upon our demonstrated willingness to live up to our treaty obligations.

The Joint Chiefs of Staff does not want it. They recognize the increasing military strength of the Warsaw Pact and the vital necessity for a range of military options designed to react to contingencies. Without a strong U.S. military presence abroad, our options are reduced. Of necessity, we might be forced to reinstate the policy of massive nuclear retaliation, also known as "brinksmanship" which has been proven unsatisfactory in the past.

The Nation's economic experts do not want it. They realize that major troop reductions in Europe might well lead to an erosion of our best commercial market and dry up an important source for certain raw and manufactured resources. They recognize that our withdrawal would place them in a more precarious position with regard to the Warsaw Pact and, therefore, might lead to favorable trade agreements with the East at the expense of the West.

In sum, Mr. Chairman, other than for a few self-designated military experts and the Warsaw Pact countries, I am unable to determine who it is who wants these troop reductions.

I add my name to the long list of those who do not want to reduce U.S. Forces overseas at this time. I trust the House will also join and defeat the amendment.

Therefore, it might lead to favorable trade agreements with the East at the expense of the West.

Mr. WYLIE. Mr. Chairman, will the gentleman yield?

Mr. HUNT. I yield to the gentleman from Ohio (Mr. WYLIE).

Mr. WYLIE. Mr. Chairman, I asked the gentleman from New Jersey to yield so that I might ask the gentleman from California (Mr. DELLUMS), the offerer of the amendment, a couple of questions.

I wonder how the gentleman from California arrived at this figure. I think this represents a reduction of 312,168 troops, if I have added correctly.

Mr. DELLUMS. Mr. Chairman, if the gentleman will yield for the purpose of answering him; as I stated in my opening statement, we asked the Pentagon a series of questions regarding the 38 nations in which we deploy military personnel.

Based on their responses, we calculated reductions of troops by nation and by branch of service.

However, if the gentleman read the amendment of what we are suggesting here, we advocate a general policy position. We provide that the military shall determine where those cuts come. However, we recommend those cuts by branch of service and by country.

I put all that material into the CONGRESSIONAL RECORD. There was three reams of material in the record clearly pointing out country by country, place by place, so everyone in this body ought to know how we arrived at it.

Mr. WYLIE. The gentleman said his amendment is offered to reduce our Armed Forces in Europe. I see nothing in the amendment which would assure that troops would be removed from Europe. They could be removed from any place in the world as far as that is concerned.

Mr. DELLUMS. The thrust of our amendment is that we reduce troops everywhere in the world, but it is obvious, when we have 600,000 troops, and I call for a reduction of 300,000, there is no question but that some of them are going to have to come out of Europe. We suggested about half.

Mr. WYLIE. There is nothing in the amendment which mandates the reduction of troops in Europe.

Mr. DELLUMS. That is right. The military shall make that decision under my amendment.

Mr. RANDALL. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I hope I shall not take all of my 5 minutes. I hope that you would agree that this amendment is not quite as mysterious as the amendment of the gentleman from New York. It is perhaps not quite as mischievous. It is not quite as subtle. But it is every bit as dangerous.

Let us take a look at what the Dellums amendment really does. About 600,000 troops are involved. We have about 500,000 troops stationed overseas. There are about 100,000 afloat. That will total over 600,000.

No matter how you slice it or no matter how you add it up—and I see the gentleman from California reaching for some books to quote some figures—his amendment still involves cutting about 300,000 personnel. This is what the amendment provides.

What I want to do is take a minute and examine what the amendment might involve. In the first place, it would gut the 6th Fleet. It would put us out of any defense in the Mediterranean—

Mr. DELLUMS. Mr. Chairman, will the gentleman yield?

Mr. RANDALL. Mr. Chairman, the gentleman had 15 minutes or rather 17 minutes of his own time so I must decline.

Mr. DELLUMS. The gentleman may take all the time he wants. I wanted to ask a question.

Mr. RANDALL. I thought when we defeated the amendment to kill the Trident we had reached a good goal. But now if this amendment passes we will have to close up Holy Loch in Scotland. and to close up our submarine base at Rota in Spain. We will have no place overseas to port our new Tridents.

Then are we going to put our B–52's off Guam and forget about all the western Pacific? If this amendment passes we may have to remove all our forces from Guam.

Now turning to NATO, this amendment will cut NATO in half. That consequence alone should be good reason enough to oppose this amendment.

Mr. YOUNG of Florida. Mr. Chairman, will the gentleman yield?

Mr. RANDALL. I yield to the gentleman from Florida (Mr. YOUNG).

Mr. YOUNG of Florida. Mr. Chairman, I thank the gentleman for yielding and ask him: is it not true that because of the existence and strategy of NATO, since NATO has been in existence we or none of our NATO allies have been required to be involved in any war in Europe during the last 28 years?

Mr. RANDALL. That is correct.

Mr. STRATTON. Mr. Chairman, will the gentleman yield?

Mr. RANDALL. I yield to the gentleman from New York (Mr. STRATTON).

Mr. STRATTON. Mr. Chairman, I thank the gentleman from Missouri for making a very important point. A lot of attention in this debate has been devoted to NATO, but this amendment would reduce not only forces in NATO, but our forces stationed elsewhere as well. This, for example, would pull our forces out of Korea.

But today, in the very day when Prime Minister Tanaka, of Japan, is here in Washington, D.C., trying to establish better relations between Japan and the United States, this surely is no time for this House to order our forces pulled out of Korea or out of Japan, for that matter, since the Japanese people regard both forces as a part of our defense commitment in that vital part of the world.

Mr. RANDALL. The gentleman has made a good point.

Mr. KEMP. Mr. Chairman, will the gentleman yield?

Mr. RANDALL. I yield to the gentleman from New York.

Mr. KEMP. I appreciate the gentleman's yielding. I am in opposition to the amendment, and I want to associate myself with the gentleman's remarks and with those of my colleague from New York (Mr. STRATTON).

I have just come back from a trip into Southeast Asia and all around Southeast Asia today it is pretty obvious there is a great deal of doubt about Ameircan credibility, about our determination to live up to our obligations with our mutual security pacts.

We all know it is essential in negotiations that one not make unilateral cuts. Anyone who has ever negotiated anywhere in the world knows that one does not give away something for nothing, without getting something in return.

I believe that is what our President and those of us who support his position want to do, that is to negotiate from a position not of bellicosity and saber rattling, but of strength. We are willing to negotiate, but there should be a quid pro quo not unilateral concessions.

To turn away from the world and simply to say that we are unilaterally going to reduce, to cut here and to cut there, will mean to the world that we have seriously called into question the credibility of the United States in the world, not only in NATO but also in the Middle East and Asia.

I oppose the amendment and ask for its defeat.

Mr. DAN DANIEL. Mr. Chairman, will the gentleman yield?

Mr. RANDALL. I yield to the gentleman from Virginia.

Mr. DAN DANIEL. Would not the effect of the amendment be that our only response to a major threat or attack would be nuclear. A conventional military force adequate to deter aggression is preferable to reliance on nuclear weapons.

Mr. RANDALL. That is an excellent appraisal of what would happen if this amendment should be adopted.

Mr. ROSENTHAL. Mr. Chairman, I move to strike the last word.

Mr. Chairman, in a recent editorial of July 29, 1973, the New York Times, in endorsing the proposal to reduce troops in Europe, said:

> The growing weakness in the Administration's argument before the Congress is the inability so far to present any coherent if necessarily long-range program for winding down what is portrayed as an almost open-ended commitment in perpetuity.

I should like, if I may, Mr. Chairman, to address the issue involving Europe and our NATO commitments. I have spent a good deal of time in this area both on the ground in Europe and holding hearings here.

I do acknowledge many of the arguments against a unilateral troop reduction insofar as NATO is concerned. I believe that the first line of defense of the United States is in Central Europe. I believe we have to take into consideration ongoing negotiations, such as CSPCE and MBFR. I believe we, cannot on the other hand, wait for the MBFR negotiations, because once we do that we are going to be tied in perpetuity to the relationship we have with our allies.

Let me offer just another word as to what that relationship is in actuality. These figures should be observed, I believe, by every member of the committee.

As to the defense expenditure as a percentage of Gross National Product, as between the United States and the NATO countries, in 1972 the European NATO countries had a perecntage of 3.64 percent, and the U.S. percentage of defense expenditure as a percentage of Gross National Product was 6.7 percent.

In another burden-sharing related table we have the defense expenditures as a percentage of total tax revenues, which includes not only national tax revenues, but also State and local tax revenues.

The European NATO defense expenditures as a percentage of total tax revenues was 11.8 percent. The U.S. defense expenditures as a percentage of total tax revenues was 26.1 percent, or more than twice as much.

As to men in the Armed Forces, per 1,000 of population, in 1972 the European NATO was 9.15 percent and the United States was 11.4 percent.

Mr. Chairman, the fact of the matter is that we have for 25 years been committed to the NATO structure. I am not naive enough to think that simply because we had a conversation with Mr. Brezhnev, a détente has been worked out across the board, and we can just melt away and take our troops out. But, I do believe a significant reduction in U.S. NATO forces is a realistic proposal.

The loss of $1.7 billion in balance of payments that the United States has suffered must be corrected if this country is going to get on an even keel. What I see as a scenario is the fact that if we were to reduce forces by 50,000 to 100,000 troops unilaterally in Europe, our European allies would then make an adjustment and increase their share or they would make a decision that it was not necessary to have that number of land forces there.

Mr. Chairman, this would in no way reduce our credibility. This would in no way reduce our need for nuclear, technological response if it were necessary; this would in no way mitigate our unswerving commitment to the success of NATO. But what we must achieve is a reasonable balance of input between our allies and ourselves.

There is not any question that the countries in Europe that are on the ground and that are, in fact, in the front line of defense themselves can best judge what the threat is, as compared to what we can.

If they make a decision that they do not have to escalate their military commitment, then I would abide by their decision.

I do not think we should always be on the short end of the stick in terms of the relationship between our allies and ourselves. What we have been doing for the last 5 or 10 years is going with hat in hand asking them to increase their commitment. When they tell us that the political situation is such that they cannot do it, we say that we are sorry.

Every one of the people who testified before our committee, Secretary Schlesinger, General Goodpaster, Ambassador Rumsfeld, and Secretary Casey, and everyone else has acknowledged that our allies ought to increase their share.

The CHAIRMAN. The time of the gentleman from New York (Mr. ROSENTHAL) has expired.

(By unanimous consent, Mr. ROSENTHAL was allowed to proceed for 1 additional minute.)

Mr. ROSENTHAL. Mr. Chairman, the only way to enforce that request is for this committee to take affirmative action here today and to say that we are going to reduce our forces, whether it is by this amendment or another amendment, and in that way we are going to get some equity.

So I would suggest that we not be bound to the tradition of the past, and that we take reasonable risks. It is a risk for peace, and I believe it is one we can well take at this time.

Ms. ABZUG. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I rise in support of the amendment.

I have listened very carefully to the arguments all day today. I am not a member of the Committee on Armed Services. I am concerned, as everyone else, both on the committee and in the Congress, about what we do for the country and what we do with our resources.

I believe we have lost sight of some very important things in this discussion. We are discussing a military procurement bill for $21 billion, but we must consider the total picture—we must consider our priorities.

As an example of the priorities that we are asked to ratify that we should take note of the word of some others, not only those on the committee, but other experts. Senator SYMINGTON of the other body said during debate that no economy, not even that of the United States, this great country, with the largest amount of money in the world, can continue indefinitely to police and babysit the world. A sound economy is just as important to the security of the United States as is the latest weapons system.

So we come to the issue of troop reduction. Everyone is very concerned here today in the discussions concerning the entire weapons system about the threat—the threat from Russia. We have not talked much about the threat from China—only a little. We have revived this whole business of the threat from Russia from another era, at a time when we are seeking detente.

What is this threat that requires us to keep so many forces in this world? The gentleman who offered this amendment made it very clear that he is not just talking about a cut of the troops from Europe, but since it seems to be a problem that is plaguing a lot of people around here, I will discuss it.

What is the "threat" that requires so many U.S. forces in Europe? If there is a threat of conventional war in the East, would not our European allies who are much closer to that threat be making an accelerated commitment of their own resources? But that is not happening. Quite to the contrary, they are spending their money for making the lives of the people in their countries much better than we have here.

It is interesting. Why should we, so many thousands of miles away, assume such arrogance—and that is what it is—to perceive a much greater threat to Europe than the Europeans do?

There will never be a rational answer to this question, but I raise it for your consideration.

I also raise the question, concerning unilateral action which a previous Member of the House, a colleague of mine from New York, addressed himself to very well. It seems to be an untenable concept around here.

Now, I am not a military or diplomatic negotiator, but over the course of the years I have followed the history of this country and its negotiations in the course of my concern for American peace and world peace, with which I have been associated for many, many years in and out of Congress. I have yet to understand why there is anything inconsistent about any country, especially the great United States, taking a position as to what she determines—and you notice I said "she"—what this country determines to be unilaterally in her own interest.

The fact is that we have an obligation as a nation to make our own decisions as to what is in our own interest. When we go to the negotiating table and conduct a bilateral or multilateral negotiation it is premised on what we think is unilaterally in our own interest. Therefore we have an obligation—and we need not fear it—to be able to make a unilateral decision.

It is in our own interest to unilaterally determine that we do not need as many forces in this country or that country as we have now. The truth of the matter is we do not. The truth is that these commitments were commitments which were made in the past and which stem from past threats and are not commitments which we should have in a period such as we are in now. This is a period in which there is a détente not only in Europe but a détente in Asia. We are supposed to be getting out of the war in Laos and in Vietnam and, of course, we have acted to be out of the war in Cambodia in August. What is our position? We are negotiating with the Soviet Union on many levels in this country and in this world. We are negotiating with that other large threat that we have heard about in this Congress, namely, China. We are making détentes all over the world, in Europe and in Asia.

Therefore, is it not the time to say it is in the best interests of our country and of the needs of our people to cut the amount of military forces?

The CHAIRMAN. The time of the gentlewoman has expired.

(By unanimous consent, Ms. Abzug was allowed to proceed for 2 additional minutes.)

Ms. ABZUG. Is this not indeed the time, therefore, for us to assert a rational policy and determine that we must find a way to cut the costs that the people of the United States are paying for?

It has been estimated that we are spending about $30 billion a year to maintain bases and troops and facilities abroad. No single act the President or the Congress can take at this time would do more to check inflation at home or the enfeeblement of the dollar abroad than to move without delay to reduce the far-flung and outdated overseas military deployment in an orderly fashion.

I see no reason to be fearful. Unilateral action and independent actions were taken by the United States and the Soviet Union, for example, to bring about moratoriums with regard to tests in the atmosphere. That led to the test ban treaty. Those were unilateral actions which resulted in good multilateral actions.

I see no reason whatsoever to be fearful of asserting an independent policy. Congress has the right and the obligation to make a decision, together with the executive branch of the Government. The executive branch is capable of making a decision at this time.

But whether the executive acts or not the Congress especially has a responsibility at this particular time to act in behalf of the needs of the American people, to try to adjust our economy and try to make it clear that we must begin spending our money for what we need. We have the responsibility to build a strong Nation from within, and not to be talking about strengths and weaknesses from without. We are raising false enemies. There is no evidence that we are threatened to that extent. We ought to begin strengthening ourselves from within; that is where our true security lies.

I support the amendment and all such amendments on the same subject.

Mr. LEGGETT. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the amendment offered by Mr. Dellums to establish a ceiling of 300,000 on troops stationed overseas after June 30, 1974.

Yesterday, and now again today, we have heard a lot of talk about whether our Armed Forces are No. 1 in the world. I happen to believe that the United States still retains the strongest military force on Earth, but I am not confident that it will continue to remain in this premiere position as long as we continue to waste billions and billions of our military budget on items that do not add one iota to our national defense. Our top-heavy overseas military force is one such item.

Yesterday, everyone was bemoaning the fact that we are not spending more on research and development. Well, one of the reasons that we are not spending more on research and development is that such a vast portion of our defense budget goes to manpower costs. Fifty-six cents of every American dollar spent on defense goes to support the more than 2 million men in uniform. In comparison, only 24 percent of the Soviet Union's military budget goes for manpower costs.

This is a great and powerful nation, but unless we wake up and end our never ending balance-of-payment deficit, we might find that we are less great and less powerful than a few of our neighbors. This Nation spends over 7 percent of its gross national product on national defense. Interestingly enough, the countries that we are supposedly defending with these 600,000 overseas troops are committing less than 4 percent of their own GNP to their defense. Something is wrong here.

It is simply impossible for the United States to continue as the No. 1 economic power in the world when we are competing with nations like Japan, who spends less than 1 percent of its GNP on national defense, and Germany, who spends only 4 percent of its GNP on defense.

It will be argued here today, of course, that we cannot reduce troops in Europe because those troops are a deterrent to nuclear war. This is a fallacy and everybody knows it. No military analyst seriously claims that U.S. troops stationed in Europe could repel any large-scale Soviet conventional attack. Despite the fact that we have 300,000 troops in Europe, this level is simply not sufficient to repel a Soviet attack. What we should do, then, is either increase this level dramatically, or decrease it substantially. We gain nothing by being in this middle ground.

It is argued that while our European force is not sufficient to deter an attack, it does demonstrate commitment. Well, frankly, gentleman, with the American exchange worth 40 percent less in German marks than it was 2 years ago, with gold escalating from $35 per ounce when President Nixon took office to $122 per ounce on the foreign markets last week, and with a national debt of $465 billion, I can think of a few less costly ways of demonstrating commitment to our allies.

Some people say that while we should reduce our overseas force level, we should do it through the mutual balanced force reduction talks. I have nothing against the MBFR negotiations, and, in fact, I hope that they are successful. But I am not going to hold my breath. This Nation is in the throes of an economic crisis that cannot wait years for the successful completion of the MBFR negotiations. The crisis is now, and the time to reduce our overseas committment is now.

Mr. FRASER. Mr. Chairman, I move to strike the requisite number of words.

Mr. BINGHAM. Mr. Chairman, will the gentleman yield?

Mr. FRASER. I yield to the gentleman from New York.

Mr. BINGHAM. Mr. Chairman, I agree with what the gentleman from Minnesota (Mr. Fraser) has said on the subject of this amendment. I wish that the gentleman from California (Mr. Dellums) had limited his amendment to the proposed manpower cuts in the various services, so that the President could have made the cuts either from our forces stationed overseas or from our forces stationed in the United States. Such an amendment I would gladly have supported.

The difficulty with the Dellums amendment in its present form is that it requires the cuts in effect to be made almost entirely from forces stationed overseas. Since all these reductions could not be made in the Pacific and the Far East, a substantial proportion of them would have to be made in Europe. At this time when we are engaged in an effort to achieve mutual reductions in Europe, it would seem bad policy to press ahead with unilateral reductions.

I am also concerned, as I was in the case of the amendment previously offered by the gentleman from New York (Mr. Pike) that a drastic move by the United States to reduce the level of its commitment in Europe may have the unintended result of encouraging and fostering the recreation of a large West German military establishment. This is a prospect which must concern us since we have no assurance that the type of regime in West Germany in power today will continue indefinitely.

Mr. EDWARDS of California. Mr. Chairman, will the gentleman yield?

Mr. FRASER. I yield to the gentleman from California.

Mr. EDWARDS of California. Mr. Chairman, I support Congressman Dellums' amendment to reduce the overall level of American troops by 322,000 including a reduction of manpower overseas to 300,000. From a number of points of view—strategically, economically, and legislatively—I feel that this amendment represents a reasonable, well-founded and desirable goal.

The major opposition to unilateral troop cuts overseas is that it would mean a substantial reduction in the level of our forces in Europe and therefore a lessening of our commitment to the NATO Alliance. While James R. Schlesinger, Secretary of Defense, admitted to the House Foreign Affairs Committee on July 11 that NATO is stronger than the

Warsaw Pact countries in a number of respects, that the level of our troops in Western Europe is not immutable, and that we need to improve our present combat-support ratio, he argued that the present level of forces must be maintained. He stated that unilateral cuts would jeopardize the talks scheduled for October 30 on mutual and balanced force reductions; however, these talks, which are being held in conjunction with the SALT negotiations, are bound to proceed slowly and it is just as likely that unilateral cuts, initiated by the Congress, will serve as added, rather than detractive, incentives to Warsaw Pact nations to negotiate.

The DOD also argues that the present level of conventional forces in Europe serves as a deterrent to another war. However, defense experts generally agree that the major deterrent there is not ground forces, no matter what their number, but the presence of more than 7,000 tactical nuclear weapons. The existence of these nuclear forces, together with the increasing military capability of our Allies and the general level of detente now achieved in Europe, substantiates the lack of danger posed by a decrease in American troops. This position is further bolstered by the evidence that the withdrawal of more than 100,000 troops from Europe since 1964 has had no adverse effects on the political, economic, or military situation in Western Europe.

While the Dellums' amendment calls for a reduction of 50 percent in overseas forces, it does not specify that these cuts be in Europe, thereby allowing the DOD flexibility in determining where such decreases should be made. Reductions in Europe make sense, to aline out military policy with our economic and cultural attitudes. However, cuts in the level of our forces in other areas abroad are also desirable to encourage our Allies throughout the world to take on the responsibility for their own defense.

In economic terms, the troop reductions proposed by this amendment would amount to savings of billions of dollars for the United States. DOD has stated that there probably is some overstaffing abroad, but that such cuts are not now warranted and are unwise. However, the cuts proposed by the amendment are substantial enough to force the services, all of which are presently topheavy, to increase their efficiency without jeopardizing their basic strategic strength.

In addition, the cuts in overseas manpower would mean complementary reductions in the number of overseas dependents, now numbering a quarter of a million in Europe alone. In view of the recent devaluations of the dollar, the increasingly large deficit in our balance of payments—one-third of which is directly attributable to forces stationed abroad—and the closing of military bases here at home, reductions of both servicemen and their dependents is both warranted and desirable.

Furthermore, DOD has repeatedly cited manpower costs as the single most important factor in recent military budget growth, comprising 56 percent of military spending. Troop cuts of 14 percent would therefore substantially contribute to lowering the overall level of military spending regardless of other international economic considerations.

Finally, this amendment offers Congress the opportunity to reassert its responsibility for oversight of military operations and its control of military policy. In general, the arguments used by the DOD tend to show that past policy has been dictated by troop levels, rather than troop levels following the considerations of military policy. Substantial troop reductions will indicate that the United States is genuinely interested in scaling down its defensive posture and emphasizing détente, and that Congress is not going to allow excessive military waste and spending for obsolete policies and surplus manpower.

Less directly, but no less importantly, insistence on reductions in military spending and manpower can serve to show that Congress will not tolerate cuts and impoundments of the domestic budget while the DOD budget increases even as the Vietnam war comes to an end, thus also reasserting the responsibility of the legislative branch for fiscal control and decisionmaking.

Mr. FRASER. Mr. Chairman and Members of the Committee, I think that some of the discussion this afternoon has missed the degree of commitment which the United States has undertaken around the world. If we look just at the European part of our military establishment our expenditures are running between 4 and 4½ percent of our gross national product, which is not very far off from the expenditures being made by the European countries.

I do believe that when an amendment is of such a magnitude that it would force a major reduction in our European forces, that we need to look very carefully at the circumstances in Europe before we accede to that proposal.

I have been very much impressed with the progress we have made in Europe. I am impressed with the almost unanimous desire of the political leadership in Western Europe to have our troops stay there. I think it does serve our interests. I would hope that we might approach the problem of reducing our forces in a fairly careful way.

My own impression is that our commitments in Europe are essential sound. We may have more forces there than we need, but it would be a major tragedy in my judgment if we were to cut our forces in half, as I think might be required under the amendment.

In my judgment an amendment that was more moderate, that called for a smaller reduction, and where the reduction could be taken essentially out of Asia, would make more sense, and could be more easily defended as in our national interest.

Mr. STRATTON. Mr. Chairman, will the gentleman yield?

Mr. FRASER. I yield to the gentleman from New York.

Mr. STRATTON. Mr. Chairman, I just want to congratulate the gentleman for making his statement.

The gentleman and I have sometimes been on opposite sides of questions affecting the military defense of our country, but I want to commend the gentleman for his statement on this amendment. The gentleman understands the nature of the NATO situation. I might add that these recommendations were incorporated in a resolution presented to the Democratic caucus, which was very substantially favored, although it never did come to a recorded vote.

I think the gentleman has made a very important contribution to this debate.

Mr. GUBSER. Mr. Chairman, will the gentleman yield?

Mr. FRASER. I yield to the gentleman from California.

Mr. GUBSER. Mr. Chairman, I thank the gentleman for yielding to me.

Mr. Chairman, I, too, would like to congratulate the gentleman from Minnesota on the very statesmanlike remarks the gentleman has made. The gentleman is emphasizing something that we have overlooked, and that is that we have actual treaty obligations and commitments. So if people wish retrenchment of the U.S. presence around the world, then the first place they should direct their energies is toward a revocation of those treaties and commitments.

Mr. FRASER. Mr. Chairman, I should say in response that I do believe the NATO commitment is very important, but I do believe we could reduce our forces in Asia, but not by the amount offered in this amendment.

I believe we ought to take our 40,000 troops out of Thailand who are there running the air bases. The Japanese would welcome a reduction of our military forces stationed in Japan including Okinawa. So we could make substantial reductions in Asia which would not impair our security.

But, Mr. Chairman, I am afraid this amendment goes too far, and would make a major cutback in Europe. I do not believe that this is the time when that can be justified.

Mr. HÉBERT. Mr. Chairman, will the gentleman yield?

Mr. FRASER. I yield to the chairman of the full committee, the gentleman from Louisiana, (Mr. HÉBERT).

Mr. HÉBERT. Mr. Chairman, I certainly want to associate myself with what the gentleman from Minnesota has said. As the gentleman well knows, I support his position on this matter.

Speaking from some of the thinking that has gone on before, I would say that this is essentially the same thing that was adopted by the steering committee of the Democratic Party on this side of the aisle. I am just sorry that that particular resolution did not reach a vote on the floor.

Again I do congratulate the gentleman from Minnesota, and wish to associate myself with the gentleman. I believe that it is a proper and sound approach to the whole problem, and I hope we can continue to develop that type of approach this afternoon.

Mr. FRASER. I thank the chairman. I would only say in closing when a later amendment appears which is more moderate in scope, I hope that it will get support. I think there will be an amendment offered which will not force a reduction in Europe, and that amendment, I think, would be in our national interest and would save the taxpayers substantial sums.

Mr. SIKES. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, the gentleman from California has made an able argument but I must oppose his amendment. In fact I consider it very dangerous.

Mr. Chairman, the committee has approved a force level 13,000 below the level requested, and 94,000 below last year's authorization. That means in the coming year the U.S. force level will be the lowest since the Korean War of 1950. It will be 464,000 fewer than in 1964 prior to the Southeast Asia build-up, and 1,325,000 less than at the height of the Southeast Asia conflict. What more do you want in the way of troop cuts? You can't man weapons without people. We are down to 13 combat divisions. This amendment would cut us to 11. It cuts all forces proportionately.

Even if we could be assured of cutbacks of comparable numbers of United States and Russian forces, they would be withdrawn from their respective bases in Europe to their home countries, the U.S. and Russia, respectively. If this were accomplished, the U.S. forces would be withdrawn 3,000 miles across the sea, and the Soviet forces 500 miles overland. In case of a necessity to reinforce in Europe, the problem would be obvious.

The number of troops which can be moved by air is limited. The supplies which are moved by air are far from adequate for large forces. It is much slower to move them by ship. To move forces and supplies overseas by sea means that you must run counter to nearly 400 operative Soviet submarines. Hitler had 51 submarines when World War II began. We have not forgotten the toll they wrought. If that picture is not gloomy enough, the U.S. Navy decommissioned 300 ships last year and more will be decommissioned this year. It would take a long time to reinforce our troops overseas. It is no time to cut the ground out from under America's fighting forces.

The proposal to cut U.S. military forces abroad is, I assume, an economy measure, and undoubtedly it would save money. Nearly 60 cents out of every dollar of defense money goes to pay the high salaries which we provide for military and civilian forces. It would also accomplish something else. It would strictly limit American combat effectiveness.

We have a reasonable number of modern sophisticated weapons. In most categories the Communist forces have more. What the North Vietnamese did with Russian surface-to-air missiles to our aircraft shows that we are not the only people who possess and can use modern weapons. The Russians have just flown a plane 120,000 feet high which we cannot do. It takes manpower to supply, maintain and use weapons whether or not they are modern. They have that manpower.

We have fewer combat personnel in the division slice than any other military forces in the world. It takes many, many U.S. personnel to supply the great variety of services and supplies which we deem essential for our forces. That means fewer men to do the fighting.

When we are spread thin, we offer an inviting target to aggression. You recall how long it took the Russians to overrun Czechoslovakia. It was accomplished in a matter of hours. When Communist aggression comes, it will be a steel tipped juggernaut. A handful of forces cannot stop it. The Communist objective will be to overrun the capitals of Europe in a matter of hours. They do not want to destroy them with nuclear weapons. They want their productive capability intact. Take away our ability to stop such an attack by cutting U.S. forces too much and you will have condemned the remaining forces overseas to decimation and defeat, or you will require that we back down before every Communist demand.

If the Communist forces were going to be reduced to a comparative degree this amendment would make more sense. But the facts show that they are building up their military forces. The purring noises that you hear during state visits or when we sign another agreement which gives the Communists an advantage, and all of them do, are listened to with gratification and hope in this country. But in Russia it is only window dressing. While their diplomats smile benignly, their military forces prepare for whatever requirement may be expected of them by the Russian overlords. The Communists have not changed their spots. They still seek world domination. We are trying to steer away from military confrontation. Trying to direct competition into peaceful channels of trade and diplomacy. We will have a far better chance to do this if we maintain sufficient strength to deter the Russians from easy military conquest.

Negotiations for troop reductions and the second round of SALT talks will have little opportunity for success if we make cuts unilaterally in advance and leave ourselves without bargaining power.

Mr. MATSUNAGA. Mr. Chairman, I move to strike the last word.

Mr. ANNUNZIO. Mr. Chairman, will the gentleman yield?

Mr. MATSUNAGA. I yield to the gentleman from Illinois.

Mr. ANNUNZIO. I thank the gentleman from Hawaii for yielding.

Mr. Chairman, I rise in opposition to this amendment.

Mr. Chairman, I rise to vigorously oppose the amendment which seeks to cut our troop strength in Europe.

Since the end of World War II, America has had a commitment to rebuild Europe, and for this reason, we instituted the Marshall plan which was directly responsible for the economic upsurge that countries like Italy, Germany, France, and other Western European nations have experienced.

In order to rebuild Europe, it was necessary to preserve peace, and peace has been preserved in Western Europe for the last 28 years largely due to the presence of U.S. troops as part of our NATO commitment. Our forces are proof of our commitment to the concept of collective security through an alliance of democratic nations.

I want to remind my colleagues that when the Western Nations joined together in the North Atlantic Treaty Organization, their purpose, as stated in the NATO charter, was to "safeguard the freedom, common heritage, and civilization of their people founded on the principles of democracy, individual liberty, and the rule of law"

In order to safeguard this freedom, we made a commitment to NATO to maintain a force equal to the Warsaw Pact countries. Right now, some 3½ million NATO troops face over 4 million soldiers of the Warsaw Pact. The Communists have twice as many planes as NATO does, and they have three times as many tanks. They have more airfields, more shelters, more command and control facilities, and more anti-aircraft defenses. Not only that, the Warsaw Pact divisions are steadily increasing in combat power as they receive new tanks, new personnel carriers, and more artillery, in addition to newer types of high-performance aircraft.

Certainly, now is not the time for us to reduce our troops. Gen. Andrew J. Goodpaster, commander of allied forces in Europe, said recently, in testimony before the House Foreign Affairs Committee, that despite the atmosphere of détente, the Soviet Union continues to build up forces "far larger than would be necessary for defense." He emphasized the need to maintain a credible conventional defense in Europe in order to deter Communist attempts at local aggression, and urged continuation of our present NATO policy for four reasons: deterrence, solidarity, defense, and détente.

Our commitment to NATO, as far as I am concerned, has prevented world war III. Any unilateral withdrawal of American forces would diminish NATO's capability to respond to conventional attack. The only alternative would be earlier recourse to nuclear weapons with all the risks that such a policy would entail in this age of nuclear parity.

Have we forgotten that over five million Poles were killed in World War II? Have we forgotten that over 5 million Jews perished during the last World War? Have we forgotten the millions of Latvians, Lithuanians, Czechoslovakians, Slovenians, Estonians, Bulgarians, Hungarians and others died in that war? Have we forgotten that millions of people today are still enslaved behind the Iron Curtain?

Yet, I hear voices in America saying that because we are negotiating with

China and because we are negotiating with Russia, we must prove our "good faith" by cutting our troop strength in Europe. I would like to ask those who take this view what "good faith" the Communist dictators are showing to us when they continue to keep millions of people enslaved. Why should we be called upon to prove our "good faith" by cutting our troop strength, when Russia has already demonstrated the true extent of her "good faith" by denying millions of human beings their inherent right to freedom and self-determination?

Mr. Chairman, it is apparent that the Communist dictators are actually increasing their suppression of individual freedoms, thought and expression. We must never forget that millions of people who love liberty and who want to live in a free society are looking to the United States to hold the line and to protect them from further erosion of their rights as human beings.

Mr. Chairman, if we want to stabilize the overall military balance in Europe, if we want to deter the Soviet Union from nuclear attack, if we want to insure the unity of Europeans in their common defense, if we want to preserve the peace that has been maintained in Europe for the past 28 years largely through the presence of NATO forces, then we must continue to uphold our commitment to NATO.

Mr. Chairman, because of these compelling reasons, I urge my colleagues to vote "no" on the amendment which seeks to cut our troops for NATO.

Mr. MATSUNAGA. Mr. Chairman, I believe all of us can agree that there should be troop reductions, especially in our overseas bases. The question is just how many. It appears to me that the amendment offered by the gentleman from California is a reasonable one.

The Senate Committee on Armed Services recently estimated that each individual soldier in fiscal year 1974 would cost $12,500. On that basis a reduction of 322,000, as proposed by the gentleman from California, would mean a savings of about $4 billion annually. Here is an area where we can reduce without hurting anyone.

I was somewhat impressed by the argument made by the gentleman from Minnesota (Mr. FRASER) but given the international position of weakness in which the dollar now finds itself, our projected balance of payments deficit, and the current imbalance in the Federal budget, the pending amendment should command a broad range of support. The Senate committee, as we all know, is not composed of flaming liberals, and yet the Senate committee reported a similar measure out by unanimous vote. Certainly they all cannot be wrong. 322,000 troops removed from overseas, meaning a savings of $4 billion annually, will certainly be in the best interest of this Nation.

Mr. HAYS. Mr. Chairman, will the gentleman yield?

Mr. MATSUNAGA. I yield to the gentleman from Ohio.

Mr. HAYS. I just want to ask the gentleman a question. I have been out in Hawaii a time or two, and it always seemed to me that it was fairly overcrowded with troops. I thought maybe we could bring about 50,000 home from there and close Hickam Field. How would the gentleman feel about that?

Mr. MATSUNAGA. We do not have 50,000 at Hickam Field.

Mr. HAYS. What is the gentleman proposing here?

Mr. MATSUNAGA. And I might remind the gentleman from Ohio that Hawaii is not overseas; it is part of the United States.

Mr. HAYS. I am aware of that, but it still costs $12,500 per man and it has probably got more troops in it per square mile than any State in the Union.

Mr. MATSUNAGA. I should be happy to have troop reductions even in Hawaii if it would mean a step toward peace.

Mr. HAYS. I am not sure that that means anything.

Mr. MATSUNAGA. What we are proposing here is to bring home troops from overseas in order to better our financial situation here at home for one thing and to better our image abroad.

Mr. HUNT. Mr. Chairman, will the gentleman yield?

Mr. MATSUNAGA. I yield to the gentleman from New Jersey.

Mr. HUNT. I thank my friend, the gentleman from Hawaii, for yielding.

I would point out the amendment in one part says:

> For the purpose of maintaining more than 300,000 military personnel assigned or homeported at overseas bases; or afloat on a regular basis in the Western Pacific or Mediterranean.

Would my friend, the gentleman from Hawaii, agree that if we do remove—and God forbid we do at this time—the fleet from the western Pacific, it would have an impact on the economic structure of Hawaii?

Mr. MATSUNAGA. The amendment as I understand it calls for, I repeat again, withdrawal of overseas troops—and I certainly do not consider Hawaii as being classified within the term "overseas."

Mr. HUNT. I am reading to the gentleman directly from the amendment. It says:

> . . . military personnel assigned or homeported at overseas bases; or afloat on a regular basis in the Western Pacific or Mediterranean.

I believe Hawaii is in the western Pacific, unless the gentleman has moved it.

Mr. DELLUMS. Mr. Chairman, will the gentleman yield?

Mr. MATSUNAGA. I yield to the author of the amendment, the gentleman from California (Mr. DELLUMS).

Mr. DELLUMS. Mr. Chairman, I thank my distinguished friend, the gentleman from Hawaii.

He is perfectly correct. There is no language in this amendment that relates to Hawaii. We all know what we mean by "overseas."

Mr. HAYS. Mr. Chairman, I move to strike the last word and I rise in opposition to the amendment.

Mr. Chairman, I hope the gentleman from California (Mr. DELLUMS) will not take this as a personal affront that I oppose it. I have nothing personal and I would oppose it if it were offered by the Speaker who is one of my dear friends.

I know a little bit about the situation in NATO and I know a little bit about the fact that Western Europe is our first line of defense, and I know that no one can deny that the NATO organization being there has—well, maybe somebody would argue it has not kept the peace but at least there has not been any war in Europe, and I think NATO is largely responsible for that fact.

I would not say we could not take 10,000 or 20,000 or even 30,000 troops out of NATO, but I think this is the wrong time to do it, because we are engaged at this moment or about to be in talks with the other side about mutual and balanced reduction. To come on this floor and mandate a reduction in the face of trying to negotiate a reduction would simply give them all the chips and deprive us of all the ones we have. It is a matter of intelligent negotiation. I do not think that anybody at this time wants to deprive the State Department or the Defense Department of the opportunity to negotiate and see what can be done and not just do it and say to the Russians: "Here it is. We have done it. Forget about taking your troops out. We have taken ours out."

Mr. ROSENTHAL. Mr. Chairman, will the gentleman yield?

Mr. HAYS. I yield to the gentleman from New York.

Mr. ROSENTHAL. Does the gentleman have any feeling about whether or not there is an imbalance in performance between the United States and our allies?

Mr. HAYS. I will say to the gentleman there has always been an imbalance in performance because we have always up until recently been much better able to do what had to be done than they were able to do it.

Mr. ROSENTHAL. Mr. Chairman, will the gentleman yield further?

Mr. HAYS. I do not yield any more. I do not know why I yielded in the first place, if I am to be truthful about it. I did not think the gentleman was going to be much help.

Mr. ROSENTHAL. I very much appreciate the gentleman yielding, Mr. Chairman.

Mr. HAYS. Do not overdo it because I have only 5 minutes.

Mr. ROSENTHAL. If both sides agree to a reduction then we are going to be cemented in with our allies with this imbalance.

Mr. HAYS. I do not think that is true at all. I think if both sides agree that there will be a reduction, I think we can negotiate with our allies that the major part of the reduction will be ours.

I want to say another thing. Everybody talks about how much it would cost to keep our troops overseas. I am perfectly aware that Hawaii is a part of the

United States, I will say to my friend, the gentleman from Hawaii. I voted to make it a State before the gentleman was here. So, in fact, I had a little to do with getting him here. He could not have been here if we had not made Hawaii a State. But let me say this: It costs less to keep a man in Europe than in Hawaii because the Germans are offsetting a big cost of keeping the troops in Europe, to the tune of more than a billion dollars a year, and nobody is offsetting the cost of keeping a man in Hawaii, which is the highest place in the United States, I am told, as far as the cost of living is concerned.

I simply refer to Hawaii because the gentleman is making a point about bringing troops home. If we are talking about bringing them back to the continental United States, that is one thing, but I say we could probably keep them with the offset the Germans are putting in and other countries may put in if we negotiate properly—we can probably keep troops in Western Europe, which is our first line of defense—do not forget that—cheaper than in North Carolina, Ohio, Hawaii, or any place anyone would care to mention. Therefore, the economy argument really goes out the window.

It boils down to a question of, Do we want to deprive ourselves of that bargaining chip in bargaining about mutual reduction?

The CHAIRMAN. The question is on the amendment offered by the gentleman from California (Mr. DELLUMS).

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. DELLUMS. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 67, noes 339, not voting 27, as follows:

[Roll No. 408]

AYES—67

Abzug
Adams
Addabbo
Anderson, Calif.
Aspin
Badillo
Brademas
Brown, Calif.
Burke, Calif.
Burke, Mass.
Burlison, Mo.
Burton
Chisholm
Clay
Conte
Conyers
Dellums
Diggs
Drinan
Eckhardt
Edwards, Calif.
Giaimo
Green, Pa.
Harrington
Hawkins
Hechler, W. Va.
Holtzman
Howard
Hungate
Jordan
Kastenmeier
Koch
Kyros
Leggett
Lehman
Litton
Long, Md.
McCloskey
Matsunaga
Metcalfe
Mezvinsky
Mink
Mitchell, Md.
Moakley
Nix
Owens
Rangel
Rees
Riegle
Roncalio, Wyo.
Rosenthal
Roybal
Ryan
St Germain
Sarbanes
Schroeder
Seiberling
Stanton, James V.
Stark
Stokes
Stuckey
Studds
Thompson, N.J.
Tiernan
Vanik
Vigorito
Young, Ga.

NOES—339

Abdnor
Anderson, Ill.
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Archer
Arends
Armstrong
Ashbrook
Ashley
Bafalis
Baker
Barrett
Beard
Bell
Bennett
Bergland
Bevill
Biaggi
Biester
Bingham
Blatnik
Boggs
Boland
Bolling
Bowen
Brasco
Bray
Breaux
Breckinridge
Brinkley
Brooks
Broomfield
Brotzman
Brown, Mich.
Brown, Ohio
Broyhill, N.C.
Broyhill, Va.
Buchanan
Burgener
Burke, Fla.
Burleson, Tex.
Butler
Byron
Carey, N.Y.
Carney, Ohio
Carter
Casey, Tex.
Cederberg
Chamberlain
Chappell
Clancy
Clark
Clausen, Don H.
Clawson, Del
Cleveland
Cochran
Cohen
Collier
Collins, Tex.
Conable
Conlan
Corman
Cotter
Coughlin
Crane
Cronin
Culver
Daniel, Dan
Daniel, Robert W., Jr.
Daniels, Dominick V.
Danielson
Davis, Ga.
Davis, S.C.
Davis, Wis.
de la Garza
Delaney
Dellenback
Denholm
Dennis
Dent
Derwinski
Devine
Dickinson
Dingell
Donohue
Dorn
Downing
Dulski
Duncan
du Pont
Edwards, Ala.
Eilberg
Erlenborn
Esch
Eshleman
Evans, Colo.
Fascell
Findley
Fish
Flood
Flowers
Flynt
Foley
Ford, Gerald R.
Ford, William D.
Forsythe
Fountain
Fraser
Frelinghuysen
Frenzel
Frey
Froehlich
Fulton
Fuqua
Gaydos
Gettys
Gibbons
Gilman
Ginn
Goldwater
Gonzalez
Goodling
Grasso
Green, Oreg.
Griffiths
Gross
Grover
Gubser
Gude
Guyer
Haley
Hamilton
Hammerschmidt
Hanley
Hanrahan
Hansen, Idaho
Hansen, Wash.
Harsha
Hastings
Hays
Hébert
Heckler, Mass.
Heinz
Helstoski
Henderson
Hicks
Hillis
Hinshaw
Hogan
Holifield
Holt
Horton
Hosmer
Huber
Hudnut
Hunt
Hutchinson
Ichord
Jarman
Johnson, Calif.
Johnson, Colo.
Johnson, Pa.
Jones, Ala.
Jones, Okla.
Jones, Tenn.
Kazen
Keating
Kemp
Ketchum
King
Kluczynski
Kuykendall
Landrum
Latta
Lent
Long, La.
Lott
Lujan
McClory
McCollister
McCormack
McDade
McEwen
McFall
McKay
McKinney
McSpadden
Macdonald
Madden
Madigan
Mahon
Mailliard
Mallary
Mann
Maraziti
Martin, Nebr.
Martin, N.C.
Mathias, Calif.
Mathis, Ga.
Mayne
Mazzoli
Meeds
Melcher
Michel
Miller
Minish
Minshall, Ohio
Mitchell, N.Y.
Mizell
Mollohan
Montgomery
Moorhead, Calif.
Moorhead, Pa.
Morgan
Mosher
Moss
Murphy, Ill.
Myers
Natcher
Nedzi
Nelsen
Nichols
Obey
O'Brien
O'Hara
O'Neill
Parris
Passman
Patten
Perkins
Pettis
Peyser
Pickle
Pike
Poage
Powell, Ohio
Preyer
Price, Ill.
Price, Tex.
Pritchard
Quie
Quillen
Railsback
Randall
Rarick
Regula
Reuss
Rhodes
Rinaldo
Roberts
Robinson, Va.
Robison, N.Y.
Rodino
Rogers
Roncallo, N.Y.
Rooney, Pa.
Rose
Rostenkowski
Roush
Rousselot
Roy
Runnels
Ruppe
Ruth
Sandman
Sarasin
Satterfield
Saylor
Scherle
Schneebeli
Sebelius
Shipley
Shoup
Shriver
Shuster
Sikes
Sisk
Skubitz
Slack
Smith, N.Y.
Snyder
Spence
Staggers
Stanton, J. William
Steed
Steele
Steelman
Steiger, Ariz.
Steiger, Wis.
Stratton
Stubblefield
Sullivan
Symington
Symms
Talcott
Taylor, Mo.
Taylor, N.C.
Teague, Calif.
Teague, Tex.
Thomson, Wis.
Thone
Thornton
Towell, Nev.
Treen
Udall
Ullman
Van Deerlin
Vander Jagt
Veysey
Waggonner
Waldie
Walsh
Wampler
Ware
Whalen
White
Whitehurst
Whitten
Wiggins
Williams
Wilson, Bob
Wilson, Charles H., Calif.
Wilson, Charles, Tex.
Wolff
Wright
Wyatt
Wydler
Wylie
Wyman
Yates
Yatron
Young, Alaska
Young, Fla.
Young, Ill.
Young, S.C.
Young, Tex.
Zablocki
Zion

NOT VOTING—27

Alexander
Blackburn
Camp
Collins, Ill.
Evins, Tenn.
Fisher
Gray
Gunter
Hanna
Harvey
Jones, N.C.
Karth
Landgrebe
Milford
Mills, Ark.
Murphy, N.Y.
Patman
Pepper
Podell
Reid
Roe
Rooney, N.Y.
Smith, Iowa
Stephens
Widnall
Winn
Zwach

So the amendment was rejected.

The result of the vote was announced as above recorded.

AMENDMENT OFFERED BY MR. O'NEILL

Mr. O'NEILL. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. O'NEILL: on page 4: line 1, strike "791,627" and insert in lieu thereof "741,627"; line 2, strike "565,912" and insert in lieu thereof "493,820"; line 3, strike "196,363" and insert in lieu thereof "176,219"; line 4, strike "665,963" and insert in lieu thereof "615,963".

On page 5: After line 2, add the following proviso: ": *Provided,* That no funds appropriated by Congress may be used after June 30, 1974 for the purpose of maintaining more than 400,000 military personnel assigned at overseas bases."

PARLIAMENTARY INQUIRY

Mr. ARENDS. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. ARENDS. Is this the same amendment that was just defeated on the floor of the House?

The CHAIRMAN (Mr. ROSTENKOWSKI). No, it is not. It is a different amendment.

Mr. ARENDS. As I heard it read, it is only a matter of a change in figures. Is it not?

Mr. O'NEILL. It is a change in figures and a deletion in wording. It is not the same amendment.

Mr. Chairman, may I preface my remarks by saying that I rise in strong support of substantially reducing our commitment of troops overseas.

I voted against the Dellums amendment because it reduced troops by 300,000 in a period of 1 year, and I think that is too much. Consequently, I could not support it.

Now, for a play on figures, let me say this: After the removal of all our troops from Vietnam, the United States still has 500,000 troops stationed on land overseas in addition to about 108,000 afloat on stations overseas.

My amendment on line 1 strikes 50,000 out of the Army that are overseas.

On line 4, it takes 50,000 out of the Air Force that are overseas. It does not touch the Marines, and it does not touch the Navy.

The Members will note, if they have watched my votes during the course of the afternoon—and I am talking as an individual who is interested in my country—I voted against every amendment that cut procurement.

I appreciate the fact that we have been fighting a war in Vietnam for many years, and the fact that our Navy is practically now in a desperate state. I realize the fact that much of our conventional war equipment needs to be increased.

Why have they not been? Because of the amounts of money that we have been spending in this useless and needless war. So I agree with the Navy. I want to see us have the greatest Navy in the world. I think that money should be spent on building up our Navy, and I think that money should be spent on new equipment like the Trident and nuclear carrier.

But, let me say this: I want you to know before we leave the Congress this year there will be a troop reduction because the Senate is going to demand a troop reduction and because, in my belief, the President of the United States is going to ask for a troop reduction.

Mr. Chairman, I take this well, this afternoon to explain two reasons which, in my personal opinion, necessitate a troop reduction overseas. The first reason is the economic argument, and the second reason is the reassertion of congressional prerogatives.

Mr. Chairman, we are talking about the question of U.S. military forces around the world. The United States currently has stationed on foreign soil 500,000 military personnel. In addition, they have 108,000 military personnel afloat or on foreign shores, and that group would not be touched at all by my amendment.

About 30 percent of our military are overseas. Let us look at the economic factors. There are those who would say that it is estimated that it costs the U.S. taxpayers $30 billion annually to maintain bases, troops, and facilities abroad. According to the administration's own figures, the price tag for the U.S. participation in NATO is $17 billion annually. The net balance-of-payments drain because of our forces in Europe is in the neighborhood of $1.5 billion annually.

While Europe receives the greater portion of the defense dollar outflow, the United States maintains a total of 600,000 uniformed service people around the globe at an expense of $10,000 per man in pay and allowances alone.

This places an immense drain on our financial resources. It has contributed to the devaluation of the dollar by more than 25 percent in the last 2 years, our balance-of-payments deficit, and inflation.

The Nixon administration has impounded $12 billion for domestic needs; the Nixon administration has closed several U.S. military bases as an economy measure, thus putting many Americans out of work. And this administration has consistently told the American taxpayer that the Nation's resources are not big enough to provide adequately for domestic services like health, education, welfare, and rural needs.

It just does not make any sense to me that if we are in such a tight economic squeeze, we can continue to waste billions of dollars a year to maintain troops abroad which do not contribute commensurately price-wise to the security of the country where the troops are stationed or to our own national security.

Now is the time to make reductions in our forces abroad. Why, if we withdrew only 40,000 men per year, the result would be a saving of almost $400 million. And the significant deficit in our balance of payments would clearly be improved. Whatever possibilities may exist for mutual troop reduction, they should not inhibit our efforts to cut unilaterally the Nation's excessive military involvement world-wide—in Europe, Asia, Africa, Australia, Latin America, or the islands.

In my judgment, no single act which the Congress can take at this time would do more to check the inflation at home or erosion of the dollar abroad than to move to reduce the farflung and outdated military deployment in an orderly fashion.

No economy, not even that of the United States, can continue indefinitely to police and babysit the world. A sound economy, to use Senator SYMINGTON'S own words "is just as important to the security of the United States as is the latest weapons system."

Mr. Chairman, we are talking about reduction, not complete withdrawal. And we are talking about reasserting congressional control over our overseas military presence. For years, Congress has approved these overseas manpower levels without seriously questioning the basic rationale. Manpower levels requested by DOD were not arrived at through the constitutional process of congressional control. In fact, they really have represented an abdication of our control not only to the Executive, but also to foreign countries—because there are no specific treaty obligations that forces Congress to approve any troop level or troop commitment.

Exact figures of troop commitment for each country are the result of executive agreement and are not submitted to Congress for approval. For more than two decades, the commitment and level of troops abroad has determined our policy rather than our policy determining the level of U.S. forces overseas.

Mr. STRATTON. Mr. Chairman, will the gentleman yield?

Mr. O'NEILL. I would be happy to yield to the gentleman from New York.

Mr. STRATTON. Mr. Chairman, I thought I understood the distinguished majority leader to say that he was only cutting 50,000 in the Army and 50,000 in the Air Force, but the text of the amendment offered by the gentleman from Massachusetts, as it is circulated here, would involve a 72,000 cut in the Navy and a 20,000 cut in the Marine Corps for a total of 192,000.

Mr. O'NEILL. May I say that the gentleman from New York is incorrect in that statement. The amendment says:

> Provided, That no funds appropriated by Congress may be used after June 30, 1974, for the purpose of maintaining more than 400,000 military personnel assigned at overseas bases.

So we will understand, I am trying to write a legislative record on this, and in my introductory remarks I said there were 500,000 troops overseas and 108,000 in the Navy.

I am properly stating that my intent is, and I am writing intent in this, that there shall be no naval force reduction whatsoever. So with 500,000 overseas troops of Army and Air Force, a cut of 100,000 would leave 400,000. I think I am correct.

(On request of Mr. STRATTON, and by unanimous consent, Mr. O'NEILL was allowed to proceed for 3 additional minutes.)

Mr. STRATTON. Mr. Chairman, will the gentleman yield?

Mr. O'NEILL. I yield to the gentleman from New York.

Mr. STRATTON. The document that is being circulated in the majority leader's behalf says on line 2, "Strike 565,912 and insert in lieu thereof 493,820."

That adds up to 72,000 reduction in the Navy. Maybe the majority leader has circulated the wrong document.

Mr. O'NEILL. The gentleman is correct. I will have to modify my amendment. I am in error. I intended to strike from my amendment line 2 and line 3 and amend it as to line 1 and line 4.

Mr. Chairman, I ask unanimous consent to modify my amendment by striking out line 2 and line 3 from my amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from Massachusetts?

Mr. YOUNG of Florida. Mr. Chairman, reserving the right to object——

Mr. O'NEILL. The gentleman is correct. There was an error in that.

The CHAIRMAN. Is there objection to the request of the gentleman from Massachusetts?

Mr. YOUNG of Florida. Mr. Chairman, reserving the right to object, I was not able to hear what the gentleman said in his request, and I should like to know what his unanimous-consent request was.

The CHAIRMAN. The gentleman from Massachusetts has asked unanimous consent that lines 2 and 3 be stricken from his amendment.

Mr. YOUNG of Florida. Mr. Chairman, I have no objection.

The CHAIRMAN. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The CHAIRMAN. The Clerk will report the amendment, as modified.

The Clerk read as follows:

> Amendment offered by Mr. O'NEILL: On page 4: Line 1, strike "791,627" and insert in lieu thereof "741,627"; line 4, strike "665,963" and insert in lieu thereof "615,963".
>
> On page 5: After line 2, add the following proviso: ": *Provided*, That no funds appropriated by Congress may be used after June 30, 1974 for the purpose of maintaining more than 400,000 military personnel assigned at overseas bases."

Mr. O'NEILL. Mr. Chairman, it is my understanding that I still have time on the 3 minutes. I want to say to the gentleman from New York, (Mr. STRATTON) a member of the Committee on Armed Services, I am very grateful for his correction. It was an error on my part.

Let me go on. I do not say we are going to gut our forces, I merely say that 50,000 shall come home of the Army, and 50,000 shall come home from the Air Force. I leave it up to the Army and I leave it up to the Air Force as to what sections of the world they should make these cuts.

I think we have no other alternative but to move in the direction of a reduction of total forces stationed abroad. And I think the reduction must come on a worldwide basis, because I believe that the United States is overextended and overcommitted precisely on that basis.

The time for action is long overdue, and I do hope this amendment is adopted.

SUBSTITUTE AMENDMENT OFFERED BY MR. PEYSER FOR THE AMENDMENT OFFERED BY MR. O'NEILL

Mr. PEYSER. Mr. Chairman, I offer an amendment as a substitute.

The Clerk read as follows:

Substitute Amendment offered by Mr. PEYSER for the amendment offered by Mr. O'NEILL: On page 5, after line 2, insert the following new sentence: "That the Committee on Armed Services of the House shall report to the House by April 1, 1974 a detailed and independent study on the advisability of maintaining our present military commitment to Europe in view of the current economic and military situation in Europe."

POINT OF ORDER

Mr. FRASER. Mr. Chairman, I should like to make a point of order against this amendment on the ground that it is not in the nature of a substitute. This amendment has no relationship and should not be in order as a substitute.

The CHAIRMAN. Does the gentleman from New York desire to be heard on the point of order?

Mr. PEYSER. I do, Mr. Chairman. I think that this is in direct relationship to the amendment. We are dealing with troop reduction and the whole question of troop reduction, and it seems to me it relates and is a substitute for the amendment that has been offered by the majority leader, the gentleman from Massachusetts.

Mr. GERALD R. FORD. Mr. Chairman, could I be heard on the point of order?

The CHAIRMAN. The Chair recognizes the gentleman from Michigan.

Mr. GERALD R. FORD. It seems to me, Mr. Chairman, that if an amendment is appropriate to cut personnel, it is equally appropriate for an amendment to order the Committee on Armed Services to study and make a report to the House. I see no basis whatsoever for the point of order.

Mr. FRASER. Mr. Chairman, if I may be heard further, as I understand it is not appropriate to offer in the nature of a substitute a proposal that does something quite different and unrelated. In other words if the pending amendment were defeated, the gentleman's amendment would be in order, but this deals with a different part of the bill really and addresses itself to a different subject matter. The original amendment does not deal with the troops in Europe.

The CHAIRMAN. The Chair will state it does not deal with a different section of the bill. It deals with the same section, with section 301, and it deals generally with the same topic. The Chair overrules the point of order.

The Chair recognizes the gentleman from New York.

Mr. PEYSER. Mr. Chairman, one of the points that has come out continually this afternoon has been the statement that says "we do not take too great a risk if we start cutting our troops in NATO." I do not care whether the numbers are 100,000 or 300,000 or whatever the numbers may be, I frankly do not think the United States should be taking any risks at this time unless we thoroughly know what we are doing. It is for this reason that in this amendment I am asking the Armed Services Committee of the House to do an independent study and to report back to the Congress by April 1, 1974, on the exact situation they find in Europe with the NATO forces, taking into consideration the economic picture we are facing in the world today and also the military picture.

It is my hope that by April we will know something about the mutual reduction pact that is now under way. I think it would be quite ridiculous for us as a nation to, in effect, fly by the seat of our pants and at this point after years of NATO during which we have not had a war in Europe now to start pulling out the troops without knowing what we are doing. My amendment calls for the study and a report back to the House giving us information.

I would like to mention something else. Just last week we had the opportunity of talking and listening to the former Secretary of State Dean Rusk and the present Secretary of State William Rogers. Among several things that they were in agreement on they stated there is a great temptation today to pull back troops, to go into our shell. It might sound very appealing to the American people because we are in an economic bind and we would like to save a billion dollars.

They did not want us to fall into the trap. They urged us to stand up on this issue and not give way to those who would say: Let us save some money today.

I think I heard the figure before. If we were in war today we would be spending $600 million a day. So we are talking in some of these amendments about saving 8 days of war. There is a great deal more to be saved, and that is human lives and American lives. I think we ought to hold fast in NATO until we hear from our Armed Services Committee and know exactly what the situation is. I am convinced we will know more and will be able to act intelligently at that time. Let us not give in to the easy answer until we know better, let us stay with the position that a strong America is our best bet for peace.

I hope you will support my substitute to the amendment.

Mr. GUBSER. Mr. Chairman, will the gentleman yield?

Mr. PEYSER. I yield to the gentleman from California.

Mr. GUBSER. I commend the gentleman for offering this amendment. I intend to support it. Consideration of troop reductions is a very serious matter. I do not think it ought to be done in the hasty manner in which it would be accomplished if we pass the pending amendment. It should be done after careful study.

The House Armed Services Committee did have a committee under the leadership of the gentleman from Missouri (Mr. RANDALL) which went into our troop commitments in NATO in great depth. We concluded there should be no reductions. I will admit to the gentleman that study is more than a year old and perhaps in the light of recent developments it should be redone and we should go into it again.

One other advantage I see in the gentleman's substitute amendment is this: This study would tend to act as an incentive to our European allies to step up their own commitments, and after all that is the purpose we are all trying to accomplish.

Mr. PEYSER. I thank the gentleman.

Mr. ARENDS. Mr. Chairman, will the gentleman yield?

Mr. PEYSER. I yield to the gentleman from Illinois.

Mr. ARENDS. Mr. Chairman, I too congratulate the gentleman in his support of this substitute amendment. As one member of the Armed Services Committee I heartily endorse his position. I feel one thing this House ought to bear in mind is that our Committee on Armed Services is capable and we will be able to do the job assigned to us by this substitute amendment and complete that assignment and study as soon as possible.

Mr. HÉBERT. Mr. Chairman, I rise in support of the substitute amendment.

Mr. Chairman and Members of the Committee, as the members may have noticed, or hopefully they have noticed, I have been very quiet during this entire debate and discussion today because I have such valiant troops backing me up so that there is no need of my taking the time of the members, and I have succeeded in not doing that. However, now we come right to the crux of the whole situation. This is the decision, and the moment of decision, and we have to make it, we have to face up to it.

I rise here in support of the substitute amendment to the amendment offered by the distinguished majority leader (Mr. O'NEILL) whom I think perhaps is one of the finest Americans I have ever known; one of the most patriotic men I have ever known; and who has in his heart to do something that he thinks is the right thing to do, and to do it for his country.

Here is an example which has been demonstrated again, and the Members will recall that I warned yesterday that we should be cautious, logical, and reasonable in approaching these decisions we are about to make. Here today we had one member offer an amendment when he did not realize how many men he was asking to be cut.

Here, we have the distinguished majority leader, who, except for the alertness of the gentleman from New York (Mr. STRATTON) was making an inadvertent error of almost 100,000 people, is typically an example of a mistake which could have gone unnoticed and ridden on the popularity of the majority leader, and yet this mistake would have been made.

The argument is made about what the Senate is going to do—I do not care what the Senate is going to do. I care about what we are going to do, and we cannot follow the lead of the Senate. If the Senate wants to cut all the troops out, that is its business. I do not want to.

The substitute amendment expresses the philosophy that has been expressed in the Armed Services Committee. The Armed Services Committee studied this matter in depth. It debated the various alternatives and considered the priorities and came up with the proposition that the 13,000 man cut which we made was the proper cut at this time, recognizing that already 94,000 less troops were offered in this year's bill.

To say, "Let us cut here and there," I do not know whether 50,000 troops can be cut in Europe, in the Air Force or in the Army. I do not know. I would like to find out. How are we going to find out? Through making a study of it. That is all we want to do. That is all we ask.

It is our philosophy to do this, and that is what the substitute amendment does. Here is a letter addressed to me as of yesterday, July 30, 1973, from the Secretary of State:

> THE SECRETARY OF STATE,
> *Washington, D.C., July 30, 1973.*
>
> DEAR MR. CHAIRMAN: The House has before it several measures calling for non-reciprocated reductions in U.S. forces overseas. I would like to explain why the State Department considers these proposals unwise.
>
> The Department fully recognizes that very important changes are taking place in political relations among the principal world power centers. In this period of transition, a principal goal of our foreign policy is to achieve, through a process of negotiation, a stable and enduring system of relationships that will insure our security and that of our Allies at lower levels of cost and risk. SALT I, the Berlin Agreements and the Vietnam accords are concrete examples of progress we have made. We have also been able in the last four years to reduce our total armed forces by about 1.2 million men, and our overseas deployments by about one half.
>
> But much remains to be done. Force reduction talks with the Warsaw Pact start in October. The Conference on Security and Cooperation in Europe continues its work in Geneva next month. We are deeply involved in the second phase of SALT. Although different in subject matter, each of these negotiations has a central purpose: to identify areas of agreement with our adversaries which can safely and in due time permit corresponding reductions in the size of our forces.

The CHAIRMAN. The time of the gentleman from Louisiana has expired.

(By unanimous consent, Mr. HÉBERT was allowed to proceed for an additional 2 minutes.)

Mr. HÉBERT. Mr. Chairman, I read further from the letter:

> This will not be a rapid or easy process.

Mind that line:

> This will not be a rapid or easy process.

Certainly he does not mean this is going to be a simple process of, at the last minute, one of the most able and efficient and popular Members of the House, rushing in here with an amendment in a few seconds and, after a few minutes' discussion, we find it is faulty by 100,000 men. I continue to read—

> A reduction in U.S. forces without reciprocity from our adversaries would make it very difficult—even impossible—to pursue this objective at all.
>
> In my view, Western Europe is at present the area where an undiminished U.S. presence has the greatest importance, because of our NATO commitments, the evolving European political situation, force reduction talks and our changing relations with the Soviet Union. Other areas, however, are also important. Reductions in South Korea before the North and South find mutually acceptable ways to reduce tensions would have an adverse impact on those negotiations.

I emphasize this, and the emphasis is my own.

> just as a U.S. reduction in Europe would under-cut MBFR. Our forces in Taiwan are tied to the U.S. commitment in the Shanghai Communique to reduce, and ultimately remove, those forces as tensions in the area are reduced. Reductions in Thailand clearly depend on the situation in Southeast Asia. Our forces in Japan and Okinawa are at the very heart of our security position in East Asia. Finally, it would be shortsighted to make further cuts in the United States Navy while Soviet naval power is growing and after the drastic reductions in our naval forces that have already taken place since 1969.

Of course, that area is now removed because the gentleman from New York detected an error in the motion made by the gentleman from Massachusetts.

I read further from the letter:

> We do not intend or desire to maintain an unchanged world-wide force posture indefinitely. However, the extent to which we reduce our force levels depends squarely upon the extent to which our adversaries are prepared to reduce theirs. No responsible President could risk a reduction without reciprocity any more than he could fail to seek such a reduction with reciprocity. We are committed to that effort and we have moved closer to its success.
>
> I urge the Congress to continue to support this process by rejecting measures aimed at reducing our forces overseas without reciprocity from our adversaries.
>
> Sincerely,
>
> WILLIAM P. ROGERS.

Mr. GERALD R. FORD. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise to oppose the O'Neill amendment and to support the Peyser substitute.

Let me at the outset compliment the Committee on the strong action and the fine votes that have been taken in not gutting our Defense Establishment. I believe these votes indicate quite clearly that we are not going to weaken our Defense Establishment at a time when we have an opportunity, by being strong and wise militarily, to achieve a negotiated reduction in overseas forces not only in Europe but elsewhere.

History is supposed to teach us something. Past experience is supposed to keep us from repeating mistakes. From past experience we hope to learn what we ought to or ought not to do in the future.

We have had peace in Europe for 28 years, from 1945 to 1973. We have had peace in Europe because of the wisdom, under President Truman, of putting together a NATO alliance.

Mr. Chairman, we have had peace in Europe for 28 years, because every President following President Truman had the foresight and the support of the Congress in maintaining a sufficient military strength in Western Europe, a deterrence against any military aggression by any other adversary.

What happened after World War I, a war that was supposed to end all wars? At that time there was the great hope and expectation, in 1919, that peace had come for all time. Peace failed in that era, in the twenties and in the thirties, because the efforts that were made to put together a unified Europe and a League of Nations failed. That unified effort that failed can be laid at the doorstep of the U.S. Congress. The United States failed in that period to join an organization that might have been a means of preventing World War II.

We had a short span of two decades of peace, 20 years of peace, and then World War II broke out in 1939. Some 16 million Americans in World War II served in the Army, in the Air Force, in the Marines, and in the Coast Guard. The records show approximately 291,000 Americans lost their lives in World War II, a substantial number of them lost their lives in Europe. This worldwide military conflict developed because this Congress in the decades of the twenties and the thirties, failed to understand that military strength is the best deterrent against any enemy aggression.

Let me say that I sincerely hope we do not fall into the same trap. In contrast why do we not continue to pursue a policy that has worked for 28 years, a policy that has kept peace in an area of the world where historically there was one war after another?

I do not think it makes sense for us here on this occasion to pull the rug out from under a military alliance that has been successful.

I fully supported the Strategic Arms Limitation No. 1. I believe that was a strong first step leading to perhaps other agreements that will permit us to reduce our strength as the other side reduces its strength. I strongly support SALT II, but this is a mutual weapons reduction. At the same time we should negotiate to reduce their forces as we reduce our forces in NATO.

It seems to me that the amendment offered by the gentleman from Massachusetts is without any foundation in fact. It is opposed by the Defense Department, by the Chiefs of Staff, and it is opposed by the overwhelming majority of the members of the committee of the House of Representatives who know more about this critical issue than most of us do. I refer to the House Committee on Armed Forces.

Mr. Chairman, it seems to me that these amendments that are pulled out of a hat cannot be justified, and, therefore, I strongly recommend that the committee which has the responsibility of advising us on military matters be given an opportunity to make an independent study and report to us by April 1.

Mr. ESCH. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I think it is important for us at this juncture to understand clearly where we are and understand the intent of the gentleman from Massachusetts, the distinguished majority leader, in offering his amendment.

I would like to ask, if I might, this question: It is my understanding that in substance the gentleman's amendment will reduce by approximately 100,000 the forces overseas, excluding Navy personnel?

Mr. O'NEILL. The gentleman is correct. And excluding Marine personnel.

Mr. ESCH. Mr. Chairman, it is also my understanding that the amendment offered by the gentleman from Massachusetts would leave a total end-strength, a year-end strength reduction of a figure approximately either totaling 100,000 or 192,000? I was not sure.

Mr. O'NEILL. Four hundred thousand. I would leave 400,000 of our troops overseas. So we cut our overseas military, Army and Air Force, strength 50,000 each, leaving 400,000 for the Army and Air Force, to place in areas which they desire to have them. In other words, if they want to leave them all in NATO, I do not disturb it whatsoever, or if they want to leave them in Korea or if they want to leave the 1,000 they have in Bermuda. They must have a pretty good deal there, but if they want to leave 1,000 in Bermuda, they can leave them.

Mr. ESCH. I understand. But it is also my understanding the total end strength of the armed services would be reduced by 100,000?

Mr. O'NEILL. The gentleman is correct.

Mr. ESCH. I thank the gentleman from Massachusetts.

I think it is important to recognize the intent of the amendment.

Mr. Chairman, I would rise in support of the amendment offered by the gentleman from Massachusetts and against the substitute as offered by the gentleman from New York. I would like to take just a few minutes to explain my position.

Most of the members of the committee are well aware of the fact that I had a substantive amendment in which I was joined by the distinguished gentleman from Kentucky (Mr. CARTER), the gentleman from Minnesota (Mr. BLATNIK), and the gentleman from Hawaii (Mr. MATSUNAGA), which would have cut in a comparative way 100,000 troops from overseas. In addition it would also have reduced the end strength by 200,000.

Because the main amendment before us is in essence the amendment I intended to introduce, I will support that main amendment, although I think it is unfortunate we are not cutting total end strength by another 100,000.

Now let us address ourselves to the issue as to whether or not we should cut overseas and if that is a responsible amendment.

First of all, it should be pointed out that the debate is not on the question are we going to cut NATO or are we not going to cut NATO. As indicated by the maker of the amendment and by the dialog in the House, there is a general feeling that this is not the time to cut our NATO forces. However, within this year it may well be possible after the discussion commences; it may well be possible after the mutual reduction to cut in that area. However, this amendment before us today would allow us substantially to cut our forces overseas without touching the NATO forces.

There are forces in the Far East, in Japan and Thailand and the islands, which could be cut without reduction of forces in NATO. So remember, then, the issue is not "are we going to cut in NATO or not going to cut in NATO." You can support the amendment of the gentleman from Massachusetts without touching the NATO forces.

Mr. FRASER. Mr. Chairman, will the gentleman yield?

Mr. ESCH. I am happy to yield to the gentleman.

Mr. FRASER. I want to say that while I opposed the Dellums amendment, because I thought it was too deep and did force a cut in NATO, which I am not in favor of doing, this amendment offered by the gentleman from Massachusetts (Mr. O'NEILL) which corresponds to the amendment you are going to offer, seems to be well within our capacity and it does not require any reduction in NATO.

Further, I understand the gentleman from Alabama (Mr. BUCHANAN) may offer a perfecting amendment to Mr. O'NEILL's amendment which may clear it so that we will be cautious about any cut in NATO. If that happens, I hope Mr. BUCHANAN's, which is a perfecting amendment, will carry and that we will adopt that decision.

Mr. ESCH. I understand that, and I appreciate the gentleman's comment.

The CHAIRMAN. The time of the gentleman has expired.

(By unanimous consent, Mr. ESCH was allowed to proceed for 5 additional minutes.)

Mr. BLATNIK. Mr. Chairman, will the gentleman yield?

Mr. ESCH. I will be happy to yield to the gentleman from Minnesota.

Mr. BLATNIK. I would like to say clearly and on the record that I associate myself with the gentleman's remarks in support of the amendment offered by our distinguished majority leader, Mr. O'NEILL, and also associate myself with the remarks of the distinguished gentleman from Minnesota (Mr. FRASER).

There is little question but that the time has come when we must view our troop commitments in a new light. The dollar is under heavy pressure in foreign financial markets; urgent domestic needs, for improved housing, hospitals, schools, and pollution treatment, have been too long neglected; and a spending ceiling has recently been enacted by the Congress.

What all these facts lead to is the obvious conclusion that we can no longer afford to provide all the programs and funds that the Department of Defense may wish to have.

We have a tight budget, and we must all of us—including the military—learn to live within it.

Now, of course, our national security is an extremely vital consideration. But, in an era of improved relations with Russia and China, and after successful conclusion of the SALT talks, I do not see that our national security is in any way jeopardized by the amendment under consideration. On the contrary, reducing our overseas presence lessens the chance for new military involvements such as our recent unfortunate experience in Vietnam.

In short, we are presented by this amendment with the opportunity to—by the same stroke—reduce the likelihood of future entanglements such as Vietnam, and to increase the likelihood that our too long neglected domestic needs will be met.

There is every reason to support a proposal as sensible and timely as the amendment offered by the distinguished majority leader, and I urge the Congress to adopt it.

Mr. GUDE. Mr. Chairman, will the gentleman yield?

Mr. ESCH. I yield to the gentleman from Maryland.

Mr. GUDE. Mr. Chairman, I want to commend the gentleman for his fine statement and urge strong support for the O'Neill amendment. We have been closing bases here at home, and I think it is time we took a good look at the bases all around the world, whether in NATO or not, and consider whether we can make troop reductions without jeopardizing our national security.

It is most important to note that this amendment would reduce overseas forces by 100,000 men excluding Navy and Marine personnel. None of these have to come out of Europe if the Defense Department feels that this would not be advisable. With over 600,000 U.S. troops stationed at 1,963 installations overseas there are many other areas where our strength could be reduced.

After a long and bitter political struggle, Congress has finally ended the wasteful and devisive Indochina war effort. So this war can no longer be used as an excuse for an oversized military establishment and the taxpayer can now begin to see some savings in what has been one of the biggest drains on his tax dollars.

Mr. Chairman, this administration is to be commended for its efforts to shut down unnecessary military bases. These bases have long been maintained solely for political reasons and they, too, have helped soak the poor taxpayer.

Now it is time to match base closings in this Nation with base closings abroad. The United States over the last two decades has completely overextended itself in this regard. It has been estimated that the cost of overseas personnel and facility maintenance approaches $30 billion annually. At least one-third of our serious balance-of-payments deficit can be attributed to our military expenditures abroad. The O'Neill amendment, by reducing overseas personnel by 100,000, would be a first step in reducing this cost.

Mr. Chairman, all of those who worked to develop this amendment, particularly the gentleman from Michigan (Mr. ESCH) and the gentleman from Kentucky (Mr. CARTER), are to be commended. They have focused on a problem which is central to the struggle to control the budget.

Mr. ESCH. Mr. Chairman, I appreciate the remarks made by the gentleman from Maryland.

Mr. FRENZEL. Mr. Chairman, will the gentleman yield?

Mr. ESCH. I yield to the gentleman from Minnesota.

Mr. FRENZEL. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, I rise in support of the Esch-Carter amendment and I am happy to be one of its cosponsors. This amendment is well thought out and represents an opportunity to cut out excess spending in the military while not cutting into the meat of national security.

The Esch-Carter amendment has two provisions. One will limit the size of our Armed Forces to 2,019,000 men. This is a cut of 200,000 from the committee bill. The second major provision is that it would limit our aggregate force level overseas to 500,000. The committee bill makes no mention of our forces overseas.

Manpower makes up over 50 percent of military costs. Some Department of Defense estimates, after PX's, pension pay and other manpower related expenses are figured to go as high as 56 percent. Clearly, if we are to make a real effort to cut our budget, to stick within our own budget ceiling and President Nixon's budget ceiling, we must cut the defense budget down to a figure proportionate to our limited resources, our national security needs, and our total priority values.

The cut in total manpower is 200,000 men below the committee recommendation. The Armed Services Committee in the other body has already slashed the authorized manpower 136,000 below what our distinguished committee in the House has recommended. Clearly, there is a lack of consensus as to what the minimum manpower requirement of the U.S. military is.

Our Armed Forces must be a rather small but highly trained, professional fighting force to provide a short-term, conventional arm of our flexible response defense strategy. We must make the military a life that highly qualified men and women will find desirable to enter, both as enlisted and officer personnel. We have made some progress toward this goal by cuts made in manpower as our involvement in Indochina lessened. We have also given substantial pay raises to all of our men, and increased pension and other fringe benefits. We must, in addition, limit the size of our Armed Forces to a number which, while adequate to defense, will produce more volunteers than needed. We must raise the standards for admittance and make the military more than a "few good men." It should be a "few good and envied men."

I believe that the Esch-Carter amendment would render harm to our Armed Forces. It should help to raise the level of competence and, in that way, enhance national security.

The second half of the Esch-Carter amendment limits our forces overseas to 500,000. This represents a cut of 113,000 over present levels. There are many areas of the world where we could cut the number of troops while not risking the credibility of our involvement.

Europe is the area which has received the most attention. In the last year we have reached new accommodations with the Soviet Union. The agreement on Berlin has been reached. We now have SALT I signed and SALT II is promised by the end of next year. We hear from the State Department and the Department of Defense that the Europeans are now willing to take up more of the burden of their own defense. The European Security Conference is about to start in earnest. With all of these tension relaxing actions, what has happened to U.S. force levels in Europe? It has increased from 303,000 to 313,000.

We are told that we cannot withdraw our forces, because the mutual force reduction talks are going to start next week. What is not mentioned is that our European allies are opposed to any force reduction, to any MBFR. In addition, the level of troops being discussed is in the vicinity of 50,000 to 75,000.

We have also been told that the Europeans have been paying us a small sum to offset our balance-of-payments deficit. The amount paid by our allies is only a fraction of what it costs to maintain our forces in Europe. I do not like having a "rent an army" service for others who can defend themselves and who are paying a substantially smaller portion of their GNP than we are, for their own defense. The French have been the most emphatic in demanding that our troops remain. Yet it was the French who kicked us and NATO out of France, and it is the French who are now using their defense dollars in atmospheric, nuclear testing in the South Pacific.

Under the Esch-Carter amendment, the Secretary of Defense does not have to withdraw any troops from Europe. He can pick and choose as he pleases as long as the end of the year overseas force does not exceed 500,000. I surely hope he chooses Europe as a source for most of the reduction. Europe makes up a little over half of our troops abroad.

Over 28 years after World War II, the United States still has over 58,000 troops stationed in Japan. But if you read the Department of Defense tables, the figure is only 18,000. The reason for this discrepancy is that the Department of Defense lists the 40,000 troops in the Ryukyuan Islands separately. The Ryukyu Islands have been a part of Japan since the Meiji Restoration of 1871. They were occupied by the United States following World War II and they have recently been returned to Japan. I believe that the 58,000 troops stationed in Japan may be too high.

It has been a little over a year since North and South Korea announced that they will reunify in the next few years. Yet we continue to have 42,000 men stationed in Korea despite the fact that the South Korean armed forces is among the largest and most modern in the world.

It is easy to see that there are a number of areas ripe for troop reductions and that this amendment provides the administration great flexibility in determining where to make the cuts.

The savings under this amendment is estimated at between $2.5 to $3.0 billion. I think that this is the prime consideration which should be weighed in favor of this amendment. I urge passage of this amendment.

Mr. ESCH. Mr. Chairman, I appreciate the comments made by the gentleman from Minnesota.

Mr. HUNT. Mr. Chairman, will the gentleman yield?

Mr. ESCH. I yield to the gentleman from New Jersey.

Mr. HUNT. Mr. Chairman, I just wonder where we are going to cut these troops from? I have heard speaker after speaker say that we should go slow, we should get a report, find out what is going to happen and where we can make these cuts sensibly. Now I hear the gentleman on the floor suggesting a meat-ax cut for 100,000 troops, and the gentleman does not know where they will be taken from or what our services require. The gentleman has no knowledge as to what they require, or as to what is going on in other parts of the world. But 100,000 is the figure that is arbitrarily set.

Now, tell me where they will get them from, and what it will do to those men who have been induced to go in by virtue of recruiting promises that we now seem to be backing out of.

Mr. ESCH. I appreciate the gentleman's question. Let us examine the significance of the amendment offered by the gentleman from Massachusetts. There are now 606,000 troops stationed overseas, and of this there would be a reduction of 100,000, excluding Navy personnel.

Now the question is, from what areas do we reduce forces? Well, in Thailand we have 45,000 troops. In Japan there are 18,000. In the Ryukyu Islands, there are 42,000 troops. In South Korea there were 38,000 troops, and it is now up to 42,000. So there is an opportunity for a substantial reduction.

Mr. CARNEY of Ohio. Mr. Chairman, will the gentleman yield?

Mr. ESCH. I will not yield further at this time. I will be happy to yield if I might be permitted to summarize my comments.

I think it is important for us to recognize that the issue alone is not just how strong this country is going to be overseas militarily. If there is any movement of this current administration it is a recognition that we must take into account not only the military aspect, but the political and economic aspects as well.

Mr. Chairman, it is seldom that we have an opportunity to move toward the achievement of several goals in one amendment. I would submit that this amendment offers us just such an opportunity. With its adoption, we can move to remedy a serious balance-of-payments problem, we can take a meaningful step toward the much talked about goal of reordering national priorities, and we can contribute to a worldwide détente, a détente which has the full support of this administration.

Economically, there can be no question as to desirability of this proposal. The U.S. balance-of-payments problem continues to plague us, our current deficit reaching almost $10 billion. While this is the case, we maintain a troop level abroad whose cost is calculated to be $7.5 billion annually, and this figure represents labor costs only. Others have estimated that the total cost of maintaining bases, troops, and facilities abroad approaches $30 billion annually. Clearly, here lies one of the main sources of that continuing deficit.

There are those who would question the advisability of reducing our troops overseas on an economic basis alone, that indeed, such a reduction affects U.S. posture abroad. As I will point out later to so argue is not my intention. However, just as troop reductions should be viewed in a larger context than just economics, so should, I believe, U.S. posture abroad be viewed in a larger context than mere troop levels. This debate has been strewn with references to America's credibility abroad and the necessity of maintaining our allies' faith in the United States. Yet nowhere is that credibility more in question, nowhere is that faith more badly shaken than in relation to the American dollar. U.S. foreign policy should not be based on economic considerations alone. Yet I would submit that to discount these considerations is an equally parochial view.

Domestically, this amendment conforms with the much needed reordering of national priorities that so many have concerned themselves with. It has been estimated by the Senate Armed Services Committee that the average cost of maintaining one unit of end strength during fiscal year 1974 would be $12,488. Using these figures, the savings under this amendment would approach $1.3 billion annually.

We should, of course, not fool ourselves into thinking that we are transferring this $1.3 billion from the military budget to education, or health services, or environmental control or to any of the myriad of pressing domestic needs. Unfortunately, the Congress never has the opportunity to vote on the budget as a whole and, therefore, determines with one decision what the national priorities are to be. We can only vote one item at a time, each of us trying to be consistent with what we believe those priorities should be. This amendment offers us that opportunity.

This administration has talked a great deal about reordering national priorities. Having brought our troops home from Vietnam, it has called for a conversion from a wartime to a peacetime economy. The amendment begins to answer that call.

Politically, this amendment is fully in line with the policy this administration has embarked upon—a policy of detente and of reduction of the U.S. military presence abroad. The desire for a detente with the East has been at the core of this administration's foreign policy. It has told both the Soviet Union and the People's Republic of China that in an easing of tensions rests the hope of future peace. Nowhere could the sincerity of this hope be more easily demonstrated than by a reduction of U.S. military presence around the world. As Admiral Moorer, Chairman of the Joint Chiefs of Staff, pointed out before the Senate Armed Services Committee:

> True detente requires a reduction in the underlying political and economic sources of conflict and an atmosphere free of force and the threat of force.

The administration itself has spoken in terms of troop reductions in putting forth the "Nixon doctrine." As Secretary Rogers summarized that doctrine:

> It provides that the United States will reduce its presence, particularly its military presence, in areas where we are overextended.

Or as Mr. Nixon himself has said:

> A more balanced and realistic American role in the world is essential if American commitments are to be sustained over the long pull . . . to insist that other nations play a role is not a retreat from responsibility, it is a sharing of responsibility. This is not a way for America to withdraw from its indispensable role in the world. It is a way, the only way, we can carry out our responsibility.

The approach in this amendment is a flexible one. It makes no attempt to dictate from where overseas troops must be taken, leaving this decision to the Pentagon. In Asia alone we see the possibility of reducing our troop levels by the 100,000 called for in this amendment. In Japan we maintain 18,000; in the Philippines, 15,000; in South Korea, 42,000; in the Ryukyu Islands, 40,000; and in Thailand, 45,000.

It may be suggested that this is an irresponsible amendment. Yet is it irresponsible to attempt to alleviate our balance-of-payments problem? To the contrary.

Is it irresponsible to take a meaningful step toward reordering this Nation's spending priorities? To the contrary.

Is it irresponsible to leave the Pentagon with the flexibility to cut troops where they feel those cuts can best be made? To the contrary.

Is it irresponsible to demonstrate our sincere belief in detente by contributing to that détente? To the contrary.

To all these questions, Mr. Chairman, the answer is "No." It is a responsible amendment, one which is flexible in approach, and one which moves toward the attainment of multiple goals. I urge you to join in this effort.

Mr. STRATTON. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I think we ought to be aware that we are dealing with a rather complicated matter here. It is a matter on which the House has now spoken twice in rejecting irresponsible and ill-conceived proposals for cutting forces overseas. Now we are confronted with another one which, in the first place, came in with defective numbers, and, in the second place, places burdens on the military that nobody really understands, and that we are not at all clear as to what the precise effect will be.

First of all, the proposal of the gentleman from Massachusetts would reduce the Air Force by 50,000 personnel. If we are going to take 50,000 personnel out of the overseas Air Force, we are going pretty much to destroy the various Air Force bases around the world which are now designed to protect us in the strategic field as well as in the tactical field. When we talk about bringing troops home from NATO, we are talking about the GI's over in Germany. We want to get those GI's home. But nobody is really suggesting, are they, that we call the Air Force home? Nobody suggests, does he, that we call the Navy home? Because those two branches of our military can project our power around the world, as the Nixon doctrine proclaims, without committing American ground troops.

Yet, although the gentleman from Massachusetts has exempted the Navy from his amendment, and thus does not interfere with the 6th Fleet and the job it is doing in the Middle East, he, nevertheless, would impose a 50,000-reduction on the Air Force, and that cut is going to involve our B-52's on Guam; it is going to involve our defensive air forces in Japan; it is going to involve our defensive air forces in England, where our F-111 bombers are poised to deter any invasion of Europe. This Air Force cut could be a very irresponsible amendmend. That is why I support the substitute offered by the gentleman from New York (Mr. PEYSER). I think he has done an excellent job to have this matter studied by the relevant committee.

We cannot conduct strategy here on this floor, and we ought to recognize it, when we cannot even get numbers straight on an amendment.

Now second, we in Congress have been talking about reducing our NATO forces for a long time. We have said we have to get our troops home, because nobody is willing to make any reductions on the other side. Well, finally, in this year 1973, we have reached a condition of such détente with the Soviet Union that we have finally been able to get mutual and balanced force reduction talks underway. This year, 1973, the year we have finally gotten the talks started, do we now pass legislation to gut our forces in NATO without even waiting to see what those talks with the Russians will produce?

What was the point of getting Brezhnev over here? What was the point of giving him another golf cart, if it were not to try to get him to sit down and talk seriously about mutual and balanced force reduction? Why do we not let those talks go on? The gentleman from New York would at least give these talks until next April to see whether we can get the Russians to agree to withdraw forces at the same time that we withdraw some. Why do we have to take steps here tonight to guarantee that the Russians will withdraw no forces because they will know we intend to make our reductions without any quid pro quo?

These are the two basic reasons why we just cannot handle these complex military problems as the distinguished gentleman from Massachusetts would do. I know what is in his heart. I know he wants to reduce our forces and reduce our expenditures to aid domestic causes. As a matter of fact, that is what our committee has been trying to do, too. But we ought to try to give this task to those with the expertise to handle it, in the committee itself, and not try to settle this matter on the floor of the House at 7:30 in the evening when everybody is anxious to go home.

So let us support the substitute offered by the gentleman from New York and vote down the amendment offered by the gentleman from Massachusetts.

AMENDMENT OFFERED BY MR. BUCHANAN TO THE AMENDMENT OFFERED BY MR. O'NEILL

Mr. BUCHANAN. Mr. Chairman, I offer an amendment to the amendment offered by the gentleman from Massachusetts (Mr. O'NEILL).

The Clerk read as follows:

Amendment offered by Mr. BUCHANAN to the amendment offered by Mr. O'NEILL: Immediately before the period at the end thereof insert the following: ": *Provided*, That any determination with respect to the number of personnel of the Armed Forces of the United States assigned to the North Atlantic Treaty Organization (hereinafter in this section referred to as "NATO" shall take into consideration the following: (1) the importance of NATO to the security of the United States and to the stability of Europe, (2) prospective negotiations between representatives of NATO and member nations of the Warsaw Pact with respect to mutual reductions in force, (3) the European Security Conference at Helsinki, Finland, (4) the level of effort by NATO allies of the United States to offset financial burdens incurred by the United States as a result of stationing personnel of the Armed Forces of the United States in Europe, (5) the need to eliminate unnecessary military manpower in Europe, and (6) any political consequences in Europe of any unilateral reduction of personnel of the Armed Forces of the United States stationed in Europe".

PARLIAMENTARY INQUIRY

Mr. CONLAN. Mr. Chairman, a point of order or a parliamentary inquiry. Is this an amendment to the substitute amendment or an amendment to the O'NEILL amendment?

The CHAIRMAN. It is an amendment to the O'NEILL amendment.

Mr. CONLAN. Is it proper to take that up at this time?

The CHAIRMAN. In the opinion of the Chair it is in order.

Mr. BUCHANAN. Mr. Chairman, I am simply here trying to play fair with the Members of this Committee by setting before the Members the alternatives they do in fact face.

I am well aware that the probability is we will adopt the substitute recommended and offered by the gentleman from New York and will not therefore be voting on the O'Neill amendment, but should the vote occur on the O'Neill amendment or any similar cutting amendment, I wanted to offer this amendment thereto to underline the fact that if we will adopt this amendment, should the situation occur that it might be possible, we will be saying we do not intend to cut NATO forces at this time.

Mr. Chairman, I think this is of extreme importance. We are on the eve of mutual and balanced force reduction discussions. We have some reason to hope we can get the other side to make concessions through hard-nosed bargaining from a position of strength. Under these circumstances, it is economically questionable and politically and militarily wrong to unilaterally cut NATO forces. I urge the Committee not to take any action which would imply we are endorsing that idea.

I am concerned about the political and psychological repercussions of any vote by this body which would imply we want to reduce NATO forces unilaterally at this time. Of course we need to work for our NATO allies to bear a fairer share of the economic burden and the administration is publicly committed to that end. There have been repeated statements to that end, that we will work for a fairer burden sharing, but this does not necessarily involve bringing our troops home.

Indeed economically it may even cost more to bring our troops home unless we take them out of the service.

So I would offer this amendment to this Committee and this House to clearly say we do not endorse the unilateral withdrawal of NATO forces at this time.

But we are faced with a second question, Mr. Chairman, and that is whether or not there shall be any reduction anywhere in the world. I think before we vote on the substitute we need to understand that this at least will be offered, that we can say, yes, we will support some reductions in force somewhere but we do not endorse unilateral withdrawal from NATO at this time.

Mr. HUNT. Mr. Chairman, will the gentleman yield?

Mr. BUCHANAN. I yield to the gentleman from New Jersey.

Mr. HUNT. I thank my colleague for yielding.

Is the gentleman aware of the fact that in this bill this year we are cutting 95,000 men below the authorized strength we have in 1973? That is 13,000 less than was requested by the Department of Defense this year. So we are in this bill already cutting 95,000.

Why do we not wait to find out what we need so as to successfully discuss the project now before us in Europe? Why can we not wait until the first of April 1974 to be sensible, until a report comes in, so that we who are in the military business can justify the work that has been done by the committee.

Mr. BUCHANAN. I ordinarily would be simply supporting the substitute and opposing any cut. That has been my normal position in this House year after year after year. However, I am really concerned about a couple of things. The first is that the distinguished Armed Services Committee of the other body said that it felt it could safely cut 150,000 troops. I am not an expert, but they are. This is not the Senate Foreign Relations Committee, but a committee which has expertise in military affairs. If they say we can safely save some of the taxpayers' money in this way, perhaps they are right.

Second, for more than a year one of my subcommittees, the European Subcommittee on Foreign Affairs, has been attempting in vain to obtain information from the U. S. Navy pertinent to why they saw fit to home port in Athens, Greece, rather than somewhere else, and we have simply been unable to obtain that information. One of the reasons I think it may be possible for us to cut forces is that the chief admiral in the Navy, Admiral Zumwalt, said in testimony last week before my committee, after he had explained to us that we were laymen who could not understand maritime affairs, that according to his own expertise, Athens, Greece, is the only place he could reasonably home port in that area.

The CHAIRMAN. The time of the gentleman from Alabama has expired.

(At the request of Mr. HUNT and by unanimous consent Mr. BUCHANAN was allowed to proceed for an additional 2 minutes.)

Mr. BUCHANAN. He said further that if we do not home port in Athens, we will simply bring them home and have them based in the United States. He said if he cannot home port and I quote: "I will be forced to recommend a reduction of the Navy's commitment to the 6th Fleet to one carrier task group."

If the head man of the Navy feels he can cut the 6th Fleet in half if he does not get the specific port he wants in Athens, then it would appear to me that he has said, in effect, that there must be some basis for believing Greek homeporting to be of high enough priority that we should have a cut in forces, if it is not implemented.

I do not agree with the philosophy. I do not think we can cut the 6th Fleet, but it simply seems to me that this one who does have expertise says, "Give me the Greek home port, or I recommend we cut the 6th Fleet."

Mr. GERALD R. FORD. Mr. Chairman, will the gentleman yield?

Mr. BUCHANAN. I yield to the distinguished minority leader (Mr. GERALD R. FORD).

Mr. GERALD R. FORD. Mr. Chairman, if I understand the quotation that the gentleman from Alabama read correctly, Admiral Zumwalt was saying that he was advocating the cutting in half of our aircraft carrier fleet in the Mediterranean. The gentleman might leave us with the inference that this is what the admiral was proposing. It is just the opposite.

Mr. BUCHANAN. He did not advocate the cut. He said if he did not get the home porting in Athens, he would recommend that they be based in the United States, and if he could not get home porting he would recommend the carrier task force be cut in half.

I am talking about priorities. I say it should not be cut at all. But if the admiral truly reflected our sense of priorities and the degree of flexibility in the Navy, perhaps a reduction in forces is not as serious a matter as I deem it to be in this high-priority area, and perhaps cuts can be made in lower priority areas. The distinguished committee in the other body does have expertise, as I said, and they have voted a substantial cut.

Mr. HÉBERT. Mr. Chairman, will the gentleman yield?

Mr. BUCHANAN. I yield to the distinguished chairman of the committee.

Mr. HÉBERT. Mr. Chairman, I have listened to the gentleman with great interest, particularly on the discussion of the Navy. However, the O'Neill amendment does not reflect cutting anything from the Navy.

Mr. BUCHANAN. Yes. I do not want the Navy cut.

Mr. HÉBERT. Will the gentleman tell me how his amendment would amend the O'Neill amendment?

Mr. BUCHANAN. It simply explains that we do not recommend cuts in NATO forces outside the context of mutual and balanced force reductions, and would indicate our opposition to unilateral withdrawal without consultation, sober consideration and hopefully concessions on the other side.

The CHAIRMAN. The time of the gentleman from Alabama has again expired.

(At the request of Mr. HÉBERT, and by unanimous consent, Mr. BUCHANAN was allowed to proceed for an additional 2 minutes.)

Mr. BUCHANAN. What I am trying to say is that if we cut, do not cut NATO without taking these things into consideration unless we have an agreement for a mutual cut.

Mr. HÉBERT. That does not change one word of the amendment. It says, cut 50,000 Air Force, 50,000 Army, and the gentleman's amendment does not change it a bit. It reduces the overseas strength to 400,000.

Mr. BUCHANAN. That is precisely correct. I am trying to set the alternatives. It requires a cut, and it says, "do not take it from NATO."

Mr. HÉBERT. This is a lot of words, and says nothing.

Mr. BUCHANAN. No; it says, "Do not take it from NATO". That is something.

Mr. HUNT. Mr. Chairman, will the gentleman yield?

Mr. BUCHANAN. I yield to the gentleman from New Jersey (Mr. HUNT).

Mr. HUNT. The amended amendment, the corrected amendment of the majority leader of this House does not cut the Navy.

So the Buchanan amendment is superfluous. The gentleman is just saying he wants to cut something but he does not want to cut the Navy.

Mr. BUCHANAN. What I am saying is not to take the forces from NATO.

Mr. HUNT. We agreed on that twice before.

Mr. BUCHANAN. All right.

Mr. HUNT. By votes today.

Now let us get back to the figures again. We are saying in the bill we are going to cut, and that this does cut 95,000 personnel. The other body is saying that they want to cut 150,000. If we take 95,000 from 150,000, that is 55,000. I realize there has been a tremendous discrepancy here in mathematics today. Everything that has come up here has been erroneous. By that I mean the figures in amendments have been grossly in error. But I do not see 100,000 coming out of that figure considering the 95,000 cut already contained in the bill.

Mr. BUCHANAN. The gentleman has spoken eloquently against the amendment offered by the gentleman from Massachusetts. I hope he will support mine.

Mr. RANDALL. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Alabama (Mr. BUCHANAN).

I have finally been able to get hold of a copy of the amendment of the gentleman and I note there he includes five or six recitations.

The gentleman has just finished saying this would not do any detriment to NATO. A careful study of the amendment, I believe, reveals, and as I understand the parliamentary situation, that the gentleman's amendment does nothing. It would have no effect or achieve no objective of any kind.

At this time we are in a parliamentary situation, whereby the gentleman from Massachusetts has offered an amendment, and then by unanimous consent asks it to be modified. He finally said he was going to leave the Navy out and to leave the Marines out of his amendment. Finally he said his amendment would cut 50,000 from the Army and 50,000 from the Air Force. That adds up to 100,000.

We know we have approximatley 613,000, or maybe only 608,000 military personnel overseas.

Finally as I read it the gentleman from Massachusetts winds up his amendment with a provision that not more than 400,000 be deployed overseas 1 year from now.

The last amendment on the amendment of the gentleman from Alabama to the gentleman from Massachusetts is simply a series of recitations, nothing more—and it means nothing.

We do have before us a substitute that has real merit, which was offered by the gentleman from New York (Mr. PEYSER).

I know the hour is getting late, but let me take only a minute or two to stress the importance of Mr. PEYSER's substitute.

There are two reasons, two very valid and important reasons, why we should support the substitute, and reject the amendment offered by the gentleman from Alabama, and then we can get to a vote on the amendment offered by our majority leader.

The lady from Maryland very graciously mentioned a moment ago the Randall report, which contained the NATO common fund. I hope I am not speaking out of school.

I can report that we have discussed this matter informally within the past 2 weeks, the past 10 days, with our new Secretary of Defense when the Minister of Defense of Germany was in the city Our Secretary of Defense informally told some of us it would be only a matter of a few months until some kind of NATO common fund arrangement to relieve our balance-of-payments burden could be worked out with our allies in NATO.

He thought we could achieve the adoption of some sort of alternative to our proposal of a NATO common fund. If he can accomplish this then we strike at the very thing we are all concerned about, that is the balance-of-payments deficit.

I believe it has been established this afternoon that if we bring the troops back we will not save money, unless we demobilize them. In fact, it would cost more for them to stay in this country, for we would have to build facilities for them.

The second point is the merit of the proposal by the gentleman from New York. We can update the report. We can find some figures that perhaps should be amended.

The point is that we can come back here with some new information. Tonight we have been up the hill and down the hill four or five times this afternoon, on the question of withdrawal of troops from NATO. But remember, we are now on the verge of achieving a mutual reduction of forces. The amendment of Mr. PEYSER would give us some time, because it provides that the committee would make another report.

I hope we can vote to support the substitute amendment offered by the gentleman from New York, and vote down the amendment offered by the gentleman from Alabama.

Mr. STRATTON. Mr. Chairman, will the gentleman yield?

Mr. RANDALL. I yield to the gentleman from New York.

Mr. STRATTON. The gentleman said that the amendment offered by the gentleman from Alabama (Mr. BUCHANAN) was all foam and no substance. Actually, since his amendment would in effect say not to take these personnel cuts out of NATO it would mean all 100,000 personnel would have to be taken out of the Pacific. And that would amount to about half of the Air Forces out there. So the Buchanan amendment could be very damaging to our Pacific defenses.

Mr. GUBSER. Mr. Chairman, I move to strike the requisite number of words.

(Mr. GUBSER asked and was given permission to revise and extend his remarks.)

Mr. GUBSER. Mr. Chairman, with all due respect to the gentleman from Alabama (Mr. BUCHANAN) I believe his amendment is totally unworkable. We ought to pursue it a bit, and find out where it is going to lead us.

Where are we going to make this 100,000 reduction contained in the O'Neill amendment if we do not take it from the NATO countries?

Well, here are the eligibles: There are 24,000 in South Vietnam. Many of those are Navy, and they would not be affected by the O'Neill amendment, and furthermore, most of the balance will be coming out anyway under the reduction already made in the committee bill.

In Thailand, there are 43,000 American forces; almost all of them, with the exception of a few at the Navy base at Sattahip, are Air Force. They would be eligible for withdrawal.

In Japan we have 20,000 men, and I believe—and I think correctly—that at least half of those are Navy, and would not be affected, so we would have 10,000 Air Force personnel coming out.

In the Philippines we have 15,000, and at least half of those are Navy, so we would have 7,500 Air Force personnel coming out.

In the Ryukyu Islands we have 42,000, and I would say at least 10,000 of those would be Air Force coming out anyway, since we are going to have to reduce our forces there under the committee bill. Thus 32,000 are eligible for withdrawal under the O'Neill amendment.

In South Korea we would take out 38,000, primarily Army personnel.

I might say parenthetically, when we talk about South Korea, that they have a 5-year modernization plan which is aimed at allowing us to withdraw all our forces when that 5-year modernization plan is complete. This would absolutely kill it. It would necessitate a premature withdrawal, at a time when they were not ready to fill the gap we would leave.

Then there are other places and other areas that are too small to reduce, like Bermuda where we have a communications station; and in Canada, 2,000. The only other place eligible in the rest of the world outside of Europe is Guam, with 17,000, and almost all of those are Air Force.

Mr. Chairman, all of those eligible for withdrawal total up to 147,500.

My point is this: We are going to take 100,000 out under the O'Neill amendment. We are only leaving 47,500 if we do not take any of them from NATO. What we would be accomplishing would be the removal or withdrawal of the defense perimeter of the United States back to the continental limits of the United States. We would be leaving even Hawaii exposed.

We did that once before, before the Korean war, with disastrous results. If we gut the Air Force all over Asia, as we would with the adoption of the Buchanan and O'Neill amendments, we would have brought our defense perimeter back to the continental limits of the United States.

The Buchanan amendment is unworkable. If withdrawals are going to be made to satisfy the O'Neill amendment, and we are to have a balanced force around the world, they must come from NATO and they will come from NATO.

I will remind the House that in the 1960's our troops in Europe were reduced by almost 30 percent from their peak during the Berlin crisis down to the present level of 305,000. This decline ended in 1971 when the United States of America pledged, solemnly pledged that, given a similar approach by our allies, the United States would not only maintain its forces, but would improve them, and that we would not reduce our forces further without reciprocal action by our adversaries.

Now, the reciprocal action is something that is going to come about in the balanced forces reduction talks which start in Vienna in October. Why prejudice them? Obviously, we are not going to give them what they would be seeking in that negotiation.

Mr. Chairman, I summarize my views in this way: It is totally impossible to adopt the Buchanan amendment without either withdrawing our defense perimeters to the continental limits of the United States or stealing troops from NATO.

To take them from NATO would be denying or abrogating the solemn pledge that this nation made in 1971 and would be prejudicing the mutual balanced reduction force talks starting in Vienna in October.

The CHAIRMAN. The time of the gentleman has expired.

(By unanimous consent, at the request of Mr. ARENDS, Mr. GUBSER was allowed to proceed for 1 additional minute.)

Mr. ARENDS. I make this request for the purpose of asking the gentleman to once again repeat to this House, so we may all understand what this amendment does. It is the beginning of the tearing down of NATO, and you cannot put it in any other terms. It will be the first step in the breakdown of our forces overseas. We will again be back in the box that we were in many, many years ago when we found ourselves militarily weak. Years ago under President Truman when he promoted the NATO organization. I hope the gentleman will, I repeat emphasize his point once more.

Mr. GUBSER. I did.

Mr. BURKE of Massachusetts. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I have been sitting here all afternoon listening to this nonsense going on here about the great Soviet threat.

Just a few months ago the Department of Defense swung a meat ax up there in the Northeast section of America and closed down almost every military installation in Rhode Island and Massachusetts and caused the layoff of 35,000 people from their jobs. They further placed the North Atlantic Fleet in jeopardy.

However, that is not the issue here. The real issue here is the economy of the United States and whether or not this country can bear up under its present fiscal policy. And nothing threatens a nation's security more than going broke.

We have had two official devaluations of the dollar in the last 18 months and one unofficial devaluation.

There is no reason for us not to have this 100,000 troop cut right now. Think of what it will save America. Bring those boys home here. Bring home some of those admirals and generals who are living along the Riviera and skiing up in the Alps and spending thousands and thousands of dollars of the taxpayers' money.

We do not have the capacity to police the whole world. With the modern weaponry in existence these troops mean very little; they mean very little whatsoever.

Mr. YOUNG of Florida. Will the gentleman yield?

Mr. BURKE of Massachusetts. I will be happy to yield to the gentleman.

Mr. YOUNG of Florida. If what the gentleman advocates came about, is it not true that the only recourse we would have in the event that war became necessary is a nuclear rather than an conventional war? I wonder if the gentleman wants to set the stage for that kind of a confrontation.

Mr. BURKE of Massachusetts. For God's sake stop bringing up those old herrings, will you, please? Let us discuss issues around here. This threat of a nuclear war and all that.

Every time this defense bill comes in here suddenly they show up with all of those threats of the Soviet Government and everything that will happen.

We have these people over there and we have to educate their children and pay for the support of their wives and families. Bring those families back to America. They will be better off, anyway, here.

The dollar is bouncing around like a yo-yo. Right now I think it had gone down 30 percent in the last 18 months. Is that what you want? Do you want this country to collapse entirely? Are we going to have responsible people here or are we going to have the Armed Services Committee coming in here year after year and spending billions and billions of dollars in an unending river of money which is just going down the drain?

Have you ever visited some of these installations and seen the way some of these commanding generals live? I am telling you it is a public disgrace and it is about time we started to exercise some cuts on the Department of Defense and cut the fat out of them. Let us get this thing down to a reasonable position.

Let us bring these 100,000 men home. I wish it were 200,000 or 300,000. That is actually what it should be. But it is a step in the right direction.

It will help out our balance of payments and start this country back on the road to recovery.

Mr. WAGGONNER. Mr. Chairman, I move to strike the requisite number of words. .

Mr. WAGGONNER. Mr. Chairman, arguing here today as to what we should do with regard to our defense establishment is much like arguing yesterday as

Mr. Chairman, arguing here today as to what we should do with regard to our defense establishment is much like arguing yesterday as to whether or not Members of Congress, as well as some others in the Federal Service, ought to get a pay raise. The consensus seems to be the same. There never is quite the right time or quite the right way. Everybody has a little different idea.

I want to tell the Members that I have a little bit different idea than does my good friend, the gentleman from Massachusetts (Mr. Burke). He says that the issue here today is the economy. I submit that the issue here today is the security of the United States today and tomorrow and in the years which lie ahead. And I rally admit we are in deep trouble with our economy.

My good friend, the gentleman from Kentucky (Mr. Carter), has just concurred in those remarks by Mr. Burke, and in making his remarks he has stated the position that we have wasted through the military-industrial complex the wealth of this Nation. Maybe he is right, to a point. But it has been a pretty darned cheap insurance policy, as far as I am concerned. What would we have done, I ask, without that military—industrial complex in World War II?

This is like a friend I had who had a twin brother. The twin brother had fainting spells. I asked him one day how his twin brother was.

"Oh, not too good."

"What is wrong?" I asked.

He said, "Well, he had a fainting spell last night, and I wasted a whole bottle of ammonia on him."

I said, "did he die?"

He said, "No; he is still alive."

I said, "You figure you wasted a bottle of ammonia to keep him alive. If it saved his life how can you say it was wasted?"

The attitude is we are wasting away something if we provide for the security of this great country.

The truth is that we can legislate a ceiling on the military, but is it wise when we stop to consider that the level of our troops today is lower than it has been at any time since the Korean War in 1950? Is it further, wise with this feeble effort to provide for the manning of a military establishment by the volunteer process?

I will tell you this volunteer concept is simply not going to work. We are dealing with the security of this country at great risk, and certainly, yes, we can legislate the assignment of troops both here in the United States and oversea. But is it wise? We cannot legislate assignments with any degree of wisdom. The truth is that we have problems.

I resent some of the expenditures, as you do, that we have had to make with regard to NATO. But do not forget this: What we have done in Europe with NATO has been good for this country because it has provided in part for the security of this country. Do not mistake that for one moment.

The gentleman from Michigan (Mr. Esch) said that the President had opened new avenues of dialog with the Russians, and that is true, but would it be good for the security of this country if we reduced, for example, the troops in NATO, assigned to NATO? Would it be good for this country politically if we allowed Europe to come under the influence of Communist Russia? Would it be good for this country economically if we allowed Europe to come under the economic influence of Russia? What would happen to an already deteriorating economy and a deteriorating trade position—deteriorating not just because of what we have been spending on our military establishment oversea, but deteriorating because of a lot of other foolish expenditures that we have been engaging in, and which have been unproductive? What would our market position in Europe be then?

The truth is, my friends—and remember this—that NATO has served us and served us well. The proof of the pudding is in the eating thereof. We have not had a war in Europe for 28 years because of NATO.

I submit to the Members that if they do not believe in the domino theory, just wait until after August 15 and see what happens to Cambodia and to Laos and to Thailand, and then to South Vietnam. Do you want to set the same wheels in motion in Europe?

Further, my friends, remember just exactly this, because it is the truth: If we had had the wisdom to provide in Southeast Asia an organization somewhat equal, somewhat comparable, to NATO, we would never had had this mess that we refer to as Vietnam.

God save us from our friends, not our enemies, as well meaning as they are.

Mr. ANDERSON of Illinois. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I realize that the hour is late and I am not sure I can add a great deal to the discussion this evening, but I think it is important to return to a question that was asked earlier by the gentleman from New Jersey (Mr. Hunt), a member of the committee, when he asked the question of where are these cuts going to come from.

It was because I admired and hold in such high regard and respect the gentleman from Kentucky (Mr. Carter) and the gentleman from Michigan (Mr. Esch) that I undertook to analyze the amendment that they sent around in advance of the debate this evening. We have substantially that amendment before us now in the form of the amendment offered by the distinguished majority leader.

The fact is that if we exclude from the 606,000 troops we are talking about as being troops stationed abroad the number which is now in NATO—and if there is one broad consensus we seem to have reached this evening it is that we are not going to reduce those troops in view of the forthcoming mutual balance force reduction talks—if we take out the NATO contingent, and if we take out the 42,000 American troops stationed abroad in our possessions, in our own territories overseas, if we take away, as the gentleman from Massachusetts himself would suggest the 108,000 troops who are afloat, what do we have left?

According to my mathematics we have about 208,000 overseas, from which we are going to make this reduction of 100,000 as proposed by the distinguished majority leader (Mr. O'Neill). Consider for a moment if my figures are correct, and I think they are, what this would mean. There are 58,000 of these remaining forces stationed in the Japan-Okinawa area and the Ryukyus. Some people have complained about the three successive shocks by the Nixon administration in the form of the visit to Peking without advance consultation with Japan, and the shock that was administered to the Japanese with the new economic policy in August of 1971, and the further shock of the export embargo placed recently on soybeans. To now suggest that a 50-percent cut would be made, in American forces now stationed in that area, because that is what we would have to have if we are going to get this reduction, a 50-percent cut in the forces we have in that area of the world is certainly not going to contribute very much to repairing our tattered relations with Japan.

And if the Tanaka government, as some have said, is already in some considerable difficulty, if there are Communist and neutralist forces in the country that are now making gains, and I believe they did in the last election, then I think a precipitous cut of 50 percent of the troops we now have in that area of the Pacific would merely confirm the Japanese suspicion that we are an unreliable ally. I think an abrupt withdrawal of this kind would only revive a latent tendency in Japan to revive and develop their own nuclear force.

I am suggesting to a Congress that wants to reclaim its rightful place in foreign affairs, because a majority of us voted for a War Powers Act just a few days ago, let us act responsibly in the area of foreign affairs when we consider the amendments that are now pending on the floor.

In the brief time I have left, again analyzing the amendment that is before us, we have another 42,000 of the forces from whom the reductions would have to be made who are stationed in Korea. I believe that we have reduced our troop levels in South Korea by about 35 percent since 1971. Given the hopeful but still very delicate state of negotiations between the two Koreas, negotiations that are now in progress, this does not seem to be a very propitious time to in a very precipitous manner remove those particular troops.

I think the gentleman from California (Mr. Gubser) referred to the 25,000 troops in the Philippines and Taiwan. Consider, if you will, the political instability in the Philippines right now. What would be the impact of our sudden withdrawal of 50 percent of the American troops in that particular area?

Do not misunderstand me. I am for a reduction in military spending and I hope there will be some amendments offered on the floor yet tonight that I can support, but when I look at the O'Neill amendment and the other amendment pending thereto, I do not think this is the area where we should be acting, where we can responsibly say we are discharging our duty with respect to the conduct of the foreign affairs of our country. I would call for the defeat of the O'Neill amendment. I would call likewise for the defeat of the amendment offered by the gentleman from Alabama (Mr. BUCHANAN).

In conclusion, I would also like to comment on the balance-of-payments problem.

A fairly effective argument given for troop reduction is that our current serious balance-of-payments difficulties would be partially alleviated by a reduction of U.S. military dollar outflows. The basic truth is that our overseas military commitments have very little to do with the recent adverse swing in the balance of payments. First, the net military outflow has been relatively stable for the last two decades: from 1965 to 1970 it averaged $3 billion; from 1970–72 it averaged $3.2 billion. During the same period our official reserves transactions balance dropped from a negative $1.2 billion in 1965, to —$30 billion in 1971 and to —$12 billion last year. The main reasons for this decline is our deteriorating trade balance and short-term money flows resulting from the weakness of the dollar. Since military outflows have been stable, it cannot be inferred that they have contributed in any dynamic way to our short-term balance-of-payments difficulties. Similar military deficits were accommodated in earlier periods with no trouble.

Finally, this analysis has assumed that none of the required overseas reduction would be taken from Europe. I do not think you need to be convinced of the undesirability of European withdrawals while mutual balanced force reduction talks are in progress, but I would like to emphasize one key point. A proposal to seriously cut European troop levels is tantamount to proposing that we revert to the dangerous John Foster Dulles doctrine of massive retaliation. That is, if overrun by superior Warsaw Pact conventional forces in Central Europe, we would respond with strategic nuclear weapons. There is just one catch-22: Such a posture under today's conditions of strategic parity—as opposed to massive U.S. superiority in the 1950's—has absolutely no credibility. As a result, massive retaliation becomes passive abdication to Soviet hegemony in Europe, as one by one our major allies would make their accommodations with that country.

Mr. DAN DANIEL. Mr. Chairman, I rise in support of the Peyser substitute and in opposition to the O'Neill and Buchanan amendments. The Peyser substitute would give us the time needed to test the sincerity of the Soviets relative to the MBFR. It will also give us some time to right our balance of payments and trade deficits which is improving now, as the Members of the House know.

I would also like to respond, if I may, to a couple of statements which have been made. With respect to the grade creep, the gentleman from Massachusetts talked about the fat generals. Just recently, Mr. ASPIN, of Wisconsin, published the results of a study of grade creep of the Department of Health, Education, and Welfare which indicated that HEW puts the Department of Defense to shame in that area.

Citing Civil Service Commission figures, he revealed that the number of supergrade employees—those making over $31,203 annually—had increased almost five times in the past 10 years, from 84 to 414. Those in the next three grades, GS–13 to GS–15, increased fourfold. "The grade creep in the military," Mr. ASPIN stated, "actually is a pretty amateurish operation compared to what the real pros in HEW have been pulling off."

Mr. Chairman, now with respect to military spending which was discussed. I agree that we should reduce expenditures wherever and whenever appropriate, but by most any yardstick, the defense share of public spending in constant dollars as a precentage of the GNP or tax dollars, or as a factor in the Government workforce, is at the lowest point since the Korean war.

In the 20-year period between 1953 and 1973, the gross national product has risen an average of 6.2 percent annually. During the same period, the average increase in funds expended for the military forces of this Nation, including the Vietnam war period, was 2.2 percent annually.

We hear a lot about priorities, and they are essential and especially important in the present time, when we must cut the pattern of Federal spending to fit the cloth of tax receipts. To any person involved with a program which is tax funded, his program is a high priority item, but what must be constantly remembered, however, is that all priorities become academic in the absence of a defense sufficient to maintain our national independence.

Those who deplore the expenditure of funds for the defense of this Nation should consider the alternative, which is surrender to foreign ideologies and the imposition of a way of life repugnant to the vast majority of Americans.

While we must work diligently for peace, until there is some concrete sign not now visible of a like desire on the part of adversary nations, we must remain prepared to defend ourselves.

Mr. Chairman, it seems to me our best guarantee for peace is to keep our Nation militarily impregnable, and the best approach to the goal of world security is through the security of the United States of America.

The gentleman's amendment suggests that the present levels of U.S. military presence overseas is too high in view of the recent extensive lessening of tensions between East and West. This rests upon a faulty understanding of the origins and maintenance of détente. While the relaxation of tensions between the United States and the Soviet Union is real, it does not stem from any shift in the nature of our national interests. Nor does it represent any alteration of Russia's apparent goals, especially in Europe.

In some respects, nothing has changed since the cold war. The United States and the Soviet Union remain the basic choices for influence in every important area of the globe. The expressions of this competition have altered over the years—the rhetoric has softened, overt crises are fewer, and eyeball-to-eyeball confrontations are no longer the fashion. But the United States cannot afford to think it has won the contest. The Soviet Union remains a formidable challenger.

Do not mistake that conciliatory approach for any relinquishing by the Soviets of their original aims. It was Western determination, buttressed by U.S. military strength and commitment, that made détente possible. It was and is the true basis for détente.

It would also be a serious mistake to assume that the current softening of East-West tensions is permanent. This period of détente, in short, is precarious. At the first sign of weakness on the West's part, détente could revert to cold war confrontation.

The United States, therefore, must exercise as much caution as ever during this period—and perhaps even more, since the delicacies of a period of negotiation require more flexibility, tact, and caution than do periods of stark confrontation. If the United States now indulges in a series of unilateral withdrawals of its overseas presence, such behavior would be seen by both our friends and our potential enemies as a public notice to the world that we have redefined our national interests in such a way as to undermine the stance that made détente possible in the first place.

If our national interests are to be protected, we must guard against falling prey to a faulty conception of détente. Détente is anything but an outgrowth of Soviet friendliness; it is instead an outgrowth of the Soviets' typically realistic assessment of our determination to oppose their expansionist efforts. The Soviet Union will explore every possible avenue of weakness on the part of the West and where they are met with determined opposition, they will alter their approach to a more conciliatory one. But it would be a dangerous error on our part.

Only Western determination created détente; only Western determination can insure that it lasts. After many years of wavering the Warsaw Pact nations have finally acknowledged genuine interest in multilateral negotiations for force reduction in Europe. If these negotiations are pursued with firmness and circumspection on our part, they may bring about a diminished level of confrontation in Europe and a period of peace and stability.

The benefits of such actions are real and long range. The dollar savings, if any, are brief and illusory. Only by demobilizing the returning units and personnel could we effectively eliminate the expense they represent. That, in turn, would constitute but another weakening of our strength freely bestowed upon our adversary with no quid pro quo asked or exacted.

The United States, therefore, would be ill-advised and shortsighted to engage at this time in any major, unilateral contraction of our overseas military presence.

Détente is a dread not a reality.

Mr. EVANS of Colorado. Mr. Chairman, will the gentleman from Virginia yield?

Mr. DAN DANIEL. I yield to the gentleman from Colorado (Mr. EVANS).

Mr. EVANS of Colorado. Mr. Chairman, I appreciate the comments the gentleman has made. I must confess that I too want to save military spending and want it to be responsible.

I notice that recently a subcommittee of the Armed Services Committee undertook hearings on the question of the utilization of manpower in the military. Some of the findings of this subcommittee were that, although we had 323,000 less personnel in the military compared to 1946 yet we had 26,000 more captains, 21,000 more majors, 15,000 more lieutenant colonels, 4,000 more colonels as of 1971. At the same time, we had 43,000 fewer second lieutenants and 77,000 fewer first lieutenants.

The gentleman has commented on the findings of the gentleman from Wisconsin (Mr. ASPIN) in terms of HEW, and I believe that is something we should criticize, too.

I should like to ask the gentleman, or the distinguished chairman of the committee, if the gentleman will yield to him, what assurance can be given to us that this very great imbalance in the officerships in our military is going to be remedied in the next fiscal year.

Mr. GUBSER. Mr. Chairman, will the gentleman yield?

Mr. DAN DANIEL. I yield to the gentleman from California.

Mr. GUBSER. I believe the answer to the gentleman's question is obvious. In combat one has to have as many generals who do the planning and actual command at the upper levels as one does in peacetime. One has to be ready in peacetime for combat, but during the combat periods one has to have more company-grade officers, like second lieutenants, captains, and majors, actually out leading the troops.

Mr. CONLAN. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I will say to my fellow Members that I am new in this body. I have been here only 7 months. I cannot speak with the eloquence of the gentleman from Illinois (Mr. ANDERSON), or with the factual background and the details of the military services that many Members have who have served on the Committee on Armed Services.

I am speaking today as a taxpayer, and I am also speaking as a former NATO soldier and officer.

If a Member had asked me a week ago what I would do tonight on this I would have told him I did not know. Like some of the gentlemen who have spoken here tonight, I was concerned about the dollar outflow.

I am concerned about the waste in the military bureaucracy, just as I am about the waste in the HEW bureaucracy, so ably pointed out, or waste in other bureaucracies, or perhaps even some of the waste and profligacy in this body.

But that is not the issue, where there is waste. The real issue is what our action tonight is going to do to trigger the opposition's negotiating position, to strengthen their credibility, to give more courage to them to hang in tough in the battle for supremacy in the world.

And, where will it put our negotiators? Where will it put them when we unilaterally move and give them no option, no strength with which to bargain in a reasonable sense?

I will tell the Members something which they are going to do with this 100,000-man cut, regardless of whether they put in the camouflage amendments saying it will not be out of NATO.

Let me sidestep from that point for just a moment. What we have before us is a very clever dialectical approach, started first by the gentleman from California (Mr. DELLUMS) with his 300,000 cut—the far out approach. That is a parliamentary giveaway. It was easily voted down.

Now they come back with just the 100,000 cut, but the principle is the same, and they want to mousetrap the Members into a position by saying, "You have opposed the ridiculous one and now you are going to vote for a reasonable one."

If Members were serving overseas, as I was, and many of the younger fellows have been, and if you are going to take 100,000 away, when the remainder overseas find out they do not have enough buddies to reasonably win and survive, it is very disconcerting to them for us to stand here and ask those young men to do our fighting for freedom for us.

I did not relish going abroad and to spend 3 years in service. I did not want to take the time out from my family and from my career. But I did it, and many others here did. If you think back on it, you would not want to be in a weak position overseas.

I am going to quote a couple of things the Members need to bear in mind, because it is a little bit confusing, as another gentleman said, when our leaders speak of détente on one side and speak of the Soviet on the other, and when they speak of the Communist movement for world supremacy on the one hand, and on the other hand speak of giving them wheat surpluses at fantastic subsidies. I admit it is confusing to me, too. That is why I had doubts prior to hearing the debate and discussion here today.

If Members will listen, I will quote G. Arbatov, director of the Soviet Institute for American studies when he stated in March 1973:

> Relations with the capitalist nations will remain the relations of struggle, however successful normalization and detente may be. . . . The essential question is what form that struggle will take.

If we read Pravda of May this year, we find this quote:

> Only naive people can expect that recognition of the principles of coexistence by the capitalists can weaken the main contradiction of our times between capitalism and socialism, or that the ideological struggle will be weakened.

If we look around the world further, we can take a look at Haiphong and we will find this:

A steady parade of Communist-bloc ships brings military equipment sufficient to replace all losses in the 1972 offensive and to beef up forces in Laos, Cambodia, and South Vietnam.

If we look at Aden, we find this: With Soviet equipment and training, forces in South Yemen move toward the strategic goal of overthrowing the pro-American Government of Saudi Arabia and depriving the United States of access to its principal foreign source of petroleum.

If you look around the would you can see what the issues are that are being debated today.

If we look at Oman, we find this: Soviet-supported and equipped Popular Front for the Liberation of Oman and the Arab Gulf—PFLOAG—fights in Dhofar Province, aiming at control of Oman and the other oil-rich sheikdoms along the Persian Gulf and southern coast of Arabian Peninsula.

Then we look at Mogadishu, Somalia: Soviet technicians, supplies, and money support buildup of the harbor as a key African control point for Red Sea passage. In Iceland, the local Communists, in close liaison with the Kremlin, maneuver as part of the government coalition to use the cold war as a lever for prying Iceland away from NATO and closing down NATO's Keflavick base.

In Geneva, Soviet representatives continue to reject "on site" inspection to verify nuclear accords. While we prepare for "mutual balanced force reductions," the Kremlin orders additional heavy equipment and troops into the zones subject to the negotiations.

Mr. Chairman, this is not the time to undercut our negotiators. Tell them to bargain hard. Tell them to use our wheat and our technology as part of a tough quid pro quo negotiations. Tell them to put new, more effective negotiators on our team. But let us not unilaterally move toward disarmament tonight. I urge adoption of the Peyser amendment.

The CHAIRMAN. The time of the gentleman from Arizona (Mr. CONLAN) has expired.

Mr. CONLAN. Mr. Chairman, I ask unanimous consent that I may be allowed to proceed for 3 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Arizona?

Mr. CARNEY of Ohio. Mr. Chairman, I object.

The CHAIRMAN. Objection is heard.

Mr. FINDLEY. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of the O'Neill amendment, and I do so because of the assurances that the gentleman from Massachusetts has given me as to his intentions and desire in regard to the level of U.S. troops in Europe in the years to come. I believe we all recognize that there is not any magic in the present level of U.S. forces in Europe. We have had a lot fewer troops over there since the end of World War II than now.

On one occasion former President Eisenhower said that we could have one division in Europe and that one division would be an adequate demonstration of our commitment to the defense of Western Europe.

Mr. Chairman, I believe most of us recognize also that in a showdown the defense of Western Europe would have to be nuclear. There is no real way to avoid it. Therefore, the 4⅔ Army divisions we presently have in Europe are really a token, a showing of the flag, a very important showing of the flag.

So I feel that we could just as effectively and as safely show the American flag with fewer troops in Europe. But how will the Europeans read what we do today if we adopt the O'Neill amendment? Will they say this is the beginning of the end, to use the words of my colleague, the gentleman from Illinois (Mr. ARENDS), as "gutting NATO"? Will they say, "100,000 troops out this year, 100,000 out next year," and so on. So that after 5 years we will have no forces overseas in Europe or elsewhere.

That would be misreading the intent of this body, if I read the intent correctly.

With that in mind, I would like to ask the gentleman from Massachusetts (Mr. O'NEILL) this question:

Am I correct in stating that the gentleman feels the durability of our presence with military forces on the ground in Europe is of such national interest that at the end of 5 years he would like to see at least two full-strength Army divisions still remain there?

Mr. O'NEILL. Mr. Chairman, it is my feeling, in opposition to some Members in this House, that NATO is not a sacred cow, and if it gets to that, the feeling that we are not going to touch NATO, I believe, is wrong.

We have 390,000 troops in NATO now, and as the gentleman said a moment ago, President Eisenhower in 1963 said we could get by with one division.

I believe the gentleman has summed it up very beautifully. As I understand it, we have troops over there now that would last for 57 days in a conventional war. They would end up 20 miles from the line of the Russians or from the lines of the Communists, and they would either be overrun or they would overrun the Communists within a period of 5 days. As long as we have missiles over there I believe we should have NATO troops over there.

I am not for the breaking down of NATO. I believe we should have forces there at all times. Yes, 5 years from now or as long as we are in the present situation and as long as NATO is in existence I believe we should have troops there.

But I do not believe we can go on policing the world and acting as a babysitter for the world with the millions of troops all over the world. I believe we should bring home some troops.

The answer to your question is I have no intention of scuttling NATO whatever. It is not the beginning of the end for it. But I do think we can send home some troops from NATO.

Mr. FINDLEY. I would like to have the attention of the gentleman from Michigan (Mr. ESCH). May I pose the same question to the gentleman? Does the gentleman view the amendment now pending, the O'Neill amendment, as being the beginning of the end of our presence with U.S. ground forces in Europe?

Mr. ESCH. If I may respond to the gentleman, I support the Buchanan amendment as the intention that we need to continue to have a presence in Europe. But our interest in the European continent is not only military but economic and political as well. The amendment is a responsible one. I think the amendments offered by both the gentleman from Alabama and the gentleman from Massachusetts are responsible.

If we recognize we need to keep a presence in Europe but we cannot keep a military presence alone, we need to keep economic strength as well as a military strength in Europe. That is why I support both the amendments offered by the gentleman from Alabama and the gentleman from Massachusetts.

Mr. FINDLEY. I will add finally that I have talked with other sponsors and supporters of the Esch amendment and I have not found one of them that cannot put his support behind the concept of a durable and substantial U.S. presence on the ground in Europe in years to come.

Mr. DORN. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I have listened this evening with a great deal of interest to the debate. I would like to remind the Committee that following World War I it was the distinguished Senator from Massachusetts, Henry Cabot Lodge, who took the lead in keeping America from joining the League of Nations. That action was followed, of course, by a nervous breakdown of the President of the United States, who had hoped that World War I would be the war to end war. Senator Lodge was joined by Senator Hiram Johnson of California and various others. They were sincere isolationists who believed peace could be obtained by disarmament and withdrawal.

You know, I had hoped numerous times that this country at that time and that this Congress had joined the League of Nations and had remained strong and thus prevented World War II, with its loss of 25 million lives throughout the world and 100 million injured.

This Nation alone, as the distinguished minority leader pointed out, suffered 300,000 lives lost and 1 million injured and $300 billion spent.

I have prayed and I have wished thousands of times that this Congress had kept America strong and that we had not placed the fleet in mothballs and that we had not permitted a virtual court-martial of Billy Mitchell. General Mitchell advocated airpower and military strength for peace.

I want to remind my colleagues that I have on the wall of my office in the Rayburn Building, as I have had in the Cannon Building since almost the day I came here, a picture of Billy Mitchell for one reason: to remind me constantly of World War II and who caused it. Gen. Billy Mitchell said that a bomb could sink a battleship. Very few of our leaders listened and Congress continued to cut the defense budget. We had no aircraft carriers, we had tin tanks and wooden guns.

General Mitchell proved it in 1923 when he sank the German battleship *Scharnhorst* with one well-placed bomb. And then Billy Mitchell was forced out of the military and forced out of public life because there were those who would disarm America, and who refused to develop a potential for peace. He was hounded and harassed for advocating peace through strength.

I remember the principal of my high school, and I can remember that he took the senior class, in fact, the whole of Greenwood High School out of school one day to see the U.S. Army cavalry troop by several months after Hitler had taken office, trooping from Fort McPherson, Ga., to Fort Jackson, S.C. And you know, as one high school senior then, and knowing of Hitler's plans to build Panzer divisions and Stuka dive bombers, I wondered what our gallant cavalry—and I loved our school principal for doing what he did—what they would do on the battlefield in a war against dive bombers and tanks.

Do the Members of this body know that the only reason why we sit here today is because Hitler and Tojo were not where Canada is? We were saved by the Atlantic Ocean and the Pacific Ocean. We built from the ground up factories to construct tanks, carriers, and B–29's but the next time we will not have 5 minutes.

The greatest peace force—and I am speaking this evening for peace—the greatest peace force in the world that we have today are our forces that are deployed in Europe and on some of those islands in the Pacific. A return to isolation would be a national disaster. We must for freedom and peace keep the sea lanes and the air lanes and yes, space, free to all nations. For peace we must maintain a superior Navy, Air Force, and a modern skilled U.S. Army.

I do not believe we can stay out of a war by isolationism. Isolation is the road to war and aggression. That was proven once, and if it is proven again it will mean the destruction of this country and all the free countries of the world.

Strength is the greatest peace force that we could possibly have in this world today—Do you know why I was named after William Jennings Bryan? Because William Jennings Bryan resigned as Secretary of State in President Wilson's Cabinet in protest of the measures that led up to American entry into World War I. William Jennings Bryan was a pacifist. He was a peacenik, and a great one. He believed in isolationism. But let us not forget that we cannot huddle behind the Atlantic and the Pacific and just do right because it is right, and make an appeal to morality. There are always Hitlers, Stalins, Tojos and Mussolinis. They have been in this world since Cain killed his brother Abel, and they exist today—Aggressors who would plunge the world into war and the only thing under the wide sun that would prevent them from moving is a strong America.

Mr. DELLUMS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I do not choose to reiterate the arguments that we made when we placed the amendment before the Members on troop reductions. It is clear to me that the mood of the House is that the majority of the people in this body are not willing to address themselves to the question of reducing troop levels in NATO countries. While I disagree with this position I accept the reality of this moment.

But this amendment which has been offered by the distinguished majority leader the gentleman from Massachusetts (Mr. O'NEILL) calls for a reduction of 100,000 troops. Let us for the moment set aside the NATO countries and let us talk about where those 100,000 troops could come from if we decide not to reduce them from the NATO countries.

I stated in my opening remarks that where lay people attempt to make decisions on issues where experts disagree, then our most important weapon is our ability to ask accurate and important questions. Without dealing with the NATO countries, let us talk about from where some of those 100,000 troops can come.

Why is it necessary for the United States to maintain 30,000 military personnel including one division of 13,000 U.S. soldiers stationed in South Korea 20 years after the war?

What U.S. national defense commitment requires the presence of 43,000 U.S. military personnel stationed in Thailand after U.S. military forces have been withdrawn from South Vietnam?

Since the Nixon doctrine rules out the future use of U.S. ground troops in combat in Asia, why is it necessary to continue to maintain 42,000 U.S. military personnel, including most of one Marine division, stationed in the Ryukyu Islands?

At a time when the United States is taking its first step in a series of steps toward establishing an embassy in Peking, why does it continue to see it necessary to station 9,000 troops in Taiwan?

What is the purpose for the forward deployment of nearly 20,000 U.S. military personnel, including nearly 10,000 ground troops, in Japan? What treaty article requires this U.S. commitment? Under what treaty article does the United States maintain 1,000 military personnel stationed in Ethiopia?

What is the treaty article that requires the forward deployment of 1,000 U.S. military personnel in Morocco?

What treaty article stipulates a U.S. commitment which requires the stationing of 7,000 military personnel in Turkey?

What treaty article requires U.S. commitment of over 68,000 military personnel afloat in the western Pacific?

What military agreement or treaty article obligates the forward deployment of nearly 1,000 U.S. military personnel in the following countries of Iran, Australia, and Cyprus?

Mr. Chairman, there is more than enough room for us to cut at least 100,000 troops around the world. If we choose not to cut them out of NATO countries, we certainly can raise questions with respect to the bloated forward deployment of troops in other nations throughout the world.

I think this amendment should be supported.

Finally, I should like to point out that one gentleman alluded to the grand strategy here on the floor. I should like to hope that I have the power and the prestige and the influence to be the architect of a guaranteed strategy to win on this floor, but I humbly submit to the Chairman and members of this Committee that I do not have that power.

All of us who have been trying to cut these troops are saying that we have a bloated deployment of forces throughout the world. We have serious economic problems in this country. We have a responsibility not only to defend from the outside but to defend the people from the problems we have within this country.

We desperately need money. Whatever decision is made by this Committee establishes the perimeters for whatever any other committee in the Congress does, because without resources, we cannot adequately deal with other issues.

As I said earlier, we can mobilize against fear, but to mobilize against the realities of the problems that we have in this country is absurd. We must cut this budget in some way. Let us support the O'Neill amendment that gives us an opportunity to cut 100,000 troops.

I thank the gentleman.

Mr. HAYS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in opposition to the amendment. I want to say to the Members that if the argument of Mr. DELLUMS and Mr. O'NEILL that the only reason that we are doing this is to save money had any validity, they would offer amendments saying we would just demobilize 100,000 troops. It does not cost any more to keep them in Europe than it does here, not as much with the German offset.

Mr. O'NEILL. Mr. Chairman, will the gentleman yield?

Mr. HAYS. I yield to the gentleman from Massachusetts.

Mr. O'NEILL. May I say to the gentleman that is my intent. I hope we are not just going to bring them here.

Mr. HAYS. But the gentleman's amendment does not say that. It says "overseas."

Mr. O'NEILL. I presumed that when the Army brought them back from overseas, they would discharge them.

Mr. HAYS. I think the gentleman presumes too much, and if the gentleman had written it in saying we could just have 100,000 fewer troops, I might have been able to support the amendment.

The gentleman from California (Mr. DELLUMS) asks, "Why do we have troops in Korea?" I sort of got the impression yesterday—and if I am wrong, the gentlemen who voted that way can come around and quietly and privately correct me—a good many Members think that it is pretty important that they stay there. Let me tell the Members about a little silly vote I made in the first term I was down here. There were 83 of us—I believe 83 is the right number, or 88, something like that; Mr. BOLLING and I think it was in the eighties; I conferred with him—who came here in 1948 as new Democrats.

And I was lulled into voting for a troop reduction in Korea on the grounds that we could not afford to keep them there in 1950. It passed by two votes and I was one of the stupid two. Do the Members know what happened to those 80 Democrats? Sixty of them did not come back because the Communists invaded Korea within 3 weeks after we voted no more money for Korea. I survived by 1,200 votes and I made up my mind that the most important thing was not my staying here but that I was not going to be stupid enough to invite another disaster for the United States even if I did not stay here.

If the Members think the Communists will not roll in their tanks if they think it is in their interest to do so and if we withdraw troops enough that they think they can get away with it, then we have mighty short memories. As I said the other day it did not take them long to roll their tanks into Hungary and into Czechoslovakia.

I want to pass the blame around. I want to talk to the gentlemen on the other side. Mr. Dulles went all around the world saying that we are going to get rid of this stupid Democratic policy of containment. Oh, yes, we are going to have a policy of liberation, not containment but liberation. And the Hungarians were dumb enough to believe that. They said, "All right, we will start the liberation and the Americans will help." We did help. Mr. Dulles made a speech in which he said they were brave and he hoped they prevailed, or something to that effect. That is all the help they got.

The Russians waited for 10 days, my friends. I was there and I went down into Hungary against the advice of the State Department. In fact they said I could not go, and I said they would not tell me where I could go, and I went.

They waited 10 days to see what we would do about Mr. Dulles' policy of liberation. When they found out we were going to do nothing, the tanks rolled in and the blood flowed in the streets of Budapest and the Hungarian revolutionaries either died in their tracks or fled.

Now if this amendment is not an invitation for the Russians to take for the asking what they have not been able to get for 25 years, do the Members think they will not consider it that kind of invitation? Do the Members think if this passes that the Russians will negotiate for 30 seconds about mutual and balanced troop reductions?

I am for economy and I may vote if the amendment comes up for a 4-percent cut or whatever it is as a bipartisan cut. I think we can cut some money out of this but I am not going to say we have got to bring so many troops home from here or from there. If we decide to give them a few percentage points less money, that is fine, and then let them make the decision in consultation with the experts in Congress, but let us not do it in a meat-ax approach on this floor tonight.

The CHAIRMAN. The time of the gentleman from Ohio has expired.

(On request of Mr. MATSUNAGA, and by unanimous consent, Mr. HAYS was allowed to proceed for 1 additional minute.)

Mr. MATSUNAGA. Mr. Chairman, will the gentleman yield?

Mr. HAYS. I yield to the gentleman from Hawaii.

Mr. MATSUNAGA. Mr. Chairman, inasmuch as the gentleman stated if it meant a cutting down of the end troop strength of 100,000 he would support the measure, I wish to call to the attention of the gentleman that the amendment does in fact call for a cut in end strength.

Mr. HAYS. Oh no, the amendment calls for a cutting down of troop strength overseas. If we want to cut 100,000 in Hawaii and North Carolina and Dayton, Ohio, all right, but not overseas. We went around and around and around on this, and I know Hawaii is in the United States.

Mr. MATSUNAGA. If the gentleman will yield further, I have the amendment in my hand and may I read it? This is section 301:

> For the fiscal year beginning June 1, 1973, and ending June 30, 1974, each component of the Armed Forces is authorized an end strength for active duty personnel as follows—

And so on.

Mr. HAYS. I know all about that, but read the end of it where it says only 400,000 troops overseas.

Mr. MATSUNAGA. But the O'Neill amendment calls for an end strength of 100,000 less troops.

Mr. HAYS. But it says so many fewer overseas. That is the part I object to.

Mr. MATSUNAGA. Mr. Chariman, as a cosponsor of an amendment similar to the pending O'Neill amendment, I urge its support. Simply put, it would reduce the troop level authorized in H.R. 9286 by 100,000, from the number proposed by the Armed Services Committee which is approximately 2.2 million.

The one thing no one disagrees on, Mr. Chairman, is that our present force level is too large. The Pentagon itself recommended that the level be cut by some 51,000 from the 1973 level of 2.89 million men and women. The House Armed Services Committee effected a further reduction of over 13,000. Last week the Senate Armed Services Committee cut more than 150,000 troops from the Pentagon request. The level approved by the Senate committee is 2,076,000, which is 24,000 troops less than the pending O'Neill amendment would provide. The Senate committee vote, incidentally, was unanimous, Mr. Chairman. Surely every member of that distinguished committee cannot be accused of ignoring our defense needs.

There is a second notable feature of the pending amendment. Although the places where the troop levels would be reduced are not specified the amendment requires that the 100,000 reduction come from the 500,000 U.S. troops stationed overseas. We maintain nearly 2,000 military installations in foreign areas, so there is certainly no shortage of places where responsible troop level reductions could be effected.

I know that a number of Members are genuinely concerned that a reduction of U.S. forces overseas, particularly in Europe, would be interpreted by our allies as a signal of a lessened American resolve to help defend them in an emergency.

Yet during the past 10 years the British and Canadians have withdrawn troops from Europe. Portugal withdrew her troops. The French withdrew 10 divisions. Indeed, when the United States felt the need to send more troops to Southeast Asia in the late sixties, over 100,000 American troops were withdrawn from Europe.

Thousands of troops have been removed from NATO without precipitating a rush among Western European nations to reach a hasty accommodation with Russia.

One particularly appealing argument advanced against reduction of overseas troops, Mr. Chairman, is that we should not give away something when we can bargain for something in return for it, namely, a reciprocal troop reduction on the part of Warsaw Pact Nations. There is nothing in the O'Neill amendment that necessarily reduces NATO troop levels. If our NATO Allies feel that the organization's troop strength should be maintained at present levels despite modest U.S. cuts, nothing prevents them from maintaining that level by increasing their own commitments.

It is clear, Mr. Chairman, that the O'Neill amendment would not harm the U.S. defense posture. Moreover, it would address in a constructive way certain serious problems in our international relations.

Our overseas military presence costs nearly $30 billion annually, generating about a third of the U.S. balance of payments deficit.

I would hope, Mr. Chairman, that every Member of the House interested in fiscal responsibility would join in supporting the O'Neill amendment, for it could generate between $1.5 to $2 billion in savings, without compromising the military strength of the United States.

I urge the adoption of the amendment.

Mr. FRASER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in part to make clear what the sequence of voting will be.

PARLIAMENTARY INQUIRY

Mr. FRASER. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. FRASER. Mr. Chairman, will the first vote occur on the amendment offered by the gentleman from Alabama (Mr. BUCHANAN)?

The CHAIRMAN. The Chair will state that that is the intention of the Chair.

Mr. FRASER. Mr. Chairman, as I understand it, that will happen as soon as we vote, and I hope it will be right away.

Mr. BUCHANAN's amendment is, in effect, saying, "move slowly on any cuts in NATO," and will be offered to the amendment offered by Mr. O'NEILL, and the amendment offered by Mr. O'NEILL calls for a net force reduction of 100,000 in total force strength, with that 100,000 to come from overseas.

I myself have opposed any cuts in NATO, but I am going to support the O'Neill amendment, because 100,000 is so small it does not require any cut in NATO.

If the Buchanan amendment is adopted, it will make it even more clear that we do not intend to make cuts in NATO, but whether the Buchanan amendment is adopted or not is not essential, because 100,000 càn easily be found in the Pacific by taking the 45,000 forces out of Thailand who have no further purpose there; the Japanese would welcome a reduction, so we can take 30,000 out of Japan and it would not impair their security.

Mr. BUCHANAN. Mr. Chairman, will the gentleman yield?

Mr. FRASER. I yield to the gentleman from Alabama (Mr. BUCHANAN).

Mr. BUCHANAN. Mr. Chairman, I am a little concerned about the state of my amendment in the order of voting. I am trying to help, not hurt NATO. I am a little concerned about an overwhelming emotional "no" vote on my amendment.

I understand the feeling of this body, and how it is going to vote on the substitute. My amendment does not harm that substitute.

Mr. FRASER. Mr. Chairman, I am familiar with the language in the amendment offered by the gentleman from Alabama, because it is similar to the language that came up in the Democratic Caucus for the purpose of indicating the importance of NATO. It will be attached to the amendment offered by Mr. O'NEILL, and that will make very clear that NATO is not hurt.

Mr. RONCALIO of Wyoming. Mr. Chairman, I move to strike the last word.

Mr. Chairman, the O'Neill amendment should prevail. We are now losing the economic battles of our day to Germany and to Japan. They are kicking hades out of us with pencils and computers—not military weapons.

What we need in Europe and Japan are 100,000 American businessmen with the enterprise to outsell the Russians on such items as enriched uranium services, and outsell our competitors in Asia with American products.

Mr. HUNT. Mr. Chairman, they have been talking here about the voting for a long time. Someone has said "move the previous question," so that we can vote. We all want to vote; let us vote.

The CHAIRMAN. The Chair is ready to put the question.

The question is on the amendment offered by the gentleman from Alabama (Mr. BUCHANAN) to the amendment offered by the gentleman from Massachusetts (Mr. O'NEILL).

The amendment to the amendment was rejected.

The CHAIRMAN. The question is on the substitute amendment offered by the gentleman from New York (Mr. PEYSER) for the amendment offered by the gentleman from Massachusetts (Mr. O'NEILL).

The question was taken; and the chairman announced that the ayes appeared to have it.

RECORDED VOTE

Mr. O'NEILL. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 242, noes 163, not voting 28, as follows:

[Roll No. 409]

AYES—242

Abdnor
Anderson, Ill.
Andrews, N.C.
Andrews,
  N. Dak.
Annunzio
Archer
Arends
Armstrong
Bafalis
Baker
Beard
Bell
Bennett
Bevill
Bolling
Bowen
Bray
Breaux
Breckinridge
Brinkley
Brooks
Broomfield
Brotzman
Brown, Mich.
Brown, Ohio
Broyhill, N.C.

Broyhill, Va.
Burgener
Burke, Fla.
Burleson, Tex.
Butler
Byron
Casey, Tex.
Cederberg
Chamberlain
Chappell
Clancy
Clark
Clausen, Don H.
Clawson, Del
Cleveland
Collier
Collins, Tex.
Conable
Conlan
Crane
Cronin
Daniel, Dan
Daniel, Robert W., Jr.
Davis, Ga.
Davis, S.C.
Davis, Wis.
de la Garza
Delaney
Dennis
Derwinski
Devine
Dickinson
Dorn
Downing
Dulski
Duncan
du Pont
Edwards, Ala.
Erlenborn
Eshleman
Fish
Flood
Flowers
Flynt
Ford, Gerald R.
Forsythe
Fountain
Frelinghuysen
Frey
Froehlich
Fuqua
Gibbons
Gilman
Ginn
Goldwater
Gonzalez
Goodling
Green, Oreg.
Grover
Gubser
Guyer
Haley
Hanrahan
Hansen, Idaho
Harsha
Hastings
Hays
Hébert
Henderson
Hillis
Hinshaw
Hogan
Holifield
Holt
Horton
Hosmer
Huber
Hudnut
Hunt
Hutchinson
Ichord
Jarman
Johnson, Calif.
Johnson, Pa.
Jones, Ala.
Jones, Okla.
Jones, Tenn.
Kazen
Keating
Kemp
Ketchum
King
Kluczynski
Kuykendall
Landrum
Latta
Lent
Long, La.
Lott
Lujan
McClory
McCollister
McDade
McEwen
McFall
McKay
McSpadden
Madigan
Mahon
Mailliard
Mallary
Mann
Maraziti
Martin, Nebr.
Martin, N.C.
Mathias, Calif.
Mathis, Ga.
Mayne
Michel
Minshall, Ohio
Mitchell, N.Y.
Mizell
Mollohan
Montgomery
Moorhead, Calif.
Morgan
Murphy, Ill.
Murphy, N.Y.
Myers
Nelsen
Nichols
O'Brien
Parris
Passman
Pettis
Peyser
Poage
Powell, Ohio
Preyer
Price, Ill.
Price, Tex.
Quie
Quillen
Randall
Regula
Rhodes
Rinaldo
Roberts
Robinson, Va.
Roncallo, N.Y.
Rooney, Pa.
Rose
Rostenkowski
Rousselot
Runnels
Ruppe
Ruth
Sandman
Satterfield
Saylor
Scherle
Schneebeli
Sebelius
Shoup
Shriver
Shuster
Sikes
Sisk
Slack
Smith, N.Y.
Spence
Staggers
Stanton, J. William
Steed
Steelman
Steiger, Ariz.
Steiger, Wis.
Stratton
Stubblefield
Stuckey
Symms
Talcott
Taylor, Mo.
Taylor, N.C.
Teague, Calif.
Teague, Tex.
Thomson, Wis.
Thone
Thornton
Towell, Nev.
Treen
Vander Jagt
Veysey
Waggonner
Walsh
Wampler
Ware
White
Whitehurst
Whitten
Wiggins
Williams
Wilson, Bob
Wilson, Charles H., Calif.
Wilson, Charles, Tex.
Wright
Wyatt
Wydler
Wyman
Young, Alaska
Young, Fla.
Young, Ill.
Young, S.C.
Young, Tex.
Zablocki
Zion

NOES—163

Abzug
Adams
Addabbo
Anderson, Calif.
Ashbrook
Ashley
Aspin
Badillo
Barrett
Bergland
Biaggi
Biester
Bingham
Blatnik
Boland
Brademas
Brasco
Brown, Calif.
Buchanan
Burke, Calif.
Burke, Mass.
Burlison, Mo.
Burton
Carey, N.Y.
Carney, Ohio
Carter
Chisholm
Clay
Cohen
Collins, Ill.
Conte
Corman
Cotter
Coughlin
Culver
Daniels, Dominick V.
Danielson
Dellenback
Dellums
Denholm
Dent
Diggs
Dingell
Donohue
Drinan
Eckhardt
Edwards, Calif.
Eilberg
Esch
Evans, Colo.
Fascell
Findley
Foley
Ford, William D.
Fraser
Frenzel
Fulton
Gaydos
Giaimo
Grasso
Green, Pa.
Griffiths
Gross
Gude
Hamilton
Hanley
Harrington
Hawkins
Hechler, W. Va.
Heckler, Mass.
Heinz
Helstoski
Hicks
Holtzman
Howard
Hungate
Johnson, Colo.
Jordan
Karth
Kastenmeier
Koch
Kyros
Leggett
Lehman
Litton
Long, Md.
McCloskey
McCormack
McKinney
Macdonald
Madden
Matsunaga
Mazzoli
Meeds
Melcher
Metcalfe
Mezvinsky
Miller
Minish
Mink
Mitchell, Md.
Moakley
Moorhead, Pa.
Mosher
Moss
Natcher
Nedzi
Nix
Obey
O'Hara
O'Neill
Owens
Patten
Perkins
Pickle
Pike
Podell
Pritchard
Railsback
Rangel
Rarick
Rees
Reid
Reuss
Riegle
Robison, N.Y.
Rodino
Rogers
Roncalio, Wyo.
Rosenthal
Roush
Roy
Roybal
Ryan
St Germain
Sarasin
Sarbanes
Schroeder
Seiberling
Shipley
Snyder
Stanton, James V.
Stark
Steele
Stokes
Studds
Sullivan
Symington
Thompson, N.J.
Tiernan
Udall
Ullman
Van Deerlin
Vanik
Vigorito
Waldie
Whalen
Wolff
Wylie
Yates
Yatron
Young, Ga.
Zwach

NOT VOTING—28

Alexander
Blackburn
Boggs
Camp
Cochran
Conyers
Evins, Tenn.
Fisher
Gettys
Gray
Gunter
Hammerschmidt
Hanna
Hansen, Wash.
Harvey
Jones, N.C.
Landgrebe
Milford
Mills, Ark.
Patman
Pepper
Roe
Rooney, N.Y.
Skubitz
Smith, Iowa
Stephens
Widnall
Winn

So the substitute amendment was agreed to.

The result of the vote was announced as above recorded.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Massachusetts (Mr. O'NEILL), as modified, as amended.

The amendment, as amended, was agreed to.

Mr. SIKES. Mr. Chairman, I ask unanimous consent that all debate on this title and all amendments thereto close in 10 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Florida?

Mr. HÉBERT. Mr. Chairman, I would ask the gentleman from Florida to withhold his unanimous-consent request for just one moment.

Mr. SIKES. I will be glad to hold my unanimous-consent request.

Mr. HÉBERT. Mr. Chairman, the reason I asked the gentleman from Florida (Mr. SIKES) to temporarily withhold his unanimous consent request to limit debate was because I promised this House that I would not ask unanimous consent to limit debate nor make a motion to cut off debate, and I do not intend to violate that promise, and I intend to keep it.

However, Mr. Chairman, one very important factor is that I always believe that the majority has the right of rule. I certainly do not take any umbrage that the gentleman from Florida (Mr. SIKES) wishes to make this unanimous consent request. I would submit it to the Members that if a majority of the Members wish to do this, if they want to expedite this legislation and go home early, which I hope they will, then it is up to the majority to express their will.

Mr. Chairman, I thank the gentleman from Florida for temporarily withholding his unanimous consent request.

Mr. SIKES. Mr. Chairman, I renew my unanimous consent request that all debate on this title and all amendments thereto close in 10 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Florida?

There was no objection.

AMENDMENT OFFERED BY MR. FRENZEL

Mr. FRENZEL. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. FRENZEL: In title III. Active forces, add section 302 after section 301:

"Notwithstanding any provision in Sections 301 or 302, for the fiscal year beginning July 1, 1973 and ending June 30, 1974, the aggregate end strength for active duty commissioned officers in the Army, the Navy, the Marine Corps and the Air Force combined shall not exceed 310,781."

Mr. FRENZEL. Mr. Chairman, the amendment which I am offering is rather easy to understand. It sets a limit on the number of commissioned officers in our armed services. Currently, Congress sets a limit to the size of each service. This amendment will set an aggregate ceiling on the number of commissioned officers in all services and allows the Secretary of Defense to distribute the number among the various services in any way he deems suitable or necessary.

There are a number of strong reasons why I offer this amendment. First, it may save between $140 and $150—$420 and $450—million. In a time when the President is attempting to control inflation, and when we are already embarked on a course which will bust our own budget ceiling, saving a sum like this is very important. If we are to spend money on all the various social programs which many of us have fought for, we must cut the military budget in some way. I think that this may be one method to do this.

This amendment also sets a precedent for congressional oversight on the size of the officer corps. The Congress exercises oversight on a number of other defense related issues but has thus far apparently not deemed it necessary to control the number of commissioned officers. If Congress is to accept its responsibility in determining military policy, it should at least speak on the questions of the number of commissioned officers.

My reasons for submitting this amendment are not limited to fiscal responsibility and congressional oversight. I believe that we are about to encounter a problem in our military personnel situation which may have adverse effects on adequate defense planning.

The size of our officer corps has been growing larger and larger in relation to the total strength of our Armed Forces. At the height of the Indochina war, 11.3 percent of our men on active duty were officers. Since that time, this figure has reached 14.3 percent. In pre-Indochina period, a time of relative peacefulness, 1957–63, the figure was 12.5 percent. My amendment would set the ceiling by next year at 14 percent.

I believe that the military today is more complicated than it was even a short 10 years ago. It is very easy for our military to recruit men for a buildup like

Indochina. It is quite another thing for them to let these men go when the emergency is over. Unless there is a ceiling mandating that there be no more than a certain number of officers, the problem of too many officers may continue to cost the taxpayer and also harm our national defense.

Too many officers in our Armed Forces, in addition to causing needless cost, also causes a kind of threat to our national security. The United States has had a policy of flexible response. At present, we have, insofar as we know, an adequate nuclear force to destroy an enemy. However, not all situations will call for a nuclear strike; even of a strategic or tactical nature. We must also have a conventional deterrent capability in a strong Armed Forces. Our Armed Forces, in order to be a credible conventional deterrent, must be a select group of people, highly trained and combat ready. This force must be capable of great mobility and capable to mount a short-term, conventional deterrent to our enemies anywhere in the world.

With the percent of officers in our total active duty personnel growing, the percent of enlisted men must correspondingly shrink. If the trend continues we may not have a credible conventional deterrent force. An army of 2 million men with close to a third of a million officers may not be a credible deterrent. Officers, by and large, do not do the hardnose conventional fighting. Enlisted men do. The size of our officer corps should be limited to maintain our flexible response strategy with a conventional force. An all-officer army is not this force; an all-volunteer army with a small officer corps is.

The quality of our officers will improve by limiting the number of officers.

The United States offers a man who wants a career as an officer good benefits. The pay is good, and the pension plan is superior to most civilian occupations. We should have reasonable numbers of good men as officers and these men should be in a highly desirable occupation. By limiting the number of officers, not everyone who wishes to become an officer would be able to become one. Probably, the standards for men wishing to be officers will rise, making an already good group of men a prestigious group of highly trained, combat-ready professional soldiers.

The cut I am suggesting in this amendment is not deep. Currently, there are 324,000 officers in our Armed Forces. This amendment will cut that to 310,781—282,781—a cut of less than 14,000—42,000 or 3.5 percent—12 percent. I think that this is a responsible amount which will not result in wholesale reductions.

This amendment will not create an officer corps of all generals and colonels. The Officer Grade Limitations Act limits the size of each grade to the size of each services officer corps. The cut will be by and large proportional since the upper limit to this act has been reached for some of the higher grades.

I believe that this amendment is a responsible amendment. It will save the taxpayers some money, enhance rather than hurt national security, and upgrade the status of officers. It is imperative that we remember that this will increase congressional power insofar as oversight over another segment of our military policy is concerned. I urge adoption of this amendment.

Mr. DAN DANIEL. Mr. Chairman, the committee did not have an opportunity to consider this matter. The gentleman from Minnesota did not bring it to the attention of the committee. I should like, however, to have the Committee of the Whole House here consider this. Each service has different missions and unique characteristics which influence officer and enlisted requirements.

The Air Force combat engagement force is composed almost exclusively of officers in aircrew and missile crew positions. This differs markedly from the combat arms of other services whose relatively smaller, high-ratio aviation components are counterbalanced by divisions and capital ships having relatively low ratios.

I am saying, Mr. Chairman, in effect that some of the services are labor intensive and others are capital intensive.

The officer-enlisted ratio programed for 1974 is almost identical to the ratio following World War II in 1946.

Today the services have the following officer ratios: Army, 1 to 7; Navy, 1 to 7; Air Force, 1 to 5.01; Marine Corps, 1 to 9.19.

The only services with a commissioned officer to enlisted ratio in excess of 1 to 7 is the Air Force, the only service affected by the Frenzel amendment.

I hope very much that the committee will reject the amendment.

Mr. EVANS of Colorado. Mr. Chairman, would the gentleman yield?

Mr. DAN DANIEL. I yield to the gentleman from Colorado.

Mr. EVANS of Colorado. I should like to ask a question and my question is this: We all have difficulty in determining how many men we should have and how many officers in relation to men. We had 323,000 less men in 1971 than we had in 1946, and yet we had 66,000 more captains, majors, lieutenant colonels, and colonels than we had in 1946, and we had 43,000 fewer second lieutenants and 77,000 fewer first lieutenants.

I wonder what the distinguished gentleman from Virginia could tell this committee what the committee can do to study the restructuring, a more sensible restructuring, of officers in relation to enlisted personnel.

Mr. DAN DANIEL. In response to the gentleman from Colorado, I will say again we did not have an opportunity to study this amendment. I assure the gentleman from Colorado that we are all anxious to have the proper ratio.

And I also am interested in saving such funds as we can. I appreciate the gentleman's observation.

Mr. DICKINSON. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I oppose the amendment for several reasons.

First, there are already adequate laws to control the number of senior officers and the present officer quotas of the military that are the product of over 20 years experience.

Second, the number of officers in the grades of major and lieutenant commander and above are below the limitations permitted by law today.

Third, since the Armed Forces started to decrease from their peak armed strength in 1968–69, the officer forces will have been reduced by 100,000 by the end of fiscal year 1974. There have been over 10,000 reductions in grades of lieutenant colonel and commander and above.

Mr. Chairman, one of the big faults I find with the proposed amendment, and I am the ranking minority member on the Manpower Subcommittee and I agree we did not have an opportunity to study this, is that what is being called for is an aggregate or total strength and not an average strength. This means if we go by simply an aggregate strength there is no ability to fluctuate and there is no room for discretion. It is an arbitrary ceiling that would make the Department of Defense in violation at the moment the President signs it. I think it is unrealistic. I think we are cognizant of the problem within our committee. I think if we are left to work out the problem within our committee we will come up with a reasonable solution.

Mr. Chairman, I am very much opposed to the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Minnesota (Mr. FRENZEL).

The question was taken; and on a division (demanded by Mr. FRENZEL) there were—ayes 53, and noes 134.

So the amendment was rejected.

The CHAIRMAN. Are there any further amendments to be proposed to title III? If not, the Clerk will read.

The Clerk read as follows:

TITLE IV—RESERVE FORCES

SEC. 401. For the fiscal year beginning July 1, 1973, and ending June 30, 1974, the Selected Reserve of each Reserve component of the Armed Forces will be programed to attain an average strength of not less than the following:

(1) The Army National Guard of the United States, 379,144;

(2) The Army Reserve, 232,591;

(3) The Naval Reserve, 116,981;

(4) The Marine Corps Reserve, 39,735;

(5) The Air National Guard of the United States, 92,291;

(6) The Air Force Reserve, 49,773;

(7) The Coast Guard Reserve, 11,800.

SEC. 402. The average strength prescribed by section 401 of this title for the Selected Reserve of any Reserve component shall be proportionately reduced by (1) the total authorized strength of units organized to serve as units of the Selected Reserve of such component which are on active duty (other than for training) at any time during the fiscal year, and (2) the total number of individual members not in units organized to serve as units of the Selected Reserve of such component who are on active duty (other than for training or for unsatisfactory participation in training) without their consent at any time during the fiscal year. Whenever such units or such individual members are released from active duty during any fiscal year, the average strength for such fiscal year for the Selected Reserve of such Reserve component shall be proportionately increased by the total authorized strength of such units and by the total number of such individual members.

Mr. HÉBERT (during the reading). Mr. Chairman, I ask unanimous consent that title IV be considered as read, printed in the RECORD, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

The CHAIRMAN. If there are no amendments to be proposed to title IV, the Clerk will read.

The Clerk read as follows:

TITLE IV—MILITARY TRAINING STUDENT LOADS

SEC. 501. For the fiscal year beginning July 1, 1973, and ending June 30 1974, each component of the Armed Forces is authorized an average military training student load as follows:

(1) The Army, 89,053;

(2) The Navy, 75,647;

(3) The Marine Corps, 27,976;

(4) The Air Force, 54,904;

(5) The Army National Guard of the United States, 19,100;

(6) The Army Reserve, 59,900;

(7) The Naval Reserve, 15,200;

(8) The Marine Corps Reserve, 5,600;

(9) The Air National Guard of the United States, 4,600;

(10) The Air Force Reserve, 24,300.

Mr. HÉBERT (during the reading). Mr. Chairman, I ask unanimous consent that title V be considered as read, printed in the RECORD, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

The CHAIRMAN. Are there any amendments to be proposed to title V? If not, the Clerk will read.

The clerk read as follows:

TITLE VI—GENERAL PROVISIONS

SEC. 601. Subsection (a) (1) of section 401 of Public Law 89-367 approved March 15, 1966 (80 Stat. 37), as amended, is hereby amended to read as follows:

"(a) (1) Not to exceed $1,300,000,000 of the funds authorized for appropriation for the use of the Armed Forces of the United States under this or any other Act are authorized to be made available for their stated purposes to support: (A) Vietnamese and other free world forces in support of Vietnamese forces, (B) local forces in Laos; and for related costs, during the fiscal year 1974 on such terms and conditions as the Secretary of Defense may determine. None of the funds appropriated to or for the use of the Armed Forces of the United States may be used for the purpose of paying any overseas allowance, per diem allowance, or any other addition to the regular base pay of any person serving with the free world forces in South Vietnam if the amount of such payment would be greater than the amount of special pay authorized to be paid for an equivalent period of service, to members of the Armed Forces of the United States (under section 310 of title 37, United States Code) serving in Vietnam or in any other hostile fire area, except for continuation of payments of such additions to regular base pay provided in agreements executed prior to July 1, 1970. Nothing in clause (A) of the first sentence of this paragraph shall be construed as authorizing the use of any such funds to support Vietnamese or other free world forces in actions designed to provide military support and assistance to the Government of Cambodia or Laos: *Provided*, That nothing contained in this section shall be construed to prohibit support of actions required to insure the safe and orderly withdrawal or disengagement of U.S. forces from Southeast Asia, or to aid in the release of Americans held as prisoners of war."

SEC. 602. Notwithstanding any other provision of law, no funds authorized to be appropriated by this or any other Act may be obligated or expended for the purpose of carrying out directly or indirectly any economic or military assistance for or on behalf of North Vietnam during the fiscal year ending June 30, 1974.

SEC. 603. None of the funds authorized for appropriation to the Department of Defense pursuant to this Act shall be obligated under a contract entered into after the date of enactment of this Act under any multiyear procurement as defined in section 1-322 of the Armed Services Procurement Regulations (as in effect on September 26, 1972) where the cancellation ceiling for such procurement is in excess of $5,000,000.

SEC. 604. (a) Chapter 4 of title 10, United States Code, is amended by adding the following new sections after section 137 and inserting corresponding items in the chapter analysis:

"§ 138. Secretary of Defense: Annual authorization of appropriations for armed forces

"(a) No funds may be appropriated for any fiscal year to or for the use of any armed force or obligated or expended for—

"(1) procurement of aircraft, missiles, or naval vessels;

"(2) any research, development, test, or evaluation, or procurement or production related thereto;

"(3) procurement of tracked combat vehicles;

"(4) procurement of other weapons; or

"(5) procurement of naval torpedoes and related support equipment;

unless the annual appropriation for such funds has been specifically authorized by law in accordance with the provisions of this section.

"(b) Congress shall authorize the personnel strength of the Selected Reserve of each reserve component of the armed forces. No funds may be appropriated for any fiscal year for the pay and allowances of members of any reserve component of the armed forces unless the personnel strength of the Selected Reserve of that reserve component for that fiscal year has been authorized by law.

"(c) (1) Congress shall authorize the end strength, as of the end of each fiscal year for active-duty personnel for each component of the armed forces. No funds may be appropriated for any fiscal year to or for the use of the active-duty personnel of any components of the armed forces unless the end strength for active-duty personnel of that component for the fiscal year has been authorized by law.

"(2) The Secretary of Defense shall submit to Congress a written report, not later than January 31 of each fiscal year, recommending the annual active-duty end strength level for each component of the armed forces for the next fiscal year, and shall include in that report justification for the strength levels recommended and an explanation of the relationship between the personal strength levels recommended for that fiscal year and the national security policies of the United States in effect at the time. The justification and explanation shall specify in detail for all forces, including each land force division, carrier and other major combatant vessel, air wing, and other comparable unit the—

"(A) unit mission and capability;

"(B) strategy which the unit supports; and

"(C) area of deployment and illustrative areas of potential deployment, including a description of any United States commitment to defend such areas.

It shall also include a detailed discussion of the manpower required for support and overhead functions within the armed forces.

"(d) (1) Congress shall authorize the average military training student loads for each component of the armed forces. That authorization is not required for unit or crew training student loads, but is required for student loads for the following individual training categories—

"(A) recruit and specialized training;

"(B) flight training;

"(C) professional training in military and civilian institutions; and

"(D) officer acquisition training.

No funds may be appropriated for any fiscal year for training military personnel in the training categories described in clauses (A)-(D) of any component of the armed forces, unless the average student load of that component for that fiscal year has been authorized by law.

"(2) The Secretary of Defense shall submit to Congress a written report, not later than March 1 of each fiscal year, recommending the average student load for each category of training for each component of the armed forces for the next three fiscal years, and shall include in that report justification for, and explanation of, the average student loads recommended.

"§ 139. Secretary of Defense: weapons development and procurement schedules for armed forces; reports; supplemental reports

"(a) The Secretary of Defense shall submit to Congress each calendar year, at the same time the President submits the budget to Congress under section 11 of title 31, a written report regarding development and procurement schedules for each weapon system for which fund authorization is required by which fund authorization is required by section 138(a) of this title, and for which any funds for procurement are requested in that budget. The report shall include data on operational testing and evaluation for each weapon system for which funds for procurement are requested (other than funds requested only for the procurement of units for operational testing and evaluation, or long lead-time items, or both). A weapon system shall also be included in the annual report required under this subsection in each year thereafter until procurement of that system has been completed or terminated, or the Secretary of Defense certifies, in writing, that such inclusion would not serve any useful purpose and gives his reasons therefor.

"(b) The Secretary of Defense shall submit a supplemental report to Congress, not less than thirty, or more than sixty, days before the award of any contract, or the exercise of any option in a contract for the procurement of any such weapon system (other than procurement of units for operational testing and evaluation, or long lead-time items, or both), unless—

"(1) the contractor or contractors for that system have not yet been selected, and the Secretary of Defense determines that the submission of that report would adversely affect the source selection process and notifies Congress in writing, prior to such award, of that determination, stating his reasons therefor; or

"(2) the Secretary of Defense determines that the submission of that report would otherwise adversely affect the vital security interests of the United States and notifies Congress in writing of that determination at least thirty days prior to the award, stating his reasons therefor.

"(c) Any report required to be submitted under subsection (a) or (b) shall include detailed and summarized information with respect to each weapon system covered, and specifically include, but not be limited to—

"(1) the development schedule, including estimated annual costs until development is completed;

"(2) the planned procurement schedule, including the best estimate of the Secretary of Defense of the annual costs and units to be procured until procurement is completed; and

"(3) to the extent required by the second sentence of subsection (a), the result of all operational testing and evaluation up to the time of the submission of the report, or, if operational testing and evaluation has not been conducted, a statement of the reasons therefor and the results of such other testing and evaluation as has been conducted.

"(d) In the case of any weapon system for which procurement funds have not been previously requested and for which funds are first requested by the President in any fiscal year after the Budget for that fiscal year has been submitted to Congress, the same reporting requirements shall be applicable to that system in the same manner and to the same extent as if funds had been requested for that system in that budget."

(b) The following laws are repealed:

(1) section 412 of the Act of August 10, 1959, Public Law 86–149 (73 Stat. 322), as amended by section 2 of the Act of April 27, 1962, Public Law 87–436 (76 Stat. 55); section 610 of the Act of November 7, 1963, Public Law 88–174 (77 Stat. 329); section 304 of the Act of June 11, 1965, Public Law 89–37 (79 Stat. 128); section 6 of the Act of December 1, 1967, Public Law 90–168 (81 Stat. 526); section 405 of the Act of November 19, 1969, Public Law 91–121 (83 Stat. 207); sections 505 and 509 of the Act of October 7, 1970, Public Law 91–441 (84 Stat. 912, 913); section 701 of the Act of September 28, 1971, Public Law 92–129 (85 Stat. 362); and sections 302 and 604 of the Act of September 26, 1972, Public Law 92–436 (86 Stat. 736, 739); and

(2) section 506 of the Act of November 17, 1971, Public Law 92–156 (85 Stat. 429).

This Act may be cited as the "Department of Defense Appropriation Authorization Act, 1974".

Mr. HÉBERT (during the reading). Mr. Chairman, I ask unanimous consent that title VI of the bill be considered as read, printed in the RECORD, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

AMENDMENT OFFERED BY MR. ASPIN

Mr. ASPIN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. ASPIN: Page 15, between lines 8 and 9 insert the following:

"SEC. 605. Notwithstanding any other provision of this Act, the total amount of money authorized to be appropriated under titles I and II of this Act shall not exceed $20,445,255,000. Within 30 days after the date of the enactment of this Act, the Secretary of Defense shall submit to the Speaker of the House and the President of the Senate for referral to the Committee on Armed Services of the Senate a report setting forth in detail how the Secretary proposes to apportion the reduction required under this section among the various procurement and other programs for which authorizations are provided under such titles I and II. The recommended apportionment shall not take effect for a period of 30 days following the receipt of the report from the Secretary of Defense in order to give Congress an opportunity to revise by law the recommended apportionment."

Mr. ASPIN. Mr. Chairman, the amendment that I am offering here is not my amendment alone. I have discovered, in talking to a number of other Members, that other people have similar ideas, so I offer this amendment as part of a bipartisan coalition in favor of cutting defense spending by a ceiling amendment.

Let me explain briefly what this amendment does, Mr. Chairman. What it does is that it takes last year's appropriation level of $19.5 billion; it adds on 4.5 percent for inflation and makes that the ceiling.

We say in this amendment that we shall not spend more than that amount. Mr. Chairman, it is a reduction. It is a reduction by $950 million from what the committee has recommended, but it is also more than we spent last year; it is more than we spent last year by about $1 billion, so that it is more than we spent last year but not as much as the committee would like.

The second aspect of this amendment is that it is not a meat-ax approach. Under the terms of this amendment, the Pentagon would not have a free hand in determining where the cuts are to be made. Under this amendment, the Department of Defense would report to the committee on what spending it wanted to do in order to stay within the overall ceiling. The committee could then decide to accept it, to reject it, or amend it so that Congress does not abdicate its responsibility under this amendment.

The arguments for this amendment are very, very clear. They are economics and they are consistencies. Mr. Chairman, we have heard last week a lot of talk about the economic problems of the country. We have heard a lot of talk about the problems of inflation. We have heard a lot of talk about the problems of deficits. We have heard a lot of talk about the problems that are internal, domestic, economic problems which are causing damage to the dollar abroad. All of this we talked about last week when we put on a total Federal spending ceiling of $267.1 billion.

Mr. Chairman, the arguments for this amendment are economics and consistency. Other programs have been cut by this body; other programs will have to be cut throughout the year by this body. We cannot stay within that ceiling unless we cut somewhere, and defense should be no exception. Defense should not be treated any differently than other programs.

Mr. Chairman, I am coming to what I believe is the most important thing I want to say about this amendment. Everybody can agree we ought to pass something like this amendment because of the economic situation. We should pass something like this. The question before us is, can we do it? Can we find some way in this budget to cut $950 million below what the committee recommended?

I am sure the Committee on Armed Services will tell us, "No." They came up in the general debate yesterday and said no, they could not cut it, that this was a bare-bones budget and we would be cutting muscle and we would be cutting bone if we cut further.

I do not believe that is true for one reason, Mr. Chairman, which is simply that the Appropriations Committee does it every year.

Every year we have an authorization process, and we pass an authorization bill. Then we have an appropriation process, and we pass an appropriation bill. Every year the amount we appropriate is a lesser amount than was authorized. Last year the Appropriations Committee cut $1.4 billion from the authorization level. Over the past 5 years the Appropriations Committee has cut an average of $1.6 billion from the authorization levels.

But we are not asking for a cut of $1.6 billion. We are not asking for a cut of $1.4 billion. We are asking for a cut of $950 million.

If the Appropriations Committee can find cuts of $1.4 billion and $1.6 billion, why cannot the Committee on Armed Services come up with a cut of $950 million?

When various Members come up and tell us, "We cannot cut this budget," I hope they will also explain how the Appropriations Committee manages to cut it. Nobody ever tells us that the Appropriations Committee has cut the muscle or cut the bone. Nobody ever comes up and offers amendments to add on what the Appropriations Committee left out from what was authorized. Apparently what the Appropriations Committee does is all right.

The CHAIRMAN. The time of the gentleman from Wisconsin has expired.

(By unanimous consent, Mr. ASPIN was allowed to proceed for 1 additional minute.)

Mr. ASPIN. Mr. Chairman, the argument for this amendment are economics, consistency, and the fact that it can be done. If the Appropriations Committee can cut $1.4 billion or $1.6 billion a year, the Committee on Armed Services can certainly do half that well.

I urge the adoption of the amendment.

Mr. GUBSER. Mr. Chairman, will the gentleman yield?

Mr. ASPIN. I yield to the gentleman from California.

Mr. GUBSER. Is it not true that between 56 and 57 percent of the defense budget is for military pay and military benefits?

Mr. ASPIN. That is correct.

Mr. GUBSER. Is it not also true that as of January 1 this year the military active duty personnel were given a 7.2 percent pay increase?

Mr. ASPIN. That is absolutely correct.

Mr. GUBSER. Is it not also true as of July 1 of this year military retirees received a 6.71-percent increase in pay?

Mr. ASPIN. That is absolutely correct.

The CHAIRMAN. The time of the gentleman from Wisconsin has again expired.

(On request of Mr. GUBSER, and by unanimous consent, Mr. ASPIN was allowed to proceed for 2 additional minutes.)

Mr. GUBSER. Is it not true that the civilians in the Department of Defense, who are over and above the 56 percent we previously mentioned, got a 5.5-percent increase in pay as of January 1?

Mr. ASPIN. That too is correct.

Mr. GUBSER. If we apply the percentage factors which are related to personnel and add the civilians involved, have we not effectively already wiped out the 4.5 percent that is being allowed for inflation?

Mr. ASPIN. No, we have not. The gentleman will understand that there is no personnel in this bill. This is the procurement and research and development bill. It authorizes only procurement and research and development. Pay and all things concerned with personnel are covered in the appropriation bill, not in the authorization bill.

We have added a 4.5-percent rate of inflation because the durable goods sector of the economy, such as the cars and refrigerators, rose at a rate of 3.5 percent. The durable goods sector is the sector in which we buy the procurement and the R. & D.

Mr. GUBSER. The gentleman will agree he uses the argument that the Appropriations Committee always cuts below authorizations, and that bill includes personnel?

Mr. ASPIN. Mr. Chairman, the appropriations bill does include personnel, which is all the more reason why we should be able to cut the authorization.

Mr. GUBSER. But the gentleman seems to have effectively cut the military, and considerable amount of this is involved with military pay.

Mr. ASPIN. We have not, not in this bill. This bill is procurement and R. & D. The Committee on Appropriations every year cuts procurement and R. & D. below authorization. If the Committee on Appropriations cuts it, why should not the Committee on the Armed Forces be able to cut it?

Mr. SIKES. Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto close in 15 minutes, the last 5 minutes to be reserved for the committee.

The CHAIRMAN. Is there objection to the request of the gentleman from Florida?

Mr. ROUSSELOT. Mr. Chairman, I object.

The CHAIRMAN. Objection is heard.

MOTION OFFERED BY MR. SIKES

Mr. SIKES. Mr. Chairman, I move that all debate on this amendment and all amendments thereto close in 15 minutes, the last 5 minutes to be reserved for the committee.

The CHAIRMAN. The Chair cannot entertain that motion. The Chair advises the gentleman that there can be no reservation of time. That request must be made as a unanimous-consent request.

Mr. SIKES. Mr. Chairman, I move that all debate on this amendment and all amendments thereto close in 20 minutes.

The CHAIRMAN. The question is on the motion offered by the gentleman from Florida (Mr. SIKES).

The question was taken; and on a division (demanded by Mr. CARNEY of Ohio) there were—ayes 131, noes 55.

So the motion was agreed to.

The CHAIRMAN. Members standing at the time debate was limited will each be recognized for three-quarters of a minute.

The Chair recognizes the gentleman from Tennessee (Mr. BEARD).

(By unanimous consent Messrs. GUBSER, YOUNG of Florida, and HUNT yielded their time to Mr. BEARD.)

(By unanimous consent, Messrs. MONTGOMERY, DICKINSON, and ARMSTRONG yielded their time to Mr. CARNEY of Ohio.)

Mr. BEARD. Mr. Chairman, I rise in opposition to this amendment.

To say that we are going to approve last year's spending plus a 4.5 percent increase for inflation strikes me as totally ridiculous and an indefensible way to determine something that is as large and as important at the defense budget.

To begin with, the rate of inflation is not constant. It has been more than 4.5 percent in some areas and lower than 4.5 in other areas. To say you are going to increase or decrease the defense budget on the basis of inflation is the most ridiculous proposition I have heard. You can never assume the defense needs are determined by an arbitrary dollar availability.

If we have a dramatic improvement in world conditions coupled with a genuine disarmament by the Soviet Union, we can reduce our defense budget far more than the gentleman proposes. Conversely, a serious worsening in world conditions might make it important and prudent to increase rather than reduce the budget. The point is the defense requirements are determined by the potential threat and not an arbitrary amount.

The gentleman says his amendment is not a meat ax approach. I say it is more the lottery approach. It involves taking a number out of a hat and hoping it is the right number, because it is fairly close to that of last year. It also requires the Secretary of Defense to go through a whole new exercise in setting budget priorities when he has already done it once this year. There is no reason to assume he will not come back with the same priorities he detailed to the Congress a few months ago. The committee then would have to go through the review exercise once again, and again there is no reason to assume the committee would not arrive at the same order of priorities as they did in the original hearings.

In essence the possibility of further reductions has been considered already by the committee and totally rejected by the committee, but the committee did it in a sensible manner by reviewing each of the items in the bill on their merits.

The gentleman is therefore trying to do something in an unthinking way on the floor which he was unable to do in committee.

I ask the Members totally and resoundingly to defeat this amendment.

The CHAIRMAN. The Chair recognizes the gentleman from New York (Mr. STRATTON).

Mr. STRATTON. Mr. Chairman, this is an unusual amendment. We sometimes object to legislation on an appropriation bill. This would appear to be appropriation on an authorization bill.

This committee spent four long months and collected over 4,400 pages of testimony in developing the detailed recommendations about what the spending ceilings should be in each particular category. Now this amendment would have us wipe it all out, declare that all our efforts amount to nothing, and leave the determination of what is to be spent in which categories up to the Secretary of Defense rather than up to Congress. And we claim we want to reestablish our prerogatives here in Congress.

The place to vote for economy is on the appropriation bill. You can't set spending ceilings on this kind of bill. Not only that, but by letting the Secretary of Defense decide on where the spending should occur we will very likely delay the Defense appropriation bill another 2 or 3 months longer than usual.

The CHAIRMAN. The Chair recognizes the gentleman from California (Mr. ROUSSELOT).

Mr. ROUSSELOT. Mr. Chairman, I heard my good colleague, the gentleman from California, say that this has now become the Rousselot-Abzug amendment. Fine. If Ms. ABZUG-GROSS-SYMMS are right on this issue, then I join her and my other colleagues.

Mr. Chairman, I rise in favor of this amendment because I think it is correct. It is an increase over last year as to what the Committee on Appropriations did. It represents a 4.5-percent increase. I believe it is wrong for those of us who believe in economy in government to say we will have economy every place but in the Defense Department. I take second place to no one in my strong support of the defense of this Nation. I believe in it. I have always supported it. But, I believe it is wrong to just automatically endorse what the committee says without the entire body considering reasonable efforts to provide some economy. I hope you will support the Aspin amendment.

The CHAIRMAN. The Chair recognizes the gentleman from Louisiana (Mr. TREEN).

(By unanimous consent, Messrs. GERALD R. FORD and COLLIER yielded their time to Mr. TREEN.)

Mr. TREEN. Mr. Chairman, I totally support the remarks of my colleague, the gentleman from Tennessee (Mr. BEARD) that we cannot judge our defense needs on any criterion except that which we believe is necessary to meet the potential threat to this country.

We are asked here tonight, in effect, to decide whether the measure of that threat is the $21.4 billion in this bill, or something approximating $1 billion less.

When it comes to highways, when it comes to education, when it comes to public works—and all of these things that are important—we can make errors, we can come in with a little bit too little, and we will have a shot at correcting it the next time around. But in a situation like this we may not have another chance.

Some of the Members may say that, well, a 5-percent reduction could not be too cataclysmic, but it could be. To short us by just 5 percent could mean the differences; and I for one do not want to have to face the day when our Nation may be overwhelmed by the threat of superior power, or lose in a conflict, and if I survive, have to face my children or my grandchildren and say, well, we almost made it but on July 31, 1973, we in the Congress voted for a 5-percent cut. I would rather make a spending error on the high side than on the low side when we are dealing with the security of the United States of America.

Mr. Chairman, I urge the defeat of this amendment.

The CHAIRMAN. The Chair recognizes the gentleman from Ohio (Mr. CARNEY).

(Mr. CARNEY of Ohio asked and was given permission to revise and extend his remarks.)

Mr. CARNEY of Ohio. Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The Chair recognizes the gentleman from Mississippi (Mr. MONTGOMERY).

Mr. MONTGOMERY. Mr. Chairman, I yield back my time.

The CHAIRMAN. The Chair recognizes the gentleman from Florida (Mr. HALEY).

Mr. HALEY. Mr. Chairman, I yield back my time.

The CHAIRMAN. The Chair recognizes the gentleman from Washington (Mr. MCCORMACK).

Mr. McCORMACK. Mr. Chairman, I rise in support of the Aspin amendment, and to associate myself with the remarks that have been made in favor of it.

I believe that if we are serious about balancing the budget, if we are serious about not having to increase our taxes, and if we are serious about cutting back on inflation, then we should be serious and responsible now in cutting back at this point. I support the Aspin amendment.

The CHAIRMAN. The Chair recognizes the gentleman from Indiana (Mr. DENNIS).

Mr. DENNIS. Mr. Chairman, a man can be right or wrong, but one of the things about this job is making a decision, and as far as I am concerned, now, for the first time this afternoon I am going to vote "yes" on an amendment because my judgment is that this is a reasonable amendment, and I urge that it be supported.

The CHAIRMAN. The Chair recognizes the gentleman from Michigan (Mr. HUBER).

Mr. HUBER. Mr. Chairman, the American Ordnance Association has a motto which says, "There will never be universal peace until the strongest army and navy and air force are in the hands of the most peaceful nation."

In World War I it was Germany that had it to start and we had World War I; in World War II it was Germany that had it to start and we had World War II. If we are not prepared to meet the Russian challenge, we are going to have world war III, and it will be because the strongest army and navy and air force are not in the hands of the most peaceful nation.

The CHAIRMAN. The Chair recognizes the gentleman from Maryland (Mr. GUDE.)

Mr. GUDE. Mr. Chairman, I rise in strong support of this amendment. It is a well-thought-out amendment. It provides that the Committee on Armed Services will be able to review the thrust of the reductions. I hope that the committee will adopt it.

It is clear from listening to the remarks of the Members today that support for this spending ceiling does not reflect any one partisan, regional or ideological viewpoint. I believe that many of us feel that our action in putting a $267.1 billion ceiling on the total budget now requires us to take a similar approach in dealing with the defense budget.

So often in the past the House has backed away from imposing sensible fiscal limits on the defense budget. The Congress has only just begun to dig into some of the areas of fat in the Defense Department budget. I was shocked to note, for example, that it has been recently disclosed that the single Safeguard ABM site now under construction will cost $1.3 billion more than the 1969 estimate for two such sites.

The Aspin amendment would have the Pentagon decide how its funds would be expended, subject to the approval of the Armed Services Committee. Our distinguished colleague from Wisconsin has shown, however, that his amendment could be so implemented as to avoid canceling any programs.

It is important to point out, moreover that the provisions of the amendment requiring DOD to report back to the Armed Services Committee will strengthen the committee's hand and ultimately increase the oversight responsibility of Congress.

In closing, I reiterate my support for the Aspin amendment. I think it is essential and fair in light of our overall budget ceiling and I think it will help to remind the Pentagon that the taxpayers' pocketbooks and patience have very definite limits.

Mr. SYMMS. Mr. Chairman, will the gentleman yield?

Mr. GUDE. I yield to the gentleman from Idaho.

Mr. SYMMS. Mr. Chairman, I rise in support of this very responsible amendment.

I had intended to introduce a similar amendment that would have cut this authorization by 2 percent—although this amendment cuts approximately 4 percent from this bill—I think that no branch of our Government cannot take a small cut.

What our country needs is more conviction, not more hardware.

We need to decide whose side we are on. We have just lost a 10-year no-win war, because of a lack of conviction, not a lack of hardware.

Right today we are engaged in foreign grain giveaways to our enemies who we are supposed to be building our national defense to combat in this authorization.

Let us return to commonsense, and cut a little out of the defense bureaucracy, not a lot, just a little.

The CHAIRMAN. The Chair recognizes the gentleman from Pennsylvania (Mr. HEINZ).

Mr. HEINZ. Mr. Chairman, I rise in support of the amendment offered by the gentleman from Wisconsin.

Mr. Chairman, the Armed Services Committee which opposes this amendment, has made much of the fact that the committee has held weeks of hearings and expended countless man-hours examining testimony and marking up this bill. They have argued that it is inappropriate for the Members of Congress assembled here in the Chamber tonight to make any changes in the bill, because they are not members of the committee and cannot, therefore, be sufficiently informed. We cannot decide wisely, they say, whether we should hold the procurement authorization to a 4.5-percent increase beyond the funds appropriated last year. The amendment results, of course, in reducing this authorization some $900 million.

I would point out the fallacy of the committee's argument to my colleagues. Many of those on the committee, as well as others, have supported the President in some of the actions he has taken to impound or reserve money appropriated by the Congress.

Without any significant exception I am aware these impoundments have been made without hearings, without consultation, in many cases without notification and, in every case, without public debate.

Yet some of the very same people who in the name of fiscal responsibility have applauded the private process of executive branch impoundments condemn the publicly made suggestion that the bill now before us be modestly reduced here in public on the floor of the House.

Mr. Chairman, you cannot have it both ways.

If you believe in fiscal responsibility for one program, you have to apply the same hardnosed approach to all programs.

If you believe that OMB is ever justified in reserving or impounding funds, you cannot possibly object to the Congress working its will. What is good for the goose is good for the gander, too.

Mr. Chairman, I urge adoption of the amendment.

The CHAIRMAN. The Chair recognizes the gentleman from Massachusetts (Mr. STUDDS).

Mr. STUDDS. Mr. Chairman, I rise in support of the amendment.

Mr. ASPIN. Mr. Chairman, will the gentleman yield?

Mr. STUDDS. I yield to the gentleman from Wisconsin.

Mr. ASPIN. Mr. Chairman, I should like to say that this is just a very easy amendment to support merely because while we are voting to cut the defense budget, there is no way that the Committee on Appropriations will not cut it more. The Committee on Appropriations every year in the last 5 years has reported cuts much larger than the $950 million that we are suggesting here. There is no way that they will not come in with something less than this. We can vote to cut the amendment and still be certain that the Committee on Appropriations will make it lower.

The CHAIRMAN. The Chair recognizes the gentleman from Colorado (Mr. EVANS).

Mr. EVANS of Colorado. Mr. Chairman, we know that when the military comes to the Committee on Armed Services, they always ask for more than they need, because they know that the gentleman from South Carolina and this able committee is going to cut them. This Armed Services Committee itself comes to the House knowing that the Committee on Appropriations is going to cut them. Let us speed up the process a little bit. Let us now cut 4½ percent or $950 million.

Mr. Chairman, I support the amendment of the gentleman from Wisconsin.

The CHAIRMAN. The Chair recognizes the gentlewoman from New York (Ms. Abzug).

Ms. ABZUG. Mr. Chairman, I rise in support of the amendment.

I yield back the balance of my time.

The CHAIRMAN. The Chair recognizes the gentleman from Iowa (Mr. Gross.)

Mr. GROSS. Mr. Chairman, the amendment, in my opinion, is a step toward restoring fiscal sanity in this country, and it is badly needed. I support the amendment.

The CHAIRMAN. The Chair recognizes the gentleman from Florida (Mr. Sikes).

(By unanimous consent, Mr. Sikes yielded his remaining time to Mr. Hébert.)

The CHAIRMAN. The Chair recognizes the gentleman from Missouri (Mr. Randall).

(By unanimous consent, Mr. Randall yielded his time to Mr. Stratton.)

The CHAIRMAN. The Chair recognizes the gentleman from New York.

Mr. STRATTON. Mr. Chairman, we have already found a number of errors in other amendments offered here today. There are similar errors in this one. The gentleman from Wisconsin said that his ceiling figures affected no personnel. Actually more than $500 million is in this bill for civilian personnel, and that figure is $120 million more than was in last year's budget because of the civilian pay increase. Not only that, but this bill we have come up with is so lean that it represents an increase of only 2.1 percent over the amount authorized by Congress last year, which is less than half of the 4½-percent cost-of-living increase proposed by the gentleman from Wisconsin.

The CHAIRMAN. The Chair recognizes the gentleman from Indiana (Mr. Bray).

Mr. BRAY. Mr. Chairman, the author of the amendment is slightly confused. In his statement he made quite a point of the fact that the Committee on Appropriations always appropriated less than what was authorized. Certainly they do, because the apropriations committee cannot appropriate more than what is authorized.

The CHAIRMAN. The Chair recognizes the gentleman from Louisiana (Mr. Hébert) to close the debate.

Mr. HÉBERT. Mr. Chairman, I will be as brief as I can because we recognize here a great exhibition of monetary legerdemain. First we see it and then we do not. We do not know where the shell is in this game along the highway or on the surface. But as a matter of fact let us not kid ourselves. If we take this reduction, where are we going to get the money to pay for that which we need? If a weapon costs $100,000 and we take away $15,000, they still are going to need $100,000 and we have to get it from someplace.

To demonstrate the philosophy of the distinguished gentleman who offers this amendment, do the Members know what he would do? He would not give the military one thin dime. He would not give them any money for procurement. He does not want them to have any money. Why do I say that? The vote of the committee when this bill came out was 38 to 1. Who was the one? It was the gentleman from Wisconsin (Mr. Aspin).

The CHAIRMAN. The question is on the amendment offered by the gentleman from Wisconsin (Mr. Aspin).

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. ASPIN. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 242, noes 163, not voting 28, as follows:

[Roll No. 410]

AYES—242

Abzug
Adams
Addabbo
Anderson, Calif.
Anderson, Ill.
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Ashbrook
Ashley
Aspin
Badillo
Barrett
Bell
Bergland
Biaggi
Biester
Bingham
Blatnik
Boland
Bolling
Bowen
Brademas
Brasco
Brooks
Broomfield
Brotzman
Brown, Calif.
Brown, Mich.
Broyhill, N.C.
Burke, Calif.
Burke, Fla.
Burke, Mass.
Burlison, Mo.
Burton
Carey, N.Y.
Carney, Ohio
Chisholm
Clark
Clay
Cleveland
Cochran
Cohen
Collier
Collins, Ill.
Conable
Conte
Corman
Cotter
Coughlin
Cronin
Culver
Daniels, Dominick V.
Danielson
Delaney
Dellenback
Dellums
Denholm
Dennis
Dent
Diggs
Dingell
Donohue
Drinan
Dulski
du Pont
Eckhardt

Edwards, Calif.
Eilberg
Erlenborn
Esch
Eshleman
Evans, Colo.
Fascell
Findley
Fish
Foley
Ford, William D.
Forsythe
Fountain
Fraser
Frenzel
Frey
Froehlich
Fulton
Gaydos
Giaimo
Ginn
Grasso
Green, Oreg.
Green, Pa.
Griffiths
Gross
Gude
Gunter
Guyer
Haley
Hamilton
Hanley
Hansen, Wash.
Harrington
Harsha
Hastings
Hawkins
Hays
Hechler, W. Va.
Heckler, Mass.
Heinz
Helstoski
Henderson
Holtzman
Horton
Howard
Hungate
Hutchinson
Johnson, Calif.
Johnson, Colo.
Jordan
Karth
Kastenmeier
Keating
Kluczynski
Koch
Kyros
Leggett
Lehman
Litton
Long, Md.
Lujan
McClory
McCloskey
McCormack
McDade
McKay
McKinney
Macdonald

Madden
Mailliard
Mallary
Mathias, Calif.
Matsunaga
Mazzoli
Meeds
Melcher
Metcalfe
Mezvinsky
Miller
Minish
Mink
Mitchell, Md.
Moakley
Moorhead, Pa.
Morgan
Mosher
Murphy, Ill.
Myers
Nedzi
Nelsen
Nix
Obey
O'Hara
O'Neill
Owens
Perkins
Pike
Podell
Preyer
Pritchard
Quie
Railsback
Rangel
Rees
Regula
Reid
Reuss
Riegle
Rinaldo
Robison, N.Y.
Rodino
Rogers
Roncalio, Wyo.
Rooney, Pa.
Rose
Rosenthal
Roush
Rousselot
Roy
Roybal
Runnels
Ruppe
Ryan
St Germain
Sarasin
Sarbanes
Schneebeli
Schroeder
Sebelius
Seiberling
Shipley
Shoup
Shriver
Sisk
Skubitz
Slack
Snyder

Stanton, J. William
Stanton, James V.
Stark
Steele
Steelman
Steiger, Wis.
Stokes
Stuckey
Studds
Sullivan
Symington
Symms

Taylor, Mo.
Taylor, N.C.
Thompson, N.J.
Thomson, Wis.
Thone
Thornton
Tiernan
Udall
Ullman
Van Deerlin
Vander Jagt
Vanik
Vigorito
Waldie

Whalen
Wilson, Charles H., Calif.
Wolff
Wydler
Wylie
Yates
Yatron
Young, Ga.
Young, Ill.
Zablocki
Zwach

NOES—163

Abdnor
Archer
Arends
Armstrong
Bafalis
Baker
Beard
Bennett
Bevill
Boggs
Bray
Breaux
Breckinridge
Brinkley
Brown, Ohio
Broyhill, Va.
Buchanan
Burgener
Burleson, Tex.
Butler
Byron
Carter
Casey, Tex.
Cederberg
Chamberlain
Chappell
Clancy
Clausen, Don H.
Clawson, Del
Collins, Tex.
Conlan
Crane
Daniel, Dan
Daniel, Robert W., Jr.
Davis, Ga.
Davis, S.C.
Davis, Wis.
de la Garza
Derwinski
Devine
Dickinson
Dorn
Downing
Duncan
Edwards, Ala.
Flood
Flowers
Flynt
Ford, Gerald R.
Frelinghuysen
Fuqua
Gibbons
Gilman
Goldwater

Gonzalez
Goodling
Grover
Gubser
Hanrahan
Hansen, Idaho
Hébert
Hicks
Hillis
Hinshaw
Hogan
Holifield
Holt
Hosmer
Huber
Hudnut
Hunt
Ichord
Jarman
Johnson, Pa.
Jones, Ala.
Jones, Okla.
Jones, Tenn.
Kazen
Kemp
Ketchum
Kuykendall
Landrum
Latta
Lent
Long, La.
Lott
McCollister
McEwen
McFall
Madigan
Mahon
Mann
Maraziti
Martin, Nebr.
Martin, N.C.
Mathis, Ga.
Mayne
Michel
Mitchell, N.Y.
Mizell
Mollohan
Montgomery
Moorhead, Calif.
Murphy, N.Y.
Natcher
Nichols
O'Brien
Parris
Passman

Patten
Pettis
Peyser
Pickle
Poage
Powell, Ohio
Price, Ill.
Price, Tex.
Quillen
Randall
Rarick
Rhodes
Roberts
Robinson, Va.
Roncallo, N.Y.
Rostenkowski
Ruth
Sandman
Satterfield
Saylor
Scherle
Shuster
Sikes
Smith, N.Y.
Spence
Staggers
Steed
Steiger, Ariz.
Stratton
Stubblefield
Talcott
Teague, Calif.
Towell, Nev.
Treen
Veysey
Waggonner
Walsh
Wampler
Ware
White
Whitehurst
Whitten
Wiggins
Williams
Wilson, Bob
Wilson, Charles, Tex.
Wright
Wyatt
Wyman
Young, Alaska
Young, Fla.
Young, S.C.
Young, Tex.
Zion

NOT VOTING—28

Alexander
Blackburn
Camp
Conyers
Evins, Tenn.
Fisher
Gettys
Gray
Hammerschmidt

Hanna
Harvey
Jones, N.C.
King
Landgrebe
McSpadden
Milford
Mills, Ark.
Minshall, Ohio
Moss

Patman
Pepper
Roe
Rooney, N.Y.
Smith, Iowa
Stephens
Teague, Tex.
Widnall
Winn

So the amendment was agreed to.

The result of the vote was announced as above recorded.

AMENDMENT OFFERED BY MR. LEGGETT

Mr. LEGGETT. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Leggett: Page 7, line 2 insert "(a)" immediately after "Sec. 601.".

Page 7, line 5, strike out "$1,300,000,000" and insert in lieu thereof "$500,000,000".

Page 8, immediately after line 9, insert the following:

(b) Section 401 of Public Law 89-367, approved March 15, 1966 (80 Stat. 37) is amended by adding at the end thereof the following new subsections:

"(e) After June 30, 1973, no sale, credit sale, or guaranty of any defense article or defense service shall be made, or any military assistance (including supporting assistance) furnished to South Vietnam or Laos directly or through any other foreign country unless that sale, credit sale, or guaranty is made, or such assistance is furnished, under this Act.

"(f) Any sale, credit sale, or guaranty made, or assistance provided under this Act to South Vietnam or Laos shall be made or furnished with the objective of bringing about peace in Indochina and strict implementation of the cease-fire agreements in Vietnam and Laos.

"(g) Armaments, munitions, and war materials may be provided to South Vietnam and Laos under any provision of this Act only for the purpose of replacing, on the basis of piece for piece and with armaments, munitions, and war materials of the same characteristics and properties, those araments, munitions, and war materials destroyed, damaged, worn out, or used up (1) in the case of South Vietnam, after January 27, 1973, and which are included on lists previously furnished by the Government of South Vietnam to the International Commission of Control and Supervision for Vietnam, and (2) in the case of Laos, after February 21, 1973, and which are included on lists previously furnished by the Government of Laos to the International Commission of Control and Supervision for Laos.

Mr. LEGGETT. Mr. Chairman, I want to apologize for offering an amendment at 10 minutes after 10, but it is the policy of the committee to finish this important bill tonight, and I think we ought to be prepared to stay here and take the time to do the job.

I certainly want to congratulate the gentleman from Wisconsin (Mr. ASPIN) on the success he had with his last amendment. Apparently we are prepared to reduce this bill en gros but are not prepared to attack any particular individual sacred cows. I do think it wise to have the discretion of the committee which the Aspin amendment did with respect to the allocation of reductions, and so we really do not have much to complain about in that respect.

Mr. Chairman, my amendment to title VI is very simple. What I propose to do is correspond this section not with a state of war but with a state of peace in Southeast Asia.

First we reduce the item offered by the Pentagon in the amount of $2.1 billion for the military assistance program for South Vietnam and Laos. The chairman erupted when this was presented to the Committee on Armed Services because it was not justified. The Pentagon then did a somersault and reduced it by $500 million. The gentleman from Missouri (Mr. RANDALL) who had been at the hearings continued to erupt at this state of affairs and offered an additional $300 million amendment, which brought the figure down to the current amount stated in the bill of $1.3 billion for aid to South Vietnam and Loas.

As a practical matter, we aided South Vietnam and Laos militarily in 1973 $2.2 billion, in 1972 $2.1 billion, and in 1969 and 1968 the figures were $1.2 billion and $1.3 billion respectively, amounts which were less than the amount in this bill.

Under the Paris agreements which have been negotiated they provide for a piece for piece replacement in Southeast Asia. These briefings have been given to our committee by the Pentagon on a number of occasions. This particular language has been adopted by the Senate Foreign Relations Committee. We cannot provide money for operations and maintenance or personnel support.

If you look at page 85 of the committee report, you will see that there is $615 million in this bill for operation and maintenance of the Army, Navy, Marine Corps, and Air Force in South Vietnam. We are not authorized to do that under these agreements.

There is $36.6 million for military personnel for the Army, Navy and Marine Corps in Vietnam, and we are not authorized to do that under the agreement executed in January.

There is an item of $432 million which probably refers to munitions and to replacement of materials which are authorized under the agreements. By Department of Defense definition the only thing we can replace on a piece for piece basis are tanks, military aircraft, military self-propelled vehicles such as armored tracked vehicles, military tactical wheeled vehicles, military radio facilities, land-based military tactical radar. Under armaments we have an itemization of what is allowed, and under munitions we have an itemization of what is allowed. But there is nothing in here in the agreements that have been executed that would allow us to authorize and appropriate in bulk $1.3 billion to carry on the war after we have negotiated a peace with honor in South Vietnam and in Laos.

The amendment that we have here has a great number——

The CHAIRMAN. The time of the gentleman has expired.

Mr. LEGGETT. Mr. Chairman, I ask unanimous consent to proceed for 1 additional minute.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

Mr. HUNT. Mr. Chairman, I object.

The CHAIRMAN. Objection is heard.

Mr. STRATTON. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, it is difficult to try to legislate intelligently at this hour and under these circumstances.

For example, the amendment which the gentleman from California (Mr. LEGGETT) has just offered, was not offered in committee. The gentleman only offered an amendment reducing funds, and that was overwhelmingly defeated. The gentleman did not offer the language which he had in here now which, as far as I can see with a fast reading, is only a repetition of the details of the cease-fire agreement.

But the important fact is that the money involved in this section is to enable South Vietnam and Laos to go it on their own in their own defense. That is what we said we wanted them to do. We have negotiated a peace, and we promised to give them the military weapons to defend themselves in South Vietnam, once that peace was agreed to. Now we are in the process of getting a detailed settlement in Laos, and we have promised to provide that same assistance to them.

In 1973 we gave $2.7 billion to South Vietnam and Laos for this purpose. This year the Department of Defense requested $2.1 billion for this same purpose and the committee cut that figure to $1.3 billion.

As far as South Vietnam was concerned, we reduced the total about a half billion dollars; and as far as Laos is concerned we reduced it by two-thirds.

This bears out what the gentleman from Louisiana was saying a moment ago, that as far as some people are concerned they will just not be happy until they get it down to zero.

I thought our major objective in Southeast Asia was to get all of our forces out, and let those people defend themselves. That is precisely what this section is providing for.

The gentleman from California says we cannot do such things under the terms of the agreement. But the Committee on Armed Services has a letter from the Department of Defense, in which the Department of State concurs, in which they say that these amounts can properly be provided under the terms of our agreement, and that such expenditures are consistent with the above-mentioned agreements. I include the letter at this point in my remarks:

GENERAL COUNSEL OF THE
DEPARTMENT OF DEFENSE,
Washington, D.C., July 30, 1973.

Mr. FRANK M. SLATINSHEK,
Chief Counsel, Committee on Armed Services, House of Representatives, Washington, D.C.

DEAR MR. SLATINSHEK: The following information is provided in response to your question whether funds included in the military personnel and operation and maintenance accounts of the FY 1974 MASF request may be lawfully expended under the terms of the January 27, 1973 Agreement on Ending the War and Restoring Peace in Vietnam and the February 21, 1973 Agreement on the Restoration of Peace and Reconciliation in Laos.

It is the position of the Department of Defense that such expenditures are consistent with the above-mentioned agreements.

As the Committee is aware, the revised requests for military assistance to Vietnamese and Laotian forces submitted to the Committee upon which the Committee acted reflect the reduced scale of operations resulting from the Agreements.

With respect to Vietnam, no provision of the January Agreement prohibits the furnishing of technical services to the Government of Vietnam by Department of Defense direct hire civilian employees or contractor personnel. Dr. Kissinger expressly addressed himself to this point in his News Conference of January 24, 1973, wherein he stated that:

"We are permitted to retain economic advisers, and civilian technicians serving in certain of the military branches."

Further, the January Agreement does not prohibit the furnishing of such supplies and materials as are chargeable to the military personnel and operation and maintenance accounts (e.g., subsistence, POL, spare parts, and other consumables). I should add in this connection that, in our opinion, such supplies are not limited by the January Agreement to a one-for-one replacement.

Insofar as Laos is concerned, the only part of the February Agreement which might possibly impact upon the MASF military personnel and operation and maintenance accounts is the requirement that foreign mili-

> tary personnel withdraw 60 days after the date of establishment of the Provisional Government and the Joint National Political Council contemplated by that Agreement. Further, the withdrawal of such personnel receiving support from these accounts would not require the termination of any significant amount of such expenditures since their withdrawal has been anticipated in the FY 1974 request; any reduction in such expenditures following withdrawal of such personnel which has not already been reflected in the revised estimate would be minimal.
>
> The Department of State concurs in the foregoing conclusions.
>
> Sincerely yours,
> L. NIEDERLEHNER,
> *Acting General Counsel.*

Certainly our major objective is to insure that the cease-fire will really work. Let us carry out our commitments at this reduced rate, as the committee has recommended. But let us not strike it out, as the gentleman from California would do. If we do that we would renege on our commitment, and would almost certainly guarantee that the cease-fire we have won so painfully will be lost within the next few months.

Mr. SIKES. Mr. Chairman, will the gentleman yield?

Mr. STRATTON. I yield to the gentleman from Florida.

Mr. SIKES. Mr. Chairman, I would ask the gentleman from New York if it is not true that prior to this year we were giving troop support to the South Vietnamese? Now we propose that they go on their own with a very positively reduced budget; but the amendment offered by the gentleman from California would slam the door in their faces, and make it impossible for them to carry out any kind of defense by their own government.

Mr. STRATTON. That is exactly true. We achieved the cease-fire in part because we had solemnly assured the South Vietnamese that we were giving them a commitment of adequate equipment to carry on their part of the job. If this amendment is passed, we will be telling the Vietnamese that we have now reneged on that commitment, that we are going to throw them to the wolves, and that it does not matter a bit what happens thereafter.

This is an ill-conceived amendment and ought to be soundly defeated.

Ms. ABZUG. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I think it is only correct that I call the attention of this body to the report and to the language of this section. Indeed, the committee says on page 82 of the report that the Department of Defense has acknowledged that some of the language of this section no longer reflects the current factual situation.

If we read the bill and if we read the report, we note that there are references in this section 601 to the "Free World Forces" in support of Vietnamese forces, even though the "Free World Forces" have withdrawn from Vietnam and their reintroduction is prohibited by the Paris Agreement of January 27, 1973, that there are references to the fact that nothing herein shall prohibit supportive actions required to insure the safe and orderly withdrawal and disengagement of U.S. forces from Southeast Asia, or to aid in the release of Americans held prisoners of war even though our forces are withdrawn and our prisoners have been returned.

The fact is that this is not ordinary military assistance; this is a continuation the way in this bill and report reads, of actual military assistance on the part of this country to Laos and South Vietnam illegally as though the war has not ended, not only is the language obsolescent, but the substance, particularly, when one realizes that we are out of South Vietnam and Laos. Yet we continue a military program which can only be viewed as contemplative of war. I think it is quite shocking for us to pass legislation authorizing $1.3 billion worth of appropriations in this way at this time.

The report goes on, for example, to say that there is still difficulty in Laos, when, in fact, right now the papers are full of the fact that we are moving in Laos toward implementation of the cease-fire, that we are on the verge of signing an agreement with all of the parties there. This is done to justify this enormous appropriation—but justify we cannot.

What we are seeking to do here at the request of the Pentagon, at the request of the Committee on Armed Services, incorrectly, is to commit a billion or more dollars of America's money, based on an incorrect policy—a policy long since rejected by this Congress and the country. This is not ordinary military assistance; it is in fact assistance which indicates our determination to continue the kind of involvement of this country that we had before. I think that the language of the bill and the report makes it clear that that is what is being proposed to us, and I hope we will support the amendment.

Mr. LEGGETT. Mr. Chairman, will the gentlewoman yield?

Ms. ABZUG. I yield to the gentleman from California.

Mr. LEGGETT. I want to thank the gentlewoman for her support on this amendment. I should like to ask the gentlewoman as she reads the peace agreements, does she find any support whatsoever for the purported justification for the amounts in this particular section as contained on page 85 of our committee report of some $650 million for operation and maintenance of the Army, Navy, and Marine Corps? Does she think that might breach then, the agreement?

Ms. ABZUG. I think that it does, in fact, breach the Paris agreement of January 27 and the Laos cease-fire agreement of February. That is why if we read the language of the other body in this very bill, we will find that they very carefully restrict the kind of sales, the kind of military assistance, that can be furnished to South Vietnam and Laos.

Mr. LEGGETT. Does not this amendment leave $500 million in the bill for military assistance to South Vietnam and to Laos for a one-to-one replacement? And do we not, in addition to that, have $635 million of economic assistance that we voted in the foreign assistance bill here just the other day?

Ms. ABZUG. That is correct.

Mr. LEGGETT. So we have a $1.1 billion program as it is, and this amount would put it up to almost $2 billion to carry on peace?

Ms. ABZUG. That is correct. I think that we would be making a very serious error if we fail to amend this section, and we will regret it if we do not.

Mr. GERALD R. FORD. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, as I understand the factual situation, the Defense Department asked for $2.1 billion; the committee cut it to $1.3 billion; and the gentleman from California wants to cut it to $500 million. That is a 75-percent reduction.

We have withdrawn our forces. We have gotten our POW's back. It seems to me if we want to make an honest effort to keep the military situation stable in South Vietnam and North Vietnam and in Vietnam as a whole, we have to have an adequate military hardware situation for the South Vietnamese. If we do not have an adequate military hardware situation we do not have a prayer of getting an honest investigation as to the facts concerning the 1,400 MIA's.

We are having enough trouble now trying to find out where the alleged MIA's lost their lives or where their bodies are. If we have a disintegration of the military situation in Vietnam because of this kind of meat-ax cut, we will have given up all hope of any solution to the problem of the MIA's. I urge the defeat of this amendment.

Mr. PRICE of Texas. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in opposition to this amendment. I would invite the attention of the Members to page 83 of the report, and I will read only one paragraph to show the movement of troops North Vietnam is making into South Vietnam.

It reads as follows:

> Movement of troops and military supplies into South Vietnam has increased considerably the military capability of the communist forces there. As an example, since the 27 January ceasefire agreements, an estimated 41,000 North Vietnamese Army personnel have traversed the various infiltration routes from North Vietnam into South Vietnam, Laos, and Cambodia. Since October 1972, it is estimated the North Vietnamese have deployed about 500 tanks and 190 artillery pieces into South Vietnam. At the present time, the North Vietnamese Army has a substantial number of tanks and artillery pieces in the South—far more than ever before.

So, Mr. Chairman, in ending I think it is foolish for us to go along and say we should not help these people to protect themselves. I hope the Members will defeat the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California (Mr. LEGGETT).

The amendment was rejected.

AMENDMENT OFFERED BY MR. CARNEY OF OHIO

Mr. CARNEY of Ohio. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. CARNEY of Ohio: Page 15, immediately after line 8, insert the following:

SEC. 605. (a) No funds authorized to be appropriated by this Act may be obligated under a contract entered into after the date of the enactment of this Act for procurement of goods which are other than American goods unless there is adequate consideration given to the matter of hidden costs. For the purposes of this section, hidden costs refer to—

(1) the increase in unemployment in the United States which may result from using goods which are other than American goods;

(2) the increased cost of unemployment compensation or welfare payments to American workers which may result from using goods which are other than American goods;

(3) the loss by the United States of personal and corporate income tax revenue which may result from using goods which are other than American goods;

(4) the loss to the money supply of the United States which may result from using goods which are other than American goods;

(5) the cost of shipping and inspecting goods which are other than American goods; and

(6) any duty, tariff, surcharge, or other expense which may enter into the cost of using goods which are other than American goods.

(b) For purposes of this section, the term "goods which are other than American goods" means articles, materials, and supplies which have not been produced or manufactured in the United States or which have not been manufactured in substantial part from other articles, materials, and supplies which have been mined, produced, or manufactured in the United States.

(c) The Director of the Office of Management and Budget shall—

(1) develop as soon as possible, for use in conjunction with the Department of Defense, a reporting system which will evaluate the effectiveness of the provisions of this section with respect to the balance of payments benefits and the additional costs incurred; and

(2) evaluate, and report to Congress as soon as possible, the operation of the provisions of subsection (b) respecting the inclusion of component parts in consideration of hidden costs.

Mr. HÉBERT. Mr. Chairman, I desire to raise a point of order against the amendment. I will reserve that point of order and allow the gentleman to proceed.

Mr. CARNEY of Ohio. Mr. Chairman, I want to thank the chairman of the committee for reserving his point of order, because I think when I get done there will be no point of order.

First of all, this is the one amendment which I think everybody here will agree adds no cost to this bill; it does not subtract any cost; it does not subtract any men or add any men. All this provides is that the work, whenever possible and equitable, defense work, be done by American workers. If anyone can find any fault with that, I cannot see it.

I first became aware of the need to strengthen the buy American policy on August 5, 1971, and I have to personalize this to explain. On that day five employees of the Youngstown Welding & Engineering Co. came to my office with a petition signed by 1,200 workers protesting the awarding of a U.S. Navy subcontract to a Canadian company subcontracting computer tubes and ejection pumps, which was awarded to Canadian Vickers, Ltd., Toronto, Canada. This was done even though Youngstown Welding & Engineering Co. had a proven track record of making these products since 1958. Four other American companies which submitted bids for this contract were also bypassed.

The justification given by the Navy for bypassing the American companies was that the Canadian company offered the lowest bid. However, the final two bids, Canadian Vickers was $3,950,000 and the American bid by Youngstown Welding & Engineering Co. was $3,994,000; a difference of $44,000.

I protested this to the Navy. I asked if they took into consideration the income tax American workers paid; the income tax the company paid; the effect of this on the economy of the Nation; the fact that it would mean more unemployment insurance and more unemployment compensation; all these were outlined. To each and every one of these they did not take any into consideration.

Mr. Chairman, I have a big written speech here, but I know the hour is late, so I say to the Members, look at this amendment. All it does is say that they take these things into consideration before awarding a bid to a foreign company.

How any American, the American taxpayers who paid for this with their lives and blood and money, can ignore this I do not know.

I say we have got to think of America first if we are going to think of defense.

Mr. Chairman, I urge the adoption of this amendment.

Mr. HÉBERT. Mr. Chairman, I withdraw my point of order. As far as I am personally concerned, I have no objection to this "buy American" amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio (Mr. CARNEY).

The amendment was agreed to.

Ms. ABZUG. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I have an amendment that I was going to present here today on a matter which many Members of the House, upon receiving my "Colleague" letter, indicated they were quite interested in. I therefore discussed the matter with the appropriate subcommittee chairman of the Armed Services Committee.

This amendment concerns itself with the issue of military surveillance and investigations into the beliefs, associations, and political activities of civilians and private organizations.

Mr. Chairman, in recent years we have learned of military surveillance and investigations into the beliefs, associations, and political activities of civilians and private organizations. Dossiers on more than 100,000 citizens and groups have been collected by the Army and stored in 350 centers throughout the country, according to the other body's Subcommittee on Constitutional Rights.

The data in these files often contain matters of a private and personal nature, as well as matters pertaining to political activities. What have matters of marriage or divorce, sexual proclivities, or drinking habits to do with the prerequisities of military information? The answer is, in a word, nothing. These are irrelevant to the Army's informational needs as are political activities of civilians and private groups. In fact, as with many investigative reports, there is much that is inaccurate, unsubstantiated, innuendo, and hearsay. All these things make their way into military files about civilians.

This activity began, it is reported, with the civil disorders in the black ghettos in 1967 and continued through such obvious threats to the national security as Earth Day 1971. Reports of undercover surveillance and infiltration of peace, civil rights and antiwar groups—groups that were expressing their constitutional rights under the first amendment—have continued right through the Democratic and Republican Conventions last year in Miami.

Today the newspapers report the start of the trial of the "Gainesville Eight"—a group of eight members of the Vietnam Veterans Against the War. Besides the allegations made by the defendants that there are connections between Watergate participants and this trial, there are also allegations that will probably come out in the trial, about the undercover infiltration and surveillance of this group by agents of the military intelligence establishment.

This must not be allowed to continue. One of the basic tenets of American democracy, one of the guiding principles articulated by the framers of our Constitution was the right of civilians—of citizens—to be free from control, domination, surveillance, or infiltration, by the military. We must maintain the separateness of our military and civilian populations.

I should like to ask the gentleman on the Committee on Armed Services (Mr. NEDZI) whether or not as a result of his own investigations and hearings he plans to have any legislation brought forward which will restrict the military surveillance of civilian activities.

Mr. NEDZI. Mr. Chairman, will the gentlewoman yield?

Ms. ABZUG. I am delighted to yield to the gentleman from Michigan.

Mr. NEDZI. As I indicated to the gentlewoman in our discussion earlier in the day, it has long been the intention of the Intelligence Subcommittee to look into the matter fully. The sentiment which I have gathered from the members of the subcommittee indicates they are favorably disposed toward controls on the military with respect to surveillance of civilians. I anticipate that in the very near future we will have legislation before the House.

Ms. ABZUG. And this legislation, I take it, will be directed toward restricting or prohibiting that kind of activity and the use of funds by the military for that purpose?

Mr. NEDZI. That is correct.

Ms. ABZUG. I thank the gentleman.

Mr. SIKES. Mr. Chairman, I ask unanimous consent that all debate on the bill and all amendments thereto do now close.

The CHAIRMAN. Is there objection to the request of the gentleman from Florida?

Mr. OWENS. Mr. Chairman, I object.

The CHAIRMAN. Objection is heard.

Mr. OWENS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I hesitate to take the time of the Committee at this late hour. There is one thing which is happening I should like to bring to the attention of the Committee. I had intended to offer an amendment.

The Secretary of the Army has recommended to the Secretary of Defense that a large amount of GB nerve gas be transported from Rocky Mountain Arsenal in Denver to Tooele Army Depot in Utah, which is in my district.

There is no purpose in this transportation, in my opinion. We have in this country already adequate nerve gas literally to kill the world's population a thousand or 2,000 times over. This transportation would pose an intolerable threat to large areas of population. The gas ought to be detoxified rather than shipped. It is not necessary for whatever deterrent capacity we need, even if we accept the policy of the National Security Council on stockpiling of nerve gas.

I had intended to offer an amendment. I discussed it with the chairman. Instead I will offer a bill which in effect will require a review of that policy and will freeze all transportation of gas in this country until and unless the Secretary of Defense certifies or the President of the United States certifies it is necessary for our deterrent capacity.

A number of events in 1969 led to the public revelation of a program in chemical and biological warfare which was of far greater magnitude than many of us ever had realized. In the congressional hearings and investigations of these events, we became aware of the very great hazards associated with the storage, transportation, and destruction of obsolescent chemical weapons. Of particular concern at this time was the public disclosure of the large quantities of the so-called nerve agents which make up a significant portion of our chemical arsenal.

The President completed a review of the Nation's defense posture in 1969 and determined that biological warfare agents were not a necessary part of our arsenal for defense. At this same time, however, it was the President's decision that although we would not initiate the first of chemical weapons, we would continue to maintain chemical weapons for their potential value as a deterrent type of weapons system. Although his announcement in 1969 solved many of our problems concerning biological warfare agent stockpiles and our national policies concerning the use of these weapons, we were still left with the public health problem of coping with the chemical weapons in our storage and weapons loading sites. There are a number of these storage and loading sites throughout the Nation and shipment between these sites seems to be necessary on some occasions. We were reminded of this problem when the Department of Defense proposed to return to the continental United States a shipment of nerve agent munitions which had been stockpiled on the island of Okinawa. Public concern about this proposal led to a change in the DOD position and the munitions were stored on Johnston Island in the Pacific instead of being returned to this country. The Congress also has prohibited any further transportation and dumping at sea of these toxic munitions.

During this same period, the public became aware of the fact that a large quantity of nerve agent munitions were stored in a facility very close to the landing pattern of the airfield at Denver. In 1969, the public concern with this potential danger led to an announcement by the Army that some of these nerve agent munitions would be destroyed. As you know, we have learned that instead of destroying these munitions, a proposal has been made to ship most of these munitions and nerve agent supplies to a storage site at Tooele, Utah. Naturally, there has been public objection again to the shipment of these toxic agents and any further addition to the stockpile at Tooele.

When I began to investigate this issue of moving chemical munitions to Tooele my initial reaction was one of concern about the immediate potential hazard as well as with the question of the need for such a shipment. As I became more familiar with the problem, however, I became aware of the fact that deeper issues were involved. Of course I am most concerned with the immediate resolution of the proposal to move more toxic munitions from the dangerous storage site in Denver across country to Tooele. But I am even more concerned with the fact that we seem to have given insufficient consideration to the resolution of several major national issues associated with our policies for the use of chemical weapons.

In response to the call of the Congress, the President has returned the Geneva Protocol to the Senate Foreign Relations Committee for advice and consent to ratification. In doing so, however, he attached certain reservations regarding the status of the chemical herbicides and the use of tear gas and the Senate committee was forced to go back to the President and ask for his reconsideration of this issue. As of this date, the President has not replied to the committee chairman's letter and the protocol still resides in the Foreign Relations Committee.

This inaction on the Geneva protocol certainly had an important bearing on the progress of our disarmament negotiations at Geneva. We find ourselves in this instance in the position of advocating chemical weapons disarmament while being one of the few nations in the world which has not signed the major treaty concerned with the use of chemical weapons.

I have also learned that the Army has been working for some time on a chemical weapons system, known as a binary system, which would permit the substitution of a relatively safe intermediate system in storage in place of the extremely toxic nerve agents while at the same time maintaining the capability of responding in kind in the event of attack by another Nation. If the new weapon system is as effective as has been discussed during the last few Appropriations hearings, it would seem that the Department of Defense would be more anxious to begin phasing the safer system into our storage systems.

Thus we find ourselves in a continuing dilemma. The political situation in the world has altered dramatically since the earlier decision regarding the Nations policy on the use of chemical weapons. We find ourselves stalled in our negotiations at Geneva to reach an accord on the control of chemical weapons. Although some observers point out the need for inspection and verification as being the major obstacle to reaching an accord on a chemical weapons treaty, other observers indicate that potentially adequate methods of verification are at hand.

While we continue to be confronted with the public health threat of handling and storing extremely toxic nerve agents in our stockpiles, we exhibit only a low priority of effort for the development of a system which would give us the same deterrent capability without the threat posed by existing stockpiles.

It would seem to me that there is as much need today for a new look at our national policies on chemical warfare as there was for our examination in 1969 on both our biological and chemical warfare policies. We may find that the need for chemical weapons as a deterrent weapon system is no longer a valid concept. We may find, if the policy is one of continued maintenance of such a capability, that acceleration of the binary system would alleviate what continues to be a serious public health hazard, still unresolved after 4 years of promises. Certainly, the situation near the Denver airfield should not be permitted to continue. As an interim measure, it seems to me that the stockpiles at Tooele are more than adequate to meet any immediate defense requirements and that destruction at Denver rather than transport to Tooele is the solution to the problem of the hazardous conditions at the Denver storage site. Admittedly, we need more information. If we are to legislate effectively, we need to know the basis for continuing the maintenance of a dangerous stockpile of toxic nerve agents. We need to know more about the benefit/risk assessments associated with the shift from current nerve agent systems to the binary system which has been under evaluation for such a long period of time and which has been promised as a system for so many years. We have come a long way from our earlier pre–1969 atmosphere of secrecy concerning these types of weapons. We need to know more about the risks which we are assuming with the continued maintenance of nerve agents in our stocks as well as the real advantages of such system. I find little justification for holding such materials near highly populated areas—and would like to be convinced of the necessity for continuing to maintain such weapons in a total arsenal of weapons which includes nuclear devices. The Geneva Protocol of 1925 should receive immediate attention in the Senate, the President should make his position clear regarding the need for excluding herbicides and tear gas. Even the military reports seem to offer little justification as to the effectiveness of these latter agents in combat. We need to consider the advantages and disadvantages of maintaining a chemical capability in the new political climate which seem to be developing within the world.

And finally, we cannot continue to tolerate the continual and unexpected threat of shifting and moving such toxic munitions and bulk chemical warfare agents from one section to another within the country. If chemical agents are necessary, as should be determined by a reevaluation of our need for these agents, we need to look at the storage and distribution of these agents in a comprehensive fashion in order to assure that the threat to populated areas is held to an absolute minimum, even if this means that destruction at certain sites is utilized rather than the risk of transportation to safer sites. If necessary, some slight additional production at a safe production site and shift to a safe storage site by absolutely safe transportation systems could be adopted to restore stocks to those levels considered essential. There is no reason why we should continue to tolerate the exposure of our population to such dangerous conditions.

Mr. HÉBERT. Mr. Chairman, will the gentleman yield?

Mr. OWENS. I yield to the gentleman.

Mr. HÉBERT. Mr. Chairman, I have discussed this matter with the gentleman.

The gentleman indicated he would introduce a bill along these lines, and I informed him that the Committee on Armed Services would give it its immediate consideration.

Mr. GUBSER. Mr. Chairman, I move to strike the last word.

Mr. Chairman, before we conclude consideration of this bill, I would like to express my personal appreciation to the gentleman from Louisiana, the chairman of our committee (Mr. Hébert) for the very patient and tolerant manner in which he conducted hearings on this bill under what were sometimes very exasperating circumstances. I am sure that he would not curtail debate or cut anyone off.

I would like also to draw attention to the splendid job our staff did. When I mention the staff, I think I should call attention to the fact that one of the members of the staff retired effective July 1, but was kind enough to come back here and assist us in the consideration of the bill. He was the counsel for our Subcommittee on Research and Development, headed so ably by the gentleman from Illinois (Mr. Price). I am referring to Mr. Earl Morgan. Mr. Chairman, Mr. Morgan will be leaving us, and we will miss him. I certainly, as the ranking member of the Subcommittee on Research and Development, want to thank him for all he has done and wish him well in the future.

Mr. WALDIE. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I simply wish to ask the distinguished Chairman of the Committee, the gentleman from Louisiana (Mr. Hébert) if I may, a question or two.

Would the gentleman be able to tell me: Are there any funds in this bill for the Central Intelligence Agency?

Mr. HÉBERT. No, sir.

Mr. WALDIE. None whatsoever?

Mr. HÉBERT. No, sir.

Mr. WALDIE. Mr. Chairman, I thank the gentleman.

Mr. PRICE of Texas. Mr. Chairman, the authorization bill as reported out by the Committee on Armed Services reduced the F–15 air superiority aircraft procurement by almost half of the 77 aircraft requested by the Air Force. The committee took this action because the members determined that the program should be slowed down at least until the final endurance qualification test was complete.

Although it is true that in February 1973, difficulties were encountered which prevented completion of the 150-hour endurance test of the Pratt and Whitney F–100 engine, the Air Force was authorized to proceed with the fiscal year 1974 increment of the F–15 production subject to certain limitations—including the successful completion of the engine 150–hour endurance test. However, due to the fact that excessive flexing in the fan stator assembly could have been encountered at the highest pressures at the engine inlet, the Air Force elected to modify the second 150-hour endurance test criteria to exclude two test points at mach 2.3 until the fan stator assembly could be stiffened. This modified 150-hour endurance run was successfully completed in April using an engine which incorporated thicker fan blade tips and improved turbine cooling to correct deficiencies discovered during the initial 150-hour test run in February. This test established that the F–100 engine had the capability to meet the ruggedness demanded by the Air Force.

Moreover, since the endurance run in April, a modification to correct the design deficiency in the fan stator assembly has been fabricated and is currently undergoing verification testing and an engine with the modified fan stator assembly has been successfully operated at the design maximum engine inlet pressure without incident. Additionally the Secretary of the Air Force has directed that an engine with the modified fan stator assembly will be tested to the original 150-hour endurance test criteria. This test, which will constitute the formal 150-hour endurance qualification, is planned for completion by September 30, 1973—in sufficient time to be included in the flight test program, and 14 months ahead of the delivery of the first production F–15.

The successful completion of the modified durability run, the outstanding flight test program—including flights at mach 2.3—and other engine performance tests in the high pressure regime, reinforce the high confidence that this additional 150-hour endurance test can be completed as planned.

Despite these problems, I want to remind my colleagues that the Pratt & Whitney F–100 engine has demonstrated an exceptional performance record in the F–15 flight test program and has undergone hundreds of hours of inflight testing and thousands of hours of ground testing, including the successful completion of the modified, but very strenuous endurance test. This experience clearly shows this to be an excellent engine with high promise of fulfilling the demanding performance requirements of the F–15.

The F–4E, as great an airplane as it is, has at best a marginal superiority over current Russian fighters. Should the Soviets produce an advanced fighter, we can expect to see the F–4E, even when modified with leading edge slats, completely outclassed. Should this happen, our pilots will once again be forced to face an enemy with inferior equipment as in 1942 when we sent our boys against Japanese Zeros and German Messerschmidts in the antiquated P–40.

Mr. Chairman, in summary, the flight test performance of the F–15 has been nothing less than outstanding. Rarely has there been an aircraft flight test program which has been so trouble free in the first 700 hours of flight. As an example, flight test milestones which were scheduled to be accomplished within 8 weeks of first flight were completed in 17 days. In all, there have been over 630 flights during which the aircraft has been flown above 60,000 feet and at speeds in excess of mach 2. In addition, all milestones in the flight test program have been completed on or ahead of schedule—an accomplishment unique in Air Force fighter programs. Through all of this, the F–100 engine has performed without a major incident.

It is for these technical reasons—coupled with the fact that this air superiority aircraft is sorely needed in the Air Force, that I believe we should support this program and that we should strive to get this superior aircraft into the Air Force inventory as soon as possible.

Mr. Chairman, the need for new U.S. air superiority fighter aircraft is clear. The Soviets have been steadily improving their air-to-air capability with regular introduction of new fighters into their inventory. In recent years they have produced six new fighters and improved three older ones with major modifications. These represent a whole new family of fighters possessing high performance capabilities in terms of maneuverability, acceleration, and weaponry.

Since the appearance of Soviet fighters in the Korean war, these fighters have possessed performance characteristics which challenge U.S. fighter aircraft in many areas.

To reverse this dangerous trend toward having our air forces equipped with second rate fighter aircraft, it is imperative that the United States upgrade its fighter capability with such aircraft as the Air Force F–15 and the Navy F–14.

The F–15 will be the Air Force's first air superiority fighter since the F–86, which made its first flight more than 25 years ago. The F–15 will meet the post-1975 superiority challenge, since it is designed specifically to excel in the air-to-air combat role.

F–15 tactical missions will be fighter sweep, escort, and combat air patrol, all of which require that the F–15 be able to acquire, identify, engage, and destroy enemy aircraft in either contested or enemy airspace and in enemy-controlled radar environment.

The F–15 is designed to meet a composite threat—not that of any one specific aircraft. The assessed performance of current and projected Soviet aircraft has been considered in defining F–15 performance characteristics. As a result, where air-to-air combat might take place, the F–15 will out climb, out maneuver, and out accelerate any enemy fighter built in the next decade.

The ability of these advanced fighters to achieve their outstanding performance is due in large part to advanced technology jet engines. The Pratt & Whitney Aircraft division of United Aircraft Corp. at its research center in Florida, is developing the new high-performance F–100 jet engine for the F–15 and the F–401 engine for advanced Navy fighters. The F–401 will be tested in the F–14B airplane.

The F–100 and the F–401 engines represent the greatest single advance ever achieved in gas turbine engine technology, as shown on chart I. These remarkable engines produce about 25 percent more power for each pound of engine weight than the highest performance engine now in the U.S. inventory. In terms of performance, the high thrust to weight characteristic would allow the aircraft to make very tight turns at high speed, enabling our pilots to turn "inside" an enemy aircraft and gain the combat advantage which means air superiority. These new engines will enable the F–15 and the F–14 to fly farther with more payload, or fly higher and faster, with more combat maneuverability than fighter aircraft in our present arsenal.

The F–100 engine is performing extremely well in the F–15 flight test program, even though there have been some problems in the engine development program. These problems have been much publicized but are not extraordinary. Recent incidents involving the engines are typical of those experienced in developing any completely new high-performance propulsion system. The fundamental purpose of any engine development program is to identify problem areas through such incidents and make corrections before the engine goes into operational use. And the first planned operational use of the F–100 engine is more than a year away.

Engines employed in development programs are deliberately pushed to extremes on the test stand to determine the limits of their durability and to prove the integrity of their design. As a result, component failures are expected during the development period. It is significant to note that the number of development failures which have occurred in the F–100 engine development program is essentially the same as occurred during development of current generation high performance engines, as shown on chart II, in spite of the fact that the technological gains in this program were significantly higher than in previous developments. If the F–100 incident rate is compared to the earlier development of high successful engines for the F–111, the F–105, and the A–3D, we find that a dramatic improvement in development success has been demonstrated in the current program. This is even more impressive when you consider that today's modern development test facilities have made it possible to subject the engines to much more rigorous test conditions of speed, altitude, and endurance much earlier in development than was possible in previous programs. This ability significantly reduces the potential for expensive, time-consuming problems which in earlier programs were detected only after the aircraft had begun flying.

In April of this year, an F–100 engine completed a very successful 150-hour endurance ground test. This test was designed to demonstrate the functional durability of the engine by imposing operating conditions and durations representing the extremes of those expected in actual service. This test covered the entire envelope except for two conditions which were run at slightly different simulated altitudes and at mach numbers of 2.0 and 2.2, instead of at mach 2.3. Chart III provides a comparison of the original test conditions against actual test points. This test was equivalent to what the engine will encounter during several thousand hours of operational flight. This grueling test was completed in record time and the engine came through in excellent condition. The test verified that the F–100 is already an extremely durable engine.

The April 1973, 150-hour ground engine test included operation at the F–15's maximum design flight speed and included more than 90 hours of operation at maximum turbine inlet temperature and over 80 hours of operation with afterburning. The engine was subjected to 350 punishing "snap" accelerations from idle to intermediate or maximum power. In a related but separate series of test, the F–100 "swallowed" water, ice, sand, and other foreign objects it might encounter in operational use, and continued to operate reliably.

Shortly before the 150-hour test began in April, the testing program indicated that a nonmoving part of the engine, known as the fan stator assembly, might flex under high load, contact rotating parts, and cause engine failure. The Air Force logically changed the test requirements to reduce the high load on the stator, thus avoiding a delay in the program and a possible loss of the test engine. The Air Force, McDonnell Douglas and Pratt & Whitney Aircraft all recognized that a redesigned, stiffened stator made of a different material was to be installed and tested after completion of the April test. It is this decision of the Air Force which has received comment in the press and in Government circles. It has since been decided that the test completed in April will not be considered the official qualification test.

A redesigned fan stator assembly has been installed on an F–100 engine and successfully tested at altitude and flight speed conditions identical to those in the qualification test schedule. Additional durability testing is in progress. This new fan stator assembly has been installed in production engines and is currently being flight tested in the F–15 aircraft. The official qualification test of an engine incorporating the improved stator assembly design will be conducted in full accordance with the complete test conditions. This test is scheduled for completion before September 30 of this year. All test results to date point to a successful completion of the qualification test on schedule.

The F–100 and F–401 engines have now accumulated over 15,000 hours of development testing. This total includes 1,300 flight hours accumulated by eight F–15 aircraft without a single major failure. All flight demonstration milestones have been accomplished ahead of schedule in the F–15 flight test program, which began more than 1 year ago at Edwards Air Force Base in California. This flight evaluation program has been the most productive and trouble-free the Air Force has ever conducted with an entirely new aircraft system. As an example, flight test milestones, that were scheduled to be accomplished within 8 weeks after the first F–15 flight, were completed in just 17 days, less than one-third of the time allotted. These aircraft have made more than 630 flights demonstrating air superiority performance over a large portion of the plane's flight envelope, as shown on chart IV. An altitude of over 60,000 feet has been attained at supersonic speeds; a speed equal to the design goal for the F–15 has been flown. The maneuverability and handling qualities have met all estimates and the performance has exceeded predictions. All milestones in the flight test program have been completed on or ahead of schedule—an accomplishment unparalleled in previous Air Force programs involving new fighter aircraft.

The experience gained in development testing and the outstanding record of the F–100 engine in the F–15 flight test program provide assurance that the official 150-hour endurance test will be completed on schedule by the end of September, in sufficient time for the engine configuration to be thoroughly flight tested before delivery of the first production F–15 aircraft a year later.

As the world's leading designer and builder of high performance aircraft engines, Pratt & Whitney Aircraft is eminently qualified to produce the F–100 and F–401 advanced technology engines. P. & W.A. engines power many first-line military aircraft such as the A–4, A–6, A–7A, F–105, and F–111 fighters; the 2,000 mile-per-hour YF–12A interceptor and the SR–71 reconnaissance aircraft; the B–52 bomber, and the C–141 cargo transport. The company's engines also power most of the commercial airliners built in this country, including the Boeing 707, 727, 737, and 747 and the McDonnell-Douglas DC–8, DC–9, and DC–10–40 airliners.

An article follows:

SHAH OGLES U.S. JETS

(By Orr Kelly and George Sherman)

The Defense Department closed down Andrews Air Force Base for two hours this morning to put on a spectacular flying demonstration of its two newest fighter-planes for Shah Mohammed Reza Pahlevi of Iran.

The demonstration also was the first unofficial "fly-off" between the Navy F14 Tomcat and the newer Air Force F15 Eagle.

The Shah has told American officials he wants to buy either the F14 or the F15—or some of both.

The Shah also announced that his government on Tuesday signed the first comprehensive agreement with an American company, Ashland Oil, Inc., to share 50-50 in building refineries and filling stations for Iranian oil marketed in the United States.

This "downstream" oil agreement is the first such well to market operation between an American oil company and a foreign oil supplier. The Shah said the Ashland agreement involved between 100,000 and 200,000 barrels of oil a day, "and may be repeated with other oil companies."

(Later the Iranian embassy said that the Shah has misspoken and that the deal was for 10,000 to 20,000 barrels of oil a day, not 100,000 to 200,000 barrels.)

The Ashland Oil chairman, Orin E. Atkins, had announced Tuesday that an illegal $100,000 contribution had been made to the re-election campaign of President Nixon. The company said that the contribution had been returned last week.

The Shah, in a reference to Watergate, warned-against dangerous erosion of presidential authority. "I can say emphatically," he stressed, "about the power of the President of the United States in split-second decision-making, if weakened and jeopardized, that it would be a grave danger to the world."

Sources say Iran is thinking in terms of 30 F14s and 50 F15s—a deal which could run to $1 billion. Last year Iran ordered $2 billion in aircraft including 100 Phantoms to add to the 78 already in the Iranian Air Force.

In the demonstration flights today, Grumman Aerospace Corp., maker of the F14, and McDonnell Douglas Aircraft Corp., maker of the F15, clearly were vying for the shah's nod.

The press was kept on a nearby knoll, a hundred yards from where the shah inspected the planes and watched the fly-off.

In the demonstration, a light-blue F15 with bright orange tail, flown only 15 hours since its delivery to the Air Force, made a maximum take-off and climbed almost straight up to 17,000 feet, then descended and passed over the field at 500 feet flying nearly 600 m.p.h.

The pilot then made a low-speed pass over the field, circled within the confines of the field and landed on the first third of the runway.

The F14's pilot put his plane through an even more spectacular demonstration.

He took off downwind, pulled the nose back and headed straight up. At about a thousand feet over the field he went over onto his back and then rolled out in an Immelman loop.

He then circled the field in maneuvers that left even Air Force pilots gasping.

The Shah insisted yesterday that the final number of F14s and F15s would depend upon "the quality of the threat" he faces. The F14 Tomcat, equipped with new Phoenix missiles, is the only American jet thought to be able to conquer the Soviet MIG 23 Foxbat which is reported to have made several overflights of Iran recently.

The Shah refused to point the finger at the Soviet Union yesterday as a threat to Iran. He made clear that the major problem is neighboring Iraq, which, he said, has "a superior number" of planes to Iran, and which is "unfriendly."

According to U.S. sources, Iraq is receiving MIGs from the Soviet Union. It has made an Iraqi base at the head of the Persian Gulf available to Soviet Navy ships.

The Shah told newsmen time and again that Iran, which sits abreast of the Persian Gulf with 31 million people and with an annual oil revenue of $6 billion a year, must be treated differently from other countries in the Middle East.

Mr. PRICE of Texas. Mr. Chairman, the committee has added 12 F-111F's to the bill we have before us. It is a responsible act, and a perceptive one.

It brings to mind Winston Churchill's rather frequent admonition to the effect that it is sometimes useful to recognize the obvious. And what could be more obvious, than the need in today's world, to preserve the only bomber aircraft production line in the free world. That statement is literally correct. The line that produces the F-111 fighter-bomber is the only active aircraft production facility capable of productin g not only the unique F-111 tactical aircraft but also its strategic version should that become necessary.

This is not the first time that the House Armed Services Committee has been called upon to preserve the capability that is represented by this well proven aircraft and to maintain the integrity of the people and the plant that produce it. Two years ago the committee had to take the same action as it is recommending to the House today. At that time the Air Force and the Department of Defense, for reasons that are anybody's guess, failed to request authority and funds for the F-111.

Events since that time have proved beyond the shadow of a doubt that the action was a correct one. And the action also proved again that the Congress and its committees must play an active part in the determination of national policy. Examples of that principle literally surround us, and to a lesser or greater degree have always surrounded us.

The simple fact is that the F-111 is the most modern, most capable, and most effective aircraft in the tactical inventory of this country, and is an aircraft that is unmatched in its capability and function by any aircraft in the inventory of any nation in the world. Let us look upon ourselves as either very perceptive or very lucky because in the F-111 we find that this country has available to it a hedge against all of the uncertainties of other aircraft at this time, the limitations of the B-52, budgetary constraints, and even the SALT agreements themselves.

We have it within our power and discretion to make but one simple decision and that is to continue this production line for this fiscal year and the next and the next after that, and as long as is necessary to assure the availability of the only alternative we have.

But we are doing much more than hedging our bets, we are also assuring the production of an aircraft for which there is a clear and immediate need. There is no "waste" here. Every aircraft produced is needed to keep the tactical F-111 force near its full four wing strength. As a matter of fact some 80 or 90 additional aircraft are required to maintain this tactical force at its approved level.

I congratulate the gentleman from Louisiana, chairman of the Armed Services Committee, and I congratulate every member of the committee who voted to keep this line open and producing, by what the press described as an "overwhelming vote."

This is Congress at its best, and I am confident and proud to support this action of our Armed Services Committee.

Ms. ABZUG. Mr. Chairman, I oppose this bill on several grounds:

First. The people and their representatives in the Congress have expressed the firm opinion that this country must disengage itself from Asian wars. The peace agreements signed in January, March, and June provided some hope that the basis was laid for so doing. This bill, on the contrary, provides $1.3 billion in military assistance to South Vietnam and Laos, in direct violation of those agreements.

Second. The people and their representatives have expressed the desire to turn from spending half of our national resources on death and destruction, to filling the needs of our own people. This bill, on the contrary, asks us to commit over $21 billion to the already bloated Pentagon budget, at a time when supposedly we no longer will be conducting any war.

Third. The people and their representatives have expressed alarm, especially in the past few weeks of soaring inflation, at the cost of keeping more than half a million men overseas while the American dollar value declines steadily.

Fourth. The people and their representatives are attempting to regain the power that has been eroded over the past few decades. Now we are being asked routinely to rubberstamp the requests of the administration and the Pentagon. Though many members of the Armed Services Committee tried in vain to make real cuts, there is apparently justification for the charge that this committee is "the Pentagon's lobby on the Hill." Every cut made by the committee was approved in advance by the Pentagon. Therefore we have the appearance of an attempt to hold the line on spending, but no real attempt, except in the amendment to be offered, to challenge the bloated Pentagon budget.

I realize that these are serious charges and I ask you to examine them with me.

First. The effect upon this country of our involvement in Southeast Asia has been so devastating that sociologists warn that it may take decades to recover. Our national conscience and sense of purpose, as well as our economy, are severely wounded. Every poll shows that the public insists we must get out of Asia entirely. Both bodies have voted decisively that the continued illegal bombing of Cambodia must stop on August 15.

This last week has brought even more dismaying news and an even stronger revulsion from constituents: The President himself authorized the continued, secret, illegal bombing of Cambodia for 14 months, dropping 100,000 tons of bombs in more than 3,600 raids, while permitting the civilian Secretary of the Air Force to transmit falsified reports to the Congress, saying we were clean of hand and pure of heart. It is simply too much. And the one way to stop it is to cut off funds that permit our military dictators and those in other countries to link forces—and profits, at the expense of the millions who suffer and die.

Both Houses have heard at some length in recent months about the treatment accorded political prisoners by South Vietnam's President Thieu. We have heard of the repressive nature of the regime we created and continued to support—with $1.3 billion in military assistance to South Vietnam and Laos, if this bill is passed.

The committee charges that Hanoi has not implemented the Paris peace agreement and that we must therefore maintain our support for the legitimate governments of Laos and South Vietnam so as to provide the peoples of these embattled countries the opportunity to retain their sovereignty and their independence. It is the administration that continues to insist that the Thieu government is the "legitimate" government of South Vietnam; the peace agreements specifically disavow this concept.

The Laotians are on the verge of signing an agreement establishing a provisional government—with the stipulation that the United States will dismantle its CIA force and training bases in Laos. It is imperative that we permit the people in each of the Asian countries to settle their own problems, at last, without the intervention of U.S. funds in support of one faction. Therefore, it is imperative that we support the Leggett amendment cutting funds that give blanket assistance to South Vietnam and Laos. The Senate bill at least provides for compliance with the peace agreement, allowing replacement of armaments on a piece by piece basis.

It is alleged, and undoubtedly it is true, that Hanoi is violating the agreements in this and other ways. That does not justify our doing the same—and on a scale which could not be equaled by forces with far less sophisticated equipment.

Second, as an example of the priorities we are asked to ratify, let us take note of the words of experts. Senator SYMINGTON, acting chairman of the Senate Armed Services Committee, said during debate that—

> No economy, not even that of the US, can continue indefinitely to police and babysit the world . . . sound economy is just as important to the security of the US as is the latest weapons system.

William C. Foster, former Arms Control and Disarmament Director, warned that:

> Much more could have been accomplished (at the SALT talks) had we not fallen into the trap of believing that we would only be able to reach successful agreements by . . . building the very weapons we most needed to control . . . Stopping these weapons programs in place now will not hurt our security. It may well enhance it by giving us and the Soviet Union breathing space in which to devise lasting and effective ways to stop the arms race.

Paul C. Warnke, former Assistant Secretary of Defense, joined other experts in presenting a report on military policy and budget priorities, which states that "the Nixon military budget could safely be reduced by more than 15 percent."

Therefore, in supporting the Aspin amendment we were being extremely conservative—but support it we did and I am gratified that it passed.

Third. According to the Warnke report just mentioned, $4 billion could be cut from general purpose forces—the most expensive item in our so-called defense budget, taking 75 percent of the defense dollar. We must achieve the most efficient possible use of such funds and link them to political and diplomatic objectives. "It is neither militarily nor diplomatically necessary, nor practically feasible, permanently to maintain the present structure of U.S. forces in Europe."

We must remember that these forces are stationed primarily by executive fiat, were put in place during a very different historical period and are no longer appropriate to the situation. We are abdicating the decisionmaking function if we permit NATO commanders to decide whether or not forces such as those in Europe should be maintained—with the United States footing the bill.

Fourth. It is this abdication of responsibility that most concerns me if we permit this atrocious military budget to gobble up the funds we need so badly—for child care, for the elderly, for the cities. We have seen all too clearly how the President and the military rulers use the funds we have authorized in the past. There is no possible excuse for continuing to do so. We owe it to the Nation to reassert a measure of control. I urge the passage of every amendment that would lop off a branch of this monstrous military tree.

Mr. HARRINGTON. Mr. Chairman, I rise in opposition to the military procurement bill, and intend to vote against it and the misguided concept of national priorities and security that it represents.

Despite the decline in Southeast Asia war costs and improved relations with our major strategic adversaries, the administration's fiscal year 1974 request for $22 billion in authorizations for new weapons systems exceeds the amount appropriated by Congress in fiscal year 1973 for the same purposes by $2.46 billion, or about $1.5 billion more than needed to keep pace with cost increases resulting from inflation.

Many contend that significant savings could result from terminating or deferring many of these expensive new systems, without endangering our national security. Members of Congress for Peace Through Law itemize up to $7 billion that could be saved by slowing and/or terminating development of new weapons systems. A group of defense specialists under the chairmanship of former Assistant Secretary of Defense Paul Warnke suggests weapons reductions of $2 billion in general-purpose forces and $3 billion in strategic systems. Troop-level cuts—particularly in the 600,000 U.S. troops overseas—would add additional billions to these savings. I concur.

The $564.1 million in "reductions" claimed by the House Armed Services Committee from the administration's request of $21.96 billion—a 2.6-percent cut—result largely from adjustments in DOD requests. The only major action taken by the committee that resulted in a significant fund reduction was the decision to slow procurement of the F–15 fighter. The committee partially offset this $330.9 million in potential savings by adding $172.7 million for 12 F–111 fighter-bombers not requested by DOD, leaving a net saving of $158.2 million.

In addition to the F–15 cut, the committee did reduce R. & D. funds for the Safeguard and Site Defense ABM systems by $25 million each. Aside from these reductions and cuts in a few minor programs, every reduction made by the committee resulted from a prior DOD decision regarding the affected program. In cases where the committee did make decisions on various weapons systems, such as reducing Navy funding for F–4 procurement or for construction of LHA assault ships, the potential savings were allocated by the committee to other weapons systems.

Actual committee cuts not resulting from service or DOD decisions total $287.5 million—a net reduction of $158.2 million in Air Force funds resulting from the F–15/F–111 decisions, $50 million in Army R. & D. funds for missile defense, and a total of $79.3 million in fund reductions for nine minor programs. Most of the cuts within this $287.5 million total—a 1.3 percent cut—were made without opposition from the affected services.

The bill as reported by the House Armed Services Committee provides $21.39 billion for procurement and R. & D. on new weapons systems, a reduction of $565.1 million in the weapons requests. With the exception of a reduction of $330.9 million in the request of $918.5 million for the F–15 fighter, the committee approved intact all important programs requested by DOD. Such reductions as the committee recommends were generally made possible by a prior DOD decision, or at least without the opposition of the service involved. The committee partially offset the F–15 cut by adding $172.7 million for 12 F–111's not requested by DOD.

The committee approved virtually intact the requested active troop and reserve levels recommended by DOD, since about 12,000 of the 13,000 manpower reduction was made possible by altered Southeast Asia requirements. The committee did reduce the authorization ceiling requested for military assistance to South Vietnam and Laos from $1.6 billion to $1.3 billion, but even the $1.3 billion ceiling provides for assistance far in excess of that permitted by the ceasefire agreements.

I have previously outlined my objections to the methods and procedures of defense procurement legislation, as practiced by the House Armed Services Committee. As a former member of that body, I have experienced firsthand the Pentagon's methods in getting consistent approval for unneeded weapons systems. The structure and workings of the committee, with its deference to the Defense Establishment, make any logical analysis of security needs impossible.

The time has come to begin a fresh approach to setting defense policy priorities. They can no longer be considered in an atmosphere dominated by generals and their admirers. It is no longer a question of adequate defense, but defense at what cost. The bill before us today fails to make even a token effort toward that kind of approach, and I am therefore forced to vote against it.

Mr. DAN DANIEL. Mr. Chairman, for a number of years some of our colleagues have argued the merits of an American presence in the world. Positions taken have run the gamut from total involvement to complete disengagement.

It appears to me there are three positions we can take in the world community:

First, we can declare our intent to impose our will on the weaker nations by whatever means felt suitable—economic or military. I do not believe any reasonable person would choose this approach.

A second choice would be to abandon any participation in undertakings beyond our shores. That is, we can assume our pre-World War II "fortress America" position, and deny any concern for the rest of the world. We have already done this within this century—and suffered the consequences. I do not believe many people are persuaded that this, either, is the best approach for our Nation to take, for we will thereby create a vacuum which will more than likely be filled by the land- and resource-hungry who have maintained or developed a strong military capability.

The only other option, then, is to seek mutually advantageous arrangements—again, economic and military—which will provide protection and allow advancement of the best interests of all.

We are well into a period of negotiation with our treaty partners and with Russia and the Warsaw Pact nations. If we cancel out our relationships with our friends, and further cancel out the need for the Warsaw Pact nations to reduce their military commitments in Western Europe, we may just as well cancel out any promise of a future—not a better future, just a future, period—to our own people.

I believe the Members of this Congress possess a wider vision than is implied by the statements of some. I do not believe they will allow disillusionment with the war in Vietnam and its aftermath to becloud this vision. I believe they are above the petty bickerings and quarrelsomeness that make up the present governmental scene. I believe they desire to move forward in this Nation's commitment to a role—diminished though it be—in maintaining peace in our world.

NEED TO SPEND FOR DEFENSE

Those who would rearrange our priorities, who would cancel out our defense efforts, should consider this: Our defense dollars are the one sure successful expenditure we have made over the past 20-odd years. Because we have prepared for the defense of the United States in a manner calculated to show a potential enemy we mean business, that we are unequivocally determined to protect ourselves, we have not had to fight world war III. We have not had to see our loved ones under the bombs of a foreign power. We have not seen the tanks of an aggressor nation in our streets. But to a grave degree, we are the victims of our own success. Because we have stayed militarily strong, some among us have come to see the absence of attack as the absence of threat. Nothing could be further from the truth.

Why is it necessary for us to maintain a high level of readiness?

Why must we spend so much time and money on national defense?

It is because there are forces loose—both at home and abroad—seeking by devious and dastardly means to destroy the foundation upon which our country rests.

In short, we live in a hostile world where honest men continue to have honest differences of opinion and dishonorable men continue to exploit these differences.

Military power is essential to peacekeeping. The Berlin crisis would have turned into world war III except for superior U.S. military strength.

Military strength faced down the Russians in the Cuban missile crisis. The presence of the bristling guns of the 6th Fleet averted a major world conflict in the Middle East in 1967. These are lessons of history.

American power has kept a semblance of world peace for two decades. American power has preserved the right of man to live, to flourish, and to aspire.

We hope and pray that the services beyond the training role will never be required of our service personnel, that none of our weapons systems will ever be used, that they will serve their purpose of deterring aggression, that current negotiation will result in a mutual and balanced reduction of arms and personnel, that summit talks will continue to produce peace dividends. However, until there is enforceable peace, we must stand with the Father of our Country who said:

> The most effective way to keep the peace is to be prepared for war.

Our country, our system, our way of life, with all its imperfection, is worth preserving—worth whatever sacrifice required.

Mr. PODELL. Mr. Chairman, the longstanding feud in Congress between the big spenders and little spenders is disappearing. Increasingly the real fight is over where we are to spend our money. Both the administration and Congress are big spenders on some fronts and budget cutters on others.

There is waste in all areas—some resulting from mismanagement and some from badly planned legislation. However, most of the excess money in today's bill, for the Department of Defense authorization, is for unnecessary items. It is money to support absurdly high troop levels around the world and for weapons programs which we do not need now and perhaps never will.

The war in Vietnam is drawing to a close; détente with both the Soviet Union and China is an established fact and cooperation grows. Western Europe and Japan have become strong and stable allies; the dollar is shaky; and the administration claims we cannot afford adequate health care or education programs; yet the bill before us substantially increases last year's funding and eliminates little of the wasted manpower in our armed services at home and abroad.

We continue to maintain 600,000 troops oversea, 300,000 of them in Europe. Reducing this number would release Federal funds for domestic needs and help solve the balance-of-payments deficit.

An estimated $17 billion will be devoted toward our NATO commitments alone in 1974. The resultant balance-of-payments deficit will be over $1.5 billion. I believe in a strong NATO but the time is long past for large scale subsidy by the United States of European security needs. Western Europe is in a solid financial position while we are in effect subsidizing social welfare programs in these countries which are unavailable to American citizens.

We have no treaty responsibilities which entail this large commitment. The five divisions maintained in Europe are an arbitrary number continued from year to year in the name of national security without an evaluation as to their true effectiveness. Only 15 percent of the Americans stationed in Europe are actually combat soldiers, the rest perform support functions. If the troop levels are limited, the Army will be forced to improve this inefficient system.

Today the House should reject its traditional policy of accepting all military and administration requests to maintain the status quo. We must take independent action. Numerous amendments to this end have been offered but at the least we should reduce our bloated overseas forces by 100,000 troops so that our military policy will reflect the new world situation.

Mr. PRITCHARD. Mr. Chairman, in considering H.R. 9286, the Department of Defense authorization bill for fiscal year 1974, Members of the House are confronted with one of the most important, yet frustrating, pieces of legislation to be presented this session.

We are not only dealing with an enormous authorization request of $21.3 billion, but, in approving these manpower and weapon items, we are, at the same time, in effect approving basic national defense policy for our country. It is extremely difficult, for example, to separate a strategic weapon system from the policy which claims to be dependent on that system.

Mr. Chairman, I understand that the hearings on this bill have run to over 4,400 printed pages of testimony. I must say that I have only the greatest respect for the members of the Armed Services Committee, who have labored for hundreds of hours over this legislation. Their diligence, devotion, and patience is to be admired by all of us.

With this extraordinary amount of input, it is most difficult for a Member of this body, who is not also a member of the Armed Services Committee, to make a thorough examination of this proposed legislation and accompanying testimony. We are really being asked to approve on faith vast lump sums, with few if any specific use details. To open any crack of inquiry is to launch into a complete review of strategy and intelligence, with much of the essential information classified. This is a sad but true admission, and one which can hardly cheer the American people.

The citizens of the United States are very much aware of the Defense Department budget demands. They know that we are no longer living in the horror of the Vietnam war and that, hopefully, after August 15, we will no longer be waging war of any kind. We have all been told that there are solid indications of improved international relations, and a general easing of world tensions, at least among the major powers. A war-weary America prayerfully anticipates an era of peace, negotiation, and stability.

For the past several months, Mr. Chairman, the House has been asked to consider a variety of legislation pertaining to our domestic needs and requirements, and in many cases we have been asked to approve a cutback and even an elimination of a domestic program. This has not been an easy task, for while most of us strongly support holding the budget ceiling, we also clearly recognize the pressing needs of our country. Thus it comes as a great disappointment to me, given the balance of our priorities, given our substantially improved world situation, that the same budgetary philosophy applied to our domestic programs was not exercised on the Defense Department budget.

I am well aware one can twist statistics around to prove most any point of view, but it is a fact that total requested defense expenditures for fiscal 1974 are $4.2 billion higher than for fiscal 1973. Even allowing for a cost-of-living increase, this is a hard concept to swallow, when we have dedicated ourselves to controlling Federal spending.

Mr. Chairman, while I am certain there will be many thoughtful amendments offered to H.R. 9286, I will be supporting at least one in particular, and that is a proposal to reduce active duty personnel by 200,000. This is a sound, reasonable, even modest, amendment that leaves to the Pentagon the final decision as to which forces would be specifically reduced, providing that at least 50 percent of the reductions be made in U.S. forces deployed overseas.

The United States has over 600,000 troops stationed at 1,963 overseas installations. These troops have some 350,000 dependents living with them, and are supported by another 167,000 direct hire or indirect hire civilians. The cost of all this, the personnel and the maintenance of the installations, has been estimated at $30 billion annually. A reduction of 200,000 troops, with 100,000 from overseas, would result in an eventual direct labor cost savings of $2.5 billion, plus reducing our balance-of-payments deficit. Just last week the Pentagon announced a special cost-of-living allowance for 100,000 of our troops stationed in Germany, as well as the fifth housing allowance increase this year for troops forced to rent from German landlords. Now is the time to begin reducing this substantial burden.

In closing, Mr. Chairman, let me say that as we debate the merits of H.R. 9286, and whatever amendments which might be offered, we will carefully consider our national priorities, our defense requirements and our economic status. Although we may disagree among ourselves as to the best means to secure this country's goals, let no one outside this body forget that the paramount interest of every Member of Congress is the security and well-being of the United States.

Mr. YOUNG of Florida. Mr. Chairman, there is no question as to the need for new U.S. air superiority fighter aircraft. The Soviets have been steadily improving their air-to-air capability with regular introduction of new fighters into their inventory. In recent years they have produced six new fighters and improved three older ones with major modifications. These represent a whole new family of fighters possessing high performance capabilities in terms of maneuverability, acceleration, and weaponry.

Since the appearance of Soviet fighters in the Korean war, these fighters have possessed performance characteristics which challenge U.S. fighter aircraft in many areas.

To reverse this dangerous trend toward having our Air Forces equipped with second-rate fighter aircraft, it is imperative that the United States upgrade its fighter capability with such aircraft as the Air Force F–15 and the Navy F–14.

The F–15 will be the Air Force's first air superiority fighter since the F–86, which made its first flight more than 25 years ago. The F–15 will meet the post-1975 superiority challenge, since it is designed specifically to excel in the air-to-air combat role.

F–15 tactical missions will be fighter sweep, escort, and combat air patrol, all of which require that the F–15 be able to acquire, identify, engage, and destroy enemy aircraft in either contested or enemy airspace and in enemy-controlled radar environment.

The F–15 is designed to meet a composite threat—not that of any one specific aircraft. The assessed performance of current and projected Soviet aircraft has been considered in defining F–15 performance characteristics. As a result, where air-to-air combat might take place, the F–15 will out-climb, out-maneuver, and out-accelerate any enemy fighter built in the next decade.

The ability of these advanced fighters to achieve their outstanding performance is due in large part to advanced technology jet engines. The Pratt & Whitney Aircraft Division of United Aircraft Corp., at its research center in Florida, is developing the new high-performance F–100 jet engine for the F–15 and the F–401 engine for advanced Navy fighters. The F–401 will be tested in the F–14B airplane.

The F–100 and the F–401 engines represent the greatest single advance ever achieved in gas turbine engine technology. These engines produce about 25 percent more power for each pound of engine weight than the highest performance engine now in the U.S. inventory. In terms of performance, the high thrust-to-weight characteristic would allow the aircraft to make very tight turns at high speed, enabling our pilots to turn "inside" an enemy aircraft and gain the combat advantage which means air superiority. These new engines will enable the F–15 and the F–14 to fly farther with more payload, or fly higher and faster, with more combat maneuverability than any fighter aircraft in our present arsenal.

The F–100 engine is performing extremely well in the F–15 flight test program, even though there have been some problems in the engine development program. These problems have been much pubilicized but are not extraordinary. Recent incidents involving the engines are typical of those experienced in developing any completely new high-performance propulsion system. The fundamental purpose of any engine development program is to identify problem areas through such incidents and make corrections before the engine goes into operational use. And the first planned operational use of the F–100 engine is more than a year away.

Engines employed in development programs are deliberately pushed to extremes on the test stand to determine the limits of their durability and to prove the integrity of their design. As a result, component failures are expected during the development period. It is significant to note that the number of development failures which have occurred in the F–100 engine development program is essentially the same as occurred during development of current generation high performance engines, in spite of the fact that the technological gains in this program were significantly higher than in previous developments. If the F–100 incident rate is compared to the earlier development of high successful engines for the F–111, the F–105, and the A3D, we find that a dramatic improvement in development success has been demonstrated in the current program. This is even more impressive when you consider that today's modern development test facilities have made it possible to subject the engines to much more rigorous test conditions of speed, altitude, and endurance much earlier in development than was possible in previous programs. This ability significantly reduces the potential for expensive, time-consuming problems which in earlier programs were detected only after the aircraft had begun flying.

In April of this year, an F–100 engine completed a very successful 150-hour endurance ground test. This test was designed to demonstrate the functional durability of the engine by imposing operating conditions and durations representing the extremes of those expected in actual service. This test covered the entire envelope except for two conditions which were run at slightly different simulated altitudes and at mach numbers of 2.0 and 2.2, instead of at mach 2.3. This test was equivalent to what the engine will encounter during several thousand hours of operational flight. This grueling test was completed in record time and the engine came through in excellent condition. The test verified that the F–100 is already an extremely durable engine.

The April 1973, 150-hour ground engine test included operation at the F–15's maximum design flight speed and included more than 90 hours of operation at maximum turbine inlet temperature and over 80 hours of operation with afterburning. The engine was subjected to 350 punishing "snap" accelerations from idle to intermediate or maximum power. In a related but separate series of tests, the F–100 "swallowed" water, ice, sand, and other foreign objects it might encounter in operational use, and continued to operate reliably.

Shortly before the 150-hour test began in April, the testing program indicated that a nonmoving part of the engine, known as the fan stator assembly, might flex under high load, contact rotating parts, and cause engine failure. The Air Force changed the test requirements to reduce the high load on the stator, thus avoiding a delay in the program and a possible loss of the test engine. The Air Force, McDonnell-Douglas and Pratt & Whitney Aircraft all recognized that a redesigned, stiffened stator made of a different material was to be installed and tested after completion of the April test. It is this decision of the Air Force which has received comment in the press and in Government circles. It has since been decided that the test completed in April will not be considered the official qualification test.

A redesigned fan stator assembly has been installed on an F–100 engine and successfully tested at altitude and flight speed conditions identical to those in the qualification test schedule. Additional durability testing is in progress. This new fan stator assembly has been installed in production engines and is currently being flight tested in the F–15 aircraft. The official qualification test of an engine incorporating the improved stator assembly design will be conducted in full accordance with the complete test conditions. This test is scheduled for completion before September 30 of this year. All test results to date point to a successful completion of the qualification test on schedule.

The F–100 and F–401 engines have now accumulated over 15,000 hours of development testing. This total includes 1,300 flight hours accumulated by eight F–15 aircraft without a single major failure. All flight demonstration milestones have been accomplished ahead of schedule in the F–15 flight test program, which began more than 1 year ago at Edwards Air Force Base in California. This flight evaluation program has been the most productive and trouble free the Air Force has ever conducted with an entirely new aircraft system. As an example, flight test milestones, that were scheduled to be accomplished within 8 weeks after the first F–15 flight, were completed in just 17 days, less than one-third of the time allotted. These aircraft have made more than 630 flights demonstrating air superiority performance over a large portion of the plane's flight envelope, as shown on chart IV. An altitude of over 60,000 feet has been attained at supersonic speeds; a speed equal to the design goal for the F–15 has been flown. The maneuverability and handling qualities have met all estimates and the performance has exceeded predictions. All milestones in the flight test program have been completed on or ahead of schedule—an accomplishment unparalleled in previous Air Force programs involving new fighter aircraft.

The experience gained in development testing and the outstanding record of the F–100 engine in the F–15 flight test program provide assurance that the official 150-hour endurance test will be completed on schedule by the end of September, in sufficient time for the engine configuration to be thoroughly flight tested before delivery of the first produced F–15 aircraft a year later.

Mr. SEIBERLING. Mr. Chairman, I support the Aspin amendment. It is a reasonable amendment. It applies to the armed services the same principle as is being applied to the Nation's wage earners by the administration's wage controls—that is they are limited to a cost-of-living increase.

To hear the opponents of these efforts to bring the cost of overinflated Military Establishment into line, you would think that nothing had changed in the world scene in recent years. They completely overlook the fact that our military have been withdrawn from Vietnam. They ignore the fact that Russia, because of its economic problems, is turning to the United States for food and, because of its fear of China, is trying to make its peace in Europe.

Above all, the supporters of continued military extravagances completely ignore the change in the economic position of the United States. Does anyone seriously believe that this country's Military Establishment can still go on as though it had no balance-of-trade deficit, no balance-of-payments deficit, no out-of-control inflation, and no dollar crisis?

Does anyone seriously think that the administration can go on impounding billions of dollars voted by Congress for the needs of the American people and cutting back dozens of programs designed to serve those needs, while at the same time expanding the military budget billions of dollars above its wartime peak?

The issue is clear and simple: either the Congress will voluntarily bring our military programs into line with our economic capabilities and into balance with our civilian needs or else it will allow a continuance of these wasteful military programs until the United States suffers an internal collapse of such enormous magnitude to destroy the position of the United States as a major power.

Ms. ABZUG. Mr. Chairman, I supported the amendment of the gentleman from Massachusetts (Mr. O'NEILL) for the following reasons. It would appear that with intense diplomatic efforts to reach détente between our Nation and the Soviet Union and between ourselves and the People's Republic of China, reason would dictate that a troop reduction is necessary. The presence of 325,000 troops in Europe is less a protection than it is a provocation to those whom we seek to convince that our intentions are peaceful.

Furthermore, with the decline of the value of the American dollar, we can no longer afford to support these troops. As Mr. MANSFIELD of the other body, has said:

> It costs the people of the United States about $30 billion annually to maintain bases, troops, and facilities abroad.

We also have stationed, at present, some 40,000 troops in South Korea which has 600,000 of its own men under arms. North Korea maintains only 360,000 troops and sustained combat has not occurred in the area since 1953. Recently, there has been an encouraging movement on both sides of the cease-fire line to establish cooperative relationships. It would surely be, Mr. Chairman, in the interest of the United States to further any cooperative relationships between North and South Korea. A major withdrawal of U.S. forces from this area would go a long way toward easing tensions and might actually promote the friendship.

The Pentagon justifies its manpower requests on the basis of our commitments. But these are commitments made by the executive branch, not under the NATO or the SEATO treaties. Congress has had little role in determining the use of military manpower; it is high time we asserted some authority in this area.

We cannot wait for decisions made by NATO commanders, nor can we allow our own foreign policy to be dictated by other countries. If we are to build a truly peaceful world, the first step is to acknowledge that we are not the world's policemen. Verbally, we abandoned this role some time ago—now we must give substance to our words, by passing this amendment.

Ms. HOLTZMAN. Mr. Chairman, I rise in opposition to the Military Procurement and Research and Development Authorization bill for fiscal 1974. I am deeply disappointed in the minimal cuts made by the House Armed Services Committee in the Nixon administration's defense budget requests.

The bloated defense budget we are asked to pass upon today is an insult to our constituents who are forced to make such tremendous sacrifices in the domestic sphere. Why has this administration not scrutinized the defense request with the same analytical ruthlessness it has used in reviewing expenditures for health care, the elderly, housing, or education?

I am totally committed to the maintenance of a strong and muscular military capacity. But this bill provides no assurances in this regard. If there was ever a case of "throwing money at problems" rather than truly resolving them we can find it in this authorization request today.

For example, we are asked to approve spending of up to $20.45 billion, approximately one-half billion dollars over the 1973 requests, for defense development and research at a time when this country is supposedly orchestrating a "peace that will last for generations." A large part of this request is to be devoted to measures for which the Defense Department has made no compelling showing of necessity. For example, we are asked to approve expenditures of $1.53 billion this year for the accelerated development of the Trident nuclear submarine at a time when our existing submarines will soon have the capacity to launch more than 5,000 nuclear missiles—surely a more than adequate nuclear deterrent. The American taxpayer will be forced to spend over $13 billion—barring the usual cost overruns—on this project before it is completed.

Another $453 million is to be spent on

new supersonic long-range bombers which would cost the taxpayer $11 billion before completion. However, no showing has been made by the Nixon administration that would demonstrate that this bomber would provide improvement over the present B-52 fleet.

Until the administration demonstrates a compelling need for these and similar projects, I refuse to approve a single cent for these requests. This money can be better spent on domestic reform—on housing, education, care for the elderly, or improved social services or for tax cuts.

We all want this nation to be strong. But we must have a balanced and realistic conception of strength. It does not lie in weaponry alone. It lies in the dedication of the American people to our way of life. If we continue to deny large segments of the public the services they need to meet the minimal requirements of our technological society, we will not be a strong nation whatever our military capabilities.

In the last analysis, this bill reflects an appalling intellectual laxness. Rather than rethinking what is truly needed to provide us with a lean and vigorous military capability, we are simply presented with the same old thing. The country is crying out for a responsible Congress. Yet in this bill we are leaving the people disappointed and disillusioned with no real alternative to the Pentagon's discredited policies.

Mr. VANIK. Mr. Chairman, today we are being asked to approve what amounts to a ratification of the Department of Defense's announcement of their fiscal year 1974 military procurement budget amounting to over $21 billion.

Although some minor reductions in recommended spending levels have been made by the Armed Services Committee, their usually unrequested additions to other programs and projects result in a net reduction of only $158 million. I am disappointed that the committee does not see fit to make DOD budget considerations subject to the vigorous give and take and open debate that other areas of Federal budget requests must encounter.

It is amazing, also, to realize that the Vietnam war has supposedly ended, but our defense spending has actually gone up. It is even more amazing that Congress appears to have swallowed completely the DOD's rationalizations for this historically unprecedented situation.

Of the several areas where reductions should be made and can be made most effectively and without threatening our national security, the one with the largest potential is the category of troop levels; 56 percent of our defense budget is accounted for by manpower requirements with 85 percent of the manpower serving in support roles and only 15 percent available for combat. These are alarming figures, indicative of enormous logistical "fat," bureaucracy, and potentially disastrous ineffectiveness in our armed services.

In an area of computer technology and modern weaponry, it simply makes no sense to have over 2.2 million men and women on the payroll, especially considering the abnormally high percentage of officers in that number. There are more general officers in the armed services today than during the height of World War II.

I am particularly concerned with our continued high troop levels in Europe. Of the 600,000 American men and women stationed overseas, half of that number are in Europe.

Mr. Chairman, this huge army adds to an already intolerable balance-of-payments situation. We allow NATO countries to continue to depend on the United States 25 years after World War II, despite the fact that the NATO agreement was meant, certainly, to be a cooperative alliance.

Mr. Chairman, to illustrate one point in my argument for reduced European troop strength, let me submit for the RECORD a portion of a letter I received just recently from the wife of a constituent who is an Army enlisted man stationed in Germany. It concerns a situation that they "and all the other enlisted men are in":

> I am sure you know that the dollar has devalued considerably. What I don't think many people realize is that it is getting extremely difficult to make ends meet. We live on the German economy but there is not enough housing on the base. Every month we have to turn in our dollars for marks and each month we turn in more dollars for the same amount of marks. During the winter months, it will be even more difficult to budget as we must pay out one hundred and twenty marks extra per month for heat, regardless of how much or how little we use. Besides our rent and utilities, we have our food, gas, and clothing bills. By the time all these have been paid for, there is enough left for some entertainment. We have no way to save money, because there is none to save. Right now, many of the men who are a lower rank than my husband are considering sending their wives home. This will not help the already low morale of the soldiers. All the men who are serving in the Armed Forces here in Europe deserve something a lot better than what they are receiving.

They do deserve better—and so does the American taxpayer. It is time that these men and these dollars were brought home.

As a partial solution to the balance-of-payments-deficit, Mr. Chairman, I would advocate a program whereby NATO countries be required to train some of their troops in the United States, at the same time we train our troops in Europe. The NATO alliance is supposedly a reciprocal agreement, but in recent years it appears to be more reciprocal for some countries than others.

I ask my colleagues to consider a reciprocal training program—of say, two American soldiers to NATO European countries for each one NATO soldier training in the United States. In the meantime, I will support the troop level decreases proposed as amendments to this bill.

Mr. Chairman, opponents of European troop decreases never tire of telling the Congress of "America's vital stake in Western Europe." Their cry of "no unilateral reduction" rings in our ears and has become a maxim in the vocabulary of the contemporary cold war that we continue to pursue.

But, Mr. Chairman, the boy has cried wolf too often. Reasonable deliberation shows that the nature of the threat to NATO forces is not commensurate to our heavy troop commitments. Now is the time to decrease our foreign military garrisons.

Another area of huge expense in this fiscal year 1974 bill is a $657 million appropriation for the CVN-70 nuclear aircraft carrier. Quite simply, the CVN-70 will be the biggest floating target in naval history and certainly has little chance of survival in modern combat. The Department's arguments for its deployment are hollow: the Soviets have no aircraft carriers as we traditionally know them, but the DOD continues to define two Soviet ships as aircraft carriers although they can handle only helicopters.

Furthermore, the DOD claims their intelligence has determined that a large new ship is being built in Russia as an aircraft carrier. There is no conclusive proof it is indeed a carrier; other U.S. experts claim it appears to be only a half-covered deck anyway—thus limiting its use to VSTOL aircraft and helicopters—hardly a match for even the oldest of the U.S. carriers.

If the aircraft carrier is as important a part of naval dominance and strategy as the Navy asks us to believe, and the Soviets so strong and cunning as the Navy leads us to believe, it is very difficult to explain why the Soviets have not one single traditional aircraft carrier.

The CVN-70 appropriation should be opposed on the grounds that it is a completely unnecessary waste of what could be a total of over $3 billion after outfitting and naval escort protection.

In our consideration of this bill and any amendments, we must all remember where the largest amount of information and statistics come from that we must base our decisions on. Practically all support—or opposition—to DOD proposals must be fashioned out of figures that DOD itself supplies us. Attempts by interested Members or independent agencies to see the other side of the military coin are usually discounted by the DOD as being "unwarranted and unwise." Often, independent studies that prove to be contrary to DOD positions are attacked by the DOD in only vague generalities or accused of having improper "criteria," while at the same time the DOD either cannot or will not establish what such criteria should be.

Despite the fact that we know we must depend on the DOD and its agencies for our information, we have not pressed them to respond better to studies disagreeing with their positions. A good example of the Navy's refusal to be pinned down is Admiral Zumwalt's initial agreement to a confrontation with Admiral LaRocque, retired, of the Center for Defense Information. His subsequent failure to show up, his replacement by an editor of Janes Fighting Ships, and a rebuttal letter of Admiral LaRocque's testimony from one of our colleagues all fail to clarify the Navy's position. Despite all the testimony, no one knows yet what the Navy position is.

Our overwhelming reliance on the Department for information to justify the programs we are considering can lead to a natural abuse by the Department. We can be no more sure of the number of nuclear subs we have, or the Soviets have, than we now find we could be about the Cambodian bombing in 1969. If the USAF would lie repeatedly and consistently about bombing raids in Asia, there is no reason other branches would not lie to us about the very facts under consideration now.

Mr. Chairman, a policy of restraint is what led to the great Nuclear Test Ban Treaty of the 1960's. We can not abide with the spirit or letter of SALT if we continue to support the type of military budget provided in this bill.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly, the Committee rose; and the Speaker having resumed the Chair, Mr. ROSTENKOWSKI, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee having had under consideration the bill (H.R. 9286) to authorize appropriations during the fiscal year 1974 for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons, and research, development, test and evaluation for the Armed Forces, and to prescribe the authorized personnel strength for each active duty component and of the Selected Reserve of each reserve component of the Armed Forces, and the military training student loads, and for other purposes, pursuant to House Resolution 505, he reported the bill back to the House with sundry amendments adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

Mr. HÉBERT. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 367, nays 37, not voting 29, as follows:

[Roll No. 411]

YEAS—367

Abdnor
Adams
Addabbo
Anderson, Calif.
Anderson, Ill.
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Archer
Arends
Armstrong
Ashbrook
Ashley
Aspin
Bafalis
Baker
Barrett
Beard
Bell
Bennett
Bergland
Bevill
Biaggi
Biester
Blackburn
Blatnik
Boggs
Boland
Bolling
Bowen
Brademas
Brasco
Bray
Breaux
Breckinridge
Brinkley
Brooks
Broomfield
Brotzman
Brown, Calif.
Brown, Mich.
Brown, Ohio
Broyhill, N.C.
Broyhill, Va.
Buchanan
Burgener
Burke, Calif.
Burke, Fla.
Burke, Mass.
Burleson, Tex.
Burlison, Mo.
Butler
Byron
Carey, N.Y.
Carney, Ohio
Carter
Casey, Tex.
Cederberg
Chamberlain
Chappell
Clancy
Clark
Clausen, Don H.
Clawson, Del
Cleveland
Cochran
Cohen
Collier
Collins, Ill.
Collins, Tex.
Conable
Conlan
Conte
Corman
Cotter
Coughlin
Crane
Cronin
Culver
Daniel, Dan
Daniel, Robert W., Jr.
Daniels, Dominick V.
Danielson
Davis, Ga.
Davis, S.C.
Davis, Wis.
de la Garza
Delaney
Dellenback
Denholm
Dennis
Dent
Derwinski
Devine
Dickinson
Diggs
Dingell
Donohue
Dorn
Downing
Dulski
Duncan
du Pont
Edwards, Ala.
Eilberg
Erlenborn
Esch
Eshleman
Evans, Colo.
Fascell
Findley
Fish
Flood
Flowers
Flynt
Foley
Ford, Gerald R.
Ford, William D.
Fountain
Frelinghuysen
Frenzel
Frey
Froehlich
Fulton
Fuqua
Gaydos
Giaimo
Gibbons
Gilman
Ginn
Goldwater
Gonzalez
Goodling
Grasso
Green, Oreg.
Griffiths
Gross
Grover
Gubser
Gude
Gunter
Guyer
Haley
Hamilton
Hanley
Hanrahan
Hansen, Idaho
Hansen, Wash.
Hastings
Hawkins
Hays
Hébert
Heckler, Mass.
Heinz
Henderson
Hicks
Hillis
Hinshaw
Hogan
Holifield
Holt
Horton
Hosmer
Howard
Huber
Hudnut
Hunt
Hutchinson
Ichord
Jarman
Johnson, Calif.
Johnson, Colo.
Johnson, Pa.
Jones, Ala.
Jones, Okla.
Jones, Tenn.
Jordan
Karth
Kazen
Keating
Kemp
Ketchum
Kluczynski
Kuykendall
Kyros
Landrum
Latta
Leggett
Lehman
Lent
Litton
Long, La.
Long, Md.
Lott
Lujan
McClory
McCloskey
McCollister
McCormack
McDade
McEwen
McFall
McKay
McKinney
McSpadden
Macdonald
Madden
Madigan
Mahon
Mailliard
Mallary
Mann
Maraziti
Martin, Nebr.
Martin, N.C.
Mathias, Calif.
Mathis, Ga.
Matsunaga
Mayne
Mazzoli
Meeds
Melcher
Metcalfe
Mezvinsky
Michel
Miller
Minish
Mink
Mitchell, N.Y.
Mizell
Moakley
Mollohan
Montgomery
Moorhead, Calif.
Moorhead, Pa.
Morgan
Murphy, Ill.
Myers
Natcher
Nelsen
Nichols
Nix
O'Brien
O'Hara
O'Neill
Owens
Parris
Passman
Patten
Perkins
Pettis
Peyser
Pickle
Pike
Poage
Podell
Powell, Ohio
Preyer
Price, Ill.
Price, Tex.
Pritchard
Quie
Quillen
Railsback
Randall
Rarick
Regula
Reid
Reuss
Rhodes
Rinaldo
Roberts
Robinson, Va.
Robison, N.Y.
Rodino
Rogers
Roncalio, Wyo.
Roncallo, N.Y.
Rooney, Pa.
Rose
Rostenkowski
Roush
Rousselot
Roy
Runnels
Ruppe
Ruth
Ryan
Sandman
Sarasin
Sarbanes
Satterfield
Saylor
Scherle
Schneebeli
Schroeder
Sebelius
Shipley
Shoup
Shriver
Shuster
Sikes
Sisk
Skubitz
Slack
Smith, N.Y.
Snyder
Spence
Staggers
Stanton, J. William
Stanton, James V.
Steed
Steele
Steelman
Steiger, Ariz.
Steiger, Wis.
Stephens
Stratton
Stubblefield
Stuckey
Sullivan
Symington
Symms
Talcott
Taylor, Mo.
Taylor, N.C.
Teague, Calif.
Thompson, N.J.
Thomson, Wis.
Thone
Thornton
Tiernan
Towell, Nev.
Treen
Udall
Ullman
Van Deerlin
Vander Jagt
Veysey
Vigorito
Waggonner
Walsh
Wampler
Ware
White
Whitehurst
Whitten
Wiggins
Williams
Wilson, Bob
Wilson, Charles H., Calif.
Wolff
Wright
Wyatt
Wydler
Wylie
Wyman
Yatron
Young, Alaska
Young, Fla.
Young, Ga.
Young, Ill.
Young, S.C.
Young, Tex.
Zablocki
Zion
Zwach

NAYS—37

Abzug
Badillo
Burton
Chisholm
Clay
Dellums
Drinan
Eckhardt
Edwards, Calif.
Forsythe
Fraser
Green, Pa.
Harrington
Hechler, W. Va.
Helstoski
Holtzman
Hungate
Kastenmeier
Koch
Mitchell, Md.
Mosher
Nedzi
Obey
Rangel
Rees
Riegle
Rosenthal
Roybal
St Germain
Seiberling
Stark
Stokes
Studds
Vanik
Waldie
Whalen
Yates

NOT VOTING—29

Alexander
Bingham
Camp
Conyers
Evins, Tenn.
Fisher
Gettys
Gray
Hammerschmidt
Hanna
Harsha
Harvey
Jones, N.C.
King
Landgrebe
Milford
Mills, Ark.
Minshall, Ohio
Moss
Murphy, N.Y.
Patman
Pepper
Roe
Rooney, N.Y.
Smith, Iowa
Teague, Tex.
Widnall
Wilson, Charles, Tex.
Winn

So the bill was passed.

The Clerk announced the following pairs:

On this vote:

Mr. Teague of Texas for, with Mr. Bingham against.

Until further notice:

Mr. Alexander with Mr. Patman.
Mr. Rooney of New York with Mr. Milford.
Mr. Gray with Mr. Conyers.
Mr. Roe with Mr. Smith of Iowa.
Mr. Hanna with Mr. Charles Wilson of Texas.
Mr. Fisher with Mr. Minshall of Ohio.
Mr. Mills of Arkansas with Mr. Winn.
Mr. Evins of Tennessee with Mr. Widnall.
Mr. Murphy of New York with Mr. Harvey.
Mr. Gettys, with Mr. Hammerschmidt.
Mr. Jones of North Carolina with Mr. Camp.
Mr. Moss with Mr. King.
Mr. Pepper with Mr. Landgrebe.

The result of the vote and announced as above recorded.

A motion to reconsider was laid on the table.

AUTHORIZING CLERK TO MAKE TECHNICAL CORRECTIONS IN ENGROSSMENT OF H.R. 9286

Mr. HÉBERT. Mr. Speaker, I ask unanimous consent that in the engrossment of the bill H.R. 9286 the Clerk be authorized to make technical corrections in cross-references, section numbers and punctuation to reflect the action of the House.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

GENERAL LEAVE

Mr. HÉBERT. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and include extraneous matter on the bill just passed (H.R. 9286).

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

TRIBUTE TO MEMBERS OF ARMED SERVICES COMMITTEE

(Mr. BRAY asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. BRAY. Mr. Speaker, I want to express appreciation for the fact that the members of the Armed Services Committee these last 2 days were here and worked so hard on this bill. I want to express special appreciation for the fact that the eight minority freshmen members of the committee participated actively in the debate and in fact many times carried the load of the debate in these last 2 days.

Mr. HÉBERT. Mr. Speaker, will the gentleman yield?

Mr. BRAY. I yield to the gentleman from Louisiana.

Mr. HÉBERT. Mr. Speaker, I too concur in the statement the gentleman from Indiana made not only with respect to the minority Members and the young Members from that side, but I am particularly pleased with the manner in which those on the Democratic side of the committee performed here. Of course I am very grateful for the recognition given me by the gentleman from California. I may say this, that I certainly would not have been sustained and with the patience necessary to handle this bill had it not been for the full cooperation of the committee. Their actions for the last 2 days have been worthy of tribute.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate by Mr. Arrington, one of its clerks, announced that the Senate agrees to the report of the committee on conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 1888) entitled an act "to extend and amend the Agricultural Act of 1970 for the purpose of assuring consumers of plentiful supplies of food and fiber at reasonable prices."

The message also announced that the Senate had agreed to the amendment of the House with an amendment in the nature of a substitute.

CONFERENCE REPORT ON S. 1888, AGRICULTURE AND CONSUMER PROTECTION ACT OF 1973

Mr. POAGE submitted the following conference report and statement on the bill (S. 1888) to extend and amend the Agricultural Act of 1970 for the purpose of assuring consumers of plentiful supplies of food and fiber at reasonable prices:

CONFERENCE REPORT (H. REPT. NO. 93-427)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 1888), to extend and amend the Agricultural Act of 1970 for the purpose of assuring consumers of plentiful supplies of food and fiber at reasonable prices, having met, after full and free conference, have been unable to agree.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 1888), to extend and amend the Agricultural Act of 1970 for the purpose of assuring consumers of plentiful supplies of food and fiber at reasonable prices, submit the following joint statement to the House and the Senate in explanation of the accompanying conference report:

The House amendment struck out all after the enacting clause of S. 1888 and inserted in lieu thereof the language of H.R. 8860 as passed by the House.

There were 111 substantive differences between S. 1888 and the House amendment. The conferees were able to reconcile 110 of these differences, but were unable to agree on the provision in the House amendment which would, under specified conditions, prohibit food stamp assistance to strikers.

The language upon which the conferees reached agreement (omitting the one point upon which they were unable to agree) is as follows:

That the Agricultural Act of 1970 is amended as follows:

(1) Title I is amended to read as follows:

"TITLE I—PAYMENT LIMITATION

"SEC. 101. Notwithstanding any other provision of law—

"(1) The total amount of payments which a person shall be entitled to receive under one or more of the annual programs established by titles IV, V, and VI of this Act for the 1974 through 1977 crops of the commodities shall not exceed $20,000.

"(2) The term 'payments' as used in this section shall not include loans or purchases, or any part of any payment which is determined by the Secretary to represent compensation for resource adjustment or public access for recreation.

"(3) If the Secretary determines that the total amount of payments which will be earned by any person under the program in effect for any crop will be reduced under this section, the set-aside acreage for the farm or farms on which such person will be sharing in payments earned under such program shall be reduced to such extent and in such manner as the Secretary determines will be fair and reasonable in relation to the amount of the payment reduction.

"(4) The Secretary shall issue regulations defining the term 'person' and prescribing such rules as he determines necessary to assure a fair and reasonable application of such limitation: *Provided*, That the provisions of this Act which limit payments to any person shall not be applicable to lands owned by States, political subdivisions, or agencies thereof, so long as such lands are farmed primarily in the direct furtherance of a public function, as determined by the Secretary. The rules for determining whether corporations and their stockholders may be considered as separate persons shall be in accordance with the regulations issued by the Secretary on December 18, 1970."

DAIRY PROGRAM

MILK MARKETING ORDERS

(2) Section 201 is amended by—

(A) amending section 201(e) by striking out "1973" and inserting "1977", and by striking out "1976" and inserting "1980", and

(B) adding at the end thereof the following:

"(f) The Agricultural Adjustment Act as reenacted and amended by the Agricultural Marketing Agreement Act of 1937, as amended, is further amended by:

"(1) striking the period at the end of subsection 8c(17) and adding in lieu thereof the following: ': *Provided further*, That if one-third or more of the producers as defined in a milk order apply in writing for a hearing on a proposed amendment of such order, the Secretary shall call such a hearing if the proposed amendment is one that may legally be made to such order. Subsection (12) of this section shall not be construed to permit any cooperative to act for its members in an application for a hearing under the foregoing proviso and nothing in such proviso shall be construed to preclude the Secretary from calling an amendment hearing as provided in subsection (3) of this section. The Secretary shall not be required to call a hearing on any proposed amendment to an order in response to an application for a hearing on such proposed amendment if the application requesting the hearing is received by the Secretary within ninety days after the date on which the Secretary has announced his decision on a previously proposed amendment to such order and the two proposed amendments are essentially the same.'

"(2) inserting after the phrase 'pure and wholesome milk' in section 8c(18) the phrase 'to meet current needs and further to assure a level of farm income adequate to maintain productive capacity sufficient to meet anticipated future needs'."

MILK PRICE SUPPORT, BUTTERFAT PRICE SUPPORT SUSPENSION

(3) Section 202 is amended by—

(A) striking the introductory clause which precedes subsection (a);

(B) effective April 1, 1974, inserting in subsection (b) before the period at the end of the first sentence in the quotation the following: "of pure and wholesome milk to meet current needs, reflect changes in the cost of production, and assure a level of farm income adequate to maintain productive capacity sufficient to meet anticipated future needs"; and

(C) inserting in subsection (b) after the first sentence in the quotation the following: "Notwithstanding the foregoing, effective for the period beginning with the date of enactment of the Agriculture and Consumer Protection Act of 1973 and ending on March 31, 1975, the price of milk shall be supported at not less than 80 per centum of the parity price therefor."

TRANSFER OF DAIRY PRODUCTS TO THE MILITARY AND TO VETERANS HOSPITALS

(4) Section 203 is amended by striking out "1973" and inserting "1977".

DAIRY INDEMNITY PROGRAM

(5) Section 204 is amended by—

(A) striking out "1973" and inserting "1977"; and

(B) striking subsection (b) and substituting therefor the following:

"(b) Section 1 of said Act is amended to read as follows:

" 'SECTION 1. The Secretary of Agriculture is authorized to make indemnity payments for milk or cows producing such milk at a fair market value, to dairy farmers who have been directed since January 1, 1964 (but only since the date of enactment of the Agriculture and Consumer Protection Act of 1973 in the case of indemnity payments not authorized prior to such date of enactment), to remove their milk, and to make indemnity payments for dairy products at fair market value to manufacturers of dairy products who have been directed since the date of enactment of the Agricultural Act of 1970 to remove their dairy products from commercial markets because of residues of chemicals registered and approved for use by the Federal Government at the time of such use. Any indemnity payment to any farmer shall continue until he has been reinstated and is again allowed to dispose of his milk on commercial markets.' "

DAIRY IMPORT STUDY

(6) Title II is amended by adding at the end thereof the following:

"SEC. 205. The Secretary of Agriculture is authorized and directed to carry out a comprehensive study to determine the effect upon domestic dairy producers, handlers, and processors and upon consumers of increases in the level of imports, if any, of dairy products and report his findings, together with any recommendations he may have with respect to import quotas or other matters, to the Congress of the United States no later than January 1, 1975. For the purposes of this section dairy products include (1) all forms of milk and dairy products, butterfat, milk solids-not-fat, and any combination or mixture thereof; (2) any article, compound, or mixture containing 5 per centum or more of butterfat, or milk solids-not-fat, or any combinations of the two; and (3) lactose, and other derivatives of milk, butterfat, or milk solids-not-fat, if imported commercially for any food use. Dairy products do not include (1) casein, caseinates, industrial casein, industrial caseinates, or any other industrial products, not to be used in any form for any food use, or an ingredient of food; or (2) articles not normally considered to be dairy products, such as candy, bakery goods, and other similar articles."

"PRODUCER HANDLERS

"SEC. 206. The legal status of producer handlers of milk under the provisions of the Agricultural Adjustment Act, as reenacted and amended by the Agricultural Marketing Agreement Act of 1937, as amended, shall be the same subsequent to the adoption of the amendments made by the Agriculture Act of 1973 as it was prior thereto."

WOOL PROGRAM

(7) Section 301 is amended by—

(A) striking out "1973" each place it occurs and inserting "1977", and by striking out the word "three" each place it occurs; and

(B) adding at the end thereof the following:

"(6) Strike out the first sentence of section 708 and insert the following: 'The Secretary of Agriculture is authorized to enter into agreements with, or to approve agreements entered into between, marketing cooperatives, trade associations, or others engaged or whose members are engaged in the handling of wool, mohair, sheep, or goats or the products thereof for the purpose of developing and conducting on a national, State, or regional basis advertising and sales promotion programs and programs for the development and dissemination of information on product quality, production management, and marketing improvement, for wool, mohair, sheep, or goats or the products thereof. Advertising and sales promotion programs may be conducted outside of the United States for the purpose of maintaining and expanding foreign markets and uses for mohair or goats or the products thereof produced in the United States.'."

WHEAT PROGRAM

WHEAT PRODUCTION INCENTIVES

(8) Effective beginning with the 1974 crop section 401 is amended by striking out "1971, 1972, and 1973" and inserting "1971 through 1977" and section 107 of the Agricultural Act of 1949, as it appears therein is amended by—

(A) amending section 107(a) to read as follows:

"(a) Loans and purchases on each crop of wheat shall be made available at such level as the Secretary determines appropriate, taking into consideration competitive world prices of wheat, the feeding value of wheat in relation to feed grains, and the level at which price support is made available for feed grains: *Provided*, That in no event shall such level be in excess of the parity price for wheat or less than $1.37 per bushel."

(B) substituting the word "payments" for the word "certificates" in section 107(b);

(C) striking the quotation mark at the end of section 107(b); and

(D) adding at the end of the section the following:

"(c) Payments shall be made for each crop of wheat to the producers on each farm in an amount determined by multiplying (i) the amount by which the higher of—

"(1) the national weighted average market price received by farmers during the first five months of the marketing year for such crop, as determined by the Secretary, or

"(2) the loan level determined under subsection (a) for such crop

is less than the established price of $2.05 per bushel in the case of the 1974 and 1975 crops, $2.05 per bushel adjusted to reflect any change during the calendar year 1975 in the index of prices paid by farmers for production items, interest, taxes, and wage rates in the case of the 1976 crop, and the established price for the 1976 crop adjusted to reflect any change during the calendar year 1976 in such index in the case of the 1977 crop, times in each case (ii) the allotment for the farm for such crop, times (iii) the projected yield established for the farm with such adjustments as the Secretary determines necessary to provide a fair and equitable yield: *Provided*, That any increase that would otherwise be made in the established price to reflect a change in the index of prices paid by farmers shall be adjusted to reflect any change in (i) the national average yield per acre of wheat for the three calendar years preceding the year for which the determination is made, over (ii) the national average yield per acre of wheat for the three calendar years preceding the year previous to the one for which the determination is made. If the Secretary determines that the producers are prevented from planting, any portion of the farm acreage allotment to wheat or other nonconserving crop, because of drought, flood, or other natural disaster or condition beyond the control of the producer, the rate of payment on such portion shall be the larger of (A) the foregoing rate, or (B) one-third of the established price. If the Secretary determines that, because of such a disaster or condition, the total quantity of wheat (or other nonconserving crop planted instead of wheat) which the producers are able to harvest on any farm is less than 66⅔ percent of the farm acreage allotment times the projected yield of wheat (or other nonconserving crop planted instead of wheat) for the farm, the rate of payment for the deficiency in production below 100 percent shall be the larger of (A) the foregoing rate, or (B) one-third of the established price. The Secretary shall provide for the sharing of payments made under this subsection for any farm among the producers on the farm on a fair and equitable basis."

TERMINATION OF WHEAT CERTIFICATE PROGRAM, FARM ACREAGE ALLOTMENTS

(9) Section 402 is amended by inserting "(a)" after the section designation and adding the following at the end of the section:

"(b)(A) Section 379b of the Agricultural Adjustment Act of 1938 (which provides for a wheat marketing certificate program) shall not be applicable to the 1974 through 1977 crops of wheat, except as provided in paragraphs (B) and (C) of this subsection.

"(B) Section 379b(c) of the Agricultural Adjustment Act of 1938, as amended by subsection (a) of this section (which provides for a set-aside program), shall be effective with respect to the 1974 through 1977 crops of wheat with the following changes:

"(i) The phrase 'payments authorized by section 107(c) of the Agricultural Act of 1949' shall be substituted for the word 'certificates' and the phrases 'certificates authorized in subsection (b)' and 'marketing certificates' each place they occur.

"(ii) The word 'domestic' shall be stricken each place it occurs.

"(iii) The second sentence of section 379b(c)(1) is amended to read as follows: 'If a set-aside of cropland is in effect under this subsection (c), then as a condition of eligibility for loans, purchases, and payments authorized by section 107(c) of the Agricultural Act of 1949, the producers on a farm must set aside and devote to approved conservation uses an acreage of cropland equal to (i) such percentage of the wheat allotment for the farm as may be specified by the Secretary and will be estimated by the Secretary to result in a set-aside not in excess of thirteen and three-tenths million acres in the case of the 1971 crop; plus, if required by the Secretary, (ii) the acreage of cropland on the farm devoted in preceding years to soil conserving uses, as determined by the Secretary.'

"(iv) The third sentence in 379b(c)(1) is amended to read as follows: 'The Secretary is authorized for the 1974 through 1977 crops to limit the acreage planted to wheat on the farm to a percentage of the acreage allotment.'

"(v) '1971 through 1977' shall be substituted for '1971, 1972, and 1973' each place it occurs other than in the third sentence of section 379b(c)(1).

"(vi) the last sentence of section 379b(c)(1) is amended to read as follows: 'The Secretary shall permit producers to plant and graze on set-aside acreage sweet sorghum, and the Secretary may permit, subject to such terms and conditions as he may prescribe, all or any of the set-aside acreage to be devoted to hay and grazing or the production of guar, sesame, safflower, sunflower, castor beans, mustard seed, crambe, plantago ovato, flaxseed, triticale, oats, rye, or other commodity, if he determines that such production is needed to provide an adequate supply, is not likely to increase the cost of the price-support program, and will not adversely affect farm income.'

"(vii) After the second sentence of section 379b(c)(3) the following shall be inserted: 'The Secretary may, in the case of programs for the 1974 through 1977 crops, pay an appropriate share of the cost of practices designed to carry out the purposes of the foregoing sentences.'

"(C) Sections 379b (d), (e), (g), and (i) of the Agricultural Adjustment Act of 1938, as amended by subsection (a) of this section, shall be effective for the 1974 through 1977 crops amended to read as follows:

"'(d) The Secretary shall provide for the sharing of payments made under this section for any farm among producers on the farm on a fair and equitable basis.

"'(e) In any case in which the failure of a producer to comply fully with the terms and conditions of the program formulated under this section precludes the making of loans, purchases, and payments, the Secretary may, nevertheless, make such loans, purchases, and payments in such amounts as he determines to be equitable in relation to the seriousness of the default.

"'(g) The Secretary is authorized to issue such regulations as he determines necessary to carry out the provisions of this title.

"'(i) The Secretary shall carry out the program authorized by this section through the Commodity Credit Corporation.'

"(D) Section 379c of the Agricultural Adjustment Act of 1938, effective only with respect to the 1974 through 1977 crops of wheat is amended to read as follows:

"'SEC. 379c. (a)(1) The farm acreage allotment for each crop of wheat shall be determined as provided in this section. The Secretary shall proclaim the national acreage allotment not later than April 15 of each calendar year for the crop harvested in the next succeeding calendar year. Such national allotment shall be the number of acres he determines on the basis of the estimated national average yield for the crop for which the determination is being made will produce the quality (less imports) that he estimates will be utilized domestically and for export during the marketing year for such crop. If the Secretary determines that carryover stocks are excessive or an increase in stocks is needed to assure a desirable carryover, he may adjust the allotment by the amount he determines will accomplish the desired decrease or increase in carryover stocks. The national acreage allotment for any crop of wheat shall be apportioned by the Secretary among the States on the basis of the apportionment to each State of the naional acreage alloment for the preceding crop (1973 national domestic allotment in the case of apportionment of the 1974 national acreage allotment) adjusted to the extent deemed necessary by the Secretary to establish a fair and equitable apportionment base for each State taking into consideration established crop rotation practices, the estimated decrease in farm acreage allotments, and other relevant factors.

"'(2) The State acreage allotment for wheat, less a reserve of not to exceed 1 per centum thereof for apportionment as provided in this subsection, shall be apportioned by the Secretary among the counties in the State, on the basis of the apportionment to each such county of the wheat allotment for the preceding crop, adjusted to the extent deemed necessary by the Secretary in order to establish a fair and equitable apportionment base for each county taking into consideration established crop-rotation practices, the estimated decrease in farm allotments, and other relevant factors.

"'(3) The farm allotment for each crop of wheat shall be determined by apportioning the county wheat allotment among farms in the county which had a wheat allotment for the preceding crop on the basis of such allotment, adjusted to reflect established crop-rotation practices and such other factors as the Secretary determines should be considered for the purpose of establishing a fair and equitable allotment. Notwithstanding any other provision of this subsection, the farm allotment shall be adjusted downward to the extent required by subsection (b).

"'(4) Not to exceed 1 per centum of the State allotment for any crop may be apportioned to farms for which there was no allotment for the preceding crop on the basis of the following factors: suitability of the land for production of wheat, the past experience of the farm operator in the production of wheat, the extent to which the farm operator is dependent on income from farming for his livelihood, the production of wheat on other farms owned, operated, or controlled by the farm operator, and such other factors as the Secretary determines should be considered for the purpose of establishing fair and equitable farm allotments. No part of such reserve shall be apportioned to a farm to reflect new cropland brought into production after the date of enactment of the set-aside program for wheat.

"'(5) The planting on a farm of wheat of any crop for which no farm allotment was established shall not make the farm eligible for an allotment under subsection (a) (3) nor shall such farm by reason of such planting be considered ineligible for an allotment under subsection (a) (4).

"'(6) The Secretary may make such adjustments in acreage under this Act as he determines necessary to correct for abnormal factors affecting production, and to give due consideration to tillable acreage, crop rotation practices, types of soil, soil and water conservation measures, and topography, and in addition, in the case of conserving use acreages to such other factors as he deems necessary in order to establish a fair and equitable conserving use acreage for the farm.

"'(b) (1) If for any crop the total acreage of wheat planted on a farm is less than the farm allotment, the farm allotment used as a base for the succeeding crop shall be reduced by the percentage by which such planted acreage was less than such farm allotment, but such reduction shall not exceed 20 per centum of the farm allotment for the preceding crop. If no acreage has been planted to wheat for three consecutive crop years on any farm which has an allotment, such farm shall lose its allotment. Producers on any farm who have planted to wheat not less than 90 per centum of the allotment for the farm shall be considered to have planted an acreage equal to 100 per centum of such allotment. An acreage on the farm which the Secretary determines was not planted to wheat because of drought, flood, or other natural disaster or condition beyond the control of the producer shall be considered to be an acreage of wheat planted for harvest. For the purpose of this subsection, the Secretary may permit producers of wheat to have acreage devoted to soybeans, feed grains for which there is a set-aside program in effect, guar, castor beans, cotton, triticale, oats, rye, or such other crops as the Secretary may deem appropriate considered as devoted to the production of wheat to such extent and subject to such terms and conditions as the Secretary determines will not impair the effective operation of the program.

"'(2) Notwithstanding the provisions of subsection (b) (1), no farm allotment shall be reduced or lost through failure to plant the farm allotment, if the producer elects not to receive payments for the portion of the farm allotment not planted, to which he would otherwise be entitled under the provisions of section 107(c) of the Agricultural Act of 1949.'"

REPEAL OF PROCESSOR CERTIFICATE

(10) Section 403 is amended by inserting "(a)" after the section designation and by inserting at the end thereof the following:

"(b) Sections 379d, 379e, 379f, 379g, 379h, 379i, and 379j of the Agricultural Adjustment Act of 1936 (which deal with marketing certificate requirements for processors and exporters) shall not be applicable to wheat processed or exported during the period July 1, 1973 through June 30, 1978; and section 379g is amended by adding the following new subsection (c):

"(c) The Secretary is authorized to take such action as he determines to be necessary to facilitate the transition from the certificate program provided for under section 379d to a program under which no certificates are required. Notwithstanding any other provision of law, such authority shall include, but shall not be limited to the authority to exempt all or a portion of wheat or food products made therefrom in the channels of trade on July 1, 1973, from the marketing restrictions in subsection (b) of section 379d, or to sell certificates to persons owning such wheat or food products made therefrom at such price and under such terms and conditions as the Secretary may determine. Any such certificate shall be issued by the Commodity Credit Corporation. Nothing herein shall authorize the Secretary to require certificates on wheat processed after June 30, 1973."

SUSPENSION OF WHEAT MARKETING QUOTAS

(11) Section 404 is amended by striking "1971, 1972, and 1973" wherever it appears and inserting "1971 through 1977", and by striking "1972 and 1973" and inserting "1972 through 1977".

STATE AGENCY ALLOTMENTS, YIELD CALCULATIONS

(12) (a) Section 405 is amended by striking out "1971, 1972, and 1973" and inserting "1971 through 1977"; and by repealing paragraph (2) effective with the 1974 crop; by inserting "(a)" after the section designation; by changing the period and quotation mark at the end of the section to a semicolon; and by adding at the end of the section the following:

"(b) Effective with respect to the 1974 through 1977 crops, section 301(b) (13) (K) of the Agricultural Adjustment Act of 1938 is amended by adding after 'three calendar years' the following: '(five calendar years in the case of wheat)', and section 708 of Public Law 89-321 is amended by inserting in the second sentence after 'determining the projected yield' the following '(except that in the case of wheat, if the yield is abnormally low in any one of the calendar years of the base period because of drought, flood, or other natural disaster, the Secretary shall take into account the actual yield proved by the producer in the other four years of such base period)'."

SUSPENSION OF QUOTA PROVISIONS

(13) Section 406 is amended by striking out "1971, 1972, and 1973" and inserting "1971 through 1977".

REDUCTION IN WHEAT STORED TO AVOID PENALTY

(14) Section 407 of the Agricultural Act of 1970 is amended by adding at the end thereof the following: "Notwithstanding the foregoing, the Secretary may authorize release of wheat stored by a producer under section 379c(b) of the Agricultural Adjustment Act of 1938, as amended, prior to the 1971 crop, whenever he determines such release will not significantly affect market prices for wheat. As a condition of release, the Secretary may require a refund of such portion of the value of certificates received in the crop year the excess wheat was produced as he deems appropriate considering the period of time the excess wheat has been in storage and the need to provide fair and equitable treatment among all wheat program participants.".

APPLICATION OF THE AGRICULTURAL ACT OF 1949

(15) Section 408 is amended by striking out "1971, 1972, and 1973" and inserting "1971 through 1977".

COMMODITY CREDIT CORPORATION SALES PRICE RESTRICTIONS

(16) Section 409 is amended by striking out "1971, 1972, and 1973" and inserting "1971 through 1977".

SET-ASIDE ON SUMMER FALLOW FARMS

(17) Section 410 is amended by striking out "1971, 1972, and 1973" and inserting "1971 through 1977".

FEED GRAIN PROGRAM

(18) Effective only with respect to the 1974 through 1977 crops of feed grains, section 501 is amended by—

(A) striking out that portion through the first colon and section 105(a) of the Agricultural Act of 1949, as it appears therein, and inserting the following:

"SEC. 501. (a) Effective only with respect to the 1971 through 1977 crops of feed grains, section 105(a) of the Agricultural Act of 1949, as amended, is further amended to read as follows:

"'SEC. 105. Notwithstanding any other provision of law—

"'(a) (1) The Secretary shall make available to producers loans and purchases on each crop of corn at such level, not less than $1.10 per bushel nor in excess of 90 per centum of the parity price therefor, as the Secretary determines will encourage the exportation of feed grains and not result in excessive total stocks of feed grains in the United States.

"'(2) The Secretary shall make available to producers loans and purchases on each crop of barley, oats, and rye, respectively, at such level as the Secretary determines is fair and reasonable in relation to the level that loans and purchases are made available for corn, taking into consideration the feeding value of such commodity in relation to corn and the other factors specified in section 401(b), and on each crop of grain sorghums at such level as the Secretary determines is fair and reasonable in relation to the level that loans and purchases are made available for corn, taking into consideration the feeding value and average transportation costs to market of grain sorghums in relation to corn.'."

(B) adding at the end thereof the following:

"(b) Effective only with respect to the 1974 through 1977 crops of feed grains, section 105 (b) of the Agricultural Act of 1949, as amended, is further amended to read as follows:

"'(b)(1) In addition, the Secretary shall make available to producers payments for each crop of corn, grain sorghums, and, if designated by the Secretary, barley, computed by multiplying (1) the payment rate, times (2) the allotment for the farm for such crop, times (3) the yield established for the farm for the preceding crop with such adjustments as the Secretary determines necessary to provide a fair and equitable yield. The payment rate for corn shall be the amount by which the higher of—

"'(1) the national weighted average market price received by farmers during the first five months of the marketing year for such crop, as determined by the Secretary, or

"'(2) the loan level determined under subsection (a) for such crop

is less than the established price of $1.38 per bushel in the case of the 1974 and 1975 crops, $1.38 per bushel adjusted to reflect any change during the calendar year 1975 in the index of prices paid by farmers for production items, interest, taxes, and wage rates in the case of the 1976 crop, and the established price for the 1976 crop adjusted to reflect any change during the calendar year 1976 in such index in the case of the 1977 crop: *Provided*, That any increase that would otherwise be made in the established price to reflect a change in the index of prices paid by farmers shall be adjusted to reflect any change in (i) the national average yield per acre of feed grains for the three calendar years preceding the year for which the determination is made, over (ii) the national average yield per acre of feed grains for the three calendar years preceding the year previous to the one for which the determination is made. The payment rate for grain sorghums and, if designated by the Secretary, barley, shall be such rate as the Secretary determines fair and reasonable in relation to the rate at which payments are made available for corn. If the Secretary determines that the producers on a farm are prevented from planting any portion of the farm acreage allotment to feed grains or other nonconserving crop, because of drought, flood, or other natural disaster or condition beyond the control of the producer, the rate of payment on such portion shall be the larger of (A) the foregoing rate, or (B) one-third of the established price. If the Secretary determines that, because of such a disaster or condition, the total quantity of feed grains (or other nonconserving crop planted instead of feed grains) which the producers are able to harvest on any farm is less than 66⅔ percent of the farm acreage allotment times the yield of feedgrains (or other nonconserving crop planted instead of feed grains established for the farm, the rate of payment for the deficiency in production below 100 percent shall be the larger of (A) the foregoing rate, or (B) one-third of the established price.

"'(2) The Secretary shall, prior to January 1 of each calendar year, determine and proclaim for the crop produced in such calendar year a national acreage allotment for feed grains, which shall be the number of acres he determines on the basis of the estimated national average yield of the feed grains included in the program for the crop for which the determination is being made will produce the quantity (less imports) of such feed grains that he estimates will be utilized domestically and for export during the marketing year for such crop. If the Secretary determines that carryover stocks of any of the feed grains are excessive or an increase in stocks is needed to assure a desirable carryover, he may adjust the feed grain allotment by the amount he determines will accomplish the desired decrease or increase in carryover stocks. State, county, and farm feed grain allotments shall be established on the basis of the feed grain allotments established for the preceding crop (for 1974 on the basis of the feed grain bases established for 1973), adjusted to the extent deemed necessary to establish a fair and equitable apportionment base for each State, county, and farm. Not to exceed 1 per centum of the State fed grain allotment may be reserved for apportionment to new feed grain farms on the basis of the following factors: suitability of the land for production of feed grains, the extent to which the farm operator is dependent on income from farming for his livelihood, the production of feed grains on other farms owned, operated, or controlled by the farm operator, and such other factors as the Secretary determines should be considered for the purpose of establishing fair and equitable feed grain allotments.

"'(3) If for any crop the total acreage on a farm planted to feed grains included in the program formulated under this subsection is less than the feed grain allotment for the farm, the feed grain allotment for the farm for the succeeding crops shall be reduced by the percentage by which the planted acreage is less than the feed grain allotment for the farm, but such reduction shall not exceed 20 per centum of the feed grain allotment. If no acreage has been planted to such feed grains for three consecutive crop years on any farm which has a feed grain allotment, such farm shall lose its feed grain allotment: *Provided*, That no farm feed grain allotment shall be reduced or lost through failure to plant, if the producer elects not to receive payment for such portion of the farm feed grain allotment not planted, to which he would otherwise be entitled under the provisions of this Act. Any such acres eliminated from any farm shall be assigned to a national pool for the adjustment of feed grain allotments as provided for in subsection (e)(2). Producers on any farm who have planted to such feed grains not less than 90 per centum of the feed grain allotment shall be considered to have planted an acreage equal to 100 per centum of such allotment. An acreage on the farm which the Secretary determines was not planted to such feed grains because of drought, flood, or other natural disaster or condition beyond the control of the producer shall be considered to be an acreage of feed grains planted for harvest. For the purpose of this paragraph, the Secretary may permit producers of feed grains to have acreage devoted to soybeans, wheat, guar, castor beans, cotton, triticale, oats, rye, or such other crops as the Secretary may deem appropriate, considered as devoted to the production of such feed grains to such extent and subject to such terms and conditions as the Secretary determines will not impair the effective operation of the program.'.".

(C) amending the last sentence of section 105(c)(1) to read as follows:

"The Secretary shall permit producers to plant and graze on setaside acreage sweet sorghum, and the Secretary may permit, subject to such terms and conditions as he may prescribe, all or any of the setaside acreage to be devoted to hay and grazing or the production of guar, sesame, safflower, sunflower, castor beans, mustard seed, crambe, plantago ovato, flaxseed, triticale, oats, rye, or other commodity, if he determines that such production is needed to provide an adequate supply, is not likely to increase the cost of the price-support program, and will not adversely affect farm income."

(C) striking out "1971, 1972, 1973" where it appears in that part which amends section 105(c)(1) of the Agricultural Act of 1949 and inserting "1971 through 1977", and by amending the second sentence of section 105 (c)(1) to read as follows: "If a setaside of cropland is in effect under this subsection (c), then as a condition of eligibility for loans, purchases, and payments on corn, grain sorghums, and, if designated by the Secretary, barley, respectively, the producers on a farm must set aside and devote to approved conservation uses an acreage of cropland equal to (i) such percentage of the feed grain allotment for the farm as may be specified by the Secretary, plus, if required by the Secretary (ii) the acreage of cropland on the farm devoted in preceding years to soil conserving uses, as determined by the Secretary."

(D) amending the third sentence of section 105(c)(1) to read as follows: "The Secretary is authorized for the 1974 through 1977 crops to limit the acreage planted to feed grains on the farm to a percentage of the farm acreage allotment.",

(E) striking out paragraphs (1) and (3) of subsection (e), changing "bases" to "allotments" wherever it appears in paragraph (2) of subsection (e), and striking out all of subsection (g).

(F) inserting after the second sentence of section 105(c)(3) the following: "The Secretary may, in the case of programs for the 1974 through 1977 crops, pay an appropriate share of the cost of practices designed to carry out the purposes of the foregoing sentences."

COTTON PROGRAM

SUSPENSION OF MARKETING QUOTAS FOR COTTON, MINIMUM BASE ACREAGE ALLOTMENT

(19) Section 601 is amended by—

(A) striking out "1971, 1972, and 1973" wherever it appears therein and inserting "1971 through 1977",

(B) striking "1970, 1971, and 1972" from paragraph (2) and inserting "1970 through 1976",

(C) effective beginning with the 1974 crop, striking out the following from section 344a (a) in section 601 "for which a farm base acreage allotment is established (other than pursuant to section 350(e)(1)(A))",

(D) striking "1974" from paragraph (3)(1) and inserting "1978", and by striking "1972 and 1973" from paragraph (4) and inserting "1972 through 1977",

(E) effective beginning with the 1974 crop, adding at the end of section 350(a) in paragraph (4) of section 601 the following: "The national base acreage allotment for the 1974 through 1977 crops shall not be less than eleven million acres.",

(F) effective beginning with the 1974 crop, striking "soybeans, wheat or feed grains" from the last sentence of section 350(e)(2) in paragraph (4) of section 601 and inserting "soybeans, wheat, feed grains, guar, castor beans, triticale, oats, rye or such other crops as the Secretary may deem appropriate",

(G) effective beginning with the 1974 crop, striking the words "an adjoining" in the first sentence of section 350(h) as found in paragraph (4) of section 601, and inserting in lieu thereof "any other nearby".

COTTON PRODUCTION INCENTIVES

(20) Section 602 is amended by—

(A) striking "1971, 1972, and 1973" wherever it appears therein and inserting "1971 through 1977", by striking "the 1972 or 1973 crop" where it appears in that part amending section 103(e) (1) of the Agricultural Act of 1949 and inserting "any of the 1972 through 1977 crops", and by striking out "acreage world price" in that part amending section 103(e) (1) of the Agricultural Act of 1949, and substituting "average price of American cotton in world markets";

(B) in that part amending section 103(e) (1) of the Agricultural Act of 1949 striking out "two-year period" wherever it appears therein and substituting "three-year period"; and by striking out that part beginning with "except that" in the first sentence and substituting "except that if the loan rate so calculated is higher than the then current level of average world prices for American cotton of such quality, the Secretary is authorized to adjust the current calculated loan rate for cotton to 90 per centum of the then current average world price.";

(C) effective, beginning with the 1974 crop, amending section 103(e) (2) of the Agricultural Act of 1949, as it appears in such section 602 to read as follows:

"(2) Payments shall be made for each crop of cotton to the producers on each farm at a rate equal to the amount by which the higher of—

"(1) the average market price received by farmers for upland cotton during the calendar year which includes the first five months of the marketing year for such crop as determined by the Secretary, or

"(2) the loan level determined under paragraph (1) for such crop

is less than the established price of 38 cents per pound in the case of the 1974 and 1975 crops, 38 cents per pound adjusted to reflect any change during the calendar year 1975 in the index of prices paid by farmers for production items, interest, taxes, and wage rates in the case of the 1976 crop, and the established price for the 1976 crop adjusted to reflect any change during the calendar year 1976 in such index in the case of the 1977 crop: *Provided*, That any increase that would otherwise be made in the established price to reflect a change in the index of prices paid by farmers shall be adjusted to reflect any change in (i) the national average yield per acre of cotton for the three calendar years preceding the year for which the determination is made, over (ii) the national average yield per acre of cotton for the three calendar years preceding the year previous to the one for which the determination is made. If the Secretary determines that the producers on a farm are prevented from planting, any portion of the allotment to cotton because of drought, flood, or other natural disaster, or condition beyond the control of the producer, the rate of payment for such portion shall be the larger of (A) the foregoing rate, or (B) one-third of the established price. If the Secretary determines that, because of such a disaster or condition, the total quantity of cotton which the producers are able to harvest on any farm is less than 66⅔ percent of the farm base acreage allotment times the average yield established for the farm, the rate of payment for the deficiency in production below 100 percent shall be the larger of (A) the foregoing rate, or (B) one-third of the established price. The payment rate with respect to any producer who (i) is on a small farm (that is, a farm on which the base acreage allotment is ten acres or less, or on which the yield used in making payments times the farm base acreage allotment is five thousand pounds or less, and for which the base acreage allotment has not been reduced under section 350(f), (ii) resides on such farm, and (iii) derives his principal income from cotton produced on such farm, shall be increased by 30 per centum; but, notwithstanding paragraph (3), such increase shall be made only with respect to his share of cotton actually harvested on such farm within the quantity specified in paragraph (3)."

(D) effective, beginning with the 1974 crop, amending the third sentence of section 103 (e) (4) (A) of the Agricultural Act of 1949, as it appears in such section 602 of read as follows: "The Secretary is authorized for the 1974 through 1977 crops to limit the acreage planted to upland cotton on the farm in excess of the farm base acreage allotment a percentage of the farm base acreage allotment.".

(E) The second sentence of Section 103 (e) (4) (A) is amended to read as follows: "If a set-aside of cropland is in effect under this paragraph (4), then as a condition of eligibility for loans and payments in upland cotton the producers on a farm must set aside and devote to approved conservation uses an acreage of cropland equal to (i) such percentage of the farm base acreage allotment for the farm as may be specified by the Secretary (not to exceed 28 per centum of the farm base acreage allotment), plus, if required by the Secretary, (ii) the acreage of cropland on the farm devoted in preceding years to soil conserving uses, as determined by the Secretary.'"

(F) the fourth sentence of section 103(e) (4) (A) of the Agricultural Act of 1949 as found in section 602 is amended to read as follows: "The Secretary shall permit producers to plant and graze on set-aside acreage sweet sorghum, and the Secretary may permit, subject to such terms and conditions as he may prescribe, all or any of the set-aside acreage to be devoted to hay and grazing or the production of guar, sesame, safflower, sunflower, castor beans, mustard seed, crambe, plantago ovato, flaxseed, triticale, oats, rye, or other commodity, if he determines that such production is needed to provide an adequate supply, is not likely to increase the cost of the price-support program, and will not adversely affect farm income."

(G) inserting after the second sentence of section 103(e) (5) of the Agricultural Act of 1949 as it appears in such section 602 the following: "The Secretary may in the case of programs for the 1974 through 1977 crops, pay an appropriate share of the cost of practices designed to carry out the purposes of the foregoing sentences."

COMMODITY CREDIT CORPORATION SALES PRICE RESTRICTIONS FOR COTTON

(21) Section 603 is amended by striking out "1974" and inserting "1978".

MISCELLANEOUS COTTON PROVISIONS

(22) Sections 604, 605, 606, 607, and 608 are each amended by striking out "1971, 1972, and 1973" and inserting "1971 through 1977".

COTTON MARKET DEVELOPMENT

(23) Section 610 is amended by inserting after the words "shall be" in the second sentence the following words "10 million dollars," and by striking the balance of said sentence, and further by striking out "1972 and 1973" and inserting "1972 through 1977" in the third sentence.

COTTON INSECT ERADICATION

(24) Title VI is amended by adding at the end thereof the following:

"SEC. 611. Section 104 of the Agricultural Act of 1949, as amended, is amended by adding a new subsection (d) as follows:

"'(d) In order to reduce cotton production costs, to prevent the movement of certain cotton plant insects to areas not now infested, and to enhance the quality of the environment, the Secretary is authorized and directed to carry out programs to destroy and eliminate cotton boll weevils in infested areas of the United States as provided herein and to carry out similar programs with respect to pink bollworms or any other major cotton insect if the Secretary determines that methods and systems have been developed to the point that success in eradication of such insects is assured. The Secretary shall carry out the eradication programs authorized by this subsection through the Commodity Credit Corporation. In carrying out insect eradication projects, the Secretary shall utilize the technical and related services of appropriate Federal, State, private agencies, and cotton organizations. Producers and landowners in an eradication zone, established by the Secretary, who are receiving benefits from any program administered by the United States Department of Agriculture, shall, as a condition of receiving or continuing any such benefits, participate in and cooperate with the eradication project, as specified in regulations of the Secretary.

"'The Secretary may issue such regulations as he deems necessary to enforce the provisions of this subsection with respect to achieving the compliance of producers and landowners who are not receiving benefits from any program administered by the United States Department of Agriculture. Any person who knowingly violates any such regulation promulgated by the Secretary under this subsection may be assessed a civil penalty of not to exceed $5,000 for each offense. No civil penalty shall be assessed unless the person shall have been given notice and opportunity for a hearing on such charge in the county, parish, or incorporated city of the residence of the person charged. In determining the amount of the penalty the Secretary shall consider the appropriateness of such penalty to the size of the business of the person charged, the effect on the person's ability to continue in business and the gravity of the violation. Where special measures deemed essential to achievement of the eradication objective are taken by the project and result in a loss of production and income to the producer, the Secretary shall provide reasonable and equitable indemnification from funds available for the project, and also provide for appropriate protection of the allotment, acreage history, and average yield for the farm. The cost of the program in each eradication zone shall be determined, and cotton producers in the zone shall be required to pay up to one-half thereof, with the exact share in each zone area to be specified by the Secretary upon his finding that such share is reasonable and equitable based on population levels of the target insect and the degree of control measures normally required. Each producer's pro rata share shall be deducted from his cotton payment under this Act or otherwise collected, as provided in regulations of the Secretary. Insofar as practicable, cotton producers and other persons engaged in cotton production in the eradication zone shall be employed to participate in the work of the project in such zone. Funding of the program shall be terminated at such time as the Secretary determines and reports to the Congress that complete eradication of the insects for which programs care undertaken pursuant to this subsection has been accomplished. Funds in custody of agencies carrying out the program shall, upon termination of such program, be accounted for to the Secretary for appropriate disposition.

"'The Secretary is authorized to cooperate with the Government of Mexico in carrying out operations or measures in Mexico which he deems necessary and feasible to prevent the movement into the United States from Mexico of any insects eradicated under the provisions of this subsection. The measure and character of cooperation carried out under this subsection on the part of the United States and on the part of the Government of Mexico, including the expenditure or use of funds made available by the Secretary under this subsection, shall be such as may be prescribed by the Secretary. Arrangements for the cooperation authorized by this subsection shall be made through and in consultation with the Secretary of State. The Commodity Credit Corporation shall not make any expenditures for carrying out the purposes of this subsection unless the Corporation has received funds to cover such expenditures from appropriations made to carry out the purposes of this subsection. There are hereby authorized to be appropriated to the Commodity Credit Corporation such sums as the Congress may from time to time determine to be necessary to carry out the purposes of this subsection.'."

SKIPROW PRACTICES

(25) Title VI is further amended by adding the following new section:

"Sec. 612. Section 374(a) of the Agricultural Adjustment Act of 1938, as amended, is hereby amended by adding the following new sentence: 'Where cotton is planted in skiprow patterns, the same rules that were in effect for the 1971 through 1973 crops for classifying the acreage planted to cotton and the area skipped shall also apply to the 1974 through 1977 crops.'."

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(26) Section 701 is amended by striking out "1973" and inserting "1977"; and title VII is further amended by adding at the end thereof the following:

Section 103 of such Act is amended by inserting before the semicolon at the end of subsection (o) the following: "and that commercial supplies are available to meet demands developed through programs carried out under this Act."

"Sec. 704. Title IV of such Act is amended by adding at the end thereof the following:

" 'Sec. 411. No agricultural commodities shall be sold under title I or title III, or donated under title II of this Act to North Vietnam, unless by an Act of Congress enacted subsequent to July 1, 1973, assistance to North Vietnam is specifically authorized.' "

MISCELLANEOUS PROVISIONS

(27) Title VIII is amended as follows:

BEEKEEPER INDEMNITIES

(A) Section 804 is amended by striking out "December 31, 1973" and inserting "December 31, 1977".

(B) By adding at the end thereof the following:

"FHA LOANS

"Sec. 807. The first sentence of section 305 of the Consolidated Farm and Rural Development Act is amended by striking out '$100,000' and inserting '$225,000'; and by striking out 'or (b)' and inserting '(b) the loans under such sections to any one borrower to exceed $100,000, or (c)'.

"COST OF PRODUCTION STUDY

"Sec. 808. The Secretary of Agriculture, in cooperation with the land grant colleges, commodity organizations, general farm organizations, and individual farmers, shall conduct a cost of production study of the wheat, feed grain, cotton, and dairy commodities under the various production practices and establish a current national weighted average cost of production. This study shall be updated annually and shall include all typical variable costs, a return on fixed costs equal to the existing interest rates charged by the Federal Land Bank, and return for management comparable to the normal management fees charged by other comparable industries. These studies shall be based upon the size unit that requires one man to farm on a full-time basis.

"LIVESTOCK STUDY

"Sec. 809. (a) The Secretary of Agriculture is authorized and directed to carry out a comprehensive study and investigation to determine the reasons for the extensive loss of livestock sustained each year, through injury and disease, while such livestock is being transported in interstate commerce for commercial purposes. The Secretary is also authorized and directed to conduct, in connection with such study and investigation, an intensive research program for the purpose of developing measures that can be taken to reduce materially the number of animals lost, through injury and disease, during transportation for commercial purposes.

"(b) The Secretary of Agriculture shall submit to the Congress not more than four years after the date of enactment of this section a final report on the results of his study and investigation and research together with such recommendations for administrative and legislative action as he deems appropriate. He shall submit such interim reports to the Congress as he deems advisable, but at least one at the end of each twelve month period following the date of enactment of this section.

"(c) There is authorized to be appropriated such sums as may be necessary to carry out the provisions of this section, but not more than $500,000 in any fiscal year.

"WHEAT AND FEED GRAINS RESEARCH

"Sec. 810. In order to reduce fertilizer and herbicide usage in excess of production needs, to develop wheat and feed grain varieties more susceptible to complete fertilizer utilization, to improve the resistance of wheat and feed grain plants to disease and to enhance their conservation and environmental qualities, the Secretary of Agriculture is authorized and directed to carry out regional and national research programs.

"In carrying out such research, the Secretary shall utilize the technical and related services of the appropriate Federal, State, and private agencies.

"There is authorized to be appropriated such sums as may be necessary to carry out the provisions of this section, but not more than $1,000,000 in any fiscal year.

"TECHNICAL SUPPORT

"Sec. 811. The Department of Agriculture shall provide technical support to exporters and importers of United States agricultural products when so requested. Such support shall include, but not be limited to, a review of the feasibility of the export proposal, adequacy of sources of supply, compliance with trade regulations of the United States and the importing country and such other information or guidance as may be needed to expand and expedite United States agricultural exports by private trading interests.

"EXPORT SALES REPORTING

"Sec. 812. All exporters of wheat and wheat flour, feed grains, oil seeds, cotton and products thereof, and other commodities the Secretary may designate produced in the United States shall report to the Secretary of Agriculture, on a weekly basis, the following information regarding any contract for export sales entered into or subsequently modified in any manner during the reporting period: (a) type, class, and quantity of the commodity sought to be exported, (b) the marketing year of shipment, (c) destination, if known. Individual reports shall remain confidential but shall be compiled by the Secretary and published in compilation form each week following the week of reporting. All exporters of agricultural commodities produced in the United States shall upon request of the Secretary of Agriculture immediately report to the Secretary any information with respect to export sales of agricultural commodities and at such times as he may request. Any person (or corporation) who knowingly fails to report export sales pursuant to the requirements of this section shall be fined not more than $25,000 or imprisoned not more than one year, or both. The Secretary may, with respect to any commodity or type or class thereof during any period in which he determines that there is a domestic supply of such commodity substantially in excess of the quantity needed to meet domestic requirements, and that total supplies of such commodity in the exporting countries are estimated to be in surplus, and that anticipated exports will not result in excessive drain on domestic supplies, and that to require the reports to be made will unduly hamper export sales, provide for such reports by exporters and publishing of such data to be on a monthly basis rather than on a weekly basis."

"DISASTER RESERVE

"Sec. 813. (a) Notwithstanding any other provision of law, the Secretary of Agriculture shall under the provisions of this Act establish, maintain, and dispose of a separate reserve of inventories of not to exceed 75 million bushels of wheat, feed grains, and soybeans for the purpose of alleviating distress caused by a natural disaster.

"Such reserve inventories shall include such quantities of grain that the Secretary deems needed to provide for the alleviation of distress as the result of a natural disaster.

"(b) The Secretary shall acquire such commodities through the price support program.

"(c) Except when a state of emergency has been proclaimed by the President or by concurrent resolution of Congress declaring that such reserves should be disposed of, the Secretary shall not offer any commodity in the reserve for sale or disposition.

"(d) The Secretary is also authorized to dispose of such commodities only for (1) use in relieving distress (a) in any State, the District of Columbia, Puerto Rico, Guam, or the Virgin Islands and (b) in connection with any major disaster determined by the President to warrant assistance by the Federal Government under Public Law 875, Eighty-first Congress, as amended (42 U.S.C. 1855 et seq.), or (2) for use in connection with a state of civil defense emergency as proclaimed by the President or by concurrent resolution of the Congress in accordance with the provisions of the Federal Civil Defense Act of 1950, as amended (50 U.S.C. App. 2251–2297).

"(e) The Secretary may sell at an equivalent price, allowing for the customary location and grade price differentials, substantially equivalent quantities in different locations or warehouses to the extent needed to properly handle, rotate, distribute, and locate such reserve.

"(f) The Secretary may use the Commodity Credit Corporation to the extent feasible to fulfill the purposes of this section; and to the maximum extent practicable consistent with the fulfillment of the purposes of this section and the effective and efficient administration of this section shall utilize the usual and customary channels, facilities, and arrangements of trade and commerce.

"(g) The Secretary may issue such rules and regulations as may be necessary to carry out the provisions of this section.

"(h) There is hereby authorized to be appropriated such sums as may be necessary to carry out the purposes of this section.

"IMPORTED COMMODITIES

"Sec. 814. Notwithstanding any other provisions of this Act, the Secretary shall encourage the production of any crop of which the United States is a net importer and for which a price support program is not in effect by permitting the planting of such crop on set-aside acreage and with no reduction in the rate of payment for the commodity.

"EMERGENCY SUPPLY OF AGRICULTURAL PRODUCTS

"Sec. 815(a) Notwithstanding any other provision of law, the Secretary of Agriculture shall assist farmers, processors, and distributors in obtaining such prices for agricultural products that an orderly, adequate and steady supply of such products will exist for the consumers of this nation.

"(b) The President shall make appropriate adjustments in the maximum price which may be charged under the provisions of Executive Order 11723 (dated June 13, 1973) or any subsequent Executive Order for any agricultural products (at any point in the distribution chain) as to which the Secretary of Agriculture certifies to the President that the supply of the product will be reduced to unacceptably low levels as a result of any price control or freeze order or regulation and that alternative means for increasing the supply are not available.

"(c) Under this section, the term 'agricultural products' shall include meat, poultry, vegetables, fruits and all other agricultural commodities in raw or processed form, except forestry products or fish or fishery products.

"RURAL DEVELOPMENT

"SEC. 816. (a) Section 401 of the Rural Development Act of 1972 (86 Stat. 670) is amended by substituting the words 'fire' and 'fires' for the words 'wildfire' and 'wildfires', respectively, wherever such words appear.

"(b) Section 404 of the Rural Development Act of 1972 (86 Stat. 671) is amended to read as follows:

" 'SEC. 404. APPROPRIATIONS.—There is authorized to be appropriated to carry out the provisions of this title $7,000,000 for each of three consecutive fiscal years beginning with the fiscal year for which funds are first appropriated and obligated by the Secretary of Agriculture carrying out this title.'

"(c) Section 306(a) of the Consolidated Farm and Rural Development Act is amended by adding at the end thereof the following:

" '(13) (A) The Secretary, under such reasonable rules and conditions as he shall establish, shall make grants to eligible volunteer fire departments for up to 50 per centum of the cost of firefighting equipment needed by such departments but which such departments are unable to purchase through the resources otherwise available to them, and for the cost of the training necessary to enable such departments to use such equipment efficiently.

" '(B) For the purposes of this subsection, the term "eligible volunteer fire department" means any established volunteer fire department in a rural town, village, or unincorporated area where the population is less than two thousand but greater than two hundred, as reasonably determined by the Secretary.'

"SEC. 817. Section 310B(d) of subtitle A of the Consolidated Farm and Rural Development Act is amended by adding at the end thereof the following:

" '(4) No grant or loan authorized to be made under this Act shall require or be subject to the prior approval of any officer, employee, or agency of any State.

" '(5) No loan commitment issued under this section, section 304, or section 312 shall be conditioned upon the applicant investing in excess of 10 per centum in the business or industrial enterprise for which purpose the loan is to be made unless the Secretary determines there are special circumstances which necessitate an equity investment by the applicant greater than 10 per centum.

" '(6) No provision of law shall prohibit issuance by the Secretary of certificates evidencing beneficial ownership in a block of notes insured or guaranteed under this Act or Title V of the Housing Act of 1949; and sale by the Secretary of such certificates shall be treated as a sale of assets for the purposes of the Budget and Accounting Act of 1921. Any security representing beneficial ownership in a block of notes guaranteed or insured under this Act or Title V of the Housing Act of 1949 issued by a private entity, shall be exempt from laws administered by the Securities and Exchange Commission, except sections 17, 22, and 24 of the Securities Act of 1933, as amended; however, the Secretary shall require (i) that the issuer place such notes in the custody of an institution chartered by a Federal or State agency to act as trustee and (ii) that the issuer provide such periodic reports of sales as the Secretary deems necessary.

"AGRICULTURAL CENSUS

"SEC. 818. Notwithstanding any other provision of law, the Secretary of Commerce shall conduct a census of agriculture in 1974 as required by section 142 of title 13, United States Code, and shall submit to the Congress, within thirty days after the date of enactment of the Agriculture and Consumer Protection Act of 1973, an estimate of the funds needed to conduct such census."

(28) By adding at the end thereof the following new title X:

"TITLE X—RURAL ENVIRONMENTAL CONSERVATION PROGRAM

"SEC. 1001. Notwithstanding any other provision of law, the Secretary shall carry out the purposes specified in clauses (1), (2), (3), (4), and (6) of section 7(a) of the Soil Conservation and Domestic Allotment Act, as amended, section 16(b) of such Act, and in the Water Bank Act (16 U.S.C. 1301 et seq.) by entering into contracts of three, five, ten, or twenty-five years with, and at the option of, eligible owners and operators of land as determined by the Secretary and having such control as the Secretary determines to be needed on the farms, ranches, wetlands, forests, or other lands covered thereby. In addition, the Secretary is hereby authorized to purchase perpetual easements to promote said purposes of this Title, including the sound use and management of flood plains, shore lands, and aquatic areas of the Nation. Such contracts shall be designed to assist farm, ranch, wetland, and nonindustrial private forest owners and operators, or other owners or operators, to make, in orderly progression over a period of years, such changes, if any, as are needed to effectuate any of the purposes specified in clauses (1), (2), (3), (4), and (6) of section 7(a) of the Soil Conservation and Domestic Allotment Act, as amended; section 16(b) of such Act; the Water Bank Act (16 U.S.C. 1301 et seq.); in enlarging fish and wildlife and recreation sources; in improving the level of management of nonindustrial private forest lands; and in providing long-term wildlife and upland game cover. In carrying out the provisions of this title, due regard shall be given to the maintenance of a continuing and stable supply of agricultural commodities and forest products adequate to meet consumer demand at prices fair to both producers and consumers.

"(1) to effectuate the plan for his farm, ranch, forest, wetland, or other land substantially in accordance with the schedule outlined therein;

"(2) to forfeit all rights to further payments or grants under the contract and refund to the United States all payments or grants received thereunder upon his violation of the contract at any stage during the time he has control of the land if the Secretary, after considering the recommendations of the Soil and Water Conservation District Board, or the State forester or other appropriate official in a contract entered into under the provisions of section 1009 of this title, determines that such violation is of such a nature as to warrant termination of the contract, or to make refunds or accept such payment adjustments as the Secretary may deem appropriate if he determines that the violation by the owner or operator does not warrant termination of the contract;

"(3) upon transfer of his right and interest in the farm, ranch, forest, wetland, or other land during the contract period to forfeit all rights to further payments or grants under the contract and refund to the United States all payments or grants received thereunder unless the transferee of any such land agrees with the Secretary to assume all obligations of the contract;

"(4) not to adopt any practice specified by the Secretary in the contract as a practice which would tend to defeat the purposes of the contract;

"SEC. 1002. Eligible landowners and operators for contracts under this title shall furnish to the Secretary a plan of farming operations or land use which incorporates such practices and principles as may be determined by him to be practicable and which outlines a schedule of proposed changes, if any, in cropping systems or land use and of the conservation measures which are to be carried out on the farm, ranch, wetland, forests, or other land during the contract period to protect the farm, ranch, wetland, forests or other land and surrounding areas, its wildlife, and nearby populace and communities from erosion, deterioration, pollution by natural and manmade causes or to insure an adequate supply of timber and related forest products. Said plans may also, in important migratory waterfowl nesting and breeding areas which are identified in a conservation plan developed in cooperation with a soil and water conservation district in which the lands are located, and under such rules and regulations as the Secretary may provide, include a schedule of proposed changes, if any, to conserve surface waters and preserve and improve habitat for migratory waterfowl and other wildlife resources and improve subsurface moisture, including, subject to the provisions of section 1001 of this title, the reduction of areas of new land coming into production, the enhancement of the natural beauty of the landscape, and the promotion of comprehensive and total water management study.

"SEC. 1003. (a) Approved conservation plans of eligible landowners and operators developed in cooperation with the soil and water conservation district or the State forester or other appropriate State official in which their lands are situated shall form a basis for contracts under this title. Under the contract the landowner or operator shall agree—

"(5) to comply with all applicable Federal, State, or local laws, and regulations, including those governing environmental protection and noxious weed abatement; and

"(6) to such additional provisions as the Secretary determines are desirable and includes in the contract to effectuate the purposes of the program or to facilitate the practical administration of the program: *Provided*, That all contracts entered into to effectuate the purposes of the Water Bank Act for wetlands shall contain the further agreement of the owner or operator that he shall not drain, burn, fill, or otherwise destroy the wetland character of such areas, nor use such areas for agricultural purposes: *And provided further*, That contracts entered into for the protection of wetlands to effectuate the purposes of the Water Bank Act may include wetlands covered by Federal or State government easement which permits agricultural use, together with such adjacent areas as determined desirable by the Secretary.

"(b) In return for such agreement by the landowner or operator the Secretary shall agree to make payments in appropriate circumstances for the use of land maintained for conservation purposes as set forth in this title, and share the cost of carrying out those conservation practices and measures set forth in the contract for which he determines that cost-sharing is appropriate and in the public interest. The portion of such cost (including labor) to be shared shall be that part which the Secretary determines is necessary and appropriate to effectuate the physical installation of the conservation practices and measures under the contract, but, in the case of a contract not entered into under an advertising and bid procedure under the provisions of section 1009(d) of this title, not less than 50 per centum or more than 75 per centum of the actual costs incurred by the owner or operator.

"(c) The Secretary may terminate any contract with a landowner or operator by mutual agreement with the owner or operator if the Secretary determines that such termination would be in the public interest, and may agree to such modification of contracts previously entered into as he may determine to be desirable to carry out the purposes of the program or facilitate the practical administration thereof or to accomplish equitable treatment with respect to other similar conservation, land use, or commodity programs administered by the Secretary.

"SEC. 1004. The Secretary is authorized to make available to eligible owners and operators conservation materials including seeds, seed inoculants, soil conditioning materials, trees, plants, and, if he determines it is appropriate to the purposes of this title, fertilizer and liming materials.

"SEC. 1005. (a) Notwithstanding the provisions of any other title, the Secretary may establish multiyear set-aside contracts for a period not to extend beyond the 1977 crop. Such contracts may be entered into only as a part of the programs in effect for wheat, feed grains, and cotton for the years 1974 through 1978, and only producers participating in one or more of such programs shall be eligible to contract with the Secretary under this section. Producers agreeing to a multiyear set-aside agreement shall be required to devote this acreage to vegetative cover capable of maintaining itself throughout such period to provide soil protection, water quality enhancement, wildlife production, and natural beauty. Grazing of livestock under this section shall be prohibited. Producers entering into agreements under this section shall also agree to comply with all applicable State and local law and regulation governing noxious weed control.

"(b) The Secretary shall provide cost-sharing incentives to farm operators for such cover establishment, whenever a multiyear contract is entered into on all or a portion of the set-aside acreage.

"SEC. 1006. The Secretary shall issue such regulations as he determines necessary to carry out the provisions of this title. The total acreage placed under agreements which result in their retirement from production in any county or local community shall in addition to the limitations elsewhere in this title be limited to a percentage of the total eligible acreage in such county or local community which the Secretary determines would not adversely affect the economy of the county or local community. In determining such percentage the Secretary shall give appropriate consideration to the productivity of the acreage being retired, if any, as compared to the average productivity of eligible acreage in such county or local community which the Secretary determines would not adversely affect the economy of the county or local community.

"SEC. 1007. (a) The Secretary of Agriculture shall appoint an advisory board in each State to advise the State committee of that State (established under section 8(b) of the Soil Conservation and Domestic Allotment Act) regarding the types of conservation measures that should be approved to effectuate the purposes of this title. The Secretary shall appoint at least six individuals to the advisory board of each State who are especially qualified by reason of education, training, and experience in the fields of agriculture, soil, water, wildlife, fish, and forest management. The advisory board appointed for any State shall meet at least once each calendar year. Said appointed members shall include, but not be limited to, the State soil conservationist, the State forester, the State administrator of the water quality programs, and the State wildlife administrator or their designees: *Provided*, That such board shall limit its advice to the State committees to the types of conservation measures that should be approved affecting the water bank program; the authorization to purchase perpetual easements to promote the purposes of this title, as described in section 1001 of this title; the providing of long-term upland game cover; and the establishment and management of approved practices on multiyear set-aside contracts as provided in section 1005 of this title.

"(b) The Secretary of Agriculture, through the establishment of a national advisory board to be named in consultation with the Secretary of the Interior, shall seek the advice and assistance of the appropriate officials of the several States in developing the programs under this title, especially in developing guidelines for (1) providing technical assistance for wildlife habitat improvement practices, (2) evaluating effects on surrounding areas, (3) considering aesthetic values, (4) checking compliance by cooperators, and (5) carrying out programs of wildlife management authorized under this title: Provided, That such board shall limit its advice to subjects which cover the types of conservation measures that should be approved regarding the water bank program; the authorization to purchase perpetual easements to promote the purposes of this Act, as described in section 1001 of this title; the providing of long-term upland game cover; and the establishment and management of approved practices on multiyear set-aside contracts as provided in section 1005 of this title.

"SEC. 1008. In carrying out the programs authorized under sections 1001 through 1006 of this title, the Secretary shall, in addition to appropriate coordination with other interested Federal, State, and local agencies, utilize the services of local, county, and State committees established under section 8 of the Soil Conservation and Domestic Allotment Act, as amended. The Secretary is also authorized to utilize the facilities and services of the Commodity Credit Corporation in discharging his functions and responsibilities under this program. The Secretary shall also utilize the technical services of the Soil Conservation Service, the Forest Service, State forestry organizations, soil and water conservation districts, and other State, and Federal agencies, as appropriate, in development and installation of approved conservation plans under this title.

"SEC. 1009. (a) In furtherance of the purposes of this title, the Secretary of Agriculture is authorized and directed to develop and carry out a forestry incentives program to encourage the development, management, and protection of nonindustrial private forest lands. The purposes of such a program shall be to encourage landowners to apply practices which will provide for the afforestation of suitable open lands and reforestation of cutover and other nonstocked and understocked forest lands and intensive multiple-purpose management and protection of forest resources so as to provide for production of timber and related benefits.

"(b) For the purposes of this section, the term 'non-industrial private forest lands' means lands capable of producing crops of industrial wood and owned by any private individual, group, association, corporation, or other legal entity. Such term does not include private entities which regularly engage in the business of manufacturing forest products or providing public utilities services of any type, or the subsidiaries of such entities.

"(c) The Secretary shall consult with the State forester or other appropriate official of the respective States in the conduct of the forestry incentives program under this section, and Federal assistance shall be extended in accordance with section 1003(b) of this title. The Secretary shall for the purposes of this section distribute funds available for cost sharing among and within the States only after assessing the public benefit incident thereto, and after giving appropriate consideration to the number and acreage of commercial forest lands, number of eligible ownerships in the State, and counties to be served by such cost sharing; the potential productivity of such lands; and the need for reforestation, timber stand improvement, or other forestry investments on such land. No forest incentives contract shall be approved under this section on a tract greater than five hundred acres, unless the Secretary finds that significant public benefit will be incident to such approval.

"(d) The Secretary may, if he determines that such action will contribute to the effective and equitable administration of the program established by this section, use an advertising and bid procedure in determining the lands in any area to be covered by agreements.

"(e) In implementing the program under this section, the Secretary will cause it to be coordinated with other related programs in such a manner as to encourage the utilization of private agencies, firms, and individuals furnishing services and materials needed in the application of practices included in the forestry incentives improvement program. The Secretary shall periodically report to the appropriate congressional committees of the progress and conduct of the program established under this section.

"SEC. 1010. There are hereby authorized to be appropriated annually such sums as may be necessary to carry out the provisions of this title. The programs, contracts, and authority authorized under this title shall be in addition to, and not in substitution for, other programs in such areas authorized by this or any other title or Act, and shall not expire with the termination of any other title or Act: *Provided*, That not more than $25,000,000 annually shall be authorized to be appropriated for the programs authorized under section 1009 of this Act."

ADVISORY COMMITTEE REPEAL

SEC. 2. Section 301 of the Act of August 14, 1946 (Public Law 79-733), as amended (7 U.S.C. 1628), is hereby repealed.

FOOD STAMPS

SEC. 3. The Food Stamp Act of 1964, as amended, is amended as follows:

(a) The second sentence of section 3(e) of the Food Stamp Act of 1964 (7 U.S.C. 2012 (e)) is amended—

(1) by striking out "or"; and

(2) by inserting before the period at the end thereof the following: ", or (3) any narcotics addict or alcoholic who lives under the supervision of a private nonprofit organization or institution for the purpose of regular participation in a drug or alcoholic treatment and rehabilitation program."

(b) Section 3(e) of the Food Stamp Act of 1964 is amended by striking out the last sentence therein and inserting in lieu thereof the following sentence: "No individual who receives supplemental security income benefits under title XVI of the Social Security Act shall be considered to be a member of a household or an elderly person for any purpose of this Act for any month if such person receives for such month, as part of his supplemental security income benefits or payments described in section 1616(a) of the Social Security Act (if any), an amount equal to the bonus value of food stamps (according to the Food Stamp Schedule effective for July 1973) in addition to the amount of assistance such individual would be entitled to receive for such month under the provisions of the plan of the State approved under title I, X, XIV, or XVI, as appropriate, in effect for December 1973, assuming such plan were in effect for such month and such individual were aged, blind, or disabled, as the case may be, under the provisions of such State plan or under Public Law 92–603 as amended. The Secretary of Health, Education, and Welfare shall issue regulations for the implementation of the foregoing sentence after consultation with the Secretary of Agriculture.

(c) Section 3 of the Food Stamp Act of 1964 (7 U.S.C. 2012) is amended by adding at the end thereof the following new subsection:

"(n) The term 'drug addiction or alcoholic treatment and rehabilitation program' means any drug addiction or alcoholic treatment and rehabilitation program conducted by a private nonprofit organization or institution which is certified by the State agency or agencies designated by the Governor as responsible for the administration of the State's programs for alcoholics and drug addicts pursuant to Public Law 91–616 'Comprehensive Alcohol Abuse and Alcohol Prevention, Treatment, and Rehabilitation Act' and Public Law 92–255 'Drug Abuse Office and Treatment Act of 1972' as providing treatment that can lead to the rehabilitation of drug addicts or alcoholics."

(d) Section 5 of the Food Stamp Act of 1964 (7 U.S.C. 2014) is amended by adding at the end thereof the following new subsection:

"(d) The Secretary shall establish uniform national standards of eligibility for households described in section 3(e)(3) of this Act."

(e) Section 5(c) of the Food Stamp Act of 1964 (7 U.S.C. 2014(c)) is amended by adding at the end thereof the following: "For the purposes of this section, the term 'able-bodied adult person' shall not include any narcotics addict or alcoholic who regularly participates, as a resident or nonresident, in any drug addiction or alcoholic treatment and rehabilitation program."

(f) Section 10 of the Food Stamp Act of 1964 (7 U.S.C. 2019) is amended by inserting at the end thereof the following new subsection:

"(i) Subject to such terms and conditions as may be prescribed by the Secretary in the regulations pursuant to this Act, members of an eligible household who are narcotics addicts or alcoholics and regularly participate in a drug addiction or alcoholic treatment and rehabilitation program may use coupons issued to them to purchase food prepared for or served to them during the course of such program by a private nonprofit organization or institution which meets requirements (1), (2), and (3) of subsection (h) above. Meals served pursuant to this subsection shall be deemed 'food' for the purposes of this Act."

(g) Section 5(b) is amended by inserting the following before the period at the end of the second sentence: ": *Provided*, That such standards shall take into account payments in kind received from an employer by members of a household, if such payments are in lieu of or supplemental to household income: *Provided further*, That such payments in kind shall be limited only to housing provided by such employer to such employee and shall be the actual value of such housing but in no event shall such value be considered to be in excess of the sum of $25.00 per month".

(h) The fourth sentence of section 5(b) is amended to read as follows:

The Secretary may also establish temporary emergency standards of eligibility for the duration of the emergency, without regard to income and other financial resources, for households that are the victims of a mechanical disaster which disrupts the distribution of coupons, and for households that are victims of a disaster which disrupted commercial channels of food distribution when he determines that such households are in need of temporary food assistance, and that commercial channels of food distribution have again become available to meet the temporary food needs of such households: *Provided*, That the Secretary shall in the case of Puerto Rico, Guam, and the Virgin Islands, establish special standards of eligibility and coupon allotment schedules which reflect the average per capita income and cost of obtaining a nutritionally adequate diet in Puerto Rico and the respective territories; except that in no event shall the standards of eligibility or coupon allotment schedules so used exceed those in the fifty States.

(i) Section 10(e) is amended by striking out "and (6)" and inserting in lieu thereof the following: "(6) issuance of coupon allotments no less often than two times per month; (7) notwithstanding any other provision of law, the institution of procedures under which any household participating in the program shall be entitled, if it so elects, to have the charges, if any, for its coupon allotment deducted from any grant or payment such household may be entitled to receive under title IV of the Social Security Act and have its coupon allotment distributed to it with such grant or payment; and (8)"; and (2) by adding at the end thereof the following: "The State agency is required to submit, prior to January 1, 1974, for approval, a plan of operation specifying the manner in which such State agency intends to conduct the program in every political subdivision in the State, unless such State agency can demonstrate that for any political subdivision it is impossible or impracticable to extend the program to such subdivision. The Secretary shall make a determination of approval or disapproval of a plan of operation submitted by a State agency in sufficient time to permit institution of such plan by no later than June 30, 1974."

(j) Section 16(a) is amended by striking out in the first sentence "June 30, 1972, and June 30, 1973" and substituting "June 30, 1972, through June 30, 1977", and by inserting at the end of the first sentence of subsection (a) the following new sentence: "Sums appropriated under the provisions of this Act shall, notwithstanding the provisions of any other law, continue to remain available until expended."

(k) Section 10(h) is amended by adding at the end thereof the following: "Subject to such terms and conditions as may be prescribed by the Secretary, in the regulations issued pursuant to this Act, members of an eligible household who are sixty years of age or over or elderly persons and their spouses may also use coupons issued to them to purchase meals prepared by senior citizens' centers, apartment buildings occupied primarily by elderly persons, any public or nonprofit private school which prepares meals especially for elderly persons, any public or nonprofit private eating establishment which prepares meals especially for elderly persons during special hours, and any other public or nonprofit private establishment approved for such purpose by the Secretary. When an appropriate State or local agency contracts with a private establishment to offer, at concessional prices, meals prepared especially for elderly persons during regular or special hours, the Secretary shall permit eligible households who are sixty years of age or over or elderly persons and their spouses to use coupons issued to them to purchase such meals."

(l) Section 3(b) of the Food Stamp Act of 1964 (7 U.S.C. 2012(b)) is amended to read as follows: "The term 'food' means any food or food product for home consumption except alcoholic beverages and tobacco and shall also include seeds and plants for use in gardens to produce food for the personal consumption of the eligible household."

(m) Section 7(a) of the Food Stamp Act of 1964 (7 U.S.C. 2016(a)) is amended to read as follows:

"(a) The face value of the coupon allotment which State agencies shall be authorized to issue to any households certified as eligible to participate in the food stamp program shall be in such amount as the Secretary determines to be the cost of a nutritionally adequate diet, adjusted semiannually by the nearest dollar increment that is a multiple of two to reflect changes in the prices of food published by the Bureau of Labor Statistics in the Department of Labor to be implemented commencing with the allotments of January 1, 1974, incorporating the changes in the prices of food through August 31, 1973, but in no event shall such adjustments be made for value of the coupon allotment for such households, as calculated above, is a minimum of $2.00."

(n) The following new section is added at the end of such Act:

"SEC. 17. Notwithstanding any other provision of this Act, members of eligible households living in the State of Alaska shall be permitted, in accordance with such rules and regulations as the Secretary may prescribe, to purchase hunting and fishing equipment for the purpose of procuring food for the household except firearms, ammunition, and other explosives, with coupons issued under this Act if the Secretary determines that (1) such households are located in an area of the State which makes it extremely difficult for members of such households to reach retail food stores, and (2) such households depend to a substantial extent on hunting and fishing for subsistence purposes."

(o) Section 3(f) of the Food Stamp Act of 1964 (7 U.S.C. 2012(f)) is amended by striking the second sentence and inserting in lieu thereof the following new sentence: "It shall also mean a political subdivision or a private nonprofit organization or institution that meets the requirements of sections 10(h) or 10(i) of this Act."

Section 3(e) is amended by adding at the end thereof the following new sentence: "Residents of federally subsidized housing for the elderly, built under either section 202 of the Housing Act of 1959 (12 U.S.C. 1701q), or section 236 of the National Housing Act (12 U.S.C. 1715z–1) shall not be considered residents of an institution or boarding house for purposes of eligibility for food stamps under this Act."

COMMODITY DISTRIBUTION PROGRAM

SEC. 4. (a) Notwithstanding any other provision of law, the Secretary of Agriculture is hereby authorized until July 1, 1974 (1) to use funds available to carry out the provisions of section 32 of Public Law No. 320, Seventy-fourth Congress, as amended (7 U.S.C. 612c), and not expended or needed for such purpose to purchase, without regard to the provisions of existing law governing the expenditure of public funds, agricultural commodities and their products of the types customarily purchased under section 32 for donation to maintain the annually programmed level of assistance for schools, domestic relief distribution, and such other domestic food assistance programs as are authorized by law, and (2) if stocks of the Commodity Credit Corporation are not available, to use the funds of the Corporation to purchase agricultural commodities and the products thereof of the types customarily available under section 416 of the Agricultural Act of 1949 to meet such requirements.

(b) The Secretary is prohibited from furnishing commodities to summer camps as authorized under section 416 of the Agricultural Act of 1949, section 32 of Public Law 74–320, and section 709 of the Food and Agriculture Act of 1965 if the number of adults participating in the activities of such camp is in excess of one for each five children under 18 years of age participating in such activities.

(c) No individual who receives supplemental security income benefits under title XVI of the Social Security Act shall be considered to be a member of a household for any purpose of the Food Distribution Program for families under section 32 of P.L. 74–320, section 416 of the Agricultural Act of 1949, or other law for any month if such person receives for such month, as part of his supplemental security income benefits or payments described in section 1616(a) of the Social Security Act (if any), an amount equal to the bonus value of food stamps (according to the Food Stamp Schedule effective for July 1973) in addition to the amount of assistance such individual would be entitled to receive for such month under the provisions of the plan of the State approved under title I, X, XIV, or XVI, as appropriate, in effect for December 1973, assuming such plan were in effect for such month and such individual were aged, blind, or disabled, as the case may be, under the provisions of such State plan or under Public Law 92–603 as amended. The Secretary of Health, Education, and Welfare shall issue regulations for the implementation of the foregoing sentence after consultation with the Secretary of Agriculture.

SHORT TITLE

SEC. 5. This Act may be cited as the "Agriculture and Consumer Protection Act of 1973".

W. R. Poage,
Thomas S. Foley,
Bernie Sisk,
John R. Rarick,
Ed Jones,
Managers on the Part of the House.

Herman E. Talmadge,
James O. Eastland,
George McGovern,
James B. Allen,
Carl T. Curtis,
G. D. Aiken,
Milton R. Young,
Managers on the Part of the Senate.

DESCRIPTION OF DIFFERENCES RECONCILED

The 111 differences and a description of how the conferees reconciled 110 of them follows:

(1) *Senate* payment limitation excluded resource adjustment payments.

House (i) included diversion and resources adjustment payments, (ii) added a new paragraph (4) which provided for reductions in the payment limitation in cases where lands or allotments are leased, and (iii) amended existing paragraph (4) to provide for rules designed to achieve an "effective and economical" (rather than "fair and reasonable") application of the limitation.

The Conference substitute adopts the Senate provision with an amendment to paragraph (4) to preserve the definition of corporate "persons" originally adopted by the U.S. Department of Agriculture regulations after the enactment of the Agricultural Act of 1970.

(2) *Senate* generally provided for a five year bill.

House generally provided for a four year bill, except that the payment limitation provision covered five years.

The Conference substitute generally provides for a four year bill.

(3) *Senate* increased the minimum dairy support price on manufactured milk to eighty percent of parity for balance of current marketing year.

House increased that support price to eighty percent permanently.

The Conference substitute increases the minimum support price to eighty percent of parity for the balance of the current marketing year and for the next marketing year, which ends March 31, 1975.

(4) *Senate* limited dairy imports to two percent of annual consumption subject to exceptions.

The Conference substitute deletes this provision.

(5) *Senate* gave dairy import license priority to domestic producers and processors for "any increase in the quantity to be imported under this section".

House gave such priority for "dairy products not currently being imported", specified that such priority shall be for thirty days, prohibited the transfer of licenses, and excluded casein and caseinates from "dairy products",

The Conference substitute rewrites both provisions to require the Secretary of Agriculture to make a comprehensive study of the dairy import situation and to report to the Congress no later than January 1, 1975 his findings and recommendations relative thereto.

(6) *House* preserved the legal status of producer handlers of milk.

The Conference substitute includes this provision.

(7) *House* increased the minimum wheat price support loan to $1.49 per bushel (from $1.25 in present law).

The Conference substitute increases the minimum wheat price support loan to $1.37 per bushel.

(8) *Senate* wheat "target price" for 1974 was set at $2.28 per bushel.

House "target" was $2.05.

The Conference substitute sets the 1974 and 1975 wheat "target price" at $2.05 per bushel, with adjustments in 1976 and 1977.

(9) *House* provided for adjustment of the prices paid index for wheat, corn, and cotton "to reflect any change in (i) the national average yield per acre . . . for the three calendar years preceding the year for which the determination is made, over (ii) the national average yield per acre . . . for the three calendar years preceding the year previous to the one for which the determination is made.

The Conference substitute adopts the House provision, but the application of the "escalator clause" will not be applicable to the 1974 or 1975 crops of wheat, corn, and cotton. In 1976 any adjustments occurring as the result of changes in farm costs and yields in the previous year would be reflected in the 1976 "target" prices. In 1977 the adjusted 1976 "target price" will be used as a basis for the 1977 "target price", but any adjustments occurring as the result of changes in farm costs and yields in the previous year would be reflected in that 1977 "target price".

(10) *Senate* provided for payment of one-third of "target price" for wheat, feed grains, and cotton *only* where producer is prevented from *planting*.

House provided such payment *also* where producer is prevented from harvesting.

The Conference substitute provides such payment where the producer is prevented from planting or where he harvests less than two-thirds of a normal crop.

(11) *Senate* extended the fifteen million acre limitation on the wheat set-aside.

The Conference substitute deletes this provision.

(12) *House* provided authority for practice payments for measures to protect annual wheat, feed grain, and cotton set-aside from pests and devote it to wildlife habitat.

The Conference substitute includes this provision.

(13) *House* added cotton, triticale, oats, and rye to crops specifically mentioned which the Secretary may permit to be counted as wheat or feed grains for the purpose of preserving acreage history.

The Conference substitute includes this provision.

(14) *Senate* suspended wheat certificate collections from processors on enactment.

House suspended it on July 1, 1973.

The Conference substitute includes the House provision.

(15) *House* provided authority to Secretary to exempt wheat and wheat food products in channels of trade on July 1, 1973, from such collections.

The Conference substitute includes the House provision.

(16) *Senate* made inapplicable to wheat the provision that the farm projected yield shall not be less than the proven yield.

House put wheat farm projected yield on a five-year (like county project yield) instead of three-year base, and provided that in computing the actual yield (which would be governing if greater) if one of the five years is abnormally low because of a natural disaster, that year shall be disregarded.

The Conference substitute includes the House provision.

(17) *Senate* permitted marketing without penalty of certain wheat stored to avoid penalty.

House authorized the Secretary to permit such marketing with authority to require a refund or part of the certificate payment made in the year the excess wheat was produced.

The Conference substitute includes the House provision.

(18) *House* provided for a minimum corn price support loan at $1.19 per bushel (instead of $1.00 in present law).

The Conference substitute sets the minimum corn price support loan at $1.10 per bushel.

(19) *Senate* set the corn "target price" for 1974 at $1.53 per bushel.

House "target" was $1.38.

The Conference substitute sets the 1974 and 1975 corn "target prices" at $1.38 per bushel with adjustments in 1976 and 1977.

(20) *House* provided that acres cut from farm allotments because of failure to plant would be assigned to a national pool for adjustment of feed grain allotments as provided by section 105(e)(2) of 1949 Act.

The Conference substitute includes this provision.

(21) *House* gave the Secretary discretionary authority to waive requirement that wheat and feed grain producers devote their conserving bases to approved conservation uses.

The Conference substitute includes this provision and extends it to cotton.

(22) *Senate* struck out all after first sentence of section 105(e)(2) of the Agricultural Act of 1949 (which dealt with adjustments of feed grain base acreages, which are replaced in the bill by acreage allotments).

The Conference substitute includes this provision with a technical revision to conform it to Item 20 above by substituting the word "allotments" for the word "bases."

(23) *House* permitted sale or lease of cotton from base acreage to farms which have no base acreage.

The Conference substitute includes this provision.

(24) *Senate* provided a minimum national base acreage for cotton of ten million acres.

House provided minimum of eleven million acres.

The Conference substitute includes the House provision.

(25) *House* permitted cotton base acreage in case of disaster to be planted in a "nearby" rather than "adjoining" county.

The Conference substitute includes this provision.

(26) *House* struck the provision requiring compliance with set-aside as condition of receiving base acreage through release and reapportionment, or sale, lease or other transfer.

The Conference substitute deletes this House provision.

(27) *House* based cotton price support loan level on the average "price of American cotton in world markets" rather than the average "world price".

The Conference substitute includes this provision. The Conferees intend that the Secretary shall obtain quotations in world markets for American cotton, supplemented by any other relevant price information available, for use in the determination of average price and in the establishment of the loan level at ninety percent of the three-year average.

(28) *Senate* based cotton price support loan level on price of strict low middling one and one-sixteenth inches, instead of middling one inch.

The Conference substitute deletes this provision.

(29) *Senate* provided for adjustments in loan level to keep United States cotton in line with world prices and retain adequate share of world market.

House provided for adjustment down to ninety percent of current world price.

The Conference substitute includes the House provision.

(30) *Senate* based cotton payments on the five-month average price of strict low middling one and one-sixteenths in the designated spot markets.

House based cotton payments on the average price received by farmers during the calendar year in which the marketing year begins.

The Conference substitute includes the House provision.

(31) *Senate* set the cotton "target prices" for 1974 at 43 cents per pound.

House "target" was 38 cents.

The Conference substitute sets the cotton "target price" at 38 cents per pound in 1974 and 1975, with adjustments in 1976 and 1977.

(32) *House* provided for payment of one-third of the "target price" to a producer prevented from planting or harvesting cotton, even though he could have planted or harvested another non-conserving crop.

The Conference substitute provides such payment where the producer is prevented from planting or harvests less than two-thirds of a normal crop.

(33) *Senate* authorized Secretary to limit cotton planted in excess of base acreage.

The Conference substitute includes this provision.

(34) *House* did not require cotton to be planted to qualify for payments.

The Conference substitute deletes this provision.

(35) *House* struck out prohibition against grazing cotton set-aside during the five principal months of the growing season, and specifically authorized the Secretary to permit hay, triticale, oats, or rye to be planted on cotton set-aside.

The Conference substitute adopts this provision and extends it to wheat and feed grains.

(36) *Senate* based CCC cotton sales price restrictions on strict low middling one and one-sixteenth.

House set CCC domestic release price at 115 percent of the loan.

The Conference substitute deletes both these provisions.

(37) *Senate* extended section 608 of the Agricultural Act of 1970, thereby making inapplicable section 203 of the 1949 Act, which requires competitive support levels for cottonseed and soybeans.

The Conference substitute includes this provision.

(38) House amended section 610 of the Agricultural Act of 1970 to provide that the first grant by CCC provided for thereunder for cotton market promotion shall be $10 million annually (instead of the amount not exceeding $10 million withheld from producers because of the payment limitation).

The Conference substitute includes the House provision. It is the intent of the Conferees that the Secretary shall not approve agreements with the contracting organizations for sales promotion programs.

(39) *House* provided for a civil penalty of up to $5,000 for violation of cotton pest eradication program regulations.

The Conference substitute includes this provision.

(40) *House* authorized appropriations to the Commodity Credit Corporation for the cotton pest eradication program.

The Conference substitute includes this provision.

(41) *House* extended to the 1974 through 1977 crops of cotton the same skip row rules that applied to the 1971 through 1973 crops.

The Conference substitute includes this provision.

(42) *Senate* permitted sales under title I of P.L. 480 for dollars to any country if assistance could be made available to that country under title II.

The Conference substitute deletes this provision.

(43) *Senate* required the President to take steps to assure that commercial supplies are available to meet demands developed through programs carried out under P.L. 480. The Senate also required that applications for participation in programs under P.L. 480 include considerations of supplementary cash dollar sales at that time or in the future.

The Conference substitute includes only the requirement that the President take steps to assure that commercial supplies are available to meet demands developed through programs carried out under P.L. 480.

While the *Conference substitute* does not accept the remainder of the Senate statutory provision, the Conferees wish to emphasize the direction in the Senate Committee report on S. 1888 for action consistent with U.S. obligations under international agreements and the capabilities of the recipient country.

(44) *Senate* prohibited the use of foreign currencies under P.L. 480 for military, defense, or internal security purposes.

The Conference substitute deletes this provision.

(45) *House* prohibited P.L. 480 sales or donations to North Vietnam unless assistance is specifically authorized by act of Congress enacted after July 1, 1973.

The Conference substitute includes this provision.

(46) *Senate* required applications for export subsidies to specify the kind, class, and quantity of the agricultural commodity, and the regional geographic destination. Required publication of such information within seventy-two hours after the application is filed.

The Conference substitute includes a revised version of this provision (see also Item 80).

(47) *Senate* made title XVI Social Security supplemental assistance participants eligible for food stamp and food distribution programs if they meet income and resource criteria.

The *Conference substitute* includes a revised version of this provision.

Nothing in this amendment would affect the provisions of section 401 of the Social Security Amendments of 1972, which provides a limitation on fiscal liability of States for optional state supplementation, including the cashing out of food stamps, under the supplemental security income program. Neither would the amendment affect the eligibility of supplemental security income beneficiaries for food stamps under temporary emergency standards established by the Secretary of Agriculture for victims of a disaster.

(48) *House* extended food stamp program to certain participants in drug addiction and alcoholic treatment programs.

The Conference substitute includes this provision.

(49) *House* required payments in kind to be taken into account in food stamp eligibility standards.

The *Conference substitute* includes this provision, but modifies it to apply only to the actual value of housing provided by an employer not in excess of $25.00 per month.

(50) *Senate* provided for application of the same eligibility standards for participation in the commodity distribution program under section 32 of P.L. 74–320 or section 416 of the Agricultural Act of 1949 as for participation in the food stamp program.

The *Conference substitute* includes a revised version of this provision (see also Item 97).

The revised language provides that each State agency is required to submit to the Department of Agriculture for approval, prior to January 1, 1974, a plan of operation for conduct of the food stamp program in their State and particularly specifying any areas of the State where it is impossible or impracticable to extend the program. The Secretary is required to make a determination or all State plans in sufficient time to permit implementation of the food stamp program by no later than June 30, 1974.

(51) *Senate* prohibited the establishment of resource eligibility criteria of less than $3,000 for each individual sixty years of age or over.

The Conference substitute deletes this provision.

(52) *Senate* permitted establishment of temporary emergency eligibility standards for households that are the victims of a mechanical disaster which disrupts the distribution of coupons.

The Conference substitute includes this provision, but limits its application to the duration of the mechanical disaster.

(53) *Senate* raised the face value of coupon allotments for households that include persons medically certified as requiring a special diet due to disease or organic difficulty by the amount needed to assure a nutritionally adequate diet.

The Conference substitute deletes this provision.

(54) *Senate* provided for certification of eligibility upon request in the case of households receiving public assistance from any State under a program approved pursuant to title IV of the Social Security Act, and for action within thirty days after initial request in the case of other households upon the basis of a simplified application and reasonably available documentation verifying income.

The Conference substitute deletes this provision.

(55) *Senate* required income of migrant (as defined in 42 U.S.C. 242h) households earned on a seasonal basis to be averaged over three, six, or twelve months, as elected by the applicant, with certification of eligibility to be made for a like period of time.

The Conference substitute deletes this provision.

(56) *Senate* required participating households to report within thirty days after the close of each quarter any increase in income or resources or decrease or change in household composition which would lower its coupon entitlement and which occurred in that quarter.

The Conference substitute deletes this provision.

(57) *Senate* repealed the provision of section 10(c) prohibiting discrimination by reason of race, creed, origin, or political belief.

The Conference substitute deletes this provision.

(58) *Senate* made all political subdivisions, upon approval of a State plan, eligible for institution of the program within ninety days after request therefor, and repeals the existing final provision of section 10(e) for orderly expansion among the several States.

The Conference substitute deletes this provision. (See also Items 50 and 97.)

(59) *Senate* required employment by the State agency of one certification worker for each thousand participating households and one out-reach worker for each five hundred nonparticipating households with incomes below the poverty guidelines.

The Conference substitute deletes this provision.

(60) *Senate* repealed the present provisions of section 10(e) (5) for the use of other federally funded agencies for out-reach purposes.

The Conference substitute deletes this provision.

(61) *Senate* provided for federal reimbursable retroactive relief wherever appropriate by reducing the amount to be charged the aggrieved household for coupon allotments.

The Conference substitute deletes this provision.

(62) *Senate* required issuance of coupons at least twice a month.

The Conference substitute includes this provision.

(63) *Senate* required that at election of recipient, charges for coupons be deducted from payments to recipient under title IV of the Social Security Act and coupons be distributed with such payments.

The Conference substitute includes this provision.

(64) *Senate* required the federal government to pay eighty percent of all costs of the administrative responsibility assigned to the States under the Act (instead of, as at present, sixty-two and one-half percent of the direct salary, travel, and travel-related cost (including normal fringe benefits) involved in out-reach under section 10(e) (5), certification for non-welfare households, and hearings).

The Conference substitute deletes this provision.

(65) *Senate* provided that funds appropriated to carry out the Food Stamp Act shall remain available until expended.

The Conference substitute includes this provision.

(66) *Senate* repealed section 16(b) (which requires the bonus value of coupon allotments to be kept within available appropriations).

The Conference substitute deletes this provision.

(67) *Senate* permitted food stamps to be used by persons over sixty and their spouses to purchase meals prepared by nonprofit private establishments and private establishments contracting with State or local agencies preparing meals for elderly persons.

The Conference substitute includes this provision.

(68) *House* changed the definition of "food" to make imported foods eligible for purchase with food stamps.

The Conference substitute includes this provision.

(69) *Senate* provided that the semi-annual (instead of annual) adjustment of coupon allotments to reflect changes in food prices shall begin with an adjustment August 1, 1973, to reflect changes through April 30, 1973.

House made semi-annual adjustment provision effective January 1, 1974, to reflect changes through August 31, 1973, and provides for adjustments in $2.00 increments.

The Conference substitute includes the House provision.

(70) *Senate* permitted food stamps to be used in certain areas and cases in Alaska for the purchase of hunting and fishing equipment, except firearms, ammunition, and other explosives.

The Conference substitute includes this provision, but limits the use of food stamps to the purchase of such equipment used directly for the procurement of food.

(71) *House* prohibited issuance of food stamps to strikers.

The Conferees were unable to agree on this item, but did agree on the fact that they deplore the lack of enforcement of existing food stamp regulations which require that an able-bodied person in the household register for employment "including a person who is not working because of a strike or lockout at his usual place of employment." It is the specific intent of the Conferees that this provision of the regulations be rigidly and uniformly enforced by the Department of Agriculture and those agencies administering the program at the local level under the auspices of the Department. Eligibility of strikers for food stamps should be carefully scrutinized prior to certification and certification made only in those cases where the household of the individual striker applicant meets all of the requirements of eligibility as in the case of other applicants.

(72) *House* provided that residents of federally subsidized housing for the elderly under certain acts shall not be excluded from the food stamp program as residents of an institution or boarding house.

The Conference substitute includes this provision.

(73) *Senate* permitted loans under sections 302, 303, and 304 of the Consolidated Farm and Rural Development Act even if the indebtedness against the security exceeds $100,000, so long as the indebtedness under those sections does not exceed that amount.

The Conference substitute includes this provision, but modifies it to permit such loans up to $100,000 if the total indebtedness against the security does not exceed $225,000.

(74) *Senate* required production cost studies for wheat, feed grains, cotton, and dairy.

The Conference substitute includes this provision.

(75) *Senate* required a study of the reasons for and means of preventing, loss of livestock in transit through injury and disease.

The Conference substitute includes this provision.

(76) *Senate* recommended an international grains agreement conference.

The Conference substitute deletes this provision.

(77) *Senate* created a National Agricultural Transportation Committee.

The Conference substitute deletes this provision.

(78) *Senate* authorized appropriation of $500,000 per year for a wheat and feed grain research program and provided for a Wheat and Feed Grain Research Committee.

House authorized a similar effort by the Secretary of Agriculture with an authorized appropriation of $1,000,000.

The Conference substitute includes the House provision.

(79) *Senate* provided for technical assistance to exporters and importers of U.S. agricultural products.

The Conference substitute includes this provision.

(80) (a) *Senate* required reporting within seventy-two hours of export contracts of wheat, feed grains, oilseeds, and their products.

House required reporting on a weekly basis and included cotton.

(b) *Senate* required that such reports be promptly made public.

House required that such reports be kept confidential but that compilations be published.

(c) *House* required reporting of marketing year of shipment, destination only if known, and any information with respect to export sales of agricultural commodities requested by the Secretary.

(d) *House* permitted Secretary to suspend requirement for publishing data under certain circumstances.

(e) *Senate* provided for an agricultural export market development unit within the Foreign Agricultural Service.

The Conference substitute revises the reporting requirement provisions of both bills. (See also Item 46.)

In place of the authority for complete suspension of publication of the information obtained from reports required of exporters under the section, provision is made for continuous reporting and publication on a monthly basis, under the same limitations as provided in the House amendment.

The managers also intend that the authority given the Secretary to suspend weekly publications and weekly reporting and substitute, instead, reporting and publication on a monthly basis be interpreted as a limitation of the Secretary's authority to make such suspension, or if made, his authority to proclaim an extension of such suspension.

Prior to issuing such suspension of the requirement of weekly reports, and of weekly publication of a compilation of data from such reports, the Secretary must find that all the conditions for such suspension exist simultaneously. An extension of a suspension, or additional extension after the first extension has been made, shall require a new determination by the Secretary that the extension should again be promulgated.

The reports required to be made by exporters to the Department are not affected by the existence or non-existence of funds made available for subsidy of export sales of commodities.

(81) *House* required the Secretary of Agriculture to report on steps to implement GAO recommendations in Russian wheat sales report.

The Conference substitute deletes this provision.

(82) *Senate* required the Council of Economic Advisers to monitor developments affecting food and fiber costs.

The Conference substitute deletes this provision.

(83) *House* provided for an emergency reserve of wheat, feed grains, and soybeans.

The Conference substitute includes this provision, but limits the total quantity of commodities to a total amount not to exceed 75 million bushels.

(84) *House* required the Secretary to permit planting on set-aside without loss of payment of any crop of which U.S. is a net importer and which is not price supported.

The Conference substitute includes this provision. The Conferees intend that the term "price supported" include crops for which payments are made as well as those for which CCC loans and purchases are made available. Thus, sugar cane and beets, for example, would not be considered as suitable crops to be planted under this provision.

(85) *House* required adjustment of ceiling prices of any agricultural product if the Secretary determines that the supply will be reduced to unacceptable levels.

The Conference substitute includes this provision with changes designed to clarify its application.

(86) *Senate* extended for two years the time within which the Secretary is to submit a report detailing the contribution of the rural fire protection program to achieving the purposes of title IV of the Rural Development Act of 1972.

The Conference substitute deletes this provision.

(87) *House* prohibited any *grant* under section 310B of the Consolidated Farm and Rural Development Act from being subjected to prior State approval.

(Both the Senate bill and the House amendment prohibited any loan under that section from being so subjected.)

The Conference substitute includes this provision and applies it to all loans or grants under the Act.

(88) *Senate* prohibited requiring more than ten percent equity for loans under section 304, 310B, or 312 of Consolidated Farm and Rural Development Act.

The Conference substitute includes this provision.

(89) *House* exempted participations in notes insured or guaranteed under the Consolidated Farm and Rural Development Act from Securities and Exchange Commission laws with technical changes.

The Conference substitute includes this provision.

(90) *Senate* affirmed the national policy of strengthening family farms and required annual reports thereon.

The Conference substitute deletes this provision.

(91) *Senate* restricted multi-year set-aside contracts to wheat, feed grain, and cotton programs.

The Conference substitute includes this amendment.

(92) *House* prohibited grazing on multi-year set-aside and required compliance with State noxious weed laws.

The Conference substitute includes this provision.

(93) *House* limited retirement of acreage under title X of 1970 Act in any county or local community to a percentage which will not adversely affect its economy.

The Conference substitute includes this provision.

(94) (a) *Senate* required State advisory board to meet at least once a year.

The Conference substitute includes this provision.

(b) *House* required such board to include the State Soil conservationist, the State forester, the State administrator of the quality programs and the State wildlife administrator or their designees.

The Conference substitute includes this provision.

(c) *Senate* limited the national advisory board to advising on wildlife phases of the multi-year set-aside program.

House limited the advice of the State and national advisory boards to water bank conservation measures, perpetual easement purchases, long-term upland game cover, and multi-year set-aside practices.

The Conference substitute includes the House provision.

(95) *Senate* made the State Director of Wildlife Resources an ex-officio member of the State ASC Committee.

The Conference substitute deletes this provision.

(96) *Senate* reduced the grant authority for water and waste disposal facilities in section 306(a)(2) of the Consolidated Farm and Rural Development Act from $300 million to $50 million per year, but directed the Secretary to make such grants in the case of water facilities. It also reduced the planning grant authority under section 306(a)(6) of such Act from $30 million to $5 million per year, but directed the Secretary to make such grants in the case of water systems.

The Conference substitute deletes this provision.

(97) *Senate* required the Secretary of Agriculture to use funds appropriated under section 32 of the Act of August 24, 1935, and other available funds to purchase commodities of the types customarily purchased under section 416 of the Agricultural Act of 1949 needed to provide recipient households under section 416 with 125 percent of their daily nutritional requirements.

The Conference substitute includes a revised version of this provision (see Item 50).

The revised language (subsection (a)) gives the Secretary authority, until June 30, 1974, to use funds appropriated under section 32 of the Act of August 24, 1935 to purchase commodities of the types customarily purchased under section 416 of the Agricultural Act of 1949. This action was necessary to continue the Federal food distribution program during any period when there are no surplus commodities up until June 30, 1974. At that time, it is the expectation of the conferees that the food stamp program will have been implemented nationwide (under Item 50) and that those areas of the country which had previously relied upon the Federal food distribution program will be receiving food stamp assistance.

The conferees also included language in subsection (b) to clarify the definition of "summer camp" in section 416 of the Agricultural Act of 1949, section 32 of P. L. 74–320, and section 709 of the Food and Agriculture Act of 1965 to provide that the number of adults participating in the activities of such camp not exceed more than one for each five children.

(98) *Senate* required the Secretary of Commerce to conduct a census of agriculture in 1974 as required by section 142 of title 13 of the U.S. Code; and within thirty days of enactment of the bill to submit an estimate of the funds needed to conduct such census.

The Conference substitute includes this provision.

(99) *Senate* contained a short title and policy statement for forestry incentives provisions.

The Conference substitute deletes this provision.

(100) *Senate* restricted forestry incentives to owners of 500 acres or less.

House restricted eligibility to tracts of 500 acres or less unless significant public benefit will result.

The Conference substitute includes the House provision.

(101) *Senate* excluded manufacturing and utility *corporations* (not individuals).

House excluded forest manufacturing and utility *entities*.

The Conference substitute includes the House provision.

(102) *House* restricted forestry incentive program to a "pilot" program, excluded non-federal public lands, and did not specifically provide for recreation, scenic, environmental, watershed, forage, and fish and wildlife benefits.

The Conference substitute includes this provision, but deletes the reference to a "pilot" program.

(103) *Senate* provided specifically for forestry incentive payments and limited any person to not more than $2,500 annually.

The Conference substitute deletes this provision.

(104) *Senate* provided for distribution of funds for cost-sharing after consideration of enumerated factors.

House required distribution of funds among and within the States after consideration of somewhat different factors.

The Conference substitute includes the House provision.

(105) *Senate* authorized Secretary to designate ex-officio members of State and local committees for forestry incentive program to be selected from (1) small owners, (2) private forest manager or consulting foresters, and (3) wildlife and other private or public resource interests.

The Conference substitute deletes this provision.

(106) *Senate* required ten-year forest management contracts from forestry incentive program participants.

The Conference substitute deletes this provision.

(107) *Senate* limited REAP practices to permanent measures, and limited federal cost-sharing for such measures to not to exceed fifty percent.

House permanently required three, five, ten, and twenty-five year contracts, and perpetual easements to carry out the purposes of the REAP, Great Plains, and water bank programs.

The Conference substitute includes the House provision.

(108) *House* authorized the use of CCC in carrying out program described in Item 107 and multi-year set-aside.

The Conference substitute includes this provision.

(109) *Senate* postponed the effective date of regulations under the Occupational Safety and Health Act of 1970, fixing minimum field re-entry periods after the application of certain pesticides (Federal Register, Vol. 38, No. 83, pp. 10715–10717) from June 18, 1973, to a date at least thirty days following submission of findings to Congress made after hearings held as soon as possible after enactment of the bill.

The Conference substitute deletes this provision. The Conferees, however, are fully mindful of the action of the Department of Labor in recent months in promulgating and attempting to enforce what has proven to be arbitrary and capricious regulations affecting farm workers and their employers. The Conferees strongly recommend that in the promulgation of future regulations the Secretary of Labor take into account both the expertise and the vital interests of both farmers and consumers, as well as providing an adequate public hearing process where all affected parties will have an opportunity to be heard.

(110) *House* repealed section 301 of the Agricultural Marketing Act of 1946 (which provides for a national research advisory committee).

The Conference substitute includes this provision.

(111) *Senate* provided short title "Agriculture and Consumer Protection Act of 1973".

House provided a short title "Agriculture Act of 1973".

The Conference substitute includes the Senate provision.

The Conferees also wish to express their intent in regard to the following:

DAIRY INDEMNITIES

The Conferees have taken note of the fact that the authority for dairy indemnity payments on milk has expired on June 30, 1973. In approving the four-year extension and amendment of this program the Conferees are also mindful that some claims for milk may arise during the period from June 30, 1973 to the date of enactment of this bill.

It is the intent of the Conferees that such claims occurring during this period be entertained by the Secretary and if the claimants otherwise qualify, the fact that these losses occurred during this period should not disqualify their claims.

W. R. POAGE,
THOMAS S. FOLEY,
B. F. SISK,
JOHN R. RARICK,
ED JONES,
Managers on the Part of the House.

HERMAN E. TALMADGE,
JAMES O. EASTLAND,
GEORGE MCGOVERN,
JAMES B. ALLEN,
CARL T. CURTIS,
GEORGE D. AIKEN,
MILTON R. YOUNG,
Managers on the Part of the Senate.

RESIGNATION AS MEMBER OF COMMISSION ON REVISION OF FEDERAL COURT APPELLATE SYSTEM

The SPEAKER laid before the House the following resignation as a member of the Commission on the Revision of the Federal Court Appellate System:

WASHINGTON, D.C.,
July 11, 1973.

The SPEAKER,
House of Representatives,
Washington, D.C.

DEAR MR. SPEAKER: It is with deep regret that I tender my resignation as a member of the Commission on the Revision of the Federal Court Appellate System.

The mandate of the Commission is of vital importance to the administration of justice in the courts of the United States. However, other responsibilities—including the Chairmanship of a Subcommittee of the Committee on the Judiciary considering proposed

Rules of Evidence for use in the Federal Courts and soon to consider a massive proposed reform of the Federal Criminal Code—make it impossible for me to give the work of the Commission the attention and time it deserves and requires.

Sincerely yours,

William L. Hungate.

The SPEAKER. Without objection, the resignation will be accepted.

There was no objection.

APPOINTMENT AS MEMBER OF COMMISSION ON REVISION OF THE FEDERAL COURT APPELLATE SYSTEM

The SPEAKER. Pursuant to the provisions of section 2(a); Public Law 92-489 the Chair appoints as a member of the Commission on Revision of the Federal Court Appellate System the gentleman from Alabama (Mr. Flowers), to fill the existing vacancy thereon.

FREE MARKET FOR AGRICULTURAL PRODUCTS BEST WAY TO LOWER FOOD COSTS

(Mr. BAKER asked and was given permission to address the House for 1 minute to revise and extend his remarks and include extraneous matter.)

Mr. BAKER. Mr. Speaker, the administration's July 18 decision on phase IV economic policy, as it affects agriculture, was a victory for the wisdom of the private enterprise economy. In short—it was public recognition that tight economic controls do not work, that they create more problems than they solve, and that the only way to achieve an abundant and reasonably priced food supply in the long run is to let the market operate—and let our farmers produce in response to it.

During the past 20 years, we as a people regrettably took the farmer for granted. Agriculture's remarkably high productivity was greatly responsible for keeping the lid on food prices.

During the 1950's and the 1960's, farmers put their shoulders to the wheel in a constantly expanding production effort. They adapted to new technology as it developed. They invested in new equipment as it came on the market. They constantly improved their productivity—both in quantity and quality. Then, they kept learning, kept investing, kept improving, and kept producing. Their efficiency and their productivity climbed. Because farmers kept pace with or exceeded demand—farm and food price levels remained low and fairly constant.

Unfortunately farmers realized little real improvement in their relatively low level of income. Certainly their income level did not increase with their remarkable productivity. On the other hand, during that same period of time, other prices were climbing steadily while nonfarm wages were rising even faster.

In the past year or so, an exploding domestic and foreign demand has created upward pressure on food prices. Prices have risen to signal farmers to produce more. Adverse weather, worldwide food shortages, transportation problems, and fuel and fertilizer scarcity have complicated farmers' efforts to produce more.

As a result, demand has outstepped supply. Thus, prices continued to climb accordingly. Consumers grew unhappy, and that was understandable. Congress reacted, and that was equally understandable. As a result, food price controls were implemented, followed by export restrictions. These measures, alone and together, created such havoc in agriculture that some producers began to take drastic measures which could eventually reduce our food supply.

Now those controls are being terminated. As a result of phase IV, agriculture should have a chance to return to a situation where farmers can produce for a market.

Perhaps food will cost more. If so, it will because the market mechanism of the private enterprise economy is working to indicate that food is worth more. What those prices really mean—or, more correctly, what they make possible—is that, in 1974 and 1975 and 1976 and 1977, we will have plenty of farm production and an adequate supply of the kind of food we want.

At the same time, agriculture again will be making a great contribution to this economy. Our farmers, with their great productivity and efficiency, can then continue to play their part in providing a much needed measure of stabilization for the domestic economy.

CAR BUZZERS NOT NECESSARY

(Mr. COLLINS of Texas asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. COLLINS of Texas. Mr. Speaker, do you have the feeling that the folks back home are getting more free advice than they want on how to mind their own business? The latest move by the bureaucrats is to control the passenger's safety while he is in the car.

I have just introduced a bill to amend the National Traffic and Motor Vehicle Safety Act. This will restrain the Secretary of Transportation from requiring motor vehicles to be equipped with upper torso restraint, and with flasher or buzzer devices or a starter interlock system associated with belts or torso restraints.

We have had a strong public approval of seat belts. But there is a lack of enthusiasm for shoulder harnesses. I am tired of having those straps flapping around in my car.

But next year the new model cars are worked out on the principle of Pavlov and his dog. They are going to buzz when you sit down or turn on your ignition unless you are completely tied into your straitjacket.

Shoulder harnesses and the starter interlock system should be optional equipment. For instance, this new starter interlock system will increase the price of a new car by $37. This makes a total increase of $106 per car when you add in the basic belt system warnings, buzzers, and interlocks. I believe America would be safer to spend $106 a year to buy new tires, new brake systems, and keep their cars in better running condition.

Frankly, I am fed right up to my ears with all of these departmental bureaucrats regimenting my life. I do not smoke, but I see no value to putting this big sign about smoking on all the packages.

Soon the bureaucrats will learn that one of the major causes of accidents is in the bathtub at home. When they do, you can soon anticipate rules like putting a sandpaper cover in every bathtub.

Let me tell you more about this buzzer system. According to statistics, it is anticipated that the malfunction of the system would anticipate a 3 percent ignition failure rate. The logic of the starter interlock system is a three-step sequence to be followed in order to start the car: Sit down, fasten the seat belt, and start the car. With 10 million cars of expected production next year, that means 300,000 people will suffer a buzzer nightmare in 1974.

Let me tell you about a buzzer nightmare. Last year on a Sunday I was driving a rented car in Miami. We were 40 miles from the rental station when this buzzer system malfunctioned. We had commitments to go other places, so we spent the afternoon listening to that buzzer system with its psychopathic drill pounding in on us.

Remember that in the second year and as the car grows older, there is a greater chance for electrical shorts. With the elaborate electrical systems in cars today, it can lead into a secondary short controlling lights or window controls when they start in to fix the buzzer.

Several driver nuisances have been attributed to the system. If the driver fastens the seat belt around a young child before being seated behind the steering wheel, it would be necessary for the driver to release and rebuckle the belt around the child after he enters the vehicle in order to start the engine. This would occur because the belt was buckled around the child out of sequence; that is, before the seat sensor recognized his presence. Likewise, it would be necessary to release and rebuckle the child's belt if the driver momentarily exited the vehicle, such as in a gasoline station.

Also, under current requirements of the standard it will be necessary for the driver and any front seat passenger to buckle their lap and shoulder belt to merely back out of a garage or to start the engine for a predriving warmup.

Furthermore, normal child squirm on the seat, and the loading and unloading of the sensor due to road undulations, bumps, et cetera, could alternately activate and deactivate the sensor. If the sensor is deactivated for longer than 10 seconds and reactivated, the seat belt must be unbuckled and rebuckled in order to shut off the warning light and buzzer.

Statistics show that only one person out of 20 today is using that shoulder harness. Of course, if the barbarian torture system of the buzzer is started, this will make it mandatory. But I recall one man in a Volkswagen who had his car collapsed by a major truck but he was thrown clear. I recall another man whose car bounced off the side of a mountain but he was thrown clear. I would like to take my chances with going through life without a shoulder harness or a buzzer.

I definitely would like to have the freedom of choice to decide whether I want a buzzer system in my automobile. I would prefer to save money. I do not want to go through life on a buzzer system. I ask that my other colleagues join me in putting America back on an independent individual decision basis.

HOWARD K. SMITH'S COMMENTARY

(Mr. DEVINE asked and was given permission to address the House for 1 minute, to revise and extend his remarks, and include extraneous matter.)

Mr. DEVINE. Mr. Speaker, as they continue on the other side of the Capitol with the so-called Watergate hearings, much of the media has assumed the posture of a lynch mob, and I wanted to point out a commentary of Howard K. Smith of ABC last Wednesday at which time he had made a rather refreshing commentary putting much of these hearings into their proper perspective.

I ask unanimous consent to include his remarks on July 25.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

The commentary is as follows:

Howard K. Smith's Commentary for ABC Evening News, July 25, 1973

> Nixon and company have been roundly criticized for Watergate in this space. In fairness, something ought to be done about that halo around the kindly locks of Senator Ervin.
>
> I have noted before his peculiar lilywhite view of the Constitution, and his opposition to moves to extend its rights to black Americans.
>
> I beg to call attention now to his conduct in the hearings, such things as the petty flim-flammery of his big applause grabber—that repeated reference to himself as nothin' but an ole country lawyer. Lyndon Johnson once properly said whenever he heard somebody say that, he reached for his wallet to make sure it was still there.
>
> And Ervin's much more serious failure through yesterday and too much of today to do anything about outright political demonstrations by a small biased audience, magnified by television—its wild applause for him, its loud groans of dislike for the witness. It was not till it was turning, in one Senator's word, into a circus, that Ervin finally called the claque to order.
>
> Lastly, I wonder about Ervin's totuted reputation as a lawyer. He not only opposed the best law of the decade, the Voting Act of '65 . . . he also, he says, helped frame the sloppiest: The Crime Law of 68 that seemed to give a President unlimited power of espionage, which Lyndon Johson called unconstitutional and Justice Powell called nebulous . . . and which the Nixon Administration is justifying its actions by.
>
> A man who admits to writing that legal atrocity should display modesty. And if he stopped grand-standing and applied fairness, maybe I could see that Halo others see and I don't.

QUO VADIS—FEDERAL RESERVE

(Mr. BLACKBURN asked and was given permission to address the House for 1 minute, to revise and extend his remarks, and include extraneous matter.)

Mr. BLACKBURN. Mr. Speaker, high employment, rising output of goods and services, and relatively stable prices are three widely accepted national economic goals. Responsibility for economic stabilization acts to meet these goals has been assigned to monetary and fiscal authorities. The Federal Reserve System has the major responsibility for monetary management.

As the Wall Street Journal in its editorial of July 20, 1973, has correctly noted—

> The fundamental role of fiscal and monetary policy in keeping prices under control has been proven in so many nations over so many centuries.

Anyone who bothers to glance at the facts of fiscal and monetary policies would have little doubt as to the cause of our recent inflation. Since 1967, the Federal Government has run a cumulative budget deficit of some $97 billion. The necessity to finance these borrowings exercises to some extent pressure on the Federal Reserve to speed money growth and since 1967 the money supply has grown at more than 6 percent annually, more than twice the rate of the 1957–67 decade. When money grows faster than production, you have inflation. Or in a more picturesque term, we reach a stage where "too many dollars are chasing too few goods."

The key to stopping the inflation is not wage-price controls, leaking dams at best, but holding down the deficit and more important of all, the remedy is to be found in the steady and moderate rate of growth of the quantity of money—and that is the responsibility of the Federal Reserve System. A responsibility which up to date has been exercised with a great degree of irresponsibility. Because the rate of increase in money stock practiced by the Federal Reserve is definitely one of the major, if not the major cause of the inflationary problems which we now face.

IRRESPONSIBLE MONETARY POLICIES

Inflation is one of those persistent human problems which take place—not like bad harvests and earthquakes due to no human action—but on the contrary, inflations are manmade problems. As a matter of fact the inflation is not a responsibility of private individuals or single groups, but they are in the domain of responsibility of precisely definable individuals who are in charge of monetary policy.

Monetary growth was more erratic in 1972 than in any year for the past two decades and more. Consequently, we must ask, is the Federal Reserve going to take real responsibility for dealing with inflation? For all the current talk of restraint, the money supply at the present stands 7.3 percent above the year earlier, compared with an average annual growth of 6.3 percent in the inflation raked years of 1967 to 1972 and 2.9 percent from 1957 to 1967. In 1972, a broader measure of money—M2—defined as currency, checking account deposits and savings deposits—has risen at an 11-percent rate; since that time, we have heard promises that the situation will be brought under control.

But we have little basis as yet for much optimism along these lines. In the last 2 months, M1—defined as currency plus checking account deposits—has again grown at a 9-percent annual rate, and some of the basic Federal Reserve magnitudes have been increasing with unusual rapidity this year. Federal Reserve credit has grown at an 18-percent annual rate compared with 8 percent during 1972. The monetary base "considered by both the portfolio and the modern quantity theory school to be a strategic monetary value which is under direct control of the monetary authorities" has risen at a 9-percent annual rate so far this year, the same as during 1972. Thus, the fundamentals of Federal Reserve expansion did not decelerate at all.

CAN THE FED CONTROL THE QUANTITY OF MONEY?

Is the Fed to blame for the accelerating monetary growth? Or has the rise in the quantity of money being produced by sources outside its control—such as the need to finance Government deficits—so that the Fed is the victim rather than the villain of the inflationary surge? The answer is clear. The Fed has ample power to control the quantity of money whatever the state of the Federal budget, by buying and selling Government securities. When it buys securities, it pays for them by creating money that adds to bank reserves. When it sells securities, the proceeds are subtracted from bank reserves. It was able to bring the rate of monetary growth down sharply in 1966 despite a large and growing Government deficit. It has been able to step up sharply the rate of monetary growth in 1968 despite the tax surcharge that has been restraining the Government deficit.

The plain fact is that inflation is made in Washington, in that stately and impressive Grecian temple on Constitution Avenue that houses the Board of Governors of the Federal Reserve System. Prices have been rising at faster and faster rates because Chairman Burns, and the other distinguished men who govern the System, have decreed that they shall.

TECHNICAL DISCUSSION

Why have they so decreed? Do these gentlemen want inflation? It is difficult to believe so. Why then do they produce inflation? Because they are and have been misguided—and, like the rest of us, find it incredibly difficult to admit that they have been wrong. They have taken the behavior of interest rates rather than the quantity of money supplied as their guide—and this mistake has led them far astray from their intended path. However, at the present crucial juncture of our economic affairs when the inflation threatens to destroy our savings, it takes the security out of old-age security, it gnaws away at earning power, and eventually reduces jobs. Their unwillingness to recognize their error is inexcusable.

For example, the recent rise in the discount rate was trumpeted as a major step against inflation. It was nothing of the sort. It was simply a bland and timid response by the Fed to the Fed's own inflationary policy—which has been pushing up market interest rates, leaving the pegged—and unimportant—discount rate behind.

What lies in wait at the end of the inflation line created by irresponsible monetary policy? Historically, social disorder, even total economic collapse, have been the progeny of continuing inflation. It has happened over and over again. When a people's medium of exchange, stock of value, basic unit of account, becomes worthless, then the whole economic system comes unhinged and makes way for highly unstable political and social conditions. The most flagrant example is Germany in the 1930's whose great upheavals of that period, as everybody today should know, were to a great extent caused by galloping inflation and economic crisis which were the result of irresponsible monetary policy of the German Central Bank. It is a historical fact that German developments had subsequent disastrous international consequences. I believe that this, or any similar "remedy" is far from the hearts of the American people.

The inflation produced by the Fed cannot be stopped overnight. Monetary growth today has little effect on today's income and prices. Its major effects are on income and prices 3 to 6 or more months from now. The rapid monetary expansion of the past 18-months assures continued inflation for some months to come. The farmer, merchant, and industrialists are then made the scapegoats for policies over which they have no control.

PRESCRIPTION

The Fed can and should start at once to slow down the monetary growth. That is the only way to slow down inflation 6 months from now. That is a good way to help the ailing dollar and our balance of payments problem.

I would hope that the Fed will move quickly to a rate of monetary growth of about 5 percent a year, and maintain it there. That would mean stable prices over the long pull. The Fed has departed so widely from the desirable rate of growth that reversing it too quickly or abruptly in one step may involve too large a wrench for the economy. At the very least, I would hope that the Fed will begin a reduction in the rate of monetary growth in two steps: First, to about 7-percent-a-year increase in the money supply; then to a more reasonable 4 percent or 5 percent a year.

If the Fed does not change its policy, it will undoubtedly be responsible for the magnitude of the economic, social, and political problems we will experience in the foreseeable future.

THE LATE HONORABLE NICK BEGICH

The SPEAKER. Under a previous order of the House, the gentleman from Iowa (Mr. CULVER) is recognized for 1 hour.

Mr. CULVER. Mr. Speaker, today we have set aside a time in our deliberations to honor a former Member of this body, the late Nick Begich of Alaska.

His stay with us was all too brief, and yet it is particularly appropriate that on an evening such as this, at this late hour, so many of his devoted friends are present. They are present to pay tribute to this remarkable colleague of ours, with whom many of us have served beginning in the 92d Congress.

Nick was a refreshingly welcome freshman when he joined us in January of 1971. He was, indeed, as outgoing and as expansive as the 49th State, which he represented with such unbelievable vigor.

Nick was 40 years old at the time of his disappearance and yet, characteristically, he had spent his 40th birthday in Seoul, Korea, with his lovely wife Pegge, cementing good relations with first the Japanese and then the Koreans on behalf of Alaska.

In those 40 years he contributed more, in a way, toward public service than most of us will manage with much longer careers in public life.

Here in the House we came to know Nick for his prodigious efforts on behalf of his native State. When he first came to the Congress, he indicated he wanted to be a member of two principal committees which would most directly affect Alaska, and he set out with his usual zeal to win membership on those two committees, the Committee on Interior and Insular Affairs and the Committee on Public Works.

He did not just want to be a member of those committees for some transitory political benefit or value, or merely for the sake of the record, and he quickly proved he was much more interested than that. He was a very dedicated and working member of all of his committee assignments. He maintained an impressive record of above 90 percent attendance for all meetings held by these committees in two years.

His voting percentage on the floor of the House was better than 96 percent in his two sessions.

Nick always felt that if he wanted to win support for programs benefiting Alaska he must be in committee and on the floor to support those programs of importance to areas represented by other Members. It was a practice which reaped rich rewards in Nick's efforts to have the Alaska Native land claims legislation considered by this body.

Nick was the consummate legislator. He left no stone unturned in his efforts to represent Alaska, and it was that remarkable ground work that he so carefully laid which contributed to Alaska's interest when the Native claims legislation came before this body for a vote. That legislation passed this House by a vote of 344 to 63 on October 20, 1971, exactly 9 months after Nick came to Congress.

Rarely in the long and distinguished history of this House has a freshman Member in the first session of his first term been selected as a conferee for such major legislation, but Nick was so selected. And, again, on December 14, 1971, the House was called upon to approve the conference report on H.R. 10367, the Alaska Native land claims bill, which it did by a vote on that occasion of 307 to 60.

This legislation, the largest Native settlement ever passed by the Congress of the United States, almost certainly could not have passed without the legislative skill, during this period of demanding work on legislation which had never before emerged from a subcommittee, of Nick Begich. And yet Nick also found time to become involved in other projects here, many of them.

He was the first freshman Representative who was elected to the executive committee of the Democratic study group in what I recall as a spirited contest in 1971, and he was also selected by his fellow freshmen to be treasurer of the 92d Congress Club that year.

Those of us who saw him in action can testify to the enormous dedication he brought to these responsibilities. He was always a forceful participant in the work of the Democratic study group and, in addition, to his executive committee assignment. He was vice chairman of the Indian Education Task Force as well of the DSG.

In 4 years Nick brought many people from this Congress to Alaska. He always felt that the more people who became familiar at first hand with the unique problems of Alaska, the better that State would be understood here in Washington. Alaska was Nick's consuming interest and great love, and he wanted to share all aspects of his experience in this Last Frontier with everyone he met. Certainly, seldom has any area of this Nation had a more eloquent, a more dedicated, a more inexhaustible spokesman for its interests than Nick Begich.

Mr. Speaker, I recall how proud he was to say that he represented the largest legislative district in the world, some 586,000 square miles. All of his colleagues knew that he represented Alaska with skill, with understanding, with courage and compassion, and Nick Begich has left an indelible impression on those of us who were privileged to serve with him and to know him and to value him so much as a friend.

He was indeed a politician in the finest and the most noble sense of that word, a man who devoted his life to public service with the highest distinction.

We all have suffered an irreparable loss, but we all must be eternally grateful to Nick Begich who was able to share a portion of his vital life with us in this place.

I am confident that as long as any of us are honored to continue to serve here, the memory of Nick Begich will remain with us as a most inspiring legacy of a true and gifted public servant.

To his lovely and gracious wife, Pegge, and his devoted family go our heartfelt sympathies and most profound respects.

Mr. ALBERT. Mr. Speaker, will the gentleman yield?

Mr. CULVER. I will be delighted to yield to the distinguished Speaker.

Mr. ALBERT. Mr. Speaker, it is certainly appropriate that the distinguished gentleman from Iowa should take this time for this purpose, and it is most appropriate that, despite the lateness of the hour, we should continue with the program which had been planned for this occasion.

In all my years of service in the House of Representatives, I can say without equivocation that I have never known a person who gave more to his job, who accomplished as much for his State in such a short period of time as Nick Begich.

Nick started to work the day he took his oath in the House of Representatives, and he never quit until he took that ill-fated trip with our colleague, the former majority leader, Hale Boggs, which ended in one of the greatest tragedies that has occurred in this House in my time.

Nick did so many things so well. It was my pleasure to go to Alaska in 1970 during his campaign and to campaign with him for a little while. He put the same enormous energy and enthusiasm and optimism in that campaign that he put into every single piece of legislation in which he became interested in this House.

Without funds, with an enormous territory to cover, Nick was one of those never-say-die individuals. It was obvious to everyone who knew him and to everyone whom I met when I was with him in Alaska and to me that here was a winner, here was a man who was going places.

The pace of his life in the House seemed so fast and so determined that he almost, it seems, had a foreboding that he had only a little time in which to do the things he wanted to do.

Of course, he did pass the most memorable Indian bill in the history of the House of Representatives. He led the fight here in the House and followed it to the other body and to the White House.

He worked in everything he started with that same enthusiasm and determination which carried through to the end.

We are almost on the eve of the Alaska pipeline bill. While that is a controversial measure, I will say if it becomes law—and I think it will in some form—Nick Begich contributed more to it and to its final success than any other human being. He talked to me about it every time he saw me just as he did the Indian Claims Act. He did it with that friendliness and enthusiasm which was contagious and which made you want to help him.

Had Nick lived, there is no telling what he could have done. The world was before him for conquest. He did so much in such a little time.

He left his lovely wife Pegge and their lovely children. All our hearts go out to them as they did when we lost Nick nearly a year ago. Mrs. Albert joins me in extending to them our deepest sympathy and our hope that we may in some measure reflect in what we do for Alaska the love and respect and honor that we have for their loved one, Nick Begich.

Mr. O'NEILL. Will the gentleman yield?

Mr. CULVER. I yield to the distinguished majority leader.

Mr. O'NEILL. Mr. Speaker, it is with deep sadness that I rise to pay heartfelt tribute to our former colleague, Nick Begich. This brief period can hardly suffice for us to adequately honor Nick. For his unlimited energy and spirit made a lasting impression on this House, and on all those who had the good fortune to serve with him.

Nick was a young man, from a young State, who was taken from us at all too young an age. Yet, even during his few years in the House. Nick had quite an impact. It was in large measure, thanks to Nick, that this House adopted the Alaskan Native Claims Settlement. It was largely at Nick's insistence that we attached strong guarantees against environmental damage to pipeline legislation.

Had he lived, Nick would doubtless have contributed even more. So his untimely death was more than just a personal blow to each and every one of us—it was a serious loss to this House.

Let the memory of Nick's youthful dynamism, concern for the young, and of his contribution both to the State of Alaska and to this Nation now serve as an inspiration to us all. They will never be forgotten.

My wife Mildred joins me in offering our deepest sympathy to Nick's wife Pegge and their six wonderful children.

I include remarks made on my behalf at a memorial service for Nick held in January in Anchorage:

When men die, their lives are usually summed up by the deeds which they have performed in life; yet, in death, the mere deeds of a beloved friend, a devoted colleague, and a respected Congressman pale in significance next to the character and spirit of the man himself. The loss of Nick Begich is a tragedy in the dual sense, for we have lost not only a man whose future promised to be extraordinary, but an extraordinary man who promised us all hope for the future.

Through his youthful and spirited approach, Nick Begich symbolized the dynamism and excitement of the Alaskan wilderness which he represented. In the same vein, he displayed a cautious engery that earned favor, admiration, and respect from the rest of his colleagues.

In a symbolic sense as well as a political sense Nick was Alaska's favorite son, going forth to help realize the dreams of a State the size of a continent. Exuding confidence but never dogmatic, displaying expertise, but not self-righteousness, totally candid, but never flippant, Nick Begich put every ounce of his body and spirit into fulfilling his responsibilities as a Member of Congress. His commitment to Alaska and its people was as varied and wide ranging as the geography itself, and his belief in its potential was unwavering. This conviction he transmitted to his colleagues, who in turn learned the ways of a State and its people through its Representative in the U.S. Congress.

For almost two centuries this Congress has symbolied the continuous American quest for liberty and justice. These past 185 years have seen 10,000 men and women representing all of the 50 States Madison, John Quincy Adams, Sam Rayburn, and Harry Truman in the making of congressional history. Nick Begich was only the third Representative from Alaska out of these 10,000, and in the brief time that he was in Congress he made memorable legislative history with the outstanding role he played in the passage of the Alaskan Native Land Claims bill, in his attainment of a waiver on the Jones Act for the Alaskan ferry, the *Wickersham*, and for his insistence that Alaskan pipeline legislation include strong guarantees against environmental damage.

Nick Begich was remarkably hardworking in a political club which demands hard work as its ordinary membership fee. His exceptional accomplishments and his vigorous methods of attaining legislative goals serve as an eloquent testament and a provocative challenge for those of us who see the Congress as a positive force for change and progress.

Nick's untimely disappearance, as he mounted the elusive pinnacle of achievement, caushes us all to reflect on the purpose of death at such an early age. Young death is especially poignant and bewildering, for we in this Nation have lived through this experience so many times before and still seek an answer to the imponderable question—Why are not young men allowed to finish the work which they have begun? We have no satisfactory answer to that question. But we can be confident that the determination and vigor exhibited by Nick Begich in beginning his work, will serve as inspiration for others; that the youth, charm, and confidence which emanated from Nick will be recalled and recalled again by others, and that the example of his life will illuminate and enrich the lives of others, who will pick up where he was forced to leave off.

To you Pegge, to your six wonderful children, and to all Nick's family and friends who are gathered here today I extend my deepest sympathy. I pray that God will comfort you in your loss.

Mr. BRADEMAS. Mr. Speaker, will the gentleman yield?

Mr. CULVER. I yield to the distinguished deputy whip, the gentleman from Indiana (Mr. BRADEMAS).

Mr. BRADEMAS. Mr. Speaker, I wish to join my colleagues in paying tribute to the memory of our late friend and colleague, the Honorable Nick Begich of Alaska. Although he was with us in the House of Representatives but a short time, he won both the affection and respect of those who became acquainted with him.

Nick Begich clearly found immense satisfaction in serving the people of Alaska in Congress. He was a hard worker, marked with a keen mind and a lively sense of humor.

As a member of the Committee on Education and Labor, I had known Nick even before he came to Congress because of his reputation as a strong supporter of education. Indeed, he had been a school teacher and principal and, as a member of the Alaska State Senate, proved a vigorous voice for the schools of his State.

Mr. Speaker, evidence of the high regard in which Nick Begich was held in his home State is the following article by Bill Tobin, of the Anchorage Times, which was republished in the journal, Alaska Teacher.

THERE WAS NEVER DOUBT WHEN NICK BEGICH WALKED INTO A ROOM—EVERY PLACE HE WENT HE MOVED WITH GUSTO

(By Bill Tobin)

Without question, his career and his life had reached a high point just before whatever tragedy befell him 12 days ago, within hours—or minutes—after taking off from Anchorage International Airport in a small, twin-engined plane bound for Juneau. His companions were another congressman, an aide, the pilot, and some terrible, dreadful weather conditions.

That little plane went down, ironically, at a time when everything else around Nick seemed to be going up. Life was zooming for the handsome and vigorous 40-year-old politician.

Just the night before he had laughed until tears filled his eyes at the great wit of one of the nations leading political figures, Rep. Hale Boggs of Louisiana, the majority leader of the United States House of Representatives—a body in which Nick Begich had served just one year, 10 months and 13 days.

It says a lot about Nick Begich that this senior congressman would come to Alaska to campaign for so junior a colleague. They appeared together on the platform here that Sunday night two weeks ago. In a fund-raising event for the Begich campaign. And together they took off from Anchorage at 9 o'clock the next day in an orange and white Cessna 310—along with Begich's aide and friend, Russ Brown, and pilot Don Conz.

They were bound for Juneau, but nobody knows how far they flew before tragedy struck, Maybe it was in the pass before reaching Whittier, maybe it was out over the raging waters of Prince William Sound, maybe it was near Yakutat, perhaps it was as far as Cape Fairweather, where gale winds whipped the Alaska coast that stormy Monday. Maybe it was as far as the timbered and snowcovered mountains which cast up a formidable barrier around Juneau, as though protecting the castle capitol from the invader.

With each passing day the grim reality of what must have happened grows ever larger. The hopes that all may be well, in like measure, grow ever smaller.

In the days of anxiety that have passed since the word first flashed that Nick was missing, there has been time for reflection about this talented and dedicated man who loved politics in a lusty, joyous way—and who pursued public service with an intensity and drive matched by only a few.

Don't think for a minute that very many freshmen congressmen could have asked for and received campaign support from Majority Leader Boggs. But the fact that the distinguished veteran from Louisiana would come to Alaska for Nick—and here proclaim the House of Representatives as the greatest political body in the world—only proves again what was evident before: Nick Begich's tireless energy, his willingness to work within the staid and venerated congressional traditions, his quick mind and his love of politics and public service (each in the highest sense of the word) had commanded again the attention of respected and powerful leaders throughout the land.

Hale Boggs was one in a growing line of national figures so impressed by Begich that they would come here to campaign in his behalf. These included Rep. John A. Blatnik of Minnesota; former Vice President Hubert Humphrey, again a senator from Nick's home state of Minnesota; Sargent Shriver, the Kennedy family-in-law who is now the Democratic vice presidential nominee, and Rep. Carl Albert of Oklahoma, now speaker of the U.S. House and a man who was majority leader—like Boggs—when he campaigned for Nick here two years ago.

Nobody would ever accuse Nick Begich of being unwilling to speak. He loved to talk—at two speeds, fast and faster. And he enjoyed telling—as anyone would—about his success in his freshman year in Congress . . . of the native land claims settlement, of the waiver of the Jones Act for the Alaska ferry Wickersham, of his midnight calls to constituents, of his 99-plus per cent record on attendance, of his frequent trips home.

He moved like a whirlwind, dropping papers and documents, his arms loaded like a schoolboy's with books and files. What he couldn't carry, Russ Brown packed along. Let other speakers appear on a panel with some typed remarks or a page full of scribbled notes . . . but not Nick. He would swirl in like the custodian of the Library of Congress, ready to quote chapter and verse, page and paragraph, should the occasion arise.

He gave up teaching to stay in politics and he owned apartment buildings as an investment for his family. Anchorage was his home, but Washington became his natural environment. He took to Congress like a hummingbird to a flowerbed. Politics was his life—with gusto.

And, Mr. Speaker, further indication of the feeling his fellow educators had for Nick Begich is the following poem in tribute to Nick, "For Whom the Bell Tolls," written by Robert Von Houte, executive secretary of the Alaska Education Association and published in the 50th Anniversary Issue, Winter 1972–73, of the Alaska Teacher. The entire issue was dedicated to Nick's memory.

FOR WHOM THE BELL TOLLS

By Robert Von Houte

A man for education is gone
A man for Alaska is lost
A man for the nation is departed
A friend's going leaves us stone-hearted
Everyman's death diminishes me
So the bell tolls for me and thee.

Mr. Speaker, I join in expressing warm appreciation for the life of Nick Begich and deep sympathy to Nick's lovely wife and children.

Mr. CULVER. Mr. Speaker, I now yield to the distinguished Chairman of the Committee on Public Works, the gentleman from Minnesota (Mr. BLATNIK).

Mr. BLATNIK. Mr. Speaker, I join with my colleagues in paying highest tribute to Nick Begich, Congressman from Alaska, whose brilliant future in the House was tragically ended when his airplane disappeared in Alaska last fall.

Nick was my friend, respected colleague, and more—he was like my younger brother. He grew up in Eveleth, a town close to my own hometown of Chisholm, on Minnesota's Mesabi Iron Range. I watched him grow to manhood—saw boyish idealism become the steely determination to serve his fellow man with his full talents and abilities.

Like everyone who knew him, I was early impressed by Nick's sincerity, his alertness and awareness of what ought to be done—and to his dedication, determination and sense of duty—and his incredible energy.

Nick Begich and I were a generation apart in time, but we were friends from the first day we met, and our lives ran a strangely parallel course—but about 20 some years apart.

We were both sons of immigrant parents; our fathers worked in the iron ore mines of the Mesabi Range. Nick and I both worked our way through Minnesota State teachers colleges—I at Winona State and he at St. Cloud State. But it took me 4 years and Nick only 2½ to get a teacher's degree and certificate.

We, then, both taught school for several years—20 some years apart—I, in the thirties, he in the fifties. Like wise, we then started our political careers in our respective States senates again, 22 years apart.

Nick was only 24 when he pulled up stakes and moved to Alaska in 1956, but he was already a veteran of 4 years of high school teaching in Minnesota, and he brought his zeal for education along with him.

He devoted the remaining years of his life to promoting the education of Alaska's youth, both in the school system in Anchorage, and in the State senate.

I hope I may be permitted a few moments of indulging in sentimental reminiscing, for it brings back many memories of close friendships that were brought togther a quarter of a century later in time. I was still a schoolteacher in 1940 when I was first elected to the Minnesota State Senate, as Minnesota's youngest State senator. I mention it only because in that same year, Hale Boggs, at the age of 26, was elected to the 77th Congress as the youngest Democrat. Nick Begich, at that time, was an 8-year-old elementary school student in Eveleth. Little did any of the three of us realize that while starting at the same time, but widely separated geographically, our lifelines would converge in the Halls of Congress in Washington, D.C., and later end tragically for two of them in our northernmost State of Alaska. Hale Boggs and I then served in World War II, and strangely enough in 1946 he was reelected to Congress by his second district in the city of New Orleans, and I was elected to the 80th Congress for my first term from northeastern Minnesota.

It was 10 years later, in 1956, that Nick Begich moved to Alaska where, as I mentioned earlier, he gave such splendid leadership in the field of education both as a teacher, school administrator and later State senator.

Nick was elected to the Alaska State Senate in 1962—22 years after Hale Boggs was elected to Congress and I was elected to the Minnesota State Senate in 1940.

Nick's active mind and his sense of duty and awareness of the great needs to be met attracted him to the political arena—and I encouraged him to enter politics. He made his first run in 1968 and made a creditable showing, but fell short. We encouraged him to continue, somehow feeling how great was his potential for public duty and service to the people.

Senator HUBERT HUMPHREY went up to speak in behalf of Nick. I made two trips to Alaska and finally Speaker CARL ALBERT gave the final push that helped Nick be elected to the 92d Congress in November 1970—30 years, almost to the day, that JOHN A. BLATNIK was elected to the Minnesota State senate in 1940 and Hale Boggs was elected to the U.S. Congress.

Nick was deeply and effectively involved in everything that touched the lives of so many people—and above all, he was always loyal to his friends, and deeply loved his family—Pegge Jendro and their six lovely, bright children, and his dear parents, and two brothers and one sister—all dear friends of mine.

He will be long remembered for his remarkable accomplishments in Washington where, in his first year in Congress, he won passage of the Alaska Native Land Claims Act.

He served on the Public Works Committee, which I have the honor to chair; and I have never seen a Congressman more dedicated to his work, both in committee and on the floor; or more determined to represent the people of Alaska, and to make the full Government serve them as he did.

Much, much more could be said of Nick Begich's public service, not only to his State but to the Nation, in environmental legislation, consumer protection, civil rights, labor, and a long list of other issues.

Brief as was his term with us here, it was crowded with achievements many of us do not attain in a lifetime.

He is the only freshman ever to serve on the Democratic Study Group Executive Committee, where he added his leadership and commitment to liberal reform.

We here today confidently tell each other that the past is prologue; and for us, at this moment, that statement is true.

For Nick, prolog was everything, but he seized the lead from the first parting of the curtain, and played it better than many.

A portion of this stage, the House of Representatives, will remain dark now, as will a part of all of us who were privileged to know him.

Nick Begich was an uncommon man, and one of the most promising Congressmen I have ever met. He left us with much of his promise still unrealized.

We take this opportunity to officially commemorate, once again a great man, and through him, the people of Alaska and our many Minnesotans living there, whom he served so well.

We, as well as the people of Alaska who chose him to represent them, have known true greatness; and, having known it, the memory remains vivid.

We will not forget Nick, or his achievements.

The people of Alaska, whose lives he changed materially, will not forget him.

Nick has left us all with a higher standard of expectation, and of performance.

Nick was a splendid man, who truly served his fellowman in every sense of the word—but, above all, he was my friend, as was Hale Boggs and I shall always miss them more deeply than I can ever adequately say.

I shall remember them both always in the words of a long ago poet, as one of those shining young men—"who died in their glory and never will be old."

Mr. BURTON. Mr. Speaker, will the gentleman yield?

Mr. CULVER. I yield to the gentleman from California.

Mr. BURTON. I would like the gentleman from Minnesota to know that the Congressman from Minnesota (Mr. BLATNIK), as Nick told me personally time without number, was the one person and Member of this House that he held dearest in his heart, and his advice and judgment and leadership Nick relied upon the most. I am sure if Nick were with us this evening he would like that to be unalterably written in the history of the RECORD of this evening.

Mr. BLATNIK. I thank the gentleman from California.

Mr. CULVER. Mr. Speaker at this time I yield to the distinguished gentleman from California who joined me in requesting this special order.

Mr. BURTON. Mr. Speaker, what can we say to the wife of Nick Begich? How can those of us who live by the spoken word possibly speak the depths of our desolation and what she must feel and what we certainly share with her as a result of Nick's not being with us in this Congress this evening?

He was an energetic, bright, concerned, committed and intellectually curious man determined as best he could to right the injustices confronting humanity and proclaiming his responsibility as the sole Member in the House of Representatives representing the State of Alaska but also insisting that he was among other things the ninth Member from the State of Minnesota serving in the House.

As Mrs. Begich knows and as my wife and I solemnly know we loved Nick and we approved of his courage and diligence.

We could never adequately know his contributions to the well-being of his fellow men and women. I must state that, despite the late hour, I think it a remarkable tribute that so many of his colleagues—and they would be here fivefold but for the inordinately late hour—are here tonight to try to, in some measure, express as inadequately as it may be the kinship we feel with you and your children in the loss of this marvelous human being.

Two hundred and eighty-eight days have passed since the tragic news reached us here in Washington of the disappearance of Nick Begich and our majority leader, Hale Boggs, on a flight from Anchorage to Juneau, Alaska. There have been days in which all of us, who knew both so well, have had time to measure the full loss this House has sustained by their untimely departure.

The majority leader had flown to Alaska after many long sessions leading to the adjournment of the 92d Congress last year. Nick had invited him to attend two dinners in Anchorage and Juneau and both of them joined in this trip with great fervor and enthusiasm. From reports we have heard of that tremendously successful first dinner at the Anchorage Westward Hotel on Sunday night, October 15, it was an evening long to be remembered. The friendship and camaraderie between these two men spread to the audience and created a radiant effect among the Nick Begich supporters gathered to pay respects to Hale and Nick.

Both of them were in their usual good humor and both were engaged in, what was for them, a consuming love—politics. The next morning, October 16, 1972 there was more of this good humor as they departed on a private plane with Nick's special assistant, Russ Brown, for the 700-mile flight to Juneau.

It was typical of Nick's thoughtfulness that he had arranged this flight so that his guest would have a longer time to rest for Nick knew that it had been a long session prior to their departure and an even more tedious trip to Alaska. Nick was used to these weekend sorties to Alaska, 10,000 miles round trip, but for Hale it was a tremendously tiring experience. He was, however, as good as his word and knew Nick was counting on him to be there for the occasion. The commercial flight had departed at 6 a.m. that Monday morning for Juneau and Nick felt that a couple of more hours of sleep would help Hale adjust to the time differences and the trip. It was this kind of thoughtfulness and concern which impressed many of us with Nick as a new Member of the 92d Congress in January 1971.

Born in Eveleth, Minn., of immigrant parents, Nick early in life gained a tremendous respect for government from his parents. Mr. and Mrs. John Begich, still living in Eveleth, came to see their youngest son sworn in to the Congress on January 21, 1971. It was a day of unbelievable pride for the Begiches and a day of real achievement for Nick—for this had been a goal Nick had worked for all of his life. In fact, every step Nick had made in his life seems, in retrospect, to have been a step which brought him closer to that goal as a Member of the Congress. His parents, so proud of their son, knew the work and sacrifice which had gone into Nick's plans. It was a magnificent day for them and for Nick's beautiful wife, Pegge, and their six children. All were there to share the success which they had helped Nick achieve.

Nick was torn between two loves early in life—the love of government and the love of teaching. It was, therefore, a happy combination when he became a student at St. Cloud State College majoring in history, government and education. Typical of Nick's desire to do everything in a hurry and to excel at the same time, he completed a 4-year course at St. Cloud State in 2½ years and when he graduated cum laude in 1952, just having turned 20 years of age, he was selected to Who's Who in American Colleges and Universities and had been invited to join two honor societies.

For the next 4 years he taught at St. Cloud High School and it was here that he became more and more active in the Democratic Party. He was selected as the 2nd vice president of the Minnesota Young Democrats when, now U.S. Senator WALTER MONDALE, was elected as the 1st vice president, and he was very active throughout Minnesota on behalf of Senator HUBERT HUMPHREY in his first campaign for reelection in 1954.

Although St. Cloud High School was notable for his first encounter in teaching and politics, it is even more notable as the setting of Nick and Pegge Begich's meeting. Pegge was Nick's student at the high school and it was here the paths of these two remarkable people joined. Pegge graduated in 1956 and Nick headed for Alaska to work for the U.S. Department of Labor that summer and, in the fall, he became Boys' Counselor at Anchorage West High School in Anchorage. Alaska beckoned to Nick as a new frontier where he could really become involved in the political and educational arena as a real pioneer. At Christmas time of that year he went back to Minnesota, married Pegge, and they honeymooned along the Alaska Highway in that late December of 1956. Thus, the Nick and Pegge Begich team began and Alaska gained two of its most ardent and energetic adopted citizens.

From that point on education and politics was the consuming interest of both of them. While Nick's educational career blossomed from counselor to director of student personnel to principal and then to superintendent of schools in the next 2 years, his political career also made steady progress, culminating with his election to the Alaska State Senate in the same period. His indefatigable industry was as broad as his senatorial district which extended from the Canadian border to the Pribilof Islands, some 1,500 miles east to west, and from the tip of the Aleutian chain to Mount McKinley, another 1,500 miles south to north.

Nick soon became known as "Mr. Education" and it was a title he held throughout his political career, particularly in the rural areas of Alaska. His work in the Alaska State Senate on behalf of educators and education marked him early as a leader. Much of his landmark legislation, passed years ago in Alaska, is just now being introduced in the "lower 48" States. Selected as chairman of the Senate Health, Education and Welfare Committee when he first assumed office in 1963, he remained a member of this important committee for his 8 years in the Alaska Senate. Reapportioned into a smaller area, the city of Anchorage, after his first 4-year term, Nick was reelected resoundingly in 1966 and became minority whip of the Alaska Senate for the next 4 years.

Nick's pride in his wife and six children was well known. It can truly be said that he had no hobbies or other interests except politics and his family. They took every minute of his time and his total dedication was to both of them.

Pegge and Nick soon became favorites here in Washington and they were often in attendance at two or three different evening or weekend events, always representing Alaska in their open and unpretentious way. On those weekends when Nick was flying 5,000 miles off to Alaska and 5,000 miles back on a Sunday night to be here for Monday sessions, Pegge would fill in for him when Alaska needed to be represented. It was a real partnership in every sense of the word and their six remarkable children, ranging in age from 15 years down to 5 years of age, were also participating members in that close-knit family group.

There were many things that could be said about Nick Begich. We all knew him for his inexhaustible energy; his outgoing personality; his skill as a legislator; his devotion to the House of Representatives which he loved so much. He soon became legendary and the halls of the Longworth Building were often danger zones when Nick came running down the corridor from room 1210 to the subway or up to the stairs to the Interior Committee, or to the Public Works Committee rooms. Indeed, he became known as the Congressman who was everywhere at once, a habit he first developed at St. Cloud State when he oftentimes took more than one class at the same time so he could graduate sooner. This ability to move quickly was a prerequisite for a Congressman from Alaska which is one-fifth the size of the United States for he had to be everywhere and at once there, too.

As chairman of the Democratic Study Group during the 92d Congress, I worked closely with Nick. In addition to all his other duties, he served as vice chairman of the DSG's Indian Education Task Force. Nick was recognized as an effective legislator among his colleagues in the 92d Congress. He was elected as the first freshman Representative to serve on the DSG Executive Committee.

To Pegge Begich and those six children; to Mr. and Mrs. Begich and Nick's family in Minnesota; to the staff who worked so closely with him in Washington and in Alaska, and to his many friends in Alaska and Washington—we know that your loss has been a terribly tragic one. For we knew Nick as a man of integrity. We knew him as a man of compassion. We knew him as a man with a deep and inquiring intellect. He was a genuine, though gentle, human being. To have known him was to have touched greatness; and we are the better for it. Unfortunately, we were able to have walked along his pathway for too short a time.

Although Minnesota was his birthplace and Alaska was his home, it was here in Washington as a Member of the 92d Congress, that Nick really found that niche which really fitted his abilities—that of the all-encompassing, all-consuming, and totally dedicated Congressman representing Alaska, which he was for so brief a time.

We shall miss him greatly.

Mr. CULVER. I recognize the distinguished gentleman from Pennsylvania (Mr. MOORHEAD).

Mr. MOORHEAD of Pennsylvania. Mr. Speaker, I thank the gentleman for yielding to me.

Mr. Speaker, I rise to express my sorrow about the tragedy to Alaska, to the Congress, and to this great Nation arising from the loss of our beloved colleague, Nick Begich.

At a time when certain people are saying that young people should not enter public service, I hope that these magnificent contributions of Nick Begich are an inspiring record of idealism, and his outstanding record of contributions to his beloved State of Alaska will inspire young people to help us to serve our country.

To his courageous wife, Pegge, with whom I spoke very shortly after the report of the loss of the airplane, and to his family, I extend my deepest sympathy. I can only say, may the memory of his inspired life of public service be of some comfort to them.

Mr. CULVER. Mr. Speaker, I yield to the distinguished gentleman from Missouri (Mr. HUNGATE).

Mr. HUNGATE. Mr. Speaker, I thank the gentleman for yielding to me.

Mr. Speaker:

Somehow life is not what I thought it
  and somehow the gold isn't all.
No! There's the land—(Have you seen it?)
  It's the cussedest land that I know.
From the big, dizzy mountains that screen it
  To the deep, death-like valleys below
Some say God was tired when he made it;
  Some say it's a fine land to shun;
Maybe; but there's some as would trade it
  For no land on earth—and I'm one.

Today we pay our respects to our late colleague, Nick Begich, Alaska's third Congressman since statehood. This House sustained a great loss with his disappearance on that flight of October 16, 1972. For Nick loved this House and "he took to Congress like a hummingbird to a flowerbed." He was, indeed, a young man who seemed to be on top of everything whether it pertained to Alaska or concerned other issues of national or parochial interest. Not only that, but he seemed to be everywhere.

Nick spent long hours on the floor of this House listening to the debate, meeting other Members and learning every legislative procedure. He spent hundreds of hours in committee sessions and was so skilled in understanding issues and concepts, he was able to get to the core of an issue with ease. Nick believed in talking to other Members to determine their problems, for he knew he would need their equal compassion when it came time for the biggest battle of all, the passage of the Alaska Native Land Claims. His understanding of this House showed his remarkable preception. How well he was able to work within the, sometimes difficult, rules of this House was obvious when, in his first year, he was able to bring about the passage of the Alaska native land claims legislation almost singlehandedly.

Majority Leader Hale Boggs, on the night of October 15 in Anchorage, told those assembled at the Anchorage Westward Hotel to honor him and Nick, of his first meeting with Nick Begich on the floor of the House. Nick had played his role, up to that time, with strategic precision but it was appropriate to approach the leadership about the native land claims bill and so he introduced himself to Hale again. As the majority leader told the story that night, he said that Nick, after appropriate preliminaries, told him that he had "a little bill" he was interested in. After some discussion, Hale asked him what this little bill would cost. Nick became more interested in discussing the merits of the bill and the needs of Alaska and the Alaskan natives. Again, he was asked the cost of the bill and again Nick continued to extoll the merits of the bill. Finally, when pressed with some exasperation about the cost of the bill, Nick casually indicated that it was "only a billion dollars." Hale was so shocked at this price tab of the bill he indicated that from then on he was always a little leery when "this new Congressman from Alaska" approached him.

And Nick did approach him again many times—for assistance in moving the bill through the subcommittee and the full committee, for help in having a rule granted in the House Rules Committee, for placement on the calendar, for assistance in preventing crippling amendments, for debate on the floor and for final passage of the bill. He said on that night in Alaska that "the persistent Member from Alaska would not give up his tenacious hold" and Hale said he was much relieved when the bill passed the House and, later, when the conference committee report won passage in the House.

It was a great tribute to Nick that Hale, one of the most active majority leaders this House has ever had, accepted Nick's invitation to Alaska despite the tremendous workload he had as the Congress proceeded to adjournment. From all reports, Nick stood in good stead with his voters in Alaska, voters he cultivated just as he did the Members of this House, and yet, Hale flew 5,000 miles to be there for that dinner with Nick in Anchorage.

Nick Begich is known best for the standards of excellence he set for himself. As a student, teacher, school administrator, State senator and Congressman he was constantly in pursuit of excellence. Nick was a teacher and his life was a lesson and an example that will inspire young people in this country for ages to come. He was a member of the national compact on education in 1967. When he was a superintendent of schools, his school system won the Encyclopedia Americana School Library award in competition in the entire Nation 2 years ago in 1965 and 1966. The night before he met Congressman Boggs in Alaska he received, with 17 members of his family present, the distinguished alumnus award from his alma mater in St. Cloud, before flying off to Alaska early the next morning.

We shall remember Nick Begich for his tenacity, yes; we shall remember him for his great achievements, definitely; we shall remember him for his unbelievable ability, most certainly; but, of them all, we will probably remember Nick for his love of family, a love which transcended all others in his life. It was his love for his wife, Pegge, his six marvelous children, Nichelle, Nick, Tom, Mark, Stephanie and Paul, and his parents, a love which towered above all else in his short but incredibly successful life.

We will miss him; Alaska will miss him; but his family will miss him most. We share their grief at his loss.

There's a land where the mountains are nameless,
  And the rivers all run God knows where;
There are lives that are erring and aimless
  And deaths that just hang by a hair.

I'll pike to the Yukon again.

I'll fight—and you bet it's no sham-fight:
  It's hell!—But I've been there before:
And it's better than this by a dam-sight.
  So me for the Yukon once more.
It's the great, big, broad land 'way up yonder,
  It's the forests where silence has lease:
It's the beauty that thrills me with wonder,
  It's the stillness that fills me with peace.

Nick Begich was indeed a man to match Alaska's towering mountains, may his soul know eternal peace.

Mr. CULVER. Mr. Speaker, I yield to the distinguished gentleman from Hawaii (Mr. MATSUNAGA).

Mr. MATSUNAGA. I thank the gentleman for yielding.

Mr. Speaker, "They said it couldn't be done," but Nick Begich undertook the impossible and almost singlehandedly obtained passage of the Alaska Native Land Claims Act, an act which today stands as a monumental living memorial to Nick Begich.

That legislative episode was typical of Nick Begich. He set his goals and through hard work and untiring diligence he pursued them. He readily won supporters to his cause by his disarmingly charming ways.

In my home State of Hawaii we would have recognized Nick as one truly and richly endowed with the spirit of Aloha.

By his tragic departure from our midst he left behind him many saddened hearts. Among them I count myself. As a friend, I shed a tear over his loss and wish now to pay tribute to his memory and to extend my heartfelt condolences to his beloved widow, Pegge, and to his children and family. May they find the hope and the courage in his memory to face the future.

Mr. EVANS of Colorado. Mr. Speaker, will the gentleman yield?

Mr. CULVER. I yield to the distinguished gentleman from Colorado.

Mr. EVANS of Colorado. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker and my colleagues, those Members who have spoken before I rise to speak have spoken much more eloquently than I ever could in summing up those thoughts that come to my mind in thinking of the loss of Nick, but I would like to look at it in just a little different vein for just a few moments.

I concur in all the thoughts that have been expressed by those who spoke before me, and I would like to suggest that there ought to be a feeling among all of us of happiness in realizing that we have been close to a very great man, a very fine man.

We have been touched by his life, and I do not think that touching can ever be taken from us. I believe his family feels the same way, and rightly they could and should, and proudly so.

Mr. Speaker, I say this because of a happiness I feel for Nick for the full and joyous way in which he lived. He spent his life; he did not save it. He gave it for those things he felt were the best for his State and his Nation.

I am happy for having known Nick as a gentleman, a true gentleman and a gentle man. I am happy for my memories of Nick because of the extent to which I was favored with his respect, which he gave sincerely, and because of the extent to which I saw respects given so quickly and earnestly and the heartfelt affection for Nick.

So although I join the others in the comments they have made, I also feel happy for this richness that has come to me in knowing this fine man. Mr. Speaker, I thank the gentleman for yielding.

Mr. GIBBONS. Mr. Speaker, will the gentleman yield?

Mr. CULVER. I yield to the gentleman from Florida.

Mr. GIBBONS. Mr. Speaker, I wish to associate myself with my fellow Members in paying respect to the memory of our late friend and colleague, Nick Begich of Alaska. There are few places in our Nation that are farther from Alaska than my native Florida, but distance is no impediment to my sense of deep personal loss at the death of an exceptionally able member of this House and a valued friend.

Although tragedy has cut short what would undoubtedly have been a long and illustrious career, Nick Begich left a record of accomplishment remarkable for the short time he labored among us. His stance in Congress was consistently progressive and human. A former educational administrator, he felt a deep personal interest in this area and worked hard in the cause of increased Federal assistance, while at the same time establishing an enviable record by his strong support for legislation in the areas of civil liberties, women's rights and consumer protection. Nick voted his conscience in regard to Vietnam, being consistently opposed to continued American involvement in that tragic conflict, while at the same time voting to insure that the Nation's defenses were maintained at a high level of efficiency.

Not withstanding his outstanding record on national issues, Nick Begich will be remembered as the Representative from Alaska. This is the way he would have wanted it; as our 49th State's only member in the House of Representatives, Nick strongly felt that his best efforts should be directed towards serving his constituents. How well he succeeded in this.

The Alaska Native land claims bill had languished in Congress 6 years without concrete action before he arrived; Nick went to work on it as soon as he assumed his seat, and, due in large part to his determined action, this historic measure became part of the law of this land. He was an early opponent of the trans-Alaska pipeline, but worked hard to have changes incorporated in the plan which would safeguard the Alaskan environment while at the same time providing the petroleum America so desperately needs and the economic boost his home State required.

Nick Begich was a personal friend of mine. When he first came to Congress I worked with him in obtaining his committee assignments and followed his career very closely. He was an outstanding Member and accomplished a tremendous amount of good for his State and Nation during his service in the Congress. I talked with him upon numerous occasions about the many trips he made back to his distant constituency. I know how conscientiously he performed his duties to represent his people—often at a great sacrifice of his own health and his personal comfort.

Last month I flew over a part of Alaska and looked upon its rugged terrain and thought about Nick Begich.

His untimely death is a source of deep sorrow to all of us. Both Mrs. Gibbons and I extend our deepest sympathy to his wife Pegge and to their fine children.

Mr. OBEY. Mr. Speaker, will the gentleman yield?

Mr. CULVER. I yield to the gentleman from Wisconsin.

Mr. OBEY. Mr. Speaker, it is very easy to say what it was that most impressed you about Nick Begich. He was simply irrepressible.

With all due respect to many of my colleagues, there was never much doubt in my mind that Nick Begich was the most effective member of his congressional class. The examples of his exuberance are easy to remember. He came to the House and knew exactly which committees he wanted to get, and he got them. He worked tirelessly to pass the Native Claims Act which had been hanging around for years before he got here and he got it. I think the reason he was so effective was because he was so well liked. I do not know of a congressional couple in Washington that was more liked than Nick and Peggy Begich.

Even when you were opposing him on an issue, you liked him. I remember sitting on this floor a few nights before Nick and our fondly remembered colleague Hale Boggs left for Alaska. It was a late night session and a number of us were needling Nick about the Alaskan pipeline. We were having so much fun and Nick was making such a strong defense of his case that I finally interrupted him and told him that he could have probably made a million dollars as a lawyer because he did the best job of defending a bad case of any man I had ever seen.

That is what I will always remember about Nick—simply the fact that you could not get mad at him in an argument and 9 times out of 10 when he was involved in something, you hoped he would win.

He was fair. He was quick. He loved a contest and he loved life. And he so enjoyed himself that he made the jobs and the lives of all of those around him more enjoyable as well. We miss him as much as we were proud to serve with him.

Mr. CULVER. Mr. Speaker, I yield now to the distinguished gentlewoman from New York.

Ms. ABZUG. Thank you.

Mr. Speaker, he came to Congress when I did. I think myself that Nick Begich represents that group of people who come to the Congress with a great deal more independence and interest in change and reflection of the reality of our times.

I think everything that has been said here tonight about his career or his careers reflects that.

I think those who think of him tonight and his family, who always have him in their presence, will probably get the greatest comfort out of their knowing of his commitment to change for his State and for his country.

I think his wife Pegge and Hale's wife LINDY, who is with us, will be able in their memories and in the image of the loss of these two men to be able to continue the kind of commitments that these people had.

It is very hard to speak about somebody under such tragic circumstances; it is very hard to make it meaningful. I think the family of Nick Begich know themselves how meaningful his life has been. I believe they will continue that meaning in their own lives, and I wish them the very best.

Mr. CULVER. Mr. Speaker, I yield to the distinguished gentleman from New Jersey (Mr. HOWARD).

Mr. HOWARD. I thank the gentleman for yielding.

Mr. Speaker, just a short time ago, it seems, Nick Begich become a member of the House Committee on Public Works, and it was no time at all before the rest of us realized there was a unique and valued colleague in our midst, because, as has been mentioned before, he had tremendous enthusiasm and dedication to his work and State.

Nick Begich brought this with him from Alaska to the Congress. He was someone who never stopped working for his State.

It was not long thereafter when Mrs. Howard and two of our daughters and I were traveling prior to one of our recesses to Tokyo, Japan, to participate in an interparliamentary conference. We were fortunate to be on the plane for that long flight with Nick and Pegge Begich. That long flight really seemed short after my wife and daughters and I had the benefit of the engaging personality of Nick Begich.

After my wife and daughter and I had the benefit of the engaging personality of Nick Begich we dropped Nick Begich and Pegge off at Anchorage and we went on to Japan. And then the very next day to my surprise—perhaps I should not have been surprised—there in Tokyo was the Representative from Alaska, Nick Begich, who had come on his own during a recess to meet and discuss with businessmen efforts that he was making to improve the business situation for his State of Alaska. In that situation, as in many others, he was successful.

During last August our colleague and friend, the gentleman from Minnesota (Mr. BLATNIK), the chairman of the Committee on Public Works, had assigned me to head a special hearing concerning the energy crisis.

And during the several weeks of those hearings it was Nick Begich who attended every single committee meeting, who spoke with every witness, and who engaged in conversation with all who were present concerning the values of the resources of his State of Alaska, and how they could not only benefit his State but the needs of all of the people in our Nation.

Mr. Speaker, when we in this Chamber consider a way to pay tribute to a colleague very often all we can think of are words. If there is one thing that there is so many, many of in the House of Representatives, it is words, and conversation. And we are now at a time of having heard 12 solid hours of words, so perhaps the greatest tribute that we can pay to a colleague is that when he or she speaks the rest of us listen. Whether it be casual conversation in committee or here in this great Chamber, Mr. Speaker, when Nick Begich spoke the rest of the House listened, and that listening was to the benefit of all of us because when Nick did speak he spoke with facts, with determination, with logic, and with enthusiasm. And the result of listening to Nick speak caused things to happen in the Congress and throughout the country which will benefit us in our Nation for years to come.

So, although Nick is gone, we in this Congress and in the country will continue to benefit from the work he did while he was with us, and down through the years this Congress, the State of Alaska, and his people will be better off because everyone had faith in Nick Begich as he had faith in his people.

Mr. CULVER. Mr. Speaker, I now recognize the distinguished gentleman from Ohio (Mr. VANIK).

Mr. VANIK. Mr. Speaker, I want to take this opportunity to join in tribute to our distinguished colleague, Nick Begich, who was so much like the place from which he came, with so much heritage and hope bound together in this fine blend of a human being.

Nick Begich in his short time endeared himself in the House as he did in his State. His services were cut short, but his mark is bold and clear, clearly chiseled in the granite of legislative achievement.

Nick's spirit was of hope for Alaska and hope for America. His spirit continues with his good wife, Pegge, and with his devoted family. He is at our side, and we are at his.

Mr. CULVER. Mr. Speaker, I yield to the distinguished gentleman from Kentucky (Mr. MAZZOLI).

Mr. MAZZOLI. Mr. Speaker, one always has a closer feeling for a classmate than perhaps for other Members of the Chamber with whom one comes in contact, and Nick was in our freshman class in the 92d Congress.

I met Nick early on the very first few days I was here. And later at a soiree at Sargent Shriver's house I had the chance to meet his wife, Pegge, and to continue my conversations with Nick, and to learn about representing Alaska, which is as large as most countries are.

My service in Alaska during my 2 years with the Army was a matter of common conversation with Nick. We very frequently talked about the beautiful scenery around Fort Richardson where his school district was located and where he spent so many years, productive years, of his life.

As it happens, I, myself, happen to be the son of immigrants to America, as was Nick's. I am sure that his parents were made extremely pleased and honored by his distinguished career in public service in America. I share the feeling of those who try to make this country better by reason of our service. I would just simply like to join tonight with all of our colleagues, the distinguished Speaker, the majority leader, and all who have delayed departures for our homes and our families in order to make some small recognition of the service that Nick gave, and of our love for him and our love for Pegge and our love for his family. Certainly we ask for all possible blessings on his family for the future.

Mr. CULVER. Mr. Speaker, I yield to the distinguished gentleman from Wyoming.

Mr. RONCALIO of Wyoming. Mr. Speaker, I rise tonight to pay tribute to the one person in this House who represented a larger area than I do in the

State of Wyoming. Our late beloved colleague, Nick Begich, represented an area just about six times that size, 550,000 square miles.

His death in the height of a reelection campaign in October of 1972, was a loss to Alaska, to his colleagues, and to his beloved Nation, and, indeed, to humanity. His memory will remain with the countless numbers of youth he taught and counseled as a teacher and an administrator, by those who supported his years of public service to his State of Alaska, and by all of us in Washington who had the pleasure and good fortune of knowing and working with him in the 92d Congress.

I will always remember my trip to Alaska for the Nick Begich tribute. It took place on Sunday afternoon, January 7, this year, 1973. In a high school auditorium were gathered many hundreds of friends of all ages and from all walks of life to share with Pegge, his young children and his parents, the feeling of deep, personal loss.

Nick and I sat side by side in the Committee on Public Works, and we sat side by side on the Committee on the Interior and on about three subcommitees of each of those two committees, and I also sat beside the late Congressman from Illinois, Mr. Collins, as well.

Nick's dynamism, his sincerity, and his determination to handle the problem of each and every one of his constituents who wrote to him from Alaska impressed me a great deal. I used to watch him come to work with great manila envelopes loaded with correspondence from his constituents, and he would go through each one personally and with a intricate coding system recorded his correspondence. He identified each one with long, long, sometimes handwritten reply to each constituent.

I watched him work on the Alaskan Native claims bill which he steered through the Committee on the Interior with great expertise. I enjoyed his statesmanship, so rarely found in one so young. There was no doubt in my mind that Nick Begich would have been around here for a long time.

I think his family, his friends, and his colleagues can take great comfort in knowing he had come a long way already. He was proud of the fact that his fellow Alaskans had elected him to represent their needs here in Washington, and he carried with him and fulfilled his responsibilities greatly.

He was a man of warmth, of compassion, of service to his fellow man. We shall sorely miss him.

Mr. CULVER. I yield to the distinguished gentleman from Georgia.

The SPEAKER. The time of the gentleman has expired.

Mr. ASPIN. Mr. Speaker, I ask unanimous consent that I may be given 1 hour to continue this tribute to our former colleague preceding other special orders.

The SPEAKER pro tempore (Mr. McKAY). Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. OBEY. Mr. Speaker, I yield to the gentleman from Georgia.

Mr. MATHIS of Georgia. I thank the gentleman from Wisconsin for yielding.

Mr. Speaker, I should like to join with all of the other Members of the Congress in taking this time to eulogize the memory of our dear friend, Nick Begich. Nick and I, Mr. Speaker, were more than just friends. We were neighbors. We often found ourselves sharing a car coming to work in the morning. I have known, on many occasions, as our friend, the gentleman from Wyoming noted, those tremendous bundles of correspondence, and the tremendous amount of work that he carried home with him.

This was I think indicative of the man. I miss him and miss very much the fellowship we enjoyed. My wife Patricia joins me in wishing his wife Pegge and his children the very best. Let me say that Nick Begich was a man just as big as his congressional district.

Mr. OBEY. Mr. Speaker, I yield to the gentleman from Utah (Mr. McKAY).

Mr. McKAY. Mr. Speaker, I thank the gentleman for yielding.

As one of the Members of the 92d group I would like to say that there is one responsibility that no man can shirk and that is being what he is. We are each a conglomerate of all those we meet and we are better for having had that association with Nick Begich. I served with him in the leadership of the 92d group as we came in. He was a personality, forceful, warm, and magnetic, and we were attracted to him immediately. Then he went on from that point, from that original attraction to hold it and prove it and show its real worth in gold. As he served in that organization his work became evident constantly by his attention to detail and followthrough that is not too often found.

Nick was a close friend and one who was easy to be a friend to because he was a friend. He and I were friends. We rode home from the late hours such as tonight together because we lived in a close area. His wife and mine associated together in the 92d wives group. Our children went to school together. This association will not be forgotten.

I remember and I will not reiterate the other examples that have gone on. I would associate myself with them and acknowledge that they are true.

Nick came to my office one day and said, "GUNN, will you go with me to Alaska?" I said, "I do not know whether I can or not." But one could not turn Nick Begich down, so I went to Alaska. I am grateful for that invitation. We went with the Public Works Committee. We went and made stops all the way from Ketchikan to Prudhoe Bay and looked all over Alaska all the way. We held hearings and he set such a pace that it was very difficult to follow.

In fact, that was verified by a statement made by the majority leader who went on that fateful trip with Nick. I rode with Hale Boggs as far as Denver, Colo., on his way to Alaska on that fateful trip. In Denver as we were talking before we each caught our planes, Hale said, "I am tired. I sure hate to go to Alaska but how can you turn down a guy like Nick Begich?" He said, "I could not do it. I have got to go." And he went.

In Alaska we visited the capital and the Governor and talked to some of Nick's senators with whom he had labored in that capital city. The virtues that have been expressed here were also expressed there by an older senator who said, "You could always tell that Nick Begich knew the facts. You could not pull the wool over his eyes."

He had always read the bills and the reports. He knew where the facts were. That was typical. He was a man noted in education as has already been expressed.

The country has lost a noble soul, an exemplary public servant.

I would like to say to his children: I in my own life, having lost my father in my youth, would like to express to them my sympathy and would like to say to them that there may come a time when they feel a loneliness, when they wish they had that companionship and that reminiscence of their father.

At that point, talk with your mother. Search out those who worked with your father and let them tell you the stories of the greatness of your father. He was a great man, and I can say to you, as was stated by a poet when speaking about a father and about an individual who could be emulated, You could rightly say that if you followed the example of energy, of personality, of zeal, of determination, and if you follow those footsteps you can proudly say, "I stepped in his steps all the way."

I thank the gentleman.

Mr. OBEY. Mr. Speaker, I yield to the gentleman from Missouri (Mr. SYMINGTON).

Mr. SYMINGTON. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, I simply want to add a word to what has been said in addition to my gratitude for everything that has been said, because it has been so well said.

I think perhaps FRANK EVANS had in mind what I had, and that is that if there was any one quality that Nick brought to us, to this House and therefore to the country, it was a sense of joy in his work and in his mission; a kind of gladness, as if it was the most natural thing to come down here and wrest from 434 other Members the mysterious, difficult answers to the problems of Alaska and the questions he had.

He had a kind of zest for that. I remember best, really, his eyes. He also had a sort of half smile, but it was his eyes; it was this haunting combination of curiosity, insistence, compassion and a kind of belief that the answers that he would get would be the ones he wanted. It was very difficult, really, to look at Nick's eyes and see "Yes" written there and say "No."

It was virtually impossible, and yet he did it all with a kind of natural happiness which is a tremendous credit to a great many people I have never met.

One philosopher has written that every man, every human being is the tip of a pyramid, an invisible pyramid of the hopes, plans, character, blood of many men and women who have gone before and from whom he descends. I do not know those people, but they must have been sturdy and strong, uncommonly wise, great people; for certainly, he was.

So, I join my colleagues in hoping very much that his wife Pegge and his children and family will bear in mind that that is how we will ever think of him.

Mr. OBEY. Mr. Speaker, I yield to the gentleman from South Carolina (Mr. Davis).

Mr. DAVIS of South Carolina. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, I rise tonight to pay a special tribute, because having come in as a Member of the 92d Congress 4 months later than most of my colleagues, one of the first men I got to know was Nick Begich. I felt like I got to know him pretty well because he and I shared several hours trying to learn the rules of this House by sitting and observing.

He was a man of love, a man of compassion; but more so he was a man who was loved.

I shall never forget the evening after his legislative victory here on the floor on the Alaska Native Land Claims Act, seeing him in a restaurant with several of his staff and his constituents. I noticed in the eyes of those he represented a look of true admiration, a look of true respect, a look of true gratitude, a look of love.

Mr. Speaker, the Members of the 92d class can stay here many years, but it goes without saying that Nick Begich was a leader in this class. Those of us who remain here today, and who perhaps will be here tomorrow, will always remember with the greatest fondness this gentleman from Alaska who came down and in such a brief period had such a great effect on our lives.

To his wife and his family go our deepest sympathies. While we realize that perhaps words are of small comfort we know they know that their friends share with them this great loss.

In closing let me say that one of my favorite verses from the Bible is in the Book of Micah. It says:

> What doth the Lord require of thee, but to do justly, and to love mercy, and to walk humbly with thy God?

Mr. Speaker, this was Nick Begich. He did justly, he loved mercy, and we know that he will always walk humbly with his God.

Mr. OBEY. Mr. Speaker, I yield to the gentleman from Maryland (Mr. Sarbanes).

Mr. SARBANES. I thank the gentleman for yielding.

Mr. Speaker, it is fitting, in a way, that we should be here after midnight paying this tribute to our colleague, Nick Begich, because it symbolizes, in a way, the dedication which he brought to his work here in the House of Representatives.

It was my privilege to come to the Congress with Nick as a Member of the 92d Congress. I believe all of us who are in that class recognized him immediately for a person of extraordinary quality. It took only one meeting and one opportunity to talk with Nick for just a few moments to recognize that here was an uncommon person, a person of great capacity and great ability, a person of quality which was unusual, quality which was seldom seen.

He brought a breadth of vision to his work here and to all who had contact with him, a vision for his State and a vision for the Nation, a vision which really matched the breadth of the land he represented here.

He brought a keenness of mind, which I believe was recognized by all of us who had the opportunity to talk with him about problems facing the Nation, for we gained new perception and new understanding from him.

He brought that sense of life which others have referred to. I do not believe there was any one of us who did not welcome the opportunity just to see and talk with Nick, because we walked away from that feeling better than we had felt a few moments before. There was no question about that. He communicated to us the sense of life and of purpose and of joy and a sort of sense of humor and happiness that made one feel the better for being in his presence.

But above all these things I believe all of us perceived in him a person of fundamental decency. There was a great moral strength to Nick Begich. There was a great sense of integrity. There was a feeling in anyone who talked with him that this was someone who turned no corner, who cut no edges, who sought to speak plainly and honestly.

And he did it from a sense of values that was rooted in the very best of what this Nation's heritage has come to mean.

Mr. Speaker, I join with the other Members in extending my deepest sympathies to Pegge and to his children. I hope they will take some comfort from the example which he left, from the contributions which he made, and from the realization that their husband and their father stood as a tower of strength in this Hall and represented to those of us who were privileged to work with him the very finest that can be embodied in a public servant in this Republic.

Mr. Speaker, I thank the gentleman for yielding.

Mr. JAMES V. STANTON. Mr. Speaker, will the gentleman yield?

Mr. OBEY. I yield to the gentleman from Ohio.

Mr. JAMES V. STANTON. Mr. Speaker, I thank the gentleman.

I would like to think of Nick Begich and his contribution to life in terms of the love that he expressed in his actions every day of his life. That love was a love of giving.

I remember well a trip he made to Cleveland for the Croatian community, for he was extremely close to the Slavic people, which was his heritage. It was in loving these people that he went to Cleveland to speak to them on the purposes and achievements about which he felt very strongly in this Congress.

I believe it was a love of people and the love of his country that motivated him on that trip with our dear and beloved majority leader, Hale Boggs. It was the love of two men to serve this country that took them on that fateful flight.

I hope that the love that Nick Begich had for humanity will be a source of comfort for Pegge and the children. I know that it will be something that I will share always in the memory of a man who loved deeply.

Mr. FOLEY. Mr. Speaker, will the gentleman yield?

Mr. OBEY. I yield to the gentleman from Washington.

Mr. FOLEY. Mr. Speaker, I thank the gentleman for yielding.

Sitting tonight with my colleagues and listening to the tributes paid to Nick Begich, one has a strange feeling of both sadness and, in a way, warmth as various of his colleagues cast in our minds the reflections of his unique character and personality.

The words have gone out tonight to describe him as bright, dynamic, youthful, energetic, open, friendly, and expansive. They mean something to us who knew him, but I believe it must be impossible for one who did not know him to know how those qualities came together to make the person who was Nick Begich so unusual and indeed the unique person that he was.

I think back individually on the moments of humor in watching this enormously energetic young Congressman literally achieve miracles in legislative history and yet earnestly plead with us that we had to help him because Alaska only had 1 Representative, while he was proving that he could do the work of 10.

I remember saying to him, seriously, "Nick, what are you going to do in your second term?"

This was a man who won the respect and the admiration, as I think has been demonstrated here tonight so many times with deep affection, of what is considered to be a very difficult jury, his fellow Members of Congress, his fellow Members who shared with him his profession in public life.

Nick had a proud title which only a few States gave to their Representatives; he was not the Representative from the 5th or the 2d or the 22d district; he was "the" Representative of Alaska. And indeed he was. He was a representative of something broader than that. He was a Representative, I think, of the spirit of our country broadly—the youthful dynamic, restless, impatient, and, yes, the wonderfully idealistic spirit that we think of when we think of a great industrialized country such as ours.

It has been said that politics is the science of the highest good, and in a day and time when this profession is much maligned all of us who were his colleagues and who shared with him what we consider a great honor of public life are grateful to him and are grateful to his family for having shared him with us for this short period of time.

We are grateful for our memory of him, and we are grateful for the standard he set, and we feel that in his life and accomplishments there may be others to follow the example he set and who will seek his high ideals and help not only their States and regions as Nick did so well but help our country and the people all around the world who depend on us for achieving a better life and future.

Mr. McCORMACK. Will the gentleman yield?

Mr. OBEY. I yield to the gentleman from Washington.

Mr. McCORMACK. Mr. Speaker, it is with a most profound sense of admiration and a real sense of personal loss that I rise to join my colleagues in tribute to Nick Begich.

Nick and I came to the Congress at the same time. We served together in the 92d freshman Democratic caucus. Nick was treasurer of that caucus, and he was proud of that small responsibility. He carried it out with great enthusiasm and absolute perfection.

We worked together in the Committee on Public Works and often walked back and forth to and from the House Chamber to our offices, because his office was just down the hall from mine. We relaxed together after work. We were friends and our wives were friends.

It is striking tonight that the various statements made this evening by so many people expressed themselves as friends and talked about their personal relationships. Every one is obviously true. Together they set forth a mighty testimonial to a person who was Nick Begich.

Nick's devotion to the State of Alaska united us in our support for the State and our support for him. He fought hard for the Indian Claims Act and the Alaska pipeline and had the determination to move this legislation forward as expeditiously as possible for the future of Alaska.

I think it is fitting that this tribute tonight coincides almost to the day with what would obviously be the fulfillment of one of his most hard-fought goals, that is, the passage of the Alaska pipeline bill.

Nobody else in the modern history of Congress has accomplished anything like that much in so short a period of time.

He was a man of unswerving devotion and great energy, a young man of wisdom and thoughtful contemplation. He was a man with the ability to envision new solutions to old problems.

He had a real liking for enlightened Democratic leadership and a very high regard and a well deserved regard for the progressive Democratic leaders who are his friends in the House of Representatives.

While he belongs to history, he was a dedicated Member of Congress, and his many contributions here remain an inspiration to us all and a demonstration of what hard work, enthusiasm, integrity, and optimism can accomplish.

Mr. OBEY. Mr. Speaker, I yield to the gentleman from Michigan (Mr. DINGELL).

Mr. DINGELL. I thank the gentleman and commend him and his colleague from Iowa for arranging this special order tonight.

I join them in paying tribute to a distinguished and able representative of the State of Alaska and a most able and respected Member of this body.

He is missed by the people of Alaska and the colleagues with whom he served, and among whom he had so many friends. I know that he is missed by his family whom he so much loved. I join not only in paying tribute to Nick Begich, but also in expressing condolences to the family that he loved, and that meant so much to him.

Mr. OBEY. I yield to the gentleman from Missouri (Mr. RANDALL).

Mr. RANDALL. Mr. Speaker, I learned a few moments ago of this tribute tonight for Nick Begich from our colleague, the gentleman from Missouri (Mr. HUNGATE). I know the hour is late, and the admonition has been given that in order to have these remarks included in the RECORD we must conclude this as soon as possible.

Mr. Speaker, I have just two items that I want to cover, and to have included in this eulogy.

It was our privilege many times right back by the door to sit and talk with our good friend, Nick Begich—and I say good friend because, although we were not freshmen Members of the 92d Congress as he was, but because he was the sort of a person who was so easy to become acquainted with.

As I say, there are two things about this eulogy tonight. One is the fact that at this very later hour, after a long and hard day, and when we are at a half-hour after midnight, that there are this number of Members on the floor who have remained to pay tribute to this colleague, a colleague who represented, it is true, a big State, but he was a big man. And back there in those conversations we had the opportunity to discuss the things that were so uppermost in his mind, and that was the passage of the Alaskan Native Land Claims.

Nick said to me one time:

> I hope if you cannot speak for this bill that you will not speak against it.

How could one refuse a request like that? Someone said that you could not refuse Nick Begich. We thought so much of him. We miss him. It was the greatest shock of our time to learn the sad news that came to us from Alaska last October.

We all hope and pray that his good widow, Pegge, will be sustained in her bereavement.

Mr. OBEY. Mr. Speaker, I yield to the gentleman from South Dakota (Mr. DENHOLM).

Mr. DENHOLM. Mr. Speaker, I thank the gentleman for yielding.

I would like to say, Mr. Speaker, that most of us realize that it is sadness to go to the open grave and look down, but it is faith to look beyond.

I believe that if there is one thing that the gentleman whom we honor tonight left with this body it is the faith that he gave us, the hope that he gave to the people of the wilderness, and the performance that he made in history.

I know that the name Begich will follow in the annals of history the word "Alaska," just like the letter "B" follows the letter "A" in the alphabet. It is indelible there, and it will be remembered.

He had courage, honesty, and integrity. We learned to trust him and to know him. I was of his class as a Member of the 92d Congress in the year of his death. One of the moments that I shall never forget was that shortly before we adjourned to go home with our people we were gathered in the patio at the home of our beloved leader, Hale Boggs, and as we left there that evening our majority leader said to us:

> I have but one wish, and that is that we can all meet again.

None of us knew that Nick could not come back or that our leader would not return. And in our infinite wisdom here as a collective body we know not their whereabouts, or whether they are with us and can see us, and know and understand the problems of our time. But tonight we have seen the great orators of our body come into the well, in a Chamber hushed in sadness, knowing that these men are gone.

We know that we will not feel their warm hands and have the benefit of the words of their courage and understanding, but I think also we know that we are all better because we had them for a little while. If lives could be measured in deeds and not years, I could say to the loved ones of Nick Begich and Hale Boggs that they lived for hundreds of years, for they did many things for many people. They sought to serve their God through serving others, and it is in this spirit and with this courage and in this faith that I accept the challenge to try to carry on their good works for all mankind.

I thank the gentleman for yielding.

Mr. OBEY. I yield to a woman who is a most fitting participant in this tribute to Nick Begich, the gentlewoman from Louisiana (Mrs. BOGGS).

Mrs. BOGGS. I thank the gentleman from Wisconsin.

Mr. Speaker, I rise in joining with my colleagues in all of the beautiful things that have been said about Nick Begich and his family.

Imbued with the fervent patriotism of his immigrant parents and determined to express it in an effective manner, Nick Begich accomplished more in his short span of life than most men achieve in the proverbial three score years and ten.

His buoyant spirit, keen intelligence and compassionate heart suited him especially to represent the remarkable people of Alaska.

As his parents had inspired him, so he left a beautiful legacy of dedication to God and country and to the betterment of the quality of life for his fellow man to his valiant and beautiful wife, Pegge, and to his splendid children.

I am grateful for the opportunity of knowing firsthand the love and respect which Nick's constituents felt for him and their appreciation of the worth of his public service.

I believe that Hale would join me in offering as consolation to them, to his devoted family and to his good and loyal friends in this House these words of Robert Louis Stevenson:

> Every heart that has beat strong and cheerfully has left a hopeful impulse behind it in the world, and bettered the tradition of mankind. And even if death catch people, like an open pitfall, and in mid-career, laying out vast projects, and planning monstrous foundations, flushed with hope, and their mouths full of boastful language, they should be at once tripped up and silenced: is there not something brave and spirited in such a termination? and does not life go down with a better grace, foaming in

> full body over a precipice, than miserably straggling to an end in sandy deltas? Death has not been suffered to take so much as an illusion from his heart. In the hot fit of life, a tip-toe on the highest point of being, he passes it abound onto the other side . . . trailing with him clouds of glory, this happy starred, full-blooded spirit shoots into the spiritual land.
>
> By Robert Louis Stevenson.

I do know, Frank, that they are here with us tonight, and I appreciate so much the opportunity of participating in this small gesture.

Mr. REUSS. Mr. Speaker, I appreciate this opportunity to pay tribute to our late colleague, Nick Begich, who disappeared with the late majority leader, Hale Boggs, during an airplane flight from Anchorage to Juneau last October.

Nick's tragic death was a loss to his family, his State, Congress, and the Nation. Those of us who had the pleasure of working with Nick in the 92d Congress knew him to be a gentleman, highly able, and committed to improving life for all Americans. It was for this reason that Nick was elected to the executive committee of the Democratic Study Group, to which no other first-term Congressman ever had been elected.

A member of the House Interior Committee, Nick was largely responsible for passage of the Alaska Native claims legislation in 1971. He helped pull together the disparate views of the Natives, miners, oil interests, and conservationists, and, as a result of his efforts, the final bill was hailed by all parties as a landmark achievement.

Besides his outstanding work in government, Nick worked as an educator in Alaska for 16 years. He is remembered by Alaskans as "Mr. Education," and deserves the honor.

Nick's brave and lovely wife, Pegge, and his six children, Nichelle, Nicholas, Thomas, Mark, Stephanie, and Paul, have my sincerest sympathy.

He shall be missed.

Mr. FUQUA. Mr. Speaker. Fate struck down one of the brightest lights with whom I have been associated in my service in the Congress.

Nick Begich was a man of brilliance and all who knew him predicted a tremendous career of public service for him.

Nick came here as Alaska's Representative to the 92d Congress. All who met him liked him. They came to know him as a man of ability and integrity.

We were stunned when he was lost on a flight over the State he loved and served so well. With him were three others, including the great Hale Boggs of Louisiana, the majority leader of the House.

I well remember how we received the news in shocked disbelief. We shared with Mrs. Begich the belief that the plane was only down and would shortly be found.

As the days lengthened into weeks, and the weeks into months, hopes began to fail.

Nick's career in the House was short, but it was brilliant. He made his mark and we are all richer for having had the privilege of knowing him.

To his lovely wife and six children, I extend my deepest sympathy. I can only hope they can be comforted in the knowledge that he was truly a great man and that we have lost a very dear friend.

Mr. KOCH. Mr. Speaker, on October 16, 1972, a small, private aircraft was reported missing over Alaska. After months of intensive search, the Cessna was determined to be lost. The public and certainly the Congress were aggrieved by the passing of two of our most diligent Members—Majority Leader Hale Boggs and Alaska's Representative-at-Large, Nick Begich.

Mr. Begich was elected to the House in 1970 and was, in his first year of service, recognized as a tireless, dedicated worker and one of the finest among the freshman legislators in the 92d Congress. His industrious service on the Committee on the Interior and Insular Affairs earned him recognition as an authority on matters concerning Indian Affairs, National Parks and Public Lands. He led the floor fight which resulted in the passage of his bill, the Native Claims Settlement Act. He also played a major role in the passage of other important legislation for Alaska including the Fairbanks flood control project. Representative Begich will surely be missed.

Mr. O'HARA. Mr. Speaker, I wish to join my colleagues in paying tribute to our former colleague, the late Nick Begich of Alaska, whose service in this body was ended so abruptly by the tragic accident which claimed his life, and that of the late majority leader, Hale Boggs.

Death at any age, at any stage in an individual's professional career, or at any point in an individual's personal development is difficult enough to cope with. It reaches tragic dimensions when one is struck down, as was Nick Begich, early in life and with his career just opening up before him. Nick was just 40 years old, finishing out his first term in this body, when he lost his life on that ill-fated airplane flight from Anchorage to Juneau.

Those of us who had the privilege of serving in the House of Representatives with Nick Begich will remember him as one who appeared on the scene only briefly, but who nonetheless left his mark on this institution, and on the cause of representative government to which this body is so deeply committed.

Nick Begich was a dedicated, able, and compassionate legislator, Mr. Speaker, and all of us who had the opportunity to work with him miss his counsel and his friendship.

Mr. STOKES. Mr. Speaker, I would like to join my distinguished colleagues, Mr. Culver and Mr. Burton, in honoring the late Representative Nicholas Begich. I commend the gentleman in the well for taking the special order.

Mr. Speaker as a freshman Congressman from the State of Alaska, Nick Begich impressed me as I am sure he impressed us all, with his intelligence, his sincerity and his drive. I will never forget how deeply committed he was, to people and to his constituents. He was concerned and dedicated to the poor, the unfed, the ill-clothed and the uneducated.

It was because of his limitless concern and dedication, his personality, that Nick Begich commanded the kind of respect and admiration from his colleagues that he possessed.

With the loss of Nick Begich the House has lost one of those rare voices that could rise above the often loud and anguished cries of conflicting issues and divergent questions. He spoke softly, clearly and with humanity, regardless of the issue.

When Nick spoke, he spoke from the heart, you listened, you understood.

I fully comprehend and share the sense of grief and deep personal loss that his family and all of us here on the Hill are experiencing at this hour.

Mr. CARNEY of Ohio. Mr. Speaker, I rise in tribute to the memory of our late colleague, Nick Begich, the Congressman from Alaska. My words today are tinged by great sorrow and immense pride. Sorrow that the life of one so young should be snuffed out, sorrow that our Nation will miss the presence of a Member of Congress who had so much to give in service to his State and country, sorrow for Nick's brave wife, Pegge, and her children. But even in a time of sadness, I am proud of this man, Nick Begich. For in the brief span of his legislative career, he compiled a record of achievement which would fill the lifetime of a lesser person.

Nick was not a native son of Alaska, but this did not dim his love for our 49th State and its people. He was born, raised and educated in Minnesota, where he compiled a distinguished academic record. In 1956, he followed the course of many courageous young men and resettled in Anchorage, where he became a guidance counselor and later director of student personnel in the Anchorage School District. In 1962, Nick was elected to the Alaska State Senate, where he was selected as chairman of the Committee on Health, Education and Welfare. During his 8 years in the State senate, he labored tirelessly in behalf of Alaska's schoolchildren and teachers. During this busy time he also served with distinction as superintendent of schools in Fort Richardson and as an instructor at the University of Alaska.

Nick Begich came to Washington as a freshman Congressman in January, 1971, and even during his single term in the House of Representatives he compiled an enviable record of accomplishment. He made his mark early as a conscientious and progressive legislator, with an impressive attendance and voting record of 99 percent in the House, while at the same time carrying out duties as a member of both the Committee on Interior and Insular Affairs and the Committee on Public Works.

Congressman Begich maintained a far-sighted and liberal record in both domestic and foreign matters. He voted his conscience in opposing U.S. involvement in Southeast Asia, while lending voice to those of his fellow Members who had a deep and abiding concern for the environment of our nation. He consistently supported increased Federal aid to education as well as progressive legislation in the fields of civil rights, consumer protection and labor relations.

Nick Begich was active and committed

on national issues, but he concentrated his efforts on matters that pertained most directly to his constituents. He felt a special obligation to them, and, as he put it in his own words:

> I believe, that with only one seat in the U.S. House of Representatives, Alaska should expect its Congressman to do the essential, practical jobs as an absolute first priority, using every bit of energy at his disposal.

It was this philosophy that motivated Nick Begich in working for his State and Nation when he helped bring about the passage of the Alaska Native Lands Claims Settlement Act in 1971. Although this worthy legislation had been actively considered by Congress for more than 6 years, it was due in large part to his active and energetic support that final action was taken, and that this vital bill became the law of the land, recognizing the long-standing claims of Alaska's Natives.

Now he has passed from this life, leaving behind him a legacy which will give honor to his name for years to come. The people of Alaska have lost a great friend and a fearless defender, the Congress has lost an outstanding legislator, his family has lost a loving husband and father. Nick Begich was a rare and good man; his loss will be felt by us all.

Ms. ABZUG. Mr. Speaker, though nearly a year has elapsed since his tragic death, I wish to pay tribute today to the Honorable Nick Begich of Alaska. Nick served on the Alaska State Senate for two consecutive terms prior to being elected to the 92d Congress in 1971. He served ably and conscientiously from then until his tragic disappearance last October with the late majority leader, Hale Boggs.

As a fellow member of the Public Works Committee, I know that Nick was a hard-working and dedicated Member of Congress. He was a leader in the struggle of Native Americans for social justice and introduced legislation providing for this. As the recipient of the 1965 NAACP Human Rights Award, Nick Begich was truly a man of conscience and compassion, especially for the socially and economically oppressed. A former school superintendent and long-time educator, Nick was also sensitive to the growing educational needs of this Nation.

The country has lost not only an outstanding public servant, but also a good and decent man. I am happy that his colleagues have set aside this time to pay tribute to his life and social achievements, indeed worthy of the highest praise.

Mr. BROYHILL of Virginia. Mr. Speaker, seldom in the long history of the House of Representatives have our collective emotions been so strained as during the days of anxiety over the fate of two of our colleagues who were lost in the frozen mystery of Alaska.

When the curtain of certainty fell—as certain as anything can be in the massive backlands of our 50th State—my thoughts turned to the man who served with us from there—his contributions to humanity—his service to his country, rendered in the short span of time Nick Begich was our colleague.

Nick Begich served within a scope of interests almost as large as the State he represented—human rights, education, business, and national government. He served with devotion and compassion, with pride and affection. He served well and humbly those he represented, and he will not be forgotten as a pioneer of progress in behalf of his land, his State, his people—Alaskans who will miss him and remember him as we do here in this House.

Nicholas Begich's memory will nurture our own hope and courage, and the hope and courage of his wife and six children in the days ahead.

Mr. CONTE. Mr. Speaker, I want to thank my distinguished colleagues for providing us with this opportunity to pay our respects to the late Congressman Nick Begich of Alaska.

Although Nick Begich's time of service here in the House was not of heroic proportions in terms of length, it was heroic in terms of the contributions he made.

No newcomer to public service or elective office, having served 8 years in the Alaska State Senate, he quickly learned the ropes here in the House.

Nick Begich was in the unique position, shared by only five other Congressmen, of representing all of the residents of his home State. And represent them all, he did. He will, undoubtedly, be well remembered for his work for the Alaskan Indians.

Conservation of the bountiful natural resources of his beautiful State was one of Nick Begich's prime concerns. All of us who, too, love the rugged State miss his knowledge and wisdom in that area.

His lovely family, along with the family of the late distinguished Majority Leader Hale Boggs, have been through a long, heart-rending ordeal. All of us here shared in the agony of the extended search for the aircraft carrying these two fine men; we shared in the grief at their loss; and today we again share with them—this time in remembering Nick Begich, the Congressman, public servant, husband and father.

At this time, Mr. Speaker, I would like to join with my colleagues in expressing my deepest sympathy to Mrs. Pegge Begich and the six Begich children.

Mr. ADDABBO. Mr. Speaker, I would like to join with my colleagues to pay tribute to our former colleague, the late Nick Begich of Alaska, and to state once again our deep sorrow at his untimely passing.

In his all-too-brief lifespan, Nick Begich accomplished more than many men ever achieve in a long lifetime. Perhaps as typical of the affection and respect his fellow citizens in Alaska afforded him was their electing him to represent them in the U.S. Congress. By doing so, his friends and neighbors expressed very simply their faith and trust in him.

Insofar as I know, no person who ever placed his faith and trust in Nick Begich ever had reason to regret it. Those of us who labored with him in the House of Representatives found him to be astute, level-headed and altogether trustworthy. We soon learned to know how great a potential existed inside this quiet unassuming young man. That that potential was snuffed out so early in his lifetime is as great a loss to the Nation as it is for his family and his friends in his beloved Alaska, and here in the Nation's Capital.

But a nation can survive the death of a statesman. What we who knew him well mourn most of all is the loss of a good man, a good friend. Nick and Peggy Begich enriched the lives of all who came to know them and their delightful children. Theirs was a happy marriage, filled with good humor and high spirits, and they infected all who came their way with happiness.

In his first year of service in this House, Nick and Peggy Begich came to visit in my home city of New York during the congressional New York trip. They enjoyed themselves immensely, and before they left, Nick promised us and his wife that when it came time for the next trip they would bring their children with them.

Two months ago, we held that trip. And with the courage and the sturdy character that she possesses, Peggy Begich made good that promise for her children. Nick Begich had every reason to be proud of his wife and his children, and nothing else could typify that pride more than the moral stamina and loyalty to their departed father and husband than his family displayed on that trip.

And so we have all lost much with this early passing of Nick Begich, and it can never be replaced.

Too soon was he taken away from us and long will we suffer that loss.

Mr. ROSENTHAL. Mr. Speaker, I am proud to join with my colleagues today in honoring the late representative from Alaska, Nick Begich.

Nick came to Congress in 1971 with much diverse experience. He had been a builder, an educator, and a legislator. Nick made full use of all his experience and his enormous capabilities and became one of our hardest working Members.

In the course of his brief 2-year stay in the House, Nick Begich and I worked together on a number of issues, including consumer affairs, congressional reform, and an end to the Indochina war. I always found him to be intelligent and sincere, a man with much to offer this House.

Nick Begich was a man of principle, yet a man who knew when to compromise. He worked hard in the interests of Alaskans and in the interest of all Americans. This body and this country need more men like Nick Begich and he will be sorely missed.

Mr. WHITE. Mr. Speaker, Nick Begich was a man destined to make a lasting mark in the Congress of the United States. That he was campaigning to be returned to the job which he had come to love so much is a compounding irony of his tragedy. In addition to solid demonstrations of his future legislative potential, Nick Begich was also an open and unstinting supporter of his party. The fact that he was accompanied by his party's majority leader on his ill-fated campaign flight last October is evidence of the esteem the Democratic leadership had for him. The people of Alaska in particular and the people of the United States in general have suffered the loss of a potentially strong and effective leader in the Congress. We are all the less for it.

Mr. LEGGETT. Mr. Speaker, the start of each new Congress witnesses the appearance of a number of new, often young, Congressmen. The ways of the House of Representatives are such that it is rarely possible for these newcomers to distinguish themselves in their first, or even second terms. Nevertheless, many exhibit traits and abilities which mark them as men of promise—as legislators who, if they remain in the body, will eventually rise to positions of leadership and respect. Some stay and fulfill this promise. Some, for personal reasons or by virtue of the wishes of their constituency, leave soon after they arrive. And, in a few, tragic cases, a newcomer is struck down before he has the opportunity to prove the promise he has shown. Such was the case with Nick Begich, the Representative from Alaska during the 92d Congress, who with Hale Boggs, the Representative from Louisiana, was reported missing last October 15, when a plane carrying them from Anchorage to Juneau disappeared.

Nick Begich came to Washington from a career in Alaska as a businessman and educator. His prime interests however always seem to have been in the area of public service. From 1962 to 1968, he served as superintendent of schools for the Fort Richardson district. From 1964 until his election to Congress, he held a seat in the Alaska State Senate. Yet these offices only reflect a part of Nick Begich's involvement in public affairs, an involvement that was recognized in the bestowal of the VFW Community Service Award in 1963, and the NAACP Human Rights Award in 1964.

As a Member of the 92d Congress, Representative Begich continued to render admirable service to his State, sitting on the Committee for Interior and Insular Affairs and the Committee for Public Works. He succeeded in securing funding for much-needed public works projects, and measures aiding and encouraging the development of various Alaskan industries. In addition, he pursued an active role in issues of broader national significance, sponsoring legislation dealing with defense, justice, and medicare, among other things.

During his brief tenure in the House of Representatives, Nich Begich showed himself to be a man of talent and ability, of industry and integrity, of dedication and purpose, in short, a legislator of great promise. His loss is to be greatly regretted. It is a loss not only to the State of Alaska, but also to the Congress and the country. Men such as Begich are the life-blood or our political system, the sources of its vitality. I am sure I speak for all the Members of this body when I say we deeply mourn Nick Begich, and extend our deepest sympathy to his wife, Pegge and six children.

Mrs. MINK. Mr. Speaker, rarely have this House and the people of the United States suffered such a grievous loss as we did in the accident in which my friend and colleague, the late Nick Begich of Alaska, lost his life.

Nick Begich died in service to his country. He was seeking reelection so he could continue pursuing those ideals and objectives to which he had dedicated his public service. He faced an exceedingly difficult task in reaching the people of the immense State of Alaska to exchange views, and the hazards of transportation involved were revealed all too clearly in the plane loss which robbed us of his dedicated commitment.

Nick was eager to work for and help his constituents. He was a crusader, ambitious to resolve the problems faced by the people of Alaska. As their lone U.S. Representative, he toiled long hours in pursuit of the far-sighted governmental programs necessary to continue the evolution of this great State from primitive wilderness to full participation in the economic destiny of our country.

He was energetic, resourceful, and wonderfully human. One of Nick's geniuses was his ability to get along with all those he met, whether humble or mighty. By his perseverance and sheer ability, he was able to accomplish many deeds in his short congressional career.

We had in common the fact that both of us represented States separated from what Alaskans call the "lower 48". Because Alaska and Hawaii shared many of the same kinds of problems, often Nick and I worked together on legislation to meet some mutual need of our respective States. I had many occasions to learn of his effectiveness as a legislator, as well as to know his cheerful personal camaraderie.

Nick performed with skill and distinction as a Representative able to enlist the Government in transforming the challenges of Alaska to solutions. Yet he was much more than this. He also had a keen perspective on his responsibilities as a national legislator, and he followed policies of great wisdom to benefit all the people of our country. He was imaginative and compassionate in seeking to meet the needs of the people, rather than powerful vested interests. He was a skillful lobbyist for the many in little-noticed areas where all too often the special interests of a few prevail.

Still young, Nick may have been destined for roles of even greater leadership had not the hand of fate dealt a tragic end. He was a truly great American and a splendid Representative of Alaska. We shall sorely miss Nick Begich.

Mr. ROYBAL. Mr. Speaker, I rise to add my voice to those paying tribute to our friend and former colleague, the late Nick Begich. His disappearance and untimely death last year was indeed a shock.

During his brief career in Congress, Nick Begich displayed an avid interest in his work and a great dedication to the interests of the people of his district. He will long be remembered as one of our outstanding Congressmen—one who brought to his office a wisdom and judgement that distinguished his service in the House of Representatives.

The premature loss of this young, capable and dedicated legislator was, and continues to be, deeply felt by us all.

Mr. TIERNAN. Mr. Speaker, I want to join my colleagues in paying tribute to our colleague and friend, the late Nick Begich.

Nick Begich was an amazing man. With the support and assistance of his capable wife and a hardworking staff he was able to accomplish a great deal more than any other freshman Congressman in recent history.

When Nick came to Congress the Alaska Land Claims was a child of congressional neglect. Nick quickly sized up the situation and began to plan the brilliant strategy which resulted in the passage of the Land Claims Act during his first term in office.

Nick was able to carry through his plan because he was willing to work hard for his constituents and because of his ability to win the respect of the House membership. Few Congressmen have shown the ability to establish a coalition of such varied interests as Nick was able to do. In addition to the House leadership, Nick befriended many leading conservationists and used this friendship as an aid to insure immediate consideration of the Land Claims Act.

I was saddened to learn of his untimely death. The country lost a good leader and the people of Alaska lost a fine representative. His passing is a loss to us all.

Mr. MANN. Mr. Speaker, I am proud to join my colleagues in honoring our late friend, Nick Begich, Representative from Alaska.

Nick served with us in Congress only a short time, but in that period, he made his presence known and felt. His work on the Alaskan Native Land Claims bill, which he considered his biggest accomplishment, resulted in the passage of legislation allotting 40 million acres to the Natives. Before Nick arrived and applied the pressure, the bill had been stalled in committee.

Political service filled most of Nick's time during the latter part of his life, when he served as an Alaskan State Senator and then as U.S. Representative. But during his political career, he did not forget the problems of American education with which he dealt during his years as a high school teacher in his home State of Minnesota, as principal and later as superintendent of schools in Fort Richardson, Alaska, and as a part-time instructor at the University of Alaska in Anchorage.

Nick voted against bills to delete aid to higher education and ethnic studies programs, and cosponsored legislation to assist the States in equalizing the quality of elementary and secondary education.

The gratitude of Nick's constituency for the concern he showed them was evident in their vote to reelect him last November when his plane was feared lost.

Although the shock of Nick's death has passed, the void it left for his family and friends will not go as quickly. The sharp edges of emptiness can perhaps be softened by the memories of the work Nick did and the knowledge that he will not be forgotten.

Like the Apostle Paul, Nick would accept death as a new beginning rather than as an end, I believe, Paul wrote:

> If it is to be life in the flesh that means fruitful labor for me. Yet which I shall choose I cannot tell. I am hard pressed be-

> tween the two. My desire is to depart and be with Christ, for that is far better.

Today I remember Nick with a touch of sadness because he is gone, but also with joy because he was with us.

Mr. DE LA GARZA. Mr. Speaker, Nick Begich, so tragically lost last fall in the Alaska he loved, was my friend in this Chamber and out.

He and I had our Washington homes in the same community. I knew his fine wife and their children. Nick and I worshipped at the same church. I have felt a deep personal loss since he is no longer among us.

Although Nick was serving his first term in the House, he already had earned the respect and good will of his colleagues. We miss him here and I, like others, will long remember him.

Mr. VAN DEERLIN. Mr. Speaker, I had just begun the first day of fall campaigning at the gates of a San Diego industrial plant when I learned of the Alaskan air tragedy involving our majority leader and the man whose memory we honor this evening, Nick Begich.

That news added to the bleakness of a rainy October dawn. It signaled the loss not only of valued friends, but of a brand of leadership our Nation and our party can ill afford to give up.

Few first-year Members of Congress had left so imposing a mark as the youthful Begich. Here were the breadth of vision and, equally important, the vitality needed to represent a vast, emerging frontier State. We, of the west coast, think it a drain on our energies to move in comfort by airliner between Washington and the home district. How much greater the physical dedication to serving an area it takes twice as long to reach, and which itself spreads across 3 times the land space of California.

Nick Begich never felt self-pity on this account—indeed, he relished the prodigious work, accompanied by the lost sleep that goes with the job for a "gentleman from Alaska."

Those who served with him will long remember Nick.

Mr. PODELL. Mr. Speaker, as Members of the House, we are always saddened by the death of one of our colleagues. But the tragedy is particularly painful in the case of Nick Begich, because he was so young and because he had such a bright future ahead of him.

Nick was a worker and a leader in everything he did. As a businessman, he built and managed apartment houses in Anchorage. As an educator, he served as a principal and later as superintendent of schools in Fort Richardson, and lectured in American history and Government at the University of Alaska for 12 years. As a legislator, he was chosen by his Democratic colleagues in the State senate as minority whip. As a community leader, he was honored for his work in promoting human rights.

These were some of the accomplishments that Nick brought to the House of Representatives in 1971. But at age 40, before the completion of his first term, a tragic accident took his life. We mourn him not only for what he was, but for what he would have become. For this was a young man with courage and ideals, who surely would have become an important and influential Member of the House.

I join with my colleagues in extending my deepest sympathy to Pegge Begich and her children. Our sense of loss is as great as theirs. My greatest hope is that we will see more men like Nick Begich in the House of Representatives.

Mr. BRASCO. Mr. Speaker, Nick Begich gave a lot of himself to this Congress. He worked hard, taking his responsibilities with seriousness and devoting that extra effort to the people of his district and the welfare of the Nation.

I had an opportunity to work with him rather closely over some period of time. Many times we hear that Members are parochial in their interests, lacking both time and desire to involve themselves in matters immediately outside of their intimate interests. Nick Begich was an honorable exception to that claim.

Not too long ago a matter of great importance to my State and district came before the Congress. It revolved around Gateway National Park and Recreation Area. In New York, especially in the area of New York City, recreation space is at an absolute premium. What was incorporated in Gateway was essential, and we Members from that part of the country had to educate many other Members of the House as to the need for this facility.

I spoke to Nick, who served on the House Committee on the Interior, and who represented a district a continent away. He was interested, concerned and willing to help.

He took invaluable time and interested himself in our situation, lending unique talent and concern to our cumulative effort. That Gateway National Park and Recreation Area is now a reality to millions of people is in large part due to the efforts of Nick Begich.

We all know that he worked on behalf of his constituents and State with vigor, compassion, and honesty. In the too short time he served here, Nick left an impressive mark as a legislator, a friend, and a man.

Taken so tragically from us in the prime of his life, he has been missed keenly and will not be forgotten. To his wife and children I extend the sincere condolences at this time.

His State can be proud of him. This Congress can be proud of him. We shall continue to miss his presence and contributions.

Mr. SEIBERLING. Mr. Speaker, Nick Begich was a rare individual. He was a person of intellectual force and boundless energy. He was a person of genuine sincerity and modesty. Yet, at the same time, he had the spark of a true leader, the ability to draw men to him and to his vision.

One of the most gratifying aspects of my first term in Congress was working with Nick as a fellow first termer. He took a leading role in organizing the 92d Congress Democratic Congressional Club. He was held in such warm regard and sincere respect that he was made an officer of that group. For the same reasons he was also made the "freshman" representative on the steering committee of the Democratic Study Group.

Nick and I shared the same viewpoint on all of the key issues that came before the 92d Congress. But even when we differed on issues, as we did on some, he had the knack of arguing an issue without ever irritating or seeming to be irritated. He was a master of marshaling the facts and presenting them with clarity and persuasiveness. He relied on this rather than on emotionalism or other unworthy means of persuasion.

Nick was, as far as I can determine, universally liked by the Members of the House. To me he was a very good friend. It seemed impossible for a long time to believe that he had been suddenly taken from us.

In a very true sense his spirit and his vision for Alaska and for the country and the memory of his vital personality live and will continue to live among all of us who were so fortunate as to know and work with him.

Mr. DANIELSON. Mr. Speaker, I would like to take this time to pay tribute to our late colleague, Nick Begich of Alaska. Nick Begich, one who devoted himself totally and with unlimited energy to working for the benefit of his fellow human beings, was an extraordinary man. As a teacher, boys' counselor, principal, and superintendent of schools, Nick gave freely of himself, as not many men are able to do. When he became a State legislator in 1963, he contributed the same efforts to his work as a public servant that he had exerted, and continued to exert, as an educator. The extent and effectiveness of his dedicated service are evidenced by the awards he received: the Distinguished Alumni Service Award, St. Cloud State College; the Human Rights Award, NAACP; the VFW Community Service Award; the PTA Life Membership Award; Honorary Membership in the Filipino Community of Alaska, the Alaska branch of the American Federation of Government Employees, and the Alaska Native Brotherhood.

As one of my fellow freshmen in the 92d Congress, Nick tackled the monumental task of being the sole Representative from the young State of Alaska, which has so many needs and problems far different than those we encounter in the mainland States. Armed with a strong educational background in political science and with many years of experience in the Alaska State Senate, Congressman Begich served his State and his Nation with remarkable vigor and talent for almost 2 years. I only regret, as I know we all regret, that he was taken from us before he had the chance to make the contributions to our society which he so earnestly strived to make, and which would have made our world a better place for all of us.

Mr. FLYNT. Mr. Speaker, I join today in paying tribute to our friend and colleague, the late Nick Begich.

As the at-large Representative from Alaska and during his service in the House, before his tragic death, Nick quickly earned the esteem and respect of his colleagues. He was a fine man who gave untiringly and unselfishly of himself in dedicated service to the people of Alaska and our Nation.

Only 40 years old at the time of his

disappearance, Nick brought to the House of Representatives experience as an educator, businessman and as a member of the Alaskan State Senate. His interest in and knowledge of the problems of the Indians of Alaska, the national parks and public lands was of particular value to him and to the House Committees on Public Works and Interior and Insular Affairs upon which he served.

Nick's efforts in support of the Native Claims Settlement Act is only one example of his admirable and dedicated service on behalf of the native people of the State of Alaska. He was an able Representative and will be missed by the people of Alaska and his colleagues in the House of Representatives.

To his wife, his children and other members of his family, Mrs. Flynt and I extend our condolences and heartfelt sympathy.

Mr. DRINAN. Mr. Speaker, I admired my friend Nick Begich, who came to Congress with me, for many personal and professional reasons.

The personal reasons why I lament the tragic death of Nick Begich are many. But the personal association with Nick Begich which I shall cherish the most occurred on the evening of Sunday, March 5, 1971 when Nick Begich and his lovely wife Pegge came to a reception on my behalf amidst a wild New England snow storm. It was on that evening that I learned from the address of my fellow freshman Congressman about the intensity of his idealistic and moral purposes in coming to the Congress. Representative Begich spoke passionately about the necessity of reordering our priorities, of diminishing the enormous military budget and of enacting legislation which would bring adequate education and health benefits to all of the citizens of America.

I worked closely with Nick Begich on a number of issues. I joined him in his opposition to the detonation of the nuclear blast off the coast of Alaska in the project called Cannikin. I sought and followed his counsel with regard to the historic bill enacted in the 92d Congress which after many decades finally settled the claims of the native Alaskans. Congressman Begich was a conferee on that landmark legislation and in that capacity spent what seemed to be countless days in settling long disputed points between the Senate and House versions of a monumental bill designed to finalize decisions to protect the human, the economic and the environmental interests of the people of Alaska.

Nick Begich had a distinguished career even before becoming a member of the 92d Congress. He obtained his MA in Educational Administration and Political Science from the University of Minnesota in 1954. He was finishing his doctorate work at the University of Colorado when he went to Alaska with his new bride in 1956 to become an instructor at the University of Alaska in Anchorage. During the years that followed Nick Begich was a principal of a high school for 4 years, the superintendent of schools for 5 years in Fort Richardson and a member of the Alaska State Senate from 1963–71. He served as minority whip of the State Senate in the years 1967–71.

Nick Begich came to the Congress after his election on November 3, 1970 because of his profound devotion to the State and the people of Alaska. He was happiest when we could inform his colleagues in the Congress about the problems and the fantastic potential of his adopted State. He took the long and immensely tiring trip to Alaska as often as he could.

It was a tragedy beyond description for the State of Alaska, for the Congress of the United States and for all of us that Nick Begich died tragically at the age of 40. I shall always be indebted to him and devoted to all of the admirable ideals to which he devoted the work of his lifetime. Our prayerful and compassionate feeling goes to Nick Begich's wife Pegge and to his six children, Nichelle, Nicholas, Thomas, Mark, Stephanie and Paul.

The memory of Congressman Nick Begich will always be held in everlasting benediction by those who knew him and loved him.

Mr. REES. Mr. Speaker, it is difficult to convey the profound feelings one has over the tragic and premature death of our colleague, Nick Begich.

I could insert reams of material concerning Nick's leadership and dedication to service both in the Alaska legislature and as a Member of Congress and tell of Nick's wife and young family which he has left behind. All deserve mention.

The tragedy is that a rising young Congressman was killed in an airplane crash trying to fulfill his duties in his own State and at the same time be an effective legislator in the House of Representatives. We will never know what Nick's potential might have given our country.

But even in the short time Nick was with us as a Member, he gave us all a heightened desire to make the system work and bring new ideas and concepts into the staid halls of Congress. We can consider ourselves fortunate we knew Nick and worked with him. Some of his frontier spirit rubbed off on many of us who had thought the frontier was no more.

Mr. JOHNSON of California. Mr. Speaker, it is with sadness and pride that I join my colleagues in paying tribute to our former colleague, the late Nick Begich of Alaska, whose career was snuffed out last October when the plane in which he was riding with our late Majority Leader Hale Boggs, disappeared.

Shortly after Nick came to Congress I had a very personal acquaintance with him. After arriving in Washington I had the pleasure and privilege of serving with him on the Committee on Public Works and the Committee on Interior and Insular Affairs, as well as in our deliberations on important legislation in the Halls of Congress. I was also privileged to know him socially and found him to be an intelligent, responsive Representative of the great State of Alaska.

I found him to be a very able Legislator, a man who represented his State and his people in an outstanding, dedicated manner. I feel that he would have had a long and brillant career in the Congress had he not lost his life so tragically.

Mrs. Johnson joins me in extending deepest sympathy to his beloved wife and the members of his family, who suffered a great personal loss.

Mr. CORMAN. Mr. Speaker, I would like to express my profound sorrow over the loss of our colleague from Alaska, Nick Begich. The circumstances surrounding his untimely death are familiar to everyone. It was indeed a tragic loss not only for his wife Pegge and their six children, but also for his fellow Members of Congress and the Nation.

Nick served his State well and left a record of which he and any of us can be proud. His near-perfect record of attendance attests to his dedication. He was always willing to devote his energies to fighting for legislation on issues in which he deeply believed. Nick was in the forefront when it came to civil rights, education, the environment, and ending American involvement in Southeast Asia. Words seem inadequate in trying to assess his contributions to his State and to his country.

In his short time on Capitol Hill, Nick Begich contributed a great deal. We will never know how far he might have gone or what great deeds he might have accomplished had his life not ended so suddenly. One thing is certain—I will miss him and treasure his memory always.

Mr. MOORHEAD of Pennsylvania. Mr. Speaker, I rise today in honor of my friend and colleague, Nick Begich of Alaska.

When Nick came to Congress in 1970 he already had a long record of public service for his adopted State. He served for 8 years in the Alaska State Senate and for his hard work as chairman of the Health, Education, and Welfare Committee he earned the title of "Mr. Education." Here in the Congress we knew him as a dedicated and tireless legislator. During the 92d Congress Nick was a member of two committees and eight subcommittees, truly an extraordinary workload for a freshman representative. Many of us knew him best for his outstanding contributions to the Democratic Study Group where he served as the first freshman member of the executive committee.

Nick Begich was on the threshold of a great career in public service. He accomplished more at the age of 38 than most men do in a lifetime and he was surely on the way to a future full of exemplary service to his State and his country.

Tragically Nick Begich was not given the chance to fullfill his great promise. All of us on the Hill feel the loss of his energy and ability, but more than that, we miss him as a friend. I hope that his wife and six children can find some consolation in happy memories of their husband and father.

Mr. WOLFF. Mr. Speaker, it is never a happy occasion when we set aside time to eulogize our colleagues. But there is comfort in cataloging the accomplishments of long lives well spent, lives in which promise was fulfilled.

The tragedy of Nick Begich's disappearance leaves no such comfort. He has been denied fufillment of his promise. He accomplished much, though a young man, and was on his way to greater achievements. He was here just a short time, but it was evident his presence was a positive driving force. His compassion and commonsense as well as his breadth of knowledge were always productive in debate.

Representing the State of Alaska is not an easy task, for its problems and needs are unique in this Nation. Like so many Alaskans, Congressman Begich was born elsewhere, but once settled in, he came to love and revere the beauty and splendor of his State. He was proud to represent Alaska and spoke forcefully in its favor and for its people. Alaska and the Nation were well served by his presence in this Chamber.

My sympathies and thoughts are with his wife, Pegge, and their six children, and I share their grief. We miss Nick Begich as a Member of this body, and we miss him as well as a good human being and a fine man.

Mr. RODINO. Mr. Speaker, I join with my colleagues who have gathered here today to pay tribute to our distinguished friend and colleague, Nick Begich, and to express profound sorrow for his untimely death.

Nick was not only an outstanding person in private life, he was also a dedicated statesman for he was responsive to the needs of the people. His sensitivity and understanding drew the respect of all of those who knew him. It is unfortunate that Nick was unable to finish his work.

It is most difficult to adequately express how deeply distressed we are by his death. Nothing I say can replace the loss we feel or fill the void caused by his absence. But I wish to join with my colleagues in extending my deepest sympathy to his wife, Pegge, his children and all of his family and friends. I share in their sorrow and hope that they may find some small consolation in knowing that he will always be fondly remembered.

Mr. FRASER. Mr. Speaker, this day we are again recounting our recollections of a deceased colleague. Senator SAM ERVIN recently described us as fellow travellers to the tomb. Because we are, we should not be surprised at the frequency with which, in a body this large, we are called upon to memorialize the lives of Members. But recognizing our mortality does not make this task easier. And it is an especially difficult task when the colleague we honor was killed in the prime of life, at the outset of a promising congressional career.

I think this describes Nick Begich's situation precisely. We know that he and our respected majority leader, Hale Boggs, were aboard an aircraft that was lost on a flight between Anchorage and Juneau in the State Nick represented so well and so briefly—Alaska. Nothing further has been heard of that plane.

Nick was 40 years old at his death. He had been elected as Alaska's only House Member in 1970 and served through most of the 92d Congress. He was posthumously elected to this 93d Congress.

Nick and I shared several things in common and this mutuality of interest and background always compound and intensify the feeling of loss experienced when a colleague dies.

We proudly shared the label of liberal Democrat. Each of us headed Kennedy-Johnson campaign committees in 1960. Both of us were members of the Democratic Study Group Executive Committee, Nick being the first freshman to have these duties. We both were natives of Minnesota and both of us attended and received graduate degrees from the State university. We both served in our State legislatures before coming to Washington.

But it was Nick's dedication to the enactment of a fair Alaska Native claims settlement bill and my interest in this and other legislation concerning native Americans that represent my closest identification with Nick. The pages of the October and December 1971 CONGRESSIONAL RECORD testify to the effectiveness with which Nick pursued his goal. Without a doubt his effort on the Native claims bill was the high point of his brief career in the House. But the important thing to remember is that while it may have been a high point of a brief career, it was a high point seldom reached by many long-term Members of this body.

During the debate on the conference report on the Alaskan Native claims bill, the majority leader voiced his assessment of Nick Begich's role in steering the bill through the legislative shoals. Tributes to Nick Begich were also expressed by others who worked with him on the bill, members of the Interior and Insular Affairs Committee. It is ironic that so soon after these tributes to a young active colleague were expressed we should be honoring his memory.

Perhaps others will also quote what Majority Leader Boggs said about Nick Begich on December 14, 1971. But these words bear repetition and I close my remarks with them. They say much about the man we honor here today. And they may also explain, in part, why the majority leader journeyed to Alaska to campaign for Nick.

We have lost a valued colleague. His wife and children have lost a devoted husband and father. His constituents have lost a talented spokesman. We are all diminished.

Mr. Boggs' remarks of December 14, 1971 follow:

> Mr. BOGGS. Mr. Speaker, I want to say a very special tribute to the gentleman from Alaska (Mr. Begich). It is the rarest of circumstances when a freshman Congressman, as the only Congressman from his State, is confronted with a challenge of this magnitude, and one which is so crucial to the future of his State. It is all that much rarer for such a man to successfully answer such a challenge, but that is what Nick Begich has done.
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> The people of Alaska, every one of them, are fortunate to have such a man in Congress. On every bill, there is the temptation to represent only one interest, but Nick Begich absolutely refused to yield to such a persuasion. He represented one purpose throughout the consideration of the Native land claims bill, and that was the best interests of all Alaskans and all Americans. He has my respect for the job he has done.

Mr. MEEDS. Mr. Speaker, I appreciate this opportunity to honor my former colleague and friend, Nick Begich. In the 2 short years of his term as Representative of the people of Alaska, he demonstrated the talent and the promise of being an outstanding Member of the House.

It was my privilege to know well both Nick and his delightful wife, Pegge. Since my district falls in the closest neighboring State of the lower 48, we worked together on legislation of mutual concern.

Perhaps the clearest indication of his promise and sensitivity was his leading role in passage of the Alaska Native Land Claims Act. To do the job he did on such major legislation during his freshman term deserved the admiration of all of us.

His loss is a tragedy both to the people of Alaska and the Nation. It has already been felt in Congress.

Mr. ANDERSON of California. Mr. Speaker, those of us who had the pleasure of knowing and serving with the late Nick Begich knew a man of deep compassion, great intellect, and unswerving loyalty and devotion to the people of Alaska and their special needs.

His service here in the House of Representatives, though brief, was marked by his skill and mastery of the legislative process and by his ability to educate and enlighten us on the uniqueness of the problems of Alaska. His talent was illustrated by the enactment of the Alaskan Native Claims Act in which he forged a coalition of the diverse groups and interests in Alaska to provide both equity for the Eskimos and Aleuts, and for protection of the great natural resources of his State.

Nick and I served on the Public Works Committee where we worked closely on projects of mutual interest—specifically, water pollution control legislation, and proposals to create employment by constructing needed schools, hospitals, nursing homes, and community structures. It was at that time that I was asked by Chairman JOHN BLATNIK to chair a special Public Works Subcommittee which was charged with the responsibility of conducting a brief on-site investigation of the progress and the future possibilities of public works projects in Alaska.

As the sole Representative in the House from Alaska, Nick coordinated the subcommittee's activities and helped determine the agenda and the locale of the hearings. I was especially impressed by the love he shared with the people, of the great beauty and the great potential of our 49th State.

As I returned from the investigation, I recall how my outlook—my conception of Alaska—had changed, primarily due to the influence of Nick. Until one has actually been to Alaska, it is difficult to understand the vastness, the dangers, and the promise of this great land. He showed me a side of Alaska that could only be shown by one who really cared and really understood the area and the people, and I believe that all of us who knew him came to share that concern.

We in the House of Representatives miss the talents and creativity of the late Nick Begich, and both Alaska and the Nation miss his many contributions. But, surely, this Earth is a better place today because of the dedication and the service of Nick Begich.

I join with my colleagues in this tribute to Nick, and Lee and I join in wishing nothing but the best for his widow Pegge and their six children.

Mr. ULLMAN. Mr. Speaker, I would like to speak briefly in tribute to the late Nick Begich of Alaska.

When I first heard the news about the disappearance of the airplane carrying Hale Boggs and Nick Begich, I was shocked and dismayed. As the days grew into weeks and it became obvious that the plane could not be located, my dismay turned to sadness. I knew Nick personally, and knew him well. We had shared with each other many of the problems we faced in serving enormously large and geographically diverse congressional districts. I had worked closely with him on a number of issues, and was always impressed with his wide-ranging knowledge and willingness to pitch right into difficult matters. Above all, I think, I was impressed by his quiet independence, and his imaginative approaches to the difficult problems confronting Alaska and the nation.

Mr. Speaker, in this Nation of ours, we like to judge a man not by what he is, but by what he does or has done. On that basis, Nick Begich certainly distinguished himself. His list of accomplishments is long and rich. He proved himself extremely competent as a freshman Congressman. He worked long and hard as a teacher, school administrator, and legislator in Alaska. He was innovative and successful as a teacher, and was able to continue that success in his work, in business, and in the legislature. There is an inscription on Christopher Wren's tomb in England which says: "If you seek a monument, just look around." If we need to find a monument to Nick Begich, I think all we have to do is look around. His work, and his accomplishments, are still with us; there can be no better tribute.

All of this is little comfort to Nick's wonderful family. To Pegge and the children, Mrs. Ullman and I offer our heartfelt condolences.

Mr. BLATNIK. Mr. Speaker, I join with my colleagues in paying highest tribute to Nick Begich, Congressman from Alaska, whose brilliant future in the House was tragically ended when his airplane disappeared in Alaska last fall.

Nick was my friend, respected colleague, and more—he was like my younger brother. He grew up in Eveleth, a town close to my own hometown of Chisholm, on Minnesota's Mesabi Iron Range. I watched him grow to manhood—saw boyish idealism become the steely determination to serve his fellowman with his full talents and abilities.

Like everyone who knew him, I was early impressed by Nick's sincerity, his alertness and awareness of what ought to be done—and by his dedication, determination and sense of duty—and his incredible energy.

Nick Begich and I were a generation apart in time, but we were friends from the first day we met, and our lives ran a strangely parallel course but about 20-some years apart.

We were both sons of immigrant parents; our fathers worked in the iron ore mines of the Mesabi Range. Nick and I both worked our way through Minnesota State Teachers College—I at Winona State and he at St. Cloud State. But it took me 4 years; and Nick only 2½ to get a teachers degree and certificate.

We, then, both taught school for several years—20 some years apart—I, in the thirties, he in the fifties. Likewise we then started our political careers in our respective State senates.

Nick was only 24 when he pulled up stakes and moved to Alaska in 1956, but he was already a veteran of 4 years of high school teaching in Minnesota and he brought his zeal for education along with him.

He devoted the remaining years of his life to promoting the education of Alaska's youth, both in the school system in Anchorage, and in the State senate.

I hope I may be permitted a few moments of indulging in sentimental reminiscing, for it brings back many memories of close friendships that were brought together a quarter of a century later in time. I was still a schoolteacher in 1940 when I was first elected to the Minnesota State Senate, as Minnesota's youngest State Senator. I mention it only because in that same year Hale Boggs, at the age of 26, was elected to the 77th Congress as the youngest Democrat, Nick Begich, at that time, was an 8-year-old elementary school student in Eleventh. Little did any of the three of us realize that while starting at the same time, but widely separated geographically, our lifelines would converge in the Halls of Congress in Washington, D.C., and later end for two of them in our northern-most State of Alaska. Hale Boggs and I then served in World War II, and strangely enough in 1946 he was reelected to Congress by his Second District in the city of New Orleans, and I was elected to the 80th Congress for my first term from northeastern Minnesota.

It was 10 years later, in 1956, that Nick Begich moved to Alaska where, as I mentioned earlier, he gave such splendid leadership in the field of education both as a teacher, school administrator, and later State senator.

Nick was elected to the Alaska State Senate in 1962—22 years after Hale Boggs was elected to Congress and I was elected to the Minnesota State Senate in 1940.

Nick's active mind and his sense of duty and awareness of the great needs to be met attracted him to the political arena and I encouraged him to enter politics. He made his first run in 1968 and made a creditable showing but fell short. We encouraged him to continue, somehow feeling how great was his potential for public duty and service to the people.

Senator HUBERT HUMPHREY went up to speak in behalf of Nick. I made two trips to Alaska and finally Speaker CARL ALBERT gave the final push that helped Nick be elected to the 92d Congress in 1970—30 years almost to the day that John A. Blatnik was elected to the Minnesota State Senate in 1940 and Hale Boggs was elected to the U.S. Congress.

Nick was deeply and effectively involved in everything that touched the lives of all our people—and above all, he was always loyal to his friends, and deeply loved his family—Pegge Jendro, and their six lovely, bright children, and his parents, and two brothers and one sister—all dear friends of mine.

He will be long remembered for his remarkable accomplishments in Washington where, in his first year in Congress, he won passage of the Alaska Native Land Claims Act.

He served on the Public Works Committee, which I have the honor to chair; and I have never seen a Congressman more dedicated to his work, both in committee and on the floor; or more determined to represent the people of Alaska, and to make the full Government serve them as he did.

Much, much more could be said of Nick Begich's public service, not only to his State but to the Nation, in environmental legislation, consumer protection, civil rights, labor, and a long list of other issues.

Brief as was his term with us here, it was crowded with achievements many of us do not attain in a lifetime.

He is the only freshman ever to serve on the Democratic Study Group Executive Committee, where he added his leadership and commitment to liberal reform.

We here today confidently tell each other that the past is prolog; and for us, at this moment, that statement is true.

For Nick, prolog was everything, but he seized the lead from the first parting of the curtain. and played it better than many.

A portion of this stage, the House of Representatives, will remain dark now, as will a part of all of us who were privileged to know him.

Nick Begich was an uncommon man, and one of the most promising Congressmen I have ever met. He left us with much of his promise still unrealized.

We take this opportunity to officially commemorate, once again, a great man, and through him, the people of Alaska and our many Minnesotans whom he served living there, so well.

We, as well as the people of Alaska who chose him to represent them, have known true greatness; and, having known it, the memory remains vivid.

We will not forget Nick, or his achievements.

The people of Alaska, whose lives he changed materially, will not forget him.

Nick has left us all with a higher standard of expectation, and of performance.

Nick was a splendid man, who truly served his fellowman in every sense of the word—but, above all, he was my friend, as Hale Boggs, and I shall always miss them more deeply than I can ever adequately say.

I shall remember them both always in the words of a long ago poet, as one of those shining young men "who died in their glory and never will be old."

Mr. BINGHAM. Mr. Speaker, I welcome the opportunity to join in these tributes to the Honorable Nick Begich. Nick's disappearance, along with our great majority leader, Hale Boggs, was a tragedy not only for his family, but for all of us in the House of Representatives and indeed for the whole State of Alaska.

Nick made a tremendous impression in his all-too-brief service in the House. His enthusiasm was heart-warming, and it was always a signal pleasure to be associated with him on any legislative matter. I greatly regret that I did not have more opportunities of this character.

My wife and I extend to Mrs. Begich and the Begich family our deep sympathy in their loss. May they take some comfort in the fact that Nick Begich had so many friends and admirers.

Mr. VANIK. Mr. Speaker, I want to join with my colleagues tonight in remembrance of our colleague from Alaska, the Honorable Nick Begich. He was truly one of the bright stars of the 92d Congress—a leader of the freshman class in that Congress.

He was a man of infinite promise and potential. He had the youth and exuberance that one would expect from the Representative of our last frontier, last wilderness State. He was dedicated to the service of the people of his State and to the good of the whole Nation.

It is symbolic of our country that Alaska, the 49th State, is made of the various diverse peoples and nationalities which settled our Nation. It is symbolic that this State chose as one of its first Representatives a man whose ancestors had emigrated to the New World from Croatia. One of the largest centers of American-Croatian citizenry in the United States is in my Congressional District. I remember being with Nick in Cleveland once when he spoke to a fraternal group—and I can remember how much he impressed his audience there—as he impressed all of us here—with his drive, with his purposefulness, with his dedication to his country.

My wife and I had occasion to be with Nick and his charming wife on several occasions at our home. We will always remember him as the brave young crusader and fighter—for the betterment of Alaska and the Nation.

Mr. UDALL. Mr. Speaker, Nick Begich probably accomplished more in his short time as a Congressman than any member in a comparable period. He was a shrewd, persistent, knowledgeable legislator who represented his people with fidelity and skill.

I sat near Nick all during the important and often heated deliberations of the Interior Committee on the Alaska Native claims legislation. He often came to my office for consultation and advice though we took different positions on main facets of that bill. I found him resourceful and a man of his word at all times.

The death of Nick Begich was a tragedy not only to his family and his State, but to the country, and to this House. Nick was the kind of legislator who would have helped so much in elevating and improving the Congress and the legislative process. He was an idealist, and yet a practitioner of the possible. We all miss him.

Mr. DOMINICK V. DANIELS. Mr. Speaker, I rise to join with my colleagues in eulogizing Nick Begich, a stalwart spokesman for the people of Alaska, late a Member of this House, who disappeared last fall while campaigning for reelection to this body with our dear friend Hale Boggs.

Mr. Speaker, the Almighty works in strange ways and for reasons of His own He took Nick Begich from us at the age of 40. All of us in the House know that Nick would have served in the Congress for many years had not fate intervened. A singularly useful legislator, he was making a name for himself across the Nation as a young man deeply concerned with the problems that face us and willing to work toward solutions.

Mr. Speaker, we shall all miss Nick Begich and I extend my deepest sympathy to his widow, Pegge, and to their six surviving children. May Almighty God look down upon him and may perpetual light shine upon him.

Mr. DORN. Mr. Speaker, I rise to express my sincere and heartfelt sorrow about the tragic loss of our dear friend and colleague, Nick Begich of Alaska.

In the short time that Nick Begich was a Member of this body, I grew to admire and respect him. We served together on the same committee. Nick Begich was genuinely concerned about the welfare of his beloved State of Alaska and worked diligently to serve his constituents. His outstanding record of public service is an inspiration to all of us. Nick Begich was a man of compassion and concern, he was a man of integrity and a man of superior intellect. I consider it a rare privilege and a memory I shall long cherish to have known and worked with Nick Begich.

To his lovely wife, Pegge, and to their six children, Nichelle, Nick, Tom, Mark, Stephanie, and Paul, I offer my heartfelt condolences. It was his love and devotion for his wonderful wife and family that shall be Nick Begich's greatest memorial.

Mr. BRINKLEY. Mr. Speaker, today in Griffin, Ga., our State's little league baseball championship is getting underway. This event has a special meaning to me as my youngest son, Fred, is a member of one of the teams participating in the championship series.

And, because of this, I am reminded of a conversation which I had with our late colleague, Nick Begich, just prior to his tragic loss last year.

Walking with Nick through the subway from the Capitol to the Cannon Building our conversation turned to one of my favorite topics—baseball. I eagerly recounted to Nick just how much we in Georgia play the game and how fortunate we were to have an exceptional number of motivated youngsters as well as a warm climate which is greatly beneficial to playing.

Then, much to my surprise, Nick told me just how well the young men in Alaska play baseball. He was extremely proud not only of the fact that the game was being played in his State, but, more importantly, that it was being played to a high degree of excellence.

During his service in this Chamber Nick Begich gained our respect for his tireless and dedicated work. He never once missed an opportunity to speak out on behalf of the people of Alaska—not even when walking down the hall with one of his Southern colleagues.

Mr. Speaker, I would like to take this opportunity to join with all of our colleagues in paying tribute to Nick Begich. His absence from this body will be long felt and I certainly share this deep genuine loss with his wife and children and the Alaskan people.

Mr. TAYLOR of North Carolina. Mr. Speaker, I take this opportunity to join my colleagues in paying tribute to our late colleague and friend, Nick Begich.

In my years in Congress, I have had the pleasure of working with many bright, young Members having high ideals, almost unlimited energy, and great ambition—in the best sense of the word. One of the finest of these able young men was the articulate spokesman for Alaska.

It was the Nation's immediate loss when we lost our majority leader—the late Hale Boggs. He was well known, highly respected, and well liked by people all over the country. But it was an equally great tragedy that we lost a bright, young man who offered great promise and potential as a future leader for the Nation.

As a member of the Committee on Interior and Insular Affairs, Nick Begich showed great talent as a legislator. Not only did he show perception in asking key questions on proposals before the committee, but he showed leadership in guiding through the committee one of the major legislative accomplishments of the 92d Congress—the Alaska Native Land Claims Act.

Nick's work was not selfishly motivated. He worked diligently as a member of the Subcommittee on National Parks and Recreation on projects of all kinds, but he never forgot to get in a pitch for the interests of his constituents whenever the opportunity arose. Just a short time before his last trip to Alaska, he successfully pressed our subcommittee to consider—and convinced us to approve—legislation enlarging and improving the Sitka National Monument in his home State.

Mr. Speaker, besides being a hard worker, an able advocate, and a constructive legislator, Nick Begich was the kind of a person everyone likes to have as a friend. He added warmth and enthusiasm to the legislative process. To him every day was a challenge and an opportunity. Together with his wife, Pegge, he could bring light into a dark day, a smile to your face, and turn a cold room into a warm, friendly place.

As a colleague, Nick Begich was tops. He understood the legislative process and its problems—he did not fight it, he worked with it—and he usually succeeded. As a friend, we could work and laugh together—perhaps we might disagree on an issue, but when the debate was over and the votes were counted we were still friends. Our loss is beyond words, but the memory of this man and the mark which he made in all of our hearts will remain with us in the years ahead.

Mr. BADILLO. Mr. Speaker, I am indeed proud to join with my colleagues in honoring the memory of our colleague, Nick Begich. I am proud to have known Nick, to have entered the House with him in the 92d Congress and to have had the privilege of working with him.

Although our acquaintance was much too brief, I was deeply impressed with Nick's boundless energy, his dedication, and perseverance and his effectiveness as a legislator, even as a freshman. He came to the Congress after a distinguished career as an educator and State legislator and very ably represented the vastness of his State. A tribute to the tireless and effective efforts of Nick Begich was the passage of the Alaska National Land Claims Act, a measure which had languished in the Congress for some 6 years before his arrival.

Nick Begich had a bright and most promising career before him and there is no question, but that he is sorely missed in these halls. His premature loss is a great tragedy—for his family, his State, and his country.

Mrs. GRASSO. Mr. Speaker, it has been 9 months since our friend and colleague, Nick Begich, failed to return from a flight over Alaska. The passage of time has not lessened the tragedy that struck his family, his State, and the Nation that day. Indeed, it has only demonstrated the extent of the loss we have suffered, because of his passing.

Nick Begich, after only one term in the House, had established himself as a conscientious legislator, dedicated to the welfare of his State and his country. He served with distinction on the Public Works Committee, and the Interior and Insular Affairs Committee, vigorously and successfully fighting for legislation to benefit the citizens of his State.

Nick's devotion to his work, which he pursued with uncommon energy and enthusiasm, helped him make his mark in the House. He had wisdom beyond his years, and his opinions were greatly respected by all who knew him. It is men and women like Nick Begich who will turn the promise of a great American future into a reality. It is indeed tragic that his life was cut short at the very time that he was working so vigorously for constructive progress and change. It is with great respect and admiration for the late Nick Begich that I join my colleagues in paying tribute to him today.

Mr. EDWARDS of California. Mr. Speaker, the loss of great leaders has been felt by this country throughout our history. They have been tragic losses, known by all, touching all hearts. But the loss of a potentially great leader, an inspiring beginner, an idealist with the ability to place dreams in a working perspective, a man such as Nick Begich, seems the most tragic loss of all.

Nick Begich was a workingman, dedicated and devoted to the ideals of his country, the preservation of his great State, and the welfare of its people. Although he was a Member of this House for barely 9 months, his accomplishments proved him to be one of the most active and conscientious freshman legislators in recent history.

He worked for better education, he worked for legislation to include environmental protection relating to the Alaskan pipeline, he was vice-chairman of the DSG and the Indian Education Task Force; just a few of the many accomplishments signifying his dedication to the ideals he held so high.

Mr. Speaker, I would like at this time to join my colleagues in honoring the late Nick Begich, a truly great legislator.

Mr. ZWACK. Mr. Speaker, I wish to join my colleagues in paying special tribute to Nick Begich.

Nick was born in our great State of Minnesota and was a distinguished alumnus of St. Cloud State College in our Sixth Congressional District. He was an outstanding example of the quality of citizens we have in Minnesota.

The last time Nick and I walked to the Capitol from our offices on the fifth floor of the Longworth Building was the Friday in October before he was to be honored as the alumnus of the year at St. Cloud State College. We discussed Minnesota and the upcoming homecoming of the college. We were both scheduled to ride in the homecoming parade but were detained in Washington and could not make it.

The next Monday Nick's plane was lost.

I have and shall continue to miss Nick's presence in the House of Representatives very much. Even though we sat on opposite sides of the aisle, our friendship crossed party lines.

I will always remember Nick as one of the finest colleagues with whom I have served. He did an effective job for his district. I shall always feel proud that this distinguished man had his roots in our great State of Minnesota.

Mr. ROE. Mr. Speaker, while on an official leave of absence with our Science and Astronautics Subcommittee on International Cooperation in Science and Space in Moscow and Japan, I regrettably missed the special order honoring our former colleague, the late Honorable Nick Begich of Alaska. I, therefore, appreciate the opportunity to join in this well-deserved tribute through the insertion of my memoriam to Nick in today's historic journal of Congress.

Nick was a junior freshman to me by 1 year—having joined the Congress 1 year after I took office—and I will never forget the warmth of the exchange of views and the friendship and understanding that kindled between us in the brief time that I had the good fortune to know him.

He was a great American statesman himself, but always expressed awe and appreciation for the leaders and makers of history in our Government. I will always remember his great admiration for Presidents Truman and Kennedy especially.

I too now stand in awe of his many accomplishments as an educator, businessman, and all-too-brief career as a Congressman. As my colleague on the Public Works Committee I was able to observe firsthand the quality of his leadership and the richness of his wisdom in his quest for answers to the problems to meet the needs of our people.

It is difficult and incredulous to understand his tragic disappearance cutting off his expertise in the middle of our deliberations here in the Congress, at such a young age in our society. He is indeed sorely missed by all of us who had the good fortune to know him.

He served his country with distinction and honor and was a credit to his family and the constituency he represented here in the House of Representatives. Our Nation is indeed grateful for his dynamic and courageous endeavors in outstanding public service to the citizens of his congressional district and the United States of America.

Words are inadequate to fill the void of his great loss—but I do trust that his wife, Pegge, and his children, Nichelle, Nicholas, Thomas, Mark, Stephanie, and Paul will soon find abiding comfort in the faith that God has given them and in the knowledge that the Honorable Nick Begich is now under His loving care.

Thank you, Mr. Speaker, for this opportunity to express my deepest sympathy and profound homage to a great American.

Mr. HELSTOSKI. Mr. Speaker, I wish to join in paying tribute to the late Nick Begich who served his constituents and his Nation with great effectiveness, distinction, and accomplishment.

While Nick was afforded the opportunity of serving only one term in the House of Representatives, he exhibited to all of us a devotion to duty that should serve as a goal for all present and future Members of Congress.

No more fitting memorial could be left to us and to those near and dear to him than the knowledge that Nick Begich was a man of complete devotion to the duties bestowed upon him by the people of the State of Alaska.

Mr. DULSKI. Mr. Speaker, it is with a deep sense of loss that I join in paying tribute to the late Honorable Nick Begich. His service in the U.S. House of Representatives was all too brief, but his accomplishments were many.

It has been just a little less than a year since I had the opportunity to be in Alaska to speak at a banquet of the American Federation of Government Employees in Anchorage. Nick had persuaded me to accept their invitation, and I was struck by his dedication to the Federal employees. No one knew better than he did the adverse conditions for workers in Alaska and no one cared more about their welfare.

My remarks at the banquet contained a good bit of sincere praise for Congressman Nick Begich, and I would like to repeat it here.

> These tributes should not be treated lightly. They are well deserved. For in today's world of self-declared expertise, instant criticism, and self-imposed blindness, one often loses sight of the tremendous service performed by the civil servant and by outstanding Congressmen such as Nick Begich.
>
> Before I discuss with you those legislative matters in which you are deeply interested, I would like to tell you about your own Congressman, Nick Begich.
>
> He has one of the most unique Congressional jobs. As the lone Congressman from a State as large and complex as Alaska, he does not have the same freedoms that a Congressman from another State might have to choose his issues.
>
> In a State with ten or twenty Congressmen,

a trend often develops that one man might specialize in health care, while another chooses foreign policy or education. For Nick Begich, and Alaska, this isn't possible—he must do the whole job, and there are some things about him that make certain he does it well.

First, Nick has a clear view of Alaska's priorities. From the very first day he came to Congress, back in January of 1971, he knew that the Alaska Native Land Claims would be his first job.

He knew that he had to do all that was necessary to get progress on the Trans-Alaska Pipeline project, and to make it a safe project environmentally.

He knew he has to deal with Alaska's unemployment, which is usually at least double that of the rest of the nation.

He knew he had to gain better water and sewer systems and other community services throughout Alaska, and to make new jobs while doing so.

He knew he had to improve the transportation system in Alaska by working on a bill to allow Alaska's beautiful ferry, the WICKERSHAM, to operate with a waiver of the Jones Act, and by working with the C.A.B. on the Alaska air service cases.

He also knew how vital the needs of government employees were, but I want to say more about that later.

Very rarely has a freshman gone after his committee assignments as Nick Begich did. He knew that Interior and Public Works were the key committees for Alaska, and he never let up in seeking them. Of course, he won. Since a Member is limited to two, Nick had to skip others which were vital, such as Merchant Marine and Fisheries and my own Post Office and Civil Service, but he is like an extra committee member on both of those and others.

Next, anyone who watches Nick sees immediately that he believes idealism is worthless without hard work. I understand Nick has a voting record of over 99 percent. I can add to the fact that he attends about 99 percent of all his committee meetings as well.

Perhaps you don't understand why that is so important, but let me tell you it is vital. First, it means Alaska is *always* represented, even with its single Member. Next, it means that Nick is there when someone else's problems are considered, and as a colleague I respect that.

Another factor of crucial importance is that Nick Begich insists on getting his colleagues to Alaska. The fact that the Speaker of the House Carl Albert and Public Works Chairman Blatnik have come to Alaska for Nick is amazing.

Now I understand our distinguished majority leader, Hale Boggs, is coming, and, of course, he had talked me into coming to see the government employees of Alaska.

I can tell you that, one year ago, I never thought I would be here but I am, and it is as important to see why Alaska is different—as your Congressman said it would be. Also, I think I can hint that Nick has some surprises in store for future visits.

To conclude these thoughts, let me say that Nick has been incredibly successful.

After years of failure on the part of others, the land claims bill—and a good one—passed overwhelmingly in the House during the first year that he was in office. Before Nick Begich came, such a bill had never been reported out of the Indian Affairs Subcommittee.

Nick's bill to secure a waiver of the Jones Act which allows the WICKERSHAM to operate between all ports in Alaska was also passed, and there are vital public works projects moving forward for every area in the State.

Your Congressman has done so much in such a short time that I recall when the Wickersham bill came before the full House, only a short time after the Native Land Claims bills, Members were shaking their heads and going over to joke with Nick that "he was getting too much."

He just tells us it is a big state.

Travel to Alaska, across the width of our continent, is a major undertaking, to my way of thinking. Yet Nick took it in stride, as part of his duty to his constituents and their interests—even during the major airline strikes, when delays drove ordinary people to distraction, Nick considered the sacrifices a part of his service.

During my visit, I had the pleasure of meeting his lovely wife and family, and felt the closeness of their relationship. Our hearts and our thoughts go out to them and we share their sadness.

Alaska is indeed a big State, and Nick Begich was a big man who represented it in a big way. I am sure that we all thought of him yesterday, when the trans-Alaska pipeline bill was passed—even though he is gone, much of the impetus for passage was his. He will be greatly missed.

Mrs. Dulski and I extend our sincerest condolences to the Begich family.

Mr. CAMP. Mr. Speaker, it is with great sorrow that I join my colleagues in paying tribute to the late Nick Begich. I do not believe this Chamber has seen many freshman Members who were as knowledgeable and effective on legislative matters as was Nick. While always striving to serve his Alaskan constituents to the best of his ability, Nick also grasped the wider implications of measures presented to this body and served the entire Nation well.

I was privileged to serve with Nick on the Interior and Insular Affairs Committee during the 92d Congress, and learned to appreciate his personal qualities of kindness, humor and ability when we were working together so closely on the Alaska Native claims legislation. Nick showed a keenness of mind and an understanding of the intricacies of this bill that could only come from deep study and personal involvement with the issues. Without his counsel, we would have had a rough time moving this urgent legislation through the committee and the House.

Early this year, I traveled to Alaska as a representative of the House of Representatives at a tribute for Nick. I was impressed by the high respect in which Nick was held in his home State.

The State of Alaska has lost an effective Representative; America has lost an able legislator; and I have lost a good and valued friend. But our loss cannot compare with that of the charming and brave Pegge Begich and her children, and to them I again express my sorrow and regret at Nick's untimely death and my deepest sympathy and condolences.

Mr. SYMINGTON. Mr. Speaker, I simply want to add a word to what has been said, so well said.

I think perhaps FRANK EVANS had in mind what I had, and that is that if there was any one quality that Nick brought to us, to this House and therefore to the country, it was a sense of joy in his work and in his mission; a kind of gladness, as if it was the most natural thing to come down here and wrest from 434 other Members effective answers to the complex problems of Alaska and the Nation.

He had a kind of zest for that. I remember best, really, his eyes. In his eyes was this haunting combination of curiosity, insistence, compassion and a kind of belief that the answers he would get would be the ones he wanted. It was very difficult, really, to look at Nick's eyes and see "Yes" written there, and say "No."

And he did it all with such a keen, clear spirit. His character and personality were a tremendous credit to a great many people we have never met.

One philosopher has written that every man, every human being is the tip of a pyramid, an invisible pyramid of hopes, plans, character, and bloodlines of men and women who have gone before and from whom he descends. We cannot know those people, but we know they must have been sturdy and strong, uncommonly wise, great people; for certainly, he was.

So, I join my colleagues in hoping very much that his wife Pegge and his children and family will bear in mind that that is how we will ever think of him and all who were close to him.

Mr. NATCHER. Mr. Speaker, I rise to pay humble tribute to the memory of my friend Nick Begich.

Soon after being elected a Member of the Congress Representative Begich established an outstanding record with all of the Members. Honor, ability and integrity were the hallmarks of Nick Begich's career in the House of Representatives.

I had the honor to preside at the time the Alaskan bill was before the House. For a great many years efforts had been made to settle this particular problem and it was through the efforts of Nick Begich that this legislation was enacted. I recall distinctly that during general debate on this bill he presented the case of the residents of Alaska in a brilliant manner and with his warm humanity and congeniality had no difficulty in receiving the assistance of the majority of the Members of the House of Representatives.

Few men in any walk of life have attracted so large a share of public attention as he did in presenting the claim of his people. He was always cheerful, humble, and dedicated and possessed a delightful sense of humor.

We all miss Nick Begich in the House and the record that he established will long live in the minds and the hearts of the people in this country.

I extend my deepest sympathy to the members of his family.

Mr. FISHER. Mr. Speaker, the terrible tragedy which claimed the lives of our distinguished colleagues, Hale Boggs of Louisiana and Nick Begich of Alaska has cast a pall of sadness over the House of Representatives. We have previously honored the late Hale Boggs with appropriate eulogies, and we are now engaged in eulogizing Nick Begich. Although his length of service in the Congress was cut tragically short, in a relatively brief period of time, he established an enviable reputation as a man of highest integrity and as a valuable and devoted public servant. I share the admiration which has been expressed by so many.

To Mrs. Begich and other members of the family, I extend my deepest sympathy in their bereavement.

Mr. OBEY. Mr. Speaker, on behalf of Nick's family, the gentleman from Iowa, and the gentleman from California, I should like to thank everyone who participated this evening.

GENERAL LEAVE

Mr. CULVER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the life and services of our late colleague, the Honorable Nick Begich of Alaska.

The SPEAKER pro tempore (Mr. McKay). Is there objection to the request of the gentleman from Iowa?

There was no objection.

THE FUTURE OF COMMONWEALTH STATUS FOR PUERTO RICO

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Puerto Rico (Mr. Benitez) is recognized for 60 minutes.

Mr. BENITEZ. Mr. Speaker, I rise to speak today on the future of Commonwealth status for Puerto Rico. It is a status which has no equivalent in this hemisphere. It sprung neither from a theory nor from a pre-established formula. Commonwealth evolved and continues to develop rather from the needs, experiences, vicissitudes, conflicts, achievements, adjustments, contradictions, and aspirations inherent in 75 years of close relationship. It has been a fruitful and rewarding association even though at times it has been confusing and perplexing, certainly for Puerto Rico, probably for the United States also. In the immediate years ahead, we hope to dispel or at least reduce the confusion and perplexities and to enhance, in mutually acceptable ways, the fruits and rewards of permanent association.

As a juridical reality Commonwealth was created jointly in an unique process of deliberation and adjustment between the government and the people of Puerto Rico and the Congress and the President of the United States, 21 years ago. On that 21st anniversary, last Wednesday, July 25, Governor Rafael Hernández Colón reviewed the history and the basic orientation of Commonwealth in a compelling speech which I ask leave to insert as part of my presentation. Governor Hernández Colón stressed, among other things, a basic tenet of our approach concerning the meaning of Commonwealth status.

Commonwealth is not a midway station to statehood or to independence. It is a new modality of free and voluntary association based upon common citizenship, common defense, common trade, common democratic ideals, and a mutual commitment to a common Judaeo-Christian ethical outlook. This outlook proclaims the dignity and the brotherhood of man, the worth of democracy, an awareness of the vulnerability of man and his government, the lasting need to protect both through eternal vigilance, self-control, self-improvement, and an abiding sense of human solidarity and also of human fallibility.

We do not wish to alter, jeopardize or weaken any of these essential solidarities and aspirations. But we wish to work for constantly meaningful contributions within these fields as well as in the broad expanse of initiatives in self-government. We believe such potential initiatives should be fully exercised and explored by the people of Puerto Rico. Hundreds of years living together in isolation and 75 years of close association have produced our own style, rhythm and complexities. We deem it important that we should have the widest freedom in evolution. Our institutions must enjoy an ample framework of responsibility essential to variations, experimentation and even mistakes inherent in the process of life and self-fulfillment.

After 21 years of Commonwealth status its fundamental postulates remain valid and sound. Commonwealth is a creative, flexible, forward looking, political contribution. It is free from hatred and from abiding hostilities, it believes in interdependence rather than dependence or independence. For us the ultimate is not that man should serve the structure but that the structure should serve man and should do so both as an individual and as a member of society.

No one has done more for Commonwealth nor has expressed better its humane goals than our peerless leader and founder of Commonwealth, Luis Muñoz Marin. I shall include also as part of this presentation his words on the day when Commonwealth was established on July 25, 1952. Against that background I include also Muñoz Marin's own review of the unfinished agenda of social justice. The grand old man, eternally alert and eternally young, points to the vistas ahead in the unending task of stimulating and rendering possible the noble, uplifting, worthwhile lives of maximum service and achievement which must be open to every Puerto Rican in the years ahead.

But Commonwealth is considerably behind itself in very many of its legal expressions and its many ambiguous zones of day to day relationships and practices. The Puerto Rican Federal Relations Act needs to be rewritten and modified.

On July 23, 1967, pursuant to recommendations formulated by a joint commission of Puerto Ricans and Continentals appointed under congressional and Puerto Rican legislation, a plebiscite was held in Puerto Rico concerning future political alternatives and including the improvement of Commonwealth, the search for statehood or for independence.

The improvement of the Commonwealth won by a broad margin. In the November elections the Popular Democratic Party committed itself to the pursuit of that objective. Under it, the Resident Commissioner of Puerto Rico was charged by Puerto Rican law to work toward the advancement of Commonwealth status. In keeping with the pledge and with the law, I have written the White House requesting the appointment, jointly with the Governor of Puerto Rico, of a Special Advisory Committee, "to delineate and clarify all measures leading toward a maximum of self-government for the Commonwealth of Puerto Rico within its relationship with the United States", and, "to recommend the most suitable, effective, and expeditious means for the formulation and joint consideration and adoption of specific measures for such development."

I am happy to report that the President of the United States through the Director of the Domestic Council has responded affirmatively to this request and that tomorrow the Director of the Domestic Council itself, Mr. Kenneth R. Cole, Jr. and its Associate Director, Mr. Richard Fairbanks, will leave for Puerto Rico to confer with Governor Hernández Colón and his advisors on the nature and scope of this initiative. I ask leave to include both of these letters into the Record.

We stand, Mr. Speaker, on the threshold of what I trust will be important developments for Puerto Rico and for its relationship with the United States. They are developments on which undoubtedly this House of Representatives and this Congress will be called upon to deliberate and act.

I expect to participate in these deliberations both in Puerto Rico and in the Congress. I trust that it will be my privilege to continue to receive from my friends on both sides of the aisle the same warm and sympathetic consideration for all matters relative to Puerto Rico which heretofore has been accorded.

One final word on the symbolism of the 25th of July.

It is also the day of the patron saint of Spain, Santiago or Saint James, the legendary warrior sent from above to assist Spain in its heroic defense of Christianity against Islam. This profoundly Spanish holiday has become interwoven within the fabric of Puerto Rican history and sociology since 1494 and has come to dominate it. It is the same day when in 1898 Gen. Nelson Miles landed his troops in Guánica and proclaimed the advent of a new and great future for Puerto Rico. What has been and what will be the nature of that future? We are addressing it now. Santiago is also identified in Catholic tradition as the Apostle of Hope. We hope that in the many 25th's of July to come we may continue to honor this legendary holiday as one where the hopes of the people of Puerto Rico will be amply fulfilled in the years ahead. To that purpose we ask your understanding and your cooperation.

ECONOMIC LEVIATHAN

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. Crane) is recognized for 5 minutes.

Mr. CRANE. Mr. Speaker, an analysis of economic history will demonstrate that every major inflation has been caused by the expansion of the money supply by a central bank. This is no less true in the United States than in other countries where in times past one has needed a bushel basket of money to buy a loaf of bread. It is clear that when the rate of growth of the stock of money exceeds increases in productivity, inflation results. Conversely, the way to reduce the rate of inflation is to reduce the rate of growth of the money supply.

One wonders then why the Government does not simply decrease the rate of growth in the money supply. Brief analysis will make the answer obvious.

Our economy is plagued by a number of Government sanctioned rigidities such as monopolistic labor unions, minimum wage laws, protective tariffs, and so on which prevent wages, and hence prices, from being flexible downward or even stable for very long. Consequently, a decreasing price level affects the level of employment and not simply the nominal, as opposed to real, level of wages. The result is that so long as we do not eliminate these unnatural structural problems we will have to sustain some pain in dealing with inflation. Milton Friedman, the noted economist, points out that in the slowdown of 1969–70, as with earlier periods of monetary restraint, the Government reversed its policy and eased the monetary situation just as the policy was beginning to work. The inflationary spiral boomed once again. The Government could not stand the heat that was necessary and reacted by getting out of the kitchen.

It is thus not surprising that Government has embraced the current mess of economic controls. They allow the Government to appear to be doing something when in actuality the necessary steps are avoided because of the temporary problems that would arise. Free enterprise is made a scapegoat for a problem caused solely by the Government.

Controls can never work to arrest inflation for anything more than a temporary period. In fact, if controls are successful in holding down prices in the face of increasing costs, shortages will inevitably occur. It is no exaggeration to say that wage and price controls are faulty in concept, disasterous in practice, and most importantly represent an unconscionable tresspass by the State on the individual's freedom to trade as he desires.

Mr. Speaker, I would like to share Milton Friedman's important analysis of economic controls which appeared recently in Newsweek and insert it in the RECORD at this time:

MONUMENTAL FOLLY

(By Milton Friedman)

The new freeze and phase four are a tragic mistake. They take us a long way down the road to rigid and widespread controls. Such controls cannot halt inflation. But they can destroy our freedom and our prosperity.

Are we returning to more rigid controls because our recent experience demonstrates that they are an effective method of stopping inflation? Hardly. Consumer prices rose at annual rates of 5.5 per cent in 1970; 3.8 per cent in the eight months of 1971 preceding the freeze on Aug. 15; 3.4 per cent in the whole seventeen months of the freeze and phase two; and 4.1 per cent in the final six months of phase two. Wholesale prices rose at rates of 2.3 per cent, 5.3 per cent, 5.9 per cent and 8.9 per cent in the same periods. The price explosion since the end of phase two has been greatest in foods, never controlled under phase two. For the rest, it mostly continues a trend that started during phase two or unveils price increases concealed by phase two.

Are we returning to more rigid controls because other experience demonstrates that controls are an effective method of stopping inflation? Hardly. The standard life history of controls—documented time and again—is initial apparent success, growing difficulties as distortions accumulate, and a final price explosion when controls collapse or are repealed.

Are we returning to more rigid controls because economic reasoning demonstrates that they are an effective method of stopping inflation? Hardly. A few economists—John Kenneth Galbraith is the most prominent—argue that they are. But for two centuries and more, most economists have regarded controls as an attack on symptoms, not causes; as an interference with the market that creates shortages, distorts production, and breeds further controls; as a desperate expedient for a time of war.

The President, the legislators, and even the shortsighted denizens of Wall Street who cry for controls know this record. They cannot possibly believe that controls are an effective way to stop inflation. Why then do they favor them?

The answer is clear. Any effective policy to stop inflation will be painful. Once inflation gets the start it has here, there is simply no way to stop it without a slowdown in the economy and probably a recession. Three times in the past fifteen years we have taken the cure: in 1960–61, 1966–67, 1969–70. Each time, the cure has started to work. Each time, the policymakers became impatient before the cure had done its work and revved up the monetary and fiscal engines of inflation. Each time, we have suffered the pains in vain.

This time, policymakers do not want to pay any cost. They do not want to stop inflation. But they want to *appear* to be doing something about inflation. Controls look like a way to have their cake and eat it.

In 1971, controls achieved this confidence trick for a time. Perhaps they will again. But conditions are far less favorable. In 1971, surplus capacity was available to increase output; today, we are pressing against capacity limits. In 1971, the public had no experience with wage and price controls in peacetime. It could be gulled into believing that pronouncements were a substitute for policy. Today, the public is less gullible.

The temptation will be strong to try to make the retreaded controls work by piling one intervention on another—the scheduling of production, the allocation of raw materials, the rationing of consumer goods. The proposed export controls are a first portent.

If the U.S. ever succumbs to collectivism, to government control over every facet of our lives, it will not be because the socialists win any arguments. It will be through the indirect route of wage and price controls.

Is there no way to prevent this act of monumental folly?

PATRIOTIC FESTIVAL

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania (Mr. McDADE) is recognized for 10 minutes.

Mr. McDADE. Mr. Speaker, recently a group of people from the city of Scranton and surrounding areas gathered at Nay Aug Park for a July 4 ceremony. That ceremony, entitled the "Patriotic Festival" attracted a most important crowd who met for a most important purpose. A great deal of the program convened to "Honor America Week" devoted itself to an unalterable commitment dedicated to our MIA's, those from my congressional district and those from every State in this great Nation.

The deep and meaningful significance of this program was brought to my attention by Mrs. William E. Fleth who has been appointed by Mayor Eugene Peters to serve as chairman of the 1976 observance. Mrs. Fleth was kind enough to bring to my attention the magnificent column written by Mr. Joseph Oravec of the Scranton Times which details much of the activity that took place. Mrs. Fleth was fortunate to have working with her Mr. Edmund Bojnowski who has long been active in veterans matters in our area.

In requesting permission to reprint this column in the CONGRESSIONAL RECORD, I would call particular attention to two things which I believe to be notable. First, I would point out the enduring memory and love of the people of my congressional district for those who are still listed as Missing in Action, and in particular their concern and the concern of the parents for Captain Wesley Ratzel, who is still listed as Missing in Action in Vietnam.

I would point out that there were present for these ceremonies approximately 600 children and 600 adults. The patriotism which all of us feel on that day celebrating the birth of our Nation is still strong, and is still among the young who will carry on the work and traditions of America.

I know my colleagues join me in pledging that we will never forget those who are Missing in Action in Vietnam until all are accounted for. We are speaking of Captain Ratzel, Sergeant Pearce, and Colonel Giannangeli, all from our area, and more than 1,000 MIA's who are still unaccounted for. As Mrs. Ratzel said on this occasion, "You just can't forget someone you love just because a few months go by." Nor shall any of us in the Congress be content until the last MIA is accounted for.

[From the Scranton (Pa.) Sunday Times,
July 8, 1973]

CITY DESK NOTES

(By Joseph Oravec)

The "Patriotic Festival" attracted a crowd on July 4 to the Lincoln Swim Complex at Nay Aug Park, Scranton.

But it was the participation of the younger element in the community that impressed the adults present. Mrs. William E. Fleth, who was named to serve as chairman of Scranton's 1976 observance by Mayor Eugene Peters, and Edmund Bojnowski, who, along with a large committee, directed activities, planned the program to have the youngsters join the adults in the presentation.

Joan Williams, a Girl Scout; R. Stephen Carter, a North Scranton Junior High School student; junior members of American Legion Post 568, and Howard Pittle, a Cub Scout, had active roles in the program.

There were others such as David J. Wenzel, a Vietnam veteran, and Edwin Glorius, a student at Dickinson College, who participated.

What's more, each of those present—young and adult—were there because of a deep feeling of patriotism . . . and as the Mayor's Flag Committee, sponsor of the program, listed one of its purposes, "to cherish, maintain, and extend the institutions of American freedom as stated in the Constitution of the United States and the Declaration of Independence."

A very solemn note was struck when a Freedom Tree was planted in honor of Capt. Wesley Ratzel, 26, who is listed as missing in action, and others who served in Vietnam. He was shot down while piloting a plane on May 18, 1972.

The expression of faith by Mr. and Mrs. Wesley Ratzel, 510 Leggett St., Scranton, that their son is alive has not wavered over the passing months. They will not give up hope.

They call for public opinion to be mustered as never before in order that terms of the peace treaty are complied with and all prisoners of war are returned.

The list of missing in action is long. The fate of those U.S. servicemen is unknown.

The Ratzels will "never give up trying to find Wesley."

"You just can't forget someone you love just because a few months go by," the missing pilot's mother said.

There was another couple present on July 4 whose hearts also ached over the loss of a loved one in Vietnam.

Mr. and Mrs. Anthony Vancosky, 1709 Luzerne St., Scranton, met the Ratzel family after the program had ended.

The Vancosky's son, Michael, a Marine, was killed in action on May 4, 1970, the day that propelled Kent State into history.

"The word Kent remains indelible in my mind. It was a day of flag burning, demonstrating. I can understand a difference of opinion but I can't for the life of me understand why anyone would march carrying the Viet Cong flag," is the way Mrs. Vancosky put it.

The memories remain ". . . that was the saddest Mothers Day of my life, waiting for Mike's body to be brought home from Vietnam. He arrived the next day," she added.

The flag is important to the Vancoskys. "My earliest recollection of the flag goes back to my childhood. I remember every Armistice Day. We didn't have school on that day. My mother would call us in before 11 o'clock and when the bells would ring she would tell us to say a prayer with her in memory of the boys who died. We prayed on the 11th hour, 11th day of that 11th month. She would tell us when carrying the flag, never let it touch the ground, or never defile it. By today's standards she would be considered a lowly immigrant. She came from the Ukraine."

Michael Vancosky, who made the supreme sacrifice was born on Aug. 14, 1950. "It was the fifth anniversary of V.J. Day . . . the day when the war with Japan ended. It's ironic that a son is born on the anniversary of one war's end and grows up to die in another war," his mother said.

"Pray God we have no more wars," she added.

Yet, the memories remain. Mrs. Vancosky wears a POW bracelet. The name is that of Marine Capt. James Carlton, missing since April 17, 1967.

"The agony the family goes through not knowing," Mrs. Vancosky noted.

On July 4th—at a "Patriotic Festival"—the Vancoskys and the Ratzels, whose sons gave their utmost in the service of this country, met, shared their grief—but never relinquished faith in their country.

They—and people like them—have built the ramparts of America.

RECOMMENDATIONS ON CAMPAIGN FINANCE REFORM

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Minnesota (Mr. FRENZEL) is recognized for 60 minutes.

Mr. FRENZEL. Mr. Speaker, at the request of many Members, I am presenting the Report and Recommendations on Campaign Finance Reform by the House Republican Task Force on Election Reform, dated July 31, 1973.

The report will be followed by at least 2 more; one on Registration, and another on Constitutional Amendments.

The core of this report is our recommendations to insure maximum individual participation, maximum party responsibility, and reduced influence of vested interests. The requirement that candidates' committees can accept contribution only from individuals or party organizations is the most significant feature of the report.

Also extremely important is our recommendation favoring a Federal Elections Commission. In 1971, the House rejected this concept, but a majority of the Task Force believes that an FEC is now necessary.

The report is as follows:

RECOMMENDATIONS ON CAMPAIGN FINANCE REFORM

The fact that the people of this nation possess and cherish a great system of representative government is well known. Less well known, and often obscured, is the fact that we also have a unique, and equally great, political system.

The American political system, while not immune to defects, has produced responsive leadership and responsive government in the most complex, diverse and changing society the world has ever known.

Safeguarding the integrity of this American political system should be among our highest priorities. Recent revelations of unethical and illegal political activities now give this priority a new urgency.

During the past few years, there has been a growing awareness of abuse of our political system. Officials, elected and appointed, in all branches and levels of government, have been involved in improprieties and illegal ties ranging from bribery to kickbacks to dirty tricks to illegal and unreported contributions and expenditures. Unfortunately, these problems are not a new phenomenon. They have been occurring with disconcerting frequency through modern political history.

Revelations such as these may well have contributed to the decline of public trust and confidence in the institutions and leadership of our country. A May–June 1973 Gallup Poll found that while 42% of the Americans surveyed expressed confidence in the U.S. Congress, 50% expressed little confidence. The Harris Poll, published on November 13, 1972, showed that only 27% of those sampled expressed a great deal of confidence in those running the Executive Branch of government. The same survey showed that a mere 21% had confidence in the leaders of Congress.

The House Republican Research Committee established the Task Force on Election Reform to study and make recommendations to strengthen the vitality and preserve the integrity of the electoral process. Under this charge, the Task Force herewith makes its initial recommendations with respect to campaigns, disclosure, contributions and expenses.

First, the Task Force, after diligent research, recommends that our campaign laws be amended to achieve the following goals:

(1) Build public confidence in the electoral process by making the process visible, understandable and credible.

(2) Ensure maximum individual participation, interest and responsibility; reduce the excessive influence of vested interests, strengthen political parties and make them responsible for their candidates.

(3) Increase penalties for violations and ensure vigorous and complete enforcement of election laws.

(4) Provide challengers with a fair opportunity to present their case to the public, so they have a reasonable chance of defeating the incumbent.

(5) Place reasonable limits, consistent with challengers' needs, on the mushrooming costs of running for office.

(6) Place reasonable limits, consistent with constitutional rights, on excessive individual contributions.

Next, the Task Force determined that the following specific recommendations would best achieve the above goals. The Task Force does not mean to exclude other worthy proposals but believes strongly that these recommendations should be included in any election reform bill to be considered by Congress.

SUMMARY

The House Republican Task Force on Election Reform after extensive deliberations and debate, makes the following recommendations:

1. An independent Federal Elections Commission should be established to supervise the Federal Election Campaign Act. The FEC would have all the powers of the existing supervisory authorities and in addition, the power to subpoena. Prosecuting powers shall be left to the Justice Department. If the Justice Department fails to act when violations are referred by the Commission, the Commission may request the Justice Department to give information as to what action is expected, and if none, why not. The Justice Department shall make a complete response which shall be public information, within 90 days.

2. Each candidate in any Federal election shall designate a single committee as his authorized campaign committee which shall designate a single depository of its funds. In a general election, all major party presidential candidates must designate the national committee of his or her political party as his or her authorized campaign committee.

3. All campaign expenditures shall be made by the candidate's authorized campaign committee, except that expenditures may be made on behalf of any candidate by political party organizations but such expenditures will be considered as a contribution to the candidate's authorized committee and will be subject to the limitations in No. 5.

4. No authorized committee may accept contributions from other than individuals or political party organizations. It may receive contributions from other organizations acting as agents of individual contributors provided the individual contributor so designates and the contribution is identified as to the original donor.

5. Except in those instances in which a contributor has expressly designated or earmarked a contribution for the benefit of a particular candidate, a political party organization may contribute to an authorized committee without identification of the original contributors.

6. No authorized committee of a candidate for Federal office for the House and Senate shall accept more than $5,000 from any individual contributor for any Federal election contest. No authorized committee of a candidate for President shall accept more than $25,000 from any individual contributor for any Presidential election contest.

7. All amounts knowingly contributed or knowingly accepted in excess of the amounts designated in recommendations 5 and 6 shall, upon the determination of their illegality, be paid over to the Treasury of the United States.

8. No authorized committee of a candidate for the House of Representatives, Senate and President may spend more than $150,000 or 25¢ per eligible voter, whichever is greater, for any election.

9. No checks or other campaign funds shall be drawn on foreign banks.

10. No authorized committee or political party organization shall accept contributions from non-resident aliens.

11. No authorized committee shall accept cash contributions made in excess of $100.

12. (a) General election day shall be a national holiday.

(b) Primary elections for the House and Senate shall be held no earlier than August 1.

(c) Polls should close simultaneously throughout the country in Presidential elections.

(d) Presidential primaries shall be held no earlier than May 1.

13. The Equal Time provision of the Communications Act of 1934 shall be repealed for all federal candidates.

14. Congress shall make a study of Federally issued scrip. This scrip should be serially numbered, computerized, containing names and addresses of donor, recipient and redeemer, and available at post offices and Federally insured financial institutions. It should be the only valid medium of exchange in all Federal primary and general elections for all expenditures by or on behalf of candidates and for all contributions in excess of $100.

15. The Federal Election Campaign Act shall preempt individual state laws wherever they are in conflict.

16. The penalty for violation of the Federal Election Campaign Act shall be increased from $1,000 and/or 1 year to a maximum $25,000 and/or 1 year.

17. The Task Force reiterates its endorsement of President Nixon's proposed Non-Partisan Commission on Federal Election Reform to study the entire pattern of campaign practices and recommend a comprehensive set of reforms and regulations.

DISCUSSION OF RECOMMENDATIONS

1. An independent Federal Elections Commission should be established to supervise the Federal Election Campaign Act. The FEC should have all the powers of the existing supervisory authorities and in addition, the power to subpoena. Prosecuting powers should be left to the Justice Department. If the Justice Department fails to act when violations are referred by the Commission, the Commission may request the Justice Department to give information as to what action is expected, and if none, why not. The Justice Department shall make a complete response which shall be public information within 90 days.

The Task Force considered a six-member Commission, no more than three of whom could come from any one party, but also recognized that there are many forms that such a Commission can take. Some members recommended that the FEC include the chairmen of the major political parties and that other appointments be made by the Congress.

The powers of the Commission should include power to administer oaths, subpoena witnesses, and subpoena documents.

The Justice Department should continue to have primary responsibility for initiating, defending or appealing any court action arising out of the Commission's findings. However, if the Justice Department fails to act when violations are referred by the Commission, the Commission can demand that the Justice Department give information as to what action it expects to take. If the Justice Department has decided or does decide not to take action, the report to the Commission must contain the reasons for failure to prosecute. The Justice Department must make a complete response within 90 days of the request, and all responses will be made public. The Task Force felt that this reporting process would help ensure prosecution, while, at the same time, using the traditional prosecution procedures of the Justice Department.

The 1971 law clearly provides the Justice Department with civil enforcement powers, thereby allowing it to use this less stringent remedy as a means of achieving compliance. The Justice Department should not hesitate to use these powers.

The creation of a Commission should in no way abrogate any of the rights, duties, and responsibilities of the Congress itself.

An independent Federal Elections Commission would be advantageous for several reasons:

At present, three separate agencies—the Clerk of the House, Secretary of the Senate, and the Comptroller General—are charged with enforcing the Federal Elections Campaign Act of 1971. This makes it difficult (if not impossible) to achieve fair, consistent and coordinated supervision of the law. Such matters as preparation of reporting forms or interpretations of the law may be treated differently by each entity or may require burdensome and extensive consultation to achieve consistency. A single Commission would solve these problems.

Combining the three agencies into a single Commission would reduce the amount of bureaucracy needed to enforce the law. Although it was argued in 1971 that the present arrangement would prevent the neeed for creating additional bureaucracy, the fact is that the Clerk of the House has assigned over 20 employees to this function, the Secretary of the Senate 8 employees, and the Comptroller General 26. The creation of a single Commission would combine these employees and probably reduce the total number needed to carry out these functions.

A single Commission would make it easier for those seeking information regarding federal elections to get access to such records.

Currently, a conflict of interest situation exists in which employees of the House and Senate are charged with identifying and reporting possible violations of the law committed by their employers. Even with the most conscientious and well-intentioned Clerk of the House and Secretary of the Senate, questions are certain to arise as to the objectivity and zeal of their enforcement efforts against persons to whom they owe their jobs.

An independent elections commission could also reduce the workload of the Justice Department. After the 1972 elections, thousands of complaints were sent to the Justice Department by the Clerk of the House, Secretary of the Senate and the General Accounting Office. However, in some cases, these complaints were unprocessed and included trivial and peripheral violations. For example, some reports and filings that were only one day late were considered violations and were reported to the Justice Department en masse. The Justice Department was forced to spend a considerable amount of its valuable time deciphering and sorting out these complaints. An independent commission could classify all of the various complaints in a logical fashion and send on to the Justice Department almost immediately the more serious violations of the law.

Some of the cases sent to the Justice Department are being held in "limbo" for an excessive period of time. This practice places an unfair burden on the individuals involved and keeps the public in the dark about possible violations. Under this system, the initiation of prosecution may occur long after the events actually occurred, when many people have little recollection of the circumstances surrounding the alleged violations. If the Commission could demand a report from the Justice Department, legal actions might be expedited and the public would know the status of the alleged violations while the events are still fairly fresh in its mind.

The creation of an independent Federal Elections Commission is the most important change needed in the 1971 Federal Election Campaign Act.

2. Each candidate in any Federal election shall designate a single committee as his authorized campaign committee, which shall designate a single depository of its funds. In a general election, all major party presidential candidates must designate the national committee of his or her political party as his or her authorized campaign committee.

The single account concept can be implemented at all levels of federal elections by making all of a candidate's committees accountable to one centralized depository. The single account concept can be used to centralize accountability at the state and national level for Senatorial and Presidential candidates respectively, as well as for centralizing responsibility at the Congressional level.

In Presidential general election campaigns, the political party national committees would handle collections and disbursements of funds. Organizations at the local levels could raise funds for Presidential candidates, but all monies must be reported to the National Committee. In return, local campaign organizations could receive funds from the National Committee to handle necessary expenses.

A single accounting agency would be beneficial for the following reasons:

Accountability is the most important benefit. A series of local committees all financially accountable to a centralized, single account focuses responsibility by having a single point of control.

This action would greatly simplify reporting procedures, make accounting simpler, and make election campaigns much easier to monitor.

This action would also help curb the proliferation of political committees. In many cases, the primary goal of setting up innumerable committees has been to avoid disclosure and potential tax liability. A single accounting agency would help put a stop to this practice.

3. *All campaign expenditures shall be made by the candidate's authorized campaign committee, except that expenditures may be made on behalf of any candidate by political party organizations but such expenditures will be considered as a contribution to the candidate's authorized committee and will be subject to the limitations in recommendation #5.*

The single expense agency concept can also be implemented at all levels of federal elections in a fashion similar to that of the single accounting agency concept.

Authorized campaign committees would be allowed flexibility to disburse funds through local and state campaign organs. However, central records of disbursements would be maintained at the national, state and Congressional level for Presidential, Senatorial and Congressional races respectively.

In some instances, political party organizations will make expenditures on behalf of a candidate for poll workers, election officials, party workers and so on. These expenses should be prorated for each federal candidate for House of Representatives and considered as a contribution to the candidate's authorized committee subject to the $50,000 limitation on designated contributions from political party organizations to a candidate for House of Representatives.

A single expense agency would be beneficial for the reasons listed above under the single accounting agency.

In addition, the single expense agency would make it more difficult to establish secret funds, maintain slush funds, to exceed expenditure limitations, to conduct undercover operations or to commit other illegal acts.

4. No authorized committee may accept contributions from other than individuals or political party organizations. It may receive contributions from other organizations acting as agents of individual contributors provided the individual contributor so desig-

nates and the contribution is identified as to the original donor.

The candidate's authorized committee can accept contributions only from individuals, with the sole exception being that of political party organizations. Other organizations may act as agents of individuals, but the individual must designate to whom the contribution will be given to, and the agent must identify the individual donor.

With exception of contributions to political party organizations, all monies must be fully identified as to their original source.

This would ensure the full disclosure of all contributions, and is necessary to complement and make enforceable a limitation on campaign contributions. (Recommendation #6).

This provision will foster individual participation and responsibility. During recent years, candidates and their parties have been relying to an increasing extent on the gifts and contributions of groups and organizations. This reliance has lessened participation on the part of the individual and has sometimes resulted in efforts to avoid disclosure and circumvent the law. This provision will help reverse this trend, give the individual greater control over the money he contributes, and increase the importance of the individual in the electoral process.

5. Except in those instances in which a contributor has expressly designated or earmarked a contribution for the benefit of a particular candidate, a political party organization may contribute to an authorized committee without identification of the original contributors. No authorized committee of a candidate for House may accept undesignated contributions for any election from political party organizations in an aggregate of more than $50,000. Contributions from a political party organization which have been earmarked for a particular candidate shall be so identified and will be subject to the limitation placed on the amount of money which the authorized committee can receive from an individual.

Political parties would be exempted from both the requirement that original donors be identified and the $5,000 contribution limitation, and a candidate's authorized committee would be allowed to accept up to $50,000 from political party organizations in undesignated contributions. (Political party organizations would be allowed to give in excess of this amount if the contributions were specifically earmarked.)

Political parties would be greatly strengthened by these exemptions. At the same time, no major loophole would be opened through which illegal funds could be funneled. The present law already provides for disclosure of contributions to political parties.

A strong national party would help curb some of the excesses that have been witnessed during the past few years and would make it easier for the public to isolate responsibility for illegal actions. Strong parties could also provide an invaluable public service in the form of oversight of a candidate's campaign.

The Task Force believes that the political parties are the most broadly based organizations in the political process and that strong political parties will increase public confidence and make government more responsive to the people.

Provisions #4 and #5 would outlaw the "washing" and tacit or secret "earmarking" of political contributions.

6. No authorized committee of a candidate for Federal office for the House and Senate shall accept more than $5,000 from any individual contributor for any Federal election contest. No authorized committee of a candidate for President shall accept more than $25,000 from any individual contributor for a Presidential election contest.

The Task Force felt that limitations on campaign contributions are necessary for several reasons:

Limits on contributions would prevent any one individual or a group of individuals from having a disproportionate impact on any campaign.

Limitations on contributions should increase the number of small contributors. A study by Senator Pearson found that 1% of the population makes 90% of all campaign contributions and that only 4–6% of the population makes any sort of financial contribution. Limitations on individual contributions would force candidates to seek a broader popular base to raise large sums of money.

Contribution limitations would help reduce the access and influence that monied groups and individuals are presently able to obtain as a result of campaign contributions. Public officials would be able to place less reliance on special interest groups and would be less susceptible to pressures from these groups.

When these limitations are coupled with the prohibition on the "washing" and secret "earmarking" of funds, they should be reasonably enforceable.

The issue of contribution limitations raised several concerns.

They may be unconstitutional because they inhibit free political expression. The rights of free speech and association protect explicit peaceful political activity from regulation by the government. Contribution limitations might curtail political activity and expression.

Restrictions on campaign contributions may be difficult to enforce. Even with a prohibition on the "washing" and secret "earmarking" of funds, campaign contributions would be solicited by hundreds of candidates and by numerous committees. A person who contributed to several such candidates and committees might violate the restriction unintentionally. On the other hand, intentional violations might easily be made to appear inadvertent. Unless strictly and stringently enforced, limitations would only penalize the honest candidate.

Some individuals and groups will undoubtedly criticize the above limits as too high. However, when considered in the aggregate, politics is underfinanced. Total spending of $400 million is just a fraction of one per cent of the amounts spent by governments at all levels. This fraction of one per cent determines who will gain control of government, what policies will be made and how tax monies will be spent. Excessively low contribution limitations will further reduce the total supply of funds and impoverish the electoral system.

The amounts that are considered to be needed for any single campaign may be formidable. Political money is relataively scarce, and there is great competition among many candidates and committees at the various levels for financial assistance from those who are willing to give. Unreasonably low contribution limits will increase the incentives to circumvent the law. Many candidates may be faced with an untenable choice: either losing at the polls because they lack the needed funds to attain necessary name identification, or accepting illegal contributions on the sly to raise sufficient funds. Even the most vigorous enforcement methods might be unable to uncover many of the resulting campaign abuses. As a result, honest candidates would be penalized.

Excessively low limitations on campaign contributions would tend to limit a challenger's ability to compete effectively. Incumbents have a formidable array of advantages before they enter a campaign, most important among these being name identification. In order to beat an incumbent, a challenger often must be able to raise enough money to achieve similar identification. Contribution limitations would impair his ability to raise funds, thereby insuring incumbents (who win about 97% of the time already) an even further advantage.

7. All amounts knowingly contributed or knowingly accepted in excess of the amounts designated in recommendation #5 and #6 shall, upon the determination of their illegality, be paid over to the Treasury of the United States.

The Task Force felt that organizations and individuals who knowingly make illegal contributions should not be allowed to take back their contributions when they are discovered. This feature, coupled with the increased criminal penalties recommended in #16, would encourage individuals and groups to think twice before they made sizeable, illegal campaign contributions.

8. No authorized committee of a candidate for the House of Representatives, Senate and President may spend more than $150,000 or 25c per eligible voter, whichever is greater, for any election.

The Task Force felt that some kind of limitations on campaign expenditures are necessary for several reasons.

They would help bring a halt to the spiraling costs of campaigning.

They would reduce the necessity for raising huge sums of money to finance a political campaign. As a result, public officials and challengers would be able to place less reliance on special interest groups and large contributors and would be less susceptible to pressures from these individuals. This would help reduce the access and influence that monied groups and individuals are presently able to obtain through campaign contributions.

Considerable concern was expressed that, as a reaction to the events of the last few months, expenditure limitations might be set too low. There was several reasons for this concern.

While the amount of expenditures in a campaign is not the only variable affecting the number of people who vote, a reduction in expenditures would lead to a reduction in political advertising and campaigning which might very well further reduce citizen interest and participation. One of the witnesses before the Senate Commerce Committee stated: "One of the key goals of the political system should be a more highly competitive system because it helps to make the system more responsive. Limitations tend to reduce opportunities for voters to learn something about candidates, but even more significant, ceilings reduce the opportunities for voters to learn something about politics . . . Electioneering helps to structure and politicize society, and this is periodically essential to the smooth functioning of a democracy."

In setting strict limitations on the common man's ability to get himself elected to Congress, expenditure limitations would fail to do anything about the problem of the man who brings not money but other resources to the election. The celebrity, the sports figure, the movie star and other famous individuals all have had their advertising done for them as a result of their occupations. They don't need to spend money on their political campaigns. Financial restrictions imposed on their opponents may simply insure an unequal contest and deny the common man a chance to serve in Congress.

Stringent, sweeping overall expenditure limitations may invite violations of the law because such violations may be extremely difficult to document or prove. It gets progressively harder to keep track of what a candidate or his supporters are spending on such easily manufactured items as bumper stickers or other printed materials. Extreme limitations would increase incentives for circumvention of the law.

Limitations on campaign expenditures would tend to limit a challenger's ability to compete effectively. A $150,000 limitation for a Congressional campaign may sound generous to reformers or to incumbents whose reelection does not require spending of amounts anywhere near that figure. However, for the challenger the limitation imposes nearly impossible problems. With today's costs there is no way a challenger can make himself known over a well-identified incumbent under stringent circumstances.

Incumbents have a formidable array of weaponry available to them. They have staff allowances. Legitimate staff legislative work frequently overlaps the political function. They have the franking privilege. Legitimate use of the frank can be extremely helpful politically, and the use of postal patron mailings is commonly thought to be a powerful political device as well as a means of communicating with the district. Incumbents also have name and face recognition because they have ready access to the media. Since most political expense is directed toward name recognition, the incumbent need not spend nearly as much as a challenger.

While political spending is increasing at a rapid rate, political spending in the United States is still not excessively high. While total spending for all political campaigns was $400 million in 1972, this figure was still less than the combined advertising budgets for Procter and Gamble, Ford and General Motors for the same year. In 1972, advertising for all U.S. companies totaled $22.5 billion. Is this a rational allocation of national priorities? Should the cost of the debate on which type of soap suds or car to buy exceed by fifty times the cost of the debate on the important political issues of our time?

Furthermore, the costs of campaigning in the United States are not significantly higher than the corresponding costs in some nations and are actually lower than in many other countries. An index of political expenditures per voter for various countries showed a range of 27 cents for Australia to $21.20 for Israel. The United States, at $1.12, is clustered near India and Japan at the lower range of the index.

9. No checks or other campaign funds shall be drawn on foreign banks.

Prohibition of the "washing" of funds through foreign banks and accounts will reduce the opportunities to commit illegal activities. It will also help ensure full disclosure and make elections easier to monitor.

10. No authorized committee or political party organization shall accept contributions from non-resident aliens.

Presently, there is considerable doubt and uncertainty as to the scope of the law governing contributions by foreign nationals and aliens. Congress should consider amending the law to expressly prohibit these contributions. Up to now, repeated disclosures of contributions by nonresident aliens have elicited little Congressional or public reaction. The reverse is true in foreign countries where reports of American involvement in their elections frequently sets off an uproar.

11. No authorized committee shall accept cash contributions made in excess of $100.

Many of the recent campaign finance abuses stem from the giving of large contributions in cash. Since cash is difficult to trace, it can be easily used for illegal activities. Prohibition of large cash contributions could severely inhibit illicit escapades financed by political aides with briefcases stuffed with cash.

12. a. General election day shall be a national holiday.

By clearing election day a holiday voter turnout could be increased. If they did not have to work, many voters would be more willing to go to the polls.

b. Primary elections for the House and Senate shall be held no earlier than August 1.

If Congressional primaries were held in August and September, the length of the campaign would be shortened, and there would be less time in which to make campaign expenditures. Hopefully, this would help reduce the costs of campaigns.

By shortening the length of the campaign, voter interest and participation might be increased. Presently, some voters become bored and disinterested by the seemingly interminable length of Congressional campaigns.

c. Polls should close simultaneously throughout the country in Presidential elections.

This proposal would end the problem of the results from the East influencing the voters in the West.

d. Presidential primaries shall be held no earlier than May 1.

If Presidential primaries were held in May, June and July, the length of primary campaigns would be shortened.

By shortening the length of the Presidential campaign, voter interest and participation might increase and expenditures might be reduced.

13. The Equal Time provision of the Communications Act of 1934 shall be repealed for all federal candidates.

The advantages of repealing the Equal Time provision apply to both Presidential and Congressional races. To repeal the Equal Time provisions for the Presidency and not for Congress would allow substantial amounts of free broadcast time for Presidential candidates thus increasing their overall resources, while providing no such benefit to Congressional candidates.

With repeal of the Equal Time provision, the fairness doctrine would still apply. No major party or viable minor party candidate could be discriminated against by television, radio or other media. The fairness doctrine would require that every important candidate be given a fair and equal opportunity to present his views on the issues.

The repeal of section 315 would be advantageous for several reasons.

Repeal could mean greater amounts of free time for Presidential and Congressional candidates. Experience has shown that the Equal Time provision of section 315 has substantially discouraged broadcasters from supplying free time to federal candidates, because the broadcaster is required to afford an equal amount of free time not only to the major party candidates, but also to "fringe" candidates. In 1960, when section 315 was suspended, the national television networks provided over thirty-nine hours of free broadcast time for candidates in the Presidential election, while in 1964, 1968 and 1972 they afforded only four and a half hours, three hours, and one hour respectively.

Greater exposure might result in greater participation at the polls. Since 1960, the amount of free time given to Presidential candidates has decreased markedly. Simultaneously, voter turnout has decreased from 64% in 1960 to 62.9% in 1964, to 61.8% in 1968, to 55% in 1972. Repeal of section 315 might help reverse this trend.

Greater exposure for Presidential candidates has been promised by all three networks if section 315 is repealed. Congressional candidates would probably also receive more free time. This would enable Presidential and Congressional candidates to reduce their campaign expenditures.

The repeal of section 315 could give greater exposure to challengers in what are now considered "safe" districts. It is deplorable that many qualified candidates are unable to raise money and gain public exposure, because of the huge margins incumbent opponents have run up in the past. At present, the vast majority of Congressional districts are considered "safe". The repeal of section 315 would make these districts more competitive and would help insure that all qualified candidates are given a reasonably fair chance of winning their election.

14. Congress should make a study of Federally issued scrip. This scrip should be serially numbered, computerized, containing names and addresses of donor, recipient and redeemer, and available at post offices and Federally insured financial institutions. It should be the only valid medium of exchange in all Federal primary and general elections for all expenditures by or on behalf of candidates and for all contributions in excess of $100.

The Task Force thought that this idea was worth special study, because it might enable the federal government to maintain close control of the monies used and spent in federal campaigns.

The principal features of this scheme are as follows:

Federally issued scrip, serially numbered (for rapid computerization and reporting), in the same denominations as money, and with detachable certificates (to record each transaction) would be the exclusive medium of exchange for all campaign contributions and expenditures, with the requirement that non-scrip contributions would have to be exchanged for scrip by the recipient committee or candidate prior to further use.

With the sole exception of contributions of up to $100 per individual, there would be a complete prohibition against the use of any other medium of exchange for contributions to candidates or political committees or for expenditures designed to advance or oppose the candidacy of any person for nomination or election to federal office.

Scrip would be readily available for purchase and would be redeemable at all post offices and all federally chartered, licensed or insured financial institutions, including commercial and savings banks, savings and loan associations, credit unions, and similar organizations.

Any and all parties to any transaction in which any medium of exchange, except scrip, was used for political purposes in federal election campaigns would be in violation of the law and subject to criminal penalties.

The Treasury Department, the General Accounting Office, or an independent Federal Elections Commission would be assigned administrative and enforcement authority and would be responsible for making public (at least weekly) computer printouts showing current and cumulative amounts being contributed and expended for or against each candidate for office, including names of donors and recipients and the nature of the expenditures.

The principal advantages are as follows:

The plan would be simple to administer. There would be no detailed recordkeeping or reporting requirements. Scrip would be readily available. The redemption of scrip into cash would be the same as cashing a check or making a deposit.

This plan would be self-enforcing. The computerization of the serially numbered scrip, which provides the ability to trace contributions and expenditures, together with the outright ban on the use of money in political campaigns will reduce the opportunity for evasion to a minimum. Even if under-the-table cash contributions were made (in violation of the law), they couldn't be spent without turning them into scrip which, in turn, would require identifying the source of the contributions. Since most providers of goods and services (radio, TV, newspapers, etc.) couldn't risk violations of the law forbidding acceptance of cash, likely violations would be limited to payment for personal services in a campaign, a relatively small category and one which enforcement efforts could be concentrated on.

Computer experts who have looked at the scrip plan report that present computer technology far exceeds what would be required to implement the plan.

This plan would increase accountability. Since *all* contributions and expenditures would have to be made in scrip, regardless of when or where or by whom they are made, and since the public would have access on a year-around basis to complete information on campaign financing, there would be no gaps in the process, no period uncovered by the requirements, no possibility of delaying announcements of candidacies for the purpose of obtaining unreportable contributions or making unreportable expenditures.

The study should assess several possible drawbacks to this idea:

While the plan seems to be theoretically sound, it may prove to be administratively unworkable. Scrip could actually do more harm than good if implemented.

Those who are genuinely committed to circumventing the law will find a way to evade the use of scrip as well. Coupled with the possible additional administrative burden, the plan might have a negative effect on the electoral process.

15. The Federal Election Campaign Act shall preempt individual state laws wherever they are in conflict.

The Task Force felt that the intent of many of its proposals might be invalidated by the restrictions of state laws. For example, a state may limit expenditures made through any campaign committee to an unreasonably low amount. Presently, a candidate might evade this limit by setting up numerous campaign committees. Under the Task Force's proposals he would be allowed to set up only one campaign expense agency. The state law would then essentially cripple his ability to campaign. By providing that the Task Force's recommendations shall preempt state law, situations such as this can be avoided.

Concern was expressed that this provision might nullify otherwise well-constructed and well-intended state laws and create loopholes for federal, state and local candidates.

16. The penalty for violation of the Federal Election Campaign Act shall be increased from $1,000 and/or 1 year to a maximum of $25,000 and/or 1 year.

The penalties under the present law are too lenient. No one has ever gone to jail for violation of a federal campaign finance law. It is somewhat unlikely that anyone ever will. A fine of $1,000 per violation for a corporation, labor union or wealthy individual is a mere slap on the wrist. A $25,000 fine would be a greater deterrent to illegal activities covered by the Federal Election Campaign Act.

17. The Task Force reiterates its endorsement of President Nixon's proposed Non-partisan Commission on Federal Election Reform to study the entire pattern of campaign practices and recommend a comprehensive set of reforms and regulations.

Even though the 93rd Congress may enact a series of election reforms, there will still continue to be a need for on-going study of additional ways the election process can be improved.

A Non-partisan Commission would help restore public confidence in the governmental processes through increased citizen participation. Seven of the Commission's members would be chosen from the public.

President Nixon's proposal called for a final report by December 1, 1973. Unless Congress approves the proposal before the August recess, this date should be moved forward to December 1, 1974.

The Task Force also endorsed expanded disclosure of assets and income of public officials which pose a possible serious conflict of interest.

The Task Force felt that none of the present proposals for public disclosure would adequately implement in practice what it had agreed upon in principle. In particular, none of these proposals seemed to balance sufficiently the need to improve public confidence with the right of privacy.

Although it failed to approve several proposals for federal financing of elections, the Task Force feels that this question should receive further study.

There are strong arguments both for and against public financing of political campaigns.

Proponents of federal financing state that it would eliminate the corrosive effect of big money, curb the mushrooming growth of campaign expenditures and ensure equality of access to the political process. Federal financing would eliminate the demeaning and degrading task of raising money from private sources. It would ensure fair, honest and open elections, thus restoring citizen confidence in the electoral process.

Opponents of federal financing believe that it will aid incumbents, unconstitutionally limit the right of free expression, undermine the traditional political process, and narrow the base of popular support a candidate would need. Federal financing might actually reduce confidence in the electoral process, because the beleaguered taxpayer will see his hard-earned money being squandered on candidates who have little popular support and candidates in which he has no positive interest—not to mention all of the inane paraphernalia and superfluous advertising of political campaigns. Finally, it would open the way to further federal manipulation of elections. When the federal money goes, strings always seem to follow. In addition, the federal agency in charge of federal financing could use its resources to develop previously unthought of and unimagined ways of manipulating the outcome of federal elections.

The Task Force thought that a proposal that entails dramatic changes in the political process and has powerful arguments both for and against should warrant a most careful examination and evaluation.

SANTA CLARA VALLEY SKILL CENTER

The SPEAKER. Under a previous order of the House, the gentleman from California (Mr. GUBSER) is recognized for 30 minutes.

Mr. GUBSER. Mr. Speaker, a distinguished team of reporters, Mr. Harry Farrell, political reporter for the San Jose, Calif., Mercury and News, and Mr. Elias Castillo, have recently concluded a series of six articles concerning the Santa Clara Valley Skill Center.

The series makes startling revelations about the manner in which Federal funds from the Departments of Labor and Health, Education, and Welfare have been illegally spent by an agency which had contracted with the Federal Government to provide vocational training for disadvantaged citizens. In my opinion, this is one of the finest examples of investigative reporting I have ever seen.

Because the revelations by Mr. Farrell and Mr. Castillo concern programs which have been authorized and funded by this Congress, each Member of Congress has a concern with the series of six articles. I, therefore, include them as part of the RECORD at this point and sincerely hope that all Members of Congress will read them:

[First of a series]

POVERTY CENTER'S WEB OF POLITICS AND BIG MONEY

(By Harry Farrell and Elias Castillo)

A tangled web of business dealings has diverted resources from a tax-supported antipoverty agency into a private San Jose business venture, a four-month probe has revealed.

The agency is the Santa Clara Valley Skills Center (SCVSC), which has received more than $2 million in government manpower training funds.

It is linked to the strictly private Avance Technical Development Corp. by Jose Lopez, the kingpin of both establishments.

Lopez is executive director of the Skills Center. He is also president of Avance, which runs a print shop as its most visible operation and engages in a wide range of other enterprises.

San Jose Mercury and News interviews with more than 90 persons, supported by extensive documentation, show that:

A substantial amont of Avance business has been carried on at the Skills Center.

Skills Center equipment has been installed at the Avance shop and used for commercial work.

Both employes and students have been supplied to Avance for work on Skills Center. time.

A pattern of pork barrel politics also emerges in the Skills Center investigation.

Despite a clear, consistent record of substandard performance, the SCVSC has operated under a blanket of political influence extending as far as Washington, D.C.

More than half of the Skills Center's $2 million in federal money has bypassed normal channels en route to the school.

One contract has enabled the Skills Center to reap $47,127 in tax funds for work never performed.

The Skills Center, a private, nonprofit corporation, began business in Sunnyvale in 1967 and moved to San Jose in 1970. It is one of many such vocational schools spawned by President Johnson's War on Poverty.

From the start its guiding spirit has been Lopez, 43, who was in the hierarchy of the old Santa Clara County Economic Opportunity Commission, the original antipoverty agency here.

In the mid-1960's Lopez, a native of Crystal City, Tex., came to San Jose as an insurance agent, investigator, and public relations man. He has been active in such groups as the Community Service Organization, American G.I. Forum and the United Latin American Council.

Since its beginning, the Skills Center has had such firms as Lockheed, General Electric and IBM represented on its Industrial Advisory Group. Their names on its letterhead have enhanced its political clout and contributed an image of stability, masking a hand-to-mouth existence.

Wesley P. Smith, recently retired state director of vocational education, confirms the precarious existence of the SCVSC.

"There has been a kind of little ragged history as far as the Skills Center is concerned," he says. "Anybody who has followed it at all has to recognize that it has had the problems that are common to almost a shirt-tail operation . . . Its existence has depended solely on getting federal contracts of some kind—cliffhanging all the time."

It is in this cliffhanging maneuver that Lopez has demonstrated his political muscle, growing from a tight clique of his high placed friends in government.

Time after time he has overcome normal priorities to win large chunks of money, in the form of training contracts. He has tapped at least six government agencies and programs for significant sums.

The Skills Center has received $131,000 in excess or surplus federal property; $127,229 from the Work Incentive (WIN) Program; $68,002 under a preferential Job Corps subcontract; at least $9,600 from the Office of Economic Opportunity (OEO); and $268,000 in Model Cities funds—part of it under a contract approved by the San Jose City Council only two weeks ago.

Operation SER, another local manpower agency, has farmed out its own trainees to the Skills Center at a federal cost of about $188,000. In part, this has happened under political pressure.

By far the largest share of Skills Center revenue, however, has come under the Manpower Development and Training Act (MDTA) programs of the federal government. From this source, the SCVSC has received $1,297,959.

MDTA is jointly administered by the Departments of Labor and Health, Education and Welfare (HEW) under an incredibly complex bureaucratic structure.

The program is 11 years old and aims at developing marketable job skills among the unemployed, underemployed, displaced workers and members of racial minorities. The payoff is measured pragmatically in job placements.

Most MDTA money is filtered through state monitoring agencies. In California the Department of Human Resources Development (HRD) first determines which vocational skills are in demand in a particular labor market and then writes an MDTA training order accordingly.

For example, HRD may determine that it can put 35 auto tune-up men to work in San Jose.

Once the training order is written, the State Department of Education develops a curriculum and assigns the course to a suitable school. The HRD refers trainees there, paying them a stipend in lieu of unemployment insurance.

This allocation system is aimed at the most bang for the buck. It provides assurance that jobs await trainees when their courses end.

Of the $1.3 million allocated for MDTA courses at the Skills Center, however, only one-fifth has gone through this usual procedure.

More than $1 million of the Skills Center money has come direct from Washington, where the Labor Department has "discretionary" funds that may be handed out without regard to state quotas.

Lopez' tugging on political strings has repeatedly won him access to this "discretionary" money.

It has detoured the state's normal choice of training schools on the basis of "track record."

State officials say the Labor Department has simply notified them that the funds were available for the San Jose area—provided the Skills Center got the training contract.

Once the money has been thus earmarked, the state agencies have been responsible for monitoring its use, but without the impact they might ordinarily exert.

John Saulsbery, regional supervisor for MDTA in the State Department of Education, views the matter philosophically:

"It's sort of like playing football," he says. "I might not agree with the quarterback's selection, but once he calls the play, if I want to stay in the game, I'd better carry out my assignment. I've felt that once these programs were funded, it was up to me to make them as successful as I could."

Robert Eissler, former state MDTA program supervisor, says the direct funding of the Skills Center from Washington was "an absolutely unusual procedure—unheard of. Personally I do object to it . . . but my attitude is, 'Why fight it? If that's the way the Department of Labor wants to operate, that's their business.' "

[Second in a series]

EVIDENCE SHOWS CLOSE LINK OF AVANCE, SKILLS CENTER

(By Harry Farrell and Elias Castillo)

Jose Lopez, asked to explain the relationship between the Santa Clara Valley Skills Center and Avance Technical Development Corp., replied emphatically:

"There is no connection."

The identical words are used by his nephew, Rudy Gonzales, the Skills Centers' assistant director.

But Lopez and Gonzales themselves are exhibits A and B in a vast pile of evidence showing the two enterprises inseparably linked—physically, fiscally, and in daily operation.

The Skills Center is a non-profit corporation with Lopez as its executive director, owing its existence to federal allocations topping $2 million.

Avance is a purely commercial enterprise of which Lopez says, "I own it, period."

Both Avance and the Skills Center have print shops. Avance's is for commercial orders. The Skills Center shop is for training low-income youths.

Since 1971 Avance has branched out into other endeavors, ranging from the sale of secondhand furniture to governmental "consulting."

When Avance applied for its San Jose business license on April 12, 1971, it was Gonzales who signed the application, giving his title as "coordinator." Gonzales has been associated with his uncle in Skills Center operations over a period of several years.

Today the Skills Center and Avance maintain separate premises. But the business license application for Avance shows it originally shared the Skills Center address, 1147 N. 10th St., and the Skills Center phone number.

Another early link between the two establishments was Leonard Espinoza. He was assistant director of the Skills Center in 1971 but also had business cards identifying him as Avance's general manager.

The cards carried the Avance trademark and a telephone number which, when called today, turns out to be the personal line of Jose Lopez at the Skills Center.

Lopez maintains that Espinoza was on the Avance payroll half-time during part of his 1971 employment.

But Espinoza volunteers the information that he declared no Avance salary in his federal income tax return that year. He produces an IRS Form W-2 which shows he indeed worked for the Skills Center, earning $3,426.72.

In an affidavit which has been in state files at Sacramento for nearly two years, Espinoza declared:

"I spent 20 per cent (of my time) at the beginning, to 100 per cent at the end of my employment, on Avance."

After a costly assortment of printing and duplicating equipment was moved into the Skills Center in the spring of 1971, Espinoza says he went out and started drumming up Avance business.

"Yeah, I heard that before, that he went out hustling," Lopez comments, "and later we even found out that he had done some printing, but it was not charged by Avance."

The time element, is pertinent in tracing the earliest days of the intertwined history of Avance and the Skills Center.

Avance's home was at the Skills Center headquarters for about two months before the firm moved to its present shop at 332 N. Market St. in mid-1971.

Lopez, queried about whether it was proper for a private firm to operate out of a federally funded facility, responds that in its earliest days Avance was nothing more than "a name—a mailing address."

"There was no Avance press, no Avance anything at that time," he says.

"You didn't do any work at all?"

"I answered the phone."

A wealth of evidence, however, establishes that Avance conducted a lively business, apart from just phone answering, at the Skills Center for more than a year:

Avance's first invoices carried the Skills Center address. Records of the San Jose Unified School District show numerous purchase orders addressed to Avance there between July 9, 1971, and July 14, 1972.

In May and June, 1971, when Avance was only a few weeks old, the Assocated Students of the University of California at Berkeley paid the firm $1,493, in response to five different billings. All the payments were directed to the Skills Center address.

On April 27, 1971, only 15 days after Avance applied for its business license, it sold a load of office furniture to the Foundation for Research and Community Development (FRCD), 235 E. Santa Clara St., for $936.50. The deal was handled from the Skills Center, where the merchandise was stored.

The deal with the FRCD exemplifies a key feature of Avance's operation. Largely, its clientele consisted of other federally funded anti-poverty agencies similar to the Skills Center in function and philosophy.

Thus Lopez funneled the Skills Center's federal resources into a business which thrived largely in other federal resources.

The furniture sold to the FRCD by Avance include seven desks, a file cabinet, and a receptionist's seating station. Payment was via the FRCD's check No. 223, dated April 29.

One of those who remembers the desk deal is Espinoza, who says the old metal desks went to the Skills Center auto body shop for repainting in "psychedelic colors."

Dale Mallet, who at the time had just taken over as head of the FRCD's Project Intercept, a Labor Department program to rehabilitate first offenders in the courts, offers corroboration.

One of his first duties, he recalls, was to go and inspect the furniture that had been ordered by his predecessor. He did so at the Skills Center, where he found the desks unrepainted and ordered them re-done in brilliant hues chosen by his staff.

Ernest Lara, formerly an auto mechanics instructor at the Skills Center, confirms that the auto body shop was used for repainting desks, but he cannot pinpoint the precise occasion. Students did the work, he says.

Efforts to question Lopez about this and certain other matters involved in these articles have been unsuccessful. On May 23, he granted the writers a one-hour interview, which he cut short after about 30 minutes. He agreed to resume it two days later, but cancelled out and has since refused to answer any questions.

Interestingly, the FRCD says today it has no records of any dealings with Avance, despite cancelled checks showing at least four payments to the firm. Copies of the checks are in state possession at Sacramento.

An element of mystery also surrounds Avance's 1971 billings to the U.C. student body—specifically to three of its subsidiary activist units—the Third World Board, the West Berkeley Huelga Center, and MECHA, a student group.

One item of $275 is shown for "bus rental," although Espinosa points out that at the time in question, June 7, 1971, Avance owned no buses.

The Skills Center did have a bus in 1971, however, and photographs exist showing it at a demonstration at the State Capitol in August of that year.

Other Avance billings to the U.C. student body about the same time have such generalized descriptions as "paper supplies," $379; "posters and office supplies," $294; office materials," $410; and "reference materials," $115.

Espinoza said in his 1971 affidavit that these purchase orders actually covered campaign material for Jesus Ruiz, then running for president of the U.C.-Berkeley student body, and Jorge Klor, running for executive vice president. Both ran on the New Action Party ticket.

U.C. records confirm that Klor may have been involved, since he is one of those who signed the Avance invoices.

Ruiz, a supporter of the Third World Movement, denies knowledge of the Avance billings to U.C. agencies, but he says he has the impression some of his campaign posters were printed in San Jose.

"As far as I know, the stuff we ran off was on our own money," he says, estimating his campaign expense at $400 to $600. He is hazy about the details.

State records show that the Skills Center's first MDTA printing class did not start until Nov. 1, 1971. But there is additional evidence that the presses there were busy before then.

It was on April 13 of that year that Mayor Norman Mineta was elected, and still in existence are a few copies of a campaign piece printed in red and black, listing "Chicanos Por Norm Mineta."

Espinoza identifies this flyer as his own creation. He says he turned it out at Lopez instructions during a meeting of the future mayor's Mexican-American supporters at the Skills Center. He used paper from a 10-ream box obtained from the U.S. General Services Administration (GSA), he adds. Mineta was unaware of this, Espinoza emphasizes.

In the same election Robert Stroughter was opposing City Councilman Joe Colla. Two former Skills Center employes recall seeing Stroughter literature being printed there.

Stroughter, director of the Mayfair Center, an Eastside community betterment agency, has no recollection of the job, but concedes donated material could have been printed for him on Skills Center presses.

Espinoza also recalls the printing of a batch of brochures for Ignacio Balli, running in early 1971 for the Chabot College board in Southern Alameda County.

Balli, who lost the election, is a former board chairman of the Southern Alameda County Economy Opportunity Agency (SACEOA) and ex-regional chairman of the American G.I. Forum.

[Third in a series]

UNITS SENT TO SKILLS CENTER WIND UP IN AVANCE BUILDING

(By Harry Farrell and Elias Castillo)

In late summer, 1971, a truck from the Santa Clara Valley Skills Center rolled up outside Globe Printing Co., an old San Jose firm to take aboard two pieces of machinery. Globe's proprietor, Jack B. Anderson, was donating a Norfin collator and Page Boy feeder—devices to arrange book pages in proper sequence for binding—to the struggling SCVSC for use in its graphic arts classes.

Globe had paid $7,267.04 six years earlier for the equipment. Now, allowing for depreciation, the firm was claiming a $3,600 tax deduction for the gift.

Skills Center Director Jose Lopez, in a letter to Anderson dated Sept. 3, acknowledged the $3,600 value as "realistic," adding:

"Thank you again, and be assured that we will put the equipment to good use in training our young potential printers."

The machinery ended up, however, not at the Skills Center on N. 10th Street but at the downtown print shop of Avance, Lopez' private firm, at 332 N. Market St.

One job on which it was used there was a 300-page Comprehensive Demonstration Program for the San Jose Model Cities agency. For this publication, the city paid Avance $1,764.

Larry Parr, a former Skills Center printing instructor, remembers the Model Cities job well.

Parr says he was exclusively on the Skills Center payroll while he worked for Lopez—never on Avance's. But he and his students as well were detailed to work on the Model Cities project, which he accurately recalls as "a big, thick book—an orange three-ring binder."

"Avance was the only place the collator was used," says Parr. He adds that the printing work on the Model Cities book was split between the Avance plant and the Skills Center.

Until last month Anderson was unaware that his equipment donation had in fact gone to a competitor. Globe and Avance have bid against each other on a number of projects, including some work for Model Cities.

Avance's possession of the donated items surfaced last winter in obscure public records.

When Lopez had written to Anderson in 1971, thanking him for the machines, he had used Skills Center stationery.

But last Nov. 27, using Avance stationery, he wrote another letter to Economic and Social Opportunities, Inc. (ESO), Santa Clara County's OEO-funded community action agency. He offered to sell his private printing operation to ESO for $42,500, and as negotiations progressed he supplied a detailed equipment inventory.

The collator and feeder appear on it, with a combined value of $3,250 assigned them. The serial numbers on the inventory invoice (507–04 and 30–65) are identical with those shown on Globe's 1965 receipt for the equipment and in Lopez' 1971 thank-you note to Anderson.

The Avance-ESO negotiations eventually collapsed.

Shuttling of other machinery and equipment between the Skills Center and Avance is also well documented.

Lopez acknowledges that an Old Town photocopy machine at Avance belongs to the Skills Center. It is broken, he adds, and was taken to Avance in contemplation of its sale to Community Legal Services, Inc., which leases part of the Avance building.

Steve Kottas, a former Skills Center student, remembers an IBM composer at Avance that "went back to the Skills Center for a few days."

Avence's biggest press, a 29-inch Chief that Lopez says he bought secondhand, was originally delivered to the Skills Center and later moved to the commercial shop.

Parr remembers rebuilding it after the move.

"I guess it had moved so many times that it wouldn't work," he says. "I had to get it operating. I actually set it up for Avance."

Leonard Espinoza, who doubled in 1971 as assistant director of the Skills Center and general manager of Avance, says all printing equipment at the school was moved when Avance opened its present building on N. Market Street. Specifically, he recalls the transfer of an A.B. Dick 360 press and a plate burner.

On the other hand, Lopez points out that he loaned one of his own Avance machines, a Multilith 1250, to the Skills Center for several months without charge, so his students there could learn color printing.

His reward for his generosity, he complains, was that his students broke the machine.

"I have not used the Skills Center for Avance," Lopez said flatly in the one brief interview he has accorded these writers. "I can deny this categorically, with no problem at all, okay?"

The interview took place May 23, however, before the episode of the Globe Printing Co. equipment had come to light. Lopez has not permitted questioning on this and many other specifics.

Parr and Espionoza are not the only ex-employes of the Skills Center who tell of students, employes and equipment being diverted to serve Avance's needs. Similar episodes are related by Chuck Becker, former printing instructor, and Ernest Lara, who taught auto mechanics.

Former students corroborate the teachers' accounts.

Kottas, who was sent to the Skills Center by the Job Corps for training, spent the best part of five months working for Avance without pay, except for his government stipends of $30 to $50 a month.

On Kottas' part, this arrangement was admittedly voluntary, since it enabled him to continue training when the Skills Center printing class shut down a month after he entered it.

But Lopez got the 18-year-old youth's free work, operating a camera, running a small press, cutting paper to size.

Lopez portrays the arrangement as a sacrifice on his part. He says teaching the youth cost time and material "out of my pocket."

Nevertheless, he was sufficiently pleased with Kottas to offer him a job as a lead man (teaching assistant) at the Skills Center, after only six months' training.

Another Skills Center student frequently pressed into Avance service during school hours was Lee Tomasello, 26, now enrolled at DeAnza College.

Often, he says, Avance would put out a call for three or four trainees when work was heavy. During compilation of the big Model Cities program binder, he adds, "they had maybe 10 or 12."

Twice, according to Tomasello, Avance paid him about $2.50 an hour for working on his own time—once at night and once on Saturday. But when he worked at Lopez' private shop during school hours, he says his only compensation was his $65-a-week MDTA benefit in lieu of unemployment insurance. This came from the government.

"Viva," the Model Cities newspaper for which the City of San Jose pays Avance $1,349 an issue, is one project on which both Kottas and Tomascello say they worked, as Skills Center trainess.

Avance was often "behind the eight ball" in meeting its Viva deadlines, says Tomasello, and that was when Skills Center students were pressed into service.

One sight that bemused Tomasello during his assignments at Avance was the Skills Center truck, bearing U.S. government plates, coming around to pick up the trash.

Becker and Kottas are among witnesses who say they saw Viva being run off, from time to time, at the Skills Center on one of two Harris presses that are federal property. Lopez got them from the excess inventories of the Department of Health, Education and Welfare (HEW). When new, they cost the government $29,582 apiece.

An in-house HEW memo says the school received excess property items worth about $131,000, including jeeps, cars, mini-buses, auto shop equipment, machine tools, typewriters, adding machines, and printing equipment.

Another publication Kottas says was printed on occasion at both Avance and the Skills Center is "Informe," a bilingual paper issued every other month by the San Jose United School District.

For Informe, the SJUSD pays Avance $530 to $932 an issue, plus up to $264 in typesetting fees.

Parr says it was he who designed Informe's "logo," or masthead title. He remembers school district people coming two or three times to the Skills Center—rather than Avance—for lengthy conferences on Informe's design and layout.

Avance had superior type composition equipment, according to Kottas; so "anything fancy" at the Skills Center was sent there for this part of the work. By the same token, if the Avance presses were busy, he says commercial jobs were sent to the Skills Center and run by trainees.

Lopez denies the assertions that commercial work for Avance has been done at the Skills Center.

He says, however, that after certain jobs were run at Avance, the photos and plates may have been taken to the Skills Center for use in training projects.

It is possible, he elaborates, to "bring in a newspaper and have the guys tear it apart and rebuild it again" as part of their class work.

[Fourth in a series]

How the Rent Was Paid

(By Harry Farrell, and Elias Castillo)

A testimonial to Jose Lopez' business and political know-how is the way he has arranged, in effect, for public funds to absorb the rental for his private firm, Avance Technical Development, Inc.

In this maneuver he dealt with a clique of associates who run federally subsidized agencies not unlike his own Santa Clara Valley Skills Center.

In 1971, Lopez was casting about for new premises so that Avance would have a headquarters apart from the Skills Center address at 1147 N. 10th St.

He settled upon a vacant structure of 11,000 square feet at 332 N. Market St., owned by Winifred Patten of Menlo Park. He leased it for $1,100 a month, or a dime a square foot.

Next Lopez arranged with Community Legal Services, which provides lawyers for the poor, to take over about 7,000 square feet of the building for $1,024 a month.

Community Legal Services has been funded from a variety of sources such as the OEO, United Fund, Bar Association, the federal VISTA program, and Model Cities.

It is headed by Atty. Stephen Manley, a long-time Lopez associate who in 1971 became chairman of the Skills Center board of directors.

Back in 1966, when Lopez had run an area service center for the Old Economic Opportunity Commission (EOC), Manley had been his assistant.

With Community Legal Services sharing his building, Lopez still had 4,000 square feet of his building left over for Avance, but he didn't need that much. So he found another Model Cities agency, Economic Progress for All (EPA), to take about half the remaining space off his hands for $525 a month.

To attract Community Legal Services as a tenant, Manley says Lopez had to renovate the warehouse-like building to the tune of about $7,000.

For part of this work, Lopez pressed into service his Skills Center assistant director, Leonard Espinoza.

"My job was to keep the guys busy and make sure they didn't slack off," Espinoza says. "I was the one that made the measurements, laid out the floor plan for the offices, and everything."

Among those who worked with him on the renovation, Espinoza names two Skills Center employes, Jose Fuentes and Jose "Lupe" Mendiola. He says they performed as both carpenters and electricians.

A postscript to the remodeling episode is added by the City Building Department. There are no records that a permit was obtained for the work, which incidentally was performed in downtown Fire Zone 1, where construction codes are more stringent than elsewhere.

Thus two agencies funded by Model Cities, not to mention Avance which prints the Model Cities newspaper have operated in uninspected premises.

Besides Avance's lucrative printing work for Model Cities, a $4,000 "consultant" contract was awarded to the fledging firm late in 1971.

This covered preparation of a "Resident Employment Plan." It was an 88-page document to tell Model Cities' own agencies how to carry out an obvious function—hiring the disadvantaged residents of the Model Cities neighborhood.

Why such a document was needed at all was a question enmeshed in federal red tape. At any rate, Avance's report was a rambling document in gobbledygook governmentese. A sample sentence:

"In order to build into the scope of this contract the utilization design for applicability, it must be noted that the parameters of the correct functions are in fact exceeded as part of that design."

The prose goes on that way for page after page.

In the introduction to the report, Avance incorrectly describes itself as a "research firm located in the Model Cities area of San Jose." Neither the original nor the present location of the corporation is in the designated Model Cities neighborhood.

The $4,000 price tag on the Resident Employment Plan, according to Avance's contract with the city, was based on compensation of four consultants, three of whom were to receive $200 a day, and the fourth, $150.

A substantial part of Avance's $12,328 in billings to the San Jose Unified School District cover the printing of "Informe," a bilingual newspaper distributed to families of deprived youngsters in the federal "Title I" program.

But the largest single item of SJUSD work performed by Lopez' outfit was the 1971 production of a 98-page "Chicano Bibliography"—a catalog of literature dealing with Mexican-American culture.

As a hurry-up job, the book went to print without competitive bids. The School District's purchase order to Avance was for $7,000, a figure later sharpened on the invoice to $6,828.24 for 4,000 copies.

The Mercury and News this month obtained an independent bid on the production of the bibliography and found that it could be duplicated, even after two years of inflation, for $3,950.

Even at the $6,828 price, the book emerged from Avance with pages missing or in the wrong sequence.

Another $1,402.52 of SJUSD money went to Avance for a 20-minute sound movie describing the Title I program. The purchase order for the motion picture was dated July 1, 1971, at a time when Espinoza, then doubling as Avance's general manager, says the firm owned no movie-making equipment whatever.

This lack, however, did not deter Avance from jumping into the motion picture production with both feet. As its photographer the firm used Brian Szabo, who had been a videotape specialist at the Skills Center.

Szabo, now a San Francisco City College instructor says he made the movie for Avance on a contractual basis, using rented equipment.

"I was paid only $1,000 or $1,200," he recalls. "It (the film) was done on a shoestring budget. My own work was a labor of love."

Szabo estimates the movie's total production cost at $3,500, indicating a substantial Avance subsidy to the project. An SJUSD spokesman confirms the subsidy, saying Lopez picked up the deficit in consideration of having Avance's credits on the screen.

A more sensational Skills Center film project explains belatedly the exceptional television newsplay accorded San Jose High School's 1971 graduation ceremony.

On that occasion valedictorian Liza Hirsch used her speech to blister school officials as "hypocrites and pencil-pushers." She assailed the police and lit into school policies on matters ranging from drug abuse to sex education,

Miss Hirsch, who later went to work for Avance, is the daughter of Fred Hirsch, longtime leftwing activist here. He is also a friend of Lopez and visited the Skills Center frequently.

Espinoza recalls how Lopez, on the eve of SJHS commencement, told him to get together with Szabo and prepare the Skills Center video equipment for taping Miss Hirsch's speech.

Szabo says today he had no foreknowledge of what Miss Hirsch was planning, and the filming of the commencement exercises was "simply a training thing." Many of the Skills Center's girl trainees, he explains, were dropouts who had never experienced a graduation; so the film would give them a chance to see one.

As it turned out, the pictures Szabo took had a far wider audience than the Skills Center girls.

With the videotape in hand after the ceremonies, the Skills Center contacted NBC, CBS, and ABC about airing Miss Hirsch's contentious valedictory. Szabo was dispatched to Los Angeles where he turned the tape over to NBC.

After the TV use of the tape, Szabo says it was transferred to movie film "so it could be shown more easily in educational-type situations."

Another use to which the Skills Center video equipment was put was taping the wedding of Bill Peters, who preceded Espinoza as the school's assistant director.

"It was my tape. I paid for it," Peters insists.

Szabo says one other wedding was filmed on a similar basis. There was talk of Avance going into the wedding-movie business, he remembers, but the idea never got off the ground.

[Fifth of a series]

Skills Center Kept Going by an "Angel"

(By Harry Farrell and Elias Castillo)

In the story of the Santa Clara Valley Skills Center, a name that looms large is Dr. Edward A. Aguirre.

Though the school has often been in hot water with state manpower training officials, they say Aguirre has bailed it out again and again.

Whenever the state has denied money to the Skills Center, under the Manpower Development and Training Act (MDTA)—and that has been often—the state people say Aguirre has bypassed normal procedures to provide the funds anyway.

Aguirre served from 1970 to 1972 as regional manpower administrator for the U.S. Department of Labor in San Francisco and then as the department's regional director until last March. He recently became regional commissioner for the U.S. Office of Education.

He disputes the state view of his activities, as will be seen.

The question arises at this point: If the state is reluctant to fund the Skills Center, why?

The answer begins with the premise that in manpower training, the name of the game is job placement.

State MDTA standards specify that 80 per cent of the trainees assigned to a vocational course should complete it. Of those who graduate, 80 percent should land jobs within 30 days. Thus the ratio of placements to original enrollees should be at least 64 per cent.

According to records of the State Department of Human Resources Development (HRD), the Skills Center has never come close.

Since May of last year it has had a dropout rate of more than 44 per cent in MDTA courses. And only seven of 10 graduates have won jobs within the 30-day period. The Skills Center's ratio of placements to total enrollees has been only 39.4 per cent.

In one clerk-typist-medical transcriber course, 156 trainees enrolled, but 101 dropped out. Of the 55 who finished, only 14 got jobs within 30 days—or 9 per cent of the original enrollees.

This particular course, incidentally, was on a high-budget basis. A memo by former Regional MDTA Supervisor W. K. Hickey, dated July 13, 1970, notes that the contemplated cost per trainee was $2,295.25. In a similar course assigned to the San Jose Unified School District, the comparable cost was $1,594.76, or $700 less.

Not long after the Skills Center first opened, state MDTA officials responded in 1968 by allocating it, under normal procedures, $249,670 for courses in five diversified occupations.

At all times since, these officials insist, they have given the SCVSC the same consideration as other schools. Perhaps for reasons suggested above, however, no further money went to the Skills Center through usual state channels until this year, when it got $33,419 for a bicycle repair class.

During his famine of state funding, Lopez turned to Aguirre for help. Repeatedly he was funded direct from Washington, from the Labor Department's unapportioned account.

Since 1970 this source has supplied $1,013,632 to the Skills Center, short-circuiting state control channels.

Few persons close to the picture doubt that it was Aguirre who made this money available to the Skills Center.

Says Wesley Smith, recently retired state director of professional education: "I don't think there's any question about it, no question at all."

Says John Saulsberry, regional MDTA supervisor: Dr. Aguirre is apparently Mr. Lopez' greatest friend in the Department of Labor."

Says Wilson H. Elledge, field representative of the State Bureau of School Approvals: "Lopez got on his political high horse and went to Aguirre. Aguirre has given a total umbrella of protection to Lopez in the federal government."

Says Bill Peters, former assistant director of the Skills Center: "Dr. Aguirre was a friend of Jose's . . . They spoke on the phone. When it was important for re-funding, there was obviously more contact than when not."

Aguirre's political guardianship of Lopez was never more evident than in June, 1971, when the Skills Center became embroiled in a bitter funding dispute wtih another local manpower agency, Operation SER.

At a meeting in San Francisco, Aguirre knocked heads together.

Ostensibly his admonition on that occasion was directed jointly at Lopez and Jose Martinez, director of SER. A neutral observer says his basic approach was, "I'm in a position to help you, but if you guys cut one another down, you put me in a bind." There was a further implication, according to this source, that if the feuding continued, funds would be diminished or cut off.

Martinez, however, did not interpret Aguirre's warning as bilateral. Since Aguirre was Lopez' friend, he says, he felt "the pressure was on me personally."

The "Forumeer," publication of the American G.I. Forum which sponsors operation SER, called Aguirre's ultimatum "forcible rape" in its July, 1971, issue.

"It looks like . . . Lopez has a personal friend in the right place in Dr. Aguirre is going to milk that friendship to . . . destroy Project SER," the Forumeer commented.

Aguirre, interviewed this week, said he is opposed "as a general rule, to special funding" for any manpower facility, including the SCVSC.

"Those people should get into the system," he added. "The idea of having to go through special funding circumvents the system."

Aguirre acknowledged he had tried to give such institutions as the Skills Center "some lead time" to qualify for funding via routine channels.

However, he declined to answer when asked whether he had ever talked or written memos to his superiors in the Labor Department, in the Skills Center's behalf.

Aguirre said he has known Lopez about four years.

In answer to the assertion that he is Lopez' "best friend" in the Labor Department hierarchy, Aguirre replied:

"I'm a lot of people's best friend. I got to know him as I've gotten to know dozens of people in government. I wouldn't consider him a personal friend."

Yet, the close relationship between the two men is evident in the fact that Aquirre, working through Lopez, lined up Skills Center employe Jose Fuentes to groom the garden of his home in San Mateo. He paid Fuentes $2.50 an hour, he said.

Aguirre added he was of the impression that Fuentes was a Skills Center student, and that he had always hired "people in the poverty level" when he had a chance.

A dismal placement record and high costs per trainee are only two of the many problems state officials have encountered with the SCVSC.

Another obstacle to easy funding of the school has been the fact that despite its name, it has never qualified as an officially designated "skills center" in the eyes of the federal government.

Such a designation, which carries a priority for funding, requires compliance to rigid standards far beyond the capability of the SCVSC, plus joint action of the U.S. Office of Education and the Labor Department.

The state's hesitance to allocate MDTA courses to the Skills Center is further illuminated in a thick file of memos and letters in the Department of Education at Sacramento:

After talking with Lopez in 1968, MDTA budget analyst R. R. Thompson filed this report with his superiors:

"It was quite evident . . . that he was not remotely familiar with the accounting procedures required to maintain the school's records in auditable condition. It was later borne out that no one there was familiar with the requirements. . . . This is not just an isolated instance of difficulty encountered with these people."

A recurrent theme in the state files is reprisal by the Skills Center against students who reported grievances to HRD.

On Aug. 3, 1970, auto tune-up trainee Roy Sanchez was expelled for an "uncooperative and negative attitude" after he registered several complaints with HRD. Among them: (1) that the tune-up instructor had quit two weeks earlier and the class was being taught by an unqualified ex-student; (2) that there was an acute tool shortage—only one toolbox for the entire class at the outset of the course.

MDTA officials who investigated confirmed Sanchez' charges.

As a result of the Sanchez incident, the State Bureau of School Approvals sent Elledge to inspect the Skills Center. In a scathing report, he found that 100 per cent of the auto tune-up class had flunked the smog control test. Elledge's report concluded, "A wonderful snow job." His recommendation: "Close the school."

On May 3, 1971, former Skills Center instructor Jetta Shapiro asked state officials for an investigation of the school, telling them that though she knew nothing about typing, she was assigned to teach it two hours a day.

"The Center couldn't afford roll books for the instructors or rulers for the students," she complained, "but when the auto specialist class graduated, the Center went out and bought a bottle of Jack Daniels liquor and another bottle of booze and seryed it on the premises at 2 p.m. during school hours."

Lopez wrote on May 4, 1971 to State Superintendent of Public Instruction Wilson Riles, challenging the state's seeming preference for the San Jose Unified School District in MDTA course assignments. The letter elicited a flurry of state memos to assist Riles in responding.

Wrote Saulsberry: "HRD people in San Jose are reluctant to refer people to the Center . . . The San Jose Unified School District has handled MDTA assignments in a first-class manner."

Wrote State Director of Professional Education Smith: "This is another one of our problem private schools . . . Their performance has not been good."

Saulsberry sensed some improvement when he wrote another memo Aug. 10, 1972: "There appear to be improved relationships between the Skills Center and HRD. . . . They (the SCVSC) may not qualify for the 'Good Housekeeping Seal of Approval,' but this aspect of the center is improving. Fiscal affairs seem to have improved since the days in Sunnyvale when the nice little English bookkeeper seemed to have trouble converting from pounds, shillings and pence."

About a year ago, ex-Director of Vocational Education Smith toured the SCVSC. He says he found things much better than earlier when he had called the center "one of our problem private schools."

"I was very pleased," says Smith. "I thought they were doing a good job."

Saulsberry, however, offers a highly pragmatic motivation for Smith's post-inspection recommendation that the Skills Center be given additional funding—a recommendation that resulted in the award of its bike repair course.

"Wes Smith was an excellent politician," Saulsberry says. "He worked very hard on public relations. . . . I think Mr. Lopez complained to him that he was not getting anything from the state—that it would probably be a good political move to give him at least one project."

[Last of a series]

$52,693 TO SKILLS CENTER BUT NO INSTRUCTION

(By Harry Farrell and Elias Castillo)

A preferential 1972 Job Corps subcontract, negotiated in a politically charged atmosphere, has enabled the Santa Clara Valley Skills Center to collect $52,693 for instruction never given.

The pact was cancelled last month at the direction of Royce Halsey, deputy regional manpower administrator for the Department of Labor.

He gave the order, he says, because the situation was "so shady, so bad, so questionable."

The episode throws a spotlight on the relationship between Skills Center Director Jose Lopez and Xavier Mena, deputy director of the Job Corps, in Washington, D.C.

Other Labor Department officials say Mena has consistently guarded Lopez' interests in his dealings with the Job Corps.

"We're trying to run the program," says Halsey, "and he's trying to defend a situation that is throwing money down that rat hole."'

The cancelled contract provided for farming out Job Corps youths to the Skills Center for vocational training.

Parties to the pact were the Skills Center and Singer Educations Systems. Singer is the firm engaged by the government to run the Job Corps' San Jose facility, which occupies a row of one-time fraternity houses on S. 11th Street.

John Acquilano, who heads the Singer operation here, says there is "no question" that his firm signed with the SCVSC under influence from Mena.

And when the first steps toward cancellation took place, he adds, political pressure to reverse the action quickly began to mount.

But at this point, Halsey says he told Singer:

"I don't give a damn. Get out of that contract. You can't afford that sort of thing; so get the hell out of it and get out of it now." He later added, "I'm chartered to run this program, and I'm going to run it like I would if it were spending my own money."

The Skills Center contract was one of five that Singer negotiated with local public and private schools for training of its Job Corps youth in a number of vocations.

Essentially these were form contracts, nearly identical. But the Skills Center pact contained an extra "Article XXI" that appeared in none of the others.

It provided that during a start-up period, the Skills Center would be paid $1.69 an hour for training 50 students a day (later reduced to 40), whether or not the Job Corps would provide them.

How this worked out is illustrated by figures for last August. During that month the Job Corps sent the Skills Center only enough trainees to receive instruction worth $674 at the specified hourly rate. The actual payment, order Article XXI, was $7,774.

For the full-term of the contract, instruction actually given by the Skills Center was worth only $22,844.99 at the hourly rate, but payments mounted to $75,538.80.

During negotiations on the agreement last year, at least two former Singer officials found Article XXI objectionable. Dean Dalby, who was deputy director of the Job Corps here, had reservations about it, and Dale Winston, who was manager of administrative services, says he "opposed it verbally."

Sometime during the negotiations, however, Mena arrived in San Jose.

Winston remembers him coming to the Job Corps Center for a lengthy conference in the office of Pedro Yadez, Aquilano's predecessor, after which the controversial contract was signed.

Lopez was on hand, too, according to Winston, and he and Mena left in the same car.

Dalby tells of sitting on another conference, which took place at Lopez' Skills Center, regarding the contract. He says others present were Mena, Yanez and Lopez.

Mena denies emphatically he influenced the contract. He says this would have been "unethical."

"I stepped out of the room because I did not want in any way to influence . . . the negotiations," he emphasizes. "I have never talked to anyone in Singer to try to buy a bowl of soup, let alone a subcontract. Never, never."

But Dalby says the very presence of the Job Corps' No. 2 man had its effect.

"Let me put it this way," he explains. "When you have a man that high-ranking present, you just draw your own conclusions."

At no time, Dalby recalls, did Mena object to the controversial clause.

Halsey's move to revoke the Skills Center contract began last year.

"They (Singer) didn't react as quickly as possible," Halsey says: "I think they were concerned about political ramifications. I don't give a damn about political ramifications."

Despite Lopez efforts to mobilize community support for his contract, it was ultimately terminated for reasons that went beyond excessive cost, according to Halsey and Aquilano.

Like state manpower officials, they had compiled their own list of grievances with the Skills Center's performance.

One was "recycling" of trainees—running them twice over the same curriculum. Two Jobs Corps women, Claudia Shaw and Francelia Stevens, reached Chapter 29 in their shorthand book, only to be returned to Chapter I when a new class started up.

Within days after Halsey and Aquilano moved to cancel the Skills Center as a Job Corps contractor, Mena flew back to San Francisco for conferences with Halsey and Regional Manpower Administrator Floyd Edwards.

Asked why the No. 2 man in the Job Corps would so concern himself with a purely local matter, Mena said several other items were also on his agenda for the trip. He acknowledged that Lopez had called him about his contract difficulties, but said he made the promises to intervene.

Mena's visit with Halsey and Edwards was May 21. He was briefed in detail about the Skills Center's unearned fees, which at that point amounted to $47,000.

"Those figures were laid out to him very, very coldly and very, very plainly," Halsey says.

Yet when Mena was interviewed by the Mercury and News two days later at his San Diego summer home, he claimed, "I haven't seen the figures you're telling me."

Mena, unlike other Labor Department officials involved, is strongly defensive of the Skills Center, particularly its capacity for bilingual instruction.

Referring to a visit there, he says. "What I saw, I liked."

Like many other similar agencies, the Skills Center today faces a clouded future.

The federal programs which have supported it are on the wane.

Federal revenue sharing may kill off many of them.

As a result of these articles. the Skills Center also may face an FBI inquiry, a probe by the Santa Clara County district attorney, and an internal investigation by its own board.

PANAMA CANAL: ONASSIS-OWNED VICTORY CARRIERS SUPPORT MAJOR MODERNIZATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. MURPHY) is recognized for 5 minutes.

Mr. MURPHY of New York. Mr. Speaker, as a Representative in the Congress from the great Port of New York with assignment to the Committee on Merchant Marine and Fisheries, I am keenly alert to the needs of American shipping. Among the problems facing it are those of the safe, convenient and expeditious transit of the Panama Canal, which is now under consideration by the Congress.

At hearings on July 17, on interoceanic canal problems, discussions focused on the subject of what should be done to improve its operations and increase its capacity. Proposed legislation for these purposes is now pending.

One of the strongest and clearest statements submitted in connection with the indicated hearings was a letter to me from Constantine G. Gratsos, executive vice president of Victory Carriers, Inc., which is an important element in the merchant marine of the United States. This company is owned by Aristotle Onassis, one of the shipping leaders of the world.

In his letter, Mr. Gratsos strongly recommends prompt action on H.R. 1517, which measure, introduced by our distinguished and scholarly colleague from Pennsylvania (Mr. FLOOD) would authorize the resumption of construction of the suspended third locks project modified to include a terminal lake in the summit level in the Pacific sector of the canal. The plan has been authoritatively recognized by some eminent engineers, navigators, and other canal experts as providing the best canal for the transit of vessels practicable of achievement at least cost under existing treaty provisions.

In order to give the Gratsos letter wider circulation, I quote it as part of my remarks:

NEW YORK, N.Y., *July 16, 1973.*

Hon. JOHN M. MURPHY,
U.S. House of Representatives,
Washington, D.C.

DEAR CONGRESSMAN MURPHY: As Executive Vice President of Victory Carriers, Inc., a New York based carrier, operating ships which utilize the Panama Canal, I would like to share some views with you which may be helpful in tomorrow's hearings of the Panama Canal Subcommittee of the Merchant Marine and Fisheries Committee.

The value of having a waterway across the Isthmus has been recognized since the age of discovery. Saving about 8000 nautical miles for intercoastal voyages, its continued efficient operation is a matter of prime importance. Interoceanic commerce is concerned primarily with its continued safe, expeditious and convenient transit.

Ever since the opening in 1914 of the canal thoughtful mariners have often asked why the Atlantic end of the canal has only one group of 3 lifts locks to raise vessels from sea level to the Gatun Lake level, about 85 feet high, while at the Pacific end of the Canal there are two groups of locks separated by a small intermediate level Miraflores Lake, 54 feet above mean sea level.

These experienced navigators generally recognize the differences between the two ends of the canal and have often reported to their operating companies about the double set of difficulties experienced when transiting the Pacific Locks. I have observed these difficulties from personal observation during transit of the canal.

For more than half a century every vessel that has passed through the Pacific Locks has had to make two approaches, make fast twice to towing locomotives, and let go twice as compared to only once for these operations at Gatun. The Pacific arrangement has involved not only loss of transit time but has also added to the danger of marine accidents. Our ship masters have often stressed the marine operational benefits that would accrue from the consolidation of the Pacific Locks in three lifts as close to the seas as possible so as to correspond with the layout at Gatun.

The crucial tests of World War II and marine operational studies incident thereto made in the Panama Canal organization inspired the development by the personnel in that agency of a proposal for the future canal based upon navigational experience, known as the Terminal Lake-Third Locks Plan.

Because of its inherent advantages, which are perfectly obvious, it makes a strong appeal to thoughtfoul mariners and their principals as the only logical solution of the Canal question when all its main aspects are considered. In this connection, I would emphasize that any plan that does not eliminate the bottle neck locks at Pedro Miguel does not merit the support of the Merchant Marine and from our point of view would be useless.

The problem of increasing the capacity of the Panama Canal has two elements of great interest to the merchant marine; locks and transit capacity.

The usable dimensions of the present locks are 110 feet by 1000 feet by 41 feet. While these dimensions are sufficient for a majority of the vessels that transit, the number of larger ones is steadily increasing to such a point that even Panama Canal pilots have publicly complained about the locks being too small for some of the traffic.

The fact that the transit capacity can be increased by certain improvement is not enough. With the exception of the widened Gaillard cut the Canal is essentially what it was when opened to traffic 59 years ago. Specifically, many ship masters have complained that the location of the Pedro Miguel Locks squarely across the mouth of Gaillard cut causes problems and loses time. Those who have studied the subject almost uniformly urge the elimination of these locks for an adequate modernization. As previously indicated, any plan that does not provide for the physical removal of these locks cannot solve the marine problems of the Canal. Instead it would perpetuate what experience has shown to have been the fundamental error in the design of the Panama Canal—the separation of the Pacific Locks.

What is needed for the Panama Canal is a two way ship channel through the continental divide with a traffic reservoir in the summit level at each end.

The reservoir at the Atlantic end is supplied by Gatun Lake; the needed basin at the Pacific end would be provided by the elevated Miraflores Lake. And such a canal would be the best canal for the transit of vessels and it would be provided by H.R. 1517. The recommended modernization program involves much work: two years for planning and about eight years for construction. Prompt passage of the bill is recommended.

In addition to the increase in capacity and safety provided by the Terminal Lake-Third Locks Plan ships would obtain the added benefit of an increase of the water supply which would reduce the present problems caused by seasonal shortages of water.

Major modernization of the Panama Canal would be expensive, of course, but as time goes on costs would inevitably increase so that it is mandatory to undertake the project at the earliest moment. Panama Canal tolls can be raised within reason, and I believe that any increase in tolls should be allocated toward the improvement of the canal, not only for the benefit of American Shipping but for the commerce of the entire world.

Sincerely,

C. G. GRATSOS.

TWO-PARTY CONSENT REQUIRED TO INTERCEPT WIRE OR ORAL COMMUNICATIONS

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from New York (Ms. ABZUG) is recognized for 10 minutes.

Ms. ABZUG. Mr. Speaker, the practice of electronically monitoring private conversations without the consent of all parties to the conversation and without a warrant constitutes a serious threat to the civil liberties of all Americans.

In a recent decision, Federal District Court Judge Gerhard Gesell wrote:

> Whatever incidental good flows from this invasion of privacy is submerged by the growing appearance of police surveillance so typical of totalitarian states.

Judge Gesell noted that consensual overhearing, in which one party to the communication gives his consent to the eavesdropping:

> Does not violate any provision of the Constitution or any statute. Only legislation requiring a warrant in these cases can correct the growing intrusion of the right of privacy so central to the Bill of Rights.

Mr. Speaker, today I am introducing such remedial legislation. The law now permits a person to intercept a wire or oral communication where such person is a party to the communication or where one of the parties to the communication has given prior consent to such interception. This means, as the revelation of the White House tapes indicates, that an individual's remarks, uttered under the most private circumstances, can be intercepted and recorded without his knowledge or consent and without judicial supervision. My bill provides that wire and oral communications can be intercepted without a warrant only if all of the parties to the communication give prior consent.

This requirement is similar to the Federal Communication Commission "beep tone rule." In 1947 the Commission, acting on the belief that the unregulated use of recording devices threatened the privacy of telephone conversations, ordered that any recording device used in interstate or foreign calls be accompanied by an automatic tone signal. In 1966, the FCC prohibited eavesdropping by radio devices unless all the parties to the communication consent. In making this ruling, the Commission relied on the recommendations of the Committee on Science and Law of the Bar Association of the city of New York. Incorporating the arguments of the association, the FCC found that—

> We should not sanction the unannounced use of listening or recording devices merely because one party to an otherwise private conversation is aware that the conversation is in fact no longer private.
>
> The right of privacy is precious, and should not be sacrificed to an eavesdropper's needs without compelling reasons . . .
>
> We do not believe it to be consistent with the public interest to permit this new product of man's ingenuity to destroy our traditional right to privacy.

Unfortunately, the FCC regulations lack substantial criminal sanctions. The individual who records a telephone conversation without the required beep tone risks only discontinuation of his telephone service. Eavesdropping by radio device is punishable under the FCC regulations by a fine of $500.

The time has come to take decisive action to regulate electronic eavesdropping. Privacy is essential to liberty. Unwarranted and unregulated intrusions on privacy threaten Americans of all political persuasions. The requirement of prior judicial authorization for the interception of wire or oral communications can stop the proliferation of "consensual overhearing." My bill mandates such judicial supervision and provides substantial penalties for illegal invasions of privacy.

The text of my bill follows:

H.R. 9698

A bill to amend title 18 of the United States Code to prohibit the interception of certain communications unless all parties to the intercepted communication consent.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 2511 of title 18 of the United States Code is amended by—

(1) striking out, in subsection (2) (c), "or one of the parties to such interception" and inserting in lieu thereof ", but only if all of the parties to the communication have given prior consent to such interception."; and

(2) striking out, in subsection 2(d), "or where one of the parties to the communication has given prior consent to such interception" and inserting in lieu thereof ", but only if all of the parties to the communication have given prior consent to such interception,".

RESOLUTION OF IMPEACHMENT OF PRESIDENT NIXON

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Massachusetts (Mr. DRINAN) is recognized for 5 minutes.

Mr. DRINAN. Mr. Speaker, with great reluctance I have come to the conclusion that the House of Representatives should initiate impeachment proceedings against the President. My mind has resisted that conclusion for many months. I have now, however, come to the point where I must follow my convictions and my conscience and recommend that the House of Representatives pursue its duty under article 2, section 4 of the Constitution which provides for the impeachment of the President.

Before discussing the historical, constitutional, and legal justification for my conclusion I think that it is appropriate to note that the recent revelation which persuaded me that I could no longer be silent on this point was the recent disclosure that President Nixon conducted a totally secret air war in Cambodia for 14 months prior to April 30, 1970. On that day President Nixon announced to the Nation that he had ordered American ground forces to enter Cambodia. The President stated to the Nation that in the 5 years prior to April 30, 1970, the United States had "scrupulously" observed the neutrality of Cambodia. The President made this statement with the full knowledge that he had personally ordered thousands of B–52 air raids over Cambodia during the 14 months prior to America's invasion on the ground of neutral Cambodia.

It is appropriate to discuss the following issues:

First. An impeachment cannot be substituted for either a vote of no confidence or an indictment for criminal offenses.

Second. The activities and omissions of President Nixon add up to conduct which merits impeachment by the House of Representatives.

Third. A hearing on impeachment by the House of Representatives is the only possible way by which the questions of the citizens of America can be answered and their confidence in government restored.

I. WHAT ACTIVITIES OR OMISSIONS AMOUNT TO IMPEACHABLE CONDUCT?

All of the literature concerning the Constitutional Convention demonstrates that there is no evidence that any member of that convention expressed the opinion that impeachment was only intended to cover indictable offenses. That is the conclusion of the learned volume by Prof. Raoul Berger entitled "Impeachment: The Constitutional Problems"—Harvard University Press, 1973. Professor Berger states that—

> One may fairly conclude that indictability was not the test of impeachment. . . .

The same author expands on this by asserting—

> In sum, "high crimes and misdemeanors" without roots in the ordinary criminal law and which, as far as I could discover, had no relation to whether an indictment would lie in the particular circumstances. (Berger, at page 62.)

The House of Representatives, therefore, should not wait before commencing impeachment proceedings until some clear indictable offense on the part of the President becomes manifest. The Constitution makes it clear that the Founding Fathers separated impeachment from subsequent criminal prosecution. The words "high crimes and misdemeanors" do not presuppose conduct punishable by the general criminal law.

The report of the House Judiciary Committee recommending the impeachment of Judge English in 1926 was clear on this point:

> . . . Although frequently debated, and the negative advocated by some high authorities, it is now, we believe, considered that impeachment is not confined alone to acts which are forbidden by the constitution or Federal statutes. The better sustained and modern view is that the provision for impeachment in the constitution applied not only to high crimes and misdemeanors as those words were understood in Common Law but also acts which are not defined as criminal and made subject to indictment, and also to those which affect the public welfare. (H. Rept. 653, 69th Congress, 1st Session, page 9–10.)

Indeed it is uncertain whether the constitutional provisions for impeachment set up a criminal proceeding at all. To be sure the impeachment provisions seem to point in the direction of criminality because they employ the language of the criminal law. At the same time article 3, section 2(3) of the constitution provides that—

> The trial of all crimes, except in cases of impeachment, shall be by jury.

Similarly article 2, section 2(1) empowers the President to grant "pardon for offenses against the United States, except in cases of impeachment." It is also significant that article 1, section 3 (7) distinguishes very clearly removal from office from the subsequent punishment which can be received after indictment.

Impeachment, therefore, should not be looked upon or compared with an indictment nor should the role of the House of Representatives in considering the impeachment of a President be deemed to be that of a grand jury. Perhaps the best definition of impeachment is taken from the classic work on jurisprudence of Justice Story. This classical source states that impeachment is—

> . . . proceeding purely of a political nature. It is not so much designed to punish an offender as to secure the state against gross official misdemeanors. It touches neither his person nor his property, but simply divests him of his political capacity."

Impeachment is a noncriminal and nonpenal proceeding. Impeachment proceedings do not permit the person subject to them to claim double jeopardy if, in fact, he is tried for a crime subsequent to the impeachment.

From my review of virtually every legal and constitutional treatise ever written in American history on impeachment the term "removal from office" could be used as a synonym for "impeachment." Professor Berger notes in his definitive study of impeachment that the framers of the Constitution made clear the noncriminal aspects of the impeachment process but that—

> A thorough-going attempt to clarify the non-penal aspect of removal would have required the framers to coin a fresh and different vocabulary—perhaps an insuperable task in all the circumstances.

The framers of the Constitution were steeped in English history. They feared that the executive branch of Government might be transformed into a monarchy. At the same time the authors of the Constitution desired to perpetuate the independence of the executive branch of Government. In order to maintain a system of checks against the executive, while not really threatening the independence of that branch of Government, the framers of the Constitution provided for impeachment which, it could be argued, is a narrow exception to the separation of powers.

The history of the Constitutional Convention makes it clear that, in debating impeachment, the framers were almost totally concerned with the powers of the President. The inclusion of the "Vice President and all civil officers," now in the Constitution, was not added until shortly before the convention adjourned.

Studies of the process by which the Constitution was written make clear that the framers furnished to the House of Representatives a norm for impeachment. That norm, adopted from English law, stated that impeachment can arise from a serious failing even though such conduct or failure to act would not be under English law an indictable, common law crime. At the same time the framers of the Constitution withheld from Congress the power to inflict criminal punishment. The framers adopted the words "high crimes and misdemeanors" because they knew that these words had a limited and technical meaning.

The framers of the Constitution clearly understood the potential abuse of the power of impeachment which it conferred on the House of Representatives. They understood that impeachment could become a very partisan weapon and that its existence could threaten Presidential independence. Nonetheless they chose to give to the House of Representatives the power of impeachment as a curb on Presidential conduct which would be less than criminal but more than tolerable.

I have reluctantly come to the conclusion that a hearing on the impeachment of the President is indicated.

II. DOES PRESIDENT NIXON'S CONDUCT JUSTIFY IMPEACHMENT?

In view of the fact that the Members of the House of Representatives act under the Constitution as the triers of fact in any impeachment proceedings it is not appropriate to set forth circumstances surrounding recent events in a way to suggest that the only possible inference from these circumstances is a conclusion that justifies impeachment. Consequently I raise questions that in my judgment the House should seek to answer. The list of questions is by no means complete or comprehensive. Nor is it appropriate to suggest that these questions will be resolved by the Senate Watergate Committee. Indeed, one can argue, based upon the questions asked by the Senate Watergate Committee, that the members of that panel may well be usurping the right to investigate the possibility of impeachment—a right granted by the Constituton exclusively to the House of Representatives.

The questions to which the House, in an impeachment proceeding, should address itself include the following:

First. Was there any justification for President Nixon authorizing 3,630 air strikes over Cambodia between March 1969 and May 1970? This period of 14 months of intensive bombing cost $140 million. Since the Congress knew nothing of the secret raids in Cambodia was this money obtained from the Congress under "false premises" and spent in an unconstitutional manner?

Was the President, furthermore, truthful with the American people when he stated to them on April 30, 1970, that "for 5 years neither the United States nor South Vietnam has moved against enemy sanctuaries—in Cambodia—because we did not wish to violate the territory of a neutral nation"?

Did the President, moreover, acquiesce in wrongdoing when the National Security Council, headed by Dr. Henry Kissinger, ordered the falsification of military records in order to prevent disclosure of the clandestine air war on Cambodia?

Second. Were impeachable offenses committed by the President in connection with the taping of all conversations which he made on the phone and all conversations that took place in various parts of the White House? If Mr. John Ehrlichman is accurate when he stated that he talked with Mr. L. Patrick Gray, then Director of the FBI, from a phone in the President's office it was a clear violation of Federal law since a phone was tapped without the permission of the sender or the receiver of the message.

Once again the answers to those questions with respect to the tapes may or may not be revealed in the Senate Watergate proceedings. But the House of Representatives is nonetheless not absolved from its obligation to investigate this matter insofar as it pertains to the question of impeachment—a subject over which the House has exclusive jurisdiction under the constitution.

Third. Every court that has ruled on the question of impoundment has decided against the administration. Nonetheless the impounding goes on. It was revealed on July 26, 1973 that the Secretary of Health, Education, and Welfare had withheld $1.1 billion over the past year in moneys authorized for major Federal health programs. By what right does a Federal agency refuse to spend more than a fifth of all of the expenditures appropriated by the Congress for the health services budget? Affected by this refusal to spend were Federal mental health programs, the National Heart and Lung Institute, and the National Cancer Institute—the last having been given priority by the President himself.

Fourth. The establishment of a supersecret security force within the White House itself is, of course, unprecedented in all of American history. The assumption by the President of the statutory tasks of the FBI and the CIA raise the most serious questions concerning the impeachment of a Chief Executive who in effect established a national police force accountable only to himself.

There are many other questions that could be raised concerning the legality, the constitutionality and the propriety of action and inaction by President Nixon.

III. CONCLUSIONS AND RECOMMENDATIONS

Until the last few days I, like other Members of the House of Representatives, took refuge in the hope that somehow these questions would be resolved either in the courts or in the Senate Watergate Committee hearings. I am persuaded that Members of the House can no longer entertain such hopes. The legality of the conduct of the several dismissed top aides to the President may or may not be fully resolved by the Senate hearings or in the courts. But the question of the impeachment of the President can be resolved in no other place but the House of Representatives.

It will no longer do for Members of the House of Representatives to suggest that no serious question exists. Reliable national polls indicate that some 70 percent of the American people feel that the President was involved in some way in the coverup of the Watergate scandals. Almost one-fourth of the people in the Nation have expressed the opinion that the President should be removed from office.

If the House of Representatives is to be truly the House of the people we can no longer tell almost one-fourth of America's citizens that they must expect the Senate or the courts to determine whether or not the President has committed impeachable offenses. The determination of that question is a right and duty which the House has under the Constitution and a duty which the House may not delegate to any other body in America.

Months ago the House Committee on Banking and Currency had a vote as to whether they would investigate the then emerging scandals related to the Watergate. The committee in a closely divided vote decided not to investigate those activities at that time.

I think that the time has arrived when the Members of the House must seek to think the unthinkable and to search diligently into our convictions and our consciences and decide what is our duty under the constitution as we behold the unprecedented revelations which everyday become more incredible.

Not a few observers and students of the House of Representatives have stated that they feel that the House has been too timid in asserting its constitutional powers with respect to a declaration of war. Many commentators have also indicated that the House of Representatives has not been vigorous enough in the exercise of its oversight function with respect to Federal regulatory agencies, including the military. Many publicists, furthermore, have given their opinion that the House of Representatives not infrequently allows the Senate to erode the powers of the House.

I raise that central question with regard to the Senate Watergate proceedings. If the President is impeached by the House the Members of the Senate must sit as the jury of the impeachment sent to the Senate by the House. Inevitably, therefore, the Members of the Senate cannot and should not inquire into the existence of impeachable offenses on the part of the President. That role belongs exclusively to the House. I hope that the House of Representatives will overcome its understandable reluctance and confront the unpleasant but unavoidable fact that hearings on the impeachment of the President have now become our constitutional duty.

Finally, Members of the House of Representatives should recognize that under the constitution a proceeding with respect to his impeachment is the only way by which a President can vindicate himself. Col. George Mason made this point when he addressed the Framers of the Constitution meeting in Philadelphia. Colonel Mason recommended that the constitution provide "for the regular punishment of the Executive when his misconduct should deserve it." But Colonel Mason went on to state that the same procedure will provide "for his honorable acquittal when he should be unjustly accused." For Members of both political parties, therefore, the impeachment process should be looked upon as the one way by which the Executive will be removed from office or by which he will secure that "honorable acquittal" to which he is entitled if he has been "unjustly accused."

Impeachment should not be a partisan issue. Impeachment should be a question which Members of both political parties in the House of Representatives should be able to discuss. Nothing can be gained by denying the existence of this question and a great deal may be lost.

The one instance in which the House impeached a President—that of President Andrew Johnson in 1868—was in all probability a gross abuse of the impeachment process and an attempt to penalize the President for differing with the policy of the Congress. If impeachment is to become a real issue within this House every Member should resolve to avoid the excesses which stigmatized the impeachment proceedings a century ago. A decent regard for the design of the Founders of our Constitution suggests that all of the Members of Congress speak rationally, responsibly, and reasonably about those processes which we should discuss and develop if on the one hand we are to avoid the great mistakes which this House made a century ago and, on the other hand, we are to confront without blinking the fact that we alone as Members of the House have under the Constitution the duty to exercise the awesome power to impeach the President.

PHOSPHATES IN DETERGENTS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Wisconsin (Mr. REUSS) is recognized for 10 minutes.

Mr. REUSS. Mr. Speaker, during the 91st and 92d Congresses, the Conservation and Natural Resources Subcommittee conducted extensive investigations on the Government's actions, and nonaction, concerning phosphates in detergents. Our investigations were extensively reported by the Committee on Government Operations in its reports of April 14, 1970 (H. Rept. 91-1004, entitled "Phosphates in Detergents and the Eutrophication of America's Waters"), and March 15, 1972 (H. Rept. 92-918, entitled "Phosphates and Phosphate Substitutes in Detergents: Government Action and Public Confusion").

These studies and reports showed that phosphates in heavy duty household detergents are a principal source of the phosphorus which is destroying our lakes, deteriorating our fisheries, and impairing our ability to use and reuse numerous lakes and streams. Our reports recommended that the amount of phosphorus in detergents be reduced and eventually eliminated in the manufacture of household laundry detergents.

The administration, although admitting the deleterious effect of discharging high levels of phosphorus into our waters, his chosen to disregard our recommendations. Instead, the administration has asserted that it will favor the treatment of wastewaters to remove phosphorus prior to their discharge into waterways.

I certainly agree that we should strive to remove phosphorus from wastewaters in treatment plants. But it would be far more intelligent, and far less costly, to reduce the amount of phosphorus going into the wastewaters before expending large sums of money to remove the phosphorus from the wastewaters.

The debate between the large soap and detergent companies, which want to continue manufacturing phosphate detergents, and the rest of the country, which wants to help preserve our waters from the eutrophication and deterioration of water quality caused by high levels of phosphate nutrients, has steadily continued. It is a subject of great public interest, because it involves the preservation of our Nation's waters, and the question whether we should expend millions and millions of dollars to construct or upgrade treatment plants to eliminate phosphorus from wastewater when the phosphorus could more readily be eliminated when the detergent is manufactured.

Recently, the Indiana University School of Public and Environmental Affairs published a brief report concerning its studies on this subject. The report, entitled "Laundry Detergents and Environmental Quality," was prepared by Prof. Richard S. Howe, and Messrs. John G. Morris and H. W. Poston. Professor Howe and Mr. Morris were formerly program director and deputy commissioner, respectively, of Chicago's Department of Environmental Control, and Mr. Poston is the present commissioner of that department.

The report found that the Chicago ordinances which, in February 1971, banned detergents with more than 8.7 percent phosphorus, and which on June 30, 1972, banned detergents containing any phosphates, resulted in a very substantial reduction in both the influent and effluent phosphorus concentrations in all four of the sewage treatment plants of the Metropolitan Sanitary District of Greater Chicago. These large reductions in phosphorus were accompanied by significant reductions in biological oxygen demand and suspended solids. To have achieved similar reductions by wastewater treatment would have cost the metropolitan sanitary district increased annual operating costs of some $27 million, including $9 million for handling increased volumes of sludge generated by chemical treatment, and additional capital costs for phosphate removal facilities exceeding $50 million.

The report also found that nonphosphate detergents were as effective as phosphate detergents in cleaning ability; were being favorably accepted by consumers; and caused substantially less corrosion of washing machines than phosphate detergents. The report found little or no evidence that phosphate detergents have greater germicidal and sanitizing capability than nonphosphate detergents. Although fabrics washed in carbonate-based detergents lose their flame-resistant properties more rapidly than when washed in phosphate-based detergents, the report pointed out that an occasional soak of the clothes in a vinegar rinse removes the calcium carbonate and reactivates the flame-resistant properties.

LITTLE COURAGE NEEDED ON HOUSING PROGRAMS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. PATMAN) is recognized for 5 minutes.

Mr. PATMAN. Mr. Speaker, earlier this year, the President, in a blatant misuse of the power of the executive branch, slapped a freeze or moratorium on funds for low- and moderate-income housing programs.

This was a direct slap at the Congress and the committees which had authorized and funded the programs. Just last week, a district court judge ruled the moratorium illegal and I am hopeful that the appellate courts will uphold this opinion.

However, the legislative branch has its own responsibilities under the Constitution and it is up to the Congress to insist that the laws it passes are carried out by the Chief Executive. With this responsibility in mind, conferees from the House and the Senate Monday afternoon agreed on language which would require the President to carry out these programs as authorized by the Congress and to release the funds appropriated. This action is in keeping with the sentiment expressed by many Members of this House since the moratorium was announced in January. It translates the mimeographed news releases into specific congressional action.

Despite this, we have heard many threats of a Presidential veto of the extension of the housing programs because the Congress dared to say it means what it says about wanting these programs carried forward. I am sure that we will hear these threats repeated in all their glory when the conference report comes up later this week.

Mr. Speaker, I am the last to say I know what the President might do about a veto of housing, but the Congress does have a responsibility and I hope we have the courage to say we want laws we pass carried out. It would be sad if we cringe and hide under the desk and defeat housing legislation because we are afraid the President might be unhappy.

The conference report on House Joint Resolution 512 will give the House a clearcut chance to state whether it is really serious about housing for all Americans—low- and moderate-income families included.

The language adopted by the conference simply mandates the Secretary of Housing and Urban Development to cease the suspension of Federal housing assistance programs. This would include such programs as FHA 235 and 236, rent supplements, college housing, public housing, and rehabilitation loans. The conference report also mandates the release of funds appropriated for rural housing programs. These are programs which the Congress has previously authorized and funded and the conference report simply reaffirms our demand that these programs be carried out.

SPACE HALL OF FAME— ALAMOGORDO, N. MEX.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Mexico (Mr. RUNNELS) is recognized for 5 minutes.

Mr. RUNNELS. Mr. Speaker, it is my pleasure to inform the Congress that the city of Alamogordo, N. Mex., has announced its intentions to establish in this southwest New Mexico community an International Space Hall of Fame.

It is appropriate that southwest New Mexico, which played an important role in the pioneer development of the various U.S. rockets that make up space history, and continues today to contribute to the American space effort, should be the site of a shrine commemorating the world's space adventures.

The charter for the International Hall of Fame has been approved by the Governor of New Mexico and the Alamogordo city commission. At an early date, the plans for this project will be entered into the RECORD.

For the information of my colleagues, I insert a telegram from the Alamogordo Chamber of Commerce in the RECORD.

Congressman HAROLD RUNNELS,
House of Representatives,
Washington, D.C.:

The City of Alamogordo announced to the world today that it will establish an International Space Hall of Fame, with an appropriate shrine to be supported by a historic foundation in this city.

The charter for this International Space Hall of Fame was announced by resolution of the Alamogordo City Commission, and a proclamation by Governor Bruce King of New Mexico.

Dr. Charles Stark Draper, President of the International Academy of Astronautics, has been consulted and offered the services of the Academy in selecting the nominees for the International Space Hall of Fame.

Dr. Draper is best known as the inventor of inertial test guidance systems for navigation of space vehicles.

The International Space Hall of Fame plans will be presented at the next meeting of the Academy at Baku, Russia, in October by Dr. Draper and by Dr. Ernst Steinhoff, a delegate from Alamogordo, New Mexico. The Academy was founded by distinguished pioneers of space research in 1961 for promotion of international cooperation and communication among space scientists of all nations.

A symposium of international space laboratories was held, under the auspices of the Academy, in nearby Cloudcroft, New Mexico in the fall of 1969.

The meeting coincided with the year of the dedication of the new Sacramento Peak Observatory telescope. Outstanding scientists from all over the world, attending the conference, were conducted on tours of facilities of the Tularosa Basin. The International Space Hall of Fame with associated history, exhibits and models will be a major tourist attraction in the Tularosa Basin.

The contributions of Holloman Air Force Base, White Sands Missile Range, the NASA Apollo Site and their early history of Wernher Von Braun and Associates leading to the first successful American orbital experiment and many other pioneer space contributions of the Tularosa Basin will be commemorated in this internal shrine of space history. Alamogordo is located on U.S. 54–70, between

El Paso, Texas and Albuquerque, New Mexico.

Historically, Alamogordo was located on the Old Santa Fe Trail and today is near Trinity Site, location of the first atomic fission explosion in July, 1945. Alamogordo is a thriving, bustling city of 25,000 people. Located nearby is the White Sands National Monument, the Lincoln National Forest and the Sacramento Mountains, the home of numerous mountain resorts.

ALAMOGORDO CHAMBER OF COMMERCE.

AMENDMENTS TO BE OFFERED ON THE TRANS-ALASKA PIPELINE BILL (H.R. 9130)

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Michigan (Mr. DINGELL) is recognized for 15 minutes.

Mr. DINGELL. Mr. Speaker, this week the House plans to consider H.R. 9130, a bill to amend section 28 of the Mineral Leasing Act of 1920, and to authorize a trans-Alaska oil and gas pipeline, and the somewhat similar, but considerably broader and different, bill (S. 1081) recently passed by the Senate. The prime objective of these bills is to overturn the February 9, 1973, decision by the U.S. Court of Appeals for the District of Columbia Circuit, *The Wilderness Society* v. *Morton*, Nos. 72-1796, 72-1797, 72-1798—and their principal impetus is the asserted need to transport oil from the North Slope of Alaska in order to relieve the "energy crisis."

The fears of an impending energy crisis have been exacerbated and whipped up largely by the oil and gas industry. I question the validity of this "energy crisis" argument as a basis for the present headlong effort to rush construction of the trans-Alaska pipeline and to leave for more sedate study other alternatives which are certainly feasible. I think it is significant that the report of the Senate Interior and Insular Affairs Committee (S. Rept. 93-207), which carefully analyzed many of the arguments pro and con as between the trans-Alaska and the trans-Canada routes, stated that the committee—

> Did not regard any one of the foregoing arguments or any group of them as conclusively in favor of either of the competing pipeline proposals. In some areas of debate the preponderance of evidence or analysis seems to favor one side or another . . . .

And decided to support the trans-Alaska pipeline primarily—

> Because it could be on stream two to six years earlier than a comparable overland pipeline across Canada.

These bills raise numerous and fundamental issues of national policy to which I shall advert in a moment. But their most fundamental characteristic is that they are far broader than need be to achieve what we are told is the basic purpose, namely, to allow construction of the trans-Alaska pipeline across Alaska from its North Slope to Valdez in order to permit transportation of oil by tanker from Valdez to domestic markets.

I shall now discuss some of the defects of H.R. 9130 and the amendments I propose to offer.

Title I of H.R. 9130 would amend section 28 of the Mineral Leasing Act to give the Secretary of the Interior broad authority to grant pipeline rights-of-way in and across all of the public lands and forest reserves throughout Alaska and the United States. This proposal by the Department of the Interior simply aids and abets the greed of the oil industry in its efforts to use the Alaska pipeline and the energy crisis as the excuse for acquiring authority to devastate the forests and public lands of our Nation.

Please note, also, that the bill would not only authorize rights-of-way for pipelines, but also would encompass a wide variety of what the bill terms "related facilities." The bill's amended section 28(a) defines these related facilities to—

> Include but . . . not limited to valves, pump stations, supporting structures, bridges, monitoring and communication devices, surge and storage tanks, terminals, roads, and campsites.

It even provides that such facilities—

> need not necessarily be connected or contiguous to the pipe.

The use of the phrase "include but—not limited to" would appear to permit numerous other kinds of facilities even though they are not listed in the amended section 28(a).

I think it is a mistake to give such open-ended and unfettered authority to the Secretary to dispose of Federal lands. It may be argued, for example, that the phrase "include but—not limited to" would also authorize the use of large amounts of land for airports, whether or not they are connected or contiguous to the pipeline. On the one hand, it should be noted that H.R. 9130 as initially introduced on June 29 specifically named "airports," page 2, line 15, as indicated in the term "related facilities." That bill also included a reference to "airfield or airstrip" in section 203(d) of title II relating to the trans-Alaska pipeline, page 6, line 10. These references to "airport," "airfield," "airstrip" were deleted by the Public Lands Subcommittee when it reported the bill to the full Interior Committee on July 17, 1973, and the full committee concurred in such deletion. I now raise the question: Are airports included or not included? I therefore propose the following amendments:

I

An amendment to restrict the "related facilities" which may be included in a pipeline right-of-way under section 28 to those facilities specifically named in the statute.

AMENDMENT A

In section 1 of Title I of H.R. 9130, in the second sentence of the new paragraph (a) of section 28 of the Mineral Leasing Act (p. 8, line 18), delete the phrase "but are not limited to".

In the event the House does not adopt the foregoing amendment A, I shall then propose the following amendment to make clear that airports and airstrips are not included within the phrase "related facilities":

ALTERNATIVE AMENDMENT B

In section 1 of Title I of the bill, in the second sentence of new paragraph (a) of section 28 of the Mineral Leasing Act (p. 8, line 21), insert the phrase "but not airports or airstrips," immediately after "campsites,".

II

Even if the Congress decides to empower the Secretary of the Interior to allow oil and gas pipelines and all sorts of "related facilities" to proliferate amongst the open spaces of the unreserved public domain, it is a horse of a totally different color to permit such result in the lands which have been specifically reserved, such as those set aside for the national park system—for example, Yellowstone and Glen Canyon—the national wildlife refuge system—the desert game range and the Charles Sheldon Antelope Range—and the Wilderness System—Petrified Forest National Wilderness.

Section 28 of the 1920 Mineral Leasing Act specifies in its third proviso that "no right-of-way shall hereafter be granted over" public lands and forest preserves "for the transportation of oil or natural gas, except under and subject to" section 28. This means that only section 28 and the Interior Department's regulations cover rights-of-way for oil and gas pipelines. The Interior Department's present regulations are 43 CFR 2881 and the related regulations entitled "Rights-of-Way, Principles and Procedures." These regulations, particularly 43 CFR 2800.0-1, 2800.0-5(h), and 2802.1, would appear to indicate that section 28 now applies to parks, wildlife refuges and other reserved areas. Thus, the bill would enable rights-of-way grants of huge dimensions through the very kind of areas that Congress particularly intended to protect from such broad intrusions.

Accordingly, I propose the following amendment which would make section 28 of the Mineral Leasing Act of 1920 inapplicable to national parks, refuges, and so forth, unless the Secretary makes and publishes findings that the rights-of-way are in the public interest and meet the kinds of tests of environmental protection for such areas similar to the tests prescribed in the Federal Highway Act (23 U.S.C. 138) and sec. 4(f) of the Department of Transportation Act (49 U.S.C. 1653). My amendment would not preclude oil and gas pipelines across those areas if the laws applicable to such areas authorize such pipelines. My amendment is as follows:

AMENDMENT C

In section 1 of Title I of the bill in the new paragraph (c) of section 28 of the Mineral Leasing Act (p. 9, line 6), insert the following after the letter (c):

"(1) No right-of-way or permit shall be granted by the Secretary in, across, under or through any area of the National Park System, the National Wildlife Refuge System or the National Wilderness System unless the laws providing for the establishment and administration of such areas specifically authorize such right-of-way or permit and unless the Secretary finds, and publishes such finding together with all other findings made by him under this section, that such right-of-way or permit is in accord with the public interest, will not interfere with the uses and purposes to which the area is dedicated, and is consistent with the requirements of the statute permitting such right-of-way, and that if it harms the environment or any use or purpose to which the area is dedicated, there is no feasible and prudent alternative to such right-of-way or permit, and all possible measures to minimize the resulting harm have been taken or are planned; and (2)".

III

When H.R. 9130 was reported by the Public Lands Subcommittee to the full Interior Committee, it contained no provision for giving public notice of an application for a right-of-way or permit or for providing the public an opportunity to object either through written comments or at a public hearing. Accordingly, in the letter which nine other Members of Congress and I transmitted to the chairman of the Public Lands Subcommittee, we urged that the bill be amended to provide for such public participation. The Interior Committee accepted our recommendation by including a new subsection (h), at page 11 directing the Secretary to establish procedures "including public hearings, where appropriate" to give Federal, State and local government agencies adequate notice and "opportunity to comment" upon right-of-way applications "filed after the date this subsection becomes effective." We appreciate the committee's action in adopting subsection (h). It is a welcome recognition of both the need for, and the public's right of, public participation in the Department's consideration of whether a right-of-way grant for oil and gas pipeline purposes should be made. However, I think it would be preferable that the act require public hearings whenever there is a request that public hearings be held. Accordingly, I propose the following amendment:

AMENDMENT D

In section 1 of Title I of the bill in the new paragraph (h) of section 28 of the Mineral Leasing Act (p. 11, lines 11, 12), delete the phrase "where appropriate," and substitute the phrase "when deemed appropriate by the Secretary or upon request by any person,".

Subsection (h) applies only to "applications filed after the date this subsection becomes effective." Yet the Interior Department has stated that there are existing rights-of-way which violate section 28 as well as many pending applications for oil or gas pipelines, and that all of them must be scrutinized to determine whether they shall be approved. We think it impairs the public interest to deny the public and other government agencies the right to participate in the consideration of such applications and rights-of-way. Accordingly, I shall propose the following amendment:

AMENDMENT E

In section 1 of Title I of the bill in the new paragraph (h) of the Mineral Leasing Act (p. 11, line 14), delete the word "filed" and substitute the phrase "considered by the Secretary".

IV

The new subsection (g) requires the Secretary to notify the House and Senate Interior Committees whenever an application for a right-of-way is filed for a pipeline 24 or more inches in diameter. In our letter of July 16, nine other Members of Congress and I asked the chairman of the Public Lands Subcommittee, Hon. JOHN MELCHER, whether the notification requirement would apply to "related facilities." He responded by letter of July 20—published in the CONGRESSIONAL RECORD of July 27, 1973, page 26416—that the subcommittee clearly intended the notification requirement to apply not only to a pipeline of 24 inches or more, but also to its related facilities. This appears to be confirmed by the fact that paragraph (a) of the bill—page 8, lines 12–13—refers to "the pipeline; that is, the pipe and its related facilities." Accordingly, in the light of subcommittee Chairman MELCHER's assurance and the legislative history to which I have referred, I shall assume that the notification requirement is adequately stated in subparagraph (g) to apply to any application for a pipeline of 24 inches or more and also to any facilities related thereto.

For the reasons mentioned above, I believe that title I of H.R. 9130 as reported by the Interior Committee is an open-ended invitation for the oil and gas industry to rape the public lands, the national forests, and our reserved lands including our parks, recreation areas, monuments, and fish and wildlife refuges. Even with the amendments we here propose, we think that it would be preferable to defer title I for further study rather than be rushed into it under the asserted urgencies that are now being used to justify approval of the trans-Alaska pipeline.

V

Title II of H.R. 9130 would authorize and direct the Secretary of the Interior to grant the right-of-way for the trans-Alaska pipeline without any further action under the National Environmental Policy Act, and without regard to any law other than section 28 of the Mineral Leasing Act and the provisions of title II. Whatever the merits of the proposal to support immediate construction of the trans-Alaska pipeline, there are several deficiencies in title II which should be corrected. Therefore, I intend to propose the following amendments.

Section 203(c) authorizes the Secretary to include in the trans-Alaska pipeline rights-of-way and permits such terms and conditions as he believes would "mitigate" any adverse environmental impact. The word "mitigate" narrows the Secretary's obligation, which should be to prevent adverse environmental impacts as well as to "mitigate" those that have already occurred. When the nine Congressmen and I brought this matter to the attention of Subcommittee Chairman MELCHER, he responded as follows in his letter of July 20:

> Regarding Title II and Section 203 and the use of the word "mitigate" rather than "prevent," this appears to be a matter of word choice and I would note that in Section 1(c) on Line 8 of the Committee print, the word "prevent" has been used in somewhat similar circumstances.

I welcome his response, of course, which constitutes persuasive legislative history as to the subcommittee's intention. However, because of the significant difference in meaning between the words "mitigate" and "prevent," I shall move to change the word "mitigate" to "prevent"—just as Chairman MELCHER's subcommittee amended subsection (c) by changing "minimize" to "prevent." My amendment is as follows:

AMENDMENT F

"In the first sentence of subsection (c) in section 203, (p. 14, line 5), delete the word "mitigate" and substitute the word "prevent".

VI

Section 203(f) provides that notwithstanding any other provisions of law, any action or proceeding to which the United States or any of its agencies or employees is a party must be commenced "within 60 days" after the right-of-way or permit is issued. This extraordinary limitation on the right to sue on any matter would bar, not only opponents of the pipeline, but also the United States itself. Under this provision, the United States would, 60 days after issuance of the permit, be barred from bringing any suit on any controversy "involving any right-of-way, permit or other form of authorization granted with respect to the construction of the trans-Alaskan pipeline." Even if it were desirable to bar an opponent of this pipeline, it passes understanding as to why that limitation should be applied to prevent the United States from litigating any controversy arising from or involving "any right-of-way, permit or other form of authorization granted with respect to the construction of the trans-Alaskan pipeline." Accordingly, I propose the following amendment:

AMENDMENT G

"Amend the first sentence of section 203 (f), (p. 16, line 13), by inserting immediately after the word "proceeding" the following phrase:

", other than an action or proceeding brought by the United States,".

VII

Subsections 207 (a), (b), and (c) impose on the holder of the right-of-way strict liability for damages resulting from the holder's activities at any point along the pipeline, and from the discharge of oil from vessels carrying oil which had been transported through the pipeline. However, these subsections do not fully cover the matter of reimbursing the United States for costs incurred by the United States in removing pollutants. Thus, the Federal Water Pollution Control Act, which never envisaged spills from the trans-Alaska pipeline, but is nevertheless applicable to the matter of reimbursement for cleanup costs in removing oil spills in Alaska, imposes an $8 million limitation on the liability of an on-shore oil facility for the cost of cleaning up its oil spill. This limit could be wholly inadequate to pay for the cost to the United States of removing oil spilled from the pipeline. I, therefore, propose an amendment which would simply remove the dollar limitation for damages resulting from, and for reimbursement of the costs for removal of, any spill of oil transported through the trans-Alaskan pipeline. The language of my amendment is drawn from 43 CFR 250.43, the Interior Department's regulation governing oil operations on the Outer Continental Shelf, which is not subject to the Federal Water Pollution Control Act.

AMENDMENT H

In Title II, at the end of section 207 (p. 20, line 17), insert the following new subsection (d)

"(d) If any area within or without the right-of-way granted by this Title is polluted by any operations conducted by or on behalf of the person granted such right-of-way, and such pollution damages or threatens to damage aquatic life, wildlife, or public or private property, the control and total removal of the pollutant, whatsoever found, proximately resulting therefrom shall be at the expense of such person including any administrative and other costs incurred by the Secretary or any other Federal agency. Upon failure of such person to control and remove said pollutant adequately the Secretary, in cooperation with other Federal, State, and local agencies, or in cooperation with such person, or both, shall have the right to accomplish the control and removal at the expense of such person."

VIII

Secton 206 woud make any crude oil transported over rights-of-way granted pursuant to section 28 of the Mineral Leasing Act, including crude oil from the trans-Alaska pipeline, subject to the provisions of the Export Administration Act of 1969.

Therefore, section 206 would allow the oil companies to export the Alaska oil pumped through the trans-Alaska pipeline whenever the President finds that such exports are in the national interest, and such exports would continue unless the Congress within 60 calendar days after receiving the President's report of his findings passes a concurrent resolution of disapproval. This provision is wholly objectionable. The entire justification for the trans-Alaska pipeline is that the Alaska oil is needed to combat our Nation's oil shortage. Thus, Atlantic Richfield's advertisement in the Washington Post of July 10, 1973, stated:

> What stands between our Nation's energy shortage and 10-billion barrels of Alaska oil?
>
> The pipeline approval.

Proponents of the bill testified that the oil to be carried by the pipeline would not be exported. Yet, as Senator JACKSON said on the Senate floor on July 9, CONGRESSIONAL RECORD, page 22798:

> The industry and the administration have been evasive, legalistic and less than credible regarding the possibility of an oil surplus on the west coast of the United States, and regarding plans to export North Slope oil to Japan.

We believe that Congress should insist that the oil not be exported unless the Congress—not the President alone—has authorized such export by an amendment or later statute. Accordingly, I propose the following amendment:

AMENDMENT I

In section 206 (p. 18, lines 4–14), delete the two sentences of the *Provided* clause and substitute the following: "*Provided*, That no exports shall be made unless and until Congress adopts a concurrent resolution stating its agreement with the President's finding concerning the national interest."

IX

Subsections 203 (a) and (d) would elevate the pipeline and its associated facilities above virtually all other national policies. Subsection (a) directs the Secretary of the Interior to grant the rights-of-way and permits for the pipeline—

> Without further action under the National Environmental Policy Act of 1969, notwithstanding the compliance requirement of subsection 28(c), and notwithstanding the provisions of any law other than said section 28 and this title II.

In addition, subsection (d) precludes any judicial review under NEPA of any authorization for the pipeline and the parallel highway. These provisions would wipe out, so far as the pipeline is concerned, all the environmental laws of the United States. Not only NEPA, but at least the following 14 major statutes, and probably others, would be made inapplicable to the pipeline and its associated facilities:

Port and Waterways Safety Act; Jones Act; Fish and Wildlife Coordination Act; Clean Air Act; Federal Water Pollution Control Act; Oil Pollution Act of 1961; Wilderness Act; National Wildlife Refuge System Act; Fish and Wildlife Act of 1956; Endangered Species Act; Department of Transportation Act, Section 12a; Federal Highway Act, Section 4(f); Wild and Scenic Rivers Act; Federal Power Act; and so forth.

If we adopt these provisions, we shall establish the precedent of legislatively waiving the National Environmental Policy Act—and all other environmental or protective laws—and we can expect every Member of Congress at some time to seek and expect similar legislative waiver of the NEPA—and other statutes—for his or her own projects. That precedent will spell severe problems for NEPA and further threaten our hopes for the preservation of our environment. I therefore propose the following amendment:

AMENDMENT J

(a) Section 203(a) (p. 13, lines 10–20) is revised to read as follows:

"Sec. 203(a). The Secretary of the Interior is hereby authorized to grant, in accordance with the provisions of section 28 of the Mineral Leasing Act of 1920, as amended by Title I of this Act, such rights-of-way and permits as he finds necessary for the construction, operation and maintenance of a trans-Alaskan oil pipeline."

(b) Subsection 203(d) (p. 15, lines 13–22) is deleted.

We are all aware that the proponents of the bill are seeking to prohibit further environmental review under NEPA. Hence, if the foregoing amendment which would eliminate the prohibition against further NEPA review is not adopted, I shall then offer the following alternative amendment in order to preclude the wiping out, so far as the pipeline is concerned, of all other laws which may possibly affect the construction, operation and maintenance thereof:

ALTERNATIVE AMENDMENT K

In subsection 203(a) (p. 13, lines 17–18), the following words are deleted: "and notwithstanding the provisions of any law other than said section 28 of this title II,".

KEEP AN OLD FRIEND

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. KOCH) is recognized for 5 minutes.

Mr. KOCH. Mr. Speaker, there is a popular adage in this country which states: "Down with the old, up with the new." The tendency of worshiping and revering the new at the expense of maintaining and renovating the old ofttimes presents a dilemma when the latter offers a more desirable alternative. There is a controversy surrounding an old and architecturally appealing library in my congressional district which is paradigmatic of this situation.

The Epiphany Library, located at East 23d Street in Manhattan, provides a vital service to its community. Not only is it the largest of the 5-day circulating branch libraries in New York but, with its turn-of-the-century Beaux-Arts revival architecture, it also has a pleasing visual impact on the neighborhood.

The city planned to tear down this building in order to erect a "new and improved," albeit a smaller, library. While it is certainly desirable to provide additional amenities for the users of the Epiphany, we should not destroy the old library, especially when it is technically feasible to renovate it at a cost less than the one estimated to construct the new library. Furthermore, should the Epiphany be demolished in order to make way for a new facility, the community would be "libraryless" for a protracted period of time.

As a Member of Congress I am particularly concerned about this problem since under the Library Services and Construction Act the Federal Government can fund the construction or renovation of public libraries. In the event that a particular library qualifies for such funding, as might be the case with the Epiphany, a decision to construct a new building when its renovation would be more desirable could result in the wasteful spending of Federal moneys.

The community planning board in whose district the Epiphany is located has devised a plan for the renovation of the library. But the board is faced with an intractable city rule which states that all renovated libraries in New York cannot exceed 7,500 square feet in total area. The remodeled Epiphany, including an addition to be built on an adjacent lot owned by the city, would be approximately 15,000 square feet.

The city administration to its credit has responded to this issue to the extent that they have canceled the contract for the demolition of the library. I would hope, however, that the city would demonstrate enough flexibility to allow for the renovation of the Epiphany.

Clearly, when existing facilities are conducive to renovation and when such plans are carefully conceived, as is the case in this instance, it is foolish to arbitrarily close the door on such a possibility. There are times when the old does offer a better alternative than the new.

A GREAT MAN PASSES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. PODELL) is recognized for 10 minutes.

Mr. PODELL. Mr. Speaker, last week, the world Jewish community lost one of its most prominent members when Louis Pincus died in Jerusalem at the age of 61.

The place of Mr. Pincus' death was particularly fitting, for he had been the chairman of the Jewish Agency Executive and the World Zionist Organization. As sad as death always is, it is somehow not as sad when one dies surrounded by those who love him in a land which he has helped build. Such was the case with Louis Pincus, for, more than almost any other individual, he is responsible for making the nation of Israel the fine, proud state she is today.

Louis Pincus was not a sabra—a native-born Israeli. He migrated to Israel in 1948, and devoted the remainder of his life to the Zionist movement. He personified the meaning of the word "Zionism"—total commitment to the belief that Israel is the spiritual and physical homeland of the Jewish people. Under his leadership, hundreds of millions of dollars were collected from Jews around the world to be used for the resettlement of immigrants to Israel.

It is hard to raise funds for charitable causes. No matter how worthy the motive, people always find a reason not to give of themselves, their time or their money. Louis Pincus found ways of transcending these reasons. For in Israel, and all that she represents, he found the means of uniting world Jewry in the pursuit of a single goal—the creation and strengthening of their homeland, Eretz Yisroel.

Louis Pincus was more than an indefatigable fundraiser and nation-builder. He was for 7 years the managing director of El Al, Israel's national airline. Under his guidance, El Al was set on the path toward becoming one of the world's finest airlines.

Mr. Pincus was active in Israeli politics as a member of Mapai, the Israeli Labor Party. But it was in a nonpolitical vein that he made his greatest contributions to the state. In 1971, he brought about the reconstitution of the Jewish Agency, an umbrella organization encompassing all the major Jewish organizations which were not participants in the World Zionist Organization. Mr. Pincus, as leader of both the WZO and the Jewish Agency, was in effect the leader of the Zionist movement in the Diaspora.

It was through his efforts that Jews scattered throughout the world could renew their ties with Israel. On the Passover festival, we utter a prayer which ends with the words, "Next year in Jerusalem." Through these words, many Jews express their longing to return to their homeland, and constant devotion to its survival. Louis Pincus made it possible for thousands of Jews the world over to make these words a reality, by providing them with the means to become part of the state of Israel. And for those who have not made aliyah, that is, who have not "gone up" to Israel, he has provided an organization through which they can express their devotion to Israel with their financial contributions.

Selflessness has virtually become a thing of the past in today's society. Those who care more about others than about themselves are a dying breed. With Louis Pincus' death, the world lost something rare, and it will be impossible to replace him.

PERSONAL EXPLANATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Michigan (Mr. DIGGS) is recognized for 5 minutes.

Mr. DIGGS. Mr. Speaker, because of a longstanding commitment to participate in the Civil Rights luncheon program of the National Dental Association's convention in Detroit, Monday, July 30, I was unable to be on the floor during consideration of a rule for S. 1989, the Federal executive, legislative, and judicial salaries that same afternoon. If I had been here I would have voted for the bill with full confidence in the justification offered by its sponsors and advocates.

SERVICE—NOT LUXURY—NEEDED IN GOVERNMENT

(Mr. ANDERSON of California asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. ANDERSON of California. Mr. Speaker, in this time of both rampant inflation and outlandish Federal debts, the Federal Government should be making every effort to trim the fat and reduce budgets.

And with the prospect of increasing postal costs to the American public, the Postal Service should be especially aware of the need to reduce all unnecessary expenditures.

But, evidently, this is not the case.

Rather than improve service, the postal officials prefer to spend the tax dollar on plush items that make life a little easier to themselves. For instance, a $50,000 kitchen to be used once a month by the Board of Governors will save them the trouble of calling out for sandwiches. Hand-carved wooden doors, at a cost of $3,550, will certainly impress the many taxpayers who call upon the postal executives trying to get improved service.

A pantry in the Postmaster General's Office, which cost the taxpayers $5,280, I am confident will do little to help getting a letter delivered, but perhaps the Postmaster General can do a better job when he has got plenty of chips and dip to nibble on—hopefully, this pantry can help him improve his performance by $5,280 worth, but I doubt it.

Mr. Speaker, the Founding Fathers did not create this Nation and the Government for the benefit of the public officials. They created it for the benefit of the people and that is our only function—not to sit around dreaming up ways to add comfort. Evidently, some big shots around here think that the people are their servants—those big shots are wrong and I think we can do without them.

At this point, I place the following article in the RECORD which appeared in yesterday's Washington Post:

POSTAL SUITES BEAR STAMP OF LUXURY

(By Jack Anderson)

The Post Office is struggling so desperately to save money that it has cut back services and is planning to increase first-class postage to 10 cents. But the postal poobahs are sparing no expense to build splendiferous new offices for themselves.

They are moving their headquarters from an old Gothic building to the antiseptic environment of Washington's new L'Enfant Plaza. Postmaster General Ted Klassen's private office has already been installed, replete with a $5,280 pantry, $4,602 hand-woven African drapes that can be pulled by remote control and nearly $6,000 worth of other furnishings.

But Klassen's quarters will look positively tacky compared to the penthouse that is planned on the 11th floor. The entire floor will be used for board of governors meetings, and it will take a lot of 10-cent stamps to pay for the fancy fixtures.

The plans call for impressive, hand-carved wooden doors, emblazoned with the seal of the Postal Service, to greet the visitor as he steps off the elevator. It will cost the taxpayers $3,550 just to get past the door.

In the conference room, a gaudy chandelier will hang grandly over the monthly meetings. The cost: $3,718. If the poobahs should get hungry while discussing postal affairs, they won't have to walk down a flight to Klassen's 10th-floor pantry. A kitchen costing $50,000 is planned for the board of governors to use once a month.

The palatial plans also call for glass and marble topped tables, 20 conference chairs at $438.42 each, 52 dining chairs at $212.40 each, four settees at $749.43, six lounge chairs at $480 apiece, eight occasional chairs at $305.90 each and two sofas for $1,147.05. The carpeting will run $8,388.50.

Postal authorities assure us the penthouse area will also be used for press conferences and VIP visitors. Photo developing facilities are also planned for the 11th floor. As evidence of their magnanimity, the postal poobahs made their old furniture available for sale to rank-and-file employees at low prices.

Footnote: Klassen has also been criticized for exorbitant spending on official trips. His entourage paid $560 per night, for instance, for the "Presidential Corridor" at the San Francisco Hilton last April during a regional postal conference. A spokesman said that calling the hotel cost exorbitant was "a gross distortion."

CHALLENGE TO CONSTITUTIONAL AUTHORITY OF CONGRESS

(MR. BROOKS asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. BROOKS. Mr. Speaker, on July 12, 1973, I announced that the Government Activities Subcommittee would undertake an investigation of the expenditure of large sums of Federal funds for improvements on private property in the name of Presidential security. Since that time, I have repeatedly attempted to obtain from the General Services Administration the pertinent facts and documents needed to make a full and fair evaluation of the facts. Despite repeated assurances of cooperation, it appears that a systematic effort is underway within the executive branch to prevent the subcommittee, the Congress, and the American people from learning the true facts in this matter.

I was informed yesterday by the Administrator of GSA that he had been instructed, following a 3-hour meeting at the White House on Sunday with Mr. Ron Ziegler and Mr. Leonard Garment, that no further information or materials would be made available to the subcommittee at this time. This decision by White House appointees contradicts an agreement the Administrator had made with me on Saturday.

Mr. Speaker, once again we are witnessing arrogant contempt for the Congress and of the Constitution by White House appointees. This White House action is hampering a congressional committee from performing its legitimate function. Consequently, I have asked the chairman of the Government Operations Committee to issue subpenas for the needed documents and testimony. Congress cannot permit this assault on its constitutional authority to go unchallenged.

The statement follows:

STATEMENT OF CONGRESSMAN JACK BROOKS AT PRESS CONFERENCE, JULY 31, 1973

On July 12, 1973, I announced that the House Government Activities Subcommittee would undertake an investigation of the expenditure of large sums of federal funds for improvements on private property in the name of Presidential security. That investigation was begun following numerous charges in the press and after my own extensive preliminary evaluation of available information to determine whether further review by the Subcommittee was warranted.

The White House has now involved itself in this investigation and is seeking to block the Subcommittee from carrying out its Constitutional obligation to the Congress and the American people.

To fully evaluate all of the facts concerning this issue, I requested that the General Services Administration make available to the Subcommittee all pertinent facts and documents. Despite repeated assurances of GSA cooperation, it appears that a systematic effort is underway within the Executive Branch of the government to prevent the Government Activities Subcommittee, the Congress and the American people from learning how much of the taxpayers' money has been spent on improvements and operations at San Clemente and Key Biscayne,

In the early stages of the investigation, the Subcommittee was given 46 pages of generalized summary data reflecting over $1,880,000 in federal expenditures at San Clemente and Key Biscayne. We were told the backup data for these figures was available for inspection in GSA's regional offices in San Francisco and Atlanta.

The volume of documents available in San Francisco was supposed to have included "several boxes" totaling approximately seven feet while that in Atlanta was described as "approximately 3 cubic yards." A Subcommittee investigator, who went to San Francisco at my direction, found only one small box of documents. I asked that those be copied and forwarded to the Subcommittee in Washington. Upon arrival in Washington, the documents had shrunk to one-half of a box. Likewise, the 3 cubic yards of documents in Atlanta required only half a box when copies were delivered to my office.

Furthermore, Subcommittee investigators have been denied all access to financial records in both Atlanta and San Francisco. In addition, GSA has yet to make available any figures concerning the office complex expenditures at San Clemente.

In an effort to resolve these problems, I met with the GSA Administrator, Mr. Arthur Sampson, in my office last Saturday morning. At that meeting Mr. Sampson agreed to supply the Subcommittee by this Friday all GSA documents relating directly or indirectly to work performed at San Clemente, Key Biscayne and Grand Cay for residences and office complexes. He further agreed to give Subcommittee staff investigators access to GSA files and financial data on Monday morning, July 30.

In fact, however, yesterday morning Subcommittee investigators were refused access to all information. Shortly thereafter Mr. Sampson requested another meeting with me. At that meeting yesterday afternoon, accompanied by a Secret Service official, Mr. Sampson informed me that he could not comply with his agreement made two days previously. He stated that pursuant to instructions from the White House, he could provide the Subcommittee with no further data until the White House released a comprehensive statement on these matters "in a few days."

According to Mr. Sampson, this reversal followed a 3-hour meeting at the White House on Sunday with Mr. Ziegler and Mr. Leonard Garment. The President was reported to be unaware of the meeting or the decision of Mr. Garment and Mr. Ziegler to withhold this information from the public and from a Congressional Committee.

Once again, this Administration has chosen to deny the right of the American people and the Congress to facts they have a right to know. Once again, we are witnessing arrogant contempt for the Congress and of the Constitution by White House appointees. This White House action is solely to hamper a Congressional Committee from performing its legitimate function in a fair and equitable and informed manner. The information for which I have asked consists of routine documents supporting federal government expenditures. The taxpayers and the Congress have a right to examine those documents. I know of no possible reason for legally denying them to the Subcommittee.

Since it is evident that the White House has directed the GSA not to cooperate with the Subcommittee, we have no choice but to seek subpoenas for the documents and the testimony we must have in order to fully and fairly determine whether present laws are being properly executed or whether additional legislation is needed.

I have asked Chairman Holifield of the Government Operations Committee, under his authority, to issue such subpoenas. Because of the sensitivity of the issue and in view of the numerous subpoenas of Executive Branch personnel already outstanding as a result of another investigation in the other body of Congress, the Chairman has announced that he will seek approval of the issuance of the subpoenas at a special meeting of the Government Operations Committee on Thursday.

I wish that this drastic action of using the subpoena power were not necessary as my Subcommittee has always had the fullest cooperation of the GSA and its officials and employees. However, I see no alternative now that the White House has assumed control of the decisions as to what information will be made available and when it will be forthcoming.

Presidential assistants should be aware by now that the public has a right, through its elected representatives, to know what the government is doing and for what purpose funds are being used. The Congress cannot permit this assault on its Constitutional authority to go unchallenged and, as Chairman of the Government Activities Subcommittee, I intend to exercise my Constitutional and legislative duty to my constituents and to the American people to the fullest possible extent.

INDONESIA HOLDS THE LINE

(Mr. SIKES asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. SIKES. Mr. Speaker, the Government of Indonesia is to be congratulated for the position it has taken with regard to its important peacekeeping role in Vietnam. This is the brightest spot in the work of the International Commission for Control and Supervision.

Canada has thrown up its hands and says it is withdrawing. The Communist-oriented nations have been far from cooperative and their zeal for the North Vietnam and Vietcong forces has made the job of the commission much more difficult. Nevertheless, Indonesia has renewed its determination to stick it out, no matter what the difficulties, in an effort to assure that the fragile peace in Southeast Asia is given every chance to succeed.

Admittedly the first efforts of the commission have met with very limited success. These efforts have been continuously handicapped by obstruction from Communist forces. In matters as important as peace, even limited success is better than no success at all. The Commission is now beginning the almost impossible task of trying to reach some kind of agreement on what territory belongs to whom. This is a matter of the utmost urgency and delicacy, and it will strain the patience of every government involved in the discussions. This is but one of the problems remaining to the commission.

Indonesia is entitled to a full measure of appreciation from the free world. Long a friend of the democracies, and itself a survivor in the war against Communist tyranny, Indonesia has set for itself a course which can only bring credit to its people.

In short, Mr. Speaker, the Indonesian Government sees in its role as a commission member an opportunity to perform a genuine service in the cause of peace in Asia and the world.

One can sense the pride with which the Indonesians approach the problems of this mission, and Americans who daily pray the peace will hold fast can only hope that the Indonesian Government and people will continue to provide the strength needed if the commission is to contribute to bringing real peace closer each day.

CONFERENCE REPORT ON H.R. 8760

Mr. McFALL submitted the following conference report and statement on the bill (H.R. 8760) making appropriations for the Department of Transportation and related agencies for the fiscal year ending June 30, 1974, and for other purposes:

Conference Report (H. Rept. No. 93–426)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 8760) "making appropriations for the Department of Transportation and Related Agencies for the fiscal year ending June 30, 1974, and for other purposes," having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 9, 11, 26, 35, and 41.

That the House recede from its disagreement to the amendments of the Senate numbered 15, 16, 17, 18, 22, 23, 24, 27, and 34, and agree to the same.

Amendment numbered 1: That the House recede from its disagreement to the amendment of the Senate numbered 1, and agree to the same with an amendment, as follows: In lieu of the sum named by said amendment insert "$275,000"; and the Senate agree to the same.

Amendment numbered 2: That the House recede from its disagreement to the amendment of the Senate numbered 2, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$24,475,000"; and the Senate agree to the same.

Amendment numbered 3: That the House recede from its disagreement to the amendment of the Senate numbered 3, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$26,000,000"; and the Senate agree to the same.

Amendment numbered 4: That the House recede from its disagreement to the amendment of the Senate numbered 4, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$1,175,000;" and the Senate agree to the same.

Amendment numbered 5: That the House recede from its disagreement to the amendment of the Senate numbered 5, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$1,175,000;" and the Senate agree to the same.

Amendment numbered 6: That the House recede from its disagreement to the amendment of the Senate numbered 6, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$75,500,000"; and the Senate agree to the same.

Amendment numbered 10: That the House recede from its disagreement to the amendment of the Senate numbered 10, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$1,200,500,000"; and the Senate agree to the same.

Amendment numbered 13: That the House recede from its disagreement to the amendment of the Senate numbered 13, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$62,095,000"; and the Senate agree to the same.

Amendment numbered 19: That the House recede from its disagreement to the amendment of the Senate numbered 19, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$14,000,000"; and the Senate agree to the same.

Amendment numbered 20: That the House recede from its disagreement to the amendment of the Senate numbered 20, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$4,200,000"; and the Senate agree to the same.

Amendment numbered 25: That the House recede from its disagreement to the amendment of the Senate numbered 25, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$44,757,000"; and the Senate agree to the same.

Amendment numbered 31: That the House recede from its disagreement to the amendment of the Senate numbered 31, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$20,100,000"; and the Senate agree to the same.

Amendment numbered 36; That the House recede from its disagreement to the amendment of the Senate numbered 36, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$35,050,000"; and the Senate agree to the same.

Amendment numbered 37: That the House recede from its disagreement to the amendment of the Senate numbered 37, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$32,300,000"; and the Senate agree to the same.

Amendment numbered 38: That the House recede from its disagreement to the amendment of the Senate numbered 38, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$2,250,000"; and the Senate agree to the same.

Amendment numbered 39: That the House recede from its disagreement to the amendment of the Senate numbered 39, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$300,000,000"; and the Senate agree to the same.

Amendment numbered 40: That the House recede from its disagreement to the amendment of the Senate numbered 40, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$50,000,000"; and the Senate agree to the same.

Amendment numbered 42: That the House recede from its disagreement to the amendment of the Senate numbered 42, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$10,000,000"; and the Senate agree to the same.

Amendment numbered 43: That the House recede from its disagreement to the amendment of the Senate numbered 43, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$985,550,000"; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 7, 8, 12, 14, 21, 28, 29, 30, 32, 33, and 44.

John J. McFall,
Sidney R. Yates,
(except amendment 25)
Tom Steed,
Julia Butler Hansen,
Edward P. Boland,
George Mahon,
Silvio O. Conte,
William E. Minshall,
Jack Edwards,
(except amendment 25)
E. A. Cederberg,
Managers on the Part of the House

Robert C. Byrd,
J. L. McClellan,
Warren G. Magnuson,
John O. Pastore,
Alan Bible,
Mike Mansfield,
Clifford P. Case,
Milton R. Young,
Norris Cotton,
Ted Stevens,
Charles McC. Mathias, Jr.,
Richard S. Schweiker,
Managers on the Part of the Senate.

Joint Explanatory Statement of the Committee of Conference

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 8760) making appropriations for the Department of Transportation and related agencies for the fiscal year ending June 30, 1974, and for other purposes, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report:

TITLE I—DEPARTMENT OF TRANSPORTATION

OFFICE OF THE SECRETARY

Amendment No. 1: Earmarks $275,000 for a study of the safety of natural gas pipeline distribution systems instead of $1,000,000 as proposed by the Senate.

Amendment No. 2: Appropriates $24,475,000 for salaries and expenses instead of $24,300,000 as proposed by the House and $25,200,000 as proposed by the Senate.

Under the conference agreement the 10 requested additional civil rights positions and the 10 full-time staff assistants for the Department's Secretarial Representatives are denied.

Amendment No. 3: Appropriates $26,000,000 for transportation planning, research, and development instead of $25,500,000 as proposed by the House and $26,500,000 as proposed by the Senate.

Amendment No. 4: Appropriates $1,175,000 for grants-in-aid for natural gas pipeline safety instead of $875,000 as proposed by the House and $1,500,000 as proposed by the Senate.

The conferees are concerned that the Department has not submitted the requested report to indicate the personnel and funds needed to establish and maintain an effective gas pipeline safety program. It is expected that this report will be received not later than October 31, 1973.

COAST GUARD

Amendment No. 5: Appropriates $545,400,000 for operating expenses instead of $544,400,000 as proposed by the House and $547,900,000 as proposed by the Senate. The additional $1,000,000 provided over the House bill is to establish a three-helicopter force at Cordova, Alaska.

The conferees reiterate the positions expressed in both the House and Senate committee reports with respect to the importance of the Coast Guard's search and rescue operations. The conferees are desirous that adequate search and rescue capabilities are provided in those areas in which the Coast Guard has indicated that it will reopen SAR stations.

The conferees intend that the Loran-A program not be phased down during fiscal year 1974 and that funds becoming available through shortfalls in military personnel can be used for this purpose.

Amendment No. 6: Appropriates $75,500,000 for acquisition, construction, and improvements instead of $74,500,000 as proposed by the House and $77,250,000 as proposed by the Senate.

Amendment No. 7: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment to limit the availability of funds to June 30, 1976, instead of June 30, 1975, as proposed by the House and June 30, 1977, as proposed by the Senate. The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

Amendment No. 8: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate to appropriate $25,000,000 for reserve training.

Amendment No. 9: Appropriates $3,500,000 for state boating safety assistance as proposed by the House instead of $4,500,000 as proposed by the Senate.

FEDERAL AVIATION ADMINISTRATION

Amendment No. 10: Appropriates $1,200,500,000 for operations instead of $1,193,500,000 as proposed by the House and $1,206,800,000 as proposed by the Senate.

The conferees are in agreement that if the Department of Transportation can demonstrate that adequate funds are not available for the airport security program, a supplemental request for this purpose will be considered.

Amendment No. 11: Appropriates $11,500,000 for engineering and development as proposed by the House instead of $13,750,000 as proposed by the Senate.

Amendment No. 12: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate to allow the funds appropriated for facilities and equipment to remain available until June 30, 1976, instead of June 30, 1975, as proposed by the House.

The Committee of Conference directs that the FAA not decommission any existing Flight Service Stations during fiscal year 1974 until such time as automated systems are in place and satisfactorily operational.

The conferees reiterate the position expressed last year that the installation of an instrument landing system at Morristown, N.J., Airport is not intended and shall not be used as an argument for the expansion of that airport against the wishes of the communities concerned.

Amendment No. 13: Appropriates $62,095,000 for research, engineering, and development instead of $55,000,000 as proposed by the House and $66,500,000 as proposed by the Senate.

In including $2,690,000 for the AEROSAT program, the Committee of Conference directs that a formal presentation be made by the Department of Transportation to the House and Senate Appropriations Committee prior to agreeing to any satellite program with foreign governments which will entail federal support.

Amendment No. 14: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate to allow the funds appropriated for construction, National Capital Airports to remain available until June 30, 1976, instead of June 30, 1975, as proposed by the House.

FEDERAL HIGHWAY ADMINISTRATION

Amendment No. 15: Appropriates $12,800,000 for salaries and expenses as proposed by the Senate instead of $14,300,000 as proposed by the House.

Amendment No. 16: Provides that $7,500,000 of the amount appropriated for salaries and expenses is to be derived from the Highway Trust Fund as proposed by the Senate instead of $9,000,000 as proposed by the House.

Amendment No. 17: Provides that $23,600,000 of the amount provided for salaries and expenses is to remain available until expended as proposed by the Senate instead of $25,100,000 as proposed by the House.

Amendment No. 18: Appropriates $1,020,000 for highway beautification, administrative expenses as proposed by the Senate instead of $1,000,000 as proposed by the House.

Amendment No. 19: Appropriates $14,000,000 for rail crossings-demonstration projects instead of $10,000,00 as proposed by the House and $18,000,000 as proposed by the Senate.

Amendment No. 20: Provides that $4,200,000 of the amount appropriated for rail crossings-demonstration projects shall be derived from the Highway Trust Fund instead of $3,000,000 as proposed by the House and $5,400,000 as proposed by the Senate.

Amendment No. 21: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment to appropriate $6,000,000 for railroad-highway crossings demonstration projects instead of $15,000,000 as proposed by the Senate. Of the $6,000,000 agreed to by the conferees, $1,700,000 is earmarked for Elko, Nevada; $600,000 is earmarked for Wheeling, West Virginia; $700,000 is earmarked for Lincoln, Nebraska; and $3,000,000 is unspecified. The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

Amendment No. 22: Appropriates $2,500,000 for territorial highways as proposed by the Senate instead of $2,600,000 as proposed by the House.

Amendment No. 23: Appropriates $5,000,000 for Darien Gap Highway as proposed by the Senate instead of $15,000,000 as proposed by the House.

Amendment No. 24: Deletes $4,000,000 appropriation proposed by the House for right-of-way revolving fund.

NATIONAL HIGHWAY TRAFFIC SAFETY ADMINISTRATION

Amendment No. 25: Appropriates $44,757,000 for traffic and highway safety instead of $44,632,000 as proposed by the House and $49,757,000 as proposed by the Senate. The conferees are concerned about the national driver register program. In providing a $125,000 increase over the House bill for this program, the conferees feel it is imperative that the individual's right to privacy not be compromised by this program. The conferees also feel that the appropriate legislative committees should closely monitor and review this program to ensure that it is not expanded beyond the intent of the Congress.

Amendment No. 26: Deletes language proposed by the Senate making $5,000,000 of the appropriation for traffic and highway safety contingent upon the enactment of authorizing legislation.

FEDERAL RAILROAD ADMINISTRATION

Amendment No. 27: Appropriates $10,350,000 for railroad research as proposed by the Senate instead of $10,500,000 as proposed by the House.

Amendment No. 28: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment to appropriate $8,900,000 for railroad safety instead of $7,000,000 as proposed by the House and $9,400,000 as proposed by the Senate. The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

Amendment No. 29: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate to earmark $1,400,000 for additional safety inspectors.

Amendment No. 30: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate to appropriate $1,500,000 for grants-in-aid for railroad safety.

Amendment No. 31: Appropriates $20,100,000 for high-speed ground transportation research and development instead of $17,100,000 as proposed by the House and $23,600,000 as proposed by the Senate.

The $3,000,000 increase over the House bill is for advanced systems research. The conferees are in agreement that all funds provided for advanced systems research should be used primarily for the 150 mile per hour TACV program.

The committee of conference denies without prejudice the $3,500,000 included by the Senate for retrofitting the Metroliner fleet. At such time as the on-going experimentation is completed and the total cost of the retrofitting is established, consideration will be given to appropriations requests for this purpose.

Amendment No. 32: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate to rescind $9,100,000 previously appropriated for grants to the National Railroad Passenger Corporation.

Amendment No. 33: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment to appropriate $102,100,000 for grants to the National Railroad Passenger Corporation instead of $115,500,000 as proposed by the Senate. In addition to the budget request of $93,000,000, which includes $2,300,000 for Southern Montana service, the conference agreement would provide $9,100,000 for the following purposes:

Mexican service via St. Louis, Little Rock, and Dallas	$4,500,000
San Joaquin Valley between Oakland and Bakersfield	500,000
Washington, D.C.-Cumberland, Md., service	400,000
New Carrollton, Md. station	500,000
New York to Kansas City and Chicago to Florida routes	3,200,000

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

URBAN MASS TRANSPORTATION ADMINISTRATION

Amendment No. 34: Appropriates $5,000,000 for administrative expenses as proposed by the Senate instead of $5,200,000 as proposed by the House.

Amendment No. 35: Deletes language proposed by the Senate making the appropriation for administrative expenses available until expended.

Amendment No. 36: Appropriates $35,050,000 for research, development, and demonstrations and university research and training instead of $29,600,000 as proposed by the House and $40,800,000 as proposed by the Senate.

The additional funds provided over the House bill are to be allocated as follows:

PRT research, development, and demonstrations	$4,000,000
Dial-a-ride	200,000
Service development	1,000,000
University research	250,000

The additional funds provided for the dial-a-ride program are to be used solely for analyses of the Haddonfield project to determine the applicability of this type service for other areas.

Amendment No. 37: Earmarks $32,300,000 of the appropriation for research, development, and demonstrations and university research and training for research, development, and demonstrations instead of $27,100,000 as proposed by the House and $37,800,000 as proposed by the Senate.

Amendment No. 38: Earmarks $2,250,000 of the appropriation for research, development, and demonstrations and university research and training for university research and training, instead of $2,000,000 as proposed by the House and $2,500,000 as proposed by the Senate.

TITLE III—GENERAL PROVISIONS

Amendment No. 39: Limits commitments for grants-in-aid for airport development to $300,000,000 instead of $280,000,000 as proposed by the House and $310,000,000 as proposed by the Senate.

Amendment No. 40: Limits obligations for highway beautification to $50,000,000 instead of $45,000,000 as proposed by the House and $55,000,000 as proposed by the Senate.

Amendment No. 41: Limits obligations for state and community highway safety and highway-related safety grants to $80,000,000 as proposed by the House instead of $85,000,000 as proposed by the Senate.

Amendment No. 42: Limits obligations for public lands highways to $10,000,000 instead of $5,000,000 as proposed by the House and $12,000,000 as proposed by the Senate.

Amendment No. 43: Limits commitments for urban mass transportation to $985,550,000 instead of $980,000,000 as proposed by the House and $1,000,000,000 as proposed by the Senate. The breakdown of the conference agreement is as follows:

Capital facilities grants	$872,000,000
Technical studies	37,600,000
Research	68,950,000
Administrative expenses	7,000,000

Amendment No. 44: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment which will prevent the implementation of a program of aviation administrative user charges which are in excess of the levels in effect on January 1, 1973, or which did not exist as of January 1, 1973, until such program is reviewed and approved by the appropriate committees of the Congress. The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

CONFERENCE TOTALS—WITH COMPARISONS

The total new budget (obligational) authority for the fiscal year 1974 recommended by the committee of conference, with comparisons to the fiscal year 1973 amount, the 1974 budget estimate, and the House and Senate bills follows:

New budget (obligational) authority, fiscal year 1973	[1] $3,125,451,095
Budget estimates of new (obligational) authority, fiscal year 1974	[2] 3,010,732,006
House bill, fiscal year 1974	[2] 2,753,231,006
Senate bill, fiscal year 1974	[2] 2,968,451,006
Conference agreement	[2] 2,898,446,006
Conference agreement compared with:	
New budget (obligational) authority, fiscal year 1973	−227,005,089
Budget estimates of new (obligational) authority, fiscal year 1974	−112,286,000
House bill, fiscal year 1974	+145,215,000
Senate bill, fiscal year 1974	−70,005,000

[1] Includes $131,181,000 advance fiscal year 1974 appropriation for Washington Metropolitan Area Transit Authority.

[2] Includes $90,360,000 advance fiscal year 1975 appropriation for Washington Metropolitan Area Transit Authority.

John J. McFall,
Sidney R. Yates, Except Amendment 25
Tom Steed,
Julia Butler Hansen,
Edward P. Boland,
George Mahon,
Silvio O. Conte,
William E. Minshall,
Jack Edwards, Except Amendment 25
Elford A. Cederberg,
Managers on the Part of the House.

Robert C. Byrd,
John L. McClellan,
Warren G. Magnuson,
John O. Pastore,
Alan Bible,
Mike Mansfield,
Clifford P. Case,
Milton R. Young,
Norris Cotton,
Ted Stevens,
Charles McC. Mathias, Jr.,
Richard S. Schweiker,
Managers on the Part of the Senate.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. Rose (at the request of Mr. O'Neill) to pay respect of the North Carolina delegation in the House at the funeral services in Fayetteville of Mrs. Fannie M. Jones, mother of Congressman Walter Jones of North Carolina.

Mr. Pepper (at the request of Mr. O'Neill), for today, on account of necessarily absent.

Mr. O'Brien (at the request of Mr. Gerald R. Ford), for balance of week, on account of surgical repair.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. Dent, for 15 minutes, tomorrow, and to revise and extend his remarks and include extraneous matter.

Mr. Vanik, for 1 hour, tomorrow, and to revise and extend his remarks and include extraneous matter.

(The following Members (at the request of Mr. Moorhead of California) to revise and extend their remarks and include extraneous matter):

Mr. Crane, for 5 minutes, today.
Mr. McDade, for 10 minutes, today.
Mr. Frenzel, for 60 minutes, today.
Mr. Kemp, for 10 minutes, today.
Mr. Gubser, for 30 minutes, today.

(The following Members (at the request of Mr. Davis of South Carolina) and to revise and extend their remarks and include extraneous matter) '

Mr. Gonzalez, for 5 minutes, today.
Mr. Murphy of New York, for 5 minutes, today.
Ms. Abzug, for 10 minutes, today.
Mr. Drinan, for 5 minutes, today.
Mr. Reuss, for 10 minutes, today.
Mr. Patman, for 5 minutes, today.
Mr. Runnels, for 5 minutes, today.
Mr. Dingell, for 15 minutes, today.
Mr. Koch, for 5 minutes, today.
Mr. Podell, for 10 minutes, today.
Mr. Diggs, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. Leggett to include extraneous matter with his remarks made yesterday on H.R. 9286.

Mr. Stratton to include extraneous matter with his remarks in the Committee of the Whole on the amendment offered by the gentleman from California (Mr. Leggett) on funds for South Vietnam and Laos.

Mr. Danielson and to include extraneous matter notwithstanding the fact that it exceeds two pages of the Congressional Record and is estimated by the Public Printer to cost $992.75.

Mr. Vanik and to include extraneous matter notwithstanding the fact that it exceeds 18¾ pages of the Congressional Record and is estimated by the Public Printer to cost $3,918.75.

Mr. Gubser and to include extraneous matter notwithstanding the fact that it exceeds five pages of the Congressional Record and is estimated by the Public Printer to cost $1,045.

(The following Members (at the request of Mr. Moorhead of California) and to include extraneous material):

Mr. Landgrebe in 10 instances.

Mr. Whitehurst.

Mr. Wyman in two instances.

Mr. Bell.

Mr. Derwinski.

Mr. Sebelius.

Mr. Carter.

Mr. Symms in two instances.

Mr. Duncan in two instances.

Mr. Hunt.

Mr. Steiger of Wisconsin.

Mr. Dickinson.

Mr. King in three instances.

Mr. Young of Illinois.

Mr. Collier in three instances.

Mr. Cronin.

Mr. Roncallo of New York.

Mr. Huber.

Mr. Kemp in two instances.

Mr. Broyhill of Virginia in two instances.

Mr. Rinaldo in six instances.

Mr. Frenzel.

Mr. Keating.

(The following Members (at the request of Mr. Davis of South Carolina) and to include extraneous material):

Mr. Gonzalez in three instances.

Mr. Rarick in three instances.

Mr. Murphy of New York.

Mr. Kastenmeier.

Mr. Rosenthal in five instances.

Mr. Vanik in two instances.

Mr. Fisher in three instances.

Mr. Symington.

Mr. Hawkins.

Mr. Rooney of New York.

Mr. Waldie in five instances.

Mr. Nichols.

Mr. Chappell.

Mr. Dingell.

Mr. Sikes in five instances.

Mr. Taylor of North Carolina.

Mr. Litton.

Mr. Preyer.

Mr. Owens.

Mr. Rees in two instances.

Mr. Brasco in six instances.

Mr. Wright.

SENATE JOINT RESOLUTION REFERRED

A joint resolution of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S.J. Res. 110. Joint resolution to establish a nonpartisan commission on Federal election reform; to the Committee on House Administration.

ENROLLED BILLS SIGNED

Mr. HAYS, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H.R. 3867. An act to amend the act terminating Federal supervision over the Klamath Indian Tribe by providing for Federal acquisition of that part of the tribal lands described herein, and for other purposes.

H.R. 8947. An act making appropriations for public works for water and power development, including the Corps of Engineers—Civil, the Bureau of Reclamation, the Bonneville Power Administration and other power agencies of the Department of the Interior, the Appalachian regional development programs, the Federal Power Commission, the Tennessee Valley Authority, the Atomic Energy Commission, and related independent agencies and commissions for the fiscal year ending June 30, 1974, and for other purposes.

ADJOURNMENT

Mr. SYMINGTON. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 12 o'clock and 45 minutes a.m.) the House adjourned until today, Wednesday, August 1, 1973, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1194. A letter from the Chairman, Equal Employment Opportunity Commission, transmitting the Seventh Annual Report of the Commission, covering fiscal year 1972, pursuant to section 705(e) of the Civil Rights Act of 1964, as amended; to the Committee on Education and Labor.

1195. A letter from the Acting Administrator, Environmental Protection Agency, transmitting a report on aircraft and airport noise, pursuant to section 5(a)(1) of Public Law 92-574; to the Committee on Interstate and Foreign Commerce.

1196. A letter from the Executive Director, Federal Communications Commission, transmitting a report on the backlog of pending applications and hearing cases in the Commission as of June 30, 1973, pursuant to section 5(e) of the Communications Act, as amended; to the Committee on Interstate and Foreign Commerce.

1197. A letter from the Executive Director, Commission on the Bankruptcy Laws of the United States, transmitting part I of the report of the Commission, pursuant to Public Law 91-354, as amended (H. Doc. No. 93-137); to the Committee on the Judiciary and ordered to be printed.

Recieved From the Comptroller General

1198. A letter from the Comptroller General of the United States, transmitting a report on the opportunity for the Atomic Energy Commission to improve its procedures for making sure that containers used for transporting radioactive materials are safe; to the Committee on Government Operations.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. KASTENMEIER: Committee on the Judiciary. H.R. 7352. A bill to amend section 4082(c) of title 18, United States Code, to extend the limits of confinement of Federal prisoners; with amendment (Rept. No. 93–425). Referred to the Committee of the Whole House on the State of the Union.

Mr. MURPHY of Illinois: Committee on Rules. House Resolution 514. Resolution providing for the consideration of H.R. 8351. A bill to amend the Rail Passenger Service Act of 1970, as amended, to provide financial assistance to the National Railroad Passenger Corporation, and for other purposes (Rept. No. 93–419). Referred to the House Calendar.

Mr. McSPADDEN: Committee on Rules. House Resolution 515. Resolution providing for the consideration of H.R. 9130. A bill to amend section 28 of the Mineral Leasing Act of 1920, and to authorize a trans-Alaska oil and gas pipeline, and for other purposes (Rept. No. 93–420). Referred to the House Calendar.

Mr. BOLLING: Committee on Rules. House Resolution 516. Resolution waiving points of order against H.R. 9590. A bill making appropriations for the Treasury Department, the U.S. Postal Service, the Executive Office of the President, and certain independent agencies, for the fiscal year ending June 30, 1974, and for other purposes (Rept. No. 93–421). Referred to the House Calendar.

Mr. YOUNG of Texas: Committee on Rules. House Resolution 517. Resolution waiving points of order against the conference report on S. 502. An act to authorize appropriations for the construction of certain highways in accordance with title 23 of the United States Code, and for other purposes (Rept. No. 94–422). Referred to the House Calendar.

Mr. LONG of Louisiana. Committee on Rules. House Resolution 518. Resolution providing for the consideration of S. 1264. An act to authorize and direct the Secretary of the Treasury to make grants to Eisenhower College, in Seneca Falls, N.Y., out of proceeds from the sale of silver dollar coins bearing the likeness of the late President of the United States, Dwight David Eisenhower (Rept. No. 93–423). Referred to the House Calendar.

Mr. PATMAN: Committee of conference. Conference report on H.J. Res. 512 (Rept. No. 93–417). Ordered to be printed.

Mr. PATMAN: Committee of conference. Conference report on H.R. 6370. (Rept. No. 93–418). Ordered to be printed.

Mr. PATMAN: Committee of conference. Conference report on H.R. 6912 (Rept. No. 93–424). Ordered to be printed.

Mr. McFALL: Committee of conference. Conference report on H.R. 8760 (Rept. No. 93–426). Ordered to be printed.

Mr. POAGE: Committee of Conference. Conference report on S. 1888 (Rept. No. 93–427). Ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Ms. ABZUG:

H.R. 9698. A bill to amend title 18 of the United States Code to prohibit the interception of certain communications unless all parties to the intercepted communication consent; to the Committee on the Judiciary.

By Ms. ABZUG (for herself, Ms. Burke of California, Ms. Chisholm, Mr. Conyers, Mr. Corman, Mr. Dellums, Mr. Edwards of California, Mr. Fraser, Mr. Harrington, Mr. McCormack, Mr. Mitchell of Maryland, Mr. Moakley, Mr. Owens, Mr. Rees, Mr. Rosenthal, Mr. Roybal, Mr. Stokes, and Mr. Waldie):

H.R. 9699. A bill to provide increased employment opportunity by executive agencies of the U.S. Government for persons unable to work standard working hours, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. ALEXANDER:

H.R. 9700. A bill to provide for the establishment of an American Folk Life Center in the Library of Congress, and for other purposes; to the Committee on House Administration.

By Mr. ANNUNZIO (for himself, Mr. Kluczynski, Mr. Price of Illinois, Mr. Yates, Mr. Metcalfe, Mr. Murphy of Illinois, Mr. Gray, Mr. Shipley, Mrs. Collins of Illinois, and Mr. Rostenkowski):

H.R. 9701. A bill to strengthen and improve the protections and interests of participants and beneficiaries of employee pension and welfare benefit plans; to the Committee on Education and Labor.

By Mr. BAKER:

H.R. 9702. A bill to amend the National Labor Relations Act to strengthen and reform certain provisions thereof; to the Committee on Education and Labor.

By Mr. BELL:

H.R. 9703. A bill to amend the Interstate Commerce Act and the Harter Act in order to provide a more effective remedy for owners, shippers, and receivers of property transported in interstate or foreign commerce to recover from surface transportation companies subject to the former act, damages sustained as the result of loss, damage, injury, or delay in transit to such property; to the Committee on Interstate and Foreign Commerce.

By Mr. BIAGGI:

H.R. 9704. A bill to incorporate the Italian American War Veterans of the United States, Inc.; to the Committee on the Judiciary.

H.R. 9705. A bill to establish a contiguous fishery zone (200-mile limit) beyond the territorial sea of the United States; to the Committee on Merchant Marine and Fisheries.

By Mr. BIAGGI (for himself, Mrs. Chisholm, Mr. Cleveland, Mrs. Collins of Illinois, Mr. Conyers, Mr. Dan Daniel, Mr. Edwards of California, Mr. Hawkins, Mr. Mosher, Mr. Murphy of New York, Mr. O'Brien, Mr. Podell, Mr. Rangel, Mr. Rhodes, Mr. Sarbanes, Mr. Seiberling, Mr. Tiernan, Mr. Williams, Mr. Charles H. Wilson of California, Mr. Won Pat, and Mr. Yatron):

H.R. 9706. A bill to amend title 10 of the United States Code in order to provide former members and their dependents medical and dental care in uniformed services facilities during the 60-day period after discharge or separation, and to make such persons eligible for post exchange and commissary privileges during such 60-day period; to the Committee on Armed Services.

By Mrs. BURKE of California:

H.R. 9707. A bill to amend section 611 of the Federal Aviation Act of 1958 to provide control and abatement of aircraft noise and sonic boom; to the Committee on Interstate and Foreign Commerce.

H.R. 9708. A bill to amend the Internal Revenue Code of 1954 to provide an income tax credit and deduction for purchase by the taxpayer of a catalytic converter a part of a new 1975 model light duty vehicle; to the Committee on Ways and Means.

By Mr. FASCELL (for himself, Mr. Blackburn, Mr. Won Pat, Mr. Hosmer, Mr. Pepper, Mr. Cleveland, Mr. Metcalfe, Mr. Charles H. Wilson of California, Mr. Ware, Mr. Brasco, Mr. Brown of California, Mr. Parris, Mr. Gunter, Mr. Rhodes, Mr. Conlan, Mr. Wyatt, Mr. Treen, Mr. Rodino, Mr. Rosenthal, Mr. Conyers, and Mr. Howard):

H.R. 9709. A bill to amend the Internal Revenue Code of 1954 to provide an additional itemized deduction for the use of a passenger automobile in a carpool; to the Committee on Ways and Means.

By Mr. FISH:

H.R. 9710. A bill to amend the Occupational Safety and Health Act of 1970 to provide additional assistance to small employers; to the Committee on Education and Labor.

H.R. 9711. A bill to provide an allowance for tools to eligible veterans pursuing apprenticeship training programs; to the Committee on Veterans' Affairs.

By Mr. FLOOD (for himself, Mrs. Boggs, Mr. Burton, Mrs. Chisholm, Mrs. Collins of Illinois, Mr. Conyers, Mr. Duncan, Mr. William D. Ford, Mr. Fulton, Mr. Gilman, Mr. Green of Pennsylvania, Mr. Harrington, Mr. Hawkins, Mr. McFall, Mr. Melcher, Mr. Mitchell of Maryland, Mr. Mollohan, Mr. Nix, Mr. Perkins, Mr. Rangel, Mr. Riegle, Mr. Vigorito and Mr. Walsh):

H.R. 9712. A bill to establish a national program of Federal insurance against catastrophic disasters; to the Committee on Banking and Currency.

By Mr. GUDE (for himself, Ms. Abzug, Mrs. Boggs, Mrs. Chisholm, Mrs. Grasso, Mrs. Green of Oregon, Mrs. Griffiths, Mrs. Heckler of Massachusetts, Mrs. Mink, and Mrs. Sullivan):

H.R. 9713. A bill to provide for the establishment of the Clara Barton House National Historic Site in the State of Maryland, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. HANLEY:

H.R. 9714. A bill to establish a U.S. Fire Administration and a National Fire Academy in the Department of Housing and Urban Development, to assist State and local governments in reducing the incidence of death, personal injury, and property damage from fire, to increase the effectiveness and coordination of fire prevention and control agencies at all levels of government, and for other purposes; to the Committee on Science and Astronautics.

By Mr. HAYS:

H.R. 9715. A bill to authorize appropriations for the U.S. Information Agency; to the Committee on Foreign Affairs.

By Mr. HELSTOSKI:

H.R. 9716. A bill to amend title XVIII of the Social Security Act to remove the present limit on the number of days for which payments may be made thereunder for post-hospital extended care services; to the Committee on Ways and Means.

H.R. 9717. A bill to amend title XVIII of the Social Security Act to include dental care, eye care, dentures, eyeglasses, and hearing aids among the benefits provided by the insurance program established by part B of such title; to the Committee on Ways and Means.

By Mr. JONES of Tennessee:

H.R. 9718. A bill to provide effective relief from disruptive imports of nonrubber footwear in a manner that will be fair to producer, workers, and consumers; to the Committee on Ways and Means.

By Mr. KEMP:

H.R. 9719. A bill to amend the Tariff Schedules of the United States with respect to the entry of horses; to the Committee on Ways and Means.

By Mr. LITTON (for himself, Mr. Bowen, Mr. Burlison of Missouri, Mr. Burton, Mr. Butler, Mr. Conyers, Mr. Denholm, Mr. de Lugo, Mr. Fraser, Mr. Froelich, Mr. Ginn, Mr. Goldwater, Mr. Hinshaw, Mr. Long of Louisiana, Mr. Mathis of Georgia, Mr. Mezvinsky, Mr. Parris, Mr. Quie, Mr. Rangel, Mr. Riegle, Mr. Roe, Mr. Stuckey, Mr. Ware, Mr. Wolff, and Mr. Young of Georgia):

H.R. 9720. A bill to amend the Legislative Reorganization Act of 1970 to provide seminars as freshmen Members of the Congress, and for other purposes; to the Committee on House Administration.

By Mr. LITTON (for himself, Mr. Badillo, Mr. Mollohan, Mr. Hudnut, Mr. Williams, Mr. Thone, Mr. Robert W. Daniel, Mr. Lott, Mr. Symms, Mr. Charles Wilson of Texas, Mr. Crane, Mr. Duncan, Mr. Podell, Mr. Burlison of Missouri, Mr. Studds, Mr. McSpadden, Mr. Leggett, Miss Holtzman, Mr. Harrington, Mr. Carney of Ohio, Mr. Brown of California, Mr. Koch, Mr. Derwinski, Mr. Symington, and Mr. Stuckey):

H.R. 9721. A bill to amend the Internal Revenue Code of 1954 to restrict the authority for inspection of income tax returns by, and the disclosure of information therein to, Federal agencies; to the Committee on Ways and Means.

By Mr. LITTON (for himself, Mr. Clay, Mr. Fulton, Mr. Veysey, Mr. Frenzel, Mr. Addabbo, Mr. Saylor, Mr. Drinan, Mr. Jones of North Carolina, Mr. Gonzalez, Mr. Archer, Mr. Ketchum, Mr. Ryan, Mr. Fisher, Mr. Giaimo, Mr. Waggonner, Mr. Gunter, Mr. Bafalis, Mrs. Chisholm, Mr. Rarick, Mr. Mezvinsky, Mr. Abdnor, Mr. Conlan, Mr. Henderson, and Mrs. Green of Oregon):

H.R. 9722. A bill to amend the Internal Revenue Code of 1954 to strict the authority for inspection of income tax returns by, and the disclosure of information therein to, Federal agencies; to the Committee on Ways and Means.

By Mr. MALLARY (for himself and Mr. Armstrong):

H.R. 9723. A bill to provide that pay adjustments for Members of Congress take effect in the Congress next following the Congress in which they are approved; to the Committee on Post Office and Civil Service.

By Mr. MILLER:

H.R. 9724. A bill to amend the Internal Revenue Code of 1954 to relieve small employers from the requirement of paying or depositing certain employment taxes more often than once each month; to the Committee on Ways and Means.

By Mr. PATTEN:

H.R. 9725. A bill to authorize the disposal of approximately 258,700 short tons of copper from the national stockpile and the supplemental stockpile and limit exports of copper and copper scrap; to the Committee on Armed Services.

By Mr. ROGERS (for himself, Mr. Kyros, Mr. Preyer, Mr. Symington, Mr. Roy, Mr. Nelsen, Mr. Carter, Mr. Hastings, Mr. Heinz, and Mr. Hudnut):

H.R. 9726. A bill to amend the Public Health Service Act to assure that the public is provided with safe drinking water, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. SEBELIUS:

H.R. 9727. A bill to amend title 28, United States Code, to provide more effectively for bilingual proceedings in certain district courts of the United States, and for other purposes; to the Committee on the Judiciary.

By Mr. SHIPLEY:

H.R. 9728. A bill to continue for 2 additional years the present method of providing benefits on account of black lung disease; to the Committee on Education and Labor.

By Mr. STARK:

H.R. 9729. A bill to amend the District of Columbia Minimum Wage Act so as to enable airline employees to exchange days at regular rates of compensation, and for other purposes; to the Committee on the District of Columbia.

By Mr. THOMPSON of New Jersey:

H.R. 9730. A bill to provide that employees of States and political subdivisions thereof shall be subject to the provisions of the National Labor Relations Act; to the Committee on Education and Labor.

By Mr. THOMSON of Wisconsin:

H.R. 9731. A bill to facilitate convenient Selective Service registration by having secondary schools make available registration forms to students; to the Committee on Armed Services.

By Mr. TOWELL of Nevada:

H.R. 9732. A bill to declare that the United States holds in trust for the Reno-Sparks Indian Colony certain lands in Washoe County, Nev.; to the Committee on Interior and Insular Affairs.

By Mr. UDALL:

H.R. 9733. A bill to repeal certain provisions of law allowing prospecting and mining within important components of the National Park System, to prohibit prospecting and mining activities within such areas, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. WALDIE:

H.R. 9734. A bill to provide for disclosures designed to inform the Congress and the people about representations made to the executive branch in behalf of special interests; to the Committee on Government Operations.

H.R. 9735. A bill to provide for disclosures designed to inform the Congress with respect to legislative measures, and for other purposes; to the Committee on Standards of Official Conduct.

By Mr. WIDNALL:

H.R. 9736. A bill to amend section 110 of title 28, United States Code, to provide a place for the holding of Federal District Court in Hackensack, N.J.; to the Committee on the Judiciary.

By Mr. BLATNIK:

H.R. 9737. A bill to provide relief from shore damages attributable to high water levels in the Great Lakes, and for other purposes; to the Committee on Public Works.

By Mr. BROYHILL of North Carolina:

H.R. 9738. A bill to amend chapter 67 of title 10, United States Code, to provide an annuity for the dependents of persons who perform the service required under chapter 67, title 10, United States Code, and die before being granted pay; to the Committee on Armed Services.

By Mr. EDWARDS of Alabama (for himself, Mr. Bevill, Mr. Buchanan, Mr. Dickinson, Mr. Flowers, Mr. Jones of Alabama, Mr. Kuykendall, Mr. Nichols, and Mr. Sikes:

H.R. 9739. A bill to amend the Federal Trade Commission Act (15 U.S.C. 44, 45) to provide that under certain circumstances exclusive territorial arrangements shall not be deemed unlawful; to the Committee on Interstate and Foreign Commerce.

By Mr. FRENZEL:

H.R. 9740. A bill to require the Secretary of the Interior to compile and keep current a mineral fuel reserves inventory; to the Committee on Interior and Insular Affairs.

By Mr. GINN:

H.R. 9741. A bill to authorize the Secretary of the Interior to conduct a study with respect to the feasibility of establishing the William Bartram Trail throughout Georgia as a national scenic trail; to the Committee on Interior and Insular Affairs.

By Mr. KEATING:

H.R. 9742. A bill to amend the Federal Trade Commission Act (15 U.S.C. 44, 45) to provide that under certain circumstances exclusive territorial arrangements shall not be deemed unlawful; to the Committee on Interstate and Foreign Commerce.

By Mr. MOORHEAD of Pennsylvania:

H.R. 9743. A bill to improve the conduct and regulation of Federal election campaign activities and to provide public financing for such campaigns; to the Committee on House Administration.

By Mr. O'HARA (for himself, Mr. William D. Ford, and Mr. Rangel):

H.R. 9744. A bill to amend the Federal Meat Inspection Act in order to provide that States may not have less standards with respect to marketing, labeling, packaging, and ingredient requirements than those made under the Federal Meat Inspection Act; to the Committee on Agriculture.

By Mr. OWENS:

H.R. 9745. A bill to insure that no public funds be used for the purpose of transporting chemical nerve agents to or from any military installation in the United States for storage or stockpiling purposes unless it is the sense of Congress to do so; to the Committee on Armed Services.

By Mr. ROY:

H.R. 9746. A bill to amend the Federal Trade Commission Act (15 U.S.C. 44, 45) to provide that under certain circumstances exclusive territorial arrangements shall not be deemed unlawful; to the Committee on Interstate and Foreign Commerce.

By Mr. ROYBAL:

H.R. 9747. A bill to provide for the issuance of a commemorative stamp in honor of the 130th anniversary of the death of Juan Rodriguez Cabrillo; to the Committee on Post Office and Civil Service.

H.R. 9748. A bill to amend title IV of the Social Security Act to make it clear that an individual who is not working because of a strike or other labor dispute will be considered unemployed for purposes of aid with respect to dependent children of unemployed fathers; to the Committee on Ways and Means.

By Mr. OWENS (for himself and Mr. McKay):

H.R. 9749. A bill to insure that no public funds be used for the purpose of transporting chemical nerve agents to or from any military installation in the United States for storage or stockpiling purposes unless it is the sense of Congress to do so; to the Committee on Armed Services.

By Mr. WIDNALL (for himself, Mr. Patman, Mr. Barrett, and Mr. Wylie):

H.J. Res. 693. Joint resolution to provide for a temporary extension of the authority of the Secretary of Housing and Urban Development with respect to the insurance of loans and mortgages, and for other purposes; to the Committee on Banking and Currency.

By Mr. PRICE of Texas:

H.J. Res. 694. Joint resolution to establish a nonpartisan commission on political campaign reform; to the Committee on House Administration.

By Mr. WIGGINS:

H.J. Res. 695. Joint resolution authorizing the President to proclaim the period of September 15, 1973, as "Johnny Horizon '76 Clean Up America Month"; to the Committee on the Judiciary.

By Mr. HUBER (for himself, Mr. Abdnor, Mr. Broomfield, Mr. Broyhill of Virginia, Mr. Downing, Mr. Price of Texas, Mr. Steiger of Arizona, and Mr. Treen):

H. Con. Res. 279. Concurrent resolution expressing the sense of Congress with respect to the missing in action in Southeast Asia; to the Committee on Foreign affairs.

By Mr. HUBER (for himself, Mr. Ashbrook, Mr. Bafalis, Mr. Baker, Mr. Beard, Mr. Burgener, Mr. Chamberlain, Mrs. Chisholm, Mr. Crane, Mr. Dan Daniel, Mr. Denholm, Mr. Derwinski, Mr. Dickinson, Mr. Dulski, Mr. Frey, Mr. Gilman, Mrs. Grasso, Mr. Hinshaw, Mr. Hosmer, Mr. Hudnut, Mr. Kemp, Mr. Ketchum, Mr. Landgrebe, Mr. McCollister, and Mr. Madigan):

H. Con. Res. 280. Concurrent resolution expressing the sense of Congress with respect to the missing in action in Southeast Asia; to the Committee on Foreign Affairs.

By Mr. HUBER (for himself, Mr. Martin of North Carolina, Mr. Montgomery, Mr. O'Brien, Mr. Podell, Mr. Robinson of Virginia, Mr. Roncallo of New York, Mr. Rousselot, Mr. Spence, Mr. Symms, Mr. Veysey, Mr. Ware, Mr. Whitehurst, Mr. Bob Wilson, Mr. Charles H. Wilson of California, Mr. Wyman, Mr. Yatron, Mr. Young of Florida, and Mr. Zion):

H. Con. Res. 281. Concurrent resolution expressing the sense of Congress with respect to the missing in action in Southeast Asia; to the Committee on Foreign Affairs.

By Mr. DRINAN:

H. Res. 513. Resolution impeaching Richard M. Nixon, President of the United States, of high crimes and misdemeanors; to the Committee on the Judiciary.

By Mr. HARRINGTON (for himself Ms. Abzug, Mr. Ashley, Mr. Badillo, Mr. Brown of California, Mr. Conyers, Mr. Edwards of California, Mr. Helstoski, Mr. Koch, Mr. Long of Maryland, Mrs. Mink, Mr. Mitchell of Maryland, Mr. Moakley, Mr. O'Hara, Mr. Pepper, Mr. Podell, Mr. Rees, Mr. Riegle, Mr. Rooney of Pennsylvania, Mr. Rosenthal, Mr. Roybal, Mr. Seiberling, Mr. Thompson of New Jersey, Mr. Vanik, and Mr. Waldie):

H. Res. 519. Resolution, an inquiry into the extent of the bombing of Cambodia and Laos, January 20, 1969 through April 30, 1970; to the Committee on Armed Services.

MEMORIALS

Under clause 4 of rule XXII,

287. The SPEAKER presented a memorial of the Legislature of the Territory of American Samoa, relative to nonvoting representation in the House of Representatives for the Territory of American Samoa; to the Committee on Interior and Insular Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. FISH:

H.R. 9750. A bill for the relief of Imre Pallo; to the Committee on the Judiciary.

By Mr. PRICE of Texas:

H.R. 9751. A bill for the relief of Chris Gus Yiantsou; to the Committee on the Judiciary.

REGULATION OF LOBBYING ACT

In compliance with Public Law 601, 79th Congress, title III, Regulation of Lobbying Act, section 308(b), which provides as follows:

(b) All information required to be filed under the provisions of this section with the Clerk of the House of Representatives and the Secretary of the Senate shall be compiled by said Clerk and Secretary, acting jointly, as soon as practicable after the close of the calendar quarter with respect to which such information is filed and shall be printed in the CONGRESSIONAL RECORD.

The Clerk of the House of Representatives and the Secretary of the Senate jointly submit their report of the compilation required by said law and have included all registrations and quarterly reports received.

REGISTRATIONS*

*All alphanumeric characters and monetary amounts refer to receipts and expenditures on page 2, paragraphs D and E of the Quarterly Report Form.

The following registrations were submitted for the fourth calendar quarter 1972:

(NOTE.—The form used for report is reproduced below. In the interest of economy in the RECORD, questions are not repeated, only the essential answers are printed, and are indicated by their respective letter and number.)

FILE ONE COPY WITH THE SECRETARY OF THE SENATE AND FILE TWO COPIES WITH THE CLERK OF THE HOUSE OF REPRESENTATIVES:

This page (page 1) is designed to supply identifying data; and page 2 (on the back of this page) deals with financial data.

PLACE AN "X" BELOW THE APPROPRIATE LETTER OR FIGURE IN THE BOX AT THE RIGHT OF THE "REPORT" HEADING BELOW:

"PRELIMINARY" REPORT ("Registration"): To "register," place an "X" below the letter "P" and fill out page 1 only.

"QUARTERLY" REPORT: To indicate which one of the four calendar quarters is covered by this Report, place an "X" below the appropriate figure. Fill out both page 1 and page 2 and as many additional pages as may be required. The first additional page should be numbered as page "3," and the rest of such pages should be "4," "5," "6," etc. Preparation and filing in accordance with instructions will accomplish compliance with all quarterly reporting requirements of the Act.

Year: 19-------- ◀

REPORT

PURSUANT TO FEDERAL REGULATION OF LOBBYING ACT

P	QUARTER			
	1st	2d	3d	4th
(Mark one square only)				

NOTE ON ITEM "A".—(a) IN GENERAL. This "Report" form may be used by either an organization or an individual, as follows:

(i) "Employee".—To file as an "employee", state (in Item "B") the name, address, and nature of business of the "employer". (If the "employee" is a firm [such as a law firm or public relations firm], partners and salaried staff members of such firm may join in filing a Report as an "employee".)

(ii) "Employer".—To file as an "employer", write "None" in answer to Item "B".

(b) SEPARATE REPORTS. An agent or employee should not attempt to combine his Report with the employer's Report:

(i) Employers subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their agents or employees.

(ii) Employees subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their employers.

A. ORGANIZATION OR INDIVIDUAL FILING:

1. State name, address, and nature of business.

2. If this Report is for an Employer, list names of agents or employees who will file Reports for this Quarter.

NOTE ON ITEM "B".—*Reports by Agents or Employees.* An employee is to file, each quarter, as many Reports as he has employers, except that: (*a*) If a particular undertaking is jointly financed by a group of employers, the group is to be considered as one employer, but all members of the group are to be named, and the contribution of each member is to be specified; (*b*) if the work is done in the interest of one person but payment therefor is made by another, a single Report—naming both persons as "employers"—is to be filed each quarter.

B. EMPLOYER.—State name, address, and nature of business. If there is no employer, write "None."

NOTE ON ITEM "C".—(*a*) The expression "in connection with legislative interests," as used in this Report, means "in connection with attempting, directly or indirectly, to influence the passage or defeat of legislation." "The term 'legislation' means bills, resolutions, amendments, nominations, and other matters pending or proposed in either House of Congress, and includes any other matter which may be the subject of action by either House"—§ 302(e).

(*b*) Before undertaking any activities in connection with legislative interests, organizations and individuals subject to the Lobbying Act are required to file a "Preliminary" Report (Registration).

(*c*) After beginning such activities, they must file a "Quarterly" Report at the end of each calendar quarter in which they have either received or expended anything of value in connection with legislative interests.

C. LEGISLATIVE INTERESTS, AND PUBLICATIONS in connection therewith:

1. State approximately how long legislative interests are to continue. If receipts and expenditures in connection with legislative interests have terminated, ☐ place an "X" in the box at the left, so that this Office will no longer expect to receive Reports.

2. State the general legislative interests of the person filing and set forth the *specific* legislative interests by reciting: (*a*) Short titles of statutes and bills; (*b*) House and Senate numbers of bills, where known; (*c*) citations of statutes, where known; (*d*) whether for or against such statutes and bills.

3. In the case of those publications which the person filing has caused to be issued or distributed in connection with legislative interests, set forth: (*a*) Description, (*b*) quantity distributed; (*c*) date of distribution, (*d*) name of printer or publisher (if publications were paid for by person filing) or name of donor (if publications were received as a gift).

(Answer items 1, 2, and 3 in the space below. Attach additional pages if more space is needed)

4. If this is a "Preliminary" Report (Registration) rather than a "Quarterly" Report, state below what the nature and amount of anticipated expenses will be; and if for an agent or employee, state also what the daily, monthly, or annual rate of compensation is to be. If this is a "Quarterly" Report, disregard this item "C4" and fill out item "D" and "E" on the back of this page. Do not attempt to combine a "Preliminary" Report (Registration) with a "Quarterly" Report.◀

AFFIDAVIT

[Omitted in printing]

PAGE 1◀

A. Albert E. Abrahams, 1300 Connecticut Avenue NW., Washington, D.C.
B. National Association of Real Estate Boards, 155 East Superior Street, Chicago, Ill.

A. Air-Conditioning and Refrigeration Institute, 1815 North Fort Myer Drive, Arlington, Va. 22209.

A. American Association of Blood Banks, 1828 L Street NW., Suite 608, Washington, D.C. 20036.

A. Leonard Appel, Wilson, Woods & Villalon, 425 13th Street NW., Suite 1032, Washington, D.C. 20004.
B. Everett Terminal Co., Inc., Hewitt Avenue Marine Terminal, P.O. Box 1478, Everett, Wash. 98206.

A. Arent, Fox, Kintner, Plotkin & Kahn, 1815 H Street NW., Washington, D.C. 20006.
B. The Motor & Equipment Manufacturers Association, 222 Cedar Lane, Teaneck, N.J. 07666.

A. Arnold & Porter, 1229 19th Street NW., Washington, D.C. 20036.
B. American Bottled Water Association, 1411 West Olympic Boulevard, Los Angeles, Calif. 90015.

A. Grace C. Baisinger, 2870 Arizona Terrace NW., Washingtin, D.C. 20016.
B. National Congress of Parents and Teachers, 700 North Rush Street, Chicago, Ill. 60611.

A. Markham Ball, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Cooperative for American Relief Everywhere, Inc., 660 First Avenue, New York, N.Y. 10016.

A. Robert W. Barrie, 777 14th Street NW., Washington, D.C. 20005.
B. General Electric Co., 570 Lexington Avenue, New York, N.Y.

A. T. Michael Barry, 1771 N Street NW., Washington, D.C. 20036.
B. National Association of Broadcasters, 1771 N Street NW., Washington, D.C. 20036.

A. Batzell & Nunn, 1523 L Street NW., Washington, D.C. 20005.
B. Independent Gasoline Marketers Council, 1523 L Street NW., Washington, D.C. 20005.

A. Michael Bennett, 1346 Connecticut Avenue NW., No. 500, Washington, D.C. 20036.
B. Action for Legal Rights, 1346 Connecticut Avenue NW., Washington, D.C. 20036.

A. Berl Bernhard, 1660 L Street NW., Washington, D.C.
B. The Common Fund, 635 Madison Avenue, New York, N.Y. 10022.

A. Berry & Gipson, 1700 Pennsylvania Avenue NW., Suite 670, Washington, D.C. 20006.
B. Atalanta Corp., 17 Varick Street, New York, N.Y. 10013.

A. Berry & Gipson, 1700 Pennsylvania Avenue NW., Suite 670, Washington, D.C. 20006.
B. The Austrian Trade Delegate in the United States, 845 Third Avenue, New York, N.Y. 10022.

A. Billig, Sher & Jones, 1126 16th Street NW., Washington, D.C. 20036.
B. Steamship Conferences.

A. Robert J. Bird, 1140 Connecticut Avenue NW., Suite 412, Washington, D.C. 20036.
B. Ad Hoc Coalition for Cemetery Care, 6216 South Stanford Way, Whittier, Calif. 90601.

A. S. G. Bishop, 400 First Street NW., Washington, D.C.
B. Brotherhood of Railway, Airline and Steamship Clerks, 6300 River Road, Rosemont, Ill. 60018.

A. Blumberg, Singer, Ross, Gottesman & Gordon, 245 Park Avenue, New York, N.Y. 10017.
B. Cigar Manufacturers Association of America, Inc., 575 Madison Avenue, New York, N.Y. 10022.

A. Boasberg, Hewes, Klores & Kass, 1225 19th Street NW., Washington, D.C. 20036.
B. Communities in Action Together, 1717 Massachusetts Avenue NW., Washington, D.C. 20036.

A. D. A. Bobo, 400 First Street NW., Washington, D.C.
B. Brotherhood of Railway, Airline, and Steamship Clerks, 6300 River Road, Rosemont, Ill. 60018.

A. Theodore H. Bernstein, 110 Maryland Avenue NE., Washington, D.C. 20002.
B. Washington Office on Africa, 110 Maryland Avenue NE., Washington, D.C. 20002.

A. Boston Lawyers' Vietnam Committee, 18 Tremont Street, Boston, Mass.

A. John Broadbent, 161 East 42d Street, New York, N.Y. 10017.
B. Recycled Paperboard Division of the American Paper Institute, 260 Madison Avenue, New York, N.Y. 10016.

A. George Bronz, 888 17th Street NW., Washington, D.C.

A. Teresa A. Brooks, 5205 Leesburg Pike, Suite 209, Baileys Cross Roads, Va. 22041.
B. American Osteopathic Hospital Association, 930 Busse Highway, Park Ridge, Ill. 60068.

A. Brownstein, Zeldman & Schomer, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. Mobile Home Manufacturers Association, 14650 Lee Road, Chantilly, Va. 22021.

A. Joseph D. Burke, Western Associates, P.O. Box 40032, Palisades Station, Washington, D.C. 20016.

A. Harry W. Buzzerd, Jr., Room 610, Ring Building, 1200 18th Street NW., Washington, D.C. 20036.
B. National Cotton Council of America, P.O. Box 12285, Memphis, Tenn. 38112.

A. Caren C. Calish, 3620 Connecticut Avenue NW., No. 23, Washington, D.C. 20008.
B. Americans for Democratic Action, 1424 16th Street NW., Washington, D.C. 20036.

A. Capital Holding Corp., Commonwealth Building, Louisville, Ky., 40201.

A. Blue Carstenson, 1730 Rhode Island Avenue NW., Washington, D.C. 20036.

A. John L. Casey, 127 East 59th Street, New York, N.Y. 10022.
B. Investment Counsel Association of America, Inc., 127 East 59th Street, New York, N.Y. 10022.

A. James Cassese, Sr., 400 First Street NW., Washington, D.C. 20001.
B. Brotherhood of Maintenance of Way Employees, 12050 Woodward Avenue, Detroit, Mich. 48203.

A. C. Cavalieri, Suite 301, 1750 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Representation Services Institute, Inc., Suite 301, 1750 Pennsylvania Avenue NW., Washington, D.C. 20006.

A. Frank R. Cawley, Room 511, Wilson Plaza Building, 2425 Wilson Boulevard, Arlington, Va. 22201.
B. Media General, Inc., 333 East Grace Street, Richmond, Va., 23219.

A. J. M. Chambers & Co., Inc., 2300 Calvert Street NW., Washington, D.C. 20008.
B. Satra Corp., 475 Park Avenue South, New York, N.Y. 10016.

A. Cigar Manufacturers Association of America, Inc., 575 Madison Avenue, New York, N.Y. 10022.

A. V. A. Clark, 1725 K Street NW., Washington, D.C.
B. Outdoor Advertising Association of America, Inc., 1725 K Street NW., Washington, D.C.

A. Robert T. Cole, 1200 17th Street NW., Washington, D.C. 20036.
B. PPG Industries, Inc., 1 Gateway Center, Pittsburgh, Pa. 15222.

A. Robert T. Cole, 1200 17th Street, N.W., Washington, D.C. 20036.
B. H. H. Robertson Co., 2 Gateway Center, Pittsburgh, Pa.

A. C. S. Coleman, 400 First Street NW., Washington, D.C.
B. Brotherhood of Railway, Airline & Steamship Clerks, 6300 River Road, Rosemont, Ill. 60018.

A. Collier, Shannon, Rill & Edwards, 1625 I Street NW., Washington, D.C. 20006.
B. American Metal Raceway Systems Committee, 1625 I Street NW., Washington, D.C. 20006.

A. Committee of Copyright Owners care of Phillips, Nizer, Benjamin, Krim & Ballon, 477 Madison Avenue, New York, N.Y., 10022.

A. Committee of Publicly Owned Companies, 22 Thames Street, New York, N.Y. 10006.
B. Action Industries, Cheswick, Pa., A.D.M. Industries, Elkhart, Ind.; Airpax Electronics, Fort Lauderdale, Fla.

A. Harold B. Confer, 245 Second Street NE., Washington, D.C.
B. Friends Committee on National Legislation, 245 Second Street NE., Washington, D.C.

A. Congress Watch, Room 305, 2000 P Street NW., Washington D.C.

A. Joan Claybrook, Room 305, 2000 P Street, Washington, D.C. 20036.
B. Congress Watch, Room 305, 2000 P Street NW., Washington, D.C. 20036.

A. Connole & O'Connell, 1000 Connecticut Avenue NW., Washington, D.C. 20036.
B. Alyeska Pipeline Service Co., P.O. Box 576, Bellevue, Wash. 98009.

A. Covington & Burling, 888 16th Street NW., Washington, D.C. 20006.
B. Investment Co. Institute, 1775 K Street NW., Washington, D.C. 20006.

A. Covington & Burling, 888 16th Street NW., Washington, D.C. 20006.
B. The State of Alaska.

A. Richard C. Creighton, 1957 E Street NW., Washington, D.C. 20006.
B. General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.

A. Frank Cummings, Gall, Lane & Powell, 1250 Connecticut Avenue NW., Washington, D.C. 20036.

B. Institute of Electrical & Electronics Engineers, 345 East 47th Street, New York, N.Y. 10017.

A. William Kay Daines, 1616 H Street NW., Washington, D.C. 20006.

B. American Retail Federation, 1616 H Street NW., Washington, D.C. 20006.

A. Dealer Bank Association, P.O. Box 479, Wall Street Station, New York, N.Y. 10005.

A. Ada E. Deer, 1346 Connecticut Avenue NW., Room 312, Washington, D.C. 20036.

B. National Committee To Save the Menominee People and Forests, Inc., 1346 Connecticut Avenue NW., Washington, D.C. 20036.

A. DeHart & Broide, Inc., 1505 22d Street NW., Washington, D.C. 20037.

B. Clairol, Inc., 345 Park Avenue, New York N.Y. 10022.

A. George W. Della III, 1115 Maryland National Bank Building, 10 Light Street, Baltimore, Md. 21202.

B. Baltimore Gas & Electric Co., Gas and Electric Building, Baltimore, Md. 21203.

A. Daniel B. Denning, 1615 H Street NW., Washington, D.C. 20006.

B. Chamber of Commerce of the U.S.A., 1615 H Street NW., Washington, D.C. 20006.

A. Claude J. Desautels, Suite 811, RCA Building, 1725 K Street NW., Washington, D.C. 20006.

B. Alyeska Pipeline Service Co., P.O. Box 576, Bellevue, Wash. 98009.

A. Claude J. Desautels, Suite 811, RCA Building, 1725 K Street NW., Washington, D.C. 20006.

B. Shipping Tieups Over Permanently, P.O. Box 4437, Honolulu, Hawaii 96813.

A. Claude J. Desautels, Suite 811, RCA Building, 1725 K Street NW., Washington, D.C. 20006.

B. Washington Citizens for World Trade, 101 West Fifteenth, P.O. Box 301, Olympia, Wash. 98507.

A. R. J. Devlin, 400 First Street NW., Washington, D.C.

B. Brotherhood of Railway, Airline, and Steamship Clerks, 6300 River Road, Rosemont, Ill. 60018.

A. Edward V. Donahue, 1900 L Street NW., Washington, D.C. 20036.

B. Graphic Arts International Union, 1900 L Street NW., Washington, D.C. 20036.

A. Richard Morgan Downey, 2000 P Street NW., Room 305, Washington, D.C. 20036.

B. Congress Watch, Room 305, 2000 P Street NW., Room 305, Washington, D.C. 20036.

A. David S. Dreyer, 4111 Backmeyer Road, Richmond, Ind. 47374.

B. Indiana Conservation Council, 2128 East 46th Street, Indianapolis, Ind. 46205.

A. Wilbur B. Dronen, 100 Northeast Adams Street, Peoria, Ill. 61602.

B. Caterpillar Tractor Co., 100 Northeast Adams Street, Peoria, Ill. 61602.

A. Hugh G. Duffy, 1750 New York Avenue NW., Washington, D.C. 20006.

B. National Consumer Center for Legal Services, 1750 New York Avenue NW., Washington, D.C. 20006.

A. William E. Duke, 1025 Connecticut Avenue NW., Washington, D.C. 20036.

B. Atlantic Richfield Co., 515 South Flower Street, Los Angeles, Calif. 90071.

A. Lesley Gerould Dunn, 1730 M Street NW., Washington, D.C. 20036.

B. League of Women Voters of the United States, 1730 M Street NW., Washington, D.C. 20036.

A. Electric Industries Association, 2001 I Street NW., Washington, D.C. 20006.

A. John C. Ellis, 1957 E Street NW., Washington, D.C. 20006.

B. Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.

A. Emergency Committee for the American Offshore Service Industry, 2000 Southwest Tower, Houston, Tex 77002.

A. Edward J. Farrell, 888 17th Street NW., Washington, D.C.

B. George Bronz, 888 17th Street NW., Washington, D.C.

A. Robert C. Farrow, P.O. Box 14228, Washington, D.C. 20044.

B. Labor-Management Committee for Fair Foreign Competition, 1499 Bayshore Highway, Burlingame, Calif. 94010.

A. Penelope S. Farthing, 1616 H Street NW., Washington, D.C. 20006.

B. American Retail Federation, 1616 H Street NW., Washington, D.C.

A. Firstmark Morrison, Inc., 107 Delaware Avenue, Buffalo, N.Y. 14202.

A. J. C. Fletcher, 400 First Street NW., Washington, D.C.

B. Brotherhood of Railway, Airline, and Steamship Clerks, 6300 River Road, Rosemont, Ill. 60018.

A. Florida Citrus Mutual, P.O. Box 89, Lakeland, Fla. 33802.

A. Florida Citrus Production Managers Association, care of C. D. Kime, Jr., Waverly, Fla. 33877.

A. Fruzsina H. Fedlam, 1730 M Street NW., Washington, D.C. 20036.

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A. Galland, Kharasch, Calkins, & Brown, 1054 31st St. NW., Washington, D.C. 20007.

B. Foss Launch & Tug. Co., 660 West Ewing Street, Seattle, Wash. 9811.

A. Gas Supply Committee, 1725 DeSales Street NW., Washington, D.C. 20036.

A. Glidden-Durkee, Division of SCM Corp., 5601 Eastern Avenue, Baltimore, Md. 21224.

A. Godfrey Associates, Inc., 918 16th Street NW., Washington, D.C. 20006.

A. George W. Gowen, 27th Floor, 161 East 42d Street, New York, N.Y. 10017.

B. United States Lawn Tennis Association, 51 East 42d Street, New York, N.Y. 10017.

A. Graphic Arts International Union, 1900 L Street NW., Washington, D.C. 20036.

A. Harold H. Griffin, 1300 Connecticut Avenue NW., Washington, D.C.

B. National Association of Real Estate Boards, 155 East Superior Street, Chicago, Ill.

A. Jerome R. Gulan, 1225 19th Street, Washington, D.C. 20036.

B. National Small Business Association, 1225 19th Street NW., Washington, D.C. 20036.

A. Hamel, Park, McCabe & Saunders, 888 17th Street NW., Washington, D.C. 20006.

B. The Hardaway Co., 11th Street and Third Avenue, Columbus, Ga. 39102.

A. James E. Hanson, Ron Ahern & Associates, 121 Second Street NE., Washington, D.C. 20002.

B. Puget Sound Tug & Barge Co., 1102 SW., Massachusetts Street, Seattle, Wash. 98134.

A. Lewis B. Hastings, 1346 Connecticut Avenue NW., Washington, D.C. 20036.

B. Rubber Manufacturers Association, Inc., 1346 Connecticut Avenue NW., Washington, D.C. 20036.

A. Bruce R. Hawley, 425 13th Street NW., Washington, D.C.

B. American Farm Bureau Federation, 225 West Touhy Avenue, Park Ridge, Ill.

A. Richard Hinds, 1250 Connecticut Avenue NW., Washington, D.C. 20036.

B. Cleary, Gottlieb, Steen & Hamilton, 1250 Connecticut Avenue NW., Washington, D.C. 20036.

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A. Henry W. Holling, 100 NE. Adams Street, Peoria, Ill. 61602.

B. Caterpillar Tractor Co., 100 NE. Adams Street, Peoria, Ill. 61602.

A. Edward R. Holloway, 724 14th Street NW., No. 338 Washington, D.C. 20005.

B. Mass Participation Lobbyists Association, 724 14th Street NW., No. 338, Washington, D.C. 20005.

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B. Glidden-Durkee, 5601 Eastern Avenue, Baltimore, Md. 21224.

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B. Northern Textile Association, Maytag Co.

A. Patrick J. Head, 1660 L. Street NW., Washington, D.C. 20036.

B. Montgomery Ward & Company, Inc., P.O. Box 8339, Chicago, Ill. 60680.

A. David Ignatius, Room 305, 2000 P Street NW., Washington, D.C. 20036.

B. Congress Watch, Room 305, 2000 P Street NW., Washington, D.C. 20036.

A. Indiana Conservation Council, Inc., 2128 East 46th Street, Indianapolis, Ind. 46205.

A. David M. Jenkins II, 1800 K Street NW., Suite 622, Washington, D.C. 20006.

B. The Goodyear Tire & Rubber Co., Akron, Ohio 44316.

A. Johns-Mansville Corp., Greenwood Plaza, Denver, Colo. 80217.

A. Rady A. Johnson, 1000 16th Street NW., Washington, D.C. 20036.

B. Standard Oil Co. (Indiana), 910 South Michigan Avenue, Chicago, Ill. 60605.

A. Robert S. Jones, 900 Union Commerce Building, Cleveland, Ohio 44115.

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B. National Association of Government Employees, Inc., 285 Dorchester Avenue, Boston, Mass.

A. Milton M. Kaufmann.
B. Committee for Humane Legislation, Inc., 11 West 60th Street, New York, N.Y. 10023.

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B. American Retail Federation, 1616 H Street NW., Washington, D.C. 20006

A. R. I. Kilroy, 400 First Street NW., Washington, D.C.
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A. James D. Kittelton, 7901 Westpark Drive, McLean, Va. 22101.
B. National Machine Tool Builders Association, 7901 Westpark Drive, McLean, Va. 22101.

A. John D. Knodell, Jr., 200 112th Avenue NE., Bellevue, Wash. 98004.
B. Alyeska Pipeline Service Co.

A. Gene A. Knorr, 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue, Washington, D.C. 20006.

A. Arthur D. Koch, 603, 2020 F Street NW., Washington, D.C. 20006.
B. The National Health Federation, 211 West Colorado Boulevard, Monrovia, Calif.

A. Phil Kugler, 1012 14th Street NW., Washington, D.C. 20005.
B. American Federation of Teachers, AFL-CIO, 1012 14th Street NW., Washington, D.C. 20005.

A. Richard M. Lahn, 324 C Street SE., Washington, D.C. 20003.
B. Environmental Policy Center, 324 C Street SE., Washington, D.C. 20003.

A. Lake Carriers' Association, 1411 Rockefeller Building, Cleveland, Ohio 44113.

A. Lawyers Committee to End the War, One Wall Street, 25th Floor, New York, N.Y. 10005.

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B. American Retail Federation, 1616 H Street NW., Washington, D.C. 20006.

A. Edward C. Leeson, 888 17th Street NW., Suite 601, Washington, D.C. 20006.
B. National Council of Technical Service Industries, 888 17th Street NW., Suite 601, Washington, D.C. 20006.

A. Richard J. Leighton, 1701 K Street NW., Washington, D.C. 20006.
B. Grocery Manufacturers of America, Inc., 1425 K Street NW., Washington, D.C. 20005.

A. Gilbert B. Lessenco, 2021 L Street NW., Washington, D.C. 20036.
B. General Mills, Inc., 9200 Wayzata Boulevard, Minneapolis, Minn. 55440.

A. Leva, Hawes, Symington, Martin & Oppenheimer, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. General Cable Corp., 730 Third Avenue, New York, N.Y. 10017.

A. Leva, Hawes, Symington, Martin & Oppenheimer, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Cooperative for American Relief Everywhere, Inc., 660 First Avenue, New York, N.Y. 10016.

A. Edgar Lockwood, 1800 R Street NW., Washington, D.C. 20036.
B. The Washington Office on Africa, 110 Maryland Avenue NE., Washington, D.C. 20002.

A. James P. Low, 1101 16th Street NW., Washington, D.C. 20036.
B. American Society of Association Executives, 1101 16th Street NW., Washington, D.C. 20036.

A. Donald C. Lubick, 1800 One M & T Plaza, Buffalo, N.Y., 14203.
B. Firstmark Morrison, Inc., 107 Delaware Avenue, Buffalo, N.Y. 14202.

A. Charles Emmet Lucey, 1701 Pennsylvania Avenue NW., Suite 500, Washington, D.C. 20006.
B. Catholic Press Association, 432 Park Avenue South, New York, N.Y. 10016.

A. Charles Emmet Lucey, 1701 Pennsylvania Avenue NW., Suite 500, Washington, D.C. 20006.
B. Massachusetts Cooperative Bank League, 225 Franklin Street, Boston, Mass. 02110.

A. Mark H. Lynch, Room 305, 2000 P Street NW., Washington, D.C. 20036.
B. Congress Watch, 2000 P Street NW., Room 205, Washington, D.C. 20036.

A. Kenneth B. MacKenzie, 1660 L Street NW., Washington, D.C. 20036.
B. Montgomery Ward & Co., Inc., P. O. Box 8339, Chicago, Ill. 60680.

A. William J. Marschalk.
B. National Forest Products Association, 1619 Massachusetts Avenue NW., Washington, D.C. 20036.

A. Edward Martone, 39 Eighth Street, North Arlington, N.J. 07032.

A. Massachusetts Lawyers' Vietnam Committee, 18 Tremont Street, Boston, Mass.

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B. Leva, Hawes, Symington, Martin & Oppenheimer.

A. C. V. & R. V. Maudlin, 1111 E Street NW., Washington, D.C. 20004.
B. Joint Government Liaison Committee, 1 North LaSalle Street, Chicago, Ill.

A. Frank Mayo, 1809 23d Street, Manhattan Beach, Calif.

A. McClure & Trotter, 1100 Connecticut Avenue, Suite 800, Washington, D.C. 20036.
B. United Artists Corp., 729 Seventh Avenue, New York, N.Y. 10019.

A. Francis O. McDermott, 1145 Munsey Building, Washington, D.C. 20004.
B. Sears, Roebuck & Co., 925 South Homan Avenue, Chicago, Ill. 60607.

A. Peter E. McGuire, 400 First Street NW., Washington, D.C. 20001.
B. National Association of Retired and Veteran Railway Employees, Inc.

A. Stephen J. McKenna, 1620 I Street NW., Washington, D.C. 20006.
B. C. T. Bendorf, 1620 I Street NW., Washington, D.C. 20006.

A. W. F. McKenna, 3435 Wilshire Boulevard, Los Angeles, Calif. 90010.
B. First Federal Savings & Loan Association of Phoenix; Tuscon Federal Savings & Loan Association.

A. Harry C. McPherson, Jr., 1660 L Street NW., Washington, D.C.
B. The Common Fund, 635 Madison Avenue, New York, N.Y. 10022.

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B. Government of the Commonwealth of Puerto Rico.

A. Louis L. Meier, Jr., 1625 I Street NW., Washington, D.C. 20006.
B. American Society of Civil Engineers, United Engineering Center, 345 East 47th Street, New York, N.Y. 10017.

A. Miller & Chevalier, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. The Sperry & Hutchinson Co., 330 Madison Avenue, New York, N.Y. 10017.

A. A. S. Mike Monroney, 1701 K Street NW., Suite 1000, Washington, D.C. 20006.
B. Boothe Airside Systems, Inc., 555 East City Line, Bala Cynwyd, Pa. 19004.

A. Joseph E. Moody, 1801 K Street NW., Washington, D.C. 20006.
B. American Petroleum Institute, 1801 K Street NW., Washington, D.C. 20006.

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A. Morin, Dickstein, Shapiro & Galligan, 1819 H Street NW., Washington, D.C. 20006.
B. American International Reinsurance Co., Hamilton, Bermuda.

A. Morin, Dickstein, Shapiro & Galligan, 1819 H Street NW., Washington, D.C. 20006.
B. Committee for the Martin Report, 1819 H Street NW., Washington, D.C.

A. Morin, Dickstein, Shapiro & Galligan, 1819 H Street NW., Washington, D.C. 20006.
B. Vance, Sanders & Co., Boston, Mass.; Federated Investors, Inc., Pittsburgh, Pa.; Fidelity Management & Research Co., Boston, Mass.

A. Gene P. Morrell, 1750 K Street NW., Suite 250, Washington, D.C. 20006.
B. Lone Star Gas Co., 301 South Harwood, Dallas, Tex. 75201.

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B. The Cleveland-Cliffs Iron Co., 1460 Union Commerce Building, Cleveland, Ohio 44115.

A. D. Michael Murray, 1000 Connecticut Avenue NW., Suite 1103, Washington, D.C. 20036.
B. National Association of Industrial Parks, 1601 North Kent Street, Suite 912, Arlington, Va. 22209.

A. Thomas H. Mutchler.
B. International Paper Co., 1620 I Street NW., Suite 700, Washington, D.C. 20006.

A. National Association for Humane Legislation, Inc., 675 Pinellas Point Drive South, St. Petersburg, Fla. 33705.

A. National Association of Furniture Manufacturers, 666 Lake Shore Drive, Chicago, Ill. 60611.

A. National Building Granite Quarries Association, Inc., 202 South Second Street, Cold Spring, Minn.

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A. National Convocation of Lawyers to End the War, 18 Tremont Street, Boston, Mass.

A. National Counsel Associates, 421 New Jersey Avenue, SE., Washington, D.C. 20003.
B. American Blood Resources Association, 308 State Street, Albany, N.Y. 12210.

A. National Counsel Associates, 421 New Jersey Avenue SE., Washington, D.C.
B. Wheat Users Committee, 1700 Pennsylvania Avenue, NW., Washington, D.C.

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A. Richard C. O'Hare, 1511 K Street NW., Washington, D.C. 20005.
B. Savings Banks Association of Massachusetts, 50 Congress Street, Boston, Mass. 02109.

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A. E. L. Patton, 200 112th Avenue NE., Bellevue, Wash. 98004.
B. Alyeska Pipeline Service Co.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. Chippewa-Cree Tribe, Rocky Boy Route, Box Elder, Mont. 59521.

A. Patton, Boggs, & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. Marcor, Inc., 619 West Chicago Avenue, Chicago, Ill. 60607.

A. Paul, Weiss, Rifkind, Wharton & Garrison, 345 Park Avenue, New York, N.Y. 10022.
B. Warner Bros. Inc., 4000 Warner Boulevard, Burbank, Calif. 91505.

A. Ben F. Peake, 1828 L Street NW., Suite 608, Washington, D.C. 20036.
B. American Association of Blood Banks, 1828 L Street NW., Suite 608, Washington, D.C., 20036.

A. Pepper, Hamilton & Scheetz, 1701 Pennsylvania Avenue, NW., Washington, D.C. 20006.
B. Johns-Manville Corp., c/o Jack J. Agliata, P.O. Box 17086, Denver, Colo. 80217.

A. J. Hardin Peterson, Sr., P.O. Drawer BS, Lakeland, Fla. 33802.
B. Florida Citrus Mutual, P.O. Box 89, Lakeland, Fla. 33802.

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B. Association of American Publishers.

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B. W. K. Kellogg Foundation, Battle Creek, Mich.

A. George Wesley Ritter, 3914 King Arthur Road, Annandale, Va. 22003.
B. Alton Box Board Co., Alton, Ill. 62002.

A. H. H. Robertson Co., Two Gateway Center, Pittsburg, Pa.

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B. Massachusetts Consumer Bankers Group.

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A. Sharon, Pierson, Semmes, Crolius & Finley, 1054 31st Street NW., Washington, D.C. 20007.

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A. James R. Sharp, 1108 16th Street NW., Washington, D.C. 20036.

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A. Silverstein & Mullens, 1776 K Street NW., Washington, D.C. 20006.

B. Bristol-Myers Co., 345 Park Avenue, New York, N.Y. 10022.

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B. The American Waterways Operators, Inc., 1250 Connecticut Avenue, Suite 502 Washington, D.C. 20036.

A. John M. Snow, 8401 Connecticut Avenue NW., Washington, D.C. 20015.

B. National Association of Furniture Manufacturers, 666 Lake Shore Drive, Chicago, Ill. 60611.

A. Wilbur D. Sparks, 1815 North Fort Myer Drive, Arlington, Va. 22209.

B. Air-Conditioning and Refrigeration Institute, 1815 North Fort Myer Drive, Arlington, Va. 22209.

A. James M. Sprouse, 1957 E Street NW., Washington, D.C. 20006.

B. The Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.

A. Sportsman's Paradise Homeowners Association, Route 2, Box 228, Blythe, Calif. 92225.

A. William M. Stephens, 1616 H Street NW., Washington, D.C. 20006.

B. American Retail Federation, 1616 H Street NW., Washington, D.C. 20006.

A. Steptoe & Johnson, 1250 Connecticut Avenue NW., Washington, D.C. 20036.

B. Mallinckrodt Chemical Works, P.O. Box 5439, St. Louis, Mo. 63160; Merck & Co., Inc., 126 East Lincoln Avenue, Rahway, N.J. 07065; S. B. Penick & Co., 100 Church Street, New York, N.Y. 10007.

A. Eugene L. Stewart, 1001 Connecticut Avenue, Washington, D.C. 20036.

B. Pulp and Paper Machinery Manufacturers' Association, 1001 Connecticut Avenue, Room 910, Washington, D.C. 20036.

A. J. Walter Thompson Co., 420 Lexington Avenue, New York, N.Y., 10017.

B. Ad Hoc Committee of Independent Livestock Producers, c/o Herman Dinklage, Whitman, Nebr.

A. Sandra Kay Tilley, 2219 Lindbergh Boulevard, Springfield, Ill. 62704.

B. The Hope School, 50 Hazel Lane, Springfield, Ill. 62703.

A. Gerald Toppen, 400 First Street NW., Washington, D.C.

B. Brotherhood of Railway, Airline and Steamship Clerks, 6300 River Road, Rosemont, Ill. 60018.

A. Paul E. Trimble, 1411 Rockefeller Building, Cleveland, Ohio 44113.

B. Lake Carriers' Association, 1411 Rockefeller Building, Cleveland, Ohio, 44113.

A. United States Lawn Tennis Association, 51 East 42d Street, New York, N.Y. 10017.

A. Jack J. Valenti, 1600 I Street NW., Washington, D.C. 20006.

B. Committee of Copyright Owners, c/o Phillips, Nizer, Benjamin, Krim & Ballon, 477 Madison Avenue, New York, N.Y. 10022; Motion Picture Association of America, Inc., 1600 I Street NW., Washington, D.C. 20006.

A. Elizabeth Alderman Vinson, 1730 M Street NW., Washington, D.C. 20036.

B. League of Women Voters of the United States, 1730 M Street NW., Washington, D.C. 20036.

A. Charls E. Walker, 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Allied Chemical Corp., P.O. Box 1057R, Morristown, N.J. 07960.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Aluminum Co. of America, Washington, D.C. 20036.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Bethlehem Steel Corp., Bethlehem, Pa. 18016.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Ford Motor Co., The American Road, Dearborn, Mich. 48121.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. General Motors Corp., General Motors Building, Detroit, Mich. 48202.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. General Electric Corp., Washington, D.C. 20005.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Georgia Pacific Corp., 900 SW Fifth Avenue, Portland, Oreg. 97204.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Gulf Oil Corp., Washington, D.C. 20036.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. National Association of Mutual Savings Banks, 200 Park Avenue, New York, N.Y. 10017.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. National Steel Corp., 2800 Grant Building, Pittsburgh, Pa. 15219.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Procter and Gamble, Cincinnati, Ohio 45201.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Time, Inc., Time and Life Building, Rockefeller Center, New York, N.Y. 10020.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Union Camp Corp., 1600 Valley Road, Wayne, N.J. 07040.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Union Carbide Corp., 270 Park Avenue, New York City, N.Y. 10017.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Weyerhaeuser Co., Tacoma, Wash. 98401.

A. George R. Walker, 3901 Hawkins Point Road, Baltimore, Md. 21226.

B. Glidden-Durkee, 3901 Hawkins Point Road, Baltimore, Md. 21226.

A. John S. Walker, 1100 Connecticut Avenue NW., Washington, D.C. 20036.

B. Glidden-Durkee, 5601 Eastern Avenue, Baltimore, Md. 21224.

A. Pamela R. Warner, 5500 North Kedzil, Chicago, Ill.

B. J. R. Carlson Labs, 5500 North Kedzil, Chicago, Ill.

A. Washington Office on Africa, 110 Maryland Avenue NE., Washington, D.C. 20002.

A. Janet H. Wegner, 1225 Connecticut Avenue NW., Washington, D.C. 20036.

B. American Association of Retired Persons/National Retired Teachers Association, 1225 Connecticut Avenue NW., Washington, D.C. 20036.

A. Weisman, Celler, Spett, Modlin & Wertheimer, 1025 Connecticut Avenue NW., No. 910, Washington, D.C. 20036.

B. Lawrence N. Brandt & Co., 4201 Connecticut Avenue NW., Washington, D.C. 20008.

A. Harry H. Westbay III, 1625 I Street NW., Suite 805, Washington, D.C. 20006.

B. St. Regis Paper Co., 150 East 42d Street, New York, N.Y. 10017.

A. Alan J. Whitney, 1341 G Street NW., Washington, D.C.

B. National Association of Government Employees, Inc., 285 Dorchester Avenue, Boston, Mass.

A. David Wilken, 2030 M Street NW., Washington, D.C. 20036.

B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.

A. Williams & Jensen, 1130 17th Street NW., Washington, D.C. 20036.

B. Auto-Train Corp., 1801 K Street NW., Washington, D.C. 20006.

A. Williams & King, 1620 I Street NW., Washington, D.C. 20006.

B. Noranda Mines Ltd., P.O. Box 45, Commerce Court West, Toronto, Ontario, Canada.

A. Earl Wilson, 400 First Street NW., Washington, D.C.

B. Brotherhood of Railway, Airline, and Steamship Clerks, 6300 River Road, Rosemont, Ill. 60018.

A. Kenneth David Wollack, Suite 720, 1341 G Street NW., Washington, D.C. 20005.

B. American Israel Public Affairs Committee, Suite 720, 1341 G Street NW., Washington, D.C. 20005.

A. Charles S. Yerrid, 1730 M Street NW., Washington, D.C. 20036.

B. American Optometric Association, c/o Jack A. Potter, 820 First National Bank Building, Peoria, Ill. 61602.

*All alphanumeric characters and monetary amounts refer to receipts and expenditures on page 2, paragraphs D and E of the Quarterly Report Form.

The following reports for the third calendar quarter of 1972 were received too late to be included or were not included in the the published reports for the third quarter.

FILE ONE COPY WITH THE SECRETARY OF THE SENATE AND FILE TWO COPIES WITH THE CLERK OF THE HOUSE OF REPRESENTATIVES:

This page (page 1) is designed to supply identifying data; and page 2 (on the back of this page) deals with financial data.

PLACE AN "X" BELOW THE APPROPRIATE LETTER OR FIGURE IN THE BOX AT THE RIGHT OF THE "REPORT" HEADING BELOW:

"PRELIMINARY" REPORT ("Registration"): To "register," place an "X" below the letter "P" and fill out page 1 only.

"QUARTERLY" REPORT: To indicate which one of the four calendar quarters is covered by this Report, place an "X" below the appropriate figure. Fill out both page 1 and page 2 and as many additional pages as may be required. The first additional page should be numbered as page "3," and the rest of such pages should be "4," "5," "6," etc. Preparation and filing in accordance with instructions will accomplish compliance with all quarterly reporting requirements of the Act.

Year: 19______ ◀

REPORT

PURSUANT TO FEDERAL REGULATION OF LOBBYING ACT

P	QUARTER			
	1st	2d	3d	4th
	(Mark one square only)			

NOTE ON ITEM "A".—(a) IN GENERAL. This "Report" form may be used by either an organization or an individual, as follows:

(i) "Employee".—To file as an "employee", state (in Item "B") the name, address, and nature of business of the "employer". (If the "employee" is a firm [such as a law firm or public relations firm], partners and salaried staff members of such firm may join in filing a Report as an "employee".)

(ii) "Employer".—To file as an "employer", write "None" in answer to Item "B".

(b) SEPARATE REPORTS. An agent or employee should not attempt to combine his Report with the employer's Report:

(i) Employers subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their agents or employees.

(ii) Employees subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their employers.

A. ORGANIZATION OR INDIVIDUAL FILING:

1. State name, address, and nature of business.

2. If this Report is for an Employer, list names of agents or employees who will file Reports for this Quarter.

NOTE ON ITEM "B".—*Reports by Agents or Employees.* An employee is to file, each quarter, as many Reports as he has employers, except that: (*a*) If a particular undertaking is jointly financed by a group of employers, the group is to be considered as one employer, but all members of the group are to be named, and the contribution of each member is to be specified; (*b*) if the work is done in the interest of one person but payment therefor is made by another, a single Report—naming both persons as "employers"—is to be filed each quarter.

B. EMPLOYER.—State name, address, and nature of business. If there is no employer, write "None."

NOTE ON ITEM "C".—(*a*) The expression "in connection with legislative interests," as used in this Report, means "in connection with attempting, directly or indirectly, to influence the passage or defeat of legislation." "The term 'legislation' means bills, resolutions, amendments, nominations, and other matters pending or proposed in either House of Congress, and includes any other matter which may be the subject of action by either House"—§ 302(e).

(*b*) Before undertaking any activities in connection with legislative interests, organizations and individuals subject to the Lobbying Act are required to file a "Preliminary" Report (Registration).

(*c*) After beginning such activities, they must file a "Quarterly" Report at the end of each calendar quarter in which they have either received or expended anything of value in connection with legislative interests.

C. LEGISLATIVE INTERESTS, AND PUBLICATIONS in connection therewith:

1. State approximately how long legislative interests are to continue. If receipts and expenditures in connection with legislative interests have terminated, ☐ place an "X" in the box at the left, so that this Office will no longer expect to receive Reports.

2. State the general legislative interests of the person filing and set forth the *specific* legislative interests by reciting: (*a*) Short titles of statutes and bills; (*b*) House and Senate numbers of bills, where known; (*c*) citations of statutes, where known; (*d*) whether for or against such statutes and bills.

3. In the case of those publications which the person filing has caused to be issued or distributed in connection with legislative interests, set forth: (*a*) Description, (*b*) quantity distributed; (*c*) date of distribution, (*d*) name of printer or publisher (if publications were paid for by person filing) or name of donor (if publications were received as a gift).

(Answer items 1, 2, and 3 in the space below. Attach additional pages if more space is needed)

4. If this is a "Preliminary" Report (Registration) rather than a "Quarterly" Report, state below what the nature and amount of anticipated expenses will be; and if for an agent or employee, state also what the daily, monthly, or annual rate of compensation is to be. If this is a "Quarterly" Report, disregard this item "C4" and fill out item "D" and "E" on the back of this page. Do not attempt to combine a "Preliminary" Report (Registration) with a "Quarterly" Report.◀

AFFIDAVIT

[Omitted in printing]

PAGE 1◀

NOTE ON ITEM "D."—(*a*) *In General.* The term "contribution" includes *anything of value*. When an organization or individual uses printed or duplicated matter in a campaign attempting to influence legislation, money received by such organization or individual—for such printed or duplicated matter—is a "contribution." "The term 'contribution' includes a gift, subscription, loan, advance, or deposit of money, or anything of value, and includes a contract, promise, or agreement, whether or not legally enforceable, to make a contribution"—Section 302(a) of the Lobbying Act.

(*b*) IF THIS REPORT IS FOR AN EMPLOYER.—(i) *In General.* Item "D" is designed for the reporting of all receipts from which expenditures are made, or will be made, in accordance with legislative interests.

(ii) *Receipts of Business Firms and Individuals.*—A business firm (or individual) which is subject to the Lobbying Act by reason of expenditures which it makes in attempting to influence legislation—but which has no funds to expend except those which are available in the ordinary course of operating a business not connected in any way with the influencing of legislation—will have no receipts to report, even though it does have expenditures to report.

(iii) *Receipts of Multipurpose Organizations.*—Some organizations do not receive any funds which are to be expended solely for the purpose of attempting to influence legislation. Such organizations make such expenditures out of a general fund raised by dues, assessments, or other contributions. The percentage of the general fund which is used for such expenditures indicates the percentage of dues, assessments, or other contributions which may be considered to have been paid for that purpose. Therefore, in reporting receipts, such organizations may specify what that percentage is, and report their dues, assessments, and other contributions on that basis. However, each contributor of $500 or more is to be listed, regardless of whether the contribution was made solely for legislative purposes.

(*c*) IF THIS REPORT IS FOR AN AGENT OR EMPLOYEE.—(i) *In General.* In the case of many employees, all receipts will come under Items "D 5" (received for services) and "D 12" (expense money and reimbursements). In the absence of a clear statement to the contrary, it will be presumed that your employer is to reimburse you for all expenditures which you make in connection with legislative interests.

(ii) *Employer as Contributor of $500 or More.*—When your contribution from your employer (in the form of salary, fee, etc.) amounts to $500 or more, it is not necessary to report such contribution under "D 13" and "D 14," since the amount has already been reported under "D 5," and the name of the "employer" has been given under Item "B" on page 1 of this report.

D. RECEIPTS (INCLUDING CONTRIBUTIONS AND LOANS):

Fill in every blank. If the answer to any numbered item is "None," write "None" in the space following the number.

Receipts (other than loans)

1. $--------Dues and assessments
2. $--------Gifts of money or anything of value
3. $--------Printed or duplicated matter received as a gift
4. $--------Receipts from sale of printed or duplicated matter
5. $--------Received for services (e.g., salary, fee, etc.)

6. $--------TOTAL for this Quarter (Add items "1" through "5")
7. $--------Received during previous Quarters of calendar year

8. $--------TOTAL from Jan. 1 through this Quarter (Add "6" and "7")

Loans Received

"The term 'contribution' includes a . . . *loan* . . ."—Sec. 302(a).

9. $--------TOTAL now owed to others on account of loans
10. $--------Borrowed from others during this Quarter
11. $--------Repaid to others during this Quarter

12. $--------"Expense money" and Reimbursements received this Quarter

Contributors of $500 or more
(from Jan. 1 through this Quarter)

13. Have there been such contributors?

Please answer "yes" or "no": --------

14. In the case of each contributor whose contributions (including loans) during the "period" from January 1 through the last days of this Quarter total $500 or more:

Attach hereto plain sheets of paper, approximately the size of this page, tabulate data under the headings "Amount" and "Name and Address of Contributor"; and indicate whether the last day of the period is March 31, June 30, September 30, or December 31. Prepare such tabulation in accordance with the following example:

Amount	*Name and Address of Contributor*
	(*"Period"* from Jan. 1 through ------------------, 19----)
$1,500.00	John Doe, 1621 Blank Bldg., New York, N.Y.
$1,785.00	The Roe Corporation, 2511 Doe Bldg., Chicago, Ill.
$3,285.00	TOTAL

NOTE ON ITEM "E".—(*a*) *In General.* "The term 'expenditure' includes a payment, distribution, loan, advance, deposit, or gift of money or anything of value, and includes a contract, promise, or agreement, whether or not legally enforceable, to make an expenditure"—Section 302(b) of the Lobbying Act.

(*b*) IF THIS REPORT IS FOR AN AGENT OR EMPLOYEE. In the case of many employees, all expenditures will come under telephone and telegraph (Item "E 6") and travel, food, lodging, and entertainment (Item "E 7").

E. EXPENDITURES (INCLUDING LOANS) in connection with legislative interests:

Fill in every blank. If the answer to any numbered item is "None," write "None" in the spaces following the number.

Expenditures (other than loans)

1. $--------Public relations and advertising services
2. $--------Wages, salaries, fees, commissions (other than item "1")
3. $--------Gifts or contributions made during Quarter
4. $--------Printed or duplicated matter, including distribution cost
5. $--------Office overhead (rent, supplies, utilities, etc.)
6. $--------Telephone and telegraph
7. $--------Travel, food, lodging, and entertainment
8. $--------All other expenditures

9. $--------TOTAL for this Quarter (Add "1" through "8")
10. $--------Expended during previous Quarters of calendar year

11. $--------TOTAL from January 1 through this Quarter (Add "9" and "10")

Loans Made to Others

"The term 'expenditure' includes a . . . *loan* . . ."—Sec. 302(b).

12. $--------TOTAL now owed to person filing
13. $--------Lent to others during this Quarter
14. $--------Repayment received during this Quarter

15. Recipients of Expenditures of $10 or More

In the case of expenditures made during this Quarter by, or on behalf of the person filing: Attach plain sheets of paper approximately the size of this page and tabulate data as to expenditures under the following heading: "Amount," "Date or Dates," "Name and Address of Recipient," "Purpose." Prepare such tabulation in accordance with the following example:

Amount	*Date or Dates—Name and Address of Recipient—Purpose*
$1,750.00	7-11: Roe Printing Co., 3214 Blank Ave., St. Louis, Mo.—Printing and mailing circulars on the "Marshbanks Bill."
$2,400.00	7-15, 8-15, 9-15: Britten & Blaten, 3127 Gremlin Bldg., Washington, D.C.—Public relations service at $800.00 per month.
$4,150.00	TOTAL

PAGE 2

A. Clarence G. Adamy, 1725 I Street NW., Washington, D.C.

B. National Association of Food Chains, 1725 I Street NW., Washington, D.C.

D. (6) $300.

A. Ad Hoc Committee of Shipbuilders, 1200 18th Street NW., Washington, D.C. 20036.

D. (6) $22,531. E. (9) $15,000.

A. Aerospace Industries Association of America, Inc., 1725 De Sales Street NW., Washington, D.C. 20036.

D. (6) $8,528.12. E. (9) $8,528.12.

A. AFL–CIO Maritime Committee, 100 Indiana Avenue NW., Washington, D.C. 20001.

D. (6) $3,000. E. (9) $2,092.89.

A. Gibson T. Ahlgren, 1957 E Street NW., Washington, D.C. 20006.

B. Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.

D. (6) $1,000.

A. Aircraft Owners & Pilots Association, P.O. Box 5800, Washington, D.C. 20014.

A. Randolf H. Aires, 1211 Connecticut Avenue NW., Suite 802, Washington, D.C. 20036.

B. Sears, Roebuck & Co., 925 South Homan Avenue, Chicago, Ill. 60607.

D. (6) $200. E. (9) $35.

A. Air Traffic Control Association, Inc., Suite 409, ARBA Building, 525 School Street SW., Washington, D.C. 20024.

A. Alderson, Catherwood, Ondov & Leonard, 105 East Oakland Avenue, Austin, Minn. 55912.

B. Hormel Foundation, Austin, Minn. 55912.

D. (6) $8,150. E. (9) 1,529.98.

A. Willis W. Alexander, 1120 Connecticut Avenue NW., Washington, D.C. 20036.

B. American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.

D. (6) $1,500. E. (9) $4,818.10.

A. Donna Allen, 3306 Ross Place NW., Washington, D.C. 20008.

B. National Committee Against Repressive Legislation, 555 North Western Avenue, Los Angeles, Calif. 90004.

D. (6) $1,040. E. (9) $1,688.77.

A. Nicholas E. Allen, 444 Shoreham Building, Washington, D.C. 20005.

B. Music Operators of America, Inc., 228 North LaSalle St., Chicago, Ill.

D. (6) $750. E. (9) 155.63.

A. Amalgamated Transit Union, AFL–CIO, 5025 Wisconsin Avenue NW., Washington, D.C. 20016.

A. Amalgamated Transit Union, National Capital Local Division 689, 100 Indiana Avenue NW., No. 403, Washington, D.C. 20001.

A. American Academy of Family Physicians, 1740 West 92d Street, Kansas City, Mo. 64114.

D. (6) $5,524.93. E. (9) $5,524.93.

A. American Automobile Association, 1712 G Street NW., Washington, D.C. 20006.

A. American Civil Liberties Union, 22 East 40th Street, New York, N.Y. 10016.

D. (6) $36,067.10. E. (9) $36,067.10.

A. The American College of Radiology, 20 North Wacker Drive, Chicago, Ill. 60606.

D. (6) $1,859.63. E. (9) $1,859.63.

A. American Committee for Flags of Necessity, 25 Broadway, New York, N.Y. 10004.

D. (6) $1,939.39. E. (9) $1,939.39.

A. American Dental Association, 211 East Chicago Avenue, Chicago, Ill. 60611.

D. (6) $6,800.61. E. (9) $6,800.61.

A. American Farm Bureau Federation, 225 Touhy Avenue, Park Ridge, Ill. 60068.

D. (6) $40,068. E. (9) $40,068.

A. American Federation of Labor and Congress of Industrial Organizations, 815 16th Street NW., Washington, D.C. 20006.

E. (9) $57,299.38.

A. American Frozen Food Institute, 919 18th Street NW., Washington, D.C. 20006.

D. (6) $130,138.82. E. (9) $3,058.59.

A. American Hotel & Motel Association, 888 Seventh Avenue, New York, N.Y. 10019.

D. (6) $2,893.78. E. (9) $3,378.45.

A. American Humane Association, 5351 Roslyn Street, Englewood, Colo.

E. (9) $1,500.

A. American Institute of Merchant Shipping, 1625 K Street NW., Suite 1000, Washington, D.C. 20006.

E. (9) $2,174.71.

A. American Insurance Association, 85 John Street, New York N.Y. 10038.

B. Admiral Insurance Co., Hartford, Conn.; Aetna Casualty & Surety Co., Hartford Conn.; Aetna Casualty & Surety Co., Chicago, Ill.,

D. (6) $34,848.88. E. (9) $34,848.88.

A. American Israel Public Affairs Committee, 1341 G Street NW., Washington, D.C. 20005.

D. (6) $11,024. E. (9) $10,300.75.

A. American Justice Association, Route 450, Box 498, Gambrills, Md. 21054.

D. (6) $2. E. (9) $2.

A. American Land Title Assoication, 1828 L Street NW., Suite 303, Washington, D.C. 20036.

A. American Life Insurance Association, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

E. (9) $1,757.55.

A. American Medical Association, 535 North Dearborn Street, Chicago, Ill. 60610.

E. (9) $29,530.13.

A. American Mutual Insurance Alliance, 20 North Wacker Drive, Chicago, Ill. 60606.

E. (9) $3,190.

A. American National Cattlemen's Association, 1001 Lincoln Street, Denver, Colo. 80202.

E. (9) $1,351.75.

A. American Optometric Association, c/o Jack A. Potter, 820 First National Bank Building, Peoria, Ill. 61602.

D. (6) $6,394.13. E. (9) $6,394.13.

A. American Paper Institute, Inc., 260 Madison Avenue, New York, N.Y. 10016.

E. (9) $844.53.

A. American Parents Committee, Inc., 15 E Street NW., Washington, D.C. 20001.

D. (6) $2,688.40 E. (9) $2,248.56.

A. American Petroleum Institute, 1801 K Street NW., Washington, D.C. 20006.

D. (6) $7,500. E. (6) $10,671.

A. American Physical Therapy Association, 1156 15th Street NW., Washington, D.C.

D. (6) $7,430.82. E. (9) $7,430.82.

A. American Podiatry Association, 20 Chevy Chase Circle NW., Washington, D.C. 20015.

E. (9) $9,724.96.

A. American Postal Workers Union, AFL-CIO, 817 14th Street NW., Washington, D.C. 20005.

D. (6) $1,201,853.01. E. (9) $76,607.35.

A. American Pulpwood Association, 605 Third Avenue, New York, N.Y. 10017.

A. The American Society of Radiologic Technologists, 645 North Michigan Avenue, Suite 620, Chicago, Ill. 60611.

D. (6) $7,787.78. E.(9) $4,370.03.

A. American Surveys, Embassy Square, Suite 901, 2000 N Street NW., Washington, D.C. 20036.

B. National Customs Brokers and Forwarders Association of America, Inc., One World Trade Center, Suite 1109, New York, N.Y. 10048.

D. (6) $400. E. (9) $105.29.

A. American Textile Machinery Association, 1730 M Street NW., Washington, D.C. 20036.

D. (6) $46.58.

A. American Trucking Associations, Inc., 1616 P Street NW., Washington, D.C. 20036.

D. (6) $10,290.06. E. (9) $58,045.16.

A. American Veterinary Medical Association, 1522 K Street NW., Suite 828, Washington, D.C. 20005.

E. (9) $400.

A. American Waterways Operators, Inc., 1250 Connecticut Avenue, Suite 502, Washington, D.C. 20036.

D. (6) $102,043. E. (9) $2,668.45.

A. Ted E. Amick, 1616 H Street NW., Washington, D.C. 20006.

B. The National Grange, 1616 H Street NW., Washington, D.C. 20006.

D. (6) $750.

A. Donald E. Anderson.

B. National Cable Television Association, 918 16th Street NW., Washington, D.C.

D. (6) $6,346.14. E. (9) $348.

A. William C. Anderson, 425 13th Street NW., Washington, D.C.

B. American Farm Bureau Federation, 225 West Touhy Avenue, Park Ridge, Ill.

D. (6) $2,281. E. (9) $22.10.

A. George W. Apperson, 100 Indiana Avenue NW., No. 403, Washington, D.C. 20001.

B. Amalgamated Transit Union, National Capital Local Division 689, 100 Indiana Avenue NW., No. 403, Washington, D.C.

A. Clarence A. Arata.

B. Metropolitan Washington Board of Trade, 1129 20th Street NW., Washington, D.C. 20036.

D. (6) $15,000.

A. John C. Archer, 1515 Wilson Boulevard, Arlington, Va. 22209.

B. American Gas Association, 1515 Wilson Boulevard, Arlington, Va. 22209.

D. (6) $550. E. (9) $300.

A. Arent, Fox, Kintner, Plotkin & Kahn, 1815 H Street NW, Washington, D.C. 20006.

B. National Soft Drink Association, 1101 16th Street NW, Washington, D.C. 20036.

D. (6) $1,325. E. (9) $33.55.

A. Arnold & Porter, 1229 19th Street NW, Washington, D.C. 20036.

B. Fairchild Camera and Instrument Corp., 464 Ellis Street, Mountain View, Calif. 94040.

D. (6) $2,750. E. (9) $75.

A. Arnold & Porter, 1229 19th Street NW, Washington, D.C. 20036.

B. Floor Covering Group, 919 Third Avenue, New York, N.Y. 10022.

A. Arnold & Porter, 1229 19th Street NW, Washington, D.C. 20036.
B. Montgomery County, Md., Lawyers Association, c/o George Ballman, 3720 Farragut Street, Kensington, Md.
E. (9) $31.60.

A. Carl F. Arnold, 1100 Connecticut Avenue NW, Washington, D.C. 20036.
B. American Petroleum Institute, 1801 K Street NW, Washington, D.C. 20036.
D. (6) $312.50. E. (9) $5.43.

A. Carl F. Arnold, 1100 Connecticut Avenue NW, Washington, D.C. 20036.
B. National Realty Committee, 230 Park Avenue, New York, N.Y. 10017.
D. (6) $625. E. (9) $16.81.

A. Carl F. Arnold, 1100 Connecticut Avenue NW, Washington, D.C. 20036.
B. Securities Industry Association, 20 Broad Street, New York, N.Y. 10005.
D. (6) $375. E. (9) $18.47.

A. Judith A. Assmus, 1763 R Street NW, Washington, D.C. 20009.
B. Washington Research Project Action Council, 1763 R Street NW, Washington, D.C. 20009.
D. (6) $1,375.

A. The Associated General Contractors of America, 1957 E Street NW, Washington, D.C. 20006.
E. (9) $5,350.

A. Associated Railroads of New Jersey, Pennsylvania Station, Raymond Plaza, Newark, N.J. 07102.
D. (6) $95. E. (9) $82.50.

A. Associated Third Class Mail Users, Suite 607, 1725 K Street NW., Washington, D.C. 20006.
D. (6) $300. E. (9) $300.

A. Association for the Advancement of Invention & Innovation, Suite 1007, Crystal Plaza Building 1, 2001 Jefferson Davis Highway, Arlington, Va. 22202.
D. (6) $4,835. E. (9) $3,741.92.

A. Association of American Railroads, American Railroads Building, 1920 L Street NW., Washington, D.C. 20036.
D. (6) $7,824.65. E. (9) $7,824.65.

A. Association of Maximum Service Telecasters, Inc., 1735 DeSales Street NW., Washington, D.C. 20036.
E. (9) $73.47.

A. Association of Oil Pipe Lines, 1725 K Street NW., Washington, D.C. 20006.
E. (9) $385.

A. Association of Petroleum Re-Refiners, 1500 North Quincy Street, Box 7116, Arlington, Va. 22207.

A. Association on Japanese Textile Imports, Inc., 551 Fifth Avenue, New York, N.Y. 10017.
E. (9) $1,000.

A. Atlantic Richfield Co., 515 South Flower Street, Los Angeles, Calif. 90071.
E. (9) $4,166.

A. Robert L. Augenblick, 1775 K Street NW., Washington, D.C. 20006.
B. Investment Company Institute, 1775 K Street NW., Washington, D.C. 20006.

A. Richard W. Averill, 1730 M Street NW., Washington, D.C. 20036.
B. American Optometric Association, c/o Jack A. Potter, 820 First National Bank Building, Peoria, Ill. 61602.
D. (6) $800. E. (9) $301.

A. Nicholas R. Bach, 1500 Rhode Island Avenue NW., Washington, D.C. 20005.
B. National Paint & Coatings Association Inc., 1500 Rhode Island Avenue NW., Washington, D.C. 20005.
D. (6) $90. E. (9) $4.

A. Donald L. Badders, 200 East Randolph Drive, No. 3101, Chicago, Ill. 60601.
B. Standard Oil Co. (Indiana), 200 East Randolph Drive, No. 3101, Chicago, Ill. 60601.
D. (6) $540.36. E. (9) $280.73.

A. Carl E. Bagge, Coal Building, Washington, D.C. 20036.
B. National Coal Association, Coal Building, Washington, D.C. 20036.
E. (9) $2,526.91.

A. John C. Bagwell, 723 Investment Building, Washington, D.C. 20005.
B. Hawaiian Sugar Planters' Association, Honolulu, Hawaii.

A. George F. Bailey, Jr., Montgomery, Ala.
B. Alabama Railroad Association, Montgomery, Ala.

A. James F. Bailey, 101 Constitution Avenue NW., Washington, D.C. 20001.
B. United Brotherhood of Carpenters & Joiners of America, 101 Constitution Avenue NW., Washington, D.C. 20001.
D. (6) $5,850. E. (9) $902.97

A. Thomas F. Baker, 1101 16th Street NW., Washington, D.C. 20036.
B. National Soft Drink Association.
D. (6) $324.51. E. (9) $10.

A. Donald F. Bale, 955 L'Enfant Plaza North SW., Washington, D.C. 20024.
B. Boeing Co., P.O. Box 3707, Seattle, Wash.
D. (6) $575. E. (9) $285.

A. Ernest L. Barcella, Washington, D.C. 20036.
B. General Motors Corp., 3044 West Grand Boulevard, Detroit, Mich. 48202.

A. Thomas H. Barksdale, 1801 K Street NW., Washington, D.C. 20006.
B. American Petroleum Institute, 1801 K Street NW., Washington, D.C. 20006.
D. (6) $1,925. E. (9) $142.

A. Robert C. Barnard, 1250 Connecticut Avenue NW., Washington, D.C. 20036.
B. Cleary, Gottlieb, Steen & Hamilton, 1250 Connecticut Avenue NW., Washington, D.C. 20036.

A. Robert C. Barnard, 1250 Connecticut Avenue NW., Washington, D.C. 20036.
B. Cleary, Gottlieb, Steen & Hamilton, 1250 Connecticut Avenue NW., Washington, D.C. 20036.

A. Vincent Gerrard Barnett, Suite 400, 919 18th Street NW., Washington, D.C. 20006.
B. Committee of European Shipowners, 30-32 St. Mary Axe, London EC3A 8ET, England.
D. (6) $7,500. E. (9) $5,901.77.

A. Irvin L. Barney, 400 First Street NW., Washington, D.C. 20001.
B. Brotherhood Railway Carmen of the United States and Canada, 4929 Main Street, Kansas City, Mo.
D. (6) $3,600.

A. James C. Barr, 1156 15th Street NW., Washington, D.C. 20005.
B. National Association of Federal Credit Unions, 1156 15th Street, NW., Washington, D.C. 20005.
D. (6) $300. E. (9) $117.50.

A. David S. Barrows, 214 Century Building, Portland, Oreg. 97205.
B. Association of Oregon and California Land Grant Counties, Douglas County Courthouse, Roseburg, Oreg. 97470.
D. (6) $1,200.

A. T. Michael Barry, 1771 N Street NW., Washington, D.C. 20036
B. National Association of Broadcasters, 1771 N Street NW., Washington, D.C. 20036.
D. (6) $1,000. E. (9) $83.86.

A. Weldon Barton.
B. The Farmers' Educational and Co-Operative Union of America, P.O. Box 2251, Denver, Colo.
D. (6) $3,969.41. E. (9) $163.02.

A. Lucius D. Battle, 950 L'Enfant Plaza South SW., Washington, D.C. 20024.
B. Communications Satellite Corp., 950 L'Enfant Plaza South SW., Washington, D.C. 20024.

A. Batzell & Nunn, 1523 L Street NW., Washington, D.C. 20005.
B. Independent Gasoline Marketers Council, 1523 L. Street NW., Washington, D.C. 20005.
D. (6) $2,500. E. (9) $298.45.

A. Batzell & Nunn, 1523 L Street NW., Washington, D.C. 20005.
B. Independent Terminal Operators Association, 1523 L Street NW., Washington, D.C. 20005.
D. (6) $500. E. (9) $62.50.

A. Donald S. Beattie, 400 First Street NW., Washington, D.C. 20001.
B. Congress of Railway Unions.
D. (6) $579.57.

A. Daniel S. Bedell, 1125 15th Street NW., No. 600, Washington, D.C. 20005.
B. International Union, United Automobile, Aerospace and Agricultural Implement Workers of America, 8000 East Jefferson Avenue, Detroit, Mich 48214.
D. (6) $4,417.92. E. (9) $408.93.

A. John H. Beidler, 1125 15th Street NW., No. 600, Washington, D.C. 20005.
B. International Union, United Automobile, Aerospace and Agricultural Implement Workers of America, 8000 East Jefferson Avenue, Detroit, Mich. 48214.
D. (6) $6,481.74. E. (9) $414.88.

A. Page Belcher, Suite 870, 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
D. (6) $2,000. E. $900.

A. Thomas S. Belford, 2030 M Street NW., Washington, D.C. 20036.
B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $199.98.

A. Thomas P. Bennett, 1735 New York Avenue, NW., Washington, D.C. 20006.
B. The American Institute of Architects, 1735 New York Avenue NW., Washington, D.C. 20006.
D. (6) $2,500. E. (9) $3,576.15.

A. Berl Bernhard, 1660 L Street NW., Washington, D.C.
B. The Common Fund, 635 Madison Avenue, New York, N.Y. 10022.
D. (6) $4,000. E. (9) $269.08.

A. Meyer Bernstein, 900 15th Street NW., Washington, D.C. 20005.
B. United Mine Workers of America, 900 15th Street NW., Washington, D.C. 20005.
D. (6) $689.10.

A. Max N. Berry, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Meat Products Group, American Importers Association, 420 Lexington Avenue, New York, N.Y. 10017.

A. Berry & Gipson, 1700 Pennsylvania Avenue NW., Suite 670, Washington, D.C. 20006.
B. Atalanta Corp., 17 Varick Street, New York, N.Y. 10013.
D. (6) $3,450. E. (9) $166.24.

A. Berry & Gipson, 1700 Pennsylvania Avenue NW., Suite 670, Washington, D.C. 20006.
B. East-West Trade Council, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.
E. (9) $450.

A. Robert L. Bevan, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. The American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $500. E. (9) $100.

A. Andrew J. Biemiller, 815 16th Street NW., Washington, D.C.
B. American Federation of Labor and Congress of Industrial Organizations, 815 16th Street NW., Washington, D.C.

A. Walter J. Bierwagen, 5025 Wisconsin Avenue NW., Washington, D.C. 20016.
B. Amalgamated Transit Union, 5025 Wisconsin Avenue NW., Washington, D.C. 20016.

A. Robert J. Bird, 1140 Connecticut Avenue NW., Suite 412, Washington, D.C. 20036.
B. Laurel Hill Cemetery Association, Clayton, Mo. 63105.

A. Lydia Bitter, 1801 K Street NW., Suite 1201, Washington, D.C. 20006.
B. United States Independent Telephone Association, 1801 K Street NW., Suite 1201, Washington, D.C. 20006.
D. (6) $420. E. (9) $420.

A. Neal R. Bjornson, 30 F Street NW., Washington, D.C. 20001.
B. National Milk Producers Federation, 30 F Street NW., Washington, D.C. 20001.
D. (6) $1,250.

A. Brent Blackwelder, 324 C Street SE., Washington, D.C. 20003.
B. Environmental Policy Center, 324 C Street SE., Washington, D.C. 20003.
D. (6) $875.

A. Richard W. Bliss, 1100 Ring Building, Washington, D.C. 20036.
B. American Mining Congress, 1100 Ring Building, Washington, D.C. 20036.
D. (6) $475.

A. Jerald Blizin, 1425 K Street NW., Washington, D.C.
B. Hill & Knowlton, Inc., 150 East 42d Street, New York, N.Y.
D. (6) $300. E. (9) $25.20.

A. Blumberg, Singer, Ross, Gottesman & Gordon, 245 Park Avenue, New York, N.Y. 10017.
B. Cigar Manufacturers Association of America, Inc., 575 Madison Avenue, New York, N.Y. 10022.
D. (6) $6,875.01. E. (9) $168.16.

A. Blumberg, Singer, Ross, Gottesman & Gordon, 245 Park Avenue, New York, N.Y. 10017.
B. Cigar Manufacturers Association of America, Inc., 575 Madison Avenue, New York, N.Y. 10022.
D. (6) $6,875.01. E. (9) $74.88.

A. Boasberg, Hewes, Klores & Kass, 1225 19th Street NW., Suite 602, Washington, D.C. 20036.
B. Action for Legal Rights, 1346 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $980.27.

A. Boasberg, Hewes, Klores & Kass, 1225 19th Street NW., Suite 602, Washington, D.C. 20036.
B. Communities in Action Together, 1717 Massachusetts Avenue NW., Washington, D.C. 20036.
D. (6) $1,556.35.

A. Rebecca L. Bogard, 2600 Virginia Avenue NW., Washington, D.C. 20037.
B. American Public Power Association, 2600 Virginia Avenue NW., Washington, D.C. 20037.
D. (6) $168.

A. Frederick C. Bond III, 1730 M Street NW., Washington, D.C. 20036.
B. American Optometric Association, c/o Jack A. Potter, 820 First National Bank Building, Peoria, Ill. 61602.
D. (6) $41.76. E. (9) $43.10.

A. S. Lees Booth, 1000 16th Street NW., Suite 601, Washington, D.C. 20036.
B. National Consumer Finance Association, 1000 16th Street NW., Washington, D.C. 20036.
D. (6) $250.

A. Boston Lawyers' Vietnam Committee, 32d floor, 225 Franklin Street, Boston, Mass. 02110.
E. (9) $225.60.

A. G. Stewart Boswell, Suite 1001, 1150 17th Street NW., Washington, D.C. 20036.
B. American Textile Manufacturers Institute, 1501 Johnston Building, Charlotte, N.C. 28202.
D. (6) $2,291.66. E. (9) $99.13.

A. Charles G. Botsford, 1730 M Street N.W., Suite 609, Washington, D.C. 20036.

A. Albert D. Bourland, 1660 L Street NW., Suite 814, Washington, D.C. 20036.
B. General Motors Corp., 3044 West Grand Boulevard, Detroit, Mich.
D. (6) $3,000. E. (9) $2,033.60.

A. Rodney A. Bower, 1126 16th Street NW., Washington, D.C. 20036.
B. International Federation of Professional & Technical Engineers, AFL–CIO, 1126 16th Street NW., Washington, D.C. 20036.
D. (6) $240. E. (9) $20.

A. J. Wiley Bowers, 325 Pioneer Building, Chattanooga, Tenn. 37402.
B. Tennessee Valley Public Power Association, 325 Pioneer Building, Chattanooga, Tenn. 37402.

A. Edward L. Bowley, 817 14th Street NW., Washington, D.C.
B. American Postal Workers Union, AFL–CIO, 817 14th Street NW., Washington, D.C.
D. (6) $7,235.28. E. (9) $468.14.

A. George E. Bradley, 1341 G Street N.W., Washington, D.C. 20005.
B. Organization of Professional Employees of USDA, 1341 G Street NW., Washington, D.C.
D. (6) $900. E. (9) $25.

A. Wayne W. Bradley, 1776 K Street NW., Washington, D.C. 20006.
B. American Medical Association, 535 North Dearborn Street, Chicago, Ill. 60610.
D. (6) $2,500. E. (9) $1,000.

A. Charles N. Brady, 1712 G Street NW., Washington, D.C. 20006.
B. American Automobile Association, 1712 G Street NW., Washington, D.C. 20006.

A. Joseph E. Brady, Room 122, Sheraton Gibson Hotel, Cincinnati, Ohio 45202.
B. National Coordinating Committee of the Beverage Industry.

A. Charles G. Bragg, P.O. Box 12285, Memphis, Tenn. 38112.
B. National Cotton Council of America, P.O. Box 12285, Memphis, Tenn. 38112.
D. (6) $576.92. E. (9) $62.71.

A. Edward J. Brenner, Suite 1007, Crystal Plaza 1, 2001 Jefferson Davis Highway, Arlington, Va. 22202.
B. Association for the Advancement of Invention and Innovation, Suite 1007, Crystal Plaza 1, 2001 Jefferson Davis Highway, Arlington, Va. 22202.

A. Parke C. Brinkley, The Madison Building, 1155 15th Street NW., Washington, D.C. 20005.
B. National Agricultural Chemicals Association.

A. Wally Briscoe.
B. National Cable Television Association, Inc., 918 16th Street NW., Washington, D.C.
D. (6) $135. E. (9) $16.50.

A. John Broadbent, 161 East 42d Street, New York, N.Y. 10017.
B. Recycled Paperboard Division of the American Paper Institute, 260 Madison Avenue, New York, N.Y. 10016.
D. (6) $470. E. (9) $108.79.

A. John Broadbent, 161 East 42d Street, New York, N.Y. 10017.
B. J. R. Timmins & Co., 37 Wall Street, New York, N.Y.

A. David A. Brody, 1640 Rhode Island Avenue NW., Washington, D.C. 20036.
B. Anti-Defamation League of B'nai B'rith, 315 Lexington Avenue, New York, N.Y. 10016.
D. (6) $375.

A. Michael D. Bromberg, 1101 17th Street NW., Suite 810, Washington, D.C. 20036.
B. Federation of American Hospitals, 1101 17th Street NW., Suite 810, Washington, D.C. 20036.
D. (6) $4,500.

A. W. S. Bromley, 605 Third Avenue, New York, N.Y. 10017.
B. American Pulpwood Association, 605 Third Avenue, New York, N.Y. 10017.

A. David W. Broome, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $600. E. (9) $38.

A. Joe B. Browder, 324 C Street SE., Washington, D.C. 20003.
B. Environmental Policy Center, 324 C Street SE., Washington, D.C. 20003.
D. (6) $843.75. E. (9) $317.16.

A. Charles H. Brown, 1250 Connecticut Avenue NW., Washington, D.C. 20036.
B. Cleary, Gottlieb, Steen & Hamilton, 1250 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $2,000.

A. J. D. Brown, 2600 Virginia Avenue NW., Washington, D.C. 20037.
B. American Public Power Association, 2600 Virginia Avenue NW., Washington, D.C. 20037.
D. (6) $300.

A. Brown, Vlassis & Bain, 222 North Central Avenue, Phoenix, Ariz. 85004.
B. Navajo Tribe, Window Rock, Ariz. 86515.

A. Brownstein, Zeidman & Schomer, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. Council of Housing Producers, 10920 Wilshire Boulevard, Suite 308, Los Angeles, Calif. 90024.

A. Brownstein, Zeidman & Schomer, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. International Franchise Association, 1025 Connecticut Avenue NW., Washington, D.C. 20036.

A. Brownstein, Zeidman & Schomer, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. Massachusetts Bankers Association, Inc., 125 High Street, Boston, Mass. 02110.
E. (9) $93.38.

A. Brownstein, Zeidman & Schomer, 1025 Connecticut Avenue, NW., Washington, D.C. 20036.
B. Mobile Home Manufacturers Association, 14650 Lee Road, Chantilly, Va. 22021.

A. Brownstein, Zeidman & Schomer, 1025 Connecticut Avenue, NW., Washington, D.C. 20036.
B. Mortgage Guaranty Insurance Corp., 600 Marine Plaza, Milwaukee, Wis. 53202.

A. Brownstein, Zeidman & Schomer, 1025 Connecticut Avenue, NW., Washington, D.C. 20036.
B. National Ad-Hoc Housing Coalition, 1025 Connecticut Avenue, NW., Washington, D.C. 20036.

A. Lawrence E. Bruce, Jr., 1125 15th Street, NW., Washington, D.C. 20005.
B. Mortgage Bankers Association of America, 1125 15th Street, NW., Washington, D.C. 20005.
D. (6) $2,250. E. (9). $2,005.

A. Bryant Associates, Inc., Suite 907, 1025 Connecticut Avenue, NW., Washington, D.C. 20036.
B. St. Paul Title Insurance Corp., 1650 West Big Beaver Road, Troy, Mich. 48084.
D. (6) $50. E. (9) $27.32.

A. George S. Buck, Jr., P.O. Box 12285, Memphis, Tenn. 38112.
B. National Cotton Council of America, P.O. Box 12285, Memphis, Tenn.

A. Philip N. Buckminster, 1100 Connecticut Avenue, NW., Washington, D.C. 20036.
B. Chrysler Corp., 12000 Oakland Avenue, Highland Park, Mich. 48231.
D. (6) $1,000. E. (9) $480.56.

A. Robert D. Buehler, 1800 K Street, NW., Suite 929, Washington, D.C. 20006.
B. B. F. Goodrich Co., Akron, Ohio 44318.
D. (6) $220.

A. Burley & Dark Leaf Tobacco Export Association, P.O. Box 860, Lexington, Ky. 40501.
D. (6) $33,823.46. E. (9) $1,199.95.

A. Phil Burnett, 1030 15th Street NW., Suite 700, Washington, D.C. 20005.
B. National Cotton Council of America, P.O. Box 12285, Memphis, Tenn. 38112.
D. (6) $215.25. E. (9) $51.48.

A. George Burnham IV, 1625 K Street NW., Washington, D.C. 20006.
B. United States Steel Corp., 600 Grant Street, Pittsburgh, Pa. 15230.
E. (9) $294.

A. Charles S. Burns, 1620 I Street NW., Washington, D.C. 20006.
B. Phelps Dodge Corp., 200 Park Avenue, New York, N.Y. 10022.
D. (6) $1,200. E. (9) $235.55.

A. David Burpee, Fordhook Farms, Doylestown, Pa. 18901.
E. (9) $221.81.

A. Business Executives Move for Vietnam Peace and New National Priorities, 901 North Howard Street, Baltimore, Md. 21201.
D. (6) $2,184. E. (9) $3,705.09.

A. Harry W. Buzzerd, Jr., 1030 15th Street NW., Suite 700, Washington, D.C. 20005.
B. National Cotton Council of America, P.O. Box 12285, Memphis, Tenn. 38112.
D. (6) $312.50. E. (9) $5.50.

A. Charles S. Caldwell, 900 15th Street NW., Washington, D.C. 20005.
B. United Mine Workers of America, 900 15th Street NW., Washington, D.C. 20005.
D. (6) $5,157.67. E. (9) $190.95.

A. David W. Calfee III, 324 C Street SE., Washington, D.C. 20003.
B. Environmental Policy Center, 324 C Street SE., Washington, D.C. 20003.
D. (6) $1,474.40. E. (9) $8.70.

A. Donald L. Calvin, 11 Wall Street, New York, N.Y. 10005.
B. New York Stock Exchange, 11 Wall Street, N.Y.

A. Carl C. Campbell, 1030 15th Street NW., Suite 700, Washington, D.C. 20005.
B. National Cotton Council of America, P.O. Box 12285, Memphis Tenn. 38112.
D. (6) $321.92.

A. Charles Argyll Campbell, 1615 H Street NW., Washington, D.C. 20006.
B. Chamber of Commerce of the USA, 1615 H Street NW., Washington, D.C. 20006.
E. (9) $270.40.

A. Charles O. Campbell, 1712 G Street NW., Washington, D.C. 20006.
B. American Automobile Association, 1712 G Street NW., Washington, D.C. 20006.

A. Capital Holding Corp., Commonwealth Building, Louisville, Ky. 40201.
E. (9) $100.

A. Marvin Caplan.
B. Industrial Union Department, AFL-CIO, 815 16th Street NW., Washington, D.C.
D. (6) $3,316.75. E. (9) $175.58.

A. Ronald A. Capone, Room 505, The Farragut Building, Washington, D.C.
B. Committee of European Shipowners, 30-32 St. Mary Axe, London, E. C. 3, England.
D. (6) $13,225. E. (9) $2,459.05.

A. Michael H. Cardozo, Suite 370, One Dupont Circle NW., Washington, D.C. 20036.
B. Association of American Law Schools, Suite 370, One Dupont Circle NW., Washington, D.C. 20036.

A. Norval E. Carey, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. Gulf Oil Corp., Pittsburgh, Pa.
D. (6) $1,000. E. (9) $375.

A. Philip Carlip, 675 Fourth Avenue, Brooklyn, N.Y. 11232.
B. Seafarers International Union.
D. (6) $2,500. E. (9) $2,272.80.

A. Elizabeth S. Carpenter, 1425 K Street NW., Suite 1000, Washington, D.C. 20005.
B. Hill and Knowlton, Inc., 150 East 42d Street, New York City, N.Y. 10017.
D. (6) $200. E. (9) $20.

A. L. C. Carpenter, 201 South Seventh Street, Columbia, Mo.
B. Midcontinent Farmers Association.
D. (6) $5,299.32. E. (9) $1,588.55.

A. John R. Carson, 20 Chevy Chase Circle NW., Washington, D.C. 20015.
B. American Podiatry Association, 20 Chevy Chase Circle NW., Washington, D.C. 20015.
D. (6) $2,500.

A. Casey, Lane & Mittendorf, 26 Broadway, New York, N.Y. 10004.
B. South African Sugar Association, P.O. Box 507, Durban, South Africa.
E. (9) $7,454.92.

A. James B. Cash, Jr., 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. The American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $3,000. E. (9) $79.45.

A. James Cassese, Sr., 400 First Street NW., Washington, D.C. 20001.
B. Brotherhood of Maintenance of Way Employes, 12050 Woodward Avenue, Detroit, Mich. 48203.
D. (6) $3,600.

A. Frank R. Cawley, 511 Wilson Plaza Building, 2425 Wilson Boulevard, Arlington, Va. 22201.
B. Agricultural Publishers Association, 511 Wilson Plaza Building, 2425 Wilson Boulevard, Arlington, Va. 22201.
D. (6) $210. E. (9) $200.46.

A. Central America Cooperative Federation, Inc., 400 World Center Building, 918 16th Street NW., Washington, D.C. 20006.
E. (9) $1,771.29.

A. J. M. Chambers & Co., Inc., 2300 Calvert Street NW., Washington, D.C. 20008.
B. Cordage Institute, 2300 Calvert Street NW., Washington, D.C. 20008.
D. (6) $937.50.

A. Justice M. Chambers, 2300 Calvert Street NW., Washington, D.C. 20008.
B. Swaziland Sugar Association, P.O. Box 445, Mbabane, Swaziland.
D. (6) $7,500. E. (9) $1,981.41.

A. James W. Chapman, 1625 I Street NW., Washington, D.C. 20006.
B. The Retired Officers Association, 1625 I Street NW., Washington, D.C. 20006.
D. (6) $1,411.

A. William C. Chapman, 1660 L Street NW., Washington, D.C. 20036.
B. General Motors Corp., 3044 West Grand Boulevard, Detroit, Mich. 48202.
D. (6) $3,000. E. (9) $3,785.66.

A. Lowell T. Christison, 1730 M Street NW., Washington, D.C. 20036.
B. American Optometric Association, c/o Jack A. Potter, 820 First National Bank Building, Peoria, Ill. 61602.

A. Cigar Manufacturers Association of America, Inc., 575 Madison Avenue, New York, N.Y. 10022.
D. (6) $43,631.81. E. (9) $423.69.

A. Cigar Manufacturers Association of America, Inc., 575 Madison Avenue, New York, N.Y. 10022.
D. (6) $43,631.81. E. (9) $536.90.

A. Earl W. Clark, 100 Indiana Avenue NW., Washington, D.C. 20001.
B. Labor-Management Maritime Committee.
D. (6) $825. E. (9) $122.33.

A. Kimball Clark, Suite 212, 300 New Jersey Avenue SE., Washington, D.C. 20003.

B. Association of American Railroads, 1920 L Street NW., Washington, D.C. 20036.
D. (6) $120. E. (9) $36.63.

A. Richard W. Clark, 2030 M Street NW., Washington, D.C.
B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $4,500. E. (9) $186.85.

A. Robert M. Clark, 1100 Connecticut Avenue, NW., Washington, D.C. 20036.
B. The Atchison Topeka & Santa Fe Railway Co., 80 East Jackson Boulevard, Chicago, Ill., 60604.

A. Clark, West, Keller, Sanders & Ginsberg, 2424 First National Bank Building, Dallas, Tex., 75202.
B. National Music Publishers' Association, Inc., 110 East 59th Street, New York, N.Y. 10022.
D. (6) $500.

A. Joan Claybrook, Room 305, 2000 P Street NW., Washington, D.C. 20036.
B. Congress Watch, Room 305, 2000 P Street, NW., Washington, D.C. 20036.
D. (6) $300.

A. Jacob Clayman, 815 16th Street NW., Washington, D.C. 20006.
B. Industrial Union Department, AFL-CIO, 815 16th Street NW., Washington, D.C. 20006.
D. (6) $738.40.

A. Clay Pipe Industry Depletion Committee, P.O. Box 6, Pittsburg, Kans. 66762.

A. Cleary, Gottlieb, Steen & Hamilton, 1250 Connecticut Avenue NW., Washington, D.C. 20036.
B. Interbank Card Association, Suite 3600, 110 East 59th Street, New York, N.Y. 10022.
D. (6) $150. E. (9) $25.

A. Cleary, Gottlieb, Steen & Hamilton, 1250 Connecticut Avenue NW., Washington, D.C. 20036
B. Lehman Bros., Inc., 1 William Street, New York, N.Y. 10004.
D. (6) $1,100.

A. Cleary, Gottlieb, Steen & Hamilton, 1250 Connecticut Avenue NW., Washington, D.C. 20036
B. The Oil Shale Corp., 680 Fifth Avenue, New York, N.Y. 10019.
E. (9) $2000.

A. Cleary, Gottlieb, Steen & Hamilton, 1250 Connecticut Avenue NW., Washington, D.C. 20036
B. Synthetic Organic Chemical Manufacturers Association, 1075 Central Park Avenue, Suite 224, Scarsdale, N.Y. 10533.
D. (6) $100. E. (9) $568.30.

A. Earle C. Clements, 1776 K Street NW., Washington, D.C. 20006.
B. American Brands, Inc., 245 Park Avenue, New York, N.Y. 10017.
E. (9) $105.

A. Earle C. Clements, 1776 K Street NW., Washington, D.C. 20006.
B. Brown & Williamson Tobacco Corp., Louisville, Ky. 40201.
E. (9) $105.

A. Earle C. Clements, 1776 K Street NW., Washington, D.C. 20006.
B. Liggett & Myers, Inc., 630 Fifth Avenue, New York, N.Y. 10020.
E. (9) $105.

A. Earle C. Clements, 1776 K Street NW., Washington, D.C. 20006.
B. Lorillard, Division of Loews Theatres, Inc., 200 East 42d Street, New York, N.Y. 10017.
E. (9) $105.

A. Earle C. Clements, 1776 K Street NW., Washington, D.C. 20006.
B. Philip Morris, Inc., 100 Park Avenue, New York, N.Y. 10017.
E. (9) $105.

A. Earle C. Clements, 1776 K Street NW., Washington, D.C. 20006.
B. R. J. Reynolds Industries, Inc., Winston-Salem, N.C., 27102.
E. (9) $105.

A. Earle C. Clements, 1776 K Street NW., Washington, D.C. 20006.
B. The Tobacco Institute, Inc., 1776 K Street NW., Washington, D.C. 20006.

A. Clifford, Warnke, Glass. McIlwain & Finney, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Avco Corp., 750 Third Avenue, New York, N.Y. 10017.

A. Clifford, Warnke, Glass, McIlwaine & Finney, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. National Basketball Players Association, 15 Columbus Circle, New York, N.Y. 10023.

A. Larry D. Cline, 1315 16th Street NW., Washington, D.C. 20036.
B. National Limestone Institute, Inc., 1315 16th Street NW., Washington, D.C. 20036.
E. (9) $40.02.

A. Coalition Against Strip Mining, 324 C Street SE., Washington, D.C. 20003.
D. (6) $250. E. (9) $1,639.07.

A. Grover C. Cobb, 1771 N Street NW., Washington, D.C. 20036.
B. National Association of Broadcasters, 1771 N Street NW., Washington, D.C. 20036.
D. (6) $3,000. E. (9) $200.

A. John M. Coffey, Suite 870, 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Page Belcher, Suite 870, 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

A. David Cohen, 2030 M Street NW., Washington, D.C. 20036.
B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $5,625. E. (9) $146.89.

A. Jerry Cohen, 470 Totten Pond Road, Waltham, Mass. 02154.
B. Ruetgerswerke Aktiengesellschaft, Frankfurt am Main, West Germany.

A. Timothy A. Colcord, 1620 I Street NW., Suite 603, Washington, D.C. 20006.
B. National BankAmericard, Inc., 555 California Street, San Francisco, Calif. 94126.
D. (6) $7,291.66. E. (9) $8,071.59.

A. R. Michael Cole, 2030 M Street NW., Washington, D.C. 20036.
B. Common Cause, 2030 M Street NW., Washington, D.C., 20036.
D. (6) $4,500. E. (9) $73.

A. Robert E. Cole, 1619 Massachusetts Avenue NW., Washington, D.C. 20036.
B. Motor Vehicle Manufacturers Association of the United States, Inc., 320 New Center Building, Detroit, Mich. 48202.
D. (6) $500.

A. Robert T. Cole, 1200 17th Street NW., Washington, D.C. 20036.
B. PPG Industries, Inc., 1 Gateway Center, Pittsburgh, Pa. 15222.
E. (9) $100.

A. Robert T. Cole, 1200 17th Street NW., Washington, D.C. 20036.
B. H. H. Robertson Co., 2 Gateway Center, Pittsburgh, Pa.
D. (6) $900. E. (9) $100.

A. Coles & Goertner, 1000 Connecticut Avenue NW., Washington, D.C. 20036.
B. Committee of American Tanker Owners, Inc., 1 Chase Manhattan Plaza, New York, N.Y. 10005.
D. (6) $25,185.67.

A. Coles & Goertner, 100 Connecticut Avenue NW., Washington, D.C. 20036.
B. Independent U.S. Tanker Owners Committee, 1612 K Street NW., Suite 510, Washington, D.C. 20006.
E. (9) $134.96.

A. William J. Colley, 1776 K Street NW., Washington, D.C. 20006.
B. American Medical Association, 535 North Dearborn Street, Chicago, Ill. 60610.
D. (6) $2,400. E. (9) $1,300.

A. Collier, Shannon, Rill & Edwards, 1625 I Street NW., Washington, D.C.
B. American Cylinder Manufacturers Committee, 1625 I Street NW., Washington, D.C. 20006.
D. (6) $40.

A. Collier, Shannon, Rill & Edwards, 1625 I Street NW., Washington, D.C. 20006.
B. American Footwear Industries Association, Inc., 1611 North Kent Street, Arlington, Va. 22209.
D. (6) $500. E. (9) $475.

A. Collier, Shannon, Rill & Edwards, 1625 I Street NW., Suite 622, Washington, D.C. 20006.
B. Bicycle Manufacturers Association of America, Inc., 122 East 42d Street, New York, N.Y. 10017.
D. (6) $500. E. (9) $100.

A. Collier, Shannon, Rill & Edwards, 1625 I Street NW., Suite 622, Washington, D.C. 20006.
B. National Association of Food Chains, 1725 I Street NW., Washington, D.C. 20006.
E. (9) $300.

A. Collier, Shannon, Rill & Edwards, 1625 I Street NW., Suite 622, Washington, D.C. 20006.
B. National Broiler Council, 1155 15th Street NW., Washington, D.C. 20005.
D. (6) $300.

A. Collier, Shannon, Rill & Edwards, 1625 I Street NW., Washington, D.C. 20006.
B. Tool & Stainless Steel Industry Committee, 1625 I Street NW., Suite 622, Washington, D.C. 20006.
D. (6) $1,250. E. (9) $525.

A. James F. Collins, 1000 16th Street NW., Washington, D.C.
B. American Iron & Steel Institute, 50 East 42d Street, New York, N.Y.
D. (6) $500. E. (9) $125.

A. Paul G. Collins, 111 Westminster Street, Providence, R.I.
B. The Industrial National Bank of Rhode Island, 111 Westminster Street, Providence, R.I.
D. (6) $68.75.

A. Colorado Railroad Association, 702 Majestic Building, Denver, Colo.,

A. Committee for Study of Revenue Bond Financing, 1000 Ring Building, Washington, D.C.
D. (6) $8,150. E. (9) $7,497.14.

A. Committee of Copyright Owners, 1600 I Street NW., Washington, D.C.
D. (6) $45,218.14. E. (9) $27,363.25.

A. Committee on Strikes in Transportation, 1101 17th Street NW., Washington, D.C.
D. (6) $89.32. E (9) $89.32.

A. Common Cause, 2030 M Street NW., Washington, D.C.
D. (6) $946,290.67. E. (9) $233,825.07.

A. The Common Fund, 635 Madison Ave., New York, N.Y.
E. (9) $10,244.08.

A. Communities in Action Together, 1717 Massachusetts Avenue NW., Suite 403, Washington, D.C.
D. (6) $19,193.38. E. (9) $18,363.09.

A. Computer Industry Association, Inc., 16255 Ventura Boulevard, Encino, Calif. 91316.
D. (6) $84,218.35. E. (9) $20,913.

A. Richard J. Congleton, 734 15th Street NW., Washington, D.C.
B. American Academy of Actuaries, 208 South LaSalle Street, Chicago, Ill.
D. (6) $900. E.(9) $142.90.

A. Richard J. Congleton, 734 15th Street NW., Washington, D.C. 20005.
B. The Equitable Life Assurance Society of the United States, 1285 Avenue of the Americas, New York, N.Y. 10019.
D. (6) $1,500. E. (9) $200.

A. Congress of Railway Unions, 400 First Street NW., Washington, D.C. 20001.
D. (6) $7,296.78. E. (9) $14,295.20.

A. Congress Watch, Room 305, 2000 P Street NW., Washington, D.C. 20036.
D. (6) $1,139.51. E. (9) $1,139.51.

A. Raymond F. Conkling, 1001 Connecticut Avenue, NW., Washington, D.C. 20036.
B. Texaco Inc., 135 East 42d Street, New York, N.Y. 10017.
D. (6) $160. E. (9) $55.30.

A. Connecticut Bankers Association, 100 Constitution Plaza, Hartford, Conn. 06103.

A. Robert J. Conner Jr., 1100 Connecticut Avenue NW., Washington, D.C. 20036.
B. Chrysler Corp., 12000 Oakland Avenue, Highland Park, Mich. 48231.
D. (6) $500. E. (9) $240.

A. Consolidated Natural Gas Service Co., Inc., 4 Gateway Center, Pittsburgh, Pa., 15222.

A. Bernard J. Conway, 211 East Chicago Avenue, Chicago, Ill., 60611.
B. American Dental Association, 211 East Chicago Avenue, Chicago, Ill. 60611.
D. (6) $2,600.

A. Jack T. Conway, 2030 M Street NW., Washington, D.C. 20036.
B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $2,812.50.

A. Charles F. Cook, Jr., 1100 Ring Building, Washington, D.C. 20036.
B. American Mining Congress, 1100 Ring Building, Washington, D.C. 20036.
D. (6) $1,075.

A. Cook & Franke, 660 East Madison Street, Milwaukee, Wis., 53202.
B. M. & I. Marshall & Ilsley Bank, 770 North Water Street, Milwaukee, Wis. 53202.
D. (6) $600. E. (9) $305.36.

A. Howard Lee Cook, Jr., 1776 K Street NW., Washington, D.C. 20006.
B. American Medical Association, 535 North Dearborn Street, Chicago, Ill. 60610.
D. (6) $2,300. E. (9) $800.

A. Eileen D. Cooke, 110 Maryland Avenue NE., Suite 101, Washington, D.C. 20002.
B. American Library Association, 50 East Huron Street, Chicago, Ill. 60611.
D. (6) $598.80.

A. J. Milton Cooper, Suite 1100, 1000 Vermont Avenue, Washington, D.C. 20005.
B. R. J. Reynolds Industries, Inc., Winston-Salem, N.C.

A. Mitchell J. Cooper, 1001 Connecticut Avenue, Washington, D.C. 20036.
B. Converse Rubber Co., Malden, Mass., Uniroyal, Inc., Naugatuck, Conn.
D. (6) $2,500. E. (9) $173.15.

A. Mitchell J. Cooper, 1001 Connecticut Avenue, Washington, D.C. 20036.
B. Council of Forest Industries, 1025 West Hastings Street, Vancouver 1, Canada.
D. (6) $3,000. E. (9) $3.

A. Mitchell J. Cooper, 1001 Connecticut Avenue, Washington, D.C. 20036.
B. Footwear Division, Rubber Manufacturing Association, 444 Madison Avenue, New York, N.Y. 10022.
D. (6) $6,000. E. (9) $127.38.

A. Joshua W. Cooper, 626 South Lee Street, Alexandria, Va. 22314.
B. Portsmouth-Kittery Armed Services Committee, Inc., Box 1123, Portsmouth, N.H. 03801.
D. (6) $1,250. E. (9) $402.94.

A. Cooperative League of the USA, 1828 L Street NW., Suite 1100, Washington, D.C. 20036.
D. (6) $2,000. E. (9) $745.

A. Darrell Coover, 1625 I Street NW., No. 812, Washington, D.C. 20006.
B. National Association of Independent Insurers, 2600 River Road, Des Plaines, Ill. 60018.
D. (6) $2,000. E. (9) $193.

A. James T. Corcoran, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. National Association of Motor Bus Owners, 1025 Connecticut Avenue NW., No. 308, Washington, D.C. 20036.
D. (6) $975. E. (9) $87.50.

A. Allan D. Cors, 1629 K Street NW., Washington, D.C. 20006.
B. Corning Glass Works, Corning, N.Y. 14830.

A. Bertram Robert Cottine, 2000 P Street NW., Suite 708, Washington, D.C. 20036.
B. Health Research Group, 2000 P Street NW., Suite 708, Washington, D.C. 20036.
D. (6) $150. E. (9) $4.40.

A. Robert M. Coultas, Suite 508, 1612 K Street NW., Washington, D.C. 20006.
B. Institute for Rapid Transit, 1612 K Street NW., Washington, D.C. 20006.

A. Council for the Advancement of the Psychological Professions & Sciences, 1725 I Street NW., Suite 606, Washington, D.C. 20006.
D. (6) $47,083. E. (9) $4,584.55.

A. Council of State Chambers of Commerce, 1028 Connecticut Avenue, Washington, D.C.
D. (6) $854.56. E. (9) $854.56.

A. Paul L. Courtney, 1725 K Street NW., Washington, D.C. 20006.
D. (6) $300.

A. Roger C. Courtney, 1730 M Street NW., Washington, D.C. 20036.
B. American Optometric Association, c/o Jack A. Potter, 820 First National Bank Building, Peoria, Ill. 61602.
D. (6) $313.10. E. (9) $324.15.

A. Covington & Burling, 888 16th Street NW., Washington, D.C. 20006.
B. American Machine Tool Distributors Association, 1500 Massachusetts Avenue NW., Washington, D.C. 20005.

A. Covington & Burling, 888 16th Street NW., Washington, D.C. 20006.
B. The Commonwealth of Puerto Rico.
E. (9) $299.80.

A. Covington & Burling, 888 16th Street NW., Washington, D.C. 20006.
B. Investment Company Institute, 1775 K Street NW., Washington, D.C. 20006.

A. Covington & Burling, 888 16th Street NW., Washington, D.C. 20006.
B. MGIC Investment Corp., 600 Marine Plaza, Milwaukee, Wis. 43201.
D. (6) $3,900.

A. Covington & Burling, 888 16th Street NW., Washington, D.C. 20006.
B. The National Association of Industrial Parks.
E. (9) $2.60.

A. Covington & Burling, 888 16th Street NW., Washington, D.C. 20006.
B. National Machine Tool Builders Association, 7901 Westpark Drive, McLean, Va. 22101.

A. Covington & Burling, 888 16th Street NW., Washington, D.C. 20006.
B. The State of Alaska.
E. (9) $12,995.09.

A. Eugene S. Cowen, 9024 Willow Valley Drive, Potomac, Md. 20854.
B. American Broadcasting Co., 1150 17th Street NW., Washington, D.C. 20036.
D. (6) $33. E. (9) $33.

A. Cox, Langford & Brown, 21 Dupont Circle NW., Washington, D.C. 20036.
B. Association of Research Libraries, 1527 New Hampshire Avenue NW., Washington, D.C. 20036.

A. Cox, Langford & Brown, 21 Dupont Circle NW., Washington, D.C. 20036.
B. The National Collegiate Athletic Association, U.S. Highway 50 and Nall Avenue, P.O. Box 1906, Shawnee Mission, Kans. 66222.
D. (6) $1,500. E. (9) $65.

A. Robert W. Crawford, 1625 I Street NW., Washington, D.C. 20006.
B. Association of General Merchandise Chains, Inc., 1625 I Street NW., Washington, D.C. 20006.
D. (6) $9,999.99. E. (9) $2,684.82.

A. W. J. Crawford, P.O. Box 2180, Houston, Tex. 77001.
B. Exxon Co., U.S.A., P.O. Box 2180, Houston, Tex.

A. Hubert M. Crean, 1801 K Street NW., Washington, D.C. 20006.
B. American Petroleum Institute, 1801 K Street NW., Washington, D.C. 20006.

A. Richard C. Creighton, 1957 E Street NW., Washington, D.C. 20006.

B. The Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.

D. (6) $1,000.

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A. H. C. Crotty.

B. Brotherhood of Maintenance of Way Employes, 12050 Woodward Avenue, Detroit, Mich. 48203.

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A. Jack A. Crowder, Suite 1001, 1150 17th Street NW., Washington, D.C. 20036.

B. American Textile Manufacturers Institute, 1501 Johnston Building, Charlotte, N.C. 28281.

D. (6) $1,500. E. (9) $46.20.

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A. Culbertson, Pendleton & Pendleton, 1 Farragut Square South, Suite 800, Washington, D.C. 20006.

B. Canned & Cooked Meat Importers' Association, c/o Deltec International, Ltd., 2801 Ponce de Leon Boulevard, Coral Gables, Fla. 33134.

D. (6) $975. E. (9) $164.53.

—

A. William E. Cumberland, 1125 15th Street NW., Washington, D.C. 20005.

B. Mortgage Bankers Association of America, 1125 15th Street NW., Washington, D.C. 20005.

D. (6) $538. E. (9) $1,506.

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A. Frank Cummings, Gall, Lane & Powell, 1250 Connecticut Avenue NW., Washington, D.C. 20036.

B. Institute of Electrical and Electronics Engineers, 345 East 47th Street, New York, N.Y. 10017.

D. (6) $500.

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A. John T. Curran, 905 16th Street NW., Washington, D.C. 20006.

B. Laborers' International Union of North America, AFL–CIO, 905 16th Street NW., Washington, D.C. 20006.

D. (6) $8,250. E. (9) $2,837.50.

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A. William Kay Daines, 1616 H Street NW., Washington, D.C. 20006.

B. American Retail Federation, 1616 H Street NW., Washington, D.C. 20006.

D. (6) $1,500. E. (9) $70.

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A. Thomas A. Daly, 1101 16th Street NW., Washington, D.C. 20036.

B. National Soft Drink Association.

D. (6) $87.26. E. (9) $4.75.

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A. Daniels & Houlihan, 1819 H Street NW., Washington, D.C. 20006.

B. Japan Lumber Importers Association, Tokyo, Japan.

D. (6) $1,850. E. (9) $170.20.

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A. Benjamin G. Danis, 2100 M Street NW., Suite 307, Washington, D.C. 20037.

B. National Telephone Cooperative Association, 2100 M Street NW., Suite 307, Washington, D.C. 20037.

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A. Danzansky, Dickey, Tydings, Quint & Gordon, 1120 Connecticut Avenue NW., Washington, D.C. 20036.

B. Potomac Electric Power Co., 1900 Pennsylvania Avenue NW., Washington, D.C. 20006.

D. (6) $4,672.50. E. (9) $4,540.90.

—

A. John C. Datt, 425 13th Street NW., Washington, D.C.

B. American Farm Bureau Federation, 225 West Touhy Avenue, Park Ridge, Ill.

D. (6) $1,719. E. (9) $13.79.

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A. Philip J. Daugherty.

B. Industrial Union Department, AFL–CIO, 815 16th Street NW., Washington, D.C. 20006.

D. (6) $3,239. E. (9) $118.50.

A. Larry C. Davenport, 33 Thrush Road, Sterling, Va. 22170.

B. Mobile Homes Manufacturers Association, P.O. Box 201, Chantilly, Va. 22021.

D. (6) $5,375.

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A. Aled P. Davies, 59 East Van Buren Street, Chicago, Ill. 60605.

B. American Meat Institute, 59 East Van Buren Street, Chicago, Ill. 60605.

D. (6) $1,000. E. (9) $168.24.

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A. Charles W. Davis, One First National Plaza, No. 5200, Chicago, Ill. 60670.

B. Bankers Life and Casualty Co., 4444 Lawrence Avenue, Chicago, Ill. 60630.

E. (9) $97.37.

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A. Charles W. Davis, One First National Plaza, No. 5200, Chicago, Ill. 60670.

B. Inland Steel Co., 30 West Monroe Street, Chicago, Ill. 60603.

E. (9) $97.97.

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A. Charles W. Davis, One First National Plaza, No. 5200, Chicago, Ill. 60670.

B. The Myron Stratton Home, P.O. Box 1178, Colorado Springs, Colo. 80901.

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A. Charles W. Davis, One First National Plaza, No. 5200, Chicago, Ill. 60670.

B. Northwest Industries, Inc., 400 West Madison Street, Chicago, Ill. 60609.

D. (6) $162.50. E. (9) $102.99.

—

A. Charles W. Davis, One First National Plaza, No. 5200, Chicago, Ill. 60670.

B. Sears, Roebuck and Co., 925 South Homan Avenue, Chicago, Ill. 60607.

D. (6) $6,400. E. (9) $612.19.

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A. Charles W. Davis, One First National Plaza, No. 5200, Chicago, Ill. 60670.

B. Trans Union Corp., 111 West Jackson Boulevard, Chicago, Ill. 60604.

E. (9) $97.99.

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A. Charles W. Davis, One First National Plaza, No. 5200, Chicago, Ill. 60670.

B. United Insurance Co. of America, One East Wacker Drive, Chicago, Ill. 60601.

E. (9) $97.37.

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A. Fred E. Davis, 1133 15th Street, NW., Washington, D.C. 20005.

B. National Association of Manufacturers.

D. (6) $500. E. (9) $475.

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A. R. Hilton Davis, 1615 H Street NW., Washington, D.C. 20006.

B. Chamber of Commerce of the U.S.A., 1615 H Street NW., Washington, D.C. 20006.

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A. Walter L. Davis, 1775 K Street NW., Washington, D.C. 20006.

B. Retail Clerks International Association, AFL–CIO, 1775 K Street NW., Washington, D.C. 20006.

D. (6) $750.

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A. Charles W. Day, 815 Connecticut Avenue NW., Washington, D.C. 20006.

B. Ford Motor Co., Dearborn, Mich. 48121.

D. (6) $325. E. (9) $292.

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A. J. Edward Day, 21 Dupont Circle NW., Washington, D.C. 20036.

B. Associated Third Class Mail Users, 1725 K Street NW., Washington, D.C. 20006.

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A. J. Edward Day, 21 Dupont Circle NW., Washington, D.C. 20036.

B. Electronic Industries Association, Consumer Electronics Group, 2001 I Street NW., Washington, D.C. 20006.

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A. Tony T. Dechant.

B. The Farmers Educational and Co-Operative Union of America, P.O. Box 2251, Denver, Colo.

D. (6) $4,000. E. (9) 207.28.

A. DeHart and Broide, Inc., 1505 22d Street NW., Washington, D.C. 20037.

B. Kansas City Southern Industries, Inc., 114 West 11th Street, Kansas City, Mo. 64105.

D. (6) $140. E. (9) $17.20.

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A. DeHart and Broide, Inc., 1505 22d Street NW., Washington, D.C. 20037.

B. Recording Industry Association of America, Inc., 1 East 57th Street, New York, N.Y. 10022.

D. (6) $447.50. E. (9) $24.70.

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A. Delta Group, Ltd., 2535 Massachusetts Avenue NW., Washington, D.C. 20008.

B. National Committee for Effective No-Fault, 2535 Massachusetts Avenue NW., Washington, D.C. 20008.

D. (6) $4,300. E. (9) $100.

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A. Vincent A. Demo, 25 Broadway, New York, N.Y. 10004.

B. New York Committee of International Committee of Passenger Lines, 25 Broadway, New York, N.Y. 10004.

D. (6) $7,500. E. (9) $1,930.

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A. Ray Denison, 815 16th Street NW., Washington, D.C.

B. American Federation of Labor and Congress of Industrial Organizations, 815 16th Street, NW., Washington, D.C.

D. (6) $6,500. E. (9) $556.52.

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A. Claude J. Desautels, Suite 811, 1725 K Street NW., Washington, D.C. 20006.

B. Alyeska Pipeline Service Co., P.O. Box 576, Bellevue, Wash. 98009.

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A. Claude J. Desautels, Suite 811, 1725 K Street NW., Washington, D.C. 20006.

B. American Society of Composers, Authors and Publishers, One Lincoln Plaza, New York, N.Y. 10023.

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A. Claude J. Desautels, Suite 811, 1725 K Street NW., Washington, D.C. 20006.

B. Emergency Committee for American Trade, 1211 Connecticut Avenue NW., Washington, D.C. 20036.

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A. Claude J. Desautels, Suite 811, 1725 K Street NW., Washington, D.C. 20006.

B. Merrill Lynch, Pierce, Fenner & Smith, Inc., One Liberty Plaza, New York, N.Y. 10006.

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A. Claude J. Desautels, Suite 811, 1725 K Street NW., Washington, D.C. 20006.

B. S.T.O.P. (Shipping Tieups Over Permanently), Post Office Box 4437, Honolulu, Hawaii 96813.

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A. Claude J. Desautels, Suite 811, 1725 K Street NW., Washington, D.C. 20006.

B. Washington Citizens for World Trade, 101 West 15th, Post Office Box 301, Olympia, Wash. 98507.

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A. C. H. DeVaney, 425 13th Street NW., Washington, D.C.

B. American Farm Bureau Federation, 225 West Touhy Avenue, Park Ridge, Ill.

D.(6) $2,281. E. (9) $122.80.

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A. R. Daniel Devlin, 1000 16th Street NW., Washington, D.C.

B. Trans World Airlines, Inc., 605 Third Avenue, New York, N.Y. 10016.

E. (9) $195.

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A. Ralph B. Dewey, 1150 17th Street NW., Suite 1109, Washington, D.C. 20036.

B. Pacific Gas & Electric Co., 77 Beale Street, San Francisco, Calif. 94106.

D. (6) $1,640. E. (9) $744.96.

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A. John M. Dickerman, 1730 Rhode Island Avenue NW., Washington, D.C. 20036.

B. National Lumber & Building Material Dealers Association, 1990 M Street NW., Suite 350, Washington, D.C. 20036.
D. (6) $6,029.28. E. (9) $146.44.

A. Timothy V. A. Dillon, 1730 Rhode Island Avenue NW., Washington, D.C. 20036.
B. Department of Water Resources, State of California, Post Office Box 338, Sacramento, Calif. 95802.
D. (6) $2,291.31. E. (9) $135.60.

A. Timothy V. A. Dillon, 1730 Rhode Island Avenue NW., Washington, D.C. 20036.
B. Marysville Dam Committee, Post Office Drawer B., Marysville, Calif. 95901.
D. (6) $306.50. E. (9) $11.

A. Timothy V. A. Dillon, 1730 Rhode Island Avenue NW., Washington, D.C. 20036.
B. Sacramento Yolo Port District, Post Office Box 815, West Sacramento, Calif.
D. (6) $1,460.35. E. (9) $50.35.

A. Disabled American Veterans, 3725 Alexandria Pike, Cold Spring, Ky. 41076.
D. (6) $49,573.61. E. (9) $49,573.61.

A. Disabled Officers Association, 1612 K Street NW., Washington, D.C. 20006.
E. (9) $3,500.

A. William H. Dodds, 1115 15th Street NW., Suite 600, Washington, D.C. 20005.
B. International Union, United Automobile, Aerospace & Agricultural Implement Workers of America, UAW, 8000 East Jefferson Avenue, Detroit, Mich. 48214.
D. (6) $5,539.92. E. (9) $1,068.46.

A. Patrice M. Doherty, Suite 1001, 1150 17th Street NW., Washington, D.C. 20036.
B. American Textile Manufacturers Institute, Inc., 1501 Johnston Building, Charlotte, N.C. 28281.
D. (6) $600. E. (9) $75.

A. Robert C. Dolan, 1140 Connecticut Avenue NW., Washington, D.C. 20036.
B. National Association of Electric Cos., 1140 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $209.25. E. (9) $106.14.

A. Edward V. Donahue, 1900 L Street NW., Washington, D.C. 20036.
B. Graphic Arts International Union, 1900 L Street NW., Washington, D.C. 20036.
D. (6) $1,788. E. (9) $1,788.

A. Jack Donahue, 1725 I Street NW., Suite 606, Washington, D.C. 20006.
B. Council for the Advancement of the Psychological Professions and Sciences, 1725 I Street NW., Suite 606, Washington, D.C. 20006.
D. (6) $1,002. E. (9) $488.11.

A. Leo J. Donahue, 230 Southern Building, Washington, D.C. 20005.
B. American Association of Nurserymen, 230 Southern Building, Washington, D.C. 20005.

A. Gary W. Donnelly, 1315 16th Street NW., Washington, D.C. 20036.
B. National Limestone Institute, Inc., 1315 16th Street NW., Washington, D.C. 20036.
E. (9) $36.08.

A. James A. Dorsch, 1701 K Street NW., Washington, D.C.
B. Health Insurance Association of America, 1701 K Street NW., Washington, D.C.
D. (6) $740. E. (9) $196.65.

A. C. L. Dorson, Suite 529, Munsey Building, Washington, D.C. 20004.
B. Retirement Federation of Civil Service Employees of the U.S. Government, Suite 529, Munsey Building, Washington, D.C. 20004.
D. (6) $3,316.51. E. (9) $279.

A. Richard Morgan Downey, Room 305, 2000 P Street NW., Washington, D.C. 20036.
B. Congress Watch, Room 305, 2000 P Street NW., Washington, D.C. 20036.
D. (6) $200.

A. F. Raymond Downs, 1801 K Street NW., Suite 1104, Washington, D.C. 20006.
B. The Procter & Gamble Manufacturing Co., 301 East Sixth Street, Cincinnati, Ohio 45202.

A. Harry J. Doyle, 1730 M Street NW., Washington, D.C. 20036.
B. American Optometric Association, care of Jack A. Potter, 820 First National Bank Building, Peoria, Ill. 61602.
D. (6) $620.06. E. (9) $642.40.

A. Robert H. Doyle, 2029 K Street NW., Washington, D.C. 20006.
B. National Society of Professional Engineers, 2029 K Street NW., Washington, D.C. 20006.
D. (6) $4,031.25.

A. Wilbur B. Dronen, 100 Northeast Adams Street, Peoria, Ill. 61602.
B. Caterpillar Tractor Co., 100 Northeast Adams Street, Peoria, Ill., 61602.
D. (6) $800. E. (9) $303.50.

A. Dean W. Drulias, 1730 M Street NW., Washington, D.C. 20036.
B. American Optometric Association, c/o Jack A. Potter, 820 First National Bank Building, Peoria, Ill. 61602.
D. (6) $335.52. E. (9) $434.80.

A. Franklin B. Dryden.
B. The Tobacco Institute, Inc., 1776 K Street NW., Washington, D.C. 20006.
D. (6) $120.00. E. (9) $120.00.

A. Evelyn Dubrow, 1710 Broadway, New York, N.Y. 10019.
B. International Ladies' Garment Workers' Union, 1710 Broadway, New York, N.Y. 10019.
D. (6) $4,004. E. (9) $2,587.10.

A. William DuChessi, 1126 16th Street NW., Washington, D.C. 20036.
B. Textile Workers Union of America, 99 University Place, New York, N.Y.
D. (6) $1,475. E. (9) 100.

A. Hugh G. Duffy, 1750 New York Avenue, NW., Washington, D.C. 20006.
B. National Consumer Center for Legal Services, 1750 New York Avenue NW., Washington, D.C. 20006.
D. (6) $4,900.

A. Norman Duncan, 1156 15th Street NW., Washington, D.C. 20005.
B. J. C. Penney Co., Inc., 1301 Avenue of the Americas, New York, N.Y. 10019.
D. (6) $225. E. (9) $90.45.

A. R. Michael Duncan, 1250 Connecticut Avenue NW., Washington, D.C. 20036.
B. Cleary, Gottlieb, Steen & Hamilton, 1250 Connecticut Avenue NW., Washington, D.C. 20036.

A. R. Michael Duncan, 1250 Connecticut Avenue NW., Washington, D.C. 20036.
B. Cleary, Gottlieb, Steen & Hamilton, 1250 Connecticut Avenue NW., Washington, D.C. 20036.

A. Pauline B. Dunckel, 1901 North Fort Myer Drive, Suite 900, Arlington, Va. 22209.
B. Gas Appliance Manufacturers Association, 1901 North Fort Myer Drive, Suite 900, Arlington, Va. 22209.

A. Louise C. Dunlap, 324 C Street SE., Washington, D.C. 20003.
B. Environmental Policy Center, 324 C Street SE., Washington, D.C. 20003.
D. (6) $2,700. E. (9) $76.16.

A. William E. Dunn, 1957 E Street NW., Washington, D.C. 20006.
B. The Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.

A. Bruce Dunton, 1126 16th Street NW., Washington, D.C.
B. Textile Workers Union of America, 99 University Place, New York, N.Y. 10003.
D. (6) $3,285.00. E. (9) $100.00.

A. J. D. Durand, 1725 K Street NW., Washington, D.C. 20006.
B. Association of Oil Pipe Lines, 1725 K Street NW., Washington, D.C. 20006.
E. (9) $385.

A. J. Frederick Durr, Rural Route No. 2, Sheridan, Ind. 46069.
B. National Association of Farmer Elected Committeemen, c/o J. Frederick Durr, Rural Route No. 2, Sheridan, Ind. 46069.
E. (9) $113.70.

A. Henry I. Dworshak, 1100 Ring Building, Washington, D.C. 20036.
B. American Mining Congress, 1100 Ring Building, Washington, D.C. 20036.
D. (6) $1,175.

A. Robert E. Early, 30 F Street NW., Washington, D.C. 20001.
B. National Milk Producers Federation, Washington, D.C. 20001.
D. (6) $1,250.

A. Roy W. Easley, 1735 DeSales Street NW., Washington, D.C. 20036.
B. Association of Maximum Service Telecasters, Inc., 1735 DeSales Street NW., Washington, D.C., 20036.
D. (6) $31.71.

A. East-West Trade Council, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.
E. (9) $418.53.

A. Arthur B. Edgeworth, Jr., 1709 New York Avenue NW., Washington, D.C. 20006.
B. United States Savings and Loan League, 111 East Wacker Drive, Chicago, Ill.
D. (6) $500.

A. Hallett D. Edson, 956 North Monroe Street., Arlington, Va. 22201.
B. National Association for Uniformed Services, 956 North Monroe Street, Arlington, Va. 22201.
D. (6) $1,125.

A. E. Neel Edwards, Jr., 921 Washington Building, Washington, D.C. 20005.
B. National Federation of Independent Business.
D. (6) $2,500. E. (9) $270.87.

A J. Rodney Edwards, 260 Madison Avenue, New York, N.Y. 10016.
B. American Paper Institute, 260 Madison Avenue, New York, N.Y. 10016.
E. (9) $52.74.

A. Macon T. Edwards, 1030 15th Street NW., Suite 700, Washington, D.C. 20005.
B. National Cotton Council of America, P.O. Box 12285, Memphis, Tenn. 38112.
D. (6) $700.50. E. (9) $36.93.

A. Charles E. Ehrhart, 1800 K Street NW., No. 924, Washington, D.C. 20006.
B. Ralston Purina Co., Checkerboard Square, St. Louis, Mo. 63188.
D. (6) $400. E. (9) $124.

A. J. C. B. Ehringhaus, Jr., 1600 South Eads Street, Arlington, Va. 22202.
B. The Tobacco Institute, Inc., 1776 K Street NW., Washington, D.C. 20006.

A. Janice Eichhorn, 512A 6th Street SE., Washington, D.C. 20003.
B. Self-Determination for D.C., 2030 M Street NW., Washington, D.C. 20036.
D. (6) $3,000. E. (9) $152.99.

A. Harmon L. Elder, 2000 L Street NW., Washington, D.C. 20036.
B. Wilson E. Hamilton & Associates, Inc., 2000 L Street NW., Washington, D.C. 20036.
D. (6) $250. E. (9) $205.91.

A. John Doyle Elliott, 5500 Quincy Street, Hyattsville, Md. 20784.

A. John M. Elliott, 5025 Wisconsin Avenue NW., Washington, D.C. 20016.
B. Amalgamated Transit Union, AFL-CIO, 5025 Wisconsin Avenue NW., Washington, D.C. 20016.

A. Ruth Bowdey Elliott, 5500 Quincy Street, Hyattsville, Md. 20784.
D. (6) $3,370. E. (9) $2,853.87.

A. John C. Ellis, 1957 E Street NW., Washington, D.C. 20006.
B. The Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.
D. (6) $1,000.

A. Roy Elson, 1771 N Street NW., Washington, D.C. 20036.
B. National Association of Broadcasters, 1771 N Street NW., Washington, D.C. 20036.
D. (6) $4,200. E. (9) $633.31.

A. Emergency Committee for the American Offshore Service Industry, 2000 Southwest Tower, Houston, Tex. 77002.
E. (9) $3,159.46.

A. Emergency Committee for American Trade, 1211 Connecticut Avenue NW., Washington, D.C. 20036.
B. David C. Scott, Allis-Chalmers, Milwaukee, Wis. 35201; Ian McGragor, American Metal Climax, Inc., 1270 Avenue of the Americas, New York, N.Y. 10020; A. W. Clausen, Bank of America, Bank of America Center, San Francisco, Calif. 94120., et al.
D. (6) $5,032.50. E. (9) $3,699.61.

A. Richard W. Emory, 1800 Mercantile Bank & Trust Building, 2 Hopkins Plaza, Baltimore, Md. 21201.
B. Maryland State Fair and Agricultural Society, Inc., Timonium State Fair Grounds, Timonium, Md. 21093.
E. (9) $2.92.

A. Employers Insurance of Wausau, 2000 Westwood Drive, Wausau, Wis. 54401.
E. (9) $789.

A. Gertrude Engel, 2450 Virginia Avenue NW., Washington, D.C. 20037.
B. Bob Hoffman, York Barbell Co., York, Pa. 17405.
D. (6) $1,625. E. (9) $232.65.

A. Grover W. Ensley, 200 Park Avenue, New York, N.Y. 10017.
B. National Association of Mutual Savings Banks, 200 Park Avenue, New York, N.Y. 10017.
D. (6) $1,587.

A. Environmental Policy Center, 324 C Street SE., Washington, D.C. 20003.
D. (6) $28,695.80. E. (9) $26,687.53.

A. Glenn R. Erickson, 1616 H Street NW., Washington, D.C. 20006.
B. American Retail Federation, 1616 H Street NW., Washington, D.C. 20006.
D. (6) $1,200. E. (9) $250.

A. Russell G. Ernest, 1025 Connecticut Avenue NW., No. 1014, Washington, D.C. 20036.
B. Exxon Corp., 1251 Avenue of the Americas, New York, N.Y. 10020.

A. John D. Fagan, 200 Maryland Avenue NE., Washington, D.C. 20002.
B. Veterans of Foreign Wars of the United States.
D. (6) $3,000. E. (9) $26.

A. Robert R. Fahs, 1030 15th Street NW., Washington, D.C. 20005.
B. Cargill, Inc., 1200 Cargill Building, Minneapolis, Minn. 55402.
D. (6) $2,500. E. (9) $27.50.

A. Clinton M. Fair, 815 16th Street NW., Washington, D.C.
B. American Federation of Labor & Congress of Industrial Organizations, 815 16th Street NW., Washintgon, D.C.
D. (6) $6,292. E. (9) $279.

A. The Farmers' Educational and Co-Operative Union of America, Post Office Box 2251, Denver, Colo.
D. (6) $67,069.28. E. (9) $33,137.83.

A. Robert C. Farrow, 1707 H Street NW., Suite 607, Washington, D.C. 20006.
B. The Labor-Management Committee for Fair Foreign Competition, 1499 Bayshore Highway, Burlingame, Calif. 94010.
D. (6) $240.

A. Penelope S. Farthing, 1616 H Street NW., Washington, D.C. 20006.
B. American Retail Federation, 1616 H Street NW., Washington, D.C.
D. (6) $1,500. E. (9) $175.

A. Federation of American Hospitals, 1101 17th Street NW., Suite 810, Washington, D.C. 20036.
E. (9) $4,500.

A. Herbert A. Fierst, 607 Ring Building, Washington, D.C. 20036.
B. Council of Forest Industries of British Columbia, 1500/1055 West Hastings Street, Vancouver 1, British Columbia, Canada.
D. (6) $4,746.87. E. (9) $250.

A. Herbert A. Fierst, 607 Ring Building, Washington, D.C.
B. Joint Committee of Printing and Publishing Industries of Canada, 321 Bloor Street, East, Toronto 5, Ontario, Canada.
D. (6) $999.99. E. (9) $73.

A. Francis S. Filbey, 817 14th Street NW., Washington, D.C. 20005.
B. American Postal Workers Union, AFL-CIO, 817 14th Street NW., Washington, D.C. 20005.
D. (6) $5,056.74.

A. Matthew P. Fink, 1775 K Street NW., Washington, D.C. 20006.
B. Investment Company Institute, 1775 K Street NW., Washington, D.C. 20006.
D. (6) $30. E. (9) $3.

A. Thomas W. Fink, 1030 15th Street NW., Suite 700, Washington, D.C. 20005.
B. National Cotton Council of America, P.O. Box 12285, Memphis, Tenn. 38112.
D. (6) $585. E. (9) $25.40.

A. James W. Finley, 1015 18th Street NW., Suite 303, Washington, D.C. 20036.
B. Crown Zellerbach Corp., 1 Bush Street, San Francisco, Calif. 94119.

A. Firearms Lobby of America, 319 Fifth Street SE., Washington, D.C. 20003.
D. (6) $9,185.50. E. (9) $9,595.15.

A. William J. Flaherty, 1221 Massachustts Avenue NW., Washington, D.C. 20005.
B. Disabled American Veterans, 3725 Alexandria Pike, Cold Springs, Ky.
D. (6) $6,838.75. E. (9) $154.10.

A. Roger Fleming, 425 13th Street NW., Washington, D.C.
B. American Farm Bureau Federation, 225 West Touhy Avenue, Park Ridge, Ill.
D. (6) $1,875. E. (9) $42.34.

A. Carl J. Fleps, 1000 16th Street NW., Washington, D.C. 20036.
B. Greyhound Corp., Greyhound Tower, Phoenix, Ariz. 85077.
D. (6) $300. E. (9) $34.

A. Florida Citrus Mutual, P.O. Box 89, Lakeland, Fla. 33802.
E. (9) $350.

A. Florida Citrus Production Managers Association, care of C. D. Kime, Jr., Waverly, Fla. 33877.

A. John F. Fochtman, 1776 K Street NW., Washington, D.C. 20006.
B. American Medical Association, 535 North Dearborn Street, Chicago, Ill. 60610.
D. (6) $2,000. E. (9) $800.

A. Gordon Forbes, 207 Union Depot Building, St. Paul, Minn. 55101.
B. Minnesota Railroads Association.
D. (6) $500. E. (9) $539.22.

A. James W. Foristel, 1776 K Street NW., Washington, D.C. 20006.
B. American Medical Association, 535 North Dearborn Street, Chicago, Ill. 60610.
D. (6) $2,400. E. (9) $800.

A. John S. Forsythe, 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. American Life Insurance Association, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 2006.
D. (6) $75. E. (9) $30.

A. David H. Foster.
B. National Cable Television Association, Inc., 918 16th Street NW., Washington, D.C.
D. (6) $2,500. E. (9) $237.50.

A. John G. Fox, 2000 L Street NW., Washington, D.C. 20036.
B. American Telephone & Telegraph Co., 195 Broadway, New York, N.Y. 10007.
D. (6) $82.

A. Donald A. Frederick, 1129 20th Street NW., Washington, D.C. 20036.
B. National Council of Farmer Cooperatives, 1129 20th Street NW., Washington, D.C.
D. (6) $656.25. E. (9) $2.75.

A. Robert M. Frederick, 1616 H Street NW., Washington, D.C. 20006.
B. The National Grange, 1616 H Street NW., Washington, D.C. 20006.
D. (6) $5,000.

A. James O. Freeman, 1709 New York Avenue NW., Washington, D.C. 20006.
B. United States Savings & Loan League, 111 East Wacker Drive, Chicago, Ill.
D. (6) $2,187.50. E. (9) $22.

R. Benjamin W. Fridge, 1900 South Eads Street, Arlington, Va. 22202.
B. National Rifle Association of America, 1600 Rhode Island Avenue NW., Washington, D.C. 20036.
D. (6) $3,750. E. (9) $1,235.54.

A. Susan Fridy, 30 F Street NW., Washington, D.C. 20001.
B. National Milk Producers Federation, 30 F Street NW., Washington, D.C. 20001.
D. (6) $500. E. (9) $117.76.

A. Fried, Frank, Harris, Shriver & Kampelman, 600 New Hampshire Avenue NW., Washington, D.C. 20037.
B. The Hualapai Tribe of the Hualapai Reservation, Peach Spring, Ariz.
D. (6) $117. E. (9) $12.95.

A. Fried, Frank, Harris, Shriver & Kampelman, 600 New Hampshire Avenue NW., Washington, D.C. 20037.
B. Metlakatla Indian Community, Box 142, Metlakatla, Alaska.

A. Fried, Frank, Harris, Shriver & Kampelman, 600 New Hampshire Avenue NW., Washington, D.C. 20037.
B. The Navajo Tribe, Window Rock, Ariz.
E. (9) $419.75.

A. Fried, Frank, Harris, Shriver & Kampelman, 600 New Hampshire Avenue NW., Washington, D.C. 20037.
B. The Nez Perce Tribe, Lapwai, Idaho.
D. (6) $400.

A. Fried, Frank, Harris, Shriver & Kampelman, 600 New Hampshire Avenue NW., Washington, D.C. 20037.
B. Oglala Sioux Tribe, Pine Ridge, S. Dak.

A. Fried, Frank, Harris, Shriver & Kampelman, 600 New Hampshire Avenue NW., Washington, D.C. 20037.
B. Pueblo of Laguna, Laguna, N. Mex.

A. Fried, Frank, Harris, Shriver & Kampelman, 600 New Hampshire Avenue NW., Washington, D.C. 20037.
B. Salt River Pima-Maricopa Indian Community, Box 120, Route 1, Scottsdale, Ariz.
D. (6) $62.50.

A. Fried, Frank, Harris, Shriver & Kampelman, 600 New Hampshire Avenue NW., Washington, D.C. 20037.
B. The Seneca Nation of Indians, Box 268-A, Irving, N.Y. 14081.
D. (6) $1,570.
A. Fried, Frank, Harris, Shriver & Kampelman, 600 New Hampshire Avenue NW., Washington, D.C. 20037.
B. Tuscarora Indian Nation, Lewiston, N.Y.
D. (6) $100.

A. Philip P. Friedlander, Jr., 1343 L Street, NW., Washington, D.C.
B. National Tire Dealers & Retreaders Association, Inc., 1343 L Street, NW., Washington, D.C. 10005.
D. (6) $300. E. (9) $6.

A. Friends Committee on National Legislation, 245 Second Street NE., Washington, D.C.
D. (6) $56,338. E. (9) $16,262.

A. Owen V. Frisby, 900 17th Street NW., Washington, D.C. 20006.
B. The Chase Manhattan Bank, 1 Chase Manhattan Plaza, New York, N.Y. 10015.
D. (6) $765.00. E. (9) $3,397.30.

A. Frank W. Frisk, Jr., 2600 Virginia Avenue NW., Washington, D.C. 20037.
D. (6) $300.

A. David C. Fullarton, 2100 M Street NW., Suite 307, Washington, D.C. 20037.
B. National Telephone Cooperative Association, 2100 M Street NW., Suite 307, Washington, D.C. 20037.
D. (6) $750.

A. James E. Gaffigan, 777 14th Street NW., Washington, D.C. 20005.
B. American Hotel & Motel Association, 888 Seventh Avenue, New York, N.Y. 10019.
D. (6) $184.60. E. (9) $28.80.

A. Robert E. Gallamore, 2030 M Street NW., Washington, D.C. 20036.
B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $1,518.75.

A. Peter N. Gammelgard, 1801 K Street NW., Washington, D.C. 20006.
B. American Petroleum Institute, 1801 K Street NW., Washington, D.C. 20006.

A. Nicole Gara, 1735 New York Avenue, NW., Washington, D.C. 20006.
B. The American Institute of Architects, 1735 New York Avenue NW., Washington, D.C. 20006.
D. (6) $1,000.

A. William B. Gardiner, 1221 Massachusetts Avenue, NW., Washington, D.C. 20005.
B. Disabled American Veterans, 3725 Alexandria Pike, Cold Springs, Ky.
D. (6) $6,028.45. E. (9) $29.61.

A. John W. Gardner, 2030 M Street NW., Washington, D.C. 20036.
B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $1,250. E. (9) $1,284.27.

A. Gas Appliance Manufacturers Association, 1901 North Fort Myer Drive, Arlington, Va., 22209.
E. (9) $870.

A. General Aviation Manufacturers Association, Inc., 1025 Connecticut Avenue NW., Suite 1215, Washington, D.C. 20036.
E. (9) $1,625.

A. Donald A. Giampaoli, 1957 E Street NW., Washington, D.C. 20006.
B. The Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.
D. (6) $1,350.

A. William T. Gibb III, 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. American Life Insurance Association, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

A. Wayne Gibbens, 1800 K Street NW., Washington, D.C. 20006.
B. Mid-Continent Oil & Gas Association, 1111 Thompson Building, Tulsa, Okla. 74103.
D. (6) $750. E. (9) $139.

A. Arthur P. Gildea, 2347 Vine Street, Cincinnati, Ohio 45219.
B. International Union of United Brewery, Flour, Cereal, Soft Drink and Distillery Workers of America, 2347 Vine Street, Cincinnati, Ohio 45219.

A. Joseph S. Gill, 16 East Broad Street, Columbus, Ohio 43215.
B. The Ohio Railroad Association, 16 East Broad Street, Columbus, Ohio 43215.
E. (9) $148.71.

A. Dave Givens, 916 Nashville Trust Building, Nashville, Tenn. 37201.
B. Class I Railroads in Tennessee.

A. Horace D. Godfrey, 918 16th Street NW., Suite 500, Washington, D.C. 20006.
B. Florida and Louisiana sugar cane producers and processors.
D. (6) $1,115. E. (9) $167.84.

A. James T. Godfrey, 415 Kennebec Street, No. 603, Oxon Hill, Md.
B. American Physicists Association, P.O. Box 19343, Washington, D.C.

A. Don A. Goodall, 1625 I Street NW., Suite 614, Washington, D.C. 20006.
B. American Cyanamid Co., Wayne, N.J. 07470.
D. (6) $132. E. (9) $223.75.

A. Vance V. Goodfellow, 828 Midland Bank Building, Minneapolis, Minn. 55401.
B. Crop Quality Council, 828 Midland Bank Building, Minneapolis, Minn. 55401.
D. (6) $6,000. E. (9) $259.65.

A. Frederick D. Goss, 2100 M. Street NW., Suite 307, Washington, D.C. 20037.
B. National Telephone Cooperative Association, 2100 M Street NW., Suite 307, Washington, D.C. 20037.
D. (6) $387.

A. Edward Gottlieb & Associates, 485 Madison Avenue, New York, N.Y. 10022.
B. Florists' Transworld Delivery Association, 900 West Lafayette Boulevard, Detroit, Mich. 48226.

A. Government Employes Council, AFL-CIO, 100 Indiana Avenue NW., Washington, D.C. 20001.
D. (6) $13,826.61. E. (9) $6,420.21.

A. Donald E. Graham, 1129 20th Street NW., Washington, D.C. 20036.
B. National Council of Farmer Cooperatives, 1129 20th Street NW., Washington, D.C.
D. (6) $1,585. E. (9) $47.51.

A. Graphic Arts International Union, 1900 L Street NW., Washington, D.C. 20036.
D. (6) $1,788. E. (9) $1,788.

A. Warren Graves, 324 C Street SE., Washington, D.C. 20003.
B. Environmental Policy Center, 324 C Street SE., Washington, D.C. 20003.
D. (6) $4,800. E. (9) $1,005.04.

A. Cornelius R. Gray, 1712 G Street NW., Washington, D.C. 20006.
B. American Automobile Association, 1712 G Street NW., Washington, D.C. 20006.

A. James A. Gray, 7901 Westpark Drive, McLean, Va. 22101.
B. National Machine Tool Builders Association, 7901 Westpark Drive, McLean, Va. 22101.
D. (6) $12,132.33. E. (9) $253.83.

A. Virginia M. Gray, 3501 Williamsburg Lane NW., Washington, D.C. 20008.
B. Citizens Committee for UNICEF, 110 Maryland Avenue NE., Washington, D.C. 20002.
D. (6) $272. E. (9) $113.79.

A. Samuel A. Grayson, 611 Idaho Building, Boise, Idaho 83702.
B. Union Pacific Railroad, 1416 Dodge Street, Omaha, Nebr. 68102.
E. (9) $1,245.27.

A. William G. Greif, 1155 15th Street NW., Washington, D.C. 20005.
B. Bristol-Meyers Co., 345 Park Avenue, New York, N.Y. 10022.
D. (6) $500.

A. Fred J. Greiner, 910 17th Street NW., Washington, D.C.
B. Evaporated Milk Association, International Association of Ice Cream Manufacturers, Milk Industry Foundation, 910 17th Street NW., Washington, D.C.
E. (9) $382.97.

A. James J. Gudinas, 1712 G Street NW., Washington, D.C. 20006.

B. American Automobile Association, 1712 G Street NW., Washington, D.C. 20006.

A. Kenneth J. Guido, 2030 M Street NW., Washington, D.C. 20036.

B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.

D. (6) $549.99.

A. Jerome R. Gulan, 1225 19th Street NW., Washington, D.C. 20036.

B. National Small Business Association, 1225 19th Street NW., Washington, D.C. 20036.

D. (6) $4,500. E. (9) $1,200.

A. Matthew Hale, 1120 Connecticut Avenue NW., Washington, D.C. 20036.

B. The American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.

D. (6) $2,500. E. (9) $400.

A. J. G. Hall, 1660 L Street NW., Washington, D.C. 20036.

B. General Motors Corp., 3044 West Grand Boulevard, Detroit, Mich. 48202.

D. (6) $4,500. E. (9) $1,797.08.

A. Keith Halliday, 1725 K Street NW., Washington, D.C. 20006.

B. Associated Third Class Mail Users, 1725 K Street NW., Washington, D.C. 20006.

D. (6) $300.

A. Hamel, Park, McCabe & Saunders, 888 17th Street NW., Washington, D.C. 20006.

B. The Business Roundtable, 888 17th Street NW., Washington, D.C. 20006.

D. (6) $400. E. (9) $15.

A. Hamel, Park, McCabe & Saunders, 888 17th Street NW., Washington, D.C. 20006.

B. The Hardaway Co., 11th Street and Third Avenue, Columbus, Ga. 39102.

E. (9) $100.

A. Hamel, Park, McCabe & Saunders, 888 17th Street NW., Washington, D.C. 20006.

B. National School Supply & Equipment Association, 1500 Wilson Boulevard, Arlington, Va. 22209.

A. Hamel, Park, McCabe & Saunders, 888 17th Street NW., Washington, D.C. 20006.

B. United Student Aid Funds, Inc., 845 Third Avenue, New York, N.Y. 10022.

A. Harold F. Hammond, 1101 17th Street NW., Washington, D.C. 20036.

B. Transportation Association of America.

D. (6) $30.75. E. (9) $20.

A. Lloyd M. Hampton, 1611 North Kent Street, Arlington, Va. 22209.

B. American Footwear Industries Association, Inc., 1611 North Kent Street, Arlington, Va. 22209.

E. (9) $300.

A. Robert N. Hampton, 1129 20th Street NW., Washington, D.C. 20036.

B. National Council of Farmer Cooperatives, 1129 20th Street NW., Washington, D.C.

D. (6) $1,106.24. E. (9) $25.34.

A. Donald K. Hanes, 1129 20th Street NW., Washington, D.C. 20036.

B. National Council of Farmer Cooperatives, 1129 20th Street NW., Washington, D.C.

D. (6) $587.50. E. (9) $41.49.

A. James E. Hanson, Ron Ahern & Associates, 121 Second Street NE., Washington, D.C. 20002.

B. Puget Sound Tug & Barge Co., 1102 Southwest Massachusetts Street, Seattle, Wash. 98134.

D. (6) $60.

A. Robert B Harding, 1801 K Street NW., No. 1041, Washington, D.C. 20006.

B. Southern California Edison Co., P.O. Box 800, Rosemead, Calif. 91770.

D. (6) $450. E. (9) $125.56.

A. E. J. Hardy, 1133 15th Street NW., Washington, D.C. 20005.

B. National Association of Manufacturers.

D. (6) $2,500. E. (9) 523.94.

A. Bryce N. Harlow, 1801 K Street NW., Washington, D.C. 20006.

B. The Procter & Gamble Manufacturing Co., 301 East Sixth Street, Cincinnati, Ohio 45202.

D. (6) $200. E. (9) $491.88.

A. William B. Harman, Jr., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. American Life Insurance Association, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

D. (6) $240. E. (9) $44.75.

A. John Harper, 1140 Connecticut Avenue N.W., Suite 1010, Washington, D.C. 20036.

B. National Association of Electric Cos., 1140 Connecticut Avenue NW., Washington, D.C. 20036.

D. (6) $209.25. S. (9) $156.78.

A. Otto R. Harrison, Suite 1014, 1025 Connecticut Avenue NW., Washington, D.C. 20036.

B. Exxon Co., U.S.A., Post Office Box 2180, Houston, Tex.

E. (9) $51.70.

A. William C. Hart, 1625 I Street NW., Washington, D.C. 20006.

B. Columbia Gas System Service Corp., 20 Montchanin Road, Wilmington, Del. 19807.

D. (6) $2,352. E. (9) $4,559.68.

A. Rita M. Hartz, 1737 H Street NW., Washington, D.C. 20006.

B. National Federation of Federal Employees, 1737 H Street NW., Washington, D.C. 20006.

D. (6) $6,630.40. E. (9) $1,052.49.

A. Clifford J. Harvison, 1616 P Street NW., Washington, D.C. 20036.

B. National Tank Truck Carriers, Inc., 1616 P Street NW., Washington, D.C. 20036.

A. Walter A. Hasty, Jr., 1616 P Street NW., Washington, D.C. 20036.

B. American Trucking Associations, Inc., 1616 P Street NW., Washington, D.C. 20036.

D. (6) $7,500.

A. Sidney G. Hawkes, 800 17th Street NW., Suite 501, Washington, D.C. 20006.

B. The Mead Corp., 118 West First Street, Dayton, Ohio 45402.

D. (6) $650. E. (9) $380.

A. Paul M. Hawkins, 1701 K Street NW., Washington, D.C.

B. Health Insurance Association of America, 1701 K Street NW., Washington, D.C.

D. (6) $465. E. (9) $8.59.

A. Carl F. Hawver, 1000 16th Street NW., Suite 601, Washington, D.C. 20036.

B. National Consumer Finance Association, 1000 16th Street NW., Washington, D.C. 20036.

D. (6) $225.

A. Robert T. Hayden, 1001 Connecticut Avenue NW., Washington, D.C. 20036.

B. United Steelworkers of America, Five Gateway Center, Pittsburgh, Pa. 15222.

D. (6) $3,163.59. E. (9) $673.

A. Kit H. Haynes, 425 13th Street NW., Washington, DC.

B. American Farm Bureau Federation, 225 West Touhy Avenue, Park Ridge, Ill.

D. (6) $2,281. E. (9) $71.35.

A. Patrick J. Head, 1660 L Street NW., Washington, D.C. 20036.

B. Montgomery Ward & Co., Inc., P.O. Box 8339, Chicago, Ill. 60680.

D. (6) $500. E. (9) $650.

A. Health Research Group, 2000 P Street NW., Suite 708, Washington, D.C.

D. (6) $235.85. E. (9) $235.85.

A. Patrick B. Healy, 30 F Street NW., Washington, D.C. 20001.

B. National Milk Producers Federation, 30 F Street NW., Washington, D.C. 20001.

D. (6) $300. E. (9) $18.50.

A. George J. Hecht, 52 Vanderbilt Avenue, New York, N.Y. 10017.

B. American Parents Committee, Inc., 15 E Street NW., Washington, D.C.

A. John F. Heilman, 1221 Massachusetts Avenue NW., Washington, D.C. 20005.

B. Disabled American Veterans, 3725 Alexandria Pike, Cold Springs, Ky.

D. (6) $4,178.76.

A. Spencer H. Heine, 1660 L Street NW., Washington, D.C. 20036.

B. Montgomery Ward & Co., Inc., P.O. Box 8339, Chicago, Ill. 60680.

D. (6) $250. E. (9) $400.

A. Robert B. Heiney, 1133 20th Street NW., Washington, D.C. 20036.

B. National Canners Association, 1133 20th Street NW., Washington, D.C.

D. (6) $875. E. (9) $963.70.

A. Ross E. Heller, 2100 M Street NW., Suite 307, Washington, D.C. 20037.

B. National Telephone Cooperative Association, 2100 M Street NW., Suite 307, Washington, D.C. 20037.

D. (6) $2,200.

A. Phil D. Helmig, 1025 Connecticut Avenue NW., Washington, D.C. 20036.

B. Atlantic Richfield Co., 515 South Flower Street, Los Angeles, Calif. 90071.

D. (6) $450. E. (9) $716.

A. Edmund P. Hennelly, 150 East 42d Street, New York, N.Y. 10017.

B. Mobil Oil Corp., 150 East 42d Street, New York, N.Y.

D. (6) $1,500. E. (9) $335.15.

A. Andrew I. Hickey, Jr., 1133 15th Street NW., Washington, D.C. 20005.

B. Federal National Mortgage Association, 1133 15th Street NW., Washington, D.C. 20005.

D. (6) $9,500. E. (9) $550.50.

A. M. F. Hicklin, 720 Bankers Trust Building, Des Moines, Iowa 50309.

B. Iowa Railway Association, 720 Bankers Trust Building, Des Moines, Iowa 50309.

A. J. Thomas Higginbotham, 1725 K Street NW., Washington, D.C. 20006.

B. The Consumer Bankers Association, 1725 K Street NW., Washington, D.C. 20006.

D. (6) $2,000. E. (9) $1,200.69.

A. J. Eldred Hill, Jr., 720 Hotel Washington, Washington, D.C. 20004.

B. Unemployment Benefit Advisors, Inc.

D. (6) $2,000. E. (9) $2,000.

A. James J. Hill, 5025 Wisconsin Avenue NW., Washington, D.C. 20016.

B. Amalgamated Transit Union AFL–CIO, 5025 Wisconsin Avenue NW., Washington, D.C. 20016.

A. Richard Hinds, 1250 Connecticut Avenue NW., Washington, D.C. 20036.
B. Cleary, Gottlieb, Steen & Hamilton, 1250 Connecticut Avenue NW., Washington, D.C. 20036.

A. Harry R. Hinton, 1776 K Street NW., Washington, D.C. 20006.
B. American Medical Association, 535 North Dearborn Street, Chicago, Ill. 60610.
D. (6) $2,500. E. (9) $1,000.

A. Lawrence S. Hobart, 2600 Virginia Avenue NW., Washington, D.C. 20037.
B. American Public Power Association, 2600 Virginia Avenue NW., Washington, D.C. 20037.
D. (6) $480.

A. Claude E. Hobbs, 1801 K Street NW., Ninth Floor, Washington, D.C. 20006.
B. Westinghouse Electric Corp., Westinghouse Building, Gateway Center, Pittsburgh, Pa. 15222.
D. (6) $900. E. (9) $195.

A. Leo D. Hochstetter.
B. Motion Picture Association of America, Inc., 1600 I Street NW., Washington, D.C. 20006.

A. Glen D. Hofer, 1030 15th Street NW., Washington, D.C.
B. National Council of Farmer Cooperatives, 1129 20th Street NW., Washington, D.C.

A. Dale Curtis Hogue, 1100 17th Street NW., Washington, D.C. 20036.
B. Specialty Equipment Manufacturers Association, 11001 East Valley Mall, Suite 204, El Monte, Calif. 91734.
E. (9) $300.

A. Thomas W. Holland, 1629 K Street NW., Suite 603, Washington, D.C. 20006.
B. Magazine Publishers Association, Inc., 575 Lexington Avenue, New York, N.Y. 10022.
D. (6) $616.08. E. (9) $67.27.

A. Henry W. Holling, 100 Northeast Adams Street, Peoria, Ill. 61602.
B. Caterpillar Tractor Co., 100 Northeast Adams Street, Peoria, Ill. 61602.
D. (6) $800.

A. Lee B. Holmes, 1125 15th Street NW., Washington, D.C. 20005.
B. Mortgage Bankers Association of America, 1125 15th Street NW., Washington, D.C. 20005.
D. (6) $3,178. E. (9) $10,593.

A. John W. Holton, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. The American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $1750. E. (9) $83.85.

A. The Hormel Foundation, Austin, Minn. 55912.
E. (9) $9,679.98.

A. C. T. Hoversten, 209 West 53d Street, Western Springs, Ill. 60558.
B. National Advertising Co., 6850 South Harlem Avenue, Bedford Park, Argo, Ill. 60501.

A. Thomas Howarth, 1801 K Street NW., Suite 1201, Washington, D.C. 20006.
B. United States Independent Telephone Association, 1801 K Street NW., Suite 1201, Washington, D.C. 20006.
D. (6) $1,428.15. E. (9) $1,428.15.

A. Joe L. Howell, 1700 Pennsylvania Avenue NW., Suite 750, Washington, D.C. 20006.
B. Allstate Enterprises, Inc., Allstate Plaza, Northbrook, Ill. 60062.

A. Joe L. Howell, 1700 Pennsylvania Avenue NW., Suite 750, Washington, D.C. 20006.
B. Allstate Insurance Companies, Allstate Plaza, Northbrook, Ill. 60062.

A. Charles L. Huber, 1221 Massachusetts Avenue NW., Washington, D.C. 20005.
B. Disabled American Veterans, 3725 Alexandria Pike, Cold Springs, Ky.
D. (6) $8,848.23. E. (9) $110.84.

A. William J. Hull, 1660 L Street NW., No. 205, Washington, D.C. 20036.
B. Ashland Oil Inc., 1409 Winchester Avenue, Ashland, Ky.

A. William J. Hull, 1660 L Street NW., No. 205, Washington, D.C. 20036.
B. Improvement Association, Inc., Ohio Valley.

A. David J. Humphreys, 1140 Connecticut Avenue, NW., Washington, D.C. 20036.
B. Recreational Vehicle Inst., Inc., 2720 Des Plaines Avenue, Des Plaines, Ill. 60018.
D. (6) $15,000. E. (9) $49.90.
A. Richard M. Hunt, 1660 L Street NW., Washington, D.C. 20036.
B. NL Industries, Inc., 111 Broadway, New York, N.Y. 10006.
D. (6) $562.

A. James L. Huntley, 1775 K Street NW., Washington, D.C. 20006.
B. Retail Clerks International Association, AFL–CIO, 1775 K Street NW., Washington, D.C. 20006.
D. (6) $6,483.23. E. (9) $1,209.29.

A. David R. Ignatius, Room 305, 2000 P Street NW., Washington, D.C. 20036.
B. Congress Watch, Room 305, 2000 P Street NW., Washington, D.C. 20036.
D. (6) $80.

A. Frank N. Ikard, 1801 K Street NW., Washington, D.C. 20006.
B. American Petroleum Institute, 1801 K Street NW., Washington, D.C. 20006.

A. Industrial Union Department, AFL–CIO, 815 16th Street NW., Washington, D.C. 20006.
D. (6) $8,909.43. E. (9) $8,909.43.

A. Timothy H. Ingram, 100 Maryland Avenue NE., Washington, D.C. 20002.
B. Council for a Livable World.
D. (6) $4,999.98.

A. Institute for Rapid Transit, 1612 K Street NW., Washington, D.C. 20006.
E. (9) $34.80.

A. Insurance Economics Society of America, 11 East Adams Street, Chicago, Ill. 60603.
D. (6) $6,138.89. E. (9) $540.

A. International Brotherhood of Painters and Allied Trades, 1750 New York Avenue NW., Washington, D.C. 20006.
E. (9) $4,568.36.

A. International Association of Machinists & Aerospace Workers, 1300 Connecticut Avenue NW., Washington, D.C. 20036.
E. (9) $8,239.54.

A. International Brotherhood of Teamsters, 25 Louisiana Avenue NW., Washington, D.C. 20001.
E. (9) $16,878.15.

A. International Union, United Automobile Aerospace and Agricultural Implement Workers of America, 8000 East Jefferson Street, Detroit, Mich. 48214.
D. (6) $101,320. E. (9) $101,320.

A. Investment Company Institute, 1775 K Street NW., Washington, D.C. 20006.
E. (9) $2,353.75.

A. Investment Counsel Association of America, Inc., 127 East 59th Street, New York, N.Y. 10022.
E. (9) $884.75.

A. Iron Ore Lessors Association, Inc., 1500 First National Bank Building, St. Paul, Minn. 55101.
D. (6) $8,468.59. E. (9) $13,157.75.

A. Ronald A. Jacks, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. Reinsurance Association of America, 1025 Connecticut Avenue NW., Washington, D.C.
D. (6) $1,500. E. (9) $100.

A. Chas. E. Jackson & Associates, 1200 18th Street NW., Washington, D.C. 20036.

A. Robert C. Jackson, 1150 17th Street NW., Suite 1001, Washington, D.C. 20036.
B. American Textile Manufacturers Institute, Inc., 1501 Johnston Building, Charlotte, N.C.
D. (6) $2,750. E. (9) $76.54.

A. Robert L. James, 1800 K Street NW., Suite 920, Washington, D.C. 20006.
B. Bank of America N.T. and S.A., Bank of America Plaza, San Francisco, Calif. 94137.

A. Philip F. Jehle, 300 National Press Building, Washington, D.C. 20004.
B. Smith Kline Corp., 1500 Spring Garden Street, Philadelphia, Pa. 19101.
E. (9) $988.22.

A. David M. Jenkins II, 1800 K Street NW, Suite 622, Washington, D.C. 20006.
B. The Goodyear Tire & Rubber Co., Akron, Ohio 44316.

A. Jersey Central Power & Light Co., Madison Avenue at Punch Bowl Road, Morristown, N.J. 07960.

A. Anita Johnson, 2000 P Street NW., Suite 708, Washington, D.C. 20036.
B. Health Research Group, 2000 P Street NW., Suite 708, Washington, D.C. 20036.
D. (6) $60.

A. Charles E. Johnson, 1776 K Street NW., Suite 900, Washington, D.C. 20006.
B. Recording Industry Association of America, Inc., 1 East 57th Street, New York, N.Y. 10019.
E. (9) $204.66.

A. H. Bradley Johnson, 1100 Ring Building, Washington, D.C. 20036.
B. American Mining Congress, 1100 Ring Building, Washington, D.C. 20036.
D. (6) $975.

A. Jess Johnson, Jr., Suite 300, 1700 K Street NW., Washington, D.C. 20006.
B. Shell Oil Co., 1 Shell Plaza, P.O. Box 2463, Houston, Tex. 77001.
D. (6) $500.

A. Reuben L. Johnson.
B. The Farmers' Educational and Co-Operative Union of America, P.O. Box 2251, Denver, Colo.
D. (6) $4,674.43. E. (9) $334.41.

A. Charles N. Jolly, 1775 K Street NW., Suite 315, Washington, D.C. 20006.
B. Miles Laboratories, Inc., 1127 Myrtle Street, Elkhart, Ind. 46514.
E. (9) $3,388.98.

A. Allan R. Jones, 1616 P Street NW., Washington, D.C. 20036.

B. American Trucking Associations, Inc., 1616 P Street NW., Washington, D.C. 20036.
D. (6) $6,000. E. (9) $405.05.

A. Charlie W. Jones, 1150 17th Street NW., Washington, D.C. 20036.
B. Man-Made Fiber Producers Association, 1150 17th Street NW., Washington, D.C. 20036.
D. (6) $108. E. (9) $45.

A. H. Daniel Jones III, Suite 1001, 1150 17th Street NW., Washington, D.C. 20036.
B. American Textile Manufacturers Institute, Inc., 1501 Johnston Building, Charlotte, N.C. 28281.
D. (6) $80. E. (9) $40.

A. L. Dan Jones, 1101 16th Street NW., Washington, D.C. 20036.
B. Independent Petroleum Association of America, 1101 16th Street NW., Washington, D.C. 20036.
E. (9) $34.65.

A. Oliver H. Jones, 1125 15th Street NW., Washington, D.C. 20005.
B. Mortgage Bankers Association of America, 1125 15th Street NW., Washington, D.C. 20005.
D. (6) $719. E. (9) $9,168.

A. Ronald K. Jones, 8209 Carrleigh Parkway, Springfield, Va. 22152.
B. Mobile Homes Manufacturers Association, P.O. Box 201, Chantilly, Va. 22021.
D. (6) $4,750. E. (9) $95.63.

A. Carl D. Jordan, 408 East Maple Street, Fremont, Mich. 49412.
B. Gerber Products Co., 445 State Street, Fremont, Mich. 49412.
D. (6) $360. E. (9) $80.

A. Francis M. Judge, 1615 H Street NW., Washington, D.C. 20006.
B. Chamber of Commerce of the U.S.A., 1615 H Street NW., Washington, D.C., 20006.

A. Mrs. Fritz R. Kahn, 9202 Ponce Place, Fairfax, Va. 22030.
B. National Congress of Parents and Teachers, 700 North Rush Street, Chicago, Ill. 60611.
E. (9) $2.50.

A. Roger P. Kaplan, 1341 G Street NW., Washington, D.C. 20005.
B. National Association of Government Employees, Inc., 285 Dorchester Avenue, Boston, Mass. 02127.
D. (6) $2,500. E. (9) $50.

A. Gerald M. Katz, 1800 Mercantile Bank & Trust Building, 2 Hopkins Plaza, Baltimore, Md. 21201.
B. Maryland State Fair and Agricultural Society, Inc., Timonium State Fair Grounds, Timonium, Md. 21093.
E. (9) $2.92.

A. Carleton R. Kear, Jr., 1625 I Street NW., Washington, D.C. 20006.
B. The Retired Officers Association, 1625 I Street NW., Washington, D.C. 20006.
D. (6) $170.

A. William J. Keating, 725 15th Street NW., Washington, D.C. 20005.
B. National Grain and Feed Association, 725 15th Street NW., Washington, D.C. 20005.

A. Howard B. Keck, 1801 Avenue of the Stars, Los Angeles, Calif. 90067.
B. The Superior Oil Co., 1801 Avenue of the Stars, Los Angeles, Calif. 90067.
E. (9) $300.

A. W. M. Keck, Jr., 1801 Avenue of the Stars, Suite 1110, Los Angeles, Calif. 90067.
B. The Superior Oil Co., 1801 Avenue of the Stars, Suite 1110, Los Angeles, Calif.
E. (9) $275.

A. Charles C. Keeble, P.O. Box 2180, Houston, Tex. 77001.
B. Exxon Co., U.S.A., P.O. Box 2180, Houston, Tex.

A. Patricia Keefer, 2030 M Street NW., Washington, D.C. 20036.
B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $4,500.

A. Eugene A. Keeney, 1616 H Street NW., Washington, D.C. 20006.
B. American Retail Federation, 1616 H Street NW., Washington, D.C. 20006.
D. (6) $2,000. E. (9) $80.

A. John G. Keller, Suite 1014, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. Exxon Co., U.S.O., P.O. Box 2180, Houston, Tex.
E. (9) $25.83.

A. James C. Kelley, 1500 Massachusetts Avenue NW., Washington, D.C. 20005.
B. American Machine Tool Distributors Association, 1500 Massachusetts Avenue NW., Washington, D.C. 20005.
D. (6) $7,916.64. E. (9) $4,625.73.

A. Harold V. Kelly, 720 Hotel Washington, Washington, D.C. 20004.
B. Unemployment Benefit Advisors, Inc.
D. (6) $1,000. E. (9) $1,000.

A. John T. Kelly, 1155 15th Street NW., Washington, D.C. 20005.
B. Pharmaceutical Manufacturers Association.

A. George Kelm, One First National Plaza No. 5200, Chicago, Ill. 60670.
B. The Myron Stratton Home, P.O. Box 1178, Colorado Springs, Colo. 80901.

A. E. G. Kendall, Jr., Montgomery, Ala.
B. Alabama Railroad Association, Montgomery, Ala. 36104.

A. I. L. Kenen 1341 G Street NW., Washington, D.C. 20005.
B. American Israel Public Affairs Committee, 1341 G Street NW., Washington, D.C. 20005.
D. (6) $833.32.

A. Harold L. Kennedy, 420 Cafritz Building, Washington, D.C. 20006.
B. Marathon Oil Co., Findlay, Ohio. 45840.
E. (9) $473.90.

A. Jeremiah J. Kenney, Jr., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Union Carbide Corp., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
E. (9) $30.95.

A. Kenyon & Kenyon, Reilly, Carr & Chapin, 59 Maiden Lane, New York, N.Y. 10038.
B. Estate of Bert N. Adams, 1461 West 16th Place, Yuma, Ariz., 85364; Emma Giambald, 1461 West 16th Place, Yuma, Ariz., 85364; George Hallingby, 4104 Chestnut Drive East, Forest Hills, Holiday, Fla. 33589.
E. (9) $25.

A. Thomas P. Kerester, 1025 Connecticut Avenue NW., Suite 700, Washington, D.C. 20036.
B. Gulf Oil Corp., Pittsburgh, Pa. 15230.
D. (6) $925. E. (9) $200.

A. Kenneth L. Kimble, 1730 Pennsylvania Avenue, NW., Washington, D.C. 20006.
B. American Life Insurance Association Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
D. (6) $550. E. (9) $65.

A. Walter G. Kimmel, 1715 25th Street, Rock Island, Ill. 61201.
B. National Congress of Parents and Teachers, 700 North Rush Street, Chicago, Ill. 60611.
E. (9) $470.39.

A. Charles L. King., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. American Life Insurance Association, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
D. (6) $132.

A. Gibson Kingren, 900 17th Street NW., Washington, D.C. 20006.
B. Kaiser Foundation Health Plan, Inc.
D. (6) $1,125. E. (9) $703.75.

A. John M. Kinnaird, 1616 P Street NW., Washington, D.C. 20036.
B. American Trucking Associations, Inc., 1616 P Street NW., Washington, D.C. 20036.
D. (6) $7,500. E. (9) ($785.38.

A. Kirkland, Ellis & Rowe, 1776 K Street NW., Washington, D.C. 20006.
B. Grocery Manufacturers of America, Inc., 1425 K Street NW., Washington, D.C. 20005.

A. Walter A. Kischefsky, 5408 Rickenbacker Avenue, No. 302, Alexandria, Va., 22304.
B. National Association for Uniformed Services, 956 North Monroe Street, Arlington, Va. 22201.
D. (6) $2,000.

A. Ernest A. Kistler, 901 Hamilton Street, Allentown, Pa. 18101.
B. Pennsylvania Power & Light Co., 901 Hamilton Street, Allentown, Pa. 18101.
D. (6) $421.60. E. (9) $110.40.

A. James D. Kittelton, 7901 Westpark Drive, McLean, Va. 22101.
B. National Machine Tool Builders Association, 7901 Westpark Drive, McLean, Va. 22101.
D. (6) $6,791.67. E. (9) $158.80.

A. Ralph W. Kittle.
B. International Paper Co., Room 700, 1620 I Street NW., Washington, D.C. 20006.
D. (6) $1,200. E. (9) $700.

A. Douglas E. Kliever, 1250 Connecticut Avenue NW., Washington, D.C. 20036.
B. Cleary, Gottlieb, Steen & Hamilton, 1250 Connecticut Avenue NW., Washington, D.C. 20036.

A. James Kmetz, 900 15th Street NW., Washington, D.C. 20005.
B. United Mine Workers of America, 900 15th Street NW., Washington, D.C. 20005.
D. (6) $6,883.80. E. (9) $164.94.

A. Paul R. Knapp, 1511 K Street NW., Washington, D.C. 20005.
B. Lumbermens Mutual Casualty Co., Long Grove, Ill. 60049.
D. (6) $875.

A. Keith R. Knoblock, 1100 Ring Building, Washington, D.C. 20036.
B. American Mining Congress, 1100 Ring Building, Washington, D.C. 20036.
D. (6) $725.

A. Philip M. Knox, Jr., 1211 Connecticut Avenue NW., Suite 802, Washington, D.C. 20036.
B. Sears, Roebuck & Co., 925 South Homan Avenue, Chicago, Ill. 60607.
D. (6) $500. E. (9) $100.

A. Joseph L. Koach, 2000 L Street NW., Washington, D.C. 20036.
B. Wilson E. Hamilton & Associates, Inc., 2000 L Street NW., Washington, D.C.

A. Arthur D. Koch, Room 603, 2020 F Street NW., Washington, D.C. 20006.
B. The National Health Federation, 211 West Colorado Boulevard, Monrovia, Calif.
D. (6) $324. E. (9) $20.

A. Robert M. Koch, 1315 16th Street NW., Washington, D.C. 20036.
B. National Limestone Institute, Inc., 1315 16th Street NW., Washington, D.C. 20036.
E. (9) $69.40.

A. Horace R. Kornegay, 1776 K Street NW., Suite 1200, Washington, D.C. 20006.
B. The Tobacco Institute, Inc., 1776 K Street NW., Suite 1200, Washington, D.C. 20006.
D. (6) $1,000. E. (9) $175.

A. Paul A. Korody, Jr., 1725 I Street NW., Washington, D.C. 20006.
B. National Association of Food Chains, 1725 I Street NW., Washington, D.C. 20006.
E. (9) $500.

A. Kenneth S. Kovack, 1001 Connecticut Avenue NW., Washington, D.C. 20036.
B. United Steelworkers of America, Five Gateway Center, Pittsburgh, Pa. 15222.
D. (6) $4,467.75. E. (9) $1,524.62.

A. Lawrence E. Kreider, 1015 18th Street NW., Washington, D.C. 20036.
B. Conference of State Bank Supervisors, 1015 18th Street NW., Washington, D.C. 20036.

A. William J. Kuhfuss, 225 Touhy Avenue, Park Ridge, Ill. 60068.
B. American Farm Bureau Federation, 225 Touhy Avenue, Park Ridge, Ill. 60068.
D. (6) $1,050.

A. Lloyd R. Kuhn, 1725 DeSales Street NW., Washington, D.C. 20036.
B. Aerospace Industries Association of America, Inc., 1725 DeSales Street NW., Washington, D.C. 20036.
D. (6) $7,092. E. (9) $1,378.04.

A. Norman G. Kurland, 2027 Massachusetts Avenue NW., Washington, D.C. 20036
D. (6) $2,750. E. (9) $2,555.07.

A. James S. Krzyminski, 1129 20th Street NW., Washington, D.C. 20036.
B. National Council of Farmer Cooperatives, 1129 20th Street NW., Washington, D.C.
D. (6) $1,710. E. (9) $161.23.

A. Labor Bureau of Middle West, 1155 15th Street NW., Washington, D.C. 20005.

A. Labor-Management Maritime Committee, 100 Indiana Avenue NW., Washington, D.C. 20001.
D. (6) $4,235. E. (9) $4,922.

A. Laborers' International Union of North America, AFL–CIO, 905 16th Street NW., Washington, D.C. 20006.
E. (9) $13,443.45.

A. Richard M. Lahn, 324 C Street SE., Washington, D.C. 20003.
B. Environmental Policy Center, 324 C Street SE., Washington, D.C. 20003.
D. (6) $875.01. E. (9) $3.60.

A. Nick L. Laird, Suite 300, 1700 K Street NW., Washington, D.C. 20006.
B. Shell Oil Co., One Shell Plaza, Post Office Box 2463, Houston, Tex. 77001.
D. (6) $500.

A. Lake Carriers' Association, 1411 Rockefeller Building, Cleveland, Ohio 44113.

A. A. M. Lampley, 400 First Street NW., Suite 704, Washington, D.C. 20001.
B. United Transportation Union, 400 First Street NW., Suite 704, Washington, D.C. 20001.
E. (9) $200.

A. Karl S. Landstrom, 510 North Edison Street, Arlington, Va. 22203.
B. Sportsman's Paradise Homeowners Association, Route 2, Box 228, Blythe, Calif. 92225.
D. (6) $2,500. E. (9) $118.57.

A. Asger F. Langlykke, 1913 I Street NW., Washington, D.C. 20006.
B. American Society for Microbiology, 1913 I Street NW., Washington, D.C. 20006.

A. James J. LaPenta, Jr., 905 16th Street NW., Washington, D.C. 20006.
B. Laborers' International Union of North America, AFL–CIO, 905 16th Street NW., Washington, D.C. 20006.
E. (9) $480.95.

A. Clifford C. LaPlante, 955 L'Enfant Plaza North SW., Washington, D.C. 20024.
B. The Boeing Co., Post Office Box 3707, Seattle, Wash.
D. (6) $575. E. (9) $175.

A. Glenn T. Lashley, 1712 G Street NW., Washington, D.C. 20006.
B. D.C. Division, American Automobile Association, 1712 G Street NW., Washington, D.C. 20006.

A. Dillard B. Lasseter, Post Office Box 270, Washington, D.C. 20044.
B. American Trucking Association, 1616 P Street, Washington, D.C.
D. (6) $3,525.

A. Robert B. Laurents, 7205 Reservoir Road, Springfield, Va. 22150.
B. National Association for Uniformed Services, 956 North Monroe Street, Arlington, Va. 22201.
D. (6) $2,700.

A. George H. Lawrence, 1515 Wilson Boulevard, Arlington, Va. 22209.
B. American Gas Association, 1515 Wilson Boulevard, Arlington, Va. 22209.
D. (6) $550. E. (9) $125.

A. Lawyers Committee to End the War, One Wall Street, 25th Floor, New York, N.Y. 10005.
D. (6) $11,558. E. (9) $4,135.27.

A. William Lazarus, 1616 H Street NW., Washington, D.C. 20006.
B. American Retail Federation, 1616 H Street NW., Washington, D.C. 20006.
D. (6) $1,500. E. (9) $70.

A. Robert F. Lederer, 230 Southern Building, Washington, D.C.
B. American Association of Nurserymen, Inc., 230 Southern Building, Washington, D.C. 20006.

A. Robert W. Lee, 1028 Connecticut Avenue NW., No. 1004, Washington, D.C. 20036.
B. The John Birch Society, 395 Concord Avenue, Belmont, Mass. 02178.

A. Legislative Committee of the Committee for a National Trade Policy, Inc., 1028 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $591. E. (9) $1,278.

A. Robert J. Leigh, 2100 M Street NW., Suite 307, Washington, D.C. 20037.
B. National Telephone Cooperative Association, 2100 M Street NW., Suite 307, Washington, D.C. 20037.

A. Gilbert LeKander, 910 17th Street NW., Suite 501, Washington, D.C. 20006.
B. Montana Power Co., 40 East Broadway, Butte, Mont. 59701; Washington Water Power Co., Post Office Box 1445, Spokane, Wash. 99210.
D. (6) $450.

A. Nils A. Lennartson, 801 North Fairfax Street, Alexandria, Va. 22314.
B. Railway Progress Institute, 801 North Fairfax Street, Alexandria, Va. 22314.
D. (6) $624.92.

A. Gilbert B. Lessenco, Wilner & Scheiner, 2021 L Street NW., Washington, D.C. 20036.
B. General Mills, Inc., 9200 Wayzata Boulevard, Minneapolis, Minn. 55440.
D. (6) $4,560. E. (9) $224.67.

A. S. R. Levering, 245 Second Street NE., Washington, D.C.
B. Friends Committee on National Legislation, 245 Second Street NE., Washington, D.C.
D. (6) $1,207.

A. Harry LeVine, Jr., 777 14th Street NW., Washington, D.C.
B. General Electric Co., 570 Lexington Avenue, New York, N.Y.
D. (6) $45.

A. Charles R. Lewis, P.O. Box 7, Charleston, W. Va. 25321.
B. West Virginia Railroad Association.
D. (6) $5,000.01. E. (9) $107.66.

A. J. Stanly Lewis, 100 Indiana Avenue NW., Washington, D.C. 20001.
B. National Association of Letter Carriers, 100 Indiana Avenue NW., Washington, D.C.
D. (6) $3,031.20.

A. Robert G. Lewis.
B. The Farmers' Educational and Co-Operative Union of America (National Farmers Union) P.O. Box 2251, Denver, Colo.
D. (6) $5,538.43. E. (9) $197.27.

A. Ronald L. Leymeister, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
E. (9) $451.32.

A. Herbert Liebenson, 1225 19th Street NW., Washington, D.C.
B. National Small Business Association, 1225 19th Street NW., Washington, D.C. 20036.
D. (6) $4,500. E. (9) $1,200.

A. Russell B. Light, 955 L'Enfant Plaza North SW., Washington, D.C. 20024.
B. Boeing Co., P.O. Box 3707, Seattle, Wash.
D. (6) $575. E. (9) $175.

A. Lester W. Lindow, 1735 DeSales Street NW., Washington, D.C. 20036.
B. Association of Maximum Service Telecasters, Inc.
D. (6) $16.80. E. (9) $6.48.

A. Lindsay, Nahstoll, Hart, Duncan, Dafoe & Krause, 1331 Southwest Broadway, Portland, Oreg. 97201.
B. Master Contracting Stevedore Association of the Pacific Coast, Inc., San Francisco, Calif.

A. Lindsay, Nahstoll, Hart, Duncan, Dafoe & Krause, 1331 Southwest Broadway, Portland, Oreg. 97201.
B. National Maritime Compensation Com-

mittee, 1331 Southwest Broadway, Portland, Oreg. 97201.

A. Lindsay, Nahstoll, Hart, Duncan Dafoe & Krause, 1331 Southwest Broadway, Portland, Oreg. 97201.
B. Pacific Rim Trade Association, 222 Southwest Harrison Street, Suite GA-2, Portland, Oreg. 97201.
D. (6) $2,650. E. (9) $341.53.

A. John E. Linster, 2000 Westwood Drive, Wausau, Wis.
B. Employers Insurance of Wausau, 2000 Westwood Drive, Wausau, Wis. 54401.
D. (6) $500.

A. Charles B. Lipsen.
B. National Cable Television Association, Inc., 918 16th Street NW., Washington, D.C.
D. (6) $8,653.86. E. (9) $510.

A. Zel E Lipsen, Suite 1100, 1801 K Street NW., Washington, D.C. 20006.
D. (6) $1,500.

A. Robert G. Litschert, 1140 Connecticut Avenue NW., Suite 1010, Washington, D.C. 20036.
B. National Association of Electric Companies, 1140 Connecticut Avenue NW., Suite 1010, Washington, D.C. 30036.
D. (6) $422. E. (9) $80.36.

A. Edgar Lockwood, 1800 R Street NW., Washington, D.C. 20036.
B. Washington Office on Africa, 110 Maryland Avenue NE., Washington, D.C. 20002.
D. (6) $3,000.

A. Laurence London, 25 Broadway, Room 1012, New York, N.Y. 10004.
B. American Committee for Flags of Necessity, 25 Broadway, New York, N.Y. 10004.
D. (6) $300.

A. Sheldon I. London, 1025 Vermont Avenue NW., Washington, D.C. 20005.
B. National Home Furnishings Association, 1150 Merchandise Mart, Chicago, Ill. 60654.
D. (6) $800.

A. Philip J. Loree, 25 Broadway, Room 1012, New York, N.Y. 10004.
B. American Committee for Flags of Necessity, 25 Broadway, New York, N.Y. 10004.
D. (6) $600.

A. James F. Lovett, 1801 K Street NW., Washington, D.C. 20006.
B. Westinghouse Electric Corp., Westinghouse Building, Gateway Center, Pittsburgh, Pa. 15222.
D. (6) $700. E. (9) $200.

A. James P. Low, 1101 16th Street NW., Washington, D.C. 20036.
B. American Society of Association Executives, 1101 16th Street NW., Washington, D.C. 20036.

A. Otto Lowe, 888 17th Street NW., Washington, D.C.
B. National Canners Association, 1133 30th Street NW., Washington, D.C.
D. (6) $1,050.

A. Charles Emmet Lucey, 1701 Pennsylvania Avenue NW., Suite 500, Washington, D.C. 20006.
B. Catholic Press Association, 432 Park Avenue South, New York, N.Y. 10016.
D. (6) $100. E. (9) $10.

A. Charles Emmet Lucey, 1701 Pennsylvania Avenue NW., Suite 500, Washington, D.C. 20006.
B. Massachusetts Cooperative Bank League, 225 Franklin Street, Boston, Mass. 02110.
D. (6) $2,500. E. (9) $20.

A. Lumbermens Mutual Casualty Co., Long Grove, Ill. 60049.
E. (9) $1,550.

A. Milton F. Lunch, 2029 K Street NW., Washington, D.C. 20006.
B. National Society of Professional Engineers, 2029 K Street NW., Washington, D.C. 20006.
D. (6) $1,000.

A. Lund Levin & O'Brien, 1625 I Street NW., Washington, D.C. 20006.
B. Ebasint International Inc., One Penn Plaza, New York, N.Y. 10001.

A. Lund Levin & O'Brien, 1625 I Street NW., Washington, D.C. 20006.
B. Jersey Central Power & Light Co., Madison Avenue at Punch Bowl Road, Morristown, N.J. 07960.

A. Lund Levin & O'Brien, 1625 I Street NW., Washington, D.C. 20006.
B. Pacific Northwest Power Co., Public Service Building, Portland, Oreg. 97204.

A. Clarence T. Lundquist, 4822 Tilden Street NW., Washington, D.C. 20016.
B. Menswear Retailers of America, Room 390, National Press Building, Washington, D.C. 20004.
D. (6) $600.

A. Lusk-Evans Ltd., 1120 Connecticut Avenue NW., Suite 940, Washington, D.C.
E. (9) $15.

A. LeRoy E. Lyon, Jr., 11th and L Building, Sacramento, Calif. 95814.
B. California Railroad Association, 11th and L Building, Sacramento, Calif. 95814.

A. James H. Lynch, 1325 Massachusetts Avenue NW., Washington, D.C. 20005.
B. American Federation of Government Employees, 1325 Massachusetts Avenue NW., Washington, D.C. 20005.
D. (6) $5,002.20. E. (9) $182.29.

A. Mark H. Lynch, Room 305, 2000 P Street NW., Washington, D.C. 20036.
B. Congress Watch, Room 305, 2000 P Street NW., Washington, D.C. 20036.
D. (6) $100.

A. Shane MacCarthy, 1730 North Lynn Street, Arlington, Va. 22209.
B. Printing Industries of America, 1730 North Lynn Street, Arlington, Va. 22209.
D. (6) $950. E. (9) $1,461.11.

A. Kenneth B. MacKenzie, 1660 L Street NW., Washington, D.C. 20036.
B. Montgomery Ward & Co., Inc., P.O. Box 8339, Chicago, Ill.
D. (6) $250. E. (9) $400.

A. Thomas J. Mader, 2030 M Street NW., Washington, D.C. 20036.
B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $1,500. E. (9) $32.90.

A. Robert L. Maier, 900 17th Street NW., Washington, D.C. 20006.
B. Kaiser Industries Corp., 900 17th Street NW., Washington, D.C.

A. Andre Maisonpierre, 666 11th Street, Washington, D.C. 20001.
B. American Mutual Insurance Alliance, 20 North Wacker Drive, Chicago, Ill.
E. (9) $520.

A. Management Communications, Inc., 1505 22d Street NW., Washington, D.C. 20037.
B. Council on Foundations, 888 Seventh Avenue, New York, N.Y. 10019.
D. (6) $210. E. (9) $30.50.

A. Management Communications, Inc., 1505 22d Street NW., Washington, D.C. 20037.
B. Potters Industries, Inc., Industrial Road, Post Office Box 14, Carlstadt, N.J. 07072.
D. (6) $140.

A. Management Communications, Inc., 1505 22d Street NW., Washington, D.C.
B. Recycled Paperboard Division of the American Paper Institute, 260 Madison Avenue, New York, N.Y.
D. (6) $210. E. (9) $3.

A. Carter Manasco, 5932 Chesterbrook Road, McLean, Va. 22101.
B. National Coal Association, 1130 17th Street NW., Washington, D.C. 20036.
D. (6) $7,217.60. E. (9) $137.10.

A. Mike Manatos, 1801 K Street NW., Suite 1104, Washington, D.C. 20006.
B. The Procter & Gamble Manufacturing Co., 301 East Sixth Street, Cincinnati, Ohio, 45202.
D. (6) $66.13. E. (9) $314.82.

A. Man-Made Fiber Producers Association, Inc., 1150 17th Street NW., Suite 310, Washington, D.C. 20036.
E. (9) $153.

A. Manufacturing Chemists Association, Inc., 1825 Connecticut Avenue NW., Washington, D.C. 20009.
D. (6) $5,000. E. (9) $3,000.

A. J. Eugene Marans, 1250 Connecticut Avenue NW., Washington, D.C. 20036.
B. Cleary, Gottlieb, Steen & Hamilton, 1250 Connecticut Avenue NW., Washington, D.C. 20036.

A. Rodney W. Markley, Jr., 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Ford Motor Co., Dearborn, Mich. 48121.

A. Ralph J. Marlatt, 640 Investment Building, 1511 K Street NW., Washington, D.C. 20005.
B. National Association of Mutual Insurance Agents, 640 Investment Building, 1511 K Street NW., Washington, D.C. 20005.
E. (9) $930.

A. Winston W. Marsh, 1343 L Street NW., Washington, D.C. 20005.
B. National Tire Dealers & Retreaders Association, Inc., 1343 L Street NW., Washington, D.C.
D. (6) $252. E. (9) $3.90.

A. J. Paull Marshall, Suite 212, 300 New Jersey Avenue SE., Washington, D.C. 20003.
B. Association of American Railroads, 1920 L Street NW., Washington, D.C. 20036.
D. (6) $258.02. E. (9) $271.35.

A. Richard B. Martinez, 1730 M Street NW., Washington, D.C. 20036.
B. American Optometric Association c/o Jack A. Potter, 820 First National Bank Building, Peoria, Ill. 61602.
D. (6) $937.30. E. (9) $956.70.

A. Maryland State Fair and Agricultural Society, Inc., Timonium State Fair Grounds, Timonium, Md. 21093.
E. (9) $2.92.

A. Mike Masaoka, 2021 L Street NW., Washington, D.C. 20036.
B. American Japanese Trade Committee, 2021 L Street NW., Washington, D.C. 20036.

A. Mike M. Masaoka, 2021 L Street NW., Washington, D.C. 20036.
B. Association on Japanese Textile Imports, Inc., 551 Fifth Avenue, New York, N.Y. 10017.
D. (6) $1,000.

A. Mike Masaoka, 2021 L Street NW., Washington, D.C. 20036.
B. Nisei Lobby, 2021 L Street NW., Washington, D.C. 20036.

A. Mike Masaoka, 2021 L Street NW., Washington, D.C. 20036.
B. West Mexico Vegetable Distributors Association, P.O. Box 848, Nogales, Ariz. 85621.
D. (6) $500.

A. Guy B. Maseritz, 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. American Life Insurance Association, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

A. Paul J. Mason, 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. American Life Insurance Association, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

A. Walter J. Mason, 815 16th Street NW., Suite 603, Washington, D.C. 20006.
B. Building and Construction Trades Department, AFL–CIO, 815 16th Street NW., Suite 603, Washington, D.C. 20006.
D. (6) $5,499.91. E. (9) $900.

A. Massachusetts Lawyers' Vietnam Committee, 32d Floor, 225 Franklin Street, Boston, Mass. 02110.

A. P. H. Mathews, Suite 212, 300 New Jersey Avenue SE., Washington, D.C. 20003.
B. Association of American Railroads, 1920 L Street NW., Washington, D.C. 20036.
D. (6) $498.80. E. (9) $306.43.

A. John J. L. Matson, 1619 Massachusetts Avenue NW., Washington, D.C. 20036.
B. Motor Vehicle Manufacturers Association of the U.S., Inc., 320 New Center Building, Detroit, Mich. 48202.
D. (6) $400.

A. Barry D. Matsumoto, 1730 Rhode Island Avenue NW., Suite 204, Washington, D.C. 20036.
B. Japanese American Citizens League, 22 Peace Plaza, Suite 203, San Francisco, Calif. 94115.
D. (6) $200.

A. Charles D. Matthews, 1100 17th Street NW., Washington, D.C. 20036.
B. National Ocean Industries Association, 1100 17th Street NW., Washington, D.C. 20036.
D. (6) $208. E. (9) $109.

A. Robert A. Matthews, 801 North Fairfax Street, Alexandria, Va. 22314.
B. Railway Progress Institute, 801 North Fairfax Street, Alexandria, Va. 22314.
D. (6) $312.46.

A. Charles E. Mattingly, 1608 K Street NW., Washington, D.C.
B. The American Legion, 700 North Pennsylvania Street, Indianapolis, Ind.
D. (6) $4,312. E. (9) $83.08.

A. C. V. & R. V. Maudlin, 1111 E Street NW., Washington, D.C. 20004.
B. Brass & Bronze Ingot Institute, 300 West Washington Street, Chicago, Ill.

A. C. V. & R. V. Maudlin, 1111 E Street NW., Washington, D.C. 20004.
B. Georgia Power Co., 270 Peachtree Street, Atlanta, Ga.

A. Arnold Mayer, 100 Indiana Avenue NW., Room 410, Washington, D.C. 20001.
B. Amalgamated Meat Cutters & Butcher Workmen of North America (AFL–CIO), 2800 North Sheridan Road, Chicago, Ill. 60657.
D. (6) $5,780. E. (9) $680.

A. Mayer, Brown & Platt, 231 South LaSalle Street, Chicago, Ill. 60604.
B. L. M. Williams and Clayton Burch families, c/o Continental Illinois National Bank & Trust Co., Trustee, 231 South LaSalle Street, Chicago, Ill. 60693.

A. William J. McAuliffe, Jr., 1828 L Street NW., Suite 303, Washington, D.C.
B. American Land Title Association, 1828 L Street NW., Suite 303, Washington, D.C. 20036.

A. Michael J. McCabe, 1700 Pennsylvania Avenue NW., Suite 750, Washington, D.C. 20006.
B. Allstate Enterprises, Inc., Allstate Plaza, Northbrook, Ill. 60062.

A. Michael J. McCabe, 1700 Pennsylvania Avenue NW., Suite 750, Washington, D.C. 20006.
B. Allstate Insurance Cos., Allstate Plaza, Northbrook, Ill. 60062.

A. William C. McCamant, 1725 K Street NW., Washington, D.C. 20006.
D. (6) $300.

A. John A. McCart, 100 Indiana Avenue NW., Washington, D.C. 20001.
B. Government Employes Council, AFL–CIO, 100 Indiana Avenue NW., Washington, D.C. 20001.
D. (6) $3,522.61.

A. McClure & Trotter, 1100 Connecticut Avenue, Suite 600, Washington, D.C. 20036.
B. The Coca-Cola Co., P.O. Drawer 1734, Atlanta, Ga. 30301.
E. (9) $122.04.

A. McClure & Trotter, 1100 Connecticut Avenue NW., Suite 600, Washington, D.C. 20036.
B. Gulf & Western Industries, Inc., One Gulf & Western Plaza, New York, N.Y. 10023.
E. (9) $241.91.

A. McClure & Trotter, 1100 Connecticut Avenue, Suite 600, Washington, D.C. 20036.
B. The Magnavox Co., 1700 Magnavox Way, Fort Wayne, Ind. 46804.

A. McClure & Trotter, 1100 Connecticut Avenue NW., Suite 600, Washington, D.C. 20036.
B. Mobil Oil Corp., 150 East 42d Street, New York, N.Y. 10017.
E. (9) $206.98.

A. McClure & Trotter, 1100 Connecticut Avenue NW., Suite 600, Washington, D.C. 20036.
B. Montgomery Coca-Cola Bottling Co., Inc., North Perry & Jefferson Streets, Montgomery, Ala. 36103.

A. McClure & Trotter, 1100 Connecticut Avenue NW., Suite 600, Washington, D.C. 20036.
B. Motion Picture Association of America, Inc., 1600 I Street NW., Washington, D.C. 20006.

A. McClure & Trotter, 1100 Connecticut Avenue NW., Suite 600, Washington, D.C. 20036.
B. Alfred P. Slaner, 640 Fifth Avenue, New York, N.Y. 10019.

A. McClure & Trotter, 1100 Connecticut Avenue NW., Suite 600, Washington, D.C. 20036.
B. Tidewater Marine Service, Inc., 3308 Tulane Avenue, New Orleans, La. 70110.

A. McClure & Trotter, 1100 Connecticut Avenue NW., Suite 600, Washington, D.C 20036.
B. United Artists Corp., 729 Seventh Avenue, New York, N.Y. 10019.

A. John L. McCormick, 324 C Street SE., Washington, D.C. 20003.
B. Environmental Policy Center, 324 C Street SE., Washington, D.C. 20003.
D. (6) $1,875. E. (9) $30.

A. E. L. McCulloch, 819 Railway Labor Building, 400 First Street NW., Washington, D.C. 20001.
B. Brotherhood of Locomotive Engineers, Engineers Building, Cleveland, Ohio 44114.
D. (6) $284.60. E. (9) $81.50.

A. Albert L. McDermott, 777 14th Street NW., Washington, D.C. 20005.
B. American Hotel & Motel Association, 888 Seventh Avenue, New York, N.Y. 10019.
D. (6) $428.65. E. (9) $118.80.

A. J. Patrick McElroy, 1100 Ring Building, Washington, D.C. 20036.
B. American Mining Congress, 1100 Ring Building, Washington, D.C. 20036.
D. (6) $483.32.

A. Joseph A. McElwain, 40 East Broadway, Butte, Mont. 59701.
B. The Montana Power Co., Butte, Mont. 59701.
E. (9) $213.41.

A. Robert M. McElwaine.
B. American Imported Automobile Dealers Association, 1129 20th Street NW., Washington, D.C. 20036.
E. (9) $5,800.

A. Robert E. McGarrah, Jr., 2000 P Street NW., Suite 708, Washington, D.C. 20036.
B. Health Research Group, 2000 P Street NW., Suite 708, Washington, D.C.

A. J. Raymond McGlaughlin, 400 First Street NW., Washington, D.C. 20001.
B. Brotherhood of Maintenance of Way Employes, 12050 Woodward Avenue, Detroit, Mich. 48203.
D. (6) $7,080.

A. Marshall C. McGrath.
B. International Paper Co., Room 700, 1620 I Street NW., Washington, D.C. 20006.
D. (6) $700. E. (9) $98.04.

A. F. Howard McGuigan, 815 16th Street NW., Washington, D.C.
B. American Federation of Labor and Congress of Industrial Organizations, 815 16th Street NW., Washington, D.C.
D. (6) $6,500. E. (9) $447.45.

A. Clifford G. McIntire, 425 13th Street NW., Washington, D.C.
B. American Farm Bureau Federation, 225 West Touhy Avenue, Park Ridge, Ill.
D. (6) $2,750. E. (9) $5.25.

A. Clarence M. McIntosh Jr., 400 First Street NW., Washington, D.C.
B. Railway Labor Executives' Association, 400 First Street NW., Washington, D.C. 20001.
D. (6) $681.67.

A. W. F. McKenna, 3435 Wilshire Boulevard, Los Angeles, Calif. 90010.
B. First Federal Savings and Loan Association of Phoenix; Tucson Federal Savings and Loan Association.
E. (9) –$34.12.

A. William F. McKenna, 1200 17th Street NW., Suite 500, Washington, D.C. 20036.
B. National League of Insured Savings Associations, 1200 17th Street NW., Suite 500, Washington, D.C. 20036.
D. (6) $279.79.

A. C. A. Mack McKinney, Suite 609, 1400 North Uhle Street, Arlington, Va. 22201.
B. National Headquarters, Marine Corps League, 933 North Kenmore Street, Suite 317, Arlington, Va. 22201.

A. C. A. Mack McKinney, 1400 North Uhle Street, Suite 609, Arlington, Va. 22201.
B. Non-Commissioned Officers Association of the USA, P.O. Box 2268, San Antonio, Tex. 28298.
D. (6) $2,362.50. E. (9) $3,745.31.

A. John S. McLees, 1615 H. Street NW., Washington, D.C. 20006.
B. Chamber of Commerce of the U.S.A., 1615 H Street NW., Washington, D.C. 20006.
D. (6) $200.

A. William F. McManus, 777 14th Street NW., Washington, D.C. 20005.
B. General Electric Co., 570 Lexington Avenue, New York, N.Y.
D. (6) $215. E. (9) $190.25.

A. C. W. McMillan, Suite 1015, National Press Building, 14th and F Streets, Washington, D.C. 20004.
B. American National Cattlemen's Association, 1001 Lincoln Street, Denver, Colo. 80202.
D. (6) $1,200.

A. Ralph J. McNair, 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. American Life Insurance Association, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

A. McNutt, Dudley, Easterwood & Losch, 910 17th Street NW., Washington, D.C. 20006.
D. (6) $7,000. E. $1,291.79.

A. Harry C. McPherson, Jr., 1660 L. Street NW., Washington, D.C.
B. The Common Fund, 635 Madison Avenue, New York, N.Y. 10022.
D. (6) $4,000.

A. George G. Mead, 1616 P Street NW., Washington, D.C. 20036.
B. American Trucking Associations, Inc., 1616 P Street NW., Washington, D.C. 20036.
D. (6) $6,000. E. (9) $260.32.

A. Carl J. Megel, 1012 14th Street NW., Washington, D.C. 20005.
B. American Federation of Teachers, AFL–CIO, 1012 14th Street NW., Washington, D.C. 20005.
E. (9) $10,880.

A. Louis L. Meier, Jr., 1625 I Street NW., Washington, D.C. 20006.
B. American Society of Civil Engineers, United Engineering Center, 345 East 47th Street, New York, N.Y. 10017.
D. (6) $166. E. (9) 163.97.

A. Kenneth A. Meiklejohn, 815 16th Street NW., Washington, D.C.
B. American Federation of Labor and Congress of Industrial Organizations, 815 16th Street NW., Washington, D.C.
D. (6) $6,500.

A. R. Otto Meletzke, 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. American Life Insurance Association, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
D. (6) $30. E. (9) $8.

A. Ellis E. Meredith, 1611 North Kent Street, Arlington, Va. 22209.
B. American Apparel Manufacturers Association, Inc., 1611 North Kent Street, Arlington, Va. 22209.

A. Edward L. Merrigan, 888 17th Street NW., Washington, D.C. 20006.
B. National Association of Secondary Material Industries, Inc., 330 Madison Avenue, New York, N.Y. 10017.
D. (6) $18,750. E. (9) $1,403.31.

A. Lawrence C. Merthan, 1425 K Street NW., Washington, D.C.
B. Hill and Knowlton, Inc., 150 East 42d Street, New York, N.Y.
D. (6) $1,020.75. E. (9) $338.60.

A. Metropolitan Washington Board of Trade, 1129 20th Street NW., Washington, D.C. 20036.

A. George F. Meyer, Jr., 1625 I Street NW., Washington, D.C. 20006.
B. The Retired Officers Association, 1625 I Street NW., Washington, D.C. 20006.
D. (6) $392.

A. M. & I. Marshall & Ilsley Bank, 770 North Water Street, Milwaukee, Wis. 53202.
D. (6) $1,235. E. (9) $500.05.

A. James G. Michaux, 1801 K Street NW., Washington, D.C. 20006.
B. Federated Department Stores, Inc., 222 West Seventh Street, Cincinnati, Ohio 45202.
D. (6) $500.

A. A. Stanley Miller, 910 16th Street NW., Room 302, Washington, D.C. 20006.
B. American Committee for Flags of Necessity, 25 Broadway, New York, N.Y. 10004.
D. (6) $100.

A. Anne Miller, Suite 907, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. Bryant Associates, Inc., Suite 907, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $75. E. (9) $28.66.

A. Miller & Chevalier, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Capital Holding Corp., Commonwealth Building, Louisville, Ky. 40201.
E. (9) $100.

A. Dale Miller, 377 Mayflower Hotel, Washington, D.C. 20036.
B. Dallas, Tex., Chamber of Commerce.
D. (6) $195. E. (9) $114.29.

A. Dale Miller, 377 Mayflower Hotel, Washington, D.C. 20036.
B. Gulf Intracoastal Canal Association, Houston, Tex.
D. (6) $262.50. E. (9) $27.91.

A. Dale Miller, 377 Mayflower Hotel, Washington, D.C. 20036.
B. Texasgulf, Inc., New York, N.Y.
D. (6) $225. E. (9) $259.43.

A. Edwin Reid Miller, Union Pacific Building, 1416 Dodge Street, Omaha, Nebr. 68179.
B. Nebraska Railroad Legislative Committee, Union Pacific Building, 1416 Dodge Street, Omaha, Neb. 68179.
D. (6) $6,049.98. E. (9) $991.04.

A. Joe D. Miller, 535 North Dearborn Street, Chicago, Ill. 60610.
B. American Medical Association, 535 North Dearborn Street, Chicago, Ill. 60610.
D. (6) $875.

A. Joseph L. Miller, 1612 K Street NW., Washington, D.C. 20006.
B. Maytag Co., Northern Textile Association, National Parking Association, Hormel Co.
D. (6) $2,500. E. (9) $250.

A. Luman G. Miller, 620 Southwest Fifth Avenue Building, Suite 912, Portland, Oreg. 97204.
B. Oregon Railroad Association, 620 Southwest Fifth Avenue Building, Suite 912, Portland, Oreg. 97204.
E. (9) $439.60.

A. Jack Mills, 1776 K Street NW., Washington, D.C. 20006.
B. The Tobacco Institute, Inc. 1776 K Street NW., Washington, D.C. 20006.
D. (6) $1,000. E. (9) $250.

A. Mobile Homes Manufacturers Association, P.O. Box 201, 14650 Lee Road, Chantilly, Va. 22021.
D. (6) $3,095.63. E. (9) $3,095.63.

A. John S. Monagan, 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Connecticut Bankers Association, 100 Constitution Plaza, Hartford, Conn. 06103.

A. Montgomery Ward & Co., Inc., 1660 L Street NW., Suite 1001, Washington, D.C. 20036.
E. (9) $1,450.

A. G. Merrill Moody, Suite 212, 300 New Jersey Avenue SE., Washington, D.C. 20003.
B. Association of American Railroads, 1920 L Street NW., Washington, D.C. 20036.
D. (6) $106.99. E. (9) $51.35.

A. Joseph E. Moody, 1801 K Street NW., Washington, D.C. 20006.
B. American Petroleum Institute, 1801 K Street NW, Washington, D.C. 20006.
D. (6) $1,667. E. (9) $57.

A. O. William Moody, Jr., 815 16th Street NW., Room 501, Washington, D.C. 20006.
B. Maritime Trades Department, AFL–CIO, 815 16th Street NW., Room 501, Washington, D.C. 20006.
D. (6) $2,500. E (9) $905.40.

A. Donald L. Morgan, 1250 Connecticut Avenue NW., Washington, D.C. 20036.
B. Cleary, Gottlieb, Steen & Hamilton, 1250 Connecticut Avenue NW., Washington, D.C. 20036.

A. Donald L. Morgan, 1250 Connecticut Avenue NW., Washington, D.C. 20036.
B. Clearly, Gottlieb, Steen & Hamilton, 1250 Connecticut Avenue NW., Washington, D.C. 20036.

A. Jo V. Morgan, Jr., 815 15th Street NW., Washington, D.C. 20005.
B. The American Humane Association, P.O. Box 1266, Denver, Colo. 80201.
D. (6) $1,500.

A. Morison, Murphy, Abrams & Haddock, 1776 K Street NW., Suite 900, Washington, D.C. 20006.
B. The Sperry & Hutchinson Co., 330 Madison Avenue, New York, N.Y. 10017.

A. Gene P. Morrell, 1750 K Street NW., Suite 250, Washington, D.C. 20006.
B. Lone Star Gas Co., 301 South Harwood, Dallas Tex. 75201.
D. (6) $1,500. E. (9) $660.

A. James M. Morris, 1660 L Street NW., Washington, D.C. 20036.
B. General Motors Corp., 3044 West Grand Boulevard, Detroit, Mich. 48202.
D. (6) $2,500. E. $1,282.48.

A. Jack Moskowit, 2030 M. Street NW., Washington, D.C. 20036.
B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $7,500. E. (9) $162.67.

A. Lynne E. Mote, 1133 15th Street NW., Suite 503, Washington, D.C. 20005.

B. Northern Natural Gas Co., 2223 Dodge Street, Omaha, Nebr., 66102.

D. (6) $2,000.

A. John J. Motley.

B. National Federation of Independent Business, 921 Washington Boulevard., 15th and New York Avenue, NW., Washington, D.C. 20005.

D. (6) $2,720. E (9) $510.

A. William G. Mullen, 491 National Press Building, Washington, D.C. 20004.

B. National Newspaper Association, 491 National Press Building, Washington, D.C. 20004.

E. (9) $223.28.

A. John J. Murphy, 416 Shoreham Building, 806 15th Street NW., Washington, D.C. 20005.

B. National Customs Service Association.

A. Richard W. Murphy, 1200 18th Street NW., Suite 1109, Washington, D.C. 20036.

B. Merck & Co., Inc., Rahway, N.J. 07065.

D. (6) $500.

A. D. Michael Murray, 1000 Connecticut Avenue NW., Suite 1103, Washington, D.C. 20036.

B. Chicago, Milwaukee, St. Paul & Pacific Railroad Co., 516 West Jackson Boulevard, Chicago, Ill. 60606.

D. (6) $230. E. (9) $302.61.

A. NBA Players Association, 15 Columbus Circle, New York, N.Y. 10023.

A. NL Industries, Inc., 111 Broadway, New York, N.Y. 10006.

E. (9) $562.

A. Kenneth D. Naden, 1129 20th Street NW., Washington, D.C. 20036.

B. National Council of Farmer Cooperatives, 1129 20th Street NW., Washington, D.C.

D. (6) $3,037.50. E. (9) $128.23.

A. John J. Nangle, 1625 I Street, NW., Suite 812, Washington, D.C. 20006.

B. National Association of Independent Insurers, 2600 River Road, Des Plaines, Ill. 60018.

D. (6) $2,000. E. (9) $586.

A. Bonnie Naradzay, Room 305, 2000 P Street NW., Washington, D.C. 20036.

B. Congress Watch, Room 305, 2000 P Street NW., Washington, D.C. 20036.

D. (6) $87.50.

A. Augustus Nasmith, Pennsylvania Station, Raymond Plaza, Newark, N.J. 07102.

B. Associated Railroads of New Jersey, Pennsylvania Station, Raymond Plaza, Newark, N.J. 07102.

D. (6) $82.50.

A. The Nation-Wide Committee on Import-Export Policy, 815 15th Street NW., Suite 711, Washington, D.C. 20005.

D. (6) $5,075. E. (9) $5,763.16.

A. National Agricultural Chemicals Association, 1155 15th Street NW., Washington, D.C. 20005.

A. National Air Carrier Association, 1730 M Street NW., Washington, D.C. 20036.

D. (6) $875. E. (9) $875.

A. National Associated Businessmen, Inc., 1000 Connecticut Avenue, NW., Washington, D.C. 20036.

D. (6) $561.30. E. (9) $1,276.60.

A. National Association for Humane Legislation, Inc., 675 Pinellas Point Drive South, St. Petersburg, Fla. 33705.

D. (6) $25. E. (9) $159.31.

A. National Association for Uniformed Services, 956 North Monroe Street, Arlington, Va. 22201.

D. (6) $38,143.50. E. (9) $10,311.16.

A. National Association of Electric Co., 1140 Connecticut Avenue NW., Suite 1010. Washington, D.C. 20036.

D. (6) $5,521.42. E. (9) $7,592.08.

A. National Association of Farmer Elected Committeemen, c/o J. Frederick Durr, R.R. No. 2, Sheridan, Ind. 46069.

D. (6) $1,664.04. E. (9) $1,664.04.

A. National Association of Food Chains, 1725 I Street NW., Washington, D.C. 20006.

D. (6) $300. (9) $300.

A. National Association of Furniture Manufacturers, 666 North Lake Shore Drive, Chicago, Ill. 60611.

D. (6) $1,750. E. (9) $1,230.

A. National Association of Insurance Agents, Inc., 85 John Street, New York, N.Y. 10038.

E. (9) $19,992.99.

A. National Association of Letter Carriers, 100 Indiana Avenue NW., Washington, D.C. 20001.

D. (6) $1,744,382.66. E. (9) $38,025.05.

A. National Association of Margarine Manufacturers, 1725 K Street NW., Suite 1202, Washington, D.C. 20006.

A. National Association of Mutual Insurance Cos., 2511 East 46th Street, Suite H, Indianapolis, Ind. 46205.

A. National Association of Mutual Savings Banks, 200 Park Avenue, New York, N.Y. 10017.

D. (6) $4,114.76. E. (9) $4,114.76.

A. National Association of Realtors, 155 East Superior Street, Chicago, Ill. 60611.

E. (9) $11,027.20.

A. National Audio-Visual Association, Inc., 3150 Spring Street, Fairfax, Va.

D. (6) $30,912.07. E. (9) $5,847.27.

A. National Broiler Council, 1155 15th Street NW., Washington, D.C. 20005.

D. (6) $300. E. (9) $300.

A. National Canners Association, 1133 20th Street NW., Washington, D.C. 20036.

D. (6) $627,444.91. E. (9) $4,605.21.

A. National Coal Association, Coal Building, Washington, D.C. 20036.

D. (6) $463,558. E. (9) $3,340.63.

A. National Committee Against Repressive Legislation, 555 North Western Avenue, Los Angeles, Calif. 90004.

D. (6) $1,688.77. E. (9) $1,688.77.

A. National Committee for Effective No-Fault, 2535 Massachusetts Avenue NW., Washington, D.C. 20008.

D. (6) $4,050. E. (9) $4,300.

A. National Consumer Center for Legal Services, 1750 New York Avenue NW., Washington, D.C. 20006.

D. (6) $11,750. E. (9) $5,200.

A. National Consumer Finance Association, 1000 16th Street NW., Washington, D.C. 20036.

E. (9) $1,402.42.

A. National Convocation of Lawyers To End the War, 32d Floor, 225 Franklin Street, Boston, Mass. 02110.

D. (6) $935. E. (9) $407.27.

A. National Cotton Council of America, P.O. Box 12285, Memphis, Tenn. 38112.

D. (6) $20,776.89. E. (9) $20,776.89.

A. National Council for a Responsible Firearms Policy, 1028 Connecticut Avenue NW., Washington, D.C. 20036.

D. (6) $264.25. E. (9) $30.

A. National Council of Agricultural Employers, 337 Southern Building, 15th and H Streets NW., Washington, D.C.

D. (6) $5,000. E. (9) $1,650.

A. National Council of Farmer Cooperatives, 1129 20th Street NW., Washington, D.C. 20036.

D. (6) $30,382.28. E. (9) $33,895.75.

A. National Counsel Associates, 421 New Jersey Avenue SE., Washington, D.C. 20003.

B. American Blood Resources Association, 308 State Street, Albany, N.Y. 12210.

E. (9) $99.23.

A. National Counsel Associates, 421 New Jersey Avenue SE., Washington, D.C. 20003.

B. Cenco, Inc., 2600 South Kostner Avenue, Chicago, Ill.

D. (6) $2,750. E. (9) $114.16.

A. National Counsel Associates, 421 New Jersey Avenue SE., Washington, D.C. 20003.

B. Committee for the Study of Revenue Bond Financing, 1000 Ring Building, Washington, D.C.

D. (6) $833.33. E. (9) $53.19.

A. National Counsel Associates, 421 New Jersey Avenue SE., Washington, D.C. 20003.

B. Elba Systems Corp., 5909 East 38th Avenue, Denver, Colo.

D. (6) $625. E. (9) $29.39.

A. National Counsel Associates, 421 New Jersey Avenue SE., Washington, D.C. 20003.

B. Wheat Users Committee, 1700 Pennsylvania Avenue NW., Washington, D.C.

D. (6) $9,666.66. E. (9) $137.62.

A. National Cystic Fibrosis Research Foundation, 3379 Peachtree Road NE., Atlanta, Ga. 30326.

E. (9) $9,835.39.

A. National Electrical Contractors Association, Inc., 7315 Wisconsin Avenue, Washington, D.C. 20014.

A. National Electrical Manufacturers Association, 155 East 44th Street, New York, N.Y. 10017.

A. National Federation of Federal Employees, 1737 H Street NW., Washington, D.C. 20006.

D. (6) $337,947.07. E (9) $24,104.79.

A. National Grain and Feed Association, 725 15th Street NW., Washington, D.C. 20005.

E. (9) $15.

A. The National Grange, 1616 H Street NW., Washington, D.C. 20006.

D. (6) $124,149.91. E. (9) $11,470.

A. National Home Furnishings Association, 1150 Merchandise Mart, Chicago, Ill. 60654.

D. (6) $800. E. (9) $982.

A. National Institute of Locker and Freezer Provisioners, 224 East High Street, Elizabethtown, Pa. 17022.

D. (6) $1,095.74. E. (9) $371.27.

A. National League of Insured Savings Associations, 1200 17th Street NW., Suite 500, Washington, D.C. 20036.

D. (6) $14,994.26. E. (9) $494.79.

A. National Limestone Institute, Inc., 1315 16th Street NW., Washington, D.C.

D. (6) $25,791.31. E. (9) $25,791.31.

A. National Livestock Feeders Association, Inc., 309 Livestock Exchange Building, Omaha, Nebr. 68107.

D. (6) $8,238.91. E. (9) $8,238.91.

A. National Milk Producers Federation, 30 F Street NW., Washington, D.C. 20001.

E. (9) $4,686.16.

A. National Patent Council, 1225 19th Street, NW., Suite 409, Washington, D.C. 20036.

D. (6) $1,080. E. (9) $800.

A. National Realty Committee, Inc., 230 Park Avenue, New York, N.Y. 10017.

D. (6) $820.99. E. (9) $820.99.

A. National Rehabilitation Association, 1522 K Street NW., Washington, D.C. 20005.

D. (6) $5,060. E. (9) $1,458.

A. National Sharecroppers Fund, 1145 19th Street NW., Room 501, Washington, D.C. 20036.

D. (6) $22,945.91. E. (9) $8,791.41.

A. National Small Business Association, 1225 19th Street NW., Washington, D.C.

D. (6) $5,000. E. (9) $2,562.52.

A. National Society of Professional Engineers, 2029 K Street, NW., Washington, D.C. 20006.

D. (6) $12,500. E. (9) $14,043.83

A. National Soft Drink Association, 1101 16th Street NW., Washington, D.C. 20036.

D. (6) $183,520. E. (9) $5,002.67.

A. National Tax Equality Association, 1000 Connecticut Avenue NW., Washington, D.C. 20036.

D. (6) $3,048.47. E. (9) $3,597.02.

A. National Telephone Cooperative Association, 2100 M Street NW., Suite 307, Washington, D.C. 20037.

E. (9) $3,337.

A. National Tire Dealers & Retreaders Association, Inc., 1343 L Street NW., Washington, D.C.

D. (6) $561.90. E. (9) $561.90.

A. Alexander W. Neale, Jr., 1015 18th Street NW., Washington, D.C. 20036.

B. Conference of State Bank Supervisors, 1015 18th Street NW., Washington, D.C. 20036.

D. (6) $1,395. E. (9) $27.90.

A. Alan M. Nedry, 1801 K Street NW., No. 1041, Washington, D.C. 20006.

B. Southern California Edison Co., P.O. Box 800, Rosemead, Calif. 91770.

D. (6) $600. E. (9) $184.76.

A. Allen Neece, Jr., 512 Washington Building, Washington, D.C. 20005.

B. National Association of Small Business Investment Cos., 512 Washington Building, Washington, D.C. 20005.

D. (6) $300.

A. Frances E. Neely, 245 Second Street NE., Washington, D.C.

B. Friends Committee on National Legislation, 245 Second Street NE., Washington, D.C.

D. (6) $2,090.

A. Stanley Nehmer, Suite 800, 1101 17th Street NW., Washington, D.C. 20036.

B. American Footwear Industries Association, Inc., 1611 North Kent Street, Arlington, Va. 22209.

D. (6) $750. E. (9) $500.

A. George Nelson, 1300 Connecticut Avenue NW., Washington, D.C. 20036.

B. International Association of Machinists and Aerospace Workers, 1300 Connecticut Avenue NW., Washington, D.C. 20036.

D. (6) $4,000. E. (9) $541.39.

A. J. T. Nelson, Gibson Island, Md. 21056.

B. Household Finance Corp., Prudential Plaza, Chicago, Ill. 60601.

D. (6) $400. E. (9) $76.50.

A. Ivan A. Nestingen, Suite 307, 1730 K Street NW., Washington, D.C. 20006.

B. American Nursing Home Association, 1200 15th Street, NW., Washington, D.C. 20005.

D. (6) $1,200. E. (9) $232.95.

A. Robert B. Neville, 1155 15th Street NW., Suite 505, Washington, D.C. 20005.

B. National Restaurant Association, 1530 North Lake Shore Drive, Chicago, Ill.

D. (6) $2,625. E. (9) $156.71.

A. Louis H. Nevins, 908 Colorado Building, Washington, D.C. 20005.

B. National Association of Mutual Savings Banks, 200 Park Avenue, New York, N.Y. 10017.

D. (6) $1,656.25. E. (9) $191.05.

A. E. J. Newbould, 1130 17th Street NW., Washington, D.C. 20036.

B. National Clay Pipe Institute, 350 West Terra Cotta Avenue, Crystal Lake, Ill. 60014.

D. (6) $150. E. (9) $10.

A. New York Committee of International Committee of Passenger Lines, 25 Broadway, New York, N.Y. 10004.

D. (6) $6,000. E. (9) $13,620.

A. Richard Ney, Watergate South, 700 New Hampshire Avenue NW., Washington, D.C. 20037.

B. American Academy of Family Physicians, 1740 West 92d Street, Kansas City, Mo. 64114.

D. (6) $4,500. E. (9) $3,112.30.

A. Charles E. Nichols, 101 Constitution Avenue NW., Washington, D.C. 20001.

B. United Brotherhood of Carpenters & Joiners of America, 101 Constitution Avenue NW., Washington, D.C. 20001.

D. (6) $950. E. (9) $685.35.

A. F. Clayton Nicholson, Box 15, Route 1, Henryville, Pa. 18332.

B. Northern Helex Co., 2223 Dodge Street, Omaha, Nebr. 68102.

D. (6) $2,325. E. (9) $735.40.

A. Patrick J. Nilan, 817 14th Street NW., Washington, D.C.

B. American Postal Workers Union, AFL–CIO, 817 14th Street NW., Washington, D.C.

D. (6) $7,810.92. E. (9) $679.39.

A. Stanley D. Noble, 20 North Wacker Drive, Chicago, Ill. 60606.

B. Profit Sharing Council of America, 20 North Wacker Drive, Chicago, Ill. 60606.

A. Charles M. Noone, 1225 Connecticut Avenue, Washington, D.C. 20036.

B. National Association of Small Business Investment Cos., 512 Washington Building, Washington, D.C. 20005.

D. (6) $1,500. E. (9) $145.59.

A. Robert B. Norris, 1000 16th Street NW., Suite 601, Washington, D.C. 20036.

B. National Consumer Finance Association, 1000 16th Street NW., Suite 601, Washington, D.C. 20036.

D. (6) $570.

A. Robert H. North, 1105 Barr Building, Washington, D.C.

B. International Association of Ice Cream Manufacturers & Milk Industry Foundation, 1105 Barr Building, Washington, D.C.

E. (9) $1,215.16.

A. Seward P. Nyman, 20 Chevy Chase Circle NW., Washington, D.C. 20015.

B. American Podiatry Association, 20 Chevy Chase Circle NW., Washington, D.C. 20015.

D. (6) $650.

A. W. Brice O'Brien, 1100 Ring Building, Washington, D.C. 20036.

B. American Mining Congress, 1100 Ring Building, Washington, D.C. 20036.

D. (6) $825.

A. O'Connor, Green, Thomas, Walters & Kelly, 1750 Pennsylvania Avenue NW., Suite 1303, Washington, D.C.

B. American Transit Association, 465 L'Enfant Plaza West SW., Suite 2900, Washington, D.C. 20024.

D. (6) $3,000. E. (9) $143.50.

A. O'Connor, Green, Thomas, Walters & Kelly, 1750 Pennsylvania Avenue NW., Suite 1303, Washington, D.C. 20006.

B. Investors Diversified Services, Inc., Suite 2900, IDS Tower, Minneapolis, Minn. 55402.

A. O'Connor, Green, Thomas, Walters & Kelly, 1750 Pennsylvania Avenue NW., Suite 1303, Washington, D.C. 20006.

B. Upper Mississippi Towing Corp., 7703 Normandale Road, Room 110, Minneapolis, Minn. 55435.

D. (6) $2,500. E. (9) $198.84.

A. Lawrence J. O'Connor, Jr., 1801 K Street NW., Suite 1021, Washington, D.C. 20006.

B. The Standard Oil Co., Midland Building, Cleveland, Ohio 44115.

E. (9) $603.25.

A. John B. O'Day, 11 East Adams Street, Chicago, Ill. 60603.

B. Insurance Economics Society of America, 11 East Adams Street, Chicago, Ill. 60603.

D. (6) $300.

A. James O'Dea, 1341 G Street NW., Washington, D.C. 20005.

B. National Association of Government Employees, Inc., 285 Dorchester Avenue, Boston, Mass. 02127.

D. (6) $2,000. E. (9) $95.

A. John A. O'Donnell, 1001 Connecticut Avenue NW., No. 716, Washington, D.C. 20036.

B. American Trucking Associations, Inc., 1616 P Street NW., Washington, D.C. 20036.

D. (6) $1,500.

A. John A. O'Donnell, 1001 Connecticut Avenue, NW., No. 716, Washington, D.C. 20036.

B. Philippine Sugar Institute, Box 978, Manila, Philippines.

D. (6) $50. E. (9) $250.

A. Jane O'Grady, 815 16th Street NW., Washington, D.C. 20006.

B. Amalgamated Clothing Workers of America, AFL–CIO, 15 Union Square, New York, N.Y., 10003.

D. (6) $4,349.98. E. (9) $2,411.75.

A. Bartley O'Hara, 25 Louisiana Avenue NW., Washington, D.C. 20001.

B. International Brotherhood of Teamsters, 25 Louisiana Avenue NW., Washington, D.C. 20001.

D. (6) $4,999.98.

A. Richard C. O'Hare, 1120 Investment Building, Washington, D.C. 20005.

B. Harness Tracks of America, 333 North Michigan Avenue, Chicago, Ill. 60601.

A. Richard C. O'Hare, 1511 K Street NW., Washington, D.C. 20005.

B. Savings Bank Association of Massachusetts, 50 Congress Street, Boston, Mass. 02109.

A. The Ohio Railroad Association, 16 East Broad Street, Columbus, Ohio 43215.
E. (9) $148.71.

A. Alvin E. Oliver, 725 15th Street NW., Washington, D.C. 20005.
B. National Grain and Feed Association, 725 15th Street NW., Washington, D.C. 20005.

A. Edward W. Oliver, 5025 Wisconsin Avenue NW., Washington, D.C. 20016.
B. Amalgamated Transit Union, AFL-CIO, 5025 Wisconsin Avenue NW., Washington, D.C. 20016.

A. Roy E. Olson, 260 Madison Avenue, New York, N.Y. 10016.
B. American Paper Institute, 260 Madison Avenue, New York, N.Y. 10016.

A. Samuel Omasta, 1315 16th Street NW., Washington, D.C. 20036.
B. National Limestone Institute, Inc., 1315 16th Street NW., Washington, D.C. 20036.
E. (9) $63.80.

A. Organization of Professional Employees of the U.S. Department of Agriculture (OPEDA), 1341 G Street NW., Washington, D.C. 20005.
D. (6) $2,730.26. E. (9) $1,944.49.

A. John L. Oshinski, 1001 Connecticut Avenue NW., Washington, D.C. 20036.
B. United Steelworkers of America, Five Gateway Center, Pittsburgh, Pa. 15222.
D. (6) $4,562.50. E. (9) $630.

A. J. Allen Overton, Jr., 1100 Ring Building, Washington, D.C. 20036.
B. American Mining Congress, 1100 Ring Building, Washington, D.C. 20036.
D. (6) $1,475.

A. Juris Padegs, 127 East 59th Street, New York, N.Y. 10022.
B. Investment Counsel Association of America, Inc., 127 East 59th Street, New York, N.Y. 10022.

A. Norman Paige, 1132 Pennsylvania Building, Washington, D.C. 20004.
B. Distilled Spirits Institute, 1132 Pennsylvania Building, Washington, D.C. 20004.

A. Edward Panarello, 1775 K Street NW., Washington, D.C. 20006.
B. Retail Clerks International Association, AFL-CIO, 1775 K Street NW., Washington, D.C. 20006.
D. (6) $6,424.74. E. (9) $1,179.86.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. Alyeska Pipeline Service Corp., P.O. Box 576, Bellevue, Wash.
D. (6) $10,760.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. American Imported Automobile Dealers Association, 1129 20th Street NW., Washington, D.C. 20036.
D. (6) $5,800.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. American Maritime Association, 17 Battery Place, New York, N.Y. 10004.
D. (6) $1,950.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. Boating Industry Associations, 401 North Michigan Avenue, Chicago, Ill. 60601; National Association of Engine & Boat Manufacturers, 537 Steamboat Road, Greenwich, Conn. 06830.
D. (6) $480.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. Central American Sugar Council, 1200 17th Street NW., Washington, D.C.
D. (6) $160.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. Donaldson, Lufkin & Jenrette, Inc., 140 Broadway, New York, N.Y. 10005.
D. (6) $2,400.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. Institute of Scrap Iron and Steel, Inc., 1729 H Street NW., Washington, D.C. 20006.
D. (6) $4,500.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. International Snowmobile Industry Association, 5100 Edina Industrial Boulevard, Minneapolis, Minn. 55435.
D. (6) $1,200.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. Machinery Dealers National Association, 1400 20th Street NW., Washington, D.C. 20036.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. Marcor, Inc., 619 West Chicago Avenue, Chicago, Ill. 60607.
D. (6) $270.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. Moody's Investors Service, Inc., 99 Church Street, New York, N.Y. 10008.
D. (6) $300.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. The Nestle Co., 100 Bloomingdale Road, White Plains, N.Y. 10605.
D. (6) $160.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. New Process Co., 220 Hickory Street, Warren, Pa. 16365.
D. (6) $1,000.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. Ralston Purina Co., Checkerboard Square, St. Louis, Mo.
D. (6) $307.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. Reader's Digest Association, Inc., Pleasantville, N.Y. 10570.
D. (6) $4,000.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. Tax Corporation of America, 2441 Honolulu Avenue, Montrose, Calif. 91020.

A. Paul Weiss, Rifkind, Wharton & Garrison, 345 Park Avenue, New York, N.Y. 10022.
B. Armco Steel Corp., 703 Curtis Street, Middletown, Ohio 45042.
D. (6) $6,200. E. (9) $449.81.

A. Paul, Weiss, Rifkind, Wharton & Garrison, 345 Park Avenue, New York, N.Y. 10022.
B. Warner Bros., Inc., 4000 Warner Boulevard, Burbank, Calif. 91505.
E. (9) $391.16.

A. John J. Pecoraro, 1750 New York Avenue NW., Washington, D.C. 20006.
B. International Brotherhood of Painters and Allied Trades, 1750 New York Avenue NW,. Washington, D.C. 20006.
D. (6) $2,556,28.

A. Pennzoil Co., 900 Southwest Tower, Houston, Tex. 77002.
E. (9) $6,955.

A. D. V. Pensabene, Suite 1204, 1700 K Street NW., Washington, D.C. 20006.
B. Standard Oil Co. of California, Suite 1204, 1700 K Street NW., Washington, D.C. 20006.
D. (6) $50. E. (9) $25.

A. J. C. Perkins, 1700 K Street NW., Washington, D.C. 20006.
B. Shell Oil Co., P.O. Box 2463, Houston, Tex. 77001.
D. (6) $1,000.

A. J. Hardin Peterson, Sr., P.O. Drawer BS, Lakeland, Fla. 33802.
B. Florida Fruit & Vegetable Association, P.O. Box 20155, Orlando, Fla. 32814; Florida Citrus Mutual, P.O. Box 89, Lakeland, Fla.; Florida Citrus Production Managers Association, c/o C. D. Kime, Jr., Waverly, Fla. 33877.
D. (6) $350. E. (9) $37.05.

A. Kenneth Peterson, 815 16th Street NW., Washington, D.C.
B. American Federation of Labor and Congress of Industrial Organizations, 815 16th Street NW., Washington, D.C.
D. (6) $6,103.50. E. (9) $422.86.

A. Richard W. Peterson, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. The American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $500.

A. Ann E. Petty, 1730 M Street NW., Washington, D.C. 20036.
B. American Optometric Association, c/o Jack A. Potter, 820 First National Bank Building, Peoria, Ill. 61602.

A. Walter T. Phair, 900 17th Street NW., Washington, D.C. 20006.
B. Kaiser Industries Corp., 900 17th Street NW., Washington, D.C. 20006.
D. (6) $425. E. (9) $375.

A. Pharmaceutical Manufacturers Association, 1155 15th Street NW., Washington, D.C. 20005.

A. John P. Philbin, 1100 Connecticut Avenue NW., Washington, D.C. 20036.
B. Mobil Oil Corp., 150 East 42d Street, New York, N.Y. 10017.
D. (6) $1,500. E. (9) $86.06.

A. Daphne Philos, 3150 Spring Street, Fairfax, Va. 22030.
B. National Audio-Visual Association, Inc., 3150 Spring Street, Fairfax, Va. 22030.
D. (6) $375. E. (9) $2,065.11.

A. Pierson, Ball & Dowd, 1000 Ring Building, Washington, D.C. 20036.
B. Committee for Study of Revenue Bond Financing, 1000 Ring Building, Washington, D.C. 20036.
D. (6) $3,333.33. E. (9) $161.13.

A. James H. Pipkin, 1001 Connecticut Avenue NW., Washington, D.C. 20036.
B. Texaco, Inc., 135 East 42d Street, New York, N.Y. 10017.
D. (6) $350. E. (9) $1,200.

A. Plains Cotton Growers, Inc., P.O. Box 10425, Lubbock, Tex. 79408.
D. (6) $104,066.58. E. (9) $1,350.

A. Political Action Comml. for Engineers and Scientists, Suite 1100, 1801 K Street NW., Washington, D.C. 20006.
D. (6) $1,500.

A. Frederick T. Poole, 425 13th Street NW., Washington, D.C.
B. American Farm Bureau Federation, 225 West Touhy Avenue, Park Ridge, Ill.
D. (6) $475. E. (9) $22.58.

A. Potomac Electric Power Co., 1900 Pennsylvania Avenue NW., Washington, D.C. 20006.
E. (9) $4,672.50.

A. Ramsay D. Potts, 910 17th Street NW., Washington, D.C. 20006.
B. Investment Company Institute, 1775 K Street NW., Washington, D.C. 20006.
D. (6) $2,250. E. (9) $70.75.

A. Ramsay D. Potts, 910 17th Street NW., Washington, D.C. 20006.
B. Investment Counsel Association of America, Inc., 127 East 59th Street, New York, N.Y. 10022.
D. (6) $874. E. (9) $10.75.

A. Richard M. Powell, 7315 Wisconsin Avenue, Washington, D.C. 20014.
B. International Association of Refrigerated Warehouses, 7315 Wisconsin Avenue, Washington, D.C. 20014.

A. William I. Powell, 1100 Ring Building, Washington, D.C. 20036.
B. American Mining Congress, 1100 Ring Building, Washington, D.C. 20036.
D. (6) $975.

A. Carlton H. Power, 1918 North Parkway, P.O. Box 12285, Memphis, Tenn. 38112.
B. National Cotton Council of America, P.O. Box 12285, Memphis, Tenn. 38112.
D. (6) $660. E. (9) $161.55.

A. William C. Prather, 111 East Wacker Drive, Chicago, Ill. 60601.
B. United States Savings & Loan League, 111 East Wacker Drive, Chicago, Ill. 60601.
D. (6) $500.

A. Forrest J. Prettyman, 730 15th Street NW., Washington, D.C. 20005.
B. Association of Registered Bank Holding Companies, 730 15th Street N.W., Washington, D.C. 20005.
D. (6) $312.60.

A. Jerry C. Pritchett, 5530 Wisconsin Avenue, Suite 750, Washington, D.C. 20015.
B. Mechanical Contractors Association of America, Inc., 5530 Wisconsin Avenue, Suite 750, Washington, D.C.
D. (6) $348. E. (9) $348.

A. PROD, Inc., Suite 511, 2000 P Street NW., Washington, D.C. 20036.
D. (6) $1,200. E. (9) $100.

A. Profit Sharing Council of America, 20 North Wacker Drive, Chicago, Ill. 60606.

A. The Proprietary Association, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.
D. (6) $195.60. E. (9) $195.60.

A. Earle W. Putnam, 5025 Wisconsin Avenue NW., Washington, D.C. 20016.
B. Amalgamated Transit Union, AFL-CIO, 5025 Wisconsin Avenue NW., Washington, D.C. 20016.

A. Thomas H. Quinn, 1750 Pennsylvania Avenue NW., Suite 1303, Washington, D.C. 20006.
B. Committee for Study of Revenue Bond Financing, 1200 18th Street NW., Washington, D.C. 20036.
D. (6) $1,666.50. E. (9) $338.56.

A. William A. Quinlan, Route 8, Box 238, Annapolis, Md. 21401.
B. Associated Retail Bakers of America, 735 West Sheridan Road, Chicago, Ill. 60613.
D. (6) $117. E. (9) 32.76.

A. James H. Rademacher, 100 Indiana Avenue NW., Washington, D.C. 20001.
B. National Association of Letter Carriers, 100 Indiana Avenue NW., Washington, D.C. 20001.
D. (6) $2,072.53.

A. Alex Radin, 2600 Virginia Avenue NW., Washington, D.C. 20037.
B. American Public Power Association, 2600 Virginia Avenue NW., Washington, D.C. 20037.
D. (6) $414.96.

A. Raymond Raedy, 1701 K Street NW., Washington, D.C.
B. Health Insurance Association of America, 1701 K Street NW., Washington, D.C.
D. (6) $89.30. E. (9) $33.15.

A. Railway Labor Executives' Association, 400 First Street NW., Washington, D.C.
D. (6) $10,692. E. (9) $10,692.

A. Railway Progress Institute, 801 North Fairfax Street, Alexandria, Va. 22314.
D. (6) $2,000. E. (9) $2,000.

A. D. Michael Rappoport, 1140 Connecticut Avenue NW., Suite 1010, Washington, D.C. 20036.
B. National Association of Electric Cos., 1140 Connecticut Avenue NW., Suite 1010, Washington, D.C. 20036.
D. (6) $142.50. E. (9) $90.41.

A. Timothy J. Redmon, 1730 M Street NW., Washington, D.C. 20036.
B. American Optometric Association, c/o Jack A. Potter, 820 First National Bank Building, Peoria, Ill. 61602.
D. (6) $18.28. E. (9) $30.

A. Dwight C. Reed, 1101 16th Street NW., Washington, D.C. 20036.
B. National Soft Drink Association, 1101 16th Street NW., Washington, D.C. 20036.
D. (6) $471.16. E. (9) $30.

A. Davd J. Reedy, 6S430 Huntington Circle East, Naperville, Ill. 60515.
B. National Advertising Co., 6850 South Harlem Avenue, Bedford Park, Argo, Ill. 60501.
D. (6) $2,100.

A. Lawrence D. Reedy, 602 Ring Building, 1200 18th Street NW., Washington, D.C. 20036.
B. American Association of Advertising Agencies, 200 Park Avenue, New York, N.Y. 10017.
D. (6) $1,250. E. (9) $600.

A. Robert S. Reese, Jr., 1616 P Street NW., Washington, D.C. 20036.
B. National Tank Truck Carriers, Inc., 1616 P Street NW., Washington, D.C. 20036.

A. W. W. Renfroe, 69 Wilkinson Street, Capitol Plaza, Frankfort, Ky. 40601.
B. Kentucky Railroad Association, 69 Wilkinson Street, Capitol Plaza, Frankfort, Ky. 40601.
E. (9) 856.72.

A. Retired Officers Association, 1625 I Street NW., Washington, D.C. 20006.
D. (6) $1,973.

A. Retirement Federation of Civil Service Employees of the United States Government, Suite 529, Munsey Building, Washington, D.C. 20004.
D. (6) $16,553.52. E. (9) $10,067.53.

A. James J. Reynolds, 1825 K Street NW., Suite 1000, Washington, D.C. 20006.
B. American Institute of Merchant Shipping, 1625 K Street NW., Suite 1000, Washington, D.C. 20006.
D. (6) $1,875. E. (9) $142.37.

A. William L. Reynolds, 1200 17th Street NW., Suite 500, Washington, D.C. 20036.
B. National League of Insured Savings Associations, 1200 17th Street NW., Suite 500, Washington, D.C. 20036.
D. (6) $160. E. (9) $55.

A. Austin T. Rhoads.
B. American Frozen Food Institute, 919 18th Street NW., Washington, D.C.
D. (6) $350. E. (9) $429.07.

A. Maxwell E. Rich, 1600 Rhode Island Avenue NW., Washington, D.C. 20036.
B. National Rifle Association of America, 1600 Rhode Island Avenue NW., Washington, D.C. 20036.
D. (6) $625.

A. Mark Richardson, 1611 North Kent Street, Arlington, Va. 22209.
B. American Footwear Industries Association, Inc., 1611 North Kent Street, Arlington, Va. 22209.
D. (6) $270. E. (9) $250.

A. Harry H. Richardson, 335 Austin Street, Bogalusa, La. 70427.
B. Louisiana Railroads, 335 Austin Street, Bogalusa, La.

A. Robert R. Rickett, 1250 Connecticut Avenue NW., Washington, D.C. 20036.
B. Cleary, Gottlieb, Steen & Hamilton, 1250 Connecticut Avenue NW., Washington, D.C. 20036.

A. Robert R. Rickett, 1250 Connecticut Avenue NW., Washington, D.C. 20036.
B. Cleary, Gottlieb, Steen & Hamilton, 1250 Connecticut Avenue NW., Washington, D.C. 20036.

A. Rosalie Riechman, 120 Maryland Avenue NE., Washington, D.C. 20002.
B. Women's International League for Peace and Freedom, 1213 Race Street, Philadelphia, Pa. 19107.
D. (6) $1,575.

A. Siert F. Riepma, 1725 K Street NW., Suite 1202, Washington, D.C. 20006.
B. National Association of Margarine Manufacturers, 1725 K Street NW., Suite 1202, Washington, D.C. 20006.

A. Stark Ritchie, 1801 K Street NW., Washington, D.C. 20006.
B. American Petroleum Institute, 1801 K Street NW., Washington, D.C. 20006.

A. William Neale Roach, 1616 P Street NW., Washington, D.C. 20036.
B. American Trucking Associations, Inc., 1616 P Street NW., Washington, D.C. 20036.
D. (6) $6,000. E. (9) $116.44.

A. Paul H. Robbins, 2029 K Street NW., Washington, D.C. 20006.
B. National Society of Professional Engineers Cos., 730 15th Street NW., Washington, D.C. 20006.
D. (6) $1,000.

A. Thomas G. Roderick, 1101 16th Street NW., Washington, D.C. 20036.
B. Consolidated Natural Gas Service Co., Inc., Four Gateway Center, Pittsburgh, Pa. 15222.

A. Donald L. Rogers, 730 15th Street NW., Washington, D.C. 20005.
B. Association of Registered Bank Holding Co., 730 15th Street NW., Washington, D.C. 20005.
D. (6) $750.

A. Frank W. Rogers, Suite 793, 1801 K Street NW., Washington, D.C. 20006.
B. Western Oil & Gas Association, 609 South Grand Avenue, Los Angeles, Calif. 90017.
D. (6) $750.

A. Walter E. Rogers, 1660 L Street NW., Suite 601, Washington, D.C. 20036.
B. Independent Natural Gas Association of America, 1660 L Street NW., Suite 601, Washington, D.C. 20036.
D. (6) $1,000.

A. John F. Rolph III, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $500.

A. James A. Rooney, Suite 1207, 1000 Connecticut Avenue NW., Washington, D.C. 20036.
B. Mead Data Central, Inc., 111 West First Street, Dayton, Ohio 45402.
D. (6) $200. E. (9) $125.

A. Christine Root, 2332 19th Street NW., Washington, D.C. 20009.
B. Washington Office on Africa, 110 Maryland Avenue NE., Washington, D.C. 20002.
D. (6) $1,398.

A. Rouse & O'Rourke, Lawyers Building, 231 East Vermijo Avenue, Colorado Springs, Colo. 80903.
B. Union Nacional de Productores de Azucar, S. A. de C. V. Balderas 36, Mexico, D. F. Mexico.
E. (9) $859.13.

A. Robert J. Routier, 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. American Life Insurance Association, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
D. (6) $175.

A. Royall, Koegel & Wells, Suite 1009, 1730 K Street NW., Washington, D.C. 20006.
B. The Deltona Corp., 3250 SW. Third Avenue, Miami, Fla. 33129.
D. (6) $1,539.66.

A. John Forney Rudy, 1800 K Street NW., Washington, D.C. 20006.
B. The Goodyear Tire & Rubber Co., Akron, Ohio 44316.

A. Albert R. Russell, P.O. Box 12285, Memphis, Tenn. 38112.
B. National Cotton Council of America, P.O. Box 12285, Memphis, Tenn. 38112.
D. (6) $4,458.46. E. (9) $473.88.

A. J. T. Rutherford & Associates, Inc., 1660 L Street NW., No. 514, Washington, D.C. 20036.
B The American College of Radiology, 20 North Wacker Drive, Chicago, Ill. 60606.
D. (6) $250. E. (9) $1,609.63.

A. J. T. Rutherford & Associates, Inc., 1660 L Street NW., Washington, D.C. 20036.
B. American Trucking Association, Inc., 1616 P Street NW., Washington, D.C. 20036.
D. (6) $500. E. (9) $882.38.

A. Ella Marice Ryan, 1156 15th Street NW., Washington, D.C. 20005.
B. J. C. Penney Co., Inc., 1301 Avenue of the Americas, New York, N.Y. 10019.
D. (6) $100. E. (9) $8.45.

A. William Ryan, 1300 Connecticut Avenue NW., Washington, D.C. 20036.
B. International Association of Machinists and Aerospace Workers, 1300 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $3,500. E. (9) $198.15.

A. Francis J. Ryley, 500 Title & Trust Building, Phoenix, Ariz. 85003.
B. Standard Oil Co. of California, San Francisco; Shell Oil Co., Mobil Oil Corp., Los Angeles.

A. Sachs, Greenebaum and Tayler; 1620 I Street NW., Washington, D.C. 20006.
B. Ontario Corp., 1200 West Jackson Street, Muncie, Ind.

A. Carl K. Sadler, 1325 Massachusetts Avenue NW., Washington, D.C. 20005.
B. American Federation of Government Employees, 1325 Massachusetts Avenue NW., Washington, D.C. 20005.
D. (6) $6,039.60. E. (9) $8,149.42.

A. Ruth M. Saxe, 2030 M Street NW., Washington, D.C. 20036.
B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $237.48.

A. Kenneth D. Schanzer 1771 N Street NW., Washington, D.C. 20036.
B. National Association of Broadcasters, 1771 N Street NW., Washington, D.C. 20036.
D. (6) $833.32. E. (9) $191.98.

A. Eric P. Schellin, 1225 19th Street NW., Suite 409, Washington, D.C. 20036.
B. National Patent Council, 1225 19th Street NW., Suite 409, Washington, D.C. 20036.
D. (6) $800.

A. Jacques T. Schlenger, 1800 Mercantile Bank & Trust Building, 2 Hopkins Plaza, Baltimore, Md. 21201.
B. Maryland State Fair and Agricultural Society, Inc., Timonium State Fair Grounds, Timonium, Md. 21093.
E. (9) $2.92.

A. Hilliard Schulberg, Suite 304, 1900 L Street NW., Washington, D.C.
B. National Liquor Stores Association, Inc., Suite 304, 1900 L Street NW., Washington, D.C.
D. (6) $225. E. (9) $40.

A. Hilliard Schulberg, Suite 304, 1900 L Street NW., Washington, D.C.
B. Washington D.C. Retail Liquor Dealers Association, Inc., Suite 304, 1900 L Street NW., Washington, D.C.
D. (6) $555. E. (9) $70.

A. Valerie Schulte, 1660 L Street NW., Washington, D.C.
B. The Common Fund, 635 Madison Avenue, New York, N.Y. 10022.
D. (6) $1,975.

A. Donald H. Schwab, 200 Maryland Avenue NE., Washington, D.C. 20002.
B. Veterans of Foreign Wars of the United States.
D. (6) $1,821.88. E. (9) $28.85.

A. John W. Scott, 1616 H Street NW., Washington, D.C. 20006.
B. The National Grange, 1616 H Street NW., Washington, D.C. 20006.
D. (6) $5,000.

A. Scribner, Hall, Thornburg & Thompson, 1200 18th Street NW., Suite 1209, Washington, D.C. 20036.
B. Jefferson Pilot Corp., P.O. Box 21008, Greensboro, N.C. 27402.
A. Scribner, Hall, Thornburg & Thompson, 1200 18th Street NW., Suite 1209, Washington, D.C. 20036.
B. Provident Life & Accident Insurance Co., Chattanooga, Tenn. 37402.

A. Earl W. Sears, P.O. Box 12285, Memphis, Tenn. 38112.
B. National Cotton Council of America, P.O. Box 12285, Memphis, Tenn., 38112.
D. (6) $535.50. E. (9) $33.11.

A. Self-Determination for D.C., 2030 M Street NW., Room 300, Washington, D.C. 20036.
D. (6) $7,460. E. (9) $5,451.02.

A. Stanton P. Sender, 1211 Connecticut Avenue NW., No. 802, Washington, D.C.
B. Sears, Roebuck & Co., 925 South Homan Avenue, Chicago, Ill. 60607.
D. (6) $100. E. (9) $25.

A. Theodore A. Serrill, 491 National Press Building, Washington, D.C. 20004.
B. National Newspaper Association, 491 National Press Building, Washington, D.C. 20004.
E. (9) $153.43.

A. J. Richard Sewell, 1725 I Street NW., Washington, D.C.
B. National Association of Food Chains, 1725 I Street NW., Washington, D.C. 20006.
E. (9) $500.

A. Robert L. Shafer, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Pfizer Inc., 235 East 42d Street, New York, N.Y. 10017.
D. (6) $560. E. (9) $185.

A. Sharon, Pierson, Semmes, Crolius and Finley, 1054 31st Street NW., Washington, D.C. 20007.
B. Albright Title & Trust Co., 100 North Main Street, Newkirk, Okla. 74647; American Title Insurance Co., 150 Southeast Third Avenue, Miami, Fla. 33131; Chelsea Title & Guaranty Co., 1300 Bacharach Boulevard, Atlantic City, N.J., et al.
D. (6) $2,066.15. E. (9) $199.27.

A. Sharon, Pierson, Semmes, Crolius and Finley, 1054 31st Street NW., Washington, D.C. 20007.
B. American National Cattlemen's Association, Denver, Colo.
E. (9) $53.51.

A. Sharon, Pierson, Semmes, Crolius and Finley, 1054 31st Street NW., Washington, D.C. 20007.
B. Independent Groceries' Alliance, 300 West Adams Street, Chicago, Ill. 60606; National Institutional Food Distributors Associates, Inc., 300 Interstate North, Suite 800, Atlanta, Ga. 30339; Topco Associates, Inc., 7711 Grosse Point Road, Skokie, Ill. 60076, et al.
D. (6) $1,150. E. (9) $1,201.69.

A. Sharon, Pierson, Semmes, Crolius and Finley, 1054 31st Street NW., Washington, D.C. 20007.
B. Rubber Manufacturers Association, 444 Madison Avenue, New York N.Y. 10022.
E. (9) $120.10.

A. Shaw, Pittman, Potts & Trowbridge, Barr Building, 910 17th Street NW., Washington, D.C. 20006.
B. Doubleday and Co., Inc., 277 Park Avenue, New York, N.Y. 10017.

A. John J. Sheehan, 1001 Connecticut Avenue NW., Washington, D.C. 20036.
B. United Steelworkers of America, Five Gateway Center, Pittsburgh, Pa. 15222.
D. (6) $5,995.75. E. (9) $3,787.23.

A. Laurence P. Sherfy, 1100 Ring Building, Washington, D.C. 20036.

B. American Mining Congress, 1100 Ring Building, Washington, D.C. 20036.
D. (6) $1,175.

A. W. Lee Shield, 1730 Pennsylvania Avenue, NW., Washington, D.C. 20006.
B. American Life Insurance Association, Inc., 1730 Pennsylvania Avenue, NW., Washington, D.C. 20006.
D. (6) $160.

A. Edward L. Shields, 666 11th Street, NW., Washington, D.C. 20001.
B. American Mutual Insurance Alliance, 20 North Wacker Drive, Chicago, Ill.
E. (9) $1,110.

A. Harvey A. Shipman, 1725 K Street, NW., Suite 1103, Washington, D.C. 20006.
B. Penn Central Transportation Co., Six Penn Center Plaza, Philadelphia, Pa. 19104.
D. (6) $180. E. (9) $1,356.13.

A. Lucien J. Sichel, 1730 M Street, NW., Washington, D.C. 20036.
B. Abbott Laboratories, North Chicago, Ill. 60064.

A. David Silver, 1775 K Street, NW., Washington, D.C. 20006.
B. Investment Company Institute, 1775 K Street, NW., Washington, D.C. 20006.

A. Talmadge E. Simpkins, 100 Indiana Avenue, NW., Washington, D.C.
B. AFL–CIO Maritime Committee, 100 Indiana Avenue, NW., Washington, D.C. 20001.
E. (9) $301.97.

A. Talmadge E. Simpkins, 100 Indiana Avenue, NW., Washington, D.C. 20001.
B. Labor-Management Maritime Committee.
D. (6) $825. E. (9) $93.55.

A. Lana H. Sims, 1003 Security Federal Building, Columbia, S.C. 29201.
B. South Carolina Railroad Association, 1003 Security Federal Building, Columbia, S.C. 29201.
D. (6) $39.35. E. (9) $126.95.

A. Julian H. Singman, 724 14th Street NW., Washington, D.C. 20005.
B. International Longshoremen's Association, AFL–CIO, 17 Battery Place, Suite 1530, New York, N.Y. 10004.
D. (6) $5,000. E. (9) $300.

A. Carstens Slack, 1825 K Street NW., Washington, D.C. 20006.
B. Phillips Petroleum Co., Bartlesville, Okla. 74004.

A. William L. Slayton, 1735 New York Avenue NW., Washington, D.C. 20006.
B. The American Institute of Architects, 1735 New York Avenue NW., Washington, D.C. 20006.
D. (6) $1,500.

A. Stephen Slipher, 1709 New York Avenue NW., Washington, D.C. 20006.
B. U.S. Savings and Loan League, 111 East Wacker Drive, Chicago, Ill.
D. (6) $4,062.50. (9) $27.

A. Smathers and Merrigan, 888 17th Street NW., Washington, D.C. 20006.
B. American Horse Council, Inc., 1776 K Street NW., Washington, D.C. 20006.
D. (6) $6,250. E. (9) $2,832.91.

A. Smathers and Merrigan, 888 17th Street NW., Washington, D.C. 20006.
B. Association of American Railroads, 1920 L Street NW., Washington, D.C. 20036.
D. (6) $6,250. E. $91.40.

A. Donald E. Smiley, Suite 1014, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. Exxon Co., U.S.A., P.O. Box 2180, Houston, Tex.
E. (9) $416.48.

A. Arthur J. Smith, 1700 K Street NW., Suite 300, Washington, D.C. 20006.
B. Shell Oil Co., P.O. Box 2463, Houston, Tex. 77001.
D. (6) $500.

A. Everard H. Smith, Jr., 815 Connecticut Avenue, NW., Washington, D.C. 20006.
B. Ford Motor Co., Dearborn, Mich. 48121.
D. (6) $320. E. (9) $283.10.

A. Gordon L. Smith, 1145 19th Street NW., Washington, D.C. 20036.
B. Edward Gottlieb & Associates Ltd., 485 Madison Avenue, New York, N.Y. 10022.
E. (9) $20.65.

A. James R. Smith, 1250 Connecticut Avenue, Suite 502, Washington, D.C. 20036.
B. The American Waterways Operators, Inc., 1250 Connecticut Avenue, Suite 502, Washington, D.C. 20036.
D. (6) $2,250.

A. Robert William Smith, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Ford Motor Co., Dearborn, Mich. 48121.
D. (6) $187. E. (9) $149.

A. Wallace M. Smith, 425 13th Street NW., Washington, D.C. 20004.
B. National Association of Mutual Insurance Cos., 2511 East 46th Street, Suite H, Indianapolis, Ind. 46205.
D. (6) $500. E. (9) $104.

A. Wayne H. Smithey, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Ford Motor Co., Dearborn, Mich.
D. (6) $3,281.67. E. (9) $1,311.80.

A. Frank B. Snodgrass, 1100 17th Street NW., Suite 306, Washington, D.C. 20036.
B. Burley and Dark Leaf Tobacco Export Association, P.O. Box 860, Lexington, Ky. 40501.
D. (6) $550. E. (9) $649.95.

A. John M. Snow, 8401 Connecticut Avenue NW., Washington, D.C. 20015.
B. National Association of Furniture Manufacturers, 666 Lake Shore Drive, Chicago, Ill. 60611.
D. (6) $500. E. (9) $30.

A. Edward F. Snyder, 245 Second Street NE., Washington, D.C.
B. Friends Committee on National Legislation, 245 Second Street NE., Washington, D.C.
D. (6) $2,265.

A. J. R. Snyder, 400 First Street NW., Suite 704, Washington, D.C. 20001.
B. United Transportation Union, 400 First Street NW., Suite 704, Washington, D.C. 20001.
E. (9) $350.

A. Society for Animal Protective Legislation, P.O. Box 3719, Georgetown Station, Washington, D.C. 20007.
D. (6) $12,653.22. E. (9) $4,001.67.

A. Carl A. Soderblom, One East First Street, Room 803, Reno, Nev. 89501.
B. Nevada Railroad Association, One East First Street, Room 803, Reno, Nev.

A. Charles B. Sonneborn, 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. National Association of Blue Shield Plans, 211 East Chicago Avenue, Chicago, Ill. 60611.
D. (6) $40. E. (9) $25.

A. Shelby E. Southard, 1828 L Street NW., Suite 1100, Washington, D.C. 20036.
B. Cooperative League of the U.S.A., 1828 L Street NW., Suite 1100, Washington, D.C. 20036.
D. (6) $2,000. E. (9) $730.

A. William W. Spear, 1000 16th Street NW., Washington, D.C. 20036.
B. Standard Oil Co. (Indiana), 910 South Michigan Avenue, Chicago, Ill. 60605.
D. (6) $2,199.12. E. (9) $11.83.

A. John F. Speer, Jr., 1105 Barr Building, Washington, D.C. 20006.
B. International Association of Ice Cream Manufacturers & Milk Industry Foundation, 1105 Barr Building, Washington, D.C. 20006.

A. William C. Spence, Box 683, Houston, Tex. 77001.
B. Columbia Gulf Transmission Co., Box 683, Houston, Tex. 77001.
D. (6) $665. E. (9) $579.37.

A. Sportsman's Paradise Homeowners Association, care of Charles R. Patriquin, 10612 Dalerose Avenue, Inglewood, Calif. 90304.
E. (9) $569.80.

A. James M. Sprouse, 1957 E Street NW., Washington, D.C. 20006.
B. The Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.
D. (6) $1,000.

A. Squibb Corp., 40 West 57th Street, New York, N.Y. 10019.
E. (9) $223.

A. John M. Stackhouse, Madison Building, 1155 15th Street NW., Washington, D.C. 20005.
B. National Agricultural Chemicals Association.

A. Lynn Stalbaum, 400 World Center Building, 918 16th Street NW., Washington, D.C. 20006.
B. Central America Cooperative Federation, Inc., Room 400, 918 16th Street NW., Washington, D.C. 20006.
D. (6) $1,462.50. E. (9) $103.60.

A. The Standard Oil Co. (Ohio), 1801 K Street NW., Suite 1021, Washington, D.C. 20006.
E. (9) $603.25.

A. Melvin L. Stark, 1025 Connecticut Avenue NW., Suite 211, Washington, D.C. 20036.
B. American Insurance Association, 1025 Connecticut Avenue NW., Suite 211, Washington, D.C. 20036.
D. (6) $3,000. E. (9) $350.

A. David J. Steinberg, 1028 Connecticut Avenue NW., Washington, D.C. 20036.
B. Legislative Committee of the Committee for a National Trade Policy, Inc., 1028 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $500.

A. David J. Steinberg, 1028 Connecticut Avenue NW., Washington, D.C. 20036.
B. National Council for a Responsible Firearms Policy, 1028 Connecticut Avenue NW., Washington, D.C. 20036.

A. William M. Stephens, 1616 H Street NW., Washington, D.C. 20006.
B. American Retail Federation, 1616 H Street NW., Washington, D.C. 20006.
D. (6) $1,200. E. (9) $55.

A. Steptoe & Johnson, 1250 Connecticut Avenue, Washington, D.C. 20036.
B. Robert College of Istanbul, Turkey, 305 East 45th Street, New York, N.Y. 10017.
D. (6) $160. E. (9) $4.

A. B. H. Steuerwald, 400 First Street NW., Washington, D.C. 20001.
B. Brotherhood of Railroad Signalmen, 2247 West Lawrence Avenue, Chicago, Ill.

A. Wynne A. Stevens, Jr., 1901 North Fort Myer Drive, Arlington, Va. 22209.
B. Gas Appliance Manufacturers Association, 1901 North Fort Myer Drive, Arlington, Va. 22209.
D. (6) $870.

A. Edward T. Stevenson, 2021 K Street NW., Suite 307, Washington, D.C. 20006.
B. Southern Furniture Manufacturers Association, P.O. Box 951, High Point, N.C. 27261.
D. (6) $5,625. E. (9) $3,250.

A. Travis B. Stewart, 1775 K Street NW., Washington, D.C. 20006.
B. Hoffman-La Roche, Inc., 340 Kingsland Street, Nutley, N.J. 07110.
D. (6) $550. E. (9) $50.

A. Edward W. Stimpson, 1025 Connecticut Avenue NW., Suite 1215, Washington, D.C. 20036.
B. General Aviation Manufacturers Association, Inc., 1025 Connecticut Avenue NW., Suite 1215, Washington, D.C. 20036.
D. (6) $1,625.

A. Stitt, Hemmendinger & Kennedy, 1000 Connecticut Avenue NW., Washington, D.C. 20036.
B. Footwear Group, American Importers Association, New York, N.Y.

A. Stitt, Hemmendinger & Kennedy, 1000 Connecticut Avenue NW., Washington, D.C. 20036.
B. Japan Iron & Steel Exporters Association, Tokyo, Japan.

A. Francis W. Stover, 200 Maryland Avenue NE., Washington, D.C. 20002.
B. Veterans of Foreign Wars of the United States, 200 Maryland Avenue NE., Washington, D.C. 20002.
D. (6) $6,039.35. E. (9) $347.35.

A. William M. Stover, 1825 Connecticut Avenue NW., Washington, D.C. 20009.
B. Manufacturing Chemists Association, Inc., 1825 Connecticut Avenue NW., Washington, D.C. 20009.
D. (6) $1,000. E. (9) $100.

A. Herald E. Stringer, 1608 K Street NW., Washington, D.C.
B. The American Legion, 700 North Pennsylvania Street, Indianapolis, Ind.
D. (6) $6,070. E. (9) $594.53.

A. John D. Stringer, 666 11th Street NW., Washington, D.C. 20001.
B. American Mutual Insurance Alliance, 20 North Wacker Drive, Chicago, Ill.
E. (9) $1,560.

A. Michael E. Strother, 1315 16th Street NW., Washington, D.C. 20036.
B. National Limestone Institute, Inc., 1315 16th Street NW., Washington, D.C. 20036.
E. (9) $27.01.

A. Norman Strunk, 111 East Wacker Drive, Chicago, Ill. 60601.
B. U.S. Savings and Loan League, 111 East Wacker Drive, Chicago, Ill.
D. (6) $2,250. E. (9) $200.08.

A. Walter B. Stults, 512 Washington Building, Washington, D.C. 20005.
B. National Association of Small Business Investment Co., 512 Washington Building, Washington, D.C. 20005.
D. (6) $600.

A. Barry Sullivan, 536 Washington Building, Washington, D.C. 20005.
B. National Association of River & Harbor Contractors, 536 Washington Building, Washington, D.C. 20005.
D. (6) $600. E. (9) $4,380.

A. Sullivan, Beauregard, Meyers & Clarkson, 1200 18th Street NW., Washington, D.C. 20036.
D. (6) $15,000. E. (9) $1,660.45.

A. G. Don Sullivan, 1100 Ring Building, Washington, D.C. 20036.
B. American Mining Congress, 1100 Ring Building, Washington, D.C. 20036.
D. (6) $575.

A. Frank L. Sundstrom, 1776 K Street NW., Suite 1200, Washington, D.C. 20006.
B. The Tobacco Institute, Inc., 1776 K Street NW., Suite 1200, Washington, D.C. 20006.

A. Sutherland, Asbill & Brennan, 1200 Farragut Building, Washington, D.C. 20006.
B. Estate of Margaret Solomon, c/o Franklin C. Latcham, One Post Street, San Francisco, Calif. 94104.
D. (6) $2,500. E. (9) $26.74.

A. Glenn A. Swanson, 1725 DeSales Street NW., Suite 905, Washington, D.C. 20036.
B. Independent Bankers Association of America, Sauk Centre, Minn. 56378.
D. (6) $11,805. E. (9) $2,191.88.

A. Irving W. Swanson, 1155 15th Street N.W., Washington, D.C. 20005.
B. Pharmaceutical Manufacturers Association.

A. Noble J. Swearingen, 128 C Street NE., Suite 61, Washington, D.C. 20002.
B. American Lung Association, 1740 Broadway, New York, N.Y. 10019.
D. (6) $1,000.

A. David A. Sweeney, 25 Louisiana Avenue NW., Washington, D.C. 20001.
B. International Brotherhood of Teamsters, 25 Louisiana Avenue NW., Washington, D.C. 20001.
D. (6) $7,500.

A. John R. Sweeney, Solar Building, 1000 16th Street NW., Washington, D.C. 20036.
B. Bethlehem Steel Corp., 701 East Third Street, Bethlehem, Pa. 18016.
D. (6) $500. E. (9) $330.55.

A. Ronald E. Sweet, 1126 16th Street NW., Washington, D.C. 20036.
B. International Federation of Professional & Technical Engineers, AFL–CIO, 1126 16th Street NW., Washington, D.C. 20036.
D. (6) $350. E. (9) $20.

A. Russell A. Swindell, P.O. Box 2635, Raleigh, N.C. 27602.
B. North Carolina Railroad Association, P.O. Box 2635, Raleigh, N.C. 27602.
D. (6) $307.68. E. (9) $318.96.

A. Charles P. Taft, 1028 Connecticut Avenue NW., Washington, D.C. 20036.
B. Legislative Committee, Committee for a National Trade Policy, Inc., 1028 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $200.

A. Charles C. Talley, 100 Angus Court, Charlottesville, Va. 22901.
B. National Congress of Parents and Teachers, 700 North Rush Street, Chicago, Ill.

A. David Tarr, 2030 M Street NW., Washington, D.C. 20036.
B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $197.49.

A. Tax Reform Research Group, 733 15th Street NW., Washington, D.C. 20005.
D. (6) $436.50. E. (9) $436.50.

A. Ted Van Dyk Associates, Inc., 1720 I Street NW., Suite No. 400, Washington, D.C. 20006.
B. United Air Lines, P.O. Box 66100, Chicago, Ill., 60666.
E. (9) $151.54.

A. Richard M. Tempero, 2030 M Street NW., Washington, D.C. 20036.
B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $343.74.

A. L. D. Tharp, Jr., 1660 L Street NW., Suite 601, Washington, D.C. 20036.
B. Independent Natural Gas Association of America, 1660 L Street NW., Suite 601, Washington, D.C. 20036.
D. (6) $300.

A. J. Woodrow Thomas Associates, Inc., Suite 600, 634 15th Street NW., Washington, D.C. 20005.
B. Hart Metals, Inc., Tamaqua, Pa. 18252.
D. (6) $2,250.

A. J. Woodrow Thomas Associates, Inc., Suite 600, 734 15th Street NW., Washington, D.C. 20005.
B. REA Express, Inc., 219 East 42d Street, New York, N.Y. 10017.
D. (6) $4,500.

A. Joseph F. Thomas, 1735 New York Avenue NW., Washington, D.C. 20006.
B. The American Institute of Architects, 1735 New York Avenue NW., Washington, D.C. 20006.
D. (6) $1,000. E. (9) $3,362.03.

A. Walter Thompson Co., 420 Lexington Avenue, New York, N.Y. 10017.
B. Ad Hoc Committee of Independent Livestock Producers, c/o Herman Dinklage, Whitman, Nebr.
D. (6) $8,340. E. (9) $2,454.71.

A. William D. Thompson, 1660 L Street NW., Washington, D.C. 20036.
B. General Motors Corp., 3044 West Grand Boulevard, Detroit, Mich. 48202.
D. (6) $3,000. E. (9) $2,446.19.

A. Cyrus C. Tichenor III, 822 Connecticut Avenue NW., Washington, D.C. 20006.
B. A. H. Robins Co., Inc., 1407 Cummings Drive, Richmond, Va. 23220.
D. (6) $5,250. E. (9) $1,964.13.

A. Paul J. Tierney, 1101 17th Street NW., Washington, D.C. 20036.
B. Transportation Association of America.
E. (9) $43.96.

A. J. R. Timmins & Co., 37 Wall Street, New York, N.Y. 10005.

A. E. Linwood Tipton, 1105 Barr Building, Washington, D.C. 20006.
B. International Association of Ice Cream Manufacturers and Milk Industry Foundation, 1105 Barr Building, Washington, D.C. 20006.

A. Tobacco Associates, Inc., 1101 17th Street NW., Washington, D.C. 20036.
E. (9) $1,662.

A. Patrick F. Tobin, 1341 G Street NW., Room 304, Washington, D.C. 20005.

B. International Longshoremen's & Warehousemen's Union, 150 Golden Gate Avenue, San Francisco, Calif.

D. (6) $4,510.

A. H. Willis Tobler, 30 F Street NW., Washington, D.C. 20001.

B. National Milk Producers Federation, 30 F Street NW., Washington, D.C. 20001.

D. (6) $1,000. E. (9) $249.90.

A. David R. Toll, 1140 Connecticut Avenue, No. 1010, Washington, D.C. 20036.

B. National Association of Electric Cos., 1140 Connecticut Avenue, Washington, D.C.

D. (6) $513.94. E. (9) $145.98.

A. Christine Topping, 220 Maryland Avenue SE., Washington, D.C. 20002.

B. Bipartisan Committee for American Voters Overseas, c/o Ms. Christine Topping, 220 Maryland Avenue SE., Washington, D.C. 20002.

D. (6) $3,200. E. (9) $3,142.26.

A. John P. Tracey.

B. American Bar Association, 1705 DeSales Street NW., Washington, D.C. 20036.

D. (6) $400. E. (9) $50.

A. Transportation Association of America, 1101 17th Street NW., Washington, D.C. 20036.

A. Matt Triggs, 425 13th Street NW., Washington, D.C.

B. American Farm Bureau Federation, 225 West Touhy Avenue, Park Ridge, Ill.

D. (6) $2,688. E. (9) $64.14.

A. Paul B. Trimble, 1411 Rockefeller Building, Cleveland, Ohio 44113.

B. Lake Carriers' Association, 1411 Rockefeller Building, Cleveland, Ohio.

A. Glenwood S. Troop, Jr., 1709 New York Avenue NW., Washington, D.C. 20006.

B. United States Savings & Loan League, 111 East Wacker Drive, Chicago, Ill.

D. (6) $5,625. E. (9) $76.95.

A. Galen Douglas Trussell, 1133 15th Street NW., Washington, D.C. 20005.

B. National Association of Manufacturers.

D. (6) $792. E. (9) $265.

A. John D. Tyson.

B. International Paper Co., Room 700, 1620 I Street NW., Washington, D.C. 20006.

D. (6) $147.40. E. (9) $23.41.

A. United Brotherhood of Carpenters & Joiners of America, 101 Constitution Avenue NW., Washington, D.C. 20001.

E. (9) $12,513.82.

A. United Mine Workers of America, 900 15th Street NW., Washington, D.C. 20005.

E. (9) $14,095.50.

A. United States Cane Sugar Refiners' Association, 1001 Connecticut Avenue, Washington, D.C. 20036.

E. (9) $280.20.

A. United States Savings & Loan League, 111 East Wacker Drive, Chicago, Ill.

E. (9) $47,294.72.

A. Universal Development Consultants, Inc., 425 13th Street NW., Washington, D.C. 20004.

B. Mortgage Bankers Association of America.

D. (6) $625. E. (9) $70.

A. Jack J. Valenti, 1600 I Street NW., Washington, D.C. 20006.

D. (6) $1,263.08.

A. Lois Van Volkenburgh, 1673 Preston Road, Alexandria, Va. 22302.

B. Citizens Committee for UNICEF, 110 Maryland Avenue NE., Washington, D.C. 20002.

D. (6) $12. E. (9) $3.75.

A. John A. Vance, 1150 17th Street NW., Suite 1109, Washington, D.C. 20036.

B. Pacific Gas & Electric Co., 77 Beale Street, San Francisco, Calif. 94106.

D. (6) $548.75. E. (9) $311.81.

A. John W. Vardaman, Jr., 839 17th Street NW., Washington, D.C. 20006.

B. Individual members of the San Antonio Conservation Society v. Texas Highway Department.

A. Venable, Baetjer & Howard, 1800 Mercantile Bank & Trust Building, 2 Hopkins Plaza, Baltimore, Md. 21201.

B. Maryland State Fair & Agricultural Society, Inc., Timonium State Fair Grounds, Timonium, Md. 21093.

E. (9) $2.92.

A. Richard E. Vernor, 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. American Life Insurance Association, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

D. (6) $295.50. E. (9) $84.30.

A. L. T. Vice, Suite 1204, 1700 K Street NW., Washington, D.C. 20006.

B. Standard Oil Co. of California, Suite 1204, 1700 K Street NW., Washington, D.C. 20006.

E. (9) $185.

A. Robert E. Vinson, 1101 16th Street NW., Washington, D.C. 20036.

B. Independent Petroleum Association of America, 1101 16th Street NW., Washington, D.C. 20036.

E. (9) $38.75.

A. Donn L. Waage, 730 15th Street NW., Washington, D.C. 20005.

B. Association of Registered Bank Holding Cos., 730 15th Street NW., Washington, D.C. 20005.

D. (6) $157.25. E. (9) $73.90.

A. E. F. Waldrop, Jr., 300 New Jersey Avenue SE., Suite 212, Washington, D.C. 20003.

B. Association of American Railroads, 1920 L Street NW., Washington, D.C. 20036.

D. (6) $94.94. E. (9) $15.83.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Allied Chemical Corp., P.O. Box 1057R, Morristown, N.J. 07960.

E. (9) $5.13.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Aluminum Co. of America, Washington, D.C. 20036.

D. (6) $238.10.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Bethlehem Steel Corp., Bethlehem, Pa. 18016.

D. (6) $1,000. E. (9) $5.13.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Ford Motor Co., The American Road, Dearborn, Mich. 48121.

D. (6) $238.10. E. (9) $5.13.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. General Electric Co., Washington, D.C. 20005.

D. (6) $238.10. E. (9) $5.13.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. General Motors Corp., General Motors Building, Detroit, Mich. 48202.

D. (6) $1,000. E. (9) $5.13.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Georgia-Pacific Corp., 900 SW., Fifth Avenue, Portland, Oreg. 97204.

D. (6) $1,000. E. (9) $5.13.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Gulf Oil Corp., Washington, D.C. 20036.

D. (6) $238.10.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. National Association of Mutual Savings Banks, 200 Park Avenue, New York, N.Y. 10017.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. National Steel Corp., 2800 Grant Building, Pittsburgh, Pa. 15219.

E. (9) $5.13.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Procter and Gamble, Cincinnati, Ohio 45201.

D. (6) $238.10.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Time, Inc., Time & Life Building, Rockefeller Center, New York, N.Y. 10020.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Union Camp Corp., 1600 Valley Road, Wayne, N.J. 07040.

E. (9) $5.13.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Union Carbide Corp., 270 Park Avenue, New York, N.Y. 10017.

E. (9) $5.13.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Weyerhaeuser Co., Tacoma, Wash. 98401.

E. (9) $5.13.

A. Lionel L. Wallenrod, 260 Madison Avenue, New York, N.Y. 10016.

B. American Paper Institute, 260 Madison Avenue, New York, N.Y. 10016.

A. Jack A. Waller, 1750 New York Avenue NW., Washington, D.C. 20006.

B. International Association of Fire Fighters, 1750 New York Avenue NW., Washington, D.C. 20006.

D. (6) $5,869.

A. Franklin Wallick, 1125 15th Street NW., Washington, D.C. 20005.

B. International Union, United Automobile, Aerospace and Agricultural Implement Workers of America; Solidarity House; 8000 East Jefferson Avenue, Detroit, Mich. 48214.

D. (6) $5,650.68. E. (9) $1,355.16.

A. Charles S. Walsh.
B. National Cable Television Association, Inc., 918 16th Street NW., Washington, D.C.
D. (6) $127.50. E. (9) $15.

A. William A. Walton, 800 Merchants National Bank Building, Eighth and Jackson Streets, Topeka, Kans. 66612.
B. Kansas Railroad Committee, 800 Merchants National Bank Building, Eighth and Jackson Streets, Topeka, Kans. 66612.

A. Richard D. Warden, 1125 15th Street NW., Washington, D.C. 20005.
B. International Union, United Automobile, Aerospace and Agricultural Implement Workers of America (UAW), 8000 East Jefferson Avenue, Detroit, Mich. 48214.
D. (6) $4,988.52. E. (9) $441.21.

A. Jack Ware, 1801 K Street NW., Washington, D.C. 20006.
B. American Petroleum Institute, 1801 K Street NW., Washington, D.C. 20006.
D. (6) $2,160. E. (9) $400.

A. Pamela R. Warner, 5500 North Kedzie, Chicago, Ill.
B. J. R. Carlson Labs, 5500 North Kedzie, Chicago, Ill.

A. Washington Office on Africa, 110 Maryland Avenue NE., Washington, D.C. 20002.
D. (6) $14,967.37. E. (9) $11,790.89.

A. Washington Research Project, Action Council, 1763 R Street NW., Washington, D.C. 20009.
D. (6) $6,000. E. (9) $4,175.27.

A. George B. Watts, 1155 15th Street, NW., Washington, D.C.
B. National Broiler Council, 1155 15th Street NW., Washington, D.C. 20005.
D. (6) $300.

A. Ray Wax, care of J. Frederick Durr, Rural Route 2, Sheridan, Ind. 46069.
B. National Association of Farmer Elected Committeemen, care of J. Frederick Durr, Rural Route 2, Sheridan, Ind. 46069.
E. (9) $30.50.

A. Henry B. Weaver, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. Atlantic Richfield Co., 515 South Flower Street, Los Angeles, Calif. 90071.
D. (6) $3,000.

A. Clyde M. Webber, 1325 Massachusetts Avenue NW., Washington, D.C. 20005.
B. American Federation of Government Employees, 1325 Massachusetts Avenue NW., Washington, D.C. 20005.
D. (6) $11,142.60. E. (9) $1,661.51.

A. Clarence M. Weiner, 575 Madison Avenue, New York, N.Y. 10022.
B. Cigar Manufacturers Association of America, Inc., 575 Madison Avenue, New York, N.Y. 10022.
D. (6) $10,000.

A. Frank J. Welch, 3724 Manor Road, Chevy Chase, Md. 20015.
B. The Tobacco Institute, Inc., Suite 1200, 1776 K Street NW., Washington, D.C. 20006.

A. Paul S. Weller, Jr., 1129 20th Street NW., Washington, D.C. 20036.
B. National Council of Farmer Cooperatives, 1129 20th Street NW., Washington, D.C.
D. (6) $2,599.99. E. (9) $243.73.

A. Fred M. Wertheimer, 2030 M Street NW., Washington, D.C. 20036.
B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $6,600. E. (9) $77.

A. Terrell M. Wertz, 1608 K Street NW., Washington, D.C.
B. The American Legion, 700 North Pennsylvania Street, Indianapolis, Ind.
D. (6) $3,850. E. (9) $176.34.

A. Harry H. Westbay III, 1625 I Street NW., Suite 805, Washington, D.C. 20006.
B. St. Regis Paper Co., 150 East 42d Street, New York, N.Y. 10017.
D. (6) $300. E. (9) $150.

A. West Mexico Vegetable Distributors Association, P.O. Box 848, Nogales, Ariz. 85621.
E. (9) $500.

A. Clyde A. Wheeler, Jr., 1800 K Street NW., Suite 820, Washington, D.C. 20006.
B. Sun Oil Co., 240 Radnor-Chester Road, St. Davids, Pa. 19087.
D. (6) $7,000. E. (9) $1,785.

A. Edwin M. Wheeler, 1015 18th Street NW., Washington, D.C. 20036.
B. The Fertilizer Institute, 1015 18th Street NW., Washington, D.C. 20036.
E. (9) $25.

A. Wheeler, Van Sickle, Day & Anderson, 25 West Main Street, Madison, Wis. 53703.
B. Marshall & Ilsley Bank, 770 North Water Street, Milwaukee, Wis. 53202.
D. (6) $635. E. (9) $194.69.

A. John C. White, Room 1008, 1101 17th Street NW., Washington, D.C. 20036.
B. Private Truck Council of America, Inc., Room 1008, 1101 17th Street NW., Washington, D.C.

A. John S. White, 420 Cafritz Building, Washington, D.C.
B. Marathon Oil Co., Findlay, Ohio 45840.
E. (9) $614.84.

A. Robert L. White, 7315 Wisconsin Avenue, Washington, D.C. 20014.
B. National Electrical Contractors Association, 7315 Wisconsin Avenue, Washington, D.C. 20014.

A. Douglas Whitack II, 1660 L Street NW., Suite 1005, Washington, D.C. 20036.
B. Zale Corp., 1660 L Street NW., Washington, D.C. 20036.
D. (6) $500. E. (9) $250.

A. Alan J. Whitney, 1341 G Street NW., Washington, D.C. 20005.
B. National Association of Government Employees, Inc., 285 Dorchester Avenue, Boston, Mass. 02127.
D. (6) $5,000. E. (9) $750.

A. Leonard M. Wickliffe, 11th and L Building, Sacramento, Calif. 95814.
B. California Railroad Association, 11th and L Building, Sacramento, Calif. 95814.
D. (6) $3,125. E. (9) $6,742.62.

A. Richard J. Wiechmann, 260 Madison Avenue, New York, N.Y. 10016.
B. American Paper Institute, 260 Madison Avenue, New York, N.Y. 10016.

A. Claude C. Wild, Jr., 1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. Gulf Oil Corp., Pittsburgh, Pa. 15230.
D. (6) $1,000. E. (9) $1,268.70.

A. David Wilken, 2030 M Street NW., Washington, D.C. 20036.
B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.
E. (9) $26.40.

A. Williams, Connolly & Califano, 839 17th Street NW., Washington, D.C. 20006.
B. Individual members of the San Antonio Conservation Society v. Texas Highway Department, No. 67-72A.

A. Francis G. Williams.
B. American Frozen Food Institute, 919 18th Street NW., Washington, D.C. 20006.

A. Harding de C. Williams, 1825 K Street NW., Washington, D.C. 20006.
B. Del Monte Corp., 215 Fremont Street, San Francisco, Calif. 94119.
D. (6) $500. E. (9) $50.

A. Williams & Jensen, 1130 17th Street NW., Washington, D.C. 20036.
B. Auto-Train Corp., 1801 K Street NW., Washington, D.C. 20006.
D. (6) $200. E. (9) $10.

A. Williams & Jensen, 1130 17th Street NW., Washington, D.C. 20036.
B. Bankers Association of Puerto Rico, c/o Wender, Murase & White, 350 Park Avenue, New York, N.Y. 10022.
D. (6) $100. E. (9) $5.

A. Williams & Jensen, 1130 17th Street NW., Washington, D.C. 20036.
B. C. Brewer & Co., Ltd., P.O. Box 3470, Honolulu, Hawaii.
E. (9) $400.

A. Williams & Jensen, 1130 17th Street NW., Washington, D.C. 20036.
B. IU International Management Corp., 1501 Walnut Street, Philadelphia, Pa. 19102.
D. (6) $900. E. (9) $ 400.

A. Williams & Jensen, 1130 17th Street NW., Washington, D.C. 20036.
B. National Council for Health Care Services, 407 N Street SW., Washington, D.C.

A. Williams & Jensen, 1130 17th Street NW., Washington, D.C. 20036.
B. Ward Industries, Inc., P.O. Box 849, Conway, Ark. 72032.
D. (6) $1,000. E. (9) $400.

A. Kenneth Williamson, 2130 LeRoy Place NW., Washington, D.C. 20008.
B. General Conference of the Seventh-Day Adventists, 6840 Eastern Avenue NW., Washington, D.C. 20012.
D. (6) $1,500. E. (9) $89.27.

A. Wilmer, Cutler & Pickering, 900 17th Street NW., Washington, D.C. 20006.
B. American Airlines, Inc., 633 Third Avenue, New York, N.Y. 10017.
D. (6) $665. E. (9) $9.27.

A. Wilmer, Cutler & Pickering, 900 17th Street NW., Washington, D.C. 20006.
B. American Basketball Association, 1700 Broadway, New York, N.Y. 10019.
D. (6) $944.49. E. (9) $146.27.

A. Wilmer, Cutler & Pickering, 900 17th Street NW., Washington, D.C. 20006.
B. Oil Investment Institute, 2500 Dunstan, Houston, Tex. 77005.

A. Wilmer, Cutler & Pickering, 900 17th Street NW., Washington, D.C. 20006.
B. Yale University, New Haven, Conn. 06520.
E. (9) $69.40.

A. John A. Wilson, 1145 19th Street NW., Washington, D.C. 20036.
B. National Sharecroppers Fund, 1145 19th Street NW., Room 501, Washington, D.C. 20036.
D. (6) $22,945.91. E. (9) $8,791.41.

A. W. E. Wilson, 623 Ockley Drive, Shreveport, La. 71106.
B. Pennzoil Co., 900 Southwest Tower, Houston, Tex. 77002.
D. (6) $1,200. E. (9) $55.

A. R. J. Winchester, 900 Southwest Tower, Houston, Tex., 77002.

B. Pennzoil Co., 900 Southwest Tower, Houston, Tex. 77002.

D. (6) $3,000. E. (9) $2,700.

A. Richard F. Witherall, 702 Majestic Building, Denver, Colo. 80202.

B. Colorado Railroad Association, 702 Majestic Building, Denver, Colo.

A. Peter L. Wolff, Suite 370, One Dupont Circle NW., Washington, D.C. 20036.

B. Association of American Law Schools, Suite 370, One Dupont Circle NW., Washington, D.C. 20036.

A. Nathan T. Wolkomir, 1737 H Street NW., Washington, D.C. 20006.

B. National Federation of Federal Employees, 1737 H Street NW., Washington, D.C. 20006.

D. (6) $9,693.60. E. (9) $3,604.25.

A. Kenneth David Wollack, 1341 G Street NW, Suite 720, Washington, D.C. 20005.

B. American Israel Public Affairs Committee, 1341 G Street NW., Washington, D.C. 20005.

D. (6) $785.

A. Women's International League for Peace and Freedom, 1213 Race Street, Philadelphia, Pa., 19107.

D. (6) $8,025.09. E. (9) $9,827.92.

A. William E. Woods, 440 National Press Building, Washington, D.C. 20004.

B. National Association of Retail Druggists, One East Wacker Drive, Chicago, Ill. 60601.

D. (6) $750. E. (9) $150.

A. Albert Young Woodward, 815 Connecticut Avenue NW., Washington, D.C.

B. Signal Cos., Inc., 9665 Wilshire Boulevard, Beverly Hills, Calif. 90212.

A. Albert Young Woodward, 815 Connecticut Avenue NW., Washington, D.C.

B. The Flying Tiger Line, Inc., Los Angeles International Airport, Los Angeles, Calif.

A. Perry W. Woofter, 1801 K Street NW., Washington, D.C. 20006.

B. American Petroleum Institute, 1801 K Street NW., Washington, D.C. 20006.

D. (6) $2,340. E. (9) $281.

A. George M. Worden, 1425 K Street NW., Washington, D.C. 20005.

B. Hill and Knowlton, Inc., 150 East 42d Street, New York, N.Y. 10017.

D. (6) $550. E. (9) $28.

A. V. T. Worthington, 1500 North Quincy Street, Arlington, Va. 22207.

B. Association of Petroleum Re-Refiners, Box 7116, Arlington, Va. 22207.

A. Wyatt, Saltzstein, Minton & Howard, 1300 Wyatt Building, Washington, D.C. 20005.

B. American Business Press, Inc., 205 East 42d Street, New York, N.Y. 10017.

D. (6) $1,900. E. (9) $141.66.

A. Gerald L. Wykoff, 7315 Wisconsin Avenue, Washington, D.C. 20014.

B. National Electrical Contractors Association, 7315 Wisconsin Avenue, Washington, D.C. 20014.

A. Wyman, Bautzer, Rothman & Kuchel, 1211 Connecticut Avenue NW., Washington, D.C. 20036.

B. The Alaska Federation of Natives, Inc., 1675 C Street, Anchorage, Alaska 99501.

A. Wyman, Bautzer, Rothman & Kuchel, 1211 Connecticut Avenue NW., Washington, D.C. 20036.

B. California Canners and Growers, 3100 Ferry Building, San Francisco, Calif. 94106.

D. (6) $750.

A. Wyman, Bautzer, Rothman & Kuchel, 1211 Connecticut Avenue NW., Washington, D.C. 20036.

B. Copyright Owners Negotiating Committee, c/o Phillips, Nizer, Benjamin, Krim & Ballon, 477 Madison Ave., New York, N.Y. 10022.

A. Wyman, Bautzer, Rothman & Kuchel, 1211 Connecticut Avenue NW., Washington, D.C. 20036.

B. Embassy of the Government of the Republic of Korea, 2320 Massachusetts Avenue NW., Washington, D.C. 20008.

A. Wyman, Bautzer, Rothman & Kuchel, 1211 Connecticut Avenue NW., Washington, D.C. 20036.

B. Petersen Publishing Co., 8490 Sunset Boulevard, Los Angeles, Calif. 90069.

D. (6) $100.

A. Charles S. Yerrid, 1730 M Street NW., Washington, D.C. 20036.

B. American Optometric Association, c/o Jack A. Potter, 820 First National Bank Building, Peoria, Ill. 61602.

D. (6) $285.36. E. (9) $395.46.

A. John H. Yingling, 905 16th Street NW., Washington, D.C. 20006.

B. First National City Bank, 399 Park Avenue, New York, N.Y. 10022.

D. (6) $200. E. (9) 114.62.

A. Kenneth Young, 815 16th Street NW., Washington, D.C.

B. American Federation of Labor and Congress of Industrial Organizations, 815 16th Street NW., Washington,D.C.

D. (6) $7,150. E. (9) $395.17.

A. Albert H. Zinkand.

B. Getty Oil Co., 1701 Pennsylvania Avenue NW., Washington, D.C. 20006.

A. Charles O. Zuver, 1120 Connecticut Avenue NW., Washington, D.C. 20036.

B. The American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.

D. (6) $3,000. E. (9) $149.33.

QUARTERLY REPORTS*

*All alphanumeric characters and monetary amounts refer to receipts and expenditures on page 2, paragraphs D and E of the Quarterly Report Form.

The following registrations were submitted for the third calendar quarter 1973:

(NOTE.—The form used for registration is reproduced below. In the interest of economy in the RECORD, questions are not repeated, only the essential answers are printed, and are indicated by their respective letter and number.)

FILE ONE COPY WITH THE SECRETARY OF THE SENATE AND FILE TWO COPIES WITH THE CLERK OF THE HOUSE OF REPRESENTATIVES:

This page (page 1) is designed to supply identifying data; and page 2 (on the back of this page) deals with financial data.

PLACE AN "X" BELOW THE APPROPRIATE LETTER OR FIGURE IN THE BOX AT THE RIGHT OF THE "REPORT" HEADING BELOW:

"PRELIMINARY" REPORT ("Registration"): To "register," place an "X" below the letter "P" and fill out page 1 only.

"QUARTERLY" REPORT: To indicate which one of the four calendar quarters is covered by this Report, place an "X" below the appropriate figure. Fill out both page 1 and page 2 and as many additional pages as may be required. The first additional page should be numbered as page "3," and the rest of such pages should be "4," "5," "6," etc. Preparation and filing in accordance with instructions will accomplish compliance with all quarterly reporting requirements of the Act.

Year: 19_______ ◄

REPORT

PURSUANT TO FEDERAL REGULATION OF LOBBYING ACT

P	QUARTER			
	1st	2d	3d	4th
(Mark one square only)				

NOTE ON ITEM "A".—(a) IN GENERAL. This "Report" form may be used by either an organization or an individual, as follows:

(i) "Employee".—To file as an "employee", state (in Item "B") the name, address, and nature of business of the "employer". (If the "employee" is a firm [such as a law firm or public relations firm], partners and salaried staff members of such firm may join in filing a Report as an "employee".)

(ii) "Employer".—To file as an "employer", write "None" in answer to Item "B".

(b) SEPARATE REPORTS. An agent or employee should not attempt to combine his Report with the employer's Report:

(i) Employers subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their agents or employees.

(ii) Employees subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their employers.

A. ORGANIZATION OR INDIVIDUAL FILING:

1. State name, address, and nature of business.

2. If this Report is for an Employer, list names of agents or employees who will file Reports for this Quarter.

NOTE ON ITEM "B".—*Reports by Agents or Employees.* An employee is to file, each quarter, as many Reports as he has employers, except that: (*a*) If a particular undertaking is jointly financed by a group of employers, the group is to be considered as one employer, but all members of the group are to be named, and the contribution of each member is to be specified; (*b*) if the work is done in the interest of one person but payment therefor is made by another, a single Report—naming both persons as "employers"—is to be filed each quarter.

B. EMPLOYER.—State name, address, and nature of business. If there is no employer, write "None."

NOTE ON ITEM "C".—(*a*) The expression "in connection with legislative interests," as used in this Report, means "in connection with attempting, directly or indirectly, to influence the passage or defeat of legislation." "The term 'legislation' means bills, resolutions, amendments, nominations, and other matters pending or proposed in either House of Congress, and includes any other matter which may be the subject of action by either House"—§ 302(e).

(*b*) Before undertaking any activities in connection with legislative interests, organizations and individuals subject to the Lobbying Act are required to file a "Preliminary" Report (Registration).

(*c*) After beginning such activities, they must file a "Quarterly" Report at the end of each calendar quarter in which they have either received or expended anything of value in connection with legislative interests.

C. LEGISLATIVE INTERESTS, AND PUBLICATIONS in connection therewith:

1. State approximately how long legislative interests are to continue. If receipts and expenditures in connection with legislative interests have terminated, ☐ place an "X" in the box at the left, so that this Office will no longer expect to receive Reports.

2. State the general legislative interests of the person filing and set forth the *specific* legislative interests by reciting: (*a*) Short titles of statutes and bills; (*b*) House and Senate numbers of bills, where known; (*c*) citations of statutes, where known; (*d*) whether for or against such statutes and bills.

3. In the case of those publications which the person filing has caused to be issued or distributed in connection with legislative interests, set forth: (*a*) Description, (*b*) quantity distributed; (*c*) date of distribution, (*d*) name of printer or publisher (if publications were paid for by person filing) or name of donor (if publications were received as a gift).

(Answer items 1, 2, and 3 in the space below. Attach additional pages if more space is needed)

4. If this is a "Preliminary" Report (Registration) rather than a "Quarterly" Report, state below what the nature and amount of anticipated expenses will be; and if for an agent or employee, state also what the daily, monthly, or annual rate of compensation is to be. If this is a "Quarterly" Report, disregard this item "C4" and fill out item "D" and "E" on the back of this page. Do not attempt to combine a "Preliminary" Report (Registration) with a "Quarterly" Report.◄

AFFIDAVIT

[Omitted in printing]

PAGE 1◄

A. Actors Equity Association, 165 West 46th Street, New York, N.Y. 10036.
D. (6) $2,500. E. (9) $2,500.

A. Ad Hoc Committee for an Effective Investment Tax Credit, 1801 K Street NW., Washington, D.C. 20006.
D. (6) $659.03. E. (9) $659.03.

A. AFL–CIO Maritime Committee, 100 Indiana Avenue NW., Washington, D.C. 20001.
D. (6) $3,150. E. (9) $2,094.47.

A. Air Traffic Control Association, Inc., Suit 409, ARBA Building, 525 School Street SW., Washington, D.C. 20024.

A. George Alderson, 620 C Street SE., Washington, D.C. 20003.
B. Friends of the Earth, 620 C Street SE., Washington, D.C. 20003.
D. (6) $2,400.

A. American Civil Liberties Union, 22 East 40th Street, New York, N.Y. 10016.
D. (6) $29,467.26. E. (9) $29,467.26.

A. American Hospital Association, 840 North Lake Shore Drive, Chicago, Ill. 60611.
D. (6) $6,868.02. E. (9) $6,868.02.

A. American Humane Association, 5351 Rosyln Street, Englewood, Colo.
E. (9) $1,500.

A. American Institute of Housing Consultants, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $100. E. (9) $100.

A. American Institute of Merchant Shipping, 1625 K Street NW., Washington, D.C. 20006.
E. (9) $2,243.50.

A. American Insurance Association, 85 John Street, New York, N.Y. 10038.
B. Admiral Insurance Co., Aetna Casualty & Surety Co., Aetna Fire Underwriters Insurance Co., et al.
D. (6) $34,848.88. E. (9) $34,848.88.

A. The American Legion, 700 North Pennsylvania Street, Indianapolis, Ind. 46206.
D. (6) $67,766.91. E. (9) $45,743.70.

A. American Nurses' Association, Inc., 2420 Pershing Road, Kansas City, Mo. 64108.
D. (6) $47,925.45. E. (9) $47,925.45.

A. The American Society of Radiologic Technologists, 645 North Michigan Avenue, Suite 620, Chicago, Ill. 60611.
D. (6) $1,114.30. E. (9) $2,545.18.

A. American Vocational Association, 1510 H Street NW., Washington, D.C. 20005.
D. (6) $1,665. E. (9) $1,595.

A. Robert E. Ansheles, Suite 718, 1028 Connecticut Avenue NW., Washington, D.C. 20036.
B. CITC Industries, Inc., 1 Park Avenue, New York, N.Y. 10016.
D. (6) $125. E. (9) $36.25.

A. Arnold & Porter, 1229 19th Street NW., Washington, D.C. 20036.
B. Montgomery County, Md., Lawyers Association, c/o George Ballman, 3720 Farragut Street, Kensington, Md.
D. (6) $1,333. E. (9) $116.

A. Arnold & Porter, 1229 19th Street NW., Washington, D.C. 20036.
B. Recording Industry Association of America, Inc., 1 East 57th Street, New York, N.Y. 10022.
D. (6) $13,739. E. (9) $1,346.81.

A. Arnold & Porter, 1229 19th Street NW., Washington, D.C. 20036.
B. State Farm Mutual Insurance Co., 112 East Washington Street, Bloomington, Ill. 61701.
D. (6) $581. E. (9) $24.

A. Judith A. Assmus, 1763 R Street NW., Washington, D.C. 20009.
B. Washington Research Project Action Council, 1763 R Street NW., Washington, D.C. 20009.
D. (6) $2,125.

A. Association of Petroleum Re-Refiners, 1500 North Quincy Street, Box 7116, Arlington, Va. 22207.

A. Gary D. Avery, 900 17 Street NW., Washington, D.C. 20006.
B. The Chase Manhattan Bank, 1 Chase Manhattan Plaza, New York, N.Y. 10015.
D. (6) $84. E. (9) $40.79.

A. Baker & McKenzie, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Dresser Industries, Inc., P.O. Box 718, Dallas, Tex 75221.
D. (6) $4,173.

A. Peter M. Balitsaris, 1625 L Street NW., Washington, D.C. 20036.
B. National Association of Home Builders of the United States, 1625 L Street NW., Washington, D.C. 20036.
D. (6) $3,656.25. E. (9) $475.43.

A. James C. Barr, 1156 15th Street NW., Washington, D.C. 20005.
B. National Association of Federal Credit Unions, 1156 15th Street NW., Washington, D.C. 20005.
D. (6) $300. E. (9) $117.50.

A. Ross Bass Assoicates, 4000 Massachusetts Avenue NW., Washington, D.C. 20016.
B. Record Industry Association of America, 1 East 57th Street, New York, N.Y.
D. (6) $6,250.

A. Davis M. Batson, 1155 15th Street NW., No. 611, Washington, D.C. 20005.
B. Ethyl Corp., 1155 15th Street NW., No. 611, Washington, D.C. 20005.

A. C. Thomas Bendorf, 1620 I Street NW., Washington, D.C. 20006.
B. Association of Trial Lawyers of America.
D. (6) $3,403.17. E. (9) $1,903.17.

A. Berl Bernhard, 1660 L Street NW., Washington, D.C.
B. The Common Fund, 635 Madison Avenue, New York, N.Y. 10022.
D. (6) $4,250. E. (9) $73.76.

A. Richard W. Bliss, 1100 Ring Building, Washington, D.C. 20036.
B. American Mining Congress, 1100 Ring Building, Washington, D.C. 20036.
D. (6) $475.

A. Boston Lawyers' Vietnam Committee, 18 Tremont Street, Boston, Mass.
D. (6) $1,658.

A. Melvin J. Boyle, 1125 15th Street NW., Washington, D.C. 20005.
B. International Brotherhood of Electrical Workers, AFL–CIO–CLC, 1125 15th Street NW., Washington, D.C. 20005.
D. (6) $6,333.

A. Cyril F. Brickfield, 1225 Connecticut Avenue NW., Washington, D.C. 20036.
B. American Association of Retired Persons/National Retired Teachers Association, 1225 Connecticut Avenue NW., Washington, D.C. 20036.
E. (9) $169.

A. Brotherhood of Railway, Airline & Steamship Clerks, 6300 River Road, Rosemont, Ill. 60018.
D. (6) $20,498.89. E. (9) $20,498.89.

A. David R. Brower, 620 C Street SE., Washington, D.C. 20003.
B. Friends of the Earth, 620 C Street SE., Washington, D.C. 20003.
D. (6) $1,000.

A. W. F. Broxterman, 1730 Rhode Island Avenue NW., Washington, D.C.
B. Credit Union National Association, Inc., 1617 Sherman Avenue, Madison, Wis.
D. (6) $1,744.58. E. (9) $70.35.

A. Marguerite E. Bryan, 400 First Street NW., Suite 700, Washington, D.C. 20001.
B. Marine Engineers' Beneficial Association, District No. 1, Pacific Coast District, 17 Battery Place, New York, N.Y. 10004.
D. (6) $900. E. (9) $40.61.

A. Philip N. Buckminster, 1100 Connecticut Avenue NW., Washington, D.C. 20036.
B. Chrysler Corp., 12000 Oakland Avenue, Highland Park, Mich. 48231.
D. (6) $1,000. E. (9) $155.

A. Norman D. Burch, 1775 K Street NW., Washington, D.C. 20006.
B. College of American Pathologists, 230 North Michigan Avenue, Chicago, Ill. 60601.
D. (6) $3,375. E. (9) $227.44.

A. J. J. Burke, Jr., 40 East Broadway, Butte, Mont. 59701.
B. The Montana Power Co., Butte, Mont. 59701.
E. (9) $233.25.

A. Lowell A. Burkett, 1510 H Street NW., Washington, D.C. 20005.
B. American Vocational Association, 1510 H Street NW., Washington, D.C. 20005.
D. (6) $1,011.

A. Paul M. Butler, Jr., 53 Wall Street, New York, N.Y. 10005.
B. Citicorp Leasing International, Inc., 399 Park Avenue, New York, N.Y. 10022.
E. (9) $375.14.

A. Paul M. Butler, Jr., 53 Wall Street, New York, N.Y. 10005.
B. Schlumberger Ltd., 277 Park Avenue, New York, N.Y. 10017.
E. (9) $1,158.72.

A. Paul M. Butler, Jr., 53 Wall Street, New York, N.Y. 10005.
B. White, Weld & Co. Inc., One Liberty Plaza, New York, N.Y. 10006.
E. (9) $205.80.

A. Norval E. Carey, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. Gulf Oil Corp., Pittsburgh, Pa.
D. (6) $1,000. E. (9) $375.

A. Charles R. Carlisle, Suite 903, 1701 K Street NW., Washington, D.C. 20006.
B. Lead-Zinc Producers Committee.
D. (6) $2,115. E. (9) $2,702.02.

A. James Cassese, Sr., 400 First Street NW., Washington, D.C. 20001.
B. Brotherhood of Maintenance of Way Employees, 12050 Woodward Avenue, Detroit, Mich. 48203.
D. (6) $3,600.

A. Central America Cooperative Federation, Inc., 400 World Center Building, 918 16th Street NW., Washington, D.C. 20006.
E. (9) $1,513.32.

A. Hal M. Christensen, 1101 17th Street NW., Washington, D.C. 20036.

B. American Dental Association, 1101 17th Street NW., Washington, D.C. 20036.
D. (6) $3,000.

A. Albert T. Church, Jr., 1625 K Street NW., Washington, D.C. 20006.
B. American Institute of Merchant Shipping, 1625 K Street NW., Washington, D.C. 20006.
D. (6) $57.50 E. (9) $6.13.

A. Joan Claybrook, Room 305, 2000 P Street NW., Washington, D.C. 20036.
B. Congress Watch, Room 305, 2000 P Street NW., Washington, D.C. 20036.

A. Coalition Against Strip Mining, 324 C Street SE., Washington, D.C. 20003.
D. (6) $2,500. E. (9) $1,583.12.

A. Carl A. S. Coan, Jr., 1625 L Street NW., Washington, D.C. 20036.
B. National Association of Home Builders of the United States, 1625 L Street NW., Washington, D.C. 20036.
D. (6) $7,125. E. (9) 889.80.

A. Colson & Shapiro, 1735 New York Avenue NW., Washington, D.C. 20006.
B. American International Reinsurance Co., Hamilton, Bermuda.
D. (6) $5,000.

A. Colson & Shapiro, 1735 New York Avenue NW., Washington, D.C. 20006.
B. Committee for the Martin Report, Washington, D.C.
D. (6) $3,125. E. (9) $301.32.

A. Colson & Shapiro, 1735 New York Avenue NW., Washington, D.C. 20006.
B. Vance, Sanders & Co., Boston, Mass.; Federated Investors, Inc., Pittsburgh, Pa.; Fidelity Management & Research Co., Boston, Mass.

A. Robert J. Conner, Jr., 1100 Connecticut Avenue NW., Washington, D.C. 20036.
B. Chrysler Corp., 12000 Oakland Avenue, Highland Park, Mich. 48231.
D. (6) $500. E. (9) $250.

A. Consulting Engineers Council/US, 1155 15th Street NW., Suite 713, Washington, D.C. 20005.
D. (6) $5,840. E (9) $6,450.

A. Charles F. Cook, Jr., 1100 Ring Building, Washington, D.C. 20036.
B. American Mining Congress, 1100 Ring Building, Washington, D.C. 20036.
D. (6) $1,075.

A. Harry N. Cook, Suite 200, 1130 17th Street NW., Washington, D.C. 20036.
B. The National Waterways Conference, Inc.

A. Allan D. Cors, 1629 K Street NW., Washington, D.C. 20006.
B. Corning Glass Works, Corning, N.Y. 14830.
D. (6) $200.

A. Council of AFL–CIO Unions for Scientific, Professional and Cultural Employees, 1155 15th Street NW., Washington, D.C. 20005.
D. (6) $1,250.

A. John A. Couture, 1625 L Street NW., Washington, D.C. 20036.
B. National Association of Home Builders of the United States, 1625 L Street NW., Washington, D.C. 20036.
D. (6) $4,687.50. E(9)$278.18.

A. Credit Union National Association, Inc., 17 Sherman Avenue, Madison, Wis.
D. (6) $6,311.82. E. (9) $675.19.

A. William E. Cumberland, 1125 15th Street NW., Washington, D.C. 20005.
B. Mortgage Banks Association of America, 1125 15th Street NW., Washington, D.C.
D. (6) $538. E. (9) $2,122.

A. David H. Dabney, 724 14th Street, NW., No. 338, Washington, D.C. 20005.
B. Mass Participation Lobbyists Association, 724 14th Street NW., No. 338, Washington, D.C. 20005.

A. William Kay Daines, 1616 H Street NW., Washington, D.C. 20006.
B. American Retail Federation, 1616 H Street NW., Washington, D.C. 20006.
D. (6) $1,500. E. (9) $70.

A. Daniels & Houlihan, 1819 H Street NW., Washington, D.C. 20006.
B. American Importers Association, 420 Lexington Avenue, New York, N.Y. 10017.
E. (9) $226.99.

A. Daniels & Houlihan, 1819 H Street NW., Washington, D.C. 20006.
B. Japan Lumber Importers Association, Tokyo, Japan.
D. (6) $1,850. E. (9) $105.51.

A. Daniels & Houlihan, 1819 H Street NW., Washington, D.C. 20006.
B. National Office Machine Dealers Association, 2510 Dempster Street, Des Plaines, Ill. 60016.
D. (6) $1,000. E. (9) $106.07.

A. Richard C. Darling, 1156 15th Street NW., Washington, D.C. 20005.
B. J. C. Penney Co., Inc., 1301 Avenue of the Americas, New York, N.Y. 10019.
D. (6) $640. E. (9) $552.32.

A. Donald S. Dawson, 723 Washington Building, Washington, D.C. 20005.
B. Opticians Association of America, 1250 Connecticut Avenue NW., Washington, D.C. 20036.

A. Dawson, Quinn, Riddell, Taylor & Davis, 723 Washington Building, Washington, D.C. 20005.
B. Air Transport Association, 1709 New York Avenue NW., Washington, D.C.

A. Dawson, Quinn, Riddell, Taylor & Davis, 723 Washington Building, Washington, D.C. 20005.
B. Association of Plaintiffs Trial Attorneys for Metropolitan Washington, D.C., Inc., 910 17th Street, NW., Washington, D.C. 20005.

A. Dawson, Quinn, Riddell, Taylor & Davis, 723 Washington Building, Washington, D.C. 20005.
B. United States Brewers Association, Inc., 1750 K Street NW., Washington, D.C. 20006.
D. (6) $15,000.

A. Dawson, Quinn, Riddell, Taylor & Davis, 723 Washington Building, Washington, D.C. 20005.
B. C.I.T. Financial Corp., 650 Madison Avenue, New York, N.Y. 10022.

A. Dealer Bank Association, P.O. Box 479, Wall Street Station, New York, N.Y. 10005.

A. George W. Della III, 1115 Maryland National Bank Building, 10 Light Street, Baltimore, Md. 21202.
B. Baltimore Gas & Electric Co., Gas & Electric Building, Baltimore, Md. 21203.

A. Leslie E. Dennis, 400 First Street NW., Washington, D.C. 20001.
B. Brotherhood of Railway, Airline & Steamship Clerks, 6300 River Road, Rosemont, Ill. 60018.
D. (6) $850. E. (9) $193.

A. Steven P. Doehler, 1300 Connecticut Avenue NW., Washington, D.C.
B. National Association of Real Estate Boards, 155 East Superior Street, Chicago, Ill.
D. (6) $1,582.50.

A. William DuChessi, 1126 16th Street NW., Washington, D.C. 20036.
B. Textile Workers Union of America, 99 University Place, New York, N.Y. 10003.
D. (6) $1,475. E. (9) $100.

A. Hugh G. Duffy, 1750 New York Avenue NW., Washington, D.C. 20006.
B. National Consumer Center for Legal Services, 1750 New York Avenue NW., Washington, D.C. 20006.
D. (6) $1,050.

A. Bruce Dunton, 1126 16th Street NW., Washington, D.C.
B. Textile Workers Union of America, 99 University Place, New York, N.Y. 10003.
D. (6) $3,285. E. (9) $100.

A. Henry I. Dworshak, 1100 Ring Building, Washington, D.C. 20036.
B. American Mining Congress, 1100 Ring Building, Washington, D.C. 20036.
D. (6) $1,175.

A. Eastern Meat Packers Association, Inc., 734 15th Street NW., Washington, D.C. 20005.
D. (6) $1.18. E. (9) $36.94.

A. Charles Ehrhart, 1800 K Street NW., Washington, D.C. 20006.
B. Ralston Purina Co., Checkerboard Square, St. Louis, Mo. 63188.
D. (6) $400. E. (9) $132.18.

A. Janice Eichhorn, 512A Sixth Street SE., Washington, D.C.
B. Self-Determination for D.C., 2030 M Street NW., Washington, D.C. 20036.
D. (6) $3,000. E. (9) $40.70.

A. Frank Ellis Associates, Suite 400, 1730 North Lynn Street, Arlington, Va. 22209.
E. (9) $219.51.

A. D. A. Ellsworth, 400 First Street NW., Washington, D.C. 20001.
B. Brotherhood of Railway, Airline & Steamship Clerks, 6300 River Road, Rosemont, Ill., 60018.
D. (6) $5,790. E. (9) $1,803.54.

A. Roy Elson, 1771 N Street NW., Washington, D.C. 20036.
B. National Association of Broadcasters, 1771 N Street NW., Washington, D.C. 20036.
D. (6) $4,200. E. (9) $551.25.

A. Glenn R. Erickson, 1616 H Street NW., Washington, D.C. 20006.
B. American Retail Federation, 1616 H Street NW., Washington, D.C. 20006.
D. (6) $1,200. E. (9) $250.

A. Ethyl Corp., 1155 15th Street NW., No. 611, Washington, D.C. 20005.

A. Penelope S. Farthing, 1616 H Street NW., Washington, D.C. 20006.
B. American Retail Federation, 1616 H Street NW., Washington, D.C.
D. (6) $1,500. E. (9) $175.

A. Edward R. Fellows, Jr., 1200 17th Street, Suite 500, Washington, D.C. 20036.
B. National League of Insured Savings Associations, 1200 17th Street NW., Suite 500, Washington, D.C. 20036.

A. Fensterwald & Ohlhausen, 910 16th Street NW., Washington, D.C. 20006.
B. Committee for Humane Legislation, Inc.
D. (6) $4,500. E. (9) $1,695.23.

A. Francis C. Fini, 2020 Brooks Drive, Apt. 618, Suitland, Md. 20031.
B. Air Force Sergeants Association, 6101 28th Avenue SE., Marlow Heights, Md. 20031.

A. Firearms Lobby of America, 325 Pennsylvania Avenue SE., Washington, D.C. 20003.
E. (9) $6,646.95.

A. Ronald C. Frankis, 1730 Rhode Island Avenue NW., Washington, D.C.
B. Credit Union National Association, Inc., 1617 Sherman Avenue, Madison, Wis.
D. (6) $1,279.32. E. (9) $110.85.

A. Friends of the Earth, 620 C Street SE., Washington, D.C. 20003.
D. (6) $7,600. E. (9) $7,600.

A. Frosh, Lane & Edson, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. American Institute of Housing Consultants, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $100.

A. Frosh, Lane & Edson, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. Institute for Government Assisted Housing, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $900.

A. Frosh, Lane & Edson, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. National Association of Building Manufacturers, 1619 Massachusetts Avenue NW., Washington, D.C. 20036.
D. (6) $1,200.

A. Frosh, Lane & Edson, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. The Section 23 Leased Housing Association, Suite 707, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $450.

A. Gadsby & Hannah, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. American Council of Independent Laboratories, Inc., 1026 17th Street NW., Washington, D.C. 20036.
D. (6) $100.

A. Gadsby & Hannah, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. National Council of Professional Services Firms in Free Enterprise, 1100 Glendon Avenue, Los Angeles, Calif.
D. (6) $500.

A. Edward A. Garmatz, 2210 Lake Avenue, Baltimore, Md. 21213.
B. Baltimore Gas & Electric Co., Gas & Electric Building, Baltimore, Md. 21203.

A. Thomas R. Garrett, 620 C Street SE., Washington, D.C. 20003.
B. Friends of the Earth, 620 C Street SE., Washington, D.C. 20003.
D. (6) $1,950.

A. Leo J. Gehrig, One Farragut Square South, Washington, D.C. 20006.
B. American Hospital Association, 840 North Lake Shore Drive, Chicago, Ill 60611.
D. (6) $1,722.82. E. (9) $397.10.

A. General Aviation Manufacturers Association, 1025 Connecticut Avenue NW., Suite 1215, Washington, D.C. 20036.

A. George W. Gephart, Gas & Electric Building, Baltimore, Md. 21203.
B. Baltimore Gas & Electric Co., Gas & Electric Building, Baltimore, Md. 21203.

A. Louis Gerber, 1925 K Street NW., Washington, D.C. 20006.
B. Communications Workers of America, 1925 K Street NW., Washington, D.C. 20006.
E. (9) $2,740.63.

A. Jack Golodner, 1225 19th Street NW., Washington, D.C.
B. Actors Equity Association, 165 West 46th Street, New York, N.Y. 10036.
D. (6) $2,500. E. (9) $310.

A. Jack Golodner, 1155 15th Street NW., Washington, D.C. 20005.
B. Council of AFL-CIO Unions for Scientific, Professional and Cultural Employees, 1155 15th Street NW., Washington, D.C.
D. (6) $1,000.
A. Graphic Arts International Union, 1900 L Street NW., Washington, D.C. 20036.
D. (6) $1,527. E. (9) $1,714.

A. Jerome R. Gulan, 1225 19th Street NW., Washington, D.C. 20036.
B. National Small Business Association, 1225 19th Street NW., Washington, D.C. 20036.
D. (6) $4,500. E. (9) $1,200.

A. James M. Hacking, 1225 Connecticut Avenue NW., Washington, D.C. 20036.
B. American Association of Retired Persons/National Retired Teachers Association, 1225 Connecticut Avenue NW., Washington, D.C. 20036.
E. (9) $89.93.

A. Hubert D. Hagen, Suite 1800, 500 North Broadway, St. Louis, Mo. 63102.
B. Arch Mineral Corp., Suite 1800, 500 North Broadway, St. Louis, Mo. 63102.
D. (6) $880. E. (9) $1,408.52.

A. William E. Hardman, 9300 Livingston Road, Washington, D.C. 20022.
B. National Tool, Die and Precision Machining Association, 9300 Livingston Road, Washington, D.C. 20022.

A. Donald L. Harlow, 310 Riley Street, Falls Church, Va. 22046.
B. Air Force Sergeants Association, Inc., 6101 28th Avenue SE., Marlow Heights, Md. 20031.

A. Richard A. Henneges, 1300 Connecticut Avenue NW., Washington, D.C.
B. National Association of Real Estate Boards, 135 East Superior Street, Chicago, Ill.
D. (6) $1,500. E. (9) $108.72.

A. Saunders C. Hillyer, 620 C Street SE., Washington, D.C. 20003.
B. Cordova District Fisheries Union, Box 399, Cordova, Alaska 99574.
D. (6) $1,200.

A. Thomas W. Holland, 1629 K Street NW., Suite 603, Washington, D.C. 20006.
B. Magazine Publishers Association, Inc., 575 Lexington Avenue, New York, N.Y. 10022.
D. (6) $923.12. E. (9) $91.60.

A. Douglass C. Horstman, 1612 K Street NW., Washington, D.C. 20006.
B. Northern Textile Association, Maytag Co.
D. (6) $1,250. E. (9) $125.

A. Valerie C. Howard, 1925 K Street NW., Washington, D.C. 20006.
B. Communications Workers of America, 1925 K Street NW., Washington, D.C. 20006.
E. (9) $100.

A. Peter W. Hughes, 1225 Connecticut Avenue NW., Washington, D.C. 20036.
B. American Association of Retired Persons/National Retired Teachers Association, 1225 Connecticut Avenue NW., Washington, D.C. 20036.
E. (9) $103.77.

A. Gerald W. Hyland, 1730 Rhode Island Avenue, Washington, D.C.
B. Credit Union National Association, Inc., 1617 Sherman Avenue, Madison, Wis.
D. (6) $1,152.31. E. (9) $83.44.

A. Bernard J. Imming, 777 14th Street NW., Washington, D.C. 20005.
B. United Fresh Fruit & Vegetable Association, 777 14th Street NW., Washington, D.C. 20005.
D. (6) $437.50.

A. INA Corp., 1600 Arch Street, Philadelphia, Pa.

A. Institute for Government Assisted Housing, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $900. E. (9) $900.

A. Raymond M. Jacobson, 1819 H Street NW., No. 550, Washington, D.C. 20006.
B. American Society of Consulting Planners, 1750 Old Meadow Road, McLean, Va. 22101.
D. (6) $1,249.98.

A. H. Bradley Johnson, 1100 Ring Building, Washington, D.C. 20036.
B. American Mining Congress, 1100 Ring Building, Washington, D.C. 20036.
D. (6) $975.

A. Janice C. Johnson, 1611 North Kent Street, Rosslyn Plaza, Suite 803-A, Arlington, Va. 22209.
B. American Osteopathic Association, 1611 North Kent Street, Suite 803-A, Rosslyn Plaza, Arlington, Va. 22209.
D. (6) $600. E. (9) $120.

A. Ardon B. Judd, Jr., 1100 Connecticut Avenue, Washington, D.C. 20036.
B. Dresser Industries, Inc., 1100 Connecticut Avenue.

A. Mrs. Fritz R. Kahn, 9202 Ponce Place, Fairfax, Va. 22030.
B. National Congress of Parents and Teachers, 700 North Rush Street, Chicago, Ill. 60611.
E. (9) $11.50.

A. Milton M. Kaufmann.
B. Committee for Humane Legislation, Inc., 11 West 60th Street, New York, N.Y. 10023.
D. (6) $500. E. (9) $1,260.

A. James J. Kennedy, Jr., 400 First Street NW., Washington, D.C. 20001.
B. Brotherhood of Railway, Airline & Steamship Clerks, 6300 River Road, Rosemont, Ill. 60018.
D. (6) $5,294.40. E. (9) $2,071.66.

A. Kennedy & Leighton, 888 17th Street, Washington, D.C. 20006.
B. Grocery Manufacturers of America, Inc., 1425 K Street NW., Washington, D.C. 20005.

A. Gibson Kingren, 900 17th Street NW., Washington, D.C. 20006.
B. Kaiser Foundation Health Plan, Inc.
D. (6) $1,125. E. (9) $564.75.

A. Peter M. Kirby, 1709 New York Avenue NW., Washington, D.C.
B. Air Transport Association.
D. (6) $750. E. (9) $590.60.

A. Kirkland, Ellis & Rowe, 1776 K Street NW., Washington, D.C. 20006.
B. Grocery Manufacturers of America, Inc., 1425 K Street NW., Washington, D.C. 20005.

A. Keith R. Knoblock, 1100 Ring Building, Washington, D.C. 20036.

B. American Mining Congress, 1100 Ring Building, Washington, D.C. 20036.

D. (6) $7.25.

A. Lawrence E. Kreider, 1015 18th Street NW., Washington, D.C. 20036.

B. Conference of State Bank Supervisors, 1015, 18th Street NW., Washington, D.C. 20036.

A. Laurence F. Lane, 1225 Connecticut Avenue NW., Washington, D.C. 20036.

B. American Association of Retired Persons/National Retired Teachers Association, 1225 Connecticut Avenue NW., Washington, D.C. 20036.

E. (9) $340.62.

A. William Lazarus, 1616 H Street NW., Washington, D.C. 20006.

B. American Retail Federation, 1616 H Street NW., Washington, D.C. 20006.

D. (6) $1,500. E. (9) $70.

A. Charles W. Lee, 300 New Jersey Avenue SE., Room 211, Washington, D.C. 20003.

B. Full Funding of Education Programs, 300 New Jersey Avenue SE., Washington, D.C.

D. (6) $125. E. (9) $25.

A. Donald Lerch & Co., Inc., 1101 17th Street NW., Washington, D.C. 20036.

B. Shell Chemical Co., 2401 Crow Canyon Road, San Ramon, Calif.

A. Liberty Lobby, Inc., 130 Third Street SE., Washington, D.C. 20003.

D. (6) $21,796.57. E. (9) $14,172.96.

A. Zel E. Lipsen, Suite 1100, 1801 K Street NW., Washington, D.C. 20006.

D. (6) $1,500.

A. Edgar Lockwood, 1800 R Street NW., Washington, D.C. 20036.

B. The Washington Office on Africa, 110 Maryland Avenue NE., Washington, D.C. 20002.

D. (6) $3,000.

A. J. Patrick Logue, 1030 15th Street NW., No. 408, Washington, D.C. 20005.

B. American Nurses' Association, Inc., 2420 Pershing Road, Kansas City, Mo. 64108.

D. (6) $3,712.62.

A. Clarence T. Lundquist, 4822 Tilden Street NW., Washington, D.C. 20016.

B. Menswear Retails of America, Room 390, National Press Building, Washington, D.C. 20004.

D. (6) $600.

A. LeRoy E. Lyon, Jr., Eleventh and L Building, Sacramento, Calif. 95814.

B. California Railroad Association, Eleventh and L Building, Saramento, Calif. 95814.

E. (9) $1,465.17.

A. Macmillan, Inc., 1701 North Fort Myer Drive, Suite 601, Arlington, Va. 22209.

E. (9) $8.40.

A. Elizabeth Mallory, Box 718, Union Station, Endicott, N.Y. 13760.

B. National Congress of Parents and Teachers, 700 North Rush Street, Chicago, Ill. 60611.

E. (9) $941.04.

A. Ben J. Man, 400 First Street NW., Suite 700, Washington, D.C. 20001.

B. Marine Engineers' District No. 1, Pacific Coast District, Beneficial Association, 17 Battery Place, New York, N.Y. 10004.

D. (6) $1,638. E. (9) $215.24.

A. Dallace E. Marable.

B. National Association of Manufacturers, 277 Park Avenue, New York, N.Y. 10017.

D. (6) $750.

A. Marine Engineers' Beneficial Association, District No. 1, Pacific Coast District, 17 Battery Place, New York, N.Y. 10004

E. (9) $4,855.38.

A. Massachusetts Lawyers' Vietnam Committee, 18 Tremont Street, Boston, Mass.

E. (9) $585.

A. Albert E. May, 1625 K Street NW., Washington, D.C. 20006.

B. American Institute of Merchant Shipping, 1625 K Street NW., Washington, D.C. 20006.

D. (6) $95. E. (9) $16.62.

A. Anthony Mazzocchi, 1126 16th Street NW., Washington, D.C. 20036.

B. Oil, Chemical & Atomic Workers International Union, 1636 Champa Street, Denver, Colo. 80201.

D. (6) $2,035. E. (9) $227.50.

A. McClure & Trotter, 1100 Connecticut Avenue NW., Suite 600, Washington, D.C. 20036.

B. United Artists Corp., 729 Seventh Avenue, New York, N.Y. 10019.

A. J. Patrick McElroy, 1100 Ring Building, Washington, D.C. 20036.

B. American Mining Congress, 1100 Ring Building, Washington, D.C. 20036.

D. (6) $725.

A. Peter E. McGuire, 400 First Street NW., Washington, D.C. 20001.

B. National Association of Retired & Veteran Railway Employees, Inc., P.O. Box 6069, Kansas City, Kans. 66106.

D. (6) $500. E. (9) $500.

A. Stephen J. McKenna, 1620 I Street NW., Washington, D.C. 20006.

B. C. Thomas Bendorf, 1620 I Street NW., Washington, D.C. 20006

D. (6) $1,500.

A. William F. McKenna, 1200 17th Street NW., Suite 500, Washington, D.C. 20036.

B. National League of Insured Savings Associations, 1200 17th Street NW., Suite 500, Washington, D.C. 20036.

D. (6) $255.02.

A. William F. McManus, 777 14th Street NW., Washington, D.C. 20005.

B. General Electric Co., 570 Lexington Avenue, New York, N.Y. 10022.

D. (6) $150. E. (9) $120.

A. Harry C. McPherson, Jr., 1660 L Street NW., Washington, D.C.

B. The Common Fund, 635 Madison Avenue, New York, N.Y. 10022.

D. (6) $4,250.

A. Edward L. Merrigan, 888 17th Street NW., Washington, D.C. 20006.

B. National Association of Secondary Material Industries, Inc., 330 Madison Avenue, New York, N.Y. 10017.

D. (6) $12,500. E. (9) $240.99.

A. Clinton R. Miller, 121 Second Street NE., Suite 5, Washington, D.C.

B. National Health Federation, 211 West Colorado Boulevard, Monrovia, Calif.

D. (6) $4,325. E. (9) $70.

A. Joseph L. Miller, 1612 K Street NW., Washington, D.C. 20006.

B. Maytag Co., Northern Textile Association, National Parking Association, Hormel Co.

D. (6) $2,500. E. (9) $250.

A. Lester F. Miller, 1750 Pennsylvania Avenue NW., Washington, D.C.

B. National Rural Letter Carriers' Association, 1750 Pennsylvania Avenue NW., Washington, D.C.

D. (6) $354. E. (9) $7.

A. John G. Mohay, 734 15th Street NW., Washington, D.C. 20005.

B. The National Independent Meat Packers Association, 734 15th Street NW., Washington, D.C. 20005.

D. (6) $350.01.

A. A. S. Mike Monroney, 1701 K Street NW., Suite 1000, Washington, D.C. 20006.

B. Osage Tribal Council, Pawhuska, Okla. 74056.

A. Jo V. Morgan, Jr., 815 15th Street NW., Washington, D.C. 20005.

B. The American Humane Association, P.O. Box 1266, Denver, Colo. 80201.

D. (6) $1,500.

A. John Morgan, 1925 K Street NW., Washington, D.C. 20006.

B. Communications Workers of America, 1925 K Street NW., Washington, D.C. 20006.

E. (9) $621.24.

A. John J. Motley.

B. National Federation of Independent Business, 1921 Washington Building, 15th and New York Avenue NW., Washington, D.C. 20005.

D. (6) $3,000. E. (9) $275.

A. Richard E. Murphy, 900 17th Street NW., Washington, D.C. 20006.

B. Service Employees International Union, AFL–CIO, 900 17th Street NW., Washington, D.C. 20006.

D. (6) $1,000. E. (9) $100.

A. D. Michael Murray, 1000 Connecticut Avenue NW., Suite 1103, Washington, D.C. 20036.

B. The Cleveland-Cliffs Iron Co., 1460 Union Commerce Building, Cleveland, Ohio 44115.

D. (6) $100. E. (9) $150.33.

A. D. Michael Murray, 1000 Connecticut Avenue NW., Suite 1103, Washington, D.C. 20036.

B. National Association of Industrial Parks, 1601 North Kent Street, Arlington, Va. 22209.

D. (6) $150. E. (9) $212.50.

A. George E. Myers, 1730 Rhode Island Avenue NW., Washington, D.C.

B. Credit Union National Association, Inc., 1617 Sherman Avenue, Madison, Wis.

D. (6) $971.57. E. (9) $139.35.

A. National Associated Businessmen, Inc., 1000 Connecticut Avenue NW., Washington, D.C. 20036.

D. (6) $692.67. E. (9) $1,182.94.

A. National Association for the Advancement of Colored People, 1790 Broadway, New York, N.Y. 10019.

D. (6) $14,854.93. E. (9) $15,771.32.

A. National Association of Building Manufacturers, 1619 Massachusetts Avenue NW., Washington, D.C. 20036.

D. (6) $1,500. E. (9) $1,500.

A. National Association of Home Builders of the United States, 1625 L Street NW., Washington, D.C. 20036.

D. (6) $35,352.56. E. (9) $35,778.68.

A. National Association of Margarine Manufacturers, 1725 K Street NW., Suite 1202, Washington, D.C. 20006.

E. (9) $30.

A. National Association of Real Estate Boulevards, 155 East Superior Street, Chicago, Ill. 60611.
E. (9) $19,932.04.

A. National Association of School Bus Contract Operators, 4616 Lawn Court, Fairfax, Va. 22030.
D. (6) $2,427.11.

A. National Congress of Parents and Teachers, 700 North Rush Street, Chicago, Ill. 60611.
E. (9) $941.04.

A. National Consumer Center for Legal Services, 1750 New York Avenue, NW., Washington, D.C. 20006.
D. (6) $3,400. E. (9) $1,200.

A. National Convocation of Lawyers to End the War, 18 Tremont Street, Boston, Mass.
D. (6) $540. E. (9) $540.

A. The National Independent Meat Packers Association, 734 15th Street, NW., Washington, D.C. 20005.
D. (6) $5,814.13 E. (9) $2,196.43.

A. National League of Insured Savings Association's, 1200 17th Street, NW., Suite 500, Washington, D.C. 20036.
D. (6) $171,765.28 E. (9) $440.02.

A. National Livestock Feeders Association, Inc., 309 Livestock Exchange Building, Omaha, Nebr. 68107.
D. (6) $8,238.91. E. (9) $8,238.91.

A. National Parking Association, 1101 17th Street, NW., Washington, D.C.
E. (9) $825.

A. National Rural Housing Coalition, 1346 Connecticut Avenue, NW., Washington, D.C. 20036.
D. (6) $2,465.82. E. (9) $3,425.55.

A. National Rural Letter Carriers' Association, 1750 Pennsylvania Avenue NW., Washington, D.C. 20006.
D. (6) $6,330. E. (9) $4,827.

A. National Student Lobby, 413 East Capitol Street SE., Washington, D.C. 20003.
D. (6) $12,014.69 E. (9) $14,037.08.

A. National Tax Equality Association, 1000 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $5,182.97. E. (9) $7,025.38.

A. Alexander W. Neale, Jr., 1015 18th Street NW., Washington, D.C. 20036.
B. Conference of State Bank Supervisors, 1015 18th Street NW., Washington, D.C. 20036.
D. (6) $1,395. E. (9) $18.85.

A. Ivan A. Nestingen, 1000 Connecticut Avenue NW., Washington, D.C.
B. Credit Union National Association, Inc., 1617 Sherman Avenue, Madison, Wis.
D. (6) $300. E. (9) $227.20.

A. W. Brice O'Brien, 1100 Ring Building, Washington, D.C. 20036.
B. American Mining Congress, 1100 Ring Building, Washington, D.C. 20036.
D. (6) $825.

A. O'Connor, Green, Thomas, Walters & Kelly, 1750 Pennsylvania Avenue NW., Suite 1303, Washington, D.C. 20006.
B. Investors Diversified Services, Inc., Suite 2900, IDS Tower, Minneapolis, Minn. 55402.

A. Richard C. O'Hare, 1120 Investment Building, Washington, D.C. 20005.
B. Harness Tracks of America, 333 North Michigan Avenue, Chicago, Ill. 60601.

A. Charles T. O'Neill, Jr., 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. The American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $2,000. E. (9) $201.51.

A. Claude E. Olmstead, 1750 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. National Rural Letter Carriers' Association, 1750 Pennsylvania Avenue NW., Washington, D.C.
D. (6) $354. E. (9) $12.

A. Layton Olson, 413 East Capitol Street SE., Washington, D.C. 20003.
B. National Student Lobby, 413 East Capitol Street SE., Washington, D.C. 20003.
D. (6) $125.

A. Samuel Omasta, 1315 16th Street NW., Washington, D.C. 20036.
B. National Limestone Institute, Inc., 1315 16th Street NW., Washington, D.C. 20036.
E. (9) $58.75.

A. J. Allen Overton, Jr., 1100 Ring Building, Washington, D.C. 20036.
B. American Mining Congress, 1100 Ring Building, Washington, D.C. 20036.
D. (6) $1,475.

A. Raymond S. Page, Jr., Mill Creek Terrace, Gladwyne, Pa. 19035.
B. Campbell Soup Company, Campbell Place, Camden, N.J. 08101.

A. Lew M. Paramore, Box 1310, Kansas City, Kans. 66117.
B. Mo-Ark Basins Flood Control & Conservation Association, Box 1310, Kansas City, Kans. 66117.

A. Carol Ames Parker, 620 C Street SE., Washington, D.C. 20003.
B. Friends of the Earth, 620 C Street SE., Washington, D.C. 20003.
D. (6) $2,100.

A. Paul, Weiss, Rifkind, Wharton & Garrison, 1775 K Street NW., Washington, D.C. 20006.
B. Alaska Federation of Natives, 1689 C Street, Anchorage, Alaska 99501.
D. (6) $500.

A. Peabody, Rivlin, Gore, Cladouhos & Lambert, 1730 M Street NW., Suite 707, Washington, D.C. 20036.
B. National Tool, Die & Precision Machining Association, 9300 Livingston Road, Washington, D.C. 20022.

A. Peabody, Rivlin, Gore, Cladouhos & Lambert, Suite 707, 1730 M Street NW., Washington, D.C. 20036.
B. Toyota Motor Sales, J.S.A., Inc., 2055 West 190th Street, Torrance, Calif. 90504.

A. A. Harold Peterson, 715 Cargill Building, Minneapolis, Minn. 55402.
B. National R.E.A. Telephone Association, 715 Cargill Building, Minneapolis, Minn.
D. (6) $2,500. E. (9) $1,942.36.

A. Political Action Committee for Engineers and Scientists, Suite 1100, 1801 K Street NW., Washington, D.C. 20006.
D. (6) $1,500.

A. William I. Powell, 1100 Ring Building, Washington, D.C. 20036.
B. American Mining Congress, 1100 Ring Building, Wahington, D.C. 20036.
D. (6) $975.

A. Alan T. Rains, 777 14th Street NW., Washington, D.C. 20005.
B. United Fresh Fruit and Vegetable Association, 777 14th Street NW., Washington, D.C. 20005.

A. Rial M. Rainwater, 1750 Pennsylvania Avenue NW., Washington, D.C.
B. National Rural Letter Carriers' Association, 1750 Pennsylvania Avenue NW., Washington, D.C.
D. (6) $354. E. (9) $10.

A. Ragan & Mason, 900 17th Street NW., The Farragut Building, Washington, D.C.
B. Sea-Land Service, Inc., P.O. Box 1050, Elizabeth, N.J.
D. (6) $900.

A. Ragan & Mason, 900 17th Street NW., The Farragut Building, Washington, D.C.
B. The Department of Tourism, Hamilton, Bermuda.
D. (6) $1,666.

A. William W. Rayner, 1701 North Fort Myer Drive, Arlington, Va. 22209.
B. Macmillan, Inc., 1701 North Fort Myer Drive, Arlington, Va. 22209.
E. (9) $8.40.

A. Recording Industry Association of America, Inc., One East 57th Street, New York, N.Y. 10022.
D. (6) $350,150.67. E. (9) $33,080.92.

A. John T. Regitts, Jr., Rural Delivery No. 2 Boonton Avenue, Boonton, N.J. 07005.

A. William L. Reynolds, 1200 17th Street, NW., Suite 500, Washington, D.C. 20036.
B. National League of Insured Savings Associations, 1200 17th Street, Suite 500, Washington, D.C. 20036.
D. (6) $125. E. (9) $60.

A. Harry H. Richardson, 335 Austin Street, Bogalusa, La. 70427.
B. Louisiana Railroads, 335 Austin Street, Bogalusa, La. 70427.

A. James W. Riddell, 723 Washington Building, Washington, D.C. 20005.
B. The Kellogg Co., Battle Creek, Mich.

A. James W. Riddell, 723 Washington Building, Washington, D.C. 20005.
B. Volume Footwear Retailers of America, 51 East 42d Street, New York, N.Y. 10017.

A. James W. Riddell, 723 Washington Building, Washington, D.C. 20005.
B. W. K. Kellogg Foundation, Battle Creek, Mich.

A. John Riley, 1625 L Street NW., Washington, D.C. 20036.
B. National Association of Home Builders of the United States, 1625 L Street NW., Washington, D.C. 20036.
D. (6) $703.13. E. (9) $54.82.

A. Kenneth Roberson, 2 Dubonnet Road, Valley Stream, N.Y. 11581.
B. Meat Importers Council of America, Inc., 708 Third Avenue, New York, N.Y. 10017.
D. (6) $80. E. (9) $7.50.

A. Nathaniel H. Rogg, 1625 L Street NW., Washington, D.C. 20036.
B. National Association of Home Builders of the United States, 1625 L Street NW., Washington, D.C. 20036.
D. (6) $2,437.50. E. (9) $134.41.

A. Ann M. Roosevelt, 620 C Street SE., Washington, D.C. 20003.
B. Friends of the Earth, 620 C Street SE., Washington, D.C. 20003.
D. (6) $2,250.

A. Christine Root, 2332 19th Street NW., Washington, D.C. 20009.
B. The Washington Office on Africa, 110 Maryland Avenue NE., Washington, D.C. 20002.
D. (6) $600.

A. Royall, Koegel & Wells, 1730 K Street NW., Washington, D.C. 20006.
B. American Iron and Steel Institute, 1000 16th Street NW., Washington, D.C. 20036.
E. (9) $468.72.

A. Jerome D. Schaller, 1750 Pennsylvania Avenue NW., Suite 1100, Washington, D.C. 20006.
B. Minnesota Mining & Manufacturing Co., 3M Center, St. Paul, Minn. 55101.
E. (9) $2,105.58.

A. Valerie Schulte, 1660 L Street NW., Washington, D.C.
B. The Common Fund, 635 Madison Avenue, New York, N.Y. 10022.
D. (6) $1,150.

A. Durward Seals, 777 14th Street NW., Washington, D.C. 20005.
B. United Fresh Fruit & Vegetable Association, 777 14th Street NW., Washington, D.C. 20005.
D. (6) $312.50.

A. The Section 23 Leased Housing Association, Suite 707, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $450. E. (9) $450.

A. Ronald C. Seeley, 1357 Nicolet Place, Detroit, Mich. 48207.
B. Estate of Bert N. Adams, 1461 West 16th Place, Yuma, Ariz. 85364; Emma (Adams) Giambald, 1461 West 16th Place, Yuma, Ariz. 85364; George Hallingby, 4104 Chestnut Drive East, Forest Hills, Holiday, Fla. 33589; *et al.*
E. (9) $148.

A. Self-Determination for D.C., 2030 M Street NW., (3d floor), Washington, D.C. 20036.
D. (6) $5,742.75. E. (6) $5,112.47.

A. Leo Seybold, 1709 New York Avenue NW., Washington, D.C. 20006.
B. Air Transport Association.
D. (6) $1,479. E. (9) $195.40.

A. Laurence P. Sherfy, 1100 Ring Building, Washington, D.C. 20036.
B. American Mining Congress, 1100 Ring Building, Washington, D.C. 20036.
D. (6) $1,175.

A. Norman R. Sherlock, 1709 New York Avenue NW., Washington, D.C.
B. Air Transport Association.
D. (6) $865. E. (9) $635.24.

A. A. Z. Shows, Suite 904, 2600 Virginia Avenue NW., Watergate Office Building, Washington, D.C. 20037.
D. (6) $3,193. E. (9) $5,197.39.

A. Talmage E. Simpkins, 100 Indiana Avenue NW., Washington, D.C. 20001.
B. AFL-CIO Maritime Committee, 100 Indiana Avenue NW., Washington, D.C. 20001.
E. (9) $521.74.

A. Julian H. Singman, 724 14th Street NW., Washington, D.C. 20005.
B. International Longshoremen's Association, AFL-CIO, 17 Battery Place, Suite 1530, New York, N.Y. 10004.
D. (6) $5,000.

A. Hall Sisson, 1925 K Street NW., Washington, D.C. 20006.
B. Communications Workers of America, 1925 K Street NW., Washington, D.C. 20006.
E. (9) $2,795.32.

A. Jonathan W. Sloat, 1425 K Street NW., Washington, D.C. 20005.
B. Grocery Manufacturers of America, Inc., 1425 K Street NW., Washington, D.C. 20005.

A. Arthur V. Smyth, 1625 I Street NW., Washington, D.C. 20006.
B. Weyerhaeuser Co., Tacoma, Wash. 98401.
D. (6) $500. E. (9) $100.

A. Carl A. Soderblom, One East First Street, Room 803, Reno, Nev. 89501.
B. Nevada Railroad Association, One East First Street, Room 803, Reno, Nev. 89501.
E. (9) $451.42.

A. Shelby E. Southard, 1828 L Street NW., Suite 1100, Washington, D.C. 20036.
B. Cooperative League of the U.S.A., 1828 L Street NW., Suite 1100, Washington, D.C. 20036.
D. (6) $2,000. E. (9) $725.

A. William C. Spence, P.O. Box 683, Houston, Tex. 77001.
B. Columbia Gulf Transmission Co., P.O. Box 683, Houston, Tex. 77001.
D. (6) $266. E. (9) $234.84.

A. Larry N. Spiller, 1155 15th Street NW., Suite 713, Washington, D.C. 20005.
B. Consulting Engineers Council, 1155 15th Street NW., Suite 713, Washington, D.C. 20005.
D. (6) $1,650. E. (9) $50.

A. Lynn Stalbaum, 400 World Center Building, 918 16th Street NW., Washington, D.C. 20006.
B. Central America Cooperative Federation, Inc., Room 400, 918 16th Street NW., Washington, D.C. 20006.
D. (6) $1,102.50. E. (9) $106.96.

A. J. Gilbert Stallings, 1776 K Street NW., Washington, D.C. 20036.
B. INA Corp., 1600 Arch Street, Philadelphia, Pa.

A. William M. Stephens, 1616 H Street NW., Washington, D.C. 20006.
B. American Retail Federation, 1616 H Street NW., Washington, D.C. 20006.
D. (6) $1,200. E. (9) $55.

A. Edward W. Stimpson, 1025 Connecticut Avenue NW., Suite 1215, Washington, D.C. 20036.
B. General Aviation Manufacturers Association, Inc., 1025 Connecticut Avenue NW., Suite 1215, Washington, D.C. 20036.

A. Stitt, Hemmendinger & Kennedy, 1000 Connecticut Avenue NW., Washington, D.C. 20036.
B. Footwear Group, American Importers Association, New York, N.Y.

A. Stitt, Hemmendinger & Kennedy, 1000 Connecticut Avenue NW., Washington, D.C. 20036.
B. Japan Iron & Steel Exporters' Association, Tokyo, Japan.

A. G. Don Sullivan, 1100 Ring Building, Washington, D.C. 20036.
B. American Mining Congress, 1100 Ring Building, Washington, D.C. 20036.
D. (6) $575.

A. Sutherland, Asbill & Brennan, 1200 Farragut Building, Washington, D.C. 20006.
B. Retail Credit Co., P.O. Box 4081, Atlanta, Ga. 30302.
E. (9) $35.

A. Noble J. Swearingen, 128 C Street NE., Suite 61, Washington, D.C. 20002.
B. National Tuberculosis and Respiratory Disease Association, 1740 Broadway, New York, N.Y. 10019.
D. (6) $1,000.

A. John P. Tracey.
B. American Bar Association, 1705 DeSales Street NW., Washington, D.C. 20036.
D. (6) $400. E. (9) $50.

A. J. P. Trainor, 400 First Street NW., Washington, D.C. 20001.
B. Brotherhood of Railway, Airline & Steamship Clerks, 6300 River Road, Rosemont, Ill. 60018.
D. (6) $3,500. E. (9) $651.48.

A. W. M. Trevarrow, 601 National Press Building, Washington, D.C. 20004.
B. American Motors Corp., 14250 Plymouth Road, Detroit, Mich. 48232.
D. (6) $5,025.18. E. (9) $128.

A. Trustees for Conservation, 251 Kearny Street, San Francisco, Calif. 94108.
D. (6) $10. E. (9) $235.59.

A. United Fresh Fruit & Vegetable Association, 777 14th Street NW., Washington, D.C. 20005.
D. (6) $1,747.21. E. (9) $1,747.21.

A. Veterans of World War I, USA, Inc., 916 Prince Street, Alexandria, Va. 22314.
E. (9) $2,956.01.

A. Bruce E. Vogelsinger, 1155 15th Street NW., Suite 713, Washington, D.C. 20005.
B. Consulting Engineers Council/US, 1155 15th Street NW., Suite 713, Washington, D.C. 20005.
D. (6) $1,500. E. (9) $50.

A. Wald, Harkrader & Ross, 1320 19th Street NW., Washington, D.C. 20036.
B. INA Corp., 1600 Arch Street, Philadelphia, Pa. 19101.

A. DeMelt E. Walker, 1730 Rhode Island Avenue NW., Washington, D.C.
B. Credit Union National Association, Inc., 1617 Sherman Avenue, Madison, Wis.
D. (6) $864.04. E. (9) $44.

A. James A. Warren, 5500 Friendship Boulevard, Chevy Chase, Md. 20015.
B. REA Express, Inc., 219 E. 42d Street, New York, N.Y. 10017.
D. (6) $450. E. (9) $75.

A. Washington Office on Africa, 110 Maryland Avenue NE., Washington, D.C.
D. (6) $11,161.08. E. (9) $5,219.31.

A. Washington Research Project, Action Council, 1763 R Street NW., Washington, D.C. 20009.
E. (9) $4,661.72.

A. Clyde M. Webber, 1325 Massachusetts Avenue NW., Washington, D.C. 20005.
B. American Federation of Government Employees, 1325 Massachusetts Avenue NW., Washington, D.C. 20005.
D. (6) $12,908.70. E. (9) $1,612.71.

A. Harry H. Westbay III, 1625 I Street NW., Suite 805, Washington, D.C. 20006.
B. St. Regis Paper Co., 150 East 42d Street, New York, N.Y. 10017.
D. (6) $300. E. (9) $150.

A. Edwin M. Wheeler, 1015 18th Street NW., Washington, D.C. 20036.
B. The Fertilizer Institute, 1015 18th Street NW., Washington, D.C. 20036.
E. (9) $25.

A. Robert Y. Wheeler, Box 185, Tilden, Tex., 78072.
B. Ernest G. Herman, 9538 Brighton Way, Beverly Hills, Calif. 90210.

A. Thomas E. Wheeler, 1425 K Street NW., Suite 900, Washington, D.C. 20005.

B. Grocery Manufacturers of America, Inc., Washington, D.C. 20005.

D. (6) $48. E. (9) $280.

A. Leonard M. Wickliffe, 11th and L Building, Sacramento, Calif. 95814.

B. California Railroad Association, 11th and L Building, Sacramento, Calif. 95814.

D. (6) $3,126. E. (9) $7,400.84.

A. Wilkinson, Cragun & Barker, 1735 New York Avenue, NW., Washington, D.C. 20006.

B. Arapahoe Tribe of Indians, Fort Washakie, Wyo.

E. (9) $129.35.

A. Wilkinson, Cragun & Barker, 1735 New York Avenue NW., Washington, D.C. 20006.

B. American Society of Travel Agents, Inc., 360 Lexington Avenue, New York, N.Y. 10017.

E. (9) $743.09.

A. Wilkinson, Cragun & Barker, 1735 New York Avenue NW., Washington, D.C. 20006.

B. Bonneville International Corp., 136 East South Temple Street, Salt Lake City, Utah.

E. (9) $64.70.

A. Wilkinson, Cragun & Barker, 1735 New York Avenue NW., Washington, D.C. 20006.

B. Brigham Young University, Provo, Utah.

E. (9) $62.65.

A. Wilkinson, Cragun & Barker, 1616 H Street NW., Washington, D.C. 20006.

B. College Placement Council, Inc., 65 East Elizabeth Street, Bethlehem, Pa.

E. (9) $6.80.

A. Wilkinson, Cragun & Barker, 1735 New York Avenue NW., Washington, D.C. 20006.

B. Confederated Salish and Kootenai Tribes of the Flathead Reservation, Mont.

E. (9) $249.35.

A. Wilkinson, Cragun & Barker, 1735 New York Avenue NW., Washington, D.C. 20006.

B. Estate of Albert W. Small, c/o Mrs. Albert W. Small, 5803 Green Tree Road, Bethesda, Md.

E. (9) $0.70.

A. Wilkinson, Cragun & Barker, 1735 New York Avenue NW., Washington, D.C. 20006.

B. The Hoopa Valley Tribe, P.O. Box 817, Hoopa, Calif.

E. (9) $133.56.

A. Wilkinson, Cragun & Barker, 1735 New York Avenue NW., Washington, D.C. 20006.

B. National Association of Insurance Agents, Inc., 85 John Street, New York, N.Y. 10038.

A. Wilkinson, Cragun & Barker, 1735 New York Avenue NW., Washington, D.S. 20006.

B. Quinaielt Tribe of Indians, Taholah, Wash.

E. (9) $265.26.

A. Wilkinson, Cragun & Barker, 1735 New York Avenue NW., Washington, D.C. 20006.

B. The Three Affiliated Tribes of the Fort Berthold Reservation, New Town, N. Dak.

E. (9) $189.19.

A. Harry D. Williams, 1660 L Street NW., Suite 204–05, Washington, D.C. 20036.

B. Ashland Oil, Inc., P.O. Box 391, Ashland, Ky. 41101.

D. (6) $250.

A. Williams & Jensen, 1130 17 Street NW., Washington, D.C. 20036.

B. Bankers Association of Puerto Rico, c/o Wender, Murase & White, 350 Park Avenue, New York, N.Y. 10022.

A. Williams & Jensen, 1130 17th Street NW., Washington, D.C. 20036.

B. C. Brewer & Co., Ltd., P.O. Box 3470, Honolulu, Hawaii.

E. (9) $400.

A. Williams & Jensen, 1130 17th Street NW., Washington, D.C. 20036.

B. International Utilities Corp., 1500 Walnut Street, Philadelphia, Pa. 19102.

E. (9) $400.

A. Williams & Jensen, 1130 17th Street NW., Washington, D.C. 20036.

B. National Council for Health Care Services, 407 N Street SW., Washington, D.C.

A. Williams & Jensen, 1130 17th Street NW., Washington, D.C. 20036.

B. Ward Industries, Inc., P.O. Box 849, Conway, Ark. 72032.

E. (9) $400.

A. Wilmer, Cutler & Pickering, 900 17th Street NW., Washington, D.C. 20006.

B. Dealer Bank Association, P.O. Box 479, Wall Street Station, New York, N.Y. 10005.

A. Kenneth Wollack, 1341 G Street NW., Washington, D.C. 20005.

B. American Israel Public Affairs Committee, 1341 G Street NW., Washington, D.C. 20005.

D. (6) $750.

A. Women's International League for Peace and Freedom, 1213 Race Street, Philadelphia, Pa. 19107.

D. (6) $5,129.74. E. (9) $9,304.55.

A. Burton C. Wood, 1625 L Street NW., Washington, D.C. 20036.

B. National Association of Home Builders of the United States, 1625 L Street NW., Washington, D.C. 20036.

D. (6) $5,343.75. E. (9) $874.60.

A. V. T. Worthington, 1500 North Quincy Street, Arlington, Va 22207.

B. Association of Petroleum Re-Refiners, Box 7116, Arlington, Va., 22207.

A. John L. Zorack, 1709 New York Avenue NW., Washington, D.C.

B. Air Transport Association.

D. (6) $1,415. E. (9) $475.55.

SENATE—*Wednesday, August 1, 1973*

The Senate met at 10 a.m., and was called to order by Hon. FRANK E. MOSS, a Senator from the State of Utah.

PRAYER

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

O Lord, whose word declares "Righteousness exalteth a nation, but sin is a reproach to any people" (Proverbs 14:34) be gracious and merciful to us in this time of testing. Keep us as a nation under Thy providence knowing also that we are under Thy judgment. Make us to remember that the ways of the Lord are true and righteous altogether and with what judgment we judge we shall be judged. Strengthen us here that we may walk in the way of Thy statutes and fulfill the mission which in Thy providence has been given to us.

We pray in His name who came not to destroy but to fulfill the law. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. EASTLAND).

The assistant legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, D.C., August 1, 1973.

To the Senate:

Being temporarily absent from the Senate on official duties, I appoint Hon. FRANK E. MOSS, a Senator from the State of Utah, to perform the duties of the Chair during my absence.

JAMES O. EASTLAND,
President pro tempore.

Mr. MOSS thereupon took the chair as Acting President pro tempore.

THE JOURNAL

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of Tuesday, July 31, 1973, be dispensed with.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

COMMITTEE MEETINGS DURING SENATE SESSION

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that all committees may be authorized to meet during the session of the Senate today.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

EXECUTIVE SESSION

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate go into executive session to consider nominations on the Executive Calendar, beginning with New Reports.

There being no objection, the Senate proceeded to the consideration of executive business.

The ACTING PRESIDENT pro tempore. The nominations on the Executive Calendar, beginning with New Reports, will be stated.

U.S. AIR FORCE

The second assistant legislative clerk proceeded to read sundry nominations in the U.S. Air Force.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the nominations be considered en bloc.

The ACTING PRESIDENT pro tempore. Without objection, the nominations are considered and confirmed en bloc.

DISTRICT OF COLUMBIA COUNCIL

The second assistant legislative clerk proceeded to read sundry nominations in the District of Columbia Council.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the nominations be considered en bloc.

The ACTING PRESIDENT pro tempore. Without objection, the nominations are considered and confirmed en bloc.

SUPERIOR COURT OF THE DISTRICT OF COLUMBIA

The second assistant legislative clerk proceeded to read sundry nominations in the Superior Court of the District of Columbia.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the nominations be considered en bloc.

The ACTING PRESIDENT pro tempore. Without objection, the nominations are considered and confirmed en bloc.

LEGISLATIVE SESSION

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate resume the consideration of legislative business.

There being no objection, the Senate resumed the consideration of legislative business.

REGULATION OF CLEARING AGENCIES AND TRANSFER AGENTS UNDER SECURITIES EXCHANGE ACT

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 339, S. 2058.

The ACTING PRESIDENT pro tempore. The bill will be stated by title.

The assistant legislative clerk read as follows:

S. 2058, to amend the Securities Exchange Act of 1934 to provide for the regulation of clearing agencies and transfer agents, and for other purposes.

The ACTING PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Banking, Housing and Urban Affairs with an amendment, to strike out all after the enacting clause and insert:

That this Act may be cited as the "Securities Processing Act of 1973."

SECTION 1. Section 2 of the Securities Exchange Act of 1934 (15 U.S.C. 78b), is amended by striking the word "and" immediately before the phrase "to impose requirements necessary to make such regulation and control reasonably complete and effective," and by adding the following immediately after that phrase: "and to provide for the development of an integrated national system for the prompt and accurate processing and settlement of securities transactions and the safeguarding of funds and securities,".

SEC. 2. Section 15A(k)(2) of the Securities Exchange Act of 1934 (15 U.S.C. 78o–3(k)(2)) is amended by inserting after clause (D) the following:

"(E) the time and method of making settlements, payments, and deliveries and of opening, maintaining, and closing accounts."

SEC. 3. Section 3(a) of the Securities Exchange Act of 1934 (155 U.S.C. 78c(a)) is amended by adding at the end thereof the following new paragraphs:

"(22) The term 'clearing agency' means any person who acts as an intermediary among participants in making payments or deliveries or both in connection with transactions in securities or who provides facilities (A) for comparison of data respecting the terms of settlement of securities transactions, (B) to reduce the number of settlements of securities transactions, or (C) for the allocation of securities settlement responsibilities. Such term also means any person who acts as a custodian of securities in connection with a system for the central handling of securities whereby all securities of a particular class or series of any issuer deposited within the system are treated as fungible and may be transferred, loaned, or pledged by bookkeeping entry without physical delivery of securities certificates, or which otherwise permits or facilitates the settlement of securities transactions or the hypothecation or lending of securities without physical delivery of securities certificates. The term 'clearing agency' does not include (i) Federal Reserve banks, Federal home loan banks, Federal land banks, (ii) banks, brokers, building and loan, savings and loan, and homestead associations, and cooperative banks by reason of lending, fiduciary, correspondent, or safekeeping functions commonly performed by such institutions on the date of enactment of this paragraph, (iii) life insurance companies and their separate accounts by reason of functions commonly performed by such entities in connection with variable annuity contracts or variable life policies issued by insurance companies; and (iv) registered open-end investment companies and unit investment trusts by reason of functions commonly performed by such entities in connection with shares in such registered open-end investment companies and unit investment trusts.

"(23) The term 'participant', when used with respect to a clearing agency means any person who uses a clearing agency for the purpose of settling or comparing transactions in securities or making or receiving payment for or delivering, lending, or hypothecating securities. Such term does not include a person whose only use of a clearing agency is through another person.

"(24) The term 'transfer agent' means any person who engages on behalf of an issuer of securities, or on behalf of itself as an issuer of securities in (A) countersigning such securities upon issuance; (B) monitoring the issuance of such securities with a view to preventing unauthorized issuance, a function commonly performed by a person called a registrar; (C) registering the transfer of such securities; (D) exchanging or converting such securities; or (E) the transfer, by bookkeeping entry without physical issuance of securities certificates, of record ownership of such securities. The term 'transfer agent' does not include any insurance company or separate account which performs such functions solely with respect to variable annuity contracts or variable life policies which it issues.

"(25) The term 'appropriate regulatory agency', when used with respect to a clearing agency or transfer agent required to be registered under this title, means:

"(A) the Comptroller of the Currency, in the case of a national bank or a bank operating under the Code of Law for the District of Columbia, or a subsidiary of any such bank;

"(B) the Board of Governors of the Federal Reserve System, in the case of a State member bank of the Federal Reserve System, a subsidiary thereof, a bank holding company, or a bank subsidiary of a bank holding company;

"(C) the Federal Deposit Insurance Corporation in the case of a bank insured by the Federal Deposit Insurance Corporation (other than a member of the Federal Reserve System) or a subsidiary thereof; and

"(D) the Commission in the case of all other transfer agents and clearing agencies, and for purposes of subsections (i), (j), (k), and (l)(2) of section 17A of this title, whenever the subject of a disciplinary action, suspension, expulsion, or denial of participation is not a bank.

As used in this paragraph, the terms 'bank holding company' and 'subsidiary' have the meaning given them in section 2 of the Bank Holding Company Act of 1956, as amended.

"(26) The term 'rules of a clearing agency' means the clearing agency's constitution, articles of incorporation, bylaws, or rules or instruments corresponding to the foregoing, and its stated polices and practices relating to its organization, participation, rules of procedure, financial condition, methods of safekeeping, settling, hypothecating, lending and accounting for funds and securities, and similar matters.".

SEC. 4. Section 15(c) of the Securities Exchange Act of 1934 (15 U.S.C. 78o(c)) is amended by adding at the end thereof the following new paragraph:

"(6) No broker or dealer shall make use of the mails or of any means or instrumentality of interstate commerce to effect any transaction in, or to induce or attempt to induce the purchase or sale of, any security (other than an exempted security or commercial paper, bankers' acceptances, or commercial bills) in contravention of such rules and regulations as the Commission shall prescribe as necessary or appropriate in the public interest, for the protection of investors or for the development of an integrated national system for the prompt and accurate processing and settlement of securities transactions to regulate the time and method of and the form and format of documents used in connection with making settlements, payments, transfers, and deliveries and of opening, maintaining, and closing accounts. Nothing in this paragraph shall be construed (A) to affect the authority of the Board of Governors of the Federal Reserve System, pursuant to section 7 of this title, to prescribe rules and regulations for the purpose of preventing the excessive use of credit for the purchase or carrying of securities, or (B) to authorize the Commission to prescribe such rules or regulations for such purpose."

SEC. 5. The Securities Exchange Act of 1934 is amended by inserting after section 17 (15 U.S.C. 78q) the following new section:

"PROCESSING OF SECURITIES TRANSACTIONS

"SEC. 17A. (a)(1) Except as otherwise provided in this subsection, it shall be unlawful for any person, directly or indirectly, to make use of the mails or any means or instrumentality of interstate commerce to perform the function of a clearing agency with respect to any security (other than an exempted security) unless such person is registered under this section. The Commission, by rules and regulations or by order, upon its own motion, or upon application, may conditionally or unconditionally exempt any person, security, transaction, or clearing agency, or any class or classes of persons, securities, transactions, or clearing agencies from any provision or provisions of this section or of any rule or regulation prescribed under this section if the Commission finds that the application of such provision or provisions to such person, security, transaction, or clearing agency or class or classes of persons, securities, transactions, or clearing agencies is not practical or not necessary or appropriate in the public interest or for the prompt and accurate processing and settlement of securities transactions. A person shall not perform the functions of a clearing agency and a transfer agent unless such person is registered under this section and section 17B of this title.

"(2) The Commission shall include in its annual reports to Congress required by section 23(b) of this trifle information concerning the number of requests for exemptions from this section received, the number granted, and the basis or bases upon which any exemptions were granted.

"(b) Any clearing agency may be registered for the purposes of this section by filing with the Commission a registration statement in such form as the Commission may prescribe containing the rules of the clearing agency and setting forth such other information and accompanied by such other documents as the Commission may, by rule, require.

"(c) An applicant shall not be registered as a clearing agency unless the Commission finds that—

"(1) such clearing agency is so organized and possesses such operational capacity as to facilitate the prompt and accurate processing and settlement of securities transactions, to comply with the provisions of this title and the rules and regulations thereunder, and to carry out the purpose of this section;

"(2) the rules of the clearing agency provide that all (A) registered brokers or dealers or members of a national securities exchange, (B) other registered clearing agencies, (C) registered investment companies, (D) banks (as defined in section 2(a)(5) of the Investment Company Act of 1940), (E) insurance companies, and (F) such other persons or classes of persons as the Commission may from time to time designate by rule as appropriate to the development of an integrated national system for the prompt and accurate processing and settlement of securities transactions are eligible to become participants in such clearing agency, subject only to such other rules of the clearing agency as are expressly permitted under this paragraph. The rules of the clearing agency may condition participation upon compliance with such standards of operational capacity, financial responsibility, and business experience as the Commissions, by rule, finds to be necessary to assure the prompt and accurate processing of securities transactions and the protection of investors, the clearing agency, and its participants. Such rules may also deny participation to persons who have been expelled or suspended by a registered clearing agency during the period of such expulsion or suspension;

"(3) the rules of the clearing agency assure a fair representation of its shareholders (or members) and participants in the adoption of rules of the clearing agency and any amendment thereto, the selection of its officers and directors, and in all other phases of the administration of its affairs;

"(4) the rules of the clearing agency provide for the equitable allocation of dues, fees, and other charges among its participants;

"(5) the rules of the clearing agency do not impose any schedule of prices, or fix rates or charges for services rendered by its participants:

"(6) the rules of the clearing agency are designed to promote the prompt and accurate processing and settlement of securities transactions, to foster cooperation and coordination with national securities exchanges, national securities associations, other clearing agencies, brokers, dealers, banks, insurance companies, registered investment companies, and with other persons engaged in the processing and settlement of securities transactions, and to protect investors and the public interest, and do not have the effect of unfairly discriminating in the admission of participants or among participants in the use of such clearing agency;

"(7) the rules of the clearing agency provide that its participants shall be appropriately disciplined for any violation of its rules by expulsion, suspension, fine, or censure;

"(8) the rules of the clearing agency provide a fair and orderly procedure with respect to the disciplining of participants and the denial of participation to any person seeking participation therein. In any proceeding to determine whether a participant should be disciplined, such rules shall require that specific charges of any rule violation be brought; that such participant shall be notified of and be given an opportunity to defend against such charges; that a record shall be kept; and that a determination to take disciplinary action shall be supported by a statement setting forth—

"(A) any act or practice in which such participant may be found to have engaged, or any required act or practice which such participant may be found to have omitted;

"(B) the specific rule or rules of the clearing agency which any such act or practice, or omission to act, is deemed to violate; and

"(C) the penalty imposed and the reasons therefor.

In any proceeding to determine whether a person shall be denied participation, such rules shall provide that the prospective participant shall be notified of, and be given an opportunity to be heard upon, the specific grounds for denial which are under consideration, that a record shall be kept, and that the determination to deny participation shall be supported by a statement setting forth the specific grounds on which the denial is based. Notwithstanding any other provision of this section, the rules of the clearing agency may provide for the temporary suspension of a participant, the prohibition of such participant's use of the clearing agency, and the closing of its accounts pending determination of the merits of any disciplinary proceeding if, in the opinion of the clearing agency, such suspension, prohibition on use and closing of accounts are necessary for the protection of the clearing agency or its participants, or for the protection of investors or to facilitate the orderly and continuous performance of the clearing agency's services. The rules of the clearing agency shall afford the participant an expedited hearing on the merits in the case of any temporary suspension; and

"(9) the appropriate regulatory agency has not determined within sixty days of such filing that the organization or operational capacity of the clearing agency is such that the clearing agency is unable to provide adequate safeguards for securities and funds which are in its custody or control, or for which it is responsible, or that the rules of such clearing agency are inconsistent with such safeguards for such securities and funds.

"(d) The Commission shall, upon the filing of an application for registration pursuant to subsection (b), publish notice of the filing and afford interested persons a reasonable opportunity for comment. Within ninety days of such filing, the Commission shall:

"(1) by order grant such registration if the Commission finds that the requirements of this section are satisfied, or

"(2) institute an appropriate administrative action to determine whether the application should be denied.

After notice of the grounds for denial under consideration and opportunity for hearing, the Commission shall by order grant such registration unless it finds that a requirement of this section is not satisfied, in which case the Commission shall by order deny such registration. The Commission shall conclude administrative action and issue an order granting or denying the application within one hundred and eighty days of the filing of the application unless the Commission finds good cause to extend such period and publishes its reasons therefor.

"(e) A clearing agency registered under this section may, upon such terms and conditions as the Commission may deem necessary in the public interest, for the protection of investors, or to assure the prompt and accurate processing and settlement of securities transactions, withdraw from registration by filing a written notice of withdrawal with the Commission. If the Commission finds that any registrant or person for whom an application of registration is pending is no longer in existence or has ceased to do business in the capacity specified in the registration statement, the Commission shall by order cancel or deny the registration.

"(f) No clearing agency registered under this section shall, directly or indirectly, participate in the processing or settlement of any transaction in a security (other than an exempted security), or engage in any other activity as clearing agency in contravention of such rules and regulations as the Commission shall prescribe as necessary or appropriate in the public interest, for the protection of investors, to insure fair administration of such clearing agency, or to effectuate the purposes of this section with regard to such matters as minimum standards for the performance of functions, operational compatibility of and cooperation by the clearing agency with other persons involved in the securities handling process, and the prompt and accurate processing and settlement of securities transactions, or as the appropriate regulatory agency shall prescribe as necessary or appropriate for the adequate safeguarding of securities and funds in the clearing agency's custody or control or for which it is responsible.

"(g)(1) Each registered clearing agency shall file with the Commission, in accordance with such rules as the Commission may prescribe, copies of any proposed changes in, additions to, or amendments to the rules of the clearing agency accompanied by a summary statement of the basis and purpose for such proposed change, addition, or amendment. No such proposed change, addition, or amendment shall become effective except in accordance with the provisions of this subsection.

"(2) The Commission shall, upon the filing of a proposed change in, addition to, or amendment to the rules of a clearing agency, publish notice of such proposal together with the clearing agency's statement of basis and purpose, and shall afford interested persons a reasonable opportunity for comment on the proposed change, addition, or amendment. Within forty-five days of such filing the Commission shall—

"(A) by order declare such change, addition, or amendment effective if the Commission finds that the rules of the clearing agency as so changed are not inconsistent with the requirements of this section relating to the registration of clearing agencies or with the purposes of this section and are not otherwise inconsistent with the public interest and that the appropriate regulatory agency has not determined within thirty days of such filing that such change, addition, or amendment is inconsistent with adequate safeguards for securities and funds which are in the custody or control of the clearing agency or for which it is responsible, or

"(B) institute appropriate administrative action to determine whether the proposed change, addition, or amendment in whole or in part, should be disapproved. Within one hundred and twenty days of the filing of the change, addition, or amendment the Commission shall conclude administrative action and shall, by order, declare such change, addition, or amendment effective unless it finds that the rules of the clearing agency as so changed are inconsistent with the requirements of this section relating to the registration of clearing agencies or with the purposes of this section, or are otherwise inconsistent with the public interest, or that the appropriate regulatory agency has determined that such change, addition, or amendment is inconsistent with adequate safeguards for securities and funds which are in the custody or control of the clearing agency or for which it is responsible, in which case the Commission shall by order disapprove such change, addition, or amendment.

If the Commission does not declare the change, addition, or amendment to be effective or institute administrative action for its disapproval within forty-five days of the date it is filed, the change, addition, or amendment shall become effective on such forty-fifth day with the same force and effect as though it had been declared effective by the Commission.

"(h) Each clearing agency shall at the time of filing a registration statement pursuant to subsection (b), a notice of withdrawal of its registration pursuant to subsection (e), or copies of any proposed changes in, additions to, or amendments to its rules pursuant to subsection (g), file copies of such documents with the appropriate regulatory agency.

"(i) If any registered clearing agency takes any disciplinary action against any participant therein, or denies admission to any person seeking participation therein, such action shall be subject to review by the appropriate regulatory agency, on its own motion, or upon application by any person aggrieved thereby filed within thirty days after such action has been taken or within such longer period as the appropriate regulatory agency may determine. Application to the appropriate regulatory agency for review, or the institution of review by such agency on its own motion, shall not operate as a stay of such action, unless such agency otherwise orders, after notice and opportunity for hearing on the question of a stay (which hearing may consist solely of affidavits and oral arguments).

"(j)(1) In a proceeding to review disciplinary action taken by a registered clearing agency against a participant, after notice and opportunity for hearing and upon consideration of the record before the clearing agency and such other evidence as it may deem relevant—

"(A) if the appropriate regulatory agency finds that such participant has engaged in such acts or practices, or has omitted such acts, as the clearing agency has found him to have engaged in or to have omitted, and that such acts or practices, or omissions to act, are in violation of such rules of the clearing agency as have been designated in the determinaton of the clearing agency, it shall by order so declare and affirm the action taken by the clearing agency or, if appropriate, modify the sanctions or penalties in accordance with paragraph (2) of this subsection, or

"(B) if the appropriate regulatory agency finds that the evidence does not warrant the finding required in clause (A), or if such agency determines that such acts or practices as are found to have been engaged in are not prohibited by the designated rule or rules of the clearing agency or that such act as is found to have been omitted is not required by such designated rule or rules, the appropriate regulatory agency shall by order set aside the action of the clearing agency.

"(2) The appropriate regulatory agency may, having due regard to the public interest, if it finds that any penalty imposed by a registered clearing agency upon a participant is excessive or oppressive, cancel, reduce, or require the remission of such penalty.

"(k) In any proceeding to review the denial of participation in a registered clearing agency, if the appropriate regulatory agency, after notice and opportunity for hearing and upon consideration of the record before the clearing agency, determines that the specific grounds on which such denial or bar is based exist in fact and that the denial or bar is consistent with the rules of the clearing agency and that such rules have not been applied so as to discriminate unfairly in the admission of that participant, it shall by order dismiss the proceeding. In the absence of such a determination, the appropriate regulatory agency shall by order set aside the action of the clearing agency and require it to admit the applicant to participation therein.

"(l) The appropriate regulatory agency, after appropriate notice and opportunity for hearing, is authorized, by order, if such action appears to be necessary or appropriate in the public interest or for the protection of investors or to carry out the purposes of this section—

"(1) to suspend for a period not exceeding twelve months or revoke the registration of a registered clearing agency or impose limitations upon the activities, functions, or operations of such clearing agency, if the appropriate regulatory agency finds that such clearing agency has violated any provision of this title or any rule or regulation thereunder, or has failed to enforce compliance with its own rules, or has engaged in any other activity tending to defeat the purposes of this section;

"(2) to censure, impose operational limitations upon, suspend for a period not exceeding twelve months or expel from a registered clearing agency any participant therein, if the appropriate regulatory agency finds that such participant has violated any provision of this title or any rule or regulation thereunder or any rule of the clearing agency; and

"(3) to remove from office any officer or director of a registered clearing agency who, the appropriate regulatory agency finds, has willfully violated any provision of this title or any rule or regulation thereunder, or has willfully failed to enforce the rules of the clearing agency, or has willfully abused his authority.

"(m) If a proceeding under subsection (l)(1) of this section results in the suspension or revocation of the registration of a clearing agency, the appropriate regulatory agency may, upon notice to such clearing agency, apply to any court of competent jurisdiction specified in section 21(e) or 27 of this title for the appointment of a trustee or may avail itself of any other procedures available under relevant laws. In the event of such an application, the court may, to the extent it deems necessary or appropriate, take exclusive jurisdiction of the clearing agency involved, and the books, records, and assets, wherever located; and the court shall appoint the appropriate regulatory agency or a person designated by the appropriate regulatory agency as the trustee with the power to take possession and to continue to operate or to terminate the facilities of such clearing agency in an orderly manner, for the protection of participants and public investors, subject to such terms and conditions as the court may prescribe.

"(n) Each registered clearing agency shall make, keep, and preserve for such periods such accounts, correspondence, memorandums, papers, books, and other records, and furnish such copies thereof and make such reports and supply such information and documents as the Commission by its rules and regulations may prescribe as necessary or appropriate to keep current or to supplement the registration statement and documents filed pursuant to subsection (b), to facilitate cooperation among clearing agencies and the prompt and accurate settlement of securities transactions, or for the protection of investors or the public interest, or as the appropriate regulatory agency by its rules and regulations may prescribe as necessary or appropriate to assure the safeguarding of securities and funds which are in the custody or control of the clearing agency or for which it is responsible. The Commission shall promptly furnish to the appropriate regulatory agency any report which it receives from a registered clearing agency pursuant to this section. All accounts, correspondence, memorandums, papers, books, and other records of a clearing agency shall be subject at any time to such reasonable periodic, special, or other examinations by examiners or other representatives of the appropriate regulatory agency as such agency may deem necessary or appropriate in the public interest, for the protection of investors or to carry out the purposes of this section. The appropriate regulatory agency shall make a full and detailed report of any examination made of a registered clearing agency pursuant to this section and shall promptly furnish to the Commission a copy of any such report and of all reports which it receives from registered clearing agencies pursuant to this section.

"(o) The agencies enumerated in section 3(a)(25) of this title shall consult and cooperate with each other and, as may be appropriate, with State banking authorities having supervision over banks operating as clearing agencies and shall advise one another promptly of the pendency or termination of any proceedings, of the promulgation of any rules, and of the entry of any order relating to a clearing agency, participant, class of clearing agencies, or class of participants. At least fifteen days prior to the issuance for public comment or adoption of any proposed rule or regulation regarding clearing agencies pursuant to this title, the agency contemplating issuance or adoption of such role or regulation shall first consult with and request the views of each of the other agencies enumerated in section 3(a)(25) toward the end that rules and regulations applicable to banks registered as clearing agencies may be, to the maximum extent practicable, in accord with both sound banking practices and a sound system for the prompt and accurate processing and settlement of securities transactions. Whenever the Commission is considering an application for registration under subsection (d), a proposed rule change under subsection (g), or the promulgation of any rule under subsection (f), after consulting with each of the other appropriate regulatory agencies with respect to such application, proposed rule change or rulemaking, if the Commission determines that in addition to such consultation it is necessary to review the operations of a clearing agency or agencies for which it is not the appropriate regulatory agency, upon notice to each such clearing agency and the appropriate regulatory agency for each such clearing agency, the commission may conduct such reasonable reviews of the operations of each such clearing agency as are germane to the subject matter of the application, proposed rule change or rulemaking and which are necessary to the proper performance of its responsibilities under this section. To the maximum extent practicable, the Commission shall coordinate its reviews pursuant to the preceding sentence with the inspections and examinations of the appropriate regulatory agencies to assure that clearing agencies are not subject to unnecessary regulatory duplication or undue burdens. Nothing in this section shall impair the authority of any State banking authority or other State or Federal regulatory authority having jurisdiction over a person registered as a clearing agency to make or enforce rules governing such person which are not inconsistent with this section or any rules or regulations promulgated hereunder.

"(p) The Commission shall, on or before December 31, 1976, take such steps as are within its power to bring about elimination of the stock certificate as a means of settlement among brokers or dealers of transactions consummated on national securities exchanges or by means of the mails or other means or instrumentalites interstate commerce. Commencing in 1973 and ending in

1976, the Commission shall report annually to the Congress (1) the steps it has taken and progress it has made toward elimination of the stock certificate as a means of settlement, and (2) its recommendations, if any, for further legislation to eliminate the stock certificate.".

SEC. 6. The Securities Exchange Act of 1934 is further amended by inserting after section 17A (added by section 5 of this Act) the following new section:

"TRANSFER AGENTS

"SEC. 17B. (a)(1) Except as otherwise provided in this subsection, it shall be unlawful for any person, directly or indirectly, to make use of the mails or any means or instrumentality of interstate commerce to perform the function of a transfer agent with respect to any security unless such person is registered in accordance with this section. The Commission, by rules and regulations or by order, upon its own motion or upon application, may conditionally or unconditionally exempt any transfer agent or class of transfer agents or security or class of securities from any provision or provisions of this section or any rule or regulation prescribed under this section if the Commission finds that the application of such provision or provisions to such transfer agent or class of transfer agents or such security or class of securities is not practical or not necessary or appropriate in the public interest or for the prompt and accurate processing and settlement of securities transactions.

"(2) The Commission shall include in its annual reports to Congress required by section 23(b) of this title information concerning the number of requests for exemptions from this section received, the number granted, and the basis or bases upon which the exemptions were granted.

"(3) The provisions of this section shall apply only to securities and to persons performing the function of transfer agent with respect to securities which are registered under section 12 of this title or which would be required to be so registered except for the exemption from registration provided in subsection (g)(2)(B) or (g)(2)(G) of that section.

"(b) Any transfer agent may be registered for the purposes of this section by filing with the appropriate regulatory agency a registration statement which shall state the address of its principal office or offices for transfer agent activities, the identity of the issuers and issues of securities for which it is then acting as transfer agent, and such other information in such detail as the appropriate regulatory agency may require as necessary or appropriate with regard to performance capability, standards and procedures for safe handling and custody of securities, and operational compatibility of the transfer agent's activities with those of other persons involved in the securities handling process. Each appropriate regulatory agency, other than the Commission, shall file with the Commission notice of the name of any transfer agent required to register with such agency under this section, the address of its principal office or offices for transfer agent activity, the identity of the issuers and issues of securities for which it is then acting as a transfer agent and such other information as the Commission may request. Each appropriate regulatory agency shall also file with the Commission such additional information as the Commission may request to keep current the information in such notice and to carry out its responsibilities under this section. Except as otherwise provided in subsections (c) and (d) of this section, a registration statement of a transfer agent filed under this subsection shall become effective thirty days after the receipt of the statement by the appropriate regulatory agency or within such shorter period of time as such agency may determine.

"(c) The appropriate regulatory agency shall, after appropriate notice and opportunity for hearing, by order, deny registration to any transfer agent seeking registration if it finds that such denial is in the public interest and that such transfer agent does not have procedures or the operational capabilities to be able to comply with the provisions and purposes of this section and the rules and regulations prescribed thereunder.

"(d) Pending final determination whether the registration of a transfer agent shall be denied, the appropriate regulatory agency may, by order, postpone the effective date of such registration for a period not to exceed ninety days, except that such agency may extend such period until final determination if it finds good cause for such extension and publishes its reasons therefor.

"(e) Any transfer agent registered under this section may, upon such terms and conditions as the appropriate regulatory agency may deem necessary in the public interest, for the protection of investors or to assure the prompt and accurate processing and settlement of securities transactions, withdraw from registration by filing a written notice of withdrawal with such agency. If such agency finds that any such transfer agent for whom a registration statement is pending is no longer in existence or has ceased to do business as a transfer agent, it shall by order cancel or deny the registration.

"(f) Each registered transfer agent shall make, keep, and preserve for such periods such accounts, correspondence, memorandums, papers, books, and other records, and furnish such copies thereof and shall make such reports and file such information and documents with the appropriate regulatory agency, as such agency by rule or regulation may prescribe as necessary or appropriate to keep current or to supplement the registration statement and documents filed pursuant to subsection (b) and to carry out the purposes of this section. Such accounts, correspondence, memorandums, papers, books, and other records shall be subject at any time to such reasonable periodic, special, or other examinations by examiners or other representatives of the appropriate regulatory agency as such agency may deem necessary or appropriate to carry out the purposes of this section. Each appropriate regulatory agency shall make a report of all examinations conducted by it of any transfer agent and shall, upon request, furnish a copy of such report or of any report or document which it receives from any transfer agent pursuant to this section to any other regulatory agency with responsibilities under this section.

"(g) No transfer agent registered under this section shall, directly or indirectly, engage in any activity as transfer agent in contravention of such rules and regulations as the Commission shall prescribe as necessary or appropriate in the public interest, for the protection of investors or to effectuate the purposes of this section with regard to such matters as standards for the performance of transfer functions, the prompt and accurate processing and settlement of securities transactions, and operational compatability of and cooperation by the transfer agent with other persons involved in the securities handling process, or as the appropriate regulatory agency shall prescribe as necessary or appropriate for the adequate safeguarding of securities and funds.

"(h) The agencies enumerated in section 3(a)(25) of this title shall consult and cooperate with each other and, as may be appropriate, with State banking authorities having supervision over banks acting as transfer agents so that the accounts, correspondence, memorandums, papers, books, records, and other data required of banks acting as transfer agents, the rules and regulations applicable to them, and the inspections thereof, may be in accord with both sound banking practices and a sound system for the prompt and accurate processing and settlement of securities transactions to the maximum extent practicable. Whenever the Commission is considering the promulgation of any rule under subsection (g), after consulting with each of the other appropriate regulatory agencies with respect to such rulemaking, if the Commission determines that in addition to such consultation, it is necessary to review the operations of a transfer agent for which it is not the appropriate regulatory agency, upon notice to each such transfer agent and the appropriate regulatory agency for each such transfer agent, the Commission may conduct such reasonable review of the operations of each such transfer agent as are germane to the subject matter of the rulemaking and which are necessary to the proper performance of its responsibilities under this section. To the maximum extent practicable, the Commission shall coordinate its reviews pursuant to the preceding sentence with the inspections and examinations of the appropriate regulatory agencies to assure that transfer agents are not subject to unnecessary regulatory duplication or undue burdens. Nothing in this section shall be construed to impair the authority of any State banking authority or of any other State or Federal regulatory authority which has jurisdiction over a person registered as a transfer agent to make or enforce rules governing such person which are not inconsistent with this section or any rules promulgated hereunder.

"(i) Compliance with the requirements imposed by this section and section 17A of this title may be enforced under section 8 of the Federal Deposit Insurance Act (12 U.S.C. 1818) by the appropriate regulatory agencies other than the Commission. For the purpose of the exercise by such a regulatory agency of its powers under section 8 of the Federal Deposit Insurance Act, registered clearing agencies and transfer agents for which it is the appropriate regulatory agency shall be considered insured banks. Any violation of any requirement imposed under this section or section 17A upon such registered clearing agencies and transfer agents is a violation of the requirements imposed under the Federal Deposit Insurance Act and shall constitute adequate basis for the issuance of orders under section 8(b) and 8(c) of that Act. For purposes of the preceding sentence, the term 'depositors' in section 8(c) of the Federal Deposit Insurance Act shall include participants in such clearing agencies and persons doing business with such transfer agents. In addition to its power under section 8 of the Federal Deposit Insurance Act, each of such appropriate regulatory agencies may, for the purpose of enforcing compliance with this section or section 17A of this title or any rule thereunder, exercise any other authority conferred on it by law.

"(j) The Commission may, after appropriate notice and opportunity for hearing, by order, censure, bar, or place limitations upon any transfer agent for which it is the appropriate regulatory agency, or upon any partner, officer, director, or employee of any such transfer agent, or suspend for a period not exceeding twelve months or revoke the registration of any such transfer agent, if the Commission finds that such censure, barring placing of limitations, suspension, or revocation is in the public interest or necessary for the protection of investors and that such transfer agent or partner, officer, director, or employee thereof has willfully violated or is unable to comply with any provision of this section or any rule or regulation promulgated thereunder. All of the functions and powers of the Commission under this title are available to the Commission to enforce compliance by any person with the requirements imposed under this section and section 17A of this title. The appropriate regulatory agency shall have primary responsibility to enforce the requirements imposed under this section and section 17A.

"(k) At least fifteen days prior to the issuance for public comment or adoption of any proposed rule or regulation regarding transfer agents, the agency contemplating issuance or adoption of any such rule or regulation shall first consult with and request the views of each of the other agencies enumerated in section 3(a)(25) concerning such rules toward the end that rules and regulations applicable to banks registered as transfer agents may be in accord with both sound banking practices and a sound system for the prompt and accurate processing and settlement of securities transactions to the extent practicable.".

SEC. 7. Section 12 of the Securities Exchange Act of 1934 (15 U.S.C. 781) is amended by inserting after subsection (i) the following new subsection:

"(j) It shall be unlawful for an issuer, any class of whose securities is registered under this section or which would be required to be so registered except for the exemption from registration provided by paragraph (2)(B) or (2)(G) of subsection (g), by the use of any means or instrumentality of interstate commerce, or of the mails, to issue, either originally or upon transfer, any such securities in a form or with a format which contravenes such rules and regulations as the Commission may prescribe as necessary or appropriate for the prompt and accurate processing of transactions in securities.".

SEC. 8. Section 19 of the Securities Exchange Act of 1934 (15 U.S.C. 78s) is amended by inserting after subsection (e) the following new subsection:

"(f) The Commission is authorized and directed to make a study and investigation of the practice of registration of securities other than in the name of the beneficial owner and to determine (1) whether such registration is consistent with the policies and purposes of this title. with particular reference to sections 12(g), 14, and 15(d), and (2) if consistent, whether steps can be taken to facilitate communications between corporations and their shareholders while at the same time retaining the benefits of such registration. The Commission shall report to the Congress its preliminary findings within six months after the date of enactment of this subsection, and its final results and recommendations within one year of such date.".

SEC. 9. Section 28 of the Securities Exchange Act of 1934 (15 U.S.C. 78bb) is amended by inserting after subsection (b) the following new subsection:

"(c) No State or political subdivision thereof shall impose any tax on any change in beneficial or record ownership of securities effected through the facilities of a registered clearing agency or any nominee thereof or custodian thereof or upon the delivery or transfer of securities to or through or receipt from such agency or any nominee thereof or custodian therefor, unless such change in beneficial or record ownership or such transfer or delivery or receipt would otherwise be taxable by such State or political subdivision if the facilities of such registered clearing agency or any nominee thereof or custodian therefor were not physically located in the taxing State or political subdivision. No State or political subdivision thereof shall impose any tax on securities which are deposited in or retained by a registered clearing agency or any nominee thereof or custodian therefor, unless such securities would otherwise be taxable by such State or political subdivision if the facilities of such registered clearing agency or any nominee thereof or custodian therefor were not physically located in the taxing State or political subdivision.".

SEC. 10. Section 25 of the Securities Exchange Act of 1934 (15 U.S.C. 78y) is amended by inserting after subsection (b) the following new subsection:

"(c) For purposes of subsections (a) and (b) of this section, the term 'Commission' includes the agencies enumerated in section 3(a)(25) of this title insofar as such agencies are acting pursuant to section 17A or 17B of this title."

SEC. 11. This Act shall become effective on the date of its enactment, except that sections 17A(a) and 17B(a) of the Securities Exchange Act of 1934 (as added by this Act) shall become effective one hundred and eighty days after the date of enactment.

Mr. WILLIAMS. Mr. President, today we have before us for final consideration the second bill to grow out of the 18-month securities industry study conducted by the Subcommittee on Securities. Last month we passed S. 470 concerning the Commission rate structure and institutional membership on stock exchanges. That legislation dealt with problems associated with the revenue-side of the securities industry. The present bill, S. 2058, is concerned with the cost-side. It addresses the back office and securities processing problems of the industry, which are costly problems indeed. And it establishes a decisionmaking mechanism and regulatory framework for the development of a national system for the prompt, accurate, and economical processing of securities transactions.

One of the first matters examined by the Securities Subcommittee when it commenced its securities industry study was the operational breakdown or "paperwork crisis" which plagued the securities industry and more importantly, its customers, in the late 1960's. I am sure my colleagues have not forgotten how during this period the industry's inability to handle its own paperwork caused tremendous inconvenience and financial loss to public customers, forced over 100 broker-dealers into liquidation and, for a time, jeopardized the continued operation of the securities markets themselves. To deal with this emergency in 1970 we passed the Securities Investor Protection Act. This act protects customers' funds and securities from the consequences of broker-dealer insolvency. Building on SIPC, our study took a remedial approach to the industry's operational problems.

We have made a comprehensive investigation of the industry's back office structure to determine where improvements were needed in order to assure the investing public that there will be no future "paperwork crisis." S. 2058 is the outgrowth of this investigation.

Based on our study, we determined that two factors played a major role in the operational breakdown—the securities industry's failure to develop a nationwide system for the clearing and settlement of transactions and the lack of a central decisionmaking force in the area of processing securities transactions.

S. 2058 addresses both of these problems. It attempts to remove the barriers to development of an efficient nationwide system for handling securities transactions and it creates a unified regulatory structure for the first time in operational matters.

It is obvious that the Securities and Exchange Commission is the proper agency to fill the leadership vacuum in securities handling matters. S. 2058 therefore gives the SEC general regulatory power over all clearing agencies, depositories, and transfer agents for the purpose of facilitating the development of an efficient national securities transfer system. In addition, it sets a deadline for the elimination of the stock certificate as a device for settlement of transactions among broker-dealers and prohibits the application of State stock transfer taxes in such a way as to impede the development and increased use of certificate depositories and clearing agencies.

During the hearings which were held on this legislation, testimony was received from representatives of regulatory and self-regulatory bodies, the banking and securities industries, corporate issuers and transfer agents, private investors and independent consultants. These hearings made it clear that all persons involved in the securities handling process must be brought within the purview of the same central regulatory pattern established for clearing agencies and that securities handling problems cannot be solved without the active participation of the bank regulatory agencies. Accordingly inspection and enforcement responsibilities are assigned to the "appropriate regulatory agency"—the Commission, the Federal Reserve Board, the Comptroller of the Currency, and the Federal Deposit Insurance Corporation—depending upon the type of clearing agency involved. The bill contains similar provisions respecting transfer agents except that as to transfer agents the registration powers as well as those of inspection and enforcement are lodged with the appropriate regulatory agency. Several provisions of the bill assure cooperation and coordination among the four regulatory agencies assigned responsibilities over clearing agencies and transfer agents.

S. 2058 also empowers the Commission to make rules and regulations concerning the format of securities issued by publicly held corporations and contains provisions regarding State stock transfer taxes and elimination of the use of stock certificates to settle transactions between brokers and dealers. Another section of the bill directs the Commission to study "street name" registration of securities to determine whether it impedes communications with shareholders and whether steps can be taken to facilitate communications with shareholders while preserving the efficiencies of "street name" registration.

In summary, Mr. President, S. 2058 is the end product of nearly 2 years of intensive study, hearings, and deliberations by our committee and its staff, the SEC, the securities industry, and representatives of the investing public. In my opinion it will go a long way to assuring that paper-handling problems will never again cause a break in public confidence in our Nation's securities markets. S. 2058 directs the SEC to assume an active leadership role in establishing a comprehensive and integrated national system for the processing and settlement of securities transactions. Under the Commission's leadership we can expect to see the impediments removed to development of such a system by the private sector.

Mr. JACKSON. I am concerned about the individual investor. I notice that the committee report on the bill indicates that the individuals may ask for and receive their stock certificates as evidence of ownership. I also note that your legislation contains no provision assuring that right or penalizing the broker for failure to comply within a reasonable time. Will you speak to these points?

Mr. WILLIAMS. I share your concern for the individual investor. As you noted, the committee report makes clear that this legislation in no way alters or affects the right of individual shareholders to obtain and hold stock certificates. With regard to the enforcement of this right, I think it is appropriate to point out that the SEC has a mandate from Congress to carry out the purposes of the Securities Exchange Act, including the provisions added by this bill, in a manner which will protect the rights of all investors.

Mr. JACKSON. The extensive investigation into stolen securities by my Permanent Subcommittee on Investigations has shown that securities held in street name are a choice target for thieves. However, testimony before my subcommittee indicates that a computerized, certificateless system would not be the answer to this problem; one needs only to look at the computer manipulations in the equity funding case to see how sophisticated criminals have become. Therefore, until we can move to a more secure system, the best protection for an individual would be to have his certificate in hand. Congress would be remiss in endorsing any legislation that causes the elimination of certificates for the public stockholder in an effort to help the securities industry solve its own problems.

Mr. WILLIAMS. This legislation is in no way intended to prohibit public investors from personally holding their stock certificates if they wish to do so. The provisions of the bill relating to the elimination of the stock certificate are narrowly drawn. They only concern the use of the certificate as a settlement mechanism in trades between brokers and dealers. The purpose of the bill is to create a nationwide securities processing system; No suggestion is made that certificates should be eliminated for the public stockholder.

Mr. JACKSON. Then you agree with me that it is in the public interest for the individual investor to receive his stock certificate?

Mr. WILLIAMS. I agreee that if a stockholder wishes to receive and hold his stock certificates he should continue to be able to do so. As I said before, the traditional prerogatives and rights of investors to ask for and receive their certificates are not affected, or in any manner abridged, by this bill.

Mr. JACKSON. I agree with you. Another reason would be to insure the continuation of the corporate-stockholder relationship on a 1-to-1 basis.

Mr. WILLIAMS. I am pleased that you raise the point of stockholder communications. The practice of street name registration of customer's securities and the impact of this practice on corporate-stockholder relationships is an important focus of this legislation. In recognition of the need to address this practice in a definitive manner, the bill directs the SEC to study the use of street name registration within the context of the Exchange Act and to report to Congress its findings.

Mr. JACKSON. Then I feel we have cloaked the individual investor with the same degree of protection as we have provided in the general consumer fraud areas.

Mr. WILLIAMS. I can assure you that if, in practice, the rights of individual investors are being violated in disregard of the intent of the Exchange Act, I would be the first to introduce appropriate legislation assuming the protection of those rights.

Mr. JACKSON. All our Members would be well advised to instruct their constituents who are investors to help Congress protect them by advising them to get their certificates.

Mr. WILLIAMS. Mr. President, I ask unanimous consent that the Secretary of the Senate be authorized to make any necessary technical and clerical corrections in the engrossment of S. 2058.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BROOKE. Mr. President, the inability of the securities industry to deal with its persistent operational problems during the 1968–70 period has greatly contributed to the loss of confidence of investors in the efficiency and safety of our capital markets. In addition, this breakdown in paper handling functions threatens to curtail the ability of brokers and dealers to maintain a constant flow of debt and equity instruments available for public investment. Both investor confidence and the continuous availability of investment capital are fundamental to the continued health of our economy. The bill before us today, I believe, will have a profound effect upon the restoration of confidence and efficiency to our securities markets.

The primary purpose of S. 2058 is to establish a system of effective regulation and centralized decisionmaking which will extend to every facet of the securities handling process—broker-dealers, corporate issuers, transfer agents, clearing agencies, and securities depositories. The paperwork crisis of 1968 and 1969, and the current jurisdictional battling among the various self-regulatory agencies for control of all aspects of the processing system are both manifestations of the absence of an effective decisionmaking force in the securities industry for operational matters. Moreover, the development of an efficient, nationwide system for processing securities will provide an effective means of controlling brokers' operational costs—a severe threat to the industry's future profitability. Without the regulatory framework for the development of an integrated national system for the clearing and settlement of all securities transactions, this industry faces continued uncertainty, confusion, and spiraling costs.

The "paperwork crisis" of the late 1960's resulted from the industry's inability to process the tremendous volume of trading that swept all securities markets. All too often deliveries to customers of both cash and securities were late and stock certificates were lost in the rising tide of paper. Firms lost control of their records and over 100 brokerage firms were forced into liquidation—largely as a result of faulty recordkeeping and the backlog of uncompleted transactions. These liquidations caused financial hardships for many investors who left their securities with brokerage houses for safekeeping. The result was a pervasive loss of investor confidence from which the industry has not recovered. Moreover, it led one noted economic historian to recently characterize this crisis as "perhaps the single most dramatic technical failure of the free-enterprise system on record anywhere."

The Congress responded in part to this situation by enacting the Securities Investor Protection Act of 1970, Public Law 598, to help protect securities customers from the consequences of broker-dealer insolvency. With the passage of SIPC, however, Congress has demonstrated that it is not satisfied with merely insuring the public against brokerage house failures. If future securities handling problems are to be avoided, both Congress and the Securities and Exchange Commission must maintain a continuing interest in and close scrutiny of the important operational aspects of the securities business. Accordingly, SIPC directed the Commission to compile a list of unsafe and unsound practices employed by brokers and dealers in conducting their business, to report to the Congress on the corrective steps being taken under existing law, and to submit recommendations on additional legislation which might be needed to eliminate those unsafe and unsound practices. Pursuant to this mandate the Commission concluded in its report:

> That the serious operational problems experienced by the securities industry during the period under study, especially the industry's inability to accurately and promptly process customer transactions, evidenced a need for greater scrutiny and control by the Federal Government.

In addition to the examination of the industry's operational problems undertaken by the Commission's unsafe and unsound practices report, the Securities Subcommittee devoted a substantial portion of February 1972 report of its indepth study of the economic and regulatory problem confronting the industry to an analysis and specific recommendations designed to prevent future paper-handling breakdowns.

The subcommittee's report found two primary functional causes for the paperwork crisis. First, the industry had failed to develop a nationwide system for clearance and settlement of securities transactions. Second, there existed a lack of uniformity and coordination among the various methods of clearing and settlement in use. The subcommittee found an alarming lack of supervision, coordination, and central decisionmaking which was delaying implementation of many of the technological innovations available to help solve the problem. Accordingly it recommended:

The Securities Exchange Act of 1934 be amended to make it clear that the Securities and Exchange Commission has the power and the responsibility to direct the evolution of clearance and settlement methods employed by national securities associations and by broker-dealers engaged in interstate commerce;

Legislation be enacted requiring clearing agencies and depositories to register with and report to the SEC and empowering the Commission to review and amend the rules of such entities;

The Commission be directed to proceed with dispatch toward elimination of the stock certificate as a means of settlement between broker-dealers by December 31, 1976, and to report to the Congress annually through 1976 the steps it has taken and progress it has made pursuant to this direction as well as its recommendations, if any, for further legistration to eliminate the certificate;

Legislation be enacted prohibiting the imposition of State and local taxes in such a way as to unnecessarily inhibit the development of efficient national clearing and depository systems; and

The Commission be directed to consider the practice of registering securities in "street name" to determine whether such registration is consistent with the policies of the Securities Exchange Act of 1934 and whether steps can be taken to facilitate communications between corporations and their shareholders while at the same time retaining the benefits of "street name" registration.

Shortly after the subcommittee filed its report, legislation was introduced to implement these recommendations. Hearings were held on May 9, 10, and 11, 1972. On June 27, 1972, the subcommittee, without objection, recommended passage of a securities processing bill, and the full Committee on Banking, Housing and Urban Affairs took similar action on July 25. On August 4, S. 3876 passed the Senate and was sent to the House of Representatives. Unfortunately, however, by the time the House of Representatives passed a similar bill, insufficient time remained in which to work out the differences between the two versions before the session ended.

S. 2058, like its predecessor in the 92d Congress, embodies the five basic recommendations of the subcommittee's report. It provides a centralized authority capable of coordinating the present series of interdependent functions essential to a modernized, nationwide system for the safe and efficient handling of securities transactions.

Clearly, paperwork processing problems are among the most complex facing the industry. On the one hand, they encompass coordinating a number of very complicated functions, and on the other, they involve important and often competing geographic and economic interests. Essentially, however, there are three basic functions that must be performed in a system for the settlement of securities transactions which will meet present and future needs. These are the function of a clearing agency, the function of a depository and the function of a transfer agent. Of these three functions, those of clearing agencies and transfer agents have existed for many years, while the depository function is relatively new. A clearing agent settles transactions between member broker-dealers. Offsetting transactions between them are netted out and settlement and delivery is effected only as to the balance under the traditional balance order system. Under the more recent net by net system, balances may be carried forward and netted against future settling trades. Depositories hold large amounts of securities and effect delivery between participants solely by book entry and without the necessity for actual receipt and delivery of certificates by the participants. Transfer agents transfer certificates from the name of the seller into the name of the buyer.

At present, these three basic functions are largely uncoordinated. Each of the major exchanges and the National Association of Securities Dealers, Inc., has a separate clearing agency for transactions between their members. At present, these clearing agencies are not utilizing the same or even similar methods of clearing. In addition, each corporate issuer either acts as its own transfer agent or retains a separate organization, which may or may not be a bank, to perform that function. There has been a tendency for separate depository systems to be developed, but their interface with the other parts of clearing, settlement, and transfer process has been slow and difficult. The result has been complex procedures whereby many large securities firms must interface with a dozen or more different systems in their daily securities processing operations. Therefore, the development of depositories and clearance systems now operating and being planned, and the functions of transfer agents and other entities involved in the securities handling process must be directed in a manner which keep each system open-ended and compatible with other systems in order that they perform at maximum level and service for the entire investment community.

Finally, the integration of the present proliferation of separate securities processing systems into a centralized, nationwide entity will, over the long term, have a significant impact on the profitability of the brokerage industry. I am concerned with the rapidly rising costs of doing business in the securities industry and its adverse effects upon profits and services. Securities processing of all brokerage firms have increased substantially in recent years and other financial institutions have experienced similar securities processing cost increases. In fact one witness representing the securities industry's largest firm indicated at our hearings that the implementation of a coordinate, nationwide clearing and depository system could mean a reduction of 25 to 30 percent of his firm's back office costs. Without a reduction in securities processing costs, I am afraid that increases will surely be passed on to individual investors in the form of higher and higher commission rates.

Mr. President, processing economies, the public interest in protecting investors against loss of securities and cash, the financial and operational responsibilities of broker-dealers, the need for greater public confidence in the market system and the expectation that the markets of the future will be required to handle higher volume, all require a modernized nationwide system for consummating securities transactions. This legislation goes a long way toward providing the necessary framework for that system. I urge swift passage of this bill as it has been reported by the committee.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment in the nature of a substitute.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

THOUGHTS ON THE SUMMER RECESS

Mr. SCOTT of Pennsylvania. Mr. President, as we near the opportunity for a brief and well-earned recess, it is my hope that all my colleagues will find the opportunity for relaxation, reflection, and occasion for consultation with their constituents, their friends, and their critics, which is much to be preferred to the tendency toward omphaloskepsis in which too often we indulge ourselves in this Chamber.

I hope that when we come back, we will have gained for ourselves a reasonably true sense of proportion because, as Shakespeare says, when "time is broke," there is "no proportion kept."

I believe that we have perhaps failed to distinguished between those matters which are national and from which conclusions can be drawn, and those toward which we have exhibited a sort of cathexis or undue involvement. I hope that we can separate our emotions and our excitement; our tendencies toward overstatement or toward analogies which are absurd; and our rhetoric or "vaulting ambition which o'erleaps itself and falls exhausted on the other."

Perhaps we can come back and see that the country is safe, that the Republic endures and is strong, that there is more civic freedom than civic misdoing; that the system is working and that the country will go ahead in renewed confidence and in its ability to solve its problems, to cleanse itself, and to meet all of its responsibilities, both at home and abroad.

ORDER OF BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, the Senator from Minnesota (Mr. HUMPHREY) is recognized for not to exceed 15 minutes.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum. I ask that the time be charged against the time of the Senator from Minnesota.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. TUNNEY). Without objection, it is so ordered.

TRANSACTION OF ROUTINE MORNING BUSINESS

Mr. ROBERT C. BYRD. Mr. President, without prejudice to the distinguished Senator from Minnesota (Mr. HUMPHREY), I ask unanimous consent that there now be a period for the transaction of routine morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMUNICATIONS FROM EXECUTIVE DEPARTMENTS, ETC.

The ACTING PRESIDENT pro tempore (Mr. Moss) laid before the Senate the following communication and letters, which were referred as indicated:

Proposed Amendments to the Budget, 1974, for Department of Commerce (S. Doc. No. 93-30)

A communication from the President of the United States, transmitting an amendment to the request for appropriations transmitted in the budget for the fiscal year 1974, in the amount of $6,140,000 for the Department of Commerce (with an accompanying paper). Referred to the Committee on Appropriations, and ordered to be printed.

Report Entitled "Data on Army, Air Force, and Navy Contracts From July 15–October 15, 1973"

A letter from the Assistant Secretary of Defense, transmitting, pursuant to law, a secret report entitled "Data on Army, Air Force, and Navy Contracts from July 15–October 15, 1973" (with an accompanying report). Referred to the Committee on Armed Services.

Report of National Aeronautics and Space Administration

A letter from the Administrator, National Aeronautics and Space Administration, transmitting, pursuant to law, a report on amount of appropriated funds used by that Administration for the support of executive dining rooms (with an accompanying report). Referred to the Committee on Appropriations.

Reports of Comptroller General

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report entitled "More Needs To Be Done To Reduce the Number and Adverse Impact of Illegal Aliens in the United States," Immigration and Naturalization Service, Department of Justice, dated July 31, 1973 (with an accompanying report). Referred to the Committee on Government Operations.

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report entitled "Better Management Needed in Civil Agencies Over Selection of In-House or Contract Performance of Support Activities," dated July 31, 1973 (with an accompanying report). Referred to the Committee on Government Operations.

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report entitled "Opportunity for AEC To Improve Its Procedures for Making Sure That Containers Used for Transporting Radioactive Materials Are Safe," Atomic Energy Commission, dated July 31, 1973 (with an accompanying report). Referred to the Committee on Government Operations.

Report of Commission on the Bankruptcy Laws of the United States

A letter from the Executive Director, Commission on the Bankruptcy Laws of the United States, transmitting, pursuant to law, part I of its report (with an accompanying report). Referred to the Committee on the Judiciary.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. JOHNSTON, from the Committee on Banking, Housing and Urban Affairs, with an amendment:

S. 1980. A bill to amend the Defense Production Act of 1950, as amended (Rept. No. 93-364).

By Mr. HARTKE, from the Committee on Commerce, with an amendment:

S. 2188. A bill to provide for the identification of a restructured rail transportation system in the Midwest and Northeast regions of the Nation in order to meet the present and future needs of commerce, the national defense, and the environment; the service requirements of passengers, mail, shippers, States, communities, and the consuming public; and for other purposes (Rept. No. 93-365), together with supplemental and minority views.

By Mr. CANNON, from the Committee on Rules and Administration, without amendment:

S. Res. 143. A resolution establishing a limitation on expenditures by the Committee on Post Office and Civil Service for the procurement of consultants (Rept. No. 93-366).

S. Res. 148. A resolution authorizing additional expenditures by the Committee on Finance for routine purposes (Rept. No. 93-367).

S. Res. 151. A resolution authorizing the printing as a Senate document "Majority and Minority Leaders of the Senate," prepared under the direction of the Secretary of the Senate by the Senate Parliamentarian (Rept. No. 93-368).

By Mr. CANNON, from the Committee on Rules and Administration, with amendments:

S. Res. 135. A resolution authorizing supplemental expenditures by the Committee on Public Works for inquiries and investigations (Rept. No. 93-369).

By Mr. EAGLETON, from the Committee on the District of Columbia, without amendment:

H.R. 4083. A bill to improve the laws relating to the regulation of insurance in the District of Columbia, and for other purposes (Rept. No. 93-370).

H.R. 6713. A bill to amend the District of Columbia Election Act regarding the times of filing certain petitions regulating the primary election for Delegate from the District of Columbia, and for other purposes (Rept. No. 93-371).

By Mr. EAGLETON, from the Committee on the District of Columbia, with amendments:

H.R. 8250. A bill to authorize certain programs and activities of the government of the District of Columbia, and for other purposes (Rept. No. 93-372).

By Mr. HARTKE, from the Committee on Veterans' Affairs, with amendments:

S. 275. A bill to amend title 38 of the United States Code increasing income limitations relating to payment of disability and death pension, and dependency and indemnity compensation (Rept. No. 93-373).

EXECUTIVE REPORTS OF COMMITTEES

As in executive session, the following favorable reports of nominations were submitted:

By Mr. CURTIS, from the Committee on Agriculture and Forestry:

Frank B. Elliott, of Virginia, to be Administrator of the Farmers Home Administration.

(The above nomination was reported with the recommendation that the nomination be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

Mr. CANNON. Mr. President, as in executive session, from the Committee on Armed Services, I report favorably the nomination of Maj. Gen. William Edward Potts, U.S. Army, to be lieutenant general; the reappointment of Lawrence J. Lincoln on the active list of Regular Army from temporary disability retired list for 1 day to be major general, Regular Army, and lieutenant general, Army of the United States and place him on the retired list in the grade of lieutenant general; Vice Adm. E. Edwin Bell, U.S. Navy, for appointment to grade of vice admiral, when retired and Brig. Gen. Harold R. Vague, for promotion in the Air Force to the grade of major general. I ask that these names be placed on the Executive Calendar.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CANNON. Mr. President, in addition, there are 93 temporary appointments in the Marine Corps to the grade of lieutenant colonel; 49 temporary promotions in the Air Force Reserve to the grade of lieutenant colonel and colonel; and Comdr. Grace Murray Hopper, U.S. Naval Reserve retired, for permanent promotion to the grade of captain on the retired list. Since these names have already appeared in the CONGRESSIONAL RECORD and to save the expense of printing on the Executive Calendar, I ask unanimous consent that they be ordered to lie on the Secretary's desk for the information of any Senator.

The PRESIDING OFFICER. Without objection, it is so ordered.

By Mr. PASTORE, from the Joint Committee on Atomic Energy:

William A. Anders, of Virginia, to be a member of the Atomic Energy Commission.

(The above nomination was reported with the recommendation that the nomination be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

By Mr. McGEE, from the Committee on Post Office and Civil Service:

John Y. Ing, of Hawaii, to be a Governor of the U.S. Postal Service.

(The above nomination was reported with the recommendation that the nomination be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

By Mr. RANDOLPH, from the Committee on Public Works:

Russell E. Train, of the District of Columbia, to be Administrator of the Environmental Protection Agency.

(The above nomination was reported with the recommendation that the nomination be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

By Mr. FULBRIGHT, from the Committee on Foreign Relations:

Thomas R. Byrne, of Pennsylvania, a Foreign Service officer of class 1, to be Ambassador Extraordinary and Plenipotentiary to Norway; and

John R. Stevenson, of New York, Special Representative of the President for the

Law of the Sea Conference and Chief of Delegation, for the rank of Ambassador (Exec. Rept. No. 93-10).

(The above nominations were reported with the recommendation that the nominations be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

By Mr. PELL, from the Committee on Foreign Relations without reservation:

Executive D, 93d Congress, first session, amendments to the International Convention on Load Lines, 1966, adopted at London on October 12, 1971, at the seventh session of the Assembly of the Intergovernmental Maritime Consultative Organization (Exec. Rept. No. 93-11);

Executive I, 93d Congress, first session, six amendments to the Convention for the Safety of Life at Sea, 1960 (Exec. Rept. No. 93-12);

Executive C, 93d Congress, first session, Convention on the Prevention of Marine Pollution by Dumping of Wastes and Other Matter, opened for signature at Washington, London, Mexico City, and Moscow on December 29, 1972 (Exec. Rept. No. 93-13); and

Executive H, 93d Congress, first session, Convention on International Trade in Endangered Species of Wild Fauna and Flora, signed at Washington on March 3, 1973 (Exec. Rept. No. 93-14).

AMENDMENT OF SMALL BUSINESS ACT—CONFERENCE REPORT—REPORT OF A COMMITTEE (S. REPT. NO. 93-363)

Mr. CRANSTON, from the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 1672) to amend the Small Business Act, submitted a report thereon, which was ordered to be printed.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred or passed as indicated:

By Mr. STEVENS:

S. 2301. A bill to amend the act entitled "An act to establish a contiguous fishery zone beyond the territorial sea of the United States," approved October 14, 1966, to require that the method of straight baselines shall be employed for the purpose of determining the boundaries of such fishery zone, and for other purposes. Referred to the Committee on Commerce.

By Mr. SCOTT of Pennsylvania:

S. 2302. A bill to provide for the addition of Colonial Germantown in the city of Philadelphia, State of Pennsylvania to Independence National Historical Park. Referred to the Committee on Interior and Insular Affairs.

S. 2303. A bill to authorize the establishment of the Fort Mifflin National Historic Site in the State of Pennsylvania, and for other purposes. Referred to the Committee on Interior and Insular Affairs.

By Mr. DOLE:

S. 2304. A bill to provide for mobile home-State offices for Senators. Referred to the Committee on Public Works.

By Mr. McClure:

S. 2305. A bill to amend the Natural Gas Act to extend its application to the direct sale of natural gas in interstate commerce, and to provide that provisions of the act shall not apply to certain sales in interstate commerce. Referred to the Committee on Commerce.

By Mr. MUSKIE:

S. 2306. A bill for the relief of Penelope C. Bitsakou. Referred to the Committee on the Judiciary.

By Mr. HUMPHREY:

S. 2307. A bill for the relief of Mr. Afhok Gupta. Referred to the Committee on the Judiciary.

By Mr. MONDALE:

S. 2308. A bill to amend the Social Security Act to provide for judicial review by providers and others of actions undertaken pursuant to titles XVIII and XIX of such act, and for other purposes. Referred to the Committee on Finance.

By Mr. SAXBE (for himself and Mr. Taft):

S. 2309. A bill to change the name of the Lockbourne Air Force Base, Ohio, to the Eddie Rickenbacker Air Force Base. Referred to the Committee and Armed Services.

By Mr. LONG (for himself and Mr. Johnston):

S. 2310. A bill to amend the act of October 27, 1965, to change the procedure prescribed for local interests for making local contributions for the cost of the work and to amend the responsibility for operation and maintenance of the navigation structures required for the project for hurricane-flood protection on Lake Ponchartrain, La. Referred to the Committee on Public Works.

By Mr. BENNETT:

S. 2311. A bill to amend the program of grant to States for aid to families with dependent children; and

S. 2312. A bill to amend the Social Security Act to improve the program of payments for Old-Age, Survivors, and Disability Insurance. Referred to the Committee on Finance.

By Mr. PASTORE:

S. 2313. A bill for the relief of Gaetano Tindaro Russo and his wife, Carmela Torre de Russo. Referred to the Committee on the Judiciary.

By Mr. EASTLAND:

S. 2314. A bill for the relief of Jiri Emanuel Huebner. Referred to the Committee on the Judiciary.

By Mr. CANNON:

S. 2315. A bill relating to the compensation of employees of Senate committees. Referred to the Committee on Post Office and Civil Service.

By Mr. PASTORE:

S. 2316. A bill to authorize the disposal of copper from the national stockpile and the supplemental stockpile. Referred to the Committee on Armed Services.

By Mr. HARTKE:

S. 2317. A bill to provide for a study of the feasibility and desirability of establishing a proposed Ohio River National Parkway in the State of Indiana, and for other purposes. Referred to the Committee on Interior and Insular Affairs.

By Mr. ERVIN (for himself, Mr. Abourezk, Mr. Baker, Mr. Bayh, Mr. Beall, Mr. Bible, Mr. Cannon, Mr. Case, Mr. Church, Mr. Cranston, Mr. Eagleton, Mr. Fulbright, Mr. Gravel, Mr. Hart Mr. Haskell, Mr. Hatfield, Mr. Hughes, Mr. Humphrey, Mr. Inouye, Mr. Javits, Mr. Kennedy, Mr. Mansfield, Mr. McGee,, Mr. Moss, Mr. Pell, Mr. Percy, Mr. Randolph, Mr. Ribicoff, Mr. Roth, Mr. Stafford, Mr. Stevenson, Mr. Tunney, Mr. Weicker, and Mr. Williams):

S. 2318. A bill to enforce the first amendment and fourth amendment to the Constitution, and the constitutional right of privacy by prohibiting any civil or military officer of the United States or the militia of any State from using the Armed Forces of the United States or the militia of any State to exercise surveillance of civilians or to execute the civil laws, and for other purposes. Referred to the Committee on the Judiciary.

By Mr. DOMINICK:

S. 2319. A bill to amend the Wild and Scenic Rivers Act by designating segments of certain rivers in the State of Colorado for study as potential components of the National Wild and Scenic Rivers Systems. Referred to the Committee on Interior and Insular Affairs.

By Mr. GRAVEL:

S. 2320. A bill to amend the Davis-Bacon Act to provide that reports required under that act be public information, and for other purposes. Referred to the Committee on Labor and Public Welfare.

By Mr. CRANSTON:

S. 2321. A bill to amend the National Security Act of 1947 to limit to 8 years the time any person may serve as the Director of the Central Intelligence Agency, and for other purposes. Referred to the Committee on Armed Services.

By Mr. PROXMIRE:

S.J. Res. 143. Joint resolution to provide for a temporary extension of the authority of the Secretary of Housing and Urban Development with respect to the insurance of loans and mortgages, and for other purposes. Referred to the Committee on Banking, Housing and Urban Affairs.

By Mr. SPARKMAN:

S.J. Res. 144. Joint resolution to provide for a temporary extension of the authority of the Secretary of Housing and Urban Development with respect to the insurance of loans and mortgages, and for other purposes. Considered and passed.

(The joint resolution is printed in full in the Record where discussion was had relating to same, and appears at a later point in the Record.)

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. STEVENS:

S. 2301. A bill to amend the act entitled "An act to establish a contiguous fishery zone beyond the territorial sea of the United States," approved October 14, 1966, to require that the method of straight baselines shall be employed for the purpose of determining the boundaries of such fishery zone, and for other purposes. Referred to the Committee on Commerce.

Mr. STEVENS. Mr. President, the bill which I am introducing today would change the present method used for determining the inward boundary of the 3-mile territorial sea. In most instances, the low water line along the coast, the straight baseline method would be employed. Thus, except where the 24-mile closing rule applies, the inward boundary of the territorial sea would be computed by drawing a straight line between the two headlands of a bay or other indentation in the coastline. In the case of a bay which is more than 24 miles wide, the inward boundary would be determined by drawing a line across the width of the bay at the point where it exceeds 24 miles. Where there is a fringe of islands along the coast, the inward boundary would be computed by drawing a straight line between the islands. Any areas enclosed within the line would be designated as part of the inland waters of the United States. Since the inward boundary of the territorial sea would be drawn further from shore along certain stretches of the coastline of my State of Alaska, the use of the straight baseline method would significantly widen the marine areas under the jurisdiction of both Alaska and the United States in these coastal regions.

This bill will protect American fisheries from the depredations of foreign fishermen. Such protection is necessary for two reasons. First, foreign fishing activity off the coasts of the United States has seriously threatened our marine resources. American fishermen are required to adhere to stringent laws and regulations respecting the time, place, and manner of fishing activities. However, foreign fishermen are subject to fewer restrictions. As a result, the salmon runs in my State have often been threatened by foreign nationals using harvesting techniques which are forbidden to our own fishermen.

Foreign fishing activity only a few miles off the coasts of the United States has also posed a severe economic threat to American commercial fishermen. Partly as a result of this activity, the United States ranks well down among the world's fishing nations, a poor sixth, behind Japan, Peru, Communist China, the U.S.S.R., and Norway, in spite of our advanced technology in other areas and abundant natural resources. The economic consequences of foreign fishing are felt throughout the United States. However, one area in which the deleterious effects are felt most heavily is in Alaska, where fishing is the second greatest revenue producing industry and is the industry employing the largest number of people. Alaskans look to the sea often as their only source of income. Additionally, many Alaskans depend on sea food for a large part of their diet.

Mr. President, this legislation is an attempt to deal with a problem that has been vexing Alaska for some time. An interdisciplinary task force published a series of charts provisionally delimiting the boundaries of the United States. These used the arcs of circles method rather than a straight baseline method or a combination of the two based upon historical precedent. These charts have caused serious problems in Alaska. They have created international pockets of water in Chatham and Shelikof Straits.

On May 15, 1972, the Senate Commerce Committee held hearings in Juneau, Alaska, on these provisional territorial charts. They are reprinted and available as serial No. 92-69. A number of witnesses, experts on Alaska geography, history, and international law, testified on all aspects of the charts, including the desirability of straight baselines.

This legislation is identical to S. 872, which I introduced in the 92d Congress. It is also identical to H.R. 2283, the subject of hearings last month in the House Merchant Marine and Fisheries Committee.

This legislation has excited a great deal of interest. Dr. John Harville, the Executive Director of the Pacific Marine Fisheries Committee—an organization of the Western States, Alaska, California, Idaho, Oregon, and Washington—has spoken to my staff on this legislation indicating the importance of it.

Governor Egan of Alaska has also endorsed the bill. I ask unanimous consent to print in the Record at this point the bill itself and the telegram I received from Governor Egan.

There being no objection, the bill and telegram were ordered to be printed in the Record, as follows:

S. 2301

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 2 of the Act entitled "An Act to establish a contiguous fishery zone beyond the territorial sea of the United States", approved October 14, 1966 (16 U.S.C. 1092), is amended by inserting "(a)" immediately after "Sec. 2." and by adding at the end thereof the following new subsection:

"(b) For the purposes of this section, the baseline for measuring the breadth of the territorial sea shall be established in accordance with the provisions of the Convention on the Territorial Sea and the Contiguous Zone which came into force on September 10, 1964, and, where applicable, the method of straight baselines shall be employed in drawing the baseline pursuant to article 4 of such convention."

Sec. 2. Such Act of October 14, 1966, is amended by adding at the end thereof the following new sections:

"Sec. 5. Within the two-year period beginning on the date of enactment of this section, the baseline for the purpose of charting the contiguous fishery zone, described in subsection (b) of section 2 of this Act, shall be marked on large-scale charts officially recognized by the United States.

"Sec. 6. There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this Act."

Juneau, Alaska,
June 13, 1973.

Hon. Ted Stevens
U.S. Senate,
Washington, D.C.:

Urge your active support H.R. 2283, a bill to amend the act to establish a contiguous fisheries zone beyond the territorial sea of the U.S. (16 VSC 1092) point to point method of drawing straight base lines from which breadth of territorial sea is measured considered highly advantageous to Alaska and U.S. This provision traditionally supported by Alaska legislature and administration. Understand H.R. 2283 in committee on merchant marine and fisheries with hearings scheduled this week by subcommittee on fisheries and wildlife conservation.

William A. Egan, *Governor.*

By Mr. SCOTT of Pennsylvania:

S. 2302. A bill to provide for the addition of colonial Germantown in the city of Philadelphia, State of Pennsylvania to Independence National Historical Park. Referred to the Committee on Interior and Insular Affairs.

Mr. SCOTT of Pennsylvania. Mr. President, I am today introducing a bill to provide for the addition of colonial Germantown in Philadelphia to the Independence National Historical Park.

The Colonial Germantown Historical District has been designated a registered national historical landmark under the provisions of the Historic Sites Act of 1935. There is only one district in America which carries this distinction.

The property involved is Market Square in the colonial section of Germantown in Philadelphia. As a resident of nearby Chestnut Hill, I can attest to the value and historic significance of the property.

I hope that my bill will be considered favorably.

By Mr. SCOTT of Pennsylvania:

S. 2303. A bill to authorize the establishment of the Fort Mifflin National Historic Site in the State of Pennsylvania, and for other purposes. Referred to the Committee on Interior and Insular Affairs.

Mr. SCOTT of Pennsylvania. Mr. President, I am pleased to introduce legislation to establish the Fort Mifflin National Historic Site, thus making it a part of the National Park System.

Old Fort Mifflin was an active military installation from 1772, when construction began under the British, until the late 1950's. It has served this Nation in every military involvement from the Revolutionary War up to, and including, the Korean conflict. During the Revolutionary War, the Old Fort held off the British for nearly 2 months even after sustaining heavy damage.

In recent years, the Shackamaxon Society in Philadelphia has had operational jurisdiction over the Old Fort in addition to coordinating restoration attempts. The job, however, is expensive and the Society needs assistance in order to utilize the Old Fort for bicentennial purposes in 1976.

An identical bill is being introduced in the House of Representatives by Representative Bill Barrett. With his effort and that of the entire Pennsylvania delegation, Old Fort Mifflin can assume its rightful place in history.

By Mr. McCLURE:

S. 2305. A bill to amend the Natural Gas Act to extend its application to the direct sale of natural gas in interstate commerce, and to provide that provisions of the act shall not apply to certain sales in interstate commerce. Referred to the Committee on Commerce.

Mr. McCLURE. Mr. President, any objective analysis of the present energy crisis must conclude that one basic cause was the 1954 Supreme Court decision concerning price regulation of natural gas. In this decision, concerning Phillips Petroleum Co. against Wisconsin, the Court held that the Federal Power Commission had authority to regulate the prices at which natural gas field producers sold their production to interstate pipeline companies. The Warren Court came to this conclusion despite the explicit intent of Congress, expressed by the Natural Gas Act of 1938 in these terms:

> [15 U.S.C. 717(b)] The provisions of this chapter . . . shall not apply . . . to the production or gathering of natural gas.

I will not go into the sorry record of the attempts by the Federal Power Commission to regulate wellhead prices. Whether based on some unwieldy costs of service procedures or on setting areawide ceiling prices, involving distinctions between old gas and new gas, the results speak for themselves. The residential natural gas consumer has not been helped by FPC efforts to hold down prices. These efforts have led directly to the present shortage of natural gas and indirectly to shortages of fuel oil, gasoline, and technology for removing sulphur from coal and sulphur dioxide from powerplant exhaust gases.

The time has come to reverse this decline in natural gas reserves. And, the first step in this process is to remove the authority of the Federal Power Commission to regulate wellhead prices for new supplies of natural gas. This will accomplish these vital objectives.

First, it will stimulate exploration and development of new gas fields, plus increase the economic feasibility of existing marginal wells. Second, it will conserve new supplies of natural gas, by discouraging wasteful uses—uses which were created by the cheapness of price-controlled gas. And, third, it will stimulate the search for new sources of clean fuel, particularly from coal, and new techniques for using existing reserves.

President Nixon recently proposed the discontinuance of price regulation at the wellhead of gas from new wells, gas newly-dedicated to interstate markets, and the continuing production of natural gas from expired contracts. I differ, however, in several aspects with the President's proposed bill, and am thereby offering this alternative, the Natural Gas Conservation Act of 1973.

First, my proposal exempts only gas from new wells, not rededicated supplies. This will, I believe, stimulate necessary exploration and development without imposing additional economic burden on the consumer.

Second, my proposal would leave jurisdiction for a 3-year period over price ceilings with the Federal Power Commission, rather than the Secretary of the Interior. I believe that this 3-year transition is necessary to protect against possible exorbitant price increases of a temporary nature. After 3 years, supply and demand should maintain competitive levels without this ceiling-setting authority.

Mr. President, to summarize my objection to the present system of regulation and to lend further argument for my proposal, I quote from an article entitled, "The Natural Gas Shortage and the Regulation of Natural Gas Producers," written by Stephen Breyer, professor of law at Harvard Law School, and Paul W. MacAvoy, professor of economics at MIT. This article, printed in the Harvard Law Review in April 1973, is adapted from a forthcoming book on energy regulation by the authors, funded and soon to be published by the Brookings Institution:

> In sum, the arguments against the present system of gas field market regulation are compelling. Price control is not needed to check monopoly power, and efforts to control rents require impossible calculations of producer costs and lead to arbitrary allocation of cheap gas supplies. In practice, regulation has led to a virtually inevitable gas shortage. It has brought about a variety of economically wasteful results, and it has ended up by hurting those whom it was designed to benefit. Thus, less, not more, regulation is required.

I recommend the complete article to my colleagues as an excellent analysis of this complex subject, and hope that the authors will have the opportunity to testify before the appropriate committees on the proposed legislation.

Conservation of natural gas demands that Federal Power Commission price controls on wellhead production of new supplies be removed. Despite statements to the contrary, the residential consumer will not be hit with outrageous price increases, since higher-priced new gas will be rolled-in with lower-priced existing supplies. In that manner, a further deterioration of the existing natural gas supply situation—with its attendant harmful effects on other forms of fuel and energy—can be reversed and future consumers of this clean, valuable energy source will be protected. I urge immediate attention to this legislation, in light of the continuing energy crisis in our Nation today.

By Mr. MONDALE:

S. 2308. A bill to amend the Social Security Act to provide for judicial review by providers and others of actions undertaken pursuant to titles XVIII and XIX of such act, and for other purposes. Referred to the Committee on Finance.

ADMINISTRATIVE AND JUDICIAL REVIEW FOR HEALTH CARE PROVIDERS

Mr. MONDALE. Mr. President, under existing law, hospitals and nursing homes providing health care under the medicare and medicaid programs have only a limited right to obtain judicial review of decisions by the Secretary of Health, Education, and Welfare which affect them.

H.R. 1, passed by the Congress last year, established a Provider Reimbursement Review Board to provide administrative review when a controversy arises over the amount or reimbursement a hospital or nursing home is entitled to for services provided.

However, the scope of judicial review of HEW reimbursement decisions was left unsettled. HEW argues that judicial review is available only when the Secretary of Health, Education, and Welfare reverses or modifies a Board decision favorable to a nursing home or hospital.

On a related matter, HEW has taken the position that it does not have to abide by the requirements in the Administrative Procedure Act for notice and opportunity to comment on the rules it issues.

I believe that no person or group or institution should be denied the right to judicial review and the procedural safeguards that others are entitled to.

The legislation I am introducing today, therefore, would guarantee judicial review of all final decisions of the new Provider Reimbursement Review Board when more than $10,000 is involved, and would make clear that the requirements of notice and opportunity to comment contained in the APA apply fully to HEW rulemaking.

This measure is identical to that introduced in the House by the distinguished Congressman from New York, Mr. CAREY.

I do not pretend that this bill is the definitive answer to these problems. I do believe, however, that this matter should be carefully considered in hearings before the Finance Committee. We should then take action based on those hearings to arrive at a careful and well-considered solution.

I ask unanimous consent that the text of the bill be printed in the RECORD at this point:

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2308

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 1878 of the Social Security Act is amended to read as follows:

"PROVIDER REIMBURSEMENT REVIEW BOARD

"SEC. 1878. Any provider of services which has filed a required cost report within the time specified in regulations may obtain a hearing with respect to such cost report by a Provider Reimbursement Review Board (hereinafter referred to as the 'Board') which shall be established by the Secretary in accordance with subsection (h), if—

"(1) such provider—

"(A) is dissatisfied with a final determination of the organization serving as its fiscal intermediary pursuant to section 1816 as to the amount of total program reimbursement due the provider,

"(B) has not received such final determination from such intermediary on a timely basis after filing such report, where such report compiled with the rules and regulations of the Secretary relating to such report, or

"(C) has not received such final determination on a timely basis after filing a supplementary cost report, where such cost report did not so comply and such supplementary cost report did so comply,

"(2) the amount in controversy is $10,000 or more, and

"(3) such provider files a request for a hearing within one hundred and eighty days after notice of the intermediary's final determination under paragraph (1)(A) or with respect to appeals pursuant to paragraph (1)(B) or (C), within one hundred and eighty days after notice of such determination would have been received if such determination had been made on a timely basis.

"(b) The provisions of subsection (a) shall apply to any group of providers of services if each provider of services in such group would, upon the filing of an appeal (but without regard to the $10,00 limitation), be entitled to such a hearing, but only if the matters in controversy involve a common question of fact or interpretation or validity of any law or regulation and the amount in controversy is, in the aggregate, $10,000 or more.

"(c) At such hearing, the provider of services shall have the right to be represented by counsel, to introduce evidence, and to examine and cross-examine witnesses. Evidence may be received at any such hearing even though inadmissable under rules of evidence applicable to court procedure.

"(d) A decision by the Board shall be based upon the record made at such hearing, which shall include the evidence considered by the intermediary and such other evidence as may be obtained or received by the Board, and shall be supported by substantial evidence when the record is viewed as a whole. The Board shall have the power to affirm, modify, or reverse a final determination of the fiscal intermediary with respect to a cost report and to make any other revisions on matters covered by such cost report (including revisions adverse to the provider of services) even though such matters were not considered by the intermediary in making such final determination.

"(e) The Board shall have full power and authority to make rules and establish procedures, not inconsistent with the provisions of this title or regulations of the Secretary, which are necessary or appropriate to carry out the provisions of this section. In the course of any hearing the Board may administer oaths and affirmations. The provisions of subsections (d), (e), and (f) of section 205 with respect to subpenas shall apply to the

Board to the same extent as they apply to the Secretary with respect to title II.

"(f) Providers and the Secretary shall have the right to obtain judicial review of any final decision of the Board by a civil action commenced within sixty days of the date notice of any such decision is received. Such actions shall be brought in the district court of the United States wherever the provider is located and shall be tried pursuant to the applicable provision of chapter 7 of title 5 of the United States Code, notwithstanding any other provisions of this Act.

"(g) The finding of a fiscal intermediary that no payment may be made under this title for any expenses incurred for items or services furnished to an individual because such items or services are listed in section 1862 shall not be reviewed by the Board, or by any court pursuant to an action brought under subsection (f).

"(h) The Board shall be composed of five members appointed by the Secretary without regard to the provisions of title 5, United States Code, governing appointments in the competitive services. Two of such members shall be representative of providers of services. All of the members of the Board shall be persons knowledgeable in the field of cost reimbursement, and at least one of them shall be a certified public accountant. Members of the Board shall be entitled to receive compensation at rates fixed by the Secretary, but not exceeding the rate specified (at the time the service involved is rendered by such members) for grade GS–18 in section 5332 of title 5, United States Code. The term of office shall be three years, except that the Secretary shall appoint the initial members of the Board for shorter terms to the extent necessary to permit staggered terms of office.

"(i) The Board is authorized to engage such technical assistance as may be required to carry out its functions, and the Secretary shall, in addition, make available to the Board such secretarial, clerical, and other assistance as the Board may require to carry out its functions."

(b) The amendment made by this subsection (a) shall apply with respect to cost reports of providers of services, as defined in title XVIII of the Social Security Act, for all accountng periods concerning which a final determination of the Secretary of Health, Education, and Welfare or a fiscal intermediary has not been made, and accounting periods for which such final determination have been made and reimbursement adjustments thereafter ordered by the Secretary or a fiscal intermediary for any reason.

SEC. 2. Section 1871 of the Social Security Act is amended by adding after the last sentence thereof, the following new sentence: "The exercise of the rulemaking authority conferred upon the Secretary or his agents with respect to such programs by this section, or any other provision of law, shall be done in accordance with the provisions of section 553 (b), (c), (d), and (e) of title 5, United States Code, and shall be subject to judicial review in accordance with the provisions of sections 702 through 706 of such title."

SEC. 3. Title XIX of the Social Security Act is amended by adding at the end thereof the following new section:

"RULEMAKING; JUDICIAL REVIEW

"SEC. 1911. The exercise of any rulemaking authority conferred upon the Secretary or his agents by this title, or any other provision of law, with respect to any program or plan provided for by this title, shall be done in accordance with the provisions of section 553 (b), (c), (d), and (e) of title 5, United States Code, and shall be subject to judicial review in accordance with the provisions of sections 702 through 706 of such title."

SEC. 4. This Act shall take effect upon the date of its enactment.

By Mr. CANNON:

S. 2315. A bill relating to the compensation of employees of Senate committees. Referred to the Committee on Post Office and Civil Service.

MINIMUM SALARY RATES—STANDING COMMITTEES

Mr. CANNON. Mr. President, section 105(e) of the Legislative Branch Appropriations Act, 1968, as amended and as modified by orders of the President pro tempore of the Senate, provides at present that professional staff members of standing committees of the Senate may be paid gross annual compensation ranging from a minimum of $18,496 to varying maximums, and that chief clerks, assistant chief clerks, and clerical assistants may be paid gross annual compensation ranging from minimums of $20,400, $14,144, and $8,160 to varying maximums.

No similar minimum limits the discretion of a Senator in fixing the salaries of members of his personal staff, or of chairmen in fixing the salaries of members of subcommittee or joint committee staffs, or the discretion of officers of the Senate in fixing the salaries of their staffs. In all these cases the salaries may be set on a "not to exceed" basis.

The existence of these minimum limits for standing committees means on occasion that a beginning professional or clerical staff member must be paid more than a comparably qualified beginner would be paid on a Senator's personal staff, a situation which is not only unfair but wasteful of public funds.

As chairman of a standing committee I have come to the conclusion that these minimum limits should be removed from the law, and I am therefore introducing a bill with that objective.

By Mr. PASTORE:

S. 2316. A bill to authorize the disposal of copper from the national stockpile and the supplemental stockpile. Referred to the Committee on Armed Services.

Mr. PASTORE. Mr. President, I introduce a bill to authorize the Administrator of General Services to dispose of 251,600 short tons of copper from the national defense stockpile for use by copper fabricators in Rhode Island and throughout the United States

The shortage of copper has reached crisis proportions. Jobs in the industry are on the line. Plants in Rhode Island are facing massive layoffs.

Mr. President, I ask unanimous consent that several telegrams and letters which I have received from copper fabricators in Rhode Island be printed in the RECORD as a part of my remarks. They were sent to me by Miller Electric Co. of Woonsocket, Carol Cable Co. of Pawtucket, ITT Royal Electric, the New England Union Co., and Victor Electric Wire and Cable Corp.

Each telegram and letter from the management of these companies underscores the urgency of this problem. These companies will be forced to reduce production and lay off employees unless some action is taken immediately to increase the domestic supply of copper.

The situation is particularly serious, Mr. President, in Rhode Island where we received a staggering, stunning blow last April when the Defense Department, with reference to basic closings, eliminated with one stroke 5,000 civilian jobs and approximately 17,000 military personnel as well.

The indirect repercussions of this Defense Department move are unknown, but the loss of civilian jobs may approach 19,000 by the time this plan is executed. The loss of payroll in Rhode Island will amount to approximately a quarter of a billion dollars a year and we are already confronted with an existing unemployment rate of close to 6 percent.

Under the circumstances, we simply cannot afford to put more skilled labor out in the street. There are two steps the Federal Government can take to increase the supply of copper for domestic manufacturers:

First—the Government can ban the exportation of copper scrap at exorbitant prices to foreign competitors. I have asked the Secretary of Commerce, Mr. DENT, to do this and I trust he will take immediate action.

Second—we can release copper lead in the national Defense stockpile to stabilize the domestic copper supply and the price of copper.

This is the reason why I have introduced this legislation today after conferring with Senator SYMINGTON, the acting chairman of the Senate Armed Services Committee, to which the bill will be referred.

I know Senator SYMINGTON is aware of how serious the problem is. He was gracious enough to chair hearings of the committee last month to investigate the base closings in Rhode Island and he heard testimony with respect to the impact of these closings on our economy. I hope that Senator SYMINGTON and the Armed Services Committee will hold hearings on this bill and report it favorably to the Senate as expeditiously as possible.

The jobs of copper fabricators in Rhode Island and throughout the country are at stake. We simply cannot afford to permit this industry to be destroyed.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

MILLER ELECTRIC CO.,
Woonsocket, R.I., July 20, 1973.

Senator JOHN O. PASTORE,
Capitol Hill, D.C.:

The present copper situation in our industry is beginning to affect our business and, consequently, our employees and the citizens of Rhode Island. The severe shortage of copper raw material will force a reduction in our operation in the next month or two. This situation has been caused by great demands for copper the world over and by other developments throughout the world which have reduced copper production. We urge you to press the Commerce Department to release copper at once from the Government stockpile. We also request the immediate stoppage of all export copper, copper scrap, and copper concentrates to higher priced world markets. Only your immediate action will prevent unnecessary reduction in production of copper products in our factory.

MANFRED WEIL,
President.

ITT Royal Electric Division,
Pawtucket, R.I., July 18, 1973.

Senator John O. Pastore: Urgently request that copper be separated from bill H.R. 7153 and that part of Government stockpile be released to fabricators. It is further requested that exports of copper concentrate, copper shapes, and copper scrap be temporarily banned.

This action is necessary to avert a dire shortage of copper in U.S. This shortage is caused by two conditions. First, U.S. and world consumption is up 19 percent in first four months of this year. Second, the world price of copper of $0.95 to $1.00 per pound compared to U.S. producer price of $0.60 is resulting in export of copper to European and Canadian markets.

Effect on our Rhode Island operation, if no action is immediately taken, will be a reduction of operations in September with accompanying layoff of personnel.

Thomas P. Howley,
President.

New England Union Co., Inc.,
West Warwick, R.I., July 16, 1973.

Senator John O. Pastore,
Senate of the United States,
Washington, D.C.

Dear Senator Pastore: I think that it would be advisable to bring to your attention as it was brought to ours by the Non-Ferrous Founders Society and the manufacturers of bronze ingot, that due to the price freeze scrap dealers are either holding on to their scrap or exporting it at higher prices at an alarming rate.

We are quite dependent upon brass and bronze ingot manufacturers to supply our foundry and machine shop. The basic material for the manufacturing of our complete line is bronze ingot.

Should our bronze ingot suppliers not be able to make deliveries to us, our foundry and machine shop will have to shut down. This of course, will cause us to lose much business and will force us to shut the shop and lay off all of our employees.

Your interest in looking into this matter will be greatly appreciated.

Very truly yours,

Francis T. Petit,
President.

Victor Electric Wire and Cable Corp.
West Warwick, R.I., July 18, 1973.

Senator Pastore,
New Senate Office Building,
Washington, D.C.:

We are certain that you must be aware of the critical copper situation, which drastically affects many of our Rhode Island industries including Victor Electric, who is a substantial user of copper. Victor Electric is, as you know, a large employer in the State of Rhode Island in the copper and wire industry, and have also added a plant in a distressed labor area in Westerly, Rhode Island. We are now expanding our facilities in Westerly to employ approximately an additional 150 people aside from the 500 presently employed in our west Warwick facility and, unless there is some Government relief on the availability of copper, Victor Electric and the industry will be faced with severe cutbacks in employment.

I would, therefore, seriously recommend two approaches to alleviate or aid the industry:

1. An immediate embargo; similar to what the Government has done to the soybean industry; to prevent the exportation of domestic scrap and refined copper at exorbitant prices to overseas markets; at the price level all domestic manufacturers cannot afford to purchase it.

2. The immediate release of copper from Government strategic stockpile to help alleviate the present critical shortage.

We would appreciate hearing from you at your earliest convenience as to what action can be taken and, if necessary, we can supply you with more detailed information concerning this critical shortage.

Very truly yours,

Abraham R. Grober,
President.

By Mr. HARTKE:

S. 2317. A bill to provide for a study of the feasibility and desirability of establishing a proposed Ohio River National Parkway in the State of Indiana, and for other purposes. Referred to the Committee on Interior and Insular Affairs.

OHIO RIVER NATIONAL PARKWAY

Mr. HARTKE. Mr. President, today I introduce legislation that would lead to the creation of recreational facilities for millions of people in the Midwest portion of our country. This bill provides for a study of the feasibility and desirability of establishing an Ohio River National Parkway running along the northern side of the Ohio River between Aurora and Troy, Ind.

This legislation has been introduced in previous years by myself and by my distinguished colleague from Indiana, Representative Lee H. Hamilton. On those occasions, during the 89th, 90th, and 92d Congresses, cutbacks were being made in highway construction funds due to the Vietnam war. With our withdrawal from that tragic endeavor, however, these funds are once again available, and the parkway proposed by this bill deserves renewed consideration.

Currently, there are five national parkways, three of which are in the Washington area. There have been no additions to this group since 1950. The portion of the Ohio River that would be banked by this parkway is one of the most scenic of the river's entire length. The proposed plan would bring these beautiful sights within the reach of 10 million people from Indiana, Kentucky, Ohio, Tennessee, and Missouri. In addition to the esthetic benefits derived from the parkway's location, it would also serve as a connecting link to the Lincoln Trail in Spencer County and, possibly, with the Lincoln Memorial National Parkway.

The Ohio River has played a significant role in the expansion of our country, and the trail history winding along its shores should be made available to more people than the present highway system permits. The bill I offer today will not only enable area residents to enjoy the historical and recreational sites this section of the country has to offer, but it will also make it readily accessible to visitors coming from other parts of the Nation.

Mr. President, I hope that my colleagues will give this proposal the consideration it merits, and I ask unanimous consent that the text of the bill be printed at this point in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 2317

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Interior is authorized and directed in consultation with the Secretary of Transportation, to conduct a study of the route of a proposed national parkway beginning at a point at or in close proximity to Aurora, Indiana, and extending generally along the northern banks of the Ohio River to a point ending at, or in close proximity to Mount Vernon, Indiana. Based on the results of such study, the Secretary of the Interior shall submit a report, as to the feasibility and desirability of establishing a proposed Ohio River National Parkway generally along the route referred to herein, to the Congress within two years from the effective date of this Act. Such report shall contain full information relative to the cost of constructing such a parkway, and proposed legislation to carry out any recommendation that such a parkway be authorized.

Sec. 2. There are hereby authorized to be appropriated such sums as may be necessary to carry out the provisions of this Act.

By Mr. ERVIN (for himself, Mr. Abourezk, Mr. Baker, Mr. Bayh, Mr. Beall, Mr. Bible, Mr. Cannon, Mr. Case, Mr. Church, Mr. Cranston, Mr. Eagleton, Mr. Fulbright, Mr. Gravel, Mr. Hart, Mr. Haskell, Mr. Hatfield, Mr. Hughes, Mr. Humphrey, Mr. Inouye, Mr. Javits. Mr. Kennedy, Mr. Mansfield, Mr. McGee, Mr. Moss, Mr. Pell, Mr. Percy, Mr. Randolph, Mr. Ribicoff, Mr. Roth, Mr. Stafford, Mr. Stevenson, Mr. Tunney, Mr. Weicker, and Mr. Williams):

S. 2318. A bill to enforce the first amendment and fourth amendment to the Constitution, and the constitutional right of privacy by prohibiting any civil or military officer of the United States or the militia of any State from using the Armed Forces of the United States or the militia of any State to exercise surveillance of civilians or to execute the civil laws, and for other purposes. Referred to the Committee on the Judiciary.

FREEDOM FROM SURVEILLANCE ACT OF 1973

Mr. ERVIN. Mr. President, I introduce for appropriate reference a bill to protect the constitutional rights of America citizens by prohibiting the Armed Forces of the United States from collecting information or conducting surveillance upon persons unaffiliated with the Armed Forces. I am pleased to have 34 Senators as cosponsors of this bill, entitled the "Freedom from Surveillance Act of 1973."

The Subcommittee on Constitutional Rights began its investigation of Army surveillance almost three and a half years ago. Extensive hearings were conducted in 1971. The public outcry which ensued forced the military to discontinue its domestic intelligence activities. Surveillance was supposedly ended, and the fruits of prior surveillance destroyed.

The American public, however, was left in a precarious position. Only the regulations of the Defense Department prevent a return to the domestic surveillance of the recent past. These regulations, of course, are subject to change on the order of the Secretary and, furthermore, are enforced by the Secretary. They are clearly not the sort of assurance the public deserves to be given that military surveillance will not be resumed in the future.

During our hearings in 1971, the Assistant Attorney General Rehnquist tried to assure the subcommittee and the American people that reliance in the self-restraint of the Executive was sufficient protection of the constitutional rights of all citizens.

With the recent revelations relating to special domestic intelligence programs initiated by the executive branch, the possibility that military agents will be called upon to collect intelligence looms larger than ever. If it was ever true, certainly now we know that the good faith of officials of the executive branch is not protection enough. Congress must act now to remove temptation from any governmental official, however well intentioned, to conduct military surveillance.

I introduced late in the second session of the 92d Congress a similar bill, S. 3750. That measure was introduced too late to receive substantial congressional attention. I am now introducing a revised and expanded version of that bill, which basically does four things:

First. It prohibits the use of military personnel to "conduct investigations into, maintain surveillance over, or record and maintain information regarding, the beliefs, associations, or political activities of any person not a member of the Armed Forces, or over civilian organizations." Three limited exceptions to this general prohibition are made. First of all, it permits military authorities to collect and maintain information regarding civilians in order to fulfill the role assigned to them by the Constitution and sections 331, 332, and 333 of title 10, United States Code. Such intelligence gathering is permissible only after the President has publicly and formally assigned military forces to suppress domestic violence under section 334 of title 10. Second, it permits military authorities to investigate criminal conduct committed on a military installation, or involving the destruction, damage, theft, unlawful seizure, or trespass of the property of the United States. Third, it permits the Armed Forces to gather information on civilians to determine their suitability for employment or retention in employment by the Armed Forces.

Second. It provides a criminal sanction for any civil or military officer who violates the general prohibition of the act.

Third. It provides for civil remedies for anyone who is aggrieved by a violation, or threatened by a violation, of the act to recover damages and have the illegal surveillance stopped. This section was added to last year's bill in response to the Supreme Court's decision in the case of *Tatum* v. *Laird* 408 U.S. 1 (1972). In that case, the Court held that the plaintiffs, who were subjects of surveillance, had not alleged sufficient injury to have standing before a court. This new bill grants the necessary procedural authorization for such suits.

Fourth. It amends the Posse Comitatus Act, United States Code 1385, to prohibit the use of all military personnel, and not simply members of the Army and Air Force, to enforce the civil laws. Defense Department regulations already provide such restrictions, and they should be reflected in the governing statute as well. This is also an addition to last year's bill.

Mr. President, I have chosen this date to introduce this legislation because it is also the date that the Subcommittee on Constitutional Rights is announcing the publication of a report entitled "Military Surveillance of Civilian Politics." This report, which is the culmination of over 3½ years of subcommittee work, evidences, perhaps more than any other document, the need for this legislation. Basically, it portrays a military bureaucracy in the late 1960's, acting largely on its own initiatives, careening out of control.

More than 100,000 civilians were subjects of surveillance by military intelligence. At its height, the monitoring was carried out by more than 1,500 agents. Their reports were fed into scores of computers and data banks across the country. No meeting or demonstration was too trivial to note; no detail of one's personal life too irrelevant to record. The documents which the subcommittee examined were, indeed, alarming. Basic rights of free expression and association were ignored. The first amendment took a backseat to the military's insatiable quest for information on political dissent.

The subcommittee's report concedes that it has been unable to fix the blame for these domestic intelligence operations on any particular official or agency. It was not, in fact, the subcommittee's purpose to identify those responsible, but rather to uncover what had taken place. It did determine that high-ranking officials of the Department of Defense and Justice were regular recipients of the reports and analyses prepared in the course of the Army's operations. These officials should have known what was happening. Either they chose to ignore the surveillance or were insensitive to its dangers. In any case, they displayed an intolerable callousness toward the rights of free expression. The first amendment demands greater vigilance.

The past demonstrates that military officials cannot be left to restrain themselves. Too easily are they tempted to sacrifice precious liberties for what they might perceive as operational efficiency. I, for one, cannot assure the American people that it will never happen again. In different times and under different, perhaps more excruciating, pressures, military officials may once again be enticed to undertake this illegal and obnoxious surveillance. All that stands in their way are their own regulations. These are not only subject to change upon order or classified exceptions, but are subject to the interpretation and enforcement of the military itself. The ordinary citizen, under the Supreme Court rationale expressed in the Tatum case, would have no recourse to the courts to have such operations halted.

The country needs this legislation I am introducing today. In a nation which prizes individual rights of expression above all others, in a nation which subordinates its military establishment to civilian control, and in a nation of laws, there is no place for military surveillance of civilians. Congress has the obligation to insure that it will never happen again.

Mr. President, as I mentioned earlier, the Subcommittee on Constitutional Rights has carried on an investigation of military surveillance for the past 3½ years. While I realize that the bill prohibits the misuse of military forces, its primary purpose is to insure that basic constitutional rights of expression are not infringed upon. It is for this reason that I hope this bill is referred to the Judiciary Committee. The Subcommittee on Constitutional Rights is prepared to act expeditiously upon it.

Accompanying the bill is a section-by-section analysis which provides additional explanation of its provisions. I ask unanimous consent that this analysis be printed in the Record together wth the text of the bill. I also ask unanimous consent that the summary of findings and conclusion from the subcommittee report also be printed in the body of the Record.

There being no objection, the bill and material was ordered to be printed in the Record, as follows:

S. 2318

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled.

Section 1. This Act may be cited as the "Freedom from Surveillance Act of 1973."

Sec. 2. (a) Chapter 67 of title 18, United States Code, is amended by adding at the end thereof the following new sections:

"§ 1386. Use of the Armed Forces for Surveillance Prohibited

"(a) Except as provided in subsection (b) of this section, whoever being a civil officer of the United States or an officer of the Armed Forces of the United States employs any part of the Armed Forces of the United States or the militia of any State to conduct investigations into, maintain surveillance over, or record or maintain information regarding, the beliefs, associations, or political activities of any person not a member of the Armed Forces of the United States, or of any civilian organization, shall be fined not more than $10,000, or imprisoned not more than 2 years, or both.

"(b) The provisions of this section shall not apply to the use of the Armed Forces of the United States or the militia of any State:

"(1) when they have been actually and publicly assigned by the President to the task of repelling invasion or suppressing rebellion, insurrection, or domestic violence pursuant to the Constitution or section 331, section 332, or section 333 of title 10 of the United States; or

"(2) to investigate criminal conduct committed on a military installation or involving the destruction, damage, theft, unlawful seizure, or trespass of the property of the United States; or

"(3) to determine the suitability for employment or for retention in employment of any individual actually seeking employment or employed by the Armed Forces of the United States or by the militia of any State, or by a defense facility; or

"(4) whenever the militia of any State is under the command or control of the chief executive of that State or any other appropriate authorities of that State.

"(c) As used in this section, the term—

"(1) 'Armed Forces of the United States' means the Army, Navy, Air Force, Marine Corps, and Coast Guard;

"(2) 'militia' has the same meaning as that set forth in section 311 of title 10, United States Code;

"(3) 'civil officer of the United States' means any civilian employee of the United States;

"(4) 'surveillance' means any monitoring conducted by means which include but are not limited to wiretapping, electronic eavesdropping, overt and covert infiltration, overt and covert observation, and civilian informants;

"(5) 'defense facility' has the same meaning as that set forth in section 782(7) of title 50, United States Code."

(b) The analysis of chapter 67 of such title is further amended by adding at the end thereof the following new item:

"1386. USE OF ARMED FORCES OF THE UNITED STATES FOR SURVEILLANCE PROHIBITED."

SEC. 3. (a) Title 28, United States Code, is amended by adding after chapter 171 the following new chapter:

"CHAPTER 172.—ILLEGAL SURVEILLANCE

"Sec.
"2691. Civil actions generally; illegal surveillance.
"2692. Special class actions; illegal surveillance.
"2693. Venue.

"§ 2691. CIVIL ACTIONS, GENERALLY ILLEGAL SURVEILLANCE.

"(a) Whenever any person is aggrieved as a result of any act which is prohibited by section 1386 of title 18, United States Code, such a person may bring a civil action for damages irrespective of the actuality or amount of pecuniary injury suffered.

"(b) Whenever any person is threatened with injury as a result of any act which is prohibited by section 1386 of such title, such a person may bring a civil action for such equitable relief as the court determines may be appropriate irrespective of the actuality or amount of pecuniary injury threatened.

"§ 2692. CLASS ACTION; ILLEGAL SURVEILLANCE.

"Whenever any person has reason to believe that a violation of section 1386 of title 18, United States Code, has occurred or is about to occur, such person may bring a civil action on behalf of himself and others similarly situated against any civil officer of the United States or any military officer of the Armed Forces of the United States to enjoin the planning or implementation of any activity in violation of that section.

"§ 2693. VENUE.

"A person may bring a civil action under this chapter in any district court of the United States for the district in which the violation occurs, or in any district court of the United States in which such person resides or conducts business, or has his principal place of business, or in the District Court of the United States for the District of Columbia."

(b) The analysis of part VI of such title 28 is amended by adding immediately after item 171 the following new item:

"172. Illegal Surveillance............ 2691."

(c) Section 1343 of title 28, United States Code is amended by redesignating paragraph (4) as paragraph (5) and by inserting immediately after paragraph (3) the following new paragraph:

"(4) To recover damages or to secure equitable or other relief under chapter 172 of this title;"

SEC. 4. The civil actions provided by the amendments to title 28, United States Code, made by this Act shall apply only with respect to violations of section 1386 of title 18, United States Code, as added by this Act, arising on or after the date of enactment of this Act.

SEC. 5. (a) Section 1385 of title 18, United States Code, is amended by striking out "the Army or the Air Force" and inserting in lieu thereof the following: "the Armed Forces of the United States."

(b)(1) The section heading of section 1385 of such title is amended to read as follows:

"§ 1385. USE OF ARMED FORCES OF THE UNITED STATES AS POSSE COMITATUS."

(2) Item 1385 of the analysis of Chapter 67 is amended to read as follows:

"1385. USE OF ARMED FORCES OF THE UNITED STATES AS POSSE COMITATUS."

SECTION-BY-SECTION ANALYSIS

SECTION 1

Sec. 1 contains the title of the Act.

SECTION 2

Sec. 2 contains an amendment to Chapter 67 of Title 18, United States Code, in the form of a new section 1386. Basically, this section contains the general prohibitions against the use of military personnel to conduct surveillance over civilians, exceptions to this general prohibition, and definitions.

Sec. 2(a) provides that with limited exceptions no civil or military officer of the United States may employ a part of the Armed Forces of the United States or the militia of any state to conduct surveillance over civilians and civilian organizations. The word "part" as used here applies to both units and individuals within the Armed Forces or state militia.

All potential aspects of surveillance are prohibited: investigation, monitoring, and the maintenance of records resulting from such investigations and monitoring.

Furthermore, orders to carry out such surveillance need not originate at high command levels. Any civil or military officer, regardless of his rank or position, who orders such surveillance, whether or not by written order, is culpable under the bill. He is subject to imprisonment up to two years, or a $10,000 fine, or both.

Sec. 2(b) specifies the exceptions to this general prohibition. (1) The military is authorized to collect and maintain information necessary to fulfilling their role as assigned under the Constitution and Sections 331, 332, and 333 of Title 10, United States Code. Such intelligence activity would be permissible only after the President had publicly assigned such forces to "suppress domestic violence."

(2) The military is allowed to investigate and collect information in regard to criminal conduct committed on a military installation, or in regard to the destruction, damage, theft, unlawful seizure, or trespass of the property of the United States, whether or not it is physically located on a military installation.

This exception is not intended to allow military investigation or monitoring of civilians or civilian organizations who are suspected by the military of conspiracy to commit crimes on a military installation, or who might be conspiring to destroy property of the United States.

(3) The military is also permitted to investigate and collect information regarding civilians who are actually applying for employment, or for purposes of determining the suitability of a present civilian employee for retention. The bill includes those civilians seeking employment at a "defense facility" in the realization that the military may be legitimately charged with clearing employees for a facility which is not formally subordinate to one of the Armed Forces per se, but is subordinate to the Department of Defense.

(4) The prohibition of the bill does not apply to state militia when they are under the control of the chief executive of the state. It applies only when they are pressed into federal service.

Sec. 2(c) contains five definitions. Except for the definition of surveillance, they need no further explanation. "Surveillance" is defined as "monitoring" by a variety of means which are enumerated in the bill. Implied by the term is the eventual recording of information relating to civilian political activities. Thus, while the bill prohibits even "overt observation" by military personnel, what is contemplated is the observation of civilian political activities in order to make a record of such activities.

SECTION 3

Section 3 contains an amendment to Title 28, United States Code, by adding a new chapter, titled "Illegal Surveillance." The new chapter contains three new sections: one providing for civil actions generally; one for a special class action; and one which provides for venue.

Section 2691 of the new chapter provides that when any person is aggrieved or threatened by a violation of the Act he may bring an action for civil damages and/or equitable relief as may be appropriate, regardless of whether such person can actually prove pecuniary loss or that such pecuniary loss is sufficient to satisfy jurisdictional requirements. This provision recognizes that the injury occasioned by governmental surveillance is often not suffered in pecuniary terms, but is manifest only in the inhibiting effect that such surveillance has upon political expression. This provision is intended to give a person, who can show that he has been aggrieved by such surveillance, the standing to bring a civil action to have it stopped.

Section 2692 of the new chapter provides for a special class action whereby any person who has reason to believe that a violation of the Act has occurred or is about to occur may bring a civil action to enjoin the planning or implementation of such violation. This provision was added to enable a person who learns of planned surveillance to have such plans ended prior to its being put into effect. Under this section, the plaintiff need prove no injury to himself but only the existence of surveillance plans or operations in order to bring suit. The purpose of the section is to allow any citizen, whether or not he is personally affected by planned or operational surveillance, to have it halted in vindication of the First Amendment's guarantee of free expression for all citizens.

Section 2693 provides that such suits shall be brought in the district court of the district where the plaintiff resides, or where the violation occurs, or in the District Court for the District of Columbia.

SECTION 4

Section 4 provides that civil suits arising under this Act shall only apply with respect to violations of the Act arising after the date of its enactment.

SECTION 5

Section 5 amends the *Posse Comitatus* act, 18 U.S.C. 1385, by making it applicable to "the Armed Forces of the United States," rather than only the "Army or the Air Force." The *Posse Comitatus* act, passed in 1878, prohibits the use of certain military personnel to enforce the civil laws, except where expressly authorized by the Constitution or Act of Congress.

SUMMARY OF FINDINGS OF THE REPORT BY THE SUBCOMMITTEE ON CONSTITUTIONAL RIGHTS ENTITLED "MILITARY SURVEILLANCE OF CIVILIAN POLITICS"

Army surveillance of civilians engaging in political activities in the 1960's was both massive and unrestrained. At the height of the monitoring, the Army engaged over 1,500 plainclothes agents to collect information which was placed in scores of data centers around the country. While most of the information collecting consisted of activities such as the clipping of newspaper accounts and attending public events, there were many more serious instances of surveillance in which covert means were used to observe or infiltrate groups. No individual, organization, or activity which expressed "dissident views" was immune from such surveillance and, once identified, no information was too irrelevant to place on the Army computer. Apparently, the impetus for the surveillance were the ghetto riots and mass demonstrations which marked the mid-1960's, and which had required the use of Armed Forces. The Army claims these earlier disturbances had indicated the need for more information to predict future riots and disturbances, and to deploy troops and conduct operations when called upon by the President.

The chief subjects of the surveillance were protest groups and demonstrators whose activities the Army attempted to relate to its civil disturbance mission. Little distinction was made between peaceful and non-peaceful groups. Protests and demonstrations of a peaceful, non-violent nature, which have come to be recognized as significant parts of this country's legitimate political process, were all targets for the Army's agents. More traditional forms of political activity were similarly monitored if they involved dissident groups or individuals.

The mushrooming of surveillance has been explained by the sense of panic and crisis felt throughout the government during this period of extremely vocal dissent, large demonstrations, political and campus violence, and what at the time seemed the inauguration of a period of widespread anarchy. While officials testifying before the Subcommittee suggested that these crises justified the surveillance, they failed to recognize that the rights guaranteed by the Constitution are constant and unbending to the temper of the times. As Justice David Davis stated a century ago in the case of *Ex parte Miligan,* 71 U.S. 2, 120–121 (1866):

"The Constitution of the United States is a law for rulers and people, equally in war and in peace, and covers with the shield of its protection all classes of men at all times under all circumstances. No doctrine involving more pernicious consequences was ever invented by the wit of man than that any of its provisions can be suspended during any of the great exigencies of government. Such a doctrine leads directly to anarchy or despotism, but the theory of necessity on which it is based is false, for the Government, within the Constitution, has all the powers granted to it which are necessary to preserve its existence, as has been happily proved by the result of the great effort to throw off its authority."

One of the theories prevalent during the mid-1960's was the theory that the widespread disorders could be traced to a determined effort on the part of a defined group of political activists. This conspiracy theory was manifested not only in testimony before the Congress but in conversations of high government officials meeting on ways to deal with the crisis. The conspiracy theory was one of the underpinnings of the Army surveillance program, as well as the intelligence efforts of other federal and state agencies during the period. Whatever the evidence then thought to support this theory, the presumed existence of a grand conspiracy again does not excuse or justify Army surveillance. The responsibility of collecting evidence or investigating such a theory belongs, if to any governmental agency, to civilian law enforcement and never to the military. It is more than a footnote to history that no evidence has even been found supporting the conspiracy theory.

Despite the explosive climate of the late 1960's, military surveillance of civilian political activities in fact had a much longer history. While there was unquestionably a great upsurge of such activity after 1967, the origins of surveillance can be traced as far back as World War I. Its intensity varied in the ensuing years.

The subcommittee has been unable to conclude what particular official or officials were responsible for ordering the expansion of the surveillance operation in the late 1960's. Senior officials, both civilian and military, in the Departments of Defense and Army should have been aware of these operations. Several comprehensive intelligence-gathering plans were circulated to the upper echelons of both departments. There is no satisfactory explanation why these officials should have remained unaware of the program or, if aware, why they failed in their responsibility to perceive the violations of constitutional law and traditions taking place. The failure of senior civilian officials to know of this program, or if knowing, to halt it, represents one of the most serious breakdowns of civilian control of the military in recent years.

It took over two full years—from the Army's discovery of surveillance excesses late in 1968 and early in 1969 until the creation of DIRC and its inspections beginning in spring of 1971—for the civilian superiors to bring the military under control. Once set in motion, the bureaucratic inertia proved all but impossible to halt, finally requiring as it did congressional hearings, prohibitions by the Secretary of Defense and the President, law suits, reprimands of senior officers and threats of courts-martial, great public outcry, and finally unannounced inspections, before the military, if not the American people, could be assured that the surveillance had been ended.

In any case, it is now apparent that domestic surveillance was undertaken in earnest in 1967 by several Army offices and commands. There was apparently no centralized control—each appeared to proceed on its own initiatives.

Participants in the domestic intelligence collection program were the U.S. Army Intelligence Command (USAINTC) and the Continental Army Command (CONARC). The Office of the Director of Civil Disturbance Planning and Operation (DCDPO), under the Army Chief of Staff, produced intelligence analyses predicting future disturbances. A similar function was performed at Department of Army level by the Counterintelligence Analysis Branch (CIAB) which was under the supervision of the Assistant Chief of Staff for Intelligence.

USAINTC was the principal intelligence-gatherer. It was comprised of 304 stateside offices, manned by over a thousand agents. CONARC, in reality a huge "holding company" of stateside armies, had intelligence units assigned to it, and these also engaged in intelligence gathering. Both commands maintained huge data banks of information obtained from these agents, and from external sources, including the intelligence units of other branches of service and the FBI. DCDPO and CIAB also maintained computerized intelligence files.

The subcommittee takes note that while these agencies did participate in domestic surveillance, they performed other legitimate intelligence functions. What proportion of their energies was devoted to domestic intelligence, the subcommittee cannot precisely ascertain.

The collection plans promulgated by these commands and agencies were vague and overbroad. This lack of definition resulted in collections of irrelevant, incorrect, ambiguous, and ultimately useless information which bore no conceivable connection with the Army's civil disturbance mission.

The methods used in conducting surveillance were also objectionable. While most of the intelligence was gathered by agents at public meetings or from clipping printed publications, there is considerable evidence of the frequent use of undercover agents and other covert means to obtain information. The collection plans provided little restriction on how the intelligence was to be collected.

Army intelligence data was circulated not only to Army commands, but also to other branches of service, and to civilian agencies, in particular, the FBI.

The domestic intelligence was used by the Department of Army to prepare briefings and written analyses for use by the Pentagon. These briefings and analyses appear to be as far removed from the Army's domestic mission as the information from which they were gleaned.

Storage of domestic intelligence was not confined to the computers of USAINTC and CONARC. Substantial files were maintained in virtually every subordinate command and field office across the country.

Despite efforts by certain Department of Army officials to limit the nature and scope of surveillance, it continued largely unabated until public pressure began to build in early 1970.

In March 1970 the Secretary of the Army ordered surveillance of civilian political activity to cease, and the data banks containing the intelligence to be destroyed. An Army directive to this effect, but not without loopholes, followed in June.

The Secretary of Defense issued similar orders in December 1970 which applied to all services. A Defense Department directive appeared in March 1971 reiterating the prior orders and directives. It furthermore provided for a Defense Investigative Review Council (DIRC) to be established to monitor the intelligence activities of the services and insure compliance with the directive.

The experience from early 1970 through the period following the subcommittee's hearings in March 1971 demonstrates the difficulty that the senior civilian faced in trying to impose controls and obedience to their orders in lower echelons. Even during our hearings, a full year after the first attempts by the Secretary of the Army to control the surveillance, the subcommittee was receiving reports of efforts to frustrate higher orders. If one agrees with the Army's contention that it discovered and sought to control surveillance as early as February 1969, then the evidence of disobedience to civilian control is even more striking. In any case, it was only after the creation of the DIRC and the institution of periodic unannounced inspection tours that the Congress and the people could begin to have confidence that the surveillance was in fact being stopped.

Nonetheless, the subcommittee has only the assurance of the Army and the executive branch that the domestic intelligence files have been destroyed. No independent inspection has been permitted, nor can the subcommittee evaluate the adequacy of the assurance it has received. Did the Army verify the destruction of the files by its own inspection? Were they only shifted to other agencies? Were they simply disguised or hidden? While the subcommittee has no concrete evidence to suggest unsatisfactory answers to these questions, our experience during the investigations requires some measure of caution in accepting these assurances.

We also have the assurance that surveillance will not resume, but similarly we cannot evaluate the worth of that assurance. Given the fact that much of the previous intelligence work was done by local agents working on their own initiative, can we be sure that control by the upper echelons will be an effective restraint? In the final analysis, the present policy is one of military self-restraint, self-imposed and self-enforced. In effect, the situation has returned to the "pre-riot" stage, with only the lessons of the recent controversy as a restraint on the reactivation of the surveillance.

There is no question that military surveillance of civilian political activity is illegal, at least in the sense that it was not authorized by law. Finding no explicit sanction in the constitutional mandate to suppress domestic violence, or in the statutes which have been promulgated under it, the subcommittee cannot imply the need for such domestic operations from the military's limited domestic mission. The historical tradition of limited intervention of the military in civilian affairs and the subordination of the military to civilian control are two reasons for refusing to imply broad powers from the existing constitutional and statutory mandates. The narrowly defined character of the statutes authorizing use of armed forces to suppress domestic violence and the statutes which generally restrict the use of military agents elsewhere in the civilian domain are additional compelling reasons to limit this assertion of authority to intrude in civilian affairs. Finally, the subcommittee feels, such implication should be resisted because there are civilian intelligence agencies which perform precisely the function the military claims is theirs. Practical necessity does not dictate such implied authority which duplicates the activities of civilian agencies in an area so fraught with dangers to constitutional government.

Second, military surveillance inhibits the exercise of constitutionally-guaranteed rights of free speech, free association, and privacy. The Constitution denies government the power to inhibit as well as prohibit the exercise of first amendment rights. The effect of Army surveillance is to cast the pall of official disapproval upon the views and activities of those whom it makes its subjects. Once so identified, these civilians and civilian organizations have more difficulty in making converts or attracting sympathizers because of an implicit fear that some type of official retribution may one day be visited upon those who have been recorded as having espoused views contrary to those of the Government. Furthermore, the outspoken citizens or organizations may themselves be reluctant to continue to express unpopular opinions in the face of official disapproval and diminishing acceptance of their positions. In short, military surveillance infringes upon first amendment rights because it increases the reluctance of citizens to voice their opinions. It is difficult to perceive a more effective method of stifling the public willingness to engage in controversial public debate than by the specter of military surveillance. Congress itself long ago recognized the effect of a military presence in domestic politics by enacting a specific law, 18 U.S.C. 592, which prohibits stationing military forces at polling places.

The infringement of first amendment rights attributed to Army surveillance has been argued before the courts in the context of whether such infringement is alone enough harm to invoke the courts' jurisdiction. The government claimed that some additional harm—for example, loss of employment, a privilege, or a service—must be entailed by the inhibiting governmental activity before the inhibition is unconstitutional. The Supreme Court, by a 5–4 decision concerning the constitutionality of Army surveillance, agreed and dismissed the complaint in *Tatum* v. *Laird*, 408 U.S. 1 (1972).

The subcommittee disagrees with this view. The simple allegation that one's first amendment rights have been infringed by an existing governmental activity should be sufficient to invoke the jurisdiction of the courts. Many past Supreme Court decisions show that government action which, by itself or in conjunction with other social or political factors, can be seen to discourage exercise of free speech, is sufficient to raise an issue of constitutionality under the first amendment. When that government action is unauthorized by law, contrary to explicit criminal prohibitions, unnecessary and irrelevant to a specific government purpose, vaguely defined, and loosely administered, there is no question that under traditional concepts of constitutional law, the Court should have found that military surveillance is a violation of the first amendment.

And, in any case, if, in the Court's view, the necessary elements to present a controversy ripe for decision were not found in the *Tatum* case, this does not prevent or excuse the Congress from determining the issue. Congress is not bound by the technical rules of "justiciability" or "case or controversy" that govern the judicial branch. From our examination of the facts and law, it is the view of the subcommittee that Army surveillance did violate the first amendment.

Third, while the infringement of a first amendment right should be sufficient injury upon which a court could grant relief, courts have held, and the subcommittee agrees, that where the effect of the governmental activity is "incidental" to the attainment of a "compelling" governmental interest, the activity is not rendered unconstitutional. But it should nevertheless be restricted as nearly as possible to avoid infringing upon first amendment rights, while still accomplishing the desired objective.

Military surveillance does not meet this test. There is an alternative to Army surveillance, a less restrictive means of obtaining domestic intelligence in preparation for civil disturbance—namely, to limit this activity to civilian intelligence agencies, which are explicitly authorized by law to perform this function.

In times of civil disturbance military forces are subordinate to civilian authorities and it is these authorities which must decide how and where to deploy military forces. This underscores the desirability and propriety of leaving this intelligence function in civilian hands.

The subcommittee concludes, then, that military surveillance was both unauthorized and in violation of the first amendment.

Conclusion to the Report of the Subcommittee on Constitutional Rights Entitled "Military Surveillance of Civilian Politics"

The foregoing has been the result of three and a half years of painstaking investigation and study by the Subcommittee. The impact of the Subcommittee's undertaking has been substantial. As a result of it and the public outrage which it engendered, the military establishment put an end to its surveillance of civilians and civilian organizations. In 1971, the Defense Department promulgated regulations prohibiting future surveillance of civilians and requiring the destruction of the fruits of prior surveillance. Furthermore, it established a high level council, comprised of senior civilian officials, to keep military intelligence-gathering in check.

What had taken place was not so much a conscious effort to subvert the freedoms of speech and association, as it was a classic example of a burgeoning bureaucracy going out of control, with no direction and no limitations. What began as a limited intelligence activity by individual commands responding to the military's limited need for information for use during civil disturbance mushroomed into an elaborate, nationwide system with the potential to monitor any and all political expression. No person or organization was too insignificant to monitor; no activity or incident too irrelevant to record.

How could such a program get out of hand? It is probably because there were too many people with too little to do and yet with vast untapped resources at their disposal. Thousands of Army intelligence agents, trained for surveillance work, but with little opportunity to put it into practice, were loosed by their superiors on the American public. The gauge of success was the quantity of information recorded. And the myriad of Army intelligence computers were more than competent receptacles for all that the agents could transcribe.

It is not a particularly difficult phenomenon to understand. Military intelligence officers whose careers were dependent upon the performance of the intelligence system were naturally disposed to do too much rather than too little. For them, surveillance of civilians was a matter of doing their job—a matter of operational efficiency. Sensitivity to individual liberties was not an operative concern.

Army surveillance has now been curtailed. However, it does not represent a unique case study of bureaucratic insensitivity to individual liberties. The modern bureaucracy quite often places expediency—whether wittingly or not—above any concern for individual liberties. Even those segments of the bureaucracy which do have a valid justification for collecting personal information regarding the citizenry, are prone to go beyond their legitimate needs for information. Computerization has made such excess particularly tempting.

The Subcommittee has encountered this phenomenon in case after case, and, despite what might be the legitimate objectives of the bureaucrat, we cannot but feel that in his collecting, cataloguing, and storing of personal information, there are the seeds of repression.

The Orwellian nightmare of a government always watching, and, armed with the knowledge of its citizens' thoughts and ambitions, silencing their adverse views with real or presumed threats of reprisals, is a vision which has haunted twentieth-century Americans since it was conceived. Yet those charged with the operation of government continue to ignore the warning. Army intelligence collected the most personal of information for preservation in its computers. It was not unusual to find in the Army files details of one's memberships, associates, remarks, published statements, attendance at meetings, personal finances, sexual activities, arrests, and personality quirks preserved in everlasting perpetuity. Such excesses cannot be tolerated.

The collection and computerizing of information by government must be tempered with an appreciation of the basic rights of the individual, of his right to privacy, to express himself freely and associate with whom he chooses. After all, the loss of anonymity, occasioned by having an opinion or an association recorded, creates a climate of subtle coercion. No longer could a man march with a sign down Pennsylvania Avenue and return to his hometown, his identity forgotten, if not his cause. No longer would the memory of the author of a political article fade as the pages of his rhetoric yellow and crumble with time. No longer would the flamboyant words exchanged in debate lose their relevance with the issue of the moment that prompted them.

The effect would be to make it impossible for a man to start over again. In fact, he may be more inclined never to begin at all. The lower road of silence, unproductive but less fraught with danger, may become the more appealing alternative. It is a prospect that must be shunned.

Mr. ERVIN. Mr. President, I would also bring to the Senate's attention a recently published report of the Civil Rights Committee of the Association of the Bar of the city of New York entitled "Military Surveillance of Civilian Political Activities." This 24-page report is an excellent summary of the military surveillance operation and contains a useful discussion of its legality. It furthermore recommends legislation along the lines of that which I am proposing today. I ask unanimous consent that the text of this enlightening report be published in the body of the Record.

There being no objection, the report was ordered to be printed in the Record as follows:

[The Association of the Bar of the City of New York]

MILITARY SURVEILLANCE OF CIVILIAN POLITICAL ACTIVITIES: REPORT AND RECOMMENDATIONS FOR CONGRESSIONAL ACTION

(By The Committee on Civil Rights)

INTRODUCTION

Domestic intelligence operations conducted by elements of the United States armed forces have raised serious problems involving rights of privacy, speech and association. Such problems have long been of concern to lawyers[1] and to members of this Association in particular.[2]

In January 1970, charges were made that the United States Army was engaged in widespread surveillance within the United States of the political activities of civilians.[3] Publication of the charges received considerable coverage in the press, and provoked inquiries from a number of Senators and Congressmen about the scope of the Army's domestic intelligence operations. During 1971, the Senate's Subcommittee on Constitutional Rights held hearings on the subject,[4] and since that time a number of bills aimed at limiting the scope of military surveillance have been introduced in Congress. To date, however, none of the bills has been reported out of committee.

High Defense Department officials have acknowledged that the charges of widespread domestic intelligence data gathering and storage were indeed accurate,[5] and the Department has issued detailed regulations which sharply limit the scope of such operations.[6] Significant legal and practical questions remain, however, for the official Department of Defense position appears to be that the widespread information collection activities undertaken during the 1967–70 period, even if not "appropriate," were nonetheless "lawful."[7] Manifestly, implicit in this position is a reservation by the Department of Defense of its alleged right to resume these activities whenever the Department deems it "appropriate" to do so.*

The purpose of this report is threefold: (1) to review the historical background and current status of the controversy regarding military surveillance of civilian political activities; (2) to outline the principal legal considerations involved; and (3) to set forth our views with respect to possible Congressional action. Our principal conclusion is that Congress should enact legislation to prohibit all military surveillance of civilian political activities, except perhaps in certain well-defined circumstances where limited data-gathering may be justifiable.

I. THE NATURE AND EXTENT OF THE PROBLEM

A. Military surveillance prior to 1967

Although military surveillance of civilian political activities reached a peak during the three years following the riots in Newark and Detroit in 1967, such surveillance is by no means a recent phenomenon. The modern origins of the problem can be found in the expansion of military intelligence work at the outbreak of World War I, in response to German efforts at espionage and propaganda within the United States. By the end of the war, military intelligence had established a nationwide network of agents and civilian informers, who reported to the Army not only on suspected German spies and sympathizers, but also on pacifists, labor organizers, socialists, communists, and other "radicals."[8] The network remained in existence for several years after World War I, continuing to infiltrate civilian groups, monitor the activities of labor unions, racial groups and "left wing" political organizations, and occasionally harassing persons regarded as "potential troublemakers."[9] It was finally disbanded in 1924, and until the outbreak of World War II the military's domestic intelligences activities were conducted on a much reduced basis.[10]

The Federal Bureau of Investigation was the principal agency involved in domestic intelligence operations during the period between 1924 and 1940. With the outbreak of World War II, military intelligence operations were, of course, greatly expanded. Some elements of military intelligence again became involved in reporting on civilian political activities, mainly in an effort to counter suspected Axis "fifth column" attempts at subversion and sabotage.[11] The monitoring continued, on a much reduced scale and in a rather haphazard and sporadic fashion, during the Cold War period of the 1940's and 1950's. The primary domestic responsibility of military intelligence units during this period was the conduct of loyalty and security investigations involving persons working in the defense establishment, but the carrying out of these responsibilities sometimes spilled over into fairly extensive surveillance of civilians.[12]

During the early 1960's, the scope of domestic intelligence operations by the armed forces gradually began to expand. A number of factors were responsible for the expansion, including the general build-up of the defense establishment as the United States became increasingly involved in the war in Vietnam, the beginnings of the anti-war movement at home, repeated crises over desegregation (which actually led to the deployment of troops in Alabama and Mississippi in 1962 and 1963), and instances of protest against racial discrimination in cities in both the North and the South. Officials charged with responsibility for deployment of federal troops during these years expressed a need for better knowledge of the problems that might have to be faced.[13] Thus, for example, following the crisis in Birmingham, Alabama in May 1963, then Maj. Gen. Creighton Abrams (now Chairman of the Joint Chiefs of Staff), wrote that:

"We in the Army should launch a major intelligence project without delay, to identify personalities, both black and white, develop analyses of the various civil rights situations in which they may become involved, and establish a civil rights intelligence center to operate on a continuing basis and keep abreast of the current situation throughout the United States, directing collecting activities and collating and evaluating the product. Based upon this Army intelligence effort, the Army can more precisely determine the organization and forces and operations techniques ideal for each."[14]

The extent of the actual collection of information on individuals and groups during the early and mid-1960's seems to have varied considerably from one military unit to another, depending upon how broadly the unit commanders interpreted vague directives to keep track of "subversive activities."[15] It was not until 1967, after large-scale riots had taken place in ghetto areas of Newark and Detroit, that truly extensive, systematic, domestic intelligence operations independent of the loyalty-security programs began to get underway.

B. Formulation of the 1967–70 surveillance program

In July of 1967, Federal troops were alerted for possible duty in connection with the riots which broke out in Newark and were actually committed to action in helping to quell the Detroit riots. In September, 1967, Cyrus Vance, who had been a special representative of the President in Detroit at the time of the riots there, filed an extensive "after-action report." Mr. Vance's report recounted the events which had taken place and summarized his conclusions with respect to planning for situations of domestic violence requiring the use of Federal troops which might arise in the future. Among other things, he recommended the reconnoitering of major American cities in order to prepare folders listing bivouac sites, possible headquarters locations, and similar items of information needed for optimum deployment of Federal troops when committed.[16] He particularly noted the utility of police department logs of incidents requiring police action, as indicators for determining whether a riot situation was beyond the control of local and state law enforcement agencies, and suggested that it would be helpful to develop a "normal incident level" curve as a base of reference. He also thought it would be useful to assemble and analyze data showing activity patterns during the riots in places such as Watts, Newark, and Detroit, in order to ascertain whether there were any typical "indicator" incidents or patterns of spread.[17] The Vance report did not suggest that the Army should collect data on personalities or organizations, but that is nevertheless what Army intelligence proceeded to do.

Extensive plans for expanding the Army's domestic intelligence operations and computerizing many of the files on civilian political activity were formulated during the fall and winter of 1967–68. A comprehensive Army civil disturbance plan was distributed to Army units in January, 1968, and was followed the next month by issuance of an "intelligence annex" to the plan which contained a list of elements of information to be collected and reported to the U.S. Army Intelligence Command. The annex singled out "civil rights movements" and "anti-Vietnam/anti-draft movements" as "dissident elements," and authorized military intelligence units to collect a far wider range of information than had been recommended in the Vance report of the preceding September.[18]

In May, 1968, following the riots touched off in a number of cities by the assassination of Dr. Martin Luther King, the Army issued an even broader "Civil Disturbance Information Collection Plan." The Plan described this mission of Army Intelligence in very broad terms:

"To procure, evaluate, interpret and disseminate as expeditiously as possible information and intelligence relating to any actual, potential or planned demonstration or other activities related to civil disturbances, within the Continental United States (CONUS) which threaten civil order or military security or which may adversely affect the capability of the Department of the Army to perform its mission."[19]

The Plan contained a detailed listing of various kinds of information to be obtained and accorded different priorities to particular kinds of information. Some examples of kinds of information on "predisturbance activities" in local communities given high priority by the Plan are the following:

Presence of "militant outside agitators"

Increase in charges of police brutality, resentment of law enforcement

Known leaders, overt and behind the scenes

Plans, activities, and organization prepared by leaders

Friends and sympathizers of participants, including newspapers, radio, television stations, and prominent leaders

Efforts by minority groups to upset balance of power and political system

Purposes and objectives of dissident groups (including estimates of plans and objectives, capabilities, resources to be employed, coordination with other minority groups and dissident organizations)

Source and extent of funds, how funds are distributed, and general purposes for which funds are used

Organization of dissident groups (including location of functions and responsibilities, lines of authority, organization charts, and rosters of key personnel, for both the "high command" and the "subordinate elements" of the groups)

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Personnel (including the number of active members, a breakdown of membership by ethnic groups, age, economic status, and criminal record, and biographic data on key members).[20]

C. The scope of the data collection, 1967–70

Assistant Secretary of Defense for Administration Robert Froehlke later testified that the requirements of the civil disturbance information collection plan issued in May, 1968, reflected an "all-encompassing and uninhibited demand for information" which the Army was expected to meet.[21] As he pointed out, it was "highly improbable" that many of the requirements listed could be obtained by other than covert collection means.[22]

The Army's May 1968 plan was distributed to numerous Federal agencies and to top officials in each State government.[23] The Army itself, through its Intelligence Command, vigorously sought to implement the plan. The massive sweep of its surveillance activities has been extensively documented [24] and need not be reviewed in detail here. However, some particularly salient features may be noted to help illustrate the nature and extent of the program:

1. A great number of widely disparate groups were subject to Army surveillance. They covered the full range of the political spectrum and included, for example:

The American Civil Liberties Union
The American Nazi Party
The John Birch Society
The Socialist Workers Party
CORE
The NAACP
The National Urban League
The Southern Christian Leadership Conference
The Mississippi Freedom Democratic Party
The Revolutionary Action Movement
Women's Strike for Peace
The League of Women Voters
Students for a Democratic Society.[25]

2. Files were also kept on a large number of private citizens and public officials. These dossiers often included data on the private and personal affairs of citizens as well as on their activities in connection with political organizations. Computer print-outs and other publications generated by the Army in the course of the 1968–70 operations included, among other things, comments about the financial affairs, sex lives, and psychiatric histories of many persons wholly unaffiliated with the armed forces.[26] Much of the information appears to have been unverified, sometimes consisting of nothing more than rumor or gossip.[27]

3. Most of the data collected on groups and organizations consisted of matters of public record—a great deal of it simply clipped from newspapers. However, information also was obtained from private institutions and, in some cases, through covert operations. Thus, for example, former members of Army intelligence testified at the 1971 Senate hearings that the Army's domestic intelligence activities had included:

Infiltration of undercover agents into Resurrection City during the Poor People's Campaign in 1968.[28]

Having agents pose as press photographers, newspaper reporters and television newsmen, sometimes with bogus press credentials, during the 1968 Democratic National Convention in Chicago.[29]

Sending agents, enrolled as students, to monitor classes in the Black Studies program at New York University.[30]

Keeping card files, dossiers, and photographs on students and faculty at the University of Minnesota.[31]

Infiltrating a coalition of church youth groups in Colorado Springs, Colorado.[32]

4. An enormous amount of information was collected and stored. Some of it dated to as far back as World War I but most of it was collected during the 1967–70 period. The Army appears to have had more than 350 separate research storage centers containing files on civilian political activities.[33] One such center, the Fourth Army Headquarters at Fort Sam Houston, Texas, reported the equivalent of over 120,000 file cards on "personalities of interest." [34] Considerable duplication of files on individuals doubtless existed, but the staff of the Senate Subcommittee on Constitutional Rights is probably conservative in estimating that in 1970 Army intelligence had reasonably current files on the political activities of at least 100,000 individuals unaffiliated with the armed forces.[35]

5. At least two of the Army's data banks had the capacity for cross-reference among "organizational," "incident" and "personality" files.[36] The system thus had the technical capacity to produce correlations among persons, organizations and activities—*e.g.*, lists of citizens by name, address, ideology and political affiliation—virtually instantaneously.

6. The surveillance program seems to have developed a bureaucratic momentum of its own, and to have rapidly expanded without the knowledge or approval of civilian officials in the Department of Defense. Senator Ervin has cogently described the process:

> "In the midst of crisis, Pentagon civilians issued vague, mission-type orders which essentially gave intelligence officers a free hand in collecting whatever information they deemed necessary to the efficient conduct of civil disturbance operations. Subsequently, neither the Pentagon's civilian hierarchy nor the Congress had any routine means by which to review the appropriateness of those decisions until former agents came forward and blew the whistle in 1970.
>
> "Meanwhile, the surveillance grew, as most governmental programs grow, by the quiet processes of bureaucratic accretion . . . [E]ach subordinate element in the chain of command expanded on the orders it received from above, while the traditional secrecy we have granted our intelligence agencies immunized each echelon from effective review by its superiors." [37]

D. Efforts to curb surveillance activities, 1970–present

The existence of a large-scale military domestic intelligence progam first received widespread public attention early in 1970, with the publication of an article on the subject by former Army intelligence officer Christopher H. Pyle in the *Washington Monthly*.[38] In the three years that have passed since then, the scope of the program has, by all accounts, been greatly reduced. Serious issues remain, however, and to understand them it may be helpful to review the principal developments that have taken place in the three major arenas—the courts, the Congress, and the Department of Defense itself—in which the controversy has been conducted.

(1) Litigation: *Laird* v. *Tatum* and *ACLU* v. *Laird*

The lawfulness of the military surveillance was challenged in two lawsuits filed shortly after the initial disclosures were made in 1970. The principal case is *Laird* v. *Tatum*, 408 U.S. 1 (1972). The plaintiffs in that case were a number of citizens and organizations, most of which had been identified in intelligence reports quoted in Captain Pyle's *Washington Monthly* article as having been subjects of Army monitoring activities. They alleged that the Army's domestic intelligence operations were unauthorized and overbroad, deterred political expression and dissent, and inhibited other persons from associating with them. They sought a declaratory judgment that the surveillance activity was unconstitutional or otherwise illegal, and asked for an injunction forbidding such activity in the future and requiring the destruction of all information acquired as a result of the monitoring.

The District Court for the District of Columbia dismissed the complaint in *Tatum* on the merits, without holding an evidentiary hearing.[39] The Court of Appeals reversed 2–1, holding that the plaintiffs' allegations presented a justiciable case under the "chilling effect" doctrine.[40] Judge Wilkey's opinion for the majority in the Court of Appeals noted particularly the combination of factors alleged to inhibit First Amendment rights, including the carrying on of activities beyond the statutory authority of the Army, the intrusive and inhibiting effects of such activities, and the fact that the Army—an immensely powerful institution—was the governmental agency involved in the activities.

The Supreme Court, in a 5–4 decision, reversed the Court of Appeals, accepting the Government's contention that the plaintiffs' claims of First Amendment violations did not present a justiciable controversy because plaintiffs failed to allege specific present objective injury or threat of specific future injury to themselves. Chief Justice Burger's opinion for the majority held that the plaintiffs' claims were barred by the—

> "established principle that to entitle a private individual to invoke the judicial power to determine the validity of executive or legislative action he must show that he has sustained or is immediately in danger of sustaining a direct injury as a result of that action." [41]

The majority opinion in *Tatum* did not review the allegations of the complaint in any detail, nor did it address the plaintiffs' contention that they could prove the injuries to themselves which they alleged if given an opportunity to do so at an evidentiary hearing. The Court also apparently accepted at face value the Government's contention that the surveillance operations had been greatly cut back, although there was evidence in the papers before the Court that the effect of the cut-backs was open to considerable question.[42]

Justice Douglas, in an opinion which Justice Marshall joined, vigorously dissented, observing that:

> "The act of turning the military loose on civilians even if sanctioned by an Act of Congress, which it has not been, would raise serious and profound constitutional questions. Standing as it does only on brute power and Pentagon policy, it must be repudiated as a usurpation dangerous to the civil liberties on which free men are dependent. For, as Senator Sam Ervin has said, 'this claim of an inherent executive branch power of investigation and surveillance on the basis of people's beliefs and attitudes may be more of a threat to our internal security than any enemies beyond our borders.' * * *
>
> "This case is a cancer in our body politic. It is a measure of the disease which afflicts us. Army surveillance, like Army regimentation, is at war with the principles of the First Amendment. Those who already walk submissively will say there is no cause for alarm. But submissiveness is not our heritage. The First Amendment was designed to allow rebellion to remain as our heritage. The Constitution was designed to keep government off the backs of the people. The Bill of Rights was added to keep the precincts of belief and expression, of the press, of political and social activities free from surveillance. The Bill of Rights was designed to keep agents of government and official eavesdroppers away from assemblies of people. The aim was to allow men to be free and independent and to assert their rights against government. There can be no influence more paralyzing of that objective than Army surveillance. When an intelligence officer looks over every nonconformist's shoulder in the library or walks invisibly by his side in a picket line or infiltrates his club, the

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America once extolled as the voice of liberty heard around the world no longer is cast in the image which Jefferson and Madison designed, but more in the Russian image. . . ." [43]

Justices Brennan and Stewart also dissented, basically adopting the position previously taken by the Court of Appeals on the justiciability question.[44]

Subsequent to deciding **Laird** v. **Tatum** in June, 1972, the Supreme Court has denied petitions to rehear the case and to disqualify Mr. Justice Rehnquist *nunc pro tunc* from participating in the case, on the ground that he had previously testified before the Senate Subcommittee on Constitutional Rights concerning the legality of the Army's surveillance activities.[45] The Court has also denied a petition for certiorari in *ACLU* v. *Laird* (formerly *ACLU* v. *Westmoreland*), a case which raised similar questions but had a somewhat more fully developed trial court record, thus allowing the dismissal of a complaint similar to the *Tatum* complaint to stand.[46]

The upshot of the Supreme Court decisions appears to be that the judiciary will not in the foreseeable future undertake any review of the scope of military surveillance operations in the absence of very specific allegations of imminent injury to particular plaintiffs. Even the majority in *Tatum* recognized, however, that the subject was one which warranted the concern of both the legislative and the executive branches of the Government.[47] As a practical matter, if recurrences of the 1967–70 surveillance program are to be prevented, it is in those branches that corrective actions will have to be undertaken. Some headway has already been made in both branches.

(2) Congressional action: Hearings and proposed legislation

In February and March of 1971, the Subcommittee on Constitutional Rights of the Senate Committee on the Judiciary held several days of hearings on the Army's monitoring activities. Chaired by Senator Sam Ervin of North Carolina, the subcommittee developed an extensive record consisting of testimony from high Defense Department officials, former Army intelligence agents, various individuals who had been subjects of monitoring activities, and academic analysts, and supplemented by extensive correspondence and documentary material.

Some of the factual data developed by the subcommittee on the extent of the domestic intelligence operations has previously been noted in this report.[48] In addition to eliciting this factual data, the hearings also helped to illuminate the constitutional and statutory problems raised by the surveillance activities—problems which had been addressed only tangentially in the court proceedings because the focus there was on questions of standing and justiciability.

The principal spokesmen for the Department of Defense were Robert F. Froehlke, then Assistant Secretary of Defense for Administration, and J. Fred Buzhardt, then General Counsel of the Department. Their position, as stated at the hearings, was that many of the monitoring activities had been "inappropriate" from a policy standpoint, but that they had not been "illegal." [49] Mr. Froehlke explained the Defense Department's position on the legal issues involved as follows:

"Basic authority for the use of the Armed Forces in connection with civil disturbances is Article II, Section 4 of the Constitution and Section 331, 332 and 333 of Title 10 of the United States Code.

"The civil disturbance information collection activities of the military services were all integrally connected to use or potential use of Federal troops under this authority. This information collection was obviously considered necessary and essential to the effective use of Federal military forces in connection with the widespread riots and domestic disorders occurring during this period . . .

"In order to carry out the President's order and protect persons and property in an area of civil disturbance with the greatest effectiveness, military commanders must know all that can be learned about that area and its inhabitants. Such a task obviously cannot be performed between the time the President issues his order and the time the military is expected to be on the scene. Information gathering on persons or incidents which may give rise to a civil disturbance and thus commitment of federal troops must necessarily be on a continuing basis. Such is required by Section 331, 332 and 333 of Title 10 of the United States Code, since Congress certainly did not intend that the President utilize an ineffective Federal force." [50]

Mr. Froehlke maintained that none of the monitoring activities were prohibited by Federal or State law, arguing that:

"Since no use of civil disturbance information was made or intended to be made that would result in any action to the prejudice of any individual or organization, it is difficult to perceive how the constitutional rights or even the right of privacy could be impaired by the collection of such information. Even were the rights of some individuals indirectly affected, however, the Supreme Court has repeatedly held that such rights of individuals are not absolute but are under certain circumstances subject to incidental limitations upon their exercise." [51]

The Defense Department's broad interpretation of the constitutional and statutory provisions relied upon as authority for the monitoring activities was vigorously challenged by Senator Ervin and others at the hearings, as was the assertion that no individual rights were infringed by the monitoring. Thus, for example, Rep. Abner Mikva (D.-Ill.), who had himself been a subject of some military surveillance activities, testified that:

"The existence of arbitrary, widespread military surveillance of civilians—or even the popular belief that it exists—has a chilling effect on free speech. It discourages the kind of full, free and unrestrained exchange of ideas and viewpoints on which American democracy is based. More than any other, our guaranteed right to freely criticize our government and elected officials is what distinguishes us as a nation. It has long been a hallmark of totalitarian societies that only 'approved' persons could participate and that only 'acceptable' ideas could be heard. Military surveillance of civilian parties raises the spectre of such official 'approval' and 'acceptability' as some day being a requirement of American politics, as it has long been in the Communist countries we condemn * * *

"It would probably be going too far to say that the wide acceptance of military programs by the Congress has been influenced by the fear of covert military surveillance. But who can say that in future months or future Congresses there will be none who will have second thoughts about a vote on military affairs? Who can be certain that his judgment will not be swayed, perhaps even unconsciously, by the belief that he is being watched? Even the possibility of surveillance raises the spectre of subtle political interference. After all, who wants to be represented by a man who is so disreputable that the Army feels that the national security requires that his activities be monitored." [52]

In addition to holding hearings, the Subcommittee on Constitutional Rights has released a documentary analysis of a portion of the Army's files on civilian political activities [53] and is in the process of completing work on a detailed report on the surveillance operations. The subcommittee has thus contributed significantly to establishing a public record on the details of the program and the policy issues involved. Several Senators and Congressmen have also introduced bills aiming at halting or limiting military surveillance activities.[54]

(3) Action by the executive branch of the Government: Issuance of new regulations by the Department of Defense

Although the initial reactions of the Defense Department to the disclosure of the domestic intelligence operations were somewhat equivocal,[55] by March of 1971, the Department had issued a series of directives aimed at greatly reducing the scope of the data gathering and storage activities. The principal document, DoD directive 5200.27 [56] states that Department policy "prohibits collecting, reporting, processing, or storing information on individuals or organizations not affiliated with the Department of Defense except in those limited circumstances where such information is essential to the accomplishment of the Department of Defense missions outlined [in the directive]." [57] Exceptions to the general prohibition were made for the gathering of specified types of information for three missions: (1) protection of DoD functions and property; (2) investigations of armed forces personnel and persons applying for DoD positions or seeking access to "official information"; and (3) assisting in carrying out operations dealing with civil disturbances.

Certain kinds of activities were sharply limited or prohibited altogether by the directive. For example, one section of it provides, *inter alia*, that:

"A. The acquisition of information on individuals or organizations not affiliated with the Department of Defense will be restricted to that which is essential to the accomplishment of assigned Department of Defense missions under this Directive.

"B. No information shall be acquired about a person or organization solely because of lawful advocacy of measures in opposition to Government policy.

"C. There shall be no physical or electronic surveillance of Federal, state, or local officials or of candidates for such offices.

"D. There shall be no electronic surveillance of any individual or organization except as authorized by law.

"E. There shall be no covert or otherwise deceptive surveillance or penetration of civilian organizations unless specifically authorized by the Secretary of Defense or his designee.

"F. No DoD personnel will be assigned to attend public or private meetings, demonstrations, or other similar activities for the purpose of acquiring information, the collection of which is authorized by this Directive, without specific prior approval by the Secretary of Defense or his designee. An exception to this policy may be made by the local commander concerned, or higher authority, when, in his judgment, the threat is direct and immediate and time precludes obtaining prior approval. In each such case a report will be made immediately to the Secretary of Defense or his designee.

"G. No computerized data banks shall be maintained relating to individuals or organizations not affiliated with the Department of Defense, unless authorized by the Secretary of Defense or his designee." [58]

The DoD directive—while clearly designed to limit substantially the scope of domestic intelligence under the May, 1968 "civil disturbance information collection plan"—has nevertheless been sharply criticized for being much too broad in terms of the surveillance it purports to authorize. It has been pointed out, for example, that the directive permits infiltration of civilian organizations and observation of private meetings, though such surveillance now requires specific prior approval by the Secretary of Defense or his designee except in "emergencies." Moreover, it apparently permits surveillance of indi-

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viduals, and of groups which do not constitute an "organization," to be undertaken even without prior approval of the Secretary or his designee, in furtherance of the missions to protect "DoD functions and property" and ensure "personnel security."[59]

Even the Defense Department's critics agree that the recent directives are a step in the right direction. However, in addition to criticizing the directives as being over-broad in terms of the leeway they leave for surveillance and data-keeping operations, they note the new directives can be changed or rescinded at any time. Moreover, while the new directives are not classified, there is nothing which would ensure that future directives dealing with the scope of domestic intelligence operations would be unclassified. If the Defense Department's regulations do not provide sufficient protection against unwarranted intrusions into personal privacy and inhibitions upon freedom of speech and association, then legislation is needed. Before turning to that subject, however, we think it useful to outline the principal legal considerations which seem relevant to the problem.

II. THE STATE OF THE LAW

Legal considerations are, of course, not the only ones which must be taken into account in determining what sort of action, if any, Congress ought to take with respect to military surveillance of civilian political activities. Even if military surveillance of the sort described above could be regarded as entirely lawful, the fundamental policy question—to what extent, if at all, such activities should be permitted in the future—would remain to be resolved. However, points of law and the values they reflect are highly relevant to a consideration of that basic policy issue.

In reviewing the state of existing law in the area, the Committee has focused on three questions:

A. To what extent, if at all, is military surveillance of civilian political activities authorized under existing law?

B. What constitutional rights have been—or might in the future be—infringed or jeopardized by military surveillance operations?

C. Insofar as military surveillance operations may infringe constitutional rights or be otherwise unlawful, what remedies presently exist?

A. *The question of authority for surveillance operations*

Defense Department officials and other administration spokesmen have taken the position that the military surveillance operations conducted during the 1967–70 period were fully authorized by the Constitution and by statutory law.[60] Clearly, however, neither the constitutional provisions nor the statutes cited by these officials explicitly authorize surveillance of civilian political activities. Recognizing this, defenders of the military surveillance operations have argued that such operations are implicitly "necessary," or at least "appropriate," if the armed forces are to be aware of the possibility of domestic violence occurring at a particular place or time, and thus prepared to respond effectively to a Presidential directive issued pursuant to the constitutional and statutory provisions which authorize the use of troops in circumstances involving domestic violence.[61]

In addition, proponents of the surveillance operations have also maintained that such operations are necessary so that the armed forces can carry out their missions once they are dispatched by the President. Thus, the Justice Department has argued that the armed forces must have an ongoing intelligence gathering and analysis operation in order to enable it to act as a kind of "super police force" anywhere in the country:

"When the National Guard or the U.S. Army moves in to restore order, their function is unquestionably in the role of a policeman; they simply accomplish what the police lack in number of men to do. They patrol streets, make arrests, regulate traffic, and try to calm down angry crowds just as local policemen would do. In performing those duties, they necessarily require some of the same tools as a police force, both to quell the disturbances and to perform an equally important function, the prevention of further disturbances.

"In order to carry out these duties as efficiently as possible, both the Army and the police must have an awareness of group tensions, what forces exist, the nature and size of discordant groups, and they must be capable of estimating the explosive possibilities of colliding philosophies.

"Clearly, the only way this information can be made available to the Executive Branch and the Army or the National Guard in time for it to be used effectively when those components are called upon to exercise their police responsibilities is for the information to be gathered and placed under current analysis ahead of time. And it must be gathered by the force which will ultimately use it, for there is never sufficient time between the disorder and the subsequent Presidential order sending the armed forces to the troubled areas for the police to transmit the information to the armed forces and the armed forces then to disseminate the information to the local commanders."[62]

The foregoing arguments in support of a putative authority for the armed forces to conduct wide-ranging domestic intelligence operations, while not without some pragmatic force, must be examined in the light of constitutional and statutory provisions which impose constraints on the activities of the armed forces and in the light of the existing case law. When thus scrutinized, it seems apparent that the scope of legitimate authority for the undertaking of such operations is not nearly as broad as Administration officials have claimed. Three points seem particularly relevant:

1. Federal statutes dealing with the role of the armed forces in domestic affairs indicate that Congress—consistent with the clear intent of the Framers of the Constitution[63]—has mandated that that role be a very limited one. The only statutes which explicitly authorize the use of armed forces in connection with domestic violence (10 U.S.C. §§ 331–333) clearly contemplate their use only as a back-up force in specific situations where illegal overt acts amounting to "insurrection" have already taken place and civilian authorities have failed to restore order. Indeed, these statutes are part of a chapter in Title 10 of the United States Code which is entitled "Insurrection," and are accompanied by a statutory requirement (in 10 U.S.C. § 334) that the President, whenever he considers it necessary to use armed forces under the chapter, must "by proclamation, immediately order the insurgents to disperse and retire peaceably to their abodes within a limited time." Read in context, the provisions of 10 U.S.C. §§ 331–333 clearly provide no basis for inferring authority for sweeping domestic intelligence operations by the armed forces or for their use as any kind of "super police force." On the contrary, those provisions indicate that the use of the armed forces in domestic affairs is a "last resort" measure to be employed only by Presidential directive, only for the limited purpose of restoring order when state and local authorities have been unable to do so, and only when certain specified conditions have been met.

2. Other federal statutes reflect the same policy. Perhaps the most noteworthy is the "Posse Comitatus Act" (18 U.S.C. § 1385), which in its present form provides as follows:

"Whoever, except in cases and under circumstances expressly authorized by the Constitution or Act of Congress, willfully uses any part of the Army or the Air Force as a posse comitatus or otherwise to execute the laws shall be fined not more than $10,000 or imprisoned not more than two years, or both."

Originally enacted in 1878, the Posse Comitatus Act was aimed at precluding the armed forces from assisting local law enforcement officers—*e.g.*, U.S. Marshals and local sheriffs—in carrying out their duties. The statute has been amended slightly over the years (*e.g.*, to include the Air Force as well as the Army), but its main thrust has remained constant. As Judge Dooling has observed, the Posse Comitatus Act may be regarded as expressing "the inherited antipathy of the American to the use of troops for civil purposes," and is "absolute in its commands and explicit in its exceptions."[64] Its import would seem to be that federal troops can be used in connection with civil disorders only pursuant to the provision of 10 U.S.C. § 331–333, and then only when the President has issued the proclamation required by 10 U.S.C. § 334.

3. While the extent of the President's constitutional powers to act in the national security area may be greater than those expressly delegated to him by statute, the range of these powers is a matter of considerable dispute and is clearly not unlimited. This area of law is a murky one, but the few Supreme Court cases dealing with the scope of the President's authority as Chief Executive and Commander-in-Chief make it clear that such authority is subject to both constitutional and statutory restraints. In what is perhaps the leading case, *Youngstown Sheet and Tube Co.* v. *Sawyer*,[65] the Supreme Court in 1952 emphatically rejected the Government's claim that the President's Article II powers authorized seizure of the nation's steel mills—even to avert a crippling steel strike that the President feared would jeopardize the national defense effort during the Korean War—in the absence of statutory authority for such a seizure. More recently, in *United States* v. *United States District Court*,[66] the Supreme Court in 1972 rejected a Government contention that warrantless electronic surveillance of individuals suspected by the Attorney General of engaging in subversive activities could be regarded as a lawful exercise of the President's power to protect the national security. Mr. Justice Powell's opinion for the Court, after noting that national security cases often reflected "a convergence of First and Fourth Amendment values not present in cases of 'ordinary' crime," held that domestic security surveillance was subject to "the customary Fourth Amendment requirement of judicial approval prior to initiation of a search or surveillance."[67]

In sum, claims of broad executive authority for domestic surveillance operations by the armed forces would appear to be in conflict with statutes prescribing a limited domestic role for the armed forces and with constitutional doctrine limiting the scope of executive authority in the national security area. Thus, even apart from the problems posed by possible infringement of the constitutionally guaranteed rights of individuals, there remains a substantial question as to whether, as a matter of law, the armed forces have any authority at all to monitor the political activities of civilians.

B. The rights at stake

Defenders of past military surveillance operations, while sometimes questioning whether individual rights were actually infringed by such operations, have tended to stress the right of society to protect itself from insurrection and domestic violence. They have argued, in essence, that a compelling governmental interest in preventing, or being able rapidly to quell, domestic violence, justified any "incidental" infringement of constitutional rights which may have occurred.[68] There are at least two major difficulties with this argument.

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First, even assuming that some "domestic intelligence" information is essential in order to enable the armed forces to respond rapidly and effectively in a situation where they are called upon to do so, it is not essential that broad intelligence operations be carried on by the military. Where information on individuals or organizations involved in a particular riot is necessary to performance of the armed forces' limited "back up" function, it can be quickly transmitted to the appropriate commanders by civilian officials.

To the extent that intelligence operations must be carried on at all, it is more appropriate that they be carried on by a civilian agency, and that the agency's activities be clearly authorized by law and subject to continuing Congressional scrutiny. If surveillance activities of any sort are justifiable and necessary, it is likely that a civilian agency will be able to conduct them more efficiently, less intrusively, less threateningly, and at less cost to the taxpayer, than military intelligence, Judge Wilkey observed in *Tatum* that:

"The compilation of data by a civilian investigative agency is thus not the threat to civil liberties or the deterrent on the exercise of the constitutional right of free speech that such action by the military is, because a civil investigative agency has no inherent power to act against an individual, that power always being subject to the well-defined restrictions of law and the approval of the courts. The military have no such restrictions; they have their own force (of incomparable power), they have their own commanders trained as soldiers not lawyers, the military's vast size may make civilian control of individual or small unit actions more theoretical than actual, and the military is not accustomed to operating within the restrictions of law and the processes of courts." [69]

Second, the argument of "compelling governmental interest" does not address the question of what constitutes only an "incidental" infringement of constitutional rights. The question is one of degree, of course, but there are strong empirical and legal arguments to be made for the proposition that the sort of surveillance operations conducted by the Army during the 1967–70 period seriously infringed the rights of free speech and association, the right to petition the Government for redress of grievances, and the right of privacy.

Several points bear particular mention:

1. The right to privacy is one which has been accorded increasing recognition, in society at large as well as in the courts, in recent years. Although a right to privacy is not explicitly mentioned in the Constitution, it is clear that the fundamental interest embraced in the concept of such a right—an interest in freedom from unwarranted governmental intrusion into the personal lives of individuals—is reflected in numerous constitutional provisions. As Mr. Justice Blackmun recently noted, the Supreme Court or individual justices have found at least the roots of the right in the First, Fourth, Fifth and Ninth Amendments, and in the concept of liberty guaranteed by the first section of the fourteenth Amendment.[70] In a long line of decisions, the Court has recognized that a right of privacy—or, phrased differently, a guarantee of certain zones of privacy—exists under the Constitution.[71] The concept of the right to privacy covers a wide range of situations, and by the same token military surveillance activities of the sort described above may invade privacy in a variety of ways. To the extent that electronic surveillance or physical searches might be undertaken, for example, it is clear that Fourth Amendment questions are raised. To the extent that dossiers containing information about an individual's financial affairs, sex life and psychiatric history are compiled without his knowledge and consent, it seems plain that a "zone of privacy" emanating from several constitutional guarantees has been breached. To the extent that membership lists of organizations and communications between individual members or particular groups are made the subject of agent reports and files, it is apparent that what the late Justice Harlan referred to as "the vital relationship between freedom to associate and privacy in one's associations," [72] grounded in the First Amendment, has been infringed.

2. The incursions into individual and associational privacy which inevitably result from widespread surveillance operations are particularly relevant to consideration of the First Amendment implication of such surveillance. As the Supreme Court has observed, First Amendment freedoms need "breathing space" to survive.[73] They are in danger of being stifled when the government attempts systematically to keep track of persons seeking to exercise First Amendment rights in unpopular or unorthodox ways. In cases arising in different contexts and involving a wide variety of different kinds of governmental activities—most of them far less instrusive or sweeping in scope than the military surveillance activities described above—the Court has held that the activities questioned are impermissible under the First Amendment because of the anxiety they are likely to generate among the citizenry and the inhibiting effect they are thus likely to have on the exercise of rights to free expression.[74]

3. As an empirical matter, there is a substantial body of social science data which indicates that government surveillance activities do in fact have seriously inhibiting effects upon the exercise of the First Amendment rights and liberties which are at the base of our nation's heritage.[75] This "chilling effect" on the activities of people is a product of several factors, including the power or authority of the agents conducting the surveillance, the anxiety which normally occurs in persons whose behavior is (or may be) being evaluated, the uncertainty or ambiguity of a surveillance situation, and fear of a loss of relative anonymity. A person who feels that he might be the subject of surveillance can be expected to be anxious about possible consequences of the surveillance, to become apprehensive about engaging in activities which he feels would be disapproved, and perhaps to re-define his own political views because of the stigma which is attached to persons or organizations which are under surveillance because of their distinctive opinions.[76] Obviously, the greater the potential power of the surveillance agent and the more massive the surveillance operations, the more extensive and the more severe will be the chill. When the surveillance agent is the United States Army—or, indeed, any branch of the defense establishment—the power is great, the capacity for surveillance is enormous, and the danger of a chill is very substantial.

C. The question of remedies

At the 1971 Senate hearings, then Assistant Attorney General William H. Rehnquist expressed the view that "self-discipline on the part of the executive branch" would provide an answer "to virtually all of the legitimate complaints against excesses of information gathering." [77]

Unfortunately, there is abundant evidence that the self-discipline of the executive branch in the area of surveillance activities has not been great. The problem is not simply one of venality on the part of high Administration officials. Even when top officials in a government agency wish to place a tight rein on surveillance activities and conscientiously take steps to do so, they may not succeed. Indeed, the difficulty in doing so is illustrated by the problems which senior Defense Department officials encountered in seeking to curtail the Army's domestic intelligence activities following the initial disclosures about them early in 1970. They had great difficulty in ascertaining the full extent of the operations, and apparently were misled by lower echelon commanders with respect to both the details of the domestic intelligence program and the actual steps taken to destroy information which had been gathered and stored.[78]

In its decision in *Laird* v. *Tatum*, the Supreme Court rejected the idea that self-discipline on the part of the Executive Branch was a wholly adequate answer to complaints of overbroad military surveillance activities.[79] At the same time, however, by delineating a very narrow view of the issues of standing and justiciability, the opinion of the majority makes it exceedingly difficult for lawless surveillance activities to be effectively controlled. Under the majority's holding, a person can challenge such activities in court only if he can show direct injury or the threat of imminent injury.[80]

The net effect of the holding in *Laird* v. *Tatum* appears to be that persons subjected to military surveillance are placed in a classic "Catch-22" dilemma: if they are truly intimidated in the exercise of their constitutional rights, they can invoke their rights and seek the aid of the court, but if they are in fact intimidated, then they are not likely to invoke their rights. Moreover, the decision wholly fails to address the problem of sanctions against lawless surveillance activities by members of the armed forces. Even if such activities do not actually violate the constitutional rights of individuals, they are *ultra vires* acts for which at present there appears to be no meaningful remedy.

III. CONCLUSIONS

1. Surveillance and data collection activities of the armed forces, of the kind disclosed at the 1971 Senate hearings and described above in the body of this report, seriously infringe the constitutional rights of individuals and endanger the health of the body politic. Such activities invade the privacy of individuals and groups, inhibit free expression of beliefs and ideas, and in general exert a "chilling effect" upon the political activities of a free people. We believe that such activities exceed the constitutional and statutory authority of the armed forces, violate or seriously jeopardize rights guaranteed by the First, Fourth, and Ninth Amendments of the Constitution, and cannot be justified on the basis of any compelling governmental interest.

2. Even assuming, *arguendo*, that such activities are not unconstitutional, they are clearly undesirable as a matter of policy. Such activities would be difficult to justify no matter what governmental agency might conduct them, because of their intrusions into individual privacy and the chilling effect which they exert upon political activities. They are especially repugnant to American ideals and traditions when undertaken by the armed services. It is contrary to our nation's long tradition of civilian control of the government for the military to be involved in such activities, as both the majority and the dissenters in *Laird* v. *Tatum* recognized. To the extent that such surveillance activities must be carried on at all, it is far more appropriate that they be undertaken by a civilian arm of the government. In this respect we agree with Judge Wilkey, who observed in his opinion for the Court of Appeals in the *Tatum* case that:

"It is highly important for the safety of the country that to the extent consonant with the performance of the military's mission a separation of sensitive information and military power be maintained, as a separation of match and powder. In an emergency or anticipation of an emergency the military power can be supplied the necessary information from civilian investigating agencies; these two ingredients, potentially

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dangerous when combined, can be put together by a responsible President and his Cabinet officers as the emergency demands. But to permit the military to exercise a totally unrestricted investigative function in regard to civilians, divorced from the normal restrictions of legal process and the courts, and necessarily coupling sensitive information with military power, could create a dangerous situation in the Republic."[31]

3. The restrictions on such activities, which have been imposed by the armed services themselves, following disclosures about the operations in 1970 and 1971, do not resolve the problem. Although these restrictions (principally, the provisions of DoD Directive 5200.27) are laudable steps in the right direction, they still leave room for an unjustifiably wide range of monitoring activities to be conducted by military personnel. Moreover, the terms of the restrictive regulations (or the enthusiasm with which they are enforced) may change at any time. The incumbent administration or a future administration could find it convenient to again adopt a domestic intelligence program and simply rescind or modify DoD Directive 5200.27—conceivably even by a classified exception to it. Even if departmental regulations were narrowly drawn and not subject to classified exceptions, however, statutory sanctions would be preferable. There would seem to be less likelihood that the military personnel would conduct unauthorized surveillance that is proscribed by a statute with teeth in it than that they would violate a mere departmental regulation.

4. The area is one which is appropriate for Congressional legislation. Although we believe that existing law should be read as prohibiting broad surveillance and data collection activities of the sort described above, Administration spokesmen have taken a contrary view. As long as the narrow concept of standing delineated in *Laird* v. *Tatum* remains a guiding principle, litigation is not likely to be effective in curtailing such activities in the future. In the absence of an explicit statutory mandate to desist, there will as a practical matter be no obstacle to the resumption of the kind of activities which were undertaken during the 1967–70 period other than the "self-discipline" of the Executive Branch.

5. The Committee recommends that Congress enact legislation generally prohibiting all military surveillance of civilian political activities and proscribing all collection or storage of information on the political or private affairs of individuals and organizations not directly affiliated with the armed forces. The basic principles which the Committee believes should be incorporated in federal legislation are the following:

(a) The statute should, in broadly inclusive terms, bar members of the armed forces or persons employed by the armed forces from conducting surveillance whether overt or covert, of civilians. It should be carefully drawn to prohibit the compilation of dossiers and data banks, while at the same time permitting the kind of logistical reconnaissance recommended by Cyrus Vance in his September 1967 report on the Detroit riots.

(b) The statute should provide for criminal penalties for violations, and should, in addition, include provisions for injunctive relief and for damages (including punitive damages and counsel fees).

(c) The statute should confer standing to sue upon any person or organization which has been the subject of the proscribed activities.

(d) The statute might well include a carefully drawn provision excepting from its proscriptions the collection of tactical information on the location, size and actions of groups engaged in violent activities in areas to which federal troops have been ordered by the President pursuant to 10 U.S.C. §§ 331–333. If so, it should also provide that any such activities should cease with the cessation of the violence and withdrawal of the troops and should in no event extend beyond 60 days without explicit Congressional approval.

COMMITTEE ON CIVIL RIGHTS

Maria L. Marcus, *Chairman*; Ann Thatcher Anderson, Eastman Birkett, Paul H. Blaustein, Raymond S. Calamaro, Seymour Chalif, Porter R. Chandler, Robert J. Egan, John R. Fernbach, Benjamin Ira Gertz, William S. Greenawalt.

Eric L. Hirschhorn, John J. Kirby, Jr., Alfred J. Law, Joseph H. Levie, Barry Mahoney, Donald D. Shack, William Sterling, Jr., Donald J. Sullivan (Hon.), Susan F. Teich, Franklin E. White, Milton L. Williams.

FOOTNOTES

[*] It should be noted that according to documents made public subsequent to compilation of the body of this report, secret plans for extensive monitoring of civilian political activities were apparently formulated at top levels of the executive branch of the government during the spring and summer of 1970. The techniques to be employed included electronic surveillance, mail coverage, and surreptitious entry. While referring to retention of restrictions on the use of military undercover agents, the plans apparently anticipated eventual participation of the military. A permanent committee consisting of the F.B.I., C.I.A., N.S.A., D.I.A. [Defense Intelligence Agency] and the military counter intelligence agencies was to evaluate information and "carry out the other objectives specified in the report." See "Text of Documents Relating to Domestic Intelligence Gathering Plans in 1970," *New York Times*, June 7, 1973, p. 36. The documents were subsequently made a part of the record at the hearings before the Senate Select Committee on Presidential Campaign Activities, in June, 1973.

[1] See, *e.g.* the seminal article by Samuel D. Warren and Louis D. Brandeis, "The Right of Privacy," 4 Harvard Law Review 193 (1890).

[2] A decade ago, the Association of the Bar's Special Committee on Science and Law, with the support of the Carnegie Corporation of New York, undertook a major inquiry into the impact of modern technology upon individual privacy. That inquiry, headed by Professor Alan F. Westin, contributed significantly to greater understanding of the nature and historical roots of the interest in privacy, the development of relevant legal principles, and the complexity of the problems involved in protecting individual privacy in an era of rapid technological change. The results of the research appear in Westin, *Privacy and Freedom* (New York: Atheneum, 1967).

[3] The charges were initially made by Christopher H. Pyle, a law school graduate and former captain in Army Intelligence. Pyle, "CONUS Intelligence: The Army Watches Civilian Politics," *Washington Monthly*, January 1970, pp. 4–16.

[4] U.S. Congress, Senate, "Federal Data Banks, Computers, and the Bill of Rights." Hearings Before the Subcommittee on Constitutional Rights of the Committee on the Judiciary, 92d Congress, 1st Session, Parts I and II (February 25-March 17, 1971) (hereinafter cited as *"Senate Hearings"*).

[5] See, *e.g.*, testimony of Assistant Secretary of Defense for Administration Robert H. Froehlke, *Senate Hearings*, pp. 378–390.

[6] See Department of Defense Directive 5200.27, issued March 1, 1971, and subsequent Army, Navy and Air Force regulations implementing that directive. The directive and regulations are reproduced in *Senate Hearings*, pp. 1239–1264.

[7] See, *e.g.*, testimony of Assistant Secretary Froehlke and Defense Department General Counsel J. Fred Buzhardt, *Senate Hearings*, pp. 384–385, 410–419, discussed *infra*.

[8] Joan M. Jensen, *The Price of Vigilance* (Chicago: Rand McNally & Co., 1968); pp. 122ff.: also *Senate Hearings* p. 160 (testimony of Christopher H. Pyle), pp. 344–345 (testimony of Prof. Morris Janowitz).

[9] Jensen, *op. cit.*, pp. 219–286; *Senate Hearings*, pp. 345–346 (Janowitz testimony).

[10] *Senate Hearings*, p. 160 (Pyle testimony), 346 (Janowitz testimony). There is some evidence that many of the files on individuals opened during the 1917–1924 period were retained by the one-time Chief of Army Intelligence, Gen. Ralph Van Deman, after he retired from active service in the 1920's and were used by him in connection with some political activities in California. See *Note: Judicial Review of Military Surveillance of Civilians*, 72 Columbia Law Review 1009, 1036 n. 190.

[11] *Senate Hearings*, p. 346 (Janowitz testimony).

[12] *Ibid.*

[13] *Senate Hearings*, p. 377 (Froehlke testimony).

[14] Quoted in Paul J. Scheips, *The Role of the Army in the Oxford, Mississippi Incident, 1962–1963*, Office of the Chief of Military History, Monograph No. 73 M (Washington, D.C.: Department of the Army, 1965), p. 284.

[15] Examples of apparent instances of surveillance activities by individual Military Intelligence units during this period include the keeping of files on civilians and civilian organizations in the Minneapolis area, photographing and opening of files on anti-war pickets near a Federal courthouse in Oklahoma City, and the monitoring of the activities of several state legislators, ACLU attorneys and anti-war activists in Texas. See *Senate Hearings*, p. 189 (Pyle testimony), pp. 337–339 (testimony of Texas State Representative Curtis Graves).

[16] *Final Report of Cyrus R. Vance, Special Assistant to the Secretary of Defense, Concerning the Detroit Riots, July 23 through August 2, 1967*. Department of Defense News Release No. 856–67, September 12, 1967, p. 59.

[17] *Ibid.*, pp. 49–50.

[18] *Senate Hearings* pp. 382–383 (Froehlke testimony), pp. 1119–1122 ("Annex B [Intelligence] to Department of the Army Civil Disturbance Plan, February 1, 1968"). Whereas the Vance Report's recommendations were aimed at collecting physical reconnaissance information, the February 1968 Intelligence Annex called for collection of data on politically active individuals and organizations as well.

[19] *Senate Hearings*, p. 1124. The entire plan is reproduced at pp. 1122–1137.

[20] *Senate Hearings* pp. 1134–1135.

[21] *Senate Hearings*, p. 384.

[22] *Ibid.*

[23] *Ibid.*

[24] *Senate Hearings, passim;* see also "Army Surveillance of Civilians: A Documentary Analysis by the Staff of the Subcommittee on Constitutional Rights," Committee Print, 92d Congress, 2d Session (Washington, D.C.: U.S. Government Printing Office, 1972) hereinafter referred to as "*Subcommittee Staff Report*".

[25] *Subcommittee Staff Report*, pp. 12–14, 39–40.

[26] *Subcommittee Staff Report*, p. 96.

[27] *Subcommittee Staff Report, passim.*

[28] *Senate Hearings*, pp. 197–198 (Pyle testimony); 272–273 (statement of Ralph M. Stein).

[29] *Senate Hearings*, pp. 185, 200–201 (Pyle testimony).

[30] *Senate Hearings*, pp. 290, 296 (testimony of Joseph J. Levin, Jr.)

[31] *Senate Hearings*, p. 155 (Pyle testimony), 531–566 (testimony of Malcolm Moos, President of the University of Minnesota).

[32] *Senate Hearings*, pp. 306, 310–312 (testimony of Oliver A. Pierce).

[33] *Subcommittee Staff Report*, p. 96.

[34] *Subcommittee Staff Report*, pp. 69, 96.

[35] *Subcommittee Staff Report*, p. 96.

[36] *Subcommittee Staff Report*, p. 97.

[37] *Subcommittee Staff Report,* Preface, p. vi.

[38] See note 3, *supra.*

[39] *Tatum* v. *Laird,* U.S. District Court, District of Columbia, Civil Action Docket No. 459–70 (order dated April 22, 1970, not officially reported) (Hart, J.).

[40] *Tatum* v. *Laird,* 444 F. 2d 947 (D.C. Cir., 1971).

[41] 408 U.S. 1, 13 (citing *Ex parte Levitt,* 302 U.S. 633, 634 [1937]).

[42] The Court noted that directives issued by the Army and the Department of Defense since the time the lawsuit was filed "indicate that the Army's review of the needs of its domestic intelligence activities has indeed been a continuing one and that those activities have since been significantly reduced" (408 U.S. 1 at 8), but did not respond to the plaintiffs' contention (Br. pp. 88–91) that the evidentiary question of whether the directives had in fact produced a sufficient curtailment of surveillance activity remained to be resolved.

[43] 408 U.S. 1 at 24, 28–29.

[44] 408 U.S. 1, 38–40. Justice Marshall also joined in this dissent.

[45] 409 U.S. 824.

[46] *ACLU* v. *Westmoreland,* 323 F. Supp. 1153 (N.D. Ill. 1970), *aff'd sub nom ACLU* v. *Laird,* 463 F. 2d 499 (7th Cir. 1972), *cert. denied* —— U.S. ——, 34 L. Ed. 2d 699 (Jan. 8, 1973).

[47] 408 U.S. 1 at 15–16.

[48] See notes 18–37 and accompanying text, *supra.*

[49] *Senate Hearings,* pp. 385, 431–432. Similar testimony was presented by then Assistant Attorney General William H. Rehnquist, at pp. 598–603.

[50] *Senate Hearings,* pp. 384–385.

[51] *Ibid.*

[52] *Senate Hearings,* pp. 136–37.

[53] See note 24, *supra.*

[54] In the 92d Congress, bills were introduced by Sen. Ervin (S. 3750), Rep. Mikva (H.R. 5640, 5641, and 5761) and Rep. Abzug (H.R. 15823). In the current (93d) Congress, only Rep. Abzug has introduced a bill (H.R. 1967) though it is expected that Sen. Ervin will again introduce such a measure.

[55] Senator Ervin has observed, for example, that although extensive use was made of computers in the Army's domestic surveillance program, the Constitutional Rights Subcommittee "was first told informally that there were no computers; then, that there was one, but that it had been disconnected for this program; then, that there were a few more computers that the Department had forgotten about or not known about" (*Senate Hearings,* p. 1558). The history of the Army's public response to the disclosure is detailed in Captain Pyle's testimony before the Subcommittee (*Senate Hearings,* pp. 206–220).

[56] Reprinted in *Senate Hearings,* pp. 1253–1255.

[57] DOD Directive 5200.27, Section III. This provision also states that information gathering activities are to be subject to "overall civilian control, a high level of general supervision and frequent inspections at the field level," and that mere collection activities are authorized to meet "an essential requirement for information," maximum reliance is to be placed upon civilian investigative agencies.

[58] DOD Directive 6200.27, Section V.

[59] See *e.g.,* George C. Christie, "Government Surveillance and Individual Freedom: A Proposed Statutory Response to *Laird* v. *Tatum* and the Broader Problem of Government Surveillance of the Individual," 47 N.Y.U. L. Rev. 871, 879–883 (November, 1972).

[60] See, *e.g.,* testimony of Messrs Froehlke, Buzhardt and Rehnquist, *supra,* notes 49–51 and accompanying text; Justice Department briefs in *Laird* v. *Tatum, passim.* The following provisions have been chiefly relied upon in support of this position:

(1) The provisions of Article II of the Constitution which say that "The executive power shall be vested in a President . . .", that the President is "the Commander-in-chief of the Army and Navy of the United States," and that "he shall take Care that the laws be faithfully executed";

(2) Article IV, Section 4 of the Constitution which provides that "The United States shall guarantee to every State in their Union a Republican form of Government, and shall protect each of them against Invasion; and on Application of the Legislature, or of the Executive (when the Legislature cannot be convened) against domestic violence.

(3) The provisions of 10 U.S.C. §§ 331–333, which in essence implement the Article IV power by authorizing the President to use armed forces to supress "insurrection" or "domestic violence" within a state; and

(4) (with respect to surveillance operations conducted by the Army, which is the only branch of the armed forces which has to date been publicly charged with overreaching) 10 U.S.C. § 3012, which authorizes the Secretary of the Army to conduct all affairs of the Department of the Army including "functions necessary or appropriate for the training, operation, logistical support and maintenance, welfare, preparedness and effectiveness of the Army, including research and development."

[61] *Senate Hearings,* pp. 384–385 (Froehlke testimony), 598–599 (Rehnquist testimony).

[62] Brief for Appellees in *Tatum* v. *Laird,* 444 F. 2d 947 (D.C. Cir. 1971, Docket No. 24203). This argument, it should be noted, was not made by the Justice Department in the Supreme Court in the *Tatum* case.

[63] For a discussion of the debates at the Constitutional Convention and during the struggle over ratification by the States regarding the role of the military and the limited function which the Framers contemplated that a standing army could be expected to perform, see Leon Friedman, "Conscription and the Constitution—The Original Understanding," 67 Mich. L. Rev. 1493, 1512–1541 (1969).

[64] *Wrynn* v. *United States,* 200 F. Supp. 457, 465 (E.D.N.Y. 1961).

[65] 343 U.S. 579 (1952).

[66] 407 U.S. 297 (1972).

[67] 407 U.S. 297 at 313, 321. The opinion also observed, *inter alia,* that:

"History abundantly documents the tendency of Government—however benevolent and benign its motives—to view with suspicion those who most fervently dispute its policies. Fourth Amendment protections become the more necessary when the targets of official surveillance may be those suspected of unorthodoxy in their political beliefs. The danger to political dissent is acute where the Government attempts to act under so vague a concept as the power to protect "domestic security." Given the difficulty of defining the domestic security interest, the danger of abuse in acting to protect that interest becomes apparent. . . . The price of lawful public dissent must not be a dread of subjection to an unchecked surveillance power. Nor must the fear of unauthorized official eavesdropping deter vigorous citizen dissent and discussion of Government action in private conversation. For private dissent, no less than open public discourse, is essential to our free society. * * *

Official surveillance, whether its purpose be criminal investigation or ongoing intelligence gathering, risks infringement of constitutionally protected privacy of speech. Security surveillances are especially sensitive because of the inherent vagueness of the domestic security concept, the necessarily broad and continuing nature of intelligence gathering, and the temptation to utilize such surveillances to oversee political dissent. We recognize, as we have before, the constitutional basis of the President's domestic security role, but we think it must be exercised in a manner compatible with the Fourth Amendment. In this case we hold that this requires an appropriate prior warrant procedure."

Id. at 314, 320.

[68] See testimony cited at notes 49–51, *supra,* and accompanying text.

[69] 444 F. 2d 947 at 957–958. With respect to the question of the utilization of the military's vast resources of personnel and material, there was a considerable amount of testimony at the Senate hearings about the resources devoted to surveillance operations. For example, one former agent testified that an anti-war rally in Colorado attended by a total of 119 persons, "close to half the people there were from one intelligence command or another, including Naval Intelligence individuals who came from the west coast to see how to monitor a rally correctly." He added that some agents were assigned to tape the speeches of anti-war activists at the rally, but were unable to do so because of the noise produced by Army helicopters flying directly overhead. *Senate Hearings,* pp. 314–315, 330 (testimony of Laurence F. Lane).

[70] *Roe* v. *Wade,* 410 U.S. 113 (1973).

[71] See, *e.g., Boyd* v. *United States,* 116 U.S. 616 (1886); *Weeks* v. *United States,* 232 U.S. 383 (1914); *Mapp* v. *Ohio,* 361 U.S. 643, 654–657 (1961); *Griswold* v. *Connecticut,* 381 U.S. 479, 484 (1965); *Katz* v. *United States,* 389 U.S. 347, 350 (1967); *Stanley* v. *Georgia,* 394 U.S. 557 (1969); *Eisenstadt* v. *Baird,* 405 U.S. 438, 453–454; *Roe* v. *Wade, supra.*

[72] Opinion for the Court in *NAACP v. Alabama,* 359 U.S. 449 at 462 (1958).

[73] See, *e.g., NAACP* v. *Button,* 371 U.S. 415, 432–433 (1963).

[74] See *e.g., Baird* v. *State Bar of Arizona,* 401 U.S. 1 (1971) (inquiries into past political associations by bar admission committees); *NAACP* v. *Louisiana, supra,* and *Bates* v. *City of Little Rock,* 361 U.S. 516, 523 (attempts to require disclosure of membership lists of organizations engaged in disseminating controversial ideas); *Talley* v. *California,* 362 U.S. 60 (1960) (attempt to require author of a political handbill to identify himself); *Lamont* v. *Postmaster General,* 381 U.S. 301 (1965) (attempt to require persons desiring to receive certain kinds of political literature to register that desire with the postal authorities). Chief Justice Burger's opinion for the majority in *Laird* v. *Tatum* sought to distinguish some of these cases on the grounds that they involved an exercise of governmental power which was "regulatory, proscriptive, or compulsory in nature" and that the complainants in them were "either presently or prospectively subject to the regulations, proscriptions or compulsions."

[75] See, for discussions of many of the principal studies, Frank Askin, "Surveillance: The Social Science Perspective," 4 Colum. Human Rights L. Rev. 59–88; see also Alan F. Westin, *Privacy and Freedom, op cit supra* note 2; Arthur Miller, *The Assault on Privacy* (Ann Arbor: University of Michigan Press, 1971).

[76] Askin, loc. cit. *supra,* at 64–68, and sources cited therein.

[77] *Senate Hearings,* p. 603.

[78] See note 55, *supra.*

[79] The closing paragraph of the majority opinion stated, in fact that:

"Indeed, when presented with claims of judicially cognizable injury, resulting from military intrusion into the civilian sector, federal courts are fully empowered to consider claims of those asserting injury; there is nothing in our Nation's history or in this Court's decided cases including our holding today, that can properly be seen as giving any indication that actual or threatened injury by reason of unlawful activities of the military would go unnoticed or unremedied."

[80] Although the complaint clearly could have been construed—as plaintiffs argued that it should have been—to allege continuing injury to reputation, invasion of privacy, and infringement of rights to free association, the Court declined to do so. On the

contrary, it took particular note of a remark made by one of the plaintiffs' counsel, at the oral argument in the Court of Appeals, that the plaintiffs themselves "are not, obviously, people who are cowed and chilled." 408 U.S. at 1, 13–14 n. 7.

[81] 444 F.2d 947 at 958.

Mr. HRUSKA. Mr. President, today the Constitutional Rights Subcommittee of the Judiciary Committee released a report entitled "Military Surveillance of Civilian Politics." This report is a byproduct of the hearings held on this subject matter during the 92d Congress.

I share the concern expressed in the report of the potential threat to the individual's right to privacy posed by the Government's quest for information. No one believes more strongly than I that the preservation of the right of free expression and association must remain as one of our paramount objectives.

While I applaud the efforts of the subcommittee and its staff to bring to light many of the repugnant aspects of surveillance occurring during the mid to late 1960's, I find that I cannot subscribe to certain of the overblown and sweeping conclusions contained in this report.

There is little doubt that Army intelligence was guilty of mistakes, ineptitude, and blunders of professional judgment in carrying out its mission of collecting information relative to civil disturbances. It should be noted that it soon became apparent to the military that massive attempts to gather such material was largely a waste of time and money. I am willing to believe that the military is capable of stupidity at times, but not that it is a way of life, as the report seems to imply.

Particularly, I am troubled by the report's failure to properly recognize the fundamental and effective corrective measures that have been implemented by the Defense Department to insure against recurrence of the prior offensive activities by the subject intelligence gathering agencies. Because of this failing, the report, to my mind, is unfairly balanced and thereby lacks essential credibility.

Additionally, I find that I cannot agree with the report's legal conclusions. Rather, I am in accord with the decision of the Supreme Court in Laird v. Tatum which deals precisely with the question of military surveillance.

Several other members of the subcommittee have found that they have similar misgivings concerning this report. I ask unanimous consent that the additional views which were prepared for the report be printed in the RECORD.

There being no objection, the views were ordered to be printed in the RECORD, as follows:

ADDITIONAL VIEWS OF HONORABLE ROMAN HRUSKA, HIRAM FONG, HUGH SCOTT,* AND STROM THURMOND

As members of the Subcommittee on Constitutional Rights, Committee on the Judiciary, we have participated in and followed closely the extensive hearings and investigation held over the past three years relating to the subject of military surveillances of civilian groups and individuals. The lengthy report of the Subcommittee contains much valuable information relating to the period of the late 1960's during which military intelligence was engaged in gathering a large volume of data on civilian organizations and individuals who, for one reason or another, were thought to present some potential for being involved in civil disturbances. We believe the extensive hearings held by the Subcommittee served a very valuable purpose in bringing out in fine detail facts relating to this period in our history, and in highlighting mistakes which unquestionably were made both by the military intelligence organizations and by the civilian political leadership which caused the military to be involved in such activities.

We fully concur with the underlying theme of the Subcommittee Report that the right of the individual to express his views must remain unfettered. This nation must indeed be ever vigilant in maintaining the delicate balance between personal liberty and an orderly society. No one recognizes more than we the great errors in judgment made during the course of the subject intelligence gathering nor finds repugnant certain practices outlined in the Subcommittee Report. It was, however, this unfortunate state of affairs which prompted positive corrective measures beginning in early 1969.

It is our belief that the report reaches several broad conclusions which are not warranted by the facts nor sustained by our judgment on the Constitutional and public policy issues involved. Hence, we regret that we cannot unqualifiedly endorse either the overly-broad assertions of historical happenings nor subscribe to the legal conclusions of what our hindsight judgment tells us was both ill-advised and unnecessary.

We do have some objections to the report's essay on the legal issues presented, but we do agree with the major thrust of the report and Subcommittee inquiry which was intended to identify and correct what we saw as an unwarranted departure from traditional relationships of military forces in our civilian communities. We agree with the candid and forthright statement to this Subcommittee by an Assistant Secretary of Defense that the past history of military involvement was replete with excesses, errors of judgment, and much wasteful and inappropriate effort to no avail.

We likewise agree with the majority of the Supreme Court which held in the case of *Laird* v. *Tatum* that no specific harm to any individuals has been alleged or proved (at least thus far) which would create a justifiable issue for judicial relief. In passing, we should also like to point out that the District Court for the Northern District of Illinois, as affirmed by the Court of Appeals for the 7th Circuit, in *ACLU* v. *Laird*, after a four-day hearing, found that no one in a group of individuals alleged to be the subject of military surveillance had been inhibited from exercising his Constitutional rights and dismissed the complaint. We do not believe the lengthy "brief" rearguing the issue which is incorporated in our Subcommittee's report sheds any new or additional light on an issue already decided by the Judiciary.

The Subcommittee Report, we believe, is additionally remiss in failing to properly recognize the comprehensive corrective actions that have been implemented in the past several years by civilian authorities. We feel that it is worthwhile to also point out that it is apparent that a painful lesson has been learned most particularly by the military intelligence organizations themselves. We believe it fairest to accept the judgment of the Defense Department official who testified to this Subcommittee, in a manner corroborating other witnesses, to the effect that the massive effort to gather civil disturbance data were largely futile. It did not aid them in predicting civil riots, and it was largely irrelevant when a disturbance did occur. The practical lesson learned by the military was that the measures they undertook were a waste of time and money.

Profound and effective steps have been taken to bring the responsible intelligence gathering agencies back into line. Stringent safeguards have been imposed to preclude any recurrence of prior offensive activities. The Subcommittee has been furnished sworn testimony and numerous documents which set forth the measures taken by the Secretary of Defense, and implemented by each Service Secretary, to assure that this particular chapter in our history is not repeated.

We view with gratification the creation of a top-level policy advisory group in the Defense Department named the Defense Investigative Review Council (DIRC) and its supporting administrative staff, with personal responsibilities assigned to Service Under Secretaries of each military department. We believe that it is a mechanism which will assure continued compliance with the corrective actions taken. We were advised that the Secretary of Defense for the first time is asserting policy control and management of investigative organizations within the individual military departments.

Clear prohibitions against surveillances of political figures and others not affiliated with the military are contained in Defense regulations. The offending data banks on civilians have been destroyed and future creation of such data banks are broadly and firmly prohibited. The record before us shows the results of these measures. The program of internal inspections and unannounced inspections from the Washington level, initiated during the hearings—all of which the Subcommittee Report seems to discount—appear to be well-designed to correct the excesses of the past.

The abuses of the mid to late 1960's may perhaps be understood, although not justified, in light of the crisis charged atmosphere of those years. Given the mission to assist in quelling the grievous and massive civilian disorders which unfortunately afflicted some of our major population centers during that period in our history, the military overreacted in some aspects in its related intelligence gathering duties. As with many newly-implemented programs, the mistakes and excesses became apparent and have been dealt with.

We support efforts of this Subcommittee to continue to monitor the performance of military intelligence units to assure that actions which gave rise to our original inquiry do not again raise their head. In view of the strong corrective measures taken by the Department of Defense and the lack of any recurrence of prohibited activities, however, we believe that the situation described in the report has been properly brought under control.

By Mr. DOMINICK:

S. 2319. A bill to amend the Wild and Scenic Rivers Act by designating segments of certain rivers in the State of Colorado for study as potential components of the national wild and scenic rivers systems. Referred to the Committee on Interior and Insular Affairs.

Mr. DOMINICK. Mr. President, in 1968 the Congress passed the Wild and Scenic Rivers Act. As stated in the act:

> Certain selected rivers of the Nation . . . possess outstandingly remarkable scenic, recreational, geologic, fish and wildlife, historic, cultural, or other similar values . . .

In recognition of this fact, the United States established the Wild and Scenic Rivers Act, which embodies a system designed to enhance, protect, and preserve rivers throughout the country. In enacting this legislation the Congress also considered the fact that there exists a national policy of dam and other construction at appropriate sections of the rivers of the United States which should be complemented by a policy that would preserve rivers and river sections in their free-flowing condition. Another important consideration in deciding to pass this act was the problem of the increasing pollution in our beautiful rivers, particularly during the last several years, so that a great many of them are no longer fit for human contact and, indeed, cannot even sustain the fish and wildlife which once lived in and around many of our rivers.

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* Subcommittee member until January 31, 1973.

Presently, there are eight rivers or river segments which are permanent components of the national wild and scenic rivers system and 27 rivers or segments of rivers which are presently being studied for future inclusion in that system. However, it is quite distressing and almost inconceivable that not one river or river segment from the State of Colorado is either a present or potential component of the system established under the Wild and Scenic Rivers Act. Colorado has 231 rivers, traveling a total of 14,400 miles in the State. The Bureau of Outdoor Recreation has pointed out that over 90 Colorado rivers, 3,400 miles of river, have been identified as having significant free-flowing values, yet not one river in the State has been given protection under the act. Many of these 90 streams and rivers are under constant threat of having their flows impeded in one way or another, by diversion or impoundment and are under the threat of having their scenic values impaired or destroyed along with this diversion or impoundment. Demands on the State's rivers are numerous including those for flood control, power development, industrial, municipal, and irrigation use and nearby subdivisions. Thus, decisions must be made now as to which rivers or sections of rivers should be included in and protected by the Wild and Scenic Rivers Act.

When the act was passed it would have been impossible, of course, to include all the Nation's rivers which at that time were worthy of being a part of the National Wild and Scenic Rivers System. Many of them had not been studied at any great length in order to determine their qualities and even with the several that are now proposed additions to the system, the Departments of Interior and Agriculture have difficulty in finding the time and the manpower to conduct the necessary studies.

Yet it is still hard to believe that not one river in Colorado is now a part of the national system. Six major rivers in the Western part of the United States have their sources in the mountains of Colorado. They are the Colorado, Rio Grande, Arkansas, North and South Platte Rivers, and the Republican River. The waters of these rivers leave Colorado and spread out through 18 neighboring States. This fact alone indicates the vital importance of Colorado's rivers not only to the State itself, but to the entire Nation. There is no question that a serious error has been made in omitting from the act and not including up to this time many of the Colorado rivers which are important tributaries to the rivers mentioned above or are valuable for various other reasons.

The Wild and Scenic Rivers Act requires that, for a river to become a component of the National Wild and Scenic Rivers System, it must be proposed by the Congress so that the Interior Department or the Agriculture Department can study the river and classify all or parts of it into one or more of the three categories provided for in the act.

The act states that eligible rivers or segments of eligible rivers will be classified, designated and administered as a wild river, scenic river, or recreational river or as a combination of those categories depending on the character of the segments of the eligible rivers. To be classified as "wild," the river or segment must be free of impoundments and generally inaccessible except by trail, with watersheds or shorelines essentially primitive and waters unpolluted. These represent vestiges of primitive America. The definition of "scenic river areas" is those that are free of impoundments, with shorelines or watersheds still largely primitive and shorelines largely undeveloped, but accessible in places by roads. The third category is "recreational river areas" and those are rivers or river segments that may have some development along their shorelines and may have undergone some impoundment or diversion in the past.

Today, August 1, was until recently Colorado Day, a State holiday, and is an appropriate day to introduce a bill which has as its purpose the inclusion of a number of rivers in the State of Colorado in the national wild and scenic rivers system. Opinions will, of course, vary as to which rivers should be included under which classification in the act. This depends upon the individual's needs and interests. Some people enjoy the recreational values of a river on which there exists calm water behind a dam, while others pursue the challenge of white water canoeing. Over the past several months, in order to ascertain what Colorado rivers should be studied for inclusion in the national system, I have had extensive contact with individuals in the Bureau of Land Management, the Bureau of Reclamation, the Bureau of Outdoor Recreation, the Agriculture Department, the Denver water board, the Colorado Department of Natural Resources, and several environmental groups, and the wilderness society in particular. In addition, I have discussed this bill with and received a large amount of mail on the subject from such groups as Trout Unlimited, the American Canoe Association, the Colorado Rivers Council, the Wilderness Workshop of the Colorado Open Space Council, the Sierra Club, Colorado White Water Association, and the Colorado University wilderness group.

On the basis of the volumes of information supplied to me by these groups, I have determined that 14 rivers or river segments in the State of Colorado should be studied by the Interior Department, or where appropriate, the Agriculture Department, for future inclusion into the national wild and scenic rivers system. It must be remembered that this bill sets up the study phase of the river system and that it will be up to the Interior and Agriculture Departments to determine exactly into which of the three classifications that I mentioned earlier each river or segment will fall. Also, one river may have segments which fall into all three categories.

Out of the 14 rivers I am proposing there is a vast cross-section of characteristics involved, including differences in geographic location, physical dimensions, and potential use. The following descriptions of the 14 rivers in my bill point this out:

Dolores River, the entire segments of the West Dolores and the Dolores, beginning at their sources and continuing to the Utah border. Starting at Cahone, Colo., the area surrounding the Dolores River is characterized by dense forests of pine. These upper reaches provide sparkling and clear water. As the Dolores meanders downstream, beautiful red sandstone walls and pinon pine characterize the transition from a subalpine to a desert-like river.

The upper reaches offer good-to-excellent fishing, and the Dolores provides a good opportunity for boatmen to experience a wild river. The river receives extensive use by people canoeing, floating, and kayaking during peak water.

It is my feeling that the Dolores project, which will include the building of the McPhee Dam, can be reconciled with the inclusion of the Dolores River under the Wild and Scenic Rivers Act. I have included a provision in this bill to insure that the two endeavors are achieved in a manner compatible with each other.

North Platte River, the segment from its source to the Colorado-Wyoming State line. This river segment which includes a portion in the Mount Zirkel Wilderness Area may qualify as a "wild" river. It is characterized by a wide, meandering riverbed and pinon pine in the surrounding area. Whitetail deer, mule deer, elk, bald eagle, and other wildlife are found there as well as excellent rainbow and brown trout fishing.

Green River, the segment which flows through the State of Colorado. The character of this body of water is that of a beautiful desert river with medium-to-wide stretches bounded by sandstone cliffs. The upper stream portion is an excellent natural fishery. Great numbers of people from metropolitan Denver fish the Green River on a regular basis, and it is used heavily for floating, canoeing, and kayaking.

Yampa River, the segment from Sunbeam, Colo., to the confluence with the Green River. It has high canyon walls, cactus in bloom and pinon pine characterizing the surrounding area. In addition, the Yampa is one of the few rivers in Colorado which is free flowing throughout its entire length.

Gunnison River, the segment from the confluence with the North Fork through the Black Canyon of Gunnison National Monument. This portion of the Gunnison provides rugged and beautiful scenery. Several rare flora species are present. Wintering grounds for a large migrating duck population and nesting grounds for peregrine falcons, eagles, and other birds are found in the Black Canyon. This portion may qualify as wild. The Gunnison has long enjoyed a reputation as a trout fishery and possesses excellent water for expert boaters.

Big Thompson River, the segment in Forest Canyon, Rocky Mountain National Park. Originating in the high glaciers of Rocky Mountain National Park and running downstream through Forest Canyon 8 to 10 miles into Lake Estes, this portion of the Big Thompson River supports heavy recreational use. Some boating and good fishing are available in this stretch which qualifies for wild and scenic status.

Poudre River, the segment from the sources of both forks to the border of Roosevelt National Forest. This is one of the best white water rivers in the State. It accommodates a wide range of boating skills. Beginner and intermediate boating capabilities are suitable for the lower reaches. Further upstream is the site of the 1972 Olympic qualifying slalom course where, for the past 4 years, the Poudre wildwater and slalom race has been sponsored by the Colorado White Water Association.

An excellent natural spawning stream for trout, a great deal of fishery research is conducted on the Poudre by Colorado State University and the Colorado Division of Wildlife.

Los Pinos River, the segment from the source to the point at which the river enters the northern boundary of the Granite Peak Ranch. From its source in the proposed Weminuche Wilderness to about 10 miles north of the Vallecito Reservoir the river may qualify as wild. A high altitude river in its upper reaches, the Los Pinos—or Pine—flows through very scenic mountain terrain and provides excellent wilderness trout fishing.

Conejos River, the segment from its source to the first junction with State Highway 17. The Conejos begins high in the wild South San Juan country. This entire portion may qualify for wild and scenic designation. The portion of the Conejos from Platoro Reservoir to the Forest Service boundary might be considered for scenic status. Large herds of elk and deer inhabit the river area. The Conejos supports a moderate amount of boating and excellent fishing. Used not only by Coloradans, many people from New Mexico and Texas enjoy its many recreational opportunities.

Elk River, the segment from its source to Clark, Colo. A beautiful stream, bordered by conifers and narrow canyons, the Elk possesses a medium flow of quality water. It offers excellent fishing for rainbow trout and enjoyable boating through fairly continuous rapids.

Laramie River, from its source to the Colorado-Wyoming border. The significant characteristic of this river is that it is rated the best small-to-medium fly fishery in Colorado.

Michigan River, from all of its sources to Gould, Colo. This river is similar in its appearance and character to the North Platte River and meanders through grasslands and pine forests. In addition, the trout fishing is excellent.

Piedra River, the segment from the source to the junction with State Highway 160. The upper stretches of this high altitude alpine river flowing from the proposed Weminuche Wilderness support rafting and kayaking. Downstream, the river flows through scenic box canyons and mountain meadows. Not only do elk, deer, and bear abound in the area, but the Piedra contains outstanding natural spawning areas and provides excellent fishing for rainbow and brown trout.

Encampment River, the segment from the source to the Wyoming border. This river consists of several small branches reaching out from the main branch. The branches originate in the snow-crested peaks of the Mount Zirkel Wilderness. They then gently wander through the heavily forested, undeveloped Federal lands toward Wyoming.

This is a truly wild area and flows through high quality wilderness in one of Colorado's priority roadless areas. The entire roadless area amounts to over 94,000 acres of potential wilderness. Out of this, 16,000 acres were selected by the Forest Service for wilderness study. The remaining acreage, including the Encampment watershed, was excluded by the Forest Service. I am concerned about this area as such activities as timbering could eliminate critical elk calving grounds along the West Fork of the Encampment River where over 250 cow elk are known to calve in season. Also, excessive runoff and siltation caused by roads and timbering could ruin the rainbow and brown trout fisheries.

There will undoubtedly be many questions regarding the effect which this bill will have on both water rights and private land ownership rights in the State of Colorado. I want to emphasize that there is nothing in the Wild and Scenic Rivers Act which would adversely effect the water rights allocated under the State water laws. In addition, since this bill would place these rivers under the act only as potential additions to be studied for inclusion in the system, there is absolutely no impact on private land ownership. Further, in the event these rivers are recommended and do become permanent components of the national wild and scenic rivers system, the act carefully limits the authority of the Departments of Interior and Agriculture to acquire privately owned land bordering on the rivers which I am proposing today. The emphasis is on the area closely bordering on the rivers. In line with this approach, the act states that—

> The Secretary of the Interior and the Secretary of Agriculture . . . shall not acquire fee title to an average of more than 100 acres per mile on both sides of the river.

If one looks at a map he will see that the large majority of the rivers I am proposing are already located within federally owned parks, forests or monuments. Therefore, by this bill there will be little if any effect on individuals who own land bordering on the rivers in this bill, yet at the same time hundreds of miles of beautiful Colorado rivers will receive maximum attention and protection which is available only under the Wild and Scenic Rivers Act.

Earlier this year, on January 18, when I proposed a portion of the Colorado River for study under this act, I mentioned that I was reviewing other stretches of rivers for possible inclusion under the Wild and Scenic Rivers Act, and that I intended to introduce additional legislation when that review is completed. This bill which I am introducing today is the product of that review and of much thought and investigation. I hope, therefore, that the appropriate committee in the Senate will soon convene hearings so as to provide the Colorado rivers, and the millions of people in this country who have seen and enjoyed their beauty and recreational value, the long overdue protection which they deserve. I would also like to encourage the public to respond to this bill and in so doing perhaps the necessary hearings will begin that much sooner.

I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2319

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Colorado Rivers Preservation Act of 1973".

SEC. 2. Section 5(a) of the Wild and Scenic Rivers Act (82 Stat. 907; 16 U.S.C. 1274(a)) is amended by adding at the end thereof the following:

"(28) (A) Dolores River, Colorado—The entire segments of the West Dolores and the Dolores, beginning at their sources and continuing to the Utah border: *Provided,* (i) That with respect to the segment between the proposed McPhee Dam and the town of Bedrock, the Secretary of the Interior shall submit his report, as required under this section of the Act, within six months after enactment; and (ii) that, notwithstanding sections 6 and 7 of this Act, such study and proposal shall include a determination of the classification of the river so as not to inhibit any development or project planned at the time of enactment, proposed or conducted by the State of Colorado or the Federal Government.

"(B) North Platte River, segment from source to Colorado-Wyoming State line;

"(C) Green River, the segment which flows through the State of Colorado;

"(D) Yampa River, the segment from Sunbeam, Colorado, to confluence with Green River;

"(E) Gunnison River, from confluence with North Fork through the Black Canyon of Gunnison National Monument;

"(F) Big Thompson River, the segment in Forest Canyon, Rocky Mountain National Park;

"(G) Poudre River, the segment from sources of both forks to border of Roosevelt National Forest;

"(H) Los Pinos River, the segment from source to the point at which the river enters the northern boundary of the Granite Peak Ranch;

"(I) Conejos River, the segment from source to first junction with State Highway 17;

"(J) Elk River, the segment from source to Clark, Colorado;

"(K) Laramie, the segment from source to Colorado-Wyoming border;

"(L) Michigan River, the segment from all sources to Gould, Colorado;

"(M) Piedra River, the segment from source to State Highway 160;

"(N) Encampment River, the segment from source to Wyoming State border."

SEC. 3. There are hereby authorized to be appropriated such sums as may be necessary to carry out the purposes of this Act, but not to exceed $2,250,000.

By Mr. GRAVEL:

S. 2320. A bill to amend the Davis-Bacon Act to provide that reports required under that act be public information, and for other purposes. Referred to the Committee on Labor and Public Welfare.

A BILL TO AMEND THE DAVIS-BACON ACT

Mr. GRAVEL. Mr. President, I am today introducing legislation which will require contractors obtaining Federal contracts to make the wage reports they submit to the Federal contracting agency available to the public. The Davis-Bacon Act specifies that a contractor must pay his employees in accordance to the prevailing wage determinations of the Secretary of Labor. Periodically, the contractor must deliver a wage report to the Federal contracting agency as evidence that he is complying with this law. This amendment to the Davis-Bacon Act will only require that these reports be made public knowledge. I have been prompted to take this action because of an instance that I have witnessed in Alaska where the contractor's obligation to pay this wage determination has not been met. This stemmed both from the performance of the contractor, and the Federal agency awarding the contract. By approving this amendment, and thereby holding the wage agreement between the contractor and the Federal agency up to public scrutiny, the Congress can prevent other violations of the Davis-Bacon Act.

At present the Davis-Bacon Act states that the contractor is obligated to pay what the Federal Government determines to be the prevailing wage rates. I do not doubt that in a majority of the cases this condition is met by the contractor. Yet when the contractor tenders his bid for a contract, he deals only with the Federal agency which has asked for bids on a project. Since the contractor's purpose is to realize the greatest possible profit, he will naturally submit the lowest feasible bid at which he can win the contract, and still make a reasonable profit. Perhaps the most simple method of gaining this objective is expending as little as possible for wages. Currently, the law states that wage reports shall be submitted periodically to the Federal contracting agency to insure that a contractor meets the requirements of the Davis-Bacon Act.

A case has come to my attention in which the Federal agency did not meet their obligation. The Department of Housing and Urban Development asked for bids on a project and understandably, accepted the lowest one. However, HUD was not diligent in its effort to see that the contractor complied with the wage specifications of the Davis-Bacon Act, and allowed wage payments which were less than the Federal local wage determination. The wage earner was not aware that there was a violation of this law, or that he was underpaid, because he was not informed of this important provision of the contract. Since the wage reports were not available to the public, persons who knew the law were also not aware of the violation, and could not move to remedy the situation. The covert nature of this wage agreement resulted in what I regard as a fundamental breakdown in a system designed to protect the wage earner.

Under present law these wage reports may be made public at the Federal agency's discretion. There has been little recourse for the wage earner who senses wrongdoing on the part of the contractor, except to complain to the Department of Labor. In the case I cited, it is only because of complaints to the Department of Labor that this problem is being rectified. The Labor Department has instituted their own independent investigation. As a result of this investigation, they have asked HUD to withhold partial payment to the contractor in insure that the worker will receive full salary.

In this case there has been a solution and I do not doubt that the Department of Labor will continue to be effective in correcting future grievances of a similar nature. However, in my judgment the best way to deal with this problem is to alter the system. My amendment will simply require that the contractor's wage reports will be made public. This bill would require no additional reporting by the contractor. The Congress can avert other failures by the contractor and the Federal agency to fulfill their mutual obligations by voting in favor of this amendment.

By Mr. PROXMIRE:

S.J. Res. 143. Joint resolution to provide for a temporary extension of the authority of the Secretary of Housing and Urban Development with respect to the insurance of loans and mortgages, and for other purposes. Referred to the Committee on Banking, Housing and Urban Affairs.

Mr. PROXMIRE. Mr. President, I introduce a joint resolution to extend our FHA housing programs until September 15, 1973. The authority to operate these programs has expired on July 1 and some immediate action by the Congress is necessary to relieve hardships which have developed.

The FHA programs have already been extended until June 30, 1974, in House Joint Resolution 512 which has been reported by a House-Senate conference committee on Monday. However, House Joint Resolution 512 also contains two provisions which are vehemently opposed by the Nixon administration. One provision would terminate the illegal and unconstitutional moratorium on our low and moderate income housing programs which has been in effect since January 7. The second provision would compensate home buyers for structural defects in housing purchased under the FHA program. The President has threatened to veto House Joint Resolution 512 if these two provisions are included in the bill.

During the House-Senate conference committee the threat of a Presidential veto was used as an argument for dropping these two provisions from the bill. In my opinion, we would have been guilty of an abject cave-in if we had succumbed to these pressures. I am happy to report that the Senate conferees stood firm and upheld the Senate position. The House conferees finally agreed and the two provisions in question are included in the joint conference report. We hear a lot about Congress reasserting its constitutional authority. Now is the time to start exercising it.

Although the Senate position prevailed in conference, I have received indications that the President might pocket veto the conference report if it were sent to him during the August recess. If this were to occur, we would have no opportunity to override his veto. We also would have to start all over again with new legislation when we return in September. In the meantime, there would be no authority for the FHA programs.

In order to prevent a further disruption of the FHA program, I believe we need to pass a temporary extension of the FHA program and deal with the conference report on House Joint Resolution 512 just as soon as we return from the August recess. If, at that time, the President vetoes House Joint Resolution 512 we will have a chance to override the veto or pass new legislation if the motion to override fails.

Mr. President, I feel strongly that we should settle this matter one way or the other as soon as possible after the August recess. We should not permit the uncertainty over the future of the FHA program to linger through the fall session. The FHA program has already been disrupted due to the expiration of the program on July 1, and we should not add to the confusion by delaying an ultimate decision.

For these reasons, I am proposing a temporary extension only until September 15. This will keep our feet on the fire and force us to deal promptly with the problem when we return.

A similar resolution has been introduced extending the FHA programs until October 15. However, an October 15 extension will only continue the uncertainty and confusion for another 30 days. The housing industry and the home-buying public are entitled to a prompt decision from their Government. There is no reason why we cannot have this matter resolved, one way or the other, by September 15. If we provide an October 15 date I guarantee the problem will not be settled until that date and perhaps it will never be settled. The longer we debate this matter, the more difficult it will be to resolve the issue.

Let us keep the pressure on ourselves and the President to resolve this problem. Let us avoid further delay in continuing the FHA program by agreeing to a September 15 temporary extension. The longer we put off facing up to the basic issues, the harder it will be to come to a decision.

ADDITIONAL COSPONSORS OF BILLS AND JOINT RESOLUTIONS

S. 316

At the request of Mr. JACKSON, the Senator from Colorado (Mr. HASKELL) was added as a cosponsor of S. 316, the eastern wilderness bill.

S. 1017

At the request of Mr. JACKSON, the Senator from New Mexico (Mr. MONTOYA) was added as a cosponsor of S. 1017, the Indian Self-Determination and Educational Reform Act of 1973.

S. 1541

At the request of Mr. ROTH, his name was added as a cosponsor of S. 1541, the Federal act to control expenditures and establish national priorities.

S. 1914

At the request of Mr. PERCY, the Senator from Maryland (Mr. BEALL) was added as a cosponsor of S. 1914, to provide for the establishment of the Board for International Broadcasting and to authorize the continuation of assistance to Radio Free Europe and Radio Liberty.

S. 2081

At the request of Mr. NUNN, the Senator from New Mexico (Mr. DOMENICI), and the Senator from North Carolina (Mr. HELMS) were added as cosponsors of S. 2081, to amend title IV of the Social Security Act to provide a method of enforcing the support obligations of parents of children who are receiving assistance under such title, and for other purposes.

S. 2147

At the request of Mr. DOMENICI, the Senator from North Dakota (Mr. YOUNG) was added as a cosponsor of S. 2147, to conduct a study relating to the procurement and use by the Federal Government of products manufactured from recycled materials.

S. 2241

At the request of Mr. HUMPHREY, the Senator from Washington (Mr. JACKSON) was added as a cosponsor of S. 2241, to provide famine and disaster relief and recovery assistance to the countries of the African Sahel.

FORESTS FOR THE FUTURE

Mr. HUMPHREY. Mr. President, in connection with my introduction of S. 2296, the National Forest Environmental Management Act of 1973, on July 31, I inadvertently left off the name of the senior Senator from Wyoming (Mr. MCGEE) as a cosponsor and the Senator from Wisconsin (Mr. NELSON). This I sincerely regret and I ask unanimous consent that these names be added as a cosponsor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HUMPHREY. Mr. President, as an aid to those who will be studying this bill I also ask unanimous consent that there be printed in the RECORD a section-by-section analysis of the bill and a document prepared for the use of the Committee on Agriculture and Forestry which is a background paper on National Forest Issues.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 2296, PROPOSED NATIONAL FOREST ENVIRONMENTAL MANAGEMENT ACT OF 1973—SECTION-BY-SECTION ANALYSIS

INTRODUCTION

This bill has three titles. The first three sections include the name of the Act, findings, and definition of terms. Title II rounds out management authorities, strengthens inventory and land use planning efforts and provides for a Balanced Resource Budget for all resources and uses on the 187,000,000 acres in the National Forest System.

Title III modernizes the authority to sell forest products to assure a high level of utilization, sets priorities for road and trail construction to improve the quality of roads, strengthens environmental management, reduces the drain from timber purchaser construction on payments in lieu of taxes and the adverse effect on rural counties, sets standards for the location or relocation of field and supervisory offices, and provides reporting requirements.

TITLE I

Sec. 1. Titles the Act, "The National Forest Environmental Development Act of 1973.

Sec. 2. Findings.

Twelve findings are made which demonstrate the need to enact the legislation. The air, soil, water, plants and animals are finite, renewable resources and the minerals are nonrenewable resources. An ecologically healthy, economically functioning conservation of the environment is needed. The National Forests are a vital national asset. Comprehensive planning is vitally needed, backed up by proper levels of investment. The use or preservation of National Forest resources are to be in accord with the Act's goals. The rate of use of renewable resources should match the ability and commitment to renew those resources. The variation in the diversity of the lands in the National Forest System and the differing relations of these lands in various national regions must be recognized. An essential element of organization is service built from the ground up, articulated to meet local, regional and national goals. The modernization of the laws relating to the National Forests will aid in attaining national goals.

In the face of growing demands upon the National Forests to supply resources and services to a growing, more mobile and more urban population, the level of funding and employment on the National Forest System has been declining. On a constant dollar basis the funds available have declined. Employment levels have dropped by about ⅛ in the past four years, yet all measures of demand have risen. Major program shifts are planned, drastic organizational changes have Executive approval. Long range resource plans developed in the Eisenhower Administration and updated in two subsequent administrations have not been kept up. The National Environmental Policy Act has placed new and substantial requirements on resources managers. Public interest and concern, manifested in many ways, from litigation to confrontation, have added to the complexity of resource management. National Land Use Planning legislation is receiving serious concern. All of these, and other factors, make it desirable to provide the Forest Service with the full kit of authorities needed to meet these legitimate and burgeoning demands.

SEC. 3. Definitions.

The Multiple Use Act of 1960 defined only two terms, "multiple use" and "sustained yield." This bill adds as definitions: "Forest land", "Forest Trees", "Forage", "Rangeland", "Recreational Land" and "Other Natural Resources Land". Forest and Range land are subdivided into three categories, Commercial, Reserved Commercial, and Non-commercial. In subsequent inventory, land use planning, investment strategy and management decisions these will permit differentiation of levels and intensity of program. Recreation land is divided into two categories for the same purpose, Intensive and Extensive. In addition, this will permit the delineation of specific areas such as campgrounds where the use by people is heavy and other activities would produce a direct conflict. "Areas of critical environmental concern" and "National Forest System" are defined.

TITLE II—GENERAL MANAGEMENT AUTHORITY

SEC. 101. Management.

Stating the relation to Acts already described, authorities are stated in broad terms: (a) to regulate use, occupancy and development via permits, licenses, leases or other instruments; (b) to require bonds to assure conformance to conditions of use; and (c) to insert in all such permissions revocation procedures for violation of any Act applicable to the national forests or any applicable State or Federal air or water quality standard and implementation plans. This proviso would apply only to those applicable to the National Forest lands and not to other secondary activities. Finally (d) requires the prompt development of regulations for the protection of areas in the National Forest System of critical environmental concern.

SEC. 102. Inventory.

This section would require the maintenance on a continuing basis of an inventory of all National Forest lands, and their tangible and intangible resources. While the Forest Service has maintained inventories these have not always been current and they have not always been comprehensive enough to meet the growing and changing needs. In addition, direction is given to cooperate with other elements of government in such activities to aid in planning, coordinating and regulating other uses according to the authorities that other elements of government may have for non-Federal lands.

SEC. 103. Land Use Plans.

Subsection (a) requires the use of public participation to develop, maintain and revise land use plans and sets forth the other authorities that must be observed in the process. (b) sets seven criteria to be applied in the development and maintenance of land use plans. These include use of a systematic interdisciplinary approach, priority to critical areas, use of existing inventories when proper, consideration of present and potential uses, consideration of the relative scarcity of the values involved and the availability of alternative means, materials, techniques (including recycling) and sites for the realization of values, weighing long-term public benefits against short-term local or individual benefits, and consideration of applicable pollution control laws, Federal and State.

Sec. 104. Long Range Plan.

This would require the development on a more comprehensive basis of the *Program for the National Forests* that was first developed in 1959. Three categories of analysis and data are set forth: (1) resources, including their condition, productivity and potential: (2) uses, present and potential, commodity and noncommodity; and (3) all relevant facts on environmental, ecological, biologic and economic aspects of management and use, present and future.

Sec. 105. Balanced Resource Budget.

This section contains five parts. It provides the machinery whereby the Executive and the Congress cooperate in enacting into law a "Physical Natural Resources Budget" which defines needs in terms of the quantity and quality of the effort required to reach an agreed upon set of goals by a certain time. This "Physical Natural Resources Budget" does not have dollar signs attached to it. It is an estimate of the things that have to be done if goals are to be attained. This "budget" would be enacted at the beginning of each decade, except that the first budget would be for the 1975–1980 period. It would be subject to amendment every biennium should the Executive or the Congress perceive the need. Upon enactment it becomes the guide that the President uses in formulating the annual fiscal budget for the National Forest System. The annual budget submission contains a number of requirements. The President can not ask for more funds than are needed to accomplish the goals in the physical budget. If he asks for less he must justify his action. The Congress is limited in its appropriation to no more than is required to accomplish the goal in the physical budget, but it need appropriate no more than the President has asked for and it may appropriate less. However, whatever is appropriated, up to and including the lawfully created program levels in the physical budget, can only be impounded by the President when he finds a condition subsequent which shows conclusively that such expenditure would fail to assist in achieving such a lawful program goal.

There are several additional requirements. The annual fiscal budget for the management and utilization of lands in the national forests must request a level of funding sufficient to assure a high level of resource growth and production under high environmental standards that will enable the lands to meet the needs of the American people. Further, and significantly, this is to be measured as proportional to the ability of the National Forest lands to produce such products and services, which sets the standard on what these lands can do rather than on what other lands are or are not doing.

A minimum requirement recognizes that there are approximately five million acres of National Forest lands in need of reforestation. Thus each budget shall request funds sufficient to provide timber stand improvement on an area also equal to 110% of the land cut in the preceding fiscal year. This is a minimum and Sec. 105(e)(4) further targets the year 2000 as the one by which the optimum level of management shall be secured and maintained, not only for timber management but also for all other resources and uses. The bill sets three criteria that may be used to reduce the reforestation and stand improvement effort: (1) elimination of the backlog of areas that will benefit by such treatment, (2) the cost of treating the balance exceeds the economic and environmental benefits to be secured from such treatment, and (3) the total timber supplies are found to be adequate to meet the future needs of the American people with forest products at reasonable prices in an environmentally sound manner.

Another requirement deals with timber cutting levels. The Secretary shall determine an environmentally sound timber harvest level for the rotation period for each management unit and the projected harvest levels for the five years ahead, decade ahead and sustained yield rotation period. In doing this he shall consider the present condition of the forest, level and type of present and future uses, opportunities to realize the benefits under the Act, the present potential of the various sites to grow trees and the optimum level of growth that can be secured under environmentally sound systems of management. He shall then express the actual harvest level in terms of the sustained output of the forest based on the actual growth of timber being secured and the potential harvest level in terms of the potential on the actual condition of the forest, while the Congress would constantly have before it the information on the extent to which additional harvesting could be realized in the future as management improvements took hold.

In addition, for other programs such as grazing, soil, water, recreation and wildlife management, environmentally sound levels of management would have to be stated and projected levels of harvest or use determined in a similar manner using criteria applicable for these elements.

The overall result would also be to change the consideration of the budget from relating programs to last year's funding level to one that measured where the budget would take the Nation as to the future. Since long term considerations make dollar estimates for the future highly unreliable, the Executive would not be required to develop such cost estimates and have these used as measures of performance or non-performance. Instead, the Nation would have before it a set of long term goals such as providing a certain growth and harvest level for forest products, meeting the need for outdoor recreation opportunities and facilities, maintaining desired levels of wildlife, providing opportunities for needed levels of livestock grazing and the other program and supporting services activities. The tests would be achieving the goals rather than a specific dollar amount and the budget would be a performance oriented budget.

TITLE III—OTHER ACTS AMENDED

Sec. 201. Sale of Timber.

The Statute relating to the sale of timber dates from 1897 and contains much outdated language which, in fact, does not reflect long standing practices in the sale of timber. For example, its first sentence says, "For the purpose of preserving the living and growing timber and promoting the younger growth on the National Forests, the Secretary . . . may cause to be designated and appraised so much of the dead, matured or large growth of trees . . . as may be compatible . . ."

The entire section is repealed and re-enacted preserving those concepts that have stood the test of time, eliminating outmoded language and adding modernizing language. The purpose for which timber may be sold is restated as "achieving and maintaining an environmentally sound forest . . . now and in the future. The concepts of advertisement and sale at fair market value are retained with general authority to sell timber without advertisement under extraordinary conditions or in small quantities. The present limit on small unadvertised sales is fixed at $2,000 and, due to national variations in tree size and conditions, there is a wide variation in the volume that can be sold. Under the power of the Secretary to take such action by rules and regulations, he would be able to make adjustments from time to time in his rules and regulations as necessary. The language that requires payment "to the receiver of the local land office of the district wherein said timber may be sold" is eliminated as archaic. The existing requirement that the marking and designation, the supervision of cutting and removal, and the measurement of forest products shall be conducted by persons employed by the Secretary, not interested in the purchase and removal of such timber nor directly or indirectly in the employment of the purchaser thereof, is retained.

The Secretary is required for each sale to select the method of sale and timber measurement which in his judgment is designed to encourage a high level of use of the trees to be harvested. He is also, as measured over the sustained yield period applicable to the site and species, to use the silvicultural harvesting systems which in his judgment best influence and promote a high level of environmental quality and economic benefits from the national forest resources. Thus the guide is not just timber production but all of the resources.

Over the past few years there has been considerable debate over cutting systems and tree utilization. Various efforts have been made to develop statutory language that is precise. However, such language is also restrictive. Given the wide range of conditions across the Nation, the even wider range of species and forest situations and the need to encourage the use of new knowledge in a field where much is still to be learned, an organic authority approach is used which gives the professionally trained forester the flexibility that is required in natural resources management based on principles of multiple use and sustained yield.

Sec. 202. Roads and Trails System.

In 1964 Congress enacted Public Law 88–657 which was a broad set of guides for Forest Roads and Trails dealing especially with the issue of appropriated road construction versus securing construction by reducing the appraised price of timber to be sold by an amount equal to the estimate of the cost (and profit and risk) for a timber purchaser to construct the road. The Act, however, did not contain guides as to when appropriated funds would be used and when revenue reduction and timber purchaser construction would be used. Concurrently, the Congress provided larger authorizations in the biennial Highway Act plus instructions in reports directing that greater use be made of the authorization and less roads secured via the revenue reduction—timber purchaser device. This year there have been substantial impoundments of Forest Road and Trail funds and a shift to revenue reduction—timber purchaser construction.

This section would set clear standards.

The Secretary would be required to maintain a long term, decade ahead and an annual transportation plan for the National Forests, setting forth the permanent multiple resource and use roads and trails considered essential for sound environmental and economic management. The annual budget would be required to contain a request for sufficient appropriations to accomplish (A) the construction of needed new roads, trails and bridges, (B) the reconstruction of needed roads, trails and bridges, and (C) the cooperative financing with other public and private agencies for needed facilities.

The Secretary would be directed to minimize the number of permanent roads constructed for incorporation in the system under the revenue reduction-timber purchaser device. The amounts provided in the biennial Highway Act authorization would be only for construction or extraordinary maintenance and the funds needed for regular annual maintenance would be requested as a part of the forest protection and utilization budget.

The Highway Act requires that contracts for road construction in excess of $15,000 per mile must be advertised. The device of revenue-reduction timber purchaser construction, when roads are estimated to cost over $15,000 per mile, may be used only if:

(A) the road is planned only for the removal of the timber on that one sale and is not for incorporation in the forest development road network. This would permit continuation of the use of this revenue reduction device on any roads where the estimated cost is less than $15,000 per mile and any road that was temporary and the cost is greater.

(B) provides the standard that would permit continued but less use of the revenue reduction system for permanent network roads. Three conditions would have to be met: (i) the standard of the proposed road meets environmental and management standards for permanent roads, (ii) the appropriated funds are insufficient to secure needed construction and (iii) the aggregate estimated cost for the miles of such permanent roads planned to be constructed by timber purchasers during that fiscal year on National Forest lands will not substantially impair timber revenues received and payments in lieu of taxes to the counties within that National Forest.

In summary, revenue-reduction timber sales can be used to construct *any* spur road. A permanent road costing less than $15,000 a mile could also be secured. For a permanent road costing over $15,000 per mile, a determination would have to be made that the appropriated funds are not adequate and that the aggregate planned revenue reduction type of road construction would not to substantially impair payments to counties on that National Forest. This last point would require an equitable spreading of the use of the revenue reduction method.

Finally there is included an instruction as to public input on planned roads and trails.

SEC. 203. Organization.

This provides that field offices, such as District Rangers and Forest Supervisors, and Regional Offices shall be so situated as to provide the optimum level of convenient, useful service to the public, with first priority to the maintenance and location of facilities in rural areas and towns within and adjacent to the National Forests being supervised. The standards of Sec. 901(b) of the Act of November 30, 1970 (84 Stat. 1383) as amended are set as the guide. This will permit the Forest Service to make orderly adjustments in the assignment of lands to a particular management unit such as a Ranger District and to adjust local field offices when these improve the service. It also would set a standard that would have to be observed in possible realignments of Regional Offices.

SEC. 204. Reports

This requires a national plan to achieve the purposes of the Act by June 30, 1974. It also requires an annual report to be issued each fiscal year thereafter, not more than 120 days after the close of the fiscal year. There is not currently available a "National Plan for the National Forests." In addition, as of June 1, 1973, the annual report for the fiscal year ending June 30, 1972, had not been issued. In fact, the last "Annual Report" of the Chief of the Forest Service embraces the years 1970 and 1971 and was issued in April 1972. Current, timely annual reports would help measurably in keeping the public informed on the condition and needs of their National Forests.

The National Forest: Background and Issues

(By Robert E. Wolf, Assistant Chief, Environmental Policy Division, June 21, 1973)

The prevailing national attitude until almost the opening of the 20th century was that the forests were an unlimited resource and often a hindrance to converting land to its highest and best use, settlement and agriculture.

In less than a century, attitudes have shifted and the debate has widened. The horizon of scientific knowledge has broadened and social and economic concerns have taken a new tack as circumstances have changed.

It is recognized that much land once in agriculture is in fact better suited to growing trees rather than agricultural crops. In substantial portions of the country settled earlier much land formerly in agriculture has reverted to forest cover.

Concepts of forest ecology have been developed as plant and animal associations have become better understood. Silviculture has been developed and, while not yet as refined as agriculture and animal husbandry or even horticulture, it rests on the same principles and is constantly being validated and expanded.

The concept of multiple values and uses has evolved. Our change from a less mobile urban society has shifted attitudes toward the forest. We have sharpened our understanding that the forest is a woodshed, a watershed, an environmental conditioner, and a recreational haven. The resulting conflict over arranging these uses has been heightened by the growth of our population and the more rapid expansion in our demand for the resources and services the forest contains.

The other issue was national expansion—not where but how. Inherent in our Constitution was the central North America territory of our new Nation. The horizon kept moving West. The Maryland compromise at the 1787 Convention set the stage. All "territory" west of the original States became "Federal." The Hamilton influence decreed its sale for revenue. The Jefferson influence decreed its orderly survey and disposal. The consensus was to support immigration, migration and development. The South supported small farms and wide ownership, the North wholesale disposal to developers. Jefferson helped accommodate both views. Federal policy granted land for towns and lands to be sold to finance creation of a common school. The idea of retaining lands for conservation was nearly a century away but shortly after 1800 there was a policy in retaining forests as Federal for naval stores, masts and ship timbers.

The concept of conservation of either public or private resources ranked low for land was a surplus commodity. The key phrase was development and land was the currency.

The concern about whether our forest resources were endless became national in the post Civil War era. The American Association for the Advancement of Science, followed by the American Forestry Association which was organized in 1876 led the public effort. Secretary of the Interior Carl Schurz in Interior and the Division of Forestry (later Bureau) in the Department of Agriculture began to cite concerns over the heavy cutting of timber, denuded watersheds, flooding, land waste, wild fire, timber mining, and speculation. House Doc. Vol. 71, #181, USDA Report on Forestry Investigations 1877–1898, estimated 1893 forest land conditions as follows:

[In millions]

	Acres
U.S. total land	1,900
Original forest	1,350
Forest cleared for agriculture	250
Former forest in waste and brush	600
Total	850
Remaining forest	500

The framework of concern about our forest resources and their future can be gauged by an estimate made by B. E. Fernow, then Chief of the Bureau of Forestry that, between 1870 and 1890 over 150 forestry bills were introduced in the Congress.

Many of these bills authorized studies while others were forerunners of the 1891 legislation that would create a system of forest reserves.

The 1872 reservation of the Yellowstone area, in then undeveloped Wyoming, Idaho and Montana, as a Park was more a recognition of its unique phenomena than a plan to protect the forest resource or meet the needs of a teeming horde of campers.

The National Park concept thus was keyed to unique areas rather than a broad recreation base. The Forest Service recognition in the early 1930's of the need for wilderness was a new dimension of concern. It recognized that solitude in space met a human need.

The role of the Nation's park system, the National Forests and other federal lands in meeting most recreation needs has changed. Trails, roads, campgrounds and a host of related public facilities have been developed to meet the needs of a society whose leisure time has expanded and whose means of using it has broadened. In less than 100 years the 300 horsepower mobile home with a family of campers has displaced the 2 horse drawn agricultural migrant trekking westward.

Seemingly unlimited natural surface water and springs supplanted by hand operated 50 foot deep wells have been replaced by vast water storage and delivery systems and 1,000 foot deep wells.

As the Nation moved west into the arid, lower rainfall regions, water conservation became a principal concern. The green clad mountains importance as a water source became more significant to many than their wood potential. Where railroad construction and mining were active there was, for a period, extensive local cutting. However, timber production in the main gravitated toward the higher rainfall, wetter forests of the Pacific Northwest and Inland Empire.

The role of the forest on water and the role of the watershed is now in a better focus. Changes in vegetation affect both surface and subsurface water quality and quantity. Thus forest cutting systems and methods of log harvest have measurable impacts.

Perhaps no area has been subject to a greater change than wood supply and demand. In less than two centuries huge natural stands of hardwood and softwood forests have been unsystematically utilized so that today, except for a relatively few acres, every forest region has been heavily impacted. The unique aspect of central North America was its vast reservoir of natural forest and grasslands barely affected by a small resident stone age society which lacked the mobility the horse and sail boat gave to the European. The native American population did not have the wheel, and its tools were stone or bone. Agriculture, when practiced was extremely rudimentary. Homes were of limited durability and many of the tribes were migrant within a territory. Thus the forest, range, agricultural water and mineral resources were affected much more by natural forces than the existing civilization.

Yet even at the outset the new civilization, which came just as the industrial revolution exploded, made only a small impact on a vast territory. The great surplus of forest was at first simply cleared for settlement and agriculture. The principal tool was fire and the principal use of wood was for fuel. Wood products were hewn or hand sawed, and production was limited.

Until the mid-1800's most sawmills were water powered and logs were often floated to a nearby mill. Wood was not used for paper until then when the ground wood paper mill was developed in Germany. Plywood was not manufactured until the 1900's. Thus only with the development of power and transportation did this new Nation severely impact the forest resource. Thus this last century and a quarter marked a new era of heavy forest use.

In the 1800's and even today, much timber cutting is exploitative. Despite a declining per capita consumption, total wood use has risen with one growing population. Even more significant the mix of species and quality has changed and declined. Of special significance is the fact that we are now in the era when cutting is affected by the rate of growth. Past cutting simply liquidated the multi-century-old natural forest at a rate based upon demands. Current consumption levels require growing and cutting the forest at an age that is one-fifth of its naturally mature age.

In agriculture the main challenge was to devise ways to improve the yield of the fruit of stem of *annual* plants.

In silviculture the challenge is to devise ways to improve the growth of *perennial* plants where the object is to harvest the bole of the tree.

It would serve little purpose at this juncture to debate the virtues of silviculture based upon growing a 200 year old Southern Pine, a 300 year old White Oak, a 400 year old Douglas Fir or a 1,000 year old Redwood tree.

But it is a fact that much of the interest revolves around the concern that silviculture is predicated for most species on a plan of management based upon a tree life cycle of 75 years and the attendant economic and ecologic impacts.

This sharpens the clash between the "naturalist" and the "economist" concepts of silviculture.

Finally there is the fact that the United

States has become a net importer of forest products. The period when we had a real net surplus of wood is gone. It is unlikely to ever return unless our style and level of consumption are drastically altered.

The concomitant public action that occurred as our posture as a wood and forest surplus nation was disappearing was the creation of a public forest system.

The decision was more of an intuitive view by people who convinced the Nation's leaders to act rather than the result of a hard analysis. Other nations backed into the same decisions.

For example three-fourths of Sweden's forests are private, about the same as ours. Yet over 200 years ago a system of public and private forest regulation was designed mainly to meet the need for wood as fuel for her iron industry. Today, Sweden is a net exporter of forest products and wood is not the fuel for the iron industry.

In the case of the United States the impetus for forestry came much later. While it was in response to regional liquidation of timber, overall there was no shortage of supply. The main concerns were the forest as a watershed and the public forest as a reserve for the coming settler rather than as a national timber enterprise.

Obviously a more detailed treatise would set forth other issues and fully explain relationships, but where we were and how we got there is subsidiary to the issue of where are we going.

Public forests exist, having been lawfully created. Most public forests are Federal and the Forest Service manages the bulk of them. However 70% of the Nation's commercial forest land is privately owned. The public forests are dedicated in the main to a concept of several activities—"Multiple Use" and to a resource use that sustains the output of goods and services—"Sustained Yield."

There are several Federal agencies that manage public forest lands where the mission is oriented toward a major activity; National Parks have substantial forest land, some of commercial cutting calibre but timber cutting is often forbidden by law; wildlife refuges likewise have considerable forest land but timber cutting is subordinated to wildlife management. The Bureau of Land Management is the major Federal land agency but has very little commercial forest land—about 3 million highly productive acres, largely located in Western Oregon—out of an 11 Western States total of 180,000,000 acres. Range land dominates the Bureau's holdings and the multiple-use concept prevails.

The 187,000,000 acres of National Forest contain only 97 million acres of commercial forest land. Some 50% of the National Forests are not forest—some is woodland and alpine shrubs but most of the balance, about 90 million acres, is range land.

Alaska has 21 million acres of National Forest, 12 Western States about 141 million acres and 31 other States have about 25 million acres. In fact 6 Western States contain almost 60% of the National Forest land or 108 million acres while 18 Eastern and Southern States with less than 8 million acres account for barely 4% of the system. Twenty other States account for 71 million acres or ⅓ of the system.

The National Forest system contains other wide variations which make it impossible to consider these parts as similar to the whole.

The bulk of the lands, 160 million acres, have always been Federal public lands. In 13 Western States, 93% of the National Forest land is original public domain. The other 27 million acres is acquired land. There are 31 States where 90% of the National Forest land is acquired and the total National Forest holdings in these States are modest. Of course in the original 13 States none of the National Forest is public domain.

In 1891 Congress authorized the creation of Forest Reserves and in that year one Reserve with about one million acres was designated. Twenty-eight additional forests totalling 60 million acres were created but no provision was made for their management by the Department of the Interior until 1897. By 1905 when their management was transferred to Agriculture and the Forest Service created there were 83 National Forests with 75 million acres of federal land. By 1909 the number of forests grew to 150 with 172 mililon acres. However commencing in 1898 there were also eliminations to re-open land for agriculture. By 1919 the actual acreage had declined to 154 million acres, despite substantial additions and acquisitions under the Weeks Law as modifications occurred due to exclusions, land grants, checker boarding, conversion of National Forests to parks and the freezing of forest boundaries by Congress in several Western States.

The 1911 Weeks Law provided for the acquisition of the Eastern National Forests. In some of the Lake States and Southern States a nucleus of remaining public domain found the base but in the main cutover private timberland and depleted mountain farm land were purchased to develop this part of the system.

The depression era produced a major impetus for purchase as range land and forest land were acquired both under the Weeks Law and the Bankhead-Jones Act authorities. While substantial portions of the latter lands were transferred to States for park purposes in the 1950's, some four million acres of Bankhead-Jones Act lands are in the system.

In addition, under exchange authority substantial inholdings were acquired, much up until 1954, by trading timber on the National Forest for cut-over timberland.

From a forest resource standpoint the National Forest System is widely varied. The western forests contain the bulk of the remaining original natural stands. The pattern of initial selection for the National Forests in the Rocky Mountain States and the lack of a major interest by private parties in timber land ownership in that region resulted in the Forest Service being the major owner of Ponderosa Pine.

The pattern of selection embraced much woodland, range land and high mountain country. Virtually every major western river starts on a National Forest. The character and location of the land makes these forests extremely attractive for all forms of outdoor recreation. Also almost every major mountain peak is in a National Forest and those that are not are in a National Park surrounded by National Forest.

In the Pacific Northwest Douglas Fir region there was heavy competition among private owners to secure timber land under the public land laws. As a result these National Forests, while they are substantial and significant softwood forest resources, largely lie in the less productive mid and higher elevations. This in turn enhances their demand for watershed and recreational use.

The National Forests of the deep South are pine and bottom land hard woods, most of which were acquired after being cut over or farmed to exhaustion. These lands are highly productive forest but in need of intensive forest restoration to overcome the effects of past cutting.

The Southern Appalachian National Forests, like those in New England were acquired mainly via the Weeks Law. They embrace the back bone of this long mountain chain and most had been subject to severe cutting and significant alteration of their natural forest species composition and tree quality. They possess high watershed significance and have long been an integral part of the outdoor recreation pattern of the populous East.

The Lake States forests are a softwood-hardwood mixture of mainly acquired lands, except for Minnesota which is 50–50 public domain.

In the main these forests were heavily cut over and often burned thus in vital need of restoration.

Most analysts of public forest policy have described three eras:

(1) Reservation
(2) Custodial or protective
(3) Management

An apt example of change is the fact that extensive debate and hearings in Congress occurred in the early 1920's over the propriety of a forest officer soliciting competition for a large timber sale which had been put on the market at an applicant's request. For almost five decades, until the housing boom at the end of World War II the major forestry activities on the National Forest were protective, competitive interest in purchasing timber was limited, and the volume sold was a small part of national production. A substantial school of thought was that federal timber should not be sold if it would affect private timber marketing. David T. Mason in "Forest for the Future" outlined an economic concept of "sustained yield" in the 1930's. The goal was to *limit* production, control the number of mills, thus prevent overproduction and the ruination of the timber industry where timber bonds issues were being defaulted, land was being let go for taxes and production was depressing prices to unprofitable levels. The result would be sustained yield on an economic basis and hopefully "good" forestry would be secured.

At the turn of the 20th century however Ferrow and Pinchot and others warned of a future timber famine. Localized shortage continued as mills cut out timber within an economic radius of the mill. Closures and moves continued. Some species began to be extirpated and quality decline began to be noticed. Exchange cutting was used by the Forest Service to extend the life of some mills and help others to shift to a stable, continuous production. Under this approach the Forest Service would acquire the cut over private land and the mill would become more dependent on adjacent public timber. In other cases the Forest Service simply acquired land from extinguishing operations as well as mostly forested farms.

The third element of emerging forest policy was the concept of regulation. In the late 1930's and early 1940's there was considerable debate over the wisdom and necessity for such an approach. A number of States enacted mild statutes built around stronger fire protection and leaving a natural seed source but no significant action was taken on regulation. A few efforts were also made after 1944 when the "Sustained-Yield" Act was passed (16 USC 583), to activate the concept David Mason outlined. Only pooling of National Forest and private timber land occurred in a Sustained Yield Unit with the Simpson Timber Co. at Shelton, Washington. It still exists. Predominately old growth National Forest and cut over and second growth Simpson holdings were pooled on a regulated "sustained yield" harvest. The company obtains the Forest Service timber at the appraised price without competition. This feature caused efforts to establish other such units between 1948 and 1954 to founder in controversy. Every place a proposal came up the other existing mills objected to being cut out of the supply.

A second approach was to designate an area as a Sustained Yield Unit. The Forest Service set up five such units. Four of these units, at the time were relatively isolated geographically from a timber transportation standpoint and one was to the west of the Simpson unit in Washington and also relatively isolated. These units did not sustain the total forest output in any event, they merely limited the supply to mills located within the unit. No others could bid. Interiors BLM had a different but essentially similar version. It set up five large marketing areas in western Oregon. These were abandoned in the mid 1950's. The Forest Service timber was greater in sales volume and unrestricted and the private timber was unrestricted.

By the mid-fifties the focus of timber industry had changed. Timber and timber land values had risen, market demand was generally strong. Tariff barriers had previously discouraged lumber and plywood imports. The lumber tariff wasn't high enough to keep out Canadian softwood lumber (but the 20% tariff on plywood still keeps that product out). Increased U.S. investments in Canadian Northwest mills, an increase in their production and gradual reduction in the lumber tariff resulted in greater imports of softwood lumber. In 1962, in a down market situation, a segment of the forest products industry made a substantial effort to amend the Trade Act and persuade the Tariff Commission to curb Canadian lumber imports. The Trade Act was not amended and the effort before the Commission didn't secure one of the six members' votes. Since then, but for other reasons, Canadian softwood lumber imports have consistently climbed.

In this same era Northwest firms began to sell logs to Japan. In 1968 Congress set a limit on the export of federal logs at 350 million board feet a year based on estimates that this was the approximately one-third of volume of logs going abroad.

It was anticipated that log exports would level off at 1 billion board feet and the control of federal logs would cause the private sector to respond without regulation. Log exports are now at about 3.1 billion board feet and only about 275 million board feet are from federal forests.

The National Forests did not grow in importance as a source of wood so much because 70 years of forest management had enhanced timber growth, but rather the extirpation of private timber in various areas and the cumulative effect of old forest liquidation. For example half of the National Forest commercial timber land contains over 5,000 board feet per acre of saw timber, compared to 27% of industry lands and 13% of farm and other private lands.

The policy of sustained yield implied more than cutting at a rate not to exceed the rate of growth. It also implies a commitment to manage at a high level of growth. The level of funding for such basic long term growth benefiting activities as reforestation and stand improvement on the National Forests has been well below the level needed to secure optimum growth. Today there are still in excess of three million acres alone in need of reforestation.

The surge of the past few decades in expecting more timber to be sold from the National Forests has been met by a positive response. The sales level has risen markedly and is now bumping against the constraint that cutting should not exceed current growth. In fact some allege that in areas this constraint is being exceeded. Certainly one facet of the debate over cutting methods on the National Forests is the sheer increase in cutting activity. Now it is fourteen times greater than it was in 1920 and over three times greater than it was in 1950. Yet timber cutting standards on the National Forests have always been at a much higher silvicultural level than those normally found on non-Federal lands. In fact it wasn't so many years ago that Federal foresters were described by some in the forest products industry as unmindful of the needs of industry and castigated for not practicing what was euphemistically called "practical forestry."

The National Forest System however has long been used by the people for a wide range of purposes. Any quick reading of history shows not only the uses but the conflicts. Even though our population was much less in the earlier days of the National Forests in its time each situation produce a conflict that loomed large. However, it has only been recently that the conflicts between uses has so severely escalated.

In the early National Forest period the inclusion of land that was viewed as having agricultural potential led to protest. Substantial areas were cut out of National Forests much of which later came back since their long-time agricultural potential was low.

Early efforts to regulate previously unrestricted grazing led to protests from livestock grazers. The issues were fees and regulations and the debate continued for years. Efforts to reduce use on soil and range conservation grounds were not generated so much from the public as from Forest Service awareness that the open range methods inflicted damage on the land to the detriment of the users.

At the outset there was much public support for fire protection and similar protective activities and this has continued. In fact every user, no matter what his view of the Forest Service's attitude toward his use, or conflicts with other uses, gave strong united support to protection. The result is evident for in the public mind the Forest Ranger is still viewed, first and foremost, as a man who protects the forest.

Water users, especially in the West where the arid climate controls outlook, viewed the National Forest in two ways. Since they often engaged in grazing their concern was for adequate grass with minimum regulation while as farmers they were concerned about dependable irrigation water. As agriculture become more specialized the water users took a greater interest in watershed values.

In the East there was concern for forest restoration. The 1911 Weeks Law culminated a long and hard struggle to create authority to acquire National Forests for flood protection as well as forest restoration. There was strong local government support for acquisition as played out mountain land entered cycles of tax delinquency. In fact New York State which embarked on its own State forest acquisition program in the 1880's, was in part a counter to tax delinquency. In that era the State's lands were being "sold", cut and returned to the State without payment being made and only a few cents in "taxes" being derived. This, plus watershed concerns and the exodus of the timber industry led to creation of the Eastern National Forests.

Recreation came in two forms. With a relative abundance of land, less leisure and poor transportation, the public forests were of limited use for recreation that involved travel. Hunting and fishing did not require a long journey. Thus at first the National Forests were used more locally than regionally and nationally. Beginning about 1925 as the auto and the road began to dominate, and with increasing urbanization and leisure time, outdoor recreation began to grow. National and regional use grew by leaps and bounds. The Highway Act soon included provisions for 2 classes of roads, Forest Highways, to be a 100% federally financed part of the federal aid system and Forest Development Roads and Trails to be an intra-forest network. Systems of campgrounds were actively developed and the concept of leasing summer home sites grew. The most popular areas were those in the forest especially along streams and lakes. Early timber cutting on the National Forests relied heavily on logging railroads. Thus timber cutting and recreational use seldom conflicted, especially since the levels of cutting and recreation were low. The shift to truck logging was viewed, at first as a boon because again the level of activity was low, the trucks were small and the woods helped open new areas along streams.

In the 1950's serious conflicts began to emerge between recreational users of all types and other users, principally timber. To be sure there were other conflicts, such as the armed confrontation in the 1960's of seismic oil and gas exploration crews by ranchers in Wyoming. But the prevailing tension was between timber and recreation. As more people flew they could see the spreading patch quilt of cutting. More and more as people drove on the new forest roads logging impinged on the vista and even that undeveloped site that was the old hunting camps. The 10-year debate over whether to lawfully designate wilderness areas that had long been administratively set aside added to the functions. The fact that the timber industry led the fight against this bill aggravated the tensions.

But the main cause was that more and more people were in the forest and more and more timber was being cut. Each party viewed himself as the public interest plaintiff and a defender of true conservation—the others were intervenors or less.

Measured against the past the close of each decade has shown marked progress when compared to its beginning. However, when viewed against the growing needs or measured against what the future requires progress is less than satisfactory. The 190 million recreation visits, 10.4 billion board feet of timber cut, 3,200,000 livestock grazed give a glimpse of the more visible demands upon the National Forest System.

At this junction a need exists to improve the machinery of program in order that policies can be better articulated and effectuated.

In recognition of this need Congress and the Executive have taken certain fundamental steps. The 1969 National Environmental Policy Act is one. The creation of an Environmental Protection Agency and authority in this is another. This list is long. To suggest that just one more step is needed would be far from accurate, thus whatever is done reflects an effort which only time will ratify as to its utility.

The Land Use Planning legislation now under consideration will likewise help in better identifying resource goals.

The Forest Service, under its basic charter, has been a leader in sensing what the future will require.

Recognition of the need for just good land management led to the creation of the Service. Just good land management led to its grazing programs. Just good land management led to acquiring run down forest and range lands and programs of restoration.

Well before the need for designated wilderness was appreciated, the Forest Service had acted on a national scale.

Its network of planned roads and trails was conceived years ago, planned first to provide a protection network and later expanded to meet resource development needs.

Recreation has always been part of the forest activities despite no mention of it in the basic legislation until 1960.

In the early era—and still today, there is a substantial public feeling that the public lands are always open to the public whenever and however that public comes.

It was, however, the basic concern about our future timber supply and watersheds that led to the creation of these public forests. Therefore it is not surprising that events involving forests and waters continue to trigger active concern.

CURRENT CONCERNS

The current concerns are not new concerns but rather are ones of long standing in different dimensions and aspects.

One involves whether policies are provided and implemented in a way that assures a high level of environmentally applied economically effective resource management. The second is whether short and long term funding is targeted to meet essential short and long term goals.

Most of the issues have been cast in terms of an immediate problem of a specific nature. They have been reviewed from time to time in committees which do not have the basic legislative charter for revising the laws relating to forestry on the National Forests.

1. *Organization*.—The pattern of Federal natural resource land ownership; forest, range, swamp and mountain top results from some planning and much chance.

Because no land has really one use even lands lawfully dedicated to wildlife management or parks in the two agencies created for these major purposes do not rank proportionately more effective than the much larger National Forest of Bureau of Land Management holdings in supplying wildlife and recreation.

The subject of a Department of Natural Resources was seemingly met in 1905 when Congress created the National Forest System. The public lands of Interior were still thought to be destined for disposal and the concept of parks and wildlife refuges had not taken shape.

What has been submerged in the several efforts since the mid-1930's to create such a Department is how to reassemble *on the* ground the jig saw pattern of often similar and always related federal lands into a more rational pattern of management.

Every DNR proposal has stopped at outlining its agency components while avoiding both whether and how improved on-the-ground management will be attained.

The concept of 10 Standard Federal Regions and a Federal Council of agencies in each Region is one where the benefits to resource management supervision is not readily visible. Since the concept permits combinations as well as permutations of regions no Standard Federal Region is emerging from a conservation agency standpoint.

Thus if the 10 Regions are to produce 10 mini-cabinets each will supervise agencies with different "regional" domains.

2. *Authority*.—The laws governing the various conservation agencies have never been comprehensively considered for synchronization where the agencies have similar missions. This in turn requires that certain categories of land be kept "separate" even when agencies managed the same lands. For example, the Forest Service manages some valuable Oregon and California Revested Railroad Great Lands in Oregon which produce substantial timber revenues. These are segregated. The Bureau of Land Management manages some Bankhead-Jones Act lands which likewise must be segregated.

3. *Inventory*.—There is no standard for inventorying the resources on the federal lands, although the greatest effort has been made on forested lands.

4. *Long Range Plans and Goals for Federal Lands*.—Despite the long existence of the ability of the Executive to coordinate a more unified approach, there are no long range goals or plans for the federal lands. As a result there is no comprehensive federal position on defining the opportunities and measuring needs.

5. *Financing*.—Admittedly there are complex over-riding considerations that affect the budget process. However, the lack of national resource goals makes it difficult to measure whether the mix of operating and investment levels, or the choice of intensity of activity moves the national effort on public natural resources toward a defined target.

As a result neither the public nor the Congress can assess for example:

Whether the level of reforestation will enable the forest to meet a future need for wood on a timely basis.

Whether the investments in recreation facilities will meet demands at a future date.

Whether the level of timber sale funding permits meeting current wood needs, regionally or nationally.

Whether the funding for protection will hold losses to acceptable levels.

Whether transportation facilities will assure rational resource management.

Whether levels of road, trail and facility maintenance will prevent deterioration.

Whether programs are balanced on any scale and what that "balance" produces.

And across agency lines there is no way to assess whether:

The various recreation programs are integrated.

The various timber sale programs are effecting regional needs.

The watershed activities on one agency's lands are articulated with another's.

6. *Basic Issues*.—The absence of these broader insights causes crisis reaction and management.

The quest for "wilderness" is viewed as a move to cut back timber production even though most of the lands are in areas of low inherent productivity, remote and costly to develop for commercial production.

The demand for forest products is translated into a stepped up level of sales. Under financing of comprehensive timber sale and wood programs causes the use of means that discredit a justifiable end. The necessity of relying on reducing sale processing cost by increasing sale to amortize needed roads produces an assault on patch cutting. The debate is over whether the silvicultural method is wise rather than whether fiscal conditions caused sales that subverted a basically sound silvicultural process.

There is a pattern to forest products prices related to housing and a substantial net importation of lumber. A rapid growth in log exports from private forests to wood deficient Japan develops. The business is profitable to domestic private forest owners and there are local shortages of logs for domestic mills. Lumber imports rise as do log exports. In 1968 a restriction is placed on the export of logs from Federal Forests and the exportation of logs rises 1 billion board feet and lumber imports rise 3.2 billion board feet. Over the decade 1963–1972 lumber imports rose 4 billion board feet and log and lumber exports rose 3.6 billion board feet.

In the face of a growing demand for resources and services the personnel of the Forest Service is cut one-eighth in three years, its budget reduced, funds are impounded and priorities rearranged. A proposal is made to eliminate three of the nine agency Regional offices contending the result will be to strengthen on-the-ground management and improve federal coordination. With a growing workload, less people and money are to do more.

Each crisis is treated as an isolated issue. The ameliorative results of each interim treatment is short-lived because the growing population of our high consumption society engenders a growing demand for resources and services.

SENATE JOINT RESOLUTION 84

At the request of Mr. SCHWEIKER, the Senator from Hawaii (Mr. FONG) was added as a cosponsor of Senate Joint Resolution 84, the school prayer amendment.

SENATE RESOLUTION 152—SUBMISSION OF A RESOLUTION TO CREATE A SELECT COMMITTEE OF THE SENATE ON FOREIGN INTELLIGENCE

(Referred to the Committee on Rules and Administration.)

Mr. CRANSTON submitted a resolution (S. Res. 152) to create a Select Committee of the Senate on Foreign Intelligence.

(The resolution is printed in full at a later point in the RECORD.)

SENATE RESOLUTION 153—ORIGINAL RESOLUTION REPORTED TO PAY A GRATUITY TO ROOSEVELT ANDERSON

(Placed on the calendar.)

Mr. CANNON, from the Committee on Rules and Administration, reported the following resolution:

SENATE RESOLUTION 153

Resolved, That the Secretary of the Senate hereby is authorized and directed to pay, from the contingent fund of the Senate, to Roosevelt Anderson, widower of Ada R. Anderson, an employee of the Architect of the Capitol assigned to duty in the Senate Office Buildings at the time of her death, a sum equal to six months' compensation at the rate she was receiving by law at the time of her death, said sum to be considered inclusive of funeral expenses and all other allowances.

ADDITIONAL COSPONSOR OF AN AMENDMENT

AMENDMENT NO. 451 TO H.R. 5777

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that at the request of the distinguished Senator from Washington (Mr. JACKSON), that the name of the Senator from Idaho (Mr. CHURCH) be added as a cosponsor of amendment No. 451 to H.R. 5777.

The PRESIDING OFFICER. Without objection, it is so ordered.

NOTICE OF CANCELLATION OF MARKUP SESSION ON S. 425

Mr. JACKSON. Mr. President, I would like to announce that the markup session scheduled for tomorrow, August 2, Thursday, at 2 p.m. on S.425, the surface mining bill, has been cancelled by the Senate Committee on Interior and Insular Affairs. This is due to the press of business as Congress nears its summer recess.

The committee, however, will resume marking up the bill on September 6 in open executive session.

ADDITIONAL STATEMENTS

TWENTIETH ANNIVERSARY OF USIA

Mr. SCOTT of Pennsylvania. Mr. President, today we commemorate the 20th anniversary of the U.S. Information Agency. During these two decades the USIA has strived to communicate to other nations the ideals and goals of the United States. Its job has been monumental, its accomplishments great.

I ask unanimous consent that a press release from the U.S. Information Agency, including President Nixon's message congratulating the USIA, be printed in the RECORD.

There being no objection, the press release and message were ordered to be printed in the RECORD, as follows:

PRESIDENT NIXON OBSERVES USIA 20TH ANNIVERSARY

WASHINGTON.—In a message marking the United States Information Agency's 20th anniversary on August 1, President Nixon has noted that "in a new and challenging period of negotiation, USIA's efforts take on new importance."

Congratulating USIA's staff at home and abroad for "a job well done," the President pointed out that "in a climate of lessened tensions and increased negotiations, international relationships are more complex and the issues more complicated."

"As we have moved from an era of confrontation to a new and challenging period of negotiation, USIA's efforts take on new importance," he added.

The President said that "to succeed, our policies must be understood, our motives made clear and our ideals articulated."

"Truly, there is a need today for a communications effort in support of our diplomatic initiatives to build a durable structure of peace in which those who would influence others will do so by the strength of their ideas, not by the force of their arms," the President said.

It was on August 1, 1953, that the late President Eisenhower signed the executive order establishing USIA as an independent agency.

The peacetime role of government international information activities was outlined five years earlier in the Smith-Mundt Act of 1948 as increasing "mutual understanding between the people of the United States and the people of other countries."

The Executive Order of 1953 made the Director of USIA responsible directly to the President for overseas information activities previously under the Department of State and the Mutual Security Agency.

The U.S. Information Agency operates 169 posts in 100 countries.

The Agency seeks to communicate United States policies and to portray the American society through a variety of means, including motion pictures, television, exhibits, personal contact, lectures and seminars, information centers, libraries, English-language instruction, magazines and other publications, and book translation and distribution.

The Voice of America, USIA's broadcasting arm, produces and broadcasts radio programs in 36 languages, broadcasting 858 hours per week. Reliable and authoritative news is the VOA's mainsaty with 250 newscasts broadcast daily.

USIA officers abroad also carry out the overseas functions of the Department of State's educational and cultural exchange programs.

In the United States, USIA provides assistance to foreign journalists covering public affairs and developments in this country.

Theodore C. Streibert served as USIA's first Director. He was followed by Arthur Larson, George V. Allen, Edward R. Murrow, Carl T. Rowan, Leonard H. Marks, Frank J. Shakespeare and the Agency's present director, James Keogh.

In an anniversary letter to USIA employees, Mr. Keogh noted that "USIA enters its third decade facing new challenges and opportunities to support and promote our nation's foreign policy."

Referring to the momentous events of the past two years and the growing complexity of international relationships, Mr. Keogh noted a corresponding increase in "the factors upon which public opinion is based and the chances for misunderstanding and misjudgment."

The Director added: "The unique expertise of the U.S. Information Agency in communicating our ideas, our policies and our institutions to diverse overseas audiences is vital to the success of our nation's diplomatic efforts . . . toward building a lasting structure of world peace based on genuine understanding and good will."

Following is the text of President Nixon's message on the 20th anniversary of the U.S. Information Agency:

THE WHITE HOUSE,
Washington, D.C., July 26, 1973.

Twenty years ago, President Eisenhower signed the reorganization plan which established a separate United States Information Agency to communicate the objectives and policies of the United States to the people of other nations and to increase mutual understanding between the people of the United States and other peoples of the world.

For two decades, the USIA has presented to the world reliable information about our people, our culture, our aspirations and our policies. As the relationships among nations have changed and as we have moved from an era of confrontation to a new and challenging period of negotiation, USIA's efforts take on new importance. In a climate of lessened tensions and increased negotiations, international relationships are more complex and the issues more complicated. To succeed, our policies must be understood, our motives made clear and our ideals articulated. Truly there is a need today for a communications effort in support of our diplomatic initiative to build a durable structure of peace in which those who would influence others will do so by the strength of their ideas, not by the force of their arms.

On this twentieth anniversary year of the United States Information Agency, I extend to its staff serving at home and abroad congratulations for a job well done and my best wishes for the future.

RICHARD NIXON.

FOOD PRICES AND PHASE IV

Mr. HUMPHREY. Mr. President, it is a fact, but it is also an ironic and sad fact, that the Nixon administration has at last made an accurate economic forecast.

Last week, in announcing phase IV, President Nixon, Secretary Shultz, and Cost of Living Director Dr. Dunlop all predicted that the new economic controls would bring us higher food prices. They were right.

Actually, they predicted a "bulge" in prices which consumers would gradually begin to see during August and September.

Well, if prices get much higher than they are right now, then we may be in very serious difficulty indeed.

Let us remind ourselves that we are now in phase IV—the fourth major effort by this administration to deal with the cost of living. Phase I was instituted, in part, as a freeze on prices in August 1971. This will not be any news to food shoppers, but as I look at the trend of retail food prices since August 1971, I find that prices have not been held in check at all. In fact, prices are bounding upward, and we have not yet even reached the "crunch"—when retail food prices will reflect the cost-increases permitted by phase IV.

My staff on July 29 sampled prices at a Washington, D.C., branch of a national food chain store, and compared them with the level of prices which prompted Mr. Nixon to impose a price freeze in August 1971. The shocking result is that we are now—even before the larger price bulge expected in September—experiencing very substantially higher food prices than those which brought on phase I.

For example, eggs have gone from 55 cents to 99 cents a dozen; ground beef in bulk from 59 cents to 89 cents a pound; tomatoes from about 33 cents to almost 60 cents a pound. And this after more freezes and phases than any administration has concocted in living memory.

Here is a glimpse of the sad story, in price increases from August 8, 1971, to July 28, 1973:

Sliced bacon, 69 cents per pound to $1.25 per pound.

Fryer parts, 39 cents per pound to 69 cents per pound.

Round steak (boneless), $1.29 per pound to $2.15 per pound.

Roast round (boneless), $1.29 per pound to $1.89 per pound.

Ground beef, 5-pound package $2.95 to 5-pound package $4.45.

Beef steak, 99 cents per pound to $1.89 per pound.

Beef roast, 95 cents per pound to $1.59 per pound.

Boneless chuck roast, 95 cents per pound to $1.49 per pound.

Pork roast (½) rib, 69 cents per pound to $1.03 per pound.

Pork roast (½) loin, 79 cents per pound to $1.13 per pound.

Sliced lunch meats, 98 cents per pound to $1.63 per pound.

Cucumbers, 3 for 29 cents to 2 for 35 cents.

Tomatoes, 3 pounds, $1.00 to 3 pounds, $1.78.

Potatoes, 10 pounds, 79 cents to 10 pounds, $2.18.

Eggs, grade A, large, 55 cents a dozen to 89 cents a dozen.

Milk, 98 cents per gallon to $1.27 per gallon.

If it is any consolation, the price of bleach in our survey has remained steady at 39 cents a gallon. But bleach does not make much of a meal.

My concern, as I have said before, Mr. President, is that it does not appear to me that this administration has the competence to deal with the domestic economy.

At a Joint Economic Committee hearing on phase II, in April of last year, Dr. Stein, Chairman of Mr. Nixon's Council of Economic Advisers, made this statement about food prices and phase II:

> Food prices will fluctuate, as they always do, but the worst of the rise in behind us.

That forecast, like innumerable others which could be cited, has proved completely inaccurate. The problem remains that, for all the hope each of us has that phase IV will work to slow inflation, the administration has shown itself inept.

I was shocked to learn some of the grotesque effects of these rising prices. I have had a sickening report of some elderly persons in Florida so desperate already that they were pilfering food and vitamins from local stores. Low income families, the retired and the elderly on fixed incomes are going to suffer very seriously. And there is a moral as well as an economic and political obligation on this administration to ease the burden on the least fortunate in our economy.

We may sympathize with the average housewife stocking up on poultry products in anticipation of still higher prices, Mr. President, and some people may be inconvenienced at a shortage of beef at popular restaurants, but we cannot and must not forget the deplorable fact that for thousands of Americans rising food prices can mean the difference between a decent meal and gnawing hunger, between health and malnutrition.

When milk and eggs and meat and vegetables rise beyond the reach of our poorer citizens, and their diet and that of their children begins to deteriorate, we have a shocking and intolerable situation in our country.

And food prices are only part of the problem. Interest rates in the last month have shot up wildly. Average mortgage rates today are at about 8.5 percent. There are forecasts that the prime rate, now 8.5 to 8.75 percent at major banks could hit 10 percent. This means no mortgage money for home buyers, and holds the prospect of a disruptive credit squeeze of the type we had in 1969.

We still have hope, Mr. President, that Mr. Nixon and his economic advisers will deal effectively with the economy. But we look in vain for some reason for faith that this administration possesses the ability to do so.

THE ALASKA PIPELINE

Mr. STEVENS. Mr. President, at the 53d annual meeting of the U.S. Jaycees on June 22–29 a resolution favoring immediate construction of the trans-Alaska pipeline was adopted by 6,300 voting delegates.

This resolution was given emergency priority because of the importance of the subject. On Thursday, June 28, during the corporate business session, the resolution was presented and by rollcall vote of all 51 Jaycee states, passed unanimously. This convention was attend by approximately 10,000 Jaycees—delegates, alternates and others.

I request unanimous consent that this resolution urging the Congress of the United States to enact legislation authorizing the construction of the trans-Alaska pipeline be printed in the Record.

There being no objection, the resolution was ordered to be printed in the Record, as follows:

Whereas, our nation is currently experiencing a serious shortage of energy fuels, with future prospects appearing to worsen; and

Whereas, only one oil field on the North Slope of Alaska contains at least 25% of our domestic reserves and could provide a significant amount of the fuel to alleviate the said energy crisis in a relatively brief period of time; and

Whereas, such natural resource development would create a significant number of new employment opportunities in pipeline construction and in domestic U.S. tanker construction; and

Whereas, moving domestic oil through a trans-Alaska pipeline would ease foreign pressure on the U.S. dollar and would possibly alleviate international political pressure on the United States in the mid-East crisis; Now, therefore,

Be it resolved that the United States Jaycees do hereby urge the Congress of the United States to enact legislation the construction of the trans-Alaska pipeline at the earliest possible time consistent with strict environmental stipulations to insure its safe construction and operation.

INTERNATIONAL SPACE HALL OF FAME, ALAMOGORDO, N. MEX.

Mr. MONTOYA. Mr. President, I am honored to join with the citizens of Alamogordo, N. Mex., in announcing the creation of the International Space Hall of Fame.

There, in the Tularosa Basin, where the father of U.S. rocketry, Dr. Robert Hutchings Goddard, ushered in the space age by demonstrating that space exploration was indeed possible through the use of liquid fuel propelled rockets, the International Space Hall of Fame will honor the scientists and astronauts who idealistically and unselfishly gave of their time and ingenuity to make the conquest of space a reality.

The area's pivotal role in nuclear research plus the ongoing scientific achievement at White Sands Missile Range and Holloman Air Force Base make Alamogordo a fitting site for an international shrine of space history.

I congratulate the Alamogordo City Commission, the Alamogordo Chamber of Commerce, Gov. Bruce King, of New Mexico, and Dr. Charles Stark Draper, president of the International Academy of Astronautics which will serve as consultant, for their tireless and excellent efforts to establish the International Space Hall of Fame.

I ask unanimous consent that the text of the telegram announcing the International Space Hall of Fame be printed in the Record.

There being no objection, the telegram was ordered to be printed in the Record, as follows:

July 27, 1973.

Senator Joseph Montoya,
Dirksen Senate Office Building,
Capitol Hill, D.C.:

The city of Alamogordo announced to the world today that it will establish an international space hall of fame, with an appropriate shrine to be supported by a historic foundation in this city.

The charter for this international space hall of fame was announced by resolution of the Alamogordo city commission. And a proclamation by Governor Bruce King of New Mexico. At an early future date the plan will be entered in the Congressional Record by all of the New Mexico congressional delegation.

Dr. Charles Stark Draper, president of the International Academy of Astronautics, has been consulted and offered the services of the academy in selecting the nominees for the international space hall of fame.

Dr. Draper is best known as the inventor of inertial test guidance systems for navagation of space vehicles.

The international space hall of fame plans will be presented at the next meeting of the academy at Baku, Russia in October by Dr. Draper and by Dr. Ernst Steinhoff, a delegate from Alamogordo, New Mexico. The academy was founded by distinguished pioneers of space research in 1961 for promotion of international cooperation and communication among space scientists of all nations.

A symposium of international space laboratories was held, under the auspices of the academy, in nearby Cloudcroft, N. Mex., in the fall of 1969.

The meeting coincided with the year of the dedication of the new Sacramento peak observatory telescope. Outstanding scientists from all over the world, attending the conference, were conducted on tours of facilities of the Tularosa Basin. The international space hall of fame with associated history, exhibits and models will be a major tourist attraction in the Tularosa Basin.

The contributions of Holloman Air Force Base, White Sands Missile Range, the NASA Apollo Site and their early history of Wehrner Von Braun and associates leading to the first successful American orbital experiment and many other pioneer space contributions of the Tularosa Basin will be commemorated in this international shrine of space history. Alamogordo is located on U.S. 54–70, between El Paso, Texas and Albuquerque, New Mexico.

Historically, Alamogordo was located on the old Santa Fe trail and today is near Trinity site, location of the first atomic fission explosion in July 1945. Alamogordo is a thriving, bustling city of 25,000 people. Located nearby is the White Sands National Monument, the Lincoln National Forest and the Sacramento mountains, the home of numerous mountain resorts.

Alamogordo Chamber of Commerce.

PERSPECTIVE ON THE CRIME ISSUE

Mr. HUMPHREY. Mr. President, on May 24, 1973, Prof. James Q. Wilson delivered a highly-informed presentation on crime before the Coalition for a Democratic Majority. Professor Wilson offers a unique perspective on the crime issue, based on his extensive study of such sociological problems. Professor Wilson's views are at times controversial, but his extensive background in this field suggests that his opinion deserves careful consideration.

This presentation is one in a series of such seminars sponsored by the Coalition for a Democratic Majority. I feel that all of my colleagues can benefit from this discussion, since it deals with an issue important to all Americans.

Mr. President, I ask unanimous consent that Prof. James Q. Wilson's presentation be printed in the Record.

There being no objection, the presentation was ordered to be printed in the Record, as follows:

Violent Crime: The Outlook for the 1970's

(A presentation by Professor James Q. Wilson for the coalition for a democratic majority May 24, 1973)

Ben Wattenberg. We are very pleased to welcome so distinguished a group of those who think and write about the problems of Democratic politics to the first of this series of seminars sponsored by the Coalition for a Democratic Majority. It is our hope that these discussions will contribute new ideas and new perspectives on some of the most troublesome issues which progressive Democrats are facing in this period. We believe that the "progressive center" has not been heard from enough in the political discussions of the last few years, and that we can redress that failing somewhat through programs such as this.

Our speaker today is Professor James Q. Wilson, the Chairman of the Department of Government at Harvard University. He is the former Director of the Joint Center for Urban Studies at MIT and at Harvard. He is the former Chairman of President Johnson's White House Task Force on Crime the former Chairman of Vice President Humphrey's Task Force on Order and Justice, a Member of the Commission of Presidential Scholars, and a Member of the Science Advisory Committee of the President's Commission on Law Enforcement and the Administration of Justice. His topic today is "Violent Crime: Responses for the '70's."

Professor Wilson. I'd like to address three questions with respect to violent or "street" crime: where have we been, where are we going, and what ought we to do in the next 10 years in order to have a more rational policy than we have had in the past 10 years?

First, where have we been? We should realize that it has been difficult to get people in public positions to speak very sensibly about the crime problem. I have followed the statements of some Democratic candidates for public office on this matter, and I recall that in 1962 and 1963, and even as late as 1967 and 1968, many were denying the fact that there had been a crime increase. It was, they pointed out, all a figment of the FBI's imagination. Today, when there are hints of a decrease in the crime rate in some American cities, many of these same persons are denying that the crime rate is going down. I think they were wrong in the first instance, and I suspect they are wrong in the second. We did, in fact, have a substantial crime increase in the '60's, something that was patently obvious to virtualy every American. But we may now be approaching a period where the crime rate in some cities is beginning to decline, and over the course of the next 10 years I think we will see some substantial decreases in the crime rate.

I think it's important to understand why we had the crime rate increase and also why we may have the decrease. We should avoid falsely belaboring ourselves for having committed certain moral failures in the '60's and falsely congratulating ourselves on having accomplished some policy breakthroughs in the '70's.

To make this clearer, let me propose that we perform the following imaginary experiment. We are going to try to find out under what circumstances the rates of common crimes—burglaries, robberies, larcenies and the like—in an imaginary country will increase. Suppose we significantly increase that portion of that country's population between the ages of 15 and 24. Suppose, in fact, we double the size of that age population. Suppose while doing that we decrease the number of jobs available for persons in that age group, and at the same time we decrease the cost of engaging in criminal activity by arresting fewer criminals, convicting fewer, and sentencing fewer to prison terms.

Suppose while doing this we also say that crime cannot increase under these circumstances and in fact is not increasing, and that whatever else ought to be celebrated about such a society, youthful abandon and personal liberation ought to be celebrated above all else. It seems to me that if we thought about performing such an experiment to see if we could artificially induce a crime increase in this imaginary country, none of us would be surprised to learn that we had succeeded. Crime would go up. If the benefits of legitimate opportunities are curtailed, if the costs of illegitimate activities are decreased, if the virtues of youthful liberation are celebrated, and if the number of young persons in the population is increased, we would naturally expect crime to rise. In fact, we performed exactly that experiment in this country in the early part of the last decade. We did not realize we were doing it at the time. But having performed this experiment, none of us should be surprised that crime in fact went up in the '60's.

The number of young people in the population increased dramatically in the past decade: between 1960 and 1970 there were 13 million more persons between the ages of 14 and 24 added to the population than had been added in the preceding decade.

Professor Norman Ryder, a demographer at Princeton University, has described this by suggesting that we should imagine society as being composed of two armies, a "defending army" (all those between 25 and 64) and an "invading army" (all those between 14 and 24). The issue these armies are fighting over is whether or not the young can be socialized into the existing mores, habits of thought, occupations and professions of society. Up until 1960 the size of the defending army was three times as great as the size of the invading army. Under those circumstances the socialization task—never easy, as any person in the room who is a parent will testify—was nonetheless manageable. But by 1970 the size of the defending army was only twice the size of the invading army. I don't know what a military strategist would say about that shift in odds, but it was a very dramatic shift and produced what Professor Ryder calls a "dramatic discontinuity" in our society. Our capacity to handle the normal socialization process was impaired: we had such an enormous increase in the numbers of persons at the crime-prone years that even if the rest of us foreswore crime altogether we would still have had a significant crime increase.

Secondly, in 1960 we began to decrease, relatively speaking, the number of jobs available to young persons in the labor force. Before 1957, teenage and young adult unemployment ran on the average about 8 to 10 per cent. By the middle of the '60's the average for teenagers had increased to 16 or 17 per cent—at a time when adult unemployment was going down. We did, indeed, become two societies during the '60's, but the cleavage was not simply the often-mentioned "generation gap" of ideas, dress, and fashion, although that surely was important. We became two societies in a more fundamental sense, at least if you believe economics is more fundamental than dress. For the adult segment of the population there was unparalleled prosperity, resulting in a sharp decline in the unemployment rate for persons over 25 and a sharp increase in median family income for blacks and whites in the adult group. But at the same time persons under the age of 25, and especially under the age of 21, faced increasing job shortages. These were more acute for blacks than for whites—at one point in the mid-'60's teenage black unemployment rate hit ⅓ of the teenage black labor force—but nevertheless they were acute for all.

Thirdly, during the decade of the '60's we noticed that the number of crimes cleared by arrest went down. Although the number of persons being arrested by the police went up, the increase was not as rapid as the increase in reported crimes. Furthermore, in many jurisdictions there was a decrease in the imposition of criminal sanctions for certain kinds of behavior. There was, I observed from my own studies, a decrease in the proclivity of courts to sentence heroin dealers to jail. But I think there was also a general decrease in the proclivity to sentence a number of persons to prison for a variety of offenses. Those of you who would like to see greater detail on this might look at the series of articles run recently in the Philadelphia Inquirer based on a large study done there. Studies have also been done of the courts in Pittsburgh, Minneapolis, Boston, and New York City.

Indeed, in many states the prison population during the '60's either stabilized or went down at a time of rising crime rates. This occurred for a variety of reasons. Some people believed that prisons are wrong. Other people began to use jails instead of prisons. There was a shift to probation. There was a view that certain kinds of crime were not really crimes at all, such as drunkenness and the like. But even after having made all these allowances, I think a fair summary of the '60's would be that just at the time when the relative availability of legitimate jobs for persons under the age of 24 was decreasing, so also were the penalties for criminal activity decreasing. Now many things can be said about young persons, but that they are collectively irrational is not one of them. A person living in a large city and coming of age during this time could arrive at only one conclusion: the benefits of crime were increasing at a time when the costs of crime were decreasing. Simultaneously, he would have heard public figures say that a youthful lifestyle is appropriate, that personal liberation is desirable, that the elimination of middle-class "hangups" is an objective to be sought by all. Finally he would have noticed the enormous increase in the abundance of consumer goods that he might want to have. If he could not afford to buy them, he might want to steal them.

An appropriate study on this last point has not yet been done for the '60's. I can report on an analogous study for the '30's and '40's, however, which I am sure if repeated now would have the same results. Someone once tried to see if he could predict the crime rate in the '30's and '40's in this country, not from knowing anything about criminals, but from knowing how many things there were to steal. He took two examples: the number of registered automobile vehicles, and the amount of currency and coins on deposit in banks. He found that with respect to the first, the number of registered vehicles predicted 95 per cent of the auto theft rate on a year-by-year basis, and the amount of curency in cash and coin deposited in banks predicted 85 per cent of the bank robberies on a year-by-year basis. I suspect that such an analysis might well be true for the '60's, although, as I say, this has not been established.

Now let me emphasize that this large experiment held in the '60's was not only tried in the United States. This experiment was tried in many parts of the world, communist as well as capitalist, and the results were essentially the same. The crime rates for most of these countries began to show steep increases during the very early '60's, and even more radical increases in the late '60's. The baby boom, post-war consumer society, and a reconsideration of the purpose of the criminal justice system apparently hit all of these countries at once.

Some might suggest that there was one factor in the crime rise which was special to the United States: the heroin epidemic that broke out in this country in about 1963 or 1964 and reached its peak in about 1969 or 1970. But I want to emphasize that the data as yet do not permit the conclusion that the increased use of heroin led in and of itself to a comparable increase in crime. I know the assumption is usually made—I have made it myself in the past—that persons who are addicted to heroin must steal to support their habit. Clearly, many do. But not all do. We do not yet have a reliable measure of the extent to which heroin addiction in and of itself contributed to the crime increase. It contributed somewhat, but it was certainly not the major cause. Indeed, if we were to eliminate heroin addiction we could see some decrease in the crime rate, but it would probably not be as dramatic as many have supposed. The proportion of persons who are heroin addicts in various treatment centers around the country who are also criminals, or who have active criminal records, turns out to be much smaller than most people would guess. The results aren't all in, but substantially fewer than half of all addicts have active criminal records. Almost half, in fact, are employed at the time they are addicts. In Great Britain, where one does not have to steal in order to get heroin, roughly the same proportion of British as American heroin addicts have criminal records—about 40 per cent.

The second question I want to address is: where are we going in the decade ahead? Now, if the not-to-imaginary experiment I've described is a true account of how a society can produce a phenomenal increase in its crime rate, then perhaps you can see that there are reasons for believing that our crime rate may begin to decline. Clearly, we will have the aging of the population born during the baby boom. Persons born in '45, '46, and '47 who were at the crime-prone years in '63, '64 and '65 will soon be past those years. So far as I know, no one has been able to give a satisfactory explanation why most juvenile delinquents stop committing crime when they reach a certain age—but they do. There is a maturing process that occurs in the middle and late '20's. Most juvenile delinquents, by far the majority, cease being delinquents at about the time they cease being juveniles. The size of the juvenile population is becoming smaller. The change will not be dramatic and it will not be noticed at once. But by the end of the decade, and certainly by the beginning of the '80's, we will probably notice a significant decrease in the reported crime rates from a change in the age composition of the population alone—unless, of course, we continue to improve our capacity to report crimes. If we report crimes more accurately than we have in the past we may notice an increase despite the change in the age population.

Secondly, and related to this, the number of young persons seeking employment in the teenage employment market will no longer greatly exceed the number of jobs that are available. That is of course, a supposition. It depends crucially on how effectively we manage the aggregate level of demand in our economy, on how we manage the distribution of jobs, on what our international balance of payments is, and on many other factors in our economic and fiscal policy. But if all these were held constant—an impossibility, of course—the supply of jobs relative to the number of job-seekers would increase to the point where more people would see more legitimate opportunities available, relatively speaking, than they saw in the '60's.

I leave it to you to speculate on whether or not in the decade ahead we'll continue to celebrate the supremacy of the virtue of personal lilberation. My guess is that we will not. There has been a strong element of fashion and fad in that celebration, and the novelty is wearing off. If anything, a reaction may be setting in.

One additional point may interest you. The heroin epidemic on the East Coast has probably passed its peak. The number of new addicts being recruited has begun to fall off, and the number of addicts not now in treatment programs has begun to decline. I think this is true probably in New York and in Washington, although it is not yet the case on the West Coast. In any event, the evidence as to whether it's true anywhere is still quite conjectural, and no one should make any bold assertions. But on the basis of an apparent decline in overdose deaths, in the incidence of heroin use among prisoners being processed through jails, and in the number of applicants to treatment facilities in certain East Coast cities, I think that one can say that we are seeing an epidemic that has passed its crest.

If we are indeed heading toward a decrease in the crime rate, what should we do to have a more or less rational crime policy in the future? One thing we must do is to realize the fact that while crime rates may decline, this is no cause for celebration. Problems for us seem either to exist at the level of crisis, or not to exist at all. It will be tempting for many people to say five years from now that the crime problem is solved because instead of 500 murders a year in Detroit, which is the current figure, we are down to 300 murders a year. That happens to be triple the 1960 figure, and far higher than the number of murders Detroit ought to have. We will also be inclined to say that if the heroin epidemic should pass its crest, we no longer have a heroin problem. This would dismiss the fact that we will probably have a half a million heroin addicts who are a continuing public responsibility, and for whom we have devised no long-term remedy. While avoiding hysteria may become much easier in the decade ahead, avoiding complacency will become much harder.

The second thing I think we have to realize is that during this process the question of how we deploy the police is probably going to make less difference in the crime rate or in the safety of the average citizen than almost any other change we could make in the criminal justice system. Now I happen to believe that the police have been seriously undermanned in many cities. The number of calls on their services has increased faster than the number of police officers. Police officers today are working harder than they have in the past, and as a result in cities such as New York, many calls have to be placed, in effect, on hold.

This is partly the result of the encouragement that citizens have been given to call the police about all manner of things. It's also partly because there are more legitimate demands on police services than they can keep up with. But even assuming that the police are adequately manned and that calls per police officer today are no higher than calls per police officer in 1960, there is as yet no evidence that the strategy of deployment—foot patrol, car patrol, decoys, non-decoys, community control, non-community control, centralization, decentralization—has a significant effect on the overall crime rate. It may, however, have an effect on certain specific kinds of crimes. The police, by careful deployment, can perhaps decrease the number of taxicab holdups if enough police officers are willing to pose as cab drivers.

But the overall crime rate is not likely to be decreased through such tactics, basically because most police services are devoted to non-criminal matters and most of the people that the police arrest for criminal matters have been arrested before. The police are in effect a processing agency, processing complaints from citizens and processing arrestees the majority of whom have prior records.

This brings us to the third point: what ought we to do to have a more effective policy on crime?

First, what ought the courts, the prosecutors and the defense counsels to do about their problems? If there is any area in the criminal justice system that has made little progress and that deserves public criticism it is this area. The court system is backward, poorly managed, and often produces most questionable decisions. In keeping with the concept of individualized justice (making the penalty fit the criminal and not the crime) and in the interest of what is now a discredited theory of criminal rehabilitation (that penalties can be devised which will change criminals into non-criminals) we have created a system in which the range of discretion is so great and the overload on its capacities is so monstrous that we are not getting individualized justice or even mass-produced justice. We are simply not getting justice at all. Nor are we getting rehabilitation. Through our efforts to attain personalized justice we have reintroduced forms of discrimination. In giving the court system wide discretionary authority over criminals, unconstrained by standards, and unmanaged by any central authority that is concerned about the effective protection of society or of the accused, we are giving judges the opportunity to apply their own personal standards to the cases that come before them. The result is that they not only exercise an incredible and philosophically unjustifiable range of choices, but a range of choices most of which are not suited to the offense or to the protection of society. In many places, blacks may be treated more severely than whites, persons with long hair more severely than persons with short hair, young persons sometimes more severely than older persons—there are even communities in which blacks are treated less severely than whites. There are communities in which a majority of persons with prior records for aggravated assault who are convicted a second time for aggravated assault are merely placed on probation. The judge may feel sorry for them, or may believe that the jails will not rehabilitate them. He may believe that they deserve another chance, or he may not wish to penalize their families. Whatever his reasoning it does contribute to any of the attainable objectives of the criminal justice system.

We need to take a fresh look at this, and fresh look at its institutional basis. Do we wish to pay the price of a wholly independent judiciary in the criminal justice system? Do we wish to depend upon a combination of the private criminal bar and on under-financed legal aid or on public defender's offices to manage the defense? Do we wish to continue with so many jurisdictions, which may require the elaborate processing of defendants through grand juries, preliminary hearings, arraignments and endless appeals? I think we have to take the hardest look at these issues in the decade ahead. This does not mean that we should consider abandoning civil libertarian protections for the accused. At the present time, the United States is already ahead of virtually every other country in the world in granting civil liberties to persons accused of crimes. The present system, it seems to me, is not increasing protection for the accused—it simply is reducing further protection for society.

We also must seriously reexamine our correctional system. On the basis of almost every piece of reliable evidence that has been gathered so far, the present system is not rehabilitating criminals in large numbers. This should not surprise us. It was an act of hubris to suppose that we could devise an institution staffed by mediocre men and women in which persons who have been engaged in repeated criminal acts and who are now well past the age of consent can under unpleasant circumstances somehow be talked out of it. Or that by exposing convicted criminals to handicrafts, to making license plates, or to weaving mattresses we can rehabilitate them. Please don't misunderstand me. Many people come out of prisons and don't commit crimes again. A middle-class male who has murdered his wife will come out of jail and in the great majority of cases will not murder his wife again, even if he marries again. He has usually done it in the first place because she was absolutely insufferable, and the next time around he will be more careful. On the other hand, a person engaging in burglaries who has been doing it since the age of 8, who is a drop-out from school, and who has a record of dope addiction is not likely to be rehabilitated by any process.

We should decide, I believe, that the correctional system has only two legitimate functions: that of protecting society by segregating certain people for certain periods of time and, secondly, that of creating a penalty so that at least some persons will think that the costs of criminal activity outweigh the gains. Such a result can be achieved without requiring longer criminal sentences. But I think it will require more certain sentences, if not necessarily more severe ones.

We also have to be more concerned about employment opportunities for all persons, but especially for young persons. No one should be able to say, "I stole because I could not get a job." Or, if he should say that, society ought to have a basis for rejecting that remark. Now, this will require a number of policies which I am not well suited to describe, because I'm not an expert on labor economics. It seems to me that if the Bureau of Labor Statistics is to be believed, we will probably have to stop pricing teenagers out of the labor market by creating a minimum wage which applies to them as well as adults, and therefore helps make them unemployable. That a proportion of teenage unemployment can be attributed to high minimum wage levels is now, I think, established to the satisfaction of most economists who have studied it.

We have to stop requiring higher education and ever-higher numbers of degrees for persons who are performing ordinary jobs. The school drop-out should not necessarily be stigmatized; he should be regarded as a person who is seeking early entry into the work force. We should instead insure that we have the kinds of apprenticeship programs or training programs in the work force—not segregated in schools—which help people enter and rise in the work force with maximum ease.

Government has to consider whether it wishes in some sense to become the employer of last resort. I don't know how many people it might be asked to employ because they are unemployable elsewhere. I don't know whether it would have to employ any. But in comparing direct job creation and indirect, job creation, the former, other things being equal, is preferable to the latter, especially since the objective is to employ teenagers or unemployed persons, not to raise the salaries of social workers and community organizers.

And finally, it seems to me we have to devise a detection and early intervention system that will permit us to detect and deal with drug abuse more promptly and effectively. We should not have to wait for five or six years to go by as we did in the '60's before we become aware that we have a horrendous problem.

The time to catch the problem is when a person is experimenting with heroin or the dangerous drugs as a novice user being turned on by his friends. We must be able to identify users then and to have strategies to deal with them that do not necessarily involve the criminal justice system or elaborate in-patient hospital systems. We must somehow involve their own peer groups in their own school settings in getting them out of that culture before experimentation gives away—as it does in such a large number of cases—to confirmed addiction.

Let me now pause and ask you which aspect of this issue you'd like to discuss.

Q. What kind of crime do you consider the key issue—street crime and violent crime, or what collar, corporate or political crime, like Watergate?

A. Street crime or violent crime is, in the average citizen's mind, by far the more serious kind of crime—and I believe rightly so. If we had to rank the different kinds of crime—and I'm not sure why we do, because I see no reason why we can't deal with all forms of criminal activity simultaneously—I would say that violent crime which threatens citizens near where they live and work is at present the most destructive form of crime.

Q. What is your evaluation of the legislation on narcotic sales that has been enacted in New York State?

A. Governor Rockefeller first proposed mandatory life sentences for heroin dealers. I was opposed to that and most narcotics officers with whom I am familiar were opposed to it. One reason is that it eliminates the possibility of plea bargaining, which is one of the chief sources of information in intelligence about criminal activities. And it so increases the value of corrupting judges and police officers or murdering police officers that it would probably be counter-productive. The State Legislature in New York was probably wise to change Rockefeller's formula and enact a schedule of penalties that distinguished between the dealer who is an addict and the dealer who is not an addict, between a first offender and a second offender, and between a person who is selling less than an eighth of an ounce of heroin and a person who is selling more than an eighth of an ounce. Now the law at least distinguishes among these six categories. We could argue over what the mandatory minimums should be for each one of these categories. But it seems to me that there ought to be some mandatory minimum for each of these categories, because we have seen the chaotic results of a completely discretionary system. For the pure user of heroin or the dealer/user of heroin there ought to be a mandatory minimum, but the minimum ought to be used in a way that places that person in a treatment program, rather than in a correctional program—or in both.

Now I think the New York State bill goes a good distance in that direction. I don't know whether I would regard it as an optimal bill—that depends on how it's going to be enforced. It's very hard to predict how the judges are going to react, because they only sentence cases that police and prosecutors bring before them.

The police and prosecutors can, in effect, select which categories to put persons in by deciding what to charge them with. But while I opposed Governor Rockefeller's initial proposal I think his general strategy of providing some fairly firm norms is a step in the right direction.

Q: Are you certain that there are no reforms we could make in our correctional system which would lower the rates of recidivism?

A: I suspect there may be. We haven't really explored the full range of possibilities so we can't know whether something might work if it were tried. The present range of experience is too narrow. It seems to me that there are some general policies which ought to be followed in prison reform. First, offenders should be carefully classified so according to the seriousness of their crimes, their likely degree of recidivism, and the like. Secondly, we ought probably to have a substantial increase in minimum security, long-term facilities. The most interesting question is to what extent should we try to develop community-based correctional institutions—halfway houses and work release programs. The statistical evidence seems fairly clear that halfway houses are no better in producing rehabilitation than conventional prisons. On the other hand, they have two other advantages—they're cheaper, and they're more humane. Now if the neighborhoods around such facilities can be protected so that we're not increasing the jeopardy to communities in which these facilities are placed, then I'm by no means opposed to them.

Q: Many opinion polls indicate that the American people believe that neither party can handle the crime issue, and that there isn't much the government can do about it. When you're working with practical political situations and you have to make a statement about crime, what would you suggest a person in politics say?

A: Your question is one that I really can't answer. I think your description of the present state of affairs is accurate. Many people are easily affected by emotionally charged, symbolic appeals that have no basis in reality—such as calls for draconian penalties, the death penalty, minimum life sentences and the like. The support for Governor Rockefeller on these kinds of matters was quite strong. Many segments of the population in New York, including many segments of the black population, are thoroughly fed up with the heroin traffic in their neighborhoods. But stiffer penalties are not really a solution.

If you put more constructive proposals to the voters—will you allow us to spend more money on minimum security correctional facilities—they will say, yes, provided you don't locate them in our neighborhoods or in our county. Will you allow us to create more judgeships? No, because they are probably just a boondoggle for politicians. If you ask, should we reorganize the judicial system so that it performs its real function—its sentencing function—more fairly and realistically, and thereby reduces the independence that judges now enjoy, the voters would probably be puzzled. They would probably be swayed by the argument that to tamper at all with the independence of the judiciary will threaten our Constitutional liberties. (I don't think this is true, but that argument would prevail.) In short, I'm giving you all the reasons why I think this is a very difficult problem to address constructively.

But I also think that many voters could be impressed by people who talk seriously about crime and talk about it with an apparent degree of sense. Voters react to the tone and posture of a political leader as much as to his specific proposals. He might say that crime is an urgent issue, but that we needn't get hysterical about it; there are things that we can do that we haven't done which will help, but will not fully solve the problem. One can propose to do some of the things have been discussed today and not simply promise more police officers on the street corners or more death penalties. I think over time the average voter will be impressed by a sensible and serious degree of concern for this. And that, I suppose, is about the best we can hope for in politics.

Q. Some of the dominant intellectual trends of the 1960's would seem to have contributed to our crime problem. One was the tendency to glorify crime and violence because the system is corrupt. Another was the assumption that the rights of the accused or the criminals are more important than the rights of the victims. What are your responses to these views?

A. Well, I can't do justice to both those questions. With respect to the first: the argument that we can do nothing until we deal with the causes of crime is simply a counsel of despair. We've been struggling in various ways to deal with the causes of crime for many decades. It is not as though we have not spent money on cities, on training programs, on educational programs. We've spent that money in abundance, and at the very time when prosperity was increasing and these programs were proliferating, crime rates were going up. I think this is true in most countries. I think that we should try to eliminate poverty and injustice because it is morally right, not because we need to decrease crime. In the first place, we can't eliminate these social problems over the short term; and, second, if we could, crime would probably show a short term increase because of the unsettling effects on society through the rise in peoples' expectations, etc. In the long term, of course, it seems to me that it probably would lead to a drop in crime. But we still have to deal with the symptoms of our social problems and protect our citizens from the immediate injustices of crime while also trying to contend with deeper injustices that help make criminals.

With respect to balancing the rights of the victim and the accused: the best way I can answer that is to focus on one issue—the so-called exclusionary rule. The exclusionary rule is that rule which currently excludes illegally-obtained evidence from introduction into a criminal prosecution. The reason for this rule is to deprive the police the fruits of an illegal search or an illegal confession, and so to remove the incentive for committing an illegal search or extracting an illegal confession. But it has not had that result. I believe that the police need to be improved in their discipline, training, and leadership with respect both to taking evidence and to obtaining confessions. But achieving this by means of the exclusionary rule has not been successful, and has had the disadvantage of making the victims of crime bear the costs of police misconduct. I think the police should bear the costs of police misconduct.

Legal scholars owe it to the country to search for better alternatives to the exclusionary rule as a way of dealing with police misconduct. Perhaps a simplified Federal tort proceeding could be applied to such misconduct, perhaps police officers who introduce illegally gathered evidence should be cited for contempt of court, perhaps various forms of disciplinary systems or complaint systems within the police department should be strengthened. But I think it's unfair to allow the victims of crimes to bear these costs. In Great Britain, as you know, evidence illegally obtained is admitted if it's germane to the innocence or guilt of the accused. But the police officer is punished for having gathered it. That seems to me a much more rational system. The police officer then has to decide, of course, how important the conviction is, but the judge also has an opportunity to decide how weighty the evidence is. At the present time he can't make that judgment, and as a result judges or their law clerks are spinning out ever-greater refinements of the exclusionary rule. This is making the possibilities of carrying out a valid search or a valid seizure at the present time far smaller than I think most persons who drafted the Bill of Rights would have wanted.

Q. Are you willing to state flatly that on the basis of current evidence the apparent cause of the decrease in the crime rate has been the decrease in our youth population?

A. I cannot assert that the reason for the apparent decline in crime rates in 50 or 60 cities that have been reported is the changing demographic pattern. Indeed, the data are not yet reliable enough to permit any generalization. I'm only saying that on the basis of having visited a number of these cities I am convinced that the decrease that is reported is not politically inspired, but is actually taking place.

But we also have to keep in mind that there are many different factors none of which has yet been given thorough and scientific study. In Washington, D.C., there's been a very dramatic increase in the police presence in the city. In other cities there have been changes in sentencing procedures. In other cities located in certain regions there have been dramatic changes in how warm or cold the winter was. In the short-term at least, this affects annual crime rates. I am involved with a group that commissioned a study to try to isolate the decisive cause for fluctuations in the crime rate. After squeezing the data as hard as possible, it found it could not give a clear and single explanation of this matter.

Q: Would you elaborate on your proposals for changes in the judiciary system, and make some comment as to the impact that your proposals, if implemented, might have had on the remarkable display of judicial independence we just had in the sentencing of one of the Watergate conspirators?

A: I do not want to decrease in any way the capacity of judges to behave as Judge Sirica did, nor do I believe it's necessary. It seems to me that we have to recognize that the judiciary performs a number of functions. For some of these functions, it is appropriate that the judge be fully robed, completely independent, and have the freedom of a Harvard professor—that is, free to say anything he wants. It seems to me for other functions we want the judges to operate in a collegial way—groups of judges discussing and coming to common decisions about sentencing norms and behavior, rather than leaving decisions simply to unfettered individual discretion. For still other purposes, we would like the judiciary to function as a bureaucratic organization that is involved in the careful and fair processing of criminal defendants from the time of arraignment to the time of final appeal. Now, the question is, can we make one judiciary perform all of these functions simultaneously? I don't know. I suspect that we are asking one institution to do some very different things that it's not well equipped to do. I think we've already recognized that in the area of automobile tort liability we were asking the judiciary to handle the problem of compensating victims of automobile accidents in a way that led to the escalation of insurance premiums and the discriminatory and unpredictable awarding of fantastic sums after long litigation.

In New York City, there have been efforts to specialize the judiciary. They have created courts which specialize in narcotics cases. These courts recognize that many persons in narcotics cases are addicts themselves, and that they must be diverted into treatment programs. They recognize that others are important dealers and must be held without bond, because the probability of their jumping bail is very high. Unfortunately, the seven or eight narcotics courts in New York City are inadequate to handle the enormous load of cases. That number probably ought to be tripled or quintupled. But if we can work toward designing a specialized organizational format appropriate to each judicial function, I think we can solve many problems without destroying the capacity of part of what we now call the judiciary to have independence from the Executive branch. It can then hear charges against the Executive branch, and it can still retain the capacity for deciding guilt or innocence in those few cases where guilt or innocence has to be fought out in an adversary proceeding.

Q: I fail to understand if you are saying that we have virtually no control over the crime rate because it depends on factors over which we can exercise little control, or whether by conscious measures we *can* influence it, even if only marginally.

A: Well, that is the crucial question. Again, I cannot answer it decisively. I do believe that at a minimum we can change the crime rate marginally, because I believe that we have done a number of foolish things that we should not repeat. But I also believe that the underlying population dynamics are extremely powerful—it is very difficult to get kids to do what you want them to do, especially if you're outnumbered by them. The nub of the question is, how big a gain in crime reduction would be needed to justify the expenditure of substantial resources on policies designed to achieve that reduction?

To me, even a fairly small reduction of street robberies and muggings—say, 10 per cent—would warrant a fairly substantial expenditure, because the victims of those crimes are very seriously victimized. I don't know whether I would feel the same if the reduction only fell to 2 per cent, or whether I'm so optimistic as to believe that the reduction could be as high as 30 to 40 per cent. One of the reasons is that there's no historical data from which to predict what's going to happen. The only way to find out is to try. I'd like to see a different set of policies that would at least make a serious and realistic effort at reducing crime.

Q. Were you saying that rehabilitation is not a worthwhile objective for us to seek through our penal system?

A. I have seen studies of correctional institutions in this country that range from halfway houses, minimum security programs in California, or experimental juvenile delinquency probation programs in Sacramento all the way to maximum security institutions. These studies—especially the better and more rigorous of these studies—suggest that none of these different systems makes a significant difference in recidivism or rehabilitation. Now, this is not to say that no criminal ever gets rehabilitated. Many do—just as many children who go to our public schools often learn something, even though we cannot measure the effect of public schools in the aggregate in contributing to this. Those who benefit do so either because of chance or because of their own personal characteristics. Also, the number who do is so small that it has been difficult to draw any serious conclusions from it. In any case, there is no reliable evidence that I am aware of—and believe me, I have looked hard for it because I wanted to find it—that any form of correctional institution in this country which we have experimented with to date and have evaluated independently and objectively will produce a significant and measurable difference in the rate of recidivism. Therefore we must ask the question whether rehabilitation ought to be the objective of the system and if we ought to spend resources and arouse aspirations foolishly in the hope of achieving it?

Q. Is there any data on which one can base a policy on capital punishment? This is becoming a significant political issue in some areas.

A. I am writing an article on the subject now and am ransacking the literature. I won't bore you with details. The answer depends on what grounds capital punishment is to be argued for or against. There is no evidence on which a clear case can be based that the use of capital punishment has a deterrent effect on criminals—or that prohibitions against capital punishment have a humanizing effect on criminals. The case against capital punishment must rest on moral and ethical grounds, not on any evidence from criminology.

Q. It seems that you've said external circumstances are primarily responsible for crime, but there are some other subjective and genetic factors which may also play a part. Could you comment on those?

A. You're quite right in saying that the argument between nature and nurture, between environment and genetics, takes place over crime as it does over intelligence and all other matters. The only difference is, that with respect to intelligence, the evidence is much more compelling and systematic than it is with respect to crime. There are genetic and early childhood sources of criminality that are, without any doubt, independent of environment. But no one has been able to estimate how big a fraction of criminal activity is accounted for by those factors. There have been studies done in prison populations which try to measure some of these factors. They go back to the time of Lombroso, who measured forehead size, and whether an individual's eyes were closely set or not. There are still studies under way on the XXY chromosome problem and the Alpha brain-wave disturbance problem. Nobody has made any estimates as to how powerful a contributor that is. My argument is that these genetic and uncontrollable factors can be assumed to account for a steady amount of crime. But when we're trying to explain rapid increases in the crime rate we have to assume that there has not been a sudden rapid increase in chromosomal imbalance, or a sudden rapid increase in Alpha wave disturbances, but rather that other factors of an environmental nature have changed. The problem is how we should respond to changes in the crime rate, not how do you eliminate crime completely. If we insisted in trying to eliminate it completely we would have to delve very deeply into the human body and soul—in ways that I wouldn't approve of if the government tried them.

Ben Wattenberg. Thank you all for a very useful and stimulating discussion.

SENATOR HUGH SCOTT: DYAU LUNG

Mr. STEVENS. Mr. President, last Monday, the distinguished minority leader (Mr. Scott) informed the Republican Members that we were members of the "Kung Hê Tang" Party, as "Republican Party" loosely translates into Chinese. Translated literally "Kung Hê Tang" means the party that "pulls together peacefully." This is surely a beautiful phrase and one I hope we will keep in mind, especially as this hectic week winds on.

That translation, however, calls to mind another Chinese idiom, also apropos. The Chinese translation for "debater" is "Dyau Lung," or literally "dragon carver." Apparently, in Chinese parlance a "debater" was the equivalent of a warrior. In particular, I would like to salute the Senate's unrivaled sinologist, the senior Senator from Pennsylvania (Mr. Scott), as Dyau Lung par excellence, one who has often taken on the task of carving dragons—a truly "great warrior."

EXECUTIVE PRIVILEGE CLAIM OVERRULED

Mr. MUSKIE. Mr. President, it is extremely difficult for Members of the Senate—as it is for the public at large—to keep abreast of every development in the testimony and argument being presented before the Select Committee on Presidential Campaign Activities. Even though the hearings are being televised and extensively reported in the printed press, it is possible for significant events to go unnoticed or be imperfectly understood.

One such event occurred 2 days ago when the Senator from North Carolina (Mr. Ervin) as chairman of the committee, overruled a Presidential invocation of the much-disputed doctrine of executive privilege. To the best of my knowledge, his action on behalf of the committee is the first instance in our history of a congressional committee's using its power to compel testimony which a President specifically refused to make available. In the long and increasingly important discussions of executive privilege, Chairman Ervin's ruling is a precedent of great weight. I believe the Senate should take note of its occurrence as a matter of historical fact and as a guide to the future implementation of the power of Congress to exercise compulsory process in carrying out its investigative authority.

In the course of his testimony on the afternoon of July 30, Mr. H. R. Haldeman disclosed that, at the President's request, he had listened to two tape recordings of meetings in the White House and had heard passages of conversation between the President and Mr. John W. Dean which took place on March 21, 1973, before Mr. Haldeman joined their meeting. Mr. John Wilson, Mr. Haldeman's counsel, presented a letter he had received that day from Mr. J. Fred Buzhardt, Special Counsel to the President, affirming a Presidential instruction to Mr. Haldeman not to divulge the substance of that portion of the conversation which Mr. Haldeman had heard on the tape but not actually participated in.

The relevant portion of that letter, which Mr. Wilson transmitted to the committee, said—

> The President has requested that you inform the committee that Mr. Haldeman has been instructed by the President to decline to testify to such matters, and that the President, in so instructing Mr. Haldeman, is doing so pursuant to the constitutional doctrine of separation of powers.

Before presenting that letter to the committee, Mr. Haldeman indicated that he was seeking its judgment on the Presidential instruction to him which the letter formalized. He said—

> I shall obey the decision of the committee and its ruling thereon.

In response Senator Ervin noted his view "that the matters which this committee is authorized by Senate resolution No. 60 to investigate are not covered by executive privilege of any kind." Inviting any member of the committee to disagree with him, the chairman then said—

> But as far as I am concerned I overrule the claim of executive privilege interposed in the last paragraph of Mr. Buzhardt's letter.

The Senator from Tennessee (Mr. Baker), the vice chairman of the committee, noted his concurrence in the chairman's ruling. Mr. Haldeman asked what that ruling was. And Senator Ervin repeated:

> The ruling is that the claim of executive privilege is not valid in the view of the Committee . . . that you can tell us what the tapes said or your version of it. . . .

It is my view that those few words, that brief exchange, marked a moment of great significance in our constitutional history. The ruling of the committee and Mr. Haldeman's subsequent obedience to that ruling clearly established the right of Congress to obtain information despite a Presidential instruction that such information be withheld.

The whole issue of executive privilege can be presented as the question of who is to decide the validity of a claim of privilege, whether or not the President of the United States, in asserting a claim in a given instance, can be challenged and overruled by another branch of government. In presenting the view that the President has absolute and unreviewable discretion to make such claims and make them stick, then Attorney General Richard G. Kleindienst told me in public hearings on April 10, 1973—

> Your power to get what the President knows is in the President's hands.

The committee's ruling of July 30 deflates that sweeping assertion. On two previous occasions Senate committees have upheld Presidential refusals to provide them information, once concerning the testimony of Gen. Omar Bradley about the dismissal of Gen. Douglas MacArthur in 1951 and once relating to Secretary of Defense Robert McNamara's testimony on military speech review policies in 1962. In both instances, privilege was claimed, and the claim, upon review, was upheld. Two days ago, the claim was made and rejected.

I applaud the ruling of Senator Ervin, and I note that it conforms in many respects to the procedure set forth in Senate Concurrent Resolution 30, which he and I introduced June 8 as a measure setting forth the power of committees of Congress to rule on Presidential instructions that information be withheld from Congress. I hope the Senate will take note of the significance of the committee ruling and will be reminded, as the committee moves forward in litigating another related claim of privilege, that we do have the power to compel the production of information we require. It is only important that we exercise that power wisely.

THE CONGRESSIONAL FELLOWSHIP PROGRAM

Mr. SCOTT of Pennsylvania. Mr. President, I would like to take this opportunity to call attention to the recent anniversary of a program which I, and I am sure many of my colleagues agree, is one of tremendous value and significance. For 20 years the congressional fellowship program of the American Political Science Association has provided outstanding individuals with opportunities to participate in the legislative process. Those of us who have seen this program and its fine work wish to extend our commendation and best wishes to all those who have taken part in it.

Over these 20 years, 571 interns were carefully chosen from among the ranks of political scientists, journalists, civil servants, law professors, and foreign individuals. They have contributed to their respective sponsors the vitality, imagination, and specialized talents which are such valuable commodities in our profession.

Even more importantly, these people have gone back to their own occupations with an increased understanding of their government. We here in Congress have long recognized the necessity of an informed public sector. In working toward that goal, we are always anxious to cooperate in programs like this one and the summer intern program, which gives similar opportunities to students and young people.

The congressional fellowship program has earned the recognition and gratitude of all of us who are interested in the governmental process. We sincerely hope for the continued prosperity of the program and its sponsor, the American Political Science Association.

INCREASING INTEREST RATES

Mr. HUMPHREY. Mr. President, the recently announced increase in the discount rate by the Federal Reserve Board and the subsequent rise in the prime lending rate by commercial banks reflect a typical response by Republican administrations to economic problems. An editorial entitled "A Pattern Repeated" in the July 6, 1973, Minneapolis Star, suggests the shortcomings in such a policy.

A credit squeeze is designed to curtail the supply of money in an inflated economy, yet one should examine the actual effects of such a policy. As the editorial points out, one immediate repercussion can be felt in the housing industry. High interest rates preclude investments by low- and middle-income individuals anxious to enter the housing market.

Moreover, a credit crunch, by reducing overall investment, cuts back on the number of new jobs. This slowdown, as noted in the editorial, may nudge the economy toward a recession.

This policy of disregard for the plight of the average American will never be acceptable as a solution to the Nation's economic ills. Nor will the exercise of half an economic policy—monetary policy—produce a stable economy. What is needed is a coordinated policy against the inequities in the American economy, accompanied by a combination of the fiscal and monetary tools at the disposal of the administration.

I would also like to call the attention of my colleagues to an article, "Brimmer Sees Higher Rates," which appeared in the July 24, 1973, New York Times. Andrew Brimmer, a member of the Federal Reserve Board, indicates that the recent increases in the interest rates can be expected to continue. He reiterates the fact that commercial banks can be expected to tighten their lending policies, making it increasingly more difficult for the small borrower to acquire credit.

Yet the moderate income individual will not be the only person adversely affected by this rate increase. Not only is the availability of mortgage credit already diminished, but even business borrowers can expect to encounter problems in obtaining the funds they desire.

A policy of turning its back on the average consumer is hardly an unusual economic stance for this administration. But, I must admit that economic policies which hamper sizable business interests do some as something of a surprise. This means that the administration has mishandled the economy to such proportions that it must infringe on the interests of even its close political allies.

This entire situation attests to the gross mismanagement of the economy by an administration which apparently has no clear picture of its economic goals.

Mr. President, I ask unanimous consent that both the editorial and the article be printed in the RECORD.

There being no objection, the editorial and article were ordered to be printed in the RECORD, as follows:

[Editorial from the Minneapolis Star, July 6, 1973]

A Pattern Repeated

Is it 1969–70 all over again? Those with even short memories will recall the credit crunch of that period, when interest rates reached for the ceiling and money—especially for business loans—was hard to find.

Indications that the same pattern is being repeated came last week, with two actions by the Federal Reserve Board, and quick follow-ups by the big commercial banks. The Federal Reserve moved twice to brake down the rapid growth in bank lending: It raised its discount rate (the rate at which member banks of the system can borrow from it) from 6.5 to 7 percent, and it froze about $800 million of bank funds by increasing the amounts member banks must keep on reserve.

The discount rate, now at the highest level in 52 years, is important only as a signal to commercial banks, to tighten or loosen their lending habits. The signal was obvious last week, and the big banks quickly responded by raising their prime lending rate (the rate for their biggest and best corporate customers) from 7.75 to 8 percent.

The Federal Reserve acted because the supply of money was growing too rapidly, threatening new inflationary problems and weakening further the already weak position of the dollar abroad. The repercussions, as expected and intended, were quick and widespread. Interest rates rose rapidly throughout the money market, creating problems for some borrowers, particularly in the housing industry. A flow of funds out of thrift institutions can be expected, as savers withdraw their money for higher interest rates elsewhere. This, in turn, will mean a shortage of money for home builders, who look to these institutions for their funds. Thursday's actions permitting slightly higher returns for savings is only a gesture toward stemming the flow. Even more serious could be a hastier end to the business boom and a strong nudging of the economy toward a recession.

The credit squeeze will not disappear quickly, as Arthur Burns, chairman of the Federal Reserve Board, indicated. "I cannot encourage the thought of lower interest rates in the immediate future," he said last week. The problem is that the monetary authorities are being asked to contain inflation almost single-handed. Fiscal measures, particularly the holding down of federal spending, aren't working, and the administration is reluctant to ask for a tax increase. With a downturn in the making, at any rate, it is too late to try to push an inflation-curbing tax increase through Congress.

The nation appears destined, then, to repeat the unhappy economic history of recent years. The lesson which apparently has not been learned is that fiscal and monetary tools must be applied together, and that the economy cannot be planned in an uncoordinated, catch-as-catch-can manner.

[From the New York Times, July 24, 1973]

Short-Term Interest Climbs; Brimmer Sees Higher Rates

(By Edwin L. Dale, Jr.)

WASHINGTON, July 23.—Andrew F. Brimmer, a member of the Federal Reserve Board, suggested today that the recent steep rise in short-term interest rates and the lesser increase in long-term rates might still have some way to go. He also said some borrowers would find it increasingly difficult to obtain credit.

Mr. Brimmer confirmed at the Federal Reserve's "monetary policy became much more restrictive toward the end of June" to slow the "ballooning" growth of the nation's money supply—currency and demand, deposits. And he concluded that "given the tenacity of the continuing inflation in the United States, we ought to be prepared to stick with the policy of monetary restraint as long as it is required."

POLICY ADJUSTMENT INDICATED

Mr. Brimmer's tough views were offered in a speech to the Michigan Savings and Loan League in Mackinac Island, the text of which was made available here.

On the future of interest rates, Mr. Brimmer said:

"The money and capital markets are still adjusting to the recent monetary policy moves to restrict further the availability of money and credit. Both short and long-term interest rates are still responding to those actions, and it may require somewhat more time for the process to be completed."

He said "commercial banks and other financial institutions can be expected to tighten further their lending policies and to make more of the difficult portfolio adjustments—such as liquidating municipal securities—that are required if monetary policy is to be effective in restraining excess demand."

Not only is there already evidence of some tightening in the availability of mortgage credit, he said, but even business borrowers "will probably find it increasingly difficult to obtain accommodations (from banks) for some of their projects."

FLEXIBILITY IS URGED

On an important policy issue for the future, Mrs. Brimmer said he now believed that the Federal Reserve discount rate "should be managed in a much more flexible manner, and it should be kept in much better alignment with money market yields." At the moment, this would mean a discount rate substantially higher than the current 7 per cent, itself a record except for the identical rate in 1920–21.

Mr. Brimmer expressed concern that Federal Reserve member banks, particularly the largest banks, "have lost much of their traditional reluctance to borrow" at the Federal Reserve and that "they seem to be influenced far more by differences in the cost of money than was typically thought to be the case."

ADDITIONAL LENDINGS

Borrowings this year have risen to record levels, as the discount rate—despite six increases this year—has remained consistently below the "Cluster" of other money market rates. Mr. Brimmer said "among the very large banks, the frequency of borrowing has increased, and its timing suggests strongly that these banks are motivated substantially by differences between the discount rate and the cost of funds in the money market."

Heavy member bank borrowings are able to partially frustrate the Federal Reserve's policy of monetary restraint by giving banks an additional source of needed reserves, and hence lending power.

Although he was facing an audience of savings and loan association executives, Mr. Brimmer firmly defended the recent decision of the Federal Reserve and the other financial regulatory agencies to permit higher interest rates to be paid to savers—a decision the savings and loan industry mainly opposed.

He said the industry "is in a position to compete for funds by offering higher rates to depositors" and he said higher rates should "moderate" the outflow of funds from these institutions into the money market—an outflow that threatened the availability of mortgage credit.

SMALL BUSINESS ADMINISTRATION CELEBRATES ITS 20TH BIRTHDAY

Mr. STEVENS. Mr. President, on July 30, the U.S. Small Business Administration was 20 years old. It was established to counsel, assist, and protect, insofar as possible, the interests of small business concerns in order to preserve free competitive enterprise in this country. It has well served its mandate. During these 20 years, the number of businesses which are classified as small has grown from 4 million in 1953 to over 8 million in 1973. Small business currently supplies 37 percent of the gross national product; represents 53 percent of all business jobs; and is the breadwinner for 100 million Americans.

The most pressing needs of small firms at the time the SBA was founded, were, as they are now, competent management, credit on reasonable terms, technical and production counsel, and the opportunity to bid on a fair share of Federal contracts. In the past two decades, a total of over 600,000 loans of all kinds have been made to small firms totaling more than $12 billion. And last year alone, the small business share of Federal procurement amounted to $12.6 billion.

The SBA has been working closely with private financial institutions to make Federal funds for small business go further. Most SBA lending is made in partnership with banks or other lending institutions. Two-thirds of the Nation's banks now invest with SBA, compared to only 10 percent 4 years ago.

Alaska has particularly benefited from the Small Business Administration. The Anchorage District United States Small Business Administration has become the first SBA district office in the Nation to reach 100-percent bank participation. Every bank and branch in Alaska now has at least one SBA guaranty loan in its portfolio. This has significant impact on the economy of Alaska. In terms of jobs, the firms that have received small business loans in the past 12 months employ 1,117 Alaskans. This is likely to mean a $2.5 million increase in bank deposits, $317 million more in retail sales annually, and over $8 million more in personal income for Alaskan families per year.

In 1972 SBA made 371 business loans in my State for a total dollar value of $15,136,700. This is an increase of 268 percent in number of loans and 355 percent in dollars over 1969. Our villages are benefiting as well as are individuals, especially from community development projects which bring new enterprises, such as Native stores, to the isolated areas of the State. In addition, through the SBA economic opportunity loan program, many of our Native people are being given new opportunities to compete in the business community. We foresee increasing accomplishments by small businessmen, resulting from the combined assistance by established businessmen and the Federal effort. The know-how acquired in the first 20 years of SBA's operations can only serve to improve small business capabilities in the future.

I hope that the support of the SBA by Congress in the next 20 years will assist the SBA to continue to meet the needs of America's small businessmen.

ASSAULT ON THE PRIVACY OF MASSACHUSETTS DRUG ABUSE PATIENTS

Mr. ERVIN. Mr. President, the potentialities for pernicious abuse of governmental data systems containing personal information about individual citizens are illustrated by two recent articles in the Boston Globe which reveal apparent plans for creating a narcotics addict registry in Massachusetts and perhaps elsewhere in the Nation. I ask unanimous consent that the text of these articles be printed in the Record following these remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. ERVIN. Mr. President, the very presence of an individual's name on a list of addicts can deprive that individual of important opportunities, rights and benefits—such as job opportunities, insurance, decent housing—all without due process of law.

Because of my long-standing concern, as chairman of the Subcommittee on Constitutional Rights, about governmental data systems containing personal information about individuals, I wrote early in this year to the Special Action Office for Drug Abuse Prevention—SAODAP—which I understood to be setting up a computerized information system containing extensive personal information on all addicts under treatment in federally funded programs. In April of this year the general counsel of SAO DAP replied to my inquiry concerning any information systems SAODAP might be operating or intending to operate which would contain personal information about individuals:

> The Special Action Office for Drug Abuse Prevention does not operate any governmental programs and neither conducts nor plans any sort of data bank operation pertaining to individuals as such. We are developing a reporting system for treatment programs which is designed to assure that the individuals to which the data they submit relates are not identifiable as such. This system is called CODAP (for "Client Oriented Data Acquisition Process") and is intended to furnish statistical information to serve as the basis for a variety of policy and management determinations at the Federal, State, and local levels. (Letter dated April 10, 1973 from Grasty Crews, II, General Counsel, SAODAP).

I was still not certain about the exact nature of the CODAP system and the claimed safeguards to protect the privacy of the drug abuse patients whose records would be collected by the system. Consequently, I asked the staff of the Subcommittee on Constitutional Rights to investigate further. Counsel for the subcommittee were assured that no addict registry was contemplated by the SAODAP, that the CODAP system was designed so that the identity of any individual under treatment would be absolutely protected and that SAODAP was as concerned as I was about the privacy and confidentiality of drug abuse patient records.

SAODAP's apparent sensitivity to the importance of confidentiality of drug abuse patient records, is evidenced both by formal regulations published in the Federal Register on November 19, 1972 and by SAODAP's role in the case of People against Newman. The Newman case involved a court subpena of the photographs of patients of a drug treatment center in New York. Dr. Newman refused to supply the photographs on the grounds that such records were confidential. The amicus brief submitted by SAODAP was instrumental in persuading the New York Court of Appeals that such drug abuse patient records were indeed confidential and not subject to subpena. I ask unanimous consent that the SAODAP Confidentiality Regulations be printed in the Record following these remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 2.)

Mr. ERVIN. Mr. President, because of SAODAP's public position in regard to the privacy and confidentiality of drug abuse patient records and the repeated assurances by the Director and general counsel of SAODAP that no addict registry was contemplated, that the CODAP system could not be used for such a purpose, and that SAODAP was doing everything in its power to assure the confidentiality of drug abuse patient records, I was surprised to read in the Boston Globe that the CODAP system was indeed being used to invade the privacy of drug abuse patients in Massachusetts.

I was even more troubled by the Globe's report that "law enforcement officials" claim that the CODAP numbering system—

> Will allow them to learn—within something like 30 seconds—the identity of any person receiving help from a federally funded drug program . . . When cross-checked with the U.S. Census Bureau, Social Security Administration, state Probation Department, or apparently, the Educational Testing Service the CODAP system will produce the child's identity within some 30 seconds.

Once again, I asked the subcommittee staff to contact the Special Action Office for Drug Abuse Prevention. Once again subcommittee counsel were assured that such blatant breaches of confidentiality and patient privacy were not contemplated by SAODAP when it set up the CODAP system, and that SAODAP had no firm information that the CODAP system was being turned into any such highly dangerous addict registry.

Because of the crossfire of allegations and assurances, it is difficult to know exactly what is happening in Massachusetts with regard to the CODAP information system. That is why I have written to the Director of the Special Action Office for Drug Abuse Prevention and asked for a full investigation.

It seems to me entirely possible that the CODAP system, which contains highly personal medical, psychological, family, educational, and even criminal record information, may well have been perverted by some of those running drug treatment programs in Massachusetts. I trust that the SAODAP will investigate fully any such abuses or threats of abuses and put a stop to them. We would do well to heed the wise words of Justice Brandeis when he warned:

> Experience should teach us to be most on our guard to protect liberty when the Government's purposes are beneficent. Men born to freedom are naturally alert to repel invasion of their liberty by evil-minded rulers. The greatest dangers to liberty lurk in insidious encroachment by men of zeal, well-meaning but without understanding.

Exhibit 1

Loss of Rights in Drug Link-Up

(By Michael Kenney)

Within the next few weeks, probably behind closed doors, a small group of Massachusetts and Boston officials will decide whether or not 1000 local children aged 7 to 17 will be deprived of their civil and constitutional rights.

And funny as it may seem, the preliminary decisions on this deprivation of liberty have been made during the past month or so when we have all been shaking our heads—with an air of superiority—over the Watergate hearings.

The issue is CODAP—quite possibly the first step toward a national registry of drug users—and it is the price the Nixon Administration is demanding for $2 million worth of drug programs for Boston.

CODAP is the "Client Oriented Data Acquisition Process," an innocuous-sounding combination of letters and numbers which law enforcement officials admit will allow them to learn—within something like 30 seconds—the identity of any person receiving help from a federally-funded drug program.

In Boston, the victims will be 1000 children aged 7 through 17 who are to be referred to a proposed $1.2 million TASC-J (Treatment Alternative to Street Crime—Juvenile) program.

Last week, the Boston City Council, with only an oblique warning from Mayor White, voted to accept a 10 percent down payment for planning.

This all began about a year ago when a state-local-private agency task force began putting together a treatment program for juvenile drug users. Early this year, the city's Coordinating Council on Drug Abuse and the state's Human Services Department approached the sinister-sounding SAODAP (the White House's Special Action Office for Drug Abuse Programs) for funding.

Last month, SAODAP agreed to fund the program—and a $700,000 adult program—which will run 1000 children a year through a diagnostic and evaluation process and then admit about 240 into residential or outpatient treatment. The others, a control group, will receive nothing but a CODAP record.

For all 1000, an Admission and Case Sample Report will be filled out and forwarded to Washington. It will not record the child's name, just the date of birth, race, sex, ethnic group, zip code and the first two letters of mother's given and maiden names as a "unique identifier." This is the CODAP system which, when cross-checked with the US Census Bureau, Social Security Administration, state Probation Department or, apparently, the Educational Testing Service (the College Board folks), will produce the child's identity within some 30 seconds.

Dr. Matthew Dumont, outspoken head of the state's Drug Rehabilitation Department, has denounced the proposal in an angry letter to SAODAP's Richard Jacobsen: "On scientific, clinical and civil libertarian grounds, I consider this proposal deficient and potentially destructive."

"If implemented," Dumont said, "this program would brand as drug users and track the lives of a thousand youngsters."

At this point, Paul Robinson, executive secretary of the city's Drug Abuse agency, admits "we don't know what we can do to get out from under CODAP." He hopes that somehow a new proposal can be drafted without a CODAP clause.

But many of those familiar with the situation feel certain that Washington is gloating at the imminent prospect of getting a tacit endorsement of CODAP from civil liberties-conscious Boston and Massachusetts.

In a kind of rearguard action, Mayor White has been told by the state's Mental Health Department (indirectly pushed by Gov. Sargent) that it will pocket veto the program if it does not win the backing of nine civil libertarian legal groups.

That is where the constitutional rights of 1000 children aged 7 to 17 stand right now and perhaps the worst aspect of the whole business is that with Watergate right out there on TV, all of this has been going on behind closed doors here in Boston, at the State House and City Hall.

Plan For a List of Addicts in United States Meet With Suspicion, Mistrust

(By Viola Osgood)

Trust in government may become the biggest roadblock in Federal attempts to establish a national identity system for drug addicts.

Under guidelines released last December, the US Department of Health, Education and Welfare (HEW) is requiring hospitals and clinics with methodone maintenance and detoxification programs to identify all patients participating in such projects.

According to HEW, the purpose of the identification program is to prevent "drug dependent" persons from enrolling in more than one methadone treatment program. And to prevent such persons from obtaining methadone "either for the purpose of self-administration or illicit marketing."

Under the guidelines, directors of the methadone treatment programs must notify the Food and Drug Administration whether they plan to participate in the identification program. Failure to participate could cause revocation of a facility's license to operate a legal methadone treatment program.

The director of one Boston program, who refuses to be identified, said he has refused to disclose the names of patients participating and will continue to do so.

"With Watergate and all the questions of illegal surveillance in the country now, people are naturally suspicious," the director said. "And as a medical man they expect me to be willing to identify people who come to me for help. I can't do that. It goes against all my ethics and training."

The methadone program director said he feels that addicts who are in trouble with the police would be especially reluctant to come into a center for help because the identification system could serve as a means for helping police catch "criminals."

"If I tell my patients that I have to turn over their names and other identification to the Federal government, they might want to stay away," he said. "I can't take the risk that people who need help might be frightened into not seeking it."

The director said that while he hopes he won't lose his license as a result of his refusal to identify his patients, he is not very hopeful.

"If I am denied permission to continue using methadone treatment, it would be sad," he said. "But, I guess I would just have to use something else. Maybe, I can use acupuncture like the guy in Hong Kong."

Taking the opposite view, Dr. Vernon Patch, director of methadone treatment for the Department of Health and Hospitals, said he feels that some kind of patient registration would be helpful, especially from the standpoint of finding out how many addicts there are in a given area.

Patch said he and other doctors have worked for several years trying to help come up with an identification system that would be acceptable to all segments.

"At the mention of something like an identification system, people run scared, almost to the point of hysteria," Patch said. "You'll find that liberals run scared at the mention of government involvement in any system of this kind."

"A lot of people are extremely suspicious of the US government right now," Patch said. "But, we've got to have a little faith in the system.

"We support it with our taxes. If people are so paranoid about the system, then I would suggest they pack their bags and move to Canada."

Patch said there are lots of ways in which a system can be worked out without violating a patient's confidentiality. He said footprints were suggested at one point.

"People don't commit crimes in their bare feet and the FBI doesn't have a footprint file," he said. "But folks have run away from this also. It would have been simple enough with a national bank of computerized information."

Patch said he has talked with many addicts and found they have no objections to an identification system. He said that the problem seems to be with program directors.

Exhibit 2

Title 21—Food and Drugs

CHAPTER III—SPECIAL ACTION OFFICE FOR DRUG ABUSE PREVENTION

(Part 401—Confidentiality of drug abuse patient records)

The Special Action Office for Drug Abuse Prevention has received numerous requests for interpretations of section 408 of the Drug Abuse Office and Treatment Act of 1972 (21 U.S.C. 1175). That section deals with the confidentiality of patient records maintained by treatment organizations. On the basis of the authority conferred by that Act, as well as other provisions of law, the Special Action Office, in consultation with the Department of Justice and the Department of Health, Education, and Welfare, has prepared the accompanying interpretative regulation to deal comprehensively with both substantive and procedural issues arising under section 408.

The rationale underlying the policy of section 408 is simple and compelling. Drug abuse in our society, at least with heroin, inevitably involves unlawful possession of drugs as a minimum criminal complication, and the very high cost of the heroin required to maintain a full-blown habit leads in many instances to a pattern of crimes against property. Socially, there is no more crushing a stigma than to be known as a junkie. If society is to make significant progress in the struggle against drug abuse, it is imperative that all unnecessary impediments to voluntary treatment be removed. There is clear agreement among drug abuse treatment program operators that their ability to assure patients and prospective patients of anonymity is essential to the success of their programs. The identification of a person as a patient of a general practitioner or hospital clinic is not ordinarily of great significance, but the identification of a person as an enrollee in a narcotic treatment program can, in and of itself, have profoundly adverse consequences.

It was in recognition of these considerations, among others, that Congress enacted section 408 of Public Law 92-255 (21 U.S.C. 1175). It must be emphasized that the operation of this section in no way creates a sanctuary for criminals. The enrollment of an addict in a treatment program takes away nothing, immunizes nothing, that would be available to law enforcement authorities if the program did not exist or the addict did not enroll in it. The only effect of his enrollment is to diminish the likelihood of his continued criminal conduct, and if the price of this is to isolate the records generated by the enrollment itself, this is a small price indeed in the light of the social benefits.

A threshold question is the scope of the section in terms of the programs and activities covered. By its terms, section 408 applies to patient records "maintained in connection with the performance of any drug abuse prevention function authorized or assisted under any provision of this Act. * * *" Under section 221 of the Act (21 U.S.C. 1131), the Director is required to provide overall planning and policy for all Federal drug abuse prevention functions, and under section 222 (21 U.S.C. 1132), he is given plenary budgetary authority with respect to all such functions for the express purpose of implementing his authority under section 221. Thus, all drug abuse prevention functions carried on with Federal authorization or support are subject to the Director's authority under section 221, and therefore fall within the scope of section 408. This result appears consistent with the thrust of the Act read as a whole: It is clear from the conference report (H. Rept. No. 92-920, p. 33) that the conferees attached great importance to section 408, and it is entirely reasonable to construe the scope of this section as coextensive with that of section 221. Section 401.01 of the regulation so provides.

While the legislative history of section 408 makes clear the intent of Congress that patient records should not be used to the patients' disadvantage, from the Act read as a whole the intention is equally clear to encourage the social and occupational rehabilitation of drug abusers. Under the regulation, the terms "benefit" and "governmental personnel" are construed in this light.

Although the statute makes no mention of disclosure to a patient's attorney, either with or without his consent, it is clear that an absolute prohibition on disclosure to counsel would raise grave constitutional questions, as well as be at variance with the remedial purposes of the Act. The constitutionally protected right to counsel, to be meaningful, must necessarily include the concept of informed counsel, and this can only be given on the basis of facts. Section 401.25 interprets the statute in the light of these principles.

Employment is an indispensable element of successful rehabilitation. Gainful employment in the case of a known former addict may be impossible to secure unless the prospective employer has some evidence that the individual either is currently enrolled in a treatment program or has successfully completed one. On the other hand, employers generally neither desire nor are capable of interpreting the raw data in the treatment program records. In recognition of this need, provisions have been included to permit treatment program operators to work with employers who have indicated their willingness to cooperate with drug rehabilitation programs.

Similar reasoning applies in the case of communications with members of a patient's family. In those cases where such information will help the family to aid in the treatment or rehabilitation process, and the patient desires that it be given to them, evaluations or status reports may be furnished to members of a patient's family under that section.

To aid the Director of the Special Action Office for Drug Abuse Prevention in determining whether this regulation should be amended, revoked, or reissued after interested persons have been given an opportunity to participate interested persons are invited to submit written data, views, and arguments. Any such material should be submitted to the General Counsel, Special Action Office for Drug Abuse Prevention, 726 Jackson Place NW., Washington, D.C. 20506, to be received not later than January 15, 1973. Such material will be made available for inspection and copying upon request.

The Special Action Office is informed that litigation is now pending whose outcome could seriously affect treatment programs throughout the country. In addition, uncertainties as to the interpretation and application of section 408 are creating difficulties and hardships for many such programs and their patients. On the one hand, treatment program counsellors are uncertain of the extent to which they can assure patients and prospective patients of the confidentiality of treatment records; on the other hand, efforts to promote occupational rehabilitation by working with actual or prospective employers, with the consent of the patients, are being frustrated in some instances by interpretations which have been placed on section 408.

In view of the foregoing circumstances, it is hereby found that good cause exists to make this regulation effective immediately, and that notice and public procedure thereon prior to its effectiveness are impracticable, unnecessary, and contrary to the public interest, and it is hereby ordered that Title 21 of the Code of Federal Regulations be amended by adding at the end thereof a new chapter, as hereinafter set forth, effective upon publication in the FEDERAL REGISTER (11-17-72).

By order of the Director of the Special Action Office for Drug Abuse Prevention, November 15, 1972.

GRASTY CREWS II,
General Counsel.

PART 400—[RESERVED]

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401.71 Applications for orders should be restricted to records of specified patients.
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401.73 Suggested safeguards against unnecessary disclosures.

AUTHORITY: The provisions of this Part 401 are authorized under sections 213, 221, 222, and 408 of the Drug Abuse Office and Treatment Act of 1972 (Public Law 92-255; 21 U.S.C. 1122, 1131, 1132, and 1175), and other relevant provisions of law.

GENERAL PROVISIONS

§ 401.01 Definitions.

For the purposes of this part, the following words shall have the meanings indicated:

(a) The term "Act" means the Drug Abuse Office and Treatment Act of 1972 (Public Law 92-255) including such amendments thereto as may be in effect at the time the provision referring to it is applied.

(b) The term "Director" means the Director of the Special Action Office for Drug Abuse Prevention.

(c) The term "drug abuse prevention function" means any program or activity relating to drug abuse education, training, treatment, rehabilitation, or research, and includes any such function even when performed by an organization whose primary mission is in the field of drug traffic prevention functions (as defined in 21 U.S.C. 1103(c)), or is unrelated to drugs.

(d) The term "drug abuse prevention function authorized or assisted under any provision of the Act or any act amended by the Act" means any drug abuse prevention function—

(1) Which is conducted in whole or in part by any department, agency, or instrumentality of the United States, or

(2) For the lawful conduct of which in whole or part any license, permit, or other authorization is required to be granted by any department or agency of the United States.

(e) The term "patient" means any person who is or has been interviewed, examined, diagnosed, treated, or rehabilitated in connection with any drug abuse prevention function.

(f) The term "governmental personnel" means those persons who are employed by the U.S. Government, by any State government, or by any agency or political subdivision of either, and includes Veterans Administration personnel as described in § 401.23(b).

(g) The term "medical personnel" includes physicians, nurses, psychologists, counselors, and supporting clerical and technical personnel.

§ 401.02 Applicability.

(a) Except as provided in pargaraph (b) of this section, this part applies to records or any part thereof made on or after March 21. 1972, of the identity, diagnosis, prognosis, or treatment of any patient which are maintained in connection with the performance of any drug abuse prevention function authorized or assisted under the Act or any act amended by the Act.

(b) The provisions of section 408 of the Act (21 U.S.C. 1175) and the remaining provisions of this part do not apply to any interchange of records entirely within the Armed Forces, within those components of the Veterans Administration furnishing health care to veterans, or between such components and the Armed Forces, but otherwise such section and this part apply to any communication to or from any person outside the Armed Forces or such components of the Veterans Administration.

§ 401.03 General rules regarding confidentiality.

Records of the identity, diagnosis, prognosis, or treatment of any patient which are maintained in connection with the performance of any drug abuse prevention function shall be confidential, may be disclosed only as authorized by this part, and may not otherwise be divulged in any civil, criminal, administrative, or legislative proceeding conducted by any Federal, State, or local authority, whether such proceeding is commenced before or after the effective date of this part.

§ 401.04 Incompetent or deceased patients.

In any case in which disclosure is authorized with the consent of the patient, such consent may be given by a guardian, conservator, or other court-appointed designee in the case of an incompetent patient, and by an executor, administrator, or other personal representative in the case of a deceased patient.

§ 401.05 Security precautions.

(a) Appropriate precautions should be taken for the security of records to which this part applies. The succeeding paragraphs of this section set forth examples of such precautions, but these should be added to or may be modified in the light of individual circumstances.

(b) The file of each patient maintained in connection with the performance of any drug abuse prevention function should be marked "Confidential Patient Information," as should any record identifying an individual as a drug abuse patient, including photographs, fingerprints, reports of skin abrasions indicating drug use, or other documentation of patient identification.

(c) Each file drawer, cabinet, or other container in which such files are kept should be conspicuously labeled with a cautionary statement such as the following:

CONFIDENTIAL PATIENT INFORMATION

Any unauthorized disclosure
is a Federal offense

§ 401.06 Extent of disclosure.

Any disclosure made under this part, whether with or without the patient's consent, shall be limited to information necessary in the light of the need or purpose for the disclosure.

DISCLOSURES WITHOUT COURT AUTHORIZATION AND WITH CONSENT OF PATIENT

§ 401.21 Form of consent.

(a) Where disclosure is authorized with the consent of the patient, such consent must, except as otherwise provided, be in writing and signed by the patient. Such consent must state—

(1) The name of the person or organization to whom disclosure is to be made,

(2) The specific type of information to be disclosed, and

(3) The purpose or need for such disclosure.

§ 401.22 Disclosure to medical personnel.

With the patient's consent, disclosure to medical personnel is authorized for the purposes of diagnosis or treatment. The consent must be in writing and in the form prescribed in § 401.21. All medical personnel to whom disclosure is made shall be subject to all of the rules on confidentiality as set forth in this part.

§ 401.23 Disclosure to governmental personnel for purpose of obtaining benefits.

(a) With the written consent of a patient, disclosure is authorized to governmental personnel for the purpose of obtaining benefits to which the patient is entitled. For the purposes of this section, benefits to which a patient is entitled include, but are not limited to, any welfare, medicare, or other public financial assistance authorized by Federal, State, or local law, the suspension of prosecution, the granting of probation or parole, public pension or retirement benefits, and any other benefit conferred by lawful authority.

(b) Disclosure may be made to Veterans Administration personnel for the purpose of determining a patient's eligibility for hospitalization, pension, or other veterans' benefits. For the purpose of this section, Veterans Administration personnel includes any personnel (whether or not employed or compensated by the Veterans Administration) authorized by the Veterans Administration to assist patients in the preparation and submission of their claims.

(c) Where treatment for drug abuse has been made a condition to the granting or continuation of a welfare or other public benefit, disclosure is authorized to governmental personnel responsible for the administration or determination of such benefits.

§ 401.24 Disclosure in connection with parole, probation, or suspension of prosecution.

(a) In the case of a drug abuser charged with a criminal offense or who is subject to parole or other probationary action and who has agreed to participate in a drug abuse prevention treatment program as a condition of release from confinement or as a condition to the dropping, deferral, or suspension of charges or judgment, disclosure of such person's treatment records in connection with such program is authorized if the patient consents in writing to participate in such program and consents to disclosure in accordance with § 401.21.

(b) Disclosure pursuant to this section shall be limited to the patient's attorney and to governmental personnel having responsibility with respect to the prosecution of the patient or for supervising his probation or parole.

§ 401.25 Disclosure to legal counsel.

(a) In any situation in which disclosure is permitted with the patient's consent for one or more of the authorized purposes as stated in this part and the patient has secured the advice of legal counsel, disclosure may be made to the patient's attorney upon the written application of the patient endorsed by the attorney.

(b) In any situation in which a patient seeks the advice of legal counsel on the question of waiving confidentiality, disclosure is authorized to the extent necessary to render such advice, if written application for such disclosure is made by the patient and endorsed by the attorney.

§ 401.26 Evaluations in connection with rehabilitation.

(a) Whenever a patient or former patient has been employed or been accepted for employment conditioned upon his progress or status in a treatment program, an evaluation of such progress or status by a qualified physician or counselor may be furnished to the employer subject to all of the following conditions and requirements:

(1) The request for such an evaluation must be in writing and signed by the patient.

(2) The request must identify the employer (or official therein) cooperating in the patient's rehabilitation program.

(3) The treatment organization must verify the authenticity of the request by telephone or other means of communication and ascertain the extent that the information is needed to verify the patient's treatment status.

(4) The information shall be limited to that reasonably necessary in view of the type of employment involved.

(5) No information may be furnished by a treatment organization unless the organization is satisfied on the basis of past experience or other credible information (which may in appropriate cases consist of a written statement by the employer) that such information will be used for the purpose of assisting in the rehabilitation of the patient and not for the purpose of identifying the individual as a patient in order to deny him employment or advancement because of his history of drug abuse.

(b) Information in the nature of a general evaluation of a patient's present or past status in a treatment program may be furnished to members of the patient's family if, in the judgment of a qualified physician or counsellor, such information would be helpful in treatment or rehabilitation of the patient and the patient makes a written request for such information to be furnished.

DISCLOSURES WITHOUT COURT AUTHORIZATION AND WITHOUT CONSENT OF PATIENT

§ 401.41 Disclosure without consent in general.

(a) Disclosure of a patient's records may be made without the consent of the patient and without authority of a court order as follows:

(1) To medical personnel to meet a medical emergency; and

(2) To qualified personnel for purposes of research, audits, or program evaluation.

§ 401.42 Medical emergency.

Disclosure to medical personnel, either private or governmental, is authorized without the consent of a patient only when necessary to meet a bona fide medical emergency and only to the extent necessary to meet such emergency. For the purposes of this section a bona fide emergency may be considered to exist whenever competent medical authority has determined that the life or health of the patient involved may be impaired and medical treatment without the record could be detrimental to the patient's health. Where, for example, a person is incarcerated and claims to be a patient in a methadone treatment program, this claim may be verified by inquiry to the treatment center administering the program or to a registry such as is referred to in § 401.43 in order to avoid overdose on the one hand, or the danger of untreated withdrawal on the other.

§ 401.43 Records maintained in connection with chemotherapeutic treatment.

The communication of information relating to patient identity and dosage between or among programs approved by the Commissioner of Food and Drugs pursuant to § 130.44 of this title, or between such programs and a registry serving them, shall not be considered as a disclosure in violation of section 408(a) of the Act (21 U.S.C. 1175(a)), but any such information received by any such registry shall be fully subject to section 408 of the Act and to the provisions of this part.

§ 401.44 Research, audits, and program evaluation.

(a) Disclosure without consent is authorized to qualified personnel for the purpose of conducting scientific research, management, or financial audits, or program evaluation, but such personnel may not identify, directly or indirectly, any individual patient in any report of such research, audit, or evaluation, or otherwise disclose patient identities in any manner. Information so obtained may be used in enforcing lawful requirements imposed with respect to the operation of treatment programs employing controlled substances, but section 408(c) of the Act (21 U.S.C. 1175(c)) specifically prohibits the use of patient records to initiate or substantiate any criminal charges against a patient or to conduct any investigation of a patient, except as authorized under a court order granted under section 408(b)(2)(C) (21 U.S.C. 1175(b)(2)(C)).

CRIMINAL PENALTIES

§ 401.51 Penalty for unauthorized disclosure.

Subsection (e) of section 408 of the Act (21 U.S.C. 1175) provides that except as authorized under subsection (b) of that section, any person who discloses the contents of any record referred to in subsection (a) of that section shall be fined not more than $500 in the case of a first offense, and not more than $5,000 in the case of each subsequent offense.

INTERPRETATION OF SECTION 408(b)(2)(C) IN RELATION TO OTHER LAWS

§ 401.61 Relationship of section 408(b)(2)(C) to other provisions of section 408 and to other legislation generally.

Section 408(b)(2)(C) of the Act (21 U.S.C. 1175(b)(2)(C)) empowers the courts, in appropriate circumstances, to authorize disclosures which would otherwise be prohibited by section 408(a). Both the positioning of this authority in the bill as initially passed by the Senate and the explicit crossreference in section 408(a) of the final Act make clear the congressional intent that section 408(b)(2)(C) operate as a mechanism for the relief of the 408(a) strictures and not as an affirmative grant of jurisdiction to authorize disclosures prohibited by other provisions of law, whether Federal or State. By the same token, it should be noted that the authority which section 408(b)(2)(C) of the Act (21 U.S.C. 1175(b)(2)(C)) confers on courts to issue orders authorizing the disclosure of records applies only to records referred to in section 408(a) (21 U.S.C. 1175(a))—that is, the records maintained by operating treatment or research programs, and not to secondary records generated by the disclosure of the 408(a) records to researchers, auditors, or evaluators pursuant to section 408(b)(2)(B).

§ 401.62 Scope of orders: relationship to confidentiality provisions of Public Law 91–513.

(a) It is abundantly clear that section 408(b)(2)(C) was not intended to confer jurisdiction on any court to compel disclosure of any information, but solely to authorize such disclosure. An order or provision of an order based on some other authority, or a subpena, or other appropriate legal process, is required to compel disclosure. To illustrate, if a person who maintains records subject to section 408(a) of the Act is merely requested, or is even served with a subpena, to disclose information contained therein which is a type whose disclosure is not authorized under section 408 of the Act or any of the foregoing provisions of this part, he must refuse such a request unless, and until, an order is issued under section 408(b)(2)(C). Such an order could authorize, but could not, of its own force, require disclosure. If there were no subpena or other compulsory process, the custodian of the records would have the discretion as to whether to disclose the information sought unless and until disclosure were ordered by means of appropriate legal process, the authority for which would have to be found in some source other than section 408 of the Act. This result is compelled by the language of section 408(b)(2) itself. The words used, "the content of such record may be disclosed * * * if authorized by an appropriate order" are too explicit and too well established as words of art to be interpreted as meaning "the content of such record shall be disclosed if required by an appropriate order."

(b)(1) This interpretation of the permissible scope of a 408(b)(2)(C) order is not only appropriate in the light of the purposes, language, and legislative history of the Act in which it appears, but also is necessary in order to harmonize that section with other legislation dealing with a narrower aspect of the same subject matter. By sections 3(a) and 502(c) of the Comprehensive Drug Abuse Control and Treatment Act of 1970 (42 U.S.C. 242a(a); 21 U.S.C. 872(c)), Congress conferred on the Secretary of Health, Education, and Welfare and on the Attorney General, respectively, power to authorize persons engaged in drug research to withhold names and other identifying characteristics of persons who are the subject of such research, and expressly provided that when such authority has been obtained, its holder may not be compelled to disclose identifying information "in any Federal, State, or local civil, criminal, administrative, legislative, or other proceedings * * *"

(2) If section 408 of the 1972 Act were to be interpreted as an independent grant of authority to compel testimony, it would obviously be in direct conflict with the provisions of the 1970 Act discussed above. This becomes significant, for example, in the case of methadone, which for the purpose of treating opiate addiction on a longer-range basis is classified as an experimental drug which may not be administered except in connection with research. Nothing in either the language or the legislative history of the Act indicates any intent on the part of Congress to amend the provisions of the 1970 Act or to reduce the protection which can be afforded under them. Since the language of section 408 permits, if it does not require, a construction which harmonizes with the 1970 Act, it clearly should not be construed to authorize a court order in derogation of any exercise of the authority of the Secretary of Health, Education, and Welfare under section 242a(a) of title 42, United States Code, or the Attorney General under section 872(c) of title 21, United States Code.

INTERPRETATIVE GUIDELINES FOR APPLICATIONS AND ORDERS UNDER SECTION 408(b)(2)(C)

§ 401.71 Applications for orders should be restricted to records of specified patients.

Section 408(b)(2)(C) empowers courts of competent jurisdiction to authorize disclosure only on a showing of good cause. That section expressly provides that in assessing whether good cause exists, the court must weight the public interest and the need for disclosure against the injury (a) to the patient, (b) to the physician-patient relationship, and (c) to the treatment services. Because these factors can only be weighted with respect to the particular patient involved, any application for such an order should relate only to the records (or a part thereof) of a specific patient and should include an identification of the patient and an indication whether the application is being made with or without his consent. This conclusion is buttressed by the form of section 408, which appears to have been deliberately cast in terms of the individual patient, e.g. section 408(b)(1), "If the patient * * * gives his written consent * * *." and 408(b)(2), "If the patient * * * does not give his written consent * * *", suggesting an intention that the disclosure order be limited to the records of a particular patient who either did or did not consent to the disclosure.

§ 401.72. Information which should be furnished in support of application.

In those cases in which an application is not made by or with the consent of the patient, or is not joined in or consented to by the person or organization responsible for the records to which it relates, the Act implicitly requires that such application be supported by adequate information to enable the court to make the following findings:

(a) The nature of the public interest that would be served by granting the application;

(b) Any actual or potential injury, either economic or social, that could result to the patient or to the relationship of the patient to his physician;

(c) The effect that an order of disclosure would have on the administration of the drug-abuse prevention program; and

(d) A clear showing that the interests of the public are substantial in relation to possible injury to the patient or to the patient-physician relationship.

§ 401.73. Suggested safeguards against unnecessary disclosures.

Section 408(b)(2)(C) implicitly negatives any court order requiring unlimited disclosure when limited disclosure would serve the purpose. It states that "in determining the extent to which any disclosure of all or any part of any record is necessary," the court is required to impose appropriate safeguards against unauthorized disclosure. To facilitate compliance with this requirement, it would be within the intent and spirit of this provision of section 408 that any such court order:

(a) Limit disclosure to those parts of the patient's record deemed essential to fulfill the objective for which the order was granted;

(b) Limit disclosure to those persons whose need for the information is the basis for the order;

(c) Require, where appropriate, that all information disclosed be held in camera; and

(d) Include any other appropriate measures to keep disclosure to a minimum, consistent with the protection of the patient, the physician-patient relationship and the administration of the drug-abuse prevention program.

[FR Doc. 72-19925 Filed 11-16-72; 8:54 am]

ENVIRONMENTAL PROTECTION AGENCY DIRECTOR

Mr. FANNIN. Mr. President, our Nation is about to get a new director for the Environmental Protection Agency. It has been my good fortune to know and work with Russell Train for several years. He most certainly has outstanding credentials, and is clearly qualified to be administrator of this very important agency.

His record has been outstanding in whatever he has undertaken. He has served not only in the executive, legislative and judicial branches of government, but he has been an outstanding lawyer, a national and international leader in the conservation movement, and a dedicated military officer during World War II.

During the past 3 years he has been Chairman of the Council on Environmental Quality. Prior to that he was the Under Secretary of the Interior.

Early in his career he was an attorney for the Joint Congressional Committee on Internal Revenue Taxation and on the staff of the House Ways and Means Committee. He gained further experience in legislation as head of the Treasury Department's tax legislative staff.

President Eisenhower appointed Mr. Train to the Tax Court of the United States in 1957, and he served there until 1965 when he resigned to become president of the Conservation Foundation.

Mr. Train also has served on the National Water Commission.

Mr. President, this is a marvelous record of public service. But my purpose today is not simply to praise Mr. Train, although I most certainly do.

It is my purpose to state for the record my hopes that Mr. Train will be able to employ his vast experience to provide a new equilibrium for the environmental activity of Government and of the entire Nation.

During the past several months it has become abundantly clear that our environmental protection goals are out of kilter with our national interest.

We find that unwise Federal policies, most of them dictated by the Congress or bureaucracy set up by Congress, have brought us a serious fuel shortage. This shortage will become a crisis if we are forced to import huge quantities of fuels from other nations.

The Senate acted wisely 2 weeks ago in voting to build the Alaskan pipeline. We have taken the first step in rectifying some of the mistakes which were made by the Congress in recent years.

Further review and revision of our environmental protection laws is urgently needed.

This has been dramatically illustrated in Arizona and 20 other States where the EPA has laid down unrealistic requirements to control automobile and motorcycle traffic.

In States like Arizona and California, the EPA edict, if implemented, will be a severe blow to the economy.

We may end up with cleaner air, but with no means for our people to earn a living.

Examples of EPA's proposed program for Arizona would include a 20 percent reduction of public parking facilities and a prohibition against further construction of new parking facilities, creation of mass transit lanes for downtown streets, car pooling and rationing of gasoline sales to prevent Arizona citizens from driving their cars.

These measures are about as appropriate for the Arizona economy as would be a plan calling for the leveling of all buildings in Manhattan to create a national wildlife preserve.

Governor Rampton of Utah in commenting on the EPA proposal for Salt Lake City had this to say:

> I and representatives of the Attorney General for the State of Utah have searched the law books in vain for any previous attempt by a federal agency to use the threat of criminal prosecution to compel affirmative action by state or local officials, even though such state or local officials might feel that such action is in violation of their duty to their constituents and to their oaths of office.
>
> I submit (1) that the proposed regulations are in violation of the 10th Amendment to the Constitution of the United States; (2) that they are not supported by a grant of power to the EPA in the Clean Air Act of 1970, and (3) that if such a grant of power were to be claimed by inference from the language of

the Clean Air Act of 1970, such a grant of power would be an unconstitutional delegation of the legislative authority under the decision of the U.S. Supreme Court in the landmark case of *Schecter Poultry Corporation* v. *U.S.* 295 U.S. 495, decided some 40 years ago.

I do not like controversy between public officials or between various levels of government, particularly when we are all attempting to solve a serious social problem. However, if cooperation is to exist, it must be mutual cooperation and not a dictatorial posture by EPA. If the EPA will recognize our rights as state and local governments to move in our proper areas of authority, we will welcome their help and advice. In the hope that such may be the attitude of the EPA in the future, as it has not been in the past, let us now turn to an examination of the details of the proposed regulations.

Mr. President, Governor Rampton raised some interesting and I believe very valid questions about the legality and constitutionality of the EPA regulations.

He also made some interesting observations on the impracticability of the EPA plan. Here is just a small portion of what he had to say about one of the regulations regarding car pools:

The provision contained in the proposed regulations for the creation of bus and car pool lanes is sound in theory, but contains certain details which, in my opinion, would increase, not reduce traffic congestion and thus increase and not reduce motor vehicle pollution.

The proposed regulation would provide that special bus and car pool lanes should be provided on roads and highways where there were more than two lanes in each direction. If there were four lanes, one lane would be for bus and car pools at all hours while an additional lane would be for bus and car pools at the period of high traffic. If there were three lanes in one direction, there would be no lane for constant use of bus and car pools, but one lane would be devoted to bus and car pools during peak traffic periods.

A practical problem arises in permitting the use of the bus lanes by car pools. It takes more than the mere enactment of a law or a regulation to govern the conduct of the general public. We have learned through experience in this country that people will not observe a law which the majority of our citizens regard as unfair, arbitrary, or just plain silly. The regulations would define a car pool as any car carrying three or more persons. While the average motorist with one or two persons in his car might regard the regulation permitting buses and not private passenger cars to use a special lane, I believe that they would not regard an arbitrary cutoff between two and three passengers, between three and four passengers or between four and five passengers as being a logical criterion on which to base the use of the highway. If a motorist riding alone or with one other passenger in his car saw a faster moving lane of traffic being used by other passenger vehicles, even though they might have three or four occupants, he himself would use that lane of traffic to take advantage of the faster speed; and no reasonable number of highway patrolmen, city police or county sheriffs could prevent the motorist from so doing. Furthermore, the uncertainty that would exist in such quasi law observance might well create greater congestion than now exists in all lanes, including the bus lanes.

Mr. President, in recent weeks I have inserted in the Record numerous stories and editorials from newspapers detailing the problems the EPA regulations would cause for Arizona.

I would hope that Mr. Train will review the EPA regulations very carefully, determine whether they really are in keeping with the law, and if they are, then recommend changes in the law to Congress.

It is not my intention to revoke our commitment to environmental protection. It is my belief that by revising our laws, and making our goals and regulations more realistic, we will not only maintain our economy but will enhance our chances of improving the environment.

Mr. Train with his vast experience not only in environmental matters but in economic issues, should be ideal for this task.

Mr. President, I believe it would be of great benefit for Members of Congress to read Governor Rampton's statement, which I cited earlier, in its entirety. Therefore, I ask unanimous consent that it be printed in the Record in full.

There being no objection, the statement was ordered to be printed in the Record, as follows:

STATE PLAN FOR AIR QUALITY CONTROL

(Testimony of the Honorable Calvin L. Rampton)

Section 67-1-1, U.C.A. 1953 provides that the Governor "is the sole organ of communication between the government of this state . . . and the United States." Therefore, this statement represents the official position of the State of Utah in regard to the proposed regulations of the Environmental Protection Agency regarding transportation restrictions in the Wasatch Front region of Utah. Other officers or employees of the State of Utah, however are not precluded from presenting their own points of view as individuals. This they may do freely and without fear of reprisal. Representatives of local government will, of course, make their own statements.

Before discussing the specific proposals, I would like to comment on what I regard as being the proper roles of the state government and of the government of the United States in achieving satisfactory ambient air quality. I regret that the State of Utah and the Environmental Protection Agency appear to be in conflict in this matter, because I am sure that our objectives are the same. The concern of the state with clean air predates the concern of the federal government, as indicated by the date of applicable statutory authority. Utah's Air Conservation Act was passed in the spring of 1967—three years before the Federal Clean Air Act of 1970.

Before the Environmental Protection Agency had begun operation, we had already completed an inventory of air pollution sources, and had determined that 57% of the pollutants in the air came from mobile sources, mostly from automobiles. This has concerned us deeply. We feel we have moved responsibly to meet this problem. Although it is probable that the hazard to health from motor vehicle pollution was somewhat overstated by Mr. Green of the EPA on a local newscast approximately 3 weeks ago, we are aware that if this situation is allowed to go unchecked, carbon monoxide and nitrogen oxide pollution could become a definite threat to the health of our people. We do not want the situation to even approach, let alone reach, that level, and we are determined that it will not.

Furthermore, we have been very much aware of the aesthetics of the situation. We have watched with dismay the dirty brown cloud that on still days seems to rise spontaneously from the floor of the valley, increasing in thickness and density until it hides the mountains and dims the sun. Therefore, we have been deeply concerned, and somewhat resentful when actions of the Environmental Protection Agency have not only not contributed to a solution of the problem, but have often delayed the solution.

Utah has attempted to develop a valid transportation plan consistent with the needs of the state and in harmony with the requirements of EPA. The process has been hampered by many complications and changes in direction, including

(1) A change in the base year for ambient data,

(2) Addition of Provo and Ogden to the initial area (Salt Lake City) requiring control,

(3) Imposition of an altitude correction after the control plan was prepared,

(4) Late submission of EPA guidelines and

(5) Extending the date for compliance with standards by the automotive industry without warning only one week before we submitted our State Plans to the EPA when the Administrator knew or should have known that assumptions based upon its previous order were essential to the State Plan.

Present efforts to refine the plan are further hampered by lack of availability of the EPA technical support document purported to be the basis for proposed amendments to Part 52 of Chapter 1, Title 40 of the Code of Federal Regulations, as published in the Federal Register of July 16, 1973.

On April 13, 1973, in compliance with the requirement of the Clean Air Act of 1970, the State of Utah submitted to the Environmental Protection Agency a Transportation Control Plan. EPA has taken the position this plan is insufficient to meet the problem. With this we are not in agreement. In fact, as will appear later, many of the things which were contained in the Utah Plan are picked up by the EPA in the proposed regulations which are the subject of this hearing. I have had prepared a document analyzing the EPA Evaluation Report of the Utah Transportation Control Plan. (Attachment #1) I will not read this document in full, but ask that it be included in the record of this hearing.

It has been most difficult for the state Bureau of Environmental Health to deal with the Environmental Protection Agency because of the manner in which the EPA uses its regional office in Denver. In the case of most governmental agencies, the regional offices have considerable decision making power and are able to cooperate with the state government on joint programs on a man-to-man basis. Such is not the case with the EPA. People from the Denver office appear to be no more than conduits, transmitting ultimata from somewhere on high. In seeking cooperation on joint state-federal anti-pollution programs, the state officers are empowered to make final decisions. The regional people from Denver are not. The decision-making power on the federal level is vested in individuals whose names we do not know, whom we have never seen, and with whom we are not even sure we are communicating.

Inherent in the general language of the Clean Air Act of 1970 is the assumption that cleaning up the air is a partnership project to be jointly entered into by federal, state and local governments. The role of the federal government as set down in the act is to control pollution at its source in urban areas which "often extend into two or more states;" to conduct research and work with the automotive industry to secure the production of automobiles as nearly pollution free as possible, and to promote the development of devices which will reduce pollution when installed on older automobiles. Obviously, these functions cannot be performed by a single state and are properly in the province of the federal government. However, the act clearly states in Sec. 101(3) that:

"the prevention and control of air pollution at its source is the primary responsibility of States and local governments."

Sec. 116 of the act provides as follows:

"Except as otherwise provided in sections 209, 211(c)(4), and 233 (preempting certain State regulation of moving sources) nothing in this Act shall preclude or deny the right of any State or political subdivision thereof to adopt or enforce (1) any standard or limitation respecting emissions of air pollutants or (2) any requirement respecting control or abatement of air pollution; except that if an emission standard or limitation is in effect under an applicable implementation plan or under section 111 or 112, such State or political subdivision may not adopt or enforce any emission standard or limitation which is less stringent than the standard or limitation under such plan or section."

The sections referred to as being exempt from the state power all have to do with the standards of production of automobiles, automotive equipment, and automotive fuel, and not with such matters as are dealt with in these proposed regulations. The Act does state, Sec. 101(4) that:

"Federal financial assistance and leadership is essential for the development of cooperative Federal, State, regional and local programs to prevent and control air pollution."

Section 102 of the Act further states:

"(a) The Administrator shall encourage cooperative activities by the States and local governments for the prevention and control of air pollution; encourage the enactment of improved, and so far as practicable in the light of varying conditions and needs, uniform State and local laws relating to the prevention and control of air pollution; and encourage the making of agreements and compacts between States for the prevention and control of air pollution."

I suppose threatening governors and mayors with criminal prosecution resulting in $25,000 per day fines and a year's imprisonment could be construed by some as encouragement, but I doubt it is the kind of encouragement Congress had in mind.

I wonder if the people who prepared the proposed order have fully considered how they would use the criminal law to force state and local governments into this proposed bureaucratic strait-jacket. I assume their position would be that if a governor or mayor refused to take steps to place the plan into effect he would be guilty of a criminal violation. But suppose the governor or the mayor does take such steps, but does not pursue them diligently so they are not effective. Would he still be guilty? And what of the legislature? The proposed regulations themselve require the enactment of certain legislation for implementation. Suppose the legislature defeats such legislation. Are all members of the legislature guilty—or merely those who voted against the enactment? On the other hand, suppose the legislature passes the required legislation by a majority vote, are the legislators who voted in the negative guilty of an attempted violation of the EPA mandate? The complications that could arise from an attempt to extend the criminal process to coercing action on the part of state and local officials are so confusing and frightening that they would open up a whole new field of criminal law.

The criminal law and the contempt power have in the past been used to prevent state and local officers from interfering with federal officers in carrying out federal programs where such programs are within the area of federal jurisdiction as defined by Article 1, Section VIII of the Constitution of the United States as interpreted by the federal court. However, I and representatives of the Attorney General for the State of Utah have searched the law books in vain for any previous attempt by a federal agency to use the threat of criminal prosecution to compel affirmative action by state or local officials, even though such state or local officials might feel that such action is in violation of their duty to their constituents and to their oaths of office.

I submit (1) that the proposed regulations are in violation of the 10th Amendment to the Constitution of the United States; (2) that they are not supported by a grant of power to the EPA in the Clean Air Act of 1970, and (3) that if such a grant of power were to be claimed by inference from the language of the Clean Air Act of 1970, such a grant of power would be an unconstitutional delegation of the legislative authority under the decision of the U.S. Supreme Court in the landmark case of *Schecter Poultry Corporation* v. *U.S.* 295 U.S. 495, decided some 40 years ago.

I do not like controversy between public officials or between various levels of government, particularly when we are all attempting to solve a serious social problem. However, if cooperation is to exist, it must be mutual cooperation and not a dictatorial posture by EPA. If the EPA will recognize our rights as state and local governments to move in our proper areas of authority, we will welcome their help and advice. In the hope that such may be the attitude of the EPA in the future, as it has not been in the past, let us now turn to an examination of the details of the proposed regulations.

THE PROPOSED REGULATIONS

I would like first to discuss a matter that is common to seven of the eight proposals. Seven of the proposed regulations provide that the state or local governments shall submit, no later than October 1, 1973, a detailed compliance schedule showing steps that will be taken to establish and implement the proposed regulations. I think it is evident that this deadline cannot, under any circumstances, be met. It is now July 27, 1973. Furthermore, I understand that this record will be kept open for 30 days for further hearing or filing of statements. Presumably it will take some time for the Administrator, or his representative to review the record and to determine whether or not, on the basis of statements made here, modifications should be made. It is difficult to see how this work could be done in less than a period of weeks, particularly if, as is stated on page 17 of the background statement "the Administrator's final promulgation of the transportation controls for the Wasatch Front will be influenced by the comments and testimony he receives."

In my opinion a lead period of 90 days would be required between final promulgation of the regulations and the submission of state or local compliance schedules. Substantial detail is required in these compliance schedules, including the actual preparation of bills to be presented to the legislature to effectuate the schedules. This work, in my opinion, could not be performed in less than 60 days if it were done conscientiously. Thereafter, it would be necessary for the State Air Conservation Committee to hold hearings on such proposed compliance schedules if we are not to violate the state law and the existing regulations of the EPA. Such hearings would require 30 days notice under established law and regulation. For this reason the Administrator in promulgating final regulations should certainly include in such regulations a more realistic deadline within which state and local governments could submit their compliance schedules.

Sec. 52.2337—Inspection and maintenance program

The State plan included a once per year engine tune-up maintenance and inspection of the installed pollution control devices. The EPA plan would require semi-annual inspections using an idle-mode test. Such vehicle evaluations require special training and the use of special equipment. A new program of enforcement, including spot checks of both inspection stations and vehicles, would be required.

This is a reasonable program, a good program, and one which the state does intend to adopt. Whether inspection shall be by state employees, as in the case of our driver examination program, or by authorized commercial garages and service stations, as is the case with our mechanal inspection program, is a policy matter for legislative determination.

I would prefer that the matter be handled by licensed commercial establishments, if in fact it is determined after a sufficient survey that enough commercial establishments will be willing to install the necessary, rather expensive equipment which will be required to adequately perform the more than one million inspections each year. It is quite evident that if the state is to perform the inspections it will require the employment and training of several hundred state employees, the purchase of a great amount of equipment, and the installation of a substantial number of testing stations. Whether or not the legislature would be willing to provide the rather extensive budget that would be required for this purpose, I cannot, of course, know. However, I am in agreement that whether it be done by commercial establishments, or by the state, an effective inspection program to check automobile emissions and to keep them within allowable tolerances is an absolutely essential part of any control strategy, whether it be established pursuant to the state air pollution control program or pursuant to a mandate from the federal government.

There is one provision, however, that I feel should be deleted from any regulation regarding inspection. This is the proposed section (c)(2) which provides that any program for inspection shall include "provisions for inspection failure criteria consistent with the emission reductions claimed in the plan for the strategy. These criteria shall include failure of 50 percent of the vehicles in the first inspection cycle."

Presumably this requirement for failure of at least 50 percent of the vehicles would apply even though more than 50 percent of the vehicles met the standards. This is similar to giving a policeman a quota for issuing of tickets, or making arrests within a given period regardless of how many violations he observes—a long ago discredited and discarded method of law enforcement administration.

Sec. 52.2338—Air bleed to intake manifold retrofit

Sec. 52.2339—Regulation for high-altitude efficiency modification

I will discuss these two proposed regulations together, as the comments I will make are applicable to both. I am in agreement that all motor vehicles operating on the roads of the state of Utah should be required to be fitted with necessary mechanical devices to bring emissions within tolerable limits as quickly as is practicable after such devices are tested and are available on the market.

The performance of research and the encouragement of manufacturers to produce such devices is part of the specific charge of the EPA under the Clean Air Act of 1970. I am advised, however, that such devices are still in an experimental stage, and that the EPA currently has pilot programs underway to test the efficiency of devices that are in production.

I am informed that the cost of fitting automobiles with these devices is quite substantial—up to $110 for automobiles of model years prior to 1968 on which both the air bleed device and the high altitude efficiency modification would be required, and approximately $40 for vehicles of model year 1968 to 1974 which would require only the high altitude modification. This would obviously require an investment of somewhere in excess of $40,000,000 by the citizens of the state of Utah in the modification of their automobiles. This amount would not be too great an investment to be required if in fact the installation of the devices will make a material contribution to the reduction of automobile exhaust pollutants. If on the other hand, the devices would make no contribution toward, or only a minimal contribution toward pollution control, people of the state would quite properly resent being required to make this investment. The state of Utah can and will adopt regulations requiring the installation of adequate pollution control devices as quickly as such devices are proved effective and are available on the market. For the state, however, at the present time to place into effect a regulation that vehicles shall be fitted with such devices on or before July 1, 1976 would merely be a sham compliance with the EPA regulations. It is not the desire of the state government to regulations merely to achieve technical compliance with an order from the EPA, if it appears that the standards may not be met.

Sec. 52.2340—Bus/Car Pool Lanes

The Legislature of the State of Utah has committed itself to the strengthening of the mass transit system along the Wasatch Front. It has long been apparent here, as well as in other areas of the United States, that mass transit systems cannot operate solely on the fares generated by the riders—they must have a public subsidy. The legislature in 1971 provided for the establishment of mass transit districts because it was properly felt that individual units of local government did not have sufficiently large geographical jurisdiction to take care of this problem. Although there has been some controversy among our citizens and among members of the Legislature as to whether a mass transit system should be a no-fare or a low-fare system, there is general agreement that government must subsidize the operation of the buses or other type of transit operation. Accordingly the legislature in 1973 authorized the distribution of $1 million in state funds for the subsidization of mass transit systems, and also authorized local mass transit districts, upon approval of the citizens in a local referendum, to levy up to 2 mills on the property tax.

Improvement of mass transit is beginning to show in the habits of the riding public in this area. After a record of yearly decline for three decades the mass transit system in the metropolitan Salt Lake area appears to have turned a corner and shows a significant increase in partonage during the year just ended.

The proposal to strengthen mass transit along the Wasatch Front was part of the state strategy for reduction of motor vehicle pollution as submitted on April 13, 1973. We estimated in our proposal that the increased use of mass transit alone would reduce motor vehicle pollution in the Salt Lake City area by 2 percent. The background paper submitted with the proposed rules by the EPA places the estimate at only 1 percent. However, regardless of which estimate is right, we are committed to strengthening mass transit not only for the purpose of controlling pollution, but for other reasons related to the economy and the society of this area.

The provision contained in the proposed regulations for the creation of bus and car pool lanes is sound in theory, but contains certain details which, in my opinion, would increase, not reduce traffic congestion and thus increase and not reduce motor vehicle pollution.

The proposed regulation would provide that special bus and car pool lanes should be provided on roads and highways where there were more than two lanes in each direction. If there were four lanes, one lane would be for bus and car pools at all hours while an additional lane would be for bus and car pools at the period of high traffic. If there were three lanes in one direction, there would be no lane for constant use of bus and car pools, but one lane would be devoted to bus and car pools during peak traffic periods.

A practical problem arises in permitting the use of the bus lanes by car pools. It takes more than the mere enactment of a law or a regulation to govern the conduct of the general public. We have learned through experience in this country that people will not observe a law which the majority of our citizens regard as unfair, arbitrary, or just plain silly. The regulations would define a car pool as any car carrying three or more persons. While the average motorist with one or two persons in his car might regard the regulation permitting buses and not private passenger cars to use a special lane, I believe that they would not regard an arbitrary cutoff between two and three passengers, between three and four passengers or between four and five passengers as being a logical criterion on which to base the use of the highway. If a motorist riding alone or with one other passenger in his car saw a faster moving lane of traffic being used by other passenger vehicles, even though they might have three or four occupants, he himself would use that lane of traffic to take advantage of the faster speed; and no reasonable number of highway patrolmen, city police or county sheriffs could prevent the motorist from so doing. Furthermore, the uncertainty that would exist in such quasi law observance might well create greater congestion than now exists in all lanes, including the bus lanes.

While I am in agreement that bus lanes could and should be established at appropriate hours in areas where traffic is usually congested, it would be inadvisable to establish such bus lanes on those roads where traffic at all times, or substantially at all times, moves at a reasonably rapid rate of speed. For example, the interstate highways which run through and around the Salt Lake City metropolitan area carry a substantial portion of the traffic into and out of downtown Salt Lake City. Except for a few trouble spots where at certain hours of the day we are experiencing congestion for short periods of time, traffic on these interstate highways generally moves at the posted speed limit. Therefore, a bus would gain no appreciable advantage in point of time required to traverse the highway if it had a special lane. On the other hand, making available a special lane of traffic for the very low utilization it would receive from bus traffic would crowd the remaining traffic into fewer lanes, and could very well create points of congestion where none now exist. The highest degree of automobile pollution occurs in the case of stop and go traffic such as is incident to congestion on streets and highways. Furthermore, when there is congestion, uncertainty exists among the motorists, and changing lanes frequently results in traffic backups in all lanes. Therefore, establishing bus lanes under these situations might well result in a substantial increase rather than a decrease in carbon monoxide pollution.

I am cognizant of the fact that the proposed regulation would provide that certain streets or highways could be exempt from the requirements of the special bus lane if permission for the exemption is obtained from the Administrator. This, however, appears to be an unreasonable intrusion of the federal government upon the power of the state and local governments. The confusion and red tape required when an officer in Washington undertakes to regulate such matters as traffic on city streets, including such details as where buses may make left hand turns, where directional signs must be installed, and how the lines on streets shall be painted, is plainly evident. Officials of local government not only have more knowledge of the situation, but they also have deeper concern with the solution of the problem, and are in a position to react much more rapidly to changing situations that may occur in traffic patterns. Predetermination of such details is impossible; therefore, local officials must have latitude to react to situations as they occur. This would be a costly exercise in futility, the cost of required signs and interchanges alone is estimated at $20,000,000.

Sec. 52.2341—Management of parking supply

The proposed regulations would provide that no new parking facilities or modification or enlargement of existing facilities could be constructed in Davis, Salt Lake, Weber or Utah counties, without permission of the Administrator of the EPA.

The state in its plan which was submitted on April 13, 1973 proposed the limitation of on-street parking during certain hours in downtown Salt Lake City. This proposal was not made to harass the motorist by making it difficult for him to find a place to park, but for the purpose of opening up additional lanes which would move traffic more readily in the downtown area, and thus reduce the excessive use of gasoline incident to stop and go driving. However, if we are to reduce the number of parking spaces available on the streets in downtown Salt Lake, it is essential that we compensate by increasing the available off-street parking facilities. Therefore, this proposed regulation appears to be in direct contravention of good planning.

No doubt the limitation on off-street parking is being proposed for the purpose of making it more difficult for the motorist to find a parking place under the theory that the ultimate result will be to force him to make fewer trips or to ride public transportation. Perhaps there would be some effect in this regard, and to the extent that it did reduce travel, it would reduce gasoline consumption. On the other hand, it would have an adverse effect, which in my opinion would cause the consumption of a great deal more gasoline than the minor reduction of vehicles on the downtown streets would save.

If people have an automobile and can afford to drive it, many are going to drive because of the greater convenience as compared with public transportation. People who can't readily find a parking place on the street or in a parking lot are going to cruise the area until they can find a parking place. Therefore, a limitation of parking places off-street is going to occasion a substantial increase in the stop and go driving incident to the casual cruising around the downtown area. This meandering type of driver would tend to negate the benefit that would be obtained from opening up additional traffic lanes in the downtown area. It would result in substantial extra stop and go driving by the parking place seeker. The best thing to do, so far as air pollution control is concerned, is to get the car off the street into a parking place and get the motor turned off as expeditiously as possible. If severe restrictions are placed on parking in the central business district, many of the businessmen would be chauffeured to and from work by their wives, thus doubling the vehicle miles travelled for this group. This, therefore, is a regulation which I would have to oppose with all legal means available to me.

I am cognizant of the fact that the proposed regulation provides that the Administrator may grant permits if he sees fit. Here again, however, we have an unreasonable intrusion into local governmental affairs. A person desiring to construct a parking lot or expand a parking lot incident to his place of business would not be able to go to the city or county licensing office as he now may, or even to the more readily accessible state capitol, but would have to obtain permission either from, or under terms dictated by, an administrator in Washington, who knows little of local conditions.

Furthermore, I would like to point out that it is practically impossible to build and operate a commercial establishment of any kind without providing parking, both for employees and customers. The motel, the hotel, the super-market, the office building, the variety store; all must have available parking if they are to exist. Therefore, for the Administrator to assume control over the granting of licenses for the construction of parking facilities in the four counties containing 78 percent of Utah's population would give the Administrator dictatorial control over future commercial and economic development of this state.

Sec. 52.2342—Regulations for limitation of on-street parking in Salt Lake

It is difficult to determine why this regulation is being proposed. It is part of the state's air pollution control strategy submitted by the state on April 13, 1973. To again propose it in this form can have no other effect than to convey to the public the impression that the state has refused to take this action, and that the federal government had to step in. This impression is false and misleading.

Sec. 52.2343—Regulation of on-street parking in Provo

This proposed regulation covers an area not within the state plan which has been presented. I assume that a representative of the City Commission of Provo, Utah will discuss this proposed regulation, and I will, therefore, refrain from comment.

Sec. 52.2344—Gasoline limitations

The proposed regulation in this regard would require the state to limit annual gasoline sales in Davis, Salt Lake, Utah and Weber counties for the indefinite future to the volume experienced during the 12 months ending June 30, 1973. The regulation would further require the State of Utah to set up procedures to implement such rationing.

I feel that consistent with my oath of office to the people of the State of Utah, I would have to oppose this regulation with all legal means available to me. This proposed regulation represents an unconscionable intrusion of the federal power into state and local government. It would be ruinous of a major section of Utah's economy. Furthermore, it is so poorly conceived that it might increase rather than decrease motor vehicle pollution in the area.

I should point out first that the test period itself is a period of depressed gasoline consumption because of shortages of gasoline that began to develop in May and June of this year. I also point out that the devices which are being placed upon automobiles to control pollution, including those which are going to be installed on older vehicles, while they may reduce pollution substantially, will increase consumption of gasoline. What we are being asked to do, therefore, is to limit all future consumption to a depressed base period notwithstanding the fact that more, not less, consumption of gasoline will be required in driving any given mileage as a result of the operation of pollution control equipment.

Although only approximately 6 percent of the vehicle miles driven in the Wasatch Front area are driven by tourists, this relatively small segment of traffic has a major impact on the economy of the region. 34 percent of the persons employed along the Wasatch Front are employed in the service and trade categories, to which employment tourism is a major contributing factor. That the imposition of gasoline restriction in the Wasatch Front would inhibit tourism cannot be doubted. The fact of such rationing would be a matter of common knowledge throughout the country, and tourists planning their trips, fearing an inability to get a sufficient supply of gasoline in the Wasatch Front area, would plan their vacations to avoid the area.

Even a reduction in tourist travel by 30 percent, and I think that is a conservative estimate of the reduction that would occur, would deal a severe blow to motels, hotels, service stations and grocery stores, and in fact to the whole economy. The tourist dollar, although coming from what is technically a second industry, represents new money and turns over in the community generally as rapidly as money generated in primary industry.

On the other hand, the rationing program within the limited geographical area would, in my opinion, not reduce the consumption incident to the 94 percent of the mileage driven by local driver. In fact it would actually increase the consumption among residents, probably more than enough to make up for any reduction in gasoline consumption by tourists. As the rationing would apply only in the four counties, any resident finding a shortage of gas at his local service station could, by a drive of 15 or 20 miles into Box Elder County, Tooele County, Juab County, Summit County or Morgan County, fill up at an unrationed service station. Therefore, to the burning of the gasoline incident to his ordinary travels within the rationed area, would be added the additional consumption resulting from his travel to a service station outside the rationed area. Furthermore, rationing within a restricted area would inevitably give rise to the very dangerous practice of home storage of gasoline by those who want to cut down the frequency of their trips to service stations beyond the border of the rational area.

Nor would it do any good to expand the geographic area of the limitation. It would merely move the boundary out a few miles. Gasoline rationing cannot be successful if it is done on the basis of a geographical region with artificial boundary lines across which the motorist can go to buy and transport gasoline without restriction. If gasoline rationing is to have any chance of being successful in reducing consumption, it will have to be nationwide.

CONCLUSION

On May 31, 1972 the Administrator of the EPA determined that there was no reasonable way to meet the 1975 deadline for achieving the ambient CO levels. On this basis he, on his own authority, extended the deadline to 1977 for several states, including Utah. Subsequently, resulting from action brought against EPA by the Natural Resources Defense Council, the United States Court of Appeals for the District of Columbia rendered a decision ordering a revocation of the extension by the Administrator, but at the same time providing that "the Administrator shall not grant any state an extension for attainment of the primary standard unless he first complies with the procedures established in Section 110(e) . . ."

Following this court order, Utah complied with each of the five requirements of the Clean Air Act:

1. We presented a plan for attainment of the standard by 1975.

2. I, as Governor, submitted valid reasons why the sources are unable to comply with the requirements by 1975.

3. The State considered and applied as part of its plan reasonably available alternate procedures.

4. The State plan applied to all sources significantly contributing to CO levels the regions under question.

5. The State plan included all measures, interim or otherwise "as are reasonable under the circumstances."

As of this date EPA has disapproved Utah's valid request for an extension to 1977, and this list of unreasonable, impractical and unworkable restrictions are proposed, apparently as "reasonable interim measures" to be imposed on the citizens of Utah.

Utah's plan which is already well under way, is more than adequate to meet requirements, and untold costs in time and money unnecessarily spent without commensurate benefit can be avoided by approving an extension to 1977.

On page 13 of the background paper the effects of transportation controls are summarized. The paper states that the reductions required by 1976 are 54 percent in Salt Lake City, 46 percent in Ogden and 51 percent in Provo. The schedule contained in the background paper further points out that the strategies already proposed by the State of Utah plus those contained in the proposed regulations would result in a reduction in carbon monoxide pollution—over and above the federal motor vehicle control program—of 65 percent in Salt Lake City, 11 percent more than is required; 53 percent in Ogden, 7 percent more than is required; and 59 percent in Provo, 8 percent more than is required.

An examination of the schedule indicates that the required reductions would be met by the controls already proposed in the State plan heretofore submitted, plus those which I have in this statement indicated we are willing to implement as quickly as is practicable. The two proposals to which I object most strenuously, and which I have indicated I will resist by court action, namely, the control of parking facilities and the limitation of gasoline supplies, are not even necessary.

If the Environmental Protection Agency will revoke the two highly objectionable proposals, modify the retrofit, inspection and maintenance, and bus/car pool lane strategies to be mutually satisfactory to EPA and the State of Utah, and invest the representatives in the Denver office with authority to work with us cooperatively rather than dictatorily in an effort to implement the other proposals, I am certain that this problem can be met and solved.

ATTACHMENT NO. 1 BY GOV. CALVIN L. RAMPTON

EPA EVALUATION REPORT FOR THE UTAH TRANSPORTATION CONTROL PLAN 6/21/73

Section 51.14—Control strategy carbon monoxide

I. "The strategy does not provide for attainment and maintenance of 8-hour standard in Salt Lake City and does not discuss Provo and Ogden."

Comment.—The Utah State Air Implementation Plan was based, as instructed by EPA, on the base year data of 1970. Those data indicated no problem in either Provo or Ogden.

Although in 1972, when the transportation plan was being written, EPA suggested the State use 1971 data for a base because calculations using that year's data required less control to achieve the standard, the staff opted to retain 1970 as the base year since measured yearly ambient levels can vary both up and down from year to year because of meteorological parameters beyond control. It, therefore, is logical to fix a reference year and stick to it at least until a plan is written and tried out. 1972 data for Ogden and Provo show some short periods which exceeded the standard, but insufficient data are available to indicate a trend. As a matter of fact, 8-hour averages above the standard are apparently associated to a large extent with inversion conditions.

It is emphasized that all calculations for determining the amount of CO emission reduction to be obtained are based upon assumptions. None of the control procedures proposed by EPA or anyone else have been tried out. No one knows even approximately what results will actually be obtained.

1. Salt Lake City

"(a) . . . Although this reduction (25% reduction claimed in Utah's plan for the effect of federal controls on new vehicles) would have been correct at sea-level prior to the extension granted by the Administration for control of new vehicles, the number must be modified for Salt Lake City's high altitude and the effect of the extension."

Comment.—(a) If the Administrator has determined that the Federal date of achievement is impossible, it is unrealistic to require the states to impose more unreasonable requirements to take up the slack.

(b) It was recognized that high altitude operation of a gasoline engine tuned to operate at sea level could increase CO output, however, no definitive information was available at the time the plan was written for an estimation of the extent. This information is still not available. A study conducted by Colorado State and EPA is now in progress to determine how much if any effect actually results. The tentative results will be available in December 1973. (Private communication with Colorado State.)

"(b) The Plan claims a 15% reduction in carbon monoxide from the State's Inspection and Maintenance program. Assuming the State institutes an idle inspection system, the maximum reduction per vehicle would be 10%."

Comment.—The GCA (EPA's own consultant) report on the study of Salt Lake City state that 10–25% reduction in emissions could be expected from an inspection-maintenance program (not including retrofit devices). EPA now chooses to accept another estimate. In a game of estimates, the man with the final review can always over-rule any applicant.

(c) *Emission Reduction from Traffic Flow Improvements and Vehicle Restraints:*

"The plan indicates that the proposed combination of computerized traffic signals and prohibition of curb parking during peak traffic periods will increase average vehicle speed from 15 to 22 m.p.h. in the central business district of Salt Lake City, resulting in a 30-percent reduction in carbon monoxide emissions. The plan also indicates that traffic volume will increase 15 percent by 1975, with a corresponding increase in emissions. Subtracting this traffic increase from the estimated 30-percent reduction in emissions leaves a net reduction of 15 percent. Since the plan takes credit for a 9-percent reduction in carbon monoxide emissions from the computerized traffic system, only a 6-percent reduction can be credited to the parking restrictions, instead of the 8.5 percent claimed by the State."

Comment.—The staff did not make a calculation error as implied. Since GCA (EPA's contractor) had made an in-depth study of Salt Lake City's problem and had arrived in their calculations at a figure of 8.5% (which is in the same range as the state's 6%) it was concluded that of the two figures, GCA's was most likely to be correct. This is so stated in Utah's plan.

(*d*) *Calculation of Overall Reduction:*

"The Plan erroneously applies all of the individual reductions to the same base value, the total 1970 emissions of carbon monoxide in Salt Lake County (226,110 tons), whereas only vehicular emissions will be reduced by the control strategies. In addition, applying the FMVCP to the vehicular emissions leaves a substantially lower number to which the next strategy may be applied (See attachment 3).

Comment.—a. Utah's calculations for reduction strategies for the Core Area of Salt Lake City were *not* based on the tons of emissions of CO in Salt Lake County. Such a calculation obviously would be erroneous, since it would include CO from fixed sources whereas the control strategies apply only to mobile sources. Actually, calculations for Utah's Plan were based upon ambient levels measured in the Core Area, i.e., parts of CO per million parts of air and percentages.

No attempt was made to correct for CO from fixed sources in the State's calculations for three reasons: (a) the most significant fixed sources of CO in Salt Lake County are situated such that their emissions cannot affect CO levels in the Core Area. (b) Measured data indicate that the CO levels in the Core Area are almost entirely due to vehicular traffic. (c) The estimates and assumptions made in assigning a given degree of achieved control from any of the available strategies involve probably errors which did not and still to this date do not warrant such small adjustment. EPA calculations are not valid since they use emissions data from every source in the whole county to determine the extent of control in the small core area of the city. In like manner, the EPA proposal to require controls on the bulk of the vehicles in the State to effect ambient CO reductions in three very small core areas is completely illogical. (d) EPA's contention that Utah erred by calculating the reduction to be achieved from each phase of its strategy on the basis of the total rather than on the remainder after each incremental reduction is based on false assumptions for several reasons: (1) The incremental procedure assumes that each phase of the strategy will be applied individually in some predetermined order; actually, in both Utah's plan and EPA's proposal, all strategies are applied simultaneously. (2) If the incremental procedure (as illustrated by EPA) is applied in which the tonnage reduction is calculated from the percent reduction anticipated from each strategy, the final result differs depending on the order in which the strategies are assumed to be applied. (3) The probable errors associated with the assumptions on which all of these calculations are based are far greater than the small differences which result from mathematical manipulations. In this regard it is pointed out that on page 5, item 4 of EPA's table illustrating Utah's "error" in calculation uses the same "erroneous" procedure, i.e., adds up the percent reduction for several strategies, then applies this to the previous base.

2. Ogden and Provo

"Ogden According to data obtained from the Utah State Division of Health by GCA Corporation, the second highest 8-hour concentration of carbon monoxide in Ogden was 17 ppm. This concentration, which occurred in 1971, requires a reduction of 47 percent from the 1971 emission levels of carbon monoxide in Ogden. The State plan presents no strategy to attain and maintain the national 8-hour standard for carbon monoxide in Ogden."

"Provo According to data obtained from the Utah State Division of Health by GCA Corporation, the second highest 8-hour concentration of carbon monoxide in Provo was 20 ppm. This concentration, which occurred in 1971, requires a reduction of 55 percent from the 1971 emission levels of carbon monoxide in Ogden. The State plan presents no strategy to attain and maintain the national 8-hour standard for carbon monoxide in Provo."

It is completely irrational to impose drastic limitations on motor vehicle operation throughout a four-county area (for some strategies proposed, state-wide restrictions would be necessary to make enforcement possible) in order to reduce the CO concentrations in three very small core areas. Up to this point the staff has followed EPA (and its contractor) guidance in preparing a control strategy even though we had grave doubts as to the benefits to be realized and the practicality of application. With the advent of EPA's present completely dogmatic, unreasonable, and unrealistic proposal, it is obvious that the State should alter its course and take time to develop a direct, simple and workable approach to reduce CO concentrations (if this is indeed necessary) in the three areas designated. Since the times that the standard is exceeded occur almost exclusively in the fall and winter months, are associated with adverse meteorological conditions and are of limited duration, the direct approach of limiting or prohibiting vehicular traffic within the core areas on an air episode basis would appear to be the most effective approach yielding the greatest benefits from the least cost.

In both Provo and Salt Lake City, the number of times the standard is exceeded varies widely from year to year. In Salt Lake data have been collected long enough and the number of times per year the value is exceeded indicate that the measured CO concentrations are, in fact, not entirely the result of unusual circumstances. In Provo, the wide variations in the values for the three years it has been monitored raise serious questions as to the existence of an actual problem.

In Ogden the situation is even more tenuous since data have been collected for only two years.

THE DAVIS CUP FINAL

Mr. FULBRIGHT. Mr. President, a major international sports event will take place in Arkansas this weekend. The American Zone final of the Davis Cup, in which the United States will face Chile, will be played at the Burns Park Tennis Center in North Little Rock.

The North Little Rock tennis facilities are among the finest in the Nation and we are proud that Arkansas has been chosen as the site for this important tennis competition. Those associated with this event have been working hard to insure its success.

I am pleased to join in welcoming the Chilean team members to Arkansas, and I am sure they will be treated to traditional Arkansas hospitality during their stay.

Members of the U.S. team are Stan Smith, Dick Stockton, Tom Gorman, Harold Solomon, and Erik Van Dillen. Dennis Ralston is the nonplaying captain.

DAVID E. K. BRUCE HEADS U.S. LIAISON OFFICE IN PEKING

Mr. PERCY. Mr. President, James Pringle, of Reuters, in a dispatch from Peking carried in the New York Times of July 11, 1973, gave an interesting report on the "settling in" of David K. E. Bruce, who heads the U.S. Liaison Office in Peking.

With his customary intelligence, discretion, and vigor, Ambassador Bruce will represent the United States well in Peking. Evangeline Bruce is a magnificent person. The insights in Mr. Pringle's article attest to this, and I recommend the article to the attention of my colleagues. I ask unanimous consent that excerpts from the article be printed in the Record.

There being no objection, the excerpts were ordered to be printed in the Record, as follows:

DESPITE LOW U.S. PROFILE, BRUCE'S DIPLOMACY IS MAKING AN IMPACT IN PEKING

(By James Pringle)

PEKING, July 10.—"Now we are in business," said David K. E. Bruce in his easy Virginia drawl.

A tall, spare figure, the longtime American diplomat looked up into the damp, dull early-morning sky over Peking at the Stars and Stripes hanging limp atop a 20-foot flagpole in the compound of the first permanent American mission here since 1949.

As uniformed Marine guards—some wearing Vietnam campaign medals—stood rigidly at attention watched by soldiers of the Chinese People's Liberation Army on duty at the gate, Mr. Bruce's wife, Evangeline, photographed the brief flag-raising ceremony. Then the 75-year-old envoy, a former Ambassador in Paris, Bonn and London, who was called from retirement to undertake this assignment, turned and entered the mission with his two principal aides, Alfred le S. Jenkins and John Holdridge.

In a sense Mr. Bruce had been "in business" from the moment he stepped off a plane on May 14, and the "quiet" diplomacy favored by the soft-spoken Democrat has already made its impact on Peking's cloistered diplomatic community.

CHARM AND DRY WIT

The charm and dry wit of this gifted conversationalist have already had a chance to rub off on two of the hitherto most uncompromising figures in China's leadership, Chiang Ching, wife of Chairman Mao Tse-tung, and Yao Wen-yuan. Mr. Yao, a leftist literary and theatrical critic from Shanghai who is now No. 6 in the leadership line-up, fired the opening volley in the Cultural Revolution in 1965.

In what appeared to observers here as an indication that the left was giving its imprimatur to the new Chinese-American relationship, Miss Chiang and Mr. Yao appeared with Mr. Bruce at a mid-June basketball game between Chinese and American sportsmen in the Capital Stadium, where "Ping Pong diplomacy" had its first manifestations.

It was a table-tennis match here in April, 1971, that led to President Nixon's visit last year and to a later visit by Henry A. Kissinger, Mr. Nixon's adviser, that resulted in the opening of liaison missions in Washington and Peking.

Typically, the Chinese gave the American party only a minute's advance warning that Miss Chiang would be present, and for the first time, at least since the start of the Cultural Revolution, the former Shanghai film actress shed her well-tailored Mao suit for an elegant midlength grey dress with white sandals and matching shoulder bag.

EMBASSIES IN ALL BUT NAME

Their appearance together and the affable conversation were televised nationwide. As a foreign envoy present remarked, "It's going to be hard for Americans to maintain their low profile in China for long."

With diplomatic immunity and the right to send coded messages and issue visas, both liaison offices—China's is headed by Huang Chen, former Ambassador in Paris and a Central Committee member—operate as embassies in all but name, handling trade matters, cultural exchanges and political reporting. Since the two nations do not have formal diplomatic relations, largely because of the Taiwan issue and Washington's continued recognition of the Chinese Nationalist Government, the missions do not have formal status.

Mr. Bruce ordered the downbeat tone to avoid violations of strict protocol. However, Chinese officials are relaxed about this and refer to Mr. Bruce in conversations with foreigners as "Ambassador." There is little doubt that the Chinese hope to see the liaison office's status raised to embassy level once the Taiwan issue is resolved.

The Americans do not attend formal diplomatic receptions or state banquets, missing an opportunity to exchange information—almost the chief rationale of such functions here, where significant news is scarce.

Mr. Bruce has been received by Premier Chou En-lai, an exact contemporary with whom, in terms of breadth of interests and experience, he has much in common. He has also met formally with Foreign Minister Chi Peng-fei and Deputy Foreign Minister Chiao Kuan-hua, a tall, urbane figure who headed Chinas delegation to the United Nations General Assembly last year and who also refers to the American as "Mister Ambassador."

In a sleek black Chrysler flying a small American pennant, Mr. Bruce has also made official calls on the ambassadors of several friendly nations, including France, Britain, West Germany, Canada and Australia, Mr. Jenkins, 50, the State Department's leading China specialist, and Mr. Holdridge, 48, formerly of the National Security Council, both of whom speak Chinese, paid similar calls.

Now that American visitors are arriving more frequently, Mr. Bruce receives them for formal briefings and receptions. The most recent was for a group of legislators and their wives led by Senator Warren G. Magnuson, Democrat of Washington.

An Assistant Foreign Minister, Wang Hai-jung, who is reported to be Chairman Mao's niece, was among the guests. Longtime American residents who work for the Chinese and who were invited stayed away.

On a typical day Mr. Bruce might take a brief stroll in the leafy park across the road from the mission. On hot afternoons he can go for a swim at the spacious pool in the nearby International Club.

A short walk along a covered concrete path takes him from his residence to the mission, where his office is on the second floor of a well-appointed building constructed in record time by about a hundred Chinese.

He catches up on the news in cables from Washington, a daily file of news from the United States Consul General's office in Hong Kong and a digest of the reports of foreign news agencies prepared by the Chinese for embassies.

All the diplomats speak Chinese and have China experience gained either in Hong Kong or in China. "The American mission has instantly become one of the best in town," an envoy said.

Mr. Bruce may then spend the rest of the day calling on colleagues, receiving visitors or reading. He has every recent book on China—their authors often send him copies—and he is rapidly acquiring a broad background.

Mrs. Bruce, a vivacious and active diplomatic wife, who, like her husband, is popular with both Americans and Chinese, is presiding over the decoration of the residence.

Mrs. Bruce has acquired a liking for the straw baskets used by peasants, and on a recent visit to a commune with her husband she bought a dozen, which she is painting and lacquering for decoration.

THE GENOCIDE CONVENTION: PUNISHABLE ACTS AND THEIR PUNISHMENT

Mr. PROXMIRE. Mr. President, article III of the International Convention on the Prevention and Punishment of the Crime of Genocide specifically states which acts are punishable:

> (a) Genocide;
>
> (b) Conspiracy to commit genocide;
>
> (c) Direct and public incitement to commit genocide;
>
> (d) Attempt to commit genocide; and
>
> (e) Complicity in genocide.

The major question raised by this passage concerns the effect that the words "direct and public incitement to commit genocide" have on freedom of speech guaranteed in the Constitution. When asked whether constitutional protection in the field of free speech would be adversely affected by this treaty, then Assistant Attorney General William Rehnquist said in 1970:

> I am satisfied, first, that they would not be and, second, that they could not be.

Article IV of the convention then explains who may be punished for genocidal acts:

> Persons committing genocide or any of the other acts enumerated in article III shall be punished, whether they are constitutionally responsible rulers, public officials or private individuals.

The emphasis here is clearly on individuals, regardless of their position, if any, in Government. There are those who claim that the treaty is weakened, because of the lack of a specific reference to make governments punishable. However, looking at this from a realistic viewpoint, there is nothing that the international community can do to punish government-instigated genocide. Of course, charges may be raised at the International Court at the Hague or at the United Nations, but only moral pressures can be brought by these bodies. Thus the treaty is in reality recognizing that, presently, international law does not provide the means to punish a government in power.

Mr. President, I believe the Genocide Convention to be an outstanding document, and the Senate cannot afford to hesitate any longer in its ratification.

"EQUAL TIME" FOR CBS: ALL THE CONSUMER NEWS THAT IS FIT TO BROADCAST

Mr. PERCY. Mr. President, on June 29, 1973, I made reference to the article "Broadcasters and Consumer News: A Distressing Picture" and asked that it be printed in the CONGRESSIONAL RECORD. The article, appearing in the publication Media & Consumer, was taken from a presentation given at Columbia University's second annual journalism conference by Mr. Arthur Rowse, a widely read and respected columnist.

The central thesis of his presentation projected the consistent neglect that the media has given consumer oriented news. Several statistics relating to the low frequency of consumer news appearing on the major networks were cited, along with reasons why such a condition prevails. These reasons included undue advertiser pressure, internal conflicts of interests among broadcasters, and fear of displeasing the administration in power.

Recently, I received correspondence from Mr. Richard W. Jencks, vice president of the Washington office of the Columbia Broadcasting System, who questions the major charges of Mr. Rowse and terms them "unfair" and "unfounded."

In fairness to the news media, and particularly CBS, I wish to abide by the "equal time" rule and share Mr. Jencks' views with my colleagues.

I believe my colleagues will concur that the Record is more impressive than the aforementioned article would imply. I trust that continuing and expanded interest will be shown in the legitimate concerns of consumers by our news media.

Mr. President, I request unanimous consent that the letter of July 9, 1973, from Mr. Jencks be printed in the Record along with selected portions of an attached compendium entitled "CBS/Broadcast Group Coverage of Consumerism."

There being no objection, the material was ordered to be printed in the Record, as follows:

Richard W. Jencks' Letter

Dear Senator Percy: I have read with interest your statement printed in the *Congressional Record* of June 29, reprinting a speech by Arthur E. Rowse in which the charge is made that broadcasters in general—and networks in particular—neglect consumer news and that they do so because of advertiser pressure, internal conflicts of interest and fear of displeasing the Administration in power.

Mr. Rowse bases the bulk of his comments on data derived from the January issue of the *Vanderbilt University Television Index*. This index covers only the network evening news broadcasts, completely excluding all other news and public affairs broadcasts and, of course, excluding all local news broadcasts. Even in terms of its limited scope, however, the Vanderbilt Index of consumer broadcast items is very narrowly defined. Many news stories of prime consumer interest are not categorized under its "Consumer Protection" heading, nor cross-indexed there. Thus, while Mr. Rowse found only 10 consumer news stories by CBS News in January, a more careful survey of the index would have revealed additional stories under headings such as Environment, Ecology, Health, Cold Remedies, etc. For example, a five-part series on the energy crisis broadcast on the CBS Evening News with Walter Cronkite on January 23, 24, 25, 26, 30, and on February 2 dealt with a critically important area of consumer news but was indexed under Ecology and Health rather than Consumer Protection. I enclose a transcript of this series for your information. With a more accurate indexing concept, the CBS Evening News with Walter Cronkite would be found to have reported, not ten, but a minimum of 18 consumer news items in January, consuming over 46 minutes, 30 seconds, of broadcast time rather than the 10 minutes cited by Mr. Rowse.

The reasons Mr. Rowse ascribes for our alleged neglect of consumer news are familiar canards, but they do not bear analysis. With respect, for example, to the charge that we neglect consumer news because of advertiser pressure, let me offer the statement of the well-known social scientist Herbert J. Gans, who has written: "Despite the old stereotype that media employees report the news as their owners and advertisers see fit, this is not true of national television and magazines, however true it may be of the local press." Mr. Gans' conclusion is reinforced by the fact that Mr. Rowse's only citations of alleged advertiser pressure are each a testimony to network integrity, viz. that we have reported the news as we saw it despite the displeasure of advertisers. Indeed, Mr. Rowse's litany of neglected news stories: "phosphate pollution, nutritional problems of snack food, tax loopholes for oil, auto safety problems, misleading advertising and deceptive packaging" are among the major stories which CBS News has consistently reported, some over a period of many years. For example, way back in 1966 in the CBS documentary entitled Crash Project: The Search for a Safer Car. CBS News was among the journalistic pioneers in exploring the charges made by Ralph Nader and others. In its review, *Variety* commented in part:

"Of more significance, however, than the arguments pro and con on car design was CBS' lack of inhibition in confronting one of the giants of advertising and letting the chips fall where they may. Thus a direct comparison of two competitive makes was shown with a tester from Consumers Union detailing the faults in one car and extolling the virtues of another while identifying both by name. This is indeed strong stuff and certainly more than most of the newspapers of the country would do under similar circumstances." *Variety* 5/18/66

This CBS tradition of "lack of inhibition in confronting . . . the giants of advertising" continues today. Thus, for example, on April 26 of this year CBS News broadcast a prime time documentary entitled "You and the Commercial" (reviewed by *Broadcasting Magazine* under the title "CBS Commercial Critique Examines the Hand That Feeds It") which examined the advertising campaigns of many of the nation's major television advertisers and which was the subject of a subsequent complaint to the FCC by the American Advertising Federation.

As to conflict of interest, Mr. Rowse contents himself with one isolated example, that involving NBC's Chet Huntley with respect to a story relating to meat inspection. I know of no other instance relating to any network correspondent or reporter, and I doubt that Mr. Rowse does.

Finally, the claim that we neglect consumer news because of "fear of displeasing the Administration in power in Washington" and the conclusion that "[as] a result, the networks have never really examined the important regulatory process which is supposed to protect consumers from economic cheats and unreasonable hazards" is nonsense.

Dan Schorr and other CBS correspondents have been in the forefront of those who have been consistently exposing defects in the regulatory process in Washington and it is common knowledge that neither he nor his colleagues have earned the good will of the Administration for their efforts in that regard.

Although Mr. Rowse accuses us of being vulnerable to government pressure, he closes with the threat that unless our record and that of other networks "improves markedly, and very soon, the prospect of even greater government interference in radio and television news operations will continue to grow." If government interference is the disease Mr. Rowse is complaining about, it is hard to see that "greater government interference" would be a cure.

In sum, we at CBS have devoted a great deal of effort to the coverage of consumer information and we believe Mr. Rowse's charges are both unfair and unfounded. In further support of that statement, I am pleased to send to you herewith a compendium entitled "CBS/Broadcast Group Coverage of Consumerism" which is illustrative of the coverage offered by the CBS Television Network, the CBS Radio Network and the CBS Owned radio and television stations in salient areas of consumer concern.

Sincerely,

Richard W. Jenks.

CBS/Broadcast Group Coverage of Consumerism

As we see it, consumerism in its broadest sense embraces activities in every sphere directed at improving the quality of life and the opportunity for each individual to get fair value for his efforts. In this context, consumerism's parameters are broader than the definition offered in the *American Political Dictionary*: ". . . the popular movement in the United States which aims at achieving effective protection for consumers . . . increased safety standards, truthful advertising, proper labeling, full compliance with regulatory laws and rules, control over food additives and dangerous herbicides and pesticides, consumer credit and pricing protection, and regulation of certain practices carried on by the legal and medical professions."

No aspect of consumerism stands alone. Protection for consumers involves not only the items enumerated in the *Dictionary*, but the fundamentals of environmental pollution, urban crime and congestion, hunger and faulty nutrition, health care, business service and government operation. It is in this broad arena that alert and responsible broadcasters conduct their efforts to improve the quality of life—serving the needs of the people for information about the changes and opportunities confronting human existence today.

The following pages are illustrative of the coverage of the CBS/Broadcast Group in salient areas of consumer concern. It is a record of which we are proud, and it is one which grows with every passing day. For the essence of consumerism is that it can never rest on its laurels.

The role of broadcasting as an informational medium in the age of consumerism is one with many facets. CBS News, and CBS Radio and Television Networks and the CBS Owned radio and television stations provide not only coverage of breaking news—intensive though that day-in, day-out job is—but also investigative reporting, discussion and community ombudsman activity. Radio and television today enjoy the attention and confidence of the communities they serve, and the units of the CBS/Broadcast Group regard protection of the public interest as a primary service responsibility. Here is an overview of what CBS has been reporting.

CBS TELEVISION NETWORK

The informational programming of the CBS Television Network is largely the responsibility of CBS News. Hardly a day goes by without coverage of consumer issues on the CBS Morning News With John Hart, the CBS Evening News With Walter Cronkite or the Saturday and Sunday Network news presentations. In addition to spot news coverage of government, product and ecological developments, these CBS News broadcasts have frequently presented special reports and series of reports backgrounding consumer issues. For example, in October 1972, a five-part series on the CBS Morning News reported on the complexities of bringing beef from the range to the table and explained what caused beef prices to be high. Topics on the news have ranged from automobile recalls to food hazards to waste disposal. The question which CBS News daily coverage always seeks to answer is how this or that news development will affect the consumer.

Investigative reports on consumer affairs are also given considerable attention and prominence in the major CBS News series such as CBS Reports and 60 Minutes. On 60 Minutes, for example, "The $10 Billion Overcharge," presented in two parts, graphically demonstrated what can go on in a mechanic's shop to inflate the costs of auto repairs, and explained what consumers can do to protect themselves. 60 Minutes summed up: "Many more people are killed in cars each year than are killed in airplanes, yet auto mechanics are unlicensed, and no one can touch an airplane without approval by Federal authorities."

Another two-part investigative report dealt with "FHA 235," a Federal Housing Administration program to assist low and moderate income families in the purchase of homes, a project which assumed the proportions of a national scandal because of the way these funds were misused. 60 Minutes has also examined consumer complaints about unscrupulous sales methods and shoddy building practices in the mobile home industry; the contradictions implicit when one part of the government subsidizes the tobacco industry while another supports the claims that cigarettes are a health hazard; and toys which may be physically or psychologically damaging to youngsters.

Without the availability of efficacious medicines and affordable health services to meet the needs of the entire population, the concept of improving the quality of life is reduced to meaninglessness.

In 1970, CBS News placed a national spotlight on the crisis in health care. CBS Reports: "Health in America," broadcast on successive evenings in prime time, examined the problems faced by millions of Americans in finding a doctor and obtaining medical care. The second installment, "Don't Get Sick in America," investigated the reasons for the rapid rise in medical costs and why health insurance is inadequate to meet them. The landmark documentary received an Ohio State Award. It was later adapted to book form with the title *Don't Get Sick in America,* with an introduction by Senator Edward M. Kennedy.

Other aspects of health services have been explored on 60 Minutes, which also investigated alleged inadequacies of the nation's private pension plans, examined expensive but often dangerous cosmetic plastic surgery operations, and looked behind the statistics to the causes of the alarming rise in heart attack victims.

More detailed listings of CBS Television Network broadcasts can be found in the section of this report devoted to the Network.

CBS RADIO NETWORK

On the CBS Radio Network, The Buyer's Scene, Today in Business and many other features threaded throughout the schedule background consumer news from varying perspectives. The Buyer's Scene provides information on how the consumer can more effectively utilize his money. Included on the broadcasts are tips on bargains, information on new products and reports of developments on the consumer action front. Today in Business puts economic news into focus after the close of each day's business activities, explaining how the consumer might be affected. Apart from the heavy volume of consumer news on hourly hard news broadcasts, the CBS Radio Network devoted 361 different programs to consumerism in the first seven months of 1972.

The CBS News opinion series Spectrum—presented three times daily on radio, and also on television as a part of the CBS Morning News With John Hart—frequently offers provocative commentaries on consumerism from articulate spokesmen for conservative, middle-of-the-road and liberal viewpoints. Spectrum's conservative voices have generally opposed increased government regulation in the area of consumer protection as a dangerous solution. M. Stanton Evans spoke of "the bankruptcy of government by regulatory decree," and averred that, "in case after case, the bureaus charged with serving the consumer interests have wound up as agents for a protected segment of industry." Jeffrey St. John declared that "the only protection (that more regulation) will provide is for those who seek to enlarge their own power in an already swollen Federal bureaucracy."

Reflecting a different emphasis, Shana Alexander, representing middle-of-the-road views, endorsed a proposed law making consumer education a part of the high school curriculum. Ms. Alexander states, "Leaving the answers to government, while programing the right questions into the people, is not a bad formula for sanity and survival today." John K. Jessup, also speaking for the middle-of-the-road, offered this view of Ralph Nader: "Nader's attacks on our business system are attempts to reform and police it within the American system of laws and economics. On balance he has probably done that system more good than harm."

Liberal Spectrum commentator Nicholas von Hoffman observed that Nader's charges against large companies result in "a growing distrust of the nationally advertised brands we once had such faith in." On another broadcast, the iconoclastic pundit posed the question "Can we afford to continue to have a General Motors?" and concluded "We can't take these sluggish, expensive, inflationary, initiativeless giants any more. . . ." Another liberal voice, Murray Kempton, criticized the standards of the Food and Drug Administration for purity of foods as "not rules for protection of the buyer but customs of tolerance for the seller."

CBS OWNED TELEVISION STATIONS

The nature of consumer problems provides an important role for the "ombudsman" at the local level. On WCBS–TV New York, for example, the consumer affairs reporter is a trusted voice in the community, regularly assisting viewers with information on where and how to find bargains, how to obtain services for the indigent, and how to contact government agencies to resolve consumer grievances. KNXT Los Angeles features staff specialists covering the field of health and medicine and even advising viewers on how to spend their entertainment dollars. On KNXT's Noontime broadcast, guest experts discuss consumer issues from how to spot misleading advertising to the value of various vitamins. The KNXT environment editor regularly advises Californians on how to enjoy the outdoors—with minimum expense.

Editorials on CBS Owned stations serve to elucidate and spark a dialogue on the principal consumer issues in each community. Frequently, editorials act as catalysts for change in the direction of enhanced consumer protection. For example, in July 1972, a WCBS–TV editorial lamented the fact that the station's consumer affairs correspondent was not able to identify by name New Jersey restaurants which violate the health codes (as she does regularly with regard to New York restaurants) because the list is not available to the press. The editorial stated: "We think that the public has the right to know the names of the offending food retailers. . . ." Subsequently, New Jersey's sanitary code was amended in a manner that not only permitted news media to publicize the names, but required all restaurants to make available to customers the health inspector's report upon request and to post in a conspicuous place the establishment's "rating."

Consumer programming on the CBS Owned television stations embraces a diversity of approaches. WCBS–TV specials have focused on nutrition, including the two-part That's No Way To Eat! and Nutrition: A to Z, a primer in 30 segments delivered by the WCBS–TV News science editor and carried by CBS Owned television stations. That's No Way To Eat! explored widely-held misconceptions about nutrition, and guest experts provided answers to questions about obesity, vitamin intake and nutrition for children and the elderly.

Regular WCBS–TV series demonstrating a heavy concentration on consumer issues have included The Urbanites, Woman! and Caveat Venditor—Seller Beware. The latter series, seen during 1970 and 1971, offered a historical perspective on consumerism, outlined existing and proposed laws to protect the buying public, and profiled Consumers Union and the New York City Department of Consumer Affairs as well as other agencies and individuals active in the movement. WCBS–TV has received requests from more than 75 high schools in the tri-state area interested in screening Caveat Venditor—Seller Beware for their students.

On WCAU–TV Philadelphia, "How Safe Is Your Neighborhood?," an installment of the Tenline series broadcast in June 1972 in prime time, featured a police detective and a reformed burglar answering viewer questions on how to protect homes and private property. On an August Tenline, the food editor of *The New York Times* and a nutritionist were on hand to answer telephone questions on food, diet and vitamins.

WCAU–TV's Bill Bennett Show has been a Sunday morning consumer service since 1956, working on a regular basis with the Pennsylvania Bureau of Consumer Protection. Betty Hughes and Friends, a daily WCAU–TV discussion program, generally devotes at least one program or segment each week to consumer affairs.

Starting in January 1972, WBBM–TV Chicago broadcast a special 13-week educational series on weekday mornings titled It's Worth Knowing About Consumerism. Segments ran the gamut of consumer issues, covering food, advertising, appliances, home furnishings, fashion, drugs, cosmetics, money and credit, installment buying, banking, insurance, borrowing, consumer fraud and consumer protection agencies. WBBM–TV's daily Lee Phillip Show has spotlighted subjects of consumer interest at regular intervals. The weekly series Common Ground has included consumer concerns, such as landlord-tenant relationships and responsibilities.

On KMOX–TV St. Louis, Heads Up, a weekly public affairs broadcast which has generally focused on the problems and aspirations of the black community, broadened its scope in 1972 for a special 16-week series Heads Up Reports: Problems in Family Living, which was also carried by other CBS Owned television stations. Representative segments of the series dealt with the tools and procedures connected with housekeeping, including the factors of health and safety; legal problems, naming the agencies that can help ease the family legal burden; the family budget; taxes; family health; nutrition; shopping and home repairs. KMOX–TV's Ten O'Clock News devotes a nightly segment to dealing with questions sent in by viewers, many of which involve consumer problems.

BERNARD T. CAMPBELL

Mr. FULBRIGHT. Mr. President, after a number of years of outstanding service, Mr. Bernard T. Campbell, superintendent of the Hot Springs National Park, is retiring from the National Park Service.

Bernie Campbell has consistently gone beyond the normal duties of a park superintendent and taken a special interest in Hot Springs and the State of Arkansas.

Besides his work at Hot Springs, he was particularly helpful in aiding in the efforts to establish the Buffalo National River in Arkansas.

I join many appreciative Arkansans in thanking Bernie Campbell for his dedicated service in our State and wish him and his wife, Iva, a pleasant retirement at their home near the Everglades National Park in Florida.

Mr. President, I ask unanimous consent that a column by John Fleming of the Arkansas Gazette about Bernie Campbell be printed in the RECORD:

There being no objection, the article was ordered to be printed in the RECORD, as follows:

SO LONG, BERNIE, AND GOOD LUCK

(By John Fleming)

There are some folks in this old world that you figure will never grow old and retire. Although I have known for a long time that the day was approaching, it was with surprise and regret that I found out Bernie Campbell has pulled up stakes and gone off to Florida where the Chamber of Commerce tells you it's warm in winter and cool in summer but never mentions the fungi that grows on your shoes if you leave them in a closet too long.

In the case of Bernard T. Campbell, the National Parks Service's gain was the State Department's loss. Here is a man who would have fitted into the diplomatic service like a tailor-made glove. Who else could have accomplished the feat Bernie performed during the period when the Buffalo National River was a mere gleam in the eye of the National Park Service? He had Sunday dinner at the home of one of the most ardent opponents of this proposition! During the period when it was dangerous for proponents of the National River plan to reveal their identity in the area. Bernie Campbell spent hundreds of off-duty hours wandering through Buffalo River country discussing the pros and cons of the project in that calm, even manner that makes him a pleasure to converse with whether you are in agreement or not.

Although his principal duty was the supervision of Hot Springs National Park, he gave generously of his own time to make the Buffalo National River a reality. In an indirect way, he was responsible for much of the vital strategy planning that went into the long battle that culminated with the enactment of the law establishing the National River.

In the mid-50s, when Bernie was assigned to the Everglades National Park in Florida, he built a home near Homestead looking forward to the day of his retirement. Here is where he and his lovely wife will certainly enjoy some well-earned leisure. It is certainly true, despite the fungi, that, as Bernie puts it, this area is "unique and beautiful in its own way."

Although he has forsaken the rolling hills for the flat sawgrass country, Bernie Campbell has left a mark of his presence in Arkansas that never will be erased. I'm sure his many Arkansas friends wish the best of everything.

AMERICA'S TRADE POLICY

Mr. **WEICKER**. Mr. President, on May 7, Senator CHARLES PERCY addressed the Connecticut Public Affairs Forum in Bridgeport, Conn. The forum, initiated and coordinated by the Connecticut Business and Industry Association, hosts knowledgeable speakers to discuss economic problems with Connecticut business leaders. In his comments, Senator PERCY spoke vigorously against the Burke-Hartke legislation and for an outward-looking, liberal trade policy. He also recommended the establishment of productivity councils, composed of representatives of labor and management working together to further their mutual goal of increased productivity, and encouraged the businessmen present to make their own suggestions and thoughts known to their elected representatives.

The July issue of Connecticut Business & Industry magazine includes an excellent report on Senator PERCY's appearance before the forum. Mr. President, I commend this article to my colleagues and ask unanimous consent that it be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

ADJUST TO WHAT IS RIGHT

You arrive late . . . without a ticket . . . taking a calculated risk that the affair isn't sold out or that last-minute cancellations may have returned a few tickets and you can grab one.

You are met with a friendly but firm shake of the head. You must dash down the street for a quick hamburger at Nick's Greasy Griddle but you're welcome to dash back, lean your scapulae against the wall at the rear of the room and hear the distinguished speaker.

Still, you go home saying, "Great!"

Few programs, few speakers can meet so acid a test but it happened May 7 at Bridgeport. The first 1973 Connecticut Public Affair Forum was a success. So was its featured speaker, U.S. Senator Charles H. Percy of Illinois. Every ticket was taken. A few latecomers were good naturedly philosophical, went elsewhere for lunch but came back in time for the meat of this particular program: a hard-hitting speech on a subject of critical importance from one of the nation's most dynamic and knowledgeable Senators.

As was the case with the original Connecticut Public Affairs Forum last year, this was initiated and coordinated by the Connecticut Business & Industry Association. Able assistance came from the co-hosts: the Bridgeport Chamber of Commerce and the Southern Connecticut Manufacturers Association. Most but not all who attended were from Bridgeport or areas surrounding that growing Connecticut city.

Planned as a series of such meetings to be held in various parts of the state, the Forum project is funded by leading CBIA-affiliated companies. Speakers, well above "rookie-of-the-year" ranking, are recognized personalities of national stature. Subjects are not chosen for entertainment value but for their impact on economic problems and progress. The first Forum featured Democratic Senator Thomas J. McIntyre of New Hampshire more than a year ago.

The May 7 speaker is hard to label and impossible to steer in directions he thinks wrong but, to the extent that political labeling is practical, Senator Percy is known as a Republican. He also is known as a notably successful business executive who was elected to the United States Senate in 1966 after retiring—at age 46—as chairman of Bell & Howell.

He was re-elected in 1972 by the largest plurality ever carried by a candidate for the U.S. Senate in Illinois. Senator Percy fills a number of important committee responsibilities but his expertise in foreign trade matters and uncompromising position against so-called Burke/Hartke proposals provided the drawing power which left standing room only (and not very much of that) at his May 7 appearance before the CBIA Forum audience in Bridgeport.

He arrived via a chartered plane, accompanied by Representative Stewart B. McKinney, U.S. Congressman from Connecticut's Fourth District in which Bridgeport is located. Making himself immediately available for a news conference, it became immediately evident that the Senator was in no mood to gloss over unpleasant subjects with bland, meaningless generalities. Soon thereafter, television was making his opinions (and the Connecticut Public Affairs Forum) known to thousands of viewers throughout the state.

THE VITAL ISSUE

His Bridgeport listeners had a distinct impression that the Senator was glad to move from scandal involving a few to economic survival involving millions as he went into his assigned subject: the Burke/Hartke issue. He describes this quite bluntly as having been "drafted by the AFL–CIO".

Foreign trade in general, he concedes with regret, is an emotional issue too often distorted for selfish reasons and too often misunderstood by those who will suffer the consequences of economic isolationism. He could speak from personal experience when his own antiprotectionism business record was brought out, misrepresented by political opponents and used ruthlessly to influence votes by which he was defeated for the Illinois governorship a number of years ago.

He joined the Bell & Howell Co. as a summer employe while still attending the University of Chicago. Comfortably conservative for many years, B&H suffered the slow-acting but eventually adverse consequences until, due in large part to his management decisions, this major manufacturer of photographic equipment reversed its stand and ceased efforts to seek the shelter of protective tariff. That policy decision, far from popular with other firms in their industry at the time, led to substantial growth at Bell & Howell while Senator Percy was still chief executive officer there and, he says, greater growth since he left.

His opposition to the Burke/Hartke concept, then, is far from being reactionary conservatism (a point which die-hard conservatives themselves state with no little heat.) Rather, it is based on experience, thorough knowledge of the subject and strong belief in the principle that we must . . . adjust U.S. trade policies to what is right!

The solid, market-dictated arguments against Burke/Hartke have been stated so often and so well that they need not be repeated in detail here. Senator Percy's comments in that respect parallel the powerful case made by William Pollert, National Association of Manufacturers, in a statement reprinted verbatim in this magazine last month.

Burke/Hartke, if passed, would be "the most disastrous legislation in the history of this country" in the Senator's opinion, and would make the old Smoot-Hawley concept look benign by comparison. The reduction of all imports to arbitrarily-set bases would disrupt markets and push up prices as Americans stand in line to buy the resulting smaller supply at any price.

Swift retaliation from other countries would block our own exports even more than they are blocked now. It would, the Senator pointed out, reverse policies of the last five U.S. presidents while serving no useful national purpose here.

Burke/Hartke, he says, is "filled with the hypocrisy" of labor elements responsible for those proposals. It professes to stop "export of American jobs" in spite of the established fact that its target, multi-national companies as a group, have an established record of increasing their employment here at a much higher rate than firms that are strictly domestic by nature.

"How stupid could we get?" asked Senator Percy. He sees Burke/Hartke as not creating but actually COSTING at least 80,000 jobs the first year. Price rises totalling billions of dollars could only intensify problems of a society Burke-Hartke professes to serve.

BARGAIN OR GO BEGGING

Congress makes the rules, controls the direction in which U.S. trade negotiations must move. At the time of this Public Affairs Forum, authority previously granted to the President to conduct such negotiations had expired. Renewed and specific authority in this area was an important part of legislation urgently requested by President Nixon and evidently favored with little modification by Senator Percy.

But time is short.

Trade negotiations among free world nations are to start next September in Japan. Even with Congressional authorization to bargain, the administration must deal from a position of weakness if only due to what it hopes will be temporary weakness of the U.S. dollar.

At present, non-tariff barriers against U.S. goods are a problem which can be dealt with only by hard, no-nonsense bargaining conducted by trade officials who are both competent and fully supported by Congress and the American people.

Senator Percy spoke of the Japanese attitude which wants freedom to sell unlimited amounts of steel mill products to America but keeps out of Japan our finished consumer products made of that steel. He also minced no words about the desirability of extending "most favored nation" status to Communist countries of eastern Europe. Billions of dollars of quite legitimate business there is being handed to our international competitors by inflexibly short-sighted U.S. policy.

The Senator did make the wry admission that deals arranged by private business tend to be more favorable than those arranged by government bureaucracy, citing recent deals on grain as an example. "When handled by government, we get stuck!" was his blunt comment.

This is among the reasons why he is personally eager to get all possible help and advice from experienced and concerned business executives. His great respect for Connecticut's Senator Lowell P. Weicker was mentioned on a number of occasions. He urged Connecticut business leaders to make their own ideas and suggestions known to him through Senator Weicker's office.

He concedes, too, the certainty that specific companies, industries and entire communities may suffer at least short-term damage by adjusting U.S. trade policy to "what is right". Ways must be found, he feels, to help those particular cases to the extent that they have been adversely affected without, at the same time, handing "relief" to everyone holding his hand out, whether really needed or not.

PERSON-TO-PERSON

The Senator invited his listeners to submit questions from the floor and perhaps the most obvious response was a query as to whether he thought Burke/Hartke stood a reasonable chance of passage soon.

"Practically no chance," was his answer, "at least in its original form." But he warned that a barrage of individual amendments to the President's bill is an ever-present danger. In particular areas, these could have the same ill effect.

Did Senator Percy favor a return to Phase II? Yes; he never approved of Phase III so far as that goes!

Certain things had to happen first before Phase III could work, he says, but they did not.

What impact might Watergate have on the President's foreign trade bill? The Senator is no apologist for those responsible but doubts in a practical sense that the scandal can or should have much adverse effect on the administration bill. Too much is at stake for everyone in the country and Congress is well aware of the fact. Also mentioned was the open support of influential legislators and leaders more disposed to do what is right than to play the politics of expediency.

CALL FOR PRODUCTIVITY

Perhaps the most urgent part of Senator Percy's message to the May 7 Forum audience was his recommendation of Productivity Councils with labor and management sitting on the same side of the table, seeking the same long-term objectives for the nation's and their own benefit.

He sees this as no easily attained victory and agrees that it will take exceptional leadership to pull these traditionally opposed elements together. However, he also sees it as a key to survival in an intensely competitive future.

HEW ADVISORY COMMITTEE REPORT ON "RECORDS, COMPUTERS, AND THE RIGHTS OF CITIZENS"

Mr. ERVIN. Mr. President, I am always pleased when hearings held by the committees and subcommittees of this body bear fruit in terms of thoughtful research into and further analysis of issues raised in such hearings. On July 31, 1973, Caspar W. Weinberger, Secretary of the Department of Health, Education, and Welfare, released a report on "Records, Computers and the Rights of Citizens" which grew out of a discussion I had in 1971 with Attorney General Elliot L. Richardson, then Secretary of Health, Education, and Welfare, during hearings on the subject of "Federal Data Banks, Computers and the Bill of Rights" before the Senate Subcommittee on Constitutional Rights.

The report culminates a year's study of the operations of computerized data banks containing information about individual citizens by a 24-member HEW Advisory Committee representing a cross section of views from experts in law, government, and computer sciences, as well as the general public.

Because I feel that the recommendations contained in the report deserve wide public discussion and careful consideration by my colleagues here in the Senate, I have appended the "Summary and Recommendations," contained in the report, to my remarks.

I found particularly interesting those sections of the report which discuss the historical development of recordkeeping systems. From the ancient wing-bone of an eagle marked to keep track of the phases of the moon to modern computers which keep track of our earnings, credit status, driver's record, and just about every other aspect of our lives, the report chronicles a fascinating account of the development of man's ability to collect and manipulate information about his fellow men, as well as the natural world. The HEW Advisory Committee wisely looked to the lessons of the past, as it began to evaluate the proper uses of personal data systems and the restraints which may be needed to restrain misuses of the information contained in such systems.

ESTABLISHING PERSONAL DATA SYSTEMS

I have long been of the opinion that no information should be collected and stored about individual citizens by Federal agencies, unless and until the Congress enacts legislation expressly authorizing the establishment of such data systems. The Advisory Committee on Automated Personal Data Systems which authored the report was not charged with considering the necessity for express legislative authorization for all personal data systems. But the report does make some useful suggestions in regard to the establishment of such systems:

> Each time a new personal data system is proposed (or expansion of an existing system is contemplated) those responsible for the activity the system will serve, as well as those specifically charged with designing and implementing the system, should answer explicitly such questions as:
>
> What purposes will be served by the system and the data to be collected?
>
> How might the same purposes be accomplished without collecting these data?
>
> If the system is an administrative personal data system, are the proposed data items limited to those necessary for making required administrative decisions about individuals *as* individuals?
>
> Is it necessary to store individually identifiable personal data in computer-accessible form, and, if so, how much?
>
> Is the length of time proposed for retaining the data in identifiable form warranted by their anticipated uses?
>
> A careful consideration of questions such as these might avert the establishment of some systems. Even if a proposed system survives a searching examination of the need for it, the very process should at least suggest limitations on the collection and storage of data. (Report, p. 51)

The legislative process is particularly suited to the full consideration of such questions.

In those cases where the Congress has clearly delegated to Federal agencies the authority to set up such data systems, the Advisory Committee makes some equally helpful recommendations:

> In our view, any such data collection requirement should be established by regulations adopted after the public has been given an opportunity to comment, rather than by less formal means, such as program guidelines or manuals. Adoption of a regulation also forces a Federal agency to go through a formal process of internal justification and executive review. In the case of Federal data-collection requirements, the notice of any proposed regulation should contain a clear explanation of why each item of data is to be collected and why it must be collected and stored in identifiable form, if such is proposed. (Report, p. 52)

As chairman of the Senate Subcommittee on Constitutional Rights, I have been conducting a survey of the approximately 800 personal data systems controlled by over 50 Federal agencies, all too many of which not only lack express legislative authority, but do not even afford the due process safeguards of formal regulations. I applaud the HEW Advisory Committee's suggestions in regard to some of the considerations which ought to be weighed before such data systems are established.

PROTECTING INDIVIDUAL PRIVACY

The HEW Advisory Committee report begins with an interesting functional definition of privacy:

> An individual's personal privacy is directly affected by the kind of disclosure and use made of the identifiable information in it.
>
> A record containing information about an individual in identifiable form must, therefore, be governed by procedures that afford the individual a right to participate in deciding what the content of the record will be, and what disclosure and use will be made of the identifiable information in it. Any recording, disclosure, and use of identifiable personal information not governed by such procedures must be proscribed as an unfair information practice unless such recording disclosure or use is specifically authorized by law. (Report, pp. 40–41.)

The Advisory Committee's recommendations for protecting individual privacy against arbitrary or abusive recordkeeping practices rest on five basic principles:

There must be no personal data recordkeeping systems whose very existence is secret.

There must be a way for an individual to find out what information about him is in a record and how it is used.

There must be a way for an individual to prevent information about him that was obtained for one purpose from being used or made available for other purposes without his consent.

There must be a way for an individual to correct or amend a record of identifiable information about him.

Any organization creating, maintaining, using, or disseminating records of identifiable personal data must assure the reliability of the data for their intended use and must take precautions to prevent misuse of the data—Report, page 41.

To my mind, these principles provide a sound basis upon which to design safeguards against the misuse of personal data systems.

I am, however, somewhat skeptical about the wisdom of giving legal effect to these basic principles by means of congressional enactment of the Federal Code of Fair Information Practice proposed by the HEW Advisory Committee in the report. The Advisory Committee is careful to note that the safeguards contained in the suggested Code of Fair Information Practice are minimum standards and offer only a least common denominator of acceptable practices in regard to personal data systems—Report, page 53. And yet there is always the danger that once a least common denominator is enacted into law, it will be transformed in practice into the maximum protection actually available to citizens whose lives are affected by the misuse of personal data systems.

In addition, the safeguards embodied in the "Code of Fair Information Practice" have been designed by the HEW Advisory Committee to apply generally to all personal data systems, public and private, State and Federal, large and small. It seems to me that standards specifically tailored for the personal data systems maintained by the Federal Government, interconnected with Federal data systems, or funded by the Federal Government, might be a more effective first step toward restraining abuses of personal data systems.

Nevertheless, the "Code of Fair Information Practice" proposed by the HEW Advisory Committee provides a very interesting proposal which could be explored in legislative hearings. Such hearings would provide all those affected by personal data systems the opportunity to express their views on the efficacy and practicality of these proposed safeguards.

I do not intend to go into an extensive, detailed critique of either the report or the "Code of Fair Information Practice" it proposes. Suffice it to say that, for the most part, the HEW Advisory Committee is on the right track.

SOCIAL SECURITY NUMBER

The committee recommends "that a standard universal identifier—SUI—should not be established in the United States now or in the foreseeable future" and that "constraints should be imposed on use of the social security number"—SSN. The five principles which the HEW Advisory Committee recommends as "Federal policy with respect to the use of the SSN" rest on the view that the social security number should be used only for those purposes expressly authorized by Congress:

> First, uses of the SSN should be limited to those necessary for carrying out requirements imposed by the Federal government.
>
> Second, Federal agencies and departments should not require or promote use of the SSN except to the extent that they have a specific legislative mandate from the Congress to do so.
>
> Third, the Congress should be sparing in mandating use of the SSN, and should do so only after full and careful consideration preceded by well advertised hearings that elicit substantial public participation. Such consideration should weigh carefully the pros and cons of any proposed use, and should pay particular attention to whether effective safeguards have been applied to automated personal data systems that would be affected by the proposed use of the SSN. (Ideally, Congress should review all present Federal requirements for use of the SSN and determine whether these existing requirements should be continued, repealed, or modified.)
>
> Fourth, when the SSN is used in instances that do not conform to the three foregoing principles no individual should be coerced into providing his SSN, nor should his SSN be used without his consent.
>
> Fifth, an individual should be fully and fairly informed of his rights and responsibilities relative to uses of the SSN, including the right to disclose his SSN whenever he deems it in his own interest to do so. (Report, pp. 124–125)

Let me digress to say that, while these principles certainly are not objectionable, I am as yet unable to judge whether they are adequate. I would feel much more comfortable about commenting on the HEW Advisory Committee's recommendations in regard to the proper uses of the social security number, if I had the benefit of a response to my November 24, 1970, inquiry about the personal data systems maintained by the Social Security Administration. This inquiry was part of a survey which the subcommittee hopes to have published as soon as possible in order to provide to all citizens basic information about the data banks in the Federal Government which contain information about Americans.

The inquiry to the Department of Health, Education, and Welfare was among the first of dozens which the subcommittee has since sent to almost every agency in the executive branch. While some agencies responded more quickly than others, and some more adequately than others, we have for some time had replies to all of our inquiries—save that from the Social Security Administration. Over the past 2¾ years I have repeatedly requested delivery of information sought by my November 1970 letter. For the past 6 months, the staff of the Senate Subcommittee on Constitutional Rights has made countless telephone calls on my behalf to the Office of the Secretary of Health, Education, and Welfare. When the Secretary's staff responded at all, they assured the subcommittee staff that the information I requested on the Social Security Administration would be forthcoming. I am still waiting for that information.

It seems to me that this kind of nonresponsiveness to a request for information about the personal data systems maintained by an agency signifies the absence of that openness to public scrutiny which the HEW Advisory Committee characterizes as basic to fair information practice. I trust that the Department of Health, Education and Welfare will see fit to abide by its own Advisory Committee's recommendations and supply that information on the nature of the personal data systems maintained by the Social Security Administration at the earliest possible time. In any event, the recommendations of the committee are laudable, as far as they go.

But it seems somewhat strange that, in light of its restrictive view of the proper uses of the social security number, the HEW advisory committee should recommend—

> A positive program of issuing SSN's to ninth-grade students in schools. (Report, p. 127.)

To my mind, the proper work of the schools is educating students, not issuing social security numbers to them for the convenience of the Social Security Administration and those who want a numerical peg on which to keep track of the activities of school students in and out of school.

I am opposed to any such "affirmative action program" aimed at enumerating all school students. The proviso that such enumeration should not be coerced does not seem to me to be sufficient insurance that the social security number will not be used as a "student number"—a purpose which is not required by Congress and has nothing to do with the administration of the Social Security System. Second, although the routine issuance of social security numbers to ninth-grade students will be on a theoretically "voluntary" basis, the social pressure on a ninth-grade student not to opt out of such a positive program are such that voluntary consent is impossible to presume, if not impossible altogether. If a ninth-grade student wants to apply for a social security number, he is perfectly free to obtain one from the Social Security Administration, outside of any positive program of enumeration administered by his school.

In conclusion, I would like to commend the former Secretary of HEW, Attorney General Richardson for initiating this important investigation into "Records, Computers and the Rights of Citizens." The present Secretary of HEW, Caspar Weinberger, is deserving of similar praise for his support and assistance in bringing out the report of the committee.

I recommend to all Senators, and to all citizens—and especially to all officials responsible for data collection—the report of the advisory committee. For the benefit of all, I ask unanimous consent to have printed in the RECORD the "Summary and Recommendations" of this report.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

SUMMARY AND RECOMMENDATIONS

The Secretary's Advisory Committee on Automated Personal Data Systems comprised a cross section of experienced and concerned citizens appointed by the Secretary of Health, Education, and Welfare to analyze the consequences of using computers to keep records about people. The Committee assessed the impact of computer-based record keeping on private and public matters and recommended safeguards against its potentially adverse effects. The Committee paid particular attention to the dangers implicit in the drift of the Social Security number toward becoming an all-purpose personal identifier and examined the need to insulate statistical-reporting and research data from compulsory legal process.

The Committee's report begins with a brief review of the historical development of records and record keeping, noting the different origins of administrative, statistical, and intelligence records, and the different traditions and practices that have grown up around them. It observes that the application of computers to record keeping has challenged traditional constraints on record-keeping practices. The computer enables organizations to enlarge their data-processing capacity substantially, while greatly facilitating access to recorded data, both within organizations and across boundaries that separate them. In addition, computerization creates a new class of record keepers whose functions are technical and whose contact with the suppliers and users of data are often remote.

The report explores some of the consequences of these changes and assesses their potential for adverse effect on individuals, organizations, and the society as a whole. It concludes that the net effect of computerization is that it is becoming much easier for record-keeping systems to affect people than for people to affect record-keeping systems. Even in non-governmental settings, an individual's control over the use that is made of personal data he gives to an organization, or that an organization obtains about him, is lessening.

Concern about computer-based record keeping usually centers on its implications for personal privacy, and understandably so, if privacy is considered to entail control by an individual over the uses made of information about him. In many circumstances in modern life, an individual must either surrender some of that control or forego the services that an organization provides. Although there is nothing inherently unfair in trading some measure of privacy for a benefit, both parties to the exchange should participate in setting the terms.

Under current law, a person's privacy is poorly protected against arbitrary or abusive record-keeping practices. For this reason, as well as because of the need to establish standards of record-keeping practice appropriate to the computer age, the report recommends the enactment of a Federal "Code of Fair Information Practice" for all automated personal data systems. The Code rests on five basic principles that would be given legal effect as "safeguard requirements" for automated personal data systems.

There must be no personal data record-keeping systems whose very existence is secret.

There must be a way for an individual to find out what information about him is in a record and how it is used.

There must be a way for an individual to prevent information about him that was obtained for one purpose from being used or made available for other purposes without his consent.

There must be a way for an individual to correct or amend a record of identifiable information about him.

Any organization creating, maintaining, using, or disseminating records of identifiable personal data must assure the reliability of the data for their intended use and must take precautions to prevent misuse of the data.

The proposed Code calls for two sets of safeguard requirements; one for administrative automated personal data systems and the other for automated personal data systems used exclusively for statistical reporting and research. Special safeguards are recommended for administrative personal data systems whose statistical-reporting and research applications are used to influence public policy.

The safeguard requirements define minimum standards of fair information practice. Under the proposed Code, violation of any safeguard requirement would constitute "unfair information practice" subject to criminal penalties and civil remedies. The Code would also provide for injunctive relief. Pending legislative enactment of such a code, the report recommends that the safeguard requirements be applied through Federal administrative action.

The report discusses the relationship of existing law to the proposed safeguard requirements. It recommends that laws that do not meet the standards set by the safeguard requirements for administrative personal data systems be amended and that legislation be enacted to protect personal data used for statistical reporting and research from compulsory disclosure in identifiable form.

The report examines the characteristics and implications of a standard universal identifier and opposes the establishment of such an identification scheme at this time. After reviewing the drift toward using the Social Security number (SSN) as a de facto standard universal identifier, the Committee recommends steps to curtail that drift. A persistent source of public concern is that the Social Security number will be used to assemble dossiers on individuals from fragments of data in widely dispersed systems. Although this is a more difficult technical feat than most laymen realize, the increasing use of the Social Security number to distinguish among individuals with the same name, and to match records for statistical-reporting and research purposes, deepens the anxieties of a public already suffused with concern about surveillance. If record-keeping systems and their data subjects were protected by strong safeguards, the danger of inappropriate record linkage would be small; until then there is a strong case to be made for discouraging linkage.

The report recommends that use of the Social Security number be limited to Federal programs that have a specific Federal legislative mandate to use the SSN, and that new legislation be enacted to give an individual the right to refuse to disclose his SSN under all other circumstances. Furthermore, any organization or person required by Federal law to obtain and record the SSN of any individual for some Federal program purpose must be prohibited from making any other use or disclosure of that number without the individual's informed consent.

The report recognizes the need to improve the reliability of the Social Security number as an instrument for strengthening the administration of certain Federally supported programs of public assistance. It also recognizes that issuing Social Security numbers to ninth-grade students in schools is likely to be consistent with the needs and convenience of young people seeking part-time employment and who need a SSN for Social Security and Federal income tax purposes. Accordingly, the Committee endorses the recommendation of the Social Security Task Force that a positive program of issuing SSNs to ninth-grade students in schools be undertaken. It does so, however, on the condition that no school system shall be induced to cooperate in such a program against its will, and that any person shall have a right to refuse, to be issued a SSN in connection with such a program. The Committee recommends that there be no positive program of issuing SSNs to childen in schools below the ninth-grade level; and that the 1972 legislation amending the Social Security Act to require enumeration of all persons who benefit from any Federally supported program be interpreted narrowly. Finally, the Committee recommends legislation to prohibit use of the Social Security number for promotional or commercial purposes.

The last chapter of the report contains an agenda of actions to be taken for implementing the Committee's recommendations, which are set forth in full below.

RECOMMENDATIONS: CODE OF FAIR INFORMATION PRACTICE

We recommend the enactment of legislation establishing a Code of Fair Information Practice for all automated personal data systems.

The Code should define "fair information practice" as adherence to specified safeguard requirements.

The Code should prohibit violation of any safeguard requirement as an "unfair information practice."

The Code should provide that an unfair information practice be subject to both civil and criminal penalties.

The Code should provide for injunctions to prevent violation of any safeguard requirement.

The Code should give individuals the right to bring suits for unfair information practices to recover actual, liquidated, and punitive damages, in individual or class actions. It should also provide for recovery of reasonable attorneys' fees and other costs of litigation incurred by individuals who bring successful suits.

Pending the enactment of a code of fair information practice, we recommended that all Federal agencies (i) apply the safeguard requirements, by administrative action, to all Federal systems, and (ii) assure, through formal rule making, that the safeguard requirements are applied to all other systems within reach of the Federal government's authority. Pending the enactment of a code of fair information practice, we urge that State and local governments, the institutions within reach of their authority, and all private organizations adopt the safeguard requirements by whatever means are appropriate.

SAFEGUARDS REQUIREMENTS FOR ADMINISTRATIVE PERSONAL DATA SYSTEMS

I. General requirements

A. Any organization maintaining a record of individually identifiable personal data, which it does not maintain as part of an administrative automated personal data system, shall make no transfer of any such data to another organization, without the prior informed consent of the individual to whom the data pertain, if, as a consequence of the transfer, such data will become part of an administrative automated personal data system that is not subject to these safeguard requirements.

B. Any organization maintaining an administrative automated personal data system shall:

(1) Identify one person immediately responsible for the system, and make any other organizational arrangements that are necessary to assure continuing attention to the fulfillment of the safeguard requirements;

(2) Take affirmative action to inform each of its employees having any responsibility or function in the design, development, operation, or maintenance of the system, or the use of any data contained therein, about all the safeguard requirements and all the rules and procedures of the organization designed to assure compliance with them;

(3) Specify penalties to be applied to any employee who initiates or otherwise contributes to any disciplinary or other punitive action against any individual who brings to the attention of appropriate authorities, the press, or any member of the public, evidence of unfair information practice;

(4) Take reasonable precautions to protect data in the system from any anticipated threats or hazards to the security of the system;

(5) Make no transfer of individually iden-

tifiable personal data to another system without (i) specifying requirements for security of the data, including limitations on access thereto, and (ii) determining that the conditions of the transfer provide substantial assurance that those requirements and limitations will be observed—except in instances when an individual specifically requests that data about him be transferred to another system or organization;

(6) Maintain a complete and accurate record of every access to and use made of any data in the system, including the identity of all persons and organizations to which access has been given;

(7) Maintain data in the system with such accuracy, completeness, timeliness, and pertinence as is necessary to assure accuracy and fairness in any determination relating to an individual's qualifications, character, rights, opportunities, or benefits, that may be made on the basis of such data; and

(8) Eliminate data from computer-accessible files when the data are no longer timely.

II. Public notice requirements

Any organization maintaining an administrative automated personal data system shall give public notice of the existence and character of its system once each year. Any organization maintaining more than one system shall publish such annual notices for all its systems simultaneously. Any organization proposing to establish a new system, or to enlarge an existing system, shall give public notice long enough in advance of the inflation or enlargement of the system to assure individuals who may be affected by its operation a reasonable opportunity to comment. The public notice shall specify:

(1) The name of the system;

(2) The nature and purpose(s) of the system;

(3) The categories and number of persons on whom data are (to be) maintained;

(4) The categories of data (to be) maintained, indicating which categories are (to be) stored in computer-accessible files;

(5) The organization's policies and practices regarding data storage, duration of retention of data, and disposal thereof;

(6) The categories of data sources;

(7) A description of all types of use (to be) made of data, indicating those involving counter-accessible files, and including all classes of users and the organizational relationships among them;

(8) The procedures whereby an individual can (i) be informed if he is the subject of data in the system; (ii) gain access to such data; and (iii) contest their accuracy, completeness, pertinence, and the necessity for retaining them;

(9) The title, name, and address of the person immediately responsible for the system.

III. Rights of individual data subjects

Any organization maintaining an administrative automated personal data system shall:

(1) Inform an individual asked to supply personal data for the system whether he is legally required, or may refuse, to supply the data requested, and also of any specific consequences for him, which are known to the organization, of providing or not providing such data;

(2) Inform an individual, upon his request, whether he is the subject of data in the system, and, if so, make such data fully available to the individual, upon his request, in a form comprehensible to him;

(3) Assure that no use of individually identifiable data is made that is not within the stated purposes of the system as reasonably understood by the individual, unless the informed consent of the individual has been explicitly obtained;

(4) Inform an individual, upon his request, about the uses made of data about him, including the identity of all persons and organizations involved and their relationships with the system;

(5) Assure that no data about an individual are made available from the system in response to a demand for data made by means of compulsory legal process, unless the individual to whom the data pertains has been notified of the demand; and

(6) Maintain procedures that (i) allow an individual who is the subject of data in the system to contest their accuracy, completeness, pertinence, and the necessity for retaining them; (ii) permit data to be corrected or amended when the individual to whom they pertain so requests; and (iii) assure, when there is disagreement with the individual about whether a correction or amendment should be made, that the individual's claim is noted and included in any subsequent disclosure or dissemination of the disputed data.

Existing laws or regulations affording individuals greater protection than the safeguard requirements should be retained, and those providing less protection should be amended to meet the basic standards set by the safeguards. In particular, we recommend:

That the Freedom of Information Act be amended to require an agency to obtain the consent of an individual before disclosing in personally identifiable form exempted-category data about him, unless the disclosure is within the purposes of the system as specifically required by statute.

That pending such amendment of the Act, all Federal agencies provide for obtaining the consent of individuals before disclosing individually identifiable exempted-category data about them under the Freedom of Information Act.

That the Fair Credit Reporting Act be amended to provide for actual, personal inspection by an individual of his record along with the opportunity to copy its contents, or to have copies made; and that the exceptions from disclosure to the individual now authorized by the Fair Credit Reporting Act for medical information and sources of investigative information be omitted.

STATISTICAL-REPORTING AND RESEARCH USES OF ADMINISTRATIVE PERSONAL DATA SYSTEMS

In light of our inquiry into the statistical-reporting and research uses of personal data in administrative record-keeping systems, we recommend that steps be taken to assure that all such uses are carried out in accordance with five principles:

First, when personal data are collected for administrative purposes, individuals should under no circumstances be coerced into providing additional personal data that are to be used exclusively for statistical reporting and research. When application forms or other means of collecting personal data for an administrative data system are designed, the mandatory or voluntary character of an individual's responses should be made clear.

Second, personal data used for making determinations about an individual's character, qualifications, rights, benefits, or opportunities, and personal data collected and used for statistical reporting and research, should be processed and stored separately.

Third, the amount of supplementary statistical-reporting and research data collected and stored in personally identifiable form should be kept to a minimum.

Fourth, proposals to use administrative records for statistical reporting and research should be subjected to careful scrutiny by persons of strong statistical and research competence.

Fifth, any published findings or reports that result from secondary statistical-reporting and research uses of administrative personal data systems should meet the highest standards of error measurement and documentation.

In addition, there are certain safeguards that can be feasibly applied to all administratively personal data systems used for statistical reporting and research. Specifically, we recommend that the following requirements be added to the safeguard requirements for administrative personal data systems:

Under I. General Requirements, add—

C. Any organization maintaining an administrative automated personal data system that publicly disseminates statistical reports or research findings based on personal data drawn from the system, or from systems of other organizations, shall:

(1) Make such data publicly available for independent analysis, on reasonable terms; and

(2) Take reasonable precautions to assure that no data made available for independent analysis will be used in a way that might reasonably be expected to prejudice judgments about any individual data subject's character, qualifications, rights, opportunities, or benefits.

Under the Public Notice Requirement, add—

(8a) The procedures whereby an individual, group, or organization can gain access to data used for statistical reporting or research in order to subject such data to independent analysis.

SYSTEMS USED EXCLUSIVELY FOR STATISTICAL REPORTING AND RESEARCH

All the features of the Code of Fair Information Practice that we recommend for automated personal data systems would apply to systems used exclusively for statistical reporting and research. The safeguard requirements to be included in the Code for such systems are designed to help protect the individual citizen against unintended or unforeseen uses of information that he provides *exclusively* for statistical reporting and research, and to help assure that the uses organizations make of such data are subject to independent expert review and open public discussion. Pending the enactment of a code of fair information practice, we recommend that all Federal agencies (i) apply these safeguard requirements, by administrative action, to all Federal statistical-reporting and research systems, and (ii) assure, through formal rule making, that the safeguard requirements are applied to all systems within reach of the Federal government's authority. Pending the enactment of a code of fair information practice, we also urge that State and local governments, the institutions within reach of their authority, and all private organizations adopt the safeguard requirements by whatever means are appropriate.

SAFEGUARD REQUIREMENTS FOR STATISTICAL-REPORTING AND RESEARCH SYSTEMS

I. General requirements

A. Any organization maintaining a record of personal data, which it does not maintain as part of an automated personal data system used exclusively for statistical reporting or research, shall make no transfer of any such data to another organization without the prior informed consent of the individual to whom the data pertain, if, as a consequence of the transfer, such data will become part of an automated personal data system that is not subject to these safeguard requirements or the safeguard requirements for administrative personal data systems.

B. Any organization maintaining an automated personal data system used exclusively for statistical reporting or research shall:

(1) Identify one person immediately responsible for the system, and make any other organizational arrangements that are necessary to assure continuing attention to the fulfillment of the safeguard requirements;

(2) Take affirmative action to inform each of its employees having any responsibility or maintenance of the system, or the use of any data contained therein, about all the safeguard requirements and all the rules

and procedures of the organization designed to assure compliance with them;

(3) Specify penalties to be applied to any employee who initiates or otherwise contributes to any disciplinary or other punitive action against any individual who brings to the attention of appropriate authorities, the press, or any member of the public, evidence of unfair information practice;

(4) Take reasonable precautions to protect data in the system from any anticipated threats or hazards to the security of the system;

(5) Make no transfer of individually identifiable personal data to another system without (i) specifying requirements for security of the data, including limitations on access thereto, and (ii) determining that the conditions of the transfer provide substantial assurance that those requirements and limitations will be observed—except in instances when each of the individuals about whom data are to be transferred has given his prior informed consent to the transfer; and

(6) Have the capacity to make fully documented data readily available for independent analysis.

II. Public Notice Requirement

Any organization maintaining an automated personal data system used exclusively for statistical reporting or research shall give public notice of the existence and character of its system once each year. Any organization maintaining more than one such system shall publish annual notices for all its systems simultaneously. Any organization proposing to establish a new system, or to enlarge an existing system, shall give public notice long enough in advance of the initiation or enlargement of the system to assure individuals who may be affected by its operation a reasonable opportunity to comment. The public notice shall specify:

(1) The name of the system;

(2) The nature and purpose(s) of the system;

(3) The categories and number of persons on whom data are (to be) maintained;

(4) The categories of data (to be) maintained, indicating which categories are (to be) stored in computer-accessible files;

(5) The organization's policies and practices regarding data storage, duration of retention of data, and disposal thereof;

(6) The categories of data sources;

(7) A decision of all types of use (to be) made of data, indicating those involving computer-accessible files, and including all classes of users and the organizational relationships among them;

(8) The procedures whereby an individual, group, or organization can gain access to data for independent analysis;

(9) The title, name, and address of the person immediately responsible for the system;

(10) A statement of the system's provisions for data confidentiality and the legal basis for them.

III. Rights of individual data subjects

Any organization maintaining an automated personal data system used exclusively for statistical reporting or research shall:

(1) Inform an individual asked to supply personal data for the system whether he is legally required, or may refuse, to supply the data requested, and also of any specific consequences for him, which are known to the organization, of providing or not providing such data;

(2) Assure that no use of individually identifiable data is made that is not within the stated purposes of the system as reasonably understood by the individual, unless the informed consent of the individual has been explicitly obtained;

(3) Assure that no data about an individual are made available from the system in response to a demand for data made by means of compulsory legal process, unless the individual to whom the data pertain (i) has been notified of the demand and (ii) has been afforded full access to the data before they are made available in response to the demand.

In addition to the foregoing safeguard requirements for all automated personal data systems used exclusively for statistical reporting and research, we recommend that all personal data in such systems be protected by statute from compulsory disclosure in identifiable form. Federal legislation protecting against compulsory disclosure should include the following features:

The data to be protected should be limited to those used exclusively for statistical reporting or research. Thus, the protection would apply to statistical-reporting and research data derived from administrative records, and kept apart from them, but not to the administrative records themselves.

The protection should be limited to data identifiable with, or traceable to, specific individuals. When data are released in statistical form, reasonable precautions to protect against "statistical disclosure" should be considered to fulfill the obligation to disclose data that can be traced to specific individuals.

The protection should be specific enough to qualify for non-disclosure under the Freedom of Information Act exemption for matters "specifically exempted from disclosure by statute." 5 U.S.C. 552(b)(3).

The protection should be available for data in the custody of all statistical-reporting and research systems, whether supported by Federal funds or not.

Either the data custodian or the individual about whom data are sought by legal process should be able to invoke the protection, but only the individual should be able to waive it.

The Federal law should be controlling; no State statute should be taken to interfere with the protection it provides.

USE OF THE SOCIAL SECURITY NUMBER

We take the position that a standard universal identifier (SUI) should not be established in the United States now or in the foreseeable future. By our definition, the Social Security Number (SSN) cannot fully qualify as an SUI; it only approximates one. However, there is an increasing tendency for the Social Security number to be used as if it were an SUI. There are pressures on the Social Security Administration to do things that make the SSN more nearly an SUI.

We believe that any action that would tend to make the SSN more nearly an SUI should be taken only if, after careful deliberation, it appears justifiable and any attendant risks can be avoided. We recommend against the adoption of any nationwide, standard, personal identification format, with or without the SSN, that would enhance the likelihood of arbitrary or uncontrolled linkage of records about people, particularly between government and government-supported automated personal data systems.

We believe that until safeguards against abuse of automated personal data systems have become effective, constraints should be imposed on use of the Social Security number. After that the question of SSN use might properly be reopened.

As a general framework for action on the Social Security number, we recommend that Federal policy with respect to use of the SSN be governed by the following principles:

First, uses of the SSN should be limited to those necessary for carrying out requirements imposed by the Federal government.

Second, Federal agencies and departments should not require or promote use of the SSN except to the extent that they have a specific legislative mandate from the Congress to do so.

Third, the Congress should be sparing in mandating use of the SSN, and should do so only after full and careful consideration preceded by well advertised hearings that elicit substantial public participation. Such consideration should weigh carefully the pros and cons of any proposed use, and should pay particular attention to whether effective safeguards have been applied to automated personal data systems that would be affected by the proposed use of the SSN. (Ideally, Congress should review all present Federal requirements for use of the SSN and determine whether these existing requirements should be continued, repealed, or modified.)

Fourth, when the SSN is used in instances that do not conform to the three foregoing principles, no individual should be coerced into providing his SSN, nor should his SSN be used without his consent.

Fifth, an individual should be fully and fairly informed of his rights and responsibilities relative to uses of the SSN, including the right to disclose his SSN whenever he deems it in his interest to do so.

In accordance with these principles, we recommend specific, preemptive, Federal legislation providing:

(1) That an individual has a legal right to refuse to disclose his SSN to any person or organization that does not have specific authority provided by Federal statute to request it;

(2) That an individual has the right to redress if his lawful refusal to disclose his SSN results in the denial of a benefit, or the threat of denial of a benefit; and that, should an individual under threat of loss of benefits supply his SSN under protest to an unauthorized requestor, he shall not be considered to have forfeited his right to redress; and

(3) That any oral or written request made to an individual for his SSN must be accompanied by a clear statement indicating whether or not compliance with the request is required by Federal statute, and, if so, citing the specific legal requirement.

In addition, we recommend:

(4) That the Social Security Administration undertake a positive program of issuing SSNs to ninth-grade students in schools, provided (a) that no school system be induced to cooperate in such a program contrary to its preference; and (b) that any person shall have the right to refuse to be issued an SSN in connection with such a program, and such right of refusal shall be available both to the student and to his parents or guardians;

(5) There there be *no* positive program of issuing SSNs to children below the ninth-grade level, either at the initiative of the Social Security Administration or in response to requests from schools or other institutions;

(6) That the Secretary limit affirmative measures taken to issue SSNs pursuant to Section 205(c)(2)(B)(i)(II) of the Social Security Act, as amended by Section 137 of Public Law 92–603, to applicants for or recipients of public assistance benefits supported from Federal funds under the Social Security Act; and

(7) That the Secretary do his utmost to assure that any future legislation dealing with the SSN be preceded by full and careful consideration and well advertised hearings that elicit substantial public participation.

With respect to organizations using the SSN, we recommend:

(8) That any organization or person required by Federal law to obtain or record the SSN of any individual be prohibited from making any use or disclosure of the SSN without the informed consent of the individual, except as may be necessary to the Federal purposes for which it was required to be obtained and recorded. This prohibition should be established by a specific and preemptive act of Congress:

(9) That the Social Security Administation provide "SSN services" to aid record keeping only to organizations or persons that are

required by Federal law to obtain or record the SSN, and then only as necessary to fulfill the purposes for which the SSN is required to be obtained or recorded;

(10) That the Social Security Administration provide "SSN services" to aid research activities only when it can assure that the provision of such services will not result in the use ofthe SSN for record-keeping and reporting activities beyond those permitted under recommendation (9), and then only provided that rigid safeguards to protect the confidentiality of personal data, including the SSN, are incorporated into the research design; and

(11) That specific, preemptive Federal legislation be enacted prohibiting use of an SSN, or any number represented as an SSN, for promotional or commercial purposes.

USAF BRINGS FOOD TO TIMBUCTU

Mr. PEARSON. Mr. President, throughout this century and before, the American people have generously responded to the human needs of people affected by disasters. Today, we are supplying grain to six nations in the Sahel region of Africa which have been hit with a severe drought. I believe that we should be quietly proud of our response in this instance and in many others.

In addition to making grain available, we are also supplying U.S. Air Force C-130 Hercules aircraft to airlift commodities within the region. Three American aircraft and their crews are stationed in Bambako, the capital of Mali. These men fly grain from Bambako to airstrips at Timbuctu, Gau, Gundam, Tessalit, and other cities which few Americans have ever heard of. In each place, people would starve to death if the grain were not flown in.

Mr. President, I want to call the attention of the Senate to the work of the officers and enlisted personnel of the 41st and 39th Tactical Air Squadrons, based at Pope Air Force Base, Fayette, N.C. These men have performed their missions under the most difficult of conditions.

More than 3,000 miles from their base, the crews have managed to keep the C-130's flying despite severe problems with ever-present dust and temperatures which have reached 135°. The pilots and flight crews have landed at small fields with few navigational aids in sandstorms to bring the badly needed food to the people of Mali.

Mr. President, I believe that these men on this mission represent the finest this Nation has to offer to people in need. We can be proud of the men and satisfied that we have made a worthwhile contribution to people who badly need our assistance.

HOME HEALTH CARE AND OLDER AMERICANS

Mr. MUSKIE. Mr. President, the Subcommittee on Health of the Elderly, Senate Special Committee on Aging, of which I am Chairman, has continued its study of "Barriers to Health Care for Older Americans" by holding hearings on July 11th and 12th on home health care. These hearings not only demonstrated the value of expanding home health services, but pointed out the need to change existing law to eliminate administrative problems encountered by home health agencies.

These points were first made to the subcommittee last May in testimony from Mr. Richard Hooper, executive director of the Androscoggin Home Health Services in Maine. While Mr. Hooper described his agency's many positive achievements of providing good quality services to the aged, he explained many problems in the day-to-day operation of his agency. Not the least of these problems are those caused by congressional or administration policies which severely restrict home health care under the medicare program. The hearings in July, devoted almost entirely to home health care, amply demonstrated that Mr. Hooper's problems are far from unique.

The witnesses at our hearings all agreed on the tremendous value of home health care. Dr. Charles Weller, representing the American Medical Association, testified that home health care can improve convalescence. There is no better place than his own home to treat the patient who needs continued care, but does not require the facilities of a hospital. It makes sense financially and psychologically because it costs less and because patients respond best to their home environment. Home health services not only cost less than comparable service in a hospital, but from a communitywide perspective, these services can lessen the pressure to build expensive institutional facilities. For instance, the subcommittee received information that in Rochester, N.Y., home health care has been covered by Blue Cross for the last 12 years, and as a result there has been no need to build additional hospital beds. And one of our witnesses, Dr. Henry Smith, director of the Nebraska department of health, felt that using Federal funds to expand home health services would not require additional spending, but merely a redistribution of the funds available.

With little dispute about the value of home health care, most of our witnesses devoted their testimony to describing the problems encountered by home health care agencies. For instance, on the first day of our hearings representatives from operating agencies and from national organizations detailed how home health agencies are relegated to an almost insignificant role under medicare. This is not because their services are not needed, but because restrictive reimbursement policies have limited payments for home services to less than 1 percent of medicare expenditures.

Hadley Hall, executive director of the San Francisco Home Health Services predicted that agencies will be forced to reduce services or go out of business if the present reimbursement policies by the Social Security Administration are continued. He said that those who receive services from his agency have an average age of nearly 75, that three-fourths live alone, and that the remainder usually live with someone equally old and often just as feeble. Unless we provide more basic help in the home, he said, "we will need to build more unnecessary and expensive institutions just to warehouse our elderly who need care."

Mrs. Janet Starr, executive director of the Coalition for Home Health Services in New York State, said that medicare does not cover patients whose conditions are stabilized. Thus, a stroke victim whose condition has stabilized is not eligible for services although clearly in need of such services. Many of these elderly people are being forced into institutional care earlier than necessary because of the lack of supportive home services. Mrs. Starr saw a valid role for medicare to fill in providing occassional nursing and home health aide service to make it possible for a person to remain at home and relatively independent.

One of the primary barriers to the expansion of these services under medicare as the law now stands, and as it is interpreted, is the "skilled" nursing services requirement. This requirement provides that unless a patient needs skilled nursing services, or speech or physical therapy, medicare will not provide coverage. The effect of this requirement is that only a person with an acute condition can receive in-home services under medicare—and patients with stabilized or chronic conditions will be denied home health care coverage.

Dr. Andrew Jessamin, speaking for the American Hospital Association, pointed out that the administration of home health benefits has therefore become so restrictive that few patients can qualify. "Apparently," he stated, "concern over opening the door too wide has kept the door so tightly shut that very little light and air could get in and few home care services could get out."

Mrs. Maxine Thomas testified even more forcefully on this point on behalf of the National League of Nursing, as follows:

> With the enactment of medicare legislation the designation, "skilled" was unfortunately attached to nursing as a reimbursable service provided by home health agencies. The practice of nursing is an art, a science, and a skill as is the practice of medicine, physical therapy or occupational therapy. Fortunately, these later disciplines escaped the "skilled" label and medicare regulations do not refer to skilled medical care, skilled physical therapy, skilled social worker, etc.
>
> This inexpedient labelling of "skilled" nursing has become a major barrier to the delivery of care to the aged as incongruous efforts towards definition and interpretation ensued.
>
> Greatly needed care has been withheld; patients, families, nurses and SSA/BHI personel have suffered immeasurable pain, frustration, expense and wasted effort at horrendous cost without return to taxpayers.

Thus, after the first day of hearings, the testimony we had received was technical, but its message was brutally simple—what should be an important segment of our national health system has been badly crippled by a combination of negative attitudes and shortsighted, sometimes contradictory, Federal policies.

On the second day, we heard from a panel of witnesses who are concerned about the older person as a low-priority patient in our system of medical care. This panel included: Ms. Margaret

Kuhn, leader of the Gray Panthers; Dr. Herbert Shulman, chairman of the National Task Force on Aging, Medical Committee for Human Rights; and Sharon Curtin, R.N., author of "Nobody Ever Died of Old Age."

Ms. Kuhn asserted:

> America is the best place in the world to be if you have a rare kidney disease, but you might just as well be in Guatemala when you have arthritis, if you have hypertension, or if you have any other prevalent chronic ailment that the elderly are predisposed to.

The lack of adequate care for other than acute illnesses was also emphasized by the other two witnesses. Sharon Curtin described the built-in inhumanity of a fancy and sanitized nursing home that costs $1,000 a month but only provided depersonalized care that was physically and mentally debilitating. Dr. Shulman stated that medical care for the aged is out of the "mainstream" of American medicine.

On the second day of our hearings the subcommittee also heard from Dr. Charles Edwards, Assistant Secretary of Health in the Department of Health, Education and Welfare. Dr. Edwards made a valuable contribution to the hearing record. But his testimony also demonstrated that the administration could make additional efforts to promote home health care.

Since the need is so enormous, what can be done to improve the delivery of home health services? A twofold approach is, I believe, needed as far as Federal programs are concerned.

First, I urge the administration to reexamine the positive role of in-home services as a provider of health care to the elderly. This should include a critical examination of the administration of reimbursement policies toward home services under the medicare and medicaid programs. Assistant Secretary of Health Edwards endorsed home health services in his statement before the committee as one of the "good parts" in our present medical care system. I urge him to exert leadership in moving health care to the elderly in their own homes.

Second, it is clear from extensive testimony received at our hearings that the medicare law needs to be clarified and expanded. After the experience of some 7 years under medicare, during which time home health care has actually declined, I think that a reexamination of the law is overdue.

Home health care can serve not only to hold down health costs, but also to provide a better way to take care of the chronically ill older person. I hope that the Congress, and the administration, will make a commitment to the expansion of this vital service.

NONPROFIT HOSPITALS AND THE NATIONAL LABOR RELATIONS ACT

Mr. TOWER. Mr. President, the Senate Labor Subcommittee is holding hearings on legislation to remove the existing exemption for nonprofit hospitals under the National Labor Relations Act. Testifying before the subcommittee today was Mr. O. Ray Hurst, president of the Texas Hospital Association. I have known Ray Hurst for a number of years and can vouch for his experience, ability, and dedication to improving our health care system. He succinctly stated why the removal of this exemption without taking into consideration the unique circumstances in the health care area would be detrimental to the best interests of the American people.

I ask unanimous consent that his statement be printed in the RECORD. Since Congress will be considering this matter in the very near future I urge my colleagues to give it their careful consideration.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

TESTIMONY OF THE TEXAS HOSPITAL ASSOCIATION ON S. 794, A BILL TO AMEND THE NATIONAL LABOR RELATIONS ACT BEFORE THE SUBCOMMITTEE ON LABOR OF THE SENATE COMMITTEE ON LABOR AND PUBLIC WELFARE

Mr. Chairman and members of the committee: I am O. Ray Hurst, President of the Texas Hospital Association, with offices in Austin, Texas. On behalf of the Association, its Board of Trustees, and representing almost 600 hospitals, I come to express opposition to S. 794, a bill designed to remove the present exemption of nonprofit hospitals from the provisions of the National Labor Relations Act. The Texas Hospital Association joins with the American Hospital Association in opposing the removal of the existing exemption for nonprofit hospitals—in the strongest of terms.

The objective of hospitals is to care for the sick and injured citizens. To be fully effective in this role requires hospitals to be in a position where there is little or no interference from outside parties, in the delivery of that care. The removal of the hospital exemption under the Taft-Hartley Act introduces forces that will make it difficult to deliver needed health care.

Since the early days of the Wagner Act, most businesses engaged in interstate commerce, have been subject to rules, procedures, regulations and judicial interpretations, that have helped resolve the labor-management problems. When management and unions have failed to agree, manufacturing firms have stockpiled goods for future distribution to meet the customer needs. When work stoppage occurs the public may be inconvenienced for a period of time, but because alternative sources of goods and services are available, the inconveniences experienced by the public are generally minor.

If a work stoppage occurred in a hospital the results would be different, because the hospital field is different. If a hospital is struck the alternative services are likely to be extremely limited or nonexistent. Especially would this be true outside the metropolitan areas, in a state that is essentially rural in character when distances between hospitals range from 20 miles up to 60 and 70 miles.

Hospital care is not storable. It is essentially an immediate service to sick and injured. There is no stockpile from which to draw, no storage yard, or warehouse backup potential as that found in many business fields. If the health care nurse, radiologic technician, laboratory technologist, electroencephalographic technician, physical therapist, surgical nurse, critical care nurse specialist and many other numerous health care specialists are not at or near the bed side or responsive on call to the need of patients, the hospital ceases to function and the public interest is immediately downgraded and its welfare endangered.

To open the nonprofit hospital to the disruption of unionization drives, and all the activities of union organizations—including strikes—slowdowns—creation of worker unrest—reduces the service capability of the hospital in accomplishing assigned health care role. Unlike other industry there are very few alternative resources for urgently needed care when the hospital is not available.

We can only surmise that since hospitals are different and unlike most other business enterprises, the laws affecting hospitals should be different to meet special needs. Congress recognized this in the present Taft-Hartley Act when hospitals were exempted. Nothing has occurred since that time to change the character of the nonprofit hospitals role. The exemption is just as valid today as it was initially.

In Texas, our 600 hospitals are almost equally divided into three ownership categories: nonprofit nongovernmental, nonprofit governmental, and for-profit. This means that currently, about one third (the for-profit hospitals) are now under the jurisdiction of the National Labor Relations Act, one third (the nonprofit nongovernmental) would be placed under NLRA if S. 794 is passed, and the remaining one third (the nonprofit governmental hospitals) would continue to be exempt from NLRA provisions.

In Texas, hospitals regardless of ownership are rendering care to all patients. The public frequently does not know—and if it knows seldom cares—what the ownership of the facilities might be if the care required is available and given. To simply remove the hospitals exemption from the Taft-Hartley Act, without placing in the law assurances to protect continuity of patient care from resulting union activities and other related union/management matters, is again unthinkable. We see several key matters that need legislative attention should the hospital exemption be removed:

A. FRAGMENTATION

Hospitals utilize trained employees of many skills. It is estimated that upwards of 125 occupational specialities are represented in the hospital, each demanding attention from hospital management. If the usual application of the National Labor Relations Act is followed, hospital management could be inundated with many small employee units followed by multiple contract bargaining probably experienced by no other industry. Many small recognized employee units can result in a small bargaining unit closing down an entire medical center. The American Hospital Association recommendation appears to be reasonable. They suggest 5 groupings.

B. WORK STOPPAGE

We also see serious problems with site picketing and work stoppage of all kinds, both of which are permitted under NLRA. To place pickets at a hospital to which sick and injured are taken, creates in the minds of family, friends and indeed, the general public, a serious question: "Will my father (mother, wife, child, relative, friend) find anyone who can or will properly render good hospital care?" Hospitals need prompt help in picket and work stoppage situations.

C. IMPASSE BARGAINING

Additionally there is the question of impasse in the collective bargaining process, which impasses may lead to strikes and picketing. Impasses must be resolved because strikes in health care institutions are intolerable and, in our opinion, would never be accepted by the public for whose protection, we—as well as you—are dedicated. S. 794 has no provisions for effectively resolving such impasses.

D. COSTS

And still another problem rears its ugly head. That is the matter of costs of union recognition, union contracts for wages and benefits, and their impact on the hospital. Since the advent of Medicare, Medicaid, hospital employee coverage under the Fair Labor Standards Act, the hospitals in our state—have been in an unprecedented accelerating cost spiral. Increase demands for hospital care, with an ever increasing flow of laws, rules and regulations have pushed hospital personnel requirements and costs higher and higher. Today we have the highest "patient day" cost in Texas history, and the end is not in sight. A new minimum wage law will again move the hourly wage rate upwards. Member hospitals of our association have been active in the support of upgrading personnel policies, worker benefits and fair wages. Those now compare favorable with other occupational areas of our economy. We will continue to support and urge the continuation of such upgrading in the hospital field. But we also recognize that union activity always results in even higher wage rates—rates that must be passed on to the user of hospital facilities. In an industry where over 60% of all hospital dollars spent are paid in wages, increase wage costs have great affect in industry generally. Further should one hospital in an area have a union contract other nearby hospitals must of necessity raise their wage levels to be competitive, and the effect is to charge even higher hospital costs to the public.

Somehow, we must visualize the need and to give recognition to the differences between usual businesses engaged in interstate commerce and hospitals which have vastly different operations and problems. We urge the retention of the Taft-Hartley exemption of nonprofit hospitals as now in the law to achieve our primary purpose of providing the hospital care for the sick and injured. It is our firm belief that the patient needs can best be served without the intrusion of third parties.

And now, Gentlemen, in conclusion, please allow me a few generalized comments. Few individuals really have deep concern about hospitals—most of the time. Like fire stations, they are there, hopefully, for the use of the other fellow. Even the rise in hospital costs is of only passing interest to the average citizen, most of the time.

His interest is piqued only when he receives a rate increase in his health insurance coverage or when he or a member of his family requires the services of a hospital.

Think with me for just a moment, if you will, of your own predicament if and when you might need the services of a hospital. Let's imagine that your dearest loved one—wife, daughter, son or grandchild—is suddenly and unexpectedly stricken with an illness or injury. Your physician agrees to meet you and the distressed family member at the hospital.

With a feeling closely akin to helplessness, you rush to the hospital. Your calm is completely shattered and you know, perhaps for the first time in your life, that the welfare of your loved one is completely out of your hands. You must depend on the people who man those posts at the hospital—and your physician—to right your world which has changed so suddenly.

And, as you approach the hospital, your car is stopped by pickets who attempt to tell you the hospital is under strike conditions and that you should not use it. They probably won't physically bar your entry if you insist on proceeding, but the slowdown has taken time—time that may be extremely important in the prognosis of the ill or injured.

After this short interruption, during which you could care less about the real or imaginary grievance of the strikers, you proceed. At the emergency room, the stretcher bearer is slow to respond, but eventually he—or someone else—does.

The doctor examines *your* loved one—with or without the help of nurses who may or may not be in sympathy with the strike. He orders X-rays and lab work which must be performed before an accurate, definitive regimen of treatment may begin. This takes hours, because the technicians of those vital departments are participating in a slowdown. After many hours of anxious—almost frantic waiting, pacing, worrying and, yes, praying—the patient's regimen may be determined and specific treatment begun to alleviate the now specifically defined ailment.

During this time of deep anxiety, the patient could have died or suffered permanent injury which possibly could have been avoided with swift, efficient and effective cooperation of all concerned.

But suppose the admitting hurdle is eventually cleared without major damaging results, and eventually—in what to you seems a lifetime—*your* loved one is in bed on a nursing unit and all appears to have settled into a more peaceful routine. But, you then notice that there are few people dressed in white on the unit and the few who are there are moving too rapidly for efficiency, are harrassed, worried, and definitely not of a demeanor or attitude that could possibly be conducive to the calm, efficient care that *your* family member needs. Then you remember the strikers and the feet-dragging technicians downstairs. Apparently the nurses and their aides who are on the unit are not striking, but their number is far too few for the workload if *your* loved one is to be given adequate attention.

It is at this time that you lose your composure entirely. Regardless of how you have felt about unions in the past, notwithstanding your political beliefs, and with only the singleness of desire that *your* family member be treated and treated well now, you will damn the workers, their union organization, the hospital and the doctor. Why? Because a hospital is a place where the ill and injured—those who cannot help themselves—are supposed to receive people-to-people service which will make them whole, and useful citizens or happy children, again.

Under the conditions described, you would tolerate no third party interference if it meant less than the best of care for *your* loved one.

And, Gentlemen, I am of the firm opinion that your constituents feel the same way.

Thank you.

THE AMA SUPPORTS HOME HEALTH CARE

Mr. MUSKIE. Mr. President, the American Medical Association was among those who testified on home health care before the Subcommittee on Health of the Elderly at a hearing on barriers to health care for older Americans. We asked the AMA to testify because it had prepared a report on home health and had also sponsored a meeting on the same subject at its annual convention in New York City. The AMA discussed its activities in home health, and its testimony before the subcommittee, in an article titled "Value of Home Health Care Services Emphasized," in the July 23 issue of the American Medical News.

At the hearing, Dr. Charles Weller presented the AMA's views, stating:

> Effective home health care programs can reduce or eliminate the need for both initial and continued institutional care for many patients. Physicians generally agree that a majority of their patients are likely to prefer being in ther own homes, and that improvement in their convalescence is likely to be more complete and rapid.

Dr. Weller also commented on the restrictions on reimbursement for home health care in Government programs as did many of our witnesses. He said:

> We recognize that a home care program without any limitations could get out of bounds. We believe, however, the physicians and other professional personnel who want the best possible care for their patients must be allowed to order and provide preventive, supportive, and rehabilitative services at home as they presently do at other sites. We believe that the range of home services covered by government programs needs reexamination. We urge that the experience of physicians who are participating in home health care programs be utilized in the process of such a reexamination.

Mr. President, I agree with the AMA that the constricted home care services now authorized under medicare and medicaid should be carefully reexamined. The subcommittee hearings on home health have begun just such a review and have received sufficient testimony to document the need for corrective legislative action to develop a proper role for home health services in a coordinated system of health care.

Mr. President, I ask unanimous consent that the American Medical News article be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

[From the American Medical News, July 23, 1973]

Value of Home Health Care Services Emphasized

The value of home health care services is increasingly recognized.

The latest occasion was a hearing before the Subcommittee on Health of the Elderly of the Senate's Special Committee on Aging. Earlier, a Home Health Care Conference sponsored during the American Medical Association's Annual Convention in New York drew a large, interested audience.

The AMA sponsored its conference last month to highlight the importance of home health care as an option in providing care for patients, and to help pinpoint some of the frustrations physicians and others are having in trying to provide home health care.

Last week, the AMA was among those who testified before the Senate Subcommittee's hearings. Charles Weller, MD, of Larchmont, N.Y., a member of association's Committee on Community Health Care, who presented the AMA's views, told the senators:

"The factor of cost is not our most important concern. The factor of patient satisfaction is very important, and the factor of efficiency in utilizing scarce resources of manpower and facilities must also be considered. Effective home health care programs can reduce or eliminate the need for both initial and continued institutional care for many patients. Physicians generally agree that a majority of their patients are likely to prefer being in their own homes, and that improvement in their convalescence is likely to be more complete and rapid."

Emphasizing that the AMA supports the appropriate use of home health care programs, Dr. Weller noted that in 1960, the AMA recommended "that physicians be urged to participate in organized home care programs for any patient who can profit from the program and to promote such programs in their communities." In 1962, the AMA called for additional study and evaluation of existing coordinated home care programs, their proper role in the whole field of medical care, and their proper support by medical care insurance, "with a view toward stimulating development and extension of such programs."

One of the continuing difficulties in the successful development and operation of these programs is the financing of home health care services. These difficulties were among the biggest frustrations discussed at the AMA' conference.

The AMA believes that home health services should be an integral part of any health insurance program and has included them in its national health insurance proposal, Medicredit, now before Congress.

Physicians believe that current and future governmentally financed programs should also contain practical, realistic provisions for reimbursing effective home health care agencies and programs. The AMA has supported the concept that patients should receive needed care in the most appropriate location for their specific conditions and needs. This may be in health care institutions, in physicians' offices, or in their own homes. It is extremely regrettable if there is a good home health program available that is not being used because of financing restrictions in either the private or public sector.

As for government programs, Dr. Weller noted that some now provide for reimbursement of home health services, but there are generally deductibles and some restrictions.

"We recognize," he added, "that a home care program without any limitations could get out of bounds. We believe, however, the physicians and other professional personnel who want the best possible care for their patients must be allowed to order and provide preventive, supportive, and rehabilitative services at home as they presently do at other sites. We believe that the range of home services covered by government programs needs reexamination. We urge that the experience of physicians who are participating in home health care programs should be utilized in the process of such a re-examination."

Hopefully, the increased attention being given the utilization of home health care services will result in an increased awareness of their value by all who are concerned with providing patients with the most comprehensive, satisfactory health care.

CLARIFICATION OF A VOTE

Mr. DOMENICI. Mr. President, I wish to clarify in the RECORD my vote yesterday in support of S. 2263, the Taft substitute measure for tne Emergency Employment Act and my subsequent support for S. 1560 to continue EEA for an additional 2 years.

In my own State of New Mexico, many indivduals and officials have offered their overwhelming support for the Emergency Employment Act as it has worked in our State during the past 2 years. In particular, the mayors and council members of the communities as diverse as Roswell and Las Vegas have been most forceful in their personal testimonies in that regard.

However, the national unemployment rate has been reduced significantly during the past 2 years. In view of that fact, the Taft substitute seemed the most logical approach at this time because it would have directed Federal assistance to sustained chronic unemployment areas. It would have directed the attention and help to those areas suffering the most.

Inasmuch as EEA had worked in the past, I felt local revenue-sharing funds would certainly be used to continue EEA in one form or another, freeing Federal assistance for those areas of greatest need; those less likely to have enough money for extensive emergency employment programs. For this reason, I am sorry that the substitute measure did not pass, but at the same time I simply could not turn my back on the whole concept.

Of all the welfare-oriented programs, not one has received higher praise in New Mexico for usefulness. In fact, if I had my way, I would merge all the different job training programs and many other welfare programs into a State option employment program for States to train, employ, and pay for on-the-job training at good paying positions in the performance of public service projects which would not otherwise be done.

From August 1971 to February 1973, 2,165 New Mexicans were paid on the average of $2.81 per hour for working in such public service positions in law enforcement, education, fire protection, health and hospitals, public works projects, transportation, parks, and recreation—to mention only a few of the categories. In all, New Mexico received during the same period of time $6.8 million, including $663,493 specifically earmarked for use by the All-Indian Pueblo Council. In fact, there were at least 21 different Indian tribes receiving this assistance. This is important assistance in my State and I would not, if I could at all help it, allow the program to be put into abeyance.

So often when public assistance is offered those who are temporarily down, the experience is degrading and undignified. This has not been the case with the past administration of EEA. Testimony has shown that the program was having a favorable impact on participants as well as fulfilling public service needs. Virtually all the participants have been pleased with their jobs, felt they were useful, perceived little discrimination, and wanted to continue in the same occupational field. The program has been drawing on a broad range of the unemployed and the jobs offered useful work, opportunities for advancement, and corresponded in wage and function to regular public sector positions.

And so, Mr. President, it must be obvious I am strongly in support of the emergency employment program as it has been functioning in my State. I just felt that because of its success local communities would be more apt to make this a priority item when distributing general revenue-sharing funds, leaving the Federal revenues free to hit hard at those areas of most severe need—those areas which will need even more moneys than they will receive under the general EEA program. When the substitute failed, I could not let the whole program die. Subsequently, I gave my full support to S. 1560. I am pleased the majority of my colleagues agreed with me and passed this final bill.

DEATH OF THOMAS PORCHER STONEY

Mr. HOLLINGS. Mr. President, on April 21 of this year, one of South Carolina's most distinguished and colorful political careers came to an end. On that day, Thomas Porcher Stoney fell victim to a tragic hit-and-run automobile accident. Tom Stoney was not a young man—he was 83—but he was still active and alert and involved with the betterment of his community.

Mr. Stoney's political career began in 1915, when he was elected solicitor of the Ninth Judicial District—the youngest man ever elected to that office. Eight years later, the young solicitor was elected mayor of Charleston. He served two terms in that post, and as the news stories noted at the time of his death, his terms were marked by significant progress for the city.

Tom Stoney is remembered today as a man of clear and forthright action. He said what he believed and believed what he did. He never minced words. He never hedged. He never tried to cover his tracks.

He is remembered, too, as a spokesman for the underdog and as a representative of the common man, to whom he dedicated his life's work. In these days when people seem no longer to believe in politicians, Tom Stoney held their trust because he believed in the people. Throughout his long life, he responded again and again when the community needed him. He served as a trustee for several schools—he was president of the chamber of commerce—and he headed the Charleston County Bar Association.

Among his many other distinctions, Tom Stoney was a leader in penal reform in our State. For this we are particularly indebted. Three days after I took the oath of office as Governor of South Carolina in 1959, I was admonished that a prison break was imminent because our security system was so defective.

Looking further into the problem, I found a penitentiary defective in most important respects—from administrative practices to the lack of rehabilitation programs to a failure to separate the youthful offenders from the hardened criminals to a place reeking with pep pills, payoffs, and a burial place known as Cuba, 25 feet below ground, where prisoners were left to languish and die.

Being a young Governor, I wanted the wisdom and stability of an older and more experienced hand in penal affairs. I wanted someone who would not be afraid to make the needed changes and who held the respect and confidence of the people. I found that man in Tom Stoney. I appointed him to the board of corrections, and in that post he revamped the board, instituted a program of rehabilitation, built a new camp, brought an education system, and a Jaycee chapter, developed new approaches on youthful offenders, and did dozens of other things. As a result, South Carolina won the respect of other States for its penal procedures, whereas for so many years we were at the very bottom of the list.

Mr. Stoney worked right up to the end, and we are much the poorer for his passing. But he has bequeathed us both concrete programs and a spirit of public service and we can today take pride in the fact that we were the lucky ones who had the benefit of his service.

To his wife, Beverly DuBose Stoney, and to his three sons, Randall, Theodore, and Laurence, we again offer our profound condolences.

Mr. President, I ask unanimous consent that the accompanying newspaper stories, editorials, and letters be made a part of today's RECORD. And I commend these stories and tributes to the attention of all my colleagues, for they tell of the life of a gifted and dedicated and humane public servant. And for me, they tell the story of a rare and wonderful friend.

There being no objection, the articles and editorials were ordered to be printed in the RECORD, as follows:

[From the Charleston (S.C.) Evening Post, Apr. 23, 1973]

STONEY WAS KNOWN AS MAN OF COURAGE

(By Sally Lofton and Jack Leland)

Funeral services for Thomas Porcher Stoney, former mayor of Charleston, were to be held today at St. Philip's Protestant Episcopal Church.

Burial was to be in Strawberry Chapel churchyard in Berkeley County.

Mr. Stoney, 83, was killed in a hit-and-run accident Saturday night as he attempted to cross U.S. Highway 17 in Awendaw.

Flags on city buildings were flown at half staff today, upon order of Mayor Gaillard. City Hall was to be closed during the funeral.

"He was the most colorful and astute politician this city will ever have," Gaillard said. "He never wavered from what he believed to be right and would take on all comers and odds in any fight in the political arena.

"His leadership was recognized throughout the state and his opinions and advice were constantly sought by those with public responsibilities," he continued.

"Few, if any, achieved political success in this area without receiving the benefit of his counsel."

Gaillard said Mr. Stoney's "true greatness" was in his love and devotion to his friends and the city of which he served as mayor from 1923 to 1931.

"Charleston has lost a great man. I have lost a dear friend. And on behalf of all Charlestonians, I extend our heart-felt sympathy to his family."

According to the Charleston County coroner's office, Mr. Stoney was struck by a car headed north on the highway as he tried to cross from his car to a grocery on the other side. Mrs. Stoney was waiting in their vehicle at the time.

An inquest is planned, according to Coroner Kenneth Chue.

Mr. Stoney was a farsighted thinker who predicted most of the political changes that have occurred in the last four decades. He never failed to speak up whenever an issue arose and was known as an aggressive and courageous fighter in all controversies in which he engaged.

He was born at Medway Plantation in Berkeley County Dec. 16, 1889, a son of Samuel Porcher Stoney and Eliza Chaplin Croft Stoney. He attended Catawba Academy at Rock Hill and Porter Military Academy at Charleston.

After two years at the University of the South (Sewanee) he entered the University of South Carolina Law School, graduating in 1911 and beginning law practice that same year. He was an ardent sports fan and played on the Carolina football team from 1909 to 1911.

In 1915, he married Miss Beverly DuBose of Columbia. They had three children, Charleston County Judge Theodore DuBose Stoney; Charleston lawyer Laurence O'Hear Stoney, and Randell Croft Stoney, a Charleston realtor.

Mr. Stoney entered the law firm of J. P. Kennedy Bryan in 1911, shortly after his admission to the South Carolina bar. In 1914–15 he was a member of the firm of Stoney and Cordes. He was elected solicitor for the 9th Judicial District in 1915, the youngest solicitor ever elected, serving until 1923 when he was elected mayor of Charleston.

He was re-elected in 1927 and served until 1931, when he returned to law practice as a member of the firm of Stoney, Pritchard and Crosland. That firm was to gain a reputation as one of the strongest law teams in South Carolina. It was dissolved in 1954. He was in practice with his son at the time of his death.

While mayor of Charleston, Mr. Stoney was instrumental in establishing Charleston's first airport, on James Island, and saw it transferred to its present site in 1929. In 1956, after the city gave the U.S. Air Force several thousand acres of land as a site for its present base. Mr. Stoney charged that the city was not adequately protected in the contract it signed and said: "The Air Force has traded the city out of its breeches."

He was credited with creating the first Johnson Hagood Stadium, and with the establishment of Harmon Field and Moultrie Playground. During his tenure as mayor, the first landfill program was initiated to create two playgrounds and a baseball field, which was named in his honor.

In 1931, when the Federal Farm Board proposed that cotton farmers destroy one third of their growing crops to prevent a cotton surplus, Mayor Stoney rose to defend the farmers. He said: "The proposal . . . is preposterous on its face. Why not propose that manufacturers and merchants destroy one third of their holdings in cotton goods. Prevention of surpluses can only be had by developing new uses for raw materials."

Throughout his life, he was a champion of the underdog. In 1932 reading that a Spartanburg Negro who had the mentality of a nine-year-old child was to be electrocuted for murder, he wrote Gov. Ibra C. Blackwood and requested clemency.

He had misgivings about the Franklin D. Roosevelt administration from the first, although he supported the Democratic Party at the time. He warned the 1932 "lame duck" Congress against trying to institute Roosevelt's announced programs before FDR was inaugurated as President. However, he backed Roosevelt in 1933 and called for united support of the new regime in Washington.

In 1934, he expressed hopes of being named the U.S. district attorney at Charleston, a hope that never was realized. His political opponents later charged him with opposing Roosevelt because of the President's failure to name him to the post, an allegation Mr. Stoney denied.

By 1934, he was moving away from the national Democratic Party, chastising its congressmen for supporting the National Recovery Act (NRA), because it continued high tariffs on Southern raw materials and benefited Eastern manufacturers.

In 1935, Mr. Stoney began speaking out against the growing strength of the federal government under the Roosevelt Fair Deal. He listed 10 powers he said the President had usurped and warned against further centralization of power in Washington.

Mr. Stoney was an early advocate of the tourist trade and made numerous speeches in the late 1930s urging more funds for tourist promotion in Charleston.

His disaffection with the New Deal grew and, in 1936, he said in a speech that "all of this spending is like giving a drunk some drinks in an effort to sober him up."

That same year, he became a candidate for the U.S. Senate against veteran James F. Byrnes, but Byrnes won by a 7–1 margin.

During his campaign, he became more and more critical of the leadership in the National Democratic Party which he said, "deserted its historic principles to follow those of Hot Dog Frankfurter, Little Tuggie Tugwell, Too Damned Dumb Hopkins, Mr. Itches (Ickes) Moley and Cracked Down, now Cracked-Up Hugh Johnson." However, he made it clear he would remain in the party.

By 1939 Mr. Stoney was urging a buildup of the nation's military strength as Adolph Hitler's power grew in Europe. He suggested that American Communist Party Leader Earl Browder be jailed for saying he would side with Russia in event of a war with the Soviets.

During the war, Mr. Stoney headed the Charleston United War Fund Drive but found time to warn Congress against passage of the Wegner-Murray-Dingle Bill, which would have socialized the nation's medical program. He warned that the nation was "drifting toward a socialized state".

In 1947, after Federal Judge J. Waites Waring ordered the Democratic Party primaries open to Negroes, Mr. Stoney thundered: "The Democratic Party is dead as of this date. If we cannot organize politically as a white party, then we are not free men." He staunchly opposed the abandonment of the two-thirds majority vote rule in the national party and warned that it would disenfranchise the South.

His break with the party appeared certain in 1948, when he stumped for the Thurmond-Wright "States Rights" ticket. He said: "You are either for Light-Headed Harry Truman and Dear Alben Barkley, or you are for Thurmond and Wright."

In 1952, he was a delegate to the state Democratic Party convention where he opposed support of the Adlai Stevenson-John Sparkman ticket. In an emotional speech he said: "Vote with your heads instead of your bellies." He described the Stevenson-Sparkman team as "spiritual children of Trumanism". He spoke out for Eisenhower and strongly urged a return to "strict constitutional government to prevent a takeover by any branch of the government".

By 1956, Mr. Stoney was a leader in the South Carolinians for Independent Electors. He told audiences that the only way the people of this state could make their votes count was to vote independently and force the national parties to reckon with them.

In 1964, he supported Barry Goldwater for the presidency as chairman of the "Individuals for Goldwater Committee". At that time he charged the Democratic Party with being "set upon a course that is hell-bent for national socialism".

When it was announced that Highway I–95 was being routed away from Charleston, Mr. Stoney was named chairman of a group which unsuccessfully opposed the routing.

Mr. Stoney had served as president of the Charleston County Bar Association, the Charleston Chamber of Commerce, the University of South Carolina Alumni and other organizations. He had been a trustee of Porter Military Academy, Sewanee and the College of Charleston.

He held memberships in many organizations. Among them were the St. Cecilia Society, Alpha Tau Omega fraternity; Omicron Delta Kappa fraternity, the Huguenot Society, the Elks, the Order of Moose and Knights of Pythias. He was a 32d degree Mason and a member of the Shrine and the Ashley; Rifle Club.

[From the Charleston (S.C.) Evening Post, Apr. 24, 1973]

THOMAS P. STONEY

How many ways Thomas Porcher Stoney is remembered depends on how the memory runs.

He could be remembered as the youngest solicitor ever elected in the Ninth Judicial Circuit, an office he held for eight years.

He could be remembered as an aggressive and artful candidate in the days when political campaigns were rough-and-tumble, with no holds barred and all stops pulled on oratory at the rallies. His race for mayor against incumbent John P. Grace made the summer of 1923 all the hotter. It sizzled and it was successful.

Twice mayor of Charleston, Mr. Stoney could be remembered for leadership ability and the accomplishments of his administration: establishment of an airport in the infant days of commercial aviation, the creation of playgrounds and athletic fields, the promotion of tourism.

He could be remembered, too, as an eloquent criminal lawyer, with courtroom presence and a flair for the dramatic that helped build an impressive record of tough cases won. Or he could be remembered in later years as a sage adviser whose counsel was sought by many in public office.

In a long and active life Mr. Stoney made several marks, but he should be remembered best as a man who consistently demonstrated the courage of his convictions. He was never afraid to stand up and say what he thought was right. He never backed away from a fight. His outspoken criticism of the Roosevelt administration and national Democratic Party policies in the 1930s and 40s was hardly expedient but it was typical. He firmly believed federal government was getting too big and the nation was being pushed down the path to socialism. At political risks he made no bones about how he felt.

Mr. Stoney's ties with the Lowcountry were deep-rooted. He knew its politics and its people. His unexpected death at 83 saddens a community he loved deeply and served well.

[From the Charleston (S.C.) News & Courier, Apr. 23, 1973]

THOMAS P. STONEY KILLED IN HIT-RUN

Thomas Porcher Stoney, lawyer and former mayor of Charleston, died Saturday night when he was hit by a car on U.S. 17 at Awendaw. He was 83 years old.

Charleston County Policeman Dan Lunsford said Mr. Stoney was struck by an unidentified automobile when he attempted to cross the highway.

Mrs. Stoney was in the family vehicle when the accident occurred, Deputy Coroner William Wood reported.

Wood said Mrs. Stoney had parked on the highway shoulder, headed south, at about 10:30 p.m. 20 miles north of Mount Pleasant.

Mr. Stoney got out and was struck by a car headed north, Wood said, as he walked toward a grocery on the other side of the road.

Charleston Mayor J. Palmer Gaillard ordered flags to be flown at half staff on city buildings until the funeral at 3 p.m. today at St. Philip's Episcopal Church.

Burial will be in Strawberry Chapel cemetery in Berkeley County, directed by Stuhr's.

Mr. Stoney was born Dec. 16, 1889, at Medway Plantation in Berkeley County, a son of S. Porcher Stoney and Mrs. Eliza C. Croft Stoney.

Surviving are: his widow, Mrs. Beverly DuBose Stoney; three sons, Randall C. Stoney, a Charleston Realtor; Charleston County Judge Theodore DuBose Stoney, and Laurence O'Hear Stoney, a Charleston lawyer, and several grandchildren.

Mr. Stoney attended Catawba Academy at Rock Hill and Porter Military Academy at Charleston. After two years at the University of the South in Sewanee, Tenn., he entered the University of South Carolina Law School, graduating in 1911.

He began his law practice the same year with J. P. Kennedy Bryan. In 1916 he was elected solicitor for the 9th Judicial District.

Mr. Stoney served as solicitor until his election in 1923 as mayor. He was re-elected mayor in 1927 and completed his second term in 1931.

As mayor, Mr. Stoney was instrumental in establishing Charleston's first airport, a facility on James Island. It was transferred to the present site in 1929.

Under his administration, a municipal golf course was laid out on James Island; Johnson Hagood Memorial Stadium and Thomas P. Stoney field were built, and the Gen. William Moultrie Memorial Playground opened.

Throughout his life, he was known as a champion of the underdog. In 1931, he lashed out at the Federal Farm Board's proposal that cotton farmers destroy a third of their crops to prevent a surplus, calling the plan "preposterous on its face."

In talks to state and local groups, Mr. Stoney reversed his initial support of Franklin D. Roosevelt's administration and became an ardent supporter of states' rights. He lost a race for the U.S. Senate to James F. Byrnes in 1936.

Mr. Stoney broke philosophical ties with the Democratic Party in 1948 when he stumped for the Thurmond-Wright States Rights ticket.

In 1956, he was named an elector for South Carolinians for Independent Electors. Four years earlier he had traveled some 2,100 miles campaigning for Dwight D. Eisenhower.

He supported Barry Goldwater in 1964, saying that the Democratic Party was "set upon a course that is hell-bent for national socialism."

Mr. Stoney served as president of the Charleston County Bar Assn., the Charleston Chamber of Commerce and the University of South Carolina Alumni Assn. He had been a trustee of Porter Military Academy, Sewanee and the College of Charleston.

He was a 32nd degree Mason, a Shriner, a member of the Charleston Rifle Club, the Huguenot Society, Elks, Moose and Knights of Pythias. He held membership in the St. Cecilia Society, and Alpha Tau Omega and Amicron Delta Kappa fraternities.

Mayor Gillard said in a statement yesterday:

"He was the most colorful and astute politician this city will ever have. He never wavered from what he believed to be right, and would take on all comers and odds in any fight in the political arena.

"His leadership was recognized throughout the state and his opinions and advice were constantly sought by those with public responsibilities.

"Few, if any, achieved political success in this area without receiving the benefit of his counsel.

"The most pleasant experiences of my political life were those occasions when I would discuss with him a particular problem about our city. His understanding of the situation, his sincere desire to be of help and his unique ability to suggest a solution never ceased to amaze me. A conversation with Mr. Stoney was truly an education in itself.

"But his true greatness was in his love and devotion to his friends and his city. The greater part of his life was devoted to helping others with their problems. He was truly the friend of the little man.

"Charleston has lost a great man. I have lost a dear friend. And on behalf of all Charlestonians, I extend our heart felt sympathy to his family."

U.S. Sen. Ernest F. Hollings, as Governor who appointed Mr. Stoney to the State Board of Corrections in 1959, credited him with having done a "tremendous job" in that post.

With Mr. Stoney on the board, Sen. Hollings said, the prison system, gained a new camp, new rehabilitation programs, a new education system and a Jaycee chapter.

"We came from about the bottom of the ladder in reform," said Sen. Hollings. "And a lot of that was due to Mr. Stoney's leadership. He kept it up to the very end."

[From the Charleston (S.C.) News & Courier, Apr. 24, 1973]

THOMAS P. STONEY

Endowed with courage, vigor and a keen mind, Thomas Porcher Stoney was born to leadership. For more than half a century he was prominent, both in and out of political office, in the affairs of Charleston.

Descended from pioneer English and French families, he grew up at Medway Plantation in Berkeley County, went off to school and started practicing law in 1911 at Charleston. Within four years at age 25, he was elected solicitor of the 9th Judiciary Circuit.

As prosecuting attorney, the starting place for many an American politician, Mr. Stoney made an instant public impact. In 1923 he ran for mayor against John P. Grace, for years a dominant political figure in Charleston, and won. He was reelected in 1923. After completing his second term in City Hall, he continued to play an influential role in the political and civic life of this community.

While he had the bearing and assurance of aristocracy, Tom Stoney also had the common touch and an abiding concern for the underdog that brought admiration and support from people in every walk of life. In later years, his deep faith in states rights caused him to leave the Democratic Party, first to support independent tickets and later Republican candidates for President. He retained the respect of citizens of all factions, and his counsel was sought in many circles.

Mr. Stoney's death at age 83 from a hit-and-run automobile is a tragic ending for a useful and distinguished lifetime of public service. Shrewd in business and politics, witty, wise and proud, he was quick to sense an affront, but willing to forgive. Thomas P. Stoney will be remembered with affection, gratitude and esteem in the region of his birth.

[From the Charleston (S.C.) News & Courier, June 7, 1973]

MAN OF INTEGRITY

To the News and Courier:

In commemoration of Thomas P. Stoney, the greatest statesman in South Carolina since John C. Calhoun:

It was ironic and unfortunate that he was not elected to the United States Senate. Had he been, everyone in Washington and the United States would have heard of the gentleman of South Carolina.

He was a man of the highest integrity and not for sale. None of the legal talent of Broad Street relished the idea of debating with him.

He was known as "the silver-tongued orator".

HOWARD A. CALLIS.

AFL-CIO EXECUTIVE COUNCIL STATEMENT ON FAIR LABOR STANDARDS AMENDMENTS

Mr. WILLIAMS. Mr. President, last week House and Senate conferees met and reached an agreement on the minimum wage bill. I am hopeful for its earliest consideration by both Houses and am encouraged to learn that the Secretary of Labor will be recommending that the President sign this long overdue measure.

This morning the AFL-CIO executive council met and issued a statement on this legislation which I believe capsulizes the urgent need for this legislation.

I ask unanimous consent that the text of the council statement be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

AFL-CIO EXECUTIVE COUNCIL STATEMENT ON FAIR LABOR STANDARDS AMENDMENTS

House and Senate conferees have reached agreement on a minimum wage bill (H.R. 7935) that deserves speedy Congressional and Presidential approval.

While the Conference Report does not make all of the improvements in the FLSA sought by the AFL–CIO, it does represent important gains for millions of America's lowest paid workers.

The AFL–CIO Executive Council urges the Congress to approve this important legislation and send the bill to the President prior to the August recess.

The Counsel urges the President to sign the minimum wage bill without delay. A veto of this critical legislation would be unconscionable. There is no valid argument to support the denial of these long overdue benefits to those at the bottom of the economic ladder.

On the basis of the past history of amendments to the FLSA it is clear that H.R. 7935 will strengthen the economy, not weaken it; that it will provide more employment at better wages, not subminimum rates.

EXTENSION OF FHA'S AUTHORITY TO INSURE HOME LOANS

Mr. TAFT. Mr. President, I am pleased that the House and Senate conferees apparently have been able to agree upon legislation to extend the FHA's authority to insure home loans.

Our Banking, Housing and Urban Affairs Committee reported legislation to extend the FHA considerably before its expiration date of last June 30. Soon after the program was allowed to expire, I called for its immediate reinstatement. Shortly thereafter, I wrote a letter to the chairman of the committee urging him to do what he could to bring the legislation before the Senate for action as soon as possible.

The resolution authorizing an extension of the FHA, House Joint Resolution 512, was not passed expeditiously because controversial amendments were attached to it. Many Senators did not support committee amendments which would end the moratorium on federally subsidized housing and broaden the laws providing compensation for purchasers of defect-ridden FHA homes. I felt strongly at the time, however, that the best way to settle those issues was to bring them before the Senate and allow Senators to act according to their convictions. In my judgment it appeared irresponsible to allow FHA and VA programs to continue to be disrupted, and the intended beneficiaries to the programs deprived, because of legislative failure to resolve the issues in dispute.

I am pleased that action along these lines was finally taken because the amendments to House Joint Resolution 512 are extremely important—particularly the amendment to bring an end to the moratorium, before July of 1974. The Senate was allowed to express itself on these issues and the amendments are now included in the version of House Joint Resolution 512 agreed upon by the conferees.

Nevertheless, we must recognize the continuing danger that we will not have an FHA for some time as a result of the amendments to House Joint Resolution 512, because the President may veto the bill. It is essential that this possibility be averted. Since June 30, no new FHA commitments have been accepted and closings have not been allowed to be completed. As a result, deserving citizens in need of assistance have had to postpone their hopes of owning new homes. In many cases, major inconveniences and even hardships have been created because people have had to change actual moving plans at the last minute.

It would be absolutely irresponsible for us to let this situation continue when we can take action to prevent it.

For that reason, I believe it would be wise at this point for Congress to pass a simple extension of FHA's authority. The extension should remain in effect through the congressional recess and long enough after that so that House Joint Resolution 512 can be disposed of. In other words, we should leave enough time for Congress to decide whether to override a veto if necessary and to shape new legislation containing a further extension of FHA if a veto is sustained. The extension should be no longer than that, however, so that the pressure to resolve the issues raised in House Joint Resolution 512 is retained.

The chairman and ranking member of the Housing and Urban Affairs Subcommittee have now introduced a resolution along the lines I am proposing which extends FHA until October 15, but apparently there is some disagreement on that termination date. This is exactly the kind of situation we had immediately before the July 4 recess, when the FHA authority was allowed to expire.

There is too much at stake here for us to allow this to happen again. The expiration of FHA affects not only the low- and moderate-income citizens who need its assistance, but also those developers, realtors, and mortgage bankers who made it work. Of course, FHA should not be extended solely for their purposes, but by the same token, we should hardly be surprised if they become less eager to invest their time and resources in Government housing programs as a result of this experience.

Regardless of whether the expiration date is to be October 15, October 1, September 20, or some other date, it is imperative that Congress agree upon an FHA extension of some kind before the August recess.

GENERAL AVIATION VICTIMS OF MIDAIR COLLISIONS: HOW MUCH IS ENOUGH?

Mr. MOSS. Mr. President, last Friday we witnessed the latest tally in lives lost from midair collisions. Although it was not widely publicized, three persons lost their lives in a midair collision with a Boeing 727 10 miles west of Wiley Post Airport in Oklahoma City. They are only the latest additions to the tragic list of fatalities we shall witness in this decade—a list that will grow to nearly 1,000 based on past statistics from the NTSB. The victims were aboard a small Cessna aircraft typical of the aircraft flown by many of our private pilots in general aviation.

Mr. President, I am very troubled by the future prospects for our national aviation system and the place general aviation will retain. The midair collision hazard is just one case where general aviation suffers most—and suffers in large measure from the policies and actions of the Federal Aviation Administration.

Recent FAA cost allocation study recommendations would lead to an impossible burden of an estimated $200 million on general aviation, plus another $50 million in charges for FAA services. Just this month I joined with Senator Dominick and 18 other Senators in a letter to the chairman of the Subcommittee on Transportation. In this instance, we were concerned by FAA plans to close 30 flight service stations each year; the very stations that provide the bulk of assistance to general aviation pilots. And, finally, there is the FAA's persistent procrastination in seeking an airborne solution to the midair collision problem.

Eighteen Members have joined me in cosponsoring my Mid-Air Collision Avoidance Act, S. 1610. This bill would move the FAA to follow a program to require the airborne collision avoidance systems needed to protect the flying public. For a reasonable cost it would insure the full participation of general aviation in the Nation's airspace and terminal areas. Left to their own devices, the FAA would have us wait for a ground-based solution in the 1980's in spite of the facts that industry is ready, the technology is ready, and the number of lives lost continues to mount. Let me note that in the Oklahoma City collision, the Boeing 727 was being operated by the FAA.

In addition to calling for support for S. 1610, let me also take this opportunity to inform my colleagues of another effort to guarantee general aviation's future and the flying public's safety. At the urging of myself and other concerned Members of Congress, NASA recently established an Office of General Aviation Technology.

Mr. President, I ask unanimous consent to have printed in the Record an article from General Aviation News which describes the activities of this new NASA office.

There being no objection, the article was ordered to be printed in the Record, as follows:

[From General Aviation News, June 25, 1973]

NASA Directing More Efforts to General Aviation Aircraft

Washington, D.C.—The NASA programs in general aviation are directed at providing the technology for the design of future U.S. aircraft that are safer, more productive, and clearly superior to the rapidly growing foreign competition. The program draws on each of the aeronautical discipline areas within the Agency.

The stall/spin category of accident has been identified by the National Transportation Safety Board as the primary cause factor in 35 per cent of all general aviation fatalities. A comprehensive research effort was initiated in FY 1973 aimed at the elimination of the stall/spin as a significant factor in fatal accidents. Spin tunnel and free-flight radio-controlled models are being used to investigate a wide range of the vehicle characteristics, such as tail geometry, which are significant in stall/spin behavior. Once validated by full-scale flight test, these data will provide an aerodynamic design basis for aircraft with greatly improved stall/spin characteristics.

Flight studies of the use of aerodynamic spoilers on a light single engine aircraft during FY 1972 and 1973 have shown significant potential for easier and more precise landings. Another aircraft incorporates modern highlift technology in addition to spoilers and will undergo detailed flight testing in FY 1974.

A new area of concentration is on the development of a series of general aviation airfoil shapes. Higher lift-to-drag ratios, more docile stall characteristics and lighter structural weight are possible with these advanced technology airfoils. Wind tunnel tests initiated in FY 1973 will be followed by a flight demonstration in FY 1974.

One of the elements of the NASA propulsion technology program is aimed at the reduction of general aviation's contribution to environmental pollution by concentrating on methods for reducing noise. Propellers and fans in acoustically treated ducts with rotary combustion engines as power sources exhibit high potential for meeting this objective. Modifications are being made to an existing aircraft for proof-of-concept testing. Wind tunnel evaluation will be conducted in FY 1974, with flight demonstration planned for FY 1975.

Jointly with the FAA, a comprehensive study is underway to develop realistic design techniques for crashworthy structures. To provide the necessary research data for this effort, a full-scale crash testing technique has been developed. The Apollo Program Lunar Landing Research Facility at NASA's Langley Research Center is used to support a pendulum that permits precise control of aircraft speed, impact angle, and attitude during a simulated crash. A manufacturer has made available 16 flood-damaged general aviation airframes for testing in this facility during FY 1974.

Piloting procedures in the relatively uncontrolled general aviation environment are a significant factor in safety. This is particularly true in the terminal area, where over half of all accidents occur, including 80 per cent of the mid-air collisions. To provide a realistic data base, the detailed analysis of traffic flow at airports without control towers will continue during FY 1974. This effort is being directed toward providing an analytical model of traffic flow dynamics around such airports and defining the impact of those dynamics on mid-air collisions. The results of these studies will provide a technical basis for the development of improved traffic patterns as well as in defining the criteria for future general aviation collision avoidance and pilot warning systems research.

The avionics program is directed at the development of low cost advanced avionics and flight control technology for general aviation aircraft. The objectives are to provide increased safety and efficiency in utilizing uncontrolled (VFR) airspace, and to make possible increased participation in controlled (IFR) airspace.

The analytical and experimental study of collision avoidance and pilot warning systems is the first of the three elements of this program. The second area is the investigation of techniques for functional integration of avionics required for ATC participation as a means of reducing the "cost of admission" to the present and planned controlled airspace.

The third area concentrates on the development of the technology that will permit economically practical incorporation of advanced control and display capabilities into the broad class of general avitaion aircraft. Previous NASA studies have demonstrated the advantages to be gained from advanced control systems technology in general aviation. In a joint effort with a university and a manufacturer, these results are being used to design and demonstrate an economically practical flight control system for a commuter airline class vehicle.

Special general aviation efforts in Aeronautical Life Sciences are being directed toward two areas. First, pilot training is predicted to become more complex, time consuming, and expensive in the future. The additional training and complexity will result from the increased number and types of aircraft operating in the National Airspace System, advanced computerized navigational aids, positive terminal control areas, wide ranges of airspeeds, and a multitude of aircraft operating modes. A definition of the general aviation pilot training and currency assurance system needed for the 1980's is being explored by NASA, in conjunction with the FAA, during FY 1973 and FY 1974. This system definition study will consider innovative concepts in both computer-aided instruction and simulation technology. The definition phase will culminate in a plan for the research necessary prior to system development.

In the second Life Sciences area, during FY 1971-1972, the NASA Flight Research Center completed a preliminary evaluation of a painted diamond on a runway for visual indication of glideslope. Results indicate that the diamond is an effective aid in establishing glideslope interception and control as well as providing a more readily available runway identification point during VFR conditions. Over half of all general aviation accidents, 2380 out of 4665 in 1968, occur during the approach and landing phase of flight. A more positive indication of the correct final approach angle could significantly reduce this total. In FY 1974 more detailed studies will be made by the NASA Flight Research Center and Ames Research Center, to develop runway and glideslope visual aids. Data developed will be coordinated with FAA requirements and made available to them for possible implementation as a standard marking for general aviation runways.

The programs described that are directed toward improving handling qualities and flight characteristics as well as the controls and displays for reduced pilot workload, all can have significant impact on the safety of general aviation through improved flightworthiness and less demanding pilot requirements. These and more general efforts such as wake turbulence, runway traction, and fire retardant material studies, will also enhance safety.

The economic benefits derived from the commercial use of general aviation aircraft, although diffuse, are believed to be both real and significant. The airplane has become an integral part of the Nation's business machinery with virtually all major corporations utilizing this form of "on-demand" transportation for both people and cargo. Special industrial operations such as fish spotting, automobile traffic surveillance, powerline patrol, and chemical dispersing can be accomplished most effectively through the use of general aviation aircraft. With this broad utilization of some 33,000 aircraft for business and industrial operations, improvements in their safety, efficiency, or productivity will provide benefits across a large segment of the Nation's economy.

Since 1965 the foreign sale of general aviation airframes alone has returned approximately ¾ of a billion dollars to this country. U.S.-manufactured general aviation products dominate the world markets at the present time. However, this advantage is disappearing in the face of a rapidly emerging foreign production capacity. For example, cumulative imports of turbine powered aircraft currently outnumber exports with a deficit in this area of over 200 aircraft and $200 million. The number of under 10,000 pound foreign aircraft currently imported is not large, 132 in 1972, but it is growing.

The general aviation effort within the NASA capitalizes on the technological developments generated for other facets of aviation. Concentration is being placed on efforts to reduce to economically viable levels those technology advances that can benefit general aviation. The use of general aviation equipment for much of the experimental work coupled with the use of existing facilities within the NASA research centers provides a high return of research data for the dollars invested.

ENVIRONMENTAL MANAGEMENT OF THE NATIONAL FORESTS

Mr. METCALF. Mr. President, I am pleased to cosponsor S. 2296, the National Forest Environmental Management Act of 1973. Introduced by Senator HUMPHREY, the most basic reason is that the future of our national forests can no longer be left to chance. There are a host of subsidiary problems, but this central issue is clear.

The concepts this bill would set for our national forest system will aid in:

First, the development of vital basic natural resources data on a continuing basis and its public dissemination.

Second, the development of national goals for all the resources and activities on the national forests; their public development via the machinery of executive formulations, presentation and recommendation to the Congress; public testimony and consideration in both Houses of Congress; enactment of a law expressing the goals and finally signing into law by the executive.

Third, the annual budget process that implements the established long term goals.

Fourth, the execution of these budgets to achieve these national goals.

This bill addresses these issues in a way that I think will sharpen the national focus for capitalizing on national forest potential.

There are some aspects of national forest management that have stirred wide and heated debate:

First. Favored use for a resource. It is widely believed that in the allocation of always scarce funds timber cutting always is given a priority over not only growing timber for the future but also all other resources and uses.

Second. Poor allocation of funding alternatives: A continuing dearth of road funds forces two kinds of options: First, make large sales in order to underwrite estimated road costs, and second, make widespread use of timber price reductions to secure needed permanent roads.

Third. Irregularity in capital and operating programs: Budget squeezes force considerable adjustment, particularly of programs with future substantial benefits and low direct Treasury potential revenue.

Fourth. Choice of timber harvest methods. There has been a wide debate over what is known as clearcutting, which included extensive hearings and a report by the Committee on Interior and Insular Affairs. There is little doubt that some of the large clearcuts go well beyond the norm needed to achieve a silviculturally sound timber sale. The very nature of a large "clearcut" makes it show up in stark contrast to an even larger volume of timber removed in what is generally called a "selection cut." When professional foresters are limited in their options, the results in either type of sale, but most particularly a "clearcut" sale, can be extremely unsatisfactory.

Logging is a most disruptive process. The very machinery used, even when good planning, careful supervision, and environmentally oriented execution occurs, can tear up the site.

I list these as examples of the kinds of issues we confront. Short-term approaches are confounding long-term requirements.

It is not my suggestion that every aspect of this bill is perfect in its detail. The central core of the bill expresses a concept that I find appealing.

Several of the bills' specifics attract me to it. These include:

Setting minimum goals for reforestation and stand improvement;

Stimulating real conservation of all of the multiple uses on a balanced base;

Requiring that timber sales carry the "seal of sound silviculture" and wise use of trees cut;

Gearing road programs so that total multiple use needs are met and vital timber access roads are secured via appropriated funds and timber sale value reductions in an orderly manner; and

Protecting county revenue sharing in assigning priorities to road construction methods.

We thus have the core issue of commitment to define goals and fund them and the additional steps needed to effect better programs for all resources but especially timber. Out of all this it is my hope will flow benefits that improve all of the multiple uses.

In my discussions with the junior Senator from Minnesota (Mr. HUMPHREY) he has stressed to me the strong hope he has that contending groups and ideas can come together with good will and amicably to help perfect this bill.

I am not the draftsman of this bill, so I hope that those who alined themselves around S. 1734, which was before the 92d Congress, will not jump to conclusions of any sort.

This bill is a new and fresh effort to meet the needs. I propose to approach the issues in this spirit and urge all others to do so also.

There is little doubt that we face a continuing population growth. We face a mounting demand upon all natural resources. Our softwood forest resources are in particularly high demand and their rate of drain versus growth is not favorable, especially on a saw timber basis. Forest management as practiced by professional U.S. foresters is definitely predicated for most species and situations on cutting cycles of a century or less as compared to natural life cycles of two to five centuries. Concepts of financial maturity as expressed by quantity grown over the shorter period are the rule rather than higher quality secured over the longer period. In other words intensive forest management can produce two, three or even four crops over the two or three centuries a normal tree life cycle would take. The sacrifice in quality is more than offset by the greater wood secured.

To meet future wood needs will require just this sort of management. The desultory and indifferent practices on much private forest land requires an extra effort on large public and private forests of high capacity. Currently we are growing about half the softwood we could grow each year.

The fact that the national forests have half of the Nation's softwood timber reserves should not confuse us as to the realities. These lands have half the timber because other forests have been cut so heavily in the past and have not recovered. Looked at over the long pull the national forests will be fortunate indeed if they can produce a quantity of timber equal to their pro rata acreage if there were no multiple use constraints that acted to limit harvest levels due to a relatively lower site capability. Also much of their high mountain commercial forest has key watershed values that is a constraint on timber cutting. Other use requirements will act as a further restraint. Thus it becomes all the more important that intensive multiple use forestry be applied to these public forests.

However, the almost 1 trillion board feet of timber in the national forests is an attractive crop which engenders all sorts of schemes to cut it faster. If we are to hold fast to the sustained yield concept, the only way we can cut this timber faster is to take the steps first that grow national forest timber faster and better.

These things need to be said and said clearly in order that there will be a complete understanding of my basic interest in the bill.

I hope, therefore, we can go forward together with our concern for the future matched by a dedication that it will be a bright one.

It is my intention to supply the Committee on Agriculture and Forestry a list of people in Montana whose views should be solicited in order that we will get the widest public consideration of this proposal by people in the State of Montana.

ARTHUR F. SAMPSON, ADMINISTRATOR, GSA

Mr. GRAVEL. Mr. President, the July 1973 issue of the Government Executive carried an article by Mr. Samuel Stafford about a very unique public official who daily faces and solves very unique governmental problems. I am speaking about the Honorable Arthur F. Sampson, Administrator of the General Services Administration.

The General Services Administration was established under the Truman administration through the Federal Property and Administrative Services Act of 1949. The job that the GSA has done in these 24 years is short of phenomenal. We have come to look upon the GSA as the "Government's housekeeper" performing a multitude of duties ranging from purchasing pencils to building office buildings.

As a Senator, my staff and I have daily need for contacting most of our governmental departments and agencies and usually know just how quickly information will be forthcoming. Certainly no governmental organization matches the competence and timeliness of responses from the General Services Administration. The attitude of employees is usually reflected by the head of an organization, and in the case of the GSA it has been a great pleasure to my staff and me to work with the Administrator and his very fine staff.

Mr. President, so that my colleagues may know more about this dedicated public servant, I ask unanimous consent to have Mr. Stafford's excellent article printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

GSA: WHAT'S NEW IS REALLY NEW IN FEDERAL BUILDINGS

(By Samuel Stafford)

HIGHLIGHTS

1—The General Services Administration, long considered a mere watchdog over Federal equipment and facilities, has assumed a new and important policymaking role with far-reaching implications.

2—The agency has launched programs aimed at fostering improved relations with communities in which its facilities are located.

3—Environmental, socio-economic, energy conservation and other considerations, which formerly were given short shrift by the GSA now are an important part of GSA's site location and building renovation efforts.

4—Main aim of Art Sampson, head of GSA, is to create a cost-beneficial Federal physical plant in which workers can produce. One problem confronting Sampson: How to make the best tradeoff between socio-environmental considerations and other factors such as marketplace economics and worker output?

The location of Federal buildings in cities across the country, of course, has long been a prime example of pork barrel politics.

Decisions as to total cost, architecture, siting and other building factors for years have been made by local and national politicians playing footsie with favored downtown builders and land owners.

It has been a case of bad decision making, producing abominable results. Best example: U.S. Post Office buildings which have been poorly located in the cities they are supposed to serve and which often are either too large and lavishly equipped for the number of patrons they serve or are inadequate to handle the traffic efficiently.

Likewise, large Federal regional headquarters buildings often have been mislocated in cities from a standpoint of serving the public. A qualifier should be added: Highways, bridges, parking facilities and other forms of urban construction *also* have been mislocated, as hindsight has shown; but with Federal buildings, there seems less excuse for ignoring long-range planning considerations.

The Federal facilities traditionally have been located in a way that has given more weight to site acquisition, development costs and the desires of Federal agencies to build in certain locations than to the plans and needs of local areas.

Effect of such short-sighted policies has been dismal.

POLLUTION HAZARDS

A 1972 General Services Administration report on proceedings of an environmental conference on building construction notes that "the Federal Government has long provided a major stimulus for urban planning through its program requirements and financial incentives . . . these activities have created and furthered the planning process at other levels of government . . ."

However, the report continued that the Federal Government's exclusion of urban planning considerations in site selection has produced unhappy effects "which have become increasingly visible with site selections reinforcing urban sprawl, contributing to abandonment of old employment centers, supporting economic and social segregation and conflicting with local development objectives as expressed in comprehensive plans."

That conference, as noted, was in 1972. It signaled a new interest in socio-environmental aspects of Government construction by the GSA, the builder, owner and manager of all Federal facilities in the United States.

The impact of GSA policy decisions on both public and private construction throughout the country can not be overestimated. The GSA annually buys more than $2 billion worth of materials and is responsible for more than 10,000 Federal-owned or leased buildings, Every day across the country, some 1,500 Federal construction projects are in various stages of completion.

The decisions that are—or are not made—obviously have considerable effect on what in the broadest sense is labeled the urban "environment."

If a wrong site is chosen, the public users of the Government services suffer. If a poor site is chosen, a city's traffic and parking problems may be aggravated. The kind of paint selected for Federal offices may present a pollution hazard. The same is true of the type of fuel bought to heat a Federal building. Solid waste disposal is a growing problem.

During the past year, the debate over the "energy crisis" has heated up. The GSA now is exploring ways to conserve energy in its Federal buildings.

The entire scope of Federal architecture is under intensive investigation. Critics have long been critical of bureaucratic architecture, which they have felt was a mish-mash of uninspiring marble, concrete, glass and Greek columns.

The Nixon Administration recently convened a high-level Design Assembly attended by designers, architects and Federal administrators, with an eye to improving building design. There is some feeling among those familiar with Federal construction that the Nixon task force will concentrate too heavily on architectural esthetics and the preservation of historic landmarks, which, while important facets of the problem, do not deal with socio-environmental-energy conservation aspects of building.

The man in the middle of this relatively new movement to improve siting and design of Federal buildings is Arthur F. Sampson, administrator of the GSA.

Sampson, who came to GSA in 1969, played a key role in reforming management and budget operations of the state of Pennsylvania. He favors the word "excellence" in conversation. His reputation both in Pennsylvania and with the Federal Government has been that of an activist, a positive thinker, a doer, a man who brushes away obstacles in the way of getting things done.

Architects generally have been pleased about initiatives begun by Sampson and his predecessor, R. L. Kunzig.

Among other things, Sampson reduced a three-foot-high stack of regulations for public building architecture to a brief pamphlet. And Sampson also started an awards program to recognize superior designs. Awards have been given to the U.S. Tax Court design in Washington and a Federal correctional facility and parking facility in Chicago, among other projects.

The GSA under Sampson also has started to turn over landmark buildings the Federal Government doesn't need to local governments and has explored the possibility of including shops, restaurants, and other community facilities in U.S. office buildings.

Sampson, a Republican, has some reservations about the Administration task force's apparent tilt toward the choosing of designs by a blue-ribbon panel of architectural judges; to Sampson, final judgment should rest with the GSA, working with involved agencies as to their needs.

The GSA during the past six years has steadily gained policymaking influence in the Federal Establishment in agency management of Government procurement, paperwork handling and data processing and communications.

The trends, to Sampson, have been "exciting." Among the substantive directional changes in Federal design and construction procedures:

The Public Buildings Amendments of 1972 gave GSA the authority for three years to have Federal buildings financed and built under a purchase contract method that looks to the private sector for capital, and the Act also created a Federal Buildings Fund into which all agencies pay a rental or user fee based on the space they occupy and the local market rate for comparable office space, said fund to be used for new construction, operation, maintenance, repair and protection;

"Value Engineering" has become a fact of life in contracting. Sampson describes it as "a methodology of having people take the time to create, record, evaluate and implement cost-saving ideas without reducing levels of quality . . . a proven technique that I received training in with industry when I was with the General Electric Corp. (early in his career), introduced in the state government in Pennsylvania and later brought with me when I came to GSA. It's a proven technique and one that can save a lot of Federal dollars."

EXECUTIVE ORDER

Life-cycle costing in which the emphasis is shifted from a traditional focus on initial costs to long-term costs of facilities and equipment. Says Sampson: "We're saying that sometimes you may have to pay a little more for the acquisition of a piece of equipment but over the life-span of that equipment it may cost less for maintenance and replacement than it might cost if you saved money initially and bought cheaper equipment.

"Too often, we have put marginal equipment into buildings and the Government purchasers have never seen the individual parts of the equipment because it has come to us as a mechanical or electrical or structural system so nobody has had a chance to look at that little motor or that little fan or that insignificant piece of piping.

"Now, we're looking at these things and saying to the architect, 'You must put down two or three alternatives and compare those alternatives on a life-cycle cost basis and not on an initial acquisition cost basis.'

"For example, you may have a motor that's 30% efficient and you have to run it three times as long as you should to give you some heat or air conditioning. Well, let's get an efficient motor in it. You'll never get 100% efficiency but you can try for at least 85% efficiency."

Two of GSA's major thrusts these days are in the area of socio-environmental building considerations and energy conservation.

An environmental office has been set up in the Federal Buildings Service. And a new Federal building in Saginaw, Mich., will incorporate the latest advances in environmental technology. The considerable clout of GSA's purchasing power also is being brought to bear on the private sector in the application of effective waste disposal technologies, the purchase of biodegradable and recycled materials and other activities.

These trends were the direct result of the issuance of Executive Order 11512 by President Nixon on February 27, 1970. The order directed the GSA to amend its established procedures to give recognition to socio-economic and environmental considerations in agency site selection and applied to the planning, site acquisition, construction and management of Federal properties.

Formerly, the GSA had operated under Executive Order 11035, which focused more on an agency's mission than on the effect of construction of a certain type in a given area.

FEDERAL-LOCAL COOPERATION

To GSA officials, the location of an Internal Revenue Service automated data processing center in Fresno, Calif. is a good example of what can be done under Executive Order 11512.

The IRS had been looking for a site since 1968, but the project had been in limbo because of local conflicts. Local minority groups had seen racial implications in the removal of their area from site consideration.

After the executive order was issued, a team of local city employees began evaluating each site as to its physical, social and economic impact. They were aided by GSA specialists and private consultants.

The final location of the ADP center in east Fresno near the city's Mexican-American community was a compromise hammered out by the conflicting forces—minority groups. Federal officialdom, city government and downtown businessmen.

The GSA believes that the IRS site chosen under the new procedures is proof that Federal-local cooperation in site selection is not only possible, but also is beneficial to all involved parties.

Among other benefits of siting the IRS center in east Fresno: racial tensions in the city appear to have been reduced; land values in the area have been enhanced; more than 1,500 jobs have been opened up in a largely minority group area; and shopping facilities, bus service, roads and traffic control in the vicinity of the center have improved.

The GSA has stepped up its program of monitoring Federal buildings for pollution emissions and has included new pollution control equipment in its repair and improvement budget.

Last Fall, the GSA began designing a building in Manchester, N.H., which will incorporate new concepts and techniques in energy conservation.

Sampson believes that the Nation faces a severe "energy problem" but that the much-discussed "energy crisis" has not arrived yet. He also thinks that environmentalists are going to have to tailor their demands to the realities of life "if this country is to survive."

CRISIS SYNDROME

"We have an abundance of energy sources," he said, "but we just haven't been able to tap them. I firmly believe that we're going to have to have a trans-Alaskan oil pipeline, all those nuclear power plants, and supertankers.

"There is admittedly a crisis syndrome in many areas of energy involvement. But I do not think we have reached the crisis stage in the building construction field. The onus should not be put on the construction industry.

"Nobody has shown me the extent to which office buildings contribute to the energy problem. Those statistics simply are not available and there's no reason why we should add millions of dollars to building costs to achieve drastically reduced energy levels when buildings represent less than 40% of the country's energy consumption.

A DEGREE OF MODERATION

"There are those who want to turn buildings upside down or make them round or oblong to achieve certain environmental or energy conservation ends. They want to make the buildings so odd that the lifestyles of the people working in them would be drastically altered. But the people are not animals who can be manipulated this way.

"What I'm saying basically is that we have to approach this whole problem with a degree of moderation. We don't want to go overboard.

"We have found that we can save between 30 and 50% of our energy needs by some very simple design techniques within the current state of the art.

"In the past, nobody paid much attention to the way you faced a building in relationship to the sun and prevailing wind directions. We are now doing so. We are taking these factors into consideration in our site selections.

"There are techniques that can be used now for taking heat from the outside and storing it on the inside. You can save a great deal of energy through the storage of heat and cool air. You can recycle water. We don't have to be esoteric about it. The time may come when solar energy systems are feasible but that time hasn't come yet."

IMPATIENCE WITH INACTION

Meanwhile, as data is being amassed in the Manchester, N.H., experiment, the GSA has issued ukases to its regional supervisors to curb energy consumption through a variety of simple administrative edicts, such as (going back to Lyndon Johnson) turning off lights when offices are not in use, using timers to turn on and off air conditioners and other equipment, installing photo cells to control outside lighting, and using solar screens to reduce the heat gain from outside.

Sampson has brought his own quite individual style of management to GSA. It has both bemused and fascinated his subordinates. Sampson habitually plays a fast set of tennis before coming to work. After arriving in his office, he changes from business suit to sport shirt and slacks, his usual working attire for the day. If he has to attend a high-level meeting or deal with important personages, he changes back into suit and tie. Otherwise, he is the most casually dressed agency head in Washington.

He fields phone calls like a sunbather brushing off flies. There is a problem with such and such, a caller explains. Never mind the problem, Sampson says, what is being done about it? Not much, the caller conveys. Well, take care of it, Sampson says, get off the dime and do something about it.

"The boss," said one Sampson aide, "wants results and he gets impatient when somebody tells him something can't be done."

This impatience with inaction, which some of Sampson's aides in the Pennsylvania government were familiar with, has filtered down through the ranks in GSA. Result: A bureaucracy that was mainly a sleepy caretaker of the Federal Government's physical properties 15 years ago is beginning to wake up.

For one thing, Federal buildings these days are being designed to meet needs of both the involved U.S. agencies and the local communities more than formerly was the case.

In the past, a Federal construction project took so long getting off the drawing boards that the finished facility often wound up poorly designed for the purposes for which it was intended. Sampson, Kunzig and their predecessors have worked diligently to cut the time lag.

"Historically," Sampson said, "we have been able to make a pretty accurate assessment of what we needed in a building. We could say that a certain building should be designed to house 2,000 employees whose mission was such and such.

"The trouble was that in the past our system for getting a building authorized, acquiring the site, getting it cleared, and getting the building designed and constructed was unwieldy. It often took from 5 to 10 years.

FEDERAL BUILDING FUND

"So the estimate you started with of 2,000 people doing certain things didn't make much sense 10 years later.

"We're more scientific about our estimating now. And our contracting procedures have been improved dramatically. We've reduced the cycle from 5 or 10 years to a two-year building time frame.

"What this means is that if we estimate that a building is supposed to go up for 2,000 people two years hence, the building is there within two years.

"One of the main changes has been the Federal building fund concept. We do not have to depend upon the appropriation process as much as before. We will have a pretty fixed amount of money each year coming in that will be used for the replacement of buildings.

"Now if you've got the funding, you can plan the building and get it constructed within the two-year time frame so the estimates will meet the needs pretty well."

He said, "We have also done a lot to make the interiors of our buildings more compatible with the needs of people working there. We've tried to eliminate the 'long gray line' of desks and arrange office space better and use more color.

"It is no secret that people produce more when they work in pleasant surroundings. And I'm not talking about just units of output—turning out 10 units instead of three. What I'm talking about is fashioning an environment in which people can think and be creative and have a positive attitude towards their work.

"So we are paying attention to the exteriors—to the landscaping, the parking and traffic situations, as well as to the interiors—the acoustics, the color schemes, the removal of partitions and so on.

"When administrations change, the thrust of Federal programs naturally undergoes severe changes. We, as the caretakers of the physical working facilities, have to be flexible. Some offices are wiped out and new offices are established.

"We now favor the idea of having offices with no partitions. If you want to change an office's function, you just shift a few movable pieces around. This is not only plain common sense, it is also economical."

"IT HAS TO HAPPEN"

Sampson talks a lot about "tradeoffs."

"Environmental and conservation considerations sometimes are opposing poles of an issue. We have been stressing fire safety and energy conservation. When you talk about fire safety you are talking about security. But putting in fire safety facilities may be contrary to such considerations as esthetics of a building's interior and the best design from a people point of view. We are trying to balance all these conflicting factors. Our experimental building program is an important part of this. But frankly, we do not yet know what our priorities should be."

Sampson has firm ideas about how the bureaucracy should be moved in order to make things happen.

"First of all," he said, "you've got to have a management team that is oriented to the idea of change.

"I spent a great deal of time recruiting and promoting the right kind of people—those who have open minds. And I constantly stress creativity.

"Once you get people oriented to the notion of change and innovation, the desired changes occur. You can not order change or innovation; it has to happen. And it happens because the climate is right for it to happen.

"Now when you innovate, that doesn't make you a genius. There have always been a lot of good ideas around. The problem has been in finding out what they are and learning how to use them.

"Almost all the innovations we've made in construction have been around for years but they weren't being used by the Public Buildings Service. But they're being used today.

"It is human to resist change. But if you are going to get something done you have to organize. You have to convince your top management people that changes are necessary and possible."

Sampson said, "People are not hard to motivate. If you can convince them that what they are doing is *really* rewarding, they will work for you. People *do* have brains and strengths and they want to earn their pay. I think it all comes down to whether the top man can get the employees excited about what they are doing."

He is "very strong" for the Federal Civil Service system. Having said this, he adds, "I have found the bureaucracy at the Federal level far less flexible and much heavier than it is at the state level.

"The Civil Service system, to be frank about it, rewards mediocrity. It is pretty much a lock-in system. And this means that no manager who comes in is going to be able to change the direction of ongoing programs easily.

"The really crucial area is middle management—the people at the GS–11, 12, and 13 levels. And you've got to work at getting things done day in and day out.

"You can send down orders or suggestions about things that should be changed and when they come back to you, you find nothing's been changed.

"There are two things working here. One is that you have an institutionalized system that is resistant to change. And the other is that many Federal employees simply are not convinced that anybody at the top cares about what they are doing.

TO CONTRACT SUPERGRADES

"I'm very strongly in favor of the proposal that has come up now and then to put supergrades under contract. The Federal Government has always attracted good people. Most of them didn't stay. Why? Because the Government is woefully short of good managers, good leaders."

Sampson is not a modest man, although he tries very hard to be. Some Sampson-watchers dating back to his industry days and his Pennsylvania-government-reform period believe that he is every bit as good as he thinks he is. In every job he has ever held, they point out, Sampson moved the dolts off the dime and got things done.

His voice rises as he talks about managers who don't want to manage and supervisors who don't want to supervise.

"We have expanded five times the amount of training we give front-line supervisors since I came to GSA," he said.

"I don't say that this is any big deal and I don't want to seem critical of Federal administrators in the past. But it seems obvious to me that much of the problem of getting the bureaucracy moving involves the kind of supervisors you have.

"For years, we have appointed people to supervise 10 or 20 people who don't know a thing about supervising. And they spend their time shuffling papers, blowing smoke and satisfying the whims of their superiors, never mind the primary missions of the agency.

"I thing a lot of the supervisors in Federal agencies have long since given up. They don't think much is going to get done and they are just putting in their time without rocking the boat.

"Well, if some administrators want to just put in a period as overseers of a going concern that is fine. I don't. I want my supervisors to work with their subordinates and motivate them and I want things to happen.

"If I didn't I'd be somewhere else."

The Growing Impact of GSA

The General Services Administration increasingly has been given a larger role in policy decisions affecting management of Federal agency operations.

That this is so is due to the confluence of several quite unrelated events and circumstances.

First, Richard Nixon came to office determined to get a firm handle on operations of the Federal bureaucracy. And he quickly beefed up the power of the Office of Management and Budget.

Secondly, the GSA, as an agency that deals with the entire Federal establishment, had fairly early in the game developed what has since come to be known as the "systems approach" in its procurement, property management and data processing and communications responsibilities.

And third, the GSA in recent years has had a series of "activist" leaders who have been willing to assume more management responsibility.

On May 22, President Nixon announced that GSA was going to "assume a broader management role by becoming the President's principle instrument for developing better systems for providing administrative support to all Executive branch activities."

Stripped of bureaucratic doubletalk, the statement essentially said that GSA, which has built up an impressive management capability over the years, was going to get the official authority and responsibility to do what it was doing all along.

The GSA previous to the new order had one serious deficiency in its new role. It was weaker in financial management than in other capabilities. The OMB, however, has promised considerable support in this area. Dwight Ink, assistant director of OMB and a highly respected management and budget official, has been designated deputy director of GSA.

"The OMB," said one GSA official, "has sprinkled its own people throughout the Federal establishment. Sometimes they have been very helpful. Sometimes they have irritated the agency people. But I think this action is a recognition that OMB is so preoccupied with the budget that they can't do everything they should do on the management side.

"We have been in these agencies all along listening to their problems and we feel very close to the issues that concern these agencies."

"I think," said Art Sampson, head of GSA, "this will be very exciting for GSA and will increase the stature of the agency immeasurably."

The PRESIDING OFFICER. Is there further morning business?

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for a quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, how much time remains under the order for the distinguished Senator from Minnesota (Mr. HUMPHREY)?

The PRESIDING OFFICER. Twelve minutes.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum, and I ask that the time be charged against my time under the order.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, how much time do I have remaining under the order?

The PRESIDING OFFICER. The Senator has 11 minutes.

Mr. ROBERT C. BYRD. How much time does the distinguished Senator from Minnesota have remaining?

The PRESIDING OFFICER. Twelve minutes.

Mr. ROBERT C. BYRD. I ask unanimous consent that I may yield all my remaining time to the distinguished Senator from Minnesota.

The PRESIDING OFFICER. Without objection, it is so ordered.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Is there further morning business? If not, morning business is closed.

ORDER OF BUSINESS

The PRESIDING OFFICER (Mr. TUNNEY). The Senator from Minnesota (Mr. HUMPHREY) is to be recognized for 12 minutes on his own time and 11 minutes on the time of the Senator from West Virginia.

Mr. HUMPHREY. Mr. President, first may I express my thanks again to the majority whip for his generous consideration and cooperation.

FOOD—INFLATION AND FOREIGN POLICY

Mr. HUMPHREY. Mr. President, it is often said that we Americans seem to learn our lessons out of hardship, difficulty, and tragedy. For years we have taken for granted our abundance of food and fiber. For many years the media—the columnist, the politician—have been complaining about agricultural surpluses and the cost of subsidy payments to our farmers. For as long as I can remember during my years of service in Congress very little attention has been paid by the economists or the commentators or the editorial writers, or the industrialists or the financiers to the importance of our agriculture exports. In other words, the American farmer and the American agricultural economy have been taken for granted, often ignored, generally misunderstood, and frequently abused.

Likewise the abundance of food in our own country has been taken for granted. The low price of that food has been taken for granted for years. At long last, due to the incredible demand for food and fiber, both internationally and domestically, resulting in part from 2 years of bad weather which seriously affected production of feed grains, the vital importance of agricultural production and the role of the farm producer has come into sharp focus and proper respect.

Mr. President, I can recall how little understanding there was in the press of this country, particularly here on the eastern seaboard, of the problems that beset our rural people and particularly our family farmers. I can recall so vividly the editorials and the political harangue that took place for years about the mounting surpluses of feed grains, wheat, and dairy products. It was always my judgment that there was no surplus, but rather underutilization; and one of the things that happened of late which has put great pressure on our supply of foodstuffs is that more people are getting a good diet today than ever before.

The Federal Government is spending literally billions of dollars in what we call food supplements. By that I mean making available food stamps for the needy, making available an ever better and expanding school lunch program for our school children, supplemental feeding for mothers and children and special type feeding programs for the elderly. Many of these groups and individuals served by these programs had a very inadequate diet in years gone by. But with the Federal Government's nutrition programs and feeding programs combined with those of private philanthropy and State and local government there has been a great expansion of what I call good nutrition for the American people. This has placed a tremendous demand upon our supply of foodstuffs.

So, Mr. President, if we add up the following factors: First, population growth at home and abroad; second, better and wider utilization of available food supplies, particularly at home; third, the growing prosperity and affluence in Western countries and Japan, which has meant wider and more intensive use of protein products, one begins to understand the reason for the pressure on the food supply.

Then, as I have indicated in my remarks, add to this the 2 years of bad weather which seriously affected the production of feed grains in many areas of the world, and notably last year in the Soviet Union, in Australia, and in Argentina, and all of this adds up to an observation, that I think is generally understood now, that Mr. Farmer has become important and the American agricultural production system has become the subject of growing concern and attention.

We are now beginning to realize that national security is more than military hardware and military manpower. Yet I was amazed yesterday to find in the analysis of national priorities in the budgets for 1972, 1973, and fiscal year 1974, as prepared by the Brookings Institution, the most respected and eminent governmental research establishment in this country, that those documents had little or no reference to food supply. How can we talk about national priorities without being concerned about the availability of food, its production, its transportation, its distribution, and its utilization? Yet I think the fact that this prestigious research institute, having ignored in its No. 1 publication entitled "National Priorities, Budget 1974," the whole area of agriculture, indicates the lack of thinking that has precipitated part of the problem today in terms of food and fiber supply.

I repeat once again that many of our highly educated people in prominent positions in government, industry, and education are unaware of the importance of the producers of food and fiber. The Government has lacked any coherent policy; it has made no long-range plans; it has lived as a Government by what we call ad hoc or day-by-day reactions rather than plan and act in accordance with our Nation's and the world's long-term needs.

This Congress will spend many hours and days debating national security. We will be arguing over weapons systems. We will have long and protracted debates over troop levels. Yet may I say all this military is worthless if this country finds itself lacking in food and fiber.

One of the great generals of all times, Napoleon Bonaparte, said that an army travels on its stomach. Apparently the Government of the United States thinks it travels only in vehicles; that you do not need food. We have no food reserves, yet we have reserves of nuclear weapons to blow this earth into a million pieces; we have no food reserves, yet we have military reserves of manpower; we have no food reserves, yet we have reserves of tin, lead, zinc, aluminum, and chromium. We have no food reserves, yet we have reserves of ammunition to fight three wars. And we talk about national security.

A government that does not have any more judgment than to say you have national security simply because you have weapons, is a government unworthy of the confidence and respect of the American people. So national security boils down to more than military manpower and military hardware. It is an adequate supply of food and fiber. We are beginning to realize that there is no hope for international monetary reform and stability in a world plagued by shortages of food and fiber. No matter how much bankers tinker with money matters, if you have a shortage of food and fiber, you cannot possibly have international monetary stability.

We are beginning to understand that there is no way to check the forces of inflation as long as there is a shortage of food and fiber. No matter what kind of controls are put on, they do not produce beef, as the American housewife is finding out. No matter what kind of controls are put on, they do not produce soybeans, which in turn produce turkey, pork, beef, and dairy products. All of these economic gimmicks are meaningless and useless unless we have the production of food and fiber we need.

We are beginning to understand that there is no way that the United States can overcome its deficits in balance of payments as long as we have to curb our exports of food and fiber.

Those exports earn us dollars, and when we have to stop those exports, we stop the flow of dollars back to the United States.

We are beginning to understand that there is no way that we can obtain a favorable balance of trade as long as we are unable to fulfill the contracts which we have made with nations which wish to purchase our agricultural commodities. And today the United States is again in a deficit on its trade, importing more than it is exporting.

In other words, Mr. Farmer—that man out in the field, and the land that he tills and the crop that he harvests—has become the central figure in all our domestic and international concerns. The success of our diplomacy, the hope of building enduring relationships of trade and commerce, is being threatened, because of mandatory export controls. Our years of effort to modify or break down the severe restrictions of the common agricultural policy of the Common Market have been shattered. Many of our old customers, such as Japan and Western European countries, are looking for new sources of supply and beginning to feel that the United States is no longer a reliable source of supply. At home there are bitter complaints over rising food prices. And yet with all of this plainly evident, there seems to be no policy to deal with the immediate food shortages and the long-range requirements to satisfy both domestic and international needs.

We are plagued with a hangover from the past that carries with it the fear of surpluses. Our Department of Agriculture has never geared itself to the export markets.

By the way, the distinguished Prime Minister of Japan met with Members of the House and the Senate yesterday, and in his conversation with us he pointed out how much Japan would like to purchase from the United States. He said there is an ever-expanding market there; then he went on to say that American businessmen have to study that Japanese market, they have to tailor their goods to the habits and the cultural patterns and desires of Japanese customers.

What I am saying is that the American Government talks exports, but fails to do enough about it. What I am saying is that the Government over the years has been so concerned about surpluses and giving our commodities away that it has never really planned on how we can sell those products on a continuing basis, not on a crash basis such as we did with the Soviet Union, but on a sensible, long-term program of exports.

Over 40 years of experience and attitude has been conditioned and predicated on unlimited supplies. Our Government is bothered, bewitched, and bewildered by new events, new economic forces that as yet it does not seem to understand.

There are certain facts that are clear and unmistakable. First, world population is increasing faster than world food production, despite the green revolution and despite the greater utilization of modern science and technology in agricultural production.

Second, the growing affluence of a greater number of people in Western and Eastern Europe, in Japan and other areas has placed a high demand on animal protein and thereby causing greater consumption of cereal grains for the production of beef, pork, and poultry.

Third, the transportation system both domestic and international, including systems of distribution, are totally inadequate for the increased movement of food and supplies necessary for agricultural production.

Let me digress for a moment to make a prediction, Mr. President. I see my good friend the Senator from North Dakota (Mr. YOUNG) here, the champion of American agriculture. I predict that while the Senate and the Congress are out of session this August, there will be newspaper stories telling the American people that grain is being harvested and is lying on the ground, that the elevators are packed, that boxcars are in short supply, that transportation facilities are jam-packed and glutted. We are going to have a good crop in this country, and we are not going to be able to move it.

More than a month and a half ago I wrote to the Secretary of Agriculture asking what plans this Government had, what emergency steps it could take, to make sure this crop moved into channels of commerce. I would like to point out that now, with 40 million or more acres planted to grains this year over last year, we are going to be in an unbelievable mess. We are not going to be able to move our crop, because we have no more boxcars this year than last year.

Mr. YOUNG. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. YOUNG. My esteemed colleague is quite right. North Dakota is now about to harvest average crop, but we have at least 1 year's supply in storage that the farmers cannot sell, because of a shortage of boxcars. The local elevator, the fellow who buys the grain, will not even quote a price, because he cannot move it and has no place to store it.

Mr. HUMPHREY. Mr. President, this is as practical an example as a Senator can give. The Senator from North Dakota knows what the people of his State are up against. I think I know the State I represent. The fact is that we will read about the crop this country is going to have, how much supply we are going to have, and how rich the farmers are going to get. Many of the farmers cannot sell their crop because they cannot move it. Many times they cannot get a loan, because the terminal centers are not making loans to the country elevators.

In addition, in our part of the country, farmers are afflicted with a shortage of fuel, so they cannot harvest their crop and sell it. I do not want to be a prophet of gloom and doom, but may I say I have not been wrong on this. I have been saying what I am saying here today year after year. I am trying to tell the people in the great urban centers of America that you have neglected American agriculture and now you are paying for it. The housewives in New York, Boston, Philadelphia, Detroit, and Washington, D.C., could be having food prices at 10 to 20 percent less if we were able to move the crop, but we do not have a railroad system that is capable of moving it. We do not have a trucking system that is capable of moving it. We have inadequate supplies of fuel, and our Government is dilly-dallying around with respect to putting into effect a mandatory system of fuel distribution. We are going to have to have fuel for American agriculture, or, I wish to tell the people in the galleries, that food prices will go right through the roof of the Capitol. Listen well to what I say. Not only are we going to fail in supplying our foreign customers with the supplies we promised them, but the American consumers are not going to have the supplies they will need. Why? Because the Government has a kind of political paralysis—just unable to move, or just unwilling to move.

Fourth, I want to suggest there has been no systematic plan to develop adequate food reserves, domestically worldwide, needed to meet the uncertainties of weather, production, and market conditions.

We need a food reserve in this country. We need a food reserve internationally.

Finally, the system of monitoring, estimating, and reporting food supply on a worldwide basis is totally inadequate and obsolete for modern marketing needs.

In light of the food situation today, we ought to have every week the most up-to-date reporting on food supplies, crop production, movement of crops, utilization, where the shortages are appearing. Our system today is out of date. No modern business would be caught with such obsolescence.

Finally, these evident observations carry with them their own answers. First, there must be an emphasis upon the increased production of food and fiber in the less developed countries. That is what our foreign aid bill will do when we come up with it here. The first emphasis in the foreign aid bill should be not in building new cement plants or steel plants, or ports, but to build a system of modern agriculture in those countries to take care of their growing population.

This must be the emphasis of our bilateral foreign aid and of international multinational foreign assistance.

Second, there must be continued efforts in research and technical assistance to increase the production and availability of protein, any and all forms.

Third, transportation systems for the delivery and distribution of agricultural supplies must have high priority here at home and abroad.

I know that it is important to have four-lane interstate highways so that we can tear across this country. However, I want to tell the Senate that unless we have decent farm-to-market roads, what we will be tearing across the country for, is to find a place to eat.

Farm-to-market roads are totally out of date in almost every State in the country. We build bigger and bigger trucks year after year, yet many of those roads have big signs on them saying that they are unusable for trucks above 4 or 6 tons. And today a 6-ton truck to move grain is as obsolete as a wheelbarrow in the 1800's.

Fourth, international agreements must be arrived at to make available crop reports—estimates and predictions of production and utilization—to all countries and hopefully through some form of international organization such as the FAO of the United Nations.

And finally, we must develop a world food reserve in which each of the exporting nations—nations with potential surplus production capacity—maintain a reserve supply over and above the immediate current domestic and international requirements.

In reference to the strategic reserve of feed grains, I have recommended and proposed what is known as a consumer and marketing reserve, S. 2005, on June 15. This program would call upon the U.S. Department of Agriculture in cooperation with our family farmers and the private grain trade to maintain at all times a reserve supply of wheat, corn, and soybeans at specified amounts. This reserve would be available in times of shortage and to be used to meet domestic needs and international export commitments. It would be used to maintain a stable price structure for the consumer and to assure reliability of delivery on our export commitments. The reserve would be acquired during times of market surplus and when farm prices were below target levels, thereby assuring the farm producer that he would not be the victim of a depressed market, but rather would have a system by which the Government through the Commodity Credit Corporation would purchase supplies and seal them off from the regular normal market as a part of the strategic reserve.

Insofar as exports are concerned and the possibility of export controls, we simply cannot pursue a course of imposing those controls without proper advance consultation with other nations and in particular those who depend upon us for supply. Every effort should be made to arrive at voluntary agreements through the process of patient negotiation rather than the imposition of mandatory controls. But more significantly, with the prospect of continued pressure on supply which automatically forces up price and causes severe economic and political problems both at home and abroad, it is imperative that we enter into some form of international agreements or understandings that will face up to the need of sharing the supply without the extreme measures of sudden and unexpected mandatory controls.

The Subcommittee on Foreign Agricultural Policy of the Senate Committee on Agriculture and Forestry has recently published a report on the impact of the recent export control proposals. This report deals directly with the critical problem of food shortages and their effects upon world markets and world trade. Its recommendations get to the heart of the long-term needs of foreign agricultural policy.

The Washington Post of Tuesday, July 31, has an excellent editorial entitled "Soybean Power." This editorial poses the "painful choice" that we must make when agricultural commodities are in short supply. I read from it:

> We now have an extremely painful choice to make. Either we must be prepared for further large increases in food prices, as foreign and domestic buyers bid against each other for limited supplies, or we must restrict exports. Export restriction is preferable. But we owe it to other nations' expectations, and to our own future commercial standing, to develop these restrictions with the greatest possible care and the longest possible warning. The administration's present policy is to view the present shortages as a mere passing embarrassment and to promise the controls will shortly vanish. The White House is reported to be cooling on its own legislation, already before Congress, to clarify its export control authority.
>
> The administration does not like export controls. Nobody likes them. But ducking reality, in matters as urgent as nations' food supplies, is wrong in principle and dangerous in practice. The time is due, and overdue, to let the rest of the world know what share it can expect of the American harvests now being gathered.

That is a sensible statement. Yes, it is imperative that we have a policy and that we let the rest of the world know what it is. It is imperative that we let the American consumer know what he or she can expect in terms of food supply.

Beef and pork prices must start to level off. No one knows today what supplies will be available. No one knows what will be done tomorrow. No one knows whether U.S. export controls imposed recently will be continued or taken off. And because of that, Mr. President, we have this problem today.

It is imperative that we have a food policy and, secondly, that gives proper notice and policy guidance to those countries that look to us as a source of supply. In other words, let us quit kidding ourselves and deceiving others. Let us not make contracts that we cannot fulfill and promises that we do not intend to keep.

I ask unanimous consent that the editorial from the Washington Post entitled "Soybean Power" be printed at this point in the RECORD. I also ask unanimous consent that notes on the world food situation with special reference to the United States, 1973–1974, as prepared by Professor Cochrane of the University of Minnesota for presentation before the Joint Economic Committee be printed in the RECORD, as well as a statement of yesterday from the Connally News Service Wire suggesting that wheat exports over the next marketing year could hit last year's "phenomenal levels."

There being no objection, the material was ordered to be printed in the RECORD, as follows:

SOYBEAN POWER

A month ago the price of soybeans hit $11 a bushel, three times the price a year earlier. The Nixon administration responded by slamming down export controls. The controls were characteristic of the administration's recent economic policy: they were a hastily conceived and panic-stricken reaction to a danger that had been ignored far too long. It is instructive to see what has happened over the month since the embargo fell. With foreign markets sharply curtailed, the price of soybeans fell one-third over the first few days. But since then the price has risen steadily and is now bobbing around $10 a bushel. A strong impression seems to prevail, among the professional traders, that there are going to be only barely enough soybeans even at these unprecedented prices to meet domestic requirements until the new crop arrives this autumn.

Events are giving the country an involuntary crash course in agricultural economics. The relationship between feed costs and food costs are now familiar to many of us who, in the past, never devoted much attention to the diets of cows and pigs. We have now all learned that when the price of soymeal goes up, the prices of chicken legs and hamburger inevitably follow. We are also learning that several other interesting things happen as well. The uses of soybeans, wheat and corn all overlap to some degree. Since the controls were put on soybean exports, the prices of wheat and corn have moved up sharply and both are now substantially more than twice last year's level.

When the administration put controls on the price of beef last March, the Agriculture Department apparently considered them to be little more than a clever and easy way to reassure the consumer without actually distorting the market. Soybeans, according to the wisdom of that moment, were getting cheaper and therefore beef would also shortly get cheaper. The ceilings would symbolize the protections offered the buyer by a wise and benevolent government, while the actual prices would float slowly downward under the normal pressures of a free market. Unfortunately, things worked out otherwise.

International demand once again turned out to be far stronger than anyone had expected, and soybean prices rose drastically through the spring. Mainly to save face, the administration is doggedly perpetuating the beef controls for another six weeks although it unfroze other food prices in mid-July. That is why the wholesale prices of beef are currently lower than chicken or pork, although beef is more expensive to produce. And that, in turn, is why consumers can expect progressive difficulties in finding certain cuts of beef over the coming months. The lesson here is that the administration's consistent underestimates of world demand are proving highly disruptive and expensive both to producers and consumers.

Abroad, the cost of these misjudgments falls most heavily on our best customers and friends. The Japanese have made very clear their distress at the sudden interruption of essential foodstuffs. Canadian stock growers are having, in one respect, an even more difficult time. Present American soybean policy allows the export of only one-half of a foreign buyer's contract. The Japanese dealers at least have contracts. But Canadian buyers are close to our markets and they are used to thinking in terms of a unified continental economy. They generally buy as our own farmers do, without contracts. Those who have no contracts currently get no soybeans. Most Canadian farmers can find alternative feeds, but they are more expensive. Here lies another lesson: in meat, the continental market is indeed unified and any action that pushes up the Canadian price of meat also pushes up the price in the United States because we buy each others' products.

Governments throughout the world are in the process of sharply improving their people's nutrition, and the demand for American foodstuffs is consistently outrunning all conventional predictions. The current wheat crop will be a record, but it already looks as though foreign buyers will want far more than even this vast harvest can provide. The emergence of China as a major purchaser of American grain and soybeans is only the latest illustration of the astonishing array of countries that now depend, to one degree or another, on the American farmer to feed their people.

We now have an extremely painful choice to make. Either we must be prepared for further large increases in food prices, as foreign and domestic buyers bid against each other for limited supplies, or we must restrict exports. Export restriction is preferable. But we owe it to other nations' expectations, and to our own future commercial standing, to develop these restrictions with the greatest possible care and the longest possible warning. The administration's present policy is to view the present shortages as a mere passing embarrassment and to promise the controls will shortly vanish. The White House is reported to be cooling on its own legislation, already before Congress, to clarify its export control authority.

The administration does not like export controls. Nobody likes them. But ducking reality, in matters as urgent as nations' food supplies, is wrong in principle and dangerous in practice. The time is due, and overdue, to let the rest of the world know what share it can expect of the American harvests now being gathered.

SOME NOTES ON THE WORLD FOOD SITUATION WITH SPECIAL REFERENCE TO THE UNITED STATES IN 1973–74

(By Professor W. W. Cochrane)

I. The situation:

A. The world of food and agriculture has turned upside down over the past year.

1. Grain supplies in world markets have become exceedingly short, and prices have risen significantly.

a. No. 1 Canadian Red Spring wheat at Fort William rose from $62.45 per metric ton in April 1972 to $98.59 in April 1973.

b. Rice, 5% broken, f.o.b. Bangkok, rose from $128.96 per metric ton in April 1972 to $204.05 in March 1973.

c. Sorghum grain U.S. No. 2, c.i.f. Rotterdam, rose from $59.05 per metric ton in April 1972 to $81.49 in April 1973.

2. The general surplus condition of American agriculture has evaporated, and supplies of various food products at retail have become painfully scarce.

3. U.S. farm prices are soaring; average prices received by farmers in the United States increased between June 15, 1972 and June 15, 1973, as follows:

a. All wheat, per bushel: from $1.33 to $2.43.

b. Corn, per bushel: $1.13 to $1.99.

c. Soybeans, per bushel: $3.32 to $10.00.

d. Hogs, per c.w.t.: $25.60 to $37.20.

e. Broilers, live, per lb.: 14.4¢ to 24.5¢.

B. As we all know, livestock prices have continued to advance since June 15, 1973. U.S. No. 1 hogs reached the high of $50.00 per c.w.t. in midwest markets on July 20, 1973, and the prices of poultry products and beef give every promise of shooting skyward in the fall of 1973. How high, no one really knows. But the Wall Street Journal for July 20, 1973 predicted bacon at $2.00 a pound, broilers at 75¢ to $1.00 per pound, and eggs at $1.00 a dozen at retail within two weeks, with the big kick in beef prices to come in September.

C. Confronted with this situation, what has the Administration done? In general terms, it has pursued an erratic, inconsistent course of action dealing with each crisis as it arose, rather than developing a consistent, rationally planned course of action. More specifically:

1. It contributed to the tight grain market in the U.S. by underwriting the sale of some 400 million bu. of wheat to the Soviet Union, and by pushing soybean exports in fiscal 1972–73.

2. It has contributed to uncertainty in the minds of farmer producers and processors, hence to production discontinuities, by alternately controlling and decontrolling retail food prices.

3. It has tried to increase domestic supplies by

a. easing production controls and bringing more acres into production in 1973 and

b. placing an embargo on the export of 1973 crop soybeans and products.

D. This is what happened in one short, eventful year. The world, and more particularly the U.S., moved from a grain surplus condition to a shortage condition in one peacetime year.

II. How did this happen? What happened to cause this complete turnaround in the food-agriculture situation?

A. It is important to recognize first that little of the cause of this turnaround is to be found in developments within the U.S. This is a case of world developments impinging upon the U.S. situation.

B. What then were these world developments? There were several in number, and I list them in general order of importance, although I have no way of assigning exact weights to these causes.

1. The long-run trend in Western Europe, Japan and other areas for the per capita consumption of meat products to increase, with the concomitant increase in the import demand for meat-producing inputs (e.g., protein meals and feed grains) in those areas.

2. The poor grain crop in the Soviet Union in 1972, and the decision by the Soviets to go into the international market and purchase large quantities of grain to make up for their domestic losses.

3. The poor food grain crops in South and Southeast Asia in 1972 and the entry of some of those countries into the international grain markets in search of supplies.

4. The failure of the Peruvian fish catch in 1972, and the loss of that important source of protein meal.

C. The scenario, as I see it, runs as follows—the strong and growing demand for animal products in Western Europe and Japan over the past decade has slowly but steadily tightened the international markets for feed grains and protein feeds. To this important economic development we add three supply restrictions resulting from acts of God: a bad grain crop in the Soviet Union, poor food grain crops in South and Southeast Asia, and a failure of the Peruvian fish catch. Finally, we add two conscious acts of man: the decision by the Soviets to enter the world market to make up their losses and the decision by the U.S. to sell out its reserve stocks of grains and soybeans. From this scenario we get the following:

1. A general tightening of world grain markets, and a significant strengthening of grain prices in those markets.

2. A sharp and dramatic increase in farm and food prices in the U.S. as it has run short of the inputs required to produce the high levels of animal products demanded by its consumers.

D. In my judgment, the excellent intelligence-management system of the U.S. Department of Agriculture, which was developed over several decades, has broken down, thus allowing, even abetting, the U.S. to sell supplies of grains and protein products to foreign nations which it required to produce its own supply of animal products at stable prices. As a result of poor government management we oversold in a tight world situation and left ourselves in short supply with regard to the raw materials for producing animal products.

III. What is likely to be the duration of the present food crisis in the U.S.?

A. *If* we do not run into bad weather and poor crops in any of the major wheat-producing areas of the world, or in any of the great grain-consuming areas of the world, wheat prices in the U.S. should begin to ease following the harvest of the 1973 crop.

B. *If* we do not run into bad weather and poor crops in the major feed grain-producing areas of the world, prices of corn and other feed grains in the U.S. should hold at or around present levels through the 1973–74 crop year and begin to ease following the 1974 harvest. But the feed grain situation is exceedingly precarious; prices could rise or fall with any small supply development around the world. It is a "touch and go" situation.

C. *If* the Peruvian fish catch returns to normal, the price of soybeans and soybean meal in the U.S. should begin to decline following the large 1973 harvest. But no one expects soybean prices to return to the $3.00 level of 1970–72. The world demand for the meat-producing resource is too strong. But only time will tell whether soybean prices level off at $4.00 per bushel or $8.00.

D. Because of high feed grain prices, retail price ceilings, and uncertainties generated by this Administration, current poultry and hog production is well below capacity, and supplies of these products at the retail level are going to be very short in the fall of 1973 and winter of 1974. Thus prices of these animal products, together with beef, are going to soar in the months ahead. Probably, due to the short production cycle, poultry and egg prices will ease first in the spring of 1974. But the U.S. consumer is going to pay and pay in the winter of 1973–74 for the mismanagement of grain and protein product supplies by this Administration.

E. But what we have said above is dependent upon no unusual policy developments among importing and exporting nations and average, or normal, weather around the world. These are critical assumptions that may or may not be realized in fact. Any one of the following developments could take place over the next several years:

1. More bad weather and poor grain crops in major producing-consumption areas;

2. A series of bountiful crops around the world;

3. A failure of the Peruvian fish catch for many years;

4. The development of major feed grain-producing areas in Africa and Latin America with significant increases in exportable supplies of feed grains.

5. The decision on the part of the Soviet Union to upgrade the quality of the diets of its people, and the continued importation of large quantities of inputs for producing animal products (e.g., feed grains, protein meals).

F. Now none of the possible developments listed above can be predicted with any degree of certainty, but depending upon which one, or combination of them, should materialize, the world market for grains will either continue to tighten, or begin to ease off. And these developments may be either sharp and precipitous or long-run and sustained. In short, we cannot predict with any degree of certainty whether the world grain supply situation is going to become tighter, hence more critical, over the next few years, or will ease and possibly move into a surplus situation.

G. The implications for the U.S. are, of course, of critical importance.

1. Since we are an integral part of the world market,

a. the leading supplier of feed grains and soybeans, and

b. a major supplier of wheat,

the materialization of any one, or combination, of the unpredictable developments outlined above, which have the capacity to tighten or loosen the world market situation, would be translated immediately into a contraction or expansion of export sales by the U.S., and an increase or decrease in the prices of these products in the U.S.—products which are the basic inputs of livestock production.

2. Further, since the demand for food in the aggregate and meat in the aggregate is highly inelastic, this means that small changes in the marketable supplies of feed grains, protein meals and wheat are going to have important price-generating effects on animal products.

a. A small increase in the marketable supplies of feed grains and protein meals will have an important price-depressing effect on animal products, given the appropriate lag, and

b. A small decrease in the marketable supplies of feed grains and protein meals will have an important price-enhancing effect on animal products, given the appropriate lag.

H. In other words, because of the extreme inelasticity of demand for food by U.S. consumers, it is a *fine line* between too much and too little. A little too much causes farm prices and food prices to tumble precipitously; and a little too little causes farm prices and food prices to zoom skyward.

1. Because we have lived in a chronic surplus condition in the U.S. for 20 years in which the government has supported farm prices at a reasonable level and managed the agricultural surplus-producing capacity through production control and stock take-over, consumers, politicians and economists have forgotten the price consequences of a small shortage or a small surplus of food products in a free market situation.

2. But this Administration has hitched the U.S. agricultural production plant to the world market to the extent that existing laws would permit, and we are reaping the whirlwind.

a. The first tightening of the world grain supply situation (due to unfavorable weather in some faraway places) encountered by this Administration is driving the prices of animal products in the U.S. to recordbreaking peacetime levels.

b. A series of bountiful crops around the world could just as quickly result in a world surplus of grains and disastrously low farm prices in the U.S. if this Administration should succeed in dismantling the agricultural supply management programs.

I. Given the nature of the demand for food in the U.S. and the unpredictability of the world supply situation beyond one year in advance, the complete and full integration of the U.S. agricultural production plant into the world market is certain to result in:

1. A feast or famine situation for U.S. consumers, and

2. Sharp and wide price fluctuations for U.S. farmers.

J. The question is—do we want these kinds of price-quantity gyrations in the food and agricultural sector, or do we want greater stability?

IV. What kind of a food-agriculture policy must the U.S. develop if it is to provide its citizens with adequate supplies of food and stable food and farm product prices at reasonable levels and still remain a major supplier of grains and protein meals to the international market?

A. First, it must be a flexible policy capable of dealing effectively with either a world shortage situation or a world surplus situation.

1. It must be able to move in either direction.

2. And it must be able to do so quickly. It must be able to cope with a turnaround situation such as we have witnessed in 1972–73.

B. The central feature of this flexible policy must, in my view, be a major government storage program somewhat along the lines of past CCC storage programs but with broader objectives and a more rational set of operating rules.

1. The overriding purpose of the program would be to stabilize farm product prices at both the farm and retail levels.

2. To this end, it would operate like a giant balancing wheel in the agricultural economy, acquiring products in periods of surplus and low prices and disposing of stocks in periods of short supply and rising prices—thus, serving to moderate and stabilize the price swings involved.

3. It might acquire stocks through farm price supporting operations, as in the past, but it should have the authority to acquire stocks in the market even though product prices were above support, or loan, levels; and it should have the authority to sell at any time or to dispose of stocks in other ways (e.g., P.L. 480) so as to contribute to price stability in the U.S. and in world markets.

4. But, as we know from past experience, a storage program devoid of other management devices can run into serious trouble. Thus, this food and agricultural policy must include:

a. Voluntary production control features such as were included in the Agricultural Act of 1965 and in the farm legislation now before Congress.

b. Import and export controls, the former to protect uneconomic production deemed to be in the national interest, the latter to protect domestic supplies in periods of critical world shortages.

c. The arbitrary and excessive reliance on the kinds of controls indicated under (b) above is likely to have an injurious effect on U.S. consumers and on foreign trade relations, but on some occasions their use may be required to avoid painful consumption or production adjustments in the U.S. economy.

5. Buttressed by the management devices suggested in (4) above, the storage program will have the capacity to achieve its price stabilization objectives; without those devices it is doomed to failure.

C. But the important point of this discussion is not program mechanics. I have discussed mechanics only to illustrate the content of a food and agriculture policy with the capacity to provide consumers with adequite supplies and to stabilize prices in the uncertain and unpredictable world of food and agriculture in which we will be living in the decades ahead. The important point of the discussion is the following:

1. The world—a world integrated by an international market—is balanced on a razor's edge with respect to food supplies and farm prices.

a. Some bad weather and a poor crop in India, or the Soviet Union, and prices shoot skyward as nations and their trading representatives seek supplies from a limited reserve stock to offset their losses and build stocks.

b. Or a series of bountiful harvests around the world leads to physical surpluses (due to limited storage facilities and programs) and tumbling prices in world markets. With just the right combination of events we could have such a development in late 1974.

2. But which way the world will fall and when—surplus or shortage condition—*beyond the current crop year* is unpredictable.

3. And since the U.S. is an integral part of the world market system, as one of its principal suppliers, the movement into a shortage situation, or surplus, is immediately felt in the U.S. domestic farm commodities market—with prices either increasing sharply or decreasing sharply.

4. We have recently witnessed one side of this phenomenon—the quick conversion of a tight world grain situation into a domestic food price crisis.

5. And we can expect, as a normal thing, to witness and feel at home these swings from world grain surplus to shortage and back again. But beyond the current crop year we cannot predict the occurrence of these swings.

D. Given the above set of relationships,

1. It does not make sense to wait for a crisis to develop, even perhaps inadvertently contributing to it, and then take *ad hoc* steps to deal with it.

2. It makes sense to recognize the kind of food and agriculture world of which we are a part.

3. To make the best possible use of information and intelligence with regard to food production, distribution and disappearance, and to *know* what to expect with regard to such variables for relevant future periods—periods that run up to a year in duration.

4. And, on the basis of the above intelligence, to begin to execute the flexible policy discussed above to cope with the unfolding world food situation—surplus or shortage.

E. The effective execution of such a flexible food policy should

1. Moderate the slide into a world surplus or shortage situation and its adverse price effects, and

2. Insulate to a tolerable degree the domestic market from the extreme supply and price consequences of the world development.

F. The vigorous execution of a flexible policy of farm product storage and management has much to offer American consumers and farmers in the way of assuring adequate supplies and stabilizing prices. The "bare shelf" policy of this Administration in the context of a free market can only lead to "feast or famine."

USDA WHEAT SITUATION SUMMARY CITES EXPORTS COULD HIT LAST YEAR'S "PHENOMENAL LEVELS"

WASHINGTON, July 31.—Giving perhaps undue credibility to the 916 million bushels wheat 73–74 export figure that inflated, undelivered exports as of July 6 show, USDA's wheat situation summary today shows that total domestic use and exports for the season will "likely exceed production, resulting in another reduction in carryover at the end of the 1973–74 season to around 300 million bushels."

Although top USDA officials have discredited the July 6 wheat export total and say they are waiting for the week when Commerce Department-gathered figures will show "deflated" export totals, the USDA wheat situation uses the 916 million bushel figure. Domestic wheat disappearance may edge lower if less wheat is fed, USDA added, but wheat exports could approach last year's phenomenal 1.185 billion bushel level.

DEPARTMENT OF THE INTERIOR APPROPRIATIONS, 1974

The PRESIDING OFFICER (Mr. TUNNEY). Under the previous order the Senate will now proceed to the consideration of H.R. 8917, which the clerk will report.

The assistant legislative clerk read as follows:

Calendar No. 342 (H.R. 8917) a bill making appropriations for the Department of the Interior and related agencies for the fiscal year ending June 30, 1974, and for other purposes.

The Senate proceeded to consider the bill which had been reported from the Committee on Appropriations with amendments.

The PRESIDING OFFICER. There is a time limitation on the bill of 2 hours, the time to be equally divided and controlled between the Senator from Alaska (Mr. STEVENS) and the Senator from Nevada (Mr. BIBLE), with one-half hour on any amendment, debatable motion, or appeal.

Mr. BIBLE. Mr. President, I yield myself such time as I may desire. First, if I might, I would like to make some corrections in the report and in the bill. After doing so, I intend to suggest the absence of a quorum so that the Senator from Alaska (Mr. STEVENS) can be alerted and can participate in the discussion of the bill. He is the ranking minority member of the Interior Appropriations Subcommittee.

Mr. President, on the first page of the report, the second line in the tabulation appearing on that page reads:

Bill as passed by the House, $219,069,500.

That is a typographical error. It should be corrected to read "$2,460,754,200."

On the line immediately below it says:

Increases of House bill recommended by Committee.

The report as before the Members of the Senate presently reads "$201,914,500." It should correctly read $219,069,500.

Also, on page 16 of the report in the tabulation, the figure $415,000 for the development of Big Horn Canyon National Recreation Area, Wyo., should read $145,000.

Mr. President, I ask unanimous consent that the report be corrected accordingly.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BIBLE. Mr. President, on page 12, line 15 of the bill, H.R. 8917, the figure "$71,223,000" following the word "exceed" was inadvertently deleted.

I ask unanimous consent that this House figure be reinserted and lined through, because this should indicate both the House figure and, right next to it, the action the Senate took within the bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BIBLE. Mr. President, I ask unanimous consent that there be a quorum call without the time being charged to either side.

The PRESIDING OFFICER. Does the Senator from Nevada wish to have the committee amendments considered en bloc?

Mr. BIBLE. Well, I can do that before the quorum call.

Mr. President, I ask unanimous consent that the committee amendments to H.R. 8917 be agreed to en bloc; that the bill as so amended be considered as original text for the purpose of further amendment; and that no points of order against legislation in an appropriation bill be waived.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendments agreed to en bloc are as follows:

On page 2, line 10, strike out "$83,872,000" and insert "$83,932,000".

On page 4, line 23, after the word "of", strike out "three" and insert "two"; and, in line 24, after the word "aircraft", insert "and one new aircraft".

On page 6, line 6, after the word "shops", strike out "$299,976,000" and insert "$302,050,000, of which $3,528,000 shall be available to reimburse other agencies for obligations incurred on and after February 1, 1973."

On page 6, line 18, after the word "law", strike out "$86,022,000" and insert "$86,108,000".

On page 7, line 1, after the word "contract", strike out "$53,343,000" and insert "$48,287,000".

On page 8, line 11, after the word "That", insert "in addition to the funds heretofore advanced".

On page 12, at the beginning of line 16, strike out "$71,223,000" and insert "$87,223,000"; and, in line 17, after the word "States", strike out "to be matched by the individual States with an equal amount" and insert "in accordance with section 6(c) of said act."

On page 13, line 10, after the word "Samoa", strike out "$15,000,000" and insert "$14,500,000".

On page 14, after line 2, insert:

TRUST TERRITORY OF THE PACIFIC ISLANDS

For expenses necessary for the Department of the Interior in administration of the Trust Territory of the Pacific Islands pursuant to the Trusteeship Agreement approved by joint resolution of July 18, 1947 (61 Stat. 397), and the Act of June 30, 1954 (68 Stat. 330), as amended (84 Stat. 1559), including the expenses of the High Commissioner of the Trust Territory of the Pacific Islands; compensation and expenses of the Judiciary of the Trust Territory of the Pacific Islands; grants to the Trust Territory of the Pacific Islands in addition to local revenues, for support of governmental functions, and payment to the Trust Territory Economic Development Loan Fund pursuant to Public Law 92–257; $47,776,000, to remain available until expended: *Provided*, That all financial transactions of the Trust Territory, including such transactions of all agencies or instrumentalities established or utilized by such Trust Territory, shall be audited by the General Accounting Office in accordance with the provisions of the Budget and Accounting Act, 1921 (42 Stat. 23), as amended, and the Accounting and Auditing Act of 1950 (64 Stat. 834); *Provided further*, That the government of the Trust Territory of the Pacific Islands is authorized to make purchases through the General Services Administration: *Provided further*, That appropriations available for the administration of the Trust Territory of the Pacific Islands may be expended for the purchase, charter, maintenance, and operation of surface vessels for official purposes and for commercial transportation purposes found by the Secretary to be necessary in carrying out the provisions of article 6(2) of the Trusteeship Agreement approved by Congress.

On page 15, line 25, after the word "activities", strike out "$155,974,000" and insert "$162,190,000"; and, on page 16, line 1, after the word "which", strike out "$20,695,000" and insert "$26,049,000".

On page 17, line 16, after the word "law", strike out "$145,424,000" and insert "$151,324,000".

On page 18, line 21, after "(30 U.S.C. 661–668)", strike out "$61,500,000" and insert "$95,000,000".

On page 19, line 17, after the word "Refuge", strike out "$80,137,000" and insert "$80,377,000".

On page 20, line 4, after "(16 U.S.C. 757a–757f)", strike out "$12,846,500" and insert "$5,933,000".

On page 20, after line 8, insert:

MIGRATORY BIRD CONSERVATION ACCOUNT

For an advance to the migratory bird conservation account, as authorized by the Act of October 4, 1971, as amended (16 U.S.C. 715k–3, 5; 81 Stat. 612), $7,100,000, to remain available until expended.

On page 20, line 17, after the word "and", strike out "sixty-nine" and insert "sixty".

On page 21, at the beginning of line 22, strike out "$176,720,000" and insert "$187,577,000".

On page 22, line 19, after the word

"Commission", strike out "$20,000,000" and insert "$19,744,000".

On page 23, line 24, after the word "values", strike out "$4,054,000" and insert "$15,559,000".

On page 24, line 5, after the word "expended", strike out "$31,531,000" and insert "$28,995,000".

On page 25, after line 15, insert:

Office of Saline Water

SALINE WATER CONVERSION

For expenses necessary to carry out the provisions of the Saline Water Conversion Act of 1971 (42 U.S.C. 1959–1959h, as amended), including not to exceed $1,600,000 for administration and coordination expenses during the current fiscal year, $3,727,000, to remain available until expended.

On page 26, at the beginning of line 4, strike out "$7,500,000" and insert "$7,800,000".

On page 26, line 13, after the word "expenses" strike out "$15,495,000" and insert "$16,026,000".

On page 26, line 25, after the word "law", strike out "$670,000" and insert "$1,000,000'.

On page 29, line 23, after the word "thereto, strike out "$259,701,000" and insert "$257,961,000".

On page 30, line 11 after the word "law", strike out "$59,145,000" and insert "$59,880,000".

On page 30, line 18, after the word "law", strike out "$27,760,000" and insert "$26,760,000".

On page 31, line 1, after the word "objectives", strike out "$26,353,000" and insert "$24,357,000".

On page 34 after line 4, insert:

SCIENTIFIC ACTIVITIES OVERSEAS (SPECIAL FOREIGN CURRENCY PROGRAM)

For payments in foreign currencies owed to or owned by the United States for forestry research and other functions related thereto authorized by section 104(b)(3) of the Agricultural Trade Development and Assistance Act of 1954, as amended (7 U.S.C. 1704(b)(3)), $500,000, to remain available until expended: Provided, That this appropriation shall be available, in addition to other appropriations for these purposes, for payments in the foreign currencies: *Provided further,* That funds appropriated herein shall be used for payments in such foreign currencies as the Department determines are needed and can be used most effectively to carry out the purposes of this paragraph.

On page 36, line 12, after the word "region", where it appears the first time, strike out "or" and insert "to"; and, in the same line, after the word "region", where it appears the second time, strike out "of the National Forest System of the Forest Service" and insert "to move or close any regional office for research, State and private forestry, and national Forest System Administration of the Forest Service, Department of Agriculture, without the consent of the Committee on Appropriations and Committee on Agriculture and Forestry in the U.S. Senate and U.S. House of Representatives."

On page 37, line 14, after the word "Act", strike out "$184,118,000" and insert "$182,803,000".

On page 38, line 2, after "(42 U.S.C. 2004a)", strike out "$46,027,000" and insert "$50,107,000".

On page 38, after line 19, insert:

Office of Education

INDIAN EDUCATION

For carrying out, to the extent not otherwise provided, part A ($50,000,000), part B ($12,000,000), and part C ($3,000,000) of the Indian Education Act, $65,000,000.

On page 39, line 22, after the word "amended", strike out "$98,675,000" and insert "$114,750,000"; and, in the same line, after the word "which", strike out "$41,425,000" and insert "$50,000,000".

On page 40, line 5, after the word "Act", strike out "$42,500,000" and insert "$50,000,000".

On page 40, line 19, after the word "amended", strike out "$8,000,000" and insert "$15,000,000".

On page 42, line 17, after the word "Park", strike out "$3,650,000" and insert "$3,850,000".

On page 44, line 19, after "5 U.S.C. 3109", strike out "$100,000" and insert "$300,000".

On page 44, line 26, after "5 U.S.C. 3109", strike out "$60,000" and insert "$150,000".

On page 45, line 13, after "Public Law 92–578", strike out "$200,000" and insert "$500,000".

On page 45, line 19, after the word "meridian", insert "in the contiguous 48 States"; and, in line 22, after the word "purchaser", insert a colon and "*Provided,* That this limitation shall not apply to specific quantities and species of timber which said Secretaries determine are surplus to domestic needs."

On page 46, after line 5, strike out:

SEC. 303. No part of the funds appropriated by this Act shall be expended for any expense in connection with any lease, permit, approval, or other action hereafter authorizing surface coal mining on any lands within any area of the National Park System; the National Wildlife Refuge System; the National Wilderness System; or the Wild and Scenic Rivers System, including "study rivers" designated under section 5(a) of the Wild and Scenic Rivers Act.

Mr. BIBLE. Now I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. BIBLE. I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so orderd.

Mr. BIBLE. Mr. President, I have been advised that the Senator from Alaska is on his way. In view of that situation, I think it would probably be to the advantage of everyone if I at least make my opening statement.

Mr. President, I yield myself such time as I may require.

As the report on the bill indicates, Mr. President, the committee considered budget estimates totaling $2,575,667,300. This figure includes indefinite appropriations of receipts and amounts to liquidate contract authority for the agencies in the Department of the Interior and related agencies as listed on page 2 of the report. The Bureau of Reclamation, the power marketing agencies and related activities are excluded and can be found in the public works appropriations bill.

The committee recommends total appropriations of $2,679,823,700. This is an increase of $104,156,400 over the budget estimates and $219,069,500 over the House allowance. However, the recommendation keeps the total $181,632,600 below appropriations for fiscal year 1973.

I might add, Mr. President, that the committee has recommended $134,067,000 to fund activities not considered by the House, including programs not authorized at the time of House consideration of the bill and subsequent budget amendments. Discounting those amounts, the bill as recommended is $85,002,500 over the House.

The major increases, as I will discuss in a moment, may be found in energy research, in recreation and wildlife programs, forestry, and Indian health and education. In a determined effort to keep new obligation authority to a minimum, and on the basis of a careful consideration of priorities, the committee has recommended selected reductions in some areas of the budget proposal. None of these reductions should affect ongoing programs.

Mr. President, a glance at the tables found in the back of the report will show Senators the changes recommended by the committee in the budget estimates and House allowances. I will not attempt to detail them. I will confine my remarks to the significant changes.

First, as the report notes, the committee was confronted with difficult decisions in considering a budget proposal that was severely constrained in some areas—areas of critical importance to the management of our natural resources and to the health and welfare of Indians and Alaska Natives. In some instances programs were drastically reduced. In others, such as Federal programs under the land and water conservation fund and the Indian Education Act, there was no request at all for new funding. The committee, in meeting its responsibilities to provide a meaningful funding program, did not believe the solution was simply to add money. It was necessary to balance priorities and to counter increases with reductions wherever possible. In some cases these reductions mean only the deferral of certain programs which the committee believed were not sufficiently planned or were of lower priority. In others it meant trimming substantial increases requested in the budget.

ENERGY

Let me comment in the energy field, because this is one of the areas in which I believe we measured up to our full responsibility in providing sufficient funds for this critical need.

I mentioned earlier the committee has approved a significant increase for energy research. The bill as reported contains a total of $178,360,000 for energy research and development, excluding oil and gas and geothermal resource leasing programs. This is a $44,000,000 increase in the budget proposals.

Of that energy total, $150,560,000 is for research and development programs for the greater utilization of our Nation's greatest fossil fuel resource—coal. The committee recommended a $30,000,000 increase for coal research alone, and these increases may be found in the budgets of the Bureau of Mines, the Office of Coal Research, and the Forest Service.

The President announced on June 29, 1973, that he would recommend an energy program requiring a $100,000,000 increase in his budget request. No budget amendment has been forthcoming to this moment, however, and the committee acted on the priorities it developed during its hearings to put together its recommendations. The increases are not entirely adequate, I am sure, but budget estimates and hearings with expert witnesses are needed before we go further. It is my hope that the President will be submitting supplemental estimates for any additional high priority needs. The committee will schedule early hearings and extend sympathetic consideration to any such proposals.

I think we are all well aware of the problem of the energy shortage and are resolved to try to measure up to it as best we can.

LAND AND WATER CONSERVATION FUND

Another difficult area was the Land and Water Conservation Fund, which finances State assistance for recreation development and Federal land acquisition. Last year, Congress appropriated the full $300,000,000 authorized from this fund, but the budget estimates this year included only $50,000,000 for State assistance. There was no estimate for Federal programs.

The committee has recommended appropriating an additional $32,000,000. With the funds carried forward from fiscal 1973, this will make more than $355,000,000 available this year for obligation. Furthermore, the committee has specified that $20,000,000 of the funds available for state assistance shall be apportioned on the basis of need to those States which are exhausting prior year grants.

Again, the committee realizes more funds are needed and could be effectively used. Within the constraints imposed by the economic situation and the overall priorities in this bill, however, I believe the committe has recommended the most effective solution.

FORESTRY

The Forest Service presented perhaps the most difficult problems. Not only was the Agency's budget severely reduced, much of its 1973 funds were impounded. Every single additional dollar appropriated by Congress over and above the fiscal 1973 budget recommendation was impounded. The administration refused—and still refuses—to spend any of these funds.

The committee strongly believes that this Nation cannot afford to neglect its forest resources. Accordingly, the committee has recommended increases of more than $15,000,000. The largest single increase was $9,000,000 for reforestation and timber stand improvement, which has been curtailed in the administration's 1973 and 1974 programs.

INDIAN PROGRAMS

As I noted earlier, there was no budget estimate at all for the Indian Education Act. This new program was initiated last fall with an $18,000,000 supplemental appropriation, and the committee considered proposals ranging as high as $318,000,000 for the fiscal 1974 program. I believe the committee recommendation of $65,000,000 provides the maximum funding possible in a constrained fiscal situation.

The committee also found the budget requests were inadequate for Indian health programs administered by the Department of Health, Education, and Welfare and funded in this bill. A total of $14,225,000 has been added, based on a careful assessment of the most urgent priorities.

In addition, the committee has recommended increases over the budget of $5,727,000 for programs administered by the Bureau of Indian Affairs.

BUDGET AMENDMENTS

Three budget amendments were submitted subsequent to the committee's hearings. For the Bureau of Indian Affairs the committee recommended the additional amount of $3,528,000 to pay the expenses of the U.S. marshals and Federal Bureau of Investigation that were incurred as a result of the Indian disturbance at Wounded Knee, S. Dak. For the Office of the Secretary and the Office of Oil and Gas, in consideration of budget amendments, the committee recommended increases of $2,530,000 and $1,100,000, respectively. Two million dollars of the additional funds requested for the Office of the Secretary, which are for energy economic studies, were included in the budget of the Bureau of Mines.

Mr. President, the committee conducted 30 days of hearings, taking testimony from several hundred witnesses. More than 300 amendments were considered which, if adopted in full, would have increased the bill by more than $1½ billion, or over 50 percent. I believe that the bill reported to the floor of the Senate this morning, as reported by the committee, represents the best possible balance of the conflicting demands of fiscal restraint and program expansion. I hope the Senate will approve the bill as reported.

Mr. President, I want to take this opportunity to pay special tribute to the man now sitting on my left, Dwight E. Dyer, who has done a stellar job on a most difficult bill. He is the "Paul Eaton" of today. Those Members of the Senate who were here in earlier years know the terrific job that Paul Eaton did, beginning in the days of Carl Hayden. As my right hand and strong arm, I am convinced that Dwight Dyer will do an equally fine job. As a matter of fact, he has already done an equally fine job this year.

Likewise, Mr. President, I would want to pay tribute to James D. Bond, minority counsel, who has been extremely helpful. It has always been great to work with the distinguished chairman of the full committee, the Senator from Arkansas (Mr. McCLELLAN), and the ranking Republican on the committee, the distinguished Senator from North Dakota (Mr. YOUNG), as well as my good friend, the distinguished Senator from Alaska (Mr. STEVENS), the ranking minority member of the Subcommittee who has been so helpful in working the bill through the legislative process.

Mr. President, I yield the floor.

Mr. STEVENS. Mr. President, I want to commend the distinguished chairman of the Interior Appropriations Subcommittee for the outstanding job he has done on this bill. And I want to thank him for all the courtesies he has extended to me through the hearings and markups of the bill.

Mr. President, while the bill as reported by the Appropriations Committee is some $100,000,000 over the budget, the largest share of this increase is in two areas the committee felt to be especially important and worthwhile. We have added $65 million to continue programs of the Indian Education Act initiated in fiscal year 1973. These funds will be used to meet the needs of Indian students who are attending the country's elementary and secondary schools. As well, some of the funds will be used for adult Indian education. The other large increase was in the amount of $42.5 million for the Office of Coal Research. In addition to this there are funds in the Bureau of Mines and Forest Service accounts for coal research.

Mr. President, another item that has generated a great deal of interest is the National Foundation on the Arts and Humanities. On this item we have added $16,075,000 over the House figure which is $40,236,000 over the appropriations for fiscal year 1973. In addition, we increased the House allowance for matching grants by $7 million.

Mr. President, there are, of course, many other important items in this appropriations bill, but since the chairman has already gone over many of these, I will conclude my statement once again by thanking the distinguished chairman of the subcommittee, the Senator from Nevada (Mr. BIBLE), for all his courtesies and, in particular, point out the extreme number of amendments which were offered by Members and which were considered, one by one, with his usual diligence and kindness.

Mr. President, this is a workable bill. I know of no amendments to be offered on this side of the aisle so far.

Mr. President, I yield the floor.

Mr. BIBLE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. TUNNEY). On whose time?

Mr. BIBLE. On my time.

The PRESIDING OFFICER. Without objection, the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. CHILES). Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, will the distinguished chairman of the committee yield?

Mr. BIBLE. I yield 3 minutes to the distinguished Senator from West Virginia.

Mr. ROBERT C. BYRD. Mr. President, I wish to express my deepest and most heartfelt appreciation to the chairman of the Interior Appropriations Subcommittee, Senator BIBLE, for his cooperation and assistance in helping me to obtain inclusion, within H.R. 8917, of critically needed funds for increasing our coal research and development programs.

I am particularly grateful to Senator BIBLE, and to Senator STEVENS, the ranking minority member of the subcommittee, for acceptance within the subcommittee, of my amendments, which, including $3 million for reactivating the Cresap pilot plant, increased coal research by $42 million. My amendments, which I offered in the subcommittee markup, proposed originally an increase of $100 million, above the budget request, for coal research. I still believe that an additional $100 million can be effectively utilized, and I naturally would like to have seen that amount included within the bill; however, I believe the $42 million which was accepted by the committee will provide a substantial and an overdue boost to our ongoing coal research programs. I submitted, in the subcommittee, a breakdown of the program I proposed which indicated how the additional funding I requested would be spent. Also, the administration experts on coal research with whom I consulted do not take issue with the following facts:

First. That the additional moneys can be effectively utilized immediately, and that the Office of Coal Research has on hand and awaiting funding, numerous worthwhile and promising coal research programs;

Second. That the additional funds will result in an accelerated program of research that can save this country valuable leadtime in solving our energy crisis;

Third. That coal liquefaction and gasification programs will be accelerated;

Fourth. That by accelerating mining technology research, we can bring about mining productivity increases that would not otherwise come about; and

Fifth. That an accelerated program will bring onstream high Btu gas plants earlier than the current program of research will allow.

However, in order that there may be no misunderstanding regarding these actions to sharply increase the funding for coal research, I want to give a background summary of this problem and explain why I believe this increase is fully justified at this time.

On January 29 of this year, when the President submitted his fiscal year 1974 budget requests to the Congress, included therein were individual requests of: $52.5 million for the Office of Coal Research; $18.1 million for Bureau of Mines energy-related coal research; and $25 million for a central energy research and development fund, of which $21 million was budgeted for coal research.

The House version of H.R. 8917, the fiscal year 1974 Interior appropriations bill, which passed the House of Representatives on June 27, 1973, included $61.5 million for the Office of Coal Research and $18.1 million for Bureau of Mines energy-related coal research. The House bill did not, however, include the $25 million central energy fund, as requested in the budget; rather, the House report states that certain increases included in the House bill for the Bureau of Mines, Office of Coal Research, Geological Survey, and U.S. Forest Service energy-related projects, were provided in lieu of the central energy and development fund.

After the House bill was enacted, the President in a June 29, 1973, special energy message, stated that he was immediately taking steps to increase energy research in fiscal year 1974 by $100 million, over and above amounts which had previously been requested in his fiscal year 1974 budget, and that approximately one-half of this amount, or $50 million, would be allocated to coal research. While I was naturally pleased that the President recognized the need to provide an additional $50 million for coal research in fiscal year 1974, I regret that Congress has not yet been supplied with a budget amendment from the administration requesting these additional funds.

For a long time prior to the President's June 29 message—and even subsequently—I repeatedly urged the administration, both publicly and privately, to accelerate funding for coal research. In furtherance of this objective, I have, on numerous occasions, met with the Assistant Secretary of the Department of the Interior for Energy and Minerals and with the President's special staff on energy problems to exert my maximum efforts toward obtaining administration support for an accelerated, and a greatly increased, coal research program.

I believe that sharp increases for coal research are not only justified, but absolutely necessary, at the present time. The reasons are as follows:

First. Domestic oil and gas resources are short and are declining. Yet, our coal resource base is abundant. As a matter of fact, coal comprises 90 percent of our recoverable fossil resources, but we at present are deriving only 17 percent of our domestic energy from this source. As a practical matter, our coal supply is actually declining because of—constraints in mining laws which make it more costly to mine coal; and environmental constraints on the use of coal—sulfur dioxide.

Second. We must increase our domestic production and utilization of coal rapidly, but in an environmentally acceptable manner, for the following reasons:

To halt the reliance on foreign oil supplies and minimize the implications to national security—at current rates of consumption and in projected growth during the next decade, the United States will be importing more than half of our needs in oil and gas by the year 1985;

To slow and eventually reverse the increasing balance-of-trade and balance-of-payments deficits associated with greater levels of oil importation. The Office of Oil and Gas of the Department of the Interior informs me that in calendar year 1972, we imported 4,741,100 barrels of oil per day. On an annualized basis, this amounts to 1,730,501,500 barrels per year, and this represents dollar expenditures of $6 billion per year, including ocean freight to the port of entry. During calendar year 1973, we are importing 6,125,000 barrels of oil per day. On an annualized basis, this amounts to 2,235,625,000 barrels per day, and this represents dollar expenditures of $9 billion per year including ocean freight to the port of entry; and to place an effective ceiling on the price of a barrel of imported oil. I want to call particular attention to the following facts: For calendar year 1973, our domestic oil consumption is estimated to total 6 billion barrels, and of that amount it is estimated that we will import 2 billion barrels, or one-third of our petroleum consumption. At current prices of approximately $4 per barrel, that translates into an $8 million contribution toward our trade deficit for 1973.

Third. However, to increase our domestic production and utilization of coal, it must be converted to more easily usable and more environmentally acceptable energy forms. This requires the development and demonstration of new technologies for mining coal, for directly burning coal, and for producing clean liquid and gaseous fuels from coal.

Until sulfur-removing techniques are perfected, it will be impossible to meet the very stringent requirements of the Federal Clean Air Act. It is estimated—and it was so noted by the President in his recent energy message to Congress—that if the strict compliance with secondary standards demanded by EPA and the States in 1975 is not reconsidered, up to 155 million tons of coal annually cannot be utilized. This is the equivalent of 1.6 million barrels of oil per day, which, even at current import prices represents an expenditure of, roughly $1½ billion a year. And that assumes that our oil imports will not be affected in the future by political upheavals in the Middle East, or by economic blackmail on the part of King Faisal or the Sheikh of Kuwait.

Therefore, Mr. President, on the basis of these facts, I feel that, despite the stringent budgetary constraints under which we are currently operating, that large increases for coal research are both fully justified and absolutely necessary.

The Senate bill, pending before us today, as amended, contains a total of $95 million for Office of Coal Research administered programs. This represents an increase of $42.5 million over the 1974 budget request and $33.5 million over the amount contained in the House bill. In order that it may be shown exactly how the Senate increases will be allocated, I shall later ask that a table be inserted in the RECORD at the conclusion of my remarks, in order to reflect the fiscal year 1974 budget, the House and the Senate allocations for each of the major coal research activities. This table shows how each of these programs will be accelerated as a result of my amendments.

My amendments increasing coal research by $42 million provided $3 million in fiscal year 1974 funding for reactivation of the Cresap pilot plant in West Virginia, together with language authorizing the expenditure of $2 million in carryover funds; an additional $20 million for liquefaction research; $12 million for coal gasification research; and $7 million for improved mining technology, which will be conducted by the Bureau of Mines.

Mr. President, what we are doing in this bill is catching up on, and paying for, past neglect in this area.

Only 5 years ago, the total moneys appropriated to the Office of Coal Research for 1 year amounted to $11 million. Had we funded coal research at sufficient levels in past years, we would not have to step it up so quickly now. In other words, the energy crisis that is upon us in the 1970's can be properly said to result from our failure to take adequate steps in the 1960's to prevent it. If we are going to formulate a truly realistic, dependable, and durable national energy research policy, it must be keyed to the fullest possible utilization of coal. I am convinced that every penny spent on coal research now will be a dollar earned in the future.

Mr. President, I again wish to thank my friend and subcommittee chairman, Senator BIBLE; also Senator STEVENS and the other members of the committee for their acceptance of my amendment.

Mr. President, I ask unanimous consent to include in the RECORD the budget, the House, and the Senate allocations for each of the major coal research activities for fiscal year 1974.

The PRESIDING OFFICER. Without objection, it is so ordered.

OFFICE OF COAL RESEARCH, FISCAL YEAR 1974

[In millions of dollars]

	Budget	House	Senate
Coal liquefaction	12.75	19.75	39.75
Improved mining systems	.50	.50	[1] .50
Coal gasification:			
High Btu	20.00	20.0	24.0
Low Btu	11.5	11.5	19.5
Improved combustion	2.7	2.7	3.2
Improved power systems	3.85	5.85	6.85
Engineering and economic analysis	1.45	0	0
Supervision and administration	1.20	1.20	1.20
Total	52.5	61.5	95.0

[1] In addition the Senate action adds $7,000,000 to Bureau of Mines for improved mining systems.

Mr. BIBLE. Mr. President, I yield myself such time as I may require.

I send to the desk an amendment which I ask to have stated.

The PRESIDING OFFICER (Mr. CHILES). The amendment will be stated.

The legislative clerk read as follows:

On page 24, line 6, in lieu of "$28,995,000" insert "$29,145,000".

Mr. BIBLE. Mr. President, I shall make a very brief explanation of the amendment. It was an oversight on my part that it was not included in the committee amendments. It is an amendment that was suggested to me, in part, by the distinguished senior Senator from Mississippi (Mr. EASTLAND).

The amendment adds money for the project called gunboat *Cairo*. It is for advancing additional preservation work on this particular Civil War gunboat. It would add another $150,000 to the bill. This is a project that should go forward. It is one in which our beloved junior Senator from Mississippi (Mr. STENNIS) has a great interest. It is my error that it was not included in the committee bill.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Nevada.

The amendment was agreed to.

Mr. HATHAWAY. Will the Senator yield?

Mr. BIBLE. I yield to the distinguished Senator from Maine.

Mr. HATHAWAY. I note in the committee report that $150,000 has been added to the Forest Service budget for wildlife habitat research at Orono, Maine. I wish to thank the Senator from Nevada (Mr. BIBLE) and the members of his subcommittee for their consideration.

I have been advised, however, that the funds could be more effectively utilized by allotting $100,000 for timber management research and $50,000 for wildlife habitat research. I ask the guidance of the Senator from Nevada (Mr. BIBLE) on how this reallocation of the recommended funding might be best achieved.

Mr. BIBLE. As the Senator knows, the report of the committee has been printed and cannot be changed. I believe the best way to approach this matter, since it does not involve an increase in appropriations, is to seek approval for the changes suggested by the Senator during our conference negotiations with the House. I have no problem with the suggestions, and I shall be happy to propose suitable language in the conference report.

Mr. HATHAWAY. I thank the Senator for his cooperation and his courtesy. This is important to the timber resources of my State, although the amount involved is relatively small.

Mr. BIBLE. I yield to the Senator from Kansas (Mr. DOLE).

Mr. DOLE. Mr. President, I would like to direct a question to the manager of the bill.

Both the House and Senate Appropriations Committees have directed that $1,930,000 previously appropriated for construction at Haskell American Indian Junior College be reprogramed and utilized for other construction projects in the coming year. The reason given for this action was that $1,930,000 of the total $5.7 million appropriated last year would not be obligated until fiscal year 1975.

I wish to assure the committee that these additional funds will be needed to complete the construction package at Haskell, but I can also understand the committee's desire to have funds expended during the year in which they are appropriated.

I would therefore appreciate having some indication of the committee's interest in again making the $1,930,000 available for Haskell construction when it is needed in fiscal year 1975.

Therefore the question I would pose is this: Does this reprograming in any way reflect reduced support on the part of the committee for the Haskell construction program, and if not, does the committee expect any difficulty in making these funds available for the Haskell project in fiscal year 1975?

Mr. BIBLE. Let me say to the Senator that the reprograming of these funds in fiscal 1974 is in no way prejudicial to the purpose for which they were originally appropriated. The need remains, and if the Bureau is in a position to obligate the funds in fiscal 1975 I assure the Senator that I will certainly do what I can to see they are made available. I see no problem at this time. The Senator's concern has been noted and will be kept in mind when the committee takes up the fiscal 1975 budget estimates.

Mr. DOLE. I thank the Senator. These funds are indeed important. His words of support are most appreciated.

Mr. BIBLE. Mr. President, I have tried carefully to canvass the Chamber. I do not know of any further amendments. If there are no further amendments I am prepared to suggest third reading.

There is one other matter I wish to call to the attention of the Senator. The Senator from Minnesota (Mr. MONDALE) spoke to me about a problem he had on which I have no worries or doubts at all. This does not require an amendment. I simply wish to state that of the money we have available to us for the Bureau of Indian Affairs we want to make it clear that at least $275,000 should be available for providing referral services to urban Indians. This was referred to us a year ago by the Senator from Minnesota. I thought he made a good case. Unfortunately, the administration impounded this amendment. They have now built it into their funds and I think they will, with a little urging, spend it for this purpose. We want the RECORD clear that $275,000 should be used for that purpose.

I yield to the Senator from Minnesota (Mr. MONDALE).

Mr. MONDALE. Mr. President, first of all, I would like to congratulate the distinguished manager of the bill, the Senator from Nevada (Mr. BIBLE), for his dedicated leadership in the development of the pending bill. In particular, I wish to express my deep appreciation for his work in providing $65 million for the Indian Education Act of 1972. Last year the Congress provided $18 million to begin this program on a modest basis, and these funds were expended only under threat of court suit. I am hopeful that this year the administration will heed the intention of the Congress so that the educational needs of the two-thirds of America's Indian children who attend public schools may be better served.

I wish to address several questions to the distinguished manager of the bill with regard to the availability of assistance for providing referral services to urban Indian citizens.

As the Senator just outlined, last year the Congress provided $275,000 to permit the establishment of five regional referral centers. These centers would assist urban Indian citizens in securing benefits under State, Federal, or local law for which they may be eligible.

It is my understanding that none of these funds were spent for this purpose during the last fiscal year.

Mr. BIBLE. The Senator is correct. None of these funds were spent by the

Bureau of Indian Affairs during the last fiscal year for that purpose.

Mr. MONDALE. I am told that $275,000 for these purposes has been included in the base estimate provided by the BIA for this year's budget.

Mr. BIBLE. I am told that the Bureau has so informed the committee staff.

Mr. MONDALE. I am deeply concerned over the failure of the Bureau of Indian Affairs to utilize these funds as intended by Congress. Quite frankly, I am fearful this inaction may continue, even though the funds are apparently available again in fiscal 1974.

Mr. BIBLE. I certainly share the Senator's concern. I believe the record we are establishing in this exchange will certainly make it clear that these funds should be obligated as intended by the Congress. I will assure the Senator that this problem will be taken up in conference with the House and, if required, suitable language will be offered for the conference report. In addition, I am asking the subcommittee staff to follow through with the Bureau and attempt to make sure these important programs are implemented.

Mr. MONDALE. The Senator is more than helpful, and I assure him his efforts will be most deeply appreciated.

Mr. BIBLE. I yield to the Senator from Michigan (Mr. HART).

Mr. HART. First let me thank the Appropriations Committee, in particular Senator BIBLE, chairman of the subcommittee, for the addition of $155,000 for development of Pictured Rocks National Lakeshore. The administration requested no money for Pictured Rocks and I am most grateful that Senator BIBLE recognized a need for action and commitment.

In a letter to the subcommittee, I referred to my concern that I had been unable to find out when and for what all the money which had so far been appropriated for Pictured Rocks had been spent. May I ask if he has received any information on this matter from the Department?

Mr. BIBLE. I am happy to respond to the Senator from Michigan (Mr. HART). The committee staff has checked with the National Park Service and learned that the $203,000 appropriated for development of Pictured Rocks National Lakeshore last year has indeed not be obligated. We are assured this is not a deliberate effort to slow down this needed work but a problem of environmental impact statements. It would seem that the statement draft filed in connection with the planned development was not accepted and is being redrafted to meet objections. This is a paperwork hangup, it appears.

We are assured that this work will get underway just as soon as the necessary clearance can be obtained. The work involved, as the Senator knows from his continuing interest in this program, is construction of the Miners Castle overlook, trails and parking areas, sanitation facilities and related improvements.

I share the Senator's hope that this work, together with the additional development funded in the pending bill, will soon be accomplished.

Mr. HART. I thank the Senator from Nevada (Mr. BIBLE) for his interest and assistance. This development is needed to make this area properly available to the public.

Again, my appreciation to the chairman of the Interior Appropriations Subcommittee and the subcommittee members for their support of the additional funding.

Mr. President, I yield back such time as I have on the amendment.

Mr. STEVENS. I yield back my time.

Mr. BIBLE. Mr. President, if there are no further amendments, we are ready for third reading.

The PRESIDING OFFICER. The bill is open to futher amendment. If there be no further amendment to be proposed, the question is on the engrossment of the amendments and third reading of the bill.

The amendments were ordered to be engrossed, the bill to be read a third time.

The bill (H.R. 8917) was read the third time.

Mr. HATFIELD. Mr. President, I wish to thank the distinguished chairman of the Appropriations Subcommittee on Interior and Related Agencies and the Senator from Alaska (Mr. STEVENS) for their effort in producing the bill we are now considering. I believe that the budget request submitted by the administration was scandalously inadequate. It simply did not reflect the needs of our natural resource management programs. As the committee stated in its report, "programs important to forest resources, wildlife, and recreation activities and Federal land acquisition were sharply curtailed in the President's budget."

I am, therefore, very pleased that we have been able to make some significant additions for resource management programs, while holding total appropriations below fiscal year 1973 appropriations. I do not believe that our additions are enough to really do the management job which the Federal agencies should be doing, but it is an improvement, and I am grateful to the chairman and other members of the committee for this improvement. We have added $9 million for reforestation and timber stand improvement in the Forest Service budget so that we might begin to reforest over 5 million acres of national forest lands which make up the present backlog. We have increased forest research funding by over $2½ million. We have increased funding for cooperative forest fire control by $3 million.

In the area of energy, I am extremely pleased that the committee has included $1.5 million for the Bureau of Mines pilot plant for converting wood waste to oil at Albany, Oreg. Wastes from the harvesting and processing of timber in the United States constitute a solid waste problem of significant magnitude. Overall, logging and wood-processing wastes are estimated to approximate 55 million tons annually on a dry basis. Of this total, about 30 million tons per year are accumulating at processing plants. About one-half of this material presently is disposed of by burning. An estimated 25 million tons of debris are left in the woods each year and become a serious fire hazard and a reservoir for diseases and pest insects.

The Bureau of Mines has demonstrated that these types of organic wastes can be converted to oil when subjected to the action of carbon monoxide and water at temperatures between 250° and 400° C. and pressures of 2,000 to 4,000 pounds per square inch. The yield, after deducting for the amount of energy needed to conduct the process, is about 1.25 barrels from each ton of dry organic matter. The oil is low in sulfur—typically below 0.5 percent—and could be used as a fuel for powerplants. Assuming that only 10 percent of the available wood wastes could be collected with a reasonable amount of effort, this would be equivalent to about 7 million barrels of oil.

The Congress appropriated $300,000 for design of this pilot project last year and in late June the Bureau of Mines let the contract for this design, which should be completed by December.

The Senator from Nevada (Mr. BIBLE) deserves a great deal of credit for chairing the Subcommittee on Interior and Related Agencies and the Public Works Subcommittee this year, and I thank him again for his hard work.

Mr. PELL. Mr. President, as chairman of the Special Subcommittee on the Arts and the Humanities of the Senate Committee on Labor and Public Welfare, I congratulate the Appropriations Committee on that segment of the pending legislation which provides appropriations for the Endowments on the Arts and the Humanities. They have increased the House figure by about $23 million. I can assure the Members of the Senate that this increase is fully justified. Our hearings held in conjunction with reauthorization of the Arts and Humanities Act demonstrated not only a fine record of accomplishments since 1965, but also a creative and meaningful approach for the future. It should also be noted that some of these funds will be used in conjunction with the Bicentennial celebration.

There is one point that I would like to bring to the attention of the Senate, and, while I do not intend to introduce an amendment to deal with this matter, I would submit that legislative history is being made which is not in the best interest of either Endowment. The bill contains a separate line item of $8.25 million for State arts programs. Historically, State arts councils were mandated by law. Six years ago, at the suggestion of the Special Subcommittee on the Arts and the Humanities, the Humanities Endowment started to develop, on its own, State humanities programs. There are now over 40 State programs in existence. This year, while working on the reauthorization, consideration was given to mandating State humanities councils as is now the case with State arts councils. However, since the leadership of the Humanities Endowment had been so creative in doing this voluntarily, it was decided that the mandating would not be necessary. Therefore, I was most concerned that there was a lesser amount made available to the Humanities Endowment, the rationale being that the Arts Endowment has a large State program to support. I believe that the Humanities Endowment should be given equal treatment, as both Endowments have State programs.

I hope that this unequal division of funds will be remedied in the next bill, and I will offer to assist the Appropriations Committee in learning the facts on the Humanities Endowment's State councils.

In closing, I again congratulate the Appropriations Committee and especially Senator Bible, chairman of the Interior and Related Agencies Subcommittee. He has done a fine job.

Mr. CRANSTON. Mr. President, I rise to express my appreciation to the distinguished chairman of the Interior Appropriations Subcommittee (Mr. Bible) and to the other members of the Senate Appropriations Committee for including in H.R. 8917 $10 million for land acquisition in the Golden Gate National Recreation Area of California.

The Golden Gate National Recreation Area, created last year when Congress enacted Public Law 92–589, is a unique urban recreational resource. When acquisition is completed, it will include long stretches of beaches, dramatic bluffs rising high from the ocean's edge, quiet stands of redwoods, grassy hills, as well as numerous points of public interest in San Francisco and Marin Counties, such as Alcatraz Island, the Marina Green, and portions of Forts Barry, Chronkite, Baker, and the Presidio. It will stretch from the southern tip of San Francisco County up through Marin County to join Point Reyes National Seashore. It will provide an unprecedented people-oriented resource for the 5 million residents of the San Francisco Bay Area.

The estimated cost of acquiring all the private lands slated for acquisition in the Golden Gate National Recreation Area was, at the time of enactment, in the neighborhood of $60 million. While far short of the total necessary, the $10 million included in the fiscal year 1974 budget for land acquisition in the GGNRA will provide a major first step toward our goal.

Public Law 92–589 grants to the Secretary of Interior the authority to contract with landowners for the acquisition of lands and interests therein by making periodic payments toward the purchase of such lands and interests, provided that the periodic installments do not exceed 10 years. This provision was placed in the bill for the specific purpose of saving the taxpayer money. It was based on the unfortunate experience we had in acquiring all of the lands at Point Reyes National Seashore. In the latter case, the park was created in 1962 by an act of Congress, but was not fully acquired until 1972. During this 10 year interval, the cost of land acquisition quadrupled, jumping from $14 million to $58 million. Subdivisions were planned, improvements were made, and some houses were actually built within the park boundaries which later had to be removed—all at an inordinate and unnecessary expense to the American taxpayer. Hopefully, with the authority to contract for installment payments which has been granted to the Secretary by Public Law 92–589, we can avoid the unnecessary, but presently uncontrollable, spiralling of land values in the Golden Gate National Recreation Area. I urge the Department to use this contract authority wherever possible.

Mr. McINTYRE. With specific reference to section 158 of the conference report it is my understanding that the language "parkway type highway," is used to indicate a parkway in the generic sense, that is, a recreational and scenic highway located in a park and primarily serving park traffic, from which commercial traffic is normally excluded except in those specific cases when the Secretary of Transportation and the proper officials in New Hampshire permit use of the parkway by other types of vehicles. It would therefore be distinguished from a multipurpose highway. Is my understanding correct?

Mr. BENTSEN. The Senator is correct. The type of vehicle that can use this parkway would be limited except in the situations the Senator has described.

Mr. McINTYRE. Also referring to section 158, where the report states the parkway should be constructed according to standards which the Secretary determines are necessary for protection of the environment, is it not the intention of the language to in no way affect or diminish any obligation or responsibility of the Secretary under Federal law for the protection of the environment and the preservation of landmarks of historic significance, including, without limitation, the provisions of the Department of Transportation Act, the Federal-Aid Highway Act for the preservation of parklands, and the National Environmental Policy Act of 1969?

Mr. BENTSEN. The Senator is correct.

Mr. COTTON. Mr. President, I wish to express my appreciation to the members of the committee of conference on S. 502—the proposed "Federal-Aid Highway Act of 1973"—with respect to section 158 bearing the caption "Franconia Notch, New Hampshire."

Mr. President, as my colleagues in the Senate may recall, during the consideration of the bill, S. 502, on Thursday, March 15, the Senator from New Hampshire offered and there was agreed to an amendment which, although written in general terms, was applicable specifically to Franconia Notch in my State of New Hampshire, involving a segment of the Interstate System of not more than 12 miles in length.

Mr. President, the purpose of my amendment was to accomplish two things: First, it expressed the sense of Congress that the Secretary of Transportation shall reconsider the request of the State to approve construction of the applicable segment as a parkway. Secondly, it provided an exemption from the present statutory requirement that the segment be constructed as a multipurpose highway, providing for the construction of a parkway-type highway.

Mr. President, when the bill, S. 502, went to conference there was no comparable provision in the House-passed version. But, through the efforts of the distinguished conferees on this bill, and particularly the distinguished chairman of our Committee on Public Works (Mr. Randolph), the distinguished Senator from Texas (Mr. Bentsen), the distinguished Senator from Vermont (Mr. Stafford), the distinguished Senator from New York (Mr. Buckley), and the distinguished Congressman from the Second District of New Hampshire (the Honorable James C. Cleveland) a conference substitute now appearing as section 158 was drafted which further improved upon my earlier amendment. And, Mr. President, I am happy to report to my colleagues in the Senate that this conference substitute is not only consistent with my original amendment, but I have been advised is acceptable to the several interested environmental groups in my own State of New Hampshire.

In this connection, Mr. President, I know that, for example, the distinguished Senator from Wisconsin (Mr. Nelson) expressed some reservations concerning my amendment which had been adopted earlier by the Senate on March 15. I therefore would like to call the attention of my colleagues to the following excerpt which appeared on the front page of the New Hampshire Audubon News of April 1973:

> What the Cotton amendment does do is open up the possibility of some sort of compromise between the Highway Dept. and those concerned about the possible adverse impact of a major highway on the fragile environment of the Notch.

Mr. President, throughout the subsequent consideration of S. 502 both myself and my distinguished colleague from New Hampshire (Mr. McIntyre) have been in close contact on this matter with the counsel for both the Society for the Protection of New Hampshire Forests and Appalachian Mountain Club, who count among their member hundreds of New Hampshire citizens. And, Mr. President, I am happy to report to my colleagues in the Senate that based upon my own prior communications with the counsel for these groups, as well as telephone conversations a member of my staff had with a representative of the White Mountain Protection Committee, the conference substitute set forth as section 158 is acceptable to them.

As a matter of fact, by letter dated June 14 the counsel for the two groups—the Society for the Protection of New Hampshire Forests and the Appalachian Mountain Club—wrote to me in the following manner concerning this conference substitute:

> * * * the essence of the amendment was preserved in the Conference version of the Bill.
>
> We have made known to the members of the Society for the Protection of New Hampshire Forests and the Appalachian Mountain Club your efforts to keep a full-blown Interstate Highway with all its trappings out of Franconia Notch. Your work was in the

public interest and all of us greatly appreciate what you have done.

In conclusion, Mr. President, I again wish to express my appreciation to the committee of conference on S. 502 for preserving and improving upon my original amendment to this legislation.

Mr. PEARSON. Mr. President, some questions have arisen recently with regard to the funding of the ongoing construction program at Haskell Indian Junior College, Lawrence, Kans. This is now one of the Nation's leading institutions of Indian higher education. The support of Congress and the administration for Haskell's long overdue program of building modernization will be reflected in the future quality of Indian education and Indian leadership in this country.

I would like to express my concern over the action of the House Appropriations Committee, upheld by the Senate, to reprogram $1,930,000 in construction funds originally appropriated by the Congress for use at Haskell in fiscal 1973. On July 19 I wrote to Rogers Morton, Secretary of the Interior, expressing my view that all the funds approved by Congress for Haskell should be available and my further concern "over the possibility that this $1,930,000 may be lost entirely to that institution."

Haskell and the community of Lawrence only 2 weeks ago dedicated that portion of the new buildings on which construction has been completed. My concern at this point is for the rest of the program, which includes much-needed student dormitories to bring the quality of residential accommodations up to standard. Until recently—and even today—Haskell students were found living in improvised quarters beneath the old stadium, under conditions which hardly squared with the high goals which we have set for Indian education.

It is my understanding that the administration opposed the action of the House to reprogram Haskell construction funds. It is also my understanding that the Haskell Board of Regents, during a meeting with Bureau of Indian Affairs officials in Washington April 19 and 20, received assurances that the entire $5,730,000 originally appropriated for construction at Haskell would be available for that purpose. I well recognize the reasoning of the Appropriations Committee in upholding the House action. These funds are not immediately needed and can be restored when construction progress requires it.

I would only like to point out that the building program at Haskell is far from complete, and that we can firmly expect the entire $5.7 million appropriated last year to be needed. Also, I would like to point out that these facilities are not luxurious. They have been built on lean budgets and are designed to be as utilitarian as possible within the scope of their educational purposes.

I fully recognize the urgency of other Indian education projects around the country, and support efforts to move them ahead. In Haskell, we have a fine, and improving, Indian center for higher and vocational education. Its future is not unrelated to the development of future Indian leaders in this country. The promise of a just response to Indian desires for equal educational opportunity, too long denied, should be met by the performance of our Government in providing the funding priorities needed.

Mr. MATHIAS. Mr. President, the Department of the Interior and related agencies appropriation bill (H.R. 8917), which the Senate is considering today, includes a number of provisions of great importance to those who are concerned about the preservation of our natural resources and national heritage. One of these items is of particular interest to the citizens of Maryland, Virginia, West Virginia, and the District of Columbia—the restoration and reconstruction of portions of the historic Chesapeake and Ohio Canal which were severely damaged by Hurricane Agnes last summer.

I visited the canal this past Monday morning, as I have on several occasions since it was ravaged by Agnes' floods, and found the flood damage still to be of grave proportions. The towpath, once an uninterrupted joy for hikers, bikers and naturalists of all ages, has been disrupted at countless points along the 184-mile course of the canal; historic arched masonry aqueducts are in danger of falling in a number of places; and breaks in the wall between the canal and the Potomac are eroding further each day that they are unattended, with the rush of the river's waters. Further delay in this crucial reconstruction effort will only increase the ultimate cost, and in some cases, will allow destruction that can never be repaired at any cost.

The Park Service has been eager to undertake this reconstruction for some time. Until recently, however, efforts to secure funding for reconstruction of the canal have been held up by the refusal of the administration's Office of Management and Budget (OMB) to approve a budget request. OMB has now approved a very modest budget request of $1.3 million for this purpose—a figure which is well below the amount the Park Service had hoped for and could usefully expend to undertake the most critical repair work in the current fiscal year.

As a member of the Senate Appropriations Committee which reported this bill to the full Senate, I am delighted that at least this $1.3 million was included for emergency reconstruction of the canal. But far more funds will be needed in the very near future if we are to avoid considerably higher long-range costs and damage which may eventually prove to be irreparable.

At present, Mr. President, the total cost of the flood-caused damage to the canal is estimated at $34 million. Furthermore, Secretary Morton is on record as having expressed the hope that the needed repairs may be completed by the bicentennial year, 1976. We can hardly achieve this goal at the current rate of appropriations for this task, although the Secretary assures me that this project is at the top of his list of priorities.

Therefore, when the Interior Department's fall supplemental appropriation bill comes before our committee after the August recess, I believe it is essential that we spare no effort to assure additional funding for C. & O. Canal restoration in the current fiscal year.

In this regard, I am heartened by the sympathetic attitude which the distinguished Senator from Nevada (Mr. BIBLE) as chairman of the Appropriations Committee's Subcommittee on the Interior, has expressed to me regarding the plight of the C. & O. Canal. As a result, I am confident that this matter will receive the full and fair consideration of the subcommittee during its deliberations. The C. & O. Canal is in friendly hands with Senator BIBLE who was chairman of the legislative subcommittee that created the park. Friends of the canal gratefully acknowledge our debt to Senator BIBLE and I am sure we shall soon have further occasion to be grateful to him.

In the meantime, I would like to commend to the attention of my colleagues a recent article which was published in the Hagerstown, Md., Morning Herald, which graphically depicts the need for these funds if we are to safeguard this unique and irreplaceable aspect of our national heritage.

I ask unanimous consent to have this article printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

CANAL—NOT FOR BIKES

(By Kim Keister)

(EDITOR'S NOTE: When Morning Herald summer intern Kim Keister learned there was "a bike trail" along the C&O Canal towpath, he was anxious to make the trip with a friend. Keister, who will be a senior this fall at the University of Maryland in College Park, records his impressions of the towpath as a recreational trail.)

The C & O Canal towpath was built for mules, and now, 150 years after its construction was begun, it is still better suited for the ornery beasts than for bicyclists.

The 184½-mile path is publicized by the National Park Service as a trail for bikes, hikes and horses. But the path has taken a beating from storms, particularly last year's Hurricane Agnes, which have carved deep puddles and ruts and exposed large rocks and tree roots along much of the route.

In short, the trail from Cumberland, Md., to Georgetown in Washington, D.C., has been turned into a nightmare for the unfit traveler's back side.

Starting from either end, the trail first rides like the Salt Flats in Utah. But within a few miles, the horse or bike rider abruptly confronts heavily pocked path which jolts him from that notion if not from his steed.

Roots form tic-tac-toe boards across the trail, rocks loom as near hurdles. Along with the yard-wide puddles and ankle-deep swamps, these obstacles make the trail into a steeplechase. Navigation becomes as difficult and hectic as cross-town driving in New York City at rush hour.

Forget about enjoying the scenery while riding—eyes must be glued straight ahead. Nature's aromas go unnoticed, even where stench does not rise from the canal's scum—the unfit traveler is gasping through the mouth, not sniffing through the nose.

Riding becomes difficult and must be struggled with mile post after mile post. Real difficulty strikes at the dozen or so unposted spots along the trail when peddling becomes impossible or the risks of slicing a tire grow too great. Then the rider becomes the steed and the vehicle the burden.

At some points the path has been washed out leaving a thin strip of slippery clay. There the rider must choose between carrying his bike down steep slopes into flowing water, or walking a tightrope to the other side of the crevice.

Still, four more chewed up stretches along the canal warrant signs that warn: "Towpath closed to horses and bikes." Detours on public roads circumvent these impassable gorges cut by Agnes, causing the rider to miss more than 15 miles of the path.

Actually the bypassed sections of the path are not any worse than some of the open sections. None of the trail is closed to hikers, so the rider who has already carried his bike at points along the way may take these stretches in stride. Of course, it can take 20 minutes to traverse just 200 yards.

These are the hazards of the towpath. More inconvenience, even danger, lurks at some of the aqueducts and dams. Many are well preserved and impose no problem. But others are rundown.

Chunks of stone have fallen from the path as it runs over the top of the more dilapidated structures, making it advisable to dismount once again and stroll the bike across. On others, the guard rail is missing in sections leaving one false step between a safe passage across the top and serious injury or death 50 feet below.

Mrs. Lee Struble, spokeswoman for the southern section of the trail, says she knows of no significant plans to repair that part of the trail. "We're using our own maintenance people to repair as much as possible," she says. "The rest of it will just have to wait."

"I doubt that it will ever be really smooth in the sense of a bike trail," she notes.

Mr. **HANSEN**. Mr. President, I would like to take this opportunity to commend my colleagues in the Appropriations Committee for reporting to the floor a bill which demonstrates this body's concern for balancing the Federal budget and reversing the inflationary spiral in this Nation. The committee has recommended a decrease in new budget obligational authority of $159,501,600 below the 1973 budget estimate. In my mind, this is wise and timely action.

I am especially gratified by the committee's recognition of the pressing needs of Indian Americans—with the inadequacies existent in Indian hospitals, housing, and educational facilities. Clearly, the allocations for Indian health services and education will go a long way toward alleviating the problems of this most deserving group of native Americans.

Turning to the Bureau of Mines appropriation. I was most pleased with the creation of a new organization within the Bureau—the Mining Enforcement and Safety Administration. The allocations outlined in the committee report—including $700,000 for research on filling critical mine void areas in Rock Springs, Wyo.—mark significant progress in the field of mining safety.

It seems that we are constantly faced with striking an appropriate balance between ever expanding needs and contracting Federal expenditures. It is about time that Congress take responsible action in this area.

Mr. **DOLE**. Mr. President, I wish to indicate my support for the Interior appropriations bill which we are now considering and specifically compliment the committee on the emphasis they have placed on providing additional funds for the Office of Coal Research and the Office of Oil and Gas.

FUEL SHORTAGE

The fuel shortage crisis which the Nation is facing has had its greatest impact in Kansas and other Midwestern States. Fuel supplies continue to be uncertain, and the problem appears to be one which we will have to face for several years.

The solution lies in placing a greater emphasis on programs which encourage the development of new resources and better utilization of existing reserves in new and improved ways. The dilemma we now face is not an energy crisis but a fuel crisis. Adequate domestic energy bearing resources are available, especially in the form of coal, but we must learn how to utilize these resources to meet our energy requirements in ways which are not adverse to our environmental concerns. I feel that additional funds made available for coal research will help us achieve this end.

I also join in support of the additional $2.5 million appropriation for the Office of Oil and Gas. I have consistently urged that a mandatory petroleum allocation system be implemented and am hopeful that the additional funds requested by the administration for the Office of Oil and Gas will be made available at the earliest possible date upon implementation of a mandatory system.

Mr. President, in communications I submitted to the Appropriations Subcommittee I had requested additional appropriations in three areas which were not approved. I would like to make my colleagues aware of these requests with the hope that they might receive favorable consideration when the first supplemental appropriations bill is considered this fall.

OPERATING FUNDS FOR HASKELL

The first request was for an additional $767,000 to be added to the Operating Budget of the Haskell American Indian Junior College during fiscal year 1974. Haskell is one of our leading institutions of Indian higher education. More than 1,100 Indian students attended Haskell last year. A $5.7 million construction program is underway to improve the school facilities, but operating funds are also necessary if the quality of education at Haskell is to show continued improvement.

The Department of the Interior has informed Haskell that their budget for the coming year would be $3,363,300. This is an amount slightly less than last year's budget. The Board of Directors has unanimously approved a budget request for Haskell of $4.1 million. These funds are necessary if Haskell is to sustain educational opportunities for its students and continue to improve its curriculum. Last year Haskell had a budget of only $40 to improve its library, and no substantial expenditure for improving dormitory facilities has been made during the last 15 years.

I am, therefore, hopeful that an additional $767,000 can be made available for Haskell for use in the following ways:

Student work-study	$50,000
Student recruitment	50,000
Dormitory furnishing	200,000
Retraining of instructors in graphic arts	$32,000
Funds for summer school	100,000
Improved nutrition program	100,000
Board of Regents activities	40,000
Library	80,000
Education advice and counseling	40,000
Out of school enrichment and community activities program	75,000
Total	767,000

BOR FUNDS FOR KANSAS

I also had indicated my support for enlarging the special fund established under the Bureau of Outdoor Recreation which would assist States such as Kansas who have spent nearly all of their previous years' allocations and would be unable to operate at a meaningful level during the coming year due to the greatly reduced appropriation for 1974. The $20 million special fund established by the Senate bill will help relieve the funding shortage in Kansas during the coming year. However, the Department of the Interior has indicated that from $30 to $50 million may be needed to sustain this program at last year's level of operation in approximately 20 States which have obligated nearly all of their funds. I would hope that my colleagues will remain aware of the needs of these States and make the additional funds available in supplemental appropriation action.

The land and water conservation funds are not tax revenues but rather are accumulated through moneys acquired through the Federal leasing of Outer Shelf oil rights, the sale of surplus Federal property and income from motor boat fuel taxes. The moneys are earmarked for use by States for outdoor recreation purposes and are not as inflationary as many Federal expenditures because they are often used to acquire real estate and can be obligated over a 3-year period.

Therefore I feel that the funds under this program should be obligated to meet the existing needs. In Kansas there is a need. Fifty-five applications from last year remain unfunded and an additional 50 are expected to be submitted in the coming year. I am hopeful funds will be available to meet a majority of these needs.

FORT SCOTT NATIONAL HISTORIC SITE

Finally, I would ask that my colleagues remain aware of the special needs for Interior appropriations to assist the city of Fort Scott. Due to some complications over dollar estimates on work to be done on the Fort Scott National Historic Site in Fort Scott, Kans., a spending authorization for the program was set at a level inadequate to complete the project.

The problems which delayed the authorization have now been resolved to the satisfaction of everyone concerned, and I have introduced a bill, S. 2173, which would authorize an additional $1.42 million to be spent by the National Park Service for work on the fort. I am hopeful that the bill can gain congressional approval in the near future and would ask that the necessary appropriations be made available for this project as soon as the expenditure is authorized. Funding during the coming fiscal year is necessary if the renovations are to be completed in time for the city's bicentennial celebration in 1976. The fort is to be the focal point for the city and southeast Kansas bicentennial festivities.

Mr. FANNIN. Mr. President, I rise to support H.R. 8917 and in doing so I want to express my appreciation for the work of the distinguished Senator from Nevada. His leadership in meeting the problems that are represented in this bill has been exceptional and I want to acknowledge his contributions to the development of this bill as well as to the members of his committee.

H.R. 8917 is a commendable bill as it seeks to increase the commitment of the Federal Government in the support of Indian education. The action by the committee in approving a $65 million appropriation for title IV, the Indian Education Act, of Public Law 92-318 represents a major step in increasing the opportunities for strengthening and enhancing our efforts to provide a quality Indian education program.

Even though I support wholeheartedly the funding of title IV, I was disappointed that the committee failed to increase funds for the Johnson-O'Malley program. As the Senate is undoubtedly aware, the Johnson-O'Malley program has, over the years, provided substantial financial assistance in support of the education of Indian children enrolled in local public school districts. This assistance has taken the form of supplementary funds to support the basic education costs of those school districts located on or near Indian reservations. Such assistance has been necessary due to the fact that these local school districts are without sufficient local resources to support their operations due to the presence of tax-exempt Indian lands. Without Johnson-O'Malley funds, these schools would have found it very difficult to operate. In this respect, the Johnson-O'Malley program has provided the necessary margin of difference in meeting the high cost of educating reservation Indian children.

Yet, despite the increased need for Johnson-O'Malley funds, the 1974 budget provides $25,352,000 against a request from the 24 States participating in this program of $39,587,222. For example, Arizona needs $6,061,432.50 in Johnson-O'Malley funds for fiscal year 1974, but under present budget plans, the Department of the Interior plans to allocate only $3,785,000 to Arizona and this is $50,000 less than what the State received last year, yet costs are increasing.

In recognizing this deficit funding, Senator GOLDWATER and I joined in requesting that funds for the Johnson-O'Malley program be increased by $14,235,000 over the budget request to meet fully the requests of those 24 States participating in the program.

Mr. President, I ask unanimous consent to have placed in the RECORD at this point, an analysis of the Johnson-O'Malley program as it relates to the 1974 budget.

There being no objection, the analysis was ordered to be printed in the RECORD, as follows:

JOHNSON-O'MALLEY FUNDING, FISCAL YEAR 1974

Area and State	State request	Area request	BIA request	Appropriation request
Aberdeen:				
Nebraska	$800,000	$800,000	$800,000	$670,000
North Dakota	911,714	911,714	900,000	740,000
South Dakota	2,209,302	2,209,302	2,200,000	1,640,000
Albuquerque:				
Colorado	354,000	354,000	354,000	287,000
New Mexico	1,882,135	1,882,135	1,880,000	1,488,000
Anadarko: Kansas	153,000	153,000	153,000	102,000
Billings:				
Montana	2,363,579	2,354,579	2,350,000	1,080,000
Wyoming	326,332	326,332	326,000	135,000
Juneau: Alaska	8,321,000	6,761,328	3,961,000	4,859,000
Minneapolis:				
Minnesota	1,840,949	1,841,000	1,841,000	1,350,000
Wisconsin	693,482	693,000	693,000	460,000
Iowa	165,150	165,150	165,000	150,000
Michigan	254,940	254,940	254,000	140,000
Muskogee:				
Oklahoma	$2,967,155	$2,967,155	$2,960,000	$2,140,000
Mississippi	32,800	15,000	15,000	15,000
Navajo:				
New Mexico	2,701,552	2,200,000	2,200,000	2,000,000
Peripheral	2,328,700	2,105,000	2,105,000	2,105,000
Phoenix:				
Arizona	[1] 8,562,484	6,011,274	6,000,000	3,785,000
Nevada	285,000	245,000	245,000	245,000
Utah	20,000	20,000	20,000	20,000
Portland:				
Idaho	600,000	600,000	600,000	485,000
Washington	1,080,000	1,080,000	1,080,000	1,025,000
Oregon	170,000	170,000	170,000	71,000
Sacramento: California	3,000,000	500,000	500,000	350,000
Southeast: Florida	65,000	20,000	20,000	10,000
Total	42,088,274	34,639,909	31,792,000	25,352,000

[1] This may have been revised to $6,061,432.50 since the original request.

Mr. FANNIN. The committee felt, however, that an increase in Johnson-O'Malley funds would not be necessary since it was assumed that the funds appropriated to implement title IV would be sufficient since funds under part A of title IV would be going to those public schools who receive Johnson-O'Malley funds as well.

On the assurances of the manager of the bill, the distinguished Senator from Nevada, that title IV funds could be used to defray, in part, basic operational costs of those public schools located on or near Indian reservations, such as salaries for teachers who are carrying out projects and programs provided under title IV, I have accepted the committee's decision.

I want to make it clear, however, that this is a matter which I intend to review and if the assumption of the committee concerning the use of title IV funds does not prevail then I will pursue increased funding for Johnson-O'Malley. I think that the Congress must recognize that if public schools located on or near Indian reservations are to do their job, the Federal Government is going to have to deliver funds in sufficient amounts to meet the increasing operational costs that these schools incur in order to provide a quality educational program for our Indian children.

The Federal Government is kidding itself if it thinks that special programs for enhancing Indian education is enough. What is needed are funds to support fully the operational costs of reservation schools whose limited tax resources are incapable of providing.

In my opinion, only basic operational funds can guarantee quality personnel, services, and facilities. Johnson-O'Malley, then, is a key to providing the difference between mediocrity and excellence.

I hope, Mr. President, that title IV funds will provide operational assistance, but if the impact of title IV on operational costs is insufficient I will urge that Johnson-O'Malley funds be increased.

Mr. STEVENS. Mr. President, I want my colleagues to know of the very significant role the distinguished junior Senator from West Virginia (Mr. ROBERT C. BYRD) played in our subcommittee, as well as the full committee, when we were deliberating the need for increased funding for coal research. His expertise on this subject was invaluable in helping us to reach a decision. He spent a good deal of time with us going over the various proposals, his as well as others, that were presented to the committee.

Senator BYRD was very persuasive about the need for additional funds for coal research; at the same time, however, he was very responsible in trying to keep the budget down to a reasonable figure. His original proposal was for an additional $100,000,000. We looked at this and the other proposals, and we were able to come up with an amount for coal research that is both fair and reasonable. It was largely because of Senator BYRD's efforts that we were able to do so—his two amendments which added $42 million were adopted.

I must also mention, of course, the great patience, skill and understanding displayed by our distinguished chairman of the subcommittee, Mr. BIBLE, on this matter.

THE NEED FOR THE NATIONAL FOUNDATION ON THE ARTS AND HUMANITIES

Mr. HRUSKA. Mr. President, among the amendments in the bill is one which increased the appropriation for the National Foundation on the Arts and Humanities.

In my view it was a responsible increase. This is especially true if one considers the fact that the Endowments make an important contribution to improving our Nation's cultural life. Each dollar provided to the Endowments helps bring forth additional dollars from State, local, and private sources.

What has occurred in the States of Nebraska, Kansas, Iowa, and Missouri is a good example of the positive effect of the Endowments. These States have formed a Mid-America Arts Alliance. This alliance is improving the cultural potential of the area. In addition, State arts and humanities councils are good examples of what seed money from the Endowments can do.

Considering that the Endowments have provided much in the past, it would be indeed unfortunate if we restricted their capabilities for the future by denying them responsible increases in their budgets. This is especially important if we consider that the Endowments have provided the States much help in planning for our Nation's Bicentennial in 1976.

Mr. SCHWEIKER. Mr. President, included in this bill is an amendment the Senator from Illinois (Mr. STEVENSON) and I sponsored to increase appropriations for the Office of Coal Research for fiscal year 1974 which was accepted by the Appropriations Committee.

Our amendment would have nearly doubled the $52.5 million which the President's budget requested for the Office of Coal Research. The committee by approving $95 million has come very close to funding the full amount requested in our amendment. Our amendment was also supported by 23 Senators who joined us in writing the distinguished chairman of the Interior Appropriations Subcommittee on behalf of increased funding for coal research.

We must accelerate development of coal as a potential long-range solution to the energy shortage. It can be converted into clean burning pipeline gas and fuel oil at a cost competitive with all sources of energy on the market today. Anything less than a full-scale Federal coal research effort at this time could be potentially catastrophic. I am pleased the members of the committee agree.

Senator STEVENSON and I were prompted to introduce our amendment after the administration requested an increase over present spending of only $9 million for coal research in its fiscal year 1974 budget. However, in his June 1973 energy message to Congress, President Nixon later requested an increase of $50 million. The appropriation last year for the Office of Coal Research was $43.5 million.

The energy crisis dictates that we develop all our potential sources of energy, including fossil, atomic, and solar. We have an estimated 500 years of coal reserves beneath our land as compared to 30 years reserves of oil and we would be foolish not to take advantage of it.

Total funds for all facets of coal research approved by the Committee and in the bill are close to $150 million. This is an important step in energetically pursuing the solutions to our energy problems which can be provided through coal research and I am very pleased that coal conversion research will be given the attention and resources it so richly merits.

MASSIVE RESEARCH PROGRAM FOR COAL IS AIDED BY FUNDING IN APPROPRIATIONS BILL

Mr. RANDOLPH. Mr. President, I am gratified that the pending measure recognizes the need for increased research and development to help meet our growing energy demands and to alleviate the crisis confronting our Nation. I particularly congratulate the members of the Appropriations Committee for providing substantial increases for coal related developments.

The higher funding levels for the Office of Coal Research and the Bureau of Mines provide the resources to develop our most abundant domestic fuel—coal. As a Senator from the largest coal producing State and as a member of the Senate's National Fuels and Energy Policy Study group under the Committee on Interior and Insular Affairs, I have consistently stressed the need for a massive research and development effort to insure that coal will be available to meet our energy needs. I am a cosponsor of Senator JACKSON's bill to establish a combined energy research project with satellite units.

Historically, as a Member of the House and as a Member of the Senate, I have been an advocate of energy research and development, especially, in the fields of coal gasification, and coal, oil shale and lignite liquefaction first authorized in the 1940's by the Randolph-O'Mahoney Act. My interest in finding and demonstrating better technology to expand our energy supplies continues in this period of growing energy crisis.

On July 25, it was my privilege to join with other Members of this body in urging substantial increases for coal research and development. I ask unanimous consent that our letter to the senior Senator from Nevada (Mr. BIBLE), and his appropriations subcommittee, be printed at this point in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. SENATE,
Washington, DC., July 25, 1973.

Hon. ALAN BIBLE,
Chairman, Interior Subcommittee, Senate Appropriations Committee, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: Later this week, the Interior Subcommittee of the Senate Appropriations Committee is scheduled to take up in Executive Session H.R. 8917, the appropriations bill for the Department of the Interior and related agencies for fiscal 1974. Among the items to be considered will be the budget for the Office of Coal Research.

In the President's budget the funding for the OCR was set at $52.5 million, including $51.3 million in contract authority for ongoing and proposed projects relating to coal research and development. On May 9 before your Subcommittee, Senator Stevenson of Illinois testified on behalf of himself, Senator Schweiker of Pennsylvania, and 18 other Senators in favor of increased funding for the OCR—an additional $50.7 million in contract authority for a total contract authority budget for the OCR of $102 million. The statement presented on behalf of these 18 Senators also set forth the projects for which the increases could usefully be spent.

It is our belief that the nation's current energy situation dictates that such increased funding for coal research and development should be a high budgetary priority. The President reached this same conclusion in his June 29 energy message by calling for increased energy r & d funding in fiscal 1974 of $100 million over the original FY 74 budget estimate. About half of this increase, the President indicated, should be spent on coal research and development. This corresponds closely to the increase proposed in the May 9 testimony before your Committee.

There are various proposals to expand and restructure the government's programs relating to energy research and development. The programs of the Office of Coal Research can be expanded now. If the Congress should decide later on that an expanded or somewhat different approach is necessary, the programs ongoing within the OCR can easily be incorporated. The funding for the OCR can be increased immediately. It has the administrative capacity, and numerous worthy applications await funding. Our energy problems only worsen by the day. We have already waited far too long to begin the level of research necessary to utilize adequately our vast coal reserves. We ought now to redouble those efforts. Coal technology, including mining technology, is capable of unlocking the nation's largest energy resource. For a small investment we can help make the nation less dependent upon undependable and increasingly expensive foreign sources of energy.

We respectfully urge that in your Subcommittee's consideration of H.R. 8917 you give the most favorable consideration to increased funding for the Office of Coal Research.

With best wishes,

Sincerely,

Adlai E. Stevenson III, Lee Metcalf, Joseph R. Biden, Jr., Richard Schweiker, Birch Bayh, Hubert H. Humphrey.
Marlow W. Cook, Hugh Scott, Howard H. Baker, Jr., Clifford P. Case, Quentin N. Burdick, George McGovern, Walter F. Mondale, Frank E. Moss.
Walter D. Huddleston, Harold E. Hughes, Edward J. Gurney, James Abourezk, J. Glenn Beall, Jr., Jennings Randolph, Charles H. Percy, Mike Gravel.
Dick Clark, Thomas F. Eagleton, Bill Brock.

Mr. RANDOLPH. Mr. President, the affirmative action of the Appropriations Committee in working to meet this request is a significant step toward developing a better program to utilize our vast coal reserves.

It is particularly gratifying that the increased funding for the Office of Coal Research provides $42.5 million over the inadequate budget request, bringing OCR funding to a level of $95 million. Included in this increase are:

To reactivate the coal liquefaction pilot plant, Cresap, W. Va. The Office of Coal Research is directed to utilize $2 million in unobligated funds previously appropriated for this project—$3 million.

To expand research on magnetohydrodynamics—MHD—including cooperative programs with the Soviet Union and the initiation of pilot plant design—$3 million.

To accelerate construction of a solvent refined coal pilot plant, Fort Lewis, Wash., $3 million; and to initiate design of a demonstration plant, $1 million—$4 million.

Improved coal combustion techniques—$500,000.

The committee has approved general increases of $20 million for coal liquefaction and $12 million for coal gasification, including $3.4 million for project COED to strengthen existing research and development programs and to initiate new efforts.

Further, Mr. President, the appropriation for the Bureau of Mines contains an increase of $7.5 million for improved coal mining technology—a vital endeavor if we are to fully utilize our coal resources in the future. It is essential that we find ways to extract coal economically, under the highest possible standards of health and safety.

While I feel that the pending measure is a significant improvement over the budget request, I caution that it is still inadequate for the coal research and development level our Government can and should achieve if we would spend far less on outer space endeavors and more here on Earth.

As I have stressed in the past, the administration's 1974 original budget for energy research and development reflects a token $61.6 million for coal technologies needed for the 1980's and 1990's and a flagrant $107 million increase to a gigantic $506 million for nuclear technologies for the 21st century. Space and nuclear activities are overfunded annually, in my opinion.

It is recognized that the President's energy message of June 29 called for increased energy research and development funding of $100 million, half of which would be for coal. Nevertheless, this amended request was "too little and too late."

With coal and clean derivatives generally recognized as the only domestic alternatives to oil imports, it is obvious that action, not rhetoric, is needed now to insure the future and essential role that domestic resources, principally coal, must serve in our energy economy.

For 20-plus years, the American people have subsidized nuclear power developed on the premise of abundant electric energy. We must now apply this same concept and assure abundant supplies of domestic, not foreign, energy resources, compatible with environmental requirements. It is unrealistic to continue to expect that increased exploration for domestic oil and gas can alone carry the burden for successful obviation of the energy crisis.

During hearings before the National Fuels and Energy Policy Study Group on Federal energy research programs and priorities, I pointed out that our Nation's long-term energy posture depends on the successful development of solar energy, the nuclear breeder reactor, controlled fusion, and other unconventional energy resources. First, however, we must successfully meet the requirements of the 1970's and 1980's when there will be need for the development of sulfur oxide control technology, coal liquefaction, both high- and low-Btu coal gasification, and geothermal energy sources.

With present technology, there are some 150 billion tons of recoverable coal, out of an estimated 3.2 trillion tons. Even should maximum production be pursued for the next 15 years, less than 10 percent of our presently recoverable reserves would be consumed.

Nevertheless, energy self-sufficiency will require unprecedented growth from our Nation's coal industry. This means that, at a minimum, by 1985, the United States must be capable of producing and using, in environmentally acceptable ways, between 1.8 and 2 billion tons of coal. This compares to about 700 million tons, today. This is a two and one-half to three-fold increase in production in 12 years. However, should other energy supplies not be able to meet their projected roles this task for coal could be made even more difficult. Coal production might have to reach 2.6 billion tons. This means that by the year 2000, production might have to be as high as 4 billion tons.

A crash program would, of course, require cooperation from the private sector where the greatest expertise now exists. Yet, the very companies which possess the expertise on such technologies as synthetic fuels from coal will continue to be wary of joint government-industry projects unless the Federal effort is maintained at a high and constant level. Unless we do this, particularly in the area of coal research, our Nation will suffer from a critical energy shortage beyond the proportions we know today or even predict for the future.

Mr. BIBLE. Mr. President, I understand the leadership desires to postpone the vote on this matter until noon. I am perfectly willing to yield back my time and to enter into a unanimous consent agreement that the vote on final passage of the appropriation should be at whatever time the majority leader, who is standing very pensively in front of me, determines.

Mr. President, I ask unanimous consent that the vote on final passage of the Interior appropriation bill occur at 12 o'clock noon.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BIBLE. I yield back my time.

The PRESIDING OFFICER. Does the Senator request that rule XII be waived?

Mr. BIBLE. I ask that all pertinent rules be waived.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BIBLE. I yield back my time.

Mr. STEVENS. I yield back the time on our side.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum for the purpose of endeavoring to get enough Senators in the Chamber to ask for the yeas and nays.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, I ask for the yeas and nays on the Interior appropriation bill.

The yeas and nays were ordered.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BENTSEN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AUTHORIZATION OF APPROPRIATIONS FOR CONSTRUCTION OF CERTAIN HIGHWAYS—CONFERENCE REPORT

The PRESIDING OFFICER. Under the previous order, the Senate will now proceed to the consideration of the conference report on S. 502.

Mr. BENTSEN. Mr. President, I submit a report of the committee of conference on S. 502, and ask for its immediate consideration.

The PRESIDING OFFICER. The report will be stated by title.

The legislative clerk read as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 502) to authorize appropriations for the construction of certain highways in accordance with title 23 of the United States Code, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses this report, signed by all the conferees.

The PRESIDING OFFICER. Is there objection to the consideration of the conference report?

There being no objection, the Senate proceeded to consider the report.

(The conference report is printed in the Senate proceedings of the CONGRESSIONAL RECORD of July 27, 1973, at pp. 26329–26343).

The PRESIDING OFFICER. How much time does the Senator yield himself?

Mr. BENTSEN. Mr. President, I yield myself such time as I may need.

I suggest the absence of a quorum, and ask unanimous consent that the time not be charged to either side.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BENTSEN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BENTSEN. Mr. President, I ask unanimous consent that Barry Meyer, Bailey Guard, Hal Brayman, Phil Cummings, John Yago, Leon Billings, Rick Herod, and Kathy Cudlipp of the Public Works Committee staff be accorded the privilege of the floor during the debate and vote on this measure.

I also ask unanimous consent that Ron Katz be accorded privileges of the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BENTSEN. Mr. President, I suggest the absence of a quorum. I ask unanimous consent that the time not be charged to either side.

The PRESIDING OFFICER. Without objection, is is so ordered. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BENTSEN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BENTSEN. Mr. President, this conference report represents months of very arduous work by both the Senate and House conferees. As my colleagues will remember, we failed to pass a highway bill last year, although we did emerge from over 40 hours of conference with a 1-year extension of the major highway programs. The measure failed to gain approval when a quorum call in the House blocked final passage.

This year we had to begin anew. My subcommittee on transportation held extensive hearings in February this year and received testimony from over 40 witnesses. The Public Works Committee then reported a comprehensive bill to the Senate on March 1, and we passed the measure after several hours of debate on March 15.

In mid-April, the House passed its version of the highway bill, and we went to conference on May 7.

Mr. President, I can report that the conference held to reconcile the differences between the two bills was a very difficult one. I know that is a common expression around here, but some of my colleagues who have been here longer than I have suggested that it was the most difficult conference they have ever participated in.

We were in conference over 2½ months. The conferees met 29 times, and the House and Senate conferees met among themselves several times to try to work out solutions to our most difficult problem, the question of diverting money from the highway trust fund for the use of mass transit.

I believe we have emerged with a strong bill which preserves the essence of the Senate position on the highway bill.

Before I move into a discussion of the major points of agreement, I want to briefly say a word about my colleagues in the Senate and House who worked so diligently to bring this measure to the Members of both bodies.

As chairman of the Public Works Committee, Senator RANDOLPH of West Virginia, undoubtedly knows more about highway legislation than any other Member of the Senate. In the conference, he demonstrated the same strength and patience that have marked his years of service as the chairman of this committee. Even though his position on the highway trust fund differed from that of the majority of the Members of this body, he worked with all of the conferees and devoted his efforts to try to reach a compromise that would fairly represent the Senate.

Senator MUSKIE of Maine proved to be a tough and fair negotiator and an articulate spokesman for the Senate view which he championed in the debate on this matter last year. The Senator from Maine has been a leader in the struggle to improve the environment, and he continued his efforts in the conference.

Senator MONTOYA of New Mexico, although deeply involved with his work on the Watergate, contributed to our efforts to bring this measure to a successful conclusion.

The ranking Republican, Senator BAKER of Tennessee, worked with us in the evenings when his Watergate sessions had concluded and brought sharp and incisive reasoning which helped us to solve our knottiest problem of how to confront the mass transit issue.

Senator BUCKLEY of New York attended most of our sessions and demonstrated an ability to suggest points of agreement on several difficult issues.

Senator STAFFORD of Vermont, who has always been one of our most conscientious and hard working Members, showed his willingness to arrange his time so that he could give the maximum attention to this measure. And I might add that his fairness and the constructive attitude that he brought to the conference helped us to keep our lines of communication open during periods of tension and frustration.

I might also say, Mr. President, that the Senate conferees worked very effectively as a unit. When we offered a Senate position on one of the critical issues to the House, we spoke with one voice, even though some of us may have disagreed privately among ourselves. That, I think, lent some strength to our bargaining position.

On the House side, I want to pay particular tribute to my colleague from Texas and the chairman of the conference, JIM WRIGHT. He set the tone of the conference and kept us negotiating even when matters seemed hopelessly deadlocked. His good humor, his fairness, and his comprehensive knowledge of this measure were invaluable assets in concluding a successful conference.

I want to also express my appreciation to Congressman BLATNIK, of Minnesota, Congressman KLUCZYNSKI, of Illinois, Congressman JOHNSON of California, Congressman STANTON of Ohio, Congressman CLEVELAND, of New Hampshire, Congressman DON H. CLAUSEN of California, and Congressman SNYDER, of Kentucky.

Special mention should be made of Congressman HARSHA, of Ohio, the ranking minority Member on the House side. He fought very hard for his position, and, though the conference did not uphold his view on the trust fund, I believe every Senate conferee emerged from the conference with great respect for his efforts to represent the point of view of the House.

Mr. President, the Senate and House conferees began their sessions with some 110 points of difference in the two bills. By May 17, we had resolved all but 13 issues. Yet those 13 issues were unresolved for more than 2 months.

At the center, of course, was the question of whether to open the trust fund so that urban areas could use their highway trust funds, at local option, for this support of mass transit facilities and equipment.

On March 14 the Senate had decided that question by a vote of 49 to 44 on the so-called Muskie-Baker amendment, which opened the trust fund. The House, shortly over a month later, decided to the contrary.

From May 17 until we reached a final agreement on July 18, there were no fewer than 10 proposals and counterproposals to reach a solution on this question. I believe that the solution that we ultimately reached was an eminently fair one.

For the first year of the bill, fiscal 1974, the House position will prevail: None of the highway trust funds can be used for any form of mass transit. In fiscal 1975, up to $200 million of trust fund moneys can be used for the purchase of buses, the most immediately available form of mass transit. Then in fiscal 1976, the Muskie-Baker amendment will prevail, unless Congress in the meantime enacts legislation setting up some kind of assured urban transportation funding, such as a trust fund, which will cover both highways and mass transit.

In this compromise, Mr. President, I believe both sides have given substantially. The Senate gives up rail mass transit from the trust fund until fiscal 1976, although general fund moneys can be exchanged for trust funds for these purposes in both 1974 and 1975. The House gives up its absolute insistence that no funds shall be diverted from the trust fund for nonhighway related projects.

My Senate colleagues should realize how deeply the House Members feel about this issue and how difficult it was to ask them to yield on something which they considered to be a question of principle.

Of course, there are other important matters covered in this bill. I do not attempt to cover all of them here, but I will mention a few which deserve to be recognized.

The first is the question of authorization levels. The bill as passed by the Senate contained some $19 billion over 3 years. The House bill contained around $25 billion for the same period.

The conferees recognized that we would have to make substantial cuts in the House bill in order to avoid a veto of this measure. Therefore, our final bill contains approximately $19.9 billion, a cut of over $5 billion from the House passed bill.

I ask unanimous consent to include at the conclusion of my opening remarks a summary of the spending levels authorized in the bill, and a State-by-State breakdown of spending under various programs.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. BENTSEN. I believe we have done our utmost to exercise fiscal responsibility on this measure. The conferees at the end of their work went over the bill item by item to determine where and how much we could reduce the authorizations. As a result of their concern and their care, I believe we have a reasonable bill which the President should sign. And I should add that the important figure is the authorization level for the first year, which is roughly $6 billion. Administration spokesmen, although unwilling to suggest a precise figure, strongly indicated that a $6 billion level the first year, which is the year for which they should have the greatest concern, would be acceptable.

We have adhered to that suggestion.

A strongly contested issue was the matter of the so-called priority primary system of highways in the House bill. The House, both this year and last, included a provision for a system of highways, not to exceed 10,000 miles of primary roads to connect with the Interstate System. The authorization level in the House-passed bill was $900 million over 3 years.

The conference agreement substantially modified the House position. The 10,000-mile figure, which was objectionable both to the Senate and the administration, was dropped from the bill. Rather than $900 million over 3 years, the bill contains $600 million over 3 years. And in response to the concerns of those who fear a "junior interstate" system, the bill provides that the roads do not have to be built to interstate standards and that the Federal share of the cost shall be 70 percent, not 90 percent as on the Interstate System. The conferees do not see the priority primary program in this bill as a commitment to an entirely new system of highways with a specified level of mileage.

Another important issue was the question of operating subsidies for mass transit companies. In the Senate last March, we passed an amendment introduced by the distinguished Senator from New Jersey, (Mr. WILLIAMS) which would have provided some $800 million over 2 years for operating subsidies for mass transit. No similar provision was included in the House bill.

Faced with the unrelenting opposition of the administration, which indicated that operating subsidies in any form would invite a veto, and the skepticism as the House conferees, the Senate conferees agreed to drop operating subsidies from the bill. I should note, however, that the remainder of the Williams amendment, which provided $3 billion in capital grants for mass transit over the next 3 years, was retained.

In addition, the Senate conferees believe that the breakthrough on the Muskie-Baker amendment will be of significant importance to the future funding of mass transit.

The question of interstate transfer is also closely related to mass transit. The Senate bill allowed urban areas and States to jointly request the withdrawal of controversial interstate routes from the system. If an acceptable substitute route were provided or if the route were withdrawn because it was nonessential, any funds left over would have gone to the account of the urban area to be used for highways or any mode of mass transit.

The conference agreement would not permit funds allocation for withdrawn interstates from the trust fund to be used for mass transit: However, urbanized areas would be permitted to trade their allocations for controversial interstate segments for an equal dollar amount from the general revenues which would be used to build rail lines or to buy rolling stock for any mode of public transportation. The money originally earmarked for the "traded" highway projects would remain in the highway trust fund for highway purposes.

In addition, a State would be able to give up a planned segment of interstate highway in one section of the State and use that allocation from the trust fund for interstate mileage in another part of the State. Alternatively, the Secretary of Transportation may determine that the unused allocation may be transferred to another State or States where there is a more pressing need.

The House bill provided for an unlimited amount of new interstate mileage to provide for the interstate transfers; the conference substitute sets a ceiling on new interstate construction of 500 miles, 300 miles above the present ceiling.

The conferees were unable to come to an agreement on language concerning highway beautification; however, they intend that the beautification program should proceed with funds carried over last year. Administrative expenses for this program are also provided so that the personnel working in this field can remain at their jobs. The House and Senate will take up beautification in a separate conference, as they recognize the importance of keeping this program, which was started in 1965, moving along at a steady pace.

The question of "passthrough" and "earmarking" of funds for urbanized areas also received considerable attention. Although the Senate bill contained earmarking for urbanized areas of over 400,000 population and allowed funds to be "passed through" or controlled by incorporated municipalities within those urbanized areas having 400,000 or more population, the House bill had no such provisions, and, in fact, an earmarking provision was defeated on the House floor by nearly 200 votes.

In the bill reported by the conferees, the concept of earmarking is preserved. Funds attributable to urbanized areas of 200,000 or more must be made available for expenditure in those areas according to a fair and equitable formula developed by the State and approved by the Secretary. If such a formula is not developed and approved, then the funds will be allocated among these urbanized areas in the ratio that the population within each such urbanized area bears to the population of all such urbanized areas in the State. We believe that this provision will assure that our larger urbanized areas receive their fair share of highway funds and will largely cancel the allegation that rural-dominated State authorities can deny urbanized areas the funds they require.

On the question of impoundment, both bills contained provisions prohibiting impoundment in one form or another; the House bill prohibited the impoundment of funds under the Urban Mass Transportation Act: the Senate bill included an amendment prohibiting the impoundment of funds appropriated by Congress from the highway trust fund. Both provisions were dropped in the conference agreement in view of strong administration opposition and in light of other efforts by the Congress to place strong restrictions on the President's ability to impound. However, this action by the conferees is not to be construed as any endorsement of impoundment, and individual Members may initiate further action later on this matter if the administration continues to withhold highway funds or if other congressional initiatives do not succeed.

I do not intend to make an exhaustive list of every item in title I of the bill, but there are several other provisions which deserve to be mentioned.

Several of our witnesses, both this year and last, complained about the burden of red tape and the lengthy time involved in approving highway projects. Both bills contained provisions to allow the Secretary to utilize alternative procedures from those in current laws to approve highway projects on systems other than the interstate system. The conference agreement contains a provision entitled "Certificate acceptance" which allows the Secretary of Transportation to accept a certification of the capability of the State to perform its duties under the law. The Secretary would be required to make a final inspection of the projects upon completion and require an adequate report of the estimated and actual cost of construction; however, much of the interim responsibilities would devolve upon the States. This section, however, does not relieve any State of the responsibility of complying with environmental statutes.

The economic growth center development highways, which were in the original House bill, were included in the conference agreement. However the authorization levels were trimmed to $50 million in fiscal 1974, $75 million in fiscal 1975, and $100 million in fiscal 1976.

One provision which has received considerable attention and considerable mail provides for bicycle paths and pedestrian walkways to be funded from apportionments to the State, out of the Highway Trust Fund, for primary, secondary, urban extension, and urban system roads. The compromise agreement reached in the conference allows up to $40 million a year to be used for these purposes, with no more than $2 million for any one State.

The issue of highway safety was resolved by including provisions which appeared in both S. 893, the Senate passed safety bill, and title II of the House bill, which authorized several new programs for highway safety for projects on the Federal aid system. The thrust of the Senate bill was to correct safety hazards on roads off the Federal aid system. This Senate measure, which contained the so-called Federal aid safer roads system, was included in the final bill as a demonstration program. At the same time, many of the House provisions, which included funding for both Federal aid roads, out of the trust fund, and off-system roads, out of general revenues, were consolidated to provide funding only for roads on the Federal aid system. With very few exceptions, safety programs on and off the Federal aid system are to be funded from the Highway Trust Fund, reflecting the high priority which the conferees assign to safety.

It should be noted that the conferees substantially reduced the authorizations for safety below the amounts requested in the House bill. The House bill contained some $4.3 billion over 3 years for safety; the final bill contains approximately $1.9 billion, the amount the conferees considered that the States could prudently spend during the life of this legislation.

Before I conclude, let me take this opportunity to clear the record concerning a misprint in the conference report. Section 121 of the bill is entitled "Public Transportation," and it amends section 142 of title 23. Midway through paragraph (a)(2) on page 11 of the conference report, a reference is made to section 140(b)(6). This is an error that only appears in the prints, not in the official records, which have the correct reference, which is section 104(b)(6).

EXHIBIT 1

TITLE I

[In millions of dollars]

Program	Fiscal year— 1974	1975	1976
Interstate	2, 600	3, 000	3, 000
Rural-primary	680	700	700
Rural-secondary	390	400	400
Urban	780	800	800
Urban-extensions	290	300	300
Forest highways	33	33	33
Public lands highways	16	16	16
Forest developed roads and trails	[1] 140	[1] 140	[1] 140
Public lands developed roads and trails	[1] 10	[1] 10	[1] 10
Parks roads and trails	[1] 30	[1] 30	[1] 30
Parkways	60	75	75
Indian reservation roads and bridges	[1] 75	[1] 75	[1] 75
Economic growth center developed highways	50	75	100
Administrative expenses (highway beautification).	[1] 1. 5	[1] 1. 5	[1] 1. 5
Virgin Islands	[1] 5	[1] 5	[1] 5
Guam	[1] 2	[1] 2	[1] 2
American Samoa	[1] 1	[1] 1	[1] 1
Minimum authorization	50	50	50
Apportionment-primary	17	15	15
Urban high density	50	50	50
Priority primary routes	100	200	300
Alaska highway	[1] 58. 67		
Bridges on Federal dams	[1] 8. 5		
Great river road	[2] 20. 1	[2] 35	[2] 35
Alaskan assistance	20	20	20
Scenic highways study	. 25		
Mass transit study	[1] 10		
Metro accessibility	[1] 65		
Inter-American highway	[1] 10		
Rural bus dem. program		[2] 30	
Railroad-highway dem	[3] 15	[3] 25	[3] 50
Total	5, 588	6, 088. 5	6, 208. 5

[1] General Treasury funds.
[2] $10,000,000 of this figure is out of general treasury funds.
[3] One-third out of general treasury funds.

TITLE II

[Millions of dollars]

Program	Fiscal year— 1974	1975	1976
NHTSA:			
(402)	100	125	150
(403)	42. 5	55	65
FHWA: (402)	25	30	35
[307(a) and 403]	10	10	10
Rail-highway crossings	25	75	75
Bridge reconstruction and replacement	25	75	75
Pavement marking	25	75	75
Pavement marking research	10	10	
Drug use and driver behavior	10	10	10
Projects for high hazard locations	50	75	75
Roadside obstacle elimination	25	75	75
Safety educational study	5		
Citizen participation study	1		
Feasibility study	5		
Pedestrian safety study	5		
Adoption of mandatory seatbelt laws	25	32	37. 5
Fatality reductions	12. 5	16	19
Safer roads demonstration program	50	100	100
Driver education evaluation	10		
Total	461	763	801. 5
Bill totals:			
Title I	5, 588	6, 088. 5	6, 208. 5
Title II	461	763	801. 5
	6, 049	6, 851. 5	7, 010. 0
Title III ($3,000,000,000 over the 3-year period.)			

APPROXIMATE APPORTIONMENT OF URBAN FUNDS—FISCAL YEAR 1974

[Thousands of dollars]

State	Urban extension ($290,000)	Urban system ($780,000)	½ percent planning
Alabama	$3, 607	$9, 348	$231
Alaska	239	3, 735	114
Arizona	2, 605	6, 758	209
Arkansas	1, 631	4, 225	114
California	34, 155	88, 508	2, 911
Colorado	3, 216	8, 334	257
Connecticut	4, 397	11, 394	379
Delaware	743	3, 735	114
Florida	9, 944	25, 769	745
Georgia	4, 876	12, 635	339
Hawaii	1, 154	3, 735	114
Idaho	601	3, 735	114
Illinois	17, 173	44, 502	1, 420
Indiana	6, 142	15, 916	432
Iowa	2, 805	7, 269	152
Kansas	2, 577	6, 678	142
Kentucky	3, 002	7, 778	202
Louisiana	4, 338	11, 240	307
Maine	827	3, 735	114
Maryland	5, 703	14, 777	467
Massachusetts	9, 006	23, 337	781
Michigan	12, 159	31, 507	1, 020
Minnesota	4, 575	11, 856	343
Mississippi	1, 680	4, 354	114
Missouri	5, 983	15, 505	465
Montana	608	3, 735	114
Nebraska	1, 648	4, 272	114
Nevada	734	3, 735	114
New Hampshire	752	3, 735	114
New Jersey	12, 093	31, 338	1, 096
New Mexico	1, 258	3, 735	114
New York	29, 375	76, 121	2, 572
North Carolina	4, 010	10, 390	219
North Dakota	511	3, 735	114
Ohio	15, 003	38, 877	1, 198
Oklahoma	3, 098	8, 027	189
Oregon	2, 503	6, 485	117
Pennsylvania	15, 480	40, 114	1, 248
Rhode Island	1, 571	4, 070	134
South Carolina	2, 114	5, 479	117
South Dakota	480	3, 735	114
Tennessee	4, 168	10, 802	268
Texas	16, 373	42, 429	1, 247
Utah	1, 563	4, 050	132
Vermont	244	3, 735	114
Virginia	5, 472	14, 179	432
Washington	4, 540	11, 764	338
West Virginia	1, 170	3, 735	114
Wisconsin	5, 290	13, 708	373
Wyoming	320	3, 735	114
District of Columbia	1, 457	3, 775	136
Puerto Rico	2, 754	7, 136	195
Total	277, 730	746, 996	22, 811

APPROXIMATE APPORTIONMENT OF URBAN FUNDS, FISCAL YEAR 1975

[Thousands of dollars]

State	Urban extension ($300,000)	Urban system ($800,000)	½ percent planning
Alabama	$3, 732	$9, 467	$253
Alaska	247	3, 783	125
Arizona	2, 698	6, 845	229
Arkansas	1, 687	4, 280	125
California	35, 333	89, 643	3, 188
Colorado	3, 327	8, 441	281
Connecticut	4, 549	11, 540	415
Delaware	769	3, 783	125
Florida	10, 287	26, 100	816
Georgia	5, 044	12, 797	371
Hawaii	1, 194	3, 783	125
Idaho	622	3, 783	125
Illinois	17, 765	45, 072	1, 554
Indiana	6, 354	16, 120	473
Iowa	2, 902	7, 362	166
Kansas	2, 666	6, 764	155
Kentucky	3, 105	7, 878	221
Louisiana	4, 487	11, 384	336
Maine	856	3, 783	125
Maryland	5, 899	14, 967	511
Massachusetts	9, 316	23, 636	856
Michigan	12, 578	31, 911	1, 117
Minnesota	4, 733	12, 008	375
Mississippi	1, 738	4, 410	125
Missouri	6, 190	15, 704	509
Montana	629	3, 783	125
Nebraska	1, 705	4, 326	125
Nevada	759	3, 783	125
New Hampshire	778	3, 783	125
New Jersey	12, 510	31, 739	1, 200
New Mexico	1, 301	3, 783	125
New York	30, 388	77, 096	2, 816
North Carolina	4, 148	10, 523	239
North Dakota	528	3, 783	125
Ohio	15, 520	39, 376	1, 311
Oklahoma	3, 205	8, 130	207
Oregon	2, 589	6, 569	194
Pennsylvania	16, 014	40, 628	1, 366
Rhode Island	1, 625	4, 122	147
South Carolina	2, 187	5, 549	128
South Dakota	497	3, 783	125
Tennessee	4, 312	10, 940	294
Texas	16, 938	42, 973	1, 365
Utah	1, 617	4, 102	145
Vermont	252	3, 783	125
Virginia	5, 660	14, 360	473
Washington	4, 696	11, 914	370
West Virginia	1, 210	3, 783	125
Wisconsin	5, 473	13, 884	408
Wyoming	331	3, 783	125
District of Columbia	1, 507	3, 823	149
Puerto Rico	2, 849	7, 228	214
Total	287, 306	756, 573	24, 977

APPROXIMATE APPORTIONMENT OF URBAN FUNDS—FISCAL YEAR 1976

[Thousands of dollars]

State	Urban extension ($300, 000)	Urban system ($800,000)	½ percent planning
Alabama	$3, 732	$9, 587	$253
Alaska	247	3, 831	125
Arizona	2, 698	6, 931	229
Arkansas	1, 687	4, 334	125
California	35, 333	90, 778	3, 194
Colorado	3, 327	8, 547	282
Connecticut	4, 549	11, 686	416
Delaware	769	3, 831	125
Florida	10, 287	26, 430	818
Georgia	5, 044	12, 958	372
Hawaii	1, 194	3, 831	125
Idaho	622	3, 831	125
Illinois	17, 765	45, 643	1, 557
Indiana	6, 354	16, 324	474
Iowa	2, 902	7, 455	167
Kansas	2, 666	6, 849	155
Kentucky	3, 105	7, 978	222
Louisiana	4, 487	11, 528	337
Maine	856	3, 831	125
Maryland	5, 899	15, 156	512
Massachusetts	9, 316	23, 936	857
Michigan	12, 578	32, 315	1, 119
Minnesota	4, 733	12, 160	376
Mississippi	1, 738	4, 466	125
Missouri	6, 190	15, 003	510
Montana	629	3, 831	125
Nebraska	1, 705	4, 381	125
Nevada	759	3, 831	125
New Hampshire	778	3, 831	125
New Jersey	12, 510	32, 141	1, 202
New Mexico	1, 301	3, 831	125
New York	30, 388	78, 072	2, 822
North Carolina	4, 148	10, 657	240
North Dakota	528	3, 831	125
Ohio	15, 520	39, 874	1, 314
Oklahoma	3, 205	8, 233	208
Oregon	2, 589	6, 652	195
Pennsylvania	16, 014	41, 142	1, 369
Rhode Island	1, 625	4, 174	147
South Carolina	2, 187	5, 620	128
South Dakota	497	3, 831	125
Tennessee	4, 312	11, 079	294
Texas	16, 938	43, 517	1, 368
Utah	1, 617	4, 153	145
Vermont	252	3, 831	125
Virginia	5, 660	14, 542	474
Washington	4, 696	12, 065	371
West Virginia	1, 210	3, 831	125
Wisconsin	5, 473	14, 060	409
Wyoming	331	3, 831	125
District of Columbia	1, 507	3, 871	150
Puerto Rico	2, 849	7, 319	214
Total	287, 306	766, 150	25, 025

APPROXIMATE APPORTIONMENT OF RURAL PRIMARY AND SECONDARY FUNDS, FISCAL YEAR 1974

[Thousands of dollars]

State	Rural	
	Primary ($680, 000)	Secondary ($390, 000)
Alabama	$14, 644	$8, 399
Alaska	35, 549	20, 388
Arizona	9, 107	5, 223
Arkansas	11, 430	6, 556
California	29, 726	12, 362
Colorado	11, 010	6, 315
Connecticut	4, 984	2, 858
Delaware	3, 256	1, 867
Florida	12, 722	7, 297
Georgia	17, 988	10, 316
Hawaii	3, 256	1, 867
Idaho	7, 691	4, 411
Illinois	20, 535	11, 125
Indiana	15, 735	9, 025
Iowa	16, 300	9, 348
Kansas	14, 737	8, 452
Kentucky	13, 298	7, 627
Louisiana	11, 154	6, 397
Maine	5, 681	3, 258
Maryland	6, 789	3, 894
Massachusetts	6, 983	3, 174
Michigan	20, 105	11, 531
Minnesota	18, 469	10, 393
Mississippi	12, 654	7, 257
Missouri	18, 215	10, 447
Montana	12, 292	7, 050
Nebraska	12, 125	6, 954
Nevada	7, 346	4, 213
New Hampshire	3, 256	1, 867
New Jersey	7, 994	2, 893
New Mexico	9, 683	5, 553
New York	24, 596	12, 330
North Carolina	21, 058	12, 077
North Dakota	8, 923	5, 117
Ohio	20, 620	11, 826
Oklahoma	13, 195	7, 568
Oregon	10, 753	6, 167
Pennsylvania	24, 651	14, 138
Rhode Island	3, 256	1, 863
South Carolina	10, 890	6, 246
South Dakota	9, 685	5, 555
Tennessee	15, 602	8, 948
Texas	36, 833	21, 125
Utah	6, 709	3, 848
Vermont	3, 256	1, 868
Virginia	15, 182	8, 708
Washington	10, 920	6, 263
West Virginia	8, 372	4, 801
Wisconsin	16, 419	9, 417
Wyoming	7, 323	4, 200
District of Columbia		
Puerto Rico	5, 075	2, 911
Total	668, 032	373, 493

APPROXIMATE APPORTIONMENT OF RURAL PRIMARY AND SECONDARY FUNDS—FISCAL YEAR 1975

[Thousands of dollars]

State	Rural	
	Primary ($7,000,000)	Secondary ($400,000)
Alabama	$15, 075	$8, 614
Alaska	36, 595	20, 911
Arizona	9, 375	5, 375
Arkansas	11, 766	6, 724
California	29, 726	12, 679
Colorado	11, 334	6, 476
Connecticut	5, 130	2, 932
Delaware	3, 352	1, 915
Florida	13, 096	7, 484
Georgia	18, 517	10, 581
Hawaii	3, 352	1, 915
Idaho	7, 917	4, 524
Illinois	20, 535	11, 410
Indiana	16, 198	9, 256
Iowa	$16, 779	$9, 588
Kansas	15, 170	8, 669
Kentucky	13, 689	7, 822
Louisiana	11, 482	6, 561
Maine	5, 848	3, 342
Maryland	6, 989	3, 994
Massachusetts	6, 983	3, 256
Michigan	20, 696	11, 826
Minnesota	19, 013	10, 864
Mississippi	13, 026	7, 443
Missouri	18, 751	10, 715
Montana	12, 653	7, 231
Nebraska	12, 481	7, 132
Nevada	7, 562	4, 321
New Hampshire	3, 352	1, 915
New Jersey	7, 994	2, 967
New Mexico	9, 967	5, 696
New York	24, 596	12, 646
North Carolina	21, 677	12, 387
North Dakota	9, 185	5, 249
Ohio	21, 227	12, 130
Oklahoma	13, 583	7, 762
Oregon	11, 069	6, 325
Pennsylvania	25, 376	14, 501
Rhode Island	3, 352	1, 915
South Carolina	11, 210	6, 406
South Dakota	9, 970	5, 697
Tennessee	16, 061	9, 178
Texas	37, 916	21, 666
Utah	6, 907	3, 947
Vermont	3, 352	1, 915
Virginia	15, 629	8, 931
Washington	11, 241	6, 424
West Virginia	8, 618	4, 925
Wisconsin	16, 902	9, 658
Wyoming	7, 539	4, 308
District of Columbia		
Puerto Rico	5, 225	2, 985
Total	685, 038	383, 075

APPROXIMATE APPORTIONMENT OF RURAL PRIMARY AND SECONDARY FUNDS—FISCAL YEAR 1976

[Thousands of dollars]

State	Rural	
	Primary ($700,000)	Secondary ($400,000)
Alabama	$15, 075	$8, 614
Alaska	36, 595	20, 911
Arizona	9, 375	5, 357
Arkansas	11, 766	6, 724
California	29, 726	12, 679
Colorado	11, 334	6, 476
Connecticut	5, 130	2, 932
Delaware	3, 352	1, 915
Florida	13, 096	7, 484
Georgia	18, 517	10, 581
Hawaii	3, 352	1, 915
Idaho	7, 917	4, 524
Illinois	20, 535	11, 410
Indiana	16, 198	9, 256
Iowa	16, 779	9, 588
Kansas	15, 170	8, 669
Kentucky	13, 689	7, 822
Louisiana	11, 482	6, 561
Maine	5, 848	3, 342
Maryland	6, 989	3, 994
Massachusetts	6, 983	3. 256
Michigan	20, 696	11, 826
Minnesota	19, 013	10, 864
Mississippi	13, 026	7, 443
Missouri	18, 751	10, 715
Montana	12, 653	7, 231
Nebraska	12, 481	7, 132
Nevada	7, 562	4, 321
New Hampshire	3, 352	1, 915
New Jersey	7, 994	2, 967
New Mexico	9, 967	5, 696
New York	24, 596	12, 646
North Carolina	21, 677	12. 387
North Dakota	$9, 185	$5, 249
Ohio	21, 227	12, 130
Oklahoma	13, 583	7, 762
Oregon	11, 069	6, 325
Pennsylvania	25, 376	14, 501
Rhode Island	3, 352	1, 915
South Carolina	11, 210	6, 406
South Dakota	9, 970	5, 697
Tennessee	16, 061	9, 178
Texas	37, 916	21, 666
Utah	6, 907	3, 947
Vermont	3, 352	1, 915
Virginia	15, 629	8, 931
Washington	11, 241	6, 424
West Virginia	8, 618	4, 925
Wisconsin	16, 902	9, 658
Wyoming	7, 539	4, 308
District of Columbia		
Puerto Rico	5, 225	2, 985
Total	685, 038	383, 075

APPROXIMATE APPORTIONMENT OF INTERSTATE FUNDS FOR FISCAL YEARS 1974, 1975, AND 1976

[Thousands of dollars]

State	Fiscal year 1974 ($2,635,134)	Fiscal year 1975 ($3,040,536)	Fiscal year 1976 ($3,040,536)
Alabama	$51, 443	$59, 358	$59, 358
Alaska			
Arizona	50, 622	58, 409	58, 409
Arkansas	18, 899	21, 807	21, 807
California	170, 664	196, 920	196, 920
Colorado	51, 642	59, 587	59, 587
Connecticut	72, 284	83, 405	83, 405
Delaware	12, 450	14, 365	14, 365
Florida	78, 609	90, 703	90, 703
Georgia	61, 951	71, 482	71, 482
Hawaii	25, 771	29, 736	29, 736
Idaho	12, 450	14, 365	14, 365
Illinois	122, 732	141, 613	141, 613
Indiana	30, 104	34, 735	34, 735
Iowa	26, 543	30, 627	30, 627
Kansas	30, 104	34, 735	34, 735
Kentucky	36, 752	42, 406	42, 406
Louisiana	75, 546	87, 169	87, 169
Maine	13, 122	15, 141	15, 141
Maryland	95, 317	109, 981	109, 981
Massachusetts	77, 439	89, 352	89, 352
Michigan	88, 992	102, 683	102, 683
Minnesota	57, 917	66, 827	66, 827
Mississippi	22, 285	25, 714	25, 714
Missouri	47, 758	55, 105	55, 105
Montana	25, 597	29, 535	29, 535
Nebraska	12, 450	14, 365	14, 365
Nevada	12, 450	14, 365	14, 365
New Hampshire	12, 450	14, 365	14, 365
New Jersey	70, 243	81, 049	81, 049
New Mexico	23, 107	26, 662	26, 662
New York	95, 715	110, 441	110, 441
North Carolina	45, 467	52, 462	52, 462
North Dakota	12, 450	14, 365	14, 365
Ohio	76, 493	88, 261	88, 261
Oklahoma	18, 077	20, 858	20, 858
Oregon	63, 146	72, 861	72, 861
Pennsylvania	122, 408	141, 240	141, 240
Rhode Island	22, 285	25, 714	25, 714
South Carolina	20, 493	23, 645	23, 645
South Dakota	12, 450	14, 365	14, 365
Tennessee	34, 561	39, 878	39, 878
Texas	114, 042	131, 586	131, 586
Utah	29, 083	33, 557	33, 557
Vermont	12, 450	14, 365	14, 365
Virginia	108, 140	124, 777	124, 777
Washington	89, 341	103, 086	103, 086
West Virginia	57, 320	66, 138	66, 138
Wisconsin	29, 058	33, 529	33, 529
Wyoming	14, 093	16, 262	16, 262
District of Columbia	60, 357	69, 643	69, 643
Puerto Rico			
Total	2, 525, 122	2, 913, 599	2, 913, 599

U.S. DEPARTMENT OF TRANSPORTATION—FEDERAL HIGHWAY ADMINISTRATION, FEDERAL-AID HIGHWAY FUNDS APPORTIONED FOR FISCAL YEAR 1974 (APPORTIONMENTS ALREADY MADE UNDER S. 1808 (PUBLIC LAW 93-61))

[Thousands of dollars]

State	ABC				Interstate ($1,000,000)	Total ($1,500,000)
	Primary ($225,000)	Secondary ($150,000)	Urban ($125,000)	Total ($500,000)		
Alabama	$4, 554	$3, 476	$1, 563	$9, 593	$19, 885	$29, 478
Alaska	11, 613	7, 804	103	19, 520		19, 520
Arizona	2, 988	1, 896	1, 130	6, 014	19, 568	25, 582
Arkansas	3, 277	2, 570	706	6, 553	7, 306	13, 859
California	11, 131	4, 398	14, 796	30, 325	65, 970	96, 295

State	ABC					
	Primary ($225,000)	Secondary ($150,000)	Urban ($125,000)	Total ($500,000)	Interstate ($1,000,000)	Total ($1,500,000)
Colorado	$3,397	$2,164	$1,394	$6,955	$19,962	$26,917
Connecticut	1,529	913	1,905	4,347	27,941	32,288
Delaware	1,083	722	322	2,127	1,530	3,657
Florida	4,708	2,714	4,308	11,730	30,386	42,116
Georgia	5,579	4,230	2,113	11,922	23,947	35,869
Hawaii	1,083	722	500	2,305	9,962	12,267
Idaho	2,320	1,663	260	4,243	4,303	8,546
Illinois	8,266	4,577	7,439	20,282	47,442	67,724
Indiana	5,106	3,776	2,661	11,543	11,636	23,179
Iowa	5,218	3,868	1,215	10,301	10,260	20,561
Kansas	4,844	3,367	1,116	9,327	11,637	20,964
Kentucky	3,735	3,069	1,300	8,104	14,207	22,311
Louisiana	3,444	2,521	1,879	7,844	29,202	37,046
Maine	1,569	1,237	358	3,164	5,072	8,236
Maryland	2,167	1,333	2,471	5,971	36,844	42,815
Massachusetts	2,523	1,130	3,901	7,554	29,934	37,488
Michigan	6,896	4,553	5,267	16,716	34,400	51,116
Minnesota	5,797	4,088	1,982	11,867	22,388	34,255
Mississippi	3,793	3,077	728	7,598	8,614	16,212
Missouri	6,025	4,144	2,592	12,761	18,461	31,222
Montana	3,432	2,406	263	6,101	9,895	15,996
Nebraska	3,750	2,650	714	7,114	1,453	8,567
Nevada	2,356	1,539	318	4,213	4,735	8,984
New Hampshire	1,083	722	326	2,131	4,235	6,366
New Jersey	3,056	1,073	5,239	9,368	27,152	36,520
New Mexico	2,888	1,955	545	5,388	8,932	14,320
New York	9,549	4,440	12,725	26,714	36,999	63,713
North Carolina	5,568	4,948	1,737	12,253	17,575	29,828
North Dakota	2,835	2,044	221	5,100	1,521	6,621
Ohio	7,399	4,742	6,499	18,640	29,568	48,208
Oklahoma	4,365	3,025	1,342	8,732	6,988	15,720
Oregon	3,214	2,254	1,084	6,552	24,409	30,961
Pennsylvania	7,551	5,216	6,706	19,473	47,316	66,789
Rhode Island	1,083	722	680	2,485	8,614	11,099
South Carolina	3,029	2,591	916	6,536	7,921	14,457
South Dakota	2,876	2,081	208	5,165	3,475	8,640
Tennessee	4,796	3,686	1,806	10,288	13,359	23,647
Texas	13,065	8,093	7,093	28,251	44,083	72,334
Utah	2,117	1,347	677	4,141	11,242	15,383
Vermont	974	650	95	1,719	3,301	5,020
Virginia	4,217	3,216	2,370	9,803	41,801	51,604
Washington	3,386	2,276	1,967	7,629	34,535	42,164
West Virginia	1,713	1,657	507	3,877	22,157	26,034
Wisconsin	5,243	3,776	2,292	11,311	11,232	22,543
Wyoming	2,098	1,435	139	3,672	5,448	9,120
District of Columbia	1,083	722	631	2,436	23,331	25,767
Puerto Rico	1,083	1,025	1,193	3,301	--------------	3,301
Total	216,454	144,303	120,302	481,059	962,134	1,443,1

APPROXIMATE APPORTIONMENT OF PRIORITY PRIMARY FUNDS FOR FISCAL YEAR 1974

[Thousands of dollars]

State	Apportioned for—		
	Projects	½ percent planning	Total ($100,000)
Alabama	1,693	5	1,698
Alaska	2,842	2	2,644
Arizona	1,116	4	1,120
Arkansas	1,117	2	1,119
California	7,466	62	7,528
Colorado	1,359	6	1,365
Connecticut	1,123	8	1,131
Delaware	367	2	369
Florida	2,654	16	2,661
Georgia	2,157	7	2,164
Hawaii	438	2	440
Idaho	667	2	669
Illinois	4,380	30	4,410
Indiana	2,210	9	2,219
Iowa	1,676	3	1,679
Kansas	1,522	3	1,525
Kentucky	1,490	4	1,494
Louisiana	1,584	7	1,571
Maine	559	2	561
Maryland	1,480	10	1,490
Massachusetts	1,958	17	1,975
Michigan	3,567	22	3,589
Minnesota	2,140	8	2,148
Mississippi	1,216	2	1,218
Missouri	2,365	10	2,376
Montana	1,004	2	1,005
Nebraska	1,171	2	1,173
Nevada	663	2	665
New Hampshire	369	2	371
New Jersey	2,454	23	2,477
New Mexico	925	2	927
New York	6,638	55	6,693
North Carolina	2,231	5	2,236
North Dakota	741	2	743
Ohio	4,095	26	4,121
Oklahoma	1,499	4	1,503
Oregon	1,218	4	1,222
Pennsylvania	4,472	27	4,499
Rhode Island	510	3	513
South Carolina	1,161	3	1,164
South Dakota	792	2	794
Tennessee	1,860	6	1,866
Texas	5,517	27	5,544
Utah	760	3	763
Vermont	281	2	283
Virginia	2,054	9	2,063
Washington	1,582	7	1,589
West Virginia	814	2	816
Wisconsin	2,113	8	2,121
Wyoming	591	2	593
District of Columbia	490	3	493
Puerto Rico	846	4	850
Total	95,768	482	96,250

APPROXIMATE APPORTIONMENT OF PRIORITY PRIMARY FUNDS FOR FISCAL YEAR 1975

[Thousands of dollars]

State	Apportioned for—		
	Projects	½ percent planning	Total ($200,000)
Alabama	$3,386	$10	$3,396
Alaska	5,284	5	5,289
Arizona	2,231	9	2,240
Arkansas	2,234	5	2,239
California	14,932	123	15,055
Colorado	2,720	11	2,731
Connecticut	2,245	16	2,261
Delaware	735	5	740
Florida	5,290	31	5,321
Georgia	4,313	14	4,327
Hawaii	877	5	882
Idaho	1,332	5	1,337
Illinois	8,760	60	8,820
Indiana	4,420	18	4,438
Iowa	3,352	6	3,358
Kansas	3,045	6	3,051
Kentucky	2,981	8	2,989
Louisiana	3,128	13	3,141
Maine	1,116	5	1,121
Maryland	2,960	20	2,980
Massachusetts	3,916	33	3,949
Michigan	7,134	43	7,177
Minnesota	4,280	14	4,294
Mississippi	2,430	5	2,435
Missouri	4,728	19	4,747
Montana	2,008	5	2,013
Nebraska	2,342	5	2,347
Nevada	1,328	5	1,333
New-Hampshire	738	5	743
New Jersey	4,908	46	4,954
New Mexico	1,851	5	1,856
New York	13,274	108	13,382
North Carolina	4,464	9	4,473
North Dakota	1,481	5	1,486
Ohio	8,190	50	8,240
Oklahoma	2,998	8	3,006
Oregon	2,436	7	2,443
Pennsylvania	8,945	53	8,998
Rhode Island	1,021	6	1,027
South Carolina	2,322	5	2,327
South Dakota	1,583	5	1,588
Tennessee	3,720	11	3,731
Texas	11,035	53	11,088
Utah	1,521	5	1,526
Vermont	563	5	568
Virginia	4,108	18	4,126
Washington	3,163	14	3,177
West Virginia	1,628	5	1,633
Wisconsin	4,226	16	4,242
Wyoming	1,182	5	1,187
District of Columbia	981	6	987
Puerto Rico	1,693	8	1,701
Total	191,538	962	192,500

APPROXIMATE APPORTIONMENT OF PRIORITY PRIMARY FUNDS FOR FISCAL YEAR 1976

[Thousands of dollars]

State	Apportioned for—		
	Projects	½ percent planning	Total ($300,000)
Alabama	$5,080	$15	$5,095
Alaska	7,925	7	7,932

APPROXIMATE APPORTIONMENT OF PRIORITY PRIMARY FUNDS FOR FISCAL YEAR 1976—Con.

[Thousands of dollars]

State	Apportioned for—		
	Projects	½ percent planning	Total ($300,000)
Arizona	$3,348	$13	$3,361
Arkansas	3,352	7	3,359
California	22,397	184	22,581
Colorado	4,079	16	4,095
Connecticut	3,368	24	3,392
Delaware	1,103	7	1,110
Florida	7,936	47	7,983
Georgia	6,470	22	6,492
Hawaii	1,315	7	1,322
Idaho	1,999	7	2,006
Illinois	13,140	90	13,230
Indiana	6,630	27	6,657
Iowa	5,028	10	5,038
Kansas	4,567	9	4,576
Kentucky	4,471	13	4,484
Louisiana	4,691	20	4,711
Maine	1,675	7	1,682
Maryland	4,440	30	4,470
Massachusetts	5,873	50	5,923
Michigan	10,701	65	10,766
Minnesota	6,419	22	6,441
Mississippi	3,646	7	3,653
Missouri	7,093	30	7,123
Montana	3,012	7	3,019
Nebraska	3,514	7	3,521
Nevada	1,992	7	1,999
New Hampshire	1,107	7	1,114
New Jersey	7,362	69	7,431
New Mexico	2,776	7	2,783
New York	19,912	163	20,075
North Carolina	6,695	14	6,709
North Dakota	2,222	7	2,229
Ohio	12,285	76	12,361
Oklahoma	4,498	12	4,510
Oregon	3,655	11	3,666
Pennsylvania	13,417	79	13,496
Rhode Island	1,530	9	1,539
South Carolina	3,484	8	3,492
South Dakota	2,373	7	2,380
Tennessee	5,580	17	5,597
Texas	16,552	79	16,631
Utah	2,280	8	2,288
Vermont	844	7	851
Virginia	6,162	27	6,189
Washington	4,745	21	4,766
West Virginia	2,442	7	2,449
Wisconsin	6,339	24	6,363
Wyoming	1,773	7	1,780
District of Columbia	1,471	9	1,480
Puerto Rico	2,538	12	2,550
Total	287,306	1,444	288,750

Mr. PERCY. Mr. President, if the Senator from Texas would yield, I ask unanimous consent that William Lytton and Miss Melinda Parker be given the privilege of the floor during the consideration of the conference report.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BENTSEN. Mr. President, I ask unanimous consent that Clark Norton, a member of the staff, be given the privilege of the floor during the consideration of the conference report.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SCOTT of Virginia. Mr. President, would the Senator yield briefly so that I might compliment the conferees on doing such a wonderful job?

Mr. BENTSEN. Mr. President, I would be delighted to yield for that purpose.

Mr. SCOTT of Virginia. Mr. President, I merely want to compliment the conferees for the hard work they have put in. I disagree with many of the provisions of the bill. The bill is a compromise that has been worked out by the conferees after many long hours and days of sessions. I hope that the Senate will pass the bill and that the President will sign it into law.

I thank the Senator from Texas for yielding.

Mr. BENTSEN. Mr. President, I thank the Senator from Virginia for his kind words.

Mr. President, there is a great deal more involved in this bill, but at this time I reserve the remainder of my time and yield the floor to my distinguished colleague.

Mr. STAFFORD. Mr. President, I yield such time as he may require to the Senator from Tennessee (Mr. BAKER).

Mr. BAKER. I thank my colleague for yielding.

Mr. President, I urge the adoption of the conference report on S. 502, the Federal-Aid Highway Act of 1973. I want to state at this time that I believe that the Senate Public Works Committee has, under the exceptional leadership of our distinguished colleague from Texas (Mr. BENTSEN), brought back to this body good and meaningful legislation.

I would be remiss were I not, at the outset, to pay tribute to the distinguished chairman of the full committee (Mr. RANDOLPH) who, despite holding views on the major issue not in accord with the Senate position, showed absolute loyalty and dedication to the Senate position. He was instrumental in paving the way for accommodation and agreement with our colleagues in the House of Representatives and in bringing us to this point in the development of this bill.

I want to take this opportunity to express my personal appreciation to my distinguished colleague from Vermont (Mr. STAFFORD) who has borne an even greater share of the burden of this conference than would ordinarily have been required of him as ranking minority member of the Transportation Subcommittee. Because of other demands on my time, I was, frankly, unable to devote the attention, energy, and diligence which the conference deserved. In addition to my sincere admiration for the work of Senator STAFFORD in the conference, I am especially grateful to him for his understanding of my situation and his distinguished service as the spokesman for the minority Senate conferees.

I would also like to point out that the House conferees, dedicated as they were to the House position, performed ably, in a responsible way and finally, with an accommodating spirit.

I would like to say a special word about the able leadership of the chairman of the conference, Representative WRIGHT of Texas, who demonstrated an earnest desire to reach reasonable compromise between the views of the two bodies, and of Representative HARSHA, the ranking Republican on the House side, who conveyed to the conference his concerns and those of the House, and assisted materially in identifying the issues in conflict between us.

In the 6½ years I have been in the Senate, Mr. President, I have never been in a conference during which so many thorny issues were discussed so thoroughly, and from which we managed to report, a satisfactory result, one which I believe to be in the manifest best interests of the people of this country.

This conference report is the product of more hours of congressional attention than any previous highway legislation, dating back 17 months when the House Committee on Public Works initiated 16 days of hearings. I would like to detail for the benefit of my colleagues some of the background and the details of this very important piece of legislation.

The Senate Public Works Committee initiated its work on new highway legislation with 8 days of hearings in May and June of 1972. Following 10 executive sessions, our committee reported an original bill, S. 3939, on August 18, 1972. The Senate passed the bill on September 19 with several amendments. The most significant of these amendments was the so-called Cooper-Muskie amendment, which permitted a limited use of the highway trust fund for urban mass transportation, including rail transit. On October 5, 1972, the House passed its version of S. 3939, without such a mass transit provision.

I might point out that former Secretary of Transportation Volpe and the White House steadfastly supported the Senate position last year, as has Secretary Brinegar and the administration this year.

In the frenetic closing days of the 92d Congress, House and Senate conferees met for some 40 hours in an effort to agree on a bill and to find a compromise on the rail-transit issue. Because of the sharp division within the conference and the importance of maintaining the continuity of the highway program, our good friend, and former colleague, the Honorable JOHN COOPER, suggested that the conference pass a 1-year bill and defer action on the mass transit issue until this year, when more deliberate consideration of the issue would be possible.

The House eventually accepted that approach, and the conferees agreed to a conference report on the final day of the congressional session. While the Senate adopted the conference report, the House was unable to obtain a quorum in order to act.

Thus, we once again faced the need of considering a highway bill when the 93d Congress opened. And we faced this challenge under great pressure: the knowledge that many States would soon run out of Federal highway dollars.

In a desire to relieve some of this pressure, I introduced Senate Concurrent Resolution 6. The Senate passed this resolution on March 6, 1973. The resolution would have released to the States $1 billion of their 1974 apportionments for construction work on the Interstate System. The House, however, did not act on the resolution.

Meanwhile, the Transportation Subcommittee of the Senate Public Works Committee, under the exceptionally able leadership of its new chairman, our distinguished colleague from Texas (Mr. BENTSEN), had held 4 days of highway hearings. The committee reported S. 502 on March 1.

On March 15 the Senate passed this legislation. Once again, the Senate approved what I consider to be an important floor amendment—the Muskie-Baker amendment. This amendment, similar to last year's Cooper-Muskie amendment, would permit use of a portion of our highway funds for rail mass transit. But once again, the House rejected this use of the Highway Trust Fund.

The issue was drawn at the first session of the S. 502 conference on May 15. An easy resolution would not be possible. The chairman of our full committee, the most able and distinguished senior Senator from West Virginia (Mr. RANDOLPH), proposed that both bodies pass an interim measure to give us time to resolve the more basic issue of mass transit. This suggestion, which was developed with great foresight, would provide to the States a portion of their annual funds for the major Federal-aid highway construction programs. Such an interim step was vital to assure all of the States that their highway programs would not suffer while we worked out our differences in conference. The Senate passed such a bill, S. 1808, on May 23. Initially, the House conferees were unreceptive to the chairman's proposal.

In the conference, we made rapid progress to settle a variety of differences. But when it became absolutely certain that the mass-transit issue could not be resolved by the end of fiscal year 1973, the House passed S. 1808.

The conferees on S. 502 returned to their task, and finally reached an agreement after a total of 29 conference sessions. It is an agreement that I believe represents a true compromise by both bodies. It shows the wisdom of Senators COOPER and RANDOLPH in their insistence that the issues be worked out in a deliberative manner, without the threat of deadlines.

A major share of the credit for the achievement of this compromise must go to the distinguished Senator from Texas (Mr. BENTSEN). I honestly cannot say enough about his great leadership as chairman of the Senate conferees. His integrity, patience, courtesy, directness, fairness, and creative exploration of all avenues toward agreement were exemplary. He led the Senate conferees in the finest sense of the word.

As I have suggested earlier, and as my colleagues undoubtedly know, Senator RANDOLPH played a role of enormous significance in our resolution of the issues. His commitment to finding an acceptable compromise, his unfailing attention and presence, his suggestions of many alternative approaches, and his perspective and experience were major elements in our successful negotiations.

Senator STAFFORD, ranking Republican on the Transportation Subcommittee, contributed greatly to the compromises on the major issues and to the resolution of many important, but less publicized, provisions. His strong support for the Senate position, coupled with a diligent search to find a reasonable compromise, were vital factors in the final shape of the bill.

The senior Senator from Maine (Mr. MUSKIE) was an eloquent spokesman for the Senate on the issues of mass transit, the necessity for flexibility in urban transportation planning, and the relation between highway legislation and clean-air goals. He played, as he always does, a creative role in molding the Senate's positions on the critical issues, combining staunch adherence to the principles in the Senate approach, while demonstrating flexibility in its implementation.

Senator BUCKLEY's reasoned analysis of issues and alternatives, together with his numerous creative initiatives, were of great value to the conference. My respect for Senator BUCKLEY's wisdom grows with each day.

If I may, Mr. President, I shall now attempt to give my colleagues an analysis of some of the more significant aspects in this very important legislation. It is a complex bill, one that deserves careful study.

One of the most obvious issues, of course, concerns the bill's large—but reasonable—cost.

The conferees of both bodies worked hard to assure that the funding levels in this bill were responsive to budgetary restraints, while assuring that sufficient funds would be available to meet our pressing transportation and highway safety needs. The conference compromise, over 3 years, is $5.5 billion below the levels authorized in the House bill, and it is only modestly higher than the Senate-passed version. We made cuts that were both painful and necessary in the major Federal-aid highway programs, and we reduced funding of the House proposals on title II by almost 50 percent.

I commend the conferees on both sides for their cooperative spirit and earnest desire to reach an accord that was close to the administration's recommendation.

For fiscal year 1974 the administration had recommended a highway authorization of approximately $5.5 billion; the conference report provides $5.59 billion. While the total difference in funds between the administration proposal and conference report amounts to approximately $2.7 billion over the 3-year life of the bill, roughly half of this excess can be attributed to the important highway safety program. The administration proposal called for minimal safety authorizations over 2 years, while the conference report provides more substantial 3-year funding. Another $1.25 billion is authorized to support three programs that were not funded in the administration proposal: priority primary routes, forest development roads and trails, and economic growth center roads.

Mr. President, I believe the conference report strikes a reasonable balance among competing priorities and represents a responsible resolution of differences between the two congressional bodies and between Congress and the Executive.

Included in the cost, Mr. President, is nearly $2.4 billion over 3 years for work on the urban system—the so-called "d" program.

Because the scope of the urban system was the central issue in the conference, I would like to discuss the conferee's position on the urban system.

As I mentioned earlier, the Senate adopted an amendment that was sponsored by the distinguished Senator from Maine (Mr. MUSKIE) and myself. This amendment established broad flexibility in the use of urban system funds, beginning in the current fiscal year, 1974. Under our amendment, a city would be allowed, at its option, to use its urban highway allocation to build highways and commuter bus lanes, to buy buses, to construct rail transit lines, and to purchase rolling stock for rail transit, or any combination of those options.

The intent of this language was to grant city planners the broadest possible flexibility in deciding what mix of transportation options would best meet the needs of the city. This amendment would remove any artificial barriers to rational urban transportation planning. Fexibility in assessing and implementing options is essential if we are to attack effectively the transportation problems of our large cities. It simply is not a wise policy to grant one mode of transportation assured funding, while granting less assurance to a competing and complementary mode.

This amendment achieved flexibility without diverting resources from rural areas where the needs, although different, are as great as in our cities.

Some opponents and proponents of the amendment have stated that its purpose was to "bust the trust fund." Certainly in the sense that the provision allows moneys which would otherwise have been spent upon highways in our densely populated urban areas to be spent instead, at the option of State and local officials, upon public mass transportation, it does break with old patterns. However, the amendment does not divert even $1 that is directed to the construction of the interstate system, the rural primary and secondary road programs, or any other inter-city road program to urban mass transit projects. In Tennessee the completion of the Interstate System and the improvement of rural highways are needs of great importance.

The highway trust fund was established at a time when urban transportation problems were less severe. Perhaps the simplicity of the highways-only approach in the trust fund has exacerbated these urban problems. It is obvious to me that continued highway building, as a primary response to urban problems, could in the future seriously damage the quality of life in our cities. The infusion of flexibility into the highway trust fund to meet the growing urban needs therefore does not "break the trust fund" but assures that the fund will remain a viable concept for the future.

I am convinced that the majority of our urban areas will continue to spend most, if not all, of their urban system funds on roads and highway-related projects. For most cities, these projects will continue to produce the greatest return for the transportation dollar.

But we must, in all logic, give an urban area the flexibility to make another selection, one that is unfettered by arbitrary restrictions.

The House, as it did last year, failed to incorporate this principle of flexibility in its version of the bill.

After much study and numerous proposals and counterproposals, we developed an approach that represents a true compromise. The revised section 142 of title 23 of the United States Code includes the House's highways only out of the trust fund approach during the first fiscal year covered by this bill (1974); in the second fiscal year—1975—the cities are given partial flexibility allowing the use up to $200 million in urban system moneys out of the trust fund for the purchase of buses, with the remaining sum of at least $600 million assured for highway construction work.

During the bill's third fiscal year—1976—the full Senate position was adopted by the conference, permitting the cities to have the broad flexibility I believe they need for effective decisionmaking.

Section 142 says that 1976 moneys can go to the "construction, reconstruction, and improvement of fixed rail facilities, including the purchase of rolling stock for fixed rail." The intent of the conferees to support this new approach is underlined by language in section 142 (e)(2) of title 23 which allows such spending "notwithstanding section 209 (f)(1) of the Highway Revenue Act of 1956."

There is one further option that may prove helpful to the cities. Prior to fiscal year 1976, a State may request and receive funds to support rail mass transit out of general revenues, in lieu of funds out of the highway trust fund.

It is important to recognize that this bill, while broadening the scope of the urban system, also strengthens the initiative and control of local officials over this program. Projects on the urban system must be selected by local officials, with State concurrence. This is a change of significance.

As part of the mass-transit compromise, the conferees recognized that our urban transportation needs may someday be met more effectively through creation of a separate, guaranteed urban transportation trust fund mechanism or account that would assure funding for all competing urban highways and mass transportation needs. Thus, the conference report includes language that would displace the use of highway trust funds in fiscal year 1976 for rail mass transit if a separate and assured urban transportation trust fund is previously established.

Section 138(b) of the bill directs the Department of Transportation to make a 6-month-long study of potential revenue sources for support of urban transportation programs, whether through the highway trust fund or some other assured funding mechanism.

The attention of the public, of course, has rightly been focused on the issues relating to urban mass transit. But I would note that this bill also contains numerous provisions that benefit transportation throughout all areas of our Nation.

Most significant, of course, is the authorization for continued work to complete the interstate system. More than 80 percent of the interstate system's 42,500 miles is now open to traffic. This bill's authorizations for the interstate system of $8.6 billion over the next 3 years will enable the States to move aggressively toward the ultimate completion of that system.

The conferees also adopted the House concept for the designation of a priority primary highway system, with funds for such highways to be apportioned among the States.

An important aspect of this provision involves the designation of such routes. The States are provided an opportunity to examine their needs and to propose such routes "for priority of improvements to supplement the service provided by the interstate system by furnishing needed adequate traffic collectors and distributor facilities." In conference, we deleted a House figure of 10,000 miles for such a priority primary system. This program should not be seen as a junior interstate system of a specified length or cost. This is a State program, to be assisted by the Federal Government, that is designed to improve primary routes selected by each State.

Another section of the conference report concerns the transfer of moneys now set aside for some interstate system projects. This section has great significance in view of the potential total cost of projects that may be affected—$5 billion.

There are two options open to a State in considering the transfer of any interstate mileage and funds. One option involves the so-called Cramer-Howard provision in existing law. Under this option, a State highway department may request the redesignation of any portion of the interstate system within the State. If the Federal Government approves, the cost of that segment, on a dollar-for-dollar basis, can be transferred to a new interstate project elsewhere in the State. For the purposes of making such transfers within the mileage limitation of the systems, the Secretary, under existing law, has 200 miles of additional, discretionary system mileage. This conference report raises the Cramer-Howard ceiling to 500 miles, thus allowing greater use of this approach.

The second option—and one that should receive most careful attention—would allow any city where a controversial interstate segment is located to jointly, with the State, request that the funds set aside for that segment to be transferred to a local mass transit project. If the city and State make such a request, and if the Secretary approves, then the city would receive a sum out of general revenues that is equivalent to the cost of the interstate segment removed. The interstate funds would then be returned to the Highway Trust Fund for eventual reallocation.

It is essential that both options be considered fully and cooperatively. While the State Highway Department has full control over any Cramer-Howard transfer request, the conferees believe the State highway departments should also examine carefully the mass transit option with local officials before making any decision and request to the Secretary.

Another provision, while relatively minor, that I believe offers vast new opportunities to the public concerns work on bicycle routes and safety. As more bicyclists take to our highways, it has become apparent that we must plan more rationally for the differing needs of bicycles and motorized vehicles.

S. 502 specifically provides that up to $40 million a year from the various Federal-aid highway programs may be spent by the States to construct separate or preferential bikeways that are in conjunction with noninterstate highways. It was agreed by the conferees that these routes should, where feasible, be removed from any proximity to motor vehicle traffic. These routes need not—and should not—run parallel to existing streets and highways, if alternate locations are available. The separation of bicycles from automobiles promotes the safety of both modes of transportation, and makes our highways more functional.

The conference report also authorizes a study of methods to improve bicycle safety and it requires that the States, as a condition to receiving Federal safety funds, incorporate provisions for bicycle safety and education into their safety programs.

As I have previously indicated the conferees worked hard in an effort to conform the conference report to the views and positions of the administration. For example, operating subsidies for mass transit were deleted. Anti-impoundment language was dropped as extraneous. And, of course, the conferees adopted the principle of the Muskie-Baker amendment, for which the administration worked long and hard. As I mentioned earlier, language in the conference report invites the Congress to establish a new urban transportation trust fund to support all urban highway and mass transit programs. Such a fund would be very close to the administration's proposal for a single urban fund.

There are a number of other provisions in the bill that I believe are worthy of mention at this time. The bill contains three important provisions designed to improve highway access to airports and other transportation terminals. Such access would expand the interconnections between various modes of transportation, thus improving the overall transportation system of the United States.

The first two of these provisions are nearly identical, and would clarify the intent of the Congress in support of highway access roads that serve airports in both urban and rural areas.

While I recognize that current law probably gives to the States the flexibility to build such roads, this option has often been neglected. Such neglect lessens the opportunity for a more integrated national transportation system. It is my hope that the various States will take advantage of this discretion and improve the access for the public to airports and other terminals, such as railroad stations.

The other airport-related provision appears as section 146 of the conference report. This section would authorize a high-speed transportation demonstration program connecting points in the Washington, D.C., area with Dulles International Airport, Va. Such a demonstration would be intended to utilize exclusive bus lanes, including, if necessary, the construction of such exclusive lanes. Construction of special terminals and parking facilities and the purchase of high-speed buses is also authorized by this section.

While this section in the bill would not be funded until fiscal year 1975—with $10 million off the top of the urban system program—this should not impose any delay. Rather, the conferees expect the Secretary to use the fiscal 1974 period to study the opportunities for this demonstration program, using administrative funds, so that the Department can move agressively on this demonstration in fiscal year 1975.

Another program providing new opportunities for better transportation is the economic growth center highway program. The Federal-Aid Highway Act of 1970 established the economic growth center highway program as a demonstration to connect communities which are lagging economically. The program was designed to demonstrate the effectiveness of improved transportation as an impetus to economic growth. The conference report converts this demonstration program into an ongoing, national effort.

Under the 1970 act, economic growth center projects received their basic funding from a State's allocation of rural primary or secondary funds. The authorization contained in the special program were used as an addition, or "bonus," to this funding.

Because the corridors approved for funding under the program serve areas that are economically lagging, the corridors usually do not carry heavy traffic loads. These projects have generally been assigned a low priority in the competition for Federal-aid funds. The result is very slow progress on these projects. For example, one such project in the State of Tennessee is projected, under existing law, to require 5 or 16 years to complete.

This situation has seriously diminished the value of the program, since the impact of highway improvements on a segment-by-segment basis over a period of several years is extremely difficult to measure. Additionally the program has proved a painful frustration to those communities that had expected that the program would improve accessibility, when in fact it may bring years of the inconvenience associated with highway construction.

The conference agreement obviates the need for Federal funding for these projects out of rural primary and secondary moneys by providing that additional authorizations for fiscal years 1974, 1975, and 1976, and, importantly, the unobligated portion of fiscal year 1972 funds, can be used to finance the full Federal share of any such project for which plans, specifications, and estimates are approved following enactment of this act. This should substantially speed construction of these projects and provide for the success of the program.

The conference report further authorizes $210,000,000 over 3 years for spending on parkways. It is my hope that these funds will enable work to go forward on the Natchez Trace Parkway and the tunnel authorized by section 160 of the bill in the Cumberland Gap National Historical Park.

In conclusion, Mr. President, I believe that that is a good bill. It is a sound bill. I urge that my colleagues adopt the conference report.

Finally, I wish to express my particular gratitude to the members of the staff who worked together and helped us throughout this period: Barry Meyer and Bailey Guard, committee chief clerk and minority clerk, respectively; Katherine Cudlipp and Hal Brayman of the minority staff who gave such able assistance to members' staffs and others interested in the complex provisions of the bill; Ron Katz for Senator BENTSEN, chairman of the Transportation Subcommittee and our leader in the conference; Vic Maerki and Jackee Schafer for Senator STAFFORD and Senator BUCKLEY who, with me, were the minority conferees; Phil Cummings, assistant counsel; John Yago, Leon Billings, and Rick Herod.

Mr. WILLIAMS. Mr. President, I ask unanimous consent that Mr. Paradise be given the privilege of the floor during the consideration of the conference report.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STAFFORD. I yield myself such time as I may consume.

Mr. President, I join with my distinguished colleagues who have already spoken in support of the conference report on S. 502, the Federal Aid Highway Act of 1973.

Before I comment on some portions of the report, as the ranking minority member of the Transportation Subcommittee I would like to express my appreciation for the leadership displayed by the Senator from Texas (Mr. BENTSEN) during the long negotiations of the committee of conference.

As chairman of the Senate conferees, the Senator from Texas (Mr. BENTSEN) displayed unshaking fidelity to the key provision of the Senate bill dealing with the use of Highway Trust Fund money for mass transportation purposes, despite the fact that he, personally, was opposed to that provision. His faithfulness to the Senate position was a key to the ultimate solution reached by the conference committee. And, of course, the Senator from West Virginia (Mr. RANDOLPH), the chairman of the full Committee on Public Works, demonstrated the same spirit of fidelity throughout the long conference even though he, also, held a personal view that was in disagreement with the Senate position.

I want to say also that Senator BAKER, the ranking Republican member of the full committee, was most helpful with his incisive advice and understanding of the difficult problems which we struggled with for the longest period, I think, of any committee of conference in the history of the U.S. Congress.

I will not take up the time of the Senate by going over various provisions of the conference report, but I do want to comment on one or two of those provisions.

Although I would have preferred a bill that would permit total flexibility in the use of Highway Trust Fund money for mass transit purposes immediately, the compromise agreement that permits that flexibility in the third year of the measure represents a significant breakthrough for our Nation. Beginning in 1975, we will be able to deal more effectively with both the transportation and air pollution problems of our urban areas in particular, and our Nation in general.

I was disappointed that the conferees were unable to reach final agreement on the provisions dealing with beautification. We had, early in the conference, reached tentative agreement to:

First, extend control to those highway signs visible from the Interstate and Primary Systems.

Second, allow no more than three official signs per mile in each direction of the Primary and Interstate Systems for signs that provide information of specific interest to travelers regarding motels, food services, service stations, and natural wonders.

Third, allow sign plaza areas within the rights-of-way for the Interstate and Primary Systems.

Fourth, provide directions to States to remove billboards dealing with products before they remove those dealing with traveler information.

Fifth, authorize $50 million annually from the General Fund.

However, at the final session of the conference, the House suggested that the conferees reopen the section dealing with billboard control, and the House offered two alternatives.

The first would have changed the language from "official" signs to "officially approved" signs. The second alternative was to delete the entire section dealing with beautification, including junkyard control and landscaping language, as well as billboard control.

Because the Senate conferees felt the "officially approved" language would lead to greater proliferation of billboards, rather than removal, we decided to delete the entire provision and to try to reach another agreement on the issue after we have had a chance to reassess the situation in separate legislation.

The conference report notes, and I would like to stress, that it is not the intention of the conferees that we halt our efforts to control billboards during this time when we are considering separate legislation dealing with the subject. It is my hope that the Congress will produce legislation that will further the cause of highway beautification and that the States and private interests concerned will bear that in mind during this interim period.

I would also like to comment briefly on title II of the bill, which is directed toward the goal of improved highway safety.

The Senate bill created a new Federal aid safer roads program that called upon the States to establish priorities that would return the best payoff in terms of safety. The Senate bill combined Federal direction to the States with a concept that permitted the States flexibility in selecting programs designed to make highways safer for motorists.

The House approach was different. The House established new categorical programs and authorized a number of new studies and research projects. The House insisted its approach was necessary for approval of the conference report and the Senate agreed to the House position. I am less than enthusiastic about the final version of the safety package that is before us.

Only a demonstration program is left of the original Senate concept. I hope, probably vainly, that the States will move forward under that concept, for I fear the categorical programs sponsored by the final version of this bill will be less successful in dealing with our mounting highway death toll.

Finally, I would point out that the price tag on this 3-year bill is $20 billion, a figure that certainly should be acceptable to the administration. I can report that conferees on both sides worked in tandem to reduce the total to a bare minimum, given the scope of the measure.

I join with my colleagues in urging your support of this piece of legislation, and I urge the President to sign the bill into law.

Mr. President, the distinguished Senator from California (Mr. CRANSTON), had he been here, would have directed a question to me. He was called away by necessity of having to preside over a hearing. The question he proposed to ask me is as follows:

> I have a question relating to Section 228 of Title II of the Conference Report, the section entitled "Curb Ramps for the Handicapped." This provision requires that each highway program submitted to the Secretary by a State for approval shall "Provide adequate and reasonable access for the safe and convenient movement of physically handicapped persons, including those in wheelchairs, across curbs constructed or replaced after July 1, 1976, at all pedestrian crosswalks throughout the state."
>
> I wonder if the distinguished Senator from Vermont would tell me why the date was set as July 1, 1976, and whether it might not have been more appropriate to have an earlier date apply in this regard.

I would have replied, and I do reply, to Mr. CRANSTON in response to the question in this way:

> I want to thank the distinguished Senator from California for raising that important question. It is my understanding that the July 1, 1976, date contained in the legislation was set in order to allow the necessary time for adoption of enabling legislation by the States and the affected local governments. I think it is important for the Secretary to know that it was the desire of the conferees that the sooner this program can be implemented in each state, the better. In other words, we urge him to use his persuasive powers to assure that these new curb ramps are installed at the earliest feasible date in each state, before the 1976 deadline, if possible.

I might note, in this regard, that such curb ramps can be used by bicyclists as well as by handicapped persons. This multiple-use factor makes it both a mobility and safety advantage to both categories of users.

The increased mobility and safety factor to both the handicapped and to bicyclists, both young and old, which will be afforded will be worth the effort.

Mr. President, I conclude by stating that we in the Senate are well aware of the work of the distinguished Senator from California (Mr. CRANSTON) in connection with aid to the handicapped.

Mr. BENTSEN. Mr. President, I ask for the yeas and nays on the conference report, S. 502.

The yeas and nays were ordered.

Mr. STAFFORD. Mr. President, I reserve the remainder of my time.

The PRESIDING OFFICER. The Senator's time will be reserved.

DEPARTMENT OF THE INTERIOR APPROPRIATIONS, 1974

The PRESIDING OFFICER (Mr. CHILES). The hour of 12 o'clock having arrived, under the previous order the Senate will now proceed to vote on passage of H.R. 8917, the Department of the Interior Appropriations, 1974.

On this question the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Iowa (Mr. CLARK) and the Senator from Alaska (Mr. GRAVEL) are necessarily absent.

I further announce that the Senator from South Dakota (Mr. ABOUREZK) is absent on official business.

I also announce that the Senator from Mississippi (Mr. STENNIS) is absent because of illness.

I further announce that, if present and voting, the Senator from Alaska (Mr. GRAVEL) and the Senator from Iowa (Mr. CLARK) would each vote "yea."

Mr. GRIFFIN. I announce that the Senator from Arizona (Mr. GOLDWATER) is absent because of illness in his family.

The result was announced—yeas 95, nays 0, as follows:

[No. 359 Leg.]

YEAS—95

Aiken
Allen
Baker
Bartlett
Bayh
Beall
Bellmon
Bennett
Bentsen
Bible
Biden
Brock
Brooke
Buckley
Burdick
Byrd, Harry F., Jr.
Byrd, Robert C.
Cannon
Case
Chiles
Church
Cook
Cotton
Cranston
Curtis
Dole
Domenici
Dominick
Eagleton
Eastland
Ervin
Fannin
Fong
Fulbright
Griffin
Gurney
Hansen
Hart
Hartke
Haskell
Hatfield
Hathaway
Helms
Hollings
Hruska
Huddleston
Hughes
Humphrey
Inouye
Jackson
Javits
Johnston
Kennedy
Long
Magnuson
Mansfield
Mathias
McClure
McGee
Metcalf
McGovern
McIntyre
Mondale
Montoya
Moss
Muskie
Nelson
Nunn
Packwood
Pastore
Pearson
Pell
Percy
Proxmire
Randolph
Ribicoff
Roth
Saxbe
Schweiker
Scott, Pa.
Scott, Va.
Sparkman
Stafford
Stevens
Stevenson
McClellan
Symington
Taft
Talmadge
Thurmond
Tower
Tunney
Weicker
Williams
Young

NAYS—0

NOT VOTING—5

Abourezk
Clark
Goldwater
Gravel
Stennis

So the bill (H.R. 8917) was passed.

Mr. BIBLE. Mr. President, I ask unanimous consent that the Secretary of the Senate be authorized to make any necessary technical corrections in the bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

STAR PRINT OF REPORT

Mr. BIBLE. Mr. President, as I noted earlier, there are a number of printing errors and transpositions in Senate Report 93-362, accompanying the bill. Accordingly, I ask unanimous consent that a star print of Report No. 93-362 be authorized.

The PRESIDING OFFICER. Without objection, it is so ordered.

APPOINTMENT OF CONFEREES

Mr. BIBLE. Mr. President, I move that the Senate insist on the amendments, request a conference with the House of Representatives, and that the Chair be authorized to appoint the conferees on the part of the Senate.

Mr. BIBLE subsequently said: Mr. President, I yield myself 30 seconds so that I may go back to my motion to request a conference with the House of Representatives on the disagreeing votes of the two Houses and that the Chair be authorized to appoint conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. BIBLE, Mr. MCCLELLAN, Mr. ROBERT C. BYRD, Mr. MCGEE, Mr. MONTOYA, Mr. INOUYE, Mr. CHILES, Mr. STEVENS, Mr. YOUNG, Mr. HRUSKA, Mr. HATFIELD, and Mr. BELLMON conferees on the part of the Senate.

Mr. BIBLE. Mr. President, I ask for 1 minute.

I neglected to ask that the vote by which the Interior appropriation bill was passed be reconsidered. In view of the 95 to 0 vote, I cannot believe it is necessary, but somebody might find something he wanted in the bill that the committee left out, so, out of an abundance of caution, I move that the vote by which the appropriation bill was passed be reconsidered.

Mr. ROBERT C. BYRD and Mr. BENTSEN moved to lay the motion on the table.

The motion to lay on the table was agreed to.

FORESTRY LABORATORY AT AUBURN UNIVERSITY

Mr. ALLEN. Mr. President, reserving the right to object, I should like to inquire of the distinguished Senator about the appropriation for the forestry laboratory at Auburn University in Alabama, which was in the House bill. I do not see it in the Senate bill.

Mr. ROBERT C. BYRD. Mr. President, will the Senator yield for a unanimous-consent request?

Mr. ALLEN. I yield.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the further consideration of the conference report on the highway bill be delayed not more than 10 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BIBLE. Mr. President, the distinguished Senator from Alabama states the situation correctly. This item was in the House bill. It was not in the Senate bill. It will be in conference. We will go to conference in September, and if the distinguished Senator will furnish me the necessary material to justify any type of leaning with sympathy toward the House position, I can assure him that I will give it consideration.

Mr. ALLEN. I thank the distinguished Senator.

I invite the Senator's attention to the fact that there was testimony before the committee at the time the bill was considered by the Senate committee.

Mr. BIBLE. I respond to that by saying that we had testimony from hundreds of other witnesses before the committee, all plugging for what they claimed were the most worthwhile projects in the United States. We measured them and listed our priorities. But, with the further information which I know the Senator will furnish me, we will, as we go to conference, evaluate it and do the best we can.

Mr. ALLEN. I thank the distinguished Senator for that assurance.

Mr. JAVITS. Mr. President, similarly reserving the right to object, I should like to ask the Senator a couple of questions.

I believe the committee has been very wise in its provision of $6,209,600 for the Gateway National Recreation Area as reflected in the House committee report.

I am deeply appreciative of that and I also express my appreciation as one of the major authors in connection with the National Foundation on Arts and Humanities and what they have done in providing $114,750,000 to the National Foundation.

FOREST RESEARCH PROJECT

I would now like to ask the Senator if he would be kind enough to have the committee look into a proposal by the Northeastern Forest Experiment Station of the U.S. Forest Service to establish as part of the Pinchot Institute program a research project at Syracuse, N.Y., on the problems of maintaining and protecting forest environments in densely populated areas of the Northwest.

I ask unanimous consent that a memorandum prepared by the Pinchot Institute describing the project in detail be placed in the RECORD.

There being no objection, the memorandum was ordered to be printed in the RECORD, as follows:

RESEARCH ON MAINTAINING AND PROTECTING FOREST ENVIRONMENTS IN DENSELY POPULATED AREAS OF THE NORTHEAST

SUMMARY

The maintenance and protection of environmental quality has become a firm national commitment and an integral part of our institutions and values. New institutions, new standards, and actions at all levels of government have committed the nation to ecologically oriented programs that will cost billions of dollars. However, every state in the nation—particularly in the densely populated Northeast—is currently involved in an environmental crisis because much of the information needed to apply ecological criteria in land use policies is lacking.

Policies for the maintenance and protection of forest ecosystems could, by the establishment of standards and guidelines through research, reduce the confusion, conflict, and uncertainty that characterizes forest land-use policy throughout the densely populated Northeast today.

Thus, a systematic, interdisciplinary research approach is needed to establish ecological baseline information, to measure the impact of present and future technology on the baseline data, and to suggest or document imaginative courses of action that will insure the ecological integrity of forest environments within and around metropolitan regions of the Northeast.

As part of its Pinchot Institute program, the Northeastern Forest Experiment Station of the U.S. Forest Service plans to establish a research project at Syracuse, New York on these complex problems as soon as the Federal budget situation permits. The first stage of this research effort will require $425,000 in Fiscal Year 1974, and the second stage an additional $425,000 in Fiscal Year 1975.

INTRODUCTION

One of the most significant challenges facing decision makers in the Northeast is the protection and maintenance of environmental quality in and around densely populated areas—including attractive forest environments where man can work and play. For, as the expanding technology of Megalopolis invades these fragile forest environments, we face the dilemma that the more we strive for a technological future, the more likely we are to achieve ecological disaster.

In this regard, an outstanding capsule phrasing of the nation's concern for this environmental problem states: "Wealth and happiness are not the same thing. Now is the time to make our peace with nature. We must measure success or failure by new criteria." That statement sounds very much like it could have come from Thoreau's *Walden*, or from *Man and Nature* by George Perkins Marsh, but it is a quote from a message to the Congress on January 1, 1970 by President Richard Nixon.

Thus, the nation's quickening concern, especially in the densely populated Northeast, with environmental quality is no passing fad. In fact, the pursuit of environmental quality has become a firm national commitment and an integral part of our institutions and values. New institutions, new standards, and actions at all levels of government have committed the nation to ecological oriented programs that will cost *billions* of dollars.

Every state in the nation, particularly throughout Megalopolis, is currently involved in an environmental crisis because much information needed to apply ecological criteria in land use policies is lacking. The need for environmental research to cope with this crisis is emphasized in Section 102 of The National Environmental Policy Act of 1969, which requires ". . . a systematic, interdisciplinary approach that will insure the integrated use of the natural and social sciences . . . in planning and in decision-making which have an impact on man's environment . . ." The Act further stipulates that we "identify and develop methods and procedures . . . which will insure that presently unquantified environmental . . . values be given appropriate consideration in decision making, along with economic and technical considerations . . .;" and that we study, develop, and describe appropriate alternatives to recommended courses of action for those issues "which involve unresolved conflicts concerning alternative uses of available resources . . ." Thus, research needs in relation to the forest environment as a criteria for public land policy and protection have been clearly drawn.

However, before ecological criteria can be applied in forest land-use policies, a major Forest Service research effort is needed in at least three interrelated problem areas.

First, ecological baseline information through biological research is needed to insure adequate understanding of the forest environment as it relates to the soil, water, and forest vegetation. Second, systems analysis research needs to measure the impact of present technology and to forecast the consequences of future technological development on the ecological baseline data. Finally, multidisciplinary teams of political scientists, biologists, and systems analysts must synthesize the information gathered in the first two phases and suggest or document imaginative courses of action that will insure the ecological integrity of those forest environments within and surrounding metropolitan regions of the Northeast that are required for man's ultimate survival.

CURRENT RESEARCH

The Forest Service's Pinchot Institute of Environmental Forestry Research is currently helping to provide answers to some of the problems that arise from man's interaction with his forested environments throughout Megalopolis. The Pinchot Institute is a part of the Northeastern Forest Experimental Station, with headquarters in Upper Darby, Pennsylvania. Research of the Pinchot Institute is centered at Amherst, Massachusetts and Pennington, New Jersey. The seven current areas of research are as follows:

(1) Economic evaluation research to identify forest uses in densely populated areas and to quantify demands and benefits for those uses.

(2) Landscape tending research on techniques and principles for modifying and maintaining aesthetically desirable conditions on forest lands in urban and suburban environments.

(3) Genetic improvement research of intensively used forest vegetation, including the identification of plants and trees best adapted to urban stresses.

(4) Wildlife habitat research that determines the requirements of non-game species for human enjoyment throughout Megalopolis.

(5) Urban recreation research that relates the leisure time needs of metropolitan man to surrounding forested environments.

(6) Amenity value research on the ability of natural stands of trees to reduce noise, temperature, and air pollution by particulate matter inherent in densely populated areas.

(7) Multiple use research on municipal watersheds to determine the effects of forest treatments and selected recreation activities on the quality of water from watersheds in the heavily populated northeastern seaboard region.

To solve the wide variety of environmental forestry problems encountered in these seven research areas, the Forest Service, in 1970 and 1971, assigned two multidisciplinary teams (four scientists per team) to the Amherst and Pennington programs respectively. These scientists are trained in economics, landscape architecture, silviculture, wildlife habitat, recreation, microclimatology, plant physiology, and hydrology.

These Forest Service teams coordinate a major part of their research efforts with the scientists in nine leading universities in the Northeast that make up the other branch of the Pinchot Institute. Thus, the research efforts of Forest Service scientists are enhanced and magnified by the excellent cooperation with their colleagues in these nine universities. As a result, the Pinchot Institute, even in its brief existence, is setting standards and criteria for Megalopolitan decision makers to use in resolving important land use conflicts between the short range cost/benefit standards of urban expansion and associated long range ecological consequences.

These research developments of the Pinchot Institute show clearly that Forest Service research is beginning to find ways to improve the social well-being of man in Megalopolis while maintaining the ecological balance of man and his forest environment. But much research remains to be done.

RESEARCH NEEDS

The most difficult and important research task in environmental forestry related to megalopolitan man still lies ahead. In this regard the noted environmentalist-planner Ian McHarg stressed that the world is a man-nature relationship in which ". . . the ecological view offers an invaluable insight. It shows the way for the man who would be the enzyme of the biosphere—its steward, enhancing the creative fit of man-environment, realizing man's design with nature."

Forest ecosystems form a complex unity embracing such elements as soil, water, flora, and man. Although man has never been able to deal with the ultimate unity of the ecosphere, he has been learning more and more about its interrelated workings.

As more has been learned, the practicality of introducing ecological concepts into forest land use policy is enhanced. But the word "practicality" may be given two different interpretations. There is a conventional short-run practicality of socially sanctioned arrangements. There is also a long-run practicality that takes account of ecological trends, assesses the consequences of their continuation into the future, and estimates the effects of modifying forces that may impinge upon them. Up to now, because of a lack of reesearch information, the short-run interpretation of practicality has taken precedence over the latter definition at the cost of some degradation of the forest environment.

However, it is doubtful that a public land-use policy designed to maintain and protect forest ecosystems would necessarily be more complex than the mass of laws, policies, and regulations affecting present ownership and land use today. The effectiveness of forest land policy does not depend upon its mirroring the complexities of ecosystems. On the contrary, an ecological approach would simplify and clarify forest land management. A policy for the protection and maintenance of forest environment would, by the establishment of standards and guidelines through research, reduce the confusion, conflict, and uncertainty that characterizes land-use policy throughout the densely populated Northeast today.

A major goal of environmental forestry research in Megalopolis, therefore, should be to evolve and promote natural resource development policies and programs which take into account people's and nature's areas of conflict and thus discover and enhance the areas of harmony. The new research proposed for the Forest Service's Pinchot Institute at Syracuse, New York would have three principal objectives:

1. Establish adequate baseline data to insure adequate understanding of forest environments in Megalopolis involving soil, water, and forest vegetation.

2. Assess the impact of present and future technology on those same aspects of the forest environment.

3. Study and suggest program approaches that would insure the long-range ecological balance required for metropolitan man to live in balance with and insure the integrity of the forest environment.

The New York State University College of Environmental Science and Forestry at Syracuse, New York is the ideal location for the proposed project. The college has the breadth of expertise and the broad range of facilities to aggressively support and be involved in the interdisciplinary research effort required.

The annual cost for the planned expansion of the Forest Service research program at Syracuse, New York is $850,000. This additional appropriation would be used to: (1) employ one political scientist, two systems analysts, two biologists, and one engineer, along with a supporting staff; and (2) conduct large scale grant studies in cooperation with the nine leading universities that comprise the Pinchot Institute Consortium of Universities in the northeastern Megalopolis. Approximately half of the money needed would be used annually for grants. The first stage of this proposed reesearch effort will require $425,000 in Fiscal Year 1974, and the second stage an additional $425,000 beginning in Fiscal Year 1975.

Mr. BIBLE. I will be happy to look into it. This is the first time I have heard of this project. I am not aware of the merits or demerits but we shall look into it.

Mr. JAVITS. I thank the Senator.

THE TAHOE PROJECT

Mr. TUNNEY. Mr. President, I would like to ask the chairman of the subcommittee a question with respect to the $4 million in the bill for land acquisition in the Lake Tahoe Basin. I continue to be deeply concerned that the land use program would go ahead without a very clear indication from the Forest Service or from the Tahoe Regional Planning Agency——

Mr. BIBLE. Mr. President, may we have order in the Chamber? I cannot hear my distinguished colleague who is standing next to me.

The PRESIDING OFFICER. The Senate will be in order.

Mr. TUNNEY. I continue to be deeply concerned about having moneys made available for Tahoe unless it is clear that the Forest Service and the Tahoe Regional Planning Agency are effectively implementing the overall plan for the purchase of land. The committee, and the Congress, should not only be told what those land parcels are, but also exactly how the purchase program fits into the overall plan to maintain the beauty of the Tahoe area. As the Senator knows, recently the Tahoe Regional Planning Agency permitted the construction of a thousand car shopping center, a casino and a hotel.

Mr. ROBERT C. BYRD. Mr. President, may we have order?

The PRESIDING OFFICER. The Senate will be in order.

Mr. TUNNEY. The TRPA also granted a variance for a 16-acre parking lot, which is not exactly consistent with the maintenance of beauty and environmental quality of the area. The thing that disturbs me is that the Forest Service has not indicated publicly how the $4 million acquisition would affect the overall plan. I think it is unwise to give the Forest Service a blank check for $4 million to do with as it wishes.

I had suggested earlier to the distinguished Senator who chairs the subcommittee that clarifying language be included in this report. The report, which was not available until shortly before the debate began, did not make it clear what we were doing by making this $4 million available.

Mr. BIBLE. The language was deliberately left out because I do not think it belongs in this appropriation bill. I know of the Senator's interest and I know it is an interest which he feels keenly and on which he speaks out loudly and clearly in Tahoe. I have a home in Tahoe. That is the only home I have in the whole world. We live several weeks there each year and go there as often as we can to get away from our strenuous and arduous duties here. So I know as much about Tahoe as the Senator from California. I have been going there since I was 11 years old. I do want to see it preserved; I do want to see it protected; I have spoken on it time and time again, and I have been instrumental in securing funds for State and Federal acquisition to protect this scenic resource.

I was deeply involved in the acquisition of undeveloped shoreline around Sand Harbor to preserve that part of the lake so that it could not be overdeveloped.

I have great sympathy with what the Senator said, but I think this is in the wrong forum. This was argued in the Committee on Public Works last year and year before last. That is where it should go.

I do not think it is part of the appropriation bill.

Mr. TUNNEY. Mr. President, reserving the right to object, I am wondering whether or not the committee, prior to the time it put the $4 million in the bill, had been directly apprised by the Forest Service what lands were going to be purchased and how this purchase would effect existing plans to protect the Tahoe Basin?

I feel that it is highly irregular for Congress to give this blank check to the Forest Service.

Mr. BIBLE. I do not think it is highly irregular at all. We provide all kinds of money for the Forest Service to acquire inholdings. We do not spell out the process for the lack of inholdings. I forget the number of parcels we authorized within the Park Service, but we do not spell out the amounts for parcel A, parcel B, or parcel C. I assure my friend from California that we do not ask the Forest Service to pinpoint.

This was an amendment added by the Senator's colleague from California, a member of the same party, from the same district in California.

The PRESIDING OFFICER. The time of the Senator from Nevada has expired.

Mr. BIBLE. Mr. President, I ask unanimous consent that I may have 3 additional minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BIBLE. I assume that he has well in mind, well in hand, exactly where these purchases are to be made. He is the one who added them. I simply concurred in the House action because I thought it was necessary and a step in the right direction.

Mr. TUNNEY. I conclude by saying—because I do not wish to delay the business of the Senate—that I personally believe it is a mistake to make funds available to the Forest Service in this manner, because, for one thing, Federal land acquisition at Lake Tahoe can increase speculation in land values driving prices much higher in future years as a result of speculative value.

I voted for this bill, bacuse I support most items in the bill, and because I think the distinguished Senator from Nevada has done a monumental job. But I have to disagree with the committee on its decision to provide $4 million to purchase land at Tahoe without also including clarifying language.

Mr. BIBLE. I suggest to the Senator from California that he should read well the presentation and the colloquy of the Representative in Congress who lives very close to these two areas—El Dorado and Placer Counties. I do not know of a man who is better able to talk about Placer and El Dorado Counties than Representative JOHNSON. He made a presentation and said where the land was to be required.

There is nothing unusual about it. We provide money every year. As far as I am concerned, it will be for inholdings in Forest Service lands. But we cannot nail it down for parcel A, parcel B, or parcel C. I forget how many hundreds of millions of dollars are going to be necessary to acquire the remaining parcels.

The PRESIDING OFFICER. The time of the Senator from Nevada has again expired.

Mr. BIBLE. I yield myself 2 additional minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, reserving the right to object, will the Senator permit me to make a unanimous-consent request?

Mr. BIBLE. I yield for that purpose.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the vote on the highway bill conference report take place at 1:55 p.m. today.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. BIBLE. I conclude by assuring my distinguished friend from California that he cannot find a better program in the entire appropriation bill. He has done better than any other single Senator with funding increases. We have provided $10 million, among other things, for the acquisition of land for the Golden Gate National Recreation Area. Sometimes we cannot get everything we want, but the Senator from California has done extremely well.

I suggest again that the Senator read the whole presentation by his colleague from his native State, a member of his own party, who added this money on the House side and spelled out exactly what parcels were to be acquired. That will answer the Senator's question, I think, very satisfactorily.

Mr. TUNNEY. I am fully conscious of the fact that the Senator from Nevada has been most reasonable in making substantial sums of money available for California. I am deeply appreciative of it. I have indicated that to the Senator privately, and I do so now publicly. I think the Senator has treated California extremely well.

I would like to again indicate, however, my concern for Lake Tahoe. I think the Senator understands my concern.

Mr. BIBLE. I think the Senator has spread his concern very well on the Record.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. BIBLE. I am happy to yield.

Mr. HUMPHREY. I want to thank the Senator and commend him for his usual splendid job.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. BIBLE. I yield myself 1 minute, if that will be sufficient for this colloquy.

Mr. HUMPHREY. I merely wanted to ask the Senator a question. I did not get a chance to do it because of committee meetings, and so forth. It concerns the Forest Service appropriation. I am sure the Senator is aware that there were substantial reductions from last year for the Forest Service.

Mr. BIBLE. Very crippling reductions, I might add.

Mr. HUMPHREY. I am hopeful that when and if a supplemental bill comes along we might have favorable consideration for additions, because our national forests are in a serious predicament today.

Mr. BIBLE. I could not agree more. I might say that we have substantially fattened the appropriation over the budget request for forest land management, forest research, State and private forestry cooperation, construction and land acquisition right down the line, because I thoroughly agree with the Senator. I think it was brutal the way the administration cut back the budget after freezing every single congressional add-on we approved for Forest Service items—every single one. I would have thought they might have at least left one little one for Nevada in, but they did not.

Mr. HUMPHREY. We have a need in the field of reforestation. This country imports 7,600 million feet of lumber per year. It is ridiculous, with the forest lands we have, to be in that predicament.

Mr. BIBLE. The Senator will note that the bill just approved, as recommended by committee, contains an additional $9,000,000 for reforestation and timber stand improvement. The committee recognized the importance of this program and others in recommending a total budget addition of $15,594,000 for the Forest Service.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Berry, one of its reading clerks, informed the Senate that, pursuant to the provisions of section 2(a), Public Law 92-489, the Speaker had appointed Mr. Flowers as a member of the Commission on Revision of the Federal Court Appellate System, vice Mr. Hungate resigned.

ENROLLED BILL SIGNED

The message announced that the Speaker had affixed his signature to the enrolled bill (S. 1993) to amend the Euratom Cooperation Act of 1958, as amended.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILL

Messages in writing from the President of the United States were communicated to the Senate by Mr. Marks, one of his secretaries, and he announced that on July 30, 1973, the President had approved and signed the act (S. 1413) to increase the authorization for fiscal year 1974 for the Committee for Purchase of Products and Services of the Blind and Other Severely Handicapped.

EXECUTIVE MESSAGES REFERRED

As in executive session, the Presiding Officer (Mr. Hathaway) laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations received today, see the end of Senate proceedings.)

FEDERAL-AID HIGHWAY ACT OF 1973—CONFERENCE REPORT

The Senate continued with the consideration of the conference report on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 502) to authorize appropriations for the construction of certain highways in accordance with title 23 of the United States Code, and for other purposes.

Mr. BENTSEN. Mr. President, I yield 5 minutes to the distinguished Senator from Maine, who was a tough, able, and fair negotiator in the conference for the Senate majority position.

Mr. MUSKIE. Mr. President, this conference report on authorizations for the Federal-aid highway program which is now before the Senate is the result of a most difficult negotiation on the part of your conferees. The agreement is not as progressive or far-reaching legislation as passed by the Senate, nor is it as restrictive, narrowly focused or expensive as the bill passed by the House.

The conference agreement was made difficult by diametrically different views on the issue of flexibility in use of highway trust funds. Senator Howard Baker of Tennessee and I proposed, and the Senate adopted, an amendment to permit cities to utilize urban trust funds for the most appropriate, locally determined transportation use. The House bill continued the existing law of prohibition on diversion of highway trust funds for public transportation projects.

The conference agreement provides for flexibility in the use of urban system highway trust funds in fiscal year 1976. In fiscal year 1975 up to $200 million of urban system highway funds can be used for the acquisition of buses and in 1974 the old rules would apply.

Mr. President, the conferences report on the Federal-Aid Highway Act establishes the principle of flexibility.

Even though significant funding authority for the urban mass transportation program is provided, there is no assurance that these funds will be committed. The Administrator may still refuse to enter into contracts to commit these funds.

Other key provisions of the Senate bill which would have required early consideration of alternative transportation modes and public participation in those decisions which would have permitted emergency funding of transportation alternatives in urban areas with critical air quality problems, and which would have permitted the transfer of disputed urban interstate funds to other transportation purposes in urban areas were deleted from the conference agreement at the insistence of the House.

Mr. President, we have not charted the new course proposed by the Senate bill, but the conference agreement signals a change in direction.

The Senate conferees spent many days and evenings negotiating with the other body on this legislation. I can assure my colleagues that every effort was made to retain the Senate position intact, especially the Muskie-Baker amendment. The chairman of the Senate conferees, Senator Lloyd Bentsen and the chairman of the Public Works Committee, Senator JENNINGS RANDOLPH joined with Senators BAKER, BUCKLEY, STAFFORD, and myself in a committee effort to maintain the Senate position. Senator BENTSEN and Senator RANDOLPH deserve the plaudits of their colleagues for this effort in behalf of a position which they disapproved in the Senate. The fact that we prevailed at all in providing flexibility in the third year of this new authorization is a credit to the efforts in behalf of the Senate which Senator BENTSEN and Senator RANDOLPH made.

Mr. President, I am going to support the conference report. In less than 2 fiscal years we will be able to embark on a new era of urban transportation options.

In fiscal year 1975, the fiscal year for which the budget is presently being prepared, there will be $200 million in highway trust funds for acquisition of buses. That $200 million will be absolutely essential to communities with air pollution, congestion, noise, and other transportation problems which require immediate solutions.

By 1976, urban areas, because of the action of this Congress, will have the opportunity to utilize their share of highway trust funds for vital urban transportation needs.

By 1976, when this program will require new congressional action, we in the Congress will have a better understanding of the real transportation needs of America's cities and the demand these needs will make on the urban system portion of the trust fund.

In the interim, we will have had an opportunity to review the highway trust fund in order to consider making transportation generally rather than highways alone a national commitment.

Mr. President, it is important to note that this legislation will provide a new source of funds for urban mass transportation immediately. Not only does the bill authorize $3 billion for the Federal urban mass transportation program but also advance contract authority is provided for communities which choose to construct public transportation systems rather than highways.

Under the provisions of the conference agreement, any community which elects not to use its fiscal year 1974 urban system funds for highways may obtain an equal amount of Treasury funds—through contract authority—for public transportation purposes. While this is not assured funding as provided in 1976 pursuant to the Muskie-Baker amendment, it will provide a significant opportunity to test the will of this administration to commit Federal dollars to immediate transportation needs.

Communities throughout the country are aware of the need to provide alternative transportation procedures in order to meet Federal air quality control plans. These plans cannot be implemented without a massive commitment of Federal dollars. It is encumbent upon this administration to see that funds, equal to amounts frozen in the Trust Fund, are committed as rapidly and as effectively as possible to achieve the goals set forth in the Clean Air Act to reduce the hazards which air pollution poses to so many of our people.

As I said at the time the Senate acted on these amendments to the Federal-Aid Highway Act, we are beginning to reshape and redirect transportation policies and priorities. It is a modest beginning. We have commenced an effort to diversify and make more flexible the uses of the Nation's limited transportation funds. We must now examine in the years ahead how to do a better job to assure adequate transportation for all America.

Mr. President, I wish to commend the distinguished Senator from Texas (Mr. BENTSEN) and the distinguished chairman of the full Committee on Public Works, the distinguished senior Senator from West Virginia (Mr. RANDOLPH), for their outstanding leadership and commitment to the Senate positions during one of the most frustrating conferences it has been my pleasure to be involved in during my 15 years in the Senate.

The Muskie-Baker amendment, so-called, was the chief point of difference between the Senate and House conferees. The views of the Senator from Texas and the Senator from West Virginia on this issue are very clear in the RECORD of the Senate. The majority of us represented the Senate point of view. However, let me say that the Senate point of view would not have had the impact it did on the final report of the conference had it not been for the contributions of the Senator from Texas and the Senator from West Virginia.

There is often a lot of criticism on the floor of the Senate to the effect that Senate conferees do not undertake to fight for the Senate position as ardently as they should. I can think of no better example of the leadership taken in this matter, and the manner in which Senate conferees should act, than that to which I have referred. I compliment the two Senators and publicly express my appreciation for their support and hard work.

They will address themselves to the details of the conference report, as they should. I simply rise to give my support to them in part as repayment for the support they gave me in our effort to reach a compromise in the conference.

Mr. STAFFORD. Mr. President, I yield to the Senator from Illinois.

Mr. PERCY. Mr. President, I thank the distinguished Senator. I have a few comments to make and a few questions to ask.

Mr. President, the conference committee report on the Federal-aid highway bill is by and large a good bill. I commend the distinguished Senator from Texas and the distinguished Senator from Vermont and our distinguished chairman, the senior Senator from West Virginia for their excellent work on this matter. I know the great obstacles which the Senate committee confronted.

Mr. President, as a Senator from a State that has been very distressed in dealing with the problems of financing mass transit, I would have liked more assistance and help in connection with the mass transit problems of our State and other large urban areas. However, I recognize the limitations that had to be placed in the compromise measure reached.

I intend to vote for the conference report. I compliment the Senate conferees for the long and hard fight they put up to bring forth a bill that we can live with. It is the product of many, many sessions of hard bargaining, and in it there are some compromises. There is, however, one section in particular with which I am quite disturbed—section 110(b). Section 110(b) is a pretty transparent attempt to do one thing and one thing only—build the Crosstown Expressway in Chicago, despite the fact that the Governor of the State and thousands of effected citizens of Chicago do not want it to be built.

For one thing, I know that the National Governors' Conference is opposed to this section, because in their policy and position paper for 1973 and 1974, it is stated:

> The governor, as elected chief executive, is best able to determine the transportation needs and priorities of his state . . . He should have the ability to transfer funds among various programs to meet his own state's priority transportation needs.

It then goes on to say—

> With the governor being best able to determine the transportation needs and priorities of his state, the distribution of the National Transportation Trust Fund should be allocated through the governor.

So, there is no doubt in my mind how the Governors would feel about this section. And if any Member of Congress has any doubts, he could contact his Governor and see how he feels about this attempt to take the responsibility of building highways in their State away from the Governors.

But I do not think that this attempt was successful. Whatever the proponents of this section may have intended, I think they have actually come up with something quite different. The language is unclear, even if their motives are not.

In order to set the record straight on this matter, I would like to ask the distinguished chairman of the Transportation Subcommittee (Mr. BENTSEN) and the ranking minority member of the subcommittee (Mr. STAFFORD), who are floor managers of the bill, some questions, and by this procedure clearly establish legislative history. First, let me read the language of section 110 (b):

> Section 103 of Title 23, United States Code, is amended by adding at the end thereof the following new subsection:
>
> "(h) Notwithstanding subsections (e)(2) and (g) of this section, in any case where a segment of the Interstate System was a designated part of such System on June 1, 1973, and is entirely within the boundaries of an incorporated city and such city enters into an agreement with the Secretary to pay all non-federal costs of construction of such segment, such segment shall be constructed."

Now I understand this language to be very narrowly drawn. I interpret it as meaning only that a State would be prevented from dedesignating a previously designated segment of interstate highway and from transferring the mileage elsewhere when the city follows the procedures under section 110(b). However, I think that we should make absolutely clear that all of the State's responsibilities under title 23 still hold, and the ultimate construction of any road is still subject to the agreement of the Secretary. Is that correct?

Mr. BENTSEN. Mr. President, I will say to the distinguished Senator from Illinois that the only provisions of the law that are affected by this particular section refer to the transfer of the interstate mileage or to the removal of the interstate segments. All State and Federal provisions otherwise still remain. All the environmental protections still remain.

Mr. PERCY. Mr. President, does the distinguished Senator from Vermont concur?

Mr. STAFFORD. Mr. President, I would say to the distinguished Senator from Illinois that I concur in that understanding.

Mr. PERCY. Mr. President, I would also like to clear up some misapprehensions that have been created in the minds of certain citizens of Chicago. This language does not mandate the building of the Chicago Crosstown Expressway or of any other highway. Is that correct?

Mr. BENTSEN. The Senator from Illinois is correct. It is not a requirement that this be constructed. It would still require an agreement of the Secretary.

Mr. STAFFORD. Mr. President, I would say to the distinguished Senator from Illinois, that I agree with that interpretation.

Mr. BENTSEN. Mr. President, let me make the further point that I think as a practical matter where a State has to come in and do the supervision and assist in the plans, it would be very difficult and I do not see how a highway could be constructed unless there were State cooperation in the matter.

Mr. PERCY. That is a very important element in the matter.

Mr. STAFFORD. Mr. President, I concur in what the distinguished Senator from Texas said. I also note that all environmental protections must be complied with before the construction of a highway can be undertaken. Also all the problems involving people dispossessed and displaced by the highway must be taken care of. It does not seem to me that a highway could be built without taking care of all matters and without the planning and designing and without the agreement of the Secretary.

Mr. PERCY. Mr. President, I am delighted that the Senator has raised this environmental matter. I have been deeply concerned about this in the past, as the distinguished Senator from West Virginia, who is one of the great environmentalists of the U.S. Senate, knows. We worked very closely together at a time when the bulldozers were going to go ahead and make corridors through the city and not carry out the requirements of the law.

Mr. BENTSEN. Mr. President, I would say that all requirements under title 23 are still there.

Mr. PERCY. Mr. President, as the Senator knows, the Secretary has some very important statutory duties with regard to the building of a highway. For instance, he has certain environmental responsibilities under 42 U.S.C. 4321 et seq.—the National Environmental Policy Act of 1969—and 49 U.S.C. 1653(f). He has the responsibility of making sure that there is adequate relocation housing available before a single house can be bulldozed under 42 U.S.C. 4601 et seq.—the Federal Relocation Assistance Act of 1970—and I know that section very well since I introduced S. 3992 in 1970 which became the basis for the present law. Now, just to be certain we understand, I ask once again, does this section vitiate any of these legal responsibilities of the Secretary? Is he mandated to enter into this agreement, or does he still retain discretion on this matter and must he still obey the laws?

Mr. BENTSEN. The Secretary loses absolutely none of his legal responsibilities under this section. The section does not say that he must enter into any agreement like this. For example, if the city came up with 10 percent of the funds, this does not mean that the Secretary then has to go ahead and agree to the project.

Mr. STAFFORD. Mr. President, I concur in that statement.

Mr. PERCY. I would just add that so many citizens were deeply concerned about Crosstown that not only did former Secretary Volpe meet with citizens of Illinois, but he also made a special trip to Chicago, met with a cross-section of citizens in my office, and affirmed without any equivocation that he intended to abide by the law. He agreed that no longer would people have to feel that they would be bulldozed right out of their homes without having every provision of the law maintained, by providing adequate housing for people adversely affected by the construction of highways. And this is what is embodied in the legislation we passed in 1970. I trust that Secretary Brinegar will also abide by that policy, as I am sure he will.

Finally, in examining the effect of this section on the State, each State has the responsibility of determining for itself its own priorities among the designated interstate routes within its borders. And the State has the authority to determine where within a designated corridor to build the highway. In addition, at least in Illinois, the State has to make certain environmental findings. So, these are just examples of some of the responsibilities of the States and the Governors, and some of the discretion which they retain.

As I understand, this section does not nullify any of those responsibilities.

Mr. BENTSEN. It does not negate any of that, nor nullify any of it. The State's responsibilities under title 23 are still there.

Mr. STAFFORD. Mr. President, I would certainly concur with the opinion of the Senator from Texas in answer to that question.

Mr. PERCY. There is one final section to which I would simply like to give my own interpretation, as I have carefully studied it and read it. The language of the section refers to situations—

> where a segment of the interstate system was a designated part of such system on June 1, 1973, and is entirely within the boundaries of an incorporated city.

In the context of this section, I understand the word "segment" to mean the total section which has been designated as a part of the Interstate system. It also appears obvious to me that in order to make this section operative, the segment must lie entirely within the boundaries of a city. It does not say that a "segment of a segment" must be entirely within the city, because that would seem to be rather meaningless. I also do not think a segment is whatever anyone wants it to be. It must have a specific meaning. It is not 1 single foot, nor 1 single mile. Indeed, I would not think that anyone could argue that what this language really means is a "segment of a designated segment" which lies within the boundaries of a city.

In the case of Chicago, the designated segment of the Interstate System referred to as Crosstown does not lie entirely within the boundaries of the city. In fact, it spills over the city lines and continues into the city of Cicero. So it would seem to me that this language would not apply to the Crosstown because the segment which has been designated as a part of the Interstate System and known as Crosstown does not lie entirely within the boundaries of the city of Chicago.. Therefore, Chicago could not go to the Secretary to make an agreement on Crosstown pursuant to this section because Crosstown does not meet one of the essential requirements of this section.

Now, if someone wanted to argue that "segment" does not mean what it very obviously does mean, it seems he would still be in trouble, because why in the world would the Secretary or any mayor want to build that part of a designated highway which lies within the city when they know full well that the Governor of the State has absolutely no intention of building that part which is not within that city? Especially in the case of the Crosstown in Chicago, we would be liable to end up with the world's longest and most expensive parking lot, since it might not be connected with anything.

So, this part of the section which deals with the word "segment" seems to me to be crucial, because it refers to a "segment of the interstate highway system," not to a segment of a segment. It would be pretty foolish if someone tried to argue that, "Well, a segment is a foot or a mile or anything we want it to be." The plain meaning of that word, and its plain meaning as used in this section, indicates to me that when you talk about a designated segment, you are talking about the entire segment, and not a segment of a segment. If anything else were intended by those who drafted this section, I would have thought they would have made it clear. But, they did not, and so I am making clear the way it appears to me.

So, at the very least, it would seem to me that if one thing should be clear about this section it is that it does not apply to the Crosstown Expressway in Chicago. It may apply to other highways in other cities in other States, but not to Chicago's Crosstown. So, the people who tried to draft this section seem to have defeated their own purpose.

This language was not debated on the

floor of the House. It was not debated on the floor of the Senate. It was not studied by any congressional committee. It was not part of any bill which has passed the House or the Senate and no hearings were held on it. Indeed, it was only added to the bill in conference on the last day, when some members were not present, and with little or no discussion. This is no way to conduct the Nation's business. It sets a very bad precedent.

If one were reading through this bill, the language of section 110(b) would probably escape notice. It looks small and insignificant, buried as it is. However, it represents an attempt to change the entire history of our highway program by bypassing the Governor of a State, and trying to let the mayor of a city authorize highways. This is, indeed, a radical change. But even more than that, this language is an attempt to get around the serious objections which have been raised to building a highway in the third largest city in the Nation, at a cost of over $1 billion.

This highway would cost about $48 million per mile. The entire highway as proposed would be less than 20 miles in length. And with cost overruns and inflation, by the time this highway was actually built, the cost would, no doubt, be even higher than the projected $1 billion.

The effect on the people in the area of the proposed route of construction would be devastating. According to an industrial impact and relocation study—

> Approximately 130 firms employing between 8,190 and 11,675 workers will be displaced by the Expressway. This figure accounts for approximately 9.5% of the industrial jobs in the corridor and 1.2% of the industrial jobs in Chicago and Cicero.

A commercial impact and relocation study estimated that 1,332 commercial establishments employing an estimated 6,800 persons would be displaced if this highway were built. And of these, about one-half are small retail and service establishments. The potential for relocation is not very good since—

> a detailed analysis of vacant commercial spaces in adajacent neighborhoods shows that existing commercial vacancies could provide less than a third of the replacement space needed.

A housing impact and relocation study estimated that—

> The proposed route for the Crosstown Expressway will displace 3,470 dwelling units housing an estimated 10,400 persons.

Federal law requires that before people are removed from their homes, adequate housing must be provided which is decent, safe, and sanitary, which is accessible to the residents' places of employment, and which is located in areas that are generally not less desirable than those from which they were displaced and at rents or prices within the financial means of those being displaced (42 U.S.C. 4601 et seq.).

As I said, I introduced the legislation in 1970 which was the basis of the present law. We wanted to put an end to bulldozing people in cities without regard to what happens to them. Certainly the concerns which motivated me and the Congress at that time are not to be set aside by this very minor section of this bill. Yet this study points out that such replacement housing is not available. Thus, if the Federal laws could not be complied with, the highway could not be built.

Mr. President, these are just some of the problems which surround the Crosstown Expressway. I am not saying that a highway should not be built, or that Chicago does not face serious transportation problems, the solution for which will be costly. But, I am saying that we should not decide it in an executive Senate-House conference in Washington, D.C. The community and the State should decide whether to build this highway, where to build it, and how to build it.

So, what this section does is really nothing more than provide a scheme whereby a mayor of a city could try to get the Secretary to ignore the objections of the people of his city, the people of the State, and experts within the Department of Transportation. It does not say that the Secretary has to, or even should go along with such a scheme. It does not remove this matter from the discretion of the Secretary. And in the specific case of Crosstown in Chicago it does not remove the Governor from the picture as was intended by the authors of the section and was first presumed accomplished.

This section does not relieve a State of its responsibilities under the law. The responsibility continues to rest with the State, and no one else, including a city, to actually construct the highways. As a part of that responsibility the State has to use its judgment and its discretion in seeing that all of the applicable laws are met before construction can even begin.

Today we have shown very clearly what the legislative intent is not. It is not a mandate to build crosstown, or to break radically with the past and give the mayor of a city more power than the Secretary of Transportation or the Governor of a State in deciding whether to build a highway. This it does not do, and it should never be construed as being meant to do it.

Let a mayor of a city come up with his 10 percent. Fine, but the Secretary of Transportation is not thereby required to authorize construction, and the Governor of a State is not thereby required to ignore his legal duties.

I for one reiterate my position that we cannot just go ahead and bulldoze homes in the name of progress and the crosstown expressway without regard for present law that protects the need and wants of thousands of citizens. I thank the Senators for getting into the RECORD clarification of the meaning of this legislation.

I would close by indicating once again that I feel that this discussion demonstrates clearly and unequivocally that this particular section, section 110(b), not only is not going to build Crosstown, but it also sets a very bad precedent. As I say, it was not debated on the floor of the House; it was not debated on the floor of the Senate; it was not studied by any congressional committee; it was not a part of any bill which has passed the House or the Senate, and no hearings were held on it.

If hearings had been held, with full public discussion, the obvious defects of the section as now incorporated might have been brought to light.

I thank my distinguished colleagues for their extreme cooperation, and again commend them on the substance of the overall bill.

Mr. STAFFORD. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator has 21 minutes remaining.

Mr. STAFFORD. Mr. President, I reserve the remainder of my time.

Mr. BENTSEN. Mr. President, I yield the Senator from Illinois (Mr. STEVENSON) such time as he may require.

Mr. STEVENSON. Mr. President, I thank the chairman for his graciousness. I know he has an engagement, and I am grateful to him for suspending while I also address a few questions to the chairman of the Senate conferees.

I think the colloquy has been very helpful. It has resolved some of the questions; it has certainly made clear that the law cannot be abrogated with relation to complying with the provisions of the Relocation Assistance Act and the Environment Protection Act, and that the Secretary is not mandated by anything in this bill to go forward with the construction of the Crosstown.

My distinguished colleague from Illinois has said that section 110(b) was an attempt to build the Crosstown Expressway in Chicago despite the fact that the Governor of the State does not want it built. I think that statement deserves some clarification.

Is it not true that the amendment we are discussing only applies where the segment of the interstate system was designated as part of the system on or before June 1, 1973?

Mr. BENTSEN. The Senator from Illinois is correct. It reads specifically that—

> Notwithstanding subsections (e)(2) and (g) of this section, in any case where a segment of the Interstate System was a designated part of such System in June 1, 1973, and is entirely within the boundaries of an incorporated city and such city enters into an agreement with the Secretary to pay all non-Federal costs of construction of such segment, such segment shall be constructed.

Mr. STEVENSON. I thank the Senator. Is it not also true that no such designation could take effect without the State's participation in the planning process, and without its approval? It was the State, in the first instance, which sought the designation.

Mr. BENTSEN. That is correct. I would also say that although a State cannot dedesignate a section such as this, where the urban area is willing to pay for all the costs, the continuing responsibilities of the State are such, in the way of planning, supervision, and implementation, that it virtually makes it impossible for the project to be constructed without the cooperation of the State.

Mr. STEVENSON. I want to come to that. But the initial point is that this amendment, in substance, says that the State cannot change its mind if the city is willing to pay the cost. Perhaps it should change its mind. Conditions can change. I do not want to argue that point, and I do not want to express any approval here of efforts to legislate in conference.

I simply want the record straight on this particular provision. The State of Illinois approved the original designation. Now it seeks to withdraw that approval. It seems to me that what we are really saying is that the amendment in question will not do away with the need for cooperation between the State and city authorities if the urban expressway is to be built under this amendment.

Mr. BENTSEN. That is correct. The Senator was correct, of course, again, in his statement that it would not be a part of the interstate without the designation of the State.

Mr. STEVENSON. Mr. President, if that cooperation is not forthcoming, and the State refuses to participate in the construction of such a highway while the city continues to profess its desire to move ahead, under this amendment there would be a stalemate—a stalemate which would tie up the expenditure of the tax moneys earmarked for that highway while the transportation needs of the urban area go unmet. Is that not possible?

Mr. BENTSEN. We have this kind of situation where the State could not de-designate, but on the other hand, the city could not proceed because of the planning.

Mr. STEVENSON. If that is the case, it would be a mistake for anyone to assume that this amendment settles the crosstown controversy in the city of Chicago. Nine hundred million dollars of taxpayers' money in the highway trust fund has been set aside for the construction of this highway and mass transit facility. Yet, the positions of the State house in Springfield and City Hall in Chicago with regard to how this $900 million ought to be spent have been uncompromising. It is not and should not be the business of the Congress to intervene and dictate a settlement in such local disputes. If that is what this amendment did, I, along with many of my colleagues, would be strongly opposed to it. As it is, the effect of the amendment is limited—certainly not enough to warrant upsetting the historic breakthrough of opening up urban funds in the highway trust fund for mass transit.

By itself, it appears this amendment would not allow the construction of anything. Thus, the central issue in the crosstown controversy is not the effect of this amendment. The issue continues to be whether the State of Illinois and the city of Chicago can reach some agreement that will preserve $900 million in sorely needed transportation funds for the Nation's second largest city. The Secretary of Transportation cannot be expected to keep these funds reserved indefinitely. Continued stalemate only increases the danger that the entire $900 million could be lost to a city with overwhelming transportation needs.

Furthermore, the rejection by the House of the Senate's provisions allowing transfer of highway trust fund moneys earmarked for projects like the crosstown to other urban transportation projects make it unlikely that funds for the crosstown could be transferred to some other project. In other words, it could come down to a choice of $900 million for the crosstown or nothing. Clearly, the decision on whether to build the crosstown should be based on an objective analysis of the project and this possibility that it is either the crosstown or an enormous loss of highway trust funds for Illinois. The stakes are very high.

I do not believe it is the job of the Congress to make that kind of analysis, and based on your helpful comments today, Mr. Chairman, I do not believe passage of this conference report dictates the outcome.

It would be a tragedy for Chicago and Illinois if a stalemate results in the loss of $900 million in sorely needed transportation funds.

I am not a highway engineer nor do I possess the kind of staff resources or qualifications to determine the merits of the various proposals set forth for utilizing this $900 million. But there are independent experts in Illinois who can.

I have, therefore, called upon Dr. John Bailey, director of the transportation center at Northwestern University and president of the Metropolitan Housing and Planning Council of Chicago to convene a special committee of experts to conduct just such an independent analysis. An earlier study by the metropolitan housing and planning council gave approval to the crosstown, provided that certain specified relocation and environmental problems could be overcome.

Because of new disclosures by opponents of the expressway, the new provisions of the Highway Act and continued controversy, I have asked Dr. Bailey to reopen and expand his study. He has assured me that his special committee will hear from all sides and attempt to make recommendations based on their assessment of both merits and the chances for actually constructing the various proposals.

I shall rely heavily on the recommendations of this independent committee of experts. I would hope that both the city of Chicago and the State of Illinois could do the same, and use this committee's findings as a basis for an agreement that will preserve $900 million for an improved transportation system in the city of Chicago.

Mr. President, I just want to thank the Senator from Texas and the Senator from West Virginia for facing up to the realities of this question. If facing up to the realities of what this amendment can and cannot do can lead to recommendations which break the current deadlock in Illinois over the Crosstown Expressway, the real beneficiaries will be the citizens of Chicago and Illinois. The Congress has preserved the responsibility of State and local decisionmakers, and it is now up to those decisionmakers to make their peace.

Mr. BENTSEN. Mr. President, no man in this body has a greater knowledge of highways and the transportation needs of this country than the man who will speak next, the distinguished chairman of the full committee, the Senator from West Virginia (Mr. RANDOLPH).

Mr. RANDOLPH. Mr. President, I am grateful for the gracious and generous remarks of the chairman of the Subcommittee on Transportation of the Committee on Public Works.

I think it is very important for the membership of the Senate to realize that there were crucial matters contained in the approaches in the Senate-passed bill and the House-passed bill as we went to conference. All of these differences were considered and not hurried in their consideration by our able chairman and floor manager, with the Senator from Vermont (Mr. STAFFORD) on this measure.

Mr. President, the conference report before the Senate today is the product of 29 meetings by Members of the Senate and House extending over a period of 2½ months. This was a difficult conference, in fact, one of the most difficult with which I have been involved in the nearly 29 years I have been in Congress.

The conference deliberations were arduous, but I consider them time well-spent. The end result of this effort is not only a bill that extends the Federal-aid highway program but also continues the process of refining this program that affects the lives of virtually every American.

This bill makes major changes in the highway program in keeping with the expressed wishes of the Senate and House of Representatives. When the two bodies voted on highway legislation earlier this year they adopted opposing positions on some of the key issues. These stances and the importance of the issues contributed to the difficulty of reaching agreement. I believe, however, that we successfully resolved these questions in a manner consistent with the positions adopted by both the Senate and House. This, of course, is the duty of any conference committee that approaches its work.

The primary obstacle to an agreement on this bill was the mass transit issue. The question of whether highway funds should be used to help finance mass transit development was extensively debated in the Senate both this year and last year. The Senate decided that urban areas should be given the opportunity to use trust funds for traditional highway construction or for public transportation. After equally thorough consideration, the House of Representatives took the opposite position.

This issue was not one that developed suddenly after the convening of the 93d Congress. It has been building for several years and has been the subject of intense public debate.

The difficulty of the conference committee in resolving the mass transit question was based to a substantial degree on the fact that it concerned matters of principle strongly held by Members of Congress. It also related to a major policy change affecting the transportation programs of the United States.

There were many important features in the Federal-Aid Highway Act of 1973, and each of them was thoroughly considered during our deliberations. It was, however, the mass transit problem that occupied the greatest amount of time, and it was this problem that more than once brought the conference to the brink of failure. Members, however, were determined not to fail. Through continued negotiations that exhibited a willingness to compromise, we did not fail. While the end result of our efforts was indeed a compromise, it was not one that impairs the effectiveness of either the highway or mass transit programs, nor was it a compromise outside the scope of the positions held by the Senate and House of Representatives.

The decisions reached provide what I believe to be a realistic approach adopting the highway program to assist cities in meeting both their highway and mass transit needs. Contained in the conference report are elements of both the Senate and House bills. During fiscal year 1974, urban areas may surrender interstate highway authorizations allocated to them in exchange for mass transit contract authority to be paid from general funds. The second year of the bill, fiscal year 1975, could best be described as a period of transition. During that year the transfer authority which I have just described would remain in effect for rail mass transit. In addition, urban areas would have the authority to use highway funds, if they so choose, for public transportation purposes that were highway-related, including the purchase of buses. In this year, such use of highway funds would be limited to a maximum of $200 million.

In fiscal year 1976, the third year covered by the bill, the provisions of S. 502 as passed by the Senate would take effect. This provides that urban areas can use their portions of the highway fund for either highways or any form of mass transit they deem necessary. The only restriction is that the provisions scheduled for the third year would not take effect if, in the meantime, the Congress has provided another trust fund or some other method of assured financing for all urban transportation. Such a source of financing would give urban areas the flexibility and freedom of choice, the principle underlying the Senate position on this issue.

I am sure there are individuals on both sides of the question who are dissatisfied with our answer to an extremely difficult and complex problem. The decisions of the conference committee relative to this point, however, are realistic and they are workable. From a practical standpoint, I believe them to be the only decisions we could reach to avoid a complete breakdown of the conference.

Had we failed to reach agreement it is extremely unlikely that there would have been a highway bill this year. Failure, furthermore, would have only postponed the resolution of problems which have been debated by the Congress.

Since the highway trust fund was established in 1956, transportation needs in the United States have changed. Through the years we have endeavored to modify the Federal-aid highway program to maintain its ability to respond to these changes. The bill before the Senate continues this process.

The Interstate highway system is now 82 percent completed, offering to Americans a degree of individual mobility that they have never before enjoyed. While we have concentrated on Interstate construction during the past 17 years, other segments of our national highway network were relatively neglected and will require increased emphasis in the future. At the same time, the trend to urbanization accelerated. There has been a growing concern about the environment and the part performed by automobiles in polluting the atmosphere. The energy shortage and the realization that there are practical limits to road building in cities have revived interest in mass transit. Many cities are now making heavy expenditures on new and improved mass transit systems. Consequently, the highway trust fund with its assured financing emerged as an attractive means to aid in mass transit development.

I have opposed the full commitment of trust fund resources to mass transit and believed utilization of the trust fund should be limited to highway related transit. The Senate adopted a broader approach and the conference report—which I fully support—embodies that approach.

Mr. President, I mentioned earlier that there were other extremely important features of this bill besides those relating to mass transit. The able Senator from Texas (Mr. BENTSEN) has fully described this legislation so I will not cover its provisions in detail. I will, however, add emphasis to what I believe are some of its key provisions.

Throughout the development of this bill we kept in mind the need for fiscal restraint. The result is legislation that is adequate to meet transportation needs but not excessive in its monetary authorizations.

Expenditures from the highway trust fund provided are within the financing capabilities projected for the fund. Trust fund receipts have grown steadily since its establishment and, in fact, have generally been higher than anticipated.

I call attention to the inclusion in this conference report of programs relating to highway safety. While the Senate considered and passed separate highway safety legislation (S. 893), the House included safety in its version of S. 502. Inclusion of highway safety programs in the general highway bill was one of the difficult questions to be resolved by the conferees. In the end, we adopted the general approach of the House but with changes in the program and in the funding levels.

Title II of the conference report contains highway safety provisions and includes further authorizations for the bridge reconstruction and replacement program. This aspect of the highway program is one in which I have a strong personal interest, since I sponsored the effort in the Senate. The bridge program was first authorized in the Federal-Aid Highway Act of 1970. It was the result of extensive studies which followed the collapse of the Silver Bridge into the Ohio River in late 1967 and which revealed that many thousands of highway bridges in this country are suffering from prolonged neglect.

Since enactment of the bridge replacement program, substantial progress has been made in identifying bridge problems throughout the country. We have also assisted States to begin replacing or repairing many deficient structures. This is a costly process and many years will be required to do the job that must be done. The legislation before the Senate authorizes a total of $175 million for the bridge replacement program. I recognize that this is insufficient when measured against our total bridge needs. The conference committee, however, operated under the need for stringent fiscal restrictions, and all highway programs—including that for bridges—had to be adjusted accordingly. The authorizations for bridge replacement for the next 3 years will permit this program to continue to progress on the base already established.

Although major public concern with this legislation has related to urban mass transit, the legislation also addresses the serious problem of public transportation in rural areas. Many lightly populated regions of our country are totally without any public transportation services. In others, these services are woefully inadequate. In our own State, for instance, the failure of a private company a few years ago left approximately one-third of West Virginia without bus service. Similar situations exist everywhere depriving millions of Americans of the mobility enjoyed by the majority of our citizens.

The conference report on S. 502 authorizes the Secretary of Transportation to conduct a demonstration program on rural highway public transportation. The bill authorizes $30 million for this program to explore ways in which effective and efficient public transportation can be made available in lightly populated areas. I sponsored this program in the Senate and I believe it was one that will have widespread impact throughout the country.

Mr. President, one provision of S. 502 which is of continuing interest to me authorizes the construction of the Highland Scenic Highway in West Virginia as a parkway. The Highland Scenic Highway is planned as a recreational roadway running north from the city of Richwood, the "gateway to the scenic highway," through the Monongahela National Forest. I have had two intentions with this provision: to authorize construction of this important recreational road opening one of the most beautiful mountain areas in America to the thousands of visitors who will be attracted to West Virginia by it, and to insure that any construction of the highway or other activity in this area does not damage the upper Shavers Fork watershed.

The original proposed route for the Highland Scenic Highway from U.S. 219 to U.S. 250 lies just below the ridge top in the upper Shavers Fork watershed. Presently this land is entirely in private ownership. Concern was voiced that siltation and runoff from the highly acid soil in that area from any road construction would jeopardize the fragile Shavers Fork. Of course, while the land is in private ownership there is no guarantee that mining and timbering activities would not produce the same effect, regardless of road construction.

The 27-mile section from Thorny Flats to U.S. 250, which would be authorized by this bill, crosses privately owned land which has been recommended for National Forest acquisition. This acquisition has been prevented by the lack of funds in the past. It has been my hope that the funds and the additional scenic easement acquisition authority included in S. 502 in connection with the Highland Scenic Highway authorization, would allow the Forest Service finally to acquire enough of the private lands, mineral rights, and other interests to protect scenic and other public values in the upper Shavers Fork drainage, as well as to maintain a scenic highway corridor.

Therefore, to assure that the scenic highway would be built in the Shavers Fork watershed only if the Forest Service acquires sufficient land and interests to maintain an adequate scenic corridor and protect water quality, and to give the Forest Service authority and funds to acquire that land, I offered a number of amendments to this section which were adopted by the conferees.

The authority to acquire scenic easements and lands containing such easements is amended to include the acquisition of mineral rights and the reclamation of mined or clear-cut areas within the scenic corridor. As the language of the bill reads, highway trust funds will be available to acquire lands and interests in land such as mineral rights and scenic easements for a scenic corridor forest management unit which in the Shavers Fork drainage may be valley-wide.

Subsection (h) requires that before any construction can take place in the upper Shavers Fork watershed, the Forest Service must have utilized this authority and actually acquired this substantial scenic corridor. A narrow right-of-way screened by trees, with scenic easements only for selected vistas, will not be adequate. Enough control must be acquired in the watershed to manage this area of the Monongahela National Forest as a unit, protecting and improving the water quality of Shavers Fork, with the Scenic Highway an integral part of that unit.

Of course, no route for the scenic highway has been definitely chosen nor is any dictated by this bill. The route will be selected and a decision to construct the highway made after the preparation of an environmental impact statement considering all alternatives, as required by the National Environmental Policy Act. The Forest Service has committed itself to public involvement in this decision-making process, as well as consultation with concerned environmental groups. The study and consideration of alternatives should be undertaken in connection with the forest unit management plan for the upper Shavers Fork, for which the Forest Service is also required to prepare an environmental impact statement.

The portion of the Highland Scenic Highway authorized for construction in S. 502 does not include the part of the road originally proposed to be built from U.S. 250 to Cunningham Knob through the Cheat Mountain, Shavers Mountain, and Greenbrier River headwaters area. This section of the proposed road would have a great and unacceptable potential for environmental damage, and I am opposed to its construction. I took the opportunity in the conference on S. 502 to recommend amending the language of the bill to prohibit the construction of this section of the proposed route and to require that any connection with a more northerly section of the Highland Scenic Highway be by existing routes, such as U.S. 250, and West Virginia Route 28, and perhaps the proposed Spruce Knob Scenic Drive. This amendment was adopted by the conferees.

Other amendments included in the conference report at my request make the Secretary of Agriculture, acting through the Forest Service, the constructing agency for the parkway, and also make it clear that the road is a parkway limited to passenger car travel immediately on enactment of this law, not open to commercial logging or mining traffic even during the construction phase.

An amendment provides that the parkway shall be a route on the Federal-aid secondary system, to allow highway trust funds to be utilized for the Highland Scenic Highway. The conferees emphasize in the explanatory statement accompanying the report their intention that parkways be limited to noncommercial traffic regardless of the fact that parkway construction for the first time can be financed out of the highway trust fund.

A further amendment I offered requires the Highland Scenic Highway to be designed as a scenic highway, fit for lower speeds, sticking as close as possible to present topographic contours in this beautiful mountainous area, and minimizing any changes in natural drainage.

Mr. President, I have said that I doubted if the features of this bill would be totally acceptable to all of those individuals and organizations who have an interest in this legislation. Prior to the convening of this conference on May 9, I discussed in the Senate my conception of my role as a conferee and what I felt were the major issues to be resolved. At that time I told my colleagues that I would uphold the integrity of this body regarding this bill even though there were points with which I had personal disagreement. I believe the record of this conference will indicate that I followed such a course, and I appreciate the kind comments of the Senator from Texas (Mr. BENTSEN) in this regard.

I repeat that this was not an easy conference. Members from both houses were diligent in pursuit of their objectives and steadfast in resisting proposals which they considered at variance with their obligations.

I do not like to describe the results of any negotiations as a victory for one side or the other, for the conference procedure is essentially one of accommodation. With regard to the mass transit issue the resulting provisions certainly reflect considerable compromise by both sides. As part of the agreement, however, the House conferees accepted the key philosophical point in the Senate bill—specifically that highway trust funds can be used for all forms of mass transit development. This was an important concession on the part of the House and may well be considered a precedent in the future development of transportation legislation.

I am surprised, under the circumstances, at the reaction of some observers. I refer particularly to an editorial in the New York Times of July 29. This commentary describes the bill as a "disgrace" from the viewpoint of mass transit. That is the thrust of the opposition to the bill set forth in the editorial. The editorial is titled "Highway Lobby Triumph." I ask unanimous consent to have the editorial printed at this point in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the New York Times, July 29, 1973]

HIGHWAY LOBBY TRIUMPH

After more than two months of negotiations, House-Senate conferees have agreed upon a three-year extension of the Highway Trust Fund. Nominally a compromise, the bill constitutes a major victory for the highway lobby.

In originally approving renewal of the fund which generates $6 billion annually in revenue, the Senate had voted to permit the cities to use their portion of the fund—$850 million a year—for subways, buses, commuter railroads and other forms of mass transit if they so chose.

The House of Representatives, led by its Public Works Committee, refused to admit that anything had changed since Henry Ford first marketed the Model T. Under the terms of the House bill, the automobile was deemed sacrosanct and not one penny of that $6 billion could be used for mass transit.

To break the deadlock, the conferees agreed that $200-million of a reduced urban share of the trust fund could be spent next year for express buses (but not this year). Inasmuch as buses use oil and gas and run on highways, they are the only form of mass transit acceptable to the oil-gas-cement-automobile lobbies which hold the House in vassaldom.

Finally, in the third year of the bill, beginning July 1, 1975, the cities could use their share of the money for any form of mass transit instead of being required to build urban highways. It is this concession which enables the measure to be described as a compromise.

The bill can only be described as a disgrace. Are the cities of the nation not entitled to decide how they are to spend their own share of the trust fund? For Congress to make an inadequate sum of money available in 1975 means that Congress will be about twenty years behind the times in responding to an ever more critical problem. Moreover, the bill is loaded with objectionable features. Operating subsidies for mass transit have been stricken. Non-interstate superhighways outside the cities as well as extensions of those highways within the cities are authorized.

As a practical matter, advocates of mass transit have little elbow room in which to maneuver. Without strong leadership from the Administration, which has not been forthcoming, it is difficult to overcome the massed forces of the oil-gas-cement-automobile lobbies. If the "compromise" is not accepted, a one-year extension of the existing highway trust fund programs would be almost certain of approval.

Unhappily, the traffic jam will have to become more tangled, the gasoline shortage more acute, and the polluted air even dirtier before Congress recognizes that additional billions for benefit of the private truck and automobile are not the total answer to the nation's transportation needs.

Mr. RANDOLPH. The editorial utilizes a reasoning with which I am in disagreement and which is incomprehensible. It is based primarily on the fact that the conference report does not provide full trust fund support for mass transit until fiscal year 1976. The editorial ignores completely the fact that there are two sides to this question, as we have indicated.

There is a differing viewpoint from another major newspaper, the Los Angeles Times. I ask unanimous consent to have printed at this point in the RECORD the editorial comment, which is titled "A Precedent for Transit Aid."

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the Los Angeles Times, July 22, 1973]

A PRECEDENT FOR TRANSIT AID

The compromise reached by congressional conferees on the use of highway trust funds for urban mass transit falls well short of meeting the immediate needs of the cities, but it represents a start that can be built on in future years, and that start is real progress.

The main significance of the agreement in the joint House-Senate conference committee lies in the precedent it sets: for the first time a way has been cleared for a portion of trust fund revenues to be spent on urban rail and bus lines. It will be a tiny portion to begin with—little more than 3% of the $6 billion a year the fund accumulates—but that amount can and will increase.

The big break, after 11 weeks of deadlocked negotiations, came when a California congressman, Harold T. Johnson (D-Roseville), reversed his earlier opposition and voted to accept a key principle of the Senate version of the highway aid bill. This allows, but does not require, metropolitan areas to spend their trust fund allocations on public transit, instead of on more roads. This sensible and necessary approach will permit cities to determine for themselves just what their priority transportation needs are.

The House had rejected this approach. Under intense pressure from the highway lobby, it voted to keep the trust fund intact, not to allow any part of it to go to mass transit support. The highway lobby profits from the construction and heavy use of roads. It has feared, correctly we hope, that once the trust fund was broken open a steadily increasing share of it might go to nonhighway uses. Given the immense transportation needs of the cities, given the convergent problems of urban congestion, environmental pollution and energy shortages, that is exactly what should happen.

It won't happen right away, though. The compromise agreement will keep the trust fund intact for one more year. Then, beginning next July 1, up to $200 million can be spent on urban bus systems. A year later, the entire $800 million earmarked in the highway bill for urban roads may be spent on rail and bus systems. After that, as the highway aid law again comes up for review, the allocation to urban transit can be increased. And of course it should be, for that is where the need is.

The one-year delay before the trust fund is opened up will mean added hardship for cities where mass transit requirements have already been thoroughly surveyed, and where all that is lacking is adequate money to get started. For others, including Los Angeles, the year's delay can profitably be used for sound planning, with some greater assurance than ever before that a transit system aided with federal funds can become a reality.

Mr. RANDOLPH. The closing words in that editorial, an editorial believing in a greater thrust on rail transit, are as follows:

> . . . the year's delay can profitably be used for sound planning, with some greater assurance than ever before that a transit system aided with Federal funds can become a reality.

I fully expect to read other analyses of the conference report which perhaps will, on the one side, speak of capitulation to the highway needs and, on the other, capitulation to the mass transit needs.

I am sure that the Senator from Texas and the Senator from New Hampshire and all the other conferees, both Senate and House, are concerned not that there be a difference of opinion—we welcome that—but there are times when there is unsupported and inaccurate appraisal of what we believe we have accomplished, such as the New York Times editorial.

Mr. President, early this year when Senator BENTSEN was named chairman of our Subcommittee on Transportation I expressed my belief that he would perform his duties with intelligence, with vigor, and with distinction.

Throughout the Senate development of the House bill he guided this legislation deftly. His performance as chairman of the Senate conferees was one to earn him the admiration of every member of this body.

The responsible completion of this legislation could not have taken place without the participation of other conferees. Senators MUSKIE, MONTOYA, BAKER, BUCKLEY, and STAFFORD all made major contributions to the conference procedure. They were faithful in their attention to this legislation and their actions reflected their keen awareness of its importance.

Representative JIM WRIGHT of Texas presided over the conference with reason and fairness and was an able representative of his house. The other House conferees, Representatives JOHN BLATNIK, JOHN KLUCZYNSKI, HAROLD JOHNSON of California, JAMES V. STANTON, WILLIAM HARSHA, JAMES CLEVELAND, DON H. CLAUSEN, and GENE SNYDER, were diligent in their duties and approached them with a seriousness of purpose that helped us to succeed.

Mr. President, the conference report in the final analysis embodies a sound, realistic, and a workable expansion of important Federal activity and I strongly urge the acceptance by Members of this body of the labors that have been wrought.

Mr. BENTSEN. Mr. President, I thank the distinguished chairman of the committee for his contribution to the debate which affords a better understanding of this legislation.

I yield 5 minutes to the Senator from New Jersey.

The ACTING PRESIDENT pro tempore. The Senator from New Jersey is recognized.

Mr. WILLIAMS. Mr. President, it is with great reluctance that I rise to oppose the conference report on S. 502, the Federal Highway Act.

My great concern runs to the other provisions of the report dealing with the treatment of our highway program, a program that I believe in, and I recognize fully this was one of the hardest conferences many of our colleagues have gone to with the House of Representatives, probably in all of this year. I know the long hours they worked in that conference, the demands upon them in time, as well as the emotional demands. So I reluctantly oppose the conference report. I do it, because it is my hope that this legislation could at long last deal realistically and comprehensively with urban transportation problems, the blending of highways together with mass transportation facilities.

I find the sections pertaining to urban mass transportation entirely unsatisfactory.

In deleting the provisions which would provide operating assistance to existing mass transit systems, the conferees refused to face up to the fact that efficient urban mass transportation is a matter of public responsibility providing benefits not just to the individual transit rider, but to our entire economy.

What good are all of the lofty pronouncements on a better environment, or on providing cleaner air by curtailing the use of the auto, when existing transit systems teeter on the brink of insolvency unable to provide the urban mobility necessary to achieve these worthy goals.

By deleting the $800 million for operating assistance provided for in the Senate bill—legislation which the Senate has now passed on four separate occasions—and at the same time authorizing many more miles of primary and secondary highways, the conferees have once again proven the old adage of dollars for highways, but tokens for transit.

I know we will be told that the bill agreed upon provides for $3 billion for the purchase of rail and bus equipment for fiscal years 1975 and 1976; and that small portions of the highway trust will be made available for similar purposes beginning in fiscal 1976—the year that the highway trust fund expires—but these pronouncements, as optimistic as they appear, completely miss the point.

Mr. RANDOLPH. Mr. President, will the Senator yield?

Mr. WILLIAMS. I yield.

Mr. RANDOLPH. I believe I heard the able Senator from New Jersey say that the highway trust fund expires in 1976.

Mr. WILLIAMS. I did, under the original act.

Mr. RANDOLPH. October 1977.

Mr. WILLIAMS. The correction will be made. I appreciate the correction.

Mr. President, the real need is for an immediate transfusion of operating assistance so that our existing transit systems are operational when the fully funded capital grant program takes effect.

Today's situation has reached intolerable levels.

During the past 10 years the number of municipalities forced to initiate local programs of operating assistance has increased by over 400 percent and deficits are now at a rate of over $400 million a year.

Carmack Cochman, chairman of the American Transit Association's Legislative Committee stated the problem clearly and succinctly when he testified as follows:

> There has been an acceleration of public takeover of private transit properties which cannot meet cost, pay taxes or make payments to pension programs.
>
> Consider that since 1970, when we first began making this case, there are now 53 fewer private transit systems in the country.
>
> We estimate that by the end of this fiscal year 25 or 30 more will either cease to exist or become public property.
>
> These private transit companies do not leave the business because they've made a killing and now want to retire.

They get out because finances, rising costs and more dependence on the automobile have forced them out.

There are now 160 public transit systems in the Nation, representing all but an insignificant fraction of the total transit ridership.

All of these face the same grim facts and prospects which we have detailed for you on three previous occasions.

Subsidy offers hope, stability and a promise of a truly balanced urban transportation system.

The man who said those words knows the situation inside and out and helped us immeasurably, which is one of the reasons why we have four times passed this bill in the Senate.

Mr. President, the case for revitalizing our Nation's mass transit systems has been made and operating assistance is an indispensable part of that case.

On March 14 of this year the Senate adopted my proposal and included it as part of S. 502 by a 59 to 36 vote.

At that time we recognized the need to halt the raising of fares to intolerable levels thus reducing ridership and curtailing existing transit services.

We realize that thep oor, the infirm, and the elderly should not be relegated to a life without transit services.

We realized that this was a national problem and not one for individual localities to solve on an ad hoc basis.

And foremost of all we realized that mass transit is the lifeblood of an urbanized society and that a program of capital grants meshed into one of operating assistance can go a long way toward alleviating the distress of both private transit operators and the increasing number of municipalities who own and operate these systems.

Yet despite the unchallenged need this essential program was dropped in conference.

And for what reason?

The only one which I have been able to ascertain was the threat of a Presidential veto.

Representatives of the executive branch reportedly told the conferees that if any operating assistance program for mass transit was included in the highway bill, the President would veto it.

I only wish that the President would exhibit such fiscal courage in the areas of defense spending and authorizations for additional mile upon mile of highways.

Like the President's 18-month moratorium on low-income housing, his threatened veto of S. 502 shows a total disregard for the problems of our Nation's cities and the citizens who inhabit them.

And, although the conferees labored long and hard to report a veto-proof bill, the absence of operating subsidies compels me to vote against the report.

However, the issue of operating assistance and better urban mass transportation is far too vital to brush under the rug.

I, for one, intend to bring this issue to the Senate floor for a fifth time as a separate bill.

And I have been informed that the sponsors on the House side will take similar action.

Only then will we in the Congress have fulfilled our responsibility to the American people.

Mr. President, the New York Times in its July 29, 1973, editorial entitled "Highway Lobby Triumph" clearly and concisely describes what the adoption of this conference report will mean to our cities when it states—

> Unhappily, the traffic jam will have to become more entangled, the gasoline shortage more acute, and the polluted air even dirtier before Congress recognizes that additional billions for benefit of the private truck and automobile are not the total answer to the nation's transportation needs.

I thank the floor manager, the distinguished Senator from Texas, and I fully appreciate all the work that he put into the measure before us. It is on this one proposition I have to take my stand.

Mr. BENTSEN. Mr. President, I have listened with a great deal of interest to the distinguished Senator from New Jersey. No man in the Senate has done more for mass transit than he. I am obviously concerned and disappointed that he has to oppose this measure. I supported the Senator's amendment on operating subsidies. I feel strongly about it. The Senate conferees tried very hard to accomplish that objective. We made several offers of compromise on the bill, which included operating subsidies. We explored the possibility with the White House, and we were told the administration was adamant on this proposal; that it would absolutely result in the veto of this bill if we included operating subsidies.

The House conferees were equally adamant in opposition to operating subsidies. However, as the Senator from New Jersey has noted, this bill provides $3 billion—the Senator's amendment—for mass transit. That has been left in virtually intact and we feel the Senator has made a major contribution to mass transit in that regard.

I might also say that the four Senate conferees who voted for the Muskie-Baker amendment would not be voting today for this conference report and would not have signed this conference report unless they thought that there was a substantial contribution and breakthrough for mass transit in this measure. I believe there are those who are concerned about mass transit who have said, as we went into conference, that there really was not a chance for the kind of breakthrough we have made in this area and in this conference report.

I would say to my other colleagues who share the concern of the distinguished Senator from New Jersey that we labored long and hard to bring this about. I think we have made a significant contribution for the transit needs of the country in this bill.

Too long have the people of this country been in doubt as to what was going to happen to our transportation programs. We lost this bill last year. We were not able to pass it, and so we have labored long and hard to do it this time. It does not satisfy in totality either side. There was give and take on both sides. It was a consensus. I think it was a good compromise and I think it was a worthwhile effort.

I yield now to the distinguished Senator from West Virginia (Mr. RANDOLPH).

Mr. RANDOLPH. Mr. President, I wish to reinforce, although I think it would be unnecessary, the tribute of the Senator from Texas (Mr. BENTSEN) to the able Senator from New Jersey (Mr. WILLIAMS). The Senate conferees supported the position of the Senator from New Jersey in the conference, but as has been stated, we had the larger responsibility of bringing to the Senate and to the House a measure that would embody the strengthening of the mobility of our country, including a substantial contribution to the furtherance of attention to the needs of urban transportation.

We regret the Senator's not being able to support the conference report. His leadership now and in the future will be something that I personally would want to follow, and will follow, except in a situation of this kind where I have a bigger responsibility than to one form of transportation. This is a measure which will express the thinking of the two bodies with reference to this important matter.

The PRESIDING OFFICER. The time of the Senator from Texas has expired.

The Senator from Vermont has 21 minutes remaining.

Mr. HARRY F. BYRD, JR. Mr. President, will the Senator yield me several minutes to ask some questions?

Mr. STAFFORD. Mr. President, I am glad to yield to the distinguished Senator from Virginia for up to 5 minutes.

Mr. HARRY F. BYRD, JR. I thank the Senator.

First, I invite the Senator's attention to page 70 of the conference report, where there is a section entitled "Special Urban High Density Traffic Program." The facilities authorized by this program are of a short-span or connection type, to connect with existing routes of the interstate system.

In the Portsmouth-Norfolk area of Virginia there are three spurs of the interstate system: I–264 from the east, I–464 from the south, and I–264 from the west. All three terminate practically at the river edge, less than a mile and a half apart. These interstate spurs urgently need to be connected by a facility apparently of the type authorized by the new section 147 of title 23.

Do you believe a facility such as I have described in the Portsmouth-Norfolk area is within the purview of the new section 147?

My question to the distinguished Senator from Texas is: Does he believe that a facility such as I have described in the Portsmouth-Norfolk area is within the purview of section 147?

Mr. BENTSEN. I would say to the distinguished Senator from Virginia that we provided the Secretary with authority to develop certain guidelines; but within those that have been placed in this bill, from the cursory description given to me, yes, I would consider that project to be one that could be supported if funds were not available from other highway programs.

Mr. STAFFORD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. McCLURE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. HARRY F. BYRD, Jr.). Without objection, it is so ordered.

Mr. STAFFORD. Mr. President, I yield to the Senator from Idaho.

Mr. McCLURE. Mr. President, I wish to express my strong support for adoption of the conference report on S. 502.

Many important provisions in the bill have already been discussed by my colleagues. I would like to discuss briefly one aspect of the bill that has particular relevance to the West, and particularly my State of Idaho: Federal assistance for forest development roads and trails and forest highways. The conference report authorizes $140,000,000 yearly for forest development roads and trails, nearly double the $75,000,000 yearly that was authorized in the Senate version of the bill. The forest highway authorization of $33,000,000 yearly is identical to the Senate version.

Forest roads and trails are a vital part of management of our national forests. This is especially true in my State of Idaho where two-thirds of the land is owned by the Federal Government and 57 percent of this is in national forests.

The forest development road system exists for support of resource management activities. Road maintenance and construction activities support management of timber, wildlife, recreation, and range activities. The benefits of road access accrue for many years after construction.

Timber needs of the Nation to meet the housing goals continue to place pressure on developing and intensifying management of presently inaccessible and poorly accessible areas of national forests. Provision of an adequate road system is a prerequisite for increasing the timber available for sale and cutting.

But the benefits of these roads is not limited to the necessary harvesting of timber. There is a need to provide access to some areas not now served by roads to relieve pressures on existing campground and other recreation areas.

Roads also provide protection of our National Forests from natural disasters of fire, insects and disease. Efficient accomplishment of these jobs requires adequate forest road facilities.

Currently, the National Forest Development Road System consists of 197,000 miles of existing roads ranging from the single-lane limited service roads for special activities, to two-lane paved major access routes for full service to ongoing activities with large volumes of user traffic.

The Forest Service now estimates that more than 146,000 miles of these existing roads require some form of reconstruction ranging from simple widening of curves and adding turnouts for improved safety, to complete replacement with higher standard roads consistent with the traffic demands. The Pierce Superior Road on the Clearwater National Forest is an example of a 20-year-old primitive road in need of reconstruction to safely carry present traffic. Latest estimates show a need for approximately 150,000 miles of new road.

The need for improved forest highways is equally strong. These are segments of public highways, including State and county roads, and Federal railroads that cross National Forests. These routes can and have been selected as important contributors to the development and enhancement of the resources of the National Forest and of the Nation as a whole. Their construction and maintenance will be beneficial to all of our citizens. There is now a serious deficiency in financing that is causing a loss of resource value to the general public. Planned funding is not enough to meet the need. I can attest to the great need to improve the 1,200 miles of forest highways in Idaho. Much of our Idaho State and county highway system across the National Forests are designated as forest highways. Offhand, I would point to needs on the Trail Creek Forest Highway between U.S. 93 and U.S. 93 alternate near Sun Valley—a recreation route—or the Banks-Lowman Highway across the Boise National Forest, an extremely important timber route.

The operation, maintenance, and construction of the National Forest roads and trails system, and the construction of forest highways across the National Forests are important portions of the Federal Highway Act.

Adoption of this conference report will assure that this necessary work can go forward.

On the other hand, Mr. President, the conference report authorizes approval by the Secretary of Transportation of projects for the construction, reconstruction, and improvement of fixed rail facilities, including the purchase of rolling stock for fixed rail, beginning in fiscal year 1976. I believe that this is an unfortunate decision—a decision which could delay the necessary planning for a sound financial basis for urban rail transit systems. While the conference decision is an improvement over Senator MUSKIE's amendment to the Senate-passed version of S. 502, I believe that the same objections are valid. During the debate on Senator MUSKIE's amendment to allow the use of urban funds for rail transit, I spoke in opposition, based on my concern over this diversion of revenues from the highway trust fund to rail mass transit systems. My concern focuses on the apparent conflict between the stated intent of the amendment and what I believe to be the ultimate result of such an action. In a floor discussion between Senators MUSKIE and CHURCH on this point, Senator MUSKIE assured my colleague from Idaho that the amendment "will in no way result in any decrease in highway funds allocated to rural areas or any increase to highway funds allocated to urban areas." In my remarks, however, and in remarks by other opponents of this amendment, it was shown that the highway trust fund is totally inadequate to meet the mass transit needs of the urban areas. Can anyone actually believe that the Congress would authorize initial construction of rail transit systems with this amendment, and then in later years allow these systems to remain incomplete, or to fail for lack of operating subsidies? I do not. The political strength of the major urban areas would dictate the final result: Total commitment of the highway trust fund to the construction and operation of mass transit systems in the major urban areas.

In fact, Senator MUSKIE stated in the closing minutes of debate on his amendment just what the future holds. In discussing the $87 billion highway construction financing since 1956, he said:

> I am not proposing that at this point we direct these funds entirely to mass transit. We are not ready for it.

He went on to say, in support of his proposal:

> The Muskie amendment is a first step, not a total step in giving the people of our cities a choice as to the transportation system that makes the most sense to them, the people that delivered it.

If there be any doubt as to the meaning of these statements, the New York Times of March 15, 1973, specifically explains the intent of the amendment:

> The sponsors of the measure that was adopted acknowledged that $850 million would not be enough to solve the transportation problems of the cities. But they clearly hoped that in future years even more of the trust fund money could be diverted.

I feel certain that when given the choice between mass transit systems paid for by all American citizens, or transportation systems which they pay for, the people of our major cities will choose the former. I believe that urban transit systems should be paid for by the people who benefit from them, not by the people of Idaho or any other nonurban State.

This belief is further strengthened by the action of the Senate on July 28, 1973, in approving appropriations for the Federal share of the rapid rail transit system to serve the Washington, D.C., metropolitan area. This appropriation was for $97,745,000. In addition, the Senate by the same action approved $12,728,000 for a Federal interest subsidy, for the revenue bonds marketed by the Washington Metropolitan Area Transit Authority. It is wrong to tax all the citizens of the United States in order to build this system for the citizens of the District of Columbia area. Fortunately, the conference committee did include a possible solution to this problem. During meetings of the Senate Committee on Public Works, the ranking minority member, Senator HOWARD BAKER, discussed the need for an evaluation of possible approaches to a trust fund for urban transportation. The conference committee wisely included the proviso that the Secretary shall not approve any project for buses and rail facilities in any fiscal year when there has been enacted an urban transportation trust fund or similar assured funding for both highways and public transportation. I urge, therefore, that immediate consideration be given to Senator BAKER's suggestion, and that a trust fund be established for urban transportation needs, before the fiscal year 1976 deadline. In this fashion, an equitable formula for payment can be devised based on the principle that the beneficiaries of the urban transit system shall pay the costs.

Frankly, I had hoped that the Senate's earlier action would have been abandoned in conference. The compromise was an improvement but still commits us to a collision course. Despite this, however, the bill contains much good and essential legislation. It does, therefore, have my support.

Mr. STAFFORD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JAVITS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STAFFORD. Mr. President, I yield 3 minutes to the Senator from New York.

Mr. JAVITS. Mr. President, I have given long and deeply concerned consideration to this matter. It is a very close one as far as I am concerned. I come from both the State and the city of New York and deplore the failure of this Congress to acknowledge the realities of urban life and the adamant refusal to admit the urgent necessity confronting our own mass transit systems.

It is a proven and admitted fact that mass transit is the most efficient way to cut down on travel on the highways. Improvement of those systems would save not only millions, but billions of dollars on highway construction. People can be carried en masse by mass transit more quickly, comfortably, and economically. That fact is irrefutable in my judgment.

It is simply archaic as well as arcane to persist in the idea that we must be tied with ribbons of concrete; that the automobile is the only way to go from place to place; and that we must therefore spend billions and billions in that effort.

Mr. President, my statement is dictated by protest. It is a very sincere and highly justified protest brought about by a desire to vote against the conference report.

It is noteworthy that in my State of New York the Governor is now recommending a $3.5 billion bond issue precisely to make up for the deficiency which this bill now epitomizes. This casts a heavy burden on our people. Yet, if New York is to continue to be the national and the international crossroads, which it presently is, and which is critical to its and the Nation's future, that is the way we have to go.

However, Mr. President, if I were to vote against the report, it would negate the heroic efforts of my colleagues, one of whom is the junior Senator from New York (Mr. BUCKLEY), and the other of whom is my friend, the distinguished Senator from Vermont (Mr. STAFFORD), who stood up for the Senate position which, even though minimal in its terms, was still an effort to immediately begin what so necessarily must be done.

It would also deny my support—although that support is not needed because the matter would pass overwhelmingly—for the purpose of opening at long last the door to reality in respect to the urban transportation needs of the country. I cannot deny that support even to so minimal a crack.

In New York, we are accustomed to deep controversy and to taking unpopular positions. However, I believe that under these circumstances the people of my State would hope that I would show my appreciation for what has been done by joining in the support for this bill, even though it is so very inadequate and really terribly discriminatory toward the urgent needs of the cities of the country.

So, Mr. President, while protesting most strongly the inadequacies of what has been effected by the conference, I have decided that I must join in the collective responsibility, whatever it is and however inadequate, and reserve to myself the right to fight—as I will do—at any other time for our interests when the matter arises again.

The PRESIDING OFFICER. The Senator's time is expired.

Mr. STAFFORD. I yield the Senator 1 additional minute.

Mr. JAVITS. I know there are many in this Chamber who disagree with me and are deeply offended by an editorial appearing in the New York Times concerning the conference report which is headed "Highway Lobby Triumphs." Mr. President, there is a great deal of truth in that editorial. But I was sent here to represent, to the best of my ability, the hopes and interests of the people of my State for progress in the future. I believe that under those circumstances, having thought it through, I should join in approving this report, but at the same time express profound disappointment and protest, and pledge myself to engage in the continuation of this fight until reality and justice are realized in respect to city problems and, indeed, the national problem of urban transportation. By way of showing the appreciation which I think we owe, notwithstanding our disappointment, to the efforts of the conferees on the Senate side, who stood by us, I will support the conference report.

The PRESIDING OFFICER. Who yields time?

Mr. STAFFORD. Mr. President, I am very pleased, as one of the conferees, to learn that the distinguished Senator from New York will vote for the conference report. I am sure he knows that literally for months the conferees fought hard for the operating subsidies, and it was only when we were not able to get them, in the final analysis, that we yielded on that point.

Mr. President, I yield 1 minute to the distinguished Senator from West Virginia.

Mr. RANDOLPH. Mr. President, I commend the able Senator from New York (Mr. JAVITS). I would like for him to know that there were those in the conference who, like the Senator from West Virginia now speaking, had taken a different stand in this body than the Senator from New York and others. But we—all the conferees, not just the conferees who took the favorable position on the Muskie-Baker amendment—stood with the Senate in an attempt to support the Senate bill.

So I would remind the Senator from New York—and I thank him for his well-reasoned support—to read the editorial from the Los Angeles Times that I have placed in the RECORD, which indicates, in essence, that we have made a breakthrough for rapid rail transit support in this country.

I fully recognize the need for operating subsidies to help maintain properly functioning mass transit systems. The Senator from New York (Mr. JAVITS) should be aware that we tried very hard in the conference to retain the subsidy provisions of the Senate bill. On at least two or three occasions we offered compromise proposals that included operating subsidies. Each of these packages was rejected by the House conferees.

Mr. JAVITS. I thank my colleague. I have the editorial before me. I think the Senator knows me well enough to know the bona fides, the good faith, and the passionate conviction with which I have spoken.

Mr. STAFFORD. Mr. President, I yield the time remaining to the distinguished chairman of the subcommittee (Mr. BENTSEN).

Mr. BENTSEN. Mr. President, I thank the minority leader on the bill.

Now let me address a final word to the administration. Both the Senate and House conferees believe that they have walked an extra mile to gain administration approval of this measure. We have eliminated certain provisions, such as operating subsidies and anti-impoundment language which administration officials found objectionable. We have cut many of our programs substantially below the levels authorized in either the House or Senate bills. We have exercised care to prune our authorization requests to levels billions of dollars below those in the House bill. And most significantly, we have arrived at a solution on the mass transit issue which is very much in the interests of the administration. There is absolutely no guarantee we can reach that solution again if we are required to return to conference.

In light of these realities I renew my request in the strongest terms that this legislation be signed into law. The States and cities have lived with uncertainty too long over this highway bill.

Finally, I want to express my deep appreciation to all of the members of the Public Works Committee staff for their dedication over months of hard work on this measure. In particular, I want to mention Barry Meyer, the chief counsel; Bailey Guard, minority staff director; Phil Cummings; John Yago; Clark Norton; Hal Brayman; Kathy Cudlipp; Rick Herod; Ron Katz; Vic Maerki; and Jackie Schafer. Without their assistance and their work behind the scenes, we could not have brought this bill to the floor.

Mr. DOLE. Mr. President, today's action marks the end of what must be the most lengthy consideration of a Federal highway program ever undertaken. As one who was a member of the Public Works Committee last year when the process began, I have a clear appreciation for the efforts which have gone into the passage of not one, but two, complete bills and another emergency bill authorizing partial apportionment of fiscal year 1974 funds to keep the National Highway Construction program moving.

This is an extremely important legislative item, for it sets the basic policies for the administration of the largest, best, and most expensive highway system in the world, and now it also moves into the area of nonhighway urban mass transit systems.

HIGHWAY TRUST FUND

In March, I discussed the conflicting interests and points of view revolving around the use of the highway trust fund for nonhighway purposes when the Senate debated S. 502. I believe the conferees have done an outstanding job of shaping a workable and constructive compromise, it preserves the trust fund for the first 2 years of the bill's 3-year authorization, and, beginning with the third year, it will allow urban system funds to be spent on rail mass transit if cities want to do so. I believe it is appropriate for cities to be able to decide on the uses for their transportation funds; and the conference agreement would give them this discretion without draining the funds available for other programs and other areas of the country.

INCREASED FEDERAL SHARE

Turning to the specifics of the bill, I am particularly pleased that, with the closing stages of the interstate highway program, greater recognition is being paid to other needs, especially the pressing requirement to upgrade and improve the millions of miles of primary and secondary highway routes. A great volume of traffic is carried on these routes, and our concentration on building the Interstate System may have distracted some public attention from the need to keep our other highways safe and modern. The change in the matching fund formula from a 70–30 basis to provide 90 percent Federal support should be a major help to State and county highway programs in the coming years.

The funding-levels for the State of Kansas are as follows:

Urban extensions:	
Fiscal year 1974	$2,577,000
Fiscal year 1975	2,666,000
Fiscal year 1976	2,666,000
Urban system:	
Fiscal year 1974	6,678,000
Fiscal year 1975	6,764,000
Fiscal year 1976	6,849,000
Primary highway system in rural areas:	
Fiscal year 1974	14,737,000
Fiscal year 1975	15,170,000
Fiscal year 1976	15,170,000
Secondary highway system in rural areas:	
Fiscal year 1974	8,452,000
Fiscal year 1975	8,669,000
Fiscal year 1976	8,669,000
Interstate system:	
Fiscal year 1974	30,104,000
Fiscal year 1975	34,735,000
Fiscal year 1976	34,735,000

FEASIBILITY STUDIES

I am pleased that the conferees agreed to the inclusion of two Senate amendments which I offered to meet the growing highway needs of the Nation and the State of Kansas. Both direct the Secretary of Transportation to undertake studies to determine the need and desirability of constructing new highways which would serve as major connecting links between several interstate routes.

One route would pick up at the northern terminus of I–35 W at Salina, Kans., at the intersection with I–70 and carry on north to cross I–80 in Nebraska and meet I–29 in southeastern South Dakota.

The other route would start at I–35 in Wichita, Kans., and run southwest through Kansas, Oklahoma, and Texas and into New Mexico where it would meet I–40 near Tucumcari.

I discussed the value of these routes—not only for Kansans but the entire American motoring public—when they were approved by the Senate in March. However, I would say that, looking at the nationwide interstate map, these two routes fit into the traffic flow patterns very clearly. They would round out one major east-west route and one major north-south pattern. I am hopeful the Department can proceed with these studies at the earliest possible date, and they can be assured of the utmost support and cooperation of the communities along these routes.

I would also point out that three other studies, all of routes serving Kansas City, are included in the bill. One would run northeast to provide a direct route to Chicago, another would head southeast to Brunswick, Ga., and the third would run south to Baton Rouge, La. With Kansas City located at the center of the Nation such routes would respond to the fact that Kansas City is the natural commercial and transportation hub of the Nation.

EISENHOWER HIGHWAY

Another important aspect of the bill concerning Kansas is the designation of the Dwight D. Eisenhower Highway. This action is an outstanding tribute to one of Kansas' and America's greatest men, who as President inaugurated the Interstate System, the first completed segment of which was on I–70 west of Topeka.

Appropriately, the Eisenhower Highway will run along I–70 from Washington, D.C., where Ike served two terms in the White House, across his home State of Kansas and through Abilene where he grew up and is now buried at the historical center which bears his name. From Kansas, the highway continues to run along I–70 to Denver where it jogs north along I–25 to Cheyenne, Wyo. And from there it continues along I–80 to San Francisco.

I can think of no more fitting tribute to General Eisenhower, for he was the guiding force behind the Interstate System. With its importance to national defense and to the peaceful pursuits of our people, it reflects his dual devotion to defending America from its enemies abroad and building on its strengths and freedoms at home. Reaching from ocean to ocean across the breadth of the land Ike so deeply loved and so unselfishly served, the Dwight D. Eisenhower Highway is a lasting and fitting memorial to this warm and great son of the Kansas prairie who left his country and the world a better place for having served it.

SAFETY PROGRAM

In addition, I would like to indicate my support for the bill's strong emphasis on highway safety. In an age when great attention is being paid to the safety of the vehicles we drive, it is important to match that emphasis in the design, construction, and improvement of our roads and highways. The total investment of some $2 billion over 3 years should pay dividends many times over in terms of lives saved, injuries prevented or reduced and lives spared the agony and tragedy of roadway accidents.

CONCLUSION

So, Mr. President, I would close by indicating my support for the conference report on S. 502. It represents a great deal of hard work and significant compromise on many points over a period of more than a year. I hope it will serve the needs of both urban and rural areas for balanced transportation systems while maintaining the necessary support for continuing efforts to build and improve the roads and highways of America.

Mr. PEARSON. Mr. President, I am pleased that the conference committee decided to retain the economic growth center highways provision in the Federal-Aid Highway Act of 1973. And, also, it seems to me, that converting the growth center program from one of demonstration that to permanent status is significant and important.

It is my judgment that this is an extremely valuable program. First adopted in the 1970 Federal Aid Highway Act, it recognizes the existence of the growing population imbalance in this country and the role that highway planning and development can play in the future in altering population and economic growth patterns to achieve a more rational balance between rural and urban America.

The economic growth center program has been popular and successful. Through its operation we have begun to accumulate valuable information and experience regarding the types of social and economic changes the highway improvements are as a necessary condition for future economic growth.

Mr. President, the need for strong, national commitment to the overall goal of rural development and balanced national growth has been recognized in other acts by the Congress. Given the fact that highways have such a tremendous impact on growth patterns, it is wholly appropriate and, indeed necessary, it seems to me, that the Federal-Aid Highway Act contain provisions specifically focusing on the question of how highways can and should be used to encourage further development of viable economic growth centers in nonmetropolitan areas.

The Senate chose not to retain the economic growth center program at the time that it passed the 1973 act and I believe that this was unfortunate. Therefore, again I want to say that I was pleased that the conference committee agreed to the House language on this matter which retained and strengthened the language from the 1970 act.

Mr. RIBICOFF. Mr. President, I wish to thank the conferees on the highway bill for leaving in the final version of the basic Ribicoff amendment protecting the citizens of Connecticut from an unwanted bridge across Long Island Sound.

For years highway planners have schemed to bridge the sound. Possible sites have included bridges from the tip of Long Island to New London or Old Saybrook, from Bridgeport, Conn., to Port Jefferson, Long Island, and from Rye to Oyster Bay. Because a Rhode Island crossing was impractical and Connecticut officials opposed the entire concept, New York finally decided to go ahead on its own and in 1967 the State legislature authorized a bridge. Since then the initial enthusiasm in New York has waned and in 1971 and 1972 the legislature repealed the 1967 authorization. Each time, however, Governor Rockefeller vetoed the repeal.

Until a few weeks ago the New York Metropolitan Transportation Authority was going ahead with plans to construct a 16½-mile, $135 million bridge between Rye and Oyster Bay.

Fortunately because of strong opposition to the bridge both from New York and Connecticut citizens, Governor Rockefeller decided to drop the project.

While this particular proposal is dead, there is no guarantee that another New York Governor could not revive the idea of bridging the sound.

Any such structure would have a major and unknown impact on the way of life in southwestern Connecticut. Yet the citizens of Connecticut have had no voice in the matter.

For that reason on March 5 I offered and the Senate adopted an amendment giving Connecticut a voice in the use of Federal highway funds for a bridge across the sound. That language for the most part has been maintained in section 156 of the conference report.

While I hope that the idea of bridging the sound remains dead, this measure will insure that the people of Connecticut will be included in any future decisions.

Mr. GRAVEL. Mr. President, we have a very excellent bill in the 1973 Federal Aid to Highways Act and I would like to extend my appreciation to members of the conference committee, the chairmen of the Transportation Subcommittee and the full Public Works Committee, Senators BENTSEN and RANDOLPH. The legislation embraces some of the best features of the bills originally approved in the respective Houses and I would urge that it receive unanimous support here today.

The compromises attained by the Federal Aid to Highways Act, particularly those pertaining to mass transit, represent a reasoned and judicious approach to the use of Federal highway trust funds. The total expenditure to be made falls well within the level acceptable to the administration; in fact, more than $5 million has been trimmed from the House version. A number of features regarding Federal assistance for mass transit have been considerably modified so as to make the final bill agreeable on all sides.

As we prepare to make final congressional decision, there have been circulated reports of a Presidential veto. If these reports are factual, I can assure the Members that the action would have dire consequences for my State.

Alaska, with its 586,000 square miles covered by only 7,800 miles of roads and highways—one of the smallest such networks of any State—has a first-ranking need. Highway construction has not been extensive in my State, at least until recent years, and there remain many towns and villages, including our State capital, which are not accessible by road.

Unless highway construction can proceed as planned, the delays occurring at a time of great economic growth will be devastating, indeed.

The Federal Aid to Highways Act this year maintains several vital funding sources. The $20 million annual special Alaskan assistance is continued so that the State may catch up on major highway construction. Because my State was excluded from Federal assistance for highways until 1956 and from the Federal Interstate Highway System consistently, a great construction lag has occurred.

Also included is an important authorization for over $50 million for reconstruction and paving of a portion of the Alaska Highway and the Haines Cutoff Highway which stretch through some 322 miles of Canadian wilderness. This link is the sole means of land and marine transportation between the greater part of Alaska and its State capital.

In connection with this, clear authority for the Alaska Marine Highway System to retain eligibility for Federal funds is established. Because Alaskan ferries are required to intermittently ply international waters while moving between coastal points, there has been some question as to proper judisdiction.

A needed exception for the Alaska State Highway Commission to continue comprehensive planning for highways past 1980 and still retain eligibility has been gained by this legislation.

Mr. KENNEDY. Mr. President, I want to commend the distinguished floor manager, the Senator from Texas (Mr. BENTSEN) and the distinguished Chairman of the full Senate Public Works Committee, the Senator from West Virginia (Mr. RANDOLPH) for their long and steadfast support of the Senate position during the highway bill conference.

As a Senator who sat through the higher education conference a year ago, including an all-night session, I understand full well what it means to sit through 29 conference meetings.

I have no doubt that the conference managers have brought us what they view as the best possible compromise obtainable under the circumstances.

I shall support the adoption of the conference report for this reason—not because the conference report contains everything I would have wished, but because I believe that it represents a valiant effort to support the Senate position, particularly by those Members who did not personally endorse that position.

I fully and enthusiastically support one major advance over existing law. This bill does bust the trust for the first time for mass transit. It does not bust it wide open to give States and cities complete flexibility in deciding on how to meet their transportation needs but it does represent the first time they are not locked into using all of their trust fund moneys for building highways.

The key improvements over current law in the provision affecting mass transit are the adoption of the full Senate amendment to take effect in the third year, beginning I might note in January 1975.

The second year of the bill, $200 million of the urban system moneys would be available for the purchase of buses.

However, there is an alternative route provided by the conference for funding transit in the first 2 years. That is the so-called Wright shuffle in which a State may choose to substitute any of its urban system allotment from the trust fund with an equal amount of funds from general revenues.

The same provision was the compromise adopted in place of the interstate transfer provision of the Senate.

The conference report provides that upon the joint request of the affected local governments and the State Governor, the Secretary may delete a controversial urban link of the interstate system, provided that all the interstate highways coming into the area interconnect.

The State from which the controversial link would be withdrawn would receive, in turn, an amount out of general revenues equal to the Federal share of the cost of the deleted route for bus and rail mass transit in that State.

The obvious limitation of this approach is that the "transfered" money does not come out of the trust fund as in the Senate bill and the Secretary still must approve the transit projects.

However, it is my understanding that the conference intends this money to be automatically provided to the States.

Nonetheless, there is every reason to expect that Boston will be able to take full advantage of this provision and that the $900 million which would otherwise be spent on I–95 and the inner beltway, will now be spent largely on improving and expanding the BMTA.

I want to emphasize that in my State

the critical need is for mass transit and I can best demonstrate that by noting the action taken by the Governor a year ago or halting certain interstate construction. I ask unanimous consent that the New York Times article of December 1, 1972, be placed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. KENNEDY. I also would emphasize that the conference indicates that these provisions are to be continued until there is an urban mass transit fund or a single transportation trust fund. I have introduced a single transportation fund in the past two Congresses, S. 295 in the last session and I intend to reintroduce that measure shortly together with the Senator from Connecticut (Mr. WEICKER).

With regard to other provisions of the conference report, I would emphasize there is another $3.1 billion authorized for additional urban mass transit capital grant funding and at a mandatory Federal share of 80 percent rather than the 50 to 66⅔ percent previously in the law.

While I continue to support the provision of mass transit operating subsidies and I am disappointed in their deletion from this report, I would hope that we could act on that matter separately in the near future.

Mr. President, there are several additional benefits in the bill before us as well as several features that I am opposed to. I would merely like to list for the RECORD some of these provisions.

The total dollar authorization is lowered but the urban system is not significantly cut down. The total now is $20 billion for 3 years as opposed to $27 billion in the House bill.

Projects on the urban system now will be selected "by local officials with the concurrence of the State Highway Department," rather than solely by the highway department.

Most Senate highway beautification provisions are in the bill and there is specifically no moratorium on removal of "directional signs" as in the House bill.

There is a workable compromise on transit and opening trust fund—"Wright shuffle" for remainder of this year and next—up to $200 million for buses in fiscal year 1975 and full Muskie-Baker in fiscal year 1976. Modified "Wright shuffle" applied to interstate transfers.

The new toll road system of the Senate bill is limited to Louisiana.

Urban areas of 200,000 or more are "ear-marked" funds which they did not have before, although, unfortunately, there is no pass through.

There is an additional $3.1 billion for UMTA capital grants and the Federal share is increased from present 50 percent to 66⅔ percent to flat 80 percent.

MINUS

The lack of operating subsidies for mass transit and the failure to provide full flexibility in the use of funds.

There are various new and questionable road programs of the House bill including priority primary highways and economic growth center highways.

The statement of policy from the House bill increases emphasis on other road programs as the Interstate winds down and thereby seems to fail to recognize the need for comprehensive transportation planning.

Various provisions aimed at facilitating construction of various controversial interstate highways in the District of Columbia.

A provision permitting construction of Crosstown Expressway in Chicago over Governor Walker's objections which was in neither bill.

Final approval of State's program of projects still rests with State highway department not with the Governor as in the Senate bill.

The provision from the House bill permitting construction of special truck lanes.

The special exemption from environmental statutes for the San Antonio highway from Senate bill.

The modification of the provision in the Senate bill permitting construction of a highway through Franconia Notch, N.H.

Senate provisions dealing with increased citizens participation in transportation planning which were deleted.

In the end, Mr. President, I believe that the steps taken toward opening the highway trust fund are more important than the minuses that I have listed above. Also, I believe that this is the best legislation we can obtain at the moment.

For this reason, I intend to vote for this measure. I ask unanimous consent also for a Time magazine article on the conference report to be inserted in the RECORD at this time.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 2).

EXHIBIT 1

MASS TRANSIT PLAN FOR MASSACHUSETTS

(By Bill Kovach)

BOSTON, November 30.—Gov. Francis W. Sargent announced tonight a major new transportation policy designed to turn away from highway construction in favor of mass transit and commuter rail service.

Describing the Boston expressway network as chains that imprison the city, the Republican Governor offered a plan to reverse the allocation of public transportation money that now runs 3 to 1 in favor of highway construction over mass transit.

In a statewide television address, the Governor said he had decided to make permanent a moratorium declared two years ago on construction of Interstate 695 and the part of Interstate 95 planned to cut through the heart of the Boston metropolitan area.

Instead, he said, I-95, which runs from Maine to Florida, would be rerouted around the city along the existing Route 128. The planned inner belt, I-695, would be scrapped completely.

Other elements of the long-range plan proposed by Governor Sargent tonight are:

A freeze on the number of parking spaces in downtown Boston and at Logan Airport, to encourage use of mass transit facilities. Mayor Kevin White of Boston has agreed in principle to the idea.

An $800-million program for construction of new public transit facilities to extend service from the central city to surrounding suburbs and the construction of parking lots at the outermost terminals.

A $400-million program of upgrading existing mass transit in the form of bus service, Penn Central and Boston & Maine commuter railways, and the Boston Rapid Transit system.

A two-lane expressway and tunnel exclusively for buses, taxis, airport limousines and truck traffic from downtown Boston to Logan Airport.

Governor Sargent said the program was necessary because 40 years of reliance on highway transportation had "defeated our own purpose, and we have been caught in a vicious cycle—more cars meant more highways, which meant more traffic jams, more traffic jams meant the need for more highways . . . worst of all (it has) failed to solve the problem that started it all, how best to get from one place to another."

M.I.T. EXPERT HELPED

The proposal, which will require some legislative action and the cooperation of local and Federal officials, is the result of study of the state's transportation needs presided over by the state's Secretary of Transportation, Allen Altshuler, a transportation specialist from the Massachusetts Institute of Technology brought into the administration for this purpose.

Mr. Altschuler headed up the Boston Transportation Planning Review—the first such program ever funded by the Federal Government—which held hearings and studied the state's transportation needs for nearly three years.

According to those who took part in the study, its most important achievement may have been to convert transportation decisions from technical ones to political ones.

"Until now," said one participant, "technicians controlled the decisions and they always opted for highways because it was the thing they knew best. Now we use their expertise, but the final decision has been taken out of their hands and some flexibility has resulted."

Governor Sargent's program faces major hurdles. It is expected to be strenuously opposed by highway lobbyists when the Legislature is asked to approve the bonding authority necessary to finance the bulk of the program.

However, public opposition to continued highway building has reached major proportions in the state and a large citizen lobby is expected to help put the program through. In addition, while highway construction would be drastically cut back in the Boston area, the Governor's proposal would continue highway construction in the less populous areas of the state to offset the heavy mass transit investment along the eastern shore. Most observers believe the bulk of the program will eventually be approved.

EXHIBIT 2

BUSTING THE TRUST

Since Congress established the Federal Highway Trust Fund in 1956, the Government has spent $40.1 billion to build the 34,000-mile network of interstate highways. Because the highway fund, now $5.5 billion, keeps accumulating new money from federal taxes on gas and tire sales, it can theoretically finance new highway building until the country is paved over. At least some of this money, urban experts argue, should be spent on financially hard-pressed railroads and mass-transit systems, but despite Administration approval of the idea, the highway builders vehemently oppose any diversion of funds. Last year the two forces fought each other to a standstill, so no highway bill was passed at all. That threatened to bring the building program to a halt.

NEW ATMOSPHERE

After two years of congressional debate, 3,460 legislative man-days of hearings, and a ten-week stalemate in House/Senate conference committee, the legislators have now worked out a compromise. It gives most of the money to the roads, but mass-transit forces have scored what they consider a significant breakthrough. The bill, which is expected to be approved by Congress this week, provides for spending $20 billion over the next three years and preserves the trust fund inviolate through fiscal 1974. But beginning the following year, a portion of the highway fund will be freed for mass transit. In fiscal 1975, $200 million will be available to metropolitan transit systems exclusively for the purchase of buses. In 1976 cities will have the option of spending $800 million on mass transit, including rail systems.

In a separate section of the bill, the legislators also decided that if a city, a state and the Secretary of Transportation all agree that a specific stretch of interstate highway need not be built, then funds equivalent to the road-construction costs will be made available for mass transit instead.

The funds released are not themselves very significant when compared either with the size of the highway program or with the need for mass transit. But the Highway Action Coalition, an *ad hoc* group of environmental organizations that fought to open up the Highway Trust Fund, is nonetheless delighted. "We got three-quarters of what we wanted," says the coalition's young director John Kramer. "We wanted to change the atmosphere in which urban transport decisions are made—to be sure public transportation alternatives are available to cities. That's happened. We also wanted to change the national transportation spending priorities. That's been accomplished too, at least for urban areas."

Mr. KENNEDY. The bill provides for a unique demonstration program for rural mass transit so that those communities located near roads—and I think it important to mention that only 10 percent of Alaska's Native villages are connected by roads—may benefit. Many persons, particularly those village residents, find no means of transportation available to nearby population centers. The family automobile, which everyone else takes for granted, is above the income capabilities of many Native Alaskans, so that vital needs go unmet. If implemented this unique demonstration project could serve dozens of small Alaskan communities along more than 1,500 miles of highway.

Finally, this legislation contains mass transit modifications which insure that smaller cities, regardless of their size, will be guaranteed funds for public transportation systems. For Alaska this means a great deal. Federal aid will be made available to those areas before population and transportation problems become impacted to a large degree.

Again, I urge that the bill be approved and signed into law so that the States may receive this long-needed assistance.

The PRESIDING OFFICER (Mr. HARRY F. BYRD, JR.). All time has expired. The question is on agreeing to the conference report. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from South Dakota (Mr. ABOUREZK) is absent on official business.

I also announce that the Senator from Mississippi (Mr. STENNIS) is absent because of illness.

Mr. GRIFFIN. I announce that the Senator from Arizona (Mr. GOLDWATER) is absent because of illness in his family.

The Senator from Tennessee (Mr. BAKER) is detained on official business, and if present and voting would vote "yea."

The result was announced—yeas 91, nays 5, as follows:

[No. 360 Leg.]

YEAS—91

Aiken
Allen
Bartlett
Bayh
Beall
Bellmon
Bennett
Bentsen
Bible
Brock
Brooke
Buckley
Burdick
Byrd,
  Harry F., Jr.
Byrd, Robert C.
Cannon
Chiles
Church
Clark
Cook
Cotton
Cranston
Curtis
Dole
Domenici
Dominick
Eagleton
Eastland
Ervin
Fannin
Fong
Fulbright
Gravel
Griffin
Gurney
Hansen
Hart
Hartke
Haskell
Hatfield
Hathaway
Helms
Hollings
Hruska
Huddleston
Hughes
Humphrey
Inouye
Jackson
Javits
Johnston
Kennedy
Long
Magnuson
Mansfield
Mathias
McClellan
McClure
McGee
McGovern
McIntyre
Metcalf
Mondale
Montoya
Moss
Muskie
Nelson
Nunn
Packwood
Pastore
Pearson
Pell
Percy
Randolph
Ribicoff
Saxbe
Schweiker
Scott, Pa.
Scott, Va.
Sparkman
Stafford
Stevens
Stevenson
Symington
Taft
Talmadge
Thurmond
Tower
Tunney
Weicker
Young

NAYS—5

Biden
Case
Proxmire
Roth
Williams

NOT VOTING—4

Abourezk
Baker
Goldwater
Stennis

So the conference report to S. 502 was agreed to.

Mr. BENTSEN. Mr. President, I move to reconsider the vote by which the conference report was agreed to.

Mr. STAFFORD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Berry, one of its reading clerks, announced that the House insisted upon its amendments to the bill (S. 426) to regulate interstate commerce by requiring premarket testing of new chemical substances and to provide for screening of the results of such testing prior to commercial production, to require testing of certain existing chemical substances, to authorize the regulation of the use and distribution of chemical substances, and for other purposes, disagreed to by the Senate; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. STAGGERS, Mr. MOSS, Mr. STUCKEY, Mr. ECKHARDT, Mr. BROYHILL of North Carolina, Mr. WARE, and Mr. MCCOLLISTER were appointed managers on the part of the House at the conference.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 8825) making appropriations for the Department of Housing and Urban Development; for space, science, veterans, and certain other independent executive agencies, boards, commissions, and corporations for the fiscal year ending June 30, 1974, and for other purposes; that the House receded from its disagreement to the amendment of the Senate numbered 3 to the bill and concurred therein, with an amendment, in which it requested the concurrence of the Senate, and that the House insisted on its disagreement to the amendments of the Senate numbered 44 and 45 to the bill.

FEDERAL RAILROAD SAFETY ACT OF 1970

Mr. MANSFIELD. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on S. 2120.

The PRESIDING OFFICER (Mr. BENNETT) laid before the Senate the amendment of the House of Representatives to the bill (S. 2120) to amend the Federal Railroad Safety Act of 1970 and other related Acts to authorize additional appropriations, and for other purposes, which was to strike out all after the enacting clause, and insert:

That this Act may be cited as the "Federal Railroad Safety Authorization Act of 1973".

SEC. 2. Section 212 of the Federal Railroad Safety Act of 1970 (45 U.S.C. 441) is amended to read as follows:

"Sec. 212. Authorization for Appropriations.

"There is authorized to be appropriated to carry out the provisions of this title not to exceed $19,440,000 for the fiscal year ending June 30, 1974.".

SEC. 3. Section 303 of the Hazardous Materials Transportation Control Act of 1970 (49 U.S.C. 1762) is amended to read as follows:

"Sec. 303. Authorization for Appropriations.

"There is authorized to be appropriated to carry out the provisions of this title not to exceed $1,200,000 for the fiscal year ending June 30, 1974.".

SEC. 4. The Secretary of Transportation shall, within ninety days after the date of enactment of this Act, submit a report to the Congress which contains a complete evaluation of all programs conducted under the Hazardous Materials Transportation Control Act of 1970, and on proposed revised handling procedures and feasibility of alternative routing in order to avoid population centers.

Mr. MANSFIELD. Mr. President, I move that the Senate concur in the amendment of the House.

The motion was agreed to.

EXECUTIVE SESSION

The PRESIDING OFFICER. The Senate will now go into executive session to consider the nomination of Mr. William

E. Colby to be Director of the Central Intelligence Agency.

The legislative clerk read the nomination of William E. Colby, of Maryland, to be Director of Central Intelligence.

Mr. SYMINGTON. Mr. President, I ask unanimous consent that during the debate on the nomination of Mr. William E. Colby to be Director of Central Intelligence, Messrs. T. Edward Braswell, Jr., R. James Woolsey, and John A. Goldsmith, members of the staff of the Committee on Armed Services, be granted the privilege of the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HUGHES. Mr. President, will the Senator yield?

Mr. SYMINGTON. I yield.

Mr. HUGHES. Mr. President, I ask unanimous consent that Mr. Charles Stevenson, a member of my staff, be allowed the privilege of the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CRANSTON. Mr. President, will the Senator yield?

Mr. SYMINGTON. I yield.

Mr. CRANSTON. Mr. President, I ask unanimous consent that during the consideration of this nomination, Ellen Frost, Murray Flander, and Roy Greenway have the privilege of the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JACKSON. Mr. President, will the Senator yield?

Mr. SYMINGTON. I yield.

Mr. JACKSON. Mr. President, I should just like to detain the Senate floor for 1 minute in behalf of the nomination of Mr. William E. Colby to be the head of the Central Intelligence Agency.

First, I commend the acting chairman of the Committee on Armed Services, the distinguished senior Senator from Missouri, for the able, the fair, and the impartial way in which he conducted the hearings in connection with the Colby nomination. A number of statements had been made regarding Mr. Colby. The Senator from Missouri saw to it that the committee probed all these areas very carefully. The Senator from Missouri went out of his way to run down all statements including rumors, that might bear on the qualifications of Mr. Colby. I commend the Senator, and I say to the Senate that this nomination has been thoroughly examined by the committee.

I want to observe that William Colby is an outstanding and able professional in the Central Intelligence Agency. I believe that he stands in the best tradition of the professionalism which some of us feel is so essential to the security of the United States of America. I have confidence in Mr. Colby. There were a number of situations—one in particular—in which his integrity was tested. He did not hesitate to be forthright and straightforward in his decision as to what he should do based on his oath and his obligation as a part of the Central Intelligence Agency.

I merely want to say to the Senate that I do believe that this is a good appointment, and I hope and trust that the Senate will give Mr. Colby the overwhelming vote of confidence that he so richly deserves.

Mr. SYMINGTON. Mr. President, I thank my good friend, the able Senator from Washington, for his kind remarks. For many years it has been well known in this body that he is a true expert in this field. I respect his opinion, as I am sure the Senate does also, on matters of this character. I am grateful for what he said.

Mr. President, I earnestly hope that the Senate confirms the nomination of William E. Colby to be Director of Central Intelligence.

The Committee on Armed Services overwhelmingly approved his nomination. I have known him personally for many years. He is a dedicated and competent professional in a difficult and troublesome field.

Because he is unusually able, Mr. Colby has been asked to take on some difficult responsibilities in recent years.

In 1968 President Johnson asked him to head the pacification program in the increasingly unpopular Vietnam war. More recently, as Executive Director of CIA, he has been assigned certain responsibilities for correlating and organizing information in the wake of the all-infecting Watergate break-in.

I am sure the Senate realizes that recent events—including Watergate and the Indochina war—have caused the Senate Armed Services Committee to give unprecedented attention to this nomination—not only because of the nominee himself, but also because of the importance of the assignment as head of CIA, top intelligence adviser to the President, at this point in history

As far as I can determine, Mr. President, no nominee for this important job has ever been questioned so intensively by the Senate Armed Services Committee. Three days of testimony were taken by the full committee. In addition, the Central Intelligence Subcommittee questioned Mr. Colby at a fourth meeting.

In addition to these nomination hearings, the committee held 6 days of hearings in May on the CIA relationship to Watergate. Witnesses included former CIA Directors Schlesinger and Helms, the former Deputy Director, General Cushman, and the current Deputy Director, General Walters, and other CIA officials, including Mr. Colby. In all, this year the committee has taken many hours of testimony on this nomination and other CIA matters.

In addition to testifying in extensive hearings, Mr. Colby has provided extensive responses and exhibits in reply to later questions from Senator KENNEDY, who was provided the opportunity of questioning Mr. Colby; and also Senator PROXMIRE, as well as members of the committee, submitted questions.

CIA, NSC, AND THE PRESIDENT

Let me say a preliminary word about the position of CIA with respect to the White House and other executive bodies.

The Senate should be under no illusions about the position of this Agency in the national command authority. By law, CIA is responsible to the National Security Council. However, the NSC is advisory to the President who is the NSC Chairman. As a former NSC member in two different positions, I know well that the National Security Council is one of those bodies where but one vote really counts—that of the President.

In other words, in point of fact the CIA is directly under the President and responsible to him.

MR. COLBY'S PUBLIC TESTIMONY

The record is available to all Senators. Mr. Colby, in his public testimony made some statements which are refreshing, coming as they do from a career official of CIA who has now been designated to be the Director of Central Intelligence.

As example, Mr. Colby stated, in response to a question, that he thought the war in Laos had "undoubtedly gone well beyond the scope of activities envisioned by Congress in 1947, when it authorized CIA to perform certain covert activities, and he questioned the feasibility of such large scale covert activities.

Later, I personally asked Mr. Colby if he would favor a policy of more open disclosure with respect to activities of the intelligence community. Here is his reply:

> Mr. COLBY. I think it is probably essential in America today, Mr. Chairman, and I would favor a greater degree of exposure of what we are doing. We have already had some matters which we do expose. Some of the exposure that we have quite frankly gives us problems abroad in our relationships with other intelligence services, and even in our relationships with individuals who secretly agree to work with us, who are somewhat frightened at the prospect of their names coming into the public, and things happening to them as a result. But I think that there are ways in which the intelligence community and the CIA in particular can reassure the appropriate committees, and also the Senate as a whole, and also the people as a whole, as to the activities we are engaged in. I think we are going to have to draw that line. It is going to be a difficult one in many situations, but it is obvious that again we have to run an American intelligence service.

I also asked Mr. Colby about possible amendments to the 1947 law which governs CIA, since our committee is committed to a broad review of the CIA charter. He made it clear that he is not opposed to certain changes. In that connection, he later stated that he has been authorized to brief the committee on the basic directives issued to CIA by the National Security Council—NSCID's—under the 1947 act. This we plan to have him do at the earliest opportunity.

Finally, in his discussions of possible revision of the law, Mr. Colby said he thought it might be appropriate to limit CIA intelligence activities by specific references to "foreign" intelligence. I asked Mr. Colby to state the proper scope of CIA activities within the United States, and he responded as follows:

> Mr. COLBY. We obviously have to run a headquarters here; we have to recruit people for our staffs, and so forth; we have to conduct investigations on those people; we have to protect our own intelligence sources and methods within the Agency; we have to contract with a large number of American firms for the various kinds of equipment that we might have need for abroad. We also, I believe quite properly, can collect foreign intelligence in the United States, including the requesting American citizens to share with their Government certain information they may know about foreign situations. We have a service that does this, and I am happy to say, a very large number of American citizens

have given us some very important information. We do not pay for that information. We can protect their proprietary interest and even protect their names if necessary, if they would rather not be exposed as the source of that information.

We also, I believe have certain support activities that we must conduct in the United States in order to conduct foreign intelligence operations abroad. Certain structures are necessary in this country to give our people abroad perhaps a reason for operating abroad in some respects so that they can appear not as CIA employees but as representatives of some other entity. Lastly, I think that there are a number of activities in the United States where foreign intelligence can be collected from foreigners, and as long as this is foreign intelligence, I think it quite proper that we do so. I can certainly go into more detail on this in executive session any time you would like, Mr. Chairman. . . .

And may I add that he did.

But I reiterate that the focus should and must be foreign intelligence only, and that all the other activities are only supportive of that major function.

Finally, I asked Mr. Colby what I believe is the most important question of all:

Senator SYMINGTON. If you should receive an order in the future which appears on its face to be illegal, what would you do?

Mr. COLBY. I would object to it and, if necessary, I am quite prepared to leave this responsibility if it came to that.

Senator SYMINGTON. I did not hear you.

Mr. COLBY. And I am quite prepared to leave this job if it comes to that.

THE OUTSIDE WITNESSES

Five outside witnesses testified in public sessions, July 20, on the Colby nomination. One of them, Paul Sakwa, a CIA officer in the 1960's, suggested that we obtain certain documents from CIA which show that Mr. Colby "slanted intelligence" and "submitted misinformation" as CIA station chief in Saigon from 1959 to 1962.

With the help of the CIA we were able to get almost all of the classified cables and reports suggested by Mr. Sakwa. The committee appreciates his interest, but it is fair to say that the committee was not impressed with the thesis which he advanced as it applied to Mr. Colby.

Another witness, Mr. Samuel A. Adams, was, until recently, a CIA analyst. He criticized the Phoenix program—which I shall discuss later—and he also complained of the treatment given him by CIA after he pressed his own appraisal of certain estimates of Communist strength in Cambodia. Mr. Adams did not specifically oppose Mr. Colby's nomination.

The other three witnesses were Representative ROBERT F. DRINAN, Democrat of Massachusetts; K. Barton Osborn, a sergeant assigned to Military Intelligence, who left Vietnam about a month after Mr. Colby took over the pacification program in 1968, and David S. Harrington, a former Marine officer who was assigned to the pacification program, and once, in early 1969, sat in on an I Corps briefing for Mr. Colby.

All these witnesses focused on the period from November 1968 to June 1971, when Mr. Colby headed the Vietnam pacification program as Deputy MACV for Civil Operations and Regional Development Support—CORDS. Each of these witnesses were especially critical of one CORDS program: Phoenix.

PROJECT PHOENIX

The Phoenix program has been covered in a number of congressional hearings—including the Senate Foreign Relations Committee and Senator KENNEDY's Refugee Subcommittee. The program was one of Mr. Colby's responsibilities as the boss of CORDS, the head of the pacification program.

It is important to realize that Phoenix was a Vietnamese program. It had U.S. support, however, in funds and manpower. The program was aimed at the VCI—the Vietcong Infrastructure—members of the Vietcong apparatus who were working against the Government within the cities and hamlets of South Vietnam.

Unquestionably, there were abuses in the program. Mr. Colby has conceded that. He testified, however, that the great preponderence of Vietcong Infrastructure killed—some 85 percent—died in battles and skirmishes, were eventually identified as VCI, and were added to the casualty lists as VCI. Others were killed by police units.

By way of further explanation, Mr. Colby emphasized that despite this being a war, killing was to be minimized in Phoenix especially, because captured VCI were the best source of intelligence to help our own military units.

Mr. Colby told us he worked to provide protection for accused VCI, and bring a measure of due process into these paramilitary proceedings. He testified that Phoenix eventually required three accusers, required that province chiefs be notified of VCI charges; and finally, in 1971, that charges be presented to a suspect in writing.

At our request he has supplied a series of documents, some of them classified Vietnamese documents, to support his claim that reforms were instituted by Phoenix under his leadership.

Mr. President, my opposition to this whole Indochina war since 1967 has been well known to Members of the Senate. But I do not think we should lose the ability of an extraordinarily able man who was only carrying out orders, just because he was in a paramilitary job at the same time we were decorating thousands of Americans for carrying out their military assignments. He accepted a tough job under orders and did his best; and the record shows that he tried to eliminate any abuses he discovered when he took over the Phoenix program.

CONCLUSION

Mr. President, this has been a summary of the extensive record the committee took on this nomination. Much in the record is classified, but we have tried to accommodate Senators who wanted more information.

I believe the record justifies Mr. Colby's confirmation.

He is exceptionally well qualified. The way the world is, surely we need an effective intelligence agency.

It is for these reasons that again let me say I do hope the Senate will confirm him without delay so the intelligence community can get on with its important job.

I yield to the able ranking member of the Senate Armed Services Committee, the distinguished senior Senator from South Carolina (Mr. THURMOND).

The PRESIDING OFFICER. The Senator from South Carolina.

Mr. THURMOND. Mr. President, I rise in support of the nomination of Mr. William E. Colby as Director of the Central Intelligence Agency.

The case for Mr. Colby has been well documented by the distinguished acting chairman of the Senate Armed Services Committee, the senior Senator from Missouri (Mr. SYMINGTON).

Simply stated this man is a professional in every sense of the word. For the most part he has spent his entire life in public service.

The son of an Army officer, he joined the Army himself in 1941 initially serving in the Parachute Field Artillery. When the Office of Strategic Services issued a call for French speakers in 1943, Mr. Colby volunteered and in 1944 parachuted behind enemy lines in north-central France to work with a resistance unit. Shortly before the end of the war in 1945, he led a team dropped in northern Norway to destroy a rail line used for transporting German reinforcements.

A graduate of Princeton prior to World War II, Mr. Colby completed his formal education by obtaining his law degree from Columbia Law School.

In 1949 he entered Government service as an attorney for the National Labor Relations Board in Washington. In 1951 he joined the staff of the American Embassy in Stockholm and from 1953 to 1958 served in the American Embassy in Rome, Italy.

Mr. President, the purpose of tracing this biography is to show the wide experience of Mr. Colby in foreign assignments. He not only spent time overseas as a youth when his father held overseas assignments but the vast majority of his life has been in U.S. positions abroad.

After serving as first secretary of the American Embassy in Saigon beginning in 1959, Mr. Colby returned to the United States to become Chief of the Far East Division of the CIA here in Washington.

In March of 1968 he joined the Agency for International Development and was sent to Saigon to assume the post of assistant chief of staff. In November of that year he became deputy to the commander of the Military Assistance Command in Vietnam with the rank of an Ambassador. In this capacity he directed the civil operation and regional development support program. This was better known as the pacification or Vietnamization program. As director of this program, Mr. Colby was the administrator for all regional and popular defense forces as well as aid programs in South Vietnam. The success of this program had a great deal to do with the safe withdrawal of American military forces last year.

In early 1972, Mr. Colby returned to Washington to assume the duties of Executive Director-Comptroller of the CIA. In March of 1973, under the directorship of Dr. James Schlesinger, he was named to the No. 3 spot at CIA—that of Deputy Director for Operations.

Mr. President, few men are as well qualified for the post as Director of the CIA as Mr. Colby. He knows the agency well. He has worked for it many years. He has had experience in managing the CIA budget.

As we move into a period of negotiation the intelligence gathered by the CIA will be more important than ever. We need a professional at the helm.

Further, Congress will be taking a greater interest in the activities of the CIA in future years. This is as it should be. With a man of Mr. Colby's qualifications and background in the Director's office, I believe more congressional oversight can be accomplished in an effective and beneficial way.

Mr. President, in closing, I would like to stress the point made by our able chairman that Mr. Colby has had some tough jobs over the years, because he was the very man who could handle them. He has worked under four Presidents. He clearly recognizes the fact that the CIA never involves itself in policy, but merely presents the best information available for policy decisions by the President. He is a man who I believe will render our Nation a distinct service in this unique position and I urge the Senate to act favorably on his nomination.

I wish to thank the distinguished acting chairman.

Mr. SYMINGTON. I thank the able senior Senator from South Carolina, ranking minority member of Armed Services, for his constructive contribution.

I yield now to the distinguished senior Senator from Wisconsin (Mr. PROXMIRE).

Mr. PROXMIRE. I thank the distinguished acting chairman of the committee.

A BLIND CONFIRMATION VOTE

Mr. President, today the Senate will cast a blind vote on the confirmation of William E. Colby to be Director of Central Intelligence.

It will be a blind vote in many ways. We do not really know who Mr. Colby is. We are not allowed to go back into his personal employment history and judge his fitness. We do not know what jobs he has accomplished. We do not know whether or not he has succeeded or failed.

And we will be confirming him for a blind position. In my opinion the Director of Central Intelligence is one of the 8 or 10 most powerful positions in our Government.

So we will vote for or against a man in an immensely powerful office and we know very little about him or the job. Why is this?

Obviously, there are serious questions of national security involved. Intelligence operations can be compromised and lives put in danger. There is the ever-present possibility of embarrassing the Nation if caught in the middle of some particularly sensitive operation. Sources of information may dry up.

All these point to the necessity of secrecy.

But I would remind the Senate that failure to find out what is going on could be just as serious from a security standpoint. Do we turn a blind eye to the covert funding of clandestine armies and attempts to overthrow foreign governments?

No, we have lived in blindness too long in this body.

If we do not assert our constitutional responsibilities, the executive department will do it for us. That has been the pattern.

RECENT CHANGES

Today there are promising signs that we are snapping out of the slumber of acquiescence that has typified congressional oversight of the intelligence community.

The Armed Services Committee has held open hearings for the first time. Questions have been submitted for the record and other Senators have been allowed to pursue individual lines of questioning in committee hearings.

The distinguished acting chairman of the committee, Mr. SYMINGTON, deserves our commendation for the skill and openness of these meetings. He has begun the process of reviewing the intelligence community and he deserves the support of every Member.

Last week I submitted a series of questions to the acting chairman for presentation to Mr. Colby during his final confirmation hearing. The Director-designate promptly replied. Most of his answers are unclassified and I wish to share those unclassified answers today.

Mr. President, I ask unanimous consent that my questions and Mr. Colby's answers be placed in the RECORD.

I would like to go over several of these questions.

First is the issue of the CIA budget. Since Mr. Colby and his predecessor, Mr. Schlesinger, both testified that the release of the aggregate intelligence budget would not violate national security, I asked Mr. Colby just how far down the line this prudently could go.

He used this question as a platform to back off from his earlier position. Now he says that although the "disclosure of the total figure of the intelligence community budget would not present a security problem at this time, it is likely to stimulate requests for additional details." He goes on to note that he cannot positively recommend the publication of the total or any subdivision thereof.

Mr. President, I do not think that a new Director of Central Intelligence should be confirmed without public knowledge of the size of his budget.

In view of testimony by Mr. Colby and his predecessor James R. Schlesinger that release of the intelligence budget would not violate national security, there is no doubt that the Senate and the American people should be told the truth about the size of the CIA budget.

Mr. Colby has said that it is up to Congress to release these facts. Now is the time to do just that.

Mr. President, I would like to ask the distinguished manager of the nomination, the Senator from Missouri (Mr. SYMINGTON), if he could consider releasing those figures in view of the fact that the testimony from both Mr. Schlesinger and Mr. Colby is that it would not violate national security. Why should not the Senate and the American people know as much as we can disclose about this matter as long as national security is not endangered and why should we not have that information?

Mr. SYMINGTON. Mr. President, first may I say to the able Senator his statement this afternoon is in the interest of the security and the prosperity of our country. I commend him for it. It is the same type and character of interest he has displayed in other matters that are for the welfare of the United States.

When the question of the budget of the Central Intelligency Agency came up, inasmuch as I was a member of both Armed Services and Foreign Relations I found the latter committee was reaching decisions not in accordance with the facts presented by the Central Intelligence Agency. I then urged that the Central Intelligence Agency Subcommittee include members of the Committee on Foreign Relations, which at that time included only the top ranking members of the Appropriations Committee and the Armed Services Committee. For some reason, the late, great Senator Russell decided later to exclude the members of the Foreign Relations Committee, this after they were members by invitation for several years.

Then it is fair to say that most CIA interest and the budget still later came before the Appropriations Committee only, the five or seven senior members of the Appropriations Committee.

I believe that it was 2 years ago that our late beloved colleague, Senator Ellender, was asked on the floor of the Senate about this budget, and replied to the effect that he did not know much about it, and did not want to know. He was chairman of the one committee exercising any review of the status and functioning of the CIA.

This year the Senate Armed Services Committee took Mr. Colby and other members of the Central Intelligence Agency through the budget in detail. Questions were asked and explanations given.

As acting chairman of the Committee on Armed Services, I would welcome the opportunity of going over that budget with the distinguished senior Senator from Wisconsin, who is a member of the Committee on Appropriations. From there on, I would rather not commit myself further at this time as to just what can and should be done.

I may say, of interest to other Senators as well as to the Senator from Wisconsin, that the Central Intelligence Agency receives a relatively small percentage of the overall intelligence dollar. That was a great surprise to me when I first found it out.

I may say also that several staff members of the Committee on Foreign Relations sent around the world by Subcommittee on U.S. Commitments Abroad of the Committee on Foreign Relations, reported when they returned that probably the most wasteful, duplicating aspect of what they saw on their trip was in the intelligence field. We are trying to release more intelligence figures. I am sure the able Senator could obtain them as a member of the Committee on Appropriations.

Mr. PROXMIRE. I may say to the Senator from Missouri that I am interested in obtaining those intelligence figures, as he knows, but the important step is to declassify them. We have the word of Mr. Schlesinger and Mr. Colby that this would not affect national security if we knew how much it is. Mr. Colby said it is up to Congress to release those figures. Under the circumstances, I see no reason why we should not be able to get this information. The Senator said it is a small part of the total intelligence dollar. Is it a billion dollars? A half billion? How much is it? I think the attitude we have toward CIA, to some extent, has to be influenced by what resources we put into it. This can best be determined by knowing what the dollar spending is on the CIA.

Mr. SYMINGTON. Mr. President, on July 2, in an open hearing, I made this observation and asked Mr. Colby:

> Several Members of Congress have called for the overall budget of the intelligence community to be made public, so the American people can see at least the general amount which is spent for intelligence functions. In past years, and despite the increasing desire of the American people to know what is going on in their Government, the furnishing of intelligence information has been further restricted.
>
> Do you see any reason why overall budget information, or even a breakdown of the intelligence budget into its major categories, would endanger national security if it were made public?

Mr. Colby replied:

> I would propose to leave that question, Mr. Chairman, in the hands of the Congress to decide. I think there are considerations pro and con on all sides of that question. But I have found that the Congress is at least as responsible on this as our friends elsewhere in Government, and we have, as you know, shared with the Congress some very sensitive material which has been successfully protected by the Congress.
>
> On the other hand, there are situations in which an American intelligence service will have to be much more exposed than the intelligence services of other countries. We are not going to run the kind of intelligence service that other countries run. We are going to run one in the American society and the American constitutional structure, and I can see that there may be a requirement to expose to the American people a great deal more than might be convenient from the narrow intelligence point of view.

That appeared a constructive answer. Members of the Senate Armed Services Committee and I would hope the Appropriations Committee will do their best to release more information about this budget. I do not think his answer means, however, an unqualified endorsement that everyone in America ought to know the details of the intelligence business. That would be against the Nation's interest.

Mr. PROXMIRE. I think that is correct; but I do not understand why we cannot be told the total amount, so that we will have some basis for judging it.

Mr. SYMINGTON. Let me say to the able Senator, we would also give the total amount for the DIA, for the NSA, and the amounts for the various other intelligence services, including the Office of Naval Intelligence and the other services; and I would be glad to discuss this with the able Senator, or anyone else. I read that into the RECORD, because I did not think Mr. Colby's answer to the question was quite as broad as I was led to believe by what the able Senator said.

Mr. PROXMIRE. Can the Senator give any reason for not disclosing the overall amount?

Mr. SYMINGTON. Yes, but I would rather not discuss this on the floor, rather some other place at the convenience of the Senator from Wisconsin. There ought to be more public information. How it is given out, from the standpoint of national security, I would prefer to discuss further with the able Senator from Wisconsin at his convenience. Then I would be glad to abide by his decision, because knowing him, I would either persuade him I was right, or he would me that he was right.

Mr. PROXMIRE. Just one further point on this. My resistance to handling this on a classified and confidential basis is that there is then no way in which it can be used in debate. There is no way in which it can be used in a report to other Senators. There is no way in which it can be made something on which we can secure outside expert opinion and judgments either as to the adequacy of the responses or how much should be put in.

Frankly, some of the most thoughtful and useful comment on spending policy comes from outside Congress. It comes from a variety of people; it comes from the interested experts in the universities, the business community, and elsewhere; and if we cannot discuss this publicly, so we can secure that opinion it seems to me we are very sharply handicapped.

I think the Senator will agree that the success of the operations of the CIA, at least in the covert field, have been mixed—in fact, mixed on the side of being a whole series of pretty disastrous failures, and I think one of the reasons is because so much of it has been done in secret.

Mr. SYMINGTON. I fully agree with the Senator.

Mr. PROXMIRE. I thank the Senator. Mr. President, I have just alluded to the fact that CIA operations have often failed. Let me run through very quickly some of the CIA operations that have been made public, and how they have operated:

1953: Overthrow of Premier Mossadegh and retention of Shah on throne in Iran. I think we can agree that one was successful.

Early 1950's: Attempted airdrop of men into Albania to overthrow Albanian Government. Ended in disaster—all caught.

1954: President Arbenz of Guatemala and his Communist cabinet overthrown by CIA team. That was a success.

1958: CIA support for invasion forces against President Sukarno of Indonesia. U.S. pilot, Allan Pope, captured, later released by intervention of Robert Kennedy. That was interpreted by most at that time as a failure.

1960: Reported bribe of Singapore Premier of $1 million. Another failure.

1960: U.S. U-2 pilot Francis Gary Powers shot down over U.S.S.R. Collapse of summit meeting. That was certainly a failure.

1961: Bay of Pigs. We all know what a failure that was.

1958–62: Support for Khamba tribesmen of Tibet against Chinese invasion. Training camp established at Camp Hale in Colorado. Tibet operation terminated with some loss of life among trained Tibetans. A failure.

1964–66: CIA involvement with emigree groups exposed in court case over United States and Canadian Estonian organizations. A failure.

1964: CIA supported U.S. Congo operation by assisting Tshombe. Anti-Castro Cubans used to fly U.S. aircraft. I think that was considered by most to be a mistake.

1964–65: CIA attempts to rig Chilean elections against Allende. Frei wins with CIA support. A temporary but certainly a pyrrhic victory, which has resulted since then in the view of many, as hurtful to American policy.

1966–67: National Student Association found funded by CIA. Elaborate front organizations in the United States exposed. That was certainly considered to be a failure.

Training and support of secret army in Laos at cost of over $300 million a year. I think that would be a failure.

Supply of red wig, miniature camera, credentials, and voice alternative device to E. Howard Hunt given by CIA. That would certainly be considered a disaster.

Operation of dummy and front organizations such as Air America and Southern Air Transport. Certainly doubtful.

Phoenix program to neutralize Vietcong infrastructure—20,587 people killed during Phoenix program led by William E. Colby. That certainly had mixed result at best, in the view, of most observers, on the basis of the hindsight we now have.

So, as I say, this is not an agency that has a long and distinguished record of achievement in the covert operations. They have done many useful things in intelligence gathering; we would have to acknowledge that. But the country would have been better served and the CIA would have done a better job if we could have had more congressional knowledge of these covert operations, and if in fact some of them, at least, had been made public at a time when they could have been discussed, and then influenced the policies that were formulated later.

I am not contending that all covert operations can be made public in advance, of course.

Mr. SYMINGTON. Mr. President, will the Senator yield?

Mr. PROXMIRE. Yes.

Mr. SYMINGTON. The covert operations that have failed are the ones made public. Some covert operations that have cost many American lives have been outstandingly successful. Some such operations have cost the lives of friends in foreign countries, although outstandingly successful.

I believe it unfortunate and illegal that the CIA was instructed by the National Security Council, just another way of saying the President of the United States, to carry on a war in Laos. I do not believe that will happen again. Although the Director of the CIA does not report to Congress, he promised me he will do his best to see it does not happen again. He knows the damage that war has done to the good name of the Agency he has served loyally for many years.

I agree with the Senator from Wisconsin that many problems we are talking about today came about, because of lack of review on the part of the committees of Congress that should have been more interested in CIA operations.

Mr. PROXMIRE. I think we also ought to recognize that it is very possible that this whole notion of our playing God, of our determining that the head of a government in a foreign country is not the right one, that we should challenge whether to act by assassination or by military coup or in some other way to put our own national preferences in authority and power. The President for whom both of us have such reverence, Harry Truman, who was the man during whose administration the CIA was founded, said in 1963 that he had no idea, at the time the CIA was established, that it would get into covert operations. He was appalled at the so-called "dirty tricks" record.

So here is one area that, whatever we are spending—and we have no idea—considerable question could be raised, first, as to whether we should continue, in view of the fact that we can challenge whether it is serving our interests under any circumstances; second, whether covert operations represent a moral attitude and posture that we should take; and third, whether this kind of activity should be continued without the congressional oversight, congressional knowledge, and congressional decision that should be required.

Mr. SYMINGTON. May I say the great President the able Senator just mentioned brought me into Government; and The first Director of the Central Intelligence Agency was from my home town, and a close friend. I agree the agency began doing extraordinary things in later years, actions not justified under its charter. Let us hope that can be corrected. I would hope to see legislation, plan to suggest some myself, to correct this development. On the other hand, of all Senators who might be interested in it, I would say would be the distinguished Senator from Wisconsin (Mr. PROXMIRE) because I have never seen, with one exception, a CIA estimate of the Army, Navy, or Air Force capabilities of the possible enemy that was not less than the estimate of our own Armed Services. Without the CIA, we would be turning over decision as to what the enemy has to the Pentagon.

If we do that, I am sure it would increase even more our already very large military budget, because we build our own defenses against the best estimate of what the possible enemy has.

Mr. PROXMIRE. I would agree wholeheartedly, from what I have heard—and I know very little about it, as all of us know very little about it, unfortunately—the CIA may well have done a very good job in bringing quality to the intelligence community in the noncovert intelligence gathering area.

Mr. SYMINGTON. And separated from the military.

Mr. PROXMIRE. Yes.

Mr. CRANSTON. Mr. President, will the Senator from Missouri yield?

Mr. SYMINGTON. I yield to my able friend from California.

Mr. CRANSTON. I want to express my appreciation for the great work the Senator from Wisconsin has been doing in seeking to bring to public light—for the information of the Senate, the Congress, and the country—the total budget figure for the CIA. It is very important that that figure be made public. I think that the response the Senator got to his question submitted to Mr. Colby during the confirmation hearings indicates clearly that there is no security reason for keeping the figure secret. All that Mr. Colby said, according to the Senator's speech today, was that to disclose the total figure of the intelligence budget would not present a security problem at this time, but that disclosure was likely to stimulate requests for additional details. What he was saying there is that there are no security reasons, but they want to keep the figure secret because they want to keep some other things secret. To me, that makes no sense. If there are figures that should be kept secret, those figures need not be revealed. I agree that there are facts about the CIA's operation that are not properly available for public consumption, but making public the overall figure has nothing to do with concealing those facts.

But the chairman of the committee mentioned that if this figure was made public, then certain overall figures would have to be made public.

Mr. SYMINGTON. I find myself in a rather extraordinary position this afternoon. Perhaps more than any other Member of the Senate, over a period of years, I have been pleading, arguing, working for further information about the CIA to be released at least to the Congress if not the American people.

So I do not want to be in any box about what is or is not released.

What I said to the able Senator from Wisconsin was based on his being a member of the Appropriations Committee.

So far as I am concerned, it has been most unfortunate the way intelligence information has been so extensively masked in the overall budget.

Mr. CRANSTON. I am delighted that the Senator has made that statement, because that is what the Senator from Wisconsin and I have been looking for. The DIA figure is already in the public domain.

I would like to add to the point the Senator from Missouri made about the figures in the defense budget. Since we do not know what the overall figure for the CIA is, every other figure in the Defense budget is open to suspicion as to its accuracy. In order to conceal within the Defense budget the overall CIA figure, every other figure is susceptible to being padded, and certain figures are padded. As a result, we have no idea what the figures really are, whether for the C-5A, the B-1 bomber, the Trident, or for military housing. We do not know whether those figures are accurate or inaccurate.

Mr. SYMINGTON. The Senator from California mentioned the DIA figure as published. I am not sure all the DIA figures are published, or NSA, or ONI, or Army Intelligence, or Air Force Intelligence. We are getting into something that should be checked from the standpoint of national security. I am sure the Senator would agree.

Mr. CRANSTON. Absolutely. I am delighted that we seem to have come to a point of agreement among the three Senators in talking about this matter.

Mr. PROXMIRE. Mr. President, apropos of what the Senator from Missouri has been quoting, indicating in his judgment that the total size of the intelligence budget is in the neighborhood of something like $5 billion or $6 billion, it has been said by some that this is high, and by others that it is low. Does the Senator feel, or could he discuss the total amount of the intelligence budget, in view of the fact that the Senator from Missouri just said that this is one area where there is more waste and extravagance than in almost any?

Mr. SYMINGTON. May I say to the able Senator from Wisconsin that I came in here to recommend the confirmation of Mr. Colby——

Mr. PROXMIRE. All right.

Mr. SYMINGTON. I know the Senator's tremendous capacity for figures—therefore do not want to commit myself because I am not sure. I am quite confident in my own mind, however that the figure of $6 billion is high. As to what the exact figure is, let me check it, and I will tell the Senator before the end of the week as well as the relatively low percentage of that figure that goes to the CIA.

Mr. PROXMIRE. I thank the Senator very much.

Mr. CRANSTON. If the Senator will yield for just one brief question, I should like to ask him if I could also be advised of that figure. The Senator said the Senator from Wisconsin is a member of the Appropriations Committee. I am not contesting my right to the figure——

Mr. SYMINGTON. I would certainly desire to give the Senator from California any information he wants. He has me in a bit of a "crack"——

Mr. CRANSTON. That was deliberate.

Mr. SYMINGTON. Unusual for him, too. Let us see. In any case, one or two members of a committee should not be told about things other members of the committee are not told about. When that happens—and it has happened—I see the Senator from Iowa (Mr. HUGHES) in the Chamber, and he knows what I am talking about—then we do not have a majority of the committee voting money on the basis of the facts. It was easy for me to say to the Senator from Wisconsin that I would be glad to discuss it with him, because he is a member of the Appropriations Committee.

Would the Senator be good enough to give me 24 hours, then I will answer his question.

Mr. CRANSTON. Certainly. The difficulty I have in voting on matters like this, not only in relation to the CIA, is that the concealment of the CIA figure distorts every other figure.

Mr. SYMINGTON. The Senator from California is right. I am sympathetic. But we do not want to be attacked for violating any rules on national security. I would hope we can do what the Senator from California desires and I appreciate his understanding.

Mr. CRANSTON. I thank the Senator from Missouri very much. I will be delighted to wait until tomorrow.

Mr. KENNEDY. Mr. President, I ask unanimous consent that Jerry Tinker and Dale deHaan be given the privilege of the floor during the course of this debate.

The PRESIDING OFFICER (Mr. Domenici). Without objection, it is so ordered.

The time of the Senator from Wisconsin has expired.

Mr. HUGHES. Mr. President, I yield 15 minutes of time under my control to the distinguished Senator from Wisconsin (Mr. Proxmire) to finish his statement. He has obviously been in discussion here and has been unable to finish it. So I will be more than happy to yield him that time.

The PRESIDING OFFICER. The Senator from Wisconsin is recognized for 15 minutes.

Mr. PROXMIRE. Mr. President, I want to thank the distinguished Senator from Iowa for giving me this 15 minutes. I do not think I will use it all.

Mr. SYMINGTON. I participated in this colloquy, but did not start it. If the Senator needs more time I will be glad to yield him from my time.

Mr. PROXMIRE. I thank the Senator. On the issue of the National Security Council Intelligence Directives, which I first raised here on April 10 and again on June 4, I am pleased to note that for the first time the oversight committees will be briefed on their contents. It is simply unbelievable that the oversight committees were unaware of these—the primary operating directions to the intelligence community—for all these years. How could there be any oversight if Congress had no idea about what the executive department had directed the CIA to do? That is why the oversight committees did not know about the secret army in Laos or the tampering with the election in Chile. They did not even know where to look.

I urge the oversight committees to retain copies of these directives and require frequent briefings along the lines of the programs undertaken under each directive.

I ask the distinguished Senator from Missouri, the acting chairman of the Committee on Armed Services, if it would be possible to sanitize the NSCID's and release them publicly or have the National Security Council do so—that is, take out the classified information included in them, but release what can be released.

Mr. SYMINGTON. I am not sure, but have obtained approval to look at them myself. We have been so busy trying to get the procurement bill out under pressure from the leadership that I just have not yet had time. I would be glad to ascertain whether or not that would be possible. Those directives from the National Security Council, at least in the minds of some people, in effect go against the legislation which created the agency itself.

Mr. PROXMIRE. It is the kind of information we ought to have. Much of it is historical and dated and therefore could be disclosed.

Mr. SYMINGTON. I agree. The only person who could decide that would be the President or his agent, through the National Security Council. I will be glad to write them a letter about it.

Mr. PROXMIRE. When I get classified information and I ask that it be sanitized, 90 or 95 percent of the information is usually intact.

I might also add at this point that the CIA's reply to my question about the interpretation and extension of the National Security Act of 1947 was completely inadequate. The NSCID's flow from one clause in the 1947 act. The act also provides, as Mr. Colby states, that the National Security Council shall issue directives pursuant to the act.

But this does not give the National Security Council the right to change the intent or substance of the original act. It merely enables the National Security Council to carry out the expressed wishes of Congress as stated in the act. And nowhere in the act does Congress give the CIA authority to operate overseas with covert techniques.

In 1963, President Truman stated emphatically that he did not have this in mind when the CIA was formed during his administration.

DOMESTIC OPERATIONS

Finally, I wish to talk about the issue of domestic operations. Although Congress clearly did not want the CIA to become involved in domestic matters and placed specific language in the act to that effect, still the CIA maintains certain domestic operations. Some of these may be harmless, like the Domestic Contact Service, but others pose more serious problems.

Mr. President, the strictest kind of restraint must be placed on domestic activities of the intelligence community. The CIA has no place training police forces under the omnibus crime bill. It should not be forming dummy domestic corporations or active corporations, for that matter. CIA ties with the academic community, research institutes, aerospace companies, and Federal bureaucracies should be carefully controlled.

I am particularly disturbed that the Domestic Contact Service has been placed under the operational control of the clandestine services. Mr. Colby says that this is to improve the coordination of its collection activities with those of the Agency abroad. I find this disturbing because of the possibility that the DCS, which has a good reputation, may now become "tainted" by the covert side of the Agency. If the DCS is an open and aboveboard operation, then it should operate in an open and aboveboard manner. It should operate under the authority of the analytical side of the CIA.

I should like to ask the Senator from Missouri one other question: Does the chairman think the oversight committees should be told about the foreign and domestic operations?

Mr. SYMINGTON. I would put it this way: The oversight committees should be told everything that does not directly affect an operation.

During the years I spent in the Pentagon at the Secretary level, there was one subject I did not want to know about; namely, the details of war plans.

If we have agents in a foreign country, under cover, I do not want to know who they are, nor do I want to know the details of their actions.

Mr. PROXMIRE. I understand that. I think everyone would agree with that. What I have in mind is that when these operations have taken place, and without disclosing identities of individuals involved, does the Senator feel that the oversight committees should be informed, so that there could be a prompt evaluation and a policy determined on the basis of that experience?

Mr. SYMINGTON. One of the most unfortunate developments in the history of this country was the secret war in Laos run by the CIA out of the Embassy in Vientiane under instructions from the Embassy. It was run without knowledge on the part of members of the Armed Services Committee or the CIA Oversight Committee or the Committee on Foreign Relations.

It was only found out about when staff members of Foreign Relations went into Laos and found a war being run out of the Embassy in Vientiane.

That kind of secret operation is wrong. It all should have been reported to the proper committees. I believe the main reason it was not reported was because they knew if it was found out, it would have been stopped.

Mr. PROXMIRE. Are these foreign operations ever reported to the oversight committees?

Mr. SYMINGTON. They have not for some years.

Mr. PROXMIRE. Why should they not be reported to the oversight committees?

Mr. SYMINGTON. I think they should.

Mr. PROXMIRE. And they should exercise their authority.

Mr. SYMINGTON. Yes.

Mr. PROXMIRE. So far as the Senator is concerned, that is his position?

Mr. SYMINGTON. And to the best of my ability, I will see that such reporting of a war, a secret CIA war, is put into effect.

THE COLBY CONFIRMATION

Mr. PROXMIRE. In considering how to vote on the Colby confirmation I have weighed the available facts, as inadequate as they may be. On the negative side are his associations with the Phoenix program, his lifelong career in the covert side of intelligence, and the whole question of executive department use of the CIA. On the positive side is his willingness to answer all questions, his reputation as a good administrator, and some awareness of the propriety of close congressional oversight.

On balance, I have decided to support Mr. Colby. But I am giving notice that I will closely monitor his leadership of the intelligence community. And I will not hesitate to object to any questionable use of the intelligence community in domestic affairs. Furthermore, I may offer certain amendments to the military procurement bill dealing with the CIA.

A NEW OVERSIGHT COMMITTEE

Mr. President, within the next few days I will introduce a resolution to create a standing committee of the Senate on the Central Intelligence Agency. There are many sound reasons for creating a full standing committee. Not the least of these is the need for continuing oversight of the multibillion-dollar intelligence community. This can only be done with a full-time staff unencumbered by other responsibilities.

I will recommend that this new committee be composed of members of the Senate Armed Services Committee, the Foreign Relations Committee, and others selected from the remaining Senators.

Mr. President, I welcome the statement by the distinguished chairman of the Senate Armed Services Committee (Mr. STENNIS) that the committee will undertake a reassessment of its oversight responsibilities. I hope that my bill S. 1935 will be considered at that time.

I thank the distinguished Senator from Iowa and the distinguished Senator from Missouri for yielding me time.

Mr. President, I yield back the remainder of my time to the Senator from Iowa, and I thank the Senator once again.

Mr. SYMINGTON. Mr. President, if the distinguished Senator from Iowa will yield, I am very glad to hear the able Senator from Wisconsin say he has decided to vote for Mr. Colby. Knowing him as I do, I know also that he would not do so unless he felt it was right and in the interest of the country.

His speech today on the Senate floor is constructive. This situation has been wrong; it has been wrong over a period of years; it should be corrected; and as a member of the Armed Services Committee, the Foreign Relations Committee, and a member of the Military Subcommittee on Appropriations, I will be glad to work with him to that end.

Mr. PROXMIRE. I thank the Senator.

The PRESIDING OFFICER. Who yields time?

Mr. HUGHES. Mr. President, I yield myself 15 minutes.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. HUGHES. I yield.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the distinguished Senator from Iowa (Mr. HUGHES) and the distinguished Senator from Massachusetts (Mr. KENNEDY) have at least 20 minutes apiece of the remaining time and that the vote occur on the pending nomination at the hour of 4 p.m.

Mr. CRANSTON. Mr. President, reserving the right to object, I do wish to speak on the nomination and I am not certain as to the time I will need. I am waiting to hear the statements of the two Senators.

Mr. MANSFIELD. We are trying to accommodate several Senators who would like to vote at 4 o'clock.

Mr. CRANSTON. I do not want to object, but I would like to have 12 or 14 minutes.

Mr. MANSFIELD. Very well. I withdraw the request.

Mr. HUGHES. Mr. President, I have requested time to speak to clarify my opposition to this nomination. As I stated at the time of the vote by the Armed Services Committee, I wanted to review the evidence which had been presented before making a final judgment.

That review has reinforced my original inclination to oppose Mr. Colby's nomination.

At the outset, let me say that I do not question Mr. Colby's ability. He has an impressive background of Government service in intelligence and other areas as well as good academic and professional credentials.

Moreover, I am pleased with many of the statements and pledges made by Mr. Colby in his confirmation hearings.

He has offered to accede to Congress will in making public some information about the CIA budget.

He has promised to continue reducing unnecessary intelligence activities in order to hold down costs.

He has stated that he would respect the prohibitions on CIA activities within the United States and calls the Agency's assistance to E. Howard Hunt a mistake that will not be made again.

He has agreed to consider providing written materials as well as oral briefings to the appropriate congressional committees.

And he has declared his intention to resign if he is ever given an order to involve the Agency in an illegal act.

These are no small assurances and he is to be commended for them.

Despite those statements, Mr. President, I remain troubled about Mr. Colby's suitability for this particular important and sensitive position. After all, we are deciding who shall control what our intelligence agency does overseas and who should be the President's chief analyst of political and military developments in other countries that affect our national interest and security.

The decision as to who should have these far-reaching powers gets to basic consideration of a public official's loyalty to the Constitution of the United States when that loyalty seems contravened by other loyalties and disciplines. This, in turn, gets at the fundamental qualification for a CIA Director of an overriding commitment to civilian control of the Agency.

At a time when startling disclosures are being made of secret warfare being waged at the behest of a few individuals in command positions and of large scale falsification of official reports on such activities to the Congress and the American people, it seems imperative to me that we take a thorough, objective look at the temperament and background of the individual we select for this powerful, sensitive post.

In this context, I have serious doubts about the way in which Mr. Colby handled his previous assignments.

His optimistic assessments of the popularity and strength of President Diem in South Vietnam a dozen years ago may well have helped to cement American policy in support of a dictator who had lost touch with his own people. Better judgments in those years may well have avoided or mitigated the tragedy of Vietnam.

Mr. Colby's activities as head of the Far East Division of the Directorate of Plans may well have undermined the 1962 Laos accords and led to the start of the secret but deadly war in that troubled country.

Mr. Colby's direction of the Phoenix program, however well intentioned it may have been, clearly did not prevent abuses and excesses in that program which are now a matter of public record. I will leave to some of my colleagues a more detailed analysis of Mr. Colby's record as director of Phoenix which I believe requires the most careful scrutiny.

I am also frankly troubled about some of the attitudes Mr. Colby has shown toward the proper role of the CIA in the future.

Take, for example, his statements with regard to U.S. activities in Laos.

Mr. Colby told the distinguished acting chairman of the Armed Services Committee (Mr. SYMINGTON) that—

> The initiation of CIA's activity in Laos was a matter which did require the use of intelligence techniques because it was felt important at that time that the United States not be officially involved in that activity.

Regardless of whatever "intelligence techniques" were involved, the fact was that the CIA financed one military faction which overthrew the legitimate Government of Laos in 1960 and later sponsored a secret army responsive to American rather than Laotian policies. As the years passed, Americans became so deeply involved with this army—through advisers, pay, and air support—that the CIA was in effect running its own war in Laos rather than simply gathering intelligence.

Mr. Colby never told the committee that he would not engage in another secret, CIA-run war. Rather, he said:

> I will try to keep it out of the kind of exposure that some of these larger activities got us into.

His concern was with exposure rather than with impropriety or outright illegality of an intelligence-gathering agency's running a war.

In a written question for Mr. Colby, I tried to pin down this crucial difference. I asked him: Where should the line be drawn between CIA and Defense Department activities involving the use of armed force?

His answer was:

> In general, the line should be drawn between CIA and the Defense Department with respect to armed force at the point in which the United States acknowledges involvement in such activities. As a practical matter, however, the scale of the activity will, in many cases, also affect whether the United States is revealed as engaged in the activity.

Again, the point to be made is that Mr. Colby believes that CIA-run military operations are perfectly acceptable so long as they can be concealed. This is unacceptable to me.

When Americans are involved in combat, the Congress should be informed and congressional approval should be obtained.

Yet Mr. Colby stopped short of promising the openness which our system demands. When I asked him: Do you believe that it is proper under our Constitution for such military operations—as in Laos—to be conducted without the knowledge or approval of Congress, he replied:

> The appropriate committees of the Congress and a number of individual senators and congressmen were briefed on CIA's activities in Laos during the period covered. In addition, CIA's programs were described to the Appropriations Committees in our annual budget hearings.

Mr. President, in my judgment, the lines drawn by Mr. Colby in responding to these questions are too blurry to be acceptable.

Given the recent evidence of the failure of more than a handful of Members of Congress—if that many—to be informed of the secret B–52 raids in Cambodia, I am suspicious of such assertions. And I am sure that the distinguished Senator from Missouri (Mr. SYMINGTON), though we differ on this particular nomination, would agree that sufficient and timely information on Laos was not provided to the Congress.

Now we face the problem of Cambodia. Press reports suggest that the CIA has already placed personnel throughout the country who are providing radio equipment to Cambodian units and who then suggest where these units should operate. At least some of these people worked on paramilitary operations in Laos at an earlier time.

We have to be sure that these people are not the entering wedge of another clandestine cadre of American military advisers—which would be contrary to existing law and against the clear desire of the American people and the Congress to withdraw from military operations in Cambodia.

Mr. Colby's prior association with such operations and his testimony make me fear that he might acquiesce in another secret war, at least so long as it can be kept secret.

I have no objection to an intelligence man as director of the CIA. In some cases, it might be positively beneficial, since he would be better able to control the vast bureaucracy beneath him because he knows the ins and outs of the process.

But the intelligence apparatus should be under command and control of proper constitutional authority; its operation must not be permitted to become an end in itself.

I am fearful of a man whose experience has been so largely devoted to clandestine operations involving the use of force and the manipulation of factions in foreign governments. Such a man may become so enamored with these techniques that he loses sight of the higher purposes and moral constraints which should guide our country's activities abroad.

We need as Director of the CIA a man who will unflinchingly act on those purposes and subject to those constraints, a man who will unfailingly show the independence necessary to resist pressures from his operatives below and from his superiors above to try some dirty trick which promises some clever success at the expense of our principles.

Take the example of CIA involvement in domestic activities in the United States. We know that the CIA provided assistance to Howard Hunt's burglary of Daniel Ellsberg's psychiatrist's office; that it prepared a personality study of Dr. Ellsberg, an American citizen; that it provided probably illegal training to local police forces in our country.

When questioned about taking firm steps to prevent recurrences, Mr. Colby answered me that—

> With respect to the training of local police personnel—any further such action will be taken only in the most exceptional circumstances and with the Director's personal approval.

Instead of outright repudiation of such practices, Mr. Colby left open the door for his own personal decision.

Bluntly, there were too many qualifications, too many hedges in such answers to convince me of Mr. Colby's suitability for this particular command post.

We cannot accept such loopholes unless we are willing to tolerate abuses and, ultimately, risk loss of control.

Mr. President, in confirming a director of the far-flung CIA, there should be no questions whatever in our minds as to his responsiveness to civilian control and his respect for the basic political processes of this republic.

The discipline of the secret operative is necessary, often admirable, but it is not necessarily conducive of the kind of perspective and judgment required for the head of a vast governmental agency which has the capability of either protecting or compromising our national interest and our moral purpose as a people.

Mr. President, we must recognize today more clearly than ever before that the Congress has awesome responsibilities in voting on this immensely important appointment. The selection of head of the CIA is too crucial to our future to be made with a routine stamp of approval.

This brings us to the larger context of congressional responsibility for oversight of the CIA. In the last 20 years more than 200 bills designed to make the CIA more accountable to Congress have been introduced and have gone absolutely nowhere. The least we can at this time do is to review and live up to our responsibilities under the existing imprecise laws governing that agency.

Mr. President, my opposition to Mr. Colby has no personal overtones. Nor do I have cause to question either his loyalty or ability. The question is whether or not this man in the light of his background and attitudes is qualified for the CIA directorship with all of its sensitive bearing on national security, national purpose, and constitutional liberties.

For me the answer is No.

I yield the floor.

Mr. KENNEDY obtained the floor.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. KENNEDY. I yield.

Mr. MANSFIELD. Mr. President, I would like to repeat my request: Twenty minutes to the distinguished Senator from Massachusetts (Mr. KENNEDY), and 10 minutes to the distinguished Senator from California (Mr. CRANSTON), and then a vote on the nomination.

The PRESIDING OFFICER. Is there objection?

Mr. TOWER. Mr. President, reserving the right to object and I shall not object—I simply did not hear the request.

Mr. MANSFIELD. Twenty minutes and 10 minutes and then the vote.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Montana? Without objection, it is so ordered.

Mr. KENNEDY. Mr. President, I, first of all, want to express my very sincere appreciation to the acting chairman of the Armed Services Committee, and the person that is bringing the nomination to the floor of the U.S. Senate (Mr. SYMINGTON). I want to express my very deep sense of appreciation for all the courtesies he has extended to a Member of the Senate, which in this case is myself, and for cooperating in every possible way to assist this Member to gain information from the nominee and also from the committee itself on a number of different matters which I was deeply troubled by and very much concerned about.

After listening to the colloquy of the Senator from Wisconsin, the Senator from California, and the Senator from Missouri, and hearing the Senator from Missouri indicate that he was going to respond in every positive way he could to work with Members of the Senate, I would like to say publicly that, as a person who has worked with him closely on this particular matter, as well as other matters, I think my colleagues can be very much assured of his cooperation and willingness to extend every degree of information that he possibly can to the Members of the Senate.

Mr. SYMINGTON. Mr. President, I cannot let those very kind remarks go without expressing my gratitude. Having served for many years with the able Senator from Massachusetts, and having had increasing respect for his ability and his intelligence on these and other matters, it was a privilege to cooperate with him in this case. It will always be a privilege to cooperate with him.

Mr. KENNEDY. I thank the Senator.

Mr. President, although I respect Mr. William Colby's proven ability and the high regard in which he is held by the intelligence community of the United States, I intend to cast my vote against his confirmation as Director of Central Intelligence.

In part, the reservations I have about his nomination are matters of personal conscience, arising out of Mr. Colby's close relationship with the Phoenix program in South Vietnam and my own longstanding humanitarian concern about the effects of the war on Vietnamese civilians.

In part, my reservations also involve larger questions about the changing role of the CIA in American policy and the philosophy of the person the country should have to guide the Agency in the years ahead.

As chairman of the Senate Refugee Subcommittee, as a Senator concerned about civilians in Vietnam, as one who has been to Vietnam and seen their plight firsthand. I have long been troubled by the continuing serious allegations surrounding the Phoenix program.

From the fall of 1968 through the spring of 1971, Mr. Colby was in charge of the U.S. pacification program in South Vietnam. As such, he was one of the principal architects and masterminds of Phoenix, a program designed to "neutralize"—in one of the more notorious euphemisms of the Vietnam war—the so-called Vietcong infrastructure, that is, South Vietnamese civilians providing assistance to the Vietcong.

The following statistics on Phoenix, furnished by Mr. Colby in House hearings in 1971, represent one of the few accepted measures of the program:

PHOENIX—NEUTRALIZATION OF VIETCONG INFRASTRUCTURE

	Captured	Rallied	Killed	Percent killed	Total neutralized
1968	11,288	2,229	2,559	16	15,766
1969	8,515	4,832	6,187	31	19,534
Sentenced:					
1970	6,405	7,745	8,191	36	22,341
1971 (May)	2,770	2,911	3,650	39	9,331
Total	28,978	17,717	20,587	30	66,972

As Ambassador Colby stated in his public confirmation hearing before the Senate Armed Services Committee on July 2, during his tenure as head of pacification:

> Most of the developments of the Phoenix program were my own.

Yet, the record of Phoenix and related public safety programs under Mr. Colby is marked not only by a shocking dearth of information on the operations and results of the programs—but it is also riddled with unanswered charges and allegations of assassinations, of indiscriminate killing of civilians, of targeting suspects without adequate intelligence, of false arrests and unknown persons "neutralized," of torture and brutality in the interrogation centers and prisons of jailing non-Communist political opponents of President Thieu, of reclassifying political prisoners as common criminals, and of inexcusably poor training and field control of a program of such lethal scope. And we see the results of this program continuing today in the prisons of South Vietnam.

In addition to a private conversation with Mr. Colby earlier this month, I had the opportunity, at the invitation of the Armed Services Committee to question Mr. Colby last week in executive session, and to submit a series of written questions, on Phoenix and related programs. Mr. Colby's replies still leave many questions unanswered—and, in fact, raise some troubling new ones.

In terms of the past record, Mr. Colby has provided no additional information on the Phoenix and related programs, and declined to submit documentation in support of his views.

In terms of the present, it is clear from Mr. Colby's replies that the United States has not fully disengaged from Phoenix and related functions, and that Mr. Colby supports our present posture.

One of the questions I submitted read as follows:

> What is the current status of the Phoenix (Phung Hoang) Program? Assuming it continues, does the United States have a supportive, advisory or any other kind of role? Are any American or American sponsored personnel, from the CIA or elsewhere, involved in any way? Are any American commodities or funds, directly or indirectly, from the CIA or elsewhere, supporting any aspect of the Phoenix Program?

This is Mr. Colby's response:

> Aside from a GVN national level coordinating committee, the Phung Hoang program has been incorporated within the national police of Vietnam and is no longer a separate program. The United States does not have a support, advisory or other role with respect to the Phung Hoang program, although CIA maintains liaison and assists the Special Police Branch of the National Police in its intelligence functions. The United States advisory effort with the Phung Hoang program was terminated in December 1972, and U.S. assistance to the Phung Hoang program through the Department of Defense ended at the same time. Aside from this relationship with CIA, I am not informed about the uses made of other assistance which might be supplied by the United States.

This comment is distressing. Clearly a continuing American involvement along the lines suggested by Mr. Colby is not only unconscionable—but, I feel, it is also in violation of the spirit, if not the letter, of the ceasefire agreement for Vietnam.

Finally, in terms of the future and his potential direction of the CIA, Mr. Colby clearly feels that Phoenix-type functions, organizations and programs—what he calls "internal counter-subversive or counter-terrorist activities"—are a proper function of the CIA, and serve a useful purpose in U.S. foreign policy.

Again, one of the questions I submitted reads as follows:

> Are there plans, anticipations, or personal convictions on your part, that Phoenix programs should be supported by the United States in the Philippines or Thailand or elsewhere?

This was Mr. Colby's response:

> Under the Nixon doctrine I do not envisage a large-scale U.S. involvement in internal counter-subversive or counter-terrorist activities on the scale of experience in Vietnam.

Frankly, this is a surprising reply—for the Nixon doctrine has been in force for the greater share of Phoenix history.

As a matter of fact, this morning, in our Refugee Subcommittee, we inquired into the matter with AID and Department of Defense officials. I asked Mr. Dennis Doolin about the Department of Defense's contribution of nearly $12 million, under fiscal year 1974, for police support activities. Under Mr. Colby's earlier response, he recognizes that the Phoenix program continues in Vietnam and recognizes that the program is now incorporated into the national police. However, he was unable to give us any information. We know that we are contributing in excess of $12 million to the police forces of South Vietnam, out of AID and DOD funds. But the Defense Department personnel whom we had before our committee were unable to give any assurance to us this morning that no part of these funds are being used for Phoenix functions.

Also, Mr. Colby indicated when I asked if such a program could start in the Philippines, Thailand, or elsewhere: "Under the Nixon doctrine, I do not envision a large-scale U.S. involvement in internal countersubversive or counterterrorist activities on the scale of experience in Vietnam."

The Vietnam experience is the one that gave us Phoenix. I cannot say that I was assured by his answers to those questions.

Finally, during his tenure in Phoenix, Mr. Colby found it necessary to issue a directive to all U.S. military personnel participating in the program. One passage in the directive states that:

> U.S. personnel . . . are specifically unauthorized to engage in assassination.

Another passage states:

> If an individual finds the police type activities of the Phoenix program repugnant to him . . . he can be reassigned from the program without prejudice.

In sum, the essence of Mr. Colby's defense against the charges that Phoenix was a program of indiscriminate murder, assassination, and torture, is that war is dirty business, that the program was an essential part of the American war effort in South Vietnam, that he was aware of the abuses, that, as the military directive indicates, he made efforts to reduce them, that the abuses were isolated events, and that, in any event, he was simply carrying out a program ordered by the U.S. high command.

But no rationalization of Phoenix, no minimization of its abuses, no antiseptic label can conceal the fact that although Phoenix is the mythical bird of life and resurrection, Phoenix under Mr. Colby's tenue was a bird of death for 20,587 civilians of South Vietnam.

This Nation should never have been involved in Phoenix. Never again should a program like that be part of America's role in world affairs.

The other reservation I have about Mr. Colby involves the sort of leadership America wants for its CIA in the years ahead.

In recent years, the activities of the CIA, especially its secret operations, have come under increasing challenge at home and overseas. The gulf between the Agency's intelligence arm and its clandestine arm is well known. Especially in recent months, as highlighted by the unfolding disclosures of CIA involvement in the Watergate affair, the reputation of the Agency has been further diminished, because of its apparent involvement in domestic activities in violation of its charter.

I share the serious and growing doubts of many other Senators about the role of the CIA as it is presently constituted Already, under the leadership of Senator STENNIS and Senator SYMINGTON, the Armed Services Committee has begun an extensive review of the CIA Act. There are many other signs as well that both the Senate and the House intend to exercise a far greater degree of oversight over the CIA in the future than has existed in the past.

But Congress cannot do the job alone. If the CIA is to fulfill its proper role in the decade of the seventies, it must have a director who is responsive and sympathetic to the need. As a man who has risen through the ranks of the Agency on its clandestine side, Mr. Colby symbolizes the side of the CIA that has become deeply embroiled in the present controversy over the Agency's foreign and domestic activities.

Perhaps the CIA continues to need this covert side to its operations—unquestionably, Mr. Colby is an outstanding choice to lead such a role as the CIA's Deputy Director for Operations, the position he now holds.

But, looking to the future of the country and the future of the CIA, I believe the United States has had enough secrecy and covert ideas and covert men. At the very least, the CIA needs a greater balance between its clandestine and its intelligence functions.

But William Colby is the epitome of the covert man. And so, although my opposition to him on this ground is in no sense a personal reflection on him, I do not believe that he should be the choice to strike that balance or to shape the Agency in the transitions that lie ahead.

One other point should be mentioned. In recent weeks, I have been troubled by a number of questions arising out of Mr. Colby's role as Executive Director of the CIA in certain aspects of the Watergate affair in 1972 and early 1973.

Although this aspect is not yet entirely free from doubt, the issue continues to be investigated by the Senate Select Committee and the special prosecutor.

I do, however, want to make clear that my vote against Mr. Colby's confirmation is not based on his relationship to Watergate.

In closing, let me say again that I respect the very high regard in which Mr. Colby is held by those who have known and worked with him. In many respects, he symbolizes the finest qualities of intellectual ability and personal sacrifice demonstrated by legions of able and unheralded American officials who have unselfishly dedicated their careers to the Nation's public service.

But, for the reasons stated, I am unable to approve his nomination.

Mr. MANSFIELD. Mr. President, I ask for the yeas and nays on the nomination.

The yeas and nays were ordered.

Mr. CRANSTON. Mr. President, to me there is one basic problem looming behind the vote on the nomination of Mr. William Colby to be the new Director of the Central Intelligence Agency. That problem is the vase power wielded by the Central Intelligence Agency itself.

When I reviewed the National Security Act of 1947, I was reminded once again that the CIA's power has largely developed within the statutory authority layed down by that act.

The bulk of the CIA's duties as defined by the National Security Act as related to advising the National Security Council and correlating and evaluating intelligence. The authority for the "dirty tricks" is contained in one short clause stating that it shall be the duty of the Agency, under the direction of the National Security Council—

> . . . to perform such other functions and duties related to intelligence affecting the national security as the National Security Council may from time to time direct. (50 USC 403(d)(5).)

This means that the law gives the CIA, subject only to the approval of the National Security Council, a virtually free hand in conducting clandestine operations overseas, overthrowing foreign governments, training mercenaries, and even sponsoring assassination programs such as Phoenix—all in the name of national security.

Today it seems strange that Congress should have signed away such power. Knowing what we know now, we would probably have placed far more restrictions on the CIA's mandate. Perhaps a brief look at the cold war setting in which the National Security Act was drafted will help to show how badly change is needed.

The cold war spawned an increasing tendency to see overseas political developments in military terms and hence to let defense policy determine foreign policy, rather than the other way around. Prior to World War II, military officers had not been prominent decisionmakers in matters of foreign policy, but the cold war saw a dramatic reversal. Diplomats yielded their influence to professional soldiers and to civilians, whose concern for military might, surpassed even that of the generals.

In this framework, the political system adopted by another country was automatically part of a worldwide contest between capitalism and communism, and thus either a threat or a boost to our national security. As President Truman said before a joint session of Congress on March 12, 1947:

> . . . totalitarian regimes imposed upon free people, by direct or indirect aggression, undermine the foundations of international peace and hence the security of the United States.

National security had become a national mania. Accordingly, the powers of oversight and review were given to the two Armed Services Committees of House and Senate and to the Appropriations Committees, but not to the Foreign Relations Committees.

Today we know that what the CIA does has explosive foreign policy implication. In many countries of the world, American foreign policy has become closely associated with the CIA.

Today we know, too, that a radical movement somewhere in the world is not automatically a threat to our security. We know that economic strength and political leadership are as important, in their own way, as our arsenal of bombs and missiles.

Today the mood and atmosphere have changed, but the law has not.

And I think that is the most fundamental challenge facing the Congress on the question of the CIA—to bring the law into line with a democratic society and to place further restrictions on the CIA, its Director, and its activities.

Accordingly, I am introducing today a measure to set up a 1-year, ad hoc Select Committee on Foreign Intelligence, whose duties shall include recommendations on revising the National Security Act and taking other appropriate steps to bring the CIA under firmer supervision. This committee should address the basic questions of the CIA's mandate and the degree of power that is appropriate to that mandate. It should consider that power in the context of a democratic society. It should seek to lay down guidelines for the CIA's activities.

More broadly, however, the ad hoc committee that I am proposing should take a broad look at all our overseas intelligence activities, not just those of the CIA. It would be directed to study the implications of these activities for U.S. foreign policy, foreign economic policy, and defense policy, and to report its general findings to the full Senate.

Mr. President, I think we need a study committee of this kind even if an authorizing committee is set up relating to the CIA. I am delighted that the distinguished Senator from Wisconsin (Mr. PROXMIRE), who has provided such creative and constructive leadership in this field, plans to introduce a resolution to create a standing committee of the Senate on the CIA. I am delighted, too, that our wise and effective majority leader, Senator MANSFIELD, is particularly interested in this move, and is devoting a considerable measure of his talents to the effort to bring the CIA under proper control.

I believe we also need a study committee because—too often—this country does one thing with the right hand and another with the left. There should be some group in the Senate that can stand back and look at the whole, briefly, without a permanent assignment, and thus without developing a domain of its own—in other words, without developing a constituent interest.

I also have some modest suggestions relating to curbing the power of the CIA short of a fundamental review and overhaul. I am offering these suggestions in the form of amendments to the National Security Act, and I will explain them in a moment. But first I want to make clear that I would prefer to have these suggestions acted upon by some sort of oversight committee or authorizing committee. But if the Senate does not establish either of these committees, I will push ahead with these amendments on my own.

My first proposal is to place a time limitation on the terms of the Director and Deputy Director of the CIA. As the law stands (50 U.S.C. 403(a)), the Director and Deputy Director shall be appointed by the President, by and with the advice and consent of the Senate. But there is no time limitation to that appointment. I propose a term of not to exceed 8 years. I do not feel that 8 years is a magic number. But I do think it important to place a time limitation on these positions so as to prevent the perpetuation of an "independent kingdom." I understand that the distinguished Senator from West Virginia (Mr. BYRD) has introduced similar legislation to place a time limitation on the term of the Director of the Federal Bureau of Investigation.

My second proposal would prevent the posts of Director and Deputy Director from being occupied by two "insiders" at the same time. According to existing law, at no time shall the two positions be occupied simultaneously by commissioned officers of the armed services. I suggest extending that restriction to individuals employed by the CIA within the last 5 years prior to their appointment.

By requiring that the posts of Director and Deputy Director shall not both be filled by "insiders" at the same time, my intention is to prevent the Agency from being run by "professionals' professionals" and subject it to some form of supervision from the outside. Just as a general should not be appointed Secretary of Defense, so the leadership of the CIA should not be drawn solely from within.

My third proposal is directed at the broad power granted to the CIA by the National Security Act to perform functions other than those related to the collection and analysis of information—the so-called "dirty tricks". I have already quoted that part of the National Security Act that conveys the authority for these operations.

My amendment would change that power in a very modest way by requiring not only the approval of the National Security Council, but the specific, written approval of the President as well. This is a small but important first step toward curbing the misuse of power.

Let me emphasize again that these are not final solutions but only modest first steps. And again, they should ideally be debated by an authorizing committee or by a committee specifically set up to study foreign intelligence activities in general and the CIA in particular.

I also want to make it clear that my motive in introducing this legislation is not punitive. I have considerable respect for the CIA. Nor is it directed at Mr. Colby personally. I recognize that he is a capable man who has won the respect of his colleagues and of many people outside of the Agency as well.

I have endeavored to find out all I could about Mr. Colby but, like Senator PROXMIRE, I have found that a difficult task. I concur with him that today the Senate will cast a blind vote on the Colby nomination.

I came on the floor today not knowing how I would vote. I have listened carefully to the debate. Primarily for some of the reasons advanced by two distinguished Senators, Senator HUGHES and Senator KENNEDY, I shall vote against him.

I shall vote against him also because William Colby is a symbol of the abuse of power.

We do not need to break the law to have effective intelligence operations. I believe in order, justice, and law.

My aim in the legislation I am proposing is simply to place limitations on the extraordinary power wielded by the Director of the CIA in the belief that such power is incompatible with our democratic system.

The legislation that I am introducing today is only a partial check on the virtually unfettered power enjoyed by the CIA. A crucial step not covered by my proposals, for example, is making public the budgets of the various intelligence agencies, including the CIA. I have already pursued this suggestion through letters to other Senators and through discussion in the Democratic Caucus, and I want to reiterate this concern today.

I have noted two encouraging developments in particular. First, during his confirmation hearing for his appointment as Secretary of Defense, Dr. James Schlesinger stated that publishing a gross figure for national intelligence programs would have a "minimal" effect on security concerns. In answer to determined questioning on a public budget figure by the distinguished Senator from Virginia (Mr. HARRY F. BYRD, JR.), he added:

> . . . for the gross national intelligence program figures, I think we could live with that on a security basis, yes.

And William Colby, the Director-designate of the CIA, stated that while budget totals have traditionally been classified, he would "defer to the appropriate congressional authorities" for any change. I read that as a message for us to go ahead with changing this unnecessarily supersecret tradition.

Mr. President, General Marshall used to say that political problems, if thought about in military terms, become military problems. Now the word "paramilitary"—from "para," meaning "alongside of" or "related to"—has come into common use even though most standard dictionaries do not list it. I am afraid that without legislation to curb the CIA, political problems—already woefully militarized—will increasingly become paramilitary ones.

I ask unanimous consent that the text of the proposed legislation be printed at this point in the RECORD.

There being no objection, the resolution and bill were ordered to be printed in the RECORD, as follows:

S. 2321

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 102(a) of the National Security Act of 1947 (50 U.S.C. 403(a)) is amended by striking out the proviso at the end of such section and inserting in lieu thereof the following: "*Provided, however,* That at no time shall the two positions of the Director and Deputy Director be occupied simultaneously (1) by commissioned officers of the armed services, whether in an active or retired status, or (2) by individuals who have been in the employ of the Agency for any period of time during the five year period immediately preceding the time they are considered for appointment. No person may serve as Director for more than a total of eight years."

(b) The eight year limitation prescribed for the Director of the Central Intelligence Agency by the amendment made by subsection (a) of this section shall begin to run on the date of enactment of this Act in the case of any person holding such office on such date of enactment.

Sec. 2. Paragraph (5) of section 102(d) of the National Security Act of 1947 (50 U.S.C. 403(d)(5)) is amended by striking out the period at the end of such paragraph and inserting in lieu thereof a comma and the following: "but only if the President specifically authorizes any such function or duty and notifies the Director in writing of his approval and includes in his notice a description of the function or duty authorized to be performed by the Agency."

S. RES. 152

A resolution to create a Select Committee of the Senate on Foreign Intelligence

Resolved, That Rule XXV, paragraph 1, of the Standing Rules of the Senate is amended by inserting a new subparagraph (f) and relettering the subsequent paragraphs accordingly. The new subparagraph (f) reads:

"(f) Select Committee on Foreign Intelligence, which shall be charged with

(1) conducing oversight and review of all foreign intelligence activities carried out by

(a) the Central Intelligence Agency
(b) the Defense Intelligence Agency
(c) the National Security Agency
(d) the U.S. Army, the U.S. Navy, the U.S. Marine Corps, and the U.S. Air Force
(e) the Department of State
(f) the Atomic Energy Commission
(g) the Federal Bureau of Investigation
(h) any other U.S. Government department or agency which the Chairman of the Select Committee determines is carrying out foreign intelligence activities;

(2) to study the implications of such activities for United States foreign policy, foreign economic policy, and defense policy;

(3) to review the provisions of the National Security Act of 1947 with a view toward recommending further restrictions on the duties, functions, and powers of the Central Intelligence Agency; and

(4) to report to the full Senate at the end of one year following the passage of this Resolution concerning its general findings.

SEC. 2. Rule XXV of the Standing Rules of the Senate is amended by inserting a new paragraph (4) and renumbering the subsequent paragraphs accordingly. The new paragraph reads:

"4. Without regard to paragraph 7 of this rule, the Select Committee on Foreign Intelligence shall have a term of one year and shall consist of seven members of the Senate, four from the majority party and three from the minority party. Two members shall be Senators who are concurrently serving on the Committee on Armed Services, and two shall be Senators who are concurrently serving on the Committee on Foreign Relations. The remaining three members shall be appointed by the President of the Senate upon the recommendation of the policy committees of the majority and the minority. The Select Committee shall select a Chairman and a Vice Chairman from among its members."

SEC. 3. The Select Committee is hereby authorized, for a period of one year following the passage of this Resolution,

(a) to adopt rules concerning its procedure,
(b) to hold hearings,
(c) to procure printing and binding,
(d) to make expenditures,
(e) to employ personnel, and
(f) to receive and deposit such written information as it may request from the various Departments and Agencies listed in Section 1, and to take all appropriate steps to safeguard, where necessary, the confidentiality of such information.

SEC. 4. For purposes of this Resolution—

"foreign intelligence activities" means all activities conducted in, or directed toward, areas other than the United States and its territories and possessions, and relating to,

(a) the gathering of information, and

(b) the planning, conduct, and execution of political, economic, or military activities whose existence is not generally or publicly acknowledged by the United States Government.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senator from Illinois may be yielded 3 minutes.

The PRESIDING OFFICER. Without objection, the Senator from Illinois is recognized for 3 minutes.

Mr. PERCY. Mr. President, at an executive session of the Committee on Foreign Relations on February 7, 1973, I expressed to Mr. Richard Helms my feeling that the CIA should have no direct relationship with the briefing or training of domestic police, law enforcement, or internal security personnel. I said that I believed those functions should be carried out by the FBI.

I was aghast to learn that the CIA had engaged in a training program or in training sessions at the request of the Chicago Police Department, among other police departments of the United States, with techniques that were described to us in executive session. I said that I felt this action simply had no place in the CIA and contravened the authority granted by Congress to the CIA, which was suppose to engage in activities outside the United States. I said that the FBI had adequate resources to carry on this assistance, but that if the CIA had information that could be used, it should be transmitted to the FBI, because the FBI had direct responsibility for domestic activities, and that the CIA should stay totally and completely away from that area.

I described also my concern because I had just recently visited South Korea, where there is an agency known as the CIA, which then engaged in international activities besides also engaging in domestic activities. That is a most distrusted agency, and I wanted no implication that our CIA could ever become involved in domestic affairs right here in the United States.

Mr. Helms responded that he would convey this information to the new Director and said he was sure that he would abide by it.

On May 21, 1973, at an open session with Mr. Helms, I asked him if he had in fact conveyed this position to his successor as Director of Central Intelligence, Mr. James Schlesinger. He responded:

> I did not talk to Dr. Schlesinger directly about this. I conveyed the sense of the Committee's statement and the Senator's statement of the General Counsel of the Agency, which was conveyed to Dr. Schlesinger. And a few days before I left to go to my post in Iran, I was informed that Senator Fulbright had written a letter to the Director embodying in his letter these strictures. So I assume that, therefore, the messages had not only gotten through but the new Director would abide by it.

The letter from Senator FULBRIGHT to Mr. Schlesinger was dated February 8, 1973, and said that members of the committee present at the executive session the day before had reached a consensus "that the FBI was the proper agency to carry on such activities—involving assistance to local police departments—and that they should be discontinued by the CIA." Senator FULBRIGHT said he wanted to underscore the point and to request Mr. Schlesinger's comments after he had familiarized himself with the matter.

Mr. Schlesinger responded by letter to Senator FULBRIGHT on March 1, 1973, stating:

> I have given this matter careful attention, and am satisfied that the Agency's activities in this connection have been consistent with the letter and spirit of existing legislation. However, in keeping with the sensitivity of this matter I have directed that such activities be undertaken in the future only in the most compelling circumstances and with my personal approval. We will, of course, comply with applicable laws and regulations regarding coordination with other Federal agencies.

Before voting on Mr. Colby's nomination, I wanted to assure myself that he was acquainted with the discussion and correspondence between members of the Committee on Foreign Relations and Messrs. Helms and Schlesinger on this matter.

I was particularly concerned to have Mr. Colby's own views, since Mr. Schlesinger—in his letter to Senator FULBRIGHT—had left the door ajar on this question by indicating that such activities would be undertaken in the future "only in the most compelling circumstances and with my personal approval."

Therefore, I have raised this issue with Mr. Colby, who has responded that he would undertake such activities only in the most extraordinary circumstances and that—if the circumstances appeared to him to be that extraordinary—he would consult with the congressional oversight committee before acting. This reply is satisfactory to me, and I believe it indicates rather clearly Mr. Colby's intention to be responsive to Congress.

One of the difficulties which has caused problems for the CIA in its relations with the Congress has been CIA's reluctance to seek congressional guidance on sensitive matters. While one can appreciate that a concern for security may often stifle any inclination toward candor, it is important now that the Agency be completely forthcoming with Congress.

I shall vote for Mr. Colby's confirmation because he is a man demonstrating competence, integrity, and ability. I feel that he will always consult with the Congress when desirable and will keep us advised of CIA activities which have a bearing on our own constitutional responsibilities in the fields of national security and foreign affairs.

Speaking personally, I have had 6 years of extremely fine experience with one of Mr. Colby's predecessors—Mr. Helms. I have always found the briefings I have had, not only concerning this country but also countries abroad, among the most intelligent and penetrating which has helped me immensely in my work as a U.S. Senator. I might say that I received great help, indeed, in working with the floor leader today in the matter of the ABM. I could not have had more assistance and help in reaching a conclusion than I did from finding who would know the policy decisions best based on objective facts, enabling me to come to my conclusion, one which I feel sure is ultimately shared by the administration as well.

Mr. SYMINGTON. I thank the Senator from Illinois for his kind remarks, am very grateful.

Mr. NUNN. Mr. President, first, let me say to the Senators from Iowa, Massachusetts, Wisconsin, California, and Illinois that they have made a real contribution in outlining some of the things most needed to be done to supervise the CIA and which definitely should be done.

I should also like to commend the acting chairman of the Armed Services Committee, the distinguished Senator from Missouri (Mr. SYMINGTON), for the manner in which he held the hearings on the confirmation of Mr. Colby.

This is a very important confirmation to a very important post. I would also like to agree and take the position the Senator from Missouri took so far as the need for creating a real supervisory committee is concerned.

I commend the Senator from Missouri for his ideas on investigating not only the charter of the CIA but also the possibility of letting the total budget figures be known so far as the intelligence community is concerned.

I have had numerous conversations with Senators and, at the present time, the total figure, if we were given that total figure, and if it were made known, would not only eliminate any doubts about the Intelligence Agency, but would also eliminate any doubt about the overall Defense Department budget figures.

I can only agree with the Senator from Wisconsin (Mr. PROXMIRE) when he said, in effect, that it taints the entire defense budget when it is put into different items so that we have no way of segregating out what is for intelligence and what is not.

Mr. President, it is important to realize that certain subdivisions and certain breakdowns will have to be looked at carefully, even if we get the budget figures made public. But the Senator from Missouri, the acting chairman, who has said that he will go into the matter, is to be commended, because it is one of great importance.

The Senator from Mississippi (Mr. STENNIS) has also stated that he is going into the matter of the charter and I should like to commend him for that.

In closing, I should like to say that I have attended the hearings on the Colby confirmation. Mr. Colby has integrity. He has experience to do the job. It is one of the most important jobs in Government. I believe that the CIA now needs leadership perhaps more than any other branch or agency in the Government. It is awfully important.

I am therefore going to cast my vote for his confirmation.

Mr. FULBRIGHT. Mr. President, although I intend to vote for the confirmation of Mr. Colby, I will do so with some misgivings. My concern does not go to Mr. Colby's integrity or to his professional competence because I have no grounds for doubt in either of these areas. I am, however, troubled by the practice of placing the vast responsibilities exercised by the Director of Central Intelligence in the hands of someone whose experience has been devoted almost exclusively to clandestine intelligence operations.

In my view there is a real need to insulate the analytic process from the operational side of the intelligence business and I am not certain that a Director who is operationally oriented will be sufficiently sensitive to this problem. Perhaps Mr. Colby is aware of this problem but we cannot feel any assurance on this score precisely because his background is so little known to us. Substantial reorganization of the Agency's structure apparently began under the last Director and presumably will continue under Mr. Colby. I have serious questions whether the overt operations—which we have judged the most valuable, especially in the estimates field—might not suffer and might not be disrupted by undue emphasis on clandestine operations.

I am also concerned over the possibility that the intelligence community is coming under increasing pressure from political, policymaking officials. In recent years White House and NSC officials are reported to have brought great pressure on the intelligence evaluation process and to have co-opted many functions previously entrusted to career professionals. This trend has become pronounced under this administration and again we know very little about Mr. Colby's attitude in this regard.

Finally, I am disturbed by Mr. Colby's connection with the Phoenix program in South Vietnam. I cannot condone a U.S.-financed program of political intimidation and assassination—even though the Vietcong engaged in the same practices—and I am far from confident that Mr. Colby was sufficiently sensitive to the abuses which were attributed to the Phoenix program while it was under his direction.

Thus although I will vote for Mr. Colby, I would hope that the Senate will give careful attention to the manner in which he exercises his responsibilities and to the questions which I have raised regarding the operation of the intelligence community.

Finally, I wish to add, that the endorsement of Mr. Colby by Senator SYMINGTON, acting chairman of the Armed Services Committee and a valued member of the Committee on Foreign Relations, carries great weight with me. Senator SYMINGTON has assured me that Mr. Colby will report to the committees of the Senate and that he is confident that Mr. Colby recognizes that Congress has a responsibility and a right to know what the Intelligence Agency is doing.

Mr. KENNEDY. Mr. President, I yield back the remainder of my time.

Mr. SYMINGTON. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER (Mr. DOMENICI). All time has now been yielded back.

The question is, Shall the Senate advise and consent to the nomination of William E. Colby, of Maryland, to be Director of Central Intelligence?

On this question the yeas and nays have been ordered, and the clerk will call the roll.

The second assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Nevada (Mr. CANNON) is necessarily absent.

I further announce that the Senator from South Dakota (Mr. ABOUREZK) is absent on official business.

I also announce that the Senator from Mississippi (Mr. STENNIS) is absent because of illness.

I further announce that, if present and voting, the Senator from South Dakota (Mr. ABOUREZK) would vote "nay."

Mr. GRIFFIN. I announce that the Senator from Arizona (Mr. GOLDWATER) is absent because of illness in his family.

The result was announced—yeas 83, nays 13, as follows:

[No. 361 Ex.]

YEAS—83

Aiken
Allen
Baker
Bartlett
Bayh
Beall
Bellmon
Bennett
Bentsen
Bible
Brock
Brooke
Buckley
Burdick
Byrd, Harry F., Jr.
Byrd, Robert C.
Case
Chiles
Cook
Cotton
Curtis
Dole
Domenici
Dominick
Eagleton
Eastland
Ervin
Fannin
Fong
Fulbright
Griffin
Gurney
Hansen
Hartke
Hatfield
Helms
Hollings
Hruska
Huddleston
Humphrey
Inouye
Jackson
Javits
Johnston
Long
Magnuson
Mathias
McClellan
McClure
McGee
McIntyre
Metcalf
Mondale
Montoya
Moss
Muskie
Nunn
Packwood
Pastore
Pearson
Pell
Percy
Proxmire
Randolph
Ribicoff
Roth
Saxbe
Schweiker
Scott, Pa.
Scott, Va.
Sparkman
Stafford
Stevens
Stevenson
Symington
Taft
Talmadge
Thurmond
Tower
Tunney
Weicker
Williams
Young

NAYS—13

Biden
Church
Clark
Cranston
Gravel
Hart
Haskell
Hathaway
Hughes
Kennedy
Mansfield
McGovern
Nelson

NOT VOTING—4

Abourezk
Cannon
Goldwater
Stennis

So Mr. Colby's nomination was confirmed.

Mr. SYMINGTON. Mr. President, I ask unanimous consent that the President be notified.

The PRESIDING OFFICER. Without objection, it is so ordered.

FARMERS HOME ADMINISTRATION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the nomination of Mr. Elliott to be Administrator of the Farmers Home Administration be stated.

The PRESIDING OFFICER. Is there objection? Without objection, the nomination, reported earlier today, will be stated.

The second assistant legislative clerk read the nomination of Frank B. Elliott, of Virginia, to be the Administrator of the Farmers Home Administration.

The PRESIDING OFFICER. Without objection, the nomination is considered and confirmed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the President be notified.

The PRESIDING OFFICER. Without objection, it is so ordered.

LEGISLATIVE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate return to the consideration of legislative business.

The PRESIDING OFFICER. Without objection, it is so ordered.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Hackney, one of its reading clerks, announced that the House had passed a bill (H.R. 9286) to authorize appropriations during the fiscal year 1974 for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons, and research, development, test and evaluation for the Armed Forces, and to prescribe the authorized personnel strength for each active duty component and of the Selected Reserve of each Reserve component of the Armed Forces, and the military training student loads, and for other purposes, in which it requested the concurrence of the Senate.

HOUSE BILL REFERRED

The bill (H.R. 9286) to authorize appropriations during the fiscal year 1974 for procurement of aircraft missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons, and research, development, test and evaluation for the Armed Forces, and to prescribe the authorized personnel strength for each active duty component and of the Selected Reserve of each Reserve component of the Armed Forces, and the military training student loads, and for other purposes, in which it requested the concurrence of the Senate, was read twice by its title and referred to the Committee on Armed Services.

PROGRAM

Mr. GRIFFIN. Mr. President, while the distinguished majority leader is available and a number of Senators are in the Chamber, I wonder if I could inquire of the Senator about the schedule for the remainder of the day, and hopefully for the remainder of the week.

Mr. CURTIS. Mr. President, may we have order?

Mr. MANSFIELD. I can give the schedule for the remainder of the day, at least; the rest of the week depends on conference reports from committees, and so forth.

HOBBY PROTECTION ACT

Mr. MANSFIELD. Mr. President, first, I ask unanimous consent that the Senate return to the consideration of Calendar No. 338, H.R. 5777.

The PRESIDING OFFICER. The bill will be stated by title.

The assistant legislative clerk read as follows:

A bill (H.R. 5777) to require that reproductions and imitations of coins and political items be marked as copies or with date of manufacture.

The PRESIDING OFFICER. Without objection, the Senate will resume the consideration of the bill.

Mr. MANSFIELD. Mr. President, the amendment pending is the Fannin amendment to the Jackson amendment. It is my understanding there is some contact between the two Senators. Perhaps something can be worked out. If not, perhaps we will be able to reach a reasonable time limitation.

Following that, it is my understanding that the distinguished Senator from Oklahoma (Mr. BARTLETT), perhaps joined by the Senator from Wyoming, will have an amendment on which there will be a reasonable agreement. That will be the extent of business tonight, as far as I can tell at the moment.

Mr. GRIFFIN. Is it possible there will be a vote on the Bartlett amendment?

Mr. MANSFIELD. Yes.

Mr. GRIFFIN. So there will be one and perhaps two votes.

Mr. MANSFIELD. Yes, unless an agreement is reached. At the present time the leadership on both sides is trying to work out an agreement on the conference report on the minimum wage bill for tomorrow at approximately 10:10 a.m. I do not know what progress has been made. Perhaps the distinguished Senator from New York could give us some information in that respect.

Mr. JAVITS. Not yet, but shortly.

Mr. MANSFIELD. Anyway, If we can work out a reasonable arrangement we will take up the minimum wage bill very early tomorrow morning. If we cannot work out an agreement we cannot take it up.

Mr. GRIFFIN. Hopefully we will finish our work in order to get out at a reasonable hour on Friday.

Mr. MANSFIELD. On Friday, yes; not before.

The PRESIDING OFFICER. The Chair wishes to call attention to the fact that the Fannin amendment cannot be received at this time. It has not been submitted.

Mr. FANNIN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

TIME LIMITATION ON TREASURY-POST OFFICE APPROPRIATIONS BILL

Mr. ROBERT C. BYRD. Mr. President, this request has been cleared on both sides. I ask unanimous consent that at such time as H.R. 9590, the Treasury-Post Office appropriation bill is called up and made the pending business, there be a time limitation thereon of 2 hours, with 1 hour on amendments, one-half hour on amendments to amendments, debatable motions, and appeals, and that the agreement be in the usual form with respect to the division and control of time.

The PRESIDING OFFICER. Without objection, it is so ordered.

The text of the unanimous consent agreement is as follows:

Ordered, That, during the consideration of H.R. 9590, the Treasury-Post Office Appropriation Bill, 1974, debate on any amendment in the first degree shall be limited to 1 hour, to be equally divided and controlled by the mover of such and the manager of the bill, and that debate on any amendment to an amendment, debatable motion or appeal shall be limited to ½ hour, to be equally divided and controlled by the mover of such and the manager of the bill: *Provided*, That in the event the manager of the bill is in favor of any such amendment or motion, the time in opposition thereto shall be controlled by the minority leader or his designee.

Ordered further, That on the question of the final passage of the said bill, debate shall be limited to 2 hours, to be equally divided and controlled, respectively, by the majority and minority leaders, or their designees: *Provided*, That the said leaders, or either of them, may, from the time under their control on the passage of the said bill, allot additional time to any Senator during the consideration of any amendment, debatable motion or appeal.

AUTHORITY FOR COMMITTEE ON COMMERCE TO FILE REPORTS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Committee on Commerce be permitted to have until midnight tonight to file reports.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECOGNITION OF SENATOR THURMOND AND SENATOR BROCK TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that after the two leaders or their designess have been recognized tomorrow the following Senators be recognized, each for 15 minutes, in the order stated: Mr. THURMOND and Mr. BROCK.

The PRESIDING OFFICER. Without objection, it is so ordered.

AUTHORITY FOR COMMITTEES TO FILE REPORTS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that all committees may be permitted to file reports on the following days during the August recess: August 6, August 21, and September 4.

The PRESIDING OFFICER. Without objection, it is so ordered.

QUORUM CALL

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

TIME LIMITATION AGREEMENT ON BARTLETT AMENDMENT TO H.R. 5777

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that upon the disposition today of the amendment by the Senator from Arizona, the distinguished Senator from Oklahoma (Mr. BARTLETT) be recognized to call up an amendment, and that there be a time limitation thereon of 30 minutes, the time to be equally divided between Mr. BARTLETT and Mr. JACKSON.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. JACKSON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JACKSON. Mr. President, I send to the desk a modification to my amendment and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will read the modification.

The assistant legislative clerk read the modification as follows:

On page 7, delete line 5 and subsections (b), (c), and (d) of Section 107 in their entirety. On page 7, line 5, add the following language: "impact of the mandatory allocation program on competition, and whether such encourages anti-competitive practices."

The PRESIDING OFFICER. The Senator has the right to modify his amendment, by unanimous consent. Does he desire to so modify it?

Mr. JACKSON. Yes, Mr. President.

The PRESIDING OFFICER. Without objection, the amendment is so modified.

Mr. JACKSON. Mr. President, through my staff, I have had discussions today with Members of the House Interstate and Foreign Commerce Committee concerning House action on H.R. 5777, as amended by the adoption of Amendment No. 451, an amendment to provide for the establishment of a mandatory petroleum allocation program. I am pleased to report that action by the House on this measure on Friday, before the August recess, looks very favorable.

I have been informed that a modification of section 107 would remove the only issue of any substance which could result in delay in placing this measure before the House for final passage. The proposed modification would be to strike subsections (b), (c), and (d) of section 107; and to strike line 5 at page 7 and insert in lieu thereof the following language: "impact of the mandatory allocation program on competition, and whether such program encourages anti-competitive practices."

Mr. President, I would have preferred, as a matter of principle, that these provisions be maintained as a part of the amendment. They provide for effective oversight and for an objective review of the total administration of the act.

I am, however, a realist; and in view

of the critical need for a mandatory program and in view of the delay that the opposition of some Members of both the Senate and the House to section 107 could cause in acting on the bill, I am prepared to modify the amendment to insure favorable House action before the August 3, 1973, recess.

This modification is, however, contingent upon securing an agreement that the Senate vote final passage on H.R. 5777 this evening. Action today will give the House an additional day in which to obtain a rule and act on the bill, should there be an objection in the House to concurring by unanimous consent in the Senate amendments to H.R. 5777.

Mr. KENNEDY. Mr. President, will the Senator yield?

Mr. JACKSON. I yield.

Mr. KENNEDY. Mr. President, I am pleased to join with Senators JACKSON, MAGNUSON, MOSS, and MCCLURE in the introduction of a floor amendment to direct the President to announce within 10 days a mandatory oil allocation system for crude oil, gasoline, heating oil, and other fuels.

This emergency measure is designed to bypass the logjam which has developed in the House of Representatives in its consideration of S. 1570, which the Senate passed on June 5 by an 85–10 vote.

We can no longer await final action on that bill but must immediately order the President to establish regulations to provide for an equitable distribution of fuel to prevent the destruction of the independent segment of the oil industry. The administration has testified to a host of committees in both the House and the Senate that it would be acting soon.

Yet, the failure to do anything more than make promises has permitted the majors to freeze more independent gasoline stations out of existence in the past month and has increased the probability that we will face the worst winter home heating oil crisis in New England in recent times.

Even the administration's own reports on the voluntary system demonstrate that the system is failing.

Last week, during hearings of the Senate Antitrust Subcommittee which I chaired, the Director of the Office of Oil and Gas confirmed that week by week there has been an increase in the number of complaints about the voluntary system. The rate of resolution at the national office of complaints is only 34-percent according to the administration's own statistics.

In testimony on Friday, Deputy Assistant Secretary of the Treasury William E. Simon, who also has been chairman of the President's Oil Policy Committee, acknowledged that he, too, favors a mandatory system. And, in his prepared testimony, he stated:

> The final decision on this program now rests with Governor Love.

Yet, Governor Love, while admitting the effects of the current voluntary program, including the mounting destruction of the independent sector of the oil industry, would only state that sometime this week he expected to make an announcement dealing with this crisis.

Unfortunately, that is the same assurance that was given a day earlier to Senator JACKSON's committee, and it was the same assurance given the House Interstate and Foreign Commerce Committee a few weeks ago.

But the reality is that we still are enduring the effects of the failure of the voluntary system and we still are witnessing the closing down of gasoline stations and we still are hearing administration spokesman make excuses for the major oil companies. And we still are waiting for Governor Love to act.

In June, Exxon announced that it was providing its branded dealers with 105 percent of their 1972 allocations. Two weeks later, it changed that supply to 110 percent of their 1972 allocation. On July 5 that figure went up to 120 percent of the 1972 allocation, and 10 days ago, it removed its allocations and began delivering to its branded stations any amount they wanted.

At the same time, independent stations are without supply. At the same time, Exxon is announcing spectacular increases in profits of 54 percent in the past 3 months, and Exxon is not alone. This has been the most profitable period ever for the oil industry.

The only ones suffering are the Nation's consumers and the Nation's independent refiners, marketers, and distributors. We act 2 weeks after the Federal Trade Commission filed antitrust complaints against the eight largest oil companies, complaints alleging a host of anticompetitive practices to assure them effective control over the production, refining, marketing, and transportation segments of the industry.

We act after months of hearing the complaints, of testimony, of pleas for help from independent dealers who are being wiped out by major oil companies taking advantage of the current shortage.

We act after the administration has failed totally in recognizing the seriousness of the problem. At the highest policymaking levels, there seems to be a lack of an awareness of the need for immediate comprehensive action to prevent the current shortage from being borne solely by the independent segments of the industry and by certain regions of the country.

What concerns me most is the failure of anyone in the administration to recognize that every indicator points to a disaster for New England homeowners this winter if the independent home heating oil dealers go out of business at the same rate that independent service station owners have gone out of business this summer.

In New England that means a major crisis because 75 percent of our homes rely on No. 2 oil for heat. The independent retail dealers who supply 85 percent of the home heating oil in New England have testified before the Antitrust Subcommittee that they do not know where 70 percent of their expected winter fuel needs are coming from.

The independent fuel terminal operators who are the major wholesale distributors to New England, providing 40 percent of the fuel oil, today are 86 percent below their levels of a year ago. Across the Nation, the stocks of home heating oil are 21 percent below their levels of 1971.

These statistics are a direct result of the major companies' refusal to sell domestic heating oil as they traditionally have done in the past to the independents. The contracts that have existed for 20, 30, and 40 years between majors and independent home heating oil dealers have not been renewed.

Unlike the gasoline industry, it is extremely doubtful that the majors would be able to take the place of independent wholesalers and retailers in the space of a year.

The result would be a critical shortage this winter and then monopoly control over the home heating oil industry by the majors in succeeding years—with the consumer paying the cost.

The FTC study said bluntly what the implications of the destruction of the independents would be. The study said, "The consumer will pay dearly."

By this action today, the Senate is telling the President once again that a mandatory system of allocation is an absolute necessity and that we will not accept the destruction of the independent sector of the oil industry nor the dislocations in the supply of fuel affecting our farms and our public services today and which inevitably will affect our homes and our hospitals and our schools next winter.

As I understand the purposes of this action, it would indicate to the administration that the Congress of the United States is going on record a second time for mandatory allocation and that it is an essential amendment, because the voluntary system has failed to meet the requirements of the consuming public and of the independent fuel providers in this country.

Mr. JACKSON. The Senator is absolutely correct on that. There is substantial, virtually unanimous agreement in the country, especially among those who bear the responsibility for energy policy, as well as in the independent business sector of our economy, that the voluntary allocation system will not work, and that it has not worked effectively. The purpose of my amendment is to see if we cannot get the House to agree, before we leave for the August recess, to a bill which will provide for a mandatory petroleum allocation program.

Mr. KENNEDY. Mr. President, furthermore is it the understanding of the distinguished Senator from Washington that we are making as clear as possible our intention to protect the historic relationship by which all independents, including both the gasoline dealers and the home heating oil dealers, have received their supplies?

As the Senator knows, we in New England depend upon the independent dealers to the extent of approximately 33 percent for our ability to get gasoline and an estimated 85 percent for our ability to get home heating oil.

Over 100 gasoline stations in the New England area have been closed recently. We have seen the reserves of home heating oil independent wholesalers and dealer operators diminish to about 16 percent of what it was a year ago.

We find that the independents, who have been a most important source in providing both gasoline and home heating oil, have been very seriously damaged.

I am hopeful that the language included in section 103(a) shows that it is the intention of the sponsors of the amendment that the historic relationships of supply will be preserved to the greatest extent possible.

We have had to work out the language carefully. However, is it not the intention of the prime sponsors of the amendment to preserve the historic supply of both the gasoline and independent home heating oil dealers so that their existence will be preserved?

Mr. JACKSON. The Senator is correct. As a matter of fact, in preparing the amendment, I included the language which appears on line 22 of page 3 of the amendment. The language is as follows:

> Refined petroleum products in amounts based upon historic supply relationships to the extent practicable and equitable and at prices determined under such order.

Basically, that language stems from a suggestion made by the distinguished senior Senator from Massachusetts.

The Senator is correct in his understanding. To make the proper legislative history, I will simply confirm the understanding he has given in his statement on this point.

Mr. KENNEDY. Mr. President, I thank the Senator for those assurances. I think it makes a great deal of sense for the consumer to preserve the independent operators in the home heating oil or gasoline industry.

We have seen, for example, in the Senate Antitrust Subcommittee, of which I am a member, statements in our hearings that many of the majors, including the Exxon Co., which have actually increased their allotments to their outlets. Exxon in June set the allocation to their outlets at 105 percent, then to 110 percent, then to 120 percent of what it was a year ago. This month they have now removed any limitation upon those outlets. Still we are seeing the closing of independents in our part of the country. Those independents that have been doing business with the majors—some of them for more than 30 or 40 years—are being forced out of business. Therefore, their ability to acquire these supplies as outlined in the amendment is extremely important to our part of the country and to other parts of the country as well.

Another element concerning which many of the independents are concerned is that they share the preferences which are recognized within the Senator's amendment, the priority items. We want to make sure that the independents are to be considered among the priority recipients. Many, for example, have served hospitals and other vital public services which have been outlined in the legislation in the past. We do not want to create a situation, I am sure, where the majors are able to undercut the independents by trying to sign up these vital public services when these independents have served these vital public services well and effectively in the past.

Mr. President, I want to make sure that their ability to contract with these various priority recipients is defined within the bill so that they will be able to go out and contract with these recipients as they have done in the past and that the mandatory allocation system should insure that they are protected in providing those vital services in the future.

Mr. JACKSON. I completely agree with the statement of the Senator.

Mr. KENNEDY. That is included in section 103(a) (4.)

Mr. JACKSON. The Senator is correct. That is on page 4, line 13, in subsection (4). We state there as follows:

> (4) preservation of an economically sound and competitive petroleum industry, including the priority need to restore and foster competition in the producing, refining, distribution, and marketing sectors of such industry, and to preserve the competitive viability of independent refiners, marketers, and distributors;

Mr. President, I believe that addresses itself precisely to the very proper questions raised by the able Senator from Massachusetts. I am in complete agreement with his statement in this regard.

Mr. KENNEDY. Mr. President, I thank the Senator from Washington. Would the Senator find that there is anything in the bill which would preclude an individual independent from going to court to seek a civil remedy in the event he were discriminated against by a supplier?

Mr. JACKSON. There is no limitation in the bill. The bill does not create a cause of action or limit any existing cause of action. The amendment is silent on that matter. Therefore, a cause of action could be undertaken by any aggrieved party. My amendment does not add to or detract from any litigable right that exists at the present time on the part of any party or parties.

Mr. KENNEDY. Mr. President, I thank the Senator for those assurances. Let me say finally that this action is entirely timely. I do not know whether the Senator is familiar with the Voluntary Petroleum Allocation Report of July 23. That is the most recent one. It is a report of the Department of the Interior. On page 13 it discusses the number of complaints they have received over the period of the past week. It states that among its complaints have been 156 complaints in the case of gasoline, 138 complaints in the case of diesel, and 8 complaints in the case of propane.

This represents a moderate increase over the number of instances reported in the previous week.

The report goes into detail as to the number of complaints that they have actually been able to resolve. They have now resolved only about 34 percent of those complaints. What we find is that the number of complaints have been continuing to rise and the number that have been resolved is a relatively small number.

This report is perhaps one of the clearest justifications for the action of the Senator from Washington. It reviews in detail each section of the country that is being affected and impacted at the present time. It is a document prepared for the Department itself. It is a current document. I think that it presents a compelling case for the amendment of the Senator from Washington. I commend him for bringing this matter to the attention of the Senate and I am pleased to be able to join him in seeking this legislative remedy.

This is absolutely essential for New England, and I know it is essential in other parts of the country as well. I want to indicate my full, complete, and wholehearted support for the action the Senator has taken, and to thank him for his responses to these questions.

Mr. JACKSON. Mr. President, I want to express my appreciation to the senior Senator from Massachusetts for his help in this regard. New England has been one of the real trouble spots, and the report that he refers to from the Department of the Interior is a weekly chronology of trouble. Each week as the report comes out, as the Senator points out, there have been more and more complaints and less and less in the way of solutions.

What concerns the junior Senator from Washington is the fact that, as we face the fall and winter, there is no doubt that we will have severe shortages in connection with heating oil and other fuels, particularly for the people in New England, unless there is indeed some kind of mandatory system of allocations whereby fuel oil will be available geographically on an equitable basis.

I believe, based on present information, that we are going to face what will indeed be a most serious fuel shortage.

Mr. KENNEDY. I thank the Senator. I come from a part of the country, New England, that has 6 percent of the population and that consumes in excess of 22 percent of the home heating oil. It is as vital and important to us as housing, clothes, or food.

The consumers of our part of the country have been adversely affected by an oil import program for many years, since 1958, that required them to purchase domestic oil when it was available at a considerably higher cost than they could have purchased oversea oil. Now we find that we are able to get out from under the oil import program and allowed to buy foreign oil up to 50,000 barrels of oil a day license-free. Beyond that, we will have to pay an additional tariff, at a time when the oil in the international market is higher than the domestic. Yet now we are closed out of the domestic market by the majors' refusal to sell domestic products to independents.

So New England has been paying for the high-priced oil under both systems, and we are not assured of an adequate supply even by paying the additional cost, unless we get the mandatory program that has been included in the amendment of the Senator from Washington. So, speaking for all of us in New England, I want to tell him how much we appreciate the leadership he has provided.

Mr. JACKSON. Mr. President, I thank the distinguished Senator from Massachusetts for his special leadership in connection with New England's fuel problems. This is the toughest problem we face in the distribution of gasoline and particularly fuel oil in the country. I think his aid in this area will be extremely helpful when the legislation is finally enacted into law, in trying to bring about proper distribution.

PUBLICATION OF THE BANNS OF PATRICK B HYNES

Mr. BIBLE. Mr. President, will the Senator yield to me?

Mr. JACKSON. I yield.

Mr. BIBLE. I have a very serious problem to bring up for consideration by the Senator from Washington. It has been called to my attention that on Saturday of this week, one of our favorite helpers, who normally sits at the front of the President's desk, is about to take unto himself a wife.

I think with this serious discussion that we are having today about oil shortages and gasoline shortages, it is well that we pause in our consideration of the seriousness of today's severe problems to wish Patrick Hynes the best as he goes forward.

He came here from Minnesota, under the great tutelage of Senator McCarthy and Senator HUMPHREY. He tells me that he is one of 10, that his father was one of 10, and his mother is one of 10. I asked him just one little question, and that was whether or not he had advised his intended of this 10, 10, and 10. He told me that he had.

I hope that you are able, as you plow along in this field, to do something about the oil shortage at a reasonably early date. Seriously, though, we wish Patrick well. He is that handsome red-haired fellow who has been running around this floor for years. I just want to wish him the best of everything as he goes into the uncertainties of matrimony.

Mr. JACKSON. Mr. President, I join the able Senator from Nevada in extending to Patrick, in behalf of all of us, our felicitations. I would observe, based on the revelations of the able Senator from Nevada, that there will be no shortage in the Patrick Hynes family. He apparently has a serious progenital advantage, and we can almost presume the results in the years to come. I join my colleague, and I know I speak in behalf of all of our colleagues in the Senate, in extending to him and his bride-to-be our very best wishes.

Mr. BIBLE. I appreciate that. I would add only one little addendum, and that is that it has just been brought to my attention that actually the bill we are working on is the Hobby Protection Act, and I think it is fitting that we congratulate Patrick Hynes as we consider that particular legislation.

HOBBY PROTECTION ACT

The Senate continued with the consideration of the bill (H.R. 5777) to require that reproductions and imitations of coins and political items be marked as copies or with date of manufacture.

Mr. HANSEN. Mr. President, will the distinguished Senator from Washington yield for a question

Mr. JACKSON. I yield.

Mr. HANSEN. I was very much interested in the colloquy between the distinguished Senator from Washington and the distinguished Senator from Massachusetts, and I was just wondering if the Senator from Massachusetts, who was delineating the problems of living in New England, was aware that there are now and have been for several years no restrictions on residual oil imports.

Mr. JACKSON. Mr. President, the able Senator from Massachusetts is not now in the Chamber, and I would not want to comment on this particular point.

I do know that fuel has been in short supply from time to time in New England. I do know that the early projections that we received in the committee—and I think the Senator may have had a chance to observe the early comments of the New England group that are involved in the distribution of fuel oil—pointed out that their stocks are one-third of what they were a year ago. That is all I can say.

Mr. HANSEN. I know——

Mr. JACKSON. I am not personally familiar with the facts regarding residual fuel oil. I know very little has been obtained previously. As to the extent to which and how much has been available, I do not have those facts.

Mr. President, I have discussed the pending amendment with the able Senator from Arizona, the ranking minority member on the committee. He is in agreement with this amendment. I have offered the amendment for the purpose of trying to work out an amendment here that will be acceptable both to the Senator from Arizona and to those on the House side.

I do not see the Senator from Arizona. I would not want to vote on this amendment until he is present. Therefore, Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Senator from Arizona is now present.

Mr. JACKSON. As I understand, the amendment has previously been modified, so there is no need to vote.

The PRESIDING OFFICER. And the Senator from Arizona was on the floor when that event occurred.

Mr. JACKSON. I just wanted the Senator from Arizona to understand that I have obtained unanimous consent for the modification of my original amendment to the pending bill, and I assume that the Senator from Arizona has no further comment on it.

Mr. FANNIN. Mr. President, I shall have further comment, but I commend the distinguished Senator from Washington for so amending his amendment.

Mr. President, I rise in support of the revision of Amendment No. 451 to H.R. 5777. The revision would amend Senator Jackson's amendment No. 451 by modifying section 107(a) as follows:

Restrict the scope of the Federal Trade Commission's analysis of the mandatory allocation program by limiting the subject matter of its report to the President and to the Congress to the specific impact of the mandatory allocation program on competition and whether such program encourages anticompetitive practices.

I commend the distinguished Senator from Washington for agreeing to this change. I am in total agreement with the revision. I feel that this will be of great benefit in strengthening amendment No. 451.

I would like to suggest in conclusion that the revision to amendment No. 451 now being proposed by Senator JACKSON would cure the defects I alluded to yesterday and therefore I support the revision.

The PRESIDING OFFICER. The Senate will receive a message from the President of the United States.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the Senate by Mr. Leonard, one of his secretaries.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Presidential message on the veto of the Emergency Medical Assistance Act be held temporarily at the desk.

The PRESIDING OFFICER (Mr. NUNN). Without objection, it is so ordered.

HOBBY PROTECTION ACT

The Senate continued with the consideration of the bill (H.R. 5777) to require that reproductions and imitations of coins and political items be marked as copies or with date of manufacture.

Mr. BARTLETT. Mr. President, I have an amendment at the desk which I ask to be called up and stated.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

> On page 5, line 9, insert the following: delete the word "section", and insert the following: "section, provided however, that notwithstanding any other provision of this Act, the President is authorized to decide whether a mandatory fuels allocation program is in the national interest and based upon such a decision when, if ever, he shall implement and terminate such a program."

Mr. BARTLETT. Mr. President, the purpose of the amendment is to provide to the President of the United States the option of starting a mandatory program and deciding when to start it and also when to end it. The program we have now is a program that mandates mandatory controls from now until March 1, 1975, which means that we will be proceeding blindly and, I believe in a very risky fashion between the time that this would become law and March 1, 1975.

In my opinion, the recent actions by the administration which have taken place over the past 2 years on price controls show that they work with indifferent success, and that conditions are very changeable. For this body to estimate what the economic conditions will be in the future not only in our country but around the globe is impossible. I do not underestimate the wisdom of the Members of the Senate but I do not believe that anyone can tell just what we will be facing in the future, when a program should be started or when a program or part of it should be stopped.

It seems to me that we are confronted with a whole new ball game with the economy, that historically we have not had much influence from foreign countries and we set up various safeguards to take care of our historical large surpluses of oil and food, and those items, and we also have paid close attention, with our legislation, to the fact that prices were higher than prices in foreign lands. So we had various kinds of protection for prices. But now we are in a different situation where even though prices are higher relatively to what they were, they are lower than comparative prices in foreign countries and, also, instead of having the usual surpluses, we find ourselves now faced with shortages.

Thus, I believe it is impossible for us to adopt this kind of program with the assurance that it will fit the situation in 2 months or in 20 months. I do not believe that we would be well advised to require the President to adopt a mandatory program and to continue that mandatory program provided in this bill until March 1, 1975. I am sure that is just an arbitrary date, that it could not have been precisely selected by estimating what future economic conditions would be. It is therefore important that the President have this discretion and that he have this authority.

Mr. President, I hope that this amendment will be agreed to.

Mr. JACKSON. Mr. President, I shall take only 1 minute. I oppose the amendment of the Senator from Oklahoma. The purpose of my amendment, No. 451, is to establish a mandatory allocation program. The purpose of the amendment of the Senator from Oklahoma is to repudiate and negate the purpose of my amendment.

If adopted, the amendment of the Senator from Oklahoma would insure the status quo. The status quo is a serious shortage of petroleum products. This is the problem—shortages of gasoline and fuel oil; with no ability to require a fair and equitable sharing of the shortages.

The Senate has a clearcut choice now, to decide whether it wants to maintain a situation in which farmers cannot get petroleum, they cannot get fuel; the independents are being driven to bankruptcy; and people are standing in line trying to get gas.

We have tried a voluntary program. Even the oil companies cannot administer a voluntary program. They are unable, because of contractual obligations and antitrust problems, to move petroleum from areas of surplus to areas of shortage. It is a very simple problem. The administration has failed to adopt a mandatory program. My guess is that they are not going to go for a mandatory program unless Congress requires it.

If the Senate wants more of the myth of voluntary allocation to occur with all its inequities, it has a golden opportunity to make its position clear. Members can vote for the Bartlett amendment. If the Senate wants to do something equitable, to provide for the kind of distribution that is fair to the consumer and will help the independent, then I submit that the Senate should reject the amendment.

I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. McCLURE. Mr. President, will the Senator from Washington yield?

Mr. JACKSON. I yield.

Mr. McCLURE. Mr. President, yesterday I commented on the floor that shortages, were indeed occurring within my State, and that there are farmers who are unable to get enough gasoline to harvest their crops. I have since that time had occasion to transmit to the administration a list of individual farmers who are unable to get gasoline or diesel supplies to harvest their crops.

Today I had a call, as recently as 3 hours ago, from a farmer who has been unable to get gasoline, and the Government of the United States cannot do anything about it. It is not required to. I think it is high time we recognized that there is a problem of supplies at present.

Mr. JACKSON. I appreciate the support of the Senator from Idaho. It is obvious that oil is not being allocated as it should be and that farmers are being hurt.

Mr. McCLURE. We earlier said that the Department of Agriculture ought to have the job of prorating, and that has been said by a number of Senators.

Mr. JACKSON. It has been restated in the marketing instructions.

Mr. McCLURE. It seems to me that allocations are going where the profits are, because they are not going where the shortages are now occurring.

Mr. JACKSON. I thank the Senator from Idaho.

Mr. President, I reserve the remainder of my time, although I am prepared to yield it back if the Senator from Oklahoma is willing.

Mr. HANSEN. Mr. President, will the Senator from Oklahoma yield me some time?

Mr. BARTLETT. I yield whatever time the Senator from Wyoming believes is necessary.

Mr. HANSEN. I am happy and proud to be a cosponsor of the amendment of the junior Senator from Oklahoma. I agree 100 percent with the Senator from Washington that we do have shortages in the country. They are becoming less significant than they were.

The Senator speaks about shortages. Actually, what Americans would not like to have is an allocation of shortages, which is what amendment No. 451 would provide for. It is just that simple.

I have to say this: We tried to adjust the allocation to accommodate the problem of the stripper well. I know that the distinguished Senator from Washington is inclined to minimize the significance of the stripper well. The fact remains, nevertheless, that one out of every eight barrels of oil in this country comes from a stripper well, and that is important. Yet nothing in the amendment by the distinguished Senator from Washington addresses that problem at all. As a matter of fact, the reason for the Bartlett-Hansen amendment arises because we believe it is important to squeeze the very last drop of oil from stripper wells. Some 15,000 to 20,000 are being closed every year. They are being plugged because they have become uneconomic.

It is true that oil that is brought in from the Middle East costs more, and, therefore, we would like to see more oil produced in this country—one out of every eight barrels coming from stripper wells—continue to satisfy the demands of farmers and everybody else. It is for that precise reason that we think the President of the United States ought to have the authority to implement rationing at his discretion, good judgment and to terminate it at his discretion and good judgment. If he is able—as I believe and hope he can and will be—to give encouragement to this industry, to maximize the contribution that American wells can make, then I suggest that we will be striking at the basic problem. Then we would not be trying to share shortages all over the United States but, rather, to add to the supply so as to be able to satisfy all reasonable demands. That is what this country needs.

Mr. President, I reserve such time as the Senator from Oklahoma may have.

Mr. BARTLETT. Mr. President, I appreciate the knowledgeable remarks of the Senator from Washington.

I point out that section 103 of the amendment of the Senator from Washington requires the President to promulgate a regulation providing for the mandatory allocation of crude oil and refined petroleum products in certain amounts and under certain conditions. In paragraph (b) of section 103 he will do this, so long as the regulation as amended meets the requirements of that subsection. This means that this will go on blindly until March 1. There is no opportunity for the President of the United States to make the decision that controls are no longer necessary.

I think it is buying a pig in a poke to have regulations that will continue for nearly 2 years, with no way to terminate them other than for Congress to pass another bill.

My amendment would permit a mandatory program to be started by the President and to be stopped by the President as he would see fit. I believe that this would be a very good addition to the program designed by the Senator from Washington. It would be a good addition to the fuels allocation program.

Mr. President, I yield back the remainder of my time.

Mr. McCLURE. Mr. President, will the Senator from Washington yield?

Mr. JACKSON. I yield to the able Senator from Idaho.

Mr. McCLURE. I thank the Senator for yielding.

Mr. President, I have heard the arguments with respect to stripper wells, and I should like to state publicly and for the record, not only to the Senators from Wyoming and Oklahoma, that I agree totally with them about the importance of stripper well production.

I point out that the President has already exempted stripper well production from the Economic Stabilization Act, under existing authority, under other laws. We have also made provision for it in proposed legislation which has already passed this body and is pending before the other body, as the Senator from Oklahoma knows, because his amendment took care of that problem.

I do not see anything in the amendment we have cosponsored here that will allow a mandatory allocation program that in any way necessarily requires an action adverse to the continued production from stripper wells. If I thought it were so, I would be raising the same objection that is being raised here, and I would not be a cosponsor of the amendment with the Senator from Washington.

I believe that the President of the United States has the authority, under this and other laws, to be flexible in the approach to fuel allocations and the pricing of fuel, so that he does not have to take the action that is alluded to here as necessarily closing down stripper well production. I want to be understood that I am fully aware of the importance of the production from stripper wells, but I believe that this legislation without the amendment now pending would not result in closing down that production.

Mr. HANSEN. Mr. President, I think the point needs to be made—and I hope it will be clearly understood by everyone—that, so far as I know, nothing contained in the amendment proposed by the distinguished Senator from Washington (Mr. JACKSON) and the distinguished Senator from Idaho (Mr. McCLURE) exempts stripper wells from the mandatory allocation provisions of this bill. Am I right or wrong about that?

Mr. McCLURE. The Senator is partially right and partially wrong.

The language does not specifically exempt them, but it gives the authority to the President to make the flexible regulations that are required; and under the terms of this proposal, he can exempt them.

Mr. JACKSON. Mr. President, will the Senator yield?

Mr. HANSEN. I yield, on the time of the Senator from Washington.

Mr. JACKSON. Yes.

Mr. President, we made legislative history on this point yesterday, and I strongly suggested that the President exercise the authority he now has. The Senator from Wyoming and the Senator from Oklahoma seem to be saying that they are unable to get President Nixon to do something about the stripper wells. He has that authority right now. What we did in connection with the Bartlett amendment and the Alaska pipeline was to direct the President to do it.

I want to emphasize that perhaps the Senator from Wyoming and the Senator from Oklahoma might go down to the White House and ask the President to exercise that discretion and specifically provide for that exemption—and I say that in the best of spirit. I said that yesterday.

Mr. HANSEN. Mr. President, the fact remains that, despite whether the Senator from Oklahoma and I go down to the White House or not, such a visit cannot alter the present situation. That is to say we are talking about legislation on the floor this minute to require the imposition of mandatory allocation controls. Despite what may have been said with reference to legislative history and despite what arrangements may have been worked out between the distinguished Senator from Washington (Mr. JACKSON) and the leadership in the House—I do not yet know with whom he spoke over there yesterday, but I have no doubt that he went up to the throne itself, because he told me that it would be embarrassing if he had to delineate the names of the persons with whom he spoke, so I will take his word on that.

Nevertheless I think it is important that we do not give unnecessary authority to the President that may not be requested, may not be necessary, and may be counterproductive to increasing the supply of energy in this country. Instead, we must take those steps that this country now should take in order to augment supply, rather than to worry about how we are going to spread the shortages around.

It is precisely for that reason that I think we need to give the authority to the President to impose allocation controls if he believes it needs to be done and to terminate it, on the other hand, if he thinks it should be done. That is why I feel that there can be no doubt that with the provisions contained in the Bartlett-Hansen amendment efforts may more effectively be made to augment supply rather than spread shortages around.

The fact that it is argued that there are other authorities under which the President may operate does not for one moment suggest what would happen in a confrontation between those laws and the Jackson amendment, if it does become law.

ORDER OF BUSINESS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent to proceed for not to exceed 3 minutes, with the time not to be charged against either side on the pending amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR THE PRESIDENT'S VETO MESSAGE ON S. 504, EMERGENCY MEDICAL SYSTEMS ACT OF 1973, TO BE PRINTED IN THE RECORD AND HELD AT THE DESK—(S. DOC. NO. 93-31)

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the President's veto message at the desk on S. 504 be spread upon the Journal, printed in the RECORD, and held at the desk for later consideration.

The PRESIDING OFFICER. Without objection, it is so ordered.

The message from the President is as follows:

To the Senate of the United States:

I am returning today without my approval S. 504, the "Emergency Medical Services Systems Act of 1973."

At my direction, this Administration has been engaged for the past two years in an effort to demonstrate the effectiveness of various types of emergency medical services which can be utilized by local communities. Some $8 million was budgeted for this purpose last fiscal year, and $15 million should be spent in the current fiscal year. I strongly believe the Federal role should be limited to such a demonstration effort, leaving States and communities free to establish the full range of emergency medical services systems that best suit their varying local needs.

By contrast, S. 504 would establish a new Federal grant program which would provide Federal dollars to State and local governments for emergency medical services. The program would be a narrow, categorical one, thrusting the Federal Government into an area which is traditionally a concern of State and local governments and should remain under their jurisdiction.

Instead of providing flexibility for local decisionmaking, a new Federal categorical program of this sort would encourage State and local governments to commit limited funds to federally-defined objectives when their funds might otherwise be spent for local purposes of higher priority.

The bill would authorize appropriations of $185 million for this program over the next three years. This is far in excess of the amounts that can be prudently spent, and S. 504 therefore represents a promise of Federal financial assistance that cannot be kept. I believe all of us must avoid actions of this kind which tend to mislead and therefore disappoint the public.

My second objection to this bill is that it requires the continued operation of the inpatient facilities of the eight general hospitals presently maintained by the Public Health Service. These hospitals have a record of service to this Nation, and especially to its merchant seamen, which is long and distinguished. Nevertheless, it is clear that their inpatient facilities have now outlived their usefulness to the Federal Government. The number of individuals they serve is declining and many of the facilities have become old and outmoded.

Accordingly, the Department of Health, Education and Welfare has embarked upon a program of contracting with community hospitals for the care of those now served by Public Health Service hospitals. The patients now cared for in Public Health Service hospitals are entitled to receive the best medical treatment available. The fact is that many of our community hospitals are more modern, better equipped and more conveniently located than the Public Health facilities and thus would provide better medical care. I cannot agree to legislation that would deny these patients that opportunity.

RICHARD NIXON.

THE WHITE HOUSE, *August 1, 1973.*

ORDER FOR THE SENATE TO CONSIDER THE CONFERENCE REPORT ON THE MINIMUM WAGE BILL TOMORROW—UNANIMOUS-CONSENT AGREEMENT

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that following the transaction of routine morning business on tomorrow, the Senate proceed to the consideration of the conference report on the minimum wage bill; that there be a time limitation thereon of 80 minutes, to be equally divided between Mr. JAVITS and Mr. WILLIAMS; that there be a time limitation on any debatable motion in connection with that conference report of 20 minutes, to be equally divided, and the same time limitation with respect to appeals, with the agreement in the usual form regarding the control of time.

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. ROBERT C. BYRD. I yield.

Mr. JAVITS. I must make adequate provision for Senators DOMINICK and TAFT who may wish to be heard on the matter; and I wish the RECORD to show I will yield from the time allotted to me to any Senators any amount of time that is required by those two Senators or any other Senator who may find himself in opposition, so that the case may be made.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. That will be a yea-and-nay vote.

Mr. JAVITS. Yes.

Mr. ROBERT C. BYRD. There could be an order for the yeas and nays now.

Mr. JAVITS. Mr. President, I ask unanimous consent that it may be in order to order the yeas and nays.

The PRESIDING OFFICER. Without objection, it is so ordered. There is a sufficient second.

The yeas and nays were ordered.

HOBBY PROTECTION ACT

The Senate continued with the consideration of the bill (H. R. 5777) to require that reproductions and imitations of coins and political items be marked as copies or with date of manufacture.

Mr. JACKSON. Mr. President, I am prepared to yield back the remainder of my time. I understand the Senator from Oklahoma had yielded back his time.

Mr. DOMENICI. Mr. President, will the Senator yield to me for a question?

Mr. JACKSON. Certainly. I yield.

Mr. DOMENICI. It seems to me that the Senator from Wyoming and the Senator from Oklahoma are confusing some kind of price controls with the allocation plan. I wonder if anyone really thinks there will be an adequate supply of the product the Senator's amendment is going to cause to be allocated, by March 1975. From what I have heard there will be a shortage well beyond March 1975. If that is the case I fail to see the relevancy of the argument of the Senator from Wyoming and the Senator from Oklahoma in stating that we ought to start it or stop it in terms of enhancing the supply. It is obvious we are going to be short. If we are going to allocate it would depend on the adequacy of the supply. I have no evidence of there being an adequacy of supply. Am I correct?

Mr. JACKSON. The junior Senator from New Mexico is correct. I know of no authority in the petroleum field who claims that over the next 2 or 3 years the shortage problem we are now into will improve. On the contrary, it is anticipated over the Nation that 3 years of shortages will increase both as related to fuel oil and gasoline. The central point is that it will take 3 years to build new refineries that have been announced this year. We are short of refining capacity. We can import all the petroleum in the world but unless we can refine it we cannot get it to the consumer.

The Senator did put his finger right on it. It already has been stated that the fuel oil situation this winter will be severe as far as shortages are concerned. Governor Love testified the other day before our committee on this point.

What we are doing in this bill has nothing to do with stripper wells; it has nothing to do with the price problem. The problem is how to equitably allocate shortages. It is not a very happy task. Anyone familiar with the law knows that the main impediment today in the movement of oil from surplus areas, so to speak, to areas of shortage relates to the right of the contractor and unless they preempt the right of the contractor it cannot be accomplished.

Mr. DOMENICI. I have one last question. During the mandatory allocation, am I correct in assuming that if the sources of supply change the allocation plan can change, but it will nonetheless be mandatory. Am I correct?

Mr. JACKSON. The Senator is correct.

Mr. BARTLETT. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator has 2 minutes remaining.

Mr. BARTLETT. I would like to mention to the distinguished Senator from Washington that he talks about the measure on stripper wells that he modified, and which was adopted, to the pipeline bill. It was stated today that the point of that amendment in part was to direct the President to make an exemption for stripper wells. The amendment that was offered yesterday in this Chamber was the precise amendment and it certainly was most germane to this bill. This would provide a mechanism on the free market so that there would be the opportunity to do what the Senator said is necessary to provide an opportunity to do away with some of the shortages, to find new oil, to strengthen domestic energy industry in this country; but it seems to me if it was a good amendment then, it would be a good amendment yesterday, too. But it seems also it is not an intelligent way to approach this problem to put blinders on the President, where he must adopt a mandatory program and must continue it, even if it should be discontinued. There should be the opportunity for him not only to modify it but to terminate it.

I urge the adoption of the amendment. I yield back the remainder of my time.

Mr. JACKSON. I yield back the remainder of my time.

The PRESIDING OFFICER. All time is yielded back. The question is on agreeing to the amendment. The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Indiana (Mr. BAYH), the Senator from Montana (Mr. MANSFIELD), the Senator from Maine (Mr. MUSKIE), the Senator from Alabama (Mr. SPARKMAN) are necessarily absent.

I further announce that the Senator from South Dakota (Mr. ABOUREZK) is absent on official business.

I also announce that the Senator from Mississippi (Mr. STENNIS) is absent because of illness.

I further announce that, if present and voting, the Senator from Indiana (Mr. BAYH) would vote "nay."

Mr. GRIFFIN. I announce that the Senator from Arizona (Mr. GOLDWATER) is absent because of illness in his family.

The Senator from Pennsylvania (Mr. SCOTT) is necessarily absent.

Also the Senator from Maryland (Mr. MATHIAS) and the Senator from Kansas (Mr. PEARSON) are necessarily absent.

The result was announced—yeas 20, nays 70, as follows:

[No. 362 Leg.]

YEAS—20

Baker
Bartlett
Bellmon
Bennett
Brock
Buckley
Cotton
Dominick
Fannin
Fulbright
Gurney
Hansen
Helms
Hruska
Percy
Scott, Va.
Taft
Thurmond
Tower
Young

NAYS—70

Aiken
Allen
Beall
Bentsen
Bible
Biden
Brooke
Burdick
Byrd,
Harry F., Jr.
Byrd, Robert C.
Cannon
Case
Chiles
Church
Clark
Cook
Cranston
Curtis
Dole
Domenici
Eagleton
Eastland
Ervin
Fong
Gravel
Griffin
Hart
Hartke
Haskell
Hatfield
Hathaway
Hollings
Huddleston
Hughes
Humphrey
Inouye
Jackson
Javits
Johnston
Kennedy
Long
Magnuson
McClellan
McClure
McGee
McGovern
McIntyre
Metcalf
Mondale
Montoya
Moss
Nelson
Nunn
Packwood
Pastore
Pell
Proxmire
Randolph
Ribicoff
Roth
Saxbe
Schweiker
Stafford
Stevens
Stevenson
Symington
Talmadge
Tunney
Weicker
Williams

NOT VOTING—10

Abourezk
Bayh
Goldwater
Mansfield
Mathias
Muskie
Pearson
Scott, Pa.
Sparkman
Stennis

So Mr. BARTLETT's amendment to Mr. JACKSON's amendment, as modified, was rejected.

Mr. JACKSON. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. ROBERT C. BYRD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

ORDER REVISING TIME FOR VOTE ON JACKSON AMENDMENT

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the previous order calling for a vote on the Jackson amendment tomorrow at 12 o'clock noon be vacated and that the vote occur 2 minutes from now.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JACKSON. Mr. President, I ask for the yeas and nays on the amendment, as modified.

The yeas and nays were ordered.

ORDER FOR VOTE AND LIMITATION OF TIME ON TOWER AMENDMENT AND PASSAGE OF H.R. 5777

Mr. ROBERT C. BYRD. Mr. President, so that all Senators may be apprised of the program for tomorrow, I ask unanimous consent that at the close of business today, the Tower amendment to the pending bill be laid before the Senate and made the pending question with respect to this bill; that upon the disposition of the vote on the conference report on the minimum wage bill tomorrow, time begin running on the Tower amendment to the pending bill; that there be a 1-hour limitation on the Tower amendment to be equally divided between the Senator from Texas (Mr. Tower) and the Senator from Washington (Mr. Jackson); and that upon the disposition of the Tower amendment on tomorrow, there be a vote on the final passage of the bill.

Mr. TOWER. Mr. President, would the distinguished acting majority leader amend his unanimous consent request to read "after the disposition of the conference report on the minimum wage bill and in no case earlier than 12 o'clock noon."

Mr. ROBERT C. BYRD. Mr. President, I so amend my request.

The PRESIDING OFFICER. Without objection, it is so ordered.

Does the Senator also include in that request that we lay before the Senate the bill at that time?

Mr. ROBERT C. BYRD. That is correct.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that Rule XXII be waived.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR CONSIDERATION OF PRESIDENT'S VETO MESSAGE ON EMERGENCY MEDICAL SERVICES ACT

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that upon the disposition of the pending business tomorrow, the Senate proceed to the consideration of the President's veto message on the Emergency Medical Services Act; that there be a time limitation thereon of 30 minutes to be equally divided between the Senator from California (Mr. Cranston) and the distinguished Republican leader or his designee; and that a vote occur on the override of the Presidential veto at the hour of 3:30 p.m. tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, does the distinguished Senator from Texas wish to get the yeas and nays on his amendment?

Mr. TOWER. Mr. President, I ask unanimous consent that it be in order for me to ask for the yeas and nays on my amendment No. 450 to H.R. 5777.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. TOWER. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. ROBERT C. BYRD. Mr. President, I announce that after the vote on the Jackson amendment, there will be no further votes tonight.

HOBBY PROTECTION ACT

The Senate continued with the consideration of the bill (H.R. 5777) to require that reproductions and imitations of coins and political items be marked as copies or with date of manufacture.

The PRESIDING OFFICER. The question is on agreeing to the Jackson amendment as modified. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Indiana (Mr. Bayh), the Senator from New Hampshire (Mr. McIntyre), the Senator from Maine (Mr. Muskie), and the Senator from Georgia (Mr. Talmadge) are necessarily absent.

I further announce that the Senator from South Dakota (Mr. Abourezk) is absent on official business.

I also announce that the Senator from Mississippi (Mr. Stennis) is absent because of illness.

I further announce that, if present and voting, the Senator from New Hampshire (Mr. McIntyre), and the Senator from Indiana (Mr. Bayh) would each vote "yea."

Mr. GRIFFIN. I announce that the Senator from Arizona (Mr. Goldwater) is absent because of illness in his family.

The Senator from Pennsylvania (Mr. Scott) is necessarily absent.

Also, the Senator from New York (Mr. Javits), the Senator from Maryland (Mr. Mathias), and the Senator from Kansas (Mr. Pearson), are necessarily absent.

The result was announced—yeas 80, nays 9, as follows:

[No. 363 Leg.]

YEAS—80

Aiken
Allen
Baker
Bartlett
Beall
Bellmon
Bentsen
Bible
Biden
Brooke
Burdick
Byrd, Harry F., Jr.
Byrd, Robert C.
Cannon
Case
Chiles
Church
Clark
Cook
Cranston
Curtis
Dole
Domenici
Eagleton
Eastland
Ervin
Fannin
Fong
Gravel
Griffin
Gurney
Hart
Hartke
Haskell
Hatfield
Hathaway
Hollings
Hruska
Huddleston
Hughes
Humphrey
Inouye
Jackson
Johnston
Kennedy
Long
Magnuson
Mansfield
McClellan
McClure
McGee
McGovern
Metcalf
Mondale
Montoya
Moss
Nelson
Nunn
Packwood
Pastore
Pell
Percy
Proxmire
Randolph
Ribicoff
Roth
Saxbe
Schweiker
Scott, Va.
Sparkman
Stafford
Stevens
Stevenson
Symington
Taft
Thurmond
Tunney
Weicker
Williams
Young

NAYS—9

Bennett
Brock
Buckley
Cotton
Dominick
Fulbright
Hansen
Helms
Tower

NOT VOTING—11

Abourezk
Bayh
Goldwater
Javits
Mathias
McIntyre
Muskie
Pearson
Scott, Pa.
Stennis
Talmadge

So Mr. Jackson's amendment, as modified, was agreed to.

AMENDMENT NO. 450

Mr. TOWER. Mr. President, I call up my amendment No. 450 and ask that it be stated.

The PRESIDING OFFICER (Mr. Johnston). The amendment will be stated.

The assistant legislative clerk read as follows:

H.R. 5777

ECONOMIC STABILIZATION

Sec. 15. Section 203 of the Economic Stabilization Act of 1970 is amended by adding at the end thereof the following new subsection:

"(k) In exercising the authority conferred by this section prior to September 12, 1973, with respect to the price level of beef, the President or his delegate shall permit the passthrough of increases in raw agricultural product costs incurred since June 8, 1973, on a dollar-for-dollar basis in the same manner and to the same extent as a passthrough of such increases is permitted in the case of meat and food products other than beef.".

Mr. TOWER. Mr. President, I ask unanimous consent that the names of Senators Curtis, Dole, Hruska, and Hatfield be added as cosponsors of this amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

ROUTINE MORNING BUSINESS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the pending business be temporarily laid aside and that the Senate return momentarily to the consideration of routine morning business, not to exceed 5 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

SENATE JOINT RESOLUTION 144—TEMPORARY EXTENSION OF AUTHORITY OF SECRETARY OF HOUSING AND URBAN DEVELOPMENT

Mr. SPARKMAN. Mr. President, I send a joint resolution to the desk and ask unanimous consent for its immediate consideration.

The PRESIDING OFFICER. Without objection, it is so ordered, and the resolution will be stated.

The assistant legislative clerk read as follows:

To provide for the temporary extension of the authority of the Secretary of Housing and Urban Development with respect to the insurance of loans and mortgages, and for other purposes.

The PRESIDING OFFICER. Is there objection to the present consideration of the joint resolution?

There being no objection, the Senate proceeded to consider the resolution which was read the first time by title and the second time at length.

Mr. SPARKMAN. Mr. President, this is simply a short-term joint resolution for a short-term extension of FHA, until October 1, 1973.

I have consulted with the Senator from Texas (Mr. Tower) who is the ranking minority member of the committee, as well as the Senator from Wisconsin (Mr. Proxmire), and we are all in agreement on the October 1 date.

Mr. TOWER. Mr. President, may I say

that I agree, and I hope that the Senate will proceed to the immediate consideration of this joint resolution and its disposition.

The Senate-House conferees have acted on House Joint Resolution 512, which would extend authority, but there are other matters in the bill that make it highly likely it will be vetoed. We do not want this vital program to lapse—although it has already lapsed, as a matter of fact, as of June 30—but we want to try to get it back into operation. This is a temporary expediency, so I hope the Senate will act on it.

The joint resolution was ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

S.J. RES. 144

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled,

EXTENSION OF FHA INSURANCE PROGRAMS

SECTION 1. (a) Section 2(a) of the National Housing Act is amended by striking out "June 30, 1973" in the first sentence and inserting in lieu thereof "October 1, 1973".

(b) Section 217 of such Act is amended by striking out "June 30, 1973" and inserting in lieu thereof "October 1, 1973".

(c) Section 221(f) of such Act is amended by striking out "June 30, 1973" in the fifth sentence and inserting in lieu thereof "October 1, 1973".

(d) Section 235(m) of such Act is amended by striking out "June 30, 1973" and inserting in lieu thereof "October 1, 1973".

(e) Section 236(n) of such Act is amended by striking out "June 30, 1973" and inserting in lieu thereof "October 1, 1973".

(f) Section 809(f) of such Act is amended by striking out "June 30, 1973" in the second sentence and inserting in lieu thereof "October 1, 1973".

(g) Section 810(k) of such Act is amended by striking out "June 30, 1973" in the second sentence and inserting in lieu thereof "October 1, 1973".

(h) Section 1002(a) of such Act is amended by striking out "June 30, 1973" in the second sentence and inserting in lieu thereof "October 1, 1973".

(i) Section 1101(a) of such Act is amended by striking out "June 30, 1973" in the second sentence and inserting in lieu thereof "October 1, 1973".

FLEXIBLE INTEREST RATE AUTHORITY

SEC. 2. Section 3(a) of the Act entitled "An Act to amend chapter 37 of title 38 of the United States Code with respect to the veterans' home loan program, to amend the National Housing Act with respect to interest rates on insured mortgages, and for other purposes," is amended by striking out "June 30, 1973" and inserting in lieu thereof "October 1, 1973".

TEMPORARY WAIVER OF CERTAIN LIMITATIONS APPLICABLE TO GNMA

SEC. 3. Section 3 of the joint resolution entitled "Joint resolution to extend the authority of the Secretary of Housing and Urban Development with respect to interest rates on insured mortgages, to extend and modify certain provisions of the National Flood Insurance Act of 1968, and for other purposes," approved December 22, 1971, as amended, is amended by striking out "June 30, 1973" and inserting in lieu thereof "October 1, 1973".

REHABILITATION LOAN AUTHORIZATION

SEC. 4. Section 312(h) of Housing Act of 1964 is amended by striking out "June 30, 1973" and inserting in lieu thereof "October 1, 1973".

Mr. SPARKMAN. Mr. President, I move that the vote by which the joint resolution was passed be reconsidered.

Mr. TOWER and Mr. PROXMIRE moved to lay the motion on the table.

The motion to lay on the table was agreed to.

RESOLUTION OF DISAPPROVAL OF THE PROPOSED DISCONTINUATION OF CERTAIN COMMITTEES TO AID THE HANDICAPPED

Mr. RANDOLPH. Mr. President, I send to the desk a resolution for myself and the Senator from Vermont (Mr. STAFFORD), the Senator from New Jersey (Mr. WILLIAMS), and the Senator from California (Mr. CRANSTON) and I ask unanimous consent that the resolution be printed in the RECORD and held at the desk for later consideration by the Senate.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GRIFFIN. Mr. President, reserving the right to object, of course I do not know what this is, I say to the distinguished Senator from West Virginia (Mr. RANDOLPH) I do not particularly know that I object to what he is trying to do other than, ordinarily, that such matters would be referred to a committee. I do not know which committee would have jurisdiction of this matter and why it would not be going to a committee.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GRIFFIN. It is my understanding that there will be no attempt to bring this up until there has been an opportunity to check it with the Senator from New York (Mr. JAVITS) and others who will be interested in this particular matter.

With that understanding, I withdraw my reservation.

Mr. ROBERT C. BYRD. Mr. President, reserving the right to object—and my senior colleague knows that I am not going to object—but I was distracted at the time he made his request. What was the request?

The PRESIDING OFFICER. The request was to print the resolution in the RECORD and hold it at the desk for later consideration.

Mr. ROBERT C. BYRD. Until what date?

The PRESIDING OFFICER. No date was specified.

Mr. ROBERT C. BYRD. I think we should have some kind of time limit. Could we say that the amendment would remain at the desk until no later than Friday of this week, without its being referred to a committee?

Mr. GRIFFIN. Then, if it is not acted on, it could be referred?

Mr. ROBERT C. BYRD. It could be.

Mr. GRIFFIN. That would be satisfactory to me.

Mr. ROBERT C. BYRD. Otherwise, without some termination date, it could, conceivably, just lie there for days without any action. It is my understanding, in talking with my colleague from West Virginia, that he hopes on tomorrow, that the resolution can be called up by unanimous consent for immediate consideration. He is first awaiting a discussion, however, with the Senator from New York (Mr. JAVITS) and, following that discussion on tomorrow, my colleague feels that the way may be cleared for immediate consideration.

Mr. GRIFFIN. I want to make it clear that this is a matter that most Senators and perhaps some Senators with some interest in this are not aware of. I do not want to waive anyone's rights in a way which might ordinarily be handled. So I do not want to agree to anything that would jeopardize or waive any Senator's rights.

Mr. RANDOLPH. Mr. President, I think I should say that the action of Congress created two advisory committees, one on the education of the deaf and one on the handicapped. As of May 12, the recommendation has been received from the Commissioner of Education that these two committees be dismantled.

Frankly, they were created by Congress and we believe they should be continued. They are necessary. I will address myself to the subject matter in more detail at a later time. But the point is that action must be taken by either the Senate or House within a period of 90 days after May 17. The two advisory committees are important, as I have said in the area of the handicapped and the deaf. They should be continued. That is the reason this resolution is brought before the Senate at this time.

The resolution would continue these two statutory advisory committees designed to serve the welfare of handicapped people and their families. The U.S. Commissioner of Education has proposed terminating these committees and replacing them with one committee which will have standing only as long as he deems it necessary.

The committees in question, the National Advisory Committee on Education for the Deaf, and the National Advisory Committee on Handicapped Children were specifically designed, however, not just to serve at the pleasure of the Commissioner of Education, or the Secretary of HEW, but to provide information to the Congress and to the field of persons concerned with the handicapped about the effectiveness of Federal programs.

These advisory committees have also played a role in the development of legislation serving handicapped children. In recent years the advisory committees have recommended the development of programing for preschool children, the construction of model school facilities for the deaf, and so forth.

The committees' analysis of these problems is sometimes quite separate from that of the executive branch and so provides the Congress with an additional point of view which is very desirable in legislative consideration.

It is my feeling that it would weaken our program emphasis on the handicapped to make the advisory committees totally subject to the Commissioner or the Secretary. A recent communication from the National Advisory Committee on Handicapped Children makes that case. At present, the committee is strongly dissatisfied with proposals by the Commissioner of Education to weaken the status of the BEH, which was created specifically by the Congress to provide a strong, comprehensive, leadership-oriented administrative unit within that office to develop additional programs for handicapped children.

At present, approximately half of the handicapped children in the United States are being denied equal educational opportunity, and it is essential that our Government make every effort to fulfill our responsibility to these children. Despite the fact that this advisory committee was carefully picked by the current administration, it has carefully examined the facts and finds itself opposed in several instances with OE and DHEW policy about programing for handicapped children.

I personally feel this kind of citizen input to be so essential that it must be protected from the vagaries of changes in the executive branch and it is for that reason that I propose extending the life of these advisory committees, statutorally, for 3 additional years.

Mr. GRIFFIN. It would be my guess that the position of the distinguished Senator from West Virginia (Mr. RANDOLPH) will certainly prevail in the Senate. I think the action taken is one which will put him in a position to have the resolution called up and acted on. I do not anticipate any particular problem.

Mr. RANDOLPH. I sincerely thank my colleague from Michigan and I am appreciative of the cooperation of my colleague from West Virginia (Mr. ROBERT C. BYRD), the assistant majority leader, for calling attention to the period of time rather than the expression I used, "at a later date."

Mr. ROBERT C. BYRD. Mr. President, this is a request, I think, which is a little beyond the ordinary. Let me state this for the RECORD, to be sure that we have a clear understanding of it.

As I understand my colleague's request, he has submitted a resolution and has asked unanimous consent that it be printed in the RECORD, and that it remain at the desk, let's say, for not to exceed 48 hours without its being referred to the appropriate committee. Am I correct?

Mr. GRIFFIN. If the Senator will yield, would he agree with me that if the Senator from West Virginia were to ask for immediate consideration and objection were entered, it would automatically come up for consideration tomorrow if there is a period for morning business?

Mr. ROBERT C. BYRD. Yes. If he were to do that now, it would automatically come up, by going over, under the rule.

The way I phrased this, I think the Senator is protected, in that his resolution is printed in the RECORD, it will lie at the desk, and the Senate is not yet committed to take it up for immediate consideration.

I think we can have this understanding: Under the request I have suggested, the Senator will have his resolution printed in the RECORD, and it will lie at the desk pending further disposition for not to exceed 48 hours, which gives him ample time, before the Senate adjourns for the August recess, to call it up for immediate consideration by unanimous consent, if it is cleared on both sides of the aisle; and barring that, at the expiration of the 48 hours it would, otherwise, be automatically referred to the appropriate committee.

Mr. GRIFFIN. I think that is satisfactory.

Mr. RANDOLPH. That is eminently satisfactory. Again, I express genuine appreciation to the Senator from West Virginia (Mr. ROBERT C. BYRD) and the Senator from Michigan (Mr. GRIFFIN) for their cooperation and understanding in this vital matter.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

The resolution submitted by Mr. RANDOLPH, for himself, Mr. STAFFORD, Mr. WILLIAMS, and Mr. CRANSTON is as follows:

Resolution disapproving the recommendations of the Commissioner of Education with respect to the abolition of certain advisory committees

Resolved, That the Senate does not favor the recommendations with respect to the abolition of the National Advisory Committee on the Education of the Deaf established by section 5 of the Act of October 19, 1965 (Public Law 258, 89th Congress) and the abolition of the National Advisory Committee on Handicapped Children established by section 604 of the Education and Handicapped Act transmitted to the Congress on 17 May, 1973 in the Annual Report of the United States Commissioner of Education for the Fiscal Year 1972.

QUORUM CALL

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR ADJOURNMENT TO 11 A.M. TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that, when the Senate completes its business today, it stand in adjournment until 11 o'clock tomorrow morning.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR ADJOURNMENT UNTIL 10 A.M. FRIDAY

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business tomorrow, it stand in adjournment until the hour of 10 o'clock a.m. on Friday.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR TRANSACTION OF ROUTINE BUSINESS TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that at the conclusion of the orders for the recognition of Senators tomorrow, there be a period for the transaction of routine morning business of not to exceed 15 minutes, with statements therein limited to 3 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. ROBERT C. BYRD. Mr. President, tomorrow the Senate will convene at the hour of 11 a.m.

After the two leaders or their designees have been recognized under the standing order, the able Senator from South Carolina (Mr. THURMOND) will be recognized for not to exceed 15 minutes, following which the able Senator from Tennessee (Mr. BROCK) will be recognized for not to exceed 15 minutes.

At the conclusion of the aforementioned orders for the recognition of Senators, there will be a period for the transaction of routine morning business of not to exceed 15 minutes, with statements therein limited to 3 minutes each.

At the conclusion of routine morning business, the Senate will proceed to debate the conference report on H.R. 7935, the minimum wage bill, under a time limitation of 80 minutes. At the conclusion of the debate, there will be a yea-and-nay vote on the adoption of the conference report, the yeas and nays having already been ordered.

After the disposition of the conference report, but not earlier than 12 noon—under the arrangement, it will probably not be earlier than 1 p.m.—the Senate will resume the consideration of H.R. 5777, the so-called hobby protection bill, with a time limitation of 1 hour on an amendment by Mr. TOWER, which will be the pending question when the Senate resumes consideration of that bill. There will be a yea-and-nay vote on the Tower amendment, the yeas and nays having already been ordered.

Upon disposition of the amendment by Mr. TOWER a vote will occur immediately on the final passage, following its advancement to third reading, of course, of H.R. 5777.

Upon the disposition of H.R. 5777 the Senate will proceed to debate the President's veto message, with a time limitation of 30 minutes, and with a yea-and-nay vote automatically under the Constitution to occur at the hour of 3:30 p.m.

Mr. President, following the vote on the override of the Presidential veto the leadership is not presently sure as to what will be taken up, but I assume the Senate will at that time revert to the consideration of the unfinished business, which is S. 5, the so-called Public Service Employment Act. Yea-and-nay votes may occur on amendments thereto and possibly on final passage of that bill tomorrow.

As to Friday, I cannot say what the situation will be. Of course, there are controversial conference reports that may be called up, thus necessitating yea-and-nay votes. There may be other measures on the calendar that have been cleared by Friday. In any event, Senators should be prepared for yea-and-nay votes on Friday, that being the final day before the August recess.

ADJOURNMENT UNTIL 11 A.M.

Mr. ROBERT C. BYRD. Mr. President, if there be no further business before the Senate, I move, in accordance with the previous order, that the Senate stand in adjournment until 11 a.m. tomorrow.

The motion was agreed to; and at 6:21 p.m. the Senate adjourned until tomorrow, Thursday, August 2, 1973, at 11 a.m.

NOMINATIONS

Executive nominations received by the Senate August 1, 1973:

DEPARTMENT OF STATE

Theodore L. Eliot, Jr., of California, a Foreign Service Officer of Class One, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Afghanistan.

DEPARTMENT OF JUSTICE

John W. Stokes, Jr., of Georgia, to be U.S. attorney for the northern district of Georgia for the term of 4 years, reappointment.

IN THE AIR FORCE

The following Air National Guard of the United States officers for promotion in the Reserve of the Air Force under the provisions of Section 593(a), Title 10 of the United States Code, as amended:

To be lieutenant colonel

LINE OF THE AIR FORCE

Maj. Harold C. L. Beardsley, [redacted] FG.
Maj. Frederick A. Blahus, [redacted] FG.
Maj. Robert L. Bordwine, Jr., [redacted] FG.
Maj. Ernest R. Bosetti, [redacted] FG.
Maj. Peter G. Brambir, [redacted] FG.
Maj. Norbert W. Brandt, [redacted] FG.
Maj. Robert J. Collins, [redacted] FG.
Maj. Kincheon V. Combs, [redacted] FG.
Maj. William R. Custer, [redacted] FG.
Maj. Roy E. Degan, Jr., [redacted] FG.
Maj. Jack D. Dobler, [redacted] FG.
Maj. John C. Druke, [redacted] FG.
Maj. Earl A. Ehrenberg, [redacted] FG.
Maj. Rudolf F. Gehrmann, [redacted] FG.
Maj. Arthur B. Haesche, Jr., [redacted] FG.
Maj. Francis L. Hales, [redacted] FG.
Maj. Alfred R. Hanson, Jr., [redacted] FG.
Maj. Roger L. Harrison, [redacted] FG.
Maj. John A. Henke, [redacted] FG.
Maj. Claude A. Holland, [redacted] FG.
Maj. Lewis A. Jones, [redacted] FG.
Maj. Michael C. Jordan, [redacted] FG.
Maj. Donald E. Joy, Jr., [redacted] FG.
Maj. Merlin S. Keely, [redacted] FG.
Maj. Willard E. Kline, Jr., [redacted] FG.
Maj. Richard D. Lang, [redacted] FG.
Maj. Ulay W. Littleton, [redacted] FG.
Maj. Clarence W. Long, [redacted] FG.
Maj. Vincent L. Looby, [redacted] FG.
Maj. Harrie B. Markham, Jr., [redacted] FG.
Maj. William H. Orr, [redacted] FG.
Maj. Boris Ortiz, [redacted] FG.
Maj. Jose A. Parodi, [redacted] FG.
Maj. David J. Pendergast, Jr., [redacted] FG.
Maj. Gilbert E. Petrina, [redacted] FG.
Maj. Carl C. Poythress, Jr., [redacted] FG.
Maj. Paul R. Rouillard, Jr., [redacted] FG.
Maj. Lawrence H. Shelton, [redacted] FG.
Maj. Richard H. Slemmer, [redacted] FG.
Maj. Arthur P. Tesner, [redacted] FG.
Maj. James L. Walters, Jr., [redacted] FG.
Maj. William A. Wilson, [redacted] FG.
Maj. Paul L. Wright, [redacted] FG.
Maj. Robert T. Yoshizumi, [redacted] FG.

U.S. ARMY

The United States Army Reserve officer named herein for promotion as a Reserve Commissioned officer of the Army under the provisions of title 10, United States Code, Section 593a and 3384.

To be brigadier general

Col. Charles J. West, Jr., [redacted] Infantry.

CONFIRMATIONS

Executive nominations confirmed by the Senate, August 1, 1973:

CENTRAL INTELLIGENCE

William Egan Colby, of Maryland, to be Director of Central Intelligence.

DISTRICT OF COLUMBIA COUNCIL

The following-named persons to be members of the District of Columbia Council for terms expiring February 1, 1976:

Henry S. Robinson, Jr., of the District of Columbia.

Marguerite C. Selden, of the District of Columbia.

W. Antoinette Ford, of the District of Columbia.

FARMERS HOME ADMINISTRATION

Frank B. Elliott, of Virginia, to be Administrator of the Farmers Home Administration.

(The above nominations were approved subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

SUPERIOR COURT OF THE DISTRICT OF COLUMBIA

Orman W. Ketcham, of Maryland, to be an associate judge, Superior Court of the District of Columbia, for the term of 15 years.

Edmond T. Daly, of the District of Columbia, to be an associate judge, Superior Court of the District of Columbia, for the term of 15 years.

U.S. AIR FORCE

The following officer under the provisions of title 10, United States Code, section 8066, to be assigned to a position of importance and responsibility designated by the President under subsection (a) of section 8066, in grade as follows:

To be general

Lt. Gen. Samuel C. Phillips, [redacted] FR (major general, Regular Air Force), U.S. Air Force.

HOUSE OF REPRESENTATIVES—*Wednesday, August 1, 1973*

The House met at 12 o'clock noon.

The Chaplain, Rev. Edward G. Latch, D.D., offered the following prayer:

Brethren, be of one mind, live in peace; and the God of love and peace shall be with you.—II Corinthians 13: 11.

In the spirit and words of Saint Francis let us offer our morning prayer.

"Lord, make me an instrument of Thy peace:
Where there is hatred, let me sow love;
Where there is injury, pardon;
Where there is doubt, faith;
Where there is despair, hope;
Where there is darkness, light;
Where there is sadness, joy.

"O Divine Master, grant that I may not so much seek
To be consoled as to console;
To be understood as to understand;
To be loved as to love;
For it is in giving that we receive,
It is in pardoning that we are pardoned,
And it is in dying that we are born to eternal life."

Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Without objection, the Journal stands approved.

There was no objection.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Arrington, one of its clerks, announced that the Senate insists upon its amendments to the joint resolution (H.J. Res. 542) entitled "Joint resolution concerning the war powers of Congress and the President," disagreed to by the House; agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. FULBRIGHT, Mr. MANSFIELD, Mr. SYMINGTON, Mr. MUSKIE, Mr. AIKEN, Mr. CASE, and Mr. JAVITS to be the conferees on the part of the Senate.

The message also announced that the Senate disagrees to the amendments of the House to the bill (S. 373) entitled "An act to insure the separation of Federal powers and to protect the legislative function by requiring the President to notify the Congress whenever he, the Director of the Office of Management and Budget, the head of any department or agency of the United States, or any officer or employee of the United States, impounds, orders the impounding, or permits the impounding of budget authority, and to provide a procedure under which the Senate and the House of Representatives may approve the impounding action, in whole or in part, or require the President, the Director of the Office of Management and Budget, the department or agency of the United States, or the officer or employee of the United States, to cease such action, in whole or in part, as directed by Congress, and to establish a ceiling on fiscal year 1974 expenditures," requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. ERVIN, Mr. MUSKIE, Mr. RIBICOFF, Mr. CHILES, Mr. PERCY, Mr. JAVITS, and Mr.

GURNEY to be the conferees on the part of the Senate.

The message also announced that the Senate had passed bills of the following titles, in which the concurrence of the House is requested:

S. 628. An act to amend chapter 83 of title 5, United States Code, to eliminate the annuity reduction made, in order to provide a surviving spouse with an annuity, during periods when the annuitant is not married;

S. 871. An act to amend title 5, United States Code, to correct certain inequities in the crediting of National Guard technician service in connection with civil service retirement, and for other purposes; and

S. 1560. An act to extend the Emergency Employment Act of 1971, to provide public service employment for disadvantaged and long-term unemployed persons, and for other purposes.

CHESTER M. WIGGIN, JR.

(Mr. BOLAND asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. BOLAND. Mr. Speaker, I was deeply saddened to learn this morning that Commissioner Chester M. Wiggin, Jr., of Hopkinton, N.H., a member of the Interstate Commerce Commission, was one of 88 victims of that tragic plane crash yesterday noon at Logan International Airport in Boston.

A highly respected New Englander, "Chet" Wiggin was well known to us here on Capitol Hill as administrative assistant to the late Senator Styles Bridges of New Hampshire from 1953 to 1962, and as administrative assistant to our colleague, Senator NORRIS COTTON, through 1969.

Appointed by President Nixon in 1970 as Cochairman of the New England Regional Commission, he served in that position until the President named him to the Interstate Commerce Commission last October.

A graduate of Dartmouth College and Boston University Law School, Commissioner Wiggin served in combat with the Marines in World War II and rose to the rank of lieutenant colonel.

He was a distinguished attorney who was admitted to practice before the bars of New Hampshire, the District of Columbia, and the U.S. Supreme Court.

He was Marine legal aide to the Under Secretary of the Navy from 1945 to 1947 and was an attorney adviser in the Executive Office of the Secretary of the Navy from 1947 to 1953.

Mr. Speaker, I came to know Chet Wiggin very well during the past few years in his positions as New England regional commission cochairman, and as an Interstate Commerce Commissioner who came before the Appropriations Subcommittee on budget matters.

He was a kind and unassuming human being but always a man of great principle and integrity. He was a dedicated public servant who spent a lifetime mastering the intricacies of government and applied this knowledge, in a very practical manner, so that it would serve the needs of the people.

Commissioner Wiggin was a true and good friend. His loss is a deep shock to his many friends in Washington and New England. I extend to his widow, Mrs. Joyce Wiggin, my profound sympathy in her hour of sorrow.

Mr. CLEVELAND. Mr. Speaker, I appreciate the gentleman from Massachusetts (Mr. BOLAND) paying a fine tribute to my friend and constituent, Chester M. Wiggin, Jr. It was a terrible shock this morning to hear of his death, as he was traveling by air from New Hampshire to Washington, D.C. This was a trip which we often took together. I always enjoyed the opportunity it gave me to exchange views and information concerning a wide spectrum of problems, with my knowledgeable and delightful friend.

Chet was without doubt one of the finest and best public servants I have ever met and worked with. He was a real pro. He served as administrative assistant on the staffs of U.S. Senators Styles Bridges and NORRIS COTTON with effectiveness and great distinction. He then became the Federal cochairman of the New England Regional Commission. In this capacity I continued my close association with Chet Wiggin. It was truly delightful to work with him on problems. He was responsive; he was practical; and he was always aware of the problems facing a Member of Congress trying to solve governmental problems.

Chet Wiggin's professional career continued with his appointment to serve as Commissioner on the Interstate Commerce Commission. It was typical of his professionalism and interest in approaching real problems constructively that he took great interest in and was carefully studying the railroad crisis facing the Northeastern United States. His death is a real tragedy, and a great loss to America.

My wife, Hilary, and I extend our deepest sympathies to Joyce Wiggin, wife of this great man and good friend

Mr. WYMAN. Mr. Speaker, I was profoundly shocked yesterday when I learned of the tragic death of my dear friend and ICC member, Chet Wiggin, in an aircraft accident in Boston. With his untimely passing, New Hampshire and the Nation have lost a dedicated and selfless public servant, and I have lost a truly valued friend and colleague.

Chet's long and distinguished career spanned more than 30 years of outstanding achievement and service to his State and to his country. After combat service with the Marines in the Pacific in the Second World War, he served as a key legal aid in the Navy Department. Following that time, he was Administrative Assistant to the late great Senator from New Hampshire—Styles Bridges—for nearly 10 years. His tremendous capacity for public service was again amply demonstrated in 1962 when the distinguished senior Senator from New Hampshire, NORRIS COTTON, chose him to be his Administrative Assistant.

Chet served in that position with distinction and competence until 1969 when he was nominated by the President to be Federal Cochairman of the New England Regional Commission. Chet served with the Commission until his confirmation by the Senate last year as a member of the Interstate Commerce Commission, and the exemplary manner in which he performed his duties was vividly demonstrated by the fact that when he left the New England Regional Commission for the ICC, he was warmly and personally commended for his diligence and competence by each of the six New England Governors.

Chet came to the ICC at a time when the nature of its regulatory mandate is taking on increasing importance and immediacy as the Nation wrestles with critical transportation problems. It is indicative of the high esteem in which Chet was held by the executive and the legislative branches of our Government that he was selected for service on the Commission. By all accounts he carried out the tremendously important and intricate duties of his new post with his customary ability, skill, and dedication.

Tragedy has cut short what promised to be more years of outstanding public service by one of New Hampshire's leading citizens. It is an awful loss.

Chet Wiggin will long be remembered for what he was—a highly effective publicly motivated civic leader, a fine citizen and a true friend to all. His presence will be sorely missed by thousands who knew and loved him but his memory will endure forever.

To his beloved wife Joyce together with his hundreds of friends and admirers, go the heartfelt sympathy of Virginia and myself during this sad and difficult time.

GENERAL LEAVE

Mr. BOLAND. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks on the life, character, and public service of the late Chester W. Wiggin, Jr.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

DISAPPOINTING PRICES OF TOBACCO SALES

(Mr. YOUNG of South Carolina asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. YOUNG of South Carolina. Mr. Speaker, many tobacco farmers in our area are very concerned about the selling price of tobacco. When we move to the marketplace, we do so with anticipation. The opening prices on the auction market averaged 2.3 percent over last year's prices. This small increase does not keep pace with the rise in the cost of fuel, fertilizer, and farm labor. We were concerned about the 10-percent increase in tobacco acreage allotment. We, as farmers, simply do not need to grow more tobacco and get less money for it.

We had hoped that the devaluation of the dollar would have strengthened the purchases from the German mark, the English pound, and the Japanese yen. It is our hope now that in the weeks ahead the prices will increase as we move from lower-stalk tobacco to middle-stalk tobacco.

The question has been asked about collusion among tobacco companies. We certainly could not accuse anyone about these type tactics. It is our hope that the market in the weeks ahead will move toward stronger prices. If the prices remain as low as they are at the present time, it is our feeling that we have grown too much tobacco and are getting less money for it.

APPOINTMENT ON CONFEREES ON S. 426, PREMARKET TESTING OF CHEMICAL SUBSTANCES

Mr. STAGGERS. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (S. 426) to regulate interstate commerce by requiring premarket testing of new chemical substances and to provide for screening of the results of such testing prior to commercial production, to require testing of certain existing chemical substances, to authorize the regulation of the use and distribution of chemical substances, and for other purposes, with the House amendments thereto, insist on the House amendments, and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia? The Chair hears none, and appoints the following conferees: Messrs. STAGGERS, MOSS, STUCKEY, ECKHARDT, BROYHILL of North Carolina, WARE, and MCCOLLISTER.

CONFERENCE REPORT ON H.R. 8825, DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT; SPACE, SCIENCE, VETERANS APPROPRIATIONS, 1974

Mr. BOLAND. Mr. Speaker, I call up the conference report on the bill (H.R. 8825) making appropriations for the Department of Housing and Urban Development; for space, science, veterans, and certain other independent executive agencies, boards, commissions, and corporations for the fiscal year ending June 30, 1974, and for other purposes, and ask unanimous consent that the statement of the managers be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The Clerk read the statement.

(For conference report and statement, see proceedings of the House of July 27, 1973.)

Mr. BOLAND (during the reading). Mr. Speaker, I ask unanimous consent that the statement of the managers be considered as read.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. BOLAND. Mr. Speaker, we bring back to the House today a conference report on the HUD-space-science-veterans appropriation bill for 1974. The foundation of the democratic process rests on the ability of its people and its institutions to make reasonable accommodation, and reach sound decisions.

The conferees on this bill were faced with a number of difficult issues—and we resolved all of the differences except in a single instance. I believe we have brought back a good bill. Before I discuss that one exception, I want to take a moment to sum up what this important bill contains.

The total amount in this conference report is $19,056,500,000.

The House passed this bill on June 22, 1973, with a total of $19,070,954,000 in new obligational authority.

The Senate passed the bill a few days later on June 30, 1973, with a total of $19,118,373,063.

The conferees have brought back a report that is under both the House and Senate bills—$14,454,000 under the House and $61,873,063 under the Senate.

The conference total is also $1,827,723,000 below the comparable amount of new obligational authority provided for the agencies and department in the bill for the last fiscal year.

You may recall that the administration proposed terminating community development categorical grant programs in the budget requests and replacing them with a new program of special revenue sharing.

While $2,160,000,000 was provided for community development assistance last year, the budget this year contains only $137,500,000 for these purposes. This would leave a 1-year hiatus for community development support and cause local governments great hardship. Both the House and Senate agreed that these programs should not be precipitously terminated by executive fiat.

The total reported from conference, including $775,000,000 to continue these programs through the next fiscal year, is therefore $439,047,000 above the original budget estimates. It is also important to note that the administration has submitted an informal budget amendment to the other body requesting an increase of $260,000,000 above the original requests. The net effect of these informal requests from the Secretary of Housing and Urban Development would reduce the increase above the budget to $179,047,000.

Furthermore, the net impact of the conference bill on budget outlays is unchanged from the $20,223,734,000 estimated in the budget for 1974, and as proposed by the House bill.

Within these overall totals for the bill, the new obligational authority in the conference report for the Department of Housing and Urban Development is $3,092,916,000.

One amendment is reported in technical disagreement, but there is no real disagreement between the conferees. The conference committee accepted the Senate estimate of $2,020 million for housing payments, and has earmarked a "floor" of $280 million, the amount of the budget estimate, for payment of operating subsidies to local housing authorities, instead of $315 million as proposed by the Senate.

In taking this action, the conferees strongly urge the legislative committees to undertake a thorough study and evaluation of the concept of "operating subsidies." What is the effect of these subsidies on the efficient management and operation of local housing authorities? Are the charges of alleged abuses accurate? If so, how serious are they? I think these are important questions. An investigative report made by our committee last year indicates we need to get the answers as soon as possible.

For the "701" comprehensive planning grants program the conferees recommend a compromise figure of $75 million. The House had provided $25 million to carry this program through fiscal year 1974 and well into 1975, utilizing the large carryover unexpended balances in this program. The increase to $75 million should adequately provide for planning agencies through fiscal year 1975, and until the Congress has a better reading on the outcome of the Responsive Governments Act, the Better Communities Act, or other legislation from the legislative committees relating to housing and urban development.

A total of $3,002,100,000 is included for the National Aeronautics and Space Administration; $569,600,000 for the National Science Foundation; $39,860,000 for the Federal Communications Commission; $34,027,000 for the Securities and Exchange Commission; and $47,500,000 for the Selective Service System.

The bill also provides $12,265,807,000 for the Veterans' Administration. This is an increase of $52,807,000 over the budget request. The increase is entirely for medical care or hospital construction items. It will help to insure an adequate level and quality of care for our veterans.

The conference committee, as I indicated earlier, could not agree on one issue, which the House conferees felt did not belong in this bill. Amendments Nos. 44 and 45 are therefore brought back in disagreement.

The Senate proposed a new general provision to limit funds for the purchase, hire, or operation and maintenance of passenger motor vehicles that would apply only to the department and agencies included in this bill.

The House conferees are of the opinion that such a provision is unfair, unjustified, discriminatory, and should be considered by legislative committees and made applicable to all agencies, including the military, if it is desirable at all.

Furthermore, while it appears that section 405(b) was primarily intended to prevent the purchase, hire, or operation and maintenance of any passenger motor vehicle for the transportation by senior officials of the Government between their dwelling and place of employment, this provision could affect a great many Government employees even at the very lowest levels.

Since May 31, 1968, the standardized Government travel regulations have included a provision which allows an agency to provide reimbursement "for the usual taxi cab fares paid by an employee for travel between his office and home—when he is dependent on public transportation for such travel incident to officially ordered work outside of his regular working hours, and his travel is during hours of infrequently scheduled public transportation or darkness."

Many times it becomes necessary for secretaries of various Government officials to work on priority items into the evening, and current authority allows the agencies to reimburse such employees for their travel fares. This provision of the standardized travel regulations is useful in providing safe conduct for them to their homes during the late evening hours.

The effects of the proposed Senate provision are unclear. If existing law covering passenger motor vehicle usage is less than clear, and in need of revision, this should be thoroughly researched by the legislative committees and made the subject of substantive legislation and made applicable to all departments and agencies, and not just the few in this bill.

The House conferees recommend that the House insist on its disagreement to the Senate amendment No. 44, and that it be deleted from the bill.

The House conferees feel that the compromises reached with the Senate are reasonable. The bill provides funds for vital activities.

I will include in my remarks a table showing the action taken on each item, the comparison with 1973, and the actions of the House and Senate.

Mr. Speaker, I recommend that the conference report be adopted.

COMPARATIVE STATEMENT OF THE NEW BUDGET (OBLIGATIONAL) AUTHORITY, HUD-SPACE-SCIENCE-VETERANS APPROPRIATION BILL, 1974 (H.R. 8825)

[Note: All amounts are in the form of appropriations unless otherwise indicated]

Agency and item (1)	New budget (obligational) authority, fiscal year 1973 [1] (2)	Budget estimates of new budget (obligational) authority, fiscal year 1974 (3)	New budget (obligational) authority recommended in House bill (4)	New budget (obligational) authority recommended in Senate bill (5)	Conference action (6)	Conference action compared with— New budget (obligational) authority, fiscal year 1973 (7)	Budget estimates of new budget (obligational) authority, fiscal year 1974 (8)	House bill (9)	Senate bill (10)
TITLE I									
DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT									
Housing Production and Mortgage Credit									
Federal Housing Administration									
Rent supplement program:									
Increased limitation for annual contract authorization	($48,000,000)					(−$48,000,000)			
(Cumulative annual contract authorization)	(280,000,000)	($280,000,000)	($280,000,000)	($280,000,000)	($280,000,000)				
Homeownership and rental housing assistance:									
Homeownership assistance, increased limitation for annual contract authorization	($170,000,000)					(−$170,000,000)			
(Cumulative annual contract authorization)	(665,000,000)	($665,000,000)	($665,000,000)	($665,000,000)	($665,000,000)				
Rental housing assistance, increased limitation for annual contract authorization	(175,000,000)					(−175,000,000)			
(Cumulative annual contract authorization)	(700,000,000)	(700,000,000)	(700,000,000)	(700,000,000)	(700,000,000)				
Nonprofit sponsor assistance	1,000,000					−1,000,000			
College housing:									
Increased limitation for annual contract authorization	(5,000,000)					(−5,000,000)			
(Cumulative annual contract authorization)	(40,600,000)	(40,600,000)	(40,600,000)	(40,600,000)	(40,600,000)				
Salaries and expenses, Housing production and mortgage credit programs	15,748,000	5,300,000	5,300,000	5,120,000	5,120,000	−10,628,000	−$180,000	−$180,000	
[Government]National Mortgage Association									
Payment of participation sales insufficiencies	19,496,000	19,821,000	19,821,000	19,821,000	19,821,000	+325,000			
Special assistance functions fund		95,647,000					−95,647,000		
Total, Housing Production and Mortgage Credit	36,244,000	120,768,000	25,121,000	24,941,000	24,941,000	−11,303,000	−95,827,000	−180,000	
Housing Management									
Housing payments	1,800,000,000	2,100,000,000	2,100,000,000	2,020,000,000	2,020,000,000	+220,000,000	−80,000,000	−80,000,000	
Salaries and expenses, Housing management programs	• 21,000,000	24,475,000	24,475,000	23,155,000	23,900,000	+2,900,000	−575,000	−575,000	+$745,000
Total, Housing Management	1,821,000,000	2,124,475,000	2,124,475,000	2,043,155,000	2,043,900,000	+222,900,000	−80,575,000	−80,575,000	+745,000
Community Planning and Management									
Comprehensive planning grants	100,000,000	110,000,000	25,000,000	110,000,000	75,000,000	−25,000,000	−35,000,000	+50,000,000	−35,000,000
Community development training and urban fellowship programs	3,500,000					−3,500,000			
New community assistance grants	7,500,000					−7,500,000			
Salaries and expenses, Community planning and management programs	10,134,000	11,625,000	10,134,000	9,875,000	10,134,000		−1,491,000		+259,000
Total, Community Planning and Management	121,134,000	121,625,000	35,134,000	119,875,000	85,134,000	−36,000,000	−36,491,000	+50,000,000	−34,741,000
Community Development									
Model cities programs	500,000,000		150,000,000	150,000,000	150,000,000	−350,000,000	+150,000,000		
Urban renewal programs	1,450,000,000	137,500,000	600,000,000	600,000,000	600,000,000	−850,000,000	+462,500,000		
Rehabilitation loan fund	70,000,000					−70,000,000			
Grants for neighborhood facilities	40,000,000					−40,000,000			
Open space land programs	100,000,000		70,000,000		25,000,000	−75,000,000	+25,000,000	−45,000,000	+25,000,000
Salaries and expenses, Community development programs	25,159,000	22,900,000	22,900,000	22,176,000	22,413,000	−2,746,000	−487,000	−487,000	+237,000
Total, Community Development	2,185,159,000	160,400,000	842,900,000	772,176,000	797,413,000	−1,387,746,000	+637,013,000	−45,487,000	+25,237,000
Federal Insurance Administration									
Flood insurance	10,000,000	20,000,000	20,000,000	20,000,000	20,000,000	+10,000,000			

						Conference action compared with—			
Agency and item (1)	New budget (obligational) authority, fiscal year 1973[1] (2)	Budget estimates of new budget (obligational) authority, fiscal year 1974 (3)	New budget (obligational) authority recommended in House bill (4)	New budget (obligational) authority recommended in Senate bill (5)	Conference action (6)	New budget (obligational) authority, fiscal year 1973 (7)	Budget estimates of new budget (obligational) authority, fiscal year 1974 (8)	House bill (9)	Senate bill (10)
TITLE I—Continued									
DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT—Continued									
Research and Technology									
Research and technology	53, 000, 000	71, 450, 000	60, 000, 000	71, 450, 000	65, 000, 000	+12, 000, 000	−6, 450, 000	+5, 000, 000	−6, 450, 000
Fair Housing and Equal Opportunity									
Fair housing and equal opportunity	9, 489, 000	9, 850, 000	9, 750, 000	9, 546, 000	9, 546, 000	+57, 000	−304, 000	−204, 000	
Departmental Management									
General departmental management	5, 529, 000	6, 350, 000	6, 150, 000	6, 042, 000	6, 042, 000	+513, 000	−308, 000	−108, 000	
Salaries and expenses, Office of general counsel	3, 044, 000	3, 350, 000	3, 250, 000	3, 134, 000	3, 166, 000	+122, 000	−184, 000	−84, 000	+$32, 000
Salaries and expenses, Office of inspector general		8, 125, 000	6, 825, 000	6, 534, 000	6, 534, 000	+6, 534, 000	−1, 591, 000	−291, 000	
Administration and staff services	16, 475, 000	11, 500, 000	11, 500, 000	10, 731, 000	11, 460, 000	−5, 015, 000	−40, 000	−40, 000	+729, 000
Regional management and services	22, 991, 000	20, 200, 000	20, 200, 000	19, 769, 000	19, 780, 000	−3, 211, 000	−420, 000	−420, 000	+11, 000
Total, Departmental Management	48, 039, 000	49, 525, 000	47, 925, 000	46, 210, 000	46, 982, 000	−1, 057, 000	−2, 543, 000	−943, 000	+772, 000
Total, Department of Housing and Urban Development, Title I	4, 284, 065, 000	2, 678, 093, 000	3, 165, 305, 000	3, 107, 353, 000	3, 092, 916, 000	−1, 191, 149, 000	+414, 823, 000	−72, 389, 000	−14, 437, 000
TITLE II									
SPACE, SCIENCE, VETERANS, AND CERTAIN OTHER INDEPENDENT AGENCIES									
Executive Office of the President									
National Aeronautics and Space Council									
Salaries and expenses	$480, 000					−$480, 000			
Office of Science and Technology									
Salaries and expenses	2, 100, 000					−2, 100, 000			
Total, Executive Office of the President	2, 580, 000					−2, 580, 000			
Federal Communications Commission									
Salaries and expenses	34, 173, 000	$36, 860, 000	$39, 860, 000	$39, 860, 000	$39, 860, 000	+5, 687, 000	+$3, 000, 000		
National Aeronautics and Space Administration									
Research and development	2, 600, 900, 000	2, 197, 000, 000	2, 194, 000, 000	2, 194, 000, 000	2, 194, 000, 000	−406, 900, 000	−3, 000, 000		
Construction of facilities	77, 300, 000	112, 000, 000	87, 800, 000	101, 100, 000	101, 100, 000	+23, 800, 000	−10, 900, 000	+$13, 300, 000	
Research and program management	729, 450, 000	707, 000, 000	707, 000, 000	707, 000, 000	707, 000, 000	−22, 450, 000			
Total, National Aeronautics and Space Administration	3, 407, 650, 000	3, 016, 000, 000	2, 988, 800, 000	3, 002, 100, 000	3, 002, 100, 000	−405, 550, 000	−13, 900, 000	+13, 300, 000	
National Science Foundation									
Salaries and expenses	638, 740, 000	579, 600, 000	561, 600, 000	571, 600, 000	566, 600, 000	−72, 140, 000	−13, 000, 000	+5, 000, 000	−$5, 000, 000
Scientific activities (special foreign currency program)	7, 000, 000	3, 000, 000	3, 000, 000	3, 000, 000	3, 000, 000	−4, 000, 000			
Total, National Science Foundation	645, 740, 000	582, 600, 000	564, 600, 000	574, 600, 000	569, 600, 000	−76, 140, 000	−13, 000, 000	+5, 000, 000	−5, 000, 000
Renegotiation Board									
Salaries and expenses	4, 900, 000	4, 690, 000	4, 690, 000	4, 690, 000	4, 690, 000	−210, 000			
Securities and Exchange Commission									
Salaries and expenses	30, 293, 000	31, 210, 000	34, 027, 000	34, 027, 000	34, 027, 000	+3, 734, 000	+2, 817, 000		
Selective Service System									
Salaries and expenses	83, 500, 000	55, 000, 000	47, 500, 000	35, 000, 000	47, 500, 000	−36, 000, 000	−7, 500, 000		+12, 500, 000
Veterans' Administration									
Compensation and pensions	6, 448, 000, 000	6, 506, 000, 000	6, 506, 000, 000	6, 506, 000, 000	6, 506, 000, 000	+58, 000, 000			
Readjustment benefits	2, 692, 400, 000	2, 526, 000, 000	2, 526, 000, 000	2, 526, 000, 000	2, 526, 000, 000	−166, 400, 000			
Veterans insurance and indemnities	4, 400, 000					−4, 400, 000			
(By transfer)	(6, 000, 000)	(6, 000, 000)	(6, 000, 000)	(6, 000, 000)	(6, 000, 000)				
Medical care	2, 606, 153, 000	2, 656, 000, 000	2, 670, 350, 000	2, 706, 805, 063	2, 676, 261, 000	+70, 108, 000	+20, 261, 000	+5, 911, 000	−30, 544, 063
Medical and prosthetic research	76, 818, 000	71, 000, 000	71, 000, 000	77, 800, 000	75, 500, 000	−1, 318, 000	+4, 500, 000	+4, 500, 000	−2, 300, 000
Assistance for health manpower training institutions	20, 000, 000			55, 000, 000	25, 000, 000	+5, 000, 000	+25, 000, 000	+25, 000, 000	−30, 000, 000
Medical administration and miscellaneous operating expenses	28, 737, 000	32, 600, 000	32, 600, 000	32, 600, 000	32, 600, 000	+3, 863, 000			
General operating expenses	320, 821, 000	315, 000, 000	313, 822, 000	300, 000, 000	310, 000, 000	−10, 821, 000	−5, 000, 000	−3, 822, 000	+10, 000, 000
Construction, major projects	125, 993, 000	61, 299, 000	61, 299, 000	70, 435, 000	68, 343, 000	−57, 650, 000	+7, 044, 000	+7, 044, 000	−2, 092, 000
Construction, minor projects	55, 000, 000	38, 701, 000	38, 701, 000	39, 703, 000	39, 703, 000	−15, 297, 000	+1, 002, 000	+1, 002, 000	
Grants for construction of State extended care facilities	6, 000, 000					−6, 000, 000			
Grants to the Republic of the Philippines	2, 000, 000	2, 000, 000	2, 000, 000	2, 000, 000	2, 000, 000				

Footnote at end of table.

COMPARATIVE STATEMENT OF THE NEW BUDGET (OBLIGATIONAL) AUTHORITY, HUD-SPACE-SCIENCE-VETERANS APPROPRIATION BILL, 1974 (H.R. 8825)—Continued

[Note: All amounts are in the form of appropriations unless otherwise indicated]

						Conference action compared with—			
Agency and item (1)	New budget (obligational) authority, fiscal year 1973 [1] (2)	Budget estimates of new budget (obligational) authority, fiscal year 1974 (3)	New budget (obligational) authority recommended in House bill (4)	New budget (obligational) authority recommended in Senate bill (5)	Conference action (6)	New budget (obligational) authority, fiscal year 1973 (7)	Budget estimates of new budget (obligational) authority, fiscal year 1974 (8)	House bill (9)	Senate bill (10)
Payment of participation sales insufficiencies	5,000,000	4,400,000	4,400,000	4,400,000	4,400,000	−600,000			
Loan guaranty revolving fund (limitation on obligations)	(375,000,000)	(400,000,000)	(400,000,000)	(500,000,000)	(500,000,000)	(+125,000,000)	(+100,000,000)	(+100,000,000)	
Total, Veterans' Administration	12,391,322,000	12,213,000,000	12,226,172,000	12,320,743,063	12,265,807,000	−125,515,000	+52,807,000	+39,635,000	−54,936,063
Total, Space, Science, Veterans, and certain other independent agencies, title II	16,600,158,000	15,939,360,000	15,905,649,000	16,011,020,063	15,963,584,000	−636,574,000	+24,224,000	+57,935,000	−47,436,063
TITLE III									
CORPORATIONS									
Department of Housing and Urban Development:									
Federal Housing Administration:									
Administrative expenses	(16,598,000)	(15,280,000)	(15,280,000)	(15,080,000)	(15,080,000)	(−1,518,000)	(−200,000)	(−200,000)	
Nonadministrative expenses	(170,586,000)	(178,730,000)	(178,730,000)	(175,851,000)	(175,851,000)	(+5,265,000)	(−2,879,000)	(−2,879,000)	
Government National Mortgage Association	(6,000,000)	(7,769,000)	(7,769,000)	(7,750,000)	(7,750,000)	(+1,750,000)	(−19,000)	(−19,000)	
Federal Home Loan Bank Board:									
Administrative expenses	(8,900,000)	(9,600,000)	(9,250,000)	(9,250,000)	(9,250,000)	(+350,000)	(−350,000)		
Nonadministrative expenses	(17,923,000)	(18,100,000)	(18,100,000)	(18,100,000)	(18,100,000)	(+177,000)			
Federal Savings and Loan Insurance Corporation	(550,000)	(740,000)	(740,000)	(740,000)	(740,000)	(+190,000)			
Total, administrative and nonadministrative expenses, title III	(220,557,000)	(230,219,000)	(229,869,000)	(226,771,000)	(226,771,000)	(+6,214,000)	(−3,448,000)	(−3,098,000)	
Total, all titles, new budget (obligational) authority	20,884,223,000	18,617,453,000	19,070,954,000	19,118,373,063	19,056,500,000	−1,827,723,000	+439,047,000	−14,454,000	−61,873,063

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[1] Includes all supplementals.

Mr. TALCOTT. Mr. Speaker, I regret very much that our committee is back with our disagreement. As I understand it, our charges as conferees are to work out a compromise with the other body while defending the House position as forcefully as possible.

We were able to agree on numerous compromises involving numerous extraordinarily controversial and important issues.

In differences with the other body we were able to accomplish satisfactory compromises. I commend our conferees for subverting some of their own individual views and parochial preferences to the will of the House and to the goal of effecting reasonable compromise except for one item, namely: the question of automobiles for certain departmental and agency officials.

I am disappointed that we could not effect a fair compromise on this item but to do so would be unconscionable. I urge the House to maintain the House position.

Of course the easy, popular, and demagogic position would be to agree with the other body and outlaw all use and appropriation of funds for official automobiles.

"Let 'em walk, we do." Or more appropriately: "Let 'em jog, I do." "Why are they so special?" "Cars and drivers are for the wealthy." "That archaic custom went out with 'Gone With the Wind'." "The practice is abused." "Some officials took their car to Baltimore and kept it over night." "Some had their wives driven to parties or shopping." "Some had their children driven to school." "Some drove them to Georgetown parties." "Some of the undersecretaries could barely afford a car when they got their Washington assignment, let alone a driver; let 'em do what they did back home." "The cars are too big; take too much gas, oil and upkeep; pollute too much; take up too much parking space." "The drivers sit around most of the day." "The appearance of a special class is offensive in a democracy." "The costs are great and the money could be used for better purposes, namely: the poor, the old and sick and others." "Governmental pay is good, let 'em rent their own cars if they are so useful." "I don't care how useful, valuable and economical the practice is, I'm against it because my constituents think officials get too much." "This is a good economy vote; because I can balance it off against some of the big spending bills coming up." "My constituents applaud me whenever I can give those fat, lazy bureaucrats the business." "I'll get more publicity out of this vote than any five others because the media will just eat this up."

I have heard all the charges.

Unfortunately some are true and there are some abuses. Those who have abused this special prerequisite make it very difficult for others and for us today. But there are always misusers of any prerequisite. I am for weeding them out; but it is irresponsible to use a few isolated abuses or violations of a law as an excuse for rescinding it. Any abuse of this prerequisite appears flagrant, is long remembered, and invites the worst "press."

The Congress never has and ought to review the whole matter of official automobile usage. It should be done Government-wide—not just with a few agencies and one department. The review should include the executive departments and agencies, and the legislative and judicial branches—everyone.

A partial, narrow recommendation without hearings, study, investigation or thought is simply not reasonable or businesslike. We embarrass ourselves by making such decisions. I, for one, do not want to make an important decision on such little evidence or study.

I deplore the use of cars by wives and children; I deplore their use for nonbusiness uses. I believe some departments and agencies have too many. I believe that "car pools" and "driver pools" could be more effective and efficient in some circumstances. I believe that other transportation arrangements could be developed which are more beneficial to the officials and more economical to the taxpayer. I want to put the taxpayer's interest highest.

I believe some cars are too big, too expensive, too polluting. I believe that the time of the drivers could be better utilized.

I believe that abusers should be strictly and severely penalized.

I believe a Government-wide survey is urgently needed. I strongly recommend that our Committee on Appropriations make such a study and a recommendation for a Government-wide policy concerning the use of official cars for high officials. The study could be authorized and begin tomorrow.

But for now, in the consideration of appropriation bills for 1974 and particularly for the consideration of this appropriation bill for a small number of Federal agencies and one Federal department, I believe that we should not suddenly rescind the practice permitting the present use of official automobiles.

At present the law pertaining to the use of Government-owned passenger motor vehicles for official purposes is not clear. The intent of the Congress in this area is sufficiently doubtful that additional legislation should be enacted which clearly spells out the congressional intent.

At present the Administrative Expenses Act of 1946 (31 U.S.C. 638a(c)(2)) appears to be the controlling statute.

The control of the use of Government vehicles is primarily a matter of administration discretion to be exercised within the framework of the applicable laws.

For many years the Congress on the recommendation of the Appropriations Committees and the House and the other body have approved the purchase of large automobiles by many of the departments and agencies of the Federal Government. Section 405 of the Senate bill would be discriminatory legislation. It singles out only a few agencies for discriminatory treatment of what is said to be a Government-wide problem. For years, the Congress has appropriated funds to support administrative vehicles, including those carrying agency heads to and from home. The Comptroller General of the United States has indicated in writing that this use of a Government-owned passenger motor vehicle does not violate any law or regulation.

Section 405 would deny this funding to only a few agencies, without any showing that there has been any abuse by those particular agencies.

If there is a problem, it is one which is common to all agencies and should be dealt with on an across-the-board basis or the section should apply only to those agencies to which an abuse has been established.

Section 405 would be legislative "overkill." The Senate committee report cites the "proliferation of the use of limousines and sedans by an inordinate number of Government officials far below Cabinet rank" as the reason for the proposed section 405. But instead of dealing with this problem, section 405 singles out, among others, the administrators of NASA and the Veterans' Administration and the Director of the National Science Foundation, all of whom are at Executive Level II, ranking with the Deputy Secretary of Defense, the Under Secretary of State, and the Secretaries of the Military Departments. Section 405 also cuts off the chairmen of the Securities and Exchange Commission and the Federal Communications Commission, who rank at Executive Level III, along with the Under Secretaries of the rest of the Cabinet Departments. None of these officials is far below Cabinet rank. All of them obviously bear major Federal responsibilities, which impose in many cases pressures and demands fully equivalent to those of Cabinet Department heads.

I believe section 405 would be bad policy. The primary justification for the use of automobiles by agency heads is the saving of time for them to devote to their official business, which amounts to a saying of money for the Government.

Any of these agency heads can testify, and anyone who wants to observe, can see for himself, that they can and do attend to many of their necessary duties while en route, and do so more efficiently than in their offices, because they are not then preoccupied with meetings and various interruptions of their routine day. Section 405 would in effect sacrifice this time saving and increase the required working time of agency heads, with no advantage and some likely added costs to the Government. In addition, the original justification for the 1946 law, 31 U.S.C. 638a, which authorizes department heads to utilize cars, was to maintain immediacy of communication with the Executive Department, and particularly, I suppose the President. Since 1946 new agencies have been created in which the agency head, though not technically of Cabinet rank, has had a similar need with the Executive. Moreover, in the case of fast-moving agencies like NASA, the agency head must be in instant communication with the progress of agency missions and be available for quick decisions when necessary. Section 405 would ignore these obvious mission requirements.

Furthermore, section 405, as drafted, is confusing, arbitrary, and inequitable. Section 405 would appear to prevent the Secretary of Housing and Urban Development from being carried to and from his home, even though the 1946 law clearly permits this. The statement to the contrary in the Senate committee report is simply wrong. The Senate committee report also states the intent to prohibit the use of "limousines and heavy, medium, and light sedans by Federal officials." Yet section 405 authorizes the use of passenger motor vehicles of types generally available in motor pools, which may include all those types of vehicles. And notwithstanding section 405, H.R. 8825 elsewhere specifically authorizes purchase or hire of passenger motor vehicles by several agencies. In addition, for no apparent reason, section 405 changes the word "domicile," as used in 31 U.S.C. 638a, to "dwelling," and this change calls in question the sensible practice under which Government employees on travel status, when so authorized, are permitted to use a GSA motor pool vehicle—or a rented vehicle—for travel between their motel and their temporary duty station. Section 405 would also stipulate that only employees engaged in field work in remote areas would be eligible for certain dwelling-to-employment transportation. This change would upset longstanding interpretations of the Government Travel Regulations under which use of a Government car for transportation between dwelling and place of employment is permitted in certain specified circumstances. For instances: when duty travel for field work commences from the dwelling, when certain employees are required to be on standby duty around the clock, or when public transportation is not available and the employee is required to work unusual hours. There is no apparent purpose in eliminating these equitable and well-regulated practices. Legislative change requires more careful consideration. There has been practically no consideration given to the proposed section 405.

It seems to me that until we obtain better technical information at the relatively few public officials who are entitled to the use of an official car or an official car and a driver are a wise expenditure of Government funds.

We ask many persons of considerable talent, expertise, and experience who could earn far more in private enterprise to come to Washington to serve their Nation in various capacities. We ought to do everything we can to fully utilize their talents. Most of them are required to commute between their homes and work for as much as an hour to 2 hours each day. This worktime is certainly more valuable to the Government than the cost of an automobile and driver. Some of the most productive work can be done by high officials while they are traveling by automobile. Of course it is absolutely essential that most of these high officials have good personal transportation between the Executive Department and their agencies and elsewhere. All of us know that there is no mass transportation system available in Washington. In fact, transportation and parking is very bad in Washington as compared with most any other city in the Nation. All of us know that taxi service is inferior and practically nil at certain hours of the day in Washington. All of us know that parking is at a premium and practically nil at numerous places where public officials are required to attend. All of us know that personal security in Washington is a serious concern. There are numerous reasons peculiar to Washington why an official automobile and driver is practically essential to top governmental officials whether it saved them time or permitted them additional time in which to do much of the work which we require of them daily.

For these and many other reasons I strongly urge that the House instruct our conferees to resist the proposal of the other body which is contained in sections 405 and 406 of the Senate bill, and that we urge the Senate to recede.

Mr. MAHON. Will the gentleman yield?

Mr. TALCOTT. I yield to the distinguished gentleman from Texas.

Mr. MAHON. I think we all recognize that it would be utterly impossible to have a bill of this magnitude that was completely satisfactory to every member of the Committee on Appropriations or every Member of the House or the administration.

I would like to have the gentleman's view as to whether or not he thinks the bill is reasonably adequate under all of the circumstances and as to whether or not he thinks the bill ought to be enacted into law as written in light of all the facts which confront us at this time.

My own personal view is that this bill is a reasonable bill, even though it is over the budget. In my judgment, the budget was not completely realistic in some respects, and in my view this bill represents a reasonable compromise, and ought to be acceptable to all concerned. I hope it will be signed into law.

Mr. TALCOTT. Mr. Speaker, if anybody would ask for my personal opinion, I would urge that the bill be enacted into law because I believe the Members of the conference from the Committee on Appropriations performed especially well on this bill, and worked hard to resolve the differences between the House and the Senate. I believe we have made a reasonable effort to resolve those differences. I think this is as good a bill as we could bring back under all of the many circumstances. It proposes to appropriate more money than I would prefer, but nevertheless I think it is a good conference report.

Mr. MAHON. Mr. Speaker, if the gentleman will yield further, I want to commend the chairman of the subcommittee, the gentleman from Massachusetts (Mr. BOLAND), the minority member, the gentleman from California (Mr. TALCOTT), and all the members of this committee for the work that has been done in trying to reach a reasonably acceptable bill. I believe the House will feel that it is acceptable.

Mr. CEDERBERG. Mr. Speaker, will the gentleman yield?

Mr. TALCOTT. I yield to the gentleman from Michigan.

Mr. CEDERBERG. Mr. Speaker, I concur in the statement of the chairman, and I too would say that I am not very happy with an appropriation bill that runs this amount over the budget. However, I recognize the difficult situation which confronted the situation, and I would personally urge the President to sign the bill. Whether he will or not, I do not know, but I hope that he will.

I think there is a great deal of difference in having an appropriation bill go over in this amount rather than the one in HEW that goes $1.2 billion over, and in reality it is $1.8 billion if you add on that money that was originally intended for expenditure after fiscal 1974. This is a different situation, and I hope that we can reach a reasonable compromise.

I have the feeling that we will have no problem with this bill because I think everyone recognizes that in this business no one gets everything that they want.

I also concur with the chairman in that I too believe the gentleman from Massachusetts (Mr. BOLAND), and the ranking minority member, the gentleman from California (Mr. TALCOTT), and all of the members of the committee have done a very outstanding job with a very difficult and complex bill that covers a large number of subjects.

So again I would personally say that I would urge the President to sign the bill.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. TALCOTT. I yield to the gentleman from Iowa.

Mr. GROSS. Mr. Speaker, I thank the gentleman for yielding.

I would like to ask the gentleman why the House went up $50 million for comprehensive planning grants.

Mr. TALCOTT. In my judgment the reason we agreed to split the difference with the other body, and in effect went up is that that is the amount that we agreed was needed by the cities and counties. There was a tremendous input from all of the cities, their mayors and city councilmen, telling us that this was one of the most important programs to permit them to meet their housing and community development problems with which they were confronted. This is a very useful program for the cities, and counties. We only "went up" part way.

The SPEAKER. The time of the gentleman has expired.

Mr. BOLAND. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, in further response to the inquiry of the distinguished gentleman from Iowa (Mr. GROSS) with respect to the 701 comprehensive planning grants program, as the gentleman from Iowa knows, there was a rollcall in the House on that particular matter, and the subcommittee prevailed on its $25 million recommendation.

When we went to conference with the Senate there was concern on the part of the House Members to keep to that amount, which would be available for planning in 1975. This really is forward funding. There is enough money that would be available with the $25 million that the House provided in our bill to carry this program all the way through 1974, and well into 1975. However, a great number of the State and local planning agencies were concerned that they would not be able to plan for the entire fiscal year 1975. So what we really did was make $75 million available for the entire program. That was the amount of money that was expended in fiscal year 1973 for the 701 comprehensive planning programs. We provided that amount so all the State and local planning agencies can plan for the entire fiscal year 1975.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. BOLAND. I would be delighted to yield to the gentleman from Iowa.

Mr. GROSS. I believe that the gentleman from California said that this was done under pressure from the mayors of the country. Did they suggest where the $45 million would come from, where it was to be obtained by the Federal Government?

Mr. BOLAND. No, I must admit that the mayors did not suggest that. I do not know if we shall ever get any response from the mayors as to where the moneys are to come from. I must say that all the mayors who participated in this program were very concerned, as were the Governors, and the metropolitan planning agencies.

Mr. DORN. Mr. Speaker, will the gentleman yield?

Mr. BOLAND. I yield to the gentleman from South Carolina.

Mr. DORN. Mr. Speaker, I rise to commend the distinguished and able gentleman from Massachusetts, the chairman of the subcommittee, who has done a very outstanding job for the Congress and the country in handling these appropriations. He worked diligently long and hard. I might commend also the members of his subcommittee, the minority leader of his subcommittee, and particularly the distinguished gentleman from Massachusetts for his able leadership in getting these appropriations authorized, and then the conference report.

I might say to him, Mr. Speaker, on behalf of our committee, I want to thank him for his splendid cooperation, understanding of, and devotion to the veterans of this country and to our great Committee on Veterans' Affairs.

Mr. Speaker, I want to commend the distinguished members of the Appropriations Committee and particularly those who serve on the HUD, Space, Science, and Veterans Subcommittee for the thorough and exhaustive review which they again made this year of the appropriation request for the operation of the Veterans' Administration during 1974. This subcommittee under the distinguished chairmanship of the gentleman from Massachusetts (Mr. BOLAND) has been most diligent in reviewing the VA budget to assure the veterans of America that the Veterans' Administration will serve them properly and promptly and in the same spirit our ex-servicemen served their country in time of national crisis. Special and particular attention was given to the VA hospital system which has long been considered among the best Government operated medical facilities in America.

Since 1969, Congress has increased budget requests of the administration for VA medical care by hundreds of millions of dollars in an effort to keep pace with rising demands and increased costs of VA medical care.

During the past 5 to 6 years there have been vast differences of opinions between Federal budget officials, policymakers in the executive branch of the Government, committees of Congress concerned with veterans' affairs, and national veterans' groups as to the adequacy of VA hospital staffing and the quality of medical care available for America's veterans.

Based on investigations by the House Appropriations Veterans Subcommittee and the House Veterans' Affairs Committee, as well as veterans' organizations, it seems clear that there may be a serious need for immediate and substantial additional staffing and other resource increases for the VA. Surveys conducted by the House Veterans' Affairs Committee for several years among VA hospital directors indicated that additional staffing was considered to be one of their most pressing problems in the delivery of health care to veterans. These surveys also disclosed that various arbitrary personnel ceilings and grade deescalation policies imposed by Executive order were having serious adverse effects and impeding the proper care of hospitalized veterans.

The 1974 Veterans' Administration budgetary request apparently is predicted on a continuation of hard-line personnel ceilings and grade deescalation policies which may result in the reduction of over 2,000 employees in the VA's Department of Medicine and Surgery in fiscal 1974.

During the 1974 VA budget hearings before the Congress, the Administrator of Veterans' Affairs presented testimony predicting that for the most part, present staffing patterns in the VA medical program were adequate to meet current demands. However, when the Administrator transmitted his budget request for fiscal year 1974 to the Office of Management and Budget, before it was sent to Congress, it contained a request for increased medical care employment totaling about 5,500 positions at a cost of $123 million in order to staff VA medical bed sections at a ratio of 1.65 staff to patients; surgical bed sections at 2.07 staff to patients, and psychiatric bed sections at 1.0 staff to patients. The Office of Management and Budget did not approve these levels and the overall 1974 budget request for VA medical care was reduced by over $173 million. Of course the Administrator was then required to defend the OMB approved level rather than his own recommendations. Nevertheless, Congress is increasing the medical budget by approximately $59 million for fiscal year 1974.

Staffing ratio and other resource requirements for VA hospitals have been debated for a number of years; however, little progress has been made in resolving the issue. Conflicting policies have been set by both the executive and legislative branches of the Government. Funds for implementing legislative policies have been impounded by the executive branch.

For the past 2 fiscal years, the Congress has established a minimum operating bed and average daily patient census level by law in seeking to insure that all qualified veterans in need of hospital care would have the necessary VA hospital facilities available to accommodate their medical needs.

For 2 consecutive years, the numerical levels of average usage and operating bed capacity as earmarked by the Congress for the VA hospital system have been ignored, apparently due to arbitrary guidelines imposed by the Office of Management and Budget.

In each of the past two fiscal years, an opinion has been sought from the Comptroller General of the United States as to whether or not the VA had complied with the provisions of law pertaining to the minimum average daily patient census and operating bed levels. In two separate opinions, the Comptroller General has stated that the VA has not complied with the provisions of law.

In passing this appropriation bill, Congress has taken note of President Nixon's statement in his human resources message on the state of the Union on March 1, 1973, concerning the provisions of medical care for veterans. In this message, the President stated:

> Since 1969, there has also been a steady shortening of the average length of stay in VA hospitals, a highly desirable objective from every viewpoint. This means that VA hospitals have fewer patients in bed on an average day, with shorter waiting lists, even though the total number of patients treated has gone up.
>
> Misunderstanding these statistics, some have sought to establish by law a numerical minimum average daily patient census in VA hospitals. But such a fixed daily census would represent a backward step; it would force a sharply increased length of stay—an effect that is medically, economically, and socially undesirable. It is far better that our veterans be restored to their families and jobs as rapidly as feasible, consistent with good medical care. A fixed patient census would tie the hands of those seeking to serve veterans' health needs; I urge Congress not to enact such a requirement.

In direct response to the President's contention as expressed in his March 1, 1973, message and further reiterated by the Administrator of Veterans' Affairs in testimony before the Congress that no fixed patient census or fixed operating bed level is needed to serve veterans' health care needs in fiscal year 1974, Congress omitted such provisions from the appropriations bill. Congress expects, however, that the administration will also drop the arbitrary restrictions it has imposed, which has limited available hospital facilities for the care of veterans. Congress expects the VA to accept for treatment eligible veterans in need of care, as required by law. The appropriations committee has indicated that it stands ready to favorably entertain consideration of future justified proposals submitted by the administration to supplement medical care funding in the future.

This is most important and I expect OMB to fulfill its commitment. Eligible veterans in need of care must be admitted and I am confident that Congress will furnish additional funds if the agency requests them.

An examination of the hearing record on the 1974 VA budget reveals substantial testimony by the Administrator of Veterans Affairs to the effect that an average daily census of 80,000 is sufficient to meet the needs of veterans requiring hospital care during fiscal year 1974. In his testimony, the Administrator reiterated the President's position that there was no need to establish by law minimum census and bed level requirements which the Congress adopted in fiscal years 1972 and 1973.

The Administrator of Veterans Affairs, in support of the requested budget, assured the committee that if the patient load required an increase in average daily patient census and operating bed levels during fiscal year 1974, the necessary upward adjustments would be made to take care of the additional load.

There are other areas of equal concern in the VA hospital system that need improvement. These include better staffing in direct patient care during night shifts, weekends and holidays; improvement in emergency care capability and around-the-clock hospital coverage to facilitate prompt workup and treatment of patients; more adequate space and better staffing to deal with greatly increasing out-patient care loads; some relaxation of rigid personnel ceilings and average grade level policies; and continued upgrading and replacement of physical facilities in the hospitals and clinics.

Mr. Speaker, the Veterans' Affairs Committee will continue to monitor the operation of the 169 VA hospitals throughout the VA medical system and the other programs administered by the VA. The committee is in process of completing a survey relating to the medical program and preliminary results indicate that there is a decided need for improvement in many facets of the program. There is considerable evidence that many veterans who are in need of hospital admission are being turned away. Such conditions cannot be tolerated. The administration has asked the Congress not to enact legislation requiring fixed floors or ceilings on the numbers of patients to be treated in VA medical facilities during fiscal year 1974. Congress has favorably responded to the President's request with the definite expectation that the Office of Management and Budget and Administrator of Veterans' Affairs are to be certain that all eligible veterans in need of care, as required by law, are accepted for treatment. The Appropriations Committee has made it clear that it stands ready to make any additional funds available which are needed to carry out this pledge to America's veterans. And, I want to assure all concerned that the House Veterans Committee will continue its efforts to assure veterans of efficient, timely, quality care.

Mr. BOLAND. Mr. Speaker, speaking on behalf of this subcommittee and the entire Committee on Appropriations, I welcome the kind words that have been extended to this subcommittee, particularly from the gentleman from South Carolina, who is vitally interested in veterans affairs and who has the consideration and concern of the veterans constantly in mind, as do, of course, other members of the Committee on Veterans' Affairs.

Mr. MONTGOMERY. Mr. Speaker, will the gentleman yield?

Mr. BOLAND. I yield to the gentleman from Mississippi.

Mr. MONTGOMERY. I should like to ask the distinguished chairman the figure for the standby Selective Service System reported in the conference report.

Mr. BOLAND. The figure that was adopted by the House, as the gentleman knows, was $47,500,000. This was reduced by the Senate to $35 million for a standby Selective Service System. When we went to conference, the Senate conferees yielded on that figure, and the figure now is what the House passed—$47,500,000 for a standby Selective Service System.

Mr. MONTGOMERY. Mr. Speaker, I should like to commend the chairman and the members of the committee of conference for standing by the House figure. I should like to say that this would be the worst thing that could happen, in my opinion, to dismantle the Selective Service System at this time when the all-volunteer era is still in the trial stage.

I thank the Chairman.

Mr. BOLAND. I thank the gentleman from Mississippi.

Mr. CAREY of New York. Mr. Speaker, will the gentleman yield?

Mr. BOLAND. I yield to the gentleman from New York.

Mr. CAREY of New York. Not with regard to the context of the bill, but I think the House should be on notice that the distinguished chairman of the subcommittee stands today before the House in probably his last appearance as a happy bachelor. The next time he takes up this bill, he will join the miserable group of the rest of us as a Benedick. I want to pile more praise to that already heaped upon the head of the distinguished gentleman, and I am very happy that in this mature part of his life he has finally come to his senses.

Mr. BOLAND. My only response to that, Mr. Speaker, would be that I presume that the statement of the distinguished gentleman from New York carries the inference that as a married man I will probably come back here with a budget much below what we are presenting to the House today.

Mr. Speaker, I yield to the gentleman from California (Mr. TALCOTT).

Mr. TALCOTT. Mr. Speaker, I yield 1 minute to the gentleman from Tennessee (Mr. QUILLEN).

Mr. QUILLEN. Mr. Speaker, I would also like to congratulate the distinguished chairman of the subcommittee, the chairman and ranking minority member of the full committee, and the minority member of the subcommittee for the fine work they have done in bringing this measure to the floor.

I am particularly grateful for the additional $25 million for assistance for new State medical schools.

Mr. McDADE. Mr. Speaker, I rise in support of the conference report to the bill, H.R. 8825, making appropriations for various HUD, Space, Science, and Veterans programs. I wish to call to the Members' attention two areas of particular concern to me and to my constituents.

First I would like to refresh my colleagues recollection of language inserted, at my request in the House Report urging the Department of Housing and Urban Development to release the funds available now for obligation for the section 202 Housing for the Elderly program. I can understand HUD's determination to develop a new and more effective national housing program. But today there is little cause for rejoicing among the millions of underhoused elderly who are suffering under the guise of efficiency presented by HUD's moratorium on Federal housing starts. It makes much better sense to me to release funds available for obligation now for a program with a proven record of success addressed to a proven area of national need. Section 202 is such a program. I again call upon the Secretary of Housing to release the 202 program from limbo until satisfactory alternatives to a new approach to elderly housing can be taken.

One other area, which I call to the attention of my colleagues, is the increase in funds for section 701 Comunity Planning Grants. Earlier, the House had approved $25 million in new obligational authority. The Senate had approved the entire request for $110 million, and the conferees settled on a compromise of $75 million.

During House debate on the bill, the central question revolved on how much money HUD could and would obligate based on its past track record. Serious concern was voiced by some members regarding the adequacy of the $25 million appropriation level in meeting the needs of local planning agencies. I felt then, as now, that, despite the increase in new authority, HUD's program expenditures would not increase dramatically. Despite an increased authorization level enacted in 1972, HUD has consistently spent only about $50 to $60 million on this program.

During House consideration of the 701 budget, the committee did indicate that, if more funds were needed to implement the provisions of the proposed Responsible Governments Act yet to be considered by the Congress, the committee would entertain a request for supplemental funds. The addition of $50 million to the conference report should take care of such an eventuality.

The action by the House should in no way be interpreted as an attempt to restrict the planning capacity of any of our local agencies. Certainly, those of us, whose congressional districts have active housing and urban development programs, realize that a sound planning capability is vital. I think the committee has adequately reflected our commitment to the continuance of community development. However, we were faced with certain budgetary realities in preparing this bill. Those realities forced us to search for new areas in the budget whose programs could be maintained with existing funds. Section 701 was such an account. The actions of the conference committee in restoring 50 million should allay the fears of many members that insufficient planning funds would be available through the coming fiscal year.

Mr. Speaker, approval of the conference report on H.R. 8825 is vital to our Nation's commitment to better housing, community development, veterans care, and technological advancement for all Americans. I urge its adoption by the House.

Mr. TALCOTT. Mr. Speaker, we have no further request for time.

Mr. BOLAND. Mr. Speaker, I move the previous question on the conference report

The previous question was ordered.

The SPEAKER. The question is on the conference report.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. DU PONT. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 401, nays 9, not voting 23, as follows:

[Roll No. 412]

YEAS—401

Abdnor
Abzug
Adams
Addabbo
Anderson, Calif.
Anderson, Ill.
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Archer
Arends
Armstrong
Ashley
Aspin
Badillo
Bafalis
Baker
Barrett
Beard
Bell
Bennett
Bergland
Bevill
Biaggi
Biester
Bingham
Blackburn
Boggs
Boland
Bolling
Bowen
Brademas
Brasco
Bray
Breaux
Breckinridge
Brinkley
Brooks
Broomfield
Brotzman
Brown, Calif.
Brown, Mich.
Brown, Ohio
Broyhill, N.C.
Broyhill, Va.
Buchanan
Burgener
Burke, Calif.
Burke, Fla.
Burke, Mass.
Burleson, Tex.
Burlison, Mo.
Burton
Butler
Byron
Carey, N.Y.
Carney, Ohio
Carter
Casey, Tex.
Cederberg
Chamberlain
Chappell
Chisholm
Clancy
Clark
Clausen, Don H.
Clawson, Del
Cleveland
Cochran
Cohen
Collier
Collins, Ill.
Collins, Tex.
Conable
Conlan
Conte
Corman
Cotter
Coughlin
Cronin
Culver
Daniel, Dan
Daniel, Robert W., Jr.
Daniels, Dominick V.
Danielson
Davis, Ga.
Davis, S.C.
Davis, Wis.
de la Garza
Delaney
Dellenback
Denholm
Dennis
Dent
Derwinski
Dickinson
Diggs
Dingell
Donohue
Dorn
Downing
Drinan
Dulski
Duncan
du Pont
Eckhardt
Edwards, Ala.
Edwards, Calif.
Eilberg
Erlenborn
Esch
Eshleman
Evans, Colo.
Fascell
Findley
Fish
Flood
Flowers
Flynt
Foley
Ford, Gerald R.
Ford, William D.
Forsythe
Fountain
Fraser
Frelinghuysen
Frenzel
Frey
Froehlich
Fulton
Fuqua
Gaydos
Gettys
Giaimo
Gibbons
Gilman
Ginn
Goldwater
Gonzalez
Goodling
Grasso
Green, Oreg.
Green, Pa.
Griffiths
Grover
Gubser
Gude
Guyer
Haley
Hamilton
Hammerschmidt
Hanley
Hanrahan
Hansen, Idaho
Hansen, Wash.
Harrington
Harsha
Harvey
Hastings
Hawkins
Hays
Hébert
Hechler, W. Va.
Heckler, Mass.
Heinz
Helstoski
Henderson
Hicks
Hillis
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Rooney, Pa.
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Saylor
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Sebelius
Seiberling
Shipley
Shoup
Shriver
Sikes
Sisk
Skubitz
Slack
Smith, N.Y.
Snyder
Spence
Staggers
Stanton, J. William
Stanton, James V.
Stark
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Steele
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Steiger, Ariz.
Steiger, Wis.
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Sullivan
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Taylor, Mo.
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Teague, Calif.
Teague, Tex.
Thompson, N.J.
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Towell, Nev.
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Van Deerlin
Vander Jagt
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Vigorito
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Whitehurst
Whitten
Widnall
Wiggins
Williams
Wilson, Bob
Wilson, Charles H., Calif.
Wilson, Charles, Tex.
Winn
Wolff
Wright
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Wylie
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Yates
Yatron
Young, Alaska
Young, Fla.
Young, Ga.
Young, Ill.
Young, S.C.
Young, Tex.
Zablocki
Zion
Zwach

NAYS—9

Ashbrook
Camp
Crane
Devine
Gross
Rarick
Rousselot
Shuster
Symms

NOT VOTING—23

Alexander
Blatnik
Clay
Conyers
Dellums
Evins, Tenn.
Fisher
Gray
Gunter
Hanna
Ichord
Landgrebe
Leggett
McClory
Maraziti
Mills, Ark.
Murphy, N.Y.
O'Brien
Pepper
Powell, Ohio
Rodino
Rooney, N.Y.
Smith, Iowa

So the conference report was agreed to.

The Clerk announced the following pairs:

Mr. Rooney of New York with Mr. Smith of Iowa.

Mr. Blatnik with Mr. Evins of Tennessee.

Mr. Gray with Mr. Gunter.

Mr. Fisher with Mr. Ichord.

Mr. Hanna with Mr. O'Brien.

Mr. Murphy of New York with Mr. Conyers.

Mr. Rodino with Mr. Clay.

Mr. Leggett with Mr. Landgrebe.

Mr. Alexander with Mr. McClory.

Mr. Pepper with Mr. Dellums.

Mr. Mills of Arkansas with Mr. Maraziti.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

AMENDMENTS IN DISAGREEMENT

The SPEAKER. The Clerk will report the first amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 3: On page 3, line 13, strike out "$2,100,000,000" and insert "$2,020,000,000, of which, not less than $315,000,000 shall be used only for the payment of operating subsidies to Local Housing Authorities."

MOTION OFFERED BY MR. BOLAND

Mr. BOLAND. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Boland moves that the House recede from its disagreement to the amendment of the Senate numbered 3 and concur therein with an amendment, as follows: In lieu of the matter stricken and inserted by said amendment, insert: "$2,020,000,000, of which not less than $280,000,000 shall be used only for the payment of operating subsidies to local housing authorities."

Mr. MAHON. Mr. Speaker, will the gentleman yield?

Mr. BOLAND. I yield to the distinguished chairman of the Committee on Appropriations, the gentleman from Texas (Mr. Mahon).

SALUTE TO MR. NATCHER

Mr. MAHON. Mr. Speaker, I wish to take a moment to call attention to a very interesting and significant statistic. This has reference to the gentleman from Kentucky (Mr. Natcher) one of the most distinguished, effective, respected, and beloved men in this body.

On August 1, 1953, the gentleman from Kentucky, Bill Natcher, was elected in a special election to the U.S. Congress. That was 20 years ago today.

The House has just completed the 412th rollcall of this session. This dedicated man, my very distinguished friend, has not missed a single rollcall during his entire 20-year tenure. This is a most remarkable achievement, and it seems to me that we might extend special congratulations to Mr. Natcher, not only upon the fact that he has responded to all the votes, but that he has been such a dedicated and effective Member of this body. In his many responsibilities as a legislator, he has reflected credit upon the Congress.

So, Mr. Speaker, may I, on behalf of all the Members of the House, salute the gentleman from Kentucky, Bill Natcher, upon this occasion.

Mr. SNYDER. Mr. Speaker, the records of the Clerk of the House of Representatives disclose that my friend Representative William H. Natcher has a perfect voting record. Representative Natcher was elected in a specal election held on August 1, 1953, and since Congress was in adjournment at that time he was sworn in as a Member on January 6, 1954. He has never missed a day since he has been a Member of Congress and he has never missed a rollcall vote. During the 20 years that he has been a Member of Congress thousands of rollcalls have been held.

As a Member of Congress, Bill Natcher knows that the fact that he has not missed a day in Congress or a rollcall vote is not the sole test of a good representative but, Mr. Speaker, I know that he is definitely of the opinion that Members of Congress should stand up and be counted on each issue. I have always believed this myself and I know that this is the main reason why Bill Natcher is proud of the record he has established.

As the records will disclose, Mr. Speaker, I do not have a perfect voting record but I have an excellent record and one that I am proud of. I have endeavored to cast the vote of my people the way it should be cast.

We have a number of Members of the Congress today who have excellent voting records and this has applied all down through the years. If the records were checked back to March 4, 1789, which was the opening date of the first session of the first Congress which met in the city of New York, you would find that no Member has served in either the House of Representatives or the Senate of the United States who has a comparable record to the one established by our friend and colleague Bill Natcher. Bill Natcher is a member of the Committee on Appropriations and I know that his assignment to this committee has placed him in a position on a number of occasions where he has had close calls in order to be present to cast the vote of his people. Since I have been a Member of Congress, Representative Natcher and I have worked together on a great many projects and programs which have produced benefits to the people in the Commonwealth of Kentucky and to the people throughout this country.

Mr. Speaker, the record established by Representative Natcher is one that he and his people can be proud of and it is a privilege for me to call attention of the Members of the Congress to this record.

Mr. BENNETT. Mr. Speaker, I rise to pay tribute to the gentleman from Kentucky on the 20th anniversary of his coming to the Congress; and to pay tribute to him for his perfect voting and attendance record. Also on the high quality of his service and of his leadership in Congress.

An illustration of the latter is the outstanding job he did in presiding recently over the House, during the enactment of the agriculture bill. In my 25 years in Congress I do not remember seeing more able presiding by anyone. You will remember that there was a standing ovation of the warmest applause for him on that occasion. I cannot remember a more spontaneously given tribute to any of our membership in the years I have been here.

The gentleman from Kentucky (Mr. Natcher), sets a standard of performance for Congress that not only is an inspiration to all of us in Congress, but also is an inspiration to our entire country. He is a gentleman in fact, not just by deference to his position. In addition he is a warmhearted man's man. His good humor makes him a delightful person to be with. His keen mind and dedicated American spirit always support his country in its needs. Mr. Natcher, we are all truly grateful for your performance as well as for your extraordinary record.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate Amendment No. 44: On page 32, line 12, insert the following:

Sec. 405. (a) None of the funds made available under this Act may be used for the purchase, hire, or operation and maintenance of passenger motor vehicles (other than passenger motor vehicles of the types generally available in motor pools of Government agencies on the date of enactment of this Act and other than for the purchase, hire, or operation of one such vehicle for official use by the Secretary of Housing and Urban Development).

(b) None of the funds provided in this Act may be used for the purchase, hire, or operation and maintenance of any passenger motor vehicle for the transportation of any Government employee between his dwelling and his place of employment, except in cases of medical officers on outpatient medical service and except in cases of officers and employees engaged in field work in remote areas, the character of whose duties make such transportation necessary, and only when such exceptions are approved by the head of the department concerned.

MOTION OFFERED BY MR. BOLAND

Mr. BOLAND. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. BOLAND moves that the House insist on its disagreement to the amendment of the Senate numbered 44.

Mr. BOLAND. Does the gentleman from Iowa wish me to yield to him?

Mr. GROSS. I do, and I thank the gentleman for yielding.

For the life of me I cannot understand what is wrong with that language to be found on pages 32 and 33 of the bill which represents the Senate amendment. Somewhere a start ought to be made in this Government toward the elimination of at least some of the limousines and some of the use of motor cars.

I regret that I do not have a list of the principal users of motor cars and the numbers of the various agencies, especially at this time of gasoline shortages and all that goes with it.

I do not understand why the House committee is opposed to this Senate amendment.

Mr. BOLAND. Mr. Speaker, I appreciate the comments of the distinguished gentleman from Iowa. There is a concern on the part of a great number of Members of Congress with respect to the use of motor vehicles and their hire, operation, and maintenance. As the gentleman said, perhaps somewhere along the line there ought to be a start made in the direction of at least taking a look at the problem.

It is the judgment, I might say, of most of the members of the subcommittee that the substantive legislative Committee on Government Operations ought to look into the whole spectrum of this subject. We do not think it is responsible or fair to do it in this bill alone.

There is no doubt that there may be some abuses in the use of motor vehicles. I do not believe the agencies carried in this bill have abused their privileges.

There is only one limousine provided in this bill—and that is for the Secretary of Housing and Urban Development. There are 13 medium sedans spread throughout all of the independent agencies in the bill, and three other sedans leased from the GSA.

Our concern with the language is not only that it is unfair and discriminatory with reference to the department and agencies in this bill, but that the meaning and consequences of the Senate language are not fully known. For example, the effect could bar payment of taxi fares for secretaries who are required to work after the regular working hours and are entitled to safe transportation to their homes.

Our concern also is that although it permits a limousine for the Secretary of Housing and Urban Department, it would bar its use for travel between his place of dwelling and the office. All other department heads of the Government do this. Why should the Secretary of Housing and Urban Department be singled out as a second-class Presidential appointee?

We agree with the gentleman that there ought to be a thorough look at the problem, but we think such a review should cover all Government agencies, including the Department of Defense and the military. In fact, perhaps the greatest abuse in the use of these cars is by military personnel. We feel there is little or no abuse with respect to the agencies carried in this bill.

Mr. GROSS. If the gentleman will yield further, I would reiterate that a start has to be made somewhere. If we wait for an overall study it would probably be a decade or a quarter of a century, before we obtained any action on this subject, which I believe ought to have some attention now. I cannot think of a better place to start than here and now on this bill and every other bill that comes along with some kind of a restriction on the use of motor cars.

There are some people who have been living off the fat of the land down here who, when they are turned out to pasture, will not know how to operate a motor vehicle, and I do not want to be called upon to sympathize with them later on.

I still say I cannot see any reason why this language is not acceptable and a start made here and now to put some kind of a restriction on the use of limousines and other motor vehicles on the part of the poobahs in this Government.

Mr. BOLAND. Mr. Speaker, I must say that this committee understands the concern of the gentleman from Iowa. I think the gentleman is correct in some of his statements, and I do not begrudge the fact that there are some abuses in the use of these cars. There will always be abuses—and it is our duty to try and limit these abuses. But it is also my judgment that the agency head who often is serving at considerable financial sacrifice, working long hours, and who has to come in early in the morning and work late into the night, has a justifiable need for these cars.

Most of these people are fine, dedicated public servants. They ought to have some of the prerogatives of office. Often they have come out of private life and are earning a relatively small salary in comparison to that which they commanded before taking their present positions. Most of them could easily make six figure salaries outside the Government. But they have come to Washington, not for personal aggrandizement, but because they are dedicated and interested public servants. They want to do a job in the public interest and they are vitally concerned in making a success out of the programs they run.

I think that people such as these are entitled to transportation in this city—including a few luxuries if you want to go so far as to call a medium sedan a luxury.

I wonder how many of you have tried to get a cab in this town at 10 o'clock at night—or have tried to get a cab some rainy afternoon? If you have, you know it is not easy. I do not believe that we should require these agency heads to depend on taxi cabs or on GSA cars.

Finally, it is simply unfair to take this action on only one appropriation bill. This provision would directly affect only 16 cars of the hundreds in use throughout the Government. If we are going to do this, we should do it across the board—by changing and correcting the basic law—and not willy-nilly on one appropriation bill.

Mr. TALCOTT. Mr. Speaker, will the gentleman yield?

Mr. BOLAND. I yield to the gentleman from California.

Mr. TALCOTT. Mr. Speaker, I thank the gentleman for yielding.

I concur with the gentleman from Massachusetts and recommend to all of the Members of the House to not accept the Senate position and to reaffirm the position taken by the House.

I would like to answer the gentleman from Iowa, if I may.

I am just as interested as the gentleman from Iowa is in making sure our tax money is well spent. But we have not made a study at all of this problem throughout the Government. We have not made a study for the departments and various agencies that we are supposed to be legislating on. I think there ought to be some study, and that we just cannot arbitrarily say there is only going to be one limousine, and that there should not be any other automobiles at all of the other agencies.

I might add that there has not been one abuse mentioned. No one has called a single abuse to me concerning any of the agencies we are talking about.

I have heard the expression, "Let them walk, we do," or, more appropriately, "Let them jog, I do." But I do not think that that is good and responsible legislating.

I would also like to say this, that I, too, deplore abuses, and I, too, deplore the wives and children using the cars, and for other nonbusiness uses. I believe some departments and agencies have too many cars. I believe the cars are too big, and that the car pools will not work. I think that the use of automobiles should be looked into, but I believe that such a study should be governmentwide if we are going to legislate responsibly.

So, Mr. Speaker, I urge everyone to support the position of the House.

Mr. ECKHARDT. Mr. Speaker, will the gentleman yield?

Mr. BOLAND. I yield to the gentleman from Texas.

Mr. ECKHARDT. Mr. Speaker, I must say that I am in entire agreement with the gentleman from Iowa with respect to the Senate position on this bill.

I must confess that I do not remember the exact name of the Assistant Secretary whose limousine was in the horseshoe bend of the Rayburn Building when I reported on it to the House. That occurred several weeks ago. But he was an Assistant Secretary of Housing and Urban Development; however, it makes no difference because the situation is the same with virtually all of the limousines of the secretaries and assistant secretaries that park in the horseshoe bend on the east side of the Rayburn Building.

The situation that I previously referred to on the floor was this: I had my attention called to it as I left my committee meeting. There was a long Cadillac parked there with the chauffeur lounging in the car. The window was rolled down because the air conditioning was apparently too cool for him. Now, that was on a bright, beautiful, rather coolish day that followed a terrible period here in Washington of heavy air pollution in sultry, gray, hot weather. During the pollution period the same thing had occurred. But let me return to the incident in question: I was on my way to meet a quorum call on the floor of the House, and then ultimately stayed here for about an hour and a half. And when I returned the man was still parked there. I asked him whose limousine it was, and if I had my notes before me I would tell you the name of the Assistant Secretary who was utilizing that limousine. Apparently the only reason why the air conditioning was on for that hour and a half was so that when the Secretary emerged from the committee before which he was testifying, Government Operations—for I checked that later—the car would be sufficiently cooled so that he would not have to endure the 3 or 4 minutes of heat that an automobile in summer subjects a man to until the time that the air conditioning can begin to take effect. But I see no reason why this should be permitted.

There was a pretty good principle established way back in the days of Sparta. Lycurgus required that all of the persons of highest authority in Sparta eat with the public on certain days. He required that they eat together in a public place so as not to give them the feeling that they were a different breed, a breed that drives around in chariots.

Why should we cater to that status-seeking pomposity which demands a private chauffeur and a limousine for every Assistant Secretary when he comes up here to testify? It seems to me it would be just as convenient if he came up here in an ordinary automobile supplied by the GSA. The provisions of the Senate bill are that the GSA regular pool cars be substituted for the limousines and heavy and medium sedan cars now used by the heads of most agencies. The bill reiterates the provisions of the 1946 act prohibiting the use of limousines to drive individuals to and from their homes. That seems to me entirely reasonable.

If GSA should have some slightly bigger cars that are to be used by slightly higher officials in these various agencies, that is all right with me, but it seems to me these cars should be used in common, dependent upon the need of the persons desiring to use them, not based on a nice differentiation for the levels of bureaucratic nobility so that some have a special badge of authority permitting them a particular kind of limousine, a chauffeur, a light in the car, and a telephone or two.

Mr. Speaker, I am opposed to the motion.

Mr. BOLAND. Mr. Speaker, in response to the gentleman from Texas, I do not think anybody can quarrel with some of the statements that have been made. I might say that there are no Assistant Secretaries of the department carried in this bill who have a limousine—no Assistant Secretaries. Only one man of the thousands of employees that are carried in this bill has a limousine. He is a member of the Cabinet, and he is the Secretary of the Department of Housing and Urban Development.

With reference to the cost as between the cars that are leased privately and those which may be leased from the General Services Administration, the annual cost of leased cars for a Mercury is $850. This is leased directly from the corporation. The cost of a Ford LTD is $750 a year. The Cadillac that is leased for the Secretary of the Department of Housing and Urban Development costs $1,000 a year, and the medium sedan, the Chrysler, is $900 a year.

To lease those cars from the GSA—and the agencies have to pay the GSA for the use of the cars that the GSA provides—a Ford Sedan with air conditioning and telephone costs $600 a year, plus 5 cents per mile. What this means is that if a GSA leased car is driven an average of 12,000 miles per year, for example, the cost to the Government is $600 plus 5 cents a mile, for a total cost of $1,200. That compares with a total cost of $750 per year plus gasoline to lease the same Ford sedan directly from the corporation. The net result is that leasing cars from the GSA does not save the Government any money.

What we are saying here is—and I think the gentleman would probably agree, and also the gentleman from Iowa—that there are abuses in this area, but I do not believe the abuses are occurring, as I understand it, in the agencies that are in this bill. The limousine is used by the Secretary, and I suppose at times he might very well permit the Under Secretary to use the limousine when he is not using it himself.

I do not know why we ought to start with this bill any more than some other bills. But more importantly, if some action is required, it should be done through legislation and not as a rider on this appropriation bill.

We ought to have appropriate legislative committees take a thorough look at this problem and give the Congress its recommendations in the matter.

Mr. ECKHARDT. Mr. Speaker, will the gentleman yield?

Mr. BOLAND. The gentleman now has used a great deal of time and I have been very kind in yielding to him, and I am delighted to yield to him again.

Mr. ECKHARDT. Mr. Speaker, will the gentleman confirm that in the Senate hearings there was established the fact that the chauffeurs of these limousines were paid $14,000 to $17,000 a year?

Mr. BOLAND. This may be true, including their pay for overtime. The chauffeurs of these limousines, medium sedans, and sedans used throughout the Government are probably paid the same rate. Many have other responsibilities and serve in dual capacities, but that I think is a problem for the legislative committees. Do they want the Secretaries and Cabinet members of the various departments to have limousines? Do we not think the people who come here, oftentimes at great monetary sacrifice, are entitled to some perquisites and amenities? My judgment is they should have them. I think they do a great job. Many of these Cabinet members want to use the time they are traveling to their offices as productive working time. I think a great number of other top officials and heads of independent agencies are really important to the workings of this Government. There is no reason why the Government should not enable them to make the best use of time for official business.

Mr. ECKHARDT. Am I correct in understanding under the provisions of the 1946 act there is a prohibition against the use of limousines to drive individuals to and from their homes?

Mr. BOLAND. That is true except that in the 1968 standardized Government travel regulations, there is authority for the heads of departments to permit the transportation of those who work late into the night to use Government-owned vehicles to travel to their homes. Certain other specific usages are also spelled out.

There is no prohibition, as I understand it, with reference to Cabinet officers traveling to and from their homes and to their places of employment. This bill would bar the Secretary of Housing and Urban Development from doing precisely that. Why should the Secretary of Housing and Urban Development be barred from doing that when every other Cabinet officer can do it? That is why I say the provisions in this bill are unfair and unjust to the agencies and departments that are carried in this bill.

Mr. ECKHARDT. Mr. Speaker, will the gentleman yield further? Is it not also true that it was developed in the Senate hearings that the heads of the various agencies claimed they needed the limousines to drive them to and from home in case of emergency? Another head of an agency claimed the limousine driving him to and from work was also engaged in fieldwork.

Mr. BOLAND. What is wrong with that? Fieldwork would be official business, too; would it not? I see nothing wrong with that.

Mr. ECKHARDT. I should have loved to have had a chauffeur drive me home last night when we adjourned instead of having to ride my bicycle.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. BOLAND. I yield to the gentleman from Iowa.

Mr. GROSS. With respect to providing chauffeur-driven cars for Secretaries and Deputy Secretaries and so on, if I recall correctly we had about 3 weeks of almost constant overtime in the House before the July recess and if I recall correctly we did not end business in the House until 11 o'clock last night. I had the pleasure of driving my own car home after I got through here at 11 o'clock last night and it was no burden. As a matter of fact I enjoyed it. There was no traffic on the highway. Does the gentleman mean to tell me these poor, overworked Secretaries and Under Secretaries, Assistant Secretaries and Assistants to Secretaries and Deputies to Secretaries up and down the line have to be conveyed home in public transportation and at the expense of the taxpayers simply because they put in 3 or 4 hours overtime?

Mr. BOLAND. Oftentimes, as the gentleman knows, the Secretaries and Assistant Secretaries are actually engaged in official work and make productive use of time while they are coming to and from their offices.

Mr. GROSS. If the Secretaries in this Government are so senile they cannot drive themselves to and from home, they have no business being Secretaries.

Mr. GIAIMO. Mr. Speaker, will the gentleman yield?

Mr. BOLAND. I yield to the gentleman from Connecticut (Mr. GIAIMO).

Mr. GIAIMO. Mr. Speaker, it is with a great deal of hesitation that I get into this kind of debate, because it is almost the kind where one cannot win.

It is easy to point to the defects, abuses, and misuses, but I do think that if we are going to look at this problem, the governmental use and rentals of limousines and other cars, we should do it in an orderly fashion. I do not think we should start out with one secretary, the Secretary of Housing and Urban Development. I do not think we should do it in piecemeal fashion in this legislation and not in others.

If we want to look at the abuses of automobile useage in the Federal agencies, I am sure we will find them not in HUD or in the other agencies in this bill, but I am sure we will find that the Department of Defense, by definition, has got to be the greatest violator of abuses of automobiles, if not airplanes, helicopters, and other things.

Mr. Speaker, all I am saying is that, if the Congress feels that it should terminate this custom that has grown in our Government, and I am sure in all governments, we ought to do it in a reasonable fashion. This could be by one of the appropriation subcommittees of the Congress studying whether or not it should be terminated in all agencies and by all people, with the possible exception of the Presidency itself. However, I do not think we should do it here today in this one agency by singling out this Cabinet member and involving the Secretary of Housing and Urban Development and the other agencies that get something less than a limousine.

Mr. BOLAND. Mr. Speaker, I appreciate the gentleman's remarks. I agree with him thoroughly.

Mr. DERWINSKI. Mr. Speaker, will the gentleman yield?

Mr. BOLAND. I yield to the gentleman from Illinois (Mr. DERWINSKI).

Mr. DERWINSKI. Mr. Speaker, I think the gentleman from Massachusetts very properly emphasized why, in this particular case, this particular item, this is no time to start a perhaps interesting exhibition of accusing certain government officials in their use of vehicles.

Certainly, given the monstrous responsibilities the head of a department faces, we know the practical use of these vehicles is necessary. I commend the gentleman and I suggest we support him.

Mr. GROSS. Mr. Speaker, will the gentleman yield for one observation?

Mr. BOLAND. I yield to the gentleman from Iowa (Mr. GROSS).

Mr. GROSS. Mr. Speaker, the gentleman from Illinois (Mr. DERWINSKI) has spoken like a true former Ambassador to the United Nations.

Mr. ROUSH. Mr. Speaker, will the gentleman yield?

Mr. BOLAND. I yield to the gentleman from Indiana, a member of the subcommittee (Mr. ROUSH).

Mr. ROUSH. Mr. Speaker, I am a member of this subcommittee, and I was a member of this conference. I would not want to sit by and permit anyone to believe that I agree with the House position on this particular matter. I disagree.

I think there is a time to start in stopping the use of these limousines and automobiles on the part of various bureaucrats of this government. Although I would agree that we would be better off if we could make this a general rule and if we could incorporate the provisions in this particular act in the general law, I certainly agree with the gentleman from Iowa that this is the time to start.

I want to make it clear that I am among those on this subcommittee who disagree with the House position.

Mr. TALCOTT. Mr. Speaker, will the gentleman yield?

Mr. BOLAND. I yield to the gentleman from California (Mr. TALCOTT).

Mr. TALCOTT. Mr. Speaker, I had the same question as the gentleman from Texas (Mr. ECKHARDT). I asked the Comptroller General of the United States about the private use of automobiles, and in part he wrote to me, and probably to the members of the committee, that since we are dealing in this regard with private use of automobiles—

> The intent of Congress as to the use to which such automobiles may be put is not completely clear.
>
> It is our belief that the intent of the Congress in this area is sufficiently doubtful that additional legislation should be enacted clearly spelling out such intent.

Mr. Speaker, this is one thing our committee is trying to get the authorizing committee to do. This is the responsible way to legislate, in my judgment, and we need this.

The SPEAKER. The question is on the motion offered by the gentleman from Massachusetts (Mr. BOLAND).

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. GROSS. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 222, nays 189, not voting 22, as follows:

[Roll No. 413]

YEAS—222

Adams
Addabbo
Anderson, Ill.
Arends
Ashley
Bafalis
Baker
Barrett
Bell
Blackburn
Boland
Bolling
Bowen
Brasco
Breaux
Breckinridge
Brinkley
Brooks
Brown, Mich.
Broyhill, Va.
Buchanan
Burke, Fla.
Burlison, Mo.
Burton
Butler
Camp
Carney, Ohio
Carter
Casey, Tex.
Cederberg
Chappell
Clark
Clausen, Don H.
Clawson, Del
Cochran
Collier
Conable
Conlan
Conte
Corman
Cotter
Coughlin
Cronin
Culver
Daniel, Dan
Daniel, Robert W., Jr.
Daniels, Dominick V.
Danielson
Davis, Ga.
Davis, Wis.
de la Garza
Delaney
Dellenback
Dennis
Dent
Derwinski
Devine
Diggs
Donohue
Dorn
Downing
Dulski
Duncan
du Pont
Erlenborn
Esch
Eshleman
Fascell
Flood
Foley
Ford, Gerald R.
Forsythe
Fountain
Fraser
Frelinghuysen
Frenzel
Fuqua
Gettys
Giaimo
Ginn
Goldwater
Gubser
Guyer
Haley
Hammerschmidt
Hansen, Idaho
Harsha
Hastings
Hays
Hébert
Heinz
Hillis
Hinshaw
Hogan
Holifield
Holt
Horton
Hosmer
Hutchinson
Johnson, Calif.
Johnson, Pa.
Jones, Ala.
Jones, Okla.
Kemp
Ketchum
King
Kuykendall
Landrum
Latta
Lehman
Long, La.
Lott
McCormack
McDade
McEwen
McFall
McKinney
McSpadden
Macdonald
Mahon
Mailliard
Mallary
Martin, Nebr.
Martin, N.C.
Mathias, Calif.
Matsunaga
Meeds
Melcher
Metcalfe
Michel
Milford
Minish
Minshall, Ohio
Mitchell, N.Y.
Montgomery
Moorhead, Pa.
Morgan
Mosher
Myers
Natcher
Nelsen
Nichols
Nix
O'Neill
Parris
Passman
Patten
Perkins
Peyser
Pickle
Preyer
Price, Ill.
Quie
Quillen
Railsback
Rarick
Regula
Rhodes
Roberts
Robinson, Va.
Robison, N.Y.
Rogers
Rostenkowski
Ruppe
Ruth
Ryan
St Germain
Sandman
Sarasin
Satterfield
Scherle
Schneebeli
Sebelius
Seiberling
Shipley
Shoup
Shriver
Sisk
Slack
Smith, N.Y.
Snyder
Spence
Staggers
Stanton, J. William
Steed
Steelman
Steiger, Ariz.
Stephens
Stubblefield
Symington
Talcott
Taylor, Mo.
Teague, Calif.
Teague, Tex.
Thomson, Wis.
Thornton
Tiernan
Ullman
Van Deerlin
Vander Jagt
Veysey
Vigorito
Waggoner
Walsh
Wampler
Ware
Whalen
White
Whitten
Widnall
Wiggins
Williams
Wilson, Bob
Wyatt
Wylie
Young, Alaska
Young, Fla.
Young, S.C.
Young, Tex.
Zablocki
Zion
Zwach

NAYS—189

Abdnor
Abzug
Anderson, Calif.
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Archer
Armstrong
Ashbrook
Aspin
Badillo
Beard
Bennett
Bergland
Bevill
Biaggi
Biester
Bingham
Blatnik
Boggs
Brademas
Bray
Broomfield
Brotzman
Brown, Calif.
Brown, Ohio
Broyhill, N.C.
Burgener
Burke, Calif.
Burke, Mass.
Burleson, Tex.
Byron
Carey, N.Y.
Chamberlain
Chisholm
Clancy
Cleveland
Cohen
Collins, Ill.
Collins, Tex.
Conyers
Crane
Davis, S.C.
Dellums
Denholm
Dickinson
Dingell
Drinan
Eckhardt
Edwards, Ala.
Edwards, Calif.
Eilberg
Evans, Colo.
Findley
Fish
Flowers
Flynt
Ford, William D.
Frey
Froehlich
Fulton
Gaydos
Gibbons
Gilman
Gonzalez
Goodling
Grasso
Green, Oreg.
Green, Pa.
Griffiths
Gross
Grover
Gude
Gunter
Hamilton
Hanley
Hanrahan
Harrington
Harvey
Hawkins
Hechler, W. Va.
Heckler, Mass.
Helstoski
Henderson
Hicks
Holtzman
Howard
Huber
Hudnut
Hungate

Ichord
Jarman
Johnson, Colo.
Jones, N.C.
Jones, Tenn.
Jordan
Karth
Kastenmeier
Kazen
Keating
Kluczynski
Koch
Kyros
Lent
Litton
Long, Md.
Lujan
McCloskey
McCollister
McKay
Madden
Madigan
Mann
Mathis, Ga.
Mayne
Mazzoli
Mezvinsky
Miller
Mink
Mitchell, Md.
Mizell
Moakley
Mollohan
Moorhead, Calif.
Moss
Murphy, Ill.
Nedzi
Obey
O'Hara
Owens
Patman
Pettis
Pike
Poage
Podell
Powell, Ohio
Price, Tex.
Pritchard
Randall
Rangel
Reid
Reuss
Riegle
Rinaldo
Rodino
Roe
Roncalio, Wyo.
Roncallo, N.Y.
Rooney, Pa.
Rose
Rosenthal
Roush
Rousselot
Roy
Roybal
Runnels
Sarbanes
Saylor
Schroeder
Shuster
Skubitz
Stanton, James V.
Stark
Steele
Stokes
Stratton
Stuckey
Studds
Sullivan
Symms
Taylor, N.C.
Thompson, N.J.
Thone
Towell, Nev.
Udall
Vanik
Waldie
Whitehurst
Wilson, Charles H., Calif.
Wilson, Charles, Tex.
Winn
Wolff
Wright
Wydler
Wyman
Yates
Yatron
Young, Ga.
Young, Ill.

NOT VOTING—22

Alexander
Clay
Evins, Tenn.
Fisher
Gray
Hanna
Hansen, Wash.
Hunt
Landgrebe
Leggett
McClory
Maraziti
Mills, Ark.
Murphy, N.Y.
O'Brien
Pepper
Rees
Rooney, N.Y.
Sikes
Smith, Iowa
Steiger, Wis.
Treen

So the motion was agreed to.

The Clerk announced the following pairs:

Mr. Rooney of New York with Mr. Fisher.
Mr. Gray with Mr. Mills of Arkansas.
Mr. Evins of Tennessee with Mr. Steiger of Wisconsin.
Mr. Hanna with Mr. Treen.
Mrs. Hansen of Washington with Mr. Hunt.
Mr. Murphy of New York with Mr. Clay.
Mr. Alexander with Mr. Landgrebe.
Mr. Leggett with Mr. Maraziti.
Mr. Sikes with Mr. McClory.
Mr. Smith of Iowa with Mr. O'Brien.
Mr. Pepper with Mr. Rees.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 45: Page 33, line 5, strike out "405" and insert "406".

MOTION OFFERED BY MR. BOLAND

Mr. BOLAND. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. BOLAND moves that the House insist on its disagreement to the amendment of the Senate numbered 45.

The motion was agreed to.

A motion to reconsider the votes by which action was taken on the several motions was laid on the table.

GENERAL LEAVE

Mr. BOLAND. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the conference report just agreed to, and to include tables, charts, and other extraneous material.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

PERSONAL EXPLANATION

Mr. GUNTER. Mr. Speaker, on rollcall No. 412 today in which the House considered the conference report which it has just adopted, I was detained on official business.

Had I been present, I would have voted "aye" on the conference report.

PERSONAL EXPLANATION

Mr. HUNT. Mr. Speaker, it has come to my attention on rollcall 413 of today I am not recorded as having voted. I ask that the RECORD reflect immediately after the tabulation on the vote today in the RECORD that I was present; I did vote; and I voted "aye" on amendment 44.

TREASURY, POSTAL SERVICE, AND GENERAL GOVERNMENT APPROPRIATIONS, 1974

Mr. BOLLING. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 516 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 516

Resolved, That during the consideration of the bill (H.R. 9590) making appropriations for the Treasury Department, the United States Postal Service, the Executive Office of the President, and certain independent agencies, for the fiscal year ending June 30, 1974, and for other purposes, the provisions of clause 2, rule XXI are hereby waived with respect to the provisions: beginning with the words "of which" on page 6, line 21 through line 23; beginning with the words "*Provided further,*" on page 18, line 24 through page 19 line 3; and on page 26, lines 3 through 15.

The SPEAKER. The gentleman from Missouri (Mr. BOLLING) is recognized for 1 hour.

Mr. BOLLING. Mr. Speaker, I yield 30 minutes to the gentleman from Ohio (Mr. LATTA) pending which I yield myself such time as I may consume.

Mr. Speaker, this rule is on an appropriation bill, and is necessitated by the fact that there are three provisions that the Committee on Appropriations sought waivers of points of order on. One constituted an unauthorized transfer of funds, and two pieces of legislation on an appropriation bill. Those are listed in detail.

There is controversy on this subject, and I understand it will be pursued during the debate on the bill, but I know of no controversy on the rule itself.

Mr. Speaker, I reserve the balance of my time.

Mr. LATTA. Mr. Speaker, I yield myself such time as I may consume.

I might say that the waivers provided for in this bill are occasioned by noncompliance with clause 2 of rule XXI. The waiver applies to the following provisions of the bill:

On page 6, lines 21–23, "of which $142,333,500 shall be available only for transfer to the Civil Service Retirement and Disability Fund."

On page 18, line 24 through page 19, line 3, "*Provided further,* That the appropriation granted under this heading for fiscal year 1973 in the amount of $203,312,000 shall revert to the Treasury."

On page 26, lines 3–15, "Sec. 3. No appropriation contained in this Act for the General Services Administration shall be available for administrative expenses in connection with the execution of a purchase contract under section 5 of the Public Buildings Amendments of 1972 unless such proposed purchase contract has been presented to the Committees on Appropriations of the Senate and House of Representatives, respectively, and the Congress within a period of sixty days thereafter has not passed an appropriation for the acquisition of an equivalent amount of space or, alternatively, during such period the proposed contract has been approved by the Committees on Appropriations of the Senate and House of Representatives, respectively."

Mr. Speaker, I might say that the Committee on Public Works is not too happy with this provision, and there might be some discussion of it under general debate. It provides that with regard to these buildings that are authorized under the Committee on Public Works and that are under construction even some time before the Committee on Appropriations has a chance to look at them, the Committee on Appropriations are going to have a firsthand look before they get under construction. I think this is a very worthy addition to this bill, even though it does occasion a waiver.

Mr. Speaker, I have no requests for time, and I yield back the remainder of my time.

Mr. BOLLING. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

Mr. STEED. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 9590) making appropriations for the Treasury Department, the U.S. Postal Service, the Executive Office of the President, and certain independent agencies, for the fiscal year ending June 30, 1974, and for other purposes; and pending that motion, Mr. Speaker, I ask unanimous consent that general debate be limited to 2 hours, the time to be equally divided and controlled by the gentleman from New York (Mr. ROBISON) and myself.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

The SPEAKER. The question is on the motion offered by the gentleman from Oklahoma.

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H.R. 9590, with Mr. BOLLING in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the unanimous-consent agreement, the gentleman from Oklahoma (Mr. STEED) will be recognized for 1 hour, and the gentleman from New York (Mr. ROBISON) will be recognized for 1 hour.

The Chair recognizes the gentleman from Oklahoma.

Mr. STEED. I yield myself such time as I may consume.

Mr. Chairman, we bring to the floor today one of the 13 major appropriation bills for this session of the Congress. It contains some of the more sensitive agencies of the Government. I want to start out by saying that this bill has required a great deal of extra work this year, and I have been very fortunate in having an unusually fine and hard-wòrking subcommittee that has worked in cooperation with me, and I believe we have been able to resolve many very tricky and tiresome problems so that we can bring to the Members today a bill we can recommend and hope the Members will accept.

The bill we have involves in total $49,183,591,000. Of this amount $44,399,893,000 is for items that the subcommittee has absolutely no control over. They are commitments which are already made and which have to be met. There is $2,670,047,000 more for these items than we had last year. However, the bill in total is $993,768,000 over the total last year and it is $57,647,000 under the budget request.

Part of the $993,768,000 decrease will be wiped out later on when adjustments are made in some of the items which were not in a position where they could be finalized when this bill was marked up. A great deal of this decrease is in the disaster relief fund. We appropriated $592,500,000 last year for disaster relief. This bill provides only $100 million for this purpose for 1974 which is all the budget requested. The information we would need before we would increase this amount has not become available yet, and as the year evolves any additional funds which may be required for a disaster program can be handled in supplemental appropriation measures.

Of the funds we did have jurisdiction over, $4,843,698,000, the committee has reviewed that and has done as well as we could. I think we have arrived at the fairest level we could to present to the Members of the House.

It may be of some interest to explain what this $44,339,000,000 which is beyond our control largely consists of. Of course $27.5 billion of that is for interest on the national debt. There are other amounts to enable the Internal Revenue Service to make refunds on overpayments of personal income taxes. Some reimbursements we make to Puerto Rico and the Virgin Islands for customs duties we collect for them and so on.

In connection with the interest on the national debt, our late and beloved friend, George Andrews, of Alabama, would have said that $27.5 billion translates itself into $872 a second, or to $52,320 a minute, or to $3,139,200 an hour or $75,340,800 a day. Since that is just over one-tenth of the Federal budget, if we multiply these figures by 10 we will be getting fairly close to the cost of the entire Government for all purposes for every second, every minute, or every hour, or every day of the year. In other words, we are spending $750 million or in that neighborhood every day to run the U.S. Government in all its phases.

Of the departments we had to deal with, one of the most difficult was in the post office part of the bill. They had asked for about $1.3 billion under the two legislative authorities they have. One is 10 percent of the 1970 postal budget, which entitled them to about $920 million. The other was for revenues foregone on postal rates.

In allowing this money, we were aware of the fact that there is an item of payment to the retirement fund for Federal employees that is still to be resolved. The Postal Corporation insists that the Congress should pay that contribution to the retirement, and the Office of Management and Budget insists that the Postal Corporation should pay it. We have been arguing now for 3 years, and there is about $284 million in arrearage payment that somebody needs to make to the retirement fund.

We talked to the Civil Service Commission, and they said they were going to be in a desperate plight if some payment was not made this year. Therefore, in order to wipe out this arrearage, we have provided for the transfer out of the $1.3 billion payment to the Postal Corporation of half of the arrearage, or $142 million, into the retirement fund. The reason we did that was that the bill that would settle this argument has already passed the House which provided that the Congress would pay this amount. This amount was $104 million per year, brought about by the 5.5 percent pay raise granted by the Corporation to postal workers 3 years ago. It takes 30 years payout to amortize one of these obligations to the retirement fund.

The House passed a bill which says that for the next 30 years we have to pick up a $104 million tab in payments to the retirement fund. The bill is pending in the other body, and the Office of Management and Budget is very vigorously opposing its passage in that form, so that no action has been taken there yet. I do not think any action can or will be taken before this particular appropriation bill is finished. Therefore, we were trying to work out a system that would take care of the retirement fund and leave the Postal Corporation and the Congress in a position so that whatever the final decision is, they could adjust to it without any difficulty.

In other words, if the dispute works out that the Congress is going to pay the whole amount, then the Postal Corporation can replevin or reclaim the $142 million we have taken from their fund under a supplemental, which they would be entitled to do. If, on the other hand, it was held the Postal Corporation has to pay it, then they have paid it and we can pick up half the arrearage this year and half next year, and leave the retirement fund in good, sound condition. Therefore, that is what we have elected to do here.

I could not think of any other approach we could use in finalizing the legislation that settles this issue.

We had a problem that came up where we had to go back twice with the U.S. Customs Bureau because or Reorganization Plan No. 2, which transferred considerable manpower and resources from Customs over to the new narcotics agency of the Department of Justice. I think we now have made these adjustments. It has resulted in a reduction in the U.S. Customs budget.

I am sure, though, that with the loss of materials, aircraft, watercraft, vehicles, and radar sets that have been transferred, that Customs will be back next year asking us to replace some of those.

The reorganization plan authorizes them to make requisitions for additional aircraft and some other facilities, so that we will have to wait until that time before we know what, if any, additional resources they need over the regular amount to be back in balance.

We have a problem that the Members probably are going to hear something about before the day is over. That is the Office of Management and Budget. There has been on the record a $3.6 million reduction in the budget request. Last year they had $19.6 million, and they have asked for the same amount this year. The committee has allowed $16 million. There is a dispute as to how much of a cut this really is. The Bureau of the Budget transferred some of their functions to the General Services Administration on July 1.

They tell us that only relieved them of about $869,000 in cost. The GSA says it is going to cost them $1.5 million to do this function. It may be because they are going to add some additional work.

If we take the OMB figures, we have cut them $2.8 million. If we take the other figure, we have cut them $2.1 million.

There are some Members who want to increase the amount of the OMB budget. There are some who very strongly want to cut it more. It is a question only the House can settle.

I was very pleased, and I am very grateful to the subcommittee, because there were two strong schools of thought, and as a compromise and as a compliment to me, the Members all agreed to bring to the floor the $16 million as the best neutral point we could all center on, to at least get the bill here to allow the will of the House to be worked on it.

I hope the House will accept the figure we have here, because it is the fairest thing I can think to recommend.

I want the Members to know, if there is a different version sought by my colleagues here on the floor, the subcommittee really would like to know that. We have had many different versions of the attitudes people have about this agency.

I must say that the 1970 Reorganization Plan No. 2 transferred some authorities from the President himself to the then Bureau of the Budget and created the Office of Management and Budget. I have become a less enthusiastic believer in these reorganization plans every time one of them has happened.

I believe the situation we have now with the OMB is good evidence of what we get into when we try to create activities and to designate missions through a reorganization plan instead of in the regular legislative way. In my opinion, if the OMB is not responsive to the Congress, the right way to correct this would be to review the functions and legislatively reduce, change, or otherwise provide what we do and do not want them to do. So long as the law stands the way it is I believe as a responsible thing that my subcommittee must try to give them the resources that are required for them to carry out these mandates.

It is the same with the Secret Service. We have been hearing a lot of publicity here lately about the expenditure of funds at Key Biscayne and at San Clemente and other places where the President of the United States spends some of his time. No one has been able to show me any law that gives us or anyone else any power to refuse the President the right to go where he wants to go when he wants to go.

The law we passed in 1968 increased the responsibilities and powers of the U.S. Secret Service in the protective field. We not only said that they would protect the President and his family, but also we provided for his safety. The safety and security covers a much broader field, I believe, than just security.

In addition to that, we provided this same facility for the Vice President and his family and for all former Presidents and their families, and then every 4 years all major candidates for President, and we also provided for the protection of foreign embassies and foreign visiting dignitaries.

This is a pretty big package of protection, and it has imposed a lot of extra work and duties on the U.S. Secret Service. When the President designates San Clemente as the place where he is going to spend a lot of time, then the Secret Service has to make a determination as to what they are going to do to provide adequate safety and security for him while he is there.

Mr. VANIK. Mr. Chairman, will the gentleman yield?

Mr. STEED. I yield to the gentleman from Ohio.

Mr. VANIK. I was going to ask the gentleman what his committee was able to do with respect to beefing up or strengthening the Internal Revenue Service. Will the gentleman get to that soon?

Mr. VANIK. Is the gentleman getting to that point very soon?

Mr. STEED. Yes, as soon as I finish this portion.

Mr. VANIK. All right. I will wait for that.

Mr. STEED. Mr. Chairman, we went into this in great detail. We may or may not have gotten all the information. We thought we had. We asked for it, and we were told we did. If the GSA can find additional expenditures which they can provide for us, I am sure they will be given a full opportunity to make all this evidence, including what we dug up, available to the Subcommittee on Government Operations, which is going to go into this matter under the chairmanship of the gentleman from Texas (Mr. BROOKS).

Anyway, I believe, even though the Members may find some things that were a little imprudent, a little too lavish, maybe a little too gaudy or too expensive, that the thrust has been in the direction of providing safety and security for the Chief Executive of our country. Having served with Chief Rowley of the Secret Service through the assassination and burial of a President and through the assassination and burial of a U.S. Senator who was running for President, as well as the wounding of a Governor while he was running for President, and the actual literal bombing of the interior of the Capitol Building itself, one cannot blame Mr. Rowley or me, I do not believe. We have had peculiar responsibilities, and I hope that if we make any mistakes, we make them on the side of too much and not too little.

If money is the only thing we are interested in, I will assure the Members that the record, if they will examine it, will clearly demonstrate that it costs about 200 times more to bury an assassinated President than it does to keep him alive.

So aside from the money end of it, I hope we are spending enough, even with the criticism that goes with it, to keep the man safe and secure. I know there is much more involved to it than that, and I think all reasonable people would want the U.S. Secret Service to make sure every reasonable step on earth is taken and everything will be done to guarantee that these important public people are not shot down by an assassin's bullet.

Mr. Chairman, we have had some problems with the Internal Revenue Service in the last 2 years. We did not know that a big drain on their manpower was going to occur last year when the economic stabilization program was heaped upon this agency, and this year, I believe, through the funding of the economic stabilization program itself, they can now be reimbursed for the manpower they need, and also, by adding on additional funds in the compliance and auditing areas of the act, they will be able to get back in balance.

We have gotten onto very thin ice in the last 2 years, I believe almost to an alarming degree, in this area, and I assure the Members that the subcommittee this year has tried to lean over in the other direction to make sure that we put them back in balance so that whatever loose ends there have been can be tightened up and brought back into proper order.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. STEED. I yield to the gentleman from Iowa.

Mr. GROSS. Mr. Chairman, on the point of the economic stabilization activity, that is an increase, is it not, from the $30 million? Is it $60 million?

Mr. STEED. Yes, sir, And besides they had the manpower last year. If they carry it out to the same extent they have heretofore, they will use that much manpower. That is where the Internal Revenue got stuck last year with having to provide the shortfall. We have tried this year to put in the economic stabilization what amounts to the same amount of money, about the same amount of money they spent last year. This approach will not require the Internal Revenue to use its own money appropriated for other purposes to carryout this economic stabilization work that they are asked to perform on a farm-out basis on the economic stabilization program.

Mr. GROSS. Well, the IRS is still financing, is it not, its work on this economic stabilization?

Mr. STEED. That is what the $60 million is, for economic stabilization. They are reimbursed for that part of the work they performed in economic stabilization.

Mr. GROSS. They pay for it?

Mr. STEED. Yes. They were not able to do that last year. They just got a part of it.

Mr. GROSS. Mr. Chairman, may I ask this:

What happens if and when we get back to some kind of reasonable stability in this country; what happens to the IRS employees? Obviously they will not need all of them, because we can run the IRS without—how many, a couple thousand of them?

What happens then? Will the IRS be cut?

Mr. STEED. There are about 2,500 people who are involved in the economic stabilization work. If that goes out, here is what would happen. Either IRS would have to lay off 2,500 people or they would have to be able to absorb them through attrition. Since they have a pretty large workforce and use a very large temporary employment group for about 3 months of the year, I would imagine most or at least all of the skilled and qualified people in that 2,500 would be absorbed. Of course, there is a proliferation in the IRS work with that, so they might be needing additional manpower. I do not think it will be any problem, but as a cold-blooded fact, if the economic stabilization goes out of business, there will be no money to pay them.

Mr. GROSS. I would not like to think that the IRS is overstaffed to the extent of 2,500 employees.

Mr. STEED. That is where the catch is. They are not. But what happened was when the emergency demand was made on them they pulled people off some other work they could let pile up, so now they have big backlogs where they could have had the work done.

This year we tried to avoid that by giving economic stabilization sufficient funds to pay their own way and not have to deplete the workforce of IRS on their own. We are trying to get them back, and I hope we have.

Mr. VANIK. Will the gentleman yield?

Mr. STEED. I yield to the gentleman from Ohio.

Mr. VANIK. What the chairman suggests, then, is what you are doing now is restoring the former employees assigned to the economic stabilization work to their former functions in the tax-collecting agency. Is that correct?

Mr. STEED. In the main, that is true.

Mr. VANIK. But you are not providing for any increase in IRS personnel?

Mr. STEED. There is an increase.

Mr. VANIK. There is an increase in this bill?

Mr. STEED. Their workload goes up all the time.

Mr. VANIK. I understand.

Mr. STEED. And they have a need for additional manpower.

Mr. VANIK. I concur in that. That is the point to which I address myself, because I feel that the benefit-cost ratio of personnel in IRS is very high, because if they continue their work, then tax collections rise and the public interest is served by increased receipts and also by a clearing of the audits that are piled up.

Mr. STEED. In addition to the manpower they have received that they had donated to economic stabilization, they get that 2,500 back and in addition they get 1,450 new employees.

Mr. VANIK. Is that in accordance with the request of the Commissioner? Did he ask for that?

Mr. STEED. Yes.

Mr. VANIK. Or for a greater number?

Mr. STEED. It is what they asked for. Some of that personnel will be used to cut down on the backlog, which is very severe, but I think for the work they have done, even with all of the extra work force, they will still be behind the schedule that we would like to have them have. I think it will take about 3 years to catch up.

Mr. VANIK. I would like to express my gratitude to the committee for addressing itself to the greater needs of the IRS, because I think backlogs are very bad and should be avoided. The taxpayer is entitled to a quick audit if he is audited and a speedy disposition of the issue. Certainly the taxpayers of America are entitled to a hard-working and effective tax-producing agency which can only operate if it has the manpower.

Mr. STEED. We have an expression which is very popular over on the other side of the Capitol "at that point in time." They had no way of knowing what the demands of economic stabilization might be when they started on this procedure.

So taking advantage of that situation, we have tried to make the arrangement, and I think we are in good shape.

Mr. ROBISON of New York. Mr. Chairman, will the gentleman yield?

Mr. STEED. I yield to the gentleman from New York.

Mr. ROBISON of New York. Mr. Chairman, while the gentleman from Ohio is still here, I would like to say that I concur in principle with the thought that the gentleman expressed in this regard, and I would like to call the gentleman's attention and that of his colleagues to what we were told by the then Commissioner of the Internal Revenue Service, Johnny Walters, and here is a quotation from his statement to us during the hearings:

> . . . the millions of tax dollars foregone each year for insufficient auditing, collection and tax fraud deterioration.
>
> Far more serious is the danger of general deterioration over a period of years in the level of voluntary compliance. The cost of such deterioration must be reckoned in the billions. To illustrate, merely a one percentage point decline in the rate of voluntary compliance across the full range of taxpayers means a revenue loss of about $2 billion annually.

Later on in the hearing I asked him if he could give us even a statistical guess as to how much revenue had been lost in recent years as a result of the "general deterioration" in taxpayer compliance, of which he spoke. And to those of my colleagues who may be interested in and have sought to promote that which we generally refer to around here as tax reform, even though we usually all seem to have different ideas about what that term means, let me tell the Members that the Commissioner replied to that question as follows:

> We estimate at this point something like $6 billion per year is lost on individual taxpayers alone; but by 1976 if the trends we currently see are not corrected we estimate that this tax gap will reach roughly $8 billion a year.

So, tax reform is one route, and beefing up the capacity of the Internal Revenue Service to do a proper job in the compliance field without, of course, harrassing the taxpayers, is another route to acquire the additional revenue we need.

Mr. VANIK. Mr. Chairman, will the gentleman yield?

Mr. STEED. I yield to the gentleman from Ohio.

Mr. VANIK. Mr. Chairman, I certainly appreciate what has been said, and what has been placed in the RECORD by my distinguished colleague.

I want to point out that Johnny Walters addressed himself to the problem of the individual taxpayer. I am today placing in the RECORD an analysis of corporate tax payments which indicate a downward trend in corporate contributions and an increase of individual contributions by eight percent with a projection which will reach 15 percent by the end of next year. So that the trend is for greater individual contributions and reduced corporate contributions.

I would hope that these head people who are involved would also address themselves to the corporate tax returns which are very complex. They are almost beyond comprehension. They take a great deal of research and study, and constant review by almost the same number of people working on the same return.

Mr. WHALEN. Mr. Chairman, will the gentleman yield for a question?

Mr. STEED. I yield to the gentleman from Ohio.

Mr. WHALEN. Mr. Chairman, I thank the gentleman for yielding.

I note that the committee has deleted the request of the administration, in title III, for $1.5 million for special projects.

On page 26 of the committee report the following appears:

> Certain questions have arisen, however, concerning the propriety of some of the expenditures from this account. The Committee, during the hearings, requested the Office of Management and Budget to provide a listing of the individual vouchers and expenditures from the funds provided under this account. The Administration, however, declined to provide such detailed information.

I wonder if the chairman could elaborate on that statement as to what the questionable procedures were?

Mr. STEED. This has always been an item in the bill that has given us trouble, and this is not the first time we have had such difficulty and trouble, and the absolute refusal to give us information. Under the House rules, any appropriation made on an executive order is subject to a point of order, therefore this item would be subject to a point of order. So because of the difficulty we have had over the years, and because of the difficulty this year, it is subject to a point of order anyway, we took it out. As far as I am concerned, I do not know, unless there is some legislation passed, of any way that it can be put back in.

Mr. WHALEN. Mr. Chairman, will the gentleman yield further?

Mr. STEED. I yield to the gentleman from Ohio.

Mr. WHALEN. What were the practices, the procedural practices, or practices in the use of the funds?

Mr. STEED. I do not know. We just did not find out, and rather than make an issue of it, since it was more or less a dead duck anyway, we just let it drop and it is out of the bill. It just did not have any legal status, so rather than precipitate any more disputes about it, we just let it be cut out anyway. If we had not taken it out in the committee, it would go out here on the floor.

Mr. WHALEN. If the gentleman will yield further for a final question, Was there concern on the part of the chairman and members of the subcommittee that these expenditures might have been used for Watergate and related activities?

Mr. STEED. That question came up, and we might have made political issue of it. I thought the other part of it was subject to a point of order if we had quarreled any more about it. We made our request, and so we just skipped the whole thing. It might have served some partisan feelings better to have made some noise about it. I had other headaches in here to worry about than that.

Mr. WHALEN. I thank the chairman.

Mr. STEED. Many agencies in here are of the old and fundamental core of the Government agencies, and nearly all of the revenues our Government gets are contained in this bill.

Last year this bill funded 110,704 employees. The budget request for this year was 112,573, an increase of 1,869. The bill as we present it today provides 112,223, an increase of 1,519, but a cut from the request of 350. In addition to this manpower, some of these agencies work other people on a contract from other agencies of the Government. Details on the employment funded outside the direct appropriations contained in this bill are set forth in the report on the bill.

Most of these agencies have had heavy increases in their workload, and we have, I think, examined the need for manpower very carefully, and I think that we have gotten just about as tight on that phase of this bill as we dare be and still hope that these agencies have got the manpower they need to carry out their duties.

Mr. Chairman, I reserve the balance of my time.

Mr. ROBISON of New York. Mr. Chairman, I yield myself 15 minutes.

Mr. Chairman, there is a saying—though I forget the source—that goes like this:

> Many men owe the grandeur of their lives to their tremendous difficulties.

This has, clearly, been a difficult year—for all of us. And this subcommittee found itself no exception to that rule as its members got down to their annual tasks. We faced an unusual number of uncertainties. Just as an example, for a time it appeared as if we were going to be brought into the antipoverty business—since one of our constituent agencies, the General Services Administration, was slated under the original budgetary presentation to take over that effort from the Office of Economic Opportunity which was, in turn, headed for extinction. This innovation was at least deferred, both by court decision and by still-pending congressional decisions to keep OEO in operation awhile longer, yet.

Then, we had to wait the arrival on Capitol Hill of reorganization plan No. 2—and the eventual failure of Congress to disapprove it—before we knew what might be left of the Bureau of Customs' responsibilities in the drive against illicit drugs, and whether to consider its original budget requests, prepared before the administration determined to set up the new Drug Enforcement Administration, or await an amended budget request for Customs that would reflect the changed situation.

Again, as for the Secret Service—and also the General Services Administration—public questions about the propriety of work done on properties owned or occupied by President Nixon in Florida and California, required us to interrupt our work in order to make at least a tentative inquiry into those questions, on which I will have more to say later.

Then, again with reference to GSA, but this time in company with the Office of Management and Budget, there was the clear feeling on the part of the subcommittee—with the intensity of that feeling varying among us—that what is generally referred to as "the will of Congress" as expressed, in this case, in connection with GSA's public buildings program, in last year's version of this bill, had been willfully ignored by the administration. Again, I will have more to say on this in a moment.

For, finally, it has to be noted that this subcommittee, whose work has generally been conducted among ourselves without much controversy, now found itself—in today's political context—deeply divided as to certain budgetary requests made in areas of sensitivity and importance to the Nixon administration. Perhaps this was inevitable—but it is also regrettable and, one can hope, therefore only temporary. I am certain that no one hopes so more than our chairman, the gentleman from Oklahoma (Mr. STEED), who throughout these recent weeks has remained his usual fair, objective, and patient self—and I wish to say now, Mr. Chairman, that it remains a constant pleasure to work with him in the capacity I do.

But, now let me speak to those items in controversy—and let me begin by discussing the level of funding for that Office of Management and Budget.

As you will note from the bill and the report, we have made a "recommendation" of $16 million for this key, executive branch agency—a reduction of $3.6 million from both last year's level for its salaries and expenses item and from this year's comparable $19.6 million request.

In my remarks I have placed quotation marks around that word "recommendation" for the reason that the $16 million figure was really a compromise figure arrived at for what might be called report purposes—that is, in light of the differences between us on this item, a figure to bring the bill before both the full committee and then to the floor, and I have reservations about its adequacy.

So, turn with me now, if you please, to page 23 of the report. It is here stated, you will see, that certain management functions were transferred in May of this year from OMB to GSA—that the annual cost of those functions was approximately $1.5 million, including the cost of 32 personnel, but that OMB had not reduced its original $19.6 million request correspondingly. This is all stated in partial justification of the recommended $3.6 million cut, and then the desire is set forth that the supposed balance of that cut be applied to the management functions of OMB rather than to its more traditional duties in developing, justifying, and preparing future budget requests.

However, Mr. Chairman—and I hope my colleagues will listen—we find here a misunderstanding of the actual facts relative to that transfer of functions and personnel to GSA. Actually, 30 positions were transferred to GSA by OMB, and 2 others from OMB to Treasury, at a total budget impact on OMB of $869,000. The $1.5 million figure cited in the report—and I, too, thought at the time it was accurate—was given us by GSA as representing its full-year cost of establishing its own new office of management policy, which will be composed of the 30 people from OMB plus 20 additional people reallocated to it from within GSA, itself.

Thus, the "recommended" $3.6 million cut will actually be one of over $2.7 million in OMB's capacities as opposed to the "softer" figure of $2.1 million which the report suggests.

But, of probably more importance is the effect of such a cut. At the $16 million figure, OMB will have to reduce its staff by 70 to 100 positions—bringing its personnel down to something around 530 to 550 people, this from its previously authorized level of 660.

Enough, you say?

Well, that may be—and there will be differences among us as to how much is enough. But—and again, please listen—in fiscal year 1954, 20 years ago when OMB was still the Bureau of the Budget and the annual Federal budget was only a bit over $70 billion, BOB had an authorized strength of 446 people. For fiscal year 1970, with the annual budget now up to $196 billion, its authorized strength was 553.

For fiscal year 1974—the year we are considering, with the annual budget, as we know, in excess now of $268 billion—is it reasonable, I ask, even if we were considering just the old Bureau of the Budget and not an Office of Management and Budget, to expect it to effectively perform its traditional budgetary duties with a staff of only about 100 persons more than BOB had, 20 years ago, when the annual budget was only about a fourth of what it is today?

If we are going to be reasonable—and I trust we are—the answer to that question would seem obvious.

But, of course, I know that OMB is not a popular agency, today. Neither, for that matter, was the old BOB of a few years back. I served on the Public Works legislative committee, when I first came here, and I can still remember our former colleague, Frank Smith, of Mississippi, railing against the "Bureau of the Budget, oh, the Bureau of the Budget," as he used to put it because he felt it was usurping the prerogatives of the Congress.

It is apparently the desire of some of my colleagues to cut OMB sufficiently to get the "M" out of OMB—in other words, through fiscal strictures of this sort, to reconvert it to the old BOB. But, again I ask, do we really want to do that? Sure, we all have a gripe of some kind against OMB—even I do—for the discipline it frequently exerts against us when we fail to exercise self-discipline in the first instance.

A few days ago, we considered and then passed an anti-impoundment measure. In the course of that debate there were some brave words about how we were determined to restore Congress to a coequal status with the executive branch—an ambition which I share. But I would suggest to my colleagues, Mr. Chairman, that you do not enhance congressional powers and capacities by the simple expedient of tearing the executive branch down to our present size.

If we really want to take the "M" out of OMB, let us wait to do it until we, here on Capitol Hill, have—as we have begun to consider how to do—managed to enhance our own capacities to handle and manage annual budgets of the size anticipated in the years ahead; and then let us make a BOB out of the OMB, if we wish, by appropriate legislative action rather than through what can only be described as punitive measures of the sort that some have encouraged.

Turning to another sensitive item, you will note from page 25 of the report that we have denied the "normal" annual $1.5 million request for what is called the special projects fund for the President. This fund goes back over a period of 20 years, or more, and it has been used by this and previous Presidents for a variety of purposes. This year, the suspicion grew that, in 1971, I suppose, payments were made to what can only be called the White House Plumbers from this fund. If such were the case, I would be among the first to decry it though, for whatever it is worth, all such allegations were not proven so only the suspicions remain.

The thrust of the report language, however, indicates we have deleted this item purely and simply because the White House would not tell us what it was used for. Well, I think we should be told. I think the Congress is entitled to know what expenditures are made from any such discretionary fund. But, in order to keep all this in some sort of historical perspective—which is, admittedly, somewhat hard to do as everybody focuses on Watergate—some years back, when I first came on this subcommittee, and when a different President from a different political party was occupying the White House, I similarly tried to find out what he had done with his special projects moneys only to be told, in effect, it was none of my business.

All this appears on page 622, and following, of volume 3 of our hearings, and it would make for interesting reading for both my colleagues and the news media since it presents us—I would say, in all kindness—with a rather classic example of "whose ox is being gored." In any event, until we are told—in the future—what these moneys are actually used for, once they have been spent, I would not support a restoration of this type of discretionary fund.

Now, quickly, as to the GSA problem, let me say to my chairman (Mr. STEED), that I know how strongly he feels about this matter—and his feelings are reflected both in the subcommittee action on several GSA requests, as set forth in the bill and as described in the report. There was an agreement of sorts, as between GSA, OMB, and the subcommittee—and actually, one can argue, as between President and Congress, since Mr. Nixon signed last year's bill—to the effect that certain projects, 13 in number, in the then existing backlog of some 63 public buildings projects, would be built through the direct appropriation and construction process, rather than through the purchase-contract authority as then recently authorized by Congress. I was not privy to that agreement, though I knew it existed and I supported the necessary line-item appropriations, last year, for those 13 buildings.

After passage of our bill, and its signing into law—and without consultation with the subcommittee, please note—GSA, with OMB's approval, proceeded nonetheless to move those same 13 buildings forward under the new purchase-contract authority. Without arguing the merits of whether this was the better—and cheaper—way to build them, which may, indeed, be the case, I do not think this was a wise or proper action for GSA and OMB to have taken. It is Mr. STEED's firm conviction, in any event, that the line-item moneys thus not spent should now revert to the Treasury—as language in the bill provides—and not be reprogramed by GSA to other purposes, no matter how appropriate.

I will go along with this, under the circumstances. But I feel it should be understood by all that the reductions thus made for the GSA's Public Buildings Service account, under several items thereof, are not lasting reductions, or savings to the taxpayer, since it is obvious that GSA will need to have those items replenished and probably will find the subcommittee favorably inclined toward doing so as soon as a supplemental request in this regard can be made. I would hope the gentleman from Oklahoma would join me in this statement, for I think he does not wish to punish anyone in this regard but only to reassert what, by his lights, he considers to be the proper prerogatives of the Congress.

Mr. STEED. Mr. Chairman, will the gentleman yield?

Mr. ROBISON of New York. I yield to the distinguished chairman.

Mr. STEED. I want the gentleman to know that I am in complete accord with him, and we have every expectation we will have no problem in this regard.

Mr. ROBISON of New York. I deeply appreciate the gentleman's comment. It is about what I expected of him, for that is the kind of man he is.

In the same connection, you will also find, on page 26 of the bill, where we have added language that would give the Appropriations Committee some residual control—to supplement the primary controls given to the Public Works legislative committees—over the growth, and therefore the cost, of GSA's turn toward the purchase-contract method of building Federal projects. Concern has already been expressed by some members of the legislative committee to the effect that we wish to usurp their jurisdiction in this regard, though such is not the case. We wish, instead, to have—and I think we should have—some end control over the follow-on expenditures that will accompany any rapid expansion of the purchase-contract method.

Finally, Mr. Chairman, with regard to the questions about so-called improvements in the name of Presidential security, at both the Florida and California locations occasionally occupied by the President, we did—as I said—inquire into the same. We have not yet attempted to draw any value judgments as to the propriety of the work done on such properties by GSA at request of the Secret Service. We understand another committee of the House will make a similar inquiry, and we have no objection as to that though I, for one, suspect they will find value judgments just as difficult to make, in the end, as we did. This is because the line between what is necessary to protect a President and what is not is very difficult to draw—at least it is, and will remain so, if the Nation wishes to avoid the trauma involved in another Presidential assassination, or in accidental but incapacitating injury to a President, whoever he may be.

If there are any further facts to come out concerning either Key Biscayne or San Clemente, let them come out—in full—and then let us try to draw some conclusion as to what has been done. As to that, if I were the President, and I am glad I am not—though let us remember he neither ordered any of this work done nor was probably even aware of it until it was called to public attention—I would want to offer to reimburse the Treasury for work which, after careful consideration by Congress, was found to be an improper improvement to property either used by me or owned by me.

That, however, is something over which I have no control. It is also something that relates to past decisions. For the future, let me close by noting that we have added new language in this bill—as suggested by the gentleman from Alabama (Mr. BEVILL)—which can be found on page 17, thereof, and which will require previous consultation with our subcommittee by both the Secret Service and GSA before comparable work can be done on Presidentially used property not owned by the Federal Government.

By way of extension of my remarks, I would now wish to comment, Mr. Chairman, on other items in our bill under the following headings:

BUREAU OF CUSTOMS

Mr. Chairman, this is one of the more important agencies whose budget requests we review and over which we have oversight. It is a very important agency collecting, as it does, over $4 billion a year in needed Federal revenues. Given its other duties—even though some of those in the narcotics field are to be reduced in scope now as the result of approval of Reorganization Plan No. 2 of 1973—including the processing, in fiscal year 1972, of 236.8 million people through Customs at our land, sea, and airports, which total constantly increases, and continuing to serve as the frontline enforcement agency against smuggling of illicit goods, including narcotics, it is essential that this agency be allowed sufficient funds for both needed manpower and equipment.

That manpower and supporting equipment is needed to enable Customs to process the upwards of 43 million mail packages it anticipates handling during fiscal year 1974. As to that constantly expanding item of workload it can—even at the budget recommendation we make you only screen about 11.8 percent of such packages for revenue purposes and about 14.6 percent for enforcement purposes. For larger shipments, the ongoing trend toward containerization adds to the Bureau's problems in keeping pace with international trade developments; to which workload has been added a host of related duties including administering agricultural, oil and textile quotas—of which there may soon be more; coffee, cheese and meat control programs; auto safety standards and auto pollution control laws, as well as gun control laws and the law protecting endangered species.

As our report details, the implementation of Reorganization Plan No. 2 reduced both Customs' duties and personnel substantially—with 509 special customs agents and support personnel going to the new Drug Enforcement Administration in the Department of Justice. Mr. STEED and I joined—for reasons we considered valid—in opposition to this plan at this point in time when it appeared to us that the fight against heroin, at least, was being won with Customs playing a large role in that essential victory, and showing a continuing capacity for building on its demonstrated record in keeping both hard drugs of all kinds and other dangerous drugs, as well as marihuana and its derivatives, out of our country. Needless to say, we lost on this issue, and can only hope that the new agency will prove to be an effective one. If it is, it will prove to be that by virtue of the ongoing input Customs can still provide towards its success since, at all ports of entry and elsewhere that Customs will be allowed to cooperate with it, the Customs inspector will go on being the frontline enforcement officer with primary responsibility for detecting smuggling of narcotics and related illicit goods.

In any event, Reorganization Plan No. 2's approval also brought an amended—and reduced—budget request for the Bureau. We have allowed that amended request, in full, even though—to a certain extent—we are here dealing, as is the Bureau, with certain unknowns chief among which is the actual impact, when it has been realized, of Customs' related loss to DEA of major items of equipment, vehicles of one kind or another, and other facilities. What is left of the Bureau will take some time to sort out, but you can rest assured our subcommittee will wish to watch this situation closely and will examine its new budgetary situation more closely next year than we had time to do in these past few weeks.

During the year, also, we inquired in depth into the special problems related to what is known as Customs preclearance procedures as the same have existed by special agreement between our country and Canada, as well as Nassau and Bermuda. We understand a good deal more about those problems than we did after personally inspecting the situation at all three locations. A number of ifs are involved, not only at both Bermuda and Nassau, where we feel such preclearance procedures probably should go on—and, if they do, where Customs staffing should be bolstered, in order to make such procedures both more efficient and secure as well as to meet the convenience of travelers—but especially insofar as Canada is concerned since, there, the whole matter is currently the subject of complex international negotiations not as yet resolved. There are pressures and countervailing pressures impinging on whatever the ultimate Canadian decision may be—and very substantial American economic interests are involved in the outcome. Much of this is detailed in a separate volume we put out, earlier this year, covering the hearings we held following our visit to Canada, Bermuda, and the reference is made to that volume in case further information is desired.

In concluding my remarks relative to the Bureau, Mr. Chairman, I would like to add a word or two about the very favorable impression the new Commissioner of Customs, Vernon D. Acree, has made not only on me but, I believe, on all members of our subcommittee. He is, in every sense of the word, a professional who will, I am confident, give the Bureau the kind of leadership it will need these next few years, which will be years of redirection to the high standards this oldline agency has always held forth.

INTERNAL REVENUE SERVICE

Mr. Chairman, the committee report amply describes our recommendations for this key Federal agency. In light of the existing and projected workload that IRS faces—with its assigned functions under now phase 4 of the President's economic stabilization effort yet to be unveiled for us but certain to be major—we suggest the full amount of the budget requests.

Having said that much, however, leaves unsaid the general concern—which I believe most of our subcommittee members share—that has been expressed during our more recent annual hearings about the manner in which more and more responsibilities having little or no relationship to the basic function of the IRS as tax collector have been piled upon it to the detriment of its capacity to carry out that function. As the then Commissioner, Johnnie M. Walters—who, during his rather brief span in that capacity, impressed the subcommittee with his real interest and genuine concern for the future of the agency he headed—told us, and this appears on page 466 of the hearings, one result of this has been, in Commissioner Walters' words, that—

> . . . tax administration today is plainly inadequate. We are not providing taxpayers the service they deserve. Further we are not able to administer and enforce the tax laws adequately to keep our voluntary self-assessment tax system working properly. This is dangerous for a tax system that rests on the citizens' ability and willingness to comply with the rules and on their confidence that the Revenue Service will see that all citizens pay their fair share of the tax burden.

Reading further along in those hearings—if anyone is interested and all of us should be for this agency is, in a real sense, providing the lifeblood on which our Federal Government survives—you can find, and this appears on page 470, Commissioner Walters telling us this:

> . . . today we face serious problems in taxpayer compliance and a real danger of general deterioration. There is growing opinion that our tax system is not equitable. One reason for this is the fact that we are not enforcing the tax laws adequately.

Attempting to explain this further, Mr. Walters then told us that—

> This situation has not occurred overnight. Tax law enforcement has been slipping for 10 years, for a variety of reasons. In the first place, we have seen substantial growth in the taxpayer population. But more significant has been the rapid growth in higher income returns raising more tax issues; they are more complex and more likely to need audit. And they take more time to audit. . . . Besides marked growth in our regular work, each year has brought new assignments which lie outside the mainstream of tax responsibility. . . . Whereas IRS devoted about, 3,000 people to major special programs in 1963, there now are close to 7,000 assigned to such programs.

He then addressed himself to the essential audit function in these words—this appearing now on page 471:

> What have been the consequences of our compliance capability? Audit coverage is stretched thin; the percentage of returns audited today is only a fraction of what it was 10 years ago (1.9 percent today, 5.8 percent in 1963). For lack of manpower, we annually must pass over, without investigation, hundreds of cases of probable tax fraud. Backlogs of delinquent taxes have become too large. Our capacity to ferret out habitual non-filers only now is beginning to get the emphasis it deserves after a period of unavoidable neglect.

Continuing, Mr. Walters told us—and this now is on page 476—that the most immediate consequence of this is—

> . . . the millions of tax dollars (are) foregone each year for insufficient auditing, collection and tax fraud deterrence. Far more serious is the danger of general deterioration over a period of years in the level of voluntary compliance. The cost of such deterioration must be reckoned in the billions. To illustrate—

And, my colleagues, please note—

> merely a 1 percentage point decline in the rate of voluntary compliance across the full range of taxpayers means a revenue loss of about $2 billion annually.

Later on—referencing now page 503 of the hearings—I asked Mr. Walters if he could give us even a statistical guess as to how much revenue had been lost in recent years as a result of the general deterioration in taxpayer compliance of which he spoke. To those of my colleagues who have been interested in, and have sought to promote that which we generally refer to around here as "tax reform," even though we all seem to have different ideas about what that term means—and I hope they will now listen carefully to this—it was the Commissioner's reply that:

> We estimate at this point something like $6 million per year is lost on individual taxpayers alone; but by 1976, if the trends we currently see are not corrected, we estimate that this tax gap will reach roughly $8 billion per year.

So, Mr. Chairman, one can readily see, I believe, why the subcommittee has allowed, in its recommendation to you, the full budgetary requests of IRS—even though it is nearly $40 million over the amounts appropriated for IRS in the last fiscal year. To have done otherwise, would have been to endanger what were at least Commissioner Walters' plans and ideas for improving IRS tax-collecting capacities—as well as taxpayer services across the board.

We have been advised that, later this year, there may be a tax-reform measure for us to vote on—one that will, at least in part, not only simplify the still too-complicated Federal tax code and procedures, but also produce some additional, and badly needed, Federal revenue. To strengthen the hand of IRS is certainly not the same thing as true tax-reform. But, given the complexities and delay involved in producing the latter, it does appear to be a certain and faster road to easing the budgetary crunch that plagues us, all.

A caveat, however: Balance is needed, here—and, surely, the subcommittee neither expects nor wants IRS to apply anything other than even-handed justice, and uniformity of treatment, to the millions of the Nation's taxpayers and taxpaying business entities. Those individual taxpayers, and those taxpaying business entities, should pay only what they actually owe in Federal taxes—nothing more, nor less. And they should be free, of course, of undue harassment—as well as of annual audits for the pure sake of auditing.

In this regard, I called to Mr. Walters' attention newspaper reports to the effect that taxpayer settlements—where audits disclose matters in controversy, and those cases reach the so-called district office conference stage, or later the appeals stage—vary as to percentages of the amount claimed from one part of the country to another, and depending also apparently on the size of the amount in dispute. I asked him to comment, for instance, on why taxpayers in the Little Rock, Ark., area settled disputes at the district office level—during fiscal year 1972—at an average of only 24 percent of the amount claimed, whereas taxpayers in the Baltimore area paid, on the average, 74 percent. I also asked him to try to explain why—in the same fiscal year—cases that did not go to court were settled for 67 percent of the amounts claimed in the $1 to $999 range, whereas, for cases where $1 million or more was claimed, the appellate division settled at an average of only 34 percent.

The answers I got—if anyone is interested—were to the effect that, on a regional basis, case-mixes in a regional office distort, when a 1-year average is considered, comparative statistics which, in the longer run, tend to even out; and that, in the larger cases, the issues involved are naturally more complex, the law less clear, and eventual settlements will, perforce, be at smaller levels of averages than for smaller claims. Neither answer was totally satisfactory, and I believe this to be an area of concern to which the subcommittee should continue to give oversight.

In any event, since our hearings, we not only have a new Commissioner—with whom the subcommittee has yet to get acquainted—but also those Watergate-related allegations that attempts have been made to use IRS for indirect political purposes. I, for one, do not have any doubt but that previous administrations to this one have, somehow, managed to have those individuals or entities that were some kind of problem to them subjected to tax audits. But that fact—if it is a fact—does no make the practice either right or defensible. Getting to know both former Commissioner Randolph Thrower and, later, Commissioner Walters as I did, I would have grave doubts about the possibility that either of them knowingly allowed IRS, when under their supervision, to be so used for such purposes.

Surely, this should never be allowed to happen, and I am pleased to note that the new Commissioner, Donald C. Alexander—who I have met only briefly—has already said that "politics has no part in the tax system," and that this means—in his further words—that—

> This organization and I are going to go straight down the middle as far as politics are concerned.

Mr. Alexander, it has been reported, is also conducting his own "in house" investigation as to whether or not supposed enemies of this administration had their tax returns audited, while supposed friends had tax cases against them dropped. I am sure the subcommitee will be interested in the results of any such investigation for we are dedicated—as all of us must be—to maintaining the highest possible level of public confidence, and trust, in this key Federal agency.

Finally, the subcommittee did not, again, have a chance to inquire into the propriety of subjecting certain classes of taxpayers—such as farmers—to examination of their tax returns for supposedly statistic-gathering purposes. If such information is required, it ought to be through the regular farm-census procedures rather than through this dubious method via an Executive order that, so some have told us, was to be a prototype for other departments besides the Department of Agriculture to use as an "outgrowth of discussion with the Joint Committee on Internal Revenue and Taxation." This is a matter where direct jurisdiction lies outside our purview but, speaking now only for myself, I do not like the direction indicated and will encourage our subcommittee to inquire further into the need for and propriety of this sort of practice at the earliest opportunity.

U.S. SECRET SERVICE

The last of the major Treasury Department agencies I would comment on, Mr. Chairman, is the U.S. Secret Service.

Before the Secret Service became involved—along with the General Services Administration—in the public furor, which I suggest has been a bit overblown, in regard to whether or not improper improvements were made to President Nixon's properties, or properties at least occupied by him in both Florida and California, this was an agency that, happily, stayed out of the public eye. That is the nature, of course, of such an agency whose mission has heretofore been understood and supported by all of us.

I'll have more to say in a moment about both the Key Biscayne and San Clemente situation. But, as you will otherwise note, we have allowed all but $500,000 of the Services' original budget request so that the adjusted total will, thus, stand at $1.2 million below what was appropriated for it in fiscal year 1973. I think it can be said that the Service—after several years of substantial growth to meet both the felt need for greater presidential and related security protection in the aftermath of the assassination of President Kennedy, and the new responsibilities thrust on the Service to protect certain Presidential candidates—has now reached a plateau insofar as personal needs are concerned. I think we can—and ought to try to—hold those personal needs at about the current level, which allows for 2,876 positions.

The Service performs certain essential functions, and performs them very well—though I doubt I would include the taping of White House conversations in that same essential category. Nevertheless, this is an agency that has a very difficult—indeed, perhaps almost an impossible—major mission to perform in protecting the President and other important personages; in participating in the effort against organized crime, and in preventing counterfeiting as well as the forgery of Government securities and theft or alteration of Government checks—with the annual number of the latter item now being estimated—believe it or not—at some 599 million pieces. That works out to about two and a half Government checks for every man, woman and child in America each year, now, and is some evidence on its own of how big Government has grown in our Nation.

In light of this volume of payments alone, it is little wonder that the theft and then forgery—and sometimes alteration—of a large number of such checks is a major problem. The Service received 75,759 check cases for investigation in fiscal year 1972—an increase of about 15 percent over the number of cases in the prior year. It has established so-called forgery squad systems in its major offices to deal with the problem, and its record of arrests and convictions is good. But I, for one, continue to believe that more—much more—can be done, especially in view of the facts in certain check "kiting" cases as described to us where dollar amounts were altered upward by several thousands of dollars, in an overall Treasury effort to review the present procedures involved by holders of Government checks in getting them cashed. Smaller Government checks could, for instance, have printed on their face words something like "not valid for more than $100," or whatever was appropriate, and other similar initiatives could be undertaken to make such checks more secure against either forgery or alteration. Of course, some cost would be involved, but the cost of criminal investigations, and of criminal prosecutions that follow—let alone the cost to society for not having provided sufficient deterrents to this kind of crime—are substantial enough to support looking into better ways of doing things. I hope Treasury, in cooperation with the Secret Service, will have something to tell us along these lines next year.

Back to the tape recording of those White House conversations—which came as much of a surprise to us as to anyone else—obviously we had no opportunity, this year, to inquire into the propriety of the use of Secret Service personnel and equipment for such purposes. Undoubtedly, we will wish to do so at a later date—and, hopefully, by then some of the partisanship and suspicion that clouds the current Watergate inquiries will have dissipated and we can be objective as to our own inquiry.

We did, however, as I have already mentioned, look into the well-publicized allegations to the effect that both the Secret Service and the General Services Administration made improper improvements—in the name of Presidential security and protection—to the Key Biscayne and San Clemente properties occupied, on an occasional basis, by Mr. Nixon. Again, these special hearings are printed as a separate volume which has not, I would say, had the circulation and attention it deserves since news media misrepresentations—unintentional, I am sure—continue to appear. The hearings on this matter were not long, but they were open and factual. It is clear they have not answered all questions, but they can answer some. I invite your attention to them, Mr. Chairman, and would say that the subcommittee probably should, and hopefully will, follow up on and attempt to evaluate better than we have had time yet to do the information thus elicited.

U.S. POSTAL SERVICE

Mr. Chairman, there is little that needs to be added to what our report says about this item. Once again, we have—in our recommendations—tried to stay out of the postal ratemaking business, as we think we should even though some Members of this body seem determined to get the Congress back into that arena. In any event, we have allowed nearly all of the actual budget request—that is, the request contained in the President's January budget document—while charging that amount or, more accurately, the Postal Fund with a $142.3 million item to cover one-half of the arrearage due the civil service retirement and disability fund which arose out of the 1971 postal wage settlement. We acknowledge the possibility that, in time, the Senate may join the House in its recent action to charge this item to the taxpayers instead of the Postal Fund. Since this remains uncertain, however, and since the payment in question should at least be begun if the retirement fund is to remain sound, we feel our decision is proper—particularly in light of the fact that the Postal Service is willing to assume such payments in the future.

Along with the legislative committees, we have substantial oversight over operations of the still new Postal Service Corporation. Our hearings this year were full and complete, and are separately printed for reference purposes.

Others have doubts about the continuing viability of the independent corporation approach to carrying the mail, but most of us on the subcommittee still believe that postal reform can—and, in time, will—work. As a matter of fact, it would appear that the Corporation has come quite a long way back, already this year, from its low point at or around last Christmas time, and that substantial improvements in mail service are being felt across the Nation. Insofar as we can contribute to this situation, rest assured we will try to do so.

DOMESTIC COUNCIL

Mr. Chairman, things change substantially—the emphasis changes, anyway, on the way of doing things—not just from administration to administration but also during a Presidential administration, and the current one has not been immune from that.

Take this operation known as the Domestic Council, for instance. It was established by Reorganization Plan No. 2, as implemented by Executive order of July 1, 1970. Initial staffing in that year got up to an authorized level of 48 persons, as I recall it. The idea was to give the President what was called "a streamlined, consolidated domestic policy arm adequately staffed, and highly flexible in operation"—a sort of counterpart, as I remember it, to the National Security Council operation. Chaired by the President, and composed of Vice President, Secretaries of Interior, Agriculture, Commerce, Labor, Health, Education, and Welfare, Housing and Urban Development, and Transportation, plus the Attorney General, Chairman of the Council of Economic Advisers, and the Director and Deputy Director of the Office of Management and Budget, it was supposed to assess national needs in the domestic arena, develop alternative ways for meeting those needs, help the President make the inevitable choices, and then maintain a continuous review of how things were going.

Its line of responsibility, as vis-a-vis that of the Office of Management and Budget—or at least the management side of that "house"—was always a little "fuzzy," which is the very word former Director of OMB, Robert Mayo, used to describe that situation during our hearings in 1971. In any event, this administration was pretty gung-ho—if I can use the phrase—about what the Domestic Council approach could accomplish at the beginning and, at one time, the projected staff size of the Council was up to 90 persons, though I believe the most it ever asked for was 75 persons, this being in the fiscal year 1972 budget request. The next year, that request was shaved down to 66 persons—or positions—with John Erlichman serving as Executive Director. But, this year, with Kenneth R. Cole, Jr., as Executive Director, appearing before us, we were advised the Council—see page 562 of our hearings—had—

> . . . reassessed (its) needs, both in terms of doing (its) work, and in terms of methodology, and in terms of helping to achieve what . . . you can logically call a change in the President's posture. . . .

Whatever all that might mean.

In any event, Mr. Chairman, this change in posture was reflected in the Council's budget request, reflecting a staff cutback to 30 full-time personnel, which, as you will note, we have allowed with only a token cut of $68,000. Also, now, as we all know, there is a reorientation of unidentifiable proportions within the White House—both with regard to directions and to key staff people—and our old friend and former colleague, Mel Laird, has succeeded Mr. Erlichman, as Counsel to the President, and one can read where Mr. Laird intends that, while the Council will serve as a forum within which to resolve interagency issues and for drafting policy options, there will otherwise be a return to greater reliance upon the departments of the Federal Government in the executive branch for day-to-day policy and program guidance and, hopefully, more openness, in Mr. Laird's words, "with that coequal branch of our Government, the Congress of the United States."

As I said, Mr. Chairman, things change, and sometimes for the better—which is what I think this change will prove to be. Columnist James Reston has—as some of us may have noted—taken to referring to the old Haldemann-Erlichman way of doing things in the White House as the "Politburo" approach—that is, having a top-level staff in party control that parallels the formal structure of the government, itself. By contrast, the "British system," as it might be called—and that is the one ours is modeled after—has 10 Downing Street with a small staff, so I understand, as a place where Cabinet members gather to decide on policy matters. Let us be honest in our appreciation of historic trends, Mr. Chairman, the great explosion of White House staff really began under President Kennedy, and not just with the currently beleaguered administration. If the trend, then begun, is now being reversed, away from something like the Russian system—if there is, indeed, any sort of accurate parallel between that and what we may have been moving toward—and in the direction again, now, of what might be called the British system, that is all to the good.

NATIONAL COMMISSION ON PRODUCTIVITY

Mr. Chairman, $5 million was requested for this activity, but the subcommittee, recognizing at the time of our markup that the National Commission on Productivity needed legislative reauthorization for fiscal year 1974, left the item out of our bill. Since then, as we all know—and for reasons that remain obscure to me and, in my judgment, also ill-advised—on July 17 the House voted down a bill which would have so reauthorized the Commission.

This action ends the matter, at least for the time being, but it is still worthy of note that, in this Monday's Wall Street Journal one can find an article describing the fact that there was a decline in worker productivity in the second quarter of this year—the first actual decline in output per hour of work since late 1970—which fact does raise some additional concern over the inflationary pressures which afflict and affect our economy. Whether or not this decline is a temporary thing is too early to say—there are some indications it may be—but it is also a fact, in any event, that productivity in this Nation, that once prided itself on its capacity in this regard, has been slipping relative to that of other nations of late years and that is something which can make it increasingly difficult for us to compete in markets both here and abroad.

Worker productivity is a complex, human equation, on which many complicated, interrelated factors are brought to bear. Research into this area is needed, and I am only sorry that this subcommittee was not able, this year, to fund that essential work.

NATIONAL SECURITY COUNCIL

Mr. Chairman, as I said a few moments ago with respect to the Domestic Council, things do, indeed, change. Take, for instance, this National Security Council operation. As we were told some years back, President Nixon was using the National Security Council—whose membership is composed of the President, Vice President, the Secretary of State, the Secretary of Defense and, formerly, the Director of the Office of Emergency Preparedness, which post is now being dropped—to which membership the Chairman of the Joint Chiefs of Staff served as military adviser and the Director of Central Intelligence Agency as intelligence adviser, as the focal point for effective policy review and decisionmaking. Those words are taken from the 1970 foreign policy message of the President—and we find, therein, under the subtitle of "The Policymaking Process: The NSC System," a Presidential pledge to—

> . . . restore the NSC to its preeminent position in national security planning . . . as ". . . the principal forum for Presidential review, coordination and control of U.S.

> Government activity in the field of national security and foreign affairs.

Said the President—

> . . . the apex of the system is the National Security Council itself. The Council does not, of course, make decisions. Its discussions put the issues and choices in sharp focus and give me the counsel of my senior advisers as the final step in the process of comprehensive review before I make a decision.

Then, and the date of the message from which these words are taken was February 18, 1970, the President stated that, so far, during his administration, the Council had met 73 times. This, to me, seemed like a refreshing change from the manner by which Lyndon Johnson fashioned foreign policy "out of his hat," so to speak, after consultation with, perhaps, Rusk and McNamara.

I do not know, Mr. Chairman, that any one way of creating foreign policy is, perforce, better than another. But it was my feeling, at the time, that the structured approach Mr. Nixon at first had in mind, here, was more certain of insuring what the President, in that same message, called—

> The full and fair presentation of the views of all agencies within the foreign affairs community . . . (and would help) overcome distortion in the policy review process by insuring that our analyses proceeded from a common appreciation of the facts.

Whatever the event, gradually—as the months passed in 1970, 1971, and 1972, calendar years, that is—President Nixon's use of the Council mechanism, as reflected by full Council meetings, dwindled down until in 1972, as I recall the testimony, there were only three such meetings and, at the time of our hearings this spring, there had been only two or three such meetings. As we were advised, however, there were frequent NSC "subgroup" meetings, as they are called, which serve, again as we were told, as the consensus developing machinery which, if reached, may make full Council meetings unnecessary.

Mr. Chairman, I cannot fault the accomplishments of President Nixon—or of Dr. Kissinger—in the field of foreign policy except in minor ways; under them, the direction of foreign policy has been generally in accord with my own thinking, and the successes far exceed the possible failures. Nevertheless, I do continue to feel—even as Mr. Nixon apparently did a few years back—that the full Council approach is a valuable tool in making foreign policy and so I hope it will be used more again in the future than it has in the recent past.

Finally, the report does mention our concern over the substantial number of detailed personnel at NSC—51, in all, from various agencies, we were told—to add to its own projected 79 full-time permanent personnel. There are undoubtedly special reasons that make NSC a special case in this regard, but I agree that, as the report suggests, it would be better for NSC to consider adding these detailees to its own personnel lists and requesting, next year, a larger appropriation to cover their costs. This would make for better—and, if I can use the word, more "honest"—budgetary bookkeeping.

EMERGENCY HEALTH

The final item I would comment on, Mr. Chairman, is that for the emergency health program, so-called, operated out of HEW's Health Services and Mental Health Administration.

As reference to the report—page 41—will show, the subcommittee was unimpressed with the justification as attempted for the $6 million request by HEW to inventory, sort out and dispose of such items as may remain in the "medical stockpile" portion of the program. It is our thought, instead, in deleting this item, that such materials should be transferred to GSA for disposal through its regular surplus-property disposal program.

We have, however, as will be noted included $3 million in the bill to continue—on sort of an ad hoc basis—the community training portion of the old program since there appears to be both a need and a demand for the same. We are doing this even though we are aware of the fact that this Congress has recently passed new legislation—with new programs including some in the community training field—under the label of emergency health services, of which legislation, incidentally, I was an original House sponsor. We do not anticipate, nor desire, any duplication of efforts here, and doubt there will be any since the EMS bill, for reasons extraneous to these remarks, may provoke a veto and, even if it does not, it is likely that any new programs thereunder could not be begun before the start of the next fiscal year, at best.

Mr. STEED. Mr. Chairman, I yield such time as he may consume to the gentleman from New York (Mr. KOCH).

Mr. KOCH. Mr. Chairman, I want to commend Mr. STEED, the distinguished gentleman from Oklahoma, Mr. BEVILL of Alabama, and the other members of the Subcommittee on Treasury, Post Office, and general Government expenditures for their sagacity in adopting what people throughout the country should hail as a commendable step toward protecting us from frivolous Government expenditures.

For the first time, the appropriating legislation for Treasury, Post Office, and general Government contains a proviso under title IV, page 17, directing the General Services Administration to obtain permission from the House and Senate Appropriations Committees before spending any of its funds on any privately owned property owned, and as I interpret the clause, also occupied by someone the Secret Service is authorized to protect. As you know, Mr. Chairman, on July 12, I introduced legislation, H.R. 9241, which would bar any Government agency from making any permanent improvements, repairs or installations to any privately owned property also occupied by anyone whom the Secret Service is authorized to protect unless specifically authorized by the Congress. While my bill is more extensive and definitive in its provisions, I am pleased to support the Appropriations Committee measure which will demand a better accounting from the General Services Administration when it seeks to spend money on Presidential and other privately owned properties.

To clarify the committee's action, I would like to ask the distinguished chairman a few questions with regard to this legislation: What form does the chairman intend shall be used by GSA in requesting permission to spend moneys for this purpose? Will the agency be required to submit an itemized budget request to the Appropriations Committee along with its regular fiscal year request for funds? If not, will the agency be required to define, prior to expending such funds, the specific items, and purposes to be purchased and accomplished?

What form will approval of the Senate and House Appropriations Committees take? And will permission to GSA be granted by a majority vote of the committee members or will permission be granted simply on approval of the respective chairmen of the committees?

The committee's bill, H.R. 9590, provides that the funds appropriated under this act will provide "fencing, lighting, guard booths, and other facilities—as may be appropriated to enable the U.S. Secret Service to perform its protective functions pursuant to title 18, U.S.C. 3056." Does the committee intend this language to clearly limit the purchases and authorized improvements to those directly related to the security and protection of those persons whom the Secret Service is authorized to protect?

Finally, as I interpret the committee's legislation, it would cover in fiscal year 1974, in addition to the President's homes in Key Biscayne and San Clemente, the Vice President's home in Bethesda, the home owned by Bebe Rebozo, but occupied by Mr. and Mrs. David Eisenhower, also in Bethesda, Mr. Robert Abplanalp's residence in the Bahamas, and any other privately owned residence owned or occupied by anyone whom the Secret Service is authorized to protect. Am I correct in my interpretation, Mr. Chairman?

Mr. STEED. Mr. Chairman, I will try to answer the gentleman's several questions with a statement.

First, all people that the Secret Service is mandated to protect would be involved in the gentleman's description. The way this works, as I visualize it, would be very much the way the reprograming of money works now.

If the agency wants to reprogram money, it is required by law that it come back to the committee and obtain written permission. These requests are reviewed by the subcommittee, and if the majority favors it, a letter is written authorizing the transfer.

The work we are talking about here is done by the written request of the Secret Service to the General Services Administration specifying what it is they want constructed. When these requests are filed, before being acted on, they would be submitted to the Committees on Appropriations of the House and Senate. Both Houses would be involved, and it would have to be done in writing. There has to be a record of it so anybody who wants to know about it would have access to it.

Mr. KOCH. I thank the distinguished chairman.

Mr. GROSS. Will the gentleman yield?

Mr. STEED. I yield to the gentleman.

Mr. GROSS. Can the gentleman tell us how much was spent to protect Dr. Spock?

Mr. STEED. I do not know, but it was a lot more than suited me and, as the gentleman knows, I have had some not very complimentary things to say about that. It is not because I have anything personal against him, but I just could never bring myself to believe he qualified as a major candidate for the Presidency, and that is what the law says.

Mr. GROSS. Are we still protecting him?

Mr. STEED. Oh, no.

Mr. GROSS. I thank the gentleman.

Mr. STEED. I yield 5 minutes to the gentleman from New York (Mr. ADDABBO).

Mr. ADDABBO. Mr. Chairman, I rise in support of H.R. 9590 and urge that the Members of the House support this legislation.

I believe that under the direction of subcommittee chairman, Mr. STEED, and the ranking minority member Mr. ROBISON and our outstanding staff and cooperation of committee members, we have come up with a bill that is decidedly fair to the agencies covered by the bill, while remaining well within the realm of fiscal integrity.

As is the case so often, this bill is filled with compromises, some of which I like better than others. What we have learned in studying this bill, I think, is the distinct need for additional study in specific areas. That study will come in the months ahead. Meanwhile, we have agreed to a bill that is fiscally sound without hindering the agencies and their programs.

I believe that if the Members go over the bill title by title, they will find that the committee used judicious care to maintain adequate funds for essential programs.

Programs of less vital interest were cut in varying degrees. We ended the appropriations for the Council on International Economic Policy because it was the feeling of the committee that the program could be ended without adverse effect to the Nation.

Similarly, we disapproved an increase for the Office of Telecommunications Policy and in fact approved a cut in last year's budget. In these days of tight money, the Nation can do without additional studies and research in telecommunications.

We have also recommended a staff cut in the Office of Management and Budget. The committee recommends a slash of about 17 percent over last year's budget, which could possibly be greater, and that is a controversial issue to which we will be speaking directly at some later point in this debate.

Perhaps one of the most dramatic cuts in the budget that you will find concerns special projects for the Office of the President. In last year's budget, the Congress approved $1.5 million for special projects, and the committee considered giving the President the same amount in this year's budget.

However, in the hearings, we were faced with White House witnesses who refused to tell the committee how the money was used last year or what plans they had for the money in this year's budget.

It was the feeling of the committee, one with which I entirely concur, that the power of the purse resides with the Congress, and that the Congress could not tolerate this blatant refusal to testify on the part of the White House.

Accordingly, the committee approved no funds for special projects in the bill, and it is my deepest hope that the House will stand by our side on this matter.

Let me stress that from my point of view, that if the White House chooses to come before the Appropriations Committee and testify as to its need for the funds and its planned use for them, I am among those committee members who stand ready to reconsider the matter. But until the White House accepts the concept of the congressional right to know, I am firmly opposed to appropriating a single penny for the special projects fund.

The rest of the bill is fairly self-explanatory, I believe. Members will find in reviewing the bill that the committee has used a sharp knife with many of the agencies where we felt cutting back could be accomplished without harm.

I think we in the Congress must face the fact that some of our most favored projects must be cut back somewhat in this period of difficult economic fluctuations.

We have tried to be fair, and I believe we have been, even though some projects close to my own heart have been cut. I think it is important to remember that while we have denied some increased budget proposals and have made actual slashes in some worthwhile programs, we have kept those offices and agencies functioning in a viable way.

We have tried to cut only those programs that duplicated the efforts of other agencies, or those offices that performed duties that while perhaps esoteric, were not necessary to the well-being of the Nation's citizenry.

I tend to think it more important for the Bureau of Customs to get additional funds to fight narcotics trafficking than it is to provide funds for the President to "promote economy and efficiency by establishment of more efficient business methods in government." Accordingly, Customs went up and the budget for expenses of management improvement were cut in half. I commend Customs for their outstanding work.

There may come a time when we can have both fully funded programs, but this is not that time. All in all, this is a bill that deserves the full support of all the Members, and I would hope that the Members will express that support overwhelmingly. Thank you.

Mr. JONES of Alabama. Will the gentleman yield?

Mr. STEED. I yield to the gentleman from Alabama.

Mr. JONES of Alabama. Mr. Chairman, the report contains certain limitations and legislative provisions on pages 44 and 45. I am particularly concerned with the last item on page 44 in connection with administrative expenses for the General Services Administration. There is a feeling of apprehension that this language as contained in the bill is a trespass upon the authority of the Committee on Public Works under the Public Building Act Amendments of 1972.

Is the gentleman from Oklahoma of the belief that this is an infringement and does it divest the Public Works Committee of authority under this legislation?

Mr. STEED. Let me assure the gentleman there is no intention whatsoever to infringe on the authority or jurisdiction of the Committee on Public Works, and I do not believe that the proviso here could in anywise affect the authority and actions of the gentleman's committee. As a matter of fact, I believe it would strengthen the review.

If the gentleman will turn to page 19 of the bill, down to line 18, he will notice an item for $7.3 million for the payment of public buildings purchase contracts, which is the beginning of this program. This will be in the bill every year for the next 30 years. We have no way of knowing how much it will proliferate henceforth.

What we are trying to do is have an opportunity to look at the contracts before finalization so that we can make a determination as to whether they come within the mandate given the General Services Administration by the Committee on Public Works as to the ultimate costs that must be borne by the taxpayers.

There is no way today that I can honestly tell the gentleman what this program will ultimately cost. We would like to get into a responsible position so that we can assure the House whatever amount of money is contained therein actually went for that purpose.

Mr. JONES of Alabama. Did the GSA provide you with a cost estimate as provided in the 1972 act?

Mr. STEED. We have had those notices but no detail of the contract itself or the ramifications of it. It is just that since we have to pay the bill, we think we ought to have some opportunity to review it before these commitments are made.

Mr. JONES of Alabama. The distinguished gentleman from New York (Mr. ROBISON) talked about the residual effect.

And that is what the committee was dealing with under the provisions that are in the bill. Is that the understanding of the gentleman on that?

Mr. STEED. Yes. The only time I could figure where this would involve the Committee on Public Works is that if in the contract they were ready to sign we came to the conclusion it did not coincide with the mandate given them by the Committee on Public Works we would probably insist that they go back to the Committee on Public Works and clear it up.

Mr. JONES of Alabama. I would like to assure the gentleman from Oklahoma that there will not be any indifference on the part of the Committee on Public Works in making a total and thorough examination of the report from the GSA in order that we can ascertain whether or not the GSA is complying with the law, and that their prospectuses submitted to the Committee on Appropriations are in total compliance with the authorization act.

Mr. STEED. As I view this, I can see where there could be no worry or concern for anybody interested in this program on the way it works. I can see where there might be some difficulty if it got out of gear and somebody blew the whistle on them. I think everyone would want the Committee on Appropriations to be able to report in a responsible manner on all costs that must be paid by the taxpayers of this Nation.

Mr. JONES of Alabama. Does the gentleman think that there will be a continuing relationship between the Committee on Public Works and the Committee on Appropriations in making an analysis as to compliance at every stage?

Mr. STEED. I can assure the gentleman from Alabama, as I am sure the gentleman well knows, that there has been probably more interchange, especially at the staff level, between the Committee on Public Works and our committee than almost any other situation in the Congress. We have no intention of deviating from that policy at all and, if necessary, to increase it at whatever stage we think that we need to keep ourselves in the clear on this program.

We know that the Committee on Public Works wants it to work, and we want it to work. I can see no reason at all where there would be any point that we would have any difficulty.

Mr. JONES of Alabama. Under those conditions I would think that we would not have any reports that would escape us, and I hope we can come to that proper arrangement.

Mr. STEED. I can assure the gentleman from Alabama that as long as I am chairman of this subcommittee there will never be any action in this committee concerning the Committee on Public Works that that committee does not receive information as to what is involved.

Mr. JONES of Alabama. Mr. Chairman, I thank the gentleman from Oklahoma and I would further state for the Record that it is my hope that the Subcommittee on Public Buildings and Grounds of the Committee on Public Works, chaired by the distinguished gentleman from Illinois (Mr. Gray) and the Subcommittee on Appropriations, chaired by the distinguished gentleman from Oklahoma (Mr. Steed) could work this problem out together in such a manner that proper action would be taken by the authorizing committee, the Public Works Committee, to resolve this problem in legislation after hearings are held on the matter by the Committee on Public Works. The basic jurisdiction and the creation of the Public Buildings Act Amendments of 1972 are totally within the purview of the Committee on Public Works. The whole question of purchase contract programs are under its control. However, the Committee on Public Works in setting up that act wrote in specific language which allows the Appropriations Committee under the act to check into the question of whether or not the Administrator of General Services has exhausted all other means of funding before he moves to purchase contracts. The language appears in section 5(h) of Public Law 92-313, the Public Buildings Act Amendments of 1972 and reads as follows:

> (h) No space shall be provided pursuant to this section until after the expiration of 30 days from the date upon which the Administrator of General Services notifies the Committee on Appropriations of the Senate and House of Representatives of his determination that the best interests of the Federal Government will be served by providing such space by entering into a purchase contract therefor.

This was an effort on the part of the Committee on Public Works to work in conjunction with the Appropriations Committee which must fund these contracts. The Committee on Public Works, I would assure the gentleman, will continue to operate in this manner.

For this reason my remarks have a twofold purpose, one, to make it clear that this action today in no way will mitigate or prevent further action by the Committee on Public Works in finally resolving this problem and, two, to assure the gentleman from Oklahoma that the Committee on Public Works through its Subcommittee on Public Buildings and Grounds will work closely with him to resolve what is obviously a real problem.

Mr. STEED. I thank the gentleman and again assure him that the Committee on Appropriations will continue to be most cooperative in this matter.

Mr. Chairman, I reserve the balance of my time.

Mr. HARSHA. Mr. Chairman, will the gentleman yield?

Mr. ROBISON of New York. I yield 3 minutes to the gentleman from Ohio (Mr. Harsha).

Mr. HARSHA. Mr. Chairman, I appreciate the gentleman from New York yielding to me.

Mr. Chairman, I would like to address another question or two to the distinguished chairman of the subcommittee, the gentleman from Oklahoma (Mr. Steed).

As I understand it, the Public Building Amendments of 1972 require only that the prospectus for the purchase contract be approved by both the House and the Senate Committees on Public Works, and then notice should be sent for a period of 30 days to the Committee on Appropriations to show that the best interests of the Federal Government will be served by providing Federal space by entering into a purchase contract.

Mr. STEED. That is correct. In 30 days they have to justify and make the report.

Mr. HARSHA. As I understand this new language, we are changing that to read, or to have the effect, that the General Services Administration could not proceed under this purchase contract arrangement for a period of 60 days, during which time, even though the Committee on Public Works may have approved the project, the Congress, by an appropriation act, could have the effect of repealing that approval, or stymieing it. Under this language it says that no appropriations shall be available for administrative expenses in connection with the execution of a purchase contract unless such proposed purchase contract has been submitted to the Committees on Appropriations of the respective Houses, and the Congress within a period of 60 days thereafter has not passed an appropriation for that building. In other words, if you did pass an appropriation within 60 days it would have the effect of nullifying the action of the Committee on Public Works.

Mr. STEED. The purpose of that is to fix it so that we cannot in effect pocket-veto anything, in other words, if the burden should be on the subcommittee to do something or else it would run out of its own accord. As far as I am concerned they could bring their proposition to us at the same time they do to the Committee on Public Works, and, of course, if we are notified by the Committee on Public Works that they approved it, then we would do our job. We then would have the information we need to have, so I see no reason why there would be any delay at all if they wanted to make the information available to us when we are ready to go. We do not want to try to run the program; we just want to try to know what is going on and have some view on it before we move.

They come in here and say, Here is how much we are going to give you this year. We do not know what it is for, when it happened, or anything else. I do not think it is a responsible thing.

This first 7 million in here is just the beginning. I cannot tell the gentleman what caused that 7 million.

Without this amendment, there never would be any.

Mr. HARSHA. I understand from the gentleman's colloquy with the distinguished gentleman from Alabama the committee is in no way endeavoring to infringe upon the jurisdiction of the Committee on Public Works.

Mr. STEED. On the contrary. There would be no way we could infringe on anything they are doing now. It might be that we might be able to give them some additional information we are not now able to get, so we could make whatever corrections we need to make.

The CHAIRMAN. The time of the gentleman has expired.

Mr. ROBISON of New York. Mr. Chairman, I yield 2 additional minutes to the gentleman from Ohio.

Mr. STEED. There would be no place we could go except back to the Committee on Public Works and get the correction for what is to be done.

Mr. HARSHA. I should like to ask the distinguished minority member of the subcommittee if he has the same understanding as the gentleman from Oklahoma.

Mr. ROBISON of New York. I would say to the gentleman from Ohio that I do.

Mr. HARSHA. I thank the Chairman and I thank the gentleman.

I yield back the balance of my time.

Mr. ROBISON of New York. Mr.

Chairman, I yield such time as he may consume to the gentleman from Alabama (Mr. EDWARDS).

Mr. EDWARDS of Alabama. Mr. Chairman, this is not a bad bill. It is like any other bill. It has got problems in it, and we have agonized over many of the parts in here, and there is a lot of compromise in here, but by and large I think it is a good bill. It is almost a billion dollars less than last year's bill.

I am somewhat concerned that we only cut $57 million off of the budget this year, because I have a feeling when it goes over to the other body, as usual they will add a lot to it. I am very hopeful that in the final analysis we can keep it under the budget, substantially under the budget. I think that it would show good fiscal responsibility if we can.

Last year we expressed considerable concern here about the problems of preclearance of passengers coming into this country from Canada, Nassau, and the Bahamas by air. We had extensive hearings on that this year, and as a result of those hearings and understandings that we have had, and trips that the subcommittee has made, I think the preclearance problem has been resolved. It will be noticed that we removed that section prohibiting preclearance from the bill, from the general provisions of the bill, this year. I believe in the future the preclearance situation will be handled in a good way and probably in the least expensive way as far as handling all of the travelers who come back and forth between these particular ports of entry.

There are a number of minor changes in the general provisions of this bill compared to last year. I will not go into all of them. If anyone has any questions about them, I will be glad to try to answer those questions.

We have in general tried to weed out those which have been there for a long time and which have no further application to the legislation. I think we have done that this year. There were other provisions that GSA and OMB wanted to leave in and this committee felt they should stay in the bill. The provision on public buildings and contracts has been discussed at great length and everybody understands what we are trying to do in this subcommittee, so I will not go into that.

Mr. Chairman, I believe this is a good bill and I would urge the committee to support it and pass it today.

Mr. STEED. Mr. Chairman, I yield 5 minutes to the gentleman from Alabama (Mr. BEVILL).

Mr. BEVILL. Mr. Chairman, I rise in support of this legislation.

Mr. Chairman, I would like to clarify a point at this time in light of the wide publicity that has been given to the spending of taxpayer's money to insure the President has adequate protection at his Florida and California residences.

I introduced an amendment which is included in this appropriation bill which provides that the General Services Administration would be required to obtain prior approval from the House and Senate Appropriations Committees before any expenditures on privately owned property may be made.

I wish to make it clear that this in no way changes or hinders the Secret Service's responsibility and authority in recommending changes or improvements to protect the President or any others entitled to Secret Service protection.

I am not stating that those funds that were spent on the President's property were or were not necessary to insure his protection. What I am saying is that this amendment I have offered will protect the taxpayers from any possible abuse of this authority.

Again, let me emphasize that I am not questioning the judgment of the Secret Service as to what structural or landscape changes may be needed to assure the safety of the President and members of his family.

I know the American people want the most complete security feasible for their President, and so do I.

But I do not think it is to the best interest of the taxpayers of our Nation for the Appropriations Committees to have to depend on newspaper accounts to learn where these appropriated funds for security have been spent.

Mr. EDWARDS of Alabama. Mr. Chairman, will the gentleman yield?

Mr. BEVILL. I yield to the gentleman from Alabama (Mr. EDWARDS).

Mr. EDWARDS of Alabama. Mr. Chairman, I commend the gentleman for the amendment he offered which I think is a good one. This committee felt all along we were keeping track of what was going on in those agencies that come before us and I think it was true that we learned in the hearings that we have not seen all the items that have gone into construction of facilities on the personal property or private property in connection with the protection of the President. We should see this information and I think the amendment offered by the gentleman will assure that we do. Again I commend the gentleman for presenting it to the subcommittee and I am glad to see that it is in the bill today.

Mr. BEVILL. I thank the gentleman.

Mr. KOCH. Mr. Chairman, at this point in the discussion, I would like to comment on a proviso contained under title IV of the committee bill which relates to legislation I have introduced. For the first time, the appropriating legislation for Treasury, Post Office, and General Government directs the General Services Administration to obtain permission from the House and Senate Appropriations Committees before spending any of its funds on any privately owned property owned or occupied by someone the Secret Service is authorized to protect. As my colleagues may recall, on July 12, I introduced legislation, H.R. 9241, which would bar any Government agency from making any permanent improvements, repairs or installations to any privately owned property also occupied by anyone whom the Secret Service is authorized to protect unless prior approval is received from the Congress.

Earlier in the general debate on this matter, the chairman of the Subcommittee on Treasury, Post Office, and General Government Appropriations assured me that the committee would require GSA to submit itemized requests in order to receive permission to spend its moneys in situations of this kind.

This is an important breakthrough in obtaining a more accurate and true picture of how funds on Presidential and Vice Presidential homes will be spent. With the subcommittee providing the necessary oversight, it is doubtful that future taxpayer dollars will be spent on frivolous items, but rather on those items deemed necessary for the security and protection of those whom the Secret Service is authorized to protect.

I want to emphasize that it is not my intention and certainly not the intention of the Congress to handcuff the Secret Service and GSA in performing their responsibilities under the law, but simply to insure a more thorough accounting of their funds. My overriding concern here is that public moneys are being spent on creature comforts for which the average American homeowner and apartment dweller often must plan and sacrifice in order to afford. It has really been appalling that Federal funds could be spent for such obvious non-security-related items such as a swimming pool heater, den furniture, plants and shrubs, and according to recent reports, a foot shower supposedly required by the Secret Service agents to wash the sand off their feet when they come off duty after following the President on the Pacific Ocean beach. I am sure that no Member of Congress wants to hamstring the President or his Secret Service agents in performing their duties. But it really is laughable to attempt to explain away some of the purchases and improvements as necessary for the security and protection of the President.

The spirit in our country is at its lowest ebb in many years, embroiled as we are in the quagmire of deceit and conspiracy of the Watergate affair. The American public has been flimflammed and we cannot allow this to continue. We have a responsibility as Members of Congress to once again lift the spirits of our fellow citizens so that they can be proud of their country and its leaders.

Such a mistrust of Government officials saddens and hurts every one of us in our attempts to represent our constituents.

I was particularly distressed this morning, Mr. Chairman, to note in the Washington Post that Mr. BROOKS, our distinguished colleague from Texas, has now been informed by GSA that his subcommittee, which is investigating expenditures in this area, will not have access to the documents relating to work on the presidential homes. According to the news report, this represented a change of heart for GSA, following a meeting of the Administrator with White House officials. This is the kind of blatant defiance of responsible Government action displayed by the White House and we cannot permit this to continue. It is my understanding that the gentleman from Texas intends to ask his colleagues on the House Government Operations

Committee to invoke its subpena power in an attempt to obtain the necessary data with which to undertake its investigation. Let us hope that the information will then be forthcoming. At the present time the estimates on these expenses are between $2 and $10 million. Because the President refuses to disclose them, citizens will think they are closer to $10 million.

It was to preclude future unnecessary Government expenditures on behalf of the President and Vice President that I originally introduced H.R. 9241. I am delighted, however, that the Subcommittee on Treasury, Post Office and General Government has assumed such a vigilant guardianship over GSA in this area. GSA's expenditures in behalf of the President over the last several years have not received close scrutiny, but the committee's action today insures that GSA's budget request will be examined carefully in the future.

On a related matter, I would like to report on the correspondence I have had with the Commissioner of Internal Revenue concerning the tax implications to the President and Vice President of the recently disclosed GSA expenditures on nonfederally owned properties. As my colleagues are aware, on July 11 I wrote to Donald C. Alexander, Commissioner of Internal Revenue, on this matter. Very shortly thereafter, I received a response from the Commissioner, which unfortunately, did not address itself to the points I had raised. I have written again to the Commissioner and have appended the pertinent correspondence to this statement. I based my request to the Commissioner on section 61 of the Internal Revenue Code of 1954 which defines gross income as "all income from whatever source derived." Thus, if compensation takes a form other than cash or securities, it is nonetheless included in gross income, unless specifically excluded by some other provision of the Code.

This is a serious question that must be resolved. All Americans have a stake in its ultimate determination. As I will reiterate, I am not attempting to prevent improvements or purchases from being made to nonfederally owned properties provided they are deemed necessary for the security and protection of the individuals involved. I am objecting to the potential windfall which may be reaped by such persons when, at the expiration of their official terms, they return to their status as private citizens. Repairs, additions, and furnishings which may have been made to their properties or any other privately owned property in many cases will revert to the owners despite GSA's claim that items are inventoried.

It is absolutely paramount to clarify the tax situation in this case, and I am hopeful that the Commissioner will enlighten us as to whether those items primarily for the personal benefit of the individual, do constitute taxable income.

The correspondence follows:

WASHINGTON, D.C., *July 11, 1973.*

Hon. DONALD C. ALEXANDER,
Commissioner of Internal Revenue,
Washington, D.C.

DEAR MR. ALEXANDER: On June 20, 1973, the General Services Administration (GSA), Region 4, released a Schedule of Costs Incurred at the Presidential Complex, Key Biscayne, Florida. This was followed on June 21, 1973, by a similar GSA study summarizing the costs incurred by the Federal Government for the Presidential Compound in San Clemente, California. There was also released, on June 28, 1973, a GSA report of the expenditures for Vice President Agnew's residence in Bethesda, Maryland for the period April through June, 1973.

Many of these expenses have been characterized as part of the costs incurred at the request of the U.S. Secret Service in support of its requirement to protect the President and Vice President. Others, however, appear to be merely of a maintenance or capital improvement nature. These include heating system modification, landscaping, a swimming pool cleaner, washing machine, lawn mower, ice-maker and many other items that normally are incurred by a homeowner to repair or improve his residence. In the instance of the President and Vice President, however, these costs have been borne entirely by the Federal Government.

Section 61 of the Internal Revenue Code of 1954, as amended, defines gross income as "all income from whatever source derived." Thus, if compensation takes a form other than cash or securities, it is nonetheless included in gross income, unless specifically excluded by some other provision of the Code. Accordingly, the receipt of an automobile from a business friend for past or future services is compensation, as would be the receipt of any other type of real or personal property.

The payment by the Federal government for home improvements, landscaping, office furniture and other items of non-security nature for both of the personal residences of the President appear to be additional compensation to him, and thus should be included in his gross income for the years in which the work was done. At the very least a serious investigation should be undertaken to determine the exact tax implications of these expenditures by the government on behalf of the President.

There is also the question of the future tax effects of the security-related improvements. Assuming that the value of the San Clemente and Key Biscayne properties will be enhanced by the expenses for Secret Service protection, how should these be treated upon completion of Mr. Nixon's term of office? It does not seem equitable that the President should receive government paid renovations of his personal residences and then be able to reap the benefits on a future sale of the homes. It would appear that these security expenditures, therefore, should also be included in ordinary income, if and when the governmental need therefor has expired, or at the least, upon sale of the property.

Immediate review of these questions is essential. It would be highly unfair for the average taxpayer to bear the full burden of the Internal Revenue Code while the President is able to escape taxation on expenditures made for him by his employer, the Federal Government. Accordingly, I will appreciate receipt of your opinion as to the federal income tax consequences of the expenditures outlined herein and your advice as to what steps are to be taken by Internal Revenue Service with respect thereto.

Sincerely,

EDWARD I. KOCH.

INTERNAL REVENUE SERVICE,
Washington, D.C., July 13, 1973.

Hon. EDWARD I. KOCH,
House of Representatives,
Washington, D.C.

DEAR MR. KOCH: Thank you for your letter of July 11, 1973, regarding expenditures made by the General Services Administration with respect to the residences of the President and Vice President.

As you know, the tax affairs of all persons, including high government officials, are confidential and may not be disclosed except as provided by law. We can assure you, however, that this information will be considered by the appropriate personnel of the Service.

Sincerely,

DONALD C. ALEXANDER.

WASHINGTON, D.C., *July 20, 1973.*

Hon. DONALD C. ALEXANDER,
Commissioner, Internal Revenue Service,
Washington, D.C.

DEAR MR. ALEXANDER: Thank you for your prompt response to my letter concerning the tax implications of the non-security related expenditures by the government in behalf of the President and Vice President.

I certainly agree that the Internal Revenue Service must maintain the confidentiality of every individual's tax return. I want to emphasize therefore, that I am not seeking any disclosure of information on the tax returns of the President and Vice President. Nor am I asking whether any of the items to which I referred in my previous letter were reported as income.

On the contrary, I am seeking your opinion as to whether the non-security related expenditures to which I referred in my letter of July 11th constitute taxable income or may constitute taxable income under Section 61 of the Internal Revenue Code of 1954. I would appreciate your giving me a statement on the legal principles applicable to the determination of whether items of this nature are to be included in a taxpayer's income. For example, if an employer provides improvements to an employee's home which are not necessary to carry out the employer's business, are these improvements considered income? Or, if such improvements can be used by the employee in the course of his business, but are *primarily* for the personal benefit of the employee, are they considered income for tax purposes? I realize that there are special facts and circumstances in each case, but I would appreciate having from you an opinion on the legal principles applicable to such items.

In the event your office determines that the items in question do constitute income, what then would be the appropriate course of action for the IRS in such cases?

Sincerely,

EDWARD I. KOCH.

Mr. VANIK. Mr. Chairman, I just want to take this opportunity during the debate on the GSA appropriation for fiscal year 1974 to raise the issue of how the GSA and the appropriations for it could be used to help solve our Nation's energy crisis through solar energy utilization. The rhetoric of the "energy crisis" is familiar to all of us by now. We know that at the base of our dilemma is the fact that as a Nation, we have outstripped our capacity to supply ourselves with energy resources.

Unfortunately, despite the profusion of proposed solutions to our shortages, precious little in the way of positive Government action has been shown. Particularly disappointing in this regard is the administration's seeming lack of understanding of the full range of alternatives available to us in solving our shortages. High priority solutions suggested by the President—the Alaskan pipeline, tax benefits for exploratory drilling, the breeder reactor program constitute marginal solutions.

While we are committing billions of dollars to increasing our supply of energy we are spending a mere pittance on research into ways in which we can conserve energy. A staff study by the Office of Emergency Preparedness, which was released last fall, estimates that by 1980 the Nation could conserve the equivalent of 7.3 million barrels of oil a day through implementation of a coherent program of energy conservation. That is equivalent to building three pipelines across Alaska. Slowing the growth rate of our demand for energy will buy us vital time in meeting our needs in the critical 15 years ahead. We must face facts. We can no longer afford policies which work to promote extravagant energy use.

But what has our Government done to explore this promising alternative? The administration contents itself with organization charts; it is as if by establishing a new Office of Energy Conservation in Interior we have solved the problem. In terms of positive action, there are only shallow programs to promote wise energy use. The President, in his April 18 energy message stated:

> We as a nation must develop a national energy conservation ethic.

Unfortunately, the President failed to present an enlightened and forceful program to that end.

The energy message did, however, touch on one facet of Federal action which, if actively pursued, could form an important component of a national policy of energy conservation. The General Services Administration is currently designing two buildings, a post office in Saginaw, Mich., and a new Federal building in Manchester, N.H., as buildings of model energy and environment design. Although welcome, two buildings is a limited commitment. In view of the tremendous potential for energy savings and the limited technological problems involved, it is vital that the Federal Government pay more attention to this facet of our energy shortages.

A meaningful commitment to energy conservation as a national policy demands that the available techniques of solar energy be applied to meeting the thermal requirements of residential and commercial buildings.

The potential for energy conservation and the increased utilization of solar energy in the construction of Federal office buildings is not a pipedream. I would like to quote from a statement by Mr. Fred S. Dubin, president of Dubin, Mindell, Bloome Associates, before the Subcommittee on Energy of the House Science and Astronautics Committee. Dubin, Mindell, Bloome Associates are energy consultants to the GSA. According to Mr. Dubin:

> Energy conservation through design using off-the-shelf hardware/systems/methods, can reduce the yearly energy consumption in new buildings by 35 to 50% and of existing buildings by 15 to 20%. More than half the savings can be accomplished with no appreciable increase in initial costs.

Mr. Dubin goes on to state:

> The utilization of solar energy for heating and cooling of buildings can result in a further reduction of 40 to 75% of the yearly energy requirements for space conditioning. It is technologically feasible now. It is economically competitive with electric resistance heating and cooling now. It will be economically competitive with conventional oil or gas fueled systems in the near future anywhere in the country.

Dr. Alfred Eggers of the National Science Foundation stated in testimony before the same House Committee:

> Our estimates indicate that solar energy could provide at least half of the energy needed for space heating for single-family dwellings in almost all regions of the United States.

The primary obstacle to the widespread implementation of solar energy technologies in the building industry is the fact that there exists no significant solar equipment industry. Although the market for solar equipment exists, its dimensions or strength have not been fully assessed. As the result, private industry is reluctant to commit large sums of capital to manufacturing solar equipment. Without such a commitment, techniques of solar equipment manufacture will remain customized with little opportunity for cutting costs.

A substantial Federal commitment to solar energy in office building construction will do more than test the winds of the marketplace. Important data will also be generated. Significant information on component and systems design and testing will prove invaluable to the future of solar energy in meeting the thermal requirements of buildings. This data will become an indispensable resource on solar energy for architects, design engineers, and builders.

The importance of Federal involvement in this area cannot be overstressed. A broadened commitment by the GSA to implement energy conserving technologies and solar energy to all old and new Government buildings can serve as the catalyst to a revolution in building design and construction. I will introduce in September significant legislation to promote solar energy use and development. We can no longer afford to ignore viable policies which offer the hope of divorcing ourselves from an overdependence on rapidly vanishing fossil fuels.

I hope that in the future, GSA will request additional funds for the installations of solar energy systems in Federal Office Builldings. I hope that the Committee and the House will support or mandate these initiatives to solving our energy crisis.

Mr. ANDERSON of Illinois. Mr. Chairman, I rise to express disappointment at the fact that the Appropriations Committee has not seen fit to include in this bill funds for the General Services Administration to continue the operation of the National Industrial Equipment Reserve—NIER. This national reserve of machine tools for defense emergency production needs was established by the 1948 National Industrial Reserve Act which also authorizes the lending of NIER machinery to nonprofit educational institutions for vocational training purposes. The so-called tools for schools loan program has been in operation since the early fifties, and at present there are approximately 8,000 pieces of machinery on loan to 400 schools in 44 States, benefiting some 35,000 youths and disadvantaged persons. This has been a most valuable and popular program both from the standpoint of the schools and trainers, and the Government which not only derives free maintenance and storage of the machinery on loan, but also benefits in defense preparedness terms from the manpower pool trained on NIER machinery.

Mr. Chairman, you will recall that NIER, which is under the Department of Defense, but maintained by the General Services Administration, ran into some difficulty last year when the administration attempted to shift it from the GSA budget to that of DOD and incorporate NIER machinery in the General Industrial Reserve of the Department of Defense. This proposal met with resistance in the Congress, and, as a consequence, NIER was funded under neither budget. Due to lack of funds, GSA was forced to suspend the loan program and close down its two main NIER storage facilities at the end of last year, and NIER has been in a state of limbo ever since.

Given this situation, I collected over 80 cosponsors in the House for an urgent supplemental appropriation bill to restore $1.8 million for NIER. When the first supplemental appropriation bill for fiscal 1973 came to the House floor on April 12 of this year, we were successful in attaching this NIER amendment, and it was subsequently accepted by the House-Senate conference and became part of Public Law 93–25 on April 26.

Nevertheless, on May 24, 1973, a directive was sent to the Department of Defense from the Office of Management and Budget ordering the dismantlement of NIER on the grounds that the "program today does not serve as critical a defense need as it did in 1948." The OMB directive went on to state—

> We have determined that, rather than reactivate the NIER program, the tools should be declared excess so that they might be donated to the schools for vocational training purposes. If appropriate, a national security clause should be placed on the excessed tools as a contingency for effective recall in time of emergency. Furthermore, if, in your judgment some of these tools are required for defense purposes, they can be transferred to the Defense General Industrial Reserve.

Mr. Chairman, fortunately that OMB directive has not yet been implemented and the Department of Defense as well as our own Armed Services Committee are carefully reviewing the proposed dismantlement of NIER as well as alternative approaches. Thus far, of the $1.8 million we provided for NIER in that first supplemental, $900,000 has been released to the GSA to reimburse it for the operation of NIER during the first half of fiscal 1973. According to the testimony of GSA's Assistant Administrator for Administration, G. C. Gardner, Jr., OMB intends to use the other $900,000 we appropriated to implement the dismantlement of NIER, despite the fact that those funds were clearly appropriated for the express purpose of continuing the operation of NIER.

Mr. Chairman, I think all this raises several important questions. As I read the 1948 National Industrial Reserve Act, only the Secretary of Defense is authorized and directed to "designate what excess industrial property shall be disposed of subject to the provisions of the national security clause," and to "consent to the relinquishment or waiver of all or any part of any national security clause in specific cases when necessary to permit the disposition of particular excess industrial property when it is determined that the retention of the productive capacity of any such excess industrial property is no longer essential to the national security or that the retention of a lesser interest than that originally required will adequately fulfill the purposes of this act." How is this determination to be made? Again the act is most explicit. It requires that "The Secretary of Defense shall appoint a National Industrial Reserve Review Committee" which, among other things, is charged with the responsibility of recommending to the Secretary "the disposition of any such property which in the opinion of the committee would no longer be of sufficient strategic value to warrant its further retention for the production of war material in the event of a national emergency." There is no provision in this law or any other, to my knowledge, which authorizes the Office of Management and Budget to substitute its determination and judgment for that of the Secretary and the review committee as to the disposition and disposal of NIER tools. And the facts are that the Review Committee has been defunct for several years now and the Secretary of Defense has made no determination that the entire NIER is no longer essential to the national security.

I would also question whether OMB can direct the expenditure of funds appropriated to continue NIER for the purpose of abolishing NIER. This clearly runs contrary to congressional intent in appropriating those funds, as the legislative history on this will reveal.

Another interesting question is why none of the $1.8 million we have appropriated has been released for the purpose of protecting the NIER tools in the Terre Haute, Ind., and Burlington, N.J., storage facilities. There are approximately 4,000 pieces of machinery valued at $45 million in those two facilities, and they have been left unattended, without dehumidification or security since last December 31. According to a letter which I received from GSA dated June 12, 1973, "the tools in storage at Terre Haute and Burlington are showing signs of rust." It seems rather ironic that while NIER is presumably being dismantled in part as a cost-savings device—and we are talking about approximately $1.8 million per year—machinery valued at $45 million is being allowed to rust into disrepair at these two storage facilities. And something which is too often overlooked is that NIER, over the years, has actually been saving the Government vast sums of money because the schools have been providing us with free storage and maintenance of the tools on loan. According to figures supplied to me by the General Accounting Office, it would cost the Government up to an additional $3.8 million per year to store and maintain the machinery on loan.

Mr. Chairman, another argument advanced by OMB to justify its NIER dismantlement directive is that—

> Manpower training objectives would be met if the tools were surplused since they could then be donated on a priority basis to educational institutions.

But this assertion greatly oversimplifies and distorts the excess-surplus donation process. The actual and accurate procedure to be followed was explained to me by the GSA in the following portions of its June 12 letter:

> Implementation of the Office of Management and Budget (OMB) plan for termination of the NIER program would require, first that the NIER tools be declared excess to the needs of the Department of Defense (DoD). They would then be screened among the Federal agencies for possible Federal utilization. If no further Federal need for the tools were determined, the equipment would be declared surplus and be made available for donation by the General Services Administration through the Department of Health, Education and Welfare (HEW).
>
> Under existing DHEW procedures the tools would be allocated to State agencies for Surplus Property, not directly to schools. The distribution to schools or other eligible donees within each State would be accomplished by the State Agency.

Mr. Chairman, what all this means is that, contrary to the OMB contention, these tools would not be available to schools on a priority basis. Other Federal Government agencies would have first access to the tools, and they would then be declared surplus and made available to State agencies which are under no obligation to make them available to schools on a priority basis. I think it is also important to point out that in declaring all NIER machinery excess, those tools now on loan to schools would be subject to possible removal first, by any Federal agency which might be interested, and second, by the State Agency for Surplus Property. Such a contingency obviously could have a monumental disruptive impact on the 400 U.S. schools which now have 8,000 pieces of NIER machinery on loan. There is obviously no way, for instance, to prevent the Agency for International Development—AID—from selecting the choicest NIER tools, either from the storage facilities or from the schools, and from donating these to AID recipients abroad.

It should also be pointed out that OMB has given the Department of Defense a free hand at transferring whatever NIER machinery it may wish to its own General Industrial Reserve; and it is my understanding that DOD has already written to our Appropriations Committee requesting permission to transfer 1,000 of the 4,000 pieces of NIER machinery in storage to the DOD reserve.

Coincidentally, the GSA has informed me that only about 25 percent or 1,000 of the 4,000 NIER tools in storage "are of a type which could be used by schools for vocational training." I am not suggesting that these are necessarily the same 1,000 tools DOD has requested for itself, but I am suggesting that there is bound to be some overlap between what DOD wants and what the schools can use.

I hope, Mr. Chairman, that I have effectively exploded this OMB myth that schools are going to be given priority access to NIER machinery when it is disposed of. The facts just do not support that promise, and I would suggest that it is a deceptive ruse designed to defuse and diffuse objections which might otherwise be raised to the NIER dismantlement.

Mr. Chairman, while I will not today be offering an amendment to provide further funds for NIER under GSA in fiscal 1974, I want to make it quite clear for the record that it is not because my own interest and that of my many cosponsors in continuing the NIER and the tools for schools loan program has in any way waned. It is my hope that a compromise can be reached between the administration and the Congress on this, and I am grateful for the fact that this matter is being looked into by our own Armed Services Committee. In the meantime, no action should be taken, in my opinion, to implement the OMB dismantlement directive, both becaues of the legal questions involved and the irreversiable and disruptive impact this would have. I have, in the past, urged the reactivation of the National Industrial Reserve Review Committee to evaluate the contemporary need, if any, for NIER with respect to our national security and defense preparedness posture, and that, pending the findings and recommendations of that review, the NIER be continued along with the loan program. If it should be determined that NIER is no longer warranted as a separate reserve, we should consider the alternative of transferring NIER machinery to the DOD General Industrial Reserve and operating the school loan program out of that reserve. I suggest this, because of my firm conviction of the great value of the loan program in providing trained manpower on these "master tools of industry" which are the key to our continued economic health and industrial expanison and growth.

Mr. STEED. Mr. Chairman, I have no further request for time.

Mr. ROBISON of New York. Mr. Chairman, I have no further request for time.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

TITLE I—TREASURY DEPARTMENT

OFFICE OF THE SECRETARY

SALARIES AND EXPENSES

For necessary expenses in the Office of the Secretary, including the operation and maintenance of the Treasury Building and Annex thereof; hire of passenger motor vehicles; and not to exceed $7,500 for official reception and representation expenses; $17,600,000, of which not to exceed $100,000 shall be available for unforeseen emergencies of a confidential character, to be allocated and expended under the direction of the Secretary of the Treasury and to be accounted for solely on his certificate.

Mr. GROSS. Mr. Chairman, I move to strike the necessary number of words.

Mr. Chairman, I take this time to ask the chairman or someone on the subcommittee who is conversant with the bill a question or two. I refer to page 40 of the committee report where it states that $63.5 million is listed for the operation, maintenance and continuing development of a nationwide civil defense system. In addition to this amount the committee allowed $24 million for a nationwide inventory of fallout shelters and shelter research. Why it is necessary to conduct a $24 million survey of existing shelter facilities, or is the survey for the purpose of locating additional shelter space?

Mr. ROBISON of New York. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from New York.

Mr. ROBISON of New York. Mr. Chairman, I am not sure I can answer the gentleman's question to his satisfaction but let me try to answer my friend.

This item comes under what is now called the Defense Civil Preparedness Agency. We do not particularly like that. We think it might better be called the Civil Defense Preparedness Agency, but in any event under this new name there was a marriage about a year ago of the old civil defense arrangments, which were largely aimed at providing shelters for people against a so-called nuclear disaster. We had those kinds of surveys as to where those shelters might be found and signs to direct people thereto, and even the stocking of some of those shelters with food, water, and so forth.

Under this new approach, as I said, there is a marriage between the concerned Government heads—and we share it—about nuclear disasters and natural disasters such as hurricanes, earthquakes, floods, and things of that sort. What I am trying to say is that I think the shelter survey moneys here would be used to expand upon the old program, which would probably be at least out of date, if not somewhat obsolete, from the standpoint of what is needed. That is, what shelter space is available, not just against a nuclear attack.

Mr. GROSS. It has gone up to $63.5 million for the program, with an added $24 million for a survey. I still do not understand why we should have to expend $24 million for a survey.

Mr. ROBISON of New York. If the gentleman will yield further, those are two separate items. The first item to which he refers, $63,500,000, is for a variety of purposes for the Defense Civil Preparedness Agency as shown on page 40 of the report, including its operation, maintenance, continuing development of nationwide emergency warning systems, distribution of radiological defense equipment, support of activities required to maintain capacity in emergency periods, whereas the shelter money was something else.

We thought it was justified, and I continue to think it is.

Mr. GROSS. The Bureau of the Public Debt continues to inch its way up, as to costs, does it not, Mr. Chairman, and the only way those costs, which are $77 million in this bill, will ever be cut is to reduce the Federal debt.

Is that not true, Mr. Chairman?

Mr. STEED. The gentleman is absolutely correct.

Mr. GROSS. On page 41 of the report I note that there is $3 million for the phasing out of Emergency Medical Health Service costs in the Department of Health, Education, and Welfare.

I would like to ask why it requires $3 million to close down.

Mr. STEED. That is a little bit misleading. There are two functions here.

The closing down part does not get any money this year. The $3 million is what we have had all along and used in training programs which have been very well received throughout the country. We deliberately did not give any money for the other part because we think General Services Administration can do that out of other operating funds they already have. This money is $3 million, which is for that half of the program that is for training.

Mr. GROSS. Let me refer for a moment to the recommendation of $1,376,000 for the Council of Economic Advisors.

The CHAIRMAN. The time of the gentleman from Iowa has expired.

(By unanimous consent, Mr. GROSS was allowed to proceed for an additional 2 minutes.)

Mr. GROSS. That is something of an increase over last year, and there is a reduction of personnel in the Council from 57 to 46. Why would there be any increase at all under those circumstances?

Mr. STEED. Basically, the determination of this whole thing is salaries. It is a matter of whether we have more high-salaried people or more low-salaried people. They can have a large budget with fewer high-salaried people than they would have with more lower-salaried people.

Mr. GROSS. That is not the brain trust at the White House that put a ceiling on meat, it is?

Mr. STEED. No. They are the economic policymakers.

The only way I can explain economists, after listening to them for 18 years, is that it sounds to me as though what they try to tell us is sort of like this: "If we had some ham, we would have some ham and eggs, if we had some eggs."

They apparently perform what the President believes is a useful function. They have to do an enormous amount of fact-finding and research, and make conclusions for him. They are pretty busy people.

Mr. GROSS. I always thought that costs ought to go down when the number of employees goes down, but perhaps these people are so endowed with gray matter and such experts, that they are worth those top salaries.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

OFFICE OF MANAGEMENT AND BUDGET

SALARIES AND EXPENSES

For expenses necessary for the Office of Management and Budget, including hire of passenger motor vehicles, and services as authorized by title 5, United States Code, section 3109, $16,000,000.

Mr. EVANS of Colorado. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. Evidently a quorum is not present. The call will be taken by electronic device.

The call was taken by electronic device, and the following Members failed to respond:

[Roll No. 414]

Alexander
Bolling
Buchanan
Carey, N.Y.
Chisholm
Clark
Clay
Conyers
Diggs
Dingell
Dulski
Evins, Tenn.
Fisher
Frey
Gibbons
Gray
Hanna
Hastings
Hébert
Henderson
Horton
Jarman
Landgrebe
Landrum
Mills, Ark.
Minshall, Ohio
Mitchell, Md.
Mosher
Murphy, N.Y.
O'Brien
Pepper
Powell, Ohio
Preyer
Reid
Rodino
Roncalio, Wyo.
Rooney, N.Y.
Sandman
Schroeder
Seiberling
Sikes
Smith, Iowa
Stuckey
Teague, Tex.
Udall
Whitten
Wilson, Charles, H., Calif.
Wilson, Charles, Tex.
Zwach

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. BOLLING, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill H.R. 9590, and finding itself without a quorum, he had directed the Members to record their presence by electronic device, whereupon 384 Members recorded their presence, a quorum, and he submitted herewith the names of the absentees to be spread upon the Journal.

The Committee resumed its sitting.

AMENDMENT OFFERED BY MR. EVANS OF COLORADO

Mr. EVANS of Colorado. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. EVANS of Colorado: Page 10, line 18, strike the figure "$16,000,000", and in lieu thereof insert the figure "$15,200,000".

Mr. EVANS of Colorado. Mr. Chairman, there is a small correction that has been made to my amendment. My amendment read "line 17." It should be "line 18."

Mr. Chairman, the consequences of this amendment, if passed, will be to cut the committee recommendations for the Office of Management and Budget 5 percent. In other words, the committee has recommended $16 million for fiscal year 1974 for the Office of Management and Budget. For the year 1973 the Office of Management and Budget had and spent $19,600,000 and asked for the same amount for the fiscal year 1974. The committee has cut their request from $19,600,000 to $16 million.

Part of this cut is illusory, for $1,500,000 of this cut is represented by a transfer of responsibility from the Office of Management and Budget to the General Services Administration. Those slots and that money were not stricken by OMB from its budget request, although I believe it could have. It is true that the Office of Management and Budget has been further cut beyond that down from $19,600,000 by the committee to a round figure of $16 million even.

If my amendment passes, it will mean that under the House version of this bill the Office of Management and Budget would get, as I say, $15,200,000. I believe that the Office of Management and Budget has too many people: 628 full-time permanent personnel.

I sometimes wonder whether or not they may be bumping into each other down there. Obviously they could not keep track of the loss of their own responsibilities when it came time to interpolate that into a reduction of their own budget request for the next fiscal year.

I am also impressed that there may be too many in OMB who do not understand the limited powers of the OMB. I believe there are too many who misunderstand a term known as congressional intent. I believe there are too many who do not understand the constitutional powers of Congress. I believe there are too many in OMB who do not understand the public need of money authorized to be spent for public purposes, authorized by Congress and signed into law by the President.

It is my hope that this belt tightening may make the people in the OMB a little sharper and more sensitive in the future to these matters I have mentioned.

Mr. Chairman, I hope the Members will see fit to vote in favor of this amendment.

Mr. STEED. Mr. Chairman, I rise in opposition to the amendment.

As I said during the general debate this is an item that has given the subcommittee probably as much difficulty as any other item in the bill. It is true we have some Members who very much wanted to increase the amount. We had others who very much wanted to cut it substantially more than we did. The figure here today is a compromise figure that I prevailed upon those who wanted more and those who wanted less to agree upon as a bare bones figure for this agency if we expect it to carry out the mandates imposed upon it by the law.

I might add that I understand my good friend and colleague, among many others, and some of the reasons they have that this agency needs to be curtailed. I am not going into the merits of that now. I believe the only effective way that could be done would be to have the legislative committees take a complete review of the entire functioning of the OMB. I think such a review would probably be justified because of the very fact of the proliferation of the Government itself and the need the President has for this type of facility in carrying out his duties.

As long as the law is the way it is, as chairman of this subcommittee in all seriousness I think it is incumbent upon me, regardless of how I feel personally, to plead with the House at least to stick with the figures we have in the bill. Any way we look at it, it certainly is a bare bones figure if we are going to expect this agency to carry out what we have mandated it to do by law.

I hope the Members will defeat this amendment and help us prevail with the figure in the bill.

(By unanimous consent, Mr. CEDERBERG was allowed to proceed for 5 additional minutes.)

Mr. CEDERBERG. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I believe this amendment is really not in the best interest of the taxpayers of this country. Let me proceed to tell the Members why.

The Office of Management and Budget last year had $19.6 million approved by this body. The budget figure for the OMB this year is exactly the same amount of money in spite of increases in workload and pay costs. It is one of the few instances where this has occurred.

I recognize full well that there is some disenchantment with the OMB, but those of us who have been around here for some years realize this is not a new phenomenon. This has always been true. The OMB is an organization that fits between the executive agencies and the Congress and it always has been sort of the whipping boy. I have never been entirely satisfied with this situation myself.

My friend, the gentleman from Colorado, has stated there is a $1.5 million reduction, because of some employees who were transferred to GSA. This is an incorrect figure. That figure should be $869,000. They are transferring roughly 30 employees out of OMB to do some functions that really can be better done in GSA.

That would be a charge of $50,000 per employee, which is of course wrong. Where the $1.5 million comes is because GSA took these employees, added others to them and said the function they are going to perform would cost GSA $1.5 million for a full year.

What will this cut do? First, let me say that I am not happy with the $16 million figure. I would much prefer that this item go back at least to $18 million. I think that is a much more reasonable figure, and perhaps it should be $18.7 million, but here we have an agency, as the gentleman from Colorado stated, that has 628 employees looking after a budget of some $268 billion.

Twenty years ago this same agency had a little over 400 employees, when it was charged with the responsibility of overseeing a $70 billion budget.

This has concerned me a great deal, so I wrote a letter to the Comptroller General. The Comptroller General is responsible to this body, and he has a working relationship by law with the Office of Management and Budget. As a matter of fact, he has personally a great expertise in this area, because he served there for many, many years.

I would like to read this letter to the Members, and I would like to ask them to listen, because I believe it is pertinent to the question we have here now. The letter is addressed to me:

JULY 31, 1973.

HON. ELFORD A. CEDERBERG,
House of Representatives.

DEAR CONGRESSMAN CEDERBERG: I have your letter of July 31 in which you ask my views as to how a reduction of $2,731,000 in the fiscal year 1974 appropriations request for the Office of Management and Budget would affect the ability of the OMB to be responsive to the needs of the Congress, including the various programs which involve the joint participation between the General Accounting Office and the Office of Management and Budget.

While I am obviously not in a position to evaluate the overall budgetary requirements of the Office of Management and Budget, I nevertheless feel strongly that the OMB needs to play a strong leadership role in the improvement of financial management of the executive branch. In many GAO audit reports, we have emphasized the potential savings and management improvements which can be made by the executive branch but which require the action of a central agency acting on behalf of the President. Under the Legislative Reorganization Act of 1970, executive agencies are required to advise the Congress of their proposed action with respect to recommended improvements included in General Accounting Office reports. Copies of agency responses are furnished to the OMB in order that the OMB can follow through on matters where agency action may not be adequate. This is an important function and one which can do much to bring about the kind of improvements which this Office is in a position to recommend.

The Legislative Reorganization Act of 1970 also included a provision (Title II, Section 202), requiring the Secretary of the Treasury and the Director of the Office of Management and Budget, in cooperation with the Comptroller General, to "develop, establish, and maintain standard classifications of programs, activities, receipts and expenditures of Federal agencies" in order to meet the needs of all branches of the Government, including the Congress. The statute requires the Secretary of the Treasury and the Director of OMB to submit an annual report with respect to their performance under this provision. The GAO's role has been to work with the committees of Congress to assure that the information provided pursuant to the Act is of maximum assistance to the Congress.

A great deal of work is already under way and considerable staff resources have been allocated by this Office and recently a total of six additional staff members of the OMB and the Treasury have been allocated to this effort. In light of the numerous inquiries which we have received from members of Congress, from hearings held by the Joint Committee on Congressional Operations, and the expressed interest of the appropriation committees, I know of the high priority which has been attached to this effort in the Congress. I consider the staff presently assigned to this project as minimal and more resources will undoubtedly be desirable as the program moves ahead.

Under the Budget and Accounting Act of 1950, the Secretary of the Treasury, the Comptroller General, the Director of the OMB, were directed to cooperate in a joint financial management improvement program. All three of these agencies have statutory responsibilities for the improvement of financial management and must utilize financial data obtained from the operating agencies. About three years ago, the three principal agency heads under the joint program agreed that because of the scarcity of trained manpower in the financial management field, the Civil Service Commission should be added to the program. Within the past few weeks, since Executive Order 11717, transferring certain financial management activities to the GSA, it was decided to invite the Administrator of General Services to become a member.

I consider the Joint Financial Management Improvement Program of great importance to the Congress and have attempted to support it because of the potential for savings in improved management. I attach a list of priority projects under the Program prepared recently in connection with our recent review of the staffing requirements of this effort.

Another area in which the GAO has been deeply concerned is that of Federal Government procurement. Federal procurement now represents nearly 25 percent of the total Federal budget and there are many opportunities for savings. I recently served as a statutory members of the Commission on Government Procurement. Mr. Perkins McGuire, formerly Assistant Secretary of Defense, served as the Chairman of the Commission, and Congressman Holifield, Chairman of the Committee on Government Operations, served as Vice Chairman. Congressman Horton served as a member, as did Senators Gurney and Chiles of Florida. This Commission unanimously recommended that a strong central point of leadership in the executive branch was required if the recommendations of the Commission were to be effectively carried out. The Commission expressed a preference for locating this responsibility, which we estimated would take a minimum of 20 staff members, in the Office of Management and Budget. Yesterday, I testified before the House Government Operations Committee on H.R. 9059, which would establish such an office, in which I stated my preference for locating this responsibility in the OMB. Based on reviews by this Office, I am persuaded that there are sizable economies which can be achieved in the procurement of goods and services by the Federal Government and I would hope that the OMB could undertake this responsibility.

Priority Projects to be Undertaken With Additional Staffing by the Joint Financial Management Improvement Program

With stronger executive leadership and full-time staff support, the Joint Financial Management Improvement Program has the potential of evolving into a strong management consulting organization to assist in improving management in every level of the Federal Government. In addition to a full-time staff, additional manpower borrowed from agencies for particular projects would enlarge the capability of this Program. Following is a list of projects by priority which we believe should be undertaken by the JFMIP.

AVOID DUPLICATION

There has been a great deal of costly duplication in designing automated systems to perform accounting functions. Certain agencies have successfully developed such areas as centralized payrolling and voucher processing. JFMIP could serve as an effective agency for seeing that one agency makes use of what another agency has developed and could help eliminate further duplication and unnecessary cost.

(a) Agencies would be encouraged to centralize payroll systems, integrate personnel and accounting. Guidance for standardization of programs, data elements, codes and forms would be given to reduce duplication of efforts.

(b) Uniform procedures would be developed for establishing a single point in each agency for the preparation, review and scheduling of all vouchers for payment. One department estimated annual savings of $4 million by implementing such a procedure.

CASH MANAGEMENT POLICY

No formal policy exists in the Federal Government with regard to payment for goods received. Most agencies pay their bills as they are received, subject only to administrative time lag required to execute appropriate paperwork. Opportunities exist for reducing interest costs by regulating the cash flow.

IMPROVING USEFULNESS OF FINANCIAL DATA

"Drowning in data while starving for facts" was a catchy title to an article that also describes a major problem in Government. JFMIP needs to take leadership in helping agencies learn to boil down data to its essence and reform it so that operating managers can grasp it quickly.

PRODUCTIVITY PROJECT

The project to measure and enhance the productivity of Government workers should be carried on for several more years until it has become an established program—to improve measurement methods, to better relate costs to output units, to extend the program to State and local governments, and to take numerous steps to enhance productivity. A cooperative effort of GAO-OMB-CSC is needed. JFMIP seems a logical permanent home base for this project and such a home is badly needed to prevent the project from losing impetus.

WIDER USE OF UNIT COSTS

Unit costs are an important tool for promoting efficient, economical decisionmaking. Relatively little use is made of them in Government since the emphasis is primarily on budgetary control. JFMIP needs a vigorous program to show Government managers how unit costs can help them.

DEFINE THE ROLE OF FINANCIAL MANAGERS

In Government financial managers and operating managers often tend to go their separate ways without much cooperation. We believe financial managers should be the right hand of operating managers by giving them the financial data that is needed to make sound operating decisions. We believe standards for what a financial manager's duty should be are needed to guide Government financial managers into their proper role. JFMIP would be a logical organization to establish such standards.

GUIDE FOR EVALUATING EFFECTIVENESS OF AGENCY FINANCIAL MANAGEMENT

The purpose of such a guide would be to provide additional assistance to agencies in developing and refining financial management systems. Such a guide would aid agencies in a systematic self-appraisal of their financial management system and pinpoint how well the system serves management. It could be of value in the design of a system.

BUDGETING FOR MANAGEMENT

A need exists for more effective budgeting tools for agencies' internal budgeting purposes. A project to develop guidelines and illustrative material on the use of internal cost-based budgeting could result in better management practices.

IMPROVED AUDITING

Auditing in Government needs to cover not only financial results but in addition should cover whether the audited entity with existing laws and regulations, was efficient and economical in spending its money and achieved the objectives of the program. The number of auditors at all levels of government that can do this work of such a broad scope is limited. We need to have JFMIP support projects for training auditors to handle this type of audit work.

That is signed by Elmer B. Staats, our Comptroller General.

Here we are asking to cut OMB when new and additional responsibilities are being added.

Here are some of the projects they want to look into:

Avoid duplication.
Cash management policy.
Improving usefulness of financial data.
Productivity project.
Wider use of unit costs.
Define the role of financial managers.
Guide for evaluating effectiveness of agency financial management.
Budgeting for management.
Improved auditing.

These are all responsibilties of OMB as they try to do what they can, never to all of our satisfaction, in handling a budget of $268 billion.

It seems to me the height of folly to reduce this below $16 million. As a matter of fact, I believe the $16 million is crippling now. I hope that could be increased.

I believe this is an opportunity to strike a blow for sensible fiscal management, even though I recognize the disenchantment some have with this agency.

Mr. MAHON. Mr. Chairman, I move to strike the last word.

Mr. Chairman, the House is made up of statesmen who have in mind the public interest. At times we may have a tendency to be a bit spiteful or resentful of decisions of the executive branch.

But we must look at the funding requirement of the Office of Management and Budget today in a broad responsible way. I must differ with my friend, the gentleman from Colorado (Mr. Evans) who has offered this amendment to reduce the appropriation for OMB another $800,000.

I feel that a certain comity ought to exist between the President and the legislative branch, certainly in the matters of staffing. It is not up to the President to tell us how much staff we need or should have for our work.

Mr. Chairman, the Office of Management and Budget is an essential arm of the President. It works with the President and at the direction of the President. The staff of OMB is generally comprised of dedicated career men. These career men may be Democrats, or Republicans, or independents.

Now, partisan decisions are made at times, I am sure, by the Director of the OMB, but they are not necessarily his decisions. Really, they are the decisions of the President.

Over the period of years in which I have served on the Committee on Appropriations, I have known rather well a number of Presidents and Budget Directors and I know how close the relationship is between the President and the Director of the budget. It is up to the Director to deal with the President and do his bidding.

Now, with respect to the subject of impoundment, I believe this administration has gone beyond the bounds of propriety in withholding funds. I do not agree with the present Director, Roy Ash, in all particulars by any means. I believe some of the decisions made by the administration have been most unwise. I have opposed these decisions, and I continue to oppose them.

But the President must have fully adequate help just as we must have adequate help. I know how Presidents operate. A President will say to his department and agency people, "Listen fellows, we cannot go beyond a certain figure in the budget this year."

After exploring all facets of the question, he calls in the Budget Director and his staff and he says, "We cannot go any further than this figure. This is just as far as we can go with the budget. Find a way to shave down these requests from the various agencies and departments."

Then the budget people explore various alternatives and grapple with almost impossible problems and spend many long nights trying to find answers. Presentations are then made and different courses of possible action are set forth. The President considers the situation and certain decisions are made. But that is the President's action; it is not an action by the Budget Director. He will make his recommendations, but after all, the President cannot escape complete and full responsibility.

If there is not a strong central budget office, adequately staffed with capable and dedicated people, the Budget Director simply becomes a tool in the hands of the ambitious Cabinet officers and agency heads. Virtually every Cabinet officer and agency head I have ever known has wanted more and more and more money for larger and larger and larger programs.

We have learned that we cannot satisfy all the officials in the executive branch. They want more and more money, and Presidents have had to put a restraining hand on them, and it is through his Director of the Budget that he does this. If we did not have the Bureau of the Budget, instead of the budget request this year being for $278 billion, it would be way above $300 billion in my opinion. This is the way it would go. Cabinet members and agency heads become big spenders, as a general rule. They become special pleaders for their programs. This is understandable. In Congress we too tend to become big spenders for programs in which we have a special interest in behalf of our people. The Budget Director is the hatchetman for the President. He is the man who often bears the brunt of the criticism against budget cuts or inadequacies. But I am very troubled that we would undertake to punish the Office of Management and Budget by making this proposed additional reduction. I believe the reduction that has already been made is too sharp. In view of the budget preparation responsibilities and other responsibilities of OMB, $18 million or $19 million in the context of the budget is very small—small compared to the magnitude and complexity of Federal budget considerations.

The CHAIRMAN. The time of the gentleman from Texas (Mr. MAHON) has expired.

(By unanimous consent, Mr. MAHON was allowed to proceed for 5 additional minutes.)

Mr. MAHON. Most of us have had problems with decisions which have been made by the Office of Budget and Management.

Then they say, "But, Congressman, did not the Congress establish an expenditure ceiling which is billions of dollars under the amounts that have been provided? We cannot spend but so much money this year, and therefore we must withhold the expenditure of some of the money which has been provided by the Congress. Now, if you had not enacted this spending ceiling it might be a little different situation."

So I just hope we will not try to further reduce the appropriation for the Office of Management and Budget.

I have always believed and I continue to believe that we must do something about the whole budget. We must get better control of the both, the revenue and expenditure sides of the budget and in this connection I commend to the attention of Members the budget control legislation which is pending before the Rules Committee. I would also join in encouraging the Office of Management and Budget to try to find ways that they might do a more responsible job. But they cannot do an adequate job of reviewing the complexities of the Federal budget with the hundreds of programs involving millions of employees without adequate staff to ferret out waste and the shortcomings of these agencies.

So I think it is essential that they have adequate resources. I want them to use their authority more discretely, but I do not want to cripple the Office of Management and Budget which, to a considerable extent, is made up of dedicated, nonpartisan people who usually do a most worthwhile job for the American taxpayer. I hope we will not let our feelings of disappointment and outrage over some of the things that have happened cause us to take unwise action here today.

Mr. GERALD R. FORD. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in opposition to the amendment.

Let me preface my remarks by saying that in the 24-plus years that I have been privileged to serve here I have had many differences with Directors of the Bureau of the Budget or Directors of the OMB. This includes both Democratic and Republican directors. I have had many differences with staff personnel of either the Office of the Bureau of the Budget or the OMB. But I must say that over the years I have respected what at least in my opinion is the professional job that these individuals do in trying to put together a budget for submission to the Congress and to execute that budget after the Congress has acted on the appropriation bills.

As the distinguished chairman of the Committee on Appropriations has said, these are nonpartisan professional people, and without a question of a doubt, if this amendment passes, you will end up firing the people who, regardless of partisanship, have tried to do an important and good job in a professional way.

Now, what is the extent of the committee action and what would be the impact of the amendment on this arm of the White House?

Last year, in fiscal 1973, the budget request for OMB was $19.6 million. The Congress gave to that office the full budget request. The budget request for fiscal year 1974, the year covered by this bill, was identical with last year.

Which means in effect that OMB was going to tighten its budget, because we have had personal pay increases in the interim. The committee in its wisdom made a reduction from $19.6 to $16 million which is an 18-percent decrease—and I repeat—an 18-percent decrease. This means that the committee is recommending that there be further belt tightening.

If my recollection is accurate, I know of no other agency in the Federal Government in any appropriation bill that has been considered thus far for fiscal 1974 where there has been such a percentage slash.

The amendment offered by the gentleman from Colorado (Mr. EVANS) would further cut the budget for the Office of Management and Budget by 5 percent, or $800,000 more.

So if you take what the committee recommended, an 18-percent cut, plus the 5-percent cut recommended by the Evans amendment, you have a 23-percent cut. I do not think that makes sense. We expect that Agency to put together the budget and expect that Agency to work in the implementation and execution of the budget, and yet we are not willing to give them as much money as they had last year. In fact the slash is a 23-percent reduction below what they got last year. I just do not think it makes sense.

I have no understanding, and I am not speculating as to the motives of anyone, but if we really want a job done by a group of professional, nonpartisan administrators, we should not vote for the Evans amendment.

Therefore, Mr. Chairman, I urge the defeat of the Evans amendment. I hope and trust that the committee will sustain the Committee on Appropriations in its recommendations.

Mr. PICKLE. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I would like to ask the gentleman from Colorado (Mr. EVANS) if his amendment, in effect, as the gentleman from Michigan said, reduces the recommendations of the Committee on Appropriations a total of $800,000 over and above what the committee is recommending?

Mr. EVANS of Colorado. Mr. Chairman, if the gentleman will yield, that is correct.

Mr. PICKLE. The statement is made that this makes a cut of 25 percent.

Mr. GERALD R. FORD. Mr. Chairman, if the gentleman will yield, a 23-percent cut.

Mr. PICKLE. A 23-percent cut.

Is that a good appraisal?

Mr. EVANS of Colorado. If the gentleman will yield, I am in the process of trying to figure out what percentage $4.4 million was to the $19.6 million. I get 21 to 22 percent, in that vicinity.

In other words, the total difference between what OMB asked for and what they would get with my amendment would be a 21- or a 22-percent cut.

Mr. PICKLE. I would think that it was not accurate to say that OMB actually is being cut $1.5 million, when in fact it would just be transferred over to the GSA. That is not a cut, except in transfer of figures.

Mr. CEDERBERG. Will the gentleman yield?

Mr. PICKLE. I will yield later, if the gentleman will permit me to finish.

Mr. CEDERBERG. But the figure is not correct.

Mr. PICKLE. It is more of a transfer than it is an actual cut, but I would be glad to yield to the gentleman later to receive a reply on that.

I was also told this would make a further cut of 2.1 million in reducing OMB's management, and not as to budget preparation activities. I presume that that is the area where they want to reduce approximately 100 other people.

Is that what the committee is saying would actually result?

Mr. CEDERBERG. Mr. Chairman, if the gentleman will yield, they have about 660 employees now, and this would cut them to about 420 or 425, which is what they had 20 years ago when the budget was one-third what it is now.

Mr. PICKLE. The gentleman is saying, then, that the 800,000 would mean in effect a reduction of 100 personnel?

Mr. CEDERBERG. No, that is not correct. The 800,000 is the result of the approximately 30 personnel who were transferred to GSA. GSA gave a figure of 1½ million, because they added employees to that as they put the group together, but the total of OMB, with the 30 transferred employees from GSA, is about 860,000, in that area.

Mr. PICKLE. It seems to me, Mr. Chairman, that there are a lot of ways to look at this so-called cut. I feel that the gentleman from Colorado may have a good amendment. I do not think we ought to cut OMB just for the pleasure of trying to cut an agency with which we have had difficulty. We need them, or an agency counterpart to them.

I would say that if we are going to make a reduction—and I recommend it—we ought to take the same amount of money and put it for the appropriation committee of our professional staff here on the Hill. I think we ought to bolster our own staffs rather than bolster the staffs down the street. We do not have a big enough voice in this matter. Once we make our appropriations, once we vote a particular sum and it is put in the pipeline, so to speak, it is a hard and difficult matter for us to get the appropriation.

Whether we like to admit it or not, OMB has really become the invisible government. It is the cradle-to-the-grave segment of our appropriation form of government. We have to literally hit them on the head with a two-by-four to get their attention to obtain the funds that are appropriated. They do not reason with us. They just say we cannot have them. They fix the budget to begin with. They see that the budget is approved, the money is appropriated, and then they control the budget. They control whole billions. I do not think it is unreasonable if we tighten up on this some more, and I think they can stand this additional cut. It would be something we could live with, and it would be a healthy thing for us.

I do not know why the professional staff up here should not be built up and have a counter voice. I do not recommend setting up another Bureau of the Budget on the Hill. We have tried that, and I understand it would not work, or at least we have not allowed it to work. But there is a great deal of difference between setting up our own BOB as opposed to turning it entirely over to OMB. When we put in the word "management" we have literally made our own thorny bed.

The CHAIRMAN. The time of the gentleman has expired.

(On request of Mr. EVANS of Colorado, and by unanimous consent, Mr. PICKLE was allowed to proceed for 2 additional minutes.)

Mr. EVANS of Colorado. Mr. Chairman, will the gentleman yield?

Mr. PICKLE. I yield to the gentleman from Colorado.

Mr. EVANS of Colorado. In order that we may have a good idea of where we are, particularly where we are with percentages, if the minority leader and the ranking member of the Committee on Appropriations would follow me on these figures so that I can be sure that I am right, last year OMB had $19,600,000. The committee report shows that $1,500,000 worth of duties were transferred to GSA. If we take $1,500,000 away from $19,600,000, the difference would be $18,100,000.

If my amendment were to pass, they would have for the next fiscal year $15,200,000 or a cut from the $18,100,000 of $2,900,000, which in effect means that the combined effect of the committee bill and my amendment would be to reduce OMB $2,900,000 below where they were last year, if we discount the $1,500,000 that they have transferred over to GSA. That, if I figure correctly, means we are talking about a total cumulative effect of a cut of 10.5 percent.

I thank the gentleman for yielding.

Mr. PICKLE. I think those figures are very interesting, and I am not informed enough to know whether it is 10 percent or 23 percent, but there is a reasonable element of doubt as to actually what the total cut would be.

Mr. CEDERBERG. Mr. Chairman, will the gentleman yield?

Mr. PICKLE. I yield to the gentleman from Michigan.

Mr. CEDERBERG. I think I am correct in saying the $1½ million figure is an incorrect figure. That is a GSA figure. We cannot transfer the 30 employees out and charge $50,000 for an employee to transfer him out. These are professional people and it is something in the area of $860,000 and not $1.5 million. That is one situation.

Then we have another problem, if the gentleman will yield further. We voted on an impoundment bill. I voted against it, and probably and I hope it will not become law, but that puts an additional burden on them and it will probably take at least 200 additional employees in the OMB.

Mr. ROBISON of New York. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, before the issue is joined I think we ought to understand what is involved and what we want to do. I think it is pretty clear that the author of the amendment was not here during general debate, for if he had been he would have understood that the budgetary impact of the transfer of OMB employees and functions to GSA was $869,000 rather than the $1.5 million which is mentioned in the committee's report. That figure unfortunately was inaccurate. I did not know it at the time or I would have sought to correct it. So, instead of the $2.1 million net cut as suggested in the report, there is, in actuality, a $2.8 million cut for OMB to which the gentleman now wants to add an additional $800,000 cut.

I am unhappy with the $16 million level already in this bill. I think that is too much of a cut, and certainly we should not go below that figure.

In support, let me give some history. In fiscal year 1954—20 years ago, when OMB was still the Bureau of the Budget and the annual Federal budget was just over $70 billion—the old BOB had an authorized strength of 446 people. In fiscal year 1970, with the annual budget now up to $196 billion, it had 553 people.

Today, as we know, we are dealing with a budget in excess of $268 billion, and there are contained in that budget literally countless new Federal programs that had not even been thought of 20 years ago. Just to develop, prepare, and justify such a budget, or the next and even larger one OMB is already at work on, is a tremendous task even before the people at OMB attempt to manage its day to day administration in behalf of the President and, let it be noted, in behalf of the Congress.

The other thing the author's amendment did not mention is that with the figure of $16 million now in the bill for OMB, the OMB will already have to reduce its staff by 70 to 100 people as well as eliminate some of its nonstatutory activities such as putting out their highly valuable "Catalog of Federal Domestic Assistance" which all of our offices use, and it would even probably have to reduce its level of cooperation here on the Hill with such as the Joint Study Committee on the Budget that, even now, is seeking to find ways through which Congress can reform and improve its own budgetary procedures.

If the amendment offered by the gentleman from Colorado (Mr. EVANS) were adopted, OMB would have to release perhaps as many as 40 more people, making the matters I have just pointed out still worse, for it would then have only 42 more people than the old BOB had 20 years ago when the Federal budget was about one-quarter the size of today's.

Mr. Chairman, we all have some sort of "gripe" against OMB. We would all like to hold it hostage for something we want for our districts or our States. We are all annoyed with OMB when it exerts discipline against us in an institutional sense as it does, for instance, after we have failed to exercise self-discipline in the first place.

During our recent debate on the anti-impoundment measure, brave words were uttered from this well about how we were going to restore Congress to its proper "coequal" status with the executive branch. That is an ambition that I share, but I would say again to my colleagues, in all earnestness, that we can only achieve that goal by building up, as we have begun to do, the powers and capacities of Congress to handle and manage budgets of today's size, and not through the expedient of tearing the executive branch down to our present size.

Mr. Chairman, I hope the amendment is defeated.

Mr. DICKINSON. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I have listened to the debate on this amendment with a great deal of interest, because I feel that I have a dog in this fight myself.

Here is the very distinguished chairman of the Appropriations Committee admonishing those of us in the House not to be petulant or spiteful, or not to vote out of any sense of pique over something OMB has done. I agree with him, but I think this is probably a pretty good amendment.

We talk about impoundment. I do not thing that there is a person in this Chamber who has not felt the adverse effects of impoundment. Certainly I have, but I have no animosity toward the administration or toward OMB or toward Mr. Ash for the impoundments, even though I do not always agree with them. Whether they are schools, highways, or whatever, they hurt. We talk about whether or not some pet project of ours has been approved by OMB, something we feel is very necessary to our districts. We feel it is just as important, or more important than most of the things in the budget, and if it does not get in there we are unhappy with what used to be the Bureau of the Budget, or OMB, or its Director.

I can understand that, but this is not really the reason I feel that this is a good amendment. I am not talking about the discipline of OMB, as the gentleman from New York mentioned. I am not talking about the discipline they have visited on us because of our lack of self-restraint. There has to be a hatchet man, a bad guy, so OMB has to come on and exercise some fiscal restraints on us.

Mr. Chairman, the thing that bothers me the most are these faceless, anonymous bureaucrats in the woodwork down there that make these decisions contrary to the will of the Congress. We do not know who they are or how to get at them when they set themselves up as the final arbiter of what will or what will not be done.

Mr. Chairman, I wrote a letter to the White House on July 13 of this year, and would like to read part of it:

> As you know, I was a supporter and cosponsor of legislation to extend the authority of the Economic Development Administration because I felt that is an area where the Administration could do a great deal of good. EDA's programs create employment—they cannot be described as "giveaways"—and I was pleased to learn that your office reached a compromise with the Congress over an authorization figure of $430 million, with a lesser appropriation figure, and the President signed the bill. I saw this development as a "plus" for our side, but I have learned that the Office of Management and Budget is trying to "gut" EDA and is making definite plans to phase the agency out.
>
> As an example, while a compromise appropriation figure of $225 million was agreed to, OMB intends to continue toward dismantling EDA. OMB intends to transfer the actual control of EDA's funds to the Commerce Department itself, and no operations or administration money is being requested. The business loan program will be all but terminated with only $5 million requested for this activity. OMB waited until the House of Representatives had already passed the State-Commerce-Justice appropriation bill before it submitted its FY 74 budget request to Congress and, as a result, the House probably will accept Senate language in the appropriation bill.

As yet, I have not received an answer, but the point is, who makes these decisions? Here is something the White House has agreed upon, the administration; Congress has passed and enacted it into law; it is law, but some bureaucrat sitting down there in the OMB has decided that he does not like our law and he is not going to comply with it.

I daresay there is nobody in this Chamber who can really get at the facts and decide who makes these decisions that are going to rescind the act of this Congress.

I do not want to be vengeful or spiteful, but I will say this: We only get one chance to bite at this apple; that is once a year. I think it is time that we get their attention, if it takes a 2 by 4. If they run out of money, there is always a supplemental that they can come back with. I think that it is time that some of the people downtown and some of our bureaucrats realize that the Congress does have a place in the scheme of things, and when we pass a law and the President agrees to it and signs it into law, we mean for it to be carried out.

I do not know how deeply this will cut, Mr. Chairman. I hope it passes.

I am going to vote for it. I sincerely hope it will cut deeply enough to get those faceless bureaucrats who make such decisions which are contrary to the express will of Congress.

Mr. MYERS. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, each of us at some time during each year, on some appropriation, has some serious disagreement with the Office of Management and Budget, but certainly that is nothing new. I have had my disagreements with the Bureau of the Budget. I still have disagreements with OMB. But thank goodness we have someone in that capacity today, because in the last fiscal year we appropriated about $18 billion more than we had available, or at least we authorized the Executive to spend about $18 billion more than we had available through the normal revenue and borrowing authority.

Who is going to make the cuts? The last gentleman who spoke said he wants to make them here, in the Congress, where we can see them and they are not faceless.

If we are going to continue to appropriate and to direct the Executive to spend more money than we take in, we are faced with one of two choices. Either we are going to "bite the bullet," to use a famous expression by a former President, and raise taxes, or we are going to raise the national debt. Probably it will be a combination of both.

I disagree with OMB frequently, and I do today. But the responsibility rests right here with this body, and perhaps more particularly with this committee. If we face our responsibility we can do away with the OMB pretty much.

Someone a few moments ago, the architect of this amendment and other cuts, was saying that they are going to strike "management." I see nothing in the language that says management is going to be taken out of OMB. This will be taken out across the board. They are not going to take it exclusively from the budget review functions. They have to continue management functions. I believe they will have to continue a management function in OMB if they are to meet the statutory requirements placed on the OMB by the Congress.

The chairman said that both Democrats and Republicans made up the Office of Management and Budget, which is of course true. I heard some snickering from that side. I say to my friends, if we pass this cut, which we may do, who do they think will be fired down there, just Republicans? Not at all. There will be some of those people who may have gotten their positions back under the Johnson administration, or perhaps under the Kennedy administration, who will get the ax, too.

This is something that is irresponsible.

There is an old saying in Indiana, and I guess it is true elsewhere also, "You can be penny-wise and pound-foolish." I believe this is exactly what we would be this afternoon if we took out our displeasure on OMB.

The cuts are going to have to be made; there is no question about it. Who is going to make the cuts? How are they going to be made? They will have to be made.

It will not be by this body. It will be by one or two so-called politicians who are left, for OMB will have to fire 50 to 100 people of the professional staff as a result of the funds cut. OMB will be quite political, perhaps, even more so than before.

I do not believe this will accomplish anything. It will not be a 22-percent cut or an 18-percent cut, if we only appropriate $19.6 million, when we consider the $404,000 of personnel benefits increases that this Congress has voted for pay increases, and so forth. They would have a 2-percent cut if we appropriated the same number of dollars. Add that to the 18-percent plus and we come up with a reduction of more than 20 percent from last year's level as it has been reported from the committee.

Mr. EVANS of Colorado. Mr. Chairman, will the gentleman yield?

Mr. MYERS. I yield to the gentleman from Colorado.

Mr. EVANS of Colorado. I believe that the gentleman implied the Congress has been an irresponsible spending Congress. I would bring to the attention of the gentleman in the well that in the past 4 years this irresponsible Congress has cut the President's requests by $20 billion.

Mr. MYERS. But not the President's budget for appropriated funds.

Yes, we have cut the President's requests, but there is contract authority we pass. This will probaby occur in the next couple of days on the highway fund, too, to bypass the Congress entirely. This grants away the authority to control expenditures through contract authority.

The gentleman would not disagree with me that when we add contract authority, that we are granting each year, which is getting more so on each of these bills, that it does mean an increase in the national deficit. This adds to the debt, when we add the contract authority through the trust funds and so forth.

Mr. EVANS of Colorado. Is it not true that it is the President and not the Congress who spends money under contract authority?

Mr. MYERS. But which is the arm that holds that limitation? The Congress also passed a statutory limitation as to how much money can be spent in a fiscal year. Who is going to make the cuts?

Mr. EVANS of Colorado. Authority is one thing.

Mr. MYERS. Authority?

Mr. EVANS of Colorado. Having contract authority is one, and spending under contract authority is another.

Mr. MYERS. When we limit expenditures the Executive can make cuts which have to be made. Who is going to make them responsibly? They are going to be made.

The gentleman would not deny that cuts will have to be made in what the Congress directs the President to spend. Cuts will be made.

Mr. VEYSEY. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Colorado (Mr. EVANS). I believe it is really a foolish act for us to go about cutting an additional 5 percent off of the management function of the Office of Management and Budget and to do so out of pique or out of irritation because we have not all had our own way in getting those items in our districts that we would like to see.

Now, I recognize that we are all going to fight, we are going to scrap down to the line for those appropriations that will go for our districts. But we must also remember that someone in this Government has to hold the line; someone has to say, "No." That is the role that has been assigned to the management portion of the Office of Management and Budget.

As I figure it, there is only about $5 million that is clearly identifiable as being for the purpose of fiscal management in the Office of Management and Budget. If I understand the thrust of the amendment offered by the gentleman from Colorado, he would arbitrarily cut that an additional $800,000 or a further 16 percent cut on top of an overall 18 percent cut.

Now, $5 million spent for the fiscal management of this gigantic organization, the Government of the United States, is miniscule compared to the $268 billion level that we are hopefully going to hold our expenditures to next year.

I figured it up a while ago, and it is only .002 of 1 percent; .002 of 1 percent is all we are spending on fiscal management of this gigantic operation.

Now, Mr. Chairman, most businesses which are run sensibly and wisely would be spending 1 or 2 percent or perhaps more of their gross expenditures for the fiscal management of their affairs.

I say that we would be very foolish if we try out of pique and irritation to cut an additional 5 percent here and thus endanger our capability to manage in a competent way the finances of this Government.

We know that cuts and impoundments will have to be made if this Congress does not succeed in containing its level of expenditures within the $268 billion. Now, do we want those cuts to be irrational, or do we want them to be rational? Do we want them to be thoughtless and arbitrary, or do we want them to be thoroughly researched and thoughtfully considered?

Mr. Chairman, I think we want the latter. We want sensible, rational management of this enterprise of ours. So I urge a "no" vote from the Members to defeat this amendment.

Mr. COLLIER. Mr. Chairman, will the gentleman yield?

Mr. VEYSEY. I yield to the gentleman from Illinois.

Mr. COLLIER. Mr. Chairman, I completely agree with the gentleman. I think this is nitpicking.

I believe that the amount involved is certainly out of line with the demands made upon the OMB in performing so vital a function in our fiscal affairs.

Mr. VEYSEY. Mr. Chairman, I thank the gentleman for his contribution.

Mr. HAYS. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, I rather reluctantly support this amendment because I do not think it is a deep enough cut. But I operate on the theory that some cut is better than no cut. I was amused at the gentleman who just preceded me in the well and at the one who preceded him. The gentleman who just preceded me was giving us a big story about how responsible big business is, about how much money they devote to their budget and management.

I do not know what percentage Litton Industries devoted to this item, but even with Government cost overruns the place almost went bankrupt under the directorship of the present Director of the Office of Management and Budget. And that ought to be enough to cut it off right there.

Now, the gentleman talks about being piqued because you did not get a certain project in your district. That might affect the gentleman, but I have been here for 25 years and I have never asked the Office of Management and Budget for one thin dime for my district.

When I handle an authorization bill—and I handle a few—I do not ask them their opinion and I do not care what their opinion is.

And then the gentleman who preceded him said,

> Why, you are going to have some politician making these decisions.

Well, you know what is wrong with OMB? The same thing that was wrong with that crew in the White House; there was not a politician in the lot. There is not a one of them who ever ran for office as township trustee or justice of the peace. And that is what got the President in trouble.

I am surprised because I served here 25 years ago with the President, and I know he is a good politician. I am surprised that it took him as long as it did to get Mel Laird and people of his ilk in his administration who know something about what makes a democracy run, like the President himself knows, and not a bunch of ad men and professional bureaucrats, which is what the OMB is full of. There is not a politician in the place.

Name one. There is not a politician in the place. There is not a man in the place who ever got elected to office. There is not a man in the place who ever went out and earned his living except on the Government payroll. And that goes for Mr. Ash, who earned his as he put his company in bankruptcy.

I say we ought to cut this place 5 percent and let them know who the people send down here to run the business—not a bunch of faceless bureaucrats who think they are God Almighty reincarnated.

Mr. MYERS. Will the gentleman yield?

Mr. HAYS. I will yield to the gentleman. He is eager and I am eager to yield to him.

Mr. MYERS. I appreciate the gentleman's generosity in yielding.

First off, I do not know what the definition of a politician is, but at least the implication——

Mr. HAYS. I will tell you. Stop right there. The definition of a politician is a fellow who has run for office and gotten elected or not but at least run. He has been in the political arena submitting himself to the voters.

Mr. MYERS. Will the gentleman yield further?

Mr. HAYS. That answered your question. What is the next one?

Mr. MYERS. The gentleman said out of 600 employees no one ever ran for office. Is that the gentleman's statement?

Mr. HAYS. I ask you to name me one.

Mr. MYERS. I cannot right now, but I will be glad to accommodate you.

Mr. HAYS. You research it, and if you come up with one, I will be glad and maybe a little bit pleased. I would be glad to know if any one, just one, down there did. And I am willing to make you a little wager of the best buffet dinner we can buy downstairs, which is pretty good, by the way, that you will not find one.

Mr. MYERS. If the gentleman is comparing the House restaurant as an analogy, I am afraid it will not stand up.

Mr. HAYS. All I can tell you is the House Administration Committee took a bankrupt organization, namely, the House restaurant, and put it in the black, and that is more than the OMB have been able to do.

Mr. MYERS. By jumping the price. That is because you raised the price. And you say they cannot do the same thing.

Mr. HAYS. We did not raise the prices when we had a 32-percent increase in the past year. We did not raise it a dime. But we did it by efficiency and cut off some employees, too. And that is all we are asking you to do down at the OMB: cut out some deadwood and some dead weights and some arrogant individuals who think they are smarter than the Congress of the United States. You do not think they are, do you? And you are a Member of Congress. Do you think anybody down there is smarter than you are?

Mr. MYERS. OMB is cutting the budget and we are not.

Mr. HAYS. You answer me. Do you or do you not? I do not. I am no cheapskate on this. I am not with some of you who think they are not worth $42,000. I know someone came to me who had spoken to one of my colleagues and he came out and said he was against the raise for Congress. They said, "What do you think about that? We know you are for one." I said, "I guess he knows what he is worth and I know what I am worth." And I know the same thing about the Bureau of the Budget.

Mr. RONCALIO of Wyoming. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise to speak in favor of the amendment offered by the gentleman from Colorado (Mr. EVANS) before being drowned out by my dear colleagues, who are screaming for a vote and I am sorry to say that this always seems to happen.

For instance, last night I wanted to speak on a matter concerning the military, and the gentleman from South Carolina (Mr. DORN) spoke before me, and when the gentleman was through speaking I was afraid that if a recruiting officer were to come through the House lobby I would have joined up for a 5-year stint.

And here I am rising to speak in favor of this very reasonable 5-percent cut for the Office of Management and Budget, and I have to follow the gentleman from Ohio (Mr. HAYS).

As I say, Mr. Chairman, I rise in behalf of the amendment offered by the gentleman from Colorado (Mr. EVANS). I think it is a sensible cut, a proper amendment.

Mr. Chairman, we cut many agencies, and we have refused to increase salaries of ourselves. We are asking every facet of America to get in line and help in our battle against inflation. I think that this will be a help in that direction.

When Mr. Ash was appointed to the Office of Management and Budget I wrote to President Nixon and I said, in effect, Mr. President, this appointment affects all of the Members of the Congress, and this man that you have appointed has a conflict of interest left over from Navy disputes involving hundreds of millions of dollars, and a man such as that ought not to be passing judgment on projects in my State where the Office of Management and Budget has been immobilizing them by impounding funds. And I would respectfully recommend someone less controversial to Congressmen and perhaps more capable—and let me tell this to my dear friends on the Republican side. This was before Watergate.

I did not get an acknowledgement of my letter from the President, or a staffer in the President's office; I got a letter from Mr. Ash himself, and he said, "Dear Congressman, you don't have your facts straight regarding me. Let me come by your office and put you straight."

I said I would put together a group of Members including majority leader TIP O'NEILL, and for him to speak to us.

He declined my offer, although he courteously offered to again come by my office to discuss this matter.

Then matters ground still, we now find ourselves in a situation now where we have broken off virtually all communications between the Members of the Congress and the heads of OMB who were concerened about the Ash matter.

The least we can do to put all of us on the right track is to vote for this relatively modest cut of 5 percent, and maybe if we do that then perhaps we can get back into communication with the OMB.

I just do not think it is proper to have such a sensitive public office with men like Ash. They should be run by politicians, if you please. At present Watergate has put seven men in jail to the disgrace of all of us, Democrats and Republicans alike, and there is not a single politician in the bunch. None ever had to run for public office.

Mr. Chairman, I hope that we can support the amendment offered by the gentleman from Colorado (Mr. EVANS).

The CHAIRMAN. The question is on the amendment offered by the gentleman from Colorado (Mr. EVANS).

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. EVANS of Colorado. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 199, noes 209, not voting 25, as follows:

[Roll No. 415]

AYES—199

Abzug
Adams
Addabbo
Anderson, Calif.
Andrews, N.C.
Annunzio
Ashbrook
Ashley
Aspin
Badillo
Barrett
Bennett
Bergland
Biaggi
Bingham
Blatnik
Boggs
Bowen
Brademas
Brasco
Breaux
Brinkley
Brooks
Brown, Calif.
Burke, Calif.
Burke, Mass.
Burton
Byron
Carey, N.Y.
Carney, Ohio
Chisholm
Clancy
Clark
Collins, Ill.
Conyers
Cotter
Crane
Culver
Daniel, Dan
Daniels, Dominick V.
Davis, S.C.
Delaney
Dellums
Denholm
Dent
Derwinski
Dickinson
Diggs
Dingell
Donohue
Dorn
Downing
Drinan
Eckhardt
Edwards, Calif.
Eilberg
Evans, Colo.
Fascell
Flynt
Foley
Ford, William D.
Fountain
Fraser
Fulton
Fuqua
Gaydos
Gettys
Giaimo
Gibbons
Ginn
Gonzalez
Grasso
Green, Oreg.
Green, Pa.
Griffiths
Gross
Gunter
Haley
Hamilton
Hanley
Hansen, Wash.
Harrington
Hays
Hechler, W. Va.
Helstoski
Henderson
Holtzman
Howard
Hungate
Ichord
Johnson, Colo.
Jones, N.C.
Jones, Tenn.
Jordan
Karth
Koch
Kyros
Landrum
Leggett
Lehman
Litton
Long, La.
Long, Md.
McCormack
McKay
Macdonald
Madden
Madigan
Mann
Mathis, Ga.
Mazzoli
Meeds
Melcher
Metcalfe
Mezvinsky
Milford
Minish
Mink
Moakley
Mollohan
Morgan
Moss
Murphy, Ill.
Nedzi
Nix
Obey
O'Hara
O'Neill
Owens
Perkins
Pickle
Pike
Poage
Podell
Preyer
Price, Ill.
Randall
Rangel
Rarick
Rees
Reid
Reuss
Riegle
Roberts
Rodino
Roe
Rogers
Roncalio, Wyo.
Roncallo, N.Y.
Rooney, Pa.
Rose
Rosenthal
Rostenkowski
Roush
Roy
Roybal
Runnels
Ryan
St Germain
Sarbanes
Satterfield
Saylor
Scherle
Schroeder
Seiberling
Shipley
Sisk
Snyder
Staggers
Stanton, James V.
Stark
Stephens
Stokes
Stratton
Stuckey
Studds
Sullivan
Symington
Symms
Taylor, N.C.
Thompson, N.J.
Thornton
Tiernan
Towell, Nev.
Udall
Van Deerlin
Vanik
Vigorito
Waggonner
Waldie
White
Wilson, Charles H., Calif.
Wilson, Charles, Tex.
Wolff
Wright
Yatron
Young, Fla.
Young, Ga.
Zablocki

NOES—209

Abdnor
Andrews, N. Dak.
Archer
Arends
Armstrong
Bafalis
Baker
Beard
Bell
Biester
Blackburn
Boland
Bray
Breckinridge
Broomfield
Brotzman
Brown, Mich.
Brown, Ohio
Broyhill, N.C.
Broyhill, Va.
Buchanan
Burgener
Burke, Fla.
Burleson, Tex.
Burlison, Mo.
Butler
Camp
Carter
Casey, Tex.
Cederberg
Chamberlain
Chappell
Clausen, Don H.
Clawson, Del
Cleveland
Cochran
Cohen
Collier
Collins, Tex.
Conable
Conlan
Conte
Corman
Coughlin
Cronin
Daniel, Robert W., Jr.
Davis, Ga.
Davis, Wis.
de la Garza
Dellenback
Dennis
Devine
Dulski
Duncan
du Pont
Edwards, Ala.
Erlenborn
Esch
Eshleman
Findley
Fish
Flood
Ford, Gerald R.
Forsythe
Frelinghuysen
Frenzel
Frey
Froehlich
Gilman
Goldwater
Goodling
Grover
Gubser
Gude
Guyer
Hammerschmidt
Hanrahan
Hansen, Idaho
Harsha
Harvey
Hastings
Heckler, Mass.
Heinz
Hicks
Hillis
Hinshaw
Hogan
Holifield
Holt
Horton
Hosmer
Huber
Hudnut
Hunt
Hutchinson
Jarman
Johnson, Calif.
Johnson, Pa.
Jones, Ala.
Kastenmeier
Kazen
Keating
Kemp
Ketchum
Kluczynski
Kuykendall
Latta
Lent
Lott
Lujan
McClory
McCloskey
McCollister
McDade
McEwen
McFall
McKinney
McSpadden
Mahon
Mailliard
Mallary
Maraziti
Martin, Nebr.
Martin, N.C.
Mathias, Calif.
Matsunaga
Mayne
Michel
Miller
Mitchell, N.Y.
Mizell
Montgomery
Moorhead, Calif.
Moorhead, Pa.
Mosher
Myers
Natcher
Nelsen
Parris
Passman
Patman
Patten
Pettis
Peyser
Powell, Ohio
Price, Tex.
Pritchard
Quie
Quillen
Railsback
Regula
Rhodes
Rinaldo
Robinson, Va.
Robison, N.Y.
Rousselot
Ruppe
Ruth
Sandman
Sarasin
Schneebeli
Sebelius
Shoup
Shriver
Shuster
Sikes
Skubitz
S.ack
Smith, N.Y.
Spence
Stanton, J. William
Steed
Steele
Steelman
Steiger, Ariz.
Steiger, Wis.
Stubblefield
Talcott
Taylor, Mo.
Teague, Calif.
Teague, Tex.
Thomson, Wis.
Thone
Treen
Ullman
Vander Jagt
Veysey
Walsh
Wampler
Ware
Whalen
Whitehurst
Whitten
Widnall
Wiggins
Williams
Wilson, Bob
Winn
Wyatt
Wydler
Wylie
Wyman
Yates
Young, Alaska
Young, Ill.
Young, S.C.
Young, Tex.
Zion
Zwach

NOT VOTING—25

Alexander
Anderson, Ill.
Bevill
Bolling
Clay
Danielson
Evins, Tenn.
Fisher
Flowers
Gray
Hanna
Hawkins
Hébert
Jones, Okla.
King
Landgrebe
Mills, Ark.
Minshall, Ohio
Mitchell, Md.
Murphy, N.Y.
Nichols
O'Brien
Pepper
Rooney, N.Y.
Smith, Iowa

So the amendment was rejected.

The result of the vote was announced as above recorded.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

OFFICE OF TELECOMMUNICATIONS POLICY

SALARIES AND EXPENSES

For expenses necessary for the conduct of telecommunications functions assigned to the Director of Telecommunications policy, including services as authorized by 5 U.S.C. 3109, $2,070,000.

AMENDMENT OFFERED BY MR. LEHMAN

Mr. LEHMAN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. LEHMAN: On page 10, line 24, delete "$2,070,000" and substitute "$1,552,000".

Mr. LEHMAN. Mr. Chairman, last December 18 the Director of the Office of Telecommunications Policy, Clay Whitehead, delivered his now-famous speech in Indianapolis, warning that—

> Station managers and network officials who fail to act to correct imbalance or consistent bias from the networks—or who acquiesce by silence—can only be considered willing participants, to be held *fully accountable* by the broadcaster's community at license renewal time.

Senator ERVIN has characterized this proposal as "a thinly veiled attempt to create governmental censorship over broadcast journalism."

Within a month, two respected television stations in Florida had their licenses challenged. The challenges just happened to involve a number of Nixon associates and campaign officials and the issue has still not been resolved.

When President Nixon established the OTP in 1970, Congress was assured that it would have the same range of technical duties as the old Office of Telecommunications Management in the Office of Emergency Preparedness. The emergence of OTP as a partisan political office is not only a change from its anticipiated technical role, but also from the expectations of Congress as to OTP's future activities.

As the Appropriations Committee noted, there is already $5 million in the Department of Commerce budget for telecommunications research and support. I would like to commend Mr. STEED, the distinguished chairman of the subcommittee and the members of the full committee for their wisdom in eliminating the duplication in research funds for OTP.

It is not widely realized that there is an Office of Telecommunications Policy in the Executive Office of the President as well as an Office of Telecommunications in the Department of Commerce. We are actually talking about a total package involving over $7 million and almost 400 people.

My amendment deals not with research funds but with political excess and bureaucratic waste. It would reduce the appropriation for OTP salaries and expenses by 25 percent.

A job with OTP must be one of the most sought-after positions in Washington. Sixty percent of the staff make over $20,000 a year. The average GS salary, including clerks and secretaries, is over $22,000. Personnel costs have jumped 51 percent in the past 3 years.

A reduction in salaries would reaffirm the committee's wish that the support of the Commerce Department be better utilized. Reducing the OTP will force a greater reliance on this 347-person, $5 million support organization.

Someone will mention that the OTP staff is to be reduced by 13 this year. That is true. But the cutback is merely a return to the preelection level of fiscal 1972. The fact is that OTP's personnel costs will not fall back to the 1972 level. Total personnel compensation will be almost 30 percent higher than 1972 and travel costs will be 54 percent higher.

The Office of Telecommunications Policy has become a costly and powerfully partisan antimedia post within the Executive Office of the President. By voting to limit funds for this office today, the House will send a message that we will not tolerate the wasteful and partisan activities which the Office of Telecommunications Policy now pursues.

Mr. STEED. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, this agency is another one of these agencies that was created by one of the Reorganization Plans. The Members of the legislative committees who were interested in these functions represented to us that this is an important agency.

We have already cut $1,200,000 out of the budget. If they are going to fulfill the mandate of the plan creating them, they really need this amount of money, and I urge, as a responsible act, the defeat of the amendment, because I believe if they are going to do this job, they will need the amount of money we have in the bill.

Mr. Chairman, I urge that the amendment be defeated.

Mr. BROWN of Ohio. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I believe that the amendment offered by the gentleman from Florida (Mr. LEHMAN) is essentially mischievous in that it attempts to cut back by 25 percent the operating budget for the personnel of this particular office.

Now, let us understand what this office does. In the first place, the reason that there is an increase in the need for travel funds by this office is because we had this year two international conferences, instead of one, on telecommunications policy. These conferences involve such things as the use of satellites, spectrum usage and allocation, and relationship of rules for commercial broadcast.

In this field the United States, as it is in other fields, is one of the world's leaders, but we are not the sole leader in the world. There are other nations, including most of the advanced technological nations in the world which are significantly involved in communications.

The budget for the operation of this office in terms of personnel has been between $1,634,000 in fiscal year 1972, actual funds, and $2,070,000, estimated funds, in 1974. The personnel numbers are in the process of reduction from 65 to 52, and these personnel are all highly technical personnel. These are not clerks and typists; these are people of technical backgrounds in the communications field, engineers, and scientists for the most part who are involved in the development not only of domestic communications policy matters, but also in the development of worldwide policy matters.

Mr. Chairman, I believe that the committee has damaged the OTP already by the reduction of the $1,270,000 in research funds.

Mr. VAN DEERLIN. Will the gentleman yield at that point?

Mr. BROWN of Ohio. But to further cut the personnel of the office, and of the effort that makes worldwide communications available, would be extremely damaging to the effort in this field both nationally and internationally, and I oppose the amendment.

I am glad to yield to the gentleman.

Mr. VAN DEERLIN. The gentleman from Ohio intends to introduce an amendment later today to restore a portion of the $1.2 million for outside research, does he not?

Mr. BROWN of Ohio. Indeed I do, because this is not a duplication, as the gentleman from Florida stated, of the work done by this department but, rather, is an additional study in an entirely different area of work than that undertaken by the funds allocated to the Department of Commerce.

For instance, a major portion of the funds in the Department of Commerce are made up of expenditures for the IRAC Committee, the Interdepartmental Committee on Radio which involves people from the U.S. State Department, Department of Commerce, and Department of Defense and the worldwide communications field in the defense area. This committee is administered by one of the assistants in the Office of Telecommunications Policy, although he deals with a 17-member board made up from all of these departments, using funds from the Department of Commerce.

Mr. VAN DEERLIN. If the gentleman will yield further, if the $1.2 million is deleted from outside research, is that related to the almost $5 million they spend through the Department of Commerce?

Mr. BROWN of Ohio. It is not the same money; it is a completely different study area, so it is not a duplication of funds but an actual reduction. If the gentleman will let me tell him at this point, I will give him a list of the things I would like to continue studies of.

To open up a study of communication systems in the United States, talking about telephone systems and activities in that field.

A study which would provide for improvement of coordination and productivity of all Federal Government programs in the communications area.

A study which would involve spectrum management and allocation policy.

The CHAIRMAN. The time of the gentleman has expired.

(By unanimous consent, at the request of Mr. VAN DEERLIN, Mr. BROWN of Ohio was allowed to proceed for 3 additional minutes.)

Mr. BROWN of Ohio. To identify and eliminate possible bilateral side effects of electromagnetic radiation; a study of the computer field, which is now, as the gentleman from California knows, involved in communications both domestically and worldwide; to promote the orderly growth and development of the computer industry and at the same time to protect the private rights of individuals.

Mr. VAN DEERLIN. Will the gentleman yield at that point?

Mr. BROWN of Ohio. I am glad to yield.

Mr. VAN DEERLIN. I commend all of the lines of inquiry the gentleman mentioned, but does he not feel the amendment offered by the gentleman from Florida serves at least as an indication of concern by this body that a great deal of what has been coming out of the Office of Telecommunications Policy ignores the OTP's assigned mission? I'm sure the Congress wishes this agency to concern itself with these very legitimate technological inquiries and matters that the President needs to be informed of as we go through a constantly changing era of communications. Is not the gentleman concerned, as some on this side of the aisle are, over the outright political pronouncements that have come out of that office?

Mr. BROWN of Ohio. As the gentleman knows, the Telecommunications Policy Office has responsibility for policy recommendations on all telecommunication policies, and that would include CATV development, which is a new field, and the era of pay TV, and whether we want to change the regulations with reference to commercial broadcast systems that we now have; also such things as land mobile use in this country, which is a developing field which is multiplying rapidly. All of those areas this particular office has responsibility for.

The gentleman is concerned as to whether or not the Office of Telecommunications Policy has overspoken itself in certain areas, like public broadcasting.

Mr. VAN DEERLIN. Will the gentleman address himself to that?

Mr. BROWN of Ohio. Let me suggest to you that we are already involved in such things, and you know that they are being cut from 65 down to 52. That number of 52 personnel will be achieved at the end of the year.

I think the gentleman has had some assurances from the Director of the Office of Telecommunications Policy that the office is probably subsiding in the area of public statements about it.

Mr. VAN DEERLIN. And they will not further indulge in "ideological plugola"?

Mr. BROWN of Ohio. That is the gentleman's term.

Mr. YATES. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the amendment offered by the gentleman from Florida (Mr. LEHMAN).

Mr. Chairman, the gentleman from California is exactly right. This is the most politically minded office in the White House, if that is possible. This is the office headed by Mr. Whitehead who arrogantly denounced the broadcasting companies as being guilty, of "ideological payola" to use his words. They had better reform, be implied, if they wanted to keep their broadcast licenses. To him, reform meant changing their broadcasting patterns by altering their news programs to be more favorable to the administration—not fair, impartial broadcasting, but leaning to the White House news.

The Office of Telecommunications Policy is attempting to influence the theoretically independent Federal Communications Commission, attempting to curtail the freedom of the Public Broadcasting Corporation; which is harassing the media, which is threatening to impose a system of censorship on all broadcasting. Its policies clearly violate the first amendment. This is the time to check the unwise policies of this office. The gentleman from Florida has proposed an amendment which should be approved.

This committee should let it be known that the news media in this country shall not be threatened by the scarcely veiled threats issuing from Mr. Whitehead's office. I hope that the amendment offered by the gentleman from Florida will be passed.

Mr. BROWN of Ohio. Mr. Chairman, will the gentleman yield?

Mr. YATES. Of course I will yield to the gentleman from Ohio.

Mr. BROWN of Ohio. I got the impression that this whole thing was politically motivated with the idea that we reduce all people with which the gentleman in the well and others in the Congress disagree. Is that correct?

Mr. YATES. I would tell the gentleman from Ohio that I voted against the amendment to cut funds from the OMB on the last vote. The gentleman from Ohio knows that I am not politically motivated. If any politics is being played it is by the Office of Telecommunications Policy. This agency under the leadership of Mr. Whitehead is trying to muscle his way through the broadcasting industry, both public and private. His policies clearly infringe the first amendment.

Mr. BROWN of Ohio. It would seem to me from what we see daily on the television that there has not been much silencing of the media.

Mr. YATES. Thank heavens for that. I suggest that Mr. Whitehead has quieted down ever since the Watergate scandals have been aired.

Mr. BROWN of Ohio. Mr. Whitehead has not really been silenced. He has been asked to testify before the Committee on Interstate and Foreign Commerce.

Mr. YATES. Who knows about that? How many speeches has Mr. Whitehead made in the country since Watergate hit the front pages and the air waves? Now he wants to be as quiet as he can.

Mr. BROWN of Ohio. He is still making public speeches, so I do not believe the gentleman has been silenced completely.

Mr. YATES. I would tell the gentleman from Ohio that Mr. Whitehead is not nearly as blatant or aggressive as he was early this year and last. I think his ideas represent the kind of approach that this Congress ought to curb. I will support the amendment offered by the gentleman from Florida (Mr. LEHMAN).

The CHAIRMAN. The question is on the amendment offered by the gentleman from Florida (Mr. LEHMAN).

The question was taken; and on a division (demanded by Mr. STEED) there were—ayes 42, noes 64.

RECORDED VOTE

Mr. YATES. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 190, noes 217, not voting 26, as follows:

[Roll. No. 416]

AYES—190

Abzug
Adams
Anderson, Calif.
Andrews, N.C.
Annunzio
Ashbrook
Ashley
Aspin
Badillo
Barrett
Bennett
Bergland
Biaggi
Biester
Blatnik
Boggs
Bowen
Brademas
Breaux
Breckinridge
Brinkley
Brooks
Brown, Calif.
Burke, Calif.
Burke, Fla.
Burke, Mass.
Burton
Carney, Ohio
Chisholm
Clark
Collins, Ill.
Conyers
Corman
Cotter
Crane
Culver
Daniel, Dan
Daniels, Dominick V.
Danielson
Davis, Wis.
de la Garza
Dellums
Denholm
Dent
Derwinski
Diggs
Dingell
Donohue
Drinan
Dulski
Eckhardt
Edwards, Calif.
Eilberg
Fascell
Findley
Fish
Foley
Ford, William D.
Fraser
Froehlich
Fulton
Gaydos
Giaimo
Gibbons
Ginn
Grasso
Green, Pa.
Griffiths
Gross
Gunter
Hamilton
Hanley
Harrington
Hays
Hechler, W. Va.
Heckler, Mass.
Heinz
Helstoski
Hicks
Holifield
Holtzman
Howard
Hungate
Ichord
Jones, N.C.
Jones, Tenn.
Jordan
Karth
Kastenmeier
Kazen
Kemp
Kluczynski
Koch
Kyros
Leggett
Lehman
Litton
Long, La.
Long, Md.
Lujan
McCloskey
McCormack
Macdonald
Madden
Mathis, Ga.
Matsunaga
Mazzoli
Meeds
Melcher
Metcalfe
Mezvinsky
Milford
Minish
Mink
Moakley
Mollohan
Morgan
Moss
Murphy, Ill.
Nedzi
Nichols
Nix
Obey
O'Hara
Owens
Parris
Patman
Pickle
Pike
Poage
Podell
Preyer
Price, Ill.
Randall
Rangel
Rarick
Rees
Reid
Reuss
Riegle
Rodino
Roe
Rogers
Roncalio, Wyo.
Rooney, Pa.
Rose
Rosenthal
Rostenkowski
Rousselot
Roy
Roybal
Runnels
Ryan
St Germain
Sarbanes
Satterfield
Scherle
Schroeder
Seiberling
Sisk
Snyder
Stanton, James V.
Stark
Steele
Steiger, Ariz.
Stokes
Stratton
Stuckey
Studds
Sullivan
Symington
Symms
Thompson, N.J.
Thone
Thornton
Tiernan
Udall
Ullman
Van Deerlin
Vanik
Vigorito
Waldie
White
Wilson, Charles H., Calif.
Wilson, Charles, Tex.
Wolff
Yates
Yatron
Young, Ga.
Zablocki

NOES—217

Abdnor
Addabbo
Andrews, N. Dak.
Archer
Arends
Armstrong
Bafalis
Baker
Beard
Bell
Bevill
Blackburn
Boland
Brasco
Bray
Broomfield
Brotzman
Brown, Mich.
Brown, Ohio
Broyhill, N.C.
Broyhill, Va.
Buchanan
Burgener
Burleson, Tex.
Burlison, Mo.
Butler
Byron
Camp
Carter
Casey, Tex.
Cederberg
Chamberlain
Chappell
Clancy
Clausen, Don H.
Clawson, Del
Cleveland
Cochran
Cohen
Collier
Collins, Tex.
Conable
Conlan
Conte
Coughlin
Cronin
Daniel, Robert W., Jr.
Davis, Ga.
Davis, S.C.
Delaney
Dellenback
Dennis
Devine
Dorn
Downing
Duncan
du Pont
Edwards, Ala.
Erlenborn
Esch
Eshleman
Evans, Colo.
Flood
Ford, Gerald R.
Forsythe
Fountain
Frelinghuysen
Frenzel
Frey
Fuqua
Gettys
Gilman
Goldwater
Gonzalez
Goodling
Green, Oreg.
Grover
Gubser
Gude
Guyer
Haley
Hammerschmidt
Hanrahan
Hansen, Idaho
Hansen, Wash.
Harsha
Harvey
Hastings
Henderson
Hillis
Hinshaw
Hogan
Holt
Horton
Hosmer

Huber
Hudnut
Hunt
Hutchinson
Jarman
Johnson, Calif.
Johnson, Colo.
Johnson, Pa.
Jones, Ala.
Jones, Okla.
Keating
Ketchum
Kuykendall
Latta
Lent
Lott
McClory
McCollister
McDade
McEwen
McFall
McKay
McKinney
McSpadden
Madigan
Mahon
Mailliard
Mallary
Mann
Maraziti
Martin, Nebr.
Martin, N.C.
Mathias, Calif.
Mayne
Michel
Miller
Minshall, Ohio
Mitchell, N.Y.
Mizell
Montgomery
Moorhead, Calif.
Moorhead, Pa.
Mosher
Myers
Natcher
Nelsen
O'Neill
Passman
Patten
Perkins
Pettis
Peyser
Powell, Ohio
Price, Tex.
Pritchard
Quie
Quillen
Railsback
Regula
Rhodes
Rinaldo
Roberts
Robinson, Va.
Robison, N.Y.
Roncallo, N.Y.
Roush
Ruppe
Ruth
Sarasin
Saylor
Schneebeli
Sebelius
Shipley
Shoup
Shriver
Shuster
Sikes
Skubitz
Slack
Smith, N.Y.
Spence
Staggers
Stanton, J. William
Steed
Steelman
Steiger, Wis.
Stephens
Stubblefield
Talcott
Taylor, Mo.
Taylor, N.C.
Teague, Calif.
Teague, Tex.
Thomson, Wis.
Towell, Nev.
Treen
Vander Jagt
Veysey
Waggonner
Walsh
Wampler
Ware
Whalen
Whitehurst
Whitten
Widnall
Wiggins
Williams
Wilson, Bob
Winn
Wright
Wyatt
Wydler
Wylie
Wyman
Young, Alaska
Young, Fla.
Young, Ill.
Young, S.C.
Young, Tex.
Zion
Zwach

NOT VOTING—26

Alexander
Anderson, Ill.
Bingham
Bolling
Carey, N.Y.
Clay
Dickinson
Evins, Tenn.
Fisher
Flowers
Flynt
Gray
Hanna
Hawkins
Hébert
King
Landgrebe
Landrum
Mills, Ark.
Mitchell, Md.
Murphy, N.Y.
O'Brien
Pepper
Rooney, N.Y.
Sandman
Smith, Iowa

So the amendment was rejected.

The result of the vote was announced as above recorded.

AMENDMENT OFFERED BY MR. BROWN OF OHIO

Mr. BROWN of Ohio. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BROWN of Ohio: Page 10, line 24, after the first comma, strike out the figure $2,070,000 and insert the figure $2,745,000, and add at the end thereof the following: "*Provided*, That not to exceed $675,000 of the foregoing amount shall remain available for telecommunications studies and research until expended."

POINT OF ORDER

Mr. BEVILL. Mr. Chairman, I should like to make a point of order against the amendment.

The CHAIRMAN. The gentleman will state his point of order.

Mr. BEVILL. The second provision is:

Provided, That not to exceed $675,000 of the foregoing amount shall remain available for telecommunications studies and research until expended.

There is no authorization for studies and research, and I make a point of order against that portion of the amendment.

The CHAIRMAN. Does the gentleman from Ohio desire to be heard on the point of order?

Mr. BROWN of Ohio. Mr. Chairman, the amendment proposes to restore funds which were stricken by the committee in its consideration of the proposals for this particular office as the bill was under consideration in the committee.

The amendment seeks to restore a portion of the funds which were a part of that total budget asked of the committee. The reason for the proviso language is to further clarify for what the additional funds would be used, to go back to the testimony of the office when it appeared before the committee and to restore the specific portion of those funds.

Mr. STEED. Mr. Chairman, may I be heard on the point of order?

The CHAIRMAN. The Chair will hear the gentleman.

Mr. STEED. The language of the original bill was submitted to the experts, and it was held it would be subject to a point of order, because the funds would be available until expended. That is why it was deleted from the bill in the committee.

The CHAIRMAN. The Chair would like to be sure the Chair understands the point of order of the gentleman from Alabama and of the gentleman from Oklahoma.

The gentleman from Alabama (Mr. BEVILL) is citing the language of the proviso and makes a point of order against the whole amendment, is that correct?

Mr. BEVILL. Yes, Mr. Chairman.

The CHAIRMAN (Mr. BOLLING). The Chair is prepared to rule.

The Chair will rule narrowly on the point made by the gentleman from Oklahoma. The words "until expended" constitute legislation on an appropriation bill. Therefore, the point of order is sustained on that ground.

If there are no further amendments to be proposed, the Clerk will read.

The Clerk read as follows:

PHARMACOLOGICAL RESEARCH

For necessary expenses in connection with activities authorized by section 224 of the Drug Abuse Office and Treatment Act of 1972 (Public Law 92-255), $20,000,000: *Provided*, That none of the funds made available under this heading shall be available for allocation to any other Government agency unless the head of such agency shall certify in writing that all funds available to such agency for drug abuse prevention activities are fully committed and that additional funds are required for programs that appear to have promise of being exceptionally effective.

POINT OF ORDER

Mr. DINGELL. Mr. Chairman, I make a point of order against the language appearing at page 11, line 9 through 15, of the bill.

Mr. Chairman, I would like to be heard on the point of order.

Mr. STEED. Mr. Chairman, we have already passed that part of the bill.

The CHAIRMAN. The Chair feels that the point of order is timely.

The gentleman will be heard on his point of order.

Mr. DINGELL. The point of order, Mr. Chairman, is that the amendment is violative of clause 2 of rule XXI, as constituting legislation in an appropriation bill, in that it imposes upon Government agencies other additional duties.

I note, incidentally, Mr. Chairman, that the language also is violative of the same rule cited, in that I know of no legislative authority or, rather, no legislation this particular language would implement.

I note additionally, Mr. Chairman, that the heads of agencies are compelled by the language of lines 11 through 15 to perform additional duties and responsibilities by making added and additional certifications which are not clearly appropriation in character, but which, rather are additional duties which are imposed and which are in the nature of legislation.

The CHAIRMAN. Before listening to other Members who may wish to be heard on the point of order, the Chair wishes to be sure of this point: The gentleman makes the point of order only against the proviso?

Mr. DINGELL. That is correct, Mr. Chairman.

The CHAIRMAN. Does the gentleman from Oklahoma (Mr. STEED) desire to be heard on the point of order?

Mr. STEED. Mr. Chairman, I may say that this language was put in the bill last year and we put it in again this year, because there are so many spigots out of which these programs are being funded. The Committee was trying to hold some order to this section.

However, now that the point of order has been made, our hope to do that has gone. We concede the point of order.

The CHAIRMAN (Mr. BOLLING). The Chair sustains the point of order.

The Clerk will read.

The Clerk read as follows:

SPECIAL FUND FOR DRUG ABUSE

For the "Special fund" established by section 223 of the Drug Abuse Office and Treatment Act of 1972 (Public Law 92-255), $20,000,000: *Provided*, That none of the funds made available under this heading shall be available for allocation to any other Government agency unless the head of such agency shall certify in writing that all funds available to such agency for drug abuse prevention activities are fully committed and that additional funds are required for programs that appear to have promise of being exceptionally effective.

AMENDMENT OFFERED BY MR. ROBISON OF NEW YORK

Mr. ROBISON of New York. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. ROBISON of New York: On page 11, line 19, strike out $20,000,000" and insert "$21,500,000."

Mr. DINGELL. Mr. Chairman, I reserve a point of order to the proviso beginning at line 19, on page 11, down through the end of——

The CHAIRMAN. The gentleman need not do that, because the Clerk has not completed reading that section.

Mr. DINGELL. Mr. Chairman, I am merely being vigilant in protecting my rights.

The CHAIRMAN. The gentleman from New York (Mr. ROBISON) is recognized for 5 minutes in support of his amendment.

Mr. STEED. Mr. Chairman, will the gentleman yield?

Mr. ROBISON of New York. I yield to the gentleman from Oklahoma.

Mr. STEED. Mr. Chairman, may I say that had the committee had the information we now have, the amount of money stated in the gentleman's amendment would be in the bill. Now that we have such information, I personally accept the amendment and urge my colleagues to approve it.

Mr. ROBISON of New York. Mr. Chairman, I apppreciate the gentleman's acceptance of the amendment.

Mr. Chairman, briefly, what it does is put the level of funding for this item at the same level it enjoyed last year, $25 million, including the carryover of funds.

The CHAIRMAN. The Chair regrets to state that the Chair was confused on the point at which the amendment was offered. Therefore, the Chair wishes to give the gentleman from Michigan (Mr. DINGELL) an opportunity to make his point of order at this time, since he attempted to reserve a point of order at the proper time.

PARLIAMENTARY INQUIRY

Mr. DINGELL. I thank the Chairman.

I would make a parliamentary inquiry to assist the Chair and to assist me as to whether a point of order would lie at this particular time to the language on page 11, line 19, through the top of page 12, line 2, beginning with the word *"Provided"* at line 19, page 11.

The CHAIRMAN. In order to clarify the situation, the Clerk will read the paragraph entitled "Special Fund for Drug Abuse," beginning on line 16, page 11.

The Clerk reread the section.

POINT OF ORDER

Mr. DINGELL. Mr. Chairman, I rise to a point of order at this point. The point of order is that the language on page 11, line 19, beginning with the word *"Provided,"* down through the end of the section at the top of page 19, line 2, is again violative of rule XXI, clause 2, in that it does constitute legislation on an appropriation bill in that it does require additional actions by Government in certifying "in writing that all funds available to such agency for drug abuse". It does involve an additional burden on the executive branch and therefore does constitute a violation of the rule referred to.

Mr. ADDABBO. Mr. Chairman, will the gentleman yield to me before he insists on his point of order?

Mr. DINGELL. I yield to the gentleman.

Mr. ADDABBO. I wish to point out to the gentleman from Michigan that if this language is stricken, then the head of this agency can transcend the operation of every other agency without their permission and can transcend the action of every other committee without their permission, and that is why in our questioning of the head of that division we put in this restrictive action. But this money would not or could not be expended unless and until the mother agency expended and acted in that particular field.

Mr. DINGELL. Mr. Chairman, in order to assist my good friend, the gentleman from New York, I ask unanimous consent that I may reserve the point of order in order that I may respond to the comment made by my friend.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. DINGELL. I am very sympathetic and satisfied that the Committee on Appropriations was trying to do a good job but am also satisfied that we do have problems that should be brought to the attention of the legislative committees, and I am satisfied that this is the way the matter should be handled.

For that reason, Mr. Chairman, I insist on my point of order.

The CHAIRMAN. The Chair understands the gentleman from Michigan to insist on his point of order.

Mr. DINGELL. I do.

The CHAIRMAN (Mr. BOLLING). The Chair understands that the point of order is conceded and the Chair sustains the point of order.

PARLIAMENTARY INQUIRY

Mr. ROBISON of New York. Mr. Chairman, a parliamentary inquiry. Where is my amendment now?

The CHAIRMAN. The gentleman's amendment is about to be acted on.

The Clerk will report the amendment.

AMENDMENT OFFERED BY MR. ROBISON OF NEW YORK

The Clerk read as follows:

> Amendment offered by Mr. ROBISON of New York: At page 11, line 19, strike out "$20,000,000" and insert "$21,500,000."

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York.

The amendment was agreed to.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

SPECIAL ASSISTANCE TO THE PRESIDENT

> For expenses necessary to enable the Vice President to provide assistance to the President in connection with specially assigned functions, including hire of passenger motor vehicles, services as authorized by 5 U.S.C. 3109, but at rates for individuals not to exceed the per diem equivalent of the rate for grade GS-18, compensation for one position at a rate not to exceed the rate of Level II of the Executive schedule, and other personal services without regard to the provisions of law regulating the employment and compensation of persons in the Government service, $675,000.

POINT OF ORDER

Mr. GROSS. Mr. Chairman, I make a point of order against the language to be found on page 12, beginning with line 3 and reading through line 13, on the basis that it is legislation on an appropriation bill in violation of rule XXI, clause 2, and particularly I point to the language to be found on line 11, which reads as follows:

> and other personal services without regard to the provisions of law regulating the employment and compensation of persons in the Government service,

Mr. Chairman, I insist that is legislation on an appropriation bill, and it goes beyond the purview of the Committee on Appropriations.

The CHAIRMAN. Does the gentleman from Oklahoma desire to be heard on the point of order?

Mr. STEED. Only to say this, Mr. Chairman: That without this item, the Vice President, who has many very heavy duties outside of his service with the Senate, will have no staff whatever.

Mr. GROSS. Mr. Chairman, I insist on the regular order; the gentleman is not addressing himself to the point of order.

The CHAIRMAN. The gentleman from Oklahoma will confine himself to the point of order.

Mr. STEED. Mr. Chairman, I just want to say in view of earlier rulings that Executive orders are not sufficient authority to appropriate money that we have to concede the point of order because this agency was appointed by the President.

The CHAIRMAN. Does the gentleman from Michigan (Mr. DINGELL) desire to be heard on the point of order?

Mr. DINGELL. I do, Mr. Chairman, only to remind the Chair that the burden is upon the Committee on Appropriations to sustain the legislative basis for its actions.

The CHAIRMAN (Mr. BOLLING). The Chair is ready to rule.

The point of order is conceded, and the point of order is sustained.

Mr. DINGELL. Mr. Chairman, I would point out that I have a point of order that I would reserve to the next section.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

THE WHITE HOUSE OFFICE

SALARIES AND EXPENSES

> For expenses necessary for the White House Office, including not to exceed $2,250,000 for services as authorized by title 5, United States Code, section 3109, at such per diem rates for individuals as the President may specify, and other personal services without regard to the provisions of law regulating the employment and compensation of persons in the Government service; newspapers, periodicals, teletype news service, and travel (not to exceed $75,000), and official entertainment expenses of the President, to be accounted for solely on his certificate; $9,100,000.

The CHAIRMAN. The gentleman from Michigan (Mr. DINGELL) has reserved a point of order.

The gentleman will state his point of order.

POINT OF ORDER

Mr. DINGELL. Mr. Chairman, I note the same point of order which was previously sustained by the Chair, and made by the gentleman from Iowa (Mr. GROSS).

I would point out that this language appearing on page 12, lines 14 through 25, constitutes a violation of rule XXI, clause 2, in that it constitutes legislation in an appropriation bill.

I would point out specifically the language which reads on line 18:

> at such per diem rates for individuals as the President may specify, . . .

Clearly this is not sanctioned by authorization or law. And then the language goes on:

> and other personal services without regard to the provisions of law regulating the employment and compensation of persons in the Government service; . . .

And then the language goes on.

I would state, Mr. Chairman, there is no showing that there is legislative authority for this particular appropriation. I would point out again to the Chair that there is a requirement in the Rules of the House that appropriation committees do bear the burden of establishing the legislative basis for attempted appropriations. I would point out that this has not been done, and I insist on the point of order.

The CHAIRMAN. Does the gentleman from Oklahoma desire to be heard on the point of order?

Mr. STEED. Mr. Chairman, we submitted this item along with many others for expert review by the Office of Management and Budget, and were advised that the language starting on line 18 after "section 3109,"—

> at such per diem rates for individuals as the President may specify, . . .

And going down to line 22, where it says—

> in the Government service; . . .

And we were advised that the language is subject to a point of order, and we concede the point of order.

We were also advised that the language on page 12, line 23, after—

> (not to exceed $75,000), . . .

The words—

> and official entertainment expenses of the President, to be accounted for solely on his certificate; . . .

Is also subject to a point of order, and we concede that.

The rest of it is not subject to a point of order because it is provided by law.

The CHAIRMAN (Mr. BOLLING). The Chair is ready to rule.

If the Chair understands correctly, the gentleman from Michigan (Mr. DINGELL) has made a point of order against various items in the paragraph and therefore makes a point of order against the entire paragraph?

Mr. DINGELL. Mr. Chairman, that is correct.

The CHAIRMAN. Unless the gentleman from Texas desires to be heard, the Chair is ready to rule on the point of order to the paragraph.

PARLIAMENTARY INQUIRY

Mr. ECKHARDT. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state his parliamentary inquiry.

Mr. ECKHARDT. Mr. Chairman, I have been about to raise a point of order on the provision "to be accounted for solely on his certificate." I understand that this is conceded.

The CHAIRMAN (Mr. BOLLING). The Chair also understands it is conceded. The Chair's understanding of the situation is that the point of order made by the gentleman from Michigan lies against the whole of the paragraph. The Chair is prepared to rule that the point of order has been conceded and is sustained, and that the whole paragraph, therefore, is stricken.

AMENDMENT OFFERED BY MR. STEED

Mr. STEED. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

> Amendment offered by Mr. STEED: Page 12, line 14, insert:
>
> THE WHITE HOUSE OFFICE
>
> SALARIES AND EXPENSES
>
> For expenses necessary for the White House Office, including not to exceed $2,250,000 for services as authorized by title 5, United States Code, section 3109; newspapers, periodicals, teletype news service, and travel (not to exceed $75,000); $9,1110,000.

Mr. DINGELL. Mr. Chairman, I reserve a point of order at this point.

Mr. STEED. Mr. Chairman, this item provides all the secretarial and the other office help that the President of the United States has in the discharge of his very heavy duties. We have had this language reviewed by the experts, and it is all in accordance with existing law. I cannot imagine that the Congress would want to take away from the President the only secretarial help he has. I hope the House will approve the amendment.

Mr. DINGELL. Mr. Chairman, I continue to reserve a point of order.

Mr. Chairman, I move to strike out the requisite number of words.

Mr. Chairman, I rise to engage in colloquy with my good friend, the gentleman from Oklahoma (Mr. STEED).

Mr. STEED has offered an amendment which, if I understand it, reintroduces all of the language of the paragraph at page 12, lines 14 through 25, except that language which was the subject of the point of order which I had earlier made; am I correct?

Mr. STEED. That is right.

Mr. DINGELL. Now I ask my good friend, the gentleman from Oklahoma, this question. We have eliminated the President's power to fix per diem rates for individuals as the President may specify; am I correct?

Mr. STEED. That is correct.

Mr. DINGELL. We have also eliminated the power of the President to acquire thereby other personal services without regard to the provisions of law regulating the employment and compensation of persons in government service; am I correct?

Mr. STEED. That is right.

Mr. DINGELL. The provision says:

> other personal services without regard to the provisions of law regulating the employment and compensation of persons in the Government service. . . .

We have also eliminated that; am I correct?

Mr. STEED. That is correct. We have also knocked out the part that says:

> official entertainment expenses of the President. . . .

Mr. DINGELL. I see.

> to be accounted for solely on his certificate. . . .

The gentleman is correct?

Mr. STEED. That is right.

Mr. DINGELL. I ask my good friend, the gentleman from Oklahoma, having established that this is his intention, how, then, is the will of the House to see to it that the President accounts for these in the appropriate fashion to be carried out, and how is the will of the House as expressed here by the gentleman's amendment to be superintended? Will this be done by GAO accounting, or precisely how will this be done?

Mr. STEED. Just like all other Government agencies. Because of the travel and all this sort of thing, it will come under the existing law that covers all such items in the Government. He is authorized this in 3 U.S.C. 105 and 106 and 5 U.S.C. 109, so he would have no special regulations. It would have to come under whatever agency of the Government it is as far as travel and other items.

Mr. DINGELL. These activities, then, all become subject to audit by GAO and become matters of public information which are available to the public of the United States?

Am I correct?

Mr. STEED. They already are, as far as that is concerned.

Mr. DINGELL. I would tell the gentleman I have engaged in some scrutiny and as of this particular minute I have found my access to these matters has been foreclosed and the access of General Accounting Office to these matters has been foreclosed, but what I am trying to do is establish a little legislative history to find out precisely what are the facts with regard to the matters we have just discussed.

Mr. STEED. The President is covered by other restrictive laws, and the gentleman probably knows more about what it takes to be President of the United States than the President does.

Mr. DINGELL. I do not profess to any such knowledge but I was trying to ascertain some facts.

Mr. STEED. I have never cut this item since I have been chairman of this committee.

Mr. Chairman, I recommend approval of the amendment.

Mr. DINGELL. Mr. Chairman, I withdraw my point of order and I stand upon the legislative history just created by my good friend, the gentleman from Oklahoma, and I am satisfied we have done in this regard a good day's work. I do not object to the amendment offered by my good friend, the gentleman from Oklahoma.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Oklahoma (Mr. STEED).

The amendment was agreed to.

The CHAIRMAN. The Clerk will read.

The Clerk proceeded to read the bill.

POINT OF ORDER

Mr. DINGELL. Mr. Chairman, a point of order. The Clerk is not reading the bill. He is skipping all around. He is not reading pages and paragraphs as the rules require and I ask that the Chair instruct the Clerk.

The CHAIRMAN. The Clerk is reading the bill by paragraph and will continue to read the bill by paragraph.

Mr. HOGAN. Mr. Chairman, I agree with the gentleman from Michigan. I have an amendment to be offered on page 16 and I could not find nor follow where the Clerk was reading.

The CHAIRMAN. The Clerk passed that point quite some time ago.

Mr. HOGAN. It could not have been quite some time ago because he just read the independent agencies but he did not read the subsections.

Mr. DINGELL. Mr. Chairman, pursuant to the point of order I would like to say this.

Mr. WIGGINS. There is no point of order.

The CHAIRMAN. The Chair would like to state to the gentleman from Maryland that the Clerk paused for some time after reading the paragraph to which the gentleman from Maryland is referring, and the Chair waited some time before he told the Clerk to proceed. The Clerk has now read page 17, line 11. The Chair tried to protect the gentleman but the gentleman did not respond.

Mr. HOGAN. Mr. Chairman, I ask unanimous consent that the Clerk be requested to read the first paragraph on page 16 again.

The CHAIRMAN. The gentleman from Maryland asks unanimous consent to return to the first paragraph on page 16. Is there objection to the request of the gentleman from Maryland?

Mr. DINGELL. Mr. Chairman, reserving the right to object, I think the Clerk rather should return to the bottom of page 14, because I note that is when he started skipping.

The CHAIRMAN. The Clerk has read properly under the Rules of the House and the Precedents of the House. The committee may return to page 16 only by unanimous consent.

Mr. CHARLES H. WILSON of California. Mr. Chairman, I object.

The CHAIRMAN. Objection is heard.

The Clerk will read.

The Clerk read as follows:

REPAIR AND IMPROVEMENT OF PUBLIC BUILDINGS

For expenses, not otherwise provided for, necessary to alter public buildings pursuant to the Public Buildings Act of 1959, as amended (40 U.S.C. 601–615), and to alter other federally owned buildings, including grounds, approaches and appurtenances, wharves and piers, together with the necessary dredging adjacent thereto; and care and safe-guarding of sites; preliminary planning of projects by contract or otherwise; maintenance, preservation, demolition, and equipment; to remain available until expended, $82,000,000, to be derived by transfer from the appropriation "Public Buildings Service, Operating Expenses": *Provided*, That for the purposes of this appropriation, buildings constructed pursuant to the Public Buildings Purchase Contract Act of 1954 (40 U.S.C. 356) and the Public Buildings Amendments of 1972 (86 Stat. 216), and buildings under the control of another department or agency where alteration of such buildings is required in connection with the moving of such other department or agency from buildings then, or thereafter to be, under the control of General Services Administration shall be considered to be public buildings: *Provided further*, That none of the funds made available under this head shall be available for the acquisition of unimproved real property or real property having improvements of negligible value for Government purposes.

CONSTRUCTION, PUBLIC BUILDINGS PROJECTS

For an additional amount for expenses, not otherwise provided for, for construction, pursuant to the Public Buildings Act of 1959, as amended (40 U.S.C. 601–615), in addition to the sums heretofore appropriated for such projects, $2,572,000, as follows: Border Station, Alaska Highway, Alaska, $732,000; courthouse and Federal office building, Fayetteville, Arkansas, $140,000; Border Station, San Diego, California, $1,100,000; and Federal office building, Buffalo, New York, $600,000; to remain available until expended: *Provided*, That the foregoing limits of costs may be exceeded to the extent that savings are effected in other projects, but by not to exceed 10 per centum: *Provided further*, That the appropriation granted under this heading for fiscal year 1973 in the amount of $203,312,000 shall revert to the Treasury.

POINT OF ORDER

Mr. DINGELL. Mr. Chairman, because of the difficulty the Clerk is having in reading, I rise to protect myself on a point of order on page 19, line 18.

The CHAIRMAN. The Clerk has not yet read that.

The Clerk will read.

The Clerk read as follows:

SITES AND EXPENSES, PUBLIC BUILDINGS PROJECTS

For an additional amount for expenses necessary in connection with the construction of public buildings projects not otherwise provided for, including preliminary planning by contract or otherwise, and the alteration of public buildings and other federally owned buildings (including buildings constructed pursuant to the Public Buildings Purchase Contract Act of 1954 (40 U.S.C. 356) and the Public Buildings Amendments of 1972 (86 Stat. 216), and buildings under the control of another department or agency where alteration of such buildings is required in connection with the moving of such department or agency from buildings then, or thereafter to be, under the control of the General Services Administration) not otherwise provided for, $500,000, to remain available until expended.

POINT OF ORDER

Mr. DINGELL. Mr. Chairman, I make a point of order against the language "until expended" appearing on page 19, line 18.

Mr. Chairman, that constitutes a violation of rule XXI, clause 2, legislation in an appropriation bill.

Mr. STEED. Mr. Chairman, we concede the point of order.

The CHAIRMAN (Mr. BOLLING). The point of order is conceded and sustained.

Does the Chair understand correctly that the gentleman makes his point of order against the limited language?

Mr. DINGELL. Mr. Chairman, the point of order was only to, "shall remain available until expended."

The CHAIRMAN. The point of order is sustained.

The Clerk will read.

The Clerk read as follows:

PAYMENTS, PUBLIC BUILDINGS PURCHASE CONTRACTS

For payments of principal, interest, taxes, and any other obligations under contracts entered into pursuant to the Public Buildings Purchase Contract Act of 1954 (40 U.S.C. 356) and the Public Buildings Amendments of 1972 (86 Stat. 216), $7,300,000.

EXPENSES, UNITED STATES COURT FACILITIES

For necessary expenses, not otherwise provided for, to provide directly or indirectly, additional space for the United States Courts incident to expansion of facilities (including rental of buildings in the District of Columbia and elsewhere and moving and space adjustments), and furniture and furnishings, $7,512,000.

FEDERAL SUPPLY SERVICE

OPERATING EXPENSES

For expenses, not otherwise provided, necessary for supply distribution (including contractual services incident to receiving, handling and shipping supply items), procurement, inspection, standardization, transportation and public utility activities, and other supply management and related activities, as authorized by law, $95,000,000.

NATIONAL ARCHIVES AND RECORDS SERVICE

OPERATING EXPENSES

For necessary expenses in connection with Federal records management and related activities, as provided by law, including reimbursement for security guard services, contractual services incident to movement or disposal of records, and acceptance and utilization of voluntary and uncompensated services, $33,000,000, of which $500,000 for allocations and grants for historical publications as authorized by 44 U.S.C. 2504, as amended, shall remain available until expended.

POINT OF ORDER

Mr. DINGELL. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. DINGELL. Mr. Chairman, the point of order is to the language on page 20, line 25, referring specifically to the words in the bill, "shall remain available until expended."

That again, Mr. Chairman, is violative of rule XXI, clause 2, as legislation on an appropriation bill.

Mr. STEED. Mr. Chairman, we concede the point of order.

The CHAIRMAN (Mr. BOLLING). The point of order is conceded and sustained.

The Clerk will read.

The Clerk read as follows:

PROPERTY MANAGEMENT AND DISPOSAL SERVICE

OPERATING EXPENSES

For expenses, not otherwise provided for, necessary for carrying out the functions of the Administrator with respect to the utilization of excess property; the disposal of surplus property; the rehabilitation of personal property; the appraisal of real and personal property; the national stockpile established by the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98–98h); the supplemental stockpile established by section 104(b) of the Agricultural Trade Development and Assistance Act of 1954 (68 Stat. 456, as amended by 73 Stat. 607); including services as authorized by 5 U.S.C. 3109 and reimbursement for security guard services, $33,000,000, to be derived from proceeds from transfers of excess property, disposal of surplus property, and sales of stockpile materials: *Provided*, That during the current fiscal year the General Services Administration is authorized to acquire leasehold interests in property, for periods not in excess of twenty years, for the storage, security, and maintenance of strategic, critical, and other materials in the national and supplemental stockpiles provided said leasehold interests are at nominal cost to the Government: *Provided further*, That during the current fiscal year there shall be no limitation on the value of surplus strategic and critical materials which, in accordance with section 6 of the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98e), may be transferred without reimbursement to the national stockpile: *Provided further*, That during the current fiscal year materials in the inventory maintained under the Defense Production Act of 1950, as amended (50 U.S.C. App. 2061–2166), and excess materials in the national stockpile and the supplemental stockpile, the disposition of which is authorized by law, shall be available, without reimbursement, for transfer at fair market value to contractors as payment for expenses (including transportation and other accessorial expenses) of acquisition of materials, or of refining, processing, or otherwise beneficiating materials, or of rotating materials, pursuant to section 3 of the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98b), and of processing and refining materials pursuant to section 303(d) of the Defense Production Act of 1950, as amended (50 U.S.C. App. 2093(d)): *Provided further*, That none of the funds available under this heading shall be available for transfer to any other account nor for the funding of any activities other than those specifically authorized under this heading.

POINT OF ORDER

Mr. DINGELL. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. DINGELL. Mr. Chairman, I rise again out of diligence to protect myself as to points of order.

At page 22, the first point of order is as to the words following the word "*Provided*" on page 22, line 6, down through the semicolon following the word "Government" at page 22, line 12.

I make the point of order, Mr. Chairman, together with another point of order on the same rule beginning with the words, "*Provided further*" down through the word "stockpile," at page 22, line 18, in that both of these provisos are violative of rule XXI, clause 2, and constitute legislation in an appropriation bill.

The CHAIRMAN. Does the gentleman from Oklahoma desire to be heard on the point of order?

Mr. STEED. Mr. Chairman, on the second point of order, I believe the gentleman does not intend to stop on line 22, does he? I believe he would have to go on to the end of the proviso.

Mr. DINGELL. I intend to get the next proviso as soon as we dispose of these points of order.

Mr. STEED. The gentleman stopped in the middle of a proviso.

Mr. DINGELL. I am going to get the "*Provided further*," next.

Mr. STEED. There is no "*Provided further*," next. This stops with the "supplemental stockpile" in line 22.

Mr. DINGELL. In order, Mr. Chairman, to assist my good friend from Oklahoma, I will make another point of order against the language beginning on page 22, line 18, with "*Provided further*," down through the conclusion of that "*Provided further*," on page 23, line 7; and then I will make a further point of order against the "*Provided further*," language on page 23, line 7, down through the end of line 10 on page 23; in that all of these provisos and "Provided furthers" do constitute violations of rule XXI, clause 2, and constitute legislation in an appropriation bill in violation of the rules.

I again cite the requirement of the rules as set forth in the House rules, that the burden of establishing the soundness of an appropriation is upon the committee which offers it to the House, and I point out that that burden cannot be borne, and that these are violative of the rules, constituting legislation in an appropriation bill.

The CHAIRMAN. Does the gentleman from Oklahoma desire to be heard on the point of order?

Mr. STEED. Mr. Chairman, we concede the point of order.

The CHAIRMAN. The point of order is conceded, and the point of order is sustained, and the language beginning with the word "*Provided*" on line 6, page 22, down through line 10, on page 23, ending with "this heading" is stricken.

Mr. STEED. Mr. Chairman, the proviso was the one starting on page 22 and going down to the word "stockpile" on line 18. That was the point of order made, against that language.

Mr. DINGELL. Mr. Chairman, I beg to differ.

The CHAIRMAN. The Chair believes the gentleman from Michigan made a point of order against the language in that proviso, the language in the second proviso of "*Provided further*," and in the third proviso, beginning on line 18, "*Provided further*," and then another "*Provided further*," beginning on line 7, page 23.

In other words, the Chair was under the impression that the gentleman made points of order against all the provisions beginning with "*Provided*," on page 22, line 6, through page 23, line 10.

Mr. DINGELL. The Chair is correct.

The CHAIRMAN. Which would have the effect of striking all the language the Chair just described?

Mr. STEED. Mr. Chairman, the points of order made against the language are conceded down to line 7, page 23, but the language of that "*Provided further*," is a simple limitation on an appropriation bill and is not subject to a point of order.

The CHAIRMAN (Mr. Bolling). The Chair agrees with the gentleman from Oklahoma.

The various points of order that are conceded are sustained, and that language is stricken. The language:

> *Provided further*, That none of the funds available under this heading shall be available for transfer to any other account nor for the funding of any activities other than those specifically authorized under this heading.

Which is a proper limitation and appears beginning in line 7, page 23, through line 10, remains in the bill, since the point of order has not been made against the entire paragraph.

The Clerk will read.

The Clerk read as follows:

UNITED STATES TAX COURT

SALARIES AND EXPENSES

For necessary expenses, including contract stenographic reporting, and other services as authorized by 5 U.S.C. 3109, $5,760,000: *Provided*, That travel expenses of the judges shall be paid upon the written certificate of the judge: *Provided further*, That $1,280,000 of this appropriation shall remain available until expended for equipment, furniture, furnishings and accessories, required for the new Tax Court building and, whenever determined by the Court to be necessary, without compliance with section 3709 of the Revised Statutes, as amended (41 U.S.C. 5).

POINT OF ORDER

Mr. DINGELL. Mr. Chairman, I assert a point of order against the line beginning with "*Provided further*" at page 26, line 21, down through the end of the paragraph at the top of page 27, line 2.

Mr. Chairman, the burden of the point of order is that the language in the bill referred to is violative of rule XXI, clause 2, constituting legislation in an appropriation bill. I refer specifically to the language at line 22 wherein the words are as follows:

> That $1,280,000 of this appropriation shall remain available until expended for equipment, furniture, furnishings, and accessories . . .

Mr. STEED. Mr. Chairman, will the gentleman yield?

Mr. DINGELL. I yield to the gentleman from Oklahoma.

Mr. STEED. Mr. Chairman, I concede the point of order.

The CHAIRMAN (Mr. Bolling). The point of order is conceded, and the point of order is sustained.

The Clerk will read.

The Clerk read as follows:

RESEARCH, SHELTER SURVEY, AND MARKING

For expenses, not otherwise provided for, necessary for studies and research to develop measures and plans for civil defense; continuing shelter surveys, marking, and equipping surveyed spaces; and financial contributions to the States under section 201(i) of the Federal Civil Defense Act, which shall be equally matched, for emergency operating centers and civil defense equipment; $24,000,000, to remain available until expended.

POINT OF ORDER

Mr. DINGELL. Mr. Chairman, I make another point of order here, at page 27, lines 20 and 21, beginning with the words, "To remain available until expended."

Again that is violative of rule XXI, clause 2, as constituting legislation in an appropriation bill, and I call to the attention of the Chair the requirements of the rule that the burden of establishing a legislative basis on appropriation is upon the author of the bill.

The CHAIRMAN. Does the gentleman from Oklahoma, Mr. Steed, concede the point of order?

Mr. STEED. Yes, sir, Mr. Chairman.

The CHAIRMAN (Mr. Bolling). The point of order is sustained.

The Clerk will read.

The Clerk read as follows:

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE HEALTH SERVICES AND MENTAL HEALTH ADMINISTRATION

EMERGENCY HEALTH

For expenses necessary for carrying out emergency planning and preparedness functions of the Health Services and Mental Health, Administration, and procurement, storage (including underground storage), distribution, and maintenance of emergency civil defense medical supplies and equipment, as authorized by section 201(h) of the Federal Civil Defense Act of 1950 (50 U.S.C. App. 2281(h)), and, except as otherwise provided, sections 301 and 311 of the Public Health Service Act with respect to emergency health services, $3,000,000, to remain available until expended.

POINT OF ORDER

Mr. DINGELL. Mr. Chairman, I make another point of order, based upon rule XXI, clause 2, at line 20, page 28, wherein the words, "to remain available until expended," appear.

I make the point of order that again this constitutes legislation in an appropriation bill.

The CHAIRMAN. Does the gentleman from Oklahoma (Mr. Steed) concede the point of order?

Mr. STEED. Mr. Chairman, I concede the point of order.

The CHAIRMAN (Mr. Bolling). The gentleman from Oklahoma (Mr. Steed) concedes the point of order. The point of order is sustained.

AMENDMENT OFFERED BY MR. HOGAN

Mr. HOGAN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Hogan: Page 28, immediately after line 20, insert the following:

COMMISSION ON THE REVIEW OF NATIONAL POLICY TOWARD GAMBLING

SALARIES AND EXPENSES

For expenses necessary to carry out functions of the Commission on the Review of the National Policy Toward Gambling, established by section 804 of the Organized Crime Control Act of 1970 (P.L. 91–452; 84 Stat. 938), $200,000.

Mr. HOGAN. Mr. Chairman, the gambling question has been debated for many years and presently there is a widespread call for decriminalization of gambling as a victimless crime. Apart from philosophical or moral considerations, two major lines of argument are offered to justify change: First, to raise public revenue; and second, to cut down profits going to organized crime. At the present time there are no hard facts to confirm or refute these agreements. The Gambling Commission will gather this data and make it available to the States.

The widespread interest in the various States is reflected by an increasing public acceptance of legalization. For example, referendums or lotteries which first passed by a margin of 2 to 1 are now passing by a margin of 7 to 1—New Jersey, Ohio, New Hampshire, Maryland, Washington, Iowa, and Montana. Presently eight States have lotteries in operation. New York City; three New York counties and Connecticut either have or are considerating off-track betting. Thirty States have horse racing and 10 States have dog racing. Nevada has casinos and slot machines. California has card parlors, and many States allow bingo and raffles for charitable purposes. At least 14 States are now actively considering lotteries; five States are actively considering sports pool betting and many other States are studying casinos, off-track betting, specialized race betting schemes and such as exacta daily numbers game. It has been forecast that within the next 5 to 10 years 30 States will have lotteries. Many others will legalize bingo and raffles, some will legalize sports betting, numbers, and off-track betting, and several others are considering establishing casinos.

Many of these States are desperately crying for leadership on behalf of the Federal Government to provide the answer to many questions regarding both revenue and the effect upon law enforcement and its conversant effects upon the social mores of their people.

Presently there are conflicts between the Federal laws and regulations regarding gambling and many of these activities in the States. Specifically, excise taxes, the Federal Communications Commission laws, laws affecting the Postal Service, and the Criminal Code of the United States, provide real conflicts which should be resolved with the legalized gambling activities of the States.

The Commission is charged with the responsibility of studying the effectiveness of the Federal statutes as they exist. This Commission was purposely delayed for a 2-year period in order to allow its study to encompass a new gambling statute which was enacted in 1970 with the statute which created the Gambling Commission. That statute completed the cycle of Federal involvement and made gambling jurisdiction of the Federal Government concurrent with that of the States. The Commission is to study the effectiveness of these Federal statutes, not only in terms of their possible infringement upon the States, but also in terms of the cost of the Federal enforcement trying to prohibit gambling.

This cost must be weighed against the ultimate resulting effect in terms of tax dollars spent. Finally, the effectiveness must include the need to consider statutory alternatives, such as changes in our methods of taxation of gambling activity.

Mr. STEED. Mr. Chairman, will the gentleman yield?

Mr. HOGAN. I yield to the gentleman.

Mr. STEED. I might advise the gentleman that at the time we marked up the bill we did not have all of the information on this item that now comes to hand. If we had, this item would have been included. So I am perfectly willing to accept the amendment and urge my colleagues to do likewise.

Mr. HOGAN. I thank the gentleman from Oklahoma.

Mr. ROBISON of New York. Mr. Chairman, will the gentleman yield?

Mr. HOGAN. I yield to the distinguished minority leader of the committee.

Mr. ROBISON of New York. The minority would have no objection to the amendment.

Mr. HOGAN. I thank the gentleman from New York.

Mr. HUNT. Mr. Chairman, will the gentleman yield?

Mr. HOGAN. I yield to the gentleman.

Mr. HUNT. Mr. Chairman, gambling is a well-established activity in the State of New Jersey where, in 1971, parimutuel betting exceeded $35 million, or 2.3 percent of the total State revenue. Those figures are approximately the same as 1972. The State lottery which grossed $40 million in 1970 has increased its activity to where in 1972 it grossed $60 million, or 3.4 percent of the total State revenue. Off-track betting as an activity has been proposed but is not likely to be approved by the State of New Jersey in 1973. Casinos to be established in Atlantic City have been considered, but it is considered unlikely at this point that they will be approved. A sports complex is currently being built in the State of New Jersey, and most authorities feel that when that sports complex is completed further proposals to legalize gambling activities surrounding sports will be proposed.

All of the questions which have faced the State of New Jersey can and should be evaluated and considered by a forum such as the National Gambling Commission. I submit that that Commission is the proper forum to consider these and other acts regarding the New Jersey experience, so that they may be a basis for other States' activities in the legal gambling field.

I urge adoption of this amendment.

Mr. WIGGINS. Mr. Chairman, will the gentleman yield?

Mr. HOGAN. I yield to the gentleman from California.

Mr. WIGGINS. I am still not clear on the purpose of gentleman's amendment. Is it to authorize and appropriate funds for a commission on national policy?

Mr. HOGAN. I am sorry?

Mr. WIGGINS. Would the gentleman explain to me and to the other Members of the House the purpose of the $200,000 to be appropriated here?

Mr. HOGAN. In 1970, Congress, under the Organized Crime Act, established new jurisdiction of the Federal Government with relation to gambling in the United States where virtually the Federal Government and the States now both have jurisdiction over what prior to that time had been intrastate gambling. The legislation at that time mandated the creation 2 years after enactment of that statute of a commission to study the national policy toward gambling. In October of last year that commission was created, but never had any funds with which to begin its work. So in this appropriation bill we are asking for $200,000, which, incidentally, is less than the $350,000 that the Office of Management and Budget recommended.

Mr. WIGGINS. I understand now and thank the gentleman.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Maryland (Mr. HOGAN).

The amendment was agreed to.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

SEC. 602. Unless otherwise specified and during the current fiscal year, no part of any appropriation contained in this or any other Act shall be used to pay the compensation of any officer or employee of the Government of the United States (including any agency the majority of the stock of which is owned by the Government of the United States) whose post of duty is in continental United States unless such person (1) is a citizen of the United States, (2) is a person in the service of the United States on the date of enactment of this Act, who, being eligible for citizenship, has filed a declaration of intention to become a citizen of the United States prior to such date, (3) is a person who owes allegiance to the United States, or (4) is an alien from Poland or the Baltic countries lawfully admitted to the United States for permanent residence: *Provided*, That for the purpose of this section, an affidavit signed by any such person shall be considered prima facie evidence that the requirements of this section with respect to his status have been complied with: *Provided further*, That any person making a false affidavit shall be guilty of a felony, and, upon conviction, shall be fined not more than $4,000 or imprisoned for not more than one year, or both: *Provided further*, That the above penal clause shall be in addition to, and not in substitution for, any other provisions of existing law: *Provided further*, That any payment made to any officer or employee contrary to the provisions of this section shall be recoverable in action by the Federal Government. This section shall not apply to citizens of the Republic of the Philippines or to nationals of those countries allied with the United States in the current defense effort, or to temporary employment of translators, or to temporary employment in the field service (not to exceed sixty days) as a result of emergencies.

POINT OF ORDER

Mr. DINGELL. Mr. Chairman, I make a point of order as follows: Line 20, beginning with the word "*Provided*," at page 31, section 302. The language continues to the word "*Provided*" at page 31, line 24, the word "with" and the colon.

The point of order is that this is violative of clause 2, rule XXI, as constituting legislative action in an appropriation bill.

The CHAIRMAN. Does the gentleman from Oklahoma desire to be heard?

Mr. STEED. I do, Mr. Chairman.

Mr. Chairman, this proviso has been in the bill for many years. This may impose a duty upon the person seeking, but it does not impose any additional duties on the Government side of it, and it is a strict limitation, it is a limitation in the sense that it requires only a type of qualification which is standard.

The CHAIRMAN (Mr. Bolling). The Chair is prepared to rule.

The language,

> an affidavit signed by such person shall be considered prima facie evidence . . .

Seems to the Chair clearly to be legislation, and the Chair sustains the point of order.

POINT OF ORDER

Mr. DINGELL. Mr. Chairman, I rise to a further point of order.

The CHAIRMAN. The gentleman from Michigan will state his point of order.

Mr. DINGELL. Mr. Chairman, I rise to a point of order to page 31, line 24, beginning with *"Provided further,"* down through the word "both" and the colon on page 32, line 2.

The point of order, Mr. Chairman, is that this is again legislation in an appropriation bill. I would point out to the Chair that we are creating a new crime by this legislation, which says:

> That any person making a false affidavit shall be guilty of a felony, and, upon conviction, shall be fined not more than $4,000 or imprisoned for not more than one year, or both:

Obviously this is a legislative effort by the Committee on Appropriations.

The CHAIRMAN. Does the gentleman from Oklahoma desire to be heard on the point of order?

Mr. STEED. Mr. Chairman, in view of the ruling of the Chair on the previous point of order, we concede this point of order.

The CHAIRMAN (Mr. Bolling). The point of order is conceded, and the point of order is sustained.

POINT OF ORDER

Mr. DINGELL. Mr. Chairman, I raise the same point of order again as to rule XXI, clause 2, to the words, beginning on page 32, line 2:

> *Provided further,* That the above penal clause shall be in addition to, and not in substitution for, any other provisions of existing law:

I cite again the earlier ruling of the Chair, and the point of order previously stated.

The CHAIRMAN. Does the gentleman from Oklahoma (Mr. Steed) desire to be heard on the point of order?

Mr. STEED. I do, Mr. Chairman. This is an entirely different proposition. This is a very obvious limitation.

The CHAIRMAN (Mr. Bolling). The Chair is ready to rule.

It would appear to the Chair that this proviso relates to the language that has already been stricken, and that the same ruling that applied to the stricken language would apply to it; therefore the Chair sustains the point of order.

POINT OF ORDER

Mr. DINGELL. Mr. Chairman, I have a further point of order.

The CHAIRMAN. The gentleman from Michigan will state his point of order.

Mr. DINGELL. Mr. Chairman, skipping over to the next *"Provided further,"* going on down to the words, beginning on page 32, line 7:

> This section shall not apply to citizens of the Republic of the Philippines or to natives of those countries allied with the United States in the current defense effort, or to temporary employment of translators, or to temporary employment in the field service (not to exceed sixty days) as a result of emergencies.

Mr. Chairman, I make note of the fact that this again constitutes legislation in an appropriation bill. I point out that it imposes upon the Government agencies involved the duty to make findings as to the citizenship of persons involved. Obviously this is an additional burden which this legislative act would apply. It again refers, Mr. Chairman, to earlier language which has been stricken by points of order, and constitutes a hold on those provisions which have previously been stricken by points of order.

So, Mr. Chairman, I renew my point of order with regard to the language appearing on page 32, commencing on line 7, with the words, "This section" through the end of the paragraph in line 12.

The CHAIRMAN. Does the gentleman from Oklahoma desire to be heard on the point of order?

Mr. STEED. Mr. Chairman, we concede the point of order.

The CHAIRMAN (Mr. Bolling). The point of order is conceded and the point of order is sustained.

The Clerk will read.

The Clerk read as follows:

> Sec. 610. Funds made available by this or any other Act to the "Building management fund" (40 U.S.C. 490(f)), and the "Postal service fund" (39 U.S.C. 2003), shall be available for employment of guards for all buildings and areas owned or occupied by the United States or the Postal Service and under the charge and control of the General Services Administration or the Postal Service, and such guards shall have, with respect to such property, the powers of special policemen provided by the first section of the Act of June 1, 1948 (62 Stat. 281; 40 U.S.C. 318), but shall not be restricted to certain Federal property as otherwise required by the proviso contained in said section, and, as to property owned or occupied by the Postal Service, the Postmaster General may take the same actions as the Administrator of General Services may take under the provisions of sections 2 and 3 of the Act of June 1, 1948 (622 Stat. 281; 40 U.S.C. 318a, 318b) attaching thereto penal consequences under the authority and within the limits provided in section 4 of the Act of June 1, 1948 (62 Stat. 281; 40 U.S.C. 318c).

POINT OF ORDER

Mr. DINGELL. Mr. Chairman, I make, again, the same point of order against the entirety of section 610, beginning with line 4 on page 36.

Mr. STEED. Mr. Chairman, we concede the point of order.

The CHAIRMAN (Mr. Bolling). The point of order is conceded and sustained.

AMENDMENT OFFERED BY MR. ASHBROOK

Mr. ASHBROOK. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

> Amendment offered by Mr. Ashbrook: Page 36, after line 23, insert:
>
> "Sec. 611. Notwithstanding any other provision of this act, expenditures for programs provided herein shall not exceed 95 per centum of the amounts appropriated."

Mr. ASHBROOK. Mr. Chairman, I will not require more than 30 seconds to explain this amendment. I will not take more than that time. This is what was formerly known as the Bow amendment. I believe the Committee on Appropriations generally has done a good job holding the line, but I think it is time for the House, in the light of our current financial situation, to indicate our belief that we should go a little bit further in limiting the expenditure of Federal funds. As I said, it is the Bow amendment. It would seem to me, in closing, that if this House in its wisdom can see fit to reduce the military bill as we did yesterday, by comparison there is nothing in this bill that could not operate at 95 percent.

Mr. Chairman, I urge support of this amendment.

Mr. STEED. Mr. Chairman, I rise in strong opposition to this amendment. I believe this is a gratuitous effort to undo the work that this subcommittee has worked so long and hard to do. We have had no previous warning that such an amendment would be offered. I think that it is irresponsible in the extreme, and I hope the Members will sustain the committee and vote it down.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio.

The question was taken; and the Chairman announced that the noes appeared to have it.

Mr. ASHBROOK. Mr. Chairman, I demand a recorded vote.

A recorded vote was refused.

So the amendment was rejected.

AMENDMENT OFFERED BY MR. FASCELL

Mr. FASCELL. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

> Amendment offered by Mr. Fascell: On page 36, after line 23, insert a new section:
>
> Sec. 611. (a) No part of any appropriation contained in this or any other Act, or of funds available for expenditure by any corporation or agency, shall remain available to an agency whenever either House of Congress, any committee or subcommittee thereof (to the extent of matter within its jurisdiction), or the Comptroller General of the United States has delivered to the office of the head of an agency a written request that it be furnished any document, paper, communication, report, study, or any other material within its possession or under its control unless the head of such agency provides the material requested as soon as practicable but not later than thirty days from the date of the request.
>
> (b) No part of any appropriation contained in this or any other Act, or of funds available for expenditure by any corporation or agency, shall remain available to an agency whenever either House of Congress, or any committee or subcommittee thereof (to the extent of matter within its jurisdiction) requests the presence of an officer or employee of an agency for testimony regarding matters within the agency's possession or under its control unless the officer or employee shall appear and supply all information requested.
>
> (c) "Agency," as used in this section means a department, agency, instrumentality, or other authority of the Government of the United States (other than the Congress or courts of the United States), including any establishment within the Executive Office of the President.

POINT OF ORDER

Mr. ROBISON of New York. Mr. Chairman, I make a point of order against the proposed amendment on the ground that it is clearly legislation on on an appropriation bill.

The CHAIRMAN. Does the gentleman from Florida desire to be heard on the point of order?

Mr. FASCELL. Yes, I do, Mr. Chairman.

Mr. Chairman, the language is totally consistent as a limitation on this bill as contained in many sections of the bill. I call the Chair's attention to 607 (a) as one example and there are many others in which the limitation with respect to the appropriation is quite clear. Therefore, since the amendment which is proposed does not provide for any additional duties on the part of any executive agency and is clearly a limitation on an appropriation it is totally consistent with those already contained in the bill and made available for the purposes of this amendment.

The CHAIRMAN (Mr. BOLLING). The Chair is ready to rule. The Chair has had an opportunity to examine the amendment and finds that the language "of funds available for expenditure by any corporation or agency" clearly does not comply with the precedent that is found on page 614 of Cannon's Precedents, volume 7, 1604:

> In order to qualify as a limitation, an amendment to an appropriation bill must apply to the appropriation under consideration, and propositions to apply such limitations to funds appropriated in other acts are not in order.

The language of the amendment clearly applies to other acts. Therefore, the Chair sustains the point or order.

AMENDMENT OFFERED BY MR. FASCELL

Mr. FASCELL. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

> Amendment offered by Mr. FASCELL: On page 36, after line 23, insert a new section:
>
> SEC. 611. (a) No part of any appropriation contained in this or any other act shall remain available to an agency whenever either House of Congress, any committee or subcommittee thereof (to the extent of matter within its jurisdiction), or the Comptroller General of the United States has delivered to the office of the head of an agency a written request that it be furnished any document, paper, communication, report, study, or any other material within its possession or under its control unless the head of such agency provides the material requested as soon as practicable but not later than thirty days from the date of the request.
>
> (b) No part of any appropriation contained in this or any other Act shall remain available to an agency whenever either House of Congress, or any committee or subcommittee thereof (to the extent of matter within its jurisdiction) requests the presence of an officer or employee of an agency for testimony regarding matters within the agency's possession or under its control unless the officer or employee shall appear and supply all information requested.
>
> (c) "Agency," as used in this section means a department, agency, instrumentality, or other authority of the Government of the United States (other than the Congress or courts of the United States), including any establishment within the Executive Office of the President.

Mr. FASCELL (during the reading). I ask unanimous consent that further reading of the amendment be dispensed with and that it be printed in the RECORD at this point, and I will explain the language stricken out.

Mr. EDWARDS of Alabama. Mr. Chairman, I object.

The CHAIRMAN. Objection is heard. The Clerk will read.

The Clerk concluded the reading of the amendment.

POINT OF ORDER

Mr. ROBISON of New York. Mr. Chairman, I make a point of order again on the proposed amendment as amended by the gentleman from Florida on the ground that it is still legislation on an appropriation act, resting that again on the basis that the language makes it apply to "this or any other act."

Mr. FASCELL. Mr. Chairman, the amendment seeks to be strictly a limitation within the purview of the rule. I call the attention of the Chair to the language in 607(a), which says—

> No part of any appropriations contained in this or any other Act, or of funds available for expenditure by any corporation or agency, shall be used for publicity . . .

Once having done that in this legislation, it seems to me that where language is clearly a limitation within the purview of the legislation or extending the legislation, that the amendment would be in order.

The CHAIRMAN (Mr. BOLLING). The mere fact that this similar language remains in the bill does not protect the gentleman's amendment from the fact that it adds additional legislation to that which has been permitted to remain in the bill and is itself subject to a point of order.

The point of order is sustained.

AMENDMENT OFFERED BY MR. FASCELL

Mr. FASCELL. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

> Amendment offered by Mr. FASCELL: On page 36, after line 23, insert a new section:
>
> SEC. 611. (a) No part of any appropriation contained in this Act, shall remain available to an agency whenever either House of Congress, any committee or subcommittee thereof (to the extent of matter within its jurisdiction), or the Comptroller General of the United States has delivered to the office of the head of an agency a written request that it be furnished any document, paper, communication, report, study, or any other material within its possession or under its control unless the head of such agency provides the material requested as soon as practicable but not later than thirty days from the date of the request.
>
> (b) No part of any appropriation contained in this Act, shall remain available to an, agency whenever either House of Congress, or any committee or subcommittee thereof (to the extent of matter within its jurisdiction) requests the presence of an officer or employee of an agency for testimony regarding matters within the agency's possession or under its control unless the officer or employee shall appear and supply all information requested.
>
> (c) "Agency," as used in this section means a department, agency, instrumentality, or other authority of the Government of the United States (other than the Congress or courts of the United States), including any establishment within the Executive Office of the President.

POINT OF ORDER

Mr. ROBISON of New York. Mr. Chairman, I make a point of order against the amendment on the ground that the amendment as presented is still legislation on an appropriation act; specifically, that it requires additional duties of additional people, including officers mentioned in the act, and that it addresses itself to matters which go far beyond the scope of the legislation.

The CHAIRMAN. Does the gentleman from Florida wish to be heard?

Mr. FASCELL. Yes, Mr. Chairman.

The language is obviously and clearly a limitation on the appropriation contained in the act, and that is what the language says. It imposes no duty on any executive agency not already required by law.

The CHAIRMAN (Mr. BOLLING). The Chair has had an opportunity to examine the amendment again and finds that the language which appears in the amendment, which says "unless the head of such agency provides the material requested," and the language in paragraph (b) which says "unless the officer or employee shall appear and supply all information requested," does in fact impose additional duties and is legislative in effect.

Therefore, the Chair sustains the point of order.

The Clerk will read.

The Clerk concluded the reading of the bill.

Mr. STEED. Mr. Chairman, I move that the Committee do now rise and report the bill back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the bill as amended do pass.

The motion was agreed to.

Accordingly, the Committee rose; and the Speaker having resumed the chair, Mr. BOLLING, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 9590) making appropriations for the Treasury Department, the United States Postal Service, the Executive Office of the President, and certain Independent Agencies, for the fiscal year ending June 30, 1974, and for other purposes, had directed him to report the bill back to the House with sundry amendments, with the recommendation that the amendments, with the recommendation that the amendments be agreed to and that the bill as amended do pass.

Mr. STEED. Mr. Speaker, I move the previous question on the bill and all amendments thereto to final passage.

The previous question was ordered.

The SPEAKER. Is a separate vote demanded on any amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

MOTION TO RECOMMIT OFFERED BY MR. SYMMS

Mr. SYMMS. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. SYMMS. I am, Mr. Speaker.

The SPEAKER. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. Symms moves to recommit H.R. 9590 to the Committee on Appropriations.

GENERAL LEAVE

Mr. STEED. Mr. Speaker, I ask unanimous consent to revise and extend my own remarks and to insert statistical matter concerning the bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. STEED. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks on the bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

AUTHORIZING CLERK TO MAKE CORRECTIONS IN ENGROSSMENT OF H.R. 9590

Mr. STEED. Mr. Speaker, I ask unanimous consent that in the engrossment of H.R. 9590, the Clerk be authorized to make corrections in section numbers, punctuation, and cross-references to reflect the action of the House.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

LEGISLATIVE PROGRAM AND ADJOURNMENT TO 11 A.M. TOMORROW

Mr. O'NEILL. Mr. Speaker, I rise to announce the program for the remainder of the afternoon.

The bill that was scheduled, emergency eucalyptus assistance, has been taken off.

At this time we plan to bring up the conference report on the Law Enforcement Assistance Act. There will also be two printing resolutions.

Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet at 11 o'clock tomorrow morning.

Mr. GERALD R. FORD. Mr. Speaker, will the gentleman yield?

Mr. O'NEILL. I am happy to yield to the distinguished minority leader.

Mr. GERALD R. FORD. Will the gentleman give us an outline, as best he can, of the schedule for tomorrow?

Mr. O'NEILL. May I say that the bill on the trans-Alaskan pipeline authorization is the first bill scheduled for tomorrow. That would normally take a good part of the day. We also hope to get to the eucalyptus tree bill.

Mr. GERALD R. FORD. I had understood there were several conference reports which would come at the outset of the session tomorrow. There was one I was particularly interested in, the IEP legislation, which the gentleman from Ohio (Mr. Ashley) was particularly interested in.

Mr. O'NEILL. That will be brought up but only after the two bills just mentioned.

Mr. GERALD R. FORD. I thank the gentleman.

The SPEAKER. The Chair did not understand the announcement of the program. The Chair was under the impression that the trans-Alaskan pipeline authorization bill was the first order of business tomorrow. That has been the understanding of the Chair all week.

Mr. GERALD R. FORD. Mr. Speaker, I just had several discussions with Members, and they had indicated to me that there were several conference reports that would come at the outset of the session, when we come in at 11 a.m.

Mr. O'NEILL. Mr. Speaker, there apparently was a misunderstanding that the gentleman from New Jersey (Mr. Rodino) was going to call up his conference report tonight and the gentleman from Ohio (Mr. Ashley) was going to call up his conference report first thing tomorrow. This is not the case. Mr. Rodino will be recognized first tomorrow and Mr. Ashley after the other two bills.

The SPEAKER. The Chair was not aware that the LEAA conference report was coming up this evening.

The Chair had intended to put the eucalyptus bill down following the legislation that was passed and was going to discontinue the business of the night, because we had been here so late last night with a special order.

The Chair would ask the indulgence of the Members. The Chair had not had any indication from any Member of any further program.

Is there objection to the request of the gentleman from Massachusetts (Mr. O'Neill) that when the House adjourn today, it adjourn to meet at 11 a.m. tomorrow?

There was no objection.

CONFERENCE REPORT ON S. 1672—AMENDING SMALL BUSINESS ACT

Mr. PATMAN submitted the following conference report and statement on the bill (S. 1672) to amend the Small Business Act:

Conference Report (H. Rept. No. 93–428)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 1672) to amend the Small Business Act, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the House amendment insert the following:

AUTHORIZATION

Section 1. Paragraph (4) of section 4(c) of the Small Business Act is amended—

(1) by striking out "$4,300,000,000" and inserting in lieu thereof "6,600,000,000";

(2) by striking out "$500,000,000" where it appears in clause (B) and inserting in lieu thereof "$725,000,000";

(3) by striking out "$500,000,000" where it appears in clause (C) and inserting in lieu thereof "$600,000,000"; and

(4) by striking out "$350,000,000" and inserting in lieu thereof "$475,000,000".

LOANS TO MEET REGULATORY STANDARDS

Sec. 2. (a) Section 7(b) (5) of the Small Business Act is amended to read as follows:

"(5) to make such loans (either directly or in cooperation with banks or other lending institutions through agreements to participate on an immediate or deferred basis) as the Administration may determine to be necessary or appropriate to assist any small business concern in effecting additions to or alterations in its plant, facilities, or methods of operation to meet requirements imposed on such concern pursuant to any Federal law, any State law enacted in conformity therewith, or any regulation or order of a duly authorized Federal, State, regional, or local agency issued in conformity with such Federal law, if the Administration determines that such concern is likely to suffer substantial economic injury without assistance under this paragraph: *Provided*, That the maximum loan made to any small business concern under this paragraph shall not exceed the maximum loan which, under rules or regulations prescribed by the Administration, may be made to any business enterprise under paragraph (1) of this subsection; and".

(b) (1) Section 7(b) (6) of the Small Business Act is repealed.

(2) Paragraph (7) of such section 7(b) is redesignated as paragraph (6).

(c) Section 28(d) of the Occupational Safety and Health Act of 1970 (Public Law 91–596) is amended by striking out "7(b) (6)" and inserting in lieu thereof "7(b) (5)".

(d) In no case shall the interest rate charged for loans to meet regulatory standards be lower than loans made in connection with physical disasters.

CONFORMING TECHNICAL AMENDMENTS

Sec. 3. (a) Subsection (g) of section 7 of the Small Business Act, as added by section 3(b) of the Small Business Investment Act Amendments of 1972, is redesignated as subsection (h).

(b) Subsection (c) of section 4 of the Small Business Act is amended by striking out "7(g)" each place it appears in paragraphs (1) (B), (2), and (4) and inserting in lieu thereof "7(h)".

DISASTER LOANS

Sec. 4. (a) The second paragraph following the numbered paragraphs of section 7(b) of the Small Business Act is amended by striking out "July 1, 1973," the first time it appears therein and inserting in lieu thereof "July 1, 1975,".

(b) Subparagraph (D) of the second paragraph following the numbered paragraphs of section 7(b) of the Small Business Act is amended by striking out clauses (i) and (ii) and inserting in lieu thereof the following: "with respect to a loan made in connection with a disaster occurring on or after April 20, 1973, but prior to July 1, 1975, and notwithstanding section 9 of Public Law 93–24, the Small Business Administration shall, at the option of the borrower, either cancel $2,500 of the loan and make the balance of such loan at an interest rate of 3 per centum per annum, or make the entire loan at an interest rate of 1 per centum per annum. In the event of the refinancing of a home or a business, the monthly payments after the refinancing shall in no case be lower than such payments prior to the disaster.".

(c) Notwithstanding the provisions of any other law, in the case of a disaster occurring on or after April 20, 1973, the Secretary of Agriculture shall make disaster loans at the same rate of interest and with the same forgiveness provisions applicable to Small Business Administration disaster loans pursuant to this section.

AUTHORITY OF SECRETARY OF AGRICULTURE WITH RESPECT TO NATURAL DISASTERS

Sec. 5. Notwithstanding the provisions of Public Law 93–24, the Secretary of Agriculture shall continue to exercise his authority with respect to natural disasters which occurred after December 26, 1972, but prior to April 20, 1973, in accordance with the provisions of section 5 of Public Law 92–385 as such section was in effect prior to April 20, 1973.

LIVESTOCK LOANS

Sec. 6. Section 7(b) (4) of the Small Business Act is amended by inserting before the semicolon at the end thereof the following: ": *Provided*, That loans under this paragraph include loans to persons who are engaged in the busines of raising livestock (including but not limited to cattle, hogs, and poultry), and who suffer substantial economic injury as a result of animal disease".

EROSION ASSISTANCE

SEC. 7. (a) Section 7(b)(1) of the Small Business Act is amended by inserting "erosion directly related to a flood, high water or tidal wave," immediately after "floods,".

(b) The Disaster Relief Act of 1970 is amended—

(1) by inserting in section 101(a)(1) between the words "high waters," and "wind-driven waters," the following: "erosion,"; and

(2) by inserting in section 103(1) between the words "high water," and "wind-driven water," the following: "erosion,".

LOANS FOR ADJUSTMENT ASSISTANCE IN BASE CLOSINGS

SEC. 8. Section 7(b) of the Small Busines Act is amended by adding after paragraph (6) the following new paragraph:

"(7) to make such loans (either directly or in cooperation with banks or other lending institutions through agreements to participate on an immediate or deferred basis) as the Administration may determine to be necessary or appropriate to assist any small business concern in continuing in business at its existing location, in reestablishing its business, in purchasing a new business, or in establishing a new business if the Administration determines that such concern has suffered or will suffer substantial economic injury as the result of the closing by the Federal Government of a major military installation under the jurisdiction of the Department of Defense, or as a result of a severe reduction in the scope and size of operations at a major military installation."

ANNUAL REPORT ON STATE OF SMALL BUSINESS

SEC. 9. The first sentence of subsection (a) of section 10 of the Small Business Act and the first word of the second sentence of such subsection are amended to read as follows: "The Administration shall, as soon as practicable each calendar year make a comprehensive annual report to the President, the President of the Senate, and the Speaker of the House of Representatives. Such report shall include a description of the state of small business in the Nation and the several States, and a description of the operations of the Administration under this chapter, including, but not limited to, the general lending, disaster relief, Government regulation relief, procurement and property disposal, research and development, technical assistance, dissemination of data and information, and other functions under the jurisdiction of the Administration during the previous calendar year. Such report shall contain recommendations for strengthening or improving such programs, or, when necessary or desirable to implement more effectively Congressional policies and proposals, for establishing new or alternative programs. In addition, such".

ANTI-DISCRIMINATION AMENDMENT

SEC. 10. Section 4(b) of the Small Business Act is amended by adding after "The Administrator shall not engage in any other business, vocation, or employment than that of serving as Administrator." the following new sentence: "In carrying out the programs administered by the Small Business Administration, including its lending and guaranteeing functions, the Administrator shall not discriminate against any person or small business concern receiving assistance from the Small Business Administration based on sex, and the Small Business Administration shall give special consideration to veterans of United States military service and the survivors of their immediate families.".

And the House agree to the same.

WRIGHT PATMAN,
ROBERT G. STEPHENS, Jr.,
HENRY B. GONZALEZ,
TOM S. GETTYS,
FRANK ANNUNZIO,
JIM HANLEY,
FRANK BRASCO,
EDWARD I. KOCH,
PARREN J. MITCHELL,
WILLIAM B. WIDNALL,
J. WILLIAM STANTON,
LAWRENCE G. WILLIAMS,
MARGARET M. HECKLER,
JOHN H. ROUSSELOT,
CLAIR W. BURGENER,
Managers on the Part of the House.

JOHN SPARKMAN,
WILLIAM PROXMIRE,
ADALI STEVENSON,
ALAN CRANSTON,
ROBERT TAFT, Jr.,
LOWELL P. WEICKER, Jr.,
Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the Conference on the disagreeing votes of the two houses on the amendment of the House to the bill (S. 1672), to amend the Small Business Act, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying Conference Report:

The House struck out all of the Senate bill after the enacting clause and inserted a substitute amendment.

The Committee of Conference has agreed to a substitute for both the Senate bill and the House amendment. Except for clarifying, clerical and conforming changes the differences are noted below. The House amendment provided disaster relief assistance administered through the Small Business Administration to homeowners and businesses in the following manner: Borrowers could obtain a $2,500 forgiveness on their loan and finance the balance at 3 per cent or the borrower could choose not to accept any forgiveness and finance the entire loan at 1 per cent. This provision would be retroactive to April 20, 1973, and would terminate on July 1, 1975. The Senate bill provided that disaster relief programs administered by both the Small Business Administration and the Farmers Home Administration would contain a $4,000 forgiveness feature with the amount of forgiveness reduced by 4 per cent for each $1,000 of income the recipient had above $10,000. The Senate provision was retroactive as far as Farmers Home Administration assistance was concerned to December 26, 1972. The Conference agreed to accept the House amendment including the Senate provision making the same financial assistance available to disaster relief programs handled by the Farmers Home Administration. The net effect of this is to make certain that in all disaster programs both farmers, homeowners, and businesses are given the same treatment. The Conferees also included the provision making the assistance retroactive to December 26, 1972, for purposes of FHA loans, but kept the House cutoff date of July 1, 1975.

Both the Senate bill and the House amendment contained provisions making victims of erosion eligible for disaster relief. The Senate bill, however, amended the Disaster Relief Act of 1970 by classifying erosion as a disaster relief for relief under that Act, while the House amendment made erosion a disaster eligible for assistance under the Small Business Administration. Because the Senate bill and the House amendment were to two different bills, the Conferees agreed to include both the House and Senate provisions in the Conference Reported measure. The House amendment contained a provision that would prohibit the Small Business Administration from discriminating against any person or small business concern based on sex and required the Administration to give special consideration in the conduct of its programs to veterans of the U.S. military services and the surviving members of their families. There was no comparable provision in the Senate bill. The Conferees accepted the House provision.

The Conferees note that because of recent changes in the disaster relief laws that many disaster victims have been uncertain as to whether they should seek loans because of the high interest rate and lack of forgiveness in the current law. The Conferees are concerned that administratively set deadlines for disaster relief help set by the Farmers Home Administration and the Small Business Administration may expire, thus precluding businesses, farmers, and homeowners from applying for benefits under the conference reported provision. In light of this the Conferees expect that both the Small Business Administration and the Farmers Home Administration will extend for 90 days after enactment of this bill the deadline for seeking relief for previously declared disasters.

WRIGHT PATMAN,
ROBERT G. STEPHENS, Jr.,
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Managers on the Part of the House.

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ROBERT TAFT, Jr.,
LOWELL P. WEICKER, Jr.,
Managers on the Part of the Senate.

REQUEST TO CONSIDER S. 1410, TO EXTEND AUTHORITY OF FEDERAL RESERVE BANKS

Mr. PATMAN. Mr. Speaker, I ask unanimous consent for the immediate consideration of the Senate bill (S. 1410) to amend section 14(b) of the Federal Reserve Act, as amended, to extend for 1 year the authority of Federal Reserve banks to purchase U.S. obligations directly from the Treasury.

The Clerk read the title of the Senate bill.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

Mr. ROUSSELOT. Mr. Speaker, reserving the right to object, is this the bill we considered in committee today to extend for 3 months?

Mr. PATMAN. Yes, we amended it to extend for 3 months.

Mr. ROUSSELOT. So the bill the gentleman is presenting is for 3 months?

Mr. PATMAN. The gentleman is correct.

Mr. ROUSSELOT. Mr. Speaker, I thank the gentleman.

Mr. GROSS. Mr. Speaker, further reserving the right to object, is the gentleman then retracting the statement he made that it is a 2-year extension?

Mr. PATMAN. That is the title of the Senate bill, and we amended it.

Mr. GROSS. So it has been changed to 3 months?

Mr. PATMAN. It is the same bill.

Mr. GROSS. Mr. Speaker, what is this? Is this the old familiar $5 billion cushion?

Mr. PATMAN. It is, yes, sir.

Mr. GROSS. This is the bill that was branded when it was first passed in Congress in the Senate as being a "printing press money bill"?

Mr. PATMAN. I believe the gentleman from Ohio did refer to it in that way. I am not saying he is wrong.

Mr. GROSS. Mr. Speaker, this is the bill by which we could end up, at the rate of the movement of money these days, at the end of 3 months with $5 billion of debt represented by nothing but greenbacks or printing press money?

We would have to tax the people to get out of them this $5 billion cost.

Mr. PATMAN. If the Secretary of the Treasury wanted to do that, there would be a possibility, but I do not anticipate it. I do not think it is reasonable to expect that.

Mr. GROSS. Mr. Speaker, in view of the fact that it will come up, I hope for a full dress debate in 3 months from now——

Mr. PATMAN. Oh, sure.

Mr. GROSS. And I hope to live that long—I will withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

Mr. DELANEY. Mr. Speaker, I object.

APPOINTMENT OF CONFEREES ON S. 373, IMPOUNDMENT CONTROL AND 1974 EXPENDITURE CEILING

Mr. BOLLING. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (S. 373) to insure the separation of Federal powers and to protect the legislative function by requiring the President to notify the Congress whenever he, the Director of the Office of Management and Budget, the head of any department or agency of the United States, or any officer or employee of the United States, impounds, orders the impounding, or permits the impounding of budget authority, and to provide a procedure under which the Senate and House of Representatives may approve the impounding action, in whole or in part, or require the President, the Director of the Office of Management and Budget, the department or agency of the United States, or the officer or employee of the United States, to cease such action, in whole or in part, as directed by Congress, and to establish a ceiling on fiscal year 1974 expenditures with House amendments thereto, insist on the House amendments, and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Missouri? The Chair hears none, and appoints the following conferees: Messrs. BOLLING, SISK, PEPPER, LONG of Louisiana, MARTIN of Nebraska, LATTA, and DEL CLAWSON.

LEGISLATIVE PROGRAM

(Mr. O'NEILL asked and was given permission to address the House for 1 minute.)

Mr. O'NEILL. Mr. Speaker, I wish to make the following announcement: There is no further business for the evening except unanimous-consent requests.

AN ALTERNATE TO IMPEACHMENT

(Mr. OBEY asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. OBEY. Mr. Speaker, I have today introduced an amendment to the U.S. Constitution which establishes a special Presidential election as a possible alternative to impeachment proceedings and requires such an election in the event the President is removed by impeachment. The amendment also calls for a repeal of the 22d amendment to the Constitution, which limits the time a President can serve to two terms.

For the past 6 months Watergate has debilitated the executive branch of Government, distracted the legislative branch and confused and frustrated the American public. Yet, unless something startling happens, it is likely that we will continue in this situation for the next 3½ years with the President serving without the confidence of a substantial majority of the American people.

No one can calculate with certainty, the cost that a crippled Presidency may impose on the American people over the next 3½ years—the inflation that might have been more effectively dealt with; the international disagreements that might have been more creatively and forcefully addressed—but you can be sure the costs are high.

A special election in circumstances like this could clear the air. That option is not available in the present crisis. It should be available in the event of such a crisis in the future.

If the incumbent President under these circumstances, lost an election, we could at least have a new President who would be able to govern for the remainder of the term.

If the incumbent President won, he would have a new mandate and much of the doubt surrounding his conduct in public office would become past history.

In any case, the ability of Government to direct its full and effective attention to the critical national problems would be restored.

Another reason why I support the idea of a special election under certain conditions is, frankly, because of the situation we find ourselves in at this time with respect to Vice President Agnew. This situation highlights what I believe is a basic structural flaw in American Government which was created by the 12th amendment to the Constitution.

Originally, the Constitution provided that the Vice President would be the individual receiving the second highest number of votes in the electoral college. The Vice President was, therefore, the President's strongest opponent in the last election and in the event that the administration came under such severe question as to warrant impeachment of the President, it would not be unreasonable for the Vice President to succeed him. He was actually more a member of the legislative branch, as Presiding Officer of the Senate, than he was a part of the administration.

By virtue of the 12th amendment and the evolution of our party system, the present method of selecting a Vice President makes this line of succession questionable at best in the event of impeachment. Should a president, whose extreme malfeasance in office warrants impeachment be succeeded upon his forced removal by an individual whom he has hand-picked, who campaigned for his election, who shared the same campaign funds and the assistance of the same campaign aides, and who once in office became a key member of and spokesman for that administration? Can you imagine a worse set of credentials for assuming public leadership at such a difficult point in a nation's history?

Even if the Vice President were completely innocent of the charges brought against the President, should not the Constitution place the mantle of leadership on someone free from the slightest association with the mistakes of the past—someone able to go forward in the execution of Presidential duties without the shadow of a previous administration perpetuating the suspicions and lack of confidence that such situations create?

I think the answer to that question is "yes," and I feel the leadership should fall to a man who has received a mandate from the American people in a special election as provided for in this amendment.

I have coupled this provision for special elections with repeal of the two-term limitation on the presidency for several reasons. I believe that one of the causes of Watergate was that some people associated with the White House felt that if they could just get past this last election, they would have a 4-year license to do virtually anything they wanted without ever being held politically accountable.

John Dean's description of "keeping the lid on until after the election" perhaps best describes the psychology of those aides who realized the president was constitutionally precluded from facing the electorate again and saw their political accountability to the American people ending on November 7. I think it is dangerous when men in positions of great public responsibility feel that for 4 years they can do almost anything they want because they are not going to be answerable to the voters.

As political scientist James MacGregor Burns notes:

> I would not want all or most presidents to seek a third term, but I would want all presidents in their second term to recognize that they might want to seek a third term.

If there is ever the slightest likelihood that a president will once again be going to the well to ask for public support in a new election, I think it is likely that a president and his aides will be more circumspect in their conduct.

Of course, there are those on the other side who argue that the Chief Executive should be freed from the pressures of politics and public opinion.

That is exactly what we do not need. God save the country from self-styled political "statesmen" who no longer feel it necessary to respond to the public emotion, pressure, and concern with which mere mortal politicians must grapple. Politicians who no longer are forced to deal with pressures that make up public opinion will sooner or later lose their understanding of those pressures, and Presidents are no exception.

Daniel J. Boorstin, one of America's most noted historians stated recently in reference to Watergate:

> The notion that it is desirable to have a president who can give his full attention to the "presidency" and not worry about re-election is quite a mistake. What we want is a president who will be thinking about the prospects of re-election and will wonder what reaction the public will have to what he's doing as president. That's what we mean by representative government.

This amendment is in fact similar to the one offered by the gentlewoman from Oregon (Mrs. GREEN) last month.

Her resolution would allow Congress to call a special election if each House by a two-thirds vote found that the President had: failed to execute the laws passed by Congress; exceeded the constitutional powers of his office or allowed trespass upon the rights of U.S. citizens.

I add two additional features:

First. The requirement that such special elections shall be held in the event of impeachment to prevent the ascendancy of the Vice President of an impeached President.

Second. The elimination of the 22d amendment prohibiting a President from holding more than two terms.

Her proposal is, I believe, an excellent alternative to the impeachment process—a process which although intended as a cure has as a result of the alteration of the Constitution, become almost as painful as the disease it is supposed to cure.

The addition of the provision requiring a special election in the event of impeachment would make that process a more feasible solution to Executive malfeasance and the elimination of the 22d amendment would help to prevent such irresponsible action on the part of the Executive that would warrant the use of either special elections or impeachment.

I include a copy of the suggested amendment for reprinting below:

H.J. RES. —

Joint resolution proposing an amendment to the Constitution of the United States relating to the strengthening of the system of checks and balances between the legislative and executive branches of the Government as envisioned by the Constitution with respect to the enactment and execution of the laws and the accountability to the people of the executive as well as the legislative branches of the Government

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled (two-thirds of each House concurring therein), That the following article is proposed as an amendment to the Constitution of the United States, which shall be valid to all intents and purposes as part of the Constitution of the several States:

SECTION 1. There shall be such power vested in the Congress of the United States that upon enactment by two-thirds of the Senate and of the House of Representatives present of a joint resolution that the President has consistently failed or refused faithfully to execute the laws enacted by the Congress; or that he has willfully exceeded the powers vested in him by this Constitution and the laws of the United States; or that he has caused or willfully permitted the rights of citizens of the United States to be trespassed upon in violation of this Constitution, the laws of the United States, or treaties made, or which shall be made, under their authority, the Congress shall by legislation enact a law which shall be excluded from the provisions enumerated in article I, section 7 of this Constitution requiring presentation to and signature by the President of all laws by Congress; provide for a special election for President and Vice President of the United States, such special election to be held within ninety days from the date of enactment of the joint resolution.

SEC. 2. The special election of the President and the Vice-President as provided for in section 1 of this article shall be by the direct popular vote of the registered voters of the several States.

SEC. 3. The special election shall be held pursuant to law enacted by the Congress and necessary campaign funds and allied expenses of the political parties participating in such special election as provided for in this article shall be financed exclusively from the funds which the Congress shall appropriate. Such legislation shall be excluded from the provision emunerated in article I, section 7 of this Constitution requiring presentation to and signature by the President. of all laws by Congress.

SEC. 4. The provisions of this article establishing a special election shall be inoperative whenever the date for such special election shall occur within one hundred and eighty days prior to the normal date for the election of the President and Vice President or within ninety days of any general election of Members of the House of Representatives as provided for by this Constitution and the laws of the United States.

SEC. 5. The incumbent President and Vice President shall be eligible to be renominated as candidates of their respective political party for reelection, and, if reelected, shall be considered as continuing to fulfill the term of office for which originally serving upon the enactment of the legislation under this article. If persons other than the incumbents are elected in the special election, such persons elected shall serve for the remainder of the unexpired terms of the incumbents.

SEC. 6. The provisions enumerated in section 1 of this article shall in no manner impair impeachment procedures relating to the President and Vice President in this Constitution.

SEC. 7. The twenty-second article of amendment to this Constitution is repealed.

SEC. 8. In the event of the removal of the President through the impeachment process, the Congress by concurrent resolution shall provide for a special election for President which shall be held not less than 60 days nor more than 90 days from the date of the President's removal. The Speaker of the House of Representatives shall serve as President in the interim period and shall have the full authority of the office.

SEC. 9. This article shall be inoperative unless it shall have been ratified as an amendment to the Constitution of the United States by the legislatures of three-fourths of the several States within seven years from the date of its submission to the several States by the Congress.

TWENTIETH BIRTHDAY OF THE U.S. INFORMATION AGENCY

(Mr. GERALD R. FORD asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. GERALD R. FORD. Mr. Speaker, today is the 20th birthday of the U.S. Information Agency, the Federal agency which tells the American story abroad.

It was on August 1, 1953, that the late President Dwight D. Eisenhower signed an Executive order establishing USIA as an independent agency with the responsibility for overseas information activities previously carried out by the Department of State and the Mutual Security Agency.

USIA operates 169 posts in 100 countries, communicating U.S. policies through a variety of means. The Voice of America, USIA's broadcasting arm, produces and broadcasts radio programs in 36 languages, broadcasting 858 hours per week. The VOA provides 250 newscasts daily, disseminating reliable and authoritative news.

In the United States, USIA provides assistance to foreign journalists covering public affairs in this country.

Theodore C. Streibert served as USIA's first director. He was followed by Arthur Larson, George V. Allen, Edward R. Murrow, Carl T. Rowan, Leonard H. Marks, Frank J. Shakespeare, and the Agency's present director, James Keogh.

Mr. Speaker, I salute the USIA on the occasion of its 20th anniversary for doing a fine job of communicating our ideas, our policies, and our institutions to overseas audiences. The work of the USIA is vital to the success of our Nation's diplomatic efforts and is helping us build a lasting structure of world peace.

President Nixon has issued a statement marking the 20th anniversary of the USIA. The President's message is as follows:

THE WHITE HOUSE,
Washington, July 26, 1973.

Twenty years ago, President Eisenhower signed the reorganization plan which established a separate United States Information Agency to communicate the objectives and policies of the United States to the people of other nations and to increase mutual understanding between the people of the United States and other peoples of the world.

For two decades, the USIA has presented to the world reliable information about our people, our culture, our aspirations and our policies. As the relationships among nations have changed and as we have moved from an era of confrontation to a new and challenging period of negotiation, USIA's efforts take on new importance. In a climate of lessened tensions and increased negotiations, international relationships are more complex and the issues more complicated. To succeed, our policies must be understood, our motives made clear and our ideals articulated. Truly there is a need today for a communications effort in support of our diplomatic initiatives to build a durable structure of peace in which those who would influence others will do so by the strength of their ideas, not by the force of their arms.

On this twentieth anniversary year of the United States Information Agency, I extend to its staff serving at home and abroad congratulations for a job well done and my best wishes for the future.

RICHARD NIXON.

A CITY, COUNTY, AND CONGRESSIONAL DISTRICT ASSESS THE IMPACT OF THE FISCAL YEAR 1974 FEDERAL BUDGET AND REVENUE SHARING ON THE LOCAL COMMUNITY

(Mr. RIEGLE asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. RIEGLE. Mr. Speaker, I would like to share for the public record the results of public hearings held to determine the effects of—

Changing Federal funding priorities;

Phasing out of categorical grant programs;

Revenue sharing; and

On our local programs, services, and people in Genesee County and Flint, Mich.

Like other cities and counties across the country today, our people face: First, major changes and reductions in net Federal resources available at the local level; and second, a shift in responsibilities toward State and local government, giving them more power to decide how Federal dollars are allocated and spent locally.

Accordingly, we first conducted a survey of over 80 local units of government and community programs, as well as of the Federal Cabinet heads. As a result, we found that Genesee County and Flint can anticipate a net loss of Federal funds of $11 million in fiscal year 1974, down from $23 million in fiscal year 1973.

Our next step was to institute budget impact hearings to evaluate the meaning of these changes. The hearings involved:

An intergovernmental panel of township, city, county, State, and congressional elected officials.

Local witnesses, including 32 top leaders and administrators of community services and programs spanning the fields of education, health, manpower, law enforcement, and social services.

Additional issues providing focus for the testimony were:

The effectiveness of the categorical grant system versus revenue sharing and the local allocation process.

The availability of non-Federal funding to continue programs jeopardized by cutbacks.

The role of citizen participation in the new responsibilities of local government, particularly in setting local budget priorities.

The impact of the shift toward local decisionmaking on minority interests and programs.

The national budget priorities, as reflected in the administration's budget proposal, and their consistency with local needs.

The lessons to be learned about how programs and services might work better and how local, State, and Federal roles should be revised accordingly.

I wish to thank all who participated for their hard work and sincere effort. Together we have gathered insights essential to our own community as well as to State and Federal officials around the country. These issues have relevance for other communities because Genesee County and Flint are a typical medium-sized metropolitan area of 450,000 people—with a full mix of economic, racial, and social groups, most particularly working people.

THEMES AND HIGHLIGHTS FROM WITNESSES

The concept of revenue sharing, with increased local responsibility, moves in the right general direction and is heightening the awareness of people toward the processes, opportunities, and problems of local government. However, the lack of good information, preparation, and sophisticated rational methods, along with major structural, organizational, and managerial inadequacies often leave local governments crippled at the outset.

Revenue sharing at present is so severely underfunded as to barely scratch the surface of local needs—and, contrary to advance expectations, may leave some urgent human service areas with dangerously fewer funds than previous programs provided. In the city of Flint alone, bona fide requests for the use of revenue sharing dollars already exceed available funds by more than 400 percent. At current inflation rates, revenue sharing funds could be eaten up simply to maintain existing services.

There is nearly unanimous agreement that our national priorities, as reflected by the administration's budget, are grossly out of line with local concerns and needs—especially in the fields of housing, education, environment, manpower, health—that is, the full range of human service programs. There is a feeling that communities and people are suffering because of too much spending on defense, space programs, foreign aid, and agricultural subsidies, among other areas.

The manner in which fiscal year 1974 budget proposals are being executed at the local level is severe, abrupt, full of uncertainties, and insensitive to problems being needlessly created. Instead of the Federal Government aiding local programs in a constructive and measured plan for change, people perceive a sudden dismantling process which is creating apprehension and chaos among organizations and, more importantly, among the citizens they serve.

There are many ways the Federal Government should revise its working relationship with local communities and stimulate action rather than stifling it with frustrating bureaucracy, redtape, and procedures—that is, using formulas rather than the grantsmanship game to fund local government units, providing better basic information, providing more management improvement and planning funds, funding only one local government unit affecting a given population.

Minorities, especially those sharing conditions of poverty, are extremely fearful that revenue sharing—with increased local responsibility and abandonment of Federal program guidelines—will diffuse the special attention and concentration of resources needed for their long overdue advancement. They fear that Government in the hands of the local majority will ignore the needs of the minority at just the time when hope, involvement, and direct help are so badly needed. For the poor, revenue sharing, with no strings attached, is a great shadow over the whole infrastructure of help to the disadvantaged that has been constructed over the last 10 years and that has awakened a spirit of progress. The specter of inadequate funding is as bad as no funding at all—if it means a step backward.

Local governments and programs are facing their own fiscal crises, abetted by inflation, in which expenses and demand for services are fast outstripping sources of income. Revenue sharing as presently underfunded arrives only in time to postpone the crisis for another year or so. Pressures are mounting to use revenue sharing for defraying general operating deficits and maintaining traditional services rather than for setting new community goals, innovating, planning better government programs, and improving the capabilities of government.

PRELIMINARY FINDINGS AND CONCLUSIONS

In the course of 8 hours of testimony, several themes emerged. The preceding section highlights some of the major concerns expressed. In addition, I would like to add my findings and preliminary conclusions.

Revenue sharing can falsely raise and then shatter the hopes and expectations of local communities unless funded at substantially higher levels than are presently proposed. This will deepen citizen cynicism if, once again, the Federal Government promises more than it delivers. It will be a cruel hoax to put local decisionmakers in the position of having to allocate resources that are impossibly short of the need. Revenue sharing must not be advertised as the answer to all problems, but must be seen as an historic change in the roles and responsibilities of each level of government, with many problems and difficulties that require care and cooperation over a period of several years. Above all, it must be given a fair chance with increased funding.

The administration and the Federal Government generally must be far more sensitive to the problems of transition and the undertaking of new responsibilities at the local level. The present harsh insensitivity to the problems of change and of planning carefully for the future creates the risk of not learning from our past experiences, while communities and programs scramble for survival. Much more attention should be paid to evaluating what can be learned from the mistakes and successes of the last 10 years and applying it to the new designs necessary for the next 10 years.

Our proposed national spending priorities simply do not reflect the concerns of our local communities. Human service programs are going to suffer at a time when our defense budget is going up. This perversion of our financial priorities will compound the inadequacies of revenue sharing unless Congress steps up its battle to exercise the will of the people against an executive branch that fails to understand and execute these wishes. People will not tolerate two sets of priorities—one for the administration's pet projects and another that accepts what is left over for human services in our local communities.

The evidence points to things getting worse before they get better. We can foresee an even greater "financial crunch" coming, locally and nationally. The uncertainties of revenue sharing and funding in fiscal year 1974 are surpassed by even greater uncertainties in fiscal year 1975 and the possibility of further reductions in Federal programs. Both the executive and legislative branches share responsibility for the chaos of dismantled programs and for funding by continuing resolution. Both should be aware of the severe impact that this has on the local level and assume the responsibility for finding long-term remedies. Temporary juggling of deficits cannot obscure the need to develop wiser priorities, better managed programs, and a more aware and involved citizenry. The public must have more facts so that people can participate openly and knowledgeably in the difficult choices that lie ahead. Without public support, all approaches will fail.

Minorities are on the "whip-end" of changes in priorities and allocation of funds and changes in governmental responsibilities and programs. There is a great danger that much of the progress of the last 10 years could be lost if we abandon the Federal priorities that guided this progress. A rush toward local government responsibility must not proceed without insuring that the needs of the poor and those who do not have an equal stake in our system will continue to receive high priority. Our country cannot stand the cost of the despair and cycle of poverty that would result if human service needs were ignored. This could prove both spiritually and economically devastating. When the $11 million net loss of Federal funds to Genesee County is viewed in the context of the 36,000 citizens who fall below OEO's guideline for poverty—$4,300 for a family of four—it is a much more serious loss than when it is viewed as spread out among 500,000 people in the country.

There is a tendency to think of saving "my program" or "my agency" from extinction, whether at the Federal, State, or local level. All of us are trying to help the same people—including those who are sick, elderly, ill educated, young, homeless, or without adequate incomes. Our priorities require the best programs possible for these people with the funds that are available. "My program" should not be the issue—rather it should be what overall answer is best for our people.

LOOKING AHEAD

A new form of cooperation is required among levels of government, elected officials, program administrators, and the public if we are going to meet these new challenges. We have a chance to work together to apply the lessons of local experience to better methods of priorities, allocating scarce resources, and organizing and providing human services.

These hearings are only the beginning of this process. The next steps are to:

Distribute this information for review and study in Congress, the administration, and within State and local governments.

Distribute it to the news media so that the public can participate fully and openly in this reappraisal process.

Reconvene the local panel of elected officials and administrators to evaluate the meaning of this information and to recommend further areas for concentrated effort.

Hopefully, we all can begin to make wiser and more informed judgments—locally and nationally—as a result of this first step.

PANEL PARTICIPANTS, BUDGET IMPACT HEARINGS, MAY 14, 1973

CONGRESSIONAL REPRESENTATIVE

Congressman Donald W. Riegle, Jr.

STATE REPRESENTATIVES

Senator Gordon Rockwell.
Representative Bobby Crim.
Representative Robert Edwards.
Representative James Smith.
Representative Harold Scott.

COUNTY COMMISSIONERS

Mr. Michael Carr.
Mr. Gerald Brown.
Mr. Nathaniel Turner.
Mr. Thomas Gadola.
Mr. Gary Corbin.

CITY COUNCILMEN

Mr. Edward Little
Mr. Gerry Yurk

TOWNSHIP OFFICIALS

Dr. Russell Phillips, Vice President, Genesee County Small Cities Association.

OTHER ELECTED REPRESENTATIVES

Mr. Floyd McCree, Registrar of Deeds, Flint, Michigan.

BRIEF SUMMARIES OF TESTIMONY—(IN ORDER OF PRESENTATION)

MR. BRIAN RAPP, CITY MANAGER, FLINT MICH.

This is a brief overview of the impact of the proposed fiscal year 1974 budget and revenue sharing programs on the city of Flint. Spokesmen for the city will provide further details from their various departments.

Some programs will be terminated and others substantially decreased.

Without revenue sharing, a municipal financial crisis would have occurred this year.

Very little new activity or improvement of services will result from the $19 million in revenue sharing coming into the city.

Operating costs of the city must be reduced and brought into line with available revenue or the city will face either a tax increase or a curtailment of services in 1975.

The city must consider bonding if it is to complete high-priority capital projects.

MELVIN INGRAM, ACTING EXECUTIVE DIRECTOR OF THE GENESEE COUNTY COMMUNITY ACTION AGENCY (GCCAA)

GCCAA works toward eliminating the causes and alleviating the effects of poverty in Genesee County. More than 36,000 people in the County fall within OEO poverty guidelines ($4,200 annual income for a family of four). Poverty is measured by more than income, however—it is wanting, but not having the opportunity to overcome such poverty conditions as hunger and malnutrition, lacking legal protection, living in unsafe housing, lacking adequate education, lacking adequate clothing, suffering from preventable disease, not knowing how to participate in society, and not knowing how to avoid reproduction.

GCCAA this year plans to serve some 1,400 persons with a staff of 27. Last year it served more than 2,000 with a staff of 30+.

GCCAA has budgeted $1.14 million for operating 13 projects this year.

GCCAA receives slightly more than 75% of its funds from the Federal Government—60% directly and 15% from local agencies (such as Model Cities), that are federally funded.

The Administration's proposed 1974 budget, in its worst outcome, i.e., without OEO funding and no local support to replace it, would eliminate all anti-poverty programs except Head Start—which has an uncertain future and may only last one more year. Therefore, in one year—in the worst case—there would be no anti-poverty services in Genesee County.

The "best" outcome would occur if the city/county governments would (1) reserve enough money to ensure GCCAA's current services through this transitional period, and (2) avoid altering present programs in an effort to anticipate new trends in the political and funding climate.

This means $520,000 to continue present services in the absence of OEO funding.

Poverty is a vicious, self-perpetuating cycle. Escape from poverty conditions is a prerequisite for justice.

It costs less to alleviate the conditions of poverty than to maintain persons in poverty.

One out of every 12 persons in Genesee County is income poor.

GCCAA has never had adequate funds to deal effectively with the county's poverty problems.

To maintain its present level—which only dents the problem—GCCAA requires an annual budget increase of 5–6% to cover inflation.

It would take more than $10 million annually to bring the incomes of the poor in the county up to the poverty line.

Rather than concentrating national priorities on defense spending and local priorities on capital improvements, spending should be refocused on eliminating racial discrimination and poverty. This, in turn, eventually would reduce poverty problems and their associated costs, and make more money available for capital expenditure.

Insufficient funding is almost as bad as no funding because it cripples programs and makes them ineffective and inefficient.

Revenue sharing funds are being used to fill gaps caused by cutbacks in categorical programs. These funds are less than were previously available and special revenue-sharing is needed.

Poverty can be reduced if a substantial effort is made. Since the Economic Opportunity Act was passed in 1964, the number of poor and the proportion they represent of the national population has been dramatically reduced. Poverty problems are incredibly complex and are a national problem. Revenue sharing at the local level is not the answer to a national problem and only the Federal Government has the authority and resources necessary.

ANTHONY RAGNONE, GENESEE COUNTY DRAIN COMMISSIONER

The Genesee County Drain Commission is responsible for providing adequate facilities for storm water drainage, sanitary sewage collection and disposal, public water distribution, and solid waste disposal. Complete facilities for the county would cost between $200 and $300 million over the next ten years. Although the county and state have been making significant progress toward clean water, the impoundment of water pollution control and HUD water and sewer funds will cause both county and state programs to face serious setbacks.

Currently 25% of the funds are from federal and state grants.

The only sources of federal funds available are the amended Clean Water Act and revenue sharing funds.

Revenue sharing is inadequate, and too uncertain as a source.

Federal standards cannot be met without greater funding; a realistic program is a necessity.

An agreement on priorities by all levels of government should be made before federal and state legislation is passed.

Assurance for adequate funding at all levels should be made part of the legislation.

Programs should be administratively simple to meet goals and objectives.

Rev. Harry Redds, Executive Director, Greater Flint Opportunities Industrialization Center (OIC)

The Center is a comprehensive manpower training and personal development program emphasizing minority leadership development through an extensive, cooperative operation involving business and industry, agencies, institutions, and community volunteers. The objective is to provide adult basic education and vocational skills training for the unemployed and underemployed. Federal funding contributes 84% of the total cost of $168,384. The staff of ten in the past year has served 282 people enrolled in the program, more than half of whom have been placed in jobs or upgraded in their jobs.

Inner city people must develop skills in order to enter the mainstream of American life.

Many of the people who entered this program entered on welfare rolls and left standing on their own feet.

Without adequate Federal support, the program could end.

The program is new, and its impact is not yet clear, but it is certain that it provides hope to inner city people who would otherwise be ruled out of programs leading to employment.

If people lose hope, the result is chaos.

Persons who loaf on street corners are parasites, not contributors—and each of them brings down many others with him.

It is a crime that many inner-city children have a high school certificate but lack the ability to do what is required of a high school graduate; the result is usually failure in a job situation.

Anthony P. Locricchio, Executive Director of Legal Services of Eastern Michigan

The Legal Services Program provides attorneys for those whose incomes are below poverty guidelines and who cannot afford private legal assistance—about 35,000 people in Genessee County. The poor have legal problems as complex as others. In addition, the law traditionally leans in favor of special interest groups, slum landlords, and institutions feeding on the poor. These laws must be challenged and reformed in the Courts. Without competent legal counsel for the poor, equal justice—the basic tenet of our democracy—cannot exist.

The Administration's proposed Legal Services Corporation bill would fund National Legal Services at only $71 million in actuality, a $20 million cut back.

HEW and HUD support would be completely cut out.

The bill would raise poverty guidelines by 100% (which would include 40% of Genesee County), with no increase in funds for additional staffs and services—a 300% increase in the number of people to be served with a potential 20% decrease in funding!

The White House must not be permitted to name the Board of Directors of the National Corporation and thereby politicize and interfere with the judicial system.

In Genesee County, seven attorneys serve about 5,000 people each year and turn away the same number of people qualified for aid; that is two percent of the County's attorneys serve 12% of its population.

We need another six attorneys and the corresponding supporting staff.

Anthony J. Cebrun, Director, Flint-Genesee County Health Department Model Cities Family and Community Health Center

The problems of poor health (inadequate housing, unemployment, and inferior education are interrelated and inseparable. Sickness and poverty reinforce each other—the poor are likely to be sick and the sick are more likely to be poor. The Center's philosophy centers around health in the classic sense—a state of complete physical, mental, and social well-being, not merely the absence of disease or infirmity. Prevention and early intervention are essential. The Center's main purpose is to develop and maintain an ambulatory health delivery system focusing on preventive medicine.

The Center is in the planning and development phase, but maintains two existing programs funded by HUD Model Cities Funds.

The program has served over 5,000 people since June 1972 with a staff of 14, including one doctor and one registered nurse.

The current budget is $250,000; it is slated for a $50,000 increase for fiscal year 1973–74.

This increase will not permit the Center to render critically needed medical and health services. Starter capital is essential.

Budget needs are conservatively estimated at $450,000.

There are no other funding resources except HUD and Model Cities—without them the program is in jeopardy.

Revenue sharing will not permit the continuation of successful programs formerly funded by the Federal Government.

It is fallacious to assume that state and local governments can contribute the needed resources to replace federal support.

The Administration's budget clarifies the fact that health, and more specifically preventive medicine programs, has a low national priority. If illness can be prevented or minimized, costs will be greatly reduced. We must as a nation change and improve our health delivery system.

Mr. Ronald Johnson, Executive Director, Genesee County Model Cities Program

The Model Cities program not only administers 16 programs in Flint and Genesee County, but also finances other agencies and projects. In fiscal year 1974, Model Cities will receive $2,457,000 in new funds. With carry-over funds, the total will be $5,502,605.

Every attempt was made to enable all projects to deliver services at this year's level (3rd year).

As of July 31, 1974, neither HUD nor the Model Cities supplemental funds will not be available to the Model Cities program.

The continuation of the program will depend upon using either the city or county special revenue sharing funds.

For the future, Model Cities hopes to coordinate its programs with others that are administered locally.

Mr. Ward Chapman, Assistant Prosecutor, Genesee County

The County Prosecutor's office operates five federally supported grant programs that focus on organized crime, special investigations, consumer protection, prosecutor administration, and a cooperative reimbursement program that enforces provisions for child support for children receiving public welfare assistance.

Federal funding supports 61.3% of these projects, which operate on a total budget of $536,000 with a staff of 25.

Without revenue sharing these programs would end.

Additional revenue sharing funds, appropriated for 1973, will be used to employ one half-time and nine full-time employees to work on organized crime, consumer fraud, and to begin a program in environmental protection. The funds will also be used to provide career salary levels for prosecutor personnel and improved technical facilities.

General revenue sharing is essential and should be expanded.

Special revenue sharing should be established for law enforcement programs.

Mr. Paul Gadola, Jr., Genesee Community College

The College has an open door policy and tries to make possible two years of college education for people in the community who are disadvantaged, that is, who have insufficient funds, inadequate jobs, or heavy family commitments. The College strives to provide career development and vocational education programs that are relevant to community needs. It stresses flexibility in admissions—by accepting people, for example, without high school diplomas who prove they can do college-level work—and in class scheduling—by providing night and weekend courses and county extension programs.

The concept of revenue sharing has validity and should prove helpful in sorting out regulations and requirements that are unrealistic in current categorical programs such as, regulations applying to faculty hiring.

Mrs. Kathleen Saunders, Coordinator, Flint-Genesee County Community Coordinated Child Care Association (4–C's)

The 4–Cs Association, through mobilization, coordination and planning, seeks to provide the most efficient and effective use of resources, both public and private, agency and individual, to support quality child care services. It does not operate any programs of its own, but attempts to work for the benefit of children through encouraging cooperative efforts rather than tolerating duplication of services by agencies with the same target children.

The program has a $37,000 budget and employs two and a half staff.

Funding is through Title IV–Section A of the Social Security Act, which provides 75% Federal funding when local sources provide 25%. (Local sources are the Mott Foundation and the United Fund.)

Title IV and other parts of the Social Security Act are being cut back and many families and agencies will be affected; it is not yet possible accurately to estimate the impact.

New regulations for social service programs went into effect on May 1, 1973; funding for 4–Cs will depend upon the interpretation of these regulations.

Some other sources of funds are available, but they are extremely limited.

Milton Sacks, Administrator, Hurley Hospital, A City-Owned Hospital

The health field has been allocated a minute amount of money in the Federal budget for FY 1974. The phase-out of health programs will have a serious negative impact on Hurley Hospital, a 700-bed public hospital, and on other inner-city hospitals.

There is a nationwide need for $20 to $30 billion to remodel aged urban and inner-city hospitals that may not be met because of the phase-out of Hill-Burton funds.

Hurley Hospital would need upward of $25 million to keep up with the advances in medicine and bio-medical equipment.

The city is allocating only 4% of its general revenue sharing funds for health, a portion far from adequate for the needs of the hospital and community.

The hospital will suffer from the lack of funds for improving nursing education and for the stroke, heart, and cancer programs (the Regional Medical Programs.)

There must be rigid Federal priorities if Federal funds become available on a local basis to replace these programs.

Mr. Frank M. Patitucci, Director of Finance, City of Flint

The following is a summary of a report on the status of the finances of the City of Flint.

Improved management methods are required if the $56 million dollar budget of the city is to be brought under control.

Without revenue sharing, a municipal financial crisis would have occured this year.

Very little new activity or improvement of services will result from the $19 million in revenue sharing coming into the city.

The operating costs of the city must be reduced and brought into line with operating revenue, or the city will face either a tax increase or a serious curtailment of services in 1975.

The city must consider bonding if it is to complete high-priority capital projects, most of which have already been started.

Only if the city acts at this time will it be able to avoid a serious financial crisis two years from now.

The following are recommended changes in the way the federal government finances and relates to activities of local government.

The federal government should use the formula method rather than the application/grant method to fund local governmental units.

The federal government should provide better information so that local governmental units can compare themselves to the "competition."

The federal government should provide more management improvement and planning funds to local governmental units.

The federal government should work through the state administrative structure rather than through parallel federal offices, in serving local governmental units.

The federal government should work directly with states in order to improve the laws affecting the operations of local governmental units.

The federal government should fund only one local governmental unit affecting a given population, then fund all programs through that unit.

MELVYN S. BRANNON, EXECUTIVE DIRECTOR, URBAN LEAGUE OF FLINT

The Urban League is concerned with the problems of people—the black and the poor—who are dependent on the government for essential services. The League is funded principally by the United Fund, but several of its projects result from contracts made with various Federal departments.

Programs such as On-The-Job Training, Labor Education Advancement, and Street Academies provide valuable services to people with severe disadvantages. These are federally contracted projects; their elimination will be felt by many people.

Insecurity resulting from tenuous funding sources directs our energy toward seeking the renewal of contracts and securing other grants.

In Michigan, federal cutbacks would affect people in some of the following ways: 1,500 children would be excluded from foster care services; 635 children in foster care would be cut off from adoptive service funding; 2,462 migrant children will no longer be eligible for day care.

Services to retarded or emotionally disturbed children, to drug addicts, to alcoholics, and to unwed mothers would be reduced by Federal cutbacks at the very time when they should be expanded.

Prohibition of matching funds will wipe out $1.9 million of child care programs.

The question remains: Is revenue sharing a boon or a boondoggle? City administrators stress the importance of fiscal responsibility. As demonstrated in the past, this means closing one's eyes to the poor and their problems. Although arguments for revenue sharing can be persuasive, the needs of poor people are not a priority to local officials. Only after public safety, police, and fire departments acquire all "necessary" equipment, after all water and sewage disposal plants have been built, after all the monuments have been erected, and after city officials have received salary increments, will the poor receive what they deserve—and we all know what will be left for them.

When millions of dollars in federally funded programs to help the poor are eliminated and replaced by thousands of dollars in revenue sharing, can anyone conclude other than that we are victims of a grand hoax?

The nation's priorities are abhorrent—bombs in Cambodia are more important than bread for the hungry. Skylabs take precedence over shelter for the homeless. Elected officials must take the lead in exposing this hoax and restoring national integrity. They must enact legislation that will guarantee that some of the revenue sharing money will go for people programs.

WILLIAM R. BLUE, GENERAL MANAGER, MASS TRANSPORTATION AUTHORITY (MTA)

The MTA operates a 26-bus system in a 10-mile radius of Flint. It also serves as the bus system for Flint Public School secondary students and has some 7,500 charter boardings each month, including those of many senior citizens. It receives about $30,000 per month from the City of Flint to provide public transportation. A new State legislative package offers some relief to the city in supporting this system, but to meet the community's total needs, informed and concerned Federal assistance will be necessary.

Revenue sharing—"New Federalism"—is not yet funded in line with its promise.

Flint's $2 million in available revenue sharing funds has been met with $13.5 million in requests.

Growing fuel shortages make it necessary to increase investment in mass transportation systems.

Substantial amounts of Highway Trust Funds could and should be freed for other transportation programs.

The MTA hopes to obtain $80,000 in revenue sharing funds for the coming year, but its program for the next four years would be jeopardized by any large federal cutbacks.

The MTA looks to the Federal Government for help in acquiring new facilities and equipment, in addition to more operational funds to expand its services.

Cutting back on human services under "New Federalism" ignores many vital human needs such as the transportation needs of senior citizens, student riders, and the general population, which is entitled either to federal funds via revenue sharing (their money) or to having the money left at the local level in the first place.

DR. RONALD CHEN, COMMISSIONER, GENESEE COUNTY COMMUNITY MENTAL HEALTH SERVICE

The Genessee County Community Mental Health Services provide direct services for psychiatrically ill adults, adolescents, children, and the aged. Services include in-patient services, residential care facilities, partial hospitalization facilities, out-patient clinics consultative and collaborative resources, and emergency 24-hour walk-in services.

There is a need to develop residential treatment services, which could reduce state institutionalization by 90%.

The outlook for alternative sources of funding (other than federal) is guarded and dependent upon continued state, county, and third-party support.

It is essential to have maximum citizen participation in the planning process.

We need state and federal funds to construct facilities in addition to staffing and operation allocations for community mental health services.

Funding for local programs should be based on population, with a per capita rate established.

Local government, with federal revenue sharing, should provide a more substantial input in terms of fiscal allocations.

Coordination—a forum for joint planning—should be established to minimize duplication of efforts.

RICHARD WILBERG, ACTING DIRECTOR, FLINT DEPARTMENT OF COMMUNITY DEVELOPMENT

The city of Flint currently is responsible for nine urban renewal projects designed to facilitate rehabilitation and redevelopment of blighted areas. Under the eight Neighborhood Development Programs, the city is authorized to spend $95.5 million toward the completion of these projects. Financing is based on a 12-month period. With the proposed changes in federal funding, Flint faces serious financing problems.

Flint will receive $5.4 million to replace present categorical aid programs of $8 to $10 million.

There will be at least a 35% program reduction.

An estimated $2.2 million land inventory debt will remain in July, 1974.

The Better Communities Bill should be amended to include:

A better formula for distributing funds that accounts for need.

Funding for reduction of land inventory debts.

A longer (two year) funding period.

MR. CHARLES P. HOLMES, EXECUTIVE DIRECTOR, GENESEE COUNTY REGIONAL DRUG ABUSE COMMISSION

The purpose of the Genesee County Regional Drug Abuse Commission is to serve as the planning, coordinating, and grantsmanship agency for drug abuse activities in Genesee, Lapeer, and Shiawassee Counties. It supports three therapeutic treatment centers and four community programs, serving as a crisis intervention center. The Commission acts as a legal liaison between law enforcement agencies and treatment agencies, and it provides information and technical assistance for the community at large.

The end of categorical grants could well be the death knell for the majority of human service programs.

At present, there is no movement to phase out drug abuse funds at the federal and state levels. but drug abuse should expect to lose its current "glamour" and funding priority.

Including in-kind, voluntary, state, private, and other sources, the Commission is operating nearly a $2-million-a-year program, of which $403,384 is from the National Institute of Mental Health (NIMH).

Money allocated for law enforcement cannot be considered money allocated for drug treatment, rehabilitation, or coordination.

The present reorganization of HEW threatens to remove NIMH as a funding agency, and to frustrate local drug problems.

DR. CHARLES PAPPAS, PRESIDENT, AND MR. CLARK TIBBITS, ADMINISTRATIVE ASSISTANT TO THE PRESIDENT, GENESEE COMMUNITY COLLEGE

The College is growing at the rate of 5% per year, largely because it actively seeks citizens who want and need additional education to be more productive. There is only so much money available, and the priority given education is far too low. People must realize education is an investment. There is a great need for education in the urban areas, but there may not be funds for the people who most need the benefits. Particular emphasis should be placed on career and vocational training.

The College is increasingly depending on federal funding to develop new programs and to provide supportive services for new studies.

Federal funding totals $1.476 million out of the total budget of $8 million.

An expected reduction of $170,000 for next year represents a 21% decrease in federal funds for program expansion and a 16% decrease in funds for institutional improvement.

New applications for $580,000 in federal funds are not expected to be granted either because of a lack of appropriations or because of low funding levels.

The problem is not just the lower level of funding, but also the uncertainty surrounding the funding of almost every program. An example of this is the Student Financial

Aid bill which was just signed. No guidelines are yet available, a new Career Development Learning Center is in jeopardy because the manpower agencies interested in being in the center cannot make commitments because of uncertainty about their budgets—and their continued existence—after June 30, 1973.

Mr. Ronald Wisner, Dean of Students, University of Michigan—Flint College

The University of Michigan–Flint is committed to expanding higher education opportunities for the urban population of Genesee County. The University relies heavily on Federal grants to support its academic programs and to assist a high percentage of its students.

Federal funds supported 49% of the expenses of the University in 1972–73, and 54% of the expenses in 1973–74.

In 1972–73, 663 students out of a total enrollment of 2,550 received federal student aid.

As a young college, the University of Michigan–Flint does not have a large reservoir of endowment funds to draw upon in case of federal funding cutbacks.

A decrease in student aid would severely restrict the opportunities of the urban population for higher education and would also restrict the scope of the curriculum.

It is highly unlikely that non-profit foundations could underwrite a significant portion of the programs eliminated by cutbacks in federal funding.

Mrs. Olive R. Beasley, District Executive, Civil Rights Commission

The Civil Rights Commission in Flint is responsible for promoting equal opportunities in housing, employment, education, and other areas. Flint's minority population comprises one-third of the city's population. The cutback of federal programs in housing, manpower, and education will have a serious impact on the progress made by minorities in obtaining equal opportunities.

Minority families in Flint earn $705 to $1,336 less than the average median income.

There has been a marked increase in formal complaints of illegal discrimination (over 430 complaints in the first 9 months of the year, compared to 347 claims during the previous 12 months.)

The termination of many programs will have a serious negative impact on Flint minorities.

"New Federalism" programs threaten to lessen citizen participation and minority representation in the decision-making process.

Program moratoriums and the uncertainty of federal funding cause minorities to lose jobs, services, and the protection of equal opportunity requirements.

Mr. Eugene Grice, Director, General Administrative Services, and Ms. Marjorie Robinson, Compensatory Programs Coordinator, Flint Community Schools, Flint, Mich.

The Flint School District operates 25 federally funded programs with a combined budget of more than $5 million, which represents some 10% of current operating funds. The programs range from Health Start, to comprehension pre-school programs, Title I programs for educationally disadvantaged children, Adult basic reading programs, neighborhood youth corps, drop-out prevention, senior citizen programs, etc.

Judging from current information on revenue sharing, it appears that many programs operated by the District will have to be discontinued—such as the neighborhood youth corps summer program, library book programs, and a controlled scan TV project.

Many current programs will operate at reduced levels, with a smaller staff and fewer participants.

Alternative sources of funding are not available now, and the future seems bleak as education is a low priority item nationally.

The Title I program represents 20% of the total federal funds coming into the District.

Twenty-six schools are participating in Title I.

Some 8,500 children are identified as eligible for this program, but, because of the funding formula, only 3,400 are being served.

The greatest problem with Title I is funding for 1973–74; some aspects of the program may have to be deleted.

Joe A. Benavidez, Director, The Spanish Speaking Information Center, Flint

Better education is a basic answer to many of the nation's problems and would especially help minority groups. Children should be taught in school about the various backgrounds of minority races. Better teaching, more minority teachers, and better guidelines would help.

The Spanish Speaking Information Center serves 1,750 families in the Model Cities Area, Flint, and Genesee County with four full-time staff persons.

The Center operates Spanish classes and bi-lingual programs, publishes a newsletter, is working on job development programs, has a child care program, participates in community organizational activities, and operates a variety of other programs.

National priorities should be reordered away from defense and focused on education.

Revenue sharing appears to take money away from citizens without giving them needed services in return.

It is essential that information dissemination services be improved for all people, but especially for minority groups.

Mr. Bernard Plawsky, Executive Director, Human Services Planning Council

The Council was created to help plan and coordinate the delivery of human services in Genesee and Lapeer Counties. Recent major Federal policy changes regarding allocations to human services must be studied to assure that people without means, or those most vulnerable to sudden shifts in available resources, are not hurt. Efforts to revitalize urban centers and suburban communities must be diminished. The Council has just completed a Resource Allocation study of the Flint Metropolitan area which showed:

Of the 86% of the agencies responding, $386,587,119 was identified for one fiscal year. The Federal Government supplied 46.1%, the 4.1% state 24%, city 15.7 tuition and fees 4.6% and county government.

The expenditure breakdown was as follows: standard of living 46%; education 19.1%; physical environment 9.1%; health 8.2%; safety 4.6%; leisure 3.6%; transportation 3.4%; government 2.5%; justice 1.3%; mental health 1.1%; and housing .9%. In the Standard of Living Category of $178 million, $164.7 million was for direct income maintenance.

From all indications, there will be a cutback in Federal money as a result of revenue sharing. Who is to make up the difference? Are services to be dropped?

If so, which ones, and what will our priorities be?

Highest priority for revenue sharing funds should go to human services.

The lag between phasing out old programs and creating new programs could work considerable hardship.

The Council urges that:

an assessment be made of direct services that might be reduced or eliminated, and the number of people affected during this period.

a master plan be developed to assure the continuing delivery of human services when and if significant reductions should occur.

local governmental units allocate adequate portions of revenue sharing funds for direct delivery of human services.

citizen input be structured and immediately implemented in the decision-making process within local governmental units.

Robert E. Ennis, Executive Director, Services to Overcome Drug Abuse Among Teenagers (SODAT)

SODAT's title is self-explanatory—it serves anyone with a drug problem, a potential drug problem, or a drug-related problem. The program has a total budget of $361,000, supporting 14 full-time staff members who serve a static population of 500, a dynamic population of 1,000. Federal funds are provided on a matching basis, which this year is 80%, next year will be 75%, and the following year 60%.

Revenue sharing affects the number of people served in that it assists in meeting local match requirements.

Next year revenue sharing is needed to provide part of the local support. In the following year it may not be available.

SODAT will continue to use every local funding source available.

It must continue to demonstrate, through quality and quantity, the effectiveness of its program so that it may be assumed through an organization such as the United Fund.

The priorities are: to establish the need for the program and to evaluate it on the basis of its "products." The priorities emphasized should be in the areas of cost, follow-up, and sound clinical and administrative policies that will ensure quality service at the least cost for human service clients.

Most programs are poorly run administratively; thus, there is a vital need for a positive bureaucracy as well as for good clinical people.

Mr. Saul Seigel, Executive Director, Flint Area Conference, Inc. (FACI)

In effect, the Administration has over-reacted to proliferating and perhaps overlapping programs in human services by an abrupt and wholesale attempt to cut back and condense programs. The idea of revenue sharing—the thought of putting local problems in the hands of local decision-makers—is admirable, but the Administration's program is an overreaction that could ultimately misdirect our real national priorities.

Now that the war is over in Southeast Asia, the nation must solve the basic problems of the cities. For example, do we still need cities. . . who must live in them. . . what price must we pay. . . are we willing to pay it? We must address the old problems, for unless we attack these evils, the cities will be lost, along with the people who live in them. We risk showing the same lack of concern for people that has destroyed other societies in the past.

There are three municipal problems: crime, race (and the public perception of the problems of crime and race), and the providing of opportunities for private investors to make a profit.

We have not even begun to find the solutions to the problems of the cities.

Our national priorities must be changed and refocused.

More private and public cooperation is essential to attacking these problems.

Mr. James Bruce, Superintendent, Flint Recreation and Park Board

As a nation we must give priority to revitalizing our cities and metropolitan areas where some 70–80% of our people live. The nation as a whole can be no better than the mertopolitan areas. Parks and recreation facilities can play a vital role in such revitalization efforts, specially by providing for the needs of youth and senior citizens.

In Flint, as in most other urban areas,

park and recreational funding has been on a "left-over" basis, which leads to an impossible planning situation.

After years of neglect, park and recreational development has been helped by Federal categorical grants in the last 10 years.

Most of these grants have now been terminated or frozen, and development will come to a grinding halt.

Revenue sharing does not appear to be of much value in this regard beyond the 1973–74 fiscal year, as the rising costs of city government operations will devour the available funds.

Federal, State, and local governments must address three major problems in this area:

Neighborhoods must be improved to develop pride and maintain economic value. This means funds for neighborhood parks, riverfront and waterway beautification, and similar projects.

Funds must be available on a continuing, year-round, basis for planning, organizing, and conducting recreational and leisure time programming, particularly for youth and senior citizens.

Funds must be provided to maintain parks and facilities, or all other efforts will be rendered valueless.

Mr. Alden F. Briscoe, Manpower Planning Coordinator for Genesee-Laper-Shiawassee

It is impossible to compare fiscal year 1973 funds available with proposed 1974 funds because of the late Congressional passage of the Department of Labor-HEW appropriation bill, the two Presidential vetoes of the bill, the enrollment freeze/impoundment of funds, the extension of the fiscal year 1973 Emergency Employment Act (EEA) appropriations over two years, the giving and taking away of funds, and a number of definitional questions.

Nearly as important as the dollar figures has been the chaos caused by the uncertainty of funding.

Part of the blame rests with Congress and its atrophied system that held up approval of necessary appropriations.

This creates chaos in local agencies that cannot plan, are uncertain of funding and programs, and must employ staff on a month-to-month basis.

Presidential vetoes in the name of "economy' hit programs designed to help the poor and unemployed. The same need for "economy" apparently did not arise in the military.

Administration imposed hiring freezes on the EEA program predictably made it grind to a halt, whereupon the Administration branded it a failure.

Because of the continuing resolution that was used to sustain the EEA program, local program agents had to extend the program month by month with inadequate guidelines and arbitrary deadlines, causing chaos, confusion, and frustration. Many other programs were similarly affected.

Charles C. Williams, Deputy Director, Genesee County Department of Social Services (DSS)

The DSS is the largest tax supported social service agency in the county, administering 20 programs—the principal ones being Old Age Assistance, Aid to the Blind, Aid to the Disabled, Aid to Dependent Children (ADC), and General Assistance. The first four are financed through state and federal funds, the latter through state and county funds. The 400 DSS employees serve nearly one-tenth of the county's 400,000 citizens with financial and social service assistance. Payments total $2,865 million per month, 50% of which is supplied through a Federal matching formula.

The ADC program accounts for the largest group—nearly 10,000 adults and more than 25,000 children.

ADC has been criticized because some families get more than they could earn or than a high percentage of people in the area earn, while other equally needy families get little or no aid.

This problem could be alleviated by reviewing and revising the "income disregard" formula and eliminating duplication in distributing benefits.

The DSS has compiled a community resources directory identifying some 200 public and private agencies providing financial and social services programs to Genesee County residents.

The multiplicity of programs and agencies has led to a "super-market" kind of system for the low-income population that results in many instances of duplication and over-subsidizing.

To eliminate this problem, some form of local central intake and inter-agency communication system should be developed.

Although concern has been expressed locally about the phasing out of some Federally financed programs, Flint and Genesee County are blessed with the resources, the people, and the commitment to take care of their citizens.

Michigan public welfare programs are generally in good shape financially, and barring a major economic catastrophe, the county's low-income population will probably be provided for with some increases in benefits.

Dr. D. W. McNaughton, Genesee County Health Department

The Department's programs are aimed at meeting the needs of the county's population by providing an atmosphere in which the highest possible level of physical, mental, and social compatibility will be attained. The Department has 103 personnel, 63 project personnel. Its budget totals $2.236 million, of which $1.484 million comes from local (city, county and state) funds and $752,000 comes from project funds (private, state, and federal). The federal share is nearly 30% of the total.

The number of people to be served will increase, but because of rising salaries and the unavailability of funds, the staff is likely to decrease.

Federal funds are likely to decline, which will cause the review of all programs to determine priorities. The highest priorities would be carried out at the expense of other programs.

Additional sources of funding will be difficult to find, especially for new and unexplored areas.

The health of the family is essential in providing effective assistance in such high priority areas as housing, food, clothing, and jobs.

Health, however, has a lower priority than many other social needs.

Human service programs, including health, are more effective when the individuals concerned have a voice in determining priorities.

Mr. Renwick Garypie, Director, Genesee County Library

The County library system comprises 15 public libraries in suburban Genesee County outside the City of Flint. Its 46 employees serve a population of about 250,000 on an operational budget of about $800,000 per year, largely from County sources. Federal aid programs, funded by the Library Services and Construction Act, have provided no direct cash aid, but rather assistance for special projects. Such programs include the Periodical Grant Program, which provides $18,200 for 1,500 magazine subscriptions, assistance to communities to build new local libraries, and assistance to the Mideastern Michigan Library Cooperative, which spreads costs for economy reasons and shares services to give better public service. The Genesee County Library is the largest member of the Cooperative and has shared accordingly in the $140,000 received in the past six years for special programs.

"New Federalism" proposes to replace categorical grants with revenue sharing.

Revenue sharing has not supported programs that have been dropped.

Revenue sharing funds have been used mostly to increase the budget for buying new books. They have not actually increased this budget, however, but only restored it to the level existing five years ago before inflation and salary increases devoured the funds.

Genesee County local government officials value libraries and will do their best to support them with available revenue sharing funds.

President Nixon recently emphasized the importance of "an efficient and readily accessible library system." This goal is not to be gained by cutting out Federal assistance programs that have done much to promote interlibrary cooperation and improve efficiency and substituting revenue sharing programs at levels barely adequate to fund *non*-library needs in many communities.

Mr. Chester Simmons, Neighborhood Director, Model Cities Program

The Model Neighborhood Council is responsible for ensuring citizen participation in the decisions affecting the Model Cities neighborhood. The involvement of citizens in setting priorities for the use of federal funds is critical.

Congress should ensure an equal partnership approach to problem-solving by the citizens in legislation, and not allow local units of government to determine to what degree citizens will be involved.

There should be funds to educate citizens about the processes of special revenue sharing so that they will be able to participate fully.

Doris Kirkland, Senior Citizens Services, Community Programs of the Flint Board of Education, Mobile Meals and Central Meals

The purpose of the Mobile and Central Meals programs is to serve hot, nutritious meals to older people unable to obtain or prepare their own food. The program is currently serving 250 meals per week to the Model Cities Senior Citizens Center and 100 meals per day for a six-month period to the elderly poor identified by the Department of Social Services.

Primary funds come from the Older Americans Act, Title III, and consist of $64,293.

The program helps the elderly to function in society and to maintain some independence.

An alternative to this program—nursing home care—averages $500 per month.

Of the 100 elderly who responded, 53% said that they could not manage without the Mobile Meal Service.

Federal funds totaling $175,000 are supporting the Model Cities Senior Citizen Center, which offers nearly 6,000 older people a variety of services. Another program, Genesee County R.S.V.P., is receiving $27,666 in federal funds to support a volunteer-based program for the elderly.

THE CURRENT GI BILL IS POPULAR AND EFFECTIVE

(Mr. TALCOTT asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. TALCOTT. Mr. Speaker, the American people and its Federal Government have provided our veterans and their dependents with the best educational and training benefits of any nation at any time.

The Veterans' Administration is carrying out their charter from the Congress in administering the GI benefits in an exemplary way.

For these reasons the training programs are more popular than ever. I receive letters of appreciation for the so-called GI benefits from many veterans and their dependents almost every day from all over the United States.

The taxpayer deserves great and continued thanks. But the taxpayer should also be pleased with the success of the GI benefits program.

Every American should be grateful for the unselfish contributions of the serviceman to the defense of our security and freedoms. We can be pleased and satisfied that the programs are growing so popular with the Veteran and his dependents.

The current GI bill is popular, successful and appreciated. Popularity of the current GI bill is attested by an increase of a quarter million in the number of individuals using educational benefits during fiscal year 1973. A total of 2,125,595 persons trained compared to 1,864,158 in fiscal year 1972. This represents an increase of 14 percent above last year.

Included among these trainees are 188,889 servicemen, 1,541,829 Vietnam era veterans and 394,877 veterans who served only between the Korean conflict and the Vietnam era. More than half of the trainees—56 percent—were enrolled at the college level.

Of these, 40 percent were going to junior colleges or comparable community colleges. The growth of the junior community college enrollment in fiscal year 1973 was at the rate of 19 percent compared to an 11 percent increase in all college trainees under the GI bill.

After the first 85 months of educational assistance under the current GI bill—June 1966 to June 1973—a total of 3,092,111 Vietnam-era veterans and servicemen have trained. This is 47.2 percent of the 6,557,000 Vietnam era veterans in civil life as of June 1973. These veterans have several more years in which to enter training, and current trends indicate that substantially more than half of them will use their educational benefits.

Farm cooperative training had a 52-percent increase in fiscal year 1973, rising to 13,494 from 8,884 in fiscal year 1972. Apprentice and other on-job training increased 17 percent, rising from 161,683 in fiscal year 1972 to 188,686 in fiscal year 1973.

The enrollment of servicemen in junior colleges, community colleges, and in high schools increased more than 200 percent in fiscal year 1973, above the fiscal year 1972 enrollment. There was an overall increase of 35 percent in the number of servicemen enrolled, rising from 139,908 in fiscal year 1972 to 188,889 in fiscal year 1973.

A total of 68,098 individuals trained under the program for dependents educational assistance during fiscal year 1973. This number includes 57,605 sons or daughters and 10,493 wives or widows. The total is 6 percent higher than the number of dependents training in fiscal year 1972.

REGULATING AUTOMATED PERSONAL DATA SYSTEMS

(Mr. KOCH asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. KOCH. Mr. Speaker, the report of the Secretary's Advisory Committee on Automated Personal Data Systems was issued today. It concerns itself with the need to provide safeguards "against the potential adverse effects of automated personal-data systems." The report proposes the following criteria for safeguards:

First. There must be no personal data recordkeeping systems whose very existence is secret.

Second. There must be a way for an individual to find out what information about him is in a record and how it is used.

Third. There must be a way for an individual to prevent information about him that was obtained for one purpose from being used or made available for other purposes without his consent.

Fourth. There must be a way for an individual to correct or amend a record of identifiable information about him.

Fifth. Any organizations creating, maintaining, using, or disseminating records of identifiable personal data must insure the reliability of these data for their intended use and must take precautions to prevent misuse.

It is not our country alone that has concerned itself with the proliferating data collection systems. There have been reports by similar commissions in Canada, Great Britain, and Sweden. Indeed, Sweden recently enacted legislation which would protect its citizens from computer abuses.

The area of personal privacy is one that I have concerned myself with since coming to Congress. In 1969 I first introduced the Federal privacy bill which would regulate the collection of material gathered by Federal agencies. That bill, H.R. 667, has 81 cosponsors. Today our colleague, Alphonso Bell and I are introducing legislation which would regulate the collection of personal data collected by any agency, private or governmental.

I was interested in reading a statement in the Secretary's report, to wit:

> The strongest mechanism for safeguards which has been suggested is a centralized, independent Federal agency to regulate the use of all automated personal data systems. In particular, it has been proposed that such an agency, if authorized to register or license the operation of such systems, could make conformance to specific safeguard requirements a condition of registration or licensure.

That is exactly the approach taken by my bill. I am sorry to report, however, that there is an inexplicable gap between the Secretary's advisory committee's findings and its recommendations for initiatives to establish safeguards to protect our privacy. Instead of recommending a comprehensive mechanism for implementing its suggested national policy for data collection and computers, the committee proposes only random amendments to existing laws and reliance on court actions. It suggests that we—

> . . . Invoke existing mechanisms to assure that automated personal data systems are designed, managed, and operated with due regard to protection of personal privacy. We intend and recommend that institutions should be held legally responsible for unfair information practice and should be liable for actual and punitive damages to individuals representing themselves or classes of individuals. With such sanctions institutional managers would have strong incentives to make sure their automated personal data systems do not violate the privacy of individual data subjects as defined.

Clearly the Secretary's advisory committee's proposals are inadequate. I hope, therefore, that the Members will support the strongest mechanism which is provided in the bill I am introducing today. The bill is a difficult one to draw, and I am certain that before it becomes law, as I hope it will, it will go through a lengthy amending process. The bill establishes a Federal Privacy Board responsible for protecting individuals' rights to privacy against improper, incorrect, or unauthorized compilation or dissemination of information lodged in computerized data banks. The central premise of the legislation is that the way to control the collection of data is to regulate the use of computers. All private data banks, as well as non-Federal Government data banks—Federal banks being covered by H.R. 667—would be required to register with the Federal Privacy Board.

I believe that H.R. 9759 taken with H.R. 667 will deal fairly and comprehensively with this major issue of our time, the protection of personal privacy.

I am setting forth the text of H.R. 9759, and I would appreciate receiving comments, critical as well as supportive, of any provision in the bill, so as to make it ultimately the best of bills.

The bill follows:

H.R. 9759

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That for the purposes of this Act—

(1) the term "data bank" means any register or any other notes kept for any person (but not for any local, State, or Federal governmental authority), and made by automatic data processing and containing name, personal number or other particular whereby information can be assigned to an individual;

(2) the term "personal information" means information concerning an individual;

(3) the term "individual registered" means an individual in respect of whom an entry has been made in a data bank; and

(4) the term "keeper of the data bank" means anyone for whose activity automatic data processing is being carried out.

Sec. 2. Except as provided in section 5, a data bank may not be kept except in accordance with the provisions of this Act. Permission to keep a data bank shall be obtained in the case of each such data bank from the Federal Privacy Board created under section 14.

Sec. 3. (a) Permission shall be granted by the Federal Privacy Board if it determines that there is no reason to assume that, with due observance of the regulations prescribed under section 6, undue encroachment on the privacy of individuals registered will arise.

(b) The Federal Privacy Board shall prescribe rules to assure that automatic data processing carried out for any local or general governmental authority of each State, the District of Columbia, and the Commonwealth of Puerto Rico is conducted so as to protect the privacy of individuals. Such rules shall insofar as feasible apply the standards established for protecting privacy in automatic data processing which are established for the agencies of the Federal Government.

Sec. 4. (a) Permission to record in a data bank information concerning a suspicion of or penalty for crime may not be granted to a person other than an authority which by law is responsible for keeping a record of such information, unless there are extraordinary reasons therefor, as determined by the Federal Privacy Board.

(b) Permission to record, in a data bank, information that a person has received medical attendance, welfare, treatment for alcoholism or the like may not be granted to a person other than an authority which by law is responsible for keeping a record of such information, unless there are special reasons therefor, as determined by the Federal Privacy Board.

(c) Permission to record, in a data bank, information concerning political or religious views may be granted only where there are special reasons as determined by the Federal Privacy Board.

Sec. 5. (a) The Federal Privacy Board may determine that data banks of members, employees, tenants, insured persons or other customers and similar kinds of data banks may be kept without permission otherwise required under section 2.

(b) No data bank may be kept under subsection (a) unless—

(1) with respect to a data bank other than a data bank of employees, the date of birth is not entered in the data bank;

(2) no personal information is entered in the data bank other than information given by the individual registered for the purpose for which the data bank is kept or by an authority according to law, or which has arisen within the activity of the keeper of the data bank or which concerns a change of address;

(3) no information referred to in section 4 is entered in the data bank;

(4) an individual registered is suitably informed that the data bank is kept by automatic data processing and concerning the kind of personal information entered in it;

(5) information from the data bank is not issued in such a manner that information is given concerning an individual except—

(A) when he has consented thereto;

(B) when information is issued to a person who, by permission granted according to section 2, is entitled to enter the information in a data bank;

(C) when information is issued to an authority according to law; or

(D) when the information issued is needed in order that the keeper of the data bank may be able to safeguard his rights against the individual registered.

(c) In order to prevent the risk of undue encroachment on privacy, the Federal Privacy Board may, by regulation, provide that no data bank may be kept under subsection (a) unless such data bank complies with other conditions in addition to those stated in subsection (b).

(d) Before a data bank referred to in this section is established, a notification thereof shall be made to the Federal Privacy Board.

Sec. 6. (a) If permission to keep a data bank is granted by the Federal Privacy Board under section 2, regulations shall be issued by the Federal Privacy Board as to—

(1) the purpose of the data bank,

(2) the personal information which may be entered in the automatic data processing equipment,

(3) the adaptation of personal information that may be made through automatic data processing equipment, and

(4) what particulars may be made accessible in such manner that information on individuals is provided.

(b) In other respects regulations may, insofar as needed, be issued concerning the obtaining of information for the data bank, the carrying out of the automatic data processing, the technical equipment, information to persons affected, the keeping and selection of information, the issuance of personal information to others and the use of such information in other respects, as well as regulations concerning control and security.

Sec. 7. At the request of the person who intends to carry out automatic data processing the Federal Privacy Board shall issue a binding statement as to whether permission or notification is required.

Sec. 8. (a) If there is reason to suspect that personal information in a data bank is incorrect, the keeper of the data bank shall, without delay, take the necessary steps to ascertain the correctness of the information and, if needed, to correct it. If the information cannot be verified, it shall be excluded from the data bank at the request of the individual registered.

(b) If a piece of incorrect information, which shall be corrected, or of unverified information, which shall be excluded, has been handed to a person other than the individual registered, the keeper of the data bank shall, at the request of the individual registered, notify the receiver concerning the correct information or concerning the exclusion of the information.

Sec. 9. If in a data bank there is personal information which with regard to the purpose of the data bank must be regarded as incomplete, or if a data bank which constitutes a record of persons contains no information on a person who with regard to the purpose of the register would be reasonably expected to be included in it, and if this may cause undue encroachment on privacy or risk of loss of rights, the keeper of the data shall enter the information which is missing.

Sec. 10. (a) At the request of an individual registered, the keeper of the data bank shall, for such minimal fees as the Federal Privacy Board shall prescribe, and as soon as possible, inform him of the personal information concerning him in the data bank. When an individual registered has been so informed, new information regarding such personal information need not be given to him until twelve months later.

(b) Subsection (a) does not apply to information which, pursuant to law may not be delivered to the individual registered.

Sec. 11. Personal information in a data bank may not be issued if there is reason to assume that the information will be used for automatic data processing not in accordance with this Act or abroad. If the issuance will not cause undue encroachment on privacy, the Federal Privacy Board may permit the issuance after opportunity for a hearing and notice to all persons concerned.

Sec. 12. (a) The keeper of a data bank or any person who has dealt with the data bank may not without authorization reveal what he has learned from it about the personal circumstances of an individual.

(b) If personal information has been issued in accordance with regulations prescribed under this Act that limit the right of the receiver to pass it on, the receiver or any person who in his activity has dealt with the information shall not reveal what he has learned about the personal circumstances of an individual.

Sec. 13. Information from an automatic data processing recording which is provided for the purpose of judicial or administrative proceedings shall be added to the relevant file in readable form. The Federal Privacy Board may permit specific exceptions from this rule, after opportunity for a hearing and notice to all persons concerned, where special reasons so warrant.

Sec. 14. (a) There is established the Federal Privacy Board (hereinafter in this section referred to as the "Board").

(b) The Board shall establish published rules to implement the provisions of this Act.

(c) The Board shall consist of seven members, each serving for a term of two years, four of whom shall constitute a quorum. The members of the Board shall be appointed by the President, by and with the advice and consent of the Senate. No more than four of the members appointed to serve at the same time shall be of the same political party, and all members shall be from the public at large and not officers or employees of the United States.

(d) Members of the Board shall be entitled to receive $100 each day during which they are engaged in the performance of the business of the Board, including traveltime.

(e) The Chairman of the Board shall be elected by the Board every year, and the Board shall meet not less frequently than bimonthly.

(f) The Board shall appoint and fix the compensation of such personnel as are necessary to the carrying out of its duties.,

Sec. 15. For the purpose of its supervision the Federal Privacy Board shall be granted admission at reasonable hours to premises where automatic data processing is carried out or where computers or equipment or recordings for automatic data processing are kept, and may by subpena compel the production of documents relating to such processing. Enforcemnt of any subpena issued under this section shall be had in the United States District Court for the District in which such documents shall be located.

Sec. 16. With respect to each data bank, the keeper of the data bank shall deliver to the Federal Privacy Board the information and particulars concerning the automatic data processing which that Board requires for its supervision.

Sec. 17. If undue encroachment on privacy arises through a data bank or its use, the Federal Privacy Board shall issue regulations concerning the collection of information for automatic data processing, the carrying out of automatic data processing, the information which may be included, the technical equipment, the adaptation through automatic data processing, notification of persons concerned, issuance or other use of personal information, the keeping or selection of information, control or security measures needed for protection against such encroachment. In conjunction therewith the Federal Privacy Board may amend regulations given in the decision granting permission to keep a data bank. If protection against undue encroachment on privacy cannot be attained by other means, the Board may cancel the permit or prohibit the keeping of a data bank kept under section 5.

Sec. 18. Any person who has dealt with a matter relating to a permission or with notification or supervision under this Act shall not reveal what he has learned about the personal circumstances of an individual or about professional or business secrets.

Sec. 19. Any person who willfully or through criminal negligence—

(1) keeps a data bank without permission under this Act, when such permission is required, or in contravention of a prohibition order issued pursuant to section 17;

(2) keeps a data bank referred to in section 5 without having notified the Data Inspection Board;

(3) violates rules or regulations issued under this Act;

(4) issues personal information in violation of section 11;

(5) violates the provisions of section 12 or 18; or

(6) gives incorrect information when fulfilling an obligation to provide information as stated in section 10 or 16;

shall be fined not more than $5,000 or imprisoned not more than one year.

SEC. 20. (a) A keeper of a data bank shall pay compensation to an individual registered for damage caused to him through incorrect information concerning him in the data bank. When assessing the damages, the suffering caused and other circumstances of other than a purely pecuniary significance shall be taken into consideration. The keeper of the data bank shall be liable even if the error or the damage has not arisen through any act or omission of his own.

(b) In the case of a class action to enforce liability under subsection (a), damages shall not exceed the greater of $50,000 or 2 percent of the net worth of the defendant, as of the end of the fiscal year of the defendant immediately preceding the fiscal year in which the cause of action of such class action arose.

(c) In the case of any successful action to enforce liability under this section, the costs of the action, together with a reasonable attorney's fee, as determined by the court, shall be awarded to any prevailing party plaintiff.

SEC. 21. If the keeper of a data bank fails to grant access to premises or documents pursuant to section 15 or fails to give information pursuant to section 16 or to fulfill his obligations pursuant to section 8, 9, or 10, the Federal Privacy Board may assess a penalty of not more than $5,000 which may be recovered by the United States through an action in the appropriate United States District Court.

SEC. 22. This section and section 14 of this Act shall take effect on the date of its enactment, and sections 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 15, 16, 17, 18, 19, 20, and 21 shall take effect one year after the date of the enactment of this Act.

CORPORATE FEDERAL TAX PAYMENTS AND FEDERAL SUBSIDIES TO CORPORATIONS FOR 1972

The SPEAKER pro tempore (Mr. McFALL). Under a previous order of the House, the gentleman from Ohio (Mr. VANIK) is recognized for 60 minutes.

Mr. VANIK. Mr. Speaker, today I would like to report to you on the update of my 1971 corporate tax study. This report is a description of the effective Federal tax rate paid by America's leading corporations as well as an analysis of many of the Federal tax subsidies provided to corporations.

Last July 19, when I released my analysis of the Federal corporate taxes paid by our Nation's 100 largest industrial corporations in tax year 1971, our citizens were shocked to find that some large U.S. corporations were making profits, paying dividends, reporting substantial income to their shareholders, yet paying no Federal income taxes. At that time I voiced my fear that large corporations were becoming freeloaders on the American scene, and smaller businesses and individuals were being forced to increase their share of the Federal tax burden.

I had hoped that last year's findings of "no tax payments" would only be a 1-year phenomenon—but, unfortunately, the findings of my tax year 1972 study—which I am releasing today—illustrates that the situation is deteriorating.

In 1971, only 6 out of 45 corporations in the sample paid an effective Federal corporate tax rate of less than 10 percent and more than 1 percent on $2.3 billion in taxable income. In tax year 1972, that figure had grown to 14 corporations out of 58 in the sample. These 14 corporations paid an effective Federal corporate tax rate of less than 10 percent and more than 1 percent on $3.6 billion in taxable income.

What is more disturbing is that the 100 large industrial corporations shouldered less of the Federal tax burden in 1972 than in 1971. Someone had to make up the difference! That someone is the ordinary taxpayer and the small businessman.

But this study does much more than point the finger at those corporations who have avoided paying any Federal taxes through use of the tax code. In the past 8 months, our Nation has been deeply troubled by the energy crisis and a food crisis. To what extent has the Federal tax code induced those crises? These are difficult and complicated questions that must be more fully examined. But the findings of this study significantly illustrate the propensity of the tax code to cause market distortions.

SCOPE AND METHOD

My study examines 146 companies selected from the 1970 Fortune magazine list of large corporations. This study covers the tax year 1972 and also those same companies for the tax years 1971 and 1970. Included were 100 industrial corporations; 20 airlines, railroad, and trucking corporations; 10 telephone, electric power, and gas transmission corporations; 7 retailing corporations and 9 commercial banks. The study was based entirely on information from public sources, including 10-K reports, forms U5S, registration statements, and prospectuses filed with the Securities and Exchange Commission as well as annual reports to the Interstate Commerce Commission and the Federal Power Commission.

The appendix to this study discusses the problems involved in securing an approximate effective tax rate from public information sources. The appendix provides a detailed explanation of the methodology of this study and the problems involved in preparing this material.

The attached tables show the approximate taxable income, approximate Federal corporate income taxes paid and effective tax rates of the companies studied, where the information could be secured from public sources. It should be noted that the figures presented, in the tables, represent approximations rather than precise figures. In a few isolated cases, the margin of error may be considerable. This is because the public sources generally did not present the data in a way which they could be used directly to calculate the effective tax rates of the corporations. Because of the complexities in reporting, it was not possible to obtain data for each corporation on the "top 100 list." The sample in the study is as follows:

SIZE OF SAMPLE OF CORPORATIONS WITH DATA AVAILABLE FOR TAX YEAR 1972

100 industrial corporations sampled.
61 available and calculable.
20 transportation corporations sampled.
13 available and calculable.
10 utility corporations sampled.
9 available and calculable.
7 retailing corporations sampled.
5 available and calculable.
9 commercial banks sampled.
3 available and calculable.
146 corporations in the sample.
90 corporations available and calculable.

For the same data for years 1969, 1970, and 1971 refer to my 1971 study contained in a Joint Economic Committee print available at the Government Printing Office—stock No. 5270-01620, pages 3 to 35—or in the CONGRESSIONAL RECORDS of July 19 and 20, 1972.

The confusion, complexity, and secrecy which shrouds corporate tax and financial reporting is indescribable. One of the later chapters of my study thoroughly examines the problem and proposes legislative solutions. Let me say here that I believe the figures in the charts are as accurate as they could be made by my staff, aided by certified public accountants from the Joint Committee on Internal Revenue Taxation. If there are errors, the fault probably lies with the deliberate confusion in certain corporate reports.

FINDINGS OF THE TAX YEAR 1972 ANALYSIS OF THE FEDERAL TAXES PAID BY THE CORPORATIONS INCLUDED IN THIS STUDY

Mr. Speaker, the study which I have completed provides the most dramatic evidence that the Federal subsidies provided to giant corporations through the tax code significantly reduce or even eliminate their Federal tax obligations.

Despite the fact that the following 11 companies were earning substantial profits in 1972, and paying out dividends, they paid no Federal income tax. What is even more shocking is that some of these companies not only paid no Federal tax but received a credit back from the Treasury.

Those industrial corporations with substantial before tax income reported to shareholders who paid no Federal corporate tax in 1972:

	Income reported to shareholders
McDonnell Douglas	$111, 675, 000
Republic Steel	43, 061, 000
Occidental Petroleum	10, 419, 000

Those transportation and utility corporations with substantial before tax income reported to shareholders who paid no Federal corporate tax in 1972:

Income Reported to Shareholders

Railroad Corporations:
  Burlington Northern Inc., $48,711,000.
Airline Corporations:
  Eastern Airlines, $59,178,000.
  Trans World Airlines (received a credit of $857,000) $43,497,000.
  United Airlines (received a credit of $148,000) $32,445,000.
  Northwest Airlines (received a credit of $6,174,000) $17,253,000.
Consolidated Edison of N.Y. (received a credit of $1,091,000) $144,781,000.
American Electric Power (received a credit of $6,708,000) $168,103,000.
Penzoil Company (received a credit of $836,000) $62,276,000.

In tax year 1972, there were 11 profitable corporations out of 90 for which data was available that paid no Federal income tax—but this would have little significance even if this were the complete picture. The statutory rate that corporations should theoretically pay is 48 percent, yet in addition to the 3 industrials who paid no tax, 14 out of the remaining 58 industrials for which data was available paid only a 1- to 10-percent Federal effective tax rate.

INDUSTRIAL CORPORATIONS INCLUDED IN THE STUDY WHICH MADE PROFITS AND PAID AN EFFECTIVE FEDERAL TAX RATE OF 1 PERCENT TO 10 PERCENT

Year	Number of corporations	Amount of taxable income on which 1 percent to 10 percent corporate tax was paid
1969	10 out of 78	$3,377,000,000
1970	13 out of 86	3,171,000,000
1971	6 out of 45	2,327,000,000
1972	14 out of 58	3,666,710,000

The average effective Federal corporate tax rate was 29.6 percent in 1971 and 29.0 percent in 1972 for the industrials in the sample. This is nearly 20 tax percentage points below the statutory rate.

Some corporations have decreased their tax burden dramatically in recent years. ITT in 1972 paid an effective rate of 1 percent while its pre-tax income was $376,383,000.

EFFECTIVE FEDERAL TAX RATE OF ITT

	Net income before Federal tax	Effective rate (percent)
1969	$357,345,000	14.4
1970	429,615,000	4.2
1971	413,858,000	4.9
1972	376,383,000	1.0

Let me stress here, Mr. Speaker, that these corporations have done nothing illegal in lowering their tax rates—they have simply taken advantage—quite effectively—of the multitude of tax subsidies which have been enacted into the tax laws over the years.

The following chapters of this study will examine a wide range of aspects of the Federal tax code as they relate to corporations and the consumers that are affected by corporate decisions. It is my hope that this study will emphasize the need for a thorough tax reform bill to be reported from the Ways and Means Committee this fall.

But this study goes much further than any one tax reform bill could possibly provide. Our tax policy, whether we like it or not, does much more than just raise revenues. Our tax policy over the years has placed incentives and disincentives into the law hoping to correct specific problems. As the years roll on and the problems come and go, the provisions of the tax code remain, with a constituency and effect that many times has little to do with the original intent of the legislation.

It appears quite obvious that this study confirms my fears described in last year's report—that there is a startling reduction of corporate tax payments. The present laws are designed to insure that large American corporations will pay less and less in the future in support of our Government.

The footnotes in the following tables are divided between arabic numerals and letters of the alphabet. The numbers are footnotes developed during the 1972 study. The letters are footnotes which have been "brought forward" from the 1971 study. Several of last year's footnotes relating to the availability of material are no longer applicable, but have been included in this print to provide a history and to insure consistency in the study.

CHART A

APPROXIMATE EFFECTIVE FEDERAL INCOME TAX RATE PAID BY COMPANIES SELECTED FROM FORTUNE MAGAZINE LISTS OF LARGE CORPORATIONS

Corporation	1972			1971			1970		
	Adjusted net income before Federal income tax [1] (thousands)	Approximate current Federal income tax (thousands)	Effective rate (percent)	Adjusted net income before Federal income tax [a] (thousands)	Approximate current Federal income tax (thousands)	Effective rate (percent)	Adjusted net income before Federal income tax [a] (thousands)	Approximate current Federal income tax (thousands)	Effective rate (percent)
INDUSTRIAL CORPORATION LIST									
General Motors Corp	3,579,773	1,595,392	44.6	3,252,100	[b]1,566,275	48.2	608,200	[b]149,418	24.6
Exxon Corp		(2)			(d)			(d)	
Ford Motor Co		(3)		1,094,800	384,800	[e]35.2	864,600	360,000	[e]41.6
General Electric Co	798,400	315,300	39.5	724,500	[f]256,400	35.4	490,368	192,100	39.2
International Business Machines Corp	1,842,268	562,580	30.5	1,550,347	[d]466,122	30.1		(d)	
Mobil Oil Corp	589,413	17,300	2.9	590,405	[f]85,700	14.5	570,395	95,600	16.8
Chrysler Corp	303,900	112,900	37.2	135,300	[g]18,800	13.9	(37,800)	[g](48,000)	
International Telephone & Telegraph Corp	376,383	3,686	1.0	413,858	20,247	[h]4.9	429,615	18,085	[h]4.2
Texaco, Inc	869,711	23,600	2.7	928,689	[b]30,000	3.2	921,247	[b]73,250	8.0
Western Electric Co., Inc	537,980	[4]217,649	40.5	478,958	[i]210,102	43.9	489,089	[i]221,627	45.3
Gulf Oil Corp	233,000	12,000	5.2	628,558	[b]31,062	4.9	625,732	[b]11,892	1.9
United States Steel Corp	157,988	23,200	14.7	104,516	7,920	[u]8.2	109,491	(66,110)	
Westinghouse Electric Corp	288,888	91,494	31.7	257,192	74,754	29.1	199,829	51,675	25.9
Standard Oil Co. of California	334,207	19,400	5.8	356,115	[f]17,600	4.9	185,411	29,700	16.0
The LTV Corp	18,579	1,300	7.0	(39,308)	2,942		(59,948)	3,133	
Standard Oil Co. (Indiana)	390,096	74,682	19.1	423,140	63,462	15.0	417,768	56,018	13.4
The Boeing Co	24,805	10,000	40.3		(17f)		9,390	9,000	[t]95.9
E. I. du Pont de Nemours and Co	693,300	290,000	41.8	601,600	254,000	42.2	587,700	253,300	43.1
Shell Oil Co		(2)			[2f]		305,298	34,285	11.2
General Telephone & Electronics Corp		(3)			[3f]		428,639	[d]176,506	41.2
RCA Corp	257,525	91,937	35.7		(d)			(d)	
The Goodyear Tire & Rubber Co		(2)		263,267	[b]64,404	24.5	190,229	[b]40,362	21.2
Swift & Co	55,575	14,200	25.6	45,118	[f]11,600	25.7	48,395	[b]5,666	11.7
Union Carbide Corp	320,900	67,100	20.9	240,005	44,709	18.6	240,666	49,448	20.6
Procter & Gamble Co	452,328	166,724	36.9	397,974	153,828	38.7	389,412	171,294	44.0
Bethlehem Steel Corp	183,364	15,000	8.2	195,008	[f]30,000	15.4	122 071	[b](13,000)	
Eastman Kodak Co	885,650	342,500	38.7	704,455	[f]275,250	39.1	681,761	270,600	39.7
Kraftco Corp		(2 3)		157,222	65,302	41.5	147,774	65,547	44.4
The Greyhound Corp	87,839	36,114	41.1	106,370	[f]41,240	38.8	64,416	12,387	19.2
Atlantic Richfield Co	211,901	16,141	7.6	218,268	[f]5,815	2.7	211,845	10,622	5.0
Continental Oil Co	207,445	12,371	6.0	109,030	([b]24,472)		189,377	[b]9,962	5.3
International Harvester Co	77,037	14,043	18.2	72,184	25,300	35.1	93,633	24,443	26.1
Lockheed Aircraft Corp		(5)							
Tenneco, Inc	246,753	34,287	13.9	236,117	[f]41,991	17.8	190,065	24,273	12.8
North American Rockwell Corp		(3)		125,534	[d]59,507	47.4	122,207	[d]55,713	45.6
Litton Industries, Inc		(6)		69,451	[b]15,648	22.5	100,690	[b]29,739	29.5
United Aircraft Corp		(7)		(92,572)	[g](2,428)		79,228	[g]16,260	20.5
Firestone Tire & Rubber Co		(2 3)		230,369	[d]99,334	43.1	172,781	[d]67,650	39.2
Phillips Petroleum Co	164,650	39,221	23.8	161,050	22,984	14.3	146,371	37,687	25.8
Occidental Petroleum Corp		(8)		(60,409)	[b]5,553		178,059	[b]2,457	1.4
General Dynamics Corp		(3)			(f)		(3,867)	(38,106)	
Caterpillar Tractor Co	312,339	110,672	32.2	203,294	[b]72,658	35.7	241,173	[b]100,599	41.7
The Singer Co	110,200	37,500	34.0	99,887	15,396	15.4	116,818	22,212	19.0
McDonnell Douglas Corp		(9)		144,613	[d](8,087)	(j)	173,170	[d](46,524)	
General Foods		(10)		207,305	87,265	42.1	189,793	86,851	45.8
Continental Can Co., Inc		(11)			(f)		143,661	[b]57,615	40.1
Monsanto Co	184,289	65,991	35.8	141,374	[f]56,636	40.1	71,303	6,622	'9.3
Sun Oil Co	182,291	9,044	5.0	189,265	[b]7,445	3.9	192,858	[b]27,569	14.3
Honeywell	143,243	12,232	8.5	115,414	[f]7,550	6.5	95,668	24,867	26.0
W. R. Grace & Co		(3)			(f)		31,507	[d](4,669)	
Dow Chemical Co	229,342	62,337	27.2	185,129	41,708	22.5	142,793	45,924	32.2
International Paper Co	144,074	35,518	24.7	80,826	12,479	15.4	40,577	23,586	[t]58.1
American Can Co		(3)			(f)		122,425	42,655	34.8
Borden, Inc		(3)			(f)		96,443	[d]31,453	32.6
Rapid American Corp		(12)		61,180	20,909	34.2	71,056	24,852	35.0

Corporation	1972			1971			1970		
	Adjusted net income before Federal ncome tax[1] (thousands)	Approximate current Federal income tax (thousands)	Effective rate (percent)	Adjusted net income before Federal income tax[a] (thousands)	Approximate current Fede:al income tax (thousands)	Effective rate (percent)	Adjusted net income before Federal income tax[a] (thousands)	Approximate current Federal income tax (thousands)	Effective rate (percent)
Burlington Industries, Inc		(3)		74,820	[b] 35,947	47.4	147,107	[b] 79,007	53.7
Union Oil Co. of California	152,166	9,800	6.4	129,987	[f] 11,750	9.0	139,598	7,540	5.4
R. J. Reynolds Industries, Inc	420,995	160,832	38.2	430,261	[f] 188,004	43.7	415,600	[d] 197,116	47.4
Sperry Rand Corp		(3)		116,588	40,700	34.9	146,232	60,050	41.1
Xerox Corp	397,196	118,832	29.9	348,576	105,866	30.4	330,116	111,026	33.6
Boise Cascade Corp		(11)			(f)		39,714	2,854	7.2
Cities Service Co	126,254	32,662	25.9	112,132	[f] 9,934	8.9	159,472	27,169	17.0
Minnesota Mining & Manufacturing Co		(2 3)			(f)		295,886	83,400	28.2
Consolidated Foods Corp	103,344	36,157	35.0	102,819	[b] 38,590	37.5	101,568	[b] 32,761	32.3
Gulf & Western Industries, Inc		(3)		51,381	[b] (29,350)		56,652	[d] (9,500)	
Textron, Inc	147,141	62,200	42.3	130,418	[f] 69,600	[13] 53.4	124,236	57,983	46.7
The Coca-Cola Co		(3)			(f)		209,502	[d] 60,050	28.7
TRW Inc		(2 3)			(f)		148,278	[d] 65,556	44.2
Armco Steel Corp		(3)		63,052	6,175	9.8	63,744	3,565	5.6
Beatrice Foods Co		(3)		115,768	50,564	43.7	111,205	51,946	46.7
Ralston Purina Co		(2)		86,429	33,100	38.3	104,770	45,800	43.7
Uniroyal, Inc	80,187	6,882	8.6	58,229	[f] 10,604	18.2	25,726	(3,585)	
Aluminum Co. of America	84,820	7,713	9.1	50,199	(17,036)		106,143	9,112	8.6
American Brands, Inc		(3)			(f)		209,062	[b] 88,156	42.2
The Bendix Corp	93,202	34,997	37.5	58,119	10,570	18.2	46,969	17,271	36.8
The National Cash Register Co		(11)			(d)			(d)	
American Standard Inc	42,507	7,450	17.5		(f)		(8,802)	(8,068)	
The Signal Co., Inc		(3)		26,863	[b] (7,394)		(78,388)	[b] 583	
Ashland Oil, Inc		(2)			(k)			(k)	
Owens-Illinois, Inc	90,797	18,097	19.9	96,685	23,877	24.7	97,785	35,638	36.5
United Brands Co		(2)			(f)		(7,961)	(850)	
CPC International, Inc		(3)			(f)		89,648	24,668	27.5
The Standard Oil Co. (Ohio)		(2)			(f)		71,735	(589)	
Republic Steel Corp		(3 14)			(f)		18,264	(9,916)	
Champion International Corp		(3)			(f)		47,689	[b]9,082	19.0
FMC Corp	73,016	22,830	31.3	60,647	[f]21,551	35.5	88,130	28,794	32.7
American Home Products Corp	309,613	120,263	38.8	284,902	[f]111,702	39.2	271,048	[d]126,683	46.7
Raytheon Manufacturing Co		(3)			(f)			(d)	
Warner-Lambert Co	177,412	56,783	32.0	161,844	[f]56,767	35.1	150,371	51,942	34.5
Genesco, Inc	21,425	9,158	42.7	23,491	[b]9,328	39.7	37,070	[b]13,430	36.2
Allied Chemical Corp		(3)			(f)		88,011	[g]8,336	9.5
National Steel Corporation	116,313	42,900	36.9	73,655	17,600	23.9	73,449	(19,825)	
Weyerhaeuser Co	211,541	49,940	23.6	158,314	[f] 42,936	27.1	170,667	33,460	19.6
U.S. Industries, Inc	121,212	43,537	35.9	129,977	47,040	37.6	115,251	41,154	35.7
Getty Oil Co	129,525	18,367	14.2	138,140	17,062	12.4	121,462	19,725	16.2
Teledyne, Inc		(3)			(f)		109,312	34,192	31.3
Colgate-Palmolive Co	86,871	19,330	22.3		(d)			(d)	
The B. F. Goodrich Co	86,299	13,945	16.2		(f)		30,561	[d] 6,090	19.9
Georgia Pacific	163,240	34,480	21.1	94,940	[f] 6,620	7.0	107,070	4,500	4.2
Whirlpool Corp	122,002	56,457	46.3	92,172	45,011	[t] 48.8	33,345	19,040	[t] 57.1
TRANSPORTATION CORPORATION LIST									
Airline Corporations									
UAL, Inc	32,445	(148)		(7,301)	0	0	(51,168)	(22,850)	
Trans World Airlines, Inc	43,497	(857)		(7,128)	0	0	(98,823)	0	0
American Airlines, Inc		(15)		2,404	(75)		(37,552)	(9,874)	
Pan American World Airways, Inc		(13)		(66,033)	0	0	(70,005)	(15,774)	
Eastern Air Lines, Inc	59,178	0		7,639	0	0	8,073	0	0
Delta Air Lines, Inc	67,686	3,310	4.9	43,550	(2,491)		77,165	9,615	12.5
Northwest Airlines, Inc	17,253	(6,174)		11,800	[f] (15,394)		44,560	[d] (15,280)	
Railroads									
Penn Central Co		(17)							
Southern Pacific Co	162,833	15,807	9.7	145,675	[l] 19,551	13.4	124,098	[l] 12,049	9.7
Norfolk & Western Ry. Co	56,714	13,320	23.5	62,866	752	1.2	63,305	[m] (2,026)	
Burlington Northern, Inc		(18)			(f)		35,663	[n] 1,451	4.1
The Chesapeake & Ohio Ry Co	39,463	5,787	14.7	5,301	[f] (7,685)		52,563	3,331	6.3
Union Pacific RR Co	139,560	16,619	11.9	49,838	[f] (21,615)		114,589	(3,835)	
Sante Fe Industries, Inc	119,391	15,900	13.3	68,528	[f] 11,600	16.9	59,607	4,600	7.7
Southern Ry. Co	100,488	15,153	15.1	92,419	[f] 19,704	21.3	56,474	9,895	17.5
Missouri Pacific RR Co	31,970	3,201	10.0	20,932	1,925	9.2	23,135	[o] 553	2.4
Trucking Companies									
Consolidated Freightways, Inc		(3)			(f)		13,156	[d] 6,928	52.7
Leaseway Transportation Corp		(3)		26,129	4,793	18.3	1,483	(3,105)	
Roadway Express, Inc	46,052	20,594	44.7	34,572	[p] 18,931	54.8	17,606	[p] 8,573	48.7
Yellow Freight System, Inc		(3)		24,260	[d] 10,897	44.9	13,773	[d] 5,135	37.3
UTILITY CORPORATION LIST									
American Telephone & Telegraph Co	3,980,821	[19] 1,231,511	30.9	3,498,478	[q] 1,138,474	32.5	3,561,809	[q] 1,478,656	41.5
Consolidated Edison Co. of New York, Inc	144,781	(1,091)		202,228	[r, v] 6,727	3.3	110,027	[r] (17,500)	
Pacific Gas & Electric Co	276,249	60,905	22.0		(e)			(e)	
Commonwealth Edison Co	260,389	32,763	12.6	203,099	[f] 19,833	9.8	195,940	53,127	27.1
American Electric Power Co., Inc	168,103	(6,708)		149,876	6,722	4.5	136,662	18,051	13.2
Southern California Edison Co		(3)		159,824	35,409	22.2	160,407	35,840	22.3
The Columbia Gas System, Inc	151,762	27,163	17.9	119,659	28,077	23.5	129,666	43,592	33.6
El Paso Natural Gas Co	105,979	26,657	26.1	87,854	23,908	27.2	33,034	6,644	20.1
Texas Eastern Transmission		(3)		101,768	26,362	25.9	81,424	18,991	23.3
Penzoil Co	62,276	(836)		35,479	[f] 6,393	18.0	74,719	(12,755)	
RETAILING CORPORATION LIST									
Sears, Roebuck & Co	748,200	317,200	42.4	682,148	289,306	42.4	694,394	292,308	42.1
Allstate Insurance Co. Consolidated & Subsidiaries	169,593	33,644	19.8	90,775	5,327	5.9	82,910	(265)	
The Great Atlantic & Pacific Tea Co., Inc		(11)		89,437	33,883	37.9	100,666	41,750	41.5
Safeway Stores, Inc		(3)		155,127	[b] 75,328	48.6	140,441	[b] 69,893	49.8
J. C. Penney Co., Inc	261,623	127,620	48.8	216,605	72,509	33.5	225,482	86,182	38.2
The Kroger Co	15,693	4,103	26.1	56,522	21,462	38.0	74,366	32,839	44.2
Federated Department Stores, Inc	175,197	86,346	49.3	154,669	68,798	44.5	169,942	80,832	47.6

Footnotes at end of table.

CHART A—Continued

APPROXIMATE EFFECTIVE FEDERAL INCOME TAX RATE PAID BY COMPANIES SELECTED FROM FORTUNE MAGAZINE LISTS OF LARGE CORPORATIONS—Continued

Corporation	1972			1971			1970		
	Adjusted net income before Federa income tax[1] (thousands)	Approximate current Federal income tax (thousands)	Effective rate (percent)	Adjusted net income before Federal income tax[a] (thousands)	Approximate current Federal income tax (thousands)	Effective rate (percent)	Adjusted net income before Federal income tax[a] (thousands)	Approximate current Federal income tax (thousands)	Effective rate (percent)
COMMERCIAL BANKING LIST									
Bank America Corp		(3)			(f)		239,758	[d] 75,880	31.7
First National City Corp	264,844	63,678	24.0	281,559	[b] 80,486	28.6	222,175	[d] 43,557	19.6
The Chase Manhattan Corp	159,568	8,671	5.4	158,952	[f] 9,108	5.7	163,619	[d] 42,445	25.9
Manufacturers Hanover Corp	95,102	2,826	3.0	114,005	[f] 19,640	17.2	142,573	[d] 49,870	35.0
J. P. Morgan & Co., Inc		(2)			(f)		132,690	[d] 36,386	27.4
Western Bancorporation		(3)			(f)		70,097	[d] 10,856	15.5
Chemical New York Corp		(3)		102,073	[d] 31,734	31.1	102,675	[d] 33,967	33.1
Bankers Trust New York Corp		(3)			(f)		83,903	[d] 28,236	33.7
Continental Illinois Corp		(3)		100,257	[d] 25,513	25.5	77,922	[d] 17,794	22.8

CHAPTER B

[1] The adjusted net income before Federal income tax reported to shareholders is comprised of net income or loss from financial statements with appropriate adjustments made for Federal income tax expense or refund, income or loss attributable to minority interests, and income or loss from investments in affiliated companies whenever the equity method of accounting was used. In certain cases, the minority interest and/or the income or loss reported under the equity method was not separately disclosed and in these cases those adjustments could not be made and the data, therefore, was omitted.

[2] The minority interest and/or the income or loss reported under the equity method was not separately disclosed. Data for this company, therefore, has been omitted.

[3] The provision for income taxes may contain State and/or local and/or foreign in addition to Federal income taxes. Data for this company, therefore, has been omitted.

[4] The income of Western Electric Co., Inc., is included in the consolidated tax return of American Telephone & Telegraph Co. However, this is essentially the same approximate tax which would have been reflected had a separate return been filed.

[5] A footnote to the financial statements for Lockheed Aircraft Corp. filed with form 10-K for 1972 indicates: "As a result of book-tax accounting differences, the company had taxable losses in 1972 and 1971 and deferred taxes were increased."

[6] The provision for income taxes is not separated into current and deferred tax categories. Additionally, the provision for income taxes may contain State and/or local and/or foreign in addition to Federal income taxes. Data for this company, therefore, has been omitted.

[7] United Aircraft Corp. provides for taxes on income in combined amounts for Federal, Canadian, and State. Data for this company therefore, has been omitted.

[8] Footnote No. 9 to the consolidated financial statements for Occidental Petroleum Corp. for the calendar year ended Nov. 31, 1972, indicates: "Substantially all of the 1972 and 1971 provisions for income taxes relate to Occidental's Libyan operations. As a result of the utilization of the percentage depletion and foreign tax credits, no Federal taxes have been paid or provided for the 2 years ended Dec. 31, 1972, except for a tax on tax preference items as prescribed by the Tax Reform Act of 1969."

[9] Information abstracted from the McDonnell Douglas Corp.'s annual report to shareholders for 1972 indicates: "Taxable income of McDonnell Douglas Corp. is significantly different from earnings reflected in the financial statements. This difference is primarily due to commercial aircraft development costs being deducted for taxes as incurred and the cost of sales for the DC-10 program being determined under the specific unit cost method (on lower of cost or market basis) rather than under the average cost method used in the financial statements. McDonnell Douglas Corp.'s 1970 and 1971 Federal income tax returns reflected net operating losses. McDonnell Douglas Corp.'s 1972 return will reflect taxable income before being offset by the unused net operating losses from 1970 and 1971."

[10] The provision for income taxes is not separated into current and deferred tax categories. Data for this company, therefore, has been omitted.

[11] Due to losses, the data for this company has been omitted.

[12] The provision for current and deferred taxes, and the tax benefits due to extraordinary items were not separately disclosed. Data for this company, therefore, has been omitted.

[13] This high effective rate for Textron, Inc., may have been the result of expenses being deducted for book purposes which are either not deductible for Federal tax purposes or are deducted for Federal tax purposes at a date later than for book purposes.

[14] A footnote to the consolidated financial statements for Republic Steel Corp. for 1972 indicates that due to a "carryback of operating losses for the year 1971 including timing differences and a deduction for percentage depletion," a Federal income tax refund arose.

[15] Due to a large extraordinary writeoff, data for this company has been omitted.

[16] A footnote to the consolidated financial statements of American Airlines, Inc., for 1972 indicates that: "As a result of timing differences, American's Federal income tax return for the year ended Dec. 31, 1971, reflected an accumulative net loss carryforward of approximately $45,200,000. This net operating loss carryforward is available to reduce future taxes payable. Upon realization of the operating loss carryforward, such benefit would be credited to the deferred tax liability and not affect future earnings. American anticipates that its tax return for the year ended Dec. 31, 1972, will reflect an additional net operating loss carryforward."

[17] Data for this company was not available.

[18] A footnote to the annual report of Burlington Northern Inc., and subsidiary companies for the year ended Dec. 31, 1972, indicates: "The company will have no taxes payable on its Federal income tax return due to current year tax deductions related to discontinuance of passenger services and trackage abandonments and certain merger-related items recorded per books in 1969."

[19] Because the wholly owned subsidiary Western Electric Co., Inc. is accounted for under the equity method, the income and current Federal income tax for Western Electric Co., Inc., is not included here even though a consolidated tax return is filed.

Note: This study is based entirely on information from public sources including 10-K reports, form U5S, registration statements and prospectuses filed with the Securities and Exchange Commission as well as annual reports to shareholders and annual reports to the Inter-State Commerce Commission and the Federal Power Commission.

FOOTNOTES TO 1969-71 STUDY RELEASED JULY 19, 1972

[a] The adjusted net income before Federal income tax reported to shareholders consists of the net income (or loss) plus all Federal income tax expense (or income) plus deductions for minority interest taken in calculating net income and less income from an investment in another company when the equity method of accounting has been used. In some cases, the minority interest and/or the income reported under the equity method was not separately disclosed; thus, in these cases, these adjustments could not be made. (These accounting problems are further explained in the Appendix.)

[b] The deferred income tax accounts (tax effect of timing differences) may contain State and local and/or foreign in addition to Federal income taxes. Thus, this might have a significant effect on the estimated current Federal income tax and percentage.

[c] All the data necessary to compute the result for 1969 were not available on the 1971 and/or 1970 financial statement.

[d] Possibly overstated significantly because foreign and/or State and local income taxes are combined with Federal income tax. Wherever this is believed to be extremely significant, the data are omitted. These companies have not reported separately their Federal income tax expense. As stated elsewhere, this is an apparent violation of SEC filing requirements.

[e] The Ford Motor figures represent the effects of State and local as well as Federal income taxes. Their reports combine these amounts and thus the percentages are higher.

[f] The data for 1971 were not available when this information was being gathered.

[g] Including Canadian and U.S. income tax.

[h] Even though there appears to be some tax paid, the 10-K for ITT indicates that Hartford and ITT filed consolidated tax returns on which no tax was paid.

[i] Western Electric Co.'s income is included in the consolidated return for the Bell System; however, this is essentially the same tax which would have been reflected if a separate return were filed.

[j] McDonnell Douglas Corp.'s 1971 10-K indicates a NOL carryforward from 1970 and 1971; thus, in effect, no Federal income tax has been paid since prior to 1967.

[k] The 1971 and 1970 data for Ashland Oil were not readily available in the SEC microfilm files.

[l] The 10-K report states that Southern Pacific had no tax liability on a consolidated return for either 1971 or 1970; the results for 1969 were not disclosed. The estimated amounts for Federal income tax ($19,551,000 for 1971 and $12,049,000 for 1970—effective tax rates of 13.4 percent and 9.7 percent, respectively) if actually paid may have been paid by subsidiaries less than 80 percent owned and, thus, not eligible to be included in the consolidated tax return. Some, or all, of these amounts may represent overstatement of Federal income tax accrual accounts in order to provide a reserve for future tax deficiencies following audits by the IRS; to this extent they would not be paid.

[m] The analysis of Federal income taxes (page 316 of their 1970 ICC annual report) showed that Norfolk & Western saved $29,403,000 in Federal income tax due to accelerated depreciation and to 5-year amortization. Their Federal income tax, if based on income per books of account, would have been $39,632,000. Filing a consolidated return saved an additional $16,687,000 in Federal income taxes. Their minimum tax on preferences was $2,143,000; however, the analysis of Federal income taxes indicated a refund of $1,624,000. The 1970 net income (after provision for income tax and after providing for minority interests) was $71,259,000 for Norfolk & Western and $64,017,000 consolidated.

[n] The 1970 ICC annual report (page 316, "Analysis of Federal Income Taxes") showed that Burlington Northern saved $12,236,000 due to accelerated depreciation. Their taxes based on income recorded in the accounts would have been $13,367,000. Their refund was $603,603. The net income (after provision for Federal income tax and after reflecting minority interests) for Burlington Northern was $33,000,000 and $34,202,000 consolidated.

[o] The 1970 analysis of Federal income taxes (page 316 of their ICC annual report) indicated that Missouri Pacific had a refund of $814,700. Their Federal income tax based on taxable income as recorded in the accounts for financial reporting would have been $6,671,000. The net income (after provision for tax) was $18,189,000 for Missouri Pacific and $21,580,000 when consolidated. This company saved over $8,000,000 in taxes in 1970 due to accelerated depreciation and 5-year amortization.

[p] The information for Roadway Express was taken from its 1971 annual report to shareholders.

[q] Because the wholly owned subsidiary Western Electric Co. is accounted for by using the equity method, the income and current Federal income tax for A. T. & T. is not included here even though a consolidated tax return is filed.

[r] Notes to the financial statement of Con Edison indicate net operating losses for tax purposes for both 1970 and 1971 while the 1971 net income reported to shareholders was the highest in any of the prior 10 years of the company's history. Dividends paid were $102,065,000—1969; $108,021,000—1970; and $119,406,000—1971. None of the dividends on the common stock for these 3 years (amounted to $81,188,234 and $73,436,126 for 1971 and 1970) were taxable as dividend income.

[s] Due to undisclosed amounts of intraperiod tax allocation, the total Federal income tax provision cannot be ascertained for Pacific Gas & Electric.

[t] This high effective rate for Whirlpool may have been the result of expenses being taken for book purposes which are not deductible for tax purposes (e.g., goodwill).

[u] In the tables released last July 19 and which were prepared by the joint committee, United States Steel's effective tax rate was approximated at 7.6 percent; subsequent analysis by the committee indicates that the rate is closer to 8.2 percent.

[v] The figure for Con Ed tax paid in 1971 is brought forward from the study released July 19, 1972, and prepared by the joint committee. Subsequent information (see chapter on tax free dividends) indicates no tax paid.

CHAPTER C

APPENDIX—PROBLEMS IN SECURING APPROXIMATE EFFECTIVE TAX RATES FROM PUBLIC INFORMATION SOURCES

CONSOLIDATIONS: FINANCIAL STATEMENTS AND TAXES

For financial statement reporting purposes, companies frequently consoldiate foreign subsidiaries and subsidiaries which are more than 50-percent owned. For Federal income tax puroses, generally, they must be domestic subsidiaries and 80-percent or more owned before they can be included in a consolidated income tax return.

In financial reports to shareholders, the total Federal income tax expense (as well as all other revenue and expense accounts after elimination of the intercompany transactions) of all consolidated subsidiaries (even the 50-percent owned companies) is reported as though it were an income tax or refund entirely attributable to the majority interest of the consolidated group. The minority interest in a particular subsidiary's net income or loss (perhaps as much as 49 percent) however, is removed at the bottom of the income statement. Thus, the consolidated financial reports often show the total tax expense of even 51-percent owned subsidiaries while eliminating the income attributable to the minority interest.

To compensate for this, the net income per financial statement was adjusted by the income or loss attributable to the minority interest.

METHODS OF ACCOUNTING FOR AN INVESTMENT IN A SUBSIDIARY OF AFFILIATE

If the equity method is used for financial statement reporting purposes to account for an investment in a subsidiary or affiliate which is not included in a consolidated tax return, the provision for income tax expense may exceed or be less than that which is reported on the consolidated financial statements. The equity method, which is sometimes called a one line consolidation, produces the same net income to shareholders as does consolidation. Under the equity method, the parent corporation's proportionate part of the "after tax" earnings of the subsidiary or affiliate are shown on one line in the income statement; in a consolidation, all income and expense accounts of the subsidiary are combined with those of the parent and other consolidated subsidiaries and the net after tax earnings or loss of a subsidiary attributable to a minority interest are later deducted. Thus, consolidation for financial statement reporting purposes shows all Federal income tax expense recorded by all the consolidated subsidiaries while the equity method does not reflect any of the Federal income tax or refund attributable to subsidiaries or affiliates which are accounted for under the equity method.

Because the Federal income tax or refund attributable to the equity method net income or loss was not disclosed, the equity method income or loss was used as an adjustment to the net income per financial statement.

"OVERSTATING" THE PROVISIONS FOR FEDERAL INCOME TAXES

Corporations may "overstate" the accrued Federal income tax liability and thus, overstate the provision to provide for anticipated taxes due because of an Internal Revenue Service audit of tax returns for open years. Corporations "book" this "overstatement" because of the tendency to resolve doubtful items in the corporate favor while realizing that many of these items might result in tax deficiencies by the Internal Revenue Service. Because the amount of this "overstatement" of the provision for Federal income taxes cannot be determined from public information sources, no attempt was made in this study to adjust for this amount in arriving at the estimated current Federal income tax liability.

INTERPERIOD TAX ALLOCATION

Another major problem in estimating a Federal income tax liability involves the use of the accounting technique referred to as "comprehensive tax allocation." The Accounting Principles Board of the American Institute of Certified Public Accountants in Opinion No. 11, stated that "the tax effect of a timing difference should be measured by the differential between income taxes computed with and without inclusion of the transaction creating the difference between taxable income and pretax accounting income. The resulting income tax expense for the period includes the tax effects of transactions entering into the determination of results of operations for the period. The resulting deferred tax amounts reflect the tax effects which will reverse in future periods. The measurement of income tax expense becomes thereby a consistent and integral part of the process of matching revenues and expenses in the determination of results of operations." Generally, this results in a provision for income tax expense being larger than the current tax liability which will result in a "deferred Federal income tax liability" being recorded on the financial statements. Comprehensive tax allocation and amortization of the investment tax credit over the lives of the assets (rather than flowing it through the investment tax credit) results in the provision for Federal income tax expense for financial statement reporting purposes being larger (and in some cases smaller) than the actual current tax liability.

Comprehensive tax allocation accounting can result in a net current asset (prepaid taxes in excess of current deferred tax liabilities) or a net current deferred tax liability, or in a net fixed asset for "prepaid" taxes or a net long-term deferred tax liability (for amounts not expected to reverse in one year).

Wherever possible, these deferrals of Federal income taxes were taken into consideration in estimating the approximate current portion of Federal income tax expense.

Permanent differences (items which do not reverse, e.g., the 85-percent dividends received deduction) are treated in the same manner for financial statement reporting purposes as they are for tax purposes. Thus, these items do not result in any differences nor do they affect the provision for Federal income tax expense or the corresponding liability.

INTRAPERIOD TAX ALLOCATION

This accounting technique results in showing the effect of taxes on the various sections of the income statement. Thus, extraordinary gains and/or losses are reduced when reported to shareholders by the tax or tax savings attributable to them. Accordingly, in estimating current Federal income tax, wherever possible, an effort was made to reflect the tax effects of extraordinary items where appropriate. For example, where the income statement showed separately a Federal income tax expense or tax savings attributable to a nonoperating extraordinary gain or loss, these items were netted against each other for purposes of this study.

This problem is further complicated when the extraordinary gain or loss is recognized for financial statement reporting purposes in years different than for tax purposes, thus, making comprehensive interperiod tax allocation a significant factor in estimating the current Federal income tax.

CHAPTER D—WHY GENERAL MOTORS PAYS AN EFFECTIVE FEDERAL TAX RATE OF 44 PERCENT WHILE ITT REDUCES ITS FEDERAL TAX RATE TO 1 PERCENT

It is clear from this tax study that there exists a great disparity in the effective taxes paid to the federal government by the largest corporations of America. For example:

[In percent]

1970:	
ITT	4.2
General Motors	24.6
1971:	
ITT	4.9
General Motors	48.2
1972:	
ITT	1
General Motors	44.6

At first glance, it might seem that General Motors and some other old line giants now paying high effective tax rates, should hire a new set of tax lawyers. When my tax study figures were released last year, many stockholders of these "old line giants" were asking why their "chosen companies" were paying such high taxes while others paid so little?

Those stockholders should be comforted to know that the answers to their questions do not lie in the "questionable competence" of their company's tax lawyers.

General Motors could not partake in the conglomerate buying sprees of the 1960's without the fear of a wholesale attack from the Justice Department's Antitrust division. Our antitrust laws have been drafted to prevent one corporation from taking over monopoly control of a single line of business—or in more technical language, to prevent "vertical monopolies." But through the 1960's the new conglomerates bought into a wide range of industries while carefully avoiding antitrust laws.

Most of the tax provisions of the code that can help a company reduce its tax burden are related to conglomerate growth at home and abroad. Pooling of interest, the foreign tax credit, and capital loss provisions acquired as a result of a newly purchased company all benefit the conglomerates to a much greater degree as they purchase new companies for tax and growth purposes. The result is that many of the most active conglomerates are able to reduce their effective tax rates way below old line companies—thus giving them more revenue for more acquisitions.

CHAPTER E—HAS OUR TAX POLICY INDUCED THE ENERGY CRISIS?

Many complex and interrelated problems have contributed to create our "energy crisis." In trying to untangle these problems and formulate a new tax related energy policy, the Congress must relate the implications of present tax provisions to shortages and skyrocketing prices of fuels to the American consumer.

The tax subsidy system for the oil industry is the most extensive of the entire tax code—causing concentration within the oil industry and higher prices to the consumer. The three major tax subsidies to the oil industry are:

(1) the special provisions which permit the option to expense intangible drilling and development costs;

(2) the percentage depletion allowance; and

(3) the foreign tax credit and deferrals.

As this study will point out, domestic declining profit margins in oil and gas production have led to new business strategies within the petroleum industry—increased crude prices—growing foreign investment—and the elimination of independent gasoline stations.

THE TAX BURDEN OF THE PETROLEUM INDUSTRY

The interaction of these three major provisions of the tax code has led to charges that the major oil companies shoulder an unreasonably light tax burden. On October 21, 1971, the *Congressional Record* included an analysis of the industry's tax burden compiled by *U.S. Oil Week*. The study concluded that the large oil companies paid an effective rate of 8.7% on a before tax net income of $8.8 billion, while their statutory tax rate supposedly remained at 48%. The publication of these figures touched off a controversy between the industry and public interest groups over the proper policy of taxing the oil industry. The heat of the debate on oil taxes increased considerably with the recent publication of Taxation with Representation's compendium of study papers. The study paper, entitled *The Petroleum Industry's Tax Burden*, was prepared by several knowledgeable tax lawyers and economists. The study makes several major points:

It is an important first step in any such tax analysis to decide on the precise measurement of tax burden. The issue here is to decide whether to limit calculations to domestic income or to include also income from foreign sources.

There are subtle, but invalid ways to increase the stated amount of taxes paid by the industry. Excise taxes, for example, are almost never paid by the corporation and should not be included as such. They are paid by the consumer at the filling station.

According to economists James Cox and Arthur Wright the most significant factors leading to the industry's deflated tax burden is the operation of the foreign tax credit and the percentage depletion deduction. By their calculations, the foreign tax credit accounts for a 15% reduction. The intangible drilling expense deflates the effective tax rate by about 2.1%. Other provisions of the tax code operate to further reduce the federal tax burden by 8.3%. Depletion reduces by 14.5%.

My analysis of the 10-K forms of the eighteen major oil companies illustrates that the industry's effective Federal corporate tax rate in 1972 has been reduced to 8.3%. The following is a breakdown by company of those figures:

OIL COMPANIES 1972

	Adjusted net income before Federal income tax (thousands)	Approximate current Federal income tax (thousands)	Effective rate (percent)
1. Exxon	[1]		
2. Mobil Oil	$589,413	$17,300	2.9
3. Texaco Inc	869,711	23,600	2.7
4. Gulf Oil	233,000	12,000	5.2
5. Standard Oil (California)	334,207	19,400	5.8
6. Standard Oil (Indiana)	390,096	74,682	19.1
7. Shell Oil	[1]		
8. Atlantic Richfield	211,901	16,141	7.6
9. Continental Oil	207,445	12,371	6.0
10. Tenneco	246,753	34,287	13.9
11. Philips Petroleum	164,650	39,221	23.8
12. Occidental Petroleum			0
13. Sun Oil Co	182,291	9,044	5.0
14. Union Oil	152,166	9,800	6.4
15. Cities Service	126,254	32,662	25.9
16. Ashland Oil	[1]		
17. Standard Oil of Ohio	[1]		
18. Getty Oil	129,525	18,367	14.2
Total	3,837,412	318,875	8.3

[1] The minority interest and/or the income or loss reported under the equity method was not separately disclosed. Data for this company, therefore, has been omitted.

THE ORIGIN OF THE DEPLETION ALLOWANCE

The origin of the depletion allowance is rooted in the concept of property depreciation included in the Revenue Act of 1913. Congress felt that some allowance had to be made for the loss in value of property used in the course of conducting business. Traditional depreciation, it was later reasoned, did not apply to oil and gas companies, for it did not account for the depreciation of the minerals they produced.

The oil companies thought that to be equitable, the depreciation deduction should be allowed in relation to the value of the mineral deposit. In 1918 a system of "discovery value depletion" was devised for that purpose.

The objective of discovery value depletion was to provide an incentive for exploration and development of the oil and gas resources within the United States. This was the origin of the idea that the capital value of the producing property is the amount to be recovered through the depletion allowance—rather than simply the taxpayers capital investment—such as oil rigs—in the property.

Discovery value depletion proved difficult to administer, since determination of the value of the producing property proved a difficult and vague task, causing Congress to switch to percentage depletion at the rate of 27½%. Long held by the industry as a sacred and scientific figure, the 27½% depletion rate was simply a compromise between the rate of 25% voted by the House and 30% voted by the Senate in the Revenue Act of 1926. The allowance remained at this rate until the Revenue Act of 1969 reduced the percentage to 22%. This is how percentage depletion established its foothold in the tax code. It has never been a precisely calculated economic principle.

For tax purposes, the operator of a producing property—or an investor with a direct interest—is allowed to deduct from his taxable income 22% of his gross income from the property. This deduction was limited to 100% of net income in the Revenue Act of 1921. In 1924, the limitation was reduced to 50% of net income, where it stands today.

The advantages to the taxpayer of this scheme are clear—percentage depletion may be claimed as long as there is income from the property. The net income limitation works only to limit the impact of the deduction within one taxable year. There is no limitation which applies over the productive life of the property. Professor J. Reid Hambrick of The George Washington University Law School has calculated that at the present rate of allowance, the level of depletion allowance actually claimed for tax purposes is sixteen times the level of deduction that would be allowed if depletion were limited to the actual dimishing value of the property's oil field.

THE DEPLETION ALLOWANCE AND MONOPOLY

The percentage depletion allowance creates a natural tax haven for the major integrated firm—of which there are 18—which produces its own crude oil. A refiner in control of his own sources of crude oil can shift profit dollars to "tax haven" production. By charging high prices for the crude oil it buys from itself—by inflating its internal transfer prices—the firm can shift profits to production, where the effective tax rate is low. Theoretically, with a corporate tax rate of 48% and a depletion allowance of 22% the tax savings which arises from profit shifting are substantial. It is therefore likely to expect that any crude oil price increases will be translated into direct tax savings.

The movement to crude oil production by the majors is causing higher crude prices, as oil companies transfer their profit dollars to production tax shelters.

Crude oil production is controlled mainly by a limited number of large firms, whose integrated structure has placed upward pressure on crude oil prices, as a direct result of the depletion allowance. The following data on the crude oil self-sufficiency of the majors documents this trend.

[In thousands of barrels per day]

Rank (by refinery input) in group			1958			1972		
1958	1972	Company	Crude input runs to refineries	Net U.S. crude production	Production as percent of refinery runs [1]	Crude input runs to refineries	Net U.S. crude production	Production as percent of refinery runs [1]
(1)	1	Exxon	749.0	375.7	50.2	1,029.0	970.0	94.3
(3)	2	Texaco	598.7	387.3	64.7	1,012.0	[2] 801.5	79.2
(7)	3	Shell	464.0	301.7	65.0	986.0	638.0	64.7
(2)	4	Standard (Indiana)	640.6	278.0	43.4	956.0	487.0	50.9
(4)	5	Mobil	540.4	208.8	38.6	856.0	394.0	46.0
		5 largest oil companies	2,992.7	1,551.5	51.8	4,839.0	3,290.5	68.0
(6)	6	Standard (California)	483.4	253.7	52.5	815.4	462.0	56.7
(5)	7	Gulf	485.0	316.9	65.3	767.3	560.9	73.1
	8	Atlantic-Richfield				713.4	437.3	61.3
(13)		Atlantic	185.6	84.9	45.7			
(18)		Richfield	119.0	53.6	45.0			
(10)	9	Phillips	218.3	118.6	54.3	545.0	267.6	49.1
	10	Sun				481.0	281.0	58.4
(11)		do	212.1	89.1	42.0			
(19)		Sunray	108.1	74.0	76.8			
		10 largest oil companies	4,804.2	2,542.3	52.9	8,161.1	5,299.3	64.9
	11	Union Oil (California)				415.9	263.1	63.3
(15)		Union	151.4	89.8	59.3			
(14)		Pure	152.0	58.7	38.6			
(17)	12	Standard (Ohio)	128.1	25.8	20.1	399.6	29.6	7.7
(16)	13	Continental	148.8	136.5	91.7	340.0	220.0	64.4

Rank (by refinery input) in group 1958	Rank (by refinery input) in group 1972	Company	1958 Crude input runs to refineries	1958 Net U.S. crude production	1958 Production as percent of refinery runs [1]	1972 Crude input runs to refineries	1972 Net U.S. crude production	1972 Production as percent of refinery runs [1]
(9)	14	Cities Service	251.8	90.4	35.9	269.0	215.3	80.0
	15	Getty[4]				194.0	[3] 316.0	162.8
(12)		Tidewater	192.2	79.2	41.2			
(20)		Skelly	48.9	64.1	131.1			
(8)		Sinclair[5]	420.6	114.5	27.2			
		Total	1,493.8	659.0		1,618.5	1,044.0	
		1958 majors	2,992.7	1,551.5	51.8	4,839.0	3,290.5	68
		U.S. totals	7,849.5	3,201.3		9,779.6	6,340.3	
		5 majors as percent of totals	38	48.5		49.5	51.9	

[1] Represents degree of integration.

[2] Texaco reports gross production; net estimated at 87½ percent of gross.

[3] Includes some Canadian production.

[4] Getty data in 1972 includes Skelly.

[5] Sinclair acquired by Atlantic-Richfield; part of property spun off to BP (United States); BP (United States) now merged with Standard of Ohio.

Sources: 1958—Joel Dirlam, "The Petroleum Industry" in "Adams Structure of American Industry." 1972—National Petroleum News, Mid-May Factbook, 1973.

High crude oil self-sufficiency has made the increased price of crude oil a fact of life in our domestic economy. Crude oil prices are rarely established through open, arms-length bargaining. Crude prices are "posted" or set for each producing area by the major producers for that area. Posted prices are a product of an imperfect competitive situation—they are insulated from the dynamic interaction of supply and demand.

A significant development that has occurred during the recent period of fuel and gasoline shortage has been the escalation of crude oil prices. In the three months since March 1973, crude oil prices have risen 70 cents to 75 cents per barrel, as documented in the Oil and Gas Journal, June 18, 1973. In order to counteract the deteriorating domestic profit picture, the majors appear to be reacting in two ways. First, they have raised crude prices. Second, they have taken an increased interest in the profitability of their marketing operations at the gas pump—a point I will discuss later at greater length. The capability of raising crude prices, however, is directly linked to the operation of the percentage depletion allowance. As Thomas Field, Executive Director of Taxation with Representation has stated, "There is an incentive to raise crude oil prices in the very existence of the percentage depletion deduction."

While it is in the interest of the majors to maintain high crude prices, the inflated price structure places heavy burdens on the independent refiners, distributors, and marketers. Dr. Fred Allvine, an economist specializing in the oil industry, has pointed out:

"High and noncompetitive crude oil prices have contributed to the decline of independent refining capacity, the demise of the independent terminal operators, the selling out of the independent marketers, and the takeover of integrated oil companies having a low degree of crude oil self-sufficiency."

Concentration in the refining industry is high. Although there are 253 domestic refineries, the largest eight—all controlled by the major oil companies—produce over 66% of the supply of finished products. For the independent refiner, the availability of crude oil is the critical factor in his operations. With no captive source of supply, the independent must rely on the major for his crude. Through exchange agreements, the majors can effectively control the operations of the independent refiner.

Under the old oil import quota system, which limited the total supply of crude oil to the domestic market, these exchange agreements were vital to the survival of inland independent refiners who were unable to find sufficient crude oil supplies. A survey conducted by the Independent Refiners Association of America concluded that in March, 300,000 barrels a day of refinery capacity was not being used because of the lack of crude oil. Despite the fact that the import quota system has been abolished, this situation of dependence and shortage for the independent still exists.

Allvine's conclusions are supported by investigations into the refining industry by the Federal Trade Commission. Michael L. Glassman, chief of the FTC's Bureau of Economic Evidence, describes the implications of the percentage depletion allowance on downstream activities in the following memorandum:

"The oil depletion allowance may directly encourage the exploration for and the exploitation of domestic crude oil sources, but it may indirectly bring about results which limit the supply of refined products by restraining entry into the refining segment of the industry by non-integrated firms. This result may occur because the oil depletion allowance creates an incentive to higher crude prices."

Beyond this fact, there appears to be a feedback effect which exacerbates the impact of the depletion allowance on oil supplies—with fewer refiners the demand for crude is curtailed. The supply will be restricted to meet this demand—all at higher prices.

The majors have a vested interest in a neutralized independent sector. Glassman of the FTC maintains that the majors carefully manipulate the price of crude to maximize profits while protecting the captive but impotent independent refiners.

". . . the majors must not choose a crude price so high that the independents go out of business as the result of earning zero profits, for if the independents shut down, the majors will lose customers for one-half of their crude production. Rather they will select a crude oil price which permits refinery profits margins which are large enough to induce the present independents to stay in the market but will not be large enough to induce new independents to enter the industry, increase the supply of refined products, and cause prices and profits in the oil industry to decline."

The facts appear to bolster Glassman's contention that the barriers to entry into refining are exceedingly high. In the Eastern region of the country (Petroleum Administration District No. 1) only one independent refinery has been built since 1950—a small 2,000-barrel per day facility in Florida. No refinery in excess of 10,000 barrels per day, has been built in the Gulf Coast Region (P.A.D. 3) during the same time period.

LACK OF FINANCIAL DATA ON OIL INDUSTRY

Part of the difficulty in detailing the FTC's claim stems from the lack of adequate financial data. Inadequate SEC requirements on divisional reporting obscures the magnitude of profit shifting between production and marketing activities. In 1967 the IRS took steps to require more extensive reporting by the oil companies on their use of the depletion deduction. This data—required on form O and form M of the income tax return—was to be compiled in connection with the Census Bureau's survey of mineral industries. This census is compiled every five years. With these two complementary sources of data, the quality of public debate on this vital area of public policy would have improved markedly. Unfortunately the IRS failed to fulfill its commitment. Although data was requested with the 1967 filing, this data was only partially compiled. Since that time the requirement has been dropped. While it is the responsibility of the IRS to develop and oversee adequate reporting requirements, I have little optimism. As Thomas Field of Taxation with Representation says:

"If the IRS decides to study crude petroleum prices, I do have one recommendation to make, and that is that the existing IRS offices handling the petroleum area not conduct this study. Although I have many good friends who are solid people in some of these offices, the fact is that I regard many of the people who staff the IRS petroleum and minerals offices as superannuated and as people about whose loyalty to the service and to the public interest I sometimes have had questions."

The impact of the depletion allowance on the structure of the industry appears to be significant. This special provision, which began as an open-ended alternative to depreciation, not only has resulted in a Treasury loss of over $1 billion annually, but also has precipitated an economic climate in which monopoly control is essential for a successful business operation. The costs to the consumer in higher product prices have yet to be realistically assessed. Nonetheless, it is clear that inefficiencies in distribution arising from excessive market concentration are directly responsible for the shortages in petroleum products of recent months.

THE WRITE-OFF OF INTANGIBLE DRILLING AND DEVELOPMENT COSTS

The provision for expensing intangible drilling costs arose through administrative regulation—it was not granted by Congress. Intangible drilling costs represent about 75% of the costs of drilling a well. They include the direct expenditures for labor, fuel, supplies, and the like that are incurred in the drilling and equipping of oil and gas wells. The option to expense rather than capitalize these costs arose with a Treasury decision in 1917 and was carried through subsequent Treasury rulings. It was later written into the tax code after it had been used for thirty years by Administrative ruling.

If it were not for this provision the industry would have to capitalize these development expenditures and recover them through the depletion allowance. When percentage depletion is claimed it generally duplicates and recovers most of the same costs that have been deducted as intangible drilling expenses. Yet under existing law no adjustment of percentage depletion is required. This is a striking example of a double deduction for the same dollar of costs.

In addition to electing the option for his intangible costs, the taxpayer is offered a similar choice to expense or capitalize his dry hole costs—the cost incurred in drilling unsuccessful wells. The importance of these various options rests on the flexibility given to the taxpayer in offsetting his tax liability. The only constraint that must be juggled is the 50% net income limitation pertaining to the depletion deduction. As a result of this flexibility in the tax code, production decisions can arise which bear little relationship to rational economic criteria.

ORIGINS OF THE FOREIGN TAX CREDIT

The industry finds another large tax advantage in the credit allowed for taxes paid to foreign governments. The foreign tax credit found its way into the tax code of 1918, but its application to the petroleum industry did not become widespread until domestic oil companies moved into foreign operations in the late 1940's. Since that time, massive investments have been made by the majors in foreign production. The following table reflects this trend.

Production of Oil by Selected U.S. Companies in Foreign Countries Outside North America—1950 and 1966

[Thousand barrels per day]

1950:	
Exxon	1,015
Mobil	129
Texaco	190
Gulf	403
Shell	459
1966:	
Exxon	2,831
Mobil	854
Texaco	1,154
Gulf	1,710
Shell	2,093

[Source: Adelman, *The World Petroleum Market*]

The purpose of the foreign tax credit was to eliminate double taxation of a company's business activities. It was argued that, provided the foreign tax remains the same as the U.S. tax rate, it secures tax neutrality with respect to the choice between domestic and foreign investment. However, the foreign tax credit system does not always work out that way.

In many countries the corporate tax rate is less than the company would pay in the U.S., providing an initial incentive to go abroad.

Beyond the basic reduction in the tax rate, many American corporations repatriate just enough of their foreign earnings to offset their domestic taxes through the foreign tax credit. Because of tax deferral provisions in another section of the tax code, the rest of the company's foreign earnings can be indefinitely deferred from U.S. taxation. As corporations become untaxed in America, we can primarily thank the foreign tax credit, over and above any other provision.

With growing operations abroad, the foreign tax credit has become an increasingly important mechanism by which the major oil companies significantly reduce their tax burden. The following table demonstrates this fact:

NET TAX BEFORE AND AFTER FOREIGN TAX CREDIT IN 3 MAJOR OIL COMPANIES IN 1970

[In millions]

Oil corporations	Total income	Net tax before FTC	Foreign tax credit	Net tax after FTC
A	$2,798	$168	$133	$35
B	2,651	231	213	18
C	2,135	114	101	13
Total			[1] 447	

[1] Total foreign tax credit for only 3 oil companies 1970.

IMPLICATIONS OF THE FOREIGN TAX CREDIT

The operation of the foreign tax credit aids a privileged few multinational firms. For the solely domestic segment of the petroleum industry, this provision is a dead letter.

The operation of the foreign tax credit, like the depletion allowance, created perverse incentives for the oil industry. In the years after World War II, domestic involvement in foreign production increased considerably. With this increasing involvement, foreign governments placed growing pressure on the oil companies to increase their royalty payments. To the oil companies, the advantage of claiming these increased payments as taxes rather than royalties was clear. A tax payment can be credited against a U.S. tax liability, where as a royalty payment must be treated as a deductible business expense when computing U.S. taxes. It was in the interest of the U.S. oil companies to persuade their host governments to enact income tax statutes to replace their royalty claims. In 1954 King Saud changed the royalty payments into a tax, as requested by the industry, so that the companies could benefit from the foreign tax credit.

The impact of the ruling has been to create an artificial incentive for investment abroad. Whereas the domestic producer must pay for mineral rights to land through royalty payments, which are treated as a business expense, the same payments by a foreign producer qualifies as a tax credit. The termination of the foreign tax credit would put domestic production in a more competitive position with foreign development.

TAX DEFERRALS

The tax deferral provision allows the earnings of foreign subsidiaries of U.S. corporations to enjoy a deferment of U.S. tax until remitted as dividends. Since most earnings are reinvested abroad in fixed assets, this virtually amounts to a permanent exemption from federal tax. It is estimated that the average effective rate of foreign taxes on profits of U.S. affiliates is in the order of about 36% and that foreign subsidiaries of U.S. corporations paid nearly $1 billion less in foreign profits taxes than they would have paid under the U.S. income tax. Deferral clearly introduces a non-neutral incentive to invest abroad and is difficult to defend on both equity and efficiency grounds. Between them, the deferral and the foreign tax credit provide a fantastic incentive to invest abroad.

If deferrals were to be terminated, while the tax credit was continued, the revenue gains would be estimated anywhere between $160 and $900 million.

Mr. William Barrett, of the University of New Hampshire, in his examination of capital expenditure patterns before the Ways and Means Committee, has documented the growing shift in capital investment abroad in recent years. With the declining profitability of domestic production, appealing tax incentives for foreign investment have created an alternative for the large multinational firms.

In 1963 oil exploration efforts, surveyed by Chase Manhattan's Group, the largest twenty-seven to thirty-one oil companies totaled $5,528 million in capital and exploration expenditures worldwide. Of this total, 70.4% was dedicated to domestic exploration and 29.6% to foreign. By 1971, this pattern had shifted dramatically. Of the total worldwide expenditure of $13,778 million, only 48.5% was expended domestically, while 51.5% was devoted to foreign production. Until the announcement of the new fee-free import system, much of this production was limited in its benefit to the U.S. market by virtue of the oil import quota restriction.

The question has been raised, but not resolved, whether the multinational oil companies have developed an allegiance to themselves which overrides any other. In their operation they serve neither the interests of the producing nation nor the consuming nation. M. A. Adelman in his book, *The World Petroleum Market*, touches on this point when he claims that the oil companies are merely the tax collectors for the Organization of Petroleum Exporting Countries (OPEC). If this thesis is valid, the world oil shortage is no shortage at all, but really the product of cooperation between the oil companies and OPEC in the face of unwitting passivity of the oil consuming nations. It is not possible to resolve these issues here—but the question remains. Has the tax code worked to subvert the interests of the United States by encouraging excessive foreign investment without hope of an adequate return to the American people?

GASOLINE MARKETING

The declining profit picture in domestic production has led to new business strategies by the major petroleum companies—the increase in crude prices, growing foreign investment, and the elimination of independent marketers. To increase profits, in addition to the shifting of profit dollars into the foreign tax havens, the major companies are looking to their domestic marketing structure to provide more profits. In the past, the marketing structure has been subsidized by the production division of the giant firms. In order to make their distribution network more profitable, the major companies must streamline their operations—consolidating marketing operations into a smaller number of high volume stations and close marginal, low-volume outlets.

The main obstacle to the majors in their scheme to increase profits from marketing is the independent marketer.

As independent, discount marketer—Hudson, Martin, Fill 'em Fast—operates on a high-volume, low-cost, low-price basis. They are geared to sell gasoline as opposed to credit cards, games, prizes, and spare parts. Most don't even maintain garages and car racks. By virtue of their greater efficiency, they are capable of selling gasoline at 3¢ to 5¢ per gallon less than the major brands—Texaco, Exxon, Gulf, and so on.

The independent gasoline marketer has a significance which far outweighs his market share. The independent serves as the only counter balance to the massive market control exerted by the majors. He offers substantial price competition.

It is clear that the majors have taken advantage of this recent period of contrived shortages not only to streamline their own marketing operations, but also to place a squeeze on the independent marketer. Since the independent marketer receives only about 2% of his supplies from major refineries, the interests of the independent refiner and the marketer are closely tied. With this relationship in mind, the major oil companies have tightened the supply of crude to the independent refiners. The resulting chain of events would eventually start choking the independent gas stations—which is exactly what happened.

Because the independent marketer does not have access to a captive supply of finished products, this recent period of shortage has hit particularly hard. Most have been forced to cut back service. Many have been forced to close. As of June 15, 1973, the Office of Oil and Gas in the Department of Interior estimates that between 1,200 and 1,300 independent service stations have been forced to close.

The loss of the independent segment of the marketing industry will carry significant implications for the American consumer. As Professor Allvine from Georgia Tech noted, "when supply is fixed, reduced or cut off to independents, the majors are no longer concerned about competition from those sources." As the result of his own study in four cities, Los Angeles, Portland, Seattle, and Phoenix, Allvine concludes that when the threat of the independent is neutralized, gasoline prices inflate and achieve a remarkable stability. Allvine recently stated:

"During the past 38 weeks, since August 15, 1972, major brand prices have increased in those four markets by approximately 3¢ per gallon and have remained steady. Much of the same thing has happened throughout much of the U.S. as supplies available to the independents have been cut back."

Between the refiner and the marketer in the Petroleum network is the wholesale distributor or terminal operator. This segment of independent businessmen has also suffered from the growing control of the integrated majors. For over a decade, the livelihood of the independent terminal operators has declined, because like the independent refiner and marketer, the terminal operator has no guarantee of supply. He is at the mercy of the market power of the integrated major firm. George Panuska of the Independent Terminal Operators of America maintains that the economic situation has caused a deterioration of his membership since 1959:

"While the number of independent terminal operators was rapidly diminishing, the number of terminals, and the average terminal capacity available to the nation were growing by leaps and bounds. All such expansion became the private province of the integrated oil companies rather than independents and newcomers. *At the present time their control over supply is more complete than ever before.*"

The independents who refine, transport, and market petroleum have been drawn inescapably within the web of the major oil companies. The majors—who were induced to expand their production by the depletion allowance—now control the vital sources of supply to the entire industry. This control has worked to isolate the majors from the pressure of the market place. While crude oil shortages have pushed independents to the brink of economic failure, the majors have enjoyed healthy profits. The listing below illustrates some of the first quarter gains of the eight fully integrated majors.

PROFITS AND SALES OF THE 8 INTEGRATED OIL COMPANIES, 1972–73

	Sales 1st quarter 1973 [In millions]	Percent change from 1st quarter 1972	Percent profits change from 1st quarter 1972
Atlantic Richfield	$997.6	+5	+52
Exxon	5,674	+13	+43
Gulf Oil	2,103	+9	+19
Mobil Oil	2,790	+13	+10
Shell Oil	1,089.5	+12	+49
Standard Oil (Ind.)	1,469	+11	+12
Standard Oil (Calif.)	1,608.4	+17	+24
Texaco	2,495	+14	+15

FINDING A SOLUTION: THE PROPER ROLE OF TAXATION

Eugene Rostow, in his book, *National Policy for the Oil Industry*, in 1948 stated:

"There is no basis in the technology of refining for concluding that bigness of the oil companies is the inevitable price we must pay for using modern methods of manufacturing. On the contrary, there is every reason to believe that from the point of view of efficiency in operations—cost per unit—smaller firms would be able to operate on a competitive basis if the control of the majors over access to raw materials, on the one hand, and to market on the other, were eliminated."

Petroleum industry concentration in 1973, the same as it was in 1948, is the primary obstacle to the efficient operation of the oil industry. Our federal tax laws have been the catalyst for this concentration. As a result, the majors have gained effective control over supplies, markets, and prices. Divesting is obviously the most direct procedure by which competition could be injected into the market place. The staff of the FTC is already studying this alternative. But at this point in time, it amounts to giving the patient medicine to kill the pain without ever removing the cancer.

Apart from this restructuring of the industry, a serious reconsideration of the impact of the tax code on oil and gas must be made. For too long, overblown rhetoric has overshadowed substantive analysis in the tax treatment of petroleum production. For example, special privileges for oil continue to be wrapped in the banner of National security—even though the percentage depletion allowance has encouraged the exhaustion of our domestic oil reserves by providing subsidized production and production for tax purposes rather than market demand. In testimony before the Ways and Means Committee this spring, Richard Gonzales of Humble Oil conjured up communism as an argument to justify the continuation of the depletion allowance.

"Petroleum continues to be highly important to security even with the development of nuclear weapons and intercontinental missiles. The United States must be prepared to fight effectively by conventional means since it does not propose to start a nuclear war. Otherwise, important areas of the world will soon be lost to aggressors who will not hesitate to take advantage of any deterioration in our ability to conduct conventional military operations."

This reasoning is dangerously outdated. No one is arguing the importance of petroleum to national security. The capacity of refining and producing oil is the keystone to our economic health and our military preparedness. But the essential issue for public policy is how to devise an effective, economical and efficient mechanism to insure that the national security is not impaired by an interruption of petroleum supplies from overseas. I believe the best alternative to accomplish this task is the establishment of a National Defense Petroleum Reserve. I have introduced legislation to establish such a reserve of crude oil and finished petroleum products as a kind of national insurance.

I will be introducing the following proposals that would provide—

(1) Elimination of the federal tax deductibility of radio and television media advertising expenses for the promotion of fossil, residual, or distillate fuels. If the industry is, as it says, short of reserves, it makes little sense to encourage expenditures promoting further use of their products. As the FTC anti-trust investigation points out, the monopoly nature of the indusry makes the facade of competition ludicrous. Tax deductibility of oil industry advertisement only adds insult to injury to the American taxpayer-consumer.

(2) Elimination of deferrals on foreign earned income of U.S. wholly or partly owned subsidiaries.

(3) Elimination of the Intangible Drilling Deduction.

(4) Limitation on the Asset Depreciation Range system so that it shall not apply to property used outside of the United States and that depreciation of such property shall be based on its actual useful life—subject to the reserve ratio test. This will encourage greater investment and exploration at home rather than overseas.

A more reasoned approach to the special treatment of petroleum would include many of the issues raised in this chapter. However, the discussion should also include an entire range of new concerns. Ideally, taxation of energy should be geared to limiting its careless and excessive use of irreplaceable resources. That is, a tax can be an effective means to internalize some of the social and environmental costs of energy consumption. Russell Train, Chairman of the Council of Environmental Quality, recently said:

"In the long run, we must increasingly shift our efforts from simply finding more energy supplies to concerning ourselves with how to use energy to best meet our many needs."

The Federal Tax Code must reflect this new direction. This means ending the excessive subsidies that encourage consumption, and begin taxing the consumption of our most inefficient energy consumers.

The petroleum industry is fond of drawing a dichotomy between environmental quality and economic growth. No such dichotomy exists. The national interest will best be served when this dangerous fabrication is eliminated from the arena of public policy. Sustained economic growth and sound environmental principles are complementary goals.

Our tax code can carry us toward both goals.

CHAPTER F—AGRI-CONCENTRATION AND TAX-LOSS FARMING

Corporations and individuals seeking to shelter their normal income have moved into farming ventures, hoping to incur a loss to offset their normal income. As a result the markets for many agricultural products have become distorted, reducing the profit margins of many real farmers.

As an illustration of the dimensions of the problem, S. B. Wolfe, Director of the Audit Division of the Internal Revenue Service, told my staff that in 1971 three thousand individuals filed schedule F's—the farm section of the tax return—in Manhattan alone. It is also shocking that 374% more corporate schedule F's were filed in 1967 in the State of New York than were filed in the State of Kansas. This all reflects a dangerous trend toward the absentee farmer—a trend stimulated by tax benefits rather than production. Confucius said, "The best fertilizer is the footsteps of the landowner," but the current tax system works against that wisdom.

SPECIAL TAX PROVISIONS FOR FARMERS

The Internal Revenue Code has made special provisions for farmers as far back as the Revenue Act of 1916, when farmers were granted the option of using the cash method of accounting to compute their income rather than the accrual method required of other businesses. The accrual method of accounting requires the keeping of complex records of all receipts and expenses during the time period in which they were incurred. This method differs from the cash basis of accounting, in which income is considered earned when received, and expenses are recorded when paid. The great risks in farming, with the fluctuating possibility of very good years or bad ones, underscore the need for the cash method for real farmers. But this same method which justifiably benefited real farmers, also provides great havens for "shelter sharks." No real farmer ever wants a bad year—while tax-loss farmers plan on bad years so they can offset their non-farm income.

A study of the history of legislation relating to farm taxes reveals no conscious effort on the part of Congress to establish a subsidy that would promote investment in agriculture. Special farm tax provisions were made to allow for the special problems faced by farmers—real farmers. The tax policy may have been well intentioned, but in practice the current tax structure serves only to undermine the very farmers it was originally intended to help. Those tax provisions attracted a new breed of farmer—the tax-loss farmer—whose interest is not in growing crops but sheltering his income.

The real farmer is subject to burdensome property taxes, the high cost of machinery and other inputs, not to mention weather fluctuations, insects and blights, and the element of pure luck. The average rate of return on a farm investment—not counting potential growth in the value of the land—is only

3%—larger farms taking a greater percentage of that 3% than the smaller farms, many of which just break even. As many small and medium size real farms have been losing and going under, an increasing number of corporations and wealthy city dwellers are learning to lose at farming and still get away with a profit. The following table shows, vividly, the decline in farms during the past six years:

Number of farms

1968	3,071
1969	2,999
1970	2,954
1971	2,909
1972	2,870
1973	2,831

These new "farmers" have done a great deal to distort the normal supply and demand of agricultural commodities in the market place. As real farmers diminish in number and the number of tax-loss farmers increase—the total contribution of the agricultural sector to the U.S. Treasury has remained about the same over the three year period 1968, 1969, and 1970.

FEDERAL TAX CONTRIBUTION OF THE AGRICULTURAL SECTOR

Calendar year	Agriculture, forestry, and fishing [1]	Farms [1] [2]
1968	$1.5	$1.4
1969	1.6	1.5
1970	1.6	1.4

[1] The corporate share in these estimates approximates $100,000,000.

[2] Farms column is a subsection of agriculture, forestry, and fishing column.

The Family farms still numerically make up most of the farms of America, while corporate farms—although small in number—are absorbing a disproportionate amount of the sales of all produce. The distortions and imbalance caused are incredible. In 1970 only $100 million of total agricultural tax payments to the Treasury were made by corporate farms. Yet while accounting for only 1% of all American farms, these corporate farms accounted for 38% of all farm sales.

A look at total farm receipts is most revealing. More than 50% of all farms in this country have sales of less than $5000 a year, but these same farms only account for 7.8% of total farm sales. By USDA figures, only 11.7% of all farms are grossing more than $20,000 a year, but these 11.7% of the farms account for 67% of all farm sales. The same pattern of growing concentration discussed in the chapter on Small Business is reflected in agriculture.

THE SECRET OF THE TAX-LOSS FARMER

The Secret behind the success of the tax-loss farmer is that farm tax laws allow one to create an artificial loss on a farm venture which can be used to offset non-farm income, reducing the amount of income subject to tax and effecting substantial tax savings. The loss is only artificial and is a phenomena produced by the cash method of accounting available to farmers. Under this system farmers can claim deduction in one year, for the costs associated with growing the crop or raising livestock, thus creating a net loss, and then sell the product and pay tax on the profit in another year when it is more to their advantage, "tax-wise."

For the full-time farmer, the gains realized by utilizing the cash accounting method are minimal, since his yearly output for seed, feed, and farm equipment will average out over the years, and gains realized for sale of products during one year will be offset by the costs of the product marked for sale the following year. The cash accounting method is easier for the average farmer to work with than the accrual method. It does not require the farmer to keep inventories of his stock or maintain an accurate record of how much each cow eats. Cash accounting simplifies bookkeeping chores, and, in addition, it allows some flexibility in adjusting year to year income.

To the tax-loss farmer, on the other hand, who can generally afford the accountants and bookkeepers, cash accounting is the key to tax savings by allowing the tax-loss farmer to make large premature deductions against a high non-farm income. This means he can postpone paying taxes on that percentage of his non-farm income equivalent to the amount of his farm deductions.

While theoretically the tax-loss farmer should eventually be liable for a tax on the profits from his farm operations, the fact is that there are many methods the investor can employ to minimize the tax or even eliminate it altogether. The most obvious technique is for an investor to go into "farming" in a year when his non-farm income is unusually high and his tax bracket is higher than usual. The next year, or in some future year when his non-farm income would be taxable at a lower rate, he declares his farm profits which will then be taxed at a lower rate.

While it might be concluded that the tax-loss farmer seems to be going to a lot of trouble to save a few dollars on his tax bill, the benefits to the wealthy investor are compounded, since the greater the investor's income, the greater the value of each deductible dollar. The benefits received increase in proportion to the tax bracket of the investor. To illustrate, take the example of the taxpayer in the 50% bracket who would normally be expected to pay half of every $1000 of his income in taxes. If he can deduct a $1000 feed expense from his gross income, he has in effect paid only $500 for the $1000 worth of feed—the difference between what he would otherwise have paid in tax and the $1000 price tag of feed. The average farmer's income bracket is about 20%—the average farmer would therefore have an out-of-pocket expense of $800 for the same amount of feed. The high income investor can get substantially more mileage out of his investment dollar than can the average full-time farmer. The non-farmer investor has a competitive edge over the farmer with a low or moderate taxable income. Bigness means efficiency—but an efficiency based not on superior techniques of production, but on a tax system that rewards bigness and discriminates against the smaller farmer.

THE "EFFICIENCY" OF LARGE AND SMALL FARM OPERATIONS

A study by the Department of Agriculture, "The Economies of Size in Farming," proved that the one and two man farms can achieve the greatest economies of scale. This recent study points out that large scale operations seem efficient only because they have the advantage of such external factors as the ability to buy in-puts in large volume and the capacity to employ various devices to reduce or eliminate their federal income costs. large farms come out ahead by saving on income taxes.

This means that the wealthy farmer or tax-loss investor can compensate for his lack of technical know-how and management efficiency by gains through tax and accounting benefits. "Big farms" also mean power in the market place. It is far simpler for a processor to contract with one large farming operation than with ten smaller ones. The ultimate rewards to the consumer are not as clearly beneficial. The existence of a large number of producers insures that prices remain competitive. When production becomes concentrated in the hands of a few, prices are no longer subject to competitive restraints and inevitably go up.

EFFECT OF THE TAX-LOSS FARMER ON THE MARKET

In sheltering corporate and individual income, the "farmer" whose priorities are not on the farm can play havoc with the whole market structure. Economist Michael Perelman said:

"When a corporation like Tenneco goes into the almond growing business, it can use its leverage from its large production of almonds to force down almond prices. The losses to Tenneco as a farmer are more than compensated by the tax benefits to Tenneco."

The principle is basically the same in the case of the individual tax-loss farmer. He can channel the profits of his "regular" business into another part of his business—his farm income. Tax-loss farmers, who have little personal commitment to producing agricultural commodities for profit, have the potential to force family farmers out of business by temporarily forcing down prices on farm products. But consumers have a vested interest in the family farmer's welfare. America's abundant supply of "cheap food" has depended on the skill and diligence of family farmers who know their land and care about their production.

One of the problems in allowing tax-loss farmers to compete with full-time farmers who depend on farming as a livelihood, is the problem inherent in management primarily interested in tax benefits for its clients. It is highly unusual for a tax-loss farmer to have any direct involvement with his farming operation. The usual practice is for a potential investor to contract with an agency that specializes in managing farm interests for wealthy urbanites and who takes on all responsibilities connected with the investment, in exchange for a per-acre fee for livestock or acres managed plus a percentage of the profits returned. By far the most common route to the farm for the city investor is an investment in a limited partnership scheme to develop orchards, feed supplies, or breed livestock.

The investor delegates all responsibility of management to the syndicators of the venture. Since in the majority of cases, the management company is assured a flat fee regardless of the profitability of the enterprise, the management has nothing to lose by underbidding the competition. No real consideration is given to the costs of production—emphasis is placed instead on generating more commissions. The management can easily afford to take a temporary loss to undermine and breakdown the competition posed by small farmers. Such practices create unfortunate pressure on small farmers, but price cutting on this level has little chance of being reflected on the consumer's food bill, since the lower prices offered by tax-loss farmers are absorbed by middlemen and promoters. But as small farms are squeezed out, you can be sure that this will create continued increases in your food bill.

High income lawyers, doctors, movie stars, athletes, and corporations might not recognize fertilizer, even if it were on their boots, but they do recognize a good tax deal.

It is frightening that we are allowing these non-farmer types to assume control of our nation's most essential natural resource. When an investor chooses a particular farm venture as a tax shelter, his decision has little to do with the major concerns of the working farmer, such as market demand, soil suitability, production efficiency or other factors. He considers what kind of investment will allow him to stretch his deduction the farthest—what will offer him the greatest tax shelter. Such attitudes should give us grave cause for concern.

ORCHARD AND VINEYARD VENTURES

From the corporation's point of view, the most attractive agricultural investments are orchard and vineyard developments, cattle breeding herds, and cattle feeding programs—but ingenious promoters are always coming up with new variations of the theme. Cal-Maine Inc., a holding company, whose subsidiaries conduct a fully integrated commercial egg business, is the backer of a venture called "National Farming Program 1972," which offers the investor an opportunity to buy up to $6 million of interest in the egg business. The irony of this situation is that nobody else seems to be making any money on eggs.

Depressed prices to family farm producers are a real threat posed by tax-loss farming. Sudden oversupply of a commodity has disastrous effects on the small producer, who is always the first to suffer when the price in the market collapses. In Senate Hearings on Land Management, Ownership, and Use in California, one family farmer described the effect of one oil company's tax dodge venture. The company planted several thousand acres of cling peaches on the western side of the Fresno Valley. As a result, the market for peaches was glutted and many growers were forced to let their peaches rot on the trees. The oil company got their tax write-off and the farmers were left with all the peaches they could eat. For several years the peach market was distorted. Farmers were afraid to invest because of what happened in previous years. If the oil company decides not to pick the peaches and take them to market, a real shortage may develop that would skyrocket the cost of peaches to the consumer. Tax-loss farming threatens sudden market fluctuations in nearly every commodity where it is prevalent.

Because of rising popularity and increased consumption of wine in the United States, investors are rushing into viniculture. The entire grape acreage in California in 1972 consisted of 400,000 acres, of which 93,000 has been planted in the past three years, 53,000 acres in 1972 alone. Projected new plantings for 1973 may exceed 70,000 acres—50,000 by two limited partnerships alone. Experts are concerned that prices received by producers of grapes will drop dangerously when they are ready to harvest and market.

The citrus and almond industries were so adversely affected by the influx of non-farmer investors, that in 1969 industry spokesmen petitioned Congress to remove their special privilege of deducting, rather than capitalizing the costs of developing these crops. Congress acted on their request in the 1969 tax reform act.

Grapes, fruit, nut, and vine crops (with the exception now of citrus and almonds) are all attractive to tax-loss farmers because of tax laws which allow one to immediately deduct the costs of developing these commodities, despite the fact that it takes several years for the orchard or vineyard involved to mature and bear products that can be sold. Orchards and vineyards are classified as capital assets—a capital asset being an asset that is not the final, saleable product in itself, but rather an asset that is used to produce products for sale. Tax laws require other businesses to deduct a percentage of the cost of such capital assets over the period of time during which they are useful for production—in other words, depreciation of the asset. Vineyard and orchard producers therefore get an indirect subsidy because of their ability to deduct development costs when incurred, rather than spread those costs over a period of years.

Family farmers are more interested in fair prices than tax subsidies. Apricot producers are actually losing money because the increase in production stimulated by tax breaks does not compensate for the low price apricots will bring in a low price market.

TAX-LOSS FARMING INFLATES LAND VALUES—RAISES BEEF PRICES

Full-time farmers are feeling the pinch of tax-loss farming from both ends. Not only does over-supply bring waste and lower prices to the producer, but costs of production are being forced up in a very real way through inflated land prices. Tax loss investors can afford to pay a price $25 to $100 higher than the productive value of the land. As tax-loss farmers pay more per acre than the projected yield warrants, it means that all farmers wishing to expand their operations will be forced to pay higher prices.

The land squeeze is having a particular effect on the beef industry—and consequently beef prices. The number of acres necessary to support just one animal can range from one to forty, depending on the region of the country. The fact that outside investors are outbidding farmers for acreage has led to a situation where range land is increasingly scarce. One Texas rancher noted that he knew of no land between Houston and Dallas (a distance of 250 miles) that was priced in a range economically feasible for farming and ranching. It is not difficult to make the connection between rising land costs, and the rising cost of beef.

The prospect of tax-loss farming pushing beef prices up even further is very likely.

The following table shows the dramatic increase in farm real estate values:

FARM REAL ESTATE VALUES: INDEX OF AVERAGE VALUE PER ACRE, BY STATES AND REGIONS, SELECTED DATES, 1950-70 [1]

[1957-59=100]

State and region	1950	1955	1960	1965]	1969 March	1969 November	1970 (March)
Maine	71	90	111	128	166	173	173
New Hampshire	80	87	114	144	195	201	207
Vermont	84	86	114	151	209	222	231
Massachusetts	78	83	116	142	182	192	200
Rhode Island	76	81	117	149	201	210	214
Connecticut	73	81	113	135	181	184	189
New York	75	86	107	130	168	176	181
New Jersey	57	82	113	137	186	196	209
Pennsylvania	62	82	111	141	188	202	214
Delaware	55	80	118	153	202	208	218
Maryland	54	79	113	157	218	226	243
Northeast	67	83	111	140	186	196	206
Michigan	62	83	109	127	170	176	175
Wisconsin	74	84	107	118	160	171	174
Minnesota	63	80	108	121	158	161	165
Lake States	66	82	108	122	162	168	170
Ohio	59	85	105	125	159	163	168
Indiana	60	85	107	125	166	163	162
Illinois	63	85	105	124	163	157	161
Iowa	73	90	108	117	163	167	168
Missouri	66	85	109	150	203	204	211
Corn Belt	65	86	107	125	168	167	170
North Dakota	64	83	111	138	183	185	187
South Dakota	73	88	109	135	[2] 170	164	169
Nebraska	73	97	110	135	177	179	180
Kansas	70	89	108	131	168	167	164
Northern Plains	70	90	109	134	173	172	173
Virginia	62	84	109	135	174	178	192
West Virginia	72	83	110	131	163	162	171
North Carolina	65	90	106	141	180	173	177
Kentucky	70	85	112	148	180	186	189
Tennessee	74	87	112	150	199	205	210
Appalachian	68	87	109	143	182	184	190
South Carolina	64	87	112	144	204	204	204
Georgia	56	79	118	167	262	272	289
Florida	45	66	118	159	174	182	193
Alabama	62	84	113	159	219	229	232
Southeast	55	77	116	159	211	219	228
Mississippi	58	73	108	148	222	228	236
Arkansas	62	85	115	183	254	262	271
Louisiana	56	78	117	154	220	236	237
Delta States	59	78	113	161	232	242	248
Oklahoma	67	90	115	158	207	215	221
Texas	63	91	117	159	195	202	204
Southern Plains	64	91	116	158	198	205	208
Montana	57	80	116	142	177	181	186
Idaho	65	87	110	126	152	153	159
Wyoming	68	83	113	141	171	175	180
Colorado	74	91	111	136	163	164	165
New Mexico	77	98	109	146	171	176	177
Arizona	58	81	112	132	140	141	140
Utah	70	90	108	127	145	146	150
Nevada	64	90	108	132	152	152	155
Mountain	66	87	111	135	160	162	166
Washington	66	90	107	122	160	164	165
Oregon	69	88	106	129	160	165	168
California	58	79	116	160	186	188	186
Pacific	60	82	113	150	179	181	181
48 States	65	85	111	139	179	183	186

[1] All farmlands with improvements as of Mar. 1, except as indicated.
[2] Revised.

Source: U.S. Department of Agriculture.

PROMOTERS CASH IN AS TAX-LOSS FARMING MIDDLEMEN

In many cases it is the organizer of the venture rather than the investor himself who has the most to gain. Arthur J. Groesbeck, a Los Angeles tax adviser, estimated that probably half of all tax shelters were of no value—slick promoters can skim as much as 50% as their take. The commitment of the typical promoter-manager to agricultural production economics is even less than the interest of the typical investor, since the investor at least has to put up the capital.

According to sources at Agribusiness Accountability Project, one such offering, the Calderone-Curan Ranches, Inc., offered investors the chance to own their own purebred herd of ten head of beef for the price tag of $28,570. The securities dealer making the sale would get 6¾% of the sale amount, and an additional 2½% would go to the dealer-manager, making selling commissions a grand total of 9¼% of the investment. In addition, the purchaser enters into a maintenance contract whereby the company feeds, cares for and breeds the animals in exchange for the assignment upon birth of all bull calves and every tenth heifer calf produced by the herd. Proceeds realized by the sale of animals not up to the standard of the herd also go to the management company. The net price of $2571 per head received by the company and the actual cost of the animal—about $400—goes to cover all the costs of arranging financing, the breeding, and maintaining the animals. In this example the promoter is meeting his costs and making his profits regardless of whether or not the enterprise turns out to be profitable. On top of everything else, he shares in 50% of any profits that do return to the venture.

FEEDING VENTURES

Prior to 1969, there was little interest in cattle feeding, but suddenly investor interest caught on so that now it is estimated that 60% of the cattle on feed in California are owned by limited partnerships and cattle feeding funds. A recent study at Texas A&M shows that 90% of the 1.4 million head of cattle being fed in the Panhandle-Plains region are owned by individuals and groups other than the feedlots, which means a potential investment of around $348 million by tax-loss farmers.

The effect of increased dependence in the cattle feeding industry on custom feeding arrangements, sponsored by tax-loss capital, may have long-term implications for the cattle industry. Because the availability of tax-loss capital is responsive to fluctuations outside of the industry rather than within it, problems relating to the amount and constancy of investment capital may eventually have effects on retail prices. For example, there is usually a substantial increase in investment capital available to feeding programs at the end of the year, when taxpayers need a quick shelter. Because of the increased end of the year "tax shelter demands," increased demand for feeder cattle may force up feed prices and lead to early placement of younger calves on feed. The increased use of younger, less profitable calves may lead to increased prices for feed cattle, rather than a cutback in the feedlot's profit margin.

Another disadvantage to the increased dependence of cattle feeding programs on the unsteady supply of outside capital is that it is mainly felt by the smaller operators. In the summer, when investor interest lags—smaller lots find the going tough without the help of the promotion staffs and contacts available to bigger lots. All of this adds to increased meat prices because of these tax-loss feed ventures.

TAX-LOSS FARMING INCREASING—AND UNSCRUTINIZED

One of the unsettling things about tax-loss farming is that by all indicators it appears to be rapidly increasing—but no one seems to know very much about it. No substantial work has been done to evaluate either the extent or the impact of tax-loss farming. It seems to me that a phenomena that has the potential to alter the whole structure of American food production deserves more attention. With so little evaluation done on this subject, how can we measure the damage that may have already been done—or that will occur?

I am advised that the Department of Agriculture has exactly two staff members working on tax-related issues in agriculture. A third staff member has informally been keeping track of limited partnership offerings filed with the SEC. So far USDA has come out with only three short studies touching on the problems of tax-loss farming, the first of which appeared in 1972. All three of these studies have been concentrating on the methods of tax-loss farming rather than the impacts of tax-loss farming.

A few facts have come from research done by the land grant colleges, but the problem with this material is that it tends to be area-specific and does not provide a comprehensive picture of the problem. Texas A & M has produced a study of the financial structure of the Texas beef feeding industry, and work is being done at the University of Missouri on cattle feeding. The most thorough thinking on the subject of the current and potential effects of tax-loss farming has been done by Hoy Carmon and Charles Davenport of the University of California. But there are still many gaps to be filled in. It is hard for the Congress to take sound and judicious action on the problems posed by tax-loss farming when so little is known about its effects.

Part of the problem in determining the extent of tax-loss farming is that many farm ventures are exempt from filing with state or national regulatory agencies, because they plan intrastate offerings or they have less than a minimum number of partners. No matter how large, agencies that manage investor herds are not required to file prospectuses with the SEC, since they provide services rather than deal in securities. No one knows how much acreage is "farmed" by individuals who have contracted with these agencies or those who have made their own arrangement to become tax-loss farmers.

LEGISLATIVE RECOMMENDATIONS

In 1969 Congress began to limit some of the abuses in tax-loss farming by requiring farmers with losses exceeding $25,000 in any one year to establish what is called the Excess Deductions Account. This provision, which affects only those with $50,000 or more in non-farm income, limits the amount of total income that can be offset by farm losses.

Unfortunately, the EDA provision has had little effect in deterring tax-loss farming. To some extent it has discouraged interest in beef breeding; the number of prospectuses offering partnerships in beef breeding do not seem to have increased appreciably since 1969, but neither have they decreased. Oppenheimer Industries reports that the EDA has had little effect on their breeding operations. The EDA has no effect whatever on the kinds of tax-loss farming where capital gains is not a factor, like feeding and egg production.

The Agribusiness Accountability Project, a public interest group that has begun to produce the needed research on tax-loss farming, has come up with the following recommendations to reduce or eliminate the deleterious effects of tax-loss farming:

(1) Tax loss farming has negative impact on farmers and on consumers. The U.S. Department of Agriculture has taken no position on the issue. The Secretary of Agriculture, Earl Butz, should make a policy statement of the Department's position on the subject of tax-loss farming.

(2) Congress should devise legislative methods that do not promote unfair competition in farming by giving proportionately more benefits to the wealthier taxpayers. Such possibilities include:

Imposing an outside limit on the amount of farm deductions that can be used to offset non-farm income in any one year, with loss-carry forward privileges for losses exceeding that amount so that farmers would not lose the ability to make legitimate deductions.

Placing a restriction on the percentage of allowable deductions to be claimed by taxpayers whose tax bracket exceeds a set figure.

Changing the status of certain farm expenses from deductions to tax credits, so that all farmers would receive a tax credit equal to a straight-across the board percentage of their expenses.

(3) Administrative agencies are asked to take action to correct tax-loss farming abuses:

The Internal Revenue Service should deny partnership status to the limited partnerships in agricultural ventures, which would thus subject the venture to corporation tax and disallow the pass-through of gains and losses to investors. This can either be achieved by IRS rulings that such ventures fulfill two of the four characteristics that are used to define a corporation, or that the operation is not profit-oriented.

The Treasury Department should take administrative action to disallow limited partners, whose liability is theoretically limited to the extent of their investment, from taking deductions that exceed their actual cash contributions to the venture. This can be accomplished by amending IRS Regulation 1.752, paragraph (e).

The SEC is urged to tighten disclosure requirements by

(a) restricting further the regulations on who must file farm offerings;

(b) requiring agencies offering management services to investors to file for registration and supply information on the number of their clients and the amount of acreage controlled;

(c) requiring annual public disclosure of the financial status of limited partnerships;

(d) requiring prospectuses to spell out dangers of over-planting in particular commodities.

(4) State and local governments should take measures to protect their rural constituencies from the potential deleterious effects of tax-loss farming on their communities, for example:

Requiring permits for any limited partnership, where either an offer will be made to more than ten individuals, more than five partners will be involved, or the total investment in the venture exceeds more than $200,000.

The approval of such permits would take into account potential negative impact on the farm community and the stability of the industry or crop planned for development.

An alternative approach would have communities adopt policies that would levy a special tax or require special zoning on land that will be farmed by an absentee owner.

(5) The Congress should undertake a full-scale public inquiry into the extent and potential impact of tax-loss farming:

The Department of Agriculture should initiate a thorough, public investigation of tax-loss farming, with particular emphasis on the acreage, crops, and commodities affected and the implications of such on farmers and rural communities.

Concurrently, an evaluation should be made of alternative sources of supply of capital that could be provided for farmers, ranchers, and feedlots now dependent on this kind of outside capital.

Studies should be undertaken at the state and local levels and in the land grant colleges to measure the impact of tax-loss farming on various localities of the country.

I endorse these recommendations and hope that we can begin to thoroughly study the tax code and its effect on the cost of food to the American consumer. It is time that we begin to think ahead to assure that future food shortages will not be caused by tax policies, or even exacerbated by a string of tax provisions that raise little revenue and create chaos in the market place.

CHAPTER G—SMALL BUSINESS—AN ENDANGERED SPECIES

Competition, the most basic element of our free enterprise system, is dangling precariously as small business continues to lose ground to conglomerate America.

The share of total profits for manufacturing corporations with assets under $1 million declined 44.8% between 1969 and 1970. Between 1970 and 1971 there was an additional decline of 3.9%. This decline in profits for corporations with assets less than $1 million is especially significant, when compared with the fact that profits for manufacturing corporations with assets over $1 billion declined only 7.2% between 1969 and 1970 and rose 14.3% between 1970 and 1971.

In 1971, almost 55% of all corporate profits in America were achieved by the billion-dollar corporations, one hundred and twenty-four in number. What is left for the remaining 1,700,000 corporations of America? The following chart dramatically illustrates how smaller corporations have been over-shadowed during the past decade by corporations with assets of over $1 billion.

PERCENTAGE OF TOTAL ASSETS OF MANUFACTURING CORPORATIONS

	Over $1,000,000,000 in assets		Under $10,000,000 in assets	
	Percentage of total	Number of corporations	Percentage of total	Number of corporations (thousands)
1959	27	24	20	154.1
1960	28	28	18	163.6
1961	28	29	19	171.3
1962	31	34	19	(1)
1963	31	36	19	179.4
1964	33	39	17	182.4
1965	33	41	17	183.3
1966	36	52	17	184.8
1967	38	63	16	194.2
1968	43	78	14	188.8
1969	46	87	14	198.9
1970	48	102	12	194.7
1971	51	111	12	(1)
1972	52	115	12	(1)
1973	52	124	12	(1)
Increase (percent)		500		26

[1] Figures not available.

Souce: Data taken from quarterly financial reports from the FTC (1).

The explosion of conglomerate mergers over the past ten years was ignited by the fuse of the tax code. Under *section 368* of the tax code—the pooling of interest provision—large corporations purchase smaller operations, permitting the seller to avoid *any payments* on capital gains from the sale. Many small businessmen who may not have an interested son or daughter to take over the business, or have had a bad year, might be lured by such a tax-free exchange. In 1971, two thousand three hundred and three corporations were sold for one reason or another to large purchaser corporations, with the seller taking advantage of the pooling of interest provision for the acquisition.

Many large corporations make offers to small businesses, "which they cannot refuse." Under *section 368* of the code, the two companies make an exchange of stock so that the large corporation takes complete control of the smaller—possibly even making the previous owner President of the newly acquired subsidiary. The seller receives his payment in the form of stock in the larger corporation. Not a penny of tax is paid on the sale. If the new owner passes the newly acquired stock on to his heirs, they receive the benefits of the capital gains at death and also pay no tax.

This provision alone has provided an incentive for small business to sell out and has paved the way for the formation of huge conglomerates. As small operations find it increasingly difficult to compete, offers become harder to resist. The future profit streams of these small companies have become lost in the sea of conglomerate profits—undermining the future of small business in this country.

PERCENTAGE OF DEPRECIATION, INVESTMENT CREDIT, AND FOREIGN TAX CREDIT ALLOWANCES CLAIMED BY MANUFACTURING CORPORATIONS WITH ASSETS OF $100,000,000 OR MORE (697 CORPORATIONS IN NUMBER)

	Share of depreciation (percent of total)	Share of investment credit (percent of total)	Share of foreign tax credit (percent of total)
1965	64.6	66.9	91.9
1966	65.9	69.7	93.1
1967	67.7	69.9	93.3
1968	70.1	72.7	94.2
1969	71.1	77.0	95.8
1970	(1)	89.1	(1)

[1] Figures not available.

Source: Internal Revenue Service, statistics of income; corporate income tax returns, 1965–69; preliminary statistics of income, 1970.

But the pooling of interest has not been the only provision of the tax code that has provided the five hundred largest industrials with a crushing power to absorb competition and expand their control of the market.

The following chart shockingly demonstrates how our tax laws operate in the most mischievous manner to suppress small business. The provisions of the tax code which provide advantages for stimulation and expansion to industry—depreciation, the investment credit, and the foreign tax credit—benefit to a substantially greater degree only those corporations with over $100,000,000 in assets.

These same six hundred and ninety-seven corporations with over $100,000,000 in assets control 77% of total manufacturing assets.

Giant corporations, even as they receive increased tax benefits from the Treasury, seem to be reducing their number of employees. In 1972, the largest five hundred industrials employed 136,960 fewer workers than in 1969, even though in 1972 they had $113.1 billion more in sales than in 1969. According to the *Fortune* 500 listing for 1972, the following top ten companies reduced their employment from 1971 to 1972.

General Motors	by 13,809
Exxon	by 2,000
IBM	by 3,341
Western Electric	by 1,350

The following chart illustrates that although employment has decreased for all sizes of manufacturing industries—small firms have held higher percentage employment levels, using 1967 as the base year, than corporations with over five hundred employees. What is more dramatic is the fact that even as the big corporations steadily keep eroding the little man's market, they hire less workers.

EMPLOYMENT IN MANUFACTURING, BY EMPLOYMENT SIZE, USING 1967 AS THE BASE YEAR

Employment size	Employment in thousands—1967 base	Percent change in employment				
		1967	1968	1969	1970	1971
1 to 3	132	100	100.8	98.5	97.0	95.5
4 to 7	254	100	101.2	100.0	99.6	99.2
8 to 19	818	100	100.8	101.1	100.8	99.0
20 to 49	1,585	100	100.8	103.3	103.5	100.6
50 to 99	1,806	100	102.0	102.9	103.5	98.5
100 to 249	3,107	100	104.2	106.9	107.2	102.8
250 to 499	2,788	100	100.9	105.0	107.0	100.2
500 plus [1]	[1] 8,945	[1] 100	[1] 100.8	[1] 103.3	[1] 97.6	87.9
Total	19,435	100	101.4	102.6	102.0	98.0

[1] Illustrates dramatic decline in employment since 1967 for the largest corporations of America.

Source: Social and Economic Statistics Administration, Bureau of the Census: County Business Patterns, 1967–71.

Manufacturing sales over the past decade definitely reflects the pattern of concentration of manufacturing assets, described in an earlier table. In 1972, corporations with over $100 million in assets made 66.9% of total sales for all manufacturing corporations, while corporations with $10 million in assets and below made only 20.7% of the total sales.

The following chart clearly indicates that the largest corporations—with frightening regularity—tended to increase their share of all sales in the manufacturing market over the past eight years.

SALES FOR MANUFACTURING COMPANIES, BY ASSET SIZE, 1964–72

	Sales of companies with assets of $10,000,000 and below (thousands)	Percent of total sales	Sales of companies with assets of $10,000,000 to $100,000,000 (thousands)	Percent of total sales	Sales of companies with assets of $100,000,000 and above (thousands)	Percent of total sales
1964	121,862,000	27.5	77,209,000	17.4	244,003,000	55.1
1965	132,142,000	26.8	83,551,000	17.0	276,508,000	56.2
1966	147,506,000	26.6	89,335,000	16.1	317,457,000	57.3
1967	145,688,000	25.3	86,492,000	15.0	343,246,000	59.7
1968	148,214,000	23.5	87,962,000	13.9	395,732,000	62.6
1969	156,999,000	22.6	94,787,000	13.6	442,797,000	63.8
1970	149,512,000	21.1	93,996,000	13.3	465,305,000	65.7
1971	148,974,000	19.8	92,550,000	12.3	509,309,000	67.8
1972	175,959,000	20.7	105,639,000	12.4	569,208,000	66.9

Source: FTC quarterly financial reports for manufacturing corporations, 1964–72.

SMALL BUSINESS AND ANTITRUST

As tax policy provided inducements for concentration, it was logical to hope that antitrust policy would counteract such moves by the larger corporations. It might have been expected that tax and antitrust policy would offset each other—by preventing companies from being broken up and by monitoring growth through acquisition. But, unfortunately, this was not the case.

Except for a handful of cases, such as the Standard Oil case of 1911, antitrust enforcement by the Department of Justice and the Federal Trade Commission alike has focused upon the activities of smaller business enterprises. The FTC established many marketplace rules in the form of the small firm but protect large, growing corporations. For example, after a ten year legal struggle, the Schwinn Company was forbidden by the United States Supreme Court to employ the same marketing practices as does Sears and Roebuck. Yet Schwinn had less than a 12% share of the market while Sears had over 50%. The reason for this is that Sears already had its own built in distribution apparatus—their retail stores—while Schwinn did not. It remains to be seen if the FTC's recent announcement of action against eight oil giants marks a new turning point in American economic history.

Another area where small business finds it impossible to compete is with regard to price discrimination. This type of discrimination provides the "death blow" to small businesses when larger corporations offer to purchase smaller firms, "making deals they can't refuse."

More than than thirty-five years ago Congress enacted the Robinson-Patman Act, forbidding discrimination in price except under certain narrow and limited circumstances. The purpose of the law was to put small businesses on an equal footing with large corporations over the prices each paid for wholesale goods. The Robinson-Patman Act, when originally enacted in 1936, was hailed as the Magna Carta of small business.

Since that time the Robinson-Patman Act has been subject to extensive and well earned criticism. It was originally intended to tighten and supplement the price discrimination prohibition in section 2 of the Clayton Antitrust Act of 1914. The Robinson-Patman Act was intended to curb price discrimination that unduly favors national over local sellers, and to protect independent merchants from unfair competition from large buyers obtaining the benefits of price discrimination.

The following is a quote from the 1970 report of the Special House Subcommittee on Small Business concerning the Robinson-Patman Act:

"Over the years the Robinson-Patman Act has come to have unintended anticompetitive effects. The price discrimination prohibition has discouraged types of price differentials which might have improved competition by lessening the rigidity of oligopoly pricing or by encouraging new entry."

From these findings it seems that the tax code has stimulated conglomerate acquisition, while the intended counter effects of antitrust policy have not reacted. To what degree has our food crisis and our energy crisis been caused by the concentrating effects of tax and antitrust policy? To what degree will further shortages and distortions be caused because of the continuance of such policies? To what degree will small business be able to provide the needed competition to offset the domination of all markets by a powerful few.

FOOTNOTE

(1) Quarterly Financial Reports estimates will not necessarily agree with other statistical compilations, whether based on a sample or complete canvass, because:

(a) The QFR eliminates multiple counting of interplant and other intercompany transfers included in statistics based on nonconsolidated, partly consolidated, or combined reports from multicorporate enterprises.

(b) Each enterprise which filed a form 1120 U.S. income tax return and was classified as a manufacturer in a given fiscal year has a known probability of being drawn in the QFR sample, as has each enterprise which filed an application for a Federal Social Security Employer's Identification Number and was classified as a manufacturer in a given calendar quarter. Each corporation in the QFR sample, therefore, is given its proper weight in computing QFR estimates. Moreover, the composition of the sample changes each quarter so as to reflect the effect of all corporate births, deaths, acquisitions, divestitures, mergers, consolidations, and the like. Furthermore, so as to redistribute the reporting responsibility as equitably as possible among the smallest corporations, one-eighth of the sample is replaced each quarter. The QFR estimates, therefore, may differ significantly from estimates based on reports for identical groups of companies.

CHAPTER H—A NEED FOR CONGLOMERATE DISCLOSURE REQUIREMENTS—THE BIGGER THEY ARE THE LESS WE KNOW

Complex reporting procedures used by corporations and especially conglomerates have made it difficult to accurately estimate the actual amount of federal income tax paid for any particular year. My examination of the annual reports of many corporations confirm that they are "foggy streets" where the stockholders, the public, and even the experts can't find their way.

HOW MUCH TAX DID U.S. STEEL PAY IN 1971?

The following is a segment of the notes to financial statements on taxes from the 1972 annual report of U.S. Steel:

11. Taxes

Total taxes payable for the years shown are detailed as follows:

[In millions]

	1972	1971
Income taxes payable on earnings of current year:		
United States	$43.0	$13.2
Foreign governments	35.9	44.7
Subtotal	78.9	57.9
Investment credit deductible	19.8	5.0
Currently payable	59.1	52.9
Social security taxes	100.3	88.2
Property taxes	113.1	107.5
Other State, local, and miscellaneous taxes	40.4	42.0
Total payable	312.9	290.6

The provision for estimated United States and foreign taxes on income differs from the taxes currently payable as shown above because certain items of income and expense are recognized in different years for income tax and for financial accounting purposes as explained in item j. of Note 1.

The provision for estimated United States and foreign taxes on income is as follows:

[In millions]

	1972	1971
Income taxes currently payable (see above)	$59.1	$52.9
Timing differences:		
United States	(17.3)	(57.7)
Foreign	2.2	4.8
Total	(15.1)	(52.9)
Provision for estimated taxes on income	44.0	---------

On March 20, 1973, I sent the following letter to the Joint Committee on Internal Revenue Taxation:

"From the enclosed 1972 annual report of United States Steel, can you determine whether this company paid any federal income taxes in 1971. It would also be greatly appreciated if you could provide effective rates for both 1971 and 1972.

"Am I correct in assuming that no taxes were paid in 1971, and in 1972 the effective tax rate was 3 or 4%?"

The Committee responded:

"This is in reply to your letter of March 20, 1973, wherein you asked if it could be determined if U.S. Steel Corporation paid any Federal income taxes in 1971 and in 1972.

"Major factors which make it difficult to accurately estimate from the annual report the actual Federal income tax paid for a particular year involve:

"1. Consolidating for financial reporting to shareholders companies that could not be included on a consolidated tax return;

"2. The possible overstating of the Federal income tax accrual (liability and expense) to provide a reserve for anticipated tax deficiencies which may follow an audit by the Internal Revenue Service;

"3. The existence of a complex accounting procedure—"comprehensive tax allocation"—sometimes referred to as interperiod tax allocation.

"Consistent with the analysis of annual reports that was undertaken for you previously, no adjustment has been made to the consolidated net income reported to shareholders for foreign income; foreign taxes, net of any deferral, decreased the consolidated net income. To this extent, therefore, the amount for U.S. Federal income taxes paid or owed does not include any amount for foreign taxes paid or owed but the adjusted consolidated net income does include foreign income from consolidated foreign subsidiaries.

"An analysis of the 1972 annual report of this corporation seems to indicate that for the calendar years 1971 and 1972, the corporation paid or owed approximately $8,200,000 and $23,200,000, respectively, in Federal income taxes. The approximate effective tax rate for 1971 appears to be 8.2 percent and for 1972, 14.7 percent. The amount of Federal income taxes paid or owed and the effective tax rate for 1971 differs from that which was previously reported principally because of additional disclosure regarding the income of a non-consolidated subsidiary reported on the equity basis."

Note that on the bottom line of the note to the financial statement of United States Steel there is no provision for incomes taxes for 1971, yet the committee analysis indicates that the approximate effective federal income tax rate appears to be 8.2%.

The following is a quote from United States Steel's annual report to their stockholders in 1971.

"Notes to financial statement of United States Steel." *Estimated United States and Foreign taxes on income*—No provision for taxes on income is required for 1971 due principally to statutory deductions associated with mineral production and investment credits and since deferred taxes provided in prior years on foreign subsidiary earnings exceeded the taxes on such earnings repatriated in December 1971 because of credits for foreign taxes paid. Estimated United States and foreign taxes [on income (etc.)] on income payable for the year 1971 of $57.9 million are offset by deferred tax credits of a like amount."

In effect they claimed in their own report in 1971 that they did not pay any U.S. federal taxes because of the foreign tax credit. By the Committee's analysis, however, they did pay at a rate of 8.2%.

The complexities and intended ambiguities in these annual reports relate messages in a code that no one seems to be able to decipher.

HOW CORPORATIONS LEGALLY AND ILLEGALLY OBSCURE THEIR FEDERAL TAX PAYMENTS

By far one of the major problems in understanding the tax provisions of many of these annual reports is the combination of the federal tax expense with local, state, and foreign tax expenses when reporting to the SEC and to stockholders.

Xerox, for example, lists its tax expense under one figure titled "Income Taxes"—with no breakdown of either their state and/or local and/or foreign taxes. Exxon, General Motors, and 3M, as well as many others, also listed "lumped up tax expenses" in their annual reports to their stockholders for 1972.

This has not been an isolated problem. The American Institute of Certified Public Accountants, in their 1972 publication "Accounting Trends and Techniques," sampled 136 annual reports and discovered that:

Provision for Income Taxes: Combined with Federal, 116; Shown Separately, 20; Total, 136.

(1) Figures relate to 1971 annual reports of 136 companies sampled.

A corporation's combination of the foreign and federal tax figures particularly understates the amount of taxes paid to the Federal government, since the foreign tax provision may wash out a large portion of the federal taxes. [Refer to the section of this study on energy with regard to the foreign tax credit and deferrals.]

This method of combining reported tax payments is distorting and misleading—and should be corrected.

I sent a letter to the Chairman of the Securities Exchange Commission on March 21, 1973, on the question of whether or not the separate listing of taxes paid—as required by law in the 10-K forms filed with the SEC—should not be required in the annual report to stockholders. The following is the former Chairman, Bradford Cook's, response to my inquiry.

"It is currently the judgment of the Commission staff that the breakdown of the tax expense data as required in form 10-K separation of the foreign and federal tax expense is not data which is essential to the average investor in understanding the results of operations as reported in the annual report and, hence, Rule 14 a-3(b)(2) would not require its inclusion in an annual report to shareholders."

It seems that the Securities Exchange Commission holds to the philosophy that the average investor need only possess the minimum of information. With the increasing growth of Multi-Nationals, I believe the average stockholder would be interested in what countries his company is investing—and what tax benefits are acquired by such investments.

The main concern of this section has been the combining of tax expense in *annual reports* to stockholders. However, it is a violation of SEC regulations to combine tax expenses in the *10-K report filed with the SEC*. Regulation SX (Rule 3-16, 0) requires that State, foreign, and Federal taxes must be stated separately in the annual 10-K report to the Securities and Exchange Commission.

Last year I brought to the attention of the Securities and Exchange Commission the fact that in 1971 four major corporations violated this law by combining their tax expense figures. Rather than strengthening their enforcement efforts in 1972, the Securities and Exchange Commission seems to have allowed the proliferation of this illegal activity. In my analysis of the effective taxes paid in 1972, the following 33 corporations out of 146 appear to have violated the Regulation SX Rule:

Ford Motor Company.
General Telephone and Electronics Corporation.
Kraftco Corporation.
North American Rockwell Corporation.
Firestone Tire & Rubber Company.
General Dynamics Corporation.
W. R. Grace & Co.
American Can Company.
Borden, Inc.
Burlington Industries, Inc.
Sperry Rand Corporation.
Minnesota Mining & Manufacturing Company.
Gulf & Western Industries, Inc.
The Coca-Cola Company.
Beatrice Foods Co.
American Brands, Inc.
The Signal Companies, Inc.
CPC International Inc.
Champion International Corporation.
Raytheon Manufacturing Company.
Allied Chemical Corporation.
Teledyne, Inc.
Consolidated Freightways, Inc.
Leaseway Transportation Corp.
Yellow Freight Systems, Inc.
Southern California Edison Company.
Texas Eastern Transmission.
Safeway Stores, Incorporated.
Bank America Corporation.
Western Bancorporation.
Chemical New York Corporation.
Bankers Trust New York Corporation.
Continental Illinois Corporation.

As I have illustrated in this study, if corporations combine their tax expenses in the 10-K, violating the law, they make it impossible to calculate their effective taxes paid to the Federal government. It is my suspicion that many corporations, aware of how they could disguise their low tax payments, have intentionally omitted such data, thereby breaking the law. They realized that the SEC would probably not take any action, and if they did, it would only amount to a "slap on the wrist."

THE WAVE OF ACQUISITIONS DURING THE 1960'S REQUIRES GREATER REPORTING REQUIREMENTS

The tremendous number of companies which have been swallowed by giant conglomerates have also created problems with regard to corporate reporting for tax and general descriptive business information.

I am preparing legislation to be entitled, "The Conglomerate Disclosure Act of 1973." This new legislation will require that a corporation:

(a) Name the significant individuals and corporate owners of their stock;

(b) Cost and value of those owners' holdings;

(c) Number of shares owned by those stockholders;

(d) The percentage of the outstanding securities of any class held by significant owners.

This type of disclosure will illustrate how closely these corporations are controlled by other corporations. My bill will also seek to provide disclosure of certain tax information for the consolidated company, as well as for any subsidiary which has over $50 million in assets. This bill will make available only the federal income tax totals which appear on schedules C-I-J-M1- and M2 of the federal corporate tax return.

The following shows the itemized listings that appear on schedules C-I-M1-M2- and J:

(A) taxable income

(B) the surtax exemption

(C) dividends (and deemed dividends received)

(D) dividends received deductions and Western Hemisphere Trade Corporation deduction

(E) the tax imposed by section II (or any tax imposed in lieu thereof)

(F) the foreign tax credit

(G) the investment credit

(H) credit for expense for work incentive programs

(I) the personal holding company tax

(J) the tax from recomputing a prior year's investment credit

(K) the minimum tax on preference items imposed by section 56

(L) total taxes imposed by chapter 1

(M) reconciliation of income per books with income per return (including a reconciliation of book depreciation and depletion with tax depreciation and depletion) and

(N) analysis of unappropriated retained earnings per books.

Information required by this paragraph shall be computed under the method of accounting on the basis of which the corporation regularly computes such information for purposes of the taxes imposed by chapter I of the Internal Revenue Code.

This requirement is necessary for the larger corporation because it utilizes a consolidated return which shelters and conceals vital information which is clearly available in the public financial statements of the small corporate structure. Small business is at a competitive disadvantage resulting directly from the inability of our national economic advisors and our anti-trust enforcers to know what is really going on in the whole economy. Most of the provisions of every tax act are directly stimulating and feeding the growth of giant corporations. Small business catches small crumbs from these tax laws, but only crumbs. As the U.S. government has become more dependent on expansive taxing policies to stimulate our economy, the benefits have flowed to the top largest 500 corporations, leaving small business out in the cold.

This bill, if enacted into law, will be of immeasurable benefit to the investing public. A well-informed investor provides a more wise and solid expansion of our Nation's economy. My corporate tax study of last summer made it very clear that many of Wall Street's largest firms knew little about the true income and tax picture of our nation's giant industrial firms. There is great danger in investing through the eye of a crystal ball rather than through facts. My legislation will provide those facts and will legislate an essential degree of corporate openness.

This legislation will not invade personal privacy or destroy honest competition in any way. Corporations will not be required to disclose how they made their profits. It will only provide that Federal taxes actually paid will be clearly reported. This requirement should produce no competitive disadvantage or burden.

This is not the first legislative action by the Congress directed at corporate disclosure. The Revenue Act of 1924 made corporate returns public. Section 257 of that Act was known as the publicity clause and its purpose was to eliminate fraud, dishonesty, and corporate tax evasion.

One year after the 1924 Revenue Act, with the publicity clause in effect, corporations paid at least $100,000,000 more into the Treasury, with business actually lighter in volume than in the previous year. Where did all the new revenue come from? Who was sheltered by the arbitrary cloth of secrecy and confidentiality? The secrecy that has surrounded corporate income taxes serves only to protect against the tax collector. Unfortunately this disclosure provision was eliminated from the law after only one year. Secrecy has been the rule ever since.

NEW CONGLOMERATE ACQUISITIONS, 1961-68

Company	Number of acquisitions	Total assets of those acquisitions (millions)
ITT	50	$3,705
Gulf & Western	67	2,882
Ling Temco Vought	23	1,901
Tenneco	31	1,196
White Consolidated	29	1,080
Teledyne	125	1,026
Occidental Petroleum	15	767
Litton	79	609
Total	419	13,166

This list is very incomplete and does not list any of the "older giants" which kept growing through the 1960's. But it does indicate that the annual reports, economic data, line of business information, tax data, and other informational reports that existed for each formerly independent company have now been lost forever, mazed into the aggregate and relatively meaningless reports of a few giants.

For example, Avis Sheraton Corporation used to file their own detailed reports—now all we know is that Avis Sheraton is part of ITT. How much of their profits make up ITT's profits—how much of ITT's total taxes are paid by Avis Sheraton? We just don't know.

Public information about where the losses or gains are being experienced, stated in recognizable, comparable terms of corporate organization, standard industrial classification, and tax data, is essential. Competitive balance between large and small businesses, and competition itself, is endangered when giants refuse—and are permitted to refuse—to tell what they are doing and how they are doing it.

One of the major questions that has never been answered is how much of the corporate sector is owned by other corporations and how much tax do they pay on the dividends from that ownership. [Refer to the section of this study that refers to the 85% dividends received deduction.]

The state of Wisconsin opened virtually all income tax returns from 1920 until repeal in 1953. Ironically the proponents for the repeal of the law were not individuals—who clearly have a legitimate and constitutionally protected interest in personal privacy—but powerful interest groups.

The Supreme Court decided long ago that the 14th Amendment applies to corporations. The idea that constitutional protections of privacy that apply to individuals should apply across-the-board to corporate entities is questionable. Corporations are never jailed or dissolved because they violate the law. Under present circumstances even the fine is tax deductible as a cost of doing business—illegally. The reasoning process that brought corporations under the 14th Amendment has shielded corporate structures from the kind of accountability and the kind of disclosure that would have made them more accountable. Where overriding public interest demands, that shroud of secrecy should be removed.

In recent years, I have been very concerned about the loopholes that allow these giants to legally avoid their tax liabilities. But last year's speeches by the Honorable Johnnie Walters, the recently fired Commissioner of the Internal Revenue Service, concern me, when he suggests that corporate tax evasion is becoming widespread. Disclosure of tax payments could help reverse such a tax avoidance trend.

The large corporations, through complex and combined reporting procedures, have made it impossible to accurately estimate from public sources the actual corporate federal income tax paid for any particular year. As a result of confusing and divergent corporate reporting methods, the public is not only being led to believe that corporations pay their fair share to support public services in this country, but they are also being misled in investment decisions.

The Congress of the United States, which makes our federal tax laws, is most effectively confounded and blindfolded by the shroud of secrecy, consolidation, and confusion that surrounds corporate taxes. As a member of the Ways and Means Committee I am beginning to feel that Uncle Sam is a blind man, guided only by special interest groups, throwing a tax collecting sieve into the sea of corporate profits. The Congress cannot legislate without facts. Until the tax code produces facts, it cannot produce revenue with justice.

CHAPTER I—85 PERCENT DIVIDEND RECEIVED DEDUCTION SHELTERS CORPORATE DIVIDEND INCOME—WITH NO JUSTIFICATION OR LOGIC

The 85% dividend received deduction is a disturbingly unjustified "free lunch" for American corporations. This provision of the tax law—section 243 of the IRS code—allows a corporation to deduct from taxable income, 85% of the dividends received from another domestic corporation. To use this provision, a corporation does not have to fulfill any requirements for any particular percentage of ownership interest or control in the company issuing dividends. A corporation investing its money in other corporations may successfully avoid most of the tax on its income derived from those sources.

I have attempted to discover how much of the corporate sector owns the corporate sector—but with present disclosure requirements, it is an impossible task.

Actual figures were impossible to acquire, but the following data presents a realistic projection of the dimension of tax avoidance related directly to the 85% dividend received deduction.

Total dividends received from domestic corporations for all industries

1966	$4,434,963,000
1969	5,031,253,000
1970	5,218,165,000

These figures amount to an increase of 15% over this five year period for corporate dividend income received from other domestic corporations. Most of the abuse of this provision is concentrated in holding and investment companies, as well as insurance companies.

Dividends Received From Domestic Corporations

1970:

Holding and investment companies, $1,943,504,000.

Insurance carriers, $1,051,884,000.

Fifty-seven percent of all dividends received in 1970 were received by these two sectors of the economy.

Using a conservative figure, it is probable that about $4,435,000,000 of corporate dividend income escaped taxation during the taxable year 1970. In 1972, using proportions and accounting for increased use of this provision, it is probable that $6,000,000,000 escaped taxation.

The 85% dividends received deduction is distinct from the 100% dividends received deduction for members of an affiliated group. The difference between those two provisions is vital in sifting out which dividends are non-taxable with equitable justification, and which are unjustified tax avoidance.

In cases where one corporation owns the entire capital stock of a second corporation, with the subsidiary paying a dividend to the parent, it is clear that the dividend should not be taxed—the funds have simply shifted from one pocket to another in the same pair of pants. The law recognizes this and allows 100% dividends received deduction for members of affiliated groups, with 80% stock ownership set as the definition of control.

However, the 85% "dividends received deduction" available to a corporation on dividends received from domestic corporations, regardless of any question of ownership, is a sham that gives corporations substantial tax benefits denied to individual taxpayers. This provision has no rational justification in the law. Justification sheepishly given by corporations is that without the deduction, there would be double taxation of the same income. *Mertens*, often quoted authoritatively on tax matters, has this to say:

"If it were not for this provision, dividends might become subject to taxation a number of times. This would be true where the stock of one corporation is held by another corporation, and the stock of the latter is held by another. Under such an arrangement a dividend paid by the first corporation to the second would be taxable to the latter, and again taxable to the third corporation when paid over to it. And again there would be a tax payable on the dividend paid by the third corporation to its stockholders." (Vol. 7, Ch. 38, Pg. 124)

This cry of "double taxation" is not sufficient reason to excuse a corporation from being taxed on this form of income. A corporation is taxed when it earns income and its individual shareholders are then taxed on the dividends—this too is double taxation. Yet, we have come to accept the fact that the same income may be taxed twice in this way. Why should a corporation be treated any different than an individual in this regard? It must be recognized that a dollar of income to a corporation is a dollar of income subject to taxation, whether that income is derived from the sale of a product, from interest on a note, or a dividend on an investment. The mere fact that some other corporation has paid tax on its income before distributing the dividend in no way alters the character of that dividend to the recipient. This dividend income should be taxed for a corporation the same way it is taxed for individuals.

The following example graphically illustrates the inequities inherent in the 85% "dividends received deduction":

A corporation may borrow money at 8% interest and invest in preferred stocks with an assured 5% dividend return, and because of the 85% "dividend received deduction," still come out ahead.

The corporation borrows $1,000,000 at 8% interest. The interest is $80,000, this is deductible in full against other income as an expense so at the 48% corporate tax rate, the out-of-pocket cost is $41,600.

The corporation invests the $1,000,000 in stocks at a 5% dividend rate:

Income	$50,000
Exclude 85 percent	42,500
Taxable remainder (use 48 percent rate)	7,500
Tax	3,600
Gross dividend income	50,000
Less tax	3,600
Less out of pocket interest	41,600
Profit on transaction	4,800

As a result of the 85% "dividend received deduction" the U.S. taxpayers have subsidized this corporation. The Treasury in effect paid the company $4,800 to borrow $1,000,000 in a situation where it cannot lose. This seems difficult to justify.

Dividends received from preferred stock and interest received on corporate bonds are similar in many ways:

(1) Neither has any vote or control in the corporation;

(2) Both virtually assure payment at a stated rate.

But the interest on the bond is fully taxable, while the dividend received is eligible for the 85% deduction. The taxability of the income to the corporation should not be dependent on the circumstances of the paying corporation—it is still income, whether someone else deducted it or paid tax on it.

LEGISLATIVE PROPOSAL

Corporations which meet current tests for affiliates eligible to file a consolidated return should be allowed to continue the 100% "dividends received deduction," which, as earlier stated, has some justification in the law. But I recommend that this privilege be limited to two tiers of corporate organization, in order to discourage the proliferation of multiple levels of corporations without real business purpose.

The 85% "dividend received deduction" is neither logical, equitable, or demonstrably functional. It is in the most pure sense of the word a *tax loophole,* which corporations can use to lower their effective rates for Federal corporate taxes. Dividend income is no different than other types of income and deserves to be taxed without this special privilege.

There is no doubt, as with any question of tax reform, that those who now benefit—especially the insurance and investment companies—will predict the stifling of investment and "cracks in Wall Street." There are no historical facts to sustain such a claim—our economic history suggests that people will invest as long as there is a dollar to be made.

CHAPTER J—TAX FREE DIVIDENDS

During the 1960's a mysterious development occurred—not intended by the Congress—in which mainly utilities and investment trusts began to distribute larger and larger amounts of tax free dividends to their stockholders.

A dividend is defined by law as a distribution of property—which includes money—by a corporation to its shareholders out of either current or accumulated earnings and profits. Any distribution in "excess" of current or accumulated earnings and profits is a tax free dividend, not currently taxable to the stockholders. When stock is originally bought, the initial purchase is called the "cost basis." For tax purposes the cost basis is the point from which the appreciated or depreciated value of that stock is calculated. When one receives a tax free dividend it reduces the owner's cost basis in his stock. After the basis is recovered, such additional dividends are then taxed as long-term capital gains. In a number of industries these tax free dividends, which result in avoidance of tax for the recipient at ordinary income rates and at capital gain rates, have been steadily increasing. Many of these industries are very capital intensive and have been maintaining steady and solid growth in total assets, net income, and retained earnings. Yet through a series of accounting manipulations, they have benefited from this "return of capital provision" in a manner that was intended by the Congress to apply to corporations being liquidated.

Although the primary abusers of this provision have been the utilities, real estate investment trusts have also been making tax free distributions in the same manner.

In 1968 power companies alone made approximately $400 million in tax free distributions—Consolidated Edison paying $83 million alone in 1968. In 1971 $119 million of such distributions were made by Consolidated Edison. It is very clear that the problem is becoming more severe every year. Consolidated Edison paid out 43% more in tax free dividends in 1971 than it did in 1968, but the company's annual reports show greater profits and growth and not the state of liquidation for which the law was intended.

The reason for the use of the word "mysterious development," is that the primary factor for determining the taxability of a distribution, is the level of "earnings and profits," an obscure tax accounting term. If a corporation can reduce its earnings and profits and still have large amounts of cash to distribute to its stockholders, the greater will be the propensity for a tax free distribution. Accelerated methods of depreciation and very short depreciation lives for tax purposes are the primary cause—for book purposes—of greatly reduced "earnings and profits."

This rather simple and uncomplicated phrase "earnings and profits" appears in over 60 places in the Internal Revenue Code but it is not defined anywhere in the Code. Earnings and profits are not the same as retained earnings nor is it the same as accumulated taxable income. It is a rather nebulous no-man's land having some of the characteristics of retained earnings and accumulated taxable income. However, the problem is that within this "mystic no-man's land," corporations wheel and deal with provisions of the tax code.

Since "earnings and profits" are not the same as retained earnings, it is often possible for a corporation to have increasing amounts of retained earnings legally available for the payment of dividends, even though there may be no "earnings and profits." The secret is the difference between book and tax income. In the Consolidated Edison example for 1971, the retained earnings exceed a half a billion dollars while "earnings and profits" reflected a deficit in both current and accumulated earnings and profits.

SUMMARY OF CORPORATE DISTRIBUTION TO STOCKHOLDERS AND THEIR TAX TREATMENT

In many situations, a tax free dividend is justifiable and has rational foundations in the law. The intent of this section of my tax study is not to attack the concept of the tax free dividend, but to expose the unjustified use of this tax benefit—a use that will continue in the future unless the tax law is changed. Many utilities, real estate operations, and trusts have abused tax free distributions—"the distribution out of capital."

The following chart provides a breakdown of the different types of corporate distributions, including a description of their tax treatment and effect on earnings and profits.

Note that number 4 under Nature of Distribution is the tax free distribution we are examining in this study:

TABLE 1.—BREAKDOWN OF DIFFERENT TYPES OF CORPORATE DISTRIBUTION

Nature of distribution	Shareholder's tax treatment	Effect of earnings and profits	Basis to distributee of any asset (other than cash) distributed
Out of current or accumulated (i.e. accumulated after Feb. 28, 1913) earnings and profits.	Dividend taxable as ordinary income	Reduces earnings and profits	Fair market value for individuals. Lesser of fair market value or adjusted basis to distributing corporations for shareholders.[1]
Out of earnings and profits accumulated prior to Mar. 1, 1913.	First reduces the basis (generally cost) of the stock, any excess taxable as a capital gain.	Reduces earnings and profits accumulated prior to Mar. 1, 1913.	Fair market value for individuals. Lesser of fair market value or adjusted basis to distributing corporation for corporate shareholders.[1]
Out of interest in value prior to Mar. 1, 1913	First reduces the basis of the stock, any excess not taxable.	Reduces earnings and profits attributable to increase in value prior to Mar. 1, 1913.	To the extent of reduction in basis fair market value for individuals and lesser of fair market value or adjusted basis to distributing corporation for corporate shareholders. Any excess may have zero basis.[1]
Tax free distribution out of capital	Tax free distribution, which first reduces the basis of the stock, any excess taxable as a capital gain.	No reduction	Fair market value for individuals. Lesser of fair market value or adjusted basis to distributing corporation for corporate shareholders.[1]

[1] The use of fair market value is required for corporate shareholders receiving distributions of assets on or after Nov. 8, 1971 from a foreign corporation not effectively connected with the foreign corporation's U.S. trade or business.

TABLE 2.—SPECIAL PROVISIONS (REGARDING LIQUIDATIONS, REDEMPTIONS AND STOCK DIVIDENDS)[1]

Nature of distribution	Shareholder's tax treatment	Effect on earnings and profits	Basis to distributee of any asset (other than cash distributed
In complete liquidation	As payment for stock, with difference between cost basis and payment treated as capital gain or loss.	No need to consider	Fair market value.
In partial liquidation	As payment for stock, with difference between cost basis and payment treated as capital gain or loss.	Reduces earnings and profits to the extent not chargeable to a capital account.	Do.
In redemption of stock, generally (under sec. 302(a) and 303).	As payment for stock, with difference between cost basis and payment treated as capital gain or loss.	Reduces earnings and profits to the extent not chargeable to a capital account.	Do.
In redemption of stock but treated under the general provisions as equivalent to a dividend (falls under sec. 201).[2]	Taxed under general provisions (see table 1)	Effect depends on application of general provisions.	Basis determined under general provisions.

Footnotes at end of table.

TABLE 2.—SPECIAL PROVISIONS (REGARDING LIQUIDATIONS, REDEMPTIONS AND STOCK DIVIDENDS) [1]—Continued

Nature of distribution	Shareholder's tax treatment	Effect on earnings and profits	Basis to distributee of any asset (other than cash) distributed
Stock dividend (sec. 305(a))	Not taxable as a dividend and excluded from income. A sale or redemption results in a capital gain. However, if considered sec. 306 stock may be taxed as a dividend or as ordinary income at time of subsequent sale or redemption.[3]	Distribution does not reduce earnings and profits. Redemption reduces earnings and profits, but not sale.	Basis of old stock is allocated between new and old stock.
Stock dividend treated as ordinary distribution under general provisions (falls under sec. 301).[4]	Taxed under general provisions (see table 1)	Effect depends on application of general provisions.	Basis determined under general provisions.

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[1] This table covers common types of distributions which may receive treatment different from the general rule. There are numerous specialized provisions which are not covered, such as the treatment of dividends of regulated investment companies, personal holding companies and insurance companies, the treatment of redemption to pay death taxes, the treatment of distributions of related corporations, and treatment under reorganizations.

[2] There are no exact rules for determining when a redemption is considered a dividend. There are three rules which determine a redemption: (1) The redemption is disproportionate, (2) The shareholder's interest is completely terminated, or (3) The redemption is of railroad stock issued under a bankruptcy reorganization. Even if the redemption does not fall under any of these rules, it may still be considered a redemption and not a dividend if it can be shown not to have been essentially equivalent to a dividend.

[3] Sec. 306 covers the receipt of a nontaxable stock dividend which is later disposed of. Sec. 306 stock generally is a stock dividend other than common stock issued on common stock (or the equivalent). Redemption of sec. 306 stock is taxed as a dividend under the general provisions. Sale of sec. 306 stock results in the treatment of proceeds as ordinary income (up to the fair market value of the stock up to the proportional amount of earnings and profits of the corporation) at the time the stock dividend was made.

[4] Stock dividends may be considered regular taxable dividends under a number of situations: The following are treated as regular dividends: (1) Stock dividends paid on preferred stock (except increases in the conversion ratio of convertible to account for stock dividends or splits into which stock is convertible); (2) Stock dividends in lieu of cash (i.e., if any stockholder can elect to receive cash or property); (3) Stock dividends received by 1 class of common if another class of common (or convertible) receives cash or preferred stock dividends; (4) Stock dividends received by common stockholders if some received preferred and some received common; and (5) All distributions of convertible preferred unless they will not result in disproportionate distributions. In addition, the Secretary of Treasury may determine when certain distributions other than actual stock (such as changes in conversion ratios) comprise a taxable dividend.

INCREASED DEPRECIATION DEDUCTIONS ARE THE MAIN FACTOR REDUCING "EARNINGS AND PROFITS"—THEREBY INCREASING THE TAX FREE DIVIDEND ABUSE

The question is how has it been possible to abuse the tax free dividend provisions? The major reason is that depreciable lives of assets have been substantially reduced in relationship to their actual economic lives. The resulting dramatically increased depreciation is deducted in calculating "earnings and profits," causing distortions in dividend tax law applications which are determined by the level of earnings and profits. Since increased depreciation is the main cause of this tax avoidance, the following is a description of how, over the years, depreciation has been increased beyond the actual economic depreciation of the asset.

In 1931 Bulletin F, the first depreciation useful life schedule, established suggested lives for several thousand business assets. Before that time, the taxpayer calculated his depreciation deduction supposedly using the true economic life of the asset, but often using much shorter lives. Under the pre-Bulletin F system the burden of proof rested on the shoulders of the Internal Revenue Service to establish that the deduction was unreasonable.

The stimulus for further change was a report issued by a subcommittee of the Ways and Means Committee in 1933, which reported that depreciation deductions had increased substantially and that in 1931 corporate depreciation deductions exceeded corporate taxable income. In view of this situation and the supposed need for revenues at the time, the report recommended that depreciation deductions be decreased by 25% for three years.

However, Treasury Decision No. 4422 corrected the situation, involving excessive depreciation deductions, by placing the burden of proving the reasonableness of the deduction squarely upon the taxpayer. The Bulletin F lives were revised again in 1942, generally providing slightly shorter lives than the 1931 version. Until 1954, when accelerated depreciation methods were enacted, there were no statutory rules for determining the method of depreciation, although the Treasury had consistently favored the straight line method. In 1962, Bulletin F was replaced by guideline lives. This new decision made several major changes:

(1) It substituted about 75 class lives for the 5000 Bulletin F lives.

(2) It introduced an industry wide rather than asset type classification.

(3) It substantially shortened the lives, increasing depreciation deductions.

(4) It introduced a reserve ratio test—a procedure to test the acceptability of the lives based on the past taxpayers experience. (It was never applied because of delays in the law and was finally abolished in 1971.)

The reason for the change to guideline lives was to provide more economic stimulus by reducing the depreciable lives. In 1971, the Treasury introduced the asset depreciation range (ADR) which made two more major changes:

(1) It allowed taxpayers to shorten the class lives by 20%, and

(2) It repealed the Reserve Ratio test.

The use of accelerated depreciation methods and very short lives has greatly increased the depreciation deductions and have thus lowered the effective tax rates of corporations. These increasing depreciation deductions have also resulted in a distortion of "earnings and profits" which determines the taxability of a dividend;

(1) As a depreciation deduction *increases*, economic income *increases*, accounting net income remains the same (due to deferred tax accounting).

(2) As depreciation deduction *increases*, earnings and profits *decrease*.

(3) If earnings and profits *decrease* below the level of retained earnings for distribution to stockholders—then at that point the return of capital provision makes those distributions *tax free* until the basis is fully recovered.

CONGRESS IN 1969 ATTEMPTED A WEAK SOLUTION TO THE PROBLEM

During the hearings on the 1969 Reform Act, the Congress recognized the problem of these increasing tax free distributions. Therefore the 1969 Reform Act provided that for the purpose of computing "earnings and profits," a corporation must deduct depreciation on the straight line method, or on a similar method providing for ratable deductions of depreciation over the useful life of the asset. In effect the Congress attempted to limit to a reasonable amount the depreciation that could be deducted in computing "earnings and profits," which directly affects the taxability of dividends.

Up to this point we could feel assured that the Congress was seriously attempting to correct the problem. But the closing curtain had not yet crossed the stage.

Under pressure from Tenneco the Congress delayed the applicability of this provision until June 30, 1972, or for all intent and purposes until 1973 since most taxable years begin on January 1. This special interest, 3 year delay was given supposedly to avoid drastic reductions in the market value of the shares of corporations which were making such tax-free distributions. During this three year period, tax free distributions increased from $260 million in 1968 to more than $600 million in 1972. Rather than clearing up the problem during this lag period the companies seemed to have "caught their second wind in this tax free rip-off."

Before this attempted correction in the 1969 Reform Act could become effective in late 1972, the Congress enacted the Asset Depreciation Range which increases further the tax free dividend abuses. With ADR, taxpayers were permitted to shorten the lives of their depreciation assets by as much as 20% from the already short guideline lives established in 1962—greatly increasing the tax write-offs for depreciation. The elimination of the reserve ratio test and the further shortening of lives increases the straight line depreciation, thereby reducing "earnings and profits", and thus increasing the amount of tax free dividends that may be distributed. So it seems that to some degree if not totally, ADR will greatly obstruct or crush the delayed correction of the 1969 Act.

Therefore, in order to eliminate this unjustified tax avoidance, I am preparing legislation to restrict the deduction of depreciation in computing "earnings and profits" so as to eliminate the distribution of unjustified tax free dividends. My bill will force corporations to use the straight line method of depreciation *over the full economic life of the assets*, or the amount of depreciation used for book purposes—whichever is less—in computing "earnings and profits."

I would hope that when the Ways and Means Committee begins work again on the tax reform bill, this needed amendment will be incorporated into that effort.

The following charts illustrate the growing problem of non-taxability of corporate dividends. Consolidated Edison provides the most dramatic example of the abuse. The chart covers both common and preferred dividend payments of Consolidated Edison from 1962 to 1971 inclusive.

Note how on chart A, year by year the distributions become increasingly exempt from tax. In 1962, 51% of their total dividend payments were taxable while 48.6% were nontaxable. By 1970 Consolidated Edison had successfully distributed 100% of their dividends tax free—and 100% were nontaxable again in 1971.

In certain instances when companies liquidate, tax free dividends are justified. But let's examine the condition of Consolidated Edison over this ten year period. Virtually every year, this Company's net income increased steadily and significantly as can be seen on chart B. Over this ten year period, its net income increased 225%.

Consolidated Edison's retained earnings also increased every year from $261½ million in 1962 to $533½ million in 1971—an increase of 204%.

As these indications points out, Consolidated Edison, even with its heavy capital investments, seems to have maintained consistent growth.

To compound this shocking increase in the nontaxability of their dividends, Con-Ed's federal effective tax rate decreased from 23.77% in 1962 down to refunds in both 1970 and 1971. Note that the effective federal tax rate for 1971 differs from the charts in the beginning of my study. The effective tax rate for Con-Ed in 1971 was calculated last year. The data in this section was calculated with additional reporting information that was not used in calculating the effective rate for Con-Ed for the 1971 chart.

Taking only the last five years (1967–1971), Consolidated Edison reported to shareholders before tax net income of approximately $670 million on which they paid no Federal income tax (net for the five year period). Of this $670 milion they paid out over $524 million in dividends, of which $477 million were tax free to the shareholders. This is hardly the case of double taxation of corporate earnings—a favorite topic of corporate tax lobbyists—it is double tax avoidance.

Another large company which has taken advantage of tax free dividends has been the Virginia Electric Power Company. In 1969 VEPCO had an effective Federal income tax rate of 31.7% and their dividends were 96.7% nontaxable. While the data is not yet available for 1972, the company has estimated that the common dividends will be 100% nontaxable and the preferred dividends will be 55.5% nontaxable.

The VEPCO figures parallel the pattern of the Consolidated Edison charts. As the effective tax rate for VEPCO is dropping, the dividends are becoming increasingly nontaxable. This happens while the net income is increasing. VEPCO's net income was $63,251,000 for 1969 and $82,048,000 for 1971. This trend toward nontaxation is increasing the frustration and reducing the tolerance level of the American public. These companies with reduced tax payments and increased profits then throw salt on the public wounds by requesting massive rate increases for their services. Following is chart D describing the Virginia Electric Power Company dividend distributions and taxes paid over a five year period:

CONSOLIDATED EDISON CO.

	1962		1963		1964		1965		1966	
	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent
Dividends payments—Common	$48,273,761		$55,340,671		$58,707,527		$67,063,126		$67,063,126	
Cumulative preferred $5 per share	9,576,595		9,576,595		9,576,595		9,576,595		9,576,595	
Cumulative preferred, series A, 5¾ percent	3,450,000		3,450,000		3,450,000		3,450,000		3,450,000	
Cumulative preferred, series B, 5¼ percent	3,937,500		3,937,500		3,937,500		3,937,500		3,937,500	
Cumulative preference, 4.12 percent convertible, series A	3,079,542		3,784,080		1,874,221					
Dividends paid	[68,317,398]		[76,088,846]							
Cumulative preferred, series C, 4.65 percent					1,728,250		2,790,001		2,790,001	
Dividends paid					[75,274,093]					
Cumulative preferred, series D, 4.65 percent							2,170,000		3,487,502	
Dividends paid							[88,987,222]			
Cumulative preferred, series E, 5¾ percent									1,122,114	
Dividends paid									[91,426,838]	
Cumulative preferred, series F, 6.20 percent										
Cumulative preference, convertible, series B, 6 percent										
Cumulative preferred, series G, 8.30 percent										
Common:										
Taxable	(1)		18,389,705		0		8,047,575		0	
Nontaxable	(1)		36,950,966		58,707,527		59,015,551		67,063,126	
Cumulative preference series A and B:										
Taxable	(1)		3,784,080		1,368,181					
Nontaxable	(1)		0		506,040					
Cumulative preferred, series A to G:										
Taxable	(1)		16,964,095		18,692,345		21,924,096		14,130,953	
Nontaxable	(1)		0		0		0		10,232,759	
Total Dividend			76,088,846		79,274,093		88,987,222		91,426,838	
Taxable	(1)		39,137,880	51.4	20,060,526	25.3	29,971,671	33.7	14,130,953	15.5
Nontaxable	(1)		36,950,966	48.6	59,213,567	74.7	59,015,551	66.3	77,295,885	84.5

	1967 [4]		1968 [4]		1969 [4]		1970 [4]		1971 [4]	
	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent
Dividend payments—Common	67,063,126		67,101,985		67,967,537		73,436,126		81,188,234	
Cumulative preferred $5 per share	9,576,595		9,576,595		9,576,595		9,576,595		9,576,595	
Cumulative preferred, series A, 5¾ percent	3,450,000		3,450,000		3,450,000		3,450,000		3,450,000	
Cumulative preferred, series B, 5¼ percent	3,937,500		3,937,500		3,937,500		3,937,500		3,937,500	
Cumulative preference, 4.12 percent convertible, series A										
Cumulative preferred, series C, 4.65 percent	2,790,001		2,790,002		2,790,002		2,790,004		2,790,004	
Cumulative preferred, series D, 4.65 percent	3,487,502		3,487,502		3,487,502		3,487,502		3,487,502	
Cumulative preferred, series E, 5¾ percent	2,875,004		2,875,004		2,875,004		2,875,004		2,875,004	
Cumulative preferred, Series F, 6.20%	869,783		2,480,000		2,480,000		2,480,000		2,480,000	
Dividends paid	[94,049,511]									
Cumulative preference, convertible, (Series B, 6 percent)			4,762,425		5,500,937		5,481,453		5,470,691	
Dividends paid			[100,461,013]		[102,065,077]					
Cumulative preferred, Series G, 8.30 percent							507,200		4,150,006	
Dividends paid							[108,021,384]		[119,405,536]	
Common:										
Taxable	0		0		0		0		0	
Nontaxable	67,063,126		67,101,985		67,967,537		73,436,126		81,188,234	
Cumulative preference Series A and B:										
Taxable			0		0		0		0	
Nontaxable			4,762,425		5,500,937		5,481,453		5,470,691	
Cumulative preferred, Series A to G:										
Taxable	15,921,967		17,443,928		13,154,437		0		0	
Nontaxable	11,064,418		11,152,675		15,442,166		29,103,805		32,746,611	
Total dividend	94,049,511		100,461,013		102,065,077		108,021,384		119,405,536	
Taxable	15,921,967	16.9	17,443,927	17.4	13,154,437	12.9	0		0	
Nontaxable	78,127,544	83.1	83,018,086	82.6	89,910,640	87.1	108,021,384	100	119,400,536	100
Net income before Federal income tax and before extraordinary items	120,435,618		117,417,297		121,157,321		129,477,495		124,406,609	
Extraordinary items	[2](4,804,031)		[2](4,315,955							
Federal income tax	(27,480,000)		(21,320,000)		(20,200,000)		(17,700,000)		(14,100,000)	
Net income	88,151,587		91,781,342		100,957,321		111,777,495		110,306,609	
Beginning of the year retained earnings	237,662,023		261,496,212		277,188,708		298,871,936		321,662,209	
Special charges and credits	[3] 4,000,000									
Plus net income	88,151,587		91,781,342		100,957,321		111,777,495		110,306,609	
Less dividends	(68,317,398)		(76,088,846)		(79,274,093)		(88,987,222)		(91,426,838)	
End of the year retained earnings	261,496,212		277,188,708		298,871,936		321,662,209		340,541,980	
Effective Federal tax rate	$\frac{27{,}480{,}000}{115.631{,}587} =$	23.77	$\frac{21{,}320{,}000}{113{,}101{,}342} =$	18.85		16.67		13.67		11.33

Footnotes at end of table.

CONSOLIDATED EDISON CO.—Continued

	1967[4]		1968[4]		1969[4]		1970[4]		1971[4]	
	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent
Net income before Federal income tax and before extraordinary items	139,216,639		150,719,355		142,288,814		110,927,252		139,016,831	
Extraordinary items	[5] (11,670,000)									
Federal income tax	[6] 4,521,532 [5] 5,600,000 (16,300,000)		(22,200,000)		[7] 5,014,715 [7] (7,200,000)		[9] 17,500,000		[10] 53,395,807 [11] 3,085,000 [11] 3,082,000	
Net income	121,368,171		128,519,355		140,103,529		128,427,252		198,579,638	
Beginning of the year retained earnings	340,541,980		367,860,988		395,919,330		433,957,782		454,363,650	
Special charges and credits	348									
Plus net income	121,368,171		128,519,355		140,103,529		128,427,252		198,579,638	
Less dividends	(94,049,511)		(100,461,013)		(102,065,077)		(108,021,384)		(119,405,536)	
End of the year retained earnings	367,860,988		395,919,330		433,957,782		454,363,650		533,537,752	
Effective Federal tax rate	10,700,000 127,546,639	8.39		14.73	7,200,000 142,288,814	5.06	Refund		Refund	

[1] Not readily available.

[2] Originally charged to retained earnings net-of-tax effect loss on debt retirement.

[3] Transfer from reserve for injuries and damages.

[5] Accrual of vacation pay attributable to prior years $11,670,000 less tax saving of $5,600,000.

[6] Tax refunds and/or reduction in liability on settlements for 1960 and 1961.

[7] Tax refunds and/or reduction in liability on settlements for years 1962 through 1965.

[8] Reduction of tax for year 1969 due to application of guideline depreciation $15,100,000 less $7,900,000 equals $7,200,000.

[9] Refund for 1970 net operating loss for tax purposes.

[10] Breakdown is as follows:

Refund of taxes, years 1962–68 due to retroactive election of guideline depreciation	$48,500,000
Interest on this refund at 6 percent	17,500,000
Gross refund	66,000,000
Estimated Federal taxes on the interest	(6,730,000)
Estimated State and local taxes	(909,796)
Total	58,360,204
Unlocated difference	(4,964,397)
Credited to income in 1970	53,395,807

In addition there are investment credit carryforwards of $32,700,000 plus any unused 1971 net operating loss, if any.

[11] Refund for 1971 net operating loss for tax purposes $2,100,000 plus reduction of $1,032,000 in accrued taxes no longer payable less $50,000 paid for minimum tax on tax preferences equals $3,082,000 while the $3,085,000 was the result of previously deferred taxes.

Note: Effective tax rate by year (Federal income tax dividend by net income before Federal Income tax but after extraordinary items, if any). Net income before Federal income tax and after extraordinary items for years 1962 through 1971 equals $1,274,273,245. Estimated Federal income tax paid for years 1962–71 reduced for refunds and interest equals $54,300,946. Effective tax rate for years 1962 through 1971 equals 4.26 percent ($54,300,946 ÷ $1,274,273,245). If the net taxes paid ($54,300,946) were reduced by the "earned" but carried forward investment credits ($32,700,000) the effective tax rate would be ($21,600,946 ÷ $1,274,273,245) or 1.7 percent for this 10-year period.

CONSOLIDATED EDISON CO.

	1963	1964	1965	1966	1967	1968	1969	1970	1971
Net income	91,781,342	100,957,321	111,777,495	110,306,609	121,368,171	128,519,355	140,103,529	128,427,252	198,579,638
Plus Federal income tax	21,320,000	20,200,000	17,700,000	14,100,000	16,300,000 (4,521,532) (5,600,000)	22,200,000	7,200,000 (5,014,715)	(17,500,000)	(53,395,807) (3,085,000) (3,082,000) 17,500,000
Net income before tax	113,101,342	121,157,321	129,477,495	124,406,609	127,546,639	150,719,355	142,288,814	110,927,252	156,516,831
Estimated taxable income	[3] 81,537,250	[3] 40,121,052	[3] 57,637,829	[3] 27,174,909	[3] 30,619,167	[3] 36,957,472	[3] 27,869,570	[2] (36,458,333)	[1] (4,375,000)
Difference (before tax net income in excess of taxable income)	31,564,092	81,036,269	71,839,666	97,231,700	96,927,472	113,761,883	114,419,244	147,385,585	160,891,831
Depreciation deductions for Federal income tax purposes		[4] 130,100,000	[4] 142,700,000	[4] 153,900,000	[4] 160,000,000	[4] 166,200,000	[6] 186,700,000	[6] 195,800,000	[6] 202,200,000
Depreciation from income statement		[5] 76,836,000	[5] 83,561,000	[5] 88,259,000	[5] 89,793,000	[5] 92,459,000	[7] 95,915,000	[7] 100,729,000	[7] 107,355,000
Difference due to depreciation		53,264,000	59,139,000	65,641,000	70,207,000	73,741,000	90,785,000	95,071,000	94,845,000
Difference due to other than depreciation		27,772,269	12,700,666	31,590,700	26,720,472	40,020,883	23,634,244	52,314,585	66,046,831

[1] $2,100,000 NOL refund ÷ 48 percent = $4,375,000—Would be larger if there is a net operating loss carry forward.

[2] $17,500,000 NOL refund ÷ 48 percent = $36,458,333.

[3] Taxable dividends ÷ (1-corporate tax rate) = Estimated taxable income for a utility company when some nontaxable dividends were paid. Corporate tax rates were 52 percent in 1963, 50 percent in 1964, 48 percent in 1965, 1966, 1967, and 1971, 52.8 percent in 1968 and 1969, and 49.2 percent in 1970.

[4] Per prospectus dated Sept. 12, 1969, p. 17.

[5] Per prospectus dated Sept. 12, 1969, p. 5.

[6] Per prospectus dated June 14, 1972, p. 30.

Per prospectus dated June 14, 1972, p. 6.

VIRGINIA ELECTRIC POWER CO.

[Dollar amounts in thousands]

	1967	1968	1969	1970	1971
Net income	$54,376	$57,813	$63,251	$72,154	$82,048
1. Federal income tax:					
Current	30,460	33,569	30,252	23,784	9,702
Investment credit	1,934	3,070	4,082	1,163	1,952
Investment credit	(366)	(424)	(516)	(1,318)	(2,062)
Deferred	(1,547)	(1,547)	(1,547)	(1,547)	(1,547)
Total	30,481	34,668	32,271	22,082	8,045
2. Before tax net income	84,857	92,481	95,522	94,236	90,093

	1967	1968	1969	1970	1971
Effective tax rate 1 divide by 2 (percent)	35.9	36.3	31.7	25.2	10.8
Dividends common	[1] $31,284	[1] $34,293	[1] $36,923	[2] $39,906	[3] $41,993
$7.45 preferred					[1] 2,194
$8.84 preferred				[1] 800	[1] 3,094
$7.72 preferred			[1] 1,329	[1] 2,702	[1] 2,702
$4.80 preferred	[1] 1,440	[1] 1,440	[1] 1,440	[1] 1,440	[1] 1,440
$4.12 preferred	[1] 515	[1] 515	[1] 515	[1] 515	[1] 515
$4.20 preferred	[1] 420	[1] 420	[1] 420	[1] 420	[1] 420
$4.04 preferred	[1] 404	[1] 404	[1] 404	[1] 404	[1] 404
$5.00 preferred	[1] 1,447	[1] 1,447	[1] 1,447	[1] 1,447	[1] 1,447
Total	35,510	38,519	42,478	47,634	54,209
Preferred taxable	4,226	4,226	5,555	7,728	12,216
Preferred nontaxable					
Common taxable	31,284	34,293	36,923	17,874	1,376
Common nontaxable				22,032	40,617
Total	35,510	38,519	42,478	47,634	54,209

[1] Taxable.
[2] Taxable, nontaxable, 55.21 percent.
[3] Taxable, nontaxable, 96.7240 percent.

Note: 1972 common dividends 100 percent nontaxable. 1972 preferred dividends 55.565 percent nontaxable. 1972 net income $103,737,000—net income increased $21,689,000 since 1971. VEPCO paid no Federal income tax in 1972 and even received a refund of $6,850,000; 1972 10—K form filed with the Securities Exchange Commission.

Companies paying 1972 cash dividends wholly or partly as a return of capital—Tax free dividends

[In percent]

Abacus Fund Inc	100
Advance Ross Corp	100
Aragon Fund Inc	50
Athlone Industries Inc	85
Atlantic City Electric Co., of Common	85
Babson Investment Fund	5.6
Belco Petroleum Corporation	100
Bernards Water Co	100
Boston Edison Co	100
Brooklyn Union Gas Co.—of Preferred	18
Brooklyn Union Gas Co.— of Common	100
Canal Rudolp Corp	77.4
Carolina Power and Light Co	60
Cascade Natural Gas Co	3
Central Hudson Gas and Electric	47
Central Louisiana Electric	13.8
Central Vermont Public Service	79
City Investment Co.—of Preferred	20
City Investment Co.— of Common	100
City Water Co. of Chattanooga	100
Clinton Water Works Co	100
Colonial Income Fund	41
Commercial Alliance Corp	100
Commonwealth Realty Trust	18
Connecticut Light and Power Co	22
Connecticut Natural Gas Corp	100
Consolidated Edison Co. NY	100
Davenport Water Co	100
Delmarva Power and Light Co of Common	80.3
Detroit and Canada Tunnel Corp	1.06
Detroit Edison Co.— of Common	98
Equitable Gas Co	15
General Public Utilities— of Common	80
General Real Estate Shares	30.43
Green Mountain Power	100
Gulf States Utilities — of Common	23
Hackensack Water Co.— of Common	57
Hawaiian Electric Co	53.2
Hugoton Gas Trust	22
Hydraulic Co	35
Idaho Power Co.— of Common	9
Interstate Power Co.— of Common	4.9
Investors Realty Trust	27.8
Lawrence Gas Co	60
Long Island Lighting Co.— of Common	72
Lynn Gas Co	45
Maine Public Service Co. of Common	32
Middlesex Water Co.— of Common	94
Mountain Fuel Co.— of Common	71
Mystic Valley Gas	35
Mystic Valley Water Co	100
New England Electric System	35
New York State Electric and Gas Co. of Common	90
Niagara Mohawk Power Co of Common	95
Northern States Power Co.—of Common	62
Northwest Industries	100
Ogden Corp	100
Ohio Water Service Co	40
Oklahoma Gas & Electric—of Common	18
Orange and Rockland Utilities	100
Pacific Gas and Electric—of Common	42
Pacific Gas Transmission	65
Pacific Power and Light—of Common	75
Portland General Electric	49
Potomac Electric Power Co.—of Common	75
Presidential Realty Trust	100
Public Service Company of New Hampshire of Common	70
Public Service Electric and Gas Preferred	40
Public Service Electric and Gas of Common	100
Puget Sound Power and Light of Common	42
Rapid American Corp. (Ohio)	100
Reading and Bates Offshore Drilling	100
Recrion Corp	100
Rheingold	100
Riverside Real Estate Investment Trust	100
Rochester Gas and Electric Corp of Common	86
Savannah Electric and Power of Preferred	70
Savannah Electric and Power of Common	100
Sierra Pacific Power—of Common	64
Small Business Investment Co	100
South Carolina Electric and Power of Preferred	35
South Carolina Electric and Power of Common	100
South California Edison—of Common	49
Southern Co	64
Southern Connecticut Gas—of Common	80
South West Gas Corp.—of Common	49
Southwestern Electric Service of Common	12
Southwestern Public Service of Common	19
Springfield Gas Light Co	21
Standard Shares	100
Texas Oil and Gas	100
Transcontinental Gas Pipeline of Common	9
Trinity Petroleum Trust	24
UAL	100
Union Electric Preferred	25
Union Electric of Common	100
U.S. Bancorp Realty and Mortgage Trust	15
U.S. Realty Investments	21
Utah Power and Light—of Common	70
Virginia Electric & Power—of Preferred	55
Virginia Electric & Power—of Common	100
Washington Natural Gas—of Common	5
Washington Water and Power of Common	18
West Virginia Water Co	100
Western Union	100
Western Union Telegraph	100

* Information From "Capital Changes Reports" Commerce Clearing House.

CHAPTER K—WESTERN HEMISPHERE TRADE DEDUCTION THE ULTIMATE IN ACCOUNTING GYMNASTICS

The Western Hemisphere Trade Corporation deduction reduces a qualifying corporation's tax liability from 48% to 34% without equitable justification. This tax provision has also benefited taxpayers whom the Congress never intended to benefit.

When the Western Hemisphere Trade Corporation deduction (WHTC) was incorporated into the law in 1942 its original intent was to exempt American corporations actively doing business outside of the U.S., but in the Western Hemisphere, from the World War II surtax. It was claimed that that excessive surtax greatly damaged their competitive position abroad—a tear jerking argument in light of historical developments of American multinationals.

In examining historical records, I have found that the reason for the original legislation in 1942 was that several American corporations, engaged in actual business operations in Latin America, actively lobbied for the provision—Patino mines in Bolivia, a telephone company in Argentina, and a railway company in Central America claimed that the tax was unfair. Patino mines thought the war surtax was unfair and that the U.S. tax was too high a price to pay for a U.S. charter—threatening to charter elsewhere if an exemption wasn't granted. Also on the committee record was a letter from ITT operating in Argentina urging the exemption. Senator George, then chairman of the Senate Finance Committee, said:

"That the tax laws of other countries did not levy taxes on the foreign based branches of domestic corporations and that to alleviate the inequity somewhat, and to encourage our American corporations in doing business in the western hemisphere, we have provided the WHTC."

But what began as a so called "life saver" provision for several specific U.S. corporations soon became a "free-for-all"—tax shelter sharks smelled blood and the frenzy was on.

The vague language of the provision soon allowed domestic exporters to bite into benefits. Through a series of legal and accounting gymnastics, domestic subsidiaries were created to qualify as a WHTC. To qualify a corporation must:

(1) be a domestic corporation;

(2) conduct all of its business in the Western Hemisphere;

(3) have 95% of its income come from sources outside the United States.

After World War II the provision was greatly expanded by judicial interpretation so that exporters or specially designed subsidiaries with no investment outside of the

U.S. could become WHTC's for tax avoidance purposes.

Total Revenue Loss to the Treasury Because of the WHTC

1966	$401,831,000
1969—729 returns	331,030,000
1970—641 returns	289,000,000

My staff inquired at the Treasury to determine why the revenue loss figures were decreasing—why were less companies electing to take WHTC? The Treasury claims that they do not know why fewer companies are electing the provision. But it is evident that revenue losses to the Treasury are substantial and continuing.

The following is an example of how the WHTC deduction is computed for a corporation with $100,000 pre-tax net income.

(1) $100,000 net income times 14 percent divided by 48 percent equals $29,167.

(2) $100,000 net income minus $29,167 deduction (WHTC) equals $70,833 taxable income.

(3) $70,833 times 48 percent divided by 100 percent equals $34,000 federal tax payable.

(4) $70,833 taxable income minus $34,000 federal corporate tax paid equals $36,833 plus $29,167 equals $66,000 income after tax.

The Western Hemisphere Trade Deduction saved this corporation $14,000.

The same example is taken without FHT deduction for a corporation with a net income of $100,000.

(1) $100,000 net income times 48 percent divided by 100 percent equals $48,000.

(2) $48,000 federal tax payable.

(3) $52,000 income after tax.

The following chart provides an industry breakdown of the benefits received as a result of the Western Hemisphere Trade deduction in the year 1969.

TOTAL ACTIVE CORPORATION RETURNS

No. of returns, 729.

Total, $331,030.000.

The following is an industry breakdown of those that benefited from the WHTC.

MAJOR INDUSTRY	*Amount*
Agriculture, forestry and fisheries	$4,050,000
Mining:	
Total mining	41,243,000
Metal mining	30,933,000
Coal mining	----------
Crude petroleum and naural gas	1,038,000
Nonmetallic minerals (except fuel)	9,227,000
Construction	3,905,000
Manufacturing: Total Manuturing	262,240,000
Food and kindred products	5,366,000
Tobacco manufacture	53,000
Textile mill productions	----------
Apparel and other fabricated products	279,000
Lumber and other wood products (except furniture)	92,000
Furniture and fixtures	1,000
Paper and allied products	1,180,000
Printing and publishing	635,000
Chemicals and allied products	27,275,000
Petroleum refining and related industries	106,596,000
Rubber and miscellaneous plastic products	667,000
Leather and leather products	80,000
Stone, clay, and glass products	1,020,000
Primary metal industries	94,486,000
Fabricated metals, (except machinery and transportation equipment)	3,919,000
Machinery (except electrical)	10,762,000
Electrical equipment and supplies	7,134,000
Motor vehicles and equipment	$700,000
Transportation equipment (except motor vehicles)	419,000
Scientific instruments, photographic equipment, watches, and clocks	1,185,000
Miscellaneous manufacturing products and manufacturing not allocable	391,000
Transportation, communication, electrical, gas, and sanitary services: Total amounts	3,650,000
Transportation	2,637,000
Communication	920,000
Electric, gas, and sanitary services	93,000
Wholesale and retail trade:	
Total wholesale and retail	13,757,000
Total wholesale	13,622,000
Groceries and related products	1,507,000
Machinery equipment and supplies	5,184,000
Miscellaneous wholesale trade	6,931,000
Total retail	135,000
Building materials, hardware and farm equipment	----------
General merchandise stores	----------
Food stores	----------
Automobile dealers and service stations	----------
Apparel and accessory stores	----------
Furniture, home furnishings, and equipment stores	----------
Eating and drinking places	----------
Miscellaneous retail	135,000
Wholesale and retail not allocable	----------
Finance, insurance, and real estate:	
Total banking	619,000
Credit agencies other than banks	214,000
Security and commodity brokers, dealers exchanges and services	----------
Holding and other investment companies	89,000
Insurance carriers	163,000
Insurance agents, brokers and service	153,000
Real estate	----------
Services:	
Total services	1,566,000
Hotels and other lodging places	222,000
Personal services	----------
Business services	209,000
Auto services and miscellaneous repair services	126,000
Amusement and recreation services	427,000
Other services	582,000
Nature of business not allocable	----------

LEGISLATIVE HISTORY OF THE WESTERN HEMISPHERE TRADE CORPORATION ILLUSTRATES THE LACK OF ECONOMIC JUSTIFICATION IN THE LAW AND ITS EVOLUTION

In 1942 the World War II excess profits tax was adopted by the Congress and an exemption from that tax was granted to domestic corporations that derived 95% of their income from sources outside of the U.S. This provision was introduced as a floor amendment in the House and passed without debate. The rationale for this special treatment was that the excess profits tax related to fiscal problems of the American domestic economy and was designed to combat the rapid increase in domestic income brought about because of defense spending. For the very few corporations—mentioned earlier—whose business activity was elsewhere in the world, primarily in Latin America, proponents urged that they should not be affected by this tax.

In 1942, Congress was after more revenue to finance the war and increased the corporate surtax. At the time this surtax was passed the Congress exempted the Western Hemisphere Trade Corporation from the surtax—which continued after the war as a .4% reduction in the corporate tax rate.

But looking later and deeper into the records it becomes evident how this provision actually made it into the law. The following is a colloquy which took place in 1955 between Senator Douglas and Professor Roy Blough, who was the Treasury economic expert on taxes in 1942 when the provision was adopted into law:

"Senator DOUGLAS. But there is a special exception made in the case of Latin America and there is exception, as I understand it, made in the deferral of taxes on re-invested earnings of foreign incorporated subsidiaries of American concerns, am I correct?

"Mr. BLOUGH. That is correct.

"Senator DOUGLAS. My inquiry is, was it wise to get started down this road in the first place?

"Mr. BLOUGH. Well, I was in the Treasury at the time the 14 percentage points was first put in, and my recollection is that there were a very few specific corporations which had particular financial problems, and which were represented by some pretty influential people, and Congress——

"Senator DOUGLAS. This is not an economic argument. It may be a political argument, but it is not an economic argument. We are trying to be economists and statesmen, and not politicians you see.

"Mr. BLOUGH. Yes indeed, and to conclude my point, and it seems to me that the considerations which dictated that action were different from the ones you have in mind.

"Now, the matter has been rationalized since then into something different, but if my memory serves me correctly, that was the actual basis for it in the first place.*"

The Treasury Department was not happy about the resulting preferential treatment and proposed as a solution that the Latin American corporations involved be exempt from the war surtax. The State Department opposed preferential treatment for American branches since it thought foreign incorporation to be a desirable solution. As a result of conflicting pressures from within the Administration, the Treasury took no active position. Unfortunately this was the climate in which the Western Hemisphere Trade deduction came into law. And as Stanley Surrey said in the *Columbia Law Journal* of 1956:

"Clearly the isolated and atypical problems which were presented in 1942 did not justify the broad rate reduction contained in the WHTC. One is struck with the paucity of Congressional consideration and discussion of these issues in 1940 and 1942. One senses the pressure exerted by a few important or persistent taxpayers and "ad hoc" resolutions of their problems. Yet the principles and rationalizations poured into these provisions after their adoption, are in marked contrast to their origins."

EXPORTERS JUMP ON THE BANDWAGON

The most dramatic revenue loss to the Treasury as a result of the Western Hemisphere Trade provision has been in an area that was entirely unforeseen when the provision was enacted into law by the Congress. As Stanley Surrey said in his Law Journal article:

"The draftsmen of the measure, having in mind the corporations actively operating in Latin America which had succeeded in obtaining from Congress the lower tax rate, and lacking the sufficient tax knowledge about the general tax background respecting foreign income, simply used the pattern of prior provisions referring to income from 'sources without the U.S.' They believed that this language together with a requirement that the income be derived from the 'active conduct of trade or business' would properly delineate the situations involved. Subsequent developments proved that they were sadly misinformed."

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* Hearings before the Subcommittee on Tax Policy of the Joint Committee on the Economic Report, 84th Congress 1st session, page 624 (1955)

Today the Western Hemisphere Trade corporation is largely a feature of export trade and not of indigenous manufacturing activity.

Many corporations will break off part of their operations and and create a Western Hemisphere Trade corporation to receive the lower tax rate. Most exporters readily altered their nomal business operations to fit these new tax-dictated patterns.

Nearly all of the exporters who operated under the provision recognized that their new business operations were artificially tailored to the tax rules. Tax counsel carefully scrutinized all business accounts and transactions to insure that WHTC status was not lost. Once these tax counsel make the necessary arrangements, the exporters can readily enjoy tax windfalls which an uninterested Treasury, an uncritical Congress, and hurried draftsmen handed them in 1942.

LEGISLATIVE RECOMMENDATION

The continuance of this provision beyond its World War II setting was an accident of tax history—and an unnecessary one. On June 22nd, I introduced legislation to repeal the Western Hemisphere Trade Corporation deduction.

The only possible benefits resulting from this provision might be a slight increase in our export trade. But it must also be noted that this export benefit is more than offset by import inducements which are also provided by this provision. With other direct tax inducements to export, it seems needless and senseless to maintain this substantial revenue loss of an expected $200 million in 1972 and another $190 million in 1973. This tragic "tax mistake" by the Congress and the Treasury has cost the U.S. taxpayers over $10 billion since 1942.

Let the public beware that the writers of our tax law are not always sure of the effects of their actions. The combination of special interest pressure and human error may reap bountiful harvest for the lucky few.

It is my hope that the Ways and Means Committee during the upcoming tax reform hearings will equitably eliminate this wart from the tax code.

Chapter L—Investment Tax Credit: An Inefficient Stimulator, an Incentive for Concentration

In a perfectly competitive economy, the primary directive of business investment is demand, and any incentive for business investment other than expansion determined by demand will cause economic distortions. Investment in plant and equipment falls off when the economy sags, leaving most operations with idle machinery. Therefore, investment tax incentives to buy more machinery will likely have little effect, especially in the short run, for creating more employment.

A company cannot increase its employment or its sales to the public by using tax incentives to purchase new equipment when its existing equipment is already lying idle due to slack demand. While such tax incentives may increase after-tax earnings for the company, they have a very low "cost-benefit" ratio for the economy as a whole. Despite an estimated investment tax credit cost to the Treasury of $3.8 billion in 1972, unemployment remains at the unacceptably high level of 4.8%—even though the investment tax credit has been in effect for nearly two years.

Demand being the most efficient and effective stimulant to end a recession, it would have been wiser in 1971 to reduce consumer taxes in order to stimulate demand, rather than to have re-established the investment credit. Once the economy got moving, a tax increase probably would have had an immediate effect to dampen inflation, saving us from the uncertain, hazy situation that exists today. This reduction of consumer taxes coupled with an investment credit only for additional job-producing expansion would have avoided the shotgun approach of the general investment tax credit, which ignored many it would have helped and benefited some needlessly.

INVESTMENT TAX CREDIT FAVORS THE BIG CORPORATIONS

A smaller company may not have the cash flow or savings to use investment credit in a slack period. But a very large corporation, especially a diversified company, regardless of demand or expansion, may be interested in a write-off that may not produce any new jobs in that company. In 1972 the 500 largest industrials, which obtained the vast majority of tax benefits from the investment credit, had 136,960 fewer workers than in 1969, pointing out that the investment credit is not as directly successful as some of its proponents would have us believe.

In 1971, when the investment credit was reinstituted, nearly 30% of our nation's capital machinery was lying idle. But if the incentive was used only for productive equipment for expansion, it would provide maximum economic stimulation per dollar of Treasury loss.

For example, if a taxicab corporation has a fleet of 100 cabs and regularly replaces ten cabs each year as they wear out, there is no incentive or gain to the economy in providing a tax incentive to the company to buy the ten cabs which they already intended to buy. Instead, the law should be amended to provide an investment incentive if the company decides to expand its fleet of cabs from, say, 100 to 110 cars. They would then be allowed a credit on the purchase of the ten new or additional cabs. This would concentrate the effect of investment tax incentives on expansion—in this case, on the employment of ten new drivers and the manufacture of ten new cars.

Chapter M—Indemnification of Corporate Executives for Illegal Acts

According to the former Commissioner of the Internal Revenue Service, Johnnie Walters, tax fraud is becoming popular. Despite inadequate auditing manpower, the IRS has recently been turning up astounding cases of tax evasion schemes among large, publicly held corporations.

One large firm listed on the New York Stock Exchange "grossly understated excise tax by subterfuge." The IRS claimed that violations were so flagrant that the company and two of its principal officers were indicted on criminal charges.

Another company bought insurance from a foreign concern but did not report rebates of 1 to 2 million dollars a year paid to its Swiss subsidiary. Still another deducted the cost of spare parts while depreciating the same items, thereby claiming millions of dollars in double deductions.

Bookkeeping manipulations are also popular. One corporation whose "charitable contributions" exceeded the maximum allowable deduction simply shifted, through a bookkeeping entry, nearly $1 million out of the contributions account and reduced its reported sales total. Unreported and illegal corporate political contributions now coming to light indicate some of the depths of corporate bookkeeping manipulations.

Strangely enough, there is a conspicuous disparity between sentences for tax crimes and sentences for other crimes. Harsh sentences for individual street crimes are commonplace. The theft of a used car worth $500 rates a three-year prison term whereas the tax evasion of $50,000 rates a small fine and no prison time at all. Harsh sentences are rarely issued for the crimes of businessmen. Even the fines are so low, in many cases, that they are merely viewed as the cost of doing business illegally.

Giving great encouragement to this corporate lawlessness is a practice known as indemnification, in which a corporation pays for all or part of an officer's legal expenses or fines as a result of a criminal indictment. I am preparing legislation that will make it illegal for an employer to deduct expenses incurred for the indemnification of employees who commit criminal offenses.

The corporation, after paying legal fees and fines for an executive who has committed a criminal offense, deducts these expenses from its Federal income tax. As a result, an unconscionable situation has developed where the legal defense of those who have committed a criminal offense "for the good of the company" is paid for by the taxpayers.

Article XV of the By-Laws of the Continental Oil Company for 1971 and 1972 provides as follows:

"The corporation shall indemnify to the full extent authorized or permitted by the State of Delaware any person made, or threatened to be made, party to an action, suit, or proceeding (whether civil, criminal, administrative, or investigative) by reason of the fact that he, his testator, intestate, is or was a director, officer, or employee of the corporation or serves or served any other enterprise at the request of the corporation."

Corporate executives of Continental Oil have not, to my knowledge, committed any criminal offenses, but this potential misuse of the taxpayer's money is written into their By-Laws.

The tax counsels of large corporations are experts and know tax law very well. Like all other individual citizens, they should be held strictly responsible for their actions.

Chapter N—Inducing Competitive Pricing in Monopolies—Through the Tax Code

Except for the recent initiative by the Federal Trade Commission, our antitrust enforcers seem to be suffering from a lack of courage and direction. "Cobwebs" have developed in the antitrust division of the Justice Department. In short, the Federal government seems to have blinded itself to the impact of concentrated economic power on the consumer.

In hearings before the Senate Select Committee on Small Business in 1971, it was noted that the Federal Trade Commission has data showing that if the leading oligopoly industries were broken up, there would be as much as a 20% reduction in the prices of products produced by those industries. Yet we still see no action. Instead, policy statements were issued by the Department of Justice similar to this: "ITT should not have to divest itself of Hartford Insurance because that action would have had a deleterious effect on the economy."

It is my feeling that the Congress should not abdicate complete authority to any Administration. Our national antitrust policies must not be dependent on the four year cycles of any one man's politics. The Congress should assert itself in countering the effects of monopolistic power through the use of tax policy—a self-enforcing, self-administering anti-trust policy that is consistent and free from the political whims of the day.

EXCESS PROFITS TAX ADOPTED AS AN EXCESS MONOPOLY PROFITS TAX

An excess profits tax is a tax levied on income. The income which is the base of an excess profits tax is that portion of net income which is supposed to exceed normal income. During wartime a high rate of taxation in the form of an excess profits tax was used to "scrape off" the high inflationary profits of certain industries. These inflationary profits were a result of massive Federal contracts for war production. This concept could and should be adopted to induce competitive pricing within monopolistically controlled "high priced" industries.

The purpose of the excess profits tax during the war was to prevent profiteering as a result of the war. The Congress should apply this same principle to prevent corporations from profiteering through high prices as a result of monopoly power.

The objective of a monopoly profits tax would be to return monopoly profits to the public either through higher taxes, or lower prices to the consumer. The scope of the provision could be broadened by adding a "forgiveness" feature under which the tax owed would be forgiven to the extent that price reductions were made. Any corporation affected by the tax could obtain "forgiveness" of all or part of the tax owed by the simple means of reducing the prices of its products in the following year. If a corporation's proposed price reductions in the following year were equal to the monopoly profits tax of the previous taxable year, then no tax would be owed, and no tax would be paid. In practice the tax is levied on one year but not collected until one year from the end of that taxable year.

The monopoly profits net income on which the tax would be applied would be similar to the excess profits net income computed under the excess profits tax of World War II.

The following is an example of how the forgiveness provision would operate to reduce monopoly prices. Assume that a corporation had a monopoly profits tax in 1970 of $500,000 and sales of $12 million, which represented 1 million units sold at $12 each. In computing the amount to be forgiven, it would be assumed that in 1971 the corporation would sell the same number of units as were sold in 1970. Whether the corporation sells a larger or smaller number of units is immaterial, since the computation only determines the amount of forgivness of a tax on income already earned. In this example, the corporation can obtain complete forgiveness of its 1970 tax of $500,000 by reducing the prices of its products in 1971 by 50c per unit.

This monopoly profits tax would simulate actual reductions in prices to break up noncompetitive price structures. The tax would inject uncertainties into the minds of rival oligopolists. Without an agreement or understanding, which would remain unlawful under the antitrust laws, no one could be assured what choice his rival might makes. The company that elects to pay the tax to the government has good reason to fear that his competitor might elect to reduce his prices.

Thus from one simple tax provision could flow anti-monopoly competition. These monopoly industries would have to economize and reduce prices or lose out in a competitive struggle.

CHAPTER O—TAX POLICY AS AN ANTITRUST MECHANISM

Phase I, II, III, III½, and IV wage and price controls were inevitable economic responses to the pricing distortions caused by the concentration of our Nation's largest corporations. If the U.S. economy were made up of small and medium sized corporations, the need for such controls would never have arisen. The problem developed when giant corporations continued to raise prices as productivity increased. If smaller companies dominated the market, competition would have held price levels down.

One direction in which we can move in order to maintain control of our economy is to develop new mechanisms of control for monetary policy in order to deal with concentrated power. The following example will illustrate one of the many ways multinationals have warped the precision tools of economic control. Nineteen of our Nation's largest banks are now giant multinational operations, obtaining financing funds from the Eurodollar market, beyond the control of domestic monetary policy. During the 1950's tightening of the money supply by the Federal Reserve System would have significantly cooled the economy if it was needed. Now the largest banks and corporations just borrow funds from the European money markets on their accounts overseas, regardless of U.S. policy. At present, the tightening of the interest rates puts a credit squeeze on the small businessman but has little effect on the growth and expansion of the largest corporations. Andrew Brimmer of the Federal Reserve Board, in his 1972 study entitled *Multinational Banks and Management of Monetary Policy in the U.S.*, said:

"The mainsprings of this evolution have been a small number of very large multinational banks constituting the core of the domestic money market but which are also heavily involved in international finance. Because of the activities of these large institutions in mobilizing and rechanneling funds, the financial system in the U.S. has become much more open to the influence of foreign financial developments than was the case a year ago."

Moving in another direction, we could provide incentives and disincentives in the tax law to break the whirlpool movement of concentration. The same tax code that provided incentives for acquisitions, such as the "pooling of interest provision," could be adjusted to reverse the trend of concentration.

Antitrust policy in its present form will never be an efficient or effective economic tool. It has been too sporadic, with no specific policy geared to the economics of the whole market. The Justice Department and the Courts tend to spend a disproportionate amount of time on the individual case, rather than providing an overall policy. The tax code could provide a clean, across-the-board approach to encouraging giant corporations to divest.

Our present antitrust laws have been somewhat effective against horizontal and vertical acquisitions, but present laws have been totally ignored and ineffective against the wave of conglomerate mergers which took place during the 1960's.

STATEMENT IN RESPONSE TO ITT CRITICISM OF THIS REPORT

Mr. VANIK. Mr. Speaker, before concluding, I would like to enter in the hearing record a copy of a statement, read over the telephone to my office, issued by ITT president, F. J. Dunlevy:

ITT STATEMENT

ITT President, F. J. Dunlevy said: "There is serious error in Congressman Vanik's figures." Mr. Dunlevy said: "ITT taxable U.S. income in 1972 was $246 million, and the total tax liability was $98 million. ITT had a credit of $55 million on the taxes already paid to foreign government and an investment tax credit of $17 million on the approximately $400 million invested in new plants and equipment in 1972 to sustain and create jobs. Our net tax due to the Federal government was approximately $26 million and that has been paid in estimated tax payments. Our final tax return for 1972 is not due until September 15, 1973."—ITT.

Mr. Speaker, Mr. Dunlevy of ITT stated that ITT's taxable U.S. income in 1972 was $246 million. My investigation indicates that ITT's adjusted net income before Federal income taxes reported to shareholders was $376,383,000. Mr. Dunlevy is unfortunately comparing "apples and oranges." Inherent in the terms taxable income and adjusted net income before Federal income tax are a variety of differences which were illustrated in the footnotes and appendix to my study. For example, the appendix to my study indicates that for financial statement reporting purposes, companies frequently consolidate foreign subsidiaries and subsidiaries which are more than 50 percent owned while for Federal income tax purposes generally, they must be domestic subsidiaries and 80 percent or more owned before they can be included in a consolidated income tax return. This means that the taxable income figure given by Mr. Dunlevy is not comparable with the figure which I have published in my study.

Mr. Dunlevy also states that the total tax liability of ITT was $98 million. He does not indicate in that $98 million figure how much is currently payable to the U.S. Government, how much is deferred, nor how much is foreign taxes.

Mr. Dunlevy states that the net tax due to the Federal Government was approximately $26 million and that has been paid in estimated tax payments. He states that this is an approximate figure and that the final tax return for 1972 is not due until September 15, 1973.

The fact that this has already been paid in estimated tax payments does not necessarily indicate that it is ITT's actual liability. Also, we again encounter the problems which were indicated in the footnotes and appendix to my study. The principles and practices upon which the financial statements were prepared differ from the principles and practices upon which consolidated Federal income tax returns are filed.

As a result, I feel that ITT's statement seems misleading in that it doesn't describe a comparable tax picture. I stand on my statement that it appears, from available published sources, that ITT paid no more than 1 percent Federal income tax in 1972.

SUPPORT URGED FOR H.R. 790 TO ELIMINATE AN UNDUE BURDEN PLACED ON FARMERS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. MICHEL) is recognized for 5 minutes.

Mr. MICHEL. Mr. Speaker, the Members of this body recently muddled through hours of debate and many votes to approve a farm bill and send it to conference. After that, and with today's concern over high food prices and a possible beef shortage looming over the horizon, it would hardly seem necessary to bring the plight of the farmer to the attention of my colleagues. Yet, I find it necessary today to do just that.

Since enactment of the Consumer Credit Protection Act, or truth-in-lending law, in the 90th Congress, the farmer has been subjected to an unreasonable amount of delay and inconvenience. Lending institutions are presently required to treat farmers seeking production and expansion loans as consumers subject to unnecessary rigid disclosure rules, unlike businessmen who are specifically exempted from these provisions. Yet, in today's modern agriculture industry, credit has become a working tool with which farmers and ranchers are as skilled as any businessman. It seems unfair that farmers should be treated differently from the guy who owns the corner grocery store and wants a loan to expand his business. Many of my constituents have voiced their resentment to that differentiation.

The disclosure requirements of the act have created difficulties with respect to many farm loans, especially irregular and seasonal loans. The provision for a 3-day right of rescission causes delays in disbursements and hardships to many agricultural producers. The unnecessary bookkeeping forced by these rules results in higher credit costs being passed on to the farmer.

I have reintroduced H.R. 790 today with 30 cosponsors in an effort to remedy this situation. The bill would remove all credit transactions for agricultural purposes from the scope of the act. This would be accomplished by simply changing the definition of the term "consumer" in the act so that the words "household, or agricultural purposes" would read "or household purposes." Let me emphasize that this bill is not intended to remove from the scope of the act any loan obtained for personal or household purposes.

Last week, the Senate passed S. 2101, amendments to the Truth-in-Lending Act, which included a section stating that an agricultural loan primarily for agricultural purposes over $25,000 would be exempted from the various provisions. This was in line with the Federal Reserve Board recommendation. Yet, I feel that this would not be sufficient to avoid the problems of many rural area creditors since many agricultural credit transactions are less than $25,000. This is documented by figures released by the U.S. Farm Credit Administration. The FCA surveyed 884 new borrowers in 1971 and found that the average advance from the Production Credit Association to new borrowers was $24,732. This indicates that many transactions would still not be exempted by the Senate bill. The Farm Credit Administration acknowledges this and recommends a reduction of the exemption to $5,000. But I feel that to remove all the inconsistencies and redtape, a total agricultural exemption should be adopted. As a recent letter from the Farm Credit Administration stated:

> Because of the difficulties of technical compliance with Truth-in-Lending on complex agricultural loans with flexible rate spreads and variable interest rates, delays in agricultural business credits associated with the banks obligations under borrower rights of rescission, and widespread feelings of inequity in recognition or treatment of agriculture as business rather than consumer credit, the banks and associations under FCA supervision generally favor complete removal of agriculture from Truth-in-Lending as proposed in H.R. 790.

I therefore urge my colleagues to support H.R. 790 in an effort to eliminate an undue burden placed on the farmer's shoulders. Agriculture technology's great advancements in recent years has prompted an ever-increasing need for capital which we can not afford to have hampered by an unfair and unnecessary application of the Truth-in-Lending Act.

CONGRESSMAN WILLIAM D. FORD INTRODUCES FEDERAL EMPLOYEE LABOR MANAGEMENT ACT OF 1973

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Michigan (Mr. William D. Ford) is recognized for 5 minutes.

Mr. WILLIAM D. FORD. Mr. Speaker, today I am introducing the Federal Employee Labor Management Act of 1973.

The scope and depth of labor legislation in the United States has and continues to be a model and inspiration for all nations of the world. Our workers enjoy protections, rights, and benefits which give substance to the noble principles laid down by the Founding Fathers. Yet, as venerable and sincere as this Nation's concern for the working man may be, there exists a conspicuous omission which cries out for rectification. It is this inconsistency which the legislation I am introducing today proposes to end.

There are over 2.5 million Federal employees in this country who do not enjoy the basic protections, rights, and benefits which private sector workers have taken for granted for almost 40 years since the enactment of the Wagner Act in 1935. Federal employees have been excluded from virtually all of the benefits of collective bargaining that have enabled other workers to prosper and grow. As a matter of fact, it was not until 1962 when President Kennedy issued Executive Order 10988, that a labor relations program was even recognized by the Federal Government.

Since that time, there have been two more Executive orders, which, in all fairness, have had their positive effects. However, these are far overshadowed by the inherent limitations of the present program. What little right Federal employee unions have to sit down with agency management and collectively bargain on those matters which are of crucial importance to the worker is either denied entirely or begrudgingly conceded in piecemeal fashion by the Federal Labor Relations Council or the Civil Service Commission.

As things stand now, Federal employee unions are prohibited by statute and Executive Order 11491 from negotiating on pay, classification, workweek, retirement benefits, health and life insurance, and a host of other bread-and-butter issues. They are also statutorily forbidden from exercising the right to strike or even seek third-party binding arbitration in such matters as disciplinary proceedings.

In other areas of equal importance to Federal employees, the Civil Service Commission, through the Federal Personnel Manual, holds an absolute veto. Under the Executive order, negotiations cannot be held on any proposal deemed inconsistent with the Federal Personnel Manual—FPM. As a result, the Commission may preempt from negotiations anything it chooses simply by publishing the management position in the FPM. In effect, the Commission can determine the areas of negotiability for both parties at the bargaining table, while neither party is entitled to negotiate with the Commission on the contents of the FPM.

The dichotomy is jarring. Rights and benefits considered essential and good for the overwhelming majority of workers in this country are banned for the Federal employee. There is no tenable defense of this discriminatory treatment. What is necessary and beneficial to the worker in private industry is similarly so to his Federal counterpart.

Federal Employee Labor Management Act would provide full collective bargaining rights for Federal employees and thus allow them to join the great majority of American workers in the enjoyment of well-earned rights and benefits. My bill would establish a five-member Federal Employee Labor Relations Board, similar to the National Labor Relations Board, which would have full authority to interpret, apply, and enforce the provisions of the statute.

Each department, agency, bureau, or other unit would be obligated to negotiate with the employees' duly elected union representative over such matters as pay, classification, fringe benefits and other "conditions of employment." In addition, unions would be empowered to negotiate agency shop provisions and to seek binding arbitration in such matters as grievances, disciplinary proceedings, and equal employment opportunity complaints.

My legislation would also grant Federal employees the right to strike. When a negotiation impasse is reached, the bill provides for the appointment of a mediator. If the mediator fails to resolve the dispute, the parties would select a fact-finder with power to make findings of fact and to recommend terms of settlement. Before the fact-finder's report is issued, the union would decide whether the recommendations of the fact-finder are to be binding or only advisory. If they are to be binding, the union would be prohibited from engaging in a strike. If only advisory, the union could strike. However, Federal district courts would be authorized to issue a "restricting order or temporary or permanent injunction" when "the commencement or continuance of a strike poses a clear and present danger to the public health or safety which in light of all relevant circumstances it is in the best public interest to prevent."

The Federal Employee Labor Management Act provides further that exclusive representation would be recognized after the demonstration of majority support for a union through appropriate evidence, either an election or a showing of membership cards. The bill also calls for separate bargaining units for professionals and nonprofessionals, unless a majority of each desired a single unit.

Quite simply, this legislation provides for Federal employees the same rights and benefits which have existed in the private sector for nearly four decades. The bill has the unqualified support of the Coalition of Public Employees, which is composed of the National Association of Internal Revenue Employees, the American Federation of State, County, and Municipal Employees, the National Education Association, and the International Association of Fire Fighters.

Mr. Speaker, I urge my colleagues from both sides of the aisle to join me and these unions in redressing the flagrant injustice that has denied Federal employees basic rights that were long ago granted by Congress to their private sector counterparts.

GUGLIELMO MARCONI

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. PODELL) is recognized for 5 minutes.

Mr. PODELL. Mr. Speaker, I am today introducing legislation calling upon the Postal Service to issue a postage stamp commemorating the centennial of the birth of Guglielmo Marconi. The inventor of radio was born on April 25, 1874, and my bill would authorize the Postal Service to issue the commemorative stamp on April 25, 1974. I am hopeful that the Postal Service will take advantage of this opportunity to honor a man whose accomplishments continue to enrich our lives every day.

Marconi displayed the very essence of genius—he used the wisdom of the ages, mixed it with his own brilliant insights into science to solve the universal and pressing problem of communications in a growing world.

The success of his efforts are almost beyond comprehension. It has materially affected everyone now living on earth. He made it possible for the word of man to circle the globe with the speed of light. It was the miracle of miracles. He gave all men the means to communicate instantly, thus providing the tool that one day may bring true peace to the world.

Indeed, it was Marconi's genius that put man on the Moon, and will one day bring us together with other worlds.

The man and his achievements should be memorialized, that is most important. They should not be forgotten and allowed to decay as have the steel towers and other artifacts used in his first broadcasts, which are now fallen and overgrown with bull rushes on a New Jersey tidal basin.

DR. IRVING BENNETT NAMED OPTOMETRIST OF THE YEAR

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania (Mr. CLARK) is recognized for 5 minutes.

Mr. CLARK. Mr. Speaker, I am very proud to commend a constituent of mine upon his being named optometrist of the year by the American Optometric Association at its recent congress. Dr. Irving Bennett of Beaver Falls, Pa., has served in his community as an outstanding health care practitioner and has served his community in a civic sense as well, as a man who cares what course his home charts in its person-to-person relationships.

As Dr. J. C. Tumblin, outgoing president of the 17,800-member association, said in presenting the award to Dr. Bennett:

> He is a kind of person who is not satisfied with superficial volunteerism. His life of public services does not overflow with one-year terms of office. Rather it is built solidly with years of the steadfact determination needed to accomplish worthwhile endeavors.

This concerned optometrist has not set about to compile a long impressive list of committee memberships and trusteeships. His contributions are impressive, nonetheless, for their impact upon the community life of Beaver Falls.

For 17 years, including 10 as president, Dr. Bennett has served on the city's board of education. During this period, the community built two new school buildings, merged school districts for more efficient operation, instituted a revolutionary merit system for teacher pay increases.

Dr. Bennett's 10-year tenure on the recreation commission, including 5 years as chairman, also was a period of accomplishment for Beaver Falls. The community swimming pool was desegregated, three new city playgrounds were built, as well as a city ice skating rink. He played a significant part in uniting the local Jewish community to build a community center.

He has been a prime organizer and president of the Beaver Falls human relations commission. He has served as vice president of the local community action committee of the Office of Economic Opportunity; member of the policy advisory committee for the local Head Start program; profession division chairman for the local United Fund; chairman of the United Jewish Appeal.

Dr. Bennett has served the interests of constantly updating and upgrading his profession. He has served as president of his county branch of the State association for the blind. He has been active in the movement of optometrists, eye physicians and the local Parent-Teacher Association working for a 6-year school vision screening program.

During his 25 years of service to optometry, Dr. Bennett has served for 5 years as volunteer executive secretary of the Pennsylvania Optometric Association. He worked to develop and served as secretary of the Society of Optometric Association Executives. Former editor of the Journal of the American Optometric Association. Dr. Bennett now edits Optometric Management.

This long record, with meaningful accomplishments, is hard to match. Dr. Bennett epitomizes concern for his profession and for his home community. He has not sought out glamour jobs. He has seen what needed to be done and set about doing just that. My congratulations to him on this national recognition as optometrist of the year.

AN INTERVIEW BY CONGRESSMAN JOHN BRADEMAS WITH FORMER SECRETARY OF STATE DEAN RUSK AND COLUMNIST MARQUIS CHILDS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Indiana (Mr. BRADEMAS) is recognized for 5 minutes.

Mr. BRADEMAS. Mr. Speaker, I conduct a monthly television interview with outstanding figures in our national life for showing on station WSJV-TV, the ABC affiliate in South Bend-Elkhart, Ind.

I am pleased that the two distinguished Americans appearing on this month's "Washington Insight" program, tonight, Wednesday, August 1, are the former Secretary of State, the Honorable Dean Rusk, and the outstanding syndicated columnist and contributing editor of the St. Louis Post Dispatch, Marquis Childs.

Following is the transcript of the program, which was devoted to a discussion of the role of the United States in world affairs today:

> Mr. BRADEMAS. Good evening. Welcome to another edition of "Washington Insight." I'm pleased to have as my guests tonight two distinguished Americans who can speak with great knowledge and insight about the role of the United States in the world today.
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> First is the Honorable Dean Rusk, Secretary of State of the United States from 1961 to 1969, under Presidents Kennedy and Johnson. But the experience of Mr. Rusk in the Department of States spans three decades, for he served in many other positions of responsibility before becoming Secretary. Mr. Rusk is now Sibley Professor of International Law in the Law School in the University of Georgia in his home state.
>
> Marquis Childs is a widely respected, Washington-based, syndicated columnist and contributing Editor with the St. Louis Post Dispatch. Few journalists have so long been idetified with such distinction in the field of foreign affairs as Mr. Childs, who in 1969 won the first Pultizer Prize for Commentary. He has recently returned from a visit to the Peoples' Republic of China.
>
> I want to talk with our guests, and I know you will enjoy this conversation, about some of the problems facing the United States in foreign policy today. Let's begin with Mr. Rusk. Mr. Secretary, what's it like being a college professor after having been a participant in decision-making at the highest levels of our government?
>
> DEAN RUSK. Well, it's a great joy to be at home in Georgia where my roots are very deep. It's a great luxury to move from the world of decision to the world of opinion. Teaching International Law was what I wanted to do before World War II, and after a 30 year detour, I finally made it. So, I'm very happy these days and delighted to have this chance to spend the time that remains with me working with young people or the problems of International Law.
>
> Mr. BRADEMAS. Mr. Childs, let me ask you what's perhaps the most obvious question in Washington, D.C., and across the country. How are the events of Watergate affecting our relations with other countries of the world?

WATERGATE: A CONCERN IN CHINA AND THE WORLD

Mr. CHILDS. I think they're bound to affect them. How greatly they'll affect them, I don't know. You spoke about my being in China. I had a three and a half hour discussion with Premier Chou En Lai. In the middle of it, he brought up Watergate. He said, "Now what about Watergate?"

I said, "Well, what do you think about it?"

He made this remark, which I think is very true. He said, "With so many other important things to talk about in the world, why should we have a Watergate?"

But it indicated to me a concern on the part of the government of the Peoples' Republic of China for the continuity and stability of their relationship with the United States. And I'm sure this is true probably around the world.

Mr. BRADEMAS. Mr. Secretary, what do you feel about Watergate and foreign affairs right now?

Mr. RUSK. Well, I think most other nations will not make moral political judgments about the merits of the issues raised in Watergate because for a lot of them this is routine practice, and, I suppose, the Soviets have been saying for 50 years that this is how we do things anyhow.

But what is important is that if it appears that the President is weakened as a spokesman for the American people and for the Congress in relations with other countries, then other Capitals cannot help but take that into account, and it is on that count that I think Watergate makes a difference in our relations with other nations.

WILL WHITE HOUSE TAPES AFFECT INTERNATIONAL RELATIONS?

Mr. BRADEMAS. A little more specifically, Mr. Secretary, what about the question of the tapes that the President apparently used of all his conversations in the White House and the Executive Office Building and at Camp David? How will that be seen, how will the taping be seen by foreign leaders who may have been taped?

Mr. RUSK. Well, there may be some who will lift an eyebrow, but in diplomacy, it is universal practice to have notetakers, memoranda of conversations, the most exact records made of diplomatic discussions. And so, I think, on that point, this is not as much of a problem as it might be here at home say as between Senators and Congressmen and the President, but in diplomacy, you just take for granted that everything you say is going to be a matter of record, and if you don't want it to be a matter of record, you'd better not say it.

Mr. BRADEMAS. Well, that leads me, Mr. Childs, to ask you a question about the famous phrase, "credibility gap," of several years ago that, with some of us, has become a "credibility chasm." Last week we learned that the United States in 1969 and 1970 was secretly bombing Cambodia, 3600 raids, and not only were the Members of Congress unaware of the raids—at least I'm one who didn't know anything about them—but even the Secretary of the Air Force said he didn't know anything about them. How can we in Congress and the American people generally make intelligent judgments about foreign policy when faced with that situation?

SECRET RAIDS WORSE THAN WATERGATE?

Mr. CHILDS. Well, I think it's a very, very serious thing. It's stupid, too. It's stupid to try to conceal this because we were just saying everything is bound to come out in one way or another. I think it has had a very serious effect here at home in terms of the "credibility gap." But it's also, I think, had a very serious effect in Asia where our word seems increasingly to have no weight, to be questioned invariably. This is one of the worst things that has happened in a long time. It's almost worse than Watergate. We still don't know exactly who issued this order and why it was issued, so I think the people around the country—you must be hearing from them in your District—must feel completely at sea about this kind of thing.

WILL RAIDS CONTRIBUTE TO ISOLATIONISM?

Mr. BRADEMAS. Well, Mr. Secretary, I've heard you express your concern about a rising tendency toward isolation in the United States and the kind of secret raids we've just been talking about may contribute to that kind of development. I wonder if you would comment on that concern, which I have heard you express in other areas?

Mr. RUSK. Well, I am concerned about a trend, or a move, a withdrawal, from foreign affairs among the American people which I sense from what I read and from some of my discussions in many parts of the country. Whether this is an understandable temporary reaction to the protracted agony of Vietnam or whether we are moving into a cycle of isolationism comparable to say the twenties or thirties, is a question to which I don't personally have the answer.

But great stakes are involved because we have in front of us a number of major questions such as the law of the sea, and limitations of the nuclear arms race and the prevention of nuclear war, the environment, the population explosion, race relations on an international basis, the problem of the possible exhaustion of some of the nonrenewable resources.

Now these are national problems that can only be solved through international agreement and action.

So when I look at not just the decision to get out of Southeast Asia or come what may, that's, when the American people make that decision, that's their right. But, if it calls for the withdrawal of our troops from NATO, the abolition of foreign aid or deep cuts in foreign aid, or high import quotas on imports or a general mood that we should forget the rest of the world and take care of our problems here at home, I must say that I am concerned because in the modern world, as you look ahead into the next few decades, there's no place to hide. And we have to take a responsible part in world affairs. Now that part will vary as circumstances vary. I think our part will not be as large as it has been since 1945 in some respects. But in other respects, it will have to be very large indeed.

Mr. BRADEMAS. Mr. Childs.

Mr. CHILDS. I was interested in your speaking of Vietnam as a factor in the trend toward isolationism. If it is a trend, you were a very important figure in the decision-making that led us into Vietnam. Do you, have you had, you spoke about the anguish of it. Have you anguished over those decisions yourself, Mr. Secretary?

THE LARGEST COST OF VIETNAM

Mr. RUSK. Well, I did at the time. Those of us who were responsible went through our agony and I think President Johnson made it very clear in his book that the principal disappointment of his Administration, and I fully subscribe to this, was that we were not able to bring that struggle to a conclusion while we were still in office. But I would have to say that if one of the costs of the Vietnam effort is a move of the American people into a protracted period of isolationism, that might be the largest cost of our struggle.

Mr. CHILDS. The costs were very heavy overall, but you wouldn't say that was one of the largest costs.

Mr. RUSK. That could well be the largest cost.

Mr. CHILDS. Was there a moment, you must have considered moments, I know you had Under-Secretary Ball prodding you, prodding the President, was there any moment when you said, "Well, we'd better bring an end to this"?

Mr. RUSK. Well, my responsibility under President Johnson was to try to find a way to bring an end to this struggle through negotiations at the earliest moment. And I made dozens and dozens of efforts to do that. But those did not succeed. Now, you'll find in the Pentagon Papers one or two telegrams that I sent to President Kennedy when I was overseas in the beginning where I was making an effort to be very sure President Kennedy fully understood that the commitment of any Americans in uniform to Southeast Asia was a very, very serious matter, and that such a decision should not be made lightly. Now, I'm not trying to weasel out. I did support the decisions made as far as the policy was concerned by President Kennedy and President Johnson, but I was under no illusions from the very beginning that this was a very serious matter.

SHOULD TROOPS BE REDUCED IN WESTERN EUROPE?

Mr. BRADEMAS. I've heard you speak also about your concern about collective security and I think you suggested that, if we lose the concept of collective security, that would be one of the highest prices that we would pay for Vietnam, and both you and Mr. Childs have alluded to troop cuts in Western Europe. I would ask Mr. Childs how, from his travels, he sees the troop cut issue because we in Congress are perhaps going to be faced with that question shortly.

Mr. CHILDS. I think the best argument against it is that it undermines the mutual negotiation with the Soviet Union over mutual balanced force reduction. I don't know if that is a real possibility or not. But I think if the resolution that Senator Mansfield put in a few days ago carries—I believe he proposes over a staging period to cut down by one-half—I think if this carries, that the mutual balanced force reduction negotiations probably will fall down. This is the best argument for it.

But it seems to me that the Nixon Administration has just waited too long to make some moves in this direction. They've just stuck to the present figure. You've got Deputy Secretary of State Rush who comes rushing up here and tries to make the case at a point when the dollar is sinking below zero and when, well you've improved the trade balance. All these factors enter into this very serious decision.

Mr. BRADEMAS. One of my colleagues, rather waspishly the other day suggested that perhaps we should urge the Germans to station some of their troops with lots of families and dependents in Texas and Mississippi and spend some of those Marks in the United States. But, more seriously, Mr. Secretary, what about the impact of our troops on the dollar problem? And can't we get our NATO allies to expend more money themselves to offset the cost to the United States of keeping those troops there?

TROOPS ARE ONLY ONE FACTOR IN BALANCE OF PAYMENTS PROBLEM

Mr. RUSK. Well, looking back on it, I feel now that it was a mistake back in the early fifties for us to put substantial numbers of American troops in Europe without agreed means for neutralizing the balance of payments burdens that would be placed upon us. But at that time we were trying to find ways and means of moving dollars to Europe. This was the time of the dollar gap, you will recall.

Now, I do believe that our European friends really ought to insure that the presence of American forces in Europe will not have an adverse balance of payments effect on us. But on this point, let me point out that the balance of payments increment of our forces in Europe may run to a few hundred millions of dollars at a time when we are exporting private capital at the level of $15 to

$17 billion a year. So I find it very hard when the issues are so grave to believe that the balance of payments problem ought to be concentrated on troops in Europe.

CHINA WANTS OUR TECHNOLOGY

Mr. BRADEMAS. Let me ask you, Mr. Childs, from your recent visit to China, how do you see Chinese-United States relations developing over the next decade?

Mr. CHILDS. I think we have the greatest opportunity in a very long time to cooperate with China in terms of trade, in terms of a variety of exchanges, particularly in the development of their offshore oil, which would be a way by which they could repay our efforts. I think that they want this. Chou En Lai said to me twice in the course of this talk, and others said the same thing, we need your equipment and we need your technology. We are a developing nation.

BUT THE GERMANS AND JAPANESE ARE A STEP AHEAD

I think if we miss this opportunity, and we may miss it, I think it will mean that we will be shut out from that part of the world for a long, long time to come, because you've got a lot of competitors. When we were there the Germans were there in mass seeking contracts. They've already built three or four petro-chemical plants. The top German industrialists and the Japanese are swarming over the place. I think we've got a great opportunity and I hope we don't muff it through political troubles here at home, after that long sterile period of 23 years of isolation when, under John Foster Dulles, we tried to pretend that the Mainland didn't exist. But this is a chance to make up for it.

Mr. BRADEMAS. Mr. Secretary.

Mr. RUSK. I rather agree with Mark Childs on this. I, when I look back on the dialogue with the Soviet Union that began in the early sixties, looking for possible points of agreements between two nuclear giants, and we start with the Nuclear Test Ban Treaty and look at the course of discussions with Moscow, which have become increasingly important, I would just enter a little word of caution that this is not going to happen overnight.

These discussions with China are likely to be difficult, protracted, and we will have to use a good deal of patience and persistence. It's still true, I think to some extent, that Taiwan is a bomb and can be thrown to both sides, and I doubt there will be any change in that so long as Mao Tse Tung and Chiang Kai Shek are still alive and they both have proved to be very sturdy people. So I just hope that we won't develop a premature euphoria so that we sort of lose hope. We must stay with it over a long period of time.

Mr. BRADEMAS. I want to ask you both for a comment on another subject to which you've referred. The House of Representatives has passed by only five votes a bill providing foreign aid to poor countries of the world. Mr. Childs, do we still need a foreign aid program, and, if so, what kind?

FOREIGN AID NEEDED, BUT NOT IN PRESENT FORM

Mr. CHILDS. I think we need a foreign aid program, but I'm not sure we need it in the form it's in today. But I've talked about this a great deal with people concerned with this, World Bank people and others, and the fact is, I think, we can't go on with six percent of the population of the world using 37% of the world's resources. How you strike a balance, how you correct the present imbalance, I don't know, but it seems to me that the AID program has been so abused over the years—increasingly it's military aid and we ship these very advanced weapons to countries where poverty exists on such a large scale—but I just think that we cannot turn foreign aid off entirely. I frankly, from what I've heard around the Hill and elsewhere, am amazed that the bill passed at all. I think five votes was a pretty good margin.

Mr. BRADEMAS. Mr. Secretary, what do you think about this?

Mr. RUSK. Well, I'm convinced that we cannot sit here as a voracious economy, with a trillion dollar a year gross national product, calling upon the rest of the world for tons of billions of vital resources which we need and asking them to take tons of billions of our products and our markets to pay for it and be indifferent to their desperate problem of economic and social development. It seems to me that, in the first place, we won't get away with it because were we to try, we would find increasing efforts by the developing countries to put their heads together and do some collective bargaining with us on the terms of trade. We're already seeing that among the oil countries on the Perian Gulf, and that idea is going to spread, so that I think that you gentlemen in Congress must make a determination on what is a reasonable amount.

CHANNEL FOREIGN AID THROUGH INTERNATIONAL AGENCIES

I am also inclined to channel a significant part of our foreign aid through international agencies. They are rather hard-headed and practical, almost cynical even. An international agency like the World Bank can be much more rigorous in demanding performance by the receiving country in terms of getting your money's worth than the United States Government can in purely bilateral relationships because of the political problems involved. An international agency isn't involved with those same political problems.

But you ask in what direction should our aid be directed? I would say in those directions we found in our own experience in developing our own country. Within my lifetime we found most productive public health, education, anything involved with increasing productivity. In starting at the base and be a little more reluctanct to get into prestige items such as a big steel mill for every little country, an airline for every little country, things of that sort.

So I think the present legislation is in the right direction.

Mr. BRADEMAS. Mr. Childs, I was brought up to believe that bipartisanship in foreign policy was a good thing, but what do you say to the proposition that we might not have got into the Vietnam war, for example, if there had been much more vigorous criticism of the Presidents in the earlier days of our involvement, more partisan criticism, if you will?

CONGRESS SHOULD BE IN ON THE TAKE-OFFS AS WELL AS THE CRASH LANDINGS

Mr. CHILDS. I think probably that's one of the reasons we got sunk so deep into it. You just had people sort of go along. I think bipartisanship has become a sort of passive acceptance of whatever a powerful Administration wants to do. I go back to the days of Senator Arthur Vandenberg when he used that expression, "We want to be on the take-off as well as the crash landings."

And I think this has been part of the tragedy of our time that Congress hasn't been in. The Congress has just sort of passively gone along. They've occasionally, and especially in the last two or three years, tried to stop appropriations, but that isn't a very effective way. In fact, I don't know of any effective way, really.

Mr. BRADEMAS. I was about to ask the Secretary if he could tell us what he thinks is an effective role for Congress in the field of foreign policy and especially for the House of Representatives.

Mr. RUSK. Well, I could get into a little bit of debate with Mark Childs on some of the remarks he just made because the problem is not what Senator Vandenberg called "the take-off." After all, only one Senator voted against the SEATO treaty. You've got a bill that is still in existence called the Captive Nations Resolution, which calls for the liberation of all these countries. That bill was passed in 1959 calling for Captive Nations Week every year. Only two Members of the entire Congress voted against the Tonkin Gulf resolution.

In general, the problem is not at the take-off. Most people were pretty gung-ho at that point; the problem is what happens later when people get out on the wings and start chopping off the wings with axes to insure a crash landing. And it is the problem of changes of mind. Now, I respect changes of mind because when you are in international negotiations you change your mind every week. But I think that's the problem, what happens at the very beginning.

Mr. CHILDS. I'd live to put in one note about that Tonkin Gulf Resolution. We seem to have had considerable reason to believe that the actual incidents that were cited were very doubtful incidents. And that is an understatement.

Mr. RUSK. Wait a minute, Mark. Wait a minute, Mark. There was no debate as far as I know about the first incident.

Mr. CHILDS. The debate came on. Senator Morse and Senator Gruening both took a very active part in that debate after they'd heard about it.

Mr. RUSK. Now, on the second incident, I've never heard any information that has led me to doubt that Hanoi thought there was an attack going on. But I must say, and this is a little self-serving, I won't take up your time, John, but if there's anyone who thinks that when I went in to testify on the Tonkin Gulf resolution that I felt one thing and said another, this is utterly false, utterly false.

WHAT IS THE APPROPRIATE ROLE FOR CONGRESS?

Mr. BRADEMAS. Let me come back to the question that's occupying a lot of us in Congress right now, and that is what is the appropriate role for Congress in foreign policy. The House has just passed a War Powers Bill that seeks to recover for Congress the constitutional right to declare war. I wonder if you could comment on how you see that particular measure, and, more broadly, is there any role for Congress in the field of foreign policy?

Mr. RUSK. Well, there's an enormous role for Congress in foreign policy. I came here hundreds of times to meet with Committees and Subcommittees of the Congress to consult on foreign policy matters. You can't read the Constitution without seeing that. Although the President may have the initiative in the morning, at the end of the day the Congress has the decisive power, if it's willing to exercise it because the President does not have a man or a dollar not provided by the Congress, just to cite one example.

Now I do believe that the House of Representatives ought to assert more initiative and a larger role in foreign policy matters. The advice and consent of the Senate is limited to two questions: the approval of treaties and the approval of certain nominations. On all other matters, the House of Representatives is a coordinate branch with the Senate, and I am glad to see some of these initiatives from the Congress.

WAR POWERS SHOULD BE SPELLED OUT

On the War Powers Bill, I'm fairly relaxed about it because I think it is true that a President cannot submit a significant number of Americans to combat for a significant period without the consent, support, cooperation of both the Congress and the American people so I don't mind seeing this spelled out.

What I would hope, and I haven't seen the text of the latest version of the bill, is that in whatever preliminary time whether it's 60 days or 120 days, the Congress be required to vote, a rollcall vote, up or down, and not exercise a veto through silence.

Mr. BRADEMAS. Mr. Childs, as the Secretary's been talking about the War Powers Bill, I'm moved to a question you may have some comment on. Some of us are concerned that the power of the Department of State in making foreign policy has been declining in recent years under administrations of both parties at the expense, not only of the White House, but of the Department of Defense. What do you think about that?

THE $80 BILLION DEFENSE BUDGET MAKES PRESIDENT HARD TO CONTROL

Mr. CHILDS. Well, you've got a great crew. I ran across some quotes from Dulles the other day saying, suggesting that two Secretaries of State might be necessary: One, a man like Kissinger sitting in the White House—This was pre-Kissinger when he made this remark, of course—Another, a man who administers and carries on policy.

I think there is a very serious erosion. I hear friends of mine in the Department and others talking about the very low state of morale.

On the Defense Department, I was going to say in reference to some of Secretary Rusk's statements, about the War Powers Bill, that when a Commander in Chief has control in effect of the defense budget of $80 billion plus, it's very difficult to put restraints on what he does around the world. Thinking about the country of your family's origin, John, Greece, and the decision to make that a homeport, the Department of Defense does it by fiat, regardless of what seems to me to be a very dangerous political situation in Greece.

Mr. BRADEMAS. You might allow me, gentleman, to ask each of you for a comment on a very brief question. How do you feel about the role of the United States in world affairs? in the next ten years. Pessimistic or optimistic?

Mr. RUSK. Well, I am optimistic because I do believe the human race has the capacity to be rational at the end of the day even though in the early morning, we can all be pretty ridiculous. And I share Harry Truman's great faith in the judgment of the grass roots of the American people and their willingness to do what has to be done if they understand what it is and why. So I must confess that in the long-run, I am an optimist.

Mr. CHILDS. I'm afraid I'm a pessimist. It seems to me that a reading of history is persuasive of the folly of human beings who seem so often to go contrary to what should be their self-interest.

Mr. RUSK. Well, we have passed a long 27 years since a nuclear weapon has been fired, so, cheer up, Mark.

Mr. CHILDS. Weren't you in the middle of a war which involved 535,000 ground troops in Vietnam?

Mr. BRADEMAS. Well, on that note, a degree of difference on the part of our two distinguished visitors, I want to express my appreciation, as I know I express yours, to the former Secretary of State, Mr. Dean Rusk, and to a distinguished American journalist, Mr. Marquis Childs, for having joined us on this addition of "Washington Insight."

ENERGY SCIENCE DEVELOPMENT ACT OF 1973

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida (Mr. GUNTER) is recognized for 5 minutes.

Mr. GUNTER. Mr. Speaker, a series of recent events has forcibly brought home to every American the recognition that the Nation faces a serious energy shortage.

Each of these events has in its own fashion, called into question the present ability of private industry and the Federal Government to deal with this problem.

These developments have included:

A Presidential recommendation for a Department of Energy and Natural Resources headed by an energy czar with Cabinet status.

Cutbacks by the Nation's major petroleum companies, and accusations by the Federal Trade Commission that there is a conspiracy afoot to reap windfall profits by exaggerating the seriousness of an already very serious problem.

And, subsequently, an announcement by the Cost of Living Council of a nationwide investigation of the petroleum industry from the refinery to the gas pump to determine whether prices have been increased illegally.

Little wonder, then, that a recent survey revealed that 77 percent of the American people take the "energy crisis" as a "serious" matter while many respondents expressed the view that "large companies are conspiring to raise prices through scaring the public."

I ask, Mr. Speaker, if the crucial missing point in the debate now raging on the seriousness of the energy problem is not the fact that the Government does not have adequate information upon which to form conclusions and initiate policy?

I say that not only in reference to the current discussions of gas and mineral shortages but in regard to a frightening ignorance of potential alternative sources of energy as well.

Some Members of this House may recall that a couple of decades ago there was within the Interior Department a small but earnest effort to get research and development of alternative energy sources underway, particularly the development of synthetic gases from coal. These programs were killed, however, at the behest of very powerful petroleum interests who did not want to see energy competition developed.

I have just returned from a very encouraging meeting with Soviet officials and scientists who wish to cooperate and, in effect, reopen American exploration into the development of magnetohydrodyamic—MDH—techniques to produce electric power to help alleviate future energy shortages.

This is not being presented by either government as any kind of energy elixir but as one of a wide range of potential sources of energy to meet future demands.

Such research is more than vital, it is imperative. Because there is no way that we can develop enough energy resources to meet the demands that are being projected in the next three decades from existing domestic supplies and foreign sources.

Assurances that there will be adequate energy resources can only come from an all-out Apollo like commitment now to the development of more compatible and more available alternatives. In addition to goal gasification and liquefaction, these include development of solar and wind power, use of the ocean's and the Earth's heat differentials to produce power through sea thermal gradients and geothermal heat and exploration of other potential sources as yet unknown and untapped.

This is an ambitious undertaking. It calls for nothing less than a coherent national program of energy research and development.

Today, my distinguished colleague from Ohio, CHARLES A. VANIK and I, are introducing a comprehensive energy research and development bill entitled the Energy Science Development Act of 1973.

Its purpose is clear—to catalog a total inventory of mineral fuel deposits in America, to make more economical use of present energy resources, and to develop alternative sources.

The act would establish a five-member Energy Research and Development Commission with the responsibility of promulgating a national policy of energy research and development.

The collection of information on mineral fuel deposits would become the function of a Research Data Base within the National Science Foundation. No longer would the Nation be misled by the estimates of oil and gas companies which instigated this summer's petroleum panic.

The Energy Research and Development Commission would publish semimonthly newsletters announcing grants as well as research developments. And there would be complete public access to the information and developments resulting from the expenditure of public funds.

This legislation should also solve some of the problems inherent in other energy research proposals submitted to the Congress. It creates an autonomous body to carry out in a sensible manner a job that at present is scattered and diffused among various departments and agencies.

Most important, it provides for the creation of a rational energy research policy which does not currently exist.

The Commission would be established in lieu of the Energy Research and Development Agency as outlined by the President in his most recent energy message proposing the creation of a Department of Energy and Natural Resources.

We favor an autonomous Commission, appointed by the President with the advice and consent of the Senate, because in an area so vital to the future economy of the Nation we believe the Congress must exercise some control. The Commission, therefore, is specifically required to submit an annual report to the legislative bodies.

Mr. Speaker, as a member of the Energy Subcommittee of the House Science and Astronautics Committee, I am confident after much thought and deliberation that the course Mr. VANIK and I are pursuing is the right way to proceed in the stimulation of energy research.

JEANNETTE RANKIN, A GREAT AMERICAN WOMAN

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from New York (Ms. ABZUG) is recognized for 5 minutes.

Ms. ABZUG. Mr. Speaker, in memory of the late Jeannette Rankin, the first woman to be elected to the House of Representatives, I am introducing, with 37 of my colleagues, a bill today asking that the Postal Service issue a Jeannette Rankin stamp, to commemorate her long and useful life.

A former social worker, Jeannette Rankin was sensitive to the inadequate social laws affecting women and children. She was a leader in the suffragist movement in the early 1900's and was the first woman to speak before the Montana Legislature. As a result of her efforts, a law was passed giving Montana women the right to vote 6 years before the constitutional amendment.

Campaigning as a Theodore Roosevelt progressive, Ms. Rankin was elected to the House of Representatives in 1916. While in Congress, she stood out on many issues including national women's suffrage, child welfare, tariff revision and protection of workers. Jeannette Rankin was also the only Member of Congress to vote against U.S. involvement in both World Wars.

Ms. Rankin introduced bills to give women U.S. citizenship rights independent of their husbands. She dared to step outside the "woman's place" and did what she felt was right. Recently she said:

> If I had my life to live over again, I would do it all again, but this time I would be nastier.

Throughout her life she continued to work for an alternative, writing letters, making speeches, organizing citizens to work against war and discrimination. Whether or not one agrees, one must respect the consistency of her lifelong conviction that violence has never solved human disagreements.

Jeannette Rankin has been a source of strength and inspiration to all of us and will be sorely missed. In this year of rising awareness of women's contribution to society, I feel that it is particularly appropriate to honor this American woman's achievement and influence on a commemorative postage stamp. The text of the bill and list of cosponsors follows:

H.R. 9776

A bill to provide for the issuance of a special postage stamp in commemoration of the life and work of Jeannette Rankin.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Postmaster General is authorized and directed to issue, during calendar year 1973, a special postage stamp in commemoration of the life and work of Jeannette Rankin, the first woman to be elected to the House of Representatives, and a longtime advocate of peace.

LIST OF 36 COSPONSORS

Mr. Addabbo, Mr. Badillo, Ms. Burke of California, Ms. Chisholm, Mr. Conyers, Mr. Corman, Mr. Dellums, Mr. Derwinski, Mr. Edwards of California, Mr. Fraser, Mr. Frenzel, Mr. Gilman, Mrs. Green of Oregon, Mr. Hammerschmidt, Mr. Hansen of Idaho, Mr. Harrington, Ms. Heckler, Mrs. Holt, Ms. Holtzman, Mr. Hungate, Mr. Melcher, Mr. Metcalfe, Ms. Mink, Mr. Pepper, Mr. Rees, Mr. Reid, Mr. Roe, Mr. Rose, Mr. Rosenthal, Ms. Schroeder, Mr. Shoup, Mr. Smith of New York, Mr. Stark, Mrs. Sullivan, Mr. Symington, Mr. Waldie, and Mr. Wydler.

SUPREME COURT RULING ON STAY OF CAMBODIA BOMBING INJUNCTION

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from New York (Ms. HOLTZMAN) is recognized for 15 minutes.

Ms. HOLTZMAN. Mr. Speaker, as my colleagues know, in a historic decision Judge Orrin G. Judd declared last Wednesday in my lawsuit that our Cambodian bombing is unconstitutional because the President failed to seek prior congressional approval. Judge Judd issued an order to enjoin the bombing permanently. However, he also issued a 48-hour self executing stay to allow the Government an opportunity to appeal the decision to the U.S. Court of Appeals for the Second Circuit.

Last Friday on July 27, the Government asked the Court of Appeals to extend the trial judge's stay of the injunction until the second circuit hears the case on the merits.

The second circuit granted the Government's motion and ordered a stay of the injunction until August 13, 1973, the date originally scheduled by the Court of Appeals for the hearing.

I immediately appealed this ruling to Justice Thurgood Marshall, the Supreme Court Justice assigned to oversee proceedings in the second circuit. On Monday, there was a hearing on our motion to vacate the second circuit's stay in the Justice's Chambers. Today, we have received Justice Marshall's decision denying our motion to vacate.

I want to emphasize that this is not a ruling on the merits of our suit. It is merely a procedural decision relating to whether or not the injunction will become effective prior to a determination of the merits by the second circuit.

Of course, I am disappointed by Justice Marshall's ruling to uphold the stay of the District Court's injunction against the bombing in Cambodia.

I am, however, extremely heartened by the statements in Justice Marshall's opinion about the issues we raised in this lawsuit. Our lawsuit against the bombing was based on our contention that Congress had not authorized any bombing in Cambodia and that the President's actions were therefore unconstitutional. In his decision of today Mr. Justice Marshall explicitly stated:

> A fair reading of Congress' actions may well indicate that—it has never given its approval to the war except to the extent it was necessary to extricate American troops and prisoners from Vietnam.

He also indicated that in directing that all bombing cease on August 15, Congress did not approve bombing prior to that date.

Although Mr. Justice Marshall's refusal to vacate the stay was premised on his reluctance to act on such a momentous matter as a single member of the nine-man Supreme Court, we cannot find in his decision any disapproval of our constitutional position. In fact, Mr. Justice Marshall emphatically stated:

> Thus, if the decision were mine alone I might well conclude on the merits that continued military operations in Cambodia are unconstitutional.

He also stated:

> When the final history of the Cambodia war is written, it is unlikely to make pleasant reading. The decision to send American troops "to distant lands to die of foreign fevers and foreign shot and shell," . . . may ultimately be adjudged to have not only been unwise but also unlawful.

Because, as Mr. Justice Marshall noted, continued bombing is going to involve the risk and possible loss of untold American and Cambodian lives, we will continue to press for an immediate halt to the bombing.

Accordingly we are preparing today to make an application to other members of the Supreme Court of the United States to exert their authority to restore the District Court's injunction pending appeal.

In addition, the Court of Appeals for the Second Circuit has granted our application for an accelerated hearing on the Government's appeal of the District Court's decision. The present date for the appeal is now August 8.

It is reassuring to me, to the three Air Force fliers who have joined me in bringing this suit, and to the American people to hear from a Justice of the U.S. Supreme Court that our President's unilateral Cambodian bombing policy may well be unconstitutional and that the issues we raise are of the "highest importance."

For the benefit of my colleagues I would like to introduce the full text of Justice Marshall's decision into the CONGRESSIONAL RECORD.

[Supreme Court of the United States, No. A–150]

ELIZABETH HOLTZMAN ET AL., V. JAMES R. SCHLESINGER

[August 1, 1973]

On Application to Vacate Stay.

Mr. Justice Marshall, Circuit Justice.

This case is before me on an application to vacate a stay entered by a three-judge panel of the United States Court of Appeals for the Second Circuit. Petitioners, a Congresswoman from New York and several air force officers serving in Asia, brought this action to enjoin continued United States air operations over Cambodia. They argue that such military activity has not been authorized by Congress and that, absent such authorization, it violates Article I, § 8, cl. 11 of the Constitution.[1] The United States District Court agreed and, on petitioners' motion for summary judgment, permanently enjoined respondents, the Secretary of Defense, the Acting Secretary of the Air Force, and the Deputy Secretary of Defense, from "participating in any way in military activities in or over Cambodia or releasing any bombs which may fall in Cambodia." However, the effective date of the injunction was delayed until July 27, 1973, in order to give respondents an opportunity to apply to the Court of Appeals for a stay pending appeal. Respondents promptly applied for such a

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Footnotes at end of article.

stay, and the application was granted, without opinion, on July 27.[2] Petitioners then filed this motion to vacate the stay. For the reasons stated below, I am unable to say that the Court of Appeals abused its discretion in staying the District Court's order.

I

Since the facts of this dispute are on the public record and have been exhaustively canvassed in the District Court's opinion, it would serve no purpose to repeat them in detail here. It suffices to note that publicly acknowledged United States involvement in the Cambodian hostilities began with the President's announcement on April 30, 1970,[3] that this country was launching attacks "to clean out major enemy sanctuaries on the Cambodian-Vietnam border,"[4] and that American military action in that country has since met with gradually increasing congressional resistance.

Although United States ground troops had been withdrawn from the Cambodian theater by June 30, 1970, in the summer of that year, Congress enacted the so-called Fulbright Proviso prohibiting the use of funds for military support to Cambodia.[5] The following winter, Congress reenacted the same limitation with the added proviso that "nothing contained in this section shall be construed to prohibit support of actions required to insure the safe and orderly withdrawal or disengagement of U.S. Forces from Southeast Asia, or to aid in the release of Americans held prisoners of war." 84 Stat. 2037. These provisions have been attached to every subsequent military appropriations act.[6] Moreover, in the Special Foreign Assistance Act of 1971, Congress prohibited the use of funds to support American ground combat troops in Cambodia under any circumstances and expressly provided that "[m]ilitary and economic assistance provided by the United States to Cambodia . . . shall not be construed as a commitment by the United States to Cambodia for its defense."[7]

Congressional efforts to end American air activities in Cambodia intensified after the withdrawal of American ground troops from Vietnam and the return of American prisoners of war. On May 10, 1973, the House of Representatives refused an administration request to authorize the transfer of $175 million to cover the costs of the Cambodian bombing. See 119 Cong. Rec. pp. 15286, 15316–15317 (May 10, 1973). Shortly thereafter, both Houses of Congress adopted the so-called Eagleton Amendment prohibiting the use of any funds for Cambodian combat operations.[8] Although this provision was vetoed by the President, an amendment to the Continuing Appropriations Resolution was ultimately adopted and signed by the President into law which stated:

"Notwithstanding any other provision of law, on or after August 15, 1973, no funds herein or heretofore appropriated may be obligated or expended to finance directly or indirectly combat activities by United States military forces in or over or from off the shores of North Vietnam, South Vietnam, Laos or Cambodia." H.J. Res. 636, The Joint Resolution Continuing Appropriaions for Fiscal 1974, Pub. L. 93–52.[9]

II

Specifically, they argue that the President is constitutionally disabled in nonemergency situations from exercising the warmaking power in the absence of some affirmative action by Congress. See, *e.g.*, *Bas* v. *Tingy*, 4 Dall. 37 (1800); *Talbot* v. *Seeman*, 1 Cranch (1801); *Mitchell* v. *Laird*, —— U.S. App. D.C. ——, 476, F. 2d 533, 537–538 (1973); *Orlando* v. *Laird*, 443 F. 2d 1039, 1042 (CA2 1971). Cf. *Youngstown Sheet & Tube Co.* v. *Sawyer*, 343 U.S. 579 (1952). In light of the Fulbright Proviso, petitioners take the position that Congress has never given its assent for military activity in Cambodia once American ground troops and prisoners of war were extricated from Vietnam.

With the case in this posture, however, it is not for me to resolve definitively the validity of petitioners' legal claims. Rather, the only issue now ripe for decision is whether the stay ordered by the Court of Appeals should be vacated. There is, to be sure, no doubt that I have the power, as a single Circuit Justice, to dissolve the stay. See *Meredith* v. *Fair*, 83 S. Ct. 10 (1962) (Black J., Circuit Justice); 28 U.S.C. §§ 1651, 2101(f). But at the same time, the cases make clear that this power should be exercised with the greatest of caution and should be reserved for exceptional circumstances. Cf. *Aberdeen & Rockfish Railroad Co.* v. *Students Challenging Regulatory Agency Procedures*, 409 U.S. 1207, 1218 (1972) (BURGER, C. J., Circuit Justice).

Unfortunately, once these broad propositions are recognized, the prior cases offer little assistance in resolving this issue, which is largely *sui generis*. There are, of course, many cases suggesting that a Circuit Justice should "balance the equities" when ruling on stay applications and determine on which side the risk of irreparable injury weighs most heavily. See, *e.g.*, *Long Beach Federal Sav. & Loan Assn.* v. *Federal Home Loan Bank*, 76 S. Ct. 32 (1955) (DOUGLAS, J., Circuit Justice); *Board of Educ.* v. *Taylor*, 82 S. Ct. 10 (BRENNAN, J., Circuit Justice). *Socialist Labor Party* v. *Rhodes*, 89 S. Ct. 3 (1968) (STEWART, J., Circuit Justice).

But in this case, the problems inherent in attempting to strike an equitable balance between the parties are virtually insurmountable. On the one hand, petitioners assert that if the stay is not vacated, the lives of thousands of Americans and Cambodians will be endangered by the Executive's arguably unconstitutional conduct. Petitioners argue, not implausibly, that if the stay is not vacated, American pilots will be killed or captured, Cambodian civilians will be made refugees, and the property of innocent bystanders will be destroyed.

Yet on the other hand, respondents argue that if the bombing is summarily halted, important foreign policy goals of our government will be severely hampered. Some may greet with considerable skepticism the claim that vital security interests of our country rest on whether the Air Force is permitted to continue bombing for a few more days, particularly in light of respondents' failure to produce affidavits from any responsible government official asserting that such irreparable injury will occur.[10] But it cannot be denied that the assessment of such injury poses the most sensitive of problems, about which Justices of this Court have little or no information or expertise. While we have undoubted authority to judge the legality of executive action, we are on treacherous ground indeed when we attempt judgments as to its wisdom or necessity.[11]

The other standards utilized for determining the propriety of a stay are similarly inconclusive. Opinions by Justices of this Court have frequently stated that lower court decisions should be stayed where it is likely that four Members of this Court would vote to grant a writ of certiorari. See, *e. g.*, *Edwards* v. *New York*, 76 S. Ct. 1058 (1956) (Harlan, J., Circuit Justice); *Appalachian Power Co.* v. *American Institute of C. P. A.*, 80 S. Ct. 16 (1959) (BRENNAN, J., Circuit Justice); *English* v. *Cunningham*, 80 S. Ct. 18 (1959) (Frankfurter, J., Circuit Justice). But to some extent, at least, this standard reflects a desire to maintain the status quo in those cases which the Court is likely to hear on the merits. See, *e. g.*, *In re Bart*, 82 S. Ct. 675 (1962) (Warren, C. J., Circuit Justice); *McGee* v. *Eyman*, 83 S. Ct. 230 (1962) (DOUGLAS, J., Circuit Justice). This case is unusual in that regardless of what action I take, it will likely be impossible to preserve this controversy in its present form for ultimate review by this Court. Cf. *O'Brien* v. *Brown*, 401 U.S. 1, 9–10 (1972) (MARSHALL, J., dissenting). On August 15, the statutory ban on Southeast Asian military activity will take effect, and the contours of this dispute will then be irrevocably altered. Hence, it is difficult to justify a stay for purpose of preserving the status quo, since no action by this Court can freeze the issues in their present form.[12]

To some extent, as well, the "four-vote" rule reflects the policy in favor of granting a stay only when the losing party presents substantial contentions which are likely to prevail on the merits. See, *e. g.*, *O'Brien* v. *Brown*, *supra*; *Rosenberg* v. *United States*, 346 U. S. 273 (DOUGLAS, J. Circuit Justice); *Railway Express Agency* v. *United States*; 82 S. Ct. 466 (1962) (Harlan, J., Circuit Justice); *Atlantic Coast Line R. Co.* v. *Brotherhood of Locomotive Engineers*, 396 U. S. 1201 (1969) (Black, J., Circuit Justice). In my judgment, petitioners' contentions in this case are far from frivolous and may well ultimately prevail. Although tactical decisions as to the conduct of an ongoing war may present political questions which the federal courts lack jurisdiction to decide, see, *e. g.*, *DaCosta* v. *Laird*, 471 F. 2d 1146 (CA2 1973), and although the courts may lack the power to dictate the form which congressional assent to warmaking must take, see *e. g.*, *Massachusetts* v. *Laird*, 451 F. 2d 26 (CA1 1971); *Mitchell* v. *Laird*, —— U. S. App. D. C. ——, 476 F. 2d 533 (1973), there is a respectable and growing body of lower court opinion holding that Art. I, § 8, cl. 11, imposes some judicially managable standards as to congressional authorization for warmaking, and that these standards are sufficient to make controversies, concerning them justiciable. See *Mitchell* v. *Laird*, *supra*; *DaCosta* v. *Laird*, *supra*; *Orlando* v. *Laird*, 443 F. 2d 1039 (CA2 1971); *Berk* v. *Laird*, 429 F. 2d 302 (CA2 1970).

Similarly, as a matter of substantive constitutional law, it seems likely that the President may not wage war without some form of congressional approval—except, perhaps in the case of a pressing emergency or when the President is in the process of extricating himself from a war which Congress once authorized. At the very beginning of our history, Mr. Chief Justice Marshall wrote for a unanimous Court that

"The whole powers of war being, by the Constitution of the United States, vested in Congress, the acts of that body can alone be resorted to as our guide in this inquiry. It is not denied . . . that Congress may authorize general hostilities, in which case the general laws of war apply in our situation, or partial hostilities, in which case the laws of war, so far as they may actually apply to our situation, must be noticed." *Talbot* v. *Seeman*, 1 Cranch 1, 18 (1801).

In my judgment, nothing in the 172 years since those words were written alter that fundamental constitutional postulate. Cf. *Youngstown Sheet & Tube Co.* v. *Sawyer*, 343 U. S. 579 (1952).

A fair reading of Congress' actions concerning the war in Cambodia may well indicate that the legislature has authorized only "partial hostilities"—that it has never given its approval to the war except to the extent that it was necessary to extricate American troops and prisoners from Vietnam. Certainly, this seems to be the thrust of the Fulbright Proviso.[13] Moreover, this Court could easily conclude that after the Paris Peace Accords, the Cambodian bombing is no longer justifiable as an extension of the war which Congress did authorize and that the bombing is not required by the type of pressing emer-

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Footnotes at end of article.

gency which necessitates immediate presidential response.

Thus, if the decision were mine alone, I might well conclude on the merits that continued American military operations in Cambodia are unconstitutional. But the Supreme Court is a collegial institution, and its decisions reflect the views of a majority of the sitting Justices. It follows that when I sit in my capacity as a Circuit Justice, I act not for myself alone but as a surrogate for the entire Court, from whence my ultimate authority in these matters derives. A Circuit Justice therefore bears a heavy responsibility to conscientiously reflect the views of his Brethren as best he perceives them, cf. *Meridith* v. *Fair*, 83 S. Ct. 10, 11 (1962) (Black, J., Circuit Justice), and this responsibility is particularly pressing when, as now, the Court is not in session.

When the problem is viewed from this perspective, it is immeasurably complicated. It must be recognized that we are writing on an almost entirely clean slate in this area. The stark fact is that although there have been numerous lower court decisions concerning the legality of the War in Southeast Asia, this Court has never considered the problem, and it cannot be doubted that the issues posed are immensely important and complex. The problem is further complicated by the July 1, 1973, Amendment to the Continuing Appropriations Resolution providing that "on or after August 15, 1973, no funds herein or heretofore appropriated may be obligated or expended to finance directly or indirectly combat activities by United States Military forces in or over or from all the Shores of North Vietnam, South Vietnam, Laos or Cambodia." This, it is urged, is the crux of this case and there is neither precedent nor guidelines toward any definitive conclusion as to whether this is or is not sufficient to order the bombings to be halted prior to August 15.

Lurking in this suit are questions of standing, judicial competence, and substantive constitutional law which go to the roots of the division of power in a constitutional democracy. These are the sort of issues which should not be decided precipitously or without the benefit of proper consultation. It should be noted, moreover, that since the stay below was granted in respondents' favor, the issue here is not whether there is some possibility that petitioners will prevail on the merits, but rather whether there is some possibility that respondents will so prevail. In light of the uncharted and complex nature of the problem, I am unwilling to say that that possibility is nonexistent.

Finally, it is significant that although I cannot know with certainty what conclusion my Brethren would reach, I do have the views of a distinguished panel of the Court of Appeals before me. That panel carefully considered the issues presented and unanimously concluded that a stay was appropriate. Its decision, taken in aid of its own jurisdiction, is entitled to great weight. See, *e. g., United States ex rel. Knauff* v. *McGrath* (Jackson, J., Circuit Justice) (unreported opinion); *Breswick & Co.* v. *United States*, 75 S. Ct. 912 (1955) (Harlan, J., Circuit Justice). In light of the complexity and importance of the issues posed, I cannot say that the Court of Appeals abused its discretion.

When the final history of the Cambodian War is written, it is unlikely to make pleasant reading. The decision to send American troops "to distant lands to die of foreign fevers and foreign shot and shell," *New York Times* v. *United States*, 403 U.S. 713, 717 (1972) (Black, J., concurring), may ultimately be adjudged to have not only been unwise but also unlawful.

But the proper response to an arguably illegal action is not lawlessness by judges charged with interpreting and enforcing the laws. Down that road lies tyranny and repression. We have a government of limited powers, and those limits pertain to the Justices of this Court as well as to Congress and the Executive. Our Constitution assures that the law will ultimately prevail, but it also requires that the law be applied in accordance with lawful procedures.

In staying the judgment of the District Court, the Court of Appeals agreed to hear the appeal on its merits on August 13 and advised petitioners to apply to that panel for an earlier hearing before that date. It is, therefore, clear to me that this highly controversial constitutional question involving the other two branches of this Government must follow the regular appellate procedures on the accelerated schedule as suggested by the Court of Appeals.

In my judgment, I would exceed my legal authority were I, acting alone, to grant this application. The application to vacate the stay entered below must therefore be

Denied.

FOOTNOTES

[1] Article I, § 8, cl. 11 provides: "The Congress shall have power . . . To declare War, grant Letters of Marque and Reprisal, and make Rules concerning Captures on Land and Water."

[2] At the same time, the Court of Appeals ordered an expedited briefing schedule and directed that the appeal be heard on August 13. In the course of oral argument on the stay, Acting Chief Judge Feinberg noted that either side could submit a motion to further advance the date of argument. Counsel for petitioners indicated during argument before me that he intends to file such a motion promptly. Moreover, the Solicitor General has made representations that respondents will not oppose the motion and that, if it is granted, the case could be heard by the middle of next week. This case poses issues of the highest importance, and it is, of course, in the public interest that those issues be resolved as expeditiously as possible.

[3] It appears, however, that covert American activity substantially predated the President's April 30 announcement. See, *e.g.*, of the New York Times, July 15, 1973, at 1, col. 1 ("Cambodian Raids Reported Hidden before '70 Foray.")

[4] The Situation in Southeast Asia, 6 Presidential Documents 596, 598.

[5] The Fulbright Proviso states:

"Nothing [herein] shall be construed as authorizing the use of any such funds to support Vietnamese or other free world forces in actions designed to provide military support and assistance to the Government of Cambodia or Laos. 84 Stat. 910.

[6] See 85 Stat. 423; 85 Stat. 716; 86 Stat. 734; 86 Stat. 1184.

[7] 84 Stat. 1943. See also 22 U.S.C. § 2416(g).

[8] The Eagleton amendment provided:

"None of the funds herein appropriated under this Act or heretofore appropriated under any other Act may be expended to support directly or indirectly combat activities in, over or from off the shores of Cambodia, or in or over Laos by United States forces."

[9] The President contemporaneously signed the Second Supplemental Appropriations Act of 1973, Pub L. 93—50, which contained a provision stating that

"[n]one of the funds herein appropriated under this Act may be expended to support directly or indirectly combat activities in or over Cambodia, Laos, North Vietnam and South Vietnam by United States forces, and after August 15, 1973, no other funds heretofore appropriated under any other Act may be expended for such purpose."

[10] While respondents offered to produce testimony at trial by high government officials as to the importance of the bombing, no affidavits by such officials alleging irreparable injury in conjunction with the stay application were offered.

[11] For similar reasons, it would be a formidable task to judge where the public interest lies in this dispute, as courts traditionally do when determining the appropriateness of a stay. See, *e.g., O'Brien* v. *Brown*, 409 U.S. 1, 3 (1972).

[12] I do not mean to suggest that this dispute will necessarily be moot after August 15. That is a question which is not now before me and upon which I express no views. Moreover, even if the August 15 fund cut-off does moot this controversy, petitioners may nonetheless be able to secure a Court of Appeals determination on the merits before August 15. See n. 2, *supra*.

[13] The Solicitor General vigorously argues that by directing that Cambodian operations cease on August 15, Congress implicitly authorized their continuation until that date. But while the issue is not wholly free from doubt, it seems relatively plain from the face of the statute that Congress directed its attention solely to military actions after August 15, while expressing no view on the propriety of on-going operations prior to that date. This conclusion gains plausibility from the remarks of the sponsor of the provision—Senator Fulbright—on the Senate floor:

"The acceptance of an August 15 cut off date should in no way be interpreted as recognition by the committee of the President's authority to engage U.S. forces in hostilities until that date. The view of most members of the committee has been and continues to be that the President does not have such authority in the absence of specific congressional approval." 119 Cong. Rec. p. 22305 (June 29, 1973).

See also *id.*, at p. 22307.

While it is true that some Senators declined to vote for the proposal because of their view that it did implicitly authorize continuation of the war until August 15, see *id.*, at p. 22331 (Remarks of Sen. Eagleton); p. 22309 (remarks of Sen. Bayh); p. 22317 (remarks of Sen. Muskie), it is well established that speeches by opponents of legislation are entitled to relatively little weight in determining the meaning of the act in question.

WIRETAPPING AND ELECTRONIC SURVEILLANCE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Massachusetts (Mr. DRINAN) is recognized for 5 minutes.

Mr. DRINAN. Mr. Speaker, legislatures and courts unsuccessfully have tried to control wiretapping and other electronic surveillance almost since the invention of the telephone. The failure of these efforts to prevent widespread intrusion into individual privacy and abuse of constitutional rights, to keep interception of communications within precise legal bounds, and to prevent the use of interception for political purposes, testifies to the need for legislation creating an absolute prohibition on wiretapping and electronic surveillance.

The bill I introduce today will repeal those sections of the United States Code which authorize wiretapping and electronic surveillance.

HISTORICAL BACKGROUND OF WIRETAPPING

In response to the English colonial practice of general searches by officials granted unfettered discretion, the Founding Fathers adopted the fourth amendment.

The amendment protects individuals' privacy against "unreasonable searches and seizures":

> [N]o warrants shall issue, but upon probable cause . . . and particularly describing the place to be searched, and the persons or things to be seized.

Wiretapping, and efforts to prevent it, began to be reported with the origin of the telephone. Although States sought to restrict wiretapping, they were reluctant to include law enforcement officers in the ban.

Wiretapping first came to the Supreme Court's attention as a constitutional issue in *Olmstead* v. *United States*, 277 U.S. 438 (1928). Olmstead had been convicted of conspiracy to violate the National Prohibition Act on the basis of evidence obtained by Federal agents who tapped Olmstead's phone. The Court held, by a 5 to 4 margin, that telephone conversations were not protected by the fourth amendment because a tap was neither a trespass nor a seizure of something tangible.

Mr. Justice Brandeis, who, together with Mr. Justice Holmes, dissented, argued:

> The makers of our Constitution undertook . . . to protect Americans in their beliefs, their thoughts, their emotions and their sensations. They conferred, as against the Government, the right to be let alone—the most comprehensive of rights and the right most valued by civilized men. To protect that right, every unjustifiable intrusion by the Government upon the privacy of the individual, whatever the means employed, must be deemed a violation of the Fourth Amendment. Olmstead, supra, at 478–79.

In 1934, Congress enacted the Federal Communication Act. Section 605 of that act provided:

> No person not being authorized by the sender shall intercept any communication and divulge or publish the existence, contents, substance, purport, effect or meaning of such intercepted communication to any person . . . 47 U.S.C. Sec. 605.

In *Nardone* v. *United States*, 302 U.S. 379 (1937), the Supreme Court held that section 605 prohibited Federal wiretapping and required the exclusion of evidence obtained by an unlawful tap. However, the Supreme Court declined to extend this holding to State proceedings. *Schwartz* v. *Texas*, 344 U.S. 199 (1952). In *Rathbun* v. *United States*, 355 U.S. 107 (1957), consent by one party to eavesdropping legalized a detective's listening in on an extension phone.

Court decisions distinguished between interceptions resulting from a trespass and nontrespassory interception till the late 1960's. See *Goldman* v. *United States*, 316 U.S. 129 (1942).

Section 605 of the Federal Communication Act was held applicable to the States in 1957, and later evidence obtained from illegal State wiretaps was held inadmissible in State trials. See *Benanti* v. *United States*, 55 U.S. 96 (1957), and *Silverman* v. *United States*, 365 U.S. 505 (1961), respectively.

The Supreme Court repudiated the nontrespassory distinction of Olmstead, supra, and Goldman, supra, in *Katz* v. *United States*, 389 U.S. 347 (1967). The Court said:

> The Government's activities in electronically listening to and recording the petitioner's words violated the privacy upon which he justifiably relied while using the telephone booth and thus constituted a 'search and seizure' within the meaning of the fourth amendment. The fact that the electronic device employed to achieve that end did not happen to penetrate the wall of the booth can have no constitutional significance. Katz, supra, at 353.

While the interception of private communications was clearly brought within the scope of the fourth amendment in criminal cases by Katz, supra, two areas remained unsettled: so-called national security interceptions and cases in which one of the parties to the communication, generally an informer, agreed to the interception.

In early 1940, Attorney General—later Mr. Justice—Jackson announced on the basis of Nardone, supra, that the Government would no longer wiretap. President Roosevelt, however, found the ban inapplicable "to grave matters involving the defense of the Nation." Memorandum from President Roosevelt to Attorney General Jackson, May 21, 1940, printed in the *United States* v. *United States District Court* 407 U.S. 297 (1972). President Roosevelt's authorization was, however, carefully hedged by the requirements that Jackson personally oversee each tap and that he "limit [the taps], insofar as possible to aliens." President Roosevelt said:

> Under normal circumstances wiretapping by Government agents should not be carried on for the excellent reason that it is almost bound to lead to abuse of civil rights.

Despite the President's caution, wiretapping came into common use with the Second World War and the subsequent "red scare."

No successful challenge to the President's claimed right to intercept communications without a warrant on grounds of national security was made until *United States* v. *United States District Court*, 407 U.S. 297 (1972). In that case, the Supreme Court held that in matters of domestic security, at least, the fourth amendment applied and a warrant was necessary to authorize a wiretap.

In contrast to the Court's increasing willingness to subject pure interceptions to the fourth amendment, the Supreme Court has continued to hold Constitutional the use of informers wired for sound. *United States* v. *White*, 401 U.S. 745 (1971).

Congress sought to codify protections against invasions of privacy through the interception of private communications, while establishing a judicially controlled process for authorizing use of electronic surveillance in specified cases. The restrictions appeared in the Omnibus Crime Control and Safe Streets Act of 1968. Title III prohibits the interception of private communications except under court order in specified criminal areas. The act left unsettled the question of so-called national security interceptions, which the Supreme Court has only partially resolved.

NEED FOR ANTIBUGGING LEGISLATION

Mr. Speaker, wiretapping cannot survive the test of the fourth amendment. The fourth amendment lays the foundation of our right to privacy "against unreasonable searches and seizures." Before the Government can intrude on an individual's privacy and conduct a search, a warrant must issue "particularly describing the place to be searched, and the persons or things to be seized." Wiretapping cannot pass that test: the things to be seized cannot be particularly described. While I concede that where probable cause exists, seizure of a particular conversation would not appear unreasonable on its face, wiretapping is by its nature not particular. It is, of necessity, all-hearing. In its dragnet are caught innocent and suspect alike. The fact that particularity cannot be achieved gives to any warrant purporting to authorize such a seizure the character of a general warrant, the oppressive effects of which the men who won our independence sought to prevent by adopting the fourth amendment. Wiretapping must, therefore, be considered repugnant to the Constitution.

Wiretapping also frustrates the underlying rationale of the fourth amendment: protection of privacy. There is a tendency to forget that wiretapping does not merely cause criminals to run the risk of having their conversations overheard. It subjects all of us to the risk of unknown eavesdroppers prying into our personal lives and business.

Even were the repugnance of wiretapping to the Constitution is not so clear, our experience with the evil of the practice of wiretapping should convince us that it cannot be reconciled with the right to privacy and liberty of Americans. In the Omnibus Crime Control and Safe Streets Act of 1968, Congress tried to carefully define areas in which wiretapping would be permissible and prescribed judicial procedures for instituting wiretapping. The law has not had a restraining influence on wiretapping, which has achieved epidemic proportions.

The number of authorized wiretaps since the last half of 1968, when the Omnibus Crime Control and Safe Streets Act took effect, increased by almost 250 percent in 1972; Federal wiretaps increased from none in the last year of the Johnson administration to 206 in 1972. Since 1968, only six applications to wiretap have been refused. The number of conversations intercepted by wiretaps increased over 400 percent up from approximately 63,000 in the last half of 1968 to some 513,000 in 1972. The costs of wiretapping are also skyrocketing, even though reported data understate the cost by ignoring the cost of the time of the courts and of Government officials and lawyers. In 4½ years, costs have increased by over 1,000 percent—$200,000 in 1968 to more than $4,500,000 in 1972.

Shocking as these statistics are, they do not reveal the full extent or cost of wiretapping, since warrantless wiretapping is not reported. According to then Attorney General John Mitchell, in a June 11, 1971, address to the Virginia Bar Association:

> It is our position that compelling considerations exist when the President, acting through the Attorney General, has determined that a particular surveillance is necessary to protect the national security and that under these circumstances the warrant requirement does not apply.

Mr. Emanuel Celler, my distinguished and former colleague, properly predicted that the Nation was headed toward a police state under such a policy. The Nixon administration's permissive attitude toward wiretapping and its abuse of Americans' constitutional liberties is demonstrated by the then Attorney General Mitchell's playing fast and loose with the truth about wiretapping. In 1969, Mr. Mitchell sought to relieve uneasiness about wiretapping by describing the care with which each case was considered. According to Mr. Mitchell, he "insisted that each application and full supporting papers be personally presented to me for my evaluation." Quoted in Elliff, Crime, Dissent and the Attorney General 68—1971. These assurances were demonstrated to be false when many 1969 and 1970 court orders for wiretapping were found illegal because it was discovered that despite the presence of both Mr. Mitchell's initials and then Assistant Attorney General Will Wilson's signature, the initials and signature were made by deputies—neither man had ever seen the applications.

In 1970, President Nixon approved a plan for widespread Government lawlessness. My colleague from California, Congressman McCLOSKEY, has informed this House that the President "deliberately elected to authorize the violation of the rights protected by the fourth amendment after carefully considering the fact that the actions he was authorizing were illegal. The recommendations the President received and considered before authorizing illegal conduct were explicit in defining the illegality involved." The 1970 domestic intelligence plan called for increased wiretapping of U.S. citizens, intensive electronic surveillance, illegal opening of mail, and illegal, surreptitious entry, that is, burglary.

It is easy to see, Mr. Speaker, how easily wiretapping lends itself to base aims, how easy Government access to such insidious means of gathering information contributes to an attitude of mind which is not content to conduct its activities within legal or constitutional bounds.

Mr. Justice Brandeis reminded us that—

> Those who won our independence by revolution were not cowards. They did not fear political change. They did not exalt order at the cost of liberty. *Whitney v. California*, (Concurring Opinion), 274 U.S. 357, 377 (1927).

What conclusions are we to draw of men who are so fearful that they disbelieve CIA reports that domestic dissent has no significant ties to foreign foes, who plan systematic and pervasive violations of our liberties, and who resort to breaking in to the headquarters of their political opponents and then try to prevent discovery of their involvement by hiding behind claims of "national security" and "Executive privilege"?

The facts which have come to the surface about the abuses of wiretapping, require an absolute prohibition of wiretapping. The prohibition is based on wiretapping's inescapable constitutional infirmity and repugnance to a free society.

The Omnibus Crime Control and Safe Streets Act of 1968 also contains prohibitions permitting the recording of wire or oral communications without the consent of all the parties to the communication. This so-called consensual bugging where one party to a conversation, often an informer, is wired for sound and either records or transmits a verbatim record of his conservation with the victim of this exercise.

In these cases, no problems of the particularity of description of the person or thing to be seized is raised. But the practice of third-party bugging strikes at the root of our right to privacy. Mr. Justice Harlan in his dissent to *United States* v. *White*, 407 U.S. 297 at 787 (1971), discussed this question incisively:

> The impact of the practice of third-party bugging, must, I think, be considered such as to undermine that confidence and sense of security in dealing with one another that is characteristic of individual relationships between citizens in a free society.
>
> Authority is hardly required to support the proposition that words would be measured a good deal more carefully and communication inhibited if one expected his conversations were being transmitted and transcribed. Were third-party bugging a prevalent practice, it might well smother that spontaneity—reflected in frivolous, impetuous, sacreligious, and defiant discourse—that liberates daily life. Much off-hand exchange is easily forgotten and one may count on the obscurity of his remarks, protected by the very fact of a limited audience, and the likelihood that the listener will either overlook or forget what is said, as well as the listener's inability to reformulate a conversation without having to contend with a document record. All these values are sacrificed by a rule of law that permits official monitoring of private discourse limited only by the need to locate a willing assistant.

For these reasons, Mr. Speaker, I today introduce a bill to repeal those sections authorizing wiretaps and electronic surveillance embodied in title 18 of the United States Code. At a time when actions by and in the name of those in authority in our Government cause our citizens to wonder whether their Government respects their constitutional liberties, it is my hope that my fellow Members will join me in emphatically stating that we will put an end to the pernicious practice of subjecting Americans to wiretapping and electronic surveillance in gross violation of their right to privacy.

ARMS SALES REPORTS TO CONGRESS

(Mr. BINGHAM asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. BINGHAM. Mr. Speaker, during House consideration last week of the Mutual Development and Cooperation Act of 1973, I introduced an amendment designed to give Congress a greater opportunity to monitor and, if necessary, directly to influence arms sales under the Foreign Military Sales Act—FMS. That amendment was not approved, mainly, I think, because of its complexity and the limited time available for its consideration.

In order to stimulate further consideration of this proposal, I am today introducing it as separate legislation.

Mr. Speaker, under existing law, estimates of government-to-government arms sales for cash, and estimates of such sales on credit, are required to be provided to Congress at the beginning of each fiscal year. They are provided on a country-by-country basis. In the case of cash sales, these estimates are classified. In the case of credit sales, they are public.

But Congress receives no notification of specific arms sales—regardless of their size or foreign policy implications. Congress is not even notified of specific sales which might exceed the annual estimate for a particular country.

Lest anyone suppose that the estimates are not exceeded, I submit for publication at this point in the RECORD tables showing arms sales estimates compared with actual sales for each fiscal year since 1968, when the annual estimates were first required by law. The tables cover total sales, and sales to selected countries. They show that for all countries, cash sales exceeded the estimates provided to Congress in every year except 1968. Actual cash sales exceeded the estimates by as much as 186 percent—in 1972. Credit sales have not significantly exceeded estimates, probably because they are subject to a specific legal limit which does not apply to cash sales.

TABLE 1.—ALL COUNTRIES

[In millions of dollars]

	FMS cash sales		FMS credit sales	
	Estimated (beginning of fiscal year)	Actual (end of fiscal year)	Estimated (beginning of fiscal year)	Acutal (end of fiscal year)
1968	887.4	732.4	262.3	262.9
1969	648.5	1,128.3	296.0	281.2
1970	631.9	840.8	350.0	70.0
1971	1,173.4	1,380.0	885.0	743.4
1972	1,563.6	2,912.4	582.0	550.0
1973	2,200.0	3,490.4	629.0	550.0

TABLE 2.—JORDAN

[In millions of dollars]

	FMS cash sales		FMS credit sales	
	Estimated (beginning of fiscal year)	Actual (end of fiscal year)	Estimated (beginning of fiscal year)	Actual (end of fiscal year)
1968	61.8	33.5		
1969	2.0	13.1	14.0	14.0
1970	2.0	17.8		
1971	2.0	6.3	15.0	30.0
1972	15.0	1.4	10.0	10.0
1973	3.0	10.0	10.0	

TABLE 3.—SAUDI ARABIA

[In millions of dollars]

	FMS cash sales		FMS credit sales	
	Estimated (beginning of fiscal year)	Actual (end of fiscal year)	Estimated (beginning of fiscal year)	Actual (end of fiscal year)
1968	10.0	4.3	30.0	30.0
1969	10.0	3.9	20.0	
1970	23.5	2.6	24.0	
1971	21.0	59.9	35.0	13.2
1972	20.0	306.8	35.0	
1973	69.2	60.6	45.0	

TABLE 4.—ISRAEL

[In millions of dollars]

	FMS cash sales		FMS credit sales	
	Estimated (beginning of fiscal year)	Actual (end of fiscal year)	Estimated (beginning of fiscal year)	Actual (end of fiscal year)
1968	66.5	74.3	37.0	25.0
1969	70.0	34.1	31.0	85.0
1970	30.0	30.0	37.0	30.0
1971	150.0	126.1	575.0	545.0
1972	75.0	317.9	300.0	500.0
1973	139.0	162.4	300.0	307.5

TABLE 5.—IRAN

[In millions of dollars]

	FMS cash sales		FMS credit sales	
	Estimated (beginning of fiscal year)	Actual (end of fiscal year)	Estimated (beginning of fiscal year)	Actual (end of fiscal year)
1968	15.0	41.4	100.0	100.0
1969	15.0	107.9	100.0	104.3
1970	15.0	91.2	100.0	
1971	70.0	445.9	100.0	
1972	160.0	499.2		
1973	293.0	2,053.7		

From data on a sample of just four countries about which I asked the Defense Department for information, actual cash sales exceeded estimates by 1,534 percent in the case of Saudi Arabia in fiscal year 1972, 700 percent in the case of Iran in fiscal year 1973, and nearly 900 percent in the case of Jordan in 1970.

Mr. Speaker, whatever the reasons for these sales in excess of estimates provided to Congress—and there may have been perfectly valid reasons for some of them—the Congress should be informed of what is going on and should have an opportunity, if necessary, to veto particular sales. To have that opportunity, it must be notified of major sales at the time they are being made, not just after they have become history.

The fact that sales beyond the estimates provided to Congress are concentrated in the category of FMS cash sales is particularly disturbing because cash sales are by far the larger category of government-to-government arms sales under the Foreign Military Sales Act. That is illustrated by the following comparison of cash and credit sales under FMS:

FOREIGN MILITARY SALES ACTIVITIES[1]

[Thousands of dollars]

Country area	Fiscal year— 1950–63	1964	1965	1966	1967	1968	1969	1970	1971	1972	1950–72
Worldwide	4,526,525	698,875	1,191,538	1,720,581	1,107,575	995,268	1,409,508	910,801	2,123,449	3,462,426	18,146,546
FMS cash	4,111,789	623,875	1,081,152	1,403,574	784,332	732,383	1,128,347	840,801	1,380,037	2,912,426	14,998,717
FMS credit	414,736	75,000	110,386	317,007	323,243	262,884	281,160	70,000	743,412	550,000	3,147,827

[1] Excludes commercial sales, except those financed under FMS credit.

Mr. Speaker, these sales obviously have important foreign policy implications, and it is time the Congress seized the opportunity to include arms sales within the scope of its foreign policy responsibilities, and that in general it exert greater initiative in all aspects of our foreign policy.

The bill I am introducing today would provide a mechanism for achieving those goals with respect to foreign arms sales. It would require the President to report to Congress any single proposed sale of $25 million or more, and any sale which would exceed for a particular country the annual estimated sales aggregate already on file with the Congress. Such sales could be finalized 30 days after being reported to Congress unless either House of the Congress approved a veto resolution. Provision is made for expeditious handling of any such resolution of disapproval under the House and Senate rules.

Mr. Speaker, a similar provision introduced as an amendment by Senator NELSON, is contained in the Senate version of the Mutual Development and Cooperation Act of 1973. I am hopeful that the House conferees will look favorably on that provision, and that it will be retained in the final version of the Mutual Development and Cooperation Act. The data which I have just presented seems to me to make a strong case for this type of provision. If, however, it does not survive conference, I hope that both the Senate and House will give it further serious study for possible enactment in the near future, and as a member of the House Foreign Affairs Committee I would intend to press for such action.

RECOVER GOVERNMENT SALARIES PAID TO SCANDAL PARTICIPANTS

(Mr. BINGHAM asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. BINGHAM. Mr. Speaker, the ongoing revelations of widespread administration corruption which the Senate Watergate investigation is bringing to light raise a host of fundamental questions about the functionings of government in this country.

One such question which I feel is appropriate for analysis by the Senate Select Committee is whether the Government salaries of the adminstration officials who participated in the criminal activities involved in Watergate and its related scandals should be recovered by the U.S. Treasury.

Various sections of the United States Code refer to the fact that Government money may be spent only for the purposes for which Congress appropriated the funds, and it is certain that the U.S. Congress never intended that the money appropriated for the salaries of high administration officials would be paid out for the planning of election frauds, soliciting of bribes, criminal conspiracy, and concealment of felonies.

Accordingly, I have written today to Senator SAM ERVIN, the chairman of the Senate Select Committee to suggest that the committee look into the question of recovering part or all of the Government salaries paid to those individuals who were involved in these criminal activities.

I insert my letter to Senator ERVIN at this point for the benefit of my colleagues:

HOUSE OF REPRESENTATIVES,
Washington, D.C., July 31, 1973.

HON. SAM ERVIN,
Chairman, Select Committee on Presidential Campaign Activities, Washington, D.C.

DEAR MR. CHAIRMAN: The continued revelation of widespread malfeasance by former high Administration officials which the Select Committee is bringing to light raises the question of whether the U.S. government may seek repayment of salaries paid to these individuals during their terms in public office.

The United States Code contains at least two provisions which stipulate that government salaries shall be paid only for actual service rendered to the government.

31 U.S. Code 628 states that "sums appropriated for the various branches of expenditure in the public service shall be applied solely to the objects for which they are respectively made, and for no others."

5 U.S. Code 3103 provides that "An individual may be employed in the civil service in an Executive Department at the seat of government only for services actually rendered in connection with and for the purposes of the appropriation from which he is paid."

In view of the allegations and admissions of criminal conduct made by witnesses at the Senate Watergate hearings thus far, I would urge the Select Committee to consider whether, under existing law, the Treasury may recapture part or all of the government salaries which were paid to the persons involved. Analogy for the recapture of these government funds may be found in state laws which provide for the recovery of corporate assets wasted by corporate officers and directors.

The U.S. Congress surely never intended that the money appropriated for the salaries of high Administration officials would be paid out for the planning of campaign espionage and sabotage, soliciting of illegal campaign contributions, criminal conspiracy, and concealment of felonies. It is an outrage that the U.S. taxpayer, who performs an honest day's work for an honest day's dollar, should have to pay the salaries of individuals whose activities while in office included such malfeasance.

If existing Federal law isn't tough enough to provide for the recovery of these salaries, then I urge the Senate Select Committee to formulate a legislative recommendation on this subject which the Congress can act upon.

Thank you for your kind attention and consideration, and I wish you success in your efforts.

With best wishes,
Sincerely,
JONATHAN B. BINGHAM.

TRADITION

(Mr. STAGGERS asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. STAGGERS. Mr. Speaker, an unusual type of address, delivered before a group of high school graduates, may be of interest to many Members of this body. It is a kind of address seldom heard in these days when a fissional interpretation of society seems more popular. I hope we may have more of them.

The speaker was Dr. A. Selman Garrision, head of the department of surgery of St. Agnes Hospital, Baltimore, Md. The occasion was the 70th anniversary of the first graduating class of Jarrettsville High School. Dr. Garrison calls his address: Tradition. The title printed on the program is: "From Generation to Generation."

Jarrettsville is a Maryland rural community a few miles below the Mason and Dixon line, within 25 miles of Baltimore. After some 300 years of existence, it remains determinedly agricultural and conservative. A century old map shows almost no change in its general layout. Two arterial highways cross in the central village. They were paved some years ago, but the bulldozer has not altered their width or their straightforward course through miles of their width. The network of feeder roads remains virtually the same. Dwelling houses stand on the same spot as they did a century ago. In many cases the names on today's mail boxes are the same as those on the map. Indeed, the houses themselves have withstood a century, maybe two centuries, of loving use. This is the result of initial structural soundness, fortified by diligent maintenance.

Durable, firmly established, conservative, yes, but not untouched by what is believed by some to be modern progress. The community has grown in numbers, but not at the beck of seductive construction enterprises. An unofficial selective process has permitted the acceptance of newcomers with tastes and mores similar to those of the earlier inhabitants. Generation after generation of dwellings and of their occupants seem to blend in harmonious integration and concord.

Obviously agriculture can no longer be the only, or even the dominant, interest of the community. Many are commuters. The cords which bind jobs to residences become stretched little by little as the days pass. A drive of 25 miles, or 50, or even 75, is not unacceptable. After job hours they return to their homes, and resume the life of their fathers. They are technicians, or engineers, or industrialists or professionals by trade, but farmers at heart.

Communities such as Jarrettsville can be found in my State, in your State. There are hundreds of them in America, forged out of the same metal—honest, durable, dependable. There are those who deplore the fact that many of these communities cannot offer satisfactory opportunities for all their children. This is an error in computing contributions to society. For these are the seed beds of America in its unparalleled productivity and in its social and moral commitments. They negate the soiled fringes of society which irritate the public eye. And they assure the continued existence of the true principles of justice and integrity.

About 1900 the citizens of the Jarrettsville community provided a high school for their children. That was in the van of the intellectual renaissance which swept over the Nation in the first quarter of this century, and which was accentuated by the First World War. The high school extended the bounds of the community. Students came on horseback, in buggies, and on foot over distances that would be considered prohibitive today. Further, it bound together the community in common interests. The first graduating class came in 1903 consisting of two girls and one boy. In succeeding years the classes grew in size and in the range of their academic achievements.

In 1949 Jarrettsville high school was consolidated with several other schools. By that time there was a total of 735 graduates. They formed a distinct group, apart from those who followed them in the consolidated school. Alas, consolidation does not necessarily mean integration, to the chagrin of social scientists.

In 1953, at a meeting of a number of these Jarrettsville graduates, a general reunion was set for June 23, 1973, to celebrate the 70th anniversary of the first class. The committee on arrangements did not forget their assignments, busy as they had been over 20 years of change and unrest. The event was planned with characteristic efficiency. It was carried out in perfection of detail which, unfortunately, no modern governmental agency can seem to match.

Seventy-five of the 735 graduates were known to be dead. The committee located all but three of the rest. They responded with enthusiasm. Approximately 600 people came, some of them from the most remote States of the Nation. They seemed to be drawn by an irresistible attachment to their old school. It was a sort of pilgrimage in tribute to the "ashes of their fathers and the temples of their gods."

They came to an evening of delighted greetings from old friends, of a dinner prepared locally, and a program of reminiscences, capped by the address of Dr. Garrison.

The doctor was introduced by his mother who, along with his father, was an earlier graduate of Jarrettsville. Jarrettsville mothers do not stand in awe of the achievements and the prestige of their sons, great as these may be. They expect their children to do well. After all, they have given them their best in loving care and in opportunities for self-improvement. And that best is a mighty heap.

Dr. Garrison's address was surgical in directness and sincerity, and stirringly eloquent in its appeal to the feelings of his audience. I believe many of you will read it with appreciation and approval.

The address follows:

TRADITION

(By Dr. A. Selman Garrison)

Up to this moment it has been a great pleasure to be here—to visit this school—and to see old faces and friends again.

It is apparent from the attendance tonight and the broad spectrum of age represented that few followed the advice of Bob Hope, who, speaking at graduation exercises at Duke University, said:

"To the members of this graduating class who are about to leave this institution and go into the outside world, I have three words of advice: Don't Do It."

When Margaret Watters called concerning tonight, my first impulse was to break a leg or leave town, but I wanted to come back here and I suppose this is my ticket of admission.

Karl and I were talking about this evening and his advice was to "keep it short . . . people come to eat the ice cream and strawberries . . . not listen to speeches." . . . He is undoubtedly correct. After dinner speakers are large in supply . . . short in demand.

An acquaintance of mine attended a luncheon-press meeting in Washington a few weeks ago. During the speech part the master of ceremonies and a previous speaker gave one of the guests a rough time. The guest, when his turn came, arose to say:

"I have always heard that M.C.'s and public speakers were born—not made. You have just heard several examples which explain my strong advocacy of birth control."

A few of you may know what I've been up to since leaving here in 1936. After I finish, there will be no doubt in your minds that I have not been touring the country making public speeches. I am pleased to be invited to speak as a former student. It is an honor to be asked, a devilish task to perform. Abraham Lincoln told a story which applies—of a man who, after being tarred and feathered, was being ridden out of town on a rail. He was reported by Mr. Lincoln to have said: "If it were not for the honor of the occasion, I would resent it."

I suppose speakers at such a gathering are supposed to be witty or funny. Not being either, I want to tell you of the underlying feeling that I carried with me from this school and to try to explain the one word which is a summation of experiences here. The word is Tradition.

We have all been aware or have had an uneasy feeling, these last few years, that tradition has been under constant attack from many quarters and that some erosion has occurred under these attacks.

Since this is a school . . . I suppose this is the time for a definition—Tradition is partially defined as:

"The transmission of knowledge, opinions, doctrines, customs, etc. from generation to generation . . . originally by word of mouth and example."

It follows from this definition that this school and its teachers, for 73 years, have been instrumental in the "transmission of knowledge, opinions and doctrines" . . . in providing its many students not only with a broad base of knowledge, but a firm foundation on which to build an adult future.

In this area children were fortunate . . . in that all forces and environment contributed to this traditional strength,

1. Family ties were strong. Parents were not shy in making their wishes known and children felt a security in the strength of their parents and knew what was expected of them . . . and knew what to expect if they didn't measure up. This justice was tempered though by love and respect for one another . . . and it grew stronger with the child.

Parents with children in this school grew up and attended school with each other. It was not a fragmented society and there was mutual respect not only from child to parent—but from all children to the adult community. Parents of our classmates were old friends of our families and we were expected to be civilized and respectful in our deportment towards them . . . as to our own parents.

2. The Puritan work ethic—or more simply that it is good to work—was a phrase that was understood and adhered to . . . not a base from which to spring cynical jokes. Most students attending this school were expected to do chores at home—and this contributed to the sense of belonging . . . of being a useful citizen, at an early age.

3. Church activities involved the young people and played a prominent part in their growing up. I'm not certain it was ecumenism that brought young members of all churches in the village to Bethel on Sunday evening—I suspect other motives.

Although the evening is dedicated to this school for its service to the community, the above illustrates that it did not function alone. It prospered in an environment of support and appreciation from the parents, the churches, the community and students. It drew from the established and accepted traditions in this area . . . added to . . . and reinforced them.

After age 6, teachers spend more time in hours per day in the formative years of a youngster's life than anyone aside from the immediate family, and during these many hours have a great impact and a greater responsibility in this formation than any other group.

It is in this area, during my time here that we were especially fortunate—because . . . the men and women who staffed this school did more than transmit to us those things found in books—although transmission of knowledge is tradition—their efforts did not end there. To country youth, they taught music, read Shakespeare with us—the foibles of human nature were revealed in French class short stories, . . . boys were taught to cook and girls were acquainted with 5-10-5. Classes were started with a prayer to the Almighty, and allegiance was pledged to the flag of the United States.

This place was the site for orchestra concerts, scout meetings, chicken judging, fireman's carnivals, village baseball and dances—all of which contributed to a happy childhood and instilled in its students a sense of belonging—a sense of security in their dealing with the adult community . . . and a positive sense of achievement in this school.

There was never a doubt where authority lay in this school. One didn't have to be here long before he understood what "going to the principal's office" denoted. He also knew that what was started in the principal's office was certain to be finished at home the same day . . . in that euphemistic courthouse called the "wood shed". There was never animosity in this transaction of justice . . . it was simply one way of learning . . . in joining the adult community.

For the older generations in this audience, time has gone rapidly; for the younger ones it proceeds more slowly. This is always so. The young are in a hurry to "get on with it" whereas the oldsters have learned to savor time—not squander it.

Jackie Leonard, an obese, caustic comic, who died recently, noted that time passage is relative and varies only in the eyes of the beholder. He told of being ordered by his wife to clean out a closet and get rid of some old coats. While cleaning the pockets he found a ticket for shoe repairs—17 years old. He took the ticket to the repair shop, presented it and said:

"I don't suppose you have these shoes."

Reply: "Yes, sir."

"Well, that's fine. I'll take them with me."

"Oh, no, sir. They won't be ready until Tuesday."

I doubt there is anyone in this auditorium tonight who is not thinking of some aspect of his time spent here. These may be short flashes of very personal and poignant memories. Or, perhaps, the entire experience is blended into a hazy picture of the total time without specific recall . . . I would suspect it is the former, not the latter.

I would further expect that these flashes of recall include a special young person (of the opposite sex) or one of our teachers with strong character who branded us with indelible markings which we carry with us to this day.

From this student's viewpoint the list is long of those who with firm or easy-going wisdom . . . nurtured tradition and contributed greatly to my life. . . .

Miss Hankins (Mrs. Wiley);
Fritz Fuller;
Frank R. (Davis);
Mrs. Jen Smith;
Bill Pyle; and many others.

Not just teachers, but:

Transmitters of knowledge;
Formers of Opinion;
Dispensors of Doctrine;
Caretakers of Custom—by word of mouth and by example.

They were true custodians of tradition.

I am sure you join me in appreciation of their efforts.

Thank you.

THE LATE HONORABLE WILLIAM O. MILLS

Mr. GERALD R. FORD. Mr. Speaker, I was unavoidably absent on the day and hour when tributes were paid in this Chamber to the memory of the late Honorable William O. Mills of Maryland, but I want to express my own sense of grief and loss at his untimely death. Bill Mills was one of the most promising and personable of the newer Members on my side of the aisle, a dedicated and hardworking spokesman for his constituents, and a loyal supporter of the Republican Party and of President Nixon's policies and programs for global peace and domestic progress. For nearly a decade he served as administrative assistant to our former colleague, Secretary of the Interior Rogers Morton, and successfully won a special election to succeed him in the House in 1970 as representative of his native Maryland's First District on the Eastern Shore. He won reelection in 1972, and I believed that he had a long and bright future as an outstanding legislator until I was shocked and saddened by news of his tragic passing. I extend to his wife Norma and their children the heartfelt sympathy of my wife Betty and me.

THE NEED FOR TRADE PREFERENCES

(Mr. FASCELL asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. FASCELL. Mr. Speaker, a recent editorial in the Miami Herald underlines the need for early U.S. action to implement a meaningful scheme of trade preferences for the developing countries. Commenting on Latin America's growing concern over the region's sizable trade deficit with the United States, the editorial reviews recent Latin American efforts to enlarge its trade with the European Common Market.

With a continuing large deficit in our own trade balance the implications of the developments outlined in the editorial must be of serious concern to us for if we fail to increasingly open our own markets to Latin American products we face the very real prospect that a region that has been one of our very best customers may shop elsewhere.

The full text of the Miami Herald's July 27 editorial reads as follows:

Euromart Beckons Latin America

Latin America, concerned about its trade imbalance with the United States, has turned toward the European Common Market and placed higher priority on intra-Latin trade.

According to a report made public in Europe last month, the Common Market there has opened negotiations with Brazil, Argentina, Uruguay and the six nations of the Andean Bloc.

Beef, agricultural products, cocoa and coffee are among the principal exports that Argentina, Brazil and Uruguay wish to promote in long-term agreements that would help stabilize prices.

The Andean Bloc, which also seeks generalized preferences for processed farm products, is said to be regarded by the European market as the most advanced example of regional economic cooperation outside Europe.

Reports suggest that present Europe-Latin agreements are regarded as a small beginning for the kind of cooperation and agreement now expected to develop.

Meanwhile, intra-Latin trade during 1972 increased by 20 percent, growing to a total of some $2.4 billion.

For the two previous years, according to figures from the United Nations Economic Commission for Latin America, the average was 6.6 per cent.

For 1972, that brings the intra-Latin trade up to 14.5 percent of over-all foreign trade of the Latin nations. That represents a slight increase over 1971.

Argentina and Brazil were leaders in this trend, with Argentina's Latin trade totalling 20 per cent of its over-all foreign trade and Brazil's totalling 15 per cent.

During 1972, according to the U.S. Department of Commerce, the United States had a trade surplus with Latin America of $626.3 million. Brazil and Mexico, for example, had U.S. trade deficits of at least $300 million each and Argentina's was about $200 million.

All of this, it seems to us, coming at a time when the United States has serious trade imbalance problems of its own, should make more powerful the argument that U.S. trade preference for Latin America not only are appropriate but in fact would be mutually beneficial.

OIL FROM THE ALASKA'S NORTH SLOPE

(Mr. HOWARD asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. HOWARD. Mr. Speaker, I would like to take this opportunity to commend the members of the House Interior and Insular Affairs Committee for their sincere and dedicated efforts to bring to the floor of this Chamber much needed legislation concerning the Alaska pipeline. This legislation is of the utmost importance to the people of the United States. I can think of no other recent legislation that contains as many far reaching ramifications. Not only does it affect the domestic problems associated with the supply, distribution, shipment, and price of oil, but it also touches on other areas of national concern. It is in these areas that we must exercise utmost caution lest we sacrifice important considerations in the light of haste.

Among the questions which arise are: What are the environmental problems inherent in the transportation of oil over great distances? Would a trans-Canadian route be most beneficial to the long-term and overall interests of the people of this Nation? And, what should be the restrictions placed by the Congress on the exportation of this valued commodity?

I believe that these and other questions must be addressed if we are to enact responsive and responsible legislation.

My feelings on the export control question are basically that this country has often followed a "drain America first" policy with regard to the export of its petroleum. This situation should not be allowed to be repeated in the development of the Alaskan oil potential. According to the provisions of H.R. 9130 approval of crude oil exportation must be preceded by a report to Congress from the President stating his finding that the authorization would be in the "national interest."

I believe that an absolute ban on the exportation of oil should be amended into the bill, and remain in effect until the present threat of shortages has passed. It makes no sense to export oil when schools are forced to close during the winter for lack of heating oil and when crops cannot be harvested for lack of fuel, not to mention the obvious gasoline squeeze. This tougher safeguard of our Nation's energy supplies is sorely needed.

Of even more importance than what we do with the oil, once it has been delivered to the "lower 48" States, is the method by which the oil is transported. The point of controversy is basically between the Trans-Alaskan Pipeline System—TAPS—and the so-called Canadian alternative. The arguments pro and con on both sides have been buzzing around Washington like hornets. Charges and countercharges have so blurred the issue that it is often difficult to separate the environmental and economic factors from the political ones. An excellent outline of the crucial questions involved in this legislation is contained in the following letters to the editor written by Secretary of the Interior Rogers C. B. Morton and my most able colleague from Arizona, the Honorable MORRIS K. UDALL, and I strongly recommend reading them as contained in the New York Times, May 26, 1973, entitled "Thirsting for the Alaskan Pipeline."

The main point that I believe should be gleaned from these articles is that while Mr. Morton advocates one alternative—the Alaskan route—Mr. UDALL on the other hand calls for, first, a study—recently changed from the 1 year quoted in his letter to 6 months; second, a definitive choice between the two routes by Congress; and third, a prohibition of further judicial review, on the completion of the prior two conditions. The Morton proposal seeks to make the decision for Congress. The Udall proposal gives Congress the choice. I have very grave misgivings about supporting legislation which denies Congress the opportunity to make an intelligent, informed and timely decision on this matter which is far too important to be decided with an incomplete and unbalanced compilation of evidence. Everyone concerned agrees that the North Slope oil is badly needed. In our haste, however, we cannot afford—both in environmental and economic terms—to ignore meaningful possible alternatives.

Another amendment which may be offered would strike from the bill the provision which declares that the Interior Department has complied with NEPA requirements—with its environmental impact statement in its present form—and that further judicial review of the Alaska pipeline under NEPA would be prohibited. I intend to support this amendment if the Udall substitute is not adopted. Circumventing NEPA standards, established by Congress, in such an important issue as the Alaskan oil pipeline would set a dangerous precedent. Deleting the NEPA requirements would not, as its supporters argue, save time by avoiding further litigation because a precedent such as this will most assuredly cause court action based on the constitutionality of such a congressional intrusion.

I would hope, however, that Congress would decide not to pass this politically hot issue on to the courts but would accept its responsibilties by making a choice based on an independent study of the entire question. This would put an end to the delay of the pipeline and would, at the same time, place the most representative body in the country—the U.S. House of Representatives—firmly on record. There may be grave doubts as to the source of the present energy shortage, but there is no doubt that the oil available in the North Slope of Alaska should not be allowed to remain dormant due to drawn out court suits. I urge support of the concept of choice—which is provided to Congress only through the Udall substitute.

THIRSTING FOR THE ALASKA PIPELINE

(By Rogers C. B. Morton)

WASHINGTON.—The United States was once a leading oil exporter. This year we will import about 5 million barrels a day, at a dollar outflow of more than $6 billion. By 1980 we will be importing about 11.6 million barrels a day, if we are still without North Slope Alaska oil, at a dollar outflow of about $16 billion a year. We can't avoid increasing oil imports for the next ten to fifteen years; but we can reduce our imports by increasing our domestic supply of oil.

The largest oil discovery ever made on this continent was made five years ago on the North Slope of Alaska. Its proven reserves are conservatively estimated at about 10 billion barrels. Yet the oil remains in the ground for lack of a way to bring it to market in the "lower 48" states.

In 1969 a group of oil companies sought a permit to build a pipeline to carry North Slope oil 789 miles southward to an ice-free port on Alaska's south coast where it would be loaded aboard tankers and carried to West Coast U.S. ports. An exhaustive technical, economic, and environmental study resulted in a six-volume environmental impact statement and a three-volume economic and national security study that convinced me it is in our national interest that this pipeline be built as soon as possible and that the pipeline can be built and operated compatibly with the Alaskan environment.

But lawsuits challenging my authority to issue the necessary permits and attacking the adequacy of the environmental studies have blocked pipeline construction. The latest court rulings have made it clear that no new major pipeline can be built anywhere in the United States, including Alaska, until Congress removes the narrow width limitations placed in the Mineral Leasing Act of 1920.

Congress now is considering necessary changes. There have been some proposals that any new legislation prohibit construction of the trans-Alaska pipeline until a study can be conducted of a trans-Canada oil line to the Midwest.

I have carefully considered the possibility of a trans-Canada oil pipeline and I am firmly convinced that it is not in our interest to pursue this alternative further at this time.

First, neither route is clearly superior environmentally. The trans-Alaska route crosses zones of earthquake probability, and its marine tanker leg involves some risk of oil spills at sea. But these risks are avoidable and I will impose stipulations on the permit that will control them. The U.S. tankers that will carry Alaskan oil to our West Coast will be environmentally safer than the foreign-flag vessels that will bring foreign oil to our ports if Alaskan oil is not available.

Second, a trans-Alaska tanker delivery route means more jobs for Americans, as organized labor has recognized. Building the Alaska line would create 26,000 construction jobs, at peak, for American workers, 73,000 man-years of tanker construction, and 770 man-years of work for U.S. maritime crews and maintenance. These jobs would be lost if the pipeline goes through Canada, because the Canadian Government has said it will give preference to Canadians.

Third, consider our balance of payments problem, Canada is a friendly nation, but big dollar outflows to Canada or any other country inevitably affect the strength of our economy and, thus, our efforts to control inflation.

Fourth, the time factor has crucial implications. The more we depend on foreign oil, the more our diplomats and strategists must take this dependency into their calculations to meet our national commitments. Alaskan oil will be no cure-all, but it can supply 10 to 12 per cent of our needs by 1985.

(By Morris K. Udall)

Washington.—In a democracy the way a decision is made is frequently as important as the decision itself. The beleaguered trans-Alaska pipeline is a case in point.

Four years ago some of the smartest heads in the oil industry and the Nixon Administration adopted a strategy to win approval of the controversial hot oil pipeline by avoiding public debate in the Congress. Despite our increasingly foreboding energy picture and the obvious national impact of the Alaska decision, it was to be treated like a gas line from Tucson to El Paso. A friendly Interior Secretary would issue boilerplate right-of-way permits, and if the "deep breathers" didn't like it they could go to court.

They did and the result has been deadlock and, for the oil industry, a hair-raising court decision returning the whole question to Congress in the sheepskin of the Mineral Leasing Act of 1920. That law permits rights-of-way on Federal land to 54 feet, far less width than is needed to build the Alaska line.

Now industry and the Administration, having apparently learned little from this four-year saga, are again seeking backdoor approval of the pipeline by camouflaging it in a needed amendment to the 1920 law that would widen all utility corridors to correspond with modern technology. Even if this tactic worked in Congress, a doubtful proposition, the pipeline could be bogged down in the courts for years on the environmental issue.

Opponents of this strategy fall currently into two groups. First are the conservationists, dead set against the Alaska route, but concerned that a wholly negative stance could set the conservationist movement up as the scapegoat for the petroleum shortages that are coming. Second is a growing group of Senators and Congressmen from the oil-thirsty Midwest who want an unbiased study of the Canadian alternative—a pipeline that takes a different route through Alaska into Canada's Mackenzie Valley and finally northern United States. The feasibility of such a project and the willingness of Canada have yet to be proved.

Recently, I introduced a third approach which will be loved by no one, but offers substantial concessions to all sides.

Its three basics are these:

A one-year crash study by the Office of Technology Assessment, Congress' new research arm, to determine once and for all which parts of the country will experience the greatest demand for the oil and how best to get it there. Tied to that would be Congressionally mandated negotiations by the Interior Department with Canada to explore our neighbor's posture on rights-of-way.

An up or down vote by Congress within sixty days of receipt of the reports by O.T.A. and Interior.

Language in the bill making this a final decision not subject to judicial review.

To industry it says: "Here's the decision you've been wanting; fourteen months from the passage of this bill you can start building. The study could go against you, but if you really believe the position of your industry and the Administration is correct, you have nothing to fear. You will be building the Alaska pipeline long before the courts would have decided the enviromental issue."

To the conservationists and the Midwest: "Here's the independent Canadian study you have wanted all along. You would have to abandon your courtroom strategy based on the National Environmental Policy Act, but in its place would get something better: A study that not only takes environmental factors into consideration, but for the first time puts them on an equal footing with economic cost and national security."

Finally, to the public: "Since 1968, when the oil find was made in Alaska, neither you nor the Congress, your agent, have played any role in the important national decisions relating to the recovery of this important resource. Those decisions to date have been made by political appointees serving the President and a handful of men in judicial robes; they have been influenced by industry committed to its plan and by established conservation groups determined to oppose it. My bill allows you to have an impact on a judgment which may well determine in the years immediately ahead the availability of gas for your automobile and oil to heat your home, as well as the risks to your beaches and waterways."

One hears much talk in Congress these days about the arrogance of the executive branch. One way to put the President on notice would be to adopt the kind of Congressional remedy I have proposed. I think the American people would welcome it and perhaps think a little more of the democratic system, which is taking such a beating these days.

TRANS-ALASKAN PIPELINE BILL AMENDMENTS

(Mr. SEIBERLING asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. SEIBERLING. Mr. Speaker, when the Trans-Alaskan Pipeline Authorization Act comes before the House tomorrow, I intend to offer several amendments to the bill. These amendments will not operate to delay the construction and operation of the pipeline. If anything, they should help to avoid delay and help to promote the expeditious development of Alaska oil resources.

My first amendment is to delete section 203(f) of the bill. One effect of section 203(f) is to waive the right of the Government to seek forfeiture of the rights-of-way or permits granted by the Secretary of the Interior, even when the holders of the permits violate the express conditions thereof. The section would also amount to an unconstitutional denial of the right of private property owners to receive just compensation in eminent domain proceedings. It would operate to deny individuals their constitutional rights to due process of law in many other causes of action—such as those relating to personal injury, oil spillage, nuisance, and negligence—which may arise later than 60 days following the grant of the permit. The defects of section 203(f) are discussed in further detail in the dissenting views of the Honorable John P. Saylor, at pages 73–76 of House Report 93–414, to accompany H.R. 9130.

The second amendment which I intend to offer would, in effect, require the oil companies to set up the trans-Alaskan pipeline company as an independent corporation in which no oil company has an ownership interest. This will insure development of Alaskan oil on a competitive basis, instead of on a monopolistic basis. This will not only expedite Alaskan oil development, but it will assure lower prices to the consumer of oil and gasoline. The reasons for this amendment are set forth in greater detail in the dissenting view of Honorable Robert W. Kastenmeier and others, at pages 77–79 of House Report 93–414.

I also intend to introduce an amendment requiring the U.S. Attorney General to conduct a study and make a report to the Congress on antitrust aspects of the trans-Alaska pipeline. I believe that Congress needs such a study to perform its legislative and oversight duties.

Mr. Speaker, I place the text of the amendments which I shall offer, as well as a more detailed explanation of the first one, in the Record at this point.

Amendment No. 1 to H.R. 9130 offered by Mr. Seiberling:

Page 16, line 12, section 203(f): On page 16, strike subsection (f).

Amendment No. 2 to H.R. 9130, As Reported Offered by Mr. Seiberling:

Page 22, following line 21, insert a new section, as follows:

"Sec. 211(a). Notwithstanding any other provision of law, including the other provisions of this title, it shall be unlawful for any oil pipeline company, or affiliate thereof, to transport any crude oil or any product manufactured or refined from crude oil through the trans-Alaskan pipeline if such crude oil or product is produced, manufactured, or refined by such pipeline company or affiliate thereof.

"(b) For the purposes of this section, the term "oil pipeline company" means any person, association, corporation, or other entity owning, constructing, maintaining, or operating a pipeline or related facility under any right-of-way, permit, or other Federal authorization granted or issued under this title, or under any provision of law amended by this Act.

"(c) For purposes of this section, the term "affiliate" includes—

(1) any person, association, corporation, or other entity owned or controlled by a pipeline company;

(2) any person, association, corporation, or other entity which owns a substantial interest in or controls (directly or indirectly) a pipeline company by (A) stock interest, (B) representation on a board of director or similar body, (C) contract or other agreement with other stockholders, or otherwise; or

(3) any person, association, corporation, or other entity which is under common ownership or control with a pipeline company.

Amendment No. 3 to H.R. 9130 offered by Mr. Seiberling:

Page 22, following line 21 insert new section as follows:

Sec. —. The Attorney General of the United States is authorized and directed to conduct a thorough study of the antitrust issues and problems relating to the production and transportation of Alaska North Slope oil and, not later than six months following the date of enactment of this Act, to complete such study and submit to the Congress a report containing his findings and recommendations with respect thereto.

STATEMENT OF JOHN F. SEIBERLING, CONCERNING SECTION 203(f) OF H.R. 9130

On page 16 line 12 of the bill, subsection 203(f) requires that any actions or proceedings "involving any right-of-way, permit, or other form of authorization granted with respect to the construction of the trans-Alaskan pipeline, to which the United States . . . is a party" shall be commenced within 60 days following the date such a right-of-way, permit, or other form of authorization is issued.

The word "involving" creates several important constitutional difficulties, because it covers the entire spectrum of actions which might arise from any authorization regarding the pipeline. If you read the language literally, you will have to conclude that the subsection bars the courts from considering forfeiture proceedings brought by the government, eminent domain proceedings brought by landowners, and actions which may arise more than 60 days after the grant of a permit, including those brought by private citizens and organizations against the pipeline company—or its contractors—where the United States is joined as a party. Nor does section 203(c) of the bill provide grounds for relief for it conflicts with section 203(f).

If the intent of the subsection is to limit the time for appeals from the Secretary of the Interior's decisions to grant rights-of-way or permits, the language should so indicate. While I might not agree with the wisdom of requiring appeals from agency actions within 60 days, I do recognize that such appeal periods have been upheld by the courts. My criticism now is not that the appeals must be commenced within 60 days, but rather that the subsection encompasses far more than appeals from administrative decisions granting permits.

The subsection in effect waives the right of the United States to seek forfeiture of the permits and rights-of-way, despite blatant or willful violations of the conditions of the grants. Currently, forfeiture of rights-of-way for pipelines involves a court determination. Section 28 of the Mineral Leasing Act of 1920 [section 185 of title 30 of the United States Code] provides in part: "Failure to comply with the provisions of this section or the regulations and conditions prescribed by the Secretary of the Interior shall be ground for forfeiture of the grant by the United States district court for the district in which the property, or some part thereof, is located in an appropriate proceeding."

I cannot believe that Congress is willing to have the government's hands bound by the initial grant of a permit to the extent that subsequent revocation for cause is impossible. Nonetheless, subsection 203(f) makes no exception for actions brought by the United States to correct situations it did not anticipate.

Mr. Chairman, section 203(c) requires the Secretary of the Interior to include in the permits the conditions of liability for the holders of the permits. But the language of subsection 203(f) extinguishes any rights arising under the issuance of the permits, or involving the permits, whenever the United States is a party. In other words, section 203(c) creates the rights, but section 203(f) denies the opportunity for any remedies in certain cases.

Along the proposed pipeline route, Mr. Chairman, there are 148 miles of non-federal lands. The owners of these properties may be precluded by this bill from being compensated justly in eminent domain proceedings. Normally, the grant of a right-of-way does not by itself give rise to a cause of action by a landowner. Instead, the action arises only when the property is entered or taken, or when the government and landowner are unable to agree on "just compensation." Subsection 203(f), however, has the effect of suspending the right of citizens to just compensation when their property is taken, because the subsection attempts to cut off all causes of action 60 days after the grant of a permit or right-of-way, even if there had been no entry or taking by the government, and even though the negotiations between the government and the landowner had not reached the point where a cause of action would normally. The concept of a right without a remedy is repugnant in any circumstances, but the effect of a statute barring the remedy of just compensation is a clear violation of the 5th Amendment.

Finally, the language of the subsection would appear on its face to extinguish certain other remedies before the causes of action arise. Read literally, the subsection might be interpreted in such a way as to bar claims which arise during the construction and operational phases of the pipeline. Personal injury claims, oil spillage actions, and nuisance actions relating to the construction of the pipeline may well arise from the construction permitted by the decisions of the Secretary of the Interior. Yet these actions would be barred if the claim were based on the alleged negligence of the United States or any officer or employee of the United States. In fact, the pipeline company could seek to escape liability for its actions by moving to join the United States as a party to the suit. Such a result would constitute a denial of an injured party's right to due process of law, in clear violation of the 5th Amendment to the Constitution.

The use of the word "issued" in the second sentence of the subsection would seem to indicate that the intent of the subsection is to limit the period for appealing the grants of permits. But the language of the first sentence goes far beyond what is necessary to achieve the result of merely limiting the appeals period. The first sentence encompasses any causes of action even remotely related to the grants or permits, not just appeals from issuance of permits and rights-of-way. The effect is to eradicate the right to judicial resolution of all sorts of causes of action arising later than 60 days following the decisions of the Secretary, so long as the United States or an officer or employee were named as a party.

Mr. Chairman, the House of Representatives should not leave to the courts the task of "cleaning up" the language of this bill to give it a meaning that would not violate the Constitution.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. PEPPER (at the request of Mr. O'NEILL) for today on account of necessary absence.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. DU PONT) and to revise and extend their remarks and include extraneous matter:)

Mr. MICHEL, for 5 minutes, today.

Mr. YOUNG of Illinois, for 1 minute, today.

(The following Members (at the request of Mr. DANIELSON) to revise and extend their remarks and include extraneous material:)

Mr. WILLIAM D. FORD, for 5 minutes, today.

Mr. GONZALEZ, for 5 minutes, today.

Mr. PODELL, for 5 minutes, today.

Mr. CLARK, for 5 minutes, today.

Mr. BRADEMAS, for 5 minutes, today.

Mr. GUNTER, for 5 minutes, today.

Mr. HOWARD, for minutes, today.

Ms. ABZUG, for 5 minutes, today.

Mr. ROGERS, for 15 minutes, today.

Miss HOLTZMAN, for 15 minutes, today.

Mr. DRINAN, for 5 minutes, today.

Mr. BINGHAM, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. KOCH and to include extraneous matter with his remarks to be made preceding final passage on H.R. 9590, Treasury-Postal Service appropriations for fiscal year 1974.

Mr. SNYDER, his remarks in the body of the RECORD following the remarks of Mr. MAHON earlier today in regard to the anniversary of Mr. NATCHER and his attendance record.

Mr. BENNETT to extend his remarks immediately succeeding the remarks made earlier today concerning Mr. NATCHER.

Mr. RIEGLE and to include extraneous matter notwithstanding the fact it exceeds two pages of the CONGRESSIONAL RECORD and is estimated by the Public Printer to cost $1,254.

Mr. MAHON to revise and extend his remarks in conncetion with conference report on HUD appropriation bill.

(The following Members (at the request of Mr. DU PONT) and to include extraneous matter:)

Mr. PRICE of Texas.

Mr. BIESTER.

Mr. HUNT in two instances.

Mr. MCKINNEY.

Mr. WINN.

Mr. HOSMER in two instances.

Mr. WIDNALL.

Mr. HARVEY.

Mr. MICHEL.

Mr. WYMAN in two instances.

Mr. SMITH of New York in two instances.

Mr. QUIE.

Mr. YOUNG of Illinois.

Mr. ASHBROOK in three instances.

Mr. HUBER in two instances.

Mr. VEYSEY in two instances.

Mr. WALSH.

Mr. SHRIVER.

Mr. FRENZEL.

Mr. DELLENBACK in two instanees.

Mr. LENT.

Mr. DERWINSKI in two instances.

Mr. SHOUP in two instances.

(The following Members (at the request of Mr. DANIELSON) and to include extraneous matter):

Mr. BRINKLEY.

Mr. WOLFF in five instances.

Mr. YATRON.

Mr. HARRINGTON in six instances.

Mr. GONZALEZ in three instances.

Mr. RARICK in three instances.

Mr. DINGELL in two instances.

Mr. BLATNIK in five instances.

Mr. BRASCO in six instances.

Mr. DE LUGO.

Mr. ANDERSON of California in four instances.

Mrs. SCHROEDER.

Mr. HÉBERT.

Mr. GUNTER.

Mr. MOSS.

Mr. HELSTOSKI in three instances.

Mr. HAMILTON.

Mr. RANGEL in 10 instances.

Mr. BADILLO in three instances.

Mr. LONG of Maryland in 10 instances.

Mrs. GRASSO in 10 instances.

Mr. FUQUA in five instances.

Mrs. Hansen of Washington in 10 instances.

Mr. Brademas in six instances.

Mr. Mahon.

Mr. Studds in two instances.

Mr. Van Deerlin.

Mr. Reuss in six instances.

Mr. Long of Louisiana.

Mr. Edwards of California.

Mr. Dingell in two instances.

Mr. Eckhardt.

Mr. Foley.

Mr. Breckinridge.

SENATE BILLS REFERRED

Bills of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 628. An act to amend chapter 83 of title 5, United States Code, to eliminate the annuity reduction made, in order to provide a surviving spouse with an annuity, during periods when the annuitant is not married; to the Committee on Post Office and Civil Service.

S. 871. An act to amend title 5, United States Code, to correct certain inequities in the crediting of National Guard technician service in connection with civil service retirement, and for other purposes; to the Committee on Post Office and Civil Service.

S. 1560. An act to extend the Emergency Employment Act of 1971, to provide public service employment for disadvantaged and long-term unemployed persons, and for other purposes; to the Committee on Education and Labor.

SENATE ENROLLED BILL SIGNED

The SPEAKER announced his signature to an enrolled bill of the Senate of the following title:

S. 1993. An act to amend the Euratom Cooperation Act of 1958, as amended.

ADJOURNMENT

Mr. DANIELSON. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 7 o'clock and 1 minute p.m.), under its previous order, the House adjourned until tomorrow, Thursday, August 2, 1973, at 11 o'clock a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1199. A letter from the Administrator, National Aeronautics and Space Administration, transmitting a report on the use of appropriated funds by NASA during fiscal year 1973 for the support of executive dining rooms, pursuant to section 1102 of Public Law 92-607; to the Committee on Appropriations.

Received From the Comptroller General

1200. A letter from the Comptroller General of the United States, transmitting a report on a study of health programs for health services in outpatient health centers in the District of Columbia; to the Committee on Government Operations.

1201. A letter from the Comptroller General of the United States, transmitting a report on an examination of the financial statements of the Government Printing Office for fiscal year 1972, pursuant to 44 U.S.C. 309; to the Committee on Government Operations.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. PATMAN: Committee of conference. Conference report on S. 1672 (Rept. No. 93-428). Ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ANDERSON of California (for himself, Mr. Rosenthal, Mr. Eilberg, Mr. Vigorito, Mr. Rodino, Mr. Burgener, Mr. Nix, Mr. Melcher, Mr. Waldie, Mr. Mitchell of Maryland, Mr. Conyers, Mr. Koch, Mr. Lehman, Mr. Yatron, Mr. Sarbanes, Mr. Podell, Mrs. Chisholm, Mr. Price of Illinois, Mrs. Burke of California, Mr. Moss, and Mrs. Grasso):

H.R. 9752. A bill to amend the Public Health Service Act to provide for the screening and counseling of Americans with respect to Tax-Sachs disease; to the Committee on Interstate and Foreign Commerce.

By Mr. ANDERSON of California (for himself, Mr. Edwards of California, Mr. Hogan, Mr. Metcalfe, Mr. Pepper, Mr. Gilman, Mr. Peyser, Mr. Harrington, Ms. Abzug, Mr. Fascell, Mr. Rangel, Mr. Drinan, Mr. Riegle, Mr. Horton, Mr. Bingham, Mrs. Collins of Illinois, Mr. Danielson and Mr. Rees):

H.R. 9753. A bill to amend the Public Health Service Act to provide for the screening and counseling of Americans with respect to Tay-Sachs disease; to the Committee on Interstate and Foreign Commerce.

By Mr. ASPIN:

H.R. 9754. A bill to strengthen and improve the protections and interests of participants and beneficiaries of employee pension and welfare benefit plans; to the Committee on Education and Labor.

By Mr. BROYHILL of North Carolina:

H.R. 9755. A bill to provide for the establishment of an American Folklife Center in the Library of Congress, and for other purposes; to the Committee on House Administration.

By Mr. DAVIS of South Carolina:

H.R. 9756. A bill to amend the Federal Trade Commission Act (15 U.S.C. 44, 45) to provide that under certain circumstances exclusive territorial arrangements shall not be deemed unlawful; to the Committee on Interstate and Foreign Commerce.

By Mr. FUQUA (for himself, Mr. Frey, Mr. Haley, Mr. Dickinson, Mr. Bennett, Mr. Sikes, Mr. Bafalis, Mr. Fascell, Mr. Gunter, Mr. Pepper, Mr. Gibbons, Mr. Blackburn, Mr. Stephens, Mr. Lehman, Mr. Chappell, Mr. Mizell, Mr. Young of Florida, Mr. Burke of Florida, Mr. Rogers, and Mr. Mann):

H.R. 9757. A bill to authorize the Secretary of the Interior to conduct a study with respect to the feasibility of establishing the Bartram Trail as a national scenic trail; to the Committee on Interior and Insular Affairs.

By Mr. GOLDWATER:

H.R. 9758. A bill to amend the Federal Aviation Act of 1958 to require the installation of airborne, cooperative collison avoidance systems on certain civil and military aircraft, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. KOCH (for himself and Mr. Mazzoli):

H.R. 9759. A bill to amend title 10 of the United States Code to establish independent boards to review the discharges and dismissals of servicemen who served during the Vietnam era, and for other purposes; to the Committee on Armed Services.

By Mr. LENT:

H.R. 9760. A bill to amend the Communications Act of 1934 for 1 year with regard to the broadcasting of certain professional home games; to the Committee on Interstate and Foreign Commerce.

By Mr. MICHEL (for himself, Mr. Arends, Mr. Brown of California, Mr. Baker, Mr. Burleson of Texas, Mr. Burlison of Missouri, Mr. Cochran, Mr. Davis of Georgia, Mr. Dickinson, Mr. Fish, Mr. Gilman, Mr. Gray, Mr. Harsha, Mr. Keating, Mr. Ketchum, Mr. Lott, Mr. Madigan, Mr. Mayne, Mr. Montgomery, Mr. O'Brien, Mr. Quie, Mr. Rarick, Mr. Railsback, Mr. Robinson of Virginia, and Mr. Scherle):

H.R. 9761. A bill to amend the Truth-in-Lending Act to eliminate the inclusion of agricultural credit; to the Committee on Banking and Currency.

By Mr. MICHEL (for himself, Mr. Shipley, Mr. Sebelius, Mr. Symms, Mr. Won Pat, Mr. Whitten, and Mr. Young of Alaska):

H.R. 9762. A bill to amend the Truth-in-Lending Act to eliminate the inclusion of agricultural credit; to the Committee on Banking and Currency.

By Mr. MOORHEAD of California:

H.R. 9763. A bill to amend the Internal Revenue Code of 1954 to allow an individual an income tax deduction for the expenses of traveling to and from work by means of mass transportation facilities; to the Committee on Ways and Means.

By Mr. PETTIS (for himself, Mr. Brown of California, Mr. Dellums, Mr. Dingell, Mr. Hawkins, Mr. Hinshaw, Mr. Holifield, Mr. Hosmer, Mr. Ketchum, Mr. McFall, Mr. Moss, Mr. Rees, Mr. Riegle, Mr. Roybal, Mr. Steiger of Arizona, Mr. Talcott, Mr. Veysey, and Mr. Waldie):

H.R. 9764. A bill to provide for the establishment of the National Conservation Area of the California Desert and to provide for the immediate and future protection, development, and administration of such public lands; to the Committee on Interior and Insular Affairs.

By Mr. PODELL:

H.R. 9765. A bill to provide for the issuance of a commemorative stamp in honor of the centennial of the birth of Guglielmo Marconi; to the Committee on Post Office and Civil Service.

By Mr. RHODES (for himself, Mr. Myers, Mr. Parris, Mr. Robinson of Virginia, Mr. Smith of New York, Mr. Snyder, Mr. Steiger of Arizona, Mr. Ware, Mr. Whitehurst, Mr. Wiggins, Mr. Williams, Mr. Winn, and Mr. Won Pat):

H.R. 9766. A bill to provide for the establishment of a U.S. Court of Labor-Management Relations which shall have jurisdiction over certain labor disputes in industries substantially affecting commerce; to the Committee on the Judiciary.

By Mr. RHODES (for himself, Mr. Archer, Mr. Beard, Mr. Burleson of Texas, Mr. Collier, Mr. Conlan, Mr.

Davis of Wisconsin, Mr. Derwinski, Mr. Frenzel, Mr. Hastings, Mr. Henderson, Mr. Hinshaw, Mr. Hosmer, and Mr. McClory):

H.R. 9767. A bill to provide for the establishment of a U.S. Court of Labor-Management Relations which shall have jurisdiction over certain labor disputes in industries substantially affecting commerce; to the Committee on the Judiciary.

By Mr. ROYBAL (for himself and Mr. Holifield):

H.R. 9768. A bill, authorizes financial assistance for Service Employment and Redevelopment (SER) Centers; to the Committee on Education and Labor.

By Mr. ROYBAL (for himself and Mr. Rosenthal):

H.R. 9769. A bill to amend the Public Health Service Act to provide assistance for research and development for improvement in delivery of health services to the critically ill; to the Committee on Interstate and Foreign Commerce.

By Mr. SARASIN:

H.R. 9770. A bill to authorize the disposal of copper and zinc from the national stockpile and the supplemental stockpile; to the Committee on Armed Services.

H.R. 9771. A bill to impose a 6-month embargo on the export of all nonferrous metals, including copper and zinc, from the United States; to the Committee on Banking and Currency.

By Mr. STAGGERS (for himself and Mr. Devine):

H.R. 9772. A bill to amend section 303(b) of the Interstate Commerce Act to remove certain restrictions upon the application and scope of the exemption provided therein, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. UDALL (for himself, Mr. Aspin, Ms. Boggs, Ms. Burke of California, Mr. Culver, Mr. Kyros, Mr. Mitchell of Maryland, and Mr. Wolff):

H.R. 9773. A bill to improve the conduct and regulation of Federal election campaign activities and to provide public financing for such campaigns; to the Committee on House Administration.

By Mr. WINN:

H.R. 9774. A bill to confer U.S. citizenship on certain Vietnamese children and to provide for the adoption of such children by American families; to the Committee on the Judiciary.

By Mr. WYATT:

H.R. 9775. A bill to amend the Federal Advisory Committee Act with respect to the availability of transcripts of agency proceedings; to the Committee on Government Operations.

By Ms. ABZUG (for herself, Mr. Addabbo, Mr. Badillo, Ms. Burke of California, Ms. Chisholm, Mr. Conyers, Mr. Corman, Mr. Dellums, Mr. Derwinski, Mr. Edwards of California, Mr. Fraser, Mr. Frenzel, Mr. Gilman, Mrs. Green of Oregon, Mr. Hammerschmidt, Mr. Hansen of Idaho, Mr. Harrington, Ms. Heckler of Massachusetts, Mrs. Holt, and Ms. Holtzman):

H.R. 9776. A bill to provide for the issuance of a special postage stamp in commemoration of the life and work of Jeannette Rankin; to the Committee on Post Office and Civil Service.

By Ms. ABZUG (for herself, Mr. Hungate, Mr. Meeds, Mr. Melcher, Mr. Metcalfe, Ms. Mink, Mr. Pepper, Mr. Rees, Mr. Reid, Mr. Roe, Mr. Rose, Mr. Rosenthal, Ms. Schroeder, Mr. Shoup, Mr. Smith of New York, Mr. Stark, Mrs. Sullivan, Mr. Symington, Mr. Waldie, and Mr. Wydler):

H.R. 9777. A bill to provide for the issuance of a special postage stamp in commemoration of the life and work of Jeannette Rankin; to the Committee on Post Office and Civil Service.

By Mr. BINGHAM:

H.R. 9778. A bill to provide for notification of Congress and, where necessary, congressional veto of major sales of arms to foreign nations; to the Committee on Foreign Affairs.

By Mr. CLARK:

H.R. 9779. A bill to amend title II of the Social Security Act so as to liberalize the conditions governing eligibility of blind persons to receive disability insurance benefits thereunder; to the Committee on Ways and Means.

By Mr. COUGHLIN:

H.R. 9780. A bill to amend the Social Security Act to eliminate the requirement that a recipient of disability insurance benefits under title II of such act must wait for 24 months before becoming eligible for coverage under medicare; to the Committee on Ways and Means.

By Mr. DRINAN (for himself and Mr. Edwards of California):

H.R. 9781. A bill to amend certain sections (authorizing wiretapping and electronic surveillance) of title 18 of the United States Code; to the Committee on the Judiciary.

By Mr. EDWARDS of California:

H.R. 9782. A bill to prohibit the introduction into interstate commerce of nonreturnable beverage containers; to the Committee on Interstate and Foreign Commerce.

H.R. 9783. A bill to regulate the collection, storage, and dissemination of information by criminal data banks established or supported by the United States; to the Committee on the Judiciary.

By Mr. WILLIAM D. FORD:

H.R. 9784. A bill to establish a Federal Employee Labor Relations Board to regulate Federal labor-management relations, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. GUNTER (for himself and Mr. Vanik):

H.R. 9785. A bill to provide for a coherent national program of energy research and development, to amend the National Science Foundation Act of 1950; to the Committee on Science and Astronautics.

By Mr. KOCH (for himself and Mr. Bell):

H.R. 9786. A bill to assure the constitutional right of privacy by regulating automatically processed files identifiable to individuals; to the Committee on the Judiciary.

By Mr. PATTEN:

H.R. 9787. A bill to authorize the Secretary of Health, Eduction, and Welfare to make grants to conduct special educational programs and activities designed to achieve educational equity for all students, men and women, and for other related educational purposes; to the Committee on Education and Labor.

By Mr. ROE:

H.R. 9788. A bill to amend the Communications Act of 1934 for 1 year with respect to certain agreements relating to the broadcasting of home games of certain professional athletic teams; to the Committee on Interstate and Foreign Commerce.

By Mr. WHALEN:

H.R. 9789. A bill to amend the Omnibus Crime Control and Safe Streets Act of 1968; to the Committee on the Judiciary.

By Mr. MOORHEAD of Pennsylvania:

H.J. Res. 696. Joint resolution to provide for a temporary extension of the authority of the Secretary of Housing and Urban Development with respect to the insurance of loans and mortgages, and for other purposes; to the Committee on Banking and Currency.

By Mr. OBEY:

H.J. Res. 697. Joint resolution proposing an amendment to the Constitution of the United States relating to the strengthening of the system of checks and balances between the legislative and executive branches of the Government as envisioned by the Constitution with respect to the enactment and execution of the laws and the accountability to the people of the executive as well as the legislative branches of the Government; to the Committee on the Judiciary.

By Mr. ROE:

H.J. Res. 698. Joint resolution, a national education policy; to the Committee on Education and Labor.

By Mr. BROTZMAN:

H. Con. Res. 282. Concurrent resolution expressing the sense of Congress with respect to the missing in action in Southeast Asia; to the Committee on Foreign Affairs.

By Mr. HOWARD:

H. Con. Res. 283. Concurrent resolution expressing the sense of Congress respecting measures to deal with possible shortages of No. 2 heating oil; to the Committee on Interstate and Foreign Commerce.

By Mr. HUBER (for himself, Mr. Robert W. Daniel, Jr., Mr. Parris, Mr. Wampler, Mr. Wyatt, and Mr. Young of Illinois):

H. Con. Res. 284. Concurrent resolution expressing the sense of Congress with respect to the missing in action in Southeast Asia; to the Committee on Foreign Affairs.

By Mr. HARRINGTON (for himself, Mr. Clay, Mr. Drinan, Mr. Mallary, Mr. Stark, and Mr. Stokes):

H. Res. 520. Resolution, an inquiry into the extent of the bombing of Cambodia and Laos, January 20, 1969, through April 30, 1970; to the Committee on Armed Services.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. GUDE:

H.R. 9790. A bill for the relief of Hendrika Koenders Lyne; to the Committee on the Judiciary.

By Mr. ROE:

H.R. 9791. A bill for the relief of Nenita Reyes Ramos and Benedicto F. Ramos; to the Committee on the Judiciary.

By Mr. RODINO:

H.R. 9792. A bill for the relief of Juliet Elizabeth Tozzi; to the Committee on the Judiciary.

By Mr. VEYSEY:

H.R. 9793. A bill for the relief of Earl Gilber, Larry Collins, Vern C. Parton, Alexander L. Adams, and John Kimm; to the Committee on the Judiciary.

By Mr. BOB WILSON:

H.R. 9794. A bill for the relief of Harry F. Armstrong; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII,

259. The SPEAKER presented a petition of the village president and board of trustees, village of Park Forest, Ill., relative to the revision of tax laws and freight rates to make the use of recycled materials competitive with raw materials, which was referred to the Committee on Ways and Means.

EXTENSIONS OF REMARKS

NEW MELONES DAM

HON. JEROME R. WALDIE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 31, 1973

Mr. WALDIE. Mr. Speaker, for many years, environmental groups have argued against the proposed construction of the New Melones Dam in northern California. I have agreed totally with their argument that this Corps of Engineers project is unneeded and potentially damaging to the area.

The San Francisco Chronicle, in a recent editorial, also took note of this potential threat. For this reason, I am calling the attention of my colleagues to the Chronicle editorial.

[From the San Francisco Chronicle]

PROBLEMS OF THE NEW MELONES DAM

Spanish-speaking miners said the gold nuggets found in the river looked like melon seeds, and so the site of the little mining camp alongside the Stanislaus came to be called Melones. It is only a ghost camp now, but it has become the latest battlefield in the unresolved dispute between the State and Federal governments over water control.

The Army Corps of Engineers wants to dam the Stanislaus near Sonora with a gigantic rock fill to be known as the New Melones Dam. It would be as high as a 62-story building and one of the largest, if not the largest, structures of its kind in the United States. Impounded waters would reach 20 miles back into the Sierra foothills and only incidentally submerge all that is left of the mining camp of Melones.

The Engineers say the dam is needed for flood control, irrigation and power, as well as new reservoir recreation opportunities. They put a price tag on the project of $181 million in addition to the $30 million that have already been spent for preparatory work.

Conservationists attacked with the claim that the Engineers were up to their old trick of building a dam simply because a river and a canyon were undammed. Notably, the Environmental Defense Fund said the dam would hardly fulfill the claims made for it because the needs as depicted by the Army Engineers did not exist in the first place.

A geologist came forth to say the reservoir would submerge a unique array of geological phenomena, speleologists said some of the largest most unusual limestone caves in California would be inundated, and sportsmen and fishermen predicted tragic consequences to trout and other wildlife.

A rallying cry for all was the need to preserve a nine-mile stretch of the Stanislaus that annually attracts thousands of white-water kayakers and raftsmen. It is the only year-round stretch of white water left in California and it, too, would be lost.

Then the State Water Resources Board said that San Joaquin ranchers and Federal officials have failed to demonstrate a need for all the water that would be stored behind the dam. The Board said the reservoir could be filled to only one-fourth of its capacity. This restriction would also maintain the quality of water downstream in the Sacramento-San Joaquin delta and, incidentally, preserve most of the nine mile white-water stretch upstream.

The Water Board dictum raised a totally new issue. Federal officials said they cannot accept the State order, because a state cannot interfere with a mandate of Congress that authorizes a dam.

At the moment, there are more questions about the dam than there are answers. The U.S. Court of Appeals, for example, has under consideration a petition for an injunction filed by the Environmental Defense Fund on the ground that environmental impact studies for the project were inadequate. If the court finds this to be true, then a new element is added.

Until there are more answers, all agencies involved should move with the utmost prudence. A great natural asset—such as the Stainslaus—should not casually be tampered with, for the scars of bulldozers take a long time to heal.

CONCERN FOR RIGHTS AND DIGNITY

HON. JOHN E. HUNT

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 31, 1973

Mr. HUNT. Mr. Speaker, today I call to the attention of my colleagues a very interesting editorial from the July 19, issue of the Catholic Standard, published in Washington, D.C.

While I am as anxious as anyone to see that those who have broken the law are given their due, I am not in favor of the Senate hearings continuing. Aside from the fact that they may prohibit those involved from getting a fair trial in a court of law, they have turned into a three-ring circus which even Ringling Brothers would be hard pressed to beat. Judging by some of the letters and phone calls received from the viewers, the Senate committee members have done more to titillate the fantasies of the American housewife than to arrive at any pertinent conclusions.

As the editorial points out, and I commend the paper for it, the proceedings—

> Must be conducted with the highest degree of decorum and with utmost concern for the rights and dignity of those who testify.

As yet they have not, and I doubt they will.

The editorial follows:

SAD AND SORDID

The Watergate conspiracy and all its ramifications is a sad and sordid affair. Unfortunately, too, the conduct of the televised Senate hearings leaves much to be desired in terms of our national image and the positive results it purports to be seeking.

The headline from last Thursday's Washington Star-News reads, "Mitchell's 'Stone Wall' Battered by Senators." It accurately characterizes the treatment given former Attorney General John Mitchell by a panel of United States Senators and staff attorneys during his public appearance last week.

Mr. Mitchell on the basis of his sworn testimony is not entitled to a great deal of sympathy. Nor do we intend to come to his defense. He proved himself to be a very intelligent and articulate witness and was ably represented by extremely competent attorneys. Whatever his motives may have been, Mr. Mitchell, by his own admission, is guilty of extremely grave errors of judgment, and perhaps more. These have resulted in criminal indictments and he still may have to face additional criminal charges. Nevertheless, under our system of law he is entitled to his day in court and the presentation of his defense, as well as whatever arguments in mitigation he wishes to present if he is found guilty.

In terms of a legitimate legislative purpose—and this, after all, is the purpose of legislative hearings—Mr. Mitchell's testimony was not essential for the committee's work. The Congress already has more than enough data to draft legislation based on the experience of Watergate. Nevertheless, we fully understand the desirability of Mr. Mitchell's appearance. His personal prestige as a former Attorney General and his personal knowledge of the facts in the case add a great deal to the legislative history so important to the enactment of laws.

The fact is, however, that throughout his testimony Mr. Mitchell was badgered, ridiculed and even vilified. Many of the questions asked him were clearly inadmissible in a court of law. Some were speeches rather than questions. He was, in a real sense, subjected to the same type of treatment for which the late Sen. Joseph McCarthy was criticized and censured. If it was wrong then, it is wrong now.

It would appear that the committee was more interested in excoriating the former Attorney General than in developing a background for legislative purposes.

We sincerely hope that the hearings have not compromised the possibility of a fair trial for Mr. Mitchell, or any other witness, or for obtaining convictions in such trials if that is warranted by the facts. We believe that under the American system a person should be tried, and this includes intense cross-examination, in courts of law for the crimes with which they may be charged. Televised hearings are not the place for this. Too many mistakes have been made in the past to allow it to continue.

For many years now the courts of our country have resisted attempts to introduce live radio and TV coverage of their proceedings. The reasons are obvious. At the very least a court appearance is an extremely emotional and trying experience. To add the confusion created by the presence of cameras and microphones and the witnesses' knowledge that every word of testimony is being transmitted instantly to thousands and perhaps millions of listeners places an unconscionable burden on those who have to testify. While the public's "right to know" can justify live TV and radio coverage of legislative hearings, such proceedings, it seems to us, must be conducted with the highest degree of decorum and with utmost concern for the rights and dignity of those who testify.

GRIZZLY BEAR SHOULD BE ON ENDANGERED SPECIES LIST

HON. G. WILLIAM WHITEHURST

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 31, 1973

Mr. WHITEHURST. Mr. Speaker, the strongest land mammal in North America and one of the most intelligent is on the verge of becoming extinct. The grizzly bear, the symbol of wild America, has already had 16 different subspecies and species wiped from the face of the

Earth. The relentless persecution of the magnificent giant is a shameful chapter in the conservation of our wildlife heritage. And the Federal Government is largely responsible.

No creature can suffer carnage as has the grizzly and be expected to survive. The U.S. Government should take the necessary steps to keep the grizzly from passing its vanishing point.

I have written to the Secretary of the Interior, Rogers C. B. Morton, asking him to place the grizzly bear on the endangered species list, thereby offering it Federal protection, and further protect the threatened animal by stopping hunting of the grizzly in national forests.

In my letter I called the Secretary's attention to published Interior Department figures reporting fewer than 1,000 grizzly bears in the United States. The Interior Department publication, "Theatened Wildlife of the United States," also indicates that wilderness areas are needed to preserve these remaining animals. I have asked that the grizzly bear gets the added protection it needs to survive and grow. I urge others to do likewise.

The alarming reduction in numbers and the plight of the grizzly at the hand of man are revealed in an interesting article in the July 1973 edition of Environmental Equality magazine. The author, Steven Seater, is a staff biologist for the Defenders of Wildlife in Washington, D.C. His article is interesting reading, and I urge my colleagues to review it. I insert the article in the RECORD.

The article follows:

VANISHING POINT: THE GRIZZLY BEAR

(By Steven Seater)

For centuries, before the first white man set foot in North America, the grizzly was the most dominant species on the continent. It ruled a vast domain from the Pacific Ocean to the Mississippi River, and its numbers were estimated at well over a million—probably closer to four million if you add the territories of western Canada and Alaska.

Left undisturbed by the Indians and early white settlers who shared its land, the giant bear was free to roam where it pleased. The few braves that were able to kill a grizzly kept its claws as a symbol of their great hunting skill, and often ate the bear's heart in hopes of gaining the grizzly's great courage and strength. All of this was changed with the introduction of the repeating rifle.

According to naturalist George Goodwin, "Before the use of repeating rifles, the grizzly was Lord over all it surveyed. It openly took what it wanted and none dared question its right. With the introduction of modern firearms, the grizzly recognized defeat and has taught its children to shun the highways of civilization and seek safety in flight when the hated scent of man flows down the breeze." Now, hunting, poisoning and government "management" programs are pushing this giant to extinction. Yet it remains as the most splendid of creatures.

The grizzly is the strongest land mammal in North America—nearly 1,200 pounds of muscle. When standing on its haunches, a full-grown grizzly may be eight to ten feet tall and capable of sprinting at over 30 miles per hour. Its strength can be fully appreciated only if felt or observed.

Enos R. Mills tells of a grizzly that was cornered by dogs and horsemen. The bear lunged at his attackers, breaking one horse's jaw with a single swipe of his great paw, and with a second blow broke three ribs of the other horse as he escaped. Another story tells of a cub which was captured and taken to a ranch in Colorado. A heavy collar and chain were attached to the cub before it was placed in a cage. The chain was then passed through the bars of the cage and attached to a large post. That night the cub's enraged mother visited the ranch, defeated a whole pack of dogs, demolished the cage, snapped the chain and left with her cub.

The grizzly is more than a ferocious, powerful giant—he is a highly intelligent animal as well. Dr. William Hornady once prepared a list of the 20 most intelligent animals. He based his ratings on ten separate factors. According to his tests, the chimpanzee rated highest with a score of 926 out of a possible 1,000. The grizzly bear received a rating of 725, higher than the gorilla, wolf, coyote or red fox. While the grizzly made a lower score on the memory test than did the chimpanzee, it actually scored higher on the reasoning test.

Although the bear's high degree of intelligence has not been widely recognized, its ferocity has. Many writers have accused the grizzly of being inordinately aggressive and prone to launching unprovoked attacks against man. Knowledgeable outdoorsmen, however, are convinced that unprovoked attacks are rare. Theodore Roosevelt wrote, "No grizzly will assail a man unprovoked . . . though if he is wounded or thinks himself cornered he will attack his foes with a headlong, reckless fury that renders him one of the most dangerous of wild beasts." Old Mose, a Colorado grizzly, is said to have killed five men. However, the men were hunters who had brought the bear to bay and were intent on killing it. In reality, the grizzly generally shuns man. When attacked or molested, however, he is quick to defend himself. Our ethic seems to approve of this trait in ourselves, but condemns the grizzly as a ferocious killer for doing the same.

It is true that a few seemingly unprovoked attacks on man have occurred; but it must be remembered that there is no way of knowing what actually motivated the bear in question to strike out. For example, a hiker may be set upon by an angry grizzly, not realizing that the bear is protecting her cubs which are hidden out of sight. For this reason, hikers in grizzly country are advised to wear bells so as to warn the bear of their approach. If given sufficient warning, grizzlies will normally leave an area when humans approach (female grizzlies are devoted mothers and will go to almost any length to protect their cubs). A bear may also attack a man as a result of persecution by other men in the past. Man's history of trophy hunting makes the very idea of unprovoked attack meaningless.

Needless to say, though, a determined grizzly can make short work of a man. Such was the case of Frenchy Duret, a notorious trapper who had accounted for numerous grizzlies.

One day, Duret came upon a large grizzly held in one of his traps. He approached the tortured beast, whose hind foot was nearly crushed in the jagged toothed jaws of the trap. Duret raised his rifle and fired. The bullet tore into the bear's body, but failed to strike a vital spot. Before Duret could chamber another round, the enraged animal broke loose from the trap with a mighty lunge and fell upon him. In the space of a few short moments, the bear left the trapper a horribly twisted and disfigured wreck who later died in agonizing pain.

There is little doubt that the grizzly is the most aggressive of bears. A comparison of the behavior of trapped bears of different species by biologist Charles Jonkel revealed the grizzly to be by far the most aggressive and vocal. According to Jonkel, trapped grizzlies became so enraged that they damaged nearby trees with a frightful vengence and repeatedly charged their captors until subdued with drugs. Trapped black bears were docile in comparison and even polar bears exhibited considerably less aggression.

If captured as a cub, the grizzly can be completely domesticated. This is undoubtedly true since the trained bears in circuses are European brown bears and Russian bears—both of which are subspecies of the grizzly. Oddly enough, the less aggressive black bear does not tame as well and usually becomes untrustworthy when full-grown.

FAMOUS OUTLAWS

The grizzly's diet consists of all types of vegetable matter including roots, tubers, grasses and fruits. Grubs and insects are also relished, and, when available, fish make up a large part of the animal's diet. They rarely take healthy big game for the simple reason that they usually cannot catch such animals. Moose, elk, pronghorn and mule deer are all too fast, while the massive bison weighs two to three times as much as a grizzly and has the backing of numerous comrades. Under certain conditions, such as in Yellowstone Park where elk are over-abundant and the winters are harsh, grizzlies prey upon sick and dying animals, as well as healthy ones which may become bogged down in deep snow.

Occasionally, a grizzly turns livestock killer; however, claims of cattle killing were, and still are, greatly exaggerated. Usually, the evidence against the grizzly is entirely circumstantial. Most knowledgeable wildlife biologists feel that what usually happens is that a steer will die from disease, or from eating poisonous plants, or is killed by a mountain lion; then a grizzly happens along and feeds on the carcass. Unfortunately, the bear leaves his tracks near the dead steer and is immediately branded a stock killer.

Early accounts of the cruel contests between grizzlies and bulls describe the bear as being reluctant to attack. This tends to support the claim that the bear was disinclined to attack domestic cattle as well.

There were, nevertheless, a number of outlaw grizzlies who became legends in their own time. Old Mose of Colorado and Two Toes of Montana are among the most infamous stock killers. Bloody Paws held the record for the number of livestock killed. Between 1889–1892, she is said to have killed 570 domestic animals, although this figure is most likely exaggerated.

The actual magnitude of bear predation on livestock is revealed by a study made in Alaska in 1966. According to Schoonmaker, of a total of 156 livestock deaths, only one animal was definitely believed to have been killed by bears.

Interestingly enough, most of the bears known to have been stock killers had either been injured by steel leg-hold traps or were previously wounded by hunters. Bloody Paws, when killed, was found to have three old bullet wounds on her body. Old Mose had been mutilated in a trap, losing two toes to the serrated jaws. Mutilation of one kind or another was responsible for causing the great outlaw bears to turn to killing domestic animals. Much as the man-eating tiger resorts to killing humans for sustenance, often as the result of man-induced injuries, so also does the injured grizzly turn from its natural prey to livestock.

Most grizzly bear mutilations are attributable to the steel jaw, leg-hold trap. In the old days, the standard bear trap had a jaw spread of about 18 by 18 inches and a few measured as much as 22 by 22 inches. Most had serrated jaws and were powered by steel springs up to two feet in length. When the jaws snapped shut they did so with bone-crushing force, and the cruel teeth bit deeply into the bear's flesh. The desperate struggle of a grizzly to escape from the grip of one of these torture devices was horrible indeed. Often a bear would sever his paw to free himself. Also, it wasn't unusual for a panic-stricken bear to literally shatter all of its teeth on the trap in an effort to escape. Little wonder that bears so severely mutilated resorted to killing sluggish livestock in lieu of pursuing their natural prey.

LESS THAN 800 REMAIN

Few, if any, animals have been subjected to as cruel and intense persecution as the grizzly. Fully 16 different species and subspecies have been slaughtered into extinction. The Mendocina and Henshaw's grizzly were extirpated in the late 1880s, and the California Coast and Klamath races were gone by the early 1900s, as were the Tejon and Southern California grizzlies. At least nine other sub-species also joined the increasing list of extinct animals.

As a result of this persecution, a symbol of wild America has been largely exterminated in the western half of the United States. The situation in western Canada and Alaska is not encouraging, while in Mexico, the bear may already be gone. According to Dr. Kai Curry-Lindahl, a biologist and conservation expert for the United Nations, the Mexican grizzly was thought to be extinct in 1962. However, five years later, a remnant population of 30 to 40 bears was discovered in the Sierra del Nido of central Chihuahua. These were exterminated by poisoning a few years later. In 1969, another group was found in Sierra Madre, but the present status of these last survivors is uncertain.

The invention of high-powered rifles marked the beginning of the end for the grizzly. Big bore rifles like the Sharps came into use at about the same time that domestic animals were introduced onto the grizzly's range. The stockmen branded the big bear as a bloodthirsty killer of their sheep and cattle and waged a war against it. Cash bounties were offered to all hunters for the killing of grizzlies. Steel traps and poisons were later added as a means of further reducing the bear's population. Faced by an onslaught of this magnitude, the grizzly edged steadily closer to extinction.

From 1937 to the present, the U.S. Department of Interior claims credit for poisoning, trapping or shooting about 25,000 bears, a significant percentage of which were surely grizzlies. (No one knows how many were poisoned and wandered off to die in remote areas, never to be found.) This carnage was, and still is, carried out as part of Interior's "predator control" program, designed to eliminate predatory animals from both public and private western lands in order to free the territory for western livestock raisers to graze their sheep and cattle.

In 1970, the Interior Department Bureau of Sport Fisheries and Wildlife estimated that a mere 800 grizzly bears were left in the United States. In little more than a hundred years, the white man has reduced the grizzly's population from about 1.5 million to less than 800—a reduction of over 99 percent.

Of the 800 grizzlies which remain in the western United States, most are found in a narrow corridor stretching from Glacier National Park south to Yellowstone and Grand Teton National Parks. By far the largest concentration of these bears is in the Yellowstone ecosystem. Though ostensibly protected in Yellowstone, the grizzly population there is seriously threatened by unsound management practices of the Interior Department's National Park Service. Outside the confines of the park in Montana, the bear is fair game for trophy hunters.

The situation in Yellowstone National Park requires special attention, for it is the last major refuge the grizzly has in the western states. The trouble there stems from the fact that many grizzlies in and outside the park congregate at open-pit garbage dumps during the summer months. These animals have become accustomed to eating garbage and are in fact dependent upon it, as would be expected since they have been frequenting disposal areas for over 80 years. In effect, garbage has been an integral part of the Yellowstone ecosystem for nearly a century. Several years ago, National Park Services authorities decided that it was necessary to return the Yellowstone grizzly population to a truly wild state. It was feared that grizzlies used to feeding in garbage dumps would eventually invade campgrounds in search of food, thus increasing the possibility of dangerous bear-man encounters. The problem was how this transition could best be accomplished.

At the request of the National Park Service, Drs. Frank and John Craighead were asked to prepare a management plan for Yellowstone's grizzlies. The Craigheads began their research on grizzlies in 1959 and since then have captured, examined and released over 550 bears. Additionally, they have immobilized and color-marked over 250 grizzlies and put in over 40,000 man-hours carefully studying their activities and behavior. This work has undoubtedly made the Craigheads the pre-eminent grizzly bear biologists in the United States.

The Craigheads submitted a report to the Park Service in which they recommended that the grizzly population be returned to a natural state by closing the open-pit garbage dumps over an eight to ten year period. They emphasized that under no circumstances should the dumps be rapidly phased out. Such precipitous action would have disastrous consequences for the Yellowstone grizzlies with their long-established tradition of feeding on garbage. Incredibly, the Park Service chose to ignore the Craighead report and established a "management" program based on hypotheses supported by little or no data. Instead of a gradual phase-out, the Park Service chose to follow a reckless course and close the dumps in rapid succession. Illogically, the Service assumed that this precipitous action would cause those bears which had fed at garbage dumps to return to the back-country where they belonged, and that the few bears that failed to do so could be dispatched with no ill effects to the overall population.

The Park Service management program has been in effect for five years and is an unqualified disaster. Instead of obediently returning to the backcountry and feeding on wild foods, grizzlies suddenly deprived of garbage not only continued to seek food in areas they had long frequented, but also began to invade campgrounds and developed areas in increasing numbers. Instead of lessening the chance of bear-man encounters, the Park Service program has increased them. Last June, Yellowstone witnessed its first grizzly-caused fatality since 1916, when a young man was attacked and killed by a grizzly near Old Faithful. Moreover, the grizzly bear death rate is now more than twice the birth rate, with 91 bears dying from all causes in 1971–72.

EXTINCTION BY 1998?

In an effort to convince the Park Service that their program had failed miserably, Dr. John Craighead presented his findings at a meeting held early last fall. He began by showing the results of a computer analysis of data he and his brother had gathered on the dynamic processes of growth and decline of the grizzly population within the Yellowstone ecosystem. Data for the pre-management period (1959–1967) were compared with data for the period of mismanagement (1968–1971). The results were startling: During 1959–1967 the Yellowstone grizzly population was slowly growing with an annual increment of 1.7 bears, but during 1968–1971 the population was shown to be crashing with more than twice as many bears dying as were being born. Moreover, Dr. Craighead's data showed that unless the current management program is terminated, the grizzly bear within the Yellowstone ecosystem can be expected to become extinct by 1998, and quite possibly sooner.

How was the Craighead presentation received by the Park Service? It wasn't—he was rebuffed and his data branded false; yet, none of the Park Service biologists come close to his expertise or years of experience. The fact is that the National Park Service bureaucrats made an arbitrary decision which proved wrong; but rather than admit this, they may have condemned the last significant grizzly bear population in the West to extinction by their intransigence.

The open-pit dumps have been closed and probably cannot be reopened. But it would be possible to provide the hungry grizzlies with garbage which could be dumped at increasing distances from developed areas and campgrounds in decreasing amounts. This would help to lure the bears away from areas of human activity and could provide the necessary supplemental food for the period of transition.

Troublesome bears are now either dispatched or translocated to areas surrounding national forests. The translocated bears that do not return to the Park often fall prey to trophy hunters in Montana and Wyoming, where the bear is considered a "big game" animal. To alleviate this, all hunting within national forests in Montana and Wyoming should be suspended immediately. It is doubtful the grizzly can withstand the pressure much longer.

Moreover, the grizzly should be placed on the Interior Department's Endangered Species List for added protection, instead of waiting until it has passed the biological point of no return, as Interior has done in the past with so many other animals.

Finally, those bears which have been translocated to other parts of the Yellowstone ecosystem but consistently return should not be dispatched or placed in zoos. Federal agencies should begin a program of reintroducing the grizzly to parts of its former range. Yet, as late as January of this year, Interior Department officials were still holding out hope that the plan could be salvaged. Assistant Secretary of Interior Nathaniel Reed was quoted as saying that "we realize the death curve is exceeding the birth rate in the park. We had anticipated that when we shut down the garbage dumps. But we expect it to level off. We have more time than the Craigheads say."

The only hopeful sign at present is the fact that a new National Park Service Director, Ronald Walker, was appointed a few months ago. Hopefully, he will take a fresh look at the problem and adopt a sensible plan for protecting the animals before it is too late. To do so, however, he would have to overcome the Park Service's entrenched bureaucratic inertia which now has a vested interest in continuing the discredited management plan they have been defending for the last few years.

The grizzly is one of the largest and most powerful carnivores to walk the earth. If we are to insure him a place in the wildlife heritage of future generations, we must act now. We must demand that the proper conservation action be taken immediately. Otherwise, this unique and awesome giant is surely doomed.

If you wish to comment or obtain more information on the Government "management" of the Grizzly bear, you may write to: The Honorable Ronald Walker, Director, National Park Service, U.S. Department of the Interior, Washington, D.C. 20240.

FLOYD ARTHUR "BALDY" HARPER, RIP

HON. STEVEN D. SYMMS

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 31, 1973

Mr. SYMMS. Mr. Speaker, those of us who consider ourselves students of liberty have lost a friend—I enclose the RIP by my friend, Murry Rothbard, because he says it so well.

My first acquaintance with "Baldy" was in March 1970. I told my neighbor Art Van Slyke, of Wilder, Idaho, that I was going to attend a seminar where Baldy Harper was one of the teachers.

Art Van Slyke, a former student of Baldy's, said to me:

> Baldy Harper was the most thoughtful individual I have ever met.

Another friend of mine and of liberty, Ralph Smeed of Caldwell, Idaho, said to me:

> Baldy Harper added compassion to the Libertarian movement, and is to me like sunshine to a crop of corn.

Mr. Speaker, both of my friends, Art Van Slyke and Ralph Smeed, were right. My friendship and correspondence with Baldy Harper continued to his death.

Mr. Speaker, we lost a friend, but not his ideas. In my last letter from Baldy, he said:

> If freedom could only be bought like fire insurance.

Mr. Speaker, we know it cannot be bought like fire insurance, but long live liberty and the ideas of my friend.

The article follows:

FLOYD ARTHUR "BALDY" HARPER, RIP

On the evening of Saturday, April 21, Dr. F. A. "Baldy" Harper died suddenly, of a heart attack, at the age of 68. To say that Baldy's death is an irreparable loss, personally and in every other way, to the libertarian movement, would be a masterpiece of understatement. Ever since he came to the Foundation for Economic Education in 1946, as its chief economist and theoretician, Baldy Harper, in a very real sense, has been the libertarian movement. For all these years, this gentle and lovable man, this wise and Socratic teacher, has been the heart and soul and nerve center of the libertarian cause.

I had the privilege of meeting Baldy in the winter of 1946–47, and from that first meeting, he became my first dear friend and mentor in the libertarian movement. And I was scarcely an isolated example. For years before and ever since, Baldy Harper carried on an enormous and inspiring correspondence, seeking out all promising libertarians, encouraging any signs of their productivity, by his wise teaching and example developing a large and devoted following of friends and students. The thought of never again receiving one of Baldy's famous cryptic and allusive hand-written notes is almost enough to move one to tears. The last letter I had received from him, a brief week or two before his death, was typical: a glowing note about his discovery of a brilliant young mathematics professor who is anxious to move into the field of Austrian economics and to refute the fallacies of orthodox mathematical economics.

It was Baldy's burden, which he bore with his usual uncomplaining grace, that he was a member of a veritable "lost generation" from the libertarian point of view. In the late 1940s, there were some libertarians and free-market economists of the Ludwig von Mises generation or slightly younger: men then in their 60's, such as Mises, Fred Fairchild, Willford I. King. And there were a few of us youngsters coming up. But in his vital "middle generation," there was only Baldy: all of the other intellectuals of his day were leftists and statists. And so Baldy simply set out, in his quiet and gentle way, to create a body of students and followers. In those early days at FEE, for example, almost every staff member had been brought into the movement by Baldy: W. M. Curtiss, Paul Poirot, Ivan Bierly, Ellis Lamborn, all students of Baldy at Cornell. Baldy was indeed a notable inspiration and guide for young people, and his followers are now everywhere in the libertarian world. There were scarcely any of us touched by his special magic who did not come to love Baldy as a mentor and a friend.

Baldy in those days contributed some vital works to the libertarian literature; perhaps the most memorable was his great anti-war pamphlet, *In Search of Peace*, and his *magnum opus, Liberty: A Path to its Recovery*, which brought to libertarian theory an abiding concern for human variety and diversity which reflected Baldy's lifelong interest in the "hard" and the biological sciences. But Baldy's abiding passion was a deep concern for strategy, for development of a strategic theory and practice for the libertarian cause. It was out of this concern for strategy that Baldy developed his lifelong dream, his vision of the course which libertarians must take for ultimate victory. He saw that the nub and the heart of libertarian strategy must be ideas and scholarship, that activism could never succeed unless informed by a body of ideas and research on the deepest and most advanced levels. Baldy's great vision was to guide and develop a body of libertarian scholarship and research.

In pursuit of this dream, Baldy Harper moved in 1958 to the William Volker Fund, of Burlingame, California, which had been engaged in the vital task of discovering and sponsoring libertarian and allied scholars in all related fields and disciplines, and in aiding and publishing their work as individuals, completely separate from their universities or from such Establishment-agencies as the Social Science Research Council. The Volker Fund concept: of discovering and aiding libertarian scholars, and of bringing them together in meetings and conferences, was an unsung task of enormous importance which developed and held together libertarian scholars during the lonely years of the 1940s and 50s. By the end of the 50s, Baldy saw the importance of establishing the Volker activities on a permanent, funded basis; and he moved to transfer the bulk of the Volker funds to a new Institute for Humane Studies, which would expand the Volker concept and would provide a permanent home for libertarian fellowships, scholarships, conferences, and publications. An endowed IHS would have been of inestimable and incalculable value for the libertarian cause, and the fulfillment of Baldy's lifelong dream. Then, in 1962, just at the point of consummating the new IHS, for various personal and ideological reasons the Volker Fund collapsed, and its funds were forever lost to the cause of libertarian scholarship.

Faced with this shattering blow, Baldy Harper never faltered; with unswerving and inspiring integrity, he determined to build the Institute for Humane Studies even without its promised endowment. Painfully, and at cost of great personal sacrifice, Baldy patiently, step by step, built up the Institute. After nearly a decade of this slow and painfully wrought development, he was able to bring the IHS to the point where it could sponsor conferences, publish books and pamphlets, grant fellowships, and begin to fulfill the Harper dream of a center for libertarian ideas and scholarship.

If, now, despite this grievous blow, we can continue to build the Institute and see that it flourishes, we can build a monument to Baldy which I am sure he would cherish more than any other. It cannot replace this wonderful friend and teacher of us all; but it would be of enormous and indispensable value to the cause of liberty which Baldy held so dear and to which he devoted his life.

CONGRESSIONAL FELLOWSHIP PROGRAM

HON. GERRY E. STUDDS

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 25, 1973

Mr. STUDDS. Mr. Speaker, since my own days as a Capitol Hill staff aide, I have been aware of, and complained about, the inadequacy of the office allowances we provide for ourselves. But since coming to Washington last January as a Member, I have discovered one mitigating factor of which I had been unaware: A Congressman really fast on his feet can hire an extra legislative assistant with 10 to 15 years' relevant experience at no cost at all. I refer, of course, to the Congressional Fellowship program which today celebrates its 20th anniversary. I hope that all Members presently unaware of the program will remain so, as there is already fearful competition for the few fellows which the American Political Science Association and the Civil Service Commission put on the auction block each half-year.

I have been introduced to the Fellowship by an old friend, a former Foreign Service colleague of mine who is now one of the State Department's leading experts in Middle East affairs. When he suggested his availability for 4 months as a congressional fellow, my first reaction was that we were already crowded in the office, and that Middle Eastern matters were not one of the major concerns of my constituency. On second thought, though, we shoehorned another desk into the office, and for almost 4 months now, the State Department fellow has provided research, drafting, briefing, and freelance casework on every conceivable subject, and made thereby an invaluable contribution to the office.

I hope that State, the other Federal agencies which participate, and the educators and journalists who are sponsored by the American Political Science Association derive as much satisfaction from the fellowship as Congressmen do. I trust also that we, as primary beneficiaries of the program, will lend it our unstinting support, especially by insuring that any fellow we are lucky enough to land gets from his experience with us the widest range and the greatest depth of congressional experience which we can, by forethought, arrange for him.

I join with pleasure in congratulating all those concerned with the congressional fellowship program on the success of its first 20 years. The superb quality of the talent it attracts is proof enough of its virtues; but the self-evident benefits derived from close exchange between Members of Congress and fellows from nonlegislative walks of life dictate to us the need to support and nourish the fellowships at every turn.

STATE OF ALABAMA LEGISLATURE RESOLUTION ON MISSING IN ACTION IN INDOCHINA

HON. BILL NICHOLS

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 31, 1973

Mr. NICHOLS. Mr. Speaker, each Member of the U.S. Congress is vitally concerned with those still listed by the Department of Defense as missing in action in Southeast Asia.

The loved ones of all our POW's and MIA's had their hopes soar earlier this year when the President announced an end to hostilities and the release of all prisoners of war. For many loved ones, there were joyful reunions when their son and/or husband returned to the United States after being held captive by the Communists. For too many others, however, the wait and the agony continue and the hope diminishes as they await some word on their loved ones.

Mr. Speaker, the Alabama State Legislature has passed a joint resolution, urging the President and the Congress to do all in their power to secure the release and information on those still listed as missing in action. I would like to submit this resolution for inclusion in the CONGRESSIONAL RECORD.

RESOLUTION

Memorializing the President and Congress to do all in their power to secure the release and information concerning the missing in action in Southeast Asia

Whereas, of the valiant fighting men of the U.S. Armed Services who served their country in Southeast Asia, many of their number are still listed as Missing In Action; and

Whereas, North Vietnam has still not divulged true and factual information about the Missing In Action revealing the whereabouts or fate of these men; and

Whereas, the families of these service men have endured undue hardship and have waited for days, months, and years on end in hope of obtaining the return of their loved ones; and

Whereas, it is hard for a person to even imagine the torture that these families must go through day after day, wondering, waiting, and praying for some miracle that will return their son, husband, or loved one; and

Whereas, the suffering of the men who are still imprisoned in Southeast Asia cannot be forgotten, and immediate action must be taken to secure their release; and

Whereas, the most heralded aspect of the Peace Treaty was that North Vietnam promised the release of *all* American prisoners in Southeast Asia and their cooperation in obtaining the fullest accounting of the Missing In Action; and

Whereas, the Communists have merely pretended to meet the terms of the Peace Treaty; and

Whereas, the American people must not forget and turn their back on these patriotic men who have sacrificed for the country more than any person can expect; now therefore,

Be it resolved by the Legislature of Alabama, both Houses thereof concurring, That this legislature urges the President and Congress to do all in their power to secure the release or information concerning the members of the Armed Services listed as Missing In Action.

Be it further resolved, That copies of this resolution be sent to the President and to the members of the Alabama Congressional Delegation and be made available to the families of the Missing In Action and the press.

H.R. 8860 IS BAD LEGISLATION AND SHOULD BE DEFEATED

HON. JOEL T. BROYHILL

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 31, 1973

Mr. BROYHILL of Virginia. Mr. Speaker, H.R. 8860, as amended, is bad legislation, and should be defeated. The confusion we have created by endless hours of debate and countless amendments is greater than I have seen in this House in 20 years. I doubt that a single Member of the House knows exactly what type of a monster we have sent to the Senate today.

My main opposition to the bill, however, is that the escalator concept contained in the bill runs counter to the basic principle of market-orientation we approved with passage of the Agricultural Act of 1970, and mandates price increases for commodities on the basis of increased costs without regard to the market demand for those commodities. It is a step backward for the farmer from the independence from Government he is beginning to enjoy.

For decades we have enacted programs to stimulate overproduction, then voted payments to make up for weak markets and the inefficiencies we have fostered. We have, in effect used Government programs and payments to farmers as a form of subsidy for the consumer who wanted cheap food. Now farm prices are catching up and consumers are unhappy.

Now we must make a choice between forcing farmers back into dependence on Government payments or sticking to the resolve we demonstrated in the market-oriented Agricultural Act of 1970. H.R. 8860, with its escalator clause, will only hide the fact that food prices have been kept low to placate the consumer by our tinkering with the price system with his tax money.

This escalator concept will be bad for the farmer. It will make him ever more dependent on income from the Federal Treasury. It will be bad for the consumer, because our interference renders the farmer unable to increase production as fast as he could and would under a free system. And it will be bad for the taxpayer, be the farmer or consumer, when the cost of this legislation is felt in his pocketbook.

Farmers need greater profits, and they will have them, through increased productivity, lower unit costs, and expanding markets, if we lessen rather than increase Government interference. We should be getting Government out of agriculture, not more involved.

Let us take another look at what we have done over the past few weeks with this bill. We adopted an amendment that deletes language making recipients of supplemental security income eligible for food stamps. Those who disagreed intimated we were somehow discriminating against the aged, the blind, and the disabled. We were simply confirming the agreement we reached with passage of H.R. 1 in the previous Congress that the aged, the blind, and the disabled want cash, and the right to determine how they want to spend it, not food stamps and direction by Government as to what they can buy with them. And we voted them that cash in H.R. 1. Yet, I doubt that a Member of this House who voted for this amendment will escape the charge by an opponent at some time in the future that he voted against a program for the aged, the, blind, and the disabled.

Another amendment was even more controversial—the amendment to prohibit strikers from receiving food stamps unless they were previously eligible. If we supported the amendment, which I did, we were accused of being antilabor; if we opposed it we were taking food stamp funds from the poor and needy.

We rejected an amendment aimed at preventing abuse by hippies in communes after being told its passage would hurt old ladies living together to pool limited funds and mothers of nine children whose husbands had deserted them.

By the time we finished with food stamps, the author of the original amendment we had been amending urged its defeat, without success.

Mr. Speaker, there are many provisions of this bill I support enthusiastically. I support limiting the amount of subsidies that can be paid any farmer to $20,000, and the $20,000 limit on payments to farmers for idling their land, and the prohibition against leasing their land and selling cotton allotments to avoid the subsidy limit. I might add that I have consistently supported the 10-year effort by my friends and colleagues, Mr. FINDLEY and Mr. CONTE, to obtain this limit, although on occasion I have been accused of not having done so. I also support elimination of the wheat certificate, the so-called "bread tax," which has contributed to high cost of bread. But I have never seen a more vivid demonstration of what chaos can result from uncontrolled and uncontrollable efforts by some to demand recorded vote after recorded vote to show the folks back home their Congressman is looking out after their interests on Capitol Hill. We have given our opponents plenty of ammunition today, Mr. Speaker, no matter how we voted on final passage.

MILITARY RECRUITING PRACTICES

HON. WILLIAM A. STEIGER

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 31, 1973

Mr. STEIGER of Wisconsin. Mr. Speaker, certain proponents of the draft continue to raise false and misleading charges in an attempt to restore the executive power of conscription. Yesterday, the impression was created that the erroneous and costly entry of young men and women into the military was a product of the All-Volunteer Force.

The report of the Army Audit Agency, upon which this allegation was based, demonstrates that the opposite is true—this wasteful practice is a product of the draft. Fully 23.3 percent of the draftees had to be discharged because they never should have entered the military in the first place; only 14.6 percent of the enlistees were in this category.

Clearly, these figures represent a management problem that must be corrected to prevent needless expenditure of the taxpayer's money. But anyone who takes the time to read the report will see that the problem stems from the draft. Conscription provided personnel managers with the easy ability to take in massive numbers of individuals, with inadequate prior screeening. As a result, many erroneously entered the Army but had to be removed from service at great public expense. Now that the draft is gone, manpower officials will no longer have a crutch to compensate for shoddy pre-enlistment practices.

I was pleased to learn, Mr. Speaker, that Chairman Hébert has taken this matter in hand and is pursuing the issue through the investigating subcommittee. I am sure that the result of his endeavors will be a system which insures a high quality force without needless manpower expenses.

For the benefit of my colleagues, I am inserting in the Record the relevant table from the Army report:

	Volunteers		Male Inductees	Total
	Male	Female		
Accessions (fiscal year 1972)	151,351	5,680	25,478	182,509
1st term discharges for unsuitability, unfitness, EPTS	22,159	1,111	5,947	29,217
Percent of discharges to accessions	14.6	19.5	23.3	16

CAPTIVE NATIONS WEEK: COMMITMENT TO FREEDOM

HON. GEORGE E. DANIELSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 31, 1973

Mr. DANIELSON. Mr. Speaker, once again this year Americans devoted time during the third week in July to observances of Captive Nations Week. For the 15th consecutive year, citizens across the Nation have focused attention on the fact that while we enjoy our precious freedom, other people live as captives in their own lands. In countries such as Armenia, Latvia, Estonia, Lithuania, Czechoslovakia, and Hungary, to name just a few, attempts are constantly being made to suppress the national identity of the inhabitants. The strong and courageous resistance of these peoples to subjugation bears testimony to the strength of their national spirit and heritage.

It is difficult for free people to understand the plight of those who are not free. We cannot imagine being restricted in when and where we travel, or in how we choose to worship. We cannot imagine what it is like to be culturally isolated from the ideas of the rest of the world.

It is fitting that Captive Nations Week follows so closely after the celebration of our Nation's independence. The juxtaposition serves to heighten the contrast between our country and those that have no independence to celebrate.

It is also appropriate that Captive Nations Week comes at a time when the East and the West are finally discussing ways of living together in peace. Leonid Brezhnev's recent visit to the United States and the European security conference in Helsinki are indicative of the progress that has been made. But we should not forget that differences continue to exist. Intellectuals are still suppressed and censorship still prevails throughout the Communist world. These differences may not seem important to some of us, but anyone who is Jewish is acutely aware of the significance of the differing policies. Anyone who has relatives imprisoned in one of the captive nations knows the impact which these differences can have.

As free people dedicated to the fundamental principle of personal liberty, we have the high responsibility of committing ourselves to the eventual freedom of all captive nations. Captive Nations Week lets the people of these nations know that we have not forgotten them. Secretary of State Rogers reemphasized this point for all of us at the European security conference when he said:

> Another principle which this conference has already endorsed is the principle of universal respect for the right of every country to independence and to its own internal development free of outside interference, irrespective of its political, economic or social system. We have said in effect that a country must not be denied these rights for any reason . . . there is nothing equivocal about that decision which we have made.

ENERGY CRISIS

HON. TIM LEE CARTER

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 31, 1973

Mr. CARTER. Mr. Speaker, it was my recent pleasure to visit with Dr. I. W. Tucker, president of the Council for Environmental Balance.

Dr. Tucker, who also serves as a professor of engineering research at the University of Louisville, recently participated in a seminar on the energy crisis held at Louisiana State University, and funded by the Southern newspaper publishers. I believe his views are of interest.

Professor Tucker delivered an address upon the responsibility of the news media in its reporting of developments in the ecology versus industry controversy now raging. The text of this address was reprinted in the Baton Rouge Morning Advocate from February 20 to 22, 1973.

The recurring theme of Dr. Tucker's speech is that a balance must be struck between the cries for environmental protection, and the needs of a growing industrialized economy. It is the media's responsibility to refrain from championing the cause of ecology, while neglecting the proven facts established by industrial scientists. To Dr. Tucker, it is the duty of the media to be responsive to each side in the controversy.

The professor points out that a pollution free environment is no overnight accomplishment; he points out:

> My fear is that by seeking to purify our environment too hastily, we will achieve only an illusion of real progress and actually accomplish only the further waste of our energy resources, and the consequent reduction of our ability to enjoy whatever environmental improvements we can achieve.

Those able to effect a change in environmental policy—that is, chiefly, the Government—must not be pressured into action based upon emotion rather than reason.

According to Dr. Tucker, Congress, in passing the Water Pollution and Control Act and Amendments of 1972, enacted a law with disregard to both the environmental and economical consequences of their actions. The elimination of wastes from our water places a strain upon the already limited energy resources of America, and the elimination process does not completely neutralize pollutants, but often changes the wastes into different forms of pollution, such as chemical or thermal. To accomplish even the operation of required pollution control devices, companies must take into account the corresponding rise in the cost of labor, materials, and other plant investments.

The professor asserts that near-zero pollution is a "false notion." In a society based upon technology, some pollution must be tolerated, unless the lifestyle of millions of citizens is to be altered.

Dr. Tucker feels that greater emphasis should be placed upon the possibility of recycled waste as a source of energy. Such use of man-made waste can help to ease the demands made upon our fossil fuel resources.

In the conclusion of his lecture, Professor Tucker expressed hope that a reasonable balance can be found between the two extremes in the industry versus environment controversy. Upon this agreement being reached, the energies of those involved can be turned toward a more extensive investigation of new and promising sources of power, including solar and geothermal energy.

A.T. & T. RATE INCREASE

HON. WILLIAM L. DICKINSON

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 31, 1973

Mr. DICKINSON. Mr. Speaker, I have received an advance copy of a column written by Frank Van Der Linden which deals with the FCC and higher rates for "occasional" users of telephone lines.

Mr. Van Der Linden's remarks are very timely and informative and I think the Congress should know about this important matter. Therefore, I would like to insert his column at this point in the RECORD:

A.T. & T. RATE INCREASE

(By Frank Van Der Linden)

WASHINGTON.—The very survival of the companies which give the three giant television networks their only competition in sports, news, and special programs is at stake in a rate-increase battle before the Federal Communications Commission.

The F. C. C. recently allowed the American Telephone and Telegraph Company to give the Big Three a monthly contract rate reduction worth eighteen million dollars a year in extra profits, in order to keep specialized microwave carriers from wooing the networks away from A. T. and T. with the lure of even lower costs.

A. T. and T.—which retiring F. C. C. Commissioner Nicholas Johnson irreverently calls "Ma Bell"—proposes to recoup about seven million dollars annually by sharply increasing its charges to the "occasional" users which lease its lines on an hourly or daily basis. The Commission has delayed a decision on this until at least September 15, admitting that the higher rates might illegally violate its own decision in the Hughes Sports Network, Incorporated, case of 1968.

In that decree, the FCC ruled that Bell's rate structure for inter-city private lines unjustly discriminated against the small user. Bell then adopted the present rate structure which reduced the "occasional" service rate $1.15 per mile per hour to fifty-five cents. Bell's new plan would nearly double the "occasional" rate to a dollar per mile per hour.

Johnson calls the boost "a flagrant violation of the letter and spirit of the Hughes case," and predicts it would force the small user to "curtail his service to the public" or even go out of business completely.

In recent oral arguments before the FCC, the new higher rates were attacked as unjust and unlawful by spokesmen for the Hughes Sports Network, baseball's two major leagues, the National Hockey League, the State Mutual Broadcasting Corporation, the Corporation for Public Broadcasting, the Association of Independent Television Stations, the Tele PrompTer Corporation, station WPIX, New York, station WGC–TV, Chicago, and TVS, Incorporated, which pioneered telecasts of college basketball games. UPI Television News said the extra costs would drive it out of business.

Jay E. Ricks, Washington lawyer for the Hughes Sports Network, warned: "If this price goes into effect, it will drive out an awful lot of occasional users and the service will be again, as in 1956, the exclusive province of the three traditional networks."

"Hughes acts as agent for fifteen baseball clubs," he said. "The higher tariff is going to drive out virtually every user except the three national networks."

Claiming the Big Three already have a built-in advantage over their small competitors, Ricks cited a typical three-hour sporting event telecast from Robert F. Kennedy Stadium in Washington—say, a Redskins football game. To reach the one hundred largest T.V. markets in the nation, through a ten thousand-mile "occasional" network, Hughes would have to pay a telephone bill of $66,628, while a major network would have to pay little more than a tenth of that: $7,334.

Under Bell's proposed new rates, Ricks said, the network's phone bill for that game would go down to $6,531, while the charge to Hughes would zoom up sixty percent to $105,879.

These figures show why the independents, projecting news programs to break up the Big Three monopoly, are warning the FCC that it will be difficult, if not impossible, for them to produce the diversity of T.V. fare desired by the viewing public if A. T. and T.'s rate boosts are approved.

The losers will not be only the small companies, but the American people.

DAY CARE IS A JOB FOR GOVERNMENT

HON. BELLA S. ABZUG

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 31, 1973

Ms. ABZUG. Mr. Speaker, the need for adequate child care facilities is a very pressing problem in our modern society. Day care programs are essential for working parents and their children, but at present, the demand far exceeds available facilities. Now, while the Department of Health, Education, and Welfare is rewriting their social service regulations, it is important for us to be aware of what can and should be done in the area of child care. We must not compromise our children by accepting anything less than adequate, decent child care.

A recent issue of the Advance, a newspaper published by the Amalgamated Clothing Workers of America, carried an article on ACWA day care centers. I commend it to my colleagues as an example of the type of program for which we should strive:

DAY CARE IS A JOB FOR GOVERNMENT

Day care centers where working mothers can leave their children in good hands while they work are in scarce supply. These centers benefit children who get good care and also benefit their mothers who can work and help raise the family standard of living. One would think that every effort would be made to expand day-care centers for families. That would make sense, but that is exactly what the federal government is not doing.

Congress recognized the need for day-care centers and in the 92nd Congress passed legislation setting up a national program of comprehensive child-development centers. President Nixon callously vetoed the measure and there were not enough votes to override. It is hoped that another bill can be passed in this Congress and that the President will not have the power to kill it.

The Amalgamated has pioneered in providing child-care services for the children of its members. After a trip to Italy in 1966, in which he visited day-care facilities, ACWA Vice Pres. Sam Nocella, Baltimore Regional Joint Board manager, returned with a burning desire to establish such centers for the children of his members. While the federal government was making studies and surveys, Nocella got the project off the ground; first in Verona, Va., then in Baltimore; then three more in Pennsylvania.

While others were making speeches, the Amalgamated acted.

The Chicago Joint Board in March, 1970, opened a day-care center for the children of its members. And other ACWA joint boards and locals are making plans for their own day-care centers.

Today, under Amalgamated sponsorship and direction, there are more children being cared for than by any other group or institution in the nation.

The day-care centers of the ACWA Baltimore Regional Joint Board have been receiving well-merited attention in the press of the various cities where they are located. The latest story to see print recently appeared in the Staunton, Va., Leader and featured the center in Verona, Va., which cares for more than 250 children of members working at the Greif Manufacturing Co. plant in nearby Staunton, Va.

Here are some of the laudatory comments from the article:

Verona—A unique day care center located in Verona is concluding its fifth year of operation and it has become recognized as one of the most successful centers in the country.

The First Report of the Status of Women to the Governor and the General Assembly of the State of Virginia notes that the day care center here is "an example of day care in its truest form."

"The reason this center is so unique is that it was the first day care center in the country to be created by a joint union-management endeavor," a spokesman said.

Other day-care centers sponsored by the joint board for the children of its working members are located in Baltimore, Md., and in Chambersburg, Hanover and McConnellsville, Pa. A sixth center is now being planned for Winchester, Va.

ACWA Vice Pres. Sam Nocella, joint board manager, conceived the establishment of the centers, and the complete program was worked out in cooperation with the trustees of the Health and Welfare Fund of the joint board. Mel Bourne is the overall administrator of the program and each center has its own director and staff.

Good as they are, these pioneering ACWA programs are a drop in the bucket. The task of making child-care facilities available to all who need them is a monumental task that must be undertaken by the federal government.

Day-care centers allow mothers and/or fathers with pre-school age children to lead productive lives, secure in the knowledge that their children are getting excellent care. We urge Congress to start moving on a bill to provide this valuable and important service.

THE BILINGUAL COURTS ACT

HON. KEITH G. SEBELIUS

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 31, 1973

Mr. SEBELIUS. Mr. Speaker, today I introduced a bill which I think can assist in making our Nation one in which every citizen receives justice without prejudice against race. The bill, the Bilingual Courts Act, has been previously introduced by the Honorable GILLIS W. LONG, Congressman from Louisiana.

The purpose of this bill is to provide for an interpreter in U.S. district courts that have been certified as bilingual judicial districts. The intent is to clarify proceedings for non-English speaking citizens within a court proceeding.

This legislation was brought to my attention by Mr. Manuel D. Fierro, a recognized spokesman for the Spanish-speaking community. Mr. Fierro is now the executive director of the Raza Association of Spanish-surnamed Americans—RASSA—with headquarters in Washington, D.C.

Like Mr. Fierro, I believe it is time we in Congress take affirmative, corrective action and guarantee that this important minority receives equal protection under the law. In Kansas, this bill would affect approximately 50,000 citizens and in my congressional district, some 10,000.

I believe it is wrong for non-English

speaking citizens to be forced to participate in legal proceedings conducted in a language with which they are not familiar. By removing this language barrier, these citizens will not only understand the system of justice but respect it as well. I would think we can both improve the integrity of our judicial system and the participation of minority citizens within that system.

OAK HILL, OHIO: 100 YEARS OF PROGRESS, HISTORY

HON. CLARENCE E. MILLER

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 31, 1973

Mr. MILLER. Mr. Speaker, on January 6, 1873, a petition signed by approximately 30 persons was presented to the commissioners of Jackson County, Ohio, requesting that their small community be incorporated as Oak Hill. The commissioners complied with the request and subsequently gave birth to one of the more historically rich towns in the heart of southeastern Ohio.

During the week August 4–11, Oak Hill, Ohio, will celebrate its 100th anniversary. From the official opening day ceremonies through the centennial ball on the final night of the celebration, the Oak Hill centennial promises to be one of the memorable weeks the town has ever known.

Beyond the pageantry, exhibits, contests, parades, and historical performances planned for the Oak Hill centennial, I would like to bring to the attention of my colleagues in the U.S. Congress the historical foundation upon which this beautiful community has grown. Quite understandably, the people presently living in Oak Hill—along with those who might be scattered throughout Ohio or across the Nation but whose family ties remain in Oak Hill and Jackson County—are very proud of Oak Hill. Located in the southern part of Jackson County, Oak Hill has contributed substantially to the county's industrial and commercial base of stone, clay, and glass production as well as lumber, food, and machinery processing.

The first settlers of the region were industrious Welsh pioneers who readily recognized the value of the extensive salt, coal, limestone, iron ore, and clay deposits concentrated in Jackson County and around the later-to-be-incorporated Oak Hill.

Today, after a century of relying upon these economic and industrial resources, Oak Hill and Jackson County continue among the pacesetting regions of the Ohio Valley in economic achievement and potential. New highways have linked the region with other parts of the State. New homes and businesses have been built and the Oak Hill station of the innovative Southeast Ohio Emergency Medical Service promises to provide the people of the community and surrounding area with efficient emergency medical care.

It is on this, the occasion of Oak Hill's centennial, that I want to pay fitting tribute to the people of Oak Hill—past and present—who have labored in the tradition of our forefathers to make Oak Hill a good place to live and work. I am extremely grateful that I will have the opportunity to join with all our friends in Oak Hill on August 10 for that day's centennial activities and I know that the membership of both the U.S. House of Representatives and the U.S. Senate join me in wishing Oak Hill, Ohio, continued success and progress—for hundreds of years to come.

For the interest of the Congress, I am placing in the CONGRESSIONAL RECORD a brief history of Oak Hill and the people who developed the town. This article was authored by Mrs. Dan M. Jones and was provided to us by Mrs. Lucille Owens, the fine editor of the Oak Hill Press.

[From the Oak Hill Press, June 20, 1973]

EARLY SETTLERS IN OAK HILL AREA

(Mrs. Dan M. Jones)

The first family to settle in or near Oak Hill was that of Julius Bingham who came in the early eighteen hundreds. He laid out the town of Oak Hill and gave its name. He started the first circulating library and the first Sunday school. He brought a basket of books each Sunday and allowed the members of the Sunday School to take them home for a week. He was followed a few years later in 1837 by Levi Massie. He became the first postmaster when the post office was established. Peter Seel was the first man to pay taxes in Jefferson township. This was in 1837. As far as is known he never actually lived in Oak Hill, but resided near Bethel Ridge which later became known as Sampsonville. He attended United Brethern Church in Oak Hill. The Reed and Darling families were very early settlers. They lived in what is known as East Oak Hill or Old Oak Hill. The Reed Spring located at the foot of the hill on which their home was located became the old "Watering Trough" which many people today still remember.

Other very early settlers who came from Western Virginia, which is today Greenbriar County in West Virginia were the following families—The Shumates, Comers, Whitt, Roach, Horton, Corn, Philips, Rules', Mackleys, Kackley, Allen, Jaycox, West and McDaniel families. Dr. Gabriel McNeal, probably the first physician was a settler and also Dr. Kitchen and families. These families did not all live in Oak Hill proper, but lived nearby and Oak Hill was their trading Center. John McDaniels, Joseph Philips and one of the Corns were all Revolutionary War soldiers, and their bodies may be in cemeteries in and around Oak Hill. There may be others who would be in unmarked graves. One of the Shumates was a soldier in the war of 1812. All of these families played an important part in the development of Oak Hill and adjacent areas.

The first Welsh immigrants to come to this vicinity arrived in 1818. There were six families. Four of them were Evan Evans (old settler) John Evans, Timothy Jones and Lewis Davies. They became the nucleus of a Welsh settlement which was to grow stronger as the years passed. During the 1830's there was an influx of Welsh settlers. They left Wales because of the heavy taxes and the hardship imposed upon them by the English landlord system. Most of them came from the county of Cardiganshire near Abernuryth. It is said that they were attracted to this region because of the similarity between the green hills of Jackson county and the hills of their beloved native land. Some of these who came at this time were the families of Thomas D. Jones (North) who came from North Wales, John D. Davis (Manager) David Williams (Pantybeudy) The Edwards (Brybelle) the Davis' (Cool Hill) T. L. Hughes, David Davis (Forndryman), John H. Thomas, John Jones (Llangoras) and many, many others who settled in nearby areas such as the (Cooper) Davis family who had extensive connections here and in the county. The Welsh continued to immigrate here during the Civil War period and through the 1880's.

J. Edward Jones who came from North Wales and settled first near Utica New York and then came to Oak Hill in the 1840's was the first mayor of Oak Hill and served in that capacity for twenty five years. He was a lawyer, merchant and founder of the Oak Hill Savings Bank, then known as the Farmer's Bank. T. L. Hughes and John D. Davis (Manager) played an important part in the establishment and management of Jefferson Furnace. The Davis (Cool Hill) family were responsible for the development of the brick industry here.

In 1848 a large number of German settlers migrated to this region because of the Revolution of 1848 in their native land. Among those who came were Elcess, Stemshorne, Shrader, Grashel, Poetker, Fienup, Wasmer, Ernest, Metzler and Keitenbach families settled in south Oak Hill, which then became known as Dutchtown. They were a very energetic, industrious and self-reliant people.

With the building of the Band O Railroad in 1853, and the construction of the Furnaces many Irish and English families came in; also families from Kentucky.

All of these families have inter-married and they and their descendants have added much to the cultural, economic and spiritual development of our town of Oak Hill.

We can be eternally grateful to these first settlers who braved the dangers, isolation, sickness and the many other hardships of the wilderness to carve out the homes, churches, school farms and business which make up our community today.

MORE FOOD NEEDED, DESPITE COMMISSION FINDING

HON. JAMES A. McCLURE

OF IDAHO

IN THE SENATE OF THE UNITED STATES

Tuesday, July 31, 1973

Mr. McCLURE. Mr. Speaker, the energy shortages which we have recently been experiencing have amply demonstrated the fact that all phases of our economy have become dependent on adequate supplies of energy. And, there is probably no sector of the economy to which energy is as important as agriculture. We have witnessed the problems that lack of gasoline has caused to our American farmers. The steady stream of pleas for help which have come into my office from Idaho farmers, desperately needing gasoline, has convinced me that this crisis is far from over.

However, I believe that we may have been looking only at this facet of the energy-agriculture relationship, when actually there are other aspects which are just as significant. A July 16, 1973, article by Joseph R. Slevin in the Washington Post emphasizes one of them. Mr. Slevin, referring to the goal of returning to a level of U.S. trade surpluses rather than deficits, said:

Climbing oil imports will make it difficult. The United States will have to import

> far more oil than it has and each barrel will cost much more than in the past.

And this is where agriculture comes into the picture. Quoting again from the article:

> The hope is that American farmers will prove more than a match for the Arab oil sheiks and that world demand for bumper U.S. crops will prove the wherewithal to pay for essential imports of oil, gas and other fuels.

As our oil imports continue to grow, which appears to be almost certain for years to come, our trade deficit will also continue to grow, unless there is a large rise in farm exports to balance the books.

This is undoubtedly one of the reasons why Agriculture Secretary Earl Butz has announced that the Federal Government will be returning to production all land that had been set aside to limit surpluses. This action will add approximately 19 million acres to feed grain, soybean, wheat, and cotton farming, and is intended to increase supplies of food and fiber both to meet our own needs and for the export market. At a press conference on July 19, Secretary Butz said:

> I think we will need all we can produce in 1974.

He also said that in addition to increasing the amount of farmland in use, he was attempting to stimulate crop production by trying to assure adequate supplies of fertilizer and of gasoline for harvesting and drying crops this fall, according to the July 20 Washington Post.

In light of these actions, with which I heartily agree, I find it extremely difficult to understand the conclusions of the National Water Commission, recently released in its final report. The Commission report states that—

> There appears to be adequate productive capacity in the Nation's agriculture to meet the food and fiber demand under various alternative futures at least until the year 2000. In such case there would be no need in the next 30 years to continue federally subsidized water resource development programs "to increase the agriculture land base of the country . . ." This conclusion is based on the Commission's earlier statement that "Land reclamation measures such as irrigation and drainage of new land, protection of existing and potential cropland from floods, and provision of supplemental irrigation water for existing croplands" have added to the excessive productive capacity of U.S. agriculture.

I think that in light of our current economic situation and the stated goal of "all-out production in 1974," we need to carefuly evaluate the validity of the Commission's position. The last thing we can tolerate during this critical period is action at direct cross purposes by different Government agencies, which, it appears to me, is exactly the case here.

ASKING THE HARD FOREIGN AID QUESTIONS

HON. JOSEPH M. GAYDOS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 31, 1973

Mr. GAYDOS. Mr. Speaker, it has come to my attention that the Fort Myers, Fla., News-Press has protested the supergenerosity of our foreign aid dispensers to faraway lands while needs of great importance remain unfulfilled in the newspaper's home State.

I quote from the News-Press of last July 13:

> Southwest Florida needs more telephone lines, as everybody knows. It's growing so fast that the United Telephone Co., despite its best efforts, can't keep up with the demand for service. If it could get $4 million from Washington it would be able to build the needed facilities quickly, but it can't.
>
> The Malagasy Republic can, though. (That's the island off the southeast African coast that used to be called Madagascar when France controlled it.) Malagasy got a $2 million foreign aid loan in 1967 to expand and modernize its telephone system. Now it is getting another $2 million to replace 622 miles of inadequate lines and build 90 miles of new lines.

The Washington aid people have a rationale for this sort of thing, of course—for the showering of U.S. tax dollars either in loans or grants on other countries while the need for them is urgent here at home. In Malagasy's case, the aid distributors say the new phone lines are in order because all-weather road connections there are poor and that, without good phone service, some communities might be isolated during part of each year.

I ask, however, why this situation has become an obligation for the American people to correct? France ruled Malagasy for many, many years and undoubtedly profited from the arrangement. Malagasy's first phone lines obviously were installed under French direction and with French financial help and, I suspect, in France's continuing business interest there. But now, so we see, this French responsibility has been shifted to us and at a time when we, with the world's greatest amount of debt on our shoulders and with our dollar still in serious trouble abroad, are far less able than France to bear it.

The Malagasy incident is not unique by any means. Senator LAWTON CHILES, of Florida, cited in a recent appearance before the Senate Foreign Relations Committee, 10 such projects as examples of the enduring official zeal to share what wealth we have left or can borrow with peoples overseas and as additional evidence of the need of tighter controls on all aspects of the economic aid program. This program, I need not remind anyone, is continuing at the rate of $1.33 billion a year under stop-gap authorization and that the Nixon administration has it increased to $1.64 billion in its new budget. How, indeed, can either figure be justified?

This country generally, in addition to southwest Florida, is in serious circumstances on necessary improvements. Electric power shortages are being proclaimed across the Nation and proved by recurring "outages" and "brownouts" during this summer season. Highways are jammed and in deplorable condition in many sections. My State of Pennsylvania is hunting money with which to pay the costs of filling potholes. Much-needed environmental protection plans are on the drafting boards without means of funding them.

And still, regardless of all this, our money continues to be taken from us and either loaned on dubious security, as experience has shown, or handed outright to countries abroad whose peoples have only fancied notions of the "improvements" contemplated for them. I have insisted for years that Congress has a prime duty to burdened Americans to pursue vigorously the complicated and long-delayed task of phasing out the "Great Giveaway" of their dollars. I am gratified that others, including the Fort Myers News-Press and Senator CHILES, are asking the hard questions about aid expenditures whose answers can lead to this accomplishment by pointing up the injustices and clearing away the confusion.

U.S. CUSTOMS HOLY NAME SOCIETY

HON. JOHN M. MURPHY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 31, 1973

Mr. MURPHY of New York. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following:

> U.S. CUSTOMS HOLY NAME SOCIETY
>
> In the course of the extensive research involved in preparing this talk, by curiosity sent me to the dictionary to investigate the word "customs" as it applies to your occupation. For those who have not looked it up, I wish to report that its first meaning is "any habitual practice." By the fifth dictionary definition, it has come to mean "a customary tax or tribute due by feudal tenants to their lord." Under meaning number eight, we come upon this definition, which puts it in your field: "duties imposed by law on imported or, less commonly, exported goods."
>
> We are all aware that once a tax of any kind is levied, it readily becomes "a habitual practice." Taxes are born with remarkable ease; they die hard. In fact, they almost never die, nor—unlike old soldiers—do they fade away. Once the government takes a piece of the traffic, whether it is on imports, exports, real estate, foodstuffs, whiskey, cigarettes, or whatever—and lastly, and most ingeniously, a person's income—the government never lets go.
>
> It's like a second collection in Church. Once the pastor institutes it on the first Sunday of the month—perhaps for some dire emergency—he finds it a habit very hard to kick, and the ushers had better settle down without grumbling to an extra trip down the aisle with the basket. The best they can hope for is that he will not put in a *third* collection.
>
> Such customs do not easily change. However, in recent years, a number of other customs *have* changed in the Church, to the joy of some and the consternation of others, and I would like to focus for a moment this morning on this phenomenon of change in the Church, what it has done to us, what it has done for us, and where it leaves us as Roman Catholics.
>
> First of all, it has shaken us up. When you change people's symbols, especially their religious symbols, you really shake them up. I was talking recently with a very old lady who all her life has been a devout Catholic. Quite surprisingly, she said: "You know, I'm not really so sure as I used to be that there is a life hereafter." By way of explanation, she said: "They've changed so much in our religion. I used to love Mass in Latin; I knew

how to follow it in my missal. It was nice and quiet in Church and I got a lot out of going. I don't like all this singing and lay people reading the Bible at us." I laughed and replied: "Well, you really got back at them good—now you don't believe in a life hereafter. That's what I call getting even." I'm sure the lovely old lady still does believe in a future life—there isn't much religion left if you don't—and like the rest of us she will walk forward to meet it with that mixture of trepidation and faith which is the best that any of us can bring to the moment of death.

But her reaction is not untypical of many Catholics. The great danger is that in a time of change and upsetment, we will be tempted to throw out the baby with the bathwater. The Church has changed a great number of her customs. We don't *have* to eat fish on Friday, nor fast from midnight before receiving Holy Communion. If we like that kind of thing, we can get cremated instead of buried. An annulment is a little easier to obtain. Priests can leave the ministry without leaving the Church. Nuns can wear minis and maxis. We pray together with Protestants and Jews. In June, Cardinal Cooke will ordain a dozen married deacons. The list of changes could go on and on.

All these changes are *accidental* changes. They do not touch the substance of the Faith. It is essential that each of us have a firm grasp of that distinction. Basically, in her deepest essence, the Church we belong to is the Church of our forebears. The Church to which people belonged in France, or Ireland, or Germany, or Poland, whose tombstones bear 16th Century dates. The Church of the Middle Ages and St. Thomas Aquinas. The Church of the 5th Century and St. Augustine. The Church of lovable St. Peter and intrepid St. Paul. The Church finally of Jesus Christ, Our Lord.

> Faith of our fathers, living still
> In spite of dungeon fire and sword
> Oh how our hearts beat high with joy
> Whene'er we hear that glorious word
> Faith of our fathers, holy faith
> We will be true to you till death.

We still believe in the Apostles' Creed, every article of it. We still accept the ten commandments. It is still right to love and honor your wife and teach the Faith to your children. We still remain in perfect union with the Pope, who is the successor of St. Peter. Holy Mass, whether you call it the Liturgy or the Eucharist, is still the burning center of the Church. Without Our Eucharistic Lord, there *is* no Church, and all who would be living members must gather around the altar for the same Sacrifice. The Blessed Virgin Mary is still the First Lady of the Church, and indeed her Holy Mother and the Mother of all of us.

Nothing essential has changed. The Church has simply discarded certain customs in the hope of addressing the twentieth century more successfully.

You may question her wisdom in doing so. Personally, I think she has made some splendid moves. Just to take one example, I believe that the new Liturgy is a vast improvement over the Mass I knew as a boy. My brother argues with me about that. The new Mass is a matter of opinion, but so was the old Latin Mass. I had an experience a year ago in Quebec that confirmed me in my opinion. I had gone with a group of pilgrims to St. Anne de Beaupré. The day after the pilgrimage was over, I offered Mass in the Cathedral of Quebec. Three elderly people walked over from the hotel with me. When I got to the sacristy, I found that all the missals were in French, and my only option was to say Mass out of the old Latin Missal. I asked my three friends if they would like to attend a Latin Mass. They said: "Oh, we'd love to!" I went through the ancient rite as it was twenty years ago, pronouncing everything clearly. When it was over, I asked: "How did you like it?" They said: "It was *awful*. We didn't understand one word you said!" I think the same kind of experience would cure a lot of people of hankering for the days gone by.

We've been moving forward and the future is not at all dismal. We are in a period of transition and, in many ways, a time even of revolution. But we shall come out of it stronger. In the process, some will fall away as some already have. But one has to wonder how strong their faith was to begin with.

We're doing a lot of right things; such as insisting that parents come for instructions prior to the baptism of their child. The same is being done for first Communion, Penance and Confirmation. These catechumenates, as they are called, are an effort to center the faith in the *family*, to let people know that the first Christian school is the *home*. If we are to have strong faith in the generations coming along, it will be enkindled by parents who themselves really believe and care about the religion of their children. The generation gap has to be faced where it is, within the family. Quite literally, our children's faith must be "the faith of our fathers" if it is to survive.

Incidentally, the name of the hymn is "Faith of Our Fathers"—not "Faith of Our Mothers." No one would ever downplay a mother's importance in the religious upbringing of children, but let us never forget the fundamental responsibility of the Christian father, who is the head of the small church that exists in his home and whose teaching and example of faith can mean so much to the faith of his children.

The dozen deacons whom the Cardinal will ordain are only a beginning, like the twelve Apostles. In the years ahead, deacons will hopefully perform very useful services in our parishes and in various other apostolates.

Things like marriage encounters have gained considerable popularity and may well prove very helpful in strengthening Catholic family life.

While parish missions have largely faded in popularity, weekend retreats have caught on with a great number of our lay people.

Parish Councils in many parishes (though unfortunately not in all) are putting new life into parishes.

These are just a few of the signs of vitality and hope that appear in today's changing Church. Singing the blues about "what has happened to us" is not at all in order. Much that has happened is wonderful.

Our Catholic Church is very ancient—20 centuries old. It is blessed with a perennial power to go through crises and come out stronger. Its Founder is God and He made a promise to His original Church: "I am with You all days." Our Church is not about to dry up and blow away. It's about to be reborn, as it has been dozens of times before.

So my message this morning is a very simple one: Don't be discouraged by "all the changes." Don't let your joy in belonging to the Church become tarnished at all. Get with it. Get with the Church. And stay with it through every trial.

TRADE REFORM ACT OF 1973

HON. JEROME R. WALDIE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 31, 1973

Mr. WALDIE. Mr. Speaker, we are all pleased and excited about the recent easing of tensions with Russia which our Government has managed to negotiate. The hope and potential for world harmony which these diplomatic achievements suggest are manifold.

Yet, although the atmosphere of confrontation is greatly relaxed now, our new relationship with Russia has presented some challenging and important problems to the American people.

Mr. Harold Light, first vice chairman of the Union of Councils for Soviet Jews, elucidated some of the dilemmas and implications which pending trade agreements resulting from the Trade Act may suggest in the future, in a statement to the House Ways and Means Committee on the Trade Reform Act of 1973.

I would like to submit Mr. Light's statement in the hope that my colleagues will thus become aware of some of the more far-reaching consequences of the act and will then take into consideration these consequences when determining their own position on the issue.

The text of the statement follows:

STATEMENT BY HAROLD B. LIGHT

My statement is to express opposition to the Trade Reform Act of 1973, as presented. I do, however, support the Bill H.R. 3910, introduced by Congressman Mills (Ark) and Congressman Vanik (Ohio) and others.

My general premises are mainly related to trade relations between the United States and the Soviet Union, and are as follows:

1. Trade between these two powerful nations can serve as an important medium for improved relations and detente.

2. Recognizing that the long term outlook will always include tensions and possible crises, monetary problems, labor conditions and national security risks should always be important considerations.

3. The Trade Reform Act of 1973 would transfer unprecedented powers to the Executive Branch, which would in effect, dilute or remove the control mechanisms from our elected Congressional legislators.

This writers attention was originally drawn to the subject of Soviet trade due to an intense concern over the struggle for freedom of oppressed people in the Soviet Union, including but not restricted to its Jewish citizens.

After observing and studying East-West Trade over the past three years, and conferring with eminent economists, Soviet specialists, and labor leaders, I arrived at a general conclusion:

United States-Soviet Trade is not simply a Jewish issue, not a humanity issue, but is, rather a very serious problem, affecting the American public's strategic interests.

1. The Soviet Union will benefit from trade much more than the United States. The advantages of our granting Most Favored Nation treatment are one-sided, and even more so, the benefits of the U.S. credit guarantees. These credits, usually long term, often at low rates of interest, could from past experience amount to foreign aid (in Mr. George Meany's words)) at American taxpayers expense.

2. Thousands of items, formerly classified as strategic materials, have been delisted by the Department of Commerce. I cannot agree that the United States should build the world's largest truck plant for the Soviets, lend them the money to finance the operation, knowing that truck factories can make tanks.

3. Most of the trade negotiations involve the construction of permanent facilities in the Soviet Union. The above mentioned truck factory, and the proposed building of a

multi-billion dollar pipeline will supply important capabilities which could easily be used against our country in any future emergency, or change in policy.

4. The spectre of "exporting jobs" has been raised by many labor leaders, who reason that many of the products involved are desperately needed by the U.S.S.R., and might be purchased here, made by American labor.

5. Past experience with the impact of Soviet purchases on our domestic markets is no recommendation for an open handed policy in granting the U.S.S.R. everything it demands. I cannot believe that when our administration authorized a $500 million credit in July 1972 to buy our wheat that the results were beneficial to the average American citizen.

Recently, Dr. Henry Kissinger visited Moscow to discuss mutual problems. No doubt, SALT talks, nuclear disarmament, the United States dilemma in Southeast Asia were on the agenda. In these areas, can we expect more than the Soviets' traditional hard negotiating stance? Right now, our Administration has serious problems at home, and the Soviets' Mr. Brezhnev is well aware of that when he sits down to talk in Moscow or in Washington.

On the other hand, the United States holds an important "trump card", for the U.S.S.R. desperately needs the benefits of Most Favored Nation treatment for its prestige value, and the very real advantages of U.S. Credit to implement its trade deals. It is highly doubtful that American banks will grant loans, nor can most companies generate substantial capital internally, without the guarantee of the United States government.

The Soviets' multibillion dollar efforts to attain production parity with the United States have failed miserably, and the Kremlin leadership faces its own domestic problems, if it cannot deliver these benefits to their people. They suffer from severe shortages. Four major cities are now on food rationing. The hunger for tractors and tractor parts which they cannot produce will increase their crop deficits. Soviet leadership MUST succeed in increasing trade with our country, almost no matter what the cost. If they cannot deliver, that leadership might very well be toppled. Their internal prestige is on the line, and their economic turmoil could force them to back off from their hard negotiating stance on many issues of critical importance to the United States.

Both Houses of Congress have documented their opposition to the present direction of trade concessions, through their heavy support of the Mills-Vanik and Jackson legislation. This strengthens the Administration's hand immeasurably.

Mr. Brezhnev has already announced that the Soviet Union will repeal its "education tax" if it is granted Most Favored Nation treatment. We can expect other concessions on the emigration issue, as if that were the only reason for denying such benefits. However, it is important that the Administration use the trade issue to gain advantages on the other crucial problems, and it should use its negotiating strength before the United States delivers the benefits, not after they have been surrendered.

END OF FORMAL STATEMENT

Epilog: I must point out that for some time, I was troubled by the possibility that my concern for the Soviet Jews might be in conflict with my concern for the best overall interest of my American people. Trade was viewed as a panacea, a cure-all to attain detente. Administration spokesmen have continually stated that this humanity issue could best be handled through "quiet diplomacy". Fortunately, Congressmen Mills and Vanik and Senator Jackson did not share this view. Their introduction of the free emigration matter into the granting of trade benefits created a time delay, so that the subject began to be more closely examined. As the facts emerged, the disadvantages became more clear, and today we hold a negotiating advantage we did not have before. It is apparent that the Soviet Jews have, inadvertently, performed a great service for the American people.

PRISONERS OF WAR AND MISSING IN ACTION

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 31, 1973

Mr. BIAGGI. Mr. Speaker, last week I introduced an amendment to the Foreign Assistance Act which sought to keep up the pressure on North Vietnam to help us secure a full accounting of all prisoners of war and missing in action.

The amendment simply stated calls for assurances that the Government of North Vietnam is cooperating fully in providing for a full accounting of any remaining prisoners of war, and all missing in action.

This proposal, which was adopted by an overwhelming majority would make any commitment of foreign assistance to nations seeking to establish trade with North Vietnam contingent on firm assurances from the President that North Vietnam is fully cooperating with the U.S. Government in providing a complete and accurate listing of our remaining prisoners of war and missing in action. There is no question about the effect that this amendment will have on the economic reconstruction efforts of North Vietnam, as many of the countries which would engage in trade with North Vietnam are themselves highly dependent on U.S. economic aid.

More important, this amendment would serve to forcefully remind the North Vietnamese that the matter of the safe return and full accountability of our prisoners of war and missing in action, is still a paramount issue in the mind of every American. We must continue to be firm in all our dealings with the North Vietnamese, and must be particularly cautious not to be hoodwinked into making any regrettable economic concessions to our recent enemy.

This amendment would also provide the beleagured families and loved ones of those Americans missing in action with the necessary assurances that the U.S. Government has not abandoned their men. Although the war may be over in a military sense, the heartbreaks and anxieties of these families continues uninterrupted to this day. We must take every step possible to secure the hasty and safe release of these gallant Americans.

Mr. Speaker, this bill which we are considering today is one with far-reaching ramifications for our dealings with many countries in the world. Yet, our dealings with North Vietnam are particularly important in this crucial period. Let us not be swept up in the tide of postwar euphoria, especially at the expense of those Americans who have sacrificed tragic numbers of years in defense of our country. I urge my colleagues to approve this amendment and by doing so demonstrate our continued commitment as a nation to achieving a full accountability of our prisoners of war and missing in action.

EXPOSING CUBA

HON. BILL CHAPPELL, JR.

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 31, 1973

Mr. CHAPPELL. Mr. Speaker, last week a group of Communists, Socialists, and other revolutionaries sponsored an ExpoCuba in New York City. What they were really doing was exposing what they would like Cuba to be under their Communist regime—ignoring the real problems that country is having.

To have read their propaganda inviting Americans to see the "real" Cuba, one would have gathered all is sweetness and light on an island that has existed only through begging Russia for handouts. Yet, the group readily admitted that Cuba is "giving leadership and encouragement to the continentwide rebellion that has broken out against U.S. imperialism." They are particularly intent on the Panama Canal and independence for Puerto Rico.

The "mature revolutionary Cuba" is an interesting claim, but I hope the people who visited their exposition took the time to study the real situation. Mr. Speaker, the claims of sweetness must surely bring a bitter taste to the mouths of the thousands who have fled Communist tyranny in this little island.

OPEN GOVERNMENT ACT

HON. JEROME R. WALDIE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 31, 1973

Mr. WALDIE. Mr. Speaker, I am pleased to introduce today the Open Government Act—a bill which would replace and improve upon the Federal Regulation of Lobbying Act of 1946. My bill is similar to the one offered in the Senate by Senator ROBERT STAFFORD of Vermont.

These are very difficult times for anyone who is an officer of the Government. Every day there are new revelations of advantages gained by some special interest because it in some way was able to influence the process of government for its own purposes. Many Members of Congress have expressed their concern that our Government is losing the confidence of the citizens it would govern. We can literally observe the erosion of the public's respect for the Government which has occurred over the past decade.

Much of this is due to the fact that the Nation's business has become incredibly more complicated each year. No Member of Congress can hope to understand the full meaning of as many as one-half of the proposals which he is asked to consider. As a consequence, we have developed subspecialties and subgroups within the congressional process. These subgroups—committees—are naturally the object of considerable attention by very specialized sectors of society. The consequence of this arrangement is that the citizen cannot understand the facts of many specialized areas of policy with which the Congress deals, and he does not know what forces are being brought to bear upon the legislative process to achieve a specific policy goal.

The Regulations of Lobbying Act of 1964 does not begin to help either the citizen or the Member of Congress to cope with this complexity and specialization. In fact, under a Supreme Court decision, it probably does not even apply to some of the most active lobbyists and lobbying groups in Washington. For instance, the Chamber of Commerce of the United States finds that it is not required to register as a lobbyist under the act, and yet it is listed by learned observers as one of the leading forces in the defeat of the 1972 effort to establish a Consumer Protection Agency.

The Open Government Act, which I propose, would end the ambiguity of the 1946 act, and it would make available for all interested parties sufficient information to insure that a wider variety of opinion will be brought to bear upon the consideration of major policy. A citizen or a corporation cannot have the fullest right to petition the Government—as guaranteed by the Constitution—unless he knows when it is time to come forward and who the competition is.

Mr. Speaker, most students of government believe that it is critically important for the Congress to find some way to make the public aware of its processes. The people have a right to know in what manner influence is sought, and the degree to which money—and its sources—have real influence in the Nation's Capital. The Open Government Act will address this right.

TAX REPORT

HON. JAMES W. SYMINGTON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 31, 1973

Mr. SYMINGTON. Mr. Speaker, during the tax reform hearings held last spring by the Ways and Means Committee, the committee heard testimony from Dr. Elvis Stahr, president of the National Audubon Society, on H.R. 4994 and H.R. 5095; these bills would permit tax-exempt charitable organizations to present their views to Congress without losing their tax benefits. H.R. 4994, which I introduced earlier this year, is identical to legislation which Congressman AL ULLMAN and I sponsored in the 92d Congress. As you may know, a 1962 provision of the Internal Revenue Code permits business associations and labor organizations to carry on lobbying activities using funds deductible by the taxpaying donor. By contrast, public charities, which often serve a watchdog function in the public interest, risk the loss of their tax benefits by engaging in the same type of activity. This inequitable state of the law is certainly in need of revision, and I urge the Ways and Means Committee to propose such a revision when it resumes consideration of tax reform this fall.

It may help the committee members in their deliberations to review the outline of a complaint filed in the U.S. District Court for the District of Columbia by Tax Analysts and Advocates and Taxation With Representation. This suit seeks to do through the courts what H.R. 4994 seeks to do through legislation: enable tax-exempt charitable organizations to lobby Congress without losing their eligibility to receive tax deductible donations. Therefore, I submit a description of the complaint contained in the press release announcing it and an article on the suit which appeared in the Wall Street Journal:

SUIT FILED TO VOID RESTRICTIONS ON LEGISLATIVE ACTIVITY BY CHARITABLE AND EDUCATIONAL GROUPS

Tax Analysts and Advocates, a Washington public interest tax law firm, filed suit on Monday, April 30, to avoid existing restrictions on legislative activity by tax exempt charitable and educational groups. The suit also seeks to establish tax deductibility for dues and contributions paid to "public interest lobbies" such as Common Cause, Taxation with Representation, and similar groups.

Legislative activity cannot, under present law, form a "substantial part" of the activities of tax exempt charitable and educational groups. But tax exempt business leagues, trade associations, labor unions, agricultural groups, chambers of commerce, fraternal societies and veterans organizations are all free to lobby as much as they wish—and they can use tax deductible funds for that purpose.

"The result," said Thomas F. Field, Executive Director of Tax Analysts and Advocates, "is to muzzle charitable and educational groups when they seek to speak out on legislative matters in the public interest, while giving free rein to lobbying efforts by groups serving narrower pocketbook interests. In our view, this is not just bad policy," he continued, "but a clear violation of the First Amendment's guarantees of freedom of speech and association and the Fifth Amendment's guarantee of equal protection of the laws."

The restrictions on legislative activity by charitable and educational groups date back to 1934. Their original focus was on a single organization, the National Economy League, which had been accused by some members of Congress of using its assets to promote the donor's interests through legislative activity. But no similar restrictions are imposed on tax exempt business, labor, and other groups that use tax deductible contributions to promote their members' interests.

"Our objective in this suit," said Field, "is to release charitable and educational groups from the irrational and unconstitutional restrictions now imposed on them. These groups can make a real contribution to the Nation's welfare by increasing the flow of unbiased information to Congress. But all too often today, Congressmen hear only from special interest groups that have an axe to grind, rather than from charitable and educational groups designed to do scholarly research or otherwise serve the public interest. The results are one-sided Congressional debates, restricted information flows to and within Congress, and poorer legislative output than we have a right to expect."

The suit is also designed to end the existing disparity in the tax treatment of payments to public interest lobbies as contrasted with lobbies that serve private, pocketbook interests. At present, for example, petroleum firms can deduct their payments to the American Petroleum Institute—which lobbies on their behalf—but contributions to public interest lobbies are denied any similar tax benefit. "The result," said Field, "is that public interest lobbies have one hand tied behind their backs when they seek to do battle with special interest groups."

Joining Tax Analysts and Advocates in the suit filed Monday in the U.S. District Court for the District of Columbia, are Taxation with Representation, an Arlington, Virginia public interest tax lobby, and Elliott Morss, of Washington, D.C., a contributor to both groups.

TAX REPORT: A SPECIAL SUMMARY AND FORECAST OF FEDERAL AND STATE TAX DEVELOPMENTS

Stacked Deck? A suit asks lobbying rights for "public interest" groups.

Current tax laws make it impossible for charitable and educational organizations promoting public causes to compete effectively for the attention of Congress with groups representing narrow economic interests, the suit charges. Filed by Tax Analysts and Advocates, a firm of public interest tax lawyers, the suit notes that a public interest group is exempt from paying taxes, and contributions to it are tax-deductible, only if the group doesn't devote a significant amount of its resources to lobbying in Congress. Business and labor groups representing special interests enjoy the same tax benefits under the law, but are free to lobby up a storm, the tax group says.

Tax Analysts claims it wasn't able to participate in recent House Ways and Means Committee hearings on tax revision because its tax-exempt status would have been endangered. A group affiliated with Tax Analysts, Taxation With Representation, does lobby. So donors to it can't deduct their gifts. This means it gets relatively few contributions and two years ago was able to spend only $1,200 lobbying against tax breaks for exporters. Special interest groups with lobbying privileges, on the other hand, spent at least $150,000 promoting the legislation, which is costing the Treasury more than $150 million a year, Tax Analysts figures.

(Its suit asks the U.S. district court in Washington to declare the tax-exemption laws unconstitutional because they limit freedom of speech and deny equal protection of the laws.)

SOUTH BEND, IND., TRIBUNE EDITORIAL, "NIXON AND THE TAPES"

HON. JOHN BRADEMAS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 31, 1973

Mr. BRADEMAS. Mr. Speaker, I ask unanimous consent to insert in the

RECORD an editorial published July 25, 1973, by the South Bend, Ind., Tribune entitled "Nixon and the Tapes."

The editorial follows:

NIXON AND THE TAPES

President Nixon may win the legal battle of Watergate but the price he will pay in loss of stature as our national leader is great.

His hard-line refusal to co-operate with the Senate investigating committee and Archibald Cox, the special Watergate prosecutor, by releasing secretly recorded tapes and pertinent documents has pushed him further into isolation.

He might have stepped forward in the role of moral leadership the country needs and helped purge the sickness that infested the White House.

Instead, he drew further into his shell at a moment when the full truth is required.

The technical legal arguments about the extent of executive privilege are of relatively little concern to the average American. He is more worried about the illegal and unethical behavior that has been revealed in the hearings, the disclosure of the bugging mentality in the White House, and the widespread adherence among the White House staff to the principle that victory for Mr. Nixon takes priority above all else.

The box in which the President finds himself trapped is largely of his own making. Instead of acting early and forcefully to purge his staff, he had given ground grudgingly. Now he has refused to give more.

Eventually the breadth of executive privilege will be determined by the U.S. Supreme Court. The sooner the issue can reach the Court, the better. Where Mr. Nixon is on thinnest ground is the fact that the Watergate and related "White House horrors" involve purely domestic political considerations.

Nothing directly related to national security was involved, nor anything concerning dealings with foreign countries. Yet the President has chosen to consider everything he does as protected by the blanket of executive privilege.

A veteran magazine editor once remarked that in his career he had found that most people had two reasons for doing something: a good reason and the real reason. By his refusal to disclose the contents of the pertinent tapes, Mr. Nixon makes himself susceptible to the accusation that his real reason for refusal is because the content of the tapes would be embarrassing to his contention that he didn't know what was going on among his high staff leaders concerning Watergate.

Valid or not, the claim that he is covering up will be widely heard. To judge from the recent public opinion polls, the American people already are disturbed and distrustful of Mr. Nixon's attitude. He has only made the uneasiness worse.

A cryptic statement in the letter he wrote to Sen. Sam Ervin will add to these doubts. He said that the tapes are entirely consistent with what he has stated to be the truth, then added, "However, as in any verbatim recording of informal conversations, they contain comments that persons with different perspective and motivation would inevitably interpret in different ways."

Somehow Mr. Nixon could have found a way to make public at least key portions of the tapes. His failure to do so is another lost opportunity for him to regain the confidence of the people who elected him.

I AM THE NATION

HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 31, 1973

Mr. KEMP. Mr. Speaker, as we approach the 200th anniversary of the birth of this great Republic we should be ever aware of what it means to be an American.

And while our country is far from perfect, because it is a very human society, it is still the greatest experiment in human freedom and dignity ever devised.

But its future is only safe and secure to the extent that people are willing to participate in civic affairs; indeed, self-government is the only safe repository for human freedom.

To the end that more may appreciate what America means, I submit for the RECORD this eloquent testimony to the fact that the real significance of this land is that though we are many, we remain one. For at no other time or place have more people from more racial, ethnic, or social backgrounds attempted to live together in harmony. I submit that America has been extraordinarily successful in this effort. Perhaps this tribute helps us understand why.

I AM THE NATION

I was born on July 4, 1776, and the Declaration of Independence is my birth certificate. The bloodlines of the world run in my veins, because I offered freedom to the oppressed. I am many things, and many people. I am the Nation.

I am 200 million living souls—and the ghost of millions who have lived and died for me.

I am Nathan Hale and Paul Revere. I stood at Lexington and fired the shot heard around the world. I am Washington, Jefferson and Patrick Henry. I am John Paul Jones, the Green Mountain Boys and Davy Crockett. I am Lee and Grant and Abe Lincoln.

I remember the Alamo, the Maine and Pearl Harbor. When freedom called I answered and stayed until it was over, over there. I left my heroic dead in Flanders Fields, on the rock of Corregidor, on the bleak slopes of Korea and in the steaming jungle of Vietnam.

I am the Brooklyn Bridge, the wheat lands of Kansas and the granite hills of Vermont. I am the coalfields of the Virginias and Pennsylvania, the fertile lands of the West, the Golden Gate and the Grand Canyon. I am Independence Hall, the Monitor and the Merrimac.

I am big. I sprawl from the Atlantic to the Pacific . . . my arms reach out to embrace Alaska and Hawaii . . . 3 million square miles throbbing with industry. I am more than 3 million farms. I am forest, field, mountain and desert. I am quiet villages and cities that never sleep.

You can look at me and see Ben Franklin walking down the streets of Philadelphia with his breadloaf under his arm. You can see the lights of Christmas, and hear the strains of "Auld Lang Syne" as the calendar turns.

I am Babe Ruth and the World Series. I am 130,000 schools and colleges, and 326,000 churches where my people worship God as they think best. I am a ballot dropped in a box, the roar of a crowd in a stadium and the voice of a choir in a cathedral. I am an editorial in a newspaper and a letter to a Congressman.

I am Eli Whitney and Stephen Foster. I am Tom Edison, Albert Einstein and Billy Graham. I am Horace Greeley, Will Rogers and the Wright brothers. I am George Washington Carver, Daniel Webster and Jonas Salk.

I am Longfellow, Harriet Beecher Stowe, Walt Whitman and Thomas Paine.

Yes, I am the nation, and these are the things that I am. I was conceived in freedom and, God willing, in freedom I will spend the rest of my days.

May I possess always the integrity, the courage and the strength to keep myself unshackled, to remain a citadel of freedom and a beacon of hope to the world.

This is my wish, my goal, my prayer in this year of 1973—one hundred and ninety-seven years after I was born.

LET'S MAKE WAGE GUIDELINES AND COST OF LIVING CHANGES APPLY TO CONGRESSIONAL SALARIES

HON. DAVID R. OBEY

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 31, 1973

Mr. OBEY. Mr. Speaker, I think this House made a mistake yesterday when it voted down the rule on House Resolution 512. That would have allowed us to discuss the entire procedure by which congressional salaries are established.

I think that rule should have passed so that, among other things, we could have debated the Rhodes amendment and the entire Commission procedure. I am personally opposed to the Commission procedure and I think we should have changed it.

What we should have done was establish a procedure which would adjust the salaries of Cabinet, Government executives and Members of Congress on a cost-of-living basis.

The average worker is now limited to a 5.5-percent wage increase. I believe that kind of limit would make sense for Members of Congress. It is unrealistic to assume that because Members of Congress have not received a salary increase since 1968 the public would support a 25 to 30 percent increase in congressional pay now. They will not.

Congressional salaries, if they are to be adjusted, should be adjusted on an annual basis and limited to cost-of-living increases. That would insure Members of Congress being accorded the same treatment as anybody else, and it would be much more understandable to the people we represent back home. As things stand now, with the defeat of the rule, salary increases will still be recommended by the President with the advice of his Commission on Executive, Legislative, and Judicial Salaries with no specific guidelines. That may be fine in theory, but the public does not trust it and it will not work. We should face that fact.

Future salary increases, when they come, should come in a way that would create respect for the Congress on the part of the American public.

I hope the leadership of both Houses will look at this question and face the fact that the present system does not work—that it provides for multiyear huge increases which are not acceptable to the public, and gives the Congress a much worse image than it ought to have.

PUBLIC NOT FOOLED BY OIL PROPAGANDA BLITZ

HON. ROBERT W. KASTENMEIER

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 31, 1973

Mr. KASTENMEIER. Mr. Speaker, the House may consider before the August recess H.R. 9130 which would grant a virtual monopoly over the Alaskan oil and the proposed trans-Alaskan pipeline to three oil giants, Arco, BP, and Exxon.

When considering this special interest legislation, I would urge my colleagues to pay particular attention to an interpretive report written by John M. Lee which appeared in the July 30, 1973, Washington Star-News:

PUBLIC OPINION TURNS AGAINST OIL COMPANIES

(By John M. Lee)

NEW YORK.—One of the marvels of the American economy is the collection of giant corporations that make up the oil industry. No one else, not even Germany or Japan, has anything remotely like it. Indeed, these giants, with short signboard names like Exxon, Texaco, Gulf and Mobil, dominate the oil business not only in this country but in Western Europe, the Pacific and Latin America as well.

Vertically integrated from the oil fields of east Texas or Saudi Arabia to the gasoline pumps in Syracuse or Singapore, these corporations have exemplified efficiency, linking a multitude of sources with a multitude of outlets.

The only challenge to the Americans came from British Petroleum and Shell, the British-Dutch entity. But it didn't make much difference since the big companies were all interlinked anyway with joint exploration, production and transport ventures.

The oil industry has enjoyed a powerful, even privileged, position in this country, with strong political influence in Washington, at least on domestic matters. Profits of the giants were bolstered and national defense strengthened by restrictions on imports of cheaper foreign oil, only recently removed, and by tax advantages for producers (the depletion allowance).

Although international conditions are changing rapidly, favorable concession agreements abroad produced enormous profits there at least through the decade of the 1960s.

By the end of last year, the eight largest oil companies in this country had piled up assets of $76 billion, and their 1972 profits totaled $4.6 billion.

Despite recent highly publicized problems (such as the energy crisis and more demanding Middle Eastern governments) the oil industry has been doing better than ever. Oil stocks outperformed most other issues on Wall Street in the long market slide last spring, and the earnings reports last week showed the second quarter of this year was the most profitable ever for the industry.

But something has gone awry. After all these years of aquiescence, with only feeble critical jobs, public opinion seems to have turned sharply and abruptly against the industry. And the thing that seems to have done it is this summer's gasoline shortage. The industry is under attack as rarely before.

The greatest manifestation is the recent antitrust complaint brought by the Federal Trade Commission against the eight largest oil companies, charging them with the sins of monopolies, such as forcing the little guys out of business while reaping huge profits for themselves.

More significantly, perhaps, is the fact that Florida and Connecticut have also brought antitrust charges against an even greater collection of oil companies, with similar accusations. New York and Maryland are reportedly ready to follow with their own suits, and still other states are planning to join the lengthening caravan.

No one knows where all this will lead, but the view here is not very far. Predictions that the suits will bring on the greatest industry restructuring since the breakup of the Standard Oil trust in 1911 seem far-fetched. The FTC complaints, for example, doesn't even specify what it wants the industry to do, and the state complaints are similarly vague and in some respects ill-conceived. Efficient alternatives to the present integrated system are not yet in sight.

But whatever the outcome, the oil industry has lost the public relations battle. One recalls all those sober, wordy advertisements from the companies explaining what the energy crisis was all about and those self-righteous public service announcements telling us how to save on gasoline consumption. But it all seems to have backfired into massive public resentment.

Whatever the facts in the case, many people began to wonder whether the crisis wasn't really a colossal public relations effort to get approval of the Alaska pipeline, higher prices, fewer environmental restrictions on ports and refineries or what-have you. When the abstract energy crisis became the very real gasoline shortage, attitudes, both popular and political, hardened.

The most telling aspect seemed to be not so much on gas purchases to 8 or 10 gallons at a time or even the Sunday closings but the charge that the shortage had been contrived or acquiesced in by the giant companies to force the little guy or independents out of business.

Maybe it was traditional American sympathy for the underdog, but this charge, whether true or not, seemed to reawaken the dormant suspicions of the oil grants and provided the environment for the antitrust charges. Congressional sentiment recognized a popular issue.

SYMBOL OF EXCELLENCE

HON. ROBERT P. HANRAHAN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 31, 1973

Mr. HANRAHAN. Mr. Speaker, I would like to bring to the attention of my colleagues the accomplishments of one of the oustanding firms in my district. It is Continental Scale Corp., of 7400 West 100th Place, in Oak Lawn, Ill.

The employees and management have been singled out to receive Sears "Symbol of Excellence" in recognition of merchandise produced during 1972, dependability of supply, and initiative in developing new and improved products. Only 397 of the 20,000 major merchandising sources of Sears were recipients this year.

At a time when high product quality and dependable customer service have become thought of by some as a vanishing art, it is reassuring that companies like this continue to emphasize excellence in the marketplace. It reflects the ability, morale, and pride of employees and management alike.

It is indeed a pleasure to have such a fine firm in the Third Congressional District of Illinois. I would like to add my congratulations to them for their fine accomplishment.

A SOUTH BEND, IND., EDITORIAL, "ANOTHER OFFICIAL LIE"

HON. JOHN BRADEMAS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 31, 1973

Mr. BRADEMAS. Mr. Speaker, I ask unanimous consent to insert in the RECORD the text of an editorial from the July 21, 1973, issue of the South Bend, Ind., Tribune concerning the secret bombing of Cambodia in 1969 and 1970.

The text of the editorial, "Another Official Lie," follows:

ANOTHER OFFICIAL LIE

Another official lie in Washington has been exposed. While the United States publicly asserted its respect for Cambodia's neutrality in 1969 and 1970, our Air Force secretly was dropping more than 100,000 tons of bombs on Cambodian territory.

Air Force officers acting on high level orders from Washington falsified the records to conceal the bombing.

The deception was carried on as recently as last month, when the Defense Department deliberately excluded the secret bombing statistics from a report sent to Congress on U.S. air activity in Indochina.

Is it any wonder that American citizens, and those abroad too, react to official statements from military and political leaders with skepticism? If you are lied to repeatedly, how can you take any statement as the gospel truth, even when it is?

The current Defense Department line is that the bombing was done at the request of Gen. Creighton W. Abrams to weaken Communist forces drawn up on the Cambodian side of the border with South Vietnam. Administration officials claim that Prince Norodom Sihanouk, then the ruler of Cambodia, didn't want the bombing publicized.

Naturally the North Vietnamese enemy knew that we were bombing Cambodia, because it was their troops we were trying to hit. The people being deceived were the American citizens who were paying the bill.

The story of deception came out not because Pentagon officials had a delayed twinge of conscience, but because an Air Force major told the Senate Armed Services Committee that he and other officers had deliberately doctored the mission reports under orders.

Faced with this disclosure, the Pentagon finally told the truth. But one is left wondering. By that time Congress had passed the Aug. 15 bombing cut-off law that will end aerial combat in Indochina. Had it not done so, would the Pentagon have lied again to keep its options open? Quite possibly.

Aside from the falsehood involved, the effectiveness of Air Force bombing is again brought into question. Despite this massive burden of explosives from the sky, the bombers failed to prevent the North Vietnamese buildup in Cambodia, and President Nixon was forced to order the invasion of that country which led to the widespread student protests and the tragedy of Kent State.

"THANKS" IS NOT ENOUGH

HON. ELLA T. GRASSO

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 31, 1973

Mrs. GRASSO. Mr. Speaker, volunteer firemen are unselfish and courageous men who give of their time freely and often must risk their lives to protect their neighbors from the ravages of fire.

The historical tradition of the volunteer firefighter includes our early leaders such as Benjamin Franklin, founder of the first colonial volunteer fire company, George Washington, John Hancock, and Alexander Hamiliton.

At the present time, in Connecticut, where the volunteer brigade is a colonial heritage, 425 of 584 individual fire companies are totally or partially staffed by volunteers.

The following editorial from the Express of Thomaston, briefly describes the role that Thomaston's volunteers played in joining with other companies to fight a destructive and costly industrial blaze in nearby Torrington. The cooperation of intertown groups, volunteer and municipal, is a tribute to the cooperative efforts of Connecticut neighbors helping each other in time of need. The editorial also includes a tribute to all volunteer firemen, originally published in the Litchfield Enquirer:

"Thanks" Is Not Enough

Thomaston's volunteer firemen deserve all the credit this town—and Torrington—can give them. The Thomaston volunteers, an estimated 30 of them all together, were right in the thick of things at Friday night's huge industrial fire in Torrington.

We saw them . . . right on the edge of the inferno with the ladder truck and up on the street relaying water with the pumper. That pumper, by the way, ran steadily for 22 hours, "purring like a kitten," the whole time according to one town official.

Judging by the cars parked by the firehouse all Friday night and into the morning Saturday, most of these volunteer firemen stayed on the job all night long. And if you saw their coats spread out to dry Sunday afternoon, you knew they weren't just standing on the sidelines during those long, hot and dangerous hours.

We think most Thomaston people are well aware of the fine job our firemen did helping a neighboring town. One South Main Street woman asked us to put in a special thanks from her "because my mother lives in Torrington Towers," the elderly housing project that was on the edge of the blaze.

In a way, Thomaston is lucky because it rarely has a real big fire. But then we miss seeing our firefighters in action against a "life or death" situation. Take our word for it, they were great, as were all the volunteer fire companies who came to help Torrington.

Especially fitting is the following item, forwarded to us by Northfield correspondent Dorothy Johnson after it appeared in the Litchfield Enquirer. We trust that newspaper won't mind if we pass it along. It was originally sent in by a volunteer fireman's wife from Bantam.

"Volunteer firemen are a breed unto themselves.

"Whoever heard of a man who is willing to be on 24 hour duty without pay for the privilege of protecting his neighbor's property?

"Whoever heard of a man who will dash from his desk and ride a 'fire wagon' to the scene of the alarm ruining his suit, neglecting his business, risking his life and exhausting himself physically, not for money but because he believes in serving his community?

"Whoever heard of a man who will give up his favorite TV show, postpone some reading or some "do-it-yourself" house chores he's been planning (plus sacrificing his evenings with his wife and children) just to attend a meeting where he learns how to function as a volunteer servant in behalf of his fellowmen?

"Whoever heard (in this day and age) of a man who is crazy enough to be worrying about the other fellow?

"Well if you don't know the answers to these questions, look around our firehouse.

"You'll see people who aren't out protesting and demonstrating and complaining because they're too busy living up to the image of a good American.

"You'll see people whose forefathers were made of the same stuff, and that's why we have inherited this wonderful land.

"You'll see people who do care what happens to their neighbors and their community and their country."

Yes, our volunteer fire department is a lot more than shining trucks, snappy marchers and gleaming trophies. It is men who really care, all the time.

BRUCE CORSELIUS, COMMUNITY LEADER, RETIRES AFTER 41 YEARS

HON. GEORGE E. DANIELSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 31, 1973

Mr. DANIELSON. Mr. Speaker, I would like to draw the attention of my colleagues to an event that holds great importance for the residents of my congressional district. Mr. Bruce Corselius, manager of Penney's Atlantic Square in Monterey Park, will retire in September after 41 years in the Penney organization. On September 19 he will be honored at a testimonial dinner given by the Monterey Park Chamber of Commerce, the Monterey Park Kiwanis Club, the Atlantic Square Retail Merchants Association, and Penney Associates of Atlantic Square.

Mr. Corselius has given freely of himself in service to his Nation and to his community. During World War II he served as a soldier in the South Pacific. Locally, he has served as an officer and active member of the Kiwanis Club, as director of the chamber of commerce, and as president of the Atlantic Square Retail Merchants Association.

Bruce Corselius has been the manager of Penney's Atlantic Square since its opening in November 1955. He is known by hundreds of families in my district for his professionalism and fair dealings. Because of his many outstanding qualities, he will be sorely missed by residents throughout the Monterey Park area.

CAPTIVE NATIONS WEEK

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 31, 1973

Mr. DERWINSKI. Mr. Speaker, the 1973 Captive Nations Week was once again widely observed in all sections of our country. The incoming results of the 15th observance demonstrate the politico-moral commitment of our people toward the 1 billion in Communist captivity. I submit for the Record the following examples:

First. The President's Proclamation of the week;

Second. The Proclamations of Governors William G. Milliken, of Michigan, Winfield Dunn, of Tennessee, and Patrick J. Lucey, of Wisconsin;

Third. A statement on the week by the Ukrainian Congress Committee Branch of the Triple Cities, New York.

A Proclamation by the President of the United States

As a nation we seek no imposition of our beliefs. But as human beings, we must always keep alive the hope that our great heritage of freedom will one day be enjoyed throughout the world.

As we make progress toward world peace and security, let us continue to show our sympathies for others who aspire to liberty and self-determination. In support of this sentiment, the Eighty-Sixth Congress on July 17, 1959, by a joint resolution, authorized and requested the President to proclaim the third week in July each year as Captive Nations Week.

Now, therefore, I, Richard Nixon, President of the United States of America, do hereby designate the week beginning July 15, 1973, as Captive Nations Week.

I call upon the people of the United States to observe this week with appropriate ceremonies and activities, and I urge rededication to the high purpose of individual liberty for all men.

In witness whereof, I have hereunto set my hand this thirteenth day of July, in the year of our Lord nineteen hundred seventy-three, and of the Independence of the United States of America the one hundred ninety-eighth.

William G. Milliken, Governor of the State of Michigan, Presents This Executive Declaration in Observance of Captive Nations Week

Since 1959, the people of the United States have observed the third week in July as Captive Nations Week, a time for expressing support through appropriate prayers, ceremonies and activities, for the just aspirations of the captive peoples throughout the world.

A relentless desire for liberty and independence on the part of the people of the Albanian, Armenian, Bulgarian, Byelorussian, Croatian, Czech, Estonian, Hungarian, Latvian, Lithuanian, Polish, Rumanian, Serbian, Slovak, Ukrainian, and many other nations which are dominated by the policies of Communist Russia, is important to people everywhere and is of particular concern to the many people in America who trace their ancestry to these nations.

The freedom-loving people of the Captive Nations look to the United States as the capital of human freedom, and to the people of our nation as an aid and inspiration in their pursuit of freedom and independence.

Therefore, I, William G. Milliken, Governor of the State of Michigan, urge all citizens to join in prayer and hope for the people of the Captive Nations, and to dedicate their efforts to the goal of freedom and liberty for all peoples throughout the world.

Given under my hand this eighteenth day of July in the year of Our Lord one thousand nine hundred seventy-three and of the Commonwealth one hundred thirty-seventh.

State of Tennessee Proclamation by the Governor

Whereas, The greatness of the United States is in large part attributable to its having been able, through the democratic process, to achieve a harmonious national unity of its people, even though they stem from the most diverse of racial, religious and ethnic backgrounds; and

Whereas, This harmonious unification of our free society has led the people to possess a warm understanding and sympathy for the aspirations of peoples everywhere and to recognize the natural interdependency of the peoples and nations of the world; and

Whereas, The submerged nations of the world look to the United States for leadership in bringing about their liberation and independence and in restoring to them the enjoyment of their Christian, Jewish, Moslem, Buddhist or other religious freedoms, and of their individual liberties; and

Whereas, It is vital to the national security of our country that the desire for liberty and independence on the part of the peoples of these conquered nations should be steadfastly kept alive:

Now, therefore, I, Winfield Dunn, as Governor of the State of Tennessee, do hereby proclaim the week of July 15–21, 1973, as Captive Nations Week and urge our citizens to observe such week with appropriate ceremonies.

In witness whereof, I have hereunto set my hand and caused the Great Seal of the State of Tennessee to be affixed at Nashville on this the 6th day of July, 1973.

The State of Wisconsin Executive Department—A Proclamation

Whereas, people in many countries and nations throughout the world are deprived of individual freedom and independence; and

Whereas, the Congress of the United States in July, 1959, recognized the existence of the captive nations and authorized the celebration of Captive Nations Week; and

Whereas, this week provides a suitable framework for American citizens to express their support for the just aspirations of freedom and liberty for all people.

Now, therefore, I, Patrick J. Lucey, Governor of the State of Wisconsin, do hereby proclaim the week of July 15 through 21, 1973 as Captive Nations Week in the State of Wisconsin, and I further urge all citizens to observe this week with appropriate ceremonies and activities.

In testimony whereof, I have hereunto set my hand and caused the Great Seal of the State of Wisconsin to be affixed. Done at the Capitol in the City of Madison, this sixth day of July in the year of our Lord one thousand nine hundred and seventy-three.

Statement on Captive Nations Week

(By Ukrainian Congress Committee)

As a result of an act of Congress in the spring of 1959, Public Law 86–90 gave the President of the United States the power to proclaim the third week of July as Captive Nations Week. The President asks that all people in America join their fellow citizens, whose homelands are captive, in commemorating such a week and remembering that the freedom which they experience in the United States is not experienced the world over, and especially not in countries such as Armenia, Lithuania, and Ukraine, which are included in the Soviet Union.

Throughout the years, one of the greatest efforts on behalf of the leaders of the Soviet Union was to stop the issuing of the proclamation. Such an attempt proves that what is said in the proclamation is true, not just propaganda.

THE ABC'S ON RUSSIA AND THE USSR

During this Captive Nations Week, it is only proper to review some of the misconceptions about Russia and the USSR (Soviet Union).

The USSR is *not* Russia. The most common myth propagated in journalism and in our high government circles is the use of the terms "Russia" and "Soviet Union" interchangeably, as if they were identical in reference to territory and peoples. A quick glance at the Constitution of the Soviet Union would show that Russia is only one of the fifteen republics comprising the USSR. In language, history, culture, and religion, the non-Russian nations in the Soviet Union are as different from the Russians, as the French are from the Germans, or the Chinese from the Japanese. This mis-identification weakens our evaluation of the problems in the USSR and impedes our understanding of its major sources of weakness.

RUSSIAN IMPERIALISM AND HUMAN RIGHTS

The only remaining empire in the world is the multi-national empire called the USSR. Russians are the masters in this empire, and they have kept up their colonialism in existence by terror, "kangaroo" courts, and concentration camps.

The New York Times of Sunday, June 17, 1973, printed a full page "Open letter to the American people", signed by some sixty-six American scholars in defense of the Ukrainian intellectuals. This letter gives an expose of the crass violations of human rights in Ukraine, which amounts to cultural genocide.

And Ukrainians are not alone in resisting oppression and Russification. Lithuanians, Latvians, the Tartars, the Azerbaizhanis, Jews, and the Russians themselves, are protesting against the trampeling of their human rights, and challenging the Kremlin rulers despite the dangers of incarceration in concentration camps or insane asylums.

APPEAL FOR CONGRESSIONAL ACTION

Telegrams have been sent to our congressional leaders: Senator James L. Buckley, Senator Jacob K. Javits, and Representative Howard W. Robison. In these telegrams their support is asked for the following actions:

(1) To ask President Nixon that he instruct our U.N. Delegation to initiate a full scale debate in the United Nations on Soviet Russian imperio-colonialism. The need for such a debate is more urgent than ever, for the Russian genocide of the non-Russian Captive Nations will only strengthen Russian totalitarianism against the Free World.

(2) To start immediately a full-scale review in Congress of U.S. policy toward the USSR. Never in our history has Congress undertaken such a review. Such a review, we feel, would be most productive for our nation's course.

THE GROWTH OF EXECUTIVE POWER

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 31, 1973

Mr. CRANE. Mr. Speaker, if the current Watergate scandal has a beneficial side, that may be found in the questioning of Executive power and the centralization of authority which has been occurring in American Government since the days of the New Deal.

People throughout the country are asking themselves the question: "Why are so many men in so many high places in Washington involved in so much corruption?"

More and more, people are coming to understand that government involvement in every aspect of the lives of American citizens has led to a situation in which the opportunities for corruption are multiplied a hundredfold.

If government did not have the power to set wages and prices, no one would feel the need to bribe anyone for a favorable ruling. If government did not have huge contracts to bestow, no one would think of paying politicians for a piece of the action. If government did not provide itself with the power to regulate, no one would feel the need to bribe anyone for or against a particular ruling.

In an article prompted by the Credit Mobilier scandal early in this century, E. L. Godkin, editor of the Nation, warned that the only lasting answer to bribery and corruption would be an end to the power of government to bestow great privileges upon private individuals or corporations. Godkin wrote:

> The remedy is simple. The government must get out of the 'protective' business and the 'subsidy' business and the 'improvement' business and the 'development' business. It must let trade and commerce, and manufactures, and steamboats and railroads, and telegraphs alone. It cannot touch them without breeding corruption.

Most conspicuous in recent days has been the growth of the Executive Office of the President. Discussing this growth Dr. Daniel J. Boorstin, director of the Smithsonian Institution's National Museum of History and Technology, noted:

> There are hundreds of people who write on White House stationery. This is a new phenomenon. In fact, it's a phenomenon which has astonished, and properly astonished, some Senators who asked the counsellor of the President if he ever saw the President and he said he didn't. And I think there are something like 40 persons who bear some title such as counsellor to the President or assistant to the President or something of that sort. Now this is a relatively new phenomenon: the opportunity for the President to get out of touch with the people who speak in his name.

Dr. Boorstin declares that:

> The Executive Office of the President has expanded beyond all bounds and has tended to supersede the executive branch of government. Some drastic reconsideration of that is in order.

I wish to share with my colleagues the thoughts of Dr. Daniel J. Boorstin about the growth of Executive power and insert into the Record at this time excerpts from an interview with him conducted by the Congressional Quarterly as they appeared in the Washington Post of July 21, 1972:

The Growth of Executive Power

(By Daniel J. Boorstin)

Q: Many Americans seem to feel that Watergate is just politics as usual. Others see the series of scandals as unprecedented in American political history, profoundly different and more serious than previous misconduct. What do you think?

A: Well, if we consider the problem of democracy to be essentially that of people in power refusing to use the power in ways that are not authorized and not decent and not constitutional. I would say that what makes this different from earlier problems in our society is that today the opportunities for the misuse of power are greater. Just stop to think for a moment about some of the central implements in the Watergate scandal. The most conspicuous was the Executive Office of the President. Why there are hundreds of people who write on White House stationery. This is a new phenomenon. In fact, it's a phenomenon which has astonished, and properly astonished, some senators who asked the counsellor of the President if he ever saw the President and he said he didn't. And I think there are something like 40 persons who bear some title such as counsellor to the President or assistant to the President or something of that sort. Now this is a relatively new phenomenon: the opportunity for the President to get out of touch with the people who speak in his name. . . .

Q: One of the obvious effects of Watergate has been to undermine the effectiveness of the President very early in his second term. Are there any historical precedents for this and, if so, what are the implications for the balance of power between the Congress and the President?

A: One of the things that we've witnessed which has not been sufficiently pointed out is the great advantage that the nation has at the moment in having a fixed-term election. If this had been a parliamentary system the government would have fallen, there would have been, perhaps, another party put in power and then there would have been criminal prosecutions. The problem would not have been dramatized as a political problem. The members of Congress or Parliament as it might have been, who were in the party of the President, would have been interested to minimize the episode so that it wouldn't affect their re-election. They would have to go to the people to be re-elected. It would be in their interest to minimize.

Now, in the present situation, where we see such an even-handed concern among Republicans and Democrats over this problem, this is to no small extent due to the fact that they're in there and that they are re-elected for a fixed term, especially the senators—for a senatorial term—and that when they expose the misdeeds of the leader of their party in the White House, they are not thereby requiring themselves to go to the people and stand for election. So that there's a kind of antisepsis.

The separation of powers is proving itself in some interesting ways, and I would say that one of the consequences of this, in public opinion, has been that whatever effect this may have had on the prestige of the presidency, the respect of the American people for the Congress has been increased. They can see the Congress as a vigilant Congress. The virtue of vigilance is certainly dramatized so that in a new way we have seen the wisdom—in almost an unsuspected way—the wisdom of the writers of the Constitution in separating the powers this way. . . .

Q: Watergate, then, to you, doesn't reveal any fundamental weaknesses in the present system that require change by Constitution or by law?

A: I think the passage of the 22nd Amendment in the Constitution (limiting presidents to two terms) was a mistake. I think that the proposal for a six-year term for the president is also misguided. I think one of the points in having a representative government is to have the elected person in power always subject to the possibility of being re-elected or not being re-elected. It's just conceivable that the President might have been more vigilant if he had known that he was going to be a candidate in another election or at least might be a candidate in another election.

That was very shortsighted and, I think, malicious constitutional amendment. It doesn't belong in the Constitution. And I think that the notion that it is desirable to have a president who can give his full attention to the "presidency" and not worry about reelection is quite a mistake. What we want is a president who will be thinking about the prospects of re-election and will wonder what reaction the public will have to what he's doing as president. That's what we mean by representative government.

Q: What do you see as the ultimate result of Watergate? Will it change our political institutions in any profound manner? Where is this episode going to lead us as a nation or as a people?

A: As a historian I am inclined to be impressed by the continuity of our institutions, and I am extremely skeptical when I read the obituaries for our nation. There has probably never been a scandal in American history which was not decried as the end of American civilization and the destruction of all public and private morality. I think this episode has probably had the effect abroad of dramatizing our concern with certain standards of public morality. And in that sense it's probably been a good thing. And it has dramatized the power of Congress. It has dramatized the integrity of our courts and it will probably have the effect of making anybody who sits in the presidential chair be more scrupulous of his use of the government—of the powers of the presidency.

In a practical way, one of the questions which should arise immediately is the question of the nature of the Executive Office of the President. I think that should be subject to investigation and scrutiny. Perhaps there should be some committee investigating that. The Executive Office of the President has expanded beyond all bounds and has tended to supersede the executive branch of the government. Some drastic reconsideration of that is in order. American citizens in general do not realize the extent of the Executive Office.

The dangers of that growth have been dramatized in Watergate, and in several ways. First, by making it possible for people to use or seem to use the authority of the President without his knowledge. And, then, by making it possible for a President to say (with some credibility) that he didn't know what was going on. That is an equally disastrous fact and one which should give us pause. The Executive Office of the President ought to be scrutinized. I cannot believe that the responsibility of the office is served by its proliferation. How many of these people and how many of these White House "positions" were simply superfluous? As I watched some of the Watergate hearings I kept asking myself what all these people—Dean and others—were doing there in the first place. Was there really an honest job there that needed doing?

BILL WOULD END BUGGING CRITICIZED BY U.S. JUDGE

HON. CLARENCE D. LONG

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 31, 1973

Mr. LONG of Maryland. Mr. Speaker, on July 30, I introduced H.R. 9667, a bill which would stop the recently revealed White House practice of recording the conversations of important Government officials, diplomats, and even White House staff members without their knowledge.

My bill would outlaw secret taping not only in the White House, but anywhere. Under my bill, all parties to a communication must be notified before the conversation may legally be recorded.

U.S. District Court Judge Gerhard Gesell, in a Washington Post article on July 28, characterized eavesdropping and bugging as "growing intrusions of privacy" which continue "to proliferate without judicial supervision."

I bring the full report of Judge Gesell's comments to the attention of my colleagues and urge their support for my bill:

BUGGING GROWTH DISMAYS JUDGE—GESELL SAYS COURTS CAN'T STOP TREND

(By Donald P. Baker)

U.S. District Court Judge Gerhard A. Gesell expressed alarm yesterday at the growing use of electronic surveillance by the government, but said the courts are powerless to stop it when one of the parties, often a police informer, consents to the snooping, usually in return for a favor.

"Whatever incidental good flows from this invasion of privacy is submerged by the growing appearance of police surveillance so typical of totalitarian states," wrote Gesell.

His strong criticism, and an appeal for legislation to make the snooping illegal, were written as he denied a motion to suppress tape recording the government plans to use in pressing perjury and conspiracy charges against Montgomery County businessman Joel Kline and two associates.

Gesell found that the "consensual overhearing in this case does not violate any provision of the Constitution or any statute . . . Only legislation requiring a warrant in these cases can correct the growing intrusions of privacy so central to the Bill of Rights."

Partially on the basis of conversations taped by an FBI informer, the three men were indicted May 18 on charges that they paid at least $50,000 to witnesses in attempts to influence testimony in a Securities and Exchange Commission investigation into possible stock manipulation among Kline's vast holdings.

Kline, 34, of 4545 Willard Ave., Chevy Chase, once was a leading candidate for the post of Maryland bank commissioner. He became a multimillionaire land developer before the age of 30. He was indicted with Eric A. Baer, 44, of 6908 Nevis Rd., Bethesda, and Donald H. Abrams, 40, of 8707 Yarmouth Ct., Potomac.

In denying the defendants' request to suppress the tapes, Gesell said the practice of informers taping conversations "is now routine, as any experienced trial judge knows, and it continues to proliferate without judicial supervision."

Assistant U.S. Attorney Robert W. Oregen has said that a major witness against the three men will be John G. Lassise, president of Lassise & Co. 7316 Wisconsin Ave., Bethesda. In the indictment, Lassise was named as participating in many of the overt acts allegedly committed by the three indicated men, but was not charged with any crime.

Gesell said that "it is now conclusively established that the Fourth Amendment is not violated where, during an investigation, a government agent consents to record his private conversation with others who are suspect without revealing his true identity or purpose.

"This principle, laboriously and somewhat hesitantly fashioned in the give-and-take of many decisions involving covert overhearing has practical consequences.

"Informers, in return for government promises or hope of favors, are equipped with recording devices and sent into the homes and offices of their friends and confidants to trap their words on tape and to turn incriminating evidence over to law enforcement agents.

"Many individuals, without any knowledge of the government, secretly tape their own provocative conversations with others for ulterior purposes and use casual remarks to extort or intimidate . . .

"Highly accurate and sensitive devices are available. Conversations with the informer can be heard by the government through walls and even at some distance away, while government agents and others sit concealed and unobserved."

Gesell said that "in this case, the informer was apparently expected to have a lengthy conversation. The equipment carried on the informer's body was not capable of running for the expected duration of the talk.

"Thus, with his consent, he was also wired to a broadcasting device, and the entire conversation was broadcast to an FBI car in the street outside, where it was immediately also recorded and permanently captured for government use.

"Electronic gadgetry thus pushes the rationale of the cases to extreme. A government agent can plant a broadcasting transmitter in a person's home, car or office without court approval and transmit conversation of a consenting informer so long as the informer's presence is known and accepted by the other occupants, even though they are completely unaware of and indeed affirmatively misled as to the informer's purpose."

Gesell noted that an earlier ruling by him that such conversations were illegal was reversed on appeal, with the higher court "noting that the hunter i.e., the prosecutor, should be permitted to pursue the tactics of the hunted, particularly where the hunted is sophisticated."

The government has said it has "crucially incriminating tapes" of a private conversation at Kline's penthouse office, during the SEC investigation.

While conceding that the admission of the tapes "must be accepted by law," Gesell warned that "this is an enormously dangerous and insidious power to place in the unsupervised hands of the public and the police."

In another District Court criminal action that involves tape recorded conversations by an informer, Judge Oliver Gasch took under advisement yesterday a government motion to dismiss a perjury charge against indicted metropolitan police Lt. Harold F. Crook.

The U.S. attorney first sought to drop the charge last Oct. 21, but Gesell angrily refused, saying the action would make a "travesty of justice." Gesell withdrew from the case a week later.

Since his indictment along with seven other police officers in January, 1972, Crook has been cooperating with prosecutors, and he is expected to be a key witness in trials beginning this fall against 12 other police officers, including an inspector. Most of the evidence reportedly came from conversations between Crook and the indicted officers.

U.S. CUSTOMS HOLY NAME SOCIETY

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 31, 1973

Mr. BIAGGI. Mr. Speaker, I would like to draw to my colleagues' attention an important address by the Most Reverend Patrick V. Ahern, auxiliary bishop of the Archdiocese of New York, given at the 49th Annual Corporate Communion Breakfast of the Customs Holy Name Society for the port of New York.

In his remarks, his excellency points out the necessity for change and how all institutions, including the church, have changed in our society. Change for the better is not something to be feared, but should be looked upon as a means of improving vitality and responsiveness in the church, in government, in all institutions and individuals.

I hope my colleagues will benefit by the message presented in the following address:

U.S. Customs Holy Name Society

In the course of the extensive research involved in preparing this talk, my curiosity sent me to the dictionary to investigate the word "customs" as it applies to your occupation. For those who have not looked it up, I wish to report that its first meaning is "any habitual practice." By the fifth dictionary definition, it has come to mean "a customary tax or tribute due by feudal tenants to their lord." Under meaning number eight, we come upon this definition, which puts it in your field: "duties imposed by law on imported or, less commonly, exported goods."

We are all aware that once a tax of any kind is levied, it readily becomes "a habitual practice." Taxes are born with remarkable ease; they die hard. In fact, they almost never die, nor—unlike old soldiers—do they fade away. Once the government takes a piece of the traffic, whether it is on imports, exports, real estate, foodstuffs, whiskey, cigarettes, or whatever—and lastly, and most ingeniously, a person's income—the government never lets go.

It's like a second collection in church. Once the pastor institutes it on the first Sunday of the month—perhaps for some dire emergency—he finds it a habit very hard to kick, and the ushers had better settle down without grumbling to an extra trip down the aisle with the basket. The best they can hope for is that he will not put in a *third* collection.

Such customs do not easily change. However, in recent years a number of other customs *have* changed in the Church, to the joy of some and the consternation of others, and I would like to focus for a moment this morning on this phenomenon of change in the Church, what it has done to us, what it has done for us, and where it leaves us as Roman Catholics.

First of all, it has shaken us up. When you change people's symbols, especially their religious symbols, you really shake them up. I was talking recently with a very old lady who all her life has been a devout Catholic. Quite surprisingly, she said: "You know, I'm not really so sure as I used to be that there is a life hereafter." By way of explanation, she said: "They've changed so much in our religion. I used to love Mass in Latin; I knew how to follow it in my missal. It was nice and quiet in Church and I got a lot out of going. I don't like all this singing and lay people reading the Bible at us." I laughed and replied: "Well, you really got back at them good—now you don't believe in a life hereafter! That's what I call getting even." I'm sure the lovely old lady still does believe in a future life—there isn't much religion left if you don't—and like the rest of us she will walk forward to meet it with that mixture of trepidation and faith which is the best that any of us can bring to the moment of death.

But her reaction is not untypical of many Catholics. The great danger is that in a time of change and upsetment, we will be tempted to throw out the baby with the bathwater. The Church has changed a great number of her customs. We don't *have* to eat fish on Friday, nor fast from midnight before receiving Holy Communion. If we like that kind of thing, we can get cremated instead of buried. An annulment is a little easier to obtain. Priests can leave the ministry without leaving the Church. Nuns can wear minis and maxis. We pray together with Protestants and Jews. In June, Cardinal Cooke will ordain a dozen married deacons. The list of changes could go on and on.

All these changes are *accidental* changes, They do not touch the substance of the Faith. It is essential that each of us have a firm grasp of that distinction. Basically, in her deepest essence, the Church we belong to is the Church of our forebears. The Church to which people belonged in France, or Ireland, or Germany, or Poland, whose tombstones bear 16th Century dates. The Church of the Middle Ages and St. Thomas Aquinas. The Church of the 5th century and St. Augustine. The Church of lovable St. Peter and intrepid St. Paul. The Church finally of Jesus Christ, Our Lord.

> Faith of our fathers, living still
> In spite of dungeon fire and sword
> Oh how our hearts beat high with joy
> Whene'er we hear that glorious word
> Faith of our fathers, holy faith
> We will be true to you till death.

We still believe in the Apostles' Creed, every article of it. We still accept the ten commandments. It is still right to love and honor your wife and teach the Faith to your children. We still remain in perfect union with the Pope, who is the successor of St. Peter. Holy Mass, whether you call it the Liturgy or the Eucharist, is still the burning center of the Church. Without Our Eucharistic Lord, there *is* no Church, and all who would be living members must gather around the altar for the same Sacrifice. The Blessed Virgin Mary is still the first lady of the Church, and indeed her holy Mother and the Mother of all of us.

Nothing essential has changed. The Church has simply discarded certain customs in the hope of addressing the twentieth century more successfully.

You may question her wisdom in doing so. Personally, I think she has made some splendid moves. Just to take one example, I believe that the new Liturgy is a vast improvement over the Mass I knew as a boy. My brother argues with me about that. The new Mass is a matter of opinion, but so was the old Latin Mass. I had an experience a year ago in Quebec that confirmed me in my opinion. I had gone with a group of pilgrims to St. Anne de Beaupré. The day after the pilgrimage was over, I offered Mass in the Cathedral of Quebec. Three elderly people walked over from the hotel with me. When I got to the sacristy, I found that all the missals were in French, and my only option was to say Mass out of the old Latin Missal. I asked my three friends if they would like to attend a Latin Mass. They said: "Oh, we'd love to!" I went through the ancient rite as it was twenty years ago, pronouncing everything clearly. When it was over, I asked: "How did you like it?" They said; "It was *awful*. We didn't understand one word you said!" I think the same kind of experience would cure a lot of people of hankering for the days gone by.

We've been moving forward and the future is not at all dismal. We are in a period of transition and, in many ways, a time even of revolution. But we shall come out of it stronger. In the process, some will fall away as some already have. But one has to wonder how strong their faith was to begin with.

We're doing a lot of right things; such as insisting that parents come for instructions prior to the baptism of their child. The same is being done for first Communion, Penance and Confirmation. These catechumenates, as they are called, are an effort to center the faith in the family, to let people know that the first Christian school is the *home*. If we are to have strong faith in the generations coming along, it will be enkindled by parents who themselves really believe and care about the religion of their children. The generation gap has to be faced where it is, within the family. Quite literally, our children's faith must be "the faith of our fathers" if it is to survive.

Incidentally, the name of the hymn is "Faith of Our Fathers"—not "Faith of Our Mothers." No one would even downplay a mother's importance in the religious upbringing of children, but let us never forget the fundamental responsibility of the Christian father, who is the head of the small church that exists in his home and whose teaching and example of faith can mean to much to the faith of his children.

The dozen deacons whom the Cardinal will ordain are only a beginning, like the twelve Apostles. In the years ahead, deacons will hopefully perform very useful services to our parishes and in various other apostolates.

Things like marriage encounters have gained considerable popularity and may well prove very helpful in strengthening Catholic family life.

While parish missions have largely faded in popularity, weekend retreats have caught on with a great number of our lay people.

Parish Councils in many parishes (though unfortunately not in all) are putting new life into parishes.

These are just a few of the signs of vitality and hope that appear in today's changing Church. Singing the blues about "what has happened to us" is not at all in order. Much that has happened is wonderful.

Our Catholic Church is very ancient—20 centuries old. It is blessed with a perennial power to go through crises and come out stronger. Its Founder is God and He made a promise to His original Church: "I am with You all days." Our Church is not about to dry up and blow away. It's about to be reborn, as it has been dozens of times before.

So my message this morning is a very simple one: Don't be discouraged by "all the changes." Don't let your joy in belonging to the Church become tarnished at all. Get with it. Get with the Church. And stay with it through every trial.

PHILADELPHIA GENERAL HOSPITAL STROKE CENTER

HON. JOSHUA EILBERG

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 31, 1973

Mr. EILBERG. Mr. Speaker, one of the most tragic and serious illnesses known to man is stroke. However, at the Philadelphia General Hospital, the Stroke Center is using a new approach in the treatment of stroke patients. This breakthrough will increase the brain blood flow in the patient, a crucial consideration in the treatment of stroke.

I would like to congratulate Dr. Martin Reivich, director of the Stroke Center, and his staff on this new development. They may be proud that they have made a considerable achievement to their profession, but even more importantly, they may be proud that they have reduced the potential for suffering and illness among their fellow men.

I insert into the RECORD a statement from the city representative of the city of Philadelphia which describes this work:

PHILADELPHIA GENERAL HOSPITAL STROKE CENTER

A new approach in the treatment of stroke patients is being conducted at the Philadelphia General Hospital Stroke Center. According to the director of the Stroke Center, Martin Reivich, M.D., this is a new method which enables a physician to study the rate of brain blood flow in direct response to medication given to the patient.

"A decrease of brain blood flow is usually the cause for the stroke," Dr. Reivich pointed out. He further explained that in the treatment of stroke patients, the ultimate purpose of medication given is to increase the brain blood flow. "This method measures the increase in blood flow and, therefore, the effectiveness of the medication," he said.

According to Dr. Reivich, this treatment is easily performed at the stroke patient's bedside. The patient breathes a small amount of radioactive gas mixed with air. The gas is completely harmless when used in this manner, the director emphasized. Because the PGH Stroke Center is connected by telephone to a computer at the University of Pennsylvania, the results are obtained at the Stroke Center within minutes.

"This allows us to use the results immediately in the treatment of patients. This saves several days delay in getting the test results which would occur without the direct hook-up to the computer," Dr. Reivich added. The doctors then know if they should continue the medication being used, he concluded.

The hospital team at the PGH Stroke Center consists of three neurologists, a neuroradiologist, two cardiologists and special nurses trained for the care of stroke victims. The PGH Stroke Center, comprised of 19 beds, was opened in 1966, and the research being conducted is funded through the National Institute of Health.

WARSAW UPRISING DAY

HON. JOHN J. ROONEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 31, 1973

Mr. ROONEY of New York. Mr. Speaker, every American old enough to remember should recall vividly the high emotion which we experienced 29 years ago tomorrow when the people of Warsaw, Poland, united in one effort to overcome their Nazi oppressors. It was on August 1, 1944, that the free world listened avidly to radio reports and scanned the newspapers for further word on the uprising being staged in Warsaw. Unfortunately, the free world has become sated with the repetitious news of more and more Nazi atrocities and acts of violence. To have word of a brave and almost defenseless people rising up against the Nazi military might was indeed welcome.

We gloried in the reports of the Polish people as they began what was to be a futile 63-day battle against the overwhelming might of Hitler's forces. Our hearts warmed to the bravery of these men, women, and children and our prayers were lifted in their behalf. As the daily report of their losses grew to a total of more than 200,000, our sympathy deepened for the survivors. We were proud of the manner in which they fought for freedom with every type of weapon upon which they could lay their hands. We were saddened by the reports and pictures of Polish patriots, men, women, and children, lying dead upon the bloody streets of Warsaw while Russian Communist soldiers idly watched them being slain. Our resentment at the Nazi cruel and ruthless treatment of these patriots was equaled only by resentment and abhorrence of the atrocious conduct of the Russian troops who could and should have helped these people in their struggle to free themselves of oppression. Looking back in retrospect, we see now that the inhuman conduct of the Russians on this occasion was a clear indication of the type of callous indifference to human suffering which would characterize Communist Russia's treatment of millions upon millions of people over the ensuing years. The Russians demonstrated then as they have done ever since a complete disregard for law and order and an unceasing desire to subjugate all mankind to a life pattern of their own design and implementation—a goal to which they aspire with increasing intensity.

It irks me not a little and it gives me real concern that so many of our well-educated and apparently well-intentioned people fail to realize that the Communist leaders of the world are today just as callous to the suffering of people—just as indifferent to the rights and well-being of innocent people as were the scoffing coldblooded Russian Communist soldiers during the Nazi subjugation of the Warsaw patriots.

Far too many of our people permit themselves to bathe in the roseate dreams of Soviet friendship—of peaceful coexistence and of a return of warm and mutually respected political and economic relationships.

It takes no foreign affairs specialist—no skilled political analyst to see through the smog of United States-U.S.S.R. discussions or negotiations that thus far the Russians have put out on the discussion table nothing of their own. Instead, they seek to bargain for items which we already possess and seek to keep. When the Russian Communists will volunteer the emancipation of their enslaved millions—when they will offer freedom to the relatives of the Warsaw victims and their survivors, there would be a reasonable basis to have confidence in their proposed treaties. When they demonstrate their desire to rectify some of their brutal acts of aggression, we could place a little more reliance upon their sincerity.

As we recall the tragic outcome of the Warsaw uprising, may we assess anew our previous dealings which the Red Communist regimes and keep our minds alert to the usual Communist perfidy. Mr. Speaker, we cannot be too careful.

CONSUMERISM ON THE MOVE

HON. ALPHONZO BELL

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 31, 1973

Mr. BELL. Mr. Speaker, today I am introducing a bill that will make it much easier for individuals to get a settlement on their loss and damage claims suffered with moving carriers. My proposed legislation will give the Interstate Commerce Commission the authority to adjudicate cargo loss and damage claims between private citizens and moving carrier companies.

In today's mobile society, many citizens use moving carriers to transport their belongings across the country. If a citizen suffers loss or damage to his belongings, and the moving carrier company is not cooperative toward settlement of the claim, the only course of action left to the citizen is to take his claim to court.

In today's fast-moving society, the citizen who takes his claim to court is faced with a fair but sometimes very slow course of action.

In today's high-cost society, the citizen who takes his claim to court is faced with nearly prohibitive legal fees. Many a citizen fails to take his claim to court for the simple reason that the cost of his legal fees may well exceed the amount at issue in the claim.

Many varied claims are filed with moving carriers, ranging from theft and pilferage to wreck or damage from excessive heat or cold. Thousands of claims are filed each year with moving carriers, and my bill will help many of the unsettled claims to be resolved in an expeditious and fair manner. In 1971, with 74 carriers reporting, 72,710 claims were still pending at the end of the year. Many of these claims could be settled speedily by the ICC under this legislation.

The problems consumers have with moving were forcibly brought to my attention by the horrifying experience suffered by a constituent of mine. This man moved his family from Maine to California, and the moving van transporting his belongings was involved in an accident on the Connecticut Turnpike and overturned—but he was not notified of the accident until 2 weeks after it had occurred. Many of his belongings were damaged—items that had been in his family for many years and had both sentimental and monetary value. The moving company was totally uncooperative in making good on the damage claim. I am pleased to introduce this legislation to help many other families who suffer cargo loss and damage.

The ICC has endorsed legislation, which, in similar form, was introduced in the Senate by Senator Bible. My proposal will eliminate the costly and time-consuming court procedure through which the individual must go in order to have his disputed claim settled. This legislation will enable the citizen to submit his written complaint to the ICC, whereupon the ICC will decide the claim between the moving carrier company and the private citizen. Other regulatory agencies have similar power to investigate problems between private citizens and business. For example, the Federal Communications Commission has the authority to investigate unsettled claims between individuals and communications common carriers. This legislation provides that either party may appeal the ICC's decision to Federal court.

My proposed legislation will aid the private citizen and businessman by allowing him to bring his claim to the attention of the Interstate Commerce Commission. This bill will discourage the moving carrier companies from ignoring the smaller claims which the carrier companies may feel that the individual will not take to court because of the prohibitive legal fees. The citizen will have the opportunity to take the initiative in getting his own claim settled, instead of continuing the sometimes futile attempts to get the moving carrier company to act on the claim. I ask your support of this consumer protection legislation which affects an increasingly important aspect of our society.

THE NEW YORK STATE BAR ASSOCIATION POSITION: NATIONAL LEGAL SERVICES CORPORATION

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 31, 1973

Mr. RANGEL. Mr. Speaker, I would like to share with my colleagues in Congress a resolution adopted by the New York State Bar Association House of Delegates on June 29 of this year.

It concerns the establishment of a national legal services corporation—its scope, and its goals and urges the Congresss to remove the restrictive amendments unwisely added to the bill by this body when it considered this measure last month. I hope that my colleagues will carefully heed the overwhelming advice of the professional bar on this matter.

I submit the full text of this resolution:

New York State Bar Association Resolution Adopted by House of Delegates, June 29, 1973

Whereas the New York State Bar Association supports the establishment of a national legal service corporation to take over the legal services programs presently funded by O.E.O.; and

Whereas, the House of Delegates adopted the following resolution in March, 1973,

Resolved that the New York State Bar Association reaffirm its support of a national legal services corportaion as urged by the American Bar Association and ask the Congress and the Administration to join in the enactment of a law to establish a National Legal Services Corporation and to take such action as is necessary to assure the continuity and adequate funding of the national legal services program.

Whereas the Association believes that legal services lawyers should not be subject by law to limitations which unduly restrict or impair the kind and quality of legal services they can perform on behalf of eligible clients; and

Whereas the Legal Services Corporation Act passed by the House of Representatives on June 21, 1973 imposes significant restrictions upon the kind of cases legal services lawyers can take and upon the kind of representation they can provide and unduly restricts the corporation in its use and application of appropriated funds;

Now, therefore, The Association urges the Senators and Congressmen from the State of New York to support the establishment of a national legal services corporation that:

(a) is adequately funded to meet the compelling need for legal representation of eligible indigent clients;

(b) permits legal services lawyers to provide the same representation to indigent clients that the private bar provides to its clients;

(c) has sufficient flexibility in its personnel policies, and the use and application of its funds to permit an innovative attack on the problem of providing legal representation to the indigent; and

(d) is not restricted by statute in the kind of cases that it can take or the nature of the legal assistance it can provide to eligible clients.

EXECUTIVE LOBBYING ACT

HON. JEROME R. WALDIE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 31, 1973

Mr. WALDIE. Mr. Speaker, today I introduce a bill which will address an area of influence seeking not covered in current law or contemplated by other proposals to reveal the actions of lobbyists. I call the bill the Executive Lobbying Act because its focus is exclusively on the activities of lobbyists as they try to influence executive policy.

As we have seen in the daily press, the seeking of influence in the executive branch is a common activity—one which seems to yield uncommon dividends these days if it is successful. We are fortunate that an active press has called to our attention many of the worst examples of special interests which received favorable treatment from the executive in return for a consideration—often monetary. What we need is a law to protect the public from the activities of special interests as the business of government becomes more complicated.

The present Federal Regulation of Lobbying Act directs its attention exclusively at lobbying activity within the national legislature. State acts have a similarly narrow focus. Yet the wise lobbyist in any capital realizes that the most important time at which to make his wishes known is at the very beginning of the executive policymaking process—when the executive has been able to identify a problem but has only begun to cast about for a solution. Specialized knowledge brought to bear by an outside interest at this point can affect the entire subsequent course of policy. This is a particularly critical point, for example, for manufacturers of high-cost defense equipment, or for research-oriented corporations and "thinktanks." It is a key time for environmentalist and counter-environmentalist issues to be raised. In short, Mr. Speaker, for lobbyists it makes good sense to be in on the ground floor of any executive decision, helping to design specifications or regulations or to draft legislation. Lobbying in the Congress becomes a great deal easier if the Congress is already considering a proposal which includes the lobbyist's point of view. Winning a new production contract is easier if a representative of your corporation has helped the executive describe what it is that he wants to buy.

This suggests to me that the Congress and the public have a vested interest in knowing who is lobbying the executive at any point in time, what is the subject of his concern, from whom he gets his money, and precisely how he spends it to influence executive policy. To this end, I am pleased to introduce the Executive Lobbying Act—a bill which provides for the disclosure of certain facts by the special interests at work in the executive branch.

Mr. Speaker, I feel bound to add one final remark: No one who comes to Washington to do business fairly need fear either the Executive Lobbying Act or the Open Government Act, which I have also introduced. All Members of Congress are most keenly aware of the rights of citizens to petition their Government, and in no way do we intend to restrict their right. Indeed, the whole Government might act less responsibly if special interests did not make their desires and expectations known. Everyone belongs to some special interest group. Disclosure of lobbying activities, as provided by both bills, would protect the right of the majority of citizens to petition by requiring that they be given enough information to know when to do so. Unless the lobbying part of the governmental process is revealed more completely, citizens will not know when their interests are in jeopardy, and the Congress will not know how to help them find protection.

FLEXIBLE HOURS EMPLOYMENT ACT

HON. BELLA S. ABZUG

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 31, 1973

Ms. ABZUG. Mr. Speaker, I am today reintroducing a bill with 17 of my colleagues that will, if enacted, be a breakthrough in meeting the employment needs of thousands of Americans. It would institutionalize the practice of flexible hours employment positions for workers in Federal civil service jobs and help to end discrimination generated by the standard pattern of working hours.

The flexible hours employment option will be a step in providing job designs which further the advancement of women—especially working mothers—by offering them greater employment opportunities. Together with more comprehensive maternity benefits and greater availability of child care, the restructuring of job patterns such as this bill provides will help speed the implementation of the affirmative action programs to which we are all committed.

Many Americans cannot or do not desire to work on a full-time, 9-to-5 basis. Advantages of flexible hours employment exist for students who need time to pursue their educations, for older workers approaching retirement age who may want to ease their workloads, for handicapped individuals who may prefer shorter workdays as well as for working parents who have childrearing responsibilities. Congress must not bypass this opportunity for productive utilization of the abilities and education of a large segment of our population.

The bill, which has been introduced in the other body by Senator Tunney, calls for a 5-year phase-in period, at the end of which 10 percent of all Federal civil service jobs will be on the flexible hours basis. This bill provides across-the-board permanent positions in which workers receive, on a pro rata basis, all benefits normally available to full-time employees in similar positions or grades.

I urge swift action on this bill. When enacted, it can serve as an example to many private and public employers, helping them to set up more flexible hour positions. Thousands of Americans will benefit from the increased flexibility in job options and the resulting enhancement in quality of work and family life.

Cosponsors of the Flexible Hours Employment Act are Ms. Burke of California, Ms. Chisholm, Mr. Conyers, Mr. Corman, Mr. Dellums, Mr. Edwards of California, Mr. Fraser, Mr. Harrington, Mr. McCormack, Mr. Mitchell of Maryland, Mr. Moakley, Mr. Owens, Mr. Rees, Mr. Rosenthal, Mr. Roybal, Mr. Stokes, and Mr. Waldie.

A text of the bill follows:

H.R. 9699

A bill to provide increased employment opportunity by executive agencies of the United States Government for persons unable to work standard working hours, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Flexible Hours Employment Act".

Section 1. As used in this Act, the term—

(1) "executive agency" means an executive department, a Government corporation, and an independent establishment, including the United States Postal Service;

(2) "flexible hours employment" means part-time employment, as for example, four hours per work day or, one, two, three, or four days per workweek, and includes such other arrangements as the Secretary establishes consistent with the policy set forth in section 2(a); and

(3) "Secretary" means the Secretary of Labor.

Sec. 2. (a) It is the policy of the United States Government that, unless adjudged impossible by the Secretary, at least 2 per centum of the positions at each and all levels in all executive agencies shall be available on a flexible hours employment basis for persons who cannot work or do not desire to work full time within one year after the date of enactment of this Act. Not later than two years after the date of enactment of this Act, 4 per centum of such positions shall be available for such persons. Not later than three years after the enactment of this Act, 6 per centum of such positions shall be available for such persons. Not later than four years after the enactment of this Act, 8 per centum of such positions shall be available for such persons. Not later than five years after the date of enactment of this Act, 10 per centum of such positions shall be available for such persons.

(b) Each executive agency shall adopt and maintain procedures, continuously conduct activities and projects, and undertake such other efforts as may be appropriate to carry out the policy of subsection (a) of this section. The Secretary shall promptly formulate and implement and thereafter supervise a program to assist executive agencies in carrying out such policy.

(c) Each executive agency shall report quarterly to the Secretary on the procedures, activities, projects, and other efforts undertaken to carry out the policy of subsection (a) of this section. The quarterly reports shall contain documentation concerning the extent to which the employment requirements of subsection (a) have been fulfilled and an explanation of any impediments to their fulfillment and of measures undertaken to remove these impediments.

(d) The Secretary shall report annually to the Congress on the procedures, activities, projects, and other efforts undertaken to carry out the policy of subsection (a). The annual reports shall contain documentation concerning the extent to which the employment requirements of subsection (a) have been fulfilled and an explanation of any impediments to their fulfillment and of measures undertaken to remove these impediments.

Sec. 3. (a) The Secretary shall carry out all his or her functions relating to the welfare of wage and salary earners through the Employment Standards Administration of the Department of Labor, or any administration of the Department of Labor that may, after the effective date of this Act, be charged with responsibilities similar to those of the Employment Standards Administration, including—

(1) the conduct of research and experimentation projects and any other activities designed to promote, in public and private employment, the advancement of opportunities for persons who are unable or who do not desire to work standard working hours;

(2) the promotion and supervision of programs for flexible hours employment in the executive agencies; and

(3) the encouragement of adoption of flexible hours employment practices by all public and private employers.

(b) The Secretary shall carry out all of the functions of this Act through the Employment Standards Administration of the Department of Labor, or any administration of the Department of Labor that may, after the effective date of this Act, be charged with responsibilities similar to those of the Employment Standards Administration.

Sec. 4. No person who is otherwise qualified for full-time Federal employment shall be required to accept flexible hour employment as a condition of new or continued employment.

Sec. 5. All persons employed in flexible hours employment positions pursuant to the policy established by section 2(a) of this Act shall receive, on a pro rata basis, all benefits normally available to full-time employees of all executive agencies in similar position or grade.

Sec. 6. No executive agency subject to the provisions of this Act shall, for the purpose of determining that agencies personnel ceiling requirement, count any employee employed on a flexible hours employment basis other than on a pro rata basis according to the percentage of hours such employee works in each forty-hour workweek.

Sec. 7. No person employed as an expert or consultant pursuant to section 3109 of title 5, United States Code, and no person who is employed for more than twenty hours in any forty-hour workweek by any employer other than an executive agency may be counted for the purpose of determining compliance with the policy established in section 2(a) of this Act.

Sec. 8. There are authorized to be appropriated such sums as may be necessary to carry out the purposes of this Act.

NATIONAL ADVISORY COUNCIL ON VOCATIONAL EDUCATION OPPOSES ADMINISTRATION'S "BETTER SCHOOLS ACT"

HON. JOHN BRADEMAS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 31, 1973

Mr. BRADEMAS. Mr. Speaker, I ask unanimous consent to insert in the Record the text of a policy statement adopted at the June 29 meeting of the National Advisory Council on Vocational Education with respect to the proposal of the Nixon administration for the so-called Better School Act of 1973.

The statement follows:

"While not necessarily opposed to the general concept of revenue sharing with the States, and to the application of that concept to some aspects of education, the Council cannot endorse the approach represented by the Better Schools Act.

"It does not feel that vocational education, at this point in history, should be included in an education revenue sharing package, without specific guidelines designed to assure that the funds will indeed be used to promote quality vocational education. The Council does not believe that the Better Schools Act contains that assurance.

"The recent progress in vocational education is a result of the Vocational Education Act of 1963 and the Vocational Education Amendments of 1968. These acts offered a Federal incentive to meet urgent needs which were not being adequately met at the state level. Traditionally, vocational education has been at the bottom of the list of priorities, at both the Federal and state levels. It has had to fight against strongly entrenched educational interests to obtain adequate funding and facilities. That trend has begun to shift due to the incentives and procedures contained in the Vocational Education Act. The Act provides that the states must match Federal funds on at least a one-to-one basis. It provides that state plans be drawn to coordinate vocational education programs throughout each state. It also provides for a network of National and State Advisory Councils on Vocational Education to advise on and evaluate vocational programs, and to help create a positive image for vocational education. The latter point is especially important. The need for vocational education is undisputed, yet it is often ignored because it has a 'second-class' image. In many cases, the only advocates for vocational education are the advisory councils. Advocacy is important to vocational education at this point in time if the momentum which has been building up in recent years is to continue.

"The Better Schools Act would turn all vocational education funds over to the states to be spent without guidelines. There is no requirement for state-wide planning, nor provisions for evaluation of programs. Up to 30% of the vocational education funds could be transferred to other programs. Up to 100% could be transferred, if approved by the U.S. Commissioner of Education. Within the vocational education category, the funds could be used for any purpose. It is possible, for example, that they could be diverted for teachers' salaries rather than actual program use.

"The Council believes that vocational education, under the Better Schools Act, would lose the momentum it has gained in the past decade. The Vocational Education Act is just beginning to demonstrate results, and it would be a mistake to switch horses just as vocational education is moving into the mainstream of education in our country.

"The National Advisory Council on Vocational Education recommends the full implementation of the Vocational Education Act and Part B, Title X of the Higher Education Act, as amended by the Education Amendments of 1972."

RESPONDING TO WATERGATE; RESPONDING TO A SUBPENA

HON. MICHAEL HARRINGTON

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 31, 1973

Mr. HARRINGTON. Mr. Speaker, in the July 19, 1973, Extensions of Remarks, I inserted the first section of a three part article by I. F. Stone that appeared in the June 28, 1973, edition of the New York Review of Books. Dealing with the question of impeachment, that article explored the legal bases for the subpena and impeachment of a President.

Since that article appeared, we have seen the battle joined on this issue, between President Nixon on the one hand and Special Prosecutor Archibald Cox and Senator Sam Ervin's committee on the other. In view of the renewed relevance of Mr. Stone's article, I insert this second part, dealing with precedents for impeachment. As I indicated at the time this article first appeared in the Record, scholarly research on this matter deserves the attention of every Member of Congress who has considered how to respond to the crisis of Watergate.

The second part of the article follows. Space limitations on extraneous material in the Record do not permit the inclusion of the remainder of the article:

II

Impeachment is a form of trial by legislature. Its roots go back to a dim past when parliaments in France and England were more courts than legislatures. As the political power of the English Parliament grew, it began to use impeachment against corrupt or tyrannical officers of the Crown. Charges were brought by the Commons and tried before the Lords. The first impeachment is usually given as the Earl of Suffolk's case in 1386. In the revolutionary seventeenth century, impeachment was used by the House of Commons to terrorize the King's ministers and finally to establish parliamentary supremacy. Once this was achieved, the use of impeachment for political purposes died out. The seven years it took the Commons to try Warren Hastings by impeachment (1788–1795) finally demonstrated that it was too cumbersome—and repugnant—a process for ordinary criminal prosecution. The last trial by impeachment in England was in 1806.

The Framers of the Constitution were well aware of the abuses which mark trial by legislature. They outlawed one form altogether: the bill of attainder by which earlier parliaments, with or without hearing evidence, simply found a man guilty by majority vote. This was a device much used by subservient Parliaments under Tudor despotism and again by a revolutionary Commons in the seventeenth century. The outstanding example was the famous Earl of Strafford case where—realizing that the House of Lords was not convinced by the evidence in his impeachment—the Commons dropped that procedure, voted the Early guilty by bill of attainder, and had him executed. The Puritans, our spiritual ancestors, were often as ferocious as Bolsheviks.

In writing the power of impeachment into the Constitution, the Framers sought to shut the door firmly on such excesses. The Constitution forbids trial by impeachment for ordinanry citizens and ordinary crimes. The impeachment procedure was limited to trials of the President, the Vice President, "and all civil officers of the United States." In case of conviction the penalty may not be more than "removal from office and disqualification to hold any office in honor, trust or profit under the United States." Any other punishment for any crime involved can be imposed only after separate trial in a court of law. Impeachment was to be a weapon for policing conduct in office.

The Framers were principally concerned with providing a check on the President. The other officers were added to the impeachment clause in the final days of the Convention as a last-minute afterthought and were accepted without debate. During earlier discussion of the impeachment clause, George Mason of Virginia—more responsible than any other statesman for the Bill of Rights—spoke of impeachment as a necessary weapon to deal with "attempts to subvert the Constitution,"[1] The words seem to fit the revelations being generated by Watergate. When Senator Ervin, who has seen them, says the domestic espionage plans in the as yet unpublished Dean documents display "the same mentality employed by the Gestapo in Nazi Germany,"[2] the words Colonel Mason used are not too strong to be applied today.

Much fresh material for an exploration of the impeachment process and its history is provided by Raoul Berger and Michael Les Benedict. Benedict offers a new view of the politics in Andrew Johnson's trials, the only impeachment of a President. Berger's book brings together a fascinating collection of his law review articles on the tantalizing legal problems involved in impeachment. Both books began long before Watergate as recondite studies into long forgotten questions, but they come off the press as urgent and controversial, though neither foresaw, or could have foreseen, how rapidly unexpected developments like the burglary of Watergate would make impeachment a live issue again.

Berger—after a lifetime in government and private practice—has had an extraordinary second career since his retirement. Zest for controversy and love of learning shine through the pages of his law review articles and books. Now, at seventy-two, he is writing a book on executive privilege, a topic of even more immediacy than impeachment, and one on which he has testified brilliantly before several congressional investigations.[3]

He strongly opposes the inflated claims of executive privilege made in recent years, notably by then Attorney General Rogers under Eisenhower. Berger is also a strong opponent of the expansion in presidential war powers, a subject on which he published a law review article of first importance last year.[4] Those two studies and a major law review article on impeachment[5] which is embodied in his new book seem to have drawn their motivation from opposition to the Indochina war.

Berger's basic position might be described as that of a radical traditionalist, seeking to strip away false, distorted, or mythological precedents by a return to the Constitution, its sources, and its Framers, and fashion new conceptual weapons against current governmental usurpations. In this sense, he is like the late Justice Black and Senator Ervin a fundamentalist in constitutional law.

In two chapters of this new book on impeachment Berger considers the possibility of using impeachment to deal with the continuing Indochina war. In the first of these he discusses the impeachment of Andrew Johnson. "His impeachment," Berger writes,

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Footnotes at end of article.

"poses an issue which may again confront us: is the President impeachable for violating a statute, for example, an act that prohibits the use of appropriated funds for maintenance of ground troops in Cambodia if in his judgment it violates his constitutional prerogatives?"

The restriction on ground troops in Cambodia was passed by Congress in 1971, and not openly flouted by the executive. But the question has again become urgent with passage by the Senate, and debate in the House, of the Eagleton amendment which would bar the use of *any* funds for continued bombing over Cambodia.

The parallel with the impeachment a century ago is this: The immediate precipitant of President Andrew Johnson's trial was his attempt to remove Secretary of War Stanton in defiance of the newly passed Tenure of Office Act. Johnson claimed he had a right to ignore the act because he considered it an unconstitutional interference with the President's right to remove his cabinet officers as he pleased. Nixon, similarly, has taken the position that a cutoff of war funds while combat of any kind is in progress would be an unconstitutional interference with his powers as Commander in Chief. Whether Nixon will dare cling to so extreme a position in a crunch, against the background noises of Watergate, remains to be seen.

Berger, who takes a rather conventional view of Johnson's impeachment, believes such a constitutional crisis should be resolved by an appeal to the Supreme Court rather than by impeachment, as happened in Johnson's case. But in his concluding chapter Berger advocates impeachment as a last resort when the President takes the country into war without congressional consent.

Berger ends his book with a plea that we not deduce from the failure—and the legal clumsiness—of the Johnson impeachment that impeachment has proven "its unfitness as an instrument of government." But he favors its use only "as a last resort" and "with extreme caution." The Framers, he writes,

> "Foresaw that impeachment might be subject to superheated partisanship, that it might threaten presidential independence; but recalling Stuart oppression they chose what seemed the lesser of evils. In our time the impeachment of President Truman, apparently for his conduct of the Korean War, was suggested by its staff to the Republican high command. There have been reiterated demands for the impeachment of President Nixon arising out of dissatisfaction with his program for disengagement from the war in Vietnam. . . . Those who are unwilling to concede that the President, without a congressional declaration of war, may commit us to a full-scale war with all its ghastly consequences may yet turn to impeachment as a curb on such presidential adventures."

Benedict's book on Johnson's impeachment devotes itself to rebutting the conventional view that it was the work of a radical Republican minority. His exhaustive analysis of the events which precipitated impeachment and of key votes during the trial shows that in fact Johnson's unwise and stubborn tactics drove the moderate Republicans into an alliance with the radicals though the former were lukewarm about any thorough Reconstruction of the South.

This is a useful corrective but it does not go far enough. The deeper issues were racial and class issues which disguised themselves in constitutional form. Basically the war was fought between contending white men; slavery was a moral and burning issue only for a minority of them. Otherwise the North would have imposed a thoroughgoing land reform on the South—as we did on a defeated Japan—and taken other basic steps to make a free landowning yeomanry of the blacks. To feel the agony of those issues for the newly emancipated and for great Republican radicals like Sumner and Stevens one must still go to the pages of DuBois's *Black Reconstruction* however one feels about his political proposals. These deeper realities do not obtrude into Benedict's useful but sedate pages.

But Benedict does touch in his conclusion on a basic constitutional point, though he writes in a mood of what may be premature defeatism. He tries to rebut those historians who have seen in the Johnson impeachment an attempt to convert the American presidential system into one of parliamentary supremacy:

But in fact it had not been Congress but the President who had been claiming broad new powers. It was Andrew Johnson who had appointed provisional governors of vast territories without the advice and consent of the Senate, who had nullified Congressional legislation, who claimed inherent quasi-legislative powers over Reconstruction. *In many ways, Johnson was a very modern President, holding a view of presidential authority that has only recently been established* [italics added]. Impeachment was Congress's defensive weapon; it proved a dull blade, and the end result is that the only effective recourse against a President who ignores the will of Congress or exceeds his powers is democratic removal at the polls.

But what if the President uses his power to pervert the electoral process itself? What if he casts a pall on free discussion by setting up a secret network to buy and burglarize the opposition? These are new questions raised in the wake of Watergate.

In one respect, which would be crucial in any attempt to impeach Nixon, the events of Watergate, and its aftermath, have dated both books. To understand this change one must begin by observing that until now the central issue in impeachment has revolved around a famous phrase in the Constitution. Article II, which deals with the Presidency, says in its final section 4, that the President "shall be removed from Office on Impeachment for, and Conviction of, Treason, Bribery, or other high Crimes and misdemeanors."

What are high crimes and misdemeanors? This question has embroiled every impeachment trial in American history whether of a President or of judges. No phrase in the Constitution is more Delphic. A glance at history is necessary to understand its ambiguities.

In the framing of the Constitution, Madison thought it "indispensable that some provision should be made for defending the community against the incapacity, negligence or perfidy of the Chief Executive." The impeachment clause, as reported out for debate by the Special Committee, provided for the President's removal from office by conviction on impeachment only for "treason or bribery," though an earlier version included "or corruption."[6]

The Framers had already written special clauses on treason into the new Constitution to narrow its meaning and regulate its mode of proof and trial. Their purpose was to avoid the abuse of the treason charge in English law and in English impeachments. All kinds of retrospective and "constructive," i.e., inferential, treasons were used to suppress opposition and restrict fundamental liberties in both common law prosecutions and in impeachments by Parliament.[7]

So in the debate on the impeachment clause, as reported in Madison's notes, Colonel Mason wanted to know why this was limited "to treason and bribery only." He said, "Treason as defined in the Constitution will not reach many great and dangerous offenses." He added, "Attempts to subvert the Constitution may not be treason as above defined." He therefore proposed to add "or maladministration." Madison objected, "So vague a term will be equivalent to a tenure during pleasure of the Senate," which sits as a court to judge a bill of impeachment when brought by the House. So Colonel Mason withdrew "maladministration" and substituted "other high crimes and misdemeanors."

But just what are "high crimes and misdemeanors"? If the Framers were thinking of the Warren Hastings trial which had just begun in London when they wrote the phrase into the Constitution, the confusion was further confounded by that trial. The phrase may have been used in the bill of impeachment[8] as an over-all rubric, but no less an authority than the magisterial English legal historian Holdsworth tells us that the specific charges against Hastings were "serious breaches of the criminal law" and that in his trial the House of Lords rejected the view that it was not bound by the ordinary rules of evidence,[9] as might well be the case in the trial of a nonindictable offense. This seems to demonstrate that by the time our Constitution was being written, English usage had already turned "high crimes and misdemeanors" into an empty phrase, making impeachable crimes no different from indictable crimes.

Is this what the Framers intended? What are impeachable offenses under this clause in the American Constitution? Unfortunately this question has never been conclusively answered. The standard authority for the House of Representatives, *Hinds' Precedents*, devotes thirty-eight closely printed pages to the question without arriving at any definite answer.[10] "The meaning of the phrase, 'high crimes and *misdemeanors*,'" says Cooley in a footnote to Blackstone, "underwent much discussion in the case of President Johnson, who was tried on articles of impeachment in 1868, but the result of the case was not such that any authoritative rule can be derived from it."[11]

The answer lies somewhere in a murky area bounded by two definitions, one usually put forward by those who desire to impeach, the other by the defenders of those whose impeachment is being sought.

The first definition was bluntly expressed in the aborted effort by the Republicans to impeach Mr. Justice Douglas, the most recent attempt at impeachment. This began April 15, 1970, in a speech in the House by Republican Leader Gerald Ford. "The only honest answer," he said, sounding like a Jacobin, "is that an impeachable offense is whatever a majority of the House of Representatives considers [it] to be at a given moment in history [and] . . . conviction results from whatever offense or offenses two-thirds of the other body [the Senate] considers to be sufficiently serious to require removal of the accused from office."[12] These are constitutional opinions he must regret as the possibility of a Nixon impeachment looms up. They embody exactly the same view taken by those who impeached President Andrew Johnson, but failed in the Senate by one vote of the two thirds required to convict.

The other equally classic definition, almost invariably put forward by the defense, was formulated by former Judge Simon H. Rifkind of New York as counsel for Mr. Justice Douglas. In a memorandum of law submitted to the House committee early in the proceedings, Judge Rifkind argued that only indictable offenses were impeachable, i.e., offenses against federal law. "There is nothing in the Constitution or in the uniform practice under the Constitution," he argued, "to suggest that Federal judges may be impeached for anything short of *criminal* conduct [emphasis in original]. And the prohibition against *ex post facto* laws, the notice requirement of due process, the protection of the First Amendment, and considerations of 'separation of powers' prevent any other standard."[13]

It is ironic—but not really strange—that this argument on behalf of one of the greatest liberal Justices in our history is identical

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Footnotes at end of article.

in substance with that put forward in defense of one of the most hated illiberal—Supreme Court Justice Samuel Chase, whose removal by impeachment was sought—also unsuccessfully—for his conduct of trials under the Alien and Sedition Acts and the common law of seditious and criminal libel.

The House committee in its final report on the Douglas impeachment resolution concluded that it did not have to "take a position" on either of these two conflicting concepts of impeachment because "intensive investigation" had "not disclosed credible evidence that would warrant preparation of charges on any acceptable concept of an impeachable offense." [14] The House accepted this verdict, clearing Mr. Justice Douglas.

But earlier in its report the House committee did take a position, and it was somewhere—though just where was not at all clear—between the prosecution's and the defense's interpretation of what constitutes an impeachable offense. It said the precedents showed "that the House of Representatives, particularly in the arguments made by its Managers [i.e., prosecutors] in the Senate trials [of impeachments], favors the conclusion that the phrase 'high crimes and misdemeanors' encompasses activity which is not necessarily criminal in nature." [15] This is precise as description but inconclusive as doctrine.

Berger is critical of Johnson's impeachment and is downright effusive in praise of Johnson's defenders. But when it comes to the theory underlying the impeachment he agrees with Johnson's prosecutors. On the basis of a formidable inquiry into four centuries of English precedents, he concludes that "the test of an impeachable offense in England was not an indictable, common law crime." The Framers, Berger argues, separated impeachment from criminal process when they "withheld from Congress the power to inflict criminal punishment" by impeachment and limited the penalty on conviction by impeachment to removal and disqualification from office. His final argument is that the Constitution specifically provides that an official convicted on impeachment "shall nevertheless be subject to Indictment, Trial, Judgment and Punishment according to Law." Were impeachment a criminal process, this would be a violation of the double jeopardy clause.

There are additional arguments for this in the Federalist Papers. One of the arguments in the Federalist Papers for making the Senate rather than the Supreme Court the final judge of impeachments is that this would prevent an official convicted on impeachment from having to come before the same court if he were later prosecuted "in the ordinary course of law." The same Federalist Paper also shows that the Framers were not thinking of impeachment as a criminal process when it said that the Senate, sitting as the court on impeachment charges, "can never be tied down by such strict rules, either in the delineation of the offense by the prosecutors, or in the construction of it by the judges, as in common cases serve to limit the discretion of the courts in favor of personal security." It is clear that impeachable offenses were not intended to be limited only to indictable crimes.

FOOTNOTES

[1] In Madison's "Notes" in *Documents Illustrative of the Formation of the Union* (Government Printing Office, 1927), p. 691.

[2] *Washington Post*, June 1, p. 1, in an interview the Senator gave in Winston-Salem, North Carolina.

[3] His two-part study, "Executive Privilege v. Congressional Inquiry," in the *UCLA Law Review* in 1965 (referred to above), is already indispensable for serious consideration of the problem.

[4] "War Making by the President" in *The University of Pennsylvania Law Review*, November, 1972.

[5] "Impeachment for 'High Crimes and Misdemeanors,'" *Southern California Law Review*, XLIV (1971), already cited in Benedict's book on Johnson.

[6] *The Making of the Constitution*, by Charles Warren (Barnes & Noble, 1967), pp. 660–661.

[7] Indeed Hamilton in the Federalist Papers (No. XXIV), answering the objection that the new Constitution as first presented contained no Bill of Rights, pointed to the treason clause as evidence of the Framers' concern for civil liberty. And Madison in No. XLIII explained that the purpose of the clause was to outlaw those "new-fangled and artificial treasons . . . by which violent factions, the natural offspring of free government, have usually wreaked their alternate malignity on each other."

It is again timely to recall that the Framers, in dealing with treason, the greatest danger to national security, were concerned with protecting the individual from the abuse of this charge by the state, and therefore made its prosecution more difficult than that of ordinary crimes. They did not provide that, where national security was involved, normal constitutional and legal safeguards might be suspended. The Constitution does not, in this as in many other respects, embody the jurisprudence of Richard Nixon or of the late Joseph McCarthy.

[8] *The Encyclopaedia Britannica* (14th ed.) in its article on Hastings says he was tried for "high crimes and misdemeanors."

[9] Holdsworth's *History of English Law* (London, 7th ed., 1956), vol. 1, p. 384.

[10] See Sections 2008 to 2023, *Precedents of the House of Representatives*, Asher C. Hinds, ed. (Government Printing Office, 1907), vol. 3, pp. 321–359.

[11] Quoted in the *American and English Encyclopaedia of Law* (New York and London, 1900), vol. 8, p. 249, citing 4 Cooley's Blackstone 5, note.

[12] Associate Justice William O. Douglas, Final Report by the Special Subcommittee on H. Res. 920 of the Committee of the Judiciary House of Representatives, 91st Congress, 2nd Session, September 17, 1970, p. 36.

[13] Legal Materials on Impeachment, Special Subcommittee on H. Res. 920 of the Committee of the Judiciary, as above, August 11, 1970, p. 24.

[14] Final Report cited in footnote 30, p. 349.

[15] Ibid., p. 37.

1973 QUESTIONNAIRE RESULTS

HON. ROY A. TAYLOR

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 31, 1973

Mr. TAYLOR of North Carolina. Mr. Speaker, below is a tabulation of the results of my 1973 legislative questionnaire which was mailed to constituents this past June. The 11th District of North Carolina includes the 17 westernmost counties of the State. Asheville, with a population of about 100,000 in the greater area, is the largest city. The other towns range downward from populations of about 10,000 or less. Thus the tabulation reflects a fairly good cross-section of moderately urban and rural citizens.

Inflation appeared to me to be the issue of greatest concern to my constituents. The poll reveals that 88 percent of the respondents favored a return to stronger controls on prices, wages, and rents. Other responses revealed disenchantment with continued involvement in Indochina; support for stronger congressional war powers; and some very definite views on the death penalty, amnesty, and financial assistance to North Vietnam.

The questionnaire and results are as follows:

1973 QUESTIONNAIRE RESULTS

[In percent]

	His		Hers		Cumulative	
	Yes	No	Yes	No	Yes	No
Do you favor:						
1. Diversion of highway trust funds to supplement or replace funds now being provided from the general treasury for mass transit systems?	44	56	47	53	46	54
2. Adoption by Congress of an annual spending ceiling which could not be exceeded by appropriations?	88	12	87	13	87	13
3. An income tax credit to parents for the tuition of their children in private or parochial elementary and secondary schools?	42	58	45	55	43	57
4. Legislation which I am cosponsoring providing that in the future our Nation not be taken into any war except a purely defensive action for a limited period of time unless the war has been declared by Congress?	92	8	92	8	92	8
5. A return to stronger controls on prices, wages, and rents similar to those contained in phase II?	88	12	88	12	88	12
6. Giving the President broad discretionary powers to raise or lower tariffs in trade negotiations with other countries?	50	50	50	50	50	50
7. News reporters being permitted to keep their direct sources of information confidential?	85	15	68	32	76	24
8. The death penalty being restored nationally for such crimes as premeditated murder, wartime treason, and skyjacking and kidnapping which result in death?	91	9	88	12	89	11
9. Broader Federal programs to curb air, water, and noise pollution even if it means higher taxes?	72	28	72	28	72	28
10. Financial assistance to North Vietnam?	7	93	6	94	6	94
11. Construction of the proposed oil pipeline through Alaska?	89	11	88	12	88	12
12. An increase in Federal gasoline tax as a means of reducing oil consumption?	10	90	10	90	10	90
13. Amnesty for those men who fled the country or took other illegal action to avoid military service in Vietnam?	15	85	18	82	17	83
14. Adding substantial additional portions of our national parks and forests to the National Wilderness Preservation System?	80	20	78	22	79	21

TREATMENT OF SOVIET JEWS AND GRANTING OF THE MOST-FAVORED-NATION STATUS

HON. PAUL W. CRONIN

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 31, 1973

Mr. CRONIN. Mr. Speaker, the plight of Soviet Jewry is an issue of international concern. As a people, we cannot appear to condone actions committed by other nations that violate the humanitarian principles on which our own Nation was founded. While seeking to implement our ideals at home, we cannot ignore our responsibility to all people, regardless of nationality. Soviet Jews must be able to enjoy the right of free exit, without harassment, and as a people, we in the United States must help to insure that right.

It is sometimes claimed that for this House to establish a link between the grant to the U.S.S.R. of most-favored-nation status and the behavior of the Soviet authorities toward Soviet citizens wishing to emigrate, would constitute some form of interference in the domestic affairs of the U.S.S.R. Nothing could be more misleading or factually incorrect.

The right of citizens to leave their country freely, without harassment, penalization or interference is not a purely internal issue for the authorities of a particular state, but a solemn international obligation, specifically safeguarded by the International Charter on Human Rights, by which the U.S.S.R. is obligated no less than the other member states of the international community—nor do the Soviet authorities deny this fact.

What this House is demanding, therefore, is that the U.S.S.R., if it is to be a trustworthy partner is a whole new gamut of international relations with this country, should demonstrate that it is willing to cease violating, as it has been doing so harshly, its existing obligations to the international community and, specifically, its commitment under the Human Rights Charter, to let its citizens, both Jewish and other, emigrate without ransom taxes, intimidation, harrassment, detention, arbitrary deprival of jobs and income or coercion of relatives. For a nation of immigrants like ourselves this is so fundamental an issue, that it would constitute a betrayal of our very origins and beliefs to pass up an opportunity for doing a little in this direction.

The grant of most-favored-nation status is not purely a trade or commercial matter, which is somehow an automatic byproduct of commercial relations between countries. On the contrary, it is a political act of international meaning and significance, conferred by the U.S. Congress upon friendly nations as a stamp of U.S. approval of their international behavior. To grant the U.S.S.R. most-favored-nation status, under existing circumstances, unconditionally, would mean condoning actively the behavior of the U.S.S.R. in depriving so many of its Jewish and other citizens who have applied to leave, of this sacred right underwritten by the Human Rights Charter. In a sense, we ourselves, would be helping to violate this charter, if we acted in this way.

It is, therefore, not only our right but our duty to grant the U.S.S.R. most-favored-nation status under the specific stipulation that the Soviet authorities fully implement their international obligation to permit their citizens who wish to leave to do so freely, without hindrance or harassment, and that the President of the United States of America be required to report to Congress at regular intervals that this stipulation is indeed being implemented to prevent future Soviet violations.

FEDERAL-AID HIGHWAY ACT OF 1973

HON. JIM WRIGHT

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 31, 1973

Mr. WRIGHT. Mr. Speaker, the conference report for the Federal-aid Highway Act of 1973 should come before this body sometime this week. For the general information of the Members, the following tables indicate the authorizations in the report and the approximate apportionments to the States for the Interstate, primary, secondary, urban extensions and urban systems for the 3 fiscal years of the bill—1974, 1975, and 1976.

The conference agreement includes a 3-year authorization for highway construction and highway safety totaling $19.9 billion, $9.75 billion authorization for the Interstate System beyond fiscal year 1976, and an additional $3 billion authorization from general revenues of the Treasury for capital grants for mass transit. The $12 billion of the total Interstate System authorization is a restatement of previous authorizations in the 1970 Highway Act. Total new authorizations for the 3-year period covered in the conference agreement therefor are $20.66 billion.

The tables follow:

CONFERENCE AGREEMENT

TITLE I—AUTHORIZATIONS

[Dollars in millions]

Program	Fiscal year 1974		Fiscal year 1975		Fiscal year 1976		Fiscal year 1977–79
	HTF	GF	HTF	GF	HTF	GF	HTF
Interstate	2,600		3,000		3,000		9,750
Primary	680		700		700		
Secondary	390		400		400		
Urban ext	290		300		300		
Urban	780		800		800		
Min. interstate	50		50		50		
Subtotal	4,790		5,250		5,250		9,750
Other Programs							
Forest hwys	33		33		33		
Public hwys	16		16		16		
Forest dev. R&T		140		140		140	
P.L. dev. R&T		10		10		10	
Park R&T		30		30		30	
Parkways		60		75		75	
Indian roads		75		75		75	
Econ. growth centers	50		75		100		
Admin. expenses		1.5		1.5		1.5	
Virgin Islands		5		5		5	
Guam		2		2		2	
American Samoa		1		1		1	
Urban high density	50		50		50		
Min. "A" apportionment	17		15		15		
Priority primary	100		200		300		
Alaska hwy		58.67					
Bridges on dams		8.5					
Alaska assistance	20		20		20		
Rail relocation	10	5	16.7	8.3	33.4	16.6	
Metro accessibility		65					
Rural transit program			20	10			
Great River Road	10	10.1	25	10	25	10	

Program	Fiscal year 1974 HTF	Fiscal year 1974 GF	Fiscal year 1975 HTF	Fiscal year 1975 GF	Fiscal year 1976 HTF	Fiscal year 1976 GF	Fiscal year 1977–79 HTF
Scenic hwy. study	.25						
Mass transit study		10					
Inter-American hsy		10					
Subtotal	306.25	491.77	470.7	367.8	592.4	366.1	
Total title 1	5,096.25	491.77	5,720.7	367.8	5,824.4	366.1	9,750
	5,588.02		6,088.5		6,208.5		

TITLE II—AUTHORIZATIONS—SAFETY

Program	Fiscal year 1974 HTF	Fiscal year 1974 GF	Fiscal year 1975 HTF	Fiscal year 1975 GF	Fiscal year 1976 HTF	Fiscal year 1976 GF	Fiscal year 1977–79 HTF
NHTSA:							
402	$100		$125		$150		
403	42.5		55		65		
FHWA:							
402	25		30		35		
307(a) and 403	10		10		10		
Rail-hwy crossing	25		75		75		
Bridge reconstruction replacement	25		75		75		
Pavement marking	25		75		75		
Pavement marking research	10		10				
Drug use and driver behavior	10		10		10		
Projects for high hazard locations	50		75		75		
Roadside obstacle elimination	25		75		75		
Driver educ. eval	10						
Incentives:							
(a) Adaption of mandatory seatbelt laws	25		32		73.5		
(b) Fatality reduction	12.5		16		19		
Fed.-aid safer roads demonstration program	50		100		100		
Studies*	16						
Total	461.0		763.0		801.5		
Total title II	461.0		763.0		801.5		
Total title I and II	6,049.02		6,851.5		7,010.0		9,750

TITLE III—URBAN MASS TRANSPORTATION

[$3,000,000,000 for 8/20 matching grants to local governments for capital investments in public mass transportation systems]

APPROXIMATE APPORTIONMENT OF INTERSTATE FUNDS FOR FISCAL YEARS 1974, 1975, AND 1976

[Thousands of dollars]

State	Fiscal year 1974 ($2,635,134)	Fiscal year 1975 ($3,040,536)	Fiscal year 1976 ($3,040,536)
Alabama	51,443	59,358	59,358
Alaska			
Arizona	50,622	58,409	58,409
Arkansas	18,899	21,807	21,807
California	170,664	196,920	196,920
Colorado	51,642	59,587	59,587
Connecticut	72,284	83,405	83,405
Delaware	12,450	14,365	14,365
Florida	78,609	90,703	90,703
Georgia	61,951	71,482	71,482
Hawaii	25,771	29,736	29,736
Idaho	12,450	14,365	14,365
Illinois	122,732	141,613	141,613
Indiana	30,104	34,735	34,735
Iowa	26,543	30,627	30,627
Kansas	30,104	34,735	34,735
Kentucky	36,752	42,406	42,406
Louisiana	75,456	87,169	87,169
Maine	13,122	15,141	15,141
Maryland	95,317	109,981	109,981
Massachusetts	77,439	89,352	89,352
Michigan	88,992	102,683	102,683
Minnesota	57,917	66,827	66,827
Mississippi	22,285	25,714	25,714
Missouri	47,758	55,105	55,105
Montana	25,597	29,535	29,535
Nebraska	12,450	14,365	14,365
Nevada	12,450	14,365	14,365
New Hampshire	12,450	14,365	14,365
New Jersey	70,243	81,049	81,049
New Mexico	23,107	26,662	26,662
New York	95,715	110,441	110,441
North Carolina	45,467	52,462	52,462
North Dakota	12,450	14,365	14,365
Ohio	76,493	88,261	88,261
Oklahoma	18,077	20,858	20,858
Oregon	63,146	72,861	72,861
Pennsylvania	122,408	141,240	141,240
Rhode Island	22,285	25,714	25,714
South Carolina	20,493	23,645	23,645
South Dakota	12,450	14,365	14,365
Tennessee	34,561	39,878	39,878
Texas	114,042	131,586	131,586
Utah	29,083	33,557	33,557
Vermont	12,450	14,365	14,365
Virginia	108,140	124,777	124,777
Washington	89,341	103,086	103,086
West Virginia	57,320	66,138	66,138
Wisconsin	29,058	33,529	33,529
Wyoming	14,093	16,262	16,262
District of Columbia	60,357	69,643	69,643
Puerto Rico			
Total	2,525,122	2,913,599	2,913,599

APPROXIMATE APPORTIONMENT OF RURAL PRIMARY AND SECONDARY FUNDS—FISCAL YEAR 1974

[Thousands fo dollars]

State	Rural Primary ($680,000)	Rural Secondary ($390,000)
Alabama	14,644	8,399
Alaska	35,549	20,388
Arizona	9,107	5,223
Arkansas	11,430	6,556
California	29,726	12,362
Colorado	11,010	6,315
Connecticut	4,984	2,858
Delaware	3,256	1,867
Florida	12,722	7,297
Georgia	17,988	10,316
Hawaii	3,256	1,867
Idaho	7,691	4,411
Illinois	20,535	11,125
Indiana	15,735	9,025
Iowa	16,300	9,348
Kansas	14,737	8,452
Kentucky	13,298	7,627
Louisiana	11,154	6,397
Maine	5,681	3,258
Maryland	6,789	3,894
Massachusetts	6,983	3,174
Michigan	20,105	11,531
Minnesota	18,469	10,593
Mississippi	12,654	7,257
Missouri	18,215	10,447
Montana	12,292	7,050
Nebraska	12,125	6,954
Nevada	7,346	4,213
New Hampshire	3,256	1,867
New Jersey	7,994	2,893
New Mexico	9,683	5,553
New York	24,596	12,330
North Carolina	21,058	12,077
North Dakota	8,923	5,117
Ohio	20,620	11,826
Oklahoma	13,195	7,568
Oregon	10,753	6,167
Pennsylvania	24,651	14,138
Rhode Island	3,256	1,863
South Carolina	10,890	6,246
South Dakota	9,685	5,555
Tennessee	15,602	8,948
Texas	36,833	21,125
Utah	6,709	3,848
Vermont	3,256	1,868
Virginia	15,182	8,708
Washington	10,920	6,263
West Virginia	8,372	4,801
Wisconsin	16,419	9,417
Wyoming	7,323	4,200
District of Columbia		
Puerto Rico	5,075	2,911
Total	668,032	373,498

APPROXIMATE APPORTIONMENT OF RURAL PRIMARY AND SECONDARY FUNDS—FISCAL YEAR 1975

]Thousands of dollars]

State	Rural Primary ($700,000)	Rural Secondary ($400,000)
Alabama	15,075	8,614
Alaska	36,595	20,911
Arizona	9,375	5,357
Arkansas	11,766	6,724
California	29,726	12,679
Colorado	11,334	6,476
Connecticut	5,130	2,932
Delaware	3,352	1,915
Florida	13,096	7,434
Georgia	18,517	10,581
Hawaii	3,352	1,915
Idaho	7,917	4,524
Illinois	20,535	11,410
Indiana	16,198	9,256
Iowa	16,779	9,588
Kansas	15,170	8,669
Kentucky	13,689	7,822
Louisiana	11,482	6,561
Maine	5,848	3,342
Maryland	6,989	3,994

APPROXIMATE APPORTIONMENT OF RURAL PRIMARY AND SECONDARY FUNDS—FISCAL YEAR 1975—Continued

[Thousands of dollars]

State	Rural Primary ($700, 000)	Rural Secondary ($400, 000)
Massachusetts	6, 983	3, 256
Michigan	20, 696	11, 826
Minnesota	19, 013	10, 864
Mississippi	13, 026	7, 443
Missouri	18, 751	10, 715
Montana	12, 653	7, 231
Nebraska	12, 481	7, 132
Nevada	7, 562	4, 321
New Hampshire	3, 352	1, 915
New Jersey	7, 994	2, 967
New Mexico	9, 967	5, 696
New York	24, 596	12, 646
North Carolina	21, 677	12, 387
North Dakota	9, 185	5, 249
Ohio	21, 227	12, 130
Oklahoma	13, 583	7, 762
Oregon	11, 069	6, 325
Pennsylvania	25, 376	14, 501
Rhode Island	3, 352	1, 915
South Carolina	11, 210	6, 406
South Dakota	9, 970	5, 697
Tennessee	16, 061	9, 178
Texas	37, 916	21, 666
Utah	6, 907	3, 947
Vermont	3, 352	1, 915
Virginia	15, 629	8, 931
Washington	11, 241	6, 424
West Virginia	8, 618	4, 925
Wisconsin	16, 902	9, 658
Wyoming	7, 539	4, 308
District of Columbia		
Puerto Rico	5, 225	2, 985
Total	685, 038	383, 075

APPROXIMATE APPORTIONMENT OF RURAL PRIMARY AND SECONDARY FUNDS—FISCAL YEAR 1976

[Thousands of dollars]

State	Rural Primary ($700, 000)	Rural Secondary ($400, 000)
Alabama	15, 075	8, 614
Alaska	36, 595	20, 911
Arizona	9, 375	5, 357
Arkansas	11, 766	6, 724
California	29, 726	12, 679
Colorado	11, 334	6, 476
Connecticut	5, 130	2, 932
Delaware	3, 352	1, 915
Florida	13, 096	7, 484
Georgia	18, 517	10, 581
Hawaii	3, 352	1, 915
Idaho	7, 917	4, 524
Illinois	20, 535	11, 410
Indiana	16, 198	9, 256
Iowa	16, 779	9, 588
Kansas	15, 170	8, 669
Kentucky	13, 689	7, 822
Louisiana	11, 482	6, 561
Maine	5, 848	3, 342
Maryland	6, 989	3, 994
Massachusetts	6, 983	3, 256
Michigan	20, 696	11, 826
Minnesota	19, 013	10, 864
Mississippi	13, 026	7, 443
Missouri	18, 751	10, 715
Montana	12, 653	7, 231
Nebraska	12, 481	7, 132
Nevada	7, 562	4, 321
New Hampshire	3, 352	1, 915
New Jersey	7, 994	2, 967
New Mexico	9, 967	5, 696
New York	24, 596	12, 646
North Carolina	21, 677	12, 387
North Dakota	9, 185	5, 249
Ohio	21, 227	12, 130
Oklahoma	13, 583	7, 762
Oregon	11, 069	6, 325
Pennsylvania	25, 376	14, 501
Rhode Island	3, 352	1, 915
South Carolina	11, 210	6, 406
South Dakota	9, 970	5, 697
Tennessee	16, 061	9, 178
Texas	37, 916	21, 666
Utah	6, 907	3, 947
Vermont	3, 352	1, 915
Virginia	15, 629	8, 931
Washington	11, 242	6, 424
West Virginia	8, 618	4, 925
Wisconsin	16, 902	9, 658
Wyoming	7, 539	4, 308
District of Columbia		
Puerto Rico	5, 225	2, 985
Total	685, 038	383. 075

APPROXIMATE APPORTIONMENT OF URBAN FUNDS—FISCAL YEAR 1974

[Thousands of dollars]

State	Urban extension ($290,000)	Urban system ($780,000)	½ percent planning
Alabama	3, 607	9, 348	231
Alaska	339	3, 735	114
Arizona	2, 605	6, 758	209
Arkansas	1, 631	4, 225	114
California	34, 155	88, 508	2, 911
Colorado	3, 216	8, 334	257
Connecticut	4, 397	11, 394	379
Delaware	743	3, 735	114
Florida	9, 944	25, 769	745
Georgia	4, 876	12, 635	339
Hawaii	1, 154	3, 735	114
Idaho	601	3, 735	114
Illinois	17, 173	44, 502	1, 420
Indiana	6, 142	15, 916	432
Iowa	2, 805	7, 269	152
Kansas	2, 577	6, 678	142
Kentucky	3, 002	7, 778	202
Louisiana	4, 338	11, 240	307
Maine	827	3, 735	114
Maryland	5, 703	14, 777	467
Massachusetts	9, 006	23, 337	781
Michigan	12, 159	31, 507	1, 020
Minnesota	4, 575	11, 856	343
Mississippi	1, 680	4, 354	114
Missouri	5, 983	15, 505	465
Montana	608	3, 735	114
Nebraska	1, 648	4, 272	114
Nevada	734	3, 735	114
New Hampshire	752	3, 735	114
New Jersey	12, 093	31, 338	1, 096
New Mexico	1, 258	3, 735	114
New York	29, 375	76, 121	2, 572
NCarthroli ona	4, 010	10, 390	219
North Dakota	511	3, 735	114
Ohio	15, 003	38, 877	1, 198
Oklahoma	3, 098	8, 027	189
Oregon	2, 503	61485	117
Pennsylvania	15, 480	40, 114	1, 248
Rhode Island	1, 571	4, 070	134
South Carolina	2, 114	5, 479	117
South Dakota	480	3, 735	114
Tennessee	4, 168	10, 802	268
Texas	16, 373	42, 429	1, 247
Utah	1, 563	4, 050	132
Vermont	244	3, 735	114
Virginia	5, 472	14, 179	432
Washington	4, 540	11, 764	338
West Virginia	1, 170	3, 735	114
Wisconsin	5, 290	17, 708	373
Wyoming	320	3, 735	114
District of Columbia	1, 457	3, 775	136
Puerto Rico	2, 754	7, 136	195
Total	277, 730	746, 996	22, 811

APPROXIMATE APPORTIONMENT OF URBAN FUNDS, FISCAL YEAR 1975

[Thousands of dollars]

State	Urban extension ($300, 000)	Urban system ($800, 000)	½ percent planning
Alabama	3, 732	9, 467	253
Alaska	247	3, 783	125
Arizona	2, 698	6, 845	229
Arkansas	1, 687	4, 280	125
California	35, 333	89, 643	3, 188
Colorado	3, 327	8, 441	281
Connecticut	4, 549	11, 540	415
Delaware	769	3, 783	125
Florida	10, 287	26, 100	816
Georgia	5, 004	12, 797	371
Hawaii	1, 194	3, 783	125
Idaho	622	3, 783	125
Illinois	17, 765	45, 072	1, 554
Indiana	6, 354	16, 120	473
Iowa	2, 902	7, 362	166
Kansas	2, 666	6, 764	155
Kentucky	3, 105	7, 878	221
Louisiana	4, 487	11, 384	336
Maine	856	3, 783	125
Maryland	5, 899	14, 967	511
Massachusetts	9, 316	23, 636	856
Michigan	12, 578	31, 911	1, 117
Minnesota	4, 733	12, 008	375
Mississippi	1, 738	4, 410	125
Missouri	6, 190	15, 704	509
Montana	629	3, 783	125
Nebraska	1, 705	4, 326	125
Nevada	759	3, 783	125
New Hampshire	778	3, 783	125
New Jersey	12, 510	31, 739	1, 200
New Mexico	1, 301	3, 783	125
New York	30, 388	77, 096	2, 816
North Carolina	4, 148	10, 523	239
North Dakota	528	3, 783	125
Ohio	15, 500	39, 376	1, 311
Oklahoma	3, 205	8, 130	207
Oregon	2, 589	6, 569	194
Pennsylvania	16, 014	40, 628	1, 366
Rhode Island	1, 625	4, 122	147
South Carolina	2, 187	5, 549	128
South Dakota	497	3, 783	125
Tennessee	4, 312	10, 940	294
Texas	16, 938	42, 973	1, 365
Utah	1, 617	4, 102	145
Vermont	252	3, 783	125
Virginia	5, 660	14, 360	473
Washington	4, 696	11, 914	370
West Virginia	1, 210	3, 783	165
Wisconsin	5, 473	13, 884	408
Wyoming	331	3, 783	125
District of Columbia	1, 507	3, 823	147
Puerto Rico	2, 849	7, 228	214
Total	287, 306	756, 573	24, 977

APPROXIMATE APPORTIONMENT OF URBAN FUNDS—FISCAL YEAR 1976

[Thousands of dollars]

State	Urban extension ($300,000)	Urban system ($800,000)	½ percent planning
Alabama	3, 732	9, 587	253
Alaska	247	3, 831	125
Arizona	2, 698	6, 931	229
Arkansas	1, 687	4, 334	125
California	35, 333	90, 778	3, 194
Colorado	3, 327	8, 547	282
Connecticut	4, 549	11, 686	416
Delaware	769	3, 831	125
Florida	10, 287	26, 430	818
Georgia	5, 044	12, 958	372
Hawaii	1, 194	3, 831	125
Idaho	622	3, 831	125
Illinois	17, 655	45, 643	1, 557
Indiana	6, 354	16, 324	474
Iowa	2, 902	7, 455	167
Kansas	2, 666	6, 849	155
Kentucky	3, 105	7, 978	222
Louisiana	4, 487	11, 528	337
Maine	856	3, 831	125
Maryland	5, 899	15, 156	512
Massachusetts	9, 316	23, 936	857
Michigan	12, 578	32, 315	1, 119
Minnesota	4, 733	12, 160	376
Mississippi	1, 738	4, 466	125
Missouri	6, 190	15, 903	510
Montana	629	3, 831	125
Nebraska	1, 705	4, 381	125
Nevada	759	3, 831	125
New Hampshire	778	3, 831	125
New Jersey	12, 510	32, 141	1, 202
New Mexico	1, 301	3, 831	125
New York	30, 338	78, 072	2, 822
North Caro.ina	4, 148	10, 657	240
North Dakota	528	3, 831	125
Ohio	15, 520	39, 874	1, 314
Oklahoma	3, 205	8, 233	208
Oregon	2, 589	6, 652	195
Pennsylvania	16, 014	41, 142	1, 369
Rhode Island	1, 625	4, 174	147
South Carolina	2, 187	5, 620	128
South Dakota	497	3, 831	125
Tennessee	4, 312	11, 079	294
Texas	16, 938	43, 517	1, 368
Utah	1, 617	4, 153	145
Vermont	252	3, 831	125
Virginia	5, 660	14, 542	474
Washington	4, 696	12, 065	371
West Virginia	1, 210	3, 831	125
Wisconsin	5, 473	14, 060	409
Wyoming	331	3, 831	125
District of Columbia	1, 507	3, 871	150
Puerto Rico	2, 849	7, 319	214
Total	287, 306	766, 150	25, 025

AVERAGE WEEKLY EARNINGS RISE FASTER IN FEDERAL GOVERNMENT SERVICE THAN IN PRIVATE INDUSTRY

HON. WILLIAM J. KEATING

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 31, 1973

Mr. KEATING. Mr. Speaker, in a recent study by the Division of Research and Statistics of the Ohio Bureau of Employment Services some facts came to light which, I believe, will be of interest to my colleagues. The data compiled by the bureau concerns a comparison of the average weekly earnings of employees of the Federal Government and employees of private industry.

Not since mid-1957 have average weekly earnings in the Federal service been less than in private industry. At that time the earnings were about the same. At that time average weekly earnings in the State service—not including education—were well below both.

From mid-1957 to mid-1967 average weekly earnings in the Federal service gradually drew away from the average in industry. In the State service from 1957 through 1965 the increase did not keep pace with either Federal service or industry and the gap widened. However, in the period 1965–67, State service earnings moved upward a little faster, and by 1967 the gap between State service and industry was about the same as in mid-1957. The gap between Federal service and State service had widened significantly in the 10-year period.

From mid-1967 to mid-1972 the Federal service weekly earnings drew away from private industry and State service at a substantial rate. By mid-1972 average weekly earnings in the Federal service were $229 a week; in private industry, $166; and State service, $155.50.

In the 15-year period, 1957–72, average weekly earnings in the Federal service increased by 225 percent; in private industry, 168 percent; and in State service, 182 percent.

WELCOME TO THE CLUB, WHITE HOUSE IS TOLD

HON. STEVEN D. SYMMS

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 31, 1973

Mr. SYMMS. Mr. Speaker, the old saw is "That the way to a man's heart is through his stomach."

We know in our heart that the wage price control program from phase I through phase IV has been a disaster.

Congratulations to Mr. Goldstein for helping get the message through to the White House that these controls on our economy should be scrapped and now.

Mr. Speaker, I share the following article from the Evening Star of July 31.

Three cheers for Mr. Goldstein. Maybe if we cut the controls we will all be able to cut beef together.

The article follows:

WELCOME TO THE CLUB, WHITE HOUSE IS TOLD

The meat shortage has been brought home to President Nixon—literally.

Bernard Goldstein, president of District Hotel Supply, Inc., the largest hotel and restaurant meat supplier in the city, yesterday turned down a White House order for 15 pounds of filet mignon and New York strip steak.

"We've been supplying the White House with meat for 16 years," Goldstein said, "and this is the first time we've ever refused them."

"But if Mrs. Housewife feels the meat shortage, so should the White House. They started the shortage, and they should know about it. They don't deserve any better treatment than anyone else."

Goldstein said he offered the White House a lower quality meat instead—"I had no trouble filling their ground beef order," he said with a smile—but they said no thanks.

"We're talking principle here," Goldstein said, "I realize I'm sticking my neck out—I may even lose the account—but I feel I have a chance to do something to help the (meat) industry.

"I had an order from the number one household in the world, and I had to say no. I told them to take filet mignon off the menu until the freeze is over."

SPECIAL REVENUE SHARING: A CRITICAL REVIEW

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 31, 1973

Mr. RANGEL. Mr. Speaker, last week during the annual convention of the National Urban League in Washington, D.C., a session of the conference was devoted to revenue sharing. During this session Mr. Eddie N. Williams, president of the Joint Center for Political Studies, addressed the conference concerning the possible negative effects of special revenue sharing on minority and poor communities. From the response his remarks received, it is clear that the concerns he voiced are shared by a broad spectrum of black leadership. I present the text of Mr. Williams statement for the attention of my colleagues in the hope that it will be carefully considered and remembered as we act on the President's remaining revenue-sharing proposals:

SPECIAL REVENUE SHARING: A SOCIOPOLITICAL EXPERIMENT WHICH COULD RIP OFF THE POOR AND BLACKS

(By Eddie N. Williams)

Special revenue sharing confronts us with the following dilemma: As a fiscal concept, we are told it offers a way of rescuing many state, county and local governments from financial disaster. On the other hand, as proposed by the Nixon Administration, it is a revolutionary social experiment, designed to re-distribute money and political power under the disguise of improving program administration. It is an experiment in which the poor and the black might well end up at the bottom of the heap—deprived of the little economic and political influence they have now.

I will leave the fiscal arguments to economists and other experts. It is my intention to talk to you this afternoon about what I think will be the practical effects of special revenue sharing *ON US*. I am not concerned with the rhetoric of the Administration, but with how a proposal will work—*for us or against us*. I ask you, what does a community profit, if it is offered its fiscal life, but threatened with losing its soul? And the pun is appropriate.

Like so much else on the scene today—the new morality—the new individualism—the *new* federalism and its standard bearer, revenue sharing, is in fact not that new at all. The concept dates back at least to 1836 when 28 million dollars in federal surplus funds were returned to the states. In this century, Congressional attempts to secure federal tax sharing legislation goes back to 1949 and the idea was pushed by economists in the Kennedy and Johnson administrations.

In his tax reform message to the 91st Congress on April 21, 1969, President Nixon emphasized that revenue sharing was a high priority program. Subsequent proposals for legislative action led to the passage of the *General* Revenue Sharing Act of 1972. This Act returns over 30 billion dollars to state, county and local governments over a five year period. The President's proposals also led to his version of special revenue sharing this year.

The most unique aspect of the Administration's special revenue sharing proposals is that they give governors, mayors and county executive wide latitude for flexible and unrestricted use of federal funds. Expenditure of funds in the four special revenue sharing areas—community development, law enforcement, education and manpower training—would be left to the wisdom and the interest of state and local officials with few federal standards or guidelines included to advance important national priorities.

The proposals of the Administration would merge about 70 existing federal grant programs, dealing mainly with urban problems, into the four broad areas I have just mentioned. They would replace Model Cities and Urban Renewal and many other existing categorical grant programs with which the Congress intended to provide money for the special needs of certain disadvantaged social and economic groups. Yet the special revenue sharing proposals, as presently drafted, are likely to hurt precisely the persons who were supposed to be the beneficiaries.

Those in favor of special revenue sharing argue that this new concept is needed. They say categorical grants are not working. They say some categorical programs drain off too many dollars for administrative costs; that they have frequently failed to answer local needs and that they have been buried under mounds of red tape. Their most popular argument, however, is that categorical grant programs often frustrate the will of the people because they do not provide nearly enough state and local say-so over program content and priorities.

While block grants go a long way toward answering the criticism of categorical grants, proponents of special revenue sharing feel they do not go far enough.

So what we have now is a heated national debate on whether or not special revenue sharing should supplant many existing federal grant programs. From the point of view of the principal beneficiaries of most of these programs—the poor, blacks and others who live in the urban environment—there are two gut issues that attract our attention to this debate:

1. Is the *unrestricted* expenditure of these funds by state, county and city governments in the best interest of the society as a whole? And

2. Who would get how much of what from whom in the Administration's revenue sharing proposals? In other words, would the actual benefits flow, for a change, to those people with the greatest demonstrated need?

It is the question of the *unrestricted* use of revenue sharing funds—the absence of relevant federal standards and guidelines, the absence of national objectives—the absence of assurances that funds will be applied to the most pressing urban needs—it is this unresolved question that many of us find so troubling.

It is only too obvious that the social experiment, called revenue sharing, is open to a wide assortment of political maneuvers which seek to bring power to the dominant elements in the society.

I make this observation in spite of the fact that I agree with Woodrow Wilson's comment about government authority at the federal level. "Centralization", he said, "is not vitalization." It is a matter of judgement about where the greater danger lies—from our point of view. It seems to me that in a pluralistic society, particularly in one which admits having some hangups about the race, creed, color, national origin and sex of some of its people, unrestricted federalism, as embodied in the special revenue sharing proposals, could result in a tyranny of the majority.

Those innocents, who assume that the current version of special revenue sharing will assure the protection of minority interests, show little understanding of the political culture in which they live. Nor do they seem to realize that in both design and potential effect, special revenue sharing is reminiscent of the withdrawal of federal troops from the South after Reconstruction. I need not remind this audience of the disastrous consequences.

For any group which finds itself almost constantly in the minority—and blacks and the poor meet this test easily—the problem is one of gaining enough clout to influence the policy makers. It is also the problem of balancing minority hopes and interests against those of the majority when the funds that are available are limited.

At a time when there is much discussion of the so-called NEW federalism, when revenue sharing is a lively topic, it is instructive to recall the founding father's view of the *original* federalism. In one of the most perceptive of the Federalist Papers, James Madison spoke of the dangers of "faction", the danger of a group of citizens acting against the rights of other citizens. He was also vitally concerned about the effect of factions on the rights of a minority. Here is what Madison said:

"Complaints are everywhere heard from our most considerate and virtuous citizens . . . that measures are too often decided, not according to the rules of justice and the rights of the minor party, but by the superior force of an interested and overbearing majority."

Madison analyzed how factions tend to arise: "The most common and durable source of factions", he said, "has been the various and unequal distribution of property. Those who hold and those who are without property have ever formed distinct interests in society. The regulation of these various and interfering interests forms the principal task of modern legislation and involves the spirit of party and faction in the necessary and ordinary operations of the government."

It is good to remember these words of Madison when we talk about special revenue sharing, because revenue sharing is simply another means of distributing the people's money, or what Madison called "property," while at the same time redistributing political power and creating new alliances and new "factions."

Any scheme which would cause a fundamental redistribution of money and power must be placed under a strong microscope by those with little power and little money. Any plan which lets the federal government off the hook in terms of assuring the welfare of all Americans, is an invitation to disaster. We can ill afford to lapse into complacency and be lulled into a false sense of security by the rhetoric of "power to the people"—whether it spills from the lips of Stokeley Carmichael or Richard Nixon. The issue is whether special revenue sharing lets the intent of returning power to the people get in the way of such practical considerations as assuring that all of the people share in that power.

Certainly it is not reassuring to note that this rhetoric comes perilously close to the rhetoric of states' rights. Moreover, the way the Administration's special revenue sharing proposals were presented—in an atmosphere of budget cutting, housing freezes, declarations of war on the war on poverty and an arrogance toward the problems of everyday people—all this provides ample justification for a healthy skepticism on the parting of the alleged beneficiaries.

Even a number of mayors and governors who were early and vigorous supporters of revenue sharing, as well as the National League of Cities, cried foul when they saw the Administration breaking its promise to maintain categorical programs, and saw the cities losing funds while the suburbs gained.

It is this conflict between rhetoric and reality, between intent and effect, that fires our skepticism.

The Administration's spokesmen on special revenue sharing ask us to let go of categorical grants—the little limb of survival that we are hanging onto for dear life. They ask us to have faith in the face of benign neglect. They suggest that we seek our salvation from state and local governments, many of which have been contemptuous of our problems in the past or incapable of responding to them.

Let's take a moment to glance back at the administration of programs that had little federal supervision.

Let's, for example, look at Title I of the Safe Streets Act of 1968. It created the Law Enforcement Assistance Administration which is authorized to make block grants. The recipient states and localities have wide discretion over the use of these funds, though with greater federal oversight than would exist under the proposed Law Enforcement Special Revenue Sharing program. LEAA funds were to be used to support criminal justice reform programs in the States. However, a report issued last year by the Lawyers' Committee for Civil Rights Under Law revealed that "the federal *reform program* has become a *fiscal relief program.*" It said that "in almost four years of operation and after the distribution of roughly $1.5 billion, the LEAA program has not initiated a basic reform of the nation's criminal justice system." The Lawyers Committee reported that federal block grants were "going for such outstanding needs (or newly stimulated wants) as new communications equipment, information and intelligence systems, helicopters, night-vision equipment, new training facilities, crime labs and even night sticks, helmets and street lighting."

This is certainly not an encouraging precedent for the unrestricted state and local control of federal funds.

More recently, we have seen evidence that under the General Revenue Sharing program, some local communities are deciding to use the funds in ways that are not in the best interests of minority groups and the poor. Studies by the Office of Revenue Sharing, the Senate Intergovernmental Relations Subcommittee and the National League of Cities show that expenditures for public safety and capital improvements rank high, while expenditures for social services, libraries, health, etc. rank low on the plans of local governments.

Aren't you glad to read that "Tennis courts, bridle paths and a dog pound are among the (revenue sharing) proposals being seriously debated" by the community of Redding, Connecticut?

And what about Woodsburgh, Long Island, "a community of $75,000 to $150,000 homes on winding, tree-lined roads, which faced *this* problem not long ago: What to do with some $3,500 (in revenue sharing funds)?"

I do not begrudge these communities their affluence. Rather, I ask whether they should get revenue sharing funds while crucial problems go unsolved in other areas.

There is a lesson here also on special revenue sharing. If local perceptions of priorities are totally at odds with national goals which do recognize the needs of the poor and minorities, then concern over local governments' willingness to meet these needs is heightened.

These examples are but the latest evidence that minorities and the poor cannot rely exclusively on the states and localities to see to it that their needs are met. Unfortunately, we must still look to the federal government to enforce our rights and to determine national program standards, even in a day when the federal government has been less than aggressive in its concern for our welfare.

Even if we could finesse our lack of absolute faith in the goodwill of state and local governments, the other crucial and related question remains: Who would benefit from the Administration's revenue sharing proposals, and are they the people with the greatest need? We can approach this issue within the context of the four proposals: community development or the Better Communities Act, education, law enforcement and manpower training.

One does not have to be paranoid to suspect the community development revenue sharing proposal when the President introduces it by declaring that "The hour of crisis has passed."

The Better Communities Act leaves us feeling the way one does after viewing "Last Tango in Paris"—there is much to be desired. First, and most troubling, is that when you look past the words in the allocation formula, which calls for double-weighting the poverty factor, you see a hurt put on the cities, where we are, and a bonanza for the suburbs where we ain't. At the end of the five-year period of the Act, and after the so called "hold harmless" requirement has been eliminated, central cities would experience a sharp drop or at best a slight gain from the revenues they presently get under the categorical programs. Urban counties, on the other hand, including many well to do suburbs, would receive much greater amounts.

For example, after five years Baltimore City's share would be down 46 percent, but Baltimore County's share would be up 237 percent. Pittsburgh's share would be down 46 percent while Allegheny County's share goes up 77 percent; Seattle's share down 46 percent; King County's share up 237 percent; St. Louis' share down 3 percent; St. Louis County's share up 293 percent.

What I am saying is that the proposed act does not provide machinery to assure that those, whose needs are being served by existing categorical grants, will continue to have their needs served under special revenue sharing. This, in spite of the fact that allotments to states, counties, and cities are justified, in part, by the existence of these needs. For example, communities where overcrowding and poverty—both factors in the allocation formula—are most serious would not be required to spend their federal funds in amounts proportionate to these problems. What's more, communities where the problems do not exist at all, the affluent suburbs, for example, still get funds.

Some small communities—such as black governed towns with under 50,000 population which have major problems would get no direct funds at all. They must rely on the discretion of their states to make funds available. Moreover, the proposed act does not require that funds be spent in accordance with often repeated national priorities.

There are no safeguards under the Act to assure that urgent needs are placed at the top of the list. Nor does the proposal contain any incentives to motivate state and local governments to use their special revenue sharing funds for humane purposes. Rather, it leaves such crucial decisions to the ebb and flow of the political culture, a culture in which minorities and the disadvantaged have the least influence.

Under these circumstances, one would assume that the proposal would at least require active citizen participation and an enforceable review process. It does not. You hear a lot of lip service paid to community participation under revenue sharing, but what we also hear are stories of citizens denied the right even to attend city council meetings in Alabama; citizens unable to get budget data from local governments in upstate New York; reports of council hearings in Indiana where, despite overwhelming citizen opposition, revenue sharing money was put into cost overruns on a sports stadium. In fact, the Office of Revenue Sharing's own report found little public participation in decision making on how general revenue sharing money is to be spent.

Why should we expect the picture to be different under the Better Communities Act? Clearly the weak 60-day review process is inadequate. While civil rights provisions in the special revenue sharing proposals are certainly better than those under general revenue sharing, they are still not strong enough.

Another disturbing aspect of the Better Communities Act is that it would merge the Model Cities program, which provided for both social services and physical development, with exclusively physical development programs. It is true that the Act also includes a clause which would permit a locality to spend all of its money on "the provision of community services", but experience tells us that money is more likely to go into structures than into services.

Finally, I must point out that while programs under community development do not include subsidized housing, they are obviously intimately related. Many Members of Congress seem to think this relationship is so intimate that they want to make community development revenue sharing contingent on subsidized housing programs which have been frozen since the beginning of this year. While this position may be a matter of strategy, I must say that I, too, find the freeze on subsidized housing intolerable. New, effective and adequately funded subsidized housing programs must be put into effect immediately.

Education Special Revenue Sharing was an unmitigated disaster. Its critics charged that it was a scheme to cut back on federal funding for education; that it would weaken programs aimed at disadvantaged students; that it would give too much authority to the governors; that it would hurt urban areas, and, as an overall charge, that it was an abdication of federal responsibility in the crucial field of education.

Despite the Administration's initial hardline refusal to compromise on its plan, it has agreed to discuss an alternative proposal with Congress.

If Education Revenue Sharing was stillborn, law enforcement revenue sharing died in infancy. The LEAA block grant system is close to the revenue sharing concept. However, unlike special revenue sharing, it provides for federal review of plans. Current problems in the LEAA block grant remain to be ironed out.

In any case, the House Judiciary Committee, on June 5, rejected the revenue sharing approach and voted to extend LEAA for two years. In doing so, it calls on LEAA to exercise more—rather than less—control over the expenditure of funds.

So little information has been circulated on manpower revenue sharing that it is difficult to comment on it. Through executive action, the Administration plans to combine existing categorical programs in the manpower field and give direct funds to state and local governments with over 100,000 population. Some existing categorical programs would remain, however.

This litany of my concerns may leave you with the impression that I am opposed to special revenue sharing. I am not, really. I agree with many of the concepts implicit in the notion of giving states and localities more flexibility in spending federal money. The question that must be answered is: How much more and under what circumstances?

Perhaps I am too politically oriented. Perhaps I am too conscious of the effects of past discrimination. Perhaps I am unfair because I do not want to see the fox guarding my chicken coop. Whatever the reason, I cannot support a revenue sharing concept which gives unrestricted powers to those levels of government which have historically been the least responsive to our needs.

I am concerned about a power redistribution which, in effect, would put me in a hatchet fight without a hatchet.

I worry too about the decline in national moral leadership, about the attitudes that if we sweep our problems under enough separate rugs they will in fact disappear.

Instead, I would suggest that any move toward block-type grants must be accompanied by a continuation and a refinement of categorical programs aimed at specific purposes. It is absolutely essential that block grants or special revenue sharing programs meet these four key tests:

One) They must contain explicit national goals which take into account the needs of the poor and of minorities. Where possible they should also provide financial incentives to governments which strive to meet these goals.

Two) There must be a reasonable application and review process which will ensure that those localities most needing funds actually receive them and that those that receive them actually use them consistent with the national objectives.

Three) There must be explicit and binding civil rights protections written into the law, which take full account of the continuing need for Federal enforcement. And

Four) There must be strong provisions for effective community participation in the decision-making process.

As I said earlier, revenue sharing has the effect of redistributing political power. One major aim of the New Federalism is to lodge more power at the state and local level where elected officials, community groups, and vested interests will have substantial influence on the decision-making process. Their power will determine how much revenue sharing money is spent and on what programs.

A former Nixon Administration official, who was involved in the development of revenue sharing proposals, told me recently that blacks shouldn't worry about the decentralization that would occur under revenue sharing. After all, he said, your own figures show that you have plenty of political power at the state, county and city level to influence decisions on the use of this money.

I agreed with the hope implicit in his theory but pointed out the pragmatic distinction between "plenty" of political power and "growing" political power.

Analysis of the number of black elected officials, the size and distribution of the black voting age population and its potential in certain cities and certain congressional districts, does indicate that our political power is growing.

According to the latest National Roster of Black Elected Officials, published this week by my organization, the Joint Center for Political Studies, the number of black elected officials has more than doubled in the last four years. There are now 2,625 in offices ranging from local school boards to the United States Congress. In 1969 when the first annual roster was compiled, there were 1,185. Today there are almost that many in the South alone.

In time, coalitions may be formed between the poor and the minorities to resolve the problems which afflict us all. Perhaps Tom Bradley's election signals a new era in which voters will demand that their candidates address themselves to gut issues which bridge white-black differences, such as jobs, housing, day care, health care, and honesty and integrity in government.

In closing I would like to remind you once again that we have two interests to pursue. The one, which I have discussed at some length this afternoon, requires that we look searchingly at programs like revenue sharing which affect who gets what, how much and from whom. The other interest we must pursue is the one to which the Joint Center for Political Studies is dedicated: Increasing participation by blacks in the politics of this country, in every way and at all levels.

It is the relationship between these two interests—power and official position—that James Madison had in mind when he said:

"It is vain to say that enlightened statesmen will be able to adjust these clashing interests and render them all subservient to the public good. Enlightened men will not always be at the helm."

After we have done all we can to make sure that grants in aid, as well as other programs, and public policies in general are responsive to our needs, we must go out and use the political process to nail down what we have won. Together we can make a difference. And this will be our new federalism.

FREE ENTERPRISE'S FORGOTTEN VIRTUES

HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 31, 1973

Mr. KEMP. Mr. Speaker, John A. Davenport has performed a great service in helping make the case for free enterprise in the July 27 Wall Street Journal. He offers compelling evidence that the business community has a massive educational undertaking before it as do we in the Congress.

Rejecting the conventional sole defense of capitalism as efficient and productive, Davenport makes the case for free market economics on higher grounds—freedom and order. The basic postulate of an enterprise economy is that the consumer is king. The consumer's vote in the economic arena is as important as in the political arena. The value determined in the marketplace, the profit-and-loss system, capital expansion—each is a concept about which information and education are in dangerously short supply. The business community must begin to mobilize public opinion to understand the proper role of business and Government:

> The tragedy of our times is that governments have mistaken and disregarded their essential functions while dabbling in ventures which no bureaucrat has the wisdom or ability to handle.

If business had no firm basis upon which to make its case, no underlying philosophical strength, no practical history to demonstrate the vitality and and virtues of the enterprise system, that would be one thing; but that is not the case. As Davenport says:

> (The business community) . . . can with reason and good conscience argue that the market economy and limited constitutional government stand or fall together and that

both are deeply rooted in the Nature of Man.

Business has an implicit responsibility as do we in Government to constantly attempt to educate and enlighten the public we seek to serve as to the value of the capitalist economic system. Indeed, it is a system to which we all owe a great deal in terms of freedom of choice. John A. Davenport states the case remarkably well. I include the entire article at this point:

FREE ENTERPRISE'S FORGOTTEN VIRTUES

(By John A. Davenport)

It is a noteworthy fact that business executives themselves are today increasingly worried by the hostile attitude of the public toward American business enterprise and are casting about for means to rectify the situation. James M. Roche, former board chairman of General Motors, B. R. Dorsey, president of Gulf Oil, spokesmen for the Chamber of Commerce and the National Association of Manufacturers, have one and all been sounding the alarm, and their concern seems well grounded.

According to a recent survey of the Opinion Research Corporation of Princeton, some 60% of those questioned have a "low" opinion of American business in general and woeful ignorance of the function of profits in particular. The public, according to this survey, believes that profits run to some 28% of sales, from which it follows that greedy producers should be regulated if not severely punished. In fact, average after-tax profits run to only about 4 cents per dollar of sales and play an indispensable role in maintaining a high employment economy.

More ominously, business enterprise is being blamed for continued inflation, and even the once conservative Nixon administration was driven last spring to reinstate a price freeze and has now imposed its Phase 4 system of price controls. All past experience indicates such controls distort production and distribution while distracting public attention away from the main causes of inflation—namely, huge government spending, over-issue of money by the Federal Reserve Board, and the monopoly practices of labor unions.

REASON FOR CONCERN

Faced by these restrictions and distortions of fact, businessmen have reason to be concerned. Unfortunately their efforts to defend the enterprise system from its detractors all too often resemble the efforts of King Canute to arrest the tides of the sea. The reasons for this failure are multiple but in part go back to a paradox. Businessmen are master salesmen of automobiles, refrigerators and widgets. They are something less than articulate spokesmen for basic economic, political and moral principles.

Indeed, in their very rush to sell widgets businessmen are unwittingly today promulgating a highly unsavory image of the business system. The teenager, glued to the television screen, is not apt to form a highly laudatory opinion of General Motors, General Electric and Standard Brands as a result of commercials which these companies actively finance. Even oldsters must gaggle at the lengths to which Madison Avenue goes to make us familiar with quick cures for ancient stomach disorders, or the virtues (or sins) of this or that feminine deodorant. At best one is apt to turn away from the boob-tube with the conviction that the goals of business are purely materialistic, if not squalid.

Even when businessmen turn aside from promoting their own particular products and sincerely seek to sell the public on the worth of the enterprise system itself, they all too often fall into the same kind of trap. The standard defense of capitalism is that it is the most *efficient* system of production yet devised, and in a world wracked by poverty and food shortages efficiency is surely not something to be sneered at. Yet with the U.S. gross product now running over the trillion dollar mark, efficiency of and by itself has lost some of its old appeal. The young, in particular, are not apt to be impressed by massive statistics on steel output or million digit figures on kilowatt hours generated and consumed (the more so since the country has been suffering from brownouts and fuel shortages). The young are looking for *significance* in their lives in this bewildering world of gadgets and mass communication. Man does not live by bread alone.

The true case for enterprise rests on higher grounds. It is that in providing bread it also yields two things which men in all ages have craved—namely Freedom and Order. In a Socialist economy where government owns the means of production, the bureaucrat must decide what goods are to be produced and where and how men should work. Sad experience has shown that this is the road to tyranny whether under Communist or Fascist banners. The same is true of any system of planned economy all too often favored by our wooly-headed liberals and technocrats. The planners may think they know what people want or should have. The people themselves are denied choice in the matter.

By contrast, the enterprise economy, working within the framework of strong but limited government, does provide freedom of choice and voluntary collaboration. Its basic postulate is that the consumer rather than the producer or bureaucrat is king and should be given a vote in the economic arena no less than at the ballot box. The means to this end is the much maligned price, wage and profit system which is a signalling device for translating consumer demands into productive output. If consumers want more meat, as has been the case recently, the price of meat not only will rise but should rise, and farmers in their own interest and in quest of profit will produce more hogs and beef cattle. So too, with all other commodities and manufactured products from automobiles to hairpins. In such a system even the biggest corporation must respond to the public will or go under.

The market is also a means for organizing and coordinating the most precious thing a man has to offer society, namely his own skill and ability. In the Soviet Union and other Socialist societies men are driven to work at such times and places as commissars choose, when they are not actually subject to slave labor camps. In Western societies men are still free to sell their work where it will fetch the highest return (unless prevented by union restrictions and government minimum wage laws). As Walter Lippmann put it in his book "The Good Society": "The market is not something invented by businessmen and speculators for their profit, or by classical economists for their intellectual pleasure. The market is the only possible means by which labor that has been analyzed into its separate specialties, can be synthesized into useful work. Failure to understand that truth is a sure sign of failure to understand the technical principle of production in the modern world."

Unfortunately, today many have failed to understand Mr. Lippmann's basic insight. Such failure is manifest in the public's demand for price controls while letting the real forces making for inflation go unchecked. It is manifest in organized labor's absurd demand "to take wages out of the market," which carried to its logical conclusion must leave us without guide or rudder as to how the world's work should be performed.

Above all, public misunderstanding of the market system is manifest in the constant attack on profits which though a tiny part of the national income are the vital *enzyme* in the economy's metabolism. In a complex economy such as ours someone must undertake the risks of bringing labor, materials and capital together before a single bushel of wheat or a single automobile can be produced. That function falls to the businessman. If he is right in judging the market, his reward will be profit. If he is wrong he will suffer loss. On the short-run ours is not a profit economy but a *profit-and-loss* system. (Ask Penn-Central!) On the longer run a continuous flow of profits is essential to capital formation on which rising living standards and all welfare schemes depend. To talk of profitless prosperity is really a contradiction in terms.

It is up to the businessman to articulate these principles and to do so in such a way that the public will understand their importance. In doing so he will do well not to underestimate the essential role of government. In an economy based on contracts, private property and competition, it is obvious that business requires government to enforce the rules of the road. In a system where all exchanges are made and all prices are determined in terms of money, it is essential that government provide the economy with a stable monetary order both domestic and international (something that governments seem to have no intention of doing).

GOVERNMENT'S TASK

Finally, government has the immemorial constitutional tasks of insuring "domestic tranquility," caring for the "common defense," and promoting the "general welfare." Surely governments all over the world have enough to do in carrying through these great tasks without bothering themselves about the "windfall" profits of Corporation X or telling the consumer what he should pay for a gallon of gasoline.

The tragedy of our times is that governments have mistaken and disregarded their essential functions while dabbling in ventures which no bureaucrat has the wisdom or ability to handle. The result is not a "mixed" economy but a *mixed-up* economy in which inflation rages while government officials tinker with the thermometer. Meanwhile the business community is urged to take on "social responsibilities" which it cannot reasonably fulfill.

Businessmen have a chance—perhaps a last chance—to help mobilize public opinion toward a different outcome where government and business will each attend to their respective roles. They can no longer claim that capitalism is some kind of God-given dispensation. They can with reason and good conscience argue that the marked economy and limited constitutional government stand or fall together and that both are deeply rooted in the Nature of Man.

This is no doubt a difficult and high-sounding mission. It is also one that can be based on hard common sense. The hour is late. The need pressing. The funds for such an educational campaign are available. What in the world are businessmen waiting for?

WE SHOULD NOT FORGET CZECHOSLOVAKIAN SUPPRESSION

HON. JOEL T. BROYHILL

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 31, 1973

Mr. BROYHILL of Virginia. Mr. Speaker, the past few months have been some momentous changes in the relations between the great powers of the world. Our people cannot help but be hopeful that the easing of international tensions will lead to increased understanding and a flourishing climate for peace.

There is one element in this hopefulness, however, which requires increased pressure and concentration from this Congress. I refer to freedom, Mr. Speaker, the most vital element in the brotherhood of man and nations.

Unfortunately, freedom is still being denied to our Czechoslovakian friends where Soviet troops since the Prague spring of 1968 have trampled it with the heavy boots of dictatorship.

Let us continue to call attention from this chamber that better relations with any nation carries the price tag of freedom in order to give brotherhood among nations a durable meaning.

To our friends and neighbors in this free land of Czech and Slovak descent, I say, Mr. Speaker,

Let the world note that this Congress has not forgotten and will not forget that freedom suppressed anywhere is freedom suppressed everywhere.

McCORMACK ENCOURAGES ENERGY CONSERVATION THROUGH CONTROLLED USE OF ELECTRICAL APPLIANCES

HON. MIKE McCORMACK

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 31, 1973

Mr. McCORMACK. Mr. Speaker, despite the fact that ominous predictions for crippling energy shortages have not overtaken us so far this summer, it is nevertheless critical that each of us exercise as much control as possible in our consumption of energy. To help individuals, the Science and Astronautics' Subcommittee on Energy, which I chair, recently published a small booklet itemizing steps each of us can take to limit unnecessary use of energy with our cars and home appliances. A limited number of these booklets are available to Members of Congress and their constituents.

Another extremely useful pamphlet, which complements the subcommittee's print, has been put out by Public Service Indiana, the principal electrical energy distribution service in the State of Indiana. I would like to take this opportunity to commend Public Service Indiana for this outstanding service, helping the citizens of this country in their overall effort to prevent overuse of scarce energy. The pamphlet's tips range from proper insulating and use of heating and cooling devices to kitchen and laundry appliances. The pamphlet entitled, "A Guide to Electric Waste-Watching," follows:

Trim wasteful uses of electric energy and you help two ways: You conserve limited natural resources and you save money in your electric bill.

There's no need to do without the comfort and convenience that electricity makes possible. But there are ways we can all squeeze more work out of the energy we're now using.

The suggestions for waste-watching offered here—if followed regularly—will help you get the most for your energy dollar.

Electric service has always been a big bargain in your family budget. We want to keep it that way.

THE HOT AND COOL OF IT

Heating and cooling offer some of the biggest waste-watching opportunities around your home. You can conserve energy use in many ways—but insulation holds the key during hot weather as well as cold.

First, some ideas for saving energy in the winter . . .

You lose lots of heat through walls, ceilings or floors if they're not well insulated. A good investment is to install 6 inches of insulation in the ceiling, 4 inches in the walls, and 2 inches under the floor.

Storm windows and storm doors can cut heat loss by 20%. And what they save in heating costs will more than pay for them.

Have a closed-door policy. Keep attic and basement doors as well as doors of adjoining garages shut to hold in the heat.

Weatherstrip around windows and doors; caulk cracks between door and window frames and the wall.

If you have a fireplace, but sure and close the damper as soon as the fire is out; block the flues of unused fireplaces.

Have your heating system checked and cleaned each fall.

Don't be a thermostat jiggler. Set it and forget it. At night, don't turn down the thermostat setting more than 5 degrees or it will use more heat to bring temperature back to normal in the morning.

Clean and replace furnace filters at least every sixty days. Clean filters will mean cleaner air in your house, too.

When the sun's shining, open the draperies and let it in. At night, close them and reduce heat loss through the windows.

Use portable heaters only for supplementary heat. They aren't designed to warm large areas.

Don't overheat. Every degree over 70° will add 3–5% to your heating bill. A sweater's cheaper!

Don't block heat registers or ducts with furniture or curtains.

KEEPING YOUR COOL

Many of us feel that hot weather comfort is just as important as cold weather comfort. Some heating tips apply as well to air conditioning—such as keeping filters clean, a hands-off policy on the thermostat and adequate insulation. Here are some more ideas for keeping your cool.

Make sure the air conditioner you buy is the most efficient. Here's how you can figure the energy efficiency of a particular model: Divide the cooling capacity of the unit (expressed in BTUs, or British Thermal Units) by the wattage. For example, a unit with a capacity of 12,000 BTUs and a wattage of 1,200 would have an energy efficiency ratio (EER) of 10. An EER of 10 or more is great; 8–9 is good, 6–7, passable. If it's under 6, keep looking.

Select the right size unit. Too big a one costs more to own and run, cools too fast, won't dehumidify. Too small a unit won't provide the comfort you're paying for.

Proper wiring for the unit you choose is a must. An older home may require a low-amperage unit. It may cost a little more but it won't overload your wiring.

Attics are heat collectors. Move the hot air out with an exhaust fan or protect your living area from attic heat with ample ceiling insulation.

A fast draw on your draperies and window shades to keep out direct sunlight can reduce heat gain by as much as 50%. Awnings and overhangs are great beat-the-heat devices, too. Storm windows left on year-round don't stop radiant heat but help hold the cool air in.

Nature can help screen the heat out of your house with well-placed trees and shrubbery. But keep greenery around the exhaust of your cooling system trimmed.

A light roof and exterior colors reflect heat. Dark colors tend to absorb it. You can't do much about your roof color, of course, until you have to replace it.

Save "moisture-making" jobs for cooler early morning or nighttime hours. Mopping, dishwashing, laundering and bathing add to humidity problems. (Make sure your clothes dryer is vented to the outside.)

Don't add unnecessary heat. Turn off lights, TV, radios not being used.

Don't block air flow from cooling units with curtains, shades, pictures or furniture.

KITCHEN CONSERVATION

More electric servants are used in the kitchen than any other place in the home. So when you're looking for ways to conserve electricity, it's an obvious target area. Here are some general ideas on getting the most from your appliances at the least cost . . .

Frosty Facts:

Locate your refrigerator away from direct warm air, such as a range or heating equipment, as well as sunshine, and it won't use as much energy.

An air-tight case a refrigerator must be. Close the door on a piece of paper; if you can easily pull the paper out, the seal is not good. A new gasket will keep cold in, heat out.

Plan ahead and take out as many items from the refrigerator at one time as possible. Each opening of the door wastes energy.

Clean the condenser fins often; dust reduces their efficiency.

Defrost your refrigerator BEFORE the ice deposit exceeds ¼-inch.

A frost-free refrigerator will use about $2 to $3 a month more electricity than a manual defrost model.

A side-by-side refrigerator freezer uses about 45% more energy than a conventional two-door upright.

Ice-cube and water dispensers, too, use more energy. Whether they're necessities or frills only you can decide.

COOK'S TOUR

At home on the range or using the oven, energy waste-watching can be a profitable game.

Use a pressure cooker. It cuts down cooking time and energy use.

Keep your lid on—the pots and pans, that is. Use flat-bottomed pans that cover the heat element.

When cooking with water, use as little as possible. One cup is plenty for just about anything. Most foods, especially vegetables, will need much less.

Don't be an oven-peeper. Each time you open the door, you can lose up to 20% of the heat.

Don't preheat your oven when cooking foods that take more than an hour of cooking time. It's not necessary.

Use the right combination when oven cooking. Select different dishes that require similar heat levels. Use extra oven space to cook food to be frozen or refrigerated for later use.

Abandon your range! Many times it's more economical to use small appliances for special jobs—toasters, frypans, crockpots, grills.

LAUNDRY LIST

When you use the dishwasher or clothes washer, wait for a full load to accumulate. You'll save electricity and hot water.

Try to install your clothes dryer in a "warmish" area of your home—at least along an inside wall. Don't overload the dryer. Clean the lint filter after every load.

Don't overdry your clothes. It wastes energy, increases fabric wear and makes ironing more difficult.

SEEING THE LIGHT

Energy for lighting is a relatively small part of your electric bill—probably no more than 6%. Still it shouldn't be wasted. A 60-watt bulb burning for a year uses up 600 pounds of coal and would cost about $15 in energy.

Old and darkened bulbs give less light. Use them in attic, cellar and garage areas where they are infrequently used. Put bright new bulbs where you need most light.

Dusting bulbs and glass shades regularly gives you up to one-third more light for the money.

Use lower wattage bulbs where bright light isn't necessary.

Fluorescent lighting is more economical—watt-for-watt—than incandescent. Fluorescent lamps give five times the light and last up to 10 times as long as ordinary bulbs. They're cooler, too.

Switching shortens fluorescent lamp life but not incandescent bulbs. So turn off fluorescents only if you'll be out of the room more than 30 minutes but snap incandescents off even if you leave the room briefly.

Long-life bulbs are a bargain only where you need long life. While they may cut down on replacement time and inconvenience, they give off only 80% of the light for the same energy. Use them in hard to reach places.

Multiple switches make it easier to turn off lights when leaving a room. Dimmer switches reduce energy use when brightness isn't important.

Buy bulbs by light output. Lumens is the measure of brightness. Compare and you'll find that a 100-watt bulb produces 50% more light than four 25-watt bulbs for the same amount of energy.

A word to the wise waste-watcher:

A new appliance tends to use less energy than an old one to do the same job. But be careful . . . the least expensive model in any manufacturer's line is often the least efficient energy user.

Any energy use you can schedule during off-peak hours—during early morning, late evening or on weekends when the total demand for electricity is less—helps us make the best use of our system. And helps us hold the line on costs.

THE NATIONAL ENVIRONMENTAL POLICY ACT AND THE ALASKA PIPELINE

HON. JOHN D. DINGELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 31, 1973

Mr. DINGELL. Mr. Speaker, the Alaska pipeline right-of-way bill reported out by the Committee on Interior and Insular Affairs contains provisions intended to prevent any court from reviewing the question of whether the pipeline project is in compliance with the National Environmental Policy Act.

To obtain the views of some of the Nation's leading conservation organizations with respect to these provisions of the bill, I addressed a letter to the member groups of the Natural Resources Council of America, assembled at their meeting on July 26, 1973.

Twelve organizations have responded strongly favoring an amendment to remove the NEPA-override provisions. These organizations are:

American Fisheries Society.
American Forestry Association.
American Institute of Biological Sciences.
Friends of the Earth.
Izaak Walton League of America.
National Audubon Society.
The Nature Conservancy.
Sierra Club.
Sport Fishing Institute.
The Wilderness Society.
Wildlife Management Institute.
The Wildlife Society.

For the information of my colleagues, I include my letter to the NRCA, and the responses, at this point in the Record:

July 25, 1973.

Mr. George Anderson,
Secretary, Natural Resources Council of America, Washington, D.C.

Dear George: H.R. 9130, the Alaska pipeline right-of-way bill, has been ordered reported by the House Interior Committee with a provision barring further judicial review of the pipeline under the National Environmental Policy Act.

When the bill reaches the House Floor, an amendment will be offered to remove this provision and to insure that the Alaska pipeline is not exempted from any provision of NEPA. I strongly believe that we should not start making special exemptions from NEPA as H.R. 9130 would do.

By this letter, I would like to request the views of the member organizations of the Natural Resources Council of America on this subject. Would your organizations favor an amendment along these lines, to prevent the override of NEPA?

I would appreciate having the replies of NRCA member organizations by Monday, July 30.

With every good wish,
Sincerely yours,
John D. Dingell,
Member of Congress.

July 26, 1973.

Hon. John D. Dingell,
U.S. House of Representatives,
Washington, D.C.

Dear Congressman Dingell: This is in response to your letter of July 25, requesting our views on an amendment to H.R. 9130, the Alaska pipeline right-of-way bill. The amendment you cite would delete the provisions barring judicial review of the pipeline under provisions on the National Environmental Policy Act (NEPA).

The undersigned organizations strongly favor an amendment to insure that the Alaska pipeline fully complies with NEPA, and that the courts will have the opportunity to settle the question of compliance.

We believe it would be extremely unwise to give the Alaska pipeline a special exemption from NEPA. Many projects with far less environmental impact than this pipeline are under consideration throughout the United States. To give a special exemption on one of the biggest projects of all would pave the way for further exemptions on other projects.

We take a stand in favor of full compliance with NEPA by every major federal action that is within the scope of that Act.

Sincerely yours,

George Alderson, Legislative Director, Friends of the Earth; Michael McCloskey, Executive Director, Sierra Club; Fred G. Evenden, Executive Director, The Wildlife Society; Elvis J. Stahr, President, National Audubon Society.

Raymond C. Hubley, Jr., Executive Director, Izaak Walton League of America; Patrick F. Noonan, President, The Nature Conservancy; Daniel A. Poole, President, Wildlife Management Institute; Richard H. Stroud, Executive Vice President, Sport Fishing Institute.

William E. Towell, Executive Vice President, American Forestry Association; Richard A. Wade, Executive Secretary, American Fisheries Society; Stewart M. Brandberg, Executive Director, The Wilderness Society.

July 30, 1973.

Hon. John D. Dingell,
House of Representatives,
Washington, D.C.

Dear Congressman Dingell: During a recent meeting of the Natural Resources Council of America, the American Institute of Biological Sciences and other member organizations of the Council were informed of the provision in H.R. 9130 that would bar further judicial review of the Alaska pipeline under the National Environmental Policy Act (NEPA).

The American Institute of Biological Sciences, speaking for its 41 constituent scientific societies, strongly urges that an amendment be offered to insure that the Alaska pipeline will fully comply with NEPA, and that the courts will have the opportunity to settle the question of compliance. To do less will surely weaken the NEPA as an aid in future legislative and judicial struggles to protect our environment.

Sincerely yours,
John R. Olive,
Director.

CANADIANS PROFIT FROM PHASE IV

HON. JERRY LITTON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 31, 1973

Mr. LITTON. Mr. Speaker, for months I have been pointing out that food prices are high because of food shortages and that you do not solve the problem of food shortages with freezes on food prices. That makes about as much sense as saying that we have a shortage of teachers and we can solve the teacher shortage by putting a ceiling on teachers' salaries. I also objected to continuing the same freeze on beef that was such a dismal failure in the area of pork and poultry. I pointed out that such a freeze helped no one—the producer, consumer or our economy. Now I learn that it is in fact helping someone.

It is no secret that packing plants around the country are closing and it should be obvious that the cost of these closings will eventually be passed on to the consumer. They are closing because they are caught in a squeeze between the phase IV ceiling and the cost of cattle. They are also caught in another squeeze.

It seems the one group of people benefiting from all of this artificial price-fixing situation are Canadian businessmen who are buying American beef, shipping the cattle to Canada for slaughter, and then selling this same beef back to us at prices not covered by the freeze. Strange as it may seem, American beef prices are frozen, but imported beef is not. The American consumer is going to pay extra three ways. She is going to buy so-called imported beef at prices above the freeze level, with added costs of running them through Canada like some people run money through Mexico. She is going to eventually pay for the heavy costs of packing plant closings when they reopen. She is also going to be bidding against other consumers for a smaller supply of beef—which means much higher prices—because these freezes have discouraged increased production.

In visiting with the Sioux City market today, I learn that by 11 a.m. this morning, with less than 100 loads of cattle being offered, that over 20 loads had already been purchased by Canadian buyers. Information from the Omaha and Sioux City cattle markets yesterday indicated that from 20 to 25 percent of the total supply of beef cattle available at these two markets were purchased by Canadians.

Today I urged the President to take immediate action to plug this loophole in his ill-conceived continued freeze on beef. At the present time, foreign businessmen are lining their pockets at the expense of packing plants and consumers while higher prices that should be going to producers to produce more beef are being eaten up by the expense of shipping American beef cattle to Canada for slaughter and then shipping it back to us as imported beef at inflated prices.

I also urged the President to realize the economic folly of continuing a beef price freeze which is no way to solve problems of beef shortages and works only to discourage increased beef production. If the President waits until September 12 to lift the freeze—something I find hard to comprehend he will do—we will have the boycotters being boycotted by cattlemen because few cattle will be shipped only weeks before the freeze is to be lifted.

I urge the Members of this body to join me in urging the President to both close the loophole in the freeze immediately and to act quickly in ending this contra-productive beef price freeze.

CANADIANS SAY HANOI BROKE PACT

HON. ROBERT J. HUBER

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 31, 1973

Mr. HUBER. Mr. Speaker, the test of any peace agreement is how well the parties to the agreement abide by its provisions. We know they are not complying with article 8 relative to MIA's and I have introduced legislation to remedy this problem. The Washington Post on July 22, 1973, reports that the North Vietnamese are also not complying with article 7 of the agreement that states:

> From the enforcement of the cease-fire to the formation of the government provided for in Articles 9(b) and 14 of this Agreement, the two South Vietnamese parties shall not accept the introduction of troops, military advisors, and military personnel including technical military personnel, armaments, munitions, and war material into South Vietnam.
>
> The two South Vietnamese parties shall be permitted to make periodic replacement of armaments, munitions, and war material which have been destroyed, damaged, worn out or used up after the cease-fire, on the basis of piece-for-piece, of the same characteristics and properties, under the supervision of the Joint Military Commission of International Commission of Control and Supervision.

The article from the Post details the violations as reported by the Canadian truce supervisory team. This, together with the ominous news in Cambodia bodes ill for the future of peace in Southeast Asia as Communist aggression continues. The article follows:

Canadians Say Hanoi Broke Pact

(By Thomas W. Lippman)

Cantho, South Vietnam, July 21.—A Canadian truce supervisory team has accused North Vietnam of "massive" and "unrelenting" infiltration of troops into South Vietnam's Mekong Delta since the January cease-fire, in deliberate violation of the Paris truce agreement.

The strongly worded report says that thousands of fresh troops have come and are coming into the South, never having heard of the Paris accords, the various peace-keeping forces or the departure of U.S. troops. These North Vietnamese soldiers left their own country just about the time the Paris agreement was signed, the report says, and were instructed to keep coming, although Article 7 of the agreement expressly prohibits such movements.

Confirming information obtained earlier from other sources, the report also says the truce team has learned that large groups of North Vietnamese civilians, including doctors, lawyers and engineers are coming into Vietcong-held territory in the South "to practice their professions."

The truce team's report, forwarded to the Saigon headquarters of the International Commission for Control and Supervision (ICCS) in Saigon earlier this week, was based on interrogations of captured North Vietnamese soldiers. The soldiers said they entered the South in June after a five-month hike down the Ho Minh Trail in Laos and Cambodia.

It is unlikely that the report will ever bring any action by the full ICCS, from which the Canadians are withdrawing after six months of frustration. It was made available by a Canadian official here who said he believed it should be published but knew that it "would never see the light of day" after it was discussed by the commissioner's Polish and Hungarian members.

Although there have been reports of infiltration since January, the earlier reports came mostly from South Vietnamese and American sources. The Canadian report, at least in theory, has the weight of impartiality behind its conclusions.

"Based on the testimony of captured North Vietnamese soldiers," the report says, North Vietnam "without being deterred one scintilla by the Paris agreement has been infiltrating massive armed North Vietnamese troop units into Cambodia and South Vietnam in order to conduct military operations against the Republic of Vietnam. . . . It can also be concluded that there never has been the slightest indication during the four and a half months following the cease-fire that the Democratic Republic of [North] Vietnam has modified its infiltration policy."

The report tells of an "unrelenting" drive by the North to move men and equipment down the well-organized Ho Chi Minh trail system. Canadian officials who participated in the interrogations said in private conversations that they fully believe the tales told by the prisoners, which generally corroborated each other and fitted in with information obtained from other sources.

The interrogated prisoners said they had crossed into South Vietnam from Cambodia in the second week of June by swimming a canal into Chaudoc Province, a well-established infiltration route.

As quoted by the Canadian report, the prisoners said they had had almost no contact with any officials or soldiers of the South Vietnamese National Liberation Front during their trip, except when they changed from North Vietnamese to Vietcong uniforms at the border. That, the Canadian team concluded, shows once again that the military operations in the delta are controlled by the North Vietnamese, not the Vietcong.

It is not clear exactly how many North Vietnamese troops are believed to have come into the delta since January. The prisoners said that the incoming troops moved down the trail in groups of 500, and that at one time as many as 20 of these groups were "stacked up" as a rest station because the trail ahead was interdicted by U.S. bombing.

Maj. Gen. Nguyen Van Nghi, commander of all South Vietnamese forces in the delta, said in an interview that four infiltration groups had come into the country's southernmost provinces, south of the Bassac River, since the ceasefire, and that five more are on the way.

The infiltration "has been a problem" for government troops, he acknowledged, but he insisted that "Our troops are moving to block the routes; we are reacting to stop it."

What that means, other sources said, is that South Vietnam has been pounding the infiltration routes with artillery fire, apparently with some success, and has also used air support in its effort to block the North Vietnamese.

"If no further divisions infiltrate into the delta, we can handle it," Gen. Nghi said. But there is "still a threat" because of the concentration of North Vietnamese troops in Cambodia. "That threat will be increased when the U.S. stops bombing" in Cambodia next month, he said.

Gen. Nghi said the decision on whether South Vietnamese troops would cross the border to take on the North Vietnamese in Cambodia after the bombing halt had not yet been made. He noted, "We have operated in Cambodia before. We are ready to go back at any time, and we are able to."

The soldiers interrogated by the truce team said they had made their way south on a narrow jungle trail, staying off the hard-surfaced parallel roads that were used for truck and tank traffic, which they saw only from time to time.

At various places along the trail, they said, they would rest and receive supplies at rest stations operated by North Vietnamese support troops and decorated with banners welcoming the soldiers. Some of these stations, they said, included small farms. They were undisturbed by bombing in Laos, they said, but were often forced to take cover from air strikes in Cambodia.

CIVILIAN GROUPS

They reported seeing at least six groups of about a hundred civilians each, also heading south; 8 per cent of the civilians, they said, were women.

The interrogations were conducted at the request of the South Vietnamese by Canadian and Indonesian members of the ICCS. The report, however, contains only the finding of the Canadians, since the Indonesians forwarded their own separate report to their chief in Saigon and it has not been made public.

The Hungarian and Polish delegations in Cantho refused to take part in the investigation, following a pattern they have adhered to consistently of ignoring the infiltration issue altogether. It was their refusal to participate in an earlier interrogation, and the Canadians' insistence on going ahead with a discussion of their own findings at a meeting in Saigon, that led to an impasse that paralyzed the ICCS for a month.

The Canadians have shut themselves out of all further investigations as of yesterday, preparing for their departure next week. "What that means" one of their officers said, "is that there won't be any more investigations of infiltration. We're the ones who forced the issue."

Canadian Ambassador Michel Gauvin and the Canadian truce observation team were biased in investigating ceasefire violations, the North Vietnam's newspaper People's Daily said in Hanoi yesterday.

In an editorial, the paper said: "Since the Paris agreement took effect, the PRG (Vietcong) and the DRVN (North Vietnamese) have scrupulously implemented it. On the contrary, the U.S. and Saigon sides have systematically violated (it). The Canadian delegation, however, has always turned a blind eye to the fact."

In Saigon, the Vietcong said they want the ICCS to remain a four-nation body and are trying to find a replacement for the Canadian team, which is leaving at the end of this month. Canada ordered its team to take no part in the ICCS after noon yesterday.

The leader of Indonesia's delegates to the ICCS said the work of the truce supervisors would go on with three countries if no replacement for the Canadians could be found. He did not rule out the possibility that Poland or Hungary might withdraw from the Commission.

EMIGRATE TO ISRAEL

HON. THOMAS M. REES

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 31, 1973

Mr. REES. Mr. Speaker, at the end of May, I placed in the CONGRESSIONAL RECORD a letter from Dr. Isaac Poltinnikov concerning the attempt he and his family have made to leave the U.S.S.R. and emigrate to Israel. That letter chronicled a series of events which can only be termed "harassment," in connection with the Poltinnikovs' desire to leave the Soviet Union.

Recently, they wrote a constituent of mine concerning their further problem which seems to be tied in with their attempts to emigrate. This second letter is further evidence of a policy I would hope all men find reprehensible.

The letter follows:

A LETTER FROM DR. ISAAC POLTINNIKOV

(The following is a translation of a letter by Dr. Isaac Poltinnikov of Novosibirsk to Ruth and Maurice Tyson of Los Angeles, Calif. (Transl. Si Frumkin.)

DEAR FRIENDS RUTH AND MAURICE: We received your letter of June 19, 1973 and I hasten to answer it. We thank you, Ruth and Maurice, and we thank all our friends who are so actively involved with our fate.

We were very interested to read the clipping from the Congressional Record-House of May 5, 1973 which contained my letter to Y. and E. Paller. I was happy to note that the letter was reprinted in its entirety—without changes—and that it was well translated into English.

I must tell you that since that letter was written our situation has not improved. It was written on March 17, and on March 18 we received word of a serious illness of my father-in-law which was followed on March 21 by the news of his death. Our urgent appeal to the Novosibirsk authorities requesting permission to leave at once was fruitless. We were refused in the most categoric manner. What were we to do? We launched our protest in the only way that was open to us—we started a hunger strike that lasted for almost 6 days. Our physical condition deteriorated quite seriously, but still, we received no reply to the wires we had sent to the government.

We were called in 2 months later and told that the previous decision remains in force, that is that we could not leave. I must tell you that we had hoped during the latter part of March, to be permitted to leave in the near future. One of the responsible officials in charge of emigration told me that our problem would be resolved in the near future, and that he personally felt that I should be permitted to leave, After being encouraged in this manner we had notified our father-in-law that our case was about to be concluded. However, he did not have enough strength left to wait for us. His death and the attitude of the authorities upset and demoralized us.

On June 14 our entire family went to the office of the head of the All-Union OVIR—this is the organization that is in charge of emigration for the entire country. This was far from our first appeal to the head of this organization Mr. Verein. Earlier we had asked that the exit permissions for the two parts of our family be coordinated, that is that those of us who lived in Kiev could leave with those from Novosibirsk. Then, after Eleanora and Mark and their grandfather left, we asked that our exit visas be speeded up, since we knew that our father could not live apart from us. And now our third request. This time we were told that we would be leaving, but we could not be told when exactly—possibly in a month, possibly in three months. The most important condition, however, is that we leave Moscow at once and behave ourselves, and that otherwise we would be arrested.

The conversation took place in the evening and already the following morning we were stopped near our house by members of the militia, taken to the airport, and forced to leave Moscow by plane.

It is interesting to note that during our conversation Verein spoke in very openly negative terms about those Jews who want to leave for Israel. He called them crooks who had sold themselves for money and traitors to the fatherland. He spoke about our perversion and incorrect interpretation of Declaration of Human Rights and that while everyone has the right to leave any country, this right has to be regulated by the State in the interests of the State. We had already heard similar views expressed at meetings and during private conversations, but in this case these views were expressed by a high official and must reflect the official point of view. This is very frightening.

On March 15 and 16 our family held a two-day hunger strike as a protest against the oppression against Jews who wish to emigrate to Israel. We feel that these promises by Verein of a speedy permission to leave were caused simply by his desire to get us to leave to Moscow, to scare us and to silence us. In view of his hostile remarks about the Jews who are trying to leave in accordance with their rights under the Universal Declaration of Human Rights these promises do not look very convincing. What is terrible is that we are now in a position of human beings whose fate is being decided during the conversations that are taking place right now between the USA and the USSR. Will they agree or will they not, and what will it all mean to us? It is time to end this letter, since I am afraid that it won't reach you anyway.

Our whole family sends you, dear friends, our most heartfelt wishes for wellbeing, peace and happiness,

Yours,

I. POLTINNIKOV.

RATINGS SOAR FOR WATERGATE

HON. THOMAS M. REES

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 31, 1973

Mr. REES. Mr. Speaker, since there has been a great debate concerning the value of public television, I was delighted to read that the Watergate hearings have succeeded in helping public television find its role.

One of the positive aspects emerging from the Watergate hearings has been a greatly increased public interest in Government. Public TV coverage of Watergate has given the people an inner look at how our Government really operates.

The article which I am inserting into the CONGRESSIONAL RECORD is from the June 20, 1973, edition of the Los Angeles Times. The impact of the article lies in a statistic: 92 percent of the Nation's public television outlets are now covering the hearings, with unusually high ratings when rebroadcast in the evening.

The role of the electronic media, in this instance, has been to foster a greater insight into the processes of Government, while simultaneously strengthening America's fourth network.

The article is as follows:

RATINGS SOAR FOR WATERGATE ON PBS

(By Cecil Smith)

The Watergate hearings are the best thing that has happened to public television since Sesame Street. "It's given us a second chance," said Jim Karayn. "But there are no guarantees. A year from now, we could be back in the ditch."

Karayn is president of the National Public Affairs Center for Television (NPACT) in Washington, which is telecasting the hearings gavel-to-gavel nightly in prime time over the PBS network (and KCET, Channel 28, here). The hearings in Washington, D.C. have been postponed this week because of the visit of Leonid I. Brezhnev; they will resume televised hearings Tuesday.

The response has been phenomenal. PBS stations are drawing audiences five and six times above normal. Boston chortled that Watergate has higher ratings than "Elizabeth R—"Sam Ervin is outdrawing Glenn-Jackson!"

Letters by the tens of thousands pour into the local stations and the offices of NPACT many of them containing checks. More than $300,000 raised by various stations in the last few weeks is directly attributable to the Watergate coverage. KCET's pledge nights last week during breaks in the hearings netted the station $31,198 from 1,172 viewers an average well above the $15 norm. Karayn said a woman in New York sent in $6,000 saying that she had given $3,000 to the Committee to Reelect the President and she felt the least she could do was double it for the Watergate hearings.

"It's costing us $14,000 a day to do the hearings," said Karayn. "We have no money. We have no idea from one day to the next where the money will come from. But we do know we'll find it somewhere and we will continue the presentations."

Karayn has scheduled coverage of the hearings on PBS through July (except for the holiday week of July 4 which Sen. Ervins Senate Select Committee is taking off; he said NPACT coverage will continue until the committee report is finalized next February.

For anyone to be talking of NPACT in the terms of next February—or even next month—would have been utterly bizarre last spring. Nothing in public television was as dead as NPACT.

President Nixon's would-be TV czar, Clay T. Whitehead, wrote its obituary when he declared that public television should not carry public affairs. In the brazen attempt to take over the public channels and remake them into an Administration propaganda pipeline, Henry Loomis, the Administration's handpicked president for the Corp. for Public Broadcasting (CPB), arrogantly announced that NPACT and the programs it produces, such as Washington Week in Review, Black Journal, Behind the Lines, America '73, plus such brilliant NPACT specials as the Emmy-winning "VD Blues," as well as other PBS programs critical of the Nixon Administration, notably Bill Buckley's Firing Line, would no longer exist because they simply would not be funded.

"To illustrate how the atmosphere has changed," said Karayn. "I have just received a letter from Loomis praising the Watergate coverage and saying this is precisely what public television should do!"

THE STENCH OF SCANDAL

The various White House maneuvers in regard to the public television have the stench of another Watergate scandal. Thomas Curtis, a distinguished conservative Republican, quit as CPB chairman in disgust at White House meddling in public television affairs; Dr. James R. Killian, the eminent educator and former president of MIT, only agreed to succeed Curtis as CPB chairman if the White House would stay out of CPB affairs and if public affairs would be a prime PBS program priority. Ford Foundation grants for fall include $1.5 million for NPACT and CPB has now added another $800,000. However, funds are hopelessly inadequate.

But with peace declared between CPB and PBS and its 230 public TV stations, there's hope of a more realistic funding program. Congress is now preparing a bill for a two-year $120 million appropriation for public TV, similar to the bill President Nixon vetoed last year, Karayn says Sen. Howard Baker, vice chairman of the Ervin committee, has "assured me that if the President vetoes this bill, it will be passed over his veto."

"The real importance of the public acceptance of the Watergate hearings is internal within public television itself," said Karayn. "There is suddenly vitality again, and excitement, extending through the whole apparatus. It's like being reborn.

"When I told PBS and the member stations that NPACT was going to cover the Watergate hearings in full, gavel-to-gavel, as we did the Republican Convention, you should have heard the reaction.

"They told me: 'You finally had it. you've decided to commit professional hara-kiri!' The first poll we took as to whether stations would carry our coverage in prime time was highly discouraging. Only 52% were interested. Now, 92% are carrying it, a wider clearance than any other program has in PBS except Sesame Street (97%).

A JOURNAL OF RECORD

"I think this is what public TV should be: a journal of record. There will be other hearings open to television. Congress and its committees will open up for camera coverage. Eventually, the Supreme Court will allow its arguments telecast.

"But other hearings and debates will not be as sexy as Watergate, which is full of spies, midnight raids, malfeasance in high office. The energy crisis hearing, which will mean a great deal more to everyone of us than Watergate, will undoubtedly be as dull as hell. Commercial television won't touch it. I think the three commercial networks should underwrite public television to cover these things in full, supplying them with exerpts and highlights for their newscasts . . ."

Portly Jim Karayn cut his journalistic teeth in commercial TV. A native of Los Angeles and a graduate of USC ("Some of my classmates figure prominently in the Watergate hearings"), Jim built a solid reputation in news here, particularly at KTLA. As news director of KTLA, he developed such a news image for the station that at one time whenever a catastrophe struck Los Angeles, flood, fire or earthquake, one automatically turned to Channel 5 to find out what happened. Jim was lured East by NBC News, left in 1965 to join NET and its attempt to build a viable public affairs department without the taint of commercialism under the guidance of Fred Friendly. Jim has been president of NPACT since its founding two years ago.

"Remember," he said, "that Friendly quit as president of CBS News when that network refused to run the Fulbright hearings on Vietnam in 1966. That was the beginning.

RESPONSIBLY OUTRAGEOUS

"I have always felt," he said, "that the function of public broadcasting is to be responsibly outrageous. Its great enemies are cowardice and caution, brought on in part by insecure financing. Stations were at first afraid to run the Watergate hearings for fear of annoying some of the prominent Republicans on their boards or in fear that they might lose some membership or donations from conservatives. None of that happened.

"Fear pervades the thinking. Look at the number of stations afraid to run 'Steambath'. Good Lord, that is exactly the kind of programs we should do—there were stations afraid of offending with 'VD Blues," a program that had more impact than anything shown on either commercial or public television last year.

"There must be an independent source of financing. Public television should be like, say, the cancer society or some other major national cause, wherein a giant kitty could be established into which corporations and foundations and government could funnel money without strings attached. Maybe it will happen now . . ."

Karayn, who was here for the TV Academy board of trustees meeting last week, added thoughtfully: "Remember, we have had everything going for us with Watergate. The writers strike even helped. The commercial networks have nothing on but reruns. PBS has been so entangled with internal fighting that it has no schedule for fall, much less for summer.

"If we had to interrupt a 'Forsyte Saga' or an 'Elizabeth R,' we might be in trouble with our viewers. But there's nothing else to watch."

"Watergate is the only show in town!"

THE FEDERAL RESERVE BOARD AND HIGH INTEREST RATES PUT A SQUEEZE ON HOME BUYERS

HON. WRIGHT PATMAN

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 31, 1973

Mr. PATMAN. Mr. Speaker, since July 5, when the Federal Reserve Board allowed banks to raise interest rates on certain types of its deposits, a rate war has been raging between commercial banks and other financial institutions. The Federal Reserve Board permitted banks to increase rate payments as part of a scheme to bring intensified competitive pressures on the savings and loan institutions across the country. Although increased competition generally benefits everyone and advances the interest of the people, the action by the Federal Reserve Board has had the opposite result and will have devastating effects through the country if allowed to remain in effect.

Traditionally, savings and loan associations have been the source of housing funds for the vast majority of the people and particularly for low- and moderate-income families. But, because the Federal Reserve Board's high interest rate policy has prevented the savings and loan associations from attracting new funds and permitted existing funds in these institutions to be withdrawn and placed in banks, the availability of funds for residential housing has dramatically declined. In some areas, home mortgage funds have disappeared.

A policy which produces such results only harms those who are least able to protect themselves. While it may be too early to determine just who is benefiting from the Federal Reserve Board's high interest rates, it is clear that the homeowners and prospective homeowners, construction workers, homebuilders, and, in some cases savings and loan associations are suffering greatly.

So that the Members may be aware of the scope and the effect of the problem, I would at this time like to insert in the RECORD excerpts from just a few of the many letters I have received:

> I want to inform you of what I consider a dangerous savings rate war which has been started by the Federal Reserve Board in its attempt to bail out major banks of the U.S.
>
> The savings and loan industry faces a major emergency if some change is not made. Home builders and realtors will be put out of business if something is not done. Unemployment in the construction industry will begin shortly unless action is taken.
>
> I hope you will agree that construction workers, realtors, home builders, surveyors, and the people employed by the home building industry, should not be forced out of their jobs as a sacrifice to a few major banks who have overcommitted their loan funds. Signed: J. H. Spearman, Chairman of the Board, Gate City Savings, Greensboro, North Carolina.
>
> The Federal Reserve's action has been the start of a dangerous rate war with the consumer carrying the burden of increased costs of money. He cannot be expected to absorb more inflation and maintain a normal and respectable life.
>
> If the high rates are allowed to continue, home buyers are going to be obliged to pay 8% or 9% for mortgage money, if and when it is available.
>
> Today we have discontinued closing mortgage loans for one reason only—no funds available. Signed: Miles L. Wilson, President, First Federal Savings and Loan Association, Wabash, Indiana.
>
> Recently Congress extended until August 1, 1973, the rate control authority of the Federal Reserve Board and the Federal Home Loan Bank Board. These agencies immediately increased the rate ceilings which are permitted to be paid by savings and loans and banks. It is obvious that these agencies failed to realize the adverse effect which would be felt in the local and national housing markets. Their action has also created a destructive influence in the savings market and has caused confusion and chaos. In addition, it has created unfair competition causing a clear inequity to the savings and loan business by giving special privileges to the commercial banks.
>
> The local mortgage market in Broward

County, Florida is already extremely tight and on the verge of being critical. The increased savings rates alone have forced the interest rate on mortgages up by at least one half of one percent. The specter of reduced savings could make the situation so bad that only the rich will be able to afford housing in the coming months. Signed: Robert W. Fox, Senior Vice President-Treasurer, Atlantic Federal Savings and Loan Association, Fort Lauderdale, Florida.

On July 5th, California Federal Savings and Loan Association was advised that the Federal Reserve Board, the Federal Deposit Insurance Corporation, and the Federal Home Loan Bank Board has issued new rate schedules. These rate changes were not totally unnecessary, it was obvious they would decrease the amount of homebuilding in our country, feed the fires of inflation, and create havoc with the Savings and Loan Industry. As expected, this is happening!

I hope you, personally, will note the results of the rate changes upon our institution, which is typical of the Industry. While our savings increased during the first half of 1973, they were well below 1972. In May, we did experience a $12.9 million increase but, in June, we actually had a cash outflow of $3.5 million. During July, through the 21st, our net savings outflow has already reached $10.5 million. This latter decrease has been caused by the disintermediation that is the direct result of the increased rates.

These new rate schedules have reversed the flow of savings from a positive to a negative position, increased home interest rates, increased the cost of housing, and slowed down home construction which will hasten an uncalled-for downturn in the economy. Signed: Robert R. Dockson, President and Chief Executive Officer, California Federal Savings, Los Angeles, California.

Single family housing is very acute in the Charleston Area, as well as most of West Virginia . . .

We are alarmed at prospects for future financing, with the so called wild card category of savings, now advertised by one of our local banks, with four years certificates at 7½%. It is my understanding there is no ceiling, or maximum on this certificate. This will rob our Federal Savings and Loan Associations of funds normally available for home financing, as it would be impossible for the Savings and Loan Associations to pay 7½% on savings and make mortgage loans at 8% which is the ceiling in West Virginia.

Since the appearance of this advertisement in the Charleston Daily Mail, Friday, July 20, the local Savings and Loan Associations (that I have contacted) have indicated they cannot make a definite loan commitment until they have some idea of the impact of withdrawals by their depositors. Signed: O. T. Orr, President, Old Colony Company, Charleston, West Virginia.

We are outraged at the patently transparent and self-serving actions of Mr. Burns in recently allowing banks to jump interest rates.

Mr. Burns, the Federal Reserve Board and the major banks are obviously sharing the same bed.

What this does to smaller banks, savings and loans and lending rates is an insult to all 210 million Americans. No one with any intelligence could accept Mr. Burns public justification of this action.

This effective abolition of Regulation Q will create chaos, restrain competition and work great hardships upon the entire citizenry.

Please do whatever you can to set this great wrong right! Signed: Bill Greif, Bill Greif and Associates, Burlingame, California.

A CONGRESSMAN RETIRES

HON. BILL FRENZEL

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 31, 1973

Mr. FRENZEL. Mr. Speaker, last week our friend and colleague JOHN ZWACH announced that he would not seek reelection to Congress from Minnesota's Sixth District. That announcement caused great sadness to me and many of JOHN's friends. At the same time, since we know it is JOHN's own decision, we congratulate him on it and on his four terms of dedicated service to the people of this country.

Many of his colleagues probably are not aware that JOHN served 32 years in the Minnesota Legislature, many of those years as majority leader in the Minnesota Senate. When he retires, he will have served the people of Minnesota for 40 extraordinary years.

As one who has leaned on JOHN ZWACH for advice, counsel, and assistance both in the Minnesota Legislature and the U.S. Congress, I will particularly miss him. I take this opportunity to thank JOHN ZWACH for his service and to place in the RECORD the editorial of the Minneapolis Tribune of Thursday, July 26, which comments on JOHN ZWACH's impending retirement in a detached but positive sort of way. I also insert the editorial from the St. Paul Pioneer-Press of the same date, which makes similar comment. These papers are two of Minnesota's principal dailies with extensive coverage in JOHN's district:

[From the Minneapolis Tribune, July 26, 1973]

JOHN ZWACH'S RETIREMENT

John Zwach, someone once said, was "last in the alphabet, first at work." In his 32 years in the Minnesota Legislature and 6½ in Congress, he has been a dedicated worker—too dedicated, perhaps, in the opinion of his doctor. This week, explaining that the doctor had ordered him to slow down, Zwach announced his retirement from Congresss when his term ends in 1974.

Although relatively inconspicuous in Congress—in sharp contrast to his front-and-center role as majority leader in the state Senate—Zwach has been an earnest, conscientious congressman, devoting himself to agricultural affairs with the evident approval of his 6th District constituents, who elected him four times.

In fact, Zwach has never lost an election, serving 12 years in the Minnesota House and 20 in the Senate before moving to Congress. In the Legislature he advanced to the powerful posts of chairman of the Rules Committee and majority leader. The familiar high-pitched, raspy voice could be heard in virtually every debate on the floor as he wheedled and coaxed, rather than attempting to overpower, while pushing for Conservative legislation or opposing the DFL's.

Zwach's decision to retire may have been influenced by what seems to be the increasing liberality of his district, which reapportionment has stretched to the Twin Cities area. He won in 1972 by only 4,582 votes over the DFL's Richard Nolan. But Zwach said this week that he simply wanted to "get out of the swift stream of government and observe the scene from the peace and quiet of our Minnesota countryside." We think it's a well-deserved rest after 40 years of public service.

[From the St. Paul Pioneer-Press, July 26, 1973]

A CONGRESSMAN RETIRES

It is with mixed emotions that we greet Rep. John Zwach's announcement that he will retire from public life at the end of his current term as Minnesota's Sixth District congressman.

Zwach's retirement will mark the end of 40 years of energetic service as an elected official. He began his public service in the State Legislature in 1934 and served continuously until he was elected to Congress in 1966. He has been reelected three times in a district that has been one of the toughest political battlegrounds in the state.

Zwach has always been a man of dedication and integrity, and his work in Congress has contributed to solving many agriculture and rural problems.

We are sorry to see a man of Zwach's character and experience retire from public service. But we are happy that he still has the vigor to "explore some new horizons," as he put it. We wish him good hunting.

MAJOR CHANGES IN OUR APPROACH TO FOREIGN AID

HON. RICHARDSON PREYER

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 31, 1973

Mr. PREYER. Mr. Speaker, the Mutual Development and Cooperation Act of 1973, passed by the House on July 26, involved extensive rethinking of our approach to foreign aid.

I am glad to place in the RECORD several press articles which point up some of the major changes in our approach to foreign aid:

[From the New York Times, May 31, 1973]

MAJOR FOREIGN AID CHANGE ASKED IN A KEY HOUSE BILL

(By Edwin L. Dale, Jr.)

WASHINGTON, May 30.—A proposal for a major transformation and effective increase in the foreign economic aid program was made today by a majority of the House Foreign Affairs Committee.

Representative Clement J. Zablocki, Democrat of Wisconsin, introduced a bill sponsored by 23 of the 40 committee members intended to be substituted for the $1-billion foreign aid authorization measure sent to Congress by the Nixon Administration.

The new bill would not affect military aid or the special proposed program of reconstruction and other help for Southeast Asia.

Like the Administration's bill, the legislation introduced today would also authorize $1-billion in economic aid in the fiscal year beginning July 1. But the key new element would be a large fund to finance exports of United States goods at low interest rates and easy repayment terms to the world's poorest nations—those with a per capita income of less than $200 a year.

STUDY NEXT MONTH PROBABLY

The House Foreign Affairs Committee is expected to act favorably on the new approach when it begins considering foreign aid, probably next month. The Administration's attitude toward the proposal has not yet been disclosed.

Under the new approach, which is backed by both Democratics and Republicans, the proposed "export development credit fund" would operate outside the budget and would raise its funds by selling Government-guaranteed bonds in the private capital markets, just as several other quasi-governmental agencies now do. It would begin with a five-year authority to finance up to 4.5-billion of exports.

American suppliers of equipment of all kinds would be able to offer foreign governments or other purchasers in the low-income countries very favorable terms. The following purposes would be served, according to the bill's sponsors:

American exports to these countries, now declining, would be aided because this nation's suppliers could compete more readily with suppliers from Western Europe and Japan.

Development of the poor countries would be aided without saddling them with an intolerable debt burden.

The other major feature of the transformed aid program would end the last vestiges of "development assistance"—involving projects such as ports and electric power—in the United States aid program and would earmark the $1-billion of economic aid proposed by the Administration for "human-oriented" programs in the areas of food, rural development, population control, health and education. The trend of the aid program is already in that direction.

The $1-billion figure, left intact in the proposed new bill as the total for economic aid, does not include proposed aid of more than $600-million for reconstruction and other assistance in Southeast Asia. That is a separate part of the aid bill.

Under the new approach, "development assistance" of the major project type in the less-developed countries would be left to the World Bank and other international lending agencies.

HOW CREDIT WOULD BE SET UP

The new export development credit funds would be set up in such a way that no appropriations would be required. Thus the House Appropriations Committee, which has regularly slashed foreign-aid funds under the leadership of Otto E. Passman, Democrat of Louisiana, would be by-passed.

The interest "subsidy" involved in the export financing would be paid for by using the money regularly received by the Treasury each year in payment of interest and principal on past foreign-aid loans.

Mr. Zablocki estimated that the envisioned expansion of exports to the poorest countries that would be made possible by the fund would create 80,000 United States jobs while "at the same time transferring to developing countries resources needed for their development."

A possible Administration objection might relate to the proposed financing of the new fund by issuing bonds in the capital markets. Government "agency" financing—by such borrowers as the Federal National Mortgage Association and Federal Home Loan banks—has risen rapidly in recent years, by adding to the total demand for credit, such borrowing, just like regular Treasury borrowing to finance the budget deficit, places upward pressure on interest rates.

However, the financing of the new export development credit fund would be relatively small, averaging less than $1-billion a year.

As a symbol of the change in the aid program desired by the sponsors of the new bill, the bill would change the name of the law from the "Foreign Assistance Act" to the "Mutual Development and Cooperation Act" and would change the name of the present Agency for International Development to the Mutual Development and Cooperation Agency.

[From the Christian Science Monitor, June 8, 1973]

REDIRECTING FOREIGN AID TO POOREST OF THE POOR

(First of two articles by Harry B. Ellis)

WASHINGTON.—Getting United States foreign aid down to the poorest people in the poorest countries is the thrust of a sweeping new proposal by key congressmen.

Growth rates of developing nations often are impressive, the sponsors point out. But generally, within those same countries, the income gap between rich and poor steadily widens.

The existing structure of U.S. foreign aid, experts agree, does little to help millions of Asians, Africans, and Latin Americans mired in the deepest poverty.

A proposal by a majority of the House Foreign Affairs Committee would revamp United States bilateral foreign aid by zeroing in on the root problems—nutrition, health, education, population control, rural development—linked with poverty.

Their bill, introduced as amendments to the Foreign Assistance Act, would not cost American taxpayers more money, but it would redirect the flow of U.S. aid.

IN LINE WITH NIXON

The bipartisan sponsors, numbering at least 26 of the committee's 40 members, stress that their recommendations are in line with President Nixon's own suggestion, voiced in his "State of the world" message of May 3, that aid should move in this direction.

The new House proposal agrees with the Nixon administration's foreign assistance bill now before Congress, that $1 billion should be allocated to bilateral economic aid in fiscal year 1974, beginning July 1.

This $1 billion is apart from military assistance proposed by the White House. Also separate is the administration's request for $600 million for reconstruction work in Southeast Asia.

Sponsors of the House measure, headed by Clement J. Zablocki (D) of Wisconsin, do not seek changes in military aid or the Southeast Asia funds, but would channel the $1 billion of economic help into projects for the very poor.

These are defined as "food, rural development, and nutrition; population growth and health; and education and human resources development."

"Projects," says a statement by the House sponsors, "would be selected which most directly benefit the poorest majority of the people in these countries. . . .

"We are learning," the statement adds, "that if the poorest majority can participate in development by having productive work and access to basic education, health care, and adequate diets, then increased economic growth and social justice can go hand in hand."

Experience shows that spurts of economic growth in developing lands, spurred by injections of foreign aid, often enrich a relatively small class of people, but do not "trickle down" to the very poor.

The way that social and economic power is shared in many Asian, African, and Latin American countries, experts concur, prevents newly developed wealth from being shared fairly between the urban elite and the rural poor.

PROJECTS AIMED AT POOR

Countless millions of the latter, in the words of Robert S. McNamara, president of the World Bank, "lie beyond the reach of traditional market forces and present public services."

How to reach them? Neither the World Bank, nor the United States Government, nor any other donor, can order a power elite in a developing land to change its way of doing business.

But a beginning can be made, note the House sponsors, if economic aid is aimed specifically at projects directly benefiting the poor.

The problem of equity, or making the "trickle down" work, now is universally regarded as a challenge facing every industrialized nation, or agency, giving aid to backward lands.

Mr. McNamara, sketching the world at the end of this century, foresees affluent Western countries enjoying average incomes per person in the range of $8,000, while some 2.5 billion people in the developing world may receive less than $200 each, and 80 million of these less than $100.

So there is a double gap—between rich and poor nations, and, within the poorlands, between the power elite and the rural majority.

In an effort to keep the rich-poor nation chasm from widening, the United Nations established as a reasonable principle that rich countries should give to poor ones 0.7 percent of their gross national product (GNP).

Collectively, Mr. McNamara told the annual meeting of the World Bank in Washington last year, affluent nations are falling far short of that standard, giving, on average, only half of 0.7 percent.

The United States, whose aid as a percentage of GNP has declined steadily in recent years, does even worse. By 1975, at the present rate, said Mr. McNamara, the U.S. is expected to share only 0.24 percent of its GNP with developing nations.

[From the Christian Science Monitor, June 12, 1973]

UNITED STATES EYES EXPORTS TO POOR LANDS

(Second of two articles by Harry B. Ellis)

WASHINGTON.—Last year the United States exported $16.3 billion worth of goods to developing countries, almost as much as the U.S. sold to Japan and the enlarged Common Market combined.

Poor countries, in other words, now buy about as much from the United States as 10 of the world's richest lands together do.

But there is a curious skew to these sales to the "third world," according to a majority of members of the House Foreign Affairs Committee, who hope to revamp the U.S. foreign aid program.

Sales of American goods to the "richer" developing lands, those with per capita annual incomes above $200, indeed are growing. But exports to the poorest countries, those with incomes below $200, are shrinking.

A major reason is financing. The more affluent developing countries, like Mexico, Brazil, Korea, and Taiwan, can afford to borrow money to pay for American goods from the Export-Import Bank.

BANK TERMS TOO STEEP?

The poorest lands, including India, Pakistan, and many African nations, cannot afford standard Eximbank terms. "In many cases," states the House committee panel, lack of financing on competitive terms, rather than price or quality, explains the U.S. inability to compete for this market."

Meanwhile, exports by Japan, Canada, West Germany, Britain, and some other Western lands to developing countries grow faster than those of the U.S., again partly because of financing.

Other nations, notes the House study, often make it easy for poor countries to borrow money. Trade flows in the wake of this borrowing.

"This market of about 1 billion people (low income countries, excluding Communist areas), whose gross national product has been increasing approximately 5 percent annually, is important at present and promises to grow more important in the future.

NEW AGENCY PROPOSED

"Europe and Japan," continues the House committee report, "apparently believe this and offer vigorous and steadily increasing government financing programs which help develop their markets in these countries.

"If the United States wants to avoid further losses and perhaps increase its share in this market, there will have to be increased government financing on terms that compete."

At least 26 of the 40 members of the House Foreign Affairs Committee believe this should be done through the creation of a new agency, the Export Development Credit Fund.

These congressmen, including Clement J. Zablocki (D) of Wisconsin and several other Midwesterners, have introduced a bill to this end. Their measure is offered in the form of amendments to the Foreign Assistance Act.

In addition to creating the new credit agency, the amending bill would focus $1 billion of U.S. economic aid, requested by President Nixon for fiscal year 1974, on projects helping the poorest people in the poorest lands.

80,000 NEW JOBS?

The proposed credit agency would, in the view of its sponsors, "kill several birds with one stone" by enabling U.S. exporters to compete in the poorest lands and extending credit that the latter could afford.

One result, the sponsors believe, would be the creation of "an estimated 80,000 new U.S. jobs," through expansion of American exports.

The fund, which would operate at a level of about $1 billion yearly, would, like the Export-Import Bank, be authorized to borrow from the U.S. Treasury or the public.

This money would be borrowed by the fund at market interest rates. The fund then would finance U.S. exports to the poorest countries on competitive terms, perhaps 30 years' maturity at 3 percent interest, with 10 years of grace.

The gap between the fund's soft-term loans and its harder term borrowing would be covered by repayments of past foreign aid loans now flowing into the Treasury.

MARKET ACCESS WIDER

American taxpayers would not be shouldering an additional burden. U.S. businessmen would have access to wider markets and, in the process, new jobs would be created in the United States.

Over a period of time, according to the bipartisan proponents of the measure, aid-recipient nations, as their economies grew, would tend to increase their purchases of Amerian industrial goods.

The sponsors point to Taiwan as an example. In 1960, they note, U.S. exports to that island nation totaled $100 million, 90 percent of which were U.S. aid-financed. Last year the United States sold more than $800 million worth of goods to Taiwan, very little of which was financed by U.S. credits on concessional terms.

The proposed credit fund, its sponsors suggest, might be administered by the Export-Import Bank, by the Department of Commerce, or independently. An inter-agency advisory committee would oversee its operations.

PROPOSALS IN THE HOPPER

Separately the committee majority proposes to change the name of the existng Foreign Assistance Act to "the Mutual Development Act," administered by the Mutual Development and Cooperation Agency.

All these proposals now go into the congressional hopper, along with President Nixon's request for $1 billion in economic aid, $600 million for reconstruction work in Southeast Asia, and $1.31 billion for military assistance.

The last two figures are not affected by the proposals emanating from the House Foreign Affairs Committee, which concentrates on the agreed figure of $1 billion for bilateral economic aid.

The committee sponsors want to see that $1 billion redirected to help the poorest Asians, Africans, and Latin Americans, and supplemented by a soft-loan credit agency.

THE MIDDLE EAST AND THE ENERGY CRISIS

HON. FRANK J. BRASCO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 1, 1973

Mr. BRASCO. Mr. Speaker, quite recently Arab terrorism set a new precedent by foully murdering Josef Alon, an Israeli military attaché, in front of his suburban Maryland home. This is the first time that such a political assassination has been carried out in this country. Alon was a brave soldier who never had need to strike his foe from ambush without warning or deprive them of a chance to defend themselves. He fought in all of Israel's wars, acquitting himself nobly. It would have been difficult to find a man and a soldier who better personified the glittering emergence of Israel and the Jewish people as a force to be reckoned with, and as a democracy able to withstand the onslaughts of a bloodthirsty foe.

Now Josef Alon is dead and buried, cut down by the hand of an assassin who struck from ambush in the dark. We can add him to the list of those, including American Ambassador Cleo Noel and his chief deputy, G. Curtis Moore, who have been butchered without any chance to defend themselves. Only the fanatic mind of the terrorists has been able to justify these deeds and boast of them around the world.

Tragedies? Of course. Worthy of bitter condemnation? Without a doubt. Yet we must not let this event terminate at this point. For it offers a stark message to the entire American people, and I do not say this merely because Alon's murder happened here, within minutes commuting time of this Chamber.

Such murders are blazing illustrations of a mentality rife throughout the Arab world. These terrorists are financed, trained, armed, and vocally supported by most Arab governments. They travel and hide because of abuse of diplomatic passports and immunity. In Arab countries they are heroes, acclaimed by one and all for their deeds. In fact, they form an establishment within themselves. Americans of all walks of life should bear this in mind carefully in light of the energy crisis.

There is a school of thought here which clamors for an accelerated relationship between the United States and oil-producing Arab States. Many oil and gas industry types claw frantically at the public mind through public advertisements, stressing the necessity of more oil and gas imports from the Arab world.

I believe such a course can be largely avoided or indefinitely delayed because of the alternatives already being brought into focus. What we must avoid, at all costs, is a rush into the arms of regimes reflecting the mentality of these assassins. Such governments have never publicly disowned the terrorists or their tactics. Do we wish to mortgage our energy equation to this kind of mentality?

A glance at the solemn contractual relationships between Arab oil states and major corporations is revealing. One contract after another has been arrived at and signed with appropriate ceremony. Again and again the regimes involved have cavalierly broken these agreements, demanding more money and renegotiation of the agreements. Ordinarily such irony would be a source of amusement to those who have been victimized over the years by the oil companies cartel. The American public has been on the receiving end of price-fixing and monopolistic practices, courtesy of the oil and gas industry. However captive, the oil companies are doing their best to convince America to mortgage its energy future to these civilized gentlemen.

Do we wish to allow the same people who countenance, finance, and shelter bushwhackers to place their thumbs on America's economic windpipe? Will we be any better off by allowing them to assume a commanding position regarding our energy supplies? Will America gain anything at all by becoming vulnerable to this mentality?

Suppose, for some reason, some dictator decides one morning to turn off the valves and prevent shipment of oil? Suppose he prevails upon his compatriots to present a common front with him? What will we do then?

We cannot allow these individuals to have any influence over our destiny. To do so would be an act of total irresponsiblity to every American and future generations as well.

Soon the Congress will have an opportunity to do something about additional oil sources of our own. The development of the oil fields in Alaska and the building of the Alaska pipeline gives us this opportunity. We dare not miss it.

A TRIBUTE TO KEN SANDERS

HON. DICK CLARK

OF IOWA

IN THE SENATE OF THE UNITED STATES

Wednesday, August 1, 1973

Mr. CLARK. Mr. President, Iowa lost a distinguished and dedicated journalist last Thursday, July 26, when Ken Sanders of Sioux City died after 44 years in the news business. Mr. Sanders had retired in April 1972, as managing editor of the Sioux City Journal.

Mr. Sanders' interest in journalism came at an early age. His father, the late Carl Sanders, was prominent in the weekly newspaper business in South Dakota and two of his brothers, Keith and Dean, are publishers of the Creighton, Nebr., newspaper.

After graduating from high school in South Dakota and attending South Dakota State University, Mr. Sanders began working for the Sioux Falls Press. In 1928, he joined the Associated Press, a job that took him to bureaus in Bismark, N. Dak., Columbus and Cleveland, Ohio, and Washington, D.C.

Mr. Sanders began his career with the Sioux City Journal in 1948 working first as city hall reporter and then as local copy editor, becoming day news editor in 1961 and managing editor in 1963.

While he was a news reporter, Mr. Sanders won the Iowa Associated Press Managing Editors Award for best spot newsstory in 1949 for an account of an explosion in a church at Marion, S. Dak. He later served as chairman of the Iowa Associated Press Managing Editors.

Ken Sanders was dedicated to journalism, and even after his retirement from the Journal, he maintained an active interest in its operation. He will be missed by his colleagues and friends in the news business, and I wish to extend my sympathy to his widow, Jane, and to his family.

NATIONAL TAY-SACHS SCREENING AND COUNSELING ACT

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 1, 1973

Mr. ANDERSON of California. Mr. Speaker, today I am introducing a bill for myself and 37 other Representatives entitled the National Tay-Sachs Screening and Counseling Act. This bill seeks to protect the health and welfare of all citizens by establishing a national program for the diagnosis, control, and prevention of Tay-Sachs disease.

Tay-Sachs disease is a killer disease of children who are born seemingly healthy. When a child with Tay-Sachs disease should begin to learn motor skills, he cannot even raise his head or chest, and is unattentive. As the child ages, his condition worsens until he can only lie still. Death usually occurs 2 years later, at age 3.

This unfortunate and tragic condition is caused by the lack of an enzyme whose normal function would be to metabolize brain fats. When this enzyme is not present, intermediate, unmetabolizable fats accumulate in nerve cells and destroy them.

Approximately 700,000 Americans are afflicted with this ailment and Tay-Sachs disease will affect 25 percent of all children born to parents who both carry the mutation. This means that 1 out of 30 Americans of Eastern European Jewish origin, who make up 90 percent of the U.S. Jewish population, are carriers of the gene lacking this vital enzyme.

Presently, there is no cure for Tay-Sachs disease, and traditionally, treatment for it has been lengthy and futile. The annual cost for caring for a child suffering from the disease is approximately $55,000.

Rarely does medical research advance in a very short time from a position of virtually no knowledge about a disease to a foreseeing of its complete eradication in the offing. But this is exactly the outlook for Tay-Sachs disease.

In 1969, a major step forward occurred on the road to conquering Tay-Sachs disease. The absence of a newly discovered enzyme, hexosaminidase, usually called Hex-A, was shown to be the direct cause of Tay-Sachs disease.

This discovery is important because it is now possible to identify adult carriers. Carriers are themselves normal and healthy, but if two "carriers" marry, their children have a 1-in-4 chance of actually having Tay-Sachs disease.

Mr. Speaker, while there is little hope for children who have already inherited this disease, identifying methods now make it easy to closely watch the mother of a couple who carry the mutation.

Tay-Sachs disease is very conducive to mass screening purposes and recent developments have made it possible to harmlessly identify even embryonic cases.

For three reasons, Tay-Sachs disease is conducive to mass screening programs. First, it is peculiar to a population group. Second, carriers can be identified by a simple blood test which can spot the absence of Hex-A enzyme. Third, by a process called amniocentesis, an affected fetus can be detected in the uterus in a harmless fashion.

Mass screening projects have already proven successful in preventing numerous cases of Tay-Sachs disease. Such programs also help insure that a couple who are both carriers can choose to have as many healthy children as they may wish.

As I have said, there is no cure yet, but there now exists the practical and proved possibility of preventing 90 percent of all Tay-Sachs cases in the United States. Thus, widespread, effective mass screening can eliminate most of the high medical costs, unnecessary deaths, and family suffering which accompany the illness. Also, transfer of knowledge gained by Tay-Sachs research to approximately 30 other related disorders would be an added benefit of this program. Among other similar diseases which doctors believe could benefit from a screening program such as this are cystic fibrosis and sickle cell anemia, both of which are fatal to thousands of Americans each year.

From the 6 million members of the American Jewish population, about 100 "bed years" per year are taken up by Tay-Sachs patients. The total cost, which could be almost totally foregone, is $5,500,000 per year. The total cost of a Baltimore-Washington pilot screening program is approximately $100,000, which is about one-third the cost of treating just one Tay-Sachs child.

The major provisions of this bill are:

First, through existing health centers, the Secretary of Health, Education, and Welfare is to initiate voluntary Tay-Sachs screening and counseling centers, as well as information dissemination programs.

Second, $3 million is authorized to develop the program and assemble the informative material.

Third, stipulations for those eligible for grants, based on existing genetic blood disorder programs as established by law, are set up.

Fourth, all participation is voluntary.

Mr. Speaker, as I have already said, there is a good possibility of preventing 90 percent of all Tay-Sachs cases in the United States, But for this forecasting to become reality, this program must be made known to all persons involved, especially to the medical profession, and to all lay and religious Jewish organizations.

Already this bill has received substantial support from various organizations concerned with effective, preventative public health programs, including the National Tay-Sachs and Allied Diseases Association, and the National Capital Tay-Sachs Foundation.

I hope that my colleagues on the Interstate and Foreign Commerce Committee will study this measure with extreme scrutiny, as it is of utmost importance to all involved, and bring forth legislation in the near future which will curb this dread disease.

PUBLIC AFFAIRS COUNCIL

HON. BILL FRENZEL

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 1, 1973

Mr. FRENZEL. Mr. Speaker, on July 25 the Public Affairs Council, a professional organization of public affairs and Government relations officers of over 200 major U.S. corporations, issued a 10-point resolution calling for reforms in political campaign laws to eliminate abuses and bring about tighter controls.

The recommendations of this group are somewhat similar in concept to the recommendations of the House Republican Task Force on Election Reform and to the Senate bill passed yesterday. Obviously there are many differences in detail, and differences in what the limitations figures should be, but I believe the three separate and independent actions are unexpectedly close in tone and direction.

I hope that all three of these actions will be of interest to the Members and that they will serve both as an impetus for speedy House action and as examples of possible election reform. The recommendations and report of the Public Affairs Council follows:

RECOMMENDATIONS AND REPORT OF PUBLIC AFFAIRS COUNCIL

Integrity, openness and public confidence in this nation's election processes are fundamental to the success of our government and country. In enacting the disclosure and other segments of the Federal Election Campaign Act of 1971, the Congress recognized this fundamental requirement. But subsequent events and recent federal and congressional investigations of them have demonstrated the need for further legislative improvements, including the need for new mechanisms to insure vigorous and even-handed enforcement of the election laws.

The Board of Directors of the Public Affairs Council has addressed itself to these needs, studied the assortment of reform proposals now pending in Congress, and resolved to endorse a comprehensive program designed to limit abuses of our political processes.

In doing so, the Board fully recognizes the dangers inherent in what is commonly referred to as reform. First, many proposals add to the already significant advantages of incumbency. Second, efforts to regulate campaigns and campaign finance raise some thorny constitutional problems. Finally, the history of reform demonstrates that there are no simple answers to such problems, and that the risk is that one set of problems may be traded for another. But the status quo is not satisfactory; and change itself may help to restore confidence in the system.

Members of the Council's Board are professional participants in the nation's political and legislative processes. Neither they, the corporations they represent, nor any responsible segment of society have a stake in a secret system or one that the unscrupulous can corrupt. Their dedication is to working within a system that is open, honest and deserving of the confidence and respect of the American people.

The Council's Board of Directors has therefore resolved to support campaign and campaign finance reform measures which would:

1. CREATE A SINGLE, STRONG AND INDEPENDENT FEDERAL ELECTIONS COMMISSION WITH ENFORCEMENT POWERS

The enforcement powers under the 1971 Federal Elections Campaign Act are presently shared by the Clerk of the House, Secretary of the Senate, the General Accounting Office, and the Justice Department, a division of responsibility which militates against uniform administration and complicates both reporting and meaningful disclosure. A number of bills have been introduced to create a Federal Elections Commission. These bills vary most significantly in whether they would empower that body to initiate and prosecute court actions.

We strongly support the creation of a Federal Elections Commission to centralize all reporting and enforcement activities, such commission to have the power of subpoena and authority to initiate actions against alleged violators.

2. LIMIT USE OF CASH IN ELECTION CAMPAIGNS

The utilization and accounting of campaign finance should measure up to the highest standards of accepted business practice and propriety. Abolishing large cash contributions—which evoke suspicion in the public's mind—would be one useful step in restoring credibility to campaign politics.

We strongly associate ourselves with efforts to legislate a ceiling of cash contributions. We are prepared to support a ceiling of $100, the figure often mentioned, or even a lower limit, provided it is not so restrictive as to prohibit small, out-of-pocket contributions by interested citizens. In addition, cash disbursements by and for candidates—perhaps all those over $100—should be fully reported as to source and purpose.

3. REQUIRE FEDERAL CANDIDATES TO ESTABLISH A SINGLE CENTRAL COMMITTEE FOR REPORTING OF ALL CAMPAIGN CONTRIBUTIONS AND EXPENDITURES

For a variety of tax, legal and political reasons, a profusion of committees to collect and disburse political funds has been a traditional part of many congressional, senatorial and presidential campaigns. Multiple committees *per se* are not objectionable, but the usual practice of separate reports by each committee on its contributions and/or expenditures, complicates one key objective in campaign finance reform—full, clear, readily available information.

Each candidate for federal office should be required by law to designate a single "official" committee which would be held accountable for rendering full and complete disclosure of all contributions in support of, and expenditures by, committees supporting a single candidate.

4. LIMIT CONTRIBUTIONS WHICH ANY INDIVIDUAL IS PERMITTED TO MAKE TO A SINGLE CANDIDATE

While many large contributors to a single campaign give for entirely selfless reasons, large contributions are subject to misinterpretation, and our political process will be best served by the broadest possible base of small private contributions.

We, therefore, support efforts to impose a reasonable dollar limit on the amount any person can contribute to or expend on behalf of any federal candidate. These limits should be lower for a candidate for U.S. Representative or Senator than for a candidate for President or Vice President.

5. RAISE EXISTING LIMITS ON TAX DEDUCTION OR TAX CREDIT WHICH TAXPAYERS WHO MAKE POLITICAL CONTRIBUTIONS MAY CLAIM

The present law provides that individuals may claim a federal tax deduction of up to $50 ($100 in the case of a joint return), or a tax credit of up to $12.50 ($25 for a joint return) against their political contributions. In the interest of encouraging a broad base of giving, these provisions should be liberalized.

We recommend that the allowable tax deductions be increased to $100 ($200 for joint returns), and the tax credit be raised to $50 ($100 for joint returns).

6. CONSIDER MEASURES TO ESTABLISH LIMITS ON CAMPAIGN EXPENDITURES

Although some believe the aggregate expenditures for political campaigning are modest (an estimated 400 million dollars or less than four one-hundredths of one percent of our Gross National Product, for *all* campaigns in the U.S. in 1972), questions have been raised regarding the large amounts expended in a number of congressional, senatorial, and particularly the presidential campaign expenditures by candidates for federal office, and the 1971 Federal Election Campaign Act did, in fact, impose limitations on expenditures for the use of communications media in federal elections.

The imposition of ceilings on total campaign expenditures, however, raises many practical—and constitutional—problems. Because it is important to re-establish the credibility and openness of our political system and to broaden the access to public office by restricting the financial burden of campaigning, we support the principle of reasonable limitations on amounts which candidates for federal office may expend in any primary, special or general election campaign, provided that such limitations: (a) do not restrict candidates' right to free speech; (b) do not assure incumbent office holders of permanent advantages over challengers; and (c) are structured to offer a reasonable certainty that the controls can be enforced.

7. LIMIT THE LENGTH OF POLITICAL CAMPAIGNS

Politician and citizen alike concede public concern about the length of our political campaigns. A number of other democracies have imposed time limitations on political campaigns without apparent violence to the chief object of campaigns—to inform the public. Yet any time limitation could work to the advantage of incumbents, raise constitutional issues and present difficult questions of interpretation.

While recognizing that no legislative remedy proposed to date would entirely resolve such dilemmas, we nevertheless urge that means be sought to impose reasonable time limitations on the allowable period for both primary and general election campaigning.

8. CLARIFY CONTRADICTORY SECTIONS IN THE 1971 FEDERAL ELECTION CAMPAIGN ACT

Section 610 of the 1971 Act authorizes unions and corporations to establish "separate segregated funds" supported by individual contributions. In an apparent oversight, the Congress contradicted this provision in Section 611 by outlawing "government contractors"—which includes many corporations—from direct or indirect political actions, including the establishment of such funds.

Since a careful reading of the floor debate when 611 was enacted makes it clear that it was the intent of Congress to permit separate segregated funds, and since the present law obviously discriminates against some unions and corporations, we urge Congressional action to clarify the contradiction and thus to provide equal opportunity for all unions and corporations. We believe these funds to be an excellent and fully accountable means of broadening individual participation in the electoral process.

In this connection, in that we have recommended specific limitations on contributions to a candidate by an individual, it should also be stated that we favor a limitation on contributions to a candidate by any separate segregated fund. The maximum amounts could be higher than those specified for individuals, but there should be a considered relationship between the two. Also, restraints would be necessary to prevent either a company or a union from avoiding the ceilings by establishing multiple separate segregated funds. No change is recommended in the long-standing prohibition on the contribution of corporate or union funds to candidates for federal office.

9. REPEAL "EQUAL TIME" PROVISIONS OF SECTION 315 OF THE COMMUNICATIONS ACT AS IT APPLIES TO CANDIDATES FOR THE OFFICE OF PRESIDENT AND VICE PRESIDENT

The "equal time" section obliges broadcasters to provide equal time for all presidential and vice presidential candidates, no matter how spurious. Therefore, broadcasters have been inhibited in offering substantial amounts of free time to significant candidates.

Free access to radio and television by significant presidential and vice presidential candidates is in the public interest: we support repeal of the equal opportunity requirements of Section 315 with respect to candidates for the office of President and Vice President.

10. SUPPORT BROAD-BASED PRIVATE FINANCING OF POLITICAL CAMPAIGNS, BUT ACCEPT ADDITIONAL STUDY OF PUBLIC SUBSIDIES

It is our present judgment that the public interest will best be served if political campaigns continue to be financed primarily by private individual contributions, rather than from government sources. We believe the impact of the Federal Election Campaign Act of 1971, plus the adoption of proposals along the lines of those embodied in previous sections of this statement, can remedy a majority of the problems existing in political finance. We believe the system can be strengthened further by expanded efforts to encourage more people to participate in selecting candidates and financing political campaigns.

We recognize there are many serious proponents and proposals for some sort of public financial support of political campaigns and that the one dollar tax checkoff for presidential campaign financing—a form of public subsidy—is already in effect. Although we encourage additional study of the pro's and con's of some degree of public financial support, we are presently convinced that a system based on private contributions is preferable.

NO CONGRESSIONAL PAY RAISE THIS YEAR

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 1, 1973

Mr. BIAGGI. Mr. Speaker, I voted against Monday's proposal to provide for an immediate pay raise for Congressmen and top-ranking members of the executive branch for several important reasons. Most important is the fact that this country is experiencing one of its worst periods of inflation.

Food prices are rising at astronomical rates. The cost of living in general is going up rapidly. Underlying this upward spiral in prices is an ever-increasing rate of wages paid workers who are themselves caught in an inflationary spiral. It is imperative that this Congress set an example for all other wage earners to hold the line on their salaries.

Americans are already heavily burdened with the difficulty of enduring the economic crunch. To add an additional burden at this time would be a mistake in judgment.

Mr. Speaker, the one thing we have learned about the taxpayer is that he is fair. He is willing to assume a new burden if he is assured of the equity of such impositions. While the President is seeking to hold the line with a 5.5-percent wage increase limitation for the workers of America, it would be grossly unfair to go far beyond that for some 5,000 Federal employees among whom are Congressmen and Senators.

Clearly, by all equanimity some pay increase will be necessary in future. The inflation of the last 4 years has ravaged the last increase granted Congressmen. Many of us send our children to college, face high transportation, and living costs commuting back and forth to our district and have many expenses peculiar to the office. Congressmen, as public servants, should receive a pay raise every time all other Federal employees receive a salary increase.

However, this year is not the year to set any pay raises for Congressmen. We must give the supreme example to all other workers. Only if wage earners curtail demands for higher wage settlements, if management restricts executive salaries and if corporations keep profits to realistic levels, will we have a chance at licking this inflation gripping our country.

I hope the significantly large vote against yesterday's pay raise proposal will effectively doom such legislation until next year. At that time, if inflation is in better control, the economic outlook improving, and the Federal budget closer to being balanced; then, a congressional pay raise should be considered.

TRIDENT IS IMPORTANT

HON. ROBERT J. HUBER

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 1, 1973

Mr. HUBER. Mr. Speaker, the Detroit News recently viewed with alarm the reduction in funds for our new Trident submarine by the Senate in their editorial of July 23. We do not yet know what direction SALT II will take, and further than that we do not know the future intentions of the U.S.S.R. It is exceedingly dangerous to unilaterally reduce our potential to properly defend our country until we see whether an era of world peace really lies ahead and more whether or not there will be any reciprocal actions by Soviet Russia. The editorial follows:

Senators Playing With Fire

> The Senate Armed Services subcommittee on research and development, which recently halved the administration's request of $1.7 billion for the Trident, the third generation nuclear weapon firing submarine, continues to outguess Mr. Nixon on what bargaining chips he'll need to consummate a comprehensive SALT agreement before 1975.
>
> Its latest move is to strike out funds sought for development of a mobile missile launcher. The Pentagon had listed the need of such a launcher because of the danger posed to our force of 1,000 Minuteman missiles. That force is one of our three interdependent strategic weapon arms and includes the original Minuteman rocket and the Minuteman 3, which is a Minuteman armed with three independently targetable warheads (or MIRV's).
>
> The danger is posed by the mammoth SS9 missile which the Russians can arm with a 25-megaton warhead, by far the most destructive weapon in existence. So far the Russians have not mastered the art of MIRVing the SS9. If they do, they could MIRV their SS9's and target them on our Minuteman force based in hardened silos around the country. Our force could probably be wiped out.
>
> So, Mr. Nixon has four possible options open to him: dismantle all or part of the Minuteman force; defend the force with ABM's, an action which currently is barred by last year's interim SALT pact; superharden the silos by sinking them in layers of natural hard rock which would make them less vulnerable to attack; or put the Minutemen on mobile launchers, also to make them less vulnerable.
>
> The first option would demand some reciprocity from Moscow which is not likely to be forthcoming easily. We could compensate by placing more reliance on newer submarines and the new B1 bomber. But both are not yet out of the development stage and probably could not be deployed much before 1980. If the silos are superhardened, the Russians could counter by improving the accuracy of their SS9's.
>
> So the mobile launcher is an essential option at this stage of SALT negotiating. Yet a subcommittee which has never experienced bargaining with the Russians thinks it has the responsibility of striking bargaining chips from Mr. Nixon's hands. That is a surefire prescription for SALT disaster.

SMEAR THE PRESIDENT-COMMITTEE GOAL—THE PRESS FOLLOWS

HON. JOHN E. HUNT

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 1, 1973

Mr. HUNT. Mr. Speaker, "The Showdown," is the title of the cover story in this week's Newsweek magazine. You and I both know that this magazine is published by the Washington Post Co. which is "hell-bent" on destroying the President. In fact, they are trying so hard that one would get the impression that they are an adjunct to the Senate Watergate Committee.

In this week's feature story there are 10 instances where quotes are attributed to such people as "one midwestern Republican Senator," or a "GOP conservative on the Hill," and this one is good, "one somewhat hyperbolic party pro"—and they go on and on.

In the article the author or authors say that—

> His (Nixon's) defiance set in motion an unprecedented test of powers . . .

We can look at this from the President's eyes and say that the committee, not the President, initiated this so-called test. I will comment more on that one shortly.

Reading along, one finds that—

> Ehrlichman categorically denied any wrongdoing in Watergate, no matter what John Dean and miscellaneous other ex-colleagues said about him.

Now, for some reason, and I cannot understand why, the press and committee have set Dean on a pedestal and, if the testimony of others does not jibe with what he had to say, it is open to question and, as Senator INOUYE said, "He's a liar." John Dean, I am convinced, is out to save John Dean and no amount of apology on his behalf is going to erase that fact.

Continuing their attack on Ehrlichman, Newsweek says he "won few friends in the hearing room, and neither did his blanket protestations of innocence." As I have already mentioned, INOUYE called him a liar. Newsweek, however, says, "He was not alone on the committee." Who were the friends Mr. Ehrlichman did not win? In a later story, we find that the audience, highly emotional at times, and hardly ever gaveled down by Chairman ERVIN, was composed of "Bonanza's" Lorne Greene, well-known contributor to liberal causes, and John and Yoko Lennon—need I say anything about these two?

I could go on and on, but I will not. The reporting is questionable, contrived, fabricated, slanted, and wholly irresponsible.

William S. White has made some comments for the Republican congressional committee newsletter and I recommend them to my colleagues. Mr. White offers another viewpoint about what Newsweek calls an unprecedented test of powers.

Have Respect, Support

(By William S. White)

> President Nixon deserves the respect and support of the country for his refusal to appear before the Senate Watergate committee or to allow it to wade through the confidential files and tapes of the White House.
>
> Whether he will, in fact, receive that respect and support from the public no one can possibly say at this point. One significant thing, however, is plain already. This is that whatever the people may think of the President's action, the Senate itself is both favorably impressed—in spite of itself, in the case of some members—and deeply thankful that he has done just what he has done.
>
> For it is perfectly to clear, to borrow a favorite Nixonian expression, that under the Constitution the Senate has no right whatever to seek to put the President of the United States in its witness chair and no right whatever to dig into his White House files, whatever might be its motive.
>
> Moreover, Senators—not excluding those who are reaching for Mr. Nixon's vitals in

the Watergate scandals—know all this very well. In the hysterical atmosphere of the moment, they had felt under public pressure to "get tough" with the President and even to seek to subpoena him to appear before the Ervin investigating committee. They had been afraid that if they did not "get tough" enough they would themselves be accused of "cover-up". . . .

Accordingly, nobody could be more relieved than they are that the President has told them flatly that he isn't coming up to testify and that his confidential papers and tapes will stay where they are—in the White House.

For among the unthinking it will be the President who will take the heat for refusing to bow to what would have been an act of usurpation by the Senate.

Senators, in short, will remain pure and fearlessly in search of the truth. The President will be the bad guy; it will be only another "Nixon cover-up."

To have submitted, Mr. Nixon would have betrayed the institution of the Presidency, not to mention a long line of his predecessors who themselves had refused to bow to unjustified Congressional searches and seizures. Worse yet, he would have set a precedent of infinite danger to constitutional government. . . .

Let any President allow any committee on Capitol Hill to put him under cross examination or to amble through his private files and the Presidency becomes a mere adjunct of Congress. (How would Senators like to have their own confidential files thrown open to the President?)

Those who criticize Mr. Nixon today are lamentably shortsighted. What is at issue here, Watergate or no Watergate, is the integrity of constitutional government, as Mr. Nixon said in his letter of refusal to the Ervin committee. . . .

Indeed, the President's statement is in every sense a strong and worthy one—standing in sharp contrast, as most regrettably it does, to other and far less forthright communications from the White House concerning the Watergate tragedy.

For this statement Mr. Nixon is entitled to the Nation's thanks, no matter who did what to whom in the Watergate. And in these days when he is so beset by so great and so endless a flood of accusation and innuendo it is a pleasure to be able honestly to say that in politely telling the Senate to go to hell—on this one point—he has well served the Presidency of the United States.

FRANKLIN, IND., DAILY JOURNAL ON BUSING

HON. WILLIAM G. BRAY

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 1, 1973

Mr. BRAY. Mr. Speaker, a recent Federal court ruling concerning school desegregation in Indianapolis has been a source of concern to many in the area.

The following article by Mr. Al Stilley, of the Franklin, Ind., Daily Journal, July 30, 1973, describes the implications contained in the ruling. I was most impressed by Mr. Stilley's concluding sentence:

> It is hoped that a high court may rule that such social-educational experimentation is beyond the inherent powers of the Federal judicial system.

The article follows:

INTERIM

(By Al Stilley)

"I've never had to live with anything like this."

That comment was made by Greenwood Superintendent Dr. Earl Blemker within moments of reviewing Judge S. Hugh Dillin's historic and controversial desegregation ruling last week.

It should be pointed out that Dr. Blemker's comment, made as the head of a 3,300-pupil school system, is shared by other administrators from schools outside the Indianapolis Public School system to operate in Indianapolis by acts of "omission" and his subsequent inclusion of suburban schools as a solution to the desegregation dilemma should come as no surprise.

In his original finding of guilt against IPS, Judge Dillin in 1971 made several statements and brought out several acts of the General Assembly that resulted in a finding of guilt.

In regard to state responsibility in education, Judge Dillin stated, "Perhaps one of the greatest public misunderstandings as to the operation of the public schools of the State of Indiana is that the responsibility for the conduct of such schools is purely local . . . The fact remains that the ultimate responsibility for the public schools is placed squarely upon the State."

Judge Dillin also referred to a 1949 state law in which it became "the public policy of the state to provide, furnish and make available equal, non-segregated, non-discriminatory educational opportunities and facilities for all—regardless of race, creed, national origin, color or sex."

However, 12 years later, the General Assembly, permitted the establishment of Uni-Gov in central Indiana, and according to Judge Dillin: "For the first time, it became possible for a "school city" of Indianapolis, alone among the major school cities of the state, to have jurisdiction over a lesser territorial area than the corresponding civil city." He further suggested that the General Assembly's action in 1961 "may well have been to retard desegregation and promote segregation."

Last week, the court, through Judge Dillin's ruling, referred to those acts as acts of "omission tending to inhibit desegregation."

Based upon the aforementioned comments about state law and past acts of the General Assembly, it can reasonably be assumed that inequities in the boundaries of Uni-Gov and the Indianapolis Public School system provided a catalyst, however indirect, to the dilemma facing school systems outside the boundaries of Uni-Gov.

In Judge Dillin's latest decision, there was no finding of guilt of operating a segregated school system against those systems outside the boundaries of IPS. But yet, the suburban school systems were included in Judge Dillin's interim plan to desegregate IPS.

Why? The answer is contained in Judge Dillin's original 1971 ruling when he referred to "the ongoing flight to the suburbs by the white population of the school city (IPS)." It is the "ongoing flight to the suburbs" that Judge Dillin firmly believes will be stopped by the inclusion of suburban school systems. Therefore, he ruled that "the only feasible desegregation plan involves the crossing of the boundary lines between IPS and adjacent or nearby school districts for the limited purpose of providing an effective desegregation plan."

So it is that the court has ordered a further erosion of "home rule."

It must be pointed out that the practice of determining a finding against a segregated school system in the North is not as easily defined on the surface as it was more than a decade ago when the South's practice of operating "separate, but equal" schools for white pupils and minority pupils was a blatant violation of an individual's right to attend the school in his or her neighborhood. However, it was equally wrong to bus white pupils past all-black schools for segregated purposes in 1950 as it is in 1973 to bus black pupils past neighborhood schools for the purposes of desegregation.

In the aftermath of Judge Dillin's "interim plan" for desegregation, the rights of an estimated 5,700 IPS pupils seemingly will be violated because they will not be permitted to attend the school in their neighborhood and enjoy the eligibility of participation in all school functions in their neighborhood.

There was no evidence submitted by the U.S. Justice Department, which originally brought suit against IPS for failure to desegregate its schools, that any other school system outside IPS be involved in the solution to desegregating schools in the Indianapolis system. In light of references to Uni-Gov and IPS boundaries, it is perplexing to suburban areas why a court order was not made to align the boundaries of IPS with Uni-Gov.

To be sure, the eight suburban school systems outside Marion county are in a struggle for their very right to exist as a truly neighborhood school system.

The Greenwood school corporation's appeal of Judge Dillin's decision and request for a stay to prevent the interim (one-way) busing plan from going into effect this fall are necessary and proper steps to be taken.

Greenwood's civil city tax base and assessments are linked with Johnson county. It is deplorable that Greenwood schools and its citizens are being ordered to provide solutions to problems facing the Indianapolis Public School system.

The forced one-way busing of IPS students into the suburbs will obviously be costly and confusing. It will be an unnecessary drain on the talents and abilities of school administrators.

The fact remains that the Greenwood School Corporation has never refused admission to any pupils living within its boundaries—regardless of race.

But yet, the Greenwood Community School Corporation and other suburban schools near Indianapolis have been ordered by a judicial branch to participate in a social-educational experiment.

It is hoped that a higher court may rule that such social-educational experimentation is beyond the inherent powers of the Federal judicial system.

MORE TALK OF KENT STATE

HON. WILLIAM S. MOORHEAD

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 1, 1973

Mr. MOORHEAD of Pennsylvania. Mr. Speaker, there are many of us in this body who feel that the Justice Department was less than zealous in its pursuit of the truth regarding the incident 3 years ago at Kent State University, when Ohio National Guardsmen shot and killed four students and wounded a dozen more.

Former Attorney General Mitchell admitted that the action taken by the guardsmen was without warrant and unjustified, yet refused to respond to 20 Members of Congress who asked that he convene a Federal grand jury to investigate the killings.

In the light of current events, the

stench of political expediency permeates John Mitchell's personal finding.

While the Justice Department titillates us with glimmers that it might reopen the Kent case, I believe the only hope of candor concerning Kent is for a committee of the Congress to conduct its own investigation of the Justice Department's handling of the matter.

Douglas Pike, writing in an issue of the Boston Globe, recently offered his thoughts on the Kent State case.

I include his article in the RECORD at this time for the information of my colleagues:

WATERGATE AND KENT-STATE: TWO FACES OF JUSTICE

(By Douglas A. Pike)

The wound that is Watergate will heal in time, and the body politic may eventually be sounder for the whole operation. The cutting edge of truth has reached a threshold in probing the murky remains of criminals and accomplices where the force of events will carry it onward.

The stench is thick, the sickness deep, but the system of justice has the momentum. It will be a field day for law and order, and a bad day for some of its loud proponents.

The venom at a college town in Ohio three years ago received a different treatment. The aftermath of that sunny May 4 at Kent State demanded much in time, less in truth. It left a festering wound that should be examined in the light of Watergate, even though the time for justice at Kent may have passed. The politicized justice that wrapped up the tragedy with glib homilies and regrets may provide a lesson for us now.

The Kent crimes were easy prey to obfuscation. In 1970 the nation was indignant over the growing student strike against the President's invasion in Cambodia. There had been violence the weekend before Monday's campus rally. Protestors hurled rocks and obsenities after the National Guard broke up the Monday rally. The besieged Guardsmen were unlike the sneaky Watergate gang, and their victims were "campus bums," not defenseless Democrats.

Yet the search for truth began hopefully. The FBI investigation rejected Guard claims of sniper fire, and placed all but two of the protesters down a slope, nearly the length of a football field away when the killing began. The Scranton Commission labeled the deaths "unnecessary, unwarranted and inexcusable." But the reality of public opinion asserted itself with the state grand jury's indictment of one professor and 24 students and outsiders.

That reality finally closed in on the search for truth in 1971. Ohio's failure to act against the National Guard had left a possible conspiracy as one of the few grounds for Federal action. Then Attorney General John Mitchell announced on August 13, 1971, that there would be no Federal grand jury. Amid words of sympathy to the parents, Mitchell said "there is no credible evidence of a conspiracy between National Guardsmen to shoot students on the campus." He had found no conspiracy.

Against the bureaucratic inaction of responsible persons, one man has stood tall for justice. An insurance agent in New York, Peter Davies, had no connection with those who fell at Kent. He immersed himself in thousands of hours of research on the killings, and submitted a 227-page "Appeal for Justice" to the government two months before Mitchell's decision to drop the case.

The report showed contradictions in statements to the FBI and in testimony before the state grand jury and the Scranton Commission. Davies charged a conspiracy among eight to 10 National Guard members to shoot certain demonstrators, followed by a conspiracy of silence to cover up the facts. He argued that a Federal grand jury's power to grant immunity from prosecution would produce someone willing to reveal the truth.

Davies still hopes to force out the facts. He has carried on, undaunted by the Grand Jury's whitewash or Mitchell's eyewash. A National Guard member has sued him for $3 million because of his charges, yet Davies will publish a book this month based on his research. His fragile hope lies in the possibility of a congressional investigation.

The memory of May 4 has faded for most Americans, but Davies is prodded on by the spectre of unnecessary, unwarranted and inexcusable death three years ago today. Jeff Miller lay dead 270 feet from the Guardsmen, shot through the mouth. Allison Krause, Bill Schroeder and Sandy Scheuer lay dying, even farther away. Dean Kehler fell badly hurt at 300 feet, shot in the back.

One year ago in the Daily Kent Stater, Peter Davies reflected on the failure of justice at Kent. On the third anniversary of those deaths, his words can be directed to the present quagmire. "Our laws and judiciary are the backbone of this free society. Break it for the sake of political expedience and institutional imagery and our society will be as crippled as young Dean Kehler is for the rest of his life."

Douglas Pike is a San Francisco-based writer.

RISING FOOD PRICES

HON. JAMES HARVEY

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 1, 1973

Mr. HARVEY. Mr. Speaker, during this period of rising food prices, I think we are often tempted to search for a culprit. We assume that someone must be to blame for these soaring prices. That someone is certainly not the small farmer.

As evidence I offer a recent article from the Detroit Sunday News discussing the experience of a young couple in my district who are striving to earn a living from dairy farming. More than 3 years ago, Mr. and Mrs. Ron Beatty of Lapeer County, Mich., abandoned the confinement of the city and decided to gamble on "the good country life." This experience has taught them that dairy farming is a demanding enterprise in which expenses can easily outstrip income.

Mr. Speaker, I believe the comments of the Beatty family are not unusual among Michigan dairy farmers, and for this reason I commend this article to my colleagues:

LAPEER DAIRY FARMER LOSES $80,000 GAMBLING ON THE "GOOD COUNTRY LIFE"

(By Doug Bradford)

Ron Beatty, a farmer, calls himself a rural gambler.

He has run a $40,000 debt to $80,000 in three years, and at the rate he's going is afraid he'll be out of business in six months.

The story of how Beatty, 39, took his pretty wife, Joan, 30, from suburban Warren to the Lapeer County countryside is the old one of dreams versus reality.

Unfortunately, as Beatty will tell you, it's tough to make a buck down on the farm—a premise substantiated by the State Agriculture Department's marketing division.

The average farm income is $3,392, said Forrest Strand, the division's acting director. "That's just not enough," he added. "A tractor alone costs $10,000, and you need a lot more equipment than that."

He's not telling Beatty anything. Buying equipment "with the help of my friendly banker" is one of the ways he acquired that sizable debt.

"If I wanted to buy a combine it would cost $35,000, about the price of a new house in the suburbs," Beatty said.

Beatty, a Royal Oak fireman, and his wife, a hairdresser decided to leave the confinement of the sprawling metropolis 3½ years ago for life of open air, sunshine, and, hopefully, their fortune.

Today, they said, they are glad Beatty continued working for the fire department and she one day a week at the beauty parlor. They don't think they would have made it as far as they have, otherwise.

Their 96-acre spread on a dirt road a few miles east of North Branch had stood empty for about five years, and they applied at "about a dozen" lending institutions before they could buy it.

One of the reasons the Beattys took a chance on a business they knew little about was because few people are going into farming, especially among the younger generation.

Strand said most of the state's farmers are 45 or over, with the highest percentage in the 55–64 bracket. Young people, he said, are finding more money and considerably less responsibility today in factories and construction work.

The Beattys have tried hard since becoming dairy farmers. They bought dairy cows at $525 each, gradually building their herd to 48.

They expect to gross about $40,000 this year with that many—and still lose money.

In fact, Beatty said if he hadn't been able to depreciate his holdings at income tax time he wouldn't have shown any profit on dairy farming. His losses, not figuring the depreciation, were $9,000 the first year and $6,000 the second, he said.

The Beattys say there are reasons for this aside from their heavy payments on the property, equipment and cows.

There are other kinds of overhead which may vary with the season and the economy. Perhaps most significant recently has been the drastic price increase in soybeans, a food high in protein and much desired for increasing the milk yield in dairy cows.

"I paid about $105 a ton for soybeans last fall, and now I'm paying $320 and have paid as high as $380," Beatty said.

"When I switched to a lower-priced feed with less protein my daily milk yield dropped 700 pounds. That cost me $60 a day."

Some cows, Beatty explained, just will not produce as much milk with a protein-lowered diet. So he had to switch back to soybeans.

Beatty sells his milk at about 13½ cents a quart, but the feed, he said, costs him about 9½ cents for every one of those quarts.

Both he and Thomas Thorburn, Lapeer County agricultural agent, claim Beatty can't make any money on the four-cent difference.

There is too much overhead, including medicine, veterinarian's fees, electricity and so on.

One bad day at the farm, Beatty said, one of his $525 cows calved, but both animals died. He had a flat tire on his tractor, blew a motor on his truck and a hired hand flipped over a new hay wagon in a bit of reckless maneuvering.

"How much can you take?" he asked. "I went into the house for three or four belts out of the bottle and went to sleep."

Beatty points out that he has no union to represent him when things go wrong and gets no overtime for the 19-hour day he often puts in on his seven-day-a-week job.

"There's no paid vacation, either," he said. "When the cows are ready to be milked you better be there to milk them . . . and they don't understand daylight saving time either, so you can't milk them an hour earlier than they're used to . . . they're temperamental."

But his biggest gripe is that he believes he and other farmers do not receive enough money for the investment and gamble they take.

Mrs. Beatty, the first woman delegate to the Michigan Milk Producers Association, said this is the complaint aired most often at the association's monthly meetings in Detroit.

In this connection, farmers also complain that consumers, unhappy with rising food costs, do not understand or appreciate the amount of work for a low financial return in farming.

"We used to live in the city, and we used to complain about food prices, too," Mrs. Beatty said. "But no more—now we know what is involved."

While farmers like the Beattys chase runaway cows, try to save the delicate lives of calves—which have a high mortality rate—and pull milk trucks down icy roads with farm tractors so the milk can get to market, the consumers, they say, are busy with other things.

The farmers say too many consumers who complain about rising food prices think nothing of buying snowmobiles or other luxury items, including convenience foods it took farmers hours to produce but which may be prepared in a few minutes.

Mrs. Becky Tompkins, of the Michigan Agricultural Commission, charged that American consumers have been "spoiled" by low food prices in the past.

"They pay outrageous prices for luxuries but complain about food prices which are lower than in any other country," she said.

Beatty said that if he could have a luxury it would be a magnet finder for the neck of one of his better cows. The magnet triggers an electronic system at the feeder which provides more protein for a good milk cow, leaving less productive critters with less nourishment in their meal.

"But I'm afraid I will have to spend $25,000 for a manure liquifier if the ecology people get a state law requiring farms to have them," he declared. "Can you imagine $25,000 for that?"

Problems posed by people such as the Beattys are helping decrease the number of farms and farm acreage in Michigan, Strand said.

In 1910, Michigan had 206,960 farms on 18,940,614 acres. The acreage increased to 19,032,961 the following year, but the number of farms decreased about 10,000.

Strand said that, according to the latest figures, a steady decline that began in the early 1940's during World War II put the number of farms in 1971 at 85,000 on 13 million acres.

Farms that prosper usually have at least 45 acres, Strand said. But although the marginal farmer has all but faded from the scene many farmers work at other occupations, as does Beatty.

A large dairy farm today—bigger than that of Beatty who started small—is a $250,000 investment.

"You don't find too many people with that kind of money to invest in something as risky as farming," Strand said.

Why, then, do people go into farming?

Well, there is the dream of having the good life away from it all, and of someday finally making a success.

The Beattys' for example, say that if milk prices go up and feed prices go down in the next six months their chances of winning the gamble will be much better.

"But you better like this business because there isn't much else, and everyone in the family works at it," Mrs. Beatty said. She even has taken a course on how to milk cows—and likes it.

"And on top of everything else," Beatty added, grinning, "we have four daughters. We don't even have any sons coming along to help with the heavy work."

MARINE CORPS LEAGUE'S FIRST 50 YEARS

HON. WILLIAM F. WALSH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 1, 1973

Mr. WALSH. Mr. Speaker, on August 19, the Marine Corps League will hold its 50th Anniversary National Convention in Miami Beach. This most worthy organization has an enviable history and I would like to take this opportunity to insert into the RECORD excerpts from that distinguished 50-year history for my colleagues to share.

The excerpts follow:

THE MARINE CORPS LEAGUE: A HISTORY OF THE FIRST 50 YEARS, 1923–73

(By Richard J. O'Brien)

"THE MARINE CORPS LEAGUE"

"The Marine Corps League is an alumni association of the United States Marine Corps. Its membership is open to men who have served before, during, and since the World War. Thus it is in a position to grow progressively stronger each year, because more and more persons will become eligible for membership. It is asserted by its members that the potential membership of the league now is approximately 100,000, and that its actual membership is spread throughout the country."

Congressman Arthur D. Healy of Massachusetts used the above words in 1937 in support of his successful bill which incorporated the Marine Corps League. President Franklin D. Roosevelt signed it on August 4th of that year, making the Marine Corps League one of the very few veterans organizations chartered by the U.S. Congress

The enactment of this bill followed by fourteen years the founding of the Marine Corps League at the Hotel Pennsylvania in New York City on June 6th, 1923, a date especially chosen, as it was the fifth anniversary of the U.S. Marine counterattack in Belleau Wood. Thus, from the very first the League sought to commemorate events of special interest to Marines.

The forming of the League took place during an All-Marine Caucus called by Sidney W. Brewster of New York a retired Marine major, who was Commandant of the Marine Corps Veterans Association (MCVA), forerunner of the League. The MCVA itself was formed only eight months before on the 147th birthdate of the Corps, November 10th, 1922, in the Hotel McAlpin, New York City. It was composed of individual groups of Marines who had banded together after the First World War to perpetuate the Marine Corps Spirit in their own communities. In their ranks were Marine veterans of the Civil War, the Spanish-American War, and the First World War, as well as several expeditions in between.

THE FIRST DECADE, 1923–33

There was much debate at the All-Marine Caucus about the name of the group to emerge from the reorganization of the Marine Corps Veterans Association. The more than 150 delegates representing every section of the Nation were in agreement that this, the first national Marine Organization, would embrace in-service Marines as members as well as civilian Marines. Since, at that time, active duty Marines were not officially considered "veterans" (even though many had fought in countless campaigns all over the globe), the group voted to change its name, and the MARINE CORPS LEAGUE was born.

While all the delegates who attended are co-founders of the League, one of their ranks is considered the Father of the Marine Corps League, and that is John A. Lejeune, the Major General Commandant of the U.S. Marine Corps, and first National Commandant of the League.

"Johnny" Lejeune gave to the League three mottos: *Semper Fidelis* (Always Faithful); Once a Marine—Always a Marine; and "All for One and One for All." This latter caused him to mobilize the recruiters on behalf of the League, and the League on behalf of the recruiters and the Reserves. His strong backing and encouragement enabled the League to get a good start. Many of his officers at Marine Headquarters doubled in brass in the League, including Major J. C. Fegan as our National Adjutant, and Sergeant A. E. Beeg as Paymaster. Lejeune was elected to six consecutive one-year terms as National Commandant.

National Conventions were held in the fall each year of this first decade from New York to Chicago to Dallas, and cities in between.

Of major importance was the League's involvement with the Belleau Wood Memorial Association (BWMA) in the efforts to preserve that Marine Corps battlefield in France. Through considerable effort the League was able to finance the operation of the Wood for a two year period. The cost was becoming too heavy a drain on the fledgling League and too great a burden on the BWMA. At last the battlefield was turned over to the American Battle Monuments Commission. The Commission maintains Belleau Wood to this date as an historic park.

Lejeune firmly believed that the Marine Corps Commandant should be Commandant of the League. So, when he retired from active service, he stepped down as League Commandant as well, recommending Major General Wendell C. Neville, his successor as Commandant of the Corps, to head the League. In response, on April 3rd, 1929, the National Staff of the League elected Neville, a holder of the Medal of Honor, as National Commandant.

Neville, while accepting the post, believed the League should be civilianized. He asked W. Karl Lations of Massachusetts, the seniormost Vice Commandant, to run the League in his stead. This Lations did, and he was subsequently elected as the first civilian commandant at the 1929 convention in Cincinnati. Among his accomplishments was to move the League headquarters to downtown Washington from Marine Corps Headquarters. Lations' major contribution as Commandant was the conversion of the League to a civilian business-like basis for the benefit of all.

By its policy the League is "non-political, non-partisan, and non-sectarian." But the League has always reserved the right to engage in political and legislative issues which effected the welfare of the U.S. Marine Corps, the League itself, and of its constitutent or subsidiary organizations, and the rights, privileges and benefits which were based on military service of any members thereof.

The League used its legislative weight to back legislation favorable to Marines and other veterans, and to oppose that which was not.

THE SECOND DECADE, 1934–43

The membership strength of the League improved every year, rising to 17,143 by the end of the second decade.

Jerome D. Cohen of Massachusetts, National Junior Vice Commandant in 1937, was the force behind the movement for federal incorporation of the Marine Corps League. Working through Senator David I. Walsh and Congressman Healy, both of Massachusetts, he was successful in securing passage of this significant bill on August 4th, 1937.

Thus, a new era began, and the Marine Corps League, under National Commandant Maurice A. Illch, gained greatly in national stature. (Before he was to pass away in 1972, Illch would be accorded the title of "Grand Old Man of the Marine Corps League" because of his great spirit and many faithful years of prior and subsequent national service).

Although several detachments of the League had auxiliaries for years it was not until the 14th National Convention in Akron in 1937 that the Marine Corps League Auxiliary was chartered as a national subsidiary organization. The first National President was Marian L. Harper of New Hampshire.

In 1942 League Commandant Chris Cunningham and National Adjutant-Paymaster Steve Brown started publication of a monthly tabloid, the *Marine Corps League Bulletin.* It quickly won the approval of the membership and before long had a press run of 45,000 with some editions being 32 pages. From 1924–1940, League news had been carried in the pages of *Leatherneck Magazine.* But from 1942 on, the League published its own paper or magazine, with the banner years being 1942–50 under Cunningham and Brown.

In 1943, under the leadership of Thomas Wood of Ohio and Alexander F. Ormsby of New Jersey, the League spearheaded a drive for proper post-war plans for the benefit of veterans in the area of Rehabilitation. This embraced the setting up of clearing houses in Cincinnati and other cities by business houses and industrial leaders. Veterans were given vocational guidance and efforts were made to place them in the type of work for which they were best fitted. The services of medical specialists were enlisted for those suffering from rare diseases and arrangements were made to secure treatment for them at nominal cost, far below regular fees.

THE THIRD DECADE, 1944–53

The League achieved its membership high shortly after World War II when 27,664 were carried on the rolls under League Commandant Thomas Sweeney of Illinois.

Under Commandant Alan Stevenson of New York in 1945 the Marine Corps League was accorded the privilege of representing Marines before the Veterans Administration (VA) in presenting claims and obtaining veterans rights. Florence E. O' Leary of Ohio became the first Service Officer.

The following year the Internal Revenue Service exempted the Marine Corps League from income tax payments. The Service also declared that its Auxiliary units would be deductible income tax items.

With the end of World War II America turned its focus on its returning disabled veterans. League and Auxiliary members and representatives of other groups visited them in VA hospitals, volunteering their free-time in behalf of the sick and wounded. To coordinate the efforts of these volunteers, the Veterans Administration Voluntary Service (VAVS) program was created. The League and Auxiliary supported the VAVS program from the beginning, and continue to do so today, 27 years later, as a program that literally goes to the heart of the Marine Corps League.

In 1944, a Marine Corps recuperation center in Oregon came to the attention of the League when Leaguers from Portland tried to obtain recreational equipment for returning veterans of the Pacific campaigns. An almost spontaneous League effort to assist the Marine Barracks, Klamath Falls, resulted. League and Auxiliary detachments across the country sent the needed equipment, and funds for other recreational purposes. L.L. Pittinger of Oregon became a full-time League Service Officer there. The concerted effort remained through the close of the Barracks two years later.

Following World War II the Marine Corps League adopted a project for the erection of the heroic-sized bronze statue of the flag raising on Iwo Jima by Felix DeWeldon in the Nation's Capitol. Congress approved of the project, the Department of the Interior provided the land, the Fine Arts Commission approved the design, and the U.S. Marine Corps favored the project all the way. All that was needed was for the League to come up with the anticipated cost of $250,000. This proved to be a Gargantuan fund-raising task for which the League was not organized. National Liaison Officer, Colonel Jean W. Moreau, USMC (Ret.), then formed an independent organization, the Marine Corps War Memorial Foundation, Inc., which raised the money from regular Marine Corps units, Marine Corps Reserve (inactive), and other sources. League and Auxiliary contributions exceeded $7,000. Final costs were placed at nearly one million dollars. When the monument, erected to the memory of our comrades who have fallen on all the fields of battle in Marine Corps history, was dedicated on November 10th 1954, National Commandant George K. Shamgochian of Massachusetts and other distinguished Leaguers were in attendance. In 1950, the outbreak of the Korean War and the resultant mobilization of the Marine Corps Reserve cut a wide swath through the ranks of the 30% of the membership was called up. Whole detachments were mothballed while its members went off to war. Every issue of the League *Bulletin* carried names of Leaguers killed in action. Some of these Marines held office on the department level.

Throughout this decade the League continued to back legislation of importance to the Corps. It fought unification and the abolishment of transfer of the U.S. Marine Corps to the Army. In the battle to make the Commandant of the Marine Corps, a member of the Joint Chiefs of Staff, the Honorable Mike Mansfield of Montana and Brigadier General James P. S. Devereux, USMC (Ret.), the hero of Wake Island, testified in their individual capacities as representatives of the Marine Corps League, rather than as members of Congress, which they were. Their testimony, and thousands of letters to congressmen from Leaguers, helped to turn the tide of victory.

In an effort to combat Communism, the League conducted nationwide Americanism drives and engaged in educational work through the medium of speakers in the organization.

THE FOURTH DECADE, 1954–63

In order that the League might be suitably represented at ceremonies in holidays and other important occasions. two area Marines, John P. Lester of the District of Columbia and Raymond B. Butts of Virginia, formed the League's National Guard of Honor. Appropriately uniformed, the Guard appeared numerous times throughout the decade at parades, funerals, and other significant occasions at the call of the national Commandant where the National Colors were presented.

One of the League's key programs developed during this period. The Marine Corps League Foundation Fund, conceived and led by Herbert Rose and Claude H. Downing of Florida, was created to assist certain qualified persons in acquiring an education above or equivalent of the scholastic high school level. First presented at the 33rd National Convention in Miami in 1956, the Foundation Fund was approved the following year at the convention in San Jose, California. Through the present time all funds received by the Foundation are still intact.

Out of a desire to recognize its own. the League, in 1959, instituted the National Marine of the Year Award. The first recipient was I. D. Hale of Wisconsin, for his outstanding efforts in League and veterans affairs. There were several subsequent years where no award was made as none were found qualified for such a high honor.

This decade commenced with the publication of a Marine Corps Order encouraging close cooperation with the League by Marine Corps officials. The freshening and strengthening of relations between the Corps under General Wallace M. Greene, Jr., and the League under Raymond B. Butts, was a felicitous beginning for the coming years.

With the advent of the Vietnam war the League threw its support behind the Civic Action Fund for Vietnam, sponsored by the Marine Corps Reserve. Throughout the period of active Marine Corps involvement in Southeast Asia, the League and Auxiliary donated untold thousands of dollars to the Civic Action Fund for General Lew Walt's use in waging his important 'other war' in Vietnam.

On a note of pride, and "to perpetuate patriotism and valor," the League and Auxiliary teamed up in 1965 to construct entrance gates to the grounds of the famous Freedoms Foundation in Valley Forge, Pennsylvania. National Commandant Burton P. Daugherty of Michigan and National President Helen Robinson of New York presided at the ceremonies which were attended by high-ranking civilian and military officials. The dedication coincided with the League's 42nd National Convention in nearby Harrisburg, Pennsylvania.

The fifth decade saw the Marine Corps League adopt its two great Youth programs, Young Marines, and Youth Physical Fitness.

Originating as an idea of the Brass City Memorial concept grew and was formally established as a League-wide program by resolution of the 41st National Convention meeting in Wichita in 1964. Commandant Daugherty signed the National Charter at Ansonia, Connecticut on October 17th, 1965. The first director of Young Marines was Steve Zuraw of Connecticut. This action program for youths 8–17 emphasizes eight points basic to the development of Young Marines: citizenship; leadership; physical fiitness; school; home and outside activities; personal habits; character; and drill. Its motto is "Our Youth is the Future." By decades end over 5,000 Young Marines were enrolled in 65 detachments located in 21 states.

Youth Physical Fitness, the second of the League's two ever-expanding youth programs, was adopted by the League at the 1967 Mid-Year Staff Meeting in Arlington, Virginia. The program had been a great success in Ohio, where in 1965, it earned a Gold Medal from the Freedoms Foundation at Valley Forge "for outstanding contribution to the youth of junior and senior high school age through its physical fitness program."

Walter A. Churchill of Ohio, the Father of the Youth Physical Fitness Program of the Marine Corps League, conceived the program, largely financed it through its developmental stages, and serves today as its National Chairman. The program is currently operating in 20 states with a potential of five million or more youths participating. The goal of 20 million youths participating by 1975, the 200th birthdate of the U.S. Marine Corps, has been established.

To help finance both the Young Marines and the Youth Physical Fitness programs, Churchill, a Past National Commandant, developed the United States Marines' Youth Foundation in 1968. This carefully organized Foundation provides support for appropriate youth activities sponsored by Marine Corps-oriented organizations. It has helped enable the League's youth programs to develop without undue concern for funding and helped ensure their success.

At the 1971 Mid-Year Staff Meeting the League's Board of Trustees voted to support Marine Corps' desires that there be created a United States Orienteering Federation (USOF). This was reaffirmed at the 1971 National Convention in San Antonio. The Marine Corps had adopted orienteering, a world sport combining cross-country running and land navigation, as a military sport. Under the League's umbrella an organizational meeting was held at League Headquarters on August 1st, 1971, at which a complete set of By-Laws for the USOF was approved. The USOF, which embraces civilian and military orienteering clubs and individuals, was later incorporated under the laws of Virginia, and was accepted into the International Orienteering Federation (IOF). The President's Council on Physical Fitness and Sports has since recognized orienteering and approved it for participation in the Presidential Awards Program, a significant step.

Two long-time Leaguers from Ohio, Philip A. Schloss and John L. Kleinhans, were elected USOF President and Secretary/Treasurer respectively. The USOF, spawned and still assisted by the Marine Corps League, already has had a tremendous impact on orienteering in America. Its influence is expected to grow with the passage of time.

Throughout this period the League's voice was raised in concern over such issues as drug abuse, possible amnesty to draft dodgers, our POWs/MIAs, and the planned reduction in the number of beds in our VA hospitals. On the local level the Golden Triangle Detachment of Texas commenced its successful HALT Program. (Hire a Leatherneck Today) as one example of Leaguers helping in the important area of jobs for veterans.

As this goes to press National Commandant Gilbert E. Gray of New York is preparing to go to Belleau Wood, France, with a veteran of that battle and other Leaguers to commemorate the 50th birthdate of our beloved Marine Corps League. U.S. Marines and French and German officials have been invited to meet there in friendship, and to help commemorate the golden occasion with planting a tree, conducting respect for the past, and hope for the future.

WATERGATE'S HANGING JUDGES

HON. JOHN E. HUNT

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 1, 1973

Mr. HUNT. Mr. Speaker, it came as shock to me yesterday morning while perusing the Washington Post, to find, completely hidden from anyone with less than 20-20 vision, an article about someone who actually wants to help President.

Although it is not exactly equal space, I was so overcome by the courage of our great local paper to print the article, I felt I must share it with my colleagues and enshrine it for posterity in the RECORD.

My hat is off too, to Rabbi Baruch Korff, who is not afraid to stand tall and be heard.

The article follows:

RABBI HEADS PRO-NIXON CAMPAIGN

NEW YORK, July 30.—A citizens' committee headed by a Massachusetts rabbi has started a campaign against the "vigilante atmosphere" of the Senate Watergate committee, charging most of its members are "hanging judges" trying to destroy President Nixon.

The committee took out a $5,772 advertisement in Sunday's New York Times headed "An Appeal For Fairness."

Rabbi Baruch Korff, 59, of Rehoboth, Mass., who gained fame in the 1940s for his work in the rescue of Jews from Nazi Germany, is the temporary chairman of the group.

ARTS AND HUMANITIES AND MILTON PREVES

HON. SAMUEL H. YOUNG

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 1, 1973

Mr. YOUNG of Illinois. Mr. Speaker, this past June 14 I joined with a majority of the Members of this body in voting to authorize $145 million for the extension of the National Foundation on the Arts and Humanities Act. In view of the need to curtail Government spending this was not an easy decision to make. Knowing the importance of the arts and humanities to American culture, however caused me to support and encourage artistic and humanistic endeavors.

These programs have been highly successful in the past. For example I am pleased to bring to the attention of my colleagues the many musical accomplishments and achievements of Mr. Milton Preves of Glenview, Ill., a member of the Chicago Symphony Orchestra since 1934 and musical director of the North Side Symphony since 1948.

Mr. Preves is principal violinist of the Chicago Symphony, professor of viola at DePaul University in Chicago, and a member of the Chicago Symphony String Quartet.

Despite these many pressing responsibilities and obligations, Mr. Preves has spent the last 25 years involving himself in a host of community and neighborhood musical activities.

Mr. Preves has been director of the North Side Symphony since November 21, 1948, the day he conducted his first concert with that orchestra at the Loyola Community Theatre. It is the oldest nonprofessional orchestra in the Chicago area, dating from April 30, 1941, when it presented its first concert in Chicago's Eugene Field School.

Members of the North Side Symphony are from the north and south sides of Chicago, the city's northern suburbs, and from as far away as Michigan City, Ind. It is a fitting tribute to Mr. Preves that several of these musicians have gone on to become members of the Chicago Symphony and to perform beside their former mentor.

During its 32 years of performance, the symphony has performed nearly every classic symphony. In the last 2 years alone, its musicians have played the Chausson Symphony in B Flat Major, the Schumann Symphony No. 1, and the Shostakovich Symphony No. 5. In other years, violinist Mischa Mischakoff has performed with the orchestra, and Samuel Thaviu, violinist, and Joseph Schiachitano, cellist performed the Concerto in A Minor by Brahms.

This season the North Side Symphony has given nine concerts. In addition to its regular performances in high school auditoriums on the north side of Chicago, the symphony has also participated in classical choral concerts in Austin, Elk Grove Village, Westchester, and Glenbrook South High School. I think my colleagues will agree that this is an outstanding record in view of the fact that most community orchestras perform only 3 or 4 times a season.

After a recent tour of the east coast with the Chicago Symphony Orchestra, Mr. Preves was immediately faced with preparing the North Side Symphony's final concert of the season. This was held on June 3 in Chicago's Orchestra Hall and featured soloist Mitchell Andrews, who performed the Tchaikovsky Piano Concerto No. 1.

The Overture to "An Italian in Algiers" by Rossinni and the Sibelius Symphony No. 1 in E Minor also were played. I know from those that attended that this was an outstanding performance to mark the end of the Symphony's winter season.

I might also note that Mr. Preves has conducted musical performances of the Civic Symphony of Oak Park-River Forest, the Wheaton Summer Orchestra, and the Gary Symphony.

Mr. Preves is to be especially commended for his encouragement and special emphasis on the training of youth soloists. Each year, the winners of a youth competition are the soloists for the North Side Symphony the following year. Mr. Preves has perceived wisely that young artists need performing opportunities and that the neighborhood community orchestra is an excellent place to give them such opportunities. Violinist Elaine Skorodin and Jeffrey Siegel are two young artists who have won the competition in the past and then successfully pursued musical careers. Mr. Siegel has won international awards and is now an artist in residence at the National College of Education in Evanston, Ill.

During his long and distinguished musical career, Mr. Preves has received many awards, including the 1973 Library of Congress Achievement Recognition Award, the 1969 Hadassah Myrtle Wreath Achievement Award, the 1968 Steinway Award for contributions to the musical life of Chicago and the American String Teachers Citation for Excellence.

I feel sure that all my colleagues join with me in commending and congratulating Milton Preves on his numerous accomplishments and his outstanding work with the North Side Symphony Orchestra. His enthusiasm and dedication to his profession are indeed an example for us all.

A POLITICAL POSSE RUNNING THE AMERICAN INQUISITION

HON. ROBERT H. MICHEL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 1, 1973

Mr. MICHEL. Mr. Speaker, from time to time there is expressed in the media a concern as to how we in this country are viewed and evaluated by people living in other parts of the world and this concern has been voiced a number of times since the Senate committee began its hearing into Watergate and related matters.

In that regard I noticed a column by Mr. Bernard Levin appearing in the June 21, 1973, edition of the London Times which gives the viewpoint of a foreign observer with respect to the style and performance of the Senate Committee. I insert the text of the column in the RECORD at this point:

A POLITICAL POSSE RUNNING THE AMERICAN INQUISITION

(By Bernard Levin)

I have just come back from ten days or so in America, where I watched a good deal of the Senate inquiry into the Watergate affair; the proceedings are being carried live and in full on television, with generous repetition in the evenings. I do not know what sort of viewing figures the business is getting, but it must certainly run into millions, perhaps tens or scores of millions. And it is just about the most scandalous violation of every standard of justice to take place in a free society since the Southern gentry abandoned lynching as their favourite outdoor sport.

Mencken called the United States Senate (and in a piece commiserating with Presidents on some of the burdens of their office, at that) "the windiest and most tedious group of men in Christendom", and it does not seem to have changed much, except for the worse, since his day. To start with, the conduct of the Chairman, Senator Sam Ervin, is so deplorable that the lack of any serious protest against his behaviour is in itself a measure of the loss of nerve on the part of so many distinguished Americans, in the press, the academic world and politics itself, who would once, in similar circumstances, have been campaigning vigorously to bring him to heel. (As far as I know, nobody has even bothered to draw pointed attention—or unpointed attention, for that matter—to the fact that Ervin is up for re-election next year.)

Senator Ervin, in his chairmanship of the committee, has clearly determined on two things. First is that he is going to play the role of simple ol' Sam Ervin from Dogpatch, North Carolina, first cousin to Mammy Yokum and dispenser of the same brand of homespun wisdom that grows 'way down among the grassroots. He does not (at least he didn't while I was watching) actually chew tobacco and spit the juice into a brass spittoon, snap his galluses or use a fly-swatter, but the mugging and grimacing, the posturing and posing and hamming, which would get the sixteenth spear-carrier from the left flung out of Barclays Bank Musical and Dramatic Society even if his father was the chairman, indicate, as clearly as if he had a sign up admitting as much, that he is having a whale of a time in his first experience of nationwide limelight, and that he not only knows when the cameras are on him, but exactly when they start to move in for a close-up.

One of the sadder phenomena of this business is the way in which the liberal establishment of America, in its insatiable greed for President Nixon's destruction, has tried to suggest that Ervin is a kind of reincarnation of Clarence Darrow, which would be all very well if it were not for his record of implacable opposition to civil rights legislation, and, incidentally, his no less consistent record of support for the American involvement in Vietnam. (But the American liberal—or, more correctly, pseudo-liberal—establishment does not mind how muddy is the stick with which it beats its devil-figures; Senator William Fulbright, whose record on civil-rights legislation is hardly less lamentable than Ervin's, and who topped even this sorry aspect of his career when he sneered that it couldn't possibly matter to a Vietnamese peasant whether he lived under a Communist or a non-Communist Government, was the great hero of the sloppier American left, whose concern with Negroes and Vietnamese alike was in many cases a good deal less than their enjoyment of the nice, warm feeling their opposition to the Vietnam war gave them.)

Worse, however, than Senator Ervin's yokum-hokum is the way in which he was clearly decided that some of those appearing before him under suspicion of various malpractices are heroes, and some villains. Mr. Maurice Stans, for instance, was a villain; his interrogation (and most of the rest of the committee seem to take their cue from Ervin, or at least to realize the advantage of getting their own bread in any political gravy that might be going) was relentless, entirely hostile and plainly based on an assumption that Stans was guilty of everything of which he was accused and a good deal more besides. The odious Mr. Jeb Stuart Magruder, however, who followed Mr. Stans before the committee, was a hero; Ervin and others—especially the ridiculous and maudlin Lowell Weicker, who looked several times as though he was going to cry at his own benignity—fell over themselves to congratulate Magruder on being a fine, upstanding young man with a splendid future in front of him despite this setback.

The technique, of course, was exactly the one used by Senator Joseph McCarthy. Those who stood up to him, denied his accusations and refused to implicate anybody else, were torn to pieces; those who agreed with everything he said *and hastened to add the names of others* were given an easy passage and congratulated at the end of their session. So it was with Stans and Magruder. The former admitted nothing and pointed the finger at nobody; the latter readily agreed on his own complicity in crime, and sprinkled hatfulls of names, about with cheerful abandon. Their respective treatment at the hands of Ervin and his posse was eloquent testimony to the fact that the lesson taught by McCarthy had been learnt.

But there is a wider, and more important, aspect of this scandal that needs examination, though before turning to it I cannot resist one digression, in the direction of yet another member of the Ervin committee. I nearly fell out of my chair when the wizened face of Senator Herman Talmadge came up on the screen. For this Talmadge is no stranger to constitutional irregularity. Apart from being one of the worst opponents of Negro rights in Congress, he was once guilty of an action from which Huey Long himself might have flinched. Herman Talmadge's father, Eugene, was Governor of Georgia (and also used to campaign for white supremacy and against Negro advancement); after one re-election of the post, however, in 1947, he died before being inaugurated. The state constitution provided for the lieutenant governor (that is, the deputy) to succeed, in such circumstances, to the unexpired term. Talmadge junior, however, backed by his tame state legislature, demanded the governorship for himself and seized the state capitol and posted armed guards to keep the rightful governor out. And now here he was, quoting Woodrow Wilson and plainly determined to put down sin; it was like the town harlot reporting the clergyman's son to the police for kissing his girl goodnight in the church doorway.

Such grotesqueries make the whole business nastier; but they are not in themselves the cause of the distaste and concern that must be felt by any viewer of the Senate proceedings who retains some sense of proportion. What is really wrong with this inquisition is that it appears to be a judicial process but is in fact a political one. There seem to be no rules of evidence; certainly hearsay and even "opinion" evidence is freely admitted and even encouraged. No opportunity for confrontation of accused and accuser is permitted; no cross-examination of accusers by counsel for the accused takes place; nobody is there to see legal fair play. Men are having their reputations destroyed in full view of millions; worse, men who may shortly have to face a criminal trial are having their cases literally prejudged, without any of the safeguards of true legal proceedings. Backed up by a press now overwhelmingly determined to find President Nixon guilty of every accusation flung at him, the senators of the committee are conducting a tainted trial the nature of which would still be indefensible even if the motives of every one of them were beyond reproach.

President Nixon may be the greatest scoundrel unhanged; or wholly innocent of any kind of complicity in the Watergate activities; or anything in between. The same goes for all these whose names are being exchanged like trading-stamps. It is very important indeed that the truth should be determined in every case, and that full justice should be done to the innocent and to the guilty. But the method of Senatorial inquisition, certainly as it is actually being conducted by the Ervin pack and almost certainly however it was conducted, is unable to determine the question of guilt or innocence in respect of any individual, or even the question of what actually happened. What it will quite certainly do, however, is to ruin a number of men, some of whom will not deserve ruin, and none of whom will deserve ruin before such a forum and in such a manner. "My conscience", Senator Ervin has said, "will not permit me to follow after a great multitude to do what I conceive to be evil." But at the moment, the great multitude is following him and in a very disturbing direction too.

TRIBUTE TO TED MOSIER

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 1, 1973

Mr. ANDERSON of California. Mr. Speaker, those individuals who contribute their time, their ideas, and their spirit to improve conditions for their fellow man are rarely recognized for their outstanding deeds, except by those with whom they closely work, and those who are direct beneficiaries of their services.

The Paramount, Calif., Rotary Club has corrected this oversight by establishing a Man of the Year award honoring that person who has contributed the most to the community in the past year. And the person selected to receive this coveted award for this year is the Honorable Ted Mosier—a gentleman who has earned a well-deserved reputation of respect and admiration by giving unselfishly of his time and efforts for 35 years to better the quality of life of his fellow citizens of Paramount.

In addition to his successful business, Ted has dedicated himself to public service and is currently in his sixth year as a city councilman. Since 1969, he has served as either mayor or vice mayor and he is credited with bringing a progressive, businesslike manner to the administration of his fine city. It was due largely to his efforts that the 150-bed Paramount General Hospital came into being and began serving the people in November 1972.

In addition to this outstanding achievement, Ted Mosier was the moving force behind the establishment of the community education program—an innovative program which encourages teachers to instruct anyone free of charge in the evenings. He is presently the chairman of this program.

An active community leader, he is a charter member of both the Elks and the Lions Clubs. He is the past exalted ruler of the Elks and is the past president of the Lions. In addition, he serves as a trustee of the United Methodist Church. Ted Mosier is also chairman of the district board of directors of United Way, on the board of directors of the Paramount Boys Club, and an active participant in the Boy Scouts.

In addition to leading such an active and successful public life, Ted has been a devoted family man. His gracious wife Mary—an accomplished artist and dedicated civic worker—has been a guiding light over the years. They are the proud parents of a daughter, Pam, who is a junior at Utah State and hopes to study law.

Mr. Speaker, citizens like Mr. Mosier are the greatest assets a community can have. They provide the vitality and idealism that make a city thrive. I am proud and privileged to take the time to honor the many contributions Ted Mosier has made to the city of Paramount.

IS NORTH VIETNAM OBSERVING THE CEASE-FIRE?

HON. HENRY P. SMITH III

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 1, 1973

Mr. SMITH of New York. Mr. Speaker, I would like to bring the following editorial to the attention of my fellow Members of the House of Representatives. It is the clearest statement I have seen about the total lack of any intent by North Vietnam to abide by the cease-fire agreement:

THE OTHER NEWS

(By William Randolph Hearst, Jr.)

SAN SIMEON.—As anticipated and analyzed in this column two weeks ago, the flood of Watergate testimony has reached a point which may well so alter its course as to render it rather an inconclusive experience in rhetoric. I refer of course to the imminent and historic legal showdown on the relative powers of Congress vs. the President of the United States.

The constitutional collision, naturally, is far and away the top news of the week. But since the issues involved already have been discussed here at length, today's late headlines should more than cover the subject. Besides, it's a cinch you've gotten more—in fact you haven't been able to get much else—on TV.

What is on my mind as a timely alternative topic is the fact that this weekend is the last for Canada's membership in the four-nation commission assigned to police the Vietnam truce agreements. Canada is pulling out because of the impossibility of policing a truce which is non-existent.

The pullout is a historic milestone in its own right, though it could have come as no surprise to readers of this report. It has been my conviction right along that the cease-fire pacts—both of them—would never work because Hanoi's goal of ultimate conquest remains unchanged.

Just how unchanged that goal is was spelled out this week in two remarkable documents, both largely overlooked in the hubbub over Watergate. The first, appropriately enough, was a damning report made public in South Vietnam by the retiring Canadian truce supervising team.

The Canadian report was obtained exclusively by Thomas W. Lippman, a correspondent of the Washington Post, after it had been submitted formally to the four-nation commission which includes Indonesia. A Canadian officer gave a copy of the document to the reporter with the comment that otherwise it "would never see the light of day" thanks to the Communist Polish and Hungarian members.

The strongly-worded summation report accuses North Vietnam of "massive" and "unrelenting" infiltration of troops into the Mekong Delta of South Vietnam ever since the January cease-fire specifically outlawed such activities.

Based on the testimony of numerous captured North Vietnamese soldiers, the Canadian report said that the infiltrators who are continuing to pour into the South have been uninformed about the Paris accords, the various peace-keeping forces, and even about the departure of United States forces.

Moving in seemingly endless groups of 500 each down the Ho Chi Minh Trail system, the captured infiltrators were quoted as saying their common practice is to change from North Vietnamese to Vietcong uniforms before crossing over the border from Cambodia.

This point in the Canadian report contains the first detailed documentation of how Hanoi continues to back up its most notorious lie—that it does not and never has had any of its military forces in South Vietnam.

The report makes it abundantly obvious that the infiltrators and the huge amounts of military hardware they are bringing with them are under control of North Vietnamese officers, not the Vietcong. The latter, for all practical purposes, emerges in the report as a negligible factor.

Here are the summary paragraphs of the officially suppressed Canadian report:

"North Vietnam, without being deterred one scintilla by the Paris agreements, has been infiltrating massive armed troop units into Cambodia and South Vietnam in order to conduct military operations against the Republic of Vietnam.

"It can also be concluded that there never has been the slightest indication following the cease-fire that North Vietnam has modified its infiltration policy."

In view of the above, it is small wonder that Saigon reported a total of 98 Communist truce violations during just one 24-hour period this week.

The wonder is there weren't a lot more.

The apparent truth is there are bound to be more, lots more, and very likely an eventual renewal of all-out Communist assault. Such is the conclusion to be drawn from a second remarkable document also all but buried by the Watergate news this week.

It consists of an analytical dispatch from London to the Christian Science Monitor by Dr. P. J. Honey. He is universally acknowledged as Britain's foremost expert on Vietnam and is a lecturer in Vietnamese studies at London University.

Dr. Honey contends, as I always have contended that the reason Hanoi signed the Paris truce was to get relief from the terrible destruction of our December bombing attacks—and to get a desperately-needed breather to gather strength for future takeover of the South without U.S. interference.

Here are a few of Dr. Honey's revealing observations, offered here with the wish that space permitted more:

"The evidence strongly suggests that North Vietnam's leaders view the cease fire as merely one more step along their long revolutionary road.

"Within the first 60 days of the cease-fire, North Vietnam infiltrated at least 40,000 of its own soldiers into the South. Of the North Vietnamese war prisoners released by the Saigon authorities, 25,000 unwounded ones were integrated into communist military units in the South.

"In Military Region 1, which adjoins the frontier with North Vietnam, thousands of Soviet surface-to-air missiles have been installed in newly seized territory, rendering it immune from air attack.

"In South Vietnam, close to the border with Laos, North Vietnamese are building all-weather roads which, when completed, will replace the present Ho Chi Minh Trail, and many thousands of Northern civilians are arriving to settle in the recently captured Communist areas.

"All these continuing operations have an air of permanence about them."

The expression "air of permanence" is typical British understatement.

What the good doctor means, of course, is that everything about the operation indicates that the Communists are there to stay.

All this is pretty discouraging, and the sort of informative news which might drive even those sick of Watergate back to the tube. All the same it should not be overlooked, and future events will guarantee that history will not overlook it.

It seems to me, at this late date, that Americans from the White House on down are going to have to accept the fact that the woes of southeast Asia are beyond our control—that we have done all we can to stop aggression in the area.

If the South Vietnamese henceforth cannot defend themselves after all the training and equipment we have given them, then that is simply going to be too bad. You can't instill a will to fight for freedom if it doesn't at least exist in embryo.

We seem to have made a noble but disastrous error in judgment. We are going to have to face it, accept it, and make sure we don't do it again.

Canada made the same kind of error in thinking it could act effectively as an impartial arbiter in a dog fight.

It is withdrawing this weekend with its honor intact. Canada's successor—if one can be found—will have the gravest difficulty in matching the Canadians' integrity and forthrightness in recording history.

WILLIAM L. WHITE

HON. GARNER E. SHRIVER

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 1, 1973

Mr. SHRIVER. Mr. Speaker, Kansas and the Nation have lost a distinguished journalist and citizen. William L. White, editor of the famed Emporia Gazette and son of the noted William White, passed away last week. Mrs. Shriver and I join in extending our heartfelt sympathy to Mrs. White and the family on their great loss.

Mr. White's contributions to journalism extended beyond his beloved community of Emporia. He was a successful author, columnist, and war correspondent.

It was my privilege to represent Emporia during my first years in the Congress, and to get to know Bill White. I valued his friendship and his counsel. He will be sorely missed.

Under the leave to extend my remarks

in the RECORD, I include the following editorials from the Hutchinson, Kans., News and the Wichita, Kans., Eagle which eloquently eulogize this respected newspaperman:

WILLIAM L. WHITE

William Lindsay White, one of Kansas' most accomplished and versatile newspapermen, has died at his home in Emporia. During his 73 years, Mr. White was notable for many achievements, but the one in which he seemed to take greatest pride was his continued editorship of The Emporia Gazette, the newspaper his father, William Allen White, made internationally known.

It often has been observed that sons of great fathers rarely come to much. Mr. White was an exception to the rule. By the time he was 14 he was a reporter under his father's tutelage. Once his education was completed at Harvard in 1924, he began his career in earnest.

Most of his first 35 years was spent on The Gazette, and during that time he managed to work in one term in the Kansas Legislature, and was otherwise active in politics. In 1931 he was married to Katherine Klinkenberg, a Kansas girl then on the staff of Time Magazine.

For a time he worked for the Washington Post and Fortune Magazine. At the beginning of World War II he headed for Europe as correspondent for 40 daily newspapers and the Columbia Broadcasting System, where he distinguished himself as an alert and perceptive reporter and analyst. In 1939 he was cited by the National Headliners Club for the best European broadcast of the year. The following year he switched his allegiance to the North American Newspaper Allegience and started his long association with Reader's Digest as a roving and contributing editor.

He wrote a number of books, the best known of which was "They Were Expendable," which later become a movie. He and his wife traveled extensively, and maintained homes both in New York and in Emporia, but wherever he might be, he retained firm direction of the Gazette's policy, and wrote frequent editorials, articles and columns for it until a few months before his death.

In addition to his professional skills, he was a gifted conversationalist, a bon vivant, and a steadfast friend. Emporia and the nation are diminished by his death.

WILLIAM LINDSAY WHITE

Who's Who bills him this way:

"White, William Lindsay, newspaperman."

The only improvement Bill might have made on that would be to add one word: "Newspaperman, Kansas."

There is much more, of course. His biographical details go into such achievements as his wartime CBS broadcasts, notably his coverage of Russia's march into Finland and his Christmas report from the Mannerheim Line. Into his many fine books, his work as a Reader's Digest editor and as a Fortune magazine writer, and his dabbling into Republican politics—including a stint in the Kansas legislature.

However, "newspaperman" is the title he preferred, and the distinction that will be given him by his friends, most of whom are newspapermen and women too.

He wandered far. He explored life in Vietnam's jungles, London's bombed houses, Italian villages. He kept a handsome Manhattan apartment and enjoyed the pleasantries of such places as the Century Club, the Coffee House, and a half-dozen press clubs. He played with movies and even some television.

But through it all, he remained a Kansas newspaperman.

As his father, "Young Bill" White really never left Emporia. Wherever he roamed, his writing came back to The Gazette. Wherever he was, his staff searched him out for decisions, or waited for his return for guidance in the newspaper's operation.

And that was the pattern through even the tough, final years when cancer gripped him. His thoughts centered, as always, on The Gazette. It must have been considerable satisfaction to him and his loyal wife, Katherine, that their daughter Barbara and her husband, Paul David Walker, decided that The Gazette and Kansas were to be their prime interests too.

The nation, and much of the world, will remember Bill White for his World War 2 exploits, for such writing as "They Were Expendable," "Queens Die Proudly," and "Journey for Margaret."

But Kansans will remember him, fondly and proudly, as a native son who embraced Kansas with the affection of a father for an errant son, who both scolded and loved us, and who dug deep roots into the Kansas soil.

TRIBUTE TO HENRY A. WHALEN

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 1, 1973

Mr. BIAGGI. Mr. Speaker, it is with a profound sense of personal loss that I pay tribute to a great friend, dedicated public servant, and American patriot, Henry A. Whalen.

Henry Whalen was a man whose entire life was spent fighting for those ideals which he felt were right. During his 56 years on God's Earth, he had an immense influence on many aspects of community and civic life.

Henry Whalen's accomplishments and contributions, however, were not limited to the Bronx. Between the years of 1941–45, while serving in the U.S. Army, Harry Whalen compiled one of the most impressive military records of recent times. Some of his citations and awards include, the European, African, and Middle Eastern Campaigns Medal with eight citations—including one Silver Service Star and three Bronze Service Stars representing distinguished contributions to eight separate campaigns in the war. He was also presented a special Bronze Arrowhead award for his efforts in the famous invasion of North Africa of November 8, 1942. In addition, he was awarded the prestigious Purple Heart, the Good Conduct Medal, and the Distinguished Unit Emblem.

Even after this most laudatory of service records, Harry Whalen remained a friend to the serviceman and the veteran by becoming active in all veterans organizations in the Bronx and serving as commander of the United War Veterans of the Bronx from 1967–69. Further, Harry Whalen was instrumental in the organizing of several public tributes to the serviceman and veteran. Of particular pride to him was his assistance to Kathy Connelly Begley, another deceased American patriot, in the organization of the successful "Support our Serviceman" parade which was held on November 15, 1969. In addition, Harry Whalen organized another famous patriotic parade, the "Support the Boys in Vietnam" march of October 22, 1967.

Henry Whalen's goal in recent years was the establishment of a new veterans' hospital to serve the thousands of veterans living in the New York area. He spent countless hours in Washington and New York trying to make this facility a reality. It seemed tragically ironic that as he lay on his deathbed several weeks ago, he was informed that Congress had finally appropriated the necessary funds for the construction of the new facility. As a tribute to his tireless efforts, I plan to introduce legislation to name this facility in honor of Henry Whalen.

His efforts on behalf of veterans did not go unnoticed. In 1963, he received an award from Governor Rockefeller and the State legislature for conspicuous service. In 1965, he received a plaque from the Catholic War Veterans for unselfish service and loyalty. In 1969 he was a recipient of a Certificate of Merit from the Henrick Hudson Post No. 3300 of the Bronx. Finally, in 1972 he was accorded the distinguished Certificate of Appreciation from Mayor John V. Lindsay of New York.

Harry Whalen was intensely involved in community life in the Bronx he loved so much. An example of his involvement was in 1970, a disastrous fire occurred in his home in the Norwood section of the Bronx. As a result of this fire, four families were rendered homeless. In response to his neighbors' plight, he started a fund which provided these destitute families with financial assistance to reestablish themselves in new homes. Harry Whalen went one step further, he realized from this experience the community needed a civic organization to deal with any similar situations in the future. The end result was the formation of the Norwood Civic Association in September of 1970. This organization accomplished much in the development of a new spirit of friendliness and cooperation among the residents of the area.

Henry Whalen was a deeply religious man and was especially active in the parish affairs of St. Brendan's Roman Catholic Church as exemplified by his serving two terms as chairman of the parish council.

Henry Whalen's life was also a story of great personal courage. In 1967 Henry had his first pacemaker implanted by Dr. Arthur Gaynor, of Montefiore Hospital, who was not only his cardiologist but a great friend as well. By 1972 he had received four pacemaker replacements. With each replacement, he was reordered to slow his pace down, yet Henry Whalen did not know how to lead the type of life his doctors wanted him to.

In May 1973 he was given the choice of open heart surgery for survival. Although advised by his doctors that it was an extremely risky operation, Henry decided, as he had done throughout his life, to take the risk. He died on Friday, July 13, 1973.

Yet despite all his accomplishments and contributions to the welfare of his fellow man, Henry Whalen will best be remembered as a loyal friend and devoted husband and father. I had the distinct honor of calling Henry Whalen a friend, and a friend he was. He was the type of person you could call at any time, and he would always be more than willing to lend a hand or offer a solution to a problem.

I believe that Henry Whalen's loss will be shared by thousands, but the one who will feel it the deepest will be the people he was the closest to: his family. Henry Whalen was above all a family man. As a loving father and dedicated husband, he provided his loved ones with countless years of enjoyment. I especially wish to extend my heartfelt condolences to the Whalen family, to his wonderful wife, Anne Cotter Whalen, and his three lovely daughters Eileen Lennon, Kathleen Armstrong, and Nancy as well as his six grandchildren.

At this time, Mr. Speaker, I would like to include with my remarks in the Record, an editorial tribute to this great man, Henry A. Whalen that appeared in the Bronx Journal News.

Beyond the Call of Duty

The death of Henry A. Whalen last Thursday on the operating table at Montefiore Hospital came as a not unexpected shock to the thousands of Bronxites who had worked with him at one time or another.

Henry Whalen went off to war in the 1940's to fight for his country. He never stopped fighting until last Thursday when his Maker decided to end the battle for him. Henry Whalen was a volunteer in the service of his country whether in uniform, or out of it. And, most assuredly, he died for it.

Civic leader, veterans leader, religious leader . . . these were some of the many titles he had carried. He could have sat back like many and enjoyed life taking it easy. But Henry Whalen had convictions, a dream of a better America and a better Bronx, and he was willing to die for them.

Willing to die for his ideals were not idle words for Henry Whalen. For many years his life was sustained by an electronic heart pacemaker. His doctors told him to take life easy . . . rest. And he always promised he would follow these orders.

But, there was always a battle to be fought, some civic improvement which needed action right away, a trip to Washington to fight for a new Kingsbridge Veterans Hospital or a battle with city officials to win improvements for his home community of Norwood, or a meeting of the St. Brendan Parish Council to find new means to finance the local parochial school system.

Three years ago Henry Whalen had a new pacemaker implanted to keep his heart going. Three years ago he finally spurred Norwood residents to get off their rumps and get a civic organization going. Three years ago the battle for a new Kingsbridge Veterans Hospital was nearing its climax. Henry Whalen kept fighting. He burned out the pacemaker.

His doctors warned of dire consequences. But Henry Whalen couldn't sit back while battles for just causes needed his efforts. And the new pacemaker started burning out.

Henry Whalen died that others might enjoy a better life. He will be sorely missed. There are so few people willing to assume the burdens he did to help his fellow man.

In his last weeks in the hospital news reached him that Congress had appropriated funds to build the new wing at the Kingsbridge veterans facility. It would be appropriate and fitting that the new facility be named the Henry A. Whalen Pavillion in honor of a real Bronx hero who died that others might live a little better.

MORE NONQUALITY EDUCATION

HON. ROBERT J. HUBER

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 1, 1973

Mr. HUBER. Mr. Speaker, education in this day and age is a far cry from what it was when we were young. It used to be that we at least tried to learn from the great lessons of history, and from the great thinkers and writers of the Western, Judaic-Christian tradition. Now many educationists are attempting to, and are, discarding this tradition to utilize instead the students themselves and such local resources as married couples, engaged couples, widows, bachelors, and divorcees as instruments of learning. In education, tradition is now ignored, it is the educational moment that matters. Everything is geared toward the present with no regard for the lessons of the past and its portent of the future.

In an article in the February 1972 issue of the Bethesda-Chevy Chase Tribune, Mr. Malcolm Lawrence exposed the absurdities of this approach to education. I believe that all Members of the House who are concerned with the teaching of the young will find what Mr. Lawrence has to say both interesting and alarming.

The article follows:

More Nonquality Education

(By Malcolm Lawrence)

If your 16 year-old son or daughter comes running home one afternoon and shouts, "Hey, Ma! I just learned all the characteristics of a successful honeymoon," it may well be that he or she is enrolled in a new course called "Relationships" being offered to 11th and 12th grade students in the Montgomery County Public Schools system.

When you consider the sad state of the academic achievements of our schools and the increasing financial demands being made on the taxpayers ($177 million for the coming year), you would think the management in Rockville would be concentrating more on improving the quality of education and less on encouraging introspection, narcissism, and a premature curiosity about socio-sexual dynamics. But not so.

Instruction in so-called Human Development is being thrown at our kids from every angle. It's all part of the behavioral scientists' pre-programming and conditioning to change the attitudes and behavior of our children. The basic aim of the planners is to have the schools take over the "total child." The techniques are geared to the alienation of the child from the home and the destruction of the socially acceptable concepts of the family unit. From last September through January, hundreds of hours of instruction were given at all levels in the County schools on sensory awareness; group dynamics; feeling, touching, and smelling games; nonverbal communications; and films and discussions on the emotions of love, anger, and fear—all at the expense of much-needed instruction in reading, grammar, composition, history, and arithmetic. Incidentally, the new gimmick concept to watch for is "self-actualization."

I have just gone through the 126 pages of the new curriculum for "Relationships" and have concluded that there is absolutely no justification whatsoever for the incorporation of such nonsense and drivel in our school system. My objections are based not only on the material proposed for the course, but on the latitude afforded the teachers most of whom I am sure are ill-equipped to teach such sensitive and open-ended material. Therefore, to prepare the teachers to instruct in this behavioral-changing curriculum, the taxpayers of Montgomery County are going to pay millions of dollars are "in-service training" so that our children's minds can be properly warped.

How does this kind of course find its way into our schools? Who approves it?

The Board of Education, which is supposed to vote on all curriculum? It's my guess that most of the Board members have never even seen a reference to "Relationships," much less approve it.

Large chunks of the material for the new course were lifted directly from that celebrated elective HOME ECONOMICS No. 245, including the worthless sex films some of which I reviewed in my January 28, column (Phoebe, Merry-Go-Round, The Game, etc.). It can be fully expected that whatever the Curriculum Department of the Montgomery County Public Schools system chooses to name its courses, the same undesirable subject matter will continue to crop up again and again. Unless, that is, something is done to call a halt to the free reign in Rockville.

Because so few parents have the opportunity to examine the actual materials being used to instruct the students, I shall devote the remainder of my column to quoting—without comment—selected portions of the so-called "learning experiences" from the "Relationships" curriculum. Such "experiences" along with the films make up the bulk of the course. As you look over the following topics, keep in mind the question, "Is this the type and quality of education we need and desire in Montgomery County?

Write paper, "Who am I?"

Write a report on "How I Feel About Myself." Sharing with the class or teacher would be the individual's decision.

Have the class write a group poem or song on self concept.

Discuss clairvoyance, apports levitation, psychokinesis and telepathy. Relate stories of such phenomena. Collect newspaper accounts of these. Discuss Jean Dixon and gather articles on her predictions.

For two weeks the student keeps a record of his emotions and his response. Evaluate the emotion, response, and adjustive behavior.

Discuss the problem of young people who are too dependent upon their parents and always let their parents make all their decisions for them.

Listen to lyrics from popular love songs. Discuss. Is this a true view of love? What is the popular view of love? Where do we first learn about love?

Role-play situation such as the following: A boy with several years of schooling ahead of him is confronted by a girl he has been dating. She tells him that he is the father of her expected child, and she demands that he marry her. If neither professes to love the other, what should they do?

Complete this open-ended sentence: The greatest source of conflict with my family is ———.

Ask students to choose a problem in which they have the most family conflict. Experiment for one week trying to improve communication with family members in the particular area. Those who wish to may report progress to the class or teacher.

Watch TV shows involving family conflict and the generation gap.

Play game "generation gap."

Discuss family privacy—does a parent have the right to read a diary or look through a teenager's room for evidence of drugs? An 8 year-old's room?

Discuss: What limitations should parents set on dating, practices such as going steady, time and money, choice of dates, and behavior?

React to the statement: "God made things to be used and people to be loved." (Resource: Why Wait Till Marriage by Duvall.)

Plan a panel on dating and present it to junior high home economics class. Discuss the problems of early dating.

Invite an engaged man and an engaged woman to speak about the engagement and tell, "What the engagement period means to me."

Interview married couples and ask them about their engagement period and the tasks accomplished. Discuss how one could tell whether or not the engagement period was long enough.

Complete: The purpose of engagement is——.

Brainstorm (discuss freely): The characteristics of a successful honeymoon.

Divide into groups and identify situations in early marriage that require initial adjustment—role expectations, sexual relationships, and birth control.

Review ways the role expectations for men and women have changed.

Collect cartoons and prepare a bulletin board showing the popular understanding of in-law relationships.

Discuss what can happen when too much "togetherness" exists in early marriage.

Ask a bachelor, career girl, widow, divorcee, etc. to discuss the pleasures and pains of the single life.

Assemble a bulletin board on the societal forces that encourage and pressure individuals into marriage.

Research and define terms used in studying the following family organizations: nuclear family, extended family, family of orientation, family of procreation, clan, monogamy, polygamy, and trial marriage.

Form a panel consisting of several of the following: divorced persons (both male and female), a remarried divorcee, a marriage counselor, a psychiatrist, and children from divorced homes. The students will direct questions to the panel.

Divide into research groups. Each group work with one crisis in family living. Consult resource people, read articles, visit agencies, etc. to gain background information. Include the following crisis situations: temporary separation, defective offspring, involuntary childlessness, extended illness, sexual infidelity, desertion, drug addiction, change of income level, alcoholism, old age, divorce, death of a mate, and war.

If this is the sort of thing the taxpayers and voters want, this is what they are going to get.

ENERGY SCIENCE DEVELOPMENT ACT OF 1973

HON. BILL GUNTER

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 1, 1973

Mr. GUNTER. Mr. Speaker, today I introduced, with my colleague from Ohio, Mr. VANIK, the Energy Science Development Act of 1973. I include this bill in the RECORD in full for the benefit of my colleagues who have demonstrated concern about the current energy situation.

H.R. —

A bill to provide for a coherent rational program of energy research and development, to amend the National Science Foundation Act of 1950, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress asembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "Energy Science Development Act".

STATEMENT OF FINDINGS

SEC. 2. The Congress finds that—

(1) the lack of coherent planning among the various agencies engaged in energy policy formulation has accentuated shortages in petroleum supplies and electrical energy;

(2) a comprehensive national energy policy, encompassing energy research and development, and the efficient use of the Nation's energy resources, is essential to the improving of the general welfare of the Nation; and

(3) it is a primary responsibility of the Federal Government to provide essential leadership in advancing a program of efficient development, supply, utilization, and conservation of energy resources.

STATEMENT OF POLICY

SEC. 3. In order to provide an adequate energy base to support the Nation's existing and future social goals and aspirations, it is hereby declared to be the policy of the Congress to establish and maintain a national program of research and development in energy technologies and energy conservation adequate to—

(1) eliminate the Nation's excessive dependence on fossil fuels and to insure adequate, reliable, economical, and environmentally acceptable energy systems to support the essential needs of modern society;

(2) discover the most attractive short-term solutions to immediate problems of the energy system which are having serious impacts upon society;

(3) develop the technology and information base necessary to support development of the widest possible range of options available for future energy policy decisions by aggressively pursuing research and development programs in a wide variety of energy technologies; and

(4) establish within the Federal Government central responsibility and institutional capability for maintaining continuing assessment, overview, and direction of the energy research and development activities of the Federal Government, private industry, and nonprofit organizations pending the reorganization of the Federal energy agencies to attain and support the objectives of a national energy policy.

ENERGY RESEARCH AND DEVELOPMENT

SEC. 4. (a) There is hereby established a commission to be known as the Energy Research and Development Commission, hereinafter referred to as the "Commission".

(b) (1) The Commission shall consist of five members appointed by the President of the United States, by and with the advice and consent of the Senate.

(2) No individual shall be selected to serve on the Commission if such individual has, within the two years preceding such selection, been affiliated with or has held any direct or indirect pecuniary interest in any electrical power, natural gas, petroleum, or other energy production or distribution industry.

(3) Except as provided in paragraph (2), members of the Commission shall be selected from among those individuals who have experience and competence regarding the environment and its protection, consumer protection, and energy-related research and development.

(4) Not more than three members appointed under this subsection shall be of the same political party.

(c) (1) Except as provided in paragraphs (2) and (3), members shall be appointed for terms of five years.

(2) Of the members first appointed—

(A) one shall be appointed for a term of one year;

(B) one shall be appointed for a term of two years;

(C) one shall be appointed for a term of three years;

(D) one shall be appointed for a term of four years; and

(E) one shall be appointed for a term of five years; as designated by the President at the time of appointment.

(3) Any vacancy in the Commission shall not affect the powers of the Commission, and shall be filled in the same manner as the original appointment. Any member appointed to fill a vacancy occurring before the expiration of the term for which his predecessor was appointed shall be appointed only for the remainder of such term.

(4) A member may serve after the expiration of his term until his successor has taken office, except that no member shall serve beyond the expiration of the next session of the Congress beginning after the expiration of his term of office.

(d) During the period any individual serves as a member he shall not engage in any other employment, business, or vocation, or have any direct or indirect pecuniary interest in any electrical power, natural gas, petroleum, or other energy production or distribution industry.

(e) Three members of the Commission shall constitute a quorum.

(f) A Chairman shall be selected from among the members by the President. The Commission annually shall elect a Vice Chairman to act in case of the absence or disability of the Chairman, or in case of a vacancy in the office of the Chairman.

(g) The Chairman shall be compensated at the rate provided by level II of the Executive Salary Schedule under section 5313 of title 5, United States Code. Other members shall be compensated at the rate provided by level III of the Executive Salary Schedule under section 5314 of such title.

(h) The Commission may appoint a Director and such staff personnel as it deems desirable. The Director and staff of the Commission shall be appointed subject to the provisions of title 5, United States Code, governing appointments in the competitive service, and shall be paid in accordance with the provisions of chapter 51 and subchapter III of chapter 53 of such title, relating to classification and General Schedule pay rates.

(i) The Commission shall have an official seal, of which judicial notice shall be taken.

POWERS OF THE COMMISSION

SEC. 4. (a) In order to carry out the purpose of this Act, the Commission may—

(1) make such expenditures and enter into such contracts as it deems necessary;

(2) promulgate regulations to carry out its functions;

(3) subject to subsection (b), procure the services of experts and consultants to the same extent as is authorized by section 3109 (b) of title 5, United States Code;

(4) subject to subsection (b), utilize the services of voluntary and uncompensated personnel who may be allowed transportation expenses, including per diem expenses, as authorized by section 5703 of title 5, United States Code, for individuals serving without pay;

(5) purchase lands or interests therein;

(6) purchase, rent, or lease office space; and

(7) make grants with respect to any research project established or maintained under section 6(b).

(b) In obtaining the services of individuals under subsection (a) (3) or (a) (4), the Commission shall seek such individuals from all segments of electrical power, natural gas, petroleum, or other energy production or distribution industries, from State and municipal governmental units, environmentalist groups, consumer groups, institutions of higher education, and Federal executive agencies. Upon request of the Commission, the head of any Federal executive agency is authorized to detail, on a reimbursable basis, any of the personnel of such agency to the Commission to assist it in carrying out the purpose of this Act.

(c) The Commission shall, for the purpose of examination and audit, require that any person receiving a grant under subsection (a) (7) shall maintain such records as the Commission shall prescribe, including—

(1) the amount and disposition by such person of funds received under such grant;

(2) the total cost of the project in connection with which such funds were given or used;

(3) the amount and nature of the portion of the cost of the project supplied by any other source; and

(4) any other record which the Commission deems necessary.

(d) The Commission and the Comptroller General of the United States, or any authorized representative thereof, shall have access, for the purpose of examination or audit, to any record of any person receiving a grant under subsection (a) (7) which is maintained pursuant to requirements prescribed by the Commission under subsection (c).

RESEARCH

SEC. 6. (a) The Commission shall establish a national policy of energy research and development which shall bring to commercial development, as quickly as possible, technology in the project areas in which the Commission will undertake research, as specified in subsection (b).

(b) The Commission shall undertake research, including, but not limited to, research projects to—

(1) develop processes and techniques of energy conservation for use in construction, transportation, and in the manufacture of consumer and capital goods;

(2) decrease the adverse environmental impact and generally improve the processing of electricity generation and transmission, including—

(A) the improvement of thermal efficiencies in generation (including magneto-hydrodynamics), and

(B) the development of technologies for the application of extra-high voltage transmission lines, underground transmission, cryogenic transmission systems, and high voltage direct current transmission lines;

(3) develop clean alternatives in obtaining energy, including—

(A) the gasification and liquefaction of coal,

(B) the development of multiproduct coal refineries,

(C) the effective utilization of shale oil and tar sands, and

(D) the improvement of recovery of petroleum and natural gas;

(4) minimize costs as well as environmental damage in the transportation and storage of energy, including—

(A) pipelines for petroleum and natural gas, and

(B) storage of electricity (including fuel cells), petroleum, natural gas, chemical energy, hydrogen, compressed air and other conventional or undeveloped energy forms; and

(4) develop previously unexploited energy sources; including—

(A) solar energy (including biological conversion),

(B) wind power,

(C) tidal energy;

(D) ocean thermal power; and

(E) ocean current energy.

(c)(1) Any grant made with respect to any research project established or maintained under this section shall be made upon the express condition that all information, processes, or patents, resulting from federally assisted research will be available to the general public.

(2) Where a grant recipient holds background patents, trade secrets, or proprietary information which will be employed in and are requisite to the proposed research and development project, the Commission shall enter into an agreement which will provide equitable protection to the participants' rights; except that any such agreement must provide that when the energy research and development project reaches the stage of commercial application all previously developed patents, trade secrets, or proprietary information necessary to commercial application of the energy process or system developed under this section will be made available to any qualified applicant on reasonable license terms which shall take into account that the commercial viability of the total energy process or system was achieved with the assistance of public funds.

PRIORITY OF RESEARCH AND DEVELOPMENT

SEC. 7. In evaluating proposed opportunities for particular research and development undertakings pursuant to this Act, the Commission shall assign priority to those undertakings in which—

(1) the urgency of public need for the potential results of the research, development, or demonstration effort is high, and there is little likelihood that similar results would be achieved in a timely manner in the absence of Federal assistance;

(2) the potential opportunities for non-Federal interests to recapture the investment in the undertaking through the normal commercial exploitation of proprietary knowledge appear inadequate to encourage timely results;

(3) the extent of the problems treated and the objectives sought by the undertaking are national or regional in scope as opposed to being of importance to localities or individual industries;

(4) the degree of risk of loss of investment inherent in the research is high, and the availability of risk capital to the non-Federal entities which might otherwise engage in the field of the research is limited; or

(5) the magnitude of the investment appears to exceed the financial capabilities of potential non-Federal participants in the research to support effective efforts.

RESEARCH DATA BASE

(a) Section 3(a) of the National Science Foundation Act of 1950 (82 Stat. 360; 42 U.S.C. 1862) is amended—

(1) by striking out "and" at the end of paragraph (6),

(2) by redesignating paragraph (7) as paragraph (8), and

(3) by inserting immediately after paragraph (6) the following new paragraph:

"(7) to administer the Research Data Base, including the compilation and verification of data, as prescribed in section 8 of the Energy Science Development Act; and"

SEC. 8. The National Science Foundation (hereinafter called the "Foundation") shall prepare annually an inventory of mineral fuel deposits in the Nation and shall submit such inventory to the Commission, the Atomic Energy Commission, the Federal Power Commission, and the Secretary of the Interior in order to promote coordination among them regarding energy research and policy. The first such inventory shall be completed on or before June 30 of the second calendar year beginning after the date of the enactment of this Act.

(c) Any prospector, mine operator, or well operator who owns or has legal authority, by lease, license, or otherwise, to exploit any substantial deposit (as defined by the Foundation) of any mineral fuel shall file a report annually with the Foundation, at such time and in such form as the Foundation may prescribe, setting forth the following information regarding such deposit—

(1) the type of mineral fuel, the estimated volume of the deposit, and the estimated quality of the unprocessed mineral fuel;

(2) the location of the deposit;

(3) any activity pertaining to the extraction of the deposit; and

(4) the name and address of—

(A) any owner of the deposit; and

(B) the person filing the report.

(d) For the purposes of this section, the term "mineral fuel" means crude petroleum, natural gas, uranium, thorium, or lignite, anthracite, bituminous, or subbituminous coal, or any such other mineral fuel as the Foundation may prescribe.

(e) Any member of the Foundation, or any duly authorized representative of the Foundation, may enter during business hours the site of any substantial deposit of a mineral fuel for the purpose of conducting independent tests to determine the accuracy of the reported quality, volume, and location of the deposit.

(f) Any member of the Foundation, or any duly authorized representative of the Foundation, may inspect or examine any record or document relating to the estimated quality, volume, and location of the deposit.

(g) Any person who willfully fails to file any report required under subsection (c) or files any report under subsection (c) with the knowledge that such report is erroneous in any material respect, shall be fined not more than $10,000 or imprisoned not more than one year, or both.

NEWSLETTER

SEC. 9. (a) Not less than twice each month, the Commission shall publish a newsletter (hereinafter referred to as the "Newsletter"), which shall be made available to all interested persons and include—

(1) abstracts of all approved grants, including a statement on the general nature of the work;

(2) announcements of hearings pursuant to section 10;

(3) notices of grants required under subsection (b); and

(4) summaries of promising developments.

(b) The Board shall give notice by publication in the Federal Register and in the Newsletter at least ninety days before approval of any grant of $1,000,000 or more, and shall provide an opportunity for any interested party to comment on any such grant prior to approval. No grants may be approved until thirty days after completion of the time allowed for the comment of interested persons.

BUDGET HEARING

SEC. 10. At least once each year the Commission shall conduct a hearing on its proposed budget for the following fiscal year. Notice shall be given by publication in the Federal Register and in the Newsletter at least sixty days prior to its occurrence, the scheduled date, time, and place of such hearing. At least forty-five days before the hearing date, the Commission shall publish in the Newsletter a complete statement of proposed programs in the next fiscal year. All interested parties should be granted an opportunity to testify or submit written statements. A record shall be made of all hearings, and such record shall be available for public inspection. All reasonable and germane inquiries made at the hearing of the Commission, or of the principal investigators where possible, must be fairly responded to on the record. The Commission shall wait at least thirty days after the completion of the hearings to allow for the comment of interested parties before submitting its budget to the President.

DISCLOSURE OF INFORMATION

SEC. 11. (a) Any information received by the Foundation under section 8(c), 8(e), or 8(f), or by the Commission under section 5(d), may be published or otherwise disclosed, subject to the provisions of section 6(c), the Foundation, or by the Commission, as the case may be, except that no information may be disclosed (except as provided by subsection (b)) if—

(1) such information contains or relates to any trade secret or other matter referred to in section 1905 of title 18, United States Code; or

(2) the Foundation, or the Commission, as the case may be, determines that such disclosure of such information would give an unfair competitive advantage to any person.

(b) The Foundation or the Commission may disclose, subject to the provisions of section 6(c), any information received by it under section 5(d), 8(c), 8(e), or 8(f) to—

(1) other Federal officers or employees concerned with carrying out the purposes of this Act;

(2) the Secretary of the Treasury or his delegate, for the purpose of ascertaining the accuracy of any Federal tax return; and

(3) either House of Congress or a committee thereof.

Any information falling within subsection (a)(1) or (a)(2) shall not be published or disclosed by any person receiving such information under this subsection.

COOPERATION WITH OTHER AGENCIES

SEC. 12. The Commission, in carrying out the purpose of this Act, shall coordinate its activities, in order to avoid any duplication in policy planning, with the Departments of the Interior, Commerce, Agriculture, Defense, and Transportation, the Atomic Energy Commission, the Federal Power Commission, the Environmental Protection Agency, and the National Science Foundation.

COMMISSION REPORTS

SEC. 13. The Commission shall prepare a comprehensive report, to be submitted to the President who shall transmit such report to the Congress within thirty days after his receipt, regarding the administration of this Act. The first of such reports shall be submitted to the President within six months after the date of the enactment of this Act and each of the succeeding comprehensive reports shall be submitted annually thereafter. Any judgment, conclusion, or finding contained in such report shall include a detailed statement of any underlying assumptions or data used. Such report shall include—

(1) an analysis and evaluation of research and development funded under this Act;

(2) a comprehensive evaluation of areas most in need of future research and development;

(3) an analysis of the impact of new technology on the demand for energy, and the interrelationship of the economy and the environment;

(4) a subreport, to be prepared by the Foundation, containing information regarding the quantity of mineral fuel deposits extracted, together with the amount discovered, during the preceding calendar year, and the estimate of the Commission of the total remaining mineral reserves of the Nation by categories;

(5) a description of the extent of cooperation by the Commission with other agencies and public and private institutions, and recommendations to improve such cooperation; and

(6) recommendations for legislation needed to revise and improve national energy policies, encourage the conservation of energy, or for other purposes relating to the administration of this Act.

TERMINATION DATE

SEC. 14. Unless otherwise provided by law, the provisions of this Act shall cease to have effect on September 30, 1985.

THE FEDERAL RESERVE BOARD'S HIGH INTEREST RATE CREATES ANOTHER CREDIT CRUNCH

HON. WRIGHT PATMAN

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 1, 1973

Mr. PATMAN. Mr. Speaker, it is unfortunate the credit crunch brought on by the Federal Reserve Board's increased interest rates continues unchecked. Because of high interest rates many areas across the country are suffering from tight money for home loans. In some cases, there are no funds whatever available for housing, in other areas the cost of housing and home financing is so great that nobody but the rich and powerful can obtain any funds. But in either case the result is the same. Homeowners find that decent housing is beyond their reach; housing construction has come to a halt; construction workers find themselves unemployed with the prospect of employment bleak; and many savings institutions created to assure the public of a source of housing funds at a reasonable rate of interest are losing funds to commercial banks.

What brought all this about? The Federal Reserve Board allowed commercial banks to pay unlimited interest on certain classes of deposits. As a result, banks have very aggressively gone out and solicited new funds which otherwise should have stayed in the housing market. Although it is too early to see whether the Federal Reserve Bank has allowed the banks an unfair advantage over other financial institutions in this situation, it is certainly clear that millions of people across the land, both the homeowners and others interested in providing the people with an opportunity for decent housing and a decent standard of living have been gravely injured by these high interest rates.

So that the Members may be informed about the seriousness of this problem, I would like to insert in the RECORD at this time copies of correspondence which focus on the issues involved in this now devastating credit crunch:

GIBRALTAR SAVINGS AND
LOAN ASSOCIATION,
Beverly Hills, Calif., July 9, 1973.

Congressman WRIGHT PATMAN,
Chairman, House Banking and Currency Committee, Washington, D.C.

DEAR CONGRESSMAN PATMAN: I wish to register grave concern for the action taken by the several governmental agencies which permitted increases in interest rates on various types of savings accounts. It appears that little concern was given to what the ultimate effect would be on the prospective home buyer. He will now be charged an interest rate that was previously considered to be unconscionable. Mortgage money will become much more expensive than ever before while not providing any more money for the mortgage market.

For example, earlier this year a family that borrowed $25,000 to purchase a home was generally charged 7¼%. On a 30-year term that meant his monthly payments of principal and interest were $170.00. With the increase in savings rates that same family would now be charged 8½% and their monthly payments increased to $192.00 (a $22.00 monthly increase).

We respectfully suggest that the interest rates permitted banks and savings and loans to pay depositors should be adjusted downward as quickly as possible in order to permit us to reduce our mortgage rates.

Sincerely,

HERBERT J. YOUNG.

FIRST FEDERAL SAVINGS AND LOAN OF
MACON COUNTY,
Decatur, Ill., July 10, 1973.

Re Regulation "Q," Interest rates controls on bank deposits.

Hon. WRIGHT PATMAN,
House of Representatives,
Washington, D.C.

DEAR MR. PATMAN: It was with shock, utter disbelief, and disgust, that I received the news that the Federal Reserve Board and Federal Home Loan Bank Board were allowing banks, savings and loan associations, and mutual savings banks to increase deposit interest rates. These increases range from one-fourth of one per-cent on passbook accounts up to no limit on $1000, four year certificates of deposit.

Through communications with the United States Savings and Loan League, I am led to believe that Mr. Burns, Chairman of the Federal Reserve Board, and his associates were determined to raise rates before they ever met with the Federal Home Loan Bank Board. From my conclusions, if correct; Mr. Bomar, Chairman of the FHLBB and his associates were told by the FRB that they were raising rates. The FHLBB had to go along or experience a "run-off" of funds from S & L's to banks. The S & L's in the U.S. finance one-half of the homes in the country. The industry could not afford to lose mortgage funds to the commercial banks, thus S & L's were forced to increase rates.

It appears to me that the FRB and FHLBB action, no matter how it came about, was extremely unfortunate, ill-advised, and displayed total disregard for:

1. The fight against inflation.
2. The low-middle to middle-income home-buying family. (Exhibit #1)
3. The fact that only investors will profit from this action.
4. The same set of circumstances which arose in 1966 and 1968. These were similar times, with similar happenings. Apparently the FRB learned little or nothing from these lessons.
5. The welfare of the S & L's, by reducing their earning capacities and reserve ratios.

Of all the foregoing I am most disturbed about how this action penalizes our home-buying middle-income families. This is a class alone that is hit the hardest by these events. Banks and S & L's will survive the raise by simply increasing their borrowing rates. Outlandishly high mortgage rates will go even much higher and the new home buyer will have to pay them in order to own a home.

Regulation "Q" comes up for consideration before August 1, 1973. Because I feel the FRB has little regard for anyone except the commercial banks, in administering Regulation "Q"; have been incompetent in setting deposit rates; and undermine a large section of our populace; I urge three things.

First, that Congress roll-back interest rates to the June 24, 1973 levels.

Second, that Congress control rates or mediate the setting of same.

Third, that Congress investigate the manipulating of our monetary system and take appropriate actions.

I am sorry to bother you with such a lengthy letter, but I feel this is a most urgent and important matter.

Respectfully yours,

QUENTIN L. STROPE,
Executive Vice President.

EXHIBIT 1

THE RISING COST OF BUYING A HOME

If you bought in	1963	1967	1972	After July 1, 1973
The same home would cost	$17,040	$20,000	$29,000	$30,600
If you had an 80 percent to value conventional mortgage, you borrowed	$13,632	$16,000	$23,200	$24,480
You probably had this rate of interest on your loan	5.5	6.5	7.6	8.5
If you had a 20-year term your monthly payment would be approximately[1]	$93.56	$119.30	$188.30	$212.60
In 20 years you will pay back	$22,454	$28,632	$45,192	$51,024
In 20 years you will pay back interest of[2]	$8,822	$12,632	$21,992	$26,544
If you bought in 1963, you could have saved up to	0	$6,770	$25,130	$31,282

[1] Principal and interest only.

[2] In the event of a 25- or 30-year term these figures are all the more dramatic.

AMENDMENTS OFFERED TO H.R. 9130

HON. JOHN DELLENBACK

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 1, 1973

Mr. DELLENBACK. Mr. Speaker, later this week the House is scheduled to act on H.R. 9130, the so-called trans-Alaska pipeline bill. As part of proceedings under the 5-minute rule, Mr. OWENS of Utah and I will join, as we did in the Interior Committee, in offering the following amendments:

AMENDMENT OFFERED BY MR. DELLENBACK AND MR. OWENS TO H.R. 9130

Strike paragraph (d) of Sec. 202, (page 13, lines 5–9) and substitute the following: "Proceedings in any United States federal court with respect to any action taken by the Secretary of the Interior in accordance with provisions of the National Environmental Policy Act of 1969 and relating to a permit to construct the proposed Trans-Alaskan pipeline shall be given precedence over all other cases pending therein, and assigned for hearing and determination at the earliest practicable date and all courts involved shall cause the case to be in every way expedited."

AMENDMENT OFFERED BY MR. DELLENBACK AND MR. OWENS TO H.R. 9130

Sec. 203(a), (page 13, lines 14–18) strike the following: "and without further action under the National Environmental Policy Act of 1969, and notwithstanding the provisions of any law other than said section 28 and this Title II,"

AMENDMENT OFFERED BY MR. DELLENBACK AND MR. OWENS TO H.R. 9130

Strike subsection (d) of Section 203, (page 15, lines 13–22)

Earlier today a letter setting forth a brief summary of our reasons for supporting these amendments and for urging our colleagues to join in such support was sent to each Member of the House. The text of that letter, and the names of those who joined in sending same, follows:

HOUSE OF REPRESENTATIVES,
Washington, D.C., July 31, 1973.

DEAR COLLEAGUE: We urge you to support an amendment which will be offered on the Floor when H.R. 9130, the trans-Alaska pipeline bill, is up for consideration. This amendment, which was offered in Interior Committee by Mr. Dellenback and Mr. Owens, would strike the provisions in the bill relating to overriding the National Environmental Policy Act, and ensure that any litigation filed under NEPA shall be given precedence over all other cases and shall be in every way expedited.

On Wednesday, July 25, the Interior Committee reported out H.R. 9130, a bill to widen rights-of-way which can be authorized under the Mineral Leasing Law of 1920. In addition the bill authorizes construction of the trans-Alaskan pipeline. Subject to the granting of a rule, the bill will probably be before us for action this Thursday, August 2nd.

The bill as reported contains provisions in one area which we feel must be changed. These are the provisions which would allow construction of the trans-Alaska pipeline without further compliance with the National Environmental Policy Act of 1969. We feel such action would be an extremely serious mistake.

The 90th Congress enacted the NEPA to provide safeguards for our environment by requiring a study of the environmental impact of projects and programs on the surrounding environment. Currently the adequacy of the Environmental Impact Statement filed for the trans-Alaska pipeline is being challenged in court by three citizen groups. H.R. 9130 seeks to block any further court test of the adequacy of this Impact Statement.

We see three serious problems in the bill's provisions on this point:

(1) In accordance with NEPA, safeguards have been proposed to protect the environment if the oil from the North Slope is brought out through an Alaskan pipeline. It has not been determined, however, whether these measures are adequate. H.R. 9130, as reported by Committee, would attempt to block the courts making that final determination.

(2) To brush aside the proper functioning of NEPA as proposed by H.R. 9130 sets a dangerous precedent for undermining this critically important Act. Once justified in this instance, it would become easier to justify suspension of NEPA in future actions.

(3) Although the bill seeks to block any further litigation in connection with the proposed trans-Alaska route, actually it cannot and does not do so. On the contrary, in our opinion, it raises a series of new potential grounds for litigation. These new grounds are apt to take longer to work their way through the courts than would be the case if the present court test of the adequacy of the NEPA Impact Statement were permitted to be concluded.

Again, we urge you to join us in supporting this very important amendment. If you have any questions about this amendment or about the issue, please call Dana on 56416 or Jim on 53011.

Sincerely yours,

John Dellenback, Wayne Owens, Yvonne Brathwaite Burke, Bill Frenzel, Ralph Regula, Howard W. Robison, John P. Saylor, John D. Dingell, Bob Kastenmeier, John Heinz, Patsy T. Mink, John B. Anderson, Phillip Burton.

Ken Hechler, Charles Vanik, Frank Thompson, Jr., Dave Obey, Les Aspin, John M. Zwach, T. J. Dulski, Martha W. Griffiths, Charles A. Mosher, Hamilton Fish, Jr., James G. O'Hara.

Joseph Karth, Bob Eckhardt, Henry S. Reuss, Don Riegle, John E. Moss, John F. Seiberling, Leonor K. Sullivan, Gerry Studds, Pete McCloskey, W. M. Mailliard, Phil Ruppe, Manuel Lujan, Jr., Guy Vander Jagt.

FULL EMPLOYMENT

HON. AUGUSTUS F. HAWKINS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 1, 1973

Mr. HAWKINS. Mr. Speaker, at the opening meeting of the National Urban League's 63d annual conference, the league's executive director, Vernon E. Jordan, Jr., gave the keynote address. Mr. Jordan's statement at this major gathering has extraordinary significance for all Americans both black and white, at a time of national distrust, misunderstanding, and turmoil.

In his statement, Mr. Jordan declared:

> I believe that the single central task for this nation in the 1970's is to assure every citizen capable of work a decent job at a decent salary. The nation can escape the stain of Watergate and the shame of poverty by instituting a national Full Employment Policy of guaranteed jobs and minimum training and salary standards that will open careers and meaningful work for all of its people.

I fully support this statement by Mr. Jordan. When Congress reconvenes, I will introduce a full employment bill that would guarantee every citizen's right to a meaningful job at a decent wage.

The keynote address follows:

KEYNOTE ADDRESS BY VERNON E. JORDAN, JR.

A decade has passed since a quarter of a million Americans—blacks and whites together—came to this city in the historic March on Washington for Jobs and Freedom. It has been a long, friction-filled decade in which black people made the great leap forward to at least the beginnings of a more equal participation in our society. Each and every victory of that crucial decade was stained with the blood of martyrs and with the sweat and tears of millions of black people.

There are those who would belittle the achievements of the past ten years. They have forgotten all too soon what it meant to be segregated and Jim Crowed; to be cast out of the political life of the country; to be denied the vote; to be victimized by private and public institutions, and to be brutalized through the violation of constitutional and human rights.

Still others, complacent in the minimal gains that have been torn from a reluctant nation, mistakenly believe that the hopes and dreams of the marching masses of 1963 have been fulfilled. They think that the rights won, the laws passed, and the observable progress made are sufficient, and that black people no longer need trouble this society with the remnants of our unfinished agenda. Time is a great healer, they say, and time will cover the scars of the past and bring full equality in the very near future.

Both of these widespread views are mistaken. The gains of the past decade, the glowing achievements of this Second Reconstruction, were sweeping and historic. But they stopped far short of what was necessary. Too many of the rights conferred gather the dust of indifference; too many of the programs begun have lingered underfunded and unwanted, while others have been ended. The gap between whites and blacks has grown, the bright promises and dreams of a decade ago have been betrayed; and the pain that seared the lives of millions still hurts.

The Second Reconstruction is unfinished, and is now threatened by a counter-revolution that appears to be trying to turn the clock back and to arrest the progress that has been made. Every swing forward of the pendulum of social change creates its counter-movement backward, and it is that dangerous, regressive phase in which we find ourselves today.

The seeds of this counter-revolution were planted some years back—with the coining of code words like law and order; in the politicizing of phony issues like busing and quotas, and in the desertion of some former supporters from the civil rights movement. In the past year the new American counter-revolution has swung into high gear with the refusal to reform the welfare system, with publication of a budget that neglects human resources and human needs, and with the proposals for a revenue sharing scheme that would effectively divert the nation from the establishment of national goals and national priorities.

Watergate, in this context, is no passing scandal. It is a reflection of the moral bankruptcy of the architects of the end of the Second Reconstruction. It is a Pandora's Box of illegality, suspicion and fear. The contempt it shows for the democratic political processes goes hand-in-hand with the contempt its makers show for the constitutional rights and social and economic equality of minorities.

Black people, like all Americans, watch the sordid spectacle unfold on their television screens. But many bring to it a perspective perhaps not shared by others. For as we watch one after another of major figures in the government confess their misdeeds and portray an atmosphere of paranoia and deceit, we are painfully aware that these men also found time to launch the attack on the achievements of the Second Reconstruction.

We learn of the former Attorney General's part in the cover-up, and recall his attempts to weaken the Voting Rights Act and to pack the Supreme Court with judges indifferent to our constitutional rights. We see the former White House Counsel confess to his part in the cover-up, when his proper role was to resist the illegal impoundment of funds for social programs and the illegal dismemberment of anti-poverty programs. We see people on the White House payroll confess to bugging, burglary and breaking and entering at a time when other federal officials were cutting programs, fighting court desegregation orders and sabotaging efforts to integrate some construction trades unions. And so when the pernicious "enemies list" was revealed, black people were not surprised, for many had already come to the conclusion that black Americans and our aspirations were the targets of federal disfavor.

Watergate has created a terrible vacuum at the heart of our system. The executive branch is all but paralyzed by the widespread personnel changes, by the cyncism and suspicion of the people and by the ever-present threat that the scandal will result in further proceedings of the most far-reaching nature. Just as the press, the courts and the Congress have filled the moral vacuuum left by Watergate, so too, must they fill the policy vacuum it has created.

The role these free institutions have played in exposing and correcting the Watergate scandal has vindicated the democratic system. In this time of uncertainty they have a responsibility to turn their attention to the unfinished business of the Second Reconstruction—the press, by publicizing the need for continued social change; the courts, by defending the constitutional rights of minorities, and above all, the Congress, by reversing the new counter-revolution that seeks to undo the accomplishments of the past and by reviving and extending the economic and social goals of the March on Washington.

Congress especially must fulfill its responsibilities to take the initiative in domestic affairs. It must act because Watergate has left the country adrift in indecision and inaction. The First Reconstruction was launched by the Congress over the objections of the executive, and Congress, by advancing its own program of reform, can now reverse the trends that threaten the Second Reconstruction. It must act too, in order to preserve its rightful place as a co-equal branch of government, a constitutional role that has been undermined by the unilateral dismantling of Congressionally approved programs, by impoundments of monies it has appropriated, and by the institution of sweeping changes in federal-state relations to which it has not consented.

There are three broad areas that call for immediate Congressional action.

The first and most urgent of these is for Congress to restore the budget cuts made in health, housing, education, manpower and other human services. These programs have been cruelly slashed, imposing crushing burdens on poor people, both white and black. The main beneficiaries of such federal programs have overwhelmingly been white citizens, and their impact on black people has been considerable, because we are disproportionately poor. If a sharp knife has to be wielded on federal spending, there are far riper targets in a budget of over $268 billion than those that train young people for jobs, provide health care for infants and put unemployed people to work again.

A second Congressional priority should be the overhaul of a welfare system that corrodes human dignity. The principle of an income floor beneath which no family should fall was embodied in the Administration's Family Assistance Plan. It is a good principle, but the political dictates of the time resulted in the principle being strangled by punitive and vicious amendments. The failure to pass a humane welfare reform bill is a key indicator of the strength of the counter-revolution. In the wake of the moral disaster of Watergate, the Congress should now understand that it treated the poor as enemies, just as the conspirators treated political opponents as enemies. Now Congress can make amends. It should now resurrect the principle of a federally-administered income floor that preserves the dignity and the rights of those among us who are victims of the failures of the economy.

Thirdly, the Congress must address itself to the crucial problem of revenue sharing, and it should reassert the primacy of national priorities to be met by national programs paid for and supervised by the federal government.

The effect of revenue sharing on white people is likely to be harmful; for black people, it promises to be devastating. The federal government has historically been the protector of minority citizens. While it has often been the frailest of reeds, historically it has been more responsive than state or local governments.

The March on Washington was a March demanding *federal* action on civil and economic rights; it was a March seeking *federal* protectinon from the abuses of state and local governments. It was a March supporting *federal* solutions to problems of national importance. We looked to Washington then and we look to Washington now, just as white people looked to Washington for federal programs that helped them to survive the Depression, to move to suburbia, and to prosper economically. Now, just as it has come to be black people's time to benefit from federal action, it is proposed that the rules of the game be changed and that we rely on some magical mixture of local goodwill along with a heavy dose of individual initiative. And why, black people rightly ask, must we give up this game that worked so well for white Americans just as *we* get to the batter's box?

Under the slogan, "returning power to the people," revenue sharing would strip away from local community groups the funds and programs under their control and force them to compete with more politically powerful local interests for funds and programs. It would take present federal programs out of the purview of competent and relatively sympathetic federal agencies and turn their funds over to state and local governments for uses that may not be as relevant to the needs of the minority community.

This fracturing process makes difficult, if not impossible, the establishment of national domestic policy goals and their implementation. It also imposes great burdens on national organizations in the private sector. Further, I have little faith in the competence and record of 50 state governments and thousands of local governments to make humane judgments and institute responsible programs. And I fear that many agencies, most of them small community groups, will be left and minority communities will suffer tragically.

This is not intended to be a blanket indictment of all local governments. They are also caught in a bind by revenue sharing, which shares problems but not resources. The money being made available to state and local governments for social service programs is less than the money that would come into cities through the present system of categorical grants. Mayors and governors are thus placed in the cruel dilemma of limited resources and heightened public expectations encouraged by Administration rhetoric about local control and decentralization.

In countless cities all over the country local officials are tooling up to make the best possible use of the monies they will get from revenue sharing. A considerable number of Urban League affiliates report that mayors in their cities plan to commit these funds to solid programs in the social services, and that the black community will participate as administrators and as beneficiaries of local programs. But it is safe to say that these cities will be the exceptions and not the rule. A prime task for black people and for the Urban League will be to carefully monitor the use of the revenue sharing funds and to insure that minority citizens are not unduly penalized by the federal abandonment.

This is doubly important in view of the unwise use of much of the general revenue sharing funds already committed. A report issued last month by the Federal Revenue Sharing Office itself, demonstrates the unwillingness of the state and local governments to use federal grants for human services. Some five billion dollars have already been sent to local governments and have been used primarily for capital expenses and for reduction of property taxes. Others used it to build golf courses and tennis courts. Social services for the poor and for the aged ranked *last* among their priorities, and only eight percent mentioned it as a top priority.

It seems clear from all this that revenue sharing is anything but "returning power to the people." Still less is it the cornerstone of the "new American revolution." Rather, it is old wine turned sour in its brightly labelled new bottle. It is a return to the past; part and parcel of the counter-revolution that is clearly designed, in a word spawned by Watergate, to render the Second Reconstruction "inoperative."

The situation facing those of us in the human rights movement is difficult. The Second Reconstruction is in grave trouble, and the goals of the March on Washington for Jobs and Freedom remain, after a decade, as haunting reminders of ideals not yet fulfilled. The road ahead is uncharted and unmarked.

The freedoms envisioned by the March have largely been won. But freedom without economic power is freedom without substance. Remember, the March was for Jobs AND Freedom; Jobs came first. It is time now to get those jobs.

We must get those jobs because economic security is a fundamental freedom from which other freedoms flow. As Justice Douglas has written: "Man has indeed as much right to work as he has live, to be free, to own property." And we must get those jobs because the black community is suffering an economic depression the depths of which have been unknown to white Americans since the Great Depression.

The job question is the cornerstone of a rational approach to solving the many problems facing black people. With jobs, dollars and economic security, we will be equipped to deal fully with the dismal realities of poor health care, inadequate housing, and unequal educational opportunities. Our battle for equality must be fought on many fronts, but it is the economic front that is most crucial for our survival.

The tragic plight of black Americans has been masked by the blind acceptance of economic benign neglect—the false comfort derived from statistics that show progress made by some sectors of the black community. Skilled young people who have made it into the labor market are entering jobs and making salaries that represent a clear improvement over previous years. Recent black college graduates are approaching parity with their white classmates.

But beyond these favored few, there are millions upon millions of black Americans who are being crushed between the rock and the hard place. There are millions upon millions of black people for whom a morsel of meat is a luxury, a decent home a dream, and a job a hopeless fantasy.

Last year, while over one million white citizens moved out of poverty, more than 300,000 black people entered the growing army of the poor. In the past four years, over 600,000 black people became poor. By the government's own admission, and using its own grossly inadequate standards of what constitutes poverty, there are nearly eight million black Americans who are poor. Nearly half of all black children are in poor families. Black income is declining in relation to white income, and in the decade since we marched for jobs and freedom, the median income gap between whites and blacks has grown from $3,000 in 1963 to $4,700. Black earnings are not only falling behind white earnings, they are falling far behind the most elementary decent living standards. The typical black family earns about $700 less than the government's own minimum acceptable living standard. So for the majority of black Americans, boasts of this nation's high living standards are a grotesque and bitter joke.

What I have just described is a situation of desperation. Hidden by the cold impartiality of numbers and statistics are broken lives, wasted efforts, and hopeless frustrations. Behind these numbers and the malignant neglect that hides them from the country, is mounting anger and explosive despair. The economic deprivation inflicted on black Americans is an obscene horror, a mark of shame upon the nation that dwarfs the Watergate scandal and calls for swift, massive action.

I believe that the single, central task for this nation in the 1970s is to assure every citizen capable of work a decent job at a decent salary. I believe that the central goal of the human rights movement in this perilous time must be the achievement of guaranteed jobs for each and every American—white and black. I believe that the unfulfilled half of the aims of the March on Washington—Jobs—must be our basic goal. This nation can escape the stain of Watergate and the shame of poverty by instituting a national Full Employment Policy of guaranteed jobs and minimum training and salary standards that will open careers and meaningful work for all of its people.

Few people—white or black—are fully aware of the extent of unemployment in this so-called "booming" economy. Officially, almost five percent of the labor force is unemployed, a notch above the four percent generally accepted as "full employment." The five percent of the labor force means that almost four-and-a-half million people are jobless.

The facts are that there are millions of people who are not officially counted as being unemployed because they have given up looking for jobs, or because they are working part-time. Adding these discouraged job-seekers and underemployed workers to the official unemployment figures, we find that there are about ten million unemployed Americans, over two million of them, black. The real unemployment rates in this country then, are about ten percent for the total labor force, and twenty percent for black workers.

I refuse to believe that this supposedly booming economy has no place for ten million people who want to work. I refuse to believe that the only jobs it can offer another ten million people are jobs whose wages for a year of full-time work amount to less than $5,000.

We are talking here of more than a crisis of political morality; more than the isolated misery of individual people without work, more than the betrayal of the dreams of the 1963 marchers: we are talking about the collapse of our economic system and of its apparent inability to provide work for a significant part of its people.

The failures of this economy are not temporary lapses due to passing changes in the economic climate; they are structural weaknesses that threaten the foundations of this system. The labor force has become split-level, with an upper tier who have good jobs, union membership, decent salaries, and fringe benefits, and a lower tier that has none of these. This bottom layer of economically desperate people is made up of disproportionate numbers of Vietnam veterans, of black people and other minorities and of young people.

A million white teenagers and a quarter of a million black teenagers are in the labor force but are jobless. One out of every three black youngsters officially listed as looking for full-time work can't get a job. This country is fostering a significant portion of a generation of workers who are unskilled, inadequately educated, and unemployed. The future for these young people is bleak and the prospects for their country are dim, unless the vast human resources they represent can be put to meaningful labor.

Some people have suggested that teenage unemployment can be partially solved by a wage differential that allows employers to pay less than the minimum wage for young people. Others say that will result in firing the father to hire the son. My own feeling is that this nation has already done too much to foster sub-standard wages and working conditions, and the teenage salary differential could be the opening wedge of a general attack on wage levels. Such a wage differential would be a step that subverts the already inadequate wage structure and punches holes in the already leaky net that fails to protect other categories of workers. If high teenage unemployment is supposedly solved by lower pay rates then logic would demand that other groups whose unemployment rates are high such as women or black people, should also be paid sub-standard wages. We cannot accept this.

The structural dislocations of an economy that has no place for disproportionate numbers of teenage workers, of veterans, of women, and of minorities, can be solved by massive national job-creation. If this country can subsidize Russians who want to buy our wheat, it can subsidize its own citizens who want work.

The time for training people for non-existent jobs and for forcing them into inactivity or into substandard menial jobs that don't pay the rent is over. The time for a rational national policy of developing precious human resources and putting people to work doing the things this nation needs done is at hand.

I believe that this nation should embark on a Full Employment Policy that includes realistic job-training, institution of performance-oriented job standards that do away with present unrealistic tests and credentials, a national economic development program that helps create jobs in the private sector, and a massive job-creation program for public services.

A Presidential Commission has estimated that federal, state and local governments could put five million people to work in public service jobs in schools, in hospitals, in parks and in other areas of our community life. Instead, the measly 100,000 jobs provided by the emergency public employment program are slated to be dropped by the federal budget.

We marched for jobs ten years ago and didn't get them. We call for jobs today, and we must build the power and the alliances to succeed this time. A massive human rights movement for jobs for all holds the promise of depolarizing our divided society, for this is a goal that transcends the artificial boundaries of race or of ideology.

All people—white or black—can understand the value of work and the need for jobs. There are 16 million white people who are poor and over seven million who are jobless. White people too, can see this as their cause. And black people, be they nationalists, separatists or integrationists know that what the black community desperately needs above all are jobs and paychecks. A massive drive for jobs for all can dynamite the stereotypes and myths about the economic boom, about welfare, and about people not wanting to work. If this Administration really believes in what it preaches about the work ethic, about the superiority of our economic system, and about the virtues of labor, then let it begin now with Phase One of a Full Employment Policy that assures every citizen a decent job at a decent salary.

By putting America to work we can transcend the bitterness and divisions that threaten to tear her apart. By backing a program of jobs for all we can help unite a human rights movement that has lost a central focus and was diverted by ideological abstractions. By mounting a drive for a Full Employment Policy we can fulfill the faith placed in us by those of our brothers and sisters who are poor and who are jobless.

By instituting a Full Employment Policy America can finally redeem its promise of justice and equality. "We have come to the capital to cash a check," Martin Luther King told the March on Washington. "Instead of honoring this sacred obligation, America has given the Negro people a bad check," he said. "A check that has come back marked insufficient funds. But we refuse to believe that the bank of justice is bankrupt. We refuse to believe that there are insufficient funds in the great vaults of opportunity in this nation. So we have come to cash this check. A check that will give us the riches of freedom and the security of justice."

And I say that America is still in default on its promissory note of jobs and freedom and the interest compounds daily. It's time now for a collections suit that says to America pay off or get out of the business of democracy. And pay off not in pennies and nickels, but in dollars and gold—our equal share in the prosperity of this nation.

The belief we brought here a decade ago has become tarnished with countless defaults, betrayals and injustices. The strains of "We Shall Overcome" have been muted by the silent suffering that stalks the ghetto streets. The faith that sustained us through the dungeons of slavery, through the dismal days of segregation and separation, through the trials and tribulations of the 1960s ebbs slowly as we see the promises of the Second Reconstruction giving way to isolation, apathy and hostility.

Black Americans want to keep that faith. We want to continue to believe in America. We want to believe that we shall overcome the brutalities of indifference, neglect and poverty. We want to believe that we shall overcome the mean attempts to end the Second Reconstruction and to institutionalize poverty and joblessness. We want to believe that we shall overcome the moral bankruptcy that gives us Watergate instead of bread, and scandals instead of jobs. We want to believe that we shall overcome; that right will triumph over hollow might. We want to believe because our cause is anchored in justice and our hearts and minds unburdened by doubts of the righteousness of our mission.

In the midst of our doubt, let us renew our faith, let us believe again. For as Whitney Young told the March on Washington, "Our March is a march for America. It is a march just begun." We are the heirs of that inspiring historic moment. It is our task to redeem the promises made and the pledges broken. It is our duty to move on from that great gathering of hope to make its dreams and its goals come true. It is our mission to recapture the moral fervor and to bring to reality the aims of those who marched here as a declaration of faith and witnessing.

Many of those who were here ten years ago are no longer with us. John F. Kennedy is gone. Malcolm is gone. Martin Luther King, Bobby Kennedy, Adam Powell, Walter Reuther and our own Whitney Young are dead. Ralph Bunche, Jackie Robinson and Lyndon Johnson are gone. Others too, who fought for us and died for us, are no longer here in body, but their spirits infuse our will and inform our purpose.

Like the March itself, they have transcended their brief moment in time and live on in our hearts and minds. They live on in the inspiration and determination they kindled in us. They live on in the movement that battles today in adversity as it did in their time. From the pantheon of the fallen great, they look down upon us and upon our efforts, and they are telling us to keep on, to keep the faith, to continue what they began, to push forward in the face of hypocrisy and callousness; to fight on and march forward until their dream is reality.

Others too, are looking at this Urban League Conference with the mixed emotions of doubt and despair, of hope and confidence. Millions of black people and other minorities who don't have bus fare, let alone plane fare, to the nation's capital, people who have neither the credit or the cash for a room at the Hilton; people for whom a party gown or a banquet seat is an elusive dream; people who cry out tonight from the crevices of this nation for a decent job at a decent wage, for food for their children, warm clothes on their backs, and a non-leaky roof over their heads.

They are looking to the Urban League for help. It is on their behalf that we exist. It is for them that we meet here this week. They are what this Conference is all about. This Conference is no Boujie Ball. for we are here this week to work and to work hard for the constituency we serve. We are here to analyze, synthesize, strategize; to come up with concrete programs and goals that will make life better for all Americans.

This is the most important week of the year for the Urban League movement; it is the week in which we pull together the single strands of our labors and come together as a movement with one voice, loud and clear; a voice that responds to the cries within the ghetto's walls, a voice of soul and concern, a voice of hope and dignity, above all, a voice of and for our people.

And the eye hath not seen nor the ear heard that which we can do to gather united, determined and unafraid.

BARTRAM NATIONAL SCENIC TRAIL

HON. DON FUQUA

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 1, 1973

Mr. FUQUA. Mr. Speaker, I am today introducing legislation to authorize the Department of the Interior to conduct a study of the feasibility of establishing the Bartram Trail as a national scenic trail. This trail is named for John and William Bartram, a father and son who played an important role in American history in the study of ecology, botany, and wildlife conservation. In 1765–66 these two tough, studious Quakers from Philadelphia explored the South, starting in Mobile, Ala., heading through the Montgomery area and proceeding due east to the Georgia border and through to the Savannah, Ga. area, then south to Florida with the journey terminating in the area of Manatee Springs, Fla., after passing through the area of Jacksonville, south along the Saint Johns River to Lake George and through the Alachua Savannah to the Suwannee River. Throughout their long and arduous journey the Bartrams kept exciting journals and made detailed drawings describing the land, plants, and animals of the southeastern coastal region, as well as the Indians native to the area whom they treated with respect.

From the Bartrams and their followers has sprung the American conservation tradition which espouses the nobility and morality of primitive, unspoiled nature. The Bartrams inspired such men as George Catlin, Ralph Waldo Emerson, Henry Thoreau, and Theodore Roosevelt in their leadership of the movement to defend the natural environment, a movement which now thrives particularly in my beautiful home State of Florida.

As a tribute to the valuable contribution made by John and William Bartram to the advancement of the natural sciences in our country, it is fitting that they be memorialized in a national scenic trail. As envisioned in the bill, it would be similar to the Appalachian Trail stretching from Georgia to New England which thousands of hikers enjoy each year.

Mr. Speaker, I am very pleased to announce that this bill has the cosponsorship of the entire Florida congressional delegation as well as Mr. DICKINSON of Alabama, Mr. BLACKBURN of Georgia, Mr. STEPHENS of Georgia, Mr. MIZELL of North Carolina, and Mr. MANN of South Carolina. It is identical to S. 1157 which was introduced by all of the Senators from Florida, Georgia, and Alabama. Among the organizations that have endorsed this legislation are the Florida Audubon Society, Environmental Council of Highlands County, Historic Gainesville, Inc., North American Trail Complex, Florida Federation of Garden Clubs, Inc., Florida Chapter of the Sierra Club, the Alabama Conservancy, and Friends of the Bartram Memorial Trail. With prompt action, the trail could come to fruition in time to make a handsome gift to ourselves on the occasion of the bicentennial celebration of the founding of our Nation.

AGAINST PAY INCREASE

HON. MATTHEW J. RINALDO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 31, 1973

Mr. RINALDO. Mr. Speaker, I would like to explain why I voted yesterday against the rule permitting debate of S. 1989, a bill that, in effect, would have permitted pay increases in the near future for Members of Congress, Federal judges, and approximately 5,000 top-level Federal employees.

At present, a Presidentially appointed citizens commission is scheduled to meet every 4 years to consider pay adjustments for Congress, Federal judges, and top executive officials. The President may change the recommendations before sending them to Congress. The proposals take effect unless vetoed by either House of Congress within 30 days. S. 1989 would have required the President to submit the recommendations of the Federal Salary Commission by August 31 of each odd year.

It is especially appropriate that the vote on S. 1989 came at the very time that the U.S. Government was initiating its phase IV plan to halt the inflationary spiral. A key element in the phase IV plan is an attempt to terminate deficit spending by decreasing Federal expenditures. It is a call to Congress to exercise fiscal responsibility, to put the interests of Americans as a whole above the interests of any special group which would attempt to pressure Congress into appropriating money which will benefit only a few.

S. 1989, however, represents the antithesis of the spirit of patriotism and fiscal responsibility which this country badly needs. It comes, significantly, in a nonelection year. By the fall of 1974, this increase would have been forgotten. In this way, Congress could have avoided taking a pay increase during a politically sensitive election year. But this would break the implicit contract which each Congressman signed last fall by agreeing to serve for $42,500 a year. It would probably, in fact, set a precedent for biennial salary increases in off years.

The measure, furthermore, represents another Government outlay, one which other groups around the country could cite as a precedent for increasing their own salaries or wages. If Congressmen cannot exercise fiscal restraint in their own affairs, they cannot honestly expect others to do so.

Congress rejection of S. 1989 is a first step in the direction of fiscal responsibility, but it should not be the last. Congress could terminate the present procedure for pay increases, which was instituted in 1969. Pay increases should require a congressional vote, rather than mere tacit approval. Members of Congress should be required to vote on salary adjustments affecting themselves, just as they did before 1969.

BEN GRAUER MOVES ON

HON. LESTER L. WOLFF

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 1, 1973

Mr. WOLFF. Mr. Speaker, Ben Grauer's long career in broadcasting for NBC has drawn to a close. His outstanding contributions to radio and television will long be recalled as shining moments in the development of American reporting in the electronic media.

As we move toward the final quarter of this century, we begin to realize how greatly changed this Nation has become because of our shifting emphasis from the written to the spoken word. Ben Grauer has enriched the fabric of this Nation's history with his wit and wisdom as he chronicled the American experience over the last 43 years.

We are fortunate, for although Ben leaves NBC and regular reportage, he joins the Voice of America and will continue to comment on the life and future of this Nation. I look forward to his continuing illumination of the men and events which shape our destiny.

I am including an article from the New York Times which relates Ben's thoughts as he leaves NBC. We welcome his continuing involvement in this Nation's news and I wish him well in his newest role.

The article follows:

BEN GRAUER REFLECTS ON SIGNING OFF

(By Richard F. Shepard)

Ben Grauer began announcing for the National Broadcasting Company in 1930, when radio staffers wore tuxedos for evening shows because they were going into the American home, unseen but heard.

Mr. Grauer, having reached the age of 65, at which point personnel policies insist that enough is enough, is leaving the network during a period when television newsmen, visible as well as audible, come into the home in shirtsleeves and crackerbarrel informality.

"I go back to the day when there was a sense of dignity of entering the American home," said Mr. Grauer the other day, as he was cleaning out the desk that he formally left at the beginning of the month. "Then, the American Academy of Dramatic Arts gave diction medals, and the good announcer had a sanitized, elegant delivery. Then gradually this broke down with a new emphasis on appearing as human beings."

WITHOUT REGRET

This contrast was noted in no particular terms of distress. Having grown up in change, Mr. Grauer does not lament the things that were or might have been.

During his 43 years on the air, with some time off for sleeping and seeing his family and pursuing a bibliophile passion, Mr. Grauer covered most of the political conventions, the burning of the cruise ship Morro Castle in 1934 (he scored a beat when he grabbed a survivor just washed ashore and interviewed him as both were jammed into a telephone booth), all sorts of disasters and triumphs and, as announcer, such nineteen-thirties and forties favorites as the Arturo Toscanini radio concerts and Kay Kaiser's "College of Musical Knowledge."

He developed with broadcasting, and small wonder that so many things he did were as much "firsts" for broadcasting as for himself.

"I've had more than 40 years in which America grew up," he said. "I sensed the innocence that was in the land, even during the Depression and World War II. World events made us aware, and they have been driven home by TV. This is totally different kind of world."

Having placed his career in historical perspective, Mr. Grauer, who scarcely looks like a man about to turn in his washroom key, got down to the nuts and bolts of now and then. After all, he was not only a standard radio fixture but also an advance man of sorts for TV, for which he and John Cameron Swayze did the first convention coverage in 1948.

"We were a novelty there," he recalled. "I noticed once that Thomas E. Dewey looked 'beardy' and I whipped out a stock of make-up and put it on him. One of his aides objected, saying that he'd look too feminine with make-up. Times have changed."

GREATER POWER

"TV has enormously increased the impact of the electronic journalists," he continued, "His power is far greater than what the broadcast journalist had 40 years ago.

"In the nineteen-thirties, forties, even the fifties, you had nightly commentators with 15-minute newscasts giving their editorial views, such as H. V. Kaltenborn, Raymond Gram Swing, Quincy Howe, Boake Carter."

Although he allows that expressing a preference for radio or TV is not unlike saying one would rather drink red wine than white wine, his affection for radio is undisguised.

"In radio, particularly on a breaking story, it's all in a reporter's hands," he said. "You decided the mental picture the audience was going to get, and you could give your own emphases and playdowns. I worked with just a legman and an engineer.

"Today, a film crew or live production unit has 30, 40 or 50 men, and the picture leads you. If the director punches up picture A, you have to speak of picture A. More like writing cutlines for a picture in the newspaper."

Mr. Grauer took a well-modulated breath and forged on: "In radio, the reporter had to keep a constant barrage of words going, partly from the excitement of the thing, partly from the need to fill. That's what they used to call 'the magic of radio.' The voices were rotund and stentorian. The keynote now is to be a regular guy."

Only last year, Mr. Grauer and John Daly shared a Peabody award for broadcasting virtuosity for the job they did in covering the conventions and election for the Voice of America. It was a bit different from the sort of coverage Mr. Grauer had been accustomed to giving directly from source material.

"We sat in a room and, courtesy of the three networks, took their feeds," he said. "There were three tubes burning in front of us. John would be looking at one thing, I at another, and we'd decide whose was of more urgency and go on the air with it. It had all the flexibility of radio reporting."

TV SERIES CONTINUES

Although Mr. Grauer has vacated N.B.C., he is by no means about to remove his voice from the public. He has been doing and plans now to intensify a TV series for the Voice of America. It's called "New York, New York with Ben Grauer."

As an experienced interviewer, he knows that he should project America abroad through his guests, whose names run the breadth of the nation from Harold Prince and Michael Burke to Russell Lynes and Truman Capote.

"It's beamed all over the world," Mr. Grauer said, disclosing that he is about to embark for Europe on vacation. "Just do not get the idea across that I am retiring."

LEE HAMILTON'S AUGUST 1, 1973, WASHINGTON REPORT, ENTITLED "THE FOOD SCARE"

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 1, 1973

Mr. HAMILTON. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include my August 1, 1973, Washington Report entitled, "The Food Scare":

THE FOOD SCARE

A dramatic change in our attitudes toward food has occurred recently. For most Americans food has always been plentiful, relatively inexpensive, and food shortages something that only happened in far-away places with strange-sounding names.

Suddenly, or at least so it seems, food prices skyrocket (at an annual rate of 25 percent since January), prices for basic commodities (wheat, rice, feed grains) reach historic highs, housewives protest and boycott, food shortages and price controls appear, the Secretary of Agriculture reverses a decades-old government policy and calls for all-out production in 1974, and the President shuts off exports of soybeans causing severe repercussions abroad. Food and how it gets to our table has become a matter of consuming interest to all of us. No longer is the old joke very funny about the fellow who said we don't need farmers any more because there is plenty of food in the supermarket.

How did all of this happen to us so quickly? Basically there are two reasons: more people, and more people eating better food.

Across the world population expands at 2 percent a year and will double in little more than a generation. The world consumption of grains has gone up 60 percent in the last 20 years. During the period from 1940 to 1972, America's population grew 57 percent and the average American has increased his beef consumption from 55 pounds a year in 1940 to 117 pounds in 1972. Moreover, with rising affluence in many countries, as in Western Europe and Japan, their eating habits become much like ours. Protein is especially in demand, but expanding the sources of protein—beef, soybeans, fish—is proving difficult.

At the same time that demand for food was growing, limitations on increased production have appeared. Expanding arable land, the traditional way to expand production, is limited by competing uses for urban development and recreation and the lack of water. The costs of production increases have risen, and the energy shortage threatens to increase them even more. In the past many food surplus countries have had grain reserves and the U.S. has had plenty of idle cropland under its farm programs, but the grain reserves are now sharply down and the U.S., which has had roughly 50 million acres out of production in recent years, is bringing the idle land back into production. It has become apparent that the best hope for expanding the world food supply rests with developing the agricultural potential of the poor nations of the world.

All of this adds up to a picture of scarce food and high food prices for some time to come. Even with the era of relatively cheap food, which Americans have enjoyed for many years, coming to an end, food remains the best bargain in the land. In 1971 the American consumer spent an average of 16.3 percent of his income on food—less than half of what he had to pay in 1929.

Across the world food supplies and prices will remain major public issues for decades to come, and food policy will be characterized by the shift from production restraints to accelerated expansion of production. The U.S. will be at the center of the debate because we are the world's leading agricultural producer. With only 6 percent of the world's people and 1 percent of the world's agricultural labor, the U.S. produces 15 percent of the total value of world food production, and is the leading exporter of agricultural products, with 16 percent of the value of world agricultural exports.

The new situation in food also means, I suspect, a new status for the American farmer. He has always been one of the most important people in the world, but we just haven't acknowledged it. In 1952 each farmer supplied 15 persons with food. Now he produces enough for 51 persons. Without him, we and a lot of other people don't eat. He has become the key man in our efforts to achieve a fair price for himself, an ample supply of food at reasonable cost for the consumer, and an orderly world economy.

PUBLIC ASSISTANCE TO STRIKERS

HON. THOMAS S. FOLEY

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 1, 1973

Mr FOLEY. Mr. Speaker, I would like to bring the following statement issued today by the Executive Counsel of the AFL–CIO to the attention of the House and insert it in the RECORD at this point:

PUBLIC ASSISTANCE TO STRIKERS

Anti-labor forces, led by the Chamber of Commerce of the United States, are conducting a concerted campaign to penalize the children of strikers as a device to nullify the legal right of American workers to strike.

Their efforts have recently resulted in:

The vote in the House of Representatives to prevent the children of strikers from receiving food stamps without any determination whether the family needed such help.

The ruling by HEW Secretary Caspar Weinberger—despite contrary opinion from churches, governors, social welfare agencies and unions—that states may deny welfare benefits to the children of strikers no matter how compelling their need.

A just and humane society must reject both actions as gross violations of the simple and basic rule that need must be the sole criterion for public welfare.

Workers are taxpayers. Their taxes include the costs of welfare and food stamps. The right to strike is a legal right of Americans continually reaffirmed by the courts. The payment of taxes is the obligation of all Americans. Workers have the right to receive public assistance when their families are in need.

To deny a family in need the meager benefits of taxes paid while they were working—i.e. welfare and food stamps—because that person is exercising a legal right is patently vicious.

The only relevant question is need. It is not a question of who is wrong or who is right in a labor dispute. Surely the government should not starve strikers into submission to whatever conditions an employer unilaterally offers. This would make a mockery of free collective bargaining and the legal right of workers to strike.

Society has an obligation to insure that the children of this country are not denied adequate food, decent housing and clothing. The government has no business forcing a worker to choose between his children and his legal rights; rather, the government should take care to preserve both the legal rights and physical health of its citizens.

These recent actions are the direct result of the high-pressure campaign by the Chamber of Commerce of the United States to penalize workers for exercising their legal right to strike. It is not the result of abuses of welfare or food stamps by strikers.

Therefore, the AFL–CIO Executive Council directs:

1—The Legislative Department of the AFL–CIO to vigorously oppose any legislation, specifically including the Farm Bill, that includes a ban against food stamps being furnished families of strikers in need.

2—Officers of AFL–CIO State Central Bodies to fight any efforts within their state to implement the HEW regulation permitting states to deny welfare benefits to the children of strikers.

TV BLACKOUTS OF MAJOR SPORTING EVENTS

HON. NORMAN F. LENT

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 1, 1973

Mr. LENT. Mr. Speaker, I would like to draw the attention of my colleagues to the very unfair situation facing millions of sports fans across the country, especially football fans, now that the fall season is approaching. They are denied the right to see their home teams, because the National Football League blacks out television coverage of all home games.

The Congress enacted an antitrust exemption in 1961 for the National Football League with the express purpose of insuring its financial stability and to save the sport from fading from the American scene. Television blackouts were considered a necessary adjunct for the sport's protection. These blackouts, in my opinion, are no longer either necessary or desirable. In fact, the blackouts have led to an almost complete monopoly by season ticket holders over seats at regular season games.

The situation in New York points up the inequities engendered by TV blackouts. One of the byproducts of the antitrust exemption is that the New York Jets have been able to increase attendance at NFL regular season games an astounding 303.7 percent in just 10 years. The current ratio of season ticket sales to paid attendance is better than 94 percent for the Jets. Over 90 percent of fans present at New York Jets games are season ticket holders. There are Jets and Giants fans who have been on the waiting list for season tickets for years. Those fans who are lucky enough to find an individual game ticket to purchase must pay over $7. The result is that most fans are regulated to reading the game scores in the next day's papers.

I am keenly aware of the frustration these fans feel, because of the stubborn and arrogant refusal of the NFL to lift their blackout policy.

Television has been a major factor in the rise in the popularity of football. Rather than hurt attendance at the stadium, TV has increased gate receipts by increasing the number of devoted fans who brave traffic and inclement weather to participate in that very special excitement generated by the large crowd. Claims by promoters that televising home games will hurt paid attendance are unproven, especially when the stadium has been sold out.

Today I introduced H.R. 9760, a bill to prohibit television stations from blacking out any exhibition of a professional sport when tickets have been sold out for at least 48 hours before the game. The bill covers football, basketball, and hockey and is limited to a 1-year trial period. This legislation is designed to provide for the viewing pleasure of the fans, while, at the same time, protecting the professional clubs. It should also go a long way in dealing with past abuses of the present system such as ticket scalping. I urge early consideration and passage of this bill in order to rectify this desperate situation. I insert the text of this bill into the RECORD at this point:

A bill to amend the Communications Act of 1934 for one year with regard to the broadcasting of certain professional home games

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That part I of title III of the Communications Act of 1934 is amended by adding at the end thereof the following new section:

"BROADCAST OF SOLDOUT PROFESSIONAL HOME GAMES

"SEC. 31. (a) If (1) during the one-year period which begins on the date of enactment of this section, any professional football, basketball, or hockey game is broadcast under the authority of a league television contract, and (2) tickets of admission to such game are no longer available for purchase by the general public forty-eight hours or more before the scheduled beginning time of such game, then television broadcast rights shall be made available for television broadcasting of such game at the time at which and in the area in which such game is being played.

"(b) For the purposes of this section, the term 'league television contract' means any joint agreement by or among persons engaging in or conducting the organized professional team sports of football, baseball, basketball, or hockey, by which any league of clubs participating in professional football, baseball, basketball, or hockey contest sells or otherwise transfers all or any part of the rights of such league's member clubs in the sponsored telecasting of the games of football, baseball, basketball, or hockey, as the case may be, engaged in or conducted by such clubs.".

NO SUBSIDY FOR READER'S DIGEST

HON. PETER A. PEYSER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 1, 1973

Mr. PEYSER. Mr. Speaker, during the recent debate on proposed postal legislation a number of statements were made about the Reader's Digest Corp. Reader's Digest has written to me answering some of these statements. I would like to insert a copy of their letter in the RECORD for the benefit of the House:

READER'S DIGEST,
Pleasantville, N.Y., July 27, 1973.

Hon. PETER A. PEYSER,
Longworth House Office Building,
Washington, D.C.

DEAR CONGRESSMAN PEYSER: Your friends and constituents at the Reader's Digest were shocked to read in the Congressional Record of July 23rd (pages 25477–25482) references to a so-called "subsidy" our magazine allegedly receives throughout the structure for second-class postage rates.

We believe that a fair-minded evaluation of the matter of the Digest's postal rate payments would not only fail to support allegations that the Reader's Digest receives a subsidy, but would indeed lead an impartial observer to conclude that we are paying much more than our fair share. Following are some of the reasons why we make that claim.

The references to the Digest's alleged "subsidy" stem from the Minority Report of the House Post Office and Civil Service Committee on H.R. 8929. Acting on information supplied by the U.S. Postal Service, the Minority Report charged that Reader's Digest will enjoy "a taxpayer's subsidy of $14,815,000" during the next five years, until existing law reaches the full rate set by the Postal Rate Commission. That averages out to about $3 million per year.

The Minority Report further alleged—again on the basis of figures from the U.S. Postal Service—that under a 10-year phasing provision of H.R. 8929, this "subsidy" would double to $29.6 million—or still about $3 million per year.

Facts are the Postal Service has no cost figures for the Digest, or for any other individual publication. That was true in 1969 when Senior Assistant Postmaster General for Finance, Ralph Nicholson, testified that the Post Office could not determine a subsidy "for any given magazine, but only for the class as a whole." It remains true today.

Moreover, the "subsidy" charge is based not only on information that cannot be accurately determined for any given magazine—the Digest or any other—but it is based on a look at only one class of mail. While the Digest paid $6 million for second-class postage in 1972, it was also paying $30 million in postage for other classes of mail.

Let's examine the total picture of all Reader's Digest mail.

Using the same data from the Postal Rate Commission that was used in the Minority Report on H.R. 8929, an analysis of all postal expenses shows that Reader's Digest more than pays its own out-of-pocket costs, and that it also contributes more than $11 million annually to overhead costs of the Postal Service.

This is how we arrive at that conclusion.

According to the Postal Rate Commission (June 5, 1972 Opinion, Appendix K), 49 per cent of first-class revenue is an excess over attributable (or out-of-pocket) costs and is a contribution to institutional (or general overhead) costs. Reader's Digest paid the U.S. Postal Service over $15 million for first-class postage in 1972. Thus, using the Rate Commission's own figures, the Digest last year contributed $7.5 million in first-class postage to the overhead costs of the U.S. Postal Service.

Similarly, the Postal Rate Commission declared that 52 per cent of third-class postage is a contribution to Postal Service overhead. Thus, of Reader's Digest's $7.5 million third-class postal bill in 1972, $3.9 million paid for overhead costs of the Postal Service.

Therefore, last year, the Digest contributed $11.4 million in first- and third-class postage toward overhead costs of the U.S. Postal Service. And this contribution will surely increase as first- and third-class rates will surely increase.

Even deducting the $3 million "subsidy" that the Postal Service claims the Digest will enjoy each year until the phased rate increases are fully effective, the net Digest contribution to postal overhead would still be more than $8 million a year!

Put another way, if there were no Reader's Digest, the taxpayer or someone else would have to pay $8 million more to support the U.S. Postal Service.

And that isn't all. Recently the Postal Service submitted figures to the Postal Rate Commission showing that if a mailer fully presorts his first-class mail, Postal Service costs are reduced by more than 1¢ a piece. The Digest mailed about 200 million pieces of such mail in 1972, nearly all of it pre-sorted.

So, according to the Postal Service's own cost data, the Digest overpaid nearly $2 million.

The Postal Service submission also shows that handling of Digest Business Reply Mail caused no more expense than that incurred in handling regular first-class letters. Since the Digest paid a 2¢ surcharge for each of the 14 million pieces of business reply mail it received last year, that means it overpaid the Postal Service by some $280,000 in 1972.

Adding the above two figures, it is clear that the Digest paid nearly $2.3 million to the Postal Service in 1972 for services that are received for most letters, but which were not required for Digest mail.

Thus we find that, even after deducting the alleged $3 million second-class "subsidy," the Digest overpaid the Postal Service $2.3 million in 1972, and also made a net contribution to Postal Service overhead of well over $8 million.

Sincerely,

KENT RHODES.

H.R. 9359

HON. DICK SHOUP

OF MONTANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 1, 1973

Mr. SHOUP. Mr. Speaker, I have today cosponsored H.R. 9359, introduced by the Honorable Ms. BELLA ABZUG. This legislation provides for the issuance of a postage stamp to honor the life and work of Jeanette Rankin, the first woman to be elected to the U.S. Congress.

Miss Rankin was an innovator and leader in the fields of women's rights and peace issues. In the early 1900's, she introduced bills to give women the right to vote, and helped to push through the 19th amendment, which nationally enfranchised women.

Jeanette Rankin's total commitment to U.S. Government, not only as a civil servant, but as a woman, are admirable. She was a longtime advocate of electoral reforms, with goals toward a greater diversity among Representatives. She will also be remembered as the only Representative who voted against U.S involvement in World Wars I and II. Miss Rankin was a truly courageous woman in American politics, whose consistency in beliefs recognized that violence cannot solve human disagreements.

I therefore feel that it is commendable that we honor her life and work by issuing a commerative postage stamp.

Thank you, Mr. Speaker.

THE POSTAL SERVICE

HON. GUS YATRON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 1, 1973

Mr. YATRON. Mr. Speaker, Americans demand excellence in their Postal Service and rightfully so since the mails are extremely important to the smooth operation of their homes, their businesses, and their Government. Regrettably, ever since the Congress approved legislation to establish an independent Postal Service, criticism of the mail service has been growing. We have all noted that everything from the high cost of a first-class postage stamp, through economy reductions within the post office, to the use of cluster boxes for mail delivery, seem to have received the brunt of these complaints.

However, some of this criticism may not be deserved when one realizes the monumental task which faces our Postal Service. The sheer number of items mailed each day in the United States boggles the imagination. Regardless of the complaints, however, the United States still has the best postal system in the world and indications are that the future holds even better service for the public.

Nevertheless, like many of my colleagues, I have received numerous complaints about the Postal Service. One such matter came from Mr. George F. Eisenbrown concerning the shoddy service which his organization, the Windsor Mount Joy Mutual Insurance Co., was receiving, he thought, from the U.S. Post Office in Hamburg, Pa. In an effort to be of the most possible assistance to Mr. Eisenbrown, I contacted the Postal Service to inquire about a possible remedy to his problem.

The response from the Washington Office of the Postal Service and the Hamburg Post Office was indeed gratifying. I believe the efforts of the Postal Service in this matter are not only indicative of their response to and concern for problems within their organization in general, but also of their efforts to correct any deficiency in particular.

Most significant, however, is the fact that the Postal Service in this instance was able to determine that Mr. Eisenbrown's problems were within his own company and did not concern the post office at all. I believe that we will continue to see such cooperation by the U.S. Postal Service and the citizens it serves as the mail service moves forward in the future. Certainly, the valuable assistance which Mr. Ray S. Kinsey and Mr. Curtis Dietrich gave Mr. Eisenbrown was extremely important in the satisfactory solution to this problem. Consequently, I would like to include the full text of Mr. Eisenbrown's letter for the benefit of my colleagues. The letter, which gives credit where credit is due, follows:

WINDSOR MOUNT JOY
MUTUAL INSURANCE CO.,
Hamburg, Pa., July 24, 1973.
Congressman GUS YATRON,
Cannon House Office Building,
Washington, D.C.

DEAR CONGRESSMAN YATRON: With reference to your letter of July 10 and Mr. Matukonis correspondence of July 5, 1973, I take this opportunity to thank you both for your kind cooperation in the matter of looking into the Postal problem here in Hamburg.

Mr. Ray S. Kinsey, Customer Service Representative, and Mr. Curtis Dietrich Postmaster of the Hamburg Post Office made a personal call to our office July 23, 1973, for the purpose of discussing the program entirely.

I have been assured of several factors: (1) That the mail is normally ready for pickup at 8:30 a.m. and (2) If I can arrange to have our outgoing mail into the Post Office by 4:30 p.m., the same will be given immediate attention as with all other outgoing mail.

With the kind cooperation of the two men mentioned above, I was able to determine that unfortunately, a good deal of the problem lies within my own organization, caused by that old familiar problem of employee "dilly-dallying". This, of course, causes me to have an extremely "red face". I can assure you I will make every effort to rectify this particular situation.

The most I can do at this point is to offer my thanks for your kind assistance and apologize for the short-sightedness on our part as regards laxity of participation in correction of mail pickup and delivery.

We are most pleased to know that even though we must retain a considerable amount of the "blame", your representatives were most cordial in their approach to the problem and I commend them for not being retaliatory in approach when they may have had a right to be.

Again, my personal thanks for your kind cooperation and prompt service.

Very truly yours,
GEORGE F. EISENBROWN,
Secretary.

MARIO VALADEZ: 40 YEARS OF SERVICE

HON. GEORGE E. DANIELSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 1, 1973

Mr. DANIELSON. Mr. Speaker, I would like to bring to the attention of my colleagues an event honoring an important citizen which took place recently in my district. On June 29 a reception and dinner were given by the friends of Sr. Mario Valadez to honor him on the occasion of his 40th anniversary as a member of the management team of the El Pueblo de Los Angeles Corp.

Mario Valadez is, by anyone's standards, an extraordinary person. Born and raised in Mexico, Mario moved to Los Angeles in 1926 at the age of 19. Although he had attended business college and had been employed as a secretary for 5 years in Mexico, Mario was unable to find employment as a secretary in Los Angeles. Undaunted, he accepted a job as a window washer at the Rosslyn Hotel and began to attend evening classes to better his command of the English language and to improve his shorthand and typing.

As if these activities were not enough, Mario became an instructor in Spanish and wrote a booklet entitled "Learn Spanish Pronto," which sold a quarter of a million copies.

Forty years ago, in 1933, Mario was invited to act as an interpreter at a meeting of a group of merchants on Olvera Street, the oldest thoroughfare in Los Angeles. Soon after that first meeting, Mario became closely associated with this group of merchants, now better known as the El Pueblo de Los Angeles Corp., as an assistant in the planning and development of Olvera Street.

During World War II, Mario, by then a naturalized citizen, took a break from his career with the Olvera Street project to serve in the Federal Government's Office of Censorship, where he became head of the Receiving and Classification Division. He also distinguished himself at that time by his record sales of war bonds.

At the end of the war, Mario returned to Los Angeles and resumed his business activities with the El Pueblo de Los Angeles Corp. In 1963, he was appointed to his present position as managing director.

This corporation has taken Olvera Street, the oldest street in the city, and made it into a delightful marketplace, specializing in items of Mexican origin. In addition, the corporation has carefully restored numerous historical buildings in the Olvera Street area and has played a leading role in the establishment of the El Pueblo de Los Angeles Historical Park.

Mario Valadez' genuine, warm, and friendly approach to his work has enabled him to attract many thousands of visitors to southern California to view the unusual charm and significance of Olvera Street and the Historical Park. Mario's contributions to the preservation and restoration of the historic Olvera Street district have been contributions made for the benefit of the entire nation. I am grateful to Mario Valadez for his efforts to preserve the Mexican heritage of our country for all of us, now and in the years to come.

YUGOSLAV-AMERICAN SOCCER CLUB OF SAN PEDRO, CALIF.

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 1, 1973

Mr. ANDERSON of California. Mr. Speaker, throughout the centuries, countries and cultures have put aside political, social, and religious differences and participated in athletic competition. And instead of the rivalry that could lead to attempted conquest and ill will when countries of the world compete against one another athletically, friendship and goodwill usually follow.

I am extremely proud that a group of individuals from my district will have the opportunity to display their friendship and goodwill to the people of Yugoslavia.

Recently the Yugoslav-American Soccer Club of San Pedro, Calif., was invited by an organization in Yugoslavia—Centralni Odbor Matica Iseljenika—which is devoted to the promotion of goodwill between the people of Yugoslavia and their compariots who emigranted to various countries to be their guests and play against some of the top teams of Yugoslavia.

The San Pedro team and the accompanying Board of Directors will be staying in Yugoslavia for 3 weeks. While touring Yugoslavia, the team will be playing in Belgrade, the capital city of Yugoslavia; Lemun and Pancevo, in the Republic of Serbia; Sarajevo, capital city of the Republic of Bosnia, and Herzegovina; Split and Sibenik, in the Republic of Croatia; Zagreb, capital city of Croatia; and Kotor in the Republic of Montenegro.

The board of directors are: Gavrilo Cucuk, president; Velisa Vukotic and Sinisa Vuksic, vice presidents; Anton Spanjol, secretary; Novak Tomic, coach-manager; and Kemal Begovic, activity and publicity director.

In addition, the traveling group will include Bernie Evans, San Pedro News-Pilot sports editor, and Joe Zaninovich, honorary chairman of the board of directors.

Since its beginning 6 years ago, the Yugoslav-American Soccer Club of San Pedro has twice been named the Western U.S. Open Cup champion, and in April 1973, won the coveted Greater Los Angeles Soccer League's major division championship, one of the Nation's most prestigious soccer titles.

Mr. Speaker, I want to congratulate the Yugoslav-American Soccer Club of San Pedro for their successful 6-year history, and extend my best wishes for their trip to Yugoslavia. I am certain the tournament will be another manifestation of the already close and friendly relationship between the people of Yugoslavia and the United States.

The soccer team members are:

Warner Mata, Ronald Mata, George Benitez, Jack Kordich, Kresimir Lakos, Dragan Djukic, Marko Pejovic, Vlada Konnenic, Lazo Lazarevic, Bogic Ristic, Roban Jovanovic, Branko Jovicevic, Zoran Djukich, Bogdan Baranovski, Kazimir Urani, Ruben Fernandez, Miguel Brigida, Louis Sanabria, Manuel Munoz, Jesus Para, Asuncion Miranda, Joe Duran, Peter Simons, and Lotar Spranger.

BRINKLEY'S AUGUST NEWSLETTER AND QUESTIONNAIRE

HON. JACK BRINKLEY

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 1, 1973

Mr. BRINKLEY. Mr. Speaker, I submit herewith for the information of our colleagues my August newsletter and questionnaire which will be mailed this month to the Third Congressional District of Georgia, which I am privileged to represent.

The newsletter and questionnaire read as follows:

U.S. CONGRESSMAN JACK BRINKLEY REPORTS FROM WASHINGTON

"NO GREATER LOVE": BRINKLEY NAMED TO NATIONAL MIA COMMITTEE

Third District Congressman Jack Brinkley participated in a very special ceremony on June 14th sponsored by No Greater Love—a nationwide organization which is based in Washington, D.C.

During the ceremonies the son of one of the MIA servicemen—Jimmy Plowman of McLean, Virginia, the son of Navy Lt. James E. Plowman who was shot down over North Vietnam on March 24, 1967—was presented with a flag which was flown over the United States Capitol Building.

"This is the first of many United States Flags which will be offered to children in similar circumstances over the coming months," Rep. Brinkley said. "It represents the fact to young Jimmy Plowman that his fellow Americans cannot and will not forget the sacrifices his father and the fathers of others like him have made and are making in the name of this great Republic," he emphasized.

The No Greater Love program was started in 1971, Rep. Brinkley explained, in an effort to help ease the plight of the children of U.S. POW's and MIA's.

In its functioning No Greater Love is similar to the "Big Brother" organization. However, its membership is composed primarily of sports stars—such as Henry Aaron, Johnny Unitas, and Ted Williams. These men, as well as entire professional teams, make personal visits and phone calls, and send autographed pictures and sports equipment to the sons and daughters of the some 1300 MIA American servicemen.

Rep. Brinkley noted that assistance from U.S. athletes for these children has been exceptional and that not one athlete has ever turned down a request for help from No Greater Love.

Among those participating in the June 14th No Greater Love program were Congressional leaders from both the U.S. House of Representatives and the U.S. Senate as well as former prisoners of war and numerous sports stars.

The No Greater Love ceremonies were held in conjunction with the observance of National Flag Day in the House of Representatives on June 14.

BOB HOPE IS GUEST SPEAKER: HOUSE OBSERVES SIXTH ANNUAL NATIONAL FLAG DAY

The Sixth Annual National Flag Day ceremonies were observed in the Chamber of the U.S. House of Representatives on June 14th with comedian Bob Hope as guest of honor. Others participating in Flag Day 1973 were Army Staff Sergeant Gary J. Guggenburger of Cold Springs, Minnesota, a former Prisoner of War who led the House in the Pledge of Allegiance to the Flag, as well as the United States Navy Band, and the Navy Sea Chanters. Bob Hope was specially cited in the House Chamber for his 31 years—and millions of miles of travel—to entertain American servicemen around the world. His moving and poignant address to the House on the deep personal meaning which our Flag holds for him was received with a standing ovation. Portions of his speech are reprinted below.

(Excerpts from the speech of Bob Hope in the House of Representatives on June 14, 1973:)

Mr. BOB HOPE. Mr. Speaker, distinguished Members of Congress, Joint Chiefs of the Military, and ladies and gentlemen

We saw a wonderful demonstration of what love for country is when the prisoners of war came home. It was truly inspirational seeing so many returning veterans stand and salute the Flag. What astounds me is the fact that these prisoners had more faith in our country while they were in prison than a lot of us Americans who are walking around here free.

And they brought a Flag home with them, one they had made while they were in the Hanoi Hilton, a small Flag but a powerful force of hope for those great Americans.

You really cannot describe what the Flag means.

We try with words, music and song salutes, and these are fine. Yet how do you put into words the feelings of goosepimples when the Flag is being raised or goes marching by? You can only stand in reverence and offer a silent prayer of thanks that the Flag still waves for you and me and for all Americans. And long may it wave. Thank you.

THIRD DISTRICT STUDENTS TO RECEIVE FEDERAL TUITION LOANS

More than 420 students in five colleges in the Third Congressional District will receive a total of $193,844 in federal tuition loans next year, according to U.S. Rep. Jack Brinkley.

The funds will be provided under the National Direct Student Loan Program, Rep. Brinkley said, and will provide 90 percent of the new capital contributions of the Student Loan Program with a matching college contribution providing about 10 percent.

Colleges receiving contributions, the amount of the allocation, and the estimated number of student borrowers are:

Columbus College in Columbus (17,388—38 borrowers).

Fort Valley State College in Fort Valley ($63,516—141 borrowers).

Georgia Southwestern College in Americus ($24,469—54 borrowers).

LaGrange College in LaGrange ($68,948—153 borrowers).

Tift College in Forsyth ($19,523—43 borrowers).

Rep. Brinkley noted that students interested in obtaining these loans must apply through the financial assistance office at the particular college receiving the federal allocation.

(The Military Construction Authorization bill for Fiscal Year 1974 provides $528,000 additional funding authority for the completion of the Lindsay Creek By-Pass to the Martin Army Hospital. This will bring to fruition the 2nd on-Post leg in a project sponsored by Congressman Brinkley for a beltway connecting Metro Columbus through Fort Benning to Lawson Army Airfield.)

LETTERS FROM BRINKLEY

Concerning our newsletter

During the 93rd Congress I hope to continue to send quarterly newsletters. It is planned for these to be sent Postal Patron since this covers everyone in the Third Congressional District, without being limited to any special list or grouping. The cost of a newsletter is high, but I believe that good communication with constituents is well worth it. I'm grateful for the Appreciation Dinner of 1972 which makes the publication of our newsletter possible.

Open house in LaGrange

On Saturday, August 25th, we will be holding an Open House at our new District office in the Hammett Building at 301 Broome Street in LaGrange. I am personally looking forward to being there and sincerely hope that everyone who possibly can will come by and visit with me and members of our District staff.

Thank you

The mailbags delivered to my office during April were stuffed to capacity with completed questionnaires. Although it wasn't possible to personally acknowledge receipt and appreciation for your participation, you may be sure that your opinions count heavily with me.

This newsletter contains another questionnaire which I hope will have an even better response. The tabulated results really are an excellent indication of just how you feel on issues which are of particular national significance. Your thinking is important to my decisions.

FACTS AND FIGURES

Rep. Jack Brinkley is the first Member of Congress elected from Columbus in this century (prior to Rep. Brinkley the last Congressman elected from Columbus was the late Thomas W. Grimes who served in the U.S. House of Representatives from 1887 to 1891);

has traveled between Washington and the Third District an average of more than 33,000 air miles per year and

has a 95 percent-plus voting record during his Congressional service.

Congressional adjournment dates for the past six years:

1967: December 15.
1968: October 14.
1969: December 23.
1970: January 2, 1971.
1971: December 17.
1972: October 18.

MINUTE QUESTIONNAIRE NO. 2

1. Should the U.S. Senate's Select Committee on Presidential Compaign Activities discontinue its inquiries into the Watergate Affair?

☐ Yes ☐ No

2. Would you favor the construction of a trans-Alaska pipeline as a means of alleviating our present fuel shortage?

☐ Yes ☐ No

3. Do you think the President's economic policies are working effectively?

☐ Yes ☐ No

4. Should Congress place private pension plans under Federal regulation to guarantee that retirees get the cumulative benefits they have earned?

☐ Yes ☐ No

5. Do you think Congress should give the President authority to continue the bombing in Cambodia after August 15th?

☐ Yes ☐ No

Please take a minute during the day to fill in this questionnaire and return it to: Congressman Jack Brinkley, U.S. House of Representatives, Washington, D.C. 20515.

(NOTE.—Our next newsletter will include a legislative report for 1973.)

COMMENTS ON PHASE IV

HON. DONALD M. FRASER

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 1, 1973

Mr. FRASER. Mr. Speaker, recently I received Robert Nathan's observations on phase IV and I would like to share them with my colleagues. Mr. Nathan has made some important comments on the latest phase of the infamous Nixonomics.

We all hope that phase IV will end the terrible inflation. However, we all hoped that phase I would work, then phase II, and there was even some misplaced optimism that phase III might help.

I fear that any slowdown in price rises will be the result of a recession, caused in part by putting on the monetary brakes too late and too hard. Just as the driver of a car must watch for road signs and changes in traffic, the President's economic advisers should have observed changes in economic factors and reacted to them early.

Mr. Nathan gives two examples of administration mismanagement: The first is the food shortage brought about, in part, by our restrictive farm policy while world demand for food was rising; the other is the second devaluation of the dollar before all the effects of the initial devaluation were felt. Let us hope that the President is not depending on a recession to fight rising prices. In 1970–1971 Mr. Nixon managed to have inflation in the midst of a recession.

The following observations of Mr. Nathan are, I am afraid, accurate. The President seems to have a death wish for the American consumer, and his policies do not help business either.

COMMENTS ON PHASE IV

The most disturbing aspects of the fanfare surrounding the unveiling of Phase IV relate to the emphasis that the end of controls will come at the earliest possible date. To read the statements of the President and of his top officials and advisers, one cannot help but conclude that the main role of Phase IV is to serve primarily as a vehicle for getting out of the disastrous freeze that started on June 13th and to arrive at an early end to all wage and price controls. There seems to be far more emphasis on hurrying down the path toward the end of controls than on the need to break the inflationary spiral. Wishful thinking continues to be the order of the day.

It is clearly evident that the Administration has given up in real degree the battle against inflation through direct action. The prospects for success of any system of controls became perilous with the end of Phase II in January 1973 and receded more and more as each month's statistics revealed the unprecedented and fearsome peacetime rate of inflation.

The mistake made in January when Phase II was scrapped and a largely innocuous Phase III was introduced can well be described as the worst economic decision in decades. One need only look at prices—and this does not mean food and farm prices alone but also industrial and other non-food goods—to observe that inflation during Phase III was at an annual rate many multiples the rate that prevailed during Phase II. Two columns in Table 4 of the July 6th BLS release on wholesale prices show the following rates of inflation during Phase III as compared with Phase II:

SEASONALLY ADJUSTED ANNUAL RATES OF CHANGE IN THE WPI AND MAJOR COMPONENTS BEFORE AND DURING THE ECONOMIC STABILIZATION PROGRAM THAT BEGAN IN AUGUST 1971

	14 months phase II November 1971 to January 1973	5 months phase III, January 1973 to June 1973
All commodities	6.9	24.4
Industrial commodities	3.5	14.4
Farm products, processed foods and feeds	16.1	49.8
Consumer finished goods	5.6	18.6
Foods	10.6	25.4
Finished goods, excluding foods	2.3	14.6

So far labor has behaved with a remarkable restraint but the escalator clauses are really beginning to hit very hard. When new settlements of the more militant unions come around, I am sure we are going to see a serious resumption of a severe degree of the inflationary spiral.

What is most disturbing is the combination of lack of foresight in January and the continuing evidence that the Administration is impervious to learning! The movement of farm and food prices during 1972, especially wholesale farm prices, give plenty of proof that the on-going rise in food prices in 1973 should not have come as any surprise at all and certainly was clear when the January fiasco was planned and announced. Prices of farm products were already rising at the wholesale level in the spring of 1972. Then with the huge sale to the Soviet Union, it should have been clear that prices were going to rise at a much faster rate. In fact, from June 1972 to December 1972, wholesale prices of farm products rose at an annual rate of over 25 percent. It is difficult to fathom the degree of blindness or self-deception that prevailed in White House ranks in January 1973.

Since these facts were evident and since the farm prices were not under control, it is reasonable to expect that sensible (and sensitive) officials would have loosened up on farm acreage limits and crop limits in the spring or early summer of 1972 and certainly at the time of the Russian sale rather than wait until December and January. Better late than never, but it seems the desire for a big farm vote margin took precedence over sound supply policies.

Also, it should have been quite clear in January 1973 that not all of the impact of the first dollar devaluation had worked its way through the domestic price situation. Devaluations of the dollar or revaluations of foreign currencies are inflationary in that the goods brought into the United States come in at higher dollar prices. Also, as a result of lower prices, expressed in other currencies, of our exports, there is an increase in total demand. Both of these add to inflationary forces. Further, the rate of recovery from the recession was very rapid late in 1972 and such a time is hardly proper for decontrolling prices. These factors added to the gravity of the impact and magnify the absurdity of the big mistake which was made.

The freeze on June 13th was very belatedly imposed because it was finally evident that the degree of price inflation had reached tragic proportions and that there was no indication that all the earlier promises were going to be fulfilled. As a matter of fact, that is why the economic posture and policies of the Administration over the past several months, if not years, can properly be characterized as "Watergate Economics." It has been a mixture of fact and fantasy, a scene of rose-colored hues projecting the slightest favorable development and purposefully obscuring any significant declines. It has been a matter of using binoculars to magnify good news and then looking through the other end of the glasses when there was bad news.

Promises have been made over and over again that have been absolutely devoid of sincerity or fact. Rhetoric has been served up to try to lull the people into the belief that the problems of inflation were just about over. As a matter of fact, even though the President and his economists are saying that they are not again going to predict rapid improvement, they are nonetheless promising that it is going to be possible to get rid of controls and achieve economic growth and price stability in the near future. Careful reading of announcements and speeches and television performances indicate that Phase IV is designed primarily to get out of the ill-designed freeze and to serve as a vehicle to bring an early end to controls.

The way things are going, the only vehicle the classical economist will have left for any anti-inflation effort will be a recession. It probably will be about as ineffective a weapon in 1974 as it was in 1970–71. It was the failure of the recession to bring an end to drastic inflation which led to Nixon's decision to introduce controls in August 1971.

It is sad but true that there is little basis for being optimistic about Phase IV. The odds are large against it because its architects and operational staff do not believe in any controls. They are still trying to cope with inflation with mirrors rather than with tough policies and the vigorous pursuit of price stability along with essential flexibility. Price stability cannot come about with just mirrors or rhetoric. The chances are that inflation will get worse and worse in the months ahead and that there will be a recession as an alternative to inflation. But a recession is not going to bring us price stability. This is a most tragic conclusion, but a likely one.

The January horror story and the interim rate of inflation makes it extremely difficult to reduce the rate of inflation any time soon. Yet the country needs such an effort—tough and well designed and well staffed and flexible. It is not going to come from this Administration.

EFFECTS OF ANTITRUST LAW ON INTERNATIONAL TRADE

HON. RICHARD T. HANNA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 1, 1973

Mr. HANNA. Mr. Speaker, I have often heard it said that this country's antitrust laws injure the competitive position of American business participating in international trade. The view has been stated that when competing in international markets, American firms must contend with foreign business not subject to the same antitrust constraints that we have here. On the other side of the argument, it is pointed out that American businessmen are unable to cite specific examples where their overseas activities have been constrained by antitrust law.

Regardless of which argument is correct, perhaps the most important consideration is that misconceptions about antitrust enforcement will "chill" ultimately legitimate projects. For this reason, it is important that the record be set straight and that evaluation of the effects of antitrust law on international trade be made on the basis of that record. Last March, Mr. Donald I. Baker, Director of Policy Planning for the Antitrust Division of the Justice Department, spoke on this subject before the International Law Committee of the New York City Bar Association. I commend his remarks to my colleagues:

THE MULTINATIONAL CORPORATION AND THE GREAT ANTITRUST MYTH

Today in antitrust, we seem to be faced with a great myth: namely, that antitrust undermines our national interests in international trade and investment. According to the myth, businessmen are afraid to export or to invest, because of the ominous threat of antitrust prosecution.

The antitrust myth is not supported by hard facts. Certainly, there are no recent government prosecutions against exporters—no fierce threats by law enforcement officials. Nor can I find any beneficial arrangements abandoned out of fear of antitrust enforcement....

Antitrust is simply not a major part of our international trade problem. Ironically, the very fact that the Department has brought so few international cases has provided support for those who claim uncertainty in the law....!

Our antitrust enforcement interest in the international field has been quite limited. Our goal has been twofold: first, to protect domestic consumers by assuring fair access to the United States market for goods and services from foreign countries; and secondly, to assure fair access to foreign markets for United States exporters. These are, it seems to me, values to which enlightened Americans should subscribe. So far so good.

Our main international effort has been to challenge classic international cartels. The typical cartel involves leading firms in different countries agreeing with each other that they would not poach on each other's "home" markets. . . .

The evil of the classic cartel is clear: it denies the American customer the benefit of foreign competition and it denies the American firm the opportunity to export and compete abroad. Clearly, such agreements are not designed to serve the interests of the American public or the interests of the United States as an exporting nation. Rather, they serve the private interests of the parties—the classic private interest in having a quiet life.

For convenience, let me divide my discussion of international antitrust enforcement between these two major categories: first, protecting American consumers; and, secondly, protecting business opportunities for U.S. firms abroad. The former is far and away the more active field. The cartel cases cover both.

PROTECTING AMERICAN CONSUMERS

Foreign competition has proven particularly important to Americans in two circumstances. The first concerns the situation where most or all of the goods originate abroad. The second occurs where we have a sluggish domestic industry, which very much needs the spur of outside competition. The latter situation has been particularly apparent in a number of our large oligopolies—and, as a result, we have seen such products as small cars and stainless steel razor blades become available in this country largely because of the pressure of foreign firms selling here. It is an important goal of antitrust policy to preserve this kind of foreign competition as a factor in the American market—and to deal with international cartels that prevent it from happening.

Our enforcement effort has covered a number of different kinds of situations. The first is the classic foreign selling cartel covering goods for which we have no reasonable domestic substitutes. The international quinine cartel offers a recent example. It involved foreign firms and some foreign subsidiaries of American firms engaged in a long-term and broadly successful effort to control the world prices in quinine—a product of which America consumes about a third of the world's supply.

Even where the goods in question are produced in the United States, we have an important national interest in seeing to it that major foreign firms are not kept out of the United States market. Thus, to take a current example, in the *Westinghouse-Mitsubishi* case, the Government is challenging agreements which have been enforced for more than forty years and have many more years to run. They cover both patented and unpatented products. They have had the broad effect of keeping two of the world's largest industrial firms out of each other's "home" markets. This is particularly important to the American consuming interest where the domestic markets involved are highly oligopolistic.

A related type of antitrust enforcement is designed to preserve foreign firms as actual or potential competitors in the United States market. This arises in the merger field. The threat of such potential competition is important . . . and therefore the Department must be concerned about preventing dominant domestic firms from eliminating their leading potential domestic competitors through acquisition. . . .

To summarize, competition from foreign owned firms—here or abroad—can be a vital spur to competition in the U.S. market, and the Department of Justice welcomes it for that reason. . . . I can say unequivocally that our policy has been and continues to be to welcome foreign investment as a source of new competition. Once here foreign firms can expect—and will receive—the same antitrust enforcement that U.S. firms get. Since the latter are not always keen on what they get, we should not assume that foreign firms will always be happy.

PROTECTION OF EXPORT OPPORTUNITIES

As I indicated, a second aspect of our antitrust enforcement effort is concerned with protecting the export and overseas investment opportunities for American firms. These issues can come up in several different ways.

First, where one American firm enters into an exclusive arrangement with a major foreign customer, which expressly prevents that customer from dealing in the future with any other American firm, this may violate the Sherman Act. Its plain effect is to restrain the foreign commerce of the United States. It may be in the form of a tie-in or exclusive dealing arrangement. Generally speaking, I think, these arrangements would be looked at under the "rule of reason" in the international context, and that therefore they would be judged on the basis of how important the foreign buyer was in its own market and in the total market for U.S. exports.

Another example occurs where a joint venture is formed among the leading firms in an industry to promote exports to a foreign country or countries. Such a joint venture cannot exclude the remaining American firms, where this would deprive them of the benefit of making export sales. This is but a particular application of the standard antitrust principle that, where different firms in an industry jointly control an essential facility, they must grant equal access to it to all comers in the trade; this principle has been applied to enterprise as diverse as a terminal railway, a fish market, the Associated Press and the New York Stock Exchange. It seems fully applicable to joint arrangements designed to promote or sell American goods or services abroad.

In discussing the foreclosure of foreign business opportunities for American firms, one must look at the hard antitrust issues which arise because of the direct role that government plays in many foreign economies—particularly within the Communist Bloc. Exclusive arrangements with a foreign government or state trading monopoly may necessarily exclude all other American firms.

The antitrust answer to these circumstances is generally as follows. Where a foreign government, as sovereign, *requires* an American firm to engage in some activity which would be otherwise offensive to our antitrust laws—then this is the end of the antitrust inquiry. The same is not true where the American firm has been the *moving force* in getting the anticompetitive contractual restrictions adopted—or has discretion in how they are administered. . . .

THE OTHER SIDE

So far, I have focused on the areas of direct antitrust interest—namely restraints (and mergers) limiting imports into our economy, and restraints on the export opportunities of our businessmen. Once beyond these areas, the businessman has a broad scope for overseas activities without significant problems under our antitrust laws.

A year ago, the Department tried to be specific on this point in some testimony given by then Deputy Assistant Attorney General Walker B. Comegys before the Senate Commerce Committee on something called the Export Expansion Act of 1971. In that testimony and the appendices to it, we sought to deal with the only specific factual situations which had been given to us in relation to foreign trade problems. We noted for instance that vertically imposed territories, and even horizontal territorial restrictions, were unobjectionable as between various foreign countries from the standpoint of U.S. antitrust law (although they might be quite objectionable from the standpoint of foreign antitrust law). We noted that tie-ins on foreign licensing arrangements were probably all right as long as they did not foreclose competing American sellers (as opposed to foreign sellers) of the tied products. We suggested that "joint ventures abroad by American companies in cooperation with foreign companies present no antitrust problems unless (1) participation in the joint venture is a prerequisite to competition and some American firms are excluded . . . or (2) the activity of the joint-venturers has some substantial impact on the domestic commerce of the United States." We suggested that formation of a joint venture among various American firms to submit a single bid on a foreign construction project of itself raises no particular antitrust problems. Finally, we stressed that various governmental "restrictions . . . applying to commerce in the host country and imposed by the host government will create no antitrust hazards for the American company."

The Webb-Pomerene Act turns out to be of little practical importance, in view of the rules I have been discussing. It was enacted in 1918 to help American exporters deal with foreign buying cartels and to allow smaller firms to share the costs of selling abroad.

In fact it has been little used—except on the overseas sale of primary products where the United States has been one of the principal exporting nations and American firms could create a genuine export cartel. Webb-Pomerene has not proved particularly useful as a joint selling tool for highly technical or differentiated products—for here each American firm wishes to push its own distinctive product, rather than to make a joint effort for all. And these technical and differentiated products are our most important national exports. . . .

A SUCCESS STORY

I hope my message is clear: what we need for our antitrust inquiry are more facts and less theory. In this spirit, I offer you the example of a local "hometown" industry here which seems to be doing well against tough international competition, without any special antitrust protection.

My case study is commercial banking. Since 1963, when the Supreme Court decided the *Philadelphia National Bank* case, commercial banks have been fully subjected to the antitrust laws. Nor do they qualify for any Webb-Pomerene exemption, since they do not deal in "goods, wares, or merchandise." Abroad our banks have to compete with very large institutions on their own home ground. Our banks do not enjoy any benefits falling from powerful patent rights or industrial property. On top of that, our banks' average wage rates are presumably higher than most of their foreign competitors.

This all sounds like an invitation to disaster, under the great antitrust myth. Has it occurred?

Of course not. Our banks are doing very well abroad. First National City Bank made approximately 54% of its earnings last year on foreign operations—and it did this on the basis of only having about 47% of its deposits from abroad. Manufacturers Hanover made about 38% of its earnings abroad—although it had only about 24% of its deposits there. Bankers Trust made about 35% of its earnings abroad—and it had about 28% of its deposits there. Others had substantial foreign earnings which were more or less proportionate to their foreign deposits: thus Chase Manhattan and Bank of

America each appears to have had about 35% of its earnings and deposits from abroad. . . .

We should consider such cases before we reach any rash conclusion about antitrust acting as a key deterrent in foreign business operations of American firms. The banking experience suggests that the key to success abroad are the classic virtues of skill, foresight, and industry—the skills of the Yankee trader.

SENATE WATERGATE HEARINGS: LYNCHING, AMERICAN STYLE

HON. EARL F. LANDGREBE

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 1, 1973

Mr. LANDGREBE. Mr. Speaker, in view of the publicity surrounding the Senate Select Committee's hearings on the Watergate affair, it might be instructive to have an outsider's reaction to this controversy. I, therefore, commend to my colleagues the following article by Bernard Levine, columnist for the London Times, written after spending 10 days at the hearings. I feel sure that they will find it an insightful and well-written article:

A POLITICAL POSSE RUNNING THE AMERICAN INQUISITION

(By Bernard Levin)

I have just come back from ten days or so in America, where I watched a good deal of the Senate inquiry into the Watergate affair; the proceedings are being carried live and in full on television, with generous repetition in the evenings. I do not know what sort of viewing figures the business is getting, but it must certainly run into millions, perhaps tens or scores of millions. And it is just about the most scandalous violation of every standard of justice to take place in a free society since the Southern gentry abandoned lynching as their favorite outdoor sport.

Mencken called the United States Senate (and in a piece commiserating with Presidents on some of the burdens of their office, at that) "the windiest and most tedious group of men in Christendom", and it does not seem to have changed much, except for the worse, since his day. To start with, the conduct of the Chairman, Senator Sam Ervin, is so deplorable that the lack of any serious protest against his behaviour is in itself a measure of the loss of nerve on the part of so many distinguished Americans, in the press, the academic world and politics itself, who would once, in similar circumstances, have been campaigning vigorously to bring him to heel. (As far as I know, nobody has even bothered to draw pointed attention—or unpointed attention, for that matter—to the fact that Ervin is up for re-elecion next year.)

Senator Ervin, in his chairmanship of the committee, has clearly determined on two things. First is that he is going to play the role of simple ol' Sam Ervin from Dogpatch, North Carolina, first cousin to Mammy Yokum and dispenser of the same brand of homespun wisdom that grows 'way down among the grassroots. He does not (at least he didn't while I was watching) actually chew tobacco and spit the juice into a brass spittoon, snap his galluses or use a fly-swatter, but the mugging and grimacing, the posturing and posing and hamming, which would get the sixteenth spear-carrier from the left flung out of Barclays Bank Musical and Dramatic Society even if his father was the chairman, indicate, as clearly as if he had a sign up admitting as much, that he is having a whale of a time in his first experience of nationwide limelight, and that he not only knows when the cameras are on him, but exactly when they start to move in for a close-up.

One of the sadder phenomena of this business is the way in which the liberal establishment of America, in its insatiable greed for President Nixon's destruction, has tried to suggest that Ervin is a kind of reincarnation of Clarence Darrow, which would be all very well if it were not for his record of implacable opposition to civil rights legislation, and, incidentally, his no less consistent record of support for the American involvement in Vietnam. (But the American liberal—or, more correctly, pseudo-liberal—establishment does not mind how muddy is the stick with which it beats its devil-figures; Senator William Fulbright, whose record on civil-rights legislation is hardly less lamentable than Ervin's, and who topped even this sorry aspect of his career when he sneered that it couldn't possibly matter to a Vietnamese peasant whether he lived under a Communist or a non-Communist Government, was the great hero of the sloppier American left, whose concern with Negroes and Vietnamese alike was in many cases a good deal less than their enjoyment of the nice, warm feeling their opposition to the Vietnam war gave them.)

Worst, however, than Senator Ervin's yokum-hokum is the way in which he has clearly decided that some of those appearing before him under suspicion of various malpractices are heroes, and some villains. Mr. Maurice Stans, for instance, was a villain; his interrogation (and most of the rest of the committee seem to take their cue from Ervin, or at least to realize the advantage of getting their own bread in any political gravy that might be going) was relentless, entirely hostile and plainly based on an assumption that Stans was guilty of everything of which he was accused and a good deal more besides. The odious Mr. Jeb Stuart Magruder, however, who followed Mr. Stans before the committee, was a hero; Ervin and others—especially the ridiculous and maudlin Lowell Weicker, who looked several times as though he was going to cry at his own benignity—fell over themselves to congratulate Magruder on being a fine upstanding young man with a splendid future in front of him despite this setback.

The technique, of course, was exactly the one used by Senator Joseph McCarthy. Those who stood up to him, denied his accusations and refused to implicate anybody else, were torn to pieces; those who agreed with everything he said *and hastened to add the names of others* were given an easy passage and congratulated at the end of their session. So it was Stans and Magruder. The former admitted nothing and pointed the finger at nobody; the latter readily agreed on his own complicity in crime, and sprinkled hatfulls of names, about with cheerful abandon. Their respective treatment at the hands of Ervin and his posse was eloquent testimony to the fact that the lesson taught by McCarthy had been learnt.

But there is a wider, and more important, aspect of this scandal that needs examination, though before turning to it I cannot resist one digression, in the direction of yet another member of the Ervin committee. I nearly fell out of my chair when the wizened face of Senator Herman Talmadge came up on the screen. For this Talmadge is no stranger to constitutional irregularity. Apart from being one of the strong opponents of Negro rights in Congress, he was once guilty of an action from which Huey Long himself might have flinched. Herman Talmadge's father, Eugene, was Governor of Georgia (and also used to campaign for white supremacy and against Negro advancement); after one re-election to the post, however, in 1947, he died before being inaugurated. The state constitution provided for the lieutenant governor (that is, the deputy) to succeed, in such circumstances, to the unexpired term. Talmadge junior, however, backed by his tame state legislature, demanded the governorship for himself and seized the state capitol and posted armed guards to keep the rightful governor out. And now here he was, quoting Woodrow Wilson and plainly determined to gun down sin; it was like the town harlot reporting the clergyman's son to the police for kissing his girl goodnight in the church doorway.

Such grotesqueries make the whole business nastier; but they are not in themselves the cause of the distaste and concern that must be felt by any viewer of the Senate proceedings who retains some sense of proportion. What is really wrong with this inquisition is that it appears to be a judicial process but is in fact a political one. There seem to be no rules of evidence; certainly hearsay and even "opinion" evidence is freely admitted and even encouraged. No opportunity for confrontation of accused and accuser is permitted; no cross-examination of accusers by counsel for the accused takes place; nobody is there to see legal fair play. Men are having their reputations destroyed in full view of millions; worse, men who may shortly have to face a criminal trial are having their cases literally prejudged, without any of the safeguards of true legal proceedings. Backed up by a press now overwhelming determined to find President Nixon guilty of every accusation flung at him, the senators of the committee are conducting a tainted trial the nature of which would still be indefensible even if the motives of every one of them were beyond reproach.

President Nixon may be the greatest scoundrel unhanged; or wholly innocent of any kind of complicity in the Watergate activities; or anything in between. The same goes for all those whose names are being exchanged like trading-stamps. It is very important indeed that the truth should be determined in every case, and that full justice should be done to the innocent and to the guilty. But the method of Senatorial inquisition, certainly as it is actually being conducted by the Ervin pack and almost certainly however it was conducted, is unable to determine the question of guilt or innocence in respect of any individual, or even the question of what actually happened. What it will quite certainly do, however, is to ruin a number of men, some of whom will not deserve ruin, and none of whom will deserve ruin before such a forum and in such a mnner. "My conscience", Senator Ervin has said, "will not permit me to follow after a great multitude to do what I conceive to be evil." But at the moment, the great multitude is following him and in a very disturbing direction too.

THE VALUES OF ROTC

HON. F. EDWARD HÉBERT

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 1, 1973

Mr. HÉBERT. Mr. Speaker, William F. Miller, vice president and provost of Stanford University, was the principal speaker at the Annual Commissioning Ceremony for Cadets and Midshipmen in the Reserve officers' training program at the university recently.

His comments are indeed noteworthy, and I want to share them with the Members of this body. Therefore, I am inserting the text of his speech at this point in the RECORD:

THE VALUES OF ROTC

(By William F. Miller)

I should like to take this opportunity to speak briefly on the values of ROTC—values to the nation as well as to the cadets and midshipmen.

The role of the citizen-soldier and soldier-citizen has long been a distinguished one. I speak here of both citizen-soldier and soldier-citizen. In the first case I refer to the citizen who may fill the role of soldier when called upon by his government to do so. In the second case I refer to the professional soldier who may take up at various times the role of citizen in government service, university service, or in business and industry. In this country as elsewhere, the citizenry has contributed substantially to the makeup of the military services and, conversely, the military services have given generously to leadership in civilian roles.

The value of the citizen-soldier is perhaps most prominently displayed in war time when the nation's needs for soldiery are very apparent. My distinguished predecessor on this podium, the late Professor David Potter, pointed out perhaps the most famous example is that of the early Roman, Cincinnatus, who is said to have left his plow standing in the field while hastening to take command of Roman legions defending the gates of Rome from Volski and the Aequians in 458 B.C. Having led the Romans to victory, he put down his weapons and returned to the field, taking up the plow to become a civilian again. We have many, many outstanding examples of such citizen-soldiers, including the man who is known as the founder of our country, George Washington.

But I would suggest that the value of ROTC to the nation, though demonstrated most clearly in war time, is most effective, though in more subtle ways, during peace time. For I believe a principal value of ROTC is not just the reserve strength, the added strength, brought about by having a reserve force. It is also the influence brought to the military service by officers who have been taught and trained principally in a civilian atmosphere. The purposes of the military services must be to serve the nation, to serve the people of the nation, and not to serve themselves. The validity of that statement, of course, is not self-evident. It is an expression of value on my part. It has not always been that armies existed to serve the population of the nation. Throughout history there have been armies which served themselves by asserting their will upon whomever they could. While civilian supremacy has long historical roots in the United States, in the western hemisphere today a majority of the governments are military governments, not civilian governments. Whereas I believe that it is important to have a professional soldiery today, I also believe that the proper purpose of an army is to serve the civilian population of the nation.

The ROTC-trained cadet and midshipman bring to the military services a diversity of college and civilian experiences that perpetuates the notion of civilian values while perpetuating the notion of military service to the nation. There can be little doubt that courses of study in history, political science, literature, and the sciences receive different emphases and different orientations in the setting of the public or private university than they do in the setting of a military academy. Simply the notion that most of the students in the classroom are bound for civilian careers itself provides an emphasis and orientation. Additionally, the ROTC cadets and midshipmen in their major studies have opportunities for more diverse career training and more diverse academic offerings through the many universities with ROTC programs than could be the case in the few military academies.

The military services today are very dynamic organisms, and without question in my mind those reserve officers trained in an environment of the frontiers of thought in engineering, science, the social sciences, as well as in the humanities, bring supplemental competency to a modern military service which requires sophisticated science and technology, sophisticated understanding of psychology, politics, and history, and a strong grasp of philosophic and humanistic values. Soldiers must see themselves as human beings and understand their roles in the development of the nation and mankind. This latter observation is perhaps brought out most forcefully by the report of Captain James Stockdale, U.S. Navy, on his return from being a prisoner of war in Viet Nam. I quote:

". . . I address myself to the sorting and sifting of a common denominator which allowed those at Alcatraz, and scores of other exemplary prisoners of war with whom I served, return home with heads held high. A structured set of values supporting a basic tenet of self-respect was fundamental to the performance of these men. I do not presume to identify the primary source of values for others; they varied from individual to individual.

"My primary focus along these lines was acquired as a result of my association with Dr. Phillip Rhinelander, a professor of philosophy at Stanford University. During my difficult days in prison, I traced many of my needs for self-discipline to the readings he had assigned and tutoring he had given me during my post-graduate study . . ."

To be sure, we are not preparing our students and our soldiers to be prisoners of war. But without doubt values developed and the qualities of our students which are more clearly revealed in periods of great stress serve them well during less stressful periods also.

Before turning to another point let me emphasize my premise that the shaping of the understanding of the role of the military, the development of strategies during peace time, is perhaps the most important input of the ROTC-trained officer. This is in addition to the provision of technical skills and the provision of reserve power. Reserve power is, of course, important. Although the efforts toward peace among the major powers seem to be more intense and earnest than ever, it is unlikely that the need for well trained reserve forces will substantially diminish.

Let me turn now to the values of ROTC to the student, that is to the cadets and midshipmen. First is additional career opportunity or option. Through ROTC training, the student is provided with an opportunity for service in one of the military forces. A number of distinguished officers have capitalized on that opportunity and devoted themselves to satisfying careers in the military services. Stanford is quite proud to have contributed to a number of such officers in the services, as have other ROTC programs in the nation.

Secondly, without electing for a full time military career, the student, through reserve status and continued reserve training, is provided the opportunity for service to his country in times of national need. It can indeed be quite satisfying to realize that one can pursue a civilian career and at the same time continue to develop one's potential for service to the nation through reserve officer training.

A third opportunity is that for personal development. Officer training does provide a high degree of training for leadership and decision making. The qualities developed in the course of this preparation serve the individual well in later life, either in the military service or in a civilian career. These programs develop what one might call a command presence, a quality that comes from tactical and strategic training inherent in officer training programs. The training that leads to the command presence develops the ability to delegate, the ability to sum up, the ability to analyze, the ability to decide, and the ability to command. These are talents of great value which will serve the individual well throughout later life. Many of us found our first opportunities for leadership in the role of an officer in the military service. Although leadership in other careers may require additional talents and additional experience, the poise and presence and the qualities that lead to decision making and leadership are often the same. Junior grade officers in the American military services generally have more opportunity for assumption of responsibility, for decision making experiences, and for supervision of people than any other entry level position in our society.

And finally, ROTC has been an important source of financial aid to many students. Increasing costs of higher education may well make this feature more attractive in the future. Careful attention to the design of a program that provides the student with opportunities for development as well as financial aid may well pay off in the attraction of future students to ROTC programs.

I should like to comment on the closing of ROTC programs at Stanford. The closing of these programs does not mean the end of military opportunities for students, nor does it mean an end to opportunities for military officers to continue their studies here, as many do. All three services still conduct open recruitment on the campus for programs leading to commissions, one of which involves current students in summer training.

Without question the development of an all volunteer force will lead to certain new military personnel needs and certain new emphasis in the type of preparation of officers for this volunteer force. This in turn may lead to a reevaluation of ROTC and perhaps to some new forms of ROTC. As a faculty-student committee noted in the spring of 1970, on a long-term basis "the universities and the Department of Defense ought to be able to devise a form of officer training that a university student might receive concurrently with his university education."

It is quite encouraging to note that the military services are exploring new forms of ROTC programs with increased flexibility in terms of the curriculum to be provided. No doubt a number of institutions, including Stanford, will be examining these opportunities in terms of student interests, academic standards, and the historic role of citizen-soldiers in democratic societies.

But today we are here to honor you Stanford cadets and midshipmen who are being commissioned in your respective services. I congratulate you, and wish you well in the careers that lie ahead of you as citizens and as military officers.

COUNTEE CULLEN: "TO MAKE A POET BLACK, AND BID HIM SING"

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 1, 1973

Mr. RANGEL. Mr. Speaker, Countee Cullen was one of the truly great writers that America has ever produced. Born and raised in New York City, Cullen went on to make profound contributions to our Nation's literary heritage.

At the Countee Cullen Regional Library in my home community of Harlem, a year-long arts festival honoring the poet is now under way.

It is my hope that the young people who view this exhibit will come away with a greater understanding and a deeper feeling for the arts and for a black man who was a towering figure in the field.

I now submit for the attention of all CONGRESSIONAL RECORD readers, an article that recently appeared in Tuesday Magazine concerning the life and work of Countee Cullen:

THE NEGRO IN WORLD HISTORY—COUNTEE CULLEN

(By Philip St. Laurent)

When Countee Cullen died in 1946 the obituaries—a full column in *The New York Times*, for instance, a page in *The Saturday Review of Literature*—seemed even then to evoke a remembrance of things past, although he was only 42. Success had come early to him, even before he had graduated from high school, and in the intellectual ferment of his and this century's '20s and early '30s he had been in the forefront of that awakening of consciousness and revolt of the spirit which became known as the Harlem Renaissance. The most active part of Cullen's career had ended by the time he was 30 and, although at his death he was at work on new projects, he was employed full time as a teacher of high school French. Yet he was remembered at his death and is remembered still for those 15 years of frenetic activity when by sheer force of will and genius he made himself the best-known black lyric poet in the United States, a man who, in *And Yet Do I Marvel*, wrote: "Yet do I marvel at this curious thing, To make a poet black and bid him sing!"

Cullen embodied the spirit of the Harlem Renaissance: in many ways he *was* the Harlem Renaissance, intricately bound up with his friends Arna Bontemps, James Weldon Johnson, Langston Hughes and others in that churning cauldron of ideas and dreams that first impressed upon America the idea that Negro artists had other to offer the world besides jazz, going to receptions with the rich and to rent parties with the poor in Harlem, rapping with white critics and authors for recognition and with the white wealthy for support and talking, talking, talking with each other about their hopes and dreams, their poetry and their writing.

Already, so soon after his death, Countee Cullen's origins are shrouded. He was born Countee Porter in May, 1903, probably in Harlem, and lived with his maternal grandmother until she died in Harlem Hospital when he was 13, leaving Countee only with some distant relatives in Kentucky. A friend persuaded the childless Reverend Frederick Cullen and his wife, Carolyn Belle Mitchell Cullen to adopt the boy. He was extraordinarily precocious and attended De Witt Clinton High School, then New York's chief college preparatory high school and overwhelmingly white, and won honor after honor; poetry prizes, an oratorical contest, editorship of the high school newspaper, associate editorship of the high school yearbook, vice-presidency of the senior class. Long before the country began to worry about the problems of the drop-out and the deprived he formed a committee called HELP designed to interest and encourage younger students in their studies. "He stuck his finger in every pudding," the year-book, the *Clintonian*, said when he graduated with top honors in 1922.

He credited a De Witt Clinton teacher—Cullen didn't identify the teacher but some believe it was the noted critic Lionel Trilling who taught at Clinton at the time—with interesting him in writing poetry. "I had a teacher in high school," he said, "who believed that the pupils of high school age had poetic thoughts and could express them if they had the right sort of coaching. From then on I began to work at writing verse." His first published poem—in free verse as opposed to all his later work—was called *To a Swimmer* and was reprinted in 1918 in the *Modern School Magazine*. He won a poetry contest sponsored by the Federation of Women's Clubs, also while at Clinton, with the poem *I Have a Rendezvous With Life*, with which he was identified for the rest of his life although he was later to call it "immature."

He went on to New York University, where he continued to cut a wide swathe, not only through the undergraduate world but increasingly in the rarefied New York literary world. In 1922 the Poetry Society of America announced that Cullen's *The Ballad of a Brown Girl*, based on the English ballad of the same name which Cullen interpreted as resolving around racial prejudice, had won second prize in the Witter Bynner undergraduate poetry contest at NYU. The poem prompted a letter from George Lyman Kittredge of Harvard calling it the finest modern rendition of an old ballad he had read. In May, 1924, *Poetry* published two pages of his poems; *Simon the Cyrenian Speaks*, a tribute to the black man who carried the cross for Christ, and three short poems somewhat imitative of the style of Edgar Lee Masters. In November of the same year, when he still was 21, Cullen made his debut in H. L. Mencken's *American Mercury* with *Shroud of Color*, a long, allegorical work questioning God's concern for the Negro. It quickly became the talk of New York's literary salons and, more than any of his earlier works, established him as a serious poet. The same year his prize poem from high school, *I have a Rendezvous With Life*, showed up in *Current Opinion* and other poems were accepted by *Century, Harper's, The Bookman* and *The Nation*. William Allen White predicted that Countee Cullen would become one of America's foremost lyric poets.

In 1925 Cullen was elected to Phi Beta Kappa, the honorary scholarship fraternity, won the Amy Spingard Prize and first prize in the Witter Bynner contest, and his *Threnody for a Brown Girl*, published in the May issue of *Poetry*, won the John Reed Memorial Prize. That same year, while still a senior at NYU, he established himself, if he hadn't already, as a leader of the burgeoning Harlem Renaissance with the publication of *Color*, a volume of his poetry. Such prominent critics as Mark Van Doren praised it lavishly. Carl Van Vechtan said of Cullen's poetry: "It is characterized by a suave, unpretentious, brittle, intellectual elegance . . . some of it by a haunting lyric loveliness." A mockery of racial pride of whites and its presumption of the inferiority of other races—long before such statements were common in the black community—can be heard in one of the poems in the collection, *A Song of Praise (For One Who Praised His Lady's Being Fair)*.

In the collection *Color, Cullen* also showed a mastery of the classical verse forms and unashamedly asserted the quality, the worth and the beauty of the black race as well as referring in the poem *Heritage* to Africa, the ancestral home in which Negroes of the time were beginning to adopt a new degree of interest.

Cullen graduated from NYU in 1925 and went on to win a master's degree from Harvard, where he was a friend and classmate of Robert C. Weaver, later to become Secretary of Housing and Urban Development in President Lyndon Johnson's cabinet.

During these years of work and school, the "love's dark throat" (as he put it in *A Song of Praise*) for while Cullen yearned belonged to Nina Yolande DuBois, daughter of W. E. B. DuBois of the National Association for the Advancement of Colored People. Reverend Cullen, Countee's adoptive father, was a founder and the pastor of the Salem African Methodist Episcopal Church in Harlem, president of the Harlem chapter of the NAACP and one of the founders of the National Urban League. He had worked to obtain the employment in 1911 of New York's first Negro policeman and had accompanied James Weldon Johnson to Washington when Johnson presented his clemency appeal for the Houston Rioters (the name given a group of soldiers from an all-Negro unit who revolted against flagrant discrimination in September, 1917, and rioted in Houston: 17 whites were killed and, with only the slightest pretense of a trial, 13 Negroes were hanged and 41 imprisoned for life). As a result of his activities, Reverend Cullen had come to know DuBois well and their children had known each other all their lives. Yolande went to Fisk University where her schoolmates asked often, half jokingly, about her famous boyfriend. During school holidays they dated, often on country picnics in Maryland, New Jersey and New York.

Out of school, Cullen became, in 1926, assistant editor of *Opportunity*, a monthly magazine published by the National Urban League devoted to Negro literature and scholarship. He was in charge of selecting the magazine's poetry and of writing a column, *From the Dark Tower*. For two years with the magazine Cullen commented on theater, literature, and literary personalities and ran a report on the most popular books at the Harlem branch of the New York Public Library.

Already, in his first years away from college, Sullen was at the center of the Harlem Renaissance. A writer of the time described him:

"In place of the masque of boredom assumed by the intelligentsia, he wears a chubby, baby face lit by two sparkling eyes and a disarming smile. He has been endowed with a superior mind and has been blessed by a simple, intelligent home environment, which has resulted in producing a brilliant and lovable young man. His virtues are many; his vices unheard of."

This paragon could often be found at the home of Mrs. A'Lelia Walker Robinson, who was perhaps *the* hostess of the Harlem Renaissance. A familiar figure at her gatherings was Carl Van Vechten, who usually could be seen at the foot of the stairs that led to the rooms on the upper floor of her home on 136th Street resting an elbow on a convenient bannister and greeting the guests without the trouble of having to battle through the crowd. There *was* a crowd because Mrs. Robinson always invited more people than the place could hold on the theory that those who did get in arrived with the feeling of accomplishment. Countee was always at her parties, and his friends, Langston Hughes, Arna Bontemps and Harold Jackman, a teacher and one with whom Cullen enjoyed discussing literature. There were, too, all the other leading figures of the Renaissance: Florence Mills, Jimmy Lunceford, Paul Robeson, Duke Ellington, James Weldon Johnson, Walter White. A special room in the Robinson home was known, in deference to Cullen's column, as the "Dark Tower," and it was available on Saturdays during the summer to students for tea dances.

Despite the fluttering social life, Cullen kept busy creating. *Copper Sun*, another book of verse appeared in 1927 and, writing in *The New York Times Book Review* section with all the supercilious smugness, sense of superiority and lack of perception which characterized those times, Herbert S. Gorman said the collection showed "inborn Negro impulses disciplined by culture and an awareness of restraint and the more delicate nuances of emotionalized intellect. There are times when he is the more obvious Negro poet sentimentalizing about himself and his people, but the admirable aspect is in the direct evidence that he transcends this limitation time and again and becomes a sheer poet."

That same year one of Cullen's major contributions to the Harlem Renaissance, "Carolling Dusk," appeared. It was a landmark in many ways, because an important publisher, Harper & Brothers, brought it out and because it was a collection by Cullen of the works of 38 Negro poets, an anthology that included poems by Johnson, Hughes, DuBois, Claude MacKay, Paul Lawrence Dunbar and others. Its role in helping Negroes gain recognition in the arts was significant. Although devoted exclusively to poetry, the poets represented in it were also writing fiction, painting, composing, and the anthology, as much as any other one event of the '20s, helped focus the public eye upon them and their art.

In 1927, too, Cullen made his first trip to Europe, accompanying his father on a trip to the Holy Land—Reverend Cullen brought back water from the River Jordan for use in the church—and the young poet was enraptured: the things and places and men he had read about, dreamed about, patterned his verse after, came alive to him. He saw the lands of the *Grecian Urn and Adonais*, of Keats and Shelley and Byron, Saharan Africa, the Sphinx, and it all brought him renewed inspiration. When he returned he applied for, and in 1928 won, a Guggenheim Memorial Fellowship for a year's study at the Sorbonne. But, before leaving, he married Yolande in one of the Atlantic seaboard's major social events of the year.

Some 1,200 were invited and more than 3,000 who tried to crash the wedding were turned away. All his friends were there; Bontemps, Johnson, Hughes, Jackman, Dr. Alain Locke, who was a professor of philosophy at Howard, editor of The New Negro and a strong influence on Cullen's life. It was a tight-knit group, fond of each other, mutually protective, united alike by race and ambition. Yolande didn't go with Cullen to Paris but fulfilled a commitment she had made earlier to work at a YWCA camp at Bear Mountain, New York. She went to Paris in 1929 but, somehow, the childhood romance didn't survive marriage and she returned ill, went to work in Baltimore, and they were divorced in 1930.

In Paris Cullen found a freedom he had never known before from the race consciousness he had known at home. Restaurant seats did not remain vacant beside him, he was neither catered to nor ignored. And he was taking part in the last gasps of the era of the expatriates. Josephine Baker had migrated from St. Louis to become the star of the Folies Bergeres. Gertrude Stein, Henry Miller, Ernest Hemingway, F. Scott Fitzgerald, Ezra Pound, James Joyce and James Thurber all were there. Sooner or later they met in the cafes or in the offices of American Express on the Rue Scribe. Artist Palmer Hayden, sculptor Augusta Savage, writer Eric Walrond, all were there. And Cullen kept busy writing. Another collection, *The Black Christ*, was published during his sojourn in Europe.

He returned in 1930 to a United States wallowing in the first throes of the Depression, and, apparently, to some serious personnel readjustments. Throughout the '20s he had not been as politically passionate as his friends, who were caught up in the social crises of the times; the back-to-Africa movement of Marcus Garvey, the Scopes Trial, the Sacco-Vanzetti case, later the Scottsboro Boys, all the events which had inspired the poetry of many of his fellows and shaped their political views. But in 1932 he surprised his friends by announcing that he was joining the Foster and Ford Committee, a group of prominent writers, including Lincoln Steffens, Sherwood Anderson, Edmund Wilson and Langston Hughes, pledged to support the Communist ticket in the 1932 elections. It seemed afterwards to be more impulse than conviction: there was little, if any, indication of socialist ideas in his writings and in 1939 he remarked that he had "never been interested in politics."

Meanwhile, he turned his attentions to his first novel, a story of an intensely religious young Negro woman married to an unbeliever called *One Way to Heaven*, which appeared in 1932. It was a cynical detached piece of work and, with a few exceptions, marked the end of his serious published writings. In 1934 he left the active literary scene to become a teacher of French at Frederick Douglass Junior High School in Harlem.

Cullen is best remembered for those years of frenetic activity between his high school student days and the time he was 30. They were years of success, of course, and a measure of fulfillment, but there seemed always to be a contradiction in Cullen and in his work. He said many times that poetry should be "a lofty thought beautifully expressed. Poetry should not be too intellectual. It should deal more . . . with the emotions." As a result he rejected dialect verse and often talked of his wish to be accepted as a poet instead of as a "Negro poet." In his introduction to *Carolling Dusk* he attacked the notion that there is an American Negro school of poetry, and said that Negro poets have far more to gain from Anglo-American poetic traditions than from "atavistic yearnings toward an African inheritance." His favorite poet was Keats and his favorite recent poet Edwin Arlington Robinson. Yet, obviously, for a man who had written *Heritage, Ballad of a Brown Girl, Color* and the rest, the whole body of his poetry rested on what he stated he personally rejected. As early as 1926 he was concerned with the chasm between what he said and what he wrote.

"In spite of myself," he said, "I find that I am actuated by a strong sense of race consciousness. This grows upon me, I find, as I grow older, and although I struggle against it, it colors my writing, I fear, in spite of everything I can do. There may have been many things in my life that have hurt me, and I find that the surest relief from these hurts is in writing."

He never said what these hurts were. He was, in fact, remarkably restrained about his childhood and wrote only that he "was reared in the conservative atmosphere of a Methodist parsonage," which was not precisely true: if Reverend Cullen was religiously conservative he was certainly, for his time, a political activist. Cullen didn't fully absorb either attitude. And, whatever the hurts were, he minimized them in 1939 when he was interviewed for the Myrdal-Carnegie study, which produced Gunnar Myrdal's landmark book, *An American Dilemma*. "I have met with very few instances of discrimination during my life," he said. "I don't mean to convey the impression that I'm still not aware that I'm a Negro, and being a Negro there are some things that will always be closed to me. I'm speaking now of everyday experiences and how little actual difference it makes in New York if you are a Negro or a white." Yet his professed inability to remember instances of discrimination or see "little actual difference" is directly contradicted by one of his early poems, *Incident*, and two other poems from the collection *Color—Atlantic City Waiter* and *For a Lady I Know*.

Regardless of the cross-tides of his life and mind, Cullen continued sporadically to write while teaching, although a critic wrote after his death that it was fitting that "Cullen's active career stopped with the end of the Harlem Renaissance. Had he written in the '30s when whites could not afford the Harlem vogue and when Negroes had so many more pressing concerns than the lionizing of Negro poets, Cullen would not have won the fame he did . . . for he reflected and typified the notions that whites and Negroes wished to have of the Harlem Renaissance."

Still, in 1935 he translated the *Medea* of Euripides into powerful prose, although the choruses were in verse, and it was set to music by Virgil Thompson for the stage version. He became interested in the theater and, although he was childless, in children's books, writing *The Lost Zoo* in 1940 and *My Lives and How I Lost Them* in 1942. Twice he refused chairs at universities and he lived at the Salem church's parsonage with his father until he remarried in 1941. The poet's widow, Mrs. Ida Mae Roberson Cullen, still lives in Harlem.

His interest in the theater grew as he withdrew farther from poetry and he and Arna Bontemps collaborated on a play, *St. Louis Woman*. The music was by Harold Arlen, the lyrics by Johnny Mercer, it was directed by Rouben Mamoulian. The famed dancing Nicholas Brothers were in the cast, Harold starring as Little Augie, and Fayard in a lesser role. Ruby Hill was the "St. Louis Woman," Pearl Bailey made her Broadway debut and Rex Ingram and Juanita Hall were also in the cast. And Cullen, apparently contented at last, commuted happily from the home he and Ida had purchased in Tuckahoe, N.Y., to school and the rehearsals, spent weekends puttering in his garden, and seemed to have found a new career.

But just a week after final rehearsals began Cullen was taken ill, and died in New York's Sydenham Hospital. The obituaries were ample. "Mr. Cullen was one of the most brilliant of the young poets of the era between the two World Wars," *The New York Times* said. "Although he had race consciousness, his dominant interest was poetry, the consensus of critics being that his roots went very deep into lyric soil." *The Saturday Review of Literature* commented: "He was a true poet and wrote brave and beautiful things. . . . It is a loss to all of us that such a fine young poet is gone." Five years later Charles S. Johnson, president of Fisk University, speaking at the ceremony changing the name of the 135th Street branch of the New York Public Library to the Countee Cullen Branch said Cullen "was utterly uncomplicated as a personality; even tempered with an unexcited eagerness for the friendship of people and books."

As the final coming of circle of history, to expand the library the home behind it, facing on 136th Street, had been bought and razed. It had been the home of A'Leila Robinson, site of the "Dark Tower."

CURRENT DROUGHT SITUATION IN CENTRAL AND WESTERN MONTANA

HON. DICK SHOUP

OF MONTANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 1, 1973

Mr. SHOUP. Mr. Speaker, there is currently a severe drought situation in the State of Montana, especially in the central and western sections. The Agricultural Stabilization and Conservation Service—ASCS—is finalizing a request by some 19 affected counties that they be declared disaster areas by the Secretary of Agriculture.

The major importance of having these remarks placed in the CONGRESSIONAL RECORD is that the drought in a food-producing State like Montana will affect the Nation on the whole. It is therefore, imperative that Members be kept informed of the situation.

The following is a set of findings resulting from a drought disaster tour in Montana:

DROUGHT DISASTER TOUR IN MONTANA

On Friday, July 20, we made a helicopter tour of an 18 county area and made five stops to meet with farmers, ranchers, county commissioners and U.S.D.A. county committees and personnel to discuss with them the U.S.D.A. disaster designation.

Those on the inspection trip were: Terrance Harmon, Western Regional Director A.S.C.S. U.S.D.A., Washington, D.C.; Leo Kolstad, Executive Director, Montana A.S.C.S.; James Wilson, Montana A.S.C.S. state committee; Max Maberry, Montana A.S.C.S. Administrative Officer; Forest Wesen Montana F.H.A. Office; George Lackman, Commissioner of Agriculture; Doug Smith, Agriculture Coordinator; and, Richard Goffrey, K.R.T.V.

We made stops and met with concerned citizens at Missoula, Hot Springs, Augusta, Martinsdale and Deer Lodge at each stop. Between 25 and 100 people were waiting for us.

The following are the results of the drought:

1. Unusually heavy marketing of cow-calf pairs at reduced prices because Montana ranchers cannot absorb them in Eastern Montana.

2. Feed Grain prices are extremely inflated for Barley and Oats, as an example, Barley was selling at the unheard price of $4.27 per cut on Friday, July 20.

3. U.S. Forest Service is forcing permittees off our forests by early August and mid August.

4. Fall weined calfer will have low weining weights and cows conception rates will be lower next year because of lack of calcium, phosphorus and Vitamin A in dry feed.

5. If we approve an emergency feed grain program it will last until next May or June.

6. Many ranchers have reduced herds by 50% which they have taken a lifetime to build up. You don't jump in and out of the cow business over night.

7. Consumers will pay more for beef which is already in short supply because of abnormally early marketing, selling off food stock and high feed prices.

8. Hay prices are extremely high, $60 per ton, and impossible to buy at the present time.

9. Livestock water supplies in reserviors and wells is diminishing rapidly.

10. Irrigation water is way down meaning only a 50% hay crop on many irrigated areas.

11. Ranchers cannot find pasture or hay, thereby don't know whether to sell out or what.

Thank you, Mr. Speaker.

CONGRESSMAN STEIGER'S ANALYSIS OF THE ANTI-IMPOUNDMENT BILL

HON. JOHN B. ANDERSON

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 1, 1973

Mr. ANDERSON of Illinois. Mr. Speaker, I call to your attention a perceptive analysis of the recent anti-impoundment bill passed by the House, made by my colleague from Wisconsin (Mr. STEIGER). BILL STEIGER has a reputation on both sides of the aisle as a man who does his homework and knows the issues. The August 1 newsletter he sent to his constituents, illustrates why that reputation is deserved.

The newsletter clearly sums up the import of last week's vote: By requiring only one house, rather than both houses, to disapprove Presidential impoundments, the House allowed the Senate to assume a new dimension of control over spending decisions, thus violating the tradition prerogative of the House in the spending area. Moreover, by acting only to control Presidential spending decisions, rather than acting also to create its own congressional budgetary controls, the House dealt only with the effects of overspending, and avoided the cause of that overspending.

Mr. Speaker, I insert Congressman STEIGER's newsletter at this point in the RECORD:

WASHINGTON REPORT

(By Congressman WILLIAM A. STEIGER)

The House last week passed a bill attempting to limit Presidential power to refuse to spend appropriated funds. In doing so, it once again showed its propensity for confronting polities. The anti-impoundment bill is not good legislation. It is combative and almost surely invites a Presidential veto.

Both the Senate and House have now passed anti-impoundment legislation. The House version provides that the President must notify Congress if he decides not to spend certain funds. If either house disapproves his action within 60 days, he must release the funds for spending. The bill, which would be in effect only until June 30, 1974, would establish a spending ceiling for Fiscal Year 1974 of $267.1 million.

The bill has a number of flaws, and several amendments by House Republican Conference Chairman John Anderson (R-Ill.) which would have corrected those flaws were unfortunately defeated. The most important of his amendments would have required both houses of Congress to disapprove impoundments by concurrent resolution. The proposal lost twice on Tuesday by a 205–206 margin and on Wednesday by a 208–212 vote. The result is twofold: the House, in effect, is denied equal standing with the Senate, and it also opened the door for one house of Congress, acting with fiscal irresponsibility, to overrule the wishes of not only the President, but the other legislative body as well.

Even more fundamentally wrong is to take up a measure to end Presidential spending controls without acting at the same time to control congressional spending. At least the House bill is only for one year, rather than the permanent provisions of the Senate bill. The one-year stipulation maintains pressure for action on a pending bill, which I am cosponsoring, to insure congressional budgetary control. My bill would require Congress to set over-all budget figures at the beginning of each year and stay within them. If it failed to do so, it would have to raise revenue to meet the added costs.

I also think it important that we put the whole impoundment question in proper perspective. For all the attention it's been given in the last year, one would almost think that impoundments are an invention of the Nixon Administration. This is simply not true. They date back as far as Jefferson and have been used ever since. In fact, impoundments under President Nixon are smaller in terms of total outlays (3.1%) than those under the previous two administrations (approximately 6%).

Further, it has not been the human resource side of the budget, but rather the space-defense-public works side that has had the biggest share of impoundments. The latter category accounted for some 70% of impounded funds in FY 73; only 9% were in the areas of community development housing, education, manpower, health, and income security. I have felt that the President erred in some of the areas in which he chose to impound funds and informed him of my feelings when he impounded housing and agriculture funds. But the fact remains we have gotten a distorted view of his impoundment actions.

The House bill is not the best approach in the fight for fiscal responsibility. It has good intentions, as in the setting of a budget ceiling and in providing a means for stronger Congressional voice in the budget process. Unfortunately, those intentions got clouded in the partisan consideration of the bill. I want to share some comments Congressman Anderson made during debate on the legislation Tuesday:

"H.R. 8480, as it now reads, is not a responsible and responsive bill; it is a scenario for constitutional confrontation and political game playing. One of my Democratic colleagues on the Rules Committee put it another way when he said this bill is 'worthless,' 'silly,' and 'meaningless.' He went on to say that when we have a real opportunity to strike a blow for our prerogatives, we run for cover."

That Democratic Rules Committee member hit the nail on the head when he used those words. In fact, as we near the Congressional August recess, I think they are an all too appropriate assessment of the first seven months of the 93rd Congress. Unless those controlling the Congress show a willingness to seek responsible solutions to the problems facing us, the record of this Congress could be even less notable and productive than that of the 92nd Congress.

THE PROFITABLE CRISIS

HON. BELLA S. ABZUG

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 1, 1973

Ms. ABZUG. Mr. Speaker, with so much attention focused upon Watergate, the public is unknowingly being victimized by another scandal, one that affects each and every American: "Oilgate." The major oil companies are using the "energy crisis" to rob the consumer, pollute the environment, and boost their own profits.

The severity of the petroleum shortage is uncertain. What is certain is that six major oil companies reported higher profits and revenues this year than last. The six—Standard Oil of California, Standard Oil Co. of Indiana, Continental Oil Co., Atlantic Richfield Co., Philips Petroleum Co., and Marathon Oil—cited increased sales and production and higher prices as reasons for their "improved performance."

Atlantic Richfield, for example, recorded net income during the second quarter of this year as 50 percent higher than the same period of 1972. Standard Oil of Indiana reported first-half profits up by 29 percent over last year. Yet the day before these reports reached the papers, the chairman of Standard Oil warned the National Press Club that the growing shortages could render the Nation "effectively paralyzed," according to the Washington Star-News of July 25.

During the same period that these majors gained earnings of at least 20 to 30 percent over last year, some 1,200 independent gasoline stations have been forced to close and independent refineries around the Nation are operating at 50 to 75 percent of capacity. To the independents, and to the consumers, the shortage is all too real.

Before approving an Alaska pipeline bill which threatens not only the environment, but the authority of the courts, and which permits the powerful majors to extend their monopolistic control over the oil industry, I urge my colleagues to seriously consider the evidence that the majors are manipulating the shortage for the sake of higher profits.

In this regard, I commend the following testimony to my colleagues. It was submitted, upon my request, by former Senator Fred R. Harris to the Energy Subcommittee of the Public Works Committee, in connection with its current hearings on the causes and effects of the gasoline, fuel, and diesel oil shortages:

STATEMENT OF FRED R. HARRIS

Members of the Public Works Committee: I commend those who have been involved in setting up this hearing. It is important that American consumers and taxpayers not be stampeded by the big oil companies and the big utility companies because of the so-called "energy crisis."

The real energy crisis is that there is too much subsidization and too little competition throughout the entire energy industry.

The major oil companies escape about one-half of their federal income tax liability by means of the depletion allowance and the intangible drilling costs write-off. They escape about three-fourths of the rest of their federal income tax liability by being allowed to treat foreign royalty payments as tax payments, and, thus, as credits against U.S. income taxes.

These special tax favors are subsidies. They come out of the taxpayer's pocket to make a few people and big corporations richer. But no one is asking what we get for our money. If it is more oil reserves we want, why do we give the depletion allowance to the landowner? If it is more domestic reserves in America we want, why do we allow the depletion allowance for foreign production by U.S. companies?

The truth is that the big companies have rapidly driven the independent producers—those who have historically found new domestic reserves—out of business. And while the sixteen largest U.S. oil companies paid an average federal income tax rate of only 7.5% on their 1971 earnings, they were putting the majority of their exploration and discovery investment into foreign operations.

There is no competition in the energy industry. Utility companies are private monpolies for private profit, generally powerful enough to control those who are supposed to regulate them. Oil companies are huge conglomerates that have rapidly bought up the competition—not only the competition in oil, but also the competition in gas, coal, uranium, tar sands, and thermal power. And they have a cartel on world oil production.

There *is* an energy crisis. It is a crisis of too much power in too few hands. Watch the oil companies cut off the independent gas stations. Watch them cut off what few small refineries are left. Watch them gobble up the few independent producers that still hang on.

Watch them raise their prices. Watch their profits continue to zoom upward. Watch them use the energy crisis to scare us and our public officials into giving them more of our money for greater private profit and smaller public return.

These things are already happening (1500 independent gasoline marketers were forced out in the recent scare) and they will continue to happen unless the people stop them. I believe that can be done, a belief based on two assumptions: first, that people are smart enough to govern themselves; and, second, that the democratic process can be made to work. This hearing is a good place to start.

MAKES NEWS REPORTS TO CONSTITUENTS

HON. ROBERT PRICE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 1, 1973

Mr. PRICE of Texas. Mr. Speaker, as part of my continuing effort to keep my constituents informed about my activities in the Congress, I am including in the RECORD at this time the texts of my recent news reports to the district:

FEDERAL CRIME LAWS NEED REVISION

In a message to the Congress this week, President Nixon announced his intent to submit to the Congress the Criminal Code Reform Act aimed at providing a comprehensive revision of existing Federal Crime laws. This act proposes needed changes and closely reflects the thinking of the citizens of the 13th Congressional District who recognize the need for more effective law enforcement and criminal prosecution.

The need to reinstate the death penalty, the need to halt the frequency of criminal acts and the need to take positive action against drug offenders are three of the most widely voiced views appearing in the letters received by Congressman Price. The President's Criminal Code Reform Act would be a step in the right direction toward restoring respect for the law and bringing an end to the recent era of permissiveness.

The Criminal Code Reform Act acknowledges the death penalty tò be a valuable deterrent to crime and would dissuade individuals from taking the lives of others in the course of committing another crime. As proposed, the death penalty would be imposed for war-related treason, sabotage, espionage, and when the death of an innocent person has been caused due to serious offenses such as kidnapping and aircraft piracy.

The act also provides for stricter penalties for narcotic pushers. Under the new act heroin or morphine pushers would receive higher mandatory sentences with second offenders who are convicted of trafficking in more than four ounces of heroin or morphine receiving a mandatory sentence of life imprisonment without parole. Those charged with trafficking in heroin or morphine would also be denied pre-trial release. The President has also urged that marijuana not be legalized.

It is time that the loopholes surrounding criminal acts are plugged—it is time to insure that our laws and system of criminal justice work, not only to insure the rights of the criminally accused, but also the rights of society and the innocent victims of crime.

CONGRESSMAN BOB PRICE IMPROVING

Congressman Bob Price returned to his room in the general care section of Bethesda Naval Hospital this week. The Congressman, who underwent additional testing and treatment last week in the coronary unit, has recently been showing signs of improvement and is conducting a limited amount of office business.

The Congressman's office has recently been receiving many letters and petitions from citizens nationwide voicing their support of his constitutional amendment which would permit voluntary prayer in our Nation's classrooms. This bill has been referred to the House Committee on the Judiciary.

The United States Department of Agriculture announced this week that farm commodity exports will reach an all time high of $11 billion during Fiscal Year 1973. This figure means a gain of $5 billion during the last four years. These figures prove that agriculture is demonstrating that it is one of our major growth industries and that it has the strength to produce adequate food for nutritious American diets while shipping to major countries abroad at a record pace.

With the return of our POW's from Vietnam, the controversy surrounding the question of amnesty for draft evaders and deserters has once again come under extensive debate. Despite the ending of American participation in the Vietnam Conflict, Congressman Price has reiterated his belief that the granting of wholesale amnesty would undermine the respect for all law. Historically, amnesty has been granted only under limited circumstances, and public opposition toward granting amnesty to all deserters and draft dodgers is showing signs of being on the increase.

YOUR CONGRESSMAN SERVES ON IMPORTANT COMMITTEES

Congressman Price this week announced the details of two appointments which he has received. Through a letter from House Minority Leader Gerald Ford, he was informed of his reappointment to the House Republican Policy Committee where he will serve as one of seven Members-at-Large during the 93rd Congress. As a member of the House Republican Policy Committee, the Texas Congressman will work closely with other members of the House leadership in conjunction with the White House to formulate and expedite the enactment of proposals as part of an overall legislative program. In a separate announcement, Congressman Bob Price was also named to serve as a Member of Subcommittee Number One of the House Armed Services Committee, whose major responsibility is legislation affecting programs of research and development for the Department of Defense.

Congressman Price's office is continuing to respond to correspondence and inquiries arriving daily from the Congressman's constituents. The Congressman, who is presently convalescing at Bethesda Naval Medical Center outside of Washington, is receiving information about the various issues of concern to his constituents.

In recent days, a large volume of correspondence, much without return addresses or names, has been received in Congressman Price's office concerning a proposal by a Veterans Administration official to lower the rating schedule for service-connected disability compensation. An inquiry by the Congressman's office has revealed that President Nixon had no personal knowledge of this proposal, nor had he authorized it to be formally presented to the Congress.

Legislation has been introduced which will, if enacted, limit the authority of the Veterans Administration by freezing the service-connected disability compensation rating schedule as in existence in January, 1973. This legislation will also make any proposed changes subject to the approval of the Congress.

PRICE PROPOSAL PASSES HOUSE

Congressman Bob Price continues to make good progress toward recovery at Bethesda Naval Hospital where he has been a patient for the past two and one half weeks.

Doctors there report that additional comprehensive testing and observation of Congressman Bob Price over the past several days have revealed no evidence of a heart attack or further cardiac damage following an incident of chest pain Monday.

The Congressman, who had been readmitted to the coronary unit for further evaluation, has since been moved back to his room in the general care ward of the hospital where he continues to rest comfortably.

Late Thursday, February 22, the House passed legislation, similar to that introduced earlier this year by Congressman Price, to amend the Farmers Home Administration Emergency Loan Program by a vote of 269 yeas to 95 nays. The bill as passed by the House was a more expensive version of the Price legislation. If this legislation is enacted, the "grandfather" amendment attached to the bill Thursday will give all farmers and ranchers in Secretarially designated disaster areas an 18 day period in which they may apply for 1 percent disaster loans under the $5,000 forgiveness clause. Furthermore, this legislation provides for a 5 percent interest rate for those loans provided for under the provisions of the Consolidated Farm and Rural Development Act. This legislation is now awaiting further action by the Senate.

During this week while the Congress is in recess in honor of Lincoln's Birthday, Congressman Bob Price continues to make good progress at Bethesda Naval Hospital where he has been undergoing extensive testing and treatment following a mild coronary occlusion last week. Doctors have determined that no complications have been detected and the Congressman is responding well to treatment. Price is expected to remain in the hospital for another two to three weeks before being released.

This week in one of his most strongly worded letters to President Nixon, Congressman Bob Price expressed opposition to any plan or scheme to provide economic assistance to North Vietnam as part of the peace settlement. Price's office has received a tremendous number of letters from concerned constituents who have registered their opposition to any plan for aid to North Vietnam.

The text of Congressman Price's letter to the President is as follows:

The President,
The White House,
Washington, D.C.

Dear Mr. President: I am writing to express my objection in the strongest of terms to any plan which would involve American financial or economic aid to the government of North Vietnam.

Those of us in the Congress who have stood resolutely with you in opposition to the demands among various dissidents in and out of the Congress for peace at any price have done so because of our agreement with your stated premise that Americans who have fought, died, and "paid a price" to resist Communist aggression shall not have done so in vain.

After ten years of cruel war it would be unconscionable to lavish over two billion dollars of assistance upon a government which has been responsible for the deaths of over 50,000 Americans, hundreds of thousands of South Vietnamese, and has practiced the most sadistic and brutal forms of inhumanity and has scoffed at the most elementary rules of civilization and human decency.

It is true that the United States helped rebuild our former enemies of Germany and Japan at the close of World War II, but that was after the militaristic and dictatorial regimes of both nations were deposed. In North Vietnam today the same persons who have attempted to defeat and humiliate the United States are still in control of the government, and any attempt to buy or bribe their friendship or cooperation is as doomed to failure as every other giveaway program this Nation has undertaken in the past.

Mr. President, I supported you in your bid for an honorable conclusion of the Vietnam conflict. Let us not reward those who have forced upon this Nation our darkest hour since the Civil War. Sir, my conscience will not permit me to do this.

Respectfully,

Bob Price,
Member of Congress.

THE JULY CAPTIVE NATIONS WEEK

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 1, 1973

Mr. DERWINSKI. Mr. Speaker, both here and abroad the 1973 Captive Nations Week was fervently observed. The results of the annual observance clearly show that countless citizens and our friends abroad are steadfastly mindful of the reality of the captive nations in Central Europe, within the U.S.S.R., Asia, and Cuba. This is a most encouraging phenomenon as the following examples indicate:

First, proclamations by Mayors Norman Y. Mineta of San Jose, Calif., Richard H. Marriott of Sacramento, Calif., Gerald W. Graves of Lansing, Mich., Randolph Wedding of St. Petersburg, Fla., and Russell G. Lloyd of Evansville, Ind.; and

Second, a striking statement on the week by Anthony Harrigan of the United States Industrial Council.

The articles follow:

City of San Jose, Calif., Proclamation

Whereas, this coming July 15–21, 1973 will be the 15th observance of Captive Nations Week; and

Whereas, Congress established this necessary annual observance by passing in 1959 the famous Captive Nations Week Resolution, which President Eisenhower signed into Public Law 86–90; and

Whereas, the recent talks with Brezhnev cannot erase the fact that the peoples of the Captive nations in Central Europe, within the USSR, in Asia and Cuba still are captive under totalitarian Red rule as they were in 1959; and

Whereas, pragmatic deals with despotic communist regimes do not include for any true American the deal to sell the captive nations into permanent captivity;

Now, therefore, I, Norman Y. Mineta, Mayor of the City of San Jose, do hereby proclaim July 15–21, 1973, as "Captive Nations Week" in the City of San Jose, and invite the people of the United States to observe such week with appropriate ceremonies and activities.

Captive Nations Week

Whereas, in the midst of the general well-being enjoyed throughout the free world, it gives us pause to consider that not all of the earth's population is free to think, to worship, to speak as it may please any individual, and

Whereas, in that spirit of reflection, let us again renew the cry that those populating the captive nations must enjoy those same freedoms taken for granted by so many of us;

Now, therefore, I, Richard H. Marriott, Mayor of the City of Sacramento, do hereby proclaim the week of July 15 through July 21, 1973, as Captive Nations Week, and do urge all our citizens to meditate upon the hardships endured by those whose lives are not yet their own.

Proclamation

Whereas, the imperialistic policies of Russian Communists have led, through direct and indirect aggression, to the subjugation and enslavement of the peoples of Poland, Hungary, Lithuania, Ukraine, Czechoslovakia, Latvia, Estonia, White Ruthenia, Rumania, East Germany, Bulgaria, Mainland China, Armenia, Azerbaijan, Georgia, North Korea, Albania, Idel-Ural, Serbia, Croatia, Slovenia, Tibet, Cossackia, Turkestan, North Vietnam, Cuba and others; and

Whereas, the desire for liberty and independence by the overwhelming majority of peoples in these conquered nations constitutes a powerful deterrent to any ambitions of Communist leaders to initiate a major war; and

Whereas, the freedom-loving peoples of the captive nations look to the United States as the citadel of human freedom and to the people of the United States as leaders in bringing about their freedom and independence; and

Whereas, the Congress of the United States by unanimous vote passed Public Law 86–90 establishing the third week in July each year as "Captive Nations Week" and inviting the people of the United States to observe such week with appropriate prayers, ceremonies and activities; expressing their sympathy with and support for the just aspirations of captive peoples;

Now, therefore, I, Gerald W. Graves, Mayor of the City of Lansing, by the power vested in me, do hereby proclaim the week commencing July 15, 1973, as "Captive Nations Week in Lansing" and call upon the citizens of this City to join with others in observing this week by offering prayers and dedicating their efforts for the peaceful liberation of oppressed and subjugated peoples all over the world.

Proclamation—City of St. Petersburg

Whereas, by Joint Resolution on July 17, 1959, the Eighty-Sixth Congress authorized and requested the designation of the third week of July as Captive Nations Week; and

Whereas, fourteen years have passed and there have been many changes in international affairs but one thing that has not changed is the desire for national independence in Eastern Europe;

Now, therefore, I, Randolph Wedding, Mayor of the City of St. Petersburg, Florida do proclaim the week of July 15–21, 1973 as Captive Nations Week and urge the people of St. Petersburg to observe this week with appropriate ceremonies and activities and to renew their devotion to the high ideals on which our nation was founded and has prospered and to sustain with understanding and sympathy the just aspirations of the peoples of all nations for independence and human freedom.

Proclamation

Whereas, many peoples in Central Europe, in Soviet Russia, in Asia and Cuba still are captive under Totalitarian rule;

Whereas, the week of July 15–22 has been established by the Congress of the United States as Captive Nations Week;

Whereas, the Congress has requested that people of the United States do observe Captive Nations Week, with appropriate ceremonies and activities;

Whereas, such activities will sustain the hopes and aspirations of the captive peoples;

Now, therefore, I, Russell G. Lloyd, as Mayor of the City of Evansville, Indiana, do hereby proclaim the week of July 15–22 as Captive Nations Week and do urge all citizens of this City to take proper cognizance thereof.

THE CAPTIVE NATIONS

The essential thing to bear in mind about contemporary Europe is that half of the continent is under the rigid control of the Soviet Union, operating through a system of satellite powers. Half of ancient Christendom, in other words, is a pawn of the communist empire.

It is against this reality that Americans should view the European Security Conference, the first phase of which recently opened in Helsinki, Finland. The conference is being widely hailed as another step toward peace, another indication that the Soviets are sincere in their desire for detente with the Western nations.

This is a naive approach, however, which ignores history and the current actions of the USSR. The Conference on European Security was first proposed by the Soviets in 1966. Their objective then and now is to give international recognition to legalizing its hold over captive nations and to win acknowledgement from the West of the USSR's position of supremacy in Eastern and Central Europe. In the process, Communist East Germany will be given new international status and West Germany will be at least partially neutralized.

Many Americans can't get it in their heads that the Soviets have a tradition of militant diplomacy and that they doggedly persist in advancing their interests under cover of "peace" propaganda. No sooner had the Helsinki meeting opened than Soviet Foreign Minister Andrei Gromyko contended that the conference should recognize the "inviolability" of existing European frontiers. Svevold Sofinski, spokesman for the Soviet Foreign Ministry, asserted that the 1968 Soviet invasion of Czechoslovakia wasn't interference in a country's internal affairs. Thus old-line Stalinist concepts and propaganda lines continue to dominate in what is supposed to be a wholly new era of East-West relations. Clearly, the cold war is not over.

The European Security Conference won't get into arms reduction discussions. But it is worthwhile noting that the Soviet diplomatic positions on Europe are reinforced by the existence of 31 Soviet divisions in Eastern Europe, with a further 60 maintained in western Russia. The U.S. has fewer than 15 divisions in its entire army.

Perhaps it is too much to hope for that the U.S. delegation to the European Security Conference will take a strong stand in favor of emancipation of captive peoples in Eastern Europe. Yet now is the time—if there ever is to be a time—to discuss the captivity of the Estonians, Latvians and Lithuanians.

Now is the time to recall that on August 23, 1939, Foreign Minister Ribbentrop of Nazi Germany and Foreign Minister Molotov of the Soviet Union signed the infamous Moscow pact under which three Baltic countries—Estonia, Latvia and Lithuania—were handed over to the Soviet Union. The people of these Baltic countries were treated to all the cruelties at the hands of the Soviet Union that Nazi Germany reserved for the Jews of Eastern Europe. This handover was one of the great injustices of modern times and should be remedied.

The desire for national freedom continues to flourish in the Baltic lands, despite a generation of Soviet persecution. It would be intolerable if the United States and other free nations gave formal recognition to Soviet rule of these captive nations.

Of course, the Baltic people aren't the only captive peoples in the Soviet empire. All the peoples of Central and Eastern Europe live under the Soviet gun. The periodic Soviet military exercises are a frequent reminder to Yugoslavia and Romania, for example, that Soviet armed forces could descend on them at any time.

In short, the Soviets continue to maintain an infamous system. For all Brezhnev's clowning in America, the Brezhnev doctrine of direct, armed interference in East and Central Europe remains Soviet foreign and military policy. The Soviets also are encouraged by their success in getting the U.S. to accept inferiority in strategic arms through the SALT agreement. Now they want international recognition of their territorial lines and power base in Europe. This is their objective at the Helsinki meeting and at the Geneva gathering which will constitute phase two of the conference.

For their part, the free world nations should uphold the cause of freedom in Europe, the ancient seat of Western civilization.

CONSIDER THE ALTERNATIVES TO THE TRANS-ALASKA OIL AND GAS PIPELINE

HON. JOHN D. DINGELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 1, 1973

Mr. DINGELL. Mr. Speaker, by permission previously granted, I am inserting information relative to the importance of the Canadian oil and gas pipeline route as opposed to the proposed trans-Alaska route.

I urge this material to the attention of our colleagues as prepared by the Alaska Public Interest Coalition:

ALASKA PUBLIC INTEREST COALITION,
Washington, D.C., July 30, 1973.

DEAR CONGRESSMAN DINGELL: As you consider how you will vote on H.R. 9130—The Trans-Alaska Pipeline Authorization Act—we believe you will want to consider this:

Michigan will receive no oil, now or later, which flows through the trans-Alaska pipeline to the West Coast. Not one farmer, businessman or citizen in your state will benefit directly from the Alaska oil by that route.

The reason for this is simple. There are *no* oil pipelines crossing the Rocky Mountains from the West Coast to your part of the country. It is not feasible to move oil over the Continental Divide, so Alaskan oil will be delivered to and remain in a West Coast pool if it isn't exported. Whatever benefits may come from the Alaska oil, they won't come to your state or constituents directly, nor for a long, long time.

This is why the National Oil Jobbers Council, representing America's independent oil marketers, staunchly supports a Canadian alternative!!! They know your part of the country is where this resource of domestic oil is most needed.

By contrast, a trans-Canadian pipeline from the North Slope would bring Alaskan oil directly into your state. At Edmonton, that line would connect into the existing Interprovincial-Lakehead Pipeline System—already being expanded to handle a greater flow. *And that existing oil transportation network connects directly to your state, and could be pumping Alaskan oil to your constituents just as soon as a Canadian line were built.*

But that's the hitch. Pressured by the major companies who would own the Alaskan line, the Congress may just approve the trans-Alaskan route before the alternative that would better serve your constituents has been fairly considered. More profits for these firms may result—but what about the farms, factories, schools and households in the farm belt, the Midwest, the Atlantic Coast and the South?

As environmentalists, we are convinced by available evidence that the trans-Alaska route is fraught with very real dangers. We believe impartial study will show the Canadian alternatives superior. Either way, we are convinced that the real energy need, and the main shortage, is in your region.

Proponents of H.R. 9130 will ask you to support the trans-Alaska route. They will ask you to oppose the amendment that would keep the National Environmental Policy Act in application to this project, and the amendment which would assure an accelerated 6 month study of the Canadian alternative so that Congress could have full answers about oil delivery via the Canadian route. We ask only this—that you remember that conservationists do *not* oppose development of Alaskan oil, and that the environmentalists' court suit—which this bill would block—is aimed at getting fair consideration of the Canadian alternative.

The Alaskan oil will flow before long. Wouldn't it be best to get it flowing where it's really needed?

DOUG SCOTT.

WHO IS ADVOCATING THE PROPOSED MACKENZIE VALLEY OIL PIPELINE

Participating U.S. and Canadian companies in Mackenzie Valley Pipe Line Research Ltd., sponsor of the recently completed $7 million, four-year feasibility study for a 48-inch trans-Canada oil pipeline from Prudhoe Bay to Edmonton, Alberta, are:

AMOCO Canada Petroleum Co., Ltd.
Ashland Oil Canada, Ltd.
Cities Service Co.
Elf Oil Exploration and Production Canada, Ltd.
Gulf Oil Canada, Ltd.
Imperial Oil Ltd.
Interprovincial Pipe Line Co.
Mobile Oil Canada Ltd.
Shell Canada Ltd.
Standard Oil Co. of British Columbia Ltd.
Texaco Inc.
Trans Mountain Pipe Line Co., Ltd.
Trans-Canada Pipe Lines Ltd.

WHAT THE TRANS-CANADA CONSORTIUM SAYS ABOUT A MACKENZIE PIPELINE

Here are highlights from testimony of David Waldon, president, Interprovincial Pipe Line Co. and vice president, Mackenzie Valley Pipe Line Research Ltd., taken from the transcript of the Senate Interior Committee hearing of May 2, 1973:

Some of the participants in Mackenzie Valley still feel that the first oil from the North Slope should go to the Mid-Continent area. p. 235. Some quite strongly. pp. 251, 255.

As far as the length of time before either line could be operational, trans-Canada is not as far off pace as some people make it out to be. pp. 235–6.

Interprovincial and Lakehead (its subsidiary) which connect Edmonton with Chicago, Toronto and Buffalo already have the necessary right-of-way to beyond Chicago and already are expanding their existing system with 48-inch pipe. p. 236.

The two companies are prepared to put up the hundreds of millions (not billions) to expand the 1,565-mile line to Chicago and it could be completed without any undue delay. p. 236.

Transmountain can also be enlarged to carry Alaska oil from Edmonton to the west coast. p. 237.

A 1,738-mile Mackenzie Valley Prudhoe-Edmonton pipeline can be built within four years of final decision to proceed, provided final government approvals are granted within the first year, according to feasibility study. p. 238.

The trans-Canada backers have reason to believe that the Canadian government's attitude is generally favorable. p. 240, and p. 247.

Waldon can't conceive of the Canadian

government stopping U.S. production going through Canada. p. 248. Predicts U.S.-Canada agreement. p. 250.

He doesn't know any pipeline company unwilling to increase its capacity if production is there. His company would start doing it immediately. p. 248.

Waldon thinks problems such as native claims can be solved. p. 249.

Waldon doesn't think there has been sufficient discovery yet to justify a second pipeline. p. 251.

Prudhoe-Edmonton cost estimate is some $3.5 billion. pp. 238, 239, 241, 243. Waldon thinks improved technology will offset some cost inflation. p. 253.

BACKGROUND MEMO: WHERE A MACKENZIE PIPELINE WOULD TAKE ALASKA OIL

The 1,738-mile trans-Canada oil pipeline proposed by a consortium of major U.S. and Canadian companies (see list, overside) would take Prudhoe Bay crude oil to Edmonton, Alberta. From Edmonton it would be pumped through existing Canadian-U.S. pipeline systems already supplying refineries in eight states.

The 1,900-mile Interprovincial-Lakehead system, largest crude oil pipeline system in the western hemisphere, transports western Canadian crude oil to U.S. refineries at:

Minneapolis-St. Paul, Minnesota.
Wrenshall, Minnesota.
Superior Wisconsin.
West Branch, Michigan.
Alma, Michigan.
Bay City, Michigan.
Trenton, Michigan.
Carson City, Michigan.
Detroit, Michigan.
Toledo, Ohio.
Canton, Ohio.
Warren, Pennsylvania.
Fort Wayne, Indiana.
Laketon, Indiana.
Chicago, Illinois.
Buffalo, New York.

The 711-mile Trans Mountain Pipeline transports Canadian crude from Edmonton to four U.S. refineries on Puget Sound.

NATIONAL OIL JOBBERS COUNCIL*: RESOLUTION NO. 3

Whereas the national energy shortage mandates the speedy transportation of Alaskan crude oil to the "lower 48", and

Whereas in District II the shortage of energy impinges most severely because its geographic location denies its access to alternative world sources to which coastal areas have access, and

Whereas the shortage in District II is more than can be supplied from Districts III and IV, and

Whereas the nation has traditionally found and still finds a strong ally in our Canadian neighbor, an alliance buttressed by treaties and other joint enterprises for our common defense, and

Whereas large quantities of crude oil and natural gas flowed and currently flow into the Midwest from Canada, and

Whereas there is widespread support for a Mackenzie Valley pipeline to bring natural gas from Alaska to the Midwest, and

Whereas American oil companies have made and continue to make large investments in Canada, and

Whereas one of these investments is one of the world's largest networks capable of transporting substantial volumes of crude oil from Canada to the United States which the companies have recently enlarged, and

Whereas the Canadian Energy Minister has publicly stated his belief based on numerous studies that a crude oil line along the Mackenzie Valley would be environmentally safer than the Alaska pipeline, and

Whereas in the light of the delays to which the Alaskan line has been subject and will continue to be subject, a Mackenzie Valley pipeline will bring Alaskan oil to the area where it is most needed more quickly than it could be brought if an Alaskan line, a tanker fleet, and a line eastward from Seattle had to be constructed,

Now therefore be it resolved that the National Oil Jobbers Council and its officers carry to all appropriate executive and legislative agencies its strong support for a Mackenzie Valley pipeline to bring Alaskan crude oil to the "lower 48".

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* Adopted at meeting in St. Louis, Mo. on April 27, 1973. National Oil Jobbers Council is a federation of 38 state and regional associations of jobbers covering 46 states, with a membership of over 13.000. *The NJOC members handle 25% of the gasoline and 75% of the fuel oil sold in the United States.*

PRESIDENT URGED TO REVIEW HIS ADMINISTRATION'S STAND ON THE TRANS-ALASKA PIPELINE LEGISLATION

HON. JOHN D. DINGELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 1, 1973

Mr. DINGELL. Mr. Speaker, by permission perviously granted, I am inserting today the text of a telegram addressed to the President urging that he review his administration's documentation on the proposed trans-Alaska oil and gas pipeline in view of the many proconservation statements the President has reiterated during his term.

The telegram, which I enclose at this point, from Mr. Thomas L. Kimball, executive vice president, the National Wildlife Federation, speaks for itself.

I urge the attention of the President, the administration and our colleagues to the following:

WASHINGTON. D.C.

Representative JOHN D. DINGELL,
Capitol Hill, D.C.

DEAR MR. PRESIDENT: The highly controversial Alaska pipeline issue is now entering its final stage of debate in Congress. Quite aside from the merits of the plan to route the pipeline through Alaska, there is a momentously-important side issue at stake. We are referring to the language in the proposed pipeline legislation (H.R. 9310) which would result in circumventing provisions of the national environmental policy act. The intent of H.R. 9130, i.e. to build a pipeline can be met without jeopardizing the continued viability of NEPA. For your administration to condone such a legally and environmentally-unsound precedent-establishing action, especially in view of your often-expressed concern for conservation of natural resources is unthinkable.

Conflicting views on the NEPA element of the pipeline issue apparently remain at the highest White House staff level. Hence, the National Wildlife Federation, on behalf of the 3½ million citizens it represents urges you as matter of highest priority to review your administration's position in this matter.

We are confident that such a review will quickly lead you to speak out forcefully against any attempt to use the Alaska pipeline issue, or any other issue, to weaken the provisions of NEPA.

Sincerely yours.

THOMAS L. KIMBALL.
Executive Vice President.

H.R. 9286

HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 1, 1973

Mr. BROWN of California. Mr. Speaker, as we approach a vote on final passage of the military procurement bill for 1974—H.R. 9286—I feel an obligation to my colleagues, and to my constituents, to inform them regarding my position on this legislation. As my record clearly shows, I have not voted favorably on military authorization and appropriation bills for a number of years. There were several reasons for this. A major consideration was my opposition to the Vietnam war, which took a major portion of all military funds for many years. The most effective way to express my opposition to that war was to vote against the funds to continue it. Such has been the role and responsibility of the representatives of the people in parliamentary bodies since at least the days of the Magna Carta.

Further reasons included my strong objection to that type of thinking which held that military force could solve all security and foreign policy problems. This thinking was reflected in a disproportionate devotion to all things military, and gave rise to an overriding political influence by that vaguely defined entity which President Eisenhower named "the military-industrial complex." This same type of thinking also resulted in a corresponding decrease in our ability to comprehend, attack and solve the more fundamental problems of an increasingly complex and troubled society.

I must say that we have not yet sufficiently changed that style of thinking, nor have we changed the resultant legislative priorities to the extent that we must if we are to meet the conditions of this constantly changing world. Yet we are now moving toward, instead of away from, such a proper balance. I shall try in the future, as I have attempted in the past, to contribute in this House toward a better understanding of where that proper balance is.

In attempting to establish criteria by which I could determine whether or not to vote favorably on military bills this year, I decided many months ago on two major factors. First, American military involvement in the war in Vietnam must be ended, and our troops removed. Second, the level of defense expenditures must be less than the level created by Vietnam. The first of these conditions was met with the signing of the peace treaty in January and the removal of the last U.S. combat soldier a few months later. The action of the Congress last month in mandating an August 15, 1973 end to all military activity in Indochina added additional confirmation to this action.

The second condition left me with greater doubts. The bill before us did not meet that condition in the form reported by the committee. I have therefore supported all reasonable efforts to bring it below the level of 1973. Only with the adoption by this House of the Aspin-Rousselot amendment, by the substantial vote of 241 to 163, which reduced the overall level of spending authorized by this legislation by nearly a billion dollars, did I feel that this condition was met.

I shall therefore vote for this bill on final passage. In doing so I reserve the right, as we all do, to continue to work toward that more desirable balance between military and domestic spending which we must still seek. I do not intend to support all military spending in the future, nor to oppose it. But I will weigh it carefully by what I consider reasonable criteria, in the light of the overall needs of this country. I will apply a similar approach to domestic spending, much of which has also been wasteful and nonproductive. If our collective wisdom is sufficient, perhaps we can make the progress we all desire toward the common good.

Mr. Speaker, I may have further to say about this measure at a later time, but, recognizing the fact that it is already late I will close for now.

BLACK ARTISTS IN LOUISIANA

HON. GILLIS W. LONG

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 1, 1973

Mr. LONG of Louisiana. Mr. Speaker, I am most honored to introduce to my distinguished colleagues a man who has contributed to the world of art and literature a noteworthy revelation of the creative powers within the State of Louisiana.

Morris Taft Thomas is an author, artist, and assistant principal at Bolton High School, Alexandria, La.; he has just completed his second book entitled, "Contributions of Negro Artists in Louisiana." The book is a collection of artists' achievements which was undertaken by Mr. Thomas as a result of his desire to make the public aware of Negro contributions, especially in the world of art. More importantly, his book was written to pay tribute to those Louisianians who have used their creative talents in a constructive and artistic way, thereby directly or indirectly motivating young people to seek higher goals in the field of art.

This most timely monograph contains the lives, works, and artistic contributions of 20 nationally recognized Louisiana artists. Some of these notable artists are: David Butler, Frank Hayden, John Payne, Edward Barnes, Vernon L. Winslow, Clementine Hunter, Dr. Joseph Cardoza, and Alfred L. Stevenson. The great achievements of these artists proclaim an awakening for the cultural good of all Louisiana.

Mr. Thomas, his wife, Willola, and daughter, Joni, reside in Alexandria, La. He received his B.A. degree and M.Ed. degree at Southern University in Baton Rouge, La.

Mr. Thomas' first article was published in Todays' Art magazine in 1966. Since that time he has written over 65 articles for national publications. His first book, "Activity Plan Book for Art Teachers," was published in 1971. He has won numerous awards in sculpture and ceramics. His work has been exhibited in Dallas, New York, Chicago, New Orleans, and many other great cities.

I know my colleagues will join me in urging Mr. Thomas to continue his task of alerting the public to the contributions of black artists.

NEW BEDFORD: THE FRESH-FISH CAPITAL OF THE UNITED STATES

HON. GERRY E. STUDDS

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 1, 1973

Mr. STUDDS. Mr. Speaker, the city of New Bedford, which is part of the district I represent, is the fourth largest fishing port in the United States in dollar volume. In its May, 1973 issue, the Fish Boat contained a special 32-page section on New Bedford, the "Fresh-Fish Capital of the United States." Because the history, problems, and hopes of the Port of New Bedford are exemplary of those of the fishing industry throughout our Nation, I insert the lead article of this special section at this point in the RECORD for the attention of my colleagues:

NEW BEDFORD: THE FRESH-FISH CAPITAL OF THE UNITED STATES

If you have ever read *Moby Dick* or heard of Herman Melville you have no doubt heard of the Massachusetts fishing port of New Bedford and were aware of its prominence in the world whaling trade for much of the 19th century. At one time more than half of the whaling ships were New Bedford ships and half of those that remained sailed out of New Bedford, where they outfitted and unloaded their cargo.

When whaling died out with the discovery of oil, New Bedford turned its attention to cotton and soon became a leader in the manufacture of fine garments. Even today the textile industry is prominent in the city but during this time fishing was not neglected. Although it came nowhere near the whaling and cotton industries in size or value it was always profitable and very stable, bringing many individuals a fine living from the sea.

Because of its protected harbor at the mouth of Buzzards Bay and the southerly flowing Acushnet River, entrance and exit to and from the port was relatively easy for both the whaling schooners and the fishing vessels.

With the advent of synthetic materials in the 1920's cotton manufacturing slowed considerably and fishing took on added prominence. Soon New Bedford, once known as the whaling capital of the world, was known as the scallop capital of the world, with 90 per cent of the scallops taken from the sea being landed at the port of New Bedford. A scallop festival held yearly attracted visitors from all over the world. Other forms of fishing also flourished and New Bedford had once again turned to the sea as a prime source of its economy.

New Bedford was originally a small village in the township of Dartmouth, a tract of land purchased from the Indian leader Massasoit and his son Wamsutta. With New Bedford in the township were present day Fairhaven, Acushnet, Westport and Dartmouth.

In 1787 the township was divided into the towns of New Bedford, Dartmouth and Westport and the town of New Bedford became a prime whaling city. Fairhaven, originally a part of New Bedford, became a separate town in 1860. Fairhaven and New Bedford lie on opposite sides of the Acushnet River and the separation seemed natural. Today, however, their economies are so closely related there is often no real distinction between the two as far as the fishing industry goes. As it was with the whaling trade and as it is today, many of the boats are built and serviced in Fairhaven while New Bedford acts as the landing point and the home port.

LEADS ALL PORTS IN FISHERY VALUE

Today, New Bedford is the largest fishing port on the east coast in economic value. Scallops still play a role in the economy of New Bedford but yellowtail flounder is the primary fish landed. Other fish taken are flounder, perch, groundfish, hake, gray sole, haddock and cod. Occasional lobsters are mixed in with the catch.

But perhaps more than quantity, New Bedford is known for fresh, quality seafood. The flounder brought in each day is sold at a city-run municipal auction on pier 3 and delivered immediately to the processing plants where it is filleted and otherwise processed and shipped out fresh, usually the same day, to markets on the east coast. Some is frozen for use during slow seasons and when the quota is reached.

NEW BEDFORD SEAFOOD HAS REPUTATION

Fresh New Bedford flounder has a reputation all its own and is sold in the finest restaurants in the east where it is normally listed as being from New Bedford. Because of the problems of shipping fresh fish packed in ice, distribution is necessarily limited but some is flown to cities in the midwest and west where it has become established as a gourmet item.

TOP FACILITIES WITH HURRICANE PROTECTION

The harbor facilities in New Bedford are ideal for the fishing industry. First, the harbor is naturally protected by its location on the Acushnet River just inside Buzzards Bay. In addition, because some severe storms have left their mark on New Bedford, an $18,000,000 hurricane dike was completed which has reduced the damage to a minimum. The dike spans the entrance to the harbor and permits access through channel gates.

Since the dike was completed by the Army Corps of Engineers with financing from the federal and state governments, as well as the cities of New Bedford and Fairhaven, there have been no serious losses from storms or excessive tides. In 1972 the dike was closed 18 times and prevented an estimated $710,000 in flood losses during that year alone. If it had been completed prior to August 1954 an estimated $26,000,000 in storm damage from one storm alone would have been prevented.

The dike is 13,000 feet long, with a 4,500 main harbor barrier and channel gate, and the rest connecting dikes.

TWENTY-FIVE ACRES RECLAIMED FOR HARBOR EXPANSION

Behind the protected barriers is the new South Marine Terminal or South Terminal bulkhead, a New Bedford Redevelopment Authority Project completed in 1971. Approximately 1,600 feet long, the bulkhead allowed the reclamation of about 25 acres from the harbor for expansion for the fish processing plants which had been operating in cramped quarters on dilapidated wharves for numerous years.

Begun in 1969 with Housing and Urban Development Funds the bulkhead has a draft of 30 feet along 1,000 feet of its length and 20 feet along the rest.

It is faced with mariner steel to protect against corrosion. At present there are three fish processing plants that have been completed along the bulkhead and two more in the final stages of completion. All of the plants have tie-up facilities for direct unloading from the fish boats.

WORK ON WHARVES UNDERWAY

Also in for a facelifting are the wharves along the waterfront of New Bedford, City Pier 3 and Pier 4 as well as Homer's Wharf and Leonard's Wharf are due for steel fenders. Work on Pier 3 and 4 is slated to begin in January 1974. The state pier is in relatively good condition and there are no plans for work there.

STORAGE, ICE MAKING AND FREEZING FACILITIES PLENTIFUL

North of the wharves the Redevelopment Authority has also completed the reclamation of about 19 acres for expansion of the waterfront community. A 1,000 foot bulkhead with mariner steel facing and a 32 foot draft, fronts the reclaimed land, known as the North Terminal.

Already established along the North Terminal are Quaker Oats Comapny which has a cat food plant and the Maritime Terminal, a large three building complex of freezer and storage space. According to Richard Viall, an officer with the firm, Maritime Terminal has 360 feet of deep draft frontage and a storage capability of 15,000,000 cubic feet. There is also 2,500,000 cubic feet of freezer space which can handle large amounts of whole tuna in addition to other fish. Storage is on galvanized steel pallets stacked 22 pallets high. One of their primary customers for the storage of frozen fish is the Frionor Norwegian Frozen Fish Ltd., the largest foreign seafood processing company in the U.S.

In addition to the storage and freezing facilities of Maritime Terminal, Ice Engineering, Inc., a relatively new ice manufacturing company located on Fish Island, has a freezer capacity of 200 tons. They also make flake ice for the fish processing companies and have another plant, New Bedford Ice, for block ice for the boats. Crystal Ice Co. on Pier 4 also manufactures block ice for the fish boats. Mullins Freezer on Middle St., Fairhaven, adds to the freezer storage capacity of the New Bedford/Fairhaven waterfront.

NEW HIGHWAY TO SERVICE INDUSTRY

Servicing the New Bedford waterfront will be a new highway presently under construction. A spur of I-95 East, it will parallel the waterfront from the Fairhaven bridge to Leonard's Wharf, move inland about one block and give access to the South Marine Terminal. The South Terminal roadbed is already complete and in use.

Some have maintained that the highway will effectively separate the heart of the city from the waterfront, and give that as the reason why it was planned in the first place. However, there will be easy access to both the waterfront and the city through an interchange at the Fairhaven bridge and Union Street at the foot of the State Pier. Paralleling the waterfront and the highway will be a service road for access to the individual piers and the highway. Overall, the highway should eliminate severe traffic congestion generated by the waterfront and allow for easier entrance and exit for trucks. They will be able to avoid the central city streets and get into and out of the waterfront faster thus allowing for even faster delivery of New Bedford's fresh fish.

INDUSTRY HAS SOME PROBLEMS

Of course, any industry is not without its problems, and the fishing industry of New Bedford has its share.

Most people connected with the industry will tell you without hesitation that the most significant problem is the Russian fishing fleet.

And what is it that the Russians are supposed to be doing that is causing trouble for the New Bedford fishing fleet? Mainly, it is overfishing and lack of conservation combined with disdain for the rules of the game which means they are not supposed to catch certain species. However, observation from many people including National Marine Fisheries investigators, has ascertained that the Russians do indeed violate these rules for catch limits and species limits and there is little, it seems, that can presently be done. A 200 mile limit has been asked.

The Russians are not alone in causing the trouble. There are a number of other nations fishing the same grounds and all or most appear to be in violation of the rules. Some say, the Spanish fishing fleet is by far the biggest troublemaker.

With overfishing and little attention to conservation the reserves of fish on George's Bank, the prime grounds for yellowtail flounder, have become seriously depleted and many fishermen and processors are worried that the fishing industry will suffer severe harm if the problem escalates.

PRICES AT ALL TIME HIGH

The catch is already down from previous years, due not entirely to foreign nationals, and the price of fish is up significantly at the municipal auction. Although the fishermen are temporarily happy with the price of fish, it may, in the long run, prove to be short lived unless something is done. Processors are asked to pay more and charge more and lately the price of fresh fish has skyrocketed.

With the high market prices driving potential customers away the industry will feel the sting eventually.

LOOK TO CONGRESS FOR HELP

There is some move in the Senate toward a resolution protecting the fishermen from among other things, the foreign nationals. It was introduced by Senator Eastland (D. Miss.) (State of the Fisheries, March, 1973) and had the support of 42 other senators.

HIGH COST OF INSURANCE BRINGS NEW PLANS

Other problems beset the fishermen of New Bedford aside from the foreign nationals. One is the high cost of insurance, especially Protection and Indemnity and another is the high cost of financing boats and equipment.

Some solutions may be forthcoming, however. Len Roach, president of Boatowners United, one of the two boatowner's groups in the city, tells of cooperative insurance plan his group has, but he won't divulge the name of the company. He says the premiums have gone down significantly since they began this new program.

NEW APPROACH TO BOAT FINANCING

Roach adds that some members of his group have also submitted applications for loans for boats and equipment under a new plan of the Production Credit Associations, a farm financing system in use for the last 40 years. Recently they have begun financing the fishing industry. (State of the Fisheries, March, 1973) This may help alleviate some of the financng problems in the fishing industry of New Bedford.

Other boat-owners have banded together in what they call a P & I club which allows them cheaper premiums for insurance. This program is through the Neptune Mutual Association managed by Independent Marine Services, Inc., Collingswood, New Jersey. Neptune itself is registered under Luxembourg law.

Another problem, but one that is not talked about as much, is the New Bedford reluctance to turn to new species such as redfish, squid, whiting, herring and dogfish. There is a considerable market for dogfish in France and squid in Europe, in general.

FLEET NEEDS UPDATING

But perhaps the most significant problem overall is the state of the fishing fleet. Many boats are old and cannot compete with the foreign nationals. In addition most of the boats are side trawlers which are not as efficient as the stern trawler. Not too many additions have been made to the fleet and some processors, fearing that the fleet will deteriorate to such a state that they will have no fish, have begun to establish their own fleets.

NEW OPTIMISM PREVAILS

However, there is optimism in the air even if no one will overtly predict a return to former heavy landings. Many processing companies have built new plants in the South Marine Terminal in anticipation of better times. There is a general feeling that this time Congress will support the fishermen against the foreign nationals.

Various groups among the fishermen and dealers as well as the unions have been working toward a common goal of better conditions for the New Bedford fishermen and are beginning to recognize that if they get together they may be able to accomplish more than they could singly.

In addition with new insurance and financing plans there should be a general upgrading of the fleet with attendant increase in catch. The weather was also bad much of the early spring thus preventing much fishing and driving the price sky high. At press time, fish were coming in and the price was back toward a more normal level.

Some processors predict that the reluctance of the fishermen to catch new species, a reluctance that partly hinges on refitting boats at considerable cost, will fade as will the reluctance of processors to handle the fish.

The new facilities will also add to the overall appeal of New Bedford as a fresh fish port and once again the city will count its name among the most famous fishing ports in the world.

SOLAR ENERGY: BECOMING A REALITY IN DENVER

HON. PATRICIA SCHROEDER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 1, 1973

Mrs. SCHROEDER. Mr. Speaker, in the July 25 CONGRESSIONAL RECORD, Congressman TEAGUE exhorted Members of the House to read a recent Washington Post editorial on the need for research into solar energy. The editorial quoted members of the NASA-National Foundation panel which is exploring solar energy use as saying "(t)en years from now . . . one out of every ten homes built in this country could be heated and cooled by solar rays." Such a projection, however, is based on the assumption that the Federal Government will begin a concerted program of development in this area.

I have recently learned that Denver has an architect, Mr. Richard L. Crowther, who has been exploring new and innovative architectural designs which will bring solar heating and cooling of homes in this country closer to a reality. Mr. Crowther is currently living in an ultramodern home he designed himself. The home is a living experiment which demonstrates that a residence can be built at a cost of under $60,000 which effectively conserves year-round energy supplies while maintaining comfort within the home. Less than 7 percent of the cost of the home was required to provide the energy conservation systems.

The home does not have a mechanical solar collection or a collection storage system, but due to the energy conservation methods employed, the home itself acts as a collector and conserves about 50 percent of the energy for heating and cooling normally used. In this time of inflation and energy crisis, this home is an invaluable example, heating 2,600 square feet at an average monthly cost of $13.

The NASA-National Foundation panel suggested that "before solar energy becomes a substantial source of clean energy, industrial ingenuity and productive know-how must be mobilized to produce the hardware and services necessary to make the conversion devices economical." Mr. Crowther suggests that the careful orientation and control of solar radiation secured through proper location choice and design can readily be achieved in most new residences today and that such homes are easily convertible to solar power at a much lower cost. Thus, between the recent appropriations of funding to research into solar energy and innovative architectural design by individuals like Mr. Crowther, it appears that the beginnings of a solar age in housing may very well be upon us.

LT. COL. ADDISON E. BAKER—A HERO OF THE PLOESTI RAID

HON. JOHN F. SEIBERLING

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 1, 1973

Mr. SEIBERLING. Mr. Speaker, today, August 1, marks the 30th anniversary of the daring air raid on enemy-controlled oil refineries and installations at Ploesti, Romania, in 1943. As a result of this action, five Americans were awarded the Congressional Medal of Honor, including one awarded posthumously to Lt. Col. Addison E. Baker of Akron, Ohio, a member of the 9th U.S. Army Air Force. I would like to pay tribute to Lieutenant Colonel Baker and his comrades by placing his Medal of Honor citation in the RECORD at this point:

> For conspicuous gallantry and intrepidity above and beyond the call of duty in action with the enemy on 1 August 1943. On this date he led his command, the 93rd Heavy Bombardment Group, on a daring low-level attack against enemy oil refineries and installations at Polesti, Rumania. Approaching the target, his aircraft was hit by a large caliber anti-aircraft shell, seriously damaged and set on fire. Ignoring the fact he was flying over terrain suitable for safe landing, he refused to jeopardize the mission by breaking up the lead formation and continued unswervingly to lead his group to the target upon which he dropped his bombs with devastating effect. Only then did he leave formation, but his valiant attempts to gain sufficient altitude for the crew to escape by parachute were unavailing and his aircraft crashed in flames after his successful efforts to avoid other planes in formation. By extraordinary flying skill, gallant leadership and intrepidity, Lieutenant Colonel Baker rendered outstanding, distinguished, and valorous service to our Nation.

OF HEROES AND HEELS—PRISONERS OF WAR AND PRISONERS OF "PEACE"

HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 1, 1973

Mr. ASHBROOK. Mr. Speaker, two groups of young Americans go overseas. The first group returns battered and bruised, the second boastful. The first group fights the enemy, the second fraternizes with him. The first group is captured by the enemy, the second is captivated by him. The first group is devoted to its country, the second despises it.

The following remarks, Mr. Speaker, will attempt to contrast the startling difference which exists between that incredibly courageous body of 500 American servicemen, known as prisoners of war, who came out of the Vietnamese valley of death with that other group, the pitiful radicals and pathetic revolutionaries, who have made themselves prisoners of peace-propaganda. The latter group to which I refer calls itself the Venceremos Brigade—VB—a term aptly selected for the martial ring it has, as well as for its true nature and purpose. I will briefly comment upon this group first.

Between November 1969 and May 1973 six contingents of young, pro-Hanoi, pro-Havana, American radicals numbering about 1,800 members visited Cuba, at Castro's invitation, where they attempted to assist the Communist dictator resolve his growing economic problems by cutting sugarcane, planting trees, and pouring concrete foundations for workers' barracks. While in Cuba they met and worked with delegations from the armed forces of North Vietnam and from the Vietcong.

In return they received all the blessings of brainwashing which a grateful Communist state could bestow. Indeed, even the organization's title reflected the musings of a well-scrubbed brain; in English, "Venceremos" means "We Shall Win." The "We" of course was not you, nor I, Mr. Speaker, nor the U.S. Government you may be assured. The hoped-for winners were Hanoi abroad and its anti-American allies here at home who belonged to the so-called peace movement. The specific losers would be the American Armed Forces including the prisoners of war. Although the brigade's ostensible purpose was humanitarian, its actual mission was to prepare its members to be journeymen in the art of the propaganda put-down, that is, of Uncle Sam and all that he represents.

The VB members in Cuba viewed the Communist Vietnamese there with a fawning, child-like, almost grovelling awe which their own diaries and notebooks substantiated.

"What to make of these gentle Boy Scouts, formal and shy—of their funny brown faces and Terry-and-the Pirates yakety-yak? They're beautiful." The above and the following glowing commentaries about a delegation of Vietcong and North Vietnamese soldiers in Cuba was made in a remarkable compilation of diaries, letters and notebooks by members of the infamous Venceremos Brigades—VB—during their visits to Red Cuba.

Martha Jo Trolin of Harrison, N.Y., wrote of her excitement when informed that the Vietnamese were coming to their Cuban camp:

> All morning people painted signs, drew posters . . . People were getting ready to meet the Vietnamese. We lined up on both sides of the entrance road.

Several brigadeers "held cross stalks of cane." The banners of the NLF—the communist puppet government in South Vietnam—were painted on hats, headbands, shirts, and even machetes, she said, continuing:

> The signal went off and four cars rode by . . . hands held out to us all, ten smiling faces. We walked in back of the cars and then led the Vietnamese Comrades to the recreation hall. * * * In front of the hall hung two huge pictures—Ho and Che.

Trolin then quoted a "sister" Vee Bee as having said:

> The Vietnamese flag [Communist] is the symbol of militancy that we march behind in demonstrations. It is the one symbol that unifies us and gives spirit and strength to the revolutionary youth in the United States.

Joyce Beryl Suhl of New York City was equally thrilled by the arrival of the Communists from Vietnam:

> Inside the recreation hall, where the speeches were to be held, the chants continued and became more frenzied. It was a jolting experience to be face to face with young Vietnamese guerrillas. . . .
>
> North Americans couldn't stop chanting and clapping "Ho Ho, Ho Chi Minh, the NLF is going to win!"

"We must have seemed like overbearing giants to the 10 Vietnamese who were quietly sitting on the speaker's platform," she mused. They looked "very small, like boys and many of them were young." And those who spoke, she added, did so with "incredible humility and calm." It conveyed "such power over the 700 Americans that—a feeling of awe took hold of us." It was finally time "to listen to these most courageous people, from whom we had so much to learn," she concluded.

Not to be outdone, Miss Trolin warmed up to the mind-blowing event and cooed:

> But to see them in the flesh, with their unlimited warmth and compassion for the people they have every right to despise! To sit in the same room to cut cane with the people who symbolize the strength and the consciousness that we are striving for, and then to be able to talk to them, ask them questions, answer their questions, to be considered comrades in struggle by Vietnamese people—that was the thing.

Another cane-cutting brigadeer, this one anonymous, was almost overcome. He wrote that "at moments I find myself almost in tears; years of words and chants touch down, touch us." The South Asians are changing huge parts of the world, he said. One Communist in particular appealed to him: "What thoughts are running behind that beautiful shy face with the straight teeth."

Some Americans apparently wanted to spend more time with the Vietnamese. Carl Glenn Lacy of Oakland, Calif., told how they chased the Vietcong, as they left the recreation hall, with more "weird questions" and cameras.

Later, during an evening session, Miss Suhl wrote that the Americans gathered around the visitors and asked questions in "hushed, respectful tones, and every word of the confident answers was anxiously waited for."

Morton Morris Vicker of San Francisco, one of the older delegates at age 53, seemed as impressed as the younger Americans were about this "very inspiring thing."

> To think that these people who have been fighting Americans for the past ten years. . . . can feel warmth and comradeship with Americans reveals at least a great amount of understanding, and maybe something more.

When an English journalist later asked him how he could applaud and be pleased by some of the speeches made by people who were killing his fellow Americans Vicker's true colors shone forth. He replied that he had fought against fascism in World War II and his support of the Vietnamese Communists against the "ruling class of Amerika" was "just an extension of the fight."

David Zeiger, another Vee Bee, was traumatically moved by the fact that the visiting Communists would stoop to cut sugarcane stalks with the Americans. To him, all this was just beautiful. Paired off with North Vietnamese gave Zeiger an incredible feeling, something which he had never experienced before. Desiring only to be but a comrade and friend to his canecutting colleagues from Asia, he came close to the mark in exposing what the psychological and political purposes of the Venceremos junkets were all about with the following outburst:

> It was the first time here that I felt a real sense of international spirit—an understanding of who my enemy was and who my friend was—that had nothing to do with culture or political boundaries. *I am an ally of the Vietnamese and I live inside it's enemy. My home is behind enemy lines—words that carry so much more meaning now than they did two days ago.* (Italics added)

Patrick Ruckert of Seattle, felt compelled to apologize to one of the Communist soldiers because his brother, an American GI, had participated in the Vietnam action.

Gregory Lord Husband of Chicago could not restrain his emotions for the Communists and, pen in hand, poured forth this ditty:

GIANTS

Little yellow and brown Men with laughing
eyes
Eensy weensy dudes who sound as if they're
laughing, singing
Sounds like water bubbling and bells tinkling
Little men with giant souls whose smile is
warm like the sun. . . .

Steve Kramer of New York City said that the Vietnamese were "seen as the symbols of the most heroic people around," adding, and tipping his ideological hand in the process, that "everyone realizes that you can not provide a society with all the comforts or reach a Communist state until there is a revolution throughout the world."

Tarnel Abbot, a 16-year-old girl from Oakland, dialoged with a 22-year-old girl named Margarita from Hanoi whose brother was also in Cuba. Miss Abbot, apparently moved by the whole scene, said that they "talked and never stopped smiling." The lady from Hanoi warmed up to the occasion and told the American youngster that she was like a sister to her and should visit Vietnam after *"we have our revolution in the United States"*—italics added. Miss Abbott gushed, "I almost started crying."

James Loudermilk of Berkeley revealed proudly that he was now an internationalist as a result of his contacts with the Communists; "Nothing that ever happened to me before has done so much to make me an international person as this experience has."

Carol Brightman of Sharon, Mass., former editor of the pro-Hanoi, and now defunct Viet-Report publication, and a leading guru in Brigade affairs, implied that the fawning attitude of the Americans toward the Communist Vietnamese was perhaps a bit overdone:

> With the Vietnamese we were perpetually "overcome with emotion", worshipful and distant. The Vietnamese do embody the most exalted ideals open to human struggle. But does it have to follow that our appreciation of them leaves us speechless? Because we really hit them with the most trivial questions, and most of the time hung around like gawking giants.

Mr. Speaker, the above remarks speak for themselves concerning the veneration which the Vee Bee members held for the Vietcong canecutters in Cuba. But also, according to the Americans, revolutionary governments and revolutionary movements abroad had begun to develop a new respect for the budding movement here.

Julie Nichamin, a leading activist in the radical Weatherman faction of the Students for Democratic Society, and an organizer and national committeewoman of the Brigade, has pointed to the new respect which the Americans now enjoyed abroad:

> They treat it with a great deal more seriousness now. They think that the fact that hundreds of young people have made the commitment to go down to Cuba, to break the blockade, to struggle in harvest, understanding that the struggle is an anti-imperialist [read USA] struggle, says a lot about the development of a revolutionary movement in this country.

The growing affinity between the Vee Bee members and the Vietcong could not have been made clearer as the following dialog between a brigadier and a Vietnamese in Cuba reveals (on the subject of troop withdrawal).

> (American) The movement in the United States now is really unsure of what kind of tactics, what kind of actions or organizations are necessary to really bring the troops out of Vietnam.

The Vietnamese comfortingly assured the American that:

> (Vietnamese) Your action is little or much, but you go to the battlefield at the same time as we, *and we are the same fighters on the same front.* (italics added)

That the Vietcong used their contacts with the Americans for the purpose of instructing the latter was brought out by James Loudermilk in his conversation in Cuba with a "diplomat from the NLF"—the Vietcong's political parent, the National Liberation Front. The unnamed diplomat, according to Loudermilk, told him that the Vietnam war "should be the priority item" for the radical U.S. movement.

Patrick Ruckert was told by a North Vietnamese soldier that he fully understood the problem of the American GI, adding that it was regrettable that they must fight each other. Ruckert also spoke and worked with the first secretary of the NLF mission whose name was Huynh Van Ba—a pseudonym—from Da Nang, South Vietnam. Huynh Van Ba told Ruckert that he had read hundreds of U.S. underground papers, and also, that the GI organizing program—a project by the new left to create disaffection within the Armed Forces—*"was one of the most important things the movement in the U.S. was doing"* (italics added).

Mr. Speaker, it is understandable why the Communist Vietnamese are well informed on American military personnel. During hearings held in Miami in October 1972, on the Venceremos Brigade by the House Internal Security Committee, a key witness provided some excellent testimony and insight into the comradeship existing between the Vietnamese and the American Vee Bees. Unknown to the Cuban hosts, or the Vietnamese, or the Brigade itself, this particular Vee Bee was Dwight D. Crews, a deputy sheriff of the Jefferson Parish, La., police department.

While in Cuba, Crews, whom the Vietnamese knew to be a former GI, was interviewed by one member of the North Vietnamese delegation for the purpose of soliciting information about GIs and veterans. He was asked, for example, about the type of benefits which a veteran received after his discharge; the benefits received by the families of GIs killed in action; and the future trend of the GI movement in the United States.

After Crews had given the North Vietnamese some general information on the subject including data about the $10,000 GI life insurance policy, he asked the Asian why he wanted such material, having noted that his remarks were being written down. The North Vietnamese replied that, on his return home, he expected to get a job interrogating American POWS.

Mr. Speaker, this brings me to the second part of my remarks, namely that noble and gallant group of over 500 American prisoners of war who came out of North Vietnam with their heads high and their hearts true to this Nation's principles. Perhaps John Wayne, the movie actor, best summed up this country's appreciation when he remarked at the White House reception for the POW's on May 24, 1973: "You hung in there when the going was rough—you love this country." He added:

> I want to thank all of you for showing the kind of men we put up when the going gets rough. You're the best we have.

And the worst we have—the ideological scum of American society—were "put up" in Red Cuba with the Vietnamese Communists. It was their behavior and activities in the new left movement, supportive of victory for Hanoi, which contributed in no small way to making the "going rough" for our POW's, particularly our aviators. The Vee Bees in Cuba had characterized the Communists from North and South Vietnam as boy scouts, as eensy, weensy dudes, as comrades, as sisters, as friends, as allies, and attributed to them the following attitude: Incredibly humbly, warm, compassionate, understanding, gentle, little men with giant souls, and smiles warm like the sun.

Tell it to the POW's who survived, somehow, the tender mercies of the "eensy weensy dudes" in the hell-holes of their Asiatic concentration camps.

The House Internal Security Committee held hearings in May 1973 on legislation which would restrict the travel of new left collaborationists who had traveled to the Hanois and the Havanas for the purpose of making life more unbearable for our fighting men as well as to improve their propaganda techniques for putting down Uncle Sam. Testimony given by five POW witnesses, and documents produced for the hearing record, as well as press accounts, revealed that the American flyers were subjected to such inhuman treatment that it almost defies description.

The hearing record depicted the ordeal sustained by Col. James H. Kasler, USAF, a POW for 5 years:

> My worse session of torture began in late June 1968. The Vietnamese were attempting to force me to meet a delegation and appear before TV cameras on the occasion of the supposed downing of the 3000th American airplane over North Vietnam. I couldn't say the things they were trying to force me to say. I was tortured for 6 weeks. I went through the ropes and irons 10 times. I was denied sleep for 5 days and during 3 of these days was beaten every hour on the hour with a fan belt. During the entire period I was on a starvation diet. I was very sick during this period. I had contacted osteomyelitis in the early 1967 and had a massive bone infection in my right leg.
>
> They would wrap my leg before each torture session so I wouldn't get pus or blood all over the floor of the interrogation room. During this period they beat my face into a pulp. I couldn't get my teeth apart for 5 days. My ear drum was ruptured. One of my ribs broken and the pin in my right leg was broken loose and driven up into my hip. I lay in agony for 6 months until I was given an operation in January of 1969.

This was "compassionate" treatment? Lieutenant Commander Hall testified that one of his POW prisonmates who, because he refused to meet with a pro-Hanoi American delegation and who was considered to have had a "bad attitude," was put in solitary confinement for a year and a half and was constantly beaten. This was "understanding" treatment?

Navy Capt. James A. Mulligan told the committee that the Communists manacled him in stocks in such a fashion that he was forced into a painful position which was "semistanding-kneeling." He remained in this torturous posture from 5 a.m. until 6 to 7 p.m. for a period of 3 days in spite of the fact that he had a broken shoulder and cracked ribs. Mulligan was kept in solitary confinement for 42 months often without food, water or medical care. This was "gentle" treatment?

Lt. Comdr. David W. Hoffman, who was in a body cast from waist to shoulder, was given what the POW's called the rope treatment. In his case this involved the placing of a chair upon a table, and sitting the victim in the chair. Next, one end of a rope was placed under the POW's armpit while the other end was fastened to a hook which had been fixed to the ceiling above the chair. The table was then kicked out from beneath the "wayward" aviator who would descend abruptly and be jarred to a halt in midair. Hoffman also had refused to visit with the touring Americans "antiwar" types. This was treatment by "humble" men?

Lt. Comdr. John S. McCain III, broke a leg and both arms when his aircraft was shot down. When the North Vietnamese soldiers located him they thrust a bayonet into his foot and slammed a rifle butt against this shoulder which broke. McCain, whose weight had dropped from 155 to 100 pounds, was fed only three or four spoonfuls of soup a day by the Communists. Of his 5½ years of confinement the Navy pilot spent 2 in solitary.

When, during one interrogation, McCain was asked why he was disrespectful to his guards, he responded by saying that they had treated him like an animal. The 10 guards who were present thereupon pounced on the prisoner beating and kicking him every 2 to 3 hours for 4 days during which time his left arm was broken again and his ribs cracked. Ironically, one of the incidents which had precipitated the beatings was McCain's refusal to sign a statement expressing his gratitude for the "humane treatment" which he had allegedly received as a POW. Was this the type of first aid rendered by little "boy scouts"?

The courageous commander stated that many POW's had been similarly brutalized following their refusal to acknowledge the "treatment" accorded them. McCain recalled that Navy Capt. Richard Stratton had been given "the business" perhaps more than most POW's. The Communists burned him with cigarettes and tore his thumbnails backward. His "huge rope scars" bear evidence to his treatment. Was this the treatment offered by "warm" hearted men?

Air Force Capt. Robinson Risner made the statement after his release that the Communist would tie a POW's wrists behind his back in such a fashion as to force his head downward until his toes or feet were in his mouth. Was this what little men "with giant souls" had to offer?

Army Maj. F. Harold Kushner, a doctor, who was incarcerated in a South Vietnamese prison camp told the press that he was the only man captured prior to 1968 who had survived the treatment in the Communist camp at Quang-nom. He said that the overall death rate of American prisoners in South Vietnam was 45 percent, higher than that of any camp maintained by the Japanese in World War II.

Dr. Kushner revealed that the inhumane conditions caused mental regression among some of the POW's. For example, one man sat on his bed with a blanket over his head for 2 years. Others were reduced to childlike behavior, sucking their thumbs and calling out "mama." Could "eensy, weensy dudes," with beautiful smiles "warm like the sun," possibly resort to this?

Mr. Speaker, the Communist Vietnamese, both North and South, who practiced the abominable, subhuman treatment against the American prisoners were colleagues in arms and ideology of those who fraternized with hundreds of other so-called Americans in Cuba. The basic character of this miserable collection of young men and women, who marched proudly behind the Vietcong flag, who chanted to Ho Chi Min for an NLF victory, whose nauseating affection for North Vietnam soldiers and Vietcong militia bordered on near-worship, stands out in sharp relief to the American heroes of the seventies—the POW's. Their broken bodies painfully testified to the price they so willing paid for their patriotism.

IRVIN BROWN: ENTERTAINMENT WITH A VIRGIN ISLANDS MESSAGE

HON. RON DE LUGO

OF THE VIRGIN ISLANDS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 1, 1973

Mr. DE LUGO. Mr. Speaker, as one who began his career in radio, I am acutely aware of the fact that mass entertainment, made possible by 20th century communications, has become one of the most powerful influences upon our culture. The impact of radio, linking many individuals to the artistic expression of one, can hardly be over appreciated. Entertainment features, as much as any other programing daily alter our cultural mores.

Each weekday, many residents of both St. Thomas and St. John, V.I., enjoy visits in their homes, cars, offices, and at public places by a distinctive Virgin Islands entertainer, Irvin Brown. Professionally and affectionately known as "Brownie," he is a member of a popular and excellent band "Milo and the Kings."

Brownie reaches most Virgin Islanders, however, through "The Five Sides of Brownie," broadcast by WSTA radio in Charlotte Amalie. This is a 5½-hour experience that is sometimes outrageous, often humorous, and always enjoyable.

In between the extemporaneous comments, amusing stories, and personable phone calls, Brownie touches many of the musical preferences of the Virgin Islands character. Calypso, Latin soul, and reggae music are all played enthusiastically. The fifth side of Brownie is the Comedy Corner spot which has become a regular midafternoon break for thousands of busy islanders.

Through the entertainment of his program, Brownie broadcasts a message of appreciation of our Virgin Islands culture. As best evidenced by his use of our local dialect, rather than formal English, the orientation of this program is to revel in and preserve the unique qualities of Virgin Islands culture in the face of outside influences.

On July 19, 1973, the Weekly Journal, a Virgin Islands newspaper published in Charlotte Amalie, carried a profile of Brownie written by its talented feature writer, Sylvia Stipe. I am proud, as a former WSTA program director, to commend this article on a WSTA staff member to the attention of this House:

BROWNIE: "I JUST HAVE FUN BEING ME"—WSTA'S BROWNIE MARKS 8 YEARS IN RADIO

(By Sylvia Stipe)

Many, many Virgin Islanders spend their afternoons with Brownie, most of them tuned in to 1340 on their radio dial, WSTA, but quite a few also drop into the Frenchtown studios.

An afternoon spent in Brownie's studio is equivalent to five and one-half hours in a madhouse. But Brownie, one of the most popular entertainment personalities in the territory, dexterously handles the many buttons and knobs on the "board" around incredible numbers of comings and goings, phone calls, and even inter-office musical requests. And he never seems to miss a beat.

But perhaps that is due to the fact that Brownie has been on the air and operating said control board for some eight years, all at WSTA. In fact, he celebrated his eighth anniversary with the station on May 9.

"HE BORN HERE"

Irvin Brown was born in St. Thomas 38 years ago. He grew up in Savan, went to Dober School and then Charlotte Amalie High School, but he quit after seventh grade. "So I was a dropout, but I ain't been in jail" he commented.

Show business has always been his thing. He says "I can play any type of drum, even those Turkish ones for those belly dancers. Boy, I didn't know until I played for one of those shows that a woman could move around like that."

Brownie went to Miami with a group of Virgin Islands musicians in his pre-radio days for a six-week club engagement that lasted for two years. Then the band toured clubs in all of the big mainland cities.

But ten years ago, Brownie got homesick for the islands, and called his good friend Milo the bandleader and asked him if he had an opening for him with the group, that he wanted to come home. Milo did and Brownie came back to St. Thomas swearing he'll never leave "the rock" again.

While in the states, Brownie was a versatile performer, not only playing instruments but singing calypso and dancing the limbo. He said he could go under the bar 14 inches from the floor, "but that was too low," he said "because one night something snapped in my knee. I was lucky there was a doctor in the audience and he snapped it back, but that ended the limbo."

NO INTEREST IN RADIO

He used to sing with Milo's group as well as play, but now he just sticks to drumming. When he first came back, in addition to playing with the band, he drove a taxi, and he still does in the mornings before he goes into the station. He also conducted driving tours, and that indirectly led to his job with WSTA.

He had been emceeing stage shows, but said he's never been interested in radio until one year during carnival when "I hung around the WSTA booth, just sort of helping out."

Shortly after that, when he was taxi driving for Len Stein, then manager of the station, Stein asked him if he'd be interested in doing a one-hour daily show. Brownie accepted, and that was the beginning of "Brownie's Calypso Bacchanal."

Brownie says he had a week to learn how to operate the myriad of controls, but he simplified it for himself by just learning which ones he really needed to begin with, then gradually learning the others.

TIME EXTENDED

Brownie took a giant lead in his radio career when his show was suddenly extended from the original hour to the current five and one-half hour slot. At this point he began interjecting the various "sides of Brownie" spots. Now there are five "side of Brownie" segments—the spooge or reggae, soul, calypso, Latin, and the extremely popular "Comedy Corner."

Brownie said that when his show was lengthened, he continued with the bacchanal theme until one day a little girl called and frankly told him that she didn't like the title. When he asked her, in typical Brownie fashion, what she would suggest in place of the theme her choice was the "side of Brownie."

Although Brownie latched onto the idea, to this day he still doesn't know who the youngster was who started it all. But he laughs as he says "I'll bet I'm the only man in radio with so many different shows in only five and a half hours."

NEVER PLANS

Brownie says he never plans a show ahead of time. "If I do, something is sure to happen to mess up the plans. I just think about what kind of music I want to play, grab the records and begin."

It's an approach that works, and after an afternoon of watching Brownie's show in his studio, it's the only way to operate. During his weekday afternoon shows between 12:15 and 5:30 p.m. for instance, he gets continuous phone calls.

On the day I was there, one lady called to complain that the telephone company wouldn't cash her Social Security check to pay her bill. Brownie told her that it was his understanding that Vitelco had a policy about cashing checks in payment of bills.

When another lady called asking what happened to the water in Tutu, Brownie suggested that a call to WAPA would help clear up the mystery. Then he swiveled around in his chair and said "I'm also the information bureau."

Brownie also reads commercials, public service announcements, and . . . the hourly news.

About his news broadcasts, he states flatly, "Anytime I come across a word in the news that is three or more syllables I know I'm straight—but more than that, I know I'll get messed up." And he's true to his word. He's been known more than once to tell his listening audience to figure out a long or garbled word in a news broadcast because he's not going to read it.

WEATHER AT LEO'S

The weather report at the end of the news usually comes out like "he weather for St. Thomas, St. John and St. Croix, and Cockroch Island and around Leo Moron's house too . . ." or some variation like that. Never just straight, though.

Which brings up a question people often ask of him: "Brownie, why don't you learn to speak right?"

He does speak in the heavy local dialect which is often called creole (but he insists that's a misnomer, explaining "We speak English with a local dialect, that's all.")

But would he change? Not Brownie. He doesn't really want to "be a big shot." When one of his visitors asks if he has been named station manager yet, he answers "I'm the chief toilet-door opener here."

"JUST ME"

"I just have fun being me—people are too smart about things like that and they'll know right away if you're not being what you are," Brownie says simply.

He's proud of the fact that he knows his audience and where he stands with them. But he also works in knowing his audience. He says that he strolls down Main Street and asks the shopkeepers and taxi drivers and anyone he finds tuned into a radio what they think of the show. And he says he takes any criticism into consideration.

One time he discovered that most of the taxi drivers in the afternoons were tuned into a Puerto Rican station that played nothing but music with the Latin beat, which prompted the "Latin side of Brownie" segment.

With each variation in his show, Brownie seems to slip on a different personality. He doesn't talk as much during the Latin segment, saying "the Latin speaks for itself, but for the soul segment, they want action."

And action they get. Brownie becomes animated when he introduces the soul numbers, bouncing on the chair with the rhythms, drumming on the desk.

After playing the current hit "There No Me Without You" Brownie mused, "If somebody felt that way about me I'd feel good. But what am I talking about? I feel that way about me and I'm somebody!"

Brownie really likes what he's doing, all phases of the local entertainment world he's involved with, and he won't hesitate to tell you so emphatically.

He says it's crazy at times, like at the station where they've had everything from children who have been found wandering at the airport when their planes haven't been met by parents or relatives, and they're brought to WSTA for an over the air appeal to find their guardians, to lost turtles and even one squirrel that a child had brought down from the states.

KNOWS HIS AUDIENCE

He'll watch the big studio clock and say "the kids are coming home now, it's time to play the up stuff" or "the girls at the offices are in the ladies' rooms fixing their faces or whatever they do before they go home—guess I'll give them something sweet."

Brownie's favorite music personally? "I like classical and mood music. I could listen to Dionne Warwick for hours, or Nancy Wilson, but that's stuff for a late-night show. Today the kids' heads are into African rhythms and that's what we give them, along with the top 40."

ON STAGE

Brownie is equally at home on stage doing the master of ceremonies bit. He says that he has learned that the things that "have people hanging from the rafters" humor-wise in the states leave audience cold here.

Islanders appreciate an entirely different type of humor, "more direct," he says. And of all the audiences he works with, he loves elderly people the best.

"They're my folk" he insists, and he never turns down a request to entertain them. Often he baits an oldster with a remark like 'you're over 100 years aren't you?' and knows that the person will rise to the bait with an argument. He often records these bits with the seniors and plays them over the air. "They love it," he declares.

HONORS TO BROWNIE

Last Sunday at the dedication of the new downtown senior citizens center, Brownie was surprised to find that he wasn't just the emcee but the guest of honor and recipient of a plaque "for outstanding contributions to the senior citizens of the Virgin Islands."

There's no question that Brownie enjoys wide popularity with Virgin Islanders of all types and ages. Every afternoon there is a group of kids in St. Croix who call him and ask him how he is, what he's playing and just generally converse. See, it so happens that they live out of the range of the station's signal and can't get Brownie over the radio. So, they call and rap to him "just to hear my voice."

RECOMPUTATION OF RETIRED MILITARY PAY

HON. FRANK J. BRASCO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 1, 1973

Mr. BRASCO. Mr. Speaker, today it is common to find that the Government is paying out vast sums to one cause or another, while largely ignoring the legitimate needs of another deserving group of Americans. Often, this kind of discrimination hits hardest at those who have given much of themselves over the years to their country. One such illustration of an unfair double Government standard concerns part of our retired military community; those members of the armed services retired for permanent disability sustained in the line of duty.

These people have performed lengthy, satisfactory service to the Nation, asking for the minimum while serving, and usually getting just that. Only in the past years have we even begun to redress that inbalance. In the process, these people are being left in the lurch, even though the Government has a significant moral obligation to them.

The CPI—Consumer Price Index—system, which is supposed to keep retired pay up with the cost of living, has not fulfilled its task as it was intended to. However, such raises as were instituted on that basis were better than nothing at all.

Since the early years of this century, recomputation had been a fact of life that the average military retiree could count on for at least some minimal assistance. But in 1958 and 1963, Congress changed the time-honored system. Since that time, inflation has played havoc with the fixed retirement incomes of all retired people, including all military retirees.

All military people in actual fact have contributed to their retirement by accepting, over the years until quite recently, considerably lower pay scales than those available in civilian life. Congress has never seen fit, regretfully, to fund a military retirement system, setting the stage for today's difficulties. The recommendations of the President's Interagency Committee include legislation giving a one-time recomputation to nondisability retirees reflecting the January 1, 1971, pay rates, and denying such recomputation to pre-1958 disability retirees unless first, they waive the statutory vested recomputation rights they were granted when they retired; and second, they agree to receive retired pay under the Career Compensation Act, under which many disability retirees would receive less pay than they do now.

Congress should and must enact a recomputation act for military retirees. It should not contain any provision discriminating against those who were retired before June 1, 1958, by reason of a permanent, service-connected disability.

All retirees, disabled and nondisabled, should have the same recomputation rights, so their retired pay shall be more, not less, than what they presently receive. Such a guarantee was included in H.R. 4917, which I introduced in the 92d Congress. In this Congress, I have introduced H.R. 3928, which covers military people who retired with service-connected disabilities on or before October 1, 1949. Under that measure, his retired pay would be based on the January 1, 1971, active duty basic pay to which he would have been entitled if he were on active duty in his retired grade.

In the past, Congress has substantially increased a number of Federal programs. Among them have been social security, aid to education and housing. All these have been necessary increases. Precedents for such action, are, therefore, numerous. Further increases in each of these and other areas are also certain to be enacted. I see no reason, in light of the present situation, for not applying the same rule in this present case.

NONRETURNABLE BEVERAGE CONTAINER ACT

HON. DON EDWARDS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 1, 1973

Mr. EDWARDS of California. Mr. Speaker, today I am introducing the "Nonreturnable Beverage Container Act," which is identical to legislation sponsored by our distinguished colleagues in the Senate, Mr. HATFIELD, Mr. CASE, Mr. HUGHES, Mr. KENNEDY, and Mr. PACKWOOD.

In brief, this legislation would ban the shipment and sale of nonreturnable beverage containers in interstate commerce and ban all "flip top" cans. The law would be administered by the Environmental Protection Agency which would directly certify acceptable containers.

The bill is patterned after legislation enacted last October by the State of Oregon, which has been closely followed by environmental and consumer groups, as well as Government agencies and State legislatures. Reports thus far indicate that the program is successful not only in improving the environment, but also in lowering the cost to consumers of bottled beverages.

It is interesting to note that both the Pennsylvania State Legislature and the Montgomery County, Md., Board of Supervisors are considering similar steps.

I feel that ecologically and economically we can no longer afford the "luxury" of disposable containers, and I urge my colleagues to study carefully the provisions of this proposed legislation.

MANY WHEAT FARMERS ARE WITHHOLDING THEIR CROP

HON. MICHAEL HARRINGTON

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 1, 1973

Mr. HARRINGTON. Mr. Speaker, last year the sale of enormous quantities of wheat to the Soviet Union, some covertly, hurt rather than helped the majority of America's wheat farmers. The agribusinessmen who concluded the agreement not only misled the farmers but ultimately prevented them from cashing in on the benefits of the sale.

On July 25, 1973, the Wall Street Journal carried a news item which disturbed me very much. These farmers are, perhaps justifiably, unwilling to be given the short end of the stick again. Although repetition of such an illicit and inequitable export agreement is unlikely this summer, the farmers are planning to withhold their crop to watch the Government's export policies with a keener eye and to boost their prices.

Given the current economic situation, such an action on the part of the wheat farmers could be disastrous. The consumer, already overburdened by the inflated price of food cannot withstand an artificial price push on wheat products. As the Wall Street Journal story notes, the effects of boosting the price of wheat by temporarily withholding the crop from the market will further inflate the price of all flour and bakery products. More significantly, holding back the wheat crop may signal producers of other raw agricultural foodstuffs to follow suit. The implications of such a trend are, indeed, alarming.

I think it worthwhile to call my colleagues' attention to this article, Mr. Speaker, and insert it into the RECORD at this time:

[From the Wall Street Journal, July 25, 1973]

MANY WHEAT FARMERS ARE WITHHOLDING CROP; BREAD, FLOUR PRICES WON'T DROP IN SUMMER

(By Gene Meyer)

Some day, there will be some good news to report about food prices.

But not today.

Today's news is about prices of flour and bread and other bakery products—about how these prices won't be going into their normal summer downturn this year.

Usually, wheat farmers sell their crop as they harvest it, and this causes a summer glut of wheat. The glut leads to lower prices—prices that this year would have to be passed on to consumers under the rules set forth for Phase 4.

Last year at this time, farmers had sold 75% of their crop. But this year, they have sold less than 20%. So there is no glut. So prices won't be going down.

It isn't that the farmers are out to make the housewives cry. Rather, it's that the farmers remember how they sold their crops last year, and then how they got jabbed when it became known how much grain the U.S. had agreed to sell to Russia. When the size of the sale became known, the price of wheat jumped—but the farmers didn't have much left and so couldn't cash in. So this year, they're taking no chances—even though it's unlikely the Russians this year will buy as much U.S. wheat as they bought last year.

"A lot of people feel they were taken last year, that they sold too soon and didn't get a good price," says Leonard Weddle, a Mineola, Kans., wheat farmer and vice president of the state's farm bureau. "We're watching the government thinking on exports," he says, adding that the fast climb in wheat prices last year still heats tempers around Mineola.

"Everybody remembers last year," says LaVern Becker, who grows wheat on some 1,600 acres near Russell, Kans.

NO SHORTAGE EXPECTED

There is no danger of the country running short of wheat to grind into flour or ship overseas. "Remember that 20% of the Kansas crop amounts to nearly 77 million bushels," says Roderick Turnbull, a spokesman for the Kansas City Board of Trade. Kansas, the top wheat-growing state, has just finished harvesting an estimated 381 million bushels of winter wheat; the total U.S. winter wheat crop is predicted to reach 1.32 billion bushels, up 11% from last year.

"We've been buying enough to keep going, but we aren't stockpiling, that's for sure," says William Bates, an executive of Con-Agra Inc. an Omaha-based milling concern. "There are farmers willing to sell enough to keep the milling industry going."

The price of wheat in Kansas City shot up to $3.12 a bushel yesterday—the highest price this year and $1.52 above a year ago. By contrast, wheat prices usually hit their lowest points of the year in June and July. Last year, the wheat price first topped $2 a bushel in September—after farmers sold all or most of their crop.

The price is already higher than it ever was last year, but that still isn't causing the farmers to budge. For one thing, they're bitter. For another, they think the price will go still higher. And for another, they say their costs have risen so much that even at the current high prices they would not make as much money as they'd like. "Higher operating costs during the last year made farmers take a good hard look at what it costs to produce a bushel of wheat, and they are going to be reluctant to sell until they make money," says Don Crane, president of the Kansas Association of Wheat Growers. Mr. Crane grows more than 700 acres of wheat near Dodge City.

A FALL RUSH?

Another factor encouraging the holdback was the government's decision earlier this year to terminate the loans made on previous year's crops, which required stored wheat as collateral. Farmers bought back the stored wheat for about $1.25 a bushel, plus loan interest, and resold the old grain for as much as $3 a bushel. This extra income may prompt many farmers to hold this year's harvest until after Jan. 1 to avoid heavy income taxes.

But others in the grain trade think that eventually farmers will sell in a rush. "Farmers have to sell sometime, and when prices do begin to go down, they'll be falling all over each other trying to sell," says Frederick G. Uhlmann, chairman of the Chicago Board of Trade.

And that, ironically, could cause more problems than the holdback. For one thing, railroads probably wouldn't be able to handle the glut—especially if it comes in the fall when other farmers are trying to move big harvests of corn, soybeans and other crops.

"We're accustomed to millions of bushels, and we're dealing with billions," says Joseph Marren, a spokesman for the Chicago & North Western Railway. The railroads, in fact, are still moving last year's crop and are having trouble coping with the relatively small amount of wheat being sold now.

Another problem: Increasing farm operating costs and other factors have sharply boosted loan demand at country banks, and many of them have little money left to loan. Elevators usually borrow cash to tide them over from the time they buy grain from farmers to when they ship it to processors, exporters and other customers.

"Credit with which elevators can buy harvested crops could become very difficult to get, depending on how the grain moves," forecasts Roby Sloan of the Federal Reserve Bank in Chicago. The credit crunch could further delay the movement of grain, which would add to speculative pressure on prices.

Farmers are getting ready to out-wait such problems by putting up more storage facilities. Applications for government-subsidized storage-facility loans are up 25% from normal, says Frank Mosher, director of the Kansas Agriculture Stabilization and Conservation Service.

Larry Prager, market research manager for Butler Manufacturing, a Kansas City grain-bin builder, says his company has sold out of some large-sized bins for the first time in its 60-year history. Construction crews are busy filling orders made last winter and spring, he adds.

"While the level of farm construction in the Wheat Belt seems unprecedented, many of the extra bins are going into the corn and soybean producing areas of the Midwest," Mr. Prager says.

During the Iowa corn and soybean harvest last year, many country elevators took crops only during shortened hours on certain days of the week. Farmers waited in miles-long lines to unload their crops at the overflowing elevators, which are still trying to move that grain.

"Farmers found out that if they can't store their crop and if the elevators can't take it, they can't harvest," says Robert Walters, a vice president of Hertz Farm Management Service in Nevada, Iowa. "Many of them began ordering more bins before March and April."

Some observers fear that this bin-building in the Corn Belt will help set the stage for holdbacks of the harvests of corn, soybeans and other crops later this year. Like the wheat farmers, many corn and soybean producers saw prices for their crops rise dramatically late last year and this year—after many of them had sold. Some corn farmers also have money from selling government-loan grain to help finance a fall holdback.

The implications of such a holdback are enormous—no relief from higher prices for meat, milk, eggs, margarine and a host of other important products. Also, if adequate supplies of these crops don't move to market—because of a holdback, inadequate rail transportation, a credit crunch, or all three—the government may have to continue restricting exports, which would hurt international trade and the stability of the dollar.

Some experts think the holdback by wheat farmers will influence others to follow suit. Harvest-time wheat sales are "the key to the markets," says Mr. Uhlmann of the Chicago Board of Trade. "They set patterns for other grains, soybeans and animals in the coming season."

SEEKS AUTHORITY FOR FHA

HON. WILLIAM B. WIDNALL

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 1, 1973

Mr. WIDNALL. Mr. Speaker, I have introduced an emergency resolution which would enable the Federal Housing Administration to resume its operation and insure home mortgages.

As of today, it has been 32 days since FHA last had authority to insure a loan and allow moderate income families to purchase a home. This is not the subsidized market that I speak of, but the basic FHA home mortgage insurance program.

The House passed House Joint Resolution 512, to extend the authority of FHA and enable the FHA and VA to establish market interest rates, back on May 21. This was over a month before the June 30 expiration date.

Until last week, the resolution was bogged down in the other body by controversial provisions totally unrelated to the necessity for an extension of authority. Since that time a conference committee has tried to reach agreement on complex provisions which sorely need review and public hearings.

Monday afternoon, the conferees reached agreement on a resolution which is totally unrealistic in light of the upcoming recess. The conference report will contain two major provisions added by the other body which will assure a veto. These provisions mandate an end to the moratorium on subsidized housing and put FHA in the business of providing compensation for structural defects found by purchasers of homes over 1 year old.

I am sure you are all mindful that a pocket veto, exercised with respect to House Joint Resolution 512, would likely negate any chance to override and mean a continued lack of FHA insured mortgages until well after Labor Day.

To show our understanding of this problem and concern for prospective moderate income home purchasers, I ask each Member of the House to seek, with me, immediate action on my proposed emergency extension of FHA insurance authority.

You will all remember that a similar effort was made recently on behalf of the Veterans' Administration. It succeeded in separating VA's interest rate authority from FHA and allowed VA to resume operations. All I ask, is that we do the same for those noncontroversial aspects of FHA. If such legislation is not passed by the close of business Friday, we will do a great disservice to thousands of families throughout the country.

I have been informed that a similar resolution has already been introduced in the other body for reasons not unlike those I have stated. As practical politicians and public servants I hope we can secure passage of legislation which would become law, and not just a political football at the expense of those trying to buy a home and plan for their future.

EIGHTH DISTRICT RESIDENTS RESPOND TO BIESTER QUESTIONNAIRE

HON. EDWARD G. BIESTER, JR.

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 1, 1973

Mr. BIESTER. Mr. Speaker, the results of my seventh annual questionnaire of constituent opinion have just been tabulated, and I would like to submit them for the information of my colleagues in the Congress.

I have used questionnaires each year since I began my service in the House in 1967. They have been of significant assistance to me in my approach to my congressional responsibilities, and the results serve as an excellent contribution to my understanding of the district. The increasing response to the questionnaire each year indicates to me that it has become very popular and well-received among my constituents.

This year over 175,000 questionnaires were distributed postal patron to every residence in the district eary in June. By late July when the tabulation was made, almost 25,000 persons had responded.

This year the questionnaire offered flexibility by providing spaces in which to indicate intensity of feelings. Questions could be answered: strong no; no; uncertain; yes; strong yes. Responses to questions asking amounts of money to be appropriated in various categories could be answered: much less; less; as now; more; much more. This change in format did not appear to cause any real confusion or inconvenience; rather, it seemed to encourage an even greater response.

In order to facilitate tabulation, the questions must, of necessity, be kept clear and concise, yet a frequent observation made regarding previous questionnaires is that they were difficult to answer with simple yes-or-no responses. Although Members of Congress are regularly confronted with a similar problem in being required to vote yes-or-no on complex legislation, I think we all appreciate the opportunity to convey the degree of our feelings. The intensity factor on the questionnaire helped accomplish this, and I commend such a format to my colleagues for possible use on their questionnaires.

Mr. Speaker, at this point I would like to insert the results of this year's survey of opinion in the Eighth Congressional District of Pennsylvania.

RESULTS OF THE 1973 CONGRESSIONAL QUESTIONNAIRE—8TH DISTRICT OF PENNSYLVANIA, EDWARD G. BIESTER, JR., MC

[In percent]

What action should Congress take in the following Areas?	Strong No	No	Uncertain	Yes	Strong Yes
CRIME					
1. Provide reimbursement for the innocent victims of violent crime?	7	10	14	37	32
2. Restore the death penalty for the most severe crime?	9	4	5	15	67
3. Reform the penal system with emphasis on rehabilitation?	10	10	14	35	31
4. Legislate the control of handguns?	18	11	7	20	44
INFLATION					
5. Enforce firm wage and price controls across the board?	9	12	14	24	41
6. Place selective controls on food and rent?	9	10	11	33	37
7. Limit Federal spending?	2	3	9	29	57
8. Increase Federal taxes?	64	20	10	4	2
MARIHUANA					
9. Legalize its possession and personal use?	50	14	11	13	12
10. Distinguish between penalties imposed on private users and sellers of marihuana?	14	6	4	32	44
PRESIDENTIAL POWERS					
11. Limit the President's power to commit troops in an undeclared war?	11	10	7	22	50
12. Allow the President to withhold the spending of funds which have been appropriated by Congress?	33	20	14	19	14
TAX REFORM					
13. Reduce the oil depletion allowance?		11	27	20	33
14. Equalize the taxes for single and married taxpayers?	19	18	11	24	28
15. Increase corporate taxes?	12	16	15	24	33
16. Increases taxes on long-term capital gains?	21	16	16	23	24
TRADE					
17. Limit or restrict imports by quotas or increased tariffs?	15	16	14	28	27
AMNESTY					
18. Under what conditions should we grant amnesty to those who left the country during the course of the Vietnam War?					
No amnesty under any circumstances				44	
Amnesty if the draft resister completes a period of alternate service				44	
Unconditional amnesty for all				12	
ABORTION					
19. The Supreme Court recently handed down a decision liberalizing abortion. What is your opinion regarding that decision and future policy?					
Agree with the Supreme Court decision				59	
Favor a constitutional amendment banning abortions				14	
Favor a constitutional amendment giving the States the power to decide under what circumstances an abortion may be performed				27	
HEALTH					
20. In your view, which of the following health care concerns is most important?					
Increasing the availability of doctors				11	
Improving the quality of health care				13	
Reducing the cost of health care				47	
Establishing affordable health insurance				29	

HOW MUCH SHOULD CONGRESS APPROPRIATE FOR EACH OF THE FOLLOWING PURPOSES?	Much less	Less	As now	More	Much more
21. Aid to the elderly	1	2	22	44	31
22. Crime prevention	2	2	19	37	40
23. Defense	18	24	42	11	5
24. Education	5	8	34	32	21
25. Foreign economic aid (excluding Indochina)	43	38	15	3	1
26 Foreign military aid	55	32	11	1	1
27. Health	2	4	24	44	26
28. Highways	9	14	46	23	8
29. Housing	8	15	40	27	10
30. Mass transportation	4	5	17	34	40
31. Pollution control	4	4	23	33	36
32. Social services for the poor	10	14	37	25	14
33 Space	26	23	35	10	6
34. Veterans	4	6	55	23	12
35. Other [28 percent of respondents specified "other" purposes]	24	3	4	14	55

36 Age: 18 to 25—12 percent; 26 to 35—26 percent; 36 to 45—19 percent; 46 to 55—22 percent; 56 to 65—15 percent; 66 plus—6 percent.

37. Sex: Male—52 percent; female—48 percent.

CONGRESSMAN NICK BEGICH

HON. JULIA BUTLER HANSEN

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 1, 1973

Mrs. HANSEN of Washington. Mr. Speaker, because of the lateness of the hour last night, I did not have an opportunity to pay a tribute to our very beloved late colleague, Nick Begich of Alaska. Nick became a particular friend of mine, because of the close association of the State of Washington, and Alaska. He was not only a delightful friend and a charming person, but he was also an extremely capable and brilliant legislator.

It was with deep sadness that all of us read of the death of Congressman Begich and the disappearance of the airplane in his native State. The House has missed him, and I know that his State has missed him.

His activities on behalf of the people of Alaska were so tremendous that I am sure his memory will remain everlasting in that State as his memory will remain with those of us who had the joy of knowing him.

My sympathy to his charming wife and her family.

ONLY TYRANNY FEARS DISSENT

HON. JOHN E. MOSS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 1, 1973

Mr. MOSS. Mr. Speaker, in recent weeks the much-abused concept of national security has been drawn like a shroud over our once near-sacred liberties. As the Watergate scandal grows ever more encompassing, and inquiries mount in scope and intensity, the all-purpose response is that national defense was the excusable rationale for calculated abrogation of the rights of every American.

When specifics are probed for by a duly constituted committee plus a special prosecutor, the tinfoil shield of national security is interposed between the evil frantically seeking to remain in hiding and growing national demands to know what was perpetrated in the name of the people and at their expense.

Sunlight is the best disinfectant. As the chorus demanding revelation grows, so do constitutional arguments on behalf of the right to know of the people and their elected representatives.

The fearful have no faith in the Nation, reposing their confidence in the blessings of ignorance and the sanctity of institutions, no matter how they may have been abused.

Others seek a guarantee of free institutions, punishment of the guilty, restoration of governmental balance and an end to pernicious doctrines that have been used to garner and abuse power belonging to the people.

I doubt if those with so much to hide will be long able to bring into doubt the character and motives of those searching for truth. This is still, I believe, a free society, and we need have no fear of revelation. Only tyranny fears dissent and exposure.

No better exposition of the argument against abuse of Government power has been made than that used by Jeremiah Black in the ex parte Milligan case, which was reprinted in last Sunday's Washington Post. I include it here for the enlightenment of those who may have missed it.

THIS PRETENSE OF STATE NECESSITY

(NOTE.—Last week, when Sen. Sam Ervin challenged John Ehrlichman's contention that the burglary of Daniel Ellsberg's psychiatrist was legal and necessary for national security purposes, the senator cited an 1866 argument before the Supreme Court by Jeremiah Black. The following is excerpted from Black's defense of a civilian sentenced to death by a military commission, which Ervin termed "one of the greatest arguments of all time.")

Our fathers were not absurd enough to put unlimited power in the hands of the ruler and take away the protection of law from the rights of individuals. It was not thus that they meant "to secure the blessings of liberty to themselves and their posterity." They determined that not one drop of the blood which had been shed on the other side of the Atlantic, during seven centuries of contest with arbitrary power, should sink into the ground; but the fruits of every popular victory should be garnered up in this new government. Of all the great rights already won they threw not an atom away. They went over Magna Charta, the Petition of Right, the Bill of Rights, and the rules of the common law, and whatever was found there to favor individual liberty they carefully inserted in their own system, improved by clearer expression, strengthened by heavier sanctions, and extended by a more universal application. They put all those provisions into the organic law, so that neither tyranny in the executive, nor party rage in the legislature, could change them without destroying the government itself.

Special regulations were required for treason—the one great political charge under which more innocent men have fallen than any other. A tyrannical government calls everybody a traitor who shows the least unwillingness to be a slave. In the absence of a constitutional provision it was justly feared that statutes might be passed which would put the lives of the most patriotic citizens at the mercy of minions that skulk about under the pay of an executive. Therefore a definition of treason was given in the fundamental law, and the legislative authority could not enlarge it to serve the purpose of partisan malice.

I admit that the merits or demerits of any particular act, whether it involve a violation of the Constitution or not, depend upon the motives that prompted it, the time, the occasion, and all the attending circumstances. When the people of this country come to decide upon the acts of their rulers, they will take all these things into consideration. But that presents the political aspect of the case, with which we have nothing to do here. I would only say, in order to prevent misapprehension, that I think it is precisely in a time of war and civil commotion that we should double the guards upon the Constitution. In peaceable and quiet times, our legal rights are in little danger of being overborne; but when the power lashes itself into violence and rage, and goes surging up against the barriers which were made to confine it, then we need the whole strength of an unbroken Constitution to save us from destruction.

There has been and will be another quasi-political argument—necessity. If the law was violated because it could not be obeyed, that might be an excuse. But no absolute compulsion is pretended here. These commissioners acted, at most, under what they regarded as a moral necessity. The choice was left them to obey the law or disobey it. The disobedience was only necessary as means to an end which they thought desirable; and now they assert that though these means are unlawful and wrong, they are made right, because without them the object could not be accomplished; in other words, the end justifies the means. There you have a rule of conduct denounced by all law, human and divine, as being pernicious in policy and false in morals.

Nothing that the worst men ever propounded has produced so much oppression, misgovernment, and suffering as this pretense of state necessity. A great authority calls it the tyrant's plea; and the common honesty of all mankind has branded it with infamy.

That a necessity for violating the law is nothing more than a mere excuse to the perpetrator, and does not in any legal sense change the quality of the act itself in its operation upon other parties, is a proposition too plain on original principles to need the aid of authority. I do not see how any man is to stand up and dispute it.

You have heard much, and you will hear more, concerning the natural and inherent right of the government to defend itself without regard to law. This is fallacious. In a despotism the autocrat is unrestricted in the means he may use for the defense of his authority against the opposition of his own subjects or others; and that is what makes him a despot. But in a limited monarchy the prince must confine himself to a legal defense of his government. If he goes beyond that, and commits aggressions on the rights of the people, he breaks the social compact, releases his subjects from all their obligations to him, renders himself liable to be dragged to the block or driven into exile. A violation of law on pretense of saving such a government as ours is not self-preservation, but suicide.

Salus populi suprema lex. This is true; but it is the safety of the *people,* not the safety of the *ruler,* which is the supreme law. The maxim is revolutionary and expresses simply the right to resist tyranny without regard to prescribed forms. It can never be used to stretch the powers of government *against* the people.

IN MEMORY OF KEN HURLEY

HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 1, 1973

Mr. BROWN of California. Mr. Speaker, some of my constituents recently joined together to form a housing coalition which will work for an end to racial and economic segregation in housing. These concerned citizens met earlier this month in San Bernardino, and I would like to call our colleagues' attention to a letter read at that meeting.

We all, I am sure, at one time or another have experienced the frustrations of attempting to cut through bureaucratic redtape. This letter describes the hardship and frustration encountered by one gallant individual, Ken Hurley, who died trying to make real the dream of a decent home and a suitable living environment for every American family.

The letter, written by Mrs. Sue Bertel, reads as follows:

JULY 3, 1973.

TO THE MEMBERS OF THE HOUSING COALITION

After having just viewed an outstanding performance by many Americans in celebration of the 4th of July, I felt this letter was of utmost importance to propose questions and compare statements.

The songs were sung with great feeling of patriotism, pride and allegiance to our great country; but how many of us can honestly admit to full truth in each and every line of those songs? We can sing along with most of them, but could we publicly stand behind each and every word? For instance, "land of the free"—are we completely free or partially manipulated? Another one, "home sweet home"—is it? Patriotism became somewhat of a dirty word to so many—is it to you? I love my country and my fellow man, but I cannot stand seeing them destroyed. It was difficult to relate my tears of pride to the tears shed earlier in the day over the death of a close friend and fellow member of the coalition, but there is a definite relation.

The sorrow felt was not because of his death totally or because of loss, but because of a feeling of failure. Total apathy was generated towards this man by so very many. Ken Hurley was a fighter for truth, respect and sincere love and concern for his fellow man. He had experienced the normal everyday battles of life plus medical problems. He was a rich man in spirit and a big man overflowing with faith, love and kindness. His biggest aim in life was to be a good father to his motherless children and to provide them with a good home. He was torn apart by the problems facing himself and his neighbors caused by the shoddily constructed houses they had purchased.

He started his battle in February of 1972 and to the day he died, he had not received any sign of restitution. His letters were unanswered, his complaints were ignored and his heart was heavy to think that he had failed his family and friends. The bureaucratic run-around generated to this man took its toll. He had faith in so many. He knew there had to be an honest answer somewhere and with each new day he set out to find that answer.

Ken Hurley died on July the first, still unanswered. He left his family and friends very little in material items, but he left all of us who knew him a spirit of gallantry and concern.

He was buried today, July 3rd. Nothing more than a particle board casket was he laid to rest in, but on top were the many flowers from friends and loved ones paying their final tribute to a brave, patriotic loving soul who is now in the happiest home ever. His problems are over, but how many more like him are there? How many more must be left unanswered?

I leave you with one last thuoght. Ken was laid to rest in a casket that was much better constructed than the home he spent the final two years of his life in. Our esteemed president will not be buried in such a manner, but of course he owns a mansion which was recently refurbished at the taxpayers' cost totalling over two million dollars.

The housing coalition *can* help solve and prevent these problems facing so many only with *your help*. Support it and work with it.

Mr. Speaker, let us hope that Mr. Hurley did not die in vain. Let us hope that we in Congress will provide the support that concerned citizens need in their efforts to improve this country at the local level.

I would like to add, Mr. Speaker, that the San Bernardino Sun, a newspaper in my district, has seen fit to praise the housing coalition in an editorial which they printed on July 13. Without objection, I will place that editorial in the RECORD as part of my remarks at this time:

[From the San Bernardino Sun, July 13, 1973]

CITIZENS DO GET INVOLVED

Citizens of communities regularly come in for criticism for not getting "involved." Here is an exception.

A new "housing coalition" has agreed to sponsor a seminar on housing problems which federal, state and city officials will be asked to attend next fall.

To be explored are activities of real estate operators and blockbusters, deterioration and need for re-integration of inner cities and the effect of transportation on housing.

Preliminary task forces will look into these fields as well as gather information on complaints about poorly constructed housing tracts.

The coalition has resulted from a series of meetings of the San Bernardino West Side Community Development Corp. and Inland Neighbors, Inc. Members are directing their efforts toward maintaining ethnically and economically balanced neighborhoods.

Citizens of communities do get involved. More power to these.

FEDERALLY INSURED STUDENT LOAN PROGRAM

HON. ALBERT H. QUIE

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 1, 1973

Mr. QUIE. Mr. Speaker, some people are recommending that the federally insured student loan program be modified by eliminating the needs analysis on applications submitted by students from families with income levels under $15,000.

A change was made in the Education Amendments of 1972 requiring a needs analysis for all borrowers. Figures indicate that the number of applications are down this year from last year and this is used as one argument in favor of the change back to the old system.

The United Student Aid Funds Corporation has taken a position against the proposed change and I am submitting the text of its bulletin for printing in the RECORD. I urge my colleagues to consider the arguments presented therein:

BULLETIN FROM THE UNITED STUDENT AID FUNDS

Until last year, guaranteed loans were regarded as loans of convenience. Any student whose adjusted family income was less than $15,000 a year would have his loan interest paid by the government while he was in school.

United Student Aid Funds had insisted that proof of need was both a moral and a practical necessity for any effective student aid plan. Without such proof, we said, many loans would be used for non-educational purposes. The program, uncontrolled, would grow to a point where it was more a boondoggle than a public service. In such a climate, defaults would be bound to rise, and with them the cost of the program to the taxpayer. Eventually the lenders would either put their own restriction on guaranteed loans, or stop making the loans altogether.

These predictions for a time met considerable skepticism, but by 1972 they had proved only too accurate. Congress at that time reversed course, and provided that a student who wishes to take out a guaranteed loan must show that he really needs the money for educational costs if he is to receive a Federal interest subsidy.

Though the needs test has been in effect only since March 1—surely an inadequate trial period—some are exerting intense pressure on Congress to roll it back before recessing next month. They are arguing vigorously that a needs test inhibits applications for loans, slows down processing, and reduces loan volume.

It is true that the new regulations require a more careful examination of applications, and that applications take longer to go through the pipeline. This is undoubtedly one reason for a drop in loan volume from March through June. In addition, there were delays in making funds for other Federal aid programs available. As a result of this uncertainty, many students postponed applying for loans.

There is no evidence, however, that students who truly need the money for college are being deterred from applying for it simply because they have to spell out the need. Nor has it been shown that even the higher-income students are not applying. Indeed, our spot check of representative schools throughout the country shows only 20.8% with any drop at all in loan volume over the past four months, while in 79.2% the volume is unchanged or rising. Our own experience from March 1 through June 30 indicates about a 23% drop in volume. Could this drop mean that some of these loans are simply not needed? A former President of the National Association of Student Financial Aid Administrators estimates that about 15% of the borrowers have been taking the program for a ride.

In the past year Congress has made basic changes in the guaranteed loan program three times. Each change has brought its own confusion and delay. To change again now would not simplify matters—it would bring them close to chaos. If there are inequities in the current needs test, then they should be corrected in due course, through regulations. To discard a needed reform after only four months, in favor of an arrangement that had proved impractical over a period of seven years, would, we believe, be a blunder for which the guaranteed loan program would pay dearly in the years ahead. Officials from a number of states—Nevada, Delaware, Alaska, Maryland, Maine, South Carolina, and Virginia among them—have informed us that they too oppose any legislative change at this time.

THE CONGRESSIONAL BLACK INTERNS CAUCUS

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 1, 1973

Mr. RANGEL. Mr. Speaker, there is a new group on Capitol Hill this summer. They call themselves the Congressional Black Interns Caucus. The organization is composed of about 40 black students from across the country.

The Black Interns Caucus was organized to provide social and political interaction for students who found themselves a small, distinct minority of the 1,200 to 1,500 other interns who have converged on the Hill this summer. In seeking a more relevant alternative to the regular intern functions, the Black Interns Caucus has developed an agenda of objectives which they feel relate more meaningfully to them as blacks and to the black community. Included in this agenda is the development of a communications network whereby more black and Spanish-speaking students will learn and possibly take advantage of the summer internships offered on Capitol Hill and throughout Federal agencies.

One of the activities of the Interns Black Caucus was the cosponsorship of today's conference and luncheon on the drought and famine in the West African area known as the Sahel. This emergency conference and luncheon featured such prominent speakers as the Reverend Jesse Jackson of PUSH, Dr. Hershelle Challenor of the Ford Foundation, F.

Bradford Morse, Undersecretary-General of the United States, and Senator Hubert H. Humphrey.

I commend these young men and women for the initiative they have taken in the formation of the Congressional Black Interns Caucus and in their cosponsorship of the conference which served as a tool for the dissemination of information on the critical situation in the Sahel region of Africa.

I offer my best wishes to the Interns Black Caucus in their efforts to bring more black students to Washington.

PROFIT INCREASES YOU WOULD NOT BELIEVE

HON. MICHAEL HARRINGTON

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 1, 1973

Mr. HARRINGTON. Mr. Speaker, I have taken the opportunity to insert in the Record several articles on the problems and prospects of the recently announced phase IV economic stabilization program. I have also inserted an article describing the profit increases of several major corporations. Again, I would like to point out that a wage and price control policy that holds down the wages of working men and women, but that fails to control prices and lets the profits of giant corporations fly through the roof, is not only unfair, but cannot succeed in the long run.

The Wall Street Journal carried a summary of the profit reports of major American corporations on July 31. Those reports show that the second quarter profits of these companies were 31.6 percent above their level in the same quarter last year, and that in many industries, including food retailing, profits had soared at truly unbelievable rates. I would like to insert that article in the Record at this time for the information of my colleagues. I would again call on the administration to effectively restrain profit increases at reasonable levels, even if this requires the serious consideration of an excess profits tax.

The text follows:

Closing the Books—U.S. Industry Profits in the Second Quarter Registered 31.6 Percent Gain

One month into this year's second quarter, a conflict—muted, but nonetheless real—began to take shape in the American business community. First quarter results were largely in and were almost uniformly favorable, leading many executives and securities analysts to venture optimistic forecasts for the months ahead. But on the other side of the fence sat business economists, who, advising caution, predicted that year-to-year gains would become progressively smaller throughout 1973.

On the surface, it appears that the executives and analysts were correct. A tabulation by this newspaper of the second quarter earnings of U.S. corporations reveals that after-tax profits of 601 companies rose 31.6% from the like period last year—good news in itself, but even more heartening when compared with a similar first quarter survey in which the percentage gain was 27.8%.

But appearances can often be deceiving, and surveys can be read from several standpoints. True, 31.6% is higher than 27.8%, but consider the following: Among the individual categories of the survey, the Nation's two largest industries—autos and steel—showed smaller gains than were registered in the first quarter. The same was true of the rubber-company category (a gain of 12% in the second quarter, compared with 25.6% in the first quarter), electrical equipment (30.8% in the second quarter; 47% in the first quarter) and several other important sectors of the economy.

If it is the classic case of the same statistical evidence being used to prove everyone's point, the third quarter will probably provide similar grist for the statisticians' mills. However, this time around Phase 4 has entered the picture and is serving to temper optimism in some areas. The best that can be said is that the outlook for the economy as a whole is mixed; and interviews with executives and analysts throughout the country show that ups and downs in the coming months will probably be far more common in many industries than any clearcut trend in either direction.

DECLARATION IN DETROIT

Perhaps the biggest case in point is the nation's auto industry. Despite record profits for the second quarter, the Big Three experienced a deceleration in terms of smaller percentage gains than were registered in the last quarter. General Motors Corp., for example, posted a 10% gain in second quarter earnings, less than half its 25.5% first quarter increase. Ford's profits, although 39% above the comparable quarter last year, nevertheless didn't match the 42.9% first quarter increase. And Chrysler's second quarter earnings gain of 59% was a dramatic change from its 151% spurt in the first quarter.

Underlying this deceleration is the fact that auto production is starting to show smaller gains. First quarter output in U.S. plants, for example, was up almost 20% from a year earlier for the industry; however, second quarter output was up only 11.5%. Indeed, Wall Street's auto analysts say that the auto sales boom of recent months, when measured on a seasonally adjusted basis, has already peaked.

To be sure, it is too soon to be entirely pessimistic. In the current quarter, for example, renewed higher production is expected to lead to healthy profits for the Big Three. In fact, some analysts are saying that GM—and perhaps Ford—will reverse the second quarter deceleration of quarter-by-quarter gains. The main reason behind the higher production is simple: The auto makers want to build as many 1974 models as possible before Sept. 14, when existing labor contracts expire.

As for fourth quarter profits, it is expected that Phase 4 rules will be a shot in the arm—apparently paving the way for initial price increases of about 4% on 1974 models and subsequent hikes to cover the wage increases of new contracts. But the outlook for the more distant future is considerably less attractive for the industry. By most counts, auto profits are expected to tumble sharply next year. The industry is bracing for a modest decline in 1974 auto sales to somewhat more than 11 million foreign and domestic cars—from this year's anticipated record of close to 12 million—but some Wall Street analysts believe sales will be battered by a mild recession and will total only about 10 million to 10.5 million cars.

THE STEEL SITUATION

A decelerating trend is also apparent in the nation's steel industry. In the first quarter, this newspaper's tabulation for 23 steel manufacturers showed a 78.3% gain over the first quarter of 1972. In the second quarter, however, the results of the 19 manufacturers included in this article's accompanying tabulation were up only 42.2% over the second quarter of 1972.

(This year's second quarter results don't include U.S. Steel Corp. which is expected to report its earnings today. However, John P. Ingersol Jr., an analyst with A. G. Becker & Co., is forecasting earnings of "around $1.45 a share" for the U.S. Steel—some 49% more than last year's second quarter figure of 97 cents a share. In the first quarter, by comparison, the company's earnings were up 157.5% over the year-earlier period.)

Furthermore, it seems likely that second half earnings will be less than those in the first six months. For one thing, the industry has been experiencing meager profit margins, which are hampering expansion plans. "If we can't generate capital to meet the oncoming demands facing us from our customers for more steel, and from the public for environmental improvement, at a time when we are operating at capacity in an unusually strong market, then we shall be greatly hampered in providing for capital needs in the future," says George Stinson, chairman of National Steel Corp.

Then, there is the related problem of government price controls. Phase 4, steelmakers say, is going to give the industry far less relief than would have been allowed under the old Phase 2 rules. "I figure steel will be able to get about half of what it can justify on a cost basis," A. G. Becker's Mr. Ingersoll says. What's more, any price increase allowed by Phase 4 probably won't take effect until, at the earliest, late in the current quarter—while a 7% wage increase goes into effect tomorrow. Finally, months of capacity-straining operations have begun to lead to absenteeism and equipment breakdowns.

But even with all these minuses to contend with, the picture isn't entirely gloomy. "Everything you read seems to indicate a slowdown in the growth of the economy, but not a cessation of growth," says Stewart S. Cort, Bethlehem Steel's chairman. "So I'd say we're looking at a very strong (steel) market through the first half of 1974."

A summary of the outlook for some other major industries follows:

Rubber: Demand for the industry's products continues at record levels. Nevertheless, rubber companies are currently in the throes of a cost-price squeeze that will undoubtedly affect the current quarter's results and will very likely have lingering repercussions in the fourth quarter. Practically all major producers have recently granted wage increases and have experienced rising costs in the areas of raw materials, distribution and energy. On the other hand, planned price increases of 5% to 5.5% on most tires were deferred by the government's freeze, and it currently appears highly unlikely that such increases will go into effect before the last few days of this quarter.

Rubber companies may well get some price increases in the fourth quarter, but they probably won't be as large as the 5.5% that the companies figured on under Phase 3 rules. Furthermore, both the third and fourth quarters will be weighed against strong comparable periods last year. And, finally, the tire companies realize that any projections could be thrown badly askew if there should be a strike in the auto industry this fall.

Machine tools: As with the rubber companies, the machine-tool industry could be badly hurt by an automotive strike. However, barring such a strike, the industry's earnings in the third and fourth quarters are expected to surpass those of the comparable periods last year. This is largely because shipments in the two quarters will be much higher this year than in 1972. (The industry's backlog rose about 50% during the first half and currently amounts to about a year's production.)

The industry's pricing situation in the immediate future is less favorable and will keep earnings lower than they would be without restraints. Under Phase 4, price-increase applications will be permitted only where justified by cost increases since the beginning of this year—meaning that any cost increases incurred prior to 1973 that haven't already been reflected in prices will have to be absorbed by the producers until the end of Phase 4. Machine-tool makers say this rule especially hurts them.

Aluminum: While industry profits in the third and fourth quarters are expected to be significantly higher than in the comparable periods last year, aluminum companies are greatly worried about Phase 4 and are pleading hardship in seeking exceptions from its price-rise limits. True, prices are currently well above those that prevailed a year ago; but the companies say that without even higher prices they won't be able to expand capacity to meet the nation's demand.

Adding to their argument, aluminum companies say that output will be cut even further if the industry is forced, as a result of Phase 4, to close inefficient operations.

Electrical equipment: Electrical and electronics companies expect earnings growth to continue in the third and fourth quarters. For example, General Electric Co., which reported record second quarter earnings, expects continued increases for the duration of the year. RCA Corp., which also reported record results in the second quarter, is hopeful of record earnings for the year. And even Westinghouse Electric Corp., which atypically registered only a small (1.4%) earnings gain in the second quarter, says that new orders are up substantially and that it is "encouraged" about results for the remainder of the year.

Railroads: Executives in the industry are largely optimistic about the third quarter. Traffic levels remain strong, and a previously approved 5% freight-rate increase will go into effect Aug. 13 when the freeze expires. For Western railroads, grain traffic continues at record levels, with a record harvest coming on the heels of the massive Russian grain exports. Coal traffic is also growing rapidly, as utilities' demands expand.

Everyone isn't entirely happy, however. Louis W. Menk, chairman of Burlington Northern Inc., is highly critical of the Interstate Commerce Commission for what he sees as unnecessary delays in acting on rate boosts. "Our disappointing second quarter results underscore the critical need of the entire railroad industry for adequate rate increases and for the Interstate Commerce Commission to act more promptly in granting increases, especially in the face of continually spiraling wage costs," Mr. Menk says.

Chemicals: The industry has one thing on its collective mind at the moment: Phase 4. For while demand is high and many analysts are predicting that the current momentum will continue throughout the remainder of the year, chemical companies and the analysts who follow the companies' fortunes are extremely pessimistic about the effect of the latest regulations on the industry's activities. The reason is that under proposed Phase 4 regulations, chemical concerns can't raise prices even on a cost-justified basis if limits on profit margins have been reached. And these margin limits are especially low for the chemical companies.

"In our opinion, the proposed Phase 4 regulations are absolutely inequitable," says William S. Sneath, president of Union Carbide Corp. He adds: "Our comments on the proposed regulations, which we are filing with the Cost of Living Council, will, among other things, ask that this inequity be eliminated in the regulations rather than by exception." Says Aris P. Christodoulou, an analyst at Blyth Eastman Dillon & Co.: "If a freeze continues into Phase 4, we will recommend getting out of chemicals altogether . . . a freeze will prevent the industry from finishing its recovery from the depressed period of a few years ago."

Nonferrous metals: The outlook is mixed. Almost all companies in the industry believe that demand is expected to exceed supply in coming months; indeed, copper processors are already announcing cutbacks due to a shortage of scrap supplies. "If export controls on scrap come within the next two or three weeks, I see strong gains in the third quarter over the year-earlier quarter for most (copper) companies," says one securities analyst.

Pulp and paper: The industry, facing shortages in almost every product area, says it needs to boost prices to afford expansion. "The paper industry must have price relief to offset cost increases," says George J. Kneeland, chairman of St. Regis Paper Co. And Paul A. Gorman, chairman and president of International Paper Co., says, "We hope that the Cost of Living Council recognizes the gravity of the supply-demand situation and the need to restore a free competitive market."

The industry's chief complaint about Phase 4 is that it may tend to keep prices below their natural market levels. Nevertheless, even with pricing uncertainties, it is expected that paper companies will continue to register significant earnings increases for the remainder of the year.

Oil: After a spectacular surge in the second quarter, the industry's profits are likely to level somewhat in the third and fourth periods. True, most oil companies look for further earnings increases in the second half. But the rates of gain are expected to shrink from the vigorous advances of the first six months.

The expected decelerating rate of increase will be brought about by several factors. For one thing, this year's last half will be compared with a last half in 1972 that was considerably stronger than the depressed first half of that year. But there are also some negatives in the outlook for the rest of this year, including the possible impact of oil negotiations in Libya and the possible expanded role of the federal government in the industry's operations in the U.S.

On the brighter side, some industry observers suggest that a leveling in earnings could be a welcome breather for oil companies. The reason: The industry's critics, who maintain that major oil companies created fuel shortages to drive up prices and drive out smaller competitors, have been using the companies' soaring profits in the first half as ammunition for their accusations.

Airlines: The industry is largely apprehensive about declining profits in the coming months. Officials at Trans World Airlines, for example, last week described the economic condition of TWA and the entire industry as "rapidly deteriorating." And such concern is shared by Morton Ehrlich, vice president of marketing research and planning for Eastern Airlines. "The travel outlook for the next 18 months isn't encouraging," Mr. Ehrlich says. An industry move for a substantial general fare increase is under way; but even if Civil Aeronautics Board approval is obtained with unusual speed, it isn't likely that profits will benefit from any fare increases before, at the earliest, the fourth quarter.

Second Quarter Profits of 601 Concerns Rose 31.6% From Level of Like '72 Period

The columns below show by industries earnings reported for the second quarter of 1973 and those for the like quarter of 1972 with percentage changes. Where individual company reports cover three-month periods other than calendar quarters, the nearest comparable periods have been used.

	2d quarter 1973	2d quarter 1972	Percent change
10 Aircraft makers	$104,056,000	$81,486,000	+27.7
14 Airlines	80,421,000	73,919,000	+8.8
17 Autos and equipment	1,399,778,000	1,151,671,000	+21.5
8 Broadcasting companies	57,293,000	48,013,000	+19.3
24 Building materials	236,271,000	150,515,000	+57.0
13 Building supplies	200,197,000	121,883,000	+64.3
11 Cement companies	36,074,000	28,632,000	+26.0
29 Chainstores	86,662,000	54,304,000	+59.6
13 Chain grocers	36,676,000	15,663,000	+134.2
16 Drug and variety	49,986,000	38,641,000	+29.4
22 Chemicals	577,943,000	399,742,000	+44.6
20 Department stores	188,414,000	145,404,000	+29.6
4 Distillers	41,890,000	34,031,000	+23.1
16 Drug manufacturers	321,268,000	260,502,000	+23.3
33 Electrical equip-electronics	447,234,000	341,935,000	+30.8
17 Broad-line companies	372,356,000	300,525,000	+23.9
16 Specialty companies	74,878,000	41,410,000	+80.8
4 Farm equipment	107,543,000	75,462,000	+42.5
35 Food products	266,409,000	229,372,000	+16.2
24 Mining and metals	$319,142,000	$202,768,000	+57.4
6 Aluminum companies	79,005,000	53,666,000	+47.2
18 Copper and other metals	240,137,000	149,102,000	+61.1
10 Office equipment	481,613,000	409,408,000	+17.6
24 Petroleum products	1,982,291,000	1,322,657,000	+49.9
11 Publishing companies	41,232,000	30,846,000	+33.7
18 Pulp and paper products	316,794,000	159,606,000	+98.5
13 Railway equipment	56,342,000	39,209,000	+43.7
9 Rubber companies	147,941,000	132,129,000	+12.0
19 Steel manufacturers	236,664,000	166,431,000	+42.2
10 Textiles	54,372,000	32,603,000	+66.8
6 Tobaccos	143,918,000	130,192,000	+10.5
31 Tools and machinery	125,990,000	95,789,000	+31.5
139 Other industrials	1,236,748,000	1,002,093,000	+23.4
Total 550 industrial companies	9,058,229,000	6,770,087,000	+33.8
15 Railroads	160,296,000	155,215,000	+3.3
36 Utilities	503,943,000	462,932,000	+8.9
Total 601 concerns	9,722,468,000	7,388,234,000	+31.6

THE FORGOTTEN ELDERLY

HON. EDWARD I. KOCH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 1, 1973

Mr. KOCH. Mr. Speaker, millions of dollars are spent annually on programs intended to help the elderly. It is my belief, however, that while considerable amounts are allocated for worthwhile programs, much of the money is misdirected. Indeed, we could provide more personal care in some programs for much less money, while at the same time bringing comfort to some of the most helpless people in our society—the forgotten elderly.

Old age often goes hand in hand with desperate loneliness and it is to this that the Congress should address itself. There is an enormous need to provide suitable housing accommodations for the elderly which would run the gamut from average apartments with homemaker services to nursing homes for the chronically ill.

A splendid article on this subject which I urge our colleagues to read, was written by Howard Blum of the Village Voice. Through his visits to nursing homes and his conversations with the residents and their caseworkers, a tale of blank walls, listless people and utter despondency is revealed as the author relates the often anguishing indignities experienced by the aged.

The article follows:

NURSING HOME PATIENTS: "A SIMILARITY TO POW'S"

(By Howard Blum)

Four men sit in a basement room. One's eyes are closed. Another rests his head on a cane. Two just look straight at the wall and the machine. The wall is a dull, bleached green. A soda machine is flat against the wall. That is all there is to stare at in this tight, hot room. The four men sit in the room, silent, never talking. Two watch the machine. Two no longer even care that much.

It is a summer afternoon in a city nursing home. These men pay over $1000 a month to sit and watch a soda machine, the money coming from Medicare. Once they have been admitted to the nursing home, they know they will never be relased. There is no escape, but to die. All they can do is watch the soda machine and wonder how much longer, how much longer before they die.

There are almost one million elderly in New York City, a population that is expected to rise to 1.2 million by 1980. About half of the elderly in this city have incomes under $3,000; one-third of the population has incomes under $2,000. Four per cent or approximately 38,056 of New York's elderly are currently living in institutional care facilities. It is estimated that 18,000 elderly are in nursing homes. And it is also estimated that nearly 40 per cent of those people in nursing homes, 7200 people, simply do not belong there.

New York City's Human Resources Administration has a tacit policy of trying to dump whomever they can into nursing homes. A Project Management consultant study of 552 nursing home placements made exclusively available to The Voice revealed the following: "Out of the 552, 40 per cent or 221 persons were appropriately placed in nursing homes; 18 per cent or 97 persons would have been more appropriately placed in chronic care faciilties; 13 per cent or 73 persons should have been placed at home with their family; 12 per cent or 68 persons should be in home health care; nine per cent or 46 persons in foster homes; five per cent or 29 persons in extended care; two per cent or 12 persons in terminal care; and one per cent or six persons in rehabilitation."

Welfare caseworkers stated that it is a common practice to put the sick of all ages in nursing homes. There have been numerous attempts to put wounded Vietnam veterans in nursing homes. And all the paper work was completed to admit a two-year-old mentally retarded girl to a nursing home before a social worker protested.

New York City has this blanket policy of sending people off to nursing homes, forgetting them until they die, a bed is emptied, and the cycle can be repeated, for one simple reason: there are just not sufficient alternative services. City health services are arranged so that it is more convenient to send the patient to the services, rather than the services to the patient. This is not only a cruel, but a costly policy. If a patient does not require constant geriatric medical treatment, he should not be placed in a nursing home.

The present city policy of nursing home placement is not only socially malignant, but also unnecessarily costly. Consider the comparative costs: Nursing homes cost at least $1,000 a month. Proprietary homes cost $366 a month. Foster homes cost $247 a month. For eight hours of homemaker services, five days a week, the cost is $665 a month. A home attendant for the same time period costs $360 a month. A single room efficiency apartment in a congregate living facility such as Kittay House in the Bronx rents for $307.50 a month. A cost/benefit analysis merely in terms of dollars spent makes nursing homes a rather unattractive investment for federal dollars.

But worse than the dollars spent are the lives spent, wasted in nursing homes, wasted waiting to die. A study of 75 nursing homes by the United Hospital Fund found the major characteristics of the patients to be "apathy; withdrawal; isolation; loss of motivation; confusion and disorientation; depression and regression." The report continues: "We found a striking similarity in the behavior of prisoners of war and nursing home patients, both of which groups were aware of their own helplessness, progressive decline, and possible death."

After touring nursing homes in this city and talking with many caseworkers, I find this comparison to prisoners of war more than just metaphorical. Once a doctor has admitted a patient to a nursing home, there is virtually no way out. Patients interviewed said they had never been outside, just outside sitting in the street, for as long as two or three years. There is no permanent release from a nursing home except death. Only a doctor can discharge a patient, and this is rarely done.

A patient cannot leave on his volition. And, as social workers suggest, why should a doctor release a patient if he is receiving Medicare payments for "examining" this patient. One caseworker cited a doctor who had not visited a patient with a heart condition for over a year, all the time collecting Medicare fees. Another mentioned the common practice of a doctor running through a nursing home, seeing 20 patients in 20 minutes, and then collecting 20 full Medicare fees from the government. Part of the problem occurs because many doctors own nursing homes and it is in their economic interest to keep their beds filled. Also, doctors evaluate the standards of nursing homes, sometimes motivated more by professional friendships than the Hippocratic Oath.

Caseworker after caseworker interviewed invariably described the attendants in nursing homes as "Gestapo guards." A few of the incidents related: a 67-year-old woman, who while taking a bath accidentally splashed an aide, was beaten black and blue; a 65-year-old woman was lifted from her wheel chair by an angered aide and thrown against a wall; a 67-year-old man, strapped to his wheel chair, the wheel chair shoved against a burning radiator for punishment (the patient suffered third-degree burns; the aide was dismissed).

Caseworkers also insist that nursing homes frequently steal personal funds from the patients. Medicare gives each patient $24.50 a month for personal expenses. In many nursing homes, however, this money is automatically deposited into "a personal account" in the patient's name. The money can only be withdrawn if the patient approaches the bookkeeper and signs a withdrawal slip. Often, the patient is never informed of these deposits and the money "disappears." Or when the patient tries to make a withdrawal, he is told the money has been spent.

A caseworker tells of a 70-year-old man in tears, literally crying for a cigarette. An attendant informed the caseworker the patient could not smoke because "he couldn't afford it. He can cry all he want, but he can't afford to buy cigarettes." The caseworker, however, questioned the nursing home's bookkeeper. After a little questioning, the bookkeeper "discovered" eight months of personal Medicare payments on deposit. A 70-year-old man was finally allowed to buy a carton of cigarettes.

By dumping people in nursing homes, by allowing nursing homes to be run without constant supervision and medical standards, this city has done worse than simply killing thousands of its elderly: it has forced them to experience death, to experience and anticipate death day after day. For these elderly there is no escape, but to die.

AMNESTY—THE PEOPLE SPEAK WITH MANY VOICES

HON. GERRY E. STUDDS

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 1, 1973

Mr. STUDDS. Mr. Speaker, as the war in Indochina winds down, with the end to bombing in Cambodia hopefully no more than 2 weeks away, there is an issue of intensely emotional content which will remain with us for some time. I refer to the question of amnesty for the young men who, in one way or another, avoided military service during the Vietnam conflict, and who left or stayed away from the United States to avoid prosecution.

Like all my colleagues, I have received a great deal of mail from my constituents on this issue. They express themselves strongly, and show the deepest moral convictions concerning amnesty. And they represent every shade of opinion, from those who believe the conflict was so morally wrong that those who refused to participate should be honored, to those who believe no duty is higher than following the orders of the commander in chief in time of war, and that this duty must be reinforced by the punishment of those who evade it.

I would like to give you some examples from my file of these letters:

From Orleans, on Cape Cod, came the following:

> No amnesty for deserters. Please do not support general amnesty for deserters, draft-dodgers and cowards or pseudo conscientious objectors. Let each case be decided on the facts of the case, as some individuals may deserve amnesty. Do not dishonor the veterans who were brave enough to fight, and who were wounded or killed in battle. Those who evaded their lawful responsibilities should face trial and judgment according to law.

A couple in New Bedford wrote:

> We are in favor of total amnesty for all American boys who refused to take any part of the Viet Nam undeclared war. We want you to do everything in your power to bring about this total amnesty as soon as possible. We object to Nixon's and Agnew's bitterness on this issue.

A woman in Hingham objected to amnesty for "deserters and conscientious objectors" on the grounds that we have gone too far in the direction of a permissive society. She wrote:

> It would be a further lowering of America's standards to grant amnesty to avowed objectors to the activities of the United States when we expected everyone of the young men to accept some responsibility, regardless of their personal feelings. We have made it too easy to get out of all responsibility. In a country which should have been instilling pride and love of the things for which this country was founded, we have fostered self-interpretation with little or no deep guidance, seemingly taking pride in seeing how

different our children could be. . . I know the young people have the wrong pattern set, but granting amnesty is compounding such wrong patterns and practices. Why should my son have been expected to help and someone else's son be free to say, I ran and sat it out—you were dumb to have shells zooming around you?"

A woman in Centerville, on Cape Cod, wrote me that:

The accusation that these young men have broken a law, therefore they must be punished eternally, is not convincing. Break what law? They have chosen to fulfill the higher moral and spiritual laws that undergird any society, though it means unpopularity in breaking a military man-made law that requires men to break all of God's laws. Their punishment has been rejection, banishment, condemnation, separation, job and financial insecurity . . . Let's bring them home—those who still have enough faith in America to want to come home. We need them to show us the way back to new dedications and old foundations. To talk of forcing them to give alternate service is to put on an unacceptable condition. For they have given major service to all of us in daring to do what they have done. It is tragic beyond description that we let military service be the ultimate in patriotism. Patriotism has many ways of being revealed. Let us honor all of them. It's time for rejoicing—that the POW's are home—even though tragically late. Let us now seek amnesty for all the Prisoners of Peace—with honor and appreciation and distinction.

A woman in Chatham who had watched the presentation of the amnesty issue on the television program, "The Advocates," wrote me:

I feel strongly against admitting these deserters back into our country without having to serve their country in some capacity. Why not make it an obligation to them to serve as an orderly in a Veterans Hospital to help the sick and wounded? Let them see what it's like to be wounded or maimed for life . . . In other words, I believe they should be allowed to return, but not without some penalty. I hope and pray you will see it as I do. I'm a woman 76 years old, and have had men in my family serve in both World Wars I and II and am proud that they served their country.

From nearby North Chatham I received the following comments:

My husband and I are very much opposed to granting amnesty to this country's draft dodgers and deserters from military service. Granting amnesty at this time would be grossly unfair to the persons who served as their country needed them. In any event, these cases should be judged on individual cases, not with blanket decisions.

Mr. Speaker, the men and women of my district have not made amnesty an easy subject for me to address, because their feelings run so high and are so diverse. After wrestling with the problem for some time, I have come to the conclusion that a qualified form of amnesty, with close attention to the facts of each individual case, would in due course be the best solution. As I have been telling my constituents who express their concern:

I believe that we must not, as a nation, do anything that would imply that all the hundreds of thousands who served their country, and the millons more who suffered personal anxiety and loss at home, were wrong. Whatever we, as individuals, may think of the national policy which got us into and kept us in the war so long, we must honor those who fought in our services, and especially those who died or were disabled under orders.

Those who chose not to serve are entitled to have their cases reviewed on an individual basis and to be given, in the words of the Catholic bishops of the United States, "an opportunity to . . . show their responsibility for their conduct and to be ready to serve in other ways to show that they are sincere objectors." I believe it would be reasonable in most cases to require that they fulfill their service obligations—either in active military duty or, as our law currently provides for conscientious objectors, in alternative civilian service.

This is, as you know, an extremely emotional issue, as was American involvement in the war itself. Our country badly needs reuniting and healing—not further divisiveness. This approach represents, I believe, our best chance.

INTERVIEW WITH GUY NICHOLS

HON. MICHAEL HARRINGTON

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 1, 1973

Mr. HARRINGTON. Mr. Speaker, it is somewhat ironic that, after many years of strongly voiced opposition to the activities and conduct of the private utility industry, I should be inserting an article about the president of the largest private utility in Massachusetts, Guy Nichols. However, during the course of our adversary relationship, I have developed a healthy respect for his intelligence and executive capabilities.

At the risk of underming Guy's credibility with some of his colleagues in the industry, I am going to insert in the RECORD a Boston Globe article on Guy's views and typical working day. The article will make clear why New England Electric, under Guy's leadership, is currently the smooth-running and finally secure institution that it is.

The Boston Globe article follows:

[From the Boston Globe, July 8, 1973]

NEW ENGLAND ELECTRIC HEAD WORRIED ABOUT NEW PUSH FOR COAL

(By Laurence Collins)

In recent months Guy W. Nichols, president of New England Electric System, has seen one-fifth of his working time evolve into what he calls his "fuel day."

"We have three big areas of expense—people, the cost of money and fuel—and the one that has been having the most dramatic swings of late is fuel. It's the one area where I take the most direct interest," Nichols said in a Globe interview.

An hour before, Nichols had arrived at Logan Airport after a two-day business trip to Washington, D.C. where, as he put it, he had received "a bit of a scare," while attending a conference of the National Coal Assn.

"One of the speakers was Interior Sec. Rogers Morton. He's a native of Kentucky, so obviously he has a very soft spot in his heart for coal. During his talk he raised the possibility of legislation that would require the use of coals by utilities," said Nichols.

Since all of New England Electric System's fossil-fueled generating plants are now fueled by imported residual oil, the passage of such legislation would have a significant impact on the operations of the Westboro-based utility.

The specter of such a law, however remote the implementation, was enough to prompt Nichols to call a meeting of his "fuel committee" on the afternoon he arrived back in Boston.

Seated around a 20-foot long conference table, six executives, pads and pencils before them, were almost abruptly informed by Nichols of his latest concern regarding fuel.

"We run the risk of being forced back into the use of coal. It's not an overnight likelihood, of course, but it's something to think about," Nichols declared.

Nichols then directed one of the executives to prepare a report based on the assumption that such legislation would be passed.

"Find out where we would get the coal, what the transportation situation would be, and how much would it cost the customer," said Nichols.

"Wait a minute," another executive interjected. "What about the environmental situation: Did Morton consider this?"

Another executive looked up from his pad and said: "According to the Environmental Protection Agency, there are sulphur cleaning devices right now. . ."

Another committee member: "I've been looking at this availability of coal issue, but only in the case of a national crisis. I can't conceive of any legislation that would require us to burn coal in light of the environmental situation."

Nichols: "I'm impressed with the bandwagon already moving to do something for the coal industry . . . In any event, we should develop a company position on the matter, look into the New England position . . ."

There was no small talk. Once the business of the meeting had been concluded—it took no more than 15 minutes—Nichols thanked the committee and immediately headed down the hall of the starkly modern headquarters building to the office of the chairman of the board, Robert F. Krause.

The head of a local educational institution had dropped by to talk about a company contribution. That meeting lasted another 15 minutes and Nichols was again on his way.

It had been like that since his arrival at Logan. A few days before, he had consented to an all-day interview by this reporter, a follow-the-leader act that revealed conclusively that a corporate chief executive's work is not all done by a battery of computers.

Nichols starts each work day at 7:30 a.m. when he is picked up at his Needham home by Walter LaShoto, a New England Electric chauffeur who drives both Nichols and Krause on their appointed rounds in a 1972 gray Lincoln Continental sedan.

Although the car is impressive enough to a Volkswagen driver, LaShoto, a Massachusetts state trooper for years, observed:

"The company used to have a big Caddie limo, but Mr. Nichols preferred something a bit less pretentious."

For Nichols the car is as much an office as it is a means of transportation. No sooner does he hop into the rear seat than he pops open his briefcase and begins reviewing company reports and memos, making a note here or there, and discarding needless papers by casually dropping them on the floor.

"Everytime Walter takes me somewhere there'll be a pile of papers left on the floor. He gets rid of them. Pretty fancy wastebasket," says Nichols.

While driving from Logan to Westboro Nichols ruminated on his stay in Washington:

"Very interesting place with Brezhnev there. Hammer and sickle flags all over the place. Fascinating. Gives them a breather from the other thing."

The other thing is, of course, Watergate.

"Watergate is affecting everything, politics, economy, business, every aspect of American life. It's foolish to say that it isn't."

The international scene, economic controls, subjects that need "a lot of skill and attention," don't seem to be getting it, Nichols asserts.

"Overall, I don't think the economy is faring too well. Controls may have done more harm than good. It seems to me that if you're going to have controls you either have to make them total or else leave them alone, leave it all up to supply and demand. I recall Paul McCracken, who used to be head of the Council of Economic Advisers, saying that controls were initiated because the public almost expected something to be done. The Administration was forced to do something."

Nichols, a trim, compact man with a graying crewcut, speaks quietly, in a near monotone, occasionally glancing at his papers, still taking notes, circling, underscoring, or dropping a paper on the floor.

"I have to admit, our company fared pretty badly in Phase 1. We had rate hikes scheduled for Aug. 15. On Aug. 14 (the day President Nixon announced the initial 90-day freeze), we realized we'd been hit.

"We got through that one all right. But now, in this 60-day freeze, the three biggest factors on our balance sheet—wages, interest and oil import costs—are not controlled."

New England Electric System is a utility holding company serving more than 3 million customers in three states—Massachusetts, Rhode Island and New Hampshire. The company's subsidiaries include Massachusetts Electric, Narragansett Electric and Granite State Electric and the New England Power Co., a wholesale power distribution outfit. The company also operated several gas firms in the New England area but was ordered to divest them by the Federal government. New England Electric employs some 8,000 persons. And Nichols is the boss.

Born in Mallet's Bay, Vt., Nichols attended high school in Burlington and in 1942 enrolled in the University of Vermont. In June of 1944, he joined the US Army where for two years he served in the Corps of Engineers. Within a week after his discharge he was back at the university where he received his BS degree in civil engineering in 1947. He joined New England Electric System that same year, rising through a variety of positions until he became president in 1970. Last year he was named chief executive officer.

His formal education continued, however, with a number of courses in industrial relations at Holy Cross in Worcester, and industrial management studies at the Worcester Polytechnical Institute. In 1960, he took a year's leave of absence from the company to obtain a master's degree in business administration at the Massachusetts Institute of Technology.

"That MIT experience was valuable in many ways," Nichols said. "It was the Sloan program and I really had my doubts whether I could get back into the classroom grind after being away from it for so long. But you learn to adapt. You're in trouble if you don't."

Nichols had an even more critical experience of adapting. That was the year a devastating tornado struck Worcester, killing 90 persons and causing some $60 million worth of damage.

"That was really an education," says Nichols, "because in any disaster you're immediately required to change, your whole organization, your entire way of doing things. For example on the morning of June 9, we had four line crews out. On June 11, there were 61 of them.

Aside from the horror of that event, Nichols recalls most vividly the co-operation which it spawned.

"We got fantastic help from everybody, just everybody. It was really an inspiring thing to see."

Talk leisure time to Nichols and you have to talk sailboats. Growing up on Vermont's Lake Champlain he learned to sail early and today it is his chief diversion. He maintains a 35-foot Pearson sloop in Wickford, R.I.

"It's close to being the only outside activity I have," he says. "I did ski quite a lot at one time, but lately I get up there only a few days a winter. Up until eight years ago we had a place in Vermont, just below Sugar Bush."

Aside from newspapers and magazines, Nichols' reading is pretty much restricted to business-oriented materials these days, although his conversation is not without its literary allusions (On the state of government in Washington: "Remember Kafka? That's the way it is in that town these days.")

Nichols and his wife, Shirley, have three daughters: Pamela, 25, a graduate of the University of Vermont and Georgetown University and now a teacher; Gail, a graduate of the University of Colorado, who is now working for the Needham Parks and Recreation Department; and Sally, 19, who just completed her freshman year at Boston's Garland Junior College.

"After many years I think I've learned the art of living in an all-women household," says Nichols. "Actually I've enjoyed it. My only regret is with my traveling or theirs we're seldom all together these days."

Virtually all of Nichols' traveling these days is connected with what he calls his "search for oil," a search that has taken him to the Mideast and South America. On two of these trips he has been in London when the full force of the expression "energy crisis" was impressed upon him.

"I must be a jinx or something. On one trip they were having a nationwide coal strike and electricity was being rationed. The last time I was there it was gas.

"Now no system is perfect. A lot of people have a lot of legitimate complaints to make about our system. But I think it's safe to say that overall this country's system provides the best power network in the world."

STRIPPING DOWN THE STRIPED PANTS SET

HON. LIONEL VAN DEERLIN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 1, 1973

Mr. VAN DEERLIN. Mr. Speaker, last week the House decided, wisely, in my view, to retain a law for penalizing foreign nations that molest our fishing fleet.

In taking this action, the House rejected arguments that tough provisions for dealing with high seas piracy might somehow hamper our normal diplomatic efforts in those parts of the world most immediately concerned.

The logic of these arguments escapes me, as it did a very substantial majority of our colleagues. I do not see how we can score diplomatic points by being wishy-washy.

This afternoon, the San Diego Evening Tribune commented on the House action in an editorial entitled "Protecting the Tuna Fleet."

The editorial is so timely that I am taking this means to share it with our colleagues:

PROTECTING THE TUNA FLEET

The House of Representatives has wisely decided to retain provisions in federal law for cutoff of military arms sales and reduction of U.S. foreign aid to nations that seize and fine U.S. tunaboats.

Moves to scrap the Fisherman's Protective Act were premature to say the least.

The drive to repeal the penalty provisions came from the House Foreign Affairs Committee which said they offend the feelings of the affected foreign nations.

The owners and crews of the seized tuna clippers are offended whenever a foreign gunboat starts firing shots across their bows and then escorts them into foreign ports to pay exorbitant "fines" in return for their freedom.

The tuna have been staying farther offshore this year for some reason with the result that fewer American boats have been seized by the South American nations which claim a 200-mile limit.

But the seizures may resume at any time as long as the dispute over the limit is unsettled. It may be settled next year at the world conference on the law of the seas.

Until then, the tuna men need every protection they can get from the American flag.

THE ATHLETIC ESTABLISHMENT BATTLES TO PRESERVE THE STATUS QUO

HON. HERMAN BADILLO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 1, 1973

Mr. BADILLO. Mr. Speaker, over the past several months many of us have received communications from a variety of athletic organizations regarding legislation dealing with amateur athletics which is currently pending in both Houses of the Congress. Almost all of these letters and telegrams express either the ill-founded fear that the Congress seeks to impose its will over the governance of amateur athletics in this country or the misbegotten notion that some type of vast Federal bureaucracy will be superimposed on sports in the United States. It is rather curious to note that very little, if any, mention is made of the role of the amateur athlete himself. It seems clear that what these various governing bodies are most concerned about is their own skin and the fear that, at long last, they may be subject to close, public scrutiny.

This issue was the subject of a very perceptive and timely article in this morning's New York Times by that paper's distinguished sports columnist, Red Smith. I assume that both bodies will be acting upon legislation dealing with amateur athletics when we return from the August recess and I commend Mr. Smith's article to our colleagues' attention:

PLAYGROUND DIRECTORS AT BAY

(By Red Smith)

Scholars versed in the folkways of the common American playground director (homo infantum) have been fascinated by the reaction of the Amateur Athletic Union, the National

Collegiate Athletic Association, the United States Olympic Committee and the National Rifle Association of America to a bill called the Amateur Athletic Act of 1973 that has been introduced by Senator John V. Tunney of California. Frightened lest they lose their right to measure the crossbar in the pole vault, the A.A.U., N.C.A.A., U.S.O.C. and N.R.A. are all lobbying against the bill that Philip O. Krumm of Kenosha, Wis., president of Olympic Committee, calls "the most dangerous legislation ever put forward for passage in the history of our country." We have it on the word of Charles Dudley Warner that politics makes strange bedfellows and Mr. W. Shakespeare has advised us that misery acquaints a man with strange bedfellows, but surely neither authority could have foreseen such a motley crew as this sharing a single kip.

The bill has been approved by the Senate Commerce Committee and is expected to come up for a vote in the first week of September when Congress returns from its August recess. The bill intends: (1) to create a five-member board to be appointed by the President that would charter groups to administer individual sports in international competition; (2) to review the past performance charts of our Olympic brass; (3) to set up a national foundation with as much as $50-million a year for sports development.

THE LION AND THE LAMB

"The Amateur Athletic Act of 1973," says Philip Krumm, "is a most dictatorial assault on the freedom and civil rights of the American people." Mr. Krumm, whose special field is speed skating, was elevated rather recently to the U.S.O.C. presidential chair. The rarefied air at that height tends to make a newcomer's head swim.

The Tunney bill is an amalgam of legislation earlier by Marlow Cook of Kentucky, James Pearson of Kansas, Mike Gravel of Alaska and Strom Thurmond of South Carolina. It has the support of these senators and others exasperated by the interminable power struggle between the A.A.U. and N.C.A.A., disgusted by the bungling of the Olympic leadership, and angered by the mutton-headed pertinacity of a bureaucracy that threatens a champion swimmer like Micki King with suspension for joining a State Department tour of China.

Lions lie down with lambs oftener than the A.A.U. and N.C.A.A. crawl between the sheets together, but all those lobbying against the bill have their own reasons.

Under the proposed legislation, no organization could govern international competition in more than three sports. The A.A.U. administers eight—track and field, swimming, boxing, wrestling, weight lifting, judo, bobsledding and luge (that's sliding downhill on a sort of Fexible Flyer).

The proposal to review United States participation in the Olympics and scrutinize the structure of the U.S.O.C. is welcomed as warmly as a narc at a pot party. The men who administer the American Olympic movement are honorable, God fearing, upright citizens distinguished for integrity and incompetence. Possibly because practice makes perfect, they managed to botch things up rather more untidily in Munich last summer than in any other venue within memory. A study of their operation would inevitably bring a demand for housecleaning.

IN A BROAD SENSE

The N.C.A.A.'s position on the matter is hazy because the bill specifically exempts intercollegiate sport from its jurisdiction, and the N.C.A.A. no longer has any connection with the Olympic movement. Walter Byers, the N.C.A.A. gauleiter, pulled his mob out of the U.S.O.C. after the Munich games. However, Walter has a sharp ear for the "ping" of a cash register; the thought of some other sports organization having a $50-million budget offends him to the soul.

In a resolution opposing the bill, the executive committee of the National Rifle Association points out that it has "ably represented this nation" in shooting events at the Olympics, the Pan-American Games and other international competition. Chances are it could continue in that role under the proposed law, so the reason for opposition isn't clear. Probably the N.R.A. has to make work for the huge lobby it maintains to fight gun control legislation.

Concerning the federations now in control of individual sports, Philip Krumm says "Years of experience are behind these organizations and one might, in a broad sense, say that an excellent job has been done through experience and exposure and knowledge gained over a period of years. . . ."

That depends, of course, on how broad one's sense is.

THE POOR AND THE WORK ETHIC

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 1, 1973

Mr. RANGEL. Mr. Speaker, it is extremely unfortunate, but true, that there exists in America an abundance of falsities and myths concerning welfare.

A recent New York Times column, entitled, "The Poor and the Work Ethic," by Tom Wicker makes an important and meaningful contribution to a clearing away of these American misconceptions.

The column is now submitted for the attention of my colleagues:

THE POOR AND THE WORK ETHIC

(By Tom Wicker)

What is the difference between the "working poor," who are not despised in America, and the "welfare poor," who are? Is it that the working poor have jobs? Or that those jobs will lead them inevitably out of poverty? Or that they are motivated by the "work ethic" while the welfare poor take handouts?

Well, the working poor do have jobs, but so do many of the welfare poor. But in neither case is there much chance that work will lead the worker out of poverty. As for the work ethic, both the working poor and the welfare poor usually have it in about the same degree, but it doesn't do them much good because the only jobs available are low-paid and lead nowhere.

If a working-poor person or a welfare-poor person also happens to be a woman, she's even worse off; because even within the desperate world of the low-wage earner, sexism is rampant and women are given the least desirable jobs and paid the smallest wages.

These are some of the major conclusions in an important study of a random sample of more than a thousand low-wage earners and welfare recipients in Detroit. Commissioned by the Department of Labor, the study was made by Louis A. Ferman, research director of the Institute of Labor and Industrial Relations at the University of Michigan, and Joe A. Miller, now of the Pennsylvania State University faculty.

Mr. Ferman and Mr. Miller have found, to put it simply, that most of what the public thinks about welfare recipients is a stereotype with little basis in fact; and that since much Congressional and administrative policymaking is based on the same stereotype, most programs to "get people off welfare" let alone what is left of those to "get people out of poverty"—are going nowhere.

Their study found, perhaps most importantly, that among the Detroit poor (who were nearly 85 per cent women) "there were few differences between the working welfare recipients and nonrecipient low-wage workers with respect to personal characteristics or background." And for either category, "work did not appreciably alter the economic resources or life situation."

In fact, "if the nonrecipient low-wage workers were a standard, then getting off welfare completely would not really improve" life for the so-called welfare poor. Besides, a surprising number of them are working—94 per cent of the male welfare recipients studied had worked more than 50 per cent of the time covered by the study as against only 90 per cent of male nonrecipients. Among women, a majority of both recipients and nonrecipients had worked at least half the time. Moreover, the jobs held by low-wage workers were mostly full time—but so poorly paid and dead-end as to leave the workers still in poverty, often earning less than the "combined value of services and cash from welfare."

The Ferman-Miller study isolated a set of characteristics that tend to keep too many Americans in poverty, whether of the working or welfare variety—rural origins with poor educational opportunity; migration to the city or elsewhere; lack of skills and training. These problems are compounded for racial minorities and for women. For these people good jobs are usually not available, no matter how much they want to work; for them, too, welfare can be of substantial assistance, and many take advantage of it without losing their desire to work and rise.

The study notes a substantial difference in the problems of male and female welfare recipients. Contrary to stereotype, the women do not have large numbers of children, but they do tend to be the only workers in their families and they work for the lowest of wages. The men, on the other hand, usually make much better wages and sometimes are helped by a working wife or older child, but have such large families that they cannot adequately support them. In that situation, increased earnings for a female recipient is a possible solution; but it is not a likely solution for the male recipient, who probably needs—as Mr. Ferman and Mr. Miller argue—a family allowance plan.

They conclude that in any sensible approach to the poverty problem, "The emphasis should not be on welfare recipient versus nonrecipient meaningless categories—but rather on male workers versus female workers. Second, the emphasis should be shifted from the concept of a welfare problem to that of a labor market problem."

Obviously, if far more women than men are in the poverty class, whether welfare or working, any effective program will have to "result in well-paying, prestigious careers for women as well as men." Just as obviously, if there are no real differences between the working and the welfare poor, the problem is not to get some people off welfare but to get far more people out of an economic dead end. Mr. Ferman and Mr. Miller favor "restructuring the low-wage market," through unionization; surely their study also points straight to the need for an income assistance and maintenance plan.

AMENDMENT TO H.R. 9130

HON. JOHN DELLENBACK

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 1, 1973

Mr. DELLENBACK. Mr. Speaker, during the proceedings under the 5-minute rule in the House's consideration later this week of H.R. 9130 I plan to introduce the following proposed amendment:

AMENDMENT TO BE OFFERED BY MR. DELLENBACK TO H.R. 9130

Page 22, line 21. Following line 21, insert a section 211 to read as follows: "Sec. 211 If any provision of this title or Title I of this Act or the applicability thereof is held invalid the remainder of such title shall not be affected thereby."

This supersedes previous similar amendments placed in today.

PHASE IV MAY COST YOU YOUR JOB

HON. MICHAEL HARRINGTON

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 1, 1973

Mr. HARRINGTON. Mr. Speaker, the recently announced phase IV economic stabilization program has already run into widespread criticism and considerable popular doubts as to whether it will succeed or fail. In fact, some aspects of the policy may already be foundering, especially as the White House itself finds that it cannot purchase high quality steaks for the President.

More serious doubts, however, are beginning to arise. Bruce Davidson wrote an article for the July 30 Boston Globe, "Phase IV May Cut Jobs, Not Prices," which pointed out the distinct possibility that phase IV may not only fail to stem inflation, but may also mean a significant increase in unemployment, and a serious recession. That is a result we cannot, of course, tolerate just as we are recovering from the 1970-71 recession. I would like to insert that article in the RECORD at this time for the information of my colleagues:

PHASE IV MAY CUT JOBS, NOT PRICES

President Nixon's announcement of Phase 4 price and wage controls has already been met with fairly widespread hostility and expressions of doubt that it will succeed in fighting inflation. On the food front, which is most dramatic for the consumer, it has started with the assumption, conceded from the outset by the administration, that prices will indeed rise.

As troublesome as inflation has been and probably will be, it may not be the worst evil facing our economy. The greater danger, telegraphed by the Commerce Department of markedly slower growth during the second quarter of this year, is that we are possibly on the verge of a new bout with unemployment. Administration policy, abetted by a perplexed Congress, threatens to foster joblessness without succeeding in its other purpose of curbing price increases.

We may lose twice rather than just once—inflation and a stagnant economy—stagnation for short.

The Commerce Department figures show that the nation's total production of goods and service rose during the second quarter at an annual rate of 2.6 percent compared with 8.7 percent for the first quarter of the year.

There has been some propensity to cheer about the decline, which was partially expected by economists around the country. These cheers were based on the reasonable opinion that the very fast rate of growth in the first quarter was unsustainable without even worse inflation than we had been experiencing and that it would be far better to drop back toward the 4 percent rate widely seen as possible without unacceptable price rises. Furthermore, some work done by Carol Greenwald, an economist with the Federal Reserve Bank of Boston, suggests that our sense of the direction in which the economy is headed may be influenced by faulty signs.

She targets the Commerce Department's index of leading indicators, widely used by economists as a tool for evaluating the nation's near-term prospects, charging that over the past year the index has "overstated the economy's strength because much of the recent rise in that index reflects inflation."

She has constructed a new series like that used by the Commerce Department but accounting for price increases in such areas as industrial materials, corporate profits, manufacturers' new orders, plant and equipment contracts, changes in consumer installment credit, and changes in book value of inventories.

She presents figures showing that the index peaked in March—the undeflated index peaked in May—and argues that "The slowing rate of advance in the deflated index since the fourth quarter of 1972 presages a decline in the growth rate of real GNP."

But the Phase 4 message carries with it a call for balancing the Federal budget during the current fiscal year, which started July 1. The budget, which the Administration and Congress have agreed should not be larger than $268 billion, is the amount that would be financed by our existing tax structure with normal growth and an economy functioning at "full employment." Since the economy has been operating at less than full employment, the Administration had been prepared to accept a deficit which last January it estimated would be about $12 billion and more recently, because of the pickup in Federal revenues, something more like $3 billion.

Since the Administration has so far ruled out a tax increase, the decision to eliminate even the $3 billion deficit means cuts in Federal spending unless there are unexpected additional increases in revenue within the present tax structure. These cuts will presumably be made with or without the cooperation of Congress. And they will almost inevitably mean less employment somewhere in the economy.

The $3 billion may in itself seem small and is in relation to a total budget of $268 billion and a gross national product of nearly $1.3 billion. But the Administration has often stressed its belief that even small deficits were unacceptably inflationary. The corollary of that belief is the assumption that even small surpluses in the budget while the economy is working below capacity are unacceptably restrictive.

So this move toward spending restraint comes at just the moment when the economy looks as though it may already be cooling off by itself. It comes, too at a significant budgetary surplus—running at a rate of about $15 billion annually, an unprecedented figure.

This will not necessarily produce a no-growth situation much less a decline in overall output but the economy must expand rapidly enough to absorb new entrants to the job market. The addition of more than 2 million jobs in the past year has barely kept ahead of increases in the numbers of those working or seeking work.

The Administration has shown some capacity for flexibility in its various attempts to manage the economy but the current zig in attempting to impose the absolute restraint on spending looks to us like one that will see us all back in the tough job of maximizing employment. Treasury Secretary George Shultz has called the balanced budget "old-time religion," appealing to someone's sense of nostalgia. To us it sounds like old-time unemployment, and that we don't need.

OBTAINING THE WHITE HOUSE TAPES

HON. BOB ECKHARDT

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 1, 1973

Mr. ECKHARDT. Mr. Speaker, in recent days there has been considerable debate over the constitutional problems and ramifications of the attempt by the Senate Select Committee on Presidential Campaign Activities to obtain tapes from Mr. Nixon. Following is a letter I received from Prof. Charles L. Black, Jr., a noted constitutional scholar on the Yale Law School faculty, commenting on the situation. I think my colleagues will find Professor Black's comments extremely interesting and useful.

Prof. Black's comments follow:

YALE LAW SCHOOL,
New Haven, Conn., July 30, 1973.

Hon. BOB ECKHARDT,
House of Representatives,
Washington, D.C.

MY DEAR CONGRESSMAN ECKHARDT: I want to communicate to you some of my thoughts on the deadlock now developing with respect to the President's amenability to the subpoena duces tecum served on him by Senator Ervin's Select Committee of the Senate.

I think I ought to say, first, what an enormous peril I see in what is going on. Without anyone's really wanting it to happen, we are in danger of degrading or even destroying the Presidency as we have known it. You know, from our many past conversations and from some public writings of mine, that I think the aggrandizement of the Presidency has in some respects gone too far, and that some of the mystique surrounding the office ought to be dissolved. But it would be extremely foolish for us to go too far in the other direction, for the Presidency is the one wholly national elective office we have, and the degradation of that office—even of its symbolism, wherein lies a great deal of its demonstrated power for good—would be a most unfortunate development, disturbing in the most dangerous way the balance of the best government yet devised on earth. We should be especially careful not to do this through dislike or disapproval of any incumbent. Presidents come and go; any incumbent's powers can be checked in the desired degree by Congress. The office must be valued and protected above all for what it can be in the hands of a Franklin Roosevelt laying the foundations of modern social justice, of a Harry Truman establishing civilian control of the military, of a Lyndon Johnson putting through the Civil Rights Act of 1964. It is against this background of fear for the indispensable dignity of this office that I make my technical points.

I think, first and most crucially, that the activation of this Select Committee of the Senate was wrong—constitutionally wrong. I heard Senator Ervin say, on a broadcast on Sunday morning, July 29, 1973, that at least one of the principal aims of his Committee was the finding of facts regarding Presidential involvement in the Watergate affair and its cover-up. But even if he had not said that, or even if I perchance misheard him, it is perfectly plain that at least one of the missions of the Committee is the ascertainment of these facts.

Now this sounds innocuous enough, until one reads the Constitution. When one does that, one finds that the sole power of impeachment is in the House of Representatives, and, far more importantly, that if that House votes impeachment, the Senate *including all the members of this Select Com-*

mittee, will have to sit as a *judicial* body, presided over by the Chief Justice, with the responsibility of finding the President guilty or not guilty of the charges brought. How in the world can these Senators sit as judges, or jurors, or a little of both, in a case with which they have been so closely engaged? Any judge thus involved in the background of a criminal matter coming before him would unhesitatingly recuse himself. Any juror with the same background of involvement would automatically be excused for cause.

What this Committee has done and is doing (and I speak here with great respect, for I impute no improper motive or wrongful intent to these Senators) is so to act as to disqualify a part of the Senate from performing its constitutional duty in the event of an impeachment's being voted by the House of Representatives. Indeed, it may be questioned whether the whole Senate is not to some extent disqualified, for this Committee is the agent of the Senate, empowered by that body and reporting to that body. With the deepest respect, I must say that what the whole Senate, each of its members, and all of its committees ought to have done was to abstain most scrupulously from any involvement in a matter which, as possible judges-to-be, they might later have to pronounce upon judicially. It cannot be constitutionally right for any Senators so to act as to disable themselves from the totally uncommitted performance of their judicial duty in case of impeachment.

Now I do not for a moment think that any court ought to try to stop this investigation. But when a court is appealed to for *aid* in the carrying on of the work of the Committee, whether by way of enforcement of its subpoenas, or of issuance of a declaratory judgment, that court is, I submit, duty bound to consider whether the Committee has constitutional warrant for its proceedings, or whether, on the other hand, its creation, empowerment and actions are profoundly unconstitutional, for the reasons I have given. If the latter judgment is correct, then of course no court ought to assist.

I must repeat that although I have spoken plainly, for the occasion is one for plain speaking, I utterly disclaim any imputation of wrongful intent on the part of any of the members of the Committee. I think only that they, and the Senate, have made a great mistake, and that no court ought to allow that mistake to spread to the judicial branch.

My next point would be that, although this subpoena situation has been treated as a "confrontation" between Congress and the President, it is by no means that. Directly and literally, it is a "confrontation" between the President and a Select Committee of the Senate. *Congress* has in no way—whether informally by concurrent resolution or in the formal manner mandated by the Constitution—committed itself to this "confrontation". The question, then, is not whether Congress might, by clear and specific indication of its will, have access to Presidential documents; I think, as I shall later make clear, that there ought to be wide limits even on that power, but that is not the present question. At the very most, this is a "confrontation" between the President and the Senate.

But I doubt that even that is an accurate characterization. The very Resolution (S. Res. 60, 93d Congress, 1st Session) establishing this Select Committee does confer a general subpoena power, and the words used might literally, if fed into a computer, cover the President, though, as I will soon show, even that is doubtful. But I submit that a court ought to adopt it as a rule of construction—aimed at the avoidance where possible of this highly undesirable confrontation, and at the protection of the judiciary from unnecessary involvement—that, if this most crucial and sensitive crisis is to arise in court, the President must be *named*, so that the court may be sure that this undesirable situation is one to which the legislative authority has consciously committed itself. This rule of construction seems to me psychologically sound; who, in regarding general language about the subpoena power, and voting its adoption, thinks of the President, and of this ultimate confrontation?

I doubt, however, that the language of S. Res. 60 covers the President at all, even by generality. The subpoena duces tecum authorization reads as follows:

"(5) to require by subpena or order any department, agency, officer, or employee of the executive branch of the United States Government, or any private person, firm, or corporation, or any officer or former officer or employee of any political committee or organization to produce for its consideration or for use as evidence in its investigation and study any books, checks, canceled checks, correspondence, communications, document, papers, physical evidence, records, recordings, tapes, or materials relating to any matters or questions it is authorized to investigate and study which they or any of them may have in their custody or under their control."

Perhaps a lexicographically programmed computer might print out the judgment that the President is an "officer" or "employee" of the executive branch. But that is not the way we construe statutes. Is it not perfectly plain that such language is entirely inapt, as a matter of usage, to designate the President of the United States? If I am right here, then even the Senate is not in "confrontation" with the President, not having authorized his being subpoenaed.

S. Res. 60, moreover, contains the usual provision for report back to the Senate:

"(6) to make to the Senate any recommendations it deems appropriate in respect to the willful failure or refusal of any person to appear before it in obedience to a subpoena or order, or in respect to the willful questions or refusal of any person to answer questions or give testimony in his character as a witness during his appearance before it, or in respect to the willful failure or refusal of any officer or employee of the executive branch of the United States Government or any person, firm, or corporation, or any officer or former officer or employee of any political committee or organization to produce before the committee any books, checks, canceled checks, correspondence, communications, document, financial records, papers, physical evidence, records, recordings, tapes, or materials in obedience to any subpoena or order;"

Does not this language (at the very least when applied to such an utterly unique and politically charged question as a "willful failure or refusal" *of the President himself*) designate the *exclusive* procedure to be followed by the Committee? Is it not reasonable to infer from it a *direction* by the Senate that the matter of possible contempt be brought back to the whole Senate, for resolution upon action? Is the expressed power to "make recommendations" not an implied exclusion of independent action by the Committee?

Of course, even if authorized by the Senate, any court action would have to fall within the judicial jurisdiction. I understand from published reports (and it is implied in the Committee's own resolution) that reliance may be placed on the Declaratory Judgment Act, passed some forty years ago. The operative part of that Act now reads:

"In a case of actual controversy within its jurisdiction, except with respect to Federal taxes, any court of the United States, upon the filing of an appropriate pleading, may declare the rights and other legal relations of any interested party seeking such declaration, whether or not further relief is or could be sought. Any such declaration shall have the force and effect of a final judgment or decree and shall be reviewable as such."

I cannot think of a clearer instance than this of the mechanical application of general language to a unique and unforeseen situation quite obviously not within the contemplation of those who put the general language in place. Here again, it seems to me not only reasonable but wise for a court to require that, if Congress wishes to create the mechanism for inter-branch confrontation, it do so expressly and clearly.

Many more technical issues could be explored. These issues, though technical, are important, for correct procedure is requisite above all with respect to great constitutional crises. But I will pass on to the main question on the merits, that of the "inherent" Presidential right of privacy.

"Inherent" is a frightening word. All it ought to suggest in this context is the question, "What does it take for the President to perform his sensitive duties with the highest effectiveness and in an air of dignity?" It seems to me quite clear that the Presidency could not be carried on, with dignity or with efficacy, if the President himself and every participant in consultations and discussions with him had to fear the forcible verbatim disclosure, under subpoena issued by any grand jury, or any court, of the tenor and content of such consultation. Call to mind some of our former Presidents. How would Lincoln have operated under this regime? Try to imagine what Franklin Roosevelt (or his cousin Theodore) would have thought of it. How would we have liked for Senator Joseph McCarthy to have the power to subpoena every record of every discussion held by President Eisenhower on the subject of subversion in government?

What is really happening is that an absolutely unworkable rule threatens to be put in place, simply because there is great dislike and suspicion of the present incumbent.

It is apparently the theory of the Committee that the President ought to be just as amenable to subpoenaing of his records as any mortal, so long as those records are relevant to some congressional, prosecutorial or judicial concern. I should think anyone could see, first, that such a rule would generate its own abuses, for any official controlling the subpoena power (and there are very many who do) would know that the surest way to conspicuousness would be to turn that power on the President. On what theory would we exclude state prosecutors, grand juries and legislative committees? I cannot think it would be possible for the President to take or receive frank counsel on these terms, and without utterly frank counsel any such great officer is lost.

In some recent comments by academic experts, it is tacitly conceded that executive privilege must exist in some large degree, but the present case is sought to be distinguished. Little mousetraps of "waiver" are sprung; concessions, perhaps unwisely made under pressure of time and emotion, are seized upon as just exactly what it happens to take to make this case different. These comments have the flavor, to me, of highly special pleading. Their interest lies largely in their implied concession of the quite visible necessity of confidentiality in much of the President's consultation. Their attempts at distinction, to me, fail. It can hardly be that the solid grounds for presidential confidentiality are so easily, almost accidentally, to be undermined. Presidential confidentiality, to be effective or even to exist, must be wide, and must be very largely at the discretion of the President, for to force him to submit to any other tribunal the issue of the propriety of protecting any particular communication is to destroy, by that requirement itself, the very confidentiality at issue. The remedy for abuse (like the remedy for abuse of the pardon power, the veto power, or any other presidential power) is to elect good Presidents.

Indeed, I cannot see why we should be unwilling to cover the Presidency with the same confidentiality as that with which the Framers of the Constitution covered their deliberations. They saw clearly that nothing but ill could come of their consulting under constant threat of disclosure of every word tentatively uttered. They wanted to go to the country with a result and not with a record of the to-and-fro movement toward that result, of all the foolish things said and retracted. Similarly, the Supreme Court (like all our plural-member courts) consults in secrecy, and presents the public with a result and with finally agreed-upon reasons. There is absolutely nothing that jars with the spirit of our institutions in our judging the President on the record of things visibly done and of words spoken in public. That is enough for judgment, as it always has been, and to insist on more is to seek to strip the office of dignity and of the support of truly candid consultation. I have no doubt that that is what some now want, but if they get it I think we all shall at last be sorry.

For the foregoing reasons, I think President Nixon is right in resisting the Committee's subpoena, and I hope his position will be upheld by the courts.

Very sincerely,

CHARLES L. BLACK, Jr.,
Luce Professor of Jurisprudence.

WHY TEXANS SAID NO TO THE TRINITY RIVER CANAL

HON. HENRY S. REUSS

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 1, 1973

Mr. REUSS. Mr. Speaker, the environment page of the July 25, 1973, Christian Science Monitor included an article entitled "Why Texans Said No to Trinity River Canal":

WHY TEXANS SAID NO TO TRINITY RIVER CANAL

(By Cele Berkman)

Even back in the 1930's, when legendary Mayor Bob Thornton Sr. goaded the growth of Dallas with his cry of "Keep the dirt flyin'," there was always talk around Dallas and Fort Worth that "someday" the muddy, meandering Trinity River would be cleaned up, and its intermittent and devastating floods contained.

Big dreamers even hoped that it would be "canalized" to bring cheap barge shipping to the landlocked area. In those days, this would have been a boon to farmers struggling to move their cotton and wheat over the old two-lane highways and dependent on the all-powerful railroads.

But since then the picture has changed dramatically. Today the dynamic cities of Dallas and Fort Worth cup between their 30 miles separation the Southwest Metroplex with its new giant airport. Barge transportation would not be much help to the average person.

And so last March the plan of canalizing the Trinity for the two-hundred mile stretch from Fort Worth to the Gulf of Mexico at Galveston became a hotly contested issue between many industrialists and most elected officials, who were "for" the Trinity River Authority (TRA), and vehemently "agin" the taxpayers and environmentalists.

What had brought the 17 Texas counties involved to a fued was the availability of $1.6 billion in federal funds for water projects. The kicker, however, was the requirement that local money be put up on a 10-to-1 ratio.

To raise the $150 million required the Trinity River Development Committee asked the voters to approve a bond issue authorizing a 15 cents per $100 tax assessment. In a $400,000 ad campaign they offered "consideration and conservation of wildlife, flood control, water supply, enhanced recreational facilities, pollution abatement, thousands of new jobs, and 'low-cost water transportation,' " i.e. barges on the canal.

But the opposing Citizens for a Sound Trinity Organization (COST), a coalition of businessmen, private citizens, the Sierra Club, and the Audubon Society, seized on the "low-cost water transportation." They branded it as unnecessary, a "colossal boondoggle," a scheme of Trinity land-owning "fat cats" to cash in at the people's expense. Working with a $15,000 ad budget, they sent out the message that one-third of the TRA directors own or control 51,000 acres along the river.

The bond issue was defeated in 9 of the 17 counties by a 54 percent margin.

One of the people who fought the hardest against the "fat cats" was COST chairman Dr. James White, a theologian from Southern Methodist University. He had become angry with the "pork barrel" aspects of the Trinity Canal while working on his last income tax.

Another anti-canal campaigner was a big businessman—COST vice-chairman Henry C. Fulcher Jr., whose Sitco Lumber Company ships 25,000 tons annually. "Slow barging savings on a Trinity canal is a myth," he said, stating it was cheaper to move lumber by rail from existing barge terminals than to have to truck it from a Trinity dock to warehouses, with all the transfers involved.

Dr. White and Mr. Fulcher, along with two other members of COST, accompanied freshman Rep. Alan Steelman (R) to Washington to speak before the appropriations subcommittee. Representative Steelman was the only elected official who was against the canal (while favoring water improvements).

Representing the other side at the May 23 meeting were two delegations of Texans consisting of 85 elected officials, businessmen, and TRA members, who had shown up to battle the still-viable issue.

The result of the meeting: Three weeks later the House Appropriations Committee approved $1.3 billion for flood control, bridge construction, water quality, and recreation on the river, while bypassing the canalization of the Trinity.

So each side gained some, lost some. Most of the advantages of the program were welcomed by everyone: cleaner, more plentiful water, flood protection, and beautification of the river area.

However, some COST supporters are angry with the allowance of $740,000 in federal funds for raising two bridges. According to Colonel Boone of the Dallas-based Corps of Engineers, the state had requested the widening of one bridge from two to six lanes, and replacement of another "old, dilapidated one." COST leaders Dr. White and Mr. Fulcher say the money for raising the bridges will be wasted, as there will be no barges to go under them and thus no need for greater height. But Colonel Boone says Congress has declared the Trinity to be navigable; hence the new high bridge construction.

The other side has some grievances, too.

During the Trinity bond issue contest, TRA's general manager David Brune was particularly chagrined at the injunction granted by U.S. District Judge Carl O. Bue to stop construction at the Wallisville dam at the mouth of the Trinity until an "adequate" environmental impact statement from the Corps of Engineers was submitted and approved.

"The City of Houston had already invested $125 million to take water from the Wallisville reservoir," he noted. "I think stopping that and enjoining the Trinity projects in the design phase that had no reference to navigation was the most ridiculous decision handed down by any court in interpreting the National Environment Act."

But manager Brune's assistant, George Jannings, sees healing of wounds between both sides now. "If we have to disassociate the canal from other water resource projects, we will work with the opposition to salvage the generally accepted benefits."

Perhaps for the future the answer lies in a report issued by the National Water Commission. That report amounted to a major overhaul of the nation's water policies and programs, some causing controversial reaction.

In essence, it would put the costs of flood protection and transportation facilities on the users: property owners, local and regional governments, and commercial recreation users of a channel and its locks.

KU ADAPTS FACILITIES TO HELP HANDICAPPED

HON. LARRY WINN, JR.

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 1, 1973

Mr. WINN. Mr. Speaker, I would like to insert the following article from the official publication of the University of Kansas Alumni Association, "Kansas Alumni," which I feel raises an important point. All too often in planning buildings, we neglect the special needs of the handicapped. Bit by bit, however, we are gradually adapting our facilities, and I am proud of the role my alma mater has taken in this direction.

Under leave to extend my remarks, I direct the attention of my colleagues to this article:

KU ADAPTS FACILITIES TO HELP HANDICAPPED

No building on the University of Kansas campus is totally accessible to and usable by handicapped persons, according to a survey finished early last month by the occupational department in conjunction with the University Committee for the Architecturally Handicapped.

In fact, since the committee was organized in January of this year it has discovered "architectural barriers being created at KU," Roger Williams, g'65, l'73, an editorial assistant in the geology department and chairman of the committee, said.

"There are a great many potential students that Kansas is doing a disservice to," he said. "The state considers it a University problem, not a state problem."

According to Williams, most Kansas handicapped persons who go to college go to Kansas State Teachers College, Emporia. Beginning in the 1950s Emporia removed its architectural barriers.

But if a person wants to be a lawyer, engineer, architect, pharmacist, or journalist or go into one of the medical professions he can't get the training he needs at Emporia.

"Missouri University remedied its architectural barrier problem about a decade ago. As a result the number of wheelchair students there has risen from none to approximately 90—some of whom have been Kansans," he said.

KU has a head start over Mizzou, with several handicapped persons already on Mt. Oread as students, faculty or staff members. No one seems to know exactly how many. ("What type handicap are you referring to?" Williams asked in return to the question.) They, including Williams, have with difficulty and determination navigated the Hill in pursuit of their careers.

Hundreds of details that most people take for granted go into making a building usable by the disabled. If a door pulls open or takes considerable pressure to push open, someone on crutches or in a wheelchair may have difficulty getting through it.

Worse yet are doors that are too narrow for a wheelchair. Because of the narrowness of stall doors only one restroom on the entire campus has been usable by persons confined to wheelchairs—and it's only there because it was built specially for an aging faculty member in 1970. It's in a quonset hut behind Marvin Hall.

Drinking fountains and wall telephones are other problems. So are room numbers in classroom buildings. If a blind person manages to find the right building on campus, he can't be sure he's found the right room without asking someone in the room, perhaps disturbing a class in the process. If rooms were labeled with raised numbers at the side of each doorway instead of above the doorway, the blind could avoid this problem.

"These are people problems, not necessarily just problems of the handicapped," Williams said. Using as an example curb cuts put in campus sidewalks last summer, he said that bike riders and service personnel "find these are a tremendous aid and they forget that they were initially put in for the handicapped. They make it easier and safer for everybody."

The University Committee for the Architecturally Handicapped has been using KU's educational and research facilities to find and remedy these and other problems. Occupational therapy students surveyed all campus buildings as a practical classroom project, using guidelines set by federal and state building laws.

An industrial design student is currently creating a model restroom stall for the disabled. The Committee hopes to involve the School of Engineering in designing and building ramps to make more buildings on campus accessible.

Plans have recently been made to redesign two residence hall shower stalls, one in Joseph R. Pearson Hall and one in Oliver Hall. A Braille map of the campus should be completed soon.

A number of changes have already been planned for or made in the Kansas Union. Because a non-profit private corporation owns the building, it can make the changes independent of official University funding. And, the cost of changes for even as large a building as the Union is dwarfed when compared to the cost of making the changes in a whole University.

"Our one discouraging factor has been that it's going to take a great deal of money to remedy some of the major problems and, because of cutbacks in federal funds, the outlook is not auspicious," Williams said.

It's illegal to build any new facility with tax monies that's not fully useable by the disabled, according to Williams. The committee examined plans for the new student health center and for Wescoe Hall. They discovered that in the new student hospital there was no public restroom that could be used with a wheelchair. A long ramp to make Wescoe Hall accessible had no level resting areas on it.

"We've saved a great deal of money when we have been able to get at these building problems when they're still on paper," Williams said.

"MURDER BY HANDGUN: A CASE FOR GUN CONTROL"—NO. 11

HON. MICHAEL HARRINGTON

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 1, 1973

Mr. HARRINGTON. Mr. Speaker, one of the facts about gun violence that should be emphasized is that the majority of murders committed with handguns are not premeditated acts and are not associated with robberies or other criminal activities.

In Washington, D.C., 81 percent of all homicides involve a suspect and a victim who were either husbands and wives, relatives, friends or acquaintances, and 86 percent of those murders stem from an argument, a fight or a lovers' quarrel.

Today's edition of the Washington Post describes such a murder, a common occurrence in this city and nearly every other city. Two men were arguing. During the argument, one man reached for his pistol and shot the other. Oliver M. Pettaway, age 25, is dead. Clarence T. Alexander, age 27, has been charged with murder.

In his testimony before the House Judiciary Committee last year, Chicago Mayor Richard Daley spoke eloquently about the impulsive nature of violence. He said:

> There is one case that I know intimately because I was there. What do you do with a boy 5 or 6 years of age who fires a gun and kills his companion and his mother and father are standing there, with the kid on the ground? Both families are all crying. What do you do with a neighbor who has an argument over a guy doing something to his fence or maybe parking his car in front of his house and one runs in and grabs a gun and comes out and shoots?
>
> I have seen situations like that. You are called to the scene and you see the man has committed a murder. But, after all, if he did not have the gun, he would not have been able to kill this man.
>
> You see people crying. You see the families and everyone else and the man does not know what happened. He got angry and had a little high blood pressure and ran in and grabbed the gun and ran out and shot before he thought what he was doing. And his neighbor, a good friend, was dead alongside of him and his family, and both families had known one another for years and they are all in tears.
>
> A judge has that before him and what is he going to do? It was not premeditated murder.

Opponents of gun control legislation seem to ignore the fact that so much of violence is impulsive, and that violent action can often be stimulated by the mere sight of a gun. Opponents argue that stronger penalties for people who use guns would be the solution to the rampant violence in this country. Yet it is clear that stronger jail sentences are no deterrent to the murders that are caused by rage, by anger, by frustration.

We must try to prevent murders, we must try to keep them from occurring. We must take out of circulation the guns which enable people to murder so impulsively.

An article from the August 1, Washington Post follows:

DISTRICT OF COLUMBIA MAN SLAIN IN APARTMENT

A 25-year-old Washington man was shot to death last night during an argument with another man in an Oxon Hill apartment, Prince George's County police reported.

Police said the dead man, Oliver M. Pettaway, whose last known address was on Eastern Avenue NW, was shot four times with a handgun about 8 p.m. He was pronounced dead on the scene, a basement apartment at 5076 Livingston Ter., police said.

Shortly after the shooting, police arrested Clarence T. Alexander, 27, of the Oxon Hill address and charged him with murder. No bond had been set as of early this morning, police said.

SENATE—*Thursday, August 2, 1973*

The Senate met at 11 a.m. and was called to order by Hon. WILLIAM D. HATHAWAY, a Senator from the State of Maine.

PRAYER

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

Our Father God, in whose providence this Nation was born and by whose spirit it has been guided, grant us now a constant awareness of Thy presence. Deliver us from all offenses against Thee and against one another. Above all suspicions, contentions, and indignations may we see lifted up the cross of forgiveness and reconciliation. Help us first to be our brother's brother before we attempt to be our brother's keeper.

"Reclothe us in our rightful mind,
In purer lives Thy service find,
In deeper reverence praise."

Bless all who serve in this place, granting us pure hearts and clear minds and sanctified motives, that we may be worthy partners with Thee in advancing Thy kingdom.

We pray in the Redeemer's name. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. EASTLAND).

The second assistant legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, D.C., August 2, 1973.

To the Senate:

Being temporarily absent from the Senate on official duties, I appoint Hon. WILLIAM D. HATHAWAY, a Senator from the State of Maine, to perform the duties of the Chair during my absence.

JAMES O. EASTLAND,
President pro tempore.

Mr. HATHAWAY thereupon took the chair as Acting President pro tempore.

THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of Wednesday, August 1, 1973, be dispensed with.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

COMMITTEE MEETINGS DURING SENATE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that all committees may be authorized to meet during the session of the Senate today.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

EXECUTIVE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate go into executive session to consider nominations on the Executive Calendar, under New Reports.

There being no objection, the Senate proceeded to the consideration of executive business.

The ACTING PRESIDENT pro tempore. The nominations on the Executive Calendar, under New Reports, will be stated.

U.S. AIR FORCE

The second assistant legislative clerk read the nomination of Brig. Gen. Harold R. Vague, to be a major general and for appointment as the Judge Advocate General, U.S. Air Force.

The ACTING PRESIDENT pro tempore. Without objection, the nomination is considered and confirmed.

U.S. ARMY

The second assistant legislative clerk proceeded to read sundry nominations in the U.S. Army.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the nominations be considered en bloc.

The ACTING PRESIDENT pro tempore. Without objection, the nominations are considered and confirmed en bloc.

U.S. NAVY

The second assistant legislative clerk read the nominations in the U.S. Navy, as follows:

Vice Adm. C. Edwin Bell, U.S. Navy, to be a vice admiral.

Comdr. Grace Murray Hopper, U.S. Naval Reserve (retired), to be a captain.

Mr. MANSFIELD. Mr. President, I ask pore. Without objection, the nominations are considered and confirmed en bloc.

The ACTING PRESIDENT pro tem- unanimous consent that the nominations be considered en bloc.

U.S. POSTAL SERVICE

The second assistant legislative clerk read the nomination of John Y. Ing, of Hawaii, to be a Governor of the U.S. Postal Service for the term expiring December 8, 1981.

The ACTING PRESIDENT pro tempore. Without objection, the nomination is considered and confirmed.

ATOMIC ENERGY COMMISSION

The second assistant legislative clerk read the nomination of William A. Anders, of Virginia, to be a member of the Atomic Energy Commission for a term of 5 years expiring June 30, 1978.

The ACTING PRESIDENT pro tempore. Without objection, the nomination is confirmed.

ENVIRONMENTAL PROTECTION AGENCY

The second assistant legislative clerk read the nomination of Russell E. Train, of the District of Columbia, to be Administrator of the Environmental Protection Agency.

Mr. MANSFIELD. Mr. President, I ask that this nomination go over.

The ACTING PRESIDENT pro tempore. The nomination will go over.

DEPARTMENT OF STATE

The second assistant legislative clerk read the nomination of Thomas R. Byrne, of Pennsylvania, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Norway.

The ACTING PRESIDENT pro tempore. Without objection, the nomination is considered and confirmed.

AMBASSADOR

The second assistant legislative clerk read the nomination of John R. Stevenson, of New York, Special Representative of the President for the Law of the Sea Conference and Chief of Delegation, to be an ambassador.

The ACTING PRESIDENT pro tempore. Without objection, the nomination is considered and confirmed.

NOMINATIONS PLACED ON THE SECRETARY'S DESK

The second assistant legislative clerk proceeded to read sundry nominations in the Air Force and in the Marine Corps, which had been placed on the Secretary's desk.

The ACTING PRESIDENT pro tempore. Without objection, the nominations are considered and confirmed en bloc.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that on these nominations, and all previous nominations not so requested, the President be notified.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

LEGISLATIVE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate resume the consideration of legislative business.

There being no objection, the Senate resumed the consideration of legislative business.

THE CALENDAR

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendars Nos. 340, 343, 345, 347, 348, and 349.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

NATIONAL CONSUMER EFFORT TO SAVE GAS

The Senate proceeded to consider the resolution (S. Res. 138), on the national consumer effort to save gas and arrive alive.

THE ENERGY CRISIS

Mr. GURNEY. Mr. President, as Members of Congress, we have been made increasingly aware of the fact that the energy crisis is upon us by the oil industry, consumer groups, investigations by Congress, the Federal Trade Commission, and various States, Newspaper accounts and constituent mail. What about answers to the gasoline shortage and other energy shortages? Everyone and every group seems to have their own answer. Most of the debate seems to be over the long-term answers such as the amount to be spent on energy research and development, or where a pipeline should be built or if we should allow drilling on the Outer Continental Shelf. These issues, even when we resolve them, will not solve our energy crisis for a number of years.

It has become clear to me that some action must be taken immediately to conserve our present energy supply. With this in mind I introduced Senate Resolution 138 on July 11. Thanks to speedy action by the Commerce Committee and the Senate leadership, this resolution passed today. This resolution encourages a national consumer effort to conserve gas and decrease safety hazards on our Nation's high-speed roads. It calls upon all motor vehicle operators traveling on high-speed roads on weekends and holidays, between the date of passage and Labor Day, September 3, 1973, to:

First. Travel at a speed no greater than 10 miles per hour less than the posted speed limit; and

Second. Turn on their headlights to encourage fellow travelers to join in this summertime, nationwide campaign to slow down, save gas, save lives, and save money.

In order to promote the success of this consumer effort, I have contacted major civic organizations asking for their cooperation. I have alerted certain Government departments that might be able to help in this project. Finally, I have contacted the Governor of every State asking for his cooperation. My efforts alone, however, are not enough to make this consumer effort a success. Every Senator can pitch in to make this a success by contacting their State highway patrol, their Governor, and State legislature and the media in their State and urging them to help.

This resolution should be just the beginning of a concentrated effort to conserve gasoline. Eventually this effort should be extended year round.

The energy crisis must enlist the support of every single American, and I believe that this resolution can stimulate such support.

The resolution was agreed to.

The preamble was agreed to.

The resolution, with its preamble, reads as follows:

Whereas our Nation faces a shortage of retail gasoline supplies; and

Whereas the causes of and solutions for this shortage are now being investigated by Congress, and any solutions proposed may not be implemented in time to alleviate the predictable exacerbation of the shortage of such supplies due to increased motor vehicle traffic on our Nation's roads between the date of passage of this resolution and September 3, 1973; and

Whereas there is substantial evidence that for each mile per hour traveled above forty-five miles per hour ("high speed travel") there is a substantial increase in gas consumption per mile in contrast to that at lower speeds, and that the cost per mile of gasoline at high speed travel is greater than that at lower speeds; and

Whereas substantial amounts of gasoline can be saved if motor vehicles are driven less frequently or without excessive idling, rapid acceleration or deceleration; and

Whereas that there is substantial evidence that safety will be increased on our Nation's roads if motor vehicles travel at lower speeds: Be it therefore

Resolved, That it is the sense of the Senate that:

(1) Each operator of a motor vehicle should, when traveling during weekends or holidays between the date of passage of this resolution and September 3, 1973, on any road where the posted speed limit is fifty-five miles per hour or greater:

(a) travel at a speed no greater than ten miles per hour less than the posted speed limit;

(b) turn on the headlights of his or her motor vehicle in order to publicize his or her participation in a national consumer effort to decrease consumption of motor vehicle gasoline and to increase safety on the Nation's roads.

(2) The Governor of each State should, as soon as practicable, make State funds available on an equitable basis and encourage private and other governmental organizations within the State to make funds available on an equitable basis, to State and local agencies, including but not limited to State highway patrols and traffic safety organizations, and to appropriate private organizations or individuals, for the purpose of encouraging motor vehicle operators to observe the provisions of (1), above, and to inform motor vehicle operators that substantial amounts of gasoline can be saved if motor vehicles are driven less frequently, or without excessive idling, rapid acceleration or deceleration.

(3) The television, radio, and print media should publicize, to the maximum extent possible, the details of this resolution in such a fashion as to encourage motor vehicle operators to observe the provisions of (1), above, and to inform motor vehicle operators that substantial amounts of gasoline can be saved if motor vehicles are driven less frequently, or without excessive idling, rapid acceleration or deceleration.

(4) Each Federal agency which has or can make funds available through such agency's own programs or to State or local governments or to private organizations or individuals, for the purpose of publicizing traffic safety efforts, should do so to the maximum extent possible, and as soon as practicable, for the purpose of encouraging motor vehicle operators the provisions of (1), above, and to inform motor vehicle operators that substantial amounts of gasoline can be saved if motor vehicles are driven less frequently, or without excessive idling, rapid acceleration or deceleration.

DEFENSE PRODUCTION ACT OF 1950

The Senate proceeded to consider the bill (S. 1980) to amend the Defense Production Act of 1950, as amended, which had been reported from the Committee on Banking, Housing and Urban Affairs with an amendment on page 2, after line 17, strike out:

"(b) Interest shall accrue on the cumulative amount of disbursements to carry out the purposes of sections 302 and 303 (except for storage, maintenance, and other operating and administrative expenses), plus any unpaid accrued interest, less the cumulative amount of any funds received on transactions entered into pursuant to sections 302 and 303 and any net losses incurred by an agency in carrying out its functions under sections 302 and 303 when the head of the agency determines that such net losses have occurred. At the close of each fiscal year, there shall be deposited into the Treasury as miscellaneous receipts, from any amounts appropriated under this section, an amount which the Secretary of the Treasury determines necessary to provide for the payment of any interest accrued and unpaid under this subsection. The rate of such interest shall be determined by the Secretary of the Treasury, taking into consideration the average market yield during the month preceding each fiscal year on outstanding marketable obligations of the United States with one year remaining to maturity."

And, in lieu thereof, insert:

"(b) Interest shall accrue on (1) the cumulative amount of disbursements to carry out the purposes of sections 302 and 303 (except for storage, maintenance, and other operating and administrative expenses), plus any unpaid accrued interest, less the cumulative amount of any funds received on transactions entered into pursuant to sections 302 and 303 and any net losses incurred by an agency in carrying out its functions under sections 303 and 303 when the head of the agency determines that such net losses have occurred; and (2) the current market value of the inventory of materials procured under section 303 as of the first day of each fiscal year commencing with the fiscal year beginning July 1, 1975. At the close of each fiscal year, there shall be deposited into the Treasury as miscellaneous receipts, from any amounts appropriated under this section, an amount which the Secretary of the Treasury determines necessary to provide for the payment of any interest accrued and unpaid under this subsection. The rate of such interest shall be determined by the Secretary of the Treasury, taking into consideration the average market yield during the month preceding each fiscal year on outstanding marketable obligations of the United States with one year remaining to maturity.".

So as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Defense Production Act Amendments of 1973".

SEC. 2. (a) Subsection (b) of section 304 of the Defense Production Act of 1950, as amended (50 U.S.C. App. 2094), is repealed.

(b) Such section 304 is amended by adding at the end thereof the following new subsections:

"(c) The Secretary of the Treasury is authorized and directed to cancel the outstanding balance of all unpaid notes issued to the Secretary of the Treasury pursuant to this section, together with interest accrued and unpaid on such notes.

"(d) Any cash balance remaining on June 30, 1974, in the borrowing authority previously authorized by this section, and any funds thereafter received on transactions heretofore or hereafter entered into pursuant to sections 302 and 303 shall be covered into the Treasury as miscellaneous receipts."

SEC. 3. Section 711 of the Defense Production Act of 1950 (50 U.S.C. App. 2161) is amended—

(1) by inserting "(a)" after "SEC. 711.";

(2) by inserting "(including sections 302 and 303 and for payment of interest under subsection (b) of this section)" after "Act" the first place the term appears; and

(3) by adding at the end thereof the following new subsection:

"(b) Interest shall accrue on (1) the cumulative amount of disbursements to carry out the purposes of sections 302 and 303 (except for storage, maintenance, and other operating and administrative expenses), plus any unpaid accrued interest, less the cumulative amount of any funds received on transactions entered into pursuant to sections 302 and 303 and any net losses incurred by an agency in carrying out its functions under sections 302 and 303 when the head of the agency determines that such net losses have occurred; and (2) the current market value of the inventory of materials procured under section 303 as of the first day of each fiscal year commencing with the fiscal year beginning July 1, 1975. At the close of each fiscal year, there shall be deposited into the Treasury as miscellaneous receipts, from any amounts appropriated under this section, an amount which the Secretary of the Treasury determines necessary to provide for the payment of any interest accrued and unpaid under this subsection. The rate of such interest shall be determined by the Secretary of Treasury, taking into consideration the average market yield during the month preceding each fiscal year on outstanding marketable obligations of the United States with one year remaining to maturity.".

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

CERTAIN LIMITATION ON EXPENDITURES BY THE COMMITTEE ON POST OFFICE AND CIVIL SERVICE

The resolution (S. Res. 143) establishing a limitation on expenditures by the Committee on Post Office and Civil Service for the procurement of consultants was considered and agreed to, as follows:

Resolved, That section 2 of S. Res. 52, Ninety-third Congress, agreed to February 22, 1973, is amended by inserting immediately before the period at the end thereof a comma and the following: "of which amount not to exceed $5,000 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended)".

MAJORITY AND MINORITY LEADERS OF THE SENATE

The resolution (S. Res. 151) authorizing the printing as a Senate document "Majority and Minority Leaders of the Senate," prepared under the direction of the Secretary of the Senate by the Senate Parliamentarian, was considered and agreed to, as follows:

Resolved, That a compilation entitled "Majority and Minority Leaders of the Senate", prepared under the direction of the Secretary of the Senate, Francis R. Valeo, by the Senate Parliamentarian, Floyd M. Riddick, shall be reprinted with any revisions and certain tables as a Senate document, and that an additional two thousand copies be printed for distribution by the Secretary of the Senate.

GRATUITY TO ROOSEVELT ANDERSON

The resolution (S. Res. 153) to pay a gratuity to Roosevelt Anderson, was considered and agreed to, as follows:

Resolved, That the Secretary of the Senate hereby is authorized and directed to pay, from the contingent fund of the Senate, to Roosevelt Anderson, widower of Ada R. Anderson, an employee of the Architect of the Capitol assigned to duty in the Senate Office Buildings at the time of her death, a sum equal to six months' compensation at the rate she was receiving by law at the time of her death, said sum to be considered inclusive of funeral expenses and all other allowances.

SUPPLEMENTAL EXPENDITURES BY THE COMMITTEE ON PUBLIC WORKS

The Senate proceeded to consider the resolution (S. Res. 135) authorizing supplemental expenditures by the Committee on Public Works for inquiries and investigations, which had been reported from the Committee on Rules and Administration with amendments in line 4, after the word "thereof", strike out "$940,000" and insert "$1,140,000"; and, in the same line, after the word "and", strike out "$309,000" and insert "$509,000, respectively"; so as to make the resolution read:

Resolved, That section 2 of S. Res. 21, Ninety-third Congress, agreed to February 22, 1973, is amended by striking out "$625,000" and "$9,000" and inserting in lieu thereof "$1,140,000" and "$509,000", respectively.

Mr. HART. Mr. President, I would like to thank the chairmen and the members of the Rules Committee and the Public Works Committee for their efforts in reporting out what I am sure will prove to be a wise and useful measure. It will help to insure that much-needed actions to control air pollution in this country will be taken responsibly on a sound data base. By enlisting the services of the National Academy of Sciences we give ourselves access to the best scientific talent that we know. I have no doubt that the tasks assigned to the Academy under this resolution will be performed conscientiously and very competently.

It is also essential that they be performed quickly, given the decisions we in the Congress will soon be called upon to make. It is, therefore, reassuring that the contracts negotiated under this resolution will provide for interim reports to the Congress a number of months after the Academy has begun its work. In addition to these interim reports, it is my understanding that the Public Works Committee will ask for monthly progress reports on both the health effects and the cost benefit studies which are authorized. Thus any significant information which becomes known to the Academy prior to the date for the interim report will be made available to the Congress without delay. It is my hope that the Academy will move with all possible speed so that we may know as soon as possible whether further action on the part of the Congress is called for, and if so what action is most appropriate.

The Academy's task will not be easy. There have been many conflicting statements both with respect to the dangers caused by air pollution and the costs of preventing those dangers. It is largely because of these conflicts that the suggestion of a study to address them and possibly resolve them is so welcome. While I hardly envy the Academy's experts their task, I will feel much more comfortable in the performance of my own in knowing that we will have their services.

The amendments were agreed to.

The resolution, as amended, was agreed to.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Hackney, one of its reading clerks, announced that the House insisted upon its amendments to the bill (S. 373) entitled "An act to insure the separation of Federal powers and to protect the legislative function by requiring the President to notify the Congress whenever he, the Director of the Office of Management and Budget, the head of any department or agency of the United States, or any officer or employee of the United States, impounds, orders the impounding, or permits the impounding of budget authority, and to provide a procedure under which the Senate and the House of Representatives may approve the impounding action, in whole or in part, or require the President, the Director of the Office of Management and Budget, the department or agency of the United States, or the officer or employee of the United States, to cease such action, in whole or in part, as directed by Congress, and to establish a ceiling on fiscal year 1974 expenditures," disagreed to by the Senate; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. Bolling, Mr. Sisk, Mr. Pepper, Mr. Long of Louisiana, Mr. Martin of Nebraska, Mr. Latta, and Mr. Del Clawson were appointed managers on the part of the House at the conference.

The message also announced that the House had passed a bill (H.R. 9590) making appropriations for the Treasury Department, the U.S. Postal Service, the Executive Office of the President, and certain independent agencies, for the fiscal year ending June 30, 1974, and for other purposes, in which it requested the concurrence of the Senate.

ENROLLED BILL SIGNED

The message further announced that the Speaker had affixed his signature to the enrolled bill (S. 2120) to amend the Federal Railroad Safety Act of 1970 and other related acts to authorize additional appropriations, and for other purposes.

HOUSE BILL REFERRED

The bill (H.R. 9590) making appropriations for the Treasury Department, the U.S. Postal Service, the Executive Office of the President, and certain independent agencies, for the fiscal year ending June 30, 1974, and for other purposes, was read twice by its title and referred to the Committee on Appropriations.

The ACTING PRESIDENT pro tempore. Does the acting minority leader desire recognition?

Mr. GRIFFIN. No, Mr. President.

ORDER OF BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, the Senator from South Carolina (Mr. Thurmond) is recognized for not to exceed 15 minutes.

DEATH OF MAJ. GEN. HOLMES ELY DAGER

Mr. THURMOND. Mr. President, on July 24 the Nation lost a great soldier and patriot, Maj. Gen. Holmes Ely Dager, who succumbed at Walter Reed Army Medical Center, following an illness of several months.

General Dager commanded the 11th Armored Division under Gen. George Patton during some of the most difficult fighting toward the close of World War II. General Patton was frequently quoted as saying that when he had a tough job to be performed, he called on General Dager.

General Dager commanded the 11th Armored Division from the Rhine to Linz, Austria, and until the meeting with the Russian 7th Paratroop Guards Division. This was a 150-mile drive through varying light and hard fighting. Upon reaching Linz, the nearest troops to either of General Dager's 11th Armored flanks were 42 miles behind.

As a sequel to this military triumph, General Dager served as the commanding general of U.S. Forces in Vienna from the latter part of 1946 until his retirement in 1947. He retired from active duty on October 31, 1947, as a permanent major general.

Mr. President, it was my pleasure to know General Dager during his retirement here in Washington. He was one of those rare Americans who quickly conveyed to you his dedication to his country.

As a division commander in Europe during World War II, his leadership was instrumental in bringing an early end to the conflict in that theater, thus directly reducing the loss of life of American personnel there.

The heroism of General Dager was recognized by his country through a number of high military decorations. These included the Distinguished Service Cross, Distinguished Service Medal, Silver Star with Oak Leaf Cluster, a Bronze Star Medal for valor and two Oak Leaf Clusters on the Bronze Star for meritorious service, the Legion of Merit, the French Legion of Honor, the French Croix-de-Guerre with Palm and the Belgian Croix-de-Guerre with Palm. Also, he was 1 of the 11 men in the American Army to receive the Soviet "Defense of the Fatherland" medal, 1st Degree, Gold.

Our Nation is indebted to this man. He not only ably served the men in uniform during World War II, but his efforts were an important part of preserving our freedom in this generation and future generations.

My heartfelt sympathy goes out to his beloved and dedicated wife, Eleanora, who loved him ardently and was always so loyal and devoted to him. She stood by him valiantly and faithfully ministered unto him during his final illness. Her courage and faith must have been a great inspiration and strength to him during the last days of his life.

Mr. President, an excellent article about General Dager appeared in the "Thunderbolt," a publication of the 11th Armored Division Association, in January of 1956. In order that the outstanding career of General Dager might be fully recorded, I ask unanimous consent that this article and the articles appearing in the Washington Post and the Washington Star-News on July 26, 1973, concerning his death be printed in the RECORD.

Mr. President, a poet once said:

> When a brave soldier dies,
> For years beyond his ken,
> The light he leaves behind him
> Will shine upon the path of men.

Truly, this applies to General Dager, a brave soldier and a great American.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From Thunderbolt, January 1956]

MAJ. GEN. HOLMES E. DAGER

Major General Holmes E. Dager was indeed privileged and had the most unusual experience of leading troops in two famous hard-hitting armored divisions in the Third Army during World War II. General Patton laid his most heavy and difficult assignments on the 4th and 11th Armored Divisions. They never failed him, laid their name, reputation and prestige on the line and they paid willingly and heavily in the lives and wounds of the material of which fighting units are built—alert, highly-trained and physically fit officers and men with plenty of guts.

Holmes E. Dager was born on June 23rd, 1893 in Asbury Park, New Jersey. His ambition in life was to practice medicine and particularly to be a surgeon. His family moved to Newark, New Jersey where he attended high school graduating in 1911. He then went to college for pre-medical courses and graduated in 1916. During this period from 1910 to 1916 he was a member of the New Jersey National Guard and attained the position of platoon leader in the Infantry. He was commissioned a Second Lieutenant.

In his youth and during his college days General Dager was interested in fishing, hunting, amateur bicycle racing, swimming and boxing. He was an alert young man and his favorite reading was books on world affairs.

Dager went into the regular army in 1917 and from March until August of that year he was a student at the Training School in Ft. Leavenworth, Kansas. During this assignment he was promoted to a First Lieutenant. Upon completion of his assignment at the Training School he was assigned to the 51st U.S. Infantry.

Early in 1918 he went overseas with the 51st Infantry and participated in the fighting in the defensive sector of the Vosges Mountains and he also fought in the Meuse-Argonne offensive. During this period he was promoted to Captain and he was made a company commander and then later he was promoted to Major and he served for a time as a battalion commander.

For an unusual fete of bravery during World War I general Dager was awarded the Silver Star Medal.

After a short tour of duty with the occupational forces after the War he returned to the United States in 1920 and became a professor of Military Science and Tactics at Clason Military Academy in Bronx, New York. He remained at the Academy until the end of 1924.

In 1925 he became a student at Infantry School in Fort Benning, Ga., and in 1926 he was made Company Commander of Co. "K", 29th Infantry Division at Fort Benning. Still at Benning in 1927 he was made a Regimental Adjutant. In 1928 he once again became a student at Fort Benning taking an Advanced Officers Course at the Infantry School.

After completion of the advanced course at the Infantry School in 1929 he was transferred to the Command and General Staff School at Fort Leavenworth, Kansas. He remained at this school as a student until his graduation in 1931.

Holmes E. Dager was assigned to the 65th Infantry Division in 1931 as a battalion commander. The unit was sent to Puerto Rico and Dager remained with the 65th until the end of 1934. Upon his return to the States he was assigned for a short time in 1935 as G–3 in the 1st Infantry Division at Fort Hamilton, N.Y.

Once again as a student he was honored by the assignment to the Army War College in Washington, D.C., late in 1935. Upon graduation he was sent back to Command and General Staff School in Fort Leavenworth, Kansas but this time as an instructor. He remained at this assignment from 1936 to 1940 and attained the rank of Lieutenant Colonel.

Early in 1940 General Dager was assigned to Fort Wadsworth on Staten Island in New York where he was Post Commander. Later that year he was assigned as Assistant G–3 in Headquarters of the First Army stationed at Governors Island, New York. During this assignment he wrote the Carolina and Louisiana maneuver problems.

As war clouds gathered again Dager was transferred in 1941 to the 41st Armored Infantry Regiment of the Second Armored Division which was in training at Fort Benning, Georgia. Holmes Dager was assigned as Regimental Commander and during this period he was promoted to Colonel.

In September of 1941 Dager was made a Brigadier General and he was made Commanding General of CCB of the 8th Armored Division then stationed at Fort Knox, Kentucky.

Early in 1942 General Dager was assigned to the 4th Armored Division as Commanding General of CCB and joined them at Pine Camp, New York. He trained with the Division in Tennessee, desert maneuvers and at Camp Bowie, Texas. He went overseas with the 4th Armored and he was with them from Omaha Beach to the Rhine. He led CCB of the 4th in the famous 65 mile "rat-race" to the Rhine in 58 hours. There General Patton came up and spit (?) in the Rhine remarking, "Dager, I've been waiting three long years to spit (?) in this—creek!" This job was one of many famous "crash-drives" for which the 4th and 11th Armored Divisions became famous.

In March of 1945 at Mayen, Germany Dager was promoted to Major General and assumed command of the 11th Armored Division. He remained with the Division until September of 1945. He commanded the 11th from the Rhine to Linz, Austria and the meeting with the Russian 7th Paratroop Guards Division. This was a 150 mile drive through varying hard and light opposition but made with an average of 15 miles a day. On reaching Linz, the nearest troops to the 11th Armored were 42 miles behind and nothing on either flank. Even the nurses were with us all the way. Our determined armor "paid the rent" and pulled the infantry along. It was the farthest east unit of all American troops when the war ended and it was itching to go farther.

During World War II General Dager received the Distinguished Service Cross, Distinguished Service Medal, Oak Leaf Cluster on his Silver Star, a Bronze Star Medal for valor and two oak leaf clusters on the Bronze Star for meritorious services, the Legion of Merit, the French Legion of Honor, the French Croix-de-Guerre, with Palm, the Belgian Croix-de-Guerre, with Palm and the Russian "Defense of the Fatherland", 1st Degree, gold.

In September of 1945 General Dager returned to the United States and was assigned as Board President of the Army Integration Board at Ft. Snelling, Minnesota.

In 1946 he was appointed G–3 of the Seventh Army at Atlanta, Georgia. He remained in this post for about eight months and then he was transferred to Vienna, Austria. During the closing months of 1946 and until his retirement in 1947 General Dager was Commanding General of U.S. forces in the City of Vienna. He retired from active duty on October 31st, 1947 as a permanent Major General.

Since his retirement General Dager has been employed with the Federal Civil Defense Administration. He had been stationed in Nevada for several years but just recently he was transferred to the Planning Staff of the Administration at their national headquarters in Battle Creek, Michigan. The General and his very charming wife now reside at Battle Creek, Michigan.

The General still likes to fish for trout and game-fish. He should find fishing to his liking in his new environment. Like another famous retired General we know he is an avid golfer. General Dager wrote "I consider age a matter of mental attitude. I still arise early, work steadily, read and study every evening, attend church regularly and refuse to 'fade-out' of life's activities." The General does considerable public speaking, including radio and television appearances.

[From the Washington Post, July 26, 1973]

RETIRED CHIEF OF U.S. ARMY IN AUSTRIA

Retired Army Maj. Gen. Holmes E. Dager, 80, a veteran of both world wars, died Tuesday at Walter Reed Army Medical Center.

Born in Asbury Park, N.J., he grew up in Newark and was an officer in the New Jersey National Guard when he joined the regular Army in 1917.

Gen. Dager was sent overseas with the 51st Infantry and was a company and later a battalion commander in the Vosges Mountains and the Meuse-Argonne campaign.

After the war, he became a professor of military science and tactics at Clason Military Academy in the Bronx, N.Y.

Between the wars, he held a number of command and staff positions and attended the Infantry School at Ft. Benning, the Army War College here and the Command and General Staff College at Ft. Leavenworth, where he also became an instructor.

In 1941, Gen. Holmes was a regimental commander with the 2d Armored Division at

Ft. Benning and then commanding general of the 8th Armored Division's Combat Command B at Ft. Knox.

He took command of the 4th Armored Division's Combat Comand B in 1942, and served with the division from the landing at Omaha Beach in Normandy to the Rhine.

He assumed command of the 11th Armored Division at Mayen, Germany, in 1945, and led it to a meeting with the Russian 7th Paratroop Guards Division in Linz, Austria.

He returned to this country in 1945, served at Ft. Snelling and with the 7th Army at Atlanta and was assigned to Vienna, Austria, where he commanded U.S. forces until retiring in 1947.

Gen. Dager's decorations included the Distinguished Service Cross, two Silver Stars, the Distinguished Service Medal, the Legion of Merit and three Bronze Star Medals.

He is survived by his wife, Eleanora, of the home, 1900 S. Eads St., Arlington.

[From the Washington Star-News, July 26, 1973]

GEN. HOLMES DAGER, HEADED 11TH DIVISION

Retired Army Maj. Gen. Holmes E. Dager, 80, commander of the 11th Armored Division forces that joined with the Soviet Union's 7th Paratroop Guards Division in Austria near the end of World War II, died Tuesday in Walter Reed General Hospital.

He lived on S. Eads Street in Arlington.

Earlier in the war he was commander of the 8th and 4th Armored Divisions' Combat Command B. He commanded the latter division from the Omaha Beach landing in Normandy through fighting in France on to the Rhine River.

In 1945 he took the 11th Armored Division from Mayen, Germany, to Linz, Austria, where his group joined the Russian troops. Gen. Dager retired in 1947 as commander of the U.S. forces in Vienna.

Gen. Dager was born in Asbury Park, N.J. An officer in the New Jersey National Guard, he joined the Army in 1917 and served in Europe with the 51st Infantry in the Vosges mountains and Meuse-Argonne campaigns of World War I.

He leaves his wife, Eleanora. Service will be at 10:45 a.m. tomorrow in the Ft. Myer Chapel. Burial will be in Arlington Cemetery. It is requested that expressions of sympathy be in the form of contributions to a charity.

ORDER OF BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, the Senator from Tennessee (Mr. BROCK) is recognized for not to exceed 15 minutes.

Mr. ROBERT C. BYRD. Mr. President, how much time remains to the distinguished Senator from South Carolina under the order?

The ACTING PRESIDENT pro tempore. Ten minutes.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that that time may be reserved to my control.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum, and I ask that it be charged against my time which has been reserved, and without prejudice to the Senator from Tennessee.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. I yield my remaining 5 minutes to the Senator from Florida, without prejudice to the Senator from Tennessee.

DEROGATORY CHARACTERIZATION OF A U.S. SENATOR

Mr. CHILES. Mr. President, I have not had an opportunity to see much of the Watergate hearings because during the day we have been occupied with a little business on the floor. I have an interest in Watergate, as I think many people have, and I try to catch the news when I can and see what I can that way.

Last night, when I reached home, I had an opportunity to view a news broadcast showing some excerpts from the hearings, and it included an interview with Mr. Wilson, who is the counsel for certain of the witnesses at the Watergate hearing—Mr. Haldeman and Mr. Ehrlichman.

Apparently, earlier Mr. Wilson had made a comment in regard to Senator INOUYE, and the commentator was asking him if he stood on that comment or if he would repeat it. Mr. Wilson said at that time that he certainly stood on it, that what he had said was that Mr. INOUYE was "a little Jap." He said he saw no reason why Senator INOUYE should take any offense with that; it was true; and that he did not think he could take offense if anyone referred to him (Mr. Wilson) as "a little American."

Mr. President, I take offense at it—tremendous offense. I cannot understand how Mr. Wilson could say that he would stand on the comment and that he would not mind if anyone called him "a little American," but he could call DANNY INOUYE "a little Jap."

Senator INOUYE was born in Hawaii. He enlisted as a private in World War II. He received a battlefield commission. He was decorated; he served in France and Italy. He was wounded in the service of his country. How it can be said that he is not an American is something beyond me and it is beyond my capabilities to understand how anyone could make that statement.

It bothers me, Mr. President, that we distinguish in this country between whom we would call an American and whom we would call a "little Jap," perhaps by the color of the skin. My ancestry is Scotch-Irish. I am proud of that ancestry, and I am sure that DAN INOUYE is proud of his Japanese heritage.

I thought that the strength of this country is that we are a mixing pot, and when we were trying to nurture this country, we offered asylum to many people and had people come from many lands, as long as they were seeking freedom and liberty. That is the kind of strength this country was built upon. Then, we turn around and find a comment used and calculated to invoke derision; that is what it is, as if related to treason. You would not call a Japanese citizen a Jap. The term itself is a term of derision and it is not a term of anything other than that.

We see a lawyer who is very concerned about his ethics, who wants no one to question his propriety and the conduct of his representation, or who he represents, yet he would turn around and use a remark like this on a distinguished American, a distinguished Senator, a distinguished citizen of this country. It is beyond me. It makes me ashamed to see a fellow lawyer use that remark. It makes me ashamed to see a fellow American who happens to have white skin use that remark. It concerns me tremendously that that newscast goes out to many people in many lands; it shows we could have a prejudice like that that could abound in this country. I do not think that kind of prejudice is present. It is not in the hearts of many people who are white skinned in this country.

I apologize for the remark of a fellow lawyer, the remark of a white skinned American. I think it was most untimely, most uncalled for, and it gives me great concern that such a remark would be made.

Mr. MANSFIELD. Mr. President, will the Senator yield?

The ACTING PRESIDENT pro tempore. The time of the Senator has expired.

The Senator from Montana is recognized for 3 minutes.

Mr. MANSFIELD. Mr. President, I wish to express my astonishment and chagrin at the statement made about Senator DANIEL INOUYE on yesterday. Senator INOUYE's parents were immigrants from Japan. It just so happens that my parents, both of them, were immigrants from Ireland. But because our parents came to this country, we were given opportunities which otherwise would have been denied us.

DAN INOUYE is a great American—in my book the greatest American in this body. DAN INOUYE paid for his devotion to this country when in Italy he lost an arm fighting for it, and in losing that arm he gave 7 pounds of flesh in behalf of this Republic which he fought for under the most difficult and dangerous circumstances.

Senator INOUYE has made an outstanding record in this body. He has been one of the good arms of the leadership because for the past 8 years he has served as an assistant whip. Nobody needs to stand up for DAN INOUYE, but I hope that it is about time that we learned to speak to one another in this country regardless of religion, or background, or the color of the skin, but as brothers and sisters; it is about time we reach that stage and get away from such remarks as this remark made yesterday.

Mr. ROBERT C. BYRD. Mr. President, will the Senator yield?

Mr. MANSFIELD. I yield.

Mr. ROBERT C. BYRD. Mr. President, I wish to associate myself with the remarks that have been made by the distinguished Senator from Florida and the distinguished majority leader.

I had thought the time was long past in this country when anyone would use such words of opprobrium as Jap, Dago, Honkey, Spic, Krauts, Nigger, Whitie, and the like.

I deplore the statement of the lawyer for Mr. Haldeman and Mr. Ehrlichman on yesterday. We ought always to try to get along with other people and to respect every man regardless of his race, his color, his religion, or his national origin.

Mr. BROCK. Mr. President, I yield to the Senator from Nevada.

The ACTING PRESIDENT pro tempore. The Senator from Nevada is recognized.

Mr. BIBLE. Mr. President, I would not want the RECORD not to reflect my sentiments at a time when these statements have been made during my presence in this Chamber.

DANIEL INOUYE is one of my dearest and closest friends. He is a great American. He has visited my State many times and he is one of the most popular men who ever came to my State. He is deserving of the full support of everyone who has the privilege to know him. He is that type of guy, as we say in Nevada. We in Nevada do not pay any attention to racial ancestry. We are people of a Western State who judge a man for what he is and not because of his race, his color, or his creed.

Mr. President, I share the sentiments which have just been expressed.

DEPARTMENT OF INTERIOR APPROPRIATIONS, 1974

Mr. BIBLE. Mr. President, I ask unanimous consent that the Senate reconsider the vote by which H.R. 8917, the Department of Interior and related agencies appropriation bill was passed, together with the third reading.

The ACTING PRESIDENT pro tempore. The bill will be stated by title.

The legislative clerk read as follows:

> Calendar 342, H.R. 8917, a bill making appropriations for the Department of the Interior and related agencies for the fiscal year ending June 30, 1974, and for other purposes.

The ACTING PRESIDENT pro tempore. Is there objection to the request of the Senator from Nevada? The Chair hears none, and it is so ordered.

Mr. BIBLE. Mr. President, I ask unanimous consent that the bill be amended, to insert at the end of line 9 on page 25 the following new paragraph:

> *Provided further*, That the funds included herein shall be deemed to be appropriated for the Redwood National Park, California, established pursuant to Public Law 90-545, including those lands, which, consistent with the provisions of section 3(b)(1) thereof, are described in the Federal Register of October 7, 1971 36 (Fed. Reg. 19518 et seq.);

And that, as thus amended, the bill be read again the third time and passed, and that a motion to reconsider the vote be considered as having been made and laid on the table.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. BIBLE. Mr. President, the purpose of this request is simply to correct a clerical error. This language was approved in the regular process of the committee markup. It was only because of a clerical oversight that it was omitted in the printed bill. This request is merely to have the bill conform to the committee's amendments which were all adopted.

INTERIOR APPROPRIATIONS BILL—FUNDING FOR OFFICE OF COAL RESEARCH

Mr. STEVENSON. Mr. President, I want to express my satisfaction with the appropriation approved yesterday by the Senate for the Office of Coal Research in the Department of Interior. The original administration budget proposal for the OCR in January was $52.5 million, including $51.3 for OCR's contract research functions. This figure was an increase over fiscal 1973 but far below what could usefully be spent on coal research and far below what our national spending priorities demand given the present energy crisis and its future gravity.

On May 9, during Senate Subcommittee hearings on the Interior Appropriations bill, I testified on behalf of myself and Senator SCHWEIKER of Pennsylvania. We called for a virtual doubling of funds for coal research in the Office of Coal Research, or from $51.3 to $103 million. Our position was endorsed by 18 other Senators.

This was followed up by a letter to the distinguished chairman of the Interior Appropriations Subcommittee, Senator BIBLE, dated July 25, cosigned by 25 Senators. This letter reiterated the need to increase OCR funding to a proposed level of $103 million.

Fortunately, the administration also recognized this need, albeit belatedly. President Nixon in his June 29 energy message called for increased energy research and development funding in fiscal 1974 of $100 million over the original fiscal 1974 budget estimate. About half of this increase, the President indicated, should be spent on coal research and development. This corresponded closely with the increase Senator SCHWEIKER and I proposed on May 9.

The committee has now amended H.R. 8917 to provide $95 million for the Office of Coal Research. This is not the full $103 million which many other Senators and I hoped for, but it is a giant step in the right direction. Certainly it is a vast improvement over where we started last January.

I commend the chairman of the subcommittee, Senator BIBLE, the chairman of the full committee, Senator MCCLELLAN, and the other members of the committee. They are aware of our energy problems, which only worsen by the day. They know that we have already waited far too long to begin the level of research necessary to utilize adequately our vast coal reserves. They know that now we must vastly expand our efforts.

The House version of H.R. 8917 contains only $61 million in funding for the Office of Coal Research. However, the House passed its version of H.R. 8917 before the President's second energy message of June 29. I am hopeful the House will accede to the OCR figure the Senate has provided and I urge the Senate conferees to maintain the higher Senate figure.

Mr. President, in order that the Members of the Senate and the House might better realize the importance of coal research and development including coal liquefaction, gasification and mining, I ask unanimous consent that a copy of my May 9 testimony before the Interior Appropriations Subcommittee—which addresses these issues—be inserted in the RECORD at this point.

There being no objection, the testimony was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR STEVENSON BEFORE THE INTERIOR SUBCOMMITTEE, COMMITTEE ON APPROPRIATIONS

Mr. Chairman, I appreciate the opportunity to appear before this Subcommittee to discuss the development of our vast coal reserves. It was my privilege to appear before this Subcommittee a year ago last March, then on the subject of funding for the development of a coal gasification process. Since that time, the fuel shortages predicted have developed, and we are in the throes of a genuine energy crisis.

This year my remarks cover the entire budget of the Office of Coal Research. I am joined by your colleague on the Appropriations Committee, Senator Schweicker. Our position is strongly supported by many other members of the Senate—and I ask that a partial list of their names be included in your record at the end of my remarks.

Mr. Chairman, as consumers we in the United States depend on natural gas and oil to supply 79 percent of all our energy needs. Yet natural gas constitutes only 9 percent of our total domestic fossil fuel resources, oil 8 percent, and uranium only 4 percent. The rest—almost 80 percent of our fossil fuel resources—is made up of our 3 trillion tons of coal. In short, we have come to rely on those fuels in shortest supply for the greatest part of our energy requirements, while our greatest single source of energy is relatively underutilized.

We are all aware of the increasing pressures on our oil and gas reserves, the more so after the frightening shortages of this relatively mild winter, the present shortages this spring, and the even greater shortages predicted for this summer. Given the present demand and domestic supply curves, if we continue our present policies, the situation will become much worse before it becomes any better. The demand for oil by 1985 may reach 10 billion barrels per year, and some experts say that upwards of two-thirds of this demand, given our present methods of producing oil, may have to be met by imports. Even a conservative estimate puts the figure at 50 percent.

Similarly, recent estimates of the natural gas situation predict a near doubling of the demand for natural gas between 1971 and 1985, from 22 trillion cubic feet per year to from 35 to 40 trillion. The gap between this demand and what our domestic reserves can supply in 1985 has been variously estimated at 13 to 17 trillion cubic feet—even with pipelines for Alaskan and Canadian imports. As of 1969, the United States had only 18 percent of the world's 1,550 trillion cubic feet of proven natural gas reserves while still producing well over half the world's supply of natural gas.

The implications of importing the 1985 differences in oil and gas are staggering—for our foreign policy, our balance of payments and domestic economy and ultimately for our way and quality of life. We are already seeing the first manifestations. This year's dollar figure for oil imports is expected to be about $6 billion.

One answer is to turn back to coal, but in new ways. Coal will not be a complete answer, and definitely will not be the final answer. But it is an answer with much potential for the next 30, 50, or even 100 or more years.

Under present technology coal burning can present environmental danger. But we have had the capability for some time now to transform our tremendous untapped coal reserves into environmentally sound fuels—clean burning gas and oil.

The idea of coal gasification is not new—indeed, as recently as the early 1940's, most of the gas being used in the United States was produced from coal. But this was relatively low-grade gas in terms of its energy qualities—400 to 500 BTU's—and with the advent of long distance pipelines which could bring in 1,000 BTU natural gas, coal gasification fell into decline. In addition to its inefficiency, in today's terms it was not, environmentally speaking, clean burning.

As early as 1946, the search was initiated at the Institute of Gas Technology in Chicago for an economical method of synthesizing gas of a quality equal to natural gas. The work proceeded slowly, but was given much impetus in 1964 following the signing of a contract between the Office of Coal Research and the IGT. This led to the HYGAS demonstration plant in Chicago which was dedicated in October of 1970. This plant recently achieved 53 hours of sustained operation.

The Office of Coal Research has funded other pilot plants to research and develop other coal gasifying technologies—in Rapid City, South Dakota; Tacoma, Washington; Princeton, New Jersey; and Homer City, Pennsylvania. At present, however, the HYGAS plant shows the most promise of early commercial application, perhaps by 1976 or 1977.

The HYGAS plant is for high-BTU coal gasification. It is aimed at producing gas for use in homes through the same pipelines which presently feed homes natural gas. With minimal time and funding low-BTU coal gasification could be utilized at electric power plants. Coal can also be converted into crude oil and then refined into oil's many other products. With a "fluidized bed" process it could be burned cleanly and used to power electric generating plants.

The implications of this work are staggering. Improved mining techniques, some of them also in the research stage, might make it environmentally feasible to recover about 2 trillion tons of our Nation's 3 trillion tons of coal. At a conversion rate of 2 barrels or more of synthetic oil per ton—a much better conversion rate than that expected per ton from oil shale—we would have over 4 trillion barrels of oil in the form of coal, or ten times the world's proven reserves. And if this coal were converted to pipeline quality gas, it would yield about 32,000 trillion cubic feet of synthetic gas. Our proven recoverable reserves of natural gas worldwide, as already mentioned, are about 1,550 trillion cubic feet.

These incredible prospects may be for naught if the funds and coordinated Federal policy for general energy research and development are not present. Industry can provide some of the funds, but to develop this potential in time the Federal Government must join in partnership with industry.

At the recent Democratic Governors Conference, a resolution sponsored by Governor Walker of Illinois was passed which called for "immediate and substantial federal funding for coal research." Governor Walker said that research on using coal to make gas and fuel oil should be "on the scale of the Manhattan Project and with the urgency of the Apollo Project."

Various bills have already been introduced in the 93rd Congress on the subject of energy research and development—such as S. 357 introduced by Senators Magnuson, Hollings, and others, and S. 1283, Senator Jackson's mammoth energy R & D bill. Senator Jackson's bill would set up an overall energy research coordinating body and five quasi-governmental corporations, including a Coal Gasification Corporation and a Coal Liquefaction Corporation.

There is no telling when such a mammoth program, as proposed in the Jackson or Magnuson bills, might get underway, however, and in the meantime there is neither time nor excuse for delay.

In his recent energy message, the President cited coal as "our most abundant and least costly domestic source of energy," and urged that the "highest national priority be given to expanded development and utilization of our coal resources." He did not, however, propose an increase in funds for coal research over the modest 1974 budget of $51.3 million. This figure exceeds the 1973 budget figure for coal research by only $8.9 million. It is far below that which can usefully be spent on coal research. Senator Bellmon put the question to OCR's Director, Dr. George Hill, when he appeared before this Subcommittee in March, as to whether, "considering the importance of energy to our Nation and the present energy crisis," OCR's budget was "sufficient to cope" with our energy problems. Dr. Hill replied that the OCR offered a "balanced program," but he went on to note that "The size of the program, however, is a policy determination."

Indeed, it is a policy determination, and I believe the Administration has set the wrong policy. Given the energy situation I have outlined, the OCR budget as submitted by the Administration is far out of line with our national energy priorities.

The budget for the Office of Coal Research can usefully be increased from the proposed $51.3 million to $103 million. We would allocate the increase to the following purposes:

Liquefaction of coal, $23,850,000.

Acceleration of low BTU, gasification research, $11,925,000.

Acceleration of fluidized bed combustion technology, $3,975,000.

Combined cycle technology research, $3,975,000.

Magneto hydrodynamics (MHD) research, $3,975,000.

Mining extraction technology research, $3,000,000.

Despite the great promise of coal liquefaction, for example, this year's OCR budget reduces the amount available for coal liquefaction projects from $9.7 million to $9 million. The distinguished majority leader, Senator Mansfield, spoke earlier today of the need for more funds for MHD research. Dr. Hill in his March 16 testimony said that MHD "has great promise in the long run." The MHD budget request is at a "balanced" but too low figure of $3.75 million.

Dr. Hill also said the fluidized-bed boiler combustion technology "offers promise of permitting the burning of high sulfur coal without pollution in the shortest period of developmental time." The OCR budget, however, requests only $2.7 million in fiscal year 1974 for this technology. I know myself from discussions with scientists at Argonne National Laboratory that twice this amount can be utilized profitably.

While we expand the research on coal utilization, we must simultaneously develop mining technology. Some experts believe that there can be developed a satisfactory technique midway between the labor-demanding but hazardous and costly technique of deep mining and the environmentally dangerous technique of strip mining. The authority for such research and development has been in the Office of Coal Research, but it has never been adequately utilized. The incredibly small figure of $500,000 was requested for such research in this year's OCR budget. We have proposed that this figure be vastly expanded, to a total of $3.5 million. It is possible that shallow coal can be extracted from beneath the surface—in other words, without strip mining.

The figures involved in Senator Jackson's proposed bill are on the order of $1.5 billion over the next 7 to 10 years for research into coal gasification and liquefaction alone. If the Congress should decide later on that such an expanded approach is necessary, the programs ongoing within the Office of Coal Research can be incorporated. But the OCR research programs can be expanded now. The OCR has the administrative capacity and has numerous worthy applications awaiting funding. Our energy problems only worsen by the day. We have already waited far too long to begin the level of research necessary to utilize adequately our vast coal reserves. We ought now to redouble those efforts.

FEDERAL HOUSING FOR LOW AND MODERATE INCOME FAMILIES IN THE UNITED STATES

Mr. BROCK. Mr. President, this month marks the end of the 7 months during which no new commitments have been entered into to provide Federal housing for low- and moderate-income families in the United States. This national housing moratorium was declared so that a reasoned examination of publicly financed low- and moderate-income housing programs might be made. At the time the moratorium was declared I endorsed the need for such examination by the Secretary of Housing and Urban Development, Mr. Lynn, whose managerial talents make him eminently suitable for this task. I can endorse the responsive actions of the distinguished chairman of the Banking, Housing and Urban Affairs Committee, Senator SPARKMAN, in helping congressional responsibility reassert itself by holding hearings on legislative proposals in this area, and by setting aside time for further extensive housing hearings at the time of completion of the HUD study in September.

However, this moratorium was declared at a point in time when the supply of new housing was increasing, and when there were few barriers, especially financial ones, inhibiting access to all types of new and existing units in our housing stock. Today, regrettably, this is no longer true. For that reason, I see a clear and present need to lift this moratorium immediately. I am particularly concerned about section 235, the home ownership interest subsidy program, in view of the pressing backlog of unfilled need for homeownership at the present time. Additionally I believe action should be taken with regard to the section 236 multifamily interest subsidy rental program and public housing programs as well. All of these subsidized programs assisted in meeting housing needs since 1968. These last 7 months have indicated just how important a function these types of programs can fulfill. We should not continue this moratorium on them into the coming months of fall and winter.

During the 7 months past, we have been witness to unprecedented increases in the costs of housing. Over 55 percent of American families in 1971 had incomes of $12,000 or less, and currently available financing terms would require $12,000 in income per year to purchase and carry a $25,000 home. The median price of a new home is $31,500—almost 15 percent higher than a year ago. New homes at this median price are beyond the financial capabilities of most Americans. In other words, the average American can no longer afford the average American home.

The situation is even more startling when we realize only 12 percent of new homes actually do sell at or below $25,000. In 1972, only 26 percent, or 186,000 out of 717,000 total housing units sold under government subsidy programs, were priced under this $25,000 figure.

What this shows is that Government-subsidized housing made up a substantial percentage of the moderately priced homes that most Americans can afford. With the curtailment or elimination of subsidized housing programs, this minimal supply of moderately priced housing has dried up.

Mortgage interest rates on new commitments for conventional mortgages are estimated by the Federal Home Loan Bank Board to be around 8.1 percent and rising at the present time. This fact has led to economic chaos in today's housing market and has destroyed the climate present in January. Elements of a new national program for new construction of low- and moderate-income housing have already drifted off to other enterprises.

This is a critical transitional period during which the Government must evolve new means of assuming opportunities for housing and homeownership for the American people. I am convinced, Mr. President, that responsible homeownership is one of the qualities in the moral backbone of this Nation. I am concerned that responsible and respectable people in some parts of our country are presently being denied this opportunity for homeownership in any form, because FHA mortgage interest rates are currently so high that they violate the provisions of some States usury laws. Actions must be taken by the President and by the Secretary of Housing and Urban Development to lift this moratorium on federally assisted housing, and thus, to make possible an alleviation of the adversities of this situation.

EXISTING PROGRAMS

There are several major programs legislated by Congress in the past, whose purposes have been assistance for low- and moderate-income families in obtaining housing. The Veterans' Administration has programs of VA direct loans and GI home loans under title 38 of the U.S. Code. The Farmers' Home Administration has programs such as rural housing loans and low-income housing repair loans under sections 501 through 504 of title 5 of the National Housing Act. Section 235 of the Housing and Urban Develpment Act of 1968 has in the past added to attaining the overall homeownership aims.

A homeownership assistance program could be extremely useful, if it were administered properly. Whatever past failures there may have been in this kind of program lay in HUD and in poor legislation—not in the inability of modest income people to take advantage of housing opportunities or in the disinterest of businessmen in making an earned profit on low-cost housing construction. The failures of homeownership programs are failures of managing, counseling, and inspecting. Ultimately, they must be corrected by better executive management over and beyond any legislation.

Congress has tried to do its part. It took action even in the area of executive management by establishing and funding the Center for Housing Management to correct management manpower deficiencies. It added to section 518 of the National Housing Act in 1964 to correct inequities to homeowners making purchases of defective 235 housing, as a result of bad counseling, managing, and inspecting on the part of HUD at the time of sale. Section 518 requires disbursements by HUD to homeowners in compensation for their losses. It is a program much commented on in the debate on Senate Joint Resolution 512. One would think that this indirect assessment of financial penalties upon HUD under section 518 would make the department better manage section 235 programs. Unfortunately, the opposite has been true.

Despite section 518, the mismanagement of section 235 has increased, not diminished. Despite the efforts to extend the provisions of section 518 to other programs, whatever the provisions of any legislation, it will fail if not carried out in a proper management atmosphere. This will be as true of new reform housing policies as it is for the ones currently under the administration's attack. Under any circumstances, HUD should act to improve its executive and administrative capabilities. These capabilities must be brought up to a topnotch level regardless of this moratorium and the permanent phasing out of any existing programs.

But it is difficult to create, or maintain, any high degree of management improvement without full play in managing these programs for top performance in the first place. In this regard, local HUD offices should reorient their work priorities away from project-by-project review and toward program evaluation, quality control, and minimization of processing. HUD should prepare to shift these local impact decisions back to the States and counties where they properly belong.

I question HUD's management performance if this moratorium is continued any longer.

HOUSING NEEDS

There is no question in my mind of the need to lift this moratorium. Total housing starts are estimated to be down this year by 300,000 to 400,000 units as compared to 1972. Whereas starts were up substantially in May, the Wall Street Journal recently reported last month's starts had declined 13.3 percent, so that June production was about 200,000 units below that of the year before. These decreases are roughly estimated to mean $6 to $8 billion in reductions in residential construction outlays.

According to the Home Builders Association of Tennessee, production of housing units under the suspended 235, 236 and public housing programs alone at the level authorized by fiscal 1973 appropriations would generate some $6.7 billion worth of new housing construction over a 12-month period. According to the association, since every dollar of government assistance for housing results in a multiplied effort of $15 to $20 of private investment in construction and land development, this could multiply out in a total economic impact of some $14 billion.

The Rural Housing Alliance says that, if the moratorium is allowed to run its full projected 18 months, it might result in the denial to nonmetropolitan areas alone of some $4.3 billion in housing investment. On Tuesday, July 17, both distinguished Senators from South Dakota elaborated on the tremendous need for better housing in the rural areas of our country especially. Their testimony before the housing subcommittee expresses a general concern I certainly share. In Tennessee, the rural counties in the State have been shown to be substantially inferior in their housing stock when compared to the most urban counties. Indeed, in the areas of kitchen and plumbing features, there is a tenfold disparity between urban/rural extremes. Mr. President, the housing needs of rural America are great and must be given very high priority.

In the face of this situation, there has still been a general failure to meet the housing goals adopted by Congress in 1949 and reaffirmed in section 1601 of the Housing Urban Development Act of 1968. As set forth in 1968, these goals called for 6 million units of subsidized housing to be built for low- and moderate-income families over 10 years. Annual figures for recent years have not even begun to approach the 600,000 units of newly constructed or rehabilitated housing per year, representing one-tenth of the decade's supposed total. I ask unanimous consent for inclusion on the RECORD at this point the following table showing the pronounced gaps between the 1968 stipulated goals and the actual degree to which they have been carried out so far. Our falling short reflects as much start up problems as it does bottlenecks brought about by Federal control of housing production.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

PROGRESS TOWARD 1968 HOUSING GOALS FOR LOW- AND MODERATE-INCOME FAMILIES UNDER HUD PROGRAMS

[In dwelling units, starts, and rehabilitation]

HUD program	Original goal 1969–74	Actual housing units 1969–74	Estimated units fiscal year 1974	Gap in goals progress	
				Units	Percent
Public housing	995, 000	386, 000	60, 000	−548, 501	55
Sec. 235	695, 000	400, 883	17, 100	−277, 017	39
Sec. 236	865, 000	517, 921	136, 600	−210, 479	24
Rent supplements	360, 000	80, 463	19, 400	−260, 137	72
Rehabilitation loans and grants	135, 000	53, 865	6, 855	−74, 280	55
Total	3, 050, 000	1, 439, 631	239, 955	−1, 370, 414	45

Source: Senate Subcommittee on Housing and Urban Affairs, oversight on housing and urban development programs, pt. I, p. 71 (Washington, D.C. 1973).

Original Source: For original housing goals, hearings before the subcommittee in March 1968 in submission by HUD of table 1-C in pt. 2, p. 1325; for actual starts, fiscal year 1969 through fiscal year 1971, President's 4th Annual Report on National Housing Goals (1972) pp. 44–5; for actual starts, fiscal year 1972 and 1973, HUD budget highlight tables for fiscal year 1974 (Jan. 29, 1973) table 9; for estimated units in fiscal year 1974, see same budget highlight tables above.

Mr. BROCK. Mr. President, starts in fiscal 1973 on all subsidized housing number only 378,475 units—or a mere 63 percent of the 600,000 units that an even rate of progress in each year would call for. Starts for subsidized housing in 1974, including Farmers' Home Administration programs, will probably be cut by another 90,000 to under 300,000 units—another decrease of 25 percent.

That the Department has not acted to evolve new policies in the housing area, even when it has a total of some $440 million available in unused contract authority from fiscal 1973 as of the end of last month, is understandable in light of its past failures and the absence of congressional committee budgetary realinements and mandates. The House HUD Appropriations Subcommittee has estimated the total economic impact of impoundments in assistance to be as much as $19.3 billion, and to mean as many as 2.2 million man-years lost. Meanwhile, the report of this subcommittee also shows $221 million of funds available in unused contract authority from fiscal 1973 for the section 235 program. Impoundments of more funds in the previous 2 fiscal years to 1973 result in additional $118 appropriated for section 235, but never used.

THE QUESTION OF TIME

This is too great a price to pay for suspension of these programs in view of current economic trends, and keeping in sight the Nation's housing needs. We must end this moratorium now. Scholarly study and comprehensive reevaluation of all our national housing programs is a continuing responsibility of Congress and HUD. But since the HUD study, now scheduled for release on September 7, must now be nearing a substantive completion, the real need of holding some of these programs in suspension has passed. The critical policy options are even now being examined and finalized in HUD and with the President. Reforms should be carried out right across the board and a beginning should be made on a symmetrical housing program, one whose elements are mutually reinforcing, rather than antagonistic. Additionally, as I have tried to indicate, the real changes must be in the direction of new management effectiveness, as well as in the progress of new legislation.

There should be a sweeping modernization of building codes to make low-income housing possible on a wider scale. S. 1188, a bill I have introduced both this year and last, would seek to remedy this situation from a legislative direction. I am hopeful that it can be included in a larger package of legislation to emerge from the Housing and Urban Affairs Subcommittee.

Mr. President, regardless of mine or any other opinion about the merits of the moratorium, I fear by the end of the year only one thing will matter and that will be a certain fact: the Congress will have failed to report to the President for his signature a new omnibus housing bill of 1973 to carry through whatever reforms the department and the committee may suggest. We are given the extremely complicated nature of housing issues just as we are given the rather brief period of time between HUD's release of its comprehensive study on September 7 and the Congress' projected adjournment.

What if there is no such omnibus housing bill? The Secretary himself gave his opinion in testimony in April of the time he thought it would take to implement any kind of new policies. He said that:

> Even if we put in tomorrow every management reform, how much time do you think it would take to put these reforms in? I think it would take 6 to 8 months with some 70 area offices and the like.

Mr. President, because of the current economic situation in housing and the Nation's real housing needs, I have tried to show why at least some aspects of this moratorium should be lifted at this crucial moment. All of my reasons finally result in this pressing matter of time—the time it will take under any circumstances for the Department to get back in action. It is of dire necessity that HUD get back in action on its subsidized housing programs, particularly homeownership programs, before its study is released in September.

ORDER OF BUSINESS

Mr. BROCK. Mr. President, I yield to the Senator from Texas.

Mr. BENTSEN. I thank the distinguished Senator from Tennessee.

PERSONAL STATEMENT

Mr. BENTSEN. Mr. President, I rise to a point of personal privilege because it is my personal privilege to be a friend and colleague of Daniel Inouye, and I am still seething with outrage at the insult cast on him yesterday afternoon during a recess of the Watergate hearings by H. R. Haldeman's counsel, Mr. John Wilson.

I will not quote Mr. Wilson. He has been abundantly quoted in the newspapers.

His words and voice have echoed through living rooms in all our 50 States—including the State that is fortunate enough to be represented in the U.S. Senate by Daniel Inouye; and in my State of Texas, where Daniel Inouye is a citizen, officially adopted a quarter century ago because of the gallant deeds of the 442d in which he served in World War II.

Mr. Wilson's vicious, ill-tempered remarks were reiterated in the presence of newsmen and for the benefit of network television. Those words are far more damaging to Mr. Wilson than they are to the Senator from Hawaii because they reveal the speaker in all his blatant bigotry and arrogance.

He reflected discredit on himself and his client in delivering a contemptuous ethnic slur on a fellow American.

There are those who, of small mind, seek to use national origin as a basis for epithets that are intended to demean.

Mr. Wilson belongs to that minority. He has attempted to demean a fellow citizen in the eyes of others by just such an epithet.

But he has only demeaned himself.

Mr. President, one might even excuse Mr. Wilson if he had uttered such a slur in a moment of anger or frustration.

But Mr. Wilson went well beyond that, and did it deliberately and with obvious forethought. It was done before television cameras, and repeated. And it was done with only one purpose in mind, to demean and slur an individual and to seek to create, through racial epithets, an atmosphere and climate of hostility toward Senator Inouye.

It makes one wonder—is this part of some deliberate counterattack on the members of the committee? If so, it smacks of the lowest type of political and ethical slur, and such a tactic should be abandoned herewith.

Mr. President, we may well ask ourselves who is John Wilson? What has he done for this country?

I know who Daniel Inouye is. I know what he has done for this country.

John Wilson made the mistake of attacking the man who has earned an unassailable reputation as a citizen, a patriot, and a statesman.

Mr. President, we in Texas take a special pride in DANIEL INOUYE, because we consider him and all of the Nisei who served with distinction in the renowned 442d Infantry Regimental Combat Team as Texans for their heroic deeds in helping in the rescue of a Texas division. That regimental combat team, one might remind Mr. Wilson, was made up entirely of those of Captain INOUYE's ethnic ancestry. It was a regimental combat team which suffered total casualties, including replacements, of three times its authorized strength, won 3,600 Purple Hearts with 500 Oak Leaf Clusters, 810 Bronze Stars, 342 Silver Stars, and 47 Distinguished Service Crosses.

Mr. President, I do not want to deliver a eulogy. DANIEL INOUYE does not need a eulogy from me or anyone else. His record speaks for itself, but I want to put this thing in perspective.

This man is a hero in a land that is in tragic need of heroes.

He risked his life and sacrificed an arm in defense of his country in World War II. He was decorated many times over for his distinguished service and valor.

His peacetime record is just as impressive. He has distinguished himself in service to his State and his country: in the House of Representatives and in the Senate.

And he deserves an added citation for his able performance on the Watergate Investigating Committee.

He does not deserve to be subjected to an uncivilized barrage of name-calling from a man like John Wilson.

Here are two men—both Americans, both lawyers—for the moment in an adversary position in this sorry mess.

I ask you Mr. President, which one of them brings credit to this country and to his profession

Is it John Wilson—who gives vent to his infantile rage and frustration by resorting to racial slurs?

No, it is not, John Wilson has discredited himself and his profession by his neolithic conduct.

He cannot even redeem himself by a public apology. But he owes that apology to DANIEL INOUYE and the American people. I hope that apology will be forthcoming from Mr. Wilson. He can do no less. And I pray we will hear no more such slurs from Mr. Wilson.

Mr. ALLEN. Mr. President, I had not intended to comment on the unfortunate remark made by Mr. Wilson with regard to the distinguished Senator from Hawaii (Mr. INOUYE), but I did not want my presence on the Senate floor at the time the remarks were being made by the Senator from Florida (Mr. CHILES), the majority leader (Mr. MANSFIELD), the assistant majority leader (Mr. ROBERT C. BYRD), the Senator from Nevada (Mr. BIBLE), and the Senator from Texas (Mr. BENTSEN) in a great and stirring speech to indicate that I condemned that remark any less than did they.

Mr. President, I can truthfully say that I have never made a slurring ethnic or racial remark in my entire life, and I shall never be guilty of that. I would like to state that that is not the order of the day in the southern section of our country. The relations between the races in Alabama and the South are most cordial. We get along extremely well. There are no slurring remarks made about the races in Alabama and the South, and I am proud of our attitude in that regard.

So I do feel that the remark was most unfortunate. It was an un-American statement for Mr. Wilson to make such a remark about the distinguished Senator from Hawaii (Mr. INOUYE), who is himself a great American, who put his life and his body on the line in fighting for our country, who is a great patriot, and who, by the way, has been doing an outstanding job on the Watergate Committee, for which I certainly commend him.

I repeat, it was most unfortunate that this slurring remark was made by Mr. Wilson. It will hurt Mr. Wilson; it will not hurt Mr. INOUYE. Certainly it did not make friends or influence people for Mr. Wilson or for any of Mr. Wilson's clients. If he thought he was doing a service to his clients, that is absolutely incorrect. He did them a great disservice.

Mr. President, I say again to my colleagues in the Senate that we in Alabama and the South are not guilty of that type of comment, and we do not condone it, no matter what race or heritage is involved. We condemn remarks such as this whether leveled at the race to which Mr. Wilson referred or at any other race or any other ethnic group. We are proud to be Alabamians, we are proud to be Southerners, we are proud to be Americans, and we do not approve of any such attack on the heritage or ancestry of any of our fellow citizens.

I yield back the remainder of my time and thank the distinguished Senator from New Jersey.

Mr. WILLIAMS. Mr. President, I was happy to yield to the Senator from Alabama, and certainly commend him for his heartfelt remarks and statement in response to the unbelievable and unfortunate occurrence of yesterday, the statement of Mr. Wilson.

ORDER OF BUSINESS

Mr. BENTSEN. Mr. President, I appreciate the distinguished Senator's yielding to me on this point of personal privilege.

The ACTING PRESIDENT pro tempore. Does the Senator from Tennessee yield the floor?

Mr. BROCK. I yield the floor, Mr. President.

TRANSACTION OF ROUTINE MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, there will now be a period for the transaction of routine morning business for not to exceed 15 minutes, with statements therein limited to 3 minutes.

ORDER FOR SENATE TO CONSIDER, ON SEPTEMBER 5, 1973, TREASURY-POST OFFICE APPROPRIATION BILL

Mr. ROBERT C. BYRD. Mr. President, I have cleared this request with the other side.

I ask unanimous consent that when morning business has been completed on September 5, the Senate turn to the consideration of the bill making appropriations for the Treasury and Post Office Department. I believe the number is H.R. 9590.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. McGOVERN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

(The remarks Senator McGOVERN made at this point on the introduction of S. 2322, the Vietnam Era Veterans and Dependents Psychological Readjustment Assistance Act, are printed in the RECORD under Statements on Introduced Bills and Joint Resolutions.)

COMMUNICATIONS FOR EXECUTIVE DEPARTMENTS, ETC.

The ACTING PRESIDENT pro tempore (Mr. HATHAWAY) laid before the Senate the following letters, which were referred as indicated:

REPORTS OF COMPTROLLER GENERAL

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report entitled "Study of Programs for Health Services in Outpatient Health Centers in the District of Columbia," dated July 31, 1973 (with an accompanying report). Referred to the Committee on Government Operations.

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report entitled "Examination of Financial Statements Government Printing Office Fiscal Year 1972," dated August 1, 1973 (with an accompanying report). Referred to the Committee on Government Operations.

REPORT ON STATE OF THE DOMESTIC MINING, MINERALS, AND FUELS INDUSTRIES

A letter from the Secretary of the Interior, transmitting, pursuant to law, a report on the state of the domestic mining, minerals, and fuels industries (with an accompanying report). Referred to the Committee on Interior and Insular Affairs.

TEMPORARY ADMISSION OF CERTAIN ALIENS

A letter from the Acting Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting, pursuant to law, reports relating to the temporary admission into the United States of certain aliens (with accompanying papers). Referred to the Committee on the Judiciary.

PETITIONS

Petitions were laid before the Senate and referred as indicated:

By the ACTING PRESIDENT pro tempore (Mr. HATHAWAY):

The petition of Edward Rager, Blue Point, N.Y., praying for a redress of grievances. Referred to the Committee on the Judiciary.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. HUMPHREY, from the Committee on Foreign Relations, with amendments to the preamble:

S. Res. 149. Resolution to express the sense of the Senate regarding diplomatic relations between the United States and Sweden (Rept. No. 93–374).

By Mr. LONG, from the Committee on Commerce, without amendment:

S. 1625. A bill to extend until November 1, 1978, the existing exemption of the steamboat *Delta Queen* from certain vessel laws (Rept. No. 93–375); and

H.R. 5649. An act to extend until November 1, 1978, the existing exemption of the steamboat *Delta Queen* from certain vessel laws (Rept. 93–376).

By Mr. HUMPHREY, from the Committee on Foreign Relations:

S. 2335. An original bill to amend the Foreign Assistance Act of 1961, and for other purposes (Rept. No. 93–377), together with additional views. Referred to the Committee on Finance by order of the Senate entered on July 27, 1973.

EXECUTIVE REPORTS OF COMMITTEES

As in executive session, the following favorable reports of nominations were submitted:

By Mr. JACKSON, from the Committee on Armed Services:

William Keith Brehm, of California, to be an Assistant Secretary of Defense.

(The above nomination was reported with the recommendation that the nomination be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

By Mr. MAGNUSON, from the Committee on Commerce:

James B. Gregory, of California, to be Administrator of the National Highway Traffic Safety Administration; and

Karl E. Bakke, of Virginia, to be general counsel of the Department of Commerce.

(The above nominations were reported with the recommendation that the nominations be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

By Mr. EASTLAND, from the Committee on the Judiciary:

Leonard I. Garth, of New Jersey, to be a U.S. circuit judge, third circuit;

Joseph T. Sneed, of California, to be a U.S. circuit judge, ninth circuit; and

John A. Reed, Jr., of Florida, to be a U.S. district judge for the middle district of Florida.

By Mr. EASTLAND, from the Committee on the Judiciary:

Doroteo R. Baca, of New Mexico, to be U.S. marshal for the district of New Mexico;

Royal K. Buttars, of Utah, to be U.S. marshal for the district of Utah;

Victor Cardosi, of New Hampshire, to be U.S. marshal for the district of New Hampshire;

William F. Clayton, of South Dakota, to be U.S. attorney for the district of South Dakota;

Harold M. Fong, of Hawaii, to be U.S. attorney for the district of Hawaii;

Harold M. Grindle, of Iowa, to be U.S. marshal for the southern district of Iowa;

Doyle W. James, of Colorado, to be U.S. marshal for the district of Colorado;

Thomas K. Kaulukukui, of Hawaii, to be U.S. marshal for the district of Hawaii;

Ralph F. Keil, of Delaware, to be U.S. attorney for the district of Delaware;

Walter J. Link, of North Dakota, to be U.S. marshal for the district of North Dakota;

George K. McKinney, of Maryland, to be U.S. marshal for the District of Columbia;

Edward J. Michaels, of Delaware, to be U.S. marshal for the district of Delaware;

Bill Carnes Murray, of Georgia, to be U.S. marshal for the northern district of Georgia.

Charles E. Robinson, of Washington, to be U.S. marshal for the western district of Washington;

Donald J. Stohr, of Missouri, to be U.S. attorney for the eastern district of Missouri; and

George L. Tennyson, of South Dakota, to be U.S. marshal for the district of South Dakota.

(The above nominations were reported with the recommendation that the nominations be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

By Mr. WILLIAMS, from the Committee on Labor and Public Welfare:

Alvin J. Arnett, of Maryland, to be Director of the Office of Economic Opportunity.

(The above nomination was reported with the recommendation that the nomination be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. McGOVERN:

S. 2322. A bill to amend chapter 17 of title 38, United States Code, to direct the Administrator of Veterans' Affairs to initiate and carry out a special psychiatric, psychological, and counseling program for veterans in the Vietnam era, especially former prisoners of war, and their dependents who are experiencing psychological problems as the result of the military service performed by such veterans. Referred to the Committee on Veterans' Affairs.

By Mr. COOK:

S. 2323. A bill to prohibit engaging in a parimutuel wagering enterprise using out-of-State gambling information or accepting wagers on out-of-State sporting events. Referred to the Committee on the Judiciary.

By Mr. DOMINICK:

S. 2324. A bill for the relief of Robert M. Donner. Referred to the Committee on Armed Services.

By Mr. JAVITS (by request):

S. 2325. A bill to transfer St. Elizabeths Hospital to the District of Columbia. Referred to the Committee on Labor and Public Welfare.

By Mr. NELSON:

S. 2326. A bill to take over a project in the State of Wisconsin pursuant to section 14 of the Federal Power Act. Referred to the Committee on Commerce.

By Mr. CHURCH:

S. 2327. A bill relating to acquiring of certain narcotics by force, violence, or intimidation. Referred to the Committee on the Judiciary.

By Mr. McINTYRE:

S. 2328. A bill to require that certain information about gasoline be disclosed to consumers. Referred to the Committee on Commerce.

By Mr. TOWER:

S. 2329. A bill to amend chapter 5 of title 37, United States Code, to revise the special pay structure relating to certain members of the uniformed services. Referred to the Committee on Armed Services.

By Mr. THURMOND:

S. 2330. A bill to provide for the increase of capacity and the improvement of operations of the Panama Canal, and for other purposes. Referred to the Committee on Armed Services.

By Mr. THURMOND:

S. 2331. A bill to transfer the functions of the Passport Office to a new agency of the Department of State to be known as the "U.S. Passport Service," to establish a Passport Service fund to finance the operations of the U.S. Passport Service, and for other purposes. Referred to the Committee on Foreign Relations.

By Mr. CRANSTON:

S. 2332. A bill to amend the Internal Revenue Code of 1954 to prescribe the income tax treatment of gifts, and bargain sales of property to provide financial assistance in political campaigns. Referred to the Committee on Finance.

By Mr. PACKWOOD (for himself, Mr. HATFIELD, and Mr. STEVENS):

S. 2333. A bill to amend the Tariff Schedules of the United States with respect to the rate of duty on certain types and uses of fish netting and fish nets. Referred to the Committee on Finance.

By Mr. INOUYE:

S. 2334. A bill to amend title 5, United States Code, to provide for travel and transportation expenses on the return of an employee who was a past resident of certain areas outside the Continental United States from a post of duty in the Continental United States. Referred to the Committee on Government Operations.

By Mr. HUMPHREY, from the Committee on Foreign Relations:

S. 2335. A bill to amend the Foreign Assistance Act of 1961, and for other purposes. Referred to the Committee on Finance by order of the Senate entered on July 27, 1973.

By Mr. JAVITS (for himself, Mr. BUCKLEY, Mr. CASE, and Mr. WILLIAMS):

S.J. Res. 145. Joint resolution granting the consent of Congress to the States of New Jersey and New York for certain amendments to the Waterfront Commission Compact and for entering into the Airport Commission Compact, and for other purposes. Referred to the Committee on the Judiciary.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. McGOVERN:

S. 2322. A bill to amend chapter 17 of title 38, United States Code, to direct the Administrator of Veterans' Affairs to initiate and carry out a special psychiatric, psychological, and counseling program for veterans of the Vietnam era, especially former prisoners of war, and their dependents who are experiencing psychological problems as the result of the military service performed by such veterans. Referred to the Committee on Veterans' Affairs.

VIETNAM ERA VETERANS AND DEPENDENTS PSYCHOLOGICAL READJUSTMENT ASSISTANCE ACT OF 1973

Mr. McGOVERN. Mr. President, since the joyful homecoming of our prisoners of war 5 months ago, we have heard little about their lives and how they are adjusting to families and friends who became strangers because of a long and painful separation. But already two former POWs have taken their own lives and several more are involved in divorce proceedings.

It is a known fact among psychologists that individuals who undergo a traumatic experience requiring a drastic readjustment will not feel the greatest impact of the trauma for several months.

The warning signals are out and they are very clear. Unless we take positive steps to provide the needed assistance for the men who are now experiencing severe readjustment problems, there will be more suicides and more broken families. Now that the glow of the hero's welcome is fading, these men are finding it increasingly difficult to find a comfortable and satisfying place in what is to them a strange society.

The task of providing treatment and counseling for these men might seem a simple task. Of the 500 men who were released from prisons in North Vietnam, a sizable majority of them have remained in the service where they can benefit from the extensive facilities available through the Department of Defense. But those who have chosen to leave the service and are experiencing difficulty represent a small, although striking, example of a much greater problem that deserves no less attention.

Early last May I introduced a package of bills intended to aid Vietnam-era veterans to pursue a higher education and take advantage of what job opportunities there were available to them. At the time, I felt that extensive efforts to provide education and employment might be enough to heal the wounds of the war—that a full-scale commitment of that type would ease the burden carried by the young men who were caught in the tragic and sometimes violent controversy of our involvement. But it is becoming apparent that many of these men and their families are in need of the same readjustment assistance that must be made available to former prisoners of war.

For every suicide committed by a former POW, there are many more involving Vietnam veterans. For every home broken by the long years of separation between wife and former prisoner, there are hundreds of young families fathered by other veterans that are struggling to get along with only one parent. There are disillusioned parents, alienated brothers and sisters. And there are lonely veterans—separated from a life they once knew by a war nobody wanted.

The Washington Star-News recently published a three-part series, written by Michael Satchell, on the readjustment problems of Vietnam-era veterans. Mr. Satchell has done a brilliant job of bringing together the many facets of what he has recognized as a nationwide crisis. I ask unanimous consent that the articles be printed in the Record at this point, and I urge my colleagues in the Senate to give them their careful consideration.

There being no objection, the articles were ordered to be printed in the Record, as follows:

[From the Washington Star-News, July 22, 1973]

OUR HIDDEN WAR CASUALTIES

(By Michael Satchell)

No one will ever be quite certain why Stephen Carl Gaylor killed himself . . . why Don Kemp, who loved his wife dearly, killed her with an automatic . . . why Dwight Johnson was shot to death in a nickel-and-dime stickup.

With four friends yelling for him to stop, Gaylor, a 21-year-old Oklahoman back from the Vietnam war, calmly slid a cartridge into his revolver, spun the cylinder, placed the barrel to his head and fired. He lost his personal game of Russian roulette on the third try.

Don Kemp, another Vietnam veteran, spent time in a Milwaukee hospital being treated for a psychosis. The first night after his discharge he awoke from a raving nightmare and killed his wife. He had been dreaming about fighting "gooks."

Dwight Johnson was a hero, a Medal of Honor winner. With a submachine gun and a .45 caliber pistol, he singlehandedly had killed between five and 20 enemy soldiers. Back in Detroit, he was idolized by raggedy black urchins in the ghetto and respected by the white junior executive crowd. A week before his 24th birthday, he tried to knock off a corner grocery store a mile from his home. In a shootout with the store manager, he was felled by five bullets.

The tragic incidents involving these three men are unrelated, but there are those who insist that Gaylor, Kemp and Johnson, along with unknown numbers of other veterans, are the hidden victims of the Vietnam war—a virtually unknown army of "psychiatric casualties."

About 2.6 million men served in Vietnam and a lot of them came home with mental wounds perhaps as damaging as the physical wounds of veterans who returned with missing limbs and mangled bodies.

The Veterans Administration has no firm statistics on the number of psychiatric casualties from the Vietnam war, but it cites studies to help a lower incidence of battlefield mental casualties than in other wars. This is not disputed by VA critics.

What is hotly disputed, and currently the subject of bitter debate between the VA and many private psychiatrists, is the number of vets who became ill a few months or even three or four years after their return from Southeast Asia—a condition called "Post-Vietnam Syndrome (PVS)"

VA officials tend to show anger when PVS is mentioned; officially, they insist, there is no such thing.

Dr. Marc J. Musser, chief medical director, and Dr. Charles A. Stenger, chief of psychology, in a technical paper on Vietnam vets, wrote: "Thus far, there has been no evidence of the delayed psychiatric illness that some experts have thought would result from the unique conditions of the Vietnam conflict.

"It has been predicted, for example, that guilt over participation in an unpopular war would create special emotional stress. Most servicemen . . . do find the hostile components of their reception upon returning home to be disturbing, but apparently it is not affecting their emotional stability to a significant extent."

That assessment was made a year ago. In a recent interview, Stenger and Dr. Eugene M. Caffey, deputy director of mental health for the VA, reiterated that PVS was little more than a phony issue dreamed up by VA critics, principally Yale psychiatrist Dr. Robert Lifton and Dr. Chaim Chatan of New York University.

"A lot of this talk is rooted in these people's antiwar feelings," Caffey insisted. Added Stenger: "Chatan and Lifton, these guys are really hung up on the war. They say we're playing the President's game."

Caffey refused to categorize PVS as an illness. "It's a frame of mind which is disturbing to them, and it affects no more than 5 percent of the veterans," he said.

Stratton Appleman, chief public relations spokesman for the VA, called the critics "self-styled experts" who make "derogatory remarks about veterans based on generalizations."

Appleman writes: "The persistence of this group in using their professional status to spread insidious theories about veterans while they pretend to feel concern for them is remarkable in view of the many times they have been discredited."

But a large body of psychiatric opinion, within and outside of the VA, challenges this view and offers evidence that PVS is widespread. This tended to be reinforced by Star-News interviews with VA psychiatric patients. Another indication of the problem's growth is self-help groups that have sprung up in about 25 cities across the country.

Dr. Guiseppe Scarscella, chief of psychiatric service at the Washington VA hospital, asked about the official VA position on PVS, suggested that the bureaucracy at national headquarters was out of touch with what has been happening in the hospitals.

"They are responsible to the Department of Defense and thus they look at problems from a political consideration," Scarscella said. "We look at them from a clinical aspect."

At an American Psychiatric Association meeting in Dallas, at which Musser presented the VA's views on PVS, several doctors countered his opinions.

"Recently it has become increasingly clear," said Dr. Carl Segal, a former Army psychiatrist, "that there have been delayed emotional and behavioral reactions to combat experiences." Dr. Marcus R. Stuen reported that his studies at the VA hospital in Tacoma, Wash., showed "a rather dramatic increase in the inability (of the Vietnam vet) to adjust to civilian life."

At the same meeting, Dr. Jonathan R. Borus, a psychiatrist at the Walter Reed Army Institute of Research here, wondered whether the Army was providing adequate psychiatric care for those who served without problems on the battlefield but broke down later.

Chatan, associate professor and clinic co-director of the New York University post-doctoral psychoanalytic training program, noted that psychiatric illness that begins two years after a man leaves the Armed Forces cannot be designated officially as "service connected" and thus receive priority treatment.

"VA is run mostly by World War II vets who have no understanding of the present Vietnam generation," he says. "It's a superannuated organization; it's understaffed; they don't have the men to treat these people, so they pretend there's no problem and thus avoid opening a psychiatric Pandora's Box."

Chatan offered this capsule description of "Post-Vietnam Syndrome":

"Nine to 30 months after demobilization, many veterans begin to 'go through changes.' They notice—often for the first time—growing apathy, cynicism, alienation, depression, mistrust and expectation of betrayal as well as the inability to concentrate, insomnia, nightmares, restlessness, uprootedness and impatience with almost any job or study."

What this translates to in everyday terms is the immense difficulty thousands of veterans find in "getting their heads together" after they come home from an unpopular war which they and the public rarely understood.

Instead of cheering crowds and welcome banners, they come home to discover problems. Many say they have difficulty holding jobs—if they can find them. They have trouble in their personal relationships, and that usually means marital difficulties.

"I was a nice, easy-going guy before I went to the Nam," one Washington VA psychiatric patient said. "When I came back, I was an impossible son of a bitch to live with—and my wife couldn't. It's as simple as that."

There are those who feel obsessed with the brutality of the conflict, carrying massive guilt feelings. Some return hostile and fight with strangers, with their best friends, with their wives.

They can't stand crowds or attention, and many seek solitude or even have subconscious wishes to commit suicide—by taking the

"Easy Rider" motorcycle trip through the Deep South, or constantly wrecking cars or picking fights.

And, as Chatan points out, perhaps the most poignant feature of their alienation is the nagging uncertainty about their continued ability to love and trust others, and to accept affection.

"You paid the high price for trusting other people in the 'Nam," he quotes one returnee as saying. "Every time you acted human, you got screwed."

The VA is currently making psychiatric disability payments to 65,000 vets from the Vietnam era, 13,000 of them with 100 percent disability. But that is not an accurate measure of the problem because many veterans—mostly those from middle-class backgrounds—tend to seek private treatment for their illness. Some seek no treatment at all.

Many are simply suspicious of the VA, seeing it as little more than an extension of the government establishment that sent them to war. The VA, worried about not reaching vast numbers of Vietnam vets, is producing films featuring hip, hirsute VA counselors in an effort to create a new image.

The VA's Stenger and Caffey estimate that "not more than 5 percent" of those who served in Vietnam—in combat or in support missions—suffered psychiatric illness ranging from severe psychosis to mild symptoms not requiring hospitalization or intensive treatment.

But this estimate is challenged by others, including the Washington VA hospital's Scarscella.

Said Scarscella: "Five percent sounds low to me. Not to be too controversial, but I would say twice that number is more accurate although 10 percent is a very conservative figure.

"If there was such a small number of (psychiatric) casualties, why is the VA putting so much emphasis on this program? I think it's because a low percentage of Vietnam vets are seeking treatment in VA hospitals—they are suspicious of the VA establishment."

Others have suggested that the total of Vietnam returnees needing psychiatric help is much higher. Dr. Cherry Cedarleaf, senior staff psychiatrist at the Minneapolis VA hospital, said he believed half of the veterans "need some form of professional help to overcome the problems of adjustment."

[From the Washington Star-News, July 23, 1973]

Vets: The Postwar Syndrome

(By Michael Satchell)

With his scuffed truckin' boots, faded denim jeans, outrageous beard and flowing ponytail, the skinny young hippie named Paul could have been plucked from any Georgetown "head shop" or Dupont Circle bench minutes before and deposited in the room he now occupied.

For over an hour, he rapped about his troubles—hassles with the law, problems with his old man, his lonely, mixed up personal life, the difficulty of getting his head together. He had just returned from a court hearing; he had been caught smoking marijuana, an offense committed not in his rented pad in Rockville but at the Veterans Administration Hospital in Washington where he had been a psychiatric patient for the past month.

Ten years ago, a young hospitalized veteran like Paul would have been stripped, shorn, censured and ordered to shape up. But that was before Vietnam, one result of which is that veterans like him are doing their "thing" in the regimented drab world of the VA hospital.

"What do you do with a guy like this—throw him out?" asked one staffer who, along with the other hospital psychiatrists, agreed that surreptitious pot smoking would be better dealt with by them than the police. "We've got to face it—times have changed."

The unique character of the Vietnam war has produced a different breed of veteran, men who are angry, resentful, who question orders, who make demands, not requests. It has left VA with a legacy of new problems in caring for the conflict's casualties—a huge portion of them vets who survived their year in Vietnam physically intact but who crumbled mentally when they returned home.

Every war has had its psychiatric casualties. In World War I, the doughboys who broke down were called "shell shock" victims.

In the second World War—Gen. George S. Patton notwithstanding—having the chronic jitters had become more acceptable; it was termed "combat fatigue." Although the symptoms may have been anything from backache to blackouts, the problem was still mental.

Then came Vietnam, a conflict that the VA's medical hierarchy has contrasted with other wars in these terms:

"The World War II GI knew why he fought, had the unequivocal support of his countrymen, returned with pride and received extensive recognition and appreciation. In stark contrast, the Vietnam serviceman is ambivalent and uncertain about the war he has fought, knows that the cause for which he fought is controversial and unpopular with many at home, lacks a sense of patriotic accomplishment, and neither expects nor receives a hero's welcome when he returns home."

Add to that assessment the opinions of doctors such as Dr. Guiseppe Scarscella, chief of psychiatry for the Washington VA hospital, and Dr. Robert J. Lifton, Yale psychiatrist, and the views of men such as John Kerry, the former Navy lieutenant and Silver Star winner who was a founder of Vietnam Veterans Against the War.

Said Scarscella: "First look at the type of war it was. When you go from North Africa to Berlin, you accomplish something; but these boys in Vietnam went nowhere. The VA has pointed to the one-year limit on the tour of duty in Vietnam as being of considerable help in lowering psychiatric casualties, but I think this was very destructive—very stressful because they served their 365 days one day at a time.

"Vietnam deprived the soldier of the mythology of winning a war. Some have told me they felt like missionaries rather than soldiers, others that they were fighting as unwilling mercenaries. There was the constant emphasis on killing—on body counts. There was no question of defense of their country.

"The Department of Defense says that it has had a low incidence of psychiatric problems in Vietnam, but this is a false situation. Some men were treated over there, on the battlefield, and the result was a delaying mechanism. When the vet came back home, he returned a full-blown psychotic.

"It looks to me like the Vietnam psychiatric casualties are more severe than in World War II. When they are sick, they are really sick."

Lifton, the author of the recently published book "Home From The War"—a study of Vietnam veterans—sees the cause of their myriad mental problems buried in what he considers the "extraordinarily cruel" nature of the conflict.

"The enemy they were fighting in terrible ways often turned out to be the women and children they theoretically were sent there to save," Lifton states. "To survive, to make these experiences endurable, to remain physically and psychologically intact, the GI's had to become dehumanized."

The day before 700 Vietnam veterans astounded Congress and the country by tossing their medals and combat ribbons into a heap on the Capitol steps on April 21, 1971, their leader, Kerry, summed up the sentiments of his group for members of the Senate Foreign Relations Committee.

"The country doesn't know it yet," he said, "but it has created a monster . . . in the form of millions of men who have been taught to deal and trade in violence . . . men who have returned with a sense of anger and betrayal which no one has yet grasped."

Any fears of large urban gangs, skilled in killing and guerrilla warfare, taking out their revenge on the populace, have not materialized. But the results of the complex Vietnam conflict are showing up in the high incidence of mental illness and related problems among returned veterans.

A recent check of patients at the Washington VA hospital showed 101 Vietnam veterans. Thirty were being treated for medical and surgical conditions and 10 for neurological problems. The remaining 61 men were in the psychiatric wards.

In fiscal 1972, the VA discharged 68,901 physically wounded Vietnam era veterans from its hospitals and 45,788 psychiatric, psychotic and neurological patients. The latter group is not counted in Pentagon totals of Vietnam casualties.

One VA study by psychologist Cecil Peck estimates that about one in four Vietnam era veterans who end up as psychiatric patients in VA hospitals have attempted suicide.

Readjustment problems have also shown up in other ways: In the high incidence of Vietnam vets in prison populations, in the high unemployment rate, and perhaps most visible of all, in the use of drugs.

Estimates vary considerably on just how many servicemen use drugs in Vietnam, how many brought the habit home, how many got into dope heavily after returning.

It is generally agreed, though, that drug dependency is a symptom of psychological trauma, that a lot of vets used dope in Vietnam, and that VA is only attracting a tiny percentage of users and addicts to its treatment programs—8,300 men, to be precise.

Accustomed to heavy drinking by men who were psychiatric casualties in previous wars, the VA found itself facing an entirely new situation with its Vietnam patients.

"It was about a year or so ago when the population suddenly changed," said Dr. Paul Barnes, director of training and education at the Washington Veteran's Hospital.

"We found a high incidence of drug usage and it was a whole new thing. Our patients had been exposed in Vietnam to a whole range of drugs—amphetamines, marijuana, heroin—and they posed a real barrier and a challenge to us.

"They had turned to drugs for relief and it made our job more difficult . . . how to relate to them? Many patients dated their psychotic breaks in Vietnam to drugs. We had long experience with booze . . . now we had to learn about drugs and I think we have started to make progress with them."

Any discussion of the psychiatric fallout from the Vietnam war, observers say, must be considered in the light of what has happened in this country in the past decade, and of the type of soldier who served. There are some who see the mental casualties as victims of the turbulent times in general, not simply of the war.

They also point out that the average Vietnam serviceman was a draftee from the lower end of the social scale. This group, apparently less equipped to handle the stresses that produce mental crackups, returned from Vietnam with high expectations. They had served their country, done their duty, and they wanted repayment from society in the form of education and jobs.

"A lot of them come back and say they want to go to college . . . to learn computer programming . . . to get high paying jobs," Scarscella noted. "They have these high expectations and they are told they deserve these things. But many are high school dropouts or were hard-core unemployed before they went to Vietnam. They just can't get these jobs . . . it is impossible for them . . . they become disillusioned . . . they turn to drugs, crime . . . they cannot adjust."

Added a colleague, the VA hospital's Paul Barnes: "When they come home, they find the welcoming committee is just not there, and then the problems begin. We are simply going to have to devote more attention to re-integrating these men into society."

[From the Washington Star News, July 24, 1973]

NOBODY CARED MUCH THEN—OR NOW

(By Michael Satchell)

A few weeks ago, John Gambino, on vacation in San Francisco, was strolling through Chinatown. It was dark and it was raining.

"All of a sudden," he recalled, "I couldn't see anything but Oriental faces. Gooks. Then there was a clap of thunder and I dived 20 feet and threw myself down behind some trash cans. People looked at me like I was crazy."

About the time Gambino was on the West Coast, Paul Jackson found himself preoccupied with a strange and frightening new pastime.

"I was drawing designs of the Man—pigs (policemen) and stuff like that—taking them out in the woods and shooting at them, seeing if I could hit them in the kill zone," Jackson said. "I've got a 9mm Chinese pistol, a .380 automatic and a .308 semi-automatic stashed away. I bury 'em and pick 'em up, bury 'em and pick 'em up. . ."

On a morning when Jackson might have been digging up his weapons near his Rockville home, Andy Howard left his house in the District to take a bus to his printing job.

"I walked out of the house and I felt dizzy," Howard remembers. "The next thing I knew I was lying on the bedroom floor sobbing. I was shouting 'why is the world so-f—d up today.' My wife came home from work and found me."

Gambino, Jackson and Howard (not their real names) today are psychiatric patients at the Washington Veterans' Administration Hospital. They are suffering from mental illness that has lain dormant for months or years after their return from the Vietnam war, a condition called "Post-Vietnam Syndrome."

Interviews with mental patients at the hospital revealed each man's personal problems to be different. However, several common threads ran through their wartime experiences: The brutality they say they witnessed, the high incidence of drug usage in Vietnam, the confusion over their role as soldiers or airmen in a war they didn't understand.

Each man talked of the difficulties he faced when he came home—getting jobs, picking up the threads of personal affairs, having marital difficulties, finding himself withdrawn, hating crowds, having nightmares, being unable to trust people, experiencing vivid flashbacks and numbing depression.

A common approach among these men was the fixing of blame. Each man interviewed thought that if he hadn't been to Vietnam, he would not have become mentally ill.

Jerord Cook (the name is fictitious) is a 22-year-old vet from Hampton, Va. He enlisted in the Army because he wanted to travel, went to Vietnam a curious, wide-eyed 19-year-old, and came home a junkie. Today, he says, he has a bleeding ulcer, is a paranoid schizophrenic and gets so scared of people that when his sister traveled to Washington recently to visit him in the hospital, he was unable to talk to her. "She frightened me," he said.

Cook's first problems in Vietnam came with the cultural shock of being transported there—from one world to another—in 13 hours.

"I was in Seattle one minute—next minute I was in Cam Ranh bay," he said. "The first night I was there, I stood guard. The next day, I met some guys on the beach and we smoked pot and drank beer all day. I thought 'this is the life.' We did that for three days.

"Then I got sent to Quang Tri City. It was hot, sweaty. There was no running water. It was filthy."

From that point on, as Cook describes it, everything was downhill. He began buying pills from the Vietnamese—"BT's" he called them. "I don't know what was in them," he said. "They gave you a nice secure feeling and they made you mean," he said. "You could get in a firefight and not be scared. I was popping about 12 a day."

Cook also began using a variety of other drugs, fighting with other soldiers, running afoul of the military police. "I got to Saigon four or five times and every time I ended up in jail," he said.

Today, Cook spends most of his time sleeping and worrying about his bouts of paranoia, trying to fend off the devils in his head that signal their coming when he gets a light, floating feeling and then starts tightening up, his body balling like a clenched fist.

"I hear a lot of sounds," he murmurs.

John Gambino, a 28-year old District Heights resident, also traces part of his mental illness to drug problems in Vietnam—but from an entirely different perspective. Gambino, a third-generation Italian-American is a graduate of the University of Maryland, has been accepted as a predental student at Howard University, and has been hospitalized for three weeks after suffering recurrent flashbacks.

He went to Vietnam in 1971 as a first lieutenant and took charge of a 225-man company. "The first thing I discovered was that roughly 75 percent—yes, 75 percent—of the men were using hard drugs," he said. "It was incredible. I spent most of my time in Vietnam bottled up with my men and their personal problems and though I didn't realize it at the time, I can see now that this is what caused my present troubles. Combat was a minor problem compared to the drugs.

"I get flashbacks and they are terrifying. Usually it is seeing one of my men blowing his brains out with a .45 when he got a Dear John letter from his wife. I see two of my friends who were blown up when the VC rigged a grenade in the gas tank of their truck. I find myself walking through a Vietnamese marketplace."

Gambino says he was being treated for the flashbacks as an outpatient but as they increased in intensity and frequency, he checked into the hospital.

"I don't think I'll ever get rid of them," he said. "I just hope I can keep them to minimum."

Davis Smith, 26, from Capitol Heights, Md., displays his "Death Before Dishonor" and skull-and-dagger tattoo and recalls that he was the original 'gung ho, meanest mutha in the valley" Marine that ever graduated from boot camp and set off to kill the VC. He didn't return that way.

When he arrived in Vietnam in July 1966, Smith says he immediately volunteered for reconnaissance patrol, a tough, dangerous mission in which five men spend five or six days in the field, scouting the enemy.

"My whole recon outfit was shaky and nervous," he remembers. "For five days you're out among them (the enemy). You can sit and hear your own heartbeat. You can't cough, sniff, talk, do nothing. Your nerves get wrecked."

Smith did one tour of duty and signed up for a second. He arrived back in the States on a July 4 after his first tour and recalls somebody letting off a firecracker close by. "I hit the ground," he said. "That first night home, I went to a drive-in movie. I couldn't stand it—I felt like everybody was looking at me."

Unaware that he might be having symptoms of psychiatric illness, Smith returned to Vietnam and ended up on recon again. But he caught malaria after a few months and was sent to Bethesda Naval Hospital, where, for the first time, he suddenly realized that he was becoming mentally ill.

"I was in a reception lounge waiting to be admitted," he said. "I stared and stared at this man's wife, saying nothing. He came up and asked me if I had a light. I shook my head and continued staring. He got nervous and left, and I continued staring, for no reason. That was the first time I knew I had changed."

Since then, Smith's marriage has collapsed, he has drifted in and out of jobs and he has attempted suicide twice by taking pill overdoses—most recently on June 1.

"My nerves are gone," he admitted. "I just got tired of losing all the time."

Finally, there is Bruce Coble, a hulking 27-year-old former Air Force enlistee who blames not only his experiences in Vietnam for his present condition, but also what he found when he returned.

After nearly eight years in the Air Force, he has been unwillingly discharged, his alcoholism licked but his nerves frayed. His marriage is on the rocks and he has attempted suicide.

"Not too much bothered me in Vietnam," he said, "except seeing the little kids suffer. I remember once going into a village to try and help after the VC had been in and butchered a lot of people because the men wouldn't join them. All these kids were running around with no parents and I couldn't stand it. I was an orphan until I was eight years old.

"What really distressed me was when I got home. People didn't care about what was happening over there . . . they didn't seem to want to get involved. I believed in what America was doing in Vietnam, I cared about serving my country, about helping these people over there.

"Those hippie sons-of-bitches weren't over there to see what was going on, and I couldn't stand it. I remember going to support Carl McIntyre (the fundamentalist conservative preacher) and getting into a fight with some hippie protesters.

"That was what was wrong with this goddamm war. Nobody cared except those that went over. And now nobody cares about us."

Mr. McGOVERN. Mr. President, it is not difficult to diagnose a critical need shared by a large number of Americans and then pinpoint a corresponding shortcoming in one of our Federal-aid programs. But even in the most obvious cases it is not at all easy to convince the administration that the need outweighs budgetary concerns. Time and again we are told that the need for a given program is not sufficient to justify the cost. While we continue to pour billions of dollars into military overkill and unfair tax concessions, the pressing needs of millions of Americans are being overlooked. Consequently, I was somewhat surprised and very much pleased when I read the following memorandum which was circulated within the Department of

Medicine and Surgery of the Veterans' Administration.

After every war the great majority of veterans are young adults who must go through a critical period of transition from military to civilian life. The impact of absence from home, of exposure to different living conditions, life styles, and cultures, and of personal physical and psychological trauma, is such that readjustment is a highly complex process. The difficulty of this process has been markedly greater for the Vietnam veteran because of the controversial nature of the Vietnam conflict and of the rapid social-economic changes that occurred in his absence. Reliable surveys and studies conducted by the military and by VA indicate serious and prolonged readjustment problems exist in approximately one out of five new veterans but, to a lesser degree, were experienced by all.

Since current statutory provisions governing DM&S health care services are tied to an illness rather than preventative health models, only a small proportion of veterans have sought or received these critically needed mental health psychosocial readjustment services. The consequence includes major economic and social cost to society stemming from the failure of these veterans to make effective readjustments, as well as the personal adverse psychological effects on the veterans and their families who served their country during a long and difficult conflict.

There are several telling points in this memorandum that need to be elaborated. First, that "reliable surveys and studies conducted by the military and by VA indicate serious and prolonged readjustment problems exist in approximately 1 out of 5 new veterans but, to a lesser degree, were experienced by all." That is an incredible revelation. Somewhere in the area of 2.6 million young men served in Vietnam. If 1 in 5 are experiencing serious readjustment problems, that means there are over half a million young men in need of readjustment counseling.

Another crucial point is the reference made to "current statutory provisions" which do not provide for preventative health care. In other words, Mr. President, the Veterans' Administration lacks the authority to deal with the problem effectively. And because they lack the authority, veterans are not receiving these critically needed mental health psychosocial readjustment services.

Finally, mention is made of the "major economic and social cost to society stemming from the failure of the veterans to make effective readjustments." I think the memo is very clear on this point. Not only is there a critical need, but our continued neglect of that need stands to cost us much more than the funding for a comprehensive program geared to the readjustment needs of millions of young Americans.

In order to meet this quite obvious need, I am today introducing the Vietnam-Era Veterans and Dependents Psychological Readjustment Assistance Act of 1973. The bill directs the Administrator of Veterans' Affairs to initiate and carry out a special psychiatric, psychological, and counseling program for veterans of the Vietnam era, especially former prisoners of war, and their dependents who are experiencing psychological problems as the result of the military service performed by such veterans.

The bill authorizes the VA Administrator to contract for readjustment services from public or private sources when he determines that such services would be more beneficial for the veteran or if for any reason such services are unavailable or inadequate in VA facilities. This contract authority is absolutely essential since we know for a fact that the VA has never dealt in preventive health care and thus is not equipped to do so.

Furthermore, it has the effect of circumventing one of the major problems we encountered in all our veterans programs. In a bureaucracy the size of the Veterans' Administration, a certain amount of standardized procedure and assembly line treatment is to be expected. It has grown to the point where a great number of veterans, particularly younger veterans, simply do not trust an institution of that size or are unwilling to believe that the services available will be of any benefit to them. Because participation in a readjustment program must be entirely voluntary on the part of the veteran seeking assistance, the program must be set up in such a way that he will not be discouraged for any reason from seeking the help he needs. If the service is provided by competent professionals from the public and private sectors who have no intrinsic ties to the Veterans' Administration, it seems to me that the program will have a much greater chance of success.

There is one other provision of this bill which I consider to be crucial if we are to make an effort to solve the full proportions of the problem. The bill would extend eligibility for the readjustment services to dependents of Vietnam veterans, which includes dependents of former POWs. The precedent for this expansion of services is contained in the Veterans Health Care Extension Act which I understand the President will sign today. But it goes even further than that. It would extend the care to dependents of members of the Armed Forces presently in a missing in action status. The families of our MIA's have suffered more anguish and frustration than we can possibly make up for. The very least we can do is provide services that might help them to deal with a very unpleasant and uncertain situation. Finally, eligibility would be extended to any member of the immediate family or to any person who lives with the veteran provided the Administrator determines that providing services to such a person is necessary or appropriate to the successful treatment of the veteran.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD at this point.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2322

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Vietnam Era Veterans and Department Psychological Readjustment Assistance Act of 1973".

SEC. 2. Chapter 17 of title 38, United States Code, is amended by adding after section 620 a new section as follows:

"§ 620A. Special psychological readjustment assistance program

"(a) As used in this section—

"(1) The term 'veteran' means any person who served in the active military, naval, or air service during the Vietnam era, regardless of the nature of his discharge, and who is in need of the services provided for under this section because of the performance of such service or because of a service-connected disability.

"(2) The term 'dependent' means—

"(A) the spouse or child of a veteran;

"(B) the spouse or child of a veteran who died while in service or who died as the resul of a service-connected disability;

"(C) the spouse of child of a member of the Armed Forces in a missing status (as defined in section 551(2) of title 37); or

"(D) any member of the immediate family of a veteran or dependent (including a legal guardian), or, in the case of a veteran or dependent who has no immediate family (or legal guardian), the person in whose household the veteran or dependent certifies his intention to live, if the Administrator determines that providing services under this section to such member is necessary or appropriate to the successful treatment and rehabilitation of the veteran or dependent.

"(b) The Administrator shall initiate and carry out a special program for the treatment and rehabilitation of veterans, especially former prisoners of war, and their dependents who are experiencing psychological problems as the result of the active military, naval, or air service performed by the veteran. Such program shall include, but shall not be limited to, such psychiatric, psychological, and counseling services (in addition to those services otherwise authorized by this chapter) as may be necessary or appropriate for the successful treatment and rehabilitation of the veteran or dependent.

"(c) In carrying out the special program provided for in subsection (b) of this section, the Administrator shall, under such rules and regulations as he may prescribe, contract for psychiatric, psychological, and counseling services from public or private sources whenever the Administrator determines that—

"(1) such services are necessary or appropriate to the successful treatment and rehabilitation of the veteran or dependent and such services are unavailable or inadequate in Veterans' Administration facilities;

"(2) an undue hardship would be placed upon the veteran or dependent because of the distance the veteran or dependent would have to travel in order to obtain such services at a Veterans' Administration facility;

"(3) the hours at which such services are available at a Veterans' Administration facility are incompatible with the time available to the veteran or the dependent and would result in a financial or other hardship on the veteran or dependent to receive such services at the Veterans' Administration facility; or

"(4) such services provided outside Veterans' Administration facilities would, for any reason, be more beneficial to the treatment and rehabilitation of the veteran or dependent.

"(d) The participation of any veteran or dependent in the program provided for under this section shall be wholly voluntary and shall not be a prerequisite to eligibility for or receipt of any other service or assistance from, or participation in, any other program under this title."

SEC. 3. The table of sections at the beginning of chapter 17 of title 38, United States Code, is amended by adding immediately below

"620. Transfers for nursing home care."

the following:

"620A. Special psychological readjustment assistance program."

SEC. 4. There are authorized to be appropriated such sums as may be necessary to carry out the amendments made by section 2 of this Act.

By Mr. COOK:

S. 2323. A bill to prohibit engaging in a pari-mutuel wagering enterprise using out-of-State gambling information or accepting wagers on out-of-State sporting events. Referred to the Committee on the Judiciary.

Mr. COOK. Mr. President, in recent years many States have sought novel ways to supplement their revenues. One of the methods under increasing study is revenue from various forms of gambling, including off-track-betting on horse races.

I certainly have no objection to any State making a determination that such operations are in its best interests. However, there is an alarming possibility that these operations may seek to expand their activities into adjacent and neighboring States, in a form of fiscal piracy. For example, nothing now prevents New York OTB from taking wagers on Monmouth Park or Garden State in New Jersey. New York OTB already accepts bets on the Kentucky Derby and the Preakness so further expansion outside of New York State would pose little difficulty for them.

Especially in those adjacent States situations, interstate incursions could seriously diminish the "live" gate, and therefore, the total betting handle of the track in question. Consequently, the "host" State's income would be reduced. A State authorizes horse racing because it can be a source of substantial revenue to the State treasury, as well as a valid entertainment form for its citizens. Under present law, we face the potential of interstate larceny at the pari-mutuel window— under the auspices of State governments.

Although this situation has not yet manifested itself, there are compelling reasons to preclude the type of interstate conflicts which otherwise will most certainly develop. As more and more States authorize off-track-betting, the possibilities of abuses increase dramatically. I believe the Congress should take swift and positive preventive action so that this fearful situation will never occur.

I, therefore, am introducing legislation which will prohibit any pari-mutuel wagering enterprise organized under a law of any State from accepting wagers on sporting events conducted in any other State, and I ask unanimous consent that the full text of the legislation be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2323

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That Title 18 of the United States Code is amended by adding the following new section:

"SEC. 1085. Engaging in a pari-mutuel wagering enterprise:

"(a) Offense—It shall be unlawful to own, control, manage, supervise, direct, conduct, finance, or otherwise engage in a pari-mutuel wagering enterprise using gambling information which is sent, carried, or transmitted by any means into a State from any place outside such State.

"(b) It shall be unlawful for any pari-mutuel wagering enterprise organized by authority of any law of any State to accept wagers on any sporting event conducted in any other State.

"(c) Definitions—as used in this section:

"(1) 'Gambling information' means information which assists in the placing, receiving, laying-off, or paying off bets or wagers on sporting events.

"(2) 'State' means a State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, or any territory or possession of the United States.

"(d) Penalties—Whoever violates subsection (a) of this section shall be fined not more than $10,000 or imprisoned not more than two years, or both."

SEC. 2. Section 1084(b) of Title 18 of the United States Code is amended to read as follows:

"Nothing in this section shall be construed to prevent the transmission in interstate or foreign commerce of information for use in news reporting of sporting events or contests."

By Mr. JAVITS (by request):

S. 2325. A bill to transfer St. Elizabeths Hospital to the District of Columbia. Referred to the Committee on Labor and Public Welfare.

Mr. JAVITS. Mr. President, I introduce by request on behalf of the administration a bill that would authorize the transfer of St. Elizabeths Hospital to the District of Columbia.

In the letter of transmittal of the bill from the Secretary of the Department of Health, Education, and Welfare, it states in pertinent part:

> Although the hospital still serves some use as a national facility, the composition of its population has changed over the course of its 118 year history. More than 85 per cent of its inpatients and virtually all of its outpatients are now from the District of Columbia.

Therefore, it would appear appropriate for the District rightfully to assume direction and control the hospital, which represents their principal resource for the mentally ill.

The bill, which I understand was prepared in consultation with officials of the government of the District of Columbia, would enable the District of Columbia to assume rightful control of a health care facility which provides services to the District's mentally ill.

Mr. President, there are, however, provisions in the bill about which I and Senator MATHIAS have serious reservations and for that reason, I am recommending a referral of the bill to the Labor and Public Welfare Committee—on which I am ranking minority member—and then to the District of Columbia Committee—of which Senator MATHIAS is ranking minority member—since both committees are properly concerned with this measure. I believe these concerns can be resolved in the best interests of the citizens of the District of Columbia and the Federal Government by the Labor and Public Welfare Committee and the District of Columbia Committee.

First, among my concerns is the question of the appropriateness of the transfer of the facility to the District of Columbia and leaving it to their good offices to change over from the State mental health hospital concept to the provision of alternative programs of community care for the mentally ill. This is particularly relevant when we recognize that the Federal Government, with all of its power and influence, has not to date been successful in this desirable goal despite its stewardship of the St. Elizabeths Hospital since it was first established by the Congress in 1885 as the Government hospital for the insane.

Second, the bill provides where there is disagreement between the Secretary and the District of Columbia Commissioner, and I cite the provision: "the matter shall be decided by the Director of the Office of Management and Budget." I am not convinced that the Director of OMB is the appropriate impartial arbitrator between the Federal Government and the District of Columbia.

Third, the bill seeks to protect the status of hospital employees; however, the retention of individual rights, benefits, and privileges appears to be tied to "so long as he remains continuously employed in that position." I believe this provision should be modified to express what I understand from meetings with the Department of Health, Education, and Welfare is their intention to protect employee status.

Fourth, the Federal support levels for the first year—to which the remaining 9 years are "keyed"—states that support is limited to not exceeding 63 per centum of the costs of the hospital. A strict interpretation of this provision would permit, at the Secretary's discretion, this per centum to be zero. I believe this provision should be modified to permit some floor, as well as the 63 per centum ceiling, for Federal support.

Fifth, the bill authorizes an adjustment in Federal support to take into account the rate of inflation. This is appropriate, but unfortunately, the adjusted amount is determined by the Secretary without reference to any specific criteria. I believe that it would be, at a minimum, reasonable to have the Secretary's discretion in this matter set in accordance with changes in, for example, the consumer price index.

Sixth, the authorization of appropriations of $43 million is, I understand from discussions with the Department of Health, Education, and Welfare, not based upon any recent concrete information. Therefore, I believe that the authorization of appropriations should be tied to some study of need for renovation.

The legislation provides:

First. That the support provided the hospital by the Department of Health, Education, and Welfare, subject to certain limitations, would continue for a transitional period of 10 years.

Second. That after the initial 5-year period, HEW support would gradually decrease for the remainder of the transitional period. Thereafter, the hospital would be operated and financed completely by the District.

Third. Adequate assurances that the hospital would be reimbursed for costs incurred in providing continuing care to the small number of Federal beneficiaries who would remain there.

Fourth. Employees at the hospital at the time of the transfer would be transferred with the hospital, and those with competitive status would retain the protection of that status so long as they occupied the same positions. In addition, all positions at the hospital would continue to be or would be established in the competitive service unless excepted as provided by title 5 of the United States Code or other statutory law.

Fifth. Amounts that would otherwise become due and payable to the Department for the District of Columbia's share, about $12.7 million, of prior construction at the hospital would be forgiven.

Sixth. An authorization of appropriations in the amount of $43 million for facilities renovation.

Mr. President, I ask unanimous consent that the entire text of this bill and the letter of transmittal from the Secretary of Health, Education, and Welfare be printed in the RECORD.

There being no objection, the bill and letter were ordered to be printed in the RECORD, as follows:

S. 2325

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

DEFINITIONS

SECTION 1. As used in this Act—

(1) the term "Secretary" means the Secretary of Health, Education, and Welfare;

(2) the term "Commissioner" means the Commissioner of the District of Columbia; and

(3) the term "Hospital" means Saint Elizabeths Hospital.

TRANSFER OF THE HOSPITAL, AND THE SECRETARY'S FUNCTION RESPECTING IT, TO THE COMMISSIONER

SEC. 2. (a) (1) TRANSFER OF FUNCTION. The Secretary's function of supervising the administration of the Hospital, including the authority delegated by section 3(2) of Executive Order 11609, 36 F.R. 13747 (July 24, 1971) (pertaining to the establishment of per riem rates for care), is transferred to the Commissioner effective on the ninety-first day after the date of the enactment of this Act. To the extent necessary or appropriate to perform this function, the Commissioner may exercise, after its transfer, any authority available by law to the Secretary prior to the transfer.

(2) ADDITIONAL DISTRICT OFFICES. The Commissioner may establish such additional offices as he deems necessary to administer the functions, authorities, and property transferred by or pursuant to this Act.

(b) STATUTES AFFECTED. For the purpose of effectuating the transfer of function under subsection (a) (hereinafter in this Act referred to as "the transfer"), the Commissioner shall, upon the transfer, succeed to the authority of the Secretary under the laws governing the Hospital, which shall include, but not be limited to—

(1) sections 4839, 4851, 4852, and 4858 of the Revised Statutes (24 U.S.C. §§ 165, 211, 211a, and 170, respectively);

(2) the Act of June 23, 1874, 18 Stat. 251 (24 U.S.C. 212);

(3) the Act of June 30, 1906, 34 Stat. 697, 730 (24 U.S.C. 177);

(4) section 1 of the Act of June 12, 1917, 40 Stat. 105, 179 (24 U.S.C. 196);

(5) the Act of Oct. 6, 1917, 40 Stat. 345, 373 (24 U.S.C. 200);

(6) the Act of March 6, 1920, 41 Stat. 503, 513 (24 U.S.C. 176);

(7) the Act of June 5, 1920, 41 Stat. 874, 920 (24 U.S.C. 166);

(8) the Act of July 18, 1940, 54 Stat. 766 (24 U.S.C. 196b);

(9) the Joint Resolution of May 9, 1941, 55 Stat. 186 (24 U.S.C. 180);

(10) the Act of Nov. 7, 1941, 55 Stat. 760 (24 U.S.C. §§ 181, 182, 183, and 184); and

(11) the Act of August 4, 1947, 61 Stat. 751 (24 U.S.C. §§ 169a, 185, and 195a).

(c) (1) TRANSFER OF PROPERTY.—Effective upon the effective date of the transfer, there are also transferred to the District of Columbia all right, title, and interest of the United States in certain lands in the District of Columbia, together with all buildings and improvements thereon and, except as provided pursuant to paragraph (2) (E), all personal property used in connection therewith (as determined by the Secretary), known as Saint Elizabeths Hospital.

(2) IMPLEMENTING AGREEMENT.—Prior to the effective date of the transfer, the Secretary and the Commissioner shall enter into an agreement containing—

(A) a description of the boundaries of the land transferred by paragraph (1);

(B) an inventory (in such detail as the Secretary and the Commissioner may agree) of the other property transferred by paragraph (1);

(C) a specification of the financial obligations of the Hospital respectively assumed by the Secretary and the District of Columbia upon the transfer;

(D) the agreement of the Commissioner to receive at the Hospital beneficiaries of the Federal Government on a basis that would reimburse the Hospital for its costs in connection with such beneficiaries;

(E) the terms and conditions upon which the Secretary may conduct research (not in furtherance of the functions of the Hospital) in the William A. White Building, and an inventory of any property that, after the transfer, the Secretary will continue to hold in such Building, as property of the United States, for use in such research; and

(F) such other terms and conditions, consistent with this Act, as the Secretary and the Commissioner deem appropriate.

If the Secretary and the Commissioner are unable to agree on any matter required to be set forth in the agreement (other than a matter of amendment to such agreement after the transfer), the matter shall be decided by the Director of the Office of Management and Budget. For purposes of the portion of the agreement made pursuant to clause (D) of the first sentence of this paragraph, the provisions of section 2 of the Act of August 4, 1947, 61 Stat. 751 (24 U.S.C. 168a) shall continue to apply with respect to the Hospital to the same extent as it applied prior to the effective date of the transfer of the Hospital, except that the District of Columbia (or the official designated by the District) shall be substituted for the Superintendent of the Hospital.

(d) TRANSFER OF UNEXPENDED BALANCES.—Effective upon the effective date of the transfer, all unexpended balances of appropriations, allocations, and other available funds of the Hospital, including funds appropriated for construction of buildings and facilities thereof, are transferred to the District of Columbia for use as provided by law in the operation of the Hospital, except to the extent (determined by the Director of the Office of Management and Budget) required to meet obligations already incurred and not assumed by the District.

PROVISION FOR EMPLOYEES OF THE HOSPITAL

SEC. 3. (a) TRANSFER OF EMPLOYEES; COMPETITIVE STATUS RETAINED. Each person employed by the Hospital on the day before the effective date of the transfer shall be transferred in his position, and shall retain all of the rights, benefits, and privileges pertaining thereto held prior to such transfer so long as he remains continuously employed in that position, wherever located in the Government of the District of Columbia.

(2) HOSPITAL POSITIONS TO BE COMPETITIVE SERVICE. All positions at the Hospital shall be in the competitive service on and after the effective date of the transfer unless exceptions thereto were or are authorized under 5 U.S.C. § 3302 or other statutory provision. This paragraph does not extend the applicability of title 5 of the United States Code to the District of Columbia government in its operation of the Hospital beyond the requirements of that title which relate to employment in the competitive service.

(b) WAIVER OF LICENSURE. The Commissioner shall prescribe regulations establishing the period or periods during which the licensing and registration requirements of the laws set forth in title 2 of the District of Columbia Code shall not apply to a retained employee engaged, in the course of his employment with the Hospital after the transfer, in an occupation in which he was engaged, in the course of such employment, prior to the transfer. Such period or periods shall be reasonably sufficient to permit a retained employee to qualify under such laws in such occupation.

(c) DETAIL OF COMMISSIONED OFFICERS. The Secretary may, after the transfer, detail to the Commissioner, for service at the Hospital, commissioned officers of the Public Health Service, on like terms and conditions as are prescribed for details authorized by section 214(a) of the Public Health Service Act. For purposes of paragraph (2) of section 6(a) of the Military Selective Service Act of 1967 (50 U.S.C. App. 456(a)(2)), a commissioned officer so detailed shall be deemed to be assigned to a bureau of the Public Health Service.

TRANSITIONAL PAYMENTS

SEC. 4. APPROPRIATION AUTHORIZED. There are authorized to be appropriated to the Secretary, to enable the Secretary to pay to the District of Columbia part of the cost of operating and maintaining the Hospital during the period of its integration into the programs of the District for the protection of mental health—

(1) for the first fiscal year beginning after the fiscal year of the transfer, an amount not exceeding 63 per centum of the costs of the Hospital, not otherwise met, for the preceding fiscal year (adjusted, to the extent determined by the Secretary to be appropriate, to take account of the rate of inflation) in (A) providing care in the Hospital in such preceding year to persons eligible therefore by reason of their residing or being found in the District of Columbia, and (B) training and scientific research conducted by the Hospital during such preceding year;

(2) for each of the next four fiscal years, the amount determined under paragraph (1), adjusted, to the extent determined by the Secretary to be appropriate, to take account of the rate of inflation; and

(3) for each of the second five fiscal years beginning after the transfer, an amount not exceeding the following percentages of the amount determined under paragraph (2) for the last year referred to therein:

(A) 84 per centum for the first such fiscal year,

(B) 68 per centum for the second such fiscal year,

(C) 52 per centum for the third such fiscal year,

(D) 36 per centum for the fourth such fiscal year, and

(E) 20 per centum for the fifth such fiscal year.

AUTHORIZATION OF CONSTRUCTION OF HOSPITAL FACILITIES; FORGIVENESS OF UNACCRUED CONSTRUCTION DEBT

SEC. 5. (a) RENOVATION OF HOSPITAL. For the fiscal year of the transfer, and for each fiscal year thereafter, there are authorized to be appropriated to the Secretary, for transfer to the District of Columbia for expenditure under the direction of the Commissioner to renovate the Hospital, such sums as may be necessary for the construction of buildings and facilities, including the purchase or fabrication of equipment, and for remodeling of existing buildings (including repair and replacement of equipment), except that the aggregate of such appropriations and the amounts transferred for these purposes under section 2(d) may not exceed $43,000,000.

(b) FORGIVENESS OF PRIOR DEBT. Upon the effective date of the transfer, the proviso to the item captioned "Saint Elizabeths Hospital" in the Department of Health, Education, and Welfare Appropriation Act, 1955, 68 Stat. 443, is repealed. Obligations that would accrue, and be payable by the District of Columbia, under such proviso for the fiscal year of the transfer and for fiscal years beginning thereafter, are forgiven. Amounts paid by the District of Columbia in full or partial discharge of any such obligation in the fiscal year of the transfer shall be refunded to the District.

SAVINGS PROVISIONS

SEC. 6. (a) CONTINUITY OF PRIOR AGENCY ACTION. All orders, determinations, rules, regulations, permits, contracts, certificates, licenses, and privileges—

(1) which have been issued, made, granted, or allowed to become effective in the performance of the function transferred by section 2(a); and

(2) which are in effect upon the effective date of the transfer;

shall continue in effect according to their terms until modified, terminated, superseded, set aside, or revoked by the Commissioner or other authorized official, or a court of competent jurisdiction, or by operation of law.

(b) CLAIMS AND PENDING PROCEEDINGS. No suit, action, or administrative proceeding to which the Secretary is party, nor any claim against the Secretary, respecting the function transferred by section 2(a), shall abate by reason of the transfer. Such suit, action, or administrative proceeding shall be continued as though this Act has not been enacted, but with the District of Columbia substituted for the Secretary. Such claim, if in contract and if filed after the transfer, shall be brought against the District, in lieu of the Secretary, and shall be governed by such procedures as may then apply to claims against the District in like cases. Such claim, if in tort and if arising before the transfer, shall not be brought against the District.

REPEALER

SEC. 7. Effective upon the date of the transfer, any provision contained in a District of Columbia Appropriation Act prescribing the inpatient rate for services rendered by the Hospital for patient care for the fiscal year of the transfer is repealed with respect to services rendered on or after that date.

DEPARTMENT OF HEALTH,
EDUCATION, AND WELFARE,
Washington, D.C., June 21, 1973.

HON. SPIRO T. AGNEW,
President of the Senate,
Washington, D.C.

DEAR MR. PRESIDENT: We enclose for the consideration of the Congress a bill "To transfer Saint Elizabeths Hospital to the District of Columbia".

Originally established by the Congress in 1855 as the Government Hosiptal for the Insane, having as its objects "the most humane care and enlightened curative treatment of the insane of the army and navy of the United States, and of the District of Columbia", Saint Elizabeths Hospital (so renamed in 1916) was transferred from the Interior Department to the Federal Security Agency in 1940, and has been administered by our Department since it was organized in 1953.

Although the hospital still serves some use as a national facility, the composition of its population has changed over the course of its 118 year history. More than 85 per cent of its inpatients and virtually all of its outpatients are now from the District of Columbia, and are partially supported at the hospital by per diem payments annually established by the District of Columbia Appropriation Act and paid on behalf of these patients by the municipal government.

We therefore propose enactment of the enclosed draft bill to transfer the hospital to the District of Columbia. The bill is in keeping with the spirit of the President's Message to the Congress of April 28, 1969, which declared:

"Full citizenship through local self-government must be given to the people of this city: The District Government cannot be truly responsible until it is made responsible to those who live under its rule. The District's citizens should not be expected to pay taxes for a government which they have no part in choosing—or to bear the full burdens of citizenship without the full rights of citizenship."

Employees at the hospital at the time of the transfer would be transferred with the hospital, and those with competitive status would retain the protection of that status so long as they occupied the same positions. In addition, all positions at the hospital would continue to be or would be established in the competitive service unless excepted as provided by title 5 of the United States Code or other statutory law.

The transfer would not alter the hospital's relationship to its Federal beneficiaries, provision for whom would still be made there on a basis that would reimburse the hospital for its costs.

The statutory per diem rate for persons committed to Saint Elizabeths Hospital from the District of Columbia is $21.99, an amount which represents only 42 percent of the actual cost of treatment. Under the existing financing structure, the Department funds make up the remaining 58 percent. Our appropriations also support the full cost of training and research at the hospital, and the full cost of treating patients who are not bonafide residents of the District of Columbia but who are eligible for admission by reason of their having been found in the District. In 1974, the total cost of the activities just described is estimated at $55.2 million, of which the Department's appropriations would support $34.6 million, or 63 percent. The draft bill would continue the Department's support, subject to certain limitations, for a ten-year transitional period. During the first year beginning after the fiscal year of transfer we would maintain our proportionate Department-financed share of 63 percent of the total cost (for the preceding year) of the activities enumerated above. For the next four years we would pay the same amount as was determined for the first year. However, for each of these first five years the amounts so determined would be adjusted to take account of the rate of inflation. During the last five years, we would decrease our contribution by about 16 percent annually until, by the eleventh fiscal year after the fiscal year of transfer, we would phase it out entirely.

The draft bill would also forgive amounts that would otherwise become due and payable to the Department for the District of Columbia's share, about $12.7 million, of prior construction at the hospital, and would in addition, authorize appropriations to the Department (up to an aggregate of $43 million) for transfer to the District Government for renovation of the hospital. We do not intend that the transfer add unreasonably to the tax burdens of District residents. These provisions will enable us to discharge our obligation to transfer to the municipal government a facility that is modern and in satisfactory operating condition.

We urge that the draft bill receive prompt and favorable action.

We are advised by the Office of Management and Budget that enactment of this draft bill would be in accord with the program of the President.

Sincerely,

CASPAR WEINBERGER,
Secretary.

By Mr. CHURCH:

S. 2327. A bill relating to acquiring of certain narcotics by force, violence, or intimidation. Referred to the Committee on the Judiciary.

FEDERAL PENALTY FOR THE ROBBERY OR ATTEMPTED ROBBERY OF A CONTROLLED SUBSTANCE FROM A PHARMACY

Mr. CHURCH. Mr. President, on a January evening in 1972, Mr. Kent Dean, the owner-manager of Dean's Drug Center in Lewiston, Idaho, received a telephone call from a man who claimed that he was in need of some medicine for his sick child. Dean agreed to meet the man at his store, and Mrs. Dean and their two children accompanied him. When the alleged customer arrived, he was wearing a gas mask and carrying a brown paper bag containing a homemade bomb. It was not medicine for a sick child, but rather amphetamines and syringes he demanded. In the awful aftermath, a young Lewiston police officer lost his life, and two other officers were injured.

This tragic episode is not an isolated case in the files of drug store crimes. The increased use of narcotic drugs—coupled with the high cost of these drugs on the black market and the poor quality of the street product—have resulted in the rising incidence of drug store robberies. It is not uncommon now to learn of pharmacists wearing bullet-proof vests to work or hiring armed guards to police the premises. In an article that appeared in the Washington Post earlier this year, several pharmacists stated that they have reverted to keeping guns within easy reach, in addition to installing added alarm measures.

The increase in this type of burglary is frightening. Boston, Mass., reported 138 such robberies in 1972, with about 100 of the city's 208 pharmacies hit. Sixteen of 20 drugstores in Boston's Roxbury section have closed because of the high crime rate.

In Georgia, drug store robberies and burglaries are occurring at the rate of one a day. In 1968 there were not more than 10 robberies of this type, but in 1972 there were 312 and during the first three weeks of 1973, 26 were reported. In my own State of Idaho, the burglarizing of drug stores has reached unprecedented proportions.

The recognition of this problem leads me to introduce legislation which would impose a Federal penalty for the robbery or attempted robbery of a controlled substance from a pharmacy. My bill would provide for a maximum fine of $5,000 and/or 10 years imprisonment for persons acquiring drugs covered by the Controlled Substance Act from a pharmacy, by force, violence, or intimidation.

In addition to serving as a tool for the crackdown on this type of crime, my bill would allow local law officers to enlist the aid of Federal authorities on drugs and to draw upon their expertise. I am hopeful that Congress will act favorably on this legislation before we witness the loss of other lives—and the eventual forced-closing of many more pharmacies across the Nation. The druggists and pharmacists are dedicated professionals who dispense the necessary medicines and drugs which, when used with proper precaution, save millions of lives each year. We should now offer them this added protection to insure that we are not deprived of their vital service.

Mr. President, I ask unanimous consent that the text of this bill, along with an article from the Lewiston Tribune, an article from the Washington Post, and a listing of recent Idaho pharmacy hold-ups compiled by the Idaho Board of Pharmacy, be printed at this point in the Record.

There being no objection, the bill and material were ordered to be printed in the Record, as follows:

S. 2327

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That chapter 103 of title 18, United States Code, is amended by adding at the end thereof the following new section:

"§ 2118. Robbery of Pharmacy and Incidental Crimes.

"(a) Whoever, by force and violence, or by intimidation, takes or attempts to take, from the person or presence of another, any material, compound, mixture or preparation containing any quantity of a narcotic controlled substance set forth in a schedule of controlled substances under the Controlled Substances Act and belonging to, or in the care, custody, control, management, or possession of any pharmacists, shall be fined not more than $5,000 or imprisoned not more than ten years, or both.

"(b) Whoever takes and carries away, with intent to steal or purloin, any material, compound, mixture or preparation containing any quantity of a narcotic controlled substance set forth in a schedule of controlled substances under the Controlled Substances Act and belonging to, or in the care, custody, control, management, or possession of any pharmacists, shall be fined not more than $5,000 or imprisoned not more than five years, or both.

"(c) As used in this section, the term—

"(1) 'pharmacists' means any person registered in accordance with the Controlled Substances Act for the purpose of engaging in commercial activities involving the dispensing of any controlled substance to an ultimate user pursuant to the lawful order of a practitioner;

"(2) 'dispensing' shall have the same meaning as that provided under section 102 (10) of the Controlled Substances Act;

"(3) 'practitioner' shall have the same meaning as that provided under section 102 (20) of the Controlled Substances Act;

"(4) 'controlled substance' shall have the same meaning as that provided under section 102 (6) of the Controlled Substances Act."

Sec. 2. The section analysis of chapter 103 of title 18, United States Code, is amended by adding at the end thereof the following new item:

"2118. Robbery of pharmacy and incidental crimes.".

Drugstore Holdups Up Sharply in United States

(By Celia J. Doremus)

David Brothers says some of his fellow pharmacists wear bullet-proof vests to work.

"It's a tough way to run a business," he said.

Brothers, who owns the Blue Hill Pharmacy in Boston's orchestra section, was robbed of money or drugs eight times in the past year. He and two competitors on the same street have chipped into pay for armed guard on duty from 3 p.m. to 7 p.m.

"These robbers have never manhandled me," he said, "but I give them what they want."

Drugstore robberies have become an increasing problem in urban areas, across the nation. In many of these holdups, the objective is narcotics and other drugs.

Pharmacists, who are licensed to distribute lifesaving drugs to the public, are rapidly becoming the targets of addicts and narcotics pushers, in cities from Boston to San Francisco.

"There is no question that theft and holdups are a serious problem in the Commonwealth of Massachusetts," said Romulus Denicola, secretary of the Massachusetts State Board of Pharmacy. He said persons who hold up drugstores "are either drug addicts or pushers, and they are a different type. They are desperate."

Boston reported 138 such robberies in 1972, with about 100 of the city's 203 pharmacies hit. At least 80 per cent of the robberies were for control substances (narcotics and dangerous drugs).

Several drugstores in Boston's Roxbury section are employing armed guards to keep open, Denicola said. "If the guards don't show up, the stores don't open."

He said that 16 out of 20 drugstores in Roxbury have closed because of the high crime rate. This "leaves that section devoid of adequate pharmaceutical accommodations," he added.

The story repeats around the country.

Atlanta's chief drug inspector, Joe Weldy, said drugstore robberies and burglaries in Georgia, the Southeast pharmacy distribution center, occur at a rate of one a day. He said in 1968 there were not more than 10 robberies of this type, but in 1972 there were 312 and during the first three weeks of 1973, 26 were reported.

In cities such as Pittsburgh and Los Angeles, drugstores have gone out of business because of the rash of holdups.

And in many cities druggists are using a variety of devices to protect themselves and their stores—with differing results.

San Francisco pharmacist David Bonelli, 53, has double-barred doors, cross bars on the vents, a wire screen over the window, a new safe and a sonic alarm system. However, last Dec. 7 someone poked through a side wall and escaped without touching off the alarm.

In Pittsburgh, Robert Botser, owner of a pharmacy in the Carrick-Brentwood area, said he locks most of his narcotics in a safe and in drawers in the store.

At the University Pharmacy in Spokane, Wash., all the drugs are locked up and a security agency handles safekeeping. One clerk said, "There is no way in—unless they want to blow up the sides of the building."

Ken Schaefer, manager of Cosmopolitan Drug Store in Chicago, said, "We limit the quantities of narcotics on hand so we are never a really big and attractive target.

"There are so many different types of drugs and so many buyers for them that it is impossible to operate a store and keep the drugs somewhere else, like at a police station.

"There are three druggists under me and each is armed with a .38 pistol. I carry a .38 and another smaller gun.

"We are all psychologically prepared to use them because drug addicts run rampant around here. We also have a good alarm system, but no matter what you do, when they want what you've got, they're going to find a way to get it."

In Spokane, Paul Picket, manager of East Mission Pharmacy, keeps a hand gun in his desk drawer.

"Ive got this place wired in pretty good," Picket said. He said his store has not been robbed since he installed a burglar alarm. "They have hit all around us since I put in my system."

Robert Pattison, 57, a pharmacist near the low-income Fillmore district of San Francisco, has been robbed twice and is dubious about guns.

"I expect to be held up again," he said, "and I don't know of any form of real protection. If you use a pistol, I doubt if you will come out alive."

Dave Cohen, owner of the West Bridgewater Pharmacy in West Bridgewater, Mass., said the answer is not alarms. He said the problem is with the judicial system.

"The police are disgusted because they bring these cases in and some are even thrown out of court," Cohen said.

Many druggists agreed the courts are merely "giving the offender a slap on the wrist and saying go home and be a good boy."

In Chicago, druggist Schaefer said the federal Food and Drug Administration should be stronger in the drug fight.

"City police here are ill-equipped to do the job. What they need is officers who know more about drugs. Police often come in here with tablets they've found on a suspect and they don't know what they've got."

Albert Sherman, president of the Boston Association of Retail Druggists, had a different idea about the police.

"We have received remarkable cooperation from the city and state police regarding the problem of drugstore robberies," he said.

Sherman, who owns the Charles River Pharmacy in Boston, said the association was responsible for instituting the Boston police department drugstore surveillance squad last March, which minimized the increasing holdup problem in Boston.

"The problem still exists but the police cannot be everywhere," Sherman said. "As long as the quality of narcotics on the streets is poor, the junkies will continue to turn to the drugstores for drugs."

Court Told Bomb-Carrier's Note Demanded Drugs, Vials, Syringes

(By Jack Marshall)

A 26-year-old Lewiston man was bound over to Second District Court by Magistrate Eli B. Ponack yesterday after a preliminary hearing on a charge of first-degree murder in the bomb death of a Lewiston policeman last Thursday.

Fred W. Hokenson, 2029 Powers Ave., sat silently with no visible signs of emotion as four witnesses called by Nez Perce County Prosecutor Roy E. Mosman recalled events leading up to the bomb blast at Dean's Drug Center, 1624 Main St., which killed Ross D. Flavel during an alleged robbery attempt.

NOTES FOUND

Kent Dean, owner-manager of the drug store, testified that two notes were presented during the alleged robbery attempt and had gone unnoticed until Friday morning when Lewiston police and a team of Federal Bureau of Investigation and Tobacco, Tax and Firearms agents began a detailed investigation.

Dean said that on Friday morning he returned to the store, which had been boarded up during the night because many of the windows and glass doors had been shattered by the blast, and found the notes. "One of the notes was laying on a pop cooler and the other was on the floor directly beneath it," he said.

On one note Dean recalled scratchy printing which he said read, as near as he could recall, "Give me all your amphetamines, meth-amphetamines, methadone, vials, some syringes and all your money." The other note read "Don't try anything. I've got a bomb and my partner has your family. Don't try to be a hero."

Mosman said the notes have been sent to the FBI laboratory at Washington, D.C., for fingerprint checks.

Mrs. Dean testified she was behind the drug counter and first noticed the intruder when he appeared behind a pop machine to the right of the pharmacy counter. She said he was wearing a gas mask and holding a brown paper sack under his right arm with his hand clutched over it. He said, "Don't anyone move and no one will get hurt. I have a bomb," she testified.

At that point, she said, her husband, who had been sitting in a chair in front of the drug counter "rushed toward the man and put his arms around him." They struggled and Dean pulled and pushed the man toward the rear door, she said.

During the struggle, Dean told her to call the police and to get a gun he kept in the pharmacy. She said she called the operator to get the police and watched the struggle by leaning out over the counter. She also looked for the revolver, but could not find it right away, she said.

Dean told her it was behind a pediatrician's reference book and she found it.

"I then went to the back of the store where I could see three arms and hands sticking out with a knife in one of them," Mrs. Dean said. "I asked who had the knife. Kent said. 'I do.' I had the revolver cocked and let the hammer down then."

The police arrived in about two minutes, she said. "I stepped over the man's feet (who was pinned to the floor by Dean in front of the rear exit) and opened the door for the officer." She said Flavel then arrived and she let him in.

Mosman then asked about the contents of the paper bag.

"I saw what looked like an Eveready battery," Mrs. Dean said. "It was red and blue anyway like they are. It had two terminals on top. I saw three cylinders in the sack that I thought in my mind to be sticks of dynamite."

Hokenson sat at the defense table with his court-appointed attorney, Owen L. Knowlton, and Manderson Miles, a University of Idaho law student from Oklahoma City, Okla.

She said Flavel went to the sack. At about that time, she said, the man on the floor said, "You only have 30 seconds. I set the fuse."

"Flavel went over, bent down and picked up the sack and turned slightly. He said something that I didn't completely hear and the word bomb. I turned and ran for my children."

Mosman asked what happened next.

She said, "It went off—There was an explosion."

Mosman then called Lewiston patrolman Thomas E. Saleen who had a small scratch above his left eye, showing evidence of the injuries he received during the explosion.

Saleen said he was standing at the window of Flavel's patrol car at 14th and Main Sts. when the call from the dispatcher about the robbery attempt was received. He said Flavel responded to the call and that he ran to his patrol car, which was parked nearby, and left for the scene.

He said he drove his car up on the sidewalk in front of Bullwinkle's, a tavern next to Dean's Drug, and peered through the front window at the drug store for two or three minutes.

"I could see someone through the window and I tapped on the window," he testified. "Mrs. Dean let me in. She had a revolver and I asked if it was involved in the robbery attempt. She said that it was hers," he said.

Saleen said he went to the back of the store and saw someone with something over his head lying on the floor. Flavel and Dean were struggling with the man. Saleen helped put handcuffs on him.

He said he recalled telling Flavel to get the patrol car and back it to the back door of the store. "I had a knee on the back of the subject's neck, holding him down," he said. "I looked for Mr. Dean. He was by the prescription counter. I called him over and asked him some questions about what had happened." He said Dean mentioned something about a bomb.

SAYS JOKE MENTIONED

"The subject said something about it was a joke, there wasn't any bomb, the joke was on us," Saleen said. "Then Ross (Flavel) returned."

"Dean pointed out the paper sack," Saleen said. "Flavel jumped around to the sack and bent over it. He lifted up a corner of the sack. I could see wiring and some sticks of dynamite. He started to pull wires out of the sack. I told him not to do it because it might explode."

Saleen said the subject on the floor said, "It wouldn't do any good now. I set the time delay."

"I jumped up and started dragging the subject out the door," Saleen said.

The bomb exploded.

Mosman asked Saleen what he experienced during the blast.

"I felt myself fly through the air. I hit the floor east of where I was standing," he said. "I was at the back of the store when officer Whittington arrived."

Lewiston police Cpl. Henry Whittington was next on the stand. He testified he was blown down as he approached the rear door and that he saw Saleen stagger from the smoke and radioed for an ambulance and assistance. He said he returned to the store and went in to search for Flavel. Upon entering the store, he said, he saw a man lying about three to five feet inside, wearing a gas mask.

Mosman asked Whittington if the man was in the court room.

Whittington pointed to Hokenson.

Whittington said he continued to look for Flavel and found him 10 to 15 feet from the rear door.

Mosman asked about the condition of Flavel. Whitting answered, "Badly mutilated."

Whittington said both legs were gone and his left arm appeared to be gone—he indicated the part from the forearm down. He said he had no way of knowing whether Flavel was alive at the time. He said he believed him to be dead.

LIST OF RECENT IDAHO PHARMACY HOLD-UPS

July, 1970. Rockland Pharmacy. Break-in. Took entire stock of Amphetamines.

August, 1970. Lorton Drug Store, Cambridge. Large amount of controlled substances, two typewriters, a television set, money, cigarettes.

September, 1970. Bi-Rite Drug, Sandpoint. Break-in. B & O Superettes (1 gr. Opium), Demerol, etc. was taken.

November, 1970. Dixon's Drug Store, Rathdrum. Night break-in. Taken: large quantity of Phenobarbital, Nembutal, Seconal, Darvon and other drugs.

March, 1971. Hy-Way Drug in Idaho Falls. Entry was made via the roof. Taken was a large quantity of Seconal, Desoxyn, Dexamyl, Desbutal and Dexedrine.

April 12, 1971. Seely Super Thrift, Parma. Night burglary. Taken a large quantity of Cocaine Hydrochloride, Dolophine, Morphine Sulfate, and Numorphan.

April 19, 1971. Owl Drive In, Lewiston. Night break-in. Taken: Eskatrol.

April 18, 1971. Katz Pharmacy, Idaho Falls. Night break-in. Taken was Nembutal, Seconal, Desbutal, Dezerex, Desoxyn, Dicumeral and Diamax.

May 4, 1971. Red Cross Pharmacy, Kendrick. Taken: Demoral, APC w/Demerol, Codeine Phosphate, Dolophine, Leritine, Mepergan, Tethadone, Morphine Sulfate, Numorphan, Opium Tinc., Percodan and Perc. Demi.

May 11, 1971. Osco Drug, Pocatello, Taken: large quantity of Biphetamines, Desoxyn, Dexampyl, Dexedrine, Doriden, Nembutal, Ritalin, Tuinal, Seconal and other drugs.

May 10, 1971. Perkin's Pharmacy, Lewiston. No drugs, just money.

April 23, 1971. Ketchum Drug, Ketchum. Burglar hid in store until after closing. A quantity of narcotics and other drugs were stolen as well as empty gelatin capsules, syringes and needles.

June 3, 1971. Owl Drug, Lewiston. Large quantity of Dexedrine.

June 5, 1971. Skaggs Drug Center, Nampa, Dilaudid taken.

June 5, 1971. Red Cross Pharmacy, Kendrick, Darvon, Phenobarbital and TH&C taken.

June 14 and June 17. ISU College of Pharmacy. Large quantity of stimulant and depressant drugs taken in these two burglaries.

June 12, 1971. Super-Save Drugs, Pocatello. Early morning break-in. Taken: Desbutal and Desoxyn.

June 25, 1971. Super-Save, Pocatello. Taken: Desbutal and Desoxyn.

August, 1971. Owl Drug, Lewiston, Night break-in. Taken: Dexedrine, Dexamyl.

August 21, 1971. Arnell Pharmaceutical Center, Blackfoot. Large quantity of Demerol, Desarex, Desbutal, Desoxyn, Dexedrine, Nembutal, Placidyl, Ritalin and Tuinal.

September 1, 1971. Arnell Pharm. Center, Blackfoot. Large quantity of Demerol, Desarex, Desbutal, Desoxyn, Dexedrine, Numbutal, Placidyl, Ritalin and Tuinal.

October 14, 1971. Armed robbery. Sherman Drug, Coeur d'Alene. Pharmacist forced to give robber large quantity of Dexedrine and Biphetamines.

October 25, 1971. Owl Drug Drive In, Lewiston. Night break-in. Taken: quantity of Emperin Compound #1, #2, #3, #4.

November 1971. White Pine Pharmacy, Potlatch. don't have a list of stolen drugs.

November 5, 1971. Rockland Pharmacy, American Falls. Taken, entire stock of Amphetamines.

December 7, 1971. Irwin Drug, Grangeville. no drugs taken. just money.

December 30, 1971. Sav Mor Drug, Twin Falls. Taken: Desbutal, Desoxyn, Nembutal.

December 30, 1971. Johnson Sav On Drug, Twin Falls. Taken: Quantity of Nembutal, Desoxyn, Desbutal.

December 30, 1971. Don Wilson Skyline Drug, Idaho Falls. Quantity of Dexedrine, Dexamyl and Desoxyn and Nembutal taken.

January, 1972. Rockland Pharmacy, American Falls. Entry gained through front door. Taken was disposable syringes and needles and some controlled substances. Woman thief apprehended.

January 4, 1972. Crowley Pharmacy, Twin Falls. Quantity of Nembutal taken.

January 4, 1972. Johnson Sav On Drug, Twin Falls, 800 Ritalin tabs.

January 29, 1972. Halliwell Drug, Pocatello. Taken: 1100 Carbrital FS.

February 8, 1972. Magic Valley Drug, Inc., Twin Falls. Quantity of Desbutal and Desoxyn taken.

March 19, 1972. Osco Drug, Twin Falls. Taken: Large quantity of Desbutal and Desoxyn.

March 23, 1972. Don Wilson Skyline Drug, Idaho Falls. Quantity of Mebaral, Nembutal, Phenobarbital, Bontril and Benadryl.

April 7, 1972. The Prescription Shop, Couer d'Alene. Large quantity of controlled substances taken: Dolophine, Pehaphen, Morphine Sulfate, Codeine, Demerol, etc.

April 14, 1972. White Pine Drug, Potlatch. Night burglary. Taken: Benzedrine, Amphetamine, Dexamyl, Demerol, Dexedrine, Eskabarb, Obedrin.

June, 1972. White Pine Pharmacy, Potlatch. Attempted burglary.

August, 1972. White Pine Pharmacy, Potlatch. Another attempted burglary.

August, 1972. Maag Prescription Center, Pocatello. Night break-in. Taken: Phenobarbital, Nembutal, Tuinal, needles and other drugs.

September, 1972. Owl Tri State Drug, Lewiston. $600 worth of drugs. No list.

October, 1972. Halliwell Drug Co. Pocatello. Break-in burglary. No list.

October 19, 1972. Cook Drug, Pocatello. Forced entry from adjoining building. Taken: Ritalin, Nembutal, Morphine Sulfate, Desoxyn, Dexedrine, Dilaudid.

January, 1973. McCreery Drug, Jerome. Night break-in. Very large quantity of controlled substances taken: Nembutal, Equanil, Darvon, Phenaphen w/Codeine, Carbrital, Cocaine, Demerol, Meperegan, Percobarb, Morphine Sulfate, Perc. Dimi, Biphetamines, Dextro-ampetamines

January 7, 1973. Dixon's Drug, Rathdrum. Taken: Dexamyl, Ritalin, Eskatrol, Leritine, Obedrin–LA, Percodan, Biphetamines, Preludin, syringes and needles.

January, 1973. Rod's Drug, Orofino. 2500 pills. (not known what).

January 29, 1973. Kamiah, Drug, Kamiah. Opium, Tinc. Opium, Tuinal, Seconal, syringes and needles taken.

February 10, 1973. Amos Idaho Drug, Boise. Darvon and other drugs taken.

July 21, 1973. Halliwell Drug Company, Pocatello. Large quantity of Desarex, Desbutal, Desoxyn, Dexendrine, Morphine, Ritalin, Nembutal, and other drugs taken. Night break-in.

By Mr. McINTYRE:

S. 2328. A bill to require that certain information about gasoline be disclosed to consumers. Referred to the Committee on Commerce.

CONSUMER FUEL DISCLOSURE ACT OF 1973

Mr. McINTYRE. Mr. President, today I am introducing legislation that will eliminate confusion among motorists about the quality of the gasoline needed in their cars, help lessen the depletion of a precious national resource, and result in savings for the gasoline consumer.

The Consumer Fuel Disclosure Act of 1973 will require the following:

The posting of octane ratings and other information concerning gasoline additives on all gasoline pumps.

The posting of minimum recommended octane requirements in all automobiles.

The disclosure of octane ratings and additive information in all gasoline advertising, coupled with substantiation of performance claims by gasoline manufacturers.

Mr. President, the need for this legislation is clear.

First, there is a pressing need to eliminate confusion among motorists. Automotive gasoline is a mixture of various chemicals, composed of varying amounts of 3,839 possible olefins, 661 possible parafins, numerous aromatics, and about 800 naphthenic compounds. The resulting formulas possibilities are endless. As one writer has put it:

> No consumer item confuses the American public as does gasoline. The average motorist spends $300 a year to fuel his car and yet he knows very little about this smelly chemical mixture . . . There is a hidden curtain of secrecy about gasoline which frustrates him.
>
> How safe are the additives used in gasoline? Will lead-free gasoline hurt my engine? What brand should I use in my car? . . . How can I judge a better grade of fuel or blend of fuel? . . . Answers to these questions and many similar questions are not easily found.

These are extremely important questions, Mr. President, because their answers may lead to improved performance of an individual's automobile, and substantial savings for the motorist. A recent article in the Washington Post estimated that motorists pay between $50 and $75 too much each year for gasoline merely because they buy gas with a higher octane rating than is needed for their cars.

Every motorist knows that the higher the octane, the more a particular gasoline will cost. But how many know that using so-called premium gasoline in a car that will run on regular adds nothing to the car's performance. The extra expense is pure waste.

Using extra, unnecessary octane does not not only result in a waste of dollars to the consumer. Perhaps more significant in these times of energy crisis, the overuse of octane contributes directly to the fuel shortage in our Nation. High octane gasoline requires a greater amount of basis crude oil than does a gasoline with a lower octane rating. The Oil Daily states that lowering the octane rating by a single number enables oil refiners to produce up to 5 percent more gasoline.

Mr. President, the implementation of this legislation is feasible and should manifest no problems of compliance. Octane numbers are already posted, for instance, on standard and premium gasoline pumps in the State of Maryland and under phase 4 regulations in every State. Other posting requirements related to the Economic Stabilization Act were promulgated by the Price Commission during phase 2, that is, Price Commission Regulations, section 300.13, which required much more detail to be provided by regulated firms, yet which have been substantially complied with by retailers throughout the economy. This has occurred without any substantial inconvenience to any industry and resulted in a net benefit to the consumer. The result in case of this legislative proposal should be no different.

In fact, this legislation proposed today will only seek to continue a program of octane posting already initiated under phase IV regulations. Under phase IV the proposed regulations would require:

> SUBPART L–PETROLEUM AND PETROLEUM PRODUCTS
>
> § 150.353 *Ceiling price rule: Retail sales.*
>
> c) Posting. Each retailer of gasoline shall post on each pump that he uses to dispense gasoline the ceiling price and the minimum research octane rating (as described in the American Society for Testing Materials (ASTM) "Standard Specifications for Gasoline" (D439–70) of the gasoline sold from that pump.

To be sure, though, today's legislative proposal does go further by providing posting of the octane requirements in cars as well as on gasoline pumps. Logically, it does little good to inform the consumer of gasoline quality without informing him also of his engine needs.

The consumer's difficulties in making an intelligent choice among the many gasolines on the market are compounded by excessive and not always informative advertising. Since advertising plays such a vital role in the consumer's choice of brand of gasoline, the oil companies spend a considerable amount of money on advertising.

Six major oil companies are among the top 100 major advertisers in the country. They include:

Rank	Company	Total spent	Network television
42	Shell Oil Co.	$27,741,200	9,647,400
53	Texaco Inc.	21,435,000	893,300
58	Exxon	20,257,400	8,971,600
77	Standard Oil of Indiana	16,788,400	6,697,800
81	Gulf Oil Co.	16,241,700	10,761,700
87	Mobil Oil Corp.	14,491,300	5,932,400

Source: Advertising Age, June 25, 1973, the Top 100 National Advertisers of 1972, p. 51.

Such high advertising expense constitutes an almost insurmountable barrier for new competition to challenge effectively. Consequently, there is no pressing desire among these companies to alter their advertising strategy from image advertising to a more consumer oriented approach.

This is exactly what the legislation I am proposing today will do. It will mandate certain information be carried in all gasoline advertising. Since one major characteristic of gasoline is its antiknock factor, this bill specifically requires information about octane to be included in all advertising. Such a requirement will help prevent the confusion caused by such vague terms as "regular," "super regular," "premium," "economy," and so forth.

There can be no question that this legislation covers an appropriate area for Federal regulation. The subject is at the heart of interstate commerce itself. Furthermore, although many States currently regulate the quality and purity of gasoline, only one, Maryland, requires posting of octane information.

The FTC has made a commendable attempt to require posting of octane ratings.

The FTC rulemaking was first proposed after 4 days of hearings in October 1969. The rule was promulgated in January 1970, but rehearing was granted to consider the type of octane number to employ. The industry successfully argued to the FTC that any posting requirement should employ the R+M/2 method of calculating the octane number which more accurately describes the octane levels possible to achieve with current refineries, instead of the research octane number, which is useful for laboratory purposes but not practical in application to the industry, despite the industry's use of these numbers in their advertising for years. After rehearing, the rulemaking was reissued in modified form by the FTC on December 16, 1971, to become effective March 15, 1972. Prior to its effective date, the industry obtained a permanent injunction against the enforcement of the rule from Judge Aubrey Robinson of the U.S. District Court, District of Columbia. Judge Robinson found that the FTC had overstepped its statutory authority in promulgating such a rule. *National Petroleum Refiners Association* v. *Federal Trade Commission* (340 F. Supp. 1343).

This decision was reversed and remanded on June 27, 1973, by the Circuit Court of Appeals for the District of Columbia—slip opinion No. 72-1446. It is likely that the industry will further appeal the decision to the Supreme Court of the United States, but such a Consumer Fuel Disclosure Act appeal has not yet been taken. In any event the issue will probably be tied up in courts for another few years. This is why we must act now on Federal legislation. In addition to this, the Federal Trade Commission's regulations were much more narrow in scope than what is presently envisioned in the legislation being introduced today.

Mr. President, from the consumers' standpoint, a requirement that gasoline stations post octane numbers and other information is a worthwhile law. A corresponding requirement that automobile manufacturers identify the optimum octane rating for their engines is a necessary corollary. If the consumer knows the recommended fuel for his vehicle, and can easily determine at the gas station which pump to select, he will neither pay too much by selecting a higher octane, more expensive fuel than he needs, nor will he risk damage to his engine by using lower octane gasoline than is necessary.

The legislation I introduce today, while costing very little, will result in important savings to the consumer, and more efficient use of our petroleum resources.

I ask unanimous consent that the text of the bill and a section-by-section analysis be printed in the RECORD.

There being no objection, the bill and analysis were ordered to be printed in the RECORD, as follows:

S. 2328

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Consumer Fuel Disclosure Act of 1973."

SEC. 2 The Purposes of this Act are—

(1) To assist consumers in avoiding the purchase of automotive gasoline with octane ratings unnecessarily high for the proper operation of their automobiles;

(2) To assist consumers in avoiding the payment of unnecessarily high prices for automotive gasoline due to a lack of ability to evaluate performance claims advertised for that product and due to a lack of objective, positive information regarding the quality and performance of automotive gasoline;

(3) To enhance competition in the sale to consumers of automotive gasoline.

SEC. 3. As used in this Act, the term—

(1) "State" means each of the several States, the District of Columbia, the Commonwealth of Puerto Rico, Guam, the Virgin Islands, the Canal Zone, and American Samoa;

(2) "interstate commerce" means commerce between any place in a State and any place in another State, or between places in the same State through another State;

(3) "octane rating" means the measurement of the anti-knock characteristics of gasoline for use as an automotive fuel, measured in accordance with regulations prescribed by the Federal Trade Commission;

(4) "additive" means any chemical ingredient added to gasoline for use as an automotive fuel to improve the combustion characteristics of such fuel, to reduce the malfunctioning or maintenance or extend the useful life of the engines in which it is used or to achieve any other additional or asserted combination of functions;

(5) "consumer" means any person who purchases gasoline for an automobile for purposes other than resale;

(6) "retail distributor of gasoline" means a person who sells gasoline to an ultimate consumer;

(7) "gasoline" means gasoline used in automobile engines, but does not include fuel dispensed for use in airplane engines, boat engines, or other engines used in non-automotive forms of transportation; and

(8) "Commission" means the Federal Trade Commission.

PROVISION OF FUEL INFORMATION

SEC. 4(a) (1) After the effective date of this Section, the shipment, transportation, or sale of gasoline in interstate commerce, or the shipment, transportation, or sale of gasoline which has been shipped in interstate commerce, is prohibited unless the person offering such gasoline for shipment, transportation or sale to one other than a consumer has certified in writing at or prior to the time of delivery of such gasoline to the person receiving such gasoline for resale or distribution (A) the octane rating, and (B) such other product information pertaining to such gasoline as the Commission shall by regulation require.

(2) After the effective date of this section, the sale to a consumer of gasoline which has been shipped, transported or sold, or is offered for sale, in interstate commerce, is prohibited unless the person offering such gasoline for sale to consumers has affixed to the unit from which gasoline is dispensed to the consumer a label clearly stating the octane rating and such other information pertaining to such gasoline as the Commission shall by regulation require.

(3) After the effective date of this section, no gasoline which has been shipped or transported in interstate commerce shall be sold or offered for sale to consumers unless all advertising and other promotional information about such gasoline clearly discloses the octane rating and such other information about such gasoline as the Federal Trade Commission shall by regulation prescribe.

(b) No automobile manufactured after the effective date of this section which has been manufactured, shipped, or transported in interstate commerce shall be sold or offered for sale to a consumer unless the manufacturer of such automobile provides written information to the consumer of such automobile stating the octane or octanes of gasoline appropriate for use in the engine of such automobile, and such other information relating to gasoline appropriate for use in the engine of such automobile as the Commission shall by regulation prescribe.

(c) The information required to be disclosed under subsection (a) shall meet such requirements as to form and content, and any label required to be displayed shall be affixed in such location on the unit from which gasoline is dispensed, as the Commission shall by regulation prescribe. The information required to be disclosed under subsection (b) shall be posted in or on the automobile or included in literature furnished by the manufacturer to the consumer of the automobile, or both, as the Commission shall by regulation prescribe.

PENALTIES

SEC. 5. (a) (1) Violation of the provisions of section 4(a) (1) of this Act or any regulation promulgated pursuant to such section is a misdemeanor punishable by a fine not in excess of $5,000 for each day in which any delivery of such gasoline is made.

(2) Violation of the provisions of Section 4(a) (2) of this Act or any regulation promulgated pursuant to such section is a misdemeanor punishable by a fine not in excess of $100 for each day on which any sale of such gasoline is made.

(3) Violation of the provisions of Section 4(a) (3) of this Act or any regulation promulgated pursuant to such section is a misdemeanor punishable by a fine not in excess of $5,000 for each publication of an advertisement.

(4) Violation of the provisions of Section 4(b) of this Act or any regulation promulgated pursuant to such section is a misdemeanor punishable by a fine not in excess of $300 for the sale of an automobile by a manufacturer, and not in excess of $100 for the sale of an automobile by a person other than the manufacturer.

(b) Violation of any provision of this Act or any regulation promulgated under this Act is an unfair or deceptive act or practice in commerce under Section 5(a) (1) of the Federal Trade Commission Act [15 U.S.C. 45 (a) (1)].

COMMISSION STANDARDS, STUDIES AND ENFORCEMENT

SEC. 6 The Commission shall—

(1) establish standard methods to measure octane and to establish other methodologies and testing procedures to insure the purity and content of gasoline;

(2) conduct a full and complete study of the quality of performance of various brands of gasoline of which substantial sales in interstate commerce are made, the impact of such gasoline on automobile deterioration, and the feasibility of standardizing gasoline formulae, and report the findings of such study to the Congress;

(3) require manufacturers of gasoline which has been moved or is intended to be moved in interstate commerce or in commerce affecting interstate commerce to provide adequate substantiation of any claim advertised with respect to the performance of such gasoline or any additive, and

(4) perform spot tests of the quality of various brands of gasoline which has been moved in interstate commerce or in commerce affecting interstate commerce and provide semi-annual reports on the testing procedure and the results disclosed by such tests.

EXEMPTION FROM FEDERAL REPORTS ACT

SEC. 7. The requirements of the Federal Reports Act of 1942 (44 U.S.C. 3501 et. seq.) shall not apply to any forms issued by the Commission in connection with this Act. Should the Commission issue any public use forms to ten or more companies the Commission shall seek the advice of the Comptroller General as to the formulation of the form and collection methods prior to issuance.

TIME FOR ISSUANCE OF REGULATIONS

SEC. 8. The Commission shall issue regulations prescribing the form, content, and location of the information required under Section 4 not later than one year after the enactment of this Act.

EFFECTIVE DATE

SEC. 9. This Act shall take effect one year after the date of enactment, except that Sections 6 and 7 shall take effect on the date of enactment.

AUTHORIZATION OF APPROPRIATIONS

SEC. 10. There are hereby authorized to be appropriated such sums as may be necessary to carry out the provisions of this Act.

SECTION-BY-SECTION ANALYSIS OF THE CONSUMER FUEL DISCLOSURE ACT OF 1973

Sec. 2 *Purposes*—To assist consumers in the purchase of automobile gasoline by providing necessary information regarding octane and additives.

Sec. 3 *Definitions.*

Sec. 4 *Disclosure Provisions*—(a) (1) & (2) This section provides a system whereby the octane rating of automotive gasoline is required to be disclosed to each party in the wholesale-retail marketing and distribution chain. Also to be disclosed is such other information about additives and content as the FTC may require. All sales other than to the ultimate consumer must be accompanied by a certificate in writing of the octane rating and other necessary information regarding the gasoline. Similar information must be posted on the gasoline pump. The FTC is authorized to enact standards regarding the manner and form of the disclosures.

(3) All advertising concerning gasoline must disclose the octane rating and other information the FTC may require.

(4) Requires automobile manufacturers to notify the consumer of the appropriate octane rating for gasoline to be used in the engine of each new automobile produced, according to regulations to be promulgated by the FTC.

Sec. 5 *Penalties*—Violations are misdemeanors punishable by fines varying from $100 to $5000, depending on the offender. FTC and Justice Department can enforce the Act.

Sec. 6 *Commission Standards, Studies & Enforcement*—

(a) Authorizes and requires the FTC to establish standards to measure octane and other additives to gasoline.

(b) Authorizes an FTC study of gasoline formulae and the feasibility of standardization.

(c) Authorizes the FTC to require advertising substantiation of gasoline performance claims.

(d) Authorizes the FTC to conduct spot tests of gasoline and provide semi-annual reports to Congress on the results of the tests.

Sec. 7 *Exemption From Federal Reports Act*—This section exempts forms produced by the FTC in connection with this Act from the requirements of the Federal Reports Act of 1942.

Sec. 8 *Issuance of Regulations*—Requires the FTC to issue regulations under Sec. 4 not later than one year from enactment.

Sec. 9 *Effective Date*—The Act takes effect one year from date of enactment, except that Sections 6 and 7 shall take effect on the date of enactment.

Sec. 10 *Authorization of Appropriations*—Authorizes such sums as are necessary to carry out the provisions of the Act.

By Mr. TOWER:

S. 2329. A bill to amend chapter 5 of title 37, United States Code, to revise the special pay structure relating to certain members of the uniformed services. Referred to the Committee on Armed Services.

Mr. TOWER. Mr. President, during the past year, the Department of Defense has moved toward an all-volunteer Army with commendable expediency and with a minimum of disruption. Vigorous recruitment, pay raises, and changes in personnel policies have enabled the services to approach their enlistment goals in terms of numbers as well as quality. However, we may still anticipate difficulties in meeting critical manpower needs, such as health professionals; therefore, I rise to introduce a bill which would provide special pay for physicians, dentists, and other health professionals for which the Secretary found there to be a critical need.

Although it is true "that an army moves on its stomach," I feel that the provision of medical services is no less essential. We must take any and all necessary steps to insure that our Nation's armed services are served by healthy men and women. Special pay, and other programs, are all designed to provide sufficient health manpower, which if properly deployed, can meet the health care needs of members of the armed services.

During the 92d Congress, we passed H.R. 2, which provides for the establishment of the health university of the uniformed services capable of producing 100 medical students per year by 1982. To provide health personnel during the interim years and to supplement the efforts of the university when it is established, the law provides for 5,000 health scholarships. The scholarships pay for tuition, laboratory fees, books, and a monthly stipend. In return, the student accepts an obligation of 1 year of service for each year or portion thereof during which he receives a subsidy. During the first year, the interest in the scholarship program has been high. The willingness of students to commit themselves, at least for a minimum number of years, will greatly assist the armed services in meeting its health manpower needs during the seventies.

Nevertheless, in order to provide the armed services with senior medical officers capable of providing leadership and continuity, we must also address the issue of retention. A health professional considers many things when deciding whether or not to remain in the service. These include continuing education, duty assignments, methods of practice, and salary. If we are to retain experienced medical personnel, we must address these concerns. The establishment of the university should enhance the quality of medicine practiced in the service. Programs to expand the opportunities for continued education will greatly enhance the attractiveness of a career in the Armed Forces. Longer tours of duty and duty assignments consistent with a physician's specialization are other improvements which should be undertaken wherever possible. Freeing health professionals from clerical and administrative chores as well as providing them with the support of well-trained allied health manpower teams will greatly enhance the attractiveness of a medical practice in the military. Finally, pay must be considered in order to reduce the great disparity which exists between the pay for military officers and that of civilian practitioners.

We can no longer correct deficencies in the delivery of health care in the Armed Forces by drafting an additional number of physicians as cheap, temporary, professional help. We must undertake those programs necessary to assure an experienced, competent and dedicated corps of health professionals.

By Mr. THURMOND:

S. 2330. A bill to provide for the increase of capacity and the improvement of operations of the Panama Canal, and for other purposes. Referred to the Committee on Armed Services.

Mr. THURMOND. Mr. President, I am today introducing a bill for the major modernization and improvement of the Panama Canal. This bill is identical to H.R. 1517, introduced in the House by Mr. FLOOD of Pennsylvania, and similar to the measures for the enactment of the Terminal Lake-Third Locks plan which I have introduced in previous Congresses. I ask unanimous consent that it be printed in the RECORD at the conclusion of my remarks, and that it be referred to the Armed Services Committee as were its predecessors.

The advantages of this proposal are primarily twofold. On the technical side, it would increase the capacity both in regard to the size of vessels and the number of transits, and on the diplomatic side, it would provide an opportunity to strengthen our present troubled relationship with Panama.

Mr. President, the advantages of the Terminal Lake-Third Locks plan are such that it has been strongly endorsed this month by the largest organization of American flag shipowners, the American Maritime Association. I have also received a lengthy letter endorsing the plan from Constantine G. Gratsos, executive vice president of Victory Carriers of New York. Victory Carriers is the American flag line of the Aristotle Onassis worldwide shipping interests, and thus the letter carries with it in the maritime field the prestige of Mr. Onassis' expertise.

Mr. President, I ask unanimous consent that the letter from Mr. Gratsos also be printed in the RECORD at the conclusion of my remarks.

Before I go into detail about the technical improvements proposed in my bill, I would like to touch briefly upon its impact on international affairs. As everyone knows, our relationship with Panama has been aggravated by uncertain and dubious policies pursued by the U.S. State Department, and by calculated anti-Americanism on the part of certain elements in Panama. A massive undertaking such as this would afford many opportunities to work closely with constructive elements in Panama and improve the standard of living for every level of Panamanian society. Moreover, when completed, the plan would maximize employment of Panamanian citizens in Canal operations.

The question of new treaties with Panama is largely irrelevant to the undertaking of the improvements proposed in my bill. The juridical history clearly shows that such improvements would not change the basic alinement of the Canal Zone boundaries and thus would require no new treaties for construction to begin. In fact, the State Department has recently reiterated that the United States interprets the Treaty of 1903 as granting the United States by implication the right to expand the Panama Canal within the boundaries of the Canal Zone. The State Department went on to point out that this right was asserted and accepted by Panama in 1939 when construction was started on the earlier Third Locks project, a project which was stopped by World War II.

In my judgment, it would be rash in the extreme to disturb our historic sovereign rights in the Canal Zone. On the other hand, the guidelines for the present negotiations include the stipulation that any final treaty would have to contain permission to implement the Terminal Lake-Third Locks plan. When the major modernization program goes forward, Congress would merely be adding this new factor to its overall consideration of the merits of a new treaty.

The Terminal Lake-Third Locks plan has two closely related basic features: The increase of lock capacity; and operational improvement. The two aims are achieved hand in hand.

As those familiar with the Panama Canal know, the canal consists of a fresh water channel 87 feet above mean sea level. This channel was created by the damming of the Chagres River near its outlet into the Caribbean. On the Atlantic end, a vessel rises to the summit level by three lifts of locks grouped together. There are two lanes of these triple lifts. The vessel then crosses Gatun Lake, the artificial lake, until it comes to Gaillard Cut. This is a narrow channel, originally 300 feet wide, but recently widened to 500 feet, cut through the rock of the continental divide.

This narrow channel ends in the bottleneck of the Pedro Miguel locks. At Pedro Miguel, there is a one-lift lock, down to the level of Miraflores Lake. The vessel crosses this small lake to the Miraflores locks, which consist of two steps down to sea level.

This arrangement was a major flaw in the design of the original canal. As the vessel approaches the narrow bottleneck of the Pedro Miguel locks, it may experience navigational problems slowing down or stopping in a narrow channel. Studies have shown that there is a disproportionate number of accidents in this area. Only a few months ago, a Republic of China registry vessel, the *Shozan Maru* was removed after having been sunk near the bank near Pedro Miguel for nearly 2 years. Because of legal and engineering problems, the vessel remained a hazard to navigation during that period.

Moreover, once a vessel gets past Pedro Miguel, it must go through the operational procedures for locking once more at Miraflores locks. At the Atlantic end, the three lifts can be done in one coordinated operation, but at the Pacific end, the operation must be done twice.

The major feature of the Terminal Lake-Third Locks plan is that it would raise the level of Miraflores Lake to the summit level, and reconstruct the locks in triple-lift fashion near Aguadulce. The Pedro Miguel locks—and the bottleneck—would be removed. The vessel could pass into a terminal lake for anchorage or maneuvering preparatory to entering the locks, and then pass through the triple-lift locks in one coordinated operation. This would speed up operations and reduce navigational hazards.

Two lanes of the new Pacific locks would be the same dimensions as at present—110 feet by 1,000 feet. A third lane—the so-called Third Locks—would be added with dimensions 140 feet by 1,200 feet. At the Atlantic terminal, the present locks would remain, while a third lane would be constructed with dimensions of 140 feet by 1,200 feet. Thus the arrangement at each end would be symmetrical.

The new locks would be constructed in the excavations which were begun in 1941 for the earlier Third Locks project at each end of the canal and upon which $76 million was spent. The excavations, as I pointed out earlier, were halted as a result of developments in World War II, a fortunate circumstance, since further study revealed important errors in overall design. All of the work done in these excavations would be usable in the revised Terminal Lake-Third Locks plan.

These new dimensions were arrived at after years of study as the best compromise between economy in construction, prudent use of water resources, and the toll structure. While it would not allow the passage of the big supertankers, it must be recognized that most of these vessels were designed for trade routes for which no transit of the Canal would be required. For example, the large crude oil carriers which we are now building, all in excess of 225,000 tons, will be used to bring oil from the Persian Gulf area to deep water facilities off the U.S. east coast. Moreover, the economies of scale with the big supertankers are such that tolls at any reasonable level—and even in a sea level canal—would be so high per transit that it would be cheaper to pay the costs of sailing around the capes rather than to transit the canal.

The proposed dimensions would accommodate virtually all ships in the U.S.-flag merchant fleet today, and most in the world fleet. At present the canal dimensions limit transits to ships of a maximum of 60,000 to 80,000 tons. The proposed dimensions would limit transits to ships of 120,000 tons laden, and 100,000 tons lightened. This would enable the use of 120,000-ton ships to carry liquified natural gas from Siberia and Alaska to the east coast. It would also allow any crude oil from the Alaska pipeline which is in excess of the west coast requirements to be carried efficiently to refiners in gulf ports, east coast, or Puerto Rico.

It has been estimated that the present capacity of the canal will be reached by the end of this century. But present estimates are now being rapidly downgraded because of a new shipping phenomenon that has emerged in the past year—the rapid increase of ships being built to fit the present canal maximum dimensions. These new vessels, referred to as Panamax ships, have been engineered to take advantage of the maximum benefits obtained through canal passage. The first of these, the *Tokyo Bay,* which made its maiden transit last year, has a clearance of only 18 inches on each side in the locks. The Panama Canal Co. handles these transits with consummate skill and safety, but they take infinitely more care and attention.

Moreover, the proposed new dimensions would undoubtedly stimulate the construction of what might be called Panamax II ships. Panamax II ships would change the patterns of shipping to more efficient configurations that do not show up in current projections and estimates. In combination with containerization, the net advantage to the U.S. consumer would be significant.

I would also like to mention briefly that the Terminal Lake-Third Locks plan would preserve the existing ecology of the Isthmus. The fresh water of the canal maintains the centuries-old barrier between the Atlantic and Pacific oceans. The development of salt water species in each ocean has proceeded independently, and scientists are convinced from observation and experiment that the mixture of the species, as would occur with a sea level canal, could have a devastating effect on valuable species that are not used to coping with predators from another ocean. This topic was covered not long ago in a major symposium at the Smithsonian Institution—which has a research station in the Canal Zone working on the problem. More recently, the biological hazards of the sea-level canal proposal were discussed at length last September at the International Scientific Congress at Monaco.

The disappearance of even one species which is an important protein supply to world food needs could be tragic. As an example, the American housewife is already feeling the effects of the disappearance of Peruvian anchovies, apparently from overfishing, which were a major source of cheap fishmeal for chicken feed. Opening up the isthmus to a sea-level passage could well be opening up a Pandora's box for the world's food supply.

The Terminal Lake-Third Locks plan would provide needed improvements in the canal's capacity without disturbing the ecology of the region. For this reason, major environmental groups look upon the Terminal Lake-Third Locks plan as a positive step in averting ecological disaster.

Mr. President, the energy crisis is not the only situation that is causing us to revise the estimates of future world shipping. The food crisis is also going to be an important factor in U.S. trade. It now appears that the United States will be the largest exporter of food in the world. Already most cargoes that either enter or leave U.S. ports pass through the canal going or coming. The importance of the canal to our future export economy will bring about a new appreciation of its role in enhancing our national security.

The Terminal Lake-Third Locks plan was developed in the Panama Canal organization as a result of World War II experience, and has won the support of important maritime interests, experienced navigators and engineers. It is still recognized as the only practical alternative to proposals for a sea-level canal, and is the only feasible economic improvement plan, period. In commenting on the advantages of the Terminal Lake-Third Locks plan, Canal Zone Gov. David S. Parker summarized its advantages from an engineering point of view:

> It would cost considerably less than a sea-level canal. Navigation through such a canal would be relatively simple because it would make use of the existing Gatun Lake, avoiding the currents and initially narrow channel of a sea-level canal. It would not alter materially the ecology of the area, Gatun Lake would be retained in its present

form, and there would be a barrier to the movement of biota from one ocean to another.

The letter of Mr. C. G. Gratsos, which I mentioned earlier, is also specific, from a navigational point of view. Mr. Gratsos says:

> Ever since the opening in 1914 of the canal, thoughtful mariners have often asked why the Atlantic end of the Canal has only one group of 3-lift locks to raise vessels from sea level to the Gatun Lake level, about 85 feet high, while at the Pacific end of the Canal there are two groups of locks separated by a small intermediate level Miraflores Lake, 54 feet above mean sea level.
>
> These experienced navigators generally recognize the differences between the two ends of the canal and have often reported to their operating companies about the double set of difficulties experienced when transiting the Pacific Locks. I have observed these difficulties from personal observation during transit of the Canal.

Mr. Gratsos concludes as follows:

> The recommended modernization program involves much work; two years for planning and about eight years for construction. Prompt passage of the bill is recommended.

Mr. President, my bill would provide for the construction of the project as described, for the appointment of a Panama Canal Advisory and Inspection Board to review and approve all plans for construction, and for the authorization of $950 million, of which $45 million would be the initial appropriation.

There being no objection, the bill and material were ordered to be printed in the RECORD, as follows:

S. 2330

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Panama Canal Modernization Act."

SEC. 2. (a) The Governor of the Canal Zone, under the supervision of the Secretary of the Army, is authorized and directed to prosecute the work necessary to increase the capacity and improve the operations of the Panama Canal through the adaptation of the Third Locks project set forth in the report of the Governor of the Panama Canal, dated February 24, 1939 (House Document Numbered 210, Seventy-sixth Congress), and authorized to be undertaken by the Act of August 11, 1939 (53 Stat. 1409; Public Numbered 391, Seventy-sixth Congress), with usable lock dimensions of one hundred and forty feet by one thousand two hundred feet by not less than forty-five feet, and including the following: elimination of the Pedro Miguel Locks, and consolidation of all Pacific locks near Agua Dulce in new lock structures to correspond with the locks capacity at Gatun, raise the summit water level to its optimum height of approximately ninety-two feet, and provide a summit-level lake anchorage at the Pacific end of the canal, together with such appurtenant structures, works, and facilities, and enlargements or improvements of existing channels, structures, works, and facilities, as may be deemed necessary, at an estimated total cost not to exceed $950,000,000, which is hereby authorized to be appropriated for this purpose: *Provided, however,* That the initial appropriation for the fiscal year 1974 shall not exceed $45,000,000.

(b) The provisions of the second sentence and the second paragraph of the Act of August 11, 1939 (53 Stat. 1409; Public Numbered 391, Seventy-sixth Congress), shall apply with respect to the work authorized by subsection (a) of this section. As used in such Act, the terms "Governor of the Panama Canal", "Secretary of War", and "Panama Railroad Company" shall be held and considered to refer to the "Governor of the Canal Zone", "Secretary of the Army", and "Panama Canal Company", respectively, for the purposes of this Act.

(c) In carrying out the purposes of this Act, the Governor of the Canal Zone may act and exercise his authority as President of the Panama Canal Company and may utilize the services and facilities of that company.

SEC. 3. (a) There is hereby established a board, to be known as the "Panama Canal Advisory and Inspection Board" (hereinafter referred to as the "Board").

(b) The Board shall be composed of five members who are citizens of the United States of America. Members of the Board shall be appointed by the President, by and with the advice and consent of the Senate, as follows:

(1) one member from private life, experienced and skilled in private business (including engineering);

(2) two members from private life, experienced and skilled in the science of engineering;

(3) one member who is a commissioned officer of the Corps of Engineers, United States Army (retired); and

(4) one member who is a commissioned officer of the line, United States Navy (retired).

(c) The President shall designate as Chairman of the Board one of the members experienced and skilled in the science of engineering.

(d) The President shall fill each vacancy on the Board in the same manner as the original appointment.

(e) The Board shall cease to exist on that date designated by the President as the date on which its work under this Act is completed.

(f) The Chairman of the Board shall be paid basic pay at the rate provided for level II of the Executive Schedule in section 5313 of title 5, United States Code. The other members of the Board appointed from private life shall be paid basic pay at a per annum rate which is $500 less than the rate of basic pay of the Chairman. The members of the Board who are retired officers of the United States Army and the United States Navy each shall be paid at a rate of basic pay which, when added to his pay as a retired officer, will establish his total rate of pay from the United States at a per annum rate which is $500 less than the rate of basic pay of the Chairman.

(g) The Board shall appoint, without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, a Secretary and such other personnel as may be necessary to carry out its functions and activities and shall fix their rates of basic pay in accordance with chapter 51 and subchapter III of chapter 53 of such title, relating to classification and General Schedule pay rates. The Secretary and other personnel of the Board shall serve at the pleasure of the Board.

SEC. 4. (a) The Board is authorized and directed to study and review all plans and designs for the Third Locks project referred to in section 2(a) of this Act, to make on-the-site studies and inspections of the Third Locks project, and to obtain current information on all phases of planning and construction with respect to such project. The Governor of the Canal Zone shall furnish and make available to the Board at all times current information with respect to such plans, designs, and construction. No construction work shall be commenced at any stage of the Third Locks project unless the plans and designs for such work, and all changes and modifications of such plans and designs, have been submitted by the Governor of the Canal Zone to, and have had the prior approval of, the Board. The Board shall report promptly to the Governor of the Canal Zone the results of its studies and reviews of all plans and designs, including changes and modifications thereof, which have been submitted to the Board by the Governor of the Canal Zone, together with its approval or disapproval thereof, or its recommendations for changes or modifications thereof, and its reasons therefor.

(b) The Board shall submit to the President and to the Congress an annual report covering its activities and functions under this Act and the progress of the work on the Third Locks project and may submit, in its discretion, interim reports to the President and to the Congress with respect to these matters.

SEC. 5. For the purpose of conducting all studies, reviews, inquiries, and investigations deemed necessary by the Board in carrying out its functions and activities under this Act, the Board is authorized to utilize any official reports, documents, data, and papers in the possession of the United States Government and its officials; and the Board is given power to designate and authorize any member, or other personnel, of the Board, to administer oaths and affirmations, subpena witnesses, take evidence, procure information and data, and require the production of any books, papers, or other documents and records which the Board may deem relevant or material to the performance of the functions and activities of the Board. Such attendance of witnesses, and the production of documentary evidence, may be required from any place in the United States, or any territory, or any other area under the control or jurisdiction of the United States, including the Canal Zone.

SEC. 6. In carrying out its functions and activities under this Act, the Board is authorized to obtain the services of experts and consultants or organizations there in accordance with section 3109 of title 5, United States Code, at rates not in excess of $200 per diem.

SEC. 7. Upon request of the Board, the head of any department, agency, or establishment in the executive branch of the Federal Government is authorized to detail, on a reimbursable or nonreimbursable basis, for such period or periods as may be agreed upon by the Board and the head of the department, agency, or establishment concerned, any of the personnel of such department, agency, or establishment to assist the Board in carrying out its functions and activities under this Act.

SEC. 8. The Board may use the United States mails in the same manner and upon the same conditions as other departments and agencies of the United States.

SEC. 9. The Administrator of General Services or the President of the Panama Canal Company, or both, shall provide, on a reimbursable basis, such administrative support services for the Board as the Board may request.

SEC. 10. The Board may make expenditures for travel and subsistence expenses of members and personnel of the Board in accordance with chapter 57 of title 5, United States Code, for rent of quarters at the seat of government and in the Canal Zone, and for printing and binding as the Board deems necessary to carry out effectively its functions and activities under this Act.

SEC. 11. All expenses of the Board shall be allowed and paid upon the presentation of itemized vouchers therefor approved by the Chairman of the Board or by such other member or employee of the Board as the Chairman may designate.

SEC. 12. There are hereby authorized to be apropriated to the Board each fiscal year such sums as may be necessary to carry out its functions and activities under this Act.

SEC. 13. Any provision of the Act of August 11, 1939 (54 Stat. 1409; Public Numbered 391, Seventy-sixth Congress), or of any other statute, inconsistent with any provision of this Act is superseded, for the purposes of this Act to the extent of such inconsistency.

CONSTANTINE G. GRATSOS,
New York, N.Y., July 16, 1973.

Senator STROM THURMOND,
U.S. Senate,
Washington, D.C.

DEAR SENATOR THURMOND: As Executive Vice President of Victory Carriers, Inc., a New York based carrier, operating ships which utilize the Panama Canal, I would like to share some views with you which may be helpful in the consideration of legislation for the major modernization of the Panama Canal.

The value of having a waterway across the Isthmus has been recognized since the age of discovery. Saving about 8000 nautical miles for intercoastal voyages, its continued efficient operation is a manner of prime importance. Interoceanic commerce is concerned primarily with its continued safe, expeditious and convenient transit.

Ever since the opening in 1914 of the canal thoughtful mariners have often asked why the Atlantic end of the canal has only one group of 3 lifts locks to raise vessels from sea level to the Gatun Lake level, about 85 feet high, while at the Pacific end of the Canal there are two groups of locks separated by a small intermediate level Miraflores Lake, 54 feet above mean sea level.

These experienced navigators generally recognize the differences between the two ends of the canal and have often reported to their operating companies about the double set of difficulties experienced when transiting the Pacific Locks. I have observed these difficulties from personal observation during transit of the canal.

For more than half a century every vessel that has passed through the Pacific Locks has had to make two approaches, make fast twice to towing locomotives, and let go twice as compared to only once for these operations at Gatun. The Pacific arrangement has involved not only loss of transit time but has also added to the danger of marine accidents. Our ship masters have often stressed the marine operational benefits that would accrue from the consolidation of the Pacific Locks in three lifts as close to the seas as possible so as to correspond with the layout at Gatun.

The crucial tests of World War II and marine operational studies incident thereto made in the Panama Canal organization inspired the development by the personnel in that agency of a proposal for the future canal based upon navigational experience, known as the Terminal Lake-Third Locks Plan.

Because of its inherent advantages, which are perfectly obvious, it makes a strong appeal to thoughtful mariners and their principals as the only logical solution of the Canal question when all its main aspects are considered. In this connection, I would emphasize that any plan that does not eliminate the bottle neck locks at Pedro Miguel does not merit the support of the Merchant Marine and from our point of view would be useless.

The problem of increasing the capacity of the Panama Canal has two elements of great interest to the merchant marine; locks and transit capacity.

The usable dimensions of the present locks are 110 feet by 1000 feet by 41 feet. While these dimensions are sufficient for a majority of the vessels that transit, the number of larger ones is steadily increasing to such a point that even Panama Canal pilots have publicly complained about the locks being too small for some of the traffic.

The fact that the transit capacity can be increased by certain improvements is not enough. With the exception of the widened Gaillard cut the Canal is essentially what it was when opened to traffic 59 years ago. Specifically, many ship masters have complained that the location of the Pedro Miguel Locks squarely across the mouth of Gaillard cut causes problems and loses time. Those who have studied the subject almost uniformly urge the elimination of these locks for an adequate modernization. As previously indicated, any plan that does not provide for the physical removal of these locks cannot solve the marine problems of the Canal. Instead it would perpetuate what experience has shown to have been the fundamental error in the design of the Panama Canal—the separation of the Pacific Locks.

What is needed for the Panama Canal is a two way ship channel through the continental divide with a traffic reservoir in the summit level at each end.

The reservoir at the Atlantic end is supplied by Gatun Lake; the needed basin at the Pacific end would be provided by the elevated Miraflores Lake. And such a canal would be the best canal for the transit of vessels and it would be provided by your bill. The recommended modernization program involves much work: two years for planning and about eight years for construction. Prompt passage of the bill is recommended.

In addition to the increase in capacity and safety provided by the Terminal Lake-Third Locks Plan ships would obtain the added benefit of an increase of the water supply which would reduce the present problems caused by seasonal shortages of water.

Major modernization of the Panama Canal would be expensive, of course. But as time goes on costs would inevitably increase so that it is mandatory to undertake the project at the earliest moment. Panama Canal tolls can be raised within reason, and I believe that any increase in tolls should be allocated toward the improvement of the canal, not only for the benefit of American shipping but for the commerce of the entire world.

Sincerely,

C. G. GRATSOS.

By Mr. THURMOND:

S. 2331. A bill to transfer the functions of the Passport Office to a new agency of the Department of State to be known as the "United States Passport Service", to establish a Passport Service Fund to finance the operations of the United States Passport Service, and for other purposes. Referred to the Comittee on Foreign Relations.

Mr. THURMOND. Mr. President, the bill which I am introducing today would provide three much needed changes in the structure of a vital public service organization, the Passport Office of the Department of State.

The bill provides first for an organizational change which recognizes the importance of this public service in the hierarchy of the State Department. It would establish a U.S. Passport Service within the Department of State with a Director responsible directly to the Secretary of State for the administration of the service. The structure of the service would be comparable to the Immigration and Naturalization Service in the Department of Justice and it would clear away some of the bureaucratic deadwood which has consistently impeded the progress of the Passport Office. The Passport Office is presently a constituent office of the Bureau of Security and Consular Affairs which is responsible through the Under Secretary for Management to the Secretary for its administration. This bureau, which is largely foreign service oriented, is not equipped to manage a growing public service organization. It has, for the most part, duplicated functions and snarled progress in endless redtape. The value of this Bureau can be judged by the fact that in 1970, a committee appointed by the Secretary of State headed by former Senator Leverett Saltonstall and composed of high ranking officials, both public and private, recommended that it be abolished as unnecessary.

Two previous in-house surveys of the Bureau of Security and Consular Affairs have come to the same conclusion. Since the Bureau was established by Congress, it can and should be abolished by Congress as a costly duplication of work performed by other areas of the Department of State.

My bill would provide that the Director of the new U.S. Passport Service would be appointed by the Secretary at the GS–18 level. What is most important about this proposal is that it would not subject the Service to the vagaries of either politically oriented Schedule C appointees or itinerant Foreign Service officers neither of which are equipped to provide the kind of continuity which a business type, technically oriented public service requires. It is a known fact the Passport Office citizenship attorneys, fraud detectors, and adjudicators require years of precedent experience to rate as experts in their fields.

The next major change which my bill would effect is to provide the Service with the authority to establish and maintain passport agencies and service offices where there is a need for convenient and efficient public service. My bill provides, with one exception, that any such agency or office must be self-sustaining within 1 year of its establishment. This means, in essence, that the fees which it collects must exceed the direct cost of its operation. At the present time, the Passport Office, in addition to its own facilities in Washington, operates 10 agencies located strategically around the United States. Each of these facilities returns revenue in excess of the direct cost of their operation.

In recent years, our Nation has grown rapidly and has become increasingly involved in international travel. The tremendous growth in air travel has created international ports of entry in areas never envisioned even 10 to 15 years ago. There is an urgent need for the establishment of additional facilities in various parts of the country to meet the growing passport, travel, and citizenship requirements of the public.

The third major provision of my bill would establish a passport service fund. This is essentially a revolving fund which would permit the Passport Service to use some of the revenue which it returns each year to the Treasury to provide the more efficient and convenient service to the public. The Passport Office has for years returned millions of dollars to the Treasury over and above its direct costs. In fiscal year 1972, for example, the Passport Office collected $25,955,783 in passport fees in the United States. Its direct domestic operating cost was $11,382,548. An excess or revenue of $14,573,235 was returned to the U.S. Treasury. To charge up the high cost of the Foreign Service to this revenue in order to show a loss is absurd and deceptive.

So-called revolving funds are neither new nor unusual in the Federal Government. In 1968 there were 127 such revolving fund accounts in the Treasury Department. Of these, 89 were so-called public revenue enterprise funds such as established by my bill. A public enterprise fund is one which derives its revenue from sources totally outside the Government.

It is important to point out here that the establishment of this fund does not provide the Passport Service with authority for unbridled expenditures. My bill also provides for elaborate accounting procedures, an annual business-type budget and periodic audits by GAO with reports to the President and the Congress. The fund would simply provide much needed flexibility in financing the Passport Service which the outmoded budget procedures of the State Department simply cannot do.

In summary, Mr. President, I think that this bill will provide the organizational and financial flexibility needed in the passport operation to provide the kind of service to the public advocated by U.S. Presidents from both parties and, indeed, by a great many of my colleagues on both sides of the aisle in both Houses of the Congress. In this regard, I do not want to leave the impression that my bill is unique. Over the years since 1955 some 30 bills have been introduced in the House and the Senate containing some provisions similar to my proposal. Each one in turn has been objected to by the Department of State. However, I believe that the bill which I am introducing today contains a composite of the best from all of these bills and provides a vehicle which can command the bipartisan support required to pass this much needed reform, which already is several years too late.

The need for legislation of this type is urgent and requires expeditious action by Congress. I ask my colleagues to demonstrate the ability of Congress to respond quickly and effectively when the situation demands.

Mr. President, I am sending the bill to the desk, and I ask unanimous consent that it be printed in the RECORD following my remarks.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2331

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That there is hereby established in the Department of State the United States Passport Service (Hereinafter referred to as the "Service") which shall have as it purpose the administration of the laws and regulations relating to nationality, documentation, protection, and control of international travel of nationals of the United States.

SEC. 2. All functions, powers, duties, and authority of the Passport Office of the Department of State, together with those funds, liabilities, commitments, authorizations, allocations, personnel, properties, and records of the Department of State which the Secretary of State shall determine to be primarily related to, and necessary for, the exercise of such functions, powers, duties, and authority, are hereby transferred to the Service.

SEC. 3. The Service shall be headed by a Director, who shall be appointed by the Secretary of State and responsible directly to him for the administration of the Service. The Director shall be appointed in accordance with the civil service laws in the grade of GS-18 of the General Schedule as prescribed in the Classification Act of 1949, as amended. The Director—

(a) shall be responsible for the administration of the Service, the supervision of all personnel, including personnel of the Foreign Service, who are engaged in carrying out the laws and regulations administered by the Service, and shall possess such other powers and authorities as may be necessary to carry out the provisions of this Act;

(b) may appoint and fix the compensation of passport agents and such other officers and employees as may be necessary to carry out the provisions of this Act. Such appointments shall be under the Civil Service laws. Passport agents and such other officers and employees of the Service as may be designated in writing by the Director for that purpose may, in connection with their official duties, administer to or take from any person an oath, affirmation, affidavit, or deposition.

(c) is hereby authorized and empowered to establish, staff, and maintain passport agencies and Passport Service offices at such locations in the United States as the need for efficient and convenient public service may from time to time require: *Provided,* That all such agencies and offices shall within one year of the date of initial establishment be self-sustaining. The funds necessary for the establishment and operation of such agencies and offices shall be drawn from the fund authorized and established by section 4 of this Act: *Provided,* That nothing contained in this section shall prevent the establishment of agencies or offices which are not self-sustaining where geographic necessity or the needs of public service require. The need for such offices or agencies shall be justified to the satisfaction of the Secretary of State and the Congress.

SEC. 4. In order to carry out the provisions of this Act, the Director is authorized—

(a) to adopt, amend, and repeal rules and regulations governing the operations, organization, and personnel of the Service, and the performance of the powers and duties granted to or imposed upon him by law;

(b) to obtain the services of experts and consultants in accordance with the provisions of section 3109 of title 5, United States Code;

(c) to acquire by purchase, lease, condemnation, or in any other lawful manner, any real or personal property, tangible or intangible, or any interest therein; to hold, maintain, use, and operate the same; and to sell, lease, or otherwise dispose of the same at such time, in such manner, and to the extent deemed necessary or appropriate;

(d) to construct, operate, lease, and maintain buildings, facilities, and other improvements as may be necessary;

(e) to enter into contracts or other arrangements or modifications thereof, with any government, any agency or department of the United States, or with any person, firm, association, corporation, and such contracts or other arrangements, or modifications thereof, may be entered into without legal consideration, without performance or other bonds, and without regard to section 3709 of the Revised Statutes, as amended (41 U.S.C. 5) or any other provision of law relating to competitive bidding;

(f) to make advance, progress, and other payments which the Director deems necessary under this Act without regard to the provisions of section 3648 of the Revised Statutes, as amended (31 U.S.C. 529).

SEC. 5 (a) There is hereby established a fund for the Service (hereinafter referred to as the "fund"). The fund shall be capitalized on the basis of—

(1) an initial appropriation by the Congress to the fund of a sum of at least $20,000,000 which sum is hereby authorized to be appropriated out of any money in the Treasury not otherwise appropriated;

(2) any unexpended balances of appropriations, the inventories, and other physical assets of the Passport Office (exclusive of buildings occupied and land), such inventories and other physical assets to be capitalized at their fair and reasonable value; and

(3) assumption by the fund of all obligations, commitments, and liabilities of the Passport Office as of the effective date of this Act.

(b) The fund shall include all property and other physical assets of the Passport Office (except buildings and land), and there shall be deposited into the fund all amounts received by the Service from whatever source derived, including all proceeds arising from the disposition of any property or other assets acquired by the fund.

(c) The fund shall be available without fiscal year limitation for financing the direct costs and expenses of operating and maintaining the Service.

(d) Any surplus accruing to the fund in any fiscal year shall be deposited into the general fund of the Treasury as miscellaneous receipts during the ensuing fiscal year: *Provided,* That any such surplus shall be applied first to restore any impairment of the capital of the fund.

SEC. 6. In accordance with the provisions of existing law—

(a) there shall be prepared and submitted annually a business-type budget program for the Service;

(b) there shall be installed and maintained in the Service an integrated system of accounting, including proper features of internal control, which will (1) assure adequate control over all assets and liabilities of the fund, (2) afford full disclosure with respect to the financial conditions and operations of the fund according to the accrual method of accounting, and (3) supply on the basis of accounting results and data for the annual budget of the Service with respect to the last completed fiscal year. The system of accounting shall conform to principles and standards prescribed by the Comptroller General of the United States so as to accomplish the purposes of this section, and shall be subject to such review by the Comptroller as may be necessary to assure its conformance with the principles and standards prescribed and its effectiveness in operation; and

(c) the financial transactions, accounts, and reports of the fund shall be audited annually by the General Accounting Office and a copy of each report or audit shall be furnished promptly to the President and the Congress.

SEC. 7. Section 1 of the Act of June 4, 1920, as amended, (41 Stat. 750; 22 U.S.C. 214), is amended by striking out the figures "$2.00" and "$10.00" wherever they appear and by inserting in lieu thereof the figures "$5.00" and "$15.00", respectively.

SEC. 8. All other laws, or parts of laws, in conflict or inconsistent with this act are, to the extent of such conflict or inconsistency, repealed.

By Mr. CRANSTON:

S. 2332. A bill to amend the Internal Revenue Code of 1954 to prescribe the income tax treatment of gifts, and bargain sales of property to provide financial assistance in political campaigns. Referred to the Committee on Finance.

Mr. CRANSTON. Mr. President, I introduce today a combined tax and political campaign reform proposal which is designed to close an existing loophole in our tax laws and to increase revenue into the U.S. Treasury.

The announcement yesterday by the IRS that contributions of appreciated assets to political parties would be subjected to capital gains tax represents a totally unnecessary intrusion of the Federal Government into our free political system. I am very concerned that the requirement of an IRS audit could, in the hands of an unscrupulous administration, become a device for harrassing and possibly intimidating opposition political parties.

It makes much more sense that the capital gains tax—which I agree should be collected—be paid by the contributor. I am introducing today a bill which would do just that. It would require that any gift of an appreciated asset to a political candidate or party be considered as a sale of that property for income tax purposes. This would place the tax liability on the donor—and not the donee.

Let me give a hypothetical example of the tax loss that is involved and of how my solution compares with what the IRS is proposing.

A wealthy contributor gives 10 shares of stock with a fair market value of $3,000 to a political party. He originally paid $2,000 for the stock. The $1,000 increase in value under present practices escapes capital gains tax. The Federal Treasury may lose as much as $250 on the transfer. Under the IRS proposal, when the political party sells the stock for $3,000, it would be required to pay a tax on the $1,000 difference. Under my proposal, the contributor would be required to pay a capital gains tax on the $1,000 increase in value at the time he makes the contribution.

I believe my proposal makes much more sense for the following reasons:

First, it keeps the IRS out of politics. Under the present system, political parties are required to file income tax returns only if their assets earn interest. For example, if there are campaign funds in a savings account, the interest would be subject to income tax. Otherwise there is little, if any, need for the IRS to concern itself with the conduct of our political parties or candidates.

Second, it would recover the tax losses just as effectively as would the IRS proposal. Based on the estimate that $40 to $50 million in appreciated assets were contributed to political campaigns generally in 1972, the U.S. Treasury could have lost as much as $5 million on uncollected income tax on the appreciated value. Clearly, that money should be going into the U.S. Treasury.

In fact, my proposal would probably produce more revenue than the IRS plan. Political parties, since they earn relatively little income would probably be in a low tax bracket. Wealthy contributors to political parties would be in a higher tax bracket. Thus taxing the contributor should lead to more tax revenue than taxing the political parties.

Third, my proposal would tend to discourage the contribution of appreciated assets much more than the IRS plan. The potential contributor would think twice about giving an appreciated stock on which he had to pay a tax and would be more apt to write a check payable to the campaign. This would be more consistent with our national concern that political funds be easily accountable.

Mr. President, the Internal Revenue Service proposal would, for the first time, get the IRS into the activities of political parties on a large scale. The revelations of Watergate have clearly demonstrated the dangers that the mechanisms of our Government pose to people holding opposing ideas. We must be working to lessen, not increase, governmental power over the political process. Since the bill I am introducing today would help keep that wall between Government and our political freedom, I sincerely hope that it will be enacted.

Mr. President, I ask unanimous consent that the text of the bill be printed at this point in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2332

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) part II of subchapter 8 of chapter 1 of the Internal Revenue Code of 1954 (relating to items specifically included in gross income) is amended by adding at the end thereof the following new section:

SEC. 84. CERTAIN TRANSFERS, LOANS, AND LEASES OF PROPERTY TO ASSIST POLITICAL CAMPAIGNS.

(a) TRANSFERS OF PROPERTY.—In the case of any transfer of property described in subsection (b), there shall be taken into account, in computing taxable income for the taxable year in which the transfer is made, the gain or loss which would have been realized and taken into account in computing taxable income if the transferor had sold the property at its fair market value on the date of the transfer.

"(b) Transactions to Which Section Applies—

TRANSFERS.—Subsection (a) shall apply to any transfer of property (other than money) by gift, or by sales or exchange at less than its fair market value, if one of the purposes of such transfer is to provide financial assistance to any candidate for elective public office, or any political party or committee, in connection with any political campaign (including a primary election).

"(c) REGULATIONS.—The Secretary or his delegate shall prescribe such regulations as may be necessary to carry out the purposes of this section."

"(d) The table of sections for such part II is amended by adding at the end thereof the following new item:

"Sec. 84. Certain transfers, of property to assist in political campaigns."

SEC. 2. (a) Part II of subchapter O of chapter 1 of the Internal Revenue Code of 1954 (relating to basis rules of general application) is amended by renumbering section 1023 as 1024, and by inserting after section 1022 the following new section:

"SEC. 1023. CERTAIN PROPERTY ACQUIRED TC ASSIST IN POLITICAL CAMPAIGNS.

"In the case of property acquired by a transfer to which section 84(a) applies, the basis of the property in the hands of the transferee is the fair market value on the date of transfer."

(b) The table of sections for such part II is amended by striking out the last item and inserting in lieu thereof the following:

"Sec. 1023. Certain property acquired to asassist in political campaigns.

"Sec. 1024. Cross references."

SEC. 3. The amendments made by this Act shall apply to taxable years ending on or after the date of the enactment of this Act, but only with respect to transfers of property on or after such date.

By Mr. PACKWOOD (for himself, Mr. HATFIELD, and Mr. STEVENS):

S. 2333. A bill to amend the Tariff Schedules of the United States with respect to the rate of duty on certain types and uses of fish netting and fish nets. Referred to the Committee on Finance.

FISH NET TARIFF

Mr. PACKWOOD. Mr. President, today I am reintroducing legislation to eliminate the discriminatory tariffs on synthetic fish nets which are not produced in the United States. This bill would amend the Tariff Schedules of the United States with respect to the rate of duty on certain types of fish nets and nettings.

The American fishing industry is the third largest in the world, and a vital touchstone of our own economy. Yet, it has always been an orphan child, abandoned by the Government, shackled by archaic laws and musty regulations, suffering low returns to both labor and capital. One of the most crippling restrictions on commercial fishermen is the duty on synthetic fibers used in netting. The current duty is approximately 50 percent ad valorem—32.5 percent ad valorem plus 25 cents per pound. This far exceeds the duty on any other item of fishing gear presently being imported into this country. I consider this duty blatantly biased, discriminatory and unfair. It is just one more example of the many ways in which this Government, whether consciously or through sheer ignorance, is strangling the American commercial fishing industry.

Previously, the vast majority of material used in the manufacture of nets and netting was cotton, both here and abroad. However, beginning in the mid-1950's, there was a shift from vegetable to synthetic material. Between 1956 and 1970, the domestic production of cotton fiber nets and netting declined from 70 percent of the total to a mere 2 percent.

One example of the new type of synthetic net is a web called polynylon which is composed of polythene and nylon. It will open higher, last longer, and is easier to tow than nylon. It does not absorb fish, water, mud or slime. In every respect it would be a vast improvement over the earlier materials and a boon to commercial fishermen. And they must either deny themselves this equipment or pay exorbitant tariffs to acquire it because it is not produced in America.

If this amendment I propose becomes law, the effect on Oregon's commercial fishing industry alone would be tremendous. Last year, when this measure was first proposed, Prof. Barry Fisher of Oregon State University's Marine Science Center estimated that if it were approved the average gillnet fisherman would save between $300 and $400 a year. This would mean a total savings for the State as a whole of roughly between $210,000 and

$280,000 a year. These are not figures to be taken lightly.

Traditionally, the domestic net industry has been protected by relatively high tariffs. Representatives of this industry argue that domestic nets of the synthetic variety are not substantially different from imported items, although there may be a few small technical variances. They dismiss the few voices raised to question this position. The fact that these few voices are those of men who know what they are talking about at firsthand, the men who operate the equipment, the fishermen themselves, does not seem to alter that stance at all.

Let me emphasize, though, that my intention is not to destroy the American net manufacturing industry with this legislation. The bill I propose would only affect types of netting not currently being produced in this country. It does not infringe on domestic goods in any way. In fact it is my hope that this action might stimulate the net manufacturers to improve their product to fulfill the needs of their customers.

I have no doubt that it will be a long arduous fight to secure passage of this legislation. It is time, however, for the U.S. Government to realize that it cannot pamper one industry while crippling another without running the risk of destroying both.

Mr. President, I ask unanimous consent that the text of this bill be printed at this point in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2333

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That Schedule 3, Part 4, subpart C of the Tariff Schedules of the United States (19 U.S.C. 1202) is amended by inserting after item 355.42 the following new item:

"355.43 Of synthetic fiber, and of a type not commercially produced in the United States, to be used for research purposes by an accredited research institution or for commercial fishing purposes------------- Free----Free.".

SEC. 2. The amendment made by the first section of this Act shall apply with respect to articles entered, or withdrawn from warehouse, for consumption after the date of enactment of this Act.

By Mr. INOUYE:

S. 2334. A bill to amend title 5, United States Code, to provide for travel and transportation expenses on the return of an employee who was a past resident of certain areas outside the continental United States from a post of duty in the continental United States. Referred to the Committee on Government Operations.

Mr. INOUYE. Mr. President, today I am introducing legislation identical to that recently introduced in the U.S. House by my colleague, Representative PATSY T. MINK. The purpose of this bill is to provide equity for Federal employees from Hawaii who are separated from Government service in the continental United States, by authorizing their reimbursement for transportation and travel expenses back to Hawaii.

Under current law, an employee transferred to a tour of duty outside the continental United States may be returned upon completion of his tour to the place of residence indicated in the travel agreement at the time of assignment. This means that persons who are from mainland United States areas and sent on assignments to Hawaii may be returned to the mainland United States on completion of their tours. There is not statutory authority, however, to return employees to Hawaii upon completion of their assignments in the continental United States.

My legislation is designed to correct this inequity by authorizing the payment of travel and transportation expenses on the return of an employee who was a past resident in Hawaii to Hawaii on completion of an assignment in the continental United States. Similar authority would be provided for employees whose actual place of residence prior to such assignment was Alaska, the U.S. territories and possessions, Puerto Rico, or the Canal Zone.

By Mr. JAVITS (for himself, Mr. BUCKLEY, Mr. CASE, and Mr. WILLIAMS):

S.J. Res. 145. Joint resolution granting the consent of Congress to the States of New Jersey and New York for certain amendments to the Waterfront Commission Compact and for entering into the Airport Commission Compact, and for other purposes. Referred to the Committee on the Judiciary.

JOINT RESOLUTION ON AIRPORT AND WATERFRONT COMMISSION COMPACTS

Mr. JAVITS. Mr. President, on behalf of Senators BUCKLEY, CASE, WILLIAMS, and myself and for the States of New York and New Jersey, I introduce a joint resolution authorizing the States of New York and New Jersey to enter into an airport commission compact and to make certain amendments to the existing waterfront commission compact.

Mr. President, the intent of this airport commission compact is to help prevent air cargo thefts at the major airports in the New York City metropolitan area by authorizing the existing Waterfront Commission of New York and New Jersey to regulate the air freight industry in this area. The commission would be renamed the "Waterfront and Airport Commission of New York and New Jersey." The commission's primary function at the airports would include the promulgation of regulations to provide physical security for air freight; the licensing of trucking firms which transport air cargo, their truck personnel, the operators of air freight terminals, the airport employees handling air freight, and the labor relations consultants in the air freight industry; and the designation and protection of air freight security areas at which access would be granted only to those with commission approval. Under the provisions of the compact the program would be financed by assessments levied upon the air freight industry—the immediate beneficiary of improved conditions at the airports—rather than from Federal or New York or New Jersey State taxes.

This compact admittedly grants significant powers to the commission. It would be given discretion to determine who is and who is not permitted to handle freight. Ordinarily, I would be loathe to grant any government agency such power over the jobs of workers. But, I feel Congress should give its consent to this agreement; first, because the deplorable problem of cargo theft at the New York area facilities has so far not been resolved by the best efforts of government and private business using the ordinary tools afforded by the law; and second, because this compact represents the will of two sovereign States and, as such, deserves our consent—unless we have something better to offer in the way of Federal law. We do not have such a substitute now—perhaps we may later. Under the circumstances, we cannot, in good conscience, repudiate the expressed will of two State legislatures and the request of Governors Rockefeller and Cahill.

The waterfront commission, after which the airport commission has been modeled has been substantially successful insofar as it was called upon to put an end to racketeering on the docks. All evidence points to the fact that it has not abused its discretion to license people to work. It has been trustworthy in exercising its discretion properly and there is no reason to believe that extension of its authority to the airports would produce different results. The waterfront commission, however, was not designed to combat theft per se, as is this airport commission extension.

As I stated on the floor in introducing the joint resolution at the last session of Congress and in previous testimony before the Committee on Commerce, evidence submitted to the States of New York and New Jersey and at hearings before the Senate's Small Business Committee, on which I serve as ranking minority member, makes it clear that legislation such as this is urgently needed.

Witnesses describing the extensiveness of this theft and citing the pervasive existence of criminals and corrupt practices in the handling of aircargo, especially in the New York-New Jersey metropolitan area, have pleaded for governmental intervention and assistance, but until now little has been done. Reported airfreight thefts at Kennedy Airport in 1963, for example, amounted approximately to $45,000. In 1967, these known and reported thefts soared to $2,000,000 and in 1969 to $3,387,317. The airlines have reported thefts of $1,834,000 for 1970. The 1969 estimate for the Nation's aircargo theft was somewhere between $50 million and $100 million, I am told. The airlines have asserted that cargo losses have dropped from the 1969 level to $615,079 in 1972. However the Waterfront Commission of New York Harbor in a report on April 25, 1973, stated that cargo theft losses at the New York-New Jersey Airports can reasonably be expected to exceed $10,000,000 per annum.

It should be emphasized, however, that these theft figures represent only known losses as reported by the airlines. They do not represent the extent of airfreight thievery. They do not include the estimated $65,000,000 in postal thefts from 1967 through 1969 at Kennedy Airport, for example, nor do they represent losses that are unreported as thefts merely because the place or the cause of the loss cannot be determined. One witness told the Small Business Committee, to cite a related example, that the identified thefts in 1968 on the New York waterfront amounted to $1,451,000 but that the more realistic amount should be closer to $20 million.

The problem is growing tremendously not only at our Nation's airports. Our piers, truck routes, and as we now discover, our railroads have been struck by this thievery. Both the petty theft and the organized syndicates find cargo easy pickings. The lead story in Life magazine's February 12, 1971, issue described this presence of organized crime and labor racketeers at the airports, for example, and the concomitant rise in aircargo thefts. The total estimated cargo loss for the Nation in 1969 reportedly reached $1,200,000,000.

In 1969 Kennedy Airport handled more than $9½ billion worth of cargo, 22 percent more than in 1968, and with the coming of the mammoth cargo aircraft, air cargo traffic is expected to quadruple during this decade. Certainly some regulatory control is needed. This cargo pilferage in the New York-New Jersey area must be stopped. Because shipments from throughout the country, and indeed throughout the world filter through the New York-New Jersey center, businessmen worldwide are affected and, ultimately, it is the consumer who pays the crime inflated price of this unchecked pilferage.

The commission would have jurisdiction to safeguard not only international cargo but also domestic cargo flowing through the New York-New Jersey metropolitan airports and its program could become operative almost immediately.

It should be noted also that the commission's authority is intended to be entirely consistent with the Treasury Department's efforts in this area. Of course, to the extent any valid Federal regulation of law subsequently were found to be inconsistent, the Federal initiative would prevail.

Mr. President, there is no question that we need a national program, one which can be marshaled whenever and wherever we are faced with a high incidence of cargo theft and I am most hopeful that the Congress will enact some legislation that will help stem this criminal threat at our airports as soon as possible. It appears that industry and business have been unable to cope with this problem alone. In the meantime, however, the problem is too acute in the New York-New Jersey area to wait even another year for a national program. The States of New York and New Jersey have agreed upon and enacted a program which can be put into effect immediately if the Federal Government gives the plan its consent.

The Committee on Commerce recognizing the need and support for a national program for cargo security, specifically stated when favorably reporting the joint resolution to the Senate in 1970:

> Nevertheless, with respect to the present legislation (the joint resolution) there is a presumption in favor of State action, unless it can be shown conclusively that the interstate compact is in conflict with existing Federal law; or that it would be detrimental to interstate and foreign commerce; or that there is imminent Federal legislation which would conflict with the interstate compact. On the basis of the hearing record, such a showing has not been made.

To the best of my knowledge this is still the case.

Mr. President, this is an excellent initiative taken by two States in the best tradition of our Federal structure. I urge that the Congress consider it expeditiously in order to permit the States of New York and New Jersey to deal quickly with this extremely serious condition at the New York-New Jersey metropolitan area airports.

We are acting here at the request of the two States and the Governors of the two States and I hope the measure receives expeditious action. As I had mentioned if there is Federal action or if Federal law of any character covers the situation, naturally, to the extent that would be inconsistent with this compact, that would preempt the respective bi-State regulation.

Mr. President, I ask unanimous consent that the joint resolution be printed in the Record.

There being no objection, the joint resolution ordered to be printed in the Record, as follows:

S.J. Res. 145

Joint resolution granting the consent of Congress to the States of New Jersey and New York for certain amendments to the Waterfront Commission and for entering into the Airport Commission Compact, and for other purposes

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That

a. The consent of Congress is hereby given to the States of New Jersey and New York for entering into certain amendments to the Waterfront Commission Compact between the States of New Jersey and New York for which compact the consent of Congress was given by the Act of August 12, 1953 (67 Stat. 541), which amendments result in articles II and III of said Waterfront Commission Compact reading substantially as follows:

ARTICLES II AND III OF WATERFRONT COMMISSION COMPACT AS AMENDED

"ARTICLE II

"Definitions

"As used in this compact:

" 'The Port of New York district' shall mean the district created by Article II of the compact dated April 30, 1921, between the States of New York and New Jersey, authorized by chapter 154 of the laws of New York of 1921 and chapter 151 of the laws of New Jersey of 1921.

" 'Commission' shall mean the waterfront and airport commission of New York and New Jersey established by Article III hereof.

" 'Pier' shall include any wharf, pier, dock or quay.

" 'Other waterfront terminal' shall include any warehouse, depot or other terminal (other than a pier) which is located within 1,000 yards of any pier in the Port of New York district and which is used for waterborne freight in whole or substantial part.

" 'Person' shall mean not only a natural person but also any partnership, joint venture, association, corporation or any other legal entity but shall not include the United States, any State or territory thereof or any department, division, board, commission or authority of one or more of the foregoing.

" 'Carrier of freight by water' shall mean any person who may be engaged or who may hold himself out as willing to be engaged, whether as a common carrier, as a contract carrier or otherwise (except for carriage of liquid cargoes in bulk in tank vessels designed for use exclusively in such service or carriage by barge of bulk cargoes consisting of only a single commodity loaded or carried without wrappers or containers and delivered by the carrier without transportion mark or count) in the carriage of freight by water between any point in the Port of New York district and a point outside said district.

" 'Waterborne freight' shall mean freight carried by or consigned for carriage by carriers of freight by water.

" 'Longshoreman' shall mean a natural person, other than a hiring agent, who is employed for work at a pier or other waterfront terminal, either by a carrier of freight by water or by a stevedore.

"(a) physically to move waterborne freight on vessels berthed at piers, on piers or at other waterfront terminals, or

"(b) to engage in direct and immediate checking of any such freight or of the custodial accounting therefor or in the recording or tabulation of the hours worked at piers or other waterfront terminals by natural persons employed by carriers of freight by water or stevedores, or

"(c) to supervise directly and immediately others who are employed as in subdivision (a) of this definition.

" 'Pier superintendent' shall mean any natural person other than a longshoreman who is employed for work at a pier or other waterfront terminal by a carrier of freight by water or a stevedore and whose work at such pier or other waterfront terminal includes the supervision, directly or indirectly, of the work of longshoremen.

" 'Port watchman' shall include any watchman, gateman, roundsman, detective, guard, guardian or protector of property employed by the operator of any pier or other waterfront terminal or by a carrier of freight by water to perform services in such capacity on any pier or other waterfront terminal.

" 'Longshoremen's register' shall mean the register of eligible longshoremen compiled and maintained by the commission pursuant to Article VIII.

" 'Stevedore' shall mean a contractor (not including an employee) engaged for compensation pursuant to a contract or arrangement with a carrier of freight by water, in moving waterborne freight carried or consigned for carriage by such carrier on vessels of such carrier berthed at piers, on piers at which such vessels are berthed or at other waterfront terminals.

" 'Hiring agent' shall mean any natural person, who on behalf of a carrier of freight by water or a stevedore shall select any longshoreman for employment.

" 'Compact' shall mean this compact and rules or regulations lawfully promulgated thereunder.

"ARTICLE III

"Waterfront and Airport Commission of New York and New Jersey

"1. There is hereby created the waterfront and airport commission of New York and New Jersey, which shall be a body corporate and politic, an instrumentality of the States of New York and New Jersey.

"2. The commission shall consist of four members, two to be chosen by the State of New Jersey and two to be chosen by the State of New York. The members representing each State shall be appointed by the Governor of such State with the advice and consent of the Senate thereof, without regard to the State of residence of such members, and shall receive compensation to be fixed by the Governor of such State. The term of office of each member shall be for 4 years; provided, however, that the two present members of the commission heretofore appointed shall continue to serve as members until the expiration of the respective terms for which they were appointed, that the term of the two new members shall expire on June 30, 1975, and that the term of the successors to the present members shall expire on

June 30, 1977. Each member shall hold office until his successor has been appointed and qualified. Vacancies in office shall be filled for the balance of the unexpired term in the same manner as original appointments.

"3. Three members of the commission shall constitute a quorum; but the commission shall act only by a majority vote of all its members. Any member may, by written instrument filed in the office of the commission, designate any officer or employee of the commission to act in his place as a member whenever he shall be unable to attend a meeting of the commission. A vacancy in the office of a member shall not impair such designation until the vacancy shall have been filled. The commission shall elect one of its members to serve as chairman for a term of 1 year: *Provided, however,* that the term of the first chairman shall expire on June 30, 1974. The chairman shall represent a State other than the State represented by the immediately preceding chairman."

b. The consent of Congress is further given to the States of New Jersey and New York for entering into the Airport Commission Compact as authorized by chapter 951 of the laws of the State of New York of 1970, and by chapter 58 of the laws of the State of New Jersey of 1970, and reading substantially as follows:

AIRPORT COMMISSION COMPACT

"ARTICLE I

"FINDINGS AND DECLARATIONS

"1. The States of New York and New Jersey hereby find and declare that the movement of freight through the two States is vital to their economies and prosperity; that ever increasing amounts of such freight are being carried by the air freight industry; that said air freight industry in the two States constitutes an inseparable and integral unit of the commerce of the two States; that criminal and racketeer elements have infiltrated the air freight industry; that such criminal infiltration is threatening the growth of said air freight industry; that one of the means by which such criminal and racketeer elements infiltrate the air freight industry is by posing as labor relations consultants and that firms handling air freight are often forced to employ or engage such persons; that the air freight industry is suffering an alarming rise in the amount of pilferage and theft of air freight; and that it is imperative to the continued growth and economic well-being of the States of New York and New Jersey that every possible effective measure be taken to prevent the pilferage and theft of air freight and the criminal infiltration of the air freight industry.

"2. The State of New York and New Jersey hereby find and declare that many of the evils existing in the air freight industry result not only from the causes above described but from the lack of regulation of the air freight industry in and about the Port of New York district; that the air freight industry is affected with a public interest requiring regulation, just as the States of New York and New Jersey have heretofore found and declared in respect to the shipping industry; and that such regulation of the air freight industry shall be deemed an exercise of the police power of the two States for the protection of the public safety, welfare, prosperity, health, peace and living conditions of the people of the States.

"ARTICLE II

"DEFINITIONS

"As used in this compact:

"1. 'Commission' shall mean the waterfront and airport commission of New York and New Jersey established by part I, article III, of this act.

"2. 'Airport' shall mean any area on land, water or building or any other facility located within the States of New York and New Jersey (except a military installation of the United States government (a) which is located within one hundred miles of any point in the Port of New York district, (b) which is used, or intended for use, for the landing and take-off of aircraft operated by an air carrier, and any appurtenant areas which are used or intended for use, for airport buildings or other airport facilities or rights of way, together with all airport buildings, equipment, aircraft, and facilities located thereon, and (c) where the total tonnage of air freight in a calendar year loaded and unloaded on and from aircraft exceeds twenty thousand tons.

"3. 'Air carrier' shall mean any person who may be engaged or who may hold himself out as willing to be engaged, whether as a common carrier, as a contract carrier or otherwise, in the carriage of freight by air.

"4. 'Air freight' shall mean freight (including baggage, aircraft stores and mail) which is, has been, or will be carried by or consigned for carriage by an air carrier.

"5. 'Air freight terminal' shall include any warehouse, depot or other terminal (other than an airport) (a) any part of which is located within an airport and any part of which is used for the storage of air freight, or (b) which is operated by an air carrier or a contractor of an air carrier and any part of which is used for the storage of air freight and any part of which is located within the Port of New York district.

"6. 'Air freight terminal operator' shall mean the owner, lessee, or contractor or such other person (other than an employee) who is in direct and immediate charge and control of an air freight terminal, or any portion thereof.

"7. 'Air freight truck carrier' shall mean a contractor (other than an employee) engaged for compensation pursuant to a contract or arrangement, directly or indirectly, with an air carrier or air carriers or with an air freight terminal operator or operators in the moving of freight to or from an airport or air freight terminal by a truck or other motor vehicle used primarily for the transportation of property.

"8. 'Air freight security area' shall mean any area located within the airport to which the commission determines that limited ingress and egress is required for the protection and security of any air freight located within the airport.

"9. 'Airfreightman' shall mean a natural person who is employed

"(a) by any person to physically move or to perform services incidental to the movement of air freight at an airport or in an air freight terminal or

"(b) by an air carrier or an air freight terminal operator or an air freight truck carrier to transport or to assist in the transportation of air freight to or from an airport or air freight terminal; or

"(c) by any person to engage in direct and immediate checking of any air freight located in an airport or in an air freight terminal or of the custodial accounting therefor.

"10. 'Airfreightman supervisor' shall mean a natural person who is employed to supervise directly and immediately the work of an airfreightman at an airport or at an air freight terminal.

"11. 'Airfreightman labor relations consultant' shall mean any person who, pursuant to any contract or arrangement, advises or represents an air carrier, an air freight terminal operator, or an air freight truck carrier, or an organization of such employers (whether or not incorporated), or a labor organization representing any airfreightman or airfreightman supervisors, concerning the organization or collective bargaining activities of airfreightmen or airfreightman supervisors, but shall not include any person designated by any government official or body to so act or any person duly licensed to practice law as an attorney in any jurisdiction. As used in this paragraph, the term "labor organization" shall mean and include any labor organization to which section eleven of part V of this act is applicable.

"12. 'Person' shall mean not only a natural person but also any partnership, joint venture, association, corporation or any other legal entity but shall not include the United States, any State or territory thereof or any department, division, board, commission or authority of one or more of the foregoing or any officer or employee thereof while engaged in the performance of his official duties.

"13. 'The Port of New York district' shall mean the district created by article II of the compact dated April thirtieth, nineteen hundred twenty-one, between the States of New York and New Jersey, authorized by chapter one hundred fifty-four of the laws of New York of nineteen hundred twenty-one and chapter one hundred fifty-one of the laws of New Jersey of nineteen hundred twenty-one, and any amendments thereto.

"14. 'Court of the United States' shall mean all courts enumerated in section four hundred fifty-one of title twenty-eight of the United States Code and the courts-martial of the armed forces of the United States.

"15. 'Witness' shall mean any person whose testimony is desired in any investigation, interview or other proceeding conducted by the commission pursuant to the provisions of this act.

"16. 'Compact' shall mean this compact and rules and regulations lawfully promulgated thereunder and shall also include any amendments or supplements to this compact to implement the purposes thereof adopted by the action of the legislature of either the State of New York or the State of New Jersey concurred in by the legislature of the other.

"ARTICLE III

"GENERAL POWERS OF THE COMMISSION

"In addition to the powers and duties of the commission elsewhere conferred in parts I, II, III, and V of this act, the commission shall have the power:

"1. To administer and enforce the provisions of this compact;

"2. To establish such divisions and departments within the commission as the commission may deem necessary and to appoint such officers, agents and employees as it may deem necessary, prescribe their powers, duties and qualifications and fix their compensation and retain and employ counsel and private consultants on a contract basis or otherwise;

"3. To make and enforce such rules and regulations as the commission may deem necessary to effectuate the purposes of this compact or to prevent the circumvention or evasion thereof including, but not limited to, rules and regulations (which shall be applicable to any person licensed by the commission, his employer, or any other person within an airport) to provide for the maximum protection of air freight, such as checking and custodial accounting, guarding, storing, fencing, gatehouses, access to air freight, air freight loss reports, and any other requirements which the commission in its discretion may deem to be necessary and appropriate to provide such maximum protection. The rules and regulations of the commission shall be effective upon publication in the manner which the commission shall prescribe and upon filing in the office of the secretary of state of each State. A certified copy of any such rules and regulations, attested as true and correct by the commission, shall be presumptive evidence of the regular making, adoption, approval and publication thereof;

"4. To have for its members and its properly designated officers, agents and employees, full and free access, ingress and egress to and from all airports, air freight terminals, all aircraft traveling to or from an airport and all trucks or other motor vehicles or equipment which are carrying air freight to or from any airport or air freight terminal for the purposes of conducting investigations, making inspections or enforcing the provisions of this compact; and no person shall obstruct or in any way interfere with any such member, officer, employee or agent in the making of such investigation or inspection or in the enforcement of the provisions of this compact or in the performance of any other power or duty under this compact;

"5. To make investigations, collect and compile information concerning airport practices generally, and upon all matters relating to the accomplishment of the objectives of this compact;

"6. To advise and consult with representatives of labor and industry and with public officials and agencies concerned with the effectuation of the purposes of this compact, upon all matters which the commission may desire, including but not limited to the form and substance of rules and regulations and the administration of the compact and the expeditious handling and efficient movement of air freight consistent with the security of such air freight;

"7. To make annual and other reports to the governors and legislatures of both States containing recommendations for the effectuation of the purposes of this compact;

"8. To issue temporary licenses and temporary permits under such terms and conditions as the commission may prescribe;

"9. In any case in which the commission has the power to revoke or suspend any license or permit the commission shall also have the power to impose as an alternative to such revocation or suspension, a penalty, which the licensee or permittee may elect to pay the commission in lieu of the revocation or suspension. The maximum penalty shall be five thousand dollars for each separate offense. The commission may, for good cause shown, abate all or part of such penalty;

"10. To determine the location, size and suitability of field and administrative offices and any other accommodations necessary and desirable for the performance of the commission's duties under this compact;

"11. To acquire, hold and dispose of real and personal property, by gift, purchase, lease, license or other similar manner, for its corporate purposes, and in connection therewith to borrow money;

"12. To recover possession of any car or other mean of identification issued by the commission as evidence of a license or permit in the event that the holder thereof no longer is a licensee or permittee;

"13. To require any license or permittee to exhibit upon demand the license or permit issued to him by the commission or to wear such license or permit.

"The powers and duties of the commission may be exercised by officers, employees and agents designated by them, except the power to make rules and regulations. The commission shall have such additional powers and duties as may hereafter be delegated to or imposed upon it from time to time by the action of the legislature of either State concurred in by the legislature of the other.

"ARTICLE IV

"AIRFREIGHTMEN AND AIRFREIGHTMAN SUPERVISORS

"1. On and after the ninetieth day after the effective date of this compact, no person shall act as an airfreightman or an airfreightman supervisor within the State of New York or the State of New Jersey without having first obtained from the commissions a license to act as such airfreightman or airfreightman supervisor, as the case may be, and no person shall employ another person to act as an airfreightman or airfreightman supervisor who is not so licensed.

"2. A license to act as an airfreightman or airfreightman supervisor shall be issued only upon the written application, under oath, of the person proposing to employ or engage another person to act as such airfreightman or airfreightman supervisor, verified by the prospective licensee as to the matters concerning him, and shall set forth the prospective licensee's full name, residence address, social security number, and such further facts and evidence as may be required by the commission to determine the identity, the existence of a criminal record, if any, and the eligibility of the prospective licensee for a license.

"3. The commission may in its discretion deny the application for such license submitted on behalf of a prospective licensee for any of the following causes:

"(a) Conviction by a court of the United States or of any State or territory thereof, without subsequent pardon, of the commission of, or the attempt or conspiracy to commit, treason, murder, manslaughter, coercion or any felony or high misdemeanor or any of the following misdemeanors or offenses (excluding, however, any conviction for a misdemeanor or lesser offense arising out of physical misconduct committed during the course of lawful organizational or collective bargaining activities of any labor organization): illegally using, carrying or possessing a pistol or other dangerous weapon; making, manufacturing, or possessing burglar's instruments; buying or receiving stolen property; criminal possession of stolen property; unlawful entry of a building; criminal trespass; aiding an escape from prison; and unlawfully possessing, selling or distributing a dangerous drug;

"(b) Conviction by any such court, after having been previously convicted by any such court of any crime or of the offenses hereinafter set forth, of a misdemeanor or any of the following offenses (excluding, however, any conviction for a misdemeanor or lesser offenses arising out of physical misconduct committed during the course of lawful organizational or collective bargaining activites of any labor organization): assault, malicious injury to property, criminal mischief, malicious mischief, criminal tampering, unlawful use or taking of a motor vehicle, corruption of employees, promoting gambling, possession of gambling records or devices, or possession of lottery or number slips;

"(c) Fraud, deceit or misrepresentation in connection with any application or petition submitted to, or any interview, hearing or proceeding conducted by the commission;

"(d) Violation of any provision of this Act or the commission of any offense thereunder;

"(e) Refusal on the part of the applicant, or prospective licensee, to answer any material question or produce any material evidence in connection with the application;

"(f) As to an airfreightman, his presence at the airports or air freight terminals is found by the commission on the basis of the facts and evidence before it to constitute a danger to the public peace or safety;

"(g) As to an airfreightman supervisor, failure to satisfy the commission that the prospective licensee possesses good character and integrity;

"(h) Conviction of a crime or other cause which would permit reprimand of such prospective licensee or the suspension or revocation of his license if such person were already licensed.

"4. When the application shall have been examined and such further inquiry and investigation made as the commission shall deem proper and when the commission shall be satisfied therefrom that the prospective licensee possesses the qualifications and requirements prescribed in this article, the commission shall issue and deliver to the prospective licensee a license to act as an airfreightman or as an airfreightman supervisor, as the case may be, and shall inform the applicant of its action.

"5. The commission shall the power to reprimand any airfreightman or airfreightman supervisor licensed under this article or to revoke or suspend his license for such period as the commission deems in the public interest for any of the following causes:

"(a) Conviction of a crime or other cause which would permit the denial of a license upon original application;

"(b) Fraud, deceit or misrepresentation in securing the license, or in the conduct of the licensed activity;

"(c) Transfer or surrender of possession to any person either temporarily or permanently of any card or other means of identification issued by the commission as evidence of a license, without satisfactory explanation;

"(d) False impersonation of another person who is a licensee or permittee of the commission under this compact;

"(e) Wilful commission of, or wilful attempt to commit at an airport or at an air freight terminal or adjacent highway any act of physical injury to any other person or of wilful damage to or misappropriation of any other person's property, unless justified or excused by law;

"(f) Violation of any of the provisions of this act or including or otherwise aiding or abetting any person to violate the terms of this act;

"(g) Addiction to the use of, or unlawful possession, sale or distribution of a dangerous drug;

"(h) Paying, giving, causing to be paid or given or offering to pay or give to any person any valid consideration to induce such other person to violate any provision of this act or to induce any public officer, agent or employee to fail to perform his duty under this act;

"(i) Consorting with known criminals for unlawful purposes;

"(j) Receipt or solicitation of anything of value from any person other than the licensee's or permittee's employer as consideration for the selection or retention for employment of any person who is a licensee or permittee of the commission under this compact;

"(k) Coercion of any person who is a licensee or permittee of the commission under this compact by threat of discrimination or violence or economic reprisal to make purchases from or to utilize the services of any person;

"(l) Lending any money to or borrowing any money from any person who is a licensee or permittee of the commission under this compact for which there is a charge of interest or other consideration which is usurious;

"(m) Conviction of any criminal offense in relation to gambling, bookmaking, pool selling, lotteries or similar crimes or offenses if the crime or offense was committed at an airport or air freight terminal or within five hundred feet thereof;

"(n) Refusal to answer any material question or produce any material evidence lawfully required to be answered or produced at any investigation, interview or other proceeding conducted by the commission pursuant to the provisions of this act, or, if such refusal is accompanied by a valid plea of privilege against self-incrimination, refusal to obey an order to answer such queston or produce such evidence made by the commission pursuant to the power of the commission under this act to grant immunity from prosecution;

"(o) Refusal to exhibit his license or permit upon the demand of any officer, agent or employee of the commission or failure to wear such license or permit when required;

"6. A license granted pursuant to this article shall expire on the expiration date (which shall be at least one year from the date of its issuance) set forth by the commission on the card or other means of identification issued by the commission as evidence of a license or upon the termination of employment with the employer who applied for the license. Upon expiration thereof, a license may be renewed by the commission upon fulfilling the same requirements as are set forth in this article for an original application.

"ARTICLE V

"AIR FREIGHT TERMINAL OPERATORS, AIR FREIGHT TRUCK CARRIERS, AND AIRFREIGHTMAN LABOR RELATIONS CONSULTANTS

"1. On and after the ninetieth day after the effective date of this compact, no person, except an air carrier, shall act as an air freight terminal operator or as an air freight truck carrier or as an airfreightman labor relations consultant within the State of New York or the State of New Jersey without having first obtained a license from the commission to act as an air freight terminal operator or as an air freight truck carrier or as an airfreightman labor relations consultant, as the case may be, and no person shall employ or engage another person to perform services as an air freight terminal operator or as an air freight truck carrier or as an airfreightman labor relations consultant who is not so licensed.

"2. Any person intending to act as an air freight terminal operator or as an air freight truck carrier or as an airfreightman labor relations consultant within the State of New York or the State of New Jersey shall file in the office of the commission a written application for a license to engage in such occupation duly signed and verified as follows:

"(a) If the applicant is a natural person, the application shall be signed and verified by such person and if the applicant is a partnership, the application shall be signed and verified by each natural person composing or intending to compose such partnership. The application shall state the full name, age, residence, business address (if any), present and previous occupations of each natural person so signing the same, and any other facts and evidence as may be required by the commission to ascertain the character, integrity, identity and criminal record, if any, of each natural person so signing such application.

"(b) If the applicant is a corporation, the application shall be signed and verified by the president, secretary and treasurer thereof, and shall specify the name of the corporation, the date and place of its incorporation, the location of its principal place of business, the names and addresses of, and the amount of the stock held by stockholders owning ten per cent or more of any of the stock thereof, and of all the officers (including all members of the board of directors). The requirements of subdivision (a) of this section as to a natural person who is member of a partnership, and such requirements as may be specified in rules and regulations promulgated by the commission, shall apply to each such officer or stockholder and their successors in office or interest as the case may be.

"In the event of the death, resignation or removal of any officer, and in the event of any change in the list of stockholders who shall own ten per cent or more of the stock of the corporation, the secretary of such corporation shall forthwith give notice of the fact in writing to the commission, certified by said secretary.

"3. No such license shall be granted

"(a) If any person whose signature or name appears in the application is not the real party in interest required by section two of this article to sign or to be identified in the application or if the person so signing or named in the application is an undisclosed agent or trustee for any such real party in interest or if any such real party in interest does not sign the application;

"(b) Unless the commission shall be satisfied that the applicant and all members, officers and stockholders required by section two of this article to sign or be identified in the application for license possess good character and integrity;

"(c) If the applicant or any member, officer or stockholder required by section two of this article to sign or be identified in the application for license has, without subsequent pardon, been convicted by a court of the United States or any State or territory thereof of the commission of, or the attempt or conspiracy to commit any crime or offense described in subdivision (a) of section three of article IV of this compact. Any applicant ineligible for a license by reason of any such conviction may submit satisfactory evidence to the commission that the person whose conviction was the basis of ineligibility has for a period of not less than five years, measured as hereinafter provided and up to the time of application, so conducted himself as to warrant the grant of such license, in which event the commission may, in its discretion issue an order removing such ineligibility. The aforesaid period of five years shall be measured either from the date of payment of any fine imposed upon such person or the suspension of sentence or from the date of his unrevoked release from custody by parole, commutation or termination of his sentence. Such petition may be made to the commission before or after the hearing on the application;

"(d) If, on or after the effective date of this compact, the applicant has paid, given, caused to have been paid or given or offered to pay or give to any officer or employee of any other person employing or engaging him in his licensed activity any valuable consideration for an improper or unlawful purpose or to induce such officer or employee to procure the employment of the applicant in his licensed activity by such other person;

"(e) If, on or after the effective date of this compact, the applicant has paid, given, caused to have been paid, or given or offered to pay or give to any officer or representative of a labor organization any valuable consideration for an improper or unlawful purpose or to induce such officer or representative to subordinate the interest of such labor organization or its members in the management of the affairs of such labor organization to the interests of the applicant or any other person;

"(f) If, on or after the effective date of this compact, the applicant has paid, given, caused to have been paid or given or offered to pay or give to any agent or any other person any valuable consideration for an improper or unlawful purpose or, without the knowledge and consent of such other person, to induce such agent to procure the employment of the applicant in his licensed activity by such other person.

"4. When the application shall have been examined and such further inquiry and investigation made as the commission shall deem proper and when the commission shall be satisfied therefrom that the applicant possesses the qualifications and requirements prescribed in this article, the commission shall issue and deliver a license to the applicant.

"5. The commission shall have the power to reprimand any person licensed under this article or to revoke or suspend his license for such period as the commission deems in the public interest for any of the following causes on the part of the licensee or any person required by section two of this article to sign or be identified in an original application for a license:

"(a) Any cause set forth in section 5 of article IV of this compact;

"(b) Failure by the licensee to maintain a complete set of books and records containing a true and accurate account of the licensee's receipts and disbursements arising out of his licensed activities;

"(c) Failure to keep said books and records available during business hours for inspection by the commission and its duly designated representatives until the expiration of the fifth calendar year following the calendar year during which occurred the transactions recorded therein;

"(d) Failure to pay any assessment or fee payable to the commission under this compact when due.

"6. A license granted pursuant to this article shall expire on the expiration date (which shall be at least one year from the date of its issuance) set forth by the commission on the card or other means of identification issued by the commission as evidence of a license. Upon expiration thereof, a license may be renewed by the commission upon fulfilling the same requirements as are set forth in this article for an original application.

"ARTICLE VI

"AIR FREIGHT SECURITY AREA

"1. On or after the effective date of this compact, the commission shall have the power to designate any area located within an airport as an air freight security area. No person who is not licensed by the commission pursuant to this compact shall have ingress to an air freight security area unless issued a permit by the commission.

"2. Any person who is not licensed by the commission pursuant to this compact and who desires upon any occasion ingress to an air freight security area shall apply at the entrance to such area for a permit for ingress for that particular occasion. In order to secure a permit, a prospective permittee must show identification establishing his name and address and he may be required by the commission to sign a consent to the surrender of his permit upon egress from such area and, if he is driving a motor vehicle, to an inspection of his motor vehicle upon egress from such area. Any person desiring a permit to enter an air freight security area may be denied such permit by the commission in its discretion if the commission determines that the presence of such person in such area would constitute a danger to the public peace or safety.

"3. Any person whose business, employment or occupation requires him to have ingress upon a regular basis to an air freight security area shall be required, in order to obtain ingress to such area, to apply to the commission for a permit for a fixed period of duration to be determined by the commission. Such applicant for a permit of a fixed period of duration shall fulfill the same requirements as the prospective licensee for an airfreightman's license. The commission may in the exercise of its discretion suspend or revoke such permit of a fixed period of duration for the same causes which would permit the commission to revoke the license of an airfreightman.

"4. The commission shall have the power to inspect any truck or any other motor vehicle within an air freight security area.

"5. The provisions of this article shall not be applicable to any person who is a member of the flight crew or flight personnel of an aircraft which is operated by an air carrier and which is located within an air freight security area upon a showing of such identification as may be required by the commission.

"ARTICLE VII

"HEARINGS, DETERMINATIONS AND REVIEW

"1. The commission shall not deny any application for a license or permit without giving the applicant or prospective licensee or permittee reasonable prior notice and an opportunity to be heard.

"2. Any application for a license or permit, and any license or permit issued, may be denied, revoked, or suspended, as the case may be, only in the manner prescribed in this article.

"3. The commission may on its own initiative or on complaint of any person, including any public official or agency, institute proceedings to revoke or suspend any license or permit after a hearing at which the licensee or permittee and any person making such complaint shall be given an opportunity to be heard: *Provided*, That any order of the commission revoking or suspending any license or permit shall not become effective until fifteen days subsequent to the serving of notice thereof upon the licensee or permittee unless in the opinion of the commission the continuance of the license or permit for such period would be inimical to the public peace or safety. Such hearings shall be held in such manner and upon such notice as may be prescribed by the rules of the commission, but such notice shall be of not less than ten days and shall state the nature of the complaint.

"4. Pending the determination of such hearing pursuant to section three the commission may temporarily suspend a license or permit if in the opinion of the commission the continuance of the license or permit for such period is inimical to the public peace or safety.

"5. The commission, or such member, officer, employee or agent of the commission as may be designated by the commission for such purpose, shall have the power to issue subpoenas throughout both States to compel the attendance of witnesses and the giving of testimony or production of other evidence and to administer oaths in connection with any such hearing. It shall be the duty of the commission or of any such member, officer, employee or agent of the commission designated by the commission for such purpose to issue subpoenas at the request of and upon behalf of the licensee, permittee or applicant. The commission or such person conducting the hearing shall not be bound by common law or statutory rules of evidence or by technical or formal rules or procedure in the conduct of such hearing.

"6. Upon the conclusion of the hearing, the commission shall take such action upon such findings and determinations as it deems proper and shall execute an order carrying such findings into effect. The action in the case of an application for a license or permit shall be the granting or denial thereof. The action in the case of a licensee or permittee shall be revocation of the license or permit or suspension thereof for a fixed period or reprimand or a dismissal of the charges.

"7. The action of the commission in denying any application for a license or permit or in suspending or revoking such license or permit or in reprimanding a licensee or permittee shall be subject to judicial review by a proceeding instituted in either State at the instance of the applicant, licensee or permittee in the manner provided by the law of such State for review of the final decision or action of administrative agencies of such State, provided, however, That notwithstanding any other provision of law the court shall have power to stay for not more than thirty days an order of the commission suspending or revoking a license or permit.

"8. At hearings conducted by the commission pursuant to this article, applicants, prospective licensees and permittees, licensees and permittees shall have the right to be accompanied and represented by counsel.

"9. After the conclusion of a hearing but prior to the making of an order by the commission, a hearing may, upon petition and in the discretion of the hearing officer, be reopened for the presentation of additional evidence. Such petition to reopen the hearing shall state in detail the nature of the additional evidence, together with the reasons for the failure to submit such evidence prior to the conclusion of the hearing. The commission may upon its own motion and upon reasonable notice reopen a hearing for the presentation of additional evidence. Upon petition, after the making of an order of the commission, rehearing may be granted in the discretion of the commission. Such a petition for rehearing shall state in detail the grounds upon which the petition is based and shall separately set forth each error of law and fact alleged to have been made by the commission in its determination, together with the facts and arguments in support thereof. Such petition shall be filed with the commission not later than thirty days after service of such order unless the commission for good cause shown shall otherwise direct. The commission may upon its own motion grant a rehearing after the making of an order.

"ARTICLE VIII

"EXPENSES OF ADMINISTRATION

"1. In addition to the budget of its expenses under the waterfront commission compact, the commission shall annually adopt a budget of its expenses under this compact for each year. The annual budget shall be submited to the governors of the two States and shall take effect as submitted provided that either governor may within thirty days disapprove or reduce any item or items, and the budget shall be adjusted accordingly.

"2. After taking into account such funds as may be available to it from reserves in excess of ten percent of such budget under this compact, federal grants, or otherwise, the balance under this compact, federal grants, or otherwise, the balance of the commission's budgeted expenses shall be obtained by fees payable under this article and by assessments upon employers of persons licensed under this compact as provided in this article.

"3. With respect to airfreightmen and airfreightman supervisors who are employed by an air freight truck carrier regularly to move freight to or from an airport, the employers shall pay to the commission for each such airfreightman and airfreightman supervisor a license fee to be determined by the commission, not in excess of one hundred dollars for each year, commencing with the first day of April. The employer of every person who is issued a permit of fixed duration by the commission for ingress to an air freight security area, or the permittee himself if he is self-employed, shall pay to the commission a fee to be determined by the commission, not in excess of seventy-five dollars for each year, commencing with the first day of April. The commission shall reduce the maximum fees payable under this section proportionately with any reduction in the maximum assessment rate of two per cent provided for by this article.

"4. Every employer of airfreightmen and airfreightman supervisors licensed by the commission, except as otherwise provided in section three of this article, shall pay to the commission an assessment computed upon the gross payroll payments made by such employer to airfreightmen and airfreightman supervisors for work performed as such, at a rate, not in excess of two per cent, computed by the commission, in the following manner: the commission shall annually estimate the fees payable under this article and the gross payroll payments to be made by employers subject to assessment and shall compute the fees and a rate of assessment which will yield revenues sufficient to finance the balance of the commission's budget for each year as provided in section two of this article. The commission may hold in reserve an amount not to exceed ten per cent of its total budgeted expenses for the year, which reserve shall not be included as part of the budget. Such reserve shall be held for the stabilization of annual assessments, the payment of operating deficits and for the repayment of any advances made by the two States.

"5. The amount required to balance the commission's budget in excess of the estimated yield of the maximum fees and assessment, shall be certified by the commission, with the approval of the respective governors, to the legislatures of the two States, in proportion to the respective totals of the assessments and fees paid to the commission by persons in each of the two States. The legislatures shall annually appropriate to the commission the amounts so certified.

"6. The assessments and fees hereunder shall be in lieu of any other charge for the issuance of licenses or permits by the commission pursuant to this compact.

"7. In addition to any other sanction provided by law, the commission may revoke or suspend any license or permit held by any employer under this compact and/or the license or permit held under this compact by any employees of such employer, or the permit held under this compact by any employees of such employer, or the permit held under this compact by any permittee who is self-employed, and in addition the commission may deny ingress to such employers, employees or permittees to air freight security areas, for nonpayment of assessment or fee when due.

"8. Every person subject to the payment of any assessment under this compact shall file on or before the twentieth day of the first month of each calendar quarter-year a separate return, together with the payment of the assessment due, for the preceding calendar quarter-year during which any payroll payments were made to licensed persons for whom assessments are payable for work performed as such. Returns covering the amount of assessment payable shall be filed with the commission on forms to be furnished for such purpose and shall contain such data, information or matter as the commission may require to be included therein. The commission may grant a reasonable extension of time for filing returns, or for payment of assessment, whenever good cause exists. Every return shall have annexed thereto a certification to the effect that the statements contained therein are true.

"9. Every person subject to the payment of assessment hereunder shall keep an accurate record of his employment of licensed persons for whom assessments are payable, which shall show the amount of compensation paid and such other information as the commission may require. Such records shall be preserved for a period of three years and be open for inspection at reasonable times. The commission may consent to the destruction of any such records at any time after said period or may require that they be kept longer but not in excess of six years.

"10. (a) The commission shall audit and determine the amount of assessment due from the return filed and such other information as is available to it. Whenever a deficiency in payment of the assessment is determined the commission shall give notice of any such determination to the person liable therefor. Such determination shall finally and conclusively fix the amount due, unless the person against whom it is assessed shall, within thirty days after the giving of notice of such determination, apply in writing to the commission for a hearing, or unless the commission on its own motion shall reduce the same. After such hearing, the commission shall give notice of its decision to the person liable therefor. A determination of the commission under this section shall be subject to judicial review, if application for such review is made within thirty days after the giving of notice of such decision. Any determination under this article shall be made within five years from the time the return was filed and if no return was filed such determination may be made at any time.

"(b) Any notice authorized or required under this article may be given by mailing the same to the person for whom it is intended at the last address given by him to the commission, or in the last return filed by him with the commission under this article, or if no return has been filed then to such address as may be obtainable. The mailing of such notice shall be presumptive evidence of the receipt of same by the person to whom addressed. Any period of time, which is determined according to the provision of this section, for the giving of notice shall commence to run from the date of mailing of such notice.

"11. Every person required to pay a fee for a license or a permit under this article shall pay the same upon filing of the application with the commission for such license or permit. The fee for such license or permit shall be prorated for the fiscal year for which the same is payable as of the date the application for such license or permit is filed with the commission. The commission shall prorate and make a refund of such fee for the period between the date of application and the date of the issuance of such license or permit. Upon surrender of such license or permit or upon the revocation of any such license or permit issued to an employee before the expiration of the fiscal year, the commission shall make a refund prorated for the unexpired portion of the year, less ten per cent of such refund. In the event of denial of any application for a license or permit, the commission shall refund the fee paid upon application, less ten per cent of such refund.

"12. Whenever any person shall fail to pay, within the time limited herein, any assessment or fee which he is required to pay to the commission under the provisions of this article the commission may enforce payment of such assessment or fee by civil action for the amount of such assessment or fee with interest and penalties.

"13. The employment by a nonresident of a licensed person or permittee for whom assessments of fees are payable in either State or the designation by a nonresident of a licensed person or permittee to perform work in such State shall be deemed equivalent to an appointment by such nonresident of the secretary of state of such State to be his true and lawful attorney upon whom may be served the process in any action or proceeding against him growing out of any liability for assessments or fees, penalties or interest, and a consent that any such process against him which is so served shall be of the same legal force and validity as if served on him personally within such State and within the territorial jurisdiction of the court from which the process issues. Service of process within either State shall be made by either (1) personally delivering to and leaving with the secretary of state or a deputy secretary of state of such State duplicate copies thereof at the office of the department of state in the capital city of such State, in which event such secretary of state shall forthwith send by registered mail one of such copies to the person at the last address designated by him to the commission for any purpose under this article or in the last return filed by him under this article with the commission or as shown on the records of the commission, or if no return has been filed, at his last known office address within or without such State, or (2) personally delivering to and leaving with the Secretary of state or a deputy secretary of state of such State a copy thereof at the office of the department of state in the capital city of such State and by delivering a copy thereof to the person, personally without such State. Proof of such personal service without such State shall be filed with the clerk of the court in which the process is pending within thirty days after such service and such service shall be complete ten days after proof thereof is filed.

"14. Whenever the commission shall determine that any monies received as assessments or fees were paid in error, it may cause the same to be refunded, provided an application therefor is filed with the commission within two years from the time erroneous payment was made.

"15. In addition to any other powers authorized hereunder, the commission shall have power to make reasonable rules and regulations to effectuate the purposes of this article.

"16. When any person shall wilfully fail to pay any assessment or fee due hereunder he shall be assessed interest at a rate of one per cent per month on the amount due and unpaid and penalties of five per cent of the amount due for each thirty days or part thereof that the assessment remains unpaid. The commission may, for good couse shown, abate all or part of such penalty.

"17. Any person who shall wilfully furnish false or fraudulent information or shall wilfully fail to furnish pertinent information as required with respect to the amount of any assessment or fee due, shall be guilty of a misdemeanor, punishable by a fine of not more than one thousand dollars, or imprisonment for not more than one year, or both.

"18. All funds of the commission shall be deposited with such responsible banks or trust companies as may be designated by the commission. The commission may require that all such deposits be secured by obligations of the United States or of the States of New York or New Jersey of a market value equal at all times to the amount of the deposits, and all banks and trust companies are authorized to give such security for such deposits. The monies so deposited shall be withdrawn only by check signed by two members of the commission or by such other officers or employees of the commission as it may from time to time designate.

"19. The accounts, books and records of the commission, including its receipts, disbursements, contracts, leases, investments and any other matters relating to its financial standing shall be examined and audited annually by independent auditors to be retained for such purpose by the commission.

"20. The commission shall reimburse each state for any funds advanced to the commission exclusive of sums appropriated pursuant to section five of this article.

"ARTICLE IX

"General Violations; Prosecutions; Penalties

"1. The failure of any witness, when duly subpoenaed to attend, to give testimony or produce other evidence in any investigation, interview or other proceeding conducted by the commission pursuant to the provisions of this act, shall be punishable by the superior court in New Jersey and the supreme court in New York in the same manner as said failure is punishable by such court in a case therein pending.

"2. Any person who, having been duly sworn or affirmed as a witness in any investigation, interview or other proceeding conducted by the commission pursuant to the provisions of this act, shall wilfully give false testimony shall be guilty of a misdemeanor punishable by a fine of not more than one thousand dollars or imprisonment for not more than one year or both.

"3. Any person who interferes with or impedes the orderly licensing of or orderly granting of any permits to any other person pursuant to this compact, or who attempts, conspires, or threatens so to do, shall be guilty of a misdemeanor punishable by a fine of not more than one thousand dollars or imprisonment for not more than one year or both.

"4. Any person who directly or indirectly inflicts or threatens to inflict any injury, damage, harm or loss or in any other manner practices intimidation upon or against any person in order to induce or compel such person or any other person to refrain from obtaining a license or permit pursuant to this compact shall be guilty of a misdemeanor punishable by a fine of not more than one thousand dollars or imprisonment for not more than one year or both.

"5. Any person who, without justification or excuse in law, directly or indirectly, intimidates or inflicts any injury, damage, harm, loss or economic reprisal upon any person who holds a license or permit issued by the commission pursuant to this compact, or any other person, or attempts, conspires or threatens so to do, in order to interfere with, impede or influence such licensee or permittee in the performance or discharge of his duties or obligations shall be guilty of a misdemeanor, punishable by a fine of not more than one thousand dollars or imprisonment of not more than one year or both.

"6. Any person who shall violate any of the provisions of this compact, for which no other penalty is prescribed, shall be guilty of a misdemeanor, punishable by a fine of not more than one thousand dollars or by imprisonment for not more than one year or both.

"7. In any prosecution under this compact, it shall be sufficient to prove only a single act (or a single holding out or attempt) prohibited by law without having to prove a general course of conduct, in order to prove a violation.

"ARTICLE X

"Amendments; Construction; Short Title

"1. Amendments and supplements to this compact to implement the purposes thereof may be adopted by the action of the legislature of either State concurred in by the legislature of the other.

"2. If any part or provision of this compact or the application thereof to any person or circumstances be adjudged invalid by any court of competent jurisdiction, such judgment shall be confined in its operation to the part, provision or application directly involved in the controversy in which such judgment shall have been rendered and shall not affect or impair the validity of the remainder of this compact or the application thereof to other persons or circumstances and the two States hereby declare that they would have entered into this compact or the remainder thereof had the invalidity of such provision or application thereof been apparent.

"3. In accordance with the ordinary rules for construction of interstate compacts this compact shall be liberally construed to eliminate the evils described therein and to effectuate the purposes thereof.

"4. This compact shall be known and may be cited as the 'Airport Commission Compact'."

Sec. 2. The consent herein granted does not constitute consent in advance for amendments or supplements to the Airport Commission Compact made pursuant to article X, paragraph 1 of said compact.

Sec. 3. The right is hereby reserved by the Congress or any of its standing committees to require the disclosure and the furnishing of such information and data by or concerning the Waterfront and Airport Commission in its operations as is deemed appropriate by Congress or such committee.

Sec. 4. The right to alter, amend, or repeal this Act is expressly reserved.

ADDITIONAL COSPONSORS OF BILLS

S. 796

At the request of Mr. Pell, the Senator from Minnesota (Mr. Humphrey) was added as a cosponsor of S. 796, to improve museum services.

S. 1017

At the request of Mr. Jackson, the Senator from Oregon (Mr. Hatfield) was added as a cosponsor of S. 1017, the Indian Self-Determination and Educational Reform Act of 1973.

S. 1550

At the request of Mr. Tower, the Senator from Nevada (Mr. Bible) was added as a cosponsor of S. 1550, to provide tax incentives to encourage physicians, dentists, and optometrists to practice in physician-shortage areas.

S. 1688

At the request of Mr. Ervin, the Senator from Texas (Mr. Tower) and the Senator from New Mexico (Mr. Montoya) were added as cosponsors of S. 1688, a bill to protect the civilian employees of the executive branch of the U.S. Government in the enjoyment of their constitutional rights and prevent unwarranted governmental invasions of their privacy.

S. 1769

At the request of Mr. MANSFIELD, for Mr. MAGNUSON, the Senator from South Carolina (Mr. HOLLINGS) was added as a cosponsor of S. 1769, to establish a U.S. Fire Administration and a National Fire Academy in the Department of Housing and Urban Development, to assist State and local governments in reducing the incidence of death, personal injury, and property damage from fire, to increase the effectiveness and coordination of fire prevention and control agencies at all levels of government, and for other purposes.

S. 1871

At the request of Mr. JACKSON, the Senator from North Dakota (Mr. BURDICK) was added as a cosponsor of S. 1871, to amend the Youth Conservation Corps Act.

S. 1939

At the request of Mr. MONDALE, the Senator from Washington (Mr. MAGNUSON), the Senator from Utah (Mr. MOSS), and the Senator from Michigan (Mr. HART) were added as cosponsors of S. 1939, to prohibit pyramid sales transactions.

S. 2005

At the request of Mr. HUMPHREY, the Senator from Wyoming (Mr. MCGEE) was added as a cosponsor of S. 2005, to establish strategic grain reserves.

S. 2093

At the request of Mr. MANSFIELD, for Mr. MAGNUSON, the Senator from Illinois (Mr. STEVENSON) was added as a cosponsor of S. 2093, to amend the Horse Protection Act of 1970 to better effectuate its purposes.

S. 2147

At the request of Mr. DOMENICI, the Senator from Oklahoma (Mr. BARTLETT) was added as a cosponsor of S. 2147 to conduct a study relating to the procurement and use by the Federal Government of products manufactured from recycled materials.

S. 2215

At the request of Mr. HELMS, Senators BARTLETT, DOMENICI, DOMINICK, BELLMON, FANNIN, GOLDWATER, HANSEN, HOLLINGS, MCCLURE, NUNN, TALMADGE, THURMOND, BROCK, BUCKLEY, and SCOTT of Virginia were added as cosponsors of S. 2215, to restore the value of the dollar and restrain inflation by providing for a Federal budget in which expenditures shall not exceed Federal revenues.

AUTHORITY FOR NAMES OF COSPONSORS TO BE ADDED TO S. 1179 DURING THE AUGUST RECESS

Mr. ROBERT C. BYRD. Mr. President, yesterday I secured consent for Senate Committees to file reports during the August recess, and specifically on the following dates: August 6, August 21, and September 4.

One of the bills on which a report is expected to be filed is S. 1179, a bill dealing with the tax treatment of private pensions. I have been asked by the distinguished chairman of the committee (Mr. LONG) to ask unanimous consent that during the August recess it be possible for Senators to add their names as cosponsors of that bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

SENATE RESOLUTION 154—SUBMISSION OF A RESOLUTION TO EXTEND THROUGH FEBRUARY 28, 1977, THE SELECT COMMITTEE ON NUTRITION AND HUMAN NEEDS

(Referred to the Committee on Labor and Public Welfare.)

Mr. McGOVERN. Mr. President, the members of the Select Committee on Nutrition and Human Needs met in executive session on July 26, 1973, and unanimously approved the following resolution. On their behalf, I am therefore submitting a resolution regarding the future of the Select Committee.

The resolution reads as follows:

S. RES. 154

Resolved, That the Select Committee on Nutrition and Human Needs, established by S. Res. 281, Ninetieth Congress, agreed to on July 30, 1968, as amended and supplemented, is hereby extended through February 28, 1977.

SENATE RESOLUTION 155—SUBMISSION OF A RESOLUTION RELATING TO ASSISTANCE TO FRANCE

(Referred to the Committee on Foreign Relations.)

Mr. HARTKE. Mr. President, I submit a resolution calling on the President to inform the Government of France of this country's strong disapproval of France's continued detonation of nuclear devices in the Pacific Ocean area in blatant disregard of the wishes and rights of the countries and peoples most directly concerned.

I seek the wisdom and courage of my fellow colleagues in moving this resolution to finality in the most expeditious manner possible as it is speculated in the international community that France next plans to detonate a nuclear device the first part of September.

The administration of this country has remained deplorably silent on this subject. In fact, there has been no public statement from the Government of the United States concerning the nuclear explosions by France, while over 30 countries, many of which are our best friends, have valiantly fought the tests. New Zealand and Australia went to the World Court of Justice at The Hague, the United Nations' highest legal tribunal, and secured an order restraining France from further atmospheric nuclear testing. However, France ignored that injunction, striking at the very fabric of any international sense of order by law. And we will have a generation of peace, President Nixon has rhetorically charged—yet not a word of condemnation.

Mr. President, I ask unanimous consent that the Order of the World Court of Justice be printed in the RECORD following the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HARTKE. Mr. President, an editorial in the New York Times on June 27, 1973, stated:

> The French rebuff is the second serious setback in less than a year for efforts to revive and strengthen this world tribunal.

The other rebuke was by Iceland. The editorial went on to emphasize the "moral weight" of the Court's judgment on world opinion when based on the facts and law presented and the impartial findings. Yet, not a word from our Government when France rebuffed the authority of the Court.

The world community, as a whole, condemns the explosion of any nuclear device in the atmosphere by any country. The potential destruction and injury to the world community of living matter is overwhelming. Yet, since 1966, France has detonated 28 nuclear devices in Polynesia on Mururoa Atoll in the South French Polynesia on Mururoa Atoll in the South Pacific. The protests of the countries in the immediate area have grown to include the World Court of Justice. The last two detonations are the commencement of a new series of tests to be conducted by France. The first was on Sunday, July 21, and the second was on July 28, 1973. The detonations have been estimated to be in the 10 megaton range and speculation has it that they are experimental trigger devices for far more powerful hydrogen bombs.

Radioactive fallout from these explosions has been detected throughout the South Pacific. The radioactive materials injected into the atmosphere could remain for years. The biological effects of ionizing radiation will remain in the cells, tissue and organs of all living matter. Embryonic cells are especially sensitive to radiation, and there is evidence that exposure of the fetus to small doses of radiation may result in leukemia during childhood. How long must civilized people stand idle watching their children being slaughtered by a lawless group?

The United States is a civilized nation which not only should be a political, economic, and cultural leader in the world community, but if we are to have the respect of our brothers and sisters, we must stand up as a moral leader recognizing the rights of man against the bullying impulses of a class of people that consider themselves above the law. We must speak up before the situation deteriorates hopelessly into violence.

I urge my colleagues to support this resolution calling upon the President to condemn France, so long as they continue to detonate nuclear devices irrespective of the rights of their fellow man in the world community. This will put France on notice that the United States has not lost its sense of right and wrong.

I ask unanimous consent that an article by Derryn Hinch appearing in the July 25, 1973, New York Times, be printed in the RECORD following the conclusion of my remarks. The cry usually heard by concerned persons, "What can I do?" has been answered in the article as it sets forth some of the actions taken by a concerned citizen.

Mr. President, not only have the countries expressing concern for the French nuclear testing on Mururoa Atoll been from the South Pacific. Our Latin American friend, Peru, has withdrawn their ambassador from France. Ecuador, Mexico, Canada, Chile, Colombia, Bolivia are other Western Hemisphere countries that have issued strong protests to France.

Indonesia, Japan, Malaysia, the legislature of American Samoa, Singapore, South Vietnam, Thailand, and South Korea are some of the countries of the immediate region, in addition to New Zealand and Australia, that have registered strong protests to France.

Mr. President, this country cannot stand silent for another minute, while our friends are subjected to such ruthless conduct. I ask unanimous consent that the text of my resolution be printed in the RECORD at this point.

There being no objection, the resolution and material were ordered to be printed in the RECORD, as follows:

SENATE RESOLUTION 155

Whereas France detonated a nuclear device in the Pacific Ocean on Mururoa Atoll on July 21, 1973, without respect for the rights of the other countries in the area; and

Whereas France detonated a nuclear device in the Pacific Ocean on Mururoa Atoll on July 28, 1973, without regard or respect for the rights of the other countries in the area; and

Whereas France will in the future continue to detonate nuclear devices in the Pacific Ocean without regard or respect for the rights of the other countries in that area; and

Whereas New Zealand and Australia, among others, expressed their concern to France prior to said explosions with negligible impact on France for the welfare of others; and

Whereas the continued detonation of nuclear devices by France endangers the personal welfare of all the human beings in the Pacific Ocean area, including the United States; and

Whereas such continued detonation of nuclear devices by France endangers the natural, vegetarian and animal life of the Pacific Ocean, the United States and the rest of the World; Now, therefore, be it

Resolved, That it is the sense of the Senate that the President of the United States should immediately inform the government of France of the strong condemnation on the part of the United States of France's blatant disregard for human welfare and international law as evidenced by its policy of continued above-surface nuclear detonations in the Pacific Ocean area.

[International Court of Justice, June 22, 1973]

NUCLEAR TESTS CASE—NEW ZEALAND VERSUS FRANCE

(Request for the Indication of Interim Measures of Protection)

Present: Vice-President AMMOUN, *Acting President; Judges* FORSTER, GROS, BENGZON, PETRÉN, ONYEAMA, IGNACIO-PINTO, DE CASTRO, MOROZOV, JIMÉNEZ DE ARÉCHAGA, Sir Humphrey WALDOCK, NAGENDRA SINGH, RUDA; *Judge* ad hoc Sir Garfield BARWICK; *Registrar* AQUARONE.

The International Court of Justice,

Composed as above,

After deliberation,

Having regard to Articles 41 and 48 of the Statute of the Court,

Having regard to Article 66 of the Rules of Court,

Having regard to the Application by New Zealand filed in the Registry of the Court on 9 May 1973, instituting proceedings against France in respect of a dispute as to the legality of atmospheric nuclear tests in the South Pacific region, and asking the Court to adjudge and declare that the conduct by the French Government of nuclear tests in the South Pacific region that give rise to radioactive fall-out constitutes a violation of New Zealand's rights under international law, and that these rights will be violated by any further such tests,

Makes the following Order:

1. Having regard to the request dated 14 May 1973 and filed in the Registry the same day, whereby the Government of New Zealand, relying on Article 33 of the General Act of 1928 for the Pacific Settlement of International Disputes and on Articles 41 and 48 of the Statute and Article 66 of the Rules of Court, asks the Court to indicate, pending the final decision in the case brought before it by the Application of the same date, the following interim measures of protection:

"The measure which New Zealand requests . . . is that France refrain from conducting any further nuclear tests that give rise to radio-active fall-out while the Court is seized of the case."

2. Whereas the French Government was notified by telegram the same day of the filing of the Application instituting proceedings and a copy thereof was at the same time transmitted to it by express mail;

3. Whereas, pursuant to Article 40, paragraph 3, of the Statute and Article 37, paragraph 2, of the Rules of Court, copies of the Application were transmitted to Members of the United Nations through the Secretary-General and to other States entitled to appear before the Court;

4. Whereas the submissions set out in the request for the indication of interim measures of protection were on the day of the request communicated to the French Government, by telegram of 14 May 1973, and a copy of the request was at the same time transmitted to it by express mail;

5. Whereas pursuant to Article 31, paragraph 2, of the Statute, the Government of New Zealand chose the Right Honourable Sir Garfield Barwick, Chief Justice of Australia, to sit as judge *ad hoc* in the case;

6. Whereas the Governments of New Zealand and France were informed by communications of 15 May 1973 that the Court would in due course hold public hearings to afford them the opportunity of presenting their observations on the request by New Zealand for the indication of interim measures of protection, and by further communications of 22 May 1973 the Parties were informed that such hearings would open on 24 May 1973;

7. Whereas by a letter dated 16 May 1973 from the Ambassador of France to the Netherlands, handed by him to the Registrar the same day, the French Government stated that it considered that the Court was manifestly not competent in the case and that it could not accept the Court's jurisdiction, and that accordingly the French Government did not intend to appoint an agent, and requested the Court to remove the case from its list;

8. Whereas at the opening of the public hearings, which were held on 24 and 25 May 1973, there were present in court the Agent, Co-Agent, counsel and other advisers of the Government of New Zealand;

9. Having heard the observations on the request for interim measures on behalf of the Government of New Zealand, and the replies on behalf of that Government to questions put by a Member of the Court, submitted by Professor R. Q. Quentin-Baxter, Dr. A. M. Finlay, Q. C., and Mr. R. C. Savage, Q. C.;

10. Having taken note of the final submission of the Government of New Zealand made at the hearing of 25 May 1973, and filed in the Registry the same day, which reads as follows:

". . . New Zealand's final submission is: that the Court, acting under Article 33 of the General Act for the Pacific Settlement of International Disputes or, alternatively, under Article 41 of its Statute, should lay down or indicate that France, while the Court is seized of the case, refrain from conducting any further nuclear tests that give rise to radio-active fall-out".

11. Having taken note of the written reply given by the Agent of the Government of New Zealand on 1 June to a question put to him by a Member of the Court;

12. Noting that the French Government was not represented at the hearings; and whereas the non-appearance of one of the States concerned cannot by itself constitute an obstacle to the indication of provisional measures;

13. Whereas the Governments of New Zealand and France have been afforded an opportunity of presenting their observations on the request for the indication of provisional measures;

14. Whereas on a request for provisional measures the Court need not, before indicating them, finally satisfy itself that it has jurisdiction on the merits of the case, and yet ought not to indicate such measures unless the provisions invoked by the Applicant appear, prima facie, to afford a basis on which the jurisdiction of the Court might be founded;

15. Whereas in its Application and oral observations the Government of New Zealand claims to found the jurisdiction of the Court on the following provisions:

(*a*) Articles 36, paragraph 1, and 37 of the Statute of the Court and Article 17 of the above-mentioned General Act of 1928; and in the alternative,

(*b*) Article 36, paragraphs 2 and 5, of the Statute of the Court;

16. Whereas, according to the letter of 16 May 1973 handed to the Registrar by the French Ambassador to the Netherlands, the French Government considers, *inter alia*, that the General Act of 1928 was an integral part of the League of Nations system and, since the demise of the League of Nations, has lost its effectivity and fallen into desuetude; that this view of the matter is confirmed by the conduct of States in regard to the General Act of 1928 since the collapse of the League of Nations; that, in consequence, the General Act cannot serve as a basis for the competence of the Court to deliberate on the Application of New Zealand with respect to French nuclear tests; that in any event the General Act of 1928 is not now applicable in the relations between France and New Zealand and cannot prevail over the will clearly and more recently expressed in the declaration of 20 May 1966 made by the French Government under Article 36, paragraph 2, of the Statute of the Court; that paragraph 3 of that declaration excepts from the French Government's acceptance of compulsory jurisdiction "disputes concerning activities connected with national defence"; and that the present dispute concerning French nuclear tests in the Pacific incontestably falls within the exception contained in that paragraph;

17. Whereas in its oral observations the Government of New Zealand maintains, *inter alia*, that the validity, interpretation and effect in the present situation of the reservation attached to the French declaration of 20 May 1966 are issues which can be the subject of debate, and that it cannot be baldly asserted that there is a manifest absence of jurisdiction under Article 36, paragraph 2, of the Statute; that the General Act was, within the meaning of Article 37 of the Statute, a treaty or convention in force on 24 October 1945 when New Zealand and France became parties to the Statute, and that Article 37 of the Statute accordingly conferred on the Court the jurisdiction provided for in Article 17 of the General Act; that such evidence as there is of State practice in more recent years is wholly consistent with the Act's con-

tinuity; that since 1946 France has more than once acknowledged that the General Act remains in force; that so far as the General Act is concerned, not only is there no manifest lack of jurisdiction to deal with this matter, but the Court's jurisdiction on the merits on that basis is reasonably probable, and there exist weighty arguments in favour of it;

18. Whereas the material submitted to the Court leads it to the conclusion, at the present stage of the proceedings, that the provisions invoked by the Applicant appear, prima facie, to afford a basis on which the jurisdiction of the Court might be founded; and whereas the Court will accordingly proceed to examine the Applicant's request for the indication of interim measures of protection;

19. Whereas the request of the Government of New Zealand for the indication of provisional measures is based on Article 33 of the General Act of 1928, as well as on Article 41 of the Statute of the Court; and whereas the Government of New Zealand in its final submission asks the Court to indicate such measures under Article 33 of the General Act or, alternatively, under Article 41 of the Statute;

20. Whereas the Court considers that it should not exercise its power to indicate provisional measures under Article 33 of the General Act of 1928 until it has reached a final conclusion that the General Act is still in force: whereas the Court is not in a position to reach a final conclusion on this point at the present stage of the proceedings, and will therefore examine the request for the indication of interim measures only in the context of Article 41 of the Statute;

21. Whereas the power of the Court to indicate interim measures under Article 41 of the Statute has as its object to preserve the respective rights of the Parties pending the decision of the Court, and presupposes that irreparable prejudice should not be caused to rights which are the subject of dispute in judicial proceedings and that the Court's judgment should not be anticipated by reason of any initiative regarding the matters in issue before the Court:

22. Whereas it follows that the Court in the present case cannot exercise its power to indicate interim measures of protection unless the rights claimed in the Application, prima facie, appear to fall within the purview of the Court's jurisdiction;

23. Whereas it is claimed by the Government of New Zealand in its Application that rules and principles of international law are now violated by nuclear testing undertaken by the French Government in the South Pacific region, and that, *inter alia*,

(*a*) it violates the rights of all members of the international community including New Zealand, that no nuclear tests that give rise to radio-active fall-out be conducted;

(*b*) it violates the rights of all members of the international community, including New Zealand, to the preservation from unjustified artificial radio-active contamination of the terrestrial, maritime and aerial environment and, in particular, of the environment of the region in which the tests are conducted and in which New Zealand, the Cook Islands, Niue and the Tokelau Islands are situated;

(*c*) it violates the right of New Zealand that no radio-active material enter the territory of New Zealand, the Cook Islands, Niue or the Tokelau Islands, including their airspace and territorial waters, as a result of nuclear testing;

(*d*) it violates the right of New Zealand that no radio-active material, having entered the territory of New Zealand, the Cook Islands. Niue or the Tokelau Islands, including their air space and territorial waters, as a result of nuclear testing, cause harm, including apprehension, anxiety and concern, to the people and Government of New Zealand and of the Cook Islands, Niue and the Tokelau Islands;

(*e*) it violates the right of New Zealand to freedom of the high seas, including freedom of navigation and overflight and the freedom to explore and exploit the resources of the sea and the seabed, without interference or detriment resulting from nuclear testing;

and whereas New Zealand invokes its moral and legal responsibilities in relation to the Cook Islands, Niue and the Tokelau Islands;

24. Whereas it cannot be assumed *a priori* that such claims fall completely outside the purview of the Court's jurisdiction, or that the Government of New Zealand may not be able to establish a legal interest in respect of these claims entitled the Court to admit the Application;

25. Whereas by the terms of Article 41 of the Statute the Court may indicate interim measures of protection only when it considers that circumstances so require in order to preserve the rights of either party;

26. Whereas the Government of New Zealand alleges, *inter alia*, that during the period from 1966 to 1972 the French Government has carried out a series of atmospheric nuclear tests centred on Mururoa in the South Pacific; that the French Government has refused to give an assurance that its programme of atmospheric nuclear testing in the South Pacific is at an end, and that on 2 May 1973 the French Government announced that it did not envisage cancelling or modifying the programme originally planned; that from official pronouncements it is clear that some further tests are envisaged with the likelihood of deploying a thermonuclear warhead by 1976; that the French Government has also reserved its options on the development of yet another generation of nuclear weapons after 1976 which would require further tests; that in previous years the nuclear testing series conducted by France have begun on dates between 15 May and 7 July; that on the basis of the pronouncements referred to above and the past practice of the French Government, there are strong grounds for believing that the French Government will carry out further testing of nuclear devices and weapons in the atmosphere at Mururoa Atoll before the Court is able to reach a decision on the Application of New Zealand;

27. Whereas these allegations give substance to the New Zealand Government's contention that there is an immediate possibility of a further atmospheric nuclear test being carried out by France in the Pacific;

28. Whereas the Government of New Zealand also alleges that each of the series of French nuclear tests has added to the radio-active fall-out in New Zealand territory; that the basic principles applied in this field by international authorities are that any exposure to radiation may have irreparable, and harmful, somatic and genetic effects and that any additional exposure to artificial radiation can be justified only by the benefit which results; that, as the New Zealand Government has repeatedly pointed out in its correspondence with the French Government, the radio-active fall-out which reaches New Zealand as a result of French nuclear tests is inherently harmful, and that there is no compensating benefit to justify New Zealand's exposure to such harm; that the uncertain physical and genetic effects to which contamination exposes the people of New Zealand causes them acute apprehension, anxiety and concern; and that there could be no possibility that the rights eroded by the holding of further tests could be fully restored in the event of a judgment in New Zealand's favour in these proceedings;

29. Whereas the French Government, in a diplomatic Note addressed to the Government of New Zealand and dated 10 June 1966, the text of which was annexed to the Application in this case, emphasized that every precaution would be taken with a view to ensuring the safety and the harmlessness of the French nuclear tests, and observed that the French Government, in taking all appropriate steps to ensure the protection of the populations close to the test zone, had sought *a fortiori* to guarantee the safety of populations considerably further distant, such as New Zealand or the territories for which it is responsible; and whereas in a letter dated 19 February 1973 to the Prime Minister of New Zealand from the French Ambassador to New Zealand, the text of which was also annexed to the Application in this case, the French Government called attention to Reports of the New Zealand National Radiation Laboratory, and of the Australian National Radiation Advisory Committee, which reached the conclusion that the fall-out from the French tests had never involved any danger to the health of the populations of those two countries, and observed that the concern which had been expressed as to the long-term effects of testing could not be based on anything other than conjecture;

30. Whereas for the purpose of the present proceedings it suffices to observe that the information submitted to the Court, including Reports of the United Nations Scientific Committee on the Effects of Atomic Radiation between 1958 and 1972, does not exclude the possibility that damage to New Zealand might be shown to be caused by the deposit on New Zealand territory of radio-active fall-out resulting from such tests and to be irreparable;

31. Whereas in the light of the foregoing considerations the Court is satisfied that it should indicate interim measures of protection in order to preserve the right claimed by New Zealand in the present litigation in respect of the deposit of radio-active fall-out on the territory of New Zealand, the Cook Islands, Niue or the Tokelau Islands;

32. Whereas the circumstances of the case do not appear to require the indication of interim measures of protection in respect of other rights claimed by New Zealand in the Application;

33. Whereas the foregoing considerations do not permit the Court to accede at the present stage of the proceedings to the request made by the French Government in its letter dated 16 May 1973 that the case be removed from the list;

34. Whereas the decision given in the present proceedings in no way prejudges the question of the jurisdiction of the Court to deal with the merits of the case, or any questions relating to the admissibility of the Application, or relating to the merits themselves, and leaves unaffected the right of the French Government to submit arguments in respect of those questions;

35. Having regard to the position taken by the French Government in its letter dated 16 May 1973 that the Court was manifestly not competent in the case and to the fact that it was not represented at the hearings held on 24 and 25 May on the question of the indication of interim measures of protection;

36. Whereas, in these circumstances, it is necessary to resolve as soon as possible the questions of the Court's jurisdiction and of the admissibility of the Application;

Accordingly,

THE COURT

Indicates, by 8 votes to 6, pending its final decision in the proceedings instituted on 9 May 1973 by New Zealand against France, the following provisional measures:

The Governments of New Zealand and France should each of them ensure that no action of any kind is taken which might aggravate or extend the dispute submitted to the Court or prejudice the rights of the other Party in respect of the carrying out of whatever decision the Court may render in the case; and, in particular, the French Government should avoid nuclear tests causing the deposit of radioactive fall-out on the territory of New Zealand, the Cook Islands, Niue or the Tokelau Islands;

Decides that the written proceedings shall first be addressed to the questions of the jurisdiction of the Court to entertain the dispute, and of the admissibility of the Application;

Fixes as follows the time-limits for the written proceedings:

21 September 1973 for the Memorial of the Government of New Zealand;

21 December 1973 for the Counter-Memorial of the French Government;

And reserves the subsequent procedure for further decision.

Done in English and in French, the English text being authoritative, at the Peace Palace, The Hague, this twenty-second day of June one thousand nine hundred and seventy-three, in four copies, one of which will be placed in the archives of the Court, and the others transmitted respectively to the French Government, to the Government of New Zealand, and to the Secretary-General of the United Nations for transmission to the Security Council.

(*Signed*) F. Ammoun,
Vice-President.
(*Signed*) S. Aquarone,
Registrar.

Judge Jiménez de Aréchaga makes the following declaration:

I have voted in favour of the Order for the reasons stated therein, but wish to add some brief comments on the relationship between the question of the Court's jurisdiction and the indication of interim measures.

I do not believe the Court should indicate interim measures without paying due regard to the basic question of its jurisdiction to entertain the merits of the Application. A request should not be granted if it is clear, even on a prima facie appreciation, that there is no possible basis on which the Court could be competent as to the merits. The question of jurisdiction is therefore one, and perhaps the most important, among all relevant circumstances to be taken into account by a Member of the Court when voting in favour of or against a request for interim measures.

On the other hand, in view of the urgent character of the decision on provisional measures, it is obvious that the Court cannot make its answer dependent on a previous collective determination by means of a judgment of the question of its jurisdiction on the merits.

This situation places upon each Member of the Court the duty to make, at this stage, an appreciation of whether—in the light of the grounds invoked and of the other materials before him—the Court will posses jurisdiction to entertain the merits of the dispute. From a subjective point of view, such an appreciation or estimation cannot be fairly described as a mere preliminary or even cursory examination of the jurisdictional issue: on the contrary, one must be satisfied that this basic question of the Court's jurisdiction has received the fullest possible attention which one is able to give to it within the limits of time and of materials available for the purpose.

When, as in this case, the Court decides in favour of interim measures, and does not, as requested by the French Government, remove the case from the list, the parties will have the opportunity at a later stage to plead more fully on the jurisdictional question. It follows that that question cannot be prejudged now; it is not possible to exclude *a priori*, that the further pleadings and other relevant information may change views or convictions presently held.

The question described in the Order as that of the existence of "a legal interest in respect of these claims entitling the Court to admit the Application" (para. 24) is characterized in the operative part as one relating to the admissibility of the Application. The issue has been raised of whether New Zealand has a right of its own—as distinct from a general community interest—or has suffered, or is threatened by, real damage. As far as the power of the Court to adjudicate on the merits is concerned, the issue is whether the dispute before the Court is one "with regard to which the parties are in conflict as to their respective rights" as required by the jurisdictional clause invoked by New Zealand. The question thus appears to be a limited one linked to jurisdiction rather than to admissibility. The distinction between those two categories of questions is indicated by Sir Gerald Fitzmaurice in *I.C.J. Reports 1963*, pages 102–103, as follows:

". . . the real distinction and test would seem to be whether or not the objection is based on, or arises from, the jurisdictional clause or clauses under which the jurisdiction of the tribunal is said to exist. If so, the objection is basically one of jurisdiction."

Article 17 of the General Act provides that the disputes therein referred to shall include in particular those mentioned in Article 36 of the Statute of the Permanent Court of International Justice. Among the classes of legal disputes there enumerated is that concerning "the existence of any fact which, *if established*, would constitute a breach of an international obligation" (emphasis added). At the preliminary stage it would seem therefore sufficient to determine whether the parties are in conflict as to their respective rights. It would not appear necessary to enter at that stage into questions which really pertain to the merits and constitute the heart of the eventual substantive decision such as for instance the establishment of the rights of the parties or the extent of the damage resulting from radioactive fall-out.

Judge Sir Humphrey Waldock makes the following declaration:

I concur in the Order. I wish only to add that, in my view, the principles set out in Article 67, paragraph 7, of the Rules of Court should guide the Court in giving its decision on the next phase of the proceedings which is provided for by the present Order.

Judge Nagendra Singh makes the following declaration:

While fully supporting the reasoning leading to the verdict of the Court, and therefore voting with the majority for the grant of interim measures of protection in this case, I wish to lend emphasis, by the declaration, to the requirement that the Court must be satisfied of its own competence, even though prima facie, before taking action under Article 41 of the Statute and Rule 61 (New Rule 66) of the Rules of Court.

It is true that neither of the aforesaid provisions spell out the test of competence of the Court or of the admissibility of the Application and the request, which nevertheless have to be gone into by each Member of the Court in order to see that a *possible* valid base for the Court's competence exist and that the Application is, prima facie, entertainable. I am, therefore, in entire agreement with the Court in laying down a positive test regarding its own competence, prima facie established, which was enunciated in the Fisheries Jurisdiction[1] case and having been reiterated in this case may be said to lay down not only the latest but also the settled jurisprudence of the Court on the subject.

It is indeed a *sine qua non* of the exercise of judicial function that a court can be moved only if it has competence. If therefore in the exercise of its inherent powers (as enshrined in Art. 41 of its Statute) the Court grants interim relief, its sole justification to do so is that if it did not, the rights of the parties would get so prejudiced that the judgment of the Court when it came could be rendered meaningless. Thus the possibility of the Court being ultimately able to give a judgment on merits should always be present when interim measures are contemplated. If, however, the Court were to shed its legal base of competence when acting under Article 41 of its Statute, it would immediately expose itself to the danger of being accused of discouraging governments from:

". . . undertaking, or continuing to undertake, the obligations of judicial settlement as the result of any justifiable apprehension that by accepting them they may become exposed to the embarrassment, vexation and loss, possibly following upon interim measures, in cases in which there is no reasonable possibility, prima facie ascertained by the Court, of jurisdiction on the merits. Accordingly, the Court cannot, in relation to a request for indication of interim measures, disregard altogether the question of its competence on the merits. The correct principle which emerges from these apparently conflicting considerations and which has been uniformly adopted in international arbitral and judicial practice is as follows: The Court may properly act under the terms of Article 41 provided that there is in existence an instrument such as a Declaration of Acceptance of the Optional Clause, emanating from the Parties to the dispute, which prima facie confers jurisdiction upon the Court and which incorporates no reservations obviously excluding its jurisdiction." (Separate opinion of Sir Hersch Lauterpacht in *Interhandel* case, *I.C.J. Report 1957*, p. 118.)

It needs to be mentioned, therefore, that even at this preliminary stage of prima facie testing the Court has to examine the reservations and declarations made to the treaty which is cited by a party to furnish the base for the jurisdiction of the Court and to consider also the validity of the treaty if the same is challenged in relation to the parties to the dispute. As a result of this prima facie examination the Court could either find:

(*a*) that there is no possible base for the Court's jurisdiction in which event no matter what emphasis is placed on Article 41 of its Statute, the Court cannot proceed to grant interim relief; or

(*b*) that a possible base exists, but needs further investigation to come to any definite conclusion in which event the Court is inevitably left no option but to proceed to the substance of the jurisdiction of the case to complete its process of adjudication which, in turn, is time consuming and therefore comes into conflict with the urgency of the matter coupled with the prospect of irreparable damage to the rights of the parties. It is this situation which furnishes the "raison d'être" of interim relief.

If, therefore, the Court, in this case, has granted interim measures of protection it is without prejudice to the substance whether jurisdictional or otherwise which cannot be prejudged at this stage and will have to be gone into further in the next phase.

Judge *ad hoc* Sir Garfield Barwick makes the following declaration:

I have voted for the indication of interim measures and the Order of the Court as to the further procedure in the case because the very thorough discussions in which the Court has engaged over the past weeks and my own researches have convinced me that the General Act of 1928 and the French Government's declaration to the compulsory jurisdiction of the Court with reservations each provide, prima facie, a basis on which the Court might have jurisdiction to entertain and decide the claims made by New Zealand in its Application of 9 May 1973. Further, the exchange of diplomatic notes between the Governments of New Zealand and France in 1973 afford, in my opinion, at least prima facie evidence of the existence of a dispute between those Governments as to matters of international law affecting their respective rights.

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[1] *Fisheries Jurisdiction* (*United Kingdom v. Iceland*) *I.C.J. Reports 1972*, Order of 17 August 1972, paras. 15 to 17, pp. 15 to 16.

Lastly, the material before the Court, particularly that appearing in the UNSCEAR reports, provides reasonable grounds for concluding that further deposit in the New Zealand territorial environment and that of the Cook Islands of radio-active particles of matter is likely to do harm for which no adequate compensatory measures could be provided.

These conclusions are sufficient to warrant the indication of interim measures.

I agree with the form of the provisional measures indicated, understanding that the action proscribed is action on the part of governments and that the measures are indicated in respect only of the New Zealand Government's claim to the inviolability of its territory, and of that of the Cook Islands.

Judges Forster, Gros, Petrén and Ignacio-Pinto append dissenting opinions to the Order of the Court.

(*Initialled*) F.A.
(*Initialled*) S.A.

[From the New York Times]

Retaliatory Shopping

(By Derryn Hinch)

The most important news out of France in recent weeks, at least as far as American wine drinkers were concerned, was the announcement that Château Mouton-Rothschild had been upgraded to a first-growth wine.

There was no rejoicing at this reporter's table, from which all French wine has been banned for months.

I am boycotting French products until the French abide by the World Court, and the court of world opinion, and abandon their irresponsible and narcissistic nuclear tests on Australia's doorstep (or at least until Australia and New Zealand detonate a nuclear device off the South of France).

For me, the paramount French news chattering off the wire-service machines was the cat-and-mouse drama being played out in the Pacific by the plucky New Zealand protest frigate "Otago" and a French minesweeper near the combustion zone at Mururoa Atoll—at least until last weekend, when the French detonated their latest bomb. At this distant outpost, ten thousand miles from the contaminated-milk zone, there is little an individual can do to protest the French tests.

Still, one has memories of the anti-French boycott that stirred Americans, especially New Yorkers, back in 1967.

It was only six years ago, and yet the main issue that triggered the boycott of French products is already a hazy memory.

The protest was fueled by Charles de Gaulle's arrogant anti-Americanisms and the belief that the French were denigrating the Americans from the left side of the mouth while shamelessly exploiting the Yankee tourists from the right.

The boycott was short-lived but partially successful. I remember the small placards that appeared on tables in New York restaurants urging diners not to buy French wine; there were bomb threats against the New York officials of Air France; and summer travelers were urged to visit any European city except "putrid Paree."

That boycott also gave birth to a wave of anti-French jokes that made Polish ethnic jokes look complimentary, and included such foul puns as "That's the way de Gaulle bounces."

With that in mind, I decided several months ago to launch a one-man boycott from afar that admittedly has achieved little, except to impart a glow of self-righteousness.

So far, at great personal deprivation, I have achieved the following:

Knocked back an invitation to a riotous evening at the National Press Club while in Washington because it was billed as a "French Night," featuring only French wines and cheeses. For a while I contemplated attending and then feigning illness next day with the heinous story that I had contracted botulism poisoning from the cheese and amebic dysentery from the wine.

Poured a bottle of Châteauneuf-du-Pape down the drain at a loss of $6.85. That was an even more painful ritual because it was one of my favorite wines. I once spent a holiday in a small French hotel that was in the shadow of the ruins of the old château.

Consigned a round of Camembert cheese to the garbage-disposal chute along with a half a head of Brie bought before the boycott decision.

Convinced my liquor store to push German and Italian wines by indoctrinating the owner with horror stories about the French nuclear tests.

Ignored my favorite white wine (a French Pouilly-Fuissé) at every restaurant dinner.

This singular protest, however, has had several advantages. I have rediscovered the delights of good Italian white wines, have found an even better Camembert cheese that is Danish, and have talked my liquor store owner into stocking such Australian wines as Moyston claret (one of the few he can get) which he sells to me for $36 (American) a case.

It seems a lot of Americans are starting boycotts of French wines for economic reasons rather than for stands of conscience. A friend of mine in Greenwich, Conn., who merely by his address can obviously afford Lafite-Rothschild, now admits to buying California wines because "the price of French wine is outrageous."

When boycotting the French you don't have that problem, but quandaries do crop up. For example: Is it permissible to eat French onion soup?

ADDITIONAL COSPONSORS OF A SENATE RESOLUTION

SENATE RESOLUTION 150

At the request of Mr. Hansen, the Senator from Tennessee (Mr. Brock), the Senator from North Dakota (Mr. Burdick), the Senator from Idaho, (Mr. Church), the Senator from California (Mr. Cranston), the Senator from Nebraska (Mr. Curtis), the Senator from Colorado (Mr. Dominick), the Senator from Oregon (Mr. Hatfield), the Senator from North Carolina (Mr. Helms), the Senator from Arkansas (Mr. McClellan), the Senator from Idaho (Mr. McClure), the Senator from South Dakota (Mr. McGovern), the Senator from Wisconsin (Mr. Nelson), the Senator from Georgia (Mr. Nunn), the Senator from Illinois (Mr. Stevenson), the Senator from Georgia (Mr. Talmadge), and the Senator from South Carolina (Mr. Thurmond), be added as cosponsors of Senate Resolution 150 to disapprove recommendations of the President with respect to rates of pay transmitted to Congress during calendar year 1973 under section 225 (h) of the Federal Salary Act of 1967.

PROHIBITION OF MINING AND PROSPECTING WITHIN NATIONAL PARK SYSTEM AMENDMENT

AMENDMENT NO. 452

(Ordered to be printed and referred to the Committee on Interior and Insular Affairs.)

Mr. FANNIN (for himself and Mr. Goldwater) submitted an amendment intended to be proposed by them to the bill (S. 2273) to repeal certain provisions of law allowing prospecting and mining important components of the National Park System, to prohibit prospecting and mining activities within such area, and for other purposes.

DEPARTMENT OF ENERGY AND NATURAL RESOURCES—AMENDMENT

AMENDMENT NO. 453

(Ordered to be printed and referred to the Committee on Government Operations.)

Mr. HOLLINGS. Mr. President, for myself, Senator Bayh, Senator Cannon, Senator Case, Senator Cook, Senator Hart, Senator Haskell, Senator Hughes, Senator Jackson, Senator Magnuson, Senator Moss, Senator Nelson, Senator Pastore, Senator Pell, Senator Randolph, Senator Stevenson, and Senator Tunney, I am submitting an amendment intended to be proposed by us, jointly, to the bill (S. 2135) to promote more effective management of certain related functions of the executive branch by reorganizing and consolidating those functions in a new Department of Energy and Natural Resources, by reorganizing and consolidating others in a new Energy Research and Development Administration, and for other purposes.

On June 29, 1973, the President announced a series of additional actions to deal with the Nation's energy problem and proposed the establishment of a new Cabinet-level Department of Energy and Natural Resources responsible for the utilization and conservation of America's energy and natural resources. The President's proposal was introduced on July 10, as S. 2135, by the distinguished Senator from Washington (Mr. Jackson) and others. Initial hearings on this proposal were held on July 31 and August 1, 1973.

As the Senate begins its consideration of S. 2135, I want to point out the opportunity which this legislation presents for furthering the goals adopted by a 79-to-12 vote of the Senate when it passed S. 70, a bill to establish a Council on Energy Policy in the Executive Office of the President. I believe that this bill should be incorporated in S. 2135, which is intended to strengthen the Federal Government's ability to deal with the energy and natural resource problem now facing the Nation.

S. 70, as passed by the Senate, would establish a three-member Council on Energy Policy. The Council would improve Federal capabilities for obtaining reliable and credible information, coordinate the energy activities of the Federal Government, and prepare a long-range, comprehensive plan for energy development, utilization, and conservation. This proposal would provide a single place for Congress and the President to seek energy information and policy recommendations.

The Council would provide sophisticated analysis of policy alternatives and would formulate recommendations for energy policy. It would not assume the duties of existing agencies but rather would be a policy adviser such as the Council of Economic Advisers or the Council on Environmental Quality. In addition, once the policy choices have been made within the executive or legislative branches, the Council would formulate an energy plan to serve as a basic blueprint for other agencies to better carry out their assigned tasks in a coordinated fashion. The Council would publish an annual energy report. This report would include statistical data, energy supply and demand trends, and recommended legislation.

The members of the Council would be nominated by the President, subject to advice and consent of the Senate. The Council would have an affirmative duty to keep Congress fully and currently informed of all of its activities. Neither its members nor employees may refuse to testify or submit information to Congress. Finally, the General Accounting Office would have the authority to review the effectiveness and efficiency of the information gathering activities of the Council.

The Energy Policy Office recently established by Executive order but without public accountability or statutory powers and without the strength of diversity provided by a three-member council supported by an independent staff simply will not suffice to meet the enormous challenge for formulating a national energy policy.

The Senate's consideration of S. 2135 presents an opportunity to deal comprehensively with energy and natural resource problems and establish a Federal energy organization that is properly equipped to meet the challenges of the future. I believe that the creation of a Council on Energy Policy is an essential part of any such effort.

Mr. President, I ask unanimous consent that my amendment be printed in the RECORD at this point.

There being no objection, the amendment was ordered to be printed in the RECORD, as follows:

AMENDMENT No. 453

At the end of the bill add the following:

TITLE XX

SEC. 2001. This title may be cited as the "Energy Policy Act of 1973."

FINDINGS

SEC. 2002. The Congress hereby finds and declares that—

(a) there are many Federal agencies, created at different times and for different purposes to handle specialized problems, all directly or indirectly involved in the establishment of energy policy;

(b) there is no comprehensive national energy policy but instead Federal energy activities consist of a myriad of laws, regulations, and in actions resulting in narrow, short range, and often conflicting decisionmaking by individual agencies without adequate consideration of the impact on the overall energy policy, nor future national energy needs; and

(c) as a consequence of not having a comprehensive national energy policy, the Nation faces mismanagement of energy resources, unacceptably high adverse environmental impacts, inadequate incentives for efficient utilization and conservation of energy resources, shortages of supply, and soaring energy prices.

DECLARATION OF PURPOSES

SEC. 2003. Congress declares that—

(a) It is the purpose of this Act to protect and promote the interest of the people of the United States as energy users by establishing a Council on Energy Policy.

(b) A Council on Energy Policy is needed to serve as a focal point for—

(1) the collection, analysis, and interpretation of energy statistics and data necessary to formulate policies for wise energy management and conservation and to anticipate social, environmental, and economic problems associated with existing and emerging energy technologies;

(2) the coordination of all energy activities of the Federal Government, and provide leadership to State and local governments and other persons involved in energy activities; and

(3) the preparation of, after consultation with other interested organizations and agencies, a long-range comprehensive plan (hereinafter referred to as the "Energy Plan") for energy development, utilization and conservation to foster improvement in the efficiency of energy production and utilization, reduction of the adverse environmental impacts of energy production and utilization, conservation of energy resources for the use of future generations, reduction of excessive energy demands, and development of new technologies to produce clean energy.

DUTIES OF FEDERAL AGENCIES

SEC. 2004. (a) The policies, regulations, and public laws of the United States shall be interpreted and administered to the fullest extent possible in accordance with the policies set forth in this Act; and

(b) All agencies of the Federal Government shall to the fullest extent possible—

(1) utilize a systematic, interdisciplinary approach which will insure the integrated use of both physical and social sciences in producing, conserving, and utilizing the Nation's energy resources;

(2) submit prior to the review process established pursuant to the Budget and Accounting Act of 1921, as amended, to the Council on Energy Policy established by this Act for comment all legislative recommendations and reports, to the extent that such recommendations and reports deal with or have a bearing on energy matters;

(3) gather data and information pursuant to guidelines promulgated by the Council on Energy Policy; develop analytical techniques for use in the management, conservation, use, and development of energy resources, and make such data available to the Council on Energy Policy;

(4) recognize the worldwide and long-range character of energy concerns and, where consistent with the foreign policy of the United States, lend appropriate support to initiatives, resolutions, and programs designed to foster international cooperation in anticipating and resolving energy-related problems;

(5) include in every recommendation or report to Congress on proposals for legislation and other major Federal actions having a significant effect on energy availability or use a detailed statement by the responsible official on whether such a proposal or action is consistent with the Energy Plan formulated by the Council on Energy Policy pursuant to this Act. If such proposal or action is not consistent with such plan, the statement shall also contain a detailed justification for the proposal or action;

(6) prepare, if required by guidelines promulgated by the Council on Energy Policy, an energy resource statement by the responsible official on the effect of the proposed activity on the Nation's overall energy posture.

ESTABLISHMENT OF A COUNCIL

SEC. 2005. (a) There shall be created in the Executive Office of the President a Council on Energy Policy (hereinafter referred to as the "Council"). The Council shall be composed of three members who shall be appointed by the President to serve at his pleasure by and with the advice and consent of the Senate. The President shall at the time of nomination designate one of the members of the Council to serve as Chairman. Each member shall be a person, who as a result of his training, experience, and attainment, is well qualified to analyze and interpret energy trends and information of all kinds; to appraise programs and activities of the Federal Government in light of the energy needs of the Nation; to be conscious of and responsive to the environmental, social, cultural, economic, scientific, and esthetic needs and interests of the Nation; and to formulate a national energy plan and recommend national policies with respect to wise energy management.

DUTIES OF COUNCIL

SEC. 2006. (a) The Council shall serve as the principal adviser to the President on energy policy and shall exercise leadership in the formulation of Government policy concerning domestic and international issues relating to energy.

(b) The Council shall make recommendations to the President and the Congress for resolving conflicts between the policies relating to energy of different Federal agencies.

(c) The Council shall develop within eighteen months after the date of enactment of this Act and thereafter shall annually update an Energy Plan for energy development, utilization, and conservation in the United States to carry out the purposes as stated in section 3 of this Act. Copies of such plans shall be distributed on January 1 of each year to the President, to the Congress, and to all Federal and State agencies concerned with energy, and upon request to local agencies and nongovernmental entities.

(d) The Council shall promptly review all legislative recommendations and reports sent to Congress and the accompanying energy resource statements of Federal agencies, to the extent that such recommendations and reports have a bearing on energy matters, and it shall send to the President and the involved Federal agency a statement in writing of its position and the reasons therefor.

(e) The Council shall keep Congress fully and currently informed of all of its activities. Neither the Council nor its employees may refuse to testify before or submit information to Congress or any duly authorized committee thereof.

(f) The Council shall conduct annual public hearings on the Energy Plan and may hold public hearings when there is substantial public interest in other pending matters.

(g) Within six months after the enactment date of this Act and after published notice in the Federal Register and opportunity for comment, the Council shall promulgate guidelines for the preparation of energy resource statements by other Federal agencies. Such guidelines shall be implemented by all Federal agencies within six months after promulgation by the Council. Such guidelines shall be implemented by all Federal agencies within six months after promulgation by the Council. Such guidelines are to be designed to avoid duplication of effort, distinguish between regulatory and nonregulatory activities, contain criteria for determining when an activity is a major Federal activity that affects energy availability and specify the content and nature of the analysis to be required in the energy resource statements. The provisions of this subsection and paragraph (6) of subsection 4(b) shall be enforceable by the Council only. Nothing contained herein shall be construed as authorizing any court to grant injunctive or other relief to any person for failure to comply with its provisions.

(h) In carrying out its collection, analysis, and interpretation of energy statistics function, the Council shall, as quickly as possible and after appropriate study, promulgate guidelines for the collection and initial analysis of energy data by other Federal agencies, after published notice in the Federal Register and opportunity for comment. Such guidelines shall be designed to make such data compatible, useful, and comprehensive. Where relevant data is not now available or reliable and is beyond the authority of other agencies to collect, then the Council shall recommend to the Congress the enactment of appropriate legislation. Pending congressional consideration, the Council may gather such data directly. The Council shall have the power to require by special or general orders any person to submit in writing such energy data as the Council may prescribe. Such submission shall be made within such reasonable period and under oath or otherwise as the Council may direct.

ADMINISTRATIVE PROVISIONS

SEC. 2007. (a) In exercising its powers, functions, and duties under this Act the Council shall—

(1) consult with representatives of science, industry, agriculture, labor, conservation organizations, State, and local governments, and other groups, as it deems advisable; and

(2) employ a competent, independent staff which shall utilize, to the fullest extent possible, the services, facilities, and information (including statistical information) of public and private agencies and organizations, and individuals, to avoid duplication of effort and expense, thus assuring that the Council's activities will not unnecessarily overlap or conflict with similar activities authorized by law and performed by other agencies.

(b) Members of the Council shall serve full time and the Chairman of the Council shall be compensated at the rate provided for level II of the Executive Schedule Pay Rates (5 U.S.C. 5313). The other members of the Council shall be compensated at the rate provided for level IV of the Executive Schedule Pay Rates (5 U.S.C. 5315).

(c) The Council may employ such officers and employees as may be necessary to carry out its functions under this Act. In addition, the Council may employ and fix the compensation of such experts, consultants, or contractors to conduct detailed studies as may be necessary for the carrying out of its functions under this Act in accordance with section 3109 of title 5, United States Code (but without regard to the last sentence thereof).

ENERGY REPORT

SEC. 2008. The Council shall prepare and submit to the President and the Congress on or before January 1, 1974, and annually thereafter, an energy report to accompany the Energy Plan. This report shall include—

(a) an estimate of energy needs of the United States for the ensuing ten-year period to meet the requirements of the general welfare of the people of the United States and the commercial and industrial life of the Nation;

(b) an estimate of the domestic and foreign energy supply on which the United States will be expected to rely to meet such needs in an economic manner with due regard for the protection of the environment, the conservation of natural resources, and the implementation of foreign policy objectives;

(c) current and foreseeable trends in the price, quality, management, and utilization of energy resources and the effects of those trends on the social, environmental, economic, and other requirements of the Nation;

(d) a catalog of research and development efforts funded by the Federal Government to develop new technologies, to forestall energy shortages, to reduce waste, to foster recycling, and to encourage conservation practices; and recommendations for developing technology capable of improving the quality of the environment, increasing efficiency, and protecting employee health and safety in energy industries;

(e) recommendations for improving the energy data and information available to the Federal agencies by improving monitoring systems, standardizing data, and securing additional needed information;

(f) a review and appraisal of the adequacy and appropriateness of technologies, procedures, and practices (including competitive and regulatory practices), employed by Federal, State, and local governments and nongovernmental entities to achieve the purposes of this Act; and

(g) recommendations for the level of funding for the development and application of new technologies, as well as new procedures and practices which the Council may determine to be required to achieve the purposes of this Act and improve energy management and conservation together with recommendations for additional legislation.

PUBLIC ACCESS TO INFORMATION

SEC. 2009. (a) Copies of any communications, documents, reports, or information received or sent by any member of the Council shall be made available to the public upon identifiable request, and at reasonable cost, unless such information may not be publicly released under the terms of subsection (b) of this section.

(b) The Council or any officer or employee of the Council shall not disclose information obtained under this Act which concerns or relates to a trade secret referred to in section 1905 of title 18, United States Code, except that such information may be disclosed in a manner designed to preserve its confidentiality—

(1) to other Federal Government departments, agencies and officials for official use upon request;

(2) to committee of Congress having jurisdiction over the subject matter to which the information relates;

(3) to a court in any judicial proceeding under court order formulated to preserve the confidentiality of such information without impairing the proceedings; and

(4) to the public in order to protect their health and safety after notice and opportunity for comment in writing or for discussion in closed session within fifteen days by the party to whom the information pertains (if the delay resulting from such notice and opportunity for comment would not be detrimental to the public health and safety).

In no event shall the names or other means of identification of injured persons be made public without their express written consent. Nothing contained in this section shall be deemed to require the release of any information described by subsection (b) of section 552, title 5, United States Code, or which is otherwise protected by law from disclosure to the public.

MONITORING OF ENERGY STATISTICS AND ANALYSIS

SEC. 2010. (a) The Comptroller General of the United States shall continuously monitor and evaluate the operations of the Council including its reporting requirements. Upon his own initiative or upon the request of a committee of the Congress or, to the extent personnel are available, upon the request of a Member of the Congress, the Comptroller General shall (1) conduct studies of existing statutes and regulations governing Federal energy programs, (2) review the policies and practices of Federal agencies administering such programs, (3) review and evaluate the procedures followed by such agencies, in gathering, analyzing, and interpreting energy statistics, data, and information related to the management and conservation of energy, including but not limited to data related to energy costs, demand, industry structure, environmental impacts and research and development, and (4) evaluate particular projects or programs. The Comptroller General shall have access to such data from any public or private source whatever, notwithstanding the provisions of any other law, as is necessary to carry out his responsibilities under this Act and shall report to the Congress at such times as he deems appropriate with respect to Federal energy programs, including his recommendations for such modifications in existing laws, regulations, procedures, and practices as will, in his judgment, best serve the Congress in the formulation of a national energy policy.

(b) In carrying out his responsibilities as provided in subsection (a) of this section, the Comptroller General shall give particular attention to the need for improved coordination of the work of the Federal Government related to energy policies and programs and the attendant need for a central source of energy statistics and information.

(c) The Comptroller General or any of his authorized representatives in carrying out his responsibilities under this section shall have access to any books, documents, papers, statistics, data, information, and records of any private organization relating to the management and conservation of energy, including but not limited to energy costs, demand, supply, reserves, industry structure, environmental impacts, and research and development. The Comptroller General may require any private organization to submit in writing such energy data as he may prescribe. Such submission shall be made within such reasonable period and under oath or otherwise as he may direct.

(d) To assist in carrying out his responsibilities, the Comptroller General may sign and issue subpenas requiring the production of the books, documents, papers, statistics, data, information, and records referred to in subsection (c) of this section.

(e) In case of disobedience to a subpena issued under subsection (d) of this section, the Comptroller General may invoke the aid of any district court of the United States in requiring the production of the books, documents, papers, statistics, data, information, and records referred to in subsection (c) of this section. Any district court of the United States within the jurisdiction in which the private organization is found or transacts business may, in case of contumacy or refusal to obey a subpena issued by the Comptroller General, issue an order requiring the private organization to produce the statistics, data, or information; and any failure to obey such order of the court shall be punished by the court as a contempt thereof.

(f) Reports submitted by the Comptroller General to the Congress shall be available to the public at reasonable cost and upon identifiable request, except that the Comptroller General may not disclose to the public any information which could not be disclosed to the public by the Council under the provisions of section 9(b) if the information were held by the Council.

AUTHORIZATION

SEC. 2011. (a) There are authorized to be appropriated to carry out the provisions of this Act not to exceed $1,000,000 for fiscal year ending June 30, 1974, $2,000,000 for fiscal year ending June 30, 1975, and $4,000,000 for each fiscal year thereafter.

(b) All sums appropriated under this Act shall remain available for obligation or expenditure in the fiscal year for which appropriated and in the fiscal year next following.

ANNOUNCEMENT OF HEARINGS ON LEGISLATION RELATING TO THE PUBLIC FINANCING OF FEDERAL ELECTIONS

Mr. PELL. Mr. President, I announce to the Senate the scheduling of public hearings on the bills, S. 1103, S. 1766 and

S. 1954, providing for the public financing of Federal elections.

The Subcommittee on Privileges and Elections of the Committee on Rules and Administration will hold the hearings on September 18, 19, 20 and 21, 1973, in room 301 of the Russell Senate Office Building, beginning at 10 a.m. on each day.

Anyone interested in appearing before the subcommittee may contact the Counsel, Jim Duffy, at extensions 53448 or 55647.

NOTICE CONCERNING NOMINATIONS BEFORE THE COMMITTEE ON THE JUDICIARY

Mr. EASTLAND. Mr. President, the following nominations have been referred to and are now pending before the Committee on the Judiciary:

Melvin A. Hove, of Iowa, to be U.S. Marshal for the Northern District of Iowa for the term of 4 years (reappointment).

Isaac G. Hylton, of Virginia, to be U.S. Marshal for the Eastern District of Virginia for the term of 4 years (reappointment).

J. Pat Madrid, of Arizona, to be U.S. Marshal for the District of Arizona for the term of 4 years (reappointment).

Richard Van Thomas, of Wyoming, to be U.S. Attorney for the District of Wyoming for the term of 4 years (reappointment).

On behalf of the Committee on the Judiciary, notice is hereby given to all persons interested in these nominations to file with the committee, in writing, on or before Thursday, August 9, 1973, any representations or objections they may wish to present concerning the above nominations, with a further statement whether it is their intention to appear at any hearing which may be scheduled.

ADDITIONAL STATEMENTS

BENEFITS FROM SPACE EXPLORATION

Mr. MOSS. Mr. President, Mr. Paul Harvey, a widely read newspaper columnist has said in a column which appeared in the Deseret News of Salt Lake City, Utah, much of what I have tried to emphasize in the Senate. I wish that I could tell the story of space benefits so that it would be understood and accepted. Mr. Harvey does this well, so I ask unanimous consent that this column be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

OUR RETURN FROM SPACE

(By Paul Harvey)

The Senate has approved only $3 billion for space. That is the skimpiest expenditure for that purpose in more than 10 years.

Yet our dividends from that investment—our "returns from space," if you will—are bigger than any big Texas lie I could tell about it.

So blase have you and I become about Skylab that our attention is alerted only when a malfunction suggests danger, and then only briefly. Yet perpetuation of a program which offers the best hope of keeping our home planet livable depends on interested voters and willing taxpayers.

How can men of science hope to bring home to you and me and the politicians the importance of intangible benefits, even tangible benefits?

On my desk is their latest effort. It is a scholarly treatise efficiently cataloguing the several thousand specific products and processes directly derived from NASA's efforts. Pages of geological data, pages of medical innovations, pages of practical, applied electronic and mechanical devices and metallurgical processes.

But scientists are schooled in how not to promote themselves.

And even those of us who are supposed to know how to condense and translate data for public consumption don't know where to start. It is that big!

I could take one or two or a few examples from this ream of "things" our space dollars bought, but it seems such a pitifully inadequate summation for the defense.

Just under the category of "safety" are identified insulations, fireproofings, alarm sensors, respirator systems, unbreakable glass which have cost you pennies and may already have saved your life.

In the kitchen you are using preservatives, "indestructible" ceramics, protective coatings, bonding techniques, electronics applications, and the most likely source of heat, power and light for your children's home is being tested to perfection in today's vehicles.

In medicine the new knowhow handed down from above is adding useful, pain-free years to life on earth.

But there appears no way to convince the electorate that getting to the moon really is more important than getting to work—though many Americans already owe their lives and their jobs to tchniques, materials and devices which have been showered on industry, agriculture and medicine by our now taken-for-granted spacemen.

SUMMARY OF IDAHO COMMUNITY SCHOOL PROGRAMS

Mr. CHURCH. Mr. President, the State of Idaho has recognized the effectiveness of a community school program and has established throughout the State various community school projects under the auspices of the Idaho Center for Community Education at Idaho State University. The center, which began operations this year, is typical of many such centers which have grown around the country as the community school concept of education becomes more familiar. The concept, using community schools after closing hours for community activities and learning facilities, is not only economically feasible but advantageous for the betterment of our communities. To use the physical plants of our schools—which happen to be the largest investment of this country—after the hours when the students vacate the buildings to educate and enhance our entire communities—young and old—appears not only logical to me but also a benefit we cannot ignore.

For these reasons, I have sponsored a bill, S. 335, the Community School Center Development Act, which would create a nationwide community school program. The bill, which would help to expand programs already existing and also develop new programs, was recently studied during hearings held by the Subcommittee on Education of the Labor and Public Welfare Committee. Such notable witnesses as Wilbur Cohen, former Secretary of HEW, and C. S. Harding Mott of the Mott Foundation, gave knowledgeable testimony in support of the bill.

I would like to ask unanimous consent that a summary of the Idaho community school program be printed in the RECORD.

There being no objection, the summary was ordered to be printed in the RECORD, as follows:

COMMUNITY EDUCATION AT IDAHO STATE UNIVERSITY

HISTORICAL PERSPECTIVE

Community education at Idaho State University had operated as a peripheral activity during the years prior to the 1972–73 school year. At various times, interested faculty members had contributed to and participated in the Pocatello Community Education program. Classroom discussions often centered around the need for community involvement in our educational programs.

During the 1972 spring semester, faculty members of the College of Education pooled their resources in the writing of a federally-funded, teacher preparation program entitled "Teachers for the Rural World." Following the guidelines of the national Teacher Corps program, the ensuing Idaho project included the following basic objectives: teacher preparation, instructional and institutional change, and community education development. Under the latter objective, the following direction was decided upon:

"The rural public school of today is characterized by the absence of community involvement within the educational purpose of the school. There is an absence of utilization of the school facilities that are located in these areas. This (project) provides for programs and activities in which the neighborhood community could become involved."

Beginning July 3, 1972, when the entire project was launched, a community education specialist was employed by the Idaho Teacher Corps project. His primary responsibility was to develop and coordinate the community education activities in the ten designated Teacher Corps schools. These schools were located in ten independent school districts scattered throughout Southeast Idaho.

The basic philosophical concepts incorporated into the Idaho Teacher Corps community education program followed the Flint, Michigan "Community School" model. This model operated under the following premise:

"A community school is a school whose educational program grows out of the life of the community and serves to improve that life. Through mobilizing all available human and other resources, it becomes a center of vital learning and of many varied opportunities. It is a unifying force for community services directed toward improving the living of individuals and groups, as well as a life-centered educational institution designed to develop mature, productive citizens.

Two closely related, yet somewhat different, approaches are included within the school-community partnership. The one focuses upon the regular school program for children and youth, advocating a school where learning and living join hands. The school program either moves out into the community or brings the community into the classroom for its learning experiences, establishes relevance of learning exercises, and pursues the principle of purposeful learning by doing. Community resources and action projects provide rich opportunities for education and at the same time assist in solving individual and group problems. The community serves as a learning laboratory for school youth, and the school offers leadership for improving the life of the citizenry.

The other concept of community education emphasizes building an educationally centered community through opening the schools to people of all ages from early morning until late at night on an all-week, year-round schedule. The offerings are determined by the needs and interests of the people and include everything from literature and literacy programs to sports and weight-watching. Multi-media centers, swimming pools, laboratories, health facilities, art rooms and centers for the aging are open to all who want to use them. The schools are centers of neighborhood and community life. Participation in self-government, health services, social and recreational activities, continuous study, and community improvement are stressed. Frequently, special attention is directed toward strengthening the ability of lower socio-economic groups to improve competencies, attacking problems of crime and drugs, securing personal and legal counseling, improving home management, building better relations, and expanding recreational interests.

By involving youth in learning and working in the community and by bringing all citizens into the schools, people of all ages and of divergent social and economic backgrounds learn to work together for the improvement of themselves, their families, and their communities."

From the accomplishments achieved within the Teacher Corps project and from discussions carried on with officials from the Regional Center for Community School Development at Brigham Young University, the Idaho Center for Community Education was established at Idaho State University on March 16, 1973. The Center is jointly funded by the C. S. Mott Foundation and the College of Education at Idaho State University. Dr. Don Jeanroy was identified as the director of the Center.

PROGRAM OBJECTIVES

The program objectives for the Idaho Center for Community Education have been identified and developed as the following:

1. The Idaho Center will *disseminate* the philosophy, goals, and techniques related to community education through all possible means for the Idaho State Department of Education, local school districts and other community institutions and agencies in the area being served by the Center.

2. The Idaho Center will assist local school districts and other community agencies to *implement* or expand those community education programs in the area being served by the Center.

3. The Idaho Center will provide pre- and in-service *training* for community education directors, coordinators, teachers, advisory committee members, Mott Foundation interns, and other interested persons in the area being served by the Center.

4. The Idaho Center will *affect change* at Idaho State University and at other institutions of higher education throughout the State in the development of the community education concept.

5. The Idaho Center will assist in the development of *miscellaneous*, yet supportive, activities that will further the basic designs of community education throughout the State.

PROGRAM ACCOMPLISHMENTS

In review of the program activities engaged in during the 1972–73 academic year, both under the sponsorship of the Idaho Teacher Corps project and the Idaho Center for Community Education, the following accomplishments can be reported:

1. Community education programs were established in ten rural school districts in Idaho.

2. Community education programs were expanded, including local tax funding amounts, in four school districts.

3. Seventeen new community schools were opened with many local rural residents participating and enrolling in various community education activities.

4. Numerous training conferences and seminars were held, both on campus and in the field, for local community education directors, coordinators, advisory committee members, teachers, and other interested persons.

5. Informational and training materials have been sent out in response to numerous requests from local school district, State Department of Education and other local agencies and institutions.

6. Numerous visits were conducted to local groups and organizations (Chambers of Commerce, Jaycees, Parent-Teacher Associations, Rotary Clubs, etc.) to provide information about the basic concepts of community education.

In review of the program activities engaged in during the 1972–73 academic year by the local school district community education programs, the following accomplishments can be reported:

American Falls—Mrs. Erma Crompton, Community Coordinator.

The American Falls School Board has approved the full use of the Hillcrest Elementary School as the center for district-wide community education activities. The other facilities in the district will be available when needed. The Community Coordinator has made numerous contacts with instructors who have expressed a willingness to teach in the community education program. Enrichment programs began last spring semester with a variety of course areas and activities being offered.

The Coordinator has visited with local governmental, service and church groups in the community to solicit their help and support. The Chamber of Commerce has agreed to support the development of a Migrant Information-Education Center in American Falls wherein persons may seek assistance in locating legal, medical, consumer, recreational, and educational help.

The Volunteer Aide program, which began last October, now has 32 parents involved at the Hillcrest School.

Arco—Mrs. Mary Larsen, Community Coordinator.

The Butte County Community Education program was initiated with the distribution of a county-wide survey in September, 1972. When the results of the survey were tabulated in mid-November, an assessment was made as to the direction of the community education program. An Advisory Committee of 12 members was formed. The Committee, under the leadership of the Community Coordinator, established the policy, direction and program for the community education program. Between January 10 and 12, 1973, course registration was held, and on January 15, the first courses began. A total of 151 persons enrolled in 8 separate courses.

A second session was conducted between March 29 and May 10. Over 125 persons were enrolled in 12 separate course offerings.

A summer planning program is being designed to meet the needs of the aged-retired persons of the area.

Boise—Mr. Tom Richards, Program Director.

The year-round Boise Community Education program involves between eight and ten thousand persons. Three schools are used on a permanent basis, with seven schools being used on a part-time basis. The program is funded on an equal basis by the local school district and the Model Cities program. Cooperating agencies include Boise State College, Idaho National Guard, Boise-Cascade, and other local organizations and agencies.

An Idaho Community Education Workshop will be held August 13–14–15, 1973 in Boise.

Blackfoot—Mrs. Bernice Ball, Community Coordinator.

The Fort Hall Elementary School Community Education program was directed toward the youth of the school. Under the direction of both the Teacher Corps Professional Coordinator and the Community Coordinator, Cub and Boy Scout troops have been formed for the boys through the sixth grade, and Blue Bird and Camp Fire Girl troops have been formed for the girls. A $400 Wohelo fund was utilized to organize the girls' program. Mothers of the children involved have volunteered their time and efforts to be den mothers and leaders.

Leading members of the Fort Hall Indian Reservation have been used as resource persons in the classrooms during special activity days. Also, members of the tribe have been involved in advisory capacities to assist in the development of special projects, particularly in relation to the summer community education program.

As a result of the Fort Hall program, the Blackfoot School District intends to expand the community school concept into the entire district. They have hired a full-time community coordinator to provide leadership to the program.

Bonneville District—Mr. Dean Welker, Program Director.

During its four year history, the Bonneville District No. 91 Community Education program has offered a wide variety of educational and recreational activities. Coordination with church and other community activities has provided greater utilization of the school facilities. The "community school" has become a reality.

Burley—Mrs. June Cole, Community Coordinator.

Under the direction of the team leader and the community coordinator, an attempt is being made to develop a county-wide community education program. A Community Education Advisory Committee is being formed. It is composed of representatives from civic, migrant, religious, and educational groups to help coordinate the program efforts.

A summer program involving the team leader, interns and volunteer aides has been implemented to support the Migrant Camp educational program.

Filer—Mrs. Winona Watson, Community Coordinator.

The Filer community education program has been active since October, 1972. Since that time, a Community Education Advisory Committee has been formed and has since expanded its membership to 16 active members; a number of community education activities have been conducted, including the organization of a boys' boxing club, a wrestling program, beginning and advanced candlemaking courses, powder-puff mechanics for women, a couples P.E. program and some homemaking activities; and a volunteer aide program, involving 26 mothers and 4 fathers, has been developed around a motor perception activity program in the Filer Elementary School.

A program has been developed to attempt to meet some of the social, educational and recreational needs of the aged-retired in Filer. An initial meeting has been held, involving over 90 persons, and plans are being made for further activities.

The Filer School Board and administration have been most generous in supporting the community education program and in providing the full use of all of the district's school facilities.

Idaho Falls—Mrs. Anita Hosking, Community Coordinator.

The community education concept has been well received at the Dora Erickson School in Idaho Falls. The emphasis has been placed upon offering some type of program to all age groups. For example: the school is used on a weekly basis by both Boy and Girl Scout groups for meetings, and the school is sponsoring a Cub Scout troop; the school library is open in the evenings for children; the school gym is open in the evenings for youth and adult basketball and volleyball activities; and several homemaking demonstrations have been given to numerous women in the area. A modern math for parents and a first-aid class have been offered through the community education program.

The community coordinator indicated that "our main objective is to have the Dora Erickson School become an integral part of the community. A school belongs to its patrons and the more they are able to use it the more responsibility they will assume in supporting and maintaining school programs."

As a result of the above activities, the Idaho Falls School District has initiated plans to develop a similar community education program in the other elementary schools in the district. At the same time, the district's Parent-Teacher Association Council had decided to make community education their organization's primary working objective for the coming year.

Parma—Mr. Dom Iaderosa, Community Education Director.

The Parma community education program was organized last September. Since that time, a community survey has been conducted and from the results two activity sessions have been held. During the winter and spring sessions over 500 persons were enrolled in 20 activities. A summer session is currently in full swing.

Pocatello—Mr. Russ Mager, Program Director.

The leading feature of the Teacher Corps community education program at the Bonneville Elementary School is that it is emersed and totally supportive of the present on-going community education at the school. The community coordinator, team leader, and all of the project interns have become participating members of the present Advisory Committee; the community coordinator spends 15 hours a week helping to organize and supervise various community education recreational activities; and the interns are contributing to the supervision of after school basketball activities, science study field trips, the use of volunteer aides in the classroom, and other community education activities.

Of major importance has been the experience received by the project interns in functioning in an on-going, successful community education program.

Preston—Mrs. Nancy Pearce, Community Coordinator.

The East Side School District community education has been functioning since November, 1972. Since that time, over 600 persons have become involved in various community education programs. The initial effort was the sponsoring of a women's physical exercise program which attracted over 80 persons. In January, nine course areas were offered, ranging from knitting, sewing and pattern construction, and small engine repair to various physical education courses. All of the courses offered were filled.

A second nine-week spring program was conducted and a summer activity and theater program are being scheduled. The interest and participation of the residents of the school district is widespread.

Under the direction of the community coordinator, a district-wide Community Education Advisory Committee was organized in November. Since that time, orientation, organization, and program development meetings have been held; the members have been active in the publicity and registration of the program; and they have served in coordinating the school's community education program with other adult-community education programs in the area.

The community education program has received the generous support and encouragement from the district school board and administration.

Rexburg—Mr. Brad Dalling, Program Director.

During its two years of operation, the Rexburg Community Education Program has expanded the use of the school facilities and has provided increased recreational and educational opportunities for the members of the community.

Rupert—Mrs. Helen Cravens, Community Coordinator.

The community education program at the Pershing Elementary School has been designed primarily to get parents and other residents involved in the school program as aides and resource persons. The volunteer mothers have assisted, since mid-September, in the motor perception program for the 1st and 2nd grade. They have also assisted in the library area; in the classroom; in conducting special school activities such as the school carnival, Thanksgiving Dinner, etc.; and in contributing greatly to the total school program. The volunteer fathers have assisted in making various motor perception equipment and in moving various school furniture and equipment.

Since mid-December, various homemaking and avocational demonstrations have been conducted at the Pershing School. These have included candy making, Christmas home decorating, chenille handicraft, candlemaking, and cake baking and decorating. A physical education program for women involved over 40 persons.

The community coordinator indicated that "progress is being made to reach and educate the Pershing community."

Twin Falls—Mrs. Mary McCluskey, Community Coordinator.

The Twin Falls community education program has been active since December, 1972. Since that time: a 14-member Community Education Advisory Committee has been formed; steps have been taken to familiarize the school board, the school administration and the public with the concept of community education; and an interest survey has been developed and distributed to over 500 families in the Bickel Elementary School attendance area. When the results of the survey were tabulated, a decision was made to provide three course offerings through the Bickel Elementary School. Each course was filled to capacity. As a result of these activities, the school board has decided to expand the program during the coming year to include other schools in the district.

A successful tutoring program for Mexican-American adults has been developed by one of the project interns. Also, parent aides have been used occasionally as resource persons in a number of classrooms at the Bickel Elementary School.

PROJECTED PROGRAM PLANS FOR 1973–74

As observed from the above review of local community education programs, plans are being made, and in some cases already implemented, to expand the single "community school" program into a district-wide program. It has been observed that local school districts have already provided various forms of local leadership needed to adequately operate a program and developed alternate methods of financing their local community education efforts.

In review of the projected Idaho Center for Community Education plans for the 1973–74 school year, the following recommendations are being pursued:

1. The expansion of the community education program offerings. At the present time, the majority of school districts have followed the traditional adult education patterns to develop community involvement and to satisfy some of the community's basic educational and recreational needs. Attempts will be made to project the community education programs into the standard K–12 program as an enrichment activity. Efforts will also be made to expand the program areas to include greater pre-school activities, where needed, and to seek greater involvement by the aged-retired in many communities. Potentially, a fully operational community education program can provide program activities from the earliest childhood activities through the retirement years.

2. The extension of the community education into additional community schools. As already noted, many school districts have expanded their community education from the designated single school concept into other elementary and secondary schools within the district. At the same time, additional parent groups have become involved in the community education effort through these local expansions.

3. School districts will assume the financial obligations related to the community education program. As each school district becomes increasingly committed to the basic philosophy and concepts of the community education effort, they will naturally assume many of the financial responsibilities involved. The major financial obligation involved is to provide funds for the salary of the community coordinator.

4. School districts will provide greater leadership oportunities within the local community education program. With anticipated increases being made in the scope of the program, in the number of community schools involved, and in the financial obligation being incurred by the local school districts, it is only natural to assume and expect that the local school districts will expand the opportunities for local program leadership.

5. Provide additional training for the community coordinators and advisory committee members. Operating under the assumption that the local community education programs will be expanded, additional training will be provided by the university staff. This training will be carried out primarily on-site. A model for this type of training will be developed.

6. Develop recommendations for expanded use of community education advisory councils. To date, advisory councils have been invaluable in the development and implementation of local community education programs. They have been actively involved in assessing community needs, in program development, in assisting with the management of the program, and in the evaluation of the program. However, all advisory councils have not been involved equally in these activities.

7. Develop a model for the implementation of a community education program in rural communities. Most of the national activities related to the "community school" concept have taken place in urban and suburban settings. Very little has been done in predominantly rural areas. From the experiences generated from this Teacher Corps project, firm guidelines should have been established concerning the development, implementation, financing, management and evaluation of community education programs in rural areas.

8. Coordinate graduate research studies, at a Masters degree level related to various aspects of community education. Already in progress are two Master's degree projects, being conducted by two team leaders, related to A) state guidelines for community education, and B) program evaluation criteria. More shall be done in these areas, particularly with interns involved.

9. Develop greater interest on a State-wide basis in community education development. To date, the Idaho State Department of Education has not been involved and has not provided its active support to the program, even though they have verbally supported the Teacher Corps community education efforts. With the expansion and refinement of the Teacher Corps program, and with graduate research being contributed, the possibilities of generating State Department interest is increasing.

10. Develop greater interest in the establishment of a State-wide professional asso-

ciation related to community and adult education. In the past, those persons involved in various areas of community and adult education, including continuing, recreation and Extension Division personnel, have not been represented by a common association within the State and have had very little opportunity for shared communication, leadership development, program analysis, and other professional activities. The success developed through the Teacher Corps community education program might facilitate these activities.

LONG-RANGE PLANS FOR THE IDAHO CENTER FOR COMMUNITY EDUCATION

The long-range plans for the Idaho Center for Community Education are somewhat similar to the 1973–74 program plans. There will be emphasis upon local program expansion, increased training opportunities, the generation for additional funds for the local school district programs and for the Idaho Center, and the development of a graduate-research program in community education at Idaho State University.

There are, however, three major objectives where special emphasis will be given in the future. First, there is a tremendous need for a unifom system of State-wide leadership in Idaho in community education. This can only be accomplished through the development of a community education specialist(s) position at the State Department of Education level. This type of position would encompass the following activities. State-wide program dissemination, implementation, supervision and evaluation; legislative encouragement and direction; financial support—both now and in the future; and the coordination of program leadership and training activities.

Before this can be accomplished, however, two events must take place:

(A) the State Department of Education make a policy and administrative decision to support community education as an integral part of the total educational program being offered in each community throughout the State, and

(B) funds must be provided for the initial support of the described position(s).

The second major future objective of the Idaho Center would be the expansion of the use of the State's institutions of higher education in the training of local or area community education personnel and the dissemination of information to local or area programs. For example, Idaho State University could continue to service Southeast and South-central Idaho, Boise State College could service the southwest and west-central portions of the State, and the University of Idaho could serve the northern areas of the State. This could result in the possible establishment of three Idaho Centers for Community Education.

The third major objective would be the establishment of a State-wide professional association that would serve in the capacity of facilitating greater internal coordination within the ranks and activities of all adult and community educators within the State.

RELATIONSHIP TO THE COMMUNITY SCHOOL BILL

The proposed Community School Center Development Bill would be a "benchmark" piece of legislation in the community education field. It would definitely establish a standard from which other federal and particularly state legislation could be introduced and enacted in the future.

Related to the future objectives of the Idaho Center for Community Education, as spelled out in the above, the proposed bill would facilitate and partially ensure the continued development of the Idaho Center itself at Idaho State University. The establishment of two additional Centers in Idaho is also a possibility if funds are available.

Funding for the development of local community school programs is somewhat encouraging, provided the funds are limited to leadership purposes and that there would be a certain element of "financing matching" on the part of the local school districts.

The major weakness of the bill is that it overlooks the need for Statewide leadership at the State Department of Education level. As explained in the above sections, Statewide leadership is absolutely necessary for the establishment of a unified form of program development, supervision and evaluation, for legislative support, and for generating financial support.

Another weakness of the bill is that it should encourage special research projects and program evaluation methods that will facilitate the eventual "improvement" of all community education programs.

Respectfully submitted by,
Dr. DON JEANROY,
Director, Idaho Center for Community Education, Idaho State University.

SBA CEREMONIES IN ABILENE, KANS.

Mr. DOLE. Mr. President, on Monday, I attended ceremonies in Abilene, Kans., marking the 20th anniversary of the Small Business Administration. The event took place at the Dwight D. Eisenhower Center, appropriately so, because it was President Eisenhower who signed the Small Business Act into law on July 30, 1953.

SBA Administrator, Thomas Kleppe, was the featured speaker in Abilene. His tribute to Ike and his discussion of the great importance of the Small Business Act to the American business community were highly informative and warmly received by the large group which gathered for the occasion.

I ask unanimous consent that a bulletin containing excerpts from Mr. Kleppe's remarks be printed in the RECORD.

There being no objection, the bulletin was ordered to be printed in the RECORD, as follows:

EXCERPTS OF REMARKS BY THOMAS S. KLEPPE, ADMINISTRATOR OF THE U.S. SMALL BUSINESS ADMINISTRATION, A NATIONAL SALUTE TO SMALL BUSINESS CEREMONY, DWIGHT D. EISENHOWER PRESIDENTIAL CENTER, ABILENE, KANS.

Today, on the 20th Anniversary of the United States Small Business Administration, we offer a richly-deserved national salute to the men and women who toil daily in more than eight million small businesses across the land.

Knowing fully that it is not within our power to express adequately our gratitude for the numerous unheralded contributions they have made to the nation's economic strength, we are assembled here in solemn ceremony amidst the gracious grandeur of the Dwight D. Eisenhower Presidential Center because it was President Eisenhower who signed the Congressional Act which created SBA on July 30, 1953.

So, with a deep sense of humility and a profound respect for the 34th President of the United States who is enshrined on these grounds, we are indeed most grateful for the opportunity to contribute whatever we can to help make this a dignified and yet a most rewarding occasion.

In keeping with the dignity which marked his life even in his greatest moments of triumph, we planned this modest ceremony not only to eulogize the contributions he made to the small business world, but also to commemorate twenty years of service by the first peacetime Federal agency devoted exclusively to matters of interest to that vital segment of our economy.

There is no other place in America where this event could have been held in a setting more appropriate and more meaningful than this 13-acre tract of land which once heard the thunder of thousands upon thousands of Texas Longhorn cattle as they came to the end of the long Chisholm trail.

For it was here in the heartland of the republic that Dwight David Eisenhower formed the roots of a rare leadership ability which later grew to world renown and endeared him in the hearts and minds of his countrymen and other peace-loving people of the world.

Yes, it was here on the prairie that he romped and played as a boy, hoed the family garden on the plot of ground where the Eisenhower Museum now stands, and learned some of the disciplines of small business when he worked as an ice-puller at the Belle Springs Creamery still located only a few blocks north of his home.

Perhaps not unexpectedly, it was from this land of raw-boned frontier lore that he made his bid for a United States Army career which was to lead him eventually to the post of Supreme Commander of Allied Forces in Europe during World War II.

Likewise, it was from this former frontier territory of the legendary Wild Bill Hickok that he officially launched his campaign for the Presidency of the United States.

Finally, it was in the small picturesque chapel at the western end of these grounds that he was placed to rest in immortal greatness.

So, we ask, what more appropriate place than the Eisenhower Presidential Center could have been selected for this auspicious and memorable occasion?

We do not know what crossed President Eisenhower's mind at the precise moment that he signed the act creating the Small Business Administration back in 1953.

But we do know that he had a deep and abiding love for history. So, in that frame of reference, it would not be unreasonable to assume that he had a few fond memories of the important role played by small business in his own life as he inscribed his name on that historic document.

It was at the creamery that he got his first job, and he lived in a God-fearing town where small businessmen provided strong leadership and commanded much community respect.

But perhaps his fondest thought of all on that July day twenty years ago was his recollection of how total mobilization of the nation's small business sector during World War II helped turn the tide of freedom into victory and win the peace in Europe.

So, in retrospect, is there any wonder that Ike, in his folksy wisdom, often referred to small business as "the heart of the economy"?

As just one example of that wisdom and his commitment to the people of small business when he was President, we selected an excerpt from a speech he made on October 27, 1958 and committed it to a plaque for permanent installation in the Eisenhower Library. These are the words cast in bronze on that plaque:

"Jobs are best provided by sensible, progressive programs which generate and hold confidence, and encourage steady growth all across the land.

"A good example is our help to small businessmen. We made the Small Business Administration a permanent organization. We opened new methods of easing the financial problems of these small concerns. We made it easier for small businesses to work with the government. We assured them a full opportunity for a larger share of government contracts."

We think there is a deep sense of pride reflected in those words, and we think Ike would have been proud of this moment had he been here to witness it.

Perhaps that pride would most properly stem from the curious fact that SBA was created in 1953 only as a temporary two-year experiment but today is recognized the world over as a model in its field. It became a permanent entity in 1958 after the Congress was satisfied that it was needed and would function properly.

During its first year of operation it loaned only $35 million to small businesses.

But in fiscal year 1974 which began on July 1st, it probably will reach or surpass $2.6 billion in loans to that sector of our economy which produces 43 percent of our gross national product and accounts for over 50 percent of our employment.

Thus we celebrate SBA's twenty-year mark confident that the cautious experiment which President Eisenhower set in motion was truly a stroke of genius which, hopefully, will continue to enhance the free enterprise system of this nation for many generations to come.

But here in this lovely setting of a great national shrine, let us not forget that the place where the concept of free enterprise has its greatest value and its greatest potential productivity is not in the marketplace, but in the minds of a free people!

For if a healthy and thriving small business community is nothing more in the eyes of the world, it is living proof that this nation can long endure in freedom where every citizen has the cherished God-given right of self-determination.

In many respects, this national institution where we are now assembled is a vibrant symbol of that freedom!

Boldly engraved in bronze on one of the pylons at the eastern end of these grounds are the following words:

"Sustained by faith in the cherished ideals of true democracy, each American works in his daily task at plough or forge or machine or desk knowing this nation will forever stand one and indivisible in devotion to the cause of liberty for all mankind."

Yes, it is true, as President Eisenhower so aptly declared, that the men and women of small business are "the heart of the economy". As such, they serve as a constant reminder that freedom, used properly, still remains the key to all meaningful human progress.

That is why we salute them here today.

Now it gives me great pleasure to present the plaque mentioned earlier to the Eisenhower Library. I am deeply grateful that my good friend Arthur F. Sampson, Administrator of the General Services Administration which administers this Center, is here to accept it for the Library.

HOLDING DOWN SPENDING

Mr. BROCK. Mr. President, the President of the United States announced last week that the final budget figures for fiscal year 1973 showed that total Federal outlays were held to $246.6 billion.

I well recall the pessimism which greeted his announcement last year of his resolve to keep the final figure under $250 billion. From all sides, commentators said it was an impossible goal, and wondered why the President would be so unrealistic.

His critics proved wrong, and the President proved right. Yet their pessimism was not wholly unjustified. An undeniable historical trend indicated that initial budget projections by recent administrations have generally been conservative, and by the time all the supplementary appropriations were in, the Government would wind up spending far more than it had predicted. Thus another log would be thrown on the fires of inflation, and another battle for fiscal sanity would be lost.

This time, it did not happen that way, and President Nixon deserves the praise of all Americans for having the courage to make the tough decisions which held spending down.

The President's statement indicates that the projected budget deficit was reduced by $10.4 billion to a still-too-high $14.4 billion. I take particular pleasure, however, in noting that of the $14.4 billion deficit, only $2 billion was incurred in the last half of the fiscal year, from January to June 1972.

The best news of all is the President's promise that the fiscal 1974 budget will be balanced. Based on his demonstrated success in recent months, I have renewed optimism about that promise.

There is not a man in this Chamber, including the Senator from Tennessee, who did not disagree with the President on some aspect of his fiscal restraint program. Each time he announced a new move in that regard, there were anguished cries from one quarter or another that this cut or veto or impoundment would wreck the country.

It is now clear that none of them did, and in fact, the net result of his managerial ability represents one of the greatest victories for the country in recent years.

The Congress now has the opportunity to join the President in the battle for fiscal sanity, and his demonstration that it can be done should give us new resolve to push ahead with programs that will make us an active partner in the undertaking.

Just one day before the President's announcement, the Subcommittee on Budgeting, Management and Expenditures of the Government Operations Committee reported out a bill, S. 1541, passage of which will, for the first time in the modern era, give the Congress the tools to make real reforms in spending policies.

Coming together as they are, these two fronts, executive resolve and congressional reform, can usher in a new era of fiscal sanity. It can be the moment from which we mark the turning of the inflationary tide.

All of this is tremendously good news for the American taxpayer. But the path ahead is not void of hazards. Earlier this month, I had occasion to note before this body that the Joint Committee on Reduction of Federal Expenditures, in its most recent scorekeeping statement, has shown that the Congress is not yet committed to making the tough decisions to hold down spending.

That report shows that this session has already voted to boost fiscal 1974 outlays by at least $1 billion above the $268.7 billion upon which the President bases his prediction that the budget will be balanced.

Even as we have been moving so auspiciously toward budgetary reform, the Congress has continued, in its individual votes, to act in a spendthrift manner.

So you see, it gets right down to us, and to just how willing we are to say, "no," to programs we cannot afford. In the final analysis, it is the willingness of each of us to vote in a responsible manner that will be needed to assure a lasting victory over inflation and fiscal irresponsibility.

President Nixon has demonstrated great leadership in this battle. The Congress seems about ready to arm itself with impressive new weapons in order to do its part. Still to be demonstrated, and I fervently hope it soon will, is congressional commitment to do what must be done.

I ask unanimous consent to have the President's statement printed at this point in the Record.

There being no objection, the statement was ordered to be printed in the Record, as follows:

Statement by the President

The best way to hold down the cost of living is to hold down the cost of Government. Today there is new and encouraging evidence that we can win that battle.

The latest Monthly Statement of Receipts and Outlays shows that Federal outlays for fiscal year 1973 were held to $246.6 billion—a figure well below the $250 billion ceiling on spending that I had recommended to the Congress. Since overall receipts totaled $232.2 billion, the deficit for fiscal year 1973 was $14.4 billion. This was a much smaller deficit than the $24.8 billion deficit projected in my Budget last January. Moreover, the budget was within $2 billion of being in balance during the period from January to June of this year—a period when it was especially important to hold down Government spending.

During the debates on budget policy last fall and last winter, it was widely assumed and frequently asserted that we could not hold spending to the $250 billion level and that the only way to produce an anti-inflationary budget was by increasing taxes. I rejected that contention then—and I reject it now, as we look to a new fiscal year. We held the budget line in the year just past without raising taxes. I believe we can do so again—and, in fact, achieve a balanced budget—in fiscal year 1974.

In earlier years, budget deficits have sometimes helped take the slack out of the economy and increase employment. However, we recognized in the summer of 1972 that a major problem was developing as the economic boom got well underway. We could foresee that the pressures from existing Federal programs and new legislation could push spending for fiscal year 1973 to $260 billion or more—much more than we thought an already strong economy could tolerate without greater inflation. I therefore called upon the Congress to hold the line on spending at $250 billion.

The Congress has acted responsibly on that request. There have been many differences between the Congress and the Administration over the level of Federal spending on many specific programs, but the important point is that our overall spending goal has been achieved.

I recall how both Houses of the Congress approved legislation last fall to set a ceiling in Federal spending at the $250 billion level. While technical differences prevented the two Houses from agreeing on a common version of that ceiling, and while overall Congressional action for the last fiscal year eventually contemplated much higher expenditures, it was clear nevertheless that a majority in both Houses of the Congress accepted in principle the advisability of holding spending to a lower level. When the chips were down, it was that spirit of restraint which prevailed.

I trust that the two branches can forge an effective partnership on behalf of budgetary responsibility again in this new fiscal year—and that one year from now the figures will show that the budget for fiscal year 1974 was in balance. The fact that we nearly achieved a balance in the second half of fiscal year 1973 encourages us to believe this is a realistic objective.

It should not be overlooked, however, that the veto of certain bills and the reserving of certain funds was essential in achieving our budgetary goals for the past twelve months. Inflation continues to be our most important economic problem—and budget and monetary restraint continues to be our most important tools for fighting it. Our Phase IV controls will help to moderate inflation, but a balanced budget and monetary restraint must be our major weapons against rising prices.

With the economy now operating at a high level, revenues in fiscal year 1974 should approximate, without any tax increases, the overall level of expenditures I proposed last January—about $269 billion. Balancing the budget therefore means that we must hold expenditures to that level in the coming year, despite the fact that higher prices, higher interest rates and new legislation will all be working to drive spending higher. I am confident that with the continuing cooperation of the Congress we can meet that goal and thus help protect the American people against the twin dangers of higher prices and higher taxes.

REPORT ON THE SITE DEFENSE OF MINUTEMAN—SDM

Mr. PROXMIRE. Mr. President, a report on the site defense of Minuteman has just been released by its author, Congressman Robert L. Leggett, for the organization Members of Congress for Peace Through Law.

As in previous years this organization is publishing a series of reports on critical defense issues. Some of these reports have made significant contributions to the understanding of complex military systems before Congress. The 1973 report on the AX-Harrier and Cheyenne and the report on the Trident are two that come to mind.

The site defense of Minuteman report deserves special attention since it follows up a logical position taken during the 1969 ABM debate. In short, the paper concludes that SDM is not a cost-effective means of protecting Minuteman sites and that the requested $170.1 million should be pruned to a stable research and development level of $80.1 million.

Mr. President, I ask unanimous consent that the excellent report by Congressman Leggett be printed in the Record.

There being no objection, the report was ordered printed in the Record, as follows:

Research Report on the Site Defense of Minuteman (SDM)

SUMMARY

The present ballistic missile defense system of the U.S., known as Safeguard, represents an investment of $8 billion dollars in an attempt to provide, first, a wide-area anti-ballistic missile defense of the U.S., and, more recently, a point- or terminal-defense for a single complex of Minuteman intercontinental ballistic missiles. An additional expenditure of $2 billion will be required to complete and operate for ten years the single Safeguard site now under construction at Grand Forks, North Dakota. The Department of Defense has attempted to justify this expense on the grounds that it will provide experience and data that could be valuable in developing more advanced ballistic missile defenses. However, Safeguard is based on obsolete technology, not applicable to a modern ABM system. Furthermore, when the cost of defending a Minuteman offensive missile with Safeguard is compared with the cost of alternative methods of assuring the survivability of the U.S. nuclear deterrent force, Safeguard is glaringly cost-ineffective.

The new planned ballistic missile defense system, now in the research and development stage, is known as Site Defense of Minuteman. It is designed specifically to protect Minuteman missile sites from attack by Soviet missiles, rather than to protect soft targets such as cities or industrial complexes. SDM has distinct design advantages over the Safeguard system and could, under certain assumptions, be considered a cost-effective means of protecting Minuteman sites. Nevertheless, SDM suffers from the following deficiencies:

1) It is not as cost-effective as other means of assuring the survivability of the U.S. nuclear deterrent force, such as developing the Trident I missile for the Polaris/Poseidon submarine fleet.

2) It would constitute an effective addition to U.S. security only under an extremely remote set of contingencies, involving the failure of SALT II, a U.S.S.R. abrogation of the ABM Treaty, Soviet development of a break-through in anti-submarine warfare technology sufficient to threaten the U.S. submarine force, Soviet development of a MIRV system fully effective against the U.S. ICBM force, and Soviet development of a leak-proof air defense system against U.S. manned bombers.

3) It would likely provoke a similar response from the U.S.S.R. in the form of an advanced ballistic missile defense system, thus reducing U.S. confidence in the effectiveness of its own ICBMs and increasing the chances of the very nuclear war it is supposed to insure against.

RECOMMENDATIONS

1. Delete all funds for Safeguard in the FY 1974 DOD budget and subsequent budgets.
2. Reduce funding for SDM from the FY 1974 request of $170.1 million to the FY 1973 level of $80.1 million to permit continuing R&D at a slower pace as a hedge against possible abrogation of the ABM Treaty.

BACKGROUND

The Site Defense of Minuteman (SDM) program is aimed at developing ballistic missile defense (BMD) components for partial or eventual deployment, if necessary, to augment the Safeguard anti-ballistic missile (ABM) system. The Department of Defense characterizes the SDM program as providing the U.S. with an "option" to deploy a more comprehensive BMD system, if "the Soviet threat to Minuteman becomes greater than that which Safeguard is designed to meet."

In February 1972, Secretary of the Army Robert F. Froehlke announced that McDonnell Douglas Astronautics Corporation of Huntington Beach, California, had been selected as the prime contractor for the prototype demonstration program for SDM. The SDM project office is an element of the U.S. Army Safeguard System Command in Huntsville, Alabama.

In the 1972 contract, McDonnell Douglas was awarded an initial $10 million for the first phase of a 60-month cost-plus-incentive-fee contract totalling $382 million. The cost of the entire demonstration project is estimated at $700–800 million, including the cost of missiles, which will be furnished by the government.

The prototype, including radars, computers, and missiles, is to be installed and tested in the late 1970s at the Kwajalein Missile Range, where Safeguard system tests have been conducted.

The Site Defense ABM is in some respects a hangover from the earlier Safeguard system, which was an attempt to build a hard-point defense from components designed to defend soft targets such as cities. However, in most respects SDM is specifically designed for hard-point defense.

Originally proposed in 1969 as a 12-site system to provide thin "area" defense for the entire continental U.S. and light "point" defense for Minuteman ICBM farms and a few other military targets, Safeguard met with rising costs (from $9 billion in 1969 to $16 billion in 1972) and increasingly evident technological inadequacy, which forced the Administration to shrink its plans to a 4-site system.

Finally, in 1972 the Strategic Arms Limitation Talks produced a treaty limiting all U.S. ABMs to one 100-missile complex at an ICBM base plus one 100-missile complex defending the National Command Authority (NCA), presumably Washington, D.C.

The current DOD Safeguard-SDM program calls for:

I. Completion of the Safeguard complex at the Grand Forks Minuteman base in North Dakota for the purposes of:

A. Defending a small number of Minuteman ICBMs against heavy Soviet attack.

B. Providing operational experience with an ABM system.

II. Research, development, testing, and evaluation of Site Defense of Minuteman for the purposes of:

A. An expanded heavy Minuteman defense in the event the SALT agreement is abrogated;

B. A possible National Command Authority (NCA) defense. (At this time the Administration is not committed to an NCA defense, and Congress has refused to authorize one);

C. Continuation of a research base for a next generation of ABMs beyond SDM.

D. Continuation of research base in order to understand possible Soviet ABM developments and to improve our offense to counter them.

Earlier MCPL Military Spending Reports[1] have described ABM systems in general and have analyzed the technological inadequacy of Safeguard in detail. The principal contentions of the previous studies, both of which have been vindicated, were:

(1) The system would be obsolete before it could be built. On April 12, 1973, a year and a half before the expected operational readiness of the first Safeguard complex, Dr. John Foster of DOD Research and Development disparagingly described Safeguard as "based on technology developed in the 1960s," and observed that "when the Soviets begin to develop a silo defense system,[2] it will embody their latest technology."[3]

(2) The use of a single large expensive radar, which could easily be taken out at the beginning of a heavy attack, rendering Safeguard incapable of defending an ICBM base against heavy attack. Expansion of Safeguard to deal with heavy attacks would be prohibitively expensive and would cost far more than the cost to the Soviets to offset Safeguard by expanding their offense.

(Security classification prevented a third major criticism which would have discredited Safeguard still further: The number of interceptor missiles that could be provided at the specified cost could be easily exhausted by any Soviet ICBM force large enough to threaten Minuteman. The validity of these criticisms has been demonstrated by the design of the Site Defense system (see below).)

If Safeguard were cancelled today, the program would have cost the American people

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Footnotes at end of article.

about $5 billion, plus another $3 billion spent on earlier ABM systems beginning in 1956.[4] Completion of the Grand Forks complex will cost another $0.5 billion; operation and maintenance will cost about $160 million per year. Thus, there is a choice between abandoning an $8 billion investment, and spending another $2 billion over 10 years to buy a single operation complex. Before deciding "we've sunk so much into it we might as well get something for it," we should keep in mind that even if we consider only the unspent $2 billion, the cost per Minuteman defended is several times higher than any of the following:

(1) The cost of deploying equal megatonnage of surviving retaliatory power in the Trident system.

(2) The cost of the Minuteman missiles we would defend.

(3) The cost of the Soviet Union of increasing or retargeting its offense to incapacitate Safeguard by destroying the missile site radar.

The final rationale for Safeguard deployment at Grand Forks—the operational ABM experience to be gained—is untenable. Test re-entry vehicles cannot be fired at Grand Forks, whereas they can be used at the already completed Kwajalein test site in the Pacific. Moreover, Safeguard has so little in common with Site Defense (or *any* effective ABM system) that operational experience with the former would be of little use in any case.

SDM SYSTEM DESCRIPTION

The proposed SDM system is made up of self-contained "modules". Each module, which defends an egg-shaped area several miles across, contains several ABM missiles and several radars. SDM differs from Safeguard in these respects:

(1) There are no long-range area defense components such as the Perimeter Acquisition Radar or the Spartan missile.

(2) The radar, called Site Defense Radar, is smaller, cheaper, shorter-range, and more capable of operating in the environment of a heavy nuclear attack than is Safeguard's Missile Site Radar (MSR).

(3) Multiple radars are used in each module; several modules could be used at each Minuteman base. Within a module, the radars are netted and spaced so that up to a point they can protect each other by looking around "blackout" clouds caused by "precursor" explosions or by Sprint detonations.[5] Loss of some of the radars in a given module will degrade but not destroy the module's performance. In comparison, Safeguard uses a single fragile radar for an entire Minuteman base; destruction of this radar at Grand Forks—an easy task for a Soviet ICBM force—would neutralize our entire $10 billion investment.

(4) The SDM missile, called Sprint II, differs from Safeguard's Sprint chiefly in its greater ability to operate in a nuclear environment.

(5) Safeguard, having been derived from a city-defense system, is set up to attempt an air-tight defense of the point it protects; since this point includes the system's single radar, the defense must either be 100 percent effective or be worthless, since a single enemy warhead penetrating and reaching the radar will incapacitate the system.

SDM abandons this impossible goal of perfect defense, and instead attempts to maximize the number of surviving ICBMs within its footprint.[6]

Against a given level and configuration of heavy enemy attack, there are always several equally plausible defensive strategies. For example, the ABM system can defend all ICBM silos equally, or it can use all its interceptors to give a super-heavy defense to some ICBM silos while allowing the enemy warheads a free ride to other silos. Similarly, the defense can defend each of its own heavily, lightly, or not at all. The SDM computer is designed to choose among the several acceptable strategies on a random basis no human can predict beforehand. Thus, the offense, which does not know which defense plan will be used, will almost certainly waste warheads by "killing" lightly defended silos more than once, and waste additional warheads by attacking heavily-defended silos in numbers too small to penetrate. Theoretically, this allows SDM to neutralize more than one offensive re-entry vehicle per Sprint.

(6) In the interest of economy, a commercial data-processor is used, rather than a custom unit as in Safeguard.

(7) Operation and maintenance costs are reduced. Like Minuteman—and unlike Safeguard—the SDM silos and radars would be unguarded and unmanned, with all operation personnel in the module control center.

Operational manpower requirements for an SDM module are planned to be 10 percent to 20 percent of those for a Safeguard site. Logistics support costs for an SDM module will be about one third of that of a Safeguard site.

(8) Construction and installation are simpler for SDM than for Safeguard, with the result that deployment time is quicker. It is possible to build and "warehouse" the SDM components, thus having them ready for deployment within a relatively short time in the event of abrogation of the ABM Treaty.

Decision-to-deployment time on a Safeguard site is more than five years. DOD claims pre-deployment expenditure of 7 percent of total investment costs on an SDM module would cut this time in half, and claims per-deployment expenditure of 40 percent could cut the time to about one-third.

COSTS

All figures are DOD only; AEC warhead costs are not included.

ABM expenditures pre-Safeguard (before 1968): $2.981 billion.

(1) Safeguard total costs if system were cancelled in FY 1974 and all succeeding budgets: $5 billion.

(2) Cost beyond stop-now cost sum to complete one-site Safeguard: $0.5 billion.

(3) Annual operation and maintenance of one-site Safeguard: $.16 billion.

(4) "Decision cost:" Ten year cost of completing and operating one-site Safeguard, above stop-now cost (i.e., completion cost plus 10 year operations and maintenance): $2.1 billion.

(5) Total SDM research, development, test, and evaluation costs: $1.7 billion.

(6) Total SDM investment: $6.5 billion.

(7) Annual acquisition costs:

ACQUISITION

[In millions of dollars]

	Expended Fiscal year 1968–72	Fiscal year 1973 approved	Fiscal year 1974 request
Safeguard:			
R.D.T. & E.	[1]1,815.4	239.7	216.5
Procurement	2,118.2	300.0	185.0
MCA	646.8	0	0
Total	[1]4,580.4	539.7	401.5

[1] Includes $60,000,000 which Congress approved for carryover to fiscal year 1973.

	Approved fiscal year 1971–72	Fiscal year 1973 approved	Fiscal year 1974 request
Site defense:			
R.D.T. & E.	84.7	80.1	170.1
MCA		20.4	0

COMMENTS

Unlike Safeguard, and within the inherent limitations of ballistic missile defenses, Site Defense appears to be an intelligently planned system. It appears to offer some hope of increasing the number of Minuteman missiles that would survive a Soviet heavy attack. However, before committing ourselves to a multi-billion dollar expenditure, a number of questions must be considered.

I. Under what circumstances would the system serve a vital national security function?

In order for Site Defense to become necessary to an effective U.S. nuclear deterrent force, all of the following would have to occur:

(1) Failure of SALT II to limit offensive strength to a level at which each side is incapable of destroying the other's hardened silos.

(2) Catastrophic degeneration of U.S.-Soviet relations to the point that the ABM limitation treaty is abrogated.

(3) Development and deployment of an unforeseen and presently inconceivable Soviet breakthrough in anti-submarine technology that would threaten not only our present Polaris/Poseidon deterrent but also the various longer-range SLBM options.

(4) Development and deployment of a Soviet MIRV with sufficient accuracy and quantity to threaten to destroy our ICBM force while still retaining sufficient power to destroy U.S. society.[7]

(5) Development and deployment of a Soviet anti-aircraft system capable of very high effectiveness against a heavy low-altitude attack using SRAM and whatever more advanced penetration aids we develop over the next decade.

II. Is the system cost-effective in comparison with other options for increasing U.S. confidence in its nuclear deterrent? The estimated investment cost of $6.5 billion is alleged to insure the survival of at least 200 Minuteman against a presently conceivable Soviet attack. Thus, the U.S. would be paying approximately $33 million per Minuteman protected. Since more than one Minuteman silo is necessary to give a comparable probability of having an additional Minuteman survivor, SDM compares favorably with the alternative strategy of simply increasing the number of Minuteman silos. While it does not compare favorably with the cost-effectiveness of the Polaris-Poseidon force, or of the proposed Trident system (assuming its costs are controlled), the argument can be made that the comparison is not legitimate, since the Minuteman-cum-Site Defense system could serve as a hedge against a Soviet ASW breakthrough that would neutralize the submarine-based deterrent.

III. Is the system cost-effective in comparision with the expense to the Soviet Union of neutralizing it?

DOD has published an unclassified cost-exchange ratio of between 4 and 1.5 to 1 in favor of the defense, depending on the specifics of that attack. However, this is derived from SDM costs excluding R&D. Moreover, U.S. planning should assume the Soviets will choose the most cost-effective method of attack. Finally, all such calculations are based on a very high level of SDM effectiveness, when in fact the system has yet to be built and tested, and in any case can never be tested under combat conditions. The best tentative assumption is probably that the cost-exchange ratio is about 1 to 1 (i.e., the Soviets could neutralize the benefits of SDM by investing a like amount in offensive systems.)

CONCLUSIONS AND RECOMMENDATIONS

(1) Safeguard is a unconscionable waste of the taxpayers' money. The only rationale that can be made for its completion is something like, "If we drop it now we'll be admitting it never was any good." It is

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Footnotes at end of article.

abysmally cost-ineffective as a hard-point defense. The operational experience to be gained at Grand Forks is useless.

Recommendation: Delete all Safeguard funds.

(2) At this point SDM appears to be a well-designed terminal defense system, possibly but not certainly cost-effective, which might make a useful contribution to deterrence if it were not banned by the ABM treaty. But the treaty puts SDM in the position of a very expensive insurance policy against a very unlikely series of contingencies—contingencies the development of which will be visible years before they materialize, thus providing adequate time to defend against them. In addition, it would probably provoke a similar Soviet response, thereby increasing the probability of the catastrophe against which it is designed to insure.

The best course would be to keep the R&D program going, but to slow it down and thereby reduce the cost. Should the Strategic Arms Limitation Treaty collapse and the Soviets test an effective full MIRV system, the U.S. would then have to consider accelerating SDM. However, technological advances which presumably will be available by that time could moderate the cost increase that inevitably accompanies acceleration.

Recommendation: Reduce SDM funds to last year's level of $80.1 million.

FOOTNOTES

[1] *The Economics of Defense, a Bipartisan Review of Military Spending,* Members of Congress for Peace Through Law Military Spending Committee; Praeger, Washington, 1971, pp. 51–62.

[2] Dr. Foster should have said "If" rather than "when" the Soviets develop a silo defense system, since there is no evidence they are pursuing silo defense in any way. Moreover, there is no reason why we shouldn't have an extended SALT agreement banning all Soviet silo defense as well as all U.S. NCA defense.

[3] Dr. Foster's April 21, 1973 testimony before HASC.

[4] These are DOD costs only; AEC warhead costs are additional.

[5] Blackout clouds are large, radar-opaque areas of ionized particles caused by nuclear explosions, capable of refracting radar beams; such clouds could be deliberately created by an attacker using an advance (precursor) wave of large low accuracy warheads.

[6] An ABM missile's "footprint" is the area it can defend.

[7] Lt. Gen. Otto J. Glasser, the Air Force Deputy Chief of Staff for Research and Development, described the survivability of the Minuteman system in *Air Force Magazine;*

"It is an arrant overestimation to say that Minuteman is vulnerable, if 'vulnerable' means that it is wiped out in *toto*. When we talk about future vulnerability of Minuteman, we think, in a statistical sense, of the number of missiles that might be lost to a concentrated wave of attacking enemy missiles. Everything that can be reasonably extrapolated from present Soviet capabilities confirms that no matter how we set the scenario, a sufficient number of Minuteman missiles can be expected to survive to carry out the system's assigned assured destruction role."

ELMA LEWIS SCHOOL OF FINE ARTS, BOSTON, MASS.

Mr. BROOKE. Mr. President, it is no accident that Boston, Mass., is often called the Athens of America.

From the Boston Symphony to the arboretum, from the colleges and universities which dot Boston's landscape to the athenaeum, from the Old North Church to the public garden; history and culture are one—an integral part of Boston life.

Most of these wonderful institutions are also venerable institutions which have been a part of Boston for generations, even centuries.

The Elma Lewis School of Fine Arts is an exception. It is new, and welcomes extra dimension to Boston's yeasty cultural life.

Its founder, and leader—the keystone of its success is a remarkable woman whose friendship I cherish.

Her story and the school's is well told in the July issue of Essence magazine. Suzanne Bailey's article "The Undeferred Dream of Elma Lewis" deserves the widest possible audience.

I ask unanimous consent that this article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE UNDEFERRED DREAM OF ELMA LEWIS

(By Suzanne Bailey)

Children start arriving at the Elma Lewis School of Fine Arts in Boston's Roxbury section around three o'clock in a flurry of coats, scarves and lost schedule cards. Some of the younger ones are brought by their mothers: little girls encased in leggings, wide-eyed boys whose long pants make them look even younger. They come directly after public school every Monday through Friday as well as Saturday mornings. The school's program is based upon the old-fashioned concept of hard work, but the children are not bothered by this, not at all.

They greet their friends and, at once, a game of jacks begins in the middle of the floor while they wait for classes to start.

Teachers, who are artists in their own right, and members of the office staff mingle with parents and students in the crowded lobby. Among the teaching staff, the dancers stand out, easily recognized by the way they move.

Elma Lewis, who founded the school in 1950, enters with a young man. They are deep in conversation. The young man's appearance is striking—he wears a knitted wool poncho over his casual clothes. But it is Elma Lewis one notices, for she is a legend in Boston.

Elma Lewis was born 51 years ago to proud, hardworking parents who had come to Boston from Barbados. Their income was modest, but their aspirations for their children and Black people were extremely high.

One of her older brothers taught her to read when she was three years old, and she has always "read everything, even phone books." It was also at the age of three that she recited a poem at a meeting of Marcus Garvey's Universal Negro Improvement Association—a poem about the beauty of Black women. She grew up with pride in herself and her heritage.

She attended Boston public schools. One of her early settlement-house teachers, Ms. Bethra Muzzy, a white woman and a graduate of Emerson College, thought little Elma to be talented, and persuaded the Lewises to pay one dollar a week, a lot of money in those days, for private elocution lessons. Today, one is immediately struck by the beauty of Ms. Lewis' voice which is proper and warm at the same time.

While growing up, she studied voice, piano and dance and financed her education at Emerson College by working in Boston theatrical productions. She dreamed of pursuing a dramatic career in New York, but was discouraged by the fact that Black performers were offered few roles in the theater, and those were usually humiliating.

Reluctantly, Elma deferred her dream of being an actress and took a Master s Degree in Education at Boston University. For a short while, she taught third grade in an elementary school, and later remedial reading, dance and drama. For a time, she was a social worker in Boston's South End.

Then recovery from a serious illness made her re-examine her life. She questioned why she lived when others died. She felt a compelling need to do something truly significant with the rest of her life. Her mother, with characteristic directness, pointed out that she was too smart to work for other people and suggested that she start a school of her own. Elma considered this—a school of her own that would teach theater arts to Black children. It seemed an audacious idea, but it was obvious that there was a desperate need for a school of fine arts in the Black community, a school that could some day reach throughout Boston to the whole country. The decision made, the Elma Lewis School of Fine Arts began in a six-room apartment in Roxbury with an enrollment of 25 students.

Today, the school has over 500 pupils ranging in age from four to 75 with some 350 on a waiting list. The young children study dance, drama, art, music and costuming and at age 13, they begin to specialize.

Many who have studied at the Elma Lewis School of Fine Arts have gone on to achieve professional status. Kenneth Scott, who attended the school, has Broadway credits that include *Hello Dolly, Golden Boy* and *Hallelujah Baby!* among many. For a year he toured with the Harry Belafonte Singers and Dancers and has also danced with most of the major American ballet companies. Lauren Jones, another Elma Lewis student, has appeared in many roles on Broadway and television. She has acted at the American Shakespeare Festival in Stratford and starred in *The Liberation of L.B. Jones*. In a newspaper interview, Ms. Jones laid her success to "a fantastic woman in Boston named Elma Lewis."

Teachers trained at the school have gone on to develop similar schools in Houston, Texas, and in New Haven, Connecticut. Ms. Lewis receives many letters asking her advice in starting arts training centers. Her advice is to "get something going and then people will help you."

Today, the Elma Lewis School of Fine Arts is part of a larger organization, the National Center of Afro-American Artists, founded in 1968. Ms. Lewis says, "The center is where we are stating Black heritage, and sharing the beauty of our arts with all people." The center includes an experimental theater, the Elma Lewis Playhouse in the Park, professional center, dance company, jazz orchestra, museum, classical orchestra, chorus and a series of free outdoor concerts, which last year included a concert by the Duke Ellington Orchestra.

Ms. Lewis is a hard-headed idealist who believes in making dreams come true. "I'm in the business of being successful," she states matter-of-factly. Believing that ". . . . it is not in the realm of *luxury* but of *necessity* that the creative energies of the nation's Black population will be nurtured and preserved for posterity," Ms. Lewis is a tireless fund raiser. The activities of the school are budgeted at an annual figure of $900,000.

Students who can afford it are charged a monthly tuition of $15. They are taught by a staff that includes a choreographer, Billy Wilson; drama directors, Vernon Blackman and Larry Blumsack; the costume-designing team of Gus and Lucy; jazz pianist, Jaki Byard; a primitive dance instructor, George Howard, a visual arts director, Barry Gaither; and music director, John A. Ross.

Writing in *Forum* Magazine, the official organ of the Greater Boston Junior Chamber of Commerce, Ms. Lewis notes that the National Center of Afro-American Artists gives services to 332,744 persons a year at a per-person cost of $2.25. "One would expect," comments Ms. Lewis, "congratulations for providing Boston with the most remarkable bargain in the world. Instead, we are constantly asked to prove the validity of an arts organization. How many parents, who otherwise would be on welfare, are able to work, knowing that children are engaged in beneficial activity? How many students have the course of their lives changed from destructive to constructive by the improvement of their self-image?"

The Parents' Organization of the Elma Lewis School helps the young graduates of the school by maintaining apartments in New York for boys and girls who go there to prepare for professional careers. The organization also provides clothing, tuition money and strong moral support for these young people, many of whom are away from home for the first time.

At the school, there's a sense of purpose, a happiness that extends from the artist-teachers to the very youngest pupil. Aristotle's definition of happiness, "activity in accordance with virtue," comes to mind. The 125 employees of the school, including office personnel who sometimes, of necessity, work for periods of up to eight weeks before they are paid, embody this concept.

This quality is very noticeable on this particular afternoon as the children leave their mothers and the games of jacks to go to their classes.

One of the most popular courses at the school is Michael Babatunde Olatunji's African drum class. His class for beginners meets at 3:30 p.m. in a small back room on the second floor.

African drums speak a language, he tells the class, and the language has its own alphabet. African music is based upon sounds, like the "gun" (pronounced "goon") sound from Nigeria. This sound is found today in parts of Brazil, Haiti and Trinidad—wherever Black culture has survived over the centuries. The rhythms of our spirituals and blues, calypso, bossa nova and the rhythms of rock music originated from African sound patterns. It is moving to watch very little boys, each not much bigger than the drum he sits behind. Olatunji, a Nigerian, flies to Boston from New York twice a week to teach. His first class meets every Monday at one o'clock, not at the school, but in the Massachusetts Correctional Institution at Norfolk, where the school has been running a technical theater training program since July, 1970.

Instructors from the school visit Norfolk four times a week to teach courses in music theory, African heritage, primitive dance, technical theater, art, Black studies, percussion, wind instruments and drama. The men receive rehabilitative training for jobs as stage managers, stage carpenters, stage electricians, property men, sound men and fly men.

The success of the program may be measured by the favorable press reviews of four stage productions, *The Plague, Cadillac Alley, Black Rhythms* and *The Installment Plan,* that were conceived, written and performed by the men inside the walls and by the enthusiasm of inmates and correctional officials who have requested more courses in art, music, writing and dance—courses involving hard, creative work.

At Norfolk, as at the Elma Lewis School in Boston, hard work works. Late last fall, ten men, nine of them inmates at the Correctional Institution at Norfolk and one a former inmate who is now a student at Rutgers University in New Jersey, signed a contract with the Boston publishing house of Little Brown & Co. for a book of poems, short stories, essays and plays. All ten of the contributors had been involved in the Elma Lewis Norfolk program and had been encouraged by Ms. Lewis to develop their writing talents. The book, called *Who Took the Weight,* from a popular recording by Kool and the Gang, features a foreword by Elma Lewis.

Housed in a former Hebrew school and synagogue which were "sold" to Miss Lewis in 1968 for one dollar by the combined Jewish philanthropies of Boston, the new school's conversion and renovation has almost been completed although work on the synagogue hasn't begun because of insufficient funds. Some classrooms have an unfinished appearance. Yet, when teachers and pupils meet and start working, the rooms assume a life of their own. Lines from Langston Hughes' *Fields of Wonder* seem apropos:

It had no dignity before.
But when the band began to play.
Suddenly the earth was there,
And flowers,
Trees,
And air,
And like a wave the floor—
That had no dignity before!

Elma Lewis works with the energy of a woman who has made up her mind to change things. Her activities are never random, and her vitality permeates the school.

On the outside top wall of Ms. Lewis' school, there are big letters deeply engraved in granite. With an almost auditory quality, they proclaim "Not by might, nor by power, but by My Spirit, saith the Lord." These words from the Book of Zechariah, translated into two African languages, will be added beneath the English original, adding that other dimension to this school where instruction is available to Americans of all colors and where Shakespeare and Langston Hughes, cassical ballet and primitive dance, Beethoven and African drumming coexist in a mileu that is peculiarly our own. All made possible by a determined Black woman who believes in making her dreams reality.

FUTURE DIRECTIONS IN SOCIAL SECURITY, NRTA-AARP TESTIMONY

Mr. CHURCH. Mr. President, the Senate Special Committee on Aging began hearings early this year on "Future Directions in Social Security." Our objective is to explore the issues which relate directly to our overall objectives for the social security system.

On July 26, the committee heard from representatives of the National Retired Teachers Association and the American Association of Retired Persons. The complete presentation of NRTA-AARP was 135 pages, not including appendices and charts. The quality of the statement was as impressive as the quantity; the Committee on Aging is fortunate to have such a rich source of analyses and proposals. It will receive careful, sustained attention from the committee.

Mr. Cyril Brickfield, legislative counsel for NRTA-AARP provided a summary of the total presentation in his remarks at the hearing. It is a useful checklist of NRTA-AARP views, and I ask unanimous consent that it be printed in the Record.

There being no objection, the testimony was ordered to be printed in the Record, as follows:

TESTIMONY OF CYRIL F. BRICKFIELD

Mr. Chairman: I am Cyril F. Brickfield, Legislative Counsel to the country's largest organizations of older Americans—the affiliated, nonprofit National Retired Teachers Association and the American Association of Retired Persons. The combined membership of our Associations presently exceeds 5.5 million.

I am accompanied this morning by Mr. John Martin, former Commissioner of the Administration on Aging, and Mr. William Mitchell, former Commissioner of Social Security. Both are consultants to our Associations.

Also accompanying me this morning are Mr. Thomas Borzilleri and Mr. James Hacking, both of whom are members of my staff.

I would like to begin by expressing our Associations' appreciation for the opportunity to participate in this second phase of hearings into future social security directions.

If you will examine the Table of Contents of our prepared statement, which, with the permission of the Committee, I shall now introduce for inclusion in this hearing record, you will find that it treats, in some considerable detail, a broad spectrum of retirement income security topics, including the present income situation of the elderly and prospects for the future, Old Age Survivors and Disability Insurance, Supplemental Security Income, private pensions, employment, the retirement income credit, and the need to coordinate existing public pension systems. Time constraints precluded our treating adequately health care and property tax relief—both of which substantially erode retirement income; consequently, these items were not included.

I would, however, like to stress at this juncture the increasing concern of our Associations with the development of the Medicare and Medicaid programs and the level of care they provide. Instead of progressing with respect to health care for the elderly, we seem to be regressing. The enactment of the Administration's Medicare cost-sharing proposals would tend to reinforce this trend.

I would, however, add that we are encouraged by Congressional concern with improving the health care situation. We commend the Chairman and Senator Mondale for expressing their sense of concern through Senate Resolution 124.[1]

Because the scope of the material contained in our prepared statement is so comprehensive and exhaustive, we shall confine our remarks this morning to:

(1) present and future retirement income needs;

(2) Old Age, Survivors and Disability Insurance—with respect to future standards of adequacy for the replacement of earnings lost due to retirement, the financing of OASDI, the retirement test, and the need to establish a bipartisan social security board;

(3) revision of the retirement income credit;

(4) the increasing economic necessity to retain older persons in the labor force; and

(5) the need to better coordinate this country's basic public pension systems.

I. INTRODUCTORY REMARKS

Today, it is generally accepted that, over the years, the Social Security program has actively attempted:

(1) to provide an adequate minimum level of income support for the aged; and

(2) to provide a retirement benefit that will prevent a serious decline in income due to earnings loss.[2]

As we attempt to demonstrate in Part One of our prepared statement, while the Social Security system has made great progress since its inception, an adequate floor of income protection remains elusive for large numbers of elderly Americans. Moreover, the second goal of preventing a serious decline of income due to retirement also has a long way to go. The lack of complete success in achieving these two goals may derive from the attempt to use a single mechanism, OASI, to accomplish separate objectives. However, now that the goal of providing an adequate income floor will be primarily the responsibility of the SSI program, it is hoped that the income adequacy problem of the elderly will be alleviated. Divested of the income support function and, hopefully, of

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Footnotes at end of article.

the "floor of protection" philosophy, OASDI can now function primarily as a mechanism to replace an adequate degree of earnings lost as a result of retirement, disability or death.

The awareness of aging population trends should motivate the planning necessary to accommodate the income security needs of the future aged. Not only must we anticipate that the aged population will continue to increase in terms of sheer numbers, but taking into account such factors as improved health care, ever-earlier retirement policies and practices, and estimates of diminishing labor force participation, we must also anticipate that they will be living longer and spending more years in retirement. Moreover, since the aged of tomorrow will be better educated, more skilled and more sophisticated than the aged of today, they appear far less likely to accept the lower standard of living which presently attend retirement. The projected dimension of the future aged population and the assumed unwillingness on their part to accept in retirement a standard of living below that experienced prior to retirement, define the challenge which confronts us here today.

II. OASDI: STANDARD OF ADEQUACY FOR THE REPLACEMENT OF EARNINGS LOST DUE TO RETIREMENT

Since social security will probably remain the primary instrument of earnings replacement for the foreseeable future, the optimum degree of earnings to be replaced through social security should be determined now in order that the modifications in the benefit structure and financing mechanism may be carried out in time to accommodate future needs in the most efficient manner.

Our Associations believe that the living standard of the future aged should be related directly to a standard of living experienced prior to retirement.

Moreover, the standard selected should not, in any case, result in a post-retirement living standard appreciably lower than that enjoyed immediately prior to retirement.

Professor James H. Schulz of Brandeis University suggests that the appropriate standard could be based on the average highest earnings in ten of the fifteen years immediately prior to retirement. Others have suggested standards based on average earnings in five of the fifteen or twenty years immediately preceding retirement, the average of the highest earnings in any five years, or in any ten years.[3]

While our organizations tend to agree with the recommendation of Professor Schulz, we also believe that a standard based on average lifetime earnings adjusted, however, to account for cost-of-living and real wage increases, has considerable merit. However, the administrative burden and attendant cost consequences of such a standard may be so onerous as to render it unfeasible.

Once an appropriate pre-retirement living standard is selected, the percentage of earnings to be replaced by the public and private mix of retirement income mechanisms in order to maintain that standard must be determined. Professor Schulz has estimated the appropriate replacement rate to be from 60 to 65 per cent. Others have suggested higher rates.

While our Associations concede that private pension plans will assume an increasingly significant role in the earnings replacement function for the future aged, we tend to believe that social security will continue in its present capacity as the primary earnings replacement mechanism. An appropriate rate for social security must, therefore, be determined. Professor Schulz suggests an optimum earnings replacement rate of 55 per cent.

While our Associations are unwilling to commit ourselves to the 55 percent figure without further study, we do not find this figure to be unreasonable.

III. THE FINANCING OF OASDI

In recognition of the increasing burden which the social security payroll tax is imposing on the active working population, our Associations have adopted the following position:

We urge the enactment of legislation to lessen the existing regressivity of the taxes imposed by the Self-Employment Contributions Act and the Federal Insurance Contributions Act.

In view of the regressive impact of the payroll taxes on lower income groups, our Associations would support initially, limited reform within the existing tax structure, provided, however, that the contributory principle is not broken.

If the OASDI is to be used as the primary earnings replacement mechanism to permit the future aged to maintain in retirement a pre-retirement standard of living, more fundamental reform of the tax structure would seem to be required. Without increasing the tax rates and taxable wage base to prohibitive levels, we doubt that the present structure could, by itself, generate enough revenue to finance an adequate earnings replacement ratio.

Within the limits of our present policy position, we could support a change in the payroll tax structure to provide a system of exemptions or allowances designed to reduce substantially the payroll tax burden on lower-income groups. Such relief should be subject, however, to some minimum percentage contribution designed to preserve the contributory principle. We believe that the cost of such internal reform would be modest and could be offset by increases in the tax rates and/or the taxable earnings base.

We would, however, hope that any exemption formula would tend to concentrate the benefits of exemptions among lower-income family units and phase out such benefits as the family income increases.

To accomplish more fundamental reform, the use of general revenues, even if only as a supplement, appears necessary. A number of limited proposals have been suggested, including the use of general revenues to pay benefits to "late arrivals," as for example those who were self-employed,[4] and the use of general revenues to finance the Hospital Insurance program. John Brittain, of the Brookings Institution, has suggested that a system of payroll tax exemptions could be financed from general revenues at minimal cost.[5]

Wayne Vroman, an economist with O.E.O., has suggested the use of general revenues to finance the already anticipated revenue needs of social security as an alternative to the payroll tax rate increases scheduled for 1978.

Other more radical proposals for increased reliance on general revenues have also been made. For example, it has been proposed that payroll tax contributions should constitute a credit against federal income tax liability with any contributory amount in excess of such liability treated as an overpayment of income tax. Any such overpayment would be refunded to the taxpayer.[6]

In the view of our Associations, the complete financing of social security through general revenues is simply not feasible at the present time.[7] Moreover, since the distribution of the tax burden under the income tax is far from equitable, it is an unsuitable vehicle on which to cast the full burden of social security. More limited reliance, however, should be considered to meet additional OASDI revenue needs in the immediate future.

IV. THE RETIREMENT TEST

Our Associations favor the further liberalization of the retirement test to $3,600. The cost estimates for this proposal range from $1.2 to $1.4 billion annually. Since the Chairman's bill, S. 632,[8] is within the scope of our position, we support it.

In our view, the liberalization of the retirement test is an emotional, as well as philosophical and economic issue. This was clearly demonstrated at the 1971 White House Conference on Aging and continues to be reflected in our membership.

We must be mindful that though it has been argued that only a minority of the aged would actually be affected by further liberalization—this "minority" is in fact a great number of people—1.5 million.

We must also keep in mind that the American retiree continues to feel abused by the retirement test and he argues that he should not be deprived of his benefits because he engages in paid employment, particularly in the light of the fact that his non-working neighbor, with income from stocks and bonds, receives a full pension. To the older American, this is discrimination in favor of the well-to-do and reward for idle living. Since the test penalizes productive work, he considers it a violation of the work ethic. No amount of logical argument as to cost or the need to make way for younger workers is likely to dissipate this feeling.

V. ESTABLISHMENT OF A BIPARTISAN SOCIAL SECURITY BOARD

Our Associations believe that steps should be taken to assure the type of continuity with respect to supervision, direction and development in social security that the country enjoyed in the past. We think one important step in this direction would be a return to the former three-member bipartisan board form of administration which, in our judgment, contributed so importantly to the early success of the system and to the public's confidence in its administration.

Now that the Social Security Administration has the responsibility for Supplemental Security Income as well as the Old Age, Survivors, Disability and Health Insurance programs, we believe that a three-member bipartisan board would best assure integrity, competence and impartiality and provide protection against purely partisan political intervention.

We recommend that two of the three members be from the majority party and that all three be named by the President with the advice and consent of the Senate. The President could select the Chairman and all members would serve for fixed terms. The Board would be concerned primarily with policy formulation but would operate through an Executive Director who would have to qualify under Civil Service rules and serve at the pleasure of the Board.

VI. THE RETIREMENT INCOME CREDIT

Retirement Income Credit of Section 37 of the Internal Revenue Code was designed to help relieve part of the tax burden of those retired people who are living on taxable retirement income (e.g. pensions, annuities, rents, interests, etc.) and equalize their tax treatment with that of retirees receiving Social Security and Railroad retirement benefits which are basically tax-exempt.

Since 1964, when the Credit was last amended, there have been substantial liberalizations of social security benefits with the result that the present maximum amount of income eligible for the credit is considerably below the maximum social security primary benefit. In addition, the complexity of the credit prevents it from providing the full measure of relief intended. To claim RIC, the taxpayer must fill out a separate page on the income tax form with nineteen possible calculations. This is in addition to his regular tax schedule computations. As a result of these complexities, it has been estimated that as many as 40% of all those eligible for RIC either fail to claim it or else make errors in calculating their credit.

Footnotes at end of article.

In order to restore tax equity in the treatment of retirees, the amount of retirement income eligible for credit computation ($1,524) should be increased to the present maximum primary benefit under social security ($2,500). We further believe that the credit's limitation on earned income should be liberalized to correspond with the social security retirement test. In his respect, we would support the Chairman's bill, S. 1811.[9] Moreover, computation of the credit should be simplified.

We note that Treasury Secretary Schultz proposed, in testimony before the House Committee on Ways and Means, a simplified substitute called the Age Credit. We have examined the Age Credit proposal and have attempted to estimate its impact. Unfortunately, the Age Credit would not be available to those who are retired and under age 65 and presently eligible for RIC. In other words, 130,037 returns presently eligible would be cut off. This represents over $23,818,000 in lost tax benefits, or nearly 10% of all returns requesting the RIC at the present time.

To some of these people, the RIC benefit comprises as much as 4% and 5% of their adjusted gross income. For people making less than $7,000 per year, this Age Credit would be a hardship.

Chart D, which appears on page 138 of our prepared statement, indicates rough percentages of where the benefits under various proposals would be applied. Specifically referring to the last two columns (5 and 6), we see the Age Credit to be a program which would tend to unduly benefit persons in the higher income brackets. For example, only 43% of total Age Credit finances would go to returns having an adjusted gross income of less than $10,000.

We have examined the Senate and House proposals contained in their respective versions of H.R. 1 last year. While they would allow for as much as 80 percent of the benefits to go to those with incomes under $10,000 and are therefore preferable to the Age Credit, nevertheless, according to our projections in Chart D, the benefit distribution under the Senate and House proposals would be of less advantage to lower income groups than under present law. Obviously, in the opinion of our Associations, it is the less well-to-do members of society who are in need of federal assistance of this nature, and programs which actually assist those in need are to be favored over those which do little to correct a bad situation.

In summary, Mr. Chairman, we oppose the Age Credit proposal. We have mixed feelings about the Senate and House proposals of last year. While we feel the present system provides the best alternative, it is necessary to raise the amount of retirement income for computation purposes to $2500—the maximum primary benefit under Social Security. For this reason we support Senator Church's bill S. 1811.

We feel too that the committee should look beyond this primary benefit ceiling and consider the simplification of computation and filing procedures. Since over 40% of eligible older persons fail to benefit fully from the present law because of its complexity, this could well be the greatest inequity of all.

VII. EMPLOYMENT

We would like to refer the members of the Committee to the employment section of our prepared statement beginning on page 110. We believe that the elderly ought to have the option to continue to work as long as they are able and willing. Within this older age group, there are many who are being forced to retire, despite their willingness to stay in the labor force and despite their work capacities. Apart from the socio-psychological reasons for a reexamination of the current retirement and employment policies. The longer persons are retired, the more thinly will available retirement resources be spread and the greater will be the demands for pensions on employers. As we move increasingly away from a large proportion of manual workers in our labor force, the developing industry-occupation structure could allow continued employment of a larger portion of our "younger" aged.

If current retirement trends continue, the attainment of an adequate retirement income goal may be impossible. By encouraging the older person to remain employed, we would also be making it possible for more persons to be covered by better private pension and to receive increased social security benefits. Furthermore the retiree will have additional years of earning and be less dependent on pension resources.

VIII. THE NEED TO COORDINATE PUBLIC PENSION SYSTEMS

Finally, Mr. Chairman, we would like to make one last point. Social Security and other public pension systems, such as Railroad Retirement, might well be coordinated with each other. Multiple eligibility for basic retirement benefits can be costly. While such an overlap is understandable and indeed desirable in some cases, such as military retirement and private pensions, because of the need to recruit and retain personnel, multiple eligibility for basic retirement benefits under public pension systems may create inequity and injustice.

FOOTNOTES

[1] S. Res. 124, 93d Cong., 1st Sess., 119 Cong. Rec. p. 10569 (June 7, 1973).

[2] J. Pechman, H. Aaron, M. Taussig, *Social Security: Perspectives for Reform*, p. 55, (2d ed. 1968), (hereinafter referred to as J. Pechman, H. Aaron, M. Taussig, *Social Security: Perspectives for Reform*.

[3] Pechman, Aaron, Taussig, *Social Security: Perspectives for Reform*, supra note 2, at pp 98, 219, 226.

[4] J. Brittain, *The Payroll Tax for Social Security*, 32 (1st ed. 1972).

[5] *Id.*, at p. 142.

[6] J. Pechman, H. Aaron, M. Taussig, *Social Security: Perspectives for Reform*, supra note 2, at pp. 221–22.

[7] Brittain, *The Payroll Tax for Social Security*, supra note 6, at p. 143.

[8] S. 632, 93d Cong., 1st Sess. (1973).

[9] S. 1811, 93d Cong., 1st Sess. (1973).

PATRICK E. GORMAN: MR. AMALGAMATED

Mr. HUMPHREY. Mr. President, Roosevelt University in Chicago honored Patrick E. Gorman, the secretary-treasurer and chief executive officer of the Amalgamated Meat Cutters and Butcher Workmen—AFL–CIO—on June 2, 1973, for his 50 years of distinguished labor leadership.

This honor is richly deserved. Pat Gorman has long been a nationally prominent labor leader. He has presided over the growth of his union from when it had only a few thousand members—and most of those blacklisted by employers—until its present strength of 550,000 members organized throughout the Nation and protected by excellent contracts.

Pat Gorman, the union leader, is only part of the story of this great individual. He is a many-sided and complex person. He has written songs, poems, and novels. He is an attorney. He has mediated many an important dispute. But most of all, he has acted as a sensitive, deeply socially conscious human being throughout his life.

It is Pat Gorman who led his union to fight for effective poultry inspection, meat inspection and other consumer-protective legislation long before consumerism was popular; for farm labor reform before the Nation had awakened to the need, and for an end to the Vietnam war before the peace movement got off the ground.

Pat Gorman's views, which he articulates with vigor and conviction both in writing and in speech, do not please everyone. He is an independent. The Irish rebel in him often comes forward.

I am proud to have been a friend of his for nearly 30 years. I have worked with this strong-minded, intelligent, and decent human being in many a campaign and many a cause. We have shared many successes and some defeats.

I therefore greatly enjoyed a booklet about Pat Gorman which was published by the Labor Division of Roosevelt University. It contains some brief narrative concerning Pat's work and accomplishments interwoven with a number of his writings and speeches. I believe Senators would enjoy reading some excerpts from the narrative. Mr. President, I therefore ask unanimous consent to print in the RECORD some parts of the Roosevelt University booklet, "Mr. Amalgamated, Patrick E. Gorman."

There being no objection, the excerpts were ordered to be printed in the RECORD, as follows:

EXCERPTS FROM "MR. AMALGAMATED, PATRICK E. GORMAN"

Whether one views the title statistically or metaphorically, Patrick E. Gorman is Mr. Amalgamated.

His concern, the sharing of his own life, being on the picket lines, visiting members in their homes—these acts evoke in the members—whether they know Pat personally or hear of his deeds—respect and admiration.

To the employers he is Mr. Amalgamated. They see him as a hard fighter for the rights of his members, and a fair and square negotiator whose word is always as good as his bond.

When he assumed the presidency of the Amalgamated Meat Cutters and Butcher Workmen in 1923 at the age of 30, there were only 10,000 members in the union (there had been as many as 80,000 before the 1921 packinghouse strike). The membership has now grown to almost 550,000.

Gorman served as international president for 19 years from 1923 to 1942, and international secretary-treasurer for over 31 years, from 1942 to the present. For over 50 years he has been elected as top officer of one of the major unions in the United States and the largest food workers' union in the world.

IRISH WIT

For a labor leader Pat Gorman is a rare specimen of the species—musician . . . lawyer . . . novelist . . . poet.

In his poetry probably more than in any of his other endeavors his Irish wit and background, and his curiosity and love of life, comes to the fore.

These ideas come to him at odd moments of the day. Some have been written on laundry cardboards for shirts when he was shaving. Others have been composed on the dais while waiting "to say his piece."

. . . While Pat Gorman's symphonic compositions include "Novena for Manila" and "The Pawn Shop Suite," his reputation is essentially that of songwriter.

He has written over 750 songs . . . he is a member of ASCAP . . . and a member of the Song Writer's Hall of Fame.

He develops the melodic line of the music by plunking the piano and depends upon his felicity of phrase for the lyrics. Since he is an untrained musician, he works with a collaborator in the harmonization and orchestration of his published songs.

LABOR MEDIATOR

In two crucial events in the labor movement, Gorman played important mediator roles.

In the big split in the house of labor—the CIO breakaway from the AFL in 1935—the Meat Cutters were torn between the two federations.

The Amalgamated is essentially an industrial union, and it looked to its future successes in organizing their jurisdiction "from the cellar to the ceiling." So there was great sympathy and ideological commitment to the CIO.

But the Meat Cutters was an AFL stalwart from its founding in 1897, and knew the perils of a split in the labor movement.

What the Amalgamated wanted was something that was not to be—for the 1935–1955 period—a united movement encouraging wide organizing of both the skilled craftsmen and the semi-skilled and unskilled mass production workers.

Gorman had great respect for John L. Lewis—a feeling that was mutual—and by letters and meetings he worked mightily to prevent the rupture, because he was convinced that the interests of the workers of the nation were built on the philosophy "in union there is strength."

To that end Gorman and the Amalgamated exerted every effort to prevent the breach, but after it occurred worked steadfastly to bring the federations together again.

Gorman's role as mediator is again illustrated by the part he played in trying to keep the Teamsters union as part of the family of labor.

During the crucial period leading up to the expulsion of the Teamsters from the AFL–CIO in 1957, he was the official link between Hoffa and Meany.

When his efforts failed to bring Hoffa and Meany personally together, and the vote for expulsion of the Teamsters was taken, Gorman and his Amalgamated delegates were conspicuous for their vote against the ouster. In the years that have followed, Gorman and the Amalgamated have continued to work for the re-admission of the Teamsters.

RACIAL BROTHERHOOD

Working for the laboring man meant fighting the bosses. It also meant fighting the occasional divisions that occur within the work group—picket against scab . . . black against white.

With Negroes pouring into packing plants as a result of the labor shortage in World War I, Pat early had to face the objections of his members to the inclusion of Blacks into the union. Speaking also for his partner he said:

"As business agents, it is our job to organize anyone eligible for organizing, who come into the plant. If this local union is too good for the Negroes, then it's too good for me. If they can't come in, I won't stay in."

Gorman's concern for fairness and decency continued to be expresed in another medium. He must have recognized early that effective writing could reach and influence more people than personal contact ever could. His unpublished novel "Early Frost" involves an inter-racial love affair. While the theme was too advanced for its day, it shows that the author, a border state citizen, recognized that problems such as this should be grappled with.

The concern to strive for the recognition of each individual as a human being, entitled to all of his inalienable rights, constitutes one of the burning drives of Pat Gorman's entire life.

REBEL STRAIN

Gorman springs from a poor, devout Irish family and there is a continuous strain of rebel running through his life reflecting this heritage. He is an independent thinker and he is not adverse to challenging sacred cows and hallowed institutions if they do not agree with his views . . .

"Mavericks of the world, unite! You have nothing to lose but public acceptability."

GENOCIDE AND THE INTERNATIONAL COURT

Mr. PROXMIRE. Mr. President, one of the arguments frequently raised against U.S. ratification of the Genocide Convention is that we will be brought before the International Court at The Hague and be forced to do something that is unconstitutional. This simply is not true.

For example, the Senate has ratified the Supplementary Convention on the Abolition of Slavery, which allows the International Court to resolve disputes between nations. This provision is identical to the passage in the Genocide Convention concerning the use of the International Court.

The United States has never been "hauled" before the International Court in response to charges of slavery.

And there is no reason to believe that the United States will ever be "hauled" before the International Court in response to charges of genocide.

Neither the Slavery Convention nor the Genocide Convention gives authority to the International Court to compel us to do something contrary to our constitution. There is no reason to fear the International Court of Justice.

Mr. President, I urge the Senate to ratify the Genocide Convention now.

LIMITS WHICH SHOULD BE IMPOSED ON WASTE WATER EFFLUENTS

Mr. HANSEN. Mr. President, the past 10 years have witnessed a growing concern for the quality of the natural environment. Effluent waste water discharge has become one of the paramount issues in this field.

Recently, Mr. John E. Kinney addressed the subject of the limits which should be imposed on waste water effluents. Mr. Kinney has been working in the field of water pollution for over 25 years. In addition to his credentials as a water pollution control expert, he is a contributing editor for Industrial Week magazine. Mr. President, I ask unanimous consent that Mr. Kinney's remarks be printed in the RECORD so that a larger audience may have the benefit of his astute observations on this subject.

There being no objection, the remarks were ordered to be printed in the RECORD, as follows:

IMPRESSIONS FROM SYMPOSIUM ON WASTEWATER EFFLUENT LIMITS

(By John E. Kinney)

Establishment of "best practicable treatment" effluent standards for industry will be based solely on technical capability considerations and ignores costs, and cost-benefit ratios and economic impact on either the company or the community.

That was the recurring theme in the symposium on wastewater effluent limits at the University of Michigan July 18–20, 1973.

The blame (or the responsibility, depending on the viewpoint of industry or government) was placed squarely on the Congress. EPA spokesman Robert Sansom, Assistant Administrator for Air and Water Programs, developed at length how the agency is considering costs for municipal treatment in terms of incremental costs to achieve added increases in reduction of BOD and suspended solids but that concept of determining whether extra costs result in commensurate reduction in waste load does not apply to appraisal of industrial treatment standards.

The double standard was spelled out by other EPA spokesmen on the program and by Drs. Martha Sager and Blair Bower of the Effluent Standards and Water Quality Information Advisory Committee who are reviewing the reports of EPA consultants who recommend the effluent standards. In their opinion the 1972 law is explicit. "Best practicable" does not have any modifiers requiring consideration of costs. "Best available" called for by 1983 does.

Phillip Cummings of the Senate Public Works staff criticized the EPA agency for misinterpreting the 1972 Act. In his opinion—but he continually stated it in terms of "Congress intended"—the law allows EPA no leeway in administrative decision making. "Best practicable" means what can be physically done now. Both he and Dr. Sager denounced the failure of the stream standards approach and both anticipate clean streams in the near future with effluent standards because this approach forces industry to plug its sewers.

Their optimism was not shared by most of the other speakers or by comments from the audience. Morever, there were serious concerns expressed that the 1972 Act has in fact set the stage for long term delays and long court battles even if the present bottleneck of federal funds is corrected. This last, incidentally, was described as the most serious flaw in the plan to get stream improvement. Pennsylvania, for example, reported $1 billion of municipal construction of approved plans immobolized by the federal funding fiasco. The 1972 Act according to the consensus, has stopped progress and diverted state personnel from field inspection and promotion of abatement to duty as clerks on permits.

Among other concerns were these:

The environment is not considered as an entity so these standards, predicated solely on the basis of technical capability, will require extra power generation and extra natural resources and result in extra solids residue which must be disposed of as well as expel extra gaseous combustion products into the atmosphere. Whether these extra demands on limited resources are of less or greater value than the additional benefits which would derive from higher treatment of the wastewaters can not be considered according to the wording of the 1972 law.

Over the years riparian rights in water undiminished in quality and quantity were replaced by the doctrine of reasonable use wherein streams would be used for waste discharges as long as there is no interference with another user. This is now being supplanted by the doctrine of zero discharge which would eliminate the use of assimilative capacity inherent in reasonable use. Entirely apart from the concern that the disuse of this renewable natural resource necessitates unnecessary use of other resources is the constitutional question raised by William Eichbaum of the Pennsylvania Department of Natural Resources, as to whether there is a taking of vested property rights in water without due compensation. He likened it to the declaration of the courts that legislation preempting wetlands without compensation was declared void.

States which adopt federal standards will find many are indefensible by the states because the federal standards are not related to factual data or to data applicable to specific state needs. This was emphasized by the information that EPA has been holding up publication of the National Academy of Science panel report on criteria of water quality (the "Blue Book") and that the EPA draft of quality criteria called for in the 1972 law by October 1973, does not in many instances agree with the Blue Book.

Magic dates for compliance were set in the 1972 law but the dates ignored the realities of data collection, interpretation, design and construction as well as funding and economic impact. Experience in states has shown that permits issued in haste to meet such dates are often conflicting and even useless when enforcement is attempted. The result is that the law is really unenforceable or won't be enforced although many sections are enforceable.

The 1972 Act was a victory of lawyers over engineers. Engineers may not have moved fast enough but the substitute is an "ungodly long, complicated and confused directive." Accelerated action is not imminent.

There will be many legalistic battles but unfortunately they can't clean up the environment. The authors of the 1972 law failed to understand that pollution is not a fixed entity but only one facet of a continuum wherein the dynamics must be recognized if there is to be effective control of the quality of the environment. The dynamics include the hydrologic cycle, changes in the waste sources, changes in the regulatory process, and a growing recognition that control of point sources is of less and less importance in controlling water quality. Other factors of increasing importance include land erosion, sediment control, chemicals carried in air from natural as well as man-made sources, transportation sources, land wash, agriculture practices, sludges from wastewater treatment, spills and accidents. The 1972 Act talks about planning which should include these factors but makes no specific mandates on their control. The significance of these influences is being ignored in setting standards, time schedules and implementation programs.

Industrial management generally does not understand the impact of the permit program. Neither does the Congress nor state legislators. Boards of directors are asked to approve funds for expenditures for projects which can not be described as adequate to meet standards which may be imposed in one or five years. Moreover, the imposition of criminal liability provisions will influence decisions of persons seeking management positions because the permit requirements and standards being proposed exceed levels which can be reasonably maintained even with well designed and operated equipment. Industrial management must learn courts may be the only recourse, despite adverse publicity, if there is no reasonable administrative route and if plants are to be kept operative without harassment or inordinate financial stress. If guidelines were truly that instead of inflexible standards as EPA interprets the law, there would be room for negotiation. Moreover, EPA consultants' reports proposing standards are mostly based on meager data and reported as rationalized to the point of acceptability and then reduced to a single value to be applied to a generic industry.

Concerns and questions which are appearing in review of EPA consultant reports proposing standards were described by Drs. Sager and Bower to include:

Concern over recommendations that the solution is to place the waste on the land without appraising that impact;

Whether the standard is reasonable not only from the technical but also the cost-effective basis even though this is proscribed by the law;

Whether the EPA consultants understand all the factors which dictate the waste load in any plant (source of raw material, product, material mix, product mix, . . .) and propose standards which allow variation with such variables;

Whether the proposed standards recognize variation of waste load with change in production and with differences in season or area climate;

"Best control technology" required by the law is not the same as "best waste control technology" so new attitudes are needed towards process change rather than rely on waste treatment;

"Best available treatment" (BAT) standards must be announced simultaneously with "best practicable control technology" (BPCT) if there are not to be decisions to provide BPCT only to find later that these facilities could not be part of BAT facilities;

BPCT standards set regardless of cost implications unless they can be introduced via an impact statement, which is expressly not required by EPA. More than BPCT must be provided if that is not adequate to meet stream standards and again with no consideration to costs. Beyond BPCT to set BAT requirements cost is to be considered only in terms of incremental benefits;

Consultant reports recommending zero discharge as best practicable when the law does not mandate zero discharge before 1985 at the earliest. (This caused the advisory council to require two reports to be modified.) (Incidentally, all advisory committee meetings and workshops (wherein some committee members meet with the contractor, the EPA representative, industry representatives and others) are public and the scheduled dates can be obtained by calling Dr. Sager's office—703–557–7390.)

The subject of standards of quality for streams and for discharges into streams and into sewers strengthened the conviction of those who felt the Congress was ill-informed when it adopted the 1972 enactment. Under the pressures of environmentalists seeking zero discharge the Congress voided the 1965 law wherein cause and effect were to be determined. As a result there are now standards for sewer discharges which are one-tenth to one-fiftieth of the concentrations permitted in drinking water.

Moreover, bedroom communities with no industry are showing as high concentrations of mercury, cyanide and hexane solubles (supposedly a measure of oil and grease) as communities with industries. The source is food wastes and there is no industrial wastewater or infiltration to dilute the concentrations.

Are the concentrations harmful? Obviously not if the drinking water standards are higher but the conference emphasized that the new philosophy ignores effect and is directed solely towards enforceability. But even that is not clear-cut because other speakers provided data to prove the analytical procedures are not accurate at those levels and that the range in operational control for well designed and well operated treatment plants, municipal and industrial, can not maintain compliance with standards as now written.

The 1972 Act was also criticized in its sections which discourage joint municipal-industrial waste treatment. Gerald Remus, head of the Detroit metropolitan district, reviewed reasons why joint treatment is essential for stream quality control as well as for practical reasons and then went on to explain the need for technically qualified persons to reassert leadership. He argues the public has had so many false scares and unfulfilled promises that it is getting confused and confusion leads to boondoggling. In his opinion the program will soon be chaotic unless the technical people do speak out and the well intentioned members of Congress heed their advice.

However, he warned that the attention of Congress and EPA, now limited to what can be done technically, must be broadened to include financial capability and adequate administrative capacity or failure is assured. By administration he meant a new look at regional local government because that is the only place the job will be done.

Mr. Remus was not impressed with the effort prompted by the 1972 Act to develop a complicated sewer user rate to assure industrial funding of its just share. He questioned the benefits of expanding large funds on complicated formulas and billings but noted that a district such as Detroit with 77 communities connected to it would have an impossible task of interfering with administrative activities in all the communities. Mr. Remus noted that many industrial wastes considered undesirable a few years ago are now purchased as coagulant aids and further that controls to prevent slugs or sewer damage would be adequate pretreatment for most wastes.

The Chicago story by Earl Knight was different. There the effort is to further restrict industrial connections to allow the district plants to meet state adopted stringent standards. The report on Los Angeles was to the effect that if all metal plating establishments were disconnected from the sewers, the municipal effluent would still not meet standards adopted by the state and approved by the federal agency for discharge to the ocean. Trace metals in foods are more than enough to violate the standards. Data on the analytical methods showed that the adopted standards for ocean waters can not be measured because of interference from the high sodium concentration in sea water.

Despite the deficiencies in data and justifiable standards EPA spokesman Srini Vasan assured the audience that permits will be issued—some 10,000 permits in Region 5—and at an expected rate of 500 a month over the next 18 months to meet the deadline. The EPA statement that the permit may not be perfect but will allow industries five years of compliance was questioned by a reference to the arguments of the Justice Department in the Pennsylvania Industrial Chemical Company case that no one can place reliance on the assurance of a federal agency employee when there is a specific law which provides requirements. In this case the 1972 Act requires changes in permits if there is a change in plant operations or if a new standard is adopted. And Dr. Sager did report that her committee will be revising standards regularly. In fact, the law calls for yearly revisions.

Dr. Sager bemoaned the negative attitude which prevailed at the conference and announced her committee had a positive attitude, with a recognition that completion of adoption of standards to meet the 1972 Act deadline does not imply perfection or even the best of standards but they can always be changed.

That moving target with a double standard for industry and city and disagreement between EPA and the Congressional staff man offered the reason for the prevailing negative attitude. And the dominant role of the lawyer in designing a system which prevents not only an evaluation of standards to protect the environment but also the design of facilities which will with assurance meet those standards prompted the remark from the audience to Mr. Cummings that there is merit in the bumper sticker which reads, "If you want to improve the environment, shoot a lawyer."

IMPACT AID FOR IDAHO

Mr. CHURCH. Mr. President, the Public Law 874 program which provides Federal aid to schools in impacted areas has in past years provided the necessary funds to keep many Idaho school districts afloat. Thus, I find the current attack on this program by the administration quite alarming.

After President Nixon expressed an unwillingness to expand the fiscal 1973 funds appropriated by Congress for this purpose, repeated efforts were made in both Houses of Congress to mandate the release of these vital funds. On two occasions, Congress passed legislation, subsequently signed into law, which provided for the release of these impounded funds.

The first, the urgent supplemental Appropriations bill, released approximately $415 million in Public Law 874 funds. I am pleased that, soon after its passage, these funds were disbursed to our Idaho school districts. The second, the supplemental appropriations bill passed by Congress on June 29, released an additional $59 million of the fiscal 1973 funds appropriated for this purpose. Unfortunately, President Nixon did not sign this legislation into law until July 1, 1973—1 day after the fiscal year expired. Now the administration claims that it is not bound by the terms of the bill, because it was not signed before the close of the fiscal year. Hopefully, alternative efforts underway to release these funds will be successful; $59 million may not be much when it comes to financing 20 days of bombing missions over Cambodia, but it goes a long way in helping public school districts eligible for such aid. It is imperative that education receive the priority attention that it requires; and I urge my colleagues in the Senate to support the retention of the Public Law 874 support, as well as other necessary education programs.

I applaud the recent action of the House Appropriations Committee in allocating $591 million for Public Law 874 in fiscal year 1974. This allowance would continue the program at nearly the fiscal 1973 level authorized by Congress. Mr. President, as the Members know, only $41.5 million was requested in the fiscal 1974 Nixon budget for the program—wiping out all funds for category "B" students and providing only for the funding of category "A" students at State-local option under education revenue sharing. I feel confident that the Senate Appropriations Committee will give careful attention to the recommendations of the House and I urge their support for comparable funding levels.

Recently, I presented testimony before the Labor-HEW Subcommittee of the Senate Appropriations Committee in which I reiterated my interest in this program and shared with them many letters of support I had received from our Idaho school superintendents earlier this year. I ask unanimous consent that my testimony before the committee and the letters from my constituents be printed in the RECORD.

There being no objection, the testimony and letters were ordered to be printed in the RECORD, as follows:

TESTIMONY BY SENATOR FRANK CHURCH BEFORE THE SUBCOMMITTEE ON LABOR, HEW, SENATE APPROPRIATIONS COMMITTEE

Mr. Chairman and members of the Subcommittee, I am pleased to have this opportunity to present testimony on behalf of the P.L. 874 program which provides aid for federally impacted areas. Since its inception, this program has been vital to many school districts in Idaho as well as across the nation.

In Idaho, we experience a problem in raising revenue for education quite different from that of more densely-populated states. In Idaho, as in other states, property taxes constitute the base of education revenue. However, with two-thirds of the land in Idaho owned by the Federal Government, there is not a large property-tax base upon which to draw, and the procurement of P.L. 874 funds to compensate for this tax loss has kept alive many of our Idaho School Districts. In several of the Idaho school systems, P.L. 874 funds account for over 11% of the total budget and the absence of these funds would mean the dismissal of teachers, the loss of important programs, and the inability to maintain adequate facilities. The Fiscal 1973 entitlement under this program for Idaho is $2,890,889.00; the actual payments to date have amounted to $2,601,775.00. The entitlement figure constitutes approximately 4.3% of the total budget picture for those schools participating in the P.L. 874 program. I fear the loss of nearly 3 million dollars in impact aid could result in severe consequences for the public schools of Idaho.

I applaud the recent action of the Senate during the consideration of the Urgent Supplemental Appropriations Bill, which mandated the funding of Category A students under the P.L. 874 program at 90%, heavy impact areas at 100%, and all Category B students at 54%. The previous witholding of these funds by the Administration had endangered many school operations where administrators had budgeted in the good faith expectation that the money would be received. I hope, too, that the additional increase in the funding level of the Category B students to 68% of their entitlement, as agreed upon by the Senate and House in the Second Supplemental Appropriations Bill, will result in an additional release of the funds appropriated by Congress for this purpose.

Earlier this year, in the midst of the President's impoundment of P.L. 874 funds, and in face of the Administration's budget request for the funding of Category A students at State option under Education Revenue Sharing, I received numerous letters from Idaho school superintendents in support of the retention of categorical aid for the P.L. 874 program. Their letters relate, far better than I can, the importance of this program to the education needs of Idaho. Much can be gained by viewing the concern of the people who work most closely with this program. Accordingly, I ask that these letters be made a part of the hearing record.

In closing, I urge the Committee to give utmost consideration to the full funding of the P.L. 874 program. Education must not be set on the backburner for a few years and then rekindled again. Congress must not abandon its responsibility to the younger generation. We must continue our pursuit of high standards for education.

SCHOOL DISTRICT 193,
Mountain Home, Idaho, March 30, 1973.
Hon. FRANK CHURCH,
U.S. Senator, Senate Office Building,
Washington, D.C.

DEAR SENATOR CHURCH: As you are aware School District No. 193 is a heavy P.L. 81-874 impact aid school district; 64% of our 1972-73 enrollment are impact students. Our 1972-73, RSF-1 report to the USOE reflected 1725-3 (A) pupils, 347—dependents, uniformed services 3 (B) pupils and 450—civilian 3(B) pupils.

Approximately 75% of School District No. 193 is under Federal ownership; these lands are exempt from local taxes which support the public schools. According to the State Board of Education, ad Hoc Education Committee Report issued November 9, 1972, School District No. 193 ranks 112 out of 115 Idaho School districts in assessed valuation per average daily attendance for 1971-72.

For Fiscal 73 impact funds are provided under a continuing resolution. To date we have received, for Fiscal 73, $653,310.00 which is 80% of our entitlement based on 100% of 1725 3(A) pupils, 347, 3(B) pupils (dependents, uniformed services and 0% for 450 3 (B) pupils (civilian).

Zero percent of zero entitlement for 450—3 (B) pupils (civilian) means a loss of approximately $95,000.00 to School District 193. In terms of local tax levy to raise this amount of revenue would require a levy of seven (7) mills on our local property taxpayers.

During a recent phone conversation with the U.S.O.E. in response to an inquiry about another payment later this spring (during April or May) the reply was that the outlook for another payment was not encouraging. This payment is for the previously approved entitlement, cited above, which does not include any entitlement for 450 3(B) pupils (civilian). We have submitted a written request for an emergency payment for the balance of this entitlement to be received hopefully no later than May, 1973. If this request is not approved and the funds received, the loss of P.L. 81-874 to the school district will be in excess of the $95,000.00 referred to above. Accordingly, the local mill levy needed to raise an equivalent amount of money would also exceed the seven (7) mills specified above.

With reference to Fiscal 74; the Administration's budget proposal includes funding for 3 (A) pupils only. Hence, a further reduction in funding for P.L. 81-874.

These funds (P.L. 81-874, 3(A)) are within a conglomerate entitled—Education Revenue Sharing. To date, we have not received detailed information on this proposal, therefore, we do not know if these funds, or for that matter, if any of the Education Revenue Sharing funds are to be distributed as flow-through to local school districts. Therefore, we envision the potential for a further reduction of P.L. 81-874 funds to School District No. 193.

I wish to reaffirm my appeal of January 16, 1973 that in the event Congress approves Education Revenue Sharing legislation, you will propose and/or support requirements in the law, whereby, distribution of P.L. 81-874 funds within the Education Revenue Sharing package are on a flow-through basis to the local district. I encourage provisions whereby all Education Revenue Sharing Funds be on a flow-through basis with support funds to the State Department of Education for administration and supervision of the Education Revenue Sharing Program.

Financial burdens are created for local school districts by federal activities and these burdens are not limited to the initial impact but are continuous in nature. Therefore, the federal government should continue to provide a program of school assistance in federally affected areas. The current provisions of this Act are sound, administration requirements are not cumbersome and complex and can be administered with relative ease. Also, the present distribution formula of P.L. 81-874 has a built-in provision that takes into consideration local tax effort.

The rationale and justification for P.L. 81-874 has been clearly developed and consistently supported by research and testimony. The federal government has a responsibility to dependents of all federally connected families and to those school districts which provide education to those dependents; these dependents are entitled to a sound, stable educational program.

It is to the best interest of all concerned that these school districts continue to provide educational services for these federally connected pupils and P.L. 81-874 is the best vehicle for discharge of this federal responsibility.

Our school district fiscal planning is constantly in jeopardy and haphazard because of the hesitancy on the part of the federal government to give us assurance and direction in meeting their financial obligation in supporting federal impact areas. These funds are used to pay salaries, purchase supplies and equipment, provide support services and general maintenance and operation activities. In addition, educational growth in terms of personnel staffing, curriculum enrichment and school construction are real every-day problems that we must face, yet we cannot budget and plan without knowing what monies are available in support of our local needs.

School districts commence detailed budget planning and projections for the next fiscal year early in the calendar year. By this time in the calendar year we need to know with a realistic degree of certainty, the level of federal funds we can anticipate for the ensuing school year. P.L. 81–874 funds are an integral part of our school district operation and financial structure; they are a basic element in our total educational program.

Therefore, we earnestly solicit your support for continuation of P.L. 81–874 with 100% of entitlement for all 3(A) and 3(B) pupils. Your assistance in our behalf in promotion of this vital program will be appreciated.

Respectfully,

JACK E. JONES,
Superintendent.

MADISON SCHOOL DISTRICT 321,
Rexburg, Idaho, March 20, 1973.

Hon. FRANK CHURCH,
Senator for Idaho,
Senate Office Building,
Washington, D.C.

DEAR SENATOR CHURCH: We are, along with the rest of the other school districts in Idaho, very concerned with the availability of P.L. 874 funds. Our school district has not used these funds in the past. However, this year because of the activities and the construction of the Teton Dam, we do qualify for funds under the B part of the 874 program.

We have identified 168 students whose parents are federally employed, which represents 6% of our school enrollment.

Our district has one of the lowest expenditures per student ratios in the state of Idaho, and these additional students only add to the burden of being able to support an adequate educational program.

We urge you to use whatever influence possible to bring about the availability of 874 money to cover the students in the B category as designed in the P.L. 874 program.

Sincerely,

DR. J. H. WAITE,
Superintendent.

BOUNDARY COUNTY SCHOOL DISTRICT
No. 101,
Bonners Ferry, Idaho, March 9, 1973.

Hon. FRANK CHURCH,
U.S. Senate,
Washington, D.C.

DEAR SENATOR CHURCH: In response to a request concerning testimony for Public Law 874 appropriations we herewith are providing information concerning the effect the loss of PL874 funds will have upon the fiscal and educational program of Boundary County School District 101.

The entitlement for Boundary County School District 101 for the 1971–1972 school year was $28,690. Approximately the same amount of Public Law 874 funds were budgeted in the 1972–1973 fiscal year budget. Not only would the loss of these funds seriously curtail our maintenance and operation budget for the coming year, but would in the final analysis mean that it would be necessary to cut back our costs this coming year in those areas that we can least afford, namely in the area of textbooks, supplies and other teaching materials. Since teaching staffs are already under contract it is obvious that any cutbacks during the current year have to be made in other areas. For example, if we are to assume that we would have received $28,690 again for the 72–73 school year, this would have supplied most of the teaching supplies and consumable items at both the elementary and secondary level this year. Inasmuch as the funds were not received, this simply means that either we do with less teaching supplies and consumables or we overexpend our budget in those areas. It is also extremely unfortunate that our budgets have to be prepared prior to the time that Public Law 874 comes before Congress for consideration. When a district stands to lose five or six percent or even more of their operating budget this creates an intolerable situation as far as school districts in Idaho are concerned.

Boundary County School District is composed of approximately 800,000 acres of which 458,000 are federally owned and 75,600 state owned. Thus approximately 66 7/10 percent of the acreage in Boundary County is non-revenue producing land. It seems inconceivable consideration is being given to further penalizing our district through withdrawal of additional federal funds. In addition, our district is levying 30 mills at the local level which is the maximum levy allowed by the State of Idaho. Thus it is readily apparent that this loss of funds could not be made up by additional local levies. Calling to your attention a letter dated February 1, 1973 and signed by Dr. S. P. Marland, Jr., Assistant Secretary of Education, he states under the highlights of the 1974 budget in Item 7 that programs recommended for elimination include impact aid payments for children whose parents work for the federal government but do not live on federal property. His rationale for this elimination is that since parents pay local property tax like other citizens these children do not constitute any exceptional economic burden on local schools. However, it must be perfectly obviously to even Dr. Marland that if 66 7/10 percent of the land area in a school district is not on the tax rolls then certainly this school district is being penalized and in addition the taxpayers of the school district are being penalized. Without taking into consideration that there may be some injustices in the administration of Public Law 874, the fact remains that at the present time this is the only method by which a school district may recover federal monies to replace the loss of revenue incurred as a result of the Federal non-revenue producing land in our school district.

Thank you for your interest in the school districts of the State of Idaho and we urge you to make every effort to see that Public Law 874 is funded at not less than its current level.

Sincerely,

RICHARD D. HAWORTH,
Superintendent of Schools.

BOISE, IDAHO,
March 7, 1973.

Hon. FRANK CHURCH,
U.S. Senate Office Building,
Washington, D.C.

DEAR SENATOR CHURCH: I am pleased to hear that you will be testifying on P.L. 874. If schools in Idaho ever needed a strong voice on their behalf, it is now.

I strongly urge your support in retaining P.L. 874 and Part B students of the Act even though there seems to be a general feeling that some wealthy districts are receiving funds whose needs are not great. Any loss of revenue, no matter how small, is very hurtful to us.

Last year the Boise schools received $263,609 which in terms of local taxes is 2 mills. To further break it down, we had 1,744 Part B students with an entitlement of $258,412 and 14.8 Part A students at 5,197 making the total $263,609. Using our new survey count and the same computational formula, next year we would lose about $250,000 if appropriations for Part B were deleted from the bill.

It seems to me that the Part B student allotment is more than justifiable for two reasons:

1. Over 65% of the land in Idaho belongs to the Federal Government and is non-taxable.

2. If the Administration is truly interested in providing non-categorical funds for education with less red tape, I can think of no better way than through P.L. 874 as this is the only federal grant with no strings attached, as far as expenditures go.

We are in the very difficult position of preparing our budget for next year with no real assurance that 1973 appropriations will be fully funded or that fiscal 1974 will include federal funds. It seems that a phase-out period would be most appropriate if special Revenue Sharing is to be the new name of the game.

Thank you so much for your past consideration and help. I know your testimony will be thoughtful and succinctly point up the needs in our state.

I am enclosing a copy of a summary of Federal funds for your review. All of these important programs seem to be in a most precarious position for next year.

Sincerely,

MRS. GERI PLUMB,
Coordinator, Federal Programs.

JOINT SCHOOL DISTRICT No. 241,
Grangeville, Idaho, March 9, 1973.

Hon. FRANK CHURCH,
Senator from Idaho, Old Senate Office Building, Washington, D.C.

DEAR SENATOR CHURCH: We know you are doing what your can to keep Federal money coming to Impact Area schools and we appreciate your efforts.

It should be pointed out that school districts were not aware of the cut back or cut off of funds at budget time. We have now completed 70% of the school year and no 874 money for B students seems to be in sight. If impact area programs must be phased out it should be done gradually so we can plan and make the adjustments from year to year. As you know about 70% of our budget goes to teacher's salaries which must be contracted in April of each year.

We are now pleading that congress fund the 874 program at the same level as last year.

A better solution to all of this would be for the Federal Government to just pay taxes on its holdings to state and local governments.

Again, we appreciate your efforts and if we can help in any way please let us know.

Sincerely,

EARL VOPAT,
District Superintendent.

SCHOOL DISTRICT No. 394,
Avery, Idaho, March 8, 1973.

Sen. FRANK CHURCH,
U.S. Senate,
Washington, D.C.

THE HONORABLE SENATOR CHURCH: P.L. 874 funds are of prime importance to our school district for operation of our schools.

As our district has a very high impact from logging and the Forest Service, resulting in approximately 25% of our student population being connected with federal activities, any loss of funds under P.L. 874 would seriously jeopardize our educational program.

Our district is presently levying 35 mills for maintenance and operation, 5 mills for school plant facilities and 15 mills for Bond interest and redemption. As P.L. 874 funds have amounted to approximately 8% of our operating funds, loss of this amount would necessitate increasing our levy by nearly 3 mills.

This would place an additional burden upon the property owners and not distribute a fair share of the tax load back to the Federal government.

As I am sure you have been amply supplied with many facts and figures concerning the total problem of inadequate funding through reduction of Federal Funds, I will not burden you with more figures but only appeal to you to use your influence to halt reduction of our P.L. 874 funds.

I have reviewed your stand concerning executive impoundment and wholeheartedly agree with the stand.

Sincerely,

PHILIP A. STANLEY,
Superintendent.

JOINT SCHOOL DISTRICT NO. 41,
St. Maries, Idaho, March 8, 1973.

Hon. FRANK CHURCH,
U.S. Senate,
Washington, D.C.

DEAR MR. CHURCH: Along with many other superintendents in Idaho I am gravely concerned about the failure of President Nixon to recognzie the fiscal position he has placed many Idaho school districts in by not properly funding P.L. 874. I realize that a man who deals with billions of dollars may have difficulty realizing that twenty-two thousand dollars is a most significant sum of money to a small school district.

We budgeted this amount in good faith with full expectation that it would help us buy critically needed instructional supplies and help fulfill other vital needs of our children.

Does the President have any suggestions as to which of our programs we should take away from the children?

Sincerely,

JAMES W. TODD,
Superintendent.

SCHOOL DISTRICT NO. 25,
Pocatello, Idaho, March 7, 1973.

Hon. FRANK CHURCH,
U.S. Senator,
Washington, D.C.

DEAR SIR: It is my understanding that on March 15, 1973, Public Law 874 will again be discussed in the Congress.

I believe it would be rebundant to review all of the rational and all of the reasons why school districts in Idaho need and depend on 874 aid. I am sure you are acquainted with our problems.

Let me again urge you, however, to do whatever is possible to have Public Law 874 continued.

Sincerely,

W. JAMES BRANVOLD,
Business Manager.

JOINT SCHOOL DISTRICT 391,
Kellogg, Idaho, March 7, 1973.

Hon. FRANK CHURCH,
U.S. Senator for Idaho,
Senate Office Building,
Washington, D.C.

DEAR SENATOR CHURCH: I would urge your continued vigorous support of full funding for Category B students under Public Law 874.

This school district will lose approximately $22,905.00 if this category of federally-connected student is not funded.

Approximately 85% of the land in this school district is federally owned forest lands and Category B students represent almost the total part of our 874 students. With this high percentage of non-taxable land in the district it is essential that the district have some avenue of recourse in lieu of taxation. It would appear entirely logical to draw 874 funds on the basis of the number of students whose parents are here because of the work on federal lands.

Sincerely yours,

LESLIE A. LARSEN,
Superintendent of Schools.

SNAKE RIVER SCHOOLS DISTRICT NO. 52,
Blackfoot, Idaho, March 6, 1973.

Hon. SENATOR FRANK L. CHURCH,
Congressional Office Building,
Washington, D.C.

SENATOR CHURCH: It has been our privilege of receiving some assistance in helping to better our educational program in the Snake River School District #52. This assistance has been in the form of Impaction Aid from P.L. 874. We have the AEC Site bordering our School District and of course we have people living in our district which work there. We have had people move to our district because of the work they have at the site.

It is unfortunate that school districts can't have the foresight to see the problems that arise when such Federal Funds are given. We feel that the Federal Government should consider a weaning program that will allow the school districts to absorb the additional burden placed on a district by its Federal Funds, which they have been accustomed to receiving, being deleted from their budgets.

This year has been hard on our school district because we built into our budget $37,000 for P.L. 874 and this goes directly into operational expense money. We haven't received this money and normally our balance at the end of the year is only $8,000. We cut it close but have an excellent Educational Program. So you can see we must try and makeup this difference by adjusting our program downward.

If we do not have this money next year it means a reduced amount of New Money for the district operation and will create a hardship and a reduced educational program.

May, we suggest that we should be given a year or so to phase Federal Programs out in a graduated manner. Also, that if possible that this impaction money be stipulated in the future as a part of the Revenue Sharing Funds sent to the states for both A and B Students.

SHELLEY PUBLIC SCHOOLS DISTRICT
NO. 60,
Shelley, Idaho, March 7, 1973.

Hon. SENATOR FRANK CHURCH,
U.S. Senate,
Senate Office Building,
Washington, D.C.

DEAR SENATOR CHURCH: The increase in costs, the growth of inflation, and the resulting desperate financial condition of our school district; as a result of the apparent elimination of P.L. 874 funds for "B" students, are the reasons for writing this letter to you. With the drastic reduction or elimination of P.L. 874 funds we will probably have to reduce our educational services to the children. If federal funds are going to be reduced or eliminated it should be done far enough in advance so we don't include these anticipated funds in our budget.

We appreciate your efforts and thank you for your continued support to restore the P.L. 874 appropriation.

Sincerely,

DONALD J. HOBBS,
Superintendent.

LAPWAI PUBLIC SCHOOLS,
Lapwai, Idaho, March 6, 1973.

Hon. FRANK CHURCH,
U.S. Senate,
Washington, D.C.

DEAR SENATOR CHURCH: I would like to emphasize the fact that loss of P.L. 874 funds would have an adverse effect upon our overall education program. In our small school with a budget of around $400,000, the loss of $50,000, that we have anticipated from 874 and have included in our budget, would simply mean that we would come up that amount short. To reduce these funds from next year's budget would wipe out any increase that might be forthcoming from the state.

Our teachers' salaries compare favorably with others in the state, however, they have not had a base salary increase in 5 years, only the increment which has not kept pace with the cost of living increase.

Our district would appreciate your efforts to keep 874 alive.

Yours truly,

JEFF WILSON,
Superintendent.

BLAINE COUNTY SCHOOL DISTRICT NO. 61,
Hailey, Idaho, March 7, 1973.

Hon. FRANK CHURCH,
U.S. Senate,
Washington, D.C.

MY DEAR SENATOR CHURCH: We have been advised by Mr. Jack Jones, Chairman of our organization in connection with P.L. 974 appropriations, that it is your intent to submit testimony to the Senate Appropriation Committee in an effort to obtain release of those funds presently impounded by the President.

For your information, Blaine County Schools has on file an application for $38,000.00 covering students in category B under provision of this act. It is this amount our district will lose if Congress is unsuccessful in their efforts.

I'm certain you are aware, that since these funds were withheld without prior warning, most school districts in the State have budgeted this anticipated income as expenditures for the present year's operation.

We wish you to know we are deeply appreciative of your continued efforts on the part of education and most certainly wish you success in connection with this present project.

With all good wishes.

Sincerely yours,

RAY O. JEFFERSON,
Superintendent.

COUNCIL SCHOOL DISTRICT NO. 13,
Council, Idaho, March 6, 1973.

Hon. FRANK CHURCH,
U.S. Senate,
Washington, D.C.

DEAR SENATOR: I'm addressing this letter to you to reinforce the argument for sustained funding thru PL–874, and I do this realizing that the total Federal Budget must be cut somewhere.

In this particular instance, we receive varying amounts from year to year—usually around $24,000. Too, this amount goes directly to our M/O fund for teachers' salaries and etc., where a school needs it the most. I have heard that some of the "fatter" school districts which do not need the money are getting a great deal from the fund. This is no reason to wipe out the program, as it could be altered in such fashion that any school district beyond a certain wealth per child would not qualify by reason of that wealth.

Finally, I believe that there is a mis-match of priorities. I wasn't going to write this letter until I heard as a news item the plans to rebuild North Vietnam with American dollars. I simply cannot understand this kind of thinking, and neither can any other teacher in this district. I don't think that we can all be wrong here.

Thank you for permitting me to express my opinion.

Respectfully,

MORT CURTIS,
Sperintendent.

Worley Public Schools,
Worley, Idaho, *March 6, 1973.*
Senator Frank Church,
Senate Office Building,
Washington, D.C.

Dear Senator Church: Received a copy of the letter that you had written to Jack Jones concerning Aid to Impact School Districts.

As you probably know we are having problems. Last spring I put $17,000 in my budget, expecting to receive at least this amount from Federal Funds (874). The year of 1970–1971 we received $19,000; last year 1971–1972 we received over $22,000. So far this year we have received nothing.

Our school district is composed mainly of Indian Land, located on the Coeur D'Alene Indian Reservation. We have 33 Indian Students attending school here. This is the basis for our 874 money. The Board of Trustees feel that we should receive some compensation for this non-taxable land to help defray expenses of these students coming to our school.

I know there are other school districts in Idaho in the same situation, so if you can derive a formula to help our schools get money to operate it certainly would be appreciated.

Sincerely,

L. J. Lanter,
Superintendent.

Potlatch Public Schools,
Potlatch, Idaho, March 7, 1973.
Hon. Senator Frank Church,
U.S. Senate Office Building,
Washington, D.C.

Dear Senator Church: This letter is written to express our concern over the effects that the loss of Public Law 874 funds will have on the educational program of our school district. The school district has been receiving about $4,500.00 a year for educational programs from this source.

The plight of public education in Idaho is a matter of continuing concern to all educators. The expected loss of federal funding in most school districts causes an even greater hardship on the already over-burdened tax-paying public. Educational opportunities for our children are reduced at a time when we all know there is more to learn.

It is requested that you support the continuance of funds provided by Public Law 874, and that federal funding of public education in general merit your favorable consideration.

Sincerely,

Melvin E. Hirschi,
Superintendent of Schools.

Joint School District No. 171,
Clearwater County, Idaho, March 7, 1973.
Mr. Frank Church,
Senator, Senate Office Building,
Washington, D.C.

Dear Senator Church: We have been urged to write you concerning the drastic reduction in PL 874 funds in our district. Little urging was needed for me to do so, as we have this revenue in our budget for expenditure during the 1972–73 school year. Our loss for 1973 is $133,678.00.

Without dwelling on the reasons it appears where these funds are in the budget, a provision should be made to phase out the funds over a period of years so a financial adjustment can be made. Once funds are received from this source the income becomes locked in the expenditures and it is difficult to reduce financially to this loss without destroying educationally beneficial programs for the students. Actually this loss will never be recovered instruction wise.

Thank you in advance for your past cooperation and your continued support in this matter.

Sincerely,

Michael L. Cassetto,
District Superintendent.

Joint School District No. 215,
St. Anthony, Idaho, March 8, 1973.
Senator Frank Church,
U.S. Senate,
Washington, D.C.

Dear Senator Church: The 874 funds, category B, represents a loss of approximately $32,000 to Fremont County Schools. As Superintendent of Schools, I must adamantly state that we can ill afford the loss, especially when it is part of our integral budget, which is already committed for this year.

The very least consideration that these federal programs should give school districts would be sufficient forewarning of cuts to adequately and efficiently budget for them. This is inefficient use of public funds in a dramatic manner. Tax dollars are extremely difficult to come by in education. It seems difficult to accept the philosophy that they can be so easily taken away.

Yours truly,

M. Duane Handy,
Superintendent of Schools.

Cascade Public Schools,
Cascade, Idaho, March 8, 1973.
Senator Frank Church,
U.S. Senate,
Washington, D.C.

Dear Senator Church: I would like to give you a little information about the effects of P.L. 874 on Cascade School District No. 422 if it is not properly funded. Our school district generally receives between twelve and fifteen thousand dollars a year. These monies are based mostly on B students since we are a logging community. The loss of these monies will cause a cutback in our educational program, which may include one teacher and possibly two.

The Title I program has provided us with the necessary monies to help students with reading difficulties. If these funds are not allocated our program will have to be dropped.

Title II program has provided us with excellent reading materials. These provide our students to increase their reading abilities. We would not be able to purchase these excellent library materials without the aid of Title II.

Title III NDEA has helped to increase our vocational facilities. We must continue to provide the best vocational education possible since our society is geared this way. These funds will help us to continue to improve our facilities.

We hope that you will support all of these programs since they affect all the schools in Idaho.

Sincerely,

Eugene J. Novotny,
Superintendent.

Blackfoot School District No. 55,
Blackfoot, Idaho, March 9, 1973.
Hon. Frank Church,
U.S. Senate,
Washington, D.C.

Dear Sir: I am writing this letter in regard to Public Law No. 874, Federal Impact Aid. We have passed the midpoint of this 1972–73 school year and as yet have not received any funds from the above program. This district expected to receive approximately $150,000.00 for "A" category students and $114,000.00 for "B" category students. In order to replace these funds, it would take a local mill levy of 16.5 mills over and above the 30 mill levy we are presently assessing for maintenance and operation in the school district. Such a levy, at this time, is legally impossible for this school year.

The deletion of the "B" category, in the State of Idaho, means that approximately $2,153,349.00 will be lost in benefits to Idaho public schools for education. Our present budget in District 55 includes the $264,000.00 previously mentioned. We are now facing a financial crisis. We urge you to do all that you can within your power to see that Public Law No. 874, Federal Impact Aid bill is restored and funded so that the present programs that were started at the beginning of the 1972–73 school year, which included the financial assistance of 874, can be completed.

Sincerely,

Spence Gardner,
Superintendent.

AN AWARD TO DON CARTER

Mr. TALMADGE. Mr. President, the editors of Dixie Business magazine, published in Decatur, Ga., by Mr. Hubert Lee, have awarded the 1972 "Public Service in Reporting" award to Don Carter, executive editor of the Macon, Ga., Telegraph-News. Mr. Carter was cited for his series of splendid articles reflecting on his trip to the People's Republic of China. These articles have attracted widespread attention and acclaim, and I salute Mr. Carter on this award.

I ask that the article from Dixie Business magazine announcing the award be printed in the Record as a part of my remarks.

There being no objection, the test of the award was ordered to be printed in the Record, as follows:

Award to Don Carter

Don Carter, executive editor of the Macon, Ga., Telegraph and News is winner of the Dixie Business Public Service in Reporting Award for 1972.

History will make much of the opening of China by President Nixon in 1972 and Don Carter's series on China reads like a Marco Polo sightseeing tour of China.

Don Carter is one of the great newspapermen I have known.

When John Pennington won our "Public Service Award" in 1957 he wrote:

Reporter—John Pennington, member of Don Carter's star-studded team of reporters for The Atlanta Journal, is winner of the Dixie Business "Public Service in Reporting" award for 1957.

Don Carter's series about China won him a special award at the Georgia AP Association convention held in Columbus Ga., June 17, 1973.

Newswriting judges were John W. Bloomer, managing editor of Birmingham News: Ernest Cutts, managing editor of The Charleston Post, and James J. Lund, managing editor of the Daily Herald, Biloxi, Miss.

Don Carter was president of the AP Managing Editors Association in 1971 when John Roderick received the reporting award for his stories from the Chinese mainland during the April 1971 tour of the table tennis players. Roderick was the first American news service reporter admitted to the mainland in two decades.

Don Carter was born in 1917, a few months after my first byline appeared in old Lone Scout magazine for February 1917 on "The Gate City of the South".

It was at an Atlanta reunion of old Lone Scout writers in 1957 when John Pennington received his reporting award.

Don is a cousin of Georgia's Governor Jimmy Carter.

Here is the "Who's Who in America" sketch on Don Carter:

> Carter, Don Earl, newspaper editor; b. Plains, Ga., June 22, 1917; s. William Alton and Annie Laurie (Gay) C.; student Ga. Southwestern Coll., 1934–36; A.B., U. Ga., 1938; m. Carolyn McKenzie, Oct. 3, 1942. Reporter, Atlanta Jour., 1938–39, farm editor, 1940–41, municipal govt. reporter, assist. city editor, 1946–50, city editor 1951–59; editor Baxley (Ga.) News-Banner, 1939–40; exec. dir. Newspaper Fund, Wall Street Jour., 1959–61; founding mng. editor Nat. Observer, 1961–67; exec. editor The Record, Hackensack, N.J., 1967–71, Morning Call, Paterson, N.J., 1967–69; v.p. Bergen Evening Record Corp., 1968–71; exec. editor Macon (Ga.) Telegraph and Macon News 1971—. Tchr. journalism eve. div. Ga. State Coll., 1950–59; lectr. Am. Press Inst., Columbia, 1953—. Pulitzer award juror, 1968–70. Bd. dirs. Newspaper Fund; adv. council journalism St. Bonaventure U., N.Y.U.; trustee Ramapo Coll. of N.J., 1969–71. Served to capt. AUS, 1941–45. Decorated Bronze Star; recipient citation service to journalism Theta Sigma Phi. 1961, U. Neb. Sch. Journalism, 1962. Mem. A.P. Mng. Editors Assn. (pres 1971), Am. Soc. Newspaper Editors, Am. Newspaper Pubs. Assn., Phi Beta Kappa, Sigma Delta Chi (pres. Atlanta 1957–59, nat. dir. 1958–59, 66–67, 69–71), Omicron Delta Kappa, Phi Kappa Phi, Phi Delta Epsilon, Kappa Tau Alpha. Clubs: Nat. Press (Washington); Idle Hour Country (Macon); Atlanta Athletic. Home: PO Box 684 244 DeSoto St Sea Island GA 31561 Office: 120 Broadway Macon GA 31208.

THE LUMBER SHORTAGE

Mr. FANNIN. Mr. President, even as we debate how to solve the energy crisis which has beset our Nation, another crisis is on the horizon. This is the possibility—the almost certainty—of a critical lumber shortage before the century is out.

Gene C. Brewer, vice chairman of Southwest Forest Industries, gave extremely interesting and informative speeches on June 13, 1973, before the Forest Products Research Society's 27th annual meeting in Anaheim, Calif., and before the Portland, Oreg., Downtown Rotary Club on June 5, 1973.

The speech was very appropriately titled "America's Forests at the Crossroad—Problems or Opportunities."

In the talk, Mr. Brewer observes:

> We must strive to export more of the things that we must do best, and that is produce high-value finished products. Research must lead the way to highly sophisticated production techniques which should become a way of life in this country as we go about the business of selling what we have, and buying what we don't have, in the international market for wood and wood fiber products.

Mr. Brewer believes that we have the resources possible to meet the challenge. He calls for increased annual timber harvest through improved forest management, greater utilization of forest residues, greater manufacturing efficiencies, and accelerated research and product development.

He also makes the very appropriate observation concerning Government management of Federal land:

> No longer is it appropriate for the Federal role on these public lands to be custodial. Public lands must be managed productively for the benefit of all the owners. All citizens have the right to expect a fair return on their forest ownerships.

Mr. President, this speech contains a great deal of worthwhile information on world timber resources, and it provides some excellent advice on how we should proceed to head off a crisis in this industry in the future. I ask unanimous consent that it be printed in the RECORD at this point.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

AMERICA'S FORESTS AT THE CROSSROAD—PROBLEMS OR OPPORTUNITIES

(Address by Gene C. Brewer)

My purpose today is to share certain thoughts and convictions concerning our forests, to provide perspective on our problems and opportunities; and, hopefully, to excite your interest and your pride in our forest industry.

As a nation, the United States is at a forestry crossroad. We are faced with an urgent need to make some decisions—gutty decisions—vital to the economic and social well-being of our nation and vital to our leadership role of the world forest industry.

If our nation has a social responsibility, and I think it does, it is to the future of this nation. In my opinion the most meaningful way we can discharge that obligation is to pursue a vigorous, planned, nationwide reforestation program.

Our posture at the crossroad must be one of a positive and forthright search for solutions which lead to balanced use and full productivity of our forest lands. Choices must be made in an informed and rational way. This implies tradeoffs and compromises because our country cannot afford militant, winner take-all attitudes.

While we're pondering what the future might bring, let's pause just for a moment and reflect on our accomplishments. Let's put aside the goldfish bowl syndrome and the barbs of our critics. Let's recognize that we are responsibly serving some basic needs of the people of our nation—even in the face of heavy odds at times. And, finally, let's not be apologetic for shortfalls of the past.

As we stand at the crossroads, let's hold our heads a little higher and be proud of what we are now doing and in what the pioneers did before us. But let's not kid ourselves either—we can be *proud,* but we must also be humble in our service to our fellow man and take note that our achievements, over time, will be measured in the crucible of the marketplace. So let's see what our problems and opportunities might be.

At this moment, we are faced with what might seem to be insurmountable problems; but, in reality, are great opportunities in worldwide marketing potentials for the products of American forests. However, we also must conclude that if we don't start now to practice intensive management on every forested acre available to us and begin intensive forest management of every idle acre, coupled with an accelerated research and product development program, we will fail to take advantage of our opportunities and, in fact, we won't have enough wood and wood fiber to even meet domestic demands by the end of the century.

In a way, the current "Energy Crisis" has brought our national forestry situation into focus.

The looming loss of heat, motive power, and cooling and lighting capabilities have demonstrated that untoward delay can be catastrophic. On the other hand, in terms of forest productivity, by starting now, we can avoid anything like the worsening "Energy Crisis". And we can do so at great benefit for our nation, for the people of our industry and for the total environment.

A great deal of attention has been focused on our forests and on the profession of forestry in the last four or five years. The resulting publicity, for the most part, has not been favorable. However, it is questionable how many conclusions drawn from this concentrated attention and criticism have any basis in fact.

Some critics argue that we are cutting our trees faster than we are growing them. Some contend that the last tree available to us will be cut down very soon. There are even those who feel that since we arrived on the shores of the Pacific, there is no place else to go—they think we have literally "used up" America from border to border and from coast to coast. No more frontiers to conquer!

The facts disagree with both the last-tree thesis and the last-frontier idea. We do have yet other frontiers and they are to be found in (1) the increased yield which modern management our commercial forest base can bring; and (2) accelerated research for improved utilization and new product development, both keyed to the expanding world demand for forest products.

To be sure we understand each other, when I speak of forest products, I am speaking of solid wood and wood fiber in its various forms from timber to tissue, which altogether includes several thousand separate products.

Let's examine the world situation first. Free trade is the essence of American business and foreign policy. The forest industry is an integral part of the total trade structure. Pulp, paper, lumber, plywood, hardboard, and particleboard and many other woodbased items are highly significant worldwide. Today, due to international trade, these products are playing an increasingly important part of everyday living everywhere, and we cannot afford to be isolated from that trade.

Let's first play a numbers game and take a look at population figures. The Food and Agriculture Organization of the United Nations estimates that the total population of the world will be about 6.5 billion people by the year 2000—an increase of 3.5 billion, or more than 100 percent—or, simply, two for every one now on earth!

With these figures and economic forecasts as background, FAO and other world forestry leaders predict that consumption of wood products in all forms will double by the year 2000.

To put this in perspective, world consumption today totals about 250 billion board feet annually, in roundwood equivalents.

Double that is indeed an impressive figure!

What does all this mean to our forest products industry, *and where in the world is all of this wood and wood fiber going to come from?*

A satellite view shows that forests cover about 28 percent of the world's land area, or about 9 billion acres out of the total 32 billion. FAO estimates that world commercial timber inventories for both hardwood and softwood total *12.6* trillion cubic feet of softwood and *8.2* trillion cubic feet of hardwood, or a one-third—two-third ratio. The softwoods primarily are in North America and the Soviet Union, and the hardwoods, mostly tropical species, in Latin America, Africa and Southeast Asia, with lesser volumes in North American temperate zones.

So, it would appear, on the surface, that we have enough inventory around the world to take care of growing demand. Therefore, it would seem the only problem is, over the span of time, to move the resource from where it is to where it is needed, at the right time, in the proper form, and at acceptable costs. But let's dig deeper—the timber volume harvested does not follow the inventory, either geographically or by softwood or hardwood. In 1969, worldwide timber harvest figures show the softwood harvest exceeded hardwoods by 2½ times—180 billion to 70 billion board feet—that red flags the danger of a future softwood shortage, with which I'm mainly concerned.

Latin American forests, like those in some parts of the Far East and Africa, are many years away from full development. Not only are they relatively inaccessible, but they are composed of a tremendous variety of mixed hardwoods for which markets and manufacturing technology either do not exist or are only beginning to come under significant research. The exceptions are certain types of maghogany and related species flowing from Southeast Asia and Africa, and some from the Amazon—for the most part in solid wood products—lumber, veneer, and plywood.

Western Europe is intensively managing every available forest acre and has been doing so for a long time, but productive capacity of the land has just about peaked out. A trade journal reported recently that construction of one more pulp mill proposed in Scandinavia could be the last.

The Soviet Union has the largest volume of softwood timber growing stock—about 2.3 trillion cubic feet, or more than one-half (53%) of the world total. However, most of it is in Siberia. This suggests that Russia has the potential to be a more important supplier to world markets; but for a variety of reasons, not much change is expected for the near term.

The U.S. and Canada, combined, has nearly one-third of the total softwood timber stand, or 1.4 trillion cubic feet. But FAO reports that about *40* percent of the harvest presently comes from these nations, which suggests that, here again, harvest and inventory are out of balance.

Fortunately, Canada has an excellent forest land base that is capable, over time, according to the Canadian Forestry Service, of producing twice its current output of about 4 billion cubic feet—in round wood equivalents. Fortunately, too, in many respects, the U.S. is Canada's natural market.

Of particular interest to the U.S. is that, not too many years ago, leaders in Japan wanted to know where in the world they could go to satisfy pyramiding demands for wood-based products. They engaged a well-known international forestry consultant and he literally scoured the planet in search of appropriate sources of raw materials for Japanese industry. The results were interesting.

The research pointed up that the best places in the world for Japan to obtain softwood fiber were Alaska, British Columbia and the Pacific Northwest. *The evidence is quite conclusive that the consultant's advice was followed. It appears that the Japanese were alert to our potential long before we were.*

Perhaps they perceived that the forests of North America, generally, and the United States, specifically, have the capability of sustaining substantial additional per acre yield of long fiber softwoods when modern forestry techniques are applied.

In that regard, we have many dedicated professional foresters, in both public and private service, who have the know-how to manage our forests creatively. Examples of their years of planning and researching and intensively managing the productive forest base can be found in many parts of the nation.

Realization of their goals was sometimes an uphill battle against all odds, but renewability of our forests is now an established fact. With well-funded, balanced management programs, we can increase not only per acre yields of timber, but we can improve the forest environment with full recognition of ecological concerns.

Nature has a marvelous system called photosynthesis, which captures solar energy and converts carbon dioxide to lifegiving oxygen to produce what Bruce Barton called, "The Miracle of the Ages, The Tree."

There are other benefits to be accrued in this process of growing and supplying increasing quantities of long fiber softwood to both the domestic and world markets. John Strange, president of the Institute of Paper Chemistry, recently said it this way: "I don't think it's stretching things to say that the forest-based industries are among the principal stewards of the entire ecosystem and that a substantial number of programs aimed at environmental control and energy conservation would be relatively futile in the absense of this stewardship."

Strange continued, "The fact that our raw material is renewable is important to us, but the fact that it is regenerative to the entire fabric of life is important to everyone!

And Dr. Barry Commoner, the environmentalist, has said, "Forestry is the only natural resource industry that puts anything back."

This, then, is one part of the new frontier!

Let's recall, just for a moment, our earlier discussion about populations around the world. Forget the figures themselves, but remember the fact that the world will soon have a new dimension in the consumption of the earth's resources, which I don't believe has been fully appreciated.

An emerging fact of life is a growing awareness throughout the world that raw materials are the key to an industrial economy. These resources are often located in undeveloped countries, but these countries are no longer eager to export raw materials which can better we used in developing their own economies and social structures.

So, we must recognize the ability of "Emerging Nations" to buy material things and we must also recognize the ability of "Developed Nations" to compete increasingly for raw materials. Witness Japan and Western Europe.

Now let's examine briefly how the U.S. forest industry has been involved in world trade. Of interest is the fact that we have been a net importer of wood-based products since 1941; and since 1948, the imbalance has been running between 6 and 7 billion board feet annually—expressed in roundwood equivalents.

In 1971, in roundwood equivalents, we exported 7.2 billion board feet and we imported 16.4 billion board feet for a net imbalance of 9.2 billion board feet. Altogether we produced about 66 billion, so our usage was 75 billion board feet in all product categories.

Quickly, imports were primarily lumber and pulp and paper products from Canada, with smaller amounts of logs and plywood, mostly hardwood from the Far East. Exports were composed chiefly of pulp and paper and logs, with lesser amounts of lumber and plywood.

The United States does a lot of business with Japan, of course, since it is one of the world's largest importers of wood and fiber products. We are heavy suppliers not only of logs and chips, but are shipping increasing quantities of lumber and pulp and paper products. Japan's economy is booming and there is every reason to believe her requirements will continue to expand. Just in pulp and paper products alone, Japanese requirements are expected to double by 1985.

Our country also is supplying markets in Spain, the Netherlands, Ireland, the United Kingdom, Switzerland, Portugal, Norway, Iceland, Greece and Yugoslavia and many others. This trade demonstrates that we have the technology to meet virtually any market requirement.

Curiously enough, even though Sweden and Finland dominate the European markets for kraft, newsprint and other paper and wood products, our own multinational companies are supplying some of that same market with many of the same products, and doing so on a highly competitive basis.

We must strive to export more of the things that we *must* do best, and that is produce high-value finished products. Research must lead the way to highly sophisticated production techniques which should become a way of life in this country as we go about the business of selling what we have, and buying what we don't have, in the international market for wood and wood fiber products.

On the domestic scene, we also face problems and opportunities. Simply stated, how do we participate in growing world markets for forest products and, at the same time, furnish our growing domestic requirements? This latter is no small task since it is conservatively estimated that, by 1985, our needs will have increased by 50 percent and doubled by the turn of the century, or before!

As I see it, we have three alternatives—

(1) We can keep the status quo with adverse consequence to our standard of living; or

(2) We can increase our imports with further consequence to our balance of trade and competitive pressures; or

(3) We can accept the challenge and increase our output of finished products by—

(a) Increased annual timber harvest resulting from improved forest management.

(b) Greater utilization of forest residues.

(c) Greater manufacturing efficiencies.

(d) Accelerated research and product development.

In my opinion, alternatives 1 and 2 are not acceptable so we are left with the third, and that is to increase our output.

But here's the crunch. Let's assume that the demographers and the economists are right and that our and world requirements for wood-based products will double by 2000, which indicates a modest growth rate of less than 3 percent annually. This means *that just to keep even* with the current imbalance of trade, *we must double our domestic output!*

That sounds good. But, on that premise, we would also be doubling our imports and thus be short 18 billion board feet of softwood lumber rather than 9, so this is yet another gap to close. Our nation and its people must rise to this challenge and assume the responsibility for stretching our wood supply to the ultimate through research and applied engineering as well as managing all commercial forest lands intensively so we can grow all the wood we obviously must have.

We need even more of the kind of innovative talent and curiosity that led Dr. Mason to invent hardboard; that led to the development of plywood and particleboard, and hosts of other products.

In wood, we have an efficient, relatively inexpensive, and potentially readily available fiber which, fortunately, provides many beneficial aspects to the environment. As a "for instance", let's take advantage of wood's inherent characteristics and, in combination with elements of the chemical and mineral world, develop a "universal" material that can be "engineered" for a particular requirement. We're doing some of that now, but we need to go much further. Thus, as another part of our new frontier, we need not only to stretch our materials, we need to "stretch our minds"—in short, to imagine what may at present seem unimaginable.

To do less than proceed aggressively on our twin frontiers—forestry and product research—would be unwise and costly, as an even worse crunch will come when international competition for available wood fiber intensifies and shortages begin to appear around the world. We've had a taste of that already.

What can we in the U.S. do about it?

For perspective, consider this. When Columbus sailed, there were over a billion acres of forest land in what are now the 48 contiguous states. The Forest Service has reported that in 1970, about 28 percent of the nation was forested. This means that today, more than 500 years and 200 million people later, there still are 754 million acres of forest land remaining—70 percent of the original stand! Of this, 500 million acres are classified as commercial forest land.

When you consider the cities we have built; the farms we cultivate; the highways and the airports that span the country, it is amazing that this much forest land still exists. Consider, too, that 250 million acres have been set aside for non-commercial use. This includes national parks, wilderness areas, national monuments and the like.

On this point, it might seem that the forest industry is "against" these projects. Not at all, but the industry does say these single-purpose, non-commercial uses should be weighed against the other needs of our nation in the scale of public interest.

The 500 million productive acres remaining in the U.S. for intensive management are basic to the market opportunity I have mentioned several times. Of this acreage, industry owns 13 percent. Various governmental jurisdictions own about 30 percent and the remainder, or nearly 60 percent, is owned by about 4 million individual citizens. But, here again, the inventory and harvest are not in line. For example, federal agencies own almost 60 percent of the softwood sawtimber inventory, primarily in the West, and yet contribute only a third to the harvest. For the most part, these timber stands are mature and are not putting on growth—a cogent reason for an orderly increase in harvest, thereby freeing the land for regeneration with its attendant benefits.

In that regard, with adequate funding and intensive management, yield from forest lands under the jurisdiction of the Forest Service could be increased in the short term by at least 50 percent, according to both retired Chief of the Forest Service Ed Cliff, and present Chief John McGuire. It is further indicated that by 2000, the yield could be doubled—*a dramatic and vital input to future needs.*

Industrial forest owners are doing everything possible to increase yields. Weyerhaeuser Company, for instance, estimates that by using modern forestry techniques, a given acreage may provide up to five times as much wood fiber over a three-century growth cycle than it would if it were left to nature alone.

What basically is needed is a similar attitude and will on the part of the Congress and the Executive Branch—directed to both the public ownership and the millions of small private owners whose 300 million acres offer great potential. Since these private lands represent the nation's most significant underdeveloped fiber source for the long-term specific legislation providing timber-growing incentives is essential.

On the public side, a redefinition of the mission for the federal timber agencies will be required. No longer is it appropriate for the federal role on these public lands to be custodial. Public lands must be managed productively for the benefit of *all* the owners. All citizens have the right to expect a fair return on their forest ownerships.

Some legislators share that view. Sen John Sparkman of Alabama has introduced a bill to make it happen. The Sparkman Bill, which merits immediate and continued support, is S. 1775, "The Wood Supply and National Forest Lands Investment Act of 1973." It is cosponsored by Sen. John Tower of Texas.

Sen. Sparkman's measure would not only stimulate tree growing on small private woodlots, it would establish a forest lands planning and investment fund to provide long-term, sustained financing for timber management and reforestation in the national forests. Sen. Mark Hatfield of Oregon has introduced S. 1996, "American Forestry Act", which authorizes programs to increase all forest values, including timber management on Federal lands and provides forestry incentives for small private woodland owners.

Another measure, sponsored by Sen. Stennis of Mississippi is now a part of the Senate Farm Bill and also provides incentives for individual non-industrial woodland owners.

Historically, our federal land managing agencies have been, and still are, hampered by appropriated fund constraints which do not permit sustained allocation of funds for timber stand improvement, reforestation, mortality salvage, and all other aspects of intensive forest management so badly needed on publicly owned timber lands.

Beyond this, we need a funding method that would assure continuity in research for the development of new products, new methods of utilization, and perhaps entirely new concepts that cannot be entertained due to the constraints inducted by the appropriation procedure.

It's time to get to the heart of the matter and provide permanent financing procedures through "earmarked" funds from timber sale receipts. This will permit the government agencies to make long-term plans and do the job of balanced timber management and product research the nation and the world need and which we know they are capable of doing.

In turn, those in the private sector, dependent on federal timber, must be encouraged to make investments in new facilities and embark on sustained product development and marketing programs.

Putting all this together, it is my view that the projected world demand for industrial wood *can* be balanced with supply, *provided* that all forested areas are developed to full potential and provided, too, that accelerated research and product development is carried on simultaneously. Improved utilization goes hand-in-hand with increased forest yields.

With respect to softwood, it is essential that Canada and the U.S. double forest output over the next 30 years. Russia will become an increasingly important supplier to world-wide softwood markets, but primarily directed to Europe and Japan.

On domestic hardwoods, certain species are now in short supply, but the long-range outlook is encouraging, given reasonable environmental requirements. Tropical hardwoods are plentiful and will become more of a factor in world markets, but economic circumstances and the nature of the forests will inhibit rapid development.

America's forests, as is apparent, are at the crossroad. We have a tremendous challenge ahead if we are to simultaneously meet domestic needs and participate in expanding world markets.

Our problem may be just one of waking up to our opportunity. We have a commercial forest base second to none in the world. We have the technology, a favorable climate, and access to the capital required to implement a program for increased productivity. But we must have a new, vigorous, sense of direction along with a sense of urgency. We know what to do. We know how to do it. What we lack is the will to do it. *We must define our national purpose and goals with respect to our forest lands.* Land is our basic asset. How we put it to use will determine to a very great extent the economic and social well-being of our nation.

Land, literally, lies at the root of man's partnership with the forest. Only we, among natural resource based industries are free of the problem of using up reserves. We are free of that constraint because we are dealing with a predictably renewable resource—the tree! Based on the renewability of the forest, ours is a self-perpetuating industry and we have it within our grasp to initiate programs now which will insure that future generations of Americans will not only have sufficient wood fiber for the necessities of life but will have forests for other social, aesthetic and recreational amenities, also important in the lives of us all.

On that point, I might raise the question, "who in our scheme of things, is responsible for tomorrow?" Bear in mind that in forestry we are not talking about the 5 or 8 year lead time indicated in the energy situation. We are talking about 25–40 years because, by definition, forestry is a long-range business. We are, indeed, at the crossroad and the time span is critical. The year 2000 is only 27 years away—less time than it takes to bring a Douglas fir or a Southern pine seedling to harvest.

Many public figures are claiming that the current energy crisis is contrived—a conspiracy by the major energy companies. I wonder what will be said at the turn of the century if we face a similar crisis in forest products with the possibility of rationed housing, newsprint and household items.

Now is the time for decisions—gutty decisions by the industry, by Congress, and the Executive Branch. This calls for vision, courage and statesmanship of the highest order because there is no short-term payoff. Once accomplished, however, we'll have sound investments, ever enhancing in value, in research and development programs and in balanced forestry programs on both public and private lands. Forestry, along with agriculture, could well be the lifeline of our nation.

THE FUTURE OF THE FOREST SERVICE

Mr. HUDDLESTON. Mr. President, as a member of the Subcommittee on Environment, Soil Conservation and Forestry of the Committee on Agriculture and Forestry and as one who has participated in several hearings on our forest resources, I am sharply aware of the question marks in the Forest Service's future.

In fiscal 1973, the administration failed to obligate certain funds provided by Congress for needed forestry programs. Earlier this year, the Department of Agriculture proposed a reorganization of the Forest Service based on considerations which took little account of the physical location of U.S. forest lands. The fiscal 1974 budget contained proposals for a reduction of almost 1,600 personnel, although timber harvesting was to be increased. And, inadequate attention has been given to the fact that over 5 million acres of national forest land are in need of reforestation.

These actions, taken together, represent a lack of concern for the future of the Forest Service and a lack of understanding as to our forestry needs. As a recent congressional research report noted, the forest is a "woodshed, a watershed, an environmental conditioner, and a recreational haven." It is, furthermore, a limited resource, one which cannot be used without adequate care, management, and replacement. And, if it is misused, if it is abused, we will find ourselves tomorrow without needed resources, without needed vacation and recreation areas, without the needed environmental aids which forest lands provide. We will find ourselves without them—and unable to replace them, for a forest is not created overnight.

The U.S. Forest Service has a long history, going back to 1876. It has a proud history of steady and competent action to improve our forest resources. It is a fine repository for the 187 million acres of national forest which provide for timber, grazing, recreation, and conservation requirements. But, it cannot do its job—

particularly in a time of increasing inflation and expanded responsibility—without adequate tools and adequate help.

Our investments in our forest lands are not frivolous investments which we can either make or not make, depending upon our financial condition and our state of mind. They are, instead, investments in the logs and lumber we need for construction of our homes and offices and investments in a conservation bank of environmental and recreational resources. They are investments we must make constantly and consistently for our own benefit.

In recognition of this, several recent actions have been taken—actions in which I am proud to have participated—to insure the viability of our Nation's Forest Service and to protect our forest lands. Pursuant to hearings before the Subcommittee of Environment, Soil Conservation and Forestry and the drafting of legislation, the reorganization plan proposed by the Agriculture Department—a plan which during the hearings proved to be most impractical—was shelved.

The Senate adopted a resolution in opposition to further reductions in Forest Service personnel. Over the past several years, the Service has experienced continued staff cutbacks. Additional ones have been proposed for this year. In view of the growing costs of forest management, in view of the expanded role of the Service in environmental activities, and in view of the proposed harvesting of additional timber—harvesting which requires the best in the application of forest management and replacement techniques—the additional reductions are clearly unwise. It is incongruous to expect that the Service can carry out the tree marking and reforestation necessary for proper timber harvesting, attend to its other responsibilities, and sustain another personnel reduction. Hopefully, as a result of congressional action, the Service will not be forced into that position.

The administration's proposed reduction in Forest Service personnel—which I hope we have effectively prevented with our resolution opposing such reductions—could not have come at a more inappropriate time.

Very serious questions have been raised about environmental policies within our national forests. I speak specifically about "clear-cutting." This practice, when conducted under strict supervision and careful administration, may not be detrimental to the environment. However, we are all familiar with excesses that have been committed on occasion in the name of "clear-cutting." Those abuses certainly cannot be prevented unless we have adequate Forest Service personnel to supervise such activities.

I am aware that domestic lumber needs and good forest management allow and even require some cutting in the national forests. But I am gravely concerned about excesses which are committed either as a result of inadequate guidance from the Government or lack of supervision by the Forest Service.

I am also concerned about recent newspaper reports that the Forest Service will seek substantial increases in the amount of board feet cut in the national forests, possibly at the expense of certain research and training programs as well as recreational development.

The confidential Forest Service memorandum which has come to light in recent days outlining the increased cutting requirements reportedly resulted from demands placed on the Forest Service by the Office of Management and Budget.

This raises serious questions both about the lack of public discussion and debate on the matter and whether OMB is placing more emphasis on revenue production than environmental protection.

Also, hopefully, the additional services provided for in the Senate version of the Interior appropriaions bill—especially the provision for additional reforestation and timber stand improvement—will contribute to enhancement and preservation of our forest resources.

These are, however, only first moves—and in many ways they are stop-gap moves. They can help with the immediate problems, with the actions which are required now. But we also need comprehensive and long-range planning. I have, consequently, joined in sponsoring a bill designed to set long-term goals for forest use and to establish a mechanism whereby forest resource needs will be identified, evaluated and met. S. 2296, the National Forest Environmental Management Act, would provide for a continuing inventory of national forest lands, their resources and values. It would require land use plans for the National Forest System and the development of long-range resource budgets designed to guarantee the best in the management and utilization of our national forests.

As noted earlier, a forest does not become mature overnight. It takes years to reach the stage where it is of recreational, of certain environmental, and of timber value. The corollary is that it takes years of careful management and utilization to protect these lands and to see that they develop in the most useful way possible.

The actions I have mentioned are positive actions. They can contribute greatly to preserving and protecting our forests for our future use and enjoyment. But, it is, at this point, by no means certain that they will be pursued—or pursued to the extent necessary to insure adequate forest areas for the future. And, that holds potential tragedy—for our conservation, our recreational and our resource needs. I hope, consequently, that a growing number of my colleagues will focus on our forestry needs—and the importance of moving immediately to meet those needs. And, I hope that we will be able to eliminate the majority of the question marks in the Forest Service's future, enabling it to carry out its responsibilities and to provide adequately for the future.

PROPOSED REGULATIONS FROM THE ENVIRONMENTAL PROTECTION AGENCY

Mr. FANNIN. Mr. President, in recent weeks I have inserted in the RECORD comments by officials in Arizona, and in Utah, concerning proposed regulations from the Environmental Protection Agency.

In yesterday's Christian Science Monitor there was an article which demonstrates that other cities and States around the Nation are equally alarmed by the EPA edicts.

Mr. President, I ask unanimous consent to have this article printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

CLEAN AIR: CITIES CALL EPA PLANS "SUICIDAL"—BUT PUSH HARD TO MEET GOALS

(By Florence Mouckley)

BOSTON.—"Unrealistic . . . unworkable . . . ridiculous . . . suicidal!"

That's what some city and state officials are calling the Environmental Protection Agency's tough proposals to reduce auto emissions. Nevertheless, those proposals are impelling strong actions by those cities and states.

Monitor correspondents report that of the 10 cities surveyed almost all of them are moving determinedly to come as close as possible to EPA's standards and deadlines which apply to some 37 metropolitan areas throughout the country. The EPA acted in June to comply with provisions set forth in the Clean Air Act of 1970.

The Monitor finds that generally the public is unaware of the EPA proposals or the drastic effects those guidelines could have on people's ways of getting around.

AUGUST 15 DEADLINE

The EPA is holding local hearings this month so the proposals can be debated. Final plans will be adopted by the EPA Aug. 15. It is expected that the EPA will extend deadlines or modify its most drastic proposals.

Some of the proposed "drastic" controls which have city, state and local pollution control officials balking are:

The rationing of gasoline in Los Angeles—this could possibly remove all cars in the metropolitan area by 1977.

The attempt to reduce auto traffic in San Francisco by 84 percent by 1977, by 68 percent in New Jersey by 1975.

A parking ban in Chicago which would virtually eliminate on-street parking in the central business district.

A daytime on-street parking ban in downtown Boston and an extra $5 surcharge in off-street parking facilities. Also, a sticker system which would indicate which day of the week a Boston area car would not be driven into the city when pollution exceeds federal standards.

Los Angeles Air Pollution Control officer Robert G. Lunche calls the EPA plan for his city "drastic" and "unrealistic." He warned it would have a tremendous impact on the lives of the 10 million people who live in and around Los Angeles.

"ECONOMIC SUICIDE"

Philadelphia transportation planner James Smith says, "These new standards are politically unrealistic and asks the city to commit economic suicide. . . ."

San Francisco Mayor Joseph Alioto, also a member of the Bay Area Pollution Control Board, denounced the EPA's plan to reduce auto traffic by 84 percent in 1977. He said it would have "such a parring effect it could produce serious economic problems."

Most officials say they agree in principle with the EPA's call for clean air standards but disagree as to the means and timing.

"WE NEED MORE TIME"

City officials' most consistent outcries: "We need more time," and "It is impossible to substantially ban cars from urban areas without first providing efficient, comprehensive mass transit."

Most cities pressed by the EPA's tough proposals, have come up with blueprints—some of them just in the talking stage—of their own to meet what they call "realistic goals."

This is the situation around the country:

Los Angeles: The comments of the wife of former Los Angeles Mayor Fletcher Bowron perhaps typify the feeling of many residents of this city: "Taking cars off the street is ridiculous. But we'll have to do something."

New York City: According to city officials, some 850,000 cars and taxis roll into Manhattan each day. At the same time, use of public transportation continues to sag. Today, only about 1½ million New Yorkers ride the subways, down from some 2½ million in 1948. And, city studies show, most people who have stopped using subways have switched to motor transportation.

New York City came up with a plan that has been approved by the EPA. It will have to reduce the amount of carbon monoxide by 78 percent in the midtown and downtown (financial district) and reduce hydrocarbons by 69 percent throughout the entire city by late 1976.

Boston: Boston would like to remain the "hub" of New England but still meet federal air quality standards. The problem; How to reduce auto emissions to cut carbon monoxide levels in half and hydrocarbons nearly 25 percent without disrupting the city's delicate economy.

In addition to severely curtailing parking in downtown Boston the windshield sticker system to cut back traffic the EPA directive also includes installation of $200 catalytic emission control devices on all 1972 to 1975 model autos.

Houston: "I can't see that auto controls would help us, in any way," exclaimed Dottie Gillies, a librarian. "You have to have your car in Houston."

She echoed most state officials in the area when she said, "You see most pollution where the most factories are."

Chicago: This city's plan to reduce pollution was rejected by the EPA in June. The agency said the city's three-pronged effort would result only in a 45 percent reduction in air pollution. EPA wants a 50 percent cut. It says the city should extend the parking ban to both sides on two-way streets, restrict new off-street parking, extend the city's vehicle emission testing program to cover the entire three-county metropolitan area.

City and state officials feel the city's plan would meet EPA goals.

"I don't see as realistic the banning of parking in all the downtown area," says H. Wallace Poston, commissioner of the Chicago Department of Environmental Control. "We have proposed restrictons . . . but a near ban, you would almost have to have a solid line of people there to keep the vehicles out."

Contributors to this survey are: Curtis J. Sitomer in Los Angeles, Guy Halverson in New York, David Holstrom in San Francisco, Monty Hoyt in Chicago, Lance Carden in Boston, Peter Bridge in New Jersey, John Ira Petty in Houston, James L. Walker in Philadelphia, and Austin C. Wehrwein in Minneapolis and St. Paul.

THE IMMOVABLE FEAST

Mr. MONDALE. Mr. President, the July 12 issue of Construction Digest contained an article entitled "The Immovable Feast," written by Russel G. Schwandt, president of the Minnesota Agri-Growth Council and a former Minnesota commissioner of agriculture.

This article highlights the grave crisis facing our Nation's breadbasket, as rural areas become more and more isolated by abandoned rails and neglected roads.

Mr. Schwandt points out that—

> Hundreds of rural communities, agribusiness firms and farmers are going to be in serious trouble unless something is done to restore adequate rail service and better farm-to-market roads.

With expanded agricultural production this year and the administration's recently announced decision to bring an additional 19 million acres back into production in 1974, Federal action is urgently needed to prevent costly tieups and higher food prices to consumers.

In order to reverse the continuing abandonment of rural rail lines, I introduced S. 1749, the Rural America Rail Transportation Act. This measure would provide a way to maintain rural rail service and would provide funds so that the Government, primary shippers and the railroads can together function to meet the needs of our Nation. I would like to call attention to Mr. Schwandt's observation that in his judgment, "of all the proposals thus far heard, this Act would be most fair to the railroads and also to the shippers."

Mr. President, I believe that my colleagues in the Senate may find this article interesting and informative, and I ask unanimous consent that it be printed in full at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE IMMOVABLE FEAST—NATION'S "BREADBASKET" IS BEING ISOLATED BY ABANDONED RAILS AND ANTIQUATED ROADS

Farm producton in the midwest during the past decade has increased steadily until today the tonnages involved in shipping agricultural commodities has become a major problem. Transportation has not kept pace with agricultural growth. This growth requires hundreds of thousands of tons of input materials, such as fertilizer. This, along with burgeoning tonnages of produce to be shipped, has overtaxed all existing transportation facilities. With millions of acres being taken out of reserves and put back into production, it is obvious the transportation problems will become even more acute.

Branch railroad lines have been victims of extensive abandonments while those still remaining have been seriously neglected. Deterioration has progressed to the lowest level in history with roadbeds and rails so weakened that the cars using them on infrequent schedules can move at only a snail's pace without risking derailment.

The situation is critical. Hundreds of rural communities, agribusiness firms and farmers are going to be in serious trouble unless something is done to restore adequate rail service and better farm-to-market roads.

But what can be done? Many railroads wash their hands of responsibility, stating that the cost of rehabilitation is too great. They continue to demand permission to abandon more and more lines, which means more hardship on food producers and more pressure to increase food costs even more.

It is imperative now that the federal and state governments, along with the railroads and the primary users of rail service get together and collectively develop a long-range program to rebuild these existing railroad beds which have deteriorated so badly. The time has come when we *must* take an objective look at the critical nature of the transportation system, particularly as it relates to the movement of agricultural commodities.

Reasons for this urgency are many, the first of which is a very real revolution in our ability to produce food. This has come about through technology—better hybrid seeds, effective plant foods, and plant protection chemicals which bring about not only higher yields, but better quality food. This miracle of food production has emerged as one of America's greatest strengths.

But now for the bad news. We are forced to move this vast production tonnage over highways and railroads that have fallen far short of keeping pace with our production ability. The peculiarities of agricultural need, the seasonality of the trade and the perishable nature of much of the produce demand rapid movement of shipments. This in many cases has become impossible.

It boils down to the impossibility of maintaining and improving our level of food production without a general upgrading of load limits on rural farm-to-market roads, trunk highways, and the improvement of existing railroad beds.

There is no real substitute for good rail service to move the great tonnage of agricultural produce now being shipped. Practically every acre of agricultural land now in use continues to produce more and more tons of foodstuffs. Railway service offers the only satisfactory way of moving this vital freight for any appreciable distance.

For this reason, I must take serious issue with the announced intention of some carriers to abandon branch lines on a wholesale basis. Decisions to do this were made some time back—before the tremendous breakthrough in food production. Possibly the rail lines at that time saw very little potential for business.

But now, the tonnages available on a continuing basis are large enough that the railroads must be encouraged to re-assess their positions. The input going to agricultural centers along with the output coming from them amounts to very substantial proportions.

Statements keep coming up to the effect that railroads cannot be expected to operate certain branch lines at a loss. There are also erroneous assumptions that agribusinessmen and farmers can truck their produce to regional collection points without additional expense. This is ridiculous.

It is true that transportation services must operate on an economically sound basis. No one would argue this point. But it must also be realized that most road beds on rail branch lines have been neglected badly and allowed to deteriorate to the point that operating efficiency has dropped nearly to the vanishing point. Under these conditions, the result is operating loss.

Obviously, a great deal of cash is going to be required to rebuild these decaying rail lines. Who is going to pay? Where is the cash coming from? What procedures are going to be followed to correct the situation?

Several alterntives present themselves as possible solutions to the problems. Let us look at some of them.

First, the railroads could lay out the money needed to rebuild the line. But this could well be impractical because of the great amounts needed to do the job.

Secondly, the federal government could provide a direct subsidy to the railroads.

Third, perhaps the federal government could undertake rebuilding of the roadbeds and then charge the railroad a fee for such use. (This would be similar to our present highway building and maintenance program.)

All of the above alternatives have defects which could make each less desirable.

But there is a different approach which I firmly believe is vastly superior to any of the preceding suggestions. The mechanics of this plan are embodied in the Rural America Rail Transportation Act of 1973 (S.F. 1749) which was recently introduced by Senator Walter F. Mondale of Minnesota.

Of all the proposals thus far heard, this Act would be most fair to the railroads and also to the shippers. It would provide the funds necessary to maintain service and set up the proper procedures so that the government, the primary users, and the railroads could work together for the good of the entire nation.

As an example of how the Act would operate in a specific case, let us consider what is involved in a decision on the fate of one actual stretch of rail. It extends some 26 miles, serves four fertilizer plants and three major grain elevators. There is a potential of more than 5,000 carloads of freight on the line.

Under present conditions, service comprises a one-day-a-week schedule with a top allowable speed of four miles per hour. Also, in the spring, the line is embargoed for varying periods of time. The rail company appears to be making no effort whatever to upgrade the line.

It is obvious that unless something is done in the area of maintenance, the present poor and inadequate service will decline even more. Just as obvious is the fact that the road will be put up for abandonment when the situation gets so bad that trains can no longer operate on it.

But here is what would happen under the provisions contained in the Mondale bill:

Primary users of the line, such as the grain elevators, fertilizer plants and other businesses who need this rail service, along with the railroad company, could elect to establish a corporation for the purpose of rebuilding the roadbed. Then, collectively, they could agree on a sound economic determination about the quality of the rail service that is absolutely essential.

The new corporation would then make application to the federal government for a long-term government-guaranteed loan which would be utilized to rebuild the roadbed to the agreed specifications.

Primary users would be assessed a service fee above normal freight charges. This could be, for example, ¼¢ a bushel on grain and 25¢ a ton on fertilizer. The railroad would rebate to the corporation a percentage of the revenue derived from the freight hauled. The corporation would use the money to amortize the loan, pay the interest, and maintain the roadbed.

Early in the history of this country, the railroads played a big part in extending markets and opening up the vast areas of the continent. At that time our government participated in helping the rail lines to get going.

The current situation is a parallel. We are now at another "beginning" with new problems and greater need for transportation than ever before. Today, in the face of numerous problems involved in the environment, population growth, overburdened, obsolete highways, shortage of fuel supplies, and increased production, the railroads are an indispensible factor in solving many of these problems.

I am a firm believer in the free enterprise system, and it follows that I believe the railroads should be allowed to operate their business. But the very nature of the problem dictates that in order to preserve our system, the government must assume major responsibility in terms of establishing proper procedures and adequate funding.

The need for food is universal. Therefore, anything that tends to upgrade either the quantity or the quality of food stuffs is exceedingly important. Transportation is the lifeline of getting food from the grower to consumer.

HUNGARY AND THE MBFR NEGOTIATIONS

Mr. GURNEY. Mr. President, I wish to join my colleagues in the House and the Senate in urging the administration to stand firm on the necessity of including Hungary as a full status participant in the mutual and balanced force reduction negotiations to be held this October.

At the recently concluded preliminary talks in Vienna, Russia objected to Hungary's participation in the formal negotiations. It also objected to discussions of the inclusion of Soviet military forces in Hungary as one of the areas for which projected troop cuts might be calculated. Fortunately a compromise was agreed to: Hungary could participate at least as an "observer" and the NATO members retained the right to raise the issue of Hungary's status before the beginning of the main conference.

The reason for Russia's attempt to exclude Hungary from the negotiations is not the least bit subtle. Forty-thousand Soviet troops are stationed on Hungarian territory. Former NATO Supreme Commander and former Chairman of the Joint Chiefs of Staffs Gen. Lyman L. Lemnitzer stated recently that:

> It is very difficult to understand from a military point of view the exclusion of Hungary. It is the opinion of many military people with whom I am associated that if accepted permanently, Hungary's exclusion would gravely affect the situation in central Europe. It certainly does not spell any hope for the satellite countries to achieve a greater degree of sovereignty, and particularly it would not spell hope for Hungary. It gives the Red army and Red tactical forces a beachhead, or as I would put it, a sanctuary right at the crossroads of Europe where they can move forces and equipment into, and still be excluded from the area of an MBFR agreement.

This patent attempt by Russia to stack the cards in her favor illuminates a point which all Americans should keep clearly in mind. If in fact we are in a period of détente, and I surely hope that we are, we must realize that this does not mean that the Russians have abandoned their geopolitical ambitions. It means that the procedures of international confrontation may have changed—that perhaps differences may be resolved peacefully instead of by threat of force. It also means that we will approach negotiations with the Russians in a spirit of hope, we must do so carefully. Russia is not about to relinquish points unless she gets something in return. Neither should we. Russia's ability to bargain hard and bargain shrewdly was recently dramatized during the wheat deal negotiations. We have still not calculated, much less fully approach, the cost of those negotiations.

The upcoming October negotiations on troop reductions can result in important steps toward peace and substantial money savings for our Nation. But if Russia starts playing shell games with her troops, no such steps will be possible. I again urge the administration to use its best efforts to assure that Hungary will be a full participant.

ONE OF THE MOST IMPORTANT ARCHEOLOGICAL DIGS IN AMERICA

Mr. STEVENSON. Mr. President, a little-publicized event is taking place in southwestern Illinois which should have great value to historians of the future. In a cornfield on the farm of Theodore Koster in Greene County archeologists have uncovered evidence of the fact that prehistoric man dwelt along the Illinois River from about 6000 BC to 1200 AD, long before the Pyramids were erected in Egypt or construction of Stonehenge in England. Investigators have already uncovered 15 distinct strata bearing traces of human habitation, and the work continues. It is the largest archeological expedition in North America.

Great credit is due Mr. Koster for makin his cornfield available to the archeologists and to Dr. Stuart Struever, professor of anthropology and archeology at Northwestern University, who heads the staff at Koster.

On July 15 the New York Times devoted major space to an article about the dig which, even without the photographs which accompanied the article, makes excellent and informative reading.

Mr. President, I ask unanimous consent that this article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

ONE OF THE MOST IMPORTANT ARCHEOLOGICAL DIGS IN AMERICA

(By Felicia A. Holton)

Last summer, the Theodore Kosters had some 30,000 visitors drop by their farm in Greene County, Illinois. The summer before, there were 20,000. And this summer, the number of tourists is likely to break all previous records. What brings travelers to this remote cornfield 45 miles north of St. Louis and 270 miles southwest of Chicago is not just the promise of a few gulps of fresh country air but a much more fundamental urge that might best be described as man's craving to understand his still-mysterious origins.

In the Koster cornfield, archeologists have uncovered evidence of the fact that prehistoric man dwelled along the lower Illinois River Valley for more than 8,000 years—from about 6000 B.C. to A.D. 1200. In other words, long before the great pyramids went up in Egypt, and long before the construction of Stonehenge in southwestern England, men roamed the river valleys of Illinois.

That fact, when taken together with the remarkable bones and artifacts discovered in the Koster cornfield, make Koster, as the site has come to be known, one of the most important and fascinating archeological sites to be discovered in North America in the past quarter century. To date, investigators have uncovered 15 distinct horizons (the archeological terms for strata bearing traces of human habitation), each in an excellent state of preservation. These horizons show that man has lived at Koster on 15 different occasions in prehistoric times.

UNRAVELING HISTORY

Such distinct separation of the records of prehistoric communities is exceedingly rare in North America. Accordingly, the group of scientists and students now trying to unravel the long history of the habitation of Koster are spurred on by the recognition that this site has perhaps the greatest potentiality of any yet found for bringing to light the story of prehistoric human existence in North America. Already, because of the extraordinary preservation and also because of some new techniques being used, Koster's scientists have challenged a number of beliefs long held about early man. They may yet find signs of Paleo-Indian man, who lived in America 8,000 to 10,000 years before Christ. (The earliest signs of man in North America are believed to have been found at Clovis, N.M., and are dated circa 9500 B.C.)

The discoverer of Koster and leader of the scientific expedition here is Dr. Stuart Struever (pronounced Streever), a slender, ruggedly good-looking 41-year-old Professor of Anthropology and Archeology at Northwestern University. Commonly, he may be seen striding about the "dig," wearing an old knitted Navy watch cap.

Struever's staff of college professors and college and high school students total 120, making Koster, now in its fifth season of excavation, the largest archeological expedition in North America. Headquarters are in the little country town of Kampsville, located across the Illinois River, nine miles from Koster. In a collection of sagging frame houses and abandoned storefronts the expedition houses and feeds staff, operates 10 laboratories, a computer center, and a museum. As part of their effort to unlock the secrets of the past Struever and his colleagues study such things as unearthed fish scales, small shells, microscopic-size plant "casts" and, of course, the skeletons of the ancient inhabitants.

Visitors to Koster are given an archeological briefing by tour guides. Listen, for example to John Nelson, a tall, black-bearded Chicago science teacher turned summer guide, as he talks to a group of 175 excursionists just off the Delta Queen, a riverboat that has docked at Kampsville to include the Koster farm as a side trip. The group is standing at one side of the excavation on the cornfield. About 1,000 yards to the north of the trench are 150-feet-high bluffs that have protected this particular location from severe weather for eons.

"If you look at the north wall of the trench," Nelson says, "you can see eight distinct layers of soil. Those layers reveal some of the horizons uncovered so far. The light-colored layers are sterile soil; the dark ones are organic soil, which means they contain human debris."

Nature contrived to make Koster a unique archeological site. The earth on the bluffs which has been washed down to form a cover is a substance called loess which is a very dry soil and excellent for preserving such things as shells, bones, and artifacts.

"Now look about nine feet down on the north wall, and you'll see a cut in the wall, shaped like the side of a big bowl. That's what archeologists call a 'feature'—a non-portable artifact. That bowl was dug in about 2500 B.C.. to serve as a fire bit. The people who lived here then used it for cooking."

Nelson pauses a moment, and his listeners are silent, each lost in some private fantasy. This is what they came here to experience—the feeling of the shadowy presence of men who walked on this very spot thousands of years before Christ was born.

"How did the archeologist come to choose a site which had been so carefully preserved for him by nature?" In this instance, Professor Struever was nagged into exploring Koster by Harlin (Alec) Helton, 59, a farmer who owns a large farm next to Koster's. Helton, an artifact collector since he stumbled over his first Indian arrowhead as a boy, was impressed by the unusually large number of artifacts he found lying about in Koster's fields.

"Alec kept bugging me to look at something he'd found, so one afternoon in 1968 I went with him," Struever recalls. "We went through the corn on the Koster farm and found pottery all over the place. The biggest Hopewell Indian village site I had ever seen was maybe five acres, but this covered 25 or 30 acres. From the pottery fragments it was Jersey Bluff Indian, A.D. 800 to 1,000. I felt we had to dig, not for the Jersey Bluff stuff, but to see if anything older was underneath.

"GOOD PLACE TO LIVE"

"It looked like a good place for people to have lived. The bluffs would have provided protection from the wind and rain, and there is a stream nearby which runs all year and probably has been there forever."

The following summer, 1969, Struever took a small crew to the Koster farm and dug a few test holes. At a depth of 14 inches, they no longer found Jersey Bluff pottery, so the archeologists switched to probes. A probe is a steel rod five feet long with a small knob on the tip that catches a bit of dirt when driven into the ground and twisted. The first probe came up with a bit of black soil clinging to it. The crew became excited.

"Black soil in ground like Koster means one thing—man," explains Struever. "So we dug some more."

Struever's hunch had been right. Within three weeks, the crew found five horizons, one on top of another, neatly packaged by the intervening layers of sterile soil.

"We call it our 8,000-year-old fossilized 'layer cake,' " he says.

That was the beginning. In 1970, Struever returned to Koster for a full field season (June to September). Since then thousands of items which Archaic man (8000 B.C. to 600 B.C.) had made and used have been taken from the soil, washed, examined and analyzed. The excavation is now 120 feet long, 77 feet wide at one end, and 30 feet wide at the other end. There are 220 six-foot deep squares dug in the main trench at varying levels. The deepest point any of these have descended to is 34 feet. There, during the final week of the season last year, the crew discovered Horizon 15—the earliest trace of man on the site. That community probably predates 6000 B.C. A spearhead of a style as not yet identified was found, as well as features such as pits and fireplaces.

At Horizon 6 the investigators found remains of prehistoric houses dating back 4,500 years to 2500 B.C., among the oldest habitations yet discovered in North America. These remains consisted of parallel trenches containing post holes indicating that house foundations had been made by digging trenches, setting logs in them upright, and then holding the logs in position by packing the trenches with dirt. Among the foundations were silver-dollar-size bits of fire-hardened clay with criss-cross impressions on them. To archeologists, these artifacts made possible a new view of mid-Archaic man.

"They are bits of wall plaster, made by pressing mud into interlaced branches between the logs of a hut. Never before has evidence been found of hut construction among such early men," says Struever. "Normally, it begins about Jersey Bluff time, but here's proof that thousands of years earlier, Archaic man was building what really was a fairly complicated and permanent dwelling."

The presence of the houses, and a cemetery in which about 20 skeletons (mostly those of adolescents) have been found, indicate that the early Illinois hunters and gatherers were not nomads as has been thought, but a relatively sedentary people, either living year-round in the sheltered Koster valley, or returning to the village during certain seasons of the year. This places sedentism much earlier than archeologists had suspected, even before the advent of agriculture.

At Horizon 11 the crew came upon the skeleton of a small, evidently domesticated dog, carefully laid out, with two small hearths of charcoal in front of its feet, suggesting a ceremonial burial. Also at Horizon 11 was the skeleton of an 18-month-old infant whose body had been covered with a powdered hematite, a yellowish-red ore of iron. Both were placed at 5100 B.C. by radiocarbon dating. The hematite-covered infant is one of the earliest known cases of this burial practice in North America.

"TAKING WAS EASY"

"Judging from all the clues we have found, man led the good life in the Illinois River valley in Archaic times," says Struever. "He had plenty of leisure time in which to domesticate pets. It's sheer folklore that primitive people had to struggle from dawn to dusk simply to survive. How hard a man works depends a lot on what he considers necessary goals in life, and there was no environmental imperative in the valley requiring man to work hard. The large river valleys of the midwest probably had the most dense plant and animal population in North America, and therefore could support large human populations, and did by Horizon 8 times, 4200 B.C. Man lived in a land of milk and honey, with tremendous food resources all around him in this valley, and the taking was easy."

The unknown culture found at Horizon 6, 2500 B.C., has been named the Helton culture, after Struever's nagging friend, Harlin Helton.

For farmer Koster, who took a cornfield out of cultivation for an indefinite period without compensation so that archeologists might study the area, and who graciously permits thousands of tourists to traipse over his back yard, there are also rewards. The Koster name, too, will adorn the history books. The first such recognition came last December when the National Geographic Society included the Koster site in a newly revised map of "North America Before Columbus."

Over a plate of deep-fried catfish in the Bare Foot Bar and Lounge, a noisy, popular spot on the riverbank in Hardin, 9 miles south of Kampsville, Struever enthusiastically describes what he calls the "new" archeology and the revolution which has been taking place in American archeology over the last decade.

"Archeology is a very old discipline but it hasn't developed greatly. I'd liken the degree of sophistication in archeology today to the state of sophistication in medicine in about 1850. Archeology has developed the capacity to dig a lot of stuff out of the ground but has not yet developed the capacity to understand what's been unearthed. Archeologists in the past have emphasized art and architectural history, and have characterized prehistoric cultures by a series of artifact types. They would describe a culture as the 'bellbeaker folk,' after some such artifact they dug up. It's like calling Americans the 'Chevrolet people,' instead of calling us capitalists. Chevrolet is an item; capitalism is behavior.

"Today, archeology takes much more seriously than it used to the mandate to attempt to understand a culture from what is dug up. We regard artifacts as a means of learning about people, not as ends in themselves. We are trying to understand something about the nature of man as a biological organism, how he relates to and is affected by his environment. To reach our goal, we work with three things—the environmental system, the human biological system and the cultural system. We try to reconstruct all three and see how they are interdependent. The big emphasis in what we are doing is changing the ways of digging things up, and the ways of studying stuff after it has been dug up."

The research staff in Kampsville is trying to find answers to questions such are these: Why is it that man discovered corn and other food plants in the period between 1000 B.C. and 500 B.C. and then evidently ignored this knowledge in developing his strategy for survival? Does man become productive and creative only under stress and challenge? (From the research done so far, it appears that only under the pressure of increased population did man in Illinois finally develop agriculture in late prehistoric times. Evidence shows that people began to raise corn in the lower Illinois valley about 100 B.C., but did not become fully dependent on agriculture until about 800 A.D.)

CLUES TO THE PAST

Every cubic inch of soil taken from Koster is sifted for clues to man's past. The soil is passed through half-inch mesh screens to extract artifacts, bones, shells, and other possibly interesting objects, items are promptly tagged to show the exact spot in which they were found (each trench is marked off at 3-inch levels) and then sent to various laboratories for study.

Alice Struever's crew at the flotation laboratory consider themselves lucky, for they get to spend a good portion of the hot working day standing hip-deep in the cool waters of Macoupin Creek, a few miles from Koster. Although Mrs. Struever is not an academically trained archeologist, she has worked with her husband since 1956, and she developed the flotation techniques used at Koster—a process in which water is employed to separate soil from tiny bits of bone, fish scale, seeds and charcoal fragments. Such particles are sent to the botany laboratory housed in a former drugstore in Kampsville. There, under the direction of blond, soft-spoken Nancy Asch, 26, a doctoral candidate in botany at the University of Michigan, the staff seeks answers to such questions as these: What did prehistoric man eat? How did they obtain their food? Did prehistoric men choose certain plants because they were known to be nutritious? Were there any changes in climate during the periods in which Koster was inhabited?

Jane Buikstra, 27, a slim, pretty woman with a flair for dressing like a Saks model heads the osteology laboratory where human skeletal remains are studied. Miss Buikstra and her crew are searching for clues to population distribution and density, genetic derivation, environmental and dietary stress, and social status and role. They try to determine the age and sex of each specimen, and look for signs of disease which might have affected the skeleton.

Arthritic patterns, for instance, give clues to physical activities. In studies of Eskimo skeletons, for example, many of the males show arthritic patterns in the left shoulder, indicating heavy use of bow and arrow, while female skeletons show arthritic patterns in the elbow, suggesting the push-pull motions employed by women in the preparation of skins.

STATUS SYMBOL

Where and how individuals were buried gives clues as to their status and role in a prehistoric community. Among the late Woodland peoples, 150 B.C. to 400 A.D., for example, adult males are usually found buried in extended (full-length) positions while women and children are often found in flexed positions (knees drawn up to chin).

"Now we have all the Freudians running to interpret our flexed burials," comments Miss Buikstra, with a wry smile. "My interpretation is that it takes less effort to dig a pit for a flexed burial. It also takes up less space. People of lesser importance on the social scale just didn't rate all that effort."

To date, the main burial sites of Koster residents have not been discovered. All of the persons found buried at Koster so far appear to have been of inferior social status, one clue being that they were buried in the habitat, instead of in a special cemetery.

Koster is the site of one of two archeological experiments presently being conducted in the western hemisphere (the other is at Arizona State University) which employ the use of computers in the field while excavation is in progress. James Brown, 41, professor of anthropology at Northwestern University, has established a computer terminal in a former storefront in Kampsville, which is hooked into computers at the Northwestern campus at Evanston, 280 miles away.

ENTER THE COMPUTER

Struever explains the importance of the computer in archeology:

"If you dig a site that has 12 to 15 community ruins in it, in a couple of summers you recover a million pieces of data. That quantity of stuff is so great it cannot be hand sorted in a reasonable length of time. This limits the frequency with which you can ask questions of the data. It may take three weeks of hand sorting to find out how many of something you have. In a summer season of digging, you might only be able to ask four or five questions. One of the beauties of what we are doing now—there's a term in computer studies called turnaround time—we're talking about turnaround time on archeological data of one week. This means you can dig stuff up on Monday, get it washed on Tuesday, analyzed and plotted on Wednesday, and by Thursday questions can be asked of that information which will enable you to make digging decisions on Friday, only 5 days after stuff comes out of the ground.

"Suppose you want to ask the question 'What is the evidence for hunting behavior in Horizon 6?' You ask specifically for quantities of spearheads, scrapers, knives, and other tools relating to hunting. You then might ask, 'What is the evidence of animal bones, such as deer or elk, or collectible animals (baby birds being collectibles)?' Now, if you had to sort through the data sheets, writing down the number of spearheads or bird bones, you'd never ask the question.

"Another boon is that the computer plots out some answers graphically. It may show that there is a butchering area in a horizon, but that only a small part of it is being excavated. The archeologist can reorient field strategy to include a larger portion of the butchering area."

One of the greatest difficulties faced by Struever today is financing the project he directs. "If you tell people you need money for excavating in Iran or Peru," he says wryly, "they think it's exotic; mention southern Illinois and their eyes glaze over." Nevertheless, he manages to infect a good many people with enthusiasm. A portion of the expedition's funds come from grassroots donations, small dollar amounts donated by visitors to Koster, and by people who have heard Struever lecture. Corporations have donated funds; several have donated goods, such as house paint, or food. Four farmers in the area fattened and butchered steers and hogs at cost, and the people at Kampsville, (population 400) held a fish fry and donated $700.

This year, the expedition will need even more help. Kampsville is on the Illinois River, just above the confluence of the Illinois and Mississippi Rivers, and the disastrous spring flooding has left ten of the expedition's 15 buildings water-logged. Scientists and students alike will have to rough it, in both laboratories and living quarters. This will not dampen their exploratory fever, however. The crew bus will still lumber aboard the Kampsville ferry at 5:30 A.M., six mornings a week, and return at 5 P.M. The crew will still gather, after supper at the local school, at St. Anselm's Church hall, two or three nights a week, for lectures. For this little band of people, the excitement of breathing life into the dead past is enough to sustain them against any number of obstacles.

CURRENT U.S. POPULATION

Mr. PACKWOOD. Mr. President, as we prepare for our August recess, I would like to report that, according to U.S. Census Bureau approximations, the total population of the United States as of August 1, 1973, is 211,007,148. In spite of widely publicized reductions in our fertility levels, this represents an increase of 137,240 in the last month, just since July 1. It also represents an increase of 1,589,109 since August 1, 1972.

Over the year, therefore, we have added enough additional people to fill three cities the size of Seattle. And in just one short month, we have added enough people to fill a city about the size of Youngstown, Ohio.

MASS TRANSIT

Mr. TUNNEY. Mr. President, there can be little question that the urban areas of this country are facing a real financial crisis in attempting to plan and construct mass transit systems which will meet environmental and energy needs. The Senate has, for the past 2 years, recognized the magnitude of this need by voting to allow highway trust funds to be used for urban mass transit.

We continue to try to help the cities meet this growing need, as evidenced by the recent passage of the highway aid bill of 1973. The version agreed to by Senate and House conferees will also permit the use of highway trust money for mass transit.

However, this alone will not be sufficient. Many cities, such as Los Angeles in my home State of California, are choking on smog. Immediate and extensive action is required if these areas are to meet the mandates of laws such as the Clean Air Act of 1970—and money from State, as well as Federal sources, will be required if that effort is to be as broad and intensive as is required.

In that regard, the city of Los Angeles, has recently gone to court in California to attempt to have State highway funds freed for funding of mass transit systems. Because I believe that mass transit is an idea whose time has come, I would like to insert in the RECORD at this point the brief filed by the city of Los Angeles.

I think that this action represents an important move by the cities of our country to have their needs answered by State, as well as Federal action. Therefore, I ask unanimous consent that the brief and accompanying materials in this suit be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

BRADLEY *v.* CALIFORNIA HIGHWAY COMMISSION
JULY 30, 1973

This lawsuit, filed today in the state supreme court by attorneys from the Center for Law in the Public Interest, asks the California Supreme Court to order officials who govern the state highway trust fund to allow cities and counties to spend their share of the fund on rapid transit systems and to permit the state to construct such systems.

Currently, the state has ruled that local governments may only spend the fund for construction and maintenance of streets, roads and freeways. This year, the fund—which is produced by gasoline and highway user taxes—will amount to about $1.4 billion statewide.

The suit argues that rapid transit should be defined as a "highway purpose"—thereby falling under a provision of Article 26 of the State Constitution. Article 26 specifically limits the use of gasoline tax funds to "highway purposes." Plaintiffs urge that "highway" be defined as "any public way" and support this contention with a 1935 Supreme Court decision interpreting the statute which became Article 26.

The suit argues that the state's limiting of the funds solely to road use has "retarded the development of mass rapid transit and other alternative transportation systems designed to alleviate critical problems of air pollution, traffic congestion and urban sprawl." The suit adds that the area now faces a critical shortage of energy that could be alleviated if state officials would allow cities and counties to spend their gas tax monies to develop alternative transportation systems.

Petitioners: Thomas Bradley, Mayor of Los Angeles; Edmund Edelman, City Councilman of Los Angeles; City of Riverside, a municipal corporation.

Respondents: California Highway Commission; California State Legislature; California Department of Transportation; James A. Moe, as director of the California Department of Transportation; California State Transportation Board and Houston I. Flournoy, as California State Controller.

Counsel: Mary D. Nichols and Brent N. Rushforth, of the Center for Law in the Public Interest. Of Counsel: Edmund Edelman.

Court of Jurisdiction: The State Supreme Court. The case is being brought at the highest state judicial level, because the issue it presents is of "great public importance and concern and must be quickly resolved." The petitioners believe that city and county governments are in "urgent need" of monies to begin building rapid transit and other alternative transportation systems.

The suit alleges that part of the urgency is predicated upon the federal Clean Air Act of 1970. That Act states that by 1977, a healthful air quality level must be achieved here. In order to achieve that level, the federal Environmental Protection Agency has stated that automobile traffic may have to be reduced by 90 percent here. The EPA also has suggested that gas rationing car pooling and special bus lanes on the freeways be introduced to achieve the 1977 standards. One additional recommendation is that mass rapid transit be introduced. The EPA has stressed that air standards cannot be achieved unless alternative public transit systems are made available without delay.

Case History: "Highway user taxes" were first adopted to finance the construction and maintenance of highways in 1923, with the enactment of the California Vehicle Act. The Act specified that such taxes were to be deposited in a "Motor Vehicle Fund", where one-half of the net receipts would go to counties for exclusive expenditure on streets, roads, highways, ridges and culverts . . . In 1938, state voters approved a constitutional amendment providing that gasoline and motor vehicle taxes only be used for the purposes specified by the 1923 Act. The voter approval of the amendment, which became Article 26 of the state constitution, followed a furor over state officials' expenditure of the fund for general purposes—including parks and unemployment compensation. The purpose of the amendment was to ensure that the fund not be used for such nontransportation purposes.

[In the Supreme Court of the State of California]

PETITION FOR A WRIT OF MANDATE WITH A MEMORANDUM OF POINTS AND AUTHORITIES

(Thomas Bradley, Mayor of the City of Los Angeles; Edmund D. Edelman, a Councilman in the City of Los Angeles; City of Riverside, a municipal corporation, Petitioners, v. California Highway Commission; California State Legislature; California Department of Transportation; James A. Moe, in his official capacity as Director of California Department of Transportation; California State Transportation Board; Houston I. Flournoy, in his official capacity as California State Controller, Respondents.)

Brent N. Rushforth, Mary D. Nichols, Carlyle W. Hall, Jr., A Thomas Hunt, John R. Phillips, Frederic P. Sutherland, Center for Law in the Public Interest, 10203 Santa Monica Boulevard, Los Angeles, California 90067, (213) 879-5583, Attorneys for Petitioners.

Of Counsel: Edmund D. Edelman.

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To the Honorable Justice Donald Richard Wright, Chief Justice, and to the Honorable Associate Justices:

Petitioners Thomas Bradley, Mayor of the City of Los Angeles, Edmund D. Edelman, a Councilman in the City of Los Angeles and the City of Riverside, petition the Honorable Chief Justice Donald Richard Wright and the Associate Justices of the Supreme Court of the State of California for a writ of mandate directed to respondents California Highway Commission; California State Legislature; California Department of Transportation; James A. Moe in his official capacity as Director of California Department of Transportation; California State Transportation Board; Houston I. Flournoy in his official capacity as California State Controller (hereinafter "respondents"), and each of them.

I

This action seeks a writ of mandate directing respondents to consider requests for funds governed by Article XXVI, §§ 1, 2 of the California Constitution (hereinafter "Article XXVI"), by interested county and city governmental entities and to make said funds available in appropriate cases for use in the development and maintenance of mass rapid transit and other alternative transportation systems. Respondents have refused to make funds governed by Article XXVI available to county and city governmental entities for any use other than the building and maintenance of streets, roads and freeways designed to carry motor vehicles (cars, trucks and buses) and structures directly incident thereto. They have taken the position that the language and purpose of Article XXVI prohibits the use of these funds for any purpose other than the development of such streets, roads, freeways or structures directly incident thereto. Exhibits "4" and "5" hereto. Petitioners contend that such a restricted interpretation of the meaning and purpose of Article XXVI is erroneous, and that Article XXVI in fact contemplates the use of moneys from gas taxes and vehicle registration fees for the development and maintenance of any public thoroughfare open to public use, including mass rapid transit and other alternative transportation systems.

Respondents possess the duty and the authority under Article XXVI to consider requests by cities and counties for the use of these moneys for development of any public thoroughfare open to public use, including mass rapid transit and other alternative transportation systems, and to make said funds available in appropriate cases, which authority they refuse to exercise and which duty they refuse to perform. The failure of respondents to fulfill this duty has retarded the development of mass rapid transit and other alternative transportation systems designed to alleviate problems of air pollution, traffic congestion and urban sprawl and to reduce the amount of energy consumed by transportation and therefore to help alleviate the energy problems now faced by this county and is now seriously hindering efforts of petitioner City of Riverside, the City of Los Angeles and other cities to comply with the dictates of the Clean Air Act of 1970, 42 U.S.C. § 1857.

II

This action is properly brought in the California Supreme Court as a matter of original jurisdiction because the issue presented is of great public importance and concern and must be quickly resolved. Solutions to the problems of urban transportation vitally affect the public interest. At this time, city and county government entities are in urgent need of sources of funds for the development of mass rapid transit and other alternative transportation systems. The Clean Air Act of 1970, 42 U.S.C. § 1857, requires that by 1977, the healthful air quality levels mandated by that Act must be achieved. Pursuant thereto, the United States Environmental Protection Agency (hereinafter "EPA") has proposed and will adopt regulations that require automobile traffic in the South Coast Air Quality Control Basin (in which all petitioners reside) to be reduced by up to 90%. A variety of measures, including reservation of freeway lanes for mass transit and carpools, reduction in parking spaces, and rationing of gas to distributors within the region will be required to make these proposals work. However, EPA has pointed out that the statutory mandate cannot be achieved unless alternative public transit systems are made available without delay. 38 Fed. Reg. 17683 (July 2, 1973).

Air pollution and transportation problems have reached crisis proportions. On July 26, 1973, for example, the EPA asked all federal offices in Los Angeles, San Bernardino and Riverside counties voluntarily to close for the day in order to prevent air pollution from reaching even more dangerous levels. The design and construction and maintenance of mass rapid transit systems is a lengthy process which must begin now if solutions to this crisis are to be found. However, the large sums of money needed for such systems are difficult to secure. Funds which at this moment should be available for use by cities and counties to solve their pollution and transportation problems, are being withheld by respondents because of their misinterpretation of Article XXVI. Petitioners ask this Court to issue its writ of mandate requiring respondents to consider requests for the use of moneys governed by Article XXVI in the development of alternative transportation systems, including mass rapid transit, and to allocate moneys governed by Article XXVI for such purposes in all appropriate cases, and to inform all county and city governmental entities throughout the state by public announcement that all such requests will be considered on their merits.

III

Petitioner Thomas Bradley, Mayor of the City of Los Angeles, has long been vitally interested in the creation of a mass rapid transit system in the Los Angeles area. He has made the development of such a transportation system for the South Coast Basin an item of highest priority in his administration. Without access to funds governed by Article XXVI, his efforts, as both a city official and a citizen, to secure a solution to Los Angeles' pollution and transportation problems will be impaired. He is thus adversely affected by respondents' failure to perform their official duty. He testified before the EPA on March 6, 1973, that the development of a mass rapid transit system is necessary if the City of Los Angeles is to comply with the demands imposed on it by the Clean Air Act, and stated that without funds from gas taxes and vehicle registration fees, the City will find it impossible to timely develop such a system.

V

Petitioner Edmund D. Edelman has been a City Councilman in the City of Los Angeles since 1965 and has consistently advocated development of a balanced transportation system, including mass rapid transit, for the City. Respondents' unlawful restrictions on the use of funds governed by Article XXVI impair his ability as both a citizen and a city official to foster the development of such transportation and, thus, he is adversely affected by respondents' failure to fulfill their duty. As an individual citizen and resident of Los Angeles who lives in the Western part of Los Angeles and commutes approximately 10 miles each way to work in downtown Los Angeles, he would benefit directly from the issuance of the writ of mandate in this case by using any mass rapid transit system that may be constructed and maintained out of funds governed by Article XXVI.

Petitioner City of Riverside (hereinafter "Riverside") is a charter city with a population of approximately 150,000. Riverside is authorized to receive funds governed by Article XXVI for whatever lawful purposes said funds may be used. Cal. Str. & H. Code § 2106. The City of Riverside has a critical air pollution problem. Air pollution levels in Riverside exceeded standards set by the United States Environmental Protection Agency pursuant to the Clean Air Act, 42 U.S.C. § 1857, on more than 250 days in 1972. Professor Ralph d'Arge of the Department of Economics of the University of California at Riverside estimates annual cost of automobile-generated pollution to residents of Riverside is about $8 million, primarily attributable to added medical expenses and decreased property values. *Costs of Air Pollution,* Unpublished Report, August, 1972. The City's Environmental Quality Commission has reported that automobile pollution is linked to increasing prevalence of heart and respiratory diseases, including emphysema and bronchitis, in Riverside. Medical authorities have testified that a public health crisis caused by air pollution exists in Riverside and patients with chronic heart and lung ailments are being urged to leave the area. *See* Affidavit of Gerschen L. Schaeffer on file in the U.S. District Court for the Central District of California, Civ. No. 72–2122–IH, *Riverside* v. *Ruchelshaus.* In order to comply with federal air pollution standards, Riverside is now seeking alternative modes of transportation to replace the private automobile and wishes to use funds governed by Article XXVI for the purpose of expanding its public transportation system. Riverside is consequently particularly anxious to obtain funds governed by Article XXVI for purposes of constructing and maintaining a balanced transportation system including mass transit and intends to seek said funds for those purposes upon this Court's issuance of its writ of mandate in this case. Furthermore, Riverside is vitally concerned that other cities and counties in the South Coast Air Basin be able to develop mass rapid transit and balanced transportation systems because Riverside's air pollution and traffic problems are directly affected by those in the other cities and counties in the basin.

VI

Respondent California Highway Commission has the power to select, adopt, and determine the location for state highways on routes authorized by law; and to allocate, from the funds available therefor, moneys for the construction, improvement or maintenance of state highways. Cal. Str. & H. Code § 75.

Respondent California State Legislature has the power to "appropriate such moneys and to provide the manner of their expenditure by the State, counties, cities and counties, or cities for the purposes specified" by Article XXVI, and "to enact legislation not in conflict with this article." Cal. Const. Art. XXVI, § 3. The Legislature adopts and abolishes routes for the State Highway System. Cal. Str. & H. Code §§ 300-653.

VIII

Respondents California Department of Transportation; James A. Moe, in his official capacity as Director of the Department of Transportation; California State Transportation Board; and Houston I. Flournoy, in his official capacity as California State Controller, are sued as necessary parties to this action because their several duties include administration of funds governed by Article XXVI:

A. The California Department of Transportation is authorized and directed to lay out and construct all state highways between the termini designated by law and on the location as determined by the California Highway Commission. Cal. Str. & H. Code § 90.

B. James A. Moe, in his official capacity as Director of the California Department of Transportation, serves as chief administrative officer of the California Highway Commission. Cal. Str. & H. Code § 70.

C. The California State Transportation Board has the duty to advise the Legislature in formulating and evaluating state policy and plans for transportation programs within the State. It has the specific duty to request and review reports pertaining to public financial participation in transportation development, planning, construction and operation. Cal. Gov. Code §§ 1390.2–1390.6.

D. Houston I. Flournoy, in his official capacity as California State Controller, has the duty to apportion the moneys in the State Highway Account, including funds controlled by Article XXVI, on a monthly basis. Cal. Str. & H. Code § 2103.

FIRST CAUSE OF ACTION

IX

Pursuant to Article XXVI, respondent California State Legislature has the authority and the duty to consider requests for funds governed by Article XXVI for use in the development and maintenance of any public way open to public use, including mass rapid transit and alternative transportation systems and to make those funds available for such purposes in all appropriate cases.

X

The law demands that respondent California State Legislature consider requests from cities and counties for funds governed by Article XXVI for use in the development of any public way open to public use, including mass rapid transit, and make those funds available for such purposes in all appropriate cases.

XI

Respondent California State Legislature has failed to perform its duty and exercise the authority vested in it pursuant to Article XXVI in that it has refused to consider any requests for and has refused to appropriate moneys governed by Article XXVI for mass transit and alternative transportation systems. Respondent California State Legislature will continue to refuse to consider appropriation of funds governed by Article XXVI to highway purposes (such as mass transit and alternative transportation systems) other than construction and maintenance of roads adapted for automobiles unless this Court orders it to do otherwise.

XII

Demand on respondent California State Legislature to perform its duty and exercise its authority under Article XXVI would be futile because said respondent has shown by its conduct and public statements that any such demand would be refused. It has interpreted and continues to interpret Article XXVI erroneously to prohibit use of monies governed thereby for any purpose other than the construction and maintenance of streets, roads and freeways designed to carry motor vehicles and structures directly incident thereto.

XIII

Petitioners have no plain, speedy, adequate remedy in the ordinary course of law. Unless a writ of mandate issues to compel respondents to perform their duties, said duties will remain unperformed, the meaning and purpose of Article XXVI will continue to be erroneously interpreted, and cities and counties, including Riverside and the City of Los Angeles, will be left without funds for urban transportation systems including mass rapid transit which they should be receiving now. The problem is an urgent one that requires immediate resolution.

SECOND CAUSE OF ACTION

XIV

Pursuant to Article XXVI and Cal. Str. & H. Code § 75, respondent California Highway Commission has the authority and the duty to consider requests to select, adopt and determine the location of mass rapid transit and alternative transportation systems as state highways and to allocate said funds for such highway purposes in appropriate cases.

XV

The law demands that respondent California Highway Commission consider requests to select, adopt and determine the location of mass rapid transit and alternative transportation systems as state highways and to allocate said funds for such highway purposes in appropriate cases.

XVI

Respondent California Highway Commission has failed to perform its duty and exercise the authority vested in it pursuant to Article XXVI and Str. & H. Code § 75 in that it has refused to consider any requests for and has refused to allocate moneys governed by Article XXVI for mass transit and alternative transportation systems. Respondent California Highway Commission will continue to refuse to consider allocation of funds governed by Article XXVI to highway purposes other than construction and maintenance of roads adapted for automobiles unless this Court orders it to do otherwise.

XVII

Demand on respondent California Highway Commission to perform its duty and exercise its authority under Article XXVI and Str. & H. Code § 75 would be futile because said respondent has shown by its conduct and public statements that any such demand would be refused. It has interpreted and continues to interpret Article XXVI and Str. & H. Code § 75 erroneously to prohibit the use of moneys governed thereby for any purpose other than the construction and maintenance of roads adapted for automobiles.

XVIII

Petitioners repeat and incorporate herein by reference each and every allegation contained in paragraph XIII hereinabove.

Wherefore, petitioners and each of them pray:

1. That this Court issue its alternative writ of mandate directing respondents and each of them to consider all requests for and make available in all appropriate cases to city and county governments, and to the State Department of Transportation, moneys governed by Article XXVI to be used in developing, constructing and maintaining any public way for public use, including mass rapid transit and other alternative transportation systems and to inform all county and city governmental entities throughout the state by public announcement that all such requests will be considered on their merits; or to show cause before this Court at a specific time and place why they have not done so;

2. That this Court issue its alternative writ of mandate directing respondent California Highway Commission to perform its duty under Str. & H. Code § 75 to select, adopt and determine the location of mass rapid transit and alternative transportation systems as state highways and to allocate governed by Article XXVI for mass rapid transit and alternative transportation systems in appropriate cases.

3. That, on the hearing of this Petition for Writ of Mandate and return thereto, if any, this Court issue its peremptory writ of mandate directing that those matters listed in paragraphs 1 and 2 above be done as quickly as possible;

4. For attorneys' fees, costs of this proceeding and such other and further relief as this Court may deem proper.

Dated:

Respectfully submitted,
Brent N. Rushforth, Mary D. Nichols,
Carlyle W. Hall, Jr., A. Thomas Hunt,
John R. Phillips, Fredric P. Sutherland,
BRENT N. RUSHFORTH,
MARY D. NICHOLS,
Attorneys for Petitioners.

VERIFICATION

[State of California, County of Los Angeles]

Thomas Bradley, being first duly sworn, deposes and says:

I am Thomas Bradley, Mayor of the City of Los Angeles and Petitioner in the above-entitled action. I have read the foregoing petition for a writ of mandate and know the contents thereof; and the same is true of my knowledge, except as to the matters and things which are therein stated upon information and belief, and as to those matters and things I believe them to be true.

THOMAS BRADLEY.

Subscribed and sworn to before me this 27th day of July, 1973.

[In the Supreme Court of the State of California]

THOMAS BRADLEY, MAYOR OF THE CITY OF LOS ANGELES, ET AL., PETITIONERS, V. CALIFORNIA HIGHWAY COMMISSION, ET AL., RESPONDENTS

Memorandum of points and authorities in support of petition for a writ of mandate.

I. INTRODUCTION

This is an action to compel respondents to consider mass rapid transit as a "highway purpose" within the meaning of Article XXVI of California Constitution (hereinafter "Article XXVI"). It is based primarily on the proposition that the word "highway", as interpreted at the time of the adoption of Article XXVI, includes mass rapid transit and transportation systems other than roads for automobiles. Indeed, the definition of the word highway was so general and broad at the time of the adoption of Article XXVI that it included any public way open to public use. *City of Long Beach v. Payne*, 3 Cal. 2d 184 (1935).

Notwithstanding this very broad meaning of the word highway adopted in Article XXVI, respondents refuse to act as if "highway" means anything other than a road for automobile travel. The resulting failure to finance and develop a balanced transportation system has been the primary cause of the increase in air pollution to extremely dangerous levels, presenting severe health problems to residents of the South Coast Air Basin and other urban areas of the state. Los Angeles and Riverside are consequently incapable of complying with the requirements of the Clean Air Act of 1970 unless and until a balanced transportation system including mass rapid transit is developed. If the regulations promulgated by the United States Environmental Protection Agency (hereinafter "EPA") pursuant to the Clean Air Act, which require a reduction of 90% in automobile traffic in Los Angeles by 1977, are enforced in the absence of a balanced transportation system, the result will be economic disaster. The issue presented by this petition is therefore of great public importance and urgency.

II. FACTUAL BACKGROUND

The cities and counties of the South Coast Air Basin are faced with critical problems of air pollution which present a serious danger to the health and welfare of all the residents of that area. Air pollution levels in Riverside exceeded standards set by the United States Environmental Protection Agency pursuant to the Clean Air Act, 42 U.S.C. § 1857, on more than 250 days in 1972. Professor Ralph d'Arge of the Department of Economics of the University of California at Riverside estimates that the annual cost of automobile-generated pollution to residents of Riverside is about $8 million, primarily attributable to added medical expenses and decreased property values. *Costs of Air Pollution,* Unpublished Report, August, 1972. The City's Environmental Quality Commission has reported that automobile pollution is linked to increasing prevalence of heart and respiratory diseases, including emphysema and bronchitis, in Riverside. Medical authorities have testified that a public health crisis caused by air pollution exists in Riverside and patients with chronic heart and lung ailments are being urged to leave the area. *See* Affidavit of Gerschen L. Schaeffer on file in the U.S. District Court for the Central District of California, Civ. No. 72–2122–IH, *Riverside v. Ruckelshaus.*

Pollution levels in Los Angeles exceeded the national health standards promulgated by EPA on 288 days in 1970. Even assuming that all new cars meet strict emission control requirements by 1976, and all used cars are equipped with the best known smog control devices, the national standard for oxidants will be exceeded 102 days per year in 1977. Environmental Protection Agency, *Technical Support Document for the Metropolitan Los Angeles Intrastate Air Quality Control Region* (January 15, 1973), 1.

The automobile is the prime mover behind this air pollution. Automobiles generate the major share of 4 out of 5 pollutants which have been declared harmful to human health by the U.S. Environmental Protection Agency: photochemical oxidants, oxides of nitrogen, carbon monoxide, and particulate matter. *See* 40 C.F.R. §§ 550.6–50.11.

In the Los Angeles Air Quality Control Region, which includes the City of Riverside, as well as Orange and Ventura counties and portions of San Bernardino and Santa Barbara counties, there were more than 6 million registered motor vehicles for a total population of 9.7 million. While population is expected to grow 10.4% in the period from 1970 to 1977, the number of vehicle miles travelled in this region is expected to rise by 22.2% based on current projections. TRW, Inc. *Prediction of the Effects of Transportation Controls on Air Quality in Major Metropolitan Areas* (1972) (Distributed by National Technical Information Service, U.S. Department of Commerce).

The EPA has established air quality standards pursuant to the Clean Air Act amendments of 1970, 42 U.S.C. § 1857, under which states are required to take all measures necessary to assure attainment of healthful air by 1977. The Act mandates the Administrator of the EPA to establish standards for each air pollutant which "in his judgment has an adverse effect on public welfare," 42 U.S.C. § 1857c–3, based on "the latest scientific knowledge useful in indicating the kind and extent of all identifiable effects on public health or welfare which may be expected from the presence of such pollutant in the ambient air." *Id.* The Act also requires manufacturers of motor vehicles to reduce emissions of photochemical oxidants and oxides of nitrogen by 90% of their 1970 levels no later than 1976 and 1977, respectively.

In order for the Los Angeles area to reach the ambient air quality standards by the statutory deadline, the Administrator [under a federal court injunction obtained by petitioner City of Riverside and others, *Riverside v. Ruckelshaus,* ——— F. Supp. ———, 4 E.R.C. 1728 (D.C. Cal. 1972)] has had to propose that automobile use be reduced by as much as 90%, through limitations on gasoline sales, setting aside freeway lanes for buses, decreasing the number of parking spaces available, and other means. 37 Fed. Reg. 17683 (July 2, 1973).

As drastic as these proposals sound, they were clearly contemplated by the framers of the 1970 amendments to the Clean Air Act. The Report of the Senate Public Works Committee which accompanied the amendments through both houses of Congress, noted "As much as 75% of the traffic may have to be restricted if health standards are to be achieved within the time required by this bill." The report further warned that "Construction of urban highways and freeways may be required to take second place to rapid and mass transit and other public transportation systems." S. Rep. No. 91–1196, 91st Cong., 2nd Sess. at 2.

The need for mass transit in the Los Angeles area as a means to reduce air pollution was underscored by EPA Acting Administrator Robert W. Fri on June 22, in remarks announcing his proposed transportation plan. "The development of large-scale mass transit facilities in the Los Angeles area is essential to any effort to reduce automotive pollution through restrictions on vehicle use. . . . The Agency . . . actively encourages the immediate and large-scale purchase of additional public transportation facilities, most specifically including additional buses and an increased examination of the feasibility of rail transit." 38 Fed. Reg. 17683.

It is obvious that implementation of the EPA's plan to reduce private automobile use by 90% in the Los Angeles area would be practically impossible without the presence of a balanced transportation system including mass transit. And yet the EPA's plan is necessary if the Los Angeles area is to achieve the healthful air standards mandated by the Clean Air Act of 1970.

So the Los Angeles area is faced with three alternatives: (1) to continue to rely on the private automobile as virtually the sole means of transportation and therefore ensure that the standards of the Clean Air Act cannot be achieved (this presumes that the law will not be enforced); (2) to reduce automobile traffic drastically in the absence of an alternative balanced transportation system and thus invite economic chaos caused, for example, by people not being able to travel to work. (Such chaos is no longer imaginary: on Thursday, July 26, 1973, the EPA requested all federal offices in the Los Angeles air quality control area voluntarily to close their offices because of the expected heavy smog. Some 25,000 federal officials remained at home that day. *Los Angeles Times,* July 27, 1973, p. 1); or (3) to develop a balanced transportation system including mass rapid transit. The unacceptability of the first two alternatives dramatizes the importance of the third.

The urgent problems of air pollution and the danger it presents to the health and welfare of the citizens of the Los Angeles Air Quality Control Region (and indeed every major urban area in California) are not the only adverse results of the failure to develop a balanced transportation system. The indirect costs, environmental damage and social disruption which have resulted from the failure to develop such a balanced transportation system include the following:

Traffic congestion: Construction of new freeways generates new automobile travel. This familiar phenomenon has come to be known as the "freeway effect":

"The freeway effect (growth breeds growth) occurred in California as a result of the construction of improved, limited-access roadways. These roads were intended to relieve traffic congestion. They caused, instead, increased use of the available roadways, and the people changed their living habits to suit their convenience." Inman, D. L. and Brush, B. M., "The Coastal Challenge," *Science,* Vol. 181, No. 4094, p. 31 (July 6, 1973).

TRW, Inc. estimates that I–105 (Century) Freeway in Los Angeles, which respondents plan to construct before 1977, will generate 26% additional new traffic per year in the LA Basin by its mere presence. In contrast, the "normal" rate of traffic growth in Los Angeles is 3.7%. City of Los Angeles, Department of Traffic, *Cordon Count: Downtown Los Angeles, May 1970,* at 21, 35.

Construction of new freeways or increasing the automobile capacity of existing freeways has the long-run effect of increasing traffic because so long as capacity remains fairly stable there is a constant state of congestion during peak driving hours. See Bureau of Public Roads, *Highway Capacity Manual* (1969). This congestion creates an impediment to additional travel but does not eliminate the latent demand for more trips. When a new freeway opens up the pent-up demand is unleashed; within a matter of two to four years the additional traffic capacity is used up, and congestion reigns again. Then, of course, the highway engineers begin to plan a new freeway. Institute of Public Administration, *Evaluating Transportation Controls to Reduce Motor Vehicle Emissions in Major Metropolitan Areas,* March 16, 1972 (mimeographed) 3.19–3.22. This traffic-inducing effect of road construction leads transportation experts to the conclusion that only alternative transportation systems can break the vicious spiral. *See, e.g.,* Note, "Litigating the Freeway Revolt: *Keith v. Volpe,*" 2 Ecology L.Q. 761, 763 (1972); Robert A. Burco and David Curry, *Future Transportation Systems: Impacts on Urban Life and Form* (Stanford Research Institute, 1968).

Social Costs: It has been estimated that 20% of American families do not drive automobiles. In Los Angeles, the figure may be closer to 40%. *Hearings Before the House of Representatives Committee on Public Works, Subcommittee on Transportation,* March 20, 1973. They are especially the young, the old, the poor, and the handicapped. Many are members of racial minorities. The lack of adequate public transportation seriously curtails the mobility of this substantial minority and restricts their opportunities for employment, housing and other social contacts. The McCone Commission report found one of the primary causes of the 1965 Watts riots to be the isolation of ghetto areas produced by the absence of effective public transportation. *Hearings before the Subcommittee on Executive Reorganization of the Senate Committee on Government Operations,* 89th Cong., 2d Sess. 893 (1966).

Urban sprawl and loss of open space: The sprawling development of the Los Angeles area is a direct result of the exclusive reliance on the freeway and the private automobile for urban transportation. Along with urban sprawl comes the loss of open space. The Los Angeles area has less open space per resident than any other metropolitan area in the country. Sprawling development requires expensive public facilities and services such as schools, sewer projects, police and fire protection to be furnished in outlying areas unprepared to provide them. Furthermore, the automobile itself presents a serious land use problem. Highway rights-of-way greatly exceed those required for public transit. Parking space consumes a vast share of the downtown business area—in Los Angeles almost 60% of the downtown area is devoted to the automobile. J. Robinson, *Highways and Our Environment*, 79 (1971).

Housing and property taxes: Urban freeways cause the displacement of large numbers of people and the destruction of housing, usually of the scarce low and moderate price variety. In Los Angeles, for example, the proposed Century Freeway (I–105), if completed, will displace approximately 21,000 people and will result in the destruction of approximately 6,000 dwelling units, consisting almost entirely of low and moderate price housing. *Keith v. Volpe*, 352 F. Supp. 1324 (C.D. Cal. 1972). Furthermore, urban freeways and streets greatly diminish the tax base of financially hard-pressed cities, counties and school districts. This results in higher taxes for the remaining property taxpayers, and a substantial hidden subsidy to the highway users.

Energy and Natural Resources: Overreliance on the private automobile also contributes significantly to the nation's energy and natural resources problems. Although the causes remain in dispute, there is presently an apparent gasoline shortage in this country. Experts agree that there is a vital need to conserve energy and natural resources. Yet the number of private automobiles and the gallons of gasoline consumed in their engines continues to grow. TRW, Inc., *Prediction of the Effects of Transportation Controls on Air Quality in Major Metropolitan Areas, supra*. It is well known that mass transit consumes far less energy for urban transportation than does transportation by private automobile. One study shows that mass transit uses far less than half the energy per passenger mile that the private automobile uses. Hirst, E. and Herendeen, R., *Total Energy Demand for Automobiles*, Society of Automotive Engineers, Inc., 1973, at p. 3. Another study indicates that the private automobile may use as much as five times the energy per passenger mile as does mass transit. Grimer, D. P. and Lusczynski, K., "Lost Power" in *Environment*, April 1972, p. 16. Furthermore, the indirect energy costs of the freeway-automobile transportation system which include the energy consumed in the construction and maintenance of both the freeways and the automobiles and the discovery and production of oil are extremely high. Hirst, E. and Herendeen, R., *Total Energy Demand for Automobiles, supra*, at 3–4. The authors conclude:

"Another energy conservation strategy involves the use of mass transit rather than autos to reduce the need for additional highways. Transit systems can move eight times as many people per highway lane as autos can. A shift to mass transit would reduce highway construction and its concomitant energy demand." *Id.* at 4.

Respondents' refusal, contrary to law, to act as if highway as used in Article XXVI means anything other than a road for automobile travel is a primary cause of the critical problems discussed above. Article XXVI governs the expenditure of approximately $1.4 billion annually. This accounts for almost 90% of the State funds available for transportation purposes. Thus, the interpretation of Article XXVI virtually determines state transportation policy:

"Article 26, by supplying an abundance of state-generated revenues earmarked for one mode of transportation when nothing was available for alternatives, has fostered decisions at the local level leading to the decline and, in most cases, failure of competing modes and our present total dependence on the automobile." E. Rolph, *Article 26: Obstacle to Improved Transportation in California*, 11 (September 15, 1972) [published in *Transportation for the Future: Mass or Mess* (October 19, 1972).]

It is not, however, Article XXVI which has led to the failure to develop a balanced transportation system, but rather respondents' refusal correctly to interpret "highway purposes" in Article XXVI as including any public way for public use, including mass rapid transit.

Respondents' refusal to consider mass rapid transit as a "highway purpose" within Article XXVI is seriously jeopardizing petitioners' efforts to comply with the Clean Air Act by depriving the cities and counties of tax funds which could properly be applied immediately to the costly tasks of planning and constructing mass transit and other alternative transportation systems. Furthermore, respondents' expressed intent to use most of the $1.4 billion annual proceeds of gas and highway user taxes for construction of additional freeways (*1972 Annual Highway Planning Report, Summary Report*, State of California Business and Transportation Agency, Department of Public Works, March 1973), is a direct threat to attainment of the national air quality standards because it encourages *additional* automobile use in the face of a legal duty under the Clean Air Act to discourage such use. As the following section will show, respondents' refusal to consider mass rapid transit as a highway purpose within Article XXVI is based on a serious misinterpretation of that constitutional provision.

Petitioners of course do not assert in this petition that funds governed by Article XXVI may no longer be used for the construction and maintenance of roads and freeways for the use of motor vehicles. Indeed, it is clear that a large share of those funds will continue to be used for just such purposes. Petitioners do assert, however, that the law vests in respondents the duty and responsibility to exercise their discretion to allocate funds governed by Article XXVI to mass transit in appropriate cases. For all the reasons above, petitioners respectfully submit that this is an issue of overriding public importance which this Court should decide by exercise of its original jurisdiction.

III. THE LEGISLATURE HAS A DUTY TO CONSIDER ALLOCATING GAS TAX FUNDS FOR MASS TRANSIT

A. *The Legislature Presently Refuses to Consider Using Funds Subject to Article XXVI For Any Purpose Other Than Roads Designed For Automobiles, Trucks and Buses.*

The Legislature is empowered by Article XXVI to appropriate moneys and provide the manner of their expenditure for the purposes specified by that article. Cal. Const. Act. XXVI, § 3.

Relying solely on the language of Article XXVI, which provides that the proceeds from gas tax and registration license fees shall be used exclusively "for highway purposes, the Legislature refuses to allocate any such funds to mass transit. It is the view of the Legislature that Article XXVI prohibits the use of funds subject to that article for anything other than roads adapted to automobiles, or structures directly incidental thereto, and that only such roads are encompassed by the term "highway." *Infra*, p. 47. *See* Affidavit of Mary D. Nichols, attached hereto as Exhibit "5" and the Opinion of the Attorney General attached hereto as Exhibit "4."

B. *The Legislature's Interpretation of the Phrase "For Highway Purposes" in Article XXVI is Invalid.*

1. Article XXVI adopted the prevailing definition of "highway."

When Article XXVI was presented to the voters for ratification in 1938, it was understood by both its proponents and opponents to make no change in existing law. The ballot argument in favor of Proposition 28—which was adopted as Article XXVI of the California Constitution—states:

"This proposed constitutional amendment, when adopted by the voters, will effectively and permanently prevent diversion of gasoline tax funds to purposes other than those now provided by law." Ballot Pamphlet, General Election, June 1938 at 8. (Exhibit "2" hereto.)

The proponents, Senators William F. Knowland and Sanborn Young, argued that:

"The measure is carefully drawn and eminently fair. It makes no change in existing law, nor does it change any of the present uses for white gasoline taxes and other highway fund revenues are expended." Id.

The opposition to Proposition 28, signed by Malcolm M. Davisson, agreed that the amendment would change nothing:

"The purpose of this amendment is to prevent effectively and permanently the diversion of motor vehicle fuel taxes and motor vehicle registration license fees to purposes other than those now provided by law. This purpose is accomplished under existing laws; and the amendment, therefore, is unnecessary." Ballot Pamphlet, General Election, June 1938, at 9. (Emphasis in original.)

2. The "existing law" at the time Article XXVI was adopted defined a highway as any public way.

This Court established the legal definition of "highway" in 1935, in the only reported case interpreting the predecessor statute to Article XXVI. The California Vehicle Act, Stat. 1923, c. 266, sec. 159, provided that motor vehicle registration fees must be deposited in a "Motor Vehicle Fund." In City of Long Beach v. Payne, 3 Cal. 2d 184 (1935), the issue before the Court was whether Los Angeles County could use a portion of the money allocated to it from the Motor Vehicle Fund to improve and repair certain canals in the City of Long Beach. The County Auditor refused to pay over the funds, and the City sought a mandamus to issue against the Auditor directing payment.

Section 159 of the California Vehicle Act, as amended in 1933, directed that Motor Vehicle Fund moneys allocated directly to the counties ". . . shall be expended by such counties exclusively on the construction, maintenance, improvement or repair of streets, roads, highways, bridges or culverts therein . . . ." The Court observed that canals cannot reasonably be "streets," "roads," "bridges," or "culverts," but held that they were included within the definition of "highways."

"We find no definition of 'highway' given in the California Vehicle Act. As near as that act comes to defining a highway is to be found in the definition of a 'public highway,' which is defined to mean, 'Every highway, road, street etc.' In other words, the act defines public highway as a highway, but makes no attempt to define 'highway.' " Webster's New International Dictionary (2d Ed.) recently issued by G. & C. Merriam Co., publishers, defines a highway as follows: 'A main road or thoroughfare; hence a road open to the use of the public, including in the broadest sense of the term ways upon water as well as upon land.' The definition given by Bouvier's Law Dictionary conveys the same meaning. It is in the following words: 'The term highway is the generic term for all kinds of public ways, whether it be carriage-ways, bridle-ways, foot-ways, bridges, turnpike roads, *railroads*, canals, ferries, or navigable rivers.' In 4 Words and Phrases, First Series, 3292, among numerous definitions of the same general tenor, we find the following: 'The term highway is the generic term for all kinds of public ways, including county and township roads, . . . *railroads and tramways*, bridges and ferries, canals and navigable rivers. In fact, every public thoroughfare is a highway.'—citing Southern Kansas Ry Co. v. Oklahoma City, 12 Okl. 82, [69 P. 1050, 1054]; Union Pacific R.R. v. Colfax County Commrs, 4 Neb. 450, 456; Board of Shelby County Commrs v. Castetter, 7 Ind. App. 309, [33 NE 986, 34 N.E. 687]." 3 Cal. 2d 184 at 188–189. (Emphasis added.)

Article XXVI itself contains no definition of "highways." The word must therefore be interpreted in the sense in which it was understood in 1938—that is, as the Supreme Court established in *Long Beach v. Payne, supra,* that a highway is any public thoroughfare. This rule of construction was applied by the Court in the *Long Beach* case:

"[A]fter the courts have construed the meaning of any particular word, or expression, and the Legislature subsequently undertakes to use these exact words in the same connection, the presumption is almost irresistible that it used them in the precise and technical sense which has been placed upon them by the courts. In re Nowak, 184 Cal. 701, 705 [195 P. 402]." *Long Beach v. Payne, supra,* at 191.

In a 1929 case the Court had ruled that a canal could serve a highway purpose. *Wattson v. Eldridge,* 207 Cal. 314, 278 P. 236. Holding that the City of Los Angeles could fill in canals in Venice for use as city streets, the Court noted:

"There cannot, therefore, be any question but that a canal is a highway of a peculiar kind. (9 Cor. Jur. 1125, sec. 1.) The dedication of a highway to public use authorizes any ordinary use for highway purposes. With changing conditions of travel and use a city has a right to adapt and approprite its highways from time to time to such uses as in its judgment would be most conducive to the public good, and the courts should be slow to interfere with the exercise of this discretion." *Wattson v. Eldridge,* 207 Cal. 314, 321.

Four years after the *Wattson* decision, the Legislture amended § 159 of the Motor Vehicle Act to add "highways" as a permissible use of Motor Vehicle Fund moneys. This use of the word "highways" without further definition constituted an adoption of the *Wattson* definition, the Court held. *Long Beach v. Payne,* 3 Cal. 2d at 191.

Similarly, the use of the word "highway" in Article XXVI, three years after the decision in *Long Beach* v. *Payne,* must be presumed to reflect the legislative drafters' knowledge of the definition the Court had established. This rule of statutory and constitutional construction has been followed by this Court and the California Courts of Appeal in a long line of cases. *See, e.g., County of Sacramento* v. *Hickman,* 66 Cal. 2d 841 (1967); *Perry* v. *Jordan,* 34 Cal. 2d 87 (1949); *Michels* v. *Watson,* 229 Cal. App. 2d 404 (1964). In *County of Sacramento* v. *Hickman,* this Court quoted with approval the statement of the rule by the Court of Appeal in *Michels* v. *Watson*: "'In the absence of contrary indication in a constitutional amendment, terms used therein must be construed in the light of their statutory meaning or interpretation in effect at the time of its adoption.' (*Michels* v. *Watson* (1964) *supra,* 229 Cal. App. 2d 404, 408.)" 66 Cal. 2d at 850.

3. The Legislature itself has used "highway" in the broad sense required by *Long Beach* v. *Payne.*

In 1937, the Legislature adopted an amendment to the Streets and Highways Code reflecting its acceptance of the Supreme Court's definition of "highway" in *City of Long Beach* v. *Payne, supra.* The amendment provides:

"100.5. Whenever the location of a State highway is such that a ferry must be used to completely traverse said highway, the department may construct, maintain and operate such a ferry. . . . Whenever a highway between the termini of which a publicly owned ferry is used, the title to the ferry and all the appurtenances thereto vests in the State." Stats. 1937, Ch. 931.

A water route suitable for a ferry is patently not a road traversible by automobiles. The legislative use of the term "highway" to describe such a route demonstrates that the *Payne* definition had been adopted prior to the use of the term in Article XXVI. "Highway" must therefore be interpreted as meaning "all kinds of public ways." *City of Long Beach* v. *Payne, supra* at 189.

4. The purpose of Article XXVI was to prevent diversion of fuel tax and other motor vehicle taxes from transportation needs to the state general fund.

California began in 1923 to require that motor vehicle registration fees be deposited in a special Motor Vehicle Fund for exclusive use in connection with county roads or "public highways." Stats. 1923, Ch. 266, § 159. Motor vehicle fuel taxes were imposed for the first time that same year, with half the proceeds to be deposited by each county in a "special road improvement fund," and the rest to be used for maintenance of "state highways." Stats. 1923, Ch. 267, § 13.

By the mid-1930s, highway taxes provided a temptingly dependable source of revenue for a Legislature feeling the pinch of depression. Legislators began to dip into the highway funds to support general expenditures—including unemployment compensation, parks, and even oyster propagation. Hanna, "John Motorist Battles to Save His Gas Tax," *Westways* v. 30, no. 4 (1938). Diversions of state gas tax funds from 1929 to 1938 were said to have amounted to $1 billion on a nationwide basis. Editorial, "Gas Tax Grabs and Safety," *Los Angeles Times,* June 12, 1938. In 1938, the Automobile Club of Southern California and the California State Automobile Association led the fight for a constitutional amendment to prevent such diversion "for all time." "Diversion Hit," *Los Angeles Times,* May 8, 1938.

The purpose of the constitutional amendment, Article XXVI, was to preserve the fuel tax and registration fee funds for public transportation needs, as they were then conceived. Privately owned, unsubsidized mass transportation companies such as the Pacific Electric Company's "Big Red Cars" were on the brink of insolvency and were cutting back on service at the same time the private automobile—with the aid of protected tax money for more streets and roads—was taking over an increasing number of passenger miles traveled. R. Hebert, "L.A.'s Big Red Cars—They Went Places," *Los Angeles Times,* July 22, 1973, p. 3. Smerck, *Readings in Urban Transportation* (1968) at 32. But in 1938 street car tracks ran down the center or at the side of roads traversed by automobiles, bicycles and pedestrians, and the vision conjured by the word "highway" in the urban Californian's mind could well have included metal rails. In fact, the last "Big Red Cars" did not cease running to Watts and Long Beach until 1961. Banham, *Los Angeles: The Architecture of Four Ecologies* (1971) 79–83. In any event, the issue of roads for automobiles to the exclusion of rapid transit or other alternative transit systems was never raised. It was the use of motorists' tax funds for nontransportation purposes that incensed the Auto Club's membership in 1938. *A Friend to all Motorists—The Story of the Automobile Club of Southern California* 137–139 (1968).

5. This Court has consistently reaffirmed its broad definition of "highway."

The broad definition of highway adopted by the Court in *Payne* was reaffirmed three years after adoption of Article XXVI in *City and County of San Franvisco* v. *Boyd,* 17 Cal. 2d 606 (1941). In that case, the City of San Francisco sought a writ of mandamus against the State Controller, to certify that there was a sufficient balance in certain funds subject to Article XXVI allocated to the County's account to hire a consulting engineer "to aid in the solution of traffic and transit problems." The Controller refused to certify the expenditure on the ground that the funds, if available, could not legally be used for the specified purpose. The Court issued the writ, holding that the consulting contract was a legitimate "highway purpose":

"As to the appropriation from the accrued surplus in the county road fund, the respondent contends that monies derived from gasoline taxes and registration license fees, and transferred by the state to the county, cannot be used in connection with Purcell contract. We cannot accept the contention. Section 1622 of the Streets and Highways Code, St. 1937, p. 2562, provides that such monies 'shall be deposited in a special road improvement fund' and shall be expended by the county 'exclusively for the acquisition of real property or interests therein, or the construction, maintenance or improvement of highways, bridges or culverts in that county.' . . . .

"That the County Road Fund Act should be construed liberally is indicated by our decision in *Long Beach* v. *Payne.* [citation omitted] wherein it was held that highways included canals as an integral part of the highway system." *San Francisco v. Boyd, supra,* at 612–613.

In a later decision not involving application of Article XXVI, Justice Traynor again pointed out that the meaning of "highway" is not frozen by the common understanding of any particular moment in history. In *Hollaway v. Purcell,* 35 Cal. 2d 220 (1950), plaintiff taxpayers brought suit to enjoin relocation of a state highway, urging among other grounds that the provision of Article IV, Section 36 of the California Constitution that "The Legislature shall have power to establish a system of state highways" precludes the Legislature from authorizing construction of a freeway or limited-access highway because the term "highway" was not understood to encompass such roads when the constitutional provision was adopted in 1902. Affirming the judgment for defendants, Justice Traynor wrote for a unanimous court,

"The Constitution authorizes the Legislature to establish a system of highways adequate to meet the needs of the state, 'and to pass all laws necessary and proper to construct and maintain the same.' The type of highway that is adequate to meet traffic needs necessarily varies with the character and extent of those needs." *Holloway v. Purcell, supra,* at 228–229 (1950).

See also, People v. Western Airlines, Inc., 42 Cal. 2d 621, 635 (1954) (holding that an airlines is within the definition of "railroad or other transportation company" as used in Article XII of the California Constitution of 1879).

Article XXVI was wisely drafted in general terms to meet future needs as they might develop, limiting the use of fuel and registration taxes only to broad "highway purposes." The dictionary definition of "highway" has not grown more restrictive in the 35 years since Article XXVI was enacted. *Webster's Third International Dictionary Unabridged* defines it thus:

"Highway 1a: a road or way on land or water that is open to public use as a matter of right, whether or not a thoroughfare . . . compare *private way* b: such a road or way established and maintained (as by a State) in accordance with law." *Webster's Third International Dictionary Unabridged* 1069 (1966).

But the transportation needs of California *have* changed since 1938. Freeway congestion is now known to be a vicious circle, which construction of new freeways will not break. Federal air pollution law requires that we adopt new modes of transportation. See Section II of this Memorandum *supra* at 5.

Publicly owned and financed mass rapid transit facilities now present a necessary and viable alternative—an alternative which the City of Riverside and the Mayor of Los Angeles are eager to implement as quickly as funds can be made available. In light of the progressive rule of constitutional interpretation applied in *Holloway v. Purcell, supra,* this Court should clear away a major stumbling block by reaffirming the substantial line of cases beginning with City of

Long Beach v. Payne, and holding that, in 1973, highway is also mass rapid transit.

C. Summary and conclusion

The legislature has refused to exercise its discretion, as mandated by Article XXVI, § 3, to consider appropriating any of the $1.4 billion annual revenue from gas tax and motor vehicle license fee funds to mass rapid transit or other alternative transportation systems. It bases this refusal on the erroneous view that the language of Article XXVI, restricting the use of such funds to "highway purposes," precludes using any moneys governed by Article XXVI for rapid transit.

The Legislature's interpretation of Article XXVI is invalid because the word "highway" was defined at the time of Article XXVI's adoption as including "all kinds of public ways," including railroads. *City of Long Beach v. Payne*, 3 Cal. 2d 184, 186 (1935). That definition of highway was not changed by Article XXVI, which sought only to prevent diversion of motor vehicle funds to purposes other than those provided by law at the time of its adoption in 1938. The law in 1938, as interpreted by this Court, permitted the use of highway funds in connection with all kinds of public ways.

The purpose of Article XXVI was to prevent raids on the motor vehicle funds for general budgetary purposes. Petitioners do not challenge that purpose, nor do they seek to compel the Legislature to allocate the funds subject to Article XXVI to any particular project. They seek only to establish their right to have such funds used for *all* lawful purposes under Article XXVI. This Court should order the Legislature to exercise its discretion to consider mass rapid transit and other alternative transportation systems as proper "highway purposes" within the meaning of Article XXVI.

IV. THE CALIFORNIA HIGHWAY COMMISSION HAS A DUTY TO CONSIDER ADOPTING RAPID TRANSIT AND ALTERNATIVE TRANSPORTATION SYSTEMS AS STATE HIGHWAYS

A. Introduction: The Statutory Framework

Pursuant to § 2106 of the Streets and Highways Code, a fixed sum per gallon tax collected under the Motor Vehicle Fuel License Tax Law is apportioned among counties and cities. These apportionments must be spent exclusively for acquisition of rights of way for and construction of routes on the "select system of county roads and city streets" established under Section 186.3, Str. & H. Code, *except* that the funds may be spent for the same purpose upon a State highway. Conceding that a rapid transit system may not be a county road or a city street, under the definitions established by *City of Long Beach v. Payne, supra*, a city or county may spend gas tax money upon such a system only if it is a "state highway." As demonstrated in Section III of this Memorandum, *supra*, a mass transit system is a highway. To be labelled a *state* highway, it must be selected, adopted and its route location approved by the California Highway Commission (hereinafter "the Commission"). Str. & H. Code § 75.

The Commission refuses to consider a mass rapid transit system as a state highway. It apparently bases its refusal upon its interpretation of "highway" as used in the sections of the Streets and Highways Code implementing Article XXVI and in Article XXVI itself. The Commission's interpretation is erroneous in both cases.

B. The Streets and Highways Code Incorporates the Payne Definition of Highway

1. The word "highway" in the 1935 Streets and Highways Code was carried over from the 1923 Vehicle Act.

In 1935, the Legislature enacted the first Streets and Highways Code, "thereby consolidating and revising the law relating to public ways and all appurtenances thereto." Stats. 1935, c. 29, p. 248. The codification was approved on March 27, 1935—one month before the decision in *City of Long Beach v. Payne* came down—and was in effect on September 15, 1935. West's Ann. Str. & H. Code p. 1. The limitation on expenditures by cities and counties of gas tax funds was carried over from the old Motor Vehicle Act, which was adopted in 1923. Under Section 159 of the Vehicle Act, automobile registration fees were deposited in a Motor Vehicle Fund. One half of the receipts were to be paid to counties to be spent exclusively in "the construction and maintenance of public roads, bridges, and culverts in said counties," Stats. 1923, c. 266, § 159. Section 159 was amended in 1933 to broaden the scope of possible expenditures by counties to include "the construction, maintenance, improvement or repair of streets, roads, *highways*, bridges or culverts there." Stats. 1933, c. 1031, § 159(c). (Emphasis added.) It was this statute that the Court interpreted in 1935 in the *Payne* case, *supra*.

A different statute, also first adopted in 1923, imposed a tax on motor vehicle fuels, the proceeds of which went into a separate "Motor Vehicle Fuel Fund." Half the receipts of that fund were allocated to counties to be spent "exclusively in the construction and maintenance of roads, bridges, and culverts in each such county." Stats. 1923, c. 267 §§ 1, 13. This limiting language was not changed until adoption of the first Streets and Highways Code in 1935.

The Streets and Highways Code merged the provisions of the two preceding statutes relating to use of the tax funds by counties. The new law provided that:

"All amounts paid to each county, out of money derived from motor vehicle fuel license taxes and vehicle registration license fees imposed by the State, shall be deposited in a 'special road improvement fund' which each board of supervisors shall establish for that purpose. Except as otherwise provided in this article, such money shall be spent exclusively in the construction, maintenance or improvement of county *highways*, bridges, or culverts in that county." Stats. 1935, c. 29, § 1622. (Emphasis added.)

Thus, the term "highway" was added to the permissible uses of gas tax funds without further definition in 1935. The history of the section demonstrates that highway was intended to have precisely the same meaning that it had in Section 159 of the Vehicle Act—that is, the broad meaning established by *City of Long Beach v. Payne, supra*.

2. The definition of "highway" has remained the same through succeeding amendments to the Streets and Highways Code.

The Collier-Burns Act of 1947 has been the only major legislative revision in the highway program since 1935. That act increased gasoline and diesel taxes and registration fees, divided the State Highway Construction Fund into two shares, allocating 45% to the northern part of the State and 55% to the South, and increased the apportionment of revenues to the cities and counties. Stats. 1947, 1st Ex. Sess., c. 11. The Legislature declared that this act was enacted "in furtherance of the policy and purpose of Article XXVI of the Constitution." *Id.* at 43. Obviously, if the Legislature was dissatisfied with the interpretation of "highway" in Article XXVI which was established in *City of Long Beach v. Payne*, 3 Cal. 2d 184, in 1935, and reiterated in *City and County of San Francisco v. Boyd*, 17 Cal. 2d 606, in 1941, it would have taken the opportunity to enact a narrower definition. It did not do so. It is, therefore, clear that the term highway as used in § 75 and § 186.3 Str. & H. Code, is intended to be used in precisely the same broad sense in which it is used in Article XXVI. Thus, there is no obstacle, legislative or constitutional, to the Commission exercising its discretion to consider selecting, adopting and determining the location for mass rapid transit systems, to allocate funds governed by Article XXVI for such purposes, and to permit cities and counties to spend their allocations of Article XXVI on such systems once they are adopted as state highways.

C. The Commission is Violating the Command of Streets and Highways Code § 75.7 in Failing to Consider Adopting Rapid Transit Systems as State Highways.

When the Commission exercises its discretion to adopt a state highway route, it is required to issue a report containing "the basis for its decision, including the consideration given to the following factors:

(a) Driver benefits

(b) Community values

(c) Recreational and park areas

(d) Historical and aesthetic values

(e) Property values, including impact on local tax rolls

(f) State and local public facilities

(g) City street and country road traffic

(h) Total projected regional transportation requirements." Cal. Str. & H. Code § 75.7.

The Commission is violating the statutory mandate to consider all the factors listed above in determining what are "highways," since, under the *Payne* definition, rapid transit lines are highways.

In order to give full and unfettered consideration to item (b), "Community values," and item (h), "Total projected regional transportation requirements," the Commission must be able to consider adopting rapid transit instead of or in addition to roads for motor vehicles. Failure to exercise its discretion to consider rapid transit as state "highways" is a clear violation of the statutory requirement to consider community values, *e.g.*, the community's interest in a reduction in air pollution, and total transportation needs.

D. Summary and conclusion

Cities and counties must spend their share of the gas tax revenues on "state highways" if they choose not to spend all or part of their allocation for city streets and county roads. The Commission has refused to consider adopting rapid transit systems as state highways, basing its refusal on Article XXVI of the Constitution and implementing legislation. This refusal not only is without legal basis, since the term highway encompasses rapid transit systems under previous decisions of this Court; it also violates the express statutory command of Streets and Highways Code §75.7 that the Commission consider community values and total projected regional transportation requirements in determining what shall be state highways.

V. THE ATTORNEY GENERAL'S OPINION ON WHICH RESPONDENTS PURPORT TO RELY FOR THEIR REFUSAL TO CONSIDER MASS RAPID TRANSIT AS A HIGHWAY PURPOSE IGNORES APPLICABLE CASE LAW, BUT ITS LOGIC SUPPORTS PETITIONERS

A. The Attorney General's Opinion Has No Basis in California Law.

In an Opinion issued June 6, 1973, Ops. Cal. Atty. Gen. No. CV 72/357 attached hereto as Exhibit "4," Attorney General Evelle J. Younger concludes that Article XXVI bars the appropriation of motor vehicle fuel taxes for the construction or maintenance of a rapid transit system. This Opinion does not cite or consider the application of the three principal California cases dealing with the proper definition of highway discussed above: *Wattson v. Eldridge*, 207 Cal. 314; *Long Beach v. Payne*, 3 Cal.2d 184; and *San Francisco v. Boyd*, 17 Cal.2d 606. The sole case cited for the proposition that "highway purposes" excludes rapid transit lines is a Massachusetts decision, *In re Opinion of the Justices*, 85 N.E.2d 761 (1949). The opinion relies primarily on prior Attorney General's opinions, *see* 47 Ops. Cal. Atty. Gen. 145 (1966); 47 Ops. Cal. Atty. Gen. 28 (1966); 27 Ops. Cal. Atty. Gen. 15 (1956), none of which acknowledges the existence of applicable California case law.

That the Massachusetts definition of a highway is not dispositive of the intention of California statutes was clearly established in the *Payne* case, *supra,* at 190, in which the Court observes:

"Counsel for respondent have cited decisions from other jurisdictions holding that in certain instances the term 'highway' does not include a canal, but these authorities are out of line with the general trend of decisions upon the subject, and are in direct conflict with the decision of this court in *Wattson v. Eldridge, supra.* We are therefore of the opinion that the term 'highway' as generally used and understood is sufficiently comprehensive to include canals as an integral part of a highway system."

The Attorney General asserts, at p. 4, that a "long-standing legislative interpretation of article XXVI supports a restrictive definition of highway purpose." As petitioners have demonstrated in the foregoing sections, the Legislature has never explicitly adopted such an interpretation, and its current view is based on an invalid construction of the word "highway."

B. *The Attorney General's Conclusion that Bicycle Lanes or Trails May Serve a "Highway Purpose" is Equally Applicable to Mass Rapid Transit Systems.*

Despite the groundless assertion that "highways" are only for motor vehicles, the Attorney General's opinion concludes that "pedestrian, equestrian, or bicycle lanes or trails" may be funded by motor vehicle fuel tax revenues. The Attorney General reasons as follows:

"[I]t is apparent, for instance, that the construction and maintenance of pedestrian facilities, such as sidewalks and pedestrian overcrossings and undercrossings, which serve to separate pedestrian traffic from motor vehicle traffic on the highway, serve a 'highway purpose' in that pedestrians who might use the streets and highways for transportation are removed from the highway thereby increasing the traffic capacity and safety of such street or highway." *Id.* at 4–5.

Petitioners agree. Under this reasoning, even if this Court were to adopt the constricted definition that a "highway" is only a "road," as proposed by the Attorney General, it should hold that a mass rapid transit system is a valid furtherance of such "road" purposes. Mass rapid transit facilities relieve traffic congestion and improve safety by reducing the use of motor vehicles. See Institute of Public Administration, *Evaluating Transportation Controls to Reduce Motor Vehicle Emissions in Major Metropolitan Areas,* App. E 1–20 (November 1972). As shown in Section II of this Memorandum, *supra,* at 6–7, constructing mass rapid transit as an alternative to roads in appropriate cases can also forestall the creation of new freeways, thereby mitigating the pressure to commit future revenues to additional automobile routes. Thus, even under the Attorney General's definition, rapid transit serves a "highway purpose" and moneys governed by Article XXVI may therefore be allocated for rapid transit in appropriate cases.

VI. THE WRIT OF MANDATE IS THE APPROPRIATE REMEDY TO COMPEL RESPONDENTS TO CONSIDER REQUESTS FOR MONEYS GOVERNED BY ARTICLE XXVI TO BE USED FOR DEVELOPMENT OF MASS RAPID TRANSIT AND OTHER PUBLIC WAYS OPEN TO PUBLIC USE

As this section will show, petitioners properly seek a writ of mandate to compel respondents to perform a public duty involving the public welfare of virtually every citizen of the State of California.

The California Code of Civil Procedure, section 1085, provides that the writ of mandate may be used ". . . to compel the performance of an act which the law specially enjoins as a duty resulting from an office, trust, or station. . . ." Section 1086 requires that the writ ". . . must be issued in all cases where there is not a plain, speedy, and adequate remedy in the ordinary course of the law. It must be issued on the verified petition of the party beneficially interested."

These statutory elements have been interpreted as requiring that the petitioners show a clear, present (and usually ministerial) duty on the part of respondent coupled with a clear, present and beneficial right in the petitioner. Additionally, the petitioner often must show that he has made a demand that the duty owed be performed. However, this Court has held that when the duty invoked in a petition for a writ of mandate affects the public welfare, some of these requirements are relaxed. *Hollman v. Warren,* 32 Cal. 2d 351 (1948); *Ballard v. Anderson,* 4 Cal. 3d 873 (1971). For instance, when a petitioner can show that he seeks to compel the performance of a public duty, he need not allege that he himself is personally and beneficially interested. *Hollman v. Warren, supra; Fuller v. San Bernardino Valley Mun. Wat. Dist.,* 242 Cal. App. 2d 52 (1966) [citing cases]; *see also Jensen v. McCullough,* 94 Cal. App. 382 (1928).

A. *Respondents Have a Clear, Present Duty to Consider Requests for Moneys Governed by Article XXVI to be Used to Develop Any Public Way to Open to Public Use Including Mass Rapid Tarnsit and Other Alternative Transportation Systems.*

The language and purpose of Article XXVI do not limit or restrict the use of gas taxes and vehicle registration fees for the construction, improvement or maintenance of legitimate public transportation systems. As shown above, past decisions of this Court establish that the "highway purposes" included within Article XXVI contemplate the use of funds for the creation of varied transportation system, including mass rapid transit. A proper interpretation of "highway purposes" establishes a clear and present duty in respondents to consider requests for funds governed by Article XXVI to be used in the creation of a variety of transportation systems not limited to streets, roads, or freeways, capable of carrying cars, trucks and buses and to appropriate those funds for such purposes in proper cases.

In seeking to compel respondents to consider requests for funds to be used on all legitimate public transportation systems, petitioners do not seek to have this Court control the *manner* in which respondents exercise their discretionary power, but only to require that they exercise it. It is well established that the writ of mandate may be used to compel the exercise of discretionary power when there has been a complete absence of the use of such power. *Thurmond v. Superior Court,* 66 Cal. 2d 836 (1967); *Erlich v. Superior Court,* 63 Cal. 2d 551 (1965); *Hollman v. Warren, supra; Memorial Hospital of Southern Cal. v. State Health Planning Council,* 28 Cal. App. 3d 167 (1972); *Betancourt v. Workmen's Compensation Board,* 16 Cal. App. 3d 408 (1971).

The use of the writ of this purpose is particularly appropriate when, as in the present case, the public agency charged with a refusal to perform a duty has based its refusal on an erroneous view of the law.

"The availability of mandate is not limited to these situations when there has been an abuse of discretion, but also extends to cases where a trial court refuses to exercise its discretion because of a mistaken belief that the court had no discretion in the premises. . . ." *Erlich v. Superior Court, supra,* at 556.

The general principle established by these cases that the writ of mandate can be used to compel the exercise of vested discretionary power, has been applied against administrative officers as well as judicial ones. *Hollman v. Warren, supra, Betancourt v. Workmen's Compensation Board, supra; Memorial Hospital of So. Cal. v. State Health Planning Agency, supra.* Agencies and individuals in these cases had refused to exercise judgment with respect to a given subject, in the belief that they were not empowered to act at all. The writ of mandate operated in these situations to clarify a rule or law affecting the exercise of discretionary power and to compel the exercise of that power.

Hollman v. Warren, supra, is a case directly analogous to the instant case. In that case, Governor Warren had failed to exercise his discretion to appoint notaries public in San Francisco because he was under the erroneous impression that the law allowed him no such discretion. This Court issued a peremptory writ of mandate to compel Governor Warren to exercise his discretion to appoint the notaries, stating that:

"While ordinarily, mandamus may not be available to compel the exercise by a court or officer of the discretion possessed by them in a particular manner, or to reach a particular result, it does lie to command the exercise of discretion—to compel some action on the subject involved. [Citations omitted.] 32 Cal. 2d at 355.

In the instant case, respondents have refused and will continue to refuse to exercise their discretion to consider requests for moneys governed by Article XXVI unless ordered by this Court to exercise that discretion. As in *Hollman* v. *Warren,* respondents' refusal rests on a misinterpretation of the law, and therefore a writ of mandate is the appropriate remedy to compel respondents to exercise their discretion.

When an agency's action or refusal to act rests on an interpretation of law, a petition for a writ of mandate is an appropriate means to seek review of that determination. *Rich* v. *State Board of Optometry,* 235 Cal.App.2d 591 (1965). In that case, petitioners sought to compel the State Board of Optometry to allow them to relocate branch offices of their businesses. The issuance of the writ necessarily involved a determination of the meaning and purpose of the California Business and Professions Code § 3077. In granting the writ, and thus deciding the correct interpretation of § 3077, the court said,

"The construction of a statute and its applicability to a given situation are matters of law. . . . Accordingly, where an administrative agency's determination involves the construction of a statute, its interpretation is a question of law which is reviewable by the courts. . . ." 235 Cal.App.2d 591, 604.

As in *Rich,* petitioners in the instant case seek a review of respondents' interpretation of a law (in this case constitutional) and a writ of mandate compelling compliance with that law.

This Court has issued its original writ of mandate to correct erroneous administrative interpretation of important laws in cases like the present one. *In San Francisco Unified School District v. Johnson,* 3 Cal. 3d 937 (1971), this Court was "called upon to determine the interpretation and constitutionality of Education Code Section 1009.5. . . ." 3 Cal. 3d at 942. Read one way, the statute could be "construed so as to prohibit nonconsensual busing in order to achieve racial integration." 3 Cal. 3d at 943. The Court rejected such an interpretation and issued a peremptory writ of mandate compelling a computer study of present and future school assignments in San Francisco. 3 Cal. 2d at 960. The Court pointed out that it was not by its order requiring busing as a means of achieving integration, but rather was compelling the school authorities to exercise their discretion to consider school assignments which would depend on busing as a means of achieving integration. The school authorities' refusal to study such school assignments was purportedly based on their belief that the statute did not permit them to *consider* busing.

As in *San Francisco Unified School District v. Johnson,* petitioners in the instant case seek to have the Court interpret a law and to compel respondents to exercise the discretionary power which the law confers upon them. Just as the Court was not required to order busing to achieve school desegregation in the San Francisco case, so in the present case, petitioners do not request the Court to compel respondents to allocate funds governed by Article XXVI for mass transit in any specific case. But, as in *Johnson* this Court held that to read Education Code Section 1009.5 as prohibiting busing as a means of achieving integration was incorrect, so, petitioners submit, in this case the Court should conclude that to read Article XXVI as prohibiting use of funds governed thereby for anything but roads for motor vehicles is clearly erroneous. As in *Johnson*, the writ of mandate is the appropriate remedy to compel respondents to exercise the discretion granted them by law.

Earlier, in *County of Sacramento v. Hickman*, 66 Cal. 2d 841 (1947), this Court issued a preemptory writ of mandate to compel a county assessor to assess property at between 20% and 25% of its face value rather than at its "full cash value" as stated in Article XI, Section 12 of the California Constitution. The assessor had interpreted that section of the Constitution as allowing her no discretion to assess the property at anything other than full cash value. This Court disagreed, pointing out that the statutory meaning and interpretation in effect at the time of the adoption of Article XI, Section 12 allowed assessment at fractional value. The Court held that Article XI, Section 12 does not preclude assessment at a fraction of full cash value and issued a writ of mandate to compel the county assessor to assess property at between 20% and 25% of face value.

As in the cases above, the course of action challenged herein is based upon an incorrect interpretation of law. Respondents have refused and continue to refuse to consider the use of Article XXVI funds for the development of mass rapid transit and alternative transportation systems. Their refusal is based upon the erroneous view that they lack discretion to consider use of gas taxes and vehicle registration fees for mass rapid transit under Article XXVI.

In requesting the Court to issue the writ of mandate in this case, petitioners seek to compel respondents to perform their clear and present duty to exercise authority and discretion vested in them which they now refuse to exercise. As in *San Francisco Unified School District* v. *Johnson, supra*, it is appropriate that this Court issue its writ of mandate to compel the exercise of discretion here.

B. *Petitioners by This Action Seek to Procure Performance of a Public Duty in Which They Have a Beneficial Interest.*

It is well established that when a petitioner attempts to vindicate a public right and thus to compel performance of a public duty, no special beneficial interest other than his interest as a citizen need be shown.

"Where the question is one of public right and the object of mandamus is to procure the enforcement of any public duty, the relator need not show that he has any legal or special interest in the result, since it is sufficient that he is interested as a citizen in having the laws executed and the duty in question enforced." *Diaz* v. *Quitoriano*, 268 Cal. App. 2d 807, 811 (1969); *See also, Fuller* v. *San Bernardino County Municipal Water District*, 242 Cal. App. 2d 52, 57 (1966).

In *Hollman* v. *Warren, supra*, this Court stated that petitioner had sufficient interest in the issuance of a writ of mandate compelling Governor Warren to exercise his discretion to appoint notaries in San Francisco not only as an applicant for the position of notary, but also as a resident and taxpayer of San Francisco "interested in having a sufficient number of notaries commissioned to act therein." 32 Cal. 2d at 357.

In *Brown* v. *Superior Court*, 5 Cal.3d 509 (1971), the California Secretary of State sought mandamus in this Court directing the Superior Court to vacate its order dismissing the Secretary's action for civil penalties against parties for their alleged failure to comply with campaign laws. This Court, in issuing the writ of mandate, pointed out that it was particularly appropriate that the Secretary of State seek mandamus because of his overall responsibility to enforce the election laws.

In the instant case, petitioners seek to procure performance of a public duty which affects the public welfare of virtually every citizen of the State of California. As shown above, the lack of mass rapid transit and other forms of public transportation is a direct cause of problems of air pollution and traffic congestion in California's urban and suburban areas. The existence of funds for the creation of a balanced transportation system will determine to a great extent the ability of petitioner City of Riverside and other cities like the City of Los Angeles to comply with the requirements of the Clean Air Act of 1970. Respondents' refusal to make funds available for balanced transportation systems vitally affects every California city's ability to deal effectively with its social, environmental and economic problems. Further, transportation has a direct bearing on whether this state will be capable of meeting the increasingly urgent need to conserve energy and natural resources. There can be no doubt that petitioners in this case seek to procure performance of a public duty of the greatest importance and significance for all Californians.

Petitioners are especially appropriately situated to seek mandamus compelling performance of respondents' public duty in this case. Mayor Bradley, as the highest administrative official of the City of Los Angeles, has the responsibility to protect the health and welfare of all residents and citizens of the City. He is vitally concerned both in his official capacity and as a citizen with finding solutions to the problems of air pollution, traffic congestion, urban sprawl and social dislocation. He has a duty to see that the City of Los Angeles complies with the requirements of the Clean Air Act. Solutions to these problems can be found only in the development and maintenance of a ballanced transportation system. The development of such a system in turn depends on the availability of vast sums of money for mass rapid transit and other alternative public transportation. Just as it was appropriate for the Secretary of State to seek mandamus in *Brown* v. *Suprerior Court, supra*, so Mayor Bradley is particularly well suited to seek performance of respondents' public duty in the instant case.

Councilman Edelman is likewise qualified both as a citizen and as a public official of the City of Los Angeles to seek performance of respondents' public duty in this case. As a city official, Councilman Edelman has been vitally concerned with the development of a balanced transportation system including mass transit. He has been a strong advocate of the use of moneys governed by Article XXVI for the development of such a balanced transportation system since 1966. As a resident of West Los Angeles who commutes approximately 10 miles each way to work in downtown Los Angeles, he would benefit directly from the issuance of a writ of mandate in this case by using the mass rapid transit system constructed and maintained from funds governed by Article XXVI.

The City of Riverside is itself authorized to seek and obtain funds governed by Article XXVI for whatever lawful purposes said funds may be used. The City of Riverdale is burdened by aggravated air pollution problems and is anxious to obtain moneys governed by Article XXVI for construction and maintenance of alternative modes of transportation to replace the private automobile. In order to fulfill its responsibilities to protect the health and welfare of its residents and citizens, the City of Riverdale intends to seek funds governed by Article XXVI for such purposes upon this Court's issuance of the writ of mandate prayed for in this petition.

In short, all three petitioners are particularly well qualified by reason of their interests and responsibilities as city officials and as private citizens and, in the case of the City of Riverside, by reason of its direct interest in receiving funds governed by Article XXVI for mass transit, to seek to compel respondents to perform their public duties affecting all the citizens of the Los Angeles and Riverside areas as well as the entire state.

C. *This Petition is Timely Because Respondents Have Shown That Any Demand to Perform Their Duties Under Article XXVI Would be Refused.*

Ordinarily, when a petitioner seeks mandamus, he must assert that he made demand upon the respondent to perform the act and that the respondent refused to comply. No such demand need be made, however, where petitioner seeks mandamus to compel the performance of a duty affecting the public at large *or* where the conduct and attitude of the respondent show that the demand would have been refused if made. In *Jensen v. McCullough*, 94 Cal. App. 382 (1928), petitioner, a state officer, sought mandamus compelling respondent, a county treasurer, to pay moneys due the state by reason of commitments by the County to the Sonoma state home. In issuing the writ of mandate, the Court stated:

"But there are two well-recognized exceptions to this general rule [that there be a demand and a refusal]—first, that a demand is excused when the act is a mere public duty affecting the public at large and in which the petitioner has no immediate benefit, and, second, that a demand is excused when the attitude of the respondent shows that it would have been refused if made." 94 Cal. App. at 389.

See also, Young v. Gnoss, 7 Cal. 3d 18 (1972) (Original writ of mandate issued to prevent enforcement of unconstitutional residency requirement), holding that "the remedy may be sought when it is clear from the circumstances that the public officer does not intend to comply with his obligations when the time for performance arrives." Both exceptions set out in *Jensen v. McCullough, supra*, are present in the instant case. First, as set out above, petitioners seek to procure performance of a public duty affecting the public at large, and petitioners' beneficial interest in respondents' performance of that duty is a consequence of petitioners' responsibilities to the public, who are the direct beneficiaries.

Further, the conduct and public statements of respondents leave no doubt that they have interpreted and continue to interpret Article XXVI narrowly to prohibit use of funds governed thereby for any purpose other than the construction and maintenance of streets, roads and freeways designed to carry motor vehicles and structures directly incident thereto. In the *California Action Plan for Transportation Planning* prepared by respondent California Department of Transportation to fulfill the requirements of the Federal-aid Highway Act of 1970. this interpretation is explicit:

"The California Department of Transportation is authorized to plan for a balanced and coordinated transportation system including all transportation modes, but is not authorized to assume the functions of designing or building any mode other than highway.

Therefore, the system planning portion of the Action Plan is multimodal in concept, but the project development phase is only directed toward highway projects." *California Action Plan for Transportation, Final Draft*, California Department of Transportation, June 1973, at p. 1–4. [The Department of Transportation is clearly using the word "highway" in this passage to mean road for automobile travel.]

The reason why respondent Department of Transportation "is not authorized to assume the functions of designing or building new mode other than highway" [*i.e.*, road for automobile travel] is because it has misinterpreted Article XXVI as limiting use of the funds governed thereby for use in designing, constructing and maintaining streets, roads and freeways for use of motor vehicles.

Further, the *1972 Annual Highway Planning Report, Summary Report*, published by the State of California Business and Transportation Agency, Department of Public Works in March 1973, outlines a highway program for the next nine years limited exclusively to construction of highways for use of motor vehicles. The program, which depends for part of its financial support on $10.6 billion which is presumed to be available under Article XXVI during the next nine years, rests on the assumption that the use of funds governed by Article XXVI will be limited exclusively to construction of highways for use of motor vehicles. Thus, the report states that its basic assumptions regarding state revenues are:

"a) there will be no change in the highway user [Article XXVI] tax structure; and

b) there will be no diversion of highway users [Article XXVI] taxes." *Id.* at 13.

If there were ever any doubt as to the position of respondents regarding the use of funds governed by Article XXVI for mass rapid transit and other alternative transportation systems, that doubt has been laid to rest by a recent request from respondent California State Legislature to the State Attorney General and the response to that request. [The response from the Office of the Attorney General is attached hereto as Exhibit "4".] The question which was presented to the Attorney General by the Honorable James R. Mills, President Pro Tempore of the California State Senate, was:

"1. Does Article XXVI of the Constitution permit the appropriation of motor vehicle fuel taxes for the construction or maintenance of a rapid transit system." Exhibit "4" at 1.

The conclusion as to that question is stated as follows:

"1. Article XXVI of the Constitution bars the appropriation of motor vehicle fuel taxes for the construction or maintenance of a rapid transit system." Exhibit "4" at 1.

The Attorney General's analysis unfortunately does not include any reference to the *Payne* case. Consequently, its reliance on the legislative history surrounding the passage and approval of Article XXVI is incomplete and fatally defective. Its existence, however, assures that any request by petitioners that respondent State Legislature authorize use of funds governed by Article XXVI would be refused.

It is clear that respondent State Legislature is presently relying on the above opinion of the Attorney General for its interpretation of Article XXVI. On July 18, 1973, Mary D. Nichols, one of the attorneys for petitioners herein, talked by telephone with Jimmy Wing, deputy legislative counsel in charge of transportation. He informed Miss Nichols that his office has relied and continues to rely on the above opinion of the Attorney General in advising the Legislature regarding the scope of Article XXVI. (The details of this conversation are set out in the affidavit of Miss Nichols attached hereto as Exhibit "5".)

Because the State Legislature, relying on the above opinion of the Attorney General, has too narrowly construed the purposes for which funds governed by Article XXVI may be used, there have been numerous legislative attempts to alter the situation. The bill authored by Assemblyman Foran, ACA 16, would open the funds governed by Article XXVI to uses for construction and maintenance of mass transit and would have the details to be worked out by the State Legislature. The bill authored by Senator Mills, SCA 15, would authorize use of some of the funds governed by Article XXVI for transportation purposes other than roads for motor vehicles but would accomplish it in more specific and limited ways. Neither of these bills, nor any other legislation, would be necessary had respondent State Legislature properly interpreted Article XXVI as limiting funds governed by that Article only to general transportation purposes rather than non-transportation purposes. The reasons for the failure properly to interpret the scope of Article XXVI appear to be twofold: 1) the issue seems never to have presented itself clearly and distinctly to respondents until very recently; 2) apparently the decisions of this Court, discussed extensively above, have never been called to the attention of respondents. At any rate, it is readily apparent that respondent State Legislature has in the recent past interpreted and continues to interpret Article XXVI as restricting use of the funds governed thereby to roads for motor vehicles.

Thus, any request from petitioners that such funds be allocated for mass transit and other alternative transportation systems would be denied, and a writ of mandate is the appropriate remedy to compel respondents to consider such requests, notify all county and city governments that such requests will be considered, and allocate funds for such uses in appropriate cases.

D. *Petitioners Have No Plain, Speedy and Adequate Remedy in the Ordinary Course of the Law.*

For all the reasons set out in Section II above, the issues presented by this petition are of the utmost public importance and urgency. No remedy at law could begin to provide petitioners with the equivalent of the relief they seek by this petition: namely, an opportunity to use a portion of the funds governed by Article XXVI to provide solutions to the critical public transportation, pollution and related urban problems enumerated above. Money damages or other ordinary remedies are totally inadequate and inappropriate in the context of this litigation. Petitioners submit that mandamus is the only appropriate remedy under the circumstances.

VII. THIS PETITION PRESENTS A COMPELLING CASE FOR THIS COURT TO EXERCISE ORIGINAL JURISDICTION BECAUSE THE ISSUES PRESENTED ARE OF THE GREATEST PUBLIC IMPORTANCE AND MUST BE RESOLVED PROMPTLY

Under Article VI § 4 of the California Constitution, the Supreme Court has original jurisdiction in proceedings in the nature of mandamus. Rule 56(a) of the California Rules of Court provide:

"A petition to a reviewing court for a writ of mandate . . . shall set forth the matters required by law to support the following: (1) If the petition might lawfully have been made to a lower court in the first instance, it shall set forth the circumstances which, in the opinion of the petitioner, render it proper that the writ should issue originally from the reviewing court. . . ."

This Court has long recognized that issues of great public concern which should be quickly resolved satisfy the demand for "circumstances" justifying the exercise of original jurisdiction. *People ex rel. Younger v. County of El Dorado*, 5 Cal. 3d 480 (1971); *San Francisco Unified School District v. Johnson*, 3d Cal. 3d 947 (1971); *State Board of Equalization v. Watson*, 68 Cal. 2d 307 (1968); *Farley v. Healey*, 67 Cal. 2d 325 (1967); *Sacramento v. Hickman*, 66 Cal. 2d 841 (1967; *Perry v. Jordan*, 34 Cal. 2d 87 (1949); *Hollman v. Warren*, 32 Cal. 2d 351 (1948).

In *San Francisco Unified School District v. Johnson*, 3 Cal. 3d 937 (1971), the Court was called on to decide whether Education Code section 1009.5 precluded the use of busing for purposes of desegregating public schools. The Court stated that this issue was of great public concern and affected pupil assignment throughout the state. Because the United States Supreme Court had directed that segregation in public schools must terminate "at once," prompt judicial action was necessary and the Court therefore exercised original jurisdiction. 3 Cal. 3d at 945.

In *People ex rel. Younger v. County of El Dorado*, 5 Cal. 3d 480 (1971), this Court exercised original jurisdiction and issued a writ of mandate compelling El Dorado and Placer Counties to pay to the Tahoe Regional Planning Agency their share for the support of the agency. In explaining the reasons why the Court chose to exercise original jurisdiction in that case, Justice Sullivan noted that the Lake Tahoe Basin is a uniquely beautiful area which is endangered by explosive growth. The Court reasoned that all the people of the state have an interest in the protection of the scenic beauty of the area which the Tahoe Regional Planning Agency is supposed to protect and preserve, and therefore the case was of sufficient importance to justify the exercise of original jurisdiction.

In *County of Sacramento v. Hickman*, 66 Cal. 2d 841 (1967), the Court issued a writ of mandate to compel the county assessor to assess property at a fraction of full cash value as required by the revenue and tax code. Justice Mosk, writing for a unanimous Court, pointed out that the local assessment roll had to be completed by a certain date and that the delay involved in first submitting the matter to a lower court would result in confusion in the administration of the tax laws and hardship and expense to the public. 66 Cal. 2d at 845.

In *Hollman v. Warren*, 32 Cal. 2d 351 (1948), the Court issued a writ of mandate compelling then Governor Warren to exercise his discretion to appoint notaries public in San Francisco. The Court explained its decision to exercise original jurisdiction as follows:

"The case is a proper one for this court to exercise its original jurisdiction. It affects the entire city and county of San Francisco, a populous county, the writ runs to the highest executive of the state, and an important constitutional question is involved." 32 Cal. 2d 351, 357.

The Court has also exercised original jurisdiction to resolve a variety of important public issues including: qualification of an initiative for the ballot, *Perry* v. *Jordan*, 34 Cal. 2d 87 (1949), and *Farley* v. *Healey*, 67 Cal. 2d 325 (1967); validity of assessment procedures, *State Board of Equalization* v. *Watson*, 68 Cal. 2d 307 (1968); and the constitutionality of requiring a two-thirds majority in bond elections, *Westbrook* v. *Mihaly*, 2 Cal. 3d 765 (1970).

Under the guidelines established by these cases, the present case clearly calls for the exercise of the original jurisdiction of this Court: (1) the issue involved is of the greatest public concern and its resolution will directly affect virtually every citizen and resident of the state. The development of mass transit and other alternative transportation systems is now a matter of great public interest in every major urban area in the State. Not only does the development of such public transportation determine whether the cities and counties of the South Coast Air

Basin will be able to achieve clean air, it also determines to a large degree whether solutions can be found for problems of traffic congestion, urban blight and urban sprawl, and dwindling supplies of energy and natural resources, as well as all of the human and social hardships inherent in the fact that 40% of the residents of the Los Angeles area (the very young, the very old, the poorest and the disabled) do not drive automobiles. (2) The requirements imposed on the City of Los Angeles and petitioner City of Riverside by the Clean Air Act, as discussed above, make the prompt resolution of this issue a matter of utmost urgency. (3) The issue to be resolved is a question of construction of an important Constitutional provision, and the writ, if granted, will be directed against state officials whose public duties under Article XXVI are statewide. There are essentially no questions of fact to be resolved, the sole issue being the proper interpretation of a Constitutional provision and respondents' duties thereunder. A definitive interpretation can come only from this Court.

VIII. CONCLUSION

As shown above, the proper definition of "highway" in Article XXVI includes any public way for public use. This definition gives full force and effect to the purpose of Article XXVI which is to prevent moneys governed thereby from diversion to purposes not related to transportation. Respondents' refusal to act in accordance with the correct interpretation of Article XXVI has resulted and continues to result in great hardship to petitioners. Petitioners respectfully request this Court to order respondents to perform their duties under Article XXVI as set out in the petition.

Respectfully submitted,
Brent N. Rushforth, Mary D. Nichols, Carlyle W. Hall, Jr., A. Thomas Hunt, John R. Phillips, Fredric P. Sutherland.
By Brent N. Rushforth,
By Mary D. Nichols,
Attorneys for Petitioners.

FOUNDATION OF PATRIOTISM

Mr. BROCK. Mr. President, I noted in the press a number of comments that the recent Independence Day holiday seemed less exciting than some in years past.

Perhaps it was simply because it came on a Wednesday, some said. Perhaps it was Watergate, thought others.

Perhaps, virtually all agreed, our Nation is now too sophisticated to value patriotism highly. Perhaps indeed. But perhaps also, we should.

I was delighted, in view of all of this talk, to read a stirring statement on the value of patriotism by our colleague, the distinguished Senator from South Carolina, Mr. Thurmond. If America needs a primer on patriotism, and a reason to celebrate its place in the world, Senator Thurmond has provided it.

Believing that his statement deserves the attention of all of us, I ask unanimous consent that it be printed in the Record.

There being no objection, the statement was ordered to be printed in the Record, as follows:

Foundation of Patriotism

(By Senator Strom Thurmond)

As the Fourth of July is celebrated this week, we should attempt to evaluate the strengths and weaknesses of our system and put them into proper perspective. Such an evaluation will inevitably lead to a reaffirmation of the basic principles upon which this country was founded.

In short, this country is due for a revival of that good, old-fashioned patriotic fervor which has diminished in recent years. The outward signs of patriotism, unfortunately, are not as popular today as they have been in other times. Some even regard patriotism as trite, meaningless or unsophisticated. To be patriotic, they say, is to be hard-lined and extreme. Respect for the flag and the National Anthem, pride in our heritage and gratitude for our blessings seem to be only institutional formalities to far too many people.

However, patriotism is a necessary prerequisite to a strong and vibrant nation. Pride and love of one's country are not transient; they are not subject to the whims of the times. Instead, patriotism is respect for the self-perpetuating ideals which are as valid today as they were almost two centuries ago.

If patriotism dies, a country is not far from collapse. Arnold Toynbee, the historian, says that of 21 notable nations, 19 perished not from external conquest, but from deterioration from within. No army can defeat a nation faster than a nation can defeat itself. Edmund Burke, the British statesman, said it best when he observed, "For evil to succeed, it is only necessary that good men do nothing."

I do not choose to believe that reverence and respect for our heritage are on their deathbed. Instead, patriotism has frequently been placed in a state of limbo. The concept is so simple that it is often overlooked in the complexities of modern-day problems.

There is no question about it—the United States is undergoing a crisis of confidence in its democratic institutions. In this atmosphere of doubt, it is possible to lose sight of the principles of life, liberty and the pursuit of happiness. The words of the Declaration of Independence have been clouded by words of scandal and corruption.

There is a fine distinction between self-appraisal and self-deprecation. The differences, however, have too often become blurred. It is one thing to objectively scrutinize our system in the hope of improving it. It is another thing to degrade the entire system because it is not perfect.

The qualities which led to the birth of our country, however, are still prevalent. Common sense and common decency still form the cement that has bound us together as a free society. These traits carried us through a long and difficult war for independence. They led us through the tragic War Between The States. They sustained us through two World Wars and other crises of the Twentieth Century.

Time and again, when the laws might have crumbled, the good sense of the American people prevailed. I believe it will sustain us in the 1970s just as it did in the 1770s.

Now is an opportune time for this nation to rekindle the patriotic flame which has been our guiding light for so long. As we approach the Bicentennial Celebration, we would do well to go back and read the Federalist Papers and the Bill of Rights. We should acquaint ourselves with the hardships and tribulations our founding fathers suffered as they planted the seeds of independence. Then we should ask ourselves if our problems are greater than theirs.

While we still have problems today, we also have a society and an economy which are the envy of every other nation. Opportunity in the United States is unexcelled. The American people live better, dress better, eat better, receive better educations and have a better future than the people of any other country.

At the close of the Constitutional Convention in 1787, Benjamin Franklin said, "We have given you a republic—if you can keep it."

By exercising eternal vigilance, we can preserve the greatest government ever devised by the mind of man.

MISLEADING STATEMENTS ON THE MIDDLE EAST DISPUTE

Mr. TUNNEY. Mr. President, an article in the Los Angeles Times this morning has reported that the Standard Oil Co. of California has sent a letter to all of its employees and stockholders urging them to support "the aspirations of the Arab people" and "their efforts toward peace in the Middle East." The letter went on to suggest to all the recipients that they contact U.S. Government officials to urge consideration of the Arab position in the Middle East dispute.

I am distressed and dismayed at this letter. American policy in the Middle East has long recognized the legitimate aspirations of the Arab people and in particular the needs of the Palestinians to gain a permanent status. Our policies have been devoted to persuading both sides to make small but concrete steps to promote peace. But our policies have also recognized that the military security of Israel is a fundamental requirement for the continued existence of the Israeli state, and for the maintenance of a stable balance of power in the Middle East. Thus, I believe the policy suggested in this letter is counterproductive to peace and undermines the previous American policy, which has been successful in preventing a new outbreak of war.

Even more misleading in this letter is the unstated suggestion that American policy in the Middle East must be changed in order to help solve our energy crisis. Our energy problems are based on complex and numerous different factors; Middle Eastern oil is only one part of the total picture. We cannot solve our fuel crisis by selling out Israel. That would be a shortsighted and ineffective policy, which would neither solve our energy problems nor help the search for peace in the Middle East.

Mr. President, this letter, as reported in the Los Angeles Times, raises a great number of issues, some of which I have touched on in this short remark. After I receive a full copy of the Standard Oil letter, I will supplement this statement with a fuller explanation of my views on the Standard Oil letter and the Middle East problem.

AJC FAMILY REHABILITATION

Mr. FANNIN. Mr. President, I have been a strong supporter of a unique program being carried on by the Arizona Job College in my State. This is a comprehensive effort to help low income workers and families learn new skills so they may share more fully in the abundance of America.

It is encouraging to see that Arizona Job College has been gaining national recognition for its programs.

In the May-June issue of the Journal of Rehabilitation, an article is devoted to the AJC Family Rehabilitation Project.

Mr. President, I ask that this article be printed in the Record.

There being no objection, the article

was ordered to be printed in the RECORD, as follows:

WHY NOT FAMILY REHABILITATION?

(By Louis Nau)

The concept of family rehabilitation is based upon the premise that when a disability strikes, every other member of that family is also adversely affected. Thus, it is postulated that disability is rarely simple when present with or aggravated by other family-oriented-problems. Rehabilitation services in such cases must be intensive and comprehensive, designed and delivered in a manner to meet the disability needs of the family, as well as the disabilities of individual members.

This article, as a descriptive rather than statistical presentation, is offered as a point of reference and a stimulus for study of the family rehabilitation concept. Our search for literature on this topic has revealed that although there is a great amount of information about the family, family therapy, marriage and the family, etc., there is virtually nothing written on family rehabilitation. It is hoped that this article will motivate both the rehabilitation practitioner and student to pursue the development of the concept and contribute to a body of literature and knowledge that is lacking.

PROJECT MODEL

There are currently eight residential family "rehabilitation" or "development" projects and an even larger number of non-residential family-oriented rehabilitation centers in this country. These efforts vary widely in scope and general orientation, with vocational education, social development, economic development and rehabilitation being emphasized or stressed, depending on the orientation of the grantor or the project staff.

After a number of years of interest in family rehabilitation, the Ford Foundation, which has financially supported several demonstration efforts, has centered its attention on Arizona Job Colleges' Family Rehabilitation Projects in Casa Grande, Arizona. The Foundation, as one of the original primary sponsors of this extensive program, sees AJC as comprehensive, mature and well-documented in the development of family rehabilitation processes. For these reasons, the AJC project will be used as a primary reference point for this discussion.

There is, however, one significant difference between AJC and most other family rehabilitation efforts. Their client population is composed completely of disabled, rural, poor, farm workers and migrants of south-central Arizona. It is a multi-ethnic population with approximately 55% Chicano, 19% White, 17% Indian and 9% Black participating in the project. This may not be representative of the national disabled population. It does not take into account urban disabled problem situations. It, however, does present a most complex population, which would challenge the validity of any delivery process.

These multi-problem, disabled and handicapped families represent disabling conditions working in combination against the successful participation of the family in society. These include negative aspects of mental, physical and social conditions in varying intensities and combinations.

The Center has facilities, staff and capacity to provide services for up to 120 families at one time, on a full-time in-house basis. The time involved is approximately one year per family. These families, averaging almost six persons per family, reside in new residences funded by the Dept. of Housing Urban Development and custom built mobile homes provided by a construction grant from the Rehabilitation Services Administration of the Department of Health, Education, and Welfare. Families are phased in and out at the rate of approximately ten per month.

During the year of attendance, each person, on the basis of extensive evaluation, receives rehabilitation services in an individualized plan. From the four-month-old child through the wage-earning father, each person receives as many developmental learning opportunities and comprehensive rehabilitation services as are necessary to provide the optimal opportunity to succeed vocationally and socially in the mainstream of society following "graduation."

Since the first families completed the AJC program in December of 1970, some 150 families have been rehabilitated in this "college." Research data,[4] which has been gathered both on the clients and on the process since the project's beginning, has indicated a wide range of job placement, excellent job retention and durability of rehabilitation gains, exceptional increases in family income levels, and substantial improvement in family social and community participation.

The research information also shows that the children of the disabled families have significantly improved grades in their public school involvement, their health and nutrition is improved, and their motivation and attendance show new patterns of success.

Interviews conducted by the researchers during follow-up sessions recorded comments such as "new lives," "hope for the future," "we can make it now," "never believed we could do it," "life is so much different," and "happy now." Every indication leads to the conclusion that the model works.

DISABILITY AND POVERTY

One of the more appealing aspects of the project is that family rehabilitation can fight and win several human problems at one time. Poverty is frequently a consequence of or contributing factor to prolonged disability and employment handicap. The careful evaluation of skill potential and employment interests; the detailed family health services and physical restoration program; the personal, social, vocational and work adjustment counseling; the upgrading of domestic and home maintenance skills; the exposure to and participation in community affairs; the building of confidence; the growth of communication capacities; and the training and joy of successful management of family finances all contribute to massive changes in both the lifestyle and life situation of the rehabilitation family.

An article by Mark Panitch, concerning Arizona Job Colleges was reprinted in the *Congressional Record.*[5] He quoted a project official's views on the many faceted thrusts of family rehabilitation:

"One of the keys to breaking the chain of poverty is breaking the chain of failure—personal, domestic and economic, in every area that goes with it. We have to place people in jobs that will not let them down. The last thing we want to do is to put a man in a dead-end or transitory job where he cannot advance, or even where the job might disappear."

ESSENTIAL INGREDIENTS

The program elements which make up a family rehabilitation service delivery system are not new, neither do they depart very far from the traditional vocational rehabilitation program components. The basic difference is found in the packaging of these services, the controlled delivery of services, the application of services to each family member, and the consumer involvement in the service delivery process.

Eligibility and Acceptance

To offer acceptance into a residential family rehabilitation program, a rigid eligibility criteria must be uniformly applied. There are five considerations which establish eligibility. (1) The primary wage-eagners must have a physical or mental disability, which is handicapping to employment. (2) The total family income from all resources must fall below the *federally established* poverty guidelines, and the family must be willing to leave the welfare roles if accepted into the program. (3) The family must be a whole family, composed of a legally married father and mother, children who are unemancipated. It may also include other legal dependents who are determined a natural and longstanding part of that family's structure. (4) The family must agree to participate in all program activities a minimum of 44 hours per week per person for the duration of the family rehabilitation plan. (5) In the case of a residential center, the family must agree to move into the center's housing facilities during the rehabilitation process.

Acceptance is based upon these criteria plus a variety of other reference and evaluation data. A selection committee composed of professional staff, non-professional staff, client families already participating in the program's family government, and outside consultants (medical and psychological) review this material. They also interview the family and make the final acceptance determination.

Recruitment and referral

Obtaining families for rehabilitation projects is best accomplished on a referral basis. Through information concerning the rehabilitation abilities and entry criteria of the center, community based agencies refer multi-problem families on a selective basis. New projects use recruitment teams to inform agencies, institutions and citizens of the rehabilitation opportunities available at the center. In time the word of mouth testimony of participating families serves as the most efficient recruitment tool.

Diagnosis and evaluation

While special attention is given to the examination of the primary disabled member of the family, prescriptive physical examinations of each family member are essential. Psychological and other psychometric evaluations, including work sample evaluation for the working members of the family, are routinely given. The results are accumulated and studied by the assigned vocational rehabilitation counselor and the other key staff. Further discussion is carried on with the family members, as a basis for the development of the individual and the family rehabilitation plans. A thorough understanding of the plan by all family members is a necessary requirement for success.

Move-in and orientation

The move-in and orientation processes are important for motivational purposes, building client/staff trust relations, and increasing feelings of family security and individual self-worth.

Get-acquainted activities with fellow client families, the staff and community neighbors and leaders are also orientation elements which set the proper tone for beginning a family on the long road to rehabilitation success.

Service elements

The following is a listing of service elements which make up comprehensive family rehabilitation:

(1) Housing

(2) Home management and home economics

(3) Budget and financial management

(4) Day care and child development

(5) Public school involvement

(6) Developmental and remedial education

(7) Vocational training (All men and any women who wish to work full-time)

(8) Marginal marketable skill training (Women who do not want to work full-time but need skill security)

(9) Family and individual counseling

(10) Work adjustment counseling and training

Footnotes at end of article.

(11) Personal grooming, growth and development
(12) Medical treatment
(13) Family health, hygiene and safety
(14) Family recreation and social adjustment
(15) Community government
(16) Community resource utilization
(17) Community activity participation
(18) Youth programs
(19) Arts and craft classes
(20) Library skill training
(21) English-as-a-second-language classes
(22) Public speaking and drama
(23) Aesthetic and cultural exposure
(24) Transportation management
(25) Legal aide

At AJC, all these services are available to client participants. Some of them, in an effort to avoid duplication of effort and service, are purchased from existing community based institutions. A neighboring community college and technical school provides collegiate academic and semi-skilled vocational training. Legal services are provided by a local legal aide society. Vocational evaluation is purchased from the University of Arizona at Tucson, which bases their unit in AJC facilities. For most other elements, however, the Center has developed its own service delivery capabilities.

The paid professional and non-professional staff of 75, together with 20 Vista Volunteers and many community volunteers, offer a wide range of classes, workshops, field trips, and exposures from early morning until late evening, seven days a week. A specially constructed HUD neighborhood facility, the Esparanza Center, houses an ultra modern unit for approximately 180 children. It includes classrooms for domestic and home living training, commercial cooking, and arts and crafts. It is also the facility used for remedial and adult education and counseling services. The Center also has a multi-purpose auditorium/dining area and open air amphitheater.

Although the Esparanza Center is a central service delivery location, the "college" occupies and utilizes two larger facilities. These are used for class and workshop purposes and administration. It also houses the comprehensive health services project funded by the Health Services and Mental Health Administration, the vocational evaluation unit, and a unit for vocational skill training and laboratory experience.

The personal and vocational counseling is a part of the Family Services Division. There are four counselors with graduate degrees and four counselor aides on the staff. Each counselor team has case and service coordination responsibilities for 25 to 30 families. AJC officials have stated that this counselor/family ratio must be reduced to establish closer counselor relationships, particularly during the entry and exit phases of activity. Budget restraints, they say, make such a change impossible at present.

SEPARATION AND COMMUNITY RE-ENTRY

The minimum stay for any family is six months. The average length of participation is one full year. When, as a result of counselor case assessment, client family interviews and case staffing, it is determined that a family is nearing completion of both the individual and family rehabilitation plans, separation activities are initiated. Separation is the cutting off of the project/family through planned reduction of institutional dependency.

Research findings thus far have indicated that this is a critical program element. Great care must be taken in initiating the process. Firm case control, encouragement and support are key elements to successful separation.

Graduated clients have reported mixed feelings concerning the separation and community re-entry process. Many feel that the institutional security is initially much preferred over the "cold, cruel world"; however, most also report that the necessity and reality of independent living soon overcome such insecure feelings.

The process of community re-entry is a joint effort. The family, with the support of project staff, work out new housing and community living arrangements which meet family needs and new financial capabilities. On the other hand, the job development staff, the administration, and the community relationship advisory committees have been working with the community itself to prepare a climate for community acceptance and integration.

Community re-entry is a separate issue from relocation considerations. Only the family as a whole can decide whether living in a rural or urban area best suits their needs following rehabilitation. Families are encouraged to find relocation housing which is conveniently located with respect to employment, schools, good roads and public transportation, shopping facilities, and accessibility to relatives and friends.

The family, not the project staff or the community itself, must make both the decisions concerning community re-entry and relocation.

FOLLOW-UP AND FOLLOW-ALONG

"Graduating" families of family rehabilitation projects, as in any rehabilitation effort, need follow-up and follow-along services.

For example, children who have been attending the public schools, while they have also received tutorial assistance and specialized counseling and guidance, need the follow-up services of the project to monitor their progress in their new learning situation. Home and work follow-up visits for the rest of the family are carried out on three- and six-month-cycles.

The creation of an "alumnae" organization can greatly assist in the follow-up/follow-along process. However, the best incentive to reciprocal follow-up interest and activity is obtained through the open-door policy, where no staff member is ever too busy to hear out and assist a "graduate" who presents himself for help.

MEASURES OF SUCCESS

Earlier, it was said the model works. It can be added that the service elements get the job done. But, does it really work? Is all this really necessary? Isn't the cost prohibitive?

James Cook, in the *Arizona Magazine* [1] described the project's success as it related to one family by quoting their words: "We had many problems. Now we still have problems, but we don't hide from them anymore. Some are hard to work out. . . ."

Juan and Lola R. came to the family project with complex problems and a total income of less than $1,500 for the previous year. Now, their combined income is over $700 per month, and their insight into life reveals a more realistic attitude.

It can be said that family rehabilitation is *not* needed for every case, nor even for every case of disability in a multi-problem family setting. It is invaluable for complicated and prolonged disability case in multi-problem families. It may be the only solution for these people.

It works and is cost effective, if one considers not only the economic benefits of vocational productivity but also the improved quality of life for the families. Cost benefit cannot be counted only by comparing the cost of services with the earnings and tax contributions of "graduated" and employed family members. It must be measured in the light of savings to taxpayers and society for services not being needed and tax monies not being spent on services for such problem individuals and families at a later date for welfare, penal costs, court and litigation costs, medical costs, etc.

The success of the projects and the benefits to society must also be measured by the long-term increased productivity of the entire family. If longitudinal studies would be undertaken to find out how well and how productive the children of rehabilitated families will be in the future, astounding cost benefit data might be forthcoming.

Current research and evaluation findings at AJC [3] indicate that the recidivism rate among those rehabilitated is much lower than in more traditional individual rehabilitation projects. If this kind of durability data can be statistically upheld, the case for family rehabilitation will be even stronger.

OTHER MODELS AND PROJECTS

The earliest known efforts which resembled family rehabilitation were the Danish Folk Schools.[7] In these institutions, still in operation today, young men with learning or skill deficiencies were trained in a family setting by masters of various skills and disciplines.

In this country, the Bureau of Indian Affairs of the Department of the Interior, as a major element of their Employment Assistance Program, operate four family centers.

As a part of the "war on poverty," the Office of Economic Opportunity, Migrant Division, funded two comprehensive family development centers. The Choanoke Area Development Association (CADA) project in Rich Square, North Carolina, is very similar to the Arizona Job Colleges' project, while the Manpower Education Training Project of Edinburg, Texas, although similar, is not residential as CADA and AJC.[10] [8]

The most elaborate demonstration in family process is a recently developed program, sponsored by the United States Office of Education, currently under the direction of the National Institute of Education. Located in Glasgow, Montana, the Mountain Plains Regional Education and Training Project is a demonstration and exemplary project in vocational education of total families. This, like AJC and CADA, is residential, comprehensive, and has many traditional rehabilitative aspects.

The current projects in operation have been cited here to underscore the fact that family education, or rehabilitation, or development is not an untried "innovation," it is a concept which works. Not only does it work, but enough demonstration and activity is in progress that a "state of the art" is now ready for rapid development.

Family rehabilitation is a growing concept.[5] [6] [2] It offers enough challenges and possibilities to motivate any rehabilitationist to use it as a means to serve disabled persons and families in new and better ways. It is a process, full of adventure and excitement, holding the portent of dynamic results.

FOOTNOTES

[1] Cook, James E. "Stopping the Clock for the Poor." *Arizona Magazine*. Phoenix, Arizona: Arizona Republic, 1972.

[2] Frank, Lorraine. "The Rural Poor—Development or a Plan, Family Rehabilitation." Phoenix, Arizona: Arizona Job Colleges. 1970.

[3] Franklin, David S. "Changing Families in a Changing Society." An Administrative Field Report. Los Angeles, California: University of Southern California, November, 1972.

[4] Glassa, Myfanway. "Arizona Job Colleges, Inc.—First Year Evaluation, Final Report." La Jolla, California: Systems, Science and Software, P.O. Box 1620, 1971.

[5] Manning, Diane. "Case Study—Family Rehabilitation." Washington, D.C.: Manpower Information Service. September, 1972.

[6] Murphy, Betty. "Arizona Job Colleges: Defeating the Dependency Syndrome." *Opportunity Magazine*. Washington, D.C.: Office of Economic Opportunity. Government Printing Office. June, 1972.

[7] Nielsen, Aage R. "Folkschools in Den-

mark." *Educational Outlook*. New York, New York. November, 1951.

[8] Panitch, Mark. "Arizona Job Colleges Pioneer New Poverty War Approach." *Arizona Daily Star*. Tucson, Arizona. August 1, 1971.

[9] Udall, Hon. Morris K. "Retraining Whole Families Breaks Poverty Cycle." *Congressional Record*. Washington, D.C.: Government Printing Office. August 5, 1971.

[10] White, Jack. "A Comparison Analysis of Total Family Residential Training Centers." Washington, D.C.: Educational Systems Corporation. November, 1972.

Mr. FANNIN. Mr. President, another interesting article on AJC appeared in the June–July issue of Health Services World. I ask unanimous consent that this article also be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

LEARNING TO GO IT ALONE

(By Sam F. Ciulla and Dr. Andrew Nichols)

With just a touch of whimsey, the sign in the office of the Arizona Job Colleges (AJC) at Casa Grande proclaims an obvious fact of life. The words ring a vaguely familiar bell, and then you remember you first heard them on a TV commercial. If you're there long enough your eyes keep going back to the sign, looking for some hidden meaning. Does it have special significance to the AJC?

Arizona Job Colleges is not an institution of higher learning. It's a community-sponsored project to give comprehensive rehabilitation to rural poor families. The project includes a health program that has caught the attention of health planners, both in Arizona and in other states as well.

As for the sign, it reminds you that "Today is the beginning of the rest of your life."

AJC staffers are convinced the sign means different things to different people. To Chuck and Evelyn Shook the sign suggests a certain frame of mind—a starting point toward the kind of life that most of us can take for granted. At Arizona Job Colleges no one takes anything for granted.

Until recently, the road that goes by the trailer-offices of the AJC was rough in spots. The route laid out for the AJC families is just as rough. Without help, many of those families would never make it. A combination of poverty-related factors would keep them outside America's mainstream, aliens in their own land.

"The program is not a permanent crutch," AJC President Gary Bellrichard hastens to make clear. "This is a start, not a destination. These families are learning to go it alone."

Chuck and Evelyn Shook have travelled a good piece down the road to self-sufficiency. The Shooks were among the first ten families to join the project. They were among the first graduates in 1971.

Like several other graduate families, they agreed to stay on and work for the AJC. Evelyn earned her high school equivalency diploma there. Now she teaches sewing in the home living program. Chuck works in the vocational evaluation unit operated for the AJC by the University of Arizona Vocational Rehabilitation Center.

It's hard to tell if the Shooks represent the typical AJC family; but you hope they do. The Shooks combine a native intelligence with high motivation. Talking with the couple gives you the feeling that they share an important secret. Bits and pieces of the secret come out in the things they tell you.

"It wasn't just the poverty that held us back," Chuck says. "It was being poverty-minded."

"Something was missing," Evelyn adds. "Not just money—a lot of things."

"The main thing we've learned here is that we have a choice," Chuck says. "We've learned there's something better, and we've gained the skills and confidence to go after it."

If the AJC project is unique it's because it pays more than lip service to the proposition that knowing how to live is as important to a family as increased income.

"You can job-train a worker to a fare-thee-well," observes AJC Project Director Sid Goodman, "but if you don't help his family to move up the ladder with him you may create as many problems as you're trying to solve."

The AJC program is tailored for every member of the family. The program includes basic remedial education, vocational rehabilitation, family counseling, recreational services, programs of care and enrichment for preschool children as well as after school activities for the older children.

It also offers instruction in home management, child development and community and family relations. The AJC families are provided contemporary, furnished housing on campus, and a modest stipend during the course of training.

Perhaps a sign of the program's comprehensiveness is the array of public and private agencies that are backing it. The program has been supported by grants from the Ford Foundation, the Department of Health, Education, and Welfare's Health Services and Mental Health Administration, and Social and Rehabilitation Service, Office of Economic Opportunity, Department of Housing and Urban Development, and others.

The program's planners knew from the start that it would need one additional ingredient—an adequate health plan. They knew also that such a plan would have to be specially tailored to touch all of the traditional health care bases and, in addition, offer something extra. As Gary Bellrichard points out, one of the weaknesses of too many past rehabilitation efforts has been the absence of a health component.

"Without the health program, I'd hate to bet on the success of the AJC project," he says. "When helping the poor to improve their lifestyle, the health aspect can determine success or failure."

"I know it sounds trite," says Health Services Manager Jake Pool, "but in one way or another sickness and general poor health put an awful lot of people on the welfare rolls."

Dr. Roland Schoen, AJC medical director, talks about the air of fatalism about ill health among the poor. "If you're poor long enough you just might begin to think poor health is a normal state of affairs," he says. "Without good health you go nowhere—on the job, in the home, in school."

Based on such observations, it was decided to develop a health plan that would include promotive elements designed to bring a change in basic attitudes about health.

Devising such a plan was made possible by a contract negotiated through AJC with the Migrant Health Office of the State Department of Health. It was supported by the migrant health section of the Community Health Service, Health Services and Mental Health Administration.

First, there was the question of program size—reconciling the health job to be done with available staff, facilities, other health recsources. At this point AJC officials turned for help to the Department of Community Medicine at the University of Arizona College of Medicine. The result of these talks carried out in successive, manageable steps.

The schedule was consistent with the terms of a subsequent grant from the Health Services and Mental Health Administration. The health program must first care for all AJC families, then at least an equal number of migrant and seasonal farm workers, and finally a proportion of others, primarily among the county's rural poor. This has been the pattern of the program's actual development.

While the AJC health program was still in the planning stage, the Arizona Health Planning Authority was looking for new approaches to providing health services for the medically indigent.

Also at that time the Arizona Legislature enacted a bill calling for a state plan to make health services available to all citizens of the state. The task was assigned to the Authority.

In light of these developments, the AJC health program suddenly took on importance as a potential proving ground for a project that would affect the entire state's population.

The Authority was invited to join the AJC health project. The team effort that followed produced "A Plan to Provide Health Services for Agricultural and Migrant Workers of Central and Western Pinal County."

Briefly, the plan called for provision of health services through health facilities and staff on the AJC campus, supplemented by contractual arrangements for additional services. These would be two general categories: personal health services, and promotive health services.

The personal health services were spelled out. They would include the traditional episodic medical care, and predictive, restorative, preventive and rehabilitative services.

Among Arizona's health planners "promotive health" has become a household term largely through the efforts of Dr. Marvin Goodwin, director of the Arizona Health Planning Authority.

The concept of promotive health is backed by history. During the past century the dramatic drop in mortality and morbidity has come about through immunization, knowledge of nutrition in relation to disease and well-being, and environmental sanitation.

In deliberately stressing promotive health, Dr. Goodwin calls attention to the behavioral and environmental factors which have a positive influence on health. The promotive approach stresses the fact that there's nothing inevitable about illness. Promotive services demonstrate how each family can improve the odds in favor of good health simply by living right—adopting appropriate patterns of behavior.

The AJC planners knew that the promotive approach would be the best way to go. But at the same time no one was deluded that the going would be easy. Nothing in the lifestyle of the AJC families had prepared them to take on a bigger piece of the job of maintaining their own health. Just the same, the results to date are promising.

"We figure the promotive approach has been about 95 percent successful," Dr. Schoen estimates. "I'm talking now about our present AJC families plus the 35 or 40 percent of the graduates we still serve because their incomes aren't yet high enough to pay for their own health care." Among these two groups, episodic care in the AJC clinic has been reduced by 45 percent. "It's a different story among the other rural poor families who haven't had promotive orientation," Dr. Schoen adds.

The health program has become an integral link among the various AJC activities. In fact, the child development center now operates directly under the health program. Mr. Bellrichard explains the logic in such an organizational setup.

"We're not babysitters," he assures you. "Our AJC children have some catching up to do in all areas of living, health included. We want them to catch up by the time they go to school."

Betty Overbeck, child center director, outlines the health aspects of the center's program. Each child gets a general physical on entering the program. Juliene Hollenbeck, a registered nurse qualified as a nurse practitioner, checks each child every day. Nutrition has a high priority—the child get two snacks and one hot meal each day.

In a sense, the AJC clinic has as many outreach units as there are families in the program. Home health aides work with the AJC families both in the clinic and in their own homes. This relatively new type of health worker provides the link of continuity that is missing in more conventional health systems.

Every bit as important, she shows the family both how to do for themselves and to know when it's time to seek help. Chuck and Evelyn Shook attest to the success of this approach.

"There must be a hundred things that people can do to stay healthy," Chuck says. "We've learned a few things, anyway."

"The main thing we've learned," Evelyn adds, "is that health is a family affair."

A lot of the advice the home health aide gives is as simple as Grandma's home remedies, and as easy on the pocketbook.

"You can make nose drops out of salt and water," Evelyn Shook informs you. "A mixture of honey and lemon juice makes a pretty good cough medicine, too."

The AJC health program is committed to prove, by 1976, that it can function as a health maintenance organization. Actually, the program already includes some of the aspects of an HMO.

This too makes the program a fortuitous pilot project. Arizona's health planners are convinced that the HMO concept, if fully developed, could aid in implementing the Arizona Plan for Health Services.

In any given program, there will never be enough money to do all the things that should be done, or that it would be good to do. Health Services Manager Jake Pool describes the impact of this fact of life on the health program.

"Our grant requires that we give care to 1700 people," he explains. "We're actually serving 2080. It takes a bit of dollar-stretching."

Jake Pool stretches the allocated dollars by what he describes as well-timed horse trading, with pharmaceutical houses and other firms. The signs indicate that Jake is an accomplished horse trader, but he gives credit to the people he trades with.

"Your average businessman is willing to help a program that helps people to stand on their own two feet," he explains.

Apparently, the stereotype of the hard-hearted businessman doesn't hold up around Pinal County. Jake Pool nods in agreement.

"The only hard-hearted businessman you'll meet in this whole county is Jake Pool," he quips.

Dr. Schoen is equally quick to give credit to outside help.

"The county health department has been in our corner from the start," he tells you. "The state and county medical societies and other groups have helped us too, in any way they could."

How far does the influence of the Arizona Job Colleges extend? Apparently, to the younger generation.

AJC officials like to tell about the breadwinner, an AJC graduate, who became ill. The bad luck and resulting financial pressure might have led to a defeatist attitude, and backsliding. But the children in the family had other ideas. Some of the older ones went on an odd-job hunting expedition. They succeeded, and the family has held together.

The road that goes by the trailer-offices of the AJC eventually meets Route 10 which takes you north toward Phoenix, south toward Tucson. For the Chuck Shooks and other AJC families the road could go a whole lot farther, in any direction they choose, to places they've never been.

JUSTICE, THE CONSTITUTION, AND PRIVACY

Mr. ERVIN. Mr. President, on June 28, 1973, I had the pleasure of participating in a series of discussions on "Computers and Privacy" conducted by Miami University at Hamilton, Ohio.

The right of every individual in America to privacy has been a matter of considerable concern to me over the years. It seems that now, as never before, the Government's appetite for information about individuals threatens to usurp the right to privacy which I have long felt to be among the most basic of our civil liberties as a free people. I hope that my remarks at Miami University shed some light on both the importance of individual privacy and some of the dangers posed by governmental data systems.

Mr. President, I ask unanimous consent that my remarks delivered at Miami University be printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

JUSTICE, THE CONSTITUTION AND PRIVACY

I am very pleased to be here to talk with you about Justice, the Constitution and Privacy as part of Miami University's series of discussions on the subject of Computers and Privacy.

A while back I decided that I had read a lot about privacy, but I didn't really know much about computers. So I took some time off from my duties at the Senate and spent a whole day watching computers in operation and learning about how these machines work. I was impressed by the multitude of tedious and difficult tasks that computers could perform in a fraction of the time it would take a person—and with no mistakes, either.

In fact, I was so impressed by those computers—how meticulously and logically they could interrelate bits of information—that I thought about writing a Constitutional Amendment to allow a computer to become President. With its absolutely accurate and almost limitless memory, its infallible logic in relating one bit of information to another, and its superhuman speed, a computer, it seemed, would make a perfect President.

But then I thought again. Certainly the computer would always come to perfectly logical conclusions. But what about conclusions affected by inspiration, by compassion, by humanity? And what about seemingly irrational decisions based on love of justice, or hatred of tyranny? A computer just cannot draw illogical conclusions from logical facts. I thought better of my Constitutional Amendment to make a computer President. There is something about human decision-makers, for all of their mistakes and irrationality, which a computer simply cannot replace.

It seems to me that our system of democratic government depends at least in part on the uniquely human capacity of those who govern to come on occasion to what appear to be irrational conclusions. The ability to abandon logic for the sake of humanity and to insist that human existence cannot be reduced to even the most sophisticated of mathematical formulas is as much a part of our system of government as the Constitution itself.

This is not to say that computers are not extremely useful tools. They are. It is merely to point out that there are some tasks for which computers are simply not suited.

IMPORTANCE OF THE INDIVIDUAL

When we talk about the role which computers can and ought to play in governmental decision making, and the potential dangers computers pose to privacy, it seems to me that we are primarily concerned about the impact computerized information systems can have on individuals. We are concerned that the logical, categorizing processes of the computer will in some way run roughshod over our fundamental belief in the uniqueness and dignity of individual human personality.

It is, after all, the faith of the founders of this nation in the individual as a free and self-determining being that led them to set up our democratic form of government. Because of their faith in the individual, the framers of our Constitution took great pains to set up a system of limited government which could exercise only those powers which were expressly granted to it by the governed. They fashioned this system of limited government so as to maximize the protection of individuals from governmental interference. In order to guard against certain specific abuses of governmental power which would endanger individual freedom, the Founding Fathers added the first ten amendments to the Constitution, which we have come to treasure as the Bill of Rights.

PRIVACY AND THE BILL OF RIGHTS

The First Amendment was designed to protect the sanctity of the individual's private thoughts and beliefs. It protects the rights to speak and remain silent, to receive and impart information and ideas, and to associate in private and in public with others of like mind. After all, it is only by protecting this inner privacy that freedom of speech, religion, assembly and many other individual liberties can be protected.

The Third Amendment's prohibition of quartering soldiers in private homes protects the privacy of the individual's living space. This aspect of privacy is also protected by the Fourth Amendment's guarantee of "the right of the people to be secure in their persons, houses, papers, and effects, against unreasonable searches and seizures." In addition to the privacy of the individual's home and personal effects, the privacy of his person (or bodily integrity) and even his private telephone conversations are protected by the Fourth Amendment from unwarranted governmental intrusion.

The Fifth Amendment guarantees that an individual accused of a crime shall not be forced to divulge private information which might incriminate him. This privilege against self-incrimination focuses directly on the sanctity of the individual human personality and the right of each individual to keep private information which might place his life and freedom in jeopardy.

The Fifth Amendment also guarantees that no person shall be "deprived of life, liberty, or property without due process of law." This right to due process protects individual privacy by preventing unwarranted governmental interference with the individual's person, personality and property.

The Ninth Amendment's reservation that "the enumeration in the Constitution, of certain rights, shall not be construed to deny or disparage others retained by the People" clearly shows that the Founding Fathers contemplated that certain basic individual rights not specifically mentioned in the Constitution—such as privacy—should nevertheless be safe from governmental interference.

Just recently in *Roe* v. *Wade* the Supreme Court has located the right of privacy in the Fourteenth Amendment's guarantee that no state shall "deprive any person of life, liberty, or property without due process of law." Rights to give and receive information, to family life and child-rearing according to one's conscience, to marriage, to procreation, to contraception, and to abortion are all aspects of individual privacy which the courts have similarly held to be constitutionally protected.

PRIVACY AND THE INDIVIDUAL

To my mind privacy means more than merely restricting governmental interference in these specific areas. Someone has suggested that privacy is a catchword for the control the individual exercises over information about himself. And yet because such a definition focuses on the information rather than the individual, it seems to look in the wrong direction. Control over information is important to our right of privacy only when that information is related to us as individuals. In the end, privacy depends upon society's recognition and protection of the importance and uniqueness of each individual.

GOVERNMENTAL INVASIONS OF PRIVACY

As chairman of the Senate Subcommittee on Constitutional Rights, I have over the years received many complaints about governmental invasions of individual privacy. In some cases, the government has intruded into the personal lives, homes and physical integrity of individual citizens in order to collect private information about them. In other cases, the government has used, or misused, such private information and has disseminated it without the knowledge or consent of the individual citizen involved.

DATABANK SURVEY

A while back it occurred to me that we did not even know how many data banks containing information about individuals the federal government has. So I wrote to fifty federal agencies and asked them just how many such databanks they have, what kind of information these databanks contain and who gets to see it and under what circumstances. Most of the responses are in a report that will be published later this year by the Senate Subcommittee on Constitutional Rights. So far we have received information on more than 750 databanks with varying contents, operational guidelines and the like.

The response we received earlier this month from the Office of Emergency Preparedness describes what must be the ultimate in governmental databanks. One of the databanks maintained by the Office of Emergency Preparedness contains records on some 5,000 individuals. But the Office of Emergency Preparedness does not know its contents and has no access to the information it contains. They just maintain it. Short of emergency circumstances the Office of Emergency Preparedness will never have access to this databank, which is "utilized and kept current on a regular basis by authorized specialists in the Personnel Operations element of the White House staff. No other agencies or individuals have access to these files." So here we have a federal agency maintaining a databank to which it has no access and the contents of which even the agency does not know. I have written to the White House to see if they can give us some clue as to what information is contained in these files and who has access to it.

DATA COLLECTION

Collection of information in governmental databanks is accomplished in a variety of ways. Some of it is obtained directly from the individuals involved. The Decennial Census is an example of this sort of data collection. Article II of the Constitution provides for an "Enumeration" every ten years so that Representatives can be apportioned among the states according to population. To make that head-count compulsory is perfectly all right. But nowhere does the Constitution countenance compelling citizens to respond on pain of criminal penalties to such personal questions as:

Do you have a flush toilet?

Have you been married more than once?

Did your first marriage end because of death of wife or husband?

What is your rent?

What is your monthly electric bill?

Did you work at any time last week?

Do you have a dishwasher? Built-in or portable?

How did you get to work last week? (Driver, private auto; passenger, private auto; subway; bus; taxi; walked only; other means)

How many bedrooms do you have?

Do you have a health condition or disability which limits the amount of work you can do at a job? How long have you had this condition or disability?

To my mind the use of the Federal criminal laws to force people to divulge such personal information, which bears no relation to any legitimate governmental purpose, is unconscionable.

Even worse, because of its lack of candor, is the Census Bureau's practice of sending out questionnaires on behalf of other government agencies. Theoretically, response to such questionnaires is wholly voluntary. But the Census Bureau's cover letters do not say that response is voluntary. Take, for example, a questionnaire the Census Bureau sent out at the behest of the Department of Health, Education and Welfare to retired persons. The questionnaire inquired into such private matters as:

How often do you call your parents?

What do you spend on presents for grandchildren?

How many newspapers and magazines do you buy a month?

Do you wear artificial dentures?

About how often do you go to a barber shop or beauty salon?

Taking things all together, would you say you're very happy, pretty happy, or not too happy these days?

Although response to this questionnaire was voluntary, many, if not most, of the retired folks who received the official Census Bureau packet feared that they would be penalized if they did not answer.

I have in the past introduced legislation to control the worst of these privacy-invading questions. But unfortunately, bitter opposition on the part of the Administration, as well as state and local governments and private agencies which use Census information, has so far blocked passage of such controls. It is unfortunate but true that bureaucrats who collect information can always think up reasons for wanting to collect more and more of it. Those of us who are concerned about individual privacy face an endless battle in constantly pointing out that just because government agencies want information about individuals should not be sufficient reason for forcing people to provide it or face criminal penalties. That is why I am in favor of putting the shoe on the other foot—forcing data collectors, such as the Census Bureau, to justify each bit of information they want to collect about us and honestly disclosing to each citizen that participation in many of these surveys is wholly voluntary.

SURVEILLANCE

One of the most disturbing aspects of governmental data collection is the use of surreptitious surveillance and intelligence operations to collect information on innocent citizens whose political views and activities are contrary to those of the Administration. Recent events have dramatized the disturbing prospect that such covert data collection may be even more widespread than we had feared.

Governmental surveillance can take many forms. Just recently, I learned that in cities from San Francisco, California, to Mt. Vernon, New York, high-powered cameras have been set up to keep track of individuals and their activities. These cameras are so sensitive they can read an automobile license plate five blocks away. They can focus on an individual as he talks with friends and associates and can follow him as he walks down the street. They can peek through the windows of the homes of innocent Americans and record what is going on inside. It seems to me that this is the very sort of secret prying into the private lives and activities of individuals which bodes much evil for our democracy. These cameras represent the tools of tyranny and totalitarianism which seeks total control over the lives of individuals. They are, in my opinion, utterly inappropriate in a society which values the privacy and civil liberties of the individual.

PUNITIVE SURVEILLANCE

I used to think that there could be nothing worse than this kind of invasion of individual privacy. But recently there has come to my attention instance after instance of the government's systematic invasion of the privacy of citizens who have done no wrong, but who disagree with the government's policies. Surveillance has become a kind of punishment for the exercise of constitutionally-protected First Amendment freedoms of speech, association and press.

DANIEL SCHORR

For example, in its continuing battle with the press the present Administration has resorted to this sort of systematic invasion of privacy in order to punish those members of the press who insist on criticizing Administration policies. Some of you may have heard about what happened to CBS newsman Daniel Schorr. After a series of articles critical of the Administration, Mr. Schorr woke up one morning to find himself the object of a full-scale FBI investigation. On the specious grounds that Mr. Schorr was being considered for "possible federal employment," the White House had ordered a thorough investigation of Daniel Schorr, his past and present associations, activities, employment and the like. Friends, acquaintances, colleagues, employers and former employers were telephoned and interviewed by FBI agents who asked about Mr. Schorr's character and patriotism, as well as his fitness for a position in the Executive Branch.

When I heard about what had happened to Mr. Schorr, I sought to find out from the White House just what high-level executive position purported to justify this apparently punitive surveillance of a newsman known to be critical of Administration policies and programs. First the White House replied that Daniel Schorr was "being considered for a job that is presently filled." A few days later the White House announced that Daniel Schorr was being considered for a new position which "has not been filled." In the end he was never offered any job by the Administration. The White House finally lamely announced that Daniel Schorr's name had been "dropped from consideration" and that the FBI investigation had been "terminated in the very early stages." According to the White House, the preliminary surveillance report, which was "entirely favorable," had been "subsequently destroyed." But the damage had already been done.

Daniel Schorr described the damaging effects of such surveillance on a news reporter in this way:

> Even if the investigation had been set off by a tentative job offer, the effect, under the circumstances, had to be chilling to my work as a reporter. An FBI investigation is not a "routine formality." It has an impact on one's life, on relations with employers, neighbors, and friends. To this day, I must manage a strained smile when asked, on social occasions, whether my "FBI shadow" is with me. It has become standard humor to inquire whether I am still "in trouble with the FBI," whether it is safe to talk to me on the telephone.
>
> I am left now to ponder, when a producer rejects a controversial story I have offered, whether it is because of the normal winnowing process or because of my trouble-making potential. Even more am I left to wonder, when I myself discard a line of investigation, whether I am applying professional criteria or whether I am subconsciously affected by a reluctance to embroil my superiors in new troubles with the Nixon Administration. I should like to think that the government cannot directly intimidate me. But my employer, with millions at stake in an industry

subject to regulation and pressure, is sensitive to the government, and I am sensitive to my employer's problems.

And Daniel Schorr's case is not unique. We now have reports of extensive surveillance, wire-tapping, and even burglaries perpetrated on other reporters.

When this sort of governmental prying into the private lives of individuals is used as a deterrent to the exercise of such constitutionally-protected freedoms, as freedom of the press, it involves a double evil: Not only is individual privacy invaded; that very invasion of privacy is used to punish or prevent the exercise of other rights.

ARMY SURVEILLANCE

Nor is this use of privacy-invading surveillance as a punishment for the exercise of cherished constitutional freedoms limited to the press. Early in 1970 we learned of an Army surveillance program which involved the use of Army intelligence agents to infiltrate and report on virtually every activist political group in the nation. This Army surveillance system collected information on both suspected violence-prone organizations and non-violent, pacifist organizations and religious groups, whose memberships had committed no crimes. All these citizens had done was exercise their constitutional rights to criticize and speak out against governmental policies which they felt were wrong.

This Army surveillance program was the subject of extensive hearings held by the Senate Subcommittee on Constitutional Rights in 1971. We heard testimony from Army intelligence agents who had been ordered to infiltrate all groups protesting certain government policies. They told us about joining peace groups, about infiltrating religious, civic and campus organizations, about reporting on speeches, activities and classes in cities and towns right across the nation. They compiled detailed reports on the finances, sexual activities, personal beliefs and associations of all sorts of people, from famous celebrities to anonymous Americans.

Some of these surveillance reports were microfilmed and others kept in file folders. Some of the information was analyzed by special intelligence analysts and kept in a computerized file. Often with very little to go on but some vague political statements, these intelligence analysts categorized each person's beliefs or status according to a special Intelligence Code for the computerized file. For example, the number 134.295 indicated that a person was a non-Communist; the number 135.295 (a difference of only one number) indicated Communist party membership or advocacy of Communism. Since many of the persons who were being subjected to this surveillance and categorization were young people with no settled political philosophy and no organizational memberships, the potentialities for error were almost as great as the invasions of privacy involved in collecting the information.

Once the Constitutional Rights hearings exposed this Army surveillance program for what it was—a dangerous, privacy-invading deterrent to the exercise of constitutionally-protected rights of free speech and association—the public outrage was so great the Army was forced shamefacedly to abandon the program. I have subsequently introduced legislation to prevent the use of military personnel for domestic political surveillance, to try to insure that this kind of systematic invasion of privacy does not happen again. We may succeed in stopping this one kind of surveillance program. But, like Hydra's heads, it seems as if two such surveillance systems replace each one we find out about and cut off.

DATA DISSEMINATION

I have just been talking about some examples of improper and reprehensible invasions of individual privacy in the collection of information, and the Executive Branch's use of such privacy-invading information collection to deter the exercise of other constitutional rights. But the difficulties with such data collection are not the only problems inherent in governmental data systems. It seems to me that one of the major drawbacks to the collection of information is the human temptation to use it, and in some instances to misuse it, by giving it out to those who have no right or reason to have it.

INFORMATION PRISONS

On the most general level it seems to me just plain unhealthy for some master computer to keep track of every detail of our lives—our words and deeds, our mistakes and failures, our weaknesses and our strengths. Some experts in the field of information systems have suggested that massive data collection on every detail of each individual's life poses the danger of creating an "information prison" in which the individual is forever constrained by his past words and actions. What is lost in the process is the individual's capacity to grow and change, to define and redefine himself and to redeem past errors. There is something to be said for forgiving and forgetting, and for the opportunity to start anew. That chance for a new start is, after all, the reason why many of our ancestors came to this country—to leave past lives and past mistakes behind, and to begin building a new life all over again. It was that same sense of being able to leave the past behind and begin again that led to the development of the West—settlers moving away from old lives and starting again in the frontier where the past could not catch up with them.

That time is gone forever now. But it seems to me that this spirit of the frontier—that there will always be somewhere a man can go and start all over again, where he can redeem his past mistakes by hard work and good deeds—ought not to be gone forever. That is why I am opposed to the collection of any more information about individuals than is absolutely necessary. That is also why I am skeptical about the use of the Social Security Number, or any other universal identifier, to tag each of us for life with all sorts of data about what we have said and done in the past. It seems to me that there is much to be lost by locking individuals into their pasts or, to put it another way, by strait-jacketing individuals in the dossiers of their past words and deeds.

We would do well to heed the warning of John Stuart Mill over a century ago that—

"A State which dwarfs its men, in order that they may be more docile instruments in its hands even for beneficial purposes—will find that with small men no great thing can really be accomplished. . . ."

If we do not heed this warning, there will come a time when records will become more important than the individuals, when the uniqueness of each human being will be sacrificed to the false gods of convenience and efficiency, when the opportunity for individuals to grow and change will have been eliminated. We have not reached that point yet, but vigilance seems in order lest it come upon us unaware.

IMPACT OF COMPUTERIZATION

It is in this area of information storage and dissemination that the impact of computerization is perhaps most significant. It is therefore not surprising that the computers, rather than their operators, have often been blamed for many of the serious problems involved in the dissemination of information about individuals. The capacity of computers to find and print out great masses of information at fantastic speed has magnified the adverse, as well as the beneficial, effects of ready access to this information.

INACCURATE INFORMATION

To begin with, in those cases where the information is inaccurate, a computerized system makes that inaccurate information more easily available to more people in less time than was ever dreamed possible in the pre-computer era. When I think of computers grinding away, and spewing forth more and more information about American citizens at ever faster rates, I am often reminded of a surprising communication I received from the Social Security Administration several years ago. It was a notification to my beneficiaries that they were eligible for death benefits on account of my demise. It made me think of Mark Twain's remark that the "reports of my death are greatly exaggerated." I was rather amused at the time; but I later paused to think of all the other erroneous information governmental computers send out routinely every day—sometimes with rather serious consequences.

DAMAGING INFORMATION

Some information can be very damaging to individuals whether it is accurate or not. Take for example arrest records or the narcotics users registries maintained by a number of federal agencies. The mere fact that an individual's name is recorded as a narcotics user or as having been arrested is often sufficient to deprive that individual of job opportunities, insurance, credit and many other important rights and benefits. Even worse, those individuals who have been branded as narcotics users or as having been arrested suffer this deprivation of rights and opportunities without a trial, without witnesses, without a chance to defend themselves—in short, without due process of law.

ARREST RECORDS

Much recent controversy has focused on what can and ought to be done to control the indiscriminate dissemination of arrest records. The federal government collects and computerizes such information in the National Crime Information Center run by the Federal Bureau of Investigation which in turn disseminates such information to all sorts of federal, state and local agencies. Not just law enforcement agencies, but employment, insurance, credit and many other organizations are accorded ready access to this sensitive information. All too often, particularly in areas where police conduct general dragnet (or round-up) arrests of everyone in the vicinity of a supposed crime, these arrest records reflect no wrong-doing.

Many people feel that the fact an arrest has been made is a valuable piece of information. But we should remember that it only represents the judgment of one person—a policeman, often acting on the spur of the moment on the basis of no more than strong suspicion that there may be probable cause to believe that the individual arrested may have committed a crime. No magistrate has reviewed that hasty decision; there has been no arraignment; and neither judge nor jury has established guilt beyond a reasonable doubt after a fair trial. Yet this preliminary judgment by a policeman can haunt a citizen for the rest of his life.

Most law-abiding citizens are tempted to take the complacent view: "Well, that could never happen to me." But do you realize that the men in this audience stand a 50–50 chance of being arrested sometime during their lifetimes? If you are a man living in a city, your chances of being arrested rise to sixty percent. If you happen to be black and live in a city, your chances of being arrested rise even further, to a whopping ninety percent.

Once your arrest is recorded, your chances of being arrested again are very great. The police have your name, photograph and fingerprints. You are on their list of potential criminals to be questioned about and re-arrested for subsequent unsolved crimes.

Moreover, the potential adverse consequences of having an arrest record reach beyond the field of law enforcement. One survey in the New York area showed that seventy-five percent of the employment agencies in that area will not accept for referral applicants with arrest records. In addition to difficulties with finding employment, if you have an arrest record, you are likely to find getting insurance, credit and even a place to live extremely difficult.

All of this can happen to you without your having broken any law, much less having been convicted in a court of law. It seems to me that this sort of deprivation of rights, liberties and opportunities without trial is the very sort of abuse which our Constitution's due process guarantees were designed to prevent. The principle which is basic to our system of justice that a man is innocent until tried and proven guilty seems to me to require stringent controls on the dissemination of information which can wreak such harm on the lives of citizens.

I have long been in favor of legislation which would restrict the dissemination, by the FBI's computerized National Crime Information Center, of arrest records unaccompanied by some indication of the disposition of that arrest. In addition, it seems to me that even this information should be available only to those criminal justice agencies which can demonstrate that they need such arrest and disposition records in order to carry out their law enforcement duties. Other organizations, businesses and the like should have no access to this kind of information which can be so damaging to the lives and liberties of innocent citizens.

CONCLUSION

Mr. ERVIN. I am not for a moment suggesting that those who collect, computerize, and ever more widely distribute information on individuals, even damaging information such as arrest records, are acting out of ill-will or a desire to infringe the rights and interfere with the liberties of American citizens. I am certain that these officials feel that they are merely doing their jobs, which to them involve collecting the most possible information and making the widest possible use of it. The trouble is, human ingenuity is such that we can always think up reasons for needing to collect just one more bit of information. Once that information is collected, some reason can always be found for sharing it with others.

When I think about these ever-expanding computerized information systems, I am reminded of Justice Brandeis' warning that—

> "The greatest dangers to liberty lurk in insidious encroachment by men of zeal, well-meaning but without understanding."

It seems to me to be high time for those of us who care deeply about individual liberties to call a halt to this burgeoning information collection and dissemination, unless and until the consequences of such collection and dissemination on individual lives and liberties are taken fully into account. Otherwise, the ostensible need for this piece of information and that bit of data will gradually encroach on our privacy and individuality until our control over information about ourselves is forever consigned to computers.

Discussions such as we are having this evening about the impact computerized information systems can have on individual rights to privacy and justice under law represent an essential bulwark against such infringements of human freedom. Our consciousness of and concern about the potential dangers to our cherished liberties is the best, and in the last analysis, perhaps the only protection for our liberties. As the great jurist, Learned Hand once wrote:

> "Liberty lies in the hearts of men and women; When it dies there, no constitution, no law, no court can save it. . . . While it lies there, it needs no constitution, no law, no court to save it."

UNREASONABLE DEMANDS BY UNIONS

Mr. FANNIN. Mr. President, unreasonable demands by unions for wages and restrictive work rules have been a major factor in the inflationary spiral. This has been especially clear in the construction industry.

It was inevitable that with the soaring cost of union labor, there would be a reaction that would be detrimental to the unions and the workers in these unions.

Contractors have been turning more and more to nonunion labor. And we have seen an alarming increase in violence growing out of labor disputes.

Mr. President, the Wall Street Journal on Monday ran an editorial commenting on the situation in the construction industry. I ask unanimous consent that this editorial be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the Wall Street Journal, July 31, 1973]

ASSERTING THE PUBLIC INTEREST

Peace reportedly has returned to Kalkaska, a Michigan village that for months has been beset by violence directed against an engineering company and its nonunion workers. Under terms of a court-ordered settlement, the company agreed that future hiring for construction of a $20 million natural gas processing plant will be done through a state Agency that will give preference to area residents without regard to union membership.

The company is a member of the Associated Builders and Contractors (ABC), a growing group of nonunion contractors. Since there will be no union contract at Kalkaska, this amounts to an important victory for nonunion labor in the nation's most heavily unionized state. It is a victory achieved at a high cost in terms of personal injury and destruction of company property.

Nevertheless, the settlement underscores the growing trend toward nonunion labor in the nation's largest industry. The some 6,000 member employers of ABC, with some 250,000 employes, have won billions of dollars worth of contracts in recent years. Its members' proportion of construction business now is said to be close to one-third of all industrial construction in the U.S. It is increasing because, for the most part, members of construction unions are not giving a fair day's work for a fair day's pay, as some concerned craft union officials have even admitted publicly.

Even organized labor's strongest sympathizers have difficulty defending the arrangement whereby a labor foreman for lower Manhattan's World Trade Center last year received $94,000, including $76,000 in overtime. Elsewhere, other labor foremen ("master mechanics") are highly paid, as are their assistants, even though their contribution to any given construction project often is marginal at best.

Construction companies could probably live with occasional abuses of this sort, if only for the sake of labor peace. What fewer and fewer of the companies can abide is generally exorbitant wage rates coupled with low productivity. A survey last year by Engineering News-Record estimated that as much as 40% of every construction payroll dollar is wasted by outright malingering (i.e., extended coffee breaks), tacit restrictions on output (e.g., cement finishers and bricklayers), limitations on labor saving devices, and work rules that require paying unionists (often at overtime rates) for nothing more strenuous than flipping a switch on in the morning and flipping it off at night.

Instead of working to eliminate these abuses, however, the craft union reaction to the nonunion challenge has often been similar to that which kept Kalkaska in turmoil. Several months ago ABC filed some 3,000 pages with the National Labor Relations Board alleging coercion, intimidation and terror directed at its members by AFL–CIO building trade unionists. Violence was so widespread in the Philadelphia area, where nonunion labor was hired to build a suburban hotel and shopping plaza after the unions rejected an offer to use 60% union work force, that even longtime union supporters became disenchanted.

Harper's associate editor John Fischer, one such longtime supporter, recently was moved to write: "For years the building trades have been getting away with such outrages, and worse, because they know they can intimidate most employers, and because their political clout makes public officials slow to intervene." He saluted contractor Leon Altemose "for his courage in defying the tyranny of the building trades unions," adding that "the best hope of breaking their stranglehold on all of us lies with Mr. Altemose and his fellow contractors who in recent months have been turning increasingly to nonunion labor."

For a long time it looked as though that stranglehold never would be broken, or that there would be no limit to union demands. But now the ABC promises to restore some measure of competition to a privileged and pampered industry, and from the standpoint of asserting the public interest the challenge could hardly come at a better time.

A LAND USE CONTROVERSY ALONG THE LOWER ST. CROIX RIVER

Mr. MONDALE. Mr. President, a land use controversy of national importance has developed along the Lower St. Croix River. Last October the Lower St. Croix became one of only nine river segments designated by Congress for "instant" Federal protection under the National Wild and Scenic Rivers Act. Unfortunately, however, full protection for the recreational and scenic character of this federally designated river has not been immediately forthcoming under the National Wild and Scenic Rivers Act. The act necessarily provides for the development of a master plan that can take a year or more before effective mechanisms are instituted to safeguard designated rivers.

Recognizing the danger of last-minute development which could ruin the natural values of the Lower St. Croix, the Minnesota-Wisconsin Boundary Area Commission and dozens of local communities along the river this spring endorsed a voluntary moratorium on construction on the bluffs of the riverway. Yet one developer and one community are moving ahead with a project that threatens to destroy a 5-year cooperative Federal-State and local effort to protect the Lower St. Croix.

The project is a $75 million luxury housing complex to be built in the city of Hudson, Wis., by Calder Corp. Plans for the project envision initial construction of 16 terraced apartments that would be built into the river bluff along with two 14-story "mid-rise" housing units and townhouses set back from the slope.

For a number of months Federal, State, and local officials have attempted to persuade city and company officials to delay action on the Calder project until the Lower St. Croix River preservation program becomes fully effective. At a minimum we have urged them to modify features of the project plans which are in direct conflict with the goals of protecting the natural integrity of the river corridor. Nevertheless, appeals to delay or adjust the project plans have failed to bring about the elimination of the terraced apartments, potentially the most destructive aspect of the company's plans. Instead the company and some city officials have been pressing forward toward construction.

Several weeks ago, representatives of my office, the Governors of Minnesota and Wisconsin, the Minnesota-Wisconsin Boundary Area Commission, and the Sierra Club met with officers of the company and officials of the city to discuss the project and to examine the proposed site for the terraced units. This meeting confirmed the views of State officials that urgent action was required to protect the Lower St. Croix.

Subsequently, Minnesota Attorney General Warren Spannaus filed suit in U.S. District Court to prevent construction of the project until the Lower St. Croix master plan becomes effective. Gov. Wendell R. Anderson of Minnesota announced his intention to use a newly approved Subdivided Land Sales Disclosure Act to prevent the sale of the project's housing units in the State of Minnesota if they are built contrary to the intent and provisions of the National Wild and Scenic Rivers Act. Governor Anderson also appealed to Interior Secretary Rogers C. B. Morton to join in the Minnesota lawsuit and to use all means at his disposal to help protect the river. At the same time, Wisconsin Gov. Patrick J. Lucey has directed officials of State agencies in Wisconsin to notify him of any requests for State permits or certification of housing and other developments along the Lower St. Croix River; and an environmental impact statement will be ordered not only for Calder, but for all projects that threaten the riverway.

While the environmental and legal grounds for stopping the project are strong, so far neither the company nor city officials have backed off. Now, new information has come to light regarding potential conflicts of interest on the part of several individuals employed by the city of Hudson. It was recently disclosed by the St. Paul Dispatch that the firm retained by the city of Hudson for engineering and architectural work is also the project architect for Calder Corp. and that the city planner is employed by the same firm of Hirsch, Stevens, and Samuelson. In addition, the Dispatch revealed that the city attorney drafted the articles of incorporation for Cardel Corp., the Wisconsin landholding firm owned by the Calder Corp.

Individuals involved in these and other instances of a doubling up of company and city jobs apparently do not see themselves in a conflict of interest. But consider a press report on a discussion with one official of the city:

> Alderman Ed Younger, the council's public works committee chairman, said he doesn't feel there will be any conflict on the Calder job because the city engineer (Hirsch, Stevens & Samuelson) won't design Mont Croix streets and other utilities; rather the project engineer (Hirsch, Stevens & Samuelson) will do that. But he said the plans will all be checked by the city engineer (Hirsch, Stevens & Samuelson) to ensure they comply with local ordinances.

Despite the apparent lack of concern on the part of some city officials, many others, who do care about the fate of the St. Croix River and who believe that its nationally acclaimed values deserve full protection, are deeply concerned by the problem.

Last year, when the Lower St. Croix River Act was before the Congress, many witnesses testified of the inability of local communities acting separately to provide adequate protection and of the imminent danger if the Federal Government did not act quickly to safeguard this important natural waterway. Fortunately, with the leadership of the chairman and members of the Senate Interior Committee, that bill was passed in record time.

Certainly, the intent of the Congress in passing that measure and in adopting the 1968 Wild and Scenic Rivers Act was to preclude the kind of development which continues to jeopardize the Lower St. Croix. That is why the struggle taking place on the banks of the river is of major concern to the Congress, and that is why the future of other rivers like it across the Nation is dependent upon our success in assuring that the will of the Congress is obeyed.

The National Wild and Scenic Rivers Act states:

> It is hereby declared to be the policy of the United States that certain selected rivers of the nation, which, with their immediate environments possess outstandingly remarkable scenic, recreational, geologic, fish and wildlife, historic, cultural or other similar values shall be preserved in free flowing condition, and that they and their immediate environments shall be protected for the benefit and enjoyment of present and future generations.

The short-sighted actions of a few individuals must not be allowed to jeopardize one of America's most magnificent natural rivers. When the master plan for the Lower St. Croix is submitted to the Congress, I am hopeful that it will be considered with full knowledge of its implications for the future of this important environmental asset.

And in view of the national significance of the impending threat to the Lower St. Croix River, I am hopeful that Interior Secretary Rogers Morton will use the full resources at his disposal to assist Governor Anderson, Governor Lucey, and the many communities along the St. Croix in the urgent effort to assure its preservation.

Mr. President, that my colleagues in the Senate may have an opportunity to review in greater detail the circumstances surrounding this controversy, I ask unanimous consent that an article from the St. Paul Dispatch and an editorial from the Minneapolis Star be printed in the RECORD.

There being no objection, the article and editorial were ordered to be printed in the RECORD, as follows:

[From the St. Paul Dispatch, July 26, 1973]

RIVERBANK HOUSING STIRS HORNET'S NEST

ST. CROIX PROJECT PLANS GO AHEAD AMID CONTROVERSY

(By Don Boxmeyer and Robert Whereatt)

The planned construction of a $75-million luxury housing development on the steep walls of the St. Croix River Valley in Hudson, Wis., has aroused widespread opposition and jeopardized inclusion of the lower St. Croix in the federal Wild and Scenic Rivers system.

The attorney general of neighboring Minnesota has filed a lawsuit to stop the project. A U.S. senator from Minnesota has vowed to halt the project. And the governors of the two states are opposed to portions of it.

The Hudson City Council, however, has persisted. It rejected a suggested building moratorium along the river banks, even though most other St. Croix valley communities embraced the voluntary construction stoppage.

For almost three years, Hudson's city fathers have slowly pushed and approved the plans of the Calder Corporation of St. Paul for Mont Croix, encouraged by the prospect of lower property taxes and a general boost in the local economy.

But in the process, questions have been raised about the propriety of some activities by city officials and others. Specifically:

The city council retains for city work a Hudson engineering and architectural firm which is also the project architect for the Calder Corporation's Mont Croix;

The city planner is an employee of that engineering firm, Hirsch, Stevens & Samuelson;

The part-time city attorney once did some legal work for the Calder Corp.;

The city attorney's legal secretary has served as legal agent for Calder's Wisconsin land-holding corporation, Cardel Corp.

Mont Croix is to spread along approximately a quarter-mile of river front on a large tract of vacant land overlooking the St. Croix, about a mile south of the Hudson Bridge. Two 14-story "mid-rise" luxury housing units will be set back from the steep slope on flat grassland. Those structures and planned townhouses of the envisioned 1,500-unit Mont Croix are relatively noncontroversial.

But Calder wants to build 16 $95,000 terraced condominiums into the river bluff, a move which Minnesota Atty. Gen. Warren Spannaus has legally challenged in U.S. District Court. Spannaus contends development of the pristine bluff will disqualify the lower St. Croix for membership in the coveted federal wild and scenic rivers system.

But for Hudson, Mont Croix—the largest single development in city history—means the municipal tax base would more than double. That could substantially hike the city's tax revenue. It could even reduce property taxes.

"The long-term effects can only be beneficial to the city of Hudson," said Mayor Howard Wilcox.

Others, less enthusiastic than Wilcox about Mont Croix see the immediate local gain for Hudson as a long-range loss to the entire lower St. Croix River Valley. It amounts to a confrontation between the environment and the economy.

The St. Croix River from Taylors Falls to Prescott is under study now by Minnesota, Wisconsin and federal officials. A master plan on land and water use is to result from the study, after which—as early as September—the river would be ready for inclusion in the National Wild and Scenic Rivers System.

Peter Sipkin, an assistant Minnesota solicitor general in the attorney general's office, fears that the Mont Croix development could knock out the lower St. Croix as part of the system, largely because it would set a precedent for further uncontrolled development.

Spannaus' suit to halt the beginning of construction apparently has the full support of Sen. Walter Mondale, D-Minn., who said in a recent telegram to Calder officials: "I will support whatever legal action may be necessary to prevent implementation of (your) plans."

Similarly, Minnesota Gov. Wendell Anderson and Wisconsin Gov. Patrick Lucey implored the Hudson council last May to delay its action in approving the first phase plans of Mont Croix until the river study and master plan were completed. The council rejected the plea, approved the plans.

Only Monday, Gov. Anderson took another step. He ordered the Minnesota securities commissioner to use a 1973 law and prohibit the sale in Minnesota of Mont Croix units. Such a prohibition would severely reduce the potential market for selling the housing.

Hudson Mayor Wilcox stoutly supports the city council's actions that have allowed Mont Croix plans to proceed, and he defends the council's rejection of the construction moratorium which, at least temporarily, would have halted construction.

Mont Croix, said Wilcox, was not the reason for rejecting the moratorium. "Had we approved the moratorium as it was presented to us, it would have prohibited construction up to Third Street in Hudson."

Not so, says James Harrison, executive director of the Minnesota-Wisconsin Boundary Area Commission, an interstate agency that oversees the river boundary of the two states. The proposed moratorium, adopted by most Lower St. Croix River communities, could have been modified to meet local circumstances, said Harrison.

In Harrison's opinion, the Hudson council turned thumbs down on the moratorium only because a majority didn't want Mont Croix stopped. "They can use any other reason, but it's specious," he said.

The Boundary Area Commission is not opposed to the entire development, according to Harrison, just the step-like terraced apartments on the bluff. The apartments will destroy the natural characteristics of that portion of the river, he said.

Atty. Gen. Spannaus' lawsuit is more inclusive. It contends the entire project will "imperil final designation of the Lower St. Croix as part of the (Wild and Scenic Rivers) system."

Members of the Hudson City Council, at the very heart of the controversy, are now faced with a complication of another sort.

Gov. Anderson, in ordering the securities commissioner to prohibit the sale of Mont Croix units in Minnesota, also asked for an investigation of possible conflict of interest.

Questions have arisen.

Can the engineering firm of Hirsch, Stevens & Samuelson serve both Hudson as city engineering consultants and the developer as project architect?

Mayor Wilcox, a technical editor for 3M Co., says yes, that the integrity of the firm which has served his city for a dozen years—it is the only engineering firm in Hudson—is unmatched and not to be "impugned."

But others on the council are not so sure they will be able to get objective technical advice from an expert which serves two masters. For example, Calder project architect Hirsch, Stevens & Samuelson will design the streets, curbs, gutters and sewer connections for Mont Croix. And as city engineering consultant, Hirsch, Stevens & Samuelson may be called in by the City Council to review those plans.

Alderman John Dicke, one of the two new councilmen who opposed adoption of the project's specific implementation plans in May, said the question of a possible conflict of interest has been raised from time to time.

"We will constantly be faced with trying to determine whether the recommendation is ours (the city's) or theirs (Calder's)," Dicke said.

"But I asked Burt Stevens (a principal of the firm) how he felt about serving both sides and he said he had no trouble sleeping nights," Dicke recalled.

Stevens, in fact, told the Dispatch that the double service is a "definite advantage" to the city because the firm will have intimate knowledge of the Calder plans.

"I can't conceive of a point at which our position as project architects would conflict with our city consulting job," Stevens said.

Similarly, Alfred A. Albert, the vice president of the development firm, denies any conflicts of interest exist. "Nobody we're doing business with at Hirsch does business with Hudson. Jim Hirsch, the architect of the project, can't see a conflict . . . If I were on the council, I would want the city engineer on the project," Albert said.

Albert said a member of Hirsch, Stevens & Samuelson, acting as city engineer, even recommended a more expensive sewer system than what Calder proposed. The council approved the more expensive one.

Alderman Joann Persico feels there is a "definite conflict" that bothers many of her constituents; however, "There are certain things, certain people in this town you don't question."

Alderman Ed Younger, the council's public works committee chairman, said he doesn't feel there will be any conflict on the Calder job because the city engineer (Hirsch, Stevens & Samuelson) won't design Mont Croix streets and other utilities; rather, the project engineer (Hirsch, Stevens & Samuelson) will do that. But, he said, the plans will all be checked by the city engineer (Hirsch, Stevens & Samuelson) to insure they comply with local ordinances.

Harrison of the Boundary Area Commission said the engineering firm is entirely "reputable." "But can you really work for both people (the city and developer) and be truly objective? I think not."

Mayor Wilcox sees no problem or conflict. First, he points out, Hirsch, Stevens & Samuelson became the Mont Croix project engineer only within the past year, after several City Council decisions had been made.

"In the future," said the mayor, "if the council feels dissatisfied with the reports of our city engineer, I am confident they will seek other engineering opinions."

In the meantime, the city council may have to work around Hirsch, Stevens & Samuelson not only on the Mont Croix development, but also on the construction of a new Hudson Senior High School, sources said.

They are architects for that project. Dicke and Mrs. Persico predict complications because the council will need technical advice on street and sewer plans.

The "doubling up" of jobs extends further.

The part-time city planner, Charles Huntley, is an employe of Hirsch, Stevens & Samuelson.

It is to the city planning commission that subjects such as the building moratorium are sent. The planning commission, with the help of its professional planner, then recommended to the City Council.

The planning commission recommended last March that the building moratorium requests be turned down.

C. A. Richards, Hudson's part-time city attorney, said in an interview that he sees no conflict of interest in his role as the city's legal counsel and private lawyer.

Richards, in January, 1971, drafted the articles of incorporation for the Cardel Corporation, the Wisconsin land-holding firm owned by the Calder Corporation.

Richards said in an interview that the legal work was a one-time occurance and, in fact, that he was never paid for his labors. He has not represented Calder or Cardel since, he said.

Richards' office until recently, however, was used as the Wisconsin mailing address for the Calder and Cardel corporations.

The lawyers legal secretary, Jacqueline Olson, is listed as the registered agent for Cardel upon whom legal papers can be served.

Last month, the name of the legal agent for Cardel Corporation was changed in the office of the Wisconsin secretary of state. By last week, however, the change had not been recorded in the St. Croix County register of deeds' office, an action necessary to make the change valid, according to authorities.

Because of that, the Minnesota attorney general's office directed that the complaint filed against Calder and Cardel be served on Mrs. Olson as the registered legal agent in Wisconsin for the two corporations.

As the controversy swirls, the plans for the luxury development go on. The project area has been surveyed. Stakes with yellow cloth strips dot the river bank and bluff demarcating the development.

The Hudson City Council has given its permission for construction of three model townhouses. And shovels are ready to dig.

[From the Minneapolis Star, July 31, 1973]

PRESSURE ON THE ST. CROIX

"It is hereby declared to be the policy of the United States that certain selected rivers of the nation which, with their immediate environments, possess outstandingly remarkable scenic, recreational, geographic, fish and wildlife, historic, cultural, or other similar values, shall be preserved in freeflowing condition, and that they and their immediate environment of present and future generations."

So says the Wild and Scenic Rivers Act passed in 1968. Last fall President Nixon signed into law the Lower St. Croix River Act, which added the lower 52 miles of the river from Taylors Falls to the Mississippi to the National Wild and Scenic River system.

As many observers of the St. Croix have noted, it's something of a miracle that such a resource, located so close to a densely populated metropolitan area, should retain such fine qualities. Obviously, however, the pressure to develop that resource into something else is tremendous.

The immediate case in point is a proposed $75 million luxury housing development in Hudson, Wis. Without any detailed financial information about the project, we would guess its chances of being a success are good. We can imagine quite a few people wanting housing in that environment. And it is no surprise that Hudson officials, who see the Twin Cities metropolis sprawling out towards them in unplanned and unchecked fashion, might prefer a solid, orderly project of this type. The fact the project might ultimately double the city's tax base can't be overlooked either.

But a state-federal team now is drawing up a master plan for the valley as required by law. And the state of Minnesota, contending at least part of the proposed project would be inconsistent with the tentative master plan, is seeking to block the development. We approve of the Minnesota effort and hope the forthcoming master plan will indeed protect the valley "for the benefit and enjoyment of present and future generations."

FOOD ON OUR TABLES REQUIRES FUEL ON OUR FARMS

Mr. HUMPHREY. Mr. President, an excellent article dealing with the relationship between food and fuel appears in the current issue of The Farmer. The author notes the principal uses of fuel on our farms today and outlines some of the consequences if it is not available.

The point is made that we will start this harvest season short of fuel, unless a mandatory allocations program is instituted.

The writer points out that the fuel shortage faced by our farmers has been developing and obvious to many people for a couple of months, yet the administration has failed, to date, to take the needed steps to assure the availability of fuels for priority purposes, like the production of our food.

I ask unanimous consent that The Farmer editorial, entitled "Food on Table * * * Fuel in Tank" be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

FOOD ON TABLE . . . FUEL IN TANK

It's hard to figure why an administration that appears so concerned about an abundance of food for consumer is so slow to assure an adequate supply of fuel to producers and processors of that food.

Maybe pre-occupation with Watergate usurped this concern, as it has many normal functions of government. Maybe the big gas and oil lobbies want to bring independent and co-op suppliers, who have taken most of the brunt of the shortage, completely to their knees.

Whatever the reason, it wasn't for lack of sufficient warning. Secretary Butz knew in June that only 26% of the reported farm needs were being met through the voluntary ASCS reporting system (The Farmer, page 6, July 7). An Indiana extension engineer warned on June 5, after the government-called fuel and transportation meeting in Des Moines of May 31, that "whereas we ran short of crop-drying fuel in late November and December last year, we'll start short this year unless mandatory allocations are set up to provide the fuel needed."

Groups like the Minnesota turkey growers were in Washington by early July, pointing out that poults won't be started until growers get priorities for fuel to heat brooders. Manufacturers and distributors were telling policy officials by early July that crop dryers wouldn't be built unless farmers were promised fuel to operate them.

Drying and heating fuel is particularly vulnerable. L–P gas makes up only a small percent of total U.S. energy usage—about 3% or 4%. Of that, half goes for petro-chemicals, with production usually close to sources of supply, giving those users both a location and a large-purchase advantage.

That leaves crop drying, milk processing, poult and chick brooding, and similar farm uses on the short end. Producers and processors must not only compete with domestic heating and cooking for the remaining 50% of supply, but they face a demand which varies according to severity of fall and winter weather.

Importance of that demand, however, is vital, just as are adequate supplies of tractor and combine fuels for harvesting and fall plowing. As Kandiyohi County, Minn., farmer Evan Bosch said at the recent St. Paul crisis conference (page 16), "If consumers want food on their tables, farmers must have fuel in their tanks."

Either that or pray for a long, warm, dry fall. And The Farmer's weatherman, Oscar Moldenhauer, doesn't hold much promise of that. He predicts a wet one and an early, hard winter. Weather should be favorable from mid-September to mid-October. But it will then turn cloudy, with at least normal moisture and a cold snap by late October.

NOMINATION OF RUSSELL E. TRAIN

Mr. McGEE. Mr. President, in today's edition of the Washington Star-News, there appeared an excellent and convincing editorial on the nomination of Russell E. Train as the new chief for the Environmental Protection Agency.

I have known Russell Train for many years and have found him to be one of the really statesman-like leaders in the field of responsible conservation. I have found him to be extremely capable and an asset to our Government in meeting its responsibilities on a wide range of environmental and conservation matters.

I am in full agreement with the editorial that—

> All available evidence suggests that President Nixon made an excellent choice the other day in selecting a new chief for the Environmental Protection Agency—Russell Train.

I ask unanimous consent that the editorial be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

GOOD CHOICE FOR EPA

All available evidence suggests that President Nixon made an excellent choice the other day in selecting a new chief for the Environmental Protection Agency. It's true that Russell E. Train has no experience in administration on the large scale he now must grapple with, but neither does anyone else we know of who holds high credentials as an environmental leader. And these Train certainly has, along with a good deal of talent and persuasive ability.

The latter has been exercised lately in his strong contention—voiced to businessmen and others—that environmentalism is getting an unfair rap as a creator of economic and energy problems. Such claims are vastly exaggerated, he argues, with some rather impressive documentation.

His leadership of the Council on Environmental Quality, since its formation in 1970, has produced highly valuable results, in studies, recommendations and legislation. But his most striking achievements have been in mobilizing international action to curb ocean pollution, and protect endangered species of animal, marine and plant life all over the world. Progress in these areas has been truly remarkable in the past year, and Train was in the forefront as this country's representative at international conferences.

As head of the private Conservation Foundation, he was defending the environmental ideal for several years before entering government. Now comes his supreme test, for the EPA faces a severe dilemma in applying some difficult provisions of the Clean Air Act. Modifications in the law are proposed, and there will be pressures for more flexibility in other fields of pollution control as the pinch becomes more painful here and there. Train will occupy the position at which environmentalism and economics collide, as they surely will in some major instances. The question is, how much will he bend? To the very minimum that's required, we hope.

That seems to be the message, too, in his statement that the EPA will continue to operate with the same independence assumed under its able first administrator, William D. Ruckelshaus. And Train emphasizes that the burden of proof will be on those who want to ease the enviromental restrictions fixed by law. These are encouraging assurances, and we hope he proves equal to the pressures of politics, and divergent interests, that surely will converge with increasing momentum upon his agency.

FALSIFICATION—A WAY OF LIFE IN THE AIR WAR

Mr. HUGHES. Mr. President, nearly a year and a half ago, the investigation into unauthorized bombing and falsification of reports to conceal it began with the removal of Gen. John D. Lavelle from command of the 7th Air Force in Southeast Asia.

After efforts were made to also conceal the reasons for General Lavelle's removal, the Air Force acknowledged that its inspector general had confirmed false reporting in connection with three air strike missions into North Vietnam. It was on these grounds, we were later told, that General Lavelle was relieved of his command.

The Committee on Armed Services conducted extensive hearings into the unauthorized bombing, with particular emphasis on determining how a field commander could conduct his own private war, and do so for weeks without being discovered. The answer is only now becoming clear.

Falsification of records was so routine and pervasive in U.S. combat air operations in Southeast Asia that few dared to question orders from their superiors to falsify yet another document.

This atmosphere of "business-as-usual" falsification no doubt accounts in large part for the fact that General Lavelle's subordinates carried out the unauthorized air strikes he directed. Two such key officers, General Slay and Colonel Gabriel, both testified that they had momentary doubts about Lavelle's orders, but dropped them on the assumption that "somebody's hand was on Lavelle's shoulder" authorizing the missions and false reporting.

It takes a great deal of courage to question the orders of a superior. General Wheeler, when asked before the Armed Services Committee what repercussions an officer could expect for questioning an order, replied that it would depend on whether he was right.

In military organizations that value loyalty and unflinching obedience over all other virtues, it is not difficult to understand an officer's hesitation to challenge an order, when he has no way of knowing whether he is right.

During the committee's Lavelle investigation, it was never clear that falsification of documents was a way of life. In fact, Air Force and Defense Department witnesses gave us to believe that falsification was so rare and so contemptible that it was good cause to remove General Lavelle from his command and drum him out of the service because he had ordered documents falsified.

In point of fact, General Lavelle was not demoted for ordering falsifications, for nearly everybody was doing it. He was demoted after having implemented the falsifications so clumsily that he got caught.

It was not until the secret Cambodian bombing was revealed that the Pentagon acknowledged widespread falsification of reports.

Of course, they deny the label "falsification," and contend that the system only involved "dual reports," one of which contained "erroneous" information; and they contend that "diplomatic considerations" were ample justification for the falsification.

Knowing now what Pentagon witnesses withheld from the committee during the Lavelle investigation—that false reporting was routine—I have concluded that there are probably insufficient grounds for a formal investigation of the Lavelle case leading to possible courts-martial of servicemen below the top levels of command.

Therefore, I will recommend to the committee that it suspend its requirements for special reports in regard to nominations of Navy and Air Force officers for promotion. These reports consist of: First, a separate listing of those officers who participated in combat air operations during the period of acknowledged unauthorized air strikes against North Vietnam, November 1971 to April 1972; second, a separate listing of those who served with the 432d Tactical Reconnaissance Wing during that period; and third, a certification that none of the nominees falsified a record or made false official statements in connection with the unauthorized raids.

I want my colleagues to be advised, however, that it is my intention to continue close examination of general and flag officers nominated for promotion. These are the officers upon whom we rely to protect the honor and preserve the integrity of the military services, and unless they are unequivocally opposed to deception and false reporting, the Senate should not acquiesce or approve their promotions.

THE ECONOMY—WHAT WENT WRONG?

Mr. HUMPHREY. Mr. President, a recent editorial in the Washington Post of July 28 entitled "The Economy: What Went Wrong" is must reading for every Member of Congress. It is even more imperative that those who advise the President on economic matters, such as Dr. Stein and other members of the Council of Economic Advisers, study carefully and thoughtfully the subject matter of this editorial.

I ask unanimous consent that the full text of the editorial be printed in the RECORD.

There being no objections, the editorial was ordered to be printed in the RECORD, as follows:

THE ECONOMY: WHAT WENT WRONG

The American economy is now developing along altogether new and unpredictable lines. The confident forecasts of last January have been rapidly devoured by events. The death rate for official pronouncements has soared and the index of unpleasant surprises is unprecedented. This week the Agriculture Department published a drastic revision of its view of future food prices. It appears that all previous statements about declines in farm prices this autumn are, as the term goes, inoperative.

The administration's projections have gone dismally askew but, to be fair, so have most other people's. Past experience is not proving a very useful guide to present policy. The administration concedes that last winter's plans have not worked out at all well. But it has not offered any very clear or satisfactory explanation for the trouble. Since remedies proceed from a diagnosis, it is necessary to consider precisely what has gone wrong.

Above all, international markets are having a far greater influence on our domestic economy than Americans are accustomed to. At the same time, quite separately, here at home the sudden violent swings in public policy have created an atmosphere of uncertainty that encourages speculation and inflation. Unquestionably, over the past six months, the Watergate scandals have greatly deepened the doubts here and abroad regarding the capacity of the American government to carry out any sustained course of economic action.

The commodities that have given the price controllers the most trouble, over the past year, are uniformly those heavily involved in our foreign trade. Food and petroleum are, notoriously, at the top of the list. Lumber, leather and some of the metals are other examples. Americans are going to have to get used to the idea of worldwide competition with other nations that have become, in relation to their populations, as rich as we.

Over a wide range of vital commodities, U.S. domestic prices were traditionally far higher than world prices. Particularly in regard to food and oil, we constructed elaborate and effective mechanisms to prevent overproduction and intolerably low prices. But suddenly the world prices are higher than our traditional domestic prices and we are confronted with the opposite danger—not surpluses and low prices, but shortages and intolerably high prices. The intricate regulation that has served us well in farm and fuel production for a generation is suddenly useless. Foreign demand, reflecting the rising wealth of other nations, is no mere passing irritation. It will be a permanent and formidable pressure on our economy and we are going to have to learn to live with it.

When the United States agreed to devalue the dollar at the Smithsonian meeting in December 1971, our government described it officially as an overdue adjustment to the dollar's true value. But evidently there were people abroad, holding billions of dollars, who took a different view. They had been holding American money as the best assurance of security in an uncertain world. After the Smithsonian meeting, some of the dollar holders, like people catching the smell of smoke in a crowded hall, began edging toward the fire escapes. Inevitably the quiet shuffle turned into a stampede and the second devaluation last February was followed by a long downward float that may or may not have ended. The dollar is now traded at rates that bankers consider irrationally low, because dollar holders are cutting their losses to seek safer investments. The lower the dollar sinks, the higher the overseas demand for American foodstuffs.

When Mr. Nixon announced the first dramatic reversal of his economic policy in August 1971 (if anyone can remember back that far), he was widely applauded for the total unpredictability of his strategy. Unpredictability, his admirers declared, gave him great advantages as a negotiator. But the passage of time and the accumulation of experience demonstrate that unpredictability is a very expensive luxury in economic policy and its usefulness diminishes with repetition. The succession of phases and the changing of basic rules every few months, creates a hostile climate for orderly investment. It jeopardizes the calculations of businessmen and induces them to grab for the nearest profit rather than building for a longer prosperity. The extraordinary rises in industrial prices last sping were obviously owed, in some considerable part, to companies' jittery anticipation of another price freeze. By anticipating it, they made it necessary.

In devising remedies, wisdom begins with the acknowledgement that the recent changes in the world economy are not reversible. Wise policy has to be stable and settled, in contrast to the present frantic succession of last-minute surprises as we flip from one phase to the next. Businessmen and citizens need to know what basic rules they are going to be expected to operate under. Herbert Stein, the chairman of the Council of Economic Advisers struck precisely the wrong note last weekend with his fatuous assurances that the current controls will "get us over certain transitionary periods into a new economic paradise of stable prices, high employment and growth." A few days later the Agriculture Department reported that there will be less meat on the market for the remainder of 1973 than there was last year. It also reported that, to its great astonishment, more than half of the American wheat harvest for the year beginning this month has already been sold for export.

Mr. Stein's offhand remark is dismaying because it indicates that the White House still does not comprehend the changes that have swept over our country's economic circumstances within the past two years. The Watergate scandals have not only contributed to these changes, they are also clearly distracting the attention of the White House from the countermeasures that it urgently needs to consider.

THE PANAMA CANAL QUESTION

Mr. McGEE. Mr. President, the dialog has begun in the U.S. Senate on the question of our negotiations with the Government of Panama over the issue of the Panama Canal and the Canal Zone. Since this issue is one which vitally concerns me, I am hopeful that the dialog will not only continue, but also increase.

In this connection, I have had one of my summer interns, James D. Grant, researching the issue this summer. I have found James to be an exceptionally talented and capable young man. He has filed a preliminary report with me in preparation for his final and more comprehensive analysis of the issues involved in the Panama question.

I found his report to be very thoughtful and very stimulating. For this reason, I feel it should be printed in the RECORD. I emphasize this is not a report compiled by me. The report is the result of a significant amount of research. And, although I may not find myself in agreement with every point he raises in his report, I do feel it to be a very commendable effort on his part and important to the Senate dialog on this issue.

I ask unanimous consent that the report be printed in the RECORD.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

THE PANAMA CANAL QUESTION

(By James D. Grant)

For the sake of promoting dialogue on the important issue of what we should do with the Panama Canal and Canal Zone, I will present some points supporting the State Department's stance that we should strive to work out an agreement enabling the Panamanians to establish sovereign rights over the Canal Zone and Panama Canal.

The types of arguments used against the present Administration position are basically two-fold. The first argument is of a military-economic nature. The Panama Canal is said to be a key element in our internal and economic security because it links our two coasts by vital sea lanes. This justifies our maintenance of sovereign rights over the Zone and Canal because only with these sovereign rights can we hope to defend the canal in all situations. The second set of arguments contains an emotional strand. These arguments see the relinquishing of United States' rights over the Canal and Canal Zone as a humiliating defeat for the United States at the hands of an arrogant and ungrateful Panamanian people. This viewpoint links the withdrawal from Panama to our withdrawal from Vietnam and sees it as a withdrawal from our legitimate pretensions to world power.

To get some perspective on these arguments, it is first essential to keep in mind that the Panama Canal is not absolutely vital to our national defense either in military or in economic terms. The report completed for the Joint Chiefs of Staff in 1970 termed the Panama Canal "important" but not "vital" for our national defense. The simple fact is that only one bomb or missile can knock the Canal out of commission. Also, even with the troops we have there now, the Canal cannot be defended against concerted sabotage efforts. Because of these realities, the Navy has never been able to develop defense plans relying solely on the Panama Canal. The lack of absolute certainty as to the dependability of the Panama Canal has also been an argument used in the past to justify the existence of a two-ocean navy.

The military importance of the Panama Canal in the post-World War II decades has been primarily in terms of reducing the cost, slightly, of the land wars we have fought on the Asian continent. The military has saved on the transportation fees of goods from the East Coast of the United States to Asia. This has benefited the United States. The question is whether, in the final analysis, we must rest the case for continuance of sovereign rights over the Panama Canal and the Canal Zone on the double contingency that we have another land war overseas and that the Panamanians close the Canal to us.

Another military argument propounded by those in favor of the maintenance of sovereign rights is that it is vitally important that the United States maintain its position of strength in Latin American and that the Canal and Canal Zone are essential to this position of strength. For the purpose of maintaining its strength in Latin America, the U.S. at the present time has the Southern Command headquarters, concerned with hemispheric defense, in the Canal Zone and also the School of the Americas, which trains Latin American army officers. But justifying our control over the Canal Zone and Canal on grounds not directly related to the specific maintenance and defense of the Panama Canal is of a questionable legal nature. Article II of the Hay-Varilla Treaty of 1903 states: "The Republic of Panama grants to the United States in perpetuity the use, occupation and control of a zone of land . . . for the construction, maintenance, operation, sanitation and protection of said Canal. . . ." This mandate and subsequent judicial pronouncements recognize that the U.S. has a specific role in regards to the Canal and Canal Zone and does not suggest that we can use the Canal Zone for the more nebulous purpose of maintaining U.S. strength in Latin America or for the purposes of hemispheric defense. Furthermore, if we are concerned with maintaining a position of strength in Latin America, one can question whether this end wouldn't be better served by establishing a friendship based on economic criteria and a respect for the rights of the Latin American countries as nations rather than by perpetuating a presence which many Latin Americans consider to be a manifestation of American colonialism.

The economic concern of the United States in the Panama Canal is again important, but by no means vital. Seventy percent of the traffic using the Panama Canal either originates or ends up in the United States. But this comprises only 14% of our total foreign trade and our foreign trade—both imports and exports—comprises less than 10% of our GNP. Also only 2% of our total coast to coast trade uses the Panama Canal. Thus a closing of the Panama Canal to U.S. trade would not be a mortal blow to the U.S. To the contrary, these figures indicate that the closing of the Panama Canal to American import and export trade would hurt the Panamanians much more than it would hurt us. Panamanians view the Canal as their country's most valuable natural resource. The Canal is only a valuable natural resource to them, however, if it is used by trade. The fact that 70% of the present Canal traffic is American or destined for the United States is one of the most convincing reasons why Panama would not close the Canal to American trade.

Panamanian control of the Canal would lead to a significant increase in tolls. The United States is operating the Canal on a non-profit basis and has not raised the Canal tolls since the Canal's opening in 1914. The Panamanians, in contrast, would be seeking to make a profit off of the Canal. The Panamanians in their establishment of tolls would be limited by the competitive constraints of alternate modes of transportation and alternate trade routes. Already the new 150,000 ton supertankers and cargo ships can ship coal and oil to Japan more cheaply via the Cape of Good Hope than the 50,000 ton ships can ship these products via the Panama Canal at existing rates. There is no doubt, though, that American importers and exporters who use the Canal would find a Panamanian-controlled Canal more expensive than the present Canal. Again, however, one must ask whether a more disadvantageous position for some U.S. exporters and importers justifies a claim to never give up sovereign rights over the Canal. For those who argue that the Panamanians would simply not be able to manage the Canal, it must be remembered that not even the most extravagant of the current Panamanian negotiating positions foresees the U.S. giving up administration of the Canal before the end of the century. There remains considerable time for Americans to tutor Panamanians in the efficient use of their coutry's most important resource.

A further economic argument against giving up sovereign rights over the Panama Canal is that U.S. taxpayers have invested over five billion dollars in the purchase, construction, maintenance and defense of the Canal. The Canal Zone itself cost the United States $145 million, more than any other territorial purchase in the country's history. And because the little profit made by the Canal is plowed back into maintenance and improvement of the Canal, U.S. citizens have received very little direct repayment for their investment. But the fact is that indirectly the Panama Canal has saved the U.S. between eleven and thirteen billion dollars according to the UN's Economic Commission for Latin America (CEPAL). Savings to the users of the Canal between 1960 and 1970 are estimated at $5.4 billion. According to a former Governor of the Canal Zone the U.S. saved $1.5 billion in maritime transport costs during World War II alone by using the Panama Canal. The U.S. taxpayer thus has recouped on his initial investment and there is no evidence that he would stop benefitting in the future under Panamanian control.

With a recognition that the Panama Canal is not vital to our national interests, the people of the United States should attempt to understand why the issue of regaining sovereignty over the Panama Canal is so fervently felt by the Panamanians. It is the single issue capable of uniting all the people of Panama today. The goal of gaining control over the Canal does have a partial foundation in a desire to reap economic advantages, but by far the most important motivation to regain control over their territory is one of national dignity—a desire on the part of the Panamanians to be their own masters, both politically and economically. Juan Antonio Tack, the Panamanian Minister of Foreign Affairs, has directly stated this: "the struggle of Panama goes deeper than simply gaining some economic advantages. The colonial situation that has driven Panama and which still exists must be eradicated."

The issue for Panama is primarily one of independence—independence from the domineering influence of the United States. The Panamanians want freedom from the humiliation of not being able to control their country's most valuable natural resource. They want freedom from the indignity of not having control over their nation's only two deep water ports and from having their country physically bisected by an alien power. How would we in the United States feel if any other country had sovereign rights over the Mississippi River and a five mile strip of land on either side?

A country's desire for independence and national dignity cannot be explained in rational terms, but this desire has proved a potent force throughout history for all peoples of the world. There are very few Americans who aren't proud of the fact that thirteen little colonies in North America were able to assert their independence from the greatest power in the world two centuries ago. For some of those who fought in the Revolutionary War there were political issues involved, but most of the American patriots at that time were simply possessed with the notion that we had a right to be free. And those patriots, most of them had suffered no injustice at the hands of the British, were willing to die for that notion. I think we are naive if we think that the Panamanians can not be moved by the passion and dignity of independence the way the American people were in 1776.

Panamanian President Torrijos, in a speech on March 15, 1973, stated: "The struggle being fought by the people of the Third World to obtain their true political and economic independence constitutes one of the worthiest examples we can leave as a heritage to succeeding generations." Any American who fails to recognize the emotional force behind these words and their implication for Panama is missing the essence of the Panamanian desire for control of the Panama Canal Zone and Canal. The Panamanian politicians are not playing games with the United States. They are expressing the deep-felt feelings of the Panamanian people. Political and economic independence are the only ultimate realities for the Panamanians. A recognition of this now by the United States will prevent incidents which could be embarrassing and diplomatically harmful to the US, as well as, perhaps, harmful to the functioning of the Canal. An acceptance of the right of Panamanians to sovereignty over their own land will allow us to truly help the Panamanians by diverting their emotional energies from the hostile and sometimes destructive channel that they are in now to a constructive channel which will help them strengthen their country and, eventually, when they do assume full control over the Canal, to manage the Canal well.

Those who do not want to see the United States relinquish sovereign rights over the Canal and Canal Zone because they consider such an action humilitating contribute to one of the strongest arguments for negotiating the sovereignty issue. International humiliation is not inherant in an act, but rather results from an acceptance of, and participation in, a competitive state of international affairs. International politics in the past have been determined to too great an extent by selfish me-first thinking. In the past, cut-throat competition has been condoned as legitimate to protect a country's so-called self-interest. But today we are faced with a different world situation. There is a world food shortage; there is an international energy crisis; ecological catastrophe threatens the whole world; drugs from one country destroy the people of another; hijacking exists only because the hijackers have some place to go. All of these are problems that can be dealt with adequately only by cooperation of the world community as a whole. Effective cooperation requires a willingness on the part of countries to give up immediate short-term interests to promote conditions that will eventually promote the goods of all.

An expression of willingness on the part of the United States to negotiate an issue so obviously important to us as the sovereignty issue in Panama would encourage other countries to negotiate issues which they feel important to them for the sake of strengthening the world community. France's decision to conduct nuclear tests in opposition to the wishes of nearly the entire world community is only one current example of a situation where a spirit of cooperation might have stopped an ecologically irresponsible act.

The path of international cooperation is clearly preferable to a path of economic and military competition. It is less costly and increasingly looks like the only way to insure world survival. But the international community is not accustomed to a spirit of cooperation. Some countries will have to lead the way in the quest for a cooperative spirit, and the United States, being the most powerful country in the world today, is in the best position to act as leader. The international community is in a position today where its members will have to change their perspectives so they can accept short-term sacrifices for long-term gains, rather than vice-versa. It is crucial to see negotiations of the sovereignty issue not as a defeat for the United States, but rather as a victory for the new global spirit of cooperation.

SUBSTANDARD CONDITIONS AT ARMY HOSPITAL

Mr. PROXMIRE. Mr. President, a Comptroller General's investigation of the Brooke Army Medical Center at Fort Sam Houston, San Antonio, Tex., has disclosed a staggering list of substandard conditions and mismanaged operations jeopardizing the care, comfort and, in some respects, the lives of patients.

The most outstanding example of inadequate conditions at this Army hospital concerns coronary care.

Emergency cases such as heart attack victims are brought to the emergency room in the main hospital. But the coronary care unit is located in a separate building, called the Beach Pavillion, 1.2 miles from the main hospital.

As a result, heart attack patients must be transferred by ambulance from the emergency room to the coronary care unit in order to receive specialized care. From February 1970, through December 1972, at least five heart attack victims died during this trip.

Physicians interviewed by GAO investigators said that transfer of cardiac patients between hospitals exposes the patient to added risk, delays delivery of specialized care, and is medically undesirable. One doctor said that, because of the separation of facilities medical personnel did not have a chance to save the patients who died.

INADEQUATE PATIENT CARE ACCOMMODATIONS

Other deficiencies at the Brooke Army Medical Center demonstrate inadequate patient care accommodations, inadequate ambulatory care facilities, duplication of medical services, lack of separation of inpatient and outpatient care areas, undesirable traffic patterns, and inadequate mechanical, electrical, and plumbing systems.

Among the specific conditions at Brooke:

There are not enough examination and treatment rooms for the average number of doctors on hand. The orthopedic clinic has only 7 examining rooms for 13 doctors. A minimum of 2 examination rooms per doctor is needed for efficient use of doctors in this clinic.

The main hospital has a radio paging system, but no public address system. Radio paging is a one-way system and there is no way for the radio center to know if messages have been received. According to doctors who work in the emergency room, there is no way to sound an alarm or reach admitting officers except by telephone.

Most patients are cared for in open wards divided into four-bed areas by partitions. One toilet area serves about 25 patients, affording them little or no privacy.

Individual patient areas are less than the normal square footage required by Federal regulations. Nearly one-half the patient areas are without windows.

The blood bank is located in the main hospital, separated from the surgery performed in the Beach Pavillion.

There are 12 different places within the main building for storing films from the radiology department. Some patients are X-rayed twice, because of the difficulty in finding patients' films.

There is no isolation room for patients with contagious diseases in the emergency facility of the main hospital.

The Obstetrics-Gynecology Clinic has insufficient examining rooms. The clinic handles about 50,000 patient visit per year, but has the staff capability to handle about 70,000 visits. Many patients will not discuss their problems, because the examining rooms have no floor to ceiling partitions and afford little privacy.

In the main building no areas have sprinkler systems for fire protection, not all areas are air-conditioned and there is no package conveyor, pneumatic tube or similar system for materials movement.

In the Beach Pavillion some beds are located in main corridors, toilet accommodations are inadequate, the support areas for nursing units are inadequate, supply space is inadequate, too much traffic has to pass through the surgical operating suite, because of poor design and layout and because there is no patient holding area in this suite patients arriving early for surgery must wait in the corridor, and the electrical and plumbing systems are antiquated and inadequate.

LUXURIOUS VIP FACILITIES

The substandard conditions to which members of the armed services are subjected at Brooke stand in sharp contrast to the luxurious VIP facilities that are reserved in some military hospitals, including Brooke, for generals, admirals, and high civilian officials.

In some respects the Brooke Army Medical Center is an excellent facility and I understand that some of the deficiencies are being corrected.

Unquestionably, the members of the armed services deserve better medical care than they are getting at this hospital.

INCREASE IN MILITARY MEDICAL COSTS

It is difficult to reconcile the tremendous increase in overall military medical costs—which exceeded $2.5 billion in 1971—with the conditions of this hospital disclosed by the GAO report.

The implications of substandard medical facilities, inadequate patient care and inefficient use of medical personnel go far beyond a single Army hospital.

The members of the Armed Forces deserve and should get first-rate medical care. Anything less than that is unacceptable.

DOCTOR RETENTION PROBLEM

Conditions such as those at Brooke may be a major reason why the military finds it difficult to attract and retain doctors. No self-respecting physician wants to work in an environment where it is not possible for him to give efficient, effective medical care.

These problems may also partly explain the high and rising costs of military medical costs.

THE CAMBODIAN BOMBING AND DEPUTY SECRETARY OF DEFENSE CLEMENTS: CLEARING THE RECORD

Mr. SYMINGTON. Mr. President, as of August 1, the Deputy Secretary of Defense, William P. Clements, Jr., wrote me with respect to his role in connection with the Cambodian bombing—and it is a privilege to ask unanimous consent that this his letter be printed in the RECORD.

May I add that the months I have worked with Secretary Clements have increased my respect for his integrity and capacity.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

THE DEPUTY SECRETARY OF DEFENSE,
Washington, D.C., August 1, 1973.

Hon. STUART SYMINGTON,
Acting Chairman, Committee on Armed Services, U.S. Senate.

DEAR MR. CHAIRMAN: As I previously mentioned to you, Admiral Moorer and I are available to appear before your Committee to testify in reference to the B-52 bombing operations in Cambodia which have been the subject of current hearings. Meanwhile, there is a matter I would like to bring to your attention which relates to my role as Acting Secretary of Defense when material was forwarded to the Committee containing inaccurate information on Cambodian bombing statistics.

I share your concern and that of the Committee in its having received data from this Department which was neither complete nor accurate. I have reviewed carefully how this occurred and it was clearly a mistake and one which I deeply regret. As a result of this mistake there appears to have been a widespread misunderstanding of my role as one of personally misleading the Congress.

As you are aware, when this data was submitted I was the Acting Secretary and therefore the responsible person in the Department. Nevertheless, when these statistics were forwarded to the Committee, I was not personally aware we had been engaged in the Cambodian bombing operations. The report did not come through my office for review, nor was I informed that any of the data contained therein was either inaccurate or incomplete. Like many others, my first knowledge of these Cambodian strikes in 1969 and 1970 was obtained when it was disclosed publicly several weeks ago.

The Department of Defense must have, and maintain, the confidence of the Congress. This confidence must be based on both candor and integrity. I assure you that during my tenure here I will endeavor to achieve both throughout the Department.

Because of the relationship of the Department of Defense to the Committees, I have sent a copy of this letter to the Chairman of the House Armed Services Committee and both the House and Senate Appropriations Committees, as well as to Senators Tower and Bentsen, both of whom appeared on my behalf when I was before the Senate Armed Services Committee for confirmation.

Sincerely,
WILLIAM P. CLEMENTS, Jr.

LAND USE

Mr. ROBERT C. BYRD. Mr. President, I would like to call to the attention of the Senate an article by David S. Broder which appeared in the Washington Post on Wednesday, August 1. The article, entitled "Land Use Bill: 'Important as Watergate,'" stresses the importance of S. 268, the land use bill introduced by the Senator from Washington (Mr. JACKSON). This important legislation has passed the Senate and I am hopeful it will be ready for final consideration before the close of the 93d Congress.

Because of the great significance of land use planning to all Americans, I ask unanimous consent that the text of this article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

LAND USE BILL: "IMPORTANT AS WATERGATE"

(By David S. Broder)

BEAVER ISLAND, MICH.—Out here on this island on the north end of Lake Michigan, Watergate-fever is as weak as the television signals that carry the witness' flickering image from the Senate caucus room via the stations on the mainland.

We have another concern out here—a referendum coming up in mid-August on revoking or retaining the new zoning ordinance of Charlevoix County, of which we are a part. Beaver Island, which lay blessedly dormant in the century since the Irish and the Mormons fought a battle for its control, has been caught up in the great American recreational land boom.

Until the mid-1960s any beach you wanted to camp or swim or picnic on was yours to use. Then, the subdividers moved in and carved the best beaches into 100-foot frontages. Those lots have more than tripled in value in the past five years, as land-hungry families from Detroit, Grand Rapids and Chicago have ranged farther and farther north in their search for waterfront property.

The county government has moved to meet the challenge. A decade ago just as the first wave of developers arrived, the first contract was let to a Grand Rapids consulting firm to devise a land use plan for Charlevoix County. A member of that consulting team was hired two years ago to set up a one-man planning department for the county, and last October, the county enacted its first zoning ordinance.

Now, the infant zoning law is in trouble—for reasons as traditionally American as apple pie. Some folks are opposed to anything that limits their rights as property owners to put whatever they want on their land—be it condominium apartments or a carwash.

Others say they are willing to have zoning, but only if it's administered by a truly local government, the township, not that distant bureaucracy in Charlevoix. That sounds funny, but if you're out here in the lake or over at Boyne City, 20 miles east of the courthouse, you resent having to travel to Charlevoix for zoning hearings.

These forces of localism and individualism convince county planner Bill Mercer that the first weapon in his arsenal may be taken from him in the referendum—and then there will be no developers.

The local debate is part of a much larger national issue, which came to focus earlier this summer when the Senate passed and sent to the House, something called the Land Use Policy and Planning Assistance Act of 1973.

I had first heard of the bill more than a year ago, when its principal sponsor, Sen. Henry M. Jackson (D-Wash.), mentioned it one day on the presidential primary trail as "the most important bill" before Congress.

Somewhat skeptical, I made a mental note to look it up, and finally have gotten around to doing so. I have been sitting on the beach, reading the hearings and report and floor debate on S268, and, with the fervor of the newly converted, I am prepared to try to convince you that Jackson was right.

At the very least, I am now persuaded that the issue with which Jackson has been struggling for three years is as important to the future of this country as Watergate. And it is a matter of some chagrin that, except for the excellent coverage of the Christian Science Monitor's Robert Cahn, those of us in journalism have let it go largely unreported.

The issue is important because of the scale and pervasiveness of the problem. As Jackson said in his speech introducing the measure last January:

"Between now and the year 2000, we must build again all that we have built before. We must build as many homes, schools and hospitals in the next three decades as we built in the previous three centuries. In the past, many land use decisions were the province of those whose interests were selfish, short-term and private. In the future—in the fact of immense pressures on our limited land resource—these land use decisions must be long-term and public."

The other reason that the land use decision is as important as Watergate is that, like Watergate, it raises in very direct fashion the question whether our institutions of self-government are fulfilling, or subverting the public will.

As the Interior Committee report on the Jackson bill says, "A citizen may significantly suffer from or enjoy the impact of decisions to site an airport, grant a subdivision permit, widen a highway, fill wetlands, or purchase parkland, made not by his community but by the municipality located downstream, downwind, across the road, or up the street from him. Yet, neither he nor the public officials for whom he has voted may be able to participate effectively in these decisions."

That is the two-sided problem the voters here on Beaver Island are confronting next month—how to make the land use planning decision both effective and representative.

Jackson's bill, which will be discussed in the next column, offers one solution to that problem. And whether your concern is saving parkland, securing a decent housing supply, making cities livable, or—in our case—preserving a Lake Michigan beach, his bill is important to you.

HEATING OIL SUPPLY SITUATION CRITICAL

Mr. McINTYRE. Mr. President, before we adjourn for the month of August, I should like to warn once again of the threat of a serious fuel oil shortage in New England and the Northeastern States next winter.

I regret that I must raise this issue once again. I had hoped that with the mounting accumulation of evidence of the impending crisis, the administration and its responsible oil policy officials would have taken positive action by now. As I pointed out in my floor statement of July 17, we cannot afford much more delay. In fact, I am fearful about the delays already caused by the removal of the experienced leadership in the oil policy area in June and the appointment of a new Energy Director, Governor Love. The Governor's first act was to order a delay in implementation of the mandatory allocation program; that delay has now stretched out to more than 6 weeks. These weeks of procrastination and indecision may prove to be fatal. It may already be too late to move, on schedule, the vast quantities of No. 2 fuel needed to meet the peak demands of winter in New England.

If homes go cold in our area this winter, I am afraid that the administration must bear a heavy responsibility. The responsible officials of the executive branch have had plenty of warning; they have had complete access to the facts. But they have refused to act.

They have refused to implement a mandatory fuel allocation system to channel home heating oil to the independent deepwater terminal operators and dealer-distributors. The stocks of New England independents, as I have pointed out in previous statements, are far below safe levels. Evidence of this fact is found in the submission of the Independent Fuel Terminal Operators Association on July 13 and I will ask unanimous consent that it be inserted at the conclusion of my remarks.

They have refused to take steps to provide for selective relaxation of sulfur content restrictions, to alleviate shortages in critical areas.

They have refused to take the steps necessary to assure an essential level of No. 2 fuel oil imports. Such imports must achieve record levels this winter if we are to avoid a shortage. This has been clearly demonstrated in the study released this week by the Petroleum Industry Research Foundation, Inc. I ask unanimous consent that the study "The Outlook for Distillate Heating Oil in the Winter of 1973–74" be inserted at the conclusion of my remarks.

The administration is also proposing special rules for retailers of No. 2 fuel oil under phase IV of the economic stabilization program that will contribute to a shortage. Those rules—specifically the ceiling on retail prices of home heating oil—will cause many dealers to stop delivery of fuel oil to homes; those dealers will, under the rules, be forced to sell at a loss. They simply cannot remain in business, and the homes who depend on them for fuel will go cold.

It is a sad story; a story of inaction and indifference. The disturbing part is that many thousands—perhaps hundreds of thousands—of homeowners will suffer next winter because of the bungling and paralysis of high officials here in Washington.

I can assure those homeowners, however, that we in the Congress are not giving up; we will not cease our fight to assure that a serious fuel oil shortage does not occur next winter.

I can also assure the major oil companies that their role in creating the fuel oil crisis will be carefully examined in the months ahead and will weigh heavily in forthcoming consideration of legislation to alter the structure of the petroleum industry.

Mr. President, last winter New England was saved from a serious fuel crisis by the arrival of unseasonably warm weather. This year I do not think we will be so lucky. Perhaps our only hope will be the arrival of the cool winds of reason down at the Executive Office Building, which will cause someone in a position of responsibility to take action to avert the looming crisis. For the sake of New England, I pray that this happens soon.

Mr. President, I ask unanimous consent that a letter and its attachment, dated July 13, 1973, from the Independent Fuel Terminal Operators Association to Gov. John A. Love, Director, Energy Policy Office, Executive Office of the President, be printed in the RECORD.

There being no objection, the letter and its attachment were ordered to be printed in the RECORD, as follows:

INDEPENDENT FUEL
TERMINAL OPERATORS ASSOCIATION,
Washington, D.C., July 13, 1973.

Subject: Mandatory Fuel Allocation Program.

GOV. JOHN A. LOVE,
Dirctor, Energy Policy Office, Executive Office of the President, Washington, D.C.

DEAR GOVERNOR LOVE: On behalf of the members of the Independent Fuel Terminal Operators Association*, I am writing to urge your prompt and positive action on recommendations that the current voluntary fuel allocation program be made mandatory.

Our reasons for this urgent request are as follows:

1. Fuel Shortage.

Unless such action is taken, there is almost certain to be a shortage of No. 2 fuel oil next winter among the independent marketers who serve nearly 25% of the consumers along the East Coast—and 40% of the consumers in New England.

2. Stocks.

Stocks of No. 2 fuel oil in the storage facilities of our members are at alarmingly low levels. At your request, we prepared and submitted last week an analysis which showed the following:

NO. 2 FUEL OIL INVENTORIES AS OF JULY 1

[Net, in thousands of barrels]

	1971	1972	1973
New England (7 companies)	2,130	2,410	355
New York City area (6 companies)	970	735	730
Total, Northeast (13 companies)[1]	3,100	3,145	1,085

[1] The remaining 3 members of the association market in Georgia and Florida.

Our members have a total No. 2 fuel oil storage capacity of 14 million bbls. Based on past experience, our tanks must be filled to at least 80% of capacity—or to nearly 12 million bbls.—by October 1, which marks the start of the heating oil season. As you are undoubtedly aware, stocks in home heating oil storage facilities must be near capacity levels before the start of cold weather, when the process known as "winter draw down" begins.

3. Summer Deliveries.

The process which raises inventories to capacity or near-capacity levels *before* the onset of cold weather is known as the "summer fill." Unfortunately, *this year the summer fill is not taking place.* It will not take place unless you move immediately to institute a mandatory allocation program, which will require domestic refiners and their foreign affiliates to deliver No. 2 fuel oil to independents during the customary summer fill period—the third quarter of this year—and beyond.

The voluntary allocation program has been a failure. The alarming inventory levels and supply prospects outlined above offer ample proof of this fact. Few refiners have cooperated with the voluntary program; most have, despite encouraging public statements, simply refused to comply. Nearly all of the refiner-suppliers who have provided oil to the members of our Association on an annual basis over the past 5 to 15 years have refused to renew their supply contracts. No deliveries are scheduled or promised from these suppliers over the next few months, much less the next year.

4. Need for Prompt Action.

An allocation program must be announced and implemented within a few days. As indicated, between now and October, *our stocks must be built up by more than 11 million barrels over today's levels.* Given the nature of the fuel oil business, a shortfall of this magnitude cannot be "made up" after October 1; demand is simply too great after the weather turns cold. If all primary and secondary storage along the East Coast is not filled close to capacity at the start of the heating season, a fuel oil shortage is almost certain to occur.

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*The Association is composed of 16 companies who operate deepwater oil terminals along the East Coast from Maine to Florida. A list of members and a more detailed analysis is attached (Attachment A).

Increased inventories in other storage systems, that is, major oil company tanks along the East and Gulf Coasts, offer little reason for complacency. It is misleading to the public and deceving to the policy-makers to rely on the American Petroleum Institute's total stock levels for the entire country. The API statistics, as you may be aware, involve only primary (i.e., refiner) storage; they do not measure volumes held in secondary (i.e., independent) storage.

As we have indicated, independent deepwater terminal operators, whose stocks are not included in the API total handle 25% of the heating oil volume along the East Coast—and 40% of the volume in New England. We move that oil through a massive and expensive distribution system, involving docks, storage tanks, pipelines, racks, inland storage facilities, and fleets of trucks.

There is no substitute for this system; it cannot be magically replaced on short notice by the major oil companies or by Government order. Simply stated: over the next heating season we will perform an essential function which no one else can. And, *if our distribution systems are not fully supplied, the millions of homeowners who rely on us for heating fuel will go cold.*

Thus, unless you act immediately, it may be too late. Unless refiners are required to move substantial quantities of No. 2 fuel oil into the independent distribution and storage system this summer, no amount of emergency action by you next fall or winter will avoid a serious shortage.

MANDATORY ALLOCATION PROGRAM

The Mandatory Allocation Program must, as you are aware, not only be announced immediately, but also promptly and effectively implemented. Based on our own experience in the fuel oil business, we believe the mandatory system—if it is to be effective—must provide the following:

a. Base Period.

A base period of calendar year 1972 must be used. This period would assure the most ample, equitable deliveries of fuel oil to independent marketers. A base period which moves into calendar year 1973 enters a period (the first quarter of 1973) when a substantial number of independents, particularly in the Middle West, were being cut off.

b. Customer Eligibility Period.

We strongly oppose establishment of a customer eligibility period (March 1973, we understand, is being proposed); this will prove completely unworkable. Such a provision might avoid some inconveniences—and avoid a slight loss of profits—to some refiners; but it would cause administrative chaos, force substantial delays in implementation, and, as a result of such delays, put a number of additional independents out of business.

The base period concept itself provides a sufficient—*and the only workable*—measure of the supplier-customer relationship.

c. Supply Levels.

The base period *volume*—not a percentage—must establish the minimum obligation of a supplier to a customer. If in any case a percentage test provides additional quantities to the customer, that option must be made available.

Sales of all products by overseas affiliates of U.S. companies to U.S. customers during the base period must be included in the calculation of base period deliveries; in addition, overseas production by such affiliates must be considered as available to meet domestic requirements under the Mandatory Program.

Such a requirement would conform to the realities of the fuel oil business. Much product, particularly along the East Coast, comes from the overseas affiliates of American companies. If such sales and shipments are not considered as part of the base period quantity, then the American companies which supply this product would be free to cut off independents and divert supplies into their own systems or elsewhere in the world. If this were permitted, the American refiners could easily put a number of East Coast independent marketers of fuel oil and residual oil out of business; in addition, severe shortages of these vital products would occur.

This aspect of the program is particularly critical in the case of No. 4, 5 and 6 oils—the residual oils. The vast majority—more than 90%—of residual fuel oil consumed along the East Coast is produced by the foreign affiliates of American companies; the giant U.S. owned refineries in the Caribbean area are the source of most of this fuel. Unless the program is clarified as we recommend, a large volume of U.S. consumption and many independent marketers will fall outside its authority.

In brief, the East Coast relied on overseas supplies and products during the base period; it must continue to rely on such overseas fuel under the Mandatory Program.

d. Priority Users.

Primary emphasis and reliance must be placed in any allocation system on the regular market and supply mechanism as the source of volumes for priority users. Such users were supplied by that system, and in many cases by independent marketers, during the base period. Restoration of base period supply relationships will assure in most instances, that priority users are adequately served.

Those who are not served must, of course, be able to appeal to the Office of Oil and Gas for assistance and intervention. We are concerned, however, that the allocation proposals you are now considering will place undue emphasis on OOG intervention, *before* it is needed.

e. Coverage.

All suppliers and customers must be included. All products and crude oil must be included; separate programs should be established for products and crude oil.

Allocation requirements must apply to inter-refinery sales, that is, sales by one refining company to another during the base period. If this is not done, there could be substantial reduction in the supplies made available to independent marketers; if one refiner were cut off by another, the former would obviously have less product available for allocation to independent marketers.

Suppliers in Puerto Rico and the Virgin Islands must be covered. If they are not, a substantial volume of fuel oil customarily available and required to meet East Coast demand is likely to be sold elsewhere.

f. Prices.

The price provisions must be carefully drawn to require suppliers to charge prices—and establish credit and delivery conditions—that bear a normal and reasonable relationship to the prices charged to all other customers at all levels of their distribution system.

We hope that this information and these recommendations will be useful to you. We will, of course, be pleased to provide any additional assistance you might need.

In conclusion, we wish to stress, once again, the urgency of this matter. Our very survival is at stake.

Thank you very much.

Sincerely,

ARTHUR T. SOULE,
President.

Attachment.

MEMBERS, INDEPENDENT FUEL TERMINAL OPERATORS ASSOCIATION

Belcher Oil Company, Miami, Florida.

Burns Brothers Preferred, Inc., Brooklyn, New York.

Cirillo Brothers Terminal, Inc., Bronx, New York.

Colonial Oil Industries, Inc., Savannah, Georgia.

Deepwater Oil Terminal, Quincy, Massachusetts.

Gibbs Oil Company, Revere, Massachusetts.

Meenan Oil Company, New York, New York.

Northeast Petroleum Corp., Chelsea, Massachusetts.

Northville Industries, Corp., Melville, New York.

Patchogue Oil Terminal Corp., Brooklyn, New York.

Ross Terminal Corp., Bayonne, New Jersey.

Seaboard Enterprises, Inc., Boston, Massachusetts.

Southland Oil Company, Savannah, Georgia.

C. H. Sprague & Son Company, Boston, Massachusetts.

Webber Tanks, Inc., Bucksport, Maine.

Wyatt, Inc., New Haven, Connecticut.

The companies listed above own or control terminals capable of receiving ocean-going tankers; one is affiliated with a major oil company. All are qualified to participate in the No. 2 fuel oil program established under Section 2(a)(1) of Presidential Proclamation 3279, as amended, and Section 30 of the Oil Import Regulation, under which 50,000 b/d of home heating oil is presently being imported into District I (the East Coast). The members of the Association are independent marketers of No. 2 fuel oil, No. 6 fuel oil, gasoline and other petroleum products.

Members of the Association distribute 40% of the No. 2 fuel oil consumed in New England, and more than 20% of the No. 2 fuel oil consumed along the East Coast (District I). Metropolitan Petroleum Company (a subsidiary of the Pittston Company), a nonmember, is an independent who markets an additional 3-4% in District I.

The independent share of the total East Coast market for No. 2 fuel oil, at the terminal level, is approximately 25%; the remaining 75% is controlled by refiners.

Of the nation's No. 2 fuel oil consumption (for heating purposes), New England accounts for 20%. New York, New Jersey and Pennsylvania account for 35% and the remainder of District I accounts for 10%. Thus 65% of the nation's No. 2 fuel oil is consumed in District I.

THE OUTLOOK FOR DISTILLATE HEATING OIL IN THE WINTER OF 1973–74

SUMMARY OF FINDINGS

For the second consecutive year we approach the winter with the likelihood that heating oil supplies will be insufficient to meet demand. Last winter a shortage was averted as a result of a very mild 1st quarter—approximately 10% warmer than normal—following a 6% colder than normal 4th quarter.

Had the 1st quarter been normal, the additional increase in demand would have reduced distillate stocks by more than 20 million barrels which would have resulted in widespread shortages.

Our calculations show that—after adjustment for a decline in secondary stocks at the East Coast—we will enter the coming heating season with stocks only slightly higher than a year ago. Since demand is expected to be up by over 6% and since last year's comparable stock level would have been clearly insufficient for a normal winter, the distillate heating oil supply outlook for next winter is quite precarious, notwithstanding the apparent high level of current primary stock accumulation.

If the winter is even slightly colder than normal, if the substitution of distillate fuel oil for curtailed gas supplies is significantly larger than last year, if refinery runs cannot be sustained at an average rate of 92% of capacity over the next 9 months or if the level of imports falls 3–4% below our projected average volume of 500,000 b/d during the heating season, a shortage could be expected to develop. To prevent, or at least contain, the shortage, the government must take several steps in advance of the heating season. These would include imposition of mandatory product allocation so that available supplies of heating oil are evenly distributed throughout the market, encouragement of maximum imports by permitting a full pass-through of the substantially higher cost of foreign oil; and raising the permissible sulfur level of all distillate imports to 0.5–0.7%, since the available quantities of foreign oil with a lower sulfur content are insufficient to meet our projected import requirements.

An analysis of the above findings is found in the following pages.

HISTORIC GROWTH

In the past two years distillate demand increased at an average annual rate of 7%—more than 3 times its average growth during the previous five years (1964–69). This reflects the sharp raise in the requirements of peripheral distillate fuel oil markets—electric power plants and natural gas customers with alternate fuel facilities. The effect of the increase in electric utility demand on total distillate fuel oil demand is shown below.

TABLE I.—DISTILLATE DEMAND, I–IV

[Thousand barrels per day]

	1970	1971	1972	Annual increase
Utility	66	92	144	+48.0
Other	2,242	2,305	2,497	5.5
Total	2,308	2,397	2,641	7.0

OUTLOOK FOR 1973 HEATING SEASON

Table II below shows the actual distillate supply-demand position for the 1st quarter of 1973 and projections for the subsequent four quarters.

TABLE II.—DISTILLATE SUPPLY/DEMAND PROJECTION DISTRICT I–IV

[Thousand barrels per day]

	1973					
	1st quarter (actual)	2d quarter	3d quarter	4th quarter	Year	1974, 1st quarter
Crude runs[1]	10,359	10,483	10,600	10,545	10,498	10,495
Distillate yield	25.17	22.40	22.75	24.0	23.6	24.75
Output	2,607	2,348	2,410	2,530	2,473	2,598
Plant	5	5	5	5	5	5
Imports	531	200	175	450	338	550
Net to V	−13	−25	−20	−20	−19	−20
Supply	3,130	2,528	2,570	2,965	2,797	3,133
Demand	3,567	2,230	1,885	3,250	2,730	3,900
Stock (mmbls)	(−39.3)	(+28.0)	(+13.0)	(−26.2)		(−69.0)
Stock end quarter (mmbls)	102.1	130.1	193.1	166.9		97.9

[1] Includes net unfinished oil.

We are projecting an increase in demand of 6.2% over the comparable period of the year before—with distillate demand averaging 3,571,000 b/d for the entire heating season. The increase is about in line with the increase in the last heating season after adjustment for degree day differential.[1]

The stock levels in Table II are the balancing items in our projection. The 97.9 million barrels figure shown for the end of the heating season will be equal to about 25 days of 1st quarter demand.[2] This would be the lowest ratio in more than a decade. Thus, the stock levels shown in Table II do not assure adequate supplies in the 1st quarter of 1974. On the other hand, these stock levels would probably be sufficient to minimize a shortage. The question is therefore whether it is likely that the supply projections in Table II will be attained and the demand projections not exceeded. As is shown in the following paragraphs, this is by no means certain. In the absence of specific government actions it may even be considered unlikely.

(1) In the past the industry has estimated the maximum sustained *utilization of refining capacity at 92%*. This rate has been used in our projection. Currently U.S. refineries are running at a higher rate. In a major attempt to resolve the gasoline shortage refineries during the past several weeks have been operating in excess of 95% of capacity.[2] It is not known how long the industry can continue to operate at this rate. Several refineries that should have come down for normal maintenance were not shut down this summer. Last year the industry experienced several breakdowns. It is conceivable that the stress placed on refineries this summer due to the high operating rates and the higher average sulfur content of imported crudes could result in additional unscheduled downtime during the next eight months.

(2) We have assumed that the '73–'74 *winter will be normal*. If it turns out to be only 3% colder, demand would increase by more than 75,000 b/d—and stocks at the end of the 1st quarter would be drawn down by an additional 14 million barrels. To make up this shortfall refineries would have to operate at a sustained crude throughput rate of 95%. Since this is unlikely, a heating oil shortage during the first quarter would probably develop.

HEATING SEASON DEMAND—PAD I–IV

[In thousands of barrels per day]

	Number	Stocks end 1st quarter million barrels
A. Normal winter	3,571	97.9
B. 3 percent colder	3,648	83.9

(3) Even if the weather is normal, our demand projection in Table II could prove conservative. This is due to the uncertainty surrounding the extent of the *natural gas shortage* this winter—and the effect it will have on distillate heating oil demand. Firm gas curtailment[3] last winter (November–March) totaled 565.6 billion cu. ft. Based in part on data presented by the Federal Power Commission to the Cost of Living Council it can be projected that approximately 27% of this shortfall was replaced by distillate fuel oil—the equivalent of 26 million barrels. Given an FPC projection of a firm gas shortfall of 670.2 billion cu. ft. for this winter the equivalent distillate requirement would amount to 31 million barrels as illustrated on the following page.

FIRM GAS CURTAILMENTS WINTER (NOVEMBER–MARCH)

	1972–73 billion ft³	Million barrels	1973–74 billion ft³	Million barrels
Met by:				
Distillate	152.7	26	181.0	31
Residual	260.2	41	308.3	49
Other fuels and unmet demand	152.7		180.9	
Total	565.6		670.2	

A large portion of the shortfall last year was met either by other fuels or remained unmet. If customers this winter attempt to have all their needs met and other fuels are not available, distillate demand could be considerably higher than projected, as a result of the firm gas shortfall.

In addition, there is virtually no information on the volume of distillate and residual fuel oil consumed as a result of gas curtailments to interruptible users.

(4) Another problem this winter not generally encountered in the past is that secondary stocks are currently very low, relative to primary stocks,[4] and will likely remain so into the heating season. This would affect our estimate of a minimum safe working inventory of primary stocks, since it assumes a normal relationship between secondary and primary stocks.

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[1] The 1972/73 season was colder than the previous one.

[2] Crude runs to refinery capacity excludes NGL's etc.

[3] Excludes gas curtailments for interruptible gas users.

[4] Primary stocks are those carried by refiners and pipelines. Only primary stocks are reported to the API and are the basis for inventory calculations both by the API and the Bureau of Mines. Stock figures in Table II are primary stocks.

A survey of the expected stock levels of most East Coast independent terminal operators indicates that they expect to go into the heating season with inventories some 9 million barrels below what they consider normal—about 70% of physical storage capacity.

Stocks of independent terminal operators district I, September 30

million barrels

Expected L level	3.50
Desired level	12.05
Short fall	8.55
Capacity	17.50

On September 30, 1972 the combined stock levels of this group was 8 million barrels which was then considered insufficient for a normal winter. This projected shortfall in stocks is serious since the independent terminal operators account for approximately 25% of District I distillate fuel oil sales (and 40% of New England's sales). In a number of markets distribution facilities are predominantly controlled by Independents. If these marketers are short of oil their customers will be, too, even if the overall level of primary stocks appears adequate. It is for this reason that mandatory governmental allocation of available supplies are required. In the absence of such allocation there is a considerable possibility of sporadic shortages next winter.

(5) Table II projects an import level of 500,000 b/d during the six month winter period and while 531,000 b/d did come in during the 1st quarter of 1973, it is likely that a portion of that volume had been stored offshore in expectation that restrictions on imports would be relaxed. Furthermore, European distillate stocks were unusually high last February as a result of a very mild winter. Thus, the record imports of the first quarter are no indication that this level can be maintained throughout next winter.

(6) Another factor which could well impede imports of distillate fuel oil is the statutory *sulfur content* of this product. In a growing number of markets in the Northeast air pollution regulations require a maximum sulfur level of 0.3 or 0.2 percent for distillate heating oil. Next October sulfur levels will be lowered in Philadelphia and both counties of Long Island. U.S. supplies can generally meet the lower sulfur levels without difficulty. However, foreign distillate heating oil—particularly European products—cannot. Most European product has a sulfur level of 0.5% or slightly more. In the first quarter of this year the U.S. brought in 200,000 b/d of distillate from Europe and other Eastern Hemisphere sources of which only ,about 25% had a sulfur level below 0.5%. This winter our demand for this type of product will be significantly higher while Europe's supply will be lower since low-sulfur African crude oil shipments to Europe are on the decline while high-sulfur Middle East shipments are rising, as the following table shows.

Western European crude oil imports

[Million barrels]

	African	*Middle East*
1970	1,665	2,072
1971	1,415	2,494
1972	1,332	2,950

If the U.S. is to import 500,000 b/d of distillate oil, an excess of 200,000 b/d will have to come from Eastern Hemisphere sources (primarily Western Europe). This can only be accomplished if the sulfur levels of imported distillate could be temporarily raised by means of legal waivers to about 0.5–0.7% in areas where statutory limitations require a lower sulfur content. Since about ⅔ of East Coast distillate supplies will be of domestic origin and, hence, can probably meet the more stringent sulfur level requirements, a waiver on the sulfur levels of imports would not significantly increase air pollution.

(7) Another way to increase distillate imports would be to temporarily *relax statutory sulfur levels of residual fuel oil.* The entire increase in residual fuel oil imports into PAD I during the next heating season—about 125,000–130,000 b/d—will be in the sulfur level category of 0.5% and less.

This type of residual fuel oil is qualitatively very close to distillate fuel oil. Most of it is made in Caribbean export refineries from a mixture of 65–75% low-sulfur African crude and 25–35% Venezuelan or other high-sulfur crude. In the second half of last year 450–500,000 b/d of low-sulfur crude oil was imported into the Caribbean for this purpose. This year the volume of this crude oil required to meet East Coast low-sulfur residual fuel oil demand is likely to be 150–200,000 b/d higher, according to industry estimates.

If residual fuel oil sulfur levels in all East Coast areas where the statutory limit is below 1% could be raised to 1% for the heating season, this would permit the importation into the U.S. of significant volumes of distillate heating oil which otherwise would go into the production of low-sulfur residual fuel oil. While it is difficult to determine the magnitude of this volume, a rough estimate would be 100,000 b/d.

The raising of residual fuel oil sulfur levels in the U.S. would also permit the substitution of high-sulfur Middle East crude for low-sulfur African crude in Caribbean refineries, with the result that some of the freed low-sulfur crude could be imported into the U.S. In this connection, the National Petroleum Refiners Association has estimated that 350,000 b/d of U.S. refining capacity is idle because of inability to obtain low-sulfur crude oil, the only usable feedstock for certain domestic refineries. If this capacity could be activated it would yield up to 95,000 b/d of distillate fuel oil.

(8) The *substantial current price differential between imported distillate oil and domestic contract cargo supplies* could also impede maximization of imports.

Historically, imported distillate fuel oil has generally been lower priced than the domestic product. This relationship prevailed until the late fall of 1972. At the beginning of last year's heating season, the landed price of distillate heating oil (ex-duty) ranged from 9.0¢ to 9.5¢/gallon, while the domestic cargo contract price stood at 10.9¢/gallon.

Since last December this relationship has drastically changed. The landed price of the foreign product ranges currently from 21.5¢ to 23.5¢/gallon, while the domestic contract cargo price is 12¢/gallon. Thus, the imported product is now nearly twice as expensive as the domestic product purchased under contract.

Under these circumstances marketers with substantial deficits between contractual supplies and total requirements are reluctant to import distillate fuel oil, since this would render them uncompetitive with marketers able to draw primarily on domestic supplies, such as integrated refiners and their contract customers. The current relatively low level of imports is evidence of this reluctance. More foreign oil could be imported than is actually the case. But despite inadequate inventories, independent cargo buyers are fearful of bringing in a product whose landed cost approaches the prevailing retail price to ultimate consumers.

Permission by the Cost of Living Council to average the cost of foreign and domestic supplies in the determination of resale prices does not significantly alleviate the problem for marketers with a preponderance of import requirements.

In an uncontrolled market prices would tend to rise to the level of imports. Under the existing system of controlled domestic prices this is of course not possible. Thus, the attempt to protect the consumer from price increases may aggravate the shortage, unless a way can be found to distribute the higher cost of imports more evenly among all marketers than is presently the case.

APPENDIX

1972—DISTILLATE FUEL OIL DEMAND

[In thousands of barrels per day]

	1st quarter	2d quarter	3d quarter	4th quarter	Year
District:					
I	2,040	1,088	736	1,735	1,396
II	1,112	741	623	1,049	883
III	281	238	321	280	278
IV	68	80	83	96	84
Total	3,501	2,147	1,763	3,160	2,641

LAND USE AND COASTAL ZONE MANAGEMENT

Mr. HOLLINGS. Mr. President, as chairman of the Oceanic and Atmospheric Subcommittee of the Commerce Committee, it is my pleasure today to report to the Senate that the administration has changed its mind and has recognized the wisdom in supporting the funding and implementation of the National Coastal Zone management program passed by Congress in 1972. Heretofore, the administration has ignored or refused to recognize the existence and importance of the congressionally initiated legislation. As may be recalled, Congress began considering a separate management program for our coastal land and waters back in 1969, an action which finally culminated in the passage of the Coastal Zone Management Act in October and the signing into law of this program by President Nixon.

Unfortunately, however, this year the administration revived the previous strong difference of opinion between Congress and the administration on whether there should be one, all-inclusive national land-use policy program, including coastal lands and waters or whether there should be two; one for the critical and unique problems existing in our coastal areas, and another for the broader, more diffuse problems inland from the coastal zone.

The Senate, however, this year passed the National Land Use Policy and Planning Assistance Act, S. 268, containing a definitive finding that land use and coastal zone management should be separate programs, fully coordinated on both the State and Federal level but, nevertheless, separate from each other—with the coastal zone program administered by the National Oceanic and Atmospheric Administration and the land use policy program administered by the Secretary of the Interior. Only through the outstanding leadership of Senator WARREN G. MAGNUSON of Washington, chairman of the Committee on Commerce and the original sponsor of the Coastal Zone Act, and Senator HENRY M. JACKSON, chairman of the Senate Committee on Interior and Insular Affairs, and original sponsor of the land use bill, was this compromise effected.

After much hard work in creating these programs, it is gratifying to receive word today that the administration has changed its views on funding the coastal zone program separately from the pending land use policy legislation. The change in the administration's position was disclosed by Dr. Robert M. White, Administrator of the National Oceanic and Atmospheric Administration. NOAA is the agency Congress authorized to administer the coastal zone program. Dr. White informed the Senate Government Operations Committee that the President and the Office of Management and Budget have approved submission of a NOAA budget amendment to be forwarded to Congress requesting $5 million to fund the act in fiscal year 1974.

Dr. White's statement was in response to a question posed at my request by Senator ABRAHAM RIBICOFF, chairman of the Government Operations Subcommittee on Reorganization, Research and International Organizations, during a hearing on the administration's legislation proposing creation of a new Department of Energy and Natural Resources. Dr. White was asked if the administration was continuing to prefer that coastal zones be included in the land use program and that the separate coastal zone program remain without funding.

He replied that he had been authorized to state that there has been a change in administration policy on this issue and that the funds to implement the Coastal Zone Management Act would be requested shortly, so as to allow the coastal zone program to be implemented separately, by NOAA, from any land use policy legislation which Congress may enact.

This is extremely important to our coastal States, Mr. President. By forcing incorporation of coastal zone management into the proposed land use bill, there is no doubt that State efforts to control and manage development in coastal areas would have been set back, perhaps for many years. The pressures upon coastal States for large-scale development such as deep water ports, refineries, powerplant siting and second home recreational areas has made the need for action in the coastal zone now all the more apparent. Gov. Jimmy Carter of Georgia, on behalf of the National Governors Conference, testified last Wednesday before the Joint Committees of Commerce, Interior and Public Works on superport licensing legislation and stated:

> The governors of the various states, in conference, expressed concern that while the Administration seems anxious to permit the development of deep water ports, it is not willing to provide the states the funds required to carry out coastal zone management programs which would insure a safe and practical incorporation of these superports. I would ask you to recall that the Coastal Zone Management Act of 1972 authorized $45 million for grants to the states, and then the act was left unfunded in the upcoming budget. Thus, the act remains little more than a piece of paper. While we support the concept of integrated and comprehensive land-used planning, it is vital that coastal zone management funds be made available at the earliest possible time to prevent the continuation of haphazard development of our coastal resources and their consequent degradation.

Mr. President, the majority of our coastal States—21 or 30—are moving forward with various types of State legislation in the area of coastal zone management, and they are ready and willing to join hands with the Federal Government for the kind of progress mandated by the act. Moving ahead now in the coastal zones will, I am confident, provide a test case for the same kinds of problems and solutions to be faced by the pending land use program.

It is thus with considerable confidence that I express my satisfaction in the kind of efforts being made by our coastal States. Now that the administration has joined in this effort, I am sure that this program will move forward with success.

REMARKS BY SENATOR GOLDWATER ON THE EXPANSION OF BOUNDARIES OF THE GRAND CANYON NATIONAL PARK

Mr. FANNIN. Mr. President, my colleague from Arizona (Mr. GOLDWATER) is unavoidably absent this week because of illness in his family, but he had planned to deliver this week the following remarks on the Senate floor regarding the legislation which he has introduced to expand the boundaries of the Grand Canyon National Park. Senator GOLDWATER has asked if I would insert his remarks in the RECORD for him, and, on his behalf, I ask unanimous consent that his statement, together with certain insertions he requested, be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE GRAND CANYON AND THE SIERRA CLUB—IN PURSUIT OF TRUTH

(By Senator GOLDWATER)

Mr. President, it grieves me to do this, but I must raise in open before my colleagues and the wide audience that reads the RECORD, the matter of unsupported, misleading and downright erroneous propaganda which one of the prominent conservationist groups, the Sierra Club, is making against a bill I have introduced, together with some twenty-six other Senators, in order to enlarge the boundaries of the Grand Canyon National Park and improve the protection given the Grand Canyon under law.

Mr. President, I would not ordinarily bring such a subject up on the Floor of the Senate, but would consider the respective Committees of the House and Senate having jurisdiction over the legislation to be the appropriate forums before which we could receive, analyze, and act upon any responsible criticisms that might be made about a bill which I happen to be sponsoring or supporting. However, in this instance, the Sierra Club has raised a national propaganda campaign of such size and of such an improper character, that I must lay the matter openly before this chamber and the eyes of the many readers of the RECORD in order to make the truth known as widely as possible.

Mr. President, I wish to give a little of the background on this subject before detailing the specific instances in which I believe wrong practices are being used. For I have personally devoted a great deal of individual time and effort to the subject of the Grand Canyon over the period of the last four years with the goal of developing legislation that is widely acceptable among the conservationist and wildlife fields and which would thereby stand a high chance of becoming enacted into law.

For example, in 1969, I held a working session on Grand Canyon Park Legislation in my Senate Office Room here in Washington with Lloyd Tupling of the Sierra Club, together with representatives of the Audubon Society, the National Resources Council, the Wilderness Society and other well known conservationist-oriented organizations. In addition, I have met personally at my office and at my home with several additional groups and individuals who have a particular interest in preserving the Grand Canyon. Most recently, I held two open gatherings at my home in Phoenix to try to work out a good piece of legislation. Among those attending were two leaders of the Sierra Club, as well as representatives of several other organizations, Indian tribes and Federal agencies.

During all of these meetings, I kept revising my legislation to fit the best ideas and suggestions that were presented. I might add that during the two sessions held at my home, the Sierra Club representatives were given the floor and held the attention of our group for a long and thorough expounding of the type of bill which the Sierra Club would like to see passed for the Grand Canyon. And, as a direct result of these several consultations with leaders of the Sierra Club, many of their major suggestions were accepted and incorporated into my bill.

For example, I accepted the recommendation by the Sierra Club that the park be extended all the way from Marble Canyon to Grand Wash Cliffs within the canyon rim. Also, I included a Sierra Club provision for the establishment of a "Zone of Influence" by the Secretary of the Interior within areas outside but adjacent to the park. Then, too, I added at the urging of the Sierra Club a provision placing more than half of a million acres of park lands within the Wilderness System.

What I believed, Mr. President, was that the Sierra Club leadership had been brought in on the development of this bill so closely and had succeeded in changing so much of the bill to conform with their goals, that they now viewed the bill as a good compromise which they would support. In other words, I understood that the Club was working within the usual legislative process by which those who take a lead in trying to reach a compromise will, after achieving the greater part of what they have recommended, feel a moral obligation to accept the reworked version as being the best agreement obtainable.

If one party accomplishes 80% or so of what they sought to obtain, they ordinarily welcome their accomplishment and work together with others for the success of the mutual agreement. This is what I believed had happened in this case.

So, Mr. President, you can understand that I was absolutely astounded when I was told that the Sierra Club had testified against my Park legislation at the Senate Hearing of June 20. My surprise became even greater when I learned that they had attacked at the hearing certain provisions of the bill which they themselves had originated.

Mr. President, let me give some specific examples of the practices of the Sierra Club with respect to my Grand Canyon Park Bill which I consider to constitute a reneging on their part of an agreement which certainly should have been understood to exist by anyone who deals according to the tenets of fair play. First, I have already mentioned that my bill extends the Park boundaries downstream to the Grand Wash Cliffs, bringing over 300,000 additional acres under park protection. What I did not mention is that this boundary is based on the exact lines proposed by two leaders of the Sierra Club who presented this proposal with a map which they brought and handed out at one of the meetings on this matter in my home earlier this year. It was their map which I turned over to the map service as the guide for drawing boundaries in this area.

Now, it turns out that the Sierra Club is distributing a newsletter all across the country attacking these same boundaries as being deficient because they do not include other plateau lands above the Canyon Rim which the Club now decides should be added. In others words, they are criticizing the very same boundaries which they themselves had put forward in the first place. Without any subsequent consultation on their part with any of us who have tried to work with them, they suddenly blitz the mailboxes of their membership with a newsletter that attacks the proposal they had earlier found acceptable. In turn, they ask their members to write to their Representatives in Congress to challenge these boundaries, never mentioning, however, that the boundaries had originated with the Sierra Club leadership itself.

Second, I have referred to the "Zone of Influence," a concept which originated under a different name with the leadership of the Sierra Club. Even though my office was told by the two Sierra Club spokesmen, who had written the initial language of this provision, that the final language was much stronger than the provision they had written, the Club now attacks this provision as fostering economic exploitation of the Canyon and its surrounding areas. This is the interpretation which Club members are giving to the Club's opposition to this provision and it is one of the most ridiculous innuendos which the Club is making about my bill. Strangely enough, the very economic interests whom the Club infers will benefit from the "Zone of Influence" are the people who, with the Club, have expressed the most vocal opposition to this provision at the Senate hearings on the bill.

Actually, the provision for a "Zone of Influence," or a "Conservation Zone," or a buffer zone by whatever name it might be called, within which lands near the park could receive coordinated, interagency protection was a good conservationist idea that could have stood as a landmark precedent for the protection of other areas of the National Park System, but it apparently has been shot down as a viable idea in Congress because it was opposed even by the conservation group which fathered it. I am saying, Mr. President, that if the Sierra Club had gone before the Senate hearings and testified vigorously for this concept, which they had initially drafted, instead of opposing it, it might have stood some fair chance of coming out of Congress in a useful form that could be built upon in future years.

Third, the Sierra Club has even asked my office to temporarily drop the wilderness propoal for the Grand Canyon Complex from my bill because it does not include 100% of what they now ask for this area. Apparently, they would rather have nothing at all at this time, if they cannot get everything that they want. Again, the Club has not viewed this important provision of the bill as being one which would lay a good foundation from which they could build on in the future, but instead have treated it as an all or nothing proposition.

Mr. President, I should like to remind the Sierra Club that it does not help the legislative process one bit to make a recommendation on one day and then to turn against it shortly afterwards without even consulting the people who have worked with them on implementing the original idea. And it similarly does not aid the legislative process to take an attitude where it is only the other individual and group who is expected to make any compromises. There never would be any progress toward passage of a park bill giving greater protection to the Grand Canyon if this is the way every individual and group who has an interest in the proposal would look upon it.

Now, Mr. President, a word about a letter containing completely unsubstantiated charges directed to my bill which the Sierra Club has apparently sent to all other Senators. This letter claims that my bill "would remove from park protection more than twice the total area ever authorized for deletion from the National Park System in its entire history."

"The Club," it continues, "is alarmed by the precedent which would be set" by my bill. The Club also asserts the particular areas involved are qualified for park status.

The truth is, Mr. President, that Congress previously has made deletions from the National Park System of more than 280,000 acres transferred from 57 different units of the system. Thus, far from constituting any precedent, transfers have been made out of the National Park System at least 57 times in the past.

Moreover, the charge is totally without foundation that my bill would remove more than twice the total areas previously authorized for transfer. As it stands, my bill calls for total deletions from the Park System of merely 41,630 acres, in comparison with which a total of over 280,000 acres have been transferred from the System in the past. I will ask that a compilation of the several laws of Congress making these transfers be inserted in the Board at the conclusions of my remarks.

Mr. President, if there is any evidence of gross misrepresentation by the Sierra Club, this is it. They patently make the charge that by bill would take out of park protection more than twice the total area ever deleted from the Park System, when the actual truth of the matter is that there has been deleted from the Park System more than 6 times the total acreage which my bill would authorize for transfer.

Mr. President, the charge also ignores the fact that my bill provides for a net addition of over 34,000 acres to the Park System.

Next I should say a word about the three areas involved because the Club is also wrong in its assertion that these lands are essential for protection of the Grand Canyon. I might begin by observing that the National Park Service itself has proposed the deletion of these three sections of land, Slide Mountain, Tuckup Point, and Jensen Tank, in its Master Plan of the Grand Canyon dated January 1971. In its formal statement on this plan, the Park Service declared that these sections of land "are not required for the protection of the Canyon resource and are better suited for grazing. They should be deleted and transferred to appropriate Federal land management agencies." Thus, the Park Service itself has never laid claim to these lands as being necessary for the protection of the Grand Canyon.

It is true, Mr. President, that there are newly discovered indications that archeological resources may exist in some of this area and that, for this reason, the Park Service now proposes to give adequate protection to any archeological sites which may become known. I share this concern, as does everyone with whom I have talked about the bill, and we have worked out an amendment which would provide total protection for any archeological resources which may possibly be found to exist in these three areas.

Under the safeguard of this provision the Secretary of the Interior may put a halt to any activities he chooses until he has an opportunity to conduct archeological surveys and salvage excavations in the area. Upon the discovery of any significant archeological resource, the Secretary then can impose additional limitations within the vicinity of the site so that it may be preserved, maintained or restored as a national archeological site.

Mr. President, as the Park Service has indicated in its Master Plan of 1971, the three areas concerned have historically been grazed, in fact, dating back to the time when grazing was unmanaged under the old public domain. Also, these areas are ideally suited for management designed to reestablish wildlife, such as antelope, which has become extinct there. There is a potential for high-quality hunting of trophy-type deer in these areas as well, but all three lands are in need of the intense wildlife management practices which they could receive by being placed under multiple use management. Accordingly, these transfers of land from one Federal agency, the National Park Service, to another, the BLM, are not without precedent and would not be harmful in any way to the Canyon.

In short, the Club's attack on my bill ignores the overall purpose and result of the legislation which is to put the Grand Canyon in the state of protection it is going to need for the future and to achieve a net addition of over 34,000 acres to the National Park System itself, not to speak of nearly doubling the Canyon lands which will be given park status and protection. Moreover, my bill will protect 273 miles of the Canyon, *three times* the miles now given park protection.

Mr. President, I am sorry that it has become necessary for me to go into this past history of a personal nature, but I feel it is important to make the truth known. For what we are witnessing is the Sierra Club once again making a concerted effort to have it appear that anyone who votes for a piece of legislation which is not absolutely in tune with their demands is automatically against conservation and either in favor of exploiting our environment or indifferent to the possibility that such might occur.

What we are seeing is a practice similar to the propaganda tools which the Club used during its fight against the SST program, and even earlier than that, during its campaign regarding a dam in the Colorado River.

Mr. President, I think we can all remember what happened during the SST debate, when the members of the Senate and the public were given the most ridiculous kind of propaganda. They were told that development of the SST would cause an epidemic of skin cancer throughout the world. They were told that a vote in the Senate for the SST was virtually a vote for atmospheric changes so enormous that they might melt the polar ice-cap and flood important centers of civilization. They were fed equally ridiculous scare stories about the possibility of the entire nation literally rocking and rolling to the sound of supersonic booms.

And turning the clock back to an earlier time, I can remember when the Club was charging that a particular dam could flood the Grand Canyon, quite a feat when one considers that there is not enough water in all the rivers in the entire world to flood the Grand Canyon. And if the water were available, it would have required a dam approximately 12.5 miles long, a mile high, and proportionately deep, to hold back the water. It would have literally taken more concrete to build such a dam than exists in the entire world. Nevertheless, this propaganda myth was asserted.

Mr. President, I am happy that we are proceeding without the dam, but I do not think that the Sierra Club or any other organization has a right to mislead, distort and improperly inform the people of this country on any subject.

In closing, Mr. President I might mention that I have been a conservationist for all of my adult life. Long before the words "ecology" and "pollution" became prominent in public discussions, I was known in my native state of Arizona as a "Desert Rat" and as a "Grand Canyon Buff" because of my concern for my beloved desert land and my interest in the Grand Canyon. So, I want to reassure my colleagues that the bill which I and they are sponsoring is a strong, conservationist measure that is for the long-term benefit of the Grand Canyon and that the ridiculous charges that have been leveled against our bill are no more than that, nonsense and scare stories and unsubstantiated charges.

Mr. President, those of my colleagues who are sponsoring or supporting this bill with me can take comfort in the fact that the Arizona Conservation Council, which is composed of 16 different conservationist organizations who are the closest to this matter, has endorsed our legislation. A Sierra Club motion opposing my bill with the Club's own substitute plan was voted down by the Council. Thus, the Council had both plans before it and clearly went on record as endorsing my legislation over the Sierra Clubs' alternative.

Mr. FANNIN. Mr. President, I ask unanimous consent that a news article appearing in the Arizona Republic of July 2, 1973, headed "GOLDWATER Canyon Plan Endorsed," be printed at this point in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

Goldwater Canyon Plan Endorsed

The Arizona Conservation Council Thursday night voted to endorse the concept of Sen. Barry Goldwater's bill to put all of Grand Canyon in one national park.

The action highlighted the monthly meeting of the 16 statewide, conservation-oriented organizations making up the council. It met at the Phoenix Parks Department Adult Center.

In taking the action the council requested that Congress not delete park land to expand the Havasupai Indian Reservation, leaving that problem to separate government action, and also requested that the authority condemn in-holdings of private property not being removed. The council declined to become involved in other controversial matters concerning the park expansion.

The Arizona Republican's bill would consolidate the present Grand Canyon National Park, Grand Canyon National Monument, Marble Canyon National Monument, a portion of the Lake Mead National Recreation Area, and some national forest and public domain land into the park.

In other action the council voted to ask the Arizona Conservation Foundation, a nonprofit, tax-exempt corporation, to assist the Arizona Wildlife Federation financially in a lawsuit to enjoin further channelization of the Gila River.

The action was taken following a report from Richard Small, executive secretary of the federation, who said AWF attorneys believe there is a good chance of enjoining the U.S. Bureau of Reclamation from any further channel work.

The council also voted to support observance of National Hunting and Fishing Day, Sept. 23.

Mr. FANNIN. Also, Mr. President, I ask unanimous consent that a list of the past statutes by Congress making deletions of land from 57 units of the National Park System be printed in the RECORD at this point.

The PRESIDING OFFICER. Without objection, it is so ordered.

Total deleted from National Park System, 289,224 acres.

National Park System Areas Created by Executive Order Proclamation or Legislation, Which Have Been Transferred to Other Federal Agencies or Political Subdivisions Pursuant to Acts of Congress

I. NATIONAL PARKS, MONUMENTS, BATTLEFIELDS, HISTORIC SITES

Area, size, location, creation, disposal, and Transferee

1. Atlanta Campaign National Historic Site; 5 Sites, 15 Acres; Catoosa, Whitfield Gordon, Bartow, and Paulding Counties, Georgia; Secretarial Order October 13, 1944, 9FR12868; Act of Sept. 21, 1950, 64 STAT. 896; Park System, State of Georgia.

2. Castle Pinckney National Monument; 3½ acres; Shoots Folly Island Charleston, South Carolina; Proclamation No. 1713 Oct. 15, 1924, 43 STAT. 1968; Act of March 29, 1956, 70 STAT. 61; GSA for Disposal.

3. Chickamauga and Chattanooga National Military Park; 310 acres; Tennessee-Georgia; Aug. 19, 1890, 26 STAT. 333; Act of Mar. 5, 1942, 56 STAT. 133; State of Georgia.

4. Father Millet Cross National Monument, .0074 acres; Fort Niagara State Park, New York; Proclamation No. 1745 Sept. 5, 1925, 44 STAT. 2286; Act of Sept. 7, 1940, 64 STAT. 691; State of New York.

5. Fossil Cycad National Monument; 320 acres; South Dakota; Proclamation No. 1641 Oct. 21, 1922, 42 STAT. 2286; Act of Aug. 1, 1956, 70 STAT. 898; Returned to Public Domain.

6. Holy Cross National Monument; 1,392 acres; Holy Cross National Forest, Colorado; Proclamation No. 1877, May 1, 1929, 46 STAT. 2993; Act of Aug. 3, 1950, 64 STAT. 404; U.S. Forest Service.

7. Lewis and Clark Cavern, National Monument; 160 Acres; Jefferson County, Montana; Proclamation No. 807, May 11, 1908, 85 STAT. 2187, May 16, 1911, 37 STAT. 1697; Act. of Aug. 24, 1937, 50 Stat. 746; State of Montana for State Park and Recreation.

8. Mackinac Island National Park, Administered by Secretary of War; about 2 square miles; Straits of Mackinac, Michigan; act of March 3, 1875, 18 Stat. 191; act of March 2, 1895, 28 Stat. 189; State of Michigan.

9. New Echota Marker, National Monument; 1 acre; Georgia; Executive Order No. 6228, July 28, 1933; act of Sept. 21, 1950, 64 Stat. 896; Park System, State of Georgia.

10. Old Kasaan National Monument; 39.7 acres; Prince of Wales Island, Alaska; Proclamation No. 1351; Oct. 25, 1916, 39 Stat. 1812; Act of July 26, 1955, 69 Stat. 380; Tongass National Forest.

11. Papago-Saguaro National Monument, 2,050.43 acres; Maricopa County, Arizona; Proclamation No. 1262, Jan. 31, 1914, 38 Stat. 1991; Act of April 7, 1930, 46 Stat. 142; State of Arizona, city and Tempe and National Guard of Arizona, for Park and Rifle Range respectively.

12. Santa Rosa Island, National Monument; 9,500 Acres; Escambia County, Florida; Proclamation No. 2337, May 17, 1939, 53 Stat. 2542; Act of July 30, 1946, 60 Stat. 712; Escambia County, Florida.

(Note: Area included in Gulf Islands National Seashore, authorized January 8, 1971.)

13. Shoshone Caverns, National Monument; 210 Acres; Cody, Wyoming; Proclamation No. 880, Sept. 21, 1909, 36 Stat. 2501; Act of May 17, 1954, 68 Stat. 98; City of Cody, Wyoming.

14. Sully's Hill, National Park; 960 Acres; Benson County, North Dakota; Act of April 27, 1909, 33 Stat. 323 and Proclamation of June 2, 1904, 33 Stat. 2370; Act of March 3, 1931, 46 Stat. 1509; Dept. of Agriculture as Sully's Hill, National Game Reserve.

15. Verendrye, National Monument; 253 Acres; T192N, R93W (Garrison Reservoir), North Dakota; Proclamation No. 1380, June 29, 1917, 40 Stat. 1677; Act of July 30, 1956, 70 Stat. 730; Part of Garrison Dam project, part to North Dakota as an Historic Site.

16. Wheeler, National Monument; 3,001 Acres; Cochetopa and Rio Grande National Forests, Colorado; Proclamation No. 831, Dec. 7, 1908, 35 Stat. 2214; Act of Aug. 3, 1950, 64 Stat. 405; U.S. Forest Service.

17. Glacier National Park; 68.47 acres; Montana; Act of May 11, 1910, 36 Stat. 354; Act of April 11, 1972, 86 Stat. 120; Forest Service.

18. Lassen National Park; 482 acres; California; Act of Aug. 9, 1916, 39 Stat. 442; Act of April 11, 1972, 86 Stat. 120; Forest Service.

19. Petersburg National Battlefield; 257.53 acres; Virginia; Act of Aug. 24, 1962, 76 Stat. 403; Act of April 11, 1972, 86 Stat. 120; City of Petersburg, Virginia.

20. Arches National Monument; 9,359 acres; Utah; Proclaimed April 12, 1929, 46 Stat. 2988; Act of Nov. 12, 1971, 85 Stat. 422; Bureau of Land Management.

21. *Capitol Reef National Monument; 12,570 acres; Utah; Aug. 2, 1937, 50 Stat. 1856; Act of Dec. 18, 1971, 85 Stat. 739; Bureau of Land Management.

II. (NATIONAL RECREATION DEMONSTRATION AREAS)

22. Oak Mountain; 8,000 Acres; Shelby County, Alabama; Executive Order No. 7496, Nov. 14, 1936, 1FR1946; Act of June 6, 1942, 56 Stat. 326; State of Alabama.

23. Mendocino Woodlands; 6,000 Acres; Mendocino County, California; Executive Order No. 7496, Nov. 14, 1936, 1 FR1946; Act of June 6, 1942, 56 Stat. 326; State of California.

24. Hard Labor Creek; 4,500 Acres, Morgan County, Georgia; Executive Order No. 7496, Nov. 14, 1936; 1 FR1946; Act of June 6, 1942, 56 Stat. 326; State of Georgia.

25. Alex. Stephens Memorial; 900 Acres; Taliaferro County, Georgia; Executive Order No. 7496, Nov. 14, 1936, 1 FR1946; Act of June 6, 1942, 56 Stat. 326; State of Georgia.

26. Pine Mountain; 3,500 Acres; Harris County, Georgia; Executive Order No. 7496, Nov. 14, 1936, 1 FR1946; Act of June 6, 1942, 56 Stat. 326; State of Georgia.

27. Pere Marquette; 3,000 Acres; Jersey County, Illinois; Executive Order No. 7496, Nov. 14, 1936, 1 FR1946; Act of June 6, 1942, 56 Stat. 326; State of Illinois.

28. Versailles; 6,000 Acres; Ripley, County, Indiana; Executive Order No. 7496, Nov. 14, 1936, 1 FR1956; Act of June 6, 1942, 56 Stat. 326; State of Indiana.

29. Winemac; 6,500 Acres; Pulaski County, Indian; Executive Order No. 7496, Nov. 14, 1936; 1 FR1946; Act of June 6, 1942, 56 Stat. 326; State of Indiana.

30. Otter Creek; 8,000 Acres; Meade County, Kentucky; Executive Order No. 7496, Nov. 14, 1936, 1 FR1946; Act of June 6, 1942, 56 Stat. 326; State of Kentucky.

31. Camden Hills; 7,000 Acres; Knox, Waldo, Counties, Maine; Executive Order No. 7496, Nov. 14, 1936, 1 FR 1946; Act of June 6, 1942, 56 Stat. 326; State of Maine.

32. Waterloo; 13,000 Acres; Washtenaw, Jackson Counties, Michigan; Executive Order No. 7496, Nov. 14, 1936, 1 FR 1946; Act of June 6, 1942, 56 Stat. 326; State of Michigan.

33. Yankee Springs; 4,000 Acres; Barry County, Michigan; Executive Order No. 7496, Nov. 14, 1936, 1 FR 1946; Act of June 6, 1942, 56 Stat. 326; State of Michigan.

34. St. Croix; 20,500 Acres; Pine County, Minnesota; Executive Order No. 7496, Nov. 14, 1936, 1 FR 1946; Act of June 6, 1942, 56 Stat. 326; State of Minnesota.

35. Lake of the Ozarks; 14,500 Acres; Miller, Camden Counties, Missouri; Executive Order No. 7496, Nov. 14, 1936, 1 FR 1946; Act of June 6, 1942, 56 Stat. 326; State of Missouri.

36. Cuivre River; 5,500 Acres; Lincoln County, Missouri; Executive Order No. 7496, Nov. 14, 1936, 1 FR 1946; Act of June 6, 1942, 56 Stat. 326; State of Missouri.

37. Montserrat; 5,000 Acres; Johnson County, Missouri; Executive Order No. 7496, Nov. 14, 1936, 1 FR 1946; Act of June 6, 1942, 56 Stat. 326; State of Missouri.

38. Bear Brook; 5,500 Acres; Merrimack, Rockingham Counties, New Hampshire; Executive Order No. 7496, Nov. 14, 1936, 1 FR 1946; Act of June 6, 1942, 56 Stat. 326; State of New Hampshire.

39. Crabtree Creek; 6,000 Acres; Wake

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*(42,240 acres deleted by above statutes from National Parks, Monuments, and Battlefield.)

County, North Carolina; Executive Order No. 7496, Nov. 14, 1936, 1 FR 1946; Act of June 6, 1942, 56 Stat. 326; State of North Carolina.

40. Lake Murray; 3,000 Acres; Carter County, Oklahoma; Executive Order No. 7496, Nov. 14, 1936, 1 FR 1946; Act of June 6, 1942, 56 Stat. 326; State of Oklahoma.

41. Silver Creek; 10,800 Acres; Marion County, Oregon; Executive Order, No. 7496, Nov. 14, 1936, 1 FR1946; Act of June 6, 1942, 56 Stat. 326; Transferee State of Oregon.

42. Raccoon Creek; 5,000 Acres; Beaver County, Pennsylvania; Executive Order, No. 7496, Nov. 14, 1936, 1 FR1946; Act of June 6, 1942, 56 Stat. 326; Transferee State of Pennsylvania.

43. French Creek; 7,000 Acres; Berks, Chester Counties, Pennsylvania; Executive Order, No. 7496, Nov. 14, 1936, 1 FR1946; Act of June 6, 1942, 56 Stat. 326; Transferee State of Pennsylvania.

44. Laurel Hill; 3,000 Acres; Somerset County, Pennsylvania; Executive Order, No. 7496, Nov. 14, 1936, 1 FR1946; Act of June 6, 1942, 56 Stat. 326; Transferee State of Pennsylvania.

45. Blue Knob; 8,000 Acres; Bedford, Blair Counties, Pennsylvania; Executive Order, No. 7496, Nov. 14, 1936, 1 FR1946; Act of June 6, 1942, 56 Stat. 326; Transferee State of Pennsylvania.

46. Hickory Run; 13,500 Acres; Carbon County, Pennsylvania; Executive Order, No. 7496, Nov. 14, 1936, 1 FR1946; Act of June 6, 1942, 56 Stat. 326; Transferee State of Pennsylvania.

47. Beach Pond; 2,200 Acres; Kent, Washington Counties, Rhode Island; Executive Order, No. 7496, Nov. 14, 1936, 1 FR1946; Act of June 6, 1942, 56 Stat. 326; Transferee State of Rhode Island.

48. Cheraw; 4,500 Acres; Chesterfield County, South Carolina; Executive Order, No. 7496, Nov. 14, 1936, 1 FR1946; Act of June 6, 1942, 56 Stat. 326; Transferee State of South Carolina.

49. Waysides; 300 Acres; Kershaw, Aiken, Greenville, Georgetown, Greenwood, Colleton, Cherokee Counties, South Carolina; Executive Order, No. 7496, Nov. 14, 1936, 1 FR 1946; Act of June 6, 1942, 56 Stat. 326; Transferee State of South Carolina.

50. Kings Mountain; 10,500 Acres; York, Cherokee, Counties, South Carolina; Executive Order, No. 7496, Nov. 14, 1936, 1 FR 1946; Act of June 6, 1942, 56 Stat. 326; State of South Carolina.

51. Custer Park; 20,500 Acres; Custer County, South Dakota; Executive Order, No. 7496, Nov. 14, 1936, 1 FR 1946; Act of June 6, 1942, 56 Stat. 326; State of South Dakota.

52. Montgomery Bell; 4,000 Acres; Dickson County, Tennessee; Executive Order No. 7496, Nov. 14, 1936, 1 FR 1946; Act of June 6, 1942, 56 Stat. 326; State of Tennessee.

53. Shelby Forest Park; 10,000 Acres; Shelby County, Tennessee; Executive Order No. 7496, Nov. 14, 1936, 1 FR1946; Act of June 6, 1942, 56 Stat. 326; State of Tennessee.

54. Falls Creek Falls; 7,500 Acres; Van Buren, Bledsoe Counties, Tennessee; Executive Order No. 7496, Nov. 14, 1936, 1 FR1946; Act of June 6, 1942, 56 Stat. 326; State of Tennessee.

55, Swift Creek, 7,500 Acres; Chesterfield County, Virginia; Executive Order No. 7496, Nov. 14, 1936, 1 FR1946; Act of June 6, 1942, 56 Stat. 326; State of Virginia.

56. Waysides; 384 Aces; Hanover, Pulaski, Amherst, Mecklenburg, Fauquier, Pittsylvania Counties, Virginia; Executive Order No. 7496, Nov. 14, 1936, 1 FR1946; Act of June 6, 1942, 56 Stat. 326; State of Virginia.

57. Lake Guernsey**; 1,900 Acres; Platte County, Wyoming; Executive Order No. 7496, Nov. 14, 1936, 1 FR1946; Act of June 6, 1942, 56 Stat. 326; State of Wyoming.

**(Total of 246,984 acres deleted from National Recreation Demonstration Areas.)

ADMINISTRATION IS FAILING TO KEEP FUEL PRICES IN LINE

Mr. HUMPHREY. Mr. President, the American consumer should be warned there is no evidence the Nixon administration intends to hold down the price of gasoline, fuel oil, and other petroleum products.

Petroleum price increases beyond the guideline level are occurring day after day.

In fact, the evidence we have shows that prices charged by the major oil companies for fuel oil and gasoline have gone up by 25 to 50 percent over previous contract prices.

It is readily apparent that administration efforts to hold down these prices have failed. Also, as we have noted in Senate debate during the last few days, it has failed to adopt a mandatory allocation system to get supplies where they are most urgently needed.

The administration has claimed that on March 23, 1973, the Cost of Living Council put mandatory controls on 23 integrated oil companies to hold price increases on all sales to an average of not more than 1.5 percent over base period prices.

But I have been puzzled and alarmed in recent months by the price increases that have come to my attention, all of which are far in excess of the 1.5-percent Cost of Living Council guideline.

The wholesale price index for refined oil products, for example, has risen by 23 percent from March through June. And for crude oil it rose 9 percent. The Consumer Price Index for gasoline and motor oil went up 6 percent and fuel oil was up 4 percent.

Although we know these indexes are somewhat deficient as measures of what has actually happened, other information I have received on oil prices shows even more spectacular increases.

At June hearings in Minnesota by the Subcommittee on Consumer Economics of the Joint Economic Committee, which I chair, persons directly involved in purchasing from the major oil companies advised me that fuel oil and gasoline prices had gone up by 25 to 50 percent over previous contract prices.

I cite these examples:

Ross L. Thorfinnson, chairman, National Rental System, testified that new contract price increases for bulk fuel purchases from the majors ranged from 30 to 50 percent across the country.

Louis B. Olsen, assistant general manager of the Metropolitan Transit Cos. of Minneapolis, testified that the prices on new diesel contracts rose by about 25 percent.

James N. Penn, general manager, Minnesota Motor Transport Association, testified that prices to their members for new contracts on gasoline and fuel oil increased by about 50 percent.

I was shocked by this information, and immediately informed the chairman of the Cost of Living Council, Dr. John Dunlop, of the Subcommittee's findings. I requested of him a comprehensive account of what is going on with the prices of oil, by product category, by region of the country.

What I received in reply was a statement filled with endless detail about procedure, but not a single bit of information about results.

Mr. President, I ask unanimous consent to have printed in the RECORD at the close of my remarks my letter to Dr. Dunlop and the information submitted by Dr. Dunlop's office.

To a great extent, the response from the Cost of Living Council is an explanation of why the administration has not, in fact, developed any control over price increases in the petroleum industry.

Although the Cost of Living Council's so-called mandatory petroleum controls were established on March 6, no documentation was required until June or July.

Thus, it is now almost 5 months since the imposition of price controls over the oil industry and, because of this delay, the first reports of the controlled companies have not been evaluated—let alone enforced.

Mr. President, I again call upon the President and the Cost of Living Council to reveal the facts on consumer prices in the oil industry, and to enforce their stated policy of confining price increases to an average of not more than 1.5 percent a year.

If this policy is not to be enforced, then the Congress and the people deserve an explanation.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

JUNE 11, 1973.

Honorable JOHN T. DUNLOP,
Director, Cost of Living Council,
Washington, D.C.

DEAR MR. DUNLOP: During your testimony last Tuesday before the Subcommittee on Priorities and Economy in Government, you agreed to report to the Subcommittee on price conditions in the oil industry. I promised to provide some details on instances of very large price increases that have been brought to my attention. I hope that your report will deal with both the general situation in various regions and product markets and also with these specific instances.

The following list includes all quantative references to price changes gleaned from testimony before the Joint Economic Committee's Subcommittee on Consumer Economics in Minneapolis on Saturday, June 2. The story is very consistent. It shows price increases of 25 percent or more attributed to major oil companies.

1. Testimony by Mr. Ross L. Thorfinnson, Chairman, National Car Rental Systems, Inc., 5501 Green Valley Drive, Minneapolis, Minnesota, 55431; telephone 612 955–1100:

My purpose today is to explain briefly the current impact of the fuel energy crisis on our industry as a result of the events of the past six weeks. . . . This impact has been primarily an economic one, since I know of no instance where we have been unable, yet to rent or lease a car or truck because of lack of fuel.

The economic impact has resulted from increases ranging generally between 30 percent and 50 percent in the price of our bulk fuel purchases. In some cities, no major oil company has been willing to bid on our fuel needs. In those situations we are buying on an individual lot basis from independent bulk suppliers at prices that add as much as 70 percent to our fuel costs. . . .

In virtually every city when our present contracts expired, our present suppliers have refused to bid on a renewal of the contract. Other major oil companies, if they submit bids, substantially increase the price virtually to the retail pump price level and require escalation clauses for any upward fluctuations in the bulk oil market price.

I take Mr. Thorfinnson's testimony to indicate that price increases from major companies ranged from 30 to 50 percent. He implies that this was true all across the country. I presume that reference in your base-price guideline to "classes of customers" recognizes a clear distinction between bulk (wholesale) and retail customers, and that it is not permissible for oil companies to construe their retail pump price as the base price to be applied to all purchases.

2. Testimony by Mr. Louis B. Olsen, Assistant General Manager of the Metropolitan Transit Commission, Minneapolis, Minnesota; telephone 612 827–4431.

Since 1959, the Standard Oil Division of American Oil Company had supplied diesel fuel to Twin City Lines, Inc. and, in 1970 when the Metropolitan Transit Commission acquired the private company, continued to supply fuel by bid and contract arrangement.

The one-year contracts with Standard Oil began June 1 and expired May 31 . . . In 1972, there were but two bidders, Standard Oil at 11.88 cents per gallon and another major oil company at 12.41 cents per gallon.

• • • On January 5, 1973, the Standard Oil Division of American Oil advised the Metropolitan Transit Commission that due to an extreme shortage of No. 1 grade diesel fuel, beginning immediately they would be supplying the Commission with AMOCO premier diesel fuel, a mixture of No. 1 and No. 2 diesel fuel. (No. 2 is a cheaper, inferior fuel, but no price adjustment was made.) . . .

In late April, 1973, the MTC solicited bids from all major and independent suppliers for diesel fuel and petroleum products for the new contract year. . . . The solicitation elicited no bids for the 24,000 gallons of gasoline needed, and only one bid for diesel fuel—that from the MTC's present supplier, Standard Oil, who bid on 3,733,000 gallons of the 5 million asked for in the bid specifications. In addition, the bid was for AMOCO premier diesel (a mixture of No. 1 and No. 2 diesel) not No. 1 as asked for in the bid specifications. The price rose from 11.88 cents per gallon, the price under the '72–'73 contract, to 14.9 cents per gallon (a 25 percent increase) and the bid contained the following clause: "The prices and/or quantities set forth herein are subject to revision by seller, at its option, at any time or times, on 10 days written notice to buyer . . ."

In addition to the 25 percent increase in diesel fuel costs, bids for petroleum products resulted in the following cost increases:

	Percent increase
No. 30 H.D. motor oil, 60,000 gallons	40
Hydraulic Transmission Fluid 12,000 gallons	20
No. 2 lithium grease, 10,000 pounds	28
No. 140 gear lubricant, 19,000 pounds	13

3. Testimony by Mr. Kent P. Shoemaker, Assistant Vice President for Operations of the Soo Line Railroad, the Soo Line Building, Minneapolis, Minnesota, 55402; telephone 612 332–1261.

For the period between June 1, 1972 and May 31, 1973, Soo Line's fuel oil "contracts" covered 31,820,000 gallons of diesel oil.

As to our diesel fuel requirements for the year ending May 31, 1974, we only have firm contracts described below:

Location	Vendor	Location	Calendar year
Marquette	Murphy Oil	Marquette, Mich.	690,000
Superior	Murphy Oil	Superior, Wis	2,020,000
CF yard			
Stevens Point			
Ashland	Koch Refining Co.	Roseport, Minn.	5,040,000
Shoreham			
Genwood			
Harvey			
Minot	Westland Oil	Williston, N. Dak.	886,000
Porta			
Shoreham	Conoco Oil	Minneapolis, Minn.	7,170,000
Total			15,796,000

We have oral quotations from American Oil Company (AMOCO) for 14,598,000 gallons to be delivered at eleven points. Within the last three days AMOCO has orally indicated it will probably supply an additional three to six million gallons depending upon the application of a formula AMOCO is now developing which we understand is partially based upon the voluntary allocation program.

I would like to point out that Soo Line's supplier, the Koch Refining Company of Roseport, Minnesota relies heavily on Canadian crude . . .

Our Purchasing Department has also been negotiating with the Imperial Oil Company of Regina, Canada for approximately 5,100,000 gallons of diesel oil.

. . . We anticipate that our fuel costs may increase by 25 to 30 percent.

4. Testimony by Mr. James N. Denn, General Manager, Minnesota Motor Transport Association, 1821 University Avenue, St. Paul, Minnesota, 55104; telephone 612 646–7351.

. . . The situation is still very pressing. This expressed in various ways such as in cutbacks of fuel supplies, non-renewal of contracts, special short notice contract provisions for either unilateral price increases or contract termination by the supplier, or price increases of almost 50 percent for diesel fuel and gasoline.

The pricing situation is indeed serious. Based on reports we have received, the price increase is approximately in the range of about 4 cents a gallon for diesel and over 5 cents a gallon for gasoline. This, of course, is in a case where a major oil supplier is the source. Fuel purchased from independent suppliers has been recorded at prices up to 10 cents a gallon over that previously paid the majors and, of course, fuel from truck stops is typically purchased at even higher prices.

5. Testimony by Mr. Cy Carpenter, President of the Minnesota Farmers' Union, 1275 University Avenue, St. Paul, Minnesota, 55104; telephone 612 646–4861:

In addition to an inadequate supply of fuel, many grain truckers relate an increase in cost of fuel of approximately 30 percent within the past year, and the price is continuing to move upward.

6. Testimony by C. L. Bowar, Minnesota State Automobile Association, 7 Travelers Trail, Burnsville, Minnesota, 55378; telephone 612 890–2500:

. . . we are one of a number of AAA clubs around the nation which is now engaged in a weekly reporting system on the gasoline shortage . . . Our survey showed that, in general, there has been an increase of 2 cents per gallon during the last two months. In communities where the price of gasoline has been depressed (so-called gas wars) the increase has been as much as 7 cents and 8 cents per gallon.

7. Mr. Arnold Odegaard, Wood City Aero Service, Inc. Route 3, Box 382A, Cloquet, Minnesota, 55720; 218 879–7533:

. . . at Cloquet the fuel situation hit us hard as we were a Union 76 dealer and they are out of the aircraft gas business. Fortunately we were able to get set up with Phillips 66—at a higher cost per gallon of course. At this time we are unable to obtain 80-octane fuel which we have a great demand for.

I hope that the Cost of Living Council in its investigatory activities is taking note of the fact that in some cases the quality of products or services is being debased without corresponding price adjustments. This practice was noted above by Mr. Olsen in connection with the admixture of inferior No. 2 diesel fuel with No. 1 fuel without any price reduction. I am sure you are aware also that many retail gasoline stations are cutting back on service and marketing attractions without price reductions. This practice is tantamount to a price increase and should be considered as such. I wish to point out finally that I have received a number of other letters documenting the situation mentioned by Mr. Odegaard in Case No. 7 above, i.e. an attempt by suppliers to substitute aviation gasoline of 100-octane or more for lower priced 80/87-octane gas—at of course a corresponding higher price.

I am grateful to you and your staff for having a look at these cases, which I believe are symptomatic of a situation that threatens both the attempt to restore price stability and public faith in the integrity of the controls system.

Sincerely yours,

HUBERT H. HUMPHREY,
Chairman, Subcommittee on Consumer Economics.

COST OF LIVING COUNCIL REPLY TO SENATOR HUMPHREY

Senator Humphrey requested that Dr. Dunlop submit for the record a report on the Cost of Living Council's price monitoring of oil prices by product category and by region for the 24 companies under mandatory controls, and for independent oil refineries and distributors.

1. INDUSTRY MONITORING

The Cost of Living Council is continuing to closely monitor industry compliance, both through established reporting requirements (the CLC–2, CLC–8 and CLC–9 reporting forms) and through ongoing IRS investigative surveys. In conjunction with our public hearings in February, the Council directed an extensive IRS investigation of the major oil companies which had implemented price increases for heating oil, and IRS investigations are being continued on an ongoing basis since the reimposition of mandatory controls on March 6. However, our purpose in conducting such investigative activities is not to record all price movements within the industry, but to determine compliance with the regulations.

Under the reporting requirements of Phase III, all firms having annual revenues in excess of $250 million must file the CLC–2 forms with the Council on a quarterly basis. The form was published in the May 7 Federal Register, and the Cost of Living Council conducted a public hearing on June 6 on proposed rule-making for the CLC–2 public disclosure requirements. The Council issued final regulations on public disclosure of data contained in the CLC–2 reporting form on June 15 for companies which have increased prices of a substantial product by more than 1.5%. The changes require disclosure of information filed by companies reporting on Form CLC-2 showing 1) cost justification for price increases and 2) compliance with base period profit margin rules.

In addition to this quarterly reporting requirement, the oil companies covered by Special Rule No. 1 must further provide the Council on a monthly basis records of posted price movements, cost increases and supply conditions on CLC-9. This form was published in the Federal Register on June 19. The reports for March, April and May 1973 must be received by the Cost of Living Council no later than 30 days from the date of publication in the Federal Register, and subsequent forms must be submitted no later than 30 days after the close of each calendar month. Firms subject to Special Rule No. 1 must also submit Form CLC-8, "Petroleum Industry Special Report," which is a one-time report of price increases for crude petroleum and petroleum products. The form requires data on price increases put into effect from February 1, 1973 through March 31, 1973. This form was also published in the June 19 Federal Register and these reports are due to the Cost of Living Council within 30 days of publication. (These forms are attached as reference.)

Oil companies not included under the mandatory regulations have been required to comply with the general price standard set for the voluntary sectors of the economy in Phase III under Section 130.13 of the Cost of Living Council regulations. If annual revenues are $50 million or more, these companies have been required to maintain financial records of costs, prices and profits to be made available for inspection or audit if required. However, independent jobbers, wholesalers and retailers who were included in the Phase II Small Business Exemption have not been directly subject to these standards. Since the Freeze was announced on June 13, the Cost of Living Council has extended reporting requirements to firms treated as record-keeping companies (i.e., those firms with annual revenues between $50 million and $250 million) and these firms are to submit the CLC-2 form to the Cost of Living Council by June 30.

2. PRICE MOVEMENT IN THE OIL INDUSTRY

The Cost of Living Council depends upon Bureau of Labor statistical data, i.e., WPI and CPI figures, to indicate price movement in the economy for crude petroleum and petroleum products. We also receive reports of complaints from the IRS and complaints directly to the Council from the general public and business firms. We also periodically direct investigations and surveys and request spot checks by the IRS in specific localities. Data, especially for the Council's review, is obtained from the reports submitted to us by companies subject to controls, as outlined above. The Council's Energy Policy Committee is currently developing a more comprehensive program for monitoring crude oil and product price movement, but substantive data resulting from this effort will not be available until this fall. However, we have prepared a study of retail gasoline price trends, based upon government and industry statistical data, and this is enclosed as Attachment No. 1.

3. 60-DAY FREEZE EFFECTED JUNE 13

Since implementation of the Freeze on June 13, virtually all wholesale and retail gasoline and fuel prices, including propane, are frozen at the price at or above which the seller priced at least 10 percent of these products concerned in transactions during the first eight days of June. The only dollar pass-through for increased costs incurred subsequent to June 12 are for imports of crude petroleum or product so long as the commodity is neither physically transformed by the seller or becomes a component of another product. (See Section 140.14 of the Cost of Living Council Freeze Regulations, attached.)

During the freeze, the IRS is conducting intensified compliance checks for oil products. These efforts have resulted in nearly 1100 rollbacks across the nation thus far for gasoline prices which were above freeze prices. (Attached is a release on these rollbacks.)

ATTACHMENT #1

What has been happening to retail prices of gasoline in the United States?

Retail prices of gasoline in the United States have been going up. They have risen by 8.4 percent in the last year. (See Table 1). On the other hand, most of this growth has been since the ending of Phase II in January 1973. If you consider the entire period since the beginning of price controls in April 1971, gasoline prices have gone up by 5.5%, while the average of all prices has risen 7.0%.

It is important to bear in mind that the price increase since January reflects to a large extent the catching up by the industry after what had, in effect, been the prolongation of the freeze.

TABLE I.—PRICE INCREASES APRIL 1972-APRIL 1973 WITH RELATIVE WEIGHTING

	Percent of consumer dollar expended	Price increase in the last 12 months (percent)
Housing	33.9	3.6
Food	27.5	11.5
Health and recreation	17.9	2.9
Apparel and upkeep	10.7	3.3
Transportation (including gasoline)	10.1	3.4
(Gasoline)	(2.9)	(8.4)
National average	100.0	5.1

As the chart shows, gasoline price increases in the last year exceeded the national average. Gasoline, however, is a minor part of consumer spending. The increases in gasoline prices are not sufficiently high to raise the total transportation increases as much as the national average.

In addition, much of our increased consumption of gasoline this year must be supplied by foreign sources. The price of foreign gasoline, over which we have no control, has been increasing far more rapidly than the price of U.S. gasoline. (See Table 2.)

TABLE 2.—PRICE PER GALLON, WHOLESALE UNITED STATES AND ITALIAN 1973 PREMIUM GASOLINE PRICES

	Italian gasoline			U.S. gasoline
	FOB	Tanker	Total	
March	15.15	1.61	16.79	17.15
April	19.56	1.76	21.32	17.77
May	27.34	2.16	29.50	21.07

HEALTH PROGRAM APPROPRIATIONS

Mr. JAVITS. Mr. President, I recently testified before the Senate Appropriations Committee and focused upon the urgent need for increased health program appropriations, including biomedical and behavioral research.

Although there has been a spectacular explosion of knowledge about the diseases that afflict mankind, I believe such advances in knowledge, though striking, will be found to be small in relation to the discoveries yet to be made. I testified that the potential for future progress requires that we insure the flow of the brightest and most talented young people into research and teaching.

On July 26, the National Student Lobby and the Graduate Student Government at the State University of New York at Buffalo testified on the need for increased funding for biomedical and behavioral research training grants and fellowships—which as I said, "insures the flow of the brightest and most talented young people into research and teaching." Their testimony was brief, and while I do not concur in all of it, it is impressive and should be called to the attention of my colleagues. It also documents the need for the national research service award bill I authored with Senator KENNEDY—S. 2071—and now title I of the "National Biomedical Research Fellowship, Traineeship and Training Act"—H.R. 7724—recently ordered reported by the Labor and Public Welfare Committee—and which will be before the Senate when we return in September.

I ask unanimous consent that the full text of the testimony of the National Student Lobby and the Graduate Student Government at the State University of New York at Buffalo before the Senate Appropriations Committee be printed in the RECORD.

There being no objection, the testimony was ordered to be printed in the RECORD, as follows:

TESTIMONY OF THE NATIONAL STUDENT LOBBY BEFORE THE SENATE SUBCOMMITTEE ON LABOR AND HEALTH EDUCATION AND WELFARE

(By Fran Reibman, Associate Director, National Student Lobby and Allan Miller, President, Graduate Student Government, State University of New York at Buffalo)

Mr. Chairman, we would like to thank you for the opportunity to testify here today. We appear on behalf of the National Student Lobby and the Graduate Student Association, SUNY at Buffalo in opposition to the impending phase-out of the National Institutes of Health Training Grants and Fellowships.

Today we are well aware of the potential damage to our nation that develops when our natural resources are taken for granted, however, it would appear that we do not learn from our mistakes. We are here this afternoon not to remind you that our forests, natural fuel, and waters are in jeopardy, but to speak of the imminent stifling of our most precious natural resource, OUR MIND POWER. Has it not become clear to us that "A Mind Is a Terrible Thing to Waste?"

THE NEED FOR BIOMEDICAL RESEARCH

The Administration has taken the position that the "need for a greater number of trained biomedical research scientists has passed . . ." and that the supply of researchers will soon exceed the demand. Furthermore, they argue that this oversupply will lead to a situation of unemployment. These arguments are not consistent with the projections of the NIH Reports[2] that state that by 1983 we will need 112,360 Doctoral biomedical scientists, as compared with 66,800 scientists in 1971; accordingly we question the justification for eliminating this program. The President's Science Advisory Committee has stated that "The implication that we are training a surplus of biomedical Ph. D.'s appears unfounded, at least to the panel. All but 1.3% of these Ph. D.'s graduating in 1968 and 1969 found positions in which they are appropriately utilizing their graduate education . . ."[3] Furthermore, we must realize that with every new advance made a broad range of research opportunities are created, expanding the potential job market. It is rather obvious

Footnotes at end of article.

that the Nixon Administration has rejected the advice of a panel which it created.

The Administration has proposed a new system of contracting as an alternative to fellowships and training grants. We consider this system inadequate, as it will tend to restrict students to specific projects and force students to work only with their assigned professors. The contract system has already been proven ineffective in Europe and would turn research in this country back to an apprenticeship system. Contract research along with training grant cutbacks is an expression of "We know all there is to know." When will we begin to recognize the fact that many of our major breakthroughs in science have been discovered through basic research, conducted in areas not even focused on.

The weakness in the proposed contracting system is that it is equivalent to having charged the National Cancer Institute to cure cancer in 1946, long before we had knowledge of the structure of DNA. This system is also a reflection of the contract system in the U.S.S.R., where genetics was completely ignored because Lysenko, the man at the top, did not believe in genetic theory. Experience has made it crystal clear that a research picture directed from the top can be short sighted and ultimately disastrous. The latent function of this system might be to delay any major breakthrough in curing cancer, heart disease, or other health menaces for years.

The need for expanded funding for fellowships and training grants

We would like to call your attention to a basic point, that we believe the Administration and the Office of Management and Budget appear to be oblivious to; research, whether publicly or privately funded; whether on the Masters, pre- or post-Doctoral level is a full time job. Research grants are not a charitable handout, in fact, in a great many instances students working in laboratories, hospitals, and clinics are a source of cheap labor, (what research scientist in his right mind would work for $3,200 or less). According to Nobel Laureate Dr. James Watson, researchers between the ages of 25 and 35 are in their peak periods for creative research. Are we going to throw away these young minds, because the OMB deems these grants unnecessary?

In his testimony before the House Subcommittee on Public Health and Environment, Dr. Zapp stated that, "The program does not target funds on needy or disadvantaged students." He went on to state "Beneficiaries of research training support—whether M.D. or Ph. D.'s—are generally qualified for jobs with substantial income potential. Such persons are generally able to afford the costs of loans and other general financial assistance for their education as an investment in their own future . . ." This statement was evidently made with complete disregard of the PSAC report or the findings of the Bureau of Social Science Research.

We question the rationale behind Dr. Zapp's argument. The BSSR survey found that most students could not finance their own education, nor could their families substantially contribute, and their loans could not be substituted for stipends without negative consequences.[4] Let us not cloud this issue by introducing dubious arguments pertaining to discrimination or the status of disadvantaged students. In fact, without this program, study in this area would be restricted to only the affluent. This program is open to all students who meet the academic requirements regardless of their social or economic backgrounds.

The economic payoffs that Dr. Zapp alludes to are illusory. In 1970 the average Ph. D. with a doctorate in bio-science earned $16,000.[5] Obviously, full-time bio-medical research is not a lucrative field. Yet the advances made by R&D's over recent years have saved billions of dollars in health care[6] and provided billions of dollars to the pharmaceutical industry.

Let us consider the fact that without basic research there is no medical science. Have we found so many answers that we have no more questions, or do we want to hide our heads in the sand and hope that the maladies that now afflict us will go away? Are we willing to place research on the wholesale market and sell it to the highest bidder?

In reply to a letter from the Director of the OST, the Chairman of the President's Cancer Panel stated: "It is my opinion that fellowships and training grants, assuming proper selection and wise administration are essential if we are to carry out the mandate of the President and Congress in the National Cancer Act of 1971 . . . there are certain areas where sufficient numbers of highly skilled bio-medical scientists do not exist today and are essential. We need fellowships and training grants to attract the brightest scientists to programs."

In a letter to President Nixon, dated January 25, 1973, the President's Cancer Panel stated the following: "Most bio-medical scientists and the National Cancer Advisory Board are concerned we spend too little on basic research and too much applying present care, when it is inadequate."

Considering the aforementioned statements, we cannot understand why no new training grants or fellowships have been awarded since January 27, 1973. What happened to the $42,603,000 that went unspent in research training programs, or the $105,293,000 that was not spent in other research programs? If we consider that the pressure for more research increases in proportion to the rapidly rising health care costs, then, we can only assume that these funds were unjustifiably impounded in an effort to present the public with a picture of how the Administration has effectively saved money. Ultimately, the cost of these training grants and fellowships cannot be measured in terms of money, they must be measured in terms of saving human lives.

CONCLUDING RECOMMENDATIONS

To date, there is no truly accurate way to project the number of bio-scientists that will be needed in the future; we must rely on the past to predict the future. In the early 1950's when penicillin was discovered we had no way of knowing that new strains of bacteria would appear that would be immune to it. However, these new strains of bacteria created a new field of research positions. With every answer a new question arises, answers that lead to new and more complex questions. We are forced to work on the assumption that our projections are understatements.

The theory of oversupply that the Administration postulates is unfounded. The ratio of R&D's must be increased in relation to health care costs or medical technology will be severely handicapped. The situation of unemployment that the Administration is projecting must be viewed as a direct result of the vast cuts in funding to Medical Schools, Clinics, Nursing Programs, and Laboratories. Unemployment in bio-medical research is not an indication of oversupply, rather, it is an indictment against the Administration for its shortsighted economic policies in the area of research and medical technology.

In conclusion, we believe that phasing out this program would serve only to divert young, original minds to other more lucrative fields. We therefore respectfully suggest that the 1974 Budget appropriate $152,996,000 for Research training programs, and add to that amount $42,503,000 from last year's funds.

DEMAND FOR DOCTORAL BIOMEDICAL SCIENTISTS: ESTIMATED ACTUAL FISCAL YEAR 1971 AND PROJECTED TO FISCAL YEAR 1983

[Thousands]

Fiscal year ending June of—	Nature of demand: Total	Nature of demand: Replacement	Nature of demand: New	Demand on biomedical-science manpower pool for—: All activities	Research	Teaching	Clinical service	Administrative, etc.
ESTIMATED ACTUAL								
1971	6.8	2.3	4.5	66.8	30.20	19.20	7.20	10.20
PROJECTED								
1972	6.7	2.5	4.2	70.98	32.25	20.22	7.66	10.85
1973	6.92	2.65	4.27	75.25	34.51	21.11	8.11	11.82
1974	7.02	2.81	4.21	79.46	36.93	21.82	8.53	12.18
1975	7.10	2.97	4.13	83.59	39.33	22.49	8.94	12.83
1976	7.07	3.13	3.94	87.53	41.69	23.06	9.33	13.45
1977	7.09	3.27	3.82	91.35	43.98	23.60	9.72	14.05
1978	7.08	3.42	3.66	95.01	46.18	24.10	10.11	14.62
1979	7.04	3.55	3.49	98.50	48.26	24.59	10.49	15.16
1980	6.98	3.68	3.30	101.80	50.19	25.06	10.88	15.67
1981	7.19	3.81	3.38	105.18	52.19	25.52	11.28	16.19
1982	7.45	3.93	3.52	108.70	54.28	25.98	11.70	16.74
1983	7.73	4.07	3.66	112.36	56.45	26.46	12.14	17.31

Source: Vol. I, NIH Fiscal Year Report, 1974.

FOOTNOTES

[1] Administration Press Release on the 1974 Budget.

[2] The Training Programs of the Institutes of the National Institutes of Health, Fiscal Year 1974. Volume I.

[3] President's Science Advisory Committee, Scientific and Educational Basis for Improving Health, Report of the Panel on Biological and Medical Science of the President's Science Advisory Committee . . . Office of Science and Technology, 1972.

[4] The Bureau of Social Science Research, Inc. of Washington, D.C. Questionnaire Responses.

[5] Subcommittee on Public Health and Environment, Hearings, March 20, 22, 23, 1973, page 25.

[6] The Journal of Laboratory and Clinical Medicine, Vol. 79, March 1972, Number 3 . . . Editorial "The Dollar Benefits of Biomedical Research: A Cost Analysis by: H. H. Fudenberg, Professor of Medicine, University of California, San Francisco, page 7.

FAMILY PROFILE OF NIH TRAINEES DURING CALENDAR YEAR 1970[1]

[In percent]

Characteristics	Training level		
	Pre-doctoral	Postdoctoral	
		Ph. D.	M.D.
Marital status, current:			
Single	41	19	13
Married	56	78	86
Other status	3	3	1
Total number of dependents:			
None	58	35	18
1	21	22	15
2 or more	21	43	67
Number of dependent children:			
None	74	49	24
1	14	26	20
2 or more	12	25	56
Occupation of father:			
Unskilled (laborer or farm-worker	5	6	3
Skilled, semiskilled operative	22	23	11
Technical or semiprofessional worker	5	4	2
Salesman or clerical worker	8	11	10
Proprietor, manager, business executive, or official	26	24	31
M.D., D.D.S., D.V.M	6	6	17
Teacher, college professor, other educator	7	7	6
Other professional	16	15	16
Other	5	5	3
Father's highest education level:			
Less than high school graduate	19	23	17
High school graduate	23	25	18
Some college	17	16	15
College graduate	17	15	17
Postgraduate study	23	20	34
Parent's income at trainee's graduation from college:			
Less than $5,000	9	14	9
$5,000 to $9,999	33	37	26
$10,000 to $14,999	28	24	23
$15,000 or more	30	24	41
Median	$10,785	$9,885	$13,090

[1] Based on a population of 4,758 for NIH predoctoral trainees, 811 for NIH postdoctoral Ph. D. trainees, and 1.198 for NIH postdoctoral M.D. trainees. Student trainees questionnaire, items 11, 13, 15, 16, and 17.

Source: Table 28, vol. I, NIH Fiscal Year Report, 1974.

AEROSPACE WORKERS

Mr. GURNEY. Mr. President, I ask unanimous consent to print in the RECORD, for the appropriate reference of my colleagues, an interesting and informative study made by two professors at the Florida State University School of Business, Dr. Robert G. Turner and Dr. William Whitaker III.

The report is entitled "A Survey of the Post Layoff Experiences of Aerospace Workers in Brevard County, Fla." Brevard is the county in Florida which houses our Nation's Kennedy Space Center complex at Cape Canaveral. Most of the persons surveyed, then, were directly involved in the space program. When we began cutting back on the space program, these people were the first ones affected.

This report and its conclusions are particularly valid, I think, in pointing out the need for additional Federal measures which will insure that America does not lose its lead in scientific and technological expertise. As recently as July 20, for instance, a group of Senators representing States with substantial numbers of unemployed scientists, engineers, and technicians, Senators CRANSTON, TUNNEY, JAVITS, KENNEDY, RIBICOFF, and I requested the inclusion of a $6,875,000 budget request in the Labor-HEW appropriation bill. This money is just enough to finance a 1-year extension of the technology mobilization and reemployment program, which provides a variety of useful manpower services to thousands of technical people who have lost their jobs through changing Government policies.

I have continually expressed my support of the space program, not only on an economic basis, but also because I feel it is imperative to maintain this expertise if we are to solve our Nation's complex environmental and sociological problems.

I appreciate the work of Dr. Turner and Dr. Whitaker, and I ask unanimous consent that the report be printed in the RECORD.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

A SURVEY OF THE POST LAYOFF EXPERIENCES OF AEROSPACE WORKERS IN BREVARD COUNTY, FLA.

SUMMARY

Since 1968, the economy of Brevard County, Florida, has been suffering through the effects of mass layoffs of area workers as a result of decreasing activity at Kennedy Space Center. The civilian labor force plummeted from a high of 102 thousand workers to a low of 85 thousand. In the same time period the unemployment rate rose from 1.9 percent to a high of 7.4 percent.

Following mass layoffs, migration of affected workers from the area is typical. Yet a certain group of individuals often refuse to leave even when taking severe income and asset losses. The purpose of this study was to develop a profile and analyze the characteristics of those workers in the aerospace industry of Brevard County, Florida, who had elected to remain after suffering a layoff from the industry.

Aerospace companies with operations in Brevard County were requested to supply information on persons laid off between January 1968 and January 1971 in order that the population might be identified. Seven companies participated and supplied the names of 3,552 laid-off workers. Through comparison with employment records of the Florida Department of Labor and with telephone listings, a target population of 1,868 was identified and sent a mail questionnaire. The target population was reduced, based on returned questionnaires which were not forwardable and those which were filled out by persons not residing in Brevard County, to 1210 persons. Usable responses were received from 405 of these individuals, for a 33.5 percent response rate which was considered acceptable in light of the questionnaire length.

Once the responses were obtained, the profile was developed. The average age of the laid-off aerospace workers still residing in Brevard County was 43 years. Nine out of 10 respondents were males and the same proportion were married. The majority of the respondents had a high school degree as their highest level of formal education and a majority of the respondents had also received vocational and technical training. The typical respondent had resided in Brevard County for 11 years prior to 1972.

During the layoff period, defined as January 1968 to January 1972, the average respondent held three different jobs with the majority of turnovers caused by layoff. Following the initial layoff, the duration of unemployment was 18 weeks. Following the second layoff, the duration of unemployment fell to 8 weeks. The typical respondent holding three different jobs and being laid off twice was unemployed for 26 weeks.

Average weekly wages prior to the first layoff equalled $195.00. In the second job held wages fell to $160.00 and remained near there in succeeding jobs. In part, the lower wages reflected occupational shifts. Two occupations: Scientists-Engineers and Technicians, recorded a significant decrease in respondents over the layoff period. Apparently, the Scientists-Engineers became Officials-Managers as this occupation gained significant respondents and the job requirements could be generally met by the highly educated Scientists-Engineers. The Technicians accepted jobs in the Semiskilled Labor or Service Workers categories. On balance, these occupational shifts resulted in lowered incomes.

As income fell due to occupational shifts, an attempt was made to minimize the decrease by lengthening the work week. For the initial job held in the layoff period, the average work week was 41.5 hours. For the last job held, the average work week was almost 43 hours.

Severance pay provided more financial assistance for those laid off than any other source. The average payment was $1,090. Unemployment compensation was the next most important source with an average duration of less than 15 weeks at almost $44.00 per week, producing $650 financial assistance each period of unemployment. The G.I. Bill and Project Retro were minor sources of financial aid.

Only eight percent of the respondents had removed themselves from the labor force during the layoff period. As of the survey week (January 23, 1972), 92 percent were still in the labor force. For those in the labor force, the rate of unemployment was 13.7 percent, a figure more than twice the rate of unemployment for Brevard County as a whole.

The lowered income of the respondent was reflected in lowered family incomes. Whereas the weekly wages of the aerospace worker fell $35.00 as a result of job changes, the overall family income fell almost $65.00 weekly. The mass layoffs, with resultant increase of labor on the supply side of the market coupled with falling demand for labor, resulted in a bidding down of wages throughout the local economy. The former aerospace worker received lower wages in his new job and additional family members who worked in non-space related employment experienced a fall in wages also, due to the increased overall competition for employment.

As family income fell, other family members increased their participation in the labor force. The number of other family members employed rose substantially while the number looking for jobs remained stationary, thereby producing an overall increase in labor force participation by other family members.

In response to a query regarding willingness to leave Brevard County, a rather high percentage (47%) of respondents were willing to migrate. One wonders why they haven't. The answer lies in their requirements for relocation. The new job must equal that held in the aerospace industry, both with respect to wages and job description. Also, almost three-quarters of the respondents would require payment of moving expenses, while one-third would need assistance in selling their homes. Geographically, the job should be located within the Southeast or on the West Coast.

INTRODUCTION AND PURPOSE

Following the early 1960's promise of President John F. Kennedy to place a man on the moon within a decade, the economy of Brevard County, Florida became heavily dependent upon the fantastic growth associated with the Kennedy Space Center, the prime launch site of the space program. Beginning in early 1968, major cutbacks in federal spending on space efforts drastically reduced employment by aerospace industry suppliers and contractors. These reductions produced significant increases in unemployment, increased migration from the region, and generated corresponding adverse economic repercussions that persist in Brevard County even today.

In the time period between January 1968 and 1972 more than 16,000 workers were laid-off in Brevard County. The peak civilian labor force in Brevard County occurred in June of 1968 (102,000) with the trough in October of 1971 (85,200). The unemployment rate peaked in November 1970 (7.4 percent) while the lowest unemployment of the layoff period was 1.9 percent in September-October 1968. From peak to trough, the civilian labor force lost 16,000 participants while the increase in the unemployment rate equalled 5.5 percentage points. A combination of three labor force phenomena occurred during this time period: (1) laid-off persons remained in Brevard County but removed themselves from the labor force, (2) laid-off persons remained in Brevard County and in the labor force but unemployed, and (3) laid-off persons removed themselves from Brevard County. The characteristics of the significant number of workers laid-off by the aerospace industry, yet remaining in Brevard County, either in or out of the labor force, are the subject of this study.

The purpose of this investigation was to study those persons still residing in Brevard County who were at one time laid-off by the aerospace industry. The objective was to ascertain and analyze the following characteristics of the residents:

(A) Demographic and educational background.

(B) Employment history.

(C) Financial assistance received when not working.

(D) Current employment.

(E) Income and dependent participation in labor force.

(F) Migration potential.

By collecting the indicated data over the entire layoff period and then analyzing the trends, it was hoped that additional insights into the impact of mass layoffs on those who refused to migrate would be gained.

METHODOLOGY

Aerospace company layoff lists

The first task was to obtain a listing of workers laid-off by aerospace contractors in Brevard County, Florida. A letter requesting data on each person laid-off in the time period of January 1968 to January 1971, was mailed to each aerospace contractor. (See Appendix A for the entire letter.)

The following companies were requested to participate in this study by supplying the desired data for their laid-off workers:

Boeing Atlantic Test Center.
Bendix, Launch Support Division.
Delco Electronics.
Trans World Airlines, Incorporated.
IBM.
Martin Marietta Corp.
Pan American World Airways, Incorporated.
Technicolor, Incorporated.
Chrysler Corporation.
McDonnell Douglass Astronautics Company.
RCA.
North American Rockwell Corporation.
Grumman Aerospace Corporation.
Pan American Employment Service.
Lockheed Missiles and Space Company.
TRW Systems Group.
Rocketdyne.
Convair Aerospace.
Federal Electric Corporation.
General Electric Company.

Requests for the layoff lists were made up to a maximum of three times when responses were not quickly forthcoming.

Table 2 indicates those companies that participated by supplying all or part of the request information and the indicated number of persons laid-off.[1]

Table 2—Companies supplying layoff lists

	Number of persons laid off
Bendix, Launch Support Division	602
Chrysler Corp	850
Lockheed Missiles & Space Co	180
North American Rockwell Corp	720
Pan American Employment Services	1, 174
Rocketdyne	4
Technicolor, Inc	22
Total	3, 552

Identification of the target population

A data packet was prepared for each of the names supplied by the responding companies. Unfortunately, some of the companies did not supply all of the requested information. Social Security numbers were supplied by the responding companies for only 2410 persons. Each of these Social Security numbers was checked against the State of Florida Department of Labor files for all persons that were in covered employment in 1970–1971, or had drawn unemployment compensation in 1970–1971, in either Brevard or Orange Counties. This search indicated that 949 persons either were currently residing in Brevard County or had recently been participants in the labor force of the area.

Each of these 949 persons was included in the target population.

Of the 1142 persons for whom a Social Security number was not supplied, a search of telephone listings in Brevard County indicated that 594 of the 1142 persons maintained a telephone number. This method proved to be not very precise in accurately identifying persons residing in Brevard County. The responding aerospace companies frequently had supplied initials only, rather than complete first and middle names. Even where the companies supplied full names the telephone listings frequently involved initials and not full names. Therefore, due to the inclusion of any name with a telephone listing whether actually the laid-off individual or a person of the same or similar name the list of 594 names generated can be viewed as exhaustive but not exclusive.

Of the 3552 names supplied by the responding companies, 1543 were identified as residing in Brevard County due either to a search of employment and unemployment roles or a search of telephone listings. Since a number of the 2009 unattached persons could still reside in Brevard County a random sample of 325 names (16 percent) from this list of 2009 names previously not included was added to those already in the target population.

A total of 1868 laid-off individuals were ultimately included in the list. The target population was therefore developed in the following manner:

Persons identified from employment-unemployment roles, 949.

Persons identified from telephone listings, 594.

Random sample of remainder of names provided by responding aerospace companies, 325.

Total target population, 1868.

Data collection procedure

After the target population was identified three possible methods of obtaining data concerning population characteristics were explored. One was personal interviews with a sample of individuals from the target population. The personal interview approach is a costly procedure. Given the limited budget of this study it was believed that relatively few personal interviews could therefore be conducted. Consequently, in an effort to increase the sample size, this approach was rejected.

A possible combination of personal interviews and mail questionnaires was considered. This approach was rejected because of the frequent problem of non-comparability of data which results from combining interview technique data with those derived from the mail questionnaire approach.

In order to assure a large number of responses, within the budgetary and time limitations of this study, it was decided to conduct a census of the target population (1868 persons) through the use of mail questionnaire. (See Appendix B–1 for the questionnaire used in this study).

Responses to questionnaires

Questionnaires were mailed to the 1868 persons enumerated in the target population. Included in the questionnaire was a letter explaining the purpose of the study with a request for responses. There were three mailings of the questionnaires, with three to four weeks between mailings.

Of the 1868 persons surveyed, responses to the mail questionnaire were distributed in the following manner:

Returned usable questionnaires, 405.

Returned questionnaires by persons no longer residing in Brevard County, 206.

Questionnaires returned "not forwardable", 452.

No response, 805.

Therefore, reducing the 1868 target population by those definitely not residing in Brevard County (206) and those with a very high probability of no longer residing in Brevard County since the questionnaires were not forwardable, produced a revised target population of 1210 persons. Usable responses of 405 questionnaires therefore resulted in a response rate of 33.47 percent over the revised target population. When the length of the questionnaire, the nature of the data requested, and the negative attitudes of these individuals toward their former employer and the space program are considered, the response rate does not appear at all unusually low.

DEMOGRAPHIC AND EDUCATION CHARACTERISTICS

Age

Generally, the age category of greatest mobility is the relatively young (16–30). Young people are both willing and able to relocate in search of better employment opportunities. As a person ages, his geographical mobility tends to decrease due to (a) a lack of new job opportunities (unable to relocate), (b) a larger stock of wealth, frequently tied to land (unwilling and perhaps unable to relocate), and (c) increasing social involvement in the "home" community (unwilling to relocate).

Consequently, it was not surprising to discover that the average age for those laid-off individuals still residing in Brevard County was a relatively high average of 43 years. The largest number of respondents to this survey were in the 40–49 age category followed by those between the ages of 50 and 59 years old. As subsequent elements of the profiles of respondents are developed, conclusions reached will largely reflect the aged nature of the group.

TABLE 3.—AGE DISTRIBUTION

Age grouping	Number laid off	Percentage
20 to 29	48	11. 85
30 to 39	100	24. 69
40 to 49	121	29. 88
50 to 59	115	28. 39
60 to 66	17	4. 20
No response	4	. 99
Total	405	100. 00

Note: Average age, 43.35 years.

Sex and marital status

About 92 percent of the respondents were male while only 8 percent were female. The very low percentage of respondents that were female was somewhat surprising. About 16 percent of the respondents to a similar study conducted by the Battelle Memorial

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[1] The following companies indicated that they had no layoffs in this time period: IBM and Pan American World Airways, Inc.

Institute were female.[1] The exact causes of the low percent of females in Brevard County responding to the questionnaire are unknown, however, several possibilities exist: (1) since none of the aerospace contractors' national headquarters were in Brevard County, the clerical staff as a percentage of total employment would be low, (2) laid-off female workers left the county in larger numbers than males (which seems unlikely), or (3) many female workers had completely removed themselves from the labor force and refused to participate in the study because of a lack of personal interest. Probably a combination of factors (1) and (3) produced the low female response.

Since the average age of those responding to the study was 43 years, the very high percentage of respondents that were married (90 percent) was expected. In addition, the mobility of single persons is generally greater than married persons. It would be natural for larger proportions of the unmarried to migrate more quickly than their married counterparts who typically have heavier community involvement and investment.

TABLE 4.—SEX AND MARITAL STATUS

	Number	Percent
Male	372	91.85
Female	30	7.41
No response	3	.74
Total	405	100.00
Married	361	89.14
Single	18	4.44
Other [1]	24	5.93
No response	2	.49
Total	405	100.00

[1] Includes divorced persons paying or receiving child support and alimony.

Education

It is widely believed that the bulk of workers affected by the layoffs in Brevard County were Scientists and Engineers. Education data on those laid-off do not support this belief. Fully 69 percent of the respondents had a formal education consisting of a high school degree *or less*. And only 20 percent had a four year college degree. This is not to minimize the severe adverse effects the layoffs had on collegiately trained personnel. It does point out, however, the pressing need to improve the plight of the very large numbers of laid-off personnel with little formal education.

Many of those holding a high school degree or less have made concentrated efforts to improve their skills through vocational-technical training. About 61 percent of those persons without a high school degree and 72 percent of those whose highest level of formal education was a high school degree reported receiving vocational-technical training. The demonstrated willingness of these persons to participate in retraining should be considered significant for any plans or programs aimed at easing the problems faced by the workers.

TABLE 5.—EDUCATION

Highest level of education	Formal education	Vocational-technical training
Less than a high school degree	46	28
High school degree	232	168
Associate degree	22	14
Bachelor's degree	61	40
Master's degree	18	8
Doctorate degree	1	
Other [1]	21	12
Total	401	270

[1] Includes business college degrees, collegiate courses without degrees, and armed services schools.

Years resided in Brevard County

To this point, data indicate that the average respondent was middle aged, male, married, and possessed a formal education through high school. He also had resided in Brevard County for a relatively long period of time. The average respondent had resided in Brevard County about 11 years. This is consistent with prior observations about the immobility created as a person becomes more socially and financially committed to the community. Even when faced with economic adversity, he generally is not willing to migrate from the area.

TABLE 6.—NUMBER OF YEARS RESIDED IN BREVARD COUNTY

Years	Number of persons	Percentage
0 to 5	65	16.05
6 to 10	163	40.25
11 to 15	108	26.67
16 to 20	42	10.37
21 to 25	12	2.96
Greater than 25	9	2.22
No response	6	1.48
Total	405	100.00

EMPLOYMENT HISTORY

The layoff period

Since 1967, there has been a series of major layoffs in Brevard County associated with cutbacks in the space program. For the population examined in this study, there were three peak layoff periods:

November–December, 1968.
August–September, 1969.
May–June, 1970.

This section examines the work experiences reported by the respondents between January 1968 and January 1972, in order to gain insights regarding the impact of layoff on subsequent employment and earnings.

Employment turnover and tenure

For the 370 respondents who indicated the number of jobs held, each respondent averaged 2.72 different jobs during the four years (Jan. 1968–Jan. 1972). Stated in a different manner, there was a change in jobs on the average of every 18 months for each respondent.

The job turnover situation was especially severe for the respondents who indicated they held four or more jobs during the four year time period. A substantial portion of this problem was the result of the layoffs and their effect on the local economy as the employment multiplier worked out its downward effect following the layoffs.

Table 7.—Number of jobs held between January 1968 and January 1972

Number of Jobs Held:	*Number of Responses*
1	48
2	132
3	105
4	53
5	19
6	10
7	3
Total response	370
Average	2.72

One possible explanation for the high rate of job changes could be that the respondents had a high general propensity to change jobs. This explanation does not appear to be valid, however, when the tenure in the first job held during the four year period is examined.

The typical respondent served a tenure of 5.23 years in the job held as of January 1968. Fully 105 respondents, or 29 percent of total responses, served a tenure of 7 or more years in this first job. Long tenures of 10 or more years were recorded by 43 of the 365 respondents supplying data on their job tenure.

The respondents did not have a high propensity to change jobs prior to the layoff period. Rather, they tended to have very stable employment. During the layoff period, the average job tenure dropped from the high of 5.23 years in the first job to an extremely low average of only 45 weeks for each subsequent job.

As the respondents changed jobs, their tenure on the new job decreased with each job change. While tenure in the first job was 272 weeks, tenure on the second was only 57 weeks dropping to 34 weeks for both the third and fourth job tenures and to 27 weeks on the fifth job. With the shorter tenures the employment and earnings pattern became heavily overlaid with uncertainties. These uncertainties naturally resulted in many employees leaving Brevard County in search of security in employment. However, for those who remained, the uncertainties and lack of stable employment continued to be substantial problems.

TABLE 8.—*Number of years employed in first job held between 1968 and 1972*

Number of years employed:	*First job*
0–1	37
1–2	44
2–3	52
3–4	48
4–5	34
5–6	24
6–7	21
7–8	32
8–9	17
9–10	13
10–15	38
15–20	4
20–25	1
Total response	365
Average	5.23

TABLE 9.—NUMBER OF WEEKS EMPLOYED BY JOB NUMBERS

Number of weeks employed	Job number						
	1st	2d	3d	4th	5th	6th	7th
1 to 26	15	96	86	43	18	11	1
27 to 52	22	75	55	29	10	1	1
53 to 78	15	67	37	7	3	1	1
79 to 104	29	43	7	5	1		
105 to 130	27	16	2				
131 to 156	25	11	1	1			
157 to 182	23	8					
183 to 208	25	4					
Over 208	223						
Total response	365	320	188	85	32	13	3
Average	271.96	57.06	34.46	34.02	27.28	16.38	43.33

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[1] Battelle Memorial Institute, *A Survey of Aerospace Employees Affected by Reductions in NASA CONTRACTS*, (Columbus, 1971), p. 20.

Cause of Job Termination

One reasonable inquiry following such overwhelming data of the high job turnover is into the expressed reason for job termination. Altogether, respondents gave reasons or explained 675 different job terminations. By far, the most significant cause of termination was layoff, an involuntary termination on the part of the employee. A total of 481 terminations, or 71 percent of all explained terminations, were attributed to layoff. In other words, 71 percent of the terminations were caused by the employer rather than the employee.

Voluntary terminations included job transfers representing job terminations for purposes of taking a new job, plus resignations, sickness caused terminations, and retirement. Most of the voluntary terminations were job transfers where the respondent was moving to a better job.

Once again the involuntary nature of job changes is demonstrated for the respondents. By nature, they desired to maintain stable employment. Layoffs disrupted their employment goals.

Job Search

When employees, who in the past experienced stable employment, are suddenly shocked by mass layoffs, their ability to obtain new employment is frequently impaired due to a lack of knowledge regarding the job search. For many of those laid off in Brevard County, it had been 7 or more years since they had actively been in search of a job. Their knowledge of the market and how to approach the market was therefore dated. Evidence of this fact is the high typical gap of 18.4 weeks between the 1st and 2nd job held during the layoff period.

TABLE 10.—REASONS FOR JOB TERMINATION

Reasons	Job number 1st	2d	3d	4th	5th	6th	Total
Layoff	287	111	50	23	6	3	481
Job transfer	35	70	43	16	4	1	169
Resigned	2	8	4	2			15
Sickness		1	3	1			5
Retired	3	1					4
Total response	327	192	100	42	10	4	
Total job terminations explained							675

Once forced to enter the job market, however, the employee gained knowledge about job search and, if subsequently laid off, more quickly obtained employment. In other words, job search is an activity which is subject to a learning curve. As the activity is repeated, the knowledge gained from prior applications leads to greater efficiency and a shorter time interval for the repetitions. Even though there was an 18 week gap between the 1st and 2nd jobs, this gap was approximately 8 weeks between the 2nd and 3rd jobs, as well as the 3rd and 4th jobs. By the time the respondent moved from his 4th to 5th jobs the gap between jobs was only 5 weeks.

TABLE 11.—GAP IN WEEKS BETWEEN JOBS

Gap in weeks between jobs	Job number 1–2	2–3	3–4	4–5	5–6	6–7
0	100	99	49	17	8	1
1 to 13	129	77	30	16	4	2
14 to 26	47	17	8	1	1	
27 to 39	27	8	6			
40 to 52	11	5	6			
53 to 65	10	2		1		
66 to 78	15	2	1			
79 to 182	18					
Total response	357	210	100	35	13	3
Average	18.40	7.94	8.58	4.83	3.23	3.33

Earnings

Many of the employees affected by the layoffs in Brevard County were in above average earnings categories due to the technical nature of their work and their relatively high skill levels. Following layoff, their complete array of skills was no longer demanded and the income they received in new jobs was lower. For the 1st job held, the weekly salary of the respondents was $195, but for additional jobs weekly salary averaged only $160. Based on last job held, salaries had only recovered to a level of $167 weekly, still well below the weekly salaries of the respondents entering the layoff period.

TABLE 12.—WEEKLY SALARY, BY JOB NUMBLR

Weekly salary	1st	2d	3d	4th	5th	6th	7th	Last job held
$0 to $99	12	52	28	12	2	2	1	45
$100 to $199	165	172	114	47	18	7	2	210
$200 to $299	154	70	36	17	8	2		81
$300 to $399	25	11	2	6	1			15
$400 to $499	2	1	1		1			
$500 to $599		1						
$600 to $699		1	1					2
Total response	358	308	182	82	30	11	3	353
Average	195.03	160.70	157.99	160.94	175.70	150.09	117.33	167.16

Occupations

Much of the reduction in earnings following the layoffs in Brevard County resulted from shifts in occupational categories toward lower wage categories. For the respondents, the two dramatic occupation categories reporting losses were: Scientists-Engineers and Technicians. There were 60 respondents employed as Scientists or Engineers in their 1st job. This dropped to only 32 for the 2nd job. Based on last job held, only 45 respondents were Scientists or Engineers at that time.

Based on 1st job held, the largest number respondents were Technicians. By their 2nd job, the number of Technicians had fallen from 92 to 51 and based on last job held, had climbed back to only 46. As was true of the Scientists and Engineers, the Technicians had to move to a different occupation for employment.

Given their high level of education and skills, it appears that the Scientists-Engineers tended to move into the Officials-Managers occupation. Even though typically paying good salaries, there were still salary losses as a result of this occupational shift.

The plight of the Technicians was somewhat more difficult. These individuals, possessing skills heavily space industry oriented, appear to have been forced into the occupations of Semi-skilled Labor or Service Workers. With a gain of 26 respondents in the Service Worker occupations from the 1st job to the last job held, a large portion of the loss in Technicians was accounted for by the gain in low-paying Service Worker jobs.

TABLE 13.—OCCUPATIONS BY JOB NUMBER

Occupations	Job number 1st	2d	3d	4th	5th	6th	7th	Last job held
Officials—managers	12	21	18	4	2			32
Scientists—engineers	60	32	17	4	2	2		45
Professional—administrative	37	18	8	6	3			26
Technicians	92	51	27	14	5	3	1	56
Office—clerical	40	34	15	5	1			37
Skilled labor	74	70	53	20	8	2	1	70
Semiskilled labor	26	38	25	15	7	6		44
Unskilled labor	20	21	12	8	1		1	25
Serviceworker	9	37	15	7	3			35
Total response	370	322	190	83	32	13	3	870

Work week

For the respondents, as well as most employees throughout the country, the most frequently reported work week is 40 hours. However, while nationally the trend is toward a shorter work week, the trend for the respondents was one of an increasing work week after their first job. Based on the first job held, only 66 respondents had a work week in excess of 40 hours. For the last job held, 96 respondents were working over 40 hours weekly.

One possible explanation of the longer work week is the shift in occupations toward the Officials-Managers category, one which is not typified by an income tied to the number of hours worked per week and a category noted for placing heavy demands upon the time of those who occupy it. A detailed analysis of the responses indicated that this was not the primary reason for the longer work weeks as a large number of hourly workers, not salaried workers such as Officials-Managers, were reporting long work weeks.

A second, and more plausible explanation of the longer observed work week is the desire on the part of respondents to maintain their income level or minimize any loss in income. By working a longer work week and, in many instances, receiving bonus pay for overtime, the employee could partially offset income losses forced by the layoff and the frequently required shift to another occupation.

TABLE 14.—HOURS WORKED PER WEEK BY JOB NUMBER

Hours worked per week	Job number							
	1st	2d	3d	4th	5th	6th	7th	Last job held
0 to 39	6	18	9	3	1	1		1
40	293	220	121	47	21	10	2	253
41 to 49	30	28	21	13	2	1	1	38
50 to 59	26	31	20	9	3			34
60 to 69	9	11	9	6	3			17
70 to 79		4	3	1	1			2
80 to 89	1	4	2	1				3
90 to 99		2	1	2				2
Total response	365	318	186	82	31	12	3	362
Average	41.50	42.62	43.17	46.05	43.65	38.58	42.67	42.8

FINANCIAL ASSISTANCE RECEIVED WHEN NOT WORKING

Unemployment compensation

Once laid-off and unemployed, the worker typically applies for unemployment compensation to provide a minimal income while seeking new employment. Of the 405 persons in the sample, 275 indicated receipt of unemployment compensation at least once during the layoff period.

The duration of receipt of unemployment the first time paralleled closely the previously reported gap in time between the first and second jobs held during the period. The average gap in weeks between the first and second job held was 18.4 weeks. The average length of time for which unemployment compensation was received the first time was 16.0 weeks.

TABLE 15.—DURATION OF UNEMPLOYMENT COMPENSATION

Number of weeks	Times received				
	1st	2nd	3rd	4th	Total
1 to 8	96	24	13		13
9 to 16	49	23	5	1	78
17 to 24	30	7	2		39
25 to 32	89	6			95
33 to 40	6				6
41 to 48	5	1			6
Total response	275	61	20	1	357
Average	16.00	12.08	7.45	15.00	14.85

The amount of compensation received weekly was close to the $40 per week maximum allowable state unemployment compensation. Where private companies supplemented the state unemployment compensation with subsistence pay, the average for the 1st layoff exceeded the $40 state allowance by only $3.89. Of the 348 different times that unemployment compensation was received, in only 113 instances (32.5 percent) was the total compensation received greater than the state maximum.

TABLE 16.—AMOUNT OF UNEMPLOYMENT COMPENSATION RECEIVED

Weekly amount	Times received				
	1st	2d	3d	4th	Total
0 to $39	11	2			13
$40	191	30	6	1	228
$41 to $49	46	16	7		69
$50 to $59	16	10	8		34
$60 to $99	3	3			6
$100 to $199	4				4
Total response	265	61	21	1	348
Average	43.22	45.56	47.67	40.00	43.89

Educational assistance

In addition to unemployment compensation, two additional sources of financial assistance were used by a small number of respondents. Both of these sources were used to gain additional education or training in order to develop a new career, occupation, or specialty.

Twenty respondents used the G.I. Bill, funded through the Veterans Administration, to return to school for more formal education. They averaged almost 32 weeks of compensation, a figure which closely parallels the number of weeks in two semesters or three quarters, both of which are the typical academic year.

Ten respondents participated in the retraining program, funded through the Manpower and Development Training Act (MDTA), entitled Project Retro. These individuals averaged 26.7 weeks in training under this particular program. One respondent distorted the average due to his unduly long reported tenure in Retro. When this person is not included, the average length of training falls to 21 weeks which closely parallels two quarters of a junior college or vocational-technical school year.

The amount of compensation received under the G.I. Bill averaged $45.39 per week. Under Project Retro average compensation was $62.25 per week. Should a respondent be so fortunate as to receive both, then his weekly compensation averaged $107.64, a figure which would support the typical family during the period of education and retraining.

One unfortunate fact about the G.I. Bill and Project Retro programs was the small number of respondents who participated. Only 20 of the 405 persons in the sample received the G.I. Bill, while 10 were in Project Retro. Given the low participation rates these sources of support during layoffs were relatively minor compared to sources such as unemployment compensation or severance pay.

TABLE 17.—DURATION OF EDUCATIONAL ASSISTANCE RECEIVED

Weeks	VA-GI bill	MDTA Retro
0 to 9		2
10 to 19	4	2
20 to 29	7	3
30 to 39	5	1
40 to 49	1	1
50 to 59		
60 to 69	2	
70 to 79	1	1
Total response	20	10
Average	31.45	26.70

TABLE 18.—AMOUNT OF EDUCATIONAL ASSISTAN RECEIVED

Amount	VA-GI Bill	MDTA Retro
0 to $19		
$20 to $39	5	1
$40 to $59	11	5
$60 to $79	3	3
$80 to $99		
$100 to $110		1
Total response	19	10
Average	45.39	62.25

SEVERANCE PAY

Severance pay was received at least 352 different times by the respondents. A total of 268 respondents received severance pay at least once with 65 receiving it at least twice. The amount of severance pay received upon employment termination tends to be a function of tenure in the job. The longer one has worked, the greater the lump sum payment received upon termination of employment.

TABLE 19.—AMOUNT OF SEVERANCE PAY RECEIVED

Amount	Job termination number				Total
	1st	2d	3d	4th	
0 to $199	13	9	2	2	27
$200 to $399	50	15	8		73
$400 to $599	42	11	3		56
$600 to $799	18	10	2		30
$800 to $999	22	3	1		26
$1,000 to $1,499	49	8			57
$1,500 to $1.999	20	4			24
$2,000 to $2,999	32	3			35
$3,000 to $3,999	13	1			14
$4,000 to $4,999	6				6
$5,000 to $5,999	3	1			4
Total response	268	65	17	2	
Average	1,222.03	769.78	351.65	90	1,090.05
Total lump sum payments					352

The pattern of average amounts received after the 1st, 2nd, 3rd and 4th employments were consistent with the shorter duration in each additional job held during the layoff period. Following the 1st job termination, the average severance pay was $1,222.00. This decreased to $770.00 after the second job, $352.00 after the third and $90.00 after the fourth. As earlier reported, the average tenure in the 1st job was 5.23 years falling to 57 weeks, and 34 weeks in succeeding jobs.

Severance pay was a widespread source of funds for use during periods of unemployment and actually produced more funds when received (an average of $1,090.05) than was typically received from unemployment compensation (average of 14.85 weeks at $43.89 equals $651.77 per recipient each time received).

CURRENT EMPLOYMENT

Labor force participation

During the survey week beginning January 23, 1972, a total of 316 respondents were gainfully employed while 50 were classified as unemployed. Therefore, of the 396 persons for which responses were available, 92 percent were in the labor force. The unemployment rate for the respondents was 13.7 percent. When contrasted to the 6.4 unemployment rate over the entire civilian labor force of Brevard County during January, the unemployment rate for the responding former aerospace workers was exceptionally high indicating that they are still encountering great difficulty in finding suitable employment.

TABLE 20.—*Labor force participation: Week of Jan. 23, 1972*

Characteristic:	*Number of persons*
A. Employed	316
B. Unemployed	50
Labor Force	366
C. Removed from Labor Force	30
D. No response	9
Total	405

Persons working during the survey week

Primary Job. The vast majority of the 316 persons who were working during the survey week held full-time jobs involving forty hour or more work weeks. With 87 respondents reporting over 40 hours worked, it appears that, in an effort to recoup lost income, many respondents have undertaken overtime work in their primary job. Working overtime and taking a second job or "moonlighting" are both ways of minimizing income loss following layoff.

TABLE 21.—*Worked during the week of Jan. 23, 1972*

Hours worked:	*Number of persons*
10–19	5
20–29	4
30–39	5
40	215
41–49	35
50–59	23
60–69	24
70 and up	5
Total persons working	316
Average hours worked	43.21

Second Job. Six percent of the respondents reported working at a second job (moonlighting) during the survey week. Somewhat unexpected, the percentage of persons holding a second job appears relatively low. However, given the very large unemployment rate among the respondents (13.7 percent), one would expect the competition for almost any type of job to be severe. Therefore, those successful in finding *two* jobs would definitely be in the minority.

TABLE 22.—WORKED A 2D JOB DURING THE WEEK OF JAN. 23, 1972

Hours worked	Number of persons	Hours normally worked	Number of persons
1 to 9	3	1 to 9	3
10 to 19	9	10 to 19	6
20 to 29	4	20 to 29	5
30 to 39	3	30 to 39	2
		40	2
Total	19	Total	18

Note: Average hours worked, 16.37; average hours normally worked, 19.17.

Also, from a supply of jobs standpoint, the lack of significant multiple-shift production facilities and the limited availability of part-time evening employment constrains the ability of workers to hold a second job or "moonlight."

Persons not working during the survey week

Reasons for not Working. Of the 80 persons not working during the survey week, 16 persons indicated they had a job from which they were temporarily absent or on layoff awaiting recall during the survey week. Of these 16, temporary layoffs accounted for 13 persons not working. The one person who gave "other" as his reason for not working indicated he had sold his business and was waiting to report shortly to a new job.

Listed as unemployed without expectation of shortly returning to a prior employment were 34 of the respondents. These individuals would be expected to be more actively seeking gainful employment than the temporarily unemployed. Not actively seeking employment at all were the 30 respondents found not to be in the labor force.

TABLE 23.—*Persons not working: Reasons for not working*

Reason for not working:	*Number of persons*
I. Unemployed: Considered Temporary:	
A. On vacation	1
B. Labor dispute	0
C. Bad weather	0
D. On layoff, awaiting recall	13
E. Personally ill	1
F. Illness in family	0
G. Other	1
	16
II. Unemployed: Not considered temporary	34
III. Not in labor force	30

Activity During Most of the Survey Week. The respondents who were not working were asked, "What were you doing most of the time during the week of January 23, 1972?" Thirty-nine persons not working indicated they had looked for work during most of the week. Apparently the 34 respondents not on temporary absence or layoff plus 5 respondents who were temporarily unemployed were actively looking for a new job.

Fifteen of the respondents were going to school and these individuals account for half of those persons counted as not in the labor force.

TABLE 24.—*Persons not working: Activities during most of the survey week*

Activities:	*Number of persons*
A. Looking for work	39
B. On layoff, awaiting recall	2
C. Waiting to report to a new job	2
D. Ill or disabled and unable to work	2
E. Keeping house	7
F. Going to school	15
G. Retired	7
H. Other	6
Total	80

Job Search. In order to ascertain the different methods used in seeking jobs, the following question was asked: "If you were looking for work during the four-week period ending with the specified week, what were you doing to find work?" Four methods of job search dominated the responses: (1) applying directly to employers, (2) asking friends or relatives, (3) checking newspapers, and (4) checking with the State Employment Service. These methods are relatively common in job search and, therefore, were expected to be heavily utilized by the respondents.

Private employment agencies were utilized in the job search by only 14 persons. Generally, these were persons that had utilized most of the above four methods also. Apparently, persons seeking work are much more interested in the "free type" referral services. However, if these services prove fruitless, then some persons will resort to the services of fee charging employment agencies.

TABLE 25.—*Persons not working: Methods of seeking jobs*

Methods:	*Number of Persons*
A. Applying directly to employer	44
B. Asking friends or relatives	34
C. Checking newspapers	40
D. Checking with private, fee charging, employment agencies	14
E. Checking with the State employment service	34
F. Registering with a union	3
G. Checking with organizations [1]	4
H. Other	0

[1] Examples: Social groups, religious groups, urban league and welfare agencies.

INCOME AND DEPENDENTS

Family size

It would be unusual if mass layoffs of employees had any significant impact on family size on a before-after comparison. For the last normal week prior to layoff, respondents reported average families of 3.55 members. For the survey week, the average was 3.45 members. Consequently, family size remained stable throughout the layoff period.

TABLE 26.—FAMILY SIZE: LAST NORMAL WEEK BEFORE 1ST LAYOFF AND SURVEY WEEK

Family size	Last normal week	Survey week
1	28	21
2	78	87
3	89	88
4	90	100
5	58	46
6	24	13
7	8	9
8	4	3
9 or more	2	2
Total	381	369
Average family size	3.55	3.45

Family income

On balance, it would be expected that family incomes would fall following mass layoffs such as that experienced over the last four years in Brevard County. The average family income reported for the last normal week before the first layoff was $251.49 while during the survey week family income averaged $186.08 weekly, a fall of $65.41 weekly in family income. This means the average respondent's family lost $3,401.32 annual income as a result of remaining in Brevard County after the initial layoff. With the constantly rising prices throughout the layoff period, the loss in real income was of greater magnitude than the loss in money income.

TABLE 27.—FAMILY INCOME: LAST NORMAL WEEK PRIOR TO THE FIRST LAYOFF AND SURVEY WEEK

Average gross weekly family incomes	Last normal week	Survey week
0 to $100	8	61
$101 to $200	130	181
$201 to $300	152	93
$301 to $400	67	32
$401 to $500	9	7
$501 and up	7	
Total	373	374
Average weekly income	251.49	186.08

Other family members in the labor force

Following layoffs, it would be expected that family members who had previously not been employed or seeking employment would enter into the labor force in order to supplement family income. When the primary income earner is unemployed, the need for supplementary income is critical. When the primary income earner becomes re-employed but at lower wages the need for supplemental income still exists, but in a smaller magnitude.

As a result of the layoffs, many primary income earners became unemployed or moved to lower paying jobs. In the last normal week prior to the first layoff, 150 respondents reported one or more other family members employed. For the survey week, 181 respondents reported other family members employed. Family members of those workers laid off did in fact respond to the need for supplemental family income.

TABLE 28.—NUMBER OF FAMILY MEMBERS EMPLOYED: LAST NORMAL WEEK PRIOR TO THE 1ST LAYOFF AND SURVEY WEEK

	Last normal week	Survey week
Number of family members employed exclusive of respondent:		
1	129	142
2	20	38
3	1	1
Total	150	181

Combining data on family employment with family members looking for work demonstrates that the total number of other family members employed increased from the last normal week to the survey week while other family members looking for work remained relatively constant. Therefore, the labor force participation of the respondents' families definitely increased from the last normal week prior to the initial layoff to the survey week.

TABLE 29.—NUMBER OF FAMILY MEMBERS NOT EMPLOYED BUT LOOKING FOR WORK: LAST NORMAL WEEK PRIOR TO THE 1ST LAYOFF AND SURVEY WEEK

	Last normal week	Survey week
Number of family members looking for work, exclusive of respondent:		
1	57	55
2	14	17
3	12	10
4	4	4
5		
6	1	
Total	88	86

MIGRATION POTENTIAL

Willingness to relocate

One hundred and forty-nine persons working during the survey week indicated a willingness to move outside their normal commuting area in order to find a suitable job. This represented 48 percent of the respondents that worked during the survey week. Forty-four percent (37 persons) of the respondents that did not work during the survey week indicated willingness to move to find a suitable job. Therefore, 47 percent of all respondents whether employed or not indicated a willingness to move.

TABLE 30.—MIGRATION POTENTIAL

Respondent characteristic	Willingness to relocate: Yes	Willingness to relocate: No	Require assistance to move	Require housing purchase assistance
Working during week of Jan. 23, 1972	149	160	108	46
Not working during week of Jan. 23, 1972	37	46	22	13
Total	186	206	130	59

Given the relatively high average age of persons in the sample, the relatively large percentage of persons willing to move is somewhat surprising. The large numbers of persons indicating a willingness to move also raises a substantial question; why have they not relocated? No definitive answer is provided. However, probable reasons for the failure of these persons to relocate include:

(1) A "real" lack of suitable jobs elsewhere. In the case of the aerospace industry, with cutbacks nationwide, an actual lack of suitable jobs did prevail.

(2) A "perceived" lack of suitable jobs elsewhere. Knowledge of the availability of specific jobs in diverse areas of the country is highly imperfect. Therefore, regardless of the actual availability of jobs, many people perceived that few job opportunities existed and did not relocate.

(3) A high cost of relocation, either in monetary, psychological, or social terms. Moving results in monetary costs: moving expenses, loss on sale of house or property, loss on disposition of non-movable household goods, and other similar monetary costs or losses. The psychological and social costs are more difficult to isolate but just as real. Community acceptance and involvement also discourage relocation.

Respondents indicating they were not willing to relocate even if suitable jobs were available represented fully 53 percent of the respondents. One reason cited frequently for the unwillingness to relocate was the exceptional climate and environment of Brevard County. Naturally, other factors also contributed toward the high rate of refusal to relocate.

Suitable jobs

The answer to what constitutes a "suitable job" is composed of two dimensions. One, the characteristics of the job, and two, the geographical area in which the job is located. The overwhelming number of respondents specified a suitable job as one whose characteristics were very similar to their old job in the aerospace industry. Salary requirements generally were about the same as the salaries received in their aerospace jobs.

The respondents indicating a willingness to relocate generally had no geographical preferences concerning the places they would be willing to move. Those that did specify geographical preferences were split with about 70 percent favoring the West Coast area and about 30 percent favoring the Southeast geographical area. Since aerospace employment has traditionally been concentrated in the Southeast and the West Coast areas, it would be expected that these areas would dominate a listing of preferred areas for relocation for former aerospace employees.

Financial assistance

Generally the respondents indicated that they would be willing to relocate only if someone funded part or all of their moving expenses. Of those expressing a willingness to move, 70 percent indicated they would require moving expenses be paid to relocate. In addition, 32 percent would require assistance in selling their home in Brevard County to precipitate a move.

A greater percentage of those working during the survey week would require moving expenses (72 percent) than those that were not working during the survey week (59 percent). This was expected since smaller assistance generally would be required to induce a person that was not working to relocate than would be required to bring about the relocation of a person currently employed. About the same percentages of those working during the survey week (31 percent) and those not working during the survey week (35 percent) indicated they would require assistance in selling their home in Brevard County. This assistance was the guarantee that no capital loss would be realized by the respondent from the sale of the residence. This result is somewhat inconsistent with the expectation that unemployed workers would sacrifice more to relocate than would workers already employed. A partial explanation lies in the fact that many of those counted as unemployed were in fact temporarily unemployed, expecting to return to work shortly. Their refusal to relocate would be consistent with the employed workers' refusal in roughly the same proportion.

REAL ESTATE TAX BURDEN HIGHEST FOR ELDERLY

Mr. PERCY. Mr. President, Senator MUSKIE and I introduced a proposal last March to induce the States to reform their property tax systems and to establish programs of relief for low-income homeowners and renters. In hearings held by the Subcommittee on Intergovernmental Relations both last spring and this spring on the problems with current property tax systems we have heard repeatedly from witnesses of the inequities suffered by low-income homeowners and renters—problems in large part created by maladministration of the tax. We have been made aware particularly of the excessive property tax burden placed on our elderly citizens who live on fixed retirement and social security payments.

Earlier this summer the Department of Commerce Bureau of the Census issued a report entitled, "Real Estate Tax Data for Homeowner Properties for the United States and Regions: 1971." The report documents that in 1970 Americans over 65 paid almost twice as high a percentage of their income for real estate taxes as did any other group. Once again we have clear demonstration of the need for reform of real property taxes, and I ask unanimous consent that this report be printed in the RECORD at this point so that my colleagues may have the benefit of its findings.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

THE 1970 CENSUS OF HOUSING: SUPPLEMENTARY REPORT—REAL ESTATE TAX DATA FOR THE UNITED STATES AND REGIONS: 1971

Homeowners in the United States in 1970 paid an average of $21 in real estate taxes per

$1,000 of market value of their nomes. There was some variation among the regions. The relationship of taxes to value in the North Central and West regions was about the same as the national average. The figure was higher than the national average in the Northeast region—$29, and lower in the South region—$14.

The same regional pattern is evident when real estate taxes are related to income. Nationwide, homeowners spent an average 5 percent of their incomes for real estate taxes. About this same percentage prevailed in the North Central and West regions. In the Northeast region, however, the figure was 7 percent, and in the South region, 3 percent.

There is also a relationship between level of income and the percentage of income paid for real estate taxes. For the United States, homeowners with incomes of less than $2,000 spent an average of 17 percent of their income for real estate taxes, while those in the $25,000 or more bracket spent an average of only 3 percent for taxes.

The proportion of income spent for real estate taxes varies to some extent with the age of the homeowner. Owners in the 65 years and over age group spent an average of 8 percent of their income, as compared with 5 percent for all age groups. This also reflects the fact that incomes of homeowners in the older age group tend to be somewhat lower.

Source of the data.—The statistics presented in this report are from a special tabulation of the results of the survey of Residential Finance published in Volume V of the *1970 Census of Housing, Residential Finance*. In general, the figures in this report are comparable with those in the Volume V report. However, there are differences with respect to the residual categories—"not reported" (which includes "not computed") and "acquired after 1969"—resulting from different processing procedures.

DEFINITIONS

Property.—In the 1970 Residential Finance Survey, a mortgaged property comprises all of the buildings and land covered by a single first mortgage. Usually all land and buildings covered by a single mortgage are adjacent to each other, but in some cases the buildings and land under a single mortgage are scattered.

If the property was not mortgaged, the property was defined by the owner.

Residential.—A property is considered residential if half or more of the floor space is used for residential purposes. If the owner indicated that the property consisted primarily of buildings or land which were essentially nonresidential in character, the property was considered nonresidential and out of the scope of this survey.

Housing Unit.—A housing unit is a house, an apartment, a group of rooms, or a single room occupied or intended for occupancy as separate living quarters. Separate living quarters are those in which the occupants do not live and eat with any other persons in the structure and which quarters have either (1) direct access from the outside of the building or through a common hall or (2) complete kitchen facilities for the exclusive use of the occupants. The definition of "housing unit" is the same as that used in the 1970 census.

Nonfarm.—For purposes of the 1970 Residential Finance Survey, a property is classified as nonfarm if it had 1 to 4 housing units and was on a place of less than 10 acres, or if it had 5 or more units. Properties which were essentially farms were not included.

Homeowner property.—In the 1970 Residential Finance Survey, residential properties were divided into two categories—"homeowner" properties and "rental and vacant" properties.

A homeowner property is one with 1 to 4 housing units, at least one of which was occupied by the owner. All housing units on the property were included in the count, regardless of the number of structures in which they are located. Persons buying property and still owing money were considered owners, whether or not they had legal title to the property.

Real estate taxes.—This is the amount of total real estate taxes and special assessments paid on the property in the 12-month period preceding the survey. It includes both State and local real estate taxes. The respondent was requested not to include payments for taxes in arrears from prior years.

The "not computed" category includes properties for which no taxes were paid.

Value.—This is the amount the owner estimated the property would sell for on the current 1971 market, under ordinary conditions and not at a forced sale. Owners who had difficulty estimating the value of their property were asked to specify the range in which they thought the value lay.

If the owner of the property did not own the land on which the building stood, the land value was to be excluded from market value. In cases where the property included more than one building, the value of the entire property was reported.

Age of principal owner.—The respondent was asked to designate the age category shown on the questionnaire which applied to the principal owner's age. For properties owned jointly by husband and wife, only the husband's age was reported.

Income.—This is the sum of money received from wages or salary, self-employment, and other sources by the owner, the spouse, and all of the owner's relatives who lived with him. The respondent was asked to report an annual figure for the past 12-month period. It is believed that in most cases income for calendar year 1970 was reported, inasmuch as respondents filed the schedules in early 1971. Properties whose owners reported no income (or a loss) are included in the "not computed" category.

The income data include in the lowest income group (less than $2,000) those that were classified as having no income as defined in this survey. Many owners who reported no or very low income were living on income "in kind," savings, or gifts; were newly created families; or were families in which the sole bread winner had recently died or left the household. However, many of the owners in this category probably had some money income which was not reported.

Symbols—a dash (—) signifies zero or less than 50. Three dots (. . .) means not applicable.

SAMPLE DESIGN

Estimates for the 1970 Residential Finance Survey were produced from a probability sample of residential homeowner and rental properties. The properties were obtained by selecting a sample of addresses enumerated in the 1970 Census and identifying the properties associated with the sample addresses. The sample was selected in 357 areas comprising 701 counties and independent cities with coverage in each of the 50 states and the District of Columbia.

The data for the survey was obtained from the questionnaires mailed to the property owners and to the firm or person to whom payments were made for mortgages on the property.

Approximately 64,800 properties were designated for the sample. Of this number, data were obtained for about 26,600 homeowner properties, 6,800 rental properties with 1–4 units, 4,300 rental properties with 5–49 units, and 11,400 rental properties with 50 or more units. The remaining 15,700 properties included those not within the scope of this survey (13,700) and those for which no data were obtained (2,000). A more complete description of the sample design and estimation procedures may be found in Volume V of the 1970 Census of Housing.

RELIABILITY OF THE ESTIMATES

Sampling variability.—The particular sample used for this survey is only one of a large number of possible samples of the same size that could have been selected using the same sample design, sample selection procedures, questionnaires, measurement procedures, and interviewers. Estimates derived from different samples would differ from each other. The standard error of a survey estimate is a measure of the variation among the estimates from all possible samples and is, therefore, a measure of the precision with which an estimate from a particular sample approximates the average result of all possible samples. The estimate and its associated standard error may be used to construct a confidence interval; that is, an interval having prescribed probability that it would include the average result of all possible samples. The chances are about 68 out of 100 that the survey stimate will differ from the average result of all possible samples by less than one standard error (plus or minus). Similarly, the chances are about 95 out of 100 that the difference would be less than twice the standard error and 99 out of 100 chances that it would be less than 2½ times the standard error.

In addition to sampling error, the survey estimates are subject to nonsampling errors. These errors can be attributed to many sources: incorrect or incomplete reporting by the owner and/or lender, substitution for missing data, and mistakes in transcription, coding, and processing of the data. Such errors also occur in complete censuses.

The accuracy of a survey estimate is determined by the joint effect of sampling and nonsampling errors.

The standard error tables provide an indication of the order of magnitude of the standard error rather than the precise standard error for a specific characteristic. In addition, the standard errors partially measure the effect of random response errors but do not reflect any systematic biases in the data.

Standard error of estimated number or percent of properties.—The figures shown in tables A through C are approximate standard errors for estimates of the number and percent of homeowner properties. For estimates not shown in these tables, linear interpolation will provide reasonably accurate estimates of the standard errors.

Standard error of a difference.—The standard errors shown in the tables are not directly applicable to differences between two sample estimates. The standard error of a difference is approximately the square root of the sum of the squares of each standard error considered separately. This formula will represent the actual standard error quite accurately for the difference between characteristics in two different areas or for the difference between separate and uncorrelated characteristics in the same area. If, however, there is a high positive correlation between the two characteristics, this formula will overestimate the true standard error. If the correlation is negative, the formula will underestimate the standard error.

Standard error of estimated mean.—The figures shown in tables B and C are approximate coefficients of variation for the estimated means provided in this report. The standard error is obtained by multiplying the mean by the appropriate coefficient of variation and dividing the result by 100. For example, table 1 shows the mean real estate tax per $1,000 value for 1-unit homeowner properties in the United States is $21. The coefficient of variation for this estimate obtained from Table B is one percent. The standard error of the mean is approximately $.21, i.e., ($21.00 x 1)/100.

TABLE A.—APPROXIMATE STANDARD ERROR OF ESTIMATED NUMBER OF HOMEOWNER PROPERTIES, FOR UNITED STATES AND REGIONS

[68 chances out of 100]

Estimated number of properties	United States	Northeast	North central	South	West
25,000	6,000	6,000	6,000	6,000	6,000
50,000	9,000	9,000	9,000	9,000	9,000
100,000	12,000	12,000	12,000	12,000	12,000
250,000	19,000	19,000	19,000	19,000	19,000
500,000	27,000	27,000	27,000	27,000	27,000
1,000,000	38,000	36,000	37,000	37,000	36,000
4,000,000	73,000	56,000	62,000	66,000	47,000
6,000,000	87,000	50,000	64,000	72,000	20,000
8,000,000	97,000	22,000	56,000	71,000	-
10,000,000	106,000	-	37,000	70,000	-
15,000,000	118,000	-	-	-	-
20,000,000	121,000	-	-	-	-
33,000,000	87,000	-	-	-	-

TABLE B.—APPROXIMATE COEFFICIENT OF VARIATION FOR ESTIMATED MEAN REAL ESTATE TAX PER $1,000 VALUE, FOR UNITED STATES AND REGIONS

[In percent]

Value of property	United States	Regions	
		Northeast and west	North central and south
Total	1	1	1
Less than $5,000	6	18	10
$5,000 to $9,999	4	15	7
$10,000 to $19,999	4	9	6
$20,000 to $49,999	3	6	6
$50,000 or more	5	8	9

TABLE C.—APPROXIMATE COEFFICIENT OF VARIATION OF ESTIMATED MEAN REAL ESTATE TAX AS PERCENT OF INCOME, FOR UNITED STATES AND REGIONS

[In percent]

	United States	Regions
Total	1	3
By income:		
Less than $7,000	6	12
$7,000 to $24,999	3	5
$25,000 or more	4	9
By age of principal owner:		
Under 25 years	12	30
25 years or older	3	6
65 years or older by income:		
Total	3	
Under $25,000	8	-
$25,000 or more	13	-

TABLE 1.—REAL ESTATE TAXES PER $1,000 VALUE BY VALUE OF 1-HOUSING-UNIT HOMEOWNER PROPERTIES: 1971

[Number of properties in thousands. Data based on sample, see text. For meaning of symbols, see text]

United States regions	Total	Acquired before 1970	Less than $10	$10 to $14	$15 to $19	$20 to $24	$25 to $29	$30 to $39	$40 to $49	$50 to $59	$60 or more	Acquired after 1969	Not reported	Mean (dollars)
	Real estate taxes per $1,000 value													
UNITED STATES														
Total	31,144.7	25,599.4	3,782.2	4,333.4	5,080.1	4,663.3	3,126.1	2,778.9	1,018.7	358.9	457.9	2,497.1	3,048.3	21.00
Less than $5,000	1,037.7	737.9	139.8	107.4	96.5	81.6	78.7	82.0	43.1	33.0	75.5	71.5	228.4	27.10
$5,000 to $7,499	1,842.2	1,414.5	342.0	248.4	193.0	159.7	162.2	158.2	63.5	30.2	57.4	148.9	278.8	21.10
$7,500 to $9,999	1,865.4	1,545.1	323.8	293.0	268.9	220.8	133.4	176.4	62.5	32.5	33.8	133.7	186.7	20.40
$10,000 to $12,499	3,059.8	2,648.8	557.4	481.6	468.2	366.0	268.0	251.7	135.1	58.0	62.9	191.0	219.9	20.40
$12,500 to $14,999	1,988.3	1,690.3	287.2	291.4	350.6	270.9	195.8	168.2	64.3	28.4	33.4	183.4	114.6	20.70
$15,000 to $17,499	3,482.5	3,034.0	976.1	568.8	587.8	501.5	311.8	290.5	106.2	34.5	56.7	278.3	170.2	19.80
$17,500 to $19,999	2,575.7	2,235.1	229.7	403.5	505.7	427.2	285.2	244.5	86.9	25.4	27.0	232.6	108.0	21.20
$20,000 to $24,999	4,461.3	3,940.3	423.9	641.9	839.0	805.8	553.6	438.6	141.9	45.5	50.2	382.5	138.5	21.30
$25,000 to $34,999	5,596.3	4,922.5	522.1	744.8	1,041.9	1,109.6	656.1	567.0	194.4	40.4	46.2	541.2	132.6	21.30
$35,000 to $49,999	2,625.6	2,361.0	252.3	371.8	513.0	510.9	343.3	261.3	74.3	21.8	12.4	197.8	66.8	20.80
$50,000 or more	1,210.7	1,069.9	127.8	180.8	215.6	209.2	138.0	140.4	46.5	9.3	2.3	104.9	36.0	20.80
Not reported	1,399.2	-	-	-	-	-	-	-	-	-	-	31.5	1,367.8	-
NORTHEAST														
Total	7,099.8	6,063.8	155.5	426.8	843.1	1,158.1	1,051.9	1,419.1	616.4	201.1	191.7	466.5	569.5	28.80
Less than $5,000	108.3	83.0	1.4	2.9	2.7	13.0	10.6	12.8	10.9	7.0	21.7	9.7	15.6	45.30
$5,000 to $7,499	273.6	227.2	4.1	21.0	31.2	43.4	29.8	40.5	25.0	11.4	20.6	19.0	27.4	31.40
$7, 500 to $9,999	326.3	281.9	8.9	25.0	55.4	44.9	36.2	61.8	21.1	18.8	9.7	18.2	26.2	28.90
$10,000 to $12,499	556.7	502.1	15.3	40.7	70.3	94.3	69.9	99.3	57.0	27.9	27.4	26.7	27.9	29.90
$12,500 to $14,999	320.9	283.9	8.0	9.6	31.6	53.3	51.2	66.4	35.2	16.4	12.2	26.3	10.7	31.50
$15,000 to $17,499	724.1	647.8	17.8	43.6	88.6	124.7	116.0	153.1	62.0	14.3	27.7	43.1	33.1	28.70
$17,500 to $19,999	554.6	491.6	9.6	36.7	66.1	101.9	79.4	116.2	52.0	19.2	10.5	40.8	22.2	28.70
$20,000 to $24,999	1,065.3	981.0	29.3	59.2	122.1	188.6	186.6	231.8	101.5	34.4	27.5	69.2	15.1	28.90
$25,000 to $34,999	1,601.1	1,431.5	27.6	114.8	214.0	285.7	249.1	337.5	150.5	28.4	24.1	131.6	38.0	27.50
$35,000 to $49,999	827.6	754.3	22.4	48.0	102.8	139.7	157.3	193.5	64.5	17.9	8.2	52.6	20.7	27.50
$50,000 or more	417.2	379.5	11.1	25.2	58.2	68.6	65.8	106.2	36.7	5.4	2.3	27.9	9.7	27.20
Not reported	324.2	-	-	-	-	-	-	-	-	-	-	1.4	322.9	-
NORTH CENTRAL														
Total	9,369.5	7,945.6	530.1	1,313.4	1,912.1	1,703.4	1,150.7	874.6	249.9	80.9	130.6	691.7	732.3	21.90
Less than $5,000	289.0	229.5	16.4	25.3	32.2	31.1	42.8	35.1	18.7	10.5	17.4	15.6	43.8	29.10
$5,000 to $7,499	602.0	498.2	54.3	75.1	92.0	72.4	80.0	68.4	25.6	10.5	19.9	50.9	52.9	24.20
$7,500 to $9,999	632.0	533.6	49.5	106.6	102.1	98.2	53.8	74.7	18.8	9.7	20.2	47.3	51.1	23.00
$10,000 to $12,499	975.9	855.1	66.2	153.9	178.7	147.7	122.4	90.1	59.4	19.1	17.5	68.4	52.4	22.90
$12,500 to $14,999	643.8	560.8	38.8	74.2	157.9	102.0	83.7	67.1	16.5	6.9	13.7	53.4	29.6	22.70
$15,000 to $17,499	1,115.1	985.5	87.2	202.1	232.2	204.7	116.9	92.8	24.7	10.9	14.0	85.6	44.1	20.80
$17,500 to $19,999	825.4	725.9	21.4	120.2	186.1	156.4	117.7	90.2	25.6	1.3	7.0	69.4	30.1	22.20
$20,000 to $24,999	1,430.1	1,276.2	54.9	202.1	339.0	302.0	199.8	138.8	24.7	5.2	10.7	114.2	39.7	21.40
$25,000 to $34,999	1,545.1	1,391.7	76.9	218.0	337.2	375.2	201.6	149.3	22.1	4.2	7.2	123.7	29.7	21.00
$35,000 to $49,999	684.6	633.9	41.6	89.1	190.6	161.4	95.9	46.9	5.5	-	2.9	35.7	14.9	19.90
$50,000 or more	288.0	255.2	23.0	46.7	64.0	52.3	36.2	22.2	8.2	2.7	-	24.7	8.1	19.90
Not reported	338.6	-	-	-	-	-	-	-	-	-	-	2.7	335.9	-
SOUTH														
Total	9,334.0	7,149.9	2,794.2	1,903.1	1,194.0	598.5	273.1	186.9	84.6	38.7	76.8	819.6	1,364.5	13.50
Less than $5,000	556.4	366.7	113.7	76.6	52.9	28.9	17.2	26.8	12.4	9.9	28.4	43.7	146.0	20.80
$5,000 to $7,499	813.0	581.0	267.5	124.8	50.6	32.7	38.8	34.0	11.6	8.2	12.8	64.5	167.8	14.60
$7,500 to $9,999	735.0	588.6	243.4	132.0	81.6	57.1	25.5	23.6	20.1	4.0	1.3	53.2	93.2	14.00
$10,000 to $12,499	1,181.1	1,000.1	433.3	238.6	147.2	75.2	41.6	35.5	13.3	3.9	11.5	67.1	113.9	13.20
$12,500 to $14,999	700.0	577.1	217.8	157.7	98.7	50.3	20.0	20.4	7.0	2.7	2.6	66.7	56.1	13.40
$15,000 to $17,499	1,110.4	941.0	427.0	234.9	153.2	67.4	26.9	11.8	7.8	4.1	7.9	97.7	71.6	12.30
$17,500 to $19,999	659.7	553.0	184.4	165.2	127.5	38.4	19.1	11.6	2.6	1.2	3.1	68.6	38.0	13.50
$20,000 to $24,999	1,013.7	843.6	313.3	249.1	134.2	77.7	40.7	14.8	5.5	1.8	6.6	115.9	54.2	13.10
$25,000 to $34,999	1,172.3	973.5	354.8	272.6	206.6	101.0	28.8	2.7	4.4	1.3	1.3	147.4	51.4	12.50
$35,000 to $49,999	574.3	499.1	158.9	174.9	101.8	45.7	10.8	4.4	-	1.4	1.3	49.2	26.0	12.60
$50,000 or more	263.7	226.0	80.2	76.7	39.9	24.1	3.8	1.4	-	-	-	27.5	10.2	12.10
Not reported	554.2	-	-	-	-	-	-	-	-	-	-	18.2	536.1	-

			Real estate taxes per $1,000 value											
U.S. regions	Total	Acquired before 1970	Less than $10	$10 to $14	$15 to $19	$20 to $24	$25 to $29	$30 to $39	$40 to $49	$50 to $59	$60 or more	Acquired after 1969	Not reported	Mean (dollars)
WEST														
Total	5,341.4	4,440.1	302.3	690.1	1,130.9	1,203.4	650.3	298.2	67.8	38.3	58.8	519.3	382.0	20.90
Less than $5,000	84.0	58.6	8.4	2.6	8.7	8.6	8.2	7.3	1.2	5.6	8.0	2.5	23.0	32.80
$5,000 to $7,499	153.2	108.1	16.2	27.4	19.1	11.2	13.6	15.3	1.2	---	4.1	14.5	30.6	20.40
$7,500 to $9,999	172.1	141.0	22.0	29.3	29.7	20.6	17.8	16.4	2.5	---	2.6	15.0	16.1	19.70
$10,000 to $12,499	346.1	291.5	42.6	48.4	71.9	48.8	34.1	26.7	5.4	7.1	6.5	28.7	25.8	21.00
$12,500 to $14,999	323.7	268.5	22.6	49.8	62.5	65.2	41.0	14.4	5.6	2.4	5.0	36.9	18.2	20.90
$15,000 to $17,499	533.0	459.7	44.1	88.3	113.7	104.8	52.0	32.8	11.7	5.2	7.2	51.9	21.4	20.40
$17,500 to $19,999	536.1	464.6	14.3	81.4	126.0	130.5	69.0	26.6	6.7	3.7	6.5	53.8	17.7	21.00
$20,000 to $24,999	952.3	839.5	26.3	131.4	243.8	237.6	126.5	54.2	10.2	4.1	5.4	83.2	29.6	20.60
$25,000 to $34,999	1,277.7	1,125.7	62.8	139.4	284.2	347.8	176.6	77.5	17.4	6.5	13.6	138.4	13.5	21.40
$35,000 to $49,999	539.1	473.6	29.5	59.9	117.7	164.0	79.3	16.5	4.3	2.5	---	60.3	5.2	20.10
$50,000 or more	241.9	209.2	13.5	32.2	53.6	64.2	32.4	10.7	1.6	1.2	---	24.8	8.0	19.80
Not reported	182.2	---	---	---	---	---	---	---	---	---	---	9.3	172.9	---

TABLE 2.—REAL ESTATE TAXES AS PERCENT OF INCOME BY INCOME, 1-HOUSING-UNIT HOMEOWNER PROPERTIES: 1971

[Number of properties in thousands. Data based on sample, see text. For meaning of symbols, see text]

			Real estate taxes as percent of income											
U.S. regions	Total	Acquired before 1970	Less than 1 percent	1 to 1.9 percent	2 to 2.9 percent	3 to 3.9 percent	4 to 4.9 percent	5 to 7.4 percent	7.5 to 9.9 percent	10 percent or more	Acquired after 1969	Not reported	Mean (percent)
UNITED STATES													
Total	31,144.7	25,147.3	2,034.1	4,329.7	4,655.6	3,778.9	2,746.7	3,782.8	1,566.8	2,252.6	2,497.1	3,500.4	4.93
Less than $2,000	1,597.0	1,266.0	45.5	78.9	88.3	82.3	69.5	156.3	107.0	638.1	61.2	269.9	16.56
$2,000 to $2,999	1,197.4	979.4	61.3	64.6	79.3	82.2	74.9	156.0	126.7	334.6	45.7	172.2	9.65
$3,000 to $3,999	1,298.7	1,085.5	73.3	116.9	110.9	114.3	81.4	179.1	118.1	291.4	68.7	144.5	7.66
$4,000 to $4,999	1,247.6	1,056.0	79.2	105.6	121.4	133.8	90.6	197.3	122.0	206.1	80.7	110.8	6.44
$5,000 to $5,999	1,268.4	1,047.0	100.6	135.6	138.5	123.4	104.1	194.2	95.8	154.9	116.7	104.7	5.52
$6,000 to $6,999	1,421.7	1,199.0	122.3	220.1	182.7	142.4	94.5	228.0	96.3	112.6	127.3	95.4	4.71
$7,000 to $9,999	4,996.3	4,279.4	417.7	769.3	710.6	582.3	541.1	712.8	301.6	244.0	485.2	231.7	4.19
$10,000 to $14,999	8,278.9	7,341.8	560.5	1,356.4	1,554.7	1,214.6	925.5	1,142.8	397.6	189.6	724.0	213.1	3.68
$15,000 to $24,999	5,887.5	5,309.1	404.3	1,066.2	1,291.4	1,041.2	618.9	658.2	158.4	70.5	489.3	89.0	3.28
$25,000 or more	1,743.9	1,583.9	169.2	416.0	377.8	262.4	146.1	158.1	43.3	10.9	124.4	35.6	2.89
Not reported	2,207.3	---	---	---	---	---	---	---	---	---	173.7	2,033.6	---
NORTHEAST													
Total	7,099.8	5,951.2	92.6	472.0	775.5	834.2	797.3	1,366.0	674.3	939.3	465.5	682.1	6.88
Less than $2,000	212.2	181.2	---	---	2.9	---	1.3	6.8	8.2	162.0	5.4	25.5	30.84
$2,000 to $2,999	188.3	157.1	---	---	4.1	4.1	10.5	17.6	27.8	93.0	3.8	27.3	15.70
$3,000 to $3,999	225.4	202.9	1.4	2.7	5.3	14.0	10.7	25.1	22.0	121.7	14.3	8.2	13.13
$4,000 to $4,999	241.7	218.2	2.6	10.3	18.9	14.0	11.9	32.0	40.8	87.8	9.7	13.8	9.77
$5,000 to $5,999	242.6	208.1	1.4	8.0	13.6	23.0	14.9	38.9	24.9	83.4	16.1	18.4	9.30
$6,000 to $6,999	288.2	263.4	3.7	31.6	31.5	20.6	15.0	71.3	31.0	58.6	13.5	11.3	7.09
$7,000 to $9,999	1,158.8	1,019.9	10.8	87.5	96.7	115.9	156.6	259.5	152.0	140.9	104.3	34.5	6.24
$10,000 to $14,999	1,970.6	1,803.2	31.1	139.2	242.5	273.0	281.4	473.0	233.6	129.4	138.7	28.7	5.30
$15,000 to $24,999	1,520.5	1,399.5	18.1	130.5	255.6	268.3	222.9	342.8	106.7	54.4	107.1	14.0	4.59
$25,000 or more	534.0	497.8	23.6	62.4	104.3	101.3	72.0	98.8	27.2	8.2	32.2	4.1	3.90
Not reported	517.6	---	---	---	---	---	---	---	---	---	21.3	496.3	---
NORTH CENTRAL													
Total	9,369.5	7,775.6	284.0	1,214.6	1,667.4	1,374.9	904.2	1,169.1	459.7	701.6	691.7	902.2	5.06
Less than $2,000	518.8	447.9	6.4	12.8	11.9	20.6	26.3	43.5	43.3	282.9	18.0	52.9	17.96
$2,000 to $2,999	375.2	319.9	1.2	11.5	30.7	27.6	25.3	52.4	52.8	118.3	11.9	43.4	9.82
$3,000 to $3,999	356.0	301.1	5.5	17.3	36.9	37.3	19.5	61.9	41.4	81.2	13.5	41.3	7.67
$4,000 to $4,999	382.8	336.6	5.0	24.8	37.0	41.8	35.7	80.4	47.7	64.2	25.0	21.2	6.67
$5,000 to $5,999	372.7	314.1	11.7	31.6	41.9	41.6	40.2	70.5	38.4	38.2	37.5	21.1	5.69
$6,000 to $6,999	400.6	351.8	14.4	49.5	63.6	51.3	43.4	74.8	28.8	26.0	35.3	13.5	4.94
$7,000 to $9,999	1,426.9	1,249.9	59.0	200.2	266.5	204.1	180.5	213.7	71.2	54.7	129.2	47.8	4.16
$10,00C to $14,999	2,729.1	2,449.6	85.8	419.2	605.2	514.8	314.7	379.0	98.9	31.9	226.2	53.4	3.60
$15,000 to $24,999	1,729.6	1,580.5	61.5	324.3	458.3	361.3	182.8	160.7	28.9	2.7	125.8	23.4	3.09
$25,000 or more	454.2	424.3	33.6	123.4	115.4	74.4	35.6	32.3	8.2	1.5	24.7	5.1	2.74
Not reported	623.7	---	---	---	---	---	---	---	---	---	44.7	579.1	---
SOUTH													
Total	9,334.0	7,089.7	1,517.2	2,106.7	1,423.1	792.0	424.3	458.2	165.0	203.3	819.6	1,424.7	2.88
Less than $2,000	682.5	493.9	37.9	66.1	67.0	57.6	36.2	87.4	44.7	97.0	28.6	159.9	8.21
$2,000 to $2,999	436.2	335.6	58.5	50.5	41.7	40.5	32.6	50.4	26.0	35.4	21.2	79.5	5.22
$3,000 to $3,999	492.5	393.0	63.8	87.9	50.1	46.8	35.3	55.4	29.2	24.5	25.7	73.9	4.33
$4,000 to $4,999	429.5	343.5	69.1	57.4	58.7	64.4	29.4	35.1	17.4	11.9	28.4	57.7	3.39
$5,000 to $5,999	477.3	374.6	82.4	77.3	79.0	47.5	36.3	34.1	8.9	9.0	44.1	58.7	2.88
$6,000 to $6,999	510.0	411.1	97.3	129.7	66.8	49.9	17.2	35.5	8.1	6.6	42.7	56.2	2.50
$7,000 to $9,999	1,610.6	1,321.8	323.2	418.0	249.9	139.7	90.6	73.6	18.5	8.3	165.8	123.0	2.24
$10,000 to $14,999	2,108.6	1,796.2	410.2	635.5	422.5	172.5	94.9	46.0	8.1	6.6	205.5	106.8	1.98
$15,000 to $24,999	1,438.7	1,245.9	291.7	422.3	297.9	147.3	43.3	36.8	2.7	3.9	156.0	36.8	1.98
$25,000 or more	433.8	374.2	83.2	162.0	89.5	25.8	8.4	4.0	1.4	---	40.2	19.4	1.73
Not reported	714.3	---	---	---	---	---	---	---	---	---	61.5	652.8	---
WEST													
Total	5,341.4	4,330.8	140.2	536.4	789.6	777.7	621.0	789.6	267.9	408.4	519.3	491.3	5.37
Less than $2,000	183.6	143.0	1.2	---	6.5	4.0	5.6	18.6	10.8	96.2	9.1	31.5	22.93
$2,000 to $2,999	197.7	166.9	1.6	2.6	2.8	9.9	6.5	35.6	20.1	87.9	8.8	21.9	12.53
$3,000 to $3,999	224.8	188.4	2.7	8.9	18.5	16.3	15.9	36.7	25.4	64.0	15.2	21.2	8.67
$4,000 to $4,999	193.6	157.7	2.6	13.1	6.8	13.6	13.6	49.8	16.1	42.1	17.7	18.2	7.99
$5,000 to $5,999	175.9	150.3	5.2	18.7	4.0	11.2	12.7	50.7	23.5	24.3	19.1	6.6	6.52
$6,000 to $6,999	223.0	172.8	6.9	9.3	20.8	20.5	18.9	46.4	28.5	21.4	35.8	14.3	5.90
$7,000 to $9,999	800.0	687.8	24.7	63.7	97.5	122.5	113.4	166.0	59.8	40.1	85.8	26.4	4.97
$10,000 to $14,999	1,470.6	1,292.8	33.4	162.6	284.5	254.3	234.5	244.8	57.0	21.7	153.7	24.2	3.95
$15,000 to $24,999	1,198.7	1,083.4	33.0	189.2	279.6	264.2	169.9	117.9	20.1	9.5	100.5	14.8	3.36
$25,000 or more	321.9	287.6	28.9	68.2	68.6	60.9	30.1	23.1	6.6	1.2	27.5	7.0	2.88
Not reported	351.7	---	---	---	---	---	---	---	---	---	46.3	305.4	---

TABLE 3.—REAL ESTATE TAXES AS PERCENT OF INCOME BY AGE OF PRINCIPAL OWNER, 1-HOUSING-UNIT HOMEOWNER PROPERTIES: 1971

[Number of properties in thousands. Data based on sample, see text. For meaning of symbols, see text]

U.S. regions	Total	Acquired before 1970	Real estate taxes as percent of income: Less than 1 percent	1 to 1.9 percent	2 to 2.9 percent	3 to 3.9 percent	4 to 4.9 percent	5 to 7.4 percent	7.5 to 9.9 percent	10 percent or more	Acquired after 1969	Not reported	Mean (percent)
UNITED STATES													
Total	31, 144. 7	25, 147. 3	2, 034. 1	4, 329. 7	4, 655. 6	3, 778. 9	2, 746. 7	3, 782. 8	1, 566. 8	2, 252. 6	2, 497. 1	3, 500. 4	4. 93
Less than 25 years	415. 7	171. 1	10. 1	35. 4	34. 6	22. 7	26. 3	20. 0	10 9	11. 1	228. 5	16. 1	4. 01
25 to 34 years	4, 417. 8	3, 303. 6	252. 9	564. 7	702. 7	527. 7	427. 2	530. 5	166. 3	131. 5	913. 6	200. 7	3. 95
35 to 44 years	6, 509. 2	5, 451. 2	465. 1	1, 014. 9	1, 114. 1	877. 2	693. 6	799. 3	296. 0	190. 9	561. 6	496. 4	3. 86
45 to 54 years	7, 256. 9	6, 248. 2	599. 2	1, 241. 3	1, 246. 7	1, 047. 4	664. 5	873. 2	271. 2	304. 7	383. 3	625. 4	3. 94
55 to 64 years	5, 748. 0	4, 874. 7	410. 3	881. 8	956. 5	720. 3	477. 5	706. 5	314. 9	406. 8	218. 1	655. 2	2. 80
65 years or over	6, 294. 0	4, 965. 0	281. 9	578. 5	578. 7	567. 5	444. 3	827. 7	495. 5	1, 190. 5	147. 1	1, 182. 0	8. 11
Not reported	503. 1	133. 5	14. 6	13. 1	22. 3	16. 1	13. 2	25. 7	11. 5	17. 1	44. 9	324. 7	6. 95
NORTHEAST													
Total	7, 099. 8	5, 951. 2	92. 6	472. 0	775. 5	834. 2	797. 3	1, 366. 0	674. 3	939. 3	466. 5	682. 1	6. 88
Less than 25 years	60. 8	27. 1	-	4. 5	2. 9	2. 7	10. 1	2. 7	-	4. 2	32. 3	1. 4	5. 09
25 to 34 years	952. 9	738. 8	9. 3	34. 5	99. 2	102. 0	112. 1	222. 9	83. 6	75. 1	176. 9	37. 1	5. 91
35 to 44 years	1, 516. 8	1, 316. 5	9. 8	105. 7	160. 2	180. 3	228. 2	350. 7	174. 6	107. 0	98. 2	102. 0	5. 62
45 to 54 years	1, 789. 8	1, 574. 2	35. 1	149. 7	263. 2	264. 9	220. 7	356. 8	129. 0	154. 9	89. 2	126. 4	5. 45
55 to 64 years	1, 365. 1	1, 193. 7	21. 8	116. 7	177. 4	177. 1	143. 6	257. 7	127. 6	171. 8	39. 0	132. 5	6. 70
65 years or over	1, 293. 0	1, 068. 8	16. 6	58. 3	71. 0	104. 3	78. 9	166. 0	153. 0	420. 7	21. 4	202. 8	11. 42
Not reported	121. 5	32. 1	-	2. 7	1. 5	2. 9	3. 7	9. 3	6. 4	5. 6	9. 5	79. 9	7. 83
NORTH CENTRAL													
Total	9, 369. 5	7, 775. 6	284. 0	1, 214. 6	1, 667. 4	1, 374. 9	904. 2	1, 169. 1	459. 7	701. 6	691. 7	902. 2	5. 06
Less than 25 years	142. 1	56. 0	3. 7	10. 9	11. 0	9. 8	6. 8	6. 9	4. 1	2. 9	80. 6	5. 5	3. 96
25 to 34 years	1, 401. 3	1, 086. 0	32. 1	163. 1	276. 8	194. 3	161. 6	180. 1	47. 9	30. 1	260. 9	54. 4	3. 88
35 to 44 years	1, 818. 7	1, 558. 8	65. 4	253. 2	394. 7	318. 1	213. 9	210. 7	56. 1	46. 6	143. 8	116. 1	3. 88
45 to 54 years	2, 125. 8	1, 867. 7	86. 4	352. 3	450. 2	387. 4	205. 3	248. 8	70. 3	67. 1	101. 4	156. 7	3. 93
55 to 64 years	1, 739. 4	1, 525. 0	58. 9	277. 1	355. 1	264. 9	153. 9	203. 6	97. 1	114. 4	45. 8	168. 6	4. 63
65 years or over	2, 035. 8	1, 644. 6	36. 3	155. 5	176. 6	192. 6	158. 7	309. 3	184. 0	432. 7	47. 4	343. 8	8. 57
Not reported	106. 3	37. 5	1. 2	2. 7	4. 2	7. 8	4. 1	9. 7	-	7. 9	11. 7	57. 1	9. 41
SOUTH													
Total	9, 334. 0	7, 089. 7	1, 517. 2	2, 106. 7	1, 423. 1	792. 0	424. 3	458. 2	165. 0	203. 3	819. 6	1, 424. 7	2. 88
Less than 25 years	139. 5	57. 7	6. 3	18. 8	17. 0	3. 9	2. 7	3. 6	2. 6	2. 6	73. 9	7. 9	2. 97
25 to 34 years	1, 286. 5	913. 7	197. 7	316. 9	219. 0	101. 9	36. 1	29. 2	6. 3	6. 6	288. 6	84. 3	2. 15
35 to 44 years	1, 923. 4	1, 543. 7	352. 1	519. 6	325. 8	180. 8	91. 9	46. 6	15. 3	11. 5	188. 8	191. 0	2. 22
45 to 54 years	2, 085. 0	1, 708. 7	434. 6	559. 6	334. 2	182. 0	76. 4	76. 4	21. 8	23. 9	119. 5	256. 8	2. 21
55 to 64 years	1, 739. 6	1, 365. 0	298. 9	389. 1	268. 5	125. 2	90. 4	108. 0	35. 1	49. 9	84. 9	289. 7	3. 00
65 years or over	1, 985. 9	1, 459. 6	215. 9	295. 0	247. 2	195. 7	125. 4	191. 7	81. 2	107. 6	50. 5	475. 8.	4. 65
Not reported	174. 1	41. 3	11. 8	7. 7	11. 4	2. 7	1. 4	2. 6	2. 6	1. 2	13. 6	119. 2	4. 68
WEST													
Total	5, 341. 4	4, 330. 8	140. 2	536. 4	789. 6	777. 7	621. 0	789. 6	267. 9	408. 4	519. 3	491. 3	5. 37
Less than 25 years	73. 3	30. 3	-	1. 3	3. 8	6. 3	6. 7	6. 8	4. 1	1. 4	41. 7	1. 2	5. 15
25 to 34 years	777. 1	565. 0	13. 8	50. 2	107. 7	129. 4	117. 4	98. 4	28. 4	19. 7	187. 2	25. 0	4. 45
35 to 44 years	1, 250. 3	1, 032. 3	37. 8	136. 5	233. 3	197. 9	159. 6	191. 3	50. 0	25. 8	130. 7	87. 3	4. 02
45 to 54 years	1, 256. 4	1, 097. 6	43. 2	179. 8	199. 2	213. 1	162. 2	191. 2	50. 2	58. 9	73. 3	85. 4	4. 46
55 to 64 years	903. 8	791. 0	30. 8	99. 0	155. 6	153. 2	89. 7	137. 2	55. 0	70. 6	48. 4	64. 4	5. 36
65 years or over	979. 3	792. 0	13. 2	69. 7	84. 9	75. 0	81. 4	160. 7	77. 7	229. 5	27. 8	159. 5	9. 07
Not reported	101. 2	22. 6	1. 6	-	5. 2	2. 7	4. 1	4. 1	2. 5	2. 5	10. 2	68. 4	5. 75

TABLE 4.—REAL ESTATE TAXES AS PERCENT OF INCOME BY INCOME, 1-HOUSING-UNIT HOMEOWNER PROPERTIES WITH PRINCIPAL OWNER 65 YEARS OF AGE OR OVER: 1971

[Number of properties in thousands. Data based on sample, see text. For meaning of symbols, see text]

U.S. regions	Total	Acquired before 1970	Real estate taxes as percent of income: Less than 1 percent	1 to 1.9 percent	2 to 2.9 percent	3 to 3.9 percent	4 to 4.9 percent	5 to 7.4 percent	7.5 to 9.9 percent	10 percent or more	Acquired after 1969	Not reported	Mean (percent)
Total	6, 294. 0	4, 965. 0	281. 9	578. 5	578. 7	567. 5	444. 3	827. 7	495. 9	1, 190. 5	147. 1	1, 182. 0	8. 11
Less than $2,000	1, 161. 7	932. 2	33. 4	54. 3	69. 2	63. 6	46. 5	124. 7	83. 9	456. 6	21. 7	207. 8	15. 78
$2,000 to $2,999	821. 8	685. 8	36. 1	40. 7	54. 7	61. 6	55. 8	107. 7	93. 2	235. 9	15. 2	120. 8	9. 45
$3,000 to $3,999	749. 1	639. 4	27. 0	57. 6	52. 4	71. 5	51. 6	117. 3	69. 6	192. 5	16. 8	92. 9	8. 01
$4,000 to $4,999	591. 0	516. 1	18. 6	53. 5	43. 7	51. 9	50. 2	102. 9	68. 9	126. 5	18. 2	56. 6	7. 32
$5,000 to $5,999	396. 8	358. 7	11. 9	46. 7	42. 2	38. 8	36. 5	74. 6	47. 4	60. 5	2. 4	35. 7	6. 20
$6,000 to $6,999	352. 6	317. 3	22. 3	52. 3	34. 1	32. 4	29. 8	73. 6	30. 7	42. 2	9. 4	25. 9	5. 79
$7,000 to $9,999	648. 2	584. 8	43. 0	71. 1	106. 4	78. 8	83. 0	98. 0	56. 7	47. 7	18. 7	44. 7	4. 81
$10,000 to $14,999	513. 1	486. 5	37. 1	95. 3	93. 2	70. 9	52. 8	86. 4	33. 3	17. 6	13. 6	13. 1	3. 93
$15,000 to $24,999	307. 9	288. 1	27. 1	64. 5	58. 2	59. 2	27. 3	32. 8	10. 8	8. 1	2. 7	17. 1	3. 32
$25,000 or more	166. 3	156. 0	25. 3	42. 5	24. 6	38. 8	10. 9	9. 7	1. 4	2. 9	6. 6	3. 8	2. 71
Not reported	585. 5	-	-	-	-	-	-	-	-	-	21. 8	563. 7	-

CONCLUSION OF MORNING BUSINESS

The ACTING PRESIDENT pro tempore. The time for morning business has expired.

UNANIMOUS-CONSENT AGREEMENT ON TREATIES

Mr. ROBERT C. BYRD. Mr. President, as in executive session, by direction of the majority leader and after having cleared the matter with the Republican leader, I ask unanimous consent that tomorrow, at the conclusion of routine morning business, the Senate go into executive session to consider Executive Calendar Order Nos. 8, 9, 10, and 11. I also ask unanimous consent that all of the four conventions be disposed of with one call of the yeas and nays, counting as four votes.

I further ask unanimous consent that it may be in order to order the yeas and nays on that vote at any time.

The ACTING PRESIDENT pro tempore (Mr. HATHAWAY). Without objection, it is so ordered.

FAIR LABOR STANDARDS AMENDMENTS OF 1973—CONFERENCE REPORT

Mr. WILLIAMS. Mr. President, I submit a report of the committee of conference on H.R. 7935, and ask for its immediate consideration.

The ACTING PRESIDENT pro tempore (Mr. HATHAWAY). The report will be stated by title.

The legislative clerk read as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 7935) to amend the Fair Labor Standards Act of 1938 to increase the minimum wage rates under that act, to expand the coverage of that act, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses this report, signed by a majority of the conferees.

The ACTING PRESIDENT pro tempore. Is there objection to the consideration of the conference report?

There being no objection, the Senate proceeded to consider the report.

(The conference report is printed in the House proceedings of the CONGRESSIONAL RECORD of July 28, 1973, at pp. 26526–26535.)

The ACTING PRESIDENT pro tempore. Time for debate on this conference report has been limited by agreement to 80 minutes, to be equally divided between and under the control of the Senator from New York (Mr. JAVITS) and the Senator from New Jersey (Mr. WILLIAMS), with 20 minutes on any debatable motion or appeal.

Who yields time?

Mr. WILLIAMS. Mr. President, the House and Senate conferees have spent 3 days in deliberations on differences between the minimum wage bill passed by both Houses. The efforts of the conferees on both sides were directed at resolving the differences between the bills in a manner designed to achieve the protections of the Fair Labor Standards Act for as many employees as possible in accordance with the Senate-passed bill, while insuring a sufficient time period for the effectiveness of new coverage which would enable industry to accommodate itself to new coverage over a period of years.

Mr. President, I believe the conferees have achieved the objective, consistent with the basic goals of the Senate-passed bill. Inasmuch as both Senate- and House-passed bills provided for similar wage rates with slightly different effective dates the major areas of differences were on the repeal of a number of minimum wage and overtime exemptions. It was in this area that the guiding line was that of the Senate bill—protection of workers. In almost all instances, particularly with regard to maximum hours protection, the conferees phased out or phased down the unlimited overtime exemptions in the current law.

I ask unanimous consent to have printed in the RECORD a brief analysis of the provisions of the conference report.

There being no objection, the analysis was ordered to be printed in the RECORD, as follows:

COMMITTEE ON LABOR AND PUBLIC WELFARE, PROVISIONS OF FAIR LABOR STANDARDS AMENDMENTS OF 1973 (H.R. 7935), AS REPORTED BY THE CONFEREES, JULY 26, 1973

(Senator HARRISON A. WILLIAMS, JR., Chairman)

I. MINIMUM HOURLY WAGE

For non-agricultural workers:

Covered before 1966 amendments—$2.00 1st year, and $2.20 after June 30, 1974

Covered by the 1966 and 1973 amendments—$1.80 1st year, $2.00 beginning July 1, 1974, and $2.20 after June 30, 1975

For agricultural workers:

$1.60 1st year; $1.80 beginning July 1, 1974;

$2.00 beginning July 1, 1975; and $2.20 after June 30, 1976

II. OVERTIME PAY REQUIREMENTS

No change from present law—1½ times the regular rate for hours over 40 in any work week.

III. MINIMUM HOURLY WAGE FOR EMPLOYEES IN PUERTO RICO AND THE VIRGIN ISLANDS

Employees making less than $1.40 per hour under the most recent wage order be increased 12¢ an hour annually from the effective date until they reach $1.40. Thereafter their wages are increased by 15¢ per hour each year until parity is achieved with the mainland minimum.

Employees earning $1.40 or more an hour, be increased 15¢ per hour each year after enactment until parity is achieved.

Employees newly covered by the Fair Labor Standards Amendments of 1973 other than commonwealth or municipal employees will have minimums set (but not below either 60% of the mainland rate or $1.00 per hour) by newly-appointed special industry committees. Upon the setting of such minimums, the raises for previously-covered employees go into effect.

Wage rates for Commonwealth and municipal employees are to be set by special industry committee.

Certain hotel, motel, restaurant and food services employees brought up to mainland minimum on the effective date of the amendments.

Subsidized agricultural employees will have their increases applied to their wage rates as increased by the subsidy.

IV. EXTENSION OF COVERAGE

Coverage of all Federal, State, and local government employees, except persons serving in the Armed Services and certain persons not in the competitive service. With regard to overtime, a special provision for a mutually-agreed-to 28-day work period is made for averaging overtime hours for Federal, State, and local law enforcement (including security personnel in correctional institutions) and fire protection employees. Scales down the non-overtime work period during a 28-day work cycle from 192 hours to 160 hours over 5 years.

Civil Service Commission will enforce provisions relating to Federal employees. Individuals or Secretary of Labor will have right of action to recover back wages against State and local agencies.

Coverage of domestic service employees including live-ins, for minimum wage purposes, except persons providing casual babysitting or companionship services. Non-live-in household service workers will be covered for overtime purposes.

Coverage of retail and service establishment employees working in all stores in a large chain, by phasing out the establishment test from $225,000 (effective July 1, 1974), $200,000 (July 1, 1975), exemption repealed after July 1, 1976.

500 man-day test retained for purposes of determining which farms are covered, but includes local seasonal hand harvest laborers in calculating the number of man-days.

Parents, spouse, child or other member of employer's immediate family are not covered employees in agriculture.

V. EXEMPTIONS

Minimum wage exemptions repealed for: motion picture theater employees, certain telegraph agency employees, logging and sawmill employees, employees in shade grown tobacco, employees in certain retail service or agriculture operations which are owned by a conglomerate.

Overtime Exemptions Repealed/Phased Out:

Seafood Canning and Processing Employees: 48 hours 1st year; 44 hours 2nd year; repealed 3rd year.

Telegraph Agency Employees: 48 hours 1st year: 44 hours 2nd year; repealed third year.

Food Service Establishment Employees: 48 hours 1st year; 44 hours 2nd year; repealed 3rd year.

Bowling employees: 48 hours 1st year; 44 hours 2nd year; repealed 3rd year.

Seasonal Industry/Agricultural Processing Employees: Effective January 1, 1974—limited exceptions for over 10-hour day/48 hour workweek.

For up to 14 workweeks (10 workweeks under certain conditions).

Effective January 1, 1975—limited exception for over 10-hour day/48 hour workweek.

For up to 10 workweeks (6 workweeks under certain conditions).

Effective January 1, 1976—limited exception for over 10-hour day/48 hour workweek.

For up to 6 workweeks (5 workweeks under certain conditions).

Provision repealed after December 31, 1976:

Hotel, Motel, and Restaurant Employees and Tipped Employees: Hotel, motel, and restaurant employees other than maids and custodial employees.

1st year—48 hours, 2nd year and thereafter—46 hours.

Maids and Custodial services employees in hotels and motels—to receive overtime after 48 hours—1st year; 46 hours—2nd year; 44 hours—3rd year; 40 hours—4th year.

Local Transit Employees: 1st year—48 hours, 2nd year—44 hours, 3rd year repealed.

Except for work performed in non-regular charter activities covered by prior agreements.

Nursing Home Employees: Overtime required after 80 hours in a 14 day period and 8 hours per day.

Oil pipeline Employees: Overtime exemption repealed.

Partsmen and Mechanics: Overtime exemption for partsmen and mechanics in trailers and aircraft repealed.

Overtime Exemptions Phased Down:

Cotton and Sugar Employees: Certain cotton and sugar services employees—limited exception for over 10-hour day/48 hour workweek; for up to 14 workweeks.

Certain cotton ginning and sugar processing employees limited exception (up to 14 weeks) phased down in workweek steps over a three-year period beginning January 1, 1974.

Creates New Overtime Exemptions for:

"Live-in" domestic service employees.

House parents for orphans—any employee who is employed with his spouse by a nonprofit educational institution to serve as the parents of orphan children and are compensated on a cash basis, at an annual rate of not less than $10,000, and receive w/o cost board and lodging.

Certain tobacco processing employees—exemption limited for over 10-hour day/48 hour workweek for up to 14 workweeks.

Salesmen at boat dealerships.

VI. MISCELLANEOUS PROVISIONS

Tip credit to meet the minimum rate retained at 50 percent of the minimum rate. The employer must inform each of his tipped employees of the provisions of the law regarding tipping. All tips received must be retained by such tipped employees, except that nothing herein shall prohibit the pooling of tips among employees who customarily and regularly receive tips.

Child Labor—Provides that children under 12 may not work in agriculture, except on farms owned or operated by their parents, or when farm is not covered by FLSA jurisdiction. Children 12 and 13 may work on a farm only with the consent of their parents. Children between the ages of 12 and 16 may work in agriculture only during hours when school district where employee living while employed is not in session.

Provides for a civil penalty of $1,000 for any violation of the child labor provisions of the FLSA.

Authorizes the Secretary of Labor to issue regulations requiring employers to obtain proof of age from any employee.

Student Certificates—retains present provisions of the FLSA. Expands student certificate program to include students employed part-time by educational institutions and those employed full-time during school vacations by such institutions, and permits up to 4 students in certain instances in retail service without regular pre-certification procedure and in educational institutions without regular pre-certification procedure.

Liquidated Damages—allows Secretary to bring suit to recover unpaid minimum wages or overtime compensation and an equal amount of liquidated damages without requiring written request of employee and even though the suit might involve issues not finally settled by the courts.

Mr. WILLIAMS. Mr. President, another area of difference concerned the employment of students at wage rates of 85 percent of the minimum. In this regard the Senate conferees agreed to a provision of the House-passed bill which permits retail and service employers to hire full-time students at 85 percent of the minimum without undertaking the regular precertification process. Furthermore, the House-passed bill contained a provision which made the carefully drafted exemptions under section 13 of the act not applicable to establishments which are part of a conglomerate entity. No similar provision existed in the Senate bill.

The Senate conferees were steadfast in their opposition and were only willing to agree to coverage of chain stores which are part of conglomerates and large corporate farms which are part of conglomerates for minimum wage purposes.

The conferees believe that in these two instances the conglomerate provision will insure the major corporate entities will not have an unfair advantage over smaller integrated businesses and over smaller farms based on lower minimum wage rates.

Mr. President, I believe the conferees have brought back to the Senate the most reasonable bill possible and urge the adoption of the conference report.

I would say, Mr. President, that this conference proceeded in the best possible fashion in terms of an orderly effort to arrive at the resolution of our differences. Certainly, on the Senate side of the table, we worked at the conference as we work through the whole committee process, with the greatest degree of cooperation among all members. There were differences, of course, through the committee process, on the bill among individual views on the Senate Committee on Labor and Public Welfare, but I can say that these differences were expressed conscientiously, and in the best way, and never with any acrimony but always with a respect for the other member's views.

For myself, as chairman of that committee, I find it always a pleasure to work on our committee business. Our adjustment to differences is good. We do not always succeed or have a unanimous opinion when we report a bill, but the spirit is the best. Then we come to the conference and I believe that this spirit follows through completely. As we work in conference with the conferees from the House of Representatives, there is the same basic spirit of respect and earnest efforts at accommodation of views held in deep conscience. This whole attitude, in my judgment, has produced legislation that will be historic and will be considered historic because of the new coverage in the bill, because of the guiding line that will take us to parity over a period of years in many areas where we have had a difference in scales and a different minimum wage approach.

So, after a period of years, the working people pretty much will be in parity when they come to the floor of coverage on the wages that they will receive. That is why I believe, because of the broadened coverage, because of the goals of parity that we will be reaching down the road in a few years, this year's legislation dealing with the minimum wage under the Fair Labor Standards Act is truly a historic part of the evolution of the progress of the working individual covered by this law.

This is an historic measure. The Senator from New York (Mr. JAVITS), the ranking member on the Committee on Labor and Public Welfare, and I worked side by side on the bill. We certainly have the best possible personal and legislative relationship. It is a pleasure to share the management of this conference report with my good friend, the distinguished Senator from the State of New York.

Mr. President, inquiring as to the time situation, there is 40 minutes on each side of this, I believe. The Chair announced that the time would be divided in management between the Senator from New York and the Senator from New Jersey. I would therefore ask, what is the time situation at this point?

The PRESIDING OFFICER (Mr. NUNN). The Senator from New York has 40 minutes remaining and the Senator from New Jersey has 26 minutes remaining.

Mr. WILLIAMS. Mr. President, I reserve the remainder of my time at this point.

Mr. JAVITS. Mr. President, I yield myself 5 minutes.

The PRESIDING OFFICER. The Senator from New York is recognized for 5 minutes.

Mr. JAVITS. Mr. President, if there is any opposition to this report, then I would wish to be sure that the opposition have the time and I will yield such of my time as would be required for that purpose. I wish to announce that to the Senate, so that the attachés may notify Senators accordingly; but it is the purpose of the Senator from New Jersey (Mr. WILLIAMS) and myself to make available half the time to any opposition to the conference report.

Mr. President, I believe that this is a well-balanced bill taking into account the progress of time and the exigencies of life and the general progress in the American standard of living. In all of those regards, if anything, it is 1 year past due.

We should have had this minimum wage bill last year, but because of the deadlock with respect to the so-called youth differential, we were unable to obtain it. So, for those who must consider whether it is time, generally speaking, to go to a $2 minimum, they should consider the fact that the $2 minimum was conditioned on a cost-of-living index, in round figures, which had increased by 20 percent or more—in the food sector, more than that, but over 20 percent more than it was since the minimum wage was last increased. So, in that regard, it is my profound conviction that the time has come to go to the $2 standard rate. This represents only a decent respect for the rights of man, this whole bill—a decent respect, I repeat, for the rights of man.

Under present conditions, to work 40 hours a week and to get $80, less income tax and social security tax deductions where they apply—simply reduces the individual receiving it to the poverty level and below. Indeed, many who will receive the minimum wage of $2 will still be fully eligible for welfare, food stamps, and so forth. Under those conditions, I say the basic rights of man demand this increase.

Second—and now I go to the question whether, as is widely stated everywhere, the President will veto this bill—I cannot conceive that the President of the United States would make that a decision before the Senate and the House act on the bill and before there was a very close and thorough examination of the bill in respect of its inflationary aspects.

Mr. President, whatever may be the dangers of inflation, they certainly are not going to be contributed to by establishing a basic and common decent wage for millions of Americans. Their purchasing power is not going to be increased to create major increased demand. It is simply going to be brought closer to a point where the government and welfare, and so forth, do not have to fill in for what the economic system should do.

In addition, the bill is internally extremely well balanced in terms of the phased increases for those who are covered following 1966, when there was a major revision, as against those covered before 1966, and in terms of the new extensions respecting those who are getting the minimum wage, who were heretofore in callings which were exempt from it, but where we have always pledged ourselves to progress in that regard, and we are making some progress.

The PRESIDING OFFICER. The Senator's 5 minutes have expired.

Mr. JAVITS. I yield myself 3 additional minutes.

Many of the difficulties relating to overtime, and so forth, have been resolved generally favorably to continuing a pattern which has heretofore been established, but with an eye—as we have always pledged ourselves—to phasing them out.

We have phased in coverage to those who work in retail establishments which are part of chain stores. We have even tried, in a definition which I worked out with Representative DENT in the other body, with the concurrence of all our colleagues, to introduce the element of the conglomerate—that is, the corporate conglomerate—where it economically showed a contribution to establishments which might otherwise be exempt and because of the edge in competition which the conglomerate unit might therefore have.

The one area of this bill, which I felt we might have gone further, yet I must in all conscience support the conference report—is the continued failure to completely prohibit child labor. We still have this illusion that the very young pick fruit or harvest crops and thus build up their character. This goes to the youngest kind of children, even those under 12. It is absolutely unbelievable to me that we still persist in this kind of illusion. We have done much, much better by the very young than we did before, but the fundamental principle is still embodied in this law—that for some reason or other, stoop labor, backbreaking labor, in 100-degree temperatures, is OK for kids under 12, provided their parents consent and they are not working on a farm which is covered by the minimum wage, and so forth.

I have waged this struggle for years. I shall continue the struggle to endeavor to make it a flat law, as it is in other callings, that in no calling—and agriculture is considered one of our most hazardous—children under 12 be in any way employed, with or without consent of their parents. We know, notwithstanding the universality of the love and care of parents for their children, that that is not true in every case; and that is why the State is around to protect these little bodies and minds against distortion and harm through being made to work when they really should not.

We have made, however, a major advance in respect of improving the child labor protection, by outlawing it on farms which meet the 500-man-day test under the law. That, at least, will stop the exploitation of children on a massive scale which has been permitted in agriculture up to now.

So I hope very much that the Senate, for the reasons I have stated, will approve the conference report, and that, in my judgment, for the most convincing humanitarian policy and economic reasons, the President, when he gets the bill, will not veto it.

Mr. President, I am prepared to yield time to the Senator from Ohio. I yield 10 minutes to the Senator.

Mr. TAFT. I thank the distinguished Senator from New York for yielding this time and for making any time that would be necessary available for the opponents of the conference report.

Mr. President, I oppose the approval of the conference report submitted by the Senator from New Jersey (Mr. WILLIAMS), distinguished chairman of the committee. As a member of the Senate conference committee, I have closely followed the deliberations of the committee regarding amendments to the Fair Labor Standards Act of 1938. But, along with all my Republican colleagues on the conference committee from the House, I could not sign the conference report, because I feel it is defective in a great number of ways.

I share the conviction that the conference committee expressed regarding the necessity of increasing the national minimum wage level. As I stated when the minimum wage legislation was before this body, substandard and exploitive wage practices should be eliminated.

At this time, however, I pointed out that there is a difference in philosophy involved here. As is pointed out in the minority views of the conference committee, submitted by Senator DOMINICK, Senator BEALL, and myself, we do not view the minimum wage law itself as being a proper or appropriate method of providing a level of family income. The Congress should get on various welfare reform proposals and other legislation suggestions regarding alleviation and reduction of poverty.

I believe that congressional efforts should be directed along those lines, rather than take the indirect and ineffective—as we have pointed out in the minority views—approach to the poverty problem by trying to solve it through the minimum wage law. It is more a matter, in the minimum wage laws, of considering the overall economic effect upon the country. Congress must consider the overall economic effect upon employment, and the very basic equity of the situation of those who are underpaid for the services they perform—who I believe are entitled to consideration.

I have, therefore, favored an increase in the minimum wage and submitted legislation with Senators DOMINICK and BEALL to provide an increase in the minimum wage to $2.30 over a 4-year period. Unfortunately, our proposal only received 40 votes, but I believe had many of my colleagues known of the action that the conference committee would take on the wage issue alone, they would have reconsidered their vote. The Senate conference committee members receded on the effective date that the minimum wage increments would take effect with the first two increments for the respective wage categories coming in 9 months, instead of 14 months, under the Senate-passed bill. This is completely unacceptable to the Nation's small business community and represents a total disregard of differing economic conditions throughout the country. Specifically, the conference report mandates a 60-cent increment for employees covered prior to 1966 over a 9-month period as the $2.20 rate will become effective on July 1, 1974.

Mr. President, let us take a look at the effect of this on the hypothetical case of a small business covered by the act. Suppose we have an employer, not within the $250,000 exemption, but one in a relatively small business. Let us assume he has five employees. The effect of this legislation would be as follows: Five employees is not a very big business at all. In many instances it is practically a family business. If the employees were covered prior to 1966 by FLSA they must receive by July 1, 1974, an added 60 cents an hour. That is an added $3 an hour to payroll cost. Let us assume they work 40 hours a week with no overtime at all, an assumption which is most favorable to the illustration I give. On the basis of the 40-hour week, with 5 employees we have 200 man-hours of work. Multiply the 200 man-hours by $3 an hour and an additional $600 is placed on the wage cost of that particular employer per week.

That $600 multiplied by 4 weeks would mean $2,400 or more in added payroll costs in a month. For a year, or 52 weeks, this comes to $31,200 of additional wage costs for this small employer.

Based on this example I think we can see here that this employer, and many other small businesses in this country, will have to do one of several things. Perhaps he will try to cut back on his space and try to squeeze the work of five employees out of four employees. Perhaps he will increase his costs, although he may be under the price freeze. Perhaps he will be forced to close. In any event, he has to make a very sizable, and perhaps adverse, adjustment.

I have not mentioned several other factors that will increase the effect on the smaller employers. One is added fringe benefits costs. The other I have not mentioned—the ripple effect. Let us review the ripple effect in the minority views. I quote from page 115 of the minority views:

> Senator Dominick asked the Labor Department for an estimate of the indirect "ripple effect" cost—the costs to employers of restoring existing wage differentials in industries affected by minimum wage increases. The response was that inadequate data exists to provide a reliable estimate. The Department did, however, provide estimates based on the assumption that all workers covered by the minimum wage provisions of the Fair Labor Standards Act would receive the same average wage increases as those received by employees actually affected by the increases proposed in S. 1861. The totals, as indicated in the chart below, were: 1973—$22.5 billion; 1974—$17.1 billion; 1975—$5.6 billion; 1976—$139 to $143 million.

Mr. President, at this time in the present state of our economy, the conference committee's action is going to add materially to the inflationary impact on the economy.

Mr. President, there are other factors in the bill.

For agricultural workers the wage structure reported by the conference report is also extremely unacceptable as it represents the largest percentage and dollars and cents increase in the minimum wage in the history of the FLSA for agricultural workers.

At a time when food costs are skyrocketing, it was inequitable for the conference committee to take the action it did in this area. I believe that the proponents of the conference committee's position may have to answer to the housewives of the Nation for their action on this point.

The conference report is also deficient in a number of other areas.

First, the Senate receded to the House on the question of overtime coverage for domestic service employees. Many questions were raised by the Senator from Colorado (Mr. DOMINICK) as to the practicality and desirability of covering domestic service employees.

In yielding to the House on the overtime question, I think that the Senate has made it difficult, if not impossible, really, to enforce this law, and I think also that it imposes a burden on those who employ domestic service employees.

The Senate receded to the House to continue to permit the employment of children under the age of 12 on farms. The distinguished Senator from New York (Mr. JAVITS) has very correctly stated that this provision should have been eliminated entirely. Yet I think the entire spirit of the conference was one of trading back and forth to accomplish the objectives of the bill. Perhaps too much trading.

The PRESIDING OFFICER. The Senator's 10 minutes have expired.

Mr. TAFT. Mr. President, I ask for an additional 2 minutes.

Mr. JAVITS. I yield 2 minutes to the Senator from Ohio.

Mr. TAFT. I thank the Senator from New York for yielding.

I think that in giving in on this point we are continuing a situation that certainly is not acceptable to me. I am not proud to have the Senate go along with the House insofar as this provision is concerned. It is not adequately improved, under the circumstances and I am hopeful that when the Senate comes back to this issue after a veto a strong stand on prohibiting children under 12 from working in agriculture will be taken.

Third, the Senate receded to the House on the question of the coverage of conglomerates, with a combined volume of sales of $10 million or more. Although the Senate did not accept the House position totally on this point, the modification struck in conference is extremely confusing, and it is unclear as to exactly what the effects of this provision will be.

I listened to what the Senator from New York said on this point. I would certainly welcome hearing from the proponents of the conference position as to who is and who is not covered in this amendment. What is the meaning, rationale, and equity, in the covering of some companies in this situation?

Another point that I particularly feel strongly about is the youth differential provisions. The Conference Committee position is totally unacceptable because they do not include nonstudents at all, and they have very weak provisions as far as full-time students are concerned.

In summation, many important factors were overlooked by the conference committee, with particular disregard to the inflationary pressures present in the economy. I believe the conference committee's action is economically irresponsible, inflationary, and in direct opposition to the economic stabilization program.

The PRESIDING OFFICER. The 2 additional minutes yielded to the Senator from Ohio have expired.

Mr. JAVITS. Mr. President, I yield 2 more minutes to the Senator from Ohio.

Mr. TAFT. I thank the Senator from New York.

Further, the lack of due consideration for the high unemployment rate of youth in this country represents a callous disregard of this most distressing national problem. Unfortunately, the conference committee's action in this area will no doubt block any immediate increments to deserving workmen and women of the country, because the President will be presented with a totally unacceptable proposal if the conference report is approved.

I therefore urge the defeat of the conference report.

Mr. WILLIAMS. Mr. President, I suggest the absence of a quorum, with the time to be charged to me.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, I would like to ask a question or so, as long as the chairman of the committee, the distinguished Senator from New Jersey (Mr. WILLIAMS), and the ranking Republican member of the committee, the distinguished Senator from New York (Mr. JAVITS), are on the floor.

What is the position of the Secretary of Labor vis-a-vis this legislation in relation to the possibility of a presidential veto, or what will his recommendation be?

Mr. WILLIAMS. Mr. President, I think most of the conversations with the Secretary of Labor have been undertaken for the committee by the Senator from New York. I will say to the Senator from Montana, the majority leader, that at our hearings on this legislation the Secretary of Labor did testify, and I found him stating a position that was generally in support of the provisions that are in the minimum wage legislation contained in the conference report. We heard the suggestion of the possibility of a veto, and because of that the Senator from New York did undertake several discussions with the Secretary of Labor. So he can give it to the majority leader right from the Department itself.

Mr. JAVITS. Mr. President, I ask unanimous consent that I may call for a quorum and that the time be charged equally to both sides.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. TAFT. Mr. President, before the Senator does that, I wonder if I may have a minute or two just to comment on the question raised by the distinguished majority leader.

Mr. JAVITS. If the Senator will indulge me, I would like to answer it first, because I think that is important.

Mr. TAFT. The Senator wants to defer it. That is fine.

Mr. WILLIAMS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. JAVITS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JAVITS. Mr. President, I yield myself 2 minutes.

The Senator from Ohio has properly raised the question of conglomerates, and I would suggest that Senators look at page 11 of the conference report, which sets out in text what we did.

What we did was to make the minimum wage, as it applies to retail establishments, et cetera, applicable to an establishment which would otherwise be exempt, but which is part of a conglomerate; and a conglomerate is defined as a group of establishments under common control whose annual gross volume of sales or business done is $10 million or more.

The point I made with respect to that—and that is the way it came over to us from the House—was that it should not be strictly applicable to any conglomerate, but it should be applicable where the establishment which is going to be under the law, which it would not were it not in a conglomerate, must have some interdependence with other units of that conglomerate which give it support.

Of course, the most evident type of support is financial support.

So all I wish to make clear for the record is that it is not every conglomerate which will thereby be covered. Only where the test is met—an interdependence of support as between the unit which is sought to be brought out from under the exemption because it is an element of a conglomerate and the other elements of that conglomerate.

From what we know, this whole provision will be very very limited in its application. Nevertheless, it opens the door to some coverage in the case of elements of conglomerates which would not otherwise be covered under the provisions of the law. And this particular provision applies only to minimum wage. I wish to make that very clear.

Mr. TAFT. Mr. President, will the Senator yield?

The PRESIDING OFFICER. The Senator's 2 minutes have expired.

Mr. JAVITS. Mr. President, I yield myself 2 additional minutes.

Mr. TAFT. I wonder if the Senator has made any study or has any information available as to what particular conglomerates would be covered and which would not be covered.

Mr. JAVITS. We have not been able to do that, obviously, within the time afforded.

We believe the cases, as far as we can see from the criteria, are not likely to be appreciable in number.

Mr. TAFT. I thank the Senator.

Mr. JAVITS. Mr. President, if I may yield myself 1 additional minute, the other matter of which I think is of great interest is the youth differential and how that was handled. There has been a lot of concern and discussion about that. We did make a fundamental change in the student differential. And that fundamental change, generally speaking, would make this differential available for retail and service employers for up to four students, under certain terms and conditions as stated in the report, free of any major paperwork, and so forth, which has been claimed to inhibit that kind of employment up to now.

I think that, considering the deadlock in which we were consumed all of last year, this change will be understood as a substantial concession by the Senate on this issue. I hope very much that within the context of the conference report, the Senate will proceed to approve the measure.

Mr. President, again, I ask unanimous consent that I might suggest the absence of a quorum without the time being charged to either side.

Mr. ROBERT C. BYRD. Mr. President, reserving the right to object, the only thing I am concerned about is that I want to be sure that we do not crowd the 30-minute period for debate on the Presidential veto message, which vote will have to occur at 3:30 p.m. today.

Mr. JAVITS. Mr. President, I withdraw my request.

Mr. DOMINICK. Mr. President, will the Senator from New York yield to me?

Mr. JAVITS. Mr. President, I yield 10 minutes to the Senator from Colorado.

Mr. DOMINICK. Mr. President, I was opposed to the original bill as it came out of committee, and as it passed the Senate. I am strongly opposed to the conference report, and I hope that the Senate will vote against it.

It is essentially the same bill that passed the Senate. It provides for the same excessive wage increases, but puts them into effect over a shorter period of time. If this bill is signed by the President—and I hope it will not be—the rate for most covered employees will go from $1.60 to $2 on October 1, or November 1, depending on whether the bill is signed during or after the August recess. The second increase, to $2.20 an hour, would go into effect on July 1 next year—8 or 9 months later. The Senate bill would have given employers a full year to try to absorb these enormous increases in wage costs.

Like the Senate-passed bill, the conference report extends overtime coverage to Federal, State, and local employees. I think this is an issue which will be back to haunt us. The potential cost to State and local governments of overtime coverage alone could be as high as $305 million a year, according to Labor Department estimates. The brunt of these costs would be borne by the South and local governments in rural areas in the North.

The provision of the conference report extending coverage to domestic workers is actually broader than the one in the Senate-passed bill. The Senate bill extended minimum wage coverage only, and did not include babysitters. The conference report extends both minimum wage and overtime coverage, and includes babysitters, except those employed "on a casual basis"—whatever that means. As the Secretary of Labor has emphasized, this will put many domestic employees out of work and onto welfare. There is no way we can increase the minimum rate for domestic employees to $2.20 in less than 3 years without putting many of them out of work. About 70 percent of them are paid less than $2.20. By covering babysitters too, the conference report will extend this effect to many working mothers.

The conference report indicates we can take consolation in the fact that domestic workers who would earn less than $50 per quarter are not covered. I wonder how helpful that is. That means, as I pointed out during debate on the Senate bill, that if we pay a teenager $5 to mow our lawn every weekend, he is covered—because he earns $60 a quarter—and we have to file monthly reports with the Wage and Hour Division of the Labor Department.

Although the conference report phases out several of the exemptions which would have been repealed immediately by the Senate bill, the end result is the same. The fact remains that many exemptions which were established by Congress for good reasons would be wiped out without regard to whether those reasons still exist. This is, again, as I said during the debate on the Senate bill, the business of acting first and studying later. It would seem that Congress is less concerned about small businessmen now than it was then.

In addition to the ultimate repeal of many exemptions, the conference report contains a so-called conglomerate provision which denies minimum wage and overtime exemptions to small retail service establishments and farms which are part of a conglomerate grossing $10,000,000 annually. "Conglomerate" is defined as "an establishment which controls, is controlled by, or is under common control with another establishment." I wish I knew what this means, and wonder if anyone else does. One thing is clear—it has the potential for greatly expanded coverage. The bill sets no minimum amount of diversification that is necessary before a firm loses its exemptions. One small nonconforming operation would cost the largest firm all its exemptions, since the firm would now consist of establishments lacking a common business purpose. Arguably, even a subsidiary set up to hold a firm's real estate would cost the company all its exemptions if it ventured into some ordinary realty transactions. The potential for expanded coverage is enormous in this regard.

The Senate bill contained a provision authored by Senator BUCKLEY which authorized the Labor Department to contract for a study regarding the effects of the minimum wage increases in this bill on employment. The thought was that since the potential disemployment effect of minimum wage increases is a very important issue, Congress would benefit from having access to carefully and impartially developed information about it.

Since the conference report does not contain this provision—in other words, it got wiped out—I can only conclude that organized labor—and a majority of the conferees—are afraid of or at least do not want this kind of information.

The conference report, like the Senate bill, does not attempt to lessen the impact of these wage increases on youth unemployment. Although it would improve the existing student certification program by extending it to educational institutions, and by removing the precertification and "historical experience test" requirements for firms hiring less than five students, it would do nothing about the ones who really need jobs today—teenagers who are not in school. Again, the unemployment rate for these teenagers is very high—about 15 percent. For nonwhite teenagers it is 31 percent. I think it is unfortunate that the bill fails to deal with this very serious problem. All we were asking with the substitute bill Senator TAFT, Senator BEALL, and I sponsored was that the youth rate be extended to 16- and 17-year-olds during their first 6 months on a job in order to give employers some incentive to hire them.

On this issue, it is a little ironic to observe how those who view themselves as forward-thinking and progressive argue vehemently to preserve a very unsatisfactory status quo. All we are saying with the youth differential is, "Look, we have a problem—an alarmingly high teenage unemployment rate which has broad and harmful social implications. Let us try to do something about it. Here is our proposal." But we were voted down as we all know. As legislators to whom the people of this country look for solutions to difficult problems, I think we should feel compelled to give this proposed solution a fair chance to stand or fall on its own merits. It would not cause any sudden disaster. It is not as if we would be making a decision which would be irreversible for all time. If, after enough evidence were in, it appeared to be ineffective, we would modify it or simply repeal it and look for something better. We should not just turn our backs on the teenage unemployment problem, as the Committee bill would, because it is not likely to solve itself.

Mr. President, I oppose this conference report for the same reasons I opposed the Senate-passed bill. I expressed those objections in detail during the debate on S. 1861, but let me just summarize them quickly again here in broad terms.

First, it will contribute substantially to inflation. And it could not come at a worse time. No better plan than the radical minimum wage increases and sweeping extensions of coverage it proposes could be devised to blow the economic stabilization program right out of the water. A lot of dust has been raised by the conflicting arguments on the inflation issue during this debate. But I think the proponents of this bill clearly have the burden of overcoming the strong presumption that minimum wage increases of 37.5 percent within 9 months for most nonfarm employees, and 69.2 percent in less than 3 years for farm employees, are not inflationary.

I am confident that when the dust settles, everyone will recognize that burden has not been carried. If a majority of my colleagues do not see it, they will be reminded soon enough by their constituents, who will be complaining about even higher prices for virtually every consumer product. They will also be reminded by small businessmen and farmers, who will bear the brunt of the considerable increases in labor costs.

I am opposed to this bill because it clearly will not do what its supporters say it will. They pronounce that it will put an end to welfare for the working poor in this country. As I have said earlier, this is an undeliverable promise which amounts to nothing more than a cynical joke on the poor. The minimum wage would have to be increased immediately to $2.65 per hour to raise the income of a family of six with one wage earner to the poverty level. The figure for a family of seven is $3.20. Forty-six percent of the working poor are members of families of six or larger. To them, the realization that this promise was totally undeliverable from the start will not be a very funny joke.

Worse than not delivering on promises to the poor, this legislation will actually harm them. Marginal workers who find themselves unemployed will wonder whether welfare is really a better alternative. They will have difficulty seeing why their morale and dignity should be boosted, as the proponents of this bill suggest. The only workers whose morale will be boosted are those who least need help—well-paid skilled workers with secure jobs. Due to the ripple effect from these large increases in minimum wages, they will receive disproportionate windfalls when, through the collective bargaining process or otherwise, previous wage differentials are restored.

Mr. WILLIAMS. Mr. President, I yield myself 1 minute at this point.

Just to clarify a situation that developed during the debate with the Senator from Colorado, I thought I heard him saying that the proponents of this conference report on the minimum wage bill have said that this would do away with welfare.

No one that I know of who advocates this $2 minimum wage bill, with broader coverage, and $2.20 a year later, has said it is going to do away with welfare. What we have said, and said repeatedly, is that anyone with $1.60 an hour right now, which is the current law, who is fully employed at 40 hours a week, will be grossing $64. After social security, his net, of course, is less. That is below the poverty level. These people are eligible for other assistance. When we raise an individual to $2 an hour, 40 hours a week, $80, and take away the deduction for social security, that individual, that working person, is just keeping his nose above the poverty level.

Rather than doing away with welfare, we will certainly reduce the need for working people to have to go on welfare.

Mr. DOMINICK. If the Senator will yield at that point to clarify the record——

Mr. WILLIAMS. Yes, I am happy to yield, but I want to make sure that I have enough time here, in order to yield to the Senator from Texas (Mr. TOWER).

Mr. DOMINICK. I shall take exactly 30 seconds. I want to point out to the Senator from New Jersey that in the report on essentially this same bill of last year, it said,

> In approving the ultimate stage increase, the committee acted to make the sight of the full time worker on welfare a thing of the past.

Mr. WILLIAMS. Well, I would say, if that is still not the goal and the sight of those who work in Congress, then I misjudge my colleagues. Certainly that is our goal. But $80 a week is just bringing the working man who has a family up to the poverty level. Then that leads us to the next argument that is made by some, that this kind of wage is inflationary.

Two dollars an hour, $80 a week, is inflationary?

It is impossible to make that stand up in any kind of economic analysis. Certainly it is destroyed in terms of any human analysis.

Mr. President, I now yield 5 minutes to the Senator from Texas (Mr. TOWER).

The PRESIDING OFFICER. The Senator from Texas is recognized for 5 minutes.

Mr. TOWER. Mr. President, I thank my colleague from New Jersey.

Mr. President, I do not find it necessary to discuss at length the substantive arguments on this issue since they were advanced during the debate on the substitutes offered by Senator FANNIN and myself and Senators TAFT and DOMINICK. While I feel strongly that our arguments were superior to those advanced by the proponents of S. 1861 we were unsuccessful when the time came to vote.

The conference report is basically the Senate bill. It is true that some of the overtime exemptions that the Senate bill sought to remove from the Fair Labor Standards Act are retained. Nevertheless, in most instances the Senate prevailed and the exemptions will be eliminated—in some instances immediately and in others within a year or two.

Some of the strongest objections to S. 1861 were lodged against the provisions relating to coverage of domestics and State and local government workers. State and local government coverage was included in the House bill and the House receded with respect to coverage of domestics.

As I read the conference report, it seems to me that the proponents in both the House and the Senate sought to camouflage the entire argument for youth differential. The conference agreed upon a restricted youth differential wage in retail and service establishments provided that no more than four full-time students are employed. Let me stress that the report only covers full-time students although evidence has been convincingly presented that the major problem concerns teenagers who are not students.

The proponents of this legislation rejected all arguments that the minimum wage has a detrimental effect on youth unemployment. Instead they prefer to spend millions of taxpayer's dollars on temporary jobs through such programs as the Neighborhood Youth Corps. Even if such programs are given the benefit of the doubt as to their success they can only assist a small minority of the teenagers who need employment. Permanent entry into the private sector without the appropriations of Federal tax dollars is far more beneficial. If the proponents of the bill fail to see any relationship between youth unemployment and the minimum wage I cannot understand why they would support this restricted youth differential.

If they feel that this will allow the issue or the problem to disappear I fear that they are incorrect. The problem will not disappear but instead will become worse, if that is possible, because of the enormous statutory increase in the minimum wage.

Mr. President, this brings me to my final point as I review this conference report. The Senate bill called for a $2 minimum 60 days after enactment, and a $2.20 minimum a year later. Due to the language in the House bill, the conference report calls for the $2.20 wage on July 1, 1974. Consequently, instead of a 14-month period as called for in the Senate bill, the 37-percent increase in the minimum wage, the largest monetary increase in the history of the Fair Labor Standards Act, will become effective in 9 months. Enactment of this legislation will have the most disastrous effect on small business in this country. By enacting this legislation we will in effect be encouraging economic concentration and the elimination of many small businesses which I would like to remind my colleagues are the backbone of our economy. We have enacted other programs recently to stem the tide of unemployment and inflation and to give new opportunities to become entrepreneurs and, therefore, have an ownership stake in our Nation's future. This minimum wage bill contradicts these other worthy efforts.

While it may seem politically unpopular at this time, I am confident that the President will veto this bill. I do not think he has much choice. In negotiations with the administration, congressional proponents of this bill did not seek to meet the President halfway. Now they are imploring him not to veto the bill. I do not feel such a plea is legislatively responsible, and I would suggest that the proponents of this legislation not be surprised when the President does veto this measure.

Mr. JAVITS. Mr. President, I suggest the absence of a quorum and ask unanimous consent that it not be charged to either side, unless the Senator from New Jersey (Mr. WILLIAMS) has other speakers.

Mr. WILLIAMS. Mr. President, I have no requests for speakers. The time will run out on the bill at 1:15, I believe.

The PRESIDING OFFICER. 1:13.

Mr. WILLIAMS. I join in the unanimous-consent request for a quorum call.

Mr. TAFT. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Ohio will state it.

Mr. TAFT. Mr. President, I thought the request was that the time be charged to neither side for the quorum call. There was no specific time for the vote, but 80 minutes was set for debate on the bill.

The PRESIDING OFFICER. The Senator is correct. Time would not be charged on the quorum call until it had been rescinded and then there will be time left for the Senator from New Jersey.

Is there objection to the request of the Senator from New York?

Mr. ROBERT C. BYRD. Mr. President, I would have to object, and I know that Senators will understand why, if I do object. The program today is so tight that if we are to allow the 30 minutes on both sides for debate on the Presidential veto, on which a vote will occur on 3:30 p.m. this afternoon, I am afraid we cannot, meanwhile, have any slippage in the time allotted for other matters.

Mr. JAVITS. Mr. President, I wish to assure the Senator from West Virginia that I did not intend to take more than 5 minutes. The question is, do we vote now or not at all, so that I would strongly urge that we be allowed——

Mr. ROBERT C. BYRD. I am sorry, but I would have to object to the time for the quorum call not coming out of either side.

Mr. President, I object.

The PRESIDING OFFICER. Objection is heard.

The Senator from New Jersey has 7 minutes remaining.

Who yields time?

Mr. WILLIAMS. Mr. President, the remaining time, as I understand it, is under my control?

The PRESIDING OFFICER. The Senator is correct.

Mr. WILLIAMS. I yield to the distinguished Senator from New York.

Mr. JAVITS. Mr. President, I would suggest to the Senator that as we have completed debate, we yield back our time and then have a quorum call. That is a matter of right.

The PRESIDING OFFICER. The Senator from New York is correct.

Mr. JAVITS. So I would again ask the distinguished deputy majority leader whether he would again object to a quorum call without the time being charged to either side, as there may be another Member turn up who may want a little time on the conference report. We have a few minutes left.

Mr. ROBERT C. BYRD. I could not object if Senators first yielded back all their time, because any Senator is then entitled to a quorum call and I would, therefore, not be able to object in these circumstances.

The PRESIDING OFFICER. The Senator from West Virginia is correct. Does the Senator from New Jersey yield back his time?

Mr. WILLIAMS. No.

Mr. JAVITS. Mr. President, will the Senator from New Jersey yield to me momentarily?

Mr. WILLIAMS. Mr. President, as I understand it, we are waiting for a definitive statement from the Secretary of Labor on his attitude about this bill and what he will do in urging the President to sign it. We have heard that the Secretary of Labor will urge the President to sign the bill and I gather we are waiting for the final definitive statement to that effect.

Mr. JAVITS. That is correct. If we do not have time to make it, it will defeat the purpose for which we sought the quorum call.

Mr. DOMINICK. The Secretary of Labor is not going to have this bill before him anyway. It will go down to the White House.

Mr. JAVITS. The Senator asked the question and I am proposing to answer it and I need a few minutes in order to be able to answer him.

Mr. DOMINICK. I am ready to vote now.

Mr. TAFT. Mr. President, will the Senator from New Jersey yield me 1 minute?

Mr. WILLIAMS. I yield.

Mr. TAFT. Mr. President, I do not know what the definitive message of the Secretary of Labor will be, but I feel that I should point out to the Senate that in the transcript of the testimony by the Secretary of Labor, he made a number of statements; one, he favored the schedule of increases which was very close to the Taft-Dominick bill rather than the schedule in the conference bill. He was against coverage for domestics. Against coverage for State and local employees. He specifically made the point that a youth differential of some type for nonstudents which is not in the conference bill was necessary.

So from the testimony he gave on the basic points, the Secretary came out quite differently from the conference committee action.

Mr. WILLIAMS. While that was his testimony on direct in our committee, I asked him whether he would accept the attitude of the Senate bill going to $2, and he did accept that.

Mr. JAVITS. Mr. President, we do not have to speculate about this matter. All I have asked is that we be given a short opportunity to enable me to make a statement on the subject. The difficulty with Senator BYRD's position on that is that there will not be any time left to make the statement if we yield back our time.

I repeat my unanimous-consent request that I be permitted to call for a quorum without the time being charged to either side.

The PRESIDING OFFICER. Is there objection?

Mr. ROBERT C. BYRD. Mr. President, reserving the right to object——

Mr. DOMINICK. Mr. President, I object.

The PRESIDING OFFICER. Objection is heard.

Mr. MANSFIELD. Mr. President, the Senator is aware that we have a pretty tight schedule for today. If the Senator would be willing to state what he thinks the Secretary of Labor's position is to the best of his ability, that would give us something to go on; because the distinguished Senator from Ohio has given his interpretation. The distinguished manager of the bill has indicated what he thinks the Secretary of Labor's position would be, but he deferred to the distinguished Senator from New York, because the latter had had closer contact in this matter with the Secretary.

Mr. JAVITS. Mr. President, when the majority leader asks me a question, I intend to answer it as authoritatively as possible. Therefore, if we are put in a box on this thing, fine. I will not answer the question until I can answer it definitively. I do not think that is fair to the Secretary of Labor; I do not think that is fair to me.

Therefore, if there is objection, that is fine. The Senator from West Virginia may have his objection; and, so far as I am concerned, I cannot make a statement, which may prejudice this bill or may not; or they may take it down. I just do not think that is the fair way to proceed.

If the Senator will yield me the time, I will use it, but I can make no statement on this issue. I think it is most regrettable that I am forced into this very embarrassing corner about it, for which there is no real reason. Nonetheless, if that is the will of the Senate——

The PRESIDING OFFICER. All time on the conference report has expired.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to proceed for 1 minute.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. MANSFIELD. All time has expired?

The PRESIDING OFFICER. Yes.

Mr. MANSFIELD. If the Senator would yield to me, I suggest that we set aside 5 minutes at a later time in the afternoon for the purpose of getting an answer to the question raised on the basis of the Senator's personal contact with the Secretary of Labor.

Mr. JAVITS. I thoroughly agree, and I thank the majority leader very much.

Mr. TAFT. Mr. President, reserving the right to object, I ask that at that time, so that the matter may be fully covered, I also be granted 5 minutes.

Mr. MANSFIELD. I would say the time would be divided between the two Senators.

Mr. JAVITS. That is fine.

Mr. ROBERT C. BYRD. Mr. President, reserving the right to object, I just want to say this: Under the agreement previously entered, we will vote on the override of the Presidential veto at 3:30 today. Under the same agreement, a total of 30 minutes are to be allotted to the two sides.

It is perfectly all right with me to wait until a later hour today to vote on the pending matter. However, if that is the case, I think we would have to agree that that vote would have to come after the Presidential veto vote. Otherwise, if it comes before, we are going to run the risk of cutting into the 15 minutes which have been allowed to each side for debate on that issue.

Mr. MANSFIELD. If the Senator would make that unanimous-consent request——

Mr. DOMINICK. I would object. I see no point in this whole thing. Whether the Secretary urges the President to veto it or not has no bearing on what we are going to do in the Senate. We should find out how the Senate is going to feel about it.

The PRESIDING OFFICER. The 1 minute has expired.

Mr. JAVITS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the distinguished Senator from New York be recognized for 1 minute, for the purpose of making a statement, with the understanding that he will share the time with the Senator from Ohio.

The PRESIDING OFFICER. The Senator from New York is recognized.

Mr. JAVITS. Mr. President, the Secretary of Labor said to me yesterday, and confirmed by his office this morning—not with him personally but by his office, Mr. Rogers, the assistant—

> I will recommend to the President that he sign the bill. I have no assurance or commitment he will do so.

Mr. TAFT. Mr. President, the Senator from Colorado (Mr. DOMINICK) and I have not received word from the Department of Labor on this point. We asked to be immediately informed of any change in the position taken by the Secretary, and we have not been so informed.

The PRESIDING OFFICER. The question is on agreeing to the conference report. The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. STEVENS (when his name was called). Mr. President, on this vote I have a pair with the Senator from Arizona (Mr. GOLDWATER). If he were present and voting, he would vote "nay." If I were permitted to vote, I would vote "yea." Therefore, I withhold my vote.

Mr. ROBERT C. BYRD. I announce that the Senator from Alaska (Mr. GRAVEL), and the Senator from Maine (Mr. MUSKIE) are necessarily absent.

I further announce that the Senator from South Dakota (Mr. ABOUREZK) is absent on official business.

I also announce that the Senator from Mississippi (Mr. STENNIS) is absent because of illness.

I further announce that, if present and voting, the Senator from Alaska (Mr. GRAVEL) would vote "yea."

Mr. GRIFFIN. I announce that the Senator from Arizona (Mr. GOLDWATER) is absent because of illness in his family.

The Senator from Utah (Mr. BENNETT) the Senator from Oregon (Mr. PACKWOOD), and the Senator from Pennsylvania (Mr. SCOTT) are necessarily absent.

The Senator from Illinois (Mr. PERCY) is detained on official business and, if present and voting would vote "yea."

The pair of the Senator from Arizona (Mr. GOLDWATER) has been previously announced.

The result was announced—yeas 63, nays 28, as follows:

[No. 364 Leg.]

YEAS—63

Aiken
Baker
Bayh
Bellmon
Bentsen
Bible
Biden
Brooke
Burdick
Byrd, Robert C.
Cannon
Case
Chiles
Church
Clark
Cook
Cranston
Domenici
Eagleton
Fong
Fulbright
Gravel
Gurney
Hart
Hartke
Haskell
Hatfield
Hathaway
Huddleston
Hughes
Humphrey
Inouye
Jackson
Javits
Johnston
Kennedy
Long
Magnuson
Mansfield
Mathias
McGee
McGovern
McIntyre
Metcalf
Mondale
Montoya
Moss
Nelson
Pastore
Pearson
Pell
Proxmire
Randolph
Ribicoff
Schweiker
Stafford
Stevenson
Symington
Talmadge
Tunney
Weicker
Williams
Young

NAYS—28

Allen
Bartlett
Beall
Brock
Buckley
Byrd,
Harry F., Jr.
Cotton
Curtis
Dole
Dominick
Eastland
Ervin
Fannin
Griffin
Hansen
Helms
Hollings
Hruska
McClellan
McClure
Nunn
Roth
Saxbe
Scott, Va.
Sparkman
Taft
Thurmond
Tower

PRESENT AND GIVING A LIVE PAIR, AS PREVIOUSLY RECORDED—1

Stevens for.

NOT VOTING—8

Abourezk
Bennett
Goldwater
Muskie
Packwood
Percy
Scott, Pa.
Stennis

So the conference report was agreed to.

Mr. JAVITS. Mr. President, I move that the Senate reconsider the vote by which the conference report was agreed to.

Mr. WILLIAMS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

REINVESTIGATION OF THE ITT TRUST CASE

Mr. TUNNEY. Mr. President, our political system has been victimized by a consistent and continuing conspiracy against the principles of decency and openness on which this Nation is founded.

This unrelenting pattern developed in the heated suspicions of the present administration; and, until the Watergate burglars were caught and the whole sordid story began to flood, it threatened to befoul our political system.

Now we have a 1972 White House memorandum that directly implicates the President in the arrangement of favorable antitrust settlements for the giant International Telephone & Telegraph Corp.

It suggests that perjury and coverup are a mainstay of White House policy.

This latest ITT memorandum involves the highest echelons of the White House and the administration in a fixup, coverup, lie-out-of-it scheme in which the public interest was traded away 2 years ago in discussions of a $400,000 contribution to bring the Republican Convention to San Diego.

The memorandum obliterates any legitimacy the settlements on behalf of ITT may have had.

In light of the memorandum and what it reveals about the inner, clandestine workings of the White House, I believe swift, uncompromising action is needed on two fronts:

First. I call on the Justice Department immediately to reinstitute its antitrust action against ITT and its subsidiaries, particularly the Hartford Fire Insurance Co.

Second. I call for a completion of the perjury referral I first demanded more than a year ago after all the inconsistencies and contradictions among witnesses during the confirmation hearings of Attorney General Richard Kleindienst. That referral should be made by Special Prosecutor Archibald Cox to the Senate Judiciary Committee no later than September 10.

The memorandum suggests that the ITT settlements were nothing more than a fraud on the public.

It indicates that ITT bargained with the understanding that $400,000 would be slipped under the table.

It makes clear that the fix was in.

The Watergate and Ellsberg burglaries, the buggings and the character assassinations, the plans to intercept mail and to firebomb the Brookings Institute put different threads in a single tapestry of deception and criminality.

Following the Kleindienst hearings a year ago, I won unanimous approval from the Judiciary Committee for a perjury referral that was to be completed in 1 month.

Well, it was not until the appointment of Mr. Cox early in this June that action finally got underway.

The Judiciary Committee called for the investigation, because of the conspicuous conflicts and contradictions among so many witnesses during the hearings.

I believe the evidence is now clear and that Mr. Cox can make a determination by the first of next month.

Unquestionably, blatant perjury has been committed.

This perjury, of course, is an affront to Congress and to orderly Government and to our laws.

The reopening of the antitrust case against ITT will frustrate any possible coverup of wrongdoing and will assure that the public interest, once again, is fully protected.

The Justice Department should undertake this immediately, and not drag its feet to the confining chains of possible White House interference.

By so doing, the Justice Department will reassert the independence and integrity that Americans expect of law enforcement.

By so doing, it will restore confidence and respect for our system of government.

Historically, the United States has been a nation of laws, and not lies.

Prosecutor Cox's and Senator ERVIN's meticulous and separate investigations will help restore that ageless standard.

The actions I set forth today, I believe, will further contribute to the restoration of pride and honor throughout our Nation.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States, submitting nominations, were communicated to the Senate by Mr. Marks, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session, the Presiding Officer (Mr. Brock) laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations received today, see the end of Senate proceedings.)

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Hackney, one of its reading clerks, announced that the House had passed, without amendment, the following bill and joint resolution:

S. 1887. A act to provide for the appointment of alternates for the governors of the International Monetary Fund and of the International Bank for Reconstruction and Development; and

S.J. Res. 144. Joint resolution to provide for a temporary extension of the authority of the Secretary of Housing and Urban Development with respect to the insurance of loans and mortgages, and for other purposes.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 8152) to amend title I of the Omnibus Crime Control and Safe Streets Act of 1968 to improve law enforcement and criminal justice, and for other purposes.

HOBBY PROTECTION ACT

The Senate continued with the consideration of the bill (H.R. 5777) to require that reproductions and imitations of coins and political items be marked as copies or with date of manufacture.

The PRESIDING OFFICER (Mr. Nunn). Under the previous order, the Senate will now resume the consideration of H.R. 5777, which will be stated by title.

The legislative clerk read as follows:

A bill (H.R. 5777) to require that reproductions and imitations of coins and political items be marked as copies or with date of manufacture.

The PRESIDING OFFICER. The pending question is on agreeing to the amendment by the Senator from Texas (Mr. Tower), on which there is a limitation of 1 hour's debate.

Mr. TOWER. Mr. President, I ask unanimous consent that the Senator from North Carolina (Mr. Helms), the Senator from Wyoming (Mr. Hansen), and the Senator from Tennessee (Mr. Brock) be added as cosponsors of the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOMINICK. Mr. President, will the Senator from Texas add me as a cosponsor?

Mr. TOWER. Mr. President, I ask that the Senator from Colorado (Mr. Dominick) be added as a cosponsor also.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOMINICK. Mr. President, I ask unanimous consent that I may suggest the absence of a quorum without the time being charged to either side.

Mr. ROBERT C. BYRD. Mr. President, will the Senator from Texas be willing to have the time charged equally to both sides?

Mr. TOWER. Mr. President, I ask unanimous consent that there be a quorum call, with the time to be charged equally to both sides.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. TOWER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. TOWER. Mr. President, my amendment is very simple. It simply says:

> In exercising the authority conferred by this section prior to September 12, 1973, with respect to the price level of beef, the President or his delegate shall permit the passthrough of increases in raw agricultural product costs incurred since June 8, 1973, on a dollar-for-dollar basis in the same manner and to the same extent as a passthrough of such increases is permitted in the case of meat and food products other than beef.

The need for this is apparent. The day I offered this amendment, there was this headline on the front page of the Washington Star-News: "Slaughtering Off; Plant Closed; Beef Shortages Worse."

We see this scare in the newspapers almost daily. Mr. President, I have here a number of news articles that point out the political situation in the beef industry. I ask unanimous consent that they be printed at this point.

There being no objection, the articles were ordered to be printed in the Record, as follows:

[From the Wall Street Journal, July 31, 1973]

Glover To Shut Packing Unit in Texas Due to Meat Prices

Roswell, N. Mex.—Glover Inc. said it is closing its Amarillo, Texas, packing plant this week due to problems created by the price ceiling on beef.

The plant, which employs 230 persons, will be closed "until things change," an official said. The company said it's also curtailing slaughtering operations at its other plants in New Mexico, Tennessee and Mississippi. The plants, which normally run at roughly capacity, are currently operating slightly over half capacity, according to the company.

In a lengthy telegram to President Nixon, the company called the price freeze on beef "self-defeating" and said it's producing a "serious economic strain on the industry" and the large number of workers it employs.

[From the Wall Street Journal, Aug. 1, 1973]

Cattle Slaughter Is Down; 37 Meat Plants Are Closed

The American Meat Institute says it has confirmed the closing of 37 meat-packing plants and it has found operations cut back substantially in 27 others, the Associated Press reports.

The closings and cutbacks have affected 4,800 employes. The continued freeze on beef prices is "seriously hurting these small companies," a spokesman says, estimating that "hundreds of them, maybe thousands of them" are suffering. The companies range from firms with 15 employes to those with 400 or 500 workers.

He says government figures show 79,000 head of cattle were slaughtered in the country on Monday—a 32% drop from the July 30, 1972, figure and a 23% decline from a week earlier.

Yesterday, Iowa Beef Processors Inc. said it was closing one of two remaining beef slaughtering plants in operation. Five others had been closed recently.

In New York City, most meat wholesalers decided to close today because of a lack of beef. A decision on reopening will be made on a day-to-day basis.

[From the Dallas Times-Herald, July 29, 1973]

Beef Shortage Critical for Dallas

(By George Wysatta)

The choice beef supply in the Dallas area has become so short that at least one major restaurant owner may have to close down his operations.

"Two packers that supply me called and said they couldn't deliver choice corn-fed beef this week," said Jesse E. Roach, owner of the Cattlemen's Steak Houses in Dallas, Forth Worth and Arlington.

"One packer, an out of state firm, said he couldn't supply anything at all. Another here in Dallas said he could only deliver U.S. Good, which is grass-fed.

"I don't want to close, but I may have to," Roach said. "But I have only enough meat to last a week maybe."

And, the picture painted by meat suppliers is not encouraging.

"We have only 1,200 pounds on hand," said Steve Kamenoff, president of K & K Meat Co. "Our suppliers won't promise us anything. I spent $200 last week on long distance telephone calls and came up with only 200 pounds of meat."

Kamenoff said his company supplies approximately 100 customers, 25 of them choice beef users.

"I expect several restaurants to close," he said. "If they don't lift the ceiling price we are in bad shape."

He said if his company doesn't get meat this week several employes will be laid off.

David Wamstad, national sales manager for Twin City Meats, a firm supplying top grades to several area restaurants, said, "It doesn't look like I'll supply them this week."

He said there were no guaranteed orders.

In addition to the beef price freeze, Wamstad also blamed the exportation of cattle and high feed costs on the shortage.

"The Japanese are buying up our beef by the carload because of the devaluated dollar," he said. "They get $6 a pound for steaks there.

"Corn for feed has jumped from $1.50 to $3 a bushel and some producers are selling the cattle off feed lots before they are ready because of the cost of feed," he said.

Bill Beckel, head of Beckel Meat Co., said the shortage "will be more critical."

He said one of his suppliers in Amarillo has closed down and others are cutting down or ceasing slaughter operations.

He said many breaking operations have stopped and the carcasses are delivered direct to supermarkets for breaking there.

"All hotel suppliers are running out of meat," he said. "In the next week or two it won't be available."

He said he expected blackmarketing operations in meat to crop up.

"They already have them on the East coast," he said. "I expect it here in a week."

Joe B. Neuhoff, vice president of Neuhoff Brothers Packers said, "Pressure has got to be put on Washington to get these ceilings off or there won't be any beef at all."

He said their killings have been reduced and choice steaks are limited. He said he had indications several midwest suppliers would cease operations in the coming week.

One meat company official said most orders were being "shorted," and that U.S. choice beef has just about disappeared.

"When a producer knows he can make money in September, why not hang on?" he said.

Jack Park, part owner of Bavarian Steak House, said he had no indications of a shortage of choice meat from his suppliers.

"There's no problem this week, but there may be next week," he said. "Maybe we'll have to start serving only fish."

Jim Wade, manager of Arthur's, 3701 McKinney, said his restaurant's meat came from New York and he had no word of shipments being stopped.

[From the Dallas Morning News, July 26, 1973]

Texans, Stung by Freeze, Close Beef Packing Plants

Beef packing plants and slaughter houses which supply as much as half of the nation's red meat closed down and drastically curtailed production across Texas Wednesday because of Phase 4 economics which left them in a multi-million dollar squeeze.

"There will be huge beef shortages at the retail level beginning Monday," said Lamar Holley, executive director of the Texas and southwestern meatpackers association.

"It's an impossible economic situation and simple mathematics clearly show that you cannot stay in business paying more for a product than you can legally sell that product for."

Packing plants, both big and small, shut down and cut back as much as 90 per cent in Dallas, Houston, Brownwood, Amarillo, Alice, Hereford and San Antonio. Those who remained open said they were doing so on a day-to-day or week-to-week basis.

Kay Packing Co. of Houston closed Monday but is continuing to slaughter for private individuals. Mickleberry Meat Co., also of Houston, plans to close Friday.

"Our beef slaughter is definitely on a week-to-week basis," said Franklin Roth, vice-president of Blue Ribbon Packing Co., in Houston. "The more cattle we process, the more money we lose. Starting next week it will really show up in the supermarket. It is really going to be a critical situation."

Holley said the removal of the beef ceiling price scheduled Sept. 12 will result in drastic price increases.

"If beef ceilings had been removed last week there would have been a slight increase (in prices)," Holley said. "A large increase could have been expected after two more weeks, but there will be an explosion after September 12."

Cattle raisers, who are free to hike beef prices under Phase 4, are caught in a trap similar to that of farmers in the pre-phase 4 guidelines.

"The farmer has two alternatives," Holley said. "He can now sell at a price which the packer can pay, and that's very unlikely because he would be selling at a loss. Or, he can wait until September 12."

Beef producers who wait for the lifting of the restrictions, however, face the costs of continued feeding and fattening of their animals.

Pork prices skyrocketed this week with the lifting of controls and the beef outlook was even worse. Sirloin steak at up to $5 a pound was forecast by Holley with possible new protests from housewives.

If the closing of packing plants results in a beef shortage, housewives and other shoppers, he said, could picket for the availability of beef—the same product they boycotted because of "high" prices last year.

Holley said nearly half of the nation's beef is slaughtered within a 200 mile radius of Amarillo in the Texas Panhandle.

"These plants are drastically curtailing their activities and face imminent shutdowns because they just can't sustain losses," he said. "If you have a plant that kills 5,000 animals a day on three eight-hour shifts and they're losing $8 a head, that's $40,000 a day in losses in that plant."

[From the Dallas Times Herald, July 26, 1973]

Texas Packers "Phased" Out

(By Steven R. Reed)

The profit and loss mathematics of slaughtering cattle for market under Phase 4 economic controls has chased numerous Texas meatpacking and slaughter houses out of business and caused most others to cutback their production.

The multi-million dollar squeeze among the plants which produce one-fourth of the nation's red meat, according to the Texas and Southwestern Meatpackers Association (SMA), could produce beef shortages before restrictions are lifted Sept. 12.

"There will be huge beef shortages at the retail level beginning Monday," TAMA executive director Lamar Holley predicted flatly Wednesday. "It's an impossible economic situation."

Bob Stark, formerly general manager of the Kay Packing Co. of Houston which closed last week, provided the statistics, at least for his operation.

He said under Phase 3, which was left in effect for beef only under Phase 4 until Sept. 12, their company could not sell cattle for more than 74 cents per pound. However, he said the company's initial cost was 79–81 cents per pound and it would rise to about 82 cents per pound.

"So the ceiling price to the initial selling costs means a loss of about 8 cents a pound," he said. "We kill 450-pound animals and that 8 cents a pound is a $36 net loss to start with.

"The owners don't think they can open back up because they have taken such a loss in May, June and July—a $78,000 loss."

A UPI survey showed packing plants, both big and small, down and cut back by as much as 90 per cent in Dallas, Houston, Brownwood, Amarillo, Alice, Hereford and San Antonio. Those who remained open said they were doing so only daily, or weekly.

One of the largest plants to announce its closing Wednesday was Armour and Co. in Brownsville, which had processed 1,000 head of cattle per week for shipment to Texas, Louisiana, Mississippi and Alabama.

"Armour Food Co. will close its beef plant here this weekend for an indefinite period due to the price squeeze between price ceilings and the free market for live cattle, said manager Dave Terry. "The plant will be dark beginning Monday. We will resume work just as quick as the freeze ends."

The plant employs 60 persons and has been in operation 15 years. A larger Armour plant in Houston shut down four months ago.

Franklin Roth, vice president of the Bue Ribbon Packing Co. in Houston, said his plant's beef slaughter was on a week to week basis.

"The more cattle we process, the more money we lose," Roth said. "Starting next week, it will really show up in the supermarket. It is really going to be a critical situation.

Cattle raisers were left free to hike prices under Phase 4, but packing plants and slaughter houses were held under the price ceiling, leaving the industry in the squeeze.

"If beef ceilings had been removed last week, there would have been a slight increase in prices," Holley said. "A large increase could have been expected after two more weeks. But there will be an explosion after September 12."

"The farmer has two alternatives. He can now sell at a price which the packer can pay, and that's very unlikely because he would be selling at a loss, or he can wait until September 12."

Holley predicted a feeling of outrage among housewives much like the one which resulted in the beef boycott.

[From the Wall Street Journal, July 30, 1973]

As Beef Supply Shrivels in Supermarkets, Many Consumers Buy Up What's Available

"I got angry. Then I got frightened. Then I bought extra meat."

So a shopper in surburban Hastings-on-Hudson, N.Y., reacted this weekend to a cascading series of events that was shriveling up supplies of meat available for sale in U.S. retail stores.

The chain read something like this:

Under President Nixon's Phase 4 restraints, the price of beef remains frozen until Sept. 12. But many packers contend they can't process the meat at going prices without taking a loss, so some are temporarily closing their doors.

With less beef being processed, some supermarkets are unable to stock their meat coolers as they normally would. Some post signs of apology. So shoppers, fearing worse shortages, grab up what is available, further aggravating the tight supplies.

"It's unbelievable, it's sad, it's pathetic," observed Ziggy Gorson, owner of Ziggy Gorson's Beef Village USA in Wilmington, Del. His freezer, he said, can hold six carloads of beef, but by Friday afternoon it was just about bare.

BORROWED TO BUY MEAT

"Let me tell you, my friend, I know these people, and I've talked with them, and they tell me they've borrowed money and taken money out of their savings accounts just to buy meat," Mr. Gorson said.

But while some consumers are buying more, some packers are processing less.

Flavorland Industries Inc., formerly Needham Packing Co., suspended beef slaughtering in Sioux City, Iowa, last Tuesday and stopped similar activities at Omaha, Neb., and West Fargo, N.D., on Friday afternoon. James R. McDonald, president and chairman, blamed the government's price controls, and said the company wouldn't be able to resume production until the government allows the industry to pass on added costs.

Wilson & Co., 88% owned by LTV Corp., said in Oklahoma City it has reduced its beef production 30% because of the situation. "To date, we haven't had to resort to plant closings, and our layoffs have been limited," the company said. But it added that the packing house may have to take "more drastic action" if the present shortage continues.

According to the Associated Press, the Kansas Beef Industries packing plant in Wichita will close today, idling nearly 500 employes.

SOME GO TO COURT

In San Francisco, some beef companies went to federal district court to seek an end to the beef price freeze that was putting the industry in its economic bind.

The Pacific Coast Meat Jobbers Association, a group of more than 80 Northern California beef wholesalers, jobbers and packers, contended the government freeze on beef was "arbitrary and capricious" and will result in "gross inequities, hardships, serious market disruption and domestic shortage of raw material."

In a request for an injunction against the beef price freeze, the jobbers argued they were unable to obtain beef at prices that would permit them to process and sell it within the ceilings without taking a "substantial loss."

The court is expected to hear arguments this week for a preliminary injunction against the government move.

Another appeal for the government to reverse itself came from the American National Cattlemen's Association in Denver. "Unless controls on beef are loosened, artificial beef shortages will become more acute and black markets will intensify," the group averred.

Agriculture Secretary Earl L. Butz, in an AP interview, contended in Washington, however, that "there isn't any shortage of beef." He said "the animals are out there. They're going to be coming in."

"BLACK MARKETS" APPEAR

But he allowed that "some spotty black markets" were beginning to appear in the meat industry, in small slaughtering operations near the point of production that bypass normal distribution channels.

And he also conceded to the AP that "the word has gotten out about possible beef shortages" and this has "induced a lot of housewives to buy ahead so that they won't get caught short."

For some shoppers, though, it may already be too late to stock up on beef to last until the price freeze on beef runs out in another 6½ weeks.

By early Saturday afternoon, one large supermarket in Dobbs Ferry, N.Y., a New York City suburb, had only about one-third of its normal meat supply, and there wasn't any lamb or chicken in sight.

SUPPLIES ARE "AWFULLY TIGHT"

In Atlanta, a spokesman for Colonial Stores Inc. said supplies are "awfully tight." The chain "will have beef in the stores this week but we aren't sure we'll have all the cuts."

Borman's Inc. asserted in Detroit: "There's a very real possibility we won't have any beef" this week.

First National Stores, a Boston area chain, "could be dry by next weekend," its chief meat merchandiser said. Cuts likely to be hardest to get, he said, will be chuck roasts, rounds and rumps, but ground beef should be in good supply.

"We're going to have a hell of a time," said John A. Godfrey, president of Godfrey Co., a 78-store food chain based in Waukesha, Wis. "One of our better sources just called to say they'll be closed all this week and they gave us the names of at least 10 other suppliers who will be closed too," he said. Beef will be coming in "just in dribbles," he stated.

Mr. TOWER. Mr. President, what is happening at this point is that it has been contended by some in the administration that if we wait until September 12, then the cattle will be held off from the market until that time and they will then come back onto the market and that they will come back in vast numbers because of the cattle being held from the market at this time and that they will come on at a very stable price.

This is a very naive idea. The fact of the matter is that these ranchers are not going to keep these cattle in the lot. They are not going to pay for the feed. They are going to try to get rid of them and will do so by various means. Some are going to Japan now. Some are being bought in the Midwest, shipped to Canada, processed there, and then shipped into this country at import prices.

So, what will happen is that, at the end of this period that the administration has arbitrarily set, there will be, I think, a virtual explosion of the price of beef, and there will still be shortages.

What they are doing here is apparently trying to induce shortages in beef.

It is my contention that the housewife would rather pay for the beef at her supermarket, whatever the cost is, and have it on her table than have it completely under controlled prices and have to buy it in a black market or at import prices that are even higher than if beef were given the same pass-through treatment that other livestock products and other produce are.

There is absolutely no relief in sight from the administration. Therefore, we have to act in Congress.

Mr. President, this article came over the wire today:

In Washington, Cost of Living Council Director John Dunlop said today he has not changed his mind about ending the beef price freeze before Sept. 12.

Dunlop's statement came despite hints by Agriculture Secretary Earl Butz that he would like to end the freeze early.

"My mind is in no way changed," said Dunlop, whose Council is responsible for administering the economic controls. The June 13 freeze on most items comes off Aug. 12 but it was kept on beef until Sept. 12.

James McLane, the Council's Deputy director, said 45 to 47 beef slaughterhouses had closed down and there were production slow downs and employee layoffs at 46 other slaughterhouses.

In a separate report, the Agriculture Department said beef production slumped again Wednesday and was about 44 per cent below the level of a month earlier.

Herrell Degraff, a meat industry representative, said "Mrs. Housewife" may soon find that to buy a seven pound roast she must pay for 10 pounds, and her porterhouse steak will have a three-inch tail of fat.

Mr. President, this is a situation we cannot tolerate. If any economic planner thinks he is doing something to help the consumer by not applying the pass-through to beef, he is sadly mistaken.

Shortages are being precipitated. We have had reports from hospitals that they fear adequate beef supplies are in jeopardy. American Meat Institute confirms the closing of 37 plants and found 27 others that have substantially cut back; 4,800 employees have been affected by the cutback and closing.

Slaughter is off by some 32 percent from a year ago and even then adequate beef supplies were uncommon.

Nearly one-half of the Nation's beef is slaughtered within a 200-mile radius of Amarillo and these plants have drastically cut activities.

Restaurant operators have indicated that the shortage is so severe that many may have to cease operations.

We can think for a moment of the tremendous impact this could have on small business, small restaurants, or even the big restaurant chains, such as McDonald's, Hardee's, or some similar establishments that cannot get meat. These places will have to be closed. They operate for the public convenience. They employ a great number of people. We will thus precipitate unemployment if this situation is not rectified.

Not only is there a shortage of more expensive cuts of beef but hamburger is becoming scarce.

This is only August 2 and there will be 41 remaining days under control if present regulations are not changed.

Mr. President, this is an urgent matter. It is a matter that we should deal with here today and one that I think, if the amendment is agreed to, the House would accept. They are just as conscious over there as we are here as to the crisis that exists in this food product.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. TOWER. I yield.

Mr. PASTORE. Mr. President, is the Senator from Texas actually saying that if the cattlemen were to release their beef now under the present prevailing system, under the controls of the administration, they would lose money?

I can understand that once the price control goes off, September 12, the prices will skyrocket. However, am I led to believe that in the meantime if beef is released, the cattlemen will be forced to sell at a loss?

Mr. TOWER. The Senator is correct.

Mr. PASTORE. Perhaps they will not make a profit. However, they will not lose money.

Mr. TOWER. No; this price increase cannot be passed through. They would release their cattle if they could make money out of it. However, when they get through with the cost of finishing a steer, then they would have to sell it or dispose of it at a loss.

Mr. PASTORE. Does not the administration know that?

Mr. TOWER. Apparently Mr. Dunlap does not know it.

Mr. PASTORE. Then he ought to be relieved of his job. He ought to be fired if he does not know that.

Mr. TOWER. Mr. President, I cannot comment on that. I do not do the hiring or the firing.

Mr. PASTORE. Mr. President, the administration has chosen to handle this matter in the public interest and in the interest of the consumers. Yet, we are saying today that the people who have been delegated to do this work do not know their jobs.

Mr. TOWER. Mr. President, I say that they are making an error in judgment. They are well-motivated men. However, I do not think they fully understand the beef industry.

Mr. President, I ask unanimous consent that the names of the Senator from Georgia (Mr. NUNN) and the Senator from Wyoming (Mr. MCGEE) be added as cosponsors of my amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. President, I yield 3 minutes to the Senator from Kansas.

Mr. DOLE. Mr. President, I think that the Senator from Texas has outlined the problem very well. I point out that in an earlier amendment that was agreed to, cosponsored by the Senator from South Dakota (Mr. MCGOVERN) and me, and which is now part of the farm bill, there is this authority and direction to permit a passthrough. If that measure should become effective, then I would hope that the administration would act.

Mr. President, American consumers, along with the producers and processors of one of the most important foods in this country, face a critical situation today.

Slaughterhouses, packing plants, butcher counters, and family dinner tables across the country are being stripped of beef under a stupid, erroneously unfair and damaging price control policy.

The announcement of the phase IV economic policy on July 19 revealed that after the end of the current general price freeze beef prices and beef prices only—out of all the millions of other food and nonfood items—would remain frozen until September 12.

This announcement was greeted with shock, dismay, and disbelief by those who had been aware of the pressures which the phase 3½ freeze had placed on beef supplies and production. It was almost impossible to believe that the cattle and beef industry was to be discriminated against in this way.

First, this policy is clearly unfair. Why should one product and one food industry be singled out over all the others for a freeze on prices—especially in light of the tremendous cost increases it has been forced to absorb in recent months?

Second, to put it bluntly, this policy is stupid. It just does not make sense on any grounds. Its primary effect is to disrupt, dry up, and bulge beef supplies as September 12 approaches. Thus, the policy does not help consumers, for they gain nothing by a price freeze on the round steak or hamburger that the butcher does not have in his cooler to sell them.

Third, the continued beef price freeze is damaging to the entire country. It has already forced many packinghouses to close, thus costing thousands of workers' jobs and raising serious questions about these plants being able to rehire skilled workers when they go back into operation.

I heard the Senator from Texas explain how many packing plants had closed, and I know there have been a number that have closed in my State of Kansas. Many beef wholesalers are also shutting down, at least on a partial basis, and their employees are feeling the impact as it affects their jobs. And at the retail level butchers are finding that the availability of their largest selling meat is quickly declining. So the consumer is being forced to turn to meat substitutes or to other meats—some more expensive than beef and none of them under any price controls. I doubt very seriously that the average housewife thinks she is being done any favors—especially since the freeze and scarcity of beef have driven poultry prices from 41 cents to 71 cents per pound and pork from 76 cents to $1.08 per pound in just 2 weeks.

I do not often quote the New York Times, which is certainly not any great champion of the farmer or cattleman in most debates on public issues. In fact it was not long ago that the Times was crying for a 90-day freeze on everything. But the Times put the matter very well in an August 1 editorial. It said:

> It makes little sense to keep the freeze on one food product and let the others go, especially when the result is a disruption in normal supply, job cutbacks . . . and considerable inconvenience to shoppers. It is not exactly a tragedy to be without beef for a while; but since there is not really any public benefit to be derived from the present situation . . . the government would be well advised to take beef prices out of the deep freeze.

"Not really any public benefit"—that phrase clearly sums up the phase IV freeze on beef prices. It is not a matter of one special interest being favored over another one or over the public interest. Rather, it is a case of a policy doing nothing constructive for anybody.

I certainly claim no credentials as an economist, but it only takes a nugget of commonsense to recognize the futility and nonsense of this policy. And I believe it clearly points up the risk involved whenever a know-it-all Government starts meddling with the basic supply-and-demand structure of our free market economy.

I have been highly concerned that the various phases of wage and price policy would be harmful to American agriculture. The farmer is tied to the free market system, and he depends on it to determine what he will produce and the prices he will receive. He is in a very true sense a captive of the market system.

Some weeks ago, I joined the Senator from South Dakota (Mr. McGOVERN) in offering an amendment requiring the Secretary of Agriculture to assure adequate, steady supplies of all agricultural products for consumers by allowing price adjustments for agricultural commodities under price controls whenever such supplies were being threatened. I am pleased that this amendment is part of the new farm bill.

This bill is expected to receive final congressional approval tomorrow and be cleared for the President's signature.

The amendment of the Senator from Texas (Mr. TOWER) deals specifically with the beef supply situation. It will put beef on the same basis as any other meat or food product by allowing a dollar-for-dollar passthrough of increased costs. It would end the freeze before this policy inflicts lasting damage on the entire country.

I believe it is unfortunate that we in Congress must take such action on a single aspect of national economic policy. It would be far better if those who formulate these policies would consult with and heed those—if not in Congress, then at least in the Department of Agriculture or the private sector—who do understand and who do realize how our food production system works. It is not a system which can be tinkered with like a model train or turned on and off like a fire hydrant. Farmers know this, beef processors know this, and millions of other Americans are learning this as hamburger becomes an endangered species in the supermarket.

I urge the adoption of this amendment. It will relieve the current price freeze stranglehold on beef supplies. And it might act as some notice to the Nation that Congress, at least, can recognize a worthless policy and act to end it.

Mr. President, I yield back the remainder of my time.

MODIFICATION OF AMENDMENT 451

Mr. JACKSON. I yield myself such time as I may require.

Mr. President, I ask unanimous consent that section 102 of amendment No. 451, as adopted by the Senate yesterday, be further amended to correct a possible ambiguity in the definition of "independent marketer or distributor." I send my amendment to the desk.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

Amendment to Amendment 451.

On page 2, line 22, strike all of subsection 102(1) and insert in lieu thereof the following:

"(1) The term "independent marketer or distributor" means a person who is engaged in the marketing or distributing of branded or unbranded refined petroleum products."

The PRESIDING OFFICER. Is there objection? Without objection, the Senate will proceed to its consideration.

Mr. JACKSON. It has been called to my attention that the definition as agreed to, when read in the context of section 103, is subject to a possible interpretation that conceivably might construe the provisions of section 103 as not being applicable to "branded" dealers.

The modification I propose would correct this matter and make such an interpretation impossible.

Subsequent to the Senate's adoption yesterday of my amendment No. 451, the Emergency Petroleum Allocation Act of 1973, a question of interpretation of sections 102 and 103 has been raised which merits clarification.

Section 102(1) of amendment No. 451 defines the term "independent marketer or distributor." In essence, the definition is narrow and does not include so-called branded-name marketers or distributors.

Section 103(a) of amendment No. 451 requires the establishment of a mandatory program for the "allocation of crude oil and refined petroleum products in amounts based upon historic supply relationships." While it is very clear from the plain meaning of the language and from legislative history that section 103 and the mandatory allocation program it requires applies to all refiners distributors, and marketers—whether branded or unbranded, independent or affiliated—as well as to all classes of consumers, a question has been raised as to whether the definition of section 102 could be construed to exclude branded distributors and marketers from the benefit and operation of the mandatory program required by section 103.

The clear answer is that it does not. It was not intended to operate as an exclusion of any sector of the marketing and distributing section of the industry, whether branded or unbranded.

Achieving the objectives set forth in section 103 requires that all distributors and marketers be given equitable allocations of available fuels so that all classes of customers in all regions of the country may receive the petroleum products they require.

Subsection 103(a)(5) provides as follows:

> (5) equitable distribution of crude oil and refined petroleum products at equitable prices among all regions and areas of the United States and sectors of the petroleum industry including the petrochemical

> industry, independent marketers, refiners, and distributors and among all classes of consumers; . . .

The reference in this section to "and sectors of the petroleum industry" means all marketers and distributors and not just "unbranded" marketers and distributors. The last part of the paragraph—"including the petrochemical industry, independent marketers, refiners, and distributors and among all classes of consumers;"—was added simply to make clear that the petrochemical industry and the unbranded independents were specifically included within the meaning of "sectors of the petroleum industry."

Mr. President, it is my view that the concerns expressed on this matter are based upon a very tenuous and strained interpretation of the amendment. This discussion and the amendment just adopted will, however, stand to fully clarify the intent and purpose of the amendment and its meaning as understood by the author of the amendment.

Amendment No. 451, as I have stated previously, is designed to serve and achieve the same objectives as S. 1570 as adopted on June 5, 1973. The objective is to insure an equitable allocation of crude oil and refined petroleum products to all sectors—branded and unbranded, independent and affiliated—of the petroleum marketing and distributing industry.

The PRESIDING OFFICER. Without objection, the amendment to the amendment is agreed to.

The Senate will resume its consideration of the amendment of the Senator from Texas (Mr. TOWER).

Who yields time?

Mr. TOWER. Mr. President, I yield 2 minutes to the Senator from Tennessee.

Mr. BROCK. Mr. President, I am a cosponsor of the amendment of the Senator from Texas (Mr. TOWER) for one very simple reason: It is the very least we can do to alleviate the effects of a misbegotten policy that is going to wreak economic havoc if we do not do something to stop it.

I do not charge malfeasance on the part of those who are advising the President, but I certainly charge them with a lack of understanding of the way the marketplace operates in this country.

We have been through the phases for almost 2 years now, and we have found to our chagrin that Government is not competent to control the free market of this Nation, and it never will be. No control the Government can devise or administer is as effective as the control of the housewife as she determines her own shopping list.

If there is anything that must be done to get us back on the right track—and there is a lot more than this amendment that needs to be done—we have to start by relieving this particular situation and doing it immediately. If we do not, the American consumer is going to find, only too soon, that beef is not available at any price. We will find all too soon that small businesses cannot survive when the Government operates to take property without due process of law. That is the way I view the effect of the current policy.

It is incredible to me that we do not recognize the damage that this situation is wreaking upon the businesses, the workers, and the people of this country. Of course, we are going to have to pay a short-term increase in price. But the long-term price increase will be far greater, unless we take action now to alleviate the situation and to go back on the track toward what has to be our ultimate goal, and that is phase zero, for now and from now on, because that is the way this country works best.

I deeply urge my colleagues to support the amendment of the Senator from Texas. That is the minimum we can do for this country.

Mr. JACKSON. Mr. President, will the Senator yield?

Mr. BROCK. I yield.

Mr. JACKSON. I have never been able to get a satisfactory answer as to why the Economic Stabilization Authority people take the position that as far as beef is concerned, the lid is on until September 12, but as to all other commodities——

The PRESIDING OFFICER. The Senator's 2 minutes have expired.

Mr. JACKSON. I yield myself such time as the Senator from Tennessee and I may require.

As to all other items, the passthrough authority has been granted. I cannot for the life of me, first of all, understand why beef was fixed upon, or second, why the magic date of September 12, 1973, was chosen. I do not know if it has something to do with the period of gestation connected with beef cattle or not, that everything is going to happen on that date.

Mr. BROCK. Perhaps they were consulting the stars. I cannot imagine why they chose that date at all. I think the fact that they chose a date created more problems than if they had not.

Mr. JACKSON. I agree with the Senator, because in the meantime everything comes to a standstill.

Mr. BROCK. That is what is happening.

Mr. JACKSON. I just wonder if we can get an explanation before we vote on this amendment of the reasoning behind the September 12 date, and the reasoning of the Department as it relates to beef and not to other products.

Mr. McCLURE. Mr. President, will the Senator yield?

Mr. JACKSON. I yield.

Mr. McCLURE. I am not sure that I can shed any light as to the date, and I am not even sure that I am correct as to why beef, and beef alone, remains frozen, but the Senator will recall that there was quite a lot of publicity about poultry raisers drowning baby chicks because they could not afford to raise them, and a lot of comment about piggy sows being sent to slaughter.

To my knowledge, there was not a beef raiser anywhere who drove his herd over the cliff and set fire to the carcasses. Perhaps it was that kind of publicity, or lack of it, as to the beef industry of this country that led to the conclusion that perhaps we could respond to the concern of the consumers by holding down on the product that did not have the dramatic impact that poultry and pork had supplied in the public consciousness.

I have no other explanation of the reason why beef would be singled out.

Mr. JACKSON. I yield to the Senator from Rhode Island.

Mr. PASTORE. Mr. President, I have no fault to find with the motivation of those who are sponsoring this amendment or those who have cosponsored it. But the thing that mystifies me, representing a consumer State, is the fact that, after all, this Council was set up for the protection of the consumer, and in the process of protecting the consumer, of course, they have to make sure that the supply is adequate, too. Without any explanation at all, here today, we are saying, "Let us do away with the edict and hold down prices until September 12 only because this situation has arisen in my State." There may be justification for this position from a parochial point of view but, on the other hand, this agency is set up by the President of the United States in order to protect the consumer and industry and to stabilize prices in the country. Here we are, all standing up and saying that everyone is using the wrong judgment. That is a serious criticism to make of an institution or an agency that is out there to protect the public. We should know the answers.

I find no fault in what the Senator is trying to do, but the question is one of timing, timing it in such a way that we are placed in a position where we have to take a vote on this matter without knowing the facts, just knowing that some packinghouses have closed down. For all we know, it may be a squeeze. It may be to knock this thing off before September 12. It may be deliberate on someone's part. I do not know. But what I do know is that this agency was set up to protect the consumer and now the Senator is saying, "Well, the housewives of America would rather pay a big price and have meat than have a lesser price and not have meat."

That is logical, but the question is: How do we know that they are going to be without meat? Why is this Government so impotent that it cannot help the market to flow freely? That is what puzzles me. This is the reason why I cannot accept in my heart and conscience why this should be done, when what we should be doing is to admonish the administration to move forward, if it has to do what it has to do, in order to serve industry and the consumers of this country. But we are doing it in a lopsided way. That is the reason why I resisted the last time.

Mr. TOWER. Mr. President, I ask unanimous consent that Senators MANSFIELD and MCCLURE be added as cosponsors of this amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. TOWER. Mr. President, it has been suggested by my friend from Rhode Island that we do not know anything about this. Well, the newspapers are full, daily, with articles about packinghouses closing down, about cattle runs being dramatically decreased, about shortages turning up in New York, Providence, and any other place, about the fact that American cattle are being sold now in Canada and are being processed there and then they come back here and the housewives have to pay a higher price than she would have to pay if we made the marketplace more available for beef already in the United States.

I would call the Senator's attention to the fact that here is a big headline from the Washington Star-News of two nights ago and I do not know how anyone could have missed reading it, the fact that, indeed, we do have a shortage.

I respect the motivation of the people on the Council. I do not think they are deliberately trying to hurt anyone. They think they are trying to help the consumers. But they did not reckon with the economics of the cattle business. Therefore, we have a bad problem. I think it will be a sufficient admonition to those downtown if we pass this amendment. They will understand what our position is.

Mr. PASTORE. If we have these headlines in the newspapers, my goodness gracious, cannot the President read the same headlines? What is he doing? I repeat, what is he doing? If we are cheating the housewife out of beef because someone is using the wrong judgment in his organization, why does he not do something about it?

I submit that the two gentlemen standing up now in this Chamber are very welcome to the Oval Room at the White House, much more so than the Senator from Rhode Island. I think they could go down there and have a nice heart-to-heart talk, an eyeball-to-eyeball discussion with the President, to see if we cannot rectify this.

Mr. TOWER. It is a question of judgment. I think their judgment is wrong. I think that probably the majority judgment in the Senate is correct. I think we should exert that judgment now. This is not a parochial issue. It is not a parochial issue at all, because consumers everywhere are being affected. It is not just a matter of a packing plant going out of business and people being unemployed in specific areas. Many of those plants will never open again. It is a national economic situation that affects consumers wherever they happen to be in this country.

Mr. BROCK. Mr. President, I want to ask the Senator from Texas how we help the consumers by keeping them from buying beef. I do not see what kind of service we are rendering if we cannot buy at any price. It is not a matter of the Senator from Texas and I having access to the Oval Room at the White House. If we disagree with the policy of the President's Cost-of-Living Council, it is our obligation and responsibility to say so in the clearest possible terms. That is what I intend to do today, because I thoroughly disagree with the policy.

Mr. CURTIS. Mr. President, will the Senator from Texas yield me 2 minutes?

Mr. TOWER. I yield 5 minutes to the Senator from Nebraska.

The PRESIDING OFFICER. The Senator from Nebraska is recognized for 5 minutes.

Mr. CURTIS. Mr. President, there are ample facts to justify the passage of this amendment. As a matter of fact, the entire case for the consumer would call for the passage of this amendment.

On last Monday, I met with a representative group of packers who represent 65 percent of the beef industry. There I learned that there are 110 packing plants closed at the present time. The greatest meatpacking center in the world is in Omaha, Nebr. In the last week before phase IV went into effect, they slaughtered 203,000 head of cattle. Last week, it had dropped to 122,000.

It is estimated that this week, the kill will drop to between 70,000 and 80,000 in one city alone.

I also receive telephonic communications several times a day on the situation. Last Monday, Canadian buyers appeared in the livestock markets in Omaha and Sioux City and outbid everyone else. They take the cattle to Canada. They are slaughtered. They are sent back into the United States—it is already sold in New York City—at a much higher price because it is a foreign product and not subject to our price controls.

Now, we might say, "Why do they not plug that loophole in the act?" All that would do would be to send the meat to Japan because it is worth three, four, or five times as much in Japan.

Mr. President, what sort of tomfoolery are we engaged in here?

Mr. TOWER. It is $6 a pound in Japan and they are willing to pay for it.

Mr. CURTIS. It is so easy to get up and cry crocodile tears for the consumer. The way to help the consumer is to have a lot of merchandise available, a choice of all kinds of meat, and the consumer will bring down the price, because she will play the lower price of meat against the higher price of meat.

Mr. PASTORE. Mr. President, will the Senator from Nebraska yield at that point?

Mr. CURTIS. As soon as I finish my statement.

Mr. PASTORE. Right.

Mr. CURTIS. Mr. President, this week there also appeared in the cattle markets in my State—and this is just one incident—a man who, I understand was not in the meat business, but he bought 200 steers. Then he immediately went out hunting for a custom slaughterer to kill and dress the steers.

What will happen? That meat will go into the black market, that is what will happen. They are small packing plants. They are closed.

I live in a small town of 2,600 people. We have a packing plant there that employs about 50 or 60 people. They kill something over a hundred thousand cattle a year. That plant closed on July 27. It closed tight, because the price they had to pay for steers, and the ceiling they had to sell under, caused a loss of several dollars per head, and they could not take it.

That packing plant will survive, but there are other small packing plants which cannot maintain a cash flow and prevent a takeover by creditors if the packing plant operations stop. We are forcing those individuals into the black market.

Who ever heard of someone buying something in the black market cheaper than he can buy it through the ordinary channels of trade? The opposition to this amendment is a vote for the black market. It is a vote for sending our cattle to Canada and elsewhere. It is a vote for further export of our meat.

I am not unmindful of the struggle the people on low incomes have in order to get along. But we do not hear their impassioned speeches, nor do we read articles in the newspapers, when prices of all other articles are going up, up, and up. Whom are we trying to fool, when we say that the price of food should be held down, because the people who are producing food are faced with the same inflationary forces as the rest of the economy? Our problem is an across-the-board inflationary problem. We have waited too long to deal with the causes of inflation.

Mr. PASTORE. Mr. President, first of all, I want to make it abundantly clear that I am not shedding crocodile tears. I am not in the habit of weeping so easily. All I am saying is that it is quite ironic that the September 12 date was set—by whom? By the President of the United States. Is he a Democrat? No; he is a Republican. Who is rising here this afternoon to say that there is bad judgment on the part of the President? The Senator from Texas (Mr. TOWER), the Senator from Nebraska (Mr. CURTIS), and the Republican Senator from Tennessee (Mr. BROCK). I did not see any Democrats get up. But I see Republicans, who have a very intimate relationship with the President, who could have gone down to the Oval Room to discuss this matter with the President. Nobody has said that he is not aware of it. If there is a problem, why not go down and get it straightened out?

Senators have come to the floor to speak on this subject without any justification at all. We have heard that packing plants are closing down. That has happened before. That is the way pressure is used. But the people who are most pressured in this country are the consumers. We realize that the price of meat is up. There is nothing in the marketplace to tell us that the price of meat today is the same as it was yesterday.

Prices have gone up, up, and up. Yet this administration has done very little or nothing about it. We are wasting our time here, while the administration is going all over the world, trying to find out what the problems are in China or Russia. But nobody in this administration seems to bother about what is happening to the consumers in America. That is the question we raise here today.

I am not saying that the proponents of the amendment are wrong. But I am saying, Have you taken this question up with the President? Why did the President set September 12 as the date? Why should not the matter be settled today? Why do not the Senators go to his office? They come to the floor of the Senate and say, "This is all poppycock. This is cockeyed.

This is wrong." Well, why do they not straighten it out? They seek to put it in a bill that in all probability might be vetoed by the President. Why do they do it that way? They have contacts. They can go to the Oval Room. Why do they not go down and get the matter straightened out?

Yes, meat is being kept off the counter. For what reason? Why? Why is it necessary? These are the reasons.

I can imagine, come September 12, what will happen in the country. As a matter of fact, Senators say it is better to have high prices than not to have any meat at all. Are they trying to tell me that only rich people can eat beef, and that the rest have to eat dogfood? There has got to be a limit on what people can be charged.

Look at the people on social security. They get a measly little check every month. I really do not know how they can live. Nobody seems to be worrying about them. Senators are worried about packing houses; worried about the rich ranchers; worried about everybody else but the poor. That is the question here. They say, "Yes, meat at a high price is better than no meat at all." But what they are actually saying is, "Let us give the meat to the White House."

I understand that a man refused to sell beef to the White House. The White House had ordered 15 pounds of filet mignon, but the fellow said, "No; if the poor can't eat it, the President can't eat it." That is good business. But please do not let us end up by saying that we can only feed meat to the rich. That is the reason why I am going to vote against this amendment. The Senator has not done it in the right way.

Mr. TOWER. Mr. President, I yield myself 1 minute.

The fact of the matter is that the more meat products are available, the more likelihood there is there will be price stabilization, so that the poor can have a better choice of what to buy

The Senator from Rhode Island is a very astute man. No one is more adept at reading the political implications in a situation that occurs on the floor of the Senate than he is. He says it is the Republicans who do not accept the administration policies. I think it is characteristic of Republicans that they are not easily regimented. I think it is quite proper for Republicans to take issue with the administration from time to time.

However, I would say one thing: We are loyal to our President, and I do not think that any of us would have a part of any movement to hound our President out of public office, as was the case with the Democratic Party.

Mr. President, I yield to the distinguished Senator from Nebraska.

Mr. CURTIS. Mr. President, if anyone is interested in providing for the poor people, he should vote for the amendment. How on earth can poor people buy in the black market? This is a proposal to stop the black market. It is a proposal to bring transactions out into the open, where beef will have a chance to compete.

Beef producers are highly competitive with one another. Our consumers are the best price controllers there are. They can look at pork, beef, and chicken, and see the prices. Beef had better be reasonable, or else the poor will purchase the other things. But to drive something into the black market, means that only the rich, the hotels, and the restaurants are protected.

Again I repeat that a vote against this amendment is a vote against the poor. It is a vote for the black market. It is a vote to drive our cattle and meat supplies out of this country because world prices are much higher.

In the month of April I represented the Secretary of Agriculture on a trip to Australia. The cost of operation over there is much, much less. The price of lamb is about one-fifth what it is here. The labor costs are about 85 percent of ours. Yet I brought back prices from the supermarkets with respect to the principal cuts of beef, I compared them with the cost of beef in Washington, D.C., on the same day, and in every instance the Australian prices were much higher. That was before we had a black market. Let us vote today to end the black market and to make the price of beef competitive. Let us permit the poor people and the people of modest income to have a little chance to buy something. They cannot do so on the black market.

Mr. TOWER. Mr. President, I yield 2 minutes to the Senator from Illinois.

Mr. PERCY. Mr. President, I am happy to join with the Senator from Texas in supporting the amendment, even if it is opposed by the administration. I have opposed the administration policies in the past. I think in this case there must be differences of opinion inside the administration. I listened for 15 minutes to testimony by George Shultz to find out how he feels about beef prices today and what should be done. He took the position we should unfreeze, and we have a lesson in adult education for everyone in this country in that when you try to play with the economy and force a lid on things, people are forced not to send their products to market. What good does it do to have a freeze on products if they cannot be bought? That is a meaningless system and it will be a disincentive to take products to the market.

There is only one way to bring stability and that is to match prices with demand. The system we now have must be abolished and abandoned as absolutely futile as a means to bring prices down.

I was very much interested in the statement of George Meany yesterday. He urged President Nixon to get rid of his economic advisers except George Shultz, who, I believe, opposes controls.

A vote for the Tower amendment would simply indicate that we have tried this approach; it has not worked; it has been disastrous.

In my city of Chicago 75 inspectors went out yesterday to make spot inspections to prevent sales of ungraded, black-market meat, and they are urging an allocation program for meat in January. This is going on all over the country.

Mr. President, I feel very strongly that the ceiling on beef prices should be lifted immediately as it has been on all other food items. What has actually happened as a result of the administration's singling out beef as the exception to the ceiling lift could have been—and indeed was—predicted.

Farmers simply are not sending their beef cattle to market. They have chosen to hold their cattle until the promised lift of the freeze, which will occur on September 12. They know that in 6 weeks they will receive much higher prices for their product, and they are savvy enough to hold out until that time.

The result of the freeze policy and the farmers' actions is that beef is disappearing from grocery stores and from the wholesale markets. Hospitals, restaurants, and even the U.S. Army are unable to get the supplies of beef they need to feed their patients, customers, and troops.

The National Association of Retail Food Chains predicted this week that the situation is going to get much worse before it gets better. The president of that association estimated that the total beef supply in food stores around the country will be 20 percent below normal this week and 40 percent below normal next week.

In my own State of Illinois, so several representatives of the beef industry have told me, a black market in beef has developed in the past few weeks. Far more serious than that is the fact that beef processors are being forced to close down their operations and lay off employees. Just this Monday three Chicago beef processors closed their doors and 400 workers were laid off.

Mr. President, we should know by now that no economic edict coming from Washington is going to be effective if it defies the law of supply and demand. What good does a freeze do on the retail price of beef when it is at an historically high level and the freeze itself causes severe cutbacks in production. The only way to insure that beef prices will eventually come down is to adopt a policy that will encourage, not discourage, adequate supplies. Nothing has proved this more clearly than the ramifications of the continuance of the freeze on beef prices. We need to be realistic and practical and this decision has been neither of those things. If we do not remove the ceiling prices on beef, I am afraid the American consumer will suffer more in increased prices in the long run than he is now. In the meantime, we cannot permit workers to be unemployed and we cannot permit Americans to be denied so valuable a food staple as beef.

Mr. President, I ask unanimous consent that my name may be added as a cosponsor of the Tower amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. TOWER. I yield.

Mr. MANSFIELD. Mr. President, I shall be very brief. As far as the slaughterhouses in Montana are concerned, they are just about on the way out of business. Some can last a few days and maybe some can last as long as a week, but the writing is on the wall.

With respect to the stockyard, the number is gradually decreasing as far as cattle are concerned. What is happening in the State of Montana can be multiplied many times over. Hence, the need for an amendment of this sort, which I am delighted to cosponsor. I am happy to support the amendment.

Mr. TOWER. I thank the Senator.

Mr. President, I am prepared to yield back my time.

Mr. McGOVERN. Mr. President, I commend the Senator from Texas for his amendment.

As he has explained it, this amendment would have the same effect on the administration's beef ceiling that my amendments which the Senate has already adopted by overwhelming margins on three occasions would have for food shortages in general.

I urge my colleagues to give this amendment the same overwhelming support given to my food shortage amendments in the past so that we can once again make our views known to the White House.

I for one fail to understand how the administration can sit idly by day after day when even the White House has trouble purchasing beef. Some have suggested that the present ceiling is a sop to consumers who are rightfully concerned with rising food prices.

But such a policy flies in the face of commonsense. Betty Furness, the New York City Commissioner of Consumer Affairs, has criticized the beef ceiling as being against the best interests of the consumer. And so have many other representatives of the consumer's interest.

The way to bring down food prices is to increase food supplies. And the surest road to higher prices is to restrict food production—and this is what the beef ceiling does.

I am hopeful that my food shortage amendment now contained in the farm bill will soon become law. The House is expected to act on the bill tomorrow. And Secretary Butz has indicated the President will sign it when he receives it.

But I think Senator TOWER's amendment gives the Senate the opportunity to again make our views on food shortage clear. And so, I urge my colleagues to support the Tower amendment.

WHO BENEFITS FROM THE CURRENT MEAT FREEZE?

Mr. CRANSTON. Mr. President, for many months the Nation has been paying a high price—literally—for the follies of the administration's economic and agricultural policies. Each fumbling step designed to improve the situation has led to higher and higher prices. When it has not led to immediately high prices, it has led to shortages, firms cutting back or closing and employees out of work. The latest example of this tragic cycle is the continued freeze on meat. September 12 was announced as the date when the meat freeze would be lifted. With this new knowledge, cattle ranchers began to withhold live cattle from the marketplace. They know if they hold back until September 12 there will be bonanzas—the shortages will be so acute that live animals will bring extremely high prices. The prices which the rancher can charge are totally unregulated under the phase IV rules. Unlike many raw agricultural products which must be brought to market as soon as they are ripe and ready, beef can be delayed. Ranchers can continue to feed the cattle and they will get fatter and bring higher prices based on their weight.

So the cattlemen can wait—and they are waiting. Yesterday's Los Angeles Times reports that slaughtering of beef throughout the United States is down 50 percent from this time last year. And it is down 30 percent from last week.

Shortages of beef began developing last spring when ceiling prices were imposed. They worsened somewhat during the June freeze. Costs of production and feed were high, purchases by slaughterers and packers declined since their prices were frozen, and less beef made its way through the pipeline to the consumer.

But since the July 18 announcement that beef would remain frozen until September, the situation has worsened dramatically. The shortages are threatening to eliminate beef from the diets of hospital patients, schoolchildren and staff, inmates of public prisons and other institutions. Purchasing agents for these institutions in California are finding bids for beef going unanswered by packers. The packers, unable to purchase sufficient quantities of raw beef to supply their customers and maintain their businesses, are laying off employees and beginning to shut down. In some cases the packing companies are major sources of employment in small cities. The Durham Meat Co. in San Jose has layed off 41 of its 126 employees so far. The Portion Meat Co. in Orange employed 50 people at the beginning of the administration's phase I; they are now down to 19 and planning to lay off 5 more. The Vienna Sausage Co., large suppliers of corned beef, expect to have to close down next week, putting 125 workers out of jobs in Vernon, Calif.

Restaurant operators are also feeling the pinch. A representative of the Southern California Restaurant Association has told me that steak and hamburger houses are in the worst shape, but that restaurants of all types are being forced to purchase beef on a growing and thriving black market if they want to stay in business. Several of the restaurant suppliers have warned their customers there may be no beef at all by August 6.

It is only a question of days or weeks before the shortages reach the supermarkets. There are already reports that certain cuts of beef are not available in the stores.

Yet the administration has announced it will hold firm in its intention to continue the meat freeze until September 12. They seem unmindful of the warnings that if the shortages continue and worsen between now and September, prices when the freeze is lifted will rise far more than they would if the freeze were lifted today. Slaughtering and packing firms with their inventories of beef partially or totally depleted will pay virtually any price to obtain new supplies and keep from going out of business. The high prices will be passed along the pipeline all the way to restaurant operators, hospital administrators, and housewives. Those who can afford to pay the high prices will likely do so gladly in order to get their favorite meat dishes back into their daily menus.

So who will benefit from prolonging the freeze? Certainly not the much abused consumer in whose name a series of fumbling steps have been taken to relieve the suffering American economy.

Mr. President, I ask unanimous consent to include at this point two recent articles from the Los Angeles Times which give us a clear view of the current state of affairs. I urge my colleagues to join me in calling the urgency of the situation to the immediate attention of the administration.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

PUBLIC INSTITUTIONS' BIDS FOR BEEF SUPPLIES UNANSWERED

(By Dorothy Townsend)

While the meat industry and the government locked horns over the threat of a nationwide beef shortage Thursday, patients and inmates in many public institutions faced some unprescribed changes in diet.

Purchasing agents for hospitals, jails and other public facilities in some areas—including those operated by Los Angeles County—were finding bids for beef going unanswered by meat packers.

But despite predictions that meat production would be curtailed 25% to 40% nationwide next week, followed by a "drastic" beef shortage, the government refused Thursday to lift its price ceiling on beef before the Phase 4 specified date, Sept. 12.

John T. Dunlop, director of the Cost of Living Council, told a group of congressmen under pressure for relaxation of the beef price restrictions that "no change in policy is contemplated."

Treasury Secretary George P. Shultz also said Thursday the Administration has "no plans" to lift the ceilings before Sept. 12.

Announcing that next week would see packing houses shut down across the nation, the Western States Meat Packers prepared black-bordered notices to mail to President Nixon and the Cost of Living Council to mark each closing.

"We don't have a snowball's chance in hell of getting anywhere before Sept. 12," said Norm Maffit, association executive.

"People in our business are grinding slowly to a standstill," said Los Angeles packing executive Joseph J. Russo. "When you have complete unavailability of product, you close down."

Russo said cattle growers are holding back their livestock from market on the premise that "when the ceilings are lifted there will be a greater demand, with greater remuneration" for them.

"It's so lopsided it's pathetic," he said. "We're (the meat processors) still operating under the fixed-price formula."

In San Francisco, Maffit said, thousands of head of cattle are not going to market. "If I had cattle on feed today, I'd be stupid to sell," he said.

"The biggest mistake was announcing the date of Sept. 12. Look at what happened to hogs. They went to 55 cents a pound, live, from 43 cents in less than two weeks."

Maffit said the packing industry is "very competitive. If they would take off the Sept. 12 date, we would see a bulge at first but we would see a drop by Sept. 12."

Other packing industry officials are saying that when the lid does come off there will be a price explosion.

Although the Cost of Living Council insisted that slaughter figures do not bear out the packers' prediction of a looming beef shortage, some agencies were finding it hard to fill their orders for beef.

NO OFFERS REPORTED

Purchasing agents for 25 Los Angeles County hospitals, jails and other public facilities disclosed that when their beef bids closed Monday for August, no packer had made an offer.

Later in the week, one vendor volunteered to bid for one week and others insisted they could sell only on a day-to-day basis.

"As a result, we're instructing the nine county hospitals to order direct from vendors and to get beef at whatever price the vendors make it available," a Purchasing Department spokesman said.

"We're planning conferences with sheriff's and probation officers on what to do at other facilities."

One possible outgrowth of the situation is that the county may have to buy better quality cuts of beef than it usually seeks and pay higher prices.

A buyer for the Los Angeles city employes cafeteria said his order for next Monday's beef was turned down Thursday by the suppliers he usually deals with.

"My salesman claims they are holding back until after the freeze," said Ben Olguin, who normally plans on 100 pounds of beef a day for the cafeteria.

California prisons and hospitals are supplied under quarterly contracts and, so far, have had no problem getting their orders filled, a spokesman for the state Health and Welfare Department said.

Slaughter figures for the week through Thursday were down, nationally, from last week (413,000 from 450,000 at the same time the previous week). Meat industry officials predicted "a drastic drop" next week.

Ken Hummels, economic analyst for the California Cattle Feeders Assn., said cattlemen who breed livestock generally are "doing nicely these days, certainly in relation to decades gone by, and I guess you could say feeders are asking a profit, too."

He said he does not believe the cattlemen will hold beef back from the packers and that they will sell if packers will pay the going prices.

U.S. BEEF SLAUGHTER 50 PERCENT BELOW 1972 LEVEL

(By Harry Bernstein)

The nation's beef supplies began to dwindle rapidly Monday as the government reported that cattle slaughter plummeted 50% below this time last year and 30% below last week.

The drop was greater than the sharp reductions caused by the nationwide meat boycott last April.

Slaughter in this area was running about normal Monday, but that was not much consolation for consumers in California because usually about 35% of the beef consumed here is brought in from out of state, and officials say out-of-state supplies have already halted almost entirely.

"And by later this week or early next week, slaughter here will be down just as it is across the rest of the country," an industry official said.

The cut in slaughter came as meat packers reported they have already laid off 5,500 workers across the country.

Some industry officials also report a rapidly expanding black market in meat as the industry tries to get around the price ceiling imposed on meat by the Nixon Administration.

The ceiling is not scheduled to be lifted until Sept. 12, but industry leaders are bombarding the White House and Congress with pleas for relief, contending they are losing money and that some are being forced out of business because production costs are above ceiling prices.

GOVERNMENT HOLDS FIRM

So far, the Administration has firmly resisted the pressures and some government sources claim that the slaughter cutback and resulting shortages are being at least partially created artificially to intensify pressure for lifting the ceiling on meat prices.

The Federal Market News Service, an agency of the Department of Agriculture, reported an estimated kill on Monday of 79,000 cattle, which was 38,000 below a year ago and 24,000 below the previous Monday.

Norman H. Maffit, head of the Meat Packers Assn., said the black market in beef "could be up to around 5% of the total, and don't forget, there is also some of what you might call legal black market going on, too.

"Cattle are being sold in large quantities to Canadian slaughterhouses by U.S. cattlemen, and then the processed beef is sent back to this country for sale above the ceiling besause foreign meat is not covered," Maffit said.

ILLEGAL MARKETING

Emerson Morgan, operations manager of the Vienna Sausage Mfg. Corp. in Vernon, said "I would estimate the black market is already 15% to 20% of the total—meaning that much is selling above the ceiling prices set by law.

"Many people in the industry are doing it because they see no other way to save their business.

"But whatever the reason, it is being done and it means they have complete contempt for the law," he said.

Moran said that his own operations here will be closed down next week, and the firm's even larger Chicago operations will close down the end of this week.

"We could continue to operate if we were willing to buy black market meat, but we're just not going to do it," he maintained.

USE OF EVASIONS

Various schemes have been devised to get around the law, he said, such as the wholesaler invoicing a purchaser of 40,000 pounds of meat at ceiling prices, and selling the same invoice figure, "but in reality, he buys only 35,000 pounds and sells only 35,000 pounds."

Another system is "just to leave on half the flank on a beef loin, which means that they get, say $1.10 a pound for the whole piece which actually contains a large part of flank which is going for 60 cents a pound," Moran said.

Much of the black market, he contended, is done through wholesalers who sell to processors and restaurants, "but that drains off normal supplies from the retail market."

In Chicago, the National Assn. of Retail Food Chains said it expects total beef supplies in the nation's major supermarkets will be 20% below normal this week and 40% or more below normal next week.

An industry official explained that "there are cattle now in the pipeline so that while the kill on Monday was about 50% below this time last year, there is, of course, more meat than that still on the shelves of the supermarkets."

But Moran and others maintain that even these already processed meat supplies may not get to the consumers because, as Moran put it, "much of it will be going into company freezers in the expectation that they can hold it until the price ceiling is lifted, and some people think the ceiling will be gone lone before Sept. 12."

The National Assn. of Meat Purveyors in Tucson, Ariz., filed a suit Monday against the Cost of Living Council to force removal of the price ceilings on beef.

Maffit, speaking for the Western States Meat Packers Assn., charged that "the Administration is using the beef issue to prove they're being firm in controlling prices, even if it means that meat will disappear from the table in our homes."

He contended that "there is an argument inside the Administration. Some of them now favor lifting the ceiling before Sept. 12, but want to do it suddenly, without advance notice, because if they were to say it will be lifted in two weeks, then absolutely nobody would sell beef at present prices. They'd just wait two weeks and get more money."

Meat packers say their cost of production is about $6 a head more than the ceiling prices, and that they stay in even partial operation only because it would cost more than that if they quit without moving out the supplies they now have on hand.

The Department of Agriculture says it has no exact figures on profits of cattlemen—those who sell cows and calves to feed lots. But a department expert said: "Our figures do show the stockmen are selling cattle for prices substantially higher than last year, and doing well because their range costs have not gone up significantly."

Mr. JAVITS. Mr. President, I think the time has come to put beef, which is currently the only type of food still under control, in line with other meats. I say this because, first, we are talking about a month to 6 weeks and not a system of controls. Second, and in view of the first, beef shortages are beginning to appear in all parts of the country, and the American consumer should be given the choice as to whether he or she wants to pay higher prices for eating beef, rather than having this choice dictated by the fact that there is no beef for the coming weeks.

If I believed that the current holdout of beef from the slaughterhouse by the feeders was simply an attempt to exploit the consumer, and that by holding out and temporarily switching his protein preference to other meats, or fish or cheese, that the consumer would ultimately benefit by forcing demand down enough to lower prices, I would say, "Hold out, Mr. and Mrs. Consumer." However, this is not the case. The reason that cattle are being held off the market until pricing conditions are eased is that the continued high cost of feed forces the breeder to wait to sell his cattle until he can get a price that will recoup the cost of feeding them. While we may see a temporary lull in prices on September 12 as supply deluges the market, there is every indication that beef prices will soon go the way of the postfreeze bulge, like those of poultry and pork when recently released from controls. The truth is that until the cost of feeding animals is reduced, the cost of eating meat will remain high.

In the meantime, those dependent on the sale of beef—the butchers, drivers, the independent producers and wholesalers—are suffering greatly, and if businesses fold during the beef freeze, the result of the reduced competition in the production and sale of beef will ultimately translate into higher prices for the consumer when the freeze is over.

Right now people are irate and inconvenienced about beef shortages, and they are concerned about the possibility of a black market springing up. Therefore, the regulations should be altered and the dollar-for-dollar passthroughs now permitted on other foodstuffs applied to beef.

And I reiterate my views of the need for this administration to take a long, hard look at the agricultural policies which brought us into this grim situation so that the same mistakes are not repeated and we are not again faced with a shortage in the food supply of this country. The farmers of this country have the capacity and the means to feed Americans at a reasonable cost, and to respond to the ever-growing demand from abroad. The Department of Agriculture should be implementing policies designed to foster both of these goals—and in the order in which I have stated them.

Mr. HANSEN. Mr. President, as a cosponsor of Senator Tower's amendment to alter the present ceiling on beef prices, I am pleased by the Senate's action today to approve this measure by a vote of 84 to 5.

The meatpackers and processors across the country are sitting idle and there are spot shortages in some supermarkets as a result of the present ceiling. Continuation of the ceiling until September 12 will only aggravate already serious problems and add to the probability that a black market for beef will flourish.

The Tower amendment is actually a compromise between a total freeze on beef prices and the lifting of all controls. It would permit a pass-through on a dollar-for-dollar basis of higher costs to producers since June 8 of this year. A similar action was taken by the administration as a part of the phase IV economic program with respect to all other agricultural products except beef.

Mr. President, Secretary of Agriculture Earl Butz made a comment recently with which I agree completely. He said:

> You can't get more by paying less.

This is the crux of the matter with respect to beef. The demand for beef continues to rise, while Government manipulation of the industry has discouraged expansion of the supply. If there is not enough beef to meet the demand, even a Government-sponsored price of 5-cents per pound would not insure more meat on the tables of the American consumer.

It is a simple and very understandable fact of life that cattlemen—and all producers of consumer goods, for that matter—will not expand their herds unless they are reasonably certain they can sell their animals for more than it cost to raise them. The ceiling is having the effect of permitting production costs to exceed what the producer can expect to get for his animals at market. The processor cannot pay the producer more for the animals to be slaughtered because he knows he cannot recover these increased costs at the wholesale or retail levels. This chain reaction from the beef price ceiling means the supply will not be expanded, and in the long run, the consumers will be hurt by the absence of an adequate supply.

Mr. President, I am pleased the Tower amendment has been approved, and I hope its intent will be translated into policy at the earliest possible date.

I ask unanimous consent that two articles from the August 1 "Star News" be printed at this point in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

Welcome to the Club, White House Is Told

(By Bruce Howard)

The meat shortage has been brought home to President Nixon—literally.

Bernard Goldstein, president of District Hotel Supply, Inc., the largest hotel and restaurant meat supplier in the city, yesterday turned down a White House order for 15 pounds of filet mignon and New York strip steak.

"We've been supplying the White House with meat for 16 years," Goldstein said, "and this is the first time we've ever refused them."

"But if Mrs. Housewife feels the meat crunch, so should the White House. They started the shortage, and they should know about it. They don't deserve any better treatment than anyone else."

Goldstein said he offered the White House a lower quality meat instead—"I had no trouble filling their ground beef order," he said, with a smile—but they said no thanks.

"We're talking principle here," Goldstein said. "I realize I'm sticking my neck out—I may even lose the account—but I feel I have a chance to do something to help the (meat) industry.

"I had an order from the number one household in the world, and I had to say no. I told them to take filet mignon off the menu until the freeze is over."

Slaughtering Off, Plants Close: Beef Shortage Worse

(By William Delaney)

The nation's cattle-slaughter total has plummeted to its lowest daily level since the consumer meat boycott last spring, while shortage-plagued beef packers report at least 25 plants closed and more than 10,000 workers idle.

Even as beef-country Republicans on Capitol Hill discussed alternatives today to the administration's Sept. 12 deadline for lifting retail beef ceiling prices, more layoffs were reported here—at Safeway's Washington division meat-distribution center in Landover, Md.

Officials of both Safeway and Murry's Steaks Inc. here confirmed that Washington suburbanites, like many consumers elsewhere in the country, have begun stockpiling beef for fear of impending shortages and of almost-certain higher prices after mid-September.

Such major beef buyers as the D.C. government and the University of Maryland, for example, have been unable to contract through normal channels for September supplies.

One D.C. wholesaler, stocked with only half his normal beef supplies this week, says he is having to prorate allocations to his prized local customers, which include the Rive Gauche restaurant and the Washington Hilton.

Agriculture Secretary Earl L. Butz told reporters yesterday morning he believes President Nixon "will not cave in" to pressures to lift the beef price freeze at least partially, thereby encouraging ranchers to bring cattle to market before Sept. 12.

But later yesterday, after an hour-long private session at the Capitol with six major middle western slaughterers and Nebraska's two Republican senators, he told The Star-News:

"They (beef processors) are obviously hurting."

Asked if the administration would reconsider its thus-far-adamant adherence to its Sept. 12 price-freeze cut-off, he replied:

"We're half way there. . . . Well, I just don't know. This is not my decision."

Though area supermarket chains have predicted an ample supply of beef this week, a spokesman for Safeway's 170-store Washington division said yesterday that an unspecified number of workers had been laid off Friday at the division's "pre-fab" beef plant at Landover.

Jack Luber, vice president of the 16-store Murry's Steaks frozen beef chain in the Washington area, said sales were 30 percent above normal last week and would have been higher, had Murry's had enough steaks.

Agriculture Department analysts yesterday estimated the day's total slaughter at federally inspected beef plants at 79,000—23.4 percent below last Monday's USDA estimate and the lowest daily slaughter total since April 9, the Monday after the week-long national consumer meat boycott.

"We think even that's a big figure," said executive vice president John Mohay of the National Independent Meat Packers Association. "We think it's more like 50,000."

"There's not a beef packer in the U.S. that's operating at anywhere near capacity," Mohay said.

By yesterday, he calculated, 25 plants run by 17 major beef packers had closed down mainly because cattle were being withheld from market pending the lifting of the retail beef price ceiling Sept. 12, or because processors could not afford the $53.42 per hundredweight market price for cattle when their break-even point is around $48.

Mr. MONTOYA. Mr. President, I would like to add my support to the amendment offered by my colleague from Texas, Senator John Tower. His proposal would immediately lift the ceiling on beef, which is the only part of the food supply still under this kind of control.

The time for action is now, not in September when the normal production chain will have been further disturbed. It is true that beef prices will undoubtedly rise if we lift the ceiling now, just as they will in September if we wait until then. Estimates of the price rise if the ceiling is lifted now are from 5 to 10 percent. If we wait until September the rise will undoubtedly be greater because of increased shortages, the necessity of reopening packing houses, and other inflationary pressures.

The choice has been correctly stated as being between "no meat at all" and "meat at a higher price." Since the beginning of phase IV prices on all foods have risen, and they were expected to. It is unreasonable to believe that beef producers alone should not share in the price rise resulting from passthrough production cost rises.

The reports which have come to my office from New Mexico are similar to those which have come to every Senator and Congressman in the last few weeks. The Glover Packing Co. of New Mexico is closing their Amarillo, Tex., packing plant and cutting down operations in their plants in Roswell, N. Mex., and Hernandez, Miss. Two hundred jobs have been lost. Beef shortages are showing up at Kirtland Air Force Base, just as they are in other military bases around the Nation. Hospitals cannot buy their normal beef supplies. Schools are unable to contract for school lunch supplies. Restaurants are unable to find supplies of meat in order to stay open. The pressure from the shortage of beef is resulting in shortages and higher prices for other kinds of meat and protein foods.

The supply of beef in American markets is simply drying up.

Quite simply this is a direct result of the administration's decision to leave the ceiling on beef while lifting the ceiling on other foods at the beginning of phase IV. In setting a time limit—September 12—the administration predictably invited the hoarding and the holding back of beef which has been the result.

Cattlemen were caught by rising feed grain prices. They are waiting to sell their beef at a more profitable—and they feel more equitable—price when ceilings are removed. In the meantime slaughterhouses report a 30-percent drop in the number of cattle slaughtered daily in comparison with this same period last year. Predictions are that the numbers will be even lower in the next few weeks.

Packinghouses, the next step in the food line, are closing all over the Nation and 37 have closed in the last 2 weeks. Those which stay open are cutting back their operations. It is estimated that 5,000 workers will be affected.

Not only is beef being held off the American market, but there are reports of a large increase in the export of cattle to Canadian markets, where the beef are slaughtered and reportedly being returned to the United States as "imported Canadian beef" at uncontrolled prices. This is the "Canadian connection" which journalists have mentioned: illegal, but difficult to trace. The cost to the American housewife for this grey-market beef is 25-percent higher than other beef.

To compound the problem for the consumer, beef shortages are causing pressures on other meats and protein foods. We are already hearing about shortages of pork and poultry and dairy foods. Anything which limits the price of one item of food while allowing rises in the prices of other items is bound to produce an explosive situation and to disrupt the normal production forces. In this case the explosion may be followed by many months of shortages while the normal supply chain is restructured.

Everyone has lost in this economic situation. The housewife, who is already caught in an inflationary food spiral, is now faced with shortages which make it impossible for her to feed her family. The farmer and beef producer is suspicious and wary of Government promises, and is holding back from the expanded production which must take place if we are going to supply both American food baskets and the growing foreign markets which compete for our agricultural products. The meat processing workers are out wages and the small packers and markets are forced to close.

It will not help to point the finger of blame at any one group. But it is essential that we move quickly to restore the normal food supply and demand balance before the beef crisis is compounded into a further food crisis affecting every American home.

It is time for commonsense. It is time for a clear statement of purpose from the administration, so that both producers and consumers understand the rules and feel that they are being fairly treated.

I urge my colleagues to support this amendment.

Mr. ROBERT C. BYRD. Mr. President, I support amendment 450, offered by the senior Senator from Texas (Mr. TOWER) which would, if enacted into law, with respect to the price levels of beef, allow the passthrough to the consumer, at the retail level, of increases in the raw agricultural product costs incurred since June 8, 1973, on a dollar-for-dollar basis in the same manner and to the same extent as a passthrough of such increases is permitted in the case of meat and food products other than beef.

Recent retail market conditions have proved the fallacy of the course of action pursued by administration economists in lifting phase II price controls prematurely last January. I believe it was, likewise, a mistake to go into phase IV, with a singling out of beef only for continued price control. As a result, beef is fast disappearing from the market; processing plants are closing down; and people are being thrown out of work. The shrinking beef supplies in the supermarkets illustrate that farmers and ranchers are following the course of action that any other prudent businessman would follow—that of waiting to market their cattle until after the price controls are lifted so as to avoid financial losses to themselves.

I am informed by the U.S. Department of Agriculture that during the period from July 1972 until August 1, 1973, feed prices have doubled and in many cases tripled. Hence, the upward pressures on the price of beef, and its fast disappearance from the meat counter. By adopting this amendment, I think that we will, in the long run, be making a good attempt to normalize the market conditions of supply and demand, and taking a first step toward restoring beef supplies in the supermarkets to normal levels.

Mr. President, I think the way to keep our beef prices as near normal as possible, under current conditions, is to restore an ample selection and supply of beef to the market shelves, so that the American housewife will at least have the opportunity and the option either to buy or not to buy beef to feed her family. If the prices are too high, many people will not buy it, and this in itself will have a dampening effect on beef consumption and thus tend to bring beef prices into line with other beef substitutes and alternatives to high-priced beef.

Threfore, Mr. President, I shall vote for the amendment by the Senator from Texas.

Mr. PASTORE. Mr. President, I am prepared to yield back my time. It is said that a vote against this amendment is a vote for the black market or skyrocketing prices, and that deprives the poor of meat. All I am saying is that a vote for this amendment is a discredit to this administration.

I yield back my time.

Mr. TOWER. Mr. President, I am ready to yield back but I do want to say that I think we have the votes on this side, so I am delighted for the Senator from Rhode Island to have the last word.

Mr. PASTORE. Oh, oh, even if I am alone, I will vote "nay" with a clear conscience and I can go home and face any housewife in my State.

The PRESIDING OFFICER. All time is yielded back. The question is on agreeing to the amendment. The yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Indiana (Mr. HARTKE), the Senator from Louisiana (Mr. JOHNSTON), and the Senator from Maine (Mr. MUSKIE) are necessarily absent.

I further announce that the Senator from South Dakota (Mr. ABOUREZK) is absent on official business.

I also announce that the Senator from Mississippi (Mr. STENNIS) is absent because of illness.

I further announce that, if present and voting, the Senator from Indiana (Mr. HARTKE) would vote "yea."

Mr. COTTON. I announce that the Senator from Arizona (Mr. GOLDWATER) is absent because of illness in his family.

The Senator from Utah (Mr. BENNETT), the Senator from Oregon (Mr. PACKWOOD), and the Senator from Pennsylvania (Mr. SCOTT) are necessarily absent.

The Senator from Michigan (Mr. GRIFFIN) and the Senator from Alaska (Mr. STEVENS) are detained on official business.

If present and voting, the Senator from Alaska (Mr. STEVENS) would vote "yea."

The result was announced—yeas 84, nays 5, as follows:

[No. 365 Leg.]

YEAS—84

Aiken
Allen
Baker
Bartlett
Bayh
Beall
Bellmon
Bentsen
Bible
Brock
Brooke
Buckley
Burdick
Byrd,
  Harry F., Jr.
Byrd, Robert C.
Cannon
Case
Chiles
Church
Clark
Cook
Cotton
Cranston
Curtis
Dole
Domenici
Dominick
Eagleton
Eastland
Ervin
Fannin
Fong
Fulbright
Gravel
Gurney
Hansen
Hart
Haskell
Hatfield
Hathaway
Helms
Hollings
Hruska
Huddleston
Hughes
Humphrey
Inouye
Jackson
Javits
Kennedy
Long
Magnuson
Mansfield
Mathias
McClellan
McClure
McGee
McGovern
Metcalf
Mondale
Montoya
Moss
Nelson
Nunn
Pearson
Percy
Proxmire
Randolph
Roth
Saxbe
Schweiker
Scott, Va.
Sparkman
Stafford
Stevenson
Symington
Taft
Talmadge
Thurmond
Tower
Tunney
Weicker
Williams
Young

NAYS—5

Biden
McIntyre
Pastore
Pell
Ribicoff

NOT VOTING—11

Abourezk
Bennett
Goldwater
Griffin
Hartke
Johnston
Muskie
Packwood
Scott, Pa.
Stennis
Stevens

So Mr. TOWER's amendment (No. 450) was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment of the amendments and third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time.

ACUTE FUEL PROBLEMS

Mr. SYMINGTON. Mr. President, I take this opportunity to comment on my vote yesterday for the Jackson amendment and with regard to fuel problems which are particularly acute in Missouri.

During the last several months most areas of Missouri have been adversely affected by gasoline, fuel oil, and propane shortages. These shortages have hit both major oil companies as well as independent fuel distributors, although the independents have borne the brunt of the short supply.

My office has worked with many Missourians in attempts to locate additional fuel supplies. We have also urged the administration to take action to provide more products and to distribute these products equitably among all segments of the petroleum industry.

In early January, those Senators representing nine Midwest States joined together to recommend and support a suspension of restrictions on all oil imports to help meet the critical need for fuel throughout the Midwest.

In April, once again I urged the President to encourage the importation of petroleum products. It was not until later that month, however, that the administration acted decisively to start building up fuel oil stocks for next winter and gasoline supplies for this summer. This action came some 5 months after Missouri had first experienced severe fuel shortages.

It was for this reason that I supported Senator EAGLETON's amendment to the Economic Stabilization Act that asked for a voluntary fuel allocation program and authorized a mandatory allocation program.

In late May I met with Deputy Secretary of the Treasury William E. Simon, Chairman of the Administration's Oil Policy Board, and other administration representatives to discuss bringing additional fuel into Missouri. Secretary Simon assured Members of the Missouri Congressional delegation that the administration would make every effort to bring additional fuel into Missouri, give farmers, food producers, police, fire, health facilities, and other emergency services the highest priority to obtain fuel, and institute mandatory controls if necessary.

Because of the failure to bring additional fuel into Missouri, however, I urged the President in early July to implement the mandatory fuel allocation program.

Thus far the administration has not acted in this regard, and therefore, with a need to allocate equitably the continuing shortages, the Senate advocated once again a mandatory fuel allocation program when the Jackson amendment was adopted by a vote of 20 to 70.

In fact, the amendment goes even farther and would institute a mandatory allocation of gasoline, fuel oil, and other petroleum products within 15 days after enactment. The purpose is to provide a needed equitable program of distribution in order to protect the public health and safety and to maintain essential public services and agricultural operations. The amendment is needed also, if we are to seek to preserve an independent fuel distribution chain.

MANDATORY FUEL ALLOCATION PROGRAM

Mr. HUMPHREY. Mr. President, I have strongly supported the Jackson amendment to H.R. 5777. It requires the President to implement, within 25 days of date of enactment, an emergency mandatory allocation program for gasoline, heating oil, and other fuels which are in short supply. The Senate acted wisely in supporting this amendment yesterday by a vote of 80 to 9.

This amendment is patterned after S. 1570, the "Emergency Petroleum Allocation Act of 1973," which the Senate passed June 5 by a wide margin. Companion legislation to S. 1570 is pending before the House Interstate and Foreign Commerce Committee, but no action has been taken. The reason: On July 10 Deputy Treasury Secretary William Simon told the committee that a decision whether to go to mandatory controls would be made "within the week" by the administration. That "week" has now stretched into 23 days.

Mr. President, the only way I can interpret the administration's delay is either that it is suffering from paralysis of the decisionmaking process or it is indifferent to the seriousness of the fuel supply situation.

Distasteful as the thought of mandatory controls may seem to be, the risks of disaster to our Nation are too great not to move forward at this time with this most necessary step. Daily I receive phone calls, telegrams and letters from my constituents telling me that the voluntary allocation program is a failure. They say if action is not taken immediately they will go out of business, their crops will not be harvested this fall their schools and hospitals will be closed this winter for lack of adequate fuel.

Let me just quote from statements made recently by two officials in Minnesota in regard to the current fuel shortage. The State Director of Civil Defense, Mr. James Erchul:

> Aside from listening to complaints there isn't much state government can do about the fuel shortage. Our hands are tied at the state level. We're taking complaints but there's no policy. We're waiting for the federal government.

Minnesota's Commissioner of Agriculture, Mr. Jon Wefald:

> Last year's fuel allocations simply aren't enough, and the situation is becoming serious. The farmer isn't even sure he will get the amount allocated last year. Given the fantastic production that is out there in the fields, mandatory fuel allotments are necessary to assure harvesting.

Mr. President, officials in my State of Minnesota are not alone in their concern and complaints regarding the voluntary allocation program. Just 2 days ago, on July 31, The Oil Daily, the daily newspaper of the energy industries, headlined a story indicating that the outlook for heating oil this coming winter is "precarious." I ask unanimous consent that the article be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

PRECARIOUS DISTILLATE SITUATION FORECAST

(By Jim Collins)

WASHINGTON.—A new analysis of the outlook for heating oil next winter by John Lichtblau, Petroleum Industry Research Foundation Inc., warns that the situation is "precarious." It notes that stocks (including secondary stocks on the East Coast) will be only slightly higher than last year as the heating season gets underway. Demand is expected to rise by more than 6% from last winter, it relates.

"Since last year's comparable stock level would have been clearly insufficient for a normal winter," Lichtblau reports, "the distillate heating oil supply outlook for next winter is quite precarious, notwithstanding the apparent high level of current primary stock accumulation."

Lichtblau sees that if (1) next winter is slightly colder than normal, (2) if the use of distillate oil for curtailed natural gas supplies is significantly larger than last year, (3) if refinery runs cannot be sustained at an average rate of 92% of capacity over the next nine months, or (4) if the level of imports falls ¾% below a projected average volume of 500,000 b/d during the heating season—"a shortage could be expected to develop."

Lichtblau feels that to prevent, or at least contain, the shortage "The government must take several steps in advance of the heating season."

These would include imposing mandatory allocations evenly distributed throughout markets, maximum imports by permitting pass-throughs of higher costs for this oil, and raising the permissible sulfur level of all distillate imports to 0.5% to 0.7% because foreign supplies with a lower sulfur content are simply not available to meet projected U.S. import needs.

These prime points in Lichtblau's analysis were unveiled by Senator Jackson, D-Wash., chairman of the Senate Interior Committee last week, at a hearing then.

Jackson, tipping the recommendations in Litchtblau's report before it was officially released, said he agreed with Litchtblau that the sulfur restrictions should be relaxed and he urged administration officials to consider such a move. Former Colorado Governor John Love, now President Nixon's top energy advisor, told Jackson that this was already under study at the White House.

Lichtblau in his analysis pointed out that in the past two years distillate demand has risen at an average annual rate of 7%—more than three times its average growth during the period 1964–69—reflecting the sharp rise in the requirements of peripheral distillate markets—power plants and gas customers with alternate fuel facilities.

He reported that utility distillate demand in 1972 was 144,000 b/d, compared with 66,000 b/d in 1970 and 92,000 b/d in 1971—for an average annual increase of 48%. Other distillate demand averaged 2,242,000 b/d in 1970, 2,305,000 b/d in 1971 and 2,497,000 b/d in 1972—for an average annual increase of 5.5%.

He estimated 1973 annual distillate demand at 2,730,000 b/d, with supply averaging 2,797,000 b/d, and stocks at the end of 1973 closing at 166.9 million barrels. He expects first quarter 1974 distillate demand to average 3,900,000 b/d, with supply in that quarter averaging 3,133,000, b/d, and closing stocks on March 31 at 97.8 million barrels.

Lichtblau projects an increase in distillate demand of 6.2% over the comparable period of the year before—with distillate demand over the entire heating season averaging 3,571,000 b/d. That would be about in line with the increase in the last heating season, after adjustment for degree day differential.

The 97.9 million barrels of stocks he estimated at the end of the heating season next spring would be equal to about 25 days of first quarter demand—the lowest ratio in more than a decade.

Thus, the stock levels he estimates do not assure adequate supplies in the first quarter. But he pointed out these levels would probably be sufficient to "minimize" a shortage.

SUPPLY-DEMAND BALANCES

Lichtblau warned, however, that the supply-demanded balances he computed might now be attained and in the absense of specific government actions "may even be considered unlikely."

He pointed out refineries have been operating at 95% of capacity to meet gasoline demands. But it is not known how long they can maintain this rate. Several plants that should have come down for normal maintenance were not shut down this summer and last year the industry had several breakdowns.

He also pointed out that he assumes the 1973–74 winter will be normal. But if it turns out to be only 3% colder, demand would increase by more than 75,000 b/d and stocks at the end of the first quarter would be drawn down by an additional 14 million barrels. To make this up, refineries would have to operate at a sustained crude through-put rate of 95%. This would be unlikely, creating a shortage of heating oil.

Even if the weather is normal, however, Lichtblau warned that there is an uncertainty over the extent of the natural gas shortage next winter and the effect it will have on distillate demand.

He also pointed out that secondary stocks are currently very low—a situation not generally encountered in the past. They will likely remain so into the heating season, he added.

He said a survey of expected stock levels of most East Coast independent terminal operators indicates they expect to go into the heating season with inventories about 9 million barrels below what they consider normal—70% of physical storage capacity.

As of Sept. 30, 1972, the combined stock level of the independent terminal operators was 8 million barrels—compared with a capacity of 17.5 million barrels.

This short-fall, Lichtblau warned, "is serious since the independent terminal operators account for approximately 25% of distillate fuel oil sales (and 40% of distillate fuel oil sales (and 40% of New England's sales)."

As for air pollution controls, Lichtblau pointed out that in a growing number of markets in the Northeast controls require a maximum sulfur level of 0.3 or 0.2% for distillate heating oil and next October sulfur levels may be cut in Philadelphia and both counties of Long Island.

U.S. supplies can generally meet the lower sulfur levels without difficulty, he said, but foreign distillate—particularly from Europe—cannot.

He said a temporary relaxation of statutory sulfur levels for residual fuel oil would also release distillate imports.

Mr. HUMPHREY. Mr. President, the main point of the Petroleum Industry Research Foundation report is that demand for heating fuel will rise by six percent over last winter, while supply will be roughly equivalent to what was available last year. If ever a figure was calculated to scare us into action, this is it. Let me remind my colleagues that last winter was an unusually warm one. Even so, for the first time in memory, fuel-oil supplies ran ominously low in many parts of the Nation. From Denver to Des Moines schools were closed for lack of heat, and production in fuel-short factories came to a halt. Only the compassionate hand of the Lord saved us from full-scale disaster. Had the winter not been mild, we would not have pulled through. Now we are faced with an even worse possibility this winter; yet the administration has taken no constructive steps to avert real tragedy.

Mr. President, this is not a situation we can afford to ignore any longer. This is a situation that needs an answer now. The voluntary program for allocation of petroleum has not been successful. The problems accompanying the inability or unwillingness of oil companies to supply independent distributors are growing more critical each day. Even Mr. John Love, the new White House energy czar, admits to this. In testimony Monday before a House Banking Subcommittee, he stated that oil company compliance with the voluntary allocation program has deteriorated noticeably in the past 3 weeks. He even went as far as to say that some companies have given formal notice that they do not intend to comply further with the voluntary program.

Yet, at the same time he said this: he admitted that the administration has made no decision on whether the voluntary program will be replaced with a mandatory one. Now, I ask you, how much longer must we wait for this much heralded decision? What does it take to get the administration to move on this critical subject, a subject which is at the heart of our Nation's security and prosperity.

If the administration will not act, it is up to us in Congress to force it to do so. For this reason, I am heartened that the Senate yesterday, August 1, again passed, by a vote of 80 to 9, the Emergency Petroleum Act of 1973, as an amendment to H.R. 5777, the so-called hobbyist bill. I hope and pray the House will act on this measure prior to the August recess.

The PRESIDING OFFICER (Mr. Scott of Virginia). The bill having been read the third time, the question is, Shall it pass?

Mr. BROOKE. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass? On this question the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Delaware (Mr. Biden), the Senator from Indiana (Mr. Hartke), the Senator from Louisiana (Mr. Johnston), the Senator from Washington (Mr. Magnuson), and the Senator from Maine (Mr. Muskie) are necessarily absent.

I further announce that the Senator from South Dakota (Mr. Abourezk) is absent on official business.

I also announce that the Senator from Mississippi (Mr. Stennis) is absent because of illness.

I further announce that, if present and voting, the Senator from South Dakota (Mr. Abourezk), the Senator from Indiana (Mr. Hartke), and the Senator from Washington (Mr. Magnuson) would each vote "yea."

Mr. GRIFFIN. I announce that the Senator from Arizona (Mr. Goldwater) is absent because of illness in his family.

The Senator from Utah (Mr. Bennett), the Senator from Oregon (Mr. Packwood), and the Senator from Pennsylvania (Mr. Scott) are necessarily absent.

The Senator from Ohio (Mr. Saxbe) is detained on official business.

The result was announced—yeas 88, nays 0, as follows:

[No. 366 Leg.]

YEAS—88

Aiken
Allen
Baker
Bartlett
Bayh
Beall
Bellmon
Bentsen
Bible
Brock
Brooke
Buckley
Burdick
Byrd, Harry F., Jr.
Byrd, Robert C.
Cannon
Case
Chiles
Church
Clark
Cook
Cotton
Cranston
Curtis
Dole
Domenici
Dominick
Eagleton
Eastland
Ervin
Fannin
Fong
Fulbright
Gravel
Griffin
Gurney
Hansen
Hart
Haskell
Hatfield
Hathaway
Helms
Hollings
Hruska
Huddleston
Hughes
Humphrey
Inouye
Jackson
Javits
Kennedy
Long
McClellan
McClure
McGee
McGovern
McIntyre
Mansfield
Mathias
Metcalf
Mondale
Montoya
Moss
Nelson
Nunn
Pastore
Pearson
Pell
Percy
Proxmire
Randolph
Ribicoff
Roth
Schweiker
Scott, Va.
Sparkman
Stafford
Stevens
Stevenson
Symington
Taft
Talmadge
Thurmond
Tower
Tunney
Weicker
Williams
Young

NAYS—0

NOT VOTING—12

Abourezk
Bennett
Biden
Goldwater
Hartke
Johnston
Magnuson
Muskie
Packwood
Saxbe
Scott, Pa.
Stennis

So the bill (H.R. 5777) was passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Secretary of the Senate be authorized to make technical, clerical, and conforming corrections in the engrossment of the Senate amendment to H.R. 5777.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. I also ask unanimous consent that the bill be printed as it passed the Senate.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. I move to reconsider the vote by which the bill was passed.

Mr. ROBERT C. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that Calendar No. 328, S. 1880, be indefinitely postponed.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER OF BUSINESS

Mr. MANSFIELD. Mr. President, under the unanimous-consent agreement of yesterday, at 3 o'clock today we shall turn to the consideration of the veto message of the President of the United States; is that correct?

The PRESIDING OFFICER. The Senator is correct.

THE CALENDAR

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of calendar Nos. 346, 350, 351, 352, and 353, in order.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL EXPENDITURES BY THE COMMITTEE ON FINANCE

The resolution (S. Res. 148), authorizing additional expenditures by the Committee on Finance for routine purposes was considered and agreed to, as follows:

Resolved, That the Committee on Finance is authorized to expend from the contingent fund of the Senate, during the Ninety-third Congress, $20,000 in addition to the amount, and for the same purposes, specified in section 134(a) of the Legislative Reorganization Act of 1946.

REGULATION OF INSURANCE IN THE DISTRICT OF COLUMBIA

The bill (H.R. 4083) to improve the laws relating to the regulation of insurance in the District of Columbia, and for other purposes, was considered, ordered to a third reading, read the third time, and passed.

AMENDMENT OF THE DISTRICT OF COLUMBIA ELECTION ACT

The bill (H.R. 6713) to amend the District of Columbia Election Act regarding the times of filing certain petitions regulating the primary election for delegate from the District of Columbia, and for other purposes, was considered, ordered to a third reading, read the third time, and passed.

AUTHORIZATION OF CERTAIN PROGRAMS IN THE DISTRICT OF COLUMBIA

The Senate proceeded to consider the bill (H.R. 8250) to authorize certain programs and activities of the Government of the District of Columbia and for other purposes, which had been reported from the Committee on the District of Columbia with amendments on page 12, line 8, after the word "ceremonial", to strike out "representational,"; in line 17, after the word "Council", to strike out the period and "Competitive proposals shall be invited by the Commissioner of the District of Columbia from the various daily newspapers published in the District for publishing such delinquent tax list."." and insert "in not less than two major daily newspapers published in the District."."; and, on page 14, line 9, after the word "for", to strike out "such purposes" and insert "appropriate purposed related to their official capacity".

The amendments were agreed to.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time, and passed.

INCREASE IN DISABILITY AND DEATH PENSIONS

The Senate proceeded to consider the bill (S. 275) to amend title 38 of the United States Code increasing income limitations relating to payment of disability and death pension, and dependency and indemnity compensation, which had been reported from the Committee on Veterans' Affairs with an amendment to strike out all after the enacting clause and insert in lieu thereof the following:

That (a) subsection (b) of section 521 of title 38, United States Code, is amended to read as follows:

"(b) If the veteran is unmarried (or married but not living with and not reasonably contributing to the support of his spouse) and has no child, pension shall be paid according to the following formula: If annual income is $300 or less, the monthly rate of pension shall be $143. For each $1 of annual income in excess of $300 up to and including $800, the monthly rate shall be reduced 3 cents; for each $1 of annual income in excess of $800 up to and including $1,200, the monthly rate shall be reduced 4 cents; for each $1 of annual income in excess of $1,200 up to and including $1,600, the monthly rate shall be reduced 5 cents; for each $1 of annual income in excess of $1,600 up to and including $2,000, the monthly rate shall be reduced 6 cents; for each $1 of annual income in excess of $2,000 up to and including $2,400, the monthly rate shall be reduced 7 cents; and for each $1 of annual income in excess of $2,400 up to and including $2,800, the monthly rate shall be reduced 8 cents. For annual income of $2,800 through $3,000, the rate shall be $8. No pension shall be paid if annual income exceeds $3,000.".

(b) Subsection (c) of such section 521 is amended to read as follows:

"(c) If the veteran is married and living with or reasonably contributing to the support of his spouse, or has a child or children, pension shall be paid according to the following formula: If annual income is $500 or less, the monthly rate of pension shall be $154 for a veteran and one dependent, $159 for a veteran and two dependents, and $164 for three or more dependents. For each $1 of annual income in excess of $500 up to and including $800, the monthly rate shall be reduced 2 cents; for each $1 of annual income in excess of $800 up to and including $2,200, the monthly rate shall be reduced 3 cents; for each $1 of annual income in excess of $2,200 up to and including $3,200, the monthly rate shall be reduced 4 cents; for each $1 of annual income in excess of $3,200 up to and including $3,800, the monthly rate shall be reduced 5 cents; and for each $1 of annual income in excess of $3,800 up to and including $4,200, the monthly rate shall be reduced 6 cents. No pension shall be paid if annual income exceeds $4,200.".

(c) Subsection (b) of section 541 of title 38, United States Code, is amended to read as follows:

"(b) If there is no child, pension shall be paid according to the following formula: If annual income is $300 or less, the monthly rate of pension shall be $96. For each $1 of annual income in excess of $300 up to and including $500, the monthly rate shall be reduced 1 cent; for each $1 of annual income in excess of $500 up to and including $1,500, the monthly rate shall be reduced 3 cents; for each $1 of annual income in excess of $1,500 up to and including $2,500, the monthly rate shall be reduced 4 cents; and for each $1 of annual income in excess of $2,500 up and and including $2,900, the monthly rate shall be reduced 5 cents. For annual income of $2,900 through $3,000, the rate shall be $4. No pension shall be paid if annual income exceeds $3,000.".

(d) Subsection (c) of such section 541 is amended to read as follows:

"(c) If there is a widow and one child, pension shall be paid according to the following formula: If annual income is $700 or less, the monthly rate of pension shall be $114. For each $1 of annual income in excess of $700 up to and including $1,100, the monthly rates shall be reduced 1 cent; for each $1 of annual income in excess of $1,100 up to and including $2,500, the monthly rate shall be reduced 2 cents; for each $1 of annual income in excess of $2,500 up to and including $3,400, the monthly rate shall be reduced 3 cents; and for each $1 of annual income in excess of $3,400 up to and including $4,200, the monthly rate shall be reduced 4 cents. Whenever the monthly rate payable to the widow under the foregoing formula is less than the amount which would be payable to the child under section 542 of this title if the widow were not entitled, the widow will be paid at the child's rate. No pension shall be paid if the annual income exceeds $4,200.".

SEC. 2. Section 514(d) of title 38, United States Code, is amended by striking "17" and substituting in lieu thereof "18".

SEC. 3. (a) Section 542(a) of title 38, United States Code, is amended by striking the figures "42" and "17" respectively, and substituting in lieu thereof the figures "44" and "18", respectively.

(b) Section 542(c) of such title is amended by striking out "$2,000" and inserting in lieu thereof "$2,400".

SEC. 4. Section 4 of Public Law 90–275 (82 Stat. 68) is amended to read as follows:

"SEC. 4. The annual income limitations governing payment of pension under the first sentence of section 9(b) of the Veterans' Pension Act of 1959 hereafter shall be $2,600 and $3,900, instead of $2,200 and $3,500, respectively.".

SEC. 5. (a) Subsection (b) of section 415 of title 38, United States Code, is amended to read as follows:

"(b)(1) Except as provided in paragraph (2) of this subsection, if there is only one parent, dependency and indemnity compensation shall be paid to him according to the following formula: If annual income is $800 or less, the monthly rate of dependency and indemnity compensation shall be $110. For each $1 of annual income in excess of $800 up to and including $1,100, the monthly rate shall be reduced 3 cents; for each $1 of annual income in excess of $1,100 up to and including $1,500, the monthly rate shall be reduced 4 cents; for each $1 of annual income in excess of $1,500 up to and including $1,700, the monthly rate shall be reduced 5 cents; for each $1 of annual income in excess of $1,700 up to and including $2,000, the monthly rate shall be reduced 6 cents; for each $1 of annual income in excess of $2,000 up to and including $2,300, the monthly rate shall be reduced 7 cents; and for each $1 annual income in excess of $2,300 up to and including $2,700, the monthly rate shall be reduced 8 cents. For annual income of $2,700 through $3,000, the rate shall be $4. No dependency and indemnity compensation shall be paid if annual income exceeds $3,000.

"(2) If there is only one parent and he has remarried and is living with his spouse, dependency and indemnity compensation shall be paid to him under either the formula of paragraph (1) of this subsection or under the formula in subsection (d), whichever is the greater. In such a case of remarriage the total combined annual income of the parent and his spouse shall be counted in determining the monthly rate of dependency and indemnity compensation under the appropriate formula.".

(b) Subsection (c) of such section 115 is amended to read as follows:

"(c) Except as provided in subsection (d), if there are two parents, but they are not living together, dependency and indemnity compensation shall be paid to each according to the following formula: If the annual income of each parent is $800 or less, the monthly rate of dependency and indemnity payable to each shall be $77. For each $1 of annual income in excess of $800 up to and including $1,100, the monthly rate shall be reduced 2 cents; for each $1 of annual income in excess of $1,100 up to and including $1,400, the monthly rate shall be reduced 3 cents; for each $1 of annual income in excess of $1,400 up to and including $2,300, the monthly rate shall be reduced 4 cents; and for each $1 of annual income in excess of $2,300 up to and including $2,700, the monthly rate shall be reduced 5 cents. For annual income of $2,700 through $3,000, the rate shall be $6. No dependency and indemnity compensation shall be paid to a parent whose annual income exceeds $3,000.".

(c) Subsection (d) of such section 415 is amended to read as follows:

"(d) If there are two parents who are living together, or if a parent has remarried and is living with his spouse, dependency and indemnity compensation shall be paid to each such parent according to the following formula: If the total combined annual income is $1,000 or less, the monthly rate of dependency and indemnity compensation payable to each parent shall be $74. For each $1 of annual income in excess of $1,000 up to and including $1,200, the monthly rate shall be reduced 1 cent; for each $1 of annual income in excess of $1,200 up to and including $2,000, the monthly rate shall be reduced 2 cents; and for each $1 of annual income in excess of $2,900 up to and including $4,000, the monthly rate shall be reduced 3 cents. For annual income of $4,000 through $4,200 the rate shall be $5. No dependency and indemnity compensation shall be paid to either parent if the total combined annual income exceeds $4,200.".

Sec. 6. Section 3203(a)(1) of title 38, United States Code, is amended by striking out "30" and inserting in lieu thereof "50".

Sec. 7. (a) Subsection (b) of section 3010 of title 38, United States Code, is amended by inserting "(1)" immediately after "(b)", and by adding at the end of said subsection the following new paragraph:

"(2) The effective date of an award of disability pension to a veteran shall be the date of application or the date on which the veteran became permanently and totally disabled, if an application therefor is received within one year from such date; whichever is to the advantage of the veteran.".

(b) Subsection (a) of this section shall apply to applications filed after its effective date, but in no event shall an award made thereunder be effective prior to such effective date.

Sec. 8. (a) Any veteran who was dishonorably discharged from the United States Army as the result of an incident that occurred in Brownsville, Texas, on August 13, 1906, and who was not subsequently ruled eligible for reenlistment in the Army by a special Army tribunal decision dated April 6, 1910, shall upon application made to the Administrator of Veterans' Affairs together with such evidence as the Administrator may require, be paid the sum of $25,000.

(b) Any unremarried widow of any veteran described in subsection (a) of this section shall, upon application made to the Administrator of Veterans' Affairs together with such evidence as the Administrator may require, be paid the sum of $10,000 if such veteran died prior to the date of enactment of this Act or if such veteran failed to make application for payment under subsection (a) after such date of enactment and prior to his death.

(c) Payment authorized to be made under this section in the case of any veteran or widow shall be made by the Secretary of the Army, out of funds available for the payment of retired pay to Army personnel, upon certification by the Administrator of Veterans' Affairs of the entitlement of such veteran or widow to receive such payment. In no case may any payment be made to any veteran or widow under this section unless application for such payment is made within five years after the date of enactment of this Act.

Sec. 9. This Act shall take effect on the first day of the second calendar month which begins after the date of enactment.

Mr. HARTKE. Mr. President, I rise in support of the passage of S. 275 as reported by the Committee on Veterans' Affairs which I am privileged to chair. As my colleagues will remember, last fall this body unanimously passed S. 4006 in the closing days of the session. That bill would have provided for an 8-percent program increase in the rates of pension together with an increase in the maximum annual income limitations of $400 to adjust for the effect of last year's social security increase on veterans pensions.

Unfortunately, the House was unable to act on S. 4006 and no final action was taken on the bill. Since the beginning of the 93d Congress, the committee has been involved in investigating overall reform of the VA pension system. On June 18 in testimony before the Subcommittee on Compensation and Pensions chaired by Senator Talmadge, the Veterans' Administration proposed a revision of the system, but was unable to submit any draft at that time. Finally about 2 weeks ago a preliminary tentative draft was submitted. While the committee believes that the pension system is in need of review and that there is merit to some of the proposed revisions it is obvious that the Veterans' Administration is currently unable to supply the committee with all the necessary information required to evaluate any reform proposals.

Mr. President, we have thus reached the conclusion that all such proposals were in need of further study before we can present any recommendations to the Senate. Although we will continue to examine the pension system, the committee believes an interim measure which takes last year's social security increase and the continuing inflationary spiral into account is immediately necessary. The committee notes that since Congress last acted on veterans pensions the cost of living has increased 7.6 percent as of the end of June with the Consumer Price Index rising approximately 1 point a month.

This past Monday, July 30, the House passed a similar measure H.R. 9474. I am most hopeful that we will be able to come to an agreement on the differences that do exist during the August recess so that we may act immediately upon our return a month from now.

The committee substitute to S. 275 before you today would increase and protect pensions by providing for a 10-percent increase in rates and a $400 increase in the maximum annual income limitations. The committee substitute would:

First, increase the maximum annual income limitations for eligible veterans and their survivors receiving pensions by $400 and provide a 10-percent increase in the rates of pensions;

Second, increase the maximum annual income limitations of "old law" pensioners by $400;

Third, increase the maximum income limitations by $400 for parents receiving dependency and indemnity compensation—DIC—and provide an average 10-percent increase in the rates of DIC;

Fourth, increase the amount of pension paid to a veteran with neither wife nor child who is receiving hospital treatment from $30 to $50 a month;

Fifth, amend the law with respect to effective dates for pension awards to provide that the effective date shall be the date of application or the date on which the veteran became totally and permanently disabled, whichever is to the advantage of the veteran;

Sixth, provide for a compensatory payment of $25,000 to any veteran—or $10,000 to an unremarried widow—of the Brownsville incident of 1906; and

Seventh, the law would become effective on the first day of the second calendar month following enactment.

The bill would provide an increase in non-service-connected pension rates for approximately 2.3 million veterans and their survivors at a fiscal 1974 cost of $171.9 million increasing to $255.4 million at the end of 5 years.

Mr. President, I would like to take this opportunity to express my appreciation to my distinguished colleague Mr. Talmadge, chairman of the Subcommittee on Compensation and Pensions, for the hearings he has conducted and for his well considered recommendations and invaluable support in the committee's deliberations concerning pension legislation. Similarly, I would like to express my gratitude to the distinguished ranking minority member of the subcommittee, Mr. Thurmond, and to the ranking minority member of the full committee, Mr. Hansen, for the spirit of cooperation and agreement they have fostered in the committee's discussion and consideration of S. 275.

Mr. President, I believe the urgency to act on this matter is clearly apparent from a telegram I have received from Patrick Carr, national commander of the Veterans of Foreign Wars and also a communication from the American Legion which I received today urging passage of S. 275 as reported by the committee. I ask unanimous consent that they be inserted in the Record at this point.

There being no objection, the telegram and letter were ordered printed as follows:

Washington, D.C.,
July 31, 1973.

Hon. Vance Hartke,
Chairman, Veterans' Affairs Committee,
Capitol Hill, D.C.:

Imperative your committee and the Senate take up and pass meaningful remedial pension legislation prior to recess. House Bill, H.R. 9474, passed yesterday would grant overdue and needed relief to those presently in receipt of pension but does not restore the more than 20,000 dropped from the rolls last January. A $400 increase in income limitations would restore most of those terminated.

Patrick E. Carr,
National Commander in Chief, Veterans of Foreign Wars of the United States.

The American Legion,
Washington, D.C., August 2, 1973.

Hon. Vance Hartke,
Chairman, Senate Committee on Veterans' Affairs, Russell Senate Office Building, Washington, D.C.

Dear Chairman Hartke: The American Legion is grateful for the efforts of the Senate and House Committees on Veterans Affairs to enact a pension bill prior to the forthcoming recess.

We find little that is objectionable and much to recommend in the approach taken by the House in H.R. 9474. However, the Senate version of this legislation, S. 275, as amended and favorably reported yesterday by your Committee, more nearly meets the objectives of The American Legion on this subject as adopted by our National Convention and National Executive Committee.

S. 275, as reported, provides a ten percent across the board increase in monthly benefits to all pensioners and recipients of DIC. The Legion believes this is the minimum amount of increase that should be approved. Our mandate calls for a fifteen percent increase. The Senate bill also provides a $400 increase in income limitations. The American Legion believes this amount is required to place these limitations on a level with the loss in purchasing power of the dollar and reinstate those pensioners to the position they occupied when the existing income limitations were established in January of 1972. In addition, the $400 increase in limitations would have the effect of restoring to the rolls some 20,000 pensioners who lost their benefits January 1 of this year because of previous increases in social security.

The proposed change in commencement dates for pension benefits, as contained in both the Senate and House bills, will also satisfy one of our resolutions.

The House bill provides that all earned income of a spouse above $3,600 shall be counted as income of the veteran. This could have a severely adverse affect on some pensioners, particularly those younger veterans who are totally disabled, with small children or other dependents, and the spouse is required to work to support the family. We hope that consideration of this proposal can be delayed until a study is made of the existing pension program with the view of improving its over-all structure. This would eliminate the need for the Congress having to take time frequently from its busy schedule to readjust the benefit rates because of continuing inflation.

The American Legion supports S. 275, as reported by your Committee, and urges its enactment as soon as possible.

Sincerely yours,

HERALD E. STRINGER,
Director, National Legislative Commission.

Mr. HARTKE. Mr. President, I would also like to briefly comment about the 5.9-percent increase in social security benefits enacted by Congress in Public Law 93–66 earlier this summer. As you know, the veterans' pension system is so constituted that veterans will be entitled to the greatest portion of any social security increase with only minor reductions in their veterans pensions. Nevertheless, Congress has long been concerned about any reduction in pensions which are occasioned by social security increases. No man has been more concerned that veterans receive equitable pension benefits than my distinguished colleague from Connecticut (Mr. RIBICOFF). Senator RIBICOFF has most recently exhibited his continuing concern for veterans and their survivors through his sponsorship and strong support of a "passthrough" of social security benefits to veterans and their survivors at the time the Senate considered and passed the recent increase. This passthrough provision was dropped at the insistence of the House of Representatives, because of jurisdictional questions, administrative problems, and concern over the exact operation of such a provision. Since that time both the Senate and the House Veterans' Affairs Committees have been directing themselves to any prospective problems that may be faced by veterans because of the 5.9-percent increase. The senior Senator from Connecticut has continued to express his concern to me personally that we act expeditiously in this matter. In this connection, I want to inform my colleagues that under existing provisions of title 38, United States Code, regarding the reporting of annual income, the major impact of the social security increases which are scheduled to go into effect July 1, 1974, will not be experienced by pensioners prior to January 1975, some 15 months from now. I want to assure my good friend from Connecticut as well as all Members of the Senate that we fully anticipate taking such corrective action as is equitable and necessary long before that date.

Mr. President, I would also ask unanimous consent that appropriate excerpts of the committee's report to S. 275 be inserted in the RECORD at this point.

There being no objection, the material was ordered printed as follows:

BACKGROUND AND DISCUSSION

DEVELOPMENT OF THE NON-SERVICE-CONNECTED PENSION SYSTEM PRIOR TO THE 92D CONGRESS

Pensions based on non-service-connected disability for death of a veteran date back to the Revolutionary War era. Prior to 1960, pensions were provided on the basis of a flat award if the veteran's income did not exceed a specified figure. Public Law 86–211 established a three-level system of pension payments based on need as principally determined by the veteran's income. The largest pensions are paid to those with the least income from other sources and as outside income increases the amount of pension is reduced. Under Public Law 86–211, most veterans then receiving pensions were entitled to higher benefits. Those who had been receiving pensions prior to the change were allowed to continue receiving benefits under the "old law" if they so desired. Presently, some 273,949 or about 14.8 percent of all pensioners continue to receive pension under the "old law".

In 1964, faced with a prospective increase in Social Security benefits, Congress amended the revised pension law by excluding 10 percent of all payments to an individual under public or private retirement, annuity, endowment, or similar plans or programs in determining the "annual income" of the veteran. Thus, in addition to a general rate increase, the 10 percent exclusion provided for in Public Law 88–664 assured that no individual pensioner would be adversely affected because of the contemplated Social Security increase. At that time Congress also created another exclusion, and provided that a wife's earned income would not be counted for determining a veteran's outside income and a wife's unearned income would only be counted in excess of $1,200. This was done in order to provide that funds which went for the maintenance of the spouse were not counted as available to the veteran as annual income.

In 1967, Congress provided an average overall-cost-of-living increase of 5.4 percent in Public Law 90–77. The following year in 1968, Congress in Public Law 90–275 again increased pension rates and also provided for a $200 increase in the income limitations which assured that there would be no pension loss because of the 13 percent increase in Social Security benefits that year. The same act also replaced the three-level system of pension rates with a multi-level increment system. Under the previous three-level system, a slight increase in outside income could result in a disproportionate decrease in a veteran's pension. The enactment of a twenty-plus increment system of $100 graduations permitted a more orderly and gradual reduction in monthly benefits because of a slight increase in outside income.

In 1970, in enacting Public Law 91–588, Congress provided that there would be no loss of reduction of pension because of a 15 percent increase in Social Security benefits. It raised the current maximum annual income limitations $300 and increased virtually all current law pension through a raise in the rates payable.

DEVELOPMENTS IN THE NON-SERVICE-CONNECTED PENSION PROGRAM IN THE 92D CONGRESS

Under earlier pension laws, despite increasing refinements, the structure of the pension system was such that small increases in outside annual income could result in a sharp drop in pension or being dropped from the rolls completely. The problem became particularly acute whenever there were increases in Social Security or other retirement benefits. Whatever Social Security increases Congress enacted on the one hand, resulted in the taking away of veterans pension benefits on the other. More importantly, the reduction in a veteran's pension was often greater than the increase in Social Security benefits which resulted in a loss of aggregate income for the veteran or his survivor. Congressional response to these problems over the years has generally been to adjust pensions, and increase the maximum annual income limitations to accomplish a "pass along" of Social Security increases.

In 1971, in response to Social Security increases that year Congress enacted Public Law 92–198 which not only increased the pension rates and the maximum annual income limitations but also adopted a new formula approach to the payment of pensions. Designed to prevent the net loss of *aggregate* income for any pensioner who remains on the rolls who received an increase in outside income, the formula specified a maximum monthly rate for each group within designated income categories. Under the formula, each individual's monthly benefit is computed by reducing the maximum rate by a specified number of cents for each dollar by which the maximum income level for that group is exceeded.

For example, currently for a single veteran receiving a pension under section 521 of title 38, United States Code, the maximum monthly pension is $130 based on an annual income of $300 or less. This monthly amount is reduced by 3 cents for each dollar of annual income which exceeds $300 up to and including $1,000; by 4 cents for each dollar of income in excess of $1,000 up to and including $1,500; by 5 cents for each dollar of income exceeding $1,500 up to and including $1,800; by 6 cents for each dollar of income exceeding $1,800 up to and including $2,200; and by 7 cents for each dollar of income exceeding $2,200 up to and including $2,600. The minimum monthly rate is $22. No pension for a single veteran is paid if annual income exceeds $2,600.

In July 1972, Congress enacted Public Law 92–336 providing for a 20-percent increase in Social Security benefits. Approximately 830,000 veterans or 77 percent of all veterans receiving pensions also receive Old Age or Survivors benefits (OASI). The average benefits prior to the Social Security increase were approximately $1,625. In addition, approximately 960,000 or 75.7 percent of survivors received Social Security benefits averaging $1,263 prior to the Social Security increase. Non-service-connected pensioners receiving OASI broken down by age and average benefits is shown in the following table:

TABLE 1.—NON-SERVICE-CONNECTED PENSIONS WITH OLD AGE SURVIVORS INSURANCE

Veterans	Number with OASI [1]	Total caseload [2]	Percent with OASI	Average OASI
Less than 65	256, 687	390, 309	65. 8	$1, 588
65 to 69	67, 666	74, 602	90. 7	1, 474
70 to 74	135, 934	151, 318	89. 8	1, 603
75 to 79	278. 505	346, 573	80. 1	1, 763
80 and over	93, 806	118, 742	79. 0	1, 453
Total veterans	832, 598	1, 081, 533	77. 0	1, 625
Survivors	958, 386	1, 266, 800	75. 7	1, 263

[1] Source: 1 percent sample of the 1972 AIQ's.

[2] Source: May 1972 caseload.

Note: No age breakout is available for survivors.

Under the new pension formula devised earlier in the 92d Congress, no pensioner who remained on the pension rolls who received a Social Security increase suffered an aggregate loss in income. Pension reductions were less than the Social Security increase so that veterans and their survivors had a net increase in total income approximating two-thirds of the Social Security increase. However, approximately 20,000 pensioners consisting of 14,200 veterans and 5,800 survivors were scheduled to be dropped from the pension rolls on January 1, 1973, the effective date of annual revision of entitlement to pension income. Concerned about the effect of Social Security amendments on pensioners, the Committee held hearings on September 12, 1972 to consider legislation which would ameliorate the adverse impact of Social Security increases on pensioners and to adjust for continuing inflation. Subsequently, the Committee unanimously ordered reported S. 4006 which would have increased maximum annual income limitations by $400 (the approximate amount of the average Social Security increase) and would have increased the base pension rates by about 8 percent.

The measure unanimously passed the Senate in the closing days of the session on October 11, 1972 but the House was unable to consider pension legislation prior to adjournment sine die.

CURRENT PENSION BENEFITS AND CHARACTERISTICS OF PENSIONERS

Under current law, a veteran may be eligible for pension benefits if:

(*a*) He served in the Armed Forces at least 90 days, including at least 1 day of service during wartime;

(*b*) His income does not exceed the limits specified in the law (currently, $2,600 if the veteran is single and $3;800 if he has a dependent);

(*c*) He is permanently and totally disabled (for the purposes of the pension law, veterans age 65 or older are defined as totally disabled); and

(*d*) His net worth is not excessive as determined by the Veterans' Administration.

Widows and children of deceased wartime veterans are also eligible for pension benefits if they are needed.

Currently, for a veteran without dependents the monthly pension rates range from $22 to $130 with a maximum limitation of $2,600 respecting countable annual income. Rates of $33 to $150 are provided for veterans with dependents where annual income does not exceed $3,800. Widows with children are subject to the same income limitations as veterans alone but the pension rates vary from $17 to $87. The $3,800 annual income limitation for veterans with dependents also applies to widows with children. The rates for widows with one child range from $42 to $104. The applicable rate is increased by $17 per month for each child in excess of one.

Currently, there are 2.2 million pensions of whom 1.1 million are veterans and the remainder are their survivors. The present cost of the non-service-connected pension program is approximately $2.7 billion a year. A significant number of pensioners have little or no other source of income other than their pension. The annual income of pensioners (other than their pensions and excludable income) is shown in the following table:

TABLE 2.—PENSIONERS UNDER CURRENT LAW BY INCOME OTHER THAN PENSIONS

Income range	Veteran alone		Veteran with dependents		Widow alone		Widow with children	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Less than $100	76, 187	24. 1	59, 465	10. 2	98. 661	15. 1	9, 223	6. 0
$100 to $500	13, 092	4. 1	12, 914	2. 2	31, 649	4. 9	10, 791	7. 1
$500 to $1,000	64, 928	20. 5	57, 179	9. 8	153, 901	23. 6	28, 128	18. 4
$1,000 to $1,500	76, 685	24. 3	109, 027	18. 7	195, 585	30. 0	40, 630	26. 6
$1,500 to $2,000	60, 575	19. 2	150, 194	25. 7	140, 276	21. 5	28, 392	18. 6
$2,000 to $2,500	22, 784	7. 2	92, 714	15. 9	30, 096	5. 4	13, 497	8. 9
$2,500 to $3,000	1, 948	. 6	54, 525	9. 3	2, 265	. 4	10, 446	6. 8
$3,000 to $3,500			39, 138	6. 7			8, 390	5. 5
$3,500 to $3,800			8, 999	1. 5			3, 234	2. 1
Total	316, 199	110. 0	584, 045	100. 0	652, 388	100. 0	152, 731	100. 0

The following table shows the distribution of all active compensation, dependency and indemnity compensation, pension and retirement cases for all wars and regular establishments as of June 1973.

TABLE 3.—ACTIVE COMPENSATION, DEPENDENCY AND INDEMNITY COMPENSATION, PENSION AND RETIREMENT CASES, ALL WARS AND REGULAR ESTABLISHMENT, MONTH OF JUNE 1973

Entitlement	Disability total cases	Death total cases	Death beneficiaries			
			Total	Widows	Children	Parents
Total	3, 256, 746	1, 654, 287	2, 367, 713	1, 162, 103	1, 008, 580	197, 030
Service-connected	2, 203, 041	373, 643	516, 088	197, 739	121, 319	197, 030
Compensation	2, 203, 041	107, 379	123, 061	1, 454	246	121, 361
Dependency and indemnity compensation		260, 516	380, 671	191, 103	120, 543	69, 025
Dependency and indemnity compensation and compensation		5, 748	12, 356	5, 182	530	6, 644
Nonservice-connected	1, 053, 179	1, 280, 605	1, 851, 585	964, 343	887, 242	
Public Law 86-211	906, 375	1, 164, 070	1, 733, 055	849, 243	883, 812	
Prior law	146, 804	116, 535	118, 530	115, 100	3, 430	
Special acts	63	39	40	21	19	
Retired emergency officers	460					
Retired reserve officers	3					
World War II	1, 860, 092	735, 654	1, 168, 152	386, 193	650, 074	131, 885
Service-connected	1, 351, 425	200, 639	241, 144	88, 335	20, 924	131, 885
Compensation	1, 351, 425	85, 937	97, 267	782	57	96, 428
Dependency and indemnity compensation		110, 431	134, 893	83, 566	20, 714	30, 613
Dependency and indemnity compensation and compensation		4, 271	8, 984	3, 987	153	4, 844
Nonservice-connected	508, 664	535, 014	927, 008	297, 858	629, 150	
Public Law 86-211	497, 016	531, 203	922, 533	294, 108	628, 425	
Prior law	11, 648	3, 812	4, 475	3, 750	725	
Retired reserve officers	3					
World War I	[1] 561, 980	653, 307	673, 288	640, 499	32, 141	648
Service-connected	65, 163	36, 553	37, 280	35, 446	1, 186	648
Compensation	65, 163	854	873	347	12	514
Dependency and indemnity compensation		35, 688	36, 385	35, 088	1, 174	123
Dependency and indemnity compensation and compensation		11	22	11		11
Nonservice-connected	496, 356	616, 754	636, 008	605, 053	30, 955	
Public Law 86-211	363, 697	529, 158	547, 417	517, 531	29, 886	
Prior law	132, 659	87, 596	88, 591	87, 522	1, 069	
Retired emergency officers	460					

Footnotes at end of table.

Entitlement	Disability total cases	Death total cases	Death beneficiaries			
			Total	Widows	Children	Parents
Korean conflict	281, 867	125, 487	286, 544	43, 123	216, 580	26, 841
Service-connected	240, 756	39, 401	54, 342	16, 794	10, 707	26, 841
Compensation	240, 756	16, 486	20, 024	181	29	19, 814
Dependency and indemnity compensation		21, 880	32, 054	15, 723	10, 577	5, 754
Dependency and indemnity compensation and compensation		1, 035	2, 264	890	101	1, 273
Nonservice-connected	41, 111	86, 086	232, 202	26, 329	205, 873	
Public Law 86–211	39, 901	85, 986	232, 040	26, 234	205, 806	
Prior law	1, 210	100	162	95	67	
Vietnam era	358, 822	58, 626	129, 740	31, 142	77, 286	21, 312
Service-connected	354, 062	47, 528	105, 439	26, 393	57, 734	21, 312
Compensation	354, 062	33	74	17	40	17
Dependency and indemnity compensation		47, 466	105, 265	26, 361	57, 639	21, 265
Dependency and indemnity compensation and compensation		29	100	15	55	30
Nonservice-connected	4, 760	11, 098	24, 301	4, 749	19, 552	
Public Law 86–211	4, 760	11, 098	24, 301	4, 749	19, 552	
Regular establishment	191, 671	49, 216	77, 572	30, 490	30, 738	16, 344
Service-connected	191, 609	49, 201	77, 557	30, 475	30, 738	16, 344
Compensation	191, 609	4, 066	4, 820	124	108	4, 588
Dependency and indemnity conpensation		44, 733	71, 751	30, 072	30, 409	11, 270
Dependency and indemnity compensation and compensation		402	986	279	221	486
Special acts	62	15	15	15		
Spanish-American War	1, 850	30, 854	31, 247	29, 783	1, 464	
Service-connected	13	305	310	288	22	
Compensation	13	3	3	3		
Dependency and indemnity compensation		302	307	285	22	
Nonservice-connected	1, 837	30, 538	30, 926	29, 490	1, 436	
Public Law 86–211	551	6, 141	6, 266	6, 141	125	
Prior law	1, 286	24, 397	24, 660	23, 349	1, 311	
Special acts		11	11	5	6	
Mexican Border Service	463	486	500	482	18	
Service-connected	13	2	2	2		
Compensation	13					
Dependency and indemnity compensation		2	2	2		
Dependency and indemnity compensation and compensation						
Nonservice-connected	450	484	498	480	18	
Public Law 86–211	450	484	498	480	18	
Indian Wars	1	120	122	102	20	
Service-connected		1	1		1	
Dependency and indemnity compensation		1	1		1	
Non-service-connected	1	118	120	101	19	
Prior law	1	118	120	101	19	
Special acts		1	1	1		
Civil War		537	548	289	259	
Service-connected		13	13	6	7	
Dependency and indeminity compensation		13	13	6	7	
Non-service-connected		512	522	283	239	
Prior law		512	522	283	239	
Special acts		12	13		13	

[1] Includes one special act veteran.

ACTION IN THE 93D CONGRESS, 1ST SESSION

To date, during the 93d Congress, 1st session, the Committee has examined a number of approaches for adjusting the pension system. The Administration has formally asked Congress to delay any action on pensions pending a thorough examination or revision of the system which they argued contained a number of "inconsistencies, inequities, and anomalies in the present pension system." In testimony before the Subcommittee on Compensation and Pensions on June 18, 1973, representative of the Administration testified that:

"S. 275 represents an understandable effort to increase financial assistance to pensioners at a time when the cost-of-living is increasing. We share your concern as to the needs of the Nation's war veterans and dependents who now are subsisting on pension benefits and must live on fixed incomes. We too feel that something must be done in the very near future. At the same time, however, we believe that this is an appropriate time for an examination of the entire pension program with a view toward a basic reform such as was last achieved in 1960. Developments since that time, both in the pension program and in other Government programs available to needy veterans, indicate some glaring inequities which should be corrected."

Without submitting an actual draft, the Administration advanced a general proposal as follows:

"We think a program can be developed quickly which would (1) fill the gap between the resources available to a veteran and his dependents and a national minimum standard of need; (2) treat veterans and widows equally with regard to income and benefit amount; (3) eliminate the inequities arising from exclusions of unearned income and unequal treatment of earned income—consideration of family income as a whole; (4) contain an automatic cost-of-living adjustment working simultaneously with that applicable to social security and eliminate the lag in adjusting pension for increases in income; (5) provide benefits which guarantee a minimum income of $150 per month for a single person and $225 per month for a person with one dependent; (6) provide a hold harmless provision to permit present recipients of pension to continue receiving benefits under the present provisions of law with automatic cost-of-living increases."

Subsequent to the hearings on June 18th, Senate and House Committee staff members met with representatives of the Administration in an attempt to reduce the general principles mentioned in that hearing to a more concrete form. At the meeting, it was obvious that there was a lack of pertinent data which was required by Congress before it could make any rational determination of the proposal. As a consequence, written requests for necessary information to be supplied to both Committees were made of the Veterans' Administration. These initial requests for information and data have, for the most part, not been furnished to the Committee. Although the Committee has no reason to doubt the earnest attempt by the Veterans' Administration to gather and transmit the requested information, the fact remains that the major portion of that material is still forthcoming and there are no firm assurances as to what date it will be supplied. It must also be acknowledged that once the information is finally in the hands of the Committee, a reasonable period of time will be required for Congress to evaluate this important and far reaching measure. Preliminary indications, for example, reveal that if the Administration proposal were applied to the present group of pensioners (which is not the intention of the Administration) approximately 75 percent of this group would be ineligible for a pension. Changes of this magnitude which are contemplated for all prospective veteran pensioners, obviously require thorough public discussion.

At the same time, the Committee wishes to acknowledge that the existing pension system would benefit from revisions which more nearly accomplish the basic principles of equity that have been previously mentioned. The Subcommittee thus will continue to examine such materials and data as are provided it with a view to enacting justified revisions at the earliest possible date. In the meantime, in order to halt the continuing ravages of inflation on pensioners, and provide veterans with a fuller measure of last year's Social Security increase, the Committee recommends the enactment of S. 275. The Committee believes such action is consistent with the Veterans' Administration's own proposal and public testimony which favors continuing cost-of-living increases for all those current pensioners who choose to exercise their option to remain under the present system rather than move to any new system. The Veterans' Administration further supported such cost-of-living increases in advance of any congressional action on the VA's more comprehensive proposal if Congress lacked the necessary information to evaluate it as is the present case.

In this connection, the following exchange occurred between the Subcommittee Chairman (Mr. Talmadge)) and the Administration spokesman, Odell Vaughn, Chief Benefits Director of the Veterans' Administration concerning such cost-of-living increases, during the hearings of June 18th:

"Senator TALMADGE. If you are unable to promptly supply all the necessary information Congress will need to evaluate proposed changes in the pension program, are you prepared to support an interim measure providing needed cost-of-living adjustments for our veterans who are living on fixed incomes?

"Mr. VAUGHN. Based on the current 6 percent, we would be; yes, sir."

Of course, the cost of living continues to spiral upward and has increased to 7.6 percent (as of the end of June 1973) since Congress last acted on pensions. Since January the Consumer Price Index has increased approximately one point each month and unfortunately can be expected to reach the 10-percent level contemplated in the Committee substitute before the end of the year.

Purpose of Bill

LIBERALIZATION OF DISABILITY AND DEATH PENSIONS

Given the foregoing, the Committee believes that an interim measure is immediately warranted while it continues to consider overall pension revision. The Committee substitute provides for a $400 increase in the maximum annual income limitations and a 10-percent increase in pension rates. Approximately, 1.9 million veterans and widows would be affected with a Fiscal Year 1974 cost of $152.7 million. Adjusting the formula to reflect these increases, the Committee also wishes to point out the increased refinements in the formula which will produce a smaller impact for the veterans and widows who exceed the maximum annual income limitations. Currently, the *minimum* pension payment for veterans or widows ranges from $17 to $33 a month. Exceeding the maximum annual income limitations can thus mean a substantial reduction of pension income of up to $400 a year for a veteran or his widow. Under the Committee substitute, minimum payments would now reduce gradually to a figure of as low as $4 a month which should greatly reduce the impact for those who ultimately do drop from the pension rolls in the future.

The following tables illustrate the current rates payable to veterans and their survivors with typical examples of pensions payable under the committee substitute which incorporates increases both in the rates and the maximum annual income limitations:

TABLE 4.—VETERAN ALONE

Income not over—	Current rate	S. 275 rate
$300	$130	$143
$400	127	140
$500	124	137
$600	121	134
$700	118	131
$800	115	128
$900	112	124
$1,000	109	120
$1,100	105	116
$1,200	101	112
$1,300	97	107
$1,400	93	102
$1,500	89	97
$1,600	84	92
$1,700	79	86
$1,800	74	80
$1,900	68	74
$2,000	62	68
$2,100	56	61
$2,200	50	54
$2,300	43	47
$2,400	36	40
$2,500	29	32
$2,600	22	24
$2,700		18
$2,800		8
$2,900		8
$3,000		8

TABLE 5.—VETERAN WITH DEPENDENT

Income not over—	Current rate	S. 275 rate
$300	$140	$154
$400	140	154
$500	140	154
$600	138	152
$700	136	150
$800	134	148
$900	132	145
$1,000	129	142
$1,100	126	139
$1,200	123	136
$1,300	120	133
$1,400	117	130
$1,500	114	127
$1,600	111	124
$1,700	108	121
$1,800	105	118
$1,900	102	115
$2,000	99	112
$2,100	96	109
$2,200	93	106
$2,300	90	102
$2,400	87	98
$2,500	84	94
$2,600	81	90
$2,700	78	86
$2,800	75	82
$2,900	72	78
$3,000	69	74
$3,100	66	70
$3,200	63	66
$3,300	58	61
$3,400	53	56
$3,500	48	51
$3,600	43	46
$3,700	38	41
$3,800	33	36
$3,900		30
$4,000		24
$4,100		18
$4,200		12

TABLE 6.—WIDOW ALONE

Income not over—	Current rate	S. 275 rate
$300	$87	$96
$400	86	95
$500	85	94
$600	84	91
$700	81	88
$800	78	85
$900	75	82
$1,000	72	79
$1,100	69	76
$1,200	66	73
$1,300	63	70
$1,400	60	67
$1,500	57	64
$1,600	54	60
$1,700	51	56
$1,800	48	52
$1,900	45	48
$2,000	41	44
$2,100	37	40
$2,200	33	36
$2,300	29	82
$2,400	25	28
$2,500	21	24
$2,600	17	19
$2,700		14
$2,800		9
$2,900		4
$3,000		4

TABLE 7.—WIDOW WITH 1 DEPENDENT

Income not over—	Current rate	S. 275 rate
$300	$104	$114
$400	104	114
$500	104	114
$600	104	114
$700	103	113
$800	102	112
$900	101	111
$1,000	100	110
$1,100	99	108
$1,200	98	106
$1,300	97	104
$1,400	96	102
$1,500	94	100
$1,600	92	98
$1,700	90	96
$1,800	88	94
$1,900	86	92
$2,000	84	90
$2,100	82	88
$2,200	80	86
$2,300	78	84
$2,400	76	82
$2,500	$74	$79
$2,600	72	76
$2,700	70	73
$2,800	67	70
$2,900	64	67
$3,000	61	64
$3,100	58	61
$3,200	55	58
$3,300	52	55
$3,400	49	51
$3,500	46	47
$3,600	43	44
$3,700	42	44
$3,800	42	44
$3,900		44
$4,000		44
$4,100		44
$4,200		

"OLD LAW" PENSIONS

Veterans and survivors receiving "old law" pensions under section 9(b) of the Veterans' Pension Act of 1959 who also receive Social Security benefits suffered pension reductions in January 1973. To counter these reductions, the annual income limitations have been increased to $2,600 and $3,900 from the respective current levels of $2,200 and $3,500. The Veterans' Administration estimates that 6,508 "old law" pensioners will be affected by the proposed amendment in this bill at a first year cost of $5.1 million.

DEPENDENCY AND INDEMNITY COMPENSATION

Dependency and indemnity compensation (DIC) is paid to needy parents of veterans who died of service-connected disabilities. The Committee substitute also provides for a 10-percent increase in the DIC rates and a $400 increase in the annual income limitations which will affect 71,665 parents at a first year cost of $3.8 million.

The following tables illustrate the current rates payable to dependent parents with typical examples of dependency and indemnity compensation payable under the Committee substitute which incorporates the increases both in the rates and the maximum annual income limitations:

TABLE 8.—1 PARENT

Income not over—	Current rate	S. 275 rate
$800	$100	$110
$900	97	107
$1,000	94	104
$1,100	91	101
$1,200	88	97
$1,300	84	93
$1,400	80	89
$1,500	76	85
$1,600	72	80
$1,700	67	75
$1,800	62	69
$1,900	57	63
$2,000	51	57
$2,100	45	50
$2,200	38	43
$2,300	31	36
$2,240	24	28
$2,500	17	20
$2,600	10	12
$2,700		4
$2,800		4
$2,900		4
$3,000		4

TABLE 9.—2 PARENTS NOT TOGETHER

Income not over—	Current rate	S. 275 rate
$800	$70	$77
$900	68	75
$1,000	66	73
$1,100	64	71
$1,200	61	68
$1,300	58	65
$1,400	55	62
$1,500	52	58
$1,600	49	54
$1,700	46	50
$1,800	42	46
$1,900	38	42
$2,000	34	38
$2,100	30	34

TABLE 9.—2 PARENTS NOT TOGETHER—Continued

Income not over—	Current rate	S. 275 rate
$2,200	$26	$30
$2,300	22	26
$2,400	18	21
$2,500	14	16
$2,600	10	11
$2,700		6
$2,800		6
$2,900		6
$3,000		6

TABLE 10.—2 PARENTS TOGETHER

Income not over—	Current rate	S. 275 rate
$800	$67	$74
$900	67	74
$1,000	67	74
$1,100	66	73
$1,200	65	72
$1,300	64	70
$1,400	62	68
$1,500	60	66
$1,600	58	64
$1,700	56	62
$1,800	54	60
$1,900	52	58
$2,000	50	56
$2,100	48	54
$2,200	47	52
$2,300	44	50
$2,400	42	48
$2,500	40	46
$2,600	38	44
$2,700	36	42
$2,800	34	40
$2,900	32	38
$3,000	30	35
$3,100	28	32
$3,200	26	29
$3,300	24	26
$3,400	22	23
$3,500	19	20
$3,600	16	17
$3,700	13	14
$3,800	10	11
$3.900		8
$4,000		5
$4,100		5
$4,200		5

BROWNSVILLE INCIDENT OF 1906

The Committee also received testimony concerning the Brownsville Incident of 1906 which recently received renewed public attention following the publication of "The Brownsville Raid: The Story of America's Black Dreyfus Affair" by John D. Weaver. This book documents a gross miscarriage of military justice 67 years ago, summarized as follows in the *New York Times*, October 3, 1972:

The episode was a 10-minute shooting in Brownsville, Tex., the night of Aug. 13, 1906, supposedly involving three companies of black soldiers newly stationed at nearby Fort Brown.

"The trouble developed 24 hours after a white woman screamed that a Negro had tried to rape her. When the riot was over, one white man lay dead and another injured, and the dusty border town was pocked with bullet scars.

"Under instructions from President Theodore Roosevelt, the War Department, assuming the soldiers were guilty, hustled the units—Companies B, C, and D of the First Battalion, 25th Regiment—out of the state to Fort Reno, Okla. There, after prolonged questioning that produced not a single admission of complicity in 'the Brownsville raid,' 167 men were cashiered out of the Army by executive order without trial, through administrative 'discharges without honor.'"

On April 6, 1910, 14 of the 167 veterans, apparently selected at random, were exonerated by a special Army tribunal and permitted to re-enlist. Following publication of Mr. Weaver's book in 1971, the Secretary of the Army cleared the records of all 167 Brownsville veterans on September 22, 1972 and issued them honorable discharges. In an effort to create equity consistent with this action, the Committee sought to determine a compensatory scheme for Brownsville veterans and their survivors who suffered deprivation because of the injustice which continued without correction for over 67 years.

The Committee is particularly indebted to Representative Augustus F. Hawkins for his persistent efforts in bringing this injustice to the attention of Members of Congress and for his tireless work in attempting to secure compensation for the Brownsville veterans and their widows.

The Committee's investigation included the testimony of Mr. Dorsie W. Willis of Minneapolis, one of the two Brownsville veterans known to be alive, who appeared before the Veterans' Affairs Subcommittee on Compensation and Pensions on June 18, 1973. Following the issuance of a "discharge without honor", Mr. Willis was employed as a porter and shoeshine man in the Northwestern Bank Building barber shop, Minneapolis for 67 years until he retired in September 1972 at the age of 86. Mr. Willis' feelings about the Brownsville Incident and its effect on his life are perhaps best summed up in the following comment:

"Some people feel the world owes them a living. I never thought that and I never took a dime in welfare.

"I did figure the world owed me an opportunity to earn a living myself, but they took that away from me. That dishonorable discharge kept me from improving my station. Only God knows what it did to the others."

In addition to Mr. Willis, the other known surviving Brownsville veteran is Mr. Edward Warfield of Los Angeles. Mr. Warfield, one of the 14 men exonerated in 1910, served in France during World War I and was honorably discharged in 1919. In addition, there are 10 widows of the veterans of the Brownsville Incident who are currently known to the Veterans' Administration. It is anticipated that in the coming months, additional widows may become known to the Veterans' Administration which has been diligently searching its records to locate such individuals.

On July 10, 1973 in connection with S. 1999, a bill to compensate Brownsville veterans and their families, which was introduced by Senator Hubert Humphrey, the Committee requested the Department of Army to recommend an appropriate compensatory schedule based on the comprehensive history of past awards and additional factors unique to the Brownsville Incident. In requesting such recommendations by the Department of Army the Committee was aware of the Secretary's report to the Chairman of the House Committee on Veterans' Affairs, dated June 13, 1973 concerning H.R. 4382, a bill similar to S. 1999. In its report to Congressman Hawkins' bill the Secretary of the Army stated:

"The Department of the Army believes that some compensation to surviving members of the Brownsville Incident or their widows is a fair objective through legislation. A lump sum payment should be considered through legislative enactment to those men involved who are still living and who were not ruled eligible for reenlistment by the special Army tribunal decision of April 6, 1910, or to their unremarried widows. Such legislation should provide for payment from appropriations currently available to the Department of Defense for military retired pay."

In view of the Department of the Army's response to the House Committee on Veterans' Affairs, the Committee requested that the Army consider recommendations for compensation for living Brownsville veterans in the amount of $25,000 and $10,000 for their unremarried widows. While a written report was not received in time to be included in its report to S. 275, the Committee has been notified informally that the Department of the Army has no objection to this proposal.

SECTION-BY-SECTION ANALYSIS OF S. 275, COMMITTEE SUBSTITUTE

SECTION 1

Subsection (*a*) would increase the rates of pension and the annual income limitation for unmarried veterans under subsection 521(b). Currently, a veteran with no dependents receives a maximum monthly pension of $130 if his annual income is $300 or less, decreasing on a graduated basis to $22 with an annual income of $2,600. As amended, this subsection would provide a maximum monthly rate of $143 with an annual income of $300 or less, down to $8 for an annual income of $3,000.

Subsection (*b*) would increase the rates of pension and the annual income limitation for a married veteran under subsection 521 (c). Currently, the maximum monthly pension payable to a veteran with one dependent is $140, with two dependents $145, and with three or more dependents $150, based on an annual income of $500 or less. This decreases on a graduated basis down to $33, $38, or $43, respectively, with an annual income of $3,800. As amended, this subsection would provide a veteran with one dependent $154, with two dependents $159, and with three or more dependents $164, based on an anual income of $500 or less, ranging down to $12, $17, or $22, respectively, with an annual income of $4,200.

Subsection (*c*) would increase the rates of pension and the annual income limitation for the widow without child under subsection 541(b). Currently, a widow without child receives a maximum monthly pension of $87 if her annual income is $300 or less, decreasing on a graduated basis to $17 with an annual income of $2,600. As amended, this subsection would provide a maximum monthly rate of $96 with an annual income of $300 or less, down to $4 with an annual income of $3,000.

Subsection (*d*) would increase the rates of pension and the annual income limitation for a widow with one child under subsection 541(c). Currently, a widow with one child receives a maximum monthly pension of $104 if her annual income is $600 or less, decreasing on a graduated basis to $42 with an annual income of $3,800. As amended, this subsection would provide a maximum monthly rate of $114 with an annual income of $700 or less, down to $44 with an annual income of $4,200.

SECTION 2

This section would increase the rates of pension payable to a widow with more than one child under subsection 541(d). Currently, a widow receives $17 per month for each additional child. As amended, this subsection would provide a monthly rate of $18.

SECTION 3

Subsection (*a*) would increase the rates of pension for children alone receiving death pension under section 542(a). Currently, pension is paid at a rate of $42 per month for one child and $17 for each additional child. As amended, this subsection would provide a monthly rate of $44 for the first child and $18 for each additional child.

Subsection (*b*) would increase the unearned income limitation for children alone receiving death pension under subsection 542(c). Currently, the maximum unearned income is $2,000. As amended, this subsection would provide an unearned income limitation of $2,400.

SECTION 4

This section would amend section 4 of Public Law 90-275 (82 Stat. 68) to increase by $400 the maximum annual income limitations applicable under the prior pension program in effect on June 30, 1960: From $2,200 to $2,600 for a veteran without a dependent, or widow without a dependent, or a child alone; and from $3,500 to $3,900 for a veteran with a dependent and for a widow with a child.

SECTION 5

Subsection (*a*) would increase the rates of dependency and indemnity compensation (DIC) and annual income limitations for a sole surviving parent under subsection 415 (b). Currently, a sole surviving parent receives a maximum monthly DIC payment of $100 if his annual income is $800 or less, decreasing on a graduated basis to $10 with an annual income of $2,600. As amended, this subsection would provide for a maximum monthly rate of $110 with an annual income of $800 or less, down to $4 for an annual income of $3,000.

Subsection (*b*) would increase the rates of dependency and indemnity compensation and annual income limitations for two parents not living together under subsection 415(c). Currently, each of two parents who are not living together receives a maximum monthly DIC payment of $70 if annual income is $800 or less, decreasing on a graduated basis to $10 with an annual income of $2,600. As amended, this subsection would provide a maximum monthly rate of $77 with an annual income of $800 or less, down to $6 for an annual income of $3,000.

Subsection (*c*) would increase the rates of dependency and idemnity compensation and annual income limitations payable under subsection 415(d). Currently, if there are two parents who are living together, or if a parent is remarried and is living with his spouse, each parent receives a maximum monthly DIC payment of $67 if annual income is $1,000 or less, decreasing on a graduated basis to $10 with an annual income of $3,800. This subsection would provide a maximum monthly rate of $74 with an annual income of $1,000 or less, down to $5 for an annual income of $4,200.

SECTION 6

This section would increase the amount of pension paid to a veteran, with neither wife nor child, who is being furnished hospital treatment, institutional, or domiciliary care by the Veterans' Administration under section 3202(a)(1). Currently, such a veteran may receive $30 per month. As amended, this subsection would provide a maximum of $50 per month.

SECTION 7

This section amends the law as to the effective dates for pension awards under subsection 3010(b). Currently, the effective date of pension awards is the date of application. As amended, this subsection would provide the effective date to be the date of application, or the date on which the veteran became totally and permanently disabled (if an application therefore is received within one year from the date of disability) whichever is to the advantage of the veteran.

SECTION 8

Subsection (*a*) provides for the payment of $25,000 upon application of any surviving veteran of the Brownsville incident of August 13, 1906, whose discharge was not subsequently ruled eligible for reenlistment by a special Army tribunal decision of April 6, 1910.

Subsection (*b*) provides for the payment of $10,000 upon application to the unremarried widow of any veteran so described in subsection (a). If following enactment a veteran makes application pursuant to subsection (a) but dies prior to payment, the widow or his estate shall be entitled to $25,000 rather than $10,000.

Subsection (*c*) directs that payment to the applicable veteran or widow shall be made by the Secretary of the Army upon certification by the Administrator of Veterans' Affairs of the entitlement of such veteran or widow to receive such payment.

SECTION 9

This section provides that the provisions of the bill shall be effective on the first day of the second calendar month following enactment.

COST ESTIMATES PURSUANT TO SECTION 252 OF THE LEGISLATIVE REORGANIZATION ACT OF 1970

In accordance with section 252(a) of the Legislative Reorganization Act of 1970 (Public Law 91–510, 91st Congress) the Committee, based on information supplied by the Veterans' Administration, estimates that the Fiscal Year 1974 cost to be $171.9 million increasing to $255.4 million at the end of five years. An itemized breakdown of the cost of S. 275, Committee substitute, by categories of beneficiaries and in total for the first five years is shown in the following **table:**

TABLE 11.—5-YEAR COST OF S. 275, COMMITTEE SUBSTITUTE

Year	Cases	Cost (millions)
I. Current law, 10-percent increase $400 income limit increase:		
1974	1,917,000	$152.7
1975	2,020,000	212.9
1976	2,133,000	224.8
1977	2,250,000	230.5
1978	2,383,000	244.6
II. Old law, $400 income limit increase:		
1974	6,508	5.1
1975	5,890	5.6
1976	5,331	5.0
1977	4,825	4.6
1978	4,367	4.1
III. DIC parents, 10-percent increase $400 income limit increase:		
1974	71,665	3.8
1975	71,457	4.1
1976	71,249	4.0
1977	71,042	3.9
1978	70,834	3.9
IV. Increase in children's rates:		
1974	321,000	8.2
1975	323,000	11.0
1976	318,000	10.8
1977	303,000	10.3
1978	278,000	9.4
V. Increased assistance for hospitalized veteran:		
1974	18,500	2.1
1975	11,000	2.8
1976	11,000	2.8
1977	11,000	2.8
1978	11,000	2.8
VI. Total cost:		
1974	1,995,173	171.9
1975	2,097,347	236.4
1976	2,209,580	247.4
1977	2,325,867	252.1
1978	2,458,201	255.4

Note: Sept. 1, 1973 effective date assumed for all provisions.

TABULATION OF VOTES CAST IN COMMITTEE

Pursuant to section 133(b) of the Legislative Reorganization Act of 1946, as amended, the following is a tabulation of votes cast in person or by proxy of the Members of the Committee on Veterans' Affairs on a motion to report S. 275 with an amendment in the nature of a substitute and a title amendment favorably to the Senate:

Yeas—9

Vance Hartke, Herman E. Talmadge, Jennings Randolph, Harold E. Hughes, Alan Cranston, Clifford P. Hansen, Strom Thurmond, Robert T. Stafford, James A. McClure.

Nays—0

Mr. HARTKE. Mr. President, I urge that the Senate pass S. 275, as reported.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill to amend title 38, United States Code, to increase the monthly rates of disability and death pensions and dependency and indemnity compensation and to increase income limitations relating thereto, and for other purposes."

Mr. MANSFIELD subsequently said: Mr. President, I ask unanimous consent that the previous action of the Senate on S. 275 be vacated.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the vote by which S. 275 was read the third time and passed be reconsidered and that the Senate proceed to the consideration of S. 275.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Veterans' Affairs Committee be discharged from its consideration of H.R. 9474.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of H.R. 9474.

The PRESIDING OFFICER. The clerk will report the measure.

The legislative clerk read as follows:

> A bill (H.R. 9474) to amend title 38 of the United States Code to increase the monthly rates of disability and death pensions, and dependency and indemnity compensation, and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Montana.

The motion was agreed to, and the Senate proceeded to consider the bill.

Mr. MANSFIELD. Mr. President, I move to strike all after the enacting clause of H.R. 9474 and to substitute in lieu thereof the text of S. 275, as it was reported to the Senate with an amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

The question is on the engrossment of the amendment and third reading of the bill.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill (H.R. 9474) was read the third time and passed.

Mr. MANSFIELD. Mr. President, I move that the Senate reconsider the vote by which the bill was passed.

Mr. HANSEN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that S. 275 be indefinitely postponed.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, I move that the vote by which the bill was passed be reconsidered.

Mr. GRIFFIN and Mr. ROBERT C. BYRD moved to lay the motion on the table.

The motion to lay on the table was agreed to.

ORDER OF BUSINESS

Mr. MANSFIELD. Mr. President, for the information of the Senate, the vote on the treaties, which will be taken up later this afternoon, will occur at the hour of 10:45 a.m. tomorrow morning, and I ask unanimous consent that that time be agreed upon at this time.

The PRESIDING OFFICER. Without objection, it is so ordered.

EMERGENCY MEDICAL SERVICES SYSTEMS ACT OF 1973—VETO

The PRESIDING OFFICER (Mr. SCOTT of Virginia). Pursuant to the previous order, the Chair now lays before the Senate the President's veto message on S. 504, the Emergency Medical Services Systems Act of 1973, which the clerk will state.

The legislative clerk read as follows:

> A veto message on S. 504, the Emergency Medical Services Systems Act of 1973.

(The text of the President's veto message is printed on page 27240 of the CONGRESSIONAL RECORD of August 1, 1973.)

The Senate proceeded to reconsider the bill.

The PRESIDING OFFICER. The question is, shall the bill pass, the objections of the President of the United States to the contrary notwithstanding? The Constitution requires that the vote shall be determined by yeas and nays.

Under the agreement, time for debate is limited to 30 minutes, to be equally divided and controlled by the majority and minority leaders or their designees.

Mr. GRIFFIN. Mr. President, I wish to designate the distinguished Senator from Nebraska (Mr. CURTIS) to be in control of our time.

Mr. KENNEDY. Mr. President, I yield myself 3 minutes.

The PRESIDING OFFICER. The Senator from Massachusetts is recognized for 3 minutes.

Mr. KENNEDY. Mr. President, for the benefit of the Senate, S. 504, the Emergency Medical Services Systems Act of 1973, is legislation that consists of three major areas. One deals with training of health manpower, one with transportation of those needing emergency medical care, and one with planning and implementation of State and local EMS programs. The total amount of money actually agreed on in the conference on S. 504 is $185 million for a 3-year period.

The legislation was considered for 4 days in the Health Subcommittee. The subcommittee held hearings in Washington and in California. The hearings in California were chaired by the distinguished Senator from California (Mr. CRANSTON).

That this legislation bears the imprint of the fine work of the Senator from California. This is a program in which he has been interested and to which he contributed enormously. I want to recognize those contributions right at the outset of this debate.

Mr. President, the amount of money being considered here is $185 million over a 3-year period. Consider for a moment that the American Medical Association asked for $630 million to do this very job, this is probably one of the few times the Senate, or at least the Health Subcommittee, reported a bill with an amount less than one-half of what the American Medical Association felt was absolutely essential if we were really to provide help and assistance to the localities and the communities the length and breadth of this land.

I doubt that any piece of legislation is more clearly directed toward saving the lives of our people than —the Emergency Medical Services Systems Act of 1973.

The figures are startling. In 1968, there were 100,000 trauma deaths in the United States. Ten million people in 1968 were temporarily disabled because of various disabilities. We know that at least 25 or 30 percent of the heart deaths could have been prevented, had this legislation been in effect at that time, with full funding.

So, Mr. President, I would hope that the Senate would vote to override the President's veto. I want to remind Senators that they voted 97 to 0 to support the conference report just 2 weeks ago, that they voted 79 to 13 when the initial legislation came before the Senate, and that this legislation has strong bipartisan support—the support of all the members of the Health Subcommittee, the full Committee on Labor and Public Welfare, and the Senators in this Chamber.

Mr. President, with his veto of the Emergency Medical Services Act, the President has written another sorry chapter in his administration's systematic effort to prevent real progress in improving the health of the American people. It would be easier to understand the President's action if the President believed that there was no health crisis in America. But that is not the case. Early in his first term President Nixon called on all Americans to watch what his administration would do rather than what it would say.

It is particularly tragic that the President has chosen to veto a bill which, if implemented, would likely result in a reduction in loss of life and morbidity. Accidental death is one of the great neglected diseases today. In fact, the lack of adequate emergency medical services is the major cause of avoidable premature death today. Indeed, it is the leading cause of death for persons between the ages of 1 and 38. Every year more than 52 million Americans are injured, and of those more than 11,000 die and more than 400,000 suffer lasting disabilities. More than half of the 700,000 deaths which occur each year occur before the victim reaches the hospital. How many of these could be saved if only the Nation had adequate and competent emergency medical services? That is what S. 504 is all about.

I believe there is great disparity between what the President has said and what he has accomplished to alleviate the health crisis which confronts this Nation.

Mr. President, I want to briefly highlight the most significant actions this administration has taken in the area of health. The President has twice vetoed health appropriations bills. He is threatening to veto yet another. He continues to impound money for health programs when he knows full well that such impoundment is illegal given the provisions of section 601 of Public Law 91–296. He threatens to destroy the National Institutes of Health by cutting most of the research programs there in order to pay for increases in heart and cancer research. He proposes, in the name of efficiency, to terminate training programs which are designed to assure the Nation an adequate supply of competent biomedical researchers. He has opposed legislation which continues the Center for Disease Controls' programs to combat communicable diseases.

Even in the face of recent revelations concerning the sterilization of young women without informed consent, he refuses to support legislation currently before the Congress specifically designed to protect humans who are subjects of biomedical research. He has found his own national health insurance proposal so full of inadequacies and inequities that he has scrapped it and replaced it with nothing. He initially called for a major new program to assure an adequate supply of physicians, nurses, and other essential health personnel, which the Congress passed in 1971, and now he has proposed the termination of most aspects of that landmark legislation.

He initially called for a massive Health Maintenance Organization program in order to bring about much needed diversity to this Nation's monopolistic health care delivery system. But the HMO legislation, which has passed the Senate twice, has been emasculated in the House by the American Medical Association while a knowing President looked the other way. He has proposed the elimination of the public health training program. He has proposed the elimination of the migrant health program. He has proposed the elimination of the allied health program. He has proposed the elimination of the community mental health centers program. He has proposed the elimination of the regional medical programs. He has proposed the elimination of the lead-based paint poisoning program. He has proposed the elimination of the family planning and population research program.

And now, Mr. President, he proposes the elimination of the emergency medical services program, which he himself called for in a recent health message, before it is even begun.

The President has lost his way. Even the arguments he musters in his own defense are without substance. For example, his veto message proclaims that S. 504 would "thrust the Federal Government into an area which is traditionally a concern of State and local governments." What S. 504 proposes to do is to authorize HEW to make assistance available to State and local governments such that they can design and implement emergency medical services which are tailored to their own needs as they perceive them. Mr. President, Secretary Weinberger's letter to Senator TAFT which described his objections to the bill and which was printed in the CONGRESSIONAL RECORD on July 16, 1973, is a more cogent and coherent document than the President's veto message.

Mr. President, about a week ago Stuart Auerbach of the Washington Post wrote a superb column which documents the administration's shell game. I ask unanimous consent that Mr. Auerbach's insightful analysis of the administration's track record in health be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. KENNEDY. Finally, Mr. President, I want to call attention to the overwhelming bipartisan support this legislation has already received. The Senate adopted S. 504 in its final form on July 19, 1973, by a vote of 97 to 0. I ask unanimous consent that the names of the Senators who supported S. 504 be printed in the Record.

There being no objection, the list was ordered to be printed in the Record, as follows:

Senate Vote on Conference Report to Accompany, S. 504, July 19, 1973

Abourezk Aiken, Allen, Baker, Bartlett, Bayh, Beall, Bellmon, Bennett, Bentsen, Bible, Biden, Brock, Brooke, Buckley, Burdick, Byrd, Harry F., Jr., Byrd, Robert C., Cannon, Case, Chiles, Church, Clark, Cook, Cotton, Cranston, Curtis, Dole, Domenici, Dominick, Eagleton, Eastland.

Ervin, Fannin, Fong, Fulbright, Goldwater, Gravel, Griffin, Gurney, Hansen, Hart, Hartke, Haskell, Hatfield, Hathaway, Helms, Hollings, Hruska, Huddleston, Hughes, Humphrey, Inouye, Jackson, Javits, Johnston, Kennedy, Long, Magnuson, Mansfield, Mathias, McClellan, McClure, McGee, McGovern.

McIntyre, Metcalf, Mondale, Montoya, Moss, Muskie, Nelson, Nunn, Packwood, Pastore, Pearson, Pell, Percy, Proxmire, Randolph, Ribicoff, Roth, Schweiker, Scott, Pa., Scott, Va., Sparkman, Stafford, Stevenson, Symington, Taft, Talmadge, Thurmond, Tower, Tunney, Weicker, Williams, Young.

Mr. KENNEDY. Mr. President, as chairman of the Health Subcommittee, I urge my colleagues to vote to override the veto.

Exhibit 1

The Administration: Going Slow on Health Care

(By Stuart Auerbach)

"The main thing I would like as sincerely as I possibly can convey is our absolute and total commitment to assure that health care is constantly improved . . . and that it will not be denied to anyone by the irrelevant factor of their not having sufficient income."
—HEW Secretary, Caspar W. Weinberger.

"The administration's health program has been a great big bust. The words and goals are shared by all of us. But the action has been a complete and unadulterated failure."
—Sen. Edward M. Kennedy (D-Mass.).

For two days early this month the Nixon administration bombarded medical writers who came from around the country with the story of its health initiatives.

In glittering generalities, administration big guns such as HEW Secretary Caspar W. Weinberger and chief presidential domestic adviser Melvin Laird described the high priority that health has among the inner circle at the White House.

"Its priority is so high, inherently so high, that proponents of sound health programs should have great confidence as to their ability to secure adequate funding," Weinberger told the health seminar for medical writers.

He said that for the first time the Nixon administration has fashioned "a total health strategy."

Yet a look at the administration's record on health programs over the past 4½ years shows something different. The Nixon administration in 1973 is not even matching the goals set by President Nixon in his health messages of 1971 and 1972.

The national health insurance plan that President Nixon announced in 1971 "to ensure that no American family will be prevented from obtaining basic medical care by ability to pay" has been scrapped and HEW planners are now drafting a new proposal. Not since 1971 has the President mentioned the national health "crisis." The 1972 drive to increase the number of doctors, dentists and paramedics has foundered in a budget that cuts federal aid to medical and dental schools. Even with increases for cancer and heart research, the National Institutes of Health budget is down $34 million.

Although it appears that the 1974 HEW health budget is greater than 1973's ($26.3 billion versus $20.3 billion), the difference dwindles to $71 million after one subtracts medicare and medicaid money for future years along with programs that have been transferred from other government agencies. The increase that remains is not enough to cover inflation.

The clearest example of the administration's failure to pursue its goals is in the area of health maintenance organizations (HMOs), those pre-paid group practice plans which appeared in 1971 to be a cornerstone of administration efforts to reform American medicine.

"Some 7 million Americans are now enrolled in HMOs and the number is growing," said President Nixon in his 1971 health message. "Studies show they are receiving high quality care at a significantly lower cost. Patients and practitioners are enthusiastic about this organization concept. So is this administration."

A year later, Mr. Nixon called HMOs "a central feature of my national health strategy." And then-Secretary Elliot L. Richardson, now serving as attorney general, talked about spreading the HMO concept across the country so that 90 per cent of all Americans could be treated in an HMO by 1980.

Now, this has all changed. Instead of viewing HMOs as a proven method of delivering medical care—as President Nixon and Secretary Richardson did two years ago—Weinberger says they need further testing. Instead of moving HEW forward in a full program of encouraging prepaid group practice, he talks of them as an "experiment." And yet he denies that the administration has pulled back from its commitment to HMOs. "The attachment we have to the health maintenance organization experiment has not changed, has not weakened," he says.

The facts do not support that statement. The administration clearly has bought the go-slow line of the American Medical Association, which has consistently called HMOs an experiment. Indeed, the AMA's new president-elect, Dr. Malcolm Todd, a campaigner for President Nixon and head of the Physicians Committee for the Re-Election of the President, said in an interview last fall, with National Journal:

"We used all the force we could bring to bear against this (HMOs). As a result, there is no question that there has been some backtracking on the part of the White House. The White House has directed the (HEW) Secretary (Richardson) to slow down on this thing . . . The Secretary has called off the aggressiveness, and this is good."

Dr. Gordon K. MacLeod, who was brought in from Yale University to run the HMO program in HEW, said in a speech last week that, "The administration now has reversed its previous position. For the subordination of HMO activity from a national program of 100 persons to a desk function of 5 or 6 people is not consistent with the priority formerly given to HMOs by the administration," he said.

MacLeod quit his job over the downgrading of the HMO operation, but Weinberger dismissed his concern as merely having to do with "his status within the organization."

Other health programs, including the highly vaunted administration initiatives in cancer and heart disease, also can be examined to show where the reality fails to match the promise.

The administration failed to spend $50 million for cancer that was available in the 1973 fiscal year. And although the National Heart Institute received $18 million more in the 1974 budget, it was directed to start entirely new programs in lung diseases that will eat up the entire increase without allowing it to focus more resources on heart diseases—the nation's biggest killer.

In explaining the administration's total health strategy, Weinberger said existing health programs are put under a microscope to make sure they are not squandering the "finite" share of the national resources that can go for health.

That's the truth of it; only so much of the federal pie has been alotted to health. And contrary to Weinberger's prose, its priority is not that high. So why pretend? Why insist the administration's commitment to health in general and HMOs in particular hasn't changed when clearly it has?

Mr. KENNEDY. Mr. President, I now yield 4 minutes to the distinguished Senator from California (Mr. Cranston).

Mr. CRANSTON. Mr. President, I ask unanimous consent that Jon Steinberg and Louise Ringwalt have the privilege of the floor during the discussion of this veto.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CRANSTON. Mr. President, I want to thank the distinguished chairman of the Subcommittee on Health (Mr. Kennedy) for the very fine and effective work work he has done on this measure and also for his kind words in connection with my work on it.

I would also like to express my appreciation for the outstanding assistance made in the development of this legislation by the chairman of the full committee (Mr. Williams), the ranking minority member of the full committee and subcommittee (Mr. Javits and Mr. Schweiker), respectively, and for the imaginative and resourceful contributions made by the distinguished Senator from Colorado (Mr. Dominick) and the distinguished Senator from Maryland (Mr. Beall).

This legislation has been developed on a totally bipartisan basis throughout its consideration in both Houses and in the conference committee.

For that reason, Mr. President, I am very disappointed that the President has chosen to veto S. 504, the Emergency Medical Services Systems Act of 1973, which I authored in the Senate.

The President has expressed two major objections to the emergency medical services provisions of this legislation. These are:

First, he believes the Federal role should be limited to a demonstration effort, leaving the States and communities "free to establish the full range of emergency medical services systems that best suit their varying local needs."

Second, the bill authorizes appropriations "far in excess of the amounts that can be prudently spent."

SCOPE OF NEED

Mr. President, some 175,000 people die needlessly each year because they are unable to get adequate medical care in an emergency—an accident, a heart attack, a stroke.

Another 25,000 people are left permanently disabled because of inept handling by untrained ambulance attendants and rescue workers.

This crisis in emergency medical care cannot be met by limited demonstration projects as proposed by the President.

We do not need demonstration projects, we need large-scale Federal action and we need it immediately.

The American College of Emergency Physicians, the American College of Surgeons, and the American Hospital Association among others who have testified on behalf of my bill all agree. Other professional associations supporting the concept of S. 504 are:

The American Nurses Association, the American College of Cardiology, the United States Catholic Conference, the American Public Health Association, the American Heart Association and the Society of Critical Care Medicine.

The President has budgeted $15 million for emergency medical services demonstration projects for fiscal 1974.

My bill authorizes for appropriation $45 million for fiscal 1974. Of this, $30 million would go toward helping communities develop comprehensive emergency medical services systems with properly staffed and equipped ambulances, up-to-date hospital-to-ambulance radio communications and modern hospital emergency rooms. Another $10 million is authorized for training doctors, nurses and para-professionals in emergency medicine. And $5 million is authorized for research in emergency medicine.

Funds would be available in matching grants ranging from ratios of 50 to 50 to 75 to 25 in areas of severe need.

My bill authorizes $185 million which may or may not be spent, as the Congress and the President subsequently determine over the next 3 years. Far from being excessive as the President claims, these funds fall far short of what medical experts tell us we presently need.

I challenge the President's priorities. I would by far prefer to spend millions of dollars to save lives than to continue to spend billions of dollars in military operations that destroy lives.

REBUTTAL OF VETO STATEMENT

Mr. President, I would now like to answer the President's contentions directly.

PRIMARY BASIS OF ADMINISTRATION OBJECTION

The veto message talks in terms of "demonstration initiatives." S. 504 deals with the development of comprehensive emergency medical services systems in local communities.

I believe, and testimony has shown clearly, that there is sufficient knowledge and experience available now, which can be employed effectively now, in the Nation's communities. We do not need "demonstration" projects to show us how to improve medical care in emergencies. We need emergency medical services systems with the capacity to utilize that knowledge and expertise.

The subcommittee received convincing testimony from a broad range of witnesses to exactly this effect. In addition, the excellent study undertaken by the National Research Council of the National Academy of Sciences, entitled "Roles and Resources of Federal Agencies in Support of Comprehensive Emergency Medical Services," published in March, 1972, recommended that Federal programs along the lines authorized by S. 504 be established.

CURRENT STATUS OF EMS NATIONWIDE

That report stated:

> Emergency medical service is one of the weakest links in the delivery of health care in the Nation. Thousands of lives are lost through lack of systematic application of established principles of emergency care. Few at the site of accidental injury or sudden illness are trained in the fundamentals of restoration of breathing, control of hemorrhage, or splinting of fractures. The majority of ambulances in the United States are of the hearse, limousine, or stationwagon type which are inadequate in space and equipment and are manned by individuals with inadequate training to provide essential life support. Pilot studies with better ambulance services indicate that thousands of lives can be saved and disability reduced.
>
> Many ambulances lack radio communication even with their own dispatchers. Communication rarely exists between ambulances and hospitals, so that most patients arrive at emergency departments without prior notification. Most emergency departments of the Nation are not only lacking in facilities and personnel, but are overtaxed by millions of non-emergency cases for whom ancillary outpatient facilities should be provided, especially during evening hours and on weekends. In comparison with facilities for definitive care of illness, few centers of excellence for the care of the critically ill or injured exist.

That statement by this prestigious group summarizes the state of affairs in the Nation's communities with respect to the provision of emergency medical services.

That report was published last year. It indicates the current scope of the problem.

COMMUNITY RECOGNITION OF NEEDS

Mr. President, few communities have initiated on their own a coordinated effort to provide these services. As a matter of fact, the two programs most cited as examples of community efforts to meet the problem, the State of Illinois and the city of Jacksonville, are two of the five units of government which have been chosen as demonstration projects by HEW.

In hearings held in California before the Subcommittee on Health, I heard from representatives of several units of government, ranging from vast metropolitan areas such as Los Angeles and San Diego to rural areas such as the counties of far northern California along the Sierra mountain range, and along the new interstate highway in the San Joaquin Valley. These communities were desperate for assistance. They had surveyed their resources and they fully recognized their inability to provide the quality of emergency care they felt essential for their communities. Their financial resources were limited and with the many demands made upon these units of government they were unable to allocate sufficient funds to organizing the various community elements into an efficient system.

This testimony provides a convincing rebuttal to the President's statement that he believes Federal funding will limit the States' and communities' ability to "establish the full range of emergency medical services systems that best suit their varying local needs."

COMPLEXITY OF PROBLEM IN COMMUNITY

A major impediment to the organization of efficient EMS systems is the diversity of governmental units which must be involved. Without the encouragement provided by Federal technical assistance and funding, many communities are just unable to take the initial step of joint discussions with surrounding communities in inventorying health resources and developing a common program to provide emergency medical services on a regional basis.

Mr. President, I think it is interesting to note that, under the highway safety act adopted in 1966, the Department of Transportation was authorized to provide limited assistance to States developing statewide plans for providing emergency medical services. As of today, 32 States have developed a plan. However, these plans have been achieved only over a period of years and with consistent assistance from the experts at the Federal level who have been able to provide guidance.

And these plans deal only with the question of how the State will allocate its funding and personnel resources. They are by no means plans for operation of a system.

Thus, local units of government have a long way to go before they can develop a means of providing emergency care to their residents without some appreciable outside assistance.

While some communities may utilize general revenue sharing for emergency medical services, as the administration suggests, there is no assurance that such an investment will result in meeting the basic need for the development of a coordinated system utilizing, to the maximum extent, existing resources. Nor is there any guarantee that these funds would not be used for the purchase of hardware or equipment without an initial assessment of the real gaps in the community's emergency medical services capability.

RECOGNITION IN S. 504 OF COMMUNITY DIVERSITY

With regard to the President's contentions that this legislation would inhibit local communities from establishing EMS systems suited to their needs, I would like to stress that the provisions of S. 504 do not impose an inflexible emergency medical services system upon the Nation's communities. The provisions of S. 504 require that a comprehensive system be developed that must include adequate personnel, adequate communications and transportation equipment, and adequate facilities linked together in a fashion that will insure an emergency victim of immediate and high quality medical care suited to his particular medical emergency. Each community is expected to develop its own system based on its own existing resources, public and private, and is to look to Federal support in providing technical assistance and in supplementing its deficiencies.

I do not believe that any of the Members of Congress who participated in the development of this legislation—and I would like to say the interest in and support for this bill has been strongly bipartisan—had ever conceived of this legislation as inflicting any kind of rigid system on the communities.

We are well aware of the diversity of this Nation, Mr. President, and of the individual characteristics of the Nation's communities. An effective emergency medical system must be designed to meet the individual characteristics of each community. S. 504 provides for this by calling for each community to come up with its own plan to provide the required components of a comprehensive system.

NOT A CATEGORICAL PROGRAM

Insofar as the President's assertion that the bill establishes another narrow categorical authority, I would like to emphasize the philosophy behind this bill is clearly stated in statutory provisions that in providing assistance to communities eligible for grants to establish or expand an emergency medical services system, the Secretary must insure that any assistance under the provisions in S. 504 is provided only to the extent that assistance under other legislative authorities is insufficient to enable the qualitative and quantitative requirements established in the bill to be met.

Our intention is, Mr. President, that when a community applies for help in developing a comprehensive emergency medical services system, the Secretary of HEW shall first seek to provide such support from existing authorities in the Public Health Service Act—such as those for health personnel training or renovation of facilities—and, as appropriate, investigate the availability of support under authorities administered by other Federal agencies—such as the Department of Transportation for purchase of equipment and training of personnel—before providing funds under the provisions of S. 504.

APPROPRIATIONS MODERATE AUTHORIZATIONS

Mr. President, to move toward the President's objection that the sums authorized to be appropriated by S. 504 are far in excess of the amounts that can be prudently spent, I want to clarify and emphasize that the funding levels were considerably reduced in the conference report. This was done to be accommodating to the administration despite very conclusive evidence presented to the Health Subcommittee in hearings in Washington and California that much higher levels of funding are badly needed and can be effectively used. The sums authorized to be appropriated in the reported bill—$185 million over the next 3 fiscal years—are considerably less than in the bill as introduced—which was $315 million in the Senate bill, and in the bill as it passed the Senate—$240 million—and far lower than in the AMA bill—S. 654—introduced in both Houses, which was $630 million.

Dr. Peter Safar, president of the Society of Critical Care Medicine, who testified at Senate hearings on S. 504, gave us the following estimates of the costs of improving emergency medical services across the Nation:

Two thousand ambulances with defibrillators, plus ambulance-hospital based telemetry equipment, $50 million.

Emergency communications equipment, $200 million.

Training 20,000 emergency medical technicians, $40 million.

Ten special critical care centers, $10 million.

Organizational work necessary to establish systems in the Nation's communities, $27 million.

Mr. President, it should be noted these figures do not include the upgrading of emergency rooms, the costs of ambulance transportation, or the costs of training of physicians for emergency departments.

At hearings held in California, Mr. President, I asked the Director of Health Services for Los Angeles County, how much he estimated a coordinated emergency medical services system for that county would cost. He estimated that about $7 million would be required for Los Angeles County alone.

The Director of Health Services for San Diego County in response to a similar question, estimated costs to be in the range of $400,000 per year alone to organize an emergency care program.

The Director of Health for San Francisco County planned to spend $1.4 million for upgrading ambulance equipment and communications alone.

S. 504 authorizes the appropriation of $30 million in fiscal year 1974, of which 15 percent is to be made available for feasibility and planning studies, 60 percent for the establishment and initial operation of emergency medical services systems, and 25 percent for expansion and improvement of emergency medical services systems.

Mr. President, this is a very modest amount in comparison with the broad interest evidenced so far in communities throughout the Nation in applying for support under S. 504.

It is also a very small amount in comparison with the $15 million which the administration has requested for fiscal year 1974 for continued support of the five demonstration projects and two subsystems they are currently supporting, as well as for additional projects to support subsystems such as training, communications, transportation, or equipment, which are projected by the administration for fiscal year 1974.

Mr. President, during the entire period spent in developing this legislation, I made every effort, and had strong support in these efforts from all members of the committee, to meet the objections which the administration has raised. I believe we met these objections.

I believe we have passed a piece of legislation that will give the administration the statutory authority to do what they have currently recognized as a priority item. It does so in a manner that will insure the Nation's communities of continued support once they embark upon a program to develop a system and will at the same time protect the communities from the uncertainties to be expected from a program which is based on administrative whims in setting priorities.

To date, without legislative authority, the administration has committed $8 million in fiscal year 1972 to the development of five demonstration programs for emergency medical services systems to be carried over a period of up to 3 years. The second year of continuation funding for these programs in fiscal year 1973 has been reduced from an initial proposed $15 million to $1.8 million. The budget request is only $15 million for fiscal year 1974. With statutory authority such as is contained in S. 504, there would have been far greater assurance of continued support of these programs for the duration of the period of the contract. Instead, there was an initial investment in 1972 in the development of programs which have not yet had a chance to become self-supporting, but which now are uncertain of the continued support necessary to build on the promising starts which have been made.

I think everyone will agree this situation places these communities in an unsatisfactory position and is certainly an improper way for the Federal Government to encourage improvement of programs for emergency medical services in the communities.

Just yesterday, Mr. President, the Los Angeles Times reported on the tragic outcome of a traffic accident in Los Angeles County where two lives were lost due to the lack of coordination of community resources and the inadequacies of those resources involved in providing emergency medical care. Mr. President, I ask unanimous consent that this article be printed in the RECORD at the conclusion of my remarks. This article provides heartbreaking evidence of the need in our communities for assistance in organizing life-saving elements in a system that will avoid recurrence of these kinds of needless tragedies.

I urge the support of my colleagues in overriding this latest veto of a health measure by the President.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

COUNTY'S EMERGENCY MEDICAL AID CRITICIZED

(By Charles R. Donaldson)

The adequacy of emergency medical services in outlying areas of Los Angeles County was questioned Tuesday. The questioning was a result of the handling of a Gorman area traffic accident on July 13 which took two lives.

Supervisor Baxter Ward brought in a report showing that the Sheriff's Department had mistakenly summoned an ambulance 26 miles from the accident scene on the Golden State Freeway a half hour before a Gorman ambulance finally was called.

Then, Ward said, once the victims reached the Newhall area emergency hospital only one doctor was available to handle the six injured from that crash, as well as two men who were hurt in a subsquent accident. One person was pronounced dead at the crash scene.

"We simply don't have enough organization to adequately cover such problems in areas like Saugus-Newhall, Malibu and Topanga," Ward said.

"There's a question if the survivors of the July 13 incident could have been treated better had the response been more swift.

5½-HOUR WAIT

"Only one doctor was present at Golden State Memorial Hospital at Newhall. One victim, a child with a severe head injury, had to lay largely untreated for an hour. He later died. His mother, who suffered severe lacerations, because of the lack of staff had to wait five-and-a-half hours for treatment."

The boy who died and another youngster were transported by a county Fire Department helicopter ambulance to UCLA Medical Center. The nurse from the Newhall hospital who accompanied them described graphically the journey to supervisors.

Mrs. Doreen Hamilton of Saugus told how the fatally injured 11-year-old boy and a critically injured 6-year-old boy were placed inside the helicopter, which she said was really not large enough to transport more than one patient.

The helicopter had to stop for fuel in Pacoima en route to the medical center and then became lost in fog.

After the helicopter left Pacoima, she related, the older boy began bleeding.

"They have a vacuum operated suction apparatus in the helicopter which, when I started to use it on the boy who was hemorrhaging, was totally inefficient," she said.

"I used it for about two minutes and it didn't really work at all," she said, "and I had to resort to oral suction to keep the boy's throat clear.

"It was absolutely black inside the helicopter. I stuck a flashlight in my neck so I could see as I worked.

"The boy was about to expire and I needed both hands. He stopped breathing and his eyes were dilated. I felt I could resuscitate him and I did make an attempt, but there wasn't any room in the helicopter to do that.

"I couldn't get enough room to even compress his chest properly, so the fireman put his arm over the top of me because he was at a better angle to press on the boy's chest while I continued to suction him with my mouth.

"We had been trying to resuscitate the older boy for 15 minutes without success when the other little boy started to scream and there were signs of growing cerebral problems, so we had to quit on the one boy and start working on the other.

"There was only room to work on one boy and there was only one oxygen mask. There wasn't even a hook in the helicopter on which we could hang a plasma bottle."

It took about 25 minutes to reach UCLA, Mrs. Hamilton reported.

"We lost our way in the fog," she said, "and the lights at the UCLA landing pad were inadequate. We had to keep going up and down between the buildings. Finally we landed in the parking lot and asked our way because I just didn't want any more time wasted."

Supervisor Kenneth Hahn proposed equipping county Fire Department rescue units with stretchers so they could service ambulances. He insisted that calls for ambulances should go directly to the ambulance service without being relayed by the Sheriff's Department.

Hahn said, "We wouldn't tolerate this on Fire Department dispatching to put out a fire. The insurance companies would stop that. Why should we tolerate this when human lives are involved?"

Ward has continually pressed for removing the Sheriff's Department from its relay role in summoning ambulances.

Liston A. Witherill, director of health services for the county, said a pilot project to permit direct calls for ambulance services would begin today in the Saugus-Newhall area and continue for a 30-day trial.

Mr. President, I yield back such time as remains.

Mr. CURTIS. Mr. President, I yield myself 10 minutes.

The PRESIDING OFFICER. The Senator from Nebraska is recognized for 10 minutes.

Mr. CURTIS. Mr. President, an argument can be made in favor of every health bill presented to the Senate. Without a doubt, they carry out worthwhile programs. I think that we are faced with the question, however, of just how many Federal health programs we can have, what responsibility must fall on the State, what responsibility must fall on the communities, and what responsibility must fall on individuals and voluntary organizations.

I believe we should support the veto of the President. I am convinced that we have passed so many health programs that right at this very time the Appropriations Committees are having extreme difficulty in adequately financing programs we already have.

For instance, we passed medicare and medicaid. Medicaid was for the poor people; medicare for all people over 65 years of age, regardless of need. What has the Government been doing ever since then? Increasing the amount that the participants have to pay. Increasing that portion of the hospital bills and increasing that portion of physicians' charges that the people must pay, because we have gone on and on, enacting health legislation. We would render far better service to the country if we had fewer programs better run and better financed.

The legislation suffers from several defects. First, it would establish yet another unduly categorical assistance program, involving matters which are essentially of local concern.

Second, the bill would authorize an appropriation of $185 million for a financing program for the next 3 years. This is far in excess of the amount that can be provided, with the limited resources available to the Federal Government. The bill is, therefore, a promise of Federal assistance that cannot be kept.

The administration has engaged for the past 2 years in an effort to demonstrate the effectiveness of various types of emergency medical services that could be utilized by local communities. Some $8 million was budgeted for this purpose in the last fiscal year, and $15 million should be spent in the current fiscal year.

By contrast, S. 504 would establish a new Federal grant program which would provide Federal dollars to State and local governments for emergency medical services. The program would be a narrow, categorical one, thrusting the Federal Government into an area which is traditionally a concern of the State and local governments and should remain under their jurisdiction.

I know what an unhappy situation occurs when any hospital is closed in the State of any Senator. I have experienced that. I have fought to keep them open. The bill does close some Public Health Service hospitals. However, they were conceived a long time ago, before we had all these other medical programs. It is my understanding that contractual arrangements are being made to care for these patients in newer, more modern facilities.

I have caused to be compiled, as of early June of this year, a list of 48 of the public laws dealing with health programs that have been enacted in the last six Congresses. The list calls for an expenditure of many billions of dollars, and the list is by no means complete. It does give some indication of how expensive participation by the National Government in this field has become.

I will call attention to a few of these programs. Many of them are very good. On the other hand, I am thoroughly convinced that every time we add a new program, we add competition for the dollars that are available in the health field.

Just as it is important for hospitals in a community not to engage in every type of medical service, but to divide them up, so we are not providing good health care by putting the Federal Government into every field.

I shall mention a few of the major bills that have been passed in the last few Congresses.

Public Law 87–395, the Community Health Services and Facilities Act of 1961: a total cost of $380 million.

Public Law 87–838, among other things, extended for 3 years, through fiscal 1966, the Health Research Facilities Act at a cost of $150 million.

Public Law 87–868, the Vaccination Assistance Act of 1962, $36 million.

Public Law 87–692, grants by the Public Health Service for establishing and operating family health service clinics for domestic migratory farmworkers and their families, $9 million.

Public Law 88–443, extending the Hospital Survey and Construction Act of 1946 for 5 years, at a cost of $1,362,500,000.

Public Law 88–164, the Mental Retardation Facilities and Community Mental Health Centers Construction Act of 1963, a total of $329 million.

Public Law 88–581, the Nurse Training Act of 1964, a total of $283 million.

Public Law 88–156, to increase Federal aid under the maternal and child health services program for mental retardation programs, a total of $282,200,000.

Public Law 88–129, the Health Professions Educational Assistance Act of 1963, a total of $236,400,000.

Public Law 88–497, the Graduate Public Health Training Amendments of 1964, $69,595,000.

Public Law 89–97, establishing a medical care program for the aged under Social Security: The first full year estimate cost, for 1967, was $4,239,000,000. That is a program in which Congress passed more than a 3-year delivery.

Mr. President, the average aged person is spending more for medical care today than he did before medicare was enacted. Prices have gone up, up, and up. We have required him to pay the first portion of the bill, even to carry coinsurance and do other things. He is spending more money now than before the act was passed.

What I am saying is that we should make good on medical programs that have been enacted. If the bill is enacted, it will mean $185 million of money for another program.

The PRESIDING OFFICER. The 10 minutes of the Senator from Nebraska have expired.

Mr. CURTIS. Mr. President, I yield myself the remainder of the time.

The bill is competing for the dollars that finance payments already made to our citizens.

Public Law 88-239, the Heart Disease, Cancer, and Stroke Amendments of 1965, authorized a new 3-year program of Federal grants, costing $340 million. I am not against that.

I say that when you add another program today, you are going to make it harder to get money. All across the land there are worthwhile medical research projects that are without money today because it has not been provided. Instead of meeting that situation, we are enacting another health program. It does not make sense, Mr. President. These programs will either be run by medically competent people or they will not. Suppose they are run by people who are not medically competent. Then they are no good. Suppose they are run by medically competent people. The result is we will have too many of our doctors working for the Government, pushing pencils, and shuffling papers when they should be out curing the sick.

We cannot go on enacting separate programs, separate categorical programs just because they sound good and just because they have a worthy objective. Our purpose is to make good on the programs already enacted to see that they are adequately financed.

Mr. President, do not confuse communities and other areas with the multiplicity of programs, but carry on and do a better job under the ones we have now.

Mr. President, I wish to call to the attention of the Senate Public Law 89-115, the health research facilities amendment. It allowed $280 million for the years 1967-69. Then, there is Public Law 89-749, the Comprehensive Health Planning and Services Act, $154 million; Public Law 89-109, the Community Health Service Act of 1965, $117 million.

The facts are that whether one talks to members of the Committee on Appropriations or an agency downtown, there is not enough money provided to carry on the programs we now have. Why embark on another program? The President was correct in his veto.

We have Public Law 89-291, authorizing $105 million for a 4-year program or grant to build medical library facilities. Public Law 89-793, the Narcotics Addiction Rehabilitation Act, $30 million. This program will compete with that program for dollars.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. CURTIS. Mr. President, I urge that we support the veto.

Mr. KENNEDY. Mr. President, I yield myself 1 minute.

The PRESIDING OFFICER. The Senator from Massachusetts is recognized.

Mr. KENNEDY. Mr. President, all of these programs were in existence at the time the Senator from Nebraska voted for this conference report, which is barely 2 weeks ago.

Mr. CURTIS. Mr. President, will the Senator yield there?

Mr. KENNEDY. I am pressed for time.

Mr. CURTIS. The Senator mentioned my name. Will the Senator yield for 10 seconds?

Mr. KENNEDY. Ten seconds.

Mr. CURTIS. I voted against this bill. The conference report was a slight improvement on it.

Mr. KENNEDY. The fact remains that all the programs the Senator listed obviously were on the statute books weeks ago, and yet he still voted for the conference report at that time.

Mr. President, I yield 3 minutes to the Senator from Maryland.

Mr. BEALL. Mr. President, as a member of the Health Subcommittee and as a cosponsor of S. 504, the Emergency Medical Services Systems Development Act of 1973, I urge the Senate to override the President's veto.

S. 504 authorizes a 3-year, $185 million program to develop emergency medical systems throughout the communities and the States of this country. Under the bill Federal assistance is provided to States, local governments, and regional governments to plan, establish initial operations, or to expand emergency medical care systems. Mr. President, this bill should not have been vetoed by the President; it should have been enthusiastically embraced. As I said when the conference report to S. 504 cleared the Senate, this bill is "truly a matter of life or death."

Mr. President, to say that is not being overly dramatic. The following statistics indicate the magnitude of the problem and the need for an expanded effort in the emergency medical field.

Injuries are the leading cause of death of Americans age 1 through 38, the second leading cause of death between ages 1 and 48, and the fourth highest cause of death among our total population.

One out of every four citizens in the Nation will have some type of accident this year.

Every eighth hospital bed is occupied by an accident victim.

The National Safety Council estimates that accidents result in the loss of 150,000 lives annually, 55,000 by motor vehicles alone.

Death is only part of the story as accidents also result in approximately 10 million disabling injuries leaving some 400,000 individuals totally disabled.

The total cost of these injuries is estimated at $25 billion. All of us are potential victims.

Mr. President, there is too much complacency in the country with respect to this problem. The public has a tendency when such accidents occur to shrug and to blame it on inevitable occurrences. We know that many accidents can be prevented. In addition, and this is the purpose of this bill, once such accidents do occur, we do not have to accept death or disabling injuries as inevitable.

We can and should do better. To emphasize the complacency in the country, I called to the attention of the Senate that when Hurricane Agnes was rampaging up the east coast for 6 days claiming 118 lives and causing damage estimated at $3 billion, this was front page news each day. On the other hand, during each of these same 6 days, 316 of our citizens died as a result of accidents for a total of 2,212 victims over the same 6 days that Agnes killed 118 citizens.

Mr. President, I have been interested and involved in efforts to improve emergency medical services for some time. I know also that the President is vitally interested in this area for he helped spotlight the problem by funding a national research and development effort to demonstrate improved emergency care and services in the United States. I am also very proud of my State of Maryland's work in this area as they have been one of the pioneers in this field. Maryland probably has the most sophisticated trauma center, now called the Institute of Emergency Medicine, a system of rapid transportation that has been developed utilizing a helicopter system operated by the Maryland State Police. I might add at this point that all my colleagues have to do is talk with some of the policemen, many of whom are former veterans and one can sense immediately the spirit and dedication of these men and their commitment to this program. Their testimonies would be more eloquent and effective than my words today in urging the overriding of this veto.

In addition to the Institute of Emergency Medicine, the Johns Hopkins University Hospital Pediatric Trauma Center, the Baltimore City Hospital-University of Maryland Neonatal Centers, the Baltimore City Hospital Burn Center, the special coronary units, community hospitals and the paid and volunteer ambulance services provided in the Baltimore area mean that Maryland has the component parts and capability to lead the Nation in this vital area. Although the Baltimore area is ahead of the rest of the States, there is tremendous interest in this program throughout the State, from the mountains of western Maryland to the coastal area of the eastern shore.

As the message is received by our citizens with respect to the fact that accidents just do not happen to the other guy, and that we can do better in saving lives once accidents occur, we are going to see a revolution in emergency medical care here at home such as that which occurred in Vietnam and in earlier wars.

As my colleagues know, the military efforts have been so successful in Vietnam that former Secretary of Defense Laird was able to say that the death of trauma victims in Vietnam was near zero.

Mr. President, I know the White House is interested in this area. Ken Cole, now head of the Domestic Council, was kind enough to visit the trauma center in Maryland with me during the last Congress. He was impressed with what Maryland was doing and Marylanders in the area were impressed with his interest. Later I had the pleasure of announcing that the State of Maryland was granted a $1.25 million grant to develop emergency medical communication systems, which is a vital component of a total emergency care system, for the Baltimore metropolitan area. This communication system will improve care for victims of medical emergency by getting the victim to the most appropriate medical facility as quickly as possible. I believe, as does the State of Maryland, this system should be expanded statewide as soon as possible. As my colleagues may know, the Governor of my State has announced plans for the development of a statewide system.

Dr. R. Adams Cowley was appointed statewide director. I am pleased to say that prior to the State taking this action, I had written to Governor Mandel urging both the appointment of a statewide director and that Dr. Cowley be so named. Naturally, I was gratified with the Governor's action in this regard.

Mr. President, the President gave a number of reasons for vetoing this measure and I would like to respond briefly to them.

First, it is argued that this bill represents another narrow categorical program. Mr. President, I support in general the block grant and revenue sharing approaches. But, I believe that the Federal Government has a vital role to play in identifying national problems and stimulating State and local governments to respond thereto. Can anyone say that this does not represent a national problem? Even more importantly, it represents a national problem for which the technology and know-how exists to do something—and do something now.

Secondly, the administration argues that the bill provides too much money. Again, I am aware of the inflationary pressures in the economy and the need for Federal restraint.

I would point out, however, that the American Medical Association recommended a 3-year, $635 million program. Now I submit the American Medical Association is not known for being unrealistic in terms of Federal spending. Yet the magnitude of the problem prompted the American Medical Association to recommend amounts far in excess of that contained in S. 504. Furthermore, Mr. President, it should be pointed out that this is an authorization measure and while I am against excessive authorization, I believe the need I have discussed and the recommendations of the American Medical Association demonstrate that the authorization level is not excessive. Furthermore, I believe that by spending money on emergency medicine we will be not only saving lives but saving money over a long term.

The third reason by the President for vetoing the bill is the mandate by the Congress to continue Public Health Service Hospitals. Mr. President, this year as I have on previous occasions I visited the Public Health Service Hospital in Baltimore. I was impressed by the work that is going on there and the service that is provided. One area of emphasis, for example, is their cancer program. This certainly should fit in with the administration's priority attack against this dreaded disease. The precipitate closing of the Baltimore Public Health Service Hospital without a determination of who will continue this cancer effort makes no sense.

Also, as I talked with those in the health community and those citizens in Baltimore with respect to the hospital, I was disturbed over the failure of the administration, even assuming that they are correct with respect to the ultimate action of the Public Health Service hospitals, to consult adequately with the community and their determination to close these hospitals without an adequate transition period and without making certain that the community has adequate time to plan for and absorb these important health facilities. This is not even to mention the question of needed guarantees that the present beneficiaries of the Public Health Service hospitals will be provided adequate health care.

Mr. President, Dr. R. Adams Cowley, the director of Maryland's Institute for Emergency Medicine predicts that accident deaths in Maryland could be cut in half in 2 years with a statewide system. With the mobility of our population, it seems imperative that we develop first rate emergency medical care systems throughout the Nation. This bill will provide Federal funds to stimulate State and local action in this regard.

Mr. President, in some areas of health, such as our attack against cancer and heart diseases, we are often looking for new discoveries or new breakthroughs. In the trauma area, I am convinced, the technology and the know-how exists today to dramatically reduce the number of trauma deaths.

This is an area where action by the Senate today will lead to immediate payoff in terms of lives saved.

Mr. President, I urge that the Senate overwhelming override the President's veto.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. KENNEDY. Mr. President, how much time remains?

The PRESIDING OFFICER. Four minutes. The Senator from Washington has the remaining time.

Mr. MAGNUSON. Now, Mr. President, as the chief sponsor of the PHS hospital amendment which has been incorporated in S. 504 as section 5, I wish to summarize that portion of the bill and the effect it will have if it becomes law. Also, I wish to briefly review the events which led me to introduce the amendment.

Mr. President, there are now eight general Public Health Service hospitals located in Seattle, San Francisco, Galveston, New Orleans, Norfolk, Baltimore, New York, and Boston. Section 5 would require that these hospitals remain open and continue operating at no less than their January 1, 1973, level until the Congress enacts further legislation authorizing their closure or transfer to non-Federal sponsors. This provision does not mean that these hospitals may never be closed. Instead, it simply means that the Congress—through the normal legislative process—will play its proper role in determining their future.

It is true that section 5 requires that the executive branch obtain the formal approval of the 314(a) and 314(b) health planning agencies on any plan it might wish to submit in the future to the Congress for closing these hospitals. However, it should be remembered that these agencies were established pursuant to Federal law and are funded by the Federal Government to conduct comprehensive health planning at the State and regional level. Also, I would suggest that the direct involvement of these State and local agencies would be entirely consistent with the President's expresed objective of returning decisionmaking authority to the people and of reversing the notion that "Washington always knows best."

Now, Mr. President, I would like to briefly review the events which led me to introduce the amendment that became section 5 of S. 504.

Last year the Congress passed, and the President signed, Public Law 92–585, which established conditions for the closure or transfer of Public Health Services facilties. This law, which Senator KENNEDY and I sponsored, requires that the Secretary of Health, Education, and Welfare transmit to Congress detailed plans for closing any PHS hospital at least 90 days in advance of the intended closure date. Furthermore, this law requires that those plans contain the following:

First. Assurances that those now receiving care at the hospitals will be provided equivalent care under any new arrangement;

Second. An estimate of the cost of providing such care; and

Third. The comments of the relevant 314(a) and 314(b) health planning agencies if they wish to comment after being given a reasonable opportunity to do so.

On March 28 of this year, the Congress received HEW's plans for closing this summer the PHS hospitals in Seattle, San Francisco, Galveston, New Orleans, Baltimore, and Boston. Subsequently, we have also received the plan for closing the Norfolk hospital.

Mr. President, these plans are disastrously lacking with respect to the requirements of Public Law 92–585.

First, they do not assure equivalent care to those now receiving treatment at the hospitals. They do include what amounts to a superficial survey of bed availability in the affected communities. But, they do not include assurances that those beds would, in fact, be made available to PHS beneficiaries. Nor do they include any details on how inpatient care would be offered in community hospitals to serve the unique requirements of seamen or of the poor who are being served by many of the PHS hospitals.

Second, with respect to costs, HEW's plans indicate that they would actually cost the Federal Government more in the long run than will continued operation of the PHS hospitals. They point out that closing the hospitals will save some $35 to $45 million in renovation costs in the short run. But then they go on to demonstrate that this initial saving would soon be consumed by the higher annual costs of providing care to merchant seamen and other PHS patients through community hospitals. Specifically, HEW's plans indicate that the operating cost of its proposal would run about $8 million more each year than it now costs to keep the PHS hospitals going.

Third and finally, HEW's plans are in several instances grossly inconsistent with the requirement in Public Law 92–585 that 314 (a) and (b) agencies be given a reasonable opportunity to comment on those proposals. In fact, the planning agencies never saw HEW's plans. What they did see was a three-page letter outlining in very general terms the basic policies behind the plan, with no specific indication of what hospitals in their area would be used to care for PHS beneficiaries or what specific arrangements would be made with those hospitals to assure that the patients would, in fact, receive equivalent care. Finally, HEW allowed the agencies only 10 working days in which to comment.

Mr. President, in light of these facts it is not surprising that two Federal district court judges—Judge Pratt here in the District and Judge Sharp in Seattle—have granted temporary injunctions barring closure of the hospitals. Likewise, it is not surprising that both have noted that there is "substantial doubt" as to whether HEW's plans comply with Public Law 92–585.

In summary, Mr. President, I offer these three final points:

First, HEW's present plans for closing the hospitals simply do not comply with the requirements of Public Law 92–585.

Second, notwithstanding Congress action on this veto, we have already formally expressed our disapproval of those plans. The conference report on S. 504, which passed the House 305 to 111 and passed the Senate 97 to 0, states:

> The conferees were aware . . . that the DHEW had submitted a 90-day notice of proposed closure of in-patient services in some of the affected hospitals. While the notice was submitted pursuant to the requirements of P.L. 92–585, the conferees felt that it did not meet the requirements in that law . . .

Thus, even if the President's veto is sustained, we will still be left with a situation where the only plans submitted by HEW are inconsistent with Public Law 92–585 and have been rejected by a majority vote in both Houses of Congress.

Third, in overriding this veto the Congress will not be saying that these hospitals may never be closed. Instead, we will just be making it clear—once and for all—that the future of these hospitals will be determined by the Congress acting through the legislative process and not by bureaucratic fiat.

That is certainly consistent with the separation-of-powers concept, and it is a position which I think all of us in Congress must support regardless of our position on the merits of these particular hospitals.

The distinguished Senator from Nebraska said that we should make good on all the health bills that we have passed. I agree. Congress has been responsible and has tried for some time to provide adequate funding for these health programs. But every time we pass an appropriations bill with sufficient health funds the measure is vetoed. Regrettably, in the past there have not been enough Senators willing to stand up and vote to override the veto. Congress should stand up and be counted when the President vetoes these critical health bills, and I hope we will all stand up today and vote against this veto.

The Public Health Service hospitals that S. 504 would keep open do not just serve the seamen. For example, the Seattle Hospital provides care for retired military personnel, for Indians, and for the medically indigent as well as for the seamen. Furthermore, the Seattle Hospital, like many of the others, is involved in critical research and in training new health personnel.

Mr. President, I think this is an extremely unfortunate veto. Everyone talks about the importance of health. We had better begin to give health the priority it deserves because it is one of the most important domestic problems we have. We have good research. But we can do more and we must do more to translate that research into care for all Americans. That is what this vote is all about.

We have not been unreasonable in passing this bill. I certainly cannot subscribe to the notion that cutting health programs is the way to fight inflation. I do not think the way to combat inflation is by closing facilities like the Baltimore PHS Hospital where cancer victims are receiving treatment. And I do not think the way to fight inflation is by vetoing a bill to provide emergency medical equipment to communities.

When he was Secretary of Health, Education, and Welfare, Mr. Richardson came before my Health Appropriations Subcommittee and made a half-hour plea and said they were going to dedicate themselves to more ambulatory medical services. I listened to him and I accepted his ideas.

Now the first time a bill comes along to do just what Mr. Richardson was talking about it is vetoed.

Mr. DOMINICK. Mr. President, I am not going to take more than a minute, but I thought, since it is unusual when I rise to ask my colleagues to override the President, I should make a statement in explanation.

I worked with the Senator from California on this matter, and he and I worked out a bill to provide needed service, particularly when regional medical programs are being dismantled, and as a result of funding which had been developed for the purpose of trying to provide ambulance service, communication, and the rest of it, and the emergency health facilities were about to be cut out of the bill entirely the regional medical program will stay in for at least 1 year—at least, I hope it will—but this whole bill, it seems to me, is an enormous improvement over what we have had before. So I urge my colleagues to vote to override the President's veto.

Mr. JACKSON. Mr. President, I strongly oppose the President's veto of the Emergency Medical Services bill. Through the veto of this bill, I believe the administration has once again proven its lack of concern and failed in its responsibilities to meet the health needs of the American people. This bill provides $185 million over a 3-year period to improve the Nation's emergency medical service facilities. Studies have shown that better ambulance and emergency room treatments could save 60,000 lives a year.

I further object to the veto of this bill as I was a cosponsor of the amendment to this bill keeping open the Nation's major Public Health Service Hospitals. Public Health Service Hospitals are an integral part of our national health network, providing medical care to well over 1 million Americans.

In Washington, the Seattle Public Health Service Hospital cared for 45,790 people last year. Seattle's hospital is one of the Nation's major hospitals caring for our Nation's merchant seamen, retired military personnel, their families, and our Indian families. Closure of this hospital means that these persons will have to seek care at private hospitals at much higher personal costs that they cannot afford.

The Seattle Public Health Service Hospital has also provided over one quarter of the training opportunities for students at the University of Washington Medical School. This country needs more, not less, spent on medical research and training.

In order to improve emergency medical services and to keep open the Public Health Service Hospitals, I urge my colleagues to join with me in overriding the veto of the Emergency Medical Services bill. I believe we must override this veto if we are to continue to meet our responsibilities to the American people to help provide them with quality health care.

Mr. TUNNEY. Mr. President, the President vetoed the Emergency Medical Services System Act. I am deeply concerned over this veto because it once again exemplifies the lack of concern of the administration over the health and welfare of the people of the United States. The Emergency Medical Services Systems Act would provide for the establishment and improvement of emergency care throughout the United States and could possibly mean life or death to millions of people who suddenly find themselves medically inept.

This veto also concerns me because it gives the green light to the administration's attempt to close the remaining Public Health Service Hospitals.

The Emergency Medical Service Systems Act contains Senator MAGNUSON's amendment, of which I am a cosponsor, to continue operation of the Public Health Service Hospitals in Seattle, San Francisco and other cities.

As part of its cutback program, it is the intention of the Department of Health, Education, and Welfare to terminate all inpatient services at the Public Health Service Hospital in San Francisco. In my opinion, the closing of the Public Health Service Hospital would have a direct and detrimental impact on health care services in San Francisco and the bay area. In addition, the hospital's closure will not, from the study I have made, save the Federal Government any money. In fact, this action will cost the Government up to three and four times as much as at present.

I visited this hospital on my last trip to California in May of this year. From sources within the San Francisco Public Health Service Hospital, I received the following documentation to support my view. First of all, the closing of the hospital will prove to be extremely costly to the Federal Government. In fiscal 1972, 78,036 inpatient days were recorded at the San Francisco hospital. This includes 51,058 inpatient days for American seamen, who must by law continue to receive full health coverage, which is to be paid by the Federal Government. The remaining 27,000 inpatient days refer to additional recipients who would no longer be covered by this particular program, but who would still qualify under other Federal programs such as military care.

What this means is that the Federal Government is not relieving itself of responsibility for providing health services; it is merely shifting that responsibility. To assume that this action will reduce Federal expenditures is incorrect. The present plan, which calls for the transfer of the contracts of the Federal beneficiaries—which is all categories of American seamen—from the PHS hospital to community hospitals around San Francisco, will prove to be far more expensive to the Government than if these beneficiaries could continue to receive inpatient care at the PHS hospital.

HEW estimates that $135 will be the daily cost of comprehensive hospitalization for the Federal beneficiaries at private hospitals. The plan at present is to create sole-source contracts—which allow no subsequent subcontracting—with Pacific Medical Center in San Francisco. These contracts will cover all Federal beneficiaries in the area—that is, it will cover the approximately 20,000 American seamen in the bay area. The cost per day at Pacific Medical Center is presently estimated at $167 per day for initial hospitalization only. Extra costs such as tests and physician fees increase this figure to an estimated $240 per day. This compares to an inpatient cost per day at the San Francisco PHS Hospital of only $80.

There is the possibility that the Pacific Medical Center will not be able to carry out the present plan of taking all PHS hospital's American seamen beneficiaries because of a lack of facilities. If this occurs, then the plan would be to let the other 19 San Francisco hospitals bid for these contracts. The problem here is that the lowest bidder may only be able to supply a portion of the beds and services needed, and the other PHS hospital's patients must be doled out to any number of the remaining hospitals, with accompanying higher rates. The result would be that some patients would go to one hospital for one rate, while others would go elsewhere for another price. Not only will all of these prices exceed the present rate, but the administration and redtape involved will be a great problem for both patients and the hospitals themselves.

Another important point is that the cost of supplies and drugs at the Public Health Service hospital is approximately one-third the cost for the same materials at the non-Federal hospitals. This is a substantial saving which would disappear with the closing of the PHS hospital.

San Francisco's PHS Hospital serves several vital purposes, including direct patient care, training programs for over 30 groups in the bay area, research—including several projects with NASA—and a host of special services. These services include a leprosy center, a hemodialysis unit, and an alcohol and drug detoxification program. If the hospital is closed as planned, most of these programs will be terminated. In addition to this, it is estimated that up to 500 employees at the PHS hospital would be terminated—a sudden and serious employment problem.

To cut off the above-mentioned training programs would severely hamper the intern programs at both the medical school of the University of California at Berkeley and at the City College of San Francisco. The University of California sends approximately 150 interns per year to the various programs at the PHS Hospital, and City College sends 170. In all, 525 interns attend the hospital each year, and to close it would cripple, and in some cases, terminate existing intern programs in the bay area.

Another group who relies exclusively on the PHS hospital in San Francisco is virtually all the leprosy patients in the Western United States. One hundred eighteen leprosy patients utilized the PHS hospital in San Francisco in 1972, and this is the only place where such patients can go for inpatient service in the entire United States with the single exception of the leprosarium in Carville, La. To terminate the program in San Francisco would, of course, mean that any inpatient service would have to be obtained at Carville. This would not only be a great inconvenience to these patients, but it also would cost the Government extra money to transport the patients back and forth.

I firmly believe that the Government should allow the Public Health Service hospital in San Francisco to continue its inpatient services. Not only will its closing be distressing to many bay area residents, but it will cost the Federal Government considerably more than it is now spending. I favor the saving of Federal dollars where it can be done effectively, but to close the PHS hospital in San Francisco will be even more costly—to all of us as taxpayers, and to the lives and welfare of bay area residents.

Mr. HUMPHREY. Mr. President, President Nixon's veto message on S. 504, the Emergency Medical Services Systems Act of 1973, is incomprehensible, inhumane, and utterly irrelevant to the critical problems to which this vital legislation is addressed.

Once again, the President has callously brushed aside major legislation on the basis of an extremely narrow viewpoint that totally avoids the demand to confront urgent needs of American citizens. Earlier this year, he vetoed historic legislation that would have provided essential rehabilitation services to millions of handicapped Americans—sacrificing this major initiative to meet an urgent domestic social welfare need on the altar of budget control, while at the same time not hesitating to request increased budget expenditures for defense weaponry, including $2.1 billion in military aid to South Vietnam, which in itself was far in excess of appropriations authorized for fiscal year 1974 under the vetoed Rehabilitation Act of 1973.

Now the President would sacrifice legislation providing for the substantial reform and expansion of emergency medical systems on the "altar of federalism," somehow seeing this program as "thrusting the Federal Government into an area which is traditionally a concern of State and local governments and should remain under their jurisdiction."

What the President is apparently unaware of is that the States and cities and towns desperately need help in achieving what must be a drastic reform of emergency medical services. All too often, a local emergency medical system is either nonexistent or completely uncoordinated. Meanwhile, the harsh reality is that tens of thousands of American people are being permanently disabled or allowed to die because qualified emergency medical care is not available.

It has been stated emphatically that enactment of the Emergency Medical Services Systems Act of 1973 could mean a potential saving of 60,000 lives a year. A recent report of the National Academy of Sciences sees a dramatic upsurge in the demand for emergency medical care, and estimates that more than 52 million people are now injured each year. Nevertheless, this reports finds emergency care is "one of the weakest links in the U.S. health care system." The harsh fact is that mortality from accidents alone could be reduced by up to 20 percent by proper medical care at the scene of the accident or en route to an emergency medical facility. Thirty percent of cardiac deaths could be prevented. And immediate medical attention could prevent 5,000 deaths each year from other causes such as poisonings, drownings, and drug overdoses.

The National Academy of Sciences report estimates that only two-thirds of the ambulance attendants across America have received advanced first-aid training. Another survey by the American College of Emergency Physicians found only 37 percent of ambulances meeting minimal design standards, and still less as having adequate lifesaving or communications equipment. And hospital emergency rooms, confronting an almost overwhelming escalation over recent years in outpatient visits, are all too often compelled to meet this demand with inadequate and undertrained personnel and a lack of intensive care equipment.

I have been particularly encouraged by provision made in the Emergency Medical Services Systems Act to help meet the critical need for emergency care in rural communities. The National Academy of Sciences reported that 70 percent of motor vehicle deaths occur in rural areas and communities with a population under 2,500—one cause being inadequate emergency room facilities. Moreover, rural communities face peak periods of emergency cases during vacation seasons or harvesting, for which they are too often totally unprepared.

I strongly urge the Senate to vote to override the President's veto of S. 504, which can provide vitally needed support and strong incentives to States and communities to coordinate and substantially improve emergency medical services under a comprehensive and integrated system of up-to-date facilities, modern transportation equipment, and effective communications networks. This is fiscally responsible legislation, authorizing only $185 million over a 3-year period, which would be utilized as seed money in conjunction with other resources upon which State and local jurisdictions and combinations of local governments are to place maximum reliance for funding.

The extremely limited demonstration level effort of $15 million for the current fiscal year proposed by the administration simply will not begin to do the job that urgently needs to be accomplished right now. And I am profoundly disturbed that such a disregard of public need on the part of the administration would come immediately on top of its violation of the public interest, as recently revealed in its failure to spend $1.1 billion or about one-fourth of the funds Congress authorized for the last fiscal year for the National Institutes of Health and the programs of the Health Services and Mental Health Administration.

Mr. President, an excellent article, asserting that—

> Incompetent emergency medicine in the United States is a national scandal, costing tens of thousands of lives each year.

It appeared in the August, 1973 issue of Family Health. Entitled "An American Tragedy," and written by John Kelly, this article tells a story of families left in grief by the loss of loved ones who would be alive today if they had received good emergency medical care, and it documents cases of cities which have taken dramatic steps in meeting this vital need. I ask unanimous consent that this article be included in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

AN AMERICAN TRAGEDY

(By John Kelly)

Perched on the edge of the sofa, Fred DeLuca flips quickly through the leather-bound album. "Ah, here it is, he says softly, pointing to a small photo at the bottom of the manila page. The girl in it is about four or five, with a pert grin and her father's wide, dark eyes. "Rose took that two or three days before the accident. It's the last picture we have of Gina." The tone may sound casual and easy, but the pain of her loss is still apparent in DeLuca's sad distant smiles. The incident that tore apart Fred and Rose DeLuca's small, secure universe occurred on a bright, early spring afternoon in 1971. Gina and her younger brother were playing in front of the family's modest Huntington, Long Island, home when their ball suddenly bounced into the street. Gina dashed after it and was hit by a car. Her parents rushed her to the emergency room of a nearby hospital, where an intern examined her and diagnosed the injury as a broken leg. "He set it and told us not to worry, everything would be all right," recalls the father, shaking his head sadly.

But everything wasn't all right. The leg had been improperly set and gangrene developed. Three days later, Gina was dead.

Shocking, yes. Unusual—unfortunately, no. The incompetent medical care that cost young Gina DeLuca her life is all too common in a scandalously large number of America's more than 5000 emergency rooms (ER's). Indeed, judging from a new National Academy of Sciences (NAS) report, virtually every section of the nation's chaotic emergency-care system—from the ambulances to the ER's themselves—is shot through with incompetence, inefficiency, and inertia. Lambasting emergency care as "one of the weakest links in the U.S. health-care system," the report charges that its "inadequacies are costing the needless loss of thousands of lives."

A score of other health authorities echo that indictment. "With better, prompter care," says Dr. Campbell Moses, former Medical Director of The American Heart Association, "we could be saving as many as fifty thousand heart-attack victims each year." All told, perhaps "twenty percent of those who die in medical emergencies might be saved if modern equipment and proven methods of treatment were being used," adds Dr. Julius E. Stolfi, Dean for Clinical Affairs at the State University of New York Downstate Medical Center.

What these figures add up to is a crisis in the American emergency-care system. Quietly building for the last two decades, it's been brought to a sudden, swift head by the dramatic upsurge in the demand for emergency care. The NAS estimates that more than 52 million people are now injured each year. Although the vast majority of these injuries are minor, still 110,000 are killed, 400,000 are permanently scarred or maimed, and an additional 11 million spend a day or more in bed because of injuries. Another 300,000–400,000 die each year of heart attacks either before help arrives or en route to a hospital.

"If a disease were causing deaths and injuries on this scale, we would have long ago since mounted a major campaign to curb it," says Dr. Jesse W. Mahoney, Associate Professor of Clinical Surgery at New York University Medical Center. "But we—and by 'we' I mean the medical profession as well as the public and government officials—have been slow to grasp the terrible seriousness of the problem."

Hence, while visits to emergency rooms shot up 308 percent over the last 15 years, the emergency-care system in most communities remains a ramshackle scene out of a Rube Goldberg cartoon. "Rarely is it clear who's really running the system. Planning is done on a piecemeal basis, and the decisions made by the people at the top often don't filter down to the doctors and technicians who must administer care," declares Dr. Robert B. Andrews, a University of California management expert who specializes in medical systems.

The upshot is succinctly summed up in the NAS report: Almost never is there anyone at the site of an accident or injury capable of administering first aid. The ambulances used to transport patients are often of inadequate size, ill equipped, and manned by untrained or only partially trained drivers. Frequently, there's no communication setup between them and the hospital or a central dispatcher. And the emergency rooms themselves are critically short of competent doctors, nurses, and other personnel, often poorly equipped, and swamped by millions of non-emergency cases.

Since 1966—the year the first National Academy of Sciences report on emergency care was issued—some tentative reforms have been initiated. Jacksonville, Florida, San Diego, California, and several other communities have shown what can be done when local politicians and medical authorities bury their petty jealousies and the citizenry puts its minds and money behind the effort to upgrade emergency care. In addition, two new societies of physicians in emergency medicine are now working vigorously to bring order to the present chaos. And the powerful American Medical Association has started to place some of its money and considerable political muscle behind the effort to upgrade care.

But public apathy, a tightfisted federal government, and the entrenched conservatism of organized medicine make progress painfully slow. "We've gotten a ten-percent response to a problem that demands one-hundred-percent response," says Dr. Gail V. Anderson, Chairman of the Department of Emergency Medicine at the University of Southern California School of Medicine.

The emergency room (ER), of course, has always been one of medicine's eyesores. But today, the problem extends beyond the emergency room and into even the most seemingly simple areas of emergency care.

"Just plugging into the system has become maddeningly difficult," complains Dr. Fred B. Vogt, Professor of Bio-Medical Engineering at the University of Texas. Only 125 communities have a central 911 emergency telephone number. Barely 10 percent of the states have clear highway signs indicating how to get to the nearest hospital. And responsibility for delivering emergency care in most areas is often hopelessly splintered among state and local police, the fire department, public and private ambulance services, and community and private hospitals.

A Massachusetts psychiatrist recently had a firsthand introduction to the dangers inherent in this chaos. Seeing a man slumped on the sidewalk and suspecting a heart attack, the psychiatrist immediately called the local police. They said medical emergencies were out of their jurisdiction. So he tried the fire department, but they also declined any responsibility. Finally, out of desperation, the psychiatrist piled the man into his own car and drove him to the nearest hospital. It, however, turned out to be a chronic-care facility and couldn't provide help in this kind of emergency. At last, a call to the State police did bring a promise of assistance, but by the time the troopers arrived, the man was dead.

A well-equipped ambulance with a trained attendant might have saved this man's life. But aside from a few exceptional cities and towns, responsibility for providing ambulance service also is fragmented between public and private authorities. And the ambulances themselves are often woefully inadequate to the demands of their task.

Indeed, more than 20,000 so-called ambulances actually are hearses, pickup trucks, or station wagons, and nearly half the nation's emergency medical calls are answered by morticians or garage owners using such vehicles. Many of the vehicles built especially as ambulances aren't much better. "It's most unusual for ambulances to be equipped with the instruments necessary to monitor coronary patients," points our Dr. Moses, "and equally unusual for them to carry the drugs that could save thousands of heart-attack victims."

Unfortunately, even if they did carry such equipment, many ambulance attendants wouldn't know how to use it. According to one estimate, thirty-five percent have never completed an elementary Red Cross course.

In rural areas, the situation is far more critical than these figures indicate. A recent University of Iowa study found that 80 percent of that state's drivers have no organized inservice training. And the Ambulance Association of America estimates that, nationwide, 25,000 people end up with permanent injuries or disabilities each year because of untrained ambulance attendants and rescue workers.

A few communities do insist that ambulance drivers be trained, and excellent programs are offered. Unfortunately, the situation in Pennsylvania is far more typical. That state requires its barbers to take 1500 hours of training at a barber college, and its manicurists must complete 200 hours of study at a beauty-culture school. But ambulance attendants need only have a driver's license.

Brock Peters, a 23-year-old Buffalo, New York, man, can testify as to what might happen at the hands of untrained ambulance attendants. Peters was playing hockey with friends when he was whacked on the back of the neck. Even the most elementary first-aid manuals advise that individuals with neck injuries be totally immobolized before being moved. But the ambulance attendants simply picked young Peters from the ice; as a result, he now watches his hockey from a wheelchair, permanently paralyzed because of this negligent care.

Patients who manage to get to the emergency room on their own often aren't much better off than those who arrive by ambulance. Herded into crowded, dirty reception areas, they frequently must wait hours before seeing a doctor—that is, if one's available. In populous Manhattan, more than 25 percent of the hospitals don't staff doctors in their emergency rooms around-the-clock. In many smaller communities and rural areas, the figure is closer to 50 percent.

The reluctance of private physicians to see patients outside of office hours—no matter what the emergency—is partly responsible for the added crush in hospital emergency rooms.

A survey in one large eastern city revealed that almost 25 percent of the doctors routinely refer after-office-hours callers to an emergency room for treatment. In addition, an increasing number of central city areas are without doctors as more and more physicians follow their middle-class patients to the suburbs. For example, in Baltimore, residents of 15 inner-city census tracts are now without a doctor. A similar situation exists in Philadelphia. "We've got plenty of physicians," notes James Tate, former mayor of that city, "but unfortunately, they are all living in the suburbs."

As a result, the city emergency room has been forced to assume an entirely new role. "It's become family physician to those who don't have a doctor or can't get in touch with him," says Dr. Ronald Holloway, chief of the emergency room at Manhattan's St. Claire's Hospital. "Very few of the cases seen in the ER's qualify as true emergencies."

Statistics bear him out. By one estimate, only 12 percent of the patients who flock to Los Angeles' overburdened emergency rooms each day are dangerously ill or injured. And nationally, experts claim that no more than 20 percent of those crowding into ER's are, indeed, emergency cases.

Regardless of what brings patients to the ER, there is mounting evidence that they are being badly shortchanged in terms of care. A recent survey in one busy Baltimore ER indicated that less than a third of the noncritical cases treated there received adequate care. And a second study, conducted by researchers from Johns Hopkins School of Hygiene and Public Health, concluded that over half the auto-accident victims who died from abdominal injuries after being admitted to a large metropolitan ER would "have had a reasonable chance for survival if there haven't been an error in diagnosis or treatment."

Inadequately equipped facilities are partly to blame for these dismal statistics. A large number of medical emergencies, especially auto accidents, occur in rural sections; yet three-fourths of the small hospitals (200 beds or less) that serve these areas don't have intensive-care units. More than half lack blood banks. And although heart disease has virtually become "The American Way of Death," only 42 percent of our community hospitals have intensive cardiac-care units.

The level of competence among physicians who man the nation's emergency rooms is also troubling. "For all the talk about emergency care," says the University of California's Dr. Andrews, "the ER is still considered Siberia. And most good doctors escape from it as soon as they can." Where they most often escape to, of course, is the high pay, reasonable hours, and relaxing atmosphere of a specialty practice.

Almost by default, then, responsibility for the emergency room in many areas has fallen or—perhaps more accurately—been thrust into the laps of the lowest men on the hospital totem pole, the interns and residents. In Baltimore's General Hospitals, they provide 37 percent of the emergency care. Many of them are superbly competent and fiercely dedicated young men and women. But many others, though equally dedicated, are dangerously inexperienced, as the David Niles family recently found out to their sorrow.

In February, the San Rafael, California, couple was granted the largest damage claim ever awarded by an American court. The sum, slightly over $4 million, was retribution for the incompetent care that left their once bright and active 13-year-old son, Kelly, profoundly retarded and totally paralyzed for the rest of his life.

Hit in the head during a playground tussle two years ago, the boy was rushed to the emergency room of San Francisco's Mount Zion Hospital by his father. An intern examined him and, despite the youngster's nausea and vomiting, sent him back home. Kelly's condition continued to worsen, however, and when his frantic father brought him back to the ER six hours later, the boy was totally unconscious. This time, the ER staff called in an experienced neurosurgeon who quickly diagnosed the boy's injury as intradural hematoma, or bleeding inside the skull. In granting the money, the court noted that prompt treatment during Kelly's first visit to the emergency room might have prevented the tragedy.

Because of the long hours, often poor pay, and nerve-racking atmosphere, those hospitals that do try to staff their ER's with full-time, experienced physicians are frequently forced to recruit abroad. Again, many of these foreign physicians are splendidly trained, but even the best of them sometimes encounter language problems. "New York State requires such doctors to take a written medical test in English," says NYU's Dr. Mahoney. "But most doctor-patient communication is verbal, and no one has yet demanded they take an oral test."

Tim Malloy was a victim of this elementary oversight. Brought into the ER of an upstate New York hospital with an injured ankle, he was examined by an Argentine doctor who somehow didn't spot a fracture in the X rays. He sewed up the ankle wound and sent him home. The Argentine's reluctance to consult with his superior, a Filipino, because of a language problem proved costly for young Malloy, since subsequent X rays did reveal a fracture. But gangrene had set in and his leg had to be amputated.

Staff rotation is another source of problems. The practice, common in most places, is based on reciprocity. In exchange for use of their facilities, hospitals require physicians to periodically serve a stint in ER. "Now, an internist may be a first-rate cardiologist, but that doesn't mean he knows a damn thing about neurology," says malpractice lawyer Albert Averbach of Seneca Falls, New York. "Yet this procedure throws him into the emergency room and forces him to treat all injuries on a first-come, first-served basis."

No one can promise a quick, easy solution to this or to emergency medicine's other complex problems. But already, scattered amidst the chaos, there are some encouraging signs of progress. One of the most significant is the formation of two new specialty organizations, the 3900-member American College of Emergency Physicians (ACEP) and the slightly smaller American Trauma Society (ATS). Influenced by the activist attitude of their largely youthful members both societies are pressing hard for stricter controls on the training of ambulance drivers, first-aid courses for schoolchildren, and more research into the effects of trauma.

Efforts are also being made to forge emergency medicine into a separate discipline. Although the AMA has yet to act on the ACEP's application for specialty status, Tulane, the University of Cincinnati, and nine other schools now have full-fledged departments of emergency medicine. The first and largest of these, the one at the University of Southern California's School of Medicine, is headed by Dr. Gail V. Anderson, a tough physician with a reputation for cutting through academic red tape.

"Our goal," says Dr. Anderson, "is to train an individual who can cope with acute problems on a broad basis. We emphasize skills that have to do with the acute aspects of such disciplines as surgery, orthopedics, gynecology, neurology, and obstetrics. We also emphasize speed, because our men don't have all day to work up tests. They've got to get in, size up the situation swiftly, and treat it." In addition to the 11 residents, the USC center is training 14 specialized emergency-room physicians, 77 paramedics, and 52 ambulance attendants.

Equally encouraging for the future is the rapid growth of community councils, backed by the AMA–ATS, to coordinate all emergency care services in a particular area. "In many areas, responsibility for emergency care has never been clearly defined, so systems have been allowed to slip without anybody really noticing or caring," says Dr. John Howard, Secretary of the ATS. "The community council is designed to fill that vacuum."

These councils include representatives from the fire and police departments, the local hospitals, medical societies, and private ambulance services. Their chief task is to weld the various components of the emergency system into a single community-wide unit. In most towns, this entails drumming up money and support for the system, hiring an administrator, establishing a single emergency number, and creating a central dispatch service to direct the area's ambulances. The councils also provide first-aid training for ambulance attendants.

The Jacksonville, Florida, Emergency Medical System (EMS) is a good example of the benefits this kind of unified organization can provide. Since its formation in 1968 under Captain John Waters, a gruff ex-Coast Guardsman, the number of auto-accident fatalities has been cut by 38 percent, even though the number of accidents has climbed by 7000. The community's statistics on heart-attack "saves" aren't as complete, but one preliminary study showed that 97.2 percent of Jacksonville's heart-attack cases arrive safely at a city emergency room. Nationally, it's estimated that 60 percent of the heart-attack deaths occur before the victims reach a hospital or see a doctor.

What can be done on a statewide basis is evident in Illinois, where the Illinois Trauma Unit serves hundreds of communities. In its two years of existence, the unit's young, aggressive director, Dr. David R. Boyd, has managed to parlay his talent for organization and some fortunate political friendships into a system that many observers feel could serve as a national model.

The unit's center has a sophisticated radio network linking the system's hospitals to one another and to local police and fire departments. Manning it are a corps of Trauma coordinators, who are thoroughly acquainted with the medical resources of a particular area. These coordinators swiftly size up the seriousness of an injury, accident, or other medical emergency, and take whatever action is deemed necessary. For example, the unit's helicopters and specially trained nurses and technicians may be dispatched to pick up a badly injured accident victim on a highway near Peoria. Instead of taking the injured person to the nearest hospital, the helicopter ferries him to one of the unit's nine regional medical centers.

These 15 centers, scattered strategically over the state, are at the apex of Illinois' 45-hospital system. All are affiliated with university medical schools and they offer the most sophisticated care available. Cases of the second magnitude go to area centers, where a physician must be on duty and major medical specialists are only minutes away. On the third level are 17 local centers, which must have adequate emergency equipment and a physician on hand.

A recent $4 million grant by the U.S. Department of Health, Education, and Welfare insures Dr. Boyd's unit a healthy future. But the fate of most of the nation's other model emergency-care systems hinges on events in Washington during the coming months. The Nixon Administration has slashed aid to emergency medicine. So present hopes are pinned on the Emergency Medical Service Act. The bill has already been passed by the House of Representatives, but its fate in the Senate depends on public reaction. "We don't make policies, we react to pressure," one politician told Dr. John Howard. "So if you want more money for emergency care, go out and create a pressure group."

In short, then, what emergency medicine needs, even more desperately than money, manpower, and new equipment, is involved, committed people like Janet Schwettman. Shocked by the cardiac deaths of nine men, two of them close personal friends, the Palatine, Illinois, housewife began investigating mobile intensive-care units. "It took two months of study, but I put together a proposal for an emergency cardiac unit," says the young mother of two, "then presented it to our village council." They bought the idea, and so did eight surrounding villages. The result is the Northwest Community Hospital Mobile Intensive-Care Unit.

"The power of the individual is still very much alive in this country," says Mrs. Schwettman. "Thank goodness we're not all IBM cards yet." And when it comes to emergency medicine, the life you're saving may be your own!

Mr. WILLIAMS. Mr. President, once again the President of the United States has vetoed legislation designed to make vitally needed improvements in our health care system. And once again, the President has argued that this legislation is too expensive and that its objectives can be achieved by State and local governments without Federal assistance.

In my view, once again, the President's action is ill advised and demonstrates a continued insensitivity to the needs of the American people.

S. 504, the Emergency Medical Services Systems Act of 1973, is an important piece of legislation designed to encourage the creation of areawide coordinated emergency medical services systems throughout the Nation. Its purpose is a simple one—to help prevent the 115,000 deaths which occur each year as a result of accidents on our highways, in our homes, and in the workplace. In addition, the development of better emergency medical services could well reduce the annual toll of 40,000 accident victims who are permanently disabled and 10 million persons who are partially disabled. Frankly, the President does not seem to think that this is an important enough problem for the Federal Government to become involved.

The question before us today is whether we should act to override the President's veto of this bill. He has told us that it is too expensive; yet, this legislation authorizes only $185 million over a 3-year period to upgrade emergency medical care. We know, too, that the costs for better services will run millions and millions of dollars more than the modest amounts authorized in this bill.

We have been told by the President that to establish this program thrusts the Federal Government into an area which has traditionally been the concern of State and local governments. Yet we know the financial crisis facing States, our cities, and our rural areas and they simply do not have the funds to be able to provide emergency health care for their citizenry. And, in this regard, the President's action to withhold more than $1 billion in Federal health care funds last year has put State and local governments in an even more perilous position.

Mr. President, I have grown weary and impatient with the administration's arguments that the Congress has acted irresponsibly. When this bill was first introduced in the Senate it authorized $315 million for these purposes, and, as reported by the Labor and Public Welfare Committee and passed by the Senate, the authorization in this bill was reduced to $240 million—a figure substantially lower than the $630 million proposed by the American Medical Association in the bill introduced on its behalf in both Houses.

In fashioning S. 504, we did our utmost to assure that its provisions did not duplicate existing legislative authorities and wrote specific language to assure that in providing assistance to communities to establish or expand emergency medical services, the Secretary of HEW must insure that any assistance under the provisions of this bill must come first out of existing programs authorized by the Public Health Service Act.

As always, the administration claims that it is already moving in this area and has committed funds for these purposes. Yet, as always, their arguments fall short upon even minimal analysis. In fiscal year 1972, HEW committed $8 million for the development of five emergency medical services demonstration programs to be carried out over a period of up to 3 years. In fiscal year 1973, the second year of continuing funding for these projects was reduced in the initial budget request from $15 to $1.8 million. This is hardly a commitment which anyone can be proud of.

Mr. President, in his veto message, President Nixon also objects to the provision of this bill which proposed that the Public Health Service Hospitals remain in operation, provide services, and conduct health-related activities at the same level as in effect at the beginning of this year. The bill provides that the Secretary may close a hospital or reduce its activities only if the Congress specifically authorizes such an act. In my view, the beneficiaries of PHS hospitals must continue to be able to rely upon receiving comprehensive health care. The administration has for several years now been attempting to terminate these activities. But, as always, HEW has not developed any acceptable alternatives for those patients who are entitled, through the Public Health Service Hospital System, to receive the best possible medical treatment available. To paraphrase the words of the President in his veto message, I cannot agree to any action that would deny these patients that opportunity.

Mr. President, I regret that the Chief Executive of the Government of the United States seems unable to have a clear understanding of the importance of much of the legislation which has passed the Congress. As one Senator, I am unwilling to turn my back on the people of America.

Mr. COOK. Mr. President, we have all heard of, or had personal experiences, where immediate and trained emergency care was vital to the preservation of life and/or future health. A great deal of attention has been focused on the often fragmented availability of adequate emergency services all over the country. In my own State of Kentucky, this has been the subject of much concern and discussion, and I have been the recipient of many dismaying accounts of needless loss due to the unnecessary lack of immediate and proper medical care.

The medical community and others involved in emergency transportation and treatment have developed highly effective means of meeting the needs in this area. I believe this bill will go a long way in making these developments available where needed. Although I agree with the President's desire to hold down Federal spending, I do not feel that this is the area in which to do it; and I, therefore, feel compelled to vote to override.

Mr. JAVITS. Mr. President, as ranking minority member of the Committee on Labor and Public Welfare, which was responsible for the development of the "Emergency Medical Services Systems Act of 1973" (S. 504)—which passed the Senate on May 15, 1973 by a vote of 79 to 13—and as a conferee on the conference report on the bill, which in great measure, was similar in form and concept with the Senate bill—which passed the Senate on July 19, 1973 by a vote of 97 to 0—I urge my colleagues to vote to override the President's veto.

The bill is the result of mutual dedication by the House of Representatives and the Senate to achieve the most effective and appropriate means to improve our Nation's ability to provide emergency medical services.

RESPONSE TO CATEGORICAL PROGRAM ARGUMENT

The President's veto message argues that the grant program established by the bill—

> Woud be a narrow, categorical one, thrusting the Federal Government into an area which is traditionally a concern of State and local governments and should remain under their jurisdiction.

This is precisely the same argument which the Department of Health, Education, and Welfare presented to the Committee on March 9, 1973 in hearings on the legislation. This position was rejected by the committee in its report on the bill; the report states:

> The provisions of S. 504 have broad applicability to all aspects of community health, including training, equipment, systems development, transportation, facilities, and the overall planning and coordination of health resources.

Moreover, grant assistance for an Emergency Medical Service System is provided only when other funding support is insufficient to enable the qualitative and quantitative requirements of the bill to be met. As the report on the bill makes clear:

> The Committee does not intend to create new grant authorities under the provisions of this bill which are duplicative of existing authorities. The basic purpose of the legislation is to encourage and provide incentives to appropriate units of government to inventory their resources for providing comprehensive emergency medical services, identify the gaps in such services and seek to remedy these deficiencies through better coordination or utilization of existing resources—their own and those available under other Federal programs—as well as to develop the new components which are essential to the achievement of an integrated, comprehensive area emergency medical services system which would meet requirements established by the Secretary.

Thus, there is nothing new in the President's position on this issue which was not considered by the Senate and rejected by the Senate on May 15 and July 19, 1973.

RESPONSE TO AUTHORIZATION LEVEL ARGUMENT

The President's veto message argues that the $185 million authorization of appropriations is—far in excess of the amounts that can be prudently spent. This is exactly the same argument which was presented by the Department of Health, Education, and Welfare on March 9, 1973, in hearings on the bill.

The hearing record is replete with testimony on the need for Federal funding support in excess of the authorization levels provided for by the bill. The American Medical Association bill on this subject—introduced in both Houses—recommended authorizations of $630 million. One example of the estimates of the costs of improving emergency medical services nationwide was presented by the Society of Critical Care Medicine. Their testimony indicated the need for:

> About 2,000 ambulances with defibrillators, plus ambulance-hospital-based telemetry equipment: $50 million.
>
> Emergency communications equipment: $200 million.
>
> Training 20,000 emergency medical technicians: $40 million.
>
> Ten special critical care centers: $10 million.
>
> It should be noted these figures do not include the upgrading of emergency rooms, the costs of ambulance transportation or the costs of training of physicians for emergency departments.

The President's budget recommendations of $15 million is not enough. More must be done when we recognize, based on the hearing testimony, that:

Less than 10 percent of the Nation's hospitals are equipped to handle all types of medical emergencies.

Of the 55,000 Americans who die in highway accidents, as many as 15,000 could be saved from death if we had a proper emergency medical services system.

Thirty percent of heart attack deaths could be prevented with properly trained crews and adequately equipped ambulances.

More than 100,000 Americans die unnecessarily each year because of deficiencies in emergency medical services.

Death by accident is the Nation's No. 1 killer in the 1–37 year-old-age bracket and ranks fourth for deaths of all ages.

Thus, there is nothing new in the President's position on this issue which was not considered by the Senate and rejected by the Senate on May 15 and July 19, 1973.

RESPONSE TO PUBLIC HEALTH SERVICE HOSPITAL ARGUMENT

The President's veto message argues that—

> It requires the continued operation of the inpatient facilities of the eight general hospitals presently maintained by the Public Health Service.

This argument has been presented to the Congress time and time again and has been rejected by the Congress, evidenced by the requirements set forth in Public Law 92–585 regarding closure of inpatient services in the hospitals.

There has been no evidence offered to support the assertion that the beneficiary population of the hospitals would be better served if these hospitals were not operated by the Federal Government.

Moreover, there has been no information to suggest that the beneficiaries share the President's conviction that they will be better served if the PHS hospitals were closed and they were referred to other community facilities. In fact, other beneficiary groups have successfully brought judicial actions in Federal courts in Seattle and New York to keep the hospitals open.

In response to any allegations that it is not possible to continue the operation of the hospitals because of staff shortages, it is important to understand that the administration proposes to present Congress with the fait accompli, that is, first it encourages employees to leave and now it argues that the hospitals should be closed because of staff shortages. In response to the argument that to close the hospitals without congressional approval would fly in the face of sound administrative judgment makes no sense, there is nothing that would have precluded HEW from closing these hospitals if it can demonstrate with hard evidence that it can and will provide in some other fashion for those now being treated at the hospitals, for the health manpower training activities being carried on at the hospitals, and for the health research being conducted at the hospitals. Should Congress be expected to approve closure of the hospitals without that evidence and on the basis of the administration's assertions alone? It is argued that the bill should not require the 314(a) and 314(b) local planning agencies which have to approve any plans for closure of the hospitals. But this is based on the President's principle with respect to the decentralization of power, the returning of power to the people, and abhorrence of the idea that the Federal Government always knows best; and, moreover, 314 (a) and 314(b) agencies were established pursuant to Federal law and receive Federal funds for the very purpose of participating in health planning at the State and local levels.

Thus, there is nothing new in the President's position on this issue which was not considered by the Senate and rejected by the Senate on May 15 and July 19, 1973.

If we are to reverse the tragic statistics of death and disabilities due to inadequate treatment capabilities and response at the time of the emergency, it is essential that we override the President's veto.

The PRESIDING OFFICER. The Senator's time has expired.

The question is, Shall the bill (S. 504), pass, the objections of the President of the United States to the contrary notwithstanding? The yeas and nays are mandatory under the Constitution. The clerk will call the roll.

Mr. KENNEDY. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. KENNEDY. Will a "yea" vote in effect be a vote to override the President's veto?

The PRESIDING OFFICER. A "yea" vote is a vote to override the veto.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Indiana (Mr. HARTKE) and the Senator from Maine (Mr. MUSKIE) are necessarily absent.

I further announce that the Senator from South Dakota (Mr. ABOUREZK) is absent on official business.

I also announce that the Senator from Mississippi (Mr. STENNIS) is absent because of illness.

I further announce that, if present and voting, the Senator from Indiana (Mr. HARTKE) and the Senator from South Dakota (Mr. ABOUREZK) would each vote "yea."

Mr. GRIFFIN. I announce that the Senator from Arizona (Mr. GOLDWATER) is absent because of illness in his family.

The Senator from Utah (Mr. BENNETT), and the Senator from Pennsylvania (Mr. SCOTT) are necessarily absent.

If present and voting, the Senator from Arizona (Mr. GOLDWATER) would vote "nay."

The yeas and nays resulted—yeas 77, nays 16, as follows:

[No. 367 Leg.]

YEAS—77

Aiken
Baker
Bartlett
Bayh
Beall
Bellmon
Bentsen
Bible
Biden
Brooke
Burdick
Byrd, Robert C.
Cannon
Case
Chiles
Church
Clark
Cook
Cranston
Dole
Domenici
Dominick
Eagleton
Ervin
Fong
Fulbright
Gravel
Gurney
Hart
Haskell
Hatfield
Hathaway
Hollings
Huddleston
Hughes
Humphrey
Inouye
Jackson
Javits
Johnston
Kennedy
Long
Magnuson
Mansfield
Mathias
McClure
McGee
McGovern
McIntyre
Metcalf
Mondale

Montoya
Moss
Nelson
Nunn
Packwood
Pastore
Pearson
Pell
Percy
Proxmire
Randolph
Ribicoff
Roth
Schweiker
Sparkman
Stafford
Stevens
Stevenson
Symington
Taft
Talmadge
Tower
Tunney
Weicker
Williams
Young

NAYS—16

Allen
Brock
Buckley
Byrd,
  Harry F., Jr.
Cotton
Curtis
Eastland
Fannin
Griffin
Hansen
Helms
Hruska
McClellan
Saxbe
Scott, Va.
Thurmond

NOT VOTING—7

Abourezk
Bennett
Goldwater
Hartke
Muskie
Scott, Pa.
Stennis

The PRESIDING OFFICER. On this vote the yeas are 77, and the nays 16. Two-thirds of the Senators present and voting having voted in the affirmative, the bill, on reconsideration, is passed, the objections of the President of the United States to the contrary notwithstanding.

FULL OPPORTUNITY AND NATIONAL GOALS AND PRIORITIES ACT

Mr. MANSFIELD. Mr. President, what is the pending business?

The PRESIDING OFFICER. The Chair lays before the Senate the unfinished business which the clerk will report.

The legislative clerk read as follows:

Calendar No. 325 (S. 5) a bill to promote the general welfare.

The Senate continued with the consideration of the bill.

DEATH OF ICC COMMISSIONER CHESTER M. WIGGIN, JR.

Mr. COTTON. Mr. President, on the morning of Tuesday, July 31, the country was shocked to learn of another major air disaster when a plane crashed as it sought to land at the Logan International Airport at Boston. Eighty-eight lives were lost and the one survivor, according to the last reports, was not expected to live. Among the victims was the Honorable Chester M. Wiggin, Jr., of Contoocook, N.H., a member of the Interstate Commerce Commission. Mr. Wiggin was well known here in Washington, as well as in New Hampshire, and his untimely death at the age of 56 has brought sorrow to the hearts of the many who knew and esteemed him.

Chester M. Wiggin, Jr. was born and raised in Conway, N.H. When his father passed away in 1966 in his 85th year I had occasion to say on the floor of this Senate that his death marked the passing of an era because he was one of the last of a vanishing breed—the old-time country doctor who was the physician, friend, and father confessor of people from miles around through four generations. Chester, the son, was educated at Dartmouth College and Boston University Law School. Throughout World War II he was in combat service in the Pacific as an officer in the Marine Corps coming out of the war with the rank of lieutenant colonel. Upon his return he was appointed attorney adviser to the Secretary of the Navy from which position he was called by the late Senator Styles Bridges to become his administrative assistant. It was then that I first came to know him.

My association with Chester Wiggin has been long and close. During the 9 years that he served as administrative assistant to the late Senator Styles Bridges, I, first as a Member of the House and then as junior Senator, was constantly in close contact with him, and he was almost as helpful to me as he was to his own Senator. When Senator Bridges passed away, I eagerly sought his services, and he became my administrative assistant serving with me for 7 years, after which it was my privilege to recommend him to the President for appointment as Federal Chairman of the New England Regional Commission. From there because of the recognized quality of his services and the need for the Northeast to have one member of the Interstate Commerce Commission he received that appointment. He was recommended unanimously by all the Governors and all the Senators of New England.

In all my years in government, I have known few men who equaled him and none who excelled him in ability. He was amazingly knowledgeable of many, many aspects of government. He was a man of remarkably sound judgment who never shot from the hip but always made careful and dispassionate decisions, and he was heavily endowed with that priceless quality that we New Englanders call "commonsense."

His sudden death at the very height of his powers is a tragic loss to his State and to the Nation but, even more than that, it is a stunning blow to a host of his grief-stricken friends. For this New Hampshire native, this Son of Dartmouth, has long played a quiet but important role in Washington. He has walked with our greatest and endeared himself to the humblest both here and in New Hampshire. There are many sad hearts today, and our sympathy goes out to his beloved wife, Joyce, and his brother. As for me, he was about the oldest and dearest of my friends and associates who stood at my right hand both here in the Senate and in campaigns at home. I share the grief of his family and to the last hour of my life, I shall miss him.

Mr. McINTYRE. Mr. President, I want to associate myself with the remarks of my senior colleague. I plan to have something to say tomorrow on the several tragedies which have occurred in Boston concerning my good friend and former administrative assistant to Senator Cotton, Chester M. Wiggin, Jr., and also Robert Morgan, the assistant attorney general of my State, and his wife.

EXECUTIVE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate go into executive session to consider certain conventions.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

CONVENTION ON THE PREVENTION OF MARINE POLLUTION (EX. C. 93-1); CONVENTION ON INTERNATIONAL TRADE IN ENDANGERED SPECIES OF WILD FAUNA AND FLORA (EX. H, 93-1); AMENDMENTS TO THE INTERNATIONAL CONVENTION ON LOAD LINES, 1966 (EX. D. 93-1); SIX AMENDMENTS TO THE CONVENTION FOR THE SAFETY OF LIFE AT SEA, 1960 (EX. I, 93-1)

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Chair lay before the Senate Executive C, 93d Congress, 1st session; Executive H, 93d Congress, 1st session; Executive D, 93d Congress, 1st session; and Executive I, 93d Congress, 1st session.

The PRESIDING OFFICER. Is there objection?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider Executive C, 93d Congress, 1st session; The Convention on the Prevention of Marine Pollution; Executive H, 93d Congress, 1st session, The Convention on International Trade in Endangered Species of Wild Fauna and Flora; Executive D, 93d Congress, 1st session, Amendments to the International Convention on Load Lines, 1966; and Executive I, 93d Congress, 1st session, The Six Amendments to the Convention for the Safety of Life at Sea, 1960, which were read the second time, as follows:

CONVENTION ON THE PREVENTION OF MARINE POLLUTION BY DUMPING OF WASTES AND OTHER MATTER

The Contracting Parties to this Convention,

Recognizing that the marine environment and the living organisms which it supports are of vital importance to humanity, and all people have an interest in assuring that it is so managed that its quality and resources are not impaired;

Recognizing that the capacity of the sea to assimilate wastes and render them harmless, and its ability to regenerate natural resources, is not unlimited;

Recognizing that States have, in accordance with the Charter of the United Nations and the principles of international law, the sovereign right to exploit their own resources pursuant to their own environmental policies, and the responsibility to ensure that activities within their jurisdiction or control do not cause damage to the environment of other States or of areas beyond the limits of national jurisdiction;

Recalling Resolution 2749 (XXV) of the General Assembly of the United Nations on the principles governing the sea-bed and the ocean floor and the subsoil thereof, beyond the limits of national jurisdiction;

Noting that marine pollution originates in many sources, such as dumping and discharges through the atmosphere, rivers, estuaries, outfalls and pipelines, and that it is important that States use the best practicable means to prevent such pollution and develop products and processes which will reduce the amount of harmful wastes to be disposed of;

Being convinced that international action to control the pollution of the sea by dumping can and must be taken without delay but that this action should not preclude discussion of measures to control other sources of marine pollution as soon as possible; and

Wishing to improve protection of the marine environment by encouraging States with a common interest in particular geographical areas to enter into appropriate agreements supplementary to this Convention;

Have agreed as follows:

ARTICLE I

Contracting Parties shall individually and collectively promote the effective control of all sources of pollution of the marine environment, and pledge themselves especially to take all practicable steps to prevent the pollution of the sea by the dumping of waste and other matter that is liable to create hazards to human health, to harm living resources and marine life, to damage amenities or to interfere with other legitimate uses of the sea.

ARTICLE II

Contracting Parties shall, as provided for in the following Articles, take effective measures individually, according to their scientific technical and economic capabilities, and collectively, to prevent marine pollution caused by dumping and shall harmonize their policies in this regard.

ARTICLE III

For the purposes of this Convention:

1. (a) "Dumping" means:

(i) any deliberate disposal at sea of wastes or other matter from vessels, aircraft, platforms or other man-made structures at sea;

(ii) any deliberate disposal at sea of vessels, aircraft, platforms or other man-made structures at sea.

(b) "Dumping" does not include:

(i) the disposal at sea of wastes or other matter incidental to, or derived from the normal operations of vessels, aircraft, platforms or other man-made structures at sea and their equipment, other than wastes or other matter transported by or to vessels, aircraft, platforms or other man-made structures at sea operating for the purpose of disposal of such matter or derived from the treatment of such wastes or other matter on such vessels, aircraft, platforms or structures;

(ii) placement of matter for a purpose other than the mere disposal thereof, provided that such placement is not contrary to the aims of this Convention.

(c) The disposal of wastes or other matter directly arising from, or related to the exploration, exploitation and associated offshore processing of sea-bed mineral resources will not be covered by the provisions of this Convention.

2. "Vessels and aircraft" means waterborne or airborne craft of any type whatsoever. This expression includes air cushioned craft and floating craft, whether self-propelled or not.

3. "Sea" means all marine waters other than the internal waters of States.

4. "Wastes or other matter" means material and substance of any kind, form or description.

5. "Special permit" means permission granted specifically on application in advance and in accordance with Annex II and Annex III.

6. "General permit" means permission granted in advance and in accordance with Annex III.

7. "The Organization" means the Organisation designated by the Contracting Parties in accordance with Article XIV (2).

ARTICLE IV

1. In accordance with the provisions of this Convention Contracting Parties shall prohibit the dumping of any wastes or other matter in whatever form or condition except as otherwise specified below:

(*a*) the dumping of wastes or other matter listed in Annex I is prohibited;

(*b*) the dumping of wastes or other matter listed in Annex II requires a prior special permit;

(*c*) the dumping of all other wastes or matter requires a prior general permit.

2. Any permit shall be issued only after careful consideration of all the factors set forth in Annex III, including prior studies of the characteristics of the dumping site, as set forth in Sections B and C of that Annex.

3. No provision of this Convention is to be interpreted as preventing a Contracting Party from prohibiting, insofar as that Party is concerned, the dumping of wastes or other matter not mentioned in Annex I. That Party shall notify such measures to the Organisation.

ARTICLE V

1. The provisions of Article IV shall not apply when it is necessary to secure the safety of human life or of vessels, aircraft, platforms or other man-made structures at sea in cases of *force majeure* caused by stress of weather, or in any case which constitutes a danger to human life or a real threat to vessels, aircraft, platforms or other man-made structures at sea, if dumping appears to be the only way of averting the threat and if there is every probability that the damage consequent upon such dumping will be less than would otherwise occur. Such dumping shall be so conducted as to minimise the likelihood of damage to human or marine life and shall be reported forthwith to the Organisation.

2. A Contracting Party may issue a special permit as an exception to Article IV(1)(a), in emergencies, posing unacceptable risk relating to human health and admitting no other feasible solution. Before doing so the Party shall consult any other country or countries that are likely to be affected and the Organisation which, after consulting other Parties, and international organisations as appropriate, shall in accordance with Article XIV promptly recommend to the Party the most appropriate procedures to adopt. The Party shall follow these recommendations to the maximum extent feasible consistent with the time within which action must be taken and with the general obligation to avoid damage to the marine environment and shall inform the Organisation of the action it takes. The Parties pledge themselves to assist one another in such situations.

3. Any Contracting Party may waive its rights under paragraph (2) at the time of, or subsequent to ratification of, or accession to this Convention.

ARTICLE VI

1. Each Contracting Party shall designate an appropriate authority or authorities to:

(*a*) issue special permits which shall be required prior to, and for, the dumping of matter listed in Annex II and in the circumstances provided for in Article V(2);

(*b*) issue general permits which shall be required prior to, and for, the dumping of all other matter;

(*c*) keep records of the nature and quantities of all matter permitted to be dumped and the location, time and methods of dumping;

(*d*) monitor individually, or in collaboration with other Parties and competent International Organisations, the condition of the seas for the purposes of this Convention.

2. The appropriate authority or authorities of a Contracting Party shall issue prior special or general permits in accordance with paragraph (1) in respect of matter intended for dumping:

(*a*) loaded in its territory;

(*b*) loaded by a vessel or aircraft registered in its territory or flying its flag, when the loading occurs in the territory of a State not party to this Convention.

3. In issuing permits under sub-paragraphs (1) (a) and (b) above, the appropriate authority or authorities shall comply with Annex III, together with such additional criteria, measures and requirements as they may consider relevant.

4. Each Contracting Party, directly or through a Secretariat established under a regional agreement, shall report to the Organisation, and where appropriate to other Parties, the information specified in subparagraphs (c) and (d) of paragraph (1) above, and the criteria, measures and requirements it adopts in accordance with paragraph (3) above. The procedure to be followed and the nature of such reports shall be agreed by the Parties in consultation.

ARTICLE VII

1. Each Contracting Party shall apply the measures required to implement the present Convention to all:

(*a*) vessels and aircraft registered in its territory or flying its flag;

(*b*) vessels and aircraft loading in its territory or territorial seas matter which is to be dumped;

(*c*) vessels and aircraft and fixed or floating platforms under its jurisdiction believed to be engaged in dumping.

2. Each Party shall take in its territory appropriate measures to prevent and punish conduct in contravention of the provisions of this Convention.

3. The Parties agree to co-operate in the development of procedures for the effective application of this Convention particularly on the high seas, including procedures for the reporting of vessels and aircraft observed dumping in contravention of the Convention.

4. This Convention shall not apply to those vessels and aircraft entitled to sovereign immunity under international law. However each Party shall ensure by the adoption of appropriate measures that such vessels and aircraft owned or operated by it act in a manner consistent with the object and purpose of this Convention, and shall inform the Organisation accordingly.

5. Nothing in this Convention shall affect the right of each Party to adopt other measures, in accordance with the principles of international law, to prevent dumping at sea.

ARTICLE VIII

In order to further the objectives of this Convention, the Contracting Parties with common interests to protect in the marine environment in a given geographical area shall endeavour, taking into account characteristic regional features, to enter into regional agreements consistent with this Convention for the prevention of pollution, especially by dumping. The Contracting Parties to the present Convention shall endeavour to act consistently with the objectives and provisions of such regional agreements, which shall be notified to them by the Organisation. Contracting Parties shall seek to cooperate with the parties to regional agreements in order to develop harmonized procedures to be followed by Contracting Parties to the different conventions concerned. Special attention shall be given to co-operation in the field of monitoring and scientific research.

ARTICLE IX

The Contracting Parties shall promote, through collaboration within the Organisation and other international bodies, support for those Parties which request it for:

(*a*) the training of scientific and technical personnel;

(*b*) the supply of necessary equipment and facilities for research and monitoring;

(*c*) the disposal and treatment of waste and other measures to prevent or mitigate pollution caused by dumping;

preferably within the countries concerned, so furthering the aims and purposes of this Convention.

ARTICLE X

In accordance with the principles of international law regarding State responsibility for damage to the environment of other

States or to any other area of the environment, caused by dumping of wastes and other matter of all kinds, the Contracting Parties undertake to develop procedures for the assessment of liability and the settlement of disputes regarding dumping.

ARTICLE XI

The Contracting Parties shall at their first consultative meeting consider procedures for the settlement of disputes concerning the interpretation and application of this Convention.

ARTICLE XII

The Contracting Parties pledge themselves to promote, within the competent specialised agencies and other international bodies, measures to protect the marine environment against pollution caused by:

(*a*) hydrocarbons, including oil, and their wastes;

(*b*) other noxious or hazardous matter transported by vessels for purposes other than dumping;

(*c*) wastes generated in the course of operation of vessels, aircraft, platforms and other man-made structures at sea;

(*d*) radio-active pollutants from all sources, including vessels;

(*e*) agents of chemical and biological warfare;

(*f*) wastes or other matter directly arising from, or related to the exploration, exploitation and associated off-shore processing of sea-bed mineral resources.

The Parties will also promote, within the appropriate international organisation, the codification of signals to be used by vessels engaged in dumping.

ARTICLE XIII

Nothing in this Convention shall prejudice the codification and development of the law of the sea by the United Nations Conference on the Law of the Sea convened pursuant to Resolution 2750C (XXV) to the General Assembly of the United Nations nor the present or future claims and legal views of any State concerning the law of the sea and the nature and extent of coastal and flag State jurisdiction. The Contracting Parties agree to consult at a meeting to be convened by the Organisation after the Law of the Sea Conference, and in any case not later than 1976, with a view to defining the nature and extent of the right and the responsibility of a coastal State to apply the Convention in a zone adjacent to its coast.

ARTICLE XIV

1. The Government of the United Kingdom of Great Britain and Northern Ireland as a depositary shall call a meeting of the Contracting Parties not later than three months after the entry into force of this Convention to decide on organisational matters.

2. The Contracting Parties shall designate a competent Organisation existing at the time of that meeting to be responsible for Secretariat duties in relation to this Convention. Any party to this Convention not being a member of this Organisation shall make an appropriate contribution to the expenses incurred by the Organisation in performing these duties.

3. The Secretariat duties of the Organisation shall include:

(*a*) the convening of consultative meetings of the Contracting Parties not less frequently than once every two years and of special meetings of the Parties at any time on the request of two-thirds of the Parties;

(*b*) preparing and assisting, in consultation with the Contracting Parties and appropriate International Organisations, in the development and implementation of procedures referred to in sub-paragraph (4) (e) of this Article;

(*c*) considering enquiries by, and information from the Contracting Parties, consulting with them and with the appropriate International Organisations, and providing recommendations to the Parties on questions related to, but not specifically covered by the Convention;

(*d*) conveying to the Parties concerned all notifications received by the Organisation in accordance with Articles IV(3), V (1) and (2), VI(4), XV, XX and XXI.

Prior to the designation of the Organisation these functions shall, as necessary, be performed by the depositary, who for this purpose shall be the Government of the United Kingdom of Great Britain and Northern Ireland.

4. Consultative or special meetings of the Contracting Parties shall keep under continuing review the implementation of this Convention and may, *inter alia:*

(*a*) review and adopt amendments to this Convention and its Annexes in accordance with Article XV;

(*b*) invite the appropriate scientific body or bodies to collaborate with and to advise the Parties or the Organisation on any scientific or technical aspect relevant to this Convention, including particularly the content of the Annexes;

(*c*) receive and consider reports made pursuant to Article VI(4);

(*d*) promote co-operation with and between regional organisations concerned with the prevention of marine pollution;

(*e*) develop or adopt, in consultation with appropriate International Organisations, procedures referred to in Article V(2), including basic criteria for determining exceptional and emergency situations, and procedures for consultative advice and the safe disposal of matter in such circumstances, including the designation of appropriate dumping areas, and recommend accordingly;

(*f*) consider any additional action that may be required.

5. The Contracting Parties at their first consultative meeting shall establish rules of procedure as necessary.

ARTICLE XV

1. (a) At meetings of the Contracting Parties called in accordance with Article XIV amendments to this Convention may be adopted by a two-thirds majority of those present. An amendment shall enter into force for the Parties which have accepted it on the sixtieth day after two-thirds of the Parties shall have deposited an instrument of acceptance of the amendment with the Organisation. Thereafter the amendment shall enter into force for any other Party 30 days after that Party deposits its instrument of acceptance of the amendment.

(b) The Organisation shall inform all Contracting Parties of any request made for a special meeting under Article XIV and of any amendments adopted at meetings of the Parties and of the date on which each such amendment enters into force for each Party.

2. Amendments to the Annexes will be based on scientific or technical considerations. Amendments to the Annexes approved by a two-thirds majority of those present at a meeting called in accordance with Article XIV shall enter into force for each Contracting Party immediately on notification of its acceptance to the Organisation and 100 days after approval by the meeting for all other Parties except for those which before the end of the 100 days make a declaration that they are not able to accept the amendment at that time. Parties should endeavour to signify their acceptance of an amendment to the Organisation as soon as possible after approval at a meeting. A Party may at any time substitute an acceptance for a previous declaration of objection and the amendment previously objected to shall thereupon enter into force for that Party.

3. An acceptance or declaration of objection under this Article shall be made by the deposit of an instrument with the Organisation. The Organisation shall notify all Contracting Parties of the receipt of such instruments.

4. Prior to the designation of the Organisation, the Secretarial functions herein attributed to it, shall be performed temporarily by the Government of the United Kingdom of Great Britain and Northern Ireland, as one of the depositaries of this Convention.

ARTICLE XVI

This Convention shall be open for signature by any State at London, Mexico City, Moscow and Washington from 29 December 1972 until 31 December 1973.

ARTICLE XVII

This Convention shall be subject to ratification. The instruments of ratification shall be deposited with the Governments of Mexico, the Union of Soviet Socialist Republics, the United Kingdom of Great Britain and Northern Ireland, and the United States of America.

ARTICLE XVIII

After 31 December 1973, this Convention shall be open for accession by any State. The instruments of accession shall be deposited with the Governments of Mexico, the Union of Soviet Socialist Republics, the United Kingdom of Great Britain and Northern Ireland, and the United States of America.

ARTICLE XIX

1. This Convention shall enter into force on the thirtieth day following the date of deposit of the fifteenth instrument of ratification or accession.

2. For each Contracting Party ratifying or acceding to the Convention after the deposit of the fifteenth instrument of ratification or accession, the Convention shall enter into force on the thirtieth day after deposit by such Party of its instrument of ratification or accession.

ARTICLE XX

The depositaries shall inform Contracting Parties:

(*a*) of signatures to this Convention and of the deposit of instruments of ratification, accession or withdrawal, in accordance with Articles XVI. XVII, XVIII and XXI, and

(*b*) of the date on which this Convention will enter into force, in accordance with Article XIX.

ARTICLE XXI

Any Contracting Party may withdraw from this Convention by giving six months' notice in writing to a depositary, which shall promptly inform all Parties of such notice.

ARTICLE XXII

The original of this Convention of which the English, French, Russian and Spanish texts are equally authentic, shall be deposited with the Governments of Mexico, the Union of Soviet Socialist Republics, the United Kingdom of Great Britain and Northern Ireland and the United States of America who shall send certified copies thereof to all States.

IN WITNESS WHEREOF the undersigned Plenipotentiaries, being duly authorised thereto by their respective Governments have signed the present Convention.

DONE in quadruplicate at London, Mexico City, Moscow and Washington, this twenty-ninth day of December, 1972.

ANNEXES

ANNEX I

1. Organohalogen compounds.
2. Mercury and mercury compounds.
3. Cadmium and cadmium compounds.
4. Persistent plastics and other persistent synthetic materials, for example, netting and ropes, which may float or may remain in suspension in the sea in such a manner as to interfere materially with fishing, navigation or other legitimate uses of the sea.
5. Crude oil, fuel oil, heavy diesel oil, and lubricating oils, hydraulic fluids, and any

mixtures containing any of these, taken on board for the purpose of dumping.

6. High-level radio-active wastes or other high-level radio-active matter, defined on public health, biological or other grounds, by the competent international body in this field, at present the International Atomic Energy Agency, as unsuitable for dumping at sea.

7. Materials in whatever form (e.g. solids, liquids, semi-liquids, gases or in a living state) produced for biological and chemical warfare.

8. The preceding paragraphs of this Annex do not apply to substances which are rapidly rendered harmless by physical, chemical or biological processes in the sea provided they do not:

(i) make edible marine organisms unpalatable, or

(ii) endanger human health or that of domestic animals.

The consultative procedure provided for under Article XIV should be followed by a Party if there is doubt about the harmlessness of the substance.

9. This Annex does not apply to wastes or other materials (e.g. sewage sludges and dredged spoils) containing the matters referred to in paragraphs 1–5 above as trace contaminants. Such wastes shall be subject to the provisions of Annexes II and III as appropriate.

ANNEX II

The following substances and materials requiring special care are listed for the purposes of Article VI (1) (a).

A. Wastes containing significant amounts of the matters listed below:

arsenic, lead, copper, zinc, and their compounds

organosilicon compounds

cyanides

fluorides

pesticides and their by-products not covered in Annex I.

B. In the issue of permits for the dumping of large quantities of acids and alkalis, consideration shall be given to the possible presence in such wastes of the substances listed in paragraph A and to the following additional substances:

beryllium, chromium, nickel, vanadium, and their compounds.

C. Containers, scrap metal and other bulky wastes liable to sink to the sea bottom which may present a serious obstacle to fishing or navigation.

D. Radio-active wastes or other radio-active matter not included in Annex I. In the issue of permits for the dumping of this matter, the Contracting Parties should take full account of the recommendations of the competent international body in this field, at present the International Atomic Energy Agency.

ANNEX III

Provisions to be considered in establishing criteria governing the issue of permits for the dumping of matter at sea, taking into account Article IV(2), include:

A. Characteristics and composition of the matter

1. Total amount and average composition of matter dumped (e.g. per year).

2. Form, e.g. solid, sludge, liquid, or gaseous.

3. Properties: physical (e.g. solubility and density), chemical and biochemical (e.g. oxygen demand, nutrients) and biological (e.g. presence of viruses, bacteria, yeasts, parasites).

4. Toxicity.

5. Persistence: physical, chemical and biological.

6. Accumulation and biotransformation in biological materials or sediments.

7. Susceptibility to physical, chemical and biochemical changes and interaction in the aquatic environment with other dissolved organic and inorganic materials.

8. Probability of production of taints or other changes reducing marketability or resources (fish, shellfish, etc.)

B. Characteristics of dumping site and method of deposit

1. Location (e.g. co-ordinates of the dumping area, depth and distance from the coast), location in relation to other areas (e.g. amenity areas, spawning, nursery and fishing areas and exploitable resources).

2. Rate of disposal per specific period (e.g. quantity per day, per week, per month).

3. Methods of packaging and containment, if any.

4. Initial dilution achieved by proposed method of release.

5. Dispersal characteristics (e.g. effects of currents, tides and wind on horizontal transport and vertical mixing).

6. Water characteristics (e.g. temperature, pH, salinity, stratification, oxygen indices of pollution-dissolved oxygen (DO), chemical oxygen demand (COD), biochemical oxygen demand (BOD)—nitrogen present in organic and mineral form including ammonia, suspended matter, other nutrients and productivity).

7. Bottom characteristics (e.g. topography, geochemical and geological characteristics and biological productivity).

8. Existence and effects of other dumpings which have been made in the dumping area (e.g. heavy metal background reading and organic carbon content).

9. In issuing a permit for dumping, Contracting Parties should consider whether an adequate scientific basis exists for assessing the consequences of such dumping, as outlined in this Annex, taking into account seasonal variations.

C. General considerations and conditions

1. Possible effects on amenities (e.g. presence of floating or stranded material, turbidity, objectionable odour, discolouration and foaming).

2. Possible effects on marine life, fish and shellfish culture, fish stocks and fisheries, seaweed harvesting and culture.

3. Possible effects on other uses of the sea (e.g. impairment of water quality for industrial use, underwater corrosion of structures, interference with ship operations from floating materials, interference with fishing or navigation through deposit of waste or solid objects on the sea floor and protection of areas of special importance for scientific or conservation purposes).

4. The practical availability of alternative land-based methods of treatment, disposal or elimination, or of treatment to render the matter less harmful for dumping at sea.

CONVENTION ON INTERNATIONAL TRADE IN ENDANGERED SPECIES OF WILD FAUNA AND FLORA

The Contracting States,

RECOGNIZING that wild fauna and flora in their many beautiful and varied forms are an irreplaceable part of the natural systems of the earth which must be protected for this and the generations to come;

CONSCIOUS of the ever-growing value of wild fauna and flora from aesthetic, scientific, cultural, recreational and economic points of view;

RECOGNIZING that peoples and States are and should be the best protectors of their own wild fauna and flora;

RECOGNIZING, in addition, that international cooperation is essential for the protection of certain species of wild fauna and flora against over-exploitation through international trade;

CONVINCED of the urgency of taking appropriate measures to this end;

HAVE AGREED as follows:

ARTICLE I

DEFINITIONS

For the purpose of the present Convention, unless the context otherwise requires:

(*a*) "Species" means any species, subspecies, or geographically separate population thereof;

(*b*) "Specimen" means:

(*i*) any animal or plant, whether alive or dead;

(*ii*) in the case of an animal: for species included in Appendices I and II, any readily recognizable part or derivative thereof; and for species included in Appendix III, any readily recognizable part or derivative thereof specified in Appendix III in relation to the species; and

(*iii*) in the case of a plant: for species included in Appendix I, any readily recognizable part or derivative thereof; and for species included in Appendices II and III, any readily recognizable part or derivative thereof specified in Appendices II and III in relation to the species;

(*c*) "Trade" means export, re-export, import and introduction from the sea;

(*d*) "Re-export" means export of any specimen that has previously been imported;

(*e*) "Introduction from the sea" means transportation into a State of specimens of any species which were taken in the marine environment not under the jurisdiction of any State;

(*f*) "Scientific Authority" means a national scientific authority designated in accordance with Article IX;

(*g*) "Management Authority" means a national management authority designated in accordance with Article IX;

(*h*) "Party" means a State for which the present Convention has entered into force.

ARTICLE II

FUNDAMENTAL PRINCIPLES

1. Appendix I shall include all species threatened with extinction which are or may be affected by trade. Trade in specimens of these species must be subject to particularly strict regulation in order not to endanger further their survival and must only be authorized in exceptional circumstances.

2. Appendix II shall include:

(*a*) all species which although not necessarily now threatened with extinction may become so unless trade in specimens of such species is subject to strict regulation in order to avoid utilization incompatible with their survival; and

(*b*) other species which must be subject to regulation in order that trade in specimens of certain species referred to in sub-paragraph (a) of this paragraph may be brought under effective control.

3. Appendix III shall include all species which any Party identifies as being subject to regulation within its jurisdiction for the purpose of preventing or restricting exploitation, and as needing the cooperation of other parties in the control of trade.

4. The parties shall not allow trade in specimens of species included in Appendices I, II and III except in accordance with the provisions of the present Convention.

ARTICLE III

REGULATION OF TRADE IN SPECIMENS OF SPECIES INCLUDED IN APPENDIX I

1. All trade in specimens of species included in Appendix I shall be in accordance with the provisions of this Article.

2. The export of any specimen of a species included in Appendix I shall require the prior grant and presentation of an export permit. An export permit shall only be granted when the following conditions have been met:

(*a*) a Scientific Authority of the State of export has advised that such export will not be detrimental to the survival of that species;

(*b*) a Management Authority of the State of export is satisfied that the specimen was not obtained in contravention of the laws of that State for the protection of fauna and flora;

(*c*) a Management Authority of the State of export is satisfied that any living specimen will be so prepared and shipped as to minimize the risk of injury, damage to health or cruel treatment; and

(*d*) a Management Authority of the State of export is satisfied that an import permit has been granted for the specimen.

3. The import of any specimen of a species included in Appendix I shall require the prior grant and presentation of an import permit and either an export permit or a re-export certificate. An import permit shall only be granted when the following conditions have been met:

(*a*) a Scientific Authority of the State of import has advised that the import will be for purposes which are not detrimental to the survival of the species involved;

(*b*) a Scientific Authority of the State of import is satisfied that the proposed recipient of a living specimen is suitably equipped to house and care for it; and

(*c*) a Management Authority of the State of import is satisfied that the specimen is not to be used for primarily commercial purposes.

4. The re-export of any specimen of a species included in Appendix I shall require the prior grant and presentation of a re-export certificate. A re-export certificate shall only be granted when the following conditions have been met:

(a) a Management Authority of the State of re-export is satisfied that the specimen was imported into that State in accordance with the provisions of the present Convention;

(b) a Management Authority of the State of re-export is satisfied that any living specimen will be so prepared and shipped as to minimize the risk of injury, damage to health or cruel treatment; and

(c) a Management Authority of the State of re-export is satisfied that an import permit has been granted for any living specimen.

5. The introduction from the sea of any specimen of a species included in Appendix I shall require the prior grant of a certificate from a Management Authority of the State of introduction. A certificate shall only be granted when the following conditions have been met:

(a) a Scientific Authority of the State of introduction advises that the introduction will not be detrimental to the survival of the species involved;

(b) a Management Authority of the State of introduction is satisfied that the proposed recipient of a living specimen is suitably equipped to house and care for it; and

(c) a Management Authority of the State of introduction is satisfied that the specimen is not to be used for primarily commercial purposes.

ARTICLE IV

REGULATION OF TRADE IN SPECIMENS OF SPECIES INCLUDED IN APPENDIX II

1. All trade in specimens of species included in Appendix II shall be in accordance with the provisions of this Article.

2. The export of any specimen of a species included in Appendix II shall require the prior grant and presentation of an export permit. An export permit shall only be granted when the following conditions have been met:

(*a*) a Scientific Authority of the State of export has advised that such export will not be detrimental to the survival of that species:

(*b*) a Management Authority of the State of export is satisfied that the specimen was not obtained in contravention of the laws of that State for the protection of fauna and flora; and

(*c*) a Management Authority of the State of export is satisfied that any living specimen will be so prepared and shipped as to minimize the risk of injury, damage to health or cruel treatment.

3. A Scientific Authority in each Party shall monitor both the export permits granted by that State for specimens of species included in Appendix II and the actual exports of such specimens. Whenever a Scientific Authority determines that the export of specimens of any such species should be limited in order to maintain that species throughout its range at a level consistent with its role in the ecosystems in which it occurs and well above the level at which that species might become eligible for inclusion in Appendix I, the Scientific Authority shall advise the appropriate Management Authority of suitable measures to be taken to limit the grant of export permits for specimens of that species.

4. The import of any specimen of a species included in Appendix II shall require the prior presentation of either an export permit or a re-export certificate.

5. The re-export of any specimen of a species included in appendix II shall require the prior grant and presentation of a re-export certificate. A re-export certificate shall only be granted when the following conditions have been met:

(*a*) a Management Authority of the State of re-export is satisfied that the specimen was imported into that State in accordance with the provisions of the present Convention; and

(*b*) a Management Authority of the State of re-export is satisfied that any living specimen will be so prepared and shipped as to minimize the risk of injury, damage to health or cruel treatment.

6. The introduction from the sea of any specimen of a species included in Appendix II shall require the prior grant of a certificate from a Management Authority of the State of introduction. A certificate shall only be granted when the following conditions have been met:

(*a*) a Scientific Authority of the State of introduction advises that the introduction will not be detrimental to the survival of the species involved; and

(*b*) a Management Authority of the State of introduction is satisfied that any living specimen will be so handled as to minimize the risk of injury, damage to health or cruel treatment.

7. Certificates referred to in paragraph 6 of this Article may be granted on the advice of a Scientific Authority, in consultation with other national scientific authorities or, when appropriate, international scientific authorities, in respect of periods not exceeding one year for total numbers of specimens to be introduced in such periods.

ARTICLE V

REGULATION OF TRADE IN SPECIMENS OF SPECIES INCLUDED IN APPENDIX III

1. All trade in specimens of species included in Appendix III shall be in accordance with the provisions of this Article.

2. The export of any specimen of a species included in Appendix III from any State which has included that species in Appendix III shall require the prior grant and presentation of an export permit. An export permit shall only be granted when the following conditions have been met:

(*a*) a Management Authority of the State of export is satisfied that the specimen was not obtained in contravention of the laws of that State for the protection of fauna and flora; and

(*b*) a Management Authority of the State of export is satisfied that any living specimen will be so prepared and shipped as to minimize the risk of injury, damage to health or cruel treatment.

3. The import of any specimen of a species included in Appendix III shall require, except in circumstances to which paragraph 4 of this Article applies, the prior presentation of a certificate of origin and, where the import is from a State which has included that species in Appendix III, an export permit.

4. In the case of re-export, a certificate granted by the Management Authority of the State of re-export that the specimen was processed in that State or is being re-exported shall be accepted by the State of import as evidence that the provisions of the present Convention have been complied with in respect of the specimen concerned.

ARTICLE VI

PERMITS AND CERTIFICATES

1. Permits and certificates granted under the provisions of Articles III, IV, and V shall be in accordance with the provisions of this Article.

2. An export permit shall contain the information specified in the model set forth in Appendix IV, and may only be used for export within a period of six months from the date on which it was granted.

3. Each permit or certificate shall contain the title of the present Convention, the name and any identifying stamp of the Management Authority granting it and a control number assigned by the Management Authority.

4. Any copies of a permit or certificate issued by a Management Authority shall be clearly marked as copies only and no such copy may be used in place of the original, except to the extent endorsed thereon.

5. A separate permit or certificate shall be required for each consignment of specimens.

6. A Management Authority of the State of import of any specimen shall cancel and retain the export permit or re-export certificate and any corresponding import permit presented in respect of the import of that specimen.

7. Where appropriate and feasible a Management Authority may affix a mark upon any specimen to assist in identifying the specimen. For these purposes "mark" means any indelible imprint, lead seal or other suitable means of identifying a specimen, designed in such a way as to render its imitation by unauthorized persons as difficult as possible.

ARTICLE VII

EXEMPTIONS AND OTHER SPECIAL PROVISIONS RELATING TO TRADE

1. The provisions of Articles III, IV and V shall not apply to the transit or trans-shipment of specimens through or in the territory of a Party while the specimens remain in Customs control.

2. Where a Management Authority of the State of export or re-export is satisfied that a specimen was acquired before the provisions of the present Convention applied to that specimen, the provisions of Articles III, IV and V shall not apply to that specimen where the Management Authority issues a certificate to that effect.

3. The provisions of Articles III, IV and V shall not apply to specimens that are personal or household effects. This exemption shall not apply where:

(*a*) in the case of specimens of a species included in Appendix I, they were acquired by the owner outside his State of usual residence, and are being imported into that State; or

(*b*) in the case of specimens of species included in Appendix II:

(*i*) they were acquired by the owner outside his State of usual residence and in a State where removal from the wild occurred;

(*ii*) they are being imported into the owner's State of usual residence; and

(*iii*) the State where removal from the wild occurred requires the prior grant of export permits before any export of such specimens;

unless a Management Authority is satisfied that the specimens were acquired before the provisions of the present Convention applied to such specimens.

4. Specimens of an animal species included in Appendix I bred in captivity for commercial purposes, or of a plant species included in Appendix I artificially propagated for commercial purposes, shall be deemed to be specimens of species included in Appendix II.

5. Where a Management Authority of the State of export is satisfied that any specimen of an animal species was bred in captivity or any specimen of a plant species was artificially propagated, or is a part of such an animal or plant or was derived therefrom, a certificate by that Management Authority to that effect shall be accepted in lieu of any of the permits or certificates required under the provisions of Articles III, IV, or V.

6. The provisions of Articles III, IV and V shall not apply to the noncommercial loan, donation or exchange between scientists or scientific institutions registered by a Management Authority of their State, of herbarium specimens, other preserved, dried or embedded museum specimens, and live plant material which carry a label issued or approved by a Management Authority.

7. A Management Authority of any State may waive the requirements of Articles III, IV and V and allow the movement without permits or certificates of specimens which form part of a travelling zoo, circus, menagerie, plant exhibition or other travelling exhibition provided that:

(a) the exporter or importer registers full details of such specimens with that Management Authority;

(b) the specimens are in either of the categories specified in paragraphs 2 or 5 of this Article; and

(c) the Management Authority is satisfied that any living specimen will be so transported and cared for as to minimize the risk of injury, damage to health or cruel treatment.

ARTICLE VIII

MEASURES TO BE TAKEN BY THE PARTIES

1. The Parties shall take appropriate measures to enforce the provisions of the present Convention and to prohibit trade in specimens in violation thereof. These shall include measures:

(a) to penalize trade in, or possession of, such specimens, or both; and

(b) to provide for the confiscation or return to the State of export of such specimens.

2. In addition to the measures taken under paragraph 1 of this Article, a Party may, when it deems it necessary, provide for any method of internal reimbursement for expenses incurred as a result of the confiscation of a specimen traded in violation of the measures taken in the application of the provisions of the present Convention.

3. As far as possible, the Parties shall ensure that specimens shall pass through any formalities required for trade with a minimum of delay. To facilitate such passage, a Party may designate ports of exit and ports of entry at which specimens must be presented for clearance. The Parties shall ensure further that all living specimens, during any period of transit, holding or shipment, are properly cared for so as to minimize the risk of injury, damage to health or cruel treatment.

4. Where a living specimen is confiscated as a result of measures referred to in paragraph 1 of this Article:

(*a*) the specimen shall be entrusted to a Management Authority of the State of confiscation;

(*b*) the Management Authority shall, after consultation with the State of export, return the specimen to that State at the expense of that State, or to a rescue centre or such other place as the Management Authority deems appropriate and consistent with the purposes of the present Convention; and

(*c*) the Management Authority may obtain the advice of a Scientific Authority, or may, whenever it considers it desirable, consult the Secretariat in order to facilitate the decision under subparagraph (b) of this paragraph, including the choice of a rescue centre or other place.

5. A rescue centre as referred to in paragraph 4 of this Article means an institution designated by a Management Authority to look after the welfare of living specimens, particularly those that have been confiscated.

6. Each Party shall maintain records of trade in specimens of species included in Appendices I, II and III which shall cover:

(*a*) the names and addresses of exporters and importers; and

(*b*) the number and type of permits and certificates granted; the States with which such trade occurred; the numbers or quantities and types of specimens, names of species as included in Appendices I, II and III and, where applicable, the size and sex of the specimens in question.

7. Each Party shall prepare periodic reports on its implementation of the present Convention and shall transmit to the Secretariat:

(*a*) an annual report containing a summary of the information specified in subparagraph (b) of paragraph 6 of this Article; and

(*b*) a biennial report on legislative, regulatory and administrative measures taken to enforce the provisions of the present Convention.

8. The information referred to in paragraph 7 of this Article shall be available to the public where this is not inconsistent with the law of the Party concerned.

ARTICLE IX

MANAGEMENT AND SCIENTIFIC AUTHORITIES

1. Each Party shall designate for the purposes of the present Convention:

(*a*) one or more Management Authorities competent to grant permits or certificates on behalf of that Party; and

(*b*) one or more Scientific Authorities.

2. A State depositing an instrument of ratification, acceptance, approval or accession shall at that time inform the Depositary Government of the name and address of the Management Authority authorized to communicate with other Parties and with the Secretariat.

3. Any changes in the designations or authorizations under the provisions of this Article shall be communicated by the Party concerned to the Secretariat for transmission to all other Parties.

4. Any Management Authority referred to in paragraph 2 of this Article shall if so requested by the Secretariat or the Management Authority of another Party, communicate to it impression of stamps, seals or other devices used to authenticate permits or certificates.

ARTICLE X

TRADE WITH STATES NOT PARTY TO THE CONVENTION

Where exports or re-export is to, or import is from, a State not a party to the present Convention, comparable documentation issued by the competent authorities in that State which substantially conforms with the requirements of the present Convention for permits and certificates may be accepted in lieu thereof by any Party.

ARTICLE XI

CONFERENCE OF THE PARTIES

1. The Secretariat shall call a meeting of the Conference of the Parties not later than two years after the entry into force of the present Convention.

2. Thereafter the Secretariat shall convene regular meetings at least once every two years, unless the Conference decides otherwise, and extraordinary meetings at any time on the written request of at least one-third of the Parties.

3. At meetings, whether regular or extraordinary, the Parties shall review the implementation of the present Convention and may:

(*a*) make such provision as may be necessary to enable the Secretariat to carry out its duties;

(*b*) consider and adopt amendments to Appendices I and II in accordance with Article XV;

(*c*) review the progress made towards the restoration and conservation of the species included in Appendices I, II and III;

(*d*) receive and consider any reports presented by the Secretariat or by any Party and

(*e*) where appropriate, make recommendations for improving the effectiveness of the present Convention.

4. At each regular meeting, the Parties may determine the time and venue of the next regular meeting to be held in accordance with the provisions of paragraph 2 of this Article.

5. At any meeting, the Parties may determine and adopt rules of procedure for the meeting.

6. The United Nations, its Specialized Agencies and the International Atomic Energy Agency, as well as any State not a Party to the present Convention, may be represented at meetings of the Conference by observers, who shall have the right to participate but not to vote.

7. Any body or agency technically qualified in protection, conservation or management of wild fauna and flora, in the following categories, which has informed the Secretariat of its desire to be represented at meetings of the Conference by observers, shall be admitted unless at least one-third of the Parties present object:

(*a*) international agencies or bodies, either governmental or non-governmental, and national governmental agencies and bodies; and

(*b*) national non-governmental agencies or bodies which have been approved for this purpose by the State in which they are located. Once admitted, these observers shall have the right to participate but not to vote.

ARTICLE XII

THE SECRETARIAT

1. Upon entry into force of the present Convention, a Secretariat shall be provided by the Executive Director of the United Nations Environment Programme. To the extent and in the manner he considers appropriate, he may be assisted by suitable intergovernmental or non-governmental international or national agencies and bodies technically qualified in protection, conservation and management of wild fauna and flora.

2. The functions of the Secretariat shall be:

(*a*) to arrange for and service meetings of the Parties;

(*b*) to perform the functions entrusted to it under the provisions of Articles XV and XVI of the present Convention;

(*c*) to undertake scientific and technical studies in accordance with programmes authorized by the Conference of the Parties as will contribute to the implementation of the present Convention, including studies concerning standards for appropriate preparation and shipment of living specimens and the means of identifying specimens;

(*d*) to study the reports of Parties and to request from Parties such further information with respect thereto as it deems necessary to ensure implementation of the present Convention;

(*e*) to invite the attention of the Parties to any matter pertaining to the aims of the present Convention;

(*f*) to publish periodically and distribute to the Parties current editions of Appendices I, II and III together with any information which will facilitate identification of specimens of species included in those Appendices.

(*g*) to prepare annual reports to the Parties on its work and on the implementation of the present Convention and such other reports as meetings of the Parties may request;

(*h*) to make recommendations for the implementation of the aims and provisions of the present Convention, including the exchange of information of a scientific or technical nature;

(*i*) to perform any other function as may be entrusted to it by the Parties.

ARTICLE XIII

INTERNATIONAL MEASURES

1. When the Secretariat in the light of information received is satisfied that any species included in Appendices I or II is being affected adversely by trade in specimens of that species or that the provisions of the present Convention are not being effectively implemented, it shall communicate such information to the authorized Management Authority of the Party or Parties concerned.

2. When any Party receives a communication as indicated in paragraph 1 of this Article, it shall, as soon as possible, inform the Secretariat of any relevant facts insofar as its laws permit and, where appropriate, propose remedial action. Where the Party considers that an inquiry is desirable, such inquiry may be carried out by one or more persons expressly authorized by the Party.

3. The information provided by the Party or resulting from any inquiry as specified in paragraph 2 of this Article shall be reviewed by the next Conference of the Parties which may make whatever recommendations it deems appropriate.

ARTICLE XIV

EFFECT ON DOMESTIC LEGISLATION AND INTERNATIONAL CONVENTIONS

1. The provisions of the present Convention shall in no way affect the right of Parties to adopt:

(*a*) stricter domestic measures regarding the conditions for trade, taking possession or transport of specimens of species included in Appendices I, II and III, or the complete prohibition thereof; or

(*b*) domestic measures restricting or prohibiting trade, taking possession, or transport of species not included in Appendices I, II or III.

2. The provisions of the present Convention shall in no way affect the provisions of any domestic measures or the obligations of Parties deriving from any treaty, convention, or international agreement relating to other aspects of trade, taking possession, or transport of specimens which is in force or subsequently may enter into force for any Party including any measure pertaining to the Customs, public health, veterinary or plant quarantine fields.

3. The provisions of the present Convention shall in no way affect the provisions of, or the obligations deriving from, any treaty, convention or international agreement concluded or which may be concluded between States creating a union or regional trade agreement establishing or maintaining a common external customs control and removing customs control between the parties thereto insofar as they relate to trade among the States members of the union or agreement.

4. A State party to the present Convention, which is also a party to any other treaty, convention or international agreement which is in force at the time of the coming into force of the present Convention and under the provisions of which protection is afforded to marine species included in Appendix II, shall be relieved of the obligations imposed on it under the provisions of the present Convention with respect to trade in specimens of species included in Appendix II that are taken by ships registered in that State and in accordance with the provisions of such other treaty, convention or international agreement.

5. Notwithstanding the provisions of Articles III, IV and V, any export of a specimen taken in accordance with paragraph 4 of this Article shall only require a certificate from a Management Authority of the State of introduction to the effect that the specimen was taken in accordance with the provisions of the other treaty, convention or international agreement in question.

6. Nothing in the present Convention shall prejudice the codification and development of the law of the sea by the United Nations Conference on the Law of the Sea convened pursuant to Resolution 2750 C (XXV) of the General Assembly of the United Nations nor the present or future claims and legal views of any State concerning the law of the sea and the nature and extent of coastal and flag State jurisdiction.

ARTICLE XV

AMENDMENTS TO APPENDICES I AND II

1. The following provisions shall apply in relation to amendments to Appendices I and II at meetings of the Conference of the Parties:

(*a*) Any Party may propose an amendment to Appendix I or II for consideration at the next meeting. The text of the proposed amendment shall be communicated to the Secretariat at least 150 days before the meeting. The Secretariat shall consult the other Parties and interested bodies on the amendment in accordance with the provisions of sub-paragraphs (b) and (c) of paragraph 2 of this Article and shall communicate the response to all Parties not later than 30 days before the meeting.

(*b*) Amendments shall be adopted by a two-thirds majority of Parties present and voting. For these purposes "Parties present and voting" means Parties present and casting an affirmative or negative vote. Parties abstaining from voting shall not be counted among the two-thirds required for adopting an amendment.

(*c*) Amendments adopted at a meeting shall enter into force 90 days after that meeting for all Parties except those which make a reservation in accordance with paragraph 3 of this Article.

2. The following provisions shall apply in relation to amendments to Appendices I or II between meetings of the Conference of the Parties:

(*a*) Any Party may propose an amendment to Appendix I or II for consideration between meetings by the postal procedures set forth in this paragraph.

(*b*) For marine species, the Secretariat shall, upon receiving the text of the proposed amendment, immediately communicate it to the Parties. It shall also consult inter-governmental bodies having a function in relation to those species especially with a view to obtaining scientific data these bodies may be able to provide and to ensuring coordination with any conservation measures enforced by such bodies. The Secretariat shall communicate the views expressed and data provided by these bodies and its own findings and recommendations to the Parties as soon as possible.

(*c*) For species other than marine species, the Secretariat shall, upon receiving the text of the proposed amendment, immediately communicate it to the Parties, and, as soon as possible thereafter, its own recommendations.

(*d*) Any party may, within 60 days of the date on which the Secretariat communicated its recommendations to the Parties under subparagraphs (b) or (c) of this paragraph, transmit to the Secretariat any comments on the proposed amendment together with any relevant scientific data and information.

(*e*) The Secretariat shall communicate the replies received together with its own recommendations to the Parties as soon as possible.

(*f*) If no objection to the proposed amendment is received by the Secretariat within 30 days of the date the replies and recommendations were communicated under the provisions of sub-paragraph (e) of this paragraph, the amendment shall enter into force 90 days later for all Parties except those which make a reservation in accordance with paragraph 3 of this Article.

(*g*) If an objection by any Party is received by the Secretariat, the proposed amendment shall be submitted to a postal vote in accordance with the provisions of sub-paragraphs (h), (i) and (j) of this paragraph.

(*h*) The Secretaries shall notify the Parties that notification of objection has been received.

(*i*) Unless the Secretariat receives the votes for, against or in abstention from at least one-half of the Parties within 60 days of the date of notification under sub-paragraph (h) of this paragraph, the proposed amendment shall be referred to the next meeting of the Conference for further consideration.

(*j*) Provided that votes are received from one-half of the Parties, the amendment shall be adopted by a two-thirds majority of Parties casting an affirmative or negative vote.

(*k*) The Secretariat shall notify all Parties of the result of the vote.

(*l*) If the proposed amendment is adopted it shall enter into force 90 days after the date of the notification by the Secretariat of its acceptance for all Parties except those which make a reservation in accordance with paragraph 3 of this Article.

3. During the period of 90 days provided for by sub-paragraph (c) of paragraph 1 or sub-paragraph (l) of paragraph 2 of this Article any Party may by notification in writing to the Depositary Government make a reservation with respect to the amendment. Until such reservation is withdrawn the Party shall be treated as a State not a party to the present Convention with respect to trade in the species concerned.

ARTICLE XVI

APPENDIX III AND AMENDMENTS THERETO

1. Any party may at any time submit to the Secretariat a list of species which it identifies as being subject to regulation within its jurisdiction for the purpose mentioned in paragraph 3 of Article II. Appendix III shall include the names of the Parties submitting the species for inclusion therein, the scientific names of the species so submitted, and any parts or derivatives of the animals or plants concerned that are specified in relation to the species for the purposes of sub-paragraph (b) of Article I.

2. Each list submitted under the provisions of paragraph 1 of this Article shall be communicated to the Parties by the Secretariat as soon as possible after receiving it. The list shall take effect as part of Appendix III 90 days after the date of such communication. At any time after the communication of such list, any Party may by notification in writing to the Depositary Government enter a reservation with respect to any species or any parts or derivatives, and until such reservation is withdrawn, the State shall be treated as a State not a Party to the present Convention with respect to trade in the species or part or derivative concerned.

3. A Party which has submitted a species for inclusion in Appendix III may withdraw it at any time by notification to the Secretariat which shall communicate the withdrawal to all Parties. The withdrawal shall take effect 30 days after the date of such communication.

4. Any Party submitting a list under the provisions of paragraph 1 of this Article shall submit to the Secretariat a copy of all domestic laws and regulations applicable to the protection of such species, together with any interpretations which the Party may deem appropriate or the Secretariat may request. The Party shall, for as long as the species in question is included in Appendix III, submit any amendments of such laws and regulations or any new interpretations as they are adopted.

ARTICLE XVII

AMENDMENT OF THE CONVENTION

1. An extraordinary meeting of the Conference of the Parties shall be convened by the Secretariat on the written request of at least one-third of the Parties to consider and adopt amendments to the present Convention. Such amendments shall be adopted by a two-thirds majority of Parties present and voting. For these purposes "Parties present and voting" means Parties present and casting an affirmative or negative vote. Parties abstaining from voting shall not be counted among the two-thirds required for adopting an amendment.

2. The text of any proposed amendment shall be communicated by the Secretariat to all Parties at least 90 days before the meeting.

3. An amendment shall enter into force for the Parties which have accepted it 60 days after two-thirds of the Parties have deposited an instrument of acceptance of the amendment with the Depositary Government. Thereafter, the amendment shall enter into force for any other Party 60 days after that Party deposits its instrument of acceptance of the amendment.

ARTICLE XVIII

RESOLUTION OF DISPUTES

1. Any dispute which may arise between two or more Parties with respect to the interpretation or application of the provisions of the present Convention shall be subject to negotiation between the Parties involved in the dispute.

2. If the dispute cannot be resolved in accordance with paragraph 1 of this Article, the Parties may, by mutual consent, submit the dispute to arbitration, in particular that of the Permanent Court of Arbitration at The Hague, and the Parties submitting the dispute shall be bound by the arbitral decision.

ARTICLE XIX

SIGNATURE

The present Convention shall be open for signature at Washington until 30th April 1973 and thereafter at Berne until 31st December 1974.

ARTICLE XX

RATIFICATION, ACCEPTANCE, APPROVAL

The present Convention shall be open indefinitely for accession, or approval. Instruments of ratification, acceptance or approval shall be deposited with the Government of the Swiss Confederation which shall be the Depositary Government.

ARTICLE XXI

ACCESSION

The present Convention shall be open indefinitely for accession. Instruments of accession shall be deposited with the Depositary Government.

ARTICLE XXII

ENTRY INTO FORCE

1. The present Convention shall enter into force 90 days after the date of deposit of the tenth instrument of ratification, acceptance, approval or accession, with the Depositary Government.

2. For each State which ratifies, accepts or approves the present Convention or accedes thereto after the deposit of the tenth instrument of ratification, acceptance, approval or accession, the present Convention shall enter into force 90 days after the deposit by such State of its instrument of ratification, acceptance, approval or accession.

ARTICLE XXIII

RESERVATIONS

1. The provisions of the present Convention shall not be subject to general reservations. Specific reservations may be entered in accordance with the provisions of this Article and Articles XV and XVI.

2. Any State may, on depositing its instrument of ratification, acceptance, approval or accession, enter a specific reservation with regard to:

(*a*) any species included in Appendix I, II or III; or

(*b*) any parts or derivatives specified in relation to a species included in Appendix III.

3. Until a Party withdraws its reservation entered under the provisions of this Article, it shall be treated as a State not a party to the present Convention with respect to trade in the particular species or parts or derivatives specified in such reservation.

ARTICLE XXIV

DENUNCIATION

Any Party may denounce the present Convention by written notification to the Depositary Government at any time. The denunciation shall take effect twelve months after the Depositary Government has received the notification.

ARTICLE XXV

DEPOSITARY

1. The original of the present Convention, in the Chinese, English, French, Russian and Spanish languages, each version being equally authentic, shall be deposited with the Depositary Government, which shall transmit certified copies thereof to all States that have signed it or deposited instruments of accession to it.

2. The Depositary Government shall inform all signatory and acceding States and the Secretariat of signatures, deposit of instruments of ratification, acceptance, approval or accession, entry into force of the present Convention, amendments thereto, entry and withdrawal of reservations and notifications of denunciation.

3. As soon as the present Convention enters into force, a certified copy thereof shall be transmitted by the Depositary Government to the Secretariat of the United Nations for registration and publication in accordance with Article 102 of the Charter of the United Nations.

IN WITNESS WHEREOF the undersigned Plenipotentiaries, being duly authorized to that effect, have signed the present Convention.

DONE at Washington this third day of March, One Thousand Nine Hundred and Seventy-three.

AMENDMENTS TO THE INTERNATIONAL CONVENTION ON LOAD LINES, 1966—RESOLUTION A. 231(VII)

(Adopted on October 12, 1971)

The Assembly,

Noting Article 16(i) of the Convention on the Inter-Governmental Maritime Consultative Organization concerning the functions of the Assembly,

Recognizing the need for improvement in the texts of certain Articles and Regulations of the International Convention on Load Lines, 1966, and the attached Chart of Zones and Seasonal Areas in order to ensure the uniform application and interpretation of the Convention,

Noting further that Article 29 of the Convention provides for procedures for amendments involving participation by the Organization,

Having considered the particular amendments to the International Convention on Load Lines, 1966, forming the subject of a Recommendation by the Maritime Safety Committee at its twenty-first session in accordance with Article 29 of that Convention,

Adopts the amendments to the Convention, the texts of which are set out at Annex to this Resolution,

Requests the Secretary-General of the Organization, in accordance with Article 29(3) (b), to communicate for consideration and acceptance certified copies of this Resolution and its Annex, to all Contracting Governments to the International Convention on Load Lines, 1966, together with copies to all Members of the Organization,

Invites all governments concerned to accept the amendments at the earliest possible date.

ANNEX: AMENDMENTS TO THE INTERNATIONAL CONVENTION ON LOAD LINES, 1966

ENGLISH TEXT

Article 5(2) (c).—Replace the words "Punta Norte" by "Punta Rasa (Cabo San Antonio)".

Regulation 1.—Replace the heading by "Strength of Ship" and the word "hull" in the first sentence by "ship".

Regulation 3(5) (b).—Replace the words "the moulded lines of the deck and side shell plating" by "the moulded lines of deck and sides".

Regulation 5.—In the last sentence delete the words "(as illustrated in Figure 2)".

Regulation 15(5).—In the last sentence insert the word "linear" before "interpolation".

Regulation 22(5).—In the first sentence replace the words "All valves and shell fittings" by "All shell fittings, and the values".

Regulation 23(2).—Replace the words "load waterline" by "Summer Load Line (or Summer Timber Load Line, if assigned)."

Regulation 24(2).—In the first sentence replace the words "calculated area" by "area calculated according to paragraph (1) of this Regulation".

In the second sentence insert the word "linear" before "interpolation".

Regulation 24(3).—Replace the words "a ship is fitted with a trunk which" by "a ship fitted with a trunk".

Regulation 27(11).—In the last sentence replace the word "weathertight" by "watertight".

Regulation 37(2).—In the footnote to tables for both Type 'A' and Type 'B' ships, insert after "super-structures" the words "and trunks".

Regulation 38(12).—In the definition of "y" replace the words "end of sheer" by "after or forward perpendicular".

Regulation 40(4).—In the first sentence replace the words "paragraph (1)" by "paragraph (3)".

Regulation 44(2).—In the last sentence replace the words "the superstructure" by "a superstructure other than a raised quarter deck".

Regulation 45(5).—Add after "waterline" the words "or with Regulation 40(8) based on the summer timber draught measured from the top of the keel to the supper timber load line".

Regulation 46(1) (b).—Replace the last sentence by the following: "Excluded from this zone are the North Atlantic Winter Seasonal Zone I, the North Atlantic Winter Seasonal Area and the Baltic Sea bounded by the parallel of latitude of the Skaw in the Skagerrak. The Shetland Islands are to be considered as being on the boundary of the North Atlantic Winter Seasonal Zones I and II.

Seasonal periods:

Winter: 1 November to 31 March.

Summer: 1 April to 31 October".

Regulation 47.—Insert after the first sentence (i.e. the sentence which ends with the words "the west coast of the American continent") the folowing:

"Valparaiso is to be considered as being on the boundary line of the Summer and Winter Seasonal Zones".

Chart of Zones and Seasonal Areas.

Replace the words "seasonal winter zone" where they indicate the area along the eastern const of USA by "winter seasonal area".

Replace the words "seasonal winter zone" wherever they appear in the chart (except those mentioned above) by "winter seasonal zone" and also "seasonal tropical" by "seasonal tropical area".

In the note replace the word "western" by "eastern" and insert the words "(328 feet)" after "100 metres".

(Certification illegible.)

AMENDMENTS TO THE INTERNATIONAL CONVENTION FOR THE SAFETY OF LIFE AT SEA, 1960

(Resolution A.205 (VII) adopted on 12 October 1971)

THE ASSEMBLY,

RECOGNIZING the need to improve safety of life at sea,

NOTING Article 16(*i*) of the Convention on the Intergovernmental Maritime Consultative Organization, concerning the functions of the Assembly with regard to regulations relating to maritime safety,

NOTING FURTHER that Article IX of the International Convention for the Safety of Life at Sea, 1960, provides for procedures of amendment involving participation of the Organization,

HAVING CONSIDERED certain amendments to the International Convention for the Safety of Life at Sea, 1960, forming the subject of Recommendations adopted by the Maritime Safety Committee at its twenty-second and twenty-third sessions and directed towards improvement of safety of navigation,

ADOPTS the following amendments to Chapter IV and Chapter V of the International Convention for the Safety of Life at Sea, 1960:

(*a*) addition of a new paragraph (*h*) to Regulation 2, Chapter IV, the text of which is at Annex I to this Resolution;

(*b*) replacement of Regulations 7 (*a*) and (*b*), Chapter IV by a new text which is at Annex II to this Resolution;

(*c*) amendment of Regulation 9(*a*)(*ii*), 9(*h*), 9(*k*), 9(*l*) and 9(*m*), Chapter IV, the text of which is at Annex III to this Resolution;

(*d*) amendment of Regulation 15(*a*), 15 (*d*), 15(*g*) and 15(*j*), Chapter IV, the text of which is at Annex IV to this Resolution;

(*e*) insertion of new Regulation 15 bis(1) in Chapter IV, the text of which is at Annex V to this Resolution;

(*f*) replacement of Regulation 8, Chapter V by a new Regulation, the text of which is at Annex VI to this Resolution,

REQUESTS the Secretary-General of the Organization in conformity with Article IX (b)(i) to communicate, for purposes of acceptance, certified copies of this Resolution and its Annexes to all Contracting Governments to the International Convention for the Safety of Life at Sea, 1960, together with copies to all Members of the Organization, and

INVITES all Governments concerned to accept each of the amendments at the earliest possible date.

ANNEX I—AMENDMENT TO REGULATION 2 OF CHAPTER IV OF THE INTERNATIONAL CONVENTION FOR THE SAFETY OF LIFE AT SEA, 1960

REGULATION 2—TERMS AND DEFINITIONS

A new paragraph (*h*) is added as follows:

(*h*) "Radiotelephone auto alarm" means an automatic alarm receiving apparatus which responds to the radiotelephone alarm signal and has been approved.

ANNEX II—AMENDMENT TO REGULATION 7 OF CHAPTER IV OF THE ITERNATIONAL CONVENTION FOR THE SAFETY OF LIFE AT SEA, 1960

REGULATION 7—WATCHES—RADIOTELEPHONES

Paragraphs (*a*) and (*b*) are replaced by the following:

(*a*) Each ship which is fitted with a radiotelephone station in accordance with Regulation 4 of this Chapter shall, for safety purposes, carry at least one radiotelephone operator (who may be the master, an officer or a member of the crew holding a certificate for radiotelephony) and shall, while at sea, maintain continuous watch on the radiotelephone distress frequency in the place on board from which the ship is usually navigated, by use of a radiotelephone distress frequency watch receiver, using a loudspeaker, a filtered loudspeaker or radiotelephone auto alarm.

(*b*) Each ship which in accordance with Regulation 3 or Regulation 4 of this Chapter is fitted with a radiotelegraph station shall, while at sea, maintain continuous watch on the radiotelephone distress frequency in a place to be determined by the Administration, by use of a radiotelephone distress frequency watch receiver, using a loudspeaker, a filtered loudspeaker or radiotelephone auto alarm.

ANNEX III—AMENDMENT TO REGULATION 9 OF CHAPTER IV OF THE INTERNATIONAL CONVENTION FOR THE SAFETY OF LIFE AT SEA, 1960

REGULATION 9—RADIOTELEPHONE INSTALLATIONS

Sub-paragraph (*ii*) of paragraph (*a*) is replaced by the following:

The main installation shall include a main transmitter, main receiver, radiotelephone distress frequency watch receiver, and main source of energy.

A new sub-paragraph (*iv*) to paragraph (*h*) is added as follows:

(*iv*) The radiotelephone distress frequency watch receiver shall be preset to this frequency. It shall be provided with a filtering unit or a device to silence the loudspeaker if on the bridge in the absence of a radiotelephone alarm signal. The device shall be capable of being easily switched in and out and may be used when, in the opinion of the master, conditions are such that maintenance of the listening watch would interfere with the safe navigation of the ship.

A new sub-paragraph (*v*) to paragraph (*h*) is added as follows:

(*v*)(1) A radiotelephone transmitter, if provided, shall be fitted with an automatic device for generating the radiotelephone alarm signal, so designed as to prevent actuation by mistake, and complying with the requirements of paragraph (*e*) of Regulation 15 of this Chapter. The device shall be capable of being taken out of operation at any time in order to permit the immediate transmission of a distress message;

(2) arrangements shall be made to check periodically the proper functioning of the automatic device for generating the radiotelephone alarm signal on frequencies other than the radiotelephone distress frequency using a suitable artificial aerial.

Replace existing paragraph (*k*) by the following:

(*k*) The reserve installation shall be provided with a source of energy independent of the propelling power of the ship and of the ship's electrical system.

Add the following sentence at the end of the existing paragraph (*l*):

The reserve source of energy is required to be of a capacity sufficient to operate simultaneously the reserve transmitter and the VHF installation, when fitted, for at least six hours unless a switching device is fitted to ensure alternate operation only. VHF usage of the reserve source of energy shall be limited to distress, urgency and safety communications. Alternatively, a separate reserve source of energy may be provided for the VHF installation.

Replace existing sub-paragraph (*iv*) of paragraph (*m*) by the following:

(*iv*) the VHF installation;

and add in the same paragraph (*m*) the following new sub-paragraphs:

(*v*) the device for generating the radiotelephone alarm signal, if provided;

(*vi*) any device, prescribed by the Radio Regulations, to permit change-over from transmission to reception and vice versa.

ANNEX IV—AMENDMENT TO REGULATION 15 OF CHAPTER IV OF THE INTERNATIONAL CONVENTION FOR THE SAFETY OF LIFE AT SEA, 1960

REGULATION 15—RADIOTELEPHONE INSTALLATIONS

Paragraph (*a*) is replaced by the following:

(*a*) The radiotelephone installation shall include transmitting and receiving equipment, and appropriate sources of energy (referred to in the following paragraphs as the transmitter, the receiver, the radiotelephone distress frequency watch receiver, and the source of energy respectively).

Paragraph (*d*) is replaced by the following:

(*d*) The transmitter shall be fitted with a device for generating the radiotelephone alarm signal by automatic means so designed as to prevent actuation by mistake. The device shall be capable of being taken out of operation at any time in order to permit the immediate transmission of a distress message. Arrangements shall be made to check periodically the proper functioning of the device on frequencies other than the radiotelephone distress frequency using a suitable artificial aerial.

Paragraph (*g*) is replaced by the following:

(*g*) The radiotelephone distress frequency watch receiver shall be preset to this frequency. It shall be provided with a filtering unit or a device to silence the loudspeaker in the absence of a radiotelephone alarm signal. The device shall be capable of being easily switched in and out and may be used when, in the opinion of the master, conditions are such that maintenance of the listening watch would interfere with the safe navigation of the ship.

In paragraph (*j*), delete the word "and" at the end of sub-paragraph (*ii*).

Add the following new sub-paragraph (*iv*):

(*iv*) the VHF installation.

ANNEX V—INSERTION OF NEW REGULATION 15 BIS (1) IN CHAPTER IV OF THE INTERNATIONAL CONVENTION FOR THE SAFETY OF LIFE AT SEA, 1960

Insert new Regulation 15 bis(1):

REGULATION 15 BIS(1)—RADIOPHONE AUTO ALARMS

(*a*) The radiotelephone auto alarm shall comply with the following minimum requirements:

(*i*) the frequencies of maximum response of the tuned circuits, and other tone selecting devices, shall be subject to a tolerance of ±1.5 per cent in each instance; and the response shall not fall below 50 per cent of the maximum response for frequencies within 3 per cent of the frequency of maximum response;

(*ii*) in the absence of noise and interference, the automatic receiving equipment shall be capable of operating from the alarm signal in a period of not less than four and not more than six seconds;

(*iii*) the automatic receiving equipment shall respond to the alarm signal, under conditions of intermittent interference caused by atmospherics and powerful signals other than the alarm signal, preferably without any manual adjustment being required during any period of watch maintained by the equipment;

(*iv*) the automatic receiving equipment shall not be actuated by atmospherics or by strong signals other than the alarm signal;

(*v*) the automatic receiving equipment shall be effective beyond the range at which speech transmission is satisfactory;

(*vi*) the automatic receiving equipment shall be capable of withstanding vibration, humidity, changes of temperature and variations in power supply voltage equivalent to the severe conditions experienced on board ships at sea, and shall continue to operate under such conditions;

(*vii*) the automatic receiving equipment should, as far as practicable, give warning of faults that would prevent the apparatus from performing its normal functions during watch hours.

(*b*) Before a new type of radiotelephone auto alarm is approved, the Administration concerned shall be satisfied by practical tests, made under operating conditions equivalent to those obtained in practice, that the apparatus complies with paragraph (*a*) of this Regulation.

ANNEX VI—NEW REGULATION 8, CHAPTER V OF THE INTERNATIONAL CONVENTION FOR THE SAFETY OF LIFE AT SEA, 1960

Chapter V

Delete existing Regulation 8 and replace by the following:

REGULATION 8—ROUTING

(*a*) The practice of following, particularly in converging areas, routes adopted for the purpose of separating of traffic including avoidance of passage through areas designated as areas to be avoided by ships or certain classes of ships, or for the purpose of avoiding unsafe conditions, has contributed to the safety of navigation and is recommended for use by all ships concerned.

(*b*) The Organization is recognized as the only international body for establishing and adopting measures on an international level concerning routing and areas to be avoided by ships or certain classes of ships. It will collate and disseminate to Contracting Governments all relevant information.

(*c*) The selection of the routes and the initiation of action with regard to them, and the delineation of what constitutes converging areas, will be primarily the responsibility of the Governments concerned. In the development of routing schemes which impinge upon international waters, or such other schemes they may wish adopted by the Organization, they will give due consideraiton to relevant information published by the Organization.

(*d*) Contracting Governments will use their influence to secure the appropriate use of adopted routes and will do everything in their power to ensure adherence to the measures adopted by the Organization in connection with routing of ships.

(*e*) Where the Organization has adopted traffic separation schemes which specify one-way traffic lanes, ships using these lanes shall proceed in the specified direction of traffic flow. Ships crossing the lanes shall do so as far as practicable at right angles.

(*f*) Contracting Governments will also induce all ships proceeding on voyages in the vicinity of the Grand Banks of Newfoundland to avoid, as far as practicable, the fishing banks of Newfoundland north of latitude 43 degrees N and to pass outside regions known or believed to be endangered by ice.

Mr. PELL. Mr. President, tomorrow the Senate will be voting on the following four conventions:

The Convention on the Prevention of Marine Pollution (Ex. C, 93–1);

The Convention on International Trade in Endangered Species of Wild Fauna and Flora (Ex. H, 93–1);

Amendments to the International Convention on Load Lines, 1966 (Ex. D, 93–1);

The Six Amendments to the Convention for the Safety of Life at Sea, 1960 (Ex. I, 93–1).

Two of these conventions (Ex. C and H, 93–1) are the direct result of the preparations and activities of the United Nations Conference on the Human Environment. Although these agreements represent a significant advance in the global effort to protect and conserve our environment, they are only the first steps on the long road to a cleaner and more environmentally conscious world. I, therefore, commend the administration for its initiatives with respect to these conventions, and strongly urge it to continue its efforts to seek international environmental and conservation agreements.

I ask unanimous consent that certain excerpts from the committee reports on these agreements be inserted into the RECORD at this point.

There being no objection, the excerpts from the committee reports were ordered to be printed in the RECORD, as follows:

THE CONVENTION ON THE PREVENTION OF MARINE POLLUTION (EX. C, 93–1)

PURPOSE

The Convention is designed to establish in each country party to the Convention, a national system for regulating the ocean disposal of wastes comparable to the system provided for the United States by Title I of Public Law 92–532, the Marine Protection, Research and Sanctuaries Act of 1972.

* * * * *

PROVISIONS OF THE CONVENTION

The Convention consists of a short preamble, 21 articles and 3 annexes. The following is a detailed summary provided in Secretary Roger's February 13, 1973, letter of submittal to the President:

"The Preamble to this Convention states that the marine environment is of vital importance to all people and that the best practicable means should be taken to cope with marine pollution originating from a wide variety of sources. While taking action without delay on controlling ocean pollution caused by dumping of wastes, including moving ahead with regional agreements, action in other areas of marine pollution control should be discussed. In Article I Parties pledge to promote effective marine pollution control especially through taking all practicable steps to prevent pollution of the sea caused by dumping. Under Article II, Parties will act individually according to their various capabilities and collectively in regulating ocean dumping.

"Article III defines dumping as the deliberate disposal at sea of wastes or other matter except: (1) that derived from the normal operation (not dumping) of ships, which is now and will be dealt with in the Inter-Governmental Marine Consultative Organization conventions; (2) that placed in the ocean for purposes other than disposal; and (3) that related to seabed exploration or exploitation, which is expected to be covered in agreements arising from the proposed Law of the Sea Conference. The sea is defined as all marine waters other than internal waters. Special and general permits are defined as permission granted in advance, with special permits requiring a specific application.

"Article IV prohibits the dumping of any wastes listed in Annex I, requires a prior special permit for the dumping of matter listed in Annex II, and a prior general permit for dumping of any other matter. Permits may be issued only after careful consideration of all factors listed in Annex III. Article V permits dumping of any substance when the safety of human life or of vessels at sea is endangered and, in emergencies, the issuance, after consultation with other countries likely to be affected, of a special permit for the dumping of Annex I substances when alternative disposal poses unacceptable risk relating to human health.

"Each Party, under Article VI, will designate an appropriate authority to issue permits, keep records of matter dumped, and monitor, in collaboration with others, the condition of the seas for the purposes of this Convention. Permits will be issued for any matter intended for dumping loaded within the Party's territory and loaded anywhere by vessels flying a Party's flag. The organization performing the secretariat duties for the Convention will be appropriately advised by each Party of that Party's activities pursuant to the term of the Convention.

"Enforcement is the responsibility of each Party. Under Article VII, each Party shall apply required measures to its flag vessels and aircraft, all vessels and aircraft loading matter in its territory for dumping, and those under its jurisdiction engaged in dumping; each Party is to take in its territory appropriate measures to prevent and punish conduct contrary to the Convention. Naval vessels and military aircraft are exempt from the provisions of the Convention; however, each Party is to ensure the adoption of measures for these vessels that accomplish the objectives of the Convention.

"Article VIII promotes regional dumping agreements consistent with this Convention and Article IX encourages support for training of personnel and for supplying necessary equipment.

The Parties agree in Article X to undertake to develop procedures for the assessment of liability and the settlement of disputes regarding dumping and in Article XI to consider at their first consultative meeting procedures for settlement of disputes concerning this Convention. In Article XII, Parties pledge to promote international measures to protect the marine environment from oil and other noxious substances, wastes from operating vessels, radioactive pollutants, chemical and biological warfare agents, and seabed activity wastes. Article XIII states that this Convention does not prejudice the law of the sea positions of any Party or the work in the United Nations Law of the Sea Conference.

"Article XIV provides for the United Kingdom to call a meeting of the Parties within three months after the Convention enters into force (thirty days after the deposit of the fifteenth instrument of ratification or accession), at which time the Parties will select an existing competent organization to perform the secretariat duties under this Convention and take other appropriate action. Consultative meetings of the Parties are to be convened at least every two years. Under Article XV, amendments to this Convention become effective for Parties accepting them sixty days after two-thirds of the Parties have deposited instruments of acceptance. An amendment to an annex becomes effective for any Party immediately on notification of its acceptance, and one hundred days after approval for all other Parties except for those which before that time declare they are not able to accept the amendment at that time.

"Annex I lists substances prohibited from dumping; organohalogen compounds, mercury and cadmium and their compounds; persistent plastics under certain conditions; specified oils; high-level radioactive wastes; and chemical and biological warfare agents. The list does not extend to substances rendered harmless when put in the sea or which contain only trace quantities of these substances, such as sewage sludge or dredged spoils.

"Annex II lists substances requiring a special permit to be dumped: wastes containing significant amounts of certain chemicals, such as arsenic, cyanides and pesticides, acids or alkalis of beryllium or vanadium; bulky wastes which may be a serious obstacle to fishing or navigation; and medium and low-level radioactive wastes.

"Regarding radioactive wastes in Annex I and II, the International Atomic Energy Agency is called upon to make appropriate recommendations available for use by the Parties.

"Annex III lists factors to be considered in issuing permits; the characteristics and composition of the matter; characteristics of the dumping site and method of deposit; and certain other general considerations and conditions."

THE CONVENTION ON INTERNATIONAL TRADE IN ENDANGERED SPECIES OF WILD FAUNA AND FLORA (EX. H, 93–1)

PURPOSE

The purpose of the Convention is to establish a system by which States may strictly control the international trade in specimens of species which are, or may be in danger of becoming extinct as a result of that trade.

* * * * *

MAJOR PROVISIONS

The Convention consists of a short preamble, 25 articles and four appendices.

The Convention is designed to protect only those species or specimens which participating States agree are, or may be, affected by international trade, and which:

(*a*) are threatened with extinction (Appendix I);

(b) may be threatened with extinction (Appendix II); or

(c) are listed by a participating State as subject to protection against exploitation within its jurisdiction (Appendix III).

The Convention is implemented through the application of an agreed system of export and import licenses. This system is to be administered by each contracting Party through a national Management Authority with the advise of a national Scientific Authority (Article IX).

The licensing system sets forth certain procedures regulating the trade of various species which require that both the exporting and importing States certify that specified criteria have been met which will assure that the survival of these species will not be further endangered (Articles III–VI).

The Convention also controls the trade in specimens of endangered species introduced from the sea. The introduction from the sea is itself treated as importation for the purposes of this Convention and can occur only after certification by the State of introduction that certain specified criteria have been met (Articles III (5), IV (6)).

There are a number of exemptions from this Convention Species and specimens—

(a) taken under existing international agreements;

(b) taken prior to the entry into force of this Convention;

(c) bred in captivity for commercial purposes;

(d) exchanged between scientists or scientific institutions; or

(e) transported by zoos and circuses,

are not covered by this Convention (Articles VII, XIV).

Each contracting party is required to take "appropriate measures" to enforce the Convention. These measures must penalize illicit trade and provide confiscation procedures designed to return endangered species to the State of export (Article VIII).

Provision is made for amendment of the Appendices by a mail vote or a meeting of a Conference of the Parties, which meeting will occur at least once every two years after entry into force of the present Convention. Provision is also made for amendment of the Convention itself at an extraordinary meeting of the Conference called for that purpose (Article XI, XV–XVII).

The new United Nations Environmental Programme has been asked to assume the Secretariat responsibilities (Article XIII), and it is expected that the Programme will accept. If the Programme declines, the Depository Government will be responsible for performance of the functions until the contracting parties can agree upon a different arrangement.

AMENDMENTS TO THE INTERNATIONAL CONVENTION ON LOAD LINES, 1966 (EX. D, 93–1)

PURPOSE

Load lines are placed on ships to mark the point beyond which a vessel may not be safely loaded and hence submerged.

The 1966 Load Lines Convention established uniform rules concerning the limits to which ships on international voyages may be loaded. It was designed to bring international load line regulations into accord with modern developments and techniques in ship construction. The purpose of the amendments is to correct a number of errors and ambiguities which have become apparent in such matters as technical terminology, geographic reference points and cross references.

THE SIX AMENDMENTS TO THE CONVENTION FOR THE SAFETY OF LIFE AT SEA, 1960 (EX. I, 93–1)

PURPOSE

The amendments are the direct result of recommendations made by the Maritime Safety Committee of the Inter-governmental Maritime Consultative Organization (IMCO). They are designed to improve the safety of maritime navigation by providing for improved radiotelephone watch procedures, more modern radiotelephonic devices, more detailed procedures for the operation of radiotelephonic equipment, and new regulations concerning traffic separation schemes.

The PRESIDING OFFICER. If there be no objection, the conventions will be considered as having passed through the various parliamentary stages up to and including the presentation of the resolutions of ratification, which the clerk will read for the information of the Senate.

The assistant legislative clerk read as follows:

Resolved, (Two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of the Amendments to the International Convention on Load Lines, 1966, adopted at London on October 12, 1971, at the seventh session of the Assembly of the Inter-Governmental Maritime Consultative Organization (IMCO) (Ex. D, 93–1).

Resolved, (Two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of the Convention on the Prevention of Marine Pollution by Dumping of Wastes and Other Matter, opened for signature at Washington, London, Mexico City, and Moscow on December 29, 1972 (Ex. C, 93–1).

Resolved, (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of the Six Amendments to the Convention for the Safety of Life at Sea, 1960, adopted at London on October 12, 1971, by the Assembly of the Inter-Governmental Maritime Consultative Organization (IMCO) (Ex. I, 93–1).

Resolved, (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of the Convention on International Trade in Endangered Species of Wild Fauna and Flora, signed at Washington on March 3, 1973 (Ex. H, 93–1).

The PRESIDING OFFICER (Mr. HELMS). The question is on agreeing to the resolutions of ratification.

Mr. MANSFIELD. Mr. President, for the information of the Senate, it has been agreed that the votes on these conventions and treaties will occur at the hour of 10:45 a.m. tomorrow. There will be one rollcall vote, but it will count, in reality, as four rollcall votes at one time. There is a reason for it at this time.

LEGISLATIVE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate resume the consideration of legislative business.

There being no objection, the Senate resumed the consideration of legislative business.

FOLLIES OF THE PENTAGON

Mr. McINTYRE. Mr. President, I rise today to express my own disappointment at what I regard as a most unfortunate statement by Secretary of Defense James R. Schlesinger, who recently assumed his duties at the Pentagon.

He was quoted this morning as having said at swearing-in ceremonies for Air Force Chief of Staff George S. Brown that—

> We are well into the period of post war follies, and it is now fashionable to attempt to dismantle the forces of the United States.

Of course, Mr. Schlesinger is new at the job and a certain tolerance must be extended to him, because of his inexperience in the complex and difficult debates on defense budgets.

Nevertheless, I would like to assure the Secretary of Defense that I know of no efforts in this Congress to "dismantle the forces of the United States." I have worked for nearly 10 years now as a member of the Senate Armed Services Committee, and for 5 years I have chaired the Subcommittee on Military Research and Development. I know how hard my colleagues work to meet their constitutional responsibilities for rendering legislative judgments on the defense budget. I know how hard my colleagues work to insure that this Nation will be unquestionably secure. I know how hard my colleagues in both Houses of the Congress have worked to support and defend the necessary funding so that our national defense is the finest in the world.

It, therefore, makes me indignant when a Secretary of Defense, only a few weeks on the job, chooses to speak in such an imprecise and inflammatory way.

I suggest that our new Secretary take this occasion to extract his foot from his mouth and reflect upon some simple hard truths about recent debates on our defense posture.

First, the "follies" which have most consistently hampered those of us in Congress who have tried to lead the cause of a responsible, national defense have been Pentagon follies.

Let me be specific. The Pentagon is currently asking the Congress to fund the Trident program, the most expensive, single weapons system ever proposed. This Senator, and I am sure most of the Members of the body, want to proceed to develop the Trident submarine as the next generation of our seabased deterrent.

Yet, the Pentagon does not offer to us an orderly, well-paced developmental program which inspires confidence. Instead, the Pentagon asks us to accept an acceleratiton of the program which even before we complete the construction of the first submarine would have us begin six more. This would violate one of the hardest, learned lessons of the last several years in defense procurement and that is that we should not develop a program and go into production at the same time. There is no surer way to waste money or destroy confidence, public, and congressional, in a system than to proceed in such a helter-skelter, wasteful pace.

The Pentagon asks us to do this even though their own experts cannot even describe a Soviet threat that would degrade our present Polaris-Poseidon force; even though their own witnesses cannot conceive a Soviet threat that would degrade our Poseidon submarine fleet once it had completed its conversion; and even though their own witnesses do not even speak to a projected Soviet threat that could degrade our submarine fleet retrofitted with the new Trident I missile with its 4,000-mile range which could be deployed under a more orderly developmental program.

So it is the Pentagon's follies that hamper those of us who wish to proceed with an orderly development of the Trident.

And we have a similar case in the B-1 program. For years my subcommittee has monitored the B-1 and has supported an orderly development of that new generation of bomber. I have defended the B-1 on the floor of the Senate and so I was reassured in April when Air Force's most expert witnesses testified that the B-1 program was in good shape.

Yet, 3 months later the Secretary of Air Force tells us that there will be substantial delays and increased cost. It is the Pentagon's follies of not being able to manage their own program to meet the milestones which they themselves have set or to limit their costs to figures that they have themselves determined that creates a lack of confidence in the B-1 program.

It is the Pentagon's follies that disillusioned the public and the Congress when they asked us to support a B-1 last year at $35 million per copy—1970 dollars—and this year kites that figure higher and higher to $45 million per copy—$56 million with the R. & D. added in—and threatens delays and increases that could run the cost even higher, perhaps to $60 million per copy.

It is the Pentagon's follies when the Air Force's only answer to its mismanagement of the B-1 is to ask for more funds and more time and to reject any major revision of the program that might restore confidence.

It is the Pentagon's follies which damages their own case when they ask in effect for a blank check for B-1; when the Secretary of Air Force is not even willing to assure the Congress that these additional funds will be sufficient.

It is the Pentagon's follies in general that have been primarily responsible for the diminishing support for a responsible, national defense effort. Indeed, the prime causes of public and congressional skepticism about defense budget requests have been the Pentagon's incessant cry of wolf, their indiscriminate appeals to scare tactics, their unwillingness to do the difficult task of judging priorities, and their advocacy of ill-conceived, indefensible, extravagent, and redundant programs on the basis of testimony which often lacks candor, accuracy, or even a decent respect for the constitutional status of the Congress of the United States.

In sum, the Secretary of Defense might well turn his first days at the Pentagon to the rather substantial and prime task of cleaning up these Pentagon follies before proceeding elsewhere.

Finally, I appeal to our new Secretary of Defense to make every effort to help us restore a climate of civility, credibility, and mutual trust in the critical debates on our defense budgets.

I, for one, have been deeply saddened and frustrated in recent years by the intense polarization on questions of national defense which should have been models of national agreement. To be sure, the problem of military spending and national priorities is complex, but I continue to work in the faith that we ought to be able to find common ground from which most reasonable Americans can agree. The idea that defense questions must be answered yes or no, pro- or antidefense, pro- or anti-American, is a false and superficial fallacy. It is over simplification at its worst.

So I appeal to our new Secretary to work together with this body with mutual respect and open-mindedness. The spirit is at the heart of our constitutional system and is critical of restoration to public confidence in our defense spending. I, for one, offer my personal promise to the Secretary that I will join him in any such effort.

LAW ENFORCEMENT ASSISTANCE AMENDMENTS—CONFERENCE REPORT

Mr. McCLELLAN. Mr. President, I submit a report of the committee of conference on H.R. 8152, and ask for its immediate consideration.

The PRESIDING OFFICER (Mr. SCOTT of Virginia). The report will be stated by title.

The second assistant legislative clerk read as follows:

> The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 8152) to amend title I of the Omnibus Crime Control and Safe Streets Act of 1968 to improve law enforcement and criminal justice, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses this report, signed by all the conferees.

The PRESIDING OFFICER. Is there objection to the consideration of the conference report?

There being no objection, the Senate proceeded to consider the report.

(The conference report is printed in the House proceedings of the CONGRESSIONAL RECORD of July 26, 1973, at pp. 26123-26130.)

Mr. McCLELLAN. Mr. President, the primary purpose of H.R. 8152, as reported by the conference, is to make a variety of amendments to title I of the Omnibus Crime Control and Safe Streets Act of 1968 (Public Law 90-351, as amended by Public Law 91-644) that established the Law Enforcement Assistance Administration. The major provisions of title I of the amended bill cover:

First. Administration—The cumbersome and unwieldy "troika" system has been abolished. All policy and administrative authority is vested in the Administrator. The two Associate Administrators are replaced by a deputy administrator for policy and operations and a deputy for administrative management. The present administrator or associates as designated, may continue in the deputy positions as appropriate.

Second. Comprehensive plan—More specificity has been added to the definition of a "comprehensive State plan." A maximum of 90 days is provided for LEAA approval or disapproval of plans.

Third. Training—LEAA's research arm, the National Institute of Law Enforcement and Criminal Justice, would assist in the development of training programs and be responsible for supporting the agency's regional training efforts. But the present authority of the FBI in the police area would be left untouched.

Fourth. Authorization—A three-year authorization is provided with a provision for authorized funding from $1 billion to $1.25 billion over the 3 years.

Fifth. Civil rights—The provisions of title VI of the Civil Rights Act are incorporated along with optional remedies.

Sixth. Security and privacy—New confidentiality provisions have been added to protect statistical and research information received for research purposes as well as provisions related to criminal history information.

Seventh. Criminal penalties—New language relating to criminal endeavors as well as completed acts has been added.

I would also like the RECORD to show, Mr. President, that although the bill does not give LEAA express authority to transfer funds to other Federal agencies or the Bicentennial Commission to offset anticipated additional expenses relative to the forthcoming Bicentennial Celebration, there is no intent to disturb the present authority of law-enforcement agencies to apply for LEAA block and discretionary grants to use for bicentennial law enforcement expenses.

I ask unanimous consent to have printed in the RECORD a memorandum and a letter which will confirm our interpretation of existing past practices regarding LEAA funds for nonprofit organizations.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibits 1 and 2.)

Mr. McCLELLAN. Mr. President, on March 27, 1969, Justice William H. Rehnquist, who was then an Assistant Attorney General in the Department of Justice, wrote in a memorandum that States could grant limited portions of LEAA funds to nonprofit organizations. On February 28, 1973, Comptroller General Elmer B. Staats said in a letter that nonprofit organizations which received these LEAA matching funds could get their cash match requirement from a voluntary source like a foundation. Nothing that the conference did was designed to change these present practices.

Mr. President, this report was signed by all the conferees in both House and

Senate. We had three sessions of the conferees in the conference. The bill was thoroughly examined and each provision that was at all in disagreement was thoroughly discussed and decision arrived at on a give-and-take basis, with the stronger arguments, in most instances, the basic and sounder reasons, prevailing for what was ultimately agreed to by the conference.

I believe this a well-balanced bill that will make a significant contribution toward the continued success against crime the Nation has enjoyed in the last few years. This success, in my opinion, can be attributed in large part to the LEAA program.

I urge support for the conference report.

EXHIBIT 1

USE OF GRANT FUNDS

To: Gerald M. Caplan, General Counsel, Law Enforcement Assistance Administration.

In your memorandum of February 18, you request our opinion as to whether a State planning agency may grant Part C funds (1) to State owned and operated educational institutions; (2) to other types of educational institutions; (3) to non-profit organizations; and (4) to profit-making organizations.

The answers to all four questions are in the affirmative, assuming that the grants are for purposes enumerated in section 301 (b), and are consistent with the guidelines for comprehensive State plans prescribed in section 303.

Section 303(2) provides that a State planning agency must make available to local governments at least 75% of all Federal funds granted to it under Part C. But the Act imposes no limits on the possible range of persons or organizations to whom the agency may disburse the remaining 25% of its Part C funds.[1] Nor does the Act limit the forms of arrangement or agreement under which these funds may be disbursed. They may be paid out under contracts for goods or services or awarded as grants for activities in furtherance of the comprehensive plan.

For example, a State planning agency may make a grant to a public or private educational institution to facilitate the preparation of a report on "Public education relating to crime prevention" (section 301(b) (3)). Or the agency may make a grant to a non-profit organization to support "research and development" (section 303(6)) for purposes of improving crime-fighting methods and equipment (section 301(b) (1)). There may be practical reasons for preferring a contract to a grant in such cases, but the Act does not foreclose a choice between these alternatives.

On the other hand, it will rarely be appropriate, as a matter of policy if not of law, to make grants to profitmaking organizations. If it is decided to employ the resources of such an organization in furthering some of the goals of a comprehensive plan, the more appropriate method of making funds available to it for that purpose will be a contract which establishes a clear and enforceable quid pro quo.

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[1] With respect to any particular program or project, such funds would, of course, have to be combined with funds provided from State sources. See section 301(c).

Your memorandum assumes, correctly in our opinion, that a part of the 75% share earmarked for local governments could be disbursed instead under contracts or grants to other institutions or organizations, if local governments agreed to let the product of such contracts or grants stand in lieu of a direct distribution of funds to them.

USE OF GRANT FUNDS

To: Gerald M. Caplan, General Counsel.

From: Melvin T. Axilbund, Assistant to the Deputy Director, Office of Law Enforcement Programs.

Mr. Charles Lauer of Area D has propounded several excellent questions which have not, I believe, been answered definitely. They are set forth below for your consideration.

1. May an SPA grant Part C funds to a State owned and operated educational institution?
2. May an SPA grant Part C funds to other types of educational institutions?
3. May an SPA grant Part C funds to non-profit organizations?
4. May an SPA grant Part C funds to a profit making organization?

I judge there is no problem in having an SPA contract with any or all of the foregoing since, in such a case, there is a clear and enforceable quid pro quo.

I assume, too, that any grant or contract made would be made from the 25% State share of action funds unless there was local government agreement to having the grant or contract product stand in lieu of a distribution of funds.

EXHIBIT 2

COMPTROLLER GENERAL
OF THE UNITED STATES,
Washington, D.C., February 28, 1973.

Hon. JERRIS LEONARD,
Administrator, Law Enforcement Assistance Administration, U.S. Department of Justice, Washington, D.C.

DEAR MR. LEONARD: Reference is made to your letter of October 16, 1972, presenting for decision four questions concerning the legality of certain grants proposed to be made by the Law Enforcement Assistant Administration (hereinafter referred to as LEAA or as the Administration). The grants in question would be made pursuant to title I of the Omnibus Crime Control and Safe Streets Act of 1968, approved June 19, 1968, Pub. L. 90–351, 82 Stat. 197, as amended by the Omnibus Crime Control and Safe Street Act of 1970, approved January 2, 1971, Pub. L. 91–644, 84 Stat. 1880, 42 U.S.C. 3701 *et seq.* The four questions presented all involve the application of the so-called "hard-match" requirement of the 1968 act, as amended.

LEAA was established by the above-cited 1968 act, and was given authority to grant Federal funds for the purposes of strengthening and improving law enforcement. A matching requirement was established as a condition for grants of funds by LEAA and each grant was to be limited in amount to a certain specified percentage of the total cost of the law enforcement program being assisted. See section 301(c). Although the remainder of the cost of the program had to come from sources other than LEAA, the 1968 act specified neither the source nor the character of the required "match." In addition to changing the percentages of matching funds required, the 1970 act added the "hard-match" requirement. Specifically, effective July 1, 1972:

"* * * at least 40 per centum of the non-Federal funding of the cost of any program or project to be funded by [a block grant under section 301 or a discretionary grant under section 306 of the act of 1968 as amended] * * * shall be of money appropriated in the aggregate, by State or individual unit of government, for the purpose of the shared funding of such programs or projects." See 42 U.S.C. 3731(c), 3736.

Your first question is whether so-called National Scope projects funded under section 306 of the 1968 act, as amended, 42 U.S.C. 3736, require governmentally appropriated funds for "hard-match" or whether funds from private sources can be used as "hard-match" for these projects.

Your letter explains the National Scope projects as follows:

"The Administration in some instances uses discretionary funds allocated under Section 306 to assist national programs of assistance to all State and local law enforcement. These projects generally impact on particularized agencies within the law enforcement area, such as prosecutor offices, all State courts, or juvenile courts. They are called "National Scope" projects because they affect the nation as a whole as opposed to individual States, cities, or regions. The discretionary grant is made to a State Planning Agency (SPA), with the funds generally subgranted to a non-governmental agency. The SPA is also handling the administration of the grant.

"Under the provisions of 306 at least 25 percent of the project cost must be from non-Federal sources. The grantee who receives a grant for a "National Scope" project is normally active in the law enforcement area and a part of the particularized agency group affected. * * *"

You state that there is no clear indication from the legislation or its history how the "hard-match" requirement is to affect National Scope projects. While it appears clear that Congress intended the Administration to continue to fund the National Scope projects which affect "combinations" of governmental units, you urge that to require governmentally appropriated funds in combination projects is an impossibility. In illustration, the Appellate Judges Conference with participants from many jurisdictions is discussed by you to the point that requiring the use of appropriated funds for matching would require each unit of government planning to send an appellate judge to pledge from locally appropriated funds a cash contribution to the National College of State Judiciary before LEAA could consider funding the program. Such a procedure, you state, would be unworkable.

It would serve good purpose to present here a summary of the legislative history of the "hard-match" requirement.

As already noted, the 1968 act placed no limitations on the manner in which that portion of the cost of an LEAA-assisted program not covered by the LEAA grant might be financed. Thus, the "match" might be from State, local or private sources, and might be in cash, or in the form of property or services. In 1970, Congress considered various proposed amendments to the 1968 act, ultimately resulting in the 1970 amendments which incorporate the "hard-match" requirement. As related in your letter:

"* * * The House passed the 1970 Amendments first in H.R. 17825. This amended the 1968 bill to allow 90 percent of the cost of a project to be Federal funds rather than the requirement of 60 percent in the Act. The Senate Amendment was included in Senate Report No. 91–1253, which first added the Hard Match requirement. That Committee report had a requirement that Federal funds could make up to 70 percent of the cost of a project and the requirement that at least 50 percent of the non-Federal portion be in money appropriated for the purposes of the program.

"The Senate Judiciary Committee Report accompanying the 1970 Amendments, Senate Report No. 91–1253, contained the following explanation of the change to Section 306 (page 35):

"'The Committee has modified substantially the House amendment to Section 306 of the Act dealing with discretionary grants. The changes are designed to spell out expressly the authority of LEAA to make discretionary grants and the limitations applicable to them. In general, the same limitations would be made applicable to block grants under Section 301 that are made applicable to discretionary grants. Thus, the personnel compensation limtiations are made applicable, and the share of the cost of programs and projects that may be paid from Federal funds is limited to 70 percent, the limitation applicable to most block grant programs. The Administration could make 100 percent grants only to Indian tribes and other aboriginal groups, including Eskimos, as is the case with block grants, noted above. And at least one-half of the non-Federal funding for all discretionary programs and projects would have to be of specifically appropriated money, as distinguished from donated goods or services. The requirement of "appropriated," of course, has reference to governmental units, not private individuals or organizations.' "

The Senate Judiciary Committee report also contained the following comment on the matching requirement:

"* * * Experience under the LEAA program has indicated that the local matching requirement will become a serious problem for most States should it remain at its present rate of 40 percent for most programs. Lowering the requirement to 30 percent will afford substantial relief and will diminish the extent to which the States must rely on counting the value of donated goods and services, rather than money, to make up the non-Federal share of program costs. In this regard, the Committee has included a requirement that at least one-half of the non-Federal share of the cost of any program or project shall be money appropriated expressly for the shared funding of such program or project. This provision should work to guarantee that these new Federal funds will, in fact, draw new State and local funds into the criminal justice system and avoid the real danger that Federal funds will merely replace State and local funds in financing the present system." S. Rep. No. 91–1253, 31 (1970).

Your letter further relates that:

"When the Judiciary Committee report was being debated, Senator McClellan, the Committee Chairman, submitted a sectional analysis of the bill, which included the following on Section 306 (116 Cong. Rec. 35692 (1970)):

" 'The Committee bill modifies substantially the House amendment to Section 306 of the Act dealing with discretionary grants. The changes are designed to spell out expressly the authority of LEAA to make discretionary grants and the limitations applicable to them. In general, the same limitations applicable to block grants under Section 301 are made applicable to discretionary grants. Thus, the personnel compensation limitations are made applicable, and the share of the cost of programs and projects that may be paid from Federal funds is limited to 70 percent, the limitation applicable to most block grant programs. The Administration could make 100 percent grants only to Indian tribes or other aboriginal groups, as is the case with block grants, noted above. And at least one-half of the non-Federal funding for all discretionary programs and projects would have to be of money, as distinguished from donated goods or services.' "

"Senator Hruska, the ranking minority member of the Judiciary Committee, made the following statement in his explanation of the bill (116 Cong. Rec. 35695 (1970)):

" 'The Senate provision is more desirable than the House amendment, I believe, because it recognizes that States and units of local government have difficulty supplying the needed matching funds but at the same time recognizes the need for the States and units of local government to make a substantial financial commitment to action programs.'

"The Senate then debated the two issues mentioned earlier, and amended 306 only to the extent of delaying the Hard Match requirement until July 1, 1972, and adding the phase of allowing the Hard Match to be met in the aggregate."

The House and Senate bills then went to conference and the conference adopted the "hard-match" requirement of the Senate bill without substantive comment, except to indicate that the cash requirement was reduced to 40 percent See pages 16 and 17, H.R. Rep. No. 91–1768 (1970). However, during consideration by the Senate and the House of the conference report, there was discussion on the floors of both chambers of the "hard-match" requirement. In the Senate, Senator Hruska, one of the managers of the bill in conference, described the purpose of that requirement:

"* * * The hard match would include any funds appropriated by a State or unit of local government which are specifically earmarked for matching LEAA action grants.

"LEAA experience in the past 2 years has found that the State and local share of action programs has frequently if not always been figured in donated property or services and it is hoped that the provision for hard match will stimulate the expenditure of new funds for law enforcement purposes." 116 Cong. Rec. 42149 (1970).

In the House, Mr. Poff, also a conference manager, explained the action of the conference committee with respect to "hard-match" as follows:

"The conference also adopted a provision which requires that beginning in fiscal year 1973, at least 40 percent of the Federal [sic] share of the funding of any program or project be from money expressly appropriated by the State or local government in the aggregate for such programs or projects—as opposed to donated services or property. This is the so-called hard-match requirements and it applies equally to block grants and discretionary grants. If a State or local government appropriates money to participate directly in an LEAA program, that is obviously a hard match. But what if the State or local government transfer personnel to participate in LEAA programs or projects? That is not a hard match. It can only be considered a hard match, if the State or local government were to appropriate money to fill the vacancies created by the transfer. The controlling purpose of the hard-match provision is the desire to stimulate new State and local money for imaginative and innovative State and local anticrime programs. This purpose is already ensconced in section 308 (10) of the law. The hard-match requirement puts teeth into that legislative purpose. * * *" 116 Cong. Rec. 42197 (1970).

(Section 303(10), of the 1968 act, referred to by Mr. Poff, provides that each State plan for participation in the LEAA action grant program shall:

"* * * set forth policies and procedures to assure that Federal funds made available under this title will be so used as not to supplant State or local funds, but to increase the amonut of such funds that would in the absence of such Federal funds be made available for law enforcement.)"

The purpose of the "hard-match" requirement is abundantly clear from the above-described legislative history; that being to assure that State and local governments not use Federal funds available under the act in order to supplant their own funds (section 303(10)). It had been found that State and local governments had been in some instances matching LEAA funds with property or services which had not been acquired for the purpose of the grant program but rather had been transferred from other activities of these governments. By this means, States or localities participating in an LEAA-assisted law enforcement project avoided committing any new resources to the project. Requiring these governmental units to match at least a portion of their shares of the cost of a project with money appropriated for that purpose would thus "work to guarantee that these new Federal funds will, in fact, draw new State and local funds into the criminal justice system and avoid the real danger that Federal funds will merely replace State and local funds." S. Rept. No. 91–1253, 31 (1970).

In essence then, the Congressional purpose for "hard-match" is to regulate the conditions of financial participation by State and local governments in LEAA programs; it is not, by the same token, to limit participation in those programs by private organizations. There is support in the language of the Senate Judiciary Committee Report previously cited for the conclusion that the "hard-match" requirement was not intended to prevent the use in LEAA-sponsored National Scope projects of matching funds supplied from private sources. The specific language in the Report reads:

"* * * And at least one-half of the non-Federal funding for all discretionary programs and projects would have to be of specifically appropriated money, as distinguished from donated goods or services. *The requirement of "appropriated," of course, has reference to governmental units, not private individuals or organizations.*" S. Rept. No. 91–1253, 36. (Emphasis supplied.)

To read the "hard-match" requirement so as to preclude the use of private funds for "hard-match" in National Scope projects would thus be in derogation of the overall purpose of the act and would also be inconsistent with the specific purpose for which the "hard-match" requirement was added.

We conclude therefore that the "hard-match" requirement is satisfied when 40 percent of the non-Federal funding of an LEAA-sponsored project is in the form of money rather than goods or services, and that the source of the cash may be either private or governmental. As we interpret the "hard-match" requirement, the import of section 306(a) of the act is essentially that 40 percent of non-Federal funding of a program or project shall be money rather than property or services. The further requirement in the statutory language that the money be appropriated for the purpose of the shared funding of the program or project, by its terms, applies only when the non-Federal money comes from a State or individual unit of government. When, on the other hand, "hard-match" is to be provided in the form of donated money from a private source, the requirement of the "hard-match" provision that non-Federal fundings be appropriated by governmental units for the purpose of the shared funding of the program is inapplicable, since the goal of that requirement—to insure the commitment of new funds by State and local governments—is not relevant when private funds are the source of the "hard-match." Matching funds, whether governmental or donated, must still of course satisfy the statutory requirement that at least 40 percent thereof be money. Your first question is answered accordingly.

Your second question is whether funds received by cities from the Department of Housing and Urban Development under title I of the Demonstration Cities and Metropolitan Development Act of 1966, approved November 3, 1966, Pub. L. 89–754, 80 Stat. 1255, may be used as "hard-match" for LEAA projects.

You explain that:

"To aid in the solution of urban problems, Congress established the Model Cities program by passing the Demonstration Cities and Metropolitan Development Act of 1966. The purpose of the Act is to (Section 101) 'provide additional financial and technical assistance to enable cities of all sizes . . . to plan, develop and carry out locally prepared and scheduled comprehensive city demonstration projects containing new and imaginative proposals to rebuild or revitalize large slum and blighted areas . . . to reduce the incidence of crime and delinquency . . . and to accomplish these objectives through the most effective and economical concentration and coordination of Federal, State, and local public and private efforts to improve the quality of urban life.' In its implementation of this act, Congress provided a novel feature in the authority of local government to use these funds in Section 105(d). It states that those funds "may be used and credited as part or all of the required non-Federal contribution to projects or activities, assisted under a Federal grant-in-aid program . . ."

"In its sectional analysis of this section, the House report explains that (1966 U.S. Code, Cong. & Admin. News, p. 4045) ". . . such funds shall be credited toward the required non-Federal contribution to such projects or activities" and to participate in this program, the city must submit a "comprehensive city demonstration program" which must meet various criteria. * * *

"Prior to July 1, 1972, the Law Enforcement Assistance Administration funds were matched by 'model cities' funds in programs where co-existing responsibility occurred. The 1970 amendments included the Hard Match requirement in Section 301(c). This sentence is exactly the same as that in 306 mentioned earlier, and requires that ". . . at least 40 per centum of the non-Federal share . . . shall be of money appropriated in the aggregate, by State or individual unit of government. . . '* * *"

Your Administration has "made an interim decision pending clarification, that model cities funds may not be used as LEAA Hard Match.' The specific question presented is therefore whether LEAA may, subsequent to July 1, 1972, continue to fund projects in conjunction with cities under section 301 of the 1968 act, as amended, when some or all of the local matching funds required of these cities by section 301(c) would consist of moneys granted to them under the Demonstration Cities Act.

As noted above, section 105(d) of the Demonstration Cities Act explicitly allows funds granted thereunder to the cities to be "used and credited as part or all of the required non-Federal contribution to projects or activities, assisted under a Federal grant-in-aid program," subject to certain qualifications which apparently are not here relevant. LEAA programs under section 301(c), as amended, are Federal grant-in-aid programs, as that term is defined by section 112 of the Demonstration Cities Act. Prior to July 1, 1972, the effective date of the "hard-match" provision, there was no question but that Model Cities funds might be used by cities to match LEAA grants. Since July 1, 1972, however, at least 40 percent of the non-Federal share of the funding must be "money appropriated" for the purpose of matching the grant. Since that date, whether Model Cities funds can be used by cities to match LEAA grants depends on a determination whether the allocation of Model Cities funds by the recipient cities as matching funds for LEAA-assisted projects constitutes an "appropriation" of such funds, within the meaning of section 301(c), as amended.

Enclosed with the request for our decision on this question was a letter of October 10, 1972, to LEAA from the Assistant Secretary for Community Development of the Department of Housing and Urban Development (HUD) explaining the nature of the Model Cities program and the basic features of the funding process used therein. That letter reads, in pertinent part, as follows:

"The primary intent of Title I of the *Demonstration Cities and Metropolitan Development Act of 1966* (Model Cities Program) is to bring about a concentration and coordination of Federal, State and local public and private efforts and resources in a broad, comprehensive attack on social, economic and physical problems in selected slum and blighted areas. The idea is to demonstrate in these relatively few (147) yet broadly representative cities how blighted neighborhoods can be renewed both physically and in terms of the quality of life, through a concentration and coordination of Federal, State and local efforts and resources.

* * * * *

"The statute provides for financial and technical assistance to be provided by HUD to the selected cities to enable those cities to plan, develop and carry out comprehensive local programs to improve locally identified social, economic and physical defects in the community. No such program could be truly *comprehensive* unless it addressed problems relating to criminal justice and each of the Model Cities comprehensive city demonstration programs contains a component dealing with criminal justice.

"The funding philosophy of the statute is, basically, quite simple, yet it is at the same time unique. The statute does not intend for the Model Cities Program to be or to become another Federal categorical grant-in-aid program. *The idea is, instead, to use it as a vehicle to encourage and assist the selected cities to make use of other existing Federal, State and local resources, but in a more efficient and effective manner.*

"The principal source of Federal funding contemplated by the statute is not Model Cities supplemental funds, but Federal grant-in-aid funds from programs other than Model Cities Program—such as LEAA. It was recognized that one reason why local units of government fail to seek and receive the full benefits of some Federal grant programs is that they cannot afford to put up the required 'match' for these programs in every instance.

"Congress recognized that a major purpose of the Model Cities experiment (i.e., more effective use of Federal grant programs by cities) was likely to be defeated unless the participating cities were able to obtain grants from other programs such as LEAA. *Accordingly, both to encourage and assist the cities in this respect, Section 105(d) of the statute expressly provides that Model Cities supplemental funds can be used to supply the required 'match' for other Federal grant-in-aid programs.*

* * * * *

"Each of the 147 Model Cities receives an annual block grant from HUD. This money is not earmarked by HUD for any particular projects or program areas. It is granted to the cities to assist them in carrying out their own locally devised comprehensive city demonstration programs. These programs consist of numerous projects in any number of program areas, including criminal justice.

* * * * *

"* * * Out of its block grant from HUD, each city determines for itself how the funds shall be allocated. The governing body of the city (i.e., City Council) must take formal action to approve the city's comprehensive program and, where appropriate, any applications for assistance under the program. Thus, in the case where the comprehensive program includes criminal justice projects to be funded with LEAA funds and the 'match' is to consist in whole or in part of Model Cities funds, these Model Cities funds are appropriated by the City Council for that purpose. This action by the local governing body is a requirement of Section 103(a)(4) of our statute." (Emphasis supplied.)

Under the foregoing circumstances the express language of section 105(d) of the Model Cities Act, that Model Cities funds "may be used and credited as part or all of the required non-Federal contribution to projects or activities, assisted under a Federal grant-in-aid program," is, we conclude, dispositive of your question. Accordingly, Model Cities funds allotted by the grantees thereof to LEAA grant projects may be considered "money appropriated" for the purposes of the "hard-match" requirement of section 301(c), as amended.

Your third question is whether, when State and local units of government receive LEAA funds, and in turn subgrant them to non-governmental units for law enforcement projects, cash contributed by the non-governmental units may be counted as "hard-match" for these projects.

You explain that action grants to the States under part C of title I of the 1968 act, as amended:

"* * * must be spent for programs listed in Section 301(b). Generally, most of the funds spent in this manner go to local governmental units. [Section 303(2).] Of the portion which need not be granted to local units, an option exists for the State to make grants to private organizations. For programs related to Section 301(b)(9), and to some extent (3), there are non-profit non-governmental units providing important public services to the community (i.e., YMCA's, church groups, charitable foundations, and others). Section 301(b)(9) reads as follows:

" '(9) The development and operation of community based delinquent prevention and correctional programs, emphasizing halfway houses and other community based rehabilitation centers for initial preconviction or postconviction referral of offenders; expanded probationary programs, including paraprofessional and volunteer participation; and community service centers for the guidance and supervision of potential repeat youthful offenders.'

"In this area, LEAA funds are subgranted, by the State, to the non-governmental units, for improving and expanding the services that they offer. These non-profit groups have some cash available for the projects that they are involved in. The Congressional reports explained 301(b)(9) as follows, Senate Report 91–1253, page 30: "The Committee has added a new subparagraph (9) to Section 301(b) authorizing the use of Part C funds for the development of community-based delinquency prevention and correctional programs as an alternative to institutional confinement. The funding of such programs under the present law is permissible, but it is hoped that express authority will provide an incentive for the States and cities to develop and fund such programs. Nothing more was said of the provision."

Grants under section 301(b)(9) of the 1968 act, as amended, 42 U.S.C. 3731(b)(9), are governed by the "hard-match" requirement incorporated in section 301(c), 41 U.S.C. 3731(c). As indicated above, that requirement was enacted concurrently with, in words identical to, and for the same purposes as, the "hard-match" requirement of section 306 of the Act, 41 U.S.C. 3736, and is therefore to be interperted in the same way as section 306. Our explanation above of the meaning of the "hard-match" requirement of section 306 with respect to discretionary grants is consequently dispositive of the question now raised concerning the meaning of the "hard-match" requirement of section 301(c) with respect to block grants. That is to say, the "hard-match" requirement of section 301 is met when at least 40 percent of the cost of the non-Federal share thereof is in money, whether from private or public sources.

In reaching this conclusion, we find it particularly persuasive that, as you point out, if the "hard-match" requirement were interpreted so narrowlythat only governmentally-appropriated funds could satisfy it, the requirement could be met by private donors donating funds to a governmental unit which could then appropriate those same funds for the project. We do not believe that Congress intended that the "hard-match" requirement be met by such a cumbersonme procedure and our holding herein avoids the need to resort to such procedure.

Finally, you ask whether funds appropriated by the Congress for expenses necessary for the administration of the Territory of American Samoa can be used by that territory to meet the "hard-match" requirements of the 1970 act.

You explain that:

"The Administration is authorized to fund Law Enforcement projects in territories by the definition of States in Section 601(c). We are currently funding projects in Puerto Rico, Guam, Virgin Islands and American Samoa. Because of the unique character of funding structures the problem of using Federal territorial funds as Hard Match has presented a problem only in American Samoa.

"The statutory authority governing American Samoa is 48 USC 1661. Subject to this authority, the Secretary of Interior is responsible for the Administration of the territory. The current appropriation for the territory is found in P.L. 92-369, 1872 U.S. Code, Cong. and Admin. News, p. 3303. This law appropriates funds 'For expenses necessary for the Administration of territories . . . including expenses of the office of the Governor of American Samoa . . . compensation and expenses of the judiciary in American Samoa as authorized by law (48 USC 1661(c)); and grants to American Samoa, in addition to local revenues for support of local governmental functions . . .' The Secretary of Interior promulgated regulations which describe the operation of the territory. These regulations are found in Department of Interior Manual 575 DM 1-3, dated October 8, 1971.

"This manual describes the territorial procedure as follows. 575 DM 1-3.3A: 'The legislature has appropriation authority with respect to local revenues and authority to review and make recommendations with respect to the budget submitted to the United States Congress for grant funds.'"

"As indicated above, funds appropriated to the Department of the Interior to be granted by that Department to American Samoa are to be used by the government of American Samoa for support of local governmental functions as a supplement to local revenues. Under the circumstances these grants may be considered unconditional grants and when paid over to American Samoa and commingled with local revenues lose their character as Federal funds. See B-131569, June 11, 1957, and B-173589, September 30, 1971. Such funds may therefore be used by the territorial government to provide "hard-match" for LEAA grants, since improvement of law enforcement is unquestionably a "local government function."

Sincerely yours,
ELMER B. STAATS,
Comptroller General of the United States.

Mr. HRUSKA. Mr. President, on June 25, 1973, the Senate overwhelmingly passed the Crime Control Act of 1973, H.R. 8152. The primary purpose of the bill was to authorize continued appropriations for the Law Enforcement Assistance Administration. The bill also made a number of amendments to the Omnibus Crime Control and Safe Streets Act.

The Senate bill did not differ dramatically from the bill passed by the House. By and large, the basic structure and authority of the LEAA was retained. We attempted to streamline the agency's block grant funding mechanism and to emphasize LEAA's responsibility for administering the programs and assisting the States in comprehensive planning.

While the Senate amendment contained approximately 35 points of difference with the House bill, the results of the conference cannot reflect the significant agreements in both Houses on approximately 25 other changes which appeared in both the House and Senate bills. The report submitted along with this bill reflects a compromise on a number of issues.

For the most part, I believe this compromise to be better than either the House bill or the Senate amendment. Some unworkable provisions have been made workable; some provisions have been changed to reflect the most feasible alternative.

It is significant that the efforts of the conference were of a bipartisan nature. During the 3 days of conference this fact was repeated time and again. The goal of the conferees was an obvious commitment to devise the most effective legislation for LEAA.

I believe that the beliefs and points of view by all those who testified and all those who offered amendments to these bills were fully addressed and that the result is a bill which will enable LEAA to continue its invaluable service.

I would like to fully endorse and concur with the major features of the conference which the Senator from Arkansas (Mr. McCLELLAN) has brought to the attention of the Senate. Additionally, I would like to add several other items which merit notice.

With respect to the compromise reached by the conferees in the area of juvenile justice, there was no intention to denigrate the activities of the Interdepartmental Council To Coordinate All Federal Juvenile Delinquency Programs or the individual activities of Federal agencies in the juvenile delinquency area. It was recognized that the Federal effort to reduce juvenile delinquency grew from a handful of Federal programs in 1961 to an effort involving 16 Federal agencies with 197 programs and annual grew from a handful of Federal programs in 1961 to an effort involving 16 Federal expenditures of approximately $13 billion by 1971.

With respect to the training programs for police, the conferees recognized that as to those programs outside the bailiwick of the FBI, the administration necessarily shared the national institute's training role as a parent organization and in keeping with sound management concepts.

With respect to the liberalized hard-match features, I would like to observe that in applying these requirements to situations involving transferred personnel, it would be wise for LEAA to require equivalent State-appropriated dollars to cover salaries for the required hard match. The burden of matching has been so lightened, that it would be inappropriate to do otherwise.

Another amendment in this bill will provide the Administrator of LEAA with full authority to donate, through the General Services Administration, surplus property to State agencies for use in the criminal justice system. There may be some technical questions about this provision, but in my judgment, it is adequate to authorize such donations.

There are large inventories of helicopters, light aircraft, rescue and patrol boats, rough terrain and special purpose vehicles, and special communications equipment which are available to improve and extend the capabilities of police agencies. This is all surplus Federal property.

Scientific and laboratory equipment is also available for use in drug abuse and forensic crime laboratories. Significant quantities of machine-shop tools and skilled occupational machinery, as well as training equipment, is available for use in rehabilitation facilities and programs. Correctional facilities have a need for all types of surplus Federal property. This is especially true today with the great unrest in State prisons.

Notwithstanding any other provisions of law and extensive administrative regulations in this area, the surplus property amendment, as presently drafted, gives such full authority to the Administrator of LEAA.

Finally, I wish to assure Senators that with respect to the new technical assistance provisions, the conferees recognized the international scope of many law enforcement and criminal justice problems. Thus, we intended to give LEAA authority to provide technical assistance abroad in traditional police areas of international concern such as narcotics interdiction, skyjacking, and terrorism. However, these specific references are only intended to be illustrative and it would, therefore, be entirely appropriate for technical assistance to be provided in other criminal justice areas, including corrections, where there were particular benefits in terms of expertise that could only be derived abroad.

Mr. President, on March 14 of this year, I introduced S. 1234, a bill to provide for special law enforcement revenue sharing, at the request of the administration. Although that bill did not finally emerge as the vehicle for the extension of LEAA's authority, there are so many conceptual similarities between it and H.R. 8152 that I view the bill at hand as a prototype of special revenue sharing in substance, in the area of law enforcement. Thus, by approving the instant legislation we will confirm the belief that crime is essentially a local problem, to be solved by local controls and initiatives. This has long been a goal of President Nixon which is shared by this Senator and many of my colleagues.

The changes we now propose for LEAA will do much to strengthen and improve what is now a very effective anticrime effort. They deserve the support of the Senate.

Mr. ERVIN. Mr. President, I am pleased that the House-Senate conference committee on H.R. 8152, the LEAA authorization bill has retained the Kennedy-McClellan arrest records amendment. That amendment represents an important first step by the Congress to place interim restrictions upon the operations of criminal justice information systems funded by LEAA.

The purpose of this amendment is to direct LEAA and the criminal justice information systems which it funds to adopt privacy and security guidelines. Senator KENNEDY says that it is the objective of his amendment that LEAA consider requiring the systems to adopt the safeguards set out in technical report No. 2 of Project Search and the model administrative regulations also prepared by Search. Other excellent privacy and security guidelines which LEAA should look to in preparing these regulations include LEAA's own comprehensive data systems program guidelines, the recommendations of the Information Systems and Statistics Task Force of the National Advisory Commission on Criminal Justice Standards and Goals and the model rules for release of arrest and conviction records prepared by Gerald Caplan, formerly general counsel for the Distict of Columbia Police Department.

In a statement on June 29, immediately after the Senate enacted the amendment, I pointed out that the amendment should be strictly construed and vigorously enforced. The amendment speaks in terms of local systems complying with restrictions on use of criminal records "to the maximum extent feasible." However, the legislative history makes it abundantly clear that the LEAA must force the local information systems to adopt privacy and confidentiality guidelines immediately or as soon as humanly possible, and that bureaucratic complications and cost should not be accepted as excuses for noncompliance.

Furthermore, the amendment as adopted by the Senate and ratified by the conference committee allows criminal justice information to be disseminated for law enforcement and "other lawful purposes." The inclusion of this language would appear to allow the continued dissemination of arrest records for civil service and other employment screening. Of course, this is exactly the kind of use of criminal justice records, in particular arrests records not followed by conviction, which should be halted as soon as possible. The Attorney General should take these abuses into consideration in promulgating privacy and security guidelines. LEAA and the Department could and, under the Kennedy-McClellan amendment should condition any Federal funds it provides on the requirement that the systems avoid most noncriminal justice use of records. It is incumbent upon the Justice Department to conduct a complete review of all State statutes which permit noncriminal justice use of criminal justice records and include restrictions and safeguards in the rules it promulgates pursuant to this amendment.

Finally, it is clear from the legislative history of this provision that Senators Kennedy, McClellan, and Hruska believe that the Kennedy-McClellan amendment is only an interim stop-gap measure and not a final comprehensive solution to this problem. As Senator Hruska stated at the time that amendment was adopted by the Senate:

> The language in this amendment is not dispositive of the entire problem but additional legislation will be forthcoming soon on that subject, and it will supplement and complement this measure.

The Subcommittee on Constitutional Rights on which Senators Hruska, McClellan, and Kennedy sit and which I chair, shares jurisdiction over this matter with the Subcommittee on Criminal Laws and Procedures. I have instructed my staff to prepare comprehensive legislation on this question and I understand that the administration is doing the same. Therefore, I hope we will have a bill introduced within the next few weeks. The Subcommittee on Constitutional Rights will hold hearings in the near future on that legislation and on the progress of LEAA in enforcing the Kennedy-McClellan amendment.

Mr. McCLELLAN. Mr. President, I move the adoption of the report.

The PRESIDING OFFICER (Mr. Scott of Virginia). The question is on agreeing to the conference report.

The report was agreed to.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. McCLELLAN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. McCLELLAN. Mr. President, I move to reconsider the vote by which the conference report was agreed to.

Mr. MANSFIELD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. McCLELLAN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. BEALL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

FULL OPPORTUNITY AND NATIONAL GOALS AND PRIORITIES ACT

The Senate resumed the consideration of the bill (S. 5) to promote the general welfare.

Mr. BEALL. Mr. President, I rise to speak in opposition to S. 5.

Mr. President, while I agree that we in the Congress and, indeed, the country must do a better job in determining priorities and evaluating social programs, I do not believe that the Senate should enact S. 5.

While I might support this measure at the appropriate time, and after consideration has been given to various other alternatives, I believe that the Senate would be making a serious mistake in passing S. 5 today. It is the wrong bill and it comes at the wrong time. We in the Congress are not going to effectively evaluate programs and determine Federal priorities until we force ourselves to exercise the needed discipline to live within a budget that is appropriate for the economic conditions at that time. It is easy to be for everything if we do not disclose the cost or do not have to make what Secretary Richardson has referred to as cruel choices.

Our failure in this regard has helped to create some of the problems that we as a nation confront today, such as—

Inflation, initially caused by a Government that attempted to have both guns and butter.

Program perpetuation, caused by the fact that once a program is enacted, we never seem to be able to discard it no matter what circumstances have changed or what new priorities have surfaced. Promising more than we can deliver has added to public disillusionment with Government.

Now both the Joint Committee on Budget and the Government Operations Subcommittee on Budget, Management, and Expenditures have been considering budget control and oversight legislation. The former committee has issued a report containing its recommendations to improve the operations of the Congress and the Government Operations Subcommittee on July 25 reported the Federal Act to Control Expenditures and Establish National Priorities to the full committee. Included within the recommendations of the subcommittee is for the establishment of a Congressional Office of Budget, equivalent in status to the General Accounting Office. How would this mesh with the Office of Goals and Priorities established within the Congress under title 2 of S. 5?

The other major provision of S. 5 would establish a Council of Social Advisers in the Executive Office of the President and require annual social report by the President to the Congress. I personally am not convinced that we need to beef-up the Executive Office of the President. It seems to me with the Domestic Council, which functions to assist the President in the coordination and overview of domestic policies, and the Office of Government and Budget, which already exercises considerable influence or appear to be adequate for the executive branch.

In my judgment it is the ability of the Congress in this regard that needs to be strengthened. I, therefore, strongly urge this bill be defeated or preferably deferred until we consider the total problem and establish a procedure for improving the budgetary process.

While I am very sympathetic to proposals to upgrade and improve the ability of Congress to evaluate the program and determine Federal priorities, realistically I do not believe that we will do so unless we put in place the machinery and mechanisms that will force us to live within our means and make the difficult choices.

Action on a piecemeal basis, such as S. 5, may serve to slow the momentum in the Congress for real reform in both improving our budgetary process and our ability to evaluate programs to determine national priorities.

For all of these reasons, I hope that S. 5 will be defeated this time or delayed.

QUORUM CALL

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President,

I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECOGNITION OF SENATORS AND FOR A PERIOD FOR THE TRANSACTION OF ROUTINE MORNING BUSINESS TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on tomorrow, after the two leaders or their designees have been recognized under the standing order, the distinguished junior Senator from North Carolina (Mr. Helms) and the Senator from Virginia (Mr. Harry F. Byrd, Jr.), each be recognized for not to exceed 15 minutes, after which there be a period for the transaction of routine morning business, the hour not to extend beyond 10:45 a.m., with statements limited therein to 3 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

QUORUM CALL

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum. It may be the last quorum call of the day.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. Scott of Virginia). Without objection, it is so ordered.

ORDER OF BUSINESS

Mr. ROBERT C. BYRD. Mr. President, what is the pending business before the Senate?

The PRESIDING OFICER. The pending business is S. 5, the proposed Full Opportunity and National Goals and Priorities Act.

SENATOR INOUYE

Mr. FONG. Mr. President, I rise to express my indignation at the ethnic slur cast yesterday against my distinguished colleague from Hawaii (Mr. Inouye), who is serving as a member of the Senate Select Committee on Presidential Campaign Activities.

There is only one way to characterize such a remark. It was shameful.

I would remind my fellow Americans and the people of the world that Senator Daniel K. Inouye is, and always has been, an American.

In the spirit of fairplay and good Americanism, I do hope an apology will be tendered to Senator Inouye.

Mr. TUNNEY. Mr. President, will the Senator yield?

Mr. FONG. I yield.

Mr. TUNNEY. I would like to associate myself with the remarks my distinguished friend and colleague just made. I was deeply shocked to read in the newspapers this morning that this racial slur had been made against Senator Inouye, who is one of the finest Americans that I have ever had the privilege of knowing, a man who has given so much for his country in war and peace, a man who is of constantly high character, and one who has demonstrated in the Senate that he not only is very effective as a legislator, but that he is a great friend.

I am shocked, as I have said, by the comment that was made, but perhaps even more troublesome is the fact that the perpetrator of those remarks has yet to apologize to our very dear friend and colleague.

Mr. FONG. Mr. President, I do hope that the individual who made this unfortunate remark will apologize to Senator Inouye. It was an uncalled-for slur. It should not happen in America. The record of Senator Inouye's life and career shows he is first and foremost a good American.

I wish to thank the distinguished Senator from California for his remarks.

ORDER FOR THE SENATE TO RETURN TO THE CONSIDERATION OF LEGISLATIVE BUSINESS TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its votes on the treaties tomorrow, it return to the consideration of legislative business.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR THE CONSIDERATION OF THE FULL OPPORTUNITY AND NATIONAL GOALS AND PRIORITIES ACT, TOMORROW, S. 5

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate returns to the consideration of legislative business following the votes on the treaties tomorrow, the Chair lay before the Senate the unfinished business, S. 5.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. ROBERT C. BYRD. Mr. President, the Senate will convene tomorrow at the hour of 10 a.m. Following the recognition of the two leaders or their designees, the distinguished junior Senator from North Carolina (Mr. Helms) will be recognized for not to exceed 15 minutes to be followed by the senior Senator from Virginia (Mr. Harry F. Byrd, Jr.) after which there will be a period for the transaction of routine morning business, with the usual 3-minute limitation on statements therein, the period not to extend beyond the hour of 10:45 a.m.

At 10:45 a.m. the Senate will go into executive session to consider Executive Calendar Orders Nos. 8, 9, 10, and 11 on the Executive Calendar. Under the order previously entered, there will immediately be one rollcall vote, which will count for four, in actuality. Following this vote, the Senate will return to the consideration, in legislative session, of S. 5.

Aside from what I have just stated, the leadership would want to express the hope that Senators will remain available throughout the day tomorrow, or at least until such time as the leadership feels that no critical votes will occur. The reason I say this is that rollcall votes can occur unexpectedly on calendar matters cleared for action, and, more particularly, rollcall votes could occur on conference reports and other messages coming from the House.

We have no control over the timing of the receipt in the Senate of House messages, such timing necessarily depending on the actions of the other body. Inasmuch as the Senate faces a recess of slightly over a month, the leadership appreciates the understanding of all Senators in connection with the usual possible exigencies that may arise on the last day preceding a recess.

Moreover, looking down the road, and in order that Senators will be alerted in ample time to make plans accordingly, I would be willing to bet my shirt, at least, that there will be rollcall votes on September 5, the first day the Senate is expected to convene following the August recess. And my reference to votes is no idle suggestion; it is a commitment.

ADJOURNMENT TO 10 A.M.

Mr. ROBERT C. BYRD. Mr. President, if there be no further business to come before the Senate, I move in accordance with the previous order that the Senate stand in adjournment until the hour of 10 a.m. tomorrow.

The motion was agreed to; and at 4:44 p.m., the Senate adjourned until tomorrow, August 3, 1973, at 10 a.m.

NOMINATIONS

Executive nominations received by the Senate August 2, 1973:

Department of State

Ellsworth Bunker, of Vermont, to be Ambassador at Large.

Carol C. Laise, of Vermont, a Foreign Service Officer of the class of career minister, to be an Assistant Secretary of State.

Department of Justice

Thomas P. McNamara, of North Carolina, to be U.S. attorney for the eastern district of North Carolina for the term of 4 years, vice Warren H. Coolidge, resigned.

Department of Health, Education, and Welfare

James B. Cardwell, of Maryland, to be Commissioner of Social Security of the Department of Health, Education, and Welfare, vice Robert M. Ball, resigned.

CONFIRMATIONS

Executive nominations confirmed by the Senate August 2, 1973:

U.S. Postal Service

John Y. Ing, of Hawaii, to be a Governor of the U.S. Postal Service for the term expiring December 8, 1981.

Atomic Energy Commission

William A. Anders, of Virginia, to be a member of the Atomic Energy Commission for a term of 5 years expiring June 30, 1978.

Department of State

Thomas R. Byrne, of Pennsylvania, a Foreign Service officer of class 1, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Norway.

Diplomatic and Foreign Service

John R. Stevenson, of New York, Special Representative of the President for the Law of the Sea Conference and Chief of Delegation, for the rank of Ambassador.

(The above nominations were approved subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

U.S. Air Force

Brig. Gen. Harold R. Vague, [redacted] FR, for promotion to the grade of major general and for appointment as the Judge Advocate General, U.S. Air Force, under the provisions of chapter 839 and section 8072, title 10, of the United States Code.

U.S. Army

1. The following-named person for reappointment to the active list of the Regular Army and Army of the United States with grades as indicated, from the temporary disability retired list, for a period of 1 day, under the provisions of title 10, United States Code, sections 1211 and 3447:

To be major general, Regular Army, and lieutenant general, Army of the United States

Lawrence J. Lincoln, [redacted].

2. The following-named officer to be placed on the retired list in grade indicated under the provisions of title 10, United States Code, section 3962:

To be lieutenant general

Lt. Gen. Lawrence J. Lincoln, [redacted], Army of the United States (major general, U.S. Army).

The following-named officer under the provisions of title 10, United States Code, section 3066, to be assigned to a position of importance and responsibility designated by the President under subsection (a) of section 3066, in grade as follows:

To be lieutenant general

Maj. Gen. William Edward Potts, [redacted], U.S. Army.

U.S. Navy

Vice Adm. C. Edwin Bell, U.S. Navy, for appointment to the grade of vice admiral, when retired, pursuant to the provisions of title 10, United States Code, section 5233.

Comdr. Grace Murray Hopper, U.S. Naval Reserve (retired), for permanent promotion to the grade of captain on the retired list of the U.S. Naval Reserve, in accordance with article II, section 2, clause 2, of the Constitution.

In the Air Force and Marine Corps

Air Force nominations beginning Robert Z. Bothe, to be colonel, and ending Howard W. Vanscoy, Jr., to be lieutenant colonel, which nominations were received by the Senate and appeared in the Congressional Record on July 24, 1973.

Marine Corps nominations beginning Harold J. Alwan, to be lieutenant colonel, and ending George P. Wuerch, to be lieutenant colonel, which nominations were received by the Senate and appeared in the Congressional Record on July 24, 1973.

HOUSE OF REPRESENTATIVES—*Thursday, August 2, 1973*

The House met at 11 o'clock a.m.

The Chaplain, Rev. Edward G. Latch, D.D., offered the following prayer:

Let us hear the conclusion of the whole matter: fear God and keep his commandments for this is the whole duty of man.—Ecclesiastes 12: 13.

Almighty God and Father of us all, whose ways are truth and love, at this altar of prayer established by our fathers, we kneel in spirit praying that Thy strength may undergird us in our labors on behalf of our beloved country.

During these disturbing days deepen in us a sense of personal responsibility together with a realization that Thy call to each one of us is not so much to contribute to the world's goods as to contribute to the world's good and the best contributions we can make in an honest, clean, trustworthy life filled with goodwill.

Guide us with Thy spirit that we may be faithful stewards of our national life. May our decisions bridge the gulfs between people and unify us in our desire for life, liberty, and the pursuit of happiness for all.

We pray in the spirit of Christ, our Lord. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Without objection, the Journal stands approved.

There was no objection.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Arrington, one of its clerks, announced that the Senate agrees to the amendment of the House to a bill of the Senate of the following title:

S. 2120. An act to amend the Federal Railroad Safety Act of 1970 and other related acts to authorize additional appropriations, and for other purposes.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 502) entitled "An act to authorize appropriations for the construction of certain highways in accordance with title 23 of the United States Code, and for other purposes."

The message also announced that the Senate had passed a bill and a joint resolution of the following titles, in which the concurrence of the House is requested:

S. 372. An act to amend the Communications Act of 1934 to relieve broadcasters of the equal time requirement of section 315 with respect to candidates for Federal office, to repeal the Campaign Communications Reform Act, to amend the Federal Election Campaign Act of 1971, and for other purposes, and

S.J. Res. 144. Joint resolution to provide for a temporary extension of the authority of the Secretary of Housing and Urban Development with respect to the insurance of loans and mortgages, and for other purposes.

INSULT TO A JAPANESE-AMERICAN HERO

(Mr. KOCH asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. KOCH. Mr. Speaker, I was shocked to see John J. Wilson, attorney for H. R. Haldeman, state that while he did not oppose the questioning of his client by Senator LOWELL WEICKER, he was upset by the questions of Senator DANIEL INOUYE and went on to state "what I mind is that little Jap." When reporters indicated their surprise at what could only be described as a racist statement, he went on to say:

> That's just the way I speak. I consider it a description of the man—I wouldn't mind being called a little American.

John J. Wilson's action has made many Americans, myself included, ashamed. It is particularly distressing that this remark was made while our country was being visited by Japan's distinguished Prime Minister Kakuei Tanaka. Senator DANIEL INOUYE, the U.S. Senator from Hawaii of Japanese-American extraction, served our country in World War II; indeed, he lost his arm in its defense. I do not propose to debate the subject of who is or who is not an American. The Constitution disposed of that issue a long time ago. But I can tell you what I think being a great American requires. It takes more than a particular skin color or ethnic background—it takes an inner decency and courage, exhibited by Senator DANIEL INOUYE and seemingly lacking in John J. Wilson.

MAJORITY LEADER THOMAS P. O'NEILL, JR., BLAMES ADMINISTRATION FOR BEEF SHORTAGE

(Mr. O'NEILL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. O'NEILL. Mr. Speaker, we ought to put the blame for the beef shortage right where it belongs—at the door of President Nixon and this Republican administration.

The people of this Nation want beef and there has been virtually none this past week. I have been informed by one company that only two carloads of beef have gone into Boston these past few days. Usually, the city gets 40 carloads a week.

Supermarket shelves everywhere are empty. Meatcutters everywhere are being laid off or are taking off for lack of work. If this keeps up, this thing is going to develop into a serious labor problem as well as a major consumer matter.

Mr. Speaker, this is the fruit of the policy of scarcity practiced by President Nixon and his Secretary of Agriculture.

The Congress extended the economic stabilization legislation last April. We have already given him all the authority he needs to deal with this beef shortage. He is responsible for this shortage, and it is equally his responsibility to get us out of it.

Mr. Speaker, the people and the Congress want action.

TEMPORARY EXTENSION OF FHA INSURING AUTHORITY

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the Senate joint resolution (S.J. Res. 144) to provide for a temporary extension of the authority of the Secretary of Housing and Urban Development with respect to the insurance of loans and mortgages, and for other purposes, and ask for its immediate consideration.

The Clerk read the title of the Senate joint resolution.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

The Clerk read the Senate joint resolution as follows:

S.J. Res. 144

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled,

EXTENSION OF FHA INSURANCE PROGRAMS

SECTION 1. (a) Section 2(a) of the National Housing Act is amended by striking out "June 30, 1973" in the first sentence and inserting in lieu thereof "October 1, 1973".

(b) Section 217 of such Act is amended by striking out "June 30, 1973" and inserting in lieu thereof "October 1, 1973".

(c) Section 221(f) of such Act is amended by striking out "June 30, 1973" in the fifth sentence and inserting in lieu thereof "October 1, 1973".

(d) Section 235(m) of such Act is amended by striking out "June 30, 1973" and inserting in lieu thereof "October 1, 1973".

(e) Section 236(n) of such Act is amended by striking out "June 30, 1973" and inserting in lieu thereof "October 1, 1973".

(f) Section 809(f) of such Act is amended by striking out "June 30, 1973" in the second sentence and inserting in lieu thereof "October 1, 1973".

(g) Section 810(k) of such Act is amended by striking out "June 30, 1973" in the second sentence and inserting in lieu thereof "October 1, 1973".

(h) Section 1002(a) of such Act is amended by striking out "June 30, 1973" in the second sentence and inserting in lieu thereof "October 1, 1973".

(i) Section 1101(a) of such Act is amended by striking out "June 30, 1973" in the second sentence and inserting in lieu thereof "October 1, 1973".

FLEXIBLE INTEREST RATE AUTHORITY

SEC. 2. Section 3(a) of the Act entitled "An Act to amend chapter 37 of title 38 of the United States Code with respect to the veterans' home loan program, to amend the National Housing Act with respect to interest rates on insured mortgages, and for other purposes," is amended by striking out "June 30, 1973" and inserting in lieu thereof "October 1, 1973".

TEMPORARY WAIVER OF CERTAIN LIMITATIONS APPLICABLE TO GNMA

SEC. 3. Section 3 of the joint resolution entitled "Joint resolution to extend the authority of the Secretary of Housing and Urban Development with respect to interest rates on insured mortgages, to extend and modify certain provisions of the National Flood Insurance Act of 1968, and for other purposes," approved December 22, 1971, as amended, is amended by striking out "June 30, 1973" and inserting in lieu thereof "October 1, 1973".

REHABILITATION LOAN AUTHORIZATION

SEC. 4. Section 312(h) of Housing Act of 1964 is amended by striking out "June 30, 1973" and inserting in lieu thereof "October 1, 1973".

Mr. PATMAN. Mr. Speaker, this resolution will simply provide for a short-term extension of the FHA insuring authorities and the authority of the Secretary of Housing and Urban Development to set the maximum FHA interest rate until October 1, 1973. It is my understanding that this resolution has the support of the distinguished ranking minority member of the committee, Mr. WIDNALL, and the support of the administration.

This resolution is needed so that FHA may begin to insure mortgages again since the authority to do so expired July 1 of this year. This resolution would also extend the authority of the HUD Secretary to set the maximum FHA interest rate and would also provide for the temporary waiver of certain mortgage limitations applicable to the Government National Mortgage Association. And finally, extends the authorization for the rehabilitation loan program to October 1, 1973.

Mr. Speaker, I urge the House adopt this resolution.

The Senate joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EXTENDING AUTHORITY OF FEDERAL RESERVE BANKS TO PURCHASE U.S. OBLIGATIONS DIRECTLY FROM THE TREASURY

Mr. PATMAN. Mr. Speaker, I ask unanimous consent for the immediate consideration of the Senate bill (S. 1410) to amend section 14(b) of the Federal Reserve Act, as amended, to extend for 1 year the authority of Federal Reserve banks to purchase U.S. obligations directly from the Treasury.

The Clerk read the title of the Senate bill.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

The Clerk read the Senate bill, as follows:

S. 1410

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 14(b) of the Federal Reserve Act, as amended (12 U.S.C. 355), is amended by striking out "July 1, 1973" and inserting in lieu thereof "July 1, 1974" and by striking out "June 30, 1973" and inserting in lieu thereof "June 30, 1974".

Mr. PATMAN. Mr. Speaker, S. 1410 is an emergency matter, as I have been informed by the Treasury. This bill, as amended, is fully supported by your House Committee on Banking and Currency and, as I have noted, by the administration. Mr. Speaker, this legislation, if enacted, will allow the Federal Reserve to purchase U.S. obligations directly from the Treasury. The legislation would allow this to be done, in effect, for the next 3 months, that is, through October 31, 1973.

This legislation has been extended a number of times since it was first enacted in 1942. The authority has been used in recent years only in periods just prior to tax payment dates. In effect, its existence permits the department to operate with considerably lower cash balances than would otherwise be required. Further, the availability of the direct purchase authority is also important as a standby means of providing a ready source of funds in the event of the disruption of private markets due to a serious national catastrophic occurrence of this magnitude.

AMENDMENTS OFFERED BY MR. PATMAN

Mr. Speaker, I offer amendments.

The Clerk read as follows:

Amendments offered by Mr. PATMAN: On line 5, strike "July 1, 1974" and insert "November 1, 1973"; and on lines 6 and 7, strike "June 30, 1974" and insert "October 31, 1973".

The amendments were agreed to.

The Senate bill was ordered to be read a third time, was read the third time, and passed.

The title was amended so as to read: "To Amend Section 14(b) of the Federal Reserve Act, as amended, to extend for three months the authority of Federal Reserve Banks to purchase United States obligations directly from the Treasury."

A motion to reconsider was laid on the table.

RACIAL SLURS CANNOT BE CONDONED

(Mr. ANDERSON of California asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ANDERSON of California. Mr. Speaker, I rise to apologize to all Asian-Americans on behalf of those of us who resent the arrogance and ignorance of John Wilson, the attorney for H. R. Haldeman and John Ehrlichman, who believes that he is an "American," and that the distinguished Senator from Hawaii, a decorated hero of World War II, is a "little Jap."

This derogatory racial slur cannot be overlooked as simply the mumbling of an ill-educated and ill-informed individual. This alleged "educated" man is an attorney, a legal adviser to those closest to the President of the United States, and, I suppose, a respected member of the community.

His words and thoughts, unfortunately, are those of a significant segment of our society and, I believe, point up the very real need for the enactment of the Asian-American Affairs Act, H.R. 261, which Congressman MATSUNAGA and I have introduced and which is presently pending in the House Committee on Government Operations.

This proposal is designed to end the prejudice and discrimination against Americans of Asian decent by establishing a Cabinet committee charged with the responsibility of investigating their problems and recommending measures which would solve those problems.

Wilson evidently believes that because I am white, I, too, am an "American," but that those who are black, brown, and red are not. If that is the case, I am ashamed to be classified with him, and I apologize to those who happen to be minorities for being in any way associated with this bigoted, ignorant individual.

BLAME FOR MEAT SHORTAGES

(Mr. LATTA asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. LATTA. Mr. Speaker, I take this 1 minute to chide my good friend, the gentleman from Massachusetts, for his very partisan statement which he just made on the floor of the House blaming the administration and the Republican Party for the beef shortage.

If the gentleman will just go back into some of the statements he has made prior to today on this House floor, he will find that he has been one of the chief spokesmen of his party for price controls, freezes, that is, and if we would have taken his party's advice and his advice in particular, we would not only have a shortage of beef but we would have a shortage of everything else.

Mr. Speaker, I will be pleased to yield to the gentleman if he would like to contradict this statement.

CONFERENCE REPORT ON LEAA AMENDMENTS

(Mr. LONG of Maryland asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. LONG of Maryland. Mr. Speaker, the recent disclosure of secret taping in the White House pointed out the need to secure the right to privacy for members of this free society. On Monday, I introduced a bill to plug a legal loophole—a loophole which unfortunately not even this Conference Report on the Crime Control Act succeeds in closing.

My bill, H.R. 9667, would require that all parties—repeat, all parties—to a conversation, telephonic or live, be informed before it is recorded. My bill is designed to stop the recently revealed White House practice of taping the conversations of Government officials, foreign diplomats, White House staff members—to say nothing of Members of Congress—secretly and without their knowledge.

Such bugging is not restricted to the White House. U.S. District Court Judge Gerhard Gesell recently pointed out that legally sanctioned snooping has become a common practice which has proliferated without judicial supervision. According to Judge Gesell:

> Informers, in return for government promises or hope of favors, are equipped with recording devices and sent into the homes and offices of their friends and confidants to try to trap their words on tape . . . Many individuals, without any knowledge of the government, secretly tape their own conversations with others for ulterior purposes and use casual remarks to extort or intimidate . . .

My bill will make the practice of bugging illegal not only in the White House, but anywhere. Violations would be punishable by fines ranging up to $10,000 and up to 5 years in jail, and by being subject to civil suits. The courts would, of course, retain the power to authorize wiretaps for investigations involving criminal activities or national security.

MR. DALE C. BAXTER OF SYRACUSE, N.Y.

(Mr. HANLEY asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. HANLEY. Mr. Speaker, I rise at this time to bring to the attention of my colleagues the professional accomplishments of one of my constituents, Mr. Dale C. Baxter of Syracuse, N.Y.

Mr. Baxter has served as executive director of the Syracuse Junior Achievement since its founding in 1966. Under his direction the program has grown from unknown experiment in economic education to a program of 30 miniature companies, 1,000 annual participants, and solidly established in the community.

Many cities have JA programs and Syracuse's is far from being the largest, but what denotes ours is the love and respect that hundreds of former high school students in the central New York area had for Dale Baxter. The students named him the recipient of the first Kenneth R. Leach Award, recognizing his contribution to their own futures. The annual closing banquet for the program year finds him the recipient of numerous gifts and awards.

Dale Baxter is leaving Syracuse for a new job with Junior Achievement in Denver, Colo. While his many friends and "achievers" will miss him, they all echo my feelings that he finds success and happiness in his new job. While it would be unfair for me to say that Denver is getting the best JA director in the country, I can say that they could not have gotten a better one.

NATIONAL NEXT DOOR NEIGHBOR DAY

Mr. EDWARDS of California. Mr. Speaker, I ask unanimous consent that the Committee on the Judiciary be discharged from further consideration of the Senate joint resolution (S.J. Res. 25) to authorize and request the President to issue a proclamation designating the fourth Sunday in September of each year as "National Next Door Neighbor Day," and ask for its immediate consideration.

The Clerk read the title of the Senate joint resolution.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

The Clerk read the Senate joint resolution as follows:

S.J. Res. 25

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the President is authorized and requested to issue a proclamation designating the fourth Sunday of September of each year as "National Next Door Neighbor Day" and calling upon the people of the United States and interested groups and organizations to observe such day with appropriate ceremonies and activities.

AMENDMENT OFFERED BY MR. EDWARDS OF CALIFORNIA

Mr. EDWARDS of California. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Edwards of California: On page 1, line 5, strike out the words "of each year" and insert in lieu thereof ", 1973.".

The amendment was agreed to.

Mr. MELCHER. Mr. Speaker, I am happy to have the opportunity to support Senate Joint Resolution 25, the national next door neighbor day bill which originated with Mrs. Becky Mattson of Lakeside, Mont.

The idea for this annual day to be observed the fourth Sunday of each September was spearheaded by Mrs. Mattson. Her concern, and that all of us, is the national loss of our sense of community. Many factors have contributed to this loss, including urbanization, high mobility, and others.

In A Nation of Strangers, noted author Vance Packard says that:

> The people of America have no more urgent problem today than to combat the uprootedness and unconnectedness which are producing so much social fragmentation. Most can start in their own towns and urban neighborhoods . . . Technological progress is no bargain if we lose the natural human community in the process.

We must respond to that urgent need and Senate Joint Resolution 25 will help to start us on the right road. Hopefully, that road will lead us to renewed caring for our next door neighbors, for our neighbors down the block, for one generation to the other, and from this Nation to all other nations. By giving people an opportunity to express appreciation for their fellow man, a commemorative day such as this may take the bitter edge of loneliness off and may sustain those whose lives are otherwise lacking in personal contact and human warmth.

As Mrs. Mattson says:

> This day will not be a cure-all for the social ills and fragmentation in today's world but it will be one short easy step for families to make together and a basic way to begin a new age of caring.

I urge unanimous passage of Senate Joint Resolution 25 so that we may start a new time of caring on September 23, 1973.

The Senate joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed.

The title was amended so as to read: "To authorize and request the President to issue a proclamation designating the fourth Sunday in September 1973, as 'National Next Door Neighbor Day'."

A motion to reconsider was laid on the table.

WOMEN'S EQUALITY DAY

Mr. EDWARDS of California. Mr. Speaker, I ask unanimous consent that the Committee on the Judiciary be discharged from further consideration of the joint resolution (H.J. Res. 52) designating August 26 of each year as

"Women's Equality Day," and ask for its immediate consideration.

The Clerk read the title of the joint resolution.

The SPEAKER. Is there objection to the request of the gentleman from California?

Mr. WIGGINS. Mr. Speaker, reserving the right to object, it is my understanding that the gentleman from California will offer an amendment striking the "whereas" clauses in the pending resolution; is that true?

Mr. EDWARDS of California. The gentleman is correct.

Mr. WIGGINS. It is also my understanding, Mr. Speaker, that this resolution commemorates the anniversary of the ratification of the 19th amendment guaranteeing women the right to vote.

It does not in any way constitute a congressional override of a constitutional amendment which is generally known as the equal rights amendment. Is that right?

Mr. EDWARDS of California. That is correct.

Mr. WIGGINS. Mr. Speaker I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from California?

Mr. GROSS. Mr. Speaker, further reserving the right to object, I would like to ask the gentleman from California who is sponsoring this resolution what the male of the species is supposed to do on this day of August 26.

Mr. EDWARDS of California. The President will issue an appropriate proclamation in the event the resolution is passed by both Houses, and I would hope that all males will join in the celebration as proclaimed by the President.

Mr. GROSS. Do you suppose we could have a holiday on that day so that we could cook the meals and do the laundry for our wives and otherwise demonstrate a proper observance of women's equality day?

Mr. EDWARDS of California. I would not anticipate that would happen, but I hope the gentleman's suggestion will receive serious consideration.

Mr. GROSS. Or let them take over here. They might do a better job.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

The Clerk read the joint resolution as follows:

H.J. RES. 52

Whereas the women of the United States have been treated as second-class citizens, and have not been entitled to the full rights and privileges, public or private, legal or institutional, which are available to male citizens of the United States; and

Whereas the women of the United States have united to assure that these rights and privileges are available to all citizens equally, regardless of sex; and

Whereas the women of the United States have designated August 26, the anniversary of the date of the ratification of the nineteenth amendment, as a symbol of the continued fight for equal rights; and

Whereas the women of the United States are to be commended and supported in their organization and actvities: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That August 26 of each year is designated as "Women's Equality Day", and the President is authorized and requested to issue a proclamation annually in commemoration of that day in 1920 on which the women of America were first guaranteed the right to vote.

AMENDMENTS OFFERED BY MR. EDWARDS OF CALIFORNIA

Mr. EDWARDS of California. Mr. Speaker, I offer a series of amendments and ask unanimous consent that they be considered en bloc.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

The Clerk read as follows:

Amendments offered by Mr. EDWARDS of California: On page 2, line 3, strike out the words "of each year" and insert in lieu thereof", 1973,".

On page 2, line 5, strike out the word "annually".

On pages 1 and 2, strike out the entire preamble.

The amendments were agreed to.

Mr. CORMAN. Mr. Speaker, I would like to take this opportunity to speak about House Joint Resolution 52, a bill to designate August 26 of each year as "Women's Equality Day." This was the date the 19th amendment to our Constitution was ratified giving women the right to vote.

As a cosponsor of this legislation it is obvious where my sympathies lie. However, today I would like to address my remarks to my colleagues on the role of women in the working world right now.

In the past few years a revolution has taken place among many women of our country. Most men ridiculed it at first as a passing phase—perhaps as something childish. Then it was ridiculed out of fear of something that could not be understood. Now it is plain that women have indeed been treated as second class citizens, that intellectual abilities have been thwarted and opportunities for achievement denied because of sex. This realization is an important first step in overcoming the consequences of longstanding penalities levied against women by virtue of their being women.

Now it is our duty, not only to women or to ourselves but to our country's best welfare, to foster the right attitude for women's equality. The Congress is taking great steps in overcoming its own day-to-day prejudices. Much more must be done.

American business is also trying to provide the same opportunities extended to men for the growing numbers of working women. It will, however, take a long time to quash the discrimination of centuries. Each encounter with women is an opportunity to change this dismal record. Both men and women must work in this direction together.

Mr. Speaker, women's equality is a serious matter that must be dealt with in the years to come with all the maturity of our Nation's people. I sincerely hope my colleagues join me in sharing this view and the other comments I have made today.

Ms. ABZUG. Mr. Speaker, shortly before her death in 1906 Susan B. Anthony measured a tiny space on her finger and mourned:

> I have been striving for more than 60 years for a bit of justice no bigger than that, and yet I must die without obtaining it.

The justice she referred to was women's right to vote.

On August 26, 1920, the then Secretary of State Bainbridge Colby signed the womens' suffrage amendment at his home at 8 o'clock in the morning without any ceremony. It is said that the clandestine manner of signing was necessary to avert legal action threatened by opponents of the amendment.

As the 53d anniversary of this secret signing approaches, I commend the Congress on its passage of my bill designating August 26 of each year as "Women's Equality Day."

Suffrage did not come easily to women. A 1923 tract on the whole movement suggested that:

> It is doubtful if any group—men or women—who ever kept ward and watch over legislation at Washington ever came to know the true inwardness of the Congress of the United States as suffragists came to know it. For one thing, the suffrage vigil was so long maintained. For another, it engaged the energies of so many different women with so many different points of view from so many . . . parts of the country, all flashing in their reflections of the Congressional body like so many mirrors held up to nature, at every conceivable angle . . . They constituted the largest lobby ever maintained at the national capital, the "Front Door Lobby" as the press called it, in tribute to its above-board methods and policy.

Why did it take so long for women to win the franchise? The opposition was well armed with up-to-date arguments against giving women the vote Opponents voiced the following rationalizations throughout the suffrage campaign: first, women are represented already by their husbands, fathers, and brothers; second, if the laws are unjust, they can be corrected by women's indirect influence; third, it would double the ignorant vote; fourth, a municipality is a great business corporation. Men, by the nature of their occupations, know more about business than women, and hence are better fitted to run a city or a State; fifth, women would cease to be respected; sixth, women can do more good now than if they had the vote, because now they are nonpartisan. If they became voters, their nonpartisan influence would be lost; seventh, women are already overburdened. A woman would not have time to perform her political duties without neglecting higher duties; eighth, it would only double the vote without changing the result.

Women's achievements over the last half century point out the error in these arguments. Yet, the battle is not over. During the past years August 26 has emerged as a date symbolic of women's struggles—past and present. August 26 marks a day of women's rallies, marches, conferences and discussion groups assembling throughout the Nation. August 26 marks a day when we come together over the critical issues facing us as women. August 26 marks a day when we feel our collective strength. It is also a day when we plan strategies for the days ahead. Job discrimination, lack of day-care facilities for working mothers, discrimination in obtaining mortgages and credit, tax reform to give single women an equal break, and discrimination in obtaining Government benefits such as social security are but a few of the problems we must tackle in the future. I have submitted legislation on these issues and urge your continuing support in securing their passage.

It is my sincere hope that on "Women's Equality Day" people will take time to reflect on the labors of Susan B. Anthony, Lucretia Mott, Elizabeth Cady Stanton and others instrumental in obtaining passage of the 19th amendment, and on the task that remains ahead. This year marks the 50th anniversary of the first introduction of the equal rights amendment into Congress. Thirty States have ratified the ERA and only eight more are needed for passage. Prompt passage of the equal rights amendment by those remaining States will make the "equality" in Woman's Equality Day a reality.

Mr. CONTE. Mr. Speaker, I rise in support of House Joint Resolution 52, to establish Women's Equality Day, of which I am a cosponsor. The designation of August 26 as Women's Equality Day is a recognition of the importance of that day to the continuing effort to establish equal rights for women in this country.

August 26, of course, is the anniversary of that day in 1920 when the 19th amendment was finally ratified—a day which came perhaps too late in our history but which marked the beginning of a new era in the struggle for equal rights for women. With the ballot and female participation in the political process came a growing awareness of the vital contribution of women to our society, and of the necessity for full political, social, and civil rights for women.

Of course, there are still many inequalities and discriminations suffered by women in this country. Another landmark constitutional amendment is on its way to ratification, the equal rights amendment. Thirty of the required 38 States have now ratified this amendment. It is to be hoped that final ratification will come soon, and that the amendment will bring the desired changes in many areas.

There is also a wide variety of legislation pending which affects the rights of women in many areas, including tax treatment, credit and mortgage equality, and job discrimination.

It is clear, however, that not all of the unfair treatment experienced by women can be changed by either legislation or constitutional amendment. Much of the discrimination which exists in this country is due to the social attitudes and prejudices held by people, both men and women. Only time can change this situation, but I believe that public support for improved women's rights and public awareness of both the gains that have been made and the work that remains to be done will assist in this process.

It is for this reason that I support the designation of August 26 as Women's Equality Day, as an indication of congressional support for the continuing efforts to achieve full equality for women and of commemoration of the final ratification of the 19th amendment.

Mr. PODELL. Mr. Speaker, I am proud to be a cosponsor of House Joint Resolution 52, which would designate August 26 as "Women's Equality Day."

In spite of the great advances made in granting full legal and political equality to various minority groups, our record in granting these rights to the majority of Americans—women—has been shameful and sorry. The past 5 years have seen a quiet revolution take place, that has improved the quality of life for everyone in this country. For as women take their rightful place in society as full equals of men, they not only liberate themselves, but also liberate men from roles and stereotypes which are destructive of their humanity.

There is still so much that has to be done in winning equal rights for women. But no matter how many laws this Congress passes on the subject, and no matter how soon the equal rights amendment is ratified, there will still be long years of struggle before society's prejudice against women ends. The women who are carrying on this struggle for themselves and their sisters have earned our respect and deserve our admiration. For they have braved the scorn of not only most of the men in this country, but of many women.

The essence of the women's liberation movement is a simple concept, so simple that it almost escapes comprehension. That concept is, freedom of choice. Letting women have the same freedom to choose between options in lifestyle as we males have always taken for granted. If a woman wants to pursue a career traditionally followed by men, is there any reason why she should not do so if qualified? That is what the movement is about. If a woman wants credit to buy a house or a car, is there any reason why it should not be granted if she is financially sound? That is what the movement is about. If a woman and a man are performing the same task in office or factory, is there any reason why she should not earn the same wage as her male coworker? That is what the movement is about.

The women's groups in this country deserve the highest praise, for they have made us aware of attitudes, often subconscious, which have kept us from utilizing one of this Nation's most valuable resources—its women. The principles of freedom and equality enumerated in the Declaration of Independence, the Constitution, and our body of laws, can never be fully realized until discrimination based on sexual differences is ended. The women's movement in the past 5 years has demonstrated that arbitrary distinctions based on sex are as foolish and damaging as distinctions based on skin color or religion.

The Women's Equality Day resolution before us now will give the women's liberation movement an annual holiday. It commemorates the day on which the 19th amendment, giving women the right to vote, was ratified. But just a national holiday is not enough. A holiday is meaningless unless there is something to celebrate, and the victories which the women's liberation movement can celebrate have so far been all too few. I look forward in the next few years to seeing all arbitrary distinctions between men and women disappear. I have worked with women in this body, and I feel they are my equal in every way. Surely it should be no less in any other segment of this society.

I urge my colleagues to join me in passing this resolution, and in working for the full equality of men and women.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed.

The title was amended so as to read: "Authorizing the President to proclaim August 26, 1973, as 'Women's Equality Day'."

A motion to reconsider was laid on the table.

NATIONAL LEGAL SECRETARIES' COURT OBSERVANCE WEEK

Mr. EDWARDS of California. Mr. Speaker, I ask unanimous consent that the Committee on the Judiciary may be discharged from further consideration of the joint resolution (H.J. Res. 466) authorizing the President to proclaim the second full week in October each year as "National Legal Secretaries' Court Observance Week" and ask for its immediate consideration.

The Clerk read the title of the joint resolution.

The SPEAKER. Is there objection to the request of the gentleman from California?

Mr. GROSS. Mr. Speaker, reserving the right to object, I would like to ask the gentleman from California what the national legal secretaries do that week by way of observance.

Mr. EDWARDS of California. They will still work, I will say in response to the gentleman's question. However, it is a week honoring their rather large contribution to American life.

Mr. GROSS. I thank the gentleman.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

The Clerk read the joint resolution as follows:

H.J. Res. 466

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the President is hereby authorized and requested to issue a proclamation each year designating the second full week in October as "National Legal Secretaries' Court Observance Week", and calling upon the people of the United States to observe such week with appropriate ceremonies and activities.

AMENDMENTS OFFERED BY MR. EDWARDS OF CALIFORNIA

Mr. EDWARDS of California. Mr. Speaker, I offer a series of amendments and ask unanimous consent that they may be considered en bloc.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

The Clerk read as follows:

Amendments offered by Mr. EDWARDS of California: On page 1, line 4, strike out the words "each year".

On page 1, line 5, immediately following the word "October" and preceding the word "as", insert ", 1973,".

The amendments were agreed to.

The joint resolution was ordered to be engrossed and read a third time, was read the third time and passed.

The title was amended so as to read: "Authorizing the President to proclaim the second full week in October, 1973, as 'National Legal Secretaries' Court Observance Week'."

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. EDWARDS of California. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks on the joint resolutions just passed.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

VIETNAMESE-AMERICAN ORPHANS

(Mrs. HOLT asked and was given permission to address the House for 1 minute, to revise and extend her remarks and include extraneous matter.)

Mrs. HOLT. Mr. Speaker, I rise to express my support for H.R. 8381 which deals with the plight of Vietnamese-American orphans.

At the present time, there are thousands of these children in understaffed orphanages or fending for themselves in city streets. The frightful living conditions of these children have received considerable attention in the media during recent months. Many Americans have responded to this situation by offering to adopt the victims of this tragic war, but they have found their efforts frustrated by existing immigration laws. Over 5,000 families have been approved by local adoption agencies, but immigration statutes preclude 95 percent of these children from being admitted to the United States.

Many of the problems associated with adopting American-Vietnamese children would be eliminated with the passage of H.R. 8381. This bill will automatically grant such a child the status of U.S. citizenship when accepted by a qualified American family. For a child to qualify for this citizenship, he must be under 12 years old, born in the Republic of South Vietnam prior to January 1, 1974, have one parent who, in all probability, was a U.S. citizen, and who has been orphaned or abandoned.

Americans have always demonstrated their willingness to help those in need. I hope that the Congress will assist their efforts to adopt these orphans desolated by war.

PRINTING OF HEARINGS ENTITLED "UNITED STATES BUSINESS INVOLVEMENT IN SOUTHERN AFRICA"

Mr. BRADEMAS. Mr. Speaker, by direction of the Committee on House Administration, I submit a privileged report (Rept. No. 93–429) on the concurrent resolution (H. Con. Res. 209) expressing the sense of Congress that additional copies of hearings be printed, and ask for immediate consideration of the concurrent resolution.

The Clerk read the concurrent resolution, as follows:

H. CON. RES. 209

Resolved by the House of Representatives (the Senate concurring), That there shall be printed for the use of the Committee on Foreign Affairs, House of Representatives, one thousand five hundred additional copies each of part 1 and part 2 of the hearings by the Subcommittee on Africa of the House Foreign Affairs Committee in May, June, July, September, November, and December 1971 entitled "United States Business Involvement in Southern Africa."

The concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

PRINTING OF HEARINGS ON RELATIONSHIP OF PESTICIDES TO ENVIRONMENTAL ISSUES

Mr. BRADEMAS. Mr. Speaker, by direction of the Committee on House Administration, I submit a privileged report (Report No. 93–430) on the concurrent resolution (H. Con. Res. 266) to provide for the printing of committee hearings on the Relationship of Pesticides to Environmental Issues and other matters, and ask for immediate consideration of the concurrent resolution.

The Clerk read the concurrent resolution, as follows:

H. CON RES. 266

Resolved by the House of Representatives (the Senate concurring), That there shall be printed for the use of the House Committee on Appropriations two thousand five hundred copies of part 8 of the hearings on the agriculture-environmental and consumer protection appropriation bill, for the fiscal year 1974.

The concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

PROVIDING FOR APPOINTMENT OF ALTERNATES FOR GOVERNOR OF INTERNATIONAL MONETARY FUND AND OF THE INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

Mr. GONZALEZ. Mr. Speaker, I ask unanimous consent for the immediate consideration of the Senate bill (S. 1887) to provide for the appointment of alternates for the governors of the International Monetary Fund and of the International Bank for Reconstruction and Development.

The Clerk read the title of the Senate bill.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

Mr. GROSS. Mr. Speaker, reserving the right to object, am I correctly informed that this is a bill approved by the other body, messaged over here, and has reposed on the Speaker's desk until this time; that this legislation has never seen the light of day in the Committee on Banking and Currency, and if this unanimous consent request should be granted would never be considered in the regular process?

Mr. GONZALEZ. If the gentleman from Iowa will yield, yes. This is a pro forma bill that, I might say, the Senate approved unanimously, and it has to do with the monetary discussions in Nairobi in September on the request of the administration, particularly the money managers of our Government, the Chairman of the Federal Reserve Board and the Secretary of the Treasury. They are recommending that we have this change in the original Bretton Woods agreement whereby, by virtue of this change, the United States will be entitled to name an alternate to the IMF, the International Monetary Fund representative from the United States, and an alternate as a Governor from the United States to the International Bank for Reconstruction and Development, or the World Bank.

Heretofore the United States has had one alternate for both; this would simply provide an alternate for each.

According to the Chairman of the Federal Reserve Board, this would be most helpful to have both at the conference to be held in Nairobi.

As I say, this is a pro forma bill, and I think the Congress would be right in acceding to it.

Remember, we have the regular Governor appointed; this would provide for an alternate for him. It is strictly a change which is in behalf of the United States.

Mr. GROSS. Mr. Speaker, would this mean a principal appointee and an alternate for each purpose?

Mr. GONZALEZ. Yes.

Mr. GROSS. And both will be at the conference?

Mr. GONZALEZ. Apparently the Chairman and the Secretary feel that it would be desirable to have them at the conference.

Mr. GROSS. Why is this meeting being held in Nairobi?

Mr. GONZALEZ. This is the all-important meeting that has been looked forward to.

Mr. GROSS. But why in Nairobi.

Mr. GONZALEZ. I presume that the Members selected this as a suitable place to have this discussion which looks to a permanent and a stable international world monetary arrangement. Incidentally, this week—I think it is a historical week—these representatives have gone a long way in settling the basic differences, looking forward to the meeting in Nairobi.

Mr. Speaker, the purpose of this bill is to allow the President to appoint an alternate Governor for both the International Monetary Fund and the International Bank for Reconstruction and Development, otherwise known as the World Bank. Presently, the law permits the President only to appoint a single person to serve as alternate Governor for both of these institutions. Most major countries have an alternate Governor for each Institution and this is as it should be. Enactment of this bill will allow the President to appoint a representative from the Federal Reserve to serve as alternate Governor for the International Monetary Fund and thereby place the Federal Reserve on a more equal footing with its counterparts in the continuing activities of the International Monetary Fund.

This bill is supported by the administration, its purpose is simple and I urge its immediate enactment.

Mr. LONG of Maryland. Mr. Speaker, will the gentleman yield?

Mr. GROSS. Yes, I will yield to the gentleman from Maryland.

Mr. LONG of Maryland. I wonder if the gentleman from Iowa has heard of the beautiful big game parks there are in Kenya when he was asking why all these interested meetings are held in Nairobi.

Mr. GROSS. I wonder if they were going to go down to Africa to do some big game hunting, or to paper the world with paper gold.

Mr. Speaker, I have no particular objection to the purpose of the resolution. I do not like this procedure of taking legislation approved by the other body, depositing it on the Speaker's desk, and then we by unanimous consent, and without any consideration on the part of the proper committee of the House of Representatives pass that legislation. I do not care what it deals with. This is a poor way to handle legislation. I want the gentleman to know that I am going to withdraw my reservation of objection, but I hope we will have no more legislative maneuvers such as this by which a bill comes over from the other body, is laid on the desk of the Speaker, and then is called up in the House, and we are expected to approve it without the slightest prior consideration. It reflects no credit to the Committee on Banking and Currency for not having taken up this bill in the proper manner. Let me add that my remarks are not directed at the gentleman. He has been delegated the job of calling up this bill by the chairman of the Banking and Currency Committee.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

The Clerk read the Senate bill as follows:

S. 1887

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the first sentence of subsection (b) of section 3 of the Bretton Woods Agreements Act (22 U.S.C. 286a) be amended to read as follows: "The President, by and with the advice and consent of the Senate, shall appoint an alternate for the governor of the Fund and an alternate for the governor of the Bank.".

The Senate bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CALL OF THE HOUSE

Mr. LONG of Maryland. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. O'NEILL. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The call was taken by electronic device, and the following Members failed to respond:

[Roll No. 417]

Barrett
Biaggi
Blatnik
Burke, Calif.
Clark
Conyers
Diggs
Esch
Evins, Tenn.
Fisher
Giaimo
Gibbons
Gray
Hanna
Hays
Hébert
Heinz
Holifield
Jarman
Landgrebe
Lott
Michel
Mills, Ark.
O'Brien
Powell, Ohio
Reid
Riegle
Rooney, N.Y.
Satterfield
Sikes
Skubitz
Smith, Iowa
Stark
Teague, Calif.
Widnall

The SPEAKER. On this rollcall 398 Members have recorded their presence by electronic device, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

THE ALLENTOWN FAIR, ALLENTOWN, PA.

(Mr. ROONEY of Pennsylvania asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ROONEY of Pennsylvania. Mr. Speaker, I am very pleased to call to the attention of my colleagues the 121st anniversary of the Allentown Fair which will be held this year from August 2 through August 11 in Allentown, Pa.

This fair, which is one of the largest county fairs in the United States, is attended each year by over one-half million people from all over the country. These fair lovers are attracted by the exhibits of various products of farm, home, and industry, and are always impressed with the degree of participation of young people, through 4-H, FFA, and other groups, in the overall effort to make the fair a success.

Many people have been involved since the first Allentown Fair in 1852. None, however, have been more instrumental in making the fair the huge success it is today than Edward G. Leidig, who has been its manager since 1958.

Mr. Leidig's vigorous leadership and contagious enthusiasm have brought worldwide recognition not only to the Allentown Fair, but also to him as well. He has served as president of the Pennsylvania State Fairs Association for one 2-year term. He also served two terms as president of the International Association of Fairs and Expositions and has been named to that group's hall of fame.

I believe everyone who visits the Allentown Fair this year will have an invaluable opportunity to observe a large display of Americana.

RETIREMENT OF EARL MORGAN

(Mr. PRICE of Illinois asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PRICE of Illinois. Mr. Speaker, the House Armed Services Committee is losing one of its most valued professional staff members with the retirement of Earl Morgan, counsel to Subcommittee No. 1.

As chairman of the subcommittee, it has been my privilege to work closely with Earl Morgan on issues of vital importance to this Nation. Professional, competent, and knowledgeable have been Earl's trademarks. I know I speak for all members of the subcommittee in saying that Earl's counsel will be sorely missed.

Earl is a personal friend of mine. In fact, we grew up together on Capitol Hill. When I was secretary to former Congressman Ed Schaeffer of Illinois, Earl worked as a page and helped out in the office. I have valued my long association with Earl.

Few men possess Earl Morgan's firsthand knowledge of the legislative process. His departure is a loss to the committee and to me personally. I wish Earl and his family well in their future endeavors.

CONFERENCE REPORT ON H.R. 8152, LAW ENFORCEMENT ASSISTANCE AMENDMENTS

Mr. RODINO. Mr. Speaker, I call up the conference report on the bill (H.R. 8152) to amend title I of the Omnibus Crime Control and Safe Streets Act of 1968 to improve law enforcement and criminal justice, and for other purposes, and ask unanimous consent that the statement of the managers be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

The Clerk read the statement.

(For the conference report and statement, see proceedings of the House of July 26, 1973.)

Mr. RODINO (during the reading). Mr. Speaker, I ask unanimous consent that the statement of the managers be considered as read.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. RODINO. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, on June 18, 1973, by a vote of 391 to 0, the House passed the bill, H.R. 8152, amending title I of the Omnibus Crime Control and Safe Streets Act of 1968. By that action, the House took an important, affirmative step to meet the continuing challenge of crime and to address the pressing needs of our criminal justice system.

As an important part of that legislation, the House bill authorized appropriations of $1 billion for each of the next 2 fiscal years for the Law Enforcement Assistance Administration.

Subsequently, on June 28, the Senate passed an amended version of H.R. 8152, requesting a conference, which was agreed to by the House on June 30. The conference committee met on July 11, 13, and 16, arriving at an agreement which I believe represents a balanced and constructive piece of legislation. That agreement incorporates nearly all the important provisions of the House bill, and adds new Senate language which both improves the bill and strengthens the program.

The major compromise is a 3-year authorization—$1 billion for fiscal year 1974 and 1975 and $1.25 billion for fiscal year 1976. The Senate bill had provided a 5-year authorization at funding levels up to $2 billion by 1978.

Frankly, the importance of the program and its past history over a 5-year period had convinced the House Committee on the Judiciary that continuing and vigilant congressional oversight was necessary to insure the program's accountability, and to allow for periodic reappraisals of our fight against crime. A 5-year authorization would not be consistent with that responsibility.

Thus, the conference report adopted a 3-year authorization, accommodating the need for genuine oversight with the need to allow for comprehensive planning. I believe both can be accomplished in the best interests of the program.

Briefly, on other important matters, the conference took the following action:

First. Agreed to the Senate amendment providing for one additional Deputy Administrator;

Second. Omitted the Senate provision authorizing the transfer of LEAA moneys to the American Revolution Bicentennial Commission for law enforcement purposes;

Third. Agreed to the Senate amendment authorizing the use of block grant and discretionary funds for planning grants to interstate metropolitan regional planning units;

Fourth. Combined the Senate and House training provision, by retaining the FBI training program for police, and providing that the National Institute assist State and local governments in developing and conducting regional and local training programs for all law enforcement and criminal justice personnel. The two agencies are to complement rather than duplicate each other's efforts;

Fifth. Agreed to the Senate amendments authorizing the National Institute to serve as an international as well as a national clearinghouse for the expansion of law enforcement and criminal justice information; and granting authority for international as well as national information dissemination and technical assistance by the Institute;

Sixth. Agreed to the Senate provision that upon receiving a complaint of discrimination in the administration of programs assisted under this Act, a State Governor has "a reasonable time" rather than the House passed "60 days" to respond. At the same time, the Conference adopted the House provision that upon the expiration of "a reasonable time," administrative proceedings would be initiated automatically;

Seventh. Omitted Senate amendments providing compensation for victims of crime and percentage allocations to address juvenile justice. The House in disagreeing with these amendments, and the conference committee in adopting important legislation on both these subjects is pending in both Houses. While both Houses feel that comprehensive legislation is needed, separate bills are the more responsible way to proceed on each of these matters.

Mr. Speaker, the foregoing items do not exhaust the list of actions taken by the conference committee, but they do reflect many of the more important amendments. Most importantly, the totality of the package is a strengthened bill which reflects the reasoned input of both Houses.

I am gratified that the important features of the House bill, which were the product of 4 months work by the Committee on the Judiciary, have been retained. Thus, the scope of LEAA's mandate is clarified to include the improvement of criminal justice, as well as the detection and apprehension of criminals. The exercise of Federal responsibility is emphasized by focusing on the approval of comprehensive State plans. Matching requirements are simplified; reduced and made a more realistic responsibility for States and localities. New provisions assure an accelerated flow of funds from Washington to the States in the first instance, and then from the States to the streets of our localities where they are most needed in the fight against crime.

Mr. Speaker, I wish to thank my colleagues who contributed so much to this conference report and legislation: Messrs. CONYERS, FLOWERS, SEIBERLING, Ms. JORDAN, Messrs. MEZVINSKY, HUTCHINSON, MCCLORY, SANDMAN, DENNIS, and FISH.

I yield to the gentleman from Michigan (Mr. HUTCHINSON).

Mr. HUTCHINSON. I thank the gentleman for yielding.

Mr. Speaker, I rise in favor of the conference report on H.R. 8152, the Crime Control Act of 1973. On June 18, 1973, the House bill was adopted by this body unanimously—391 to 0. Although the Senate thereafter added an amendment in the nature of a substitute, it substantially tracked the language of the House bill.

The most important difference was the length of the grant—making authorization of the Law Enforcement Assistance Administration. The House provided a 2-year authorization; the Senate provided a 5-year authorization. The conference report provides a 3-year authorization.

Additionally, the Senate amendment differed in three respects: victims of crime, juvenile justice, and local comprehensive planning. The Senate amendment provided that the States could use LEAA funds to establish programs to compensate victims of violent crime. Fortunately, this provision was deleted in conference. In my opinion, our limited Federal resources may be better spent on preventing and reducing crime than on compensating some victims of some crimes after such crimes have occurred.

With regard to juvenile justice, the Senate amendment would have required that each State spend 20 percent of its LEAA funds on juvenile justice programs in this year, and 30 percent thereafter, regardless of its particular needs in that area of competing needs in other areas of law enforcement and criminal justice. Moreover, each State would have been straitjacketed into adopting specified reforms in the area of juvenile justice which the House has not yet examined.

The conference report recognizes the problems of juvenile justice while preserving the flexibility of the block grant program. Each State must have a comprehensive juvenile justice program tailored to its own needs, not to the norm and not to the average. This will place a greater responsibility on LEAA, for it will have to determine the sufficiency of the effort in relation to the State's particular needs. But I think the advantages will be worth it.

With regard to comprehensive local planning, the Senate amendment provided that local governments or combinations thereof with a population of 100,000 might submit comprehensive plans—rather than applications—to the State for approval. The Senate amendment mandated that the State have a procedure to receive such plans, but no more. No local plan was guaranteed any funding or percentage of funds designated for local governments generally. The conference report incorporates this provision but limits the procedure to local governments or combinations with a population of 250,000 and makes clear that the State may either approve or disapprove a plan in whole or in part. The provision makes relatively no change in the law since the provision expressly indicates that the local plan must be consistent with the State plan. Thus the States' responsibility for planning comprehensively is assured and underscored.

Finally, I am constrained to comment on the summary of H.R. 8152 which was inserted in the CONGRESSIONAL RECORD on July 26, 1972, at S14745–S14746 by the distinguished Senator from Arkansas. In describing the matching requirements generally, the summary indicates that private nonprofit organizations may meet matching requirements with their own funds and thereby implies that private nonprofit organizations have a general authority to participate in the LEAA programs as grantees.

In conference the Senate conferees suggested that by administrative practice private nonprofit organizations were permitted to be grantees of both discretionary grants and block grants. We replied that if that was the practice, it was not authorized. The statute rather specifically denominates the eligible grantees. By amendment to present law, private nonprofit organizations are specifically made eligible to receive discretionary grants from LEAA. Why was that amendment necessary if those organizations have a general authority to participate as grantees? Moreover, in my opinion, it is unwise to foster the delegation of governmental duties to nongovernmental agencies and thereby diminish both political accountability and fiscal accountability.

The summary also suggests that the training authority now granted to the National Institute "is actually the former section 407 regional training authority." To the Members of this body who developed the Institute's new role, this assertion is surprising. I do not believe that this intention was ever expressed in the subcommittee where it is drafted, in committee where it was reported, or on the floor where it was adopted. It is true that LEAA was authorized to assist in conducting regional training programs. But it would be closer to the mark to note that former section 407 underscored the need for Institute training rather than established its parameters.

Finally, LEAA and the National Institute were given authority to receive and disseminate information internationally. The summary incorrectly indicates that this function should be limited to cases such as skyjacking, drug abuse, and international terrorism. Rather, the conferees intended this limitation to apply to the international technical assistance authority because it is operational. The joint explanatory statement of the committee of conference correctly expresses this legislative intention.

Mr. Speaker, I am proud to report to the House that all of the conferees appointed on the LEAA conference committee signed this report—all of the 11 conferees on the part of the House and all of those on the part of the Senate.

So, as the chairman of the Committee on the Judiciary has reported to you, this conference report represents the unanimous effort of the conferees.

I simply want to add this one further thought: In all of the real controversial matters involved in this bill, the Senate receded to the House. I think numerically the House receded to the Senate in more instances than the Senate receded to the House. But the point is that in the controversial matters we won.

I believe this bill is substantially the bill as it passed the House, and I have no reservations about asking the House to support this conference report.

Mr. RODINO. Mr. Speaker, I yield such time as he may use to the gentleman from Illinois (Mr. McCLORY).

Mr. McCLORY. Mr. Speaker, I am pleased to express my full support of the conference committee report.

Mr. Speaker, in the conference report the Congress recognizes for the first time the critical and vital role of the National Institute on Law Enforcement and Criminal Justice in the overall function of training of law enforcement and criminal justice personnel. This broad training authority is sufficiently comprehensive to cover every aspect of the fight against crime.

Mr. Speaker, in other words, the National Institute is now clothed with authority to assist in the development of training institutes at the regional and local levels in such functions as community relations, criminal rehabilitation, parole and probation, and all other law enforcement and criminal justice functions and activities. There is no intent to interfere in any way with the training functions of the FBI at Quantico, Va., or with the other limited FBI training services to State and municipal governments where the FBI has expertise. At the same time, there is authority in the National Institute to include in its training programs such traditional FBI functions as the investigation of crime and the apprehension of criminals without duplicating or supplanting any work which the FBI is performing.

Mr. Speaker, it is expected that when the National Institute organizes regional and local training programs, the FBI will be invited to assist in making available its experience and know-how in dealing with these particular aspects of crime. It is my view that the National Institute should support and assist in the organization of those larger training programs in contrast to the more limited types in which the FBI is traditionally involved. For that reason, it seems to me that there should be no need to supplant or duplicate the FBI and its relatively limited involvement in regional and local level training programs. Indeed, the National Institute should supplement and greatly augment the Federal role in giving support as well as guidance and direction toward the best possible training of personnel in every kind of activity designed to reduce crime in America.

It is generally recognized that a reduction in crime is not to be accomplished through a Federal police force, or any other anticrime program which is to be operated out of Washington. Local law enforcement officials, including county sheriffs and regional and State police activities, are the key to reducing crime. It is to support the training of personnel at these levels of government that the National Institute can perform a useful and constructive role.

It is my expectation that in the development of all such training programs the National Institute will call upon those skilled individuals from our municipal police departments, our State correctional institutions, our universities which have departments of police science and criminology, experts in handling race and ethnic relations—and every other discipline which affects the problem of crime in America.

Mr. Speaker, there is no intention to construct new buildings or to establish new institutions either here in Washington or elsewhere. Adequate physical facilities exist throughout the Nation and training programs can be carried out without any need for constructing a new building where any such training institute would need to be housed.

Indeed, it would seem to me that the benefits from the training programs might be lost if we were to rely upon an established and static faculty. It is my expectation that training programs would be modified from time to time to utilize to the greatest degree possible those recognized experts who are developed in the overall fight against crime.

Mr. Speaker, in short, the Congress through this new authority is responding to a need which has been expressed many times that research and training are the most significant areas in which the Federal Government can play the most significant role in support of local and State law enforcement and criminal justice functions. We are making a substantial start in this legislation and I fully expect that the benefits of these activities will be substantially realized within the next few years and become a permanent part of the overall anticrime program which this Congress can appropriately authorize and finance.

Mr. RODINO. Mr. Speaker, I yield such time as he may consume to the gentleman from Alabama (Mr. FLOWERS).

Mr. FLOWERS. Mr. Speaker, I thank the gentleman for yielding.

I would like to add my complete support to this measure. It is in almost every detail, and certainly in every substantive detail, the bill which passed the House.

A word of commendation would be in order to our very distinguished chairman of the Committee on the Judiciary for the manner in which he conducted the conference as its chairman. This report is largely a product of his work.

It is a fine bill that I believe every Member of the House can support in every detail.

Mr. SEIBERLING. Mr. Speaker, will the gentleman yield?

Mr. RODINO. I yield to the gentleman from Ohio, a member of the committee.

Mr. SEIBERLING. Mr. Speaker, I wish to commend the chairman of the Committee on the Judiciary, and the members of the conference committee for doing an outstanding job of reconciling the differences between the House and Senate versions of this very important legislation as well as for the tremendous work that the full committee and subcommittee put in to develop this legislation in its present form.

As the chairman knows, there were some proposals which I had advanced as vigorously as I could, but which were not adopted in toto. But I would like the record to show that one of the important provisions that has emerged in this bill is the provision that would allow units of local government aggregating more than 250,000 in population to get together and pool their energies and their resources, and to obtain grants from the State planning agencies of law enforcement assistance funds to the entire group as a unit.

This was one of the principal objectives that I was concerned about, and I feel that this bill has moved substantially toward meeting that in a way which nobody quite foresaw, but which actually I think is an important step forward.

I want to commend the committee for accepting this concept.

Mr. RODINO. Mr. Speaker, I want to especially commend the gentleman from Michigan, the ranking member on the Committee on the Judiciary, who gave yeoman service, Mr. HUTCHINSON. And of course, I again thank all of the members of the committee, Mr. CONYERS, Mr. FLOWERS, Mr. SEIBERLING, Miss JORDAN, Mr. MEZVINSKY, Mr. McCLORY, Mr. SANDMAN, Mr. DENNIS, and Mr. FISH, for the part they played in not only bringing about the adoption of this measure, but in actually upholding the position of the House in the conference. They did a great job, and I commend them.

Mr. HENDERSON. Mr. Speaker, will the gentleman yield?

Mr. RODINO. I am delighted to yield to the gentleman from North Carolina (Mr. Henderson).

Mr. HENDERSON. Mr. Speaker, I thank the distinguished chairman of the committee, the gentleman from New Jersey (Mr. Rodino) for yielding to me.

I would like to ask this question: Is my understanding correct that section 506 (c) was amended in the conference report, and that that section provides for an increase of two supergrades from 20 to 22 for the agency?

Mr. RODINO. That is correct.

Mr. HENDERSON. Mr. Speaker, I would also ask concerning section 517, and under subsection (a) it authorizes employment of experts and consultants, and under subsection (b) it provides that these appointments may be made without the approval of the civil service laws and regulations?

Mr. RODINO. Yes. That is in the act now, and was in the bill that passed the House.

I might point out to the gentleman with regard to section 506 that the Senate had sought to even further increase the number of supergrades, and the House resisted.

The Senate had requested four, and we conceded only two.

Mr. HENDERSON. If the gentleman will yield for one more question, I would like to commend the gentleman and the conferees for the efforts they did make, but would point out that the gentleman from New York (Mr. Dulski), chairman of the Committee on Post Office and Civil Service, has consistently in the last Congress and in other Congresses written to the chairmen of other committees with regard to the problem of basic authorization of supergrades requested by the agencies.

We also received requests to authorize 241 additional supergrades covering the requests of all the agencies, and that matter will receive our attention when we come back from the recess. But I think it is only fair to put on the record—and I do not do this for this conference report or for this committee, any more than I do for others—that the authority contained herein, if we find it not to be justified, we will specifically ask to repeal that authorization. And anyone who might seek or take an appointment under this kind of an authorization where it is not fully justified by the separate commissions and agencies on a personnel basis, might run some risk of losing their jobs.

Mr. RODINO. I would be happy to defer to the judgment of the gentleman from North Carolina, who serves on the committee that has primary jurisdiction in this area.

Mr. HENDERSON. I thank the gentleman for his cooperation.

Mr. RODINO. I yield 3 minutes to the gentleman from Maryland (Mr. Long).

Mr. LONG of Maryland. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, the recent disclosure of secret taping in the White House has pointed out the need to secure the right of privacy for members of this free society. On Monday I introduced a bill that would plug a legal loophole—a loophole while unfortunately not even this conference report on the Crime Control Act succeeds in closing.

My bill, H.R. 9667, would require that all parties—I repeat: all parties—to a conversation, telephonic or live, be informed before it is recorded. My bill is designed to stop the recently revealed White House practice of taping the conversations of Government officials and foreign diplomats.

POINT OF ORDER

Mr. HUTCHINSON. Mr. Speaker, I make a point of order against the gentleman's speech.

The SPEAKER. Does the gentleman wish to be heard on his point of order?

Mr. HUTCHINSON. Yes.

The SPEAKER. The Chair will hear the gentleman.

Mr. HUTCHINSON. I submit, Mr. Speaker, it is not a matter of this conference report.

The SPEAKER. The gentleman can speak to any matter involved in the conference report and not to any extraneous matter.

Mr. LONG of Maryland. Mr. Speaker, the information I am dealing with has to do with this act, the amendments to the Crime Control Act, and I feel that the remarks are in order.

Mr. HUTCHINSON. Mr. Speaker, the gentleman is talking about a bill he introduced; he is not talking about this conference report at all.

The SPEAKER. The gentleman will confine his remarks to the conference report before the House.

Mr. RODINO. Mr. Speaker, I apologize to the House. I did advise the gentleman we were talking about title I of the Omnibus Crime Control and Safe Streets Act, and his remarks pertain to title III, but the chairman insisted on taking the time.

Mr. HARRINGTON. Mr. Speaker, the conference report on H.R. 8152 is a responsible bill, setting a definite course for Federal involvement in law enforcement and addressing many present shortcomings of the Law Enforcement Assistance Administration.

The need for a comprehensive approach to court and corrections systems as well as law enforcement within each State is the primary thrust of the bill. A great deal of money has been spent in the past on useless hardware, while innovative programs in areas such as prison reform have been largely overlooked. The added emphasis on criminal justice and the requirement that States obtain approval for balanced plans as a prerequisite to funding will strengthen the role of the Federal agency in overseeing and stimulating badly needed judicial and prison reform.

The administration's special revenue sharing proposal for law enforcement fails to recognize this need for reform. In abrogating all responsibility for criminal justice systems to the States, it would perpetuate the outdated approach to corrections which prevails across the country today. H.R. 8152 is a far more responsible bill, addressing the particular needs of the affected program rather than adhering rigidly to a single fiscal policy.

The final form of H.R. 8152 represents a reasonable compromise between the priorities of the original House and Senate bills. The need for direct grants for high crime urban areas, as expressed in the League of Cities report and the Senate proposal, have been reconciled with the need for comprehensive and innovative planning on the State level.

The flow of funds should be expedited by the modified block grant system, and the time limits on distribution, but these will not interfere with the attempt to increase the accountability of the LEAA. And the 3-year authorization period with a higher funding level for fiscal year 1976 also accommodates conflicting needs—that the LEAA program with strong Federal oversight be clearly endorsed while Congressional review of progress under the revised act is assured as well.

Under its original authorization, the LEAA program has been poorly administered and ineffectual, largely because Federal provisions for planning and distribution of funds by the States were weak. H.R. 8152, as opposed to the administration's revenue sharing bill, vests both the responsibility for proper administration and the authority to reject State procedures in the LEAA, thereby creating the necessary incentives for a workable program.

For these reasons, Mr. Speaker, I will vote in favor of H.R. 8152 and urge each of my colleagues to do the same.

Mr. RODINO. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The conference report was agreed to.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. RODINO. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the conference report just agreed to.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

TRANS-ALASKA PIPELINE AUTHORIZATION

Mr. McSPADDEN. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 515 and ask for its immediate consideration.

The Clerk read the resolution as follows:

H. Res. 515

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 9130) to amend section 28 of the Mineral Leasing Act of 1920, and to authorize a trans-Alaska oil and gas pipeline, and for other purposes. After general debate, which shall be confined to the bill and shall continue not to exceed two hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Interior and Insular Affairs, the bill shall be read for amendment under the five-minute rule. It shall be in order to consider the amendment recommended by the Committee on Interior and Insular Affairs now printed in the bill as an original bill for the purpose of amendment under the five-minute rule by titles instead of by sections. At the conclusion of such consideration, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and any Member may demand a separate vote in the House on any amendment adopted in the Committee of the Whole to the bill or to the committee amendment in the nature of a substitute. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions. After the passage of H.R. 9130, it shall be in order in the House to take from the Speaker's table the bill S. 1081 and to move to strike out all after the enacting clause of the said Senate bill and insert in lieu thereof the provisions contained in H.R. 9130 as passed by the House.

Mr. McSPADDEN. Mr. Speaker, I yield the usual 30 minutes to the minority to the distinguished gentleman from Tennessee (Mr. QUILLEN), pending which I yield myself such time as I may consume.

Mr. Speaker, House Resolution 515 provides for an open rule with 2 hours of general debate on H.R. 9130, a bill to amend section 28 of the Mineral Leasing Act of 1920, and to authorize a trans-Alaska oil and gas pipeline.

House Resolution 515 provides that it shall be in order to consider the amendment recommended by the Committee on Interior and Insular Affairs now printed in the bill as an original bill for the purpose of amendment under the 5-minute rule by titles instead of by sections.

House Resolution 515 also provides that after the passage of H.R. 9130, it shall be in order in the House to take from the Speaker's table the bill S. 1081 and to move to strike out all after the enacting clause of S. 1081, and insert in lieu thereof the provisions contained in H.R. 9130 as passed by the House.

H.R. 9130 grants rights-of-way and permits for an oil pipeline from the North Slope of Alaska to Valdez on the southern coast of Alaska. This is commonly known as the trans-Alaska pipeline. The bill makes a congressional policy decision that the trans-Alaska pipeline should be authorized, and makes this policy decision binding on both the executive and judicial branches of the Government.

There will be no new Federal Government expenditures as a result of the enactment of the bill.

Mr. Speaker, when trucks ground to a halt during the winter; when gasoline stations closed throughout the Nation; when farmers beseiged us of the farm regions for fuel to operate their planting or harvesting machines, then, and only then, did the American public, and perhaps, Members of Congress, realize that the United States faced an energy crisis.

This is not the time to fix blame, because the mantle of blame falls on many; this is a time to gird ourselves, in the traditional American way to combat a problem once recognized. The problem, the energy crisis, is not unlike a wart on your nose; it is not pleasant, but it is there.

The problem is complex and for complex problems there are no single, simple solutions. The energy experts, in whose ranks I certainly can claim no fame as being counted, say that shortages of fuels of all kinds will face us, in the short view, for the next 2 years. We must view the energy crisis through two sets of glasses, as it were: One pair of the short-range view; the other for the long-range view which will, hopefully, get us out of the energy crisis by the year 1985 when imports may reach $30 billion, a date chosen by those same energy experts as a consensus.

America is a nation which runs on fossil fuels, more specifically, petroleum products. Through misuse, overuse, bad planning, mismanagement, whatever you want to call it, America's petroleum products and ability to produce those products to the points of demand are overtaxed.

Since 1968, proven reserves of 10 billion barrels of oil have been discovered on the North Slope of Alaska. I have a complete chronological list here:

A. The continental United States is in need of that oil. Each day's delay in the Alaskan pipeline means $9 million in deficit balance of payments. I personally have no objection to the trans-Canada pipeline through the MacKenzie Valley. I personally am convinced that to reach the maximum solution to the energy crisis in the United States, both pipelines will be eventually needed for oil and gas delivery to refineries in the lower 48. The problem is this: we have delayed too long; our needs are to secure an adequate supply of alternative petroleum crude to offset Mideast imports which, at best, are subject to whims and caprices; and at the most difficult, could be withheld entirely. The administration has made positive moves toward maximizing petroleum products and supply, of which we know there is a finite end. When and where that finite end will come, we cannot know; we cannot predict. But the administration has moved—an Energy Board has been established under the able leadership of former Governor Love. His staff is comprised of some of the most knowledgeable experts in the nonnuclear field of energy. An almost crash program for resource and development of alternatives to fossil fuels is being seriously considered. For instance, the National Science Foundation has made a grant to Oklahoma State University to study means and methodology of developing a windmill and storage battery—they call it by some technical name, but that is what it is—on an experimental basis.

As a veteran of naval service, I feel I can use this statement: the United States has been using fuel like a drunken sailor on leave uses accumulated pay. The fiddler has played, now we must pay. The proposed alternative trans-Canada pipeline, as I said before, is needed; but it will place on our backs another 10-year delay; can we stand another 10 years at $9 million a day deficit in balance of payments?

In Alaska lies 800 miles of high specification, specially formulated one-half-inch thick pipe ready to bring petroleum crude, and eventually, natural gas to the United States. Years of study have gone into the ecological impact of the Alaskan pipeline on the environment. No other project in the history of man has been so thoroughly studied. I hold here in my hand a 9-page document listing just a part of the studies conducted concerning the ecology. Every conceivable impact of the Alaskan pipeline has been covered thoroughly by those concerned. There are opponents of the Alaskan pipeline who say the pipe, ready to be laid in and on the ground to bring petroleum to power America, is lying on the ground rusting. The pipe stored in three yards in Alaska was coated internally and externally in the second half of 1971. It has been sample tested for impact strength, adhesion, water resistance, flame resistance, fungus resistance, abrasion resistance, thermal shock and other tests using prescribed American Society for Testing Materials, military and Bureau of Standards test procedures. The pipe is ready to be put in the ground. The petroleum is ready to be delivered to the lower 48 which is ready for the petroleum. For further protection of the environment, stringent stipulations have been prepared by the Department of the Interior and the Federal Task Force on Alaskan Oil Development.

Mr. Speaker, perhaps I take too long; but I cannot overemphasize that we, as a nation, have already taken too long. A friend of mine, a fellow Oklahoman, a lifetime natural gas explorer, distributor, and wholesaler, says new discoveries are being made in western Oklahoma and the Panhandle. "Clem," he said, "all we need is time and a reasonable price for our product." Time is running short. Drilling has stopped on the North Slope of Alaska. There has been $40 million spent on dry holes and yet the Northern Slope is swimming in oil. Gentlemen, in the common sense of sweet reasonableness, let us proceed to bring that oil, that vitally needed oil, to market, by the most rapid means possible, the trans-Alaska pipeline.

Mr. Speaker, I urge adoption of House Resolution 515 in order that we may discuss and debate H.R. 9130.

Mr. QUILLEN. Mr. Speaker, House Resolution 515 is the rule which provides for the consideration of H.R. 9130, the trans-Alaskan pipeline authorization. It is an open rule with 2 hours of general debate. In addition, the rule makes the committee substitute in order as an original bill for the purpose of amendment, the bill is to be read by titles instead of by section, and after passage of H.R. 9130, it will be in order to insert the House-passed language in the Senate bill number, S. 1081.

If the Nation's fuel shortage is to be alleviated and growing energy requirements met, domestic sources of oil and gas must be developed and the delivery of such fuels facilitated.

The largest known oil reserve in North America was discovered in 1968 at Prudhoe Bay, Alaska. Although private industry stands ready to construct the trans-Alaska pipeline and develop this reserve, litigation concerning environmental matters and right-of-way limitations and debate over the means and route of delivery have prevented utilization of this tremendous national asset.

Title I of the bill establishes a comprehensive and modernized national procedure for granting of oil and gas pipeline rights-of-way across public lands. Existing statutory restrictions of area and usage are inadequate to permit the expeditious construction of the trans-Alaska and other oil and gas pipelines.

H.R. 9130 seeks to provide that economic and security benefits of the pipeline are not realized at the expense of environmental values. The bill also seeks to avoid further time-consuming and costly judicial review.

Section 201(d) of this bill provides:

> The actions of the Secretary of the Interior heretofore taken with respect to the proposed trans-Alaskan oil pipeline shall be regarded as satisfactory compliance with the provisions of the National Environmental Policy Act of 1969.

A similar provision is already in the Senate bill. This provision will help to avoid further delaying litigation.

The probability of construction of a trans-Canada oil pipeline to supplement the trans-Alaska project is recognized, and this bill directs further investigation of the feasibility of the trans-Canada facility and authorizes future United States-Canada negotiations to enable such construction.

The trans-Alaska pipeline will make a significant contribution to our Nation's economic well-being and our security and I urge the adoption of this rule.

Mr. McSPADDEN. Mr. Speaker, I yield 10 minutes to the distinguished gentleman from Texas (Mr. WRIGHT).

(By unanimous consent, Mr. WRIGHT was allowed to speak out of order.)

REPORT ON STATUS AND PROGRESS OF HIGHWAY BILL

Mr. WRIGHT. Mr. Speaker, I take this time because it is not only timely but also necessary to report to the House on the status and progress of the highway bill into which all of our Members have so diligently poured so many hours of labor.

After 2 years of long and deliberative consideration, this bill—counting the time spent by both Houses in lengthy hearings, mark-up sessions, floor debate and grueling conference committee meetings—has consumed a total of 3,460 legislative man-days of effort. Finally, last month, the bill emerged in the form of a conference committee report. That conference committee report was approved yesterday in the Senate by the overwhelming vote of 91 to 5. Now it would be timely for the House to consider that conference committee report. We have earnestly hoped, and every State highway department in the Nation has been hoping that we could secure final approval before the August recess.

Mr. Speaker, we have withheld bringing that conference committee report to the House while for the past week the House and Senate conferees, members of the House and Senate Public Works Committees responsible for the drafting of the legislation, and the leadership on both sides have vainly sought some minimal assurance from the White House that upon our passage of the conference committee report in the House it would not be subjected to the surreptitious practice of a pocket veto during the absence of Congress on its August recess. We have had no such assurance to date. And time is running out.

I am advised that on this morning at 9 o'clock a meeting was held in the White House to discuss this matter. According to my information, the Secretary of Transportation, Mr. Brinegar, and the President's principal domestic adviser and our former colleague, the Honorable Melvin Laird, strongly urged that the President give his assent and sign this bill once it was passed by the House; and at the very least that he give us the minimum assurance we seek; namely, that after all this labor the bill would not be subjected to a pocket veto during our absence, which, of course, would render the Congress bereft of its constitutional right to have an opportunity to override.

I am further advised that certain nameless people in the Office of Management and Budget pled to the contrary, saying that they desired to have more time to study the bill. I am told further that, assenting to their pleading, the President of the United States has declined to give to the Congress, at least as of this moment, that minimum assurance.

Quite obviously, my colleagues, neither the Members of the House nor the Members of the Senate, nor certainly those who have labored so diligently to produce a bill, and certainly not the States and cities which are running out of money and desperately need the funds in this bill for highways, for mass transportation, and for highway safety would want us to place ourselves at the total mercy of unnamed and unconfirmed advisers who might at their whim suggest to the President that he merely let it alone, neither sign nor veto it, and then leave us with no opportunity to override, and with no bill at all, right back where we started 2 years ago.

I, for one, am not willing to place this House or this Congress or this Nation in that vulnerable position. I cannot conceive of any reason why the President of the United States would want to veto this highway bill. Both in the House, in the Senate, and in the conference committee that ensued our Members bent over backward to accommodate the administration's wishes.

We went the second mile in deference to the President's insistence that there be no money in the bill for operating subsidies to mass transportation systems. The Senate reluctantly agreed to delete that provision from the Senate bill.

Because of White House concern over certain language which it felt might inadequately impinge upon executive prerogatives, the House and Senate conferees agreed to alter that language.

Because the White House representatives were very insistent in their concern over the total level of funding in the two bills, the conferees chiseled, whittled, carved, and cut away at each of the authorizations in the bill until we had reduced the first year of authorization from some $8 billion down to some $6.3 billion, a minimum amount in our opinion.

Having gone this second mile to accommodate the wishes of the White House, I cannot conceive of any logical rationale which would dictate a veto. We have not even asked for an assurance that the bill would be signed; merely for the assurance that if, for whatever reason, obscure though it be to us, the President might perchance decide to veto the bill, that he do it in a straightforward way, preserving to us our constitutional right to override. We have been unable to get even that minimum assurance.

Mr. Speaker and my colleagues, I for one am not willing to place this country, its highway construction program, its highway safety program, its mass transit program, and this Congress at the mercy of some kind of cat and mouse game. I am not willing for us to leave on our August recess with a damocletian sword hanging over the head of this legislation. I do not think the Members would want to do that, and unless we can get some assurance from the White House simply that it will not pocket veto our bill and leave for naught all our efforts and our hard-won product, we will be forced then to await September, upon our reconvening, to bring the conference report to the House and in this way, preserve to the Congress its constitutional right to try at least to override any such veto.

This could be grievously hurtful to many States and cities which are in urgent and immediate need of the ongoing authorizations provided in the bill. But it would be preferable to running a risk of losing the entire bill upon a whim or a technicality.

It seems we are asking very little of the President. We are not asking him to sign, though I believe he will and I believe he should. We are asking him merely to assure us he will not pocket veto the bill while we are temporarily out of session.

Mr. HARSHA. Mr. Speaker, will the gentleman yield

Mr. WRIGHT. I yield to the gentleman from Ohio.

Mr. HARSHA. Mr. Speaker, I want to associate myself with the remarks of the gentleman. I believe it is utterly ridiculous that the Congress should have to await the will and the whim of some nameless people down in OMB as to whether or when we should consider this. OMB has been advised throughout the entire period of the conference, all of the time spent in that latest effort, as to the money in the bill and as to the probability of what will be the authorization and amounts to come out.

As the distinguished gentleman has said, the conference committee bent over backward to accommodate the administration on almost every objectionable feature the administration wanted changed.

I assure the gentleman that should I lose my fight on the diversion issue when the conference report does come up and the Congress accepts that conference report, I at that time would then join him in trying to persuade the House to override any veto of this legislation.

Mr. WRIGHT. I thank the gentleman for his assurances. I believe this should be persuasive to the President as well as to the Congress.

I simply want to say that if no highway bill is enacted prior to our leaving on recess, it is not the fault of any dilatory position or delaying tactic on the part of the House. We stand ready to bring this bill to the House today or tomorrow, the moment we receive the assurance we seek. The fault and blame for any delay will lie, for all those States which are running out of funds, many of which have had to cancel contract lettings and bring their highway programs grinding to a halt, upon the administration and upon whoever those nameless people are in the OMB, over whom it seems to me the President himself should be willing to assert his own leadership and give us the assurance that we seek.

Some of the people in the OMB seem to know the price of everything but the value of nothing.

It strikes me that what we ask is in every sense reasonable. We await a simple assurance from the President. In the spirit of comity in a tripartite government, he at least should tell us he will not pocket veto our bill. If we can have this word today, we can have a bill tomorrow.

Mr. McSPADDEN. Mr. Speaker, as my distinguished colleague from Tennessee pointed out a few moments ago, there is emergency in the situation. I would remind the Members of the House that so long as we dilydally without constructing the Alaska pipeline it is costing us, the taxpayers of our country, $9 million a day in balance of payments.

I do not believe there has been a project in the history of our Government that has been studied any more thoroughly so far as environmental impact is concerned.

Mr. Speaker, we have no further requests for time.

Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER. The question is on the resolution.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. FLOWERS. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 401, nays 11, not voting 21, as follows:

[Roll No. 418]

YEAS—401

Abdnor
Adams
Addabbo
Alexander
Anderson, Calif.
Anderson, Ill.
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Archer
Arends
Armstrong
Ashbrook
Ashley
Aspin
Bafalis
Baker
Barrett
Beard
Bell
Bennett
Bergland
Bevill
Biester
Bingham
Blackburn
Blatnik
Boggs
Boland
Bolling
Bowen
Brademas
Brasco
Bray
Breaux
Breckinridge
Brinkley
Brooks
Broomfield
Brotzman
Brown, Calif.
Brown, Mich.
Brown, Ohio
Broyhill, N.C.
Broyhill, Va.
Buchanan
Burgener
Burke, Calif.
Burke, Fla.
Burke, Mass.
Burleson, Tex.
Burlison, Mo.
Butler
Byron
Camp
Carey, N.Y.
Carter
Casey, Tex.
Cederberg
Chamberlain
Chappell
Chisholm
Clancy
Clark
Clausen, Don H.
Clawson, Del
Clay
Cleveland
Cochran
Cohen
Collier
Collins, Ill.
Collins, Tex.
Conable
Conlan
Conte
Corman
Cotter
Coughlin
Crane
Cronin
Culver
Daniel, Dan
Daniel, Robert W., Jr.
Daniels, Dominick V.
Danielson
Davis, Ga.
Davis, S.C.
Davis, Wis.
de la Garza
Delaney
Dellenback
Denholm
Dennis
Dent
Derwinski
Devine
Dickinson
Donohue
Downing
Drinan
Dulski
Duncan
du Pont
Eckhardt
Edwards, Ala.
Edwards, Calif.
Eilberg
Erlenborn
Esch
Eshleman
Evans, Colo.
Fascell
Findley
Fish
Flood
Flowers
Flynt
Foley
Ford, Gerald R.
Ford, William D.
Forsythe
Fountain
Fraser
Frelinghuysen
Frenzel
Frey
Froehlich
Fulton
Fuqua
Gaydos
Gettys
Gibbons
Gilman
Ginn
Goldwater
Gonzalez
Grasso
Green, Oreg.
Green, Pa.
Griffiths
Gross
Grover
Gubser
Gude
Gunter
Guyer
Haley
Hamilton
Hanley
Hanrahan
Hansen, Idaho
Hansen, Wash.
Harsha
Harvey
Hastings
Hawkins
Hays
Hébert
Heckler, Mass.
Helstoski
Henderson
Hicks
Hillis
Hinshaw
Hogan
Holifield
Holt
Holtzman
Horton
Hosmer
Howard
Huber
Hudnut
Hungate
Hunt
Hutchinson
Ichord
Jarman
Johnson, Calif.
Johnson, Colo.
Johnson, Pa.
Jones, Ala.
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Jordan
Karth
Kazen
Keating
Kemp
Ketchum
King
Kluczynski
Koch
Kuykendall
Kyros
Landrum
Latta
Leggett
Lehman
Lent
Litton
Long, La.
Long, Md.
Lott
Lujan
McClory
McCloskey
McCollister
McCormack
McDade
McEwen
McFall
McKay
McKinney
McSpadden
Macdonald
Madden
Madigan
Mahon
Mailliard
Mallary
Mann
Maraziti
Martin, Nebr.
Martin, N.C.
Mathias, Calif.
Mathis, Ga.
Matsunaga
Mayne
Mazzoli
Meeds
Melcher
Metcalfe
Mezvinsky
Michel
Milford
Miller
Minish
Mink
Minshall, Ohio
Mitchell, Md.
Mitchell, N.Y.
Mizell
Moakley
Mollohan
Montgomery
Moorhead, Calif.
Moorhead, Pa.
Morgan
Mosher
Moss
Murphy, Ill.
Murphy, N.Y.
Myers
Natcher
Nedzi
Nelsen
Nichols
Nix
Obey
O'Hara
O'Neill
Owens
Parris
Passman
Patman
Patten
Pepper
Perkins
Pettis
Peyser
Pickle
Pike
Poage
Podell
Powell, Ohio
Preyer
Price, Ill.
Price, Tex.
Pritchard
Quie
Quillen
Railsback
Randall
Rangel
Rarick
Rees
Regula
Reid
Reuss
Rhodes
Rinaldo
Roberts
Robinson, Va.
Robison, N.Y.
Rodino
Roe
Rogers
Roncalio, Wyo.
Roncallo, N.Y.
Rooney, Pa.
Rose
Rosenthal
Rostenkowski
Roush
Rousselot
Roy
Roybal
Runnels
Ruppe
Ruth
Ryan
St Germain
Sandman
Sarasin
Sarbanes
Scherle
Schroeder
Sebelius
Seiberling
Shipley
Shoup
Shriver
Shuster
Sikes
Sisk
Skubitz
Slack
Smith, N.Y.
Snyder
Spence
Staggers
Stanton, J. William
Stanton, James V.
Stark
Steed
Steele
Steelman
Steiger, Ariz.
Steiger, Wis.
Stephens
Stokes
Stratton
Stubblefield
Stuckey
Studds
Sullivan
Symington
Symms
Talcott
Taylor, Mo.
Taylor, N.C.
Teague, Calif.
Thompson, N.J.
Thomson, Wis.
Thone
Thornton
Tiernan
Towell, Nev.
Treen
Udall
Ullman
Van Deerlin
Vander Jagt
Vanik
Veysey
Vigorito
Waggonner
Walsh
Wampler
Ware
Whalen
White
Whitehurst
Whitten
Widnall
Wiggins
Williams
Wilson, Bob
Wilson, Charles H., Calif.
Wilson, Charles, Tex.
Winn
Wolff
Wright
Wyatt
Wydler
Wylie
Wyman
Yates
Yatron
Young, Alaska
Young, Fla.
Young, Ga.
Young, Ill.
Young, S.C.
Young, Tex.
Zablocki
Zion
Zwach

NAYS—11

Abzug
Badillo
Burton
Conyers
Dellums
Dingell
Harrington
Hechler, W. Va.
Kastenmeier
Riegle
Waldie

NOT VOTING—21

Biaggi
Carney, Ohio
Diggs
Dorn
Evins, Tenn.
Fisher
Giaimo
Goodling
Gray
Hammerschmidt
Hanna
Heinz
Landgrebe
Mills, Ark.
O'Brien
Rooney, N.Y.
Satterfield
Saylor
Schneebeli
Smith, Iowa
Teague, Tex.

So the resolution was agreed to.

The Clerk announced the following pairs.

Mr. Rooney of New York with Mr. Carney of Ohio.

Mr. Gray with Mr. Schneebeli.

Mr. Hanna with Mr. Smith of Iowa.

Mr. Evins of Tennessee with Mr. O'Brien.

Mr. Fisher with Mr. Heinz.

Mr. Giaimo with Mr. Goodling.

Mr. Teague of Texas with Mr. Hammerschmidt.

Mr. Dorn with Mr. Landgrebe.

Mr. Biaggi with Mr. Diggs.

Mr. Satterfield with Mr. Saylor.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

Mr. MELCHER. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 9130) to amend section 28 of the Mineral Leasing Act of 1920, and to authorize a trans-Alaska oil and gas pipeline, and for other purposes.

The SPEAKER. The question is on the motion offered by the gentleman from Montana.

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H.R. 9130, with Mr. NATCHER in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the rule, the gentleman from Montana (Mr. MELCHER) will be recognized for 1 hour, and the gentleman from Arizona (Mr. STEIGER) will be recognized for 1 hour.

The Chair recognizes the gentleman from Montana.

Mr. MELCHER. Mr. Chairman, I yield myself such time as I might consume.

Mr. HALEY. Mr. Chairman, will the gentleman yield?

Mr. MELCHER. I yield to the distinguished gentleman from Florida (Mr. HALEY) the chairman of the Committee on Interior and Insular Affairs.

Mr. HALEY. Mr. Chairman, I want to make only a few brief comments on H.R. 9130 before the chairman of the Subcommittee on Public Lands, Mr. MELCHER, gives a more detailed explanation of the bill.

I might say here, Mr. Chairman, that the gentleman from Montana, I think, has done an excellent job. I think he has allowed everyone who wanted to be heard to be heard, and I think he brings to the floor here today an excellent bill.

It is important, in my judgment, to emphasize four main points, and to urge my colleagues not to get sidetracked on side issues.

The first point is that the need for both title I and title II of this bill is urgent. The worsening energy crisis, our economic well-being, and our national security all are involved.

Title I amends the general law that governs the grant of rights-of-way for oil and gas pipelines across all of the public lands. The present law is 53 years old, and contains few limitations other than the limitation that the width of the right-of-way may not exceed 25 feet on each side of the pipe. No provision is made for the use of additional areas that are essential for construction equipment, roads, and so forth. For 53 years the law has worked adequately because the Secretary of the Interior has supplemented the rights-of-way with special land-use permits to take care of these additional needs. The U.S. court of appeals has recently interpreted the law, however, to preclude this practice. The result is that no new large modern pipelines can be built until the law is changed.

Title I spells out in considerable detail the new terms under which rights-of-way can be granted in the light of modern-day needs. The congressional guidelines provided in title I are much tighter than the old law, especially in the area of protecting the environment.

The second point is that there is an urgent need for the prompt construction of a pipeline to bring oil from the North Slope of Alaska to the domestic markets.

The alternatives are, first, a pipeline through Alaska, with a connection by tanker to the west coast, or second, a pipeline through Canada with terminals in the Midwest.

The only application for a right-of-way now pending is for the route through Alaska. The pipeline will be built by private industry. The environmental impact statement has been completed and the Secretary is ready to issue the permit. There is no application for a pipeline through Canada.

The question is whether the application for a pipeline through Alaska should be approved without further delay. This is a question that Congress should decide. It is of national importance. It is ridiculous to contend, as some do, that this policy issue should be decided by the Secretary of the Interior and the courts because Congress is not competent to make a decision.

The third point is that the enactment of this bill will not in any way override the National Environmental Policy Act. That act requires that before any major decision is made the environmental effects of the decision, and possible alternatives, must be considered. That has been done. More time, effort, and money have gone into the preparation of an impact statement for this project than for any other project in history. The environmental impact statement was considered carefully by the Committee on Interior and Insular Affairs. Opposing contentions were heard and evaluated. The environmental effects and the possible alternative of a route through Canada were exhaustively considered. This part of NEPA has been fully complied with, and it is perfectly proper for Congress to say that it is satisfied before legislating further.

Another requirement of NEPA is that any affected citizen may ask the courts to determine whether a Federal administrator who is responsible for carrying out a statutory program has complied with the NEPA directive to consider environmental impacts before making an administrative decision. This provision of NEPA does not apply when Congress is making the decision. It would be absurd to say that the courts could invalidate a congressional decision on the ground that Congress did not consider environmental effects. NEPA contains no such provision, and the enactment of this bill by Congress will not be an override of NEPA.

The fourth point is that a denial of judicial review under NEPA after Congress has made a decision is a necessary corollary to the decision. When Congress grants, or orders the Secretary of the Interior to grant, a right-of-way, there is nothing for the court to review under NEPA. The courts do not have the power to determine whether Congress considered environmental impacts adequately, and this provision of the bill is merely a statement of the law that would apply in any event. The provision is necessary, however, in order to make clear that Congress has made a definitive determination.

Mr. Chairman, if I may at this point, I would like to call to the attention of members of the committee, who are well aware of the crisis this Nation faces, I think it is of vital importance that we have a pipeline to bring the known supply of oil from the North Slope of Alaska.

Mr. Chairman, I thank the gentleman from Montana for yielding.

Mr. MELCHER. Mr. Chairman, this is an important bill and it deserves careful consideration. It received that kind of consideration in the Subcommittee on Public Lands, where for 13 days hearings were held, and every witness that wanted to testify, that came before us and asked to testify, was permitted to do so. There was a full hearing of both proponents and opponents of the bill. On June 29, the bill we have before us was introduced by myself and 29 other members of the committee. When the bill was considered in markup in the subcommittee, we spent 2 long days with it. In full committee, 4 whole days were spent on a markup of the bill. I feel that more careful attention was given to the provisions of this bill than is given to most bills.

The bill is in two parts. Title I relates to the general law governing the grant of all rights-of-way across public lands for oil and gas pipelines. It is not limited to the proposed trans-Alaska pipeline. The enactment of title I is necessary because a recent decision of the U.S. court of appeals interpreted the present law in such a restrictive manner as to make construction of large pipelines virtually impossible. Title I, therefore, spells out in some detail the terms and conditions under which such pipeline rights-of-way can be granted, and makes the language meet modern-day needs. It gives the Secretary of the Interior statutory guidance, which has been absent from the law for the past 50 years. It is a more responsible exercise by Congress of its constitutional responsibility to regulate the use of the public lands. It has a section dealing with the environmental protection of such things as erosion, such things as revegetation. It provides a new direction with respect to the amount the Secretary charges for a permit or right-of-way across public lands. We are saying that it will be fair market rental value.

It clarifies the language on common carriers and more clearly states that all oil and gas pipelines on public lands must truly operate as common carriers so as to give the smaller producers as well as the large producers an adequate opportunity to transport oil or gas.

Also, title I contains a section dealing with review by Congress of all oil and gas pipeline permits that will be issued in the future which are 24 inches in diameter. In other words, it gives Congress the opportunity to know what is being proposed. The Secretary tells us what is being proposed, and we have 60 days to review pipeline permits for such large oil or gas pipelines. That is title I.

The second part of the bill, title II, relates to the construction of the proposed trans-Alaska oil pipeline. This is the part of the bill that has been the most controversial.

The status of that pipeline is as follows: The pipeline company applied to the Secretary of the Interior for a right-of-way. The Secretary prepared a comprehensive and detailed environmental impact statement at a cost in excess of $7,000,000. Some of the conservation organizations sought an injunction to restrain the Secretary from granting the right-of-way on the ground that the Secretary's environmental statement was inadequate. The trial court refused the request for an injunction and held that the environmental statement was adequate. The court of appeals reversed on the technical ground that the width of the right-of-way exceeded the statutory limitation. The court of appeals refused to pass on the adequacy of the environmental statement and sent the case back to the trial court with instructions to grant the injunction on the technical ground until such time as Congress changed the law relating to the 50-feet-width limitation.

This litigation has already taken over 3 years. If Congress does not say whether it does or does not want the pipeline built it will take another 2 years for the courts to review the Secretary's environmental impact statement for the single purpose of determining whether the Secretary considered environmental impacts in the manner Congress prescribed.

The issue of whether the trans-Alaska pipeline should be built is a policy one—not a legal one. Congress is the proper body to determine that issue. It has the clear constitutional responsibility for regulating the use of the public lands. It is nonsense to say, as some do, that Congress is not competent to make this decision and should therefore delegate its responsibility to the executive and judicial branches. I reject that argument emphatically.

What title II does, therefore, is to say, after reviewing all of the environmental data that is available, and I emphasize that word "all", and after hearing all of the arguments, both for and against, that Congress is satisfied with the Secretary's environmental impact statement, and regards it as an adequate basis for further congressional legislation.

Members will note that under title II Congress is making a policy decision that the courts cannot make nor do they have authority to review. The right of a citizen to go to court under NEPA, to determine whether an administrator has complied with NEPA, is not involved because in this case it is Congress, and not the Secretary of the Interior, who is making the decision.

So, let me say as emphatically as I can, that title II is not an exception to NEPA, and that it does not override NEPA. That charge is a red herring. If Congress wishes to grant a right-of-way, nothing in NEPA says that the courts must have an opportunity to decide whether Congress adequately considered environmental impacts.

The question, therefore, is, Who decides whether a right-of-way for the trans-Alaska pipeline shall be granted—the Congress or the executive branch and the courts? In my opinion, there can be only one answer—Congress.

When Congress makes the decision, it should consider environmental effects, and it has done so. It should also consider other relevant factors, and it has done that, too. Title II refers to NEPA only for the purpose of making clear that the Secretary of the Interior will be performing a ministerial and nondiscretionary function pursuant to the congressional mandate, and NEPA does not give the courts authority to review the congressional mandate. This is not an exception to NEPA. It is merely a statement of the present law.

Another issue is whether Congress has enough environmental and other data to make a sound decision. One argument is that the Secretary's environmental statement is suspect because it is industry oriented, and that a new study of the existing data should be made by an impartial group. The committee considered that proposal seriously and concluded that all of the available data was before the committee, that the committee had reviewed carefully the arguments for and against the statement, and that the committee's review does not need to be supplemented by a further review by an outside group. All of the preliminary work has been done. The preliminary work for the trans-Canadian pipeline has not been done, and the best estimates are that the trans-Canadian line would take about 6 years longer to build than the trans-Alaskan line. In addition to the longer time, the trans-Canadian line raises a number of other problems. It seems most reasonable to provide for a further study of the trans-Canadian idea—it is not really a proposal because no one has yet proposed to build it—without holding up construction of the trans-Alaska pipeline, which is ready to start.

Before concluding, I want to comment briefly on one set of amendments that were offered in committee and that I expect to be offered again on the floor today. They would provide for continued litigation to review the adequacy of the Secretary's environmental impact statement, but with an admonition to the courts to expedite the review. My position is that we have no assurance that the courts will in fact expedite their review.

If they should expedite their review, as would be requested by the proposed amendment, it would still mean a total of 2 years for the complete set of cases to go from the district court through the court of appeals and finally to the Supreme Court.

But more important, what will happen if the courts declare the Secretary's statement to be inadequate? There would be more delay, blocking the start of construction. Moreover, the real question is whether the statement is adequate for the purposes of Congress, and we say it is.

Mr. YATES. Mr. Chairman, will the gentleman yield?

Mr. MELCHER. I would be delighted to yield to the gentleman from Illinois at this point.

Mr. YATES. Mr. Chairman, may I ask the gentleman this question: Will any of this oil from the Alaska fields reach the Middle West or the East under this bill?

Mr. MELCHER. Yes; the oil that is brought down to the west coast by tanker after the construction of the pipeline is completed will be available for the west coast. Some of it, of course, will relieve other oil supplies that would be present on the west coast; it would free it for the Midwest and the East.

More important than that, this is still the free enterprise system with regard to the distribution of oil, and oil can flow by tanker or through other pipelines in the United States to any point that demands it.

Mr. YATES. Mr. Chairman, is there any assurance that a certain amount, a minimum amount at least, will be made available for the Middle West and the East?

Mr. MELCHER. This legislation does not attempt to direct where the oil goes as long as it goes to the United States.

Mr. YATES. Is there any restriction in the bill against exportation of the oil to other countries?

Mr. MELCHER. Yes, there is a very definite restriction in the bill against exportation to any foreign country.

Mr. YATES. In other words, all of the oil coming out of Alaska will be for use within the United States?

Mr. MELCHER. Absolutely, unless the President makes a finding that it was in our best national interest to permit its exportation. After the President had made his finding and published the reasons for making the finding, then it gives 60 days to Congress to veto that action by concurrent resolution if Congress sees fit.

Mr. YATES. Mr. Chairman, I thank the gentleman.

Mr. FASCELL. Mr. Chairman, will the gentleman yield?

Mr. MELCHER. I would be delighted to yield to the gentleman from Florida.

Mr. FASCELL. Mr. Chairman, I have been troubled a little bit about the question concerning whether a price differential would be created by an assured delivery of oil west of the Mississippi as against a good source of supply of oil east of the Mississippi. This kind of differential could adversely affect product cost structure, much in the same way that for many years and even today there exists discriminatory freight rates.

The gentleman has partially answered that question by saying oil will travel by whatever way it can travel, by tanker and pipeline, to wherever it is needed as it now does.

Mr. Chairman, did I understand the gentleman correctly?

Mr. MELCHER. The gentleman is correct.

Mr. FASCELL. Mr. Chairman, that raises a question I have had in my own mind about the trans-Canadian route. That calls for a thousand miles more pipeline than the proposed route. Is that not true?

Mr. MELCHER. Yes; it would be much more than a thousand miles. It would be about 1,700 miles.

Mr. FASCELL. The proposed route is 700 miles?

Mr. MELCHER. The proposed Alaska route is 787 miles.

Mr. FASCELL. So the differential is roughly 1,000 miles?

Mr. MELCHER. About 900 miles is correct.

Mr. FASCELL. Mr. Chairman, is there a cost estimate on the 1,000-mile differential?

Mr. MELCHER. No, we do not have a cost estimate on what it would cost to build a pipeline across Canada. We have an estimate of what it would cost to build the trans-Alaska pipeline, and that is $3½ billion.

Mr. FASCELL. Mr. Chairman, will the gentleman yield further?

Mr. MELCHER. I would be delighted to yield further.

Mr. FASCELL. Mr. Chairman, is there anything to prevent oil being shipped through the Seattle ports to the trans-Canadian pipeline now going to the Midwest? That is, any buying from the Alaska Transmission Co., delivered at Seattle, delivered to the trans-Canadian pipeline, and then delivered wherever they want it to be delivered?

Mr. MELCHER. Mr. Chairman, in answer to the gentleman's question, I am not going to cite specific pipelines, but I would say the oil could be purchased by anyone who wants to purchase it and he could transport it in any way he wants to, as long as it is in the United States.

Mr. FASCELL. Well, there is no prohibition, indirect or otherwise, against using the Canadian pipeline? That is the whole thing.

If it is a commercial pipeline now for transmission purposes, I want to be sure the gentleman is not telling me that it would be required in some way that this would have to be transported only in American pipelines.

Mr. MELCHER. The bill does require that the oil coming from the North Slope must go to the United States and to consumers in the United States. The only exception is if the President makes a finding.

So if the gentleman is asking me: Can the oil be——

Mr. FASCELL. Well, if I am going to ship it by pipeline to Seattle and Chicago over the trans-Canadian pipeline, I would not be prohibited from doing that, would I?

Mr. MELCHER. It would not be prohibited in any way.

The gentleman is correct, it would not be prohibited, because that is not the provision in the bill, because that would be designated for U.S. consumption. I might add that the bill does require the Secretary of the Interior to enter into a feasibility study and negotiations with the proper Canadian officials and requests the President to do likewise to see to the possibility of a trans-Canadian pipeline and that a second oil pipeline is constructed if needed.

Mr. ANDERSON of California. Will the gentleman yield?

Mr. MELCHER. I yield to the gentleman.

Mr. ANDERSON of California. This proposal bars the exportation of Alaskan oil unless approved by the Congress. Would the oil coming out of Alaska come under the regulation of the Jones Act and thus require the use of U.S. flagships?

Mr. MELCHER. Absolutely. It would apply as the Jones Act does cover this transportation from one U.S. port to another U.S. port.

Mr. ANDERSON of California. For exclusive transport?

Mr. MELCHER. That is correct.

Mr. VANIK. Will the gentleman yield?

Mr. MELCHER. I yield to the gentleman.

Mr. VANIK. As I understand it, the pipeline is owned exclusively by three companies.

Mr. MELCHER. Alyeska is the name of the consortium, and slightly over 80 percent is owned by three companies.

Mr. VANIK. Who is going to determine the rates relating to the use of the pipeline? For example, if there is an independent producer of oil in Alaska and he waits to get his oil on through the pipeline, is he absolutely at the mercy of this company, or will there be a regulatory rate to insure that he will have an opportunity to use it on a fair and equitable basis to get the oil to the port of transport?

Mr. MELCHER. The gentleman's question is a very pertinent one. I am happy to respond that any producer of oil, big or small, is assured the opportunity of access to the pipeline. The Interstate Commerce Commission will set the rates and enforce them. This bill will further clarify that any producer making application to move oil through the pipeline across public lands will be allowed to present his oil for transport there, and then it will be carried without discrimination.

Mr. VANIK. My question relates to the rates. This pipeline is entirely in the State of Alaska. How will the Federal Goverment or the rest of us in America have any way of having a part in the input to the rate structure and the use of it? A rate structure could be designed which would be discriminatory to those who are not participants in the ownership of the pipeline.

Mr. MELCHER. To answer the gentleman's question, the Interstate Commerce Commission does have jurisdiction because the oil is in interstate commerce. Even though the pipeline is entirely within the State of Alaska, the Commission does have jurisdiction and will set rates.

Mr. VANIK. As a common carrier?

Mr. MELCHER. Yes.

Mr. VANIK. Will the gentleman tell me further, is there any jurisdiction left to the Federal Power Commission under the concept of the legislation as we see it today?

Mr. MELCHER. Our bill does not carry with it any reference to the Federal Power Commission.

Mr. VANIK. So if present law covers it——

Mr. MELCHER. It does cover it.

Mr. VANIK. If it does not cover it, it will be without the jurisdiction of the Federal Power Commission?

Mr. MELCHER. The present law that does cover pipelines would be applicable.

Mr. VANIK. I thank the gentleman.

Mr. BELL. Mr. Chairman, will the gentleman yield?

Mr. MELCHER. I yield to the gentleman.

Mr. BELL. Will the gentleman tell me whether or not there is an intention to build a gasline in addition; would the gentleman tell me whether or not there is a plan or program along with the oil pipeline to build a gasline along with that for dry gas? They can produce that and it is a great energy source, also, and would be almost as great as the oil, and they might find a lot of gasfields there, too.

Mr. MELCHER. There is no application pending either with the Secretary of the Interior of the United States or with the Government of Canada for a gas pipeline, but it is anticipated by Canadian officials an application will be made this fall for a gas pipeline across Canada. At that time, of course, the application would be made to the Secretary of the Interior for that portion of the line that would go from the North Slope oilfield to the Mackenzie Valley.

I must point out gas production will follow in 2 or 3 years after the oil production starts. I must further point out the reason an application for the gas pipeline to the Canadian route is preferred is because partly it is felt by the people who are interested in owning the gas and transporting it and distributing it in the United States that the best market for it will be in the Midwest.

Mr. BELL. That, of course, is all right immediately, but very shortly if they could build a capacity for liquefying the gas they could ship it by boat.

Mr. MELCHER. That is correct.

Mr. GUDE. Mr. Chairman, will the gentleman yield?

Mr. MELCHER. I yield to the gentleman from Maryland.

Mr. GUDE. Mr. Chairman, our Subcommittee on Conservation and Natural Resources held hearings in Washington State on the question of oil spills which have occurred in Puget Sound. Would this increase the amount of oil tankers present in that area and therefore the possibility of more oil spills?

Mr. MELCHER. It is estimated that after the pipeline is in full operation, it would provide a tanker load of oil every 5 days to the area of the Puget Sound from the pipeline terminal at Valdez.

Mr. GUDE. What size tanker would that be?

Mr. MELCHER. I cannot answer the question.

Mr. DON H. CLAUSEN. Mr. Chairman, will the gentleman yield?

Mr. MELCHER. I yield to the gentleman from California.

Mr. DON H. CLAUSEN. Mr. Chairman, if I recall from the testimony of the Under Secretary, Mr. Whitaker, he addressed himself to this very point. It is my understanding that the type of tanker to be used will be the newest in design and it will have a special type of holding tank so as to avoid any possibility of splitting or breakage. This will be, as I say, a new-type tanker. It will be large, but it is specifically designed to avoid any kind of breakage.

Mr. GUDE. If the gentleman will yield further, I only observe that the *Titanic* was supposed to be an unsinkable ship; we should be very skeptical of assertions of invulnerability to splitting or breakage of supertankers.

Mr. STEIGER of Arizona. Mr. Chairman, I yield 5 minutes to the gentleman from Alaska (Mr. YOUNG).

Mr. YOUNG of Alaska. Mr. Chairman, I rise in support of H.R. 9130 and urge its passage as reported out of committee.

A decision on the trans-Alaska pipeline has been a long time in coming. As an Alaskan, I have lived with the promise of the proposed pipeline for 4 years. I have seen the decision pass from the Executive, to the courts, to Congress—and just recently, from the Senate to the House. We may be the last branch of Government to face the decision, but we are now the only branch of Government that can make that decision once and for all.

Finally, we begin debate today on a trans-Alaska pipeline bill. The bill before us is a strong bill, and one which will have a profound effect on this Nation's energy supplies, and we are doing so at a time when matters pertaining to energy are high on our list of national priorities.

It is perhaps unfortunate but true that we have become accustomed to thinking of America as a land of unlimited potential, with an ever-growing standard of living. But America's prosperity has depended, to a great extent, upon its energy resources. We have always known—or at least been vaguely aware—that other countries had to ration electricity or were short of coal or other forms of energy. But that was not true here in America.

Now, however, it is true. We have come face to face with the realities of the energy situation. In the last 20 years, our consumption of energy has doubled, and it is expected to double again in the next 15 years Almost abruptly, in the past 2 or 3 years, we have come to the stark realization that the consumption of our fossil fuels is outpacing our ability to supply them from domestic sources.

There is no doubt that the situation is serious. There are shortages, shortages that have inconvenienced millions of Americans, and forced them to, in one way or another, alter certain aspects of their life styles. Certainly, the availability of energy, or the lack of it, affects the way we all live.

No one single approach will lead to the solution of our energy problems. We must move on several fronts at once. We must work steadily for the development of new energy sources, and we must do so with imagination and vision. There are many possibilities—nuclear power, geothermal energy, solar energy, just to name a few. In fact, the possibilities are boundless, and I have no doubt that human ingenuity will rise to the occasion. But what about now?

While keeping our optimistic visions of the future, we must not overlook the fact that there are positive actions that should be taken without delay.

Most of our energy today comes from oil, and right now one-fourth of this Nation's proven crude oil reserves are located on the North Slope of Alaska. The huge discovery was not made until 1968, but oil seeps on the northern shores of Alaska were reported as early as the middle of the last century. For about a hundred years that fact was not very important. America had oil, lots of it, it could produce more than it needed much closer to the market than Alaska.

But times change, and America no longer has lots of oil. Alaska's reserves are of crucial importance to this country. And they are available now, when we need them the most.

H.R. 9130 affords us the opportunity to take a positive, affirmative action which will enable crude oil from Alaska's North Slope to be delivered to markets in the lower 48 States by late 1977 or 1978. And a bountiful supply of natural gas from the same area can follow within 2 years to the Midwestern section of the United States.

It would be incorrect to say that the passage of this bill, and the subsequent construction of the long-delayed trans-Alaska pipeline, will solve all of America's energy problems. As I have pointed out, however, we must move on several fronts at once. And this is something we can do now.

In addition to the much-needed energy this pipeline will provide, there will be other numerous positive benefits for the United States. With the oil-rich nations of the Middle East holding 60 percent of the world's oil reserves, and with virtually all of the highly developed nations of the world needing oil, the political leverage held by the Mideast oil nations is already immense. As the United States also becomes increasingly dependent on them for oil, the potential for political crisis is alarming. Moreover our economic stability is at stake. It has been estimated that in the 1980–85 period our country's balance-of-payments deficit could reach $25 to $30 billion annually.

With the trans-Alaska pipeline in service at full capacity of 2 million barrels per day, U.S.-owned oil will displace foreign oil and curb our dollar outflow by $3.3 billion a year. That is about $9 million daily.

The pipeline project holds further promise of balance-of-payments benefits by the infusion of some $3.5 billion in construction outlays into the U.S. economy.

In Alaska there will be over 10,000 direct construction jobs during the 3-year construction period, and this will generate 26,000 supporting jobs. In the maritime industry, 35 tankers will be employed in the fleet required for transporting the oil to west coast ports. Twenty-seven of these ships remain to be consructed. It has been estimated by the Maritime Administration that the construction of these ships will create 73,500 man-years of labor in shipyards and supporting industries. Maintenance of the fleet will generate 770 permanent jobs in the Nation's shipyards and the operation of the ships will require a total of about 3,000 crew members.

The project will require the purchase of about $1.6 billion worth of construction materials, and this will be welcome indeed to this country's economy.

The economic benefits will not only be great to the United States as a whole, the economic benefits will be great to the State of Alaska and they will come none too soon. The State spends about $150 million more a year on roads, education, social services, health and justice than it raises by taxes. This has been eating into the $900 million the State acquired in the North Slope lease sale, leaving a little over $600 million, which also will be gone in 4 more years. Alaska needs the revenue it will get from production of its North Slope oil reserves in order to continue providing the services so vital to its people.

Many native Alaskan families have an annual cash income of less than $1,000, and North Slope oil is of vital importance to their futures. The Alaska Native Claims Settlement Act provided for 40 million acres of land and a cash settlement of $962.5 million. As you know, more than half of the cash settlement, $500 million, was to be paid from a 2-percent allocation of moneys received by the State of Alaska and the U.S. Government for mineral royalties, bonuses, and leases from Alaska lands.

At the present rate of payment, it would take the natives 100 years to get their money. With royalties from North Slope production, made possible by the trans-Alaska pipeline, the settlement awarded to the natives would be paid off in 20 years.

Although the pipeline is of vital economic importance to Alaska, Alaska's interest in the pipeline has not been solely an economic one.

Alaskans, more than any other people I know, are interested in the environment of the land they call their home. And, because of the high percentage of federally owned land in Alaska, we seek constantly to understand that Alaska will always captivate the attention and interest of Americans everywhere.

The environmental attention and concern that has been directed at the pipeline proposal since 1969 has been a positive influence on the oil industry's planning, and it has helped to guarantee that the trans-Alaska pipeline will be safely operated, and as compatible with the environment as possible.

As you are aware, title II of H.R. 9130 would declare that the Secretary of the Interior has fully complied with the National Environmental Policy Act with respect to the trans-Alaska pipeline and would direct him to issue the necessary permits without further judicial review on NEPA grounds.

With respect to this provision, I would like to make these comments. The Alaskan pipeline has undergone rigorous environmental studies. The Department of the Interior's impact statement on the pipeline is the most extensive statement ever filed under section 102 of NEPA. It took over 3 years to complete at a cost exceeding $9 million. The end result is a massive six volumes of work, including three volumes of economic and security analysis. Accordingly, the many environmental safeguards which have been incorporated into the design of the pipeline system are a result of NEPA.

Despite this unprecedented level of study and review, the Secretary of the Interior has been unable and the courts have demonstrated their unwillingness to take the action necessary to get on with the pipeline project. Only Congress can resolve the dilemma, and it is clear the American people are waiting for us to do so.

The time factors making it essential to act at the earliest possible time are persuasive, and the work already done on the pipeline is clearly sufficient to make a responsible decision possible.

Great congressional decisions affecting Alaska have been made many times before. Alaska's American history began in the debate and controversy that swirled around Secretary of State Seward's decision to purchase the vast northern territory from Russia in 1867. Then, years later, there was statehood. And, later still, settlement of the Alaska native land claims.

Today we have the opportunity to make another great decision affecting Alaska, a decision that will have ramifications for the entire Nation, a decision that will effectively demonstrate Congress determination to bring about a solution to the energy problems with which we are now confronted.

Mr. SYMMS. Mr. Chairman, will the gentleman yield?

Mr. YOUNG of Alaska. I yield to the gentleman from Idaho.

Mr. SYMMS. Mr. Chairman, I wish to commend the gentleman from Alaska for the wisdom of his remarks and would like to associate myself with his remarks.

Mr. Chairman, I would like to further say that this country is heading for a chronic economic bellyache if we do not return to commonsense on matters such as this pipeline. We need this pipeline and we need it now. I hope we will pass this act today and get on with the job of taking care of a portion of our energy needs.

The argument today should be based on commonsense—which must tell us to allow the private enterprisers to build a pipeline in Alaska, that is America, then encourage the Canadians to allow the building of a pipeline in Canada which would double the ability to deliver oil to the United States and would also allow the competition for the transport of this oil.

What could be better for us—our own line now, then a safety valve in Canada with the ability of double capacity plus competition.

Mr. Chairman, I would further like to commend the committee for this bill and Mr. Young for the hard work he has been doing to achieve passage of this legislation on behalf of our country and his constituents.

I would also say, Mr. Chairman, that if Mr. Young is representative of the caliber of people we have in Alaska, I say we are proud of both Mr. Young and the people of Alaska and are glad you are part of the United States.

Mr. YOUNG of Alaska. I thank the gentleman.

Mr. MELCHER. Mr. Chairman, I yield such time as he may consume to the gentleman from Washington (Mr. Meeds).

Mr. MEEDS. Mr. Chairman, at the outset it should be made clear that there is no substantial argument regarding title I of this bill. Because of a decision of the circuit court restricting certain rights-of-way to 25 feet from each side of a pipeline—not just the Alaska pipeline—but a number of others in this country are in jeopardy. Title I simply allows the Secretary to grant a larger rights-of-way so that modern machinery and techniques can be utilized in the building, operation, and maintenance of oil and gas pipelines. There is no question that such authority ought to be given and the committee has provided for that authority in title I.

Indeed we have provided that authority only after providing a number of requirements which do not present exist, requirements protecting the environment, insuring the safety of workers and informing the Congress and administration. And so there should be no great controversy over title I.

Title II is the portion which causes the conflict. Title II deals specifically with the Alaska pipeline. The purpose of title II is to make a congressional decision that the trans-Alaska pipeline should be authorized and to make that policy decision binding on both the executive and judicial branches, thereby removing the basis for any further litigation.

We are told by some that we cannot make that decision because to do so would be an abdication of the policy expressed in the National Environmental Policy Act. In case it is necessary let me remind my colleagues that the National Environmental Policy Act is a method prescribed by the Congress to allow the Executive to make certain decisions. If the Congress itself decides to make those decisions it may do so. In title II the Congress makes the decision that the action of the Secretary of Interior fulfills the requirements of the act. This is an exchange of Congress' right to make decisions with regard to the public lands of the United States.

But we are told that to do so is to establish a precedent. A precedent that will be urged and followed in the future with regard to the National Environmental Policy Act. I don't know that we are establishing a precedent, but if we are it should be clear what it is:

If, the longest, most comprehensive and most expensive environmental impact statment in history has been prepared by hundreds of experts: and

If public hearings have been held and thousands of pages of testimony presented at those hearings; and

If a district court has approved the decision of the Secretary based on those hearings and statement; and

If the circuit court remits the case to the district court after more than a year without deciding the question of whether or not that environmental impact statement is sufficient; and

If 25 percent of our national oil reserves are locked up in Alaska—enough to furnish 10 percent of our daily needs while we suffer shortages, and as we move toward 50-percent dependency on other nations for our supply; and

If it is costing us nearly $10 million per day in our balance of payments for each day we delay; then

Perhaps the Congress ought to set a precedent. The precedent that we can move expeditiously when the national interest is at stake and when the processes we have established have failed to respond with the alacrity necessary for the national good.

Mr. ECKHARDT. Mr. Chairman, will the gentleman yield?

Mr. MEEDS. I will yield to the gentleman very briefly.

Mr. ECKHARDT. Mr. Chairman, the gentleman in talking to the gentleman from Texas is talking to a friend of the bill with respect to its main purpose, but I do have some questions I should like to ask the gentleman with respect to the NEPA statement.

I agree entirely with what he says, that by passing this act, Congress would say that the NEPA statement, whatever the courts may say, is adequate because we will have adopted it legislatively at that point.

Mr. MEEDS. That is correct.

Mr. ECKHARDT. I would like to vote for the bill, but I would not like to take that step. It seems to me that step is very much like the step that has been urged upon us by some of the gas companies in the El Paso Natural Gas Co. case. That is, to remove from the courts a determination of what Congress did in an earlier act.

Will the gentleman confirm the proposition that should we pass the bill as it is now written, we would say that notwithstanding the present provisions of the National Environmental Protection Act and notwithstanding the courts' interpretation of that act, we in this specific instance decide as a matter of present legislative policy that the NEPA statement is all right whether or not it meets the standards of the National Environmental Policy Act as construed by the courts?

Mr. MEEDS. When and if we pass this act as it stands; we accept the environmental impact statement which has presently been filed, which has had hearings, which has been approved by the district court, and which has been around for almost 2 years now; that we accept that as fulfilling the requirements of the National Environmental Policy Act, and that we are, on the basis of that, making the decision that we ought to go ahead with this Alaska pipeline.

I hope the Members will ask some of these questions of the other side as our time is severely limited.

Mr. STEIGER of Arizona. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I suspect that those of us who have remained for this debate are the wrong people in this body to be debating with or discussing with, because I suspect most of us here have a very thorough knowledge of this legislation. However, I think it might be useful in the Record to examine some things that have been said, or reaffirm them, and simply point out that the genuine point of controversy here that has been recited several times already is no longer whether we are going to build the Alaska pipeline, but when we are going to build it.

This bill, it is clear, has met with the overwhelming acceptance of the great majority of the Members of this body already in terms of acceptance with the single exception of whether or not that language in the bill which prohibits further litigation with regard to the National Environmental Protection Agency report is proper language.

For whatever it is worth, I would hope the Members will indulge me for just this moment to tell them that this is one of those rather unfortunate situations, because we, as politicians, can honestly have the best of both worlds. We can support the bill, tell our friends at home how we voted to supplement the energy requirements of this country; we voted to sustain the flagging and failing economy of the State of Alaska; we voted to do that which was demanded by supporting the bill.

We can also vote for what I suspect will be known as the Dellenback amendment, which would permit further litigation with regard to the NEPA Act.

If we can do that and thus avoid the heat from the deep-breathers, we have indeed got the best of both worlds. We can tell everybody we supported supplementing the energy of this country. We can tell our deep-breather friends we are concerned about the environment. But I will tell my friends that this is simply a total cop-out, because if indeed we pass this legislation with the language that permits further litigation, we do so, at least those of us on the committee do, with the absolute knowledge that we are inviting more litigation.

I tell the Members this not in terms of any projection or conjecture. We heard witnesses from the environmental groups who testified they knew of their own certain knowledge that litigation would follow. We heard testimony from people very sincerely dedicated to delaying this project no matter what the device.

The concept that somehow the environment is going to be done harm absent further litigation is a concept which simply will not bear close examination. People who are concerned that without further litigation there will not be sufficient protective language of our environment in Alaska are people who are only assuming. But the one fact that is not assumable is that further delay will cost money, will delay the energy supplement we so desperately need in this country, and will be devastating to the economy of the State of Alaska.

We are being asked to say, if we will, that we accept the results of the 3-year, $7 million study, that we accept the word of the Secretary of the Interior that this is a sufficient report and, most of all, we accept our responsibility and we leave this language in the bill and we reject the pandering to those people who would delay through litigation.

I do not believe that is an unreasonable thing to do. I believe in the instance of some it is going to be a difficult thing to do.

I ask that the Members recognize that without this language the bill will be simply a political band-aid over a very serious sore, and this sore will remain festered.

Mr. DON H. CLAUSEN. Mr. Chairman, will the gentleman yield?

Mr. STEIGER of Arizona. I yield to the gentleman from California.

Mr. DON H. CLAUSEN. Mr. Chairman, I thank the gentleman for yielding. I believe it appropriate at this time for me to read a portion of the committee report dealing with title II of the bill which discusses several of the arguments which are being raised here today.

TITLE II

Title II relates only to the grant of rights-of-way and permits for an oil pipeline from the North Slope of Alaska to Valdez on the southern coast of Alaska. This pipeline has been the subject of protracted controversy and litigation based on its anticipated environmental impacts. The controversy has stalled construction of the pipeline for more than 3 years. It was the litigation over this pipeline that caused the courts to interpret section 28 of the Mineral Leasing Act so narrowly that it had to be amended by Title I of this bill.

The amendment of the general law by Title I, however, does not resolve the problem faced by the proposed Trans-Alaskan pipeline.

Construction of the pipeline is stalled by the contention of several conservation organizations that the Secretary has not adequately considered environmental impacts and possible alternatives, as required by the National Environmental Policy Act. The issue was litigated and the United States District Court for the District of Columbia held that the Secretary had complied with NEPA. When the case was appealed to the Court of Appeals, the court refused to decide the issue and returned the case to the District Court to await an amendment of the general right-of-way law by Congress. That is where the case now stands.

If Congress does nothing more than amend the general right-of-way law, the environmenal issue will again be considered by the District Court, an appeal will again be taken to the Court of Appeals, and in all probability the Supreme Court will be asked to review the case by writ of certiorari. This process could take as much as two years, in spite of the fact that the issue has been in court for over three years.

A majority of the Committee on Interior and Insular Affairs feels that further litigation over the environmental issue, and the additional delay involved, is not justified.

The purpose of Title II, therefore, is to make a *Congressional policy decision* that the Trans-Alaskan pipeline should be authorized, and to make that *policy decision* binding on both the Executive and Judicial Branches of the Government, thereby removing the basis for any further litigation.

It is fitting and proper for Congress to make this decision. The issue is of national importance. The issue involves the use of the public lands, the control of which the Constitution expressly reserves to Congress. It is the responsibility of Congress to decide whether the pipeline should be authorized. It would be an abdication of congressional responsibility to say "let the Secretary of the Interior make this decision, and then let the courts decide whether the Secretary has done *what Congress wants him to do.*" Congress is able to say what it wants the Secretary to do, and it should issue the proper directive.

The environmental impact of the pipeline is only one of the factors that should be considered. It is an important factor. But there are others:

(1) One of the important factors to be considered is time. The only practical alternative to a Trams-Alaskan route is a Trans-Canadian route. No application to build a pipeline through Canada has been filed. There is no certainty that one will be filed. The engineering work needed to build such a line has not been done. The native land claims along the proposed route have not been settled. The time required to process an application through the Canadian governmental procedure, if an application is filed, and to do the engineering work, and to resolve the native land claims, cannot be known with certainty, but the testimony before the committee indicated that it would not be less than three years and would probably be much longer. This delay, coupled with the delay involved in further litigation, is too great in view of the present urgent need for additional domestic oil and gas.

The necessary business organization, financial arrangements, engineering design and logistical preparations for the Alyeska project have been completed, so that construction could begin as soon as a right-of-way is granted, while *none* of these necessary preparations has been accomplished for a Trans-Canada route. These tasks are expected to take about two years, quite apart from the legal, political and administrative hurdles that must be crossed before construction of a Canadian pipeline would be authorized. In addition to the delays that could be normally anticipated at each of these steps, a number of them suggest the possibility of indefinite delays or even the project's ultimate impossibility.

In the absence of a complex treaty enabling construction and operation of an international pipeline as a unitary enterprise, the interested private parties would have to organize a separate consortium or business organization on each side of the border for financing, building and operating the two segments of the pipeline, and resolve the complicated relationships between them.

Discussions would have to be conducted with, and applications submitted to, several Canadian agencies and the final plan would have to be submitted to the Federal Cabinet. Before approval could be granted numerous modifications and perhaps corporate reorganizations would be necessary. The project would run gauntlets of domestic Canadian opposition, and of attempts to influence the shape of the project by such interests as northern Indians and Eskimos, environmentalists, Canadian economic nationalists, and provincial interests. The prospects of ultimate approval by the Cabinet might well be jeopardized by the minority status in Parliament of the Government's party.

A new pipeline route through Canada would, of course, require a new environmental impact statement and public hearings, and involves the possibility of a new round of litigation within the United States.

Any assesment today of the time required for approval of a Trans-Canadian pipeline project or of the probability of its ultimate approval in any form is purely speculative. *It is, moreover, doubtful whether further study could contribute to the accuracy of such speculations.* The seriousness of the obstacles at each organizational, financial and political step are testable only by an actual attempt to get approval from a specific proposal, and no such proposal exists today.

(2) Another important factor is national security. A Trans-Alaskan pipeline would be under exclusive United States control. The Canadian portion of a Trans-Canadian pipeline would be under Canadian control. United States security interests would obviously be better protected by sole control than by a shared control.

(3) With respect to environmental impacts, the technical evidence available indicates that with either route environmental impacts exist and they must be protected by more safeguards than ever have been required for pipelines.

NATIONAL ENVIRONMENTAL POLICY ACT AND JUDICIAL REVIEW

It was argued at some length before the Committee that a directive by Congress to authorize a Trans-Alaskan pipeline, without further litigation under the National Environmental Policy Act, would be an abdication of the policy expressed by that Act. The Committee on Interior and Insular Affairs emphatically rejects that argument.

NEPA directs the Executive Branch to consider and evaluate environmental impacts and consider alternatives before exercising a discretionary authority delegated to it by Congress. The function of the courts is merely to see that the Executive Branch complies with this directive. If the Executive Branch fairly considers and evaluates environmental impacts and alternatives in a particular case, and then authorizes a particular action pursuant to the congressionally delegated authority, the courts cannot substitute their judgment for the judgment of the administrator. Only Congress can do that.

Furthermore, NEPA in no way attempts to limit the power of Congress to make a decision with respect to the use of the public lands. It could not, of course, do so. If the case is of sufficient importance, and if Congress chooses to make the decision rather than let the Secretary make it, NEPA is not impaired. It is not even applicable.

In other words, the bill *directs* the Secretary to grant the necessary rights-of-way and permits. Congress has made the decision, and no purpose would be served by further action under NEPA. Neither the Secretary nor the courts could ignore the congressional directive. The Secretary has no discretion to refuse a right-of-way, and the courts certainly could not say that the bill is invalid because Congress did not consider adequately the environmental issue. The direction to the Secretary to proceed without further action under NEPA is not a repudiation of NEPA. It is an exercise of Congress' right and responsibility to decide a public lands policy issue after considering all relevant facts.

Those who advance this argument are really contending that they do not trust Congress to make a sound environmental evaluation in a particular case. In the trans-Alaskan pipeline case they do not trust the Secretary either, and they hope that the courts will force the Secretary to change his decision. The courts do not have that authority. The real thrust of the litigation is therefore delay.

It is the opinion of a majortiy of the Committee on Interior and Insular Affairs that the environmental impacts of the Trans-Alaskan pipeline and the possible Trans-Canadian alternative, have been fully and fairly evaluated by the Secretary of the Interior. His environmental impact statement is voluminous and detailed. It was prepared at an estimated cost in excess of $7,000,000. It was the subject of extensive public hearings. The statement was before the Committee, and the Secretary explained it in detail.

The Committee not only considered the Secretary's environmental statement; it also heard in detail the conservation organizations who contend that the statement is inadequate. The testimony before the Committee indicated that the adequacy of the environmental statement was not questioned as much as the soundness of the Secretary's judgment. That is of course, not a NEPA issue. The Committee feels that all of the available environmental data was before it, and that the only thing lacking is a decision. The decision needed is whether, in the light of the environmental data and other relevant factors, the pipeline should be authorized. This is a policy issue, and a decision by Congress is not in derogation of the policy expressed in NEPA.

Based on this background, the bill does the following things with respect to NEPA:

(1) It provides that the actions of the Secretary heretofore taken in preparing the Environmental Impact Statement shall be regarded, as a matter of new statutory law, as satisfactory compliance with the provisions of NEPA but only in the case of the Trans-Alaskan pipeline. This is not an interpretation of NEPA, which is a judicial rather than a legislative function. By virtue of this new legislation, Congress is ratifying the Secretary's actions, not interpreting them. This provision is not actually necessary, in view of the further provisions of the bill, but is included in order to close any possible loophole.

(2) The bill *directs* the Secretary of the Interior to grant the necessary rights-of-way and permits without further action under NEPA. As indicated above, this is not an exception to NEPA, but is an assumption by Congress of the Secretary's discretionary authority, and NEPA is not applicable.

(3) The bill provides that the administrative actions taken to carry out the congressional directive shall not be subject to judicial review under NEPA. This is a restatement of the rule of law that would apply in any event, but is included to make it clear that the environmental impact issue has been considered and decided by Congress.

SUMMARY OF TITLE II

Section 201 is a short name for the Title.

Section 202 makes findings and declarations regarding the imminent need for a Trans-Alaskan right-of-way, Congress' satisfaction with the evaluation of environmental impacts and alternatives, and the need for a study of a Trans-Canadian route as supplemental to, but not as a substitute for, the Trans-Alaskan route.

Section 203 directs the Secretary of the Interior to grant the necessary rights-of-way and permits for the Trans-Alaskan pipeline under the provisions of the revised section 28 of the Mineral Leasing Act, but without further action under NEPA.

The Secretary is directed to include in the rights-of-way and permits terms and conditions that will mitigate adverse environmental impacts. These environmental stipulations will be enforceable in court. The terms and conditions imposed under this subsection may relate not only to pipeline itself, but also to the prevention of dumping oil at sea by such methods as delayed loading penalties. He is also directed to include provisions that impose on the grantee liability, regardless of fault, for injuries to or damages sustained by Natives or Native organizations, regardless of ownership of the property involved.

Alaskan Natives, living in the area traversed by the Trans-Alaskan pipeline have a unique dependence on the game and fish of the area. Because they do not own much of the land, however, and have not reduced the game and fish to possession, they need special "no-fault" liability protection that is not provided by Section 207.

Moreover, since Native subsistance may be imperiled during construction of the pipeline, they may find themselves in need of emergency assistance—food, water, medical aid, etc. This need cannot be met by a right to sue for damages. The Secretary is therefore authorized to require the pipeline owner or operator to provide such emergency assistance.

This section also gives the Natives the option to sue in court or to have the issues of casual connection and damages determined by arbitration under Alaska's arbitration law, a much less expensive proceeding.

The number of Natives potentially affected is fairly small. The costs are small in comparison with the total cost of the pipeline, yet unless such costs are regarded as an element of the cost of delivery of oil to market they will fall unfairly upon the Natives.

This section removes from judicial review under NEPA, as discussed above, the grant of authorizations necessary for the construction of the pipeline.

This section also requires the Secretary to take affirmative action to make certain that no person will be prevented from receiving a permit or right-of-way or other authorization under title II, or from participating in any activity thereunder, because of race, creed, color, national origin, or sex.

This section also permits judicial proceedings involving any right-of-way, permit, or authorization granted with respect to the construction of the pipeline, if the United States is a party and if the proceedings are not barred by the NEPA limitation, to be brought only in a three-judge district court, and if commenced within 60 days following the grant of the authorization. Direct appeal to the Supreme Court is authorized.

Section 204 provides that a right-of-way or permit granted for a road or airport as a related facility of the trans-Alaskan pipeline may require that the road or airport be a public one. The committee intends that an airstrip or landing field will be regarded as a related facility of the pipeline only if it is needed primarily for that purpose. Rights-of-way for airports that are needed primarily to serve the general public will not be granted under section 28.

Section 205 provides that the grant of a right-of-way or permit shall grant no immunity from the operation of the Federal antitrust laws.

Section 206 is not limited to the trans-Alaskan pipeline; it applies to all pipelines on rights-of-way granted under section 28 of the Mineral Leasing Act of 1920, either before or after the amendment of that section by title II. It makes the crude oil transported through such pipelines subject to the Export Administration Act of 1969. In addition, before any such crude oil can be exported the President must find that the exportation would be in the national interest. The President must report his findings to Congress, and if Congress enacts a concurrent resolution within a prescribed time disagreeing with the President's findings further exports must cease.

Section 207 imposes strict liability, regardless of fault, on the holder of a trans-Alaskan right-of-way or permit for damages to the United States, the State of Alaska, or any other party caused by the holder's activities along the route of the pipeline. The only exceptions are damages caused by an act of war or by the negligence of the United States or any other government.

This section imposes similar no-fault liability for damages resulting from discharges of oil in violation of section 11 (b)(2) of the Federal Water Pollution Control Act, if the oil is discharged from a vessel owned, chartered, operated, or leased by the holder of a right-of-way or permit for the trans-Alaskan pipeline, or its affiliate, or if the cargo of the vessel is oil transported through the pipeline. The word "affiliate" is broadly defined to include, among others, parent and subsidiary companies, the purposes being to bring within the scope of the section the oil companies that own the oil being transported. The Secretary is directed to require that a bond covering such liability be maintained in force.

Section 208 requires the Secretary to report to the Congress at least semiannually on the progress of construction of the trans-Alaskan pipeline and the implementation of the environmental stipulations. The Secretary is required to issue a cease-and-desist order to halt construction of the pipeline whenever he finds that the stipulations are not being implemented or that significant unexpected environmental damage is probable. The provisions of this subsection will not preclude a shut-down order under section 28(c) of the Mineral Leasing Act, when appropriate, for violation of terms and conditions relating to operation and maintenance after construction.

Section 209 requires the Secretary to investigate the feasibility of one or more trans-Canada oil or gas pipelines, and to submit to Congress periodic reports and a final report within 2 years.

This section also requests the President to negotiate with the Government of Canada to determine the terms and conditions under which a trans-Canadian pipeline could be built, and to determine the feasibility of obtaining additional oil export commitments from Canada that would make it unnecessary for tankers transporting Alaskan oil to go into the Puget Sound area. The President is required to submit to Congress a report on his negotiations.

The investigations and negotiations authorized by this section will not prevent the grant of a gas pipeline right-of-way or permit while the investigation and negotiations are in progress.

The provisions of this section are not intended to indicate any congressional policy for or against a trans-Alaskan gas pipeline.

Section 210 contains a definition of trans-Alaskan pipeline.

CONTENTIONS CONSIDERED AND REJECTED BY THE COMMITTEE

The Committee on Interior and Insular Affairs considered in detail several arguments advanced against various provisions of the bill, and concluded that the arguments were not convincing.

First. One argument was that the committee does not have sufficient information to make a judgment regarding environmental impacts and alternative routes.

The committee disagrees. The environmental impact statement prepared by the Secretary of Interior is the most comprehensive and exhaustive analysis that has been prepared for any project. It was prepared not by the Department of the Interior alone, but by an interdepartmental team with a wide range of interdisciplinary skills. Its cost is estimated to be in excess of $7,000,000. It was the subject of extensive public hearings before the Secretary. Representatives of the major environmental organizations submitted detailed comments to the Secretary.

When the Committee on Interior and Insular Affairs held hearings on the pending legislation, the environmental statement was reviewed and explained in detail.

In addition, the committee heard testimony from a panel representing the major environmental organizations, and questioned them closely. On numerous occasions throughout the past 3 years the committee has been briefed by experts on the environmental problems involved. More environmental data has been before the committee on this bill than any other bill in its history.

Second. Another argument was that the committee members had not analyzed and studied this data. The data was available for study by each member.

Third. Another argument was that many people throughout the Nation believe, rightly or wrongly, that the Secretary's environmental statement is biased in favor of the trans-Alaskan route, and does not fairly consider the trans-Canadian route, because of pressure from the oil industry. Because of this belief, so the argument went, Congress should provide for another study by a different group of experts whose integrity would be beyond question.

The committee rejected this argument. It is unwilling to impugn the competence and integrity of the host of career Government specialists who participated in the preparation of the statement. Moreover, before authorizing a second study with additional delays that would be involved new relevant facts would have to be indicated. Proposals made to the committee for such a study do not disclose new factual information but only a reassessment of the available data already considered. The majority of the committee concluded that the facts had been properly assessed and that no further time delay was necessary.

Fourth. Another argument was that the validity of H.R. 9130 would be challenged in court, and that this challenge would result in greater delay than would occur if title II were not enacted.

The best legal opinion available to the committee is that it is most improbable that the validity of title II could be successfully challenged, and that the filing of a challenge would not result in an injunction pending the consideration of the challenge.

Fifth. Another argument was that the direction to the Secretary of Interior to grant the right-of-way without further action under the National Environmental Policy Act legislates an exception to NEPA and will serve as a dangerous precedent.

This argument is discussed in some detail earlier in this report. The provisions of the bill are not an exception to NEPA. NEPA does not, and was never intended to, preclude Congress from legislating on any subject. Nor does NEPA give any person the right to ask a court to review the action of Congress on the ground that Congress did not adequately consider environmental impacts.

The enactment of title II will require the dismissal of the pending litigation, but that is because Congress has made a decision, and not because Congress has permitted the Secretary to make a decision that is immune from judicial review under NEPA. Title II is not an exception to NEPA, does not subvert the policy expressed in NEPA, and will not be a precedent for any legislation seeking to dilute the provisions of NEPA.

The Under Secretary of the Interior, John C. Whitaker, in his testimony before the Subcommittee on April 30, 1973, opposed the inclusion of any provisions that would prevent the continuation of the pending legislation.

Later, Secretary Morton on June 15, 1973, modified the departmental position as follows:

> First, let me say this, our position has not been one of opposition so much as it has been one of neutrality.
>
> Everyone here, nearly everyone on this committee I am sure remembers very well the debate and history of the NEPA Act.
>
> I think the NEPA Act passed the House of Representatives in the order of 350 to 13. It was a product of the Congress. It represented the beginning of a new epic in recognizing the environment in relationship with our works and projects.
>
> It seemed to me that it would be a position of arrogance on my part to come hat in hand to the Congress and beg you to set aside the judicial review that is inherent in the NEPA Act. And, I certainly recognize the wisdom of this committee and its ability to deal with this problem. I would take the present position today, in order to clarify your situation, and try to answer the dilemma which you have articulated, that I still would prefer that this committee in its wisdom, come forward with the kind of legislation that it wants without undue influence from this Secretary or from the Executive.
>
> But when you come forward with legislation, if it is reasonable in terms of its ability to do the job, we are going to support it full tilt. And if the legislation comes out of this committee with a section in it that sets aside the judicial review and which in effect orders us to go ahead and issue the necessary permits, we are going to support that on the floor as far as we can with the Members before they vote on the floor of the House.
>
> I would like to stand on that position that this committee go ahead and work its will, mark up the kind of bill that it wants, and when the time comes for support and help, we will give it to you.
>
> The position I take [is] that when and if this committee comes forward with a bill and if that bill includes the setting aside of judicial review because of the importance of this pipeline to the Nation, I will support that bill and the Administration will support that bill, in an effort to get it through the House.

Still later, when the substance of title II came before the Senate, a tie vote was broken by the Vice President, who voted in favor of the language.

Even more recently, Secretary Morton, in a statement at a press conference on July 27, said:

> The current pipeline debate . . . is centered on determining whether we can meet the national interest by delaying construction of TAPS while the Canadian route is studied in further detail. The greatest concern, however, is whether the Department's Environmental Impact Statement satisfies NEPA and, whether the Congress should preclude further judicial review of the impact statement.
>
> Frankly, I hope that the members of the House will enact the bill reported by the House Committee, which finds that our impact statement fully complies with NEPA, and precludes further judicial review of that issue. At the same time, however, I would like to review some of the facts for the record.
>
> *First.* There is broad agreement in the Congress—with a few exceptions—that added delay in the construction of TAPS is not in the national interest.
>
> *Second.* I think it would be a great error in judgment for anyone to interpret the bill being considered by the House as anti-environment or, for that matter, an attempt to weaken NEPA, I for one, supported NEPA when it was adopted in the House in 1969 and the Administration is unequivocally committed to ensuring that the spirit and letter of NEPA is carried out.

Third. The six volume Environmental Impact Statement required over two years, and literally thousands of man hours to prepare. It is the result of open public hearings, consultations with every imaginable sector of the scientific, environmental, and private community. In my view it is an unparalleled and truly innovative interdisciplinary approach to meet NEPA requirements.

I would like to add, incidentally, that of the judges—and there are four—who have voted on the adequacy of our impact statement, all of them have held that it complies with NEPA.

Fourth. I further believe that this bill should not be interpreted as a precedent for exemptions from judicial review under NEPA. It is rather, an exceptional and practical solution to meeting America's near term energy needs, providing the Congress and the Executive with a means of preventing needless and, from the standpoint of the national interest, unjustifiable legal maneuvering to delay the construction of the Alaskan pipeline.

Mr. WYLIE. Mr. Chairman, will the gentleman yield?

Mr. STEIGER of Arizona. I am happy to yield to the distinguished gentleman from Ohio.

Mr. WYLIE. I should like to pursue a question along the line of that of the distinguished gentleman from Texas (Mr. ECKHARDT). This paragraph was published in the Washington Post a couple of days ago, and several of my constituents have written letters expressing similar thoughts to me:

> The really big question—and probably the closest vote to be taken during the House debate on the Alaskan pipeline bill this week—is whether Congress should risk setting a precedent by putting the pipeline off-limits to the National Environmental Policy Act and the courts.

I should like to ask the gentleman to comment on that, because, as I understand from what the gentleman has just said, the committee bill has taken into account the policy statement of NEPA of this subject.

Mr. STEIGER of Arizona. The gentleman is correct. The question in the publication the gentleman reads from refers to the very action I was discussing, which is in the bill, that action which says as a result of Congress' acceptance of the National Environmental Protection, as a result of Congress' recognition of this further litigation with regard to the environmental reports as prepared under NEPA, those areas will not be subject to litigation.

I would tell my friend and those people concerned, as apparently the author of the article is concerned, that the bill not only does not preclude litigation in this whole matter but it recognizes the fact that undoubtedly there will be litigation, and provides a mechanism for accelerating that litigation.

The idea that some of us concerned about this matter would have no recourse in the courts is simply not valid, because the bill addresses that specifically. What the bill precludes is further litigation with respect to those environmental impact statements required under the NEPA decision.

We have had testimony at great length in the committee. I believe the chairman of the subcommittee referred to that. It was 13 days. It became very clear that a great deal of attention had been paid to it, and a great deal of money expended on it.

Mr. WYLIE. Mr. Chairman, will the gentleman yield further?

Mr. STEIGER of Arizona. Certainly.

Mr. WYLIE. Mr. Chairman, will the gentleman answer this question:

How can a Member of Congress justify voting for a National Environmental Protection Act on the one hand and then, on the other hand, passing a Trans-Alaska Pipeline Act which seems to be in contravention of the National Environmental Protection Act?

Mr. STEIGER of Arizona. Mr. Chairman, I am glad the gentleman addressed that question, because I suspect it will be bandied about a good deal more this afternoon.

There is no inconsistency in this. Now, as a direct result of the NEPA Act, there have been requirements placed on this pipeline which are more stringent than any which have been placed on any other right-of-way granted in the history of this country. We have a mile-by-mile surveillance that is unheard of in any nation of the world. That is as a direct result of the NEPA Act, which this Congress passed overwhelmingly.

This bill is an affirmation of NEPA; it is not a rejection of NEPA. There is nothing inconsistent in it. What this bill, as now written, does is this: It says that we recognize the problem and we are not going to permit further delay in this one area.

Mr. WYLIE. Mr. Chairman, I thank the gentleman.

Mr. DON H. CLAUSEN. Mr. Chairman, will the gentleman yield?

Mr. STEIGER of Arizona. I yield to the gentleman from California.

Mr. DON H. CLAUSEN. Mr. Chairman, in further amplification of the gentleman's response, I think it would be helpful if all the Members in the Committee of the Whole would read the committee report, the very excellent committee report, as it addresses itself to this under the title II explanation. I will just read a couple of sentences. It says as follows:

> Furthermore, NEPA in no way attempts to limit the power of Congress to make a decision with respect to the use of the public lands. It could not, of course, do so. If the case is of sufficient importance, and if Congress chooses to make the decision rather than let the Secretary make it, NEPA is not impaired. It is not even applicable.

Then further, the report says this:

> The direction to the Secretary to proceed without further action under NEPA is not a repudiation of NEPA. It is an exercise of Congress' right and responsibility to decide a public lands policy issue after considering all relevant facts.

Mr. WYLIE. Mr. Chairman, if the gentleman will yield just for a comment, I am very glad that the language from the report has been read into the RECORD. I had read that language but believe the record we are making here today will be more complete by including it in this debate.

Mr. MARTIN of North Carolina. Mr. Chairman, will the gentleman yield?

Mr. STEIGER of Arizona. I yield to the gentleman from North Carolina.

Mr. MARTIN of North Carolina. Mr. Chairman, I thank the gentleman from Arizona for yielding, and commend him for his statement and his leadership.

Mr. Chairman, I am very interested in the comments concerning the environmental impact statement, and wish to further expand on this.

Mr. Chairman, I rise in support of the bill, H.R. 9130, a product of considerable and prolonged study by the House Committee on Interior and Insular Affairs. Your committee's bill authorizing the trans-Alaska oil pipeline may not be perfect and it may not satisfy each and every desire of every interest, but it is, like much of life today, a compromise between the demands of our Nation for its energy and the counterbalancing demands for ecological preservation.

There are several points to which I wish to address my remarks: environmental impact, judicial review, and energy requirements.

The committee's bill states the finding of the Congress that the congressional mandated environmental impact statement submitted by the Interior Department after 2 years' work at a cost of $9 million satisfies the requirements of the National Environmental Protection Act. The impact statement is the ultimate in its field. It satisfies some people completely, other partially, and some not at all. The degree of satisfaction will be reflected in today's vote. While the Congress may, by passing H.R. 9130, impose its judgment for that of others, it does so leaving the NEPA alive and intact. And, it does so without expressing a decision in opposition to the findings of any court, since the injunctions against the pipeline have been on technical grounds involving right-of-way width, not on the grounds of environmental impact. Suits are not barred on questions other than the statement.

The bill imposes severe requirements on the pipeline. The standards of construction are imposing ones. The obligations regarding operations and potential damages are severe, as they should be As much as is possible, I believe, has been incorporated into this legislation to minimize the hazards, real and imagined, involved.

The shipping of oil involves risks Everyone acknowledges that.

The energy needs of this country are such that a quantity of oil will be brought in by sea to the United States—to the "lower 48." The choice in this decade is between piped oil shipped by tanker from Alaska and oil shipped by tanker from the Persian Gulf. The difference is $6 billion per year in our balance-of-trade position.

Some may argue my point that the choice is between oil from Alaska and oil from the Persian Gulf. The argument would revolve around Alaskan oil piped across Canada. It would be argued that the Canadian Parliament has urged negotiations or discussions on the pipeline question. But, the Parliament has urged negotiations or discussions, not on a trans-Canada pipeline, but, rather, on the matter of Canadian objections to the trans-Alaska route. And, until such time as Canada can settle her outstanding Native claims questions in the Yukon and

Northwest Territories, they are not in a position to negotiate a pipeline route for Alaskan oil. The committee's rejection of the trans-Canada option was well-reasoned. Negotiations regarding it have not been held; the results of such negotiations could only be guessed at; the time frame within which we could realistically expect to get oil to the "lower 48" could only be extended. And there is no way of assuring that, if a Canadian decision were eventually favorable, some of those objecting to the trans-Alaska route would not interpose those same objections to the portion of a Canadian route lying within Alaska. To go via Canada would require the same change in the right-of-way matter as is required for the Valdez route. A new impact statement for the portion of the pipeline to the Canadian border would be needed. If a group sought so to do, it could impose further delays, even if a green light were to be given in Ottawa.

The need for bringing fuels into this country is conceded by all. Meeting projected demands will require both stern conservation measures and the maximization of resource acquisition. To abandon the North Slope oil, or to prolong indefinitely its delivery to market, would be foolhardy. I believe the current bill goes about as far as a bill can go in satisfying both demands—that for increased energy supply and that for minimum hazard to our environment.

Now, Mr. Chairman, let me turn to a historical summary of the rather extensive environmental impact statement prepared in connection with the trans-Alaska pipeline.

On December 16, 1969, the Committee on Interior and Insular Affairs of the House adopted a resolution, the purpose of which was to permit—

> The Department of the Interior to grant a right-of-way and appropriate permits and to authorize the sale of necessary materials . . . for an oil pipeline system, including, but not limited to, pumping plant sites, access facilities, terminal facilities, catch basins, and any other structures reasonably necessary or convenient for transportation of oil by pipeline from fields in Northern Alaska to a deep water port in the Gulf of Alaska. (Proposed Modification of Public Land Order No. 4582, paragraph 1).

The resolution also endorsed the approach embodied in the trans-Alaska pipeline environmental stipulations and commended the Secretary of the Interior on the caution with which he had approached this very complex problem and on his efforts to protect the broad public interest when striving to resolve the many interrelated technical, scientific and environmental issues. That was nearly 4 years ago.

What had transpired prior to December 16, 1969 when the House Committee on Interior and Insular Affairs adopted this resolution? In late 1968 and early 1969, a study had been conducted determining the feasibility of a trans-Alaska pipeline for the movement of oil from the North Slope of Alaska southward to a deep-water port. In May, 1969, the companies planning the pipeline met with the Department of the Interior's Task Force on Environmental Protection of Alaska. At that time plans for the pipeline, including the proposed route, were presented to the Department. At that time a detailed presentation of plans for the pipeline was also made to Senator JACKSON and other members of the Senate Interior and Insular Affairs Committee. Representatives of various government agencies, and the State of Alaska, as well as conservation groups were present. On May 9, 1969, President Nixon sent a memorandum to Secretary Hickel suggesting that the Task Force on Environmental Protection of Arctic Alaska be expanded to include representatives of all other interested Government agencies. The President appointed Under Secretary Russell Train as Chairman of this expanded Task Force.

In June of 1969, Under Secretary Train submitted to the trans-Alaska pipeline system, a detailed series of questions, which addressed ecological as well as technical matters. There were also specific questions relating to the proposed terminal site at Valdez. These questions were answered in detail and included a discussion of what other terminal sites were investigated and why Valdez was selected. Subsequently, on June 16, 1969 formal application for the pipeline right-of-way was filed with the Department of the Interior.

On August 29 and 30, the Department of the Interior held public hearings in Fairbanks to determine the adequacy of the proposed stipulations. Representatives from industry, conservation groups, and the citizenry of Alaska, as well as Alaska public officials, including the Governor, fully participated in these hearings. At the conclusion of the hearings Under Secretary Train announced the formation of a special group, including both industry and Interior personnel, to work on special permafrost problems involving the pipeline.

On September 9 and 11, at the request of the pipeline companies, the trans-Alaska pipeline presentations were made to the full Interior Committees of the Senate and the House, respectively.

Subsequently, the trans-Alaska pipeline system was informed of the revised stipulations and agreed to accept them as a basis for expediting issuance of the permit. On September 30, 1969, the Secretary notified the House and Senate Interior Commitees that he proposed to lift the land freeze for the pipeline right-of-way from Prudhoe Bay to Valdez and also notified these Committees of the revised stipulations. On October 16, the Senate Interior Committee held a public hearing on the Secretary's proposal to lift the land freeze and on the stipulations. Environmental groups, industry and Department of the Interior witnesses testified at these hearings, and at subsequent hearings held by the House Interior Committee on October 21, October 28, and November 11, 1969.

On October 23, the chairman of the Senate Interior Committee sent a series of questions to Secretary Hickel concerning the stipulations, and related matters, which the Secretary answered in detail and returned to the chairman on November 20. On December 11, the Senate Interior Committee approved the modification of the land freeze order to permit construction of the pipeline and notified Secretary Hickel of its action. Five days later, the House Interior Committee adopted the resolution I referred to earlier.

Subsequently, on January 1, 1970, the National Environmental Policy Act of 1969 became law. In March of 1970, environmental groups sought an injunction barring the Secretary from issuing the necessary rights-of-way for the trans-Alaska pipeline on grounds that the Secretary had not complied with the procedures set forth in this new law. The Secretary readily admitted that, although he had conducted exhaustive environmental studies, he had not, in fact, prepared a statement in accordance with NEPA. The Secretary then set out to comply with the spirit and the letter of NEPA. That, too was nearly 4 years ago.

He undertook to prepare a draft environmental impact statement which was finally completed 10 months later, in January 1971. He then called for and held 8 days of public hearings in Washington, D.C. and Anchorage during February of that year on that statement. Testimony was taken from 207 individuals. A transcript of these hearings consists of 10 volumes totaling 2,118 pages accompanied by 15 volumes of exhibits totaling 4,317 pages. The hearing record was held open for written comments until March 22, 1971. Supplemental testimony submitted comprises 12 volumes. This material, all 37 volumes of it, was released for public inspection during the fall and winter of 1971–72. To revise the draft statement and compile a detailed final environmental impact statement, the Department of the Interior established several task forces. Among these was Task Force C which studied possible alternative pipeline routes and was composed of representatives from the Geological Survey, the Bureau of Sport Fisheries and Wildlife, and the Bureau of Land Management. Further advice and guidance came from the State of Alaska and from the Interagency Federal Task Force on Alaskan Oil Development which included representation from the Departments of Defense, Transportation, Commerce, Health, Education and Welfare, and Housing and Urban Development, as well as from the Office of Science and Technology, the Office of Management and Budget, the Council on Environmental Quality, the Environmental Protection Agency and the National Science Foundation. This task force set up a Technical Advisory Board which provided scientific and engineering analysis essential for the preparation of a final environmental impact statement. The Board examined the project description, reviewed and evaluated original and supplemental material, and conducted independent studies.

The final environmental impact statement which was released in March 1972, required 175 man-years of study by the Department of the Interior and other agencies at a cost in excess of $9 million.

In May 1972, the Secretary issued his final decision which would have granted necessary permits and rights-of-way for the trans-Alaska pipeline. In August

1972, the district court for the District of Columbia lifted its injunction and ruled that the Secretary of the Interior had met all the requirements imposed by NEPA. The U.S. Court of Appeals, however, in a 4 to 3 holding reversed the district court and found that the width limitations contained in the Mineral Leasing Act of 1920 would be violated by the Secretary's action. Notwithstanding the strong dissent of three court of appeals judges, the court refused to pass on whether the Secretary had complied with NEPA, and thereby did not reverse the district court on this.

At this point, the Congress again took under advisement the trans-Alaska pipeline. Again, hearings were held. Again, representatives from industry, conservation and environmental groups, the State of Alaska, and the U.S. Government fully participated in these hearings. Again, the entire question of whether much needed North Slope reserves will be made available to the consumers of the United States is in the lap of Congress.

Congress has been kept fully apprised of the trans-Alaska pipeline system since its very conception. The Congress first considered this important project 4 years ago. It is evident that Congress must now resolve this problem in a manner acceptable to the American consumer, after having given considerable attention to all necessary measures to protect the environment.

Calls for further studies, further hearing and further litigation are simply calls for delay. We must act decisively and promptly to require the immediate construction of this important project.

Mr. OWENS. Mr. Chairman, will the gentleman yield?

Mr. STEIGER of Arizona. Mr. Chairman, I will advise my colleagues that I will yield to the distinguished minority leader after yielding to the gentleman from Utah (Mr. OWENS) for what I hope is a brief statement.

Mr. OWENS. Mr. Chairman, it is a question I wish to ask the gentleman.

Mr. Chairman, the gentleman has spoken concerning how he believes the so-called Dellenback amendment will provide for increased delay.

Does not the gentleman believe that the overriding of NEPA by this bill—I am using a term which the gentleman probably would not choose to use—the overriding of NEPA by this bill will in fact create new legislation based on constitutional questions which otherwise would not be available to those who would litigate it?

Mr. STEIGER of Arizona. Mr. Chairman, I will simply tell the gentleman that we discussed this matter in the committee, and the gentleman has been a proponent of that particular view.

I would disagree with the gentleman on his constitutional problem and, even if there is a problem, I would suggest that the bill does anticipate that point of the accelerated litigation process

So I believe the bill reflects the concern of the gentleman and the concern which would also consider the constitutional question.

of other members of the committee in that respect. It does not happen to be my concern.

Mr. OWENS. Mr. Chairman, the concern is shared by the Senator from Alaska (Mr. STEVENS), who in Senate debate admitted there are three new separate constitutional grounds, or there would be, for challenging the pipeline, if in fact we override NEPA.

I submit to the gentleman that the provisions for accelerated hearings if NEPA is bypassed would still not provide for as speedy action as would occur if Judge Hart, who heard this matter at the district court level and who retained jurisdiction there, or if the same Court of Appeals, which also retained jurisdiction, were to hear challenges to the bill. Four out of the eight judges who considered this matter have already said they consider the impact statement would be adequate. These are the same judges who would hear any challenges to the impact statement if Congress should knock from this bill the provision exempting NEPA. If we wish to avoid delay in speeding this oil to market, we should delete from the bill this odious exemption.

Mr. STEIGER of Arizona. Mr. Chairman, I am sure that the gentleman does not mean to impugn the judicial process. I recognize that, and I stipulate that. I simply say that the gentleman and I are in disagreement.

I believe the gentleman should also recognize that the opinion is valid that the one judicial route would be faster than the other. It is my sincere belief the route provided for in the bill is proper.

Mr. Chairman, I am going to have to decline to yield further, because the gentleman from Texas has been waiting very patiently.

Mr. OWENS. The only point I want to make is that these same judges who heard the challenges first, would hear them again if NEPA applies. If it does not apply—if our amendment fails—new judges will have to hear new complex constitutional issues and that will result in more delays—which the distinguished gentleman does not want.

Mr. STEIGER of Arizona. I recognize what the gentleman is saying, but I decline to yield further because the gentleman from Texas has been waiting to be recognized.

Mr. ECKHARDT. I thank the gentleman for yielding to me.

I do not wish to argue the merits but merely establish what the legal situation is. I think I am in agreement with the gentleman in the well and with my good friend, Mr. MEEDS, in his statement in reply to me a moment ago.

However, it does seem to me that what we are doing here is saying, regardless of what NEPA provides generally as it may ultimately be construed by the district court, the court of appeals, and the Supreme Court, nothing in NEPA will prevent the Secretary from going on with the directive of section 203, which says that the Secretary of the Interior is hereby directed to grant without further action under NEPA and notwithstanding the provisions of any law other than said section 28 and this title II, such rights-of-way and permits. And that is what this act does. Is that not correct?

Mr. STEIGER of Arizona. No, it does not. I will tell you what the act does. It says that the Secretary made a judgment that the environmental impact statement conformed to NEPA. In other words, you have paraphrased the language, and the language you are paraphrasing, which I think is in conflict with the facts, is the part which says, everything else aside, regardless of the quality of the environmental report, the Secretary shall issue the permits. The facts are it says the Secretary has recognized that the environmental impact statement complied with NEPA and that decision is hereby affirmed by the Congress, which is a very different thing.

Mr. ECKHARDT. If the gentleman will yield further, I do not say I disagree with him. I agree with him. The NEPA impact statement by the Secretary approved the building of the pipeline. The action of the trial court upheld the Secretary, but the decision of the court of appeals did not uphold the Secretary's environmental statement.

Mr. STEIGER of Arizona. Neither did it reject it.

I will have to decline to yield further and yield now to the distinguished minority leader such time as he may consume.

Mr. HARSHA. Mr. Chairman, I was greatly disturbed when I learned that the members of the House Interior Committee had decided to follow the Senate's lead and include provision in this legislation to bypass the requirements of the National Environmental Policy Act with respect to the construction of the Alaskan pipeline.

I am acutely aware of our urgent need for the rich oil resources in Alaska the pipeline will make available and share the views of a great many Members of Congress on the importance of the early construction of this pipeline. However, in our haste to make it possible to move this oil, we should not rush pell mell into the passage of unwise—and possibly even unconstitutional—legislation.

While my deepest concern rests with the fact that the exemption of the pipeline from NEPA requirements would set a dangerous precedent and thereby open the proverbial Pandora's box, I would also like to point out that this questionable procedure might actually delay the construction of the pipeline, rather than expedite it as its proponents argue, by adding new questions on which litigation might arise. During the debate on this point in the other body, the argument was advanced that the legal effect of this exemption would be to provide new grounds on which opponents of the pipeline could base additional litigation which might well take up to 2 years to resolve. Should this point be settled, opponents of the pipeline could then raise the question of the constitutionality of barring judicial review based upon NEPA, and this could even further delay pipeline construction.

I do not in any way wish to infer that the National Environmental Policy Act is imperfect. When this legislation was under consideration in the House in 1969, I forewarned my colleagues of the many problems that might result from the loosely worded language and the vague standards set forth in this legislation and pointed out that it could well lead to frivolous suits by irresponsible citizens. However, in the emotionally charged atmosphere that prevailed at that time, my misgivings were brushed aside, and the legislation was approved. Unfortunately, my prediction was correct, and the construction of many meritorious projects have been delayed by such suits.

While I feel that NEPA could—and probably should—be improved, this should not be accomplished by the passage of ancillary legislation. If changes are desirable in our environmental law, they should be made by amending the basic NEPA act after full and comprehensive study and debate by the Congress and not by the means of any ancillary measure.

I cannot express too strongly my concern over the proposed exemption of the pipeline from NEPA requirements. If this particular project is exempted from the requirements of environmental law, everyone who is interested in a particular project will want to obtain a similar waiver, and we will be inundated with requests for exemptions for every conceivable type of project. Once the precedent is set, the granting of waivers will become increasingly easy and the effectiveness of NEPA will be seriously—and perhaps fatally—eroded.

There is no perfect legislation, and if Congress feels that changes or improvements should be made in our environmental law, let us reexamine the legislation in an effort to eliminate its flaws and advance its essential objectives. But let us not resort to legislating exceptions to this law—no matter how commendable the specific project involved may be—as that will essentially negate its future effectiveness and seriously impair environmental safeguards in the future.

Mr. GERALD R. FORD. Mr. Chairman, this is a debate in which we can get to the nub of the matter in a hurry. There is no fuzziness here. The issues are clear. And the agreement among us is far more important than the matters in dispute.

I know of no Member of Congress who believes that the vast ocean of oil beneath the north slope of Alaska should stay in the ground. We are all agreed that we should pipe that oil to the lower 48 States—and most of us, I believe, think we should do that as quickly as possible.

The only questions at issue are whether the proposed trans-Alaskan pipeline system, called TAPS, should be delayed while a proposed Trans-Canada pipeline is explored, and whether the Interior Department has satisfied the requirements of the National Environmental Policy Act with regard to TAPS.

Let us examine the trans-Canada pipeline issue first. Is the proposed trans-Canada pipeline a viable alternative to TAPS?

Going the route of the proposed trans-Canada pipeline would pose a delay of perhaps 6 to 7 years in getting Alaska oil to the lower 48, assuming that all of the obstacles involved could be surmounted.

But before I even cite the various difficulties inherent in going the trans-Canada route, let me emphasize that the Canadians have not even shown any particular interest in the trans-Canada pipeline carrying oil from Alaska to the lower 48.

As Edward Cowan of the New York Times put it in an article last Sunday, July 29:

> Ottawa has not decided that it really wants an oil pipeline running up the Mackenzie River Valley. Such a venture would have an inflationary impact on Canada. There also would be environmental dangers.

Cowan continued:

> Ottawa has been playing a double game. It has taken pains to oppose the trans-Alaska route because of widespread fears in Canada that the tanker shuttle between Valdez, Alaska, and Puget Sound sooner or later will produce an accident that could pollute the waters and indented shores of British Columbia. But being against TAPS is one thing and being four-square in favor of a Mackenzie route is another. Ottawa has had many opportunities to let Congress and the American public know that it is keen for Mackenzie. It has not done so.

Cowan concludes:

> Perhaps Ottawa thinks it can stall the trans-Alaska pipeline just as it has stalled for three years or more on revising the auto-trade agreements with Washington.

To say that Canada is willing to receive an application for an oil pipeline from the companies that would build it is not the same thing as getting the Canadian Government to approve an agreement covering such points as access to the oil pipeline for Canadian oil, the extent of Canadian ownership of the pipeline, who would control it, and what the future export taxes would be.

In 1970, Washington proposed to Canada an agreement that would have covered a pipeline and would have increased the energy interchange between the United States and Canada. According to Julius Katz, the State Department's assistant secretary for International Resources and Food Policy, the Canadians were "unreceptive" and "at every point those efforts—on the part of the United States—were rebuffed."

The facts are that Ottawa is simply eager to halt a trans-Alaska pipeline. If we dumped the trans-Alaska pipeline in favor of a mythical trans-Canadian pipeline, I think we would be making a tragic mistake.

But let us assume for the sake of argument that it is possible to negotiate an agreement with Ottawa covering a trans-Canadian pipeline. A decision to abandon the trans-Alaska pipeline in favor of a trans-Canadian pipeline could delay the delivery of Alaskan oil to the Lower 48 by as much as 7 years beyond the 3 years it would take to build a trans-Alaska pipeline.

If construction began on a trans-Alaska pipeline in 1974, we would have Alaskan oil moving to market in the west coast region by 1977. An oil pipeline across Canada would not go into service before 1982 to 1984.

If the trans-Alaska oil pipeline is operational by 1977, a natural gas pipeline across Canada can be feeding clean fuel to Midwestern homes and factories by 1980. On the other hand, a trans-Canada oil pipeline would delay completion of the gas pipeline until 1985 to 1987.

Why would there be so great a delay if we sought to build an oil pipeline across Canada? There are many reasons.

We would have to negotiate an agreement with Canada regarding construction and operation of the oil pipeline.

An entity or entities would have to be formed to finance, design, build, and operate the oil line—and financing could well be difficult since a Canadian oil line would cost approximately $7 billion as compared with $3.6 billion for the Alaska oil line.

A detailed route study would have to be made. Technical design data would have to be compiled to provide the basis for U.S.-Canadian consultation concerning route selection and design.

A detailed project description of the oil line associated facilities would have to be prepared.

Applications would have to be made to the Department of the Interior for rights-of-way across the U.S. public lands involved in Alaska and in the Midwest where the pipeline would enter the U.S. from Canada.

The Department of Interior would have to prepare an environmental impact statement.

Canadian native land claims would have to be settled—and this is most important. This is a crucial issue that cannot be brushed aside by proponents of a trans-Canadian route. Last May, Canadian Indians won the first round in what will surely be a lengthy court battle with Canadian federal authorities for control of 400,000 square miles of land in the Mackenzie Valley. The court imposed a temporary land freeze on the 400,000 square miles. By contrast, similar claims in Alaska have already been settled by the Congress.

Application would have to be made to the Department of Indian Affairs and Northern Development in Canada, and public hearings would have to be held. This application would have to be accompanied by a detailed social and environmental impact statement.

If this environmental impact statement won approval, then application would have to be made to the National Energy Board of Canada and more public hearings held. The Canadian Cabinet would have to approve the action of the Energy Board in certificating the oil line.

Rights-of-way would have to be obtained to cross privately owned lands; equipment and materials would have to be lined up; detailed design of the pipeline would have to be carried out; and roads necessary for construction of the oil line would have to be built.

Last, but by no means least, any litigation with respect to the Canadian oil line would have to be resolved.

All of these are valid reasons to expect lengthy delays if Congress were to seek to build a Canadian oil line.

And there is one other factor that should be considered—a factor that is important to the Midwest. An oil line through Alaska and a gas line through Canada can be built simultaneously—

and would be built simultaneously. That kind of scheduling would not be possible if both the oil and gas line were to go through Canada.

For a midwesterner, the strongest argument in favor of an oil line from Alaska through Canada is that it would serve the Midwest.

In that connection, let's look at some supply and demand figures.

The Department of Interior estimates that by 1980 the demand for crude oil on the west coast will be 3.13 million barrels a day, and in the Midwest it will be 6.2 million barrels per day. By 1980 the deficit in the west coast region will be 2.065 million barrels a day and in the Midwest region it will be 4.884 million barrels.

The Midwest has traditionally been a crude oil deficit area, and this deficit has been met by imports of surplus production from the gulf coast region via existing transportation facilities. In 1970, for instance, the net flow of crude oil from the gulf coast region in the Midwest was 1.918 million barrels a day. By 1980, it is projected at 4.071 million barrels.

The west coast, which does not have interdistrict transportation facilities comparable with those entering the Midwest, will have to depend largely upon foreign sources to make up its deficit. Thus, by 1980, minus North Slope oil, the west coast region would be dependent upon Middle East sources for approximately 1.1 million barrels of crude oil per day—more than one-third the demand in that district. The Midwest, however, would be dependent upon foreign sources for only 20 percent of its demands—and, in the past, has obtained almost all of its foreign requirements from Canada.

We are all, of course, deeply concerned about the environmental aspects of the trans-Alaska pipeline. Is the trans-Canadian oil line environmentally superior? In my judgment, the two proposed oil lines are environmentally comparable.

While the TAPS line would be 789 miles long the trans-Canadian oil line would traverse some 3,200 miles. The entire length of the TAPS line involves northern wildlife habitat. However, the trans-Canadian line includes 1,700 miles of such country. The TAPS line would cross 525 miles of permafrost; the trans-Canadian line, 1,200. The TAPS line would involve one major river crossing—the Yukon; the trans-Canadian line, 12 major river crossings.

Environmentalists are understandably concerned about the TAPS line. But there is no question that every possible environmental safeguard would be taken. More than half of the line would be buried 7 to 10 feet underground. Where the line is scheduled to be above ground or elevated, ramps and underpasses would be built so animals such as the caribou could pass through. Where river crossings are involved, the line would be buried at least 5 feet below each stream bed and encased in several inches of concrete as insulation for the warm oil inside. Special fast-growing grass would be planted as cover for the pipeline route once the line was laid.

In addition, the TAPS line has been designed to be safe from the most severe earthquake ever recorded in Alaska; the line would be elevated over all unprotected permafrost; and the entire line would be monitored every minute of every day to detect any possible oil spillage. In the unlikely event of a break or rupture in the 48-inch line, the entire line could be shut down in less than 6 minutes.

Environmentalists are justifiably concerned about the possibility of oil spills as tankers transport trans-Alaska pipeline oil from the Alaskan port of Valdez to the west coast. However, the project emphasizes a new tanker program involving segregated ballast systems, sophisticated navigational equipment. U.S.-flag tankers, and strict controls. Stringent operational procedures to avoid collisions coupled with requirements for deballasting ships at Valdez and the use of new ships built with the latest structural designs will virtually eliminate any oil losses at sea.

Let me make one last point with regard to the national security aspects of the pipeline question. I am convinced the national security interests of the United States would be jeopardized if we go the trans-Canadian route instead of trans-Alaska. The President's Task Force on Oil Import Control has pointed out that dependence on the Middle East for more than 10 percent of our oil needs is dangerous. Oil dependence now exceeds this level and will increase until we get the Alaskan oil. It would take at least 6 years longer for a trans-Canadian oil line to be operational than it would for the TAPS line. This additional delay in getting North Slope oil to the lower 48 States would greatly imperil the national security of the United States.

I have no objection to a study focused on construction of a trans-Canadian oil pipeline. But it should not delay the TAPS project. In the final analysis, we need the TAPS line, a trans-Canada gas pipeline and an eventual trans-Canada oil pipeline from the Arctic once additional oil is found.

We can no longer permit sectional interests and the actions of special interest groups to delay the trans-Alaska pipeline. We should go ahead with it now. That is why I favor passage of H.R. 9130 without amendment. In my opinion, the Department of Interior has satisfied the requirements of the National Environmental Policy Act with regard to the TAPS project and Congress should preclude further judicial review of the impact statement filed by the Interior Department. The six-volume TAPS environmental impact statement required over 2 years and thousands of man-hours to prepare. It is nearly 3,000 pages long. All of the judges who voted on the adequacy of the impact statement held that it complies with NEPA. There is no question here of a precedent. The congressional declaration that the TAPS environmental impact statement satisfies the NEPA requirements should not be viewed as a precedent. It is simply a finding by Congress which meets a crisis situation.

I should also add at this point that all of the bills filed by the gentleman from Illinois (Mr. ANDERSON), a proponent of the trans-Canadian oil line, provide for a waiver of the NEPA requirement at the end of the proposed trans-Canadian study period. I would ask: If a waiver is in order then, why not now?

Let us then move ahead with the trans-Alaska pipeline. No longer should the will of the American people be frustrated. We need the Alaska pipeline, and we need it now.

Mr. Chairman, I will take 5 minutes or perhaps a bit more to talk about certain specifics that I think ought to be highlighted.

At the outset let me say I am for the committee bill; I am against the Dellenback amendment; I believe in the Alaskan pipeline; I want the Canadian gas line built as quickly as possible, and I want a trans-Canadian oil pipeline built as quickly as possible if there is a need for it and I believe there is.

Early this year some of the opponents of the Alaskan pipeline decided, apparenly, that a better alternative was the Canadian pipeline. That sounded superficially wise from a midwestern point of view. It had a lot of appeal because we from the Middle West would apparently get the gas and/or oil directly. But it seemed to be so simple an answer that I thought maybe we ought to look into it a little bit.

And so I did. No. 1, I think we have to concede that a Canadian pipeline is about 4000 miles in length, most of it would be in the hands or under the control of our friends from Canada, and would be a pipeline under the control of a foreign government.

I began to wonder how much authority, how much control, they would exercise over that pipeline, or what their legal authority might be. So I watched with considerable interest developments in the Canadian Parliament when the issue came up in that legislative body. Let me quote from the debate in the Canadian Parliament of May 22, 1973. As the Members I am sure know, they have a parliamentary form of government, not like our own, and their majority party has members of the House of Commons who actually serve as Ministers.

On May 22 in a question and answer period they had on the floor of the House of Commons, under the heading "Request That Government Establish Guidelines for Building Northern Pipelines," Mr. Macdonald, Minister of Energy, Mines, and Resources, said in answer to an interrogatory:

> I have indicated that the objective of the government would be to give the opportunity to Canadians to acquire 51 percent of ownership in any such pipeline, and the expectation that it would remain under Canadian control.

Is there any doubt that the Canadian Government will insist upon their demand, 51 percent of the control of the company that controls the pipeline? This is a statement made by a minister of the Government on the floor of the House of Commons of Canada on May 22, 1973.

If you have a pipeline controlled 51

percent by Canadian interests with most of the pipeline going through Canadian territory, obviously we cannot help but be at the mercy of another government. That government can turn it on or turn it off. Canada has been and is our friend but a radical government in Canada could in the future be unfriendly.

The question is then raised, would they ever turn off our Alaskan oil through a Canadian pipeline? Let me tell the Members something that was done just recently. I have in my hand here a statement of the Honorable Donald S. Macdonald, Minister of Energy, Mines, and Resources, issued in the House of Commons on June 14, 1973. "Re Imposition of export controls on motor gasline and home heating type of oils."

This is a government policy established by the head of energy, mines, and resources. The statement of policy goes on to say—

> I wish to inform the House that effective midnight Friday, June 15, temporary controls will be imposed on the export of motor gasoline and home heating type of oils.

The policy statement states further:

> The government on the advice of the National Energy Board has therefore decided to impose export controls for a temporary period.

Now, what does that mean? Since June 15 no Canadian crude oil has come into the State of Michigan, and it has not come into any other State in the United States from Canada. And we in Michigan have been dependent to a degree upon Canadian oil imports.

Let me tell the Members what happened in the State of New York, and if the gentleman from New York (Mr. McEwen) were here he could be more specific. Mr. McEwen, as the Members I am sure know, represents a northern New York constituency on the St. Lawrence River. It has been traditional that foreign oil or crude would come up the St. Lawrence, and it would be deposited in storage tanks on an island in the middle of the St. Lawrence River, and then transshipped to northern New York.

It is not Canadian oil; it is oil from some other country.

This order that I just read, issued by the Honorable Donald S. McDonald, has resulted in non-Canadian oil that was temporarily deposited on an island in the Saint Lawrence being prevented from going to the United States.

Is there any doubt in anybody's mind that we are putting ourselves at the mercy of a foreign government if we go the Canadian route? There is no question about it. It is not that Canadians are unfriendly, but they can take actions, like we would, that are more in keeping with their own interests than with ours. Even though it is our oil coming from Alaska to the Middle West, they would control the shipment through the control of 51 percent of their stock ownership and physical control over the route.

Anybody from the Middle West who thinks that a Canadian line is better than an Alaskan line has not taken the time to study the facts.

Mr. FRASER. Mr. Chairman, will the gentleman yield?

Mr. GERALD R. FORD. I yield to the gentleman from Minnesota.

Mr. FRASER. The gentleman, I am sure, must be aware of the fact that the Canadian Government on July 6 advised the State Department that Canada in fact will not require 51 percent of Canadian ownership of the pipeline built to transport Alaskan oil, even though it would seek such ownership for a gas pipeline, which is what the original reference was to. The gentleman is aware of that, I am sure.

Mr. GERALD R. FORD. I am aware that they have now retreated after they saw that their position was possibly injurious to their point of view and possibly helpful to Alaskan pipeline action in the Congress. They have now retreated, but I read what Hon. Donald McDonald said precisely in his policy statement.

Mr. FRASER. I heard what the gentleman said, but I would think that the gentleman, unlike the State Department, would want the House to have all of the facts about the position of the Canadian Government.

Mr. GERALD R. FORD. Yes, maybe what the gentleman has indicated shows the potential whim and fancy of a foreign government. On May 22 they said one thing, and what was the date of their change of mind?

July 6 they changed their mind. That is about 6 weeks. I guess maybe they could change again in October. Maybe they could change it again at some later date. It clearly proves that we would be at the whim and fancy of the Canadian Government. I do not want Michigan or any other of the 48 States to be in that position.

Mr. DON H. CLAUSEN. Mr. Chairman, will the gentleman yield?

Mr. GERALD R. FORD. I yield to the gentleman from California.

Mr. DON H. CLAUSEN. I think the gentleman has put his finger on a very key point. Is it not true that we have no guarantee of what this Congress or any future Congress can do, let alone what the Canadian Parliament or a future Parliament would do?

I commend the gentleman for making this point, because he has served as a member of the Committee on Armed Services of this House, where he dealt with the security questions. One of the great underlying problems in the Middle East, and the fact that it is today a great tinderbox, is centered around another government having control over the resources upon which we are dependent. Is this not a similar situation?

We should bring this Alaskan oil resource reserve into our total inventory. It will serve to enhance our security and our negotiating position with all oil producing countries.

Mr. GERALD R. FORD. I have one final comment, and then I will yield the floor. As I said earlier, I am unequivocally opposed to the Dellenback amendment. What amazes me is that some of the proponents of the Dellenbeck amendment in legislation which they introduced themselves provide in their bill for the same procedure, for the elimination of the requirement of a separate environmental impact statement. I do not understand their rationale. If the action of the committee is wrong in this regard, how do they justify their own legislation which provides for the same net result?

Mr. UDALL. Mr. Chairman, will the gentleman yield?

Mr. GERALD R. FORD. I will be delighted to yield if the gentleman can explain it.

Mr. UDALL. I think I can. I do not think I will use very much of the gentleman's time.

There are millions of Americans—and I am one of them—and there are 60 or 70 or 80 Members of this House I know of who honestly and sincerely believe that we never had a fair and objective look at the Canadian alternative.

We say we will give Members an Alaska pipeline, we are for having an Alaska pipeline maybe but we will not do that until and unless we have had a fair and objective look, and that can be conducted in one of two ways, either by letting NEPA run its course and have the court review, which we have not had, on the sufficiency of the impact statement, or if the Congress or General Accounting Office makes an independent objective study, it can be done in that way.

Mr. GERALD R. FORD. The gentleman is not really concerned about the establishment of a precedent concerning an environmental impact statement. That is not what he is worried about. He just wants another study.

Mr. UDALL. No. The precedent we will have of overriding NEPA can come after a sufficient congressional study, but only then.

Mr. GERALD R. FORD. In other words, the gentleman is willing to establish a precedent and override after two studies rather than one.

Mr. MELCHER. Mr. Chairman, I yield 4 minutes to the gentleman from Wyoming (Mr. Roncalio).

Mr. RONCALIO of Wyoming. Mr. Chairman, if we can carry on the interesting debate between the gentleman from Arizona and the minority leader. There are those Members who have attempted for the past week—and I am one of them—to work out a compromise or to fashion an amendment which would prevent the possible use of judicial review to interminably delay construction of this pipeline. For those who wish that this could be done, we are seeking a compromise between the Owens-Dellenback-Dingell position and a clear circumvention of NEPA.

I believe the committee position is that we would want a right-of-way granted under circumstances which would allow NEPA full authority for any stage of construction, for operation, and for maintenance.

What we are trying to avoid is the continued litigation that puts off construction for possibly several more years. That is what the committee thinks we are accomplishing.

We also recognize there is a substantial faction of Members of the House who for their own excellent and good reasons continue to use the NEPA controversy as a vehicle for getting a line built down through Canada. That should be recognized. There is not the great concern of NEPA being set aside for the moment, and the minority leader pointed that out. They do not want the Alaska pipeline, period, and while they continue that fight, that is what they are interested in.

Mr. Chairman, under consent I will obtain in the House, I insert at this point in the RECORD a clipping from the New York Times of July 29, 1973 entitled "Canada's Oil-Pipeline Hesitancy." Canada has been on both sides and has taken two positions, as will be seen from this article:

CANADA'S OIL-PIPELINE HESITANCY

(By Edward Cowan)

WASHINGTON.—In accusing the State Department of misrepresenting Ottawa's position on a Canadian oil pipeline, Senator Walter F. Mondale has obscured the real obstacles to rerouting the proposed trans-Alaska line.

Senator Mondale recently told the Senate that the State Department, in an effort to win Senate votes for the Alaska pipeline bill, had slanted and withheld information on Ottawa's viewpoint. Officials of the department denied the Minnesota Democrat's accusation.

Ottawa has not decided that it really wants an oil pipeline running up the Mackenzie River valley. Such a venture would have an inflationary impact on Canada. There also would be environmental dangers.

With only negligible oil discovered in the Mackenzie River delta, north of the Arctic Circle, Ottawa just is not persuaded that it is in Canada's interest to serve as a "land bridge" between the oil fields of Alaska's Prudhoe Bay and the contiguous 48 States.

Moreover, Washington and the American oil companies insist on a prior agreement between the Governments covering use of a Mackenzie line. They want long-term costs and conditions specified in advance in black and white. Ottawa replies that no such agreement is necessary.

Even before it lost its parliamentary majority last October, Canada's Liberal party Administration was steering wide of any energy negotiation with Washington. The prevailing view in Ottawa is that such an agreement or treaty can only subject the Government to criticism. Not a few Canadians believe that because of the disparity of economic muscle between the two countries, Canada gets taken at the bargaining table every time.

Canadian opinion has become increasingly nationalistic in the last few years. In this climate, Ottawa wants no part of any agreement that has even the appearance of linking the Canadian economy more closely to the American.

The State Department's appraisal of Canada's position may have been too negative.

More fundamentally, however, it was Ottawa's hesitancy about adding an oil pipeline to the Mackenzie natural gas line already contemplated, plus "energy crisis" psychology and big-oil lobbying, that doomed the attempt by Senators Mondale and Birch Bayh, Democrat, of Indiana, to delay the Alaska license pending negotiations with Ottawa. The amendment lost in the Senate, 61–29. The over-all bill swept easily to passage, 77–20, on July 17.

Ottawa has been playing a double game, it has taken pains to oppose the trans-Alaska route because of widespread fears in Canada that the tanker shuttle between Valdez, Alaska, and Puget Sound sooner or later will produce an accident that could pollute the waters and indented shores of British Columbia.

But being against TAPS (the Trans-Alaska Pipeline System) is one thing and being foursquare in favor of a Mackenzie route is another. Ottawa has had many opportunities to let Congress and the American public know that it is keen for Mackenzie. It has not done so.

It expressed its position to Congress—basically, a noncommittal willingness to consider applications—by transmitting through diplomatic channels written answers to questions submitted by the State Department. Courtesy required that the questions be answered, but protocol did not require Ottawa otherwise to act as if it were unlettered in public-relations techniques.

A single speech by a Canadian minister or a few remarks by Prime Minister Pierre Elliott Trudeau, abetted by appropriate elbow nudges to American correspondents, would have brought Ottawa's thinking to the attention of a large United States audience.

But the Canadians stuck to formal diplomatic channels. And the questions and answers were better publicized in Canada than in this country. When Ottawa revised one answer to give it a more forthcoming ring, it sent the amendment by ordinary mail after letting several days slip by.

That the original text was defective in a key place is itself suggestive. Who knows what to make of the fact that Ottawa apparently discovered the defect only by accident, as a result of a conversation between a Canadian diplomat and a State Department man?

In all, Ottawa has written a record it could defend at home while doing as little as possible to irritate the Nixon Administration in a gambit unlikely to succeed. Perhaps Ottawa thinks it can stall the trans-Alaska pipeline just as it has stalled for three years or more on revising the auto-trade agreement with Washington.

As Representative Sidney R. Yates, Democrat from Chicago and one of the Midwesterners who want direct delivery of Alaska oil via a Canadian overland route, told visiting Canadian legislators on Tuesday, Ottawa will have to be much more positive—and fast—if the Canadian alternative is to have a fighting chance in the House.

Mr. TIERNAN. Mr. Chairman, will the gentleman yield?

Mr. RONCALIO of Wyoming. I yield to the gentleman from Rhode Island.

Mr. TIERNAN. Mr. Chairman, today I am introducing an amendment to H.R. 9130 which would remedy an apparent oversight in the bill as reported by the Interior Committee last week. As reported, the bill provides for absolute liability on the part of the oil pipeline company for oil spills with the exceptions of environmental damage caused by acts of war or acts of Federal or local governments. In addition, the bill requires that the pipeline company put up a bond to insure repairs of any damage caused. Unfortunately, the bill leaves the amount of the bonding requirement to the Secretary of the Interior. I believe that there should be a minimum floor of $100 million on this bond.

Such a requirement would prevent the Secretary from setting a wholly inadequate bonding amount because of lobbying on the part of oil companies or because of the lack of any qualified bonding company who would be able to write such a large bond.

This second possibility—that which relates to the possibility that there may not be a bonding company with sufficient capital to write such a bond prompts me to join with 7 of my colleagues in introducing a substitute version of section 207.

This new section would require the pipeline operating company to contribute 3 cents per barrel of oil transported to an environmental trust fund to be held by the Secretary of the Treasury. When the fund reaches $100 million, no further contribution would be required. The moneys could be expended by the Secretary of the Interior if the operation of the pipeline—or the shipment of oil transported through the pipeline—would cause environmental damage which is not corrected by the pipeline company or the shipper of the oil. My provision has the effect of setting up a bond to be held by the U.S. Government and at the same time establishes the same liability provisions as did section 207 as reported.

I hope that the House of Representatives can see the wisdom of this new approach to the bonding and liability provisions of the pipeline bill and will join me in supporting the substitute section.

Mr. VIGORITO. Mr. Chairman, will the gentleman yield?

Mr. RONCALIO of Wyoming. I yield to the gentleman from Pennsylvania.

Mr. VIGORITO. Mr. Chairman, one thing I think we have to take into consideration also is that if the environmentalists seek to succeed in killing the Alaska pipeline, they are just going through the motions they are in favor of the Canadian line, but as soon as they kill the Alaska pipeline they will be out against the Canadian line also, because the environmental problems there are three times as great as they are in the Alaska pipeline.

Mr. RONCALIO of Wyoming. I thank the gentleman for his contribution.

Mr. Chairman, the industry should not be given a free ticket to construct any pipeline without adequate safeguards. We feel the last 3 years have resulted in more than adequate safeguards being developed for this line and we have given weight to the public need of this Nation for the oil it requires and that could be developed if we grant this line. We will have an opportunity for many amendments to assure the free enterprise system is protected in the North Slope and to see that the minority and smaller companies can still operate without the unfair competition or antitrust abuse in violation of the antitrust laws that we have heard so much about over the years.

The bill probably covered that when we take into account the powers enumerated which direct the Secretary of the Interior in giving more protection for this line than any built in the history of America.

I think industry recognizes that it has its duties and will support them, that they cannot abuse the land to do so or to do whatever they want with a coal mine, a pipeline, an oil well. However, the country has spent 4 years now building up a new set of rules for the construction of this line.

Mr. STEIGER of Arizona. Mr. Chairman, I yield 5 minutes to the gentleman from Oregon (Mr. DELLENBACK).

Mr. DELLENBACK. Mr. Chairman, my colleagues, I think it is extremely important to get the oil from the North Slope of Alaska down to the 48 States which lie below Canada. It is important that we do this swiftly, and it is important that we do it in the soundest possible way so far as the environment is concerned.

Let there be no misunderstanding as to what is involved in the debate today. The debate on the rule made very clear, I think, the overwhelming support in this House for a piece of legislation to move forward with the bringing of the North Slope oil to the lower 48 States. As has been pointed out by earlier speakers, the issue really is not on title I. The issue is on title II.

I remember that when the case that was brought on this matter before went through the trial court there were two issues. One was the issue of whether or not the Secretary of the Interior had authority to grant a pipeline of a certain width, or easement of a certain width. The second one had to do with the NEPA impact statement.

The trial court found for the Secretary of the Interior on both of these points. When it came to the circuit court of appeals, it was a clear finding that the Secretary had statutory authority. Title I rectifies that. Title I makes clear that the Secretary will have a statutory authority, not only in this case but in all of the other cases to which the act of 1920 applies.

Our question is, What should we do about NEPA and the environmental impact statement? Congress clearly has authority to authorize a trans-Alaska pipeline if we as a body decide that this is what our decision should be. But the question really revolves around how we should go about doing so. This is just the first, in my opinion, of a series of conflicts which are going to arise in the years while a number of us are still in the Congress that would bring into direct question the energy crisis in this country and the need to protect the environment of this country.

Whether or not the Members play semantic games, we are talking in terms of precedent or nonprecedent; how we handle this issue today is going to be a forerunner of how the Congress is going to deal with this kind of issue when it comes before us again; and it will come before us again.

Some years ago, a majority of the Congress then in existence, and a majority of those who are still in the Congress, voted for it, and the National Environmental Policy Act of 1969 was passed.

When we deal with the so-called Dellenback, Owens, Dingell, and many others amendments on the question of NEPA, our question is should we in this first conflict between the environmental issues and the energy requirements fold our tent so far as the environment is concerned, so far as NEPA is concerned, and decide the issue on an ad hoc basis? Or should we realize that when in 1969 NEPA was passed it was a good law, and it remains a good law today, and work out a resolution of this first conflict in a way that will blaze the path for how we work out resolutions of similar conflicts when they come in future years?

One way or another, that is what we are doing today. I believe we make a grievous mistake if the resolution we adopt is to take NEPA and brush it aside.

The CHAIRMAN. The time of the gentleman from Oregon has expired.

Mr. SAYLOR. Mr. Chairman, I yield the gentleman 1 additional minute.

Mr. DELLENBACK. Mr. Chairman, under the 5-minute rule we will have an opportunity to discuss in detail the proposed amendments which I intend to offer and which will seek to eliminate from the bill the override of NEPA.

Let me quote in part from a recent editorial, not from an environmental publication but from Business Week:

> The energy-short U.S. badly needs crude oil from Alaska. But the Alaska pipeline bill passed by the Senate last week may delay, not hasten, the flow of oil from the Arctic. And the Senate has undermined the 1969 National Environmental Policy Act (NEPA).

The editorial closes in this way:

> The House should reject the attack on the NEPA and let the present court battle run its course. If the Interior Dept. has prepared a satisfactory statement on the pipeline's environmental impact, as it says it has done, the federal court will soon give the pipeline a green light anyway.

Mr. Chairman, and colleagues, I believe that H.R. 9130, the bill before us today to widen rights-of-way which can be authorized under the Mineral Leasing Law of 1920 and to authorize construction of the trans-Alaskan pipeline, is basically sound and badly needed legislation. My colleagues on the Interior Committee who have worked so diligently to put together this legislation deserve special commendation and thanks from the House, and I particularly would like to commend Mr. MELCHER, the chairman of the Public Lands Subcommittee and sponsor of the bill, and Mr. YOUNG, the Congressman from Alaska. Each has spent countless hours helping fashion this legislation and bring it before us today.

Along with Mr. OWENS and a number of other Members who have joined in our efforts, however, I plan to introduce amendments which I believe will correct a very serious flaw in the committee's bill. Specifically, we will seek to delete from the bill the provisions overriding the National Environmental Policy Act. If this deficiency can be remedied, I believe we will have a bill worthy of strong support in this body.

H.R. 9130 seeks to accomplish the highly desirable goal of transporting the oil resources of the North Slope to the lower 48 States. The need for this oil has now become so compelling that there is virtually no argument over whether it should be transported.

Instead, the argument has been over the question of how the oil should be transported. To answer that "how," a number of different factors have had to be taken into consideration. How can the oil be transported expeditiously? What is the best approach economically? And, of course, how can it be transported with adequate protection of the environment assured?

It is this last factor—how to assure environmental protection— that has been the primary reason the trans-Alaska pipeline question has not been resolved before this time. Even in the face of rapidly mounting national concern over the energy crisis, in which concern I join, there are still many, many people with understandable concerns about the pipeline's potential impact on the environment. And I also join in those concerns. I believe Congress has a responsibility to resolve both of those sets of concerns. How? By passing this bill before us today, and by making certain that the authorizing legislation contains those safeguards and checks necessary to assure that adequate attention is paid to environmental protection.

In order to strengthen H.R. 9130 in this regard, I offered two amendments—one in subcommittee and the other in full committee—which I was pleased to have accepted by the rest of the committee. These provisions, which are in the bill before us as section 207, are very tough liability clauses covering both the land and marine legs of the trans-Alaskan route. Their effect will be to impose strict liability, regardless of fault, on pipeline permit holders for damages resulting from activities related to the pipeline itself or to the marine leg of the route.

We have received assurances from Alyeska and the other commercial interests involved in the pipeline that they are convinced the trans-Alaska route can be so constructed as to be environmentally safe. The strict liability clauses in section 207 put the burden on them to prove that their assurances are completely valid. With these clauses, enlightened self-interest will make certain they do the best possible job to prevent environmental damage. Obviously I hope the clauses will never have to be invoked; yet even if they never are, I think their inclusion in H.R. 9130 strengthens the bill to a significant degree.

To insure even further that environmental stipulations are met during pipeline construction, I offered another amendment in subcommittee which was adopted as section 208 of the bill before us. This section requires the Secretary of the Interior to report to Congress semiannually on the progress of construction, with particular attention to how environmental safeguard stipulations are being carried out. In addition, this provision authorizes the Secretary to issue a cease-and-desist order if he finds that these stipulations are not being met or if unforeseen environmental damage occurs. This cease-and-desist authority could, I believe, prove to be an extremely effective mechanism for assuring adherence to environmentally sound procedures during construction.

In one other important respect, however, the committee's bill is still dangerously weak. I refer to those provisions of the bill which would permit construction of the pipeline to override the procedures of the National Environmental Policy Act of 1969—NEPA. It is my intention, as I indicated earlier, to introduce amendments, along with my colleague, Mr. OWENS and others, to delete these NEPA override provisions, section 202(d), a portion of section 203(a), and section

203(d), from H.R. 9130, and to insert in the bill a provision which would direct the most rapid possible handling of any relevant litigation.

Briefly, I see three major reasons for amending this bill as I have described. One, the question of the environment itself. Have we done all we possibly can and should to guard against possible environmental damage? Two, the need to maintain the integrity of NEPA. Are we prepared to set the stage for wiping out NEPA procedures any time they happen to come into confrontation with another important piece of legislation? And three, the need to settle any litigation on this matter as soundly and as quickly as possible. Do we really want to trade one course of litigation—with known issues and perimeters—for another, very possibly lengthier course of litigation which would raise a whole new series of legal issues?

I would like to elaborate briefly on each of these three questions. First, it is certainly true that, in accordance with NEPA, safeguards have been proposed to protect the environment in transporting the oil from the North Slope out through an Alaskan pipeline. But there has not been as yet any final determination as to whether these safeguards, and the environmental impact statement dealing with them, are adequate. And, in its present form, H.R. 9130 seeks to prevent the courts from making that final determination. Section 202 provides that the actions already taken by the Secretary of the Interior with respect to the pipeline are found to be in satisfactory compliance with NEPA. This provision quite clearly tries to thwart the current pending court case challenging the adequacy of the environmental impact statement on the Alaska pipeline.

In fact, the bill goes even farther than attempting to curtail present litigation over the question of environmental protection and the pipeline. Section 203 seeks to declare that no permits issued for construction of an Alaska pipeline would be subject to judicial review under NEPA. This provision would mean that even if unforeseen environmental damage occurs, the possibility of further litigation on these grounds is attempted to be eliminated. If questions arise during construction of the pipeline about possible damage to the environment and we in Congress seek to leave no judicial recourse to determine the adequacy of environmental safeguards, we are on questionable constitutional grounds and are making a serious mistake.

My second serious objection to the NEPA override provisions is that to set aside NEPA in this one instance has implications that go far beyond this single issue. We are definitely establishing a course of conduct with respect to NEPA whichever course of action we take, and we should be sharply aware of our choices in this regard. The National Environmental Policy Act of 1969 passed this body with overwhelming support along with a great deal of rhetoric about the landmark, far-reaching step we were taking to protect the Nation's environment. I am convinced that, in the near future, this historic legislation will increasingly be jeopardized as the environment and the energy crisis come to head-on confrontation. Once having overridden NEPA, how much easier it will be to say next time, "Oh, we can just tack a provision on this bill to set aside NEPA. It has been done before—remember the Alaska pipeline bill?"

Indeed, the language of the bill does not even attempt to establish criteria for the important precedent it is setting in overriding NEPA. Unless these provisions can be deleted, I believe we will leave the door wide open for future exceptions to NEPA. And, inevitably, this once-historic legislation will be seriously undermined, and the American public will be the losers.

NEPA has already been of great value in connection with the plans now on the drawing boards for the Alaska pipeline. We must get the North Slope oil out of Alaska and to the lower 48 States. NEPA, intact, can help us do so in the soundest possible fashion. NEPA, intact, can be invaluable in helping us solve our energy requirements in the future in the soundest possible fashion.

Third, as far as expediting the judicial process with regard to pipeline construction, I am thoroughly convinced that sections 202 and 203 as they now stand in H.R. 9130 are very likely to be counterproductive. Even though these sections ostensibly seek to block any further litigation in connection with the proposed trans-Alaska route, there is in fact absolutely no assurance that these provisions will have that effect. Indeed, there is on the contrary a very real possibility they would have quite the opposite effect by raising a series of new potential grounds for litigation.

Sections 202 and 203 attempt to eliminate litigation on environmental grounds. There are, however, other areas related to the entire issue which could conceivably be the subject of suits. For example, the provisions we will seek to delete attempt to deny judicial review. These provisions in themselves could be a subject for lengthy, delaying litigation. The constitutional questions of due process, or separation of powers between the judicial and legislative branches, and of equal protection of the laws are all raised by these provisions and, if they got into the courts, could very conceivably go all the way to the Supreme Court, very possibly holding up the pipeline throughout the case. Clearly, anyone truly dedicated to stalling construction of the Alaska pipeline is not going to be stopped by the present provisions in H.R. 9130 attempting to prevent litigation on environmental grounds. Why should not such a person or group bring suit on one of the other grounds handed to them on a platter by sections 202 and 203, particularly when these new grounds for litigation could take a long time to be determined? On the other hand, if the indicated portions of sections 202 and 203 are deleted by adoption of our amendments, it is quite possible that the current pending case could be decided quickly by a court already familiar with the issues and directed by our amendments to accelerate court review of cases in this field.

The House has an opportunity to log a very significant accomplishment by passing legislation to authorize construction of the Alaska pipeline and to expedite the process that will bring badly needed oil resources of the North Slope to the lower 48 States. But we should not pass seriously deficient legislation to reach this goal. We can easily correct the deficiency by passing our amendments to delete sections 202(d), portions of section 203(a) and section 203(d) from H.R. 9130 as it is before us and to insert a provision accelerating court review of the cases in this field.

I urge my colleagues' support of these important amendments. Once they have passed, I believe we can and should go on to pass H.R. 9130 overwhelmingly.

Mr. **BROYHILL** of Virginia. Mr. Chairman, I am fully persuaded that we should enact H.R. 9130 as approved by the Committee on Interior and Insular Affairs. Our need for the energy available from Alaska's North Slope is undisputed. Our people now use 16 million barrels of oil each day, more than one-third of which must be imported from foreign sources at the cost of devastating debits to our balance of payments ledger. And still we suffer shortage of this vital raw material. Natural gas is in such demand that we import it from north Africa at a cost which quadruples the price our own producers are paid, and we seek to import still more from the Soviet Union at even greater cost. And those who know our economy and our future needs tell us our petroleum deficits will grow in the near future by staggering proportions.

In these circumstances, it makes no sense to delay the use by our citizens of the vast reserves of North Slope oil and gas which are equal to 25 percent of our entire domestic reserves of oil and 10 percent of our entire domestic reserves of natural gas. Those who urge delay for environmental reasons are, at best, misinformed and misguided. They seem to ignore the monumental environmental study of the Federal interdepartmental task force, a thoroughly professional and comprehensive work conducted at an expenditure of 175 man-years of effort at a cost in excess of $9 million. They seem unaware of the unprecedented environmental and technical stipulations to be imposed on the construction and operation of this project, the most stringent terms and conditions ever imposed on a project of this kind.

Perhaps most important, they seem ignorant of the comparative environmental facts of the Alaskan route and the Canadian alternative they propose. It cannot be accurately said that the Canadian route is environmentally preferable. Compare the unavoidable environmental disturbance from constructing less than 800 miles of line by the Alaskan route with that from constructing the 1,700 miles of just the first leg of the Canadian route to Edmonton. Consider that the Canadian route crosses more than 200 rivers and streams, including 12 major rivers of more than one-half mile in width compared to 70 rivers and streams on the Alaska route, only one of major proportion. Remember that the Canadian route crosses 1,400 miles of permafrost, 1,200 of which are critically sensitive, compared to 740 miles of the Alaskan route. I could continue, but it would belabor the point.

For these reasons I say to my environmentalist friends and colleagues let us authorize construction of the trans-Alaska pipeline now, without further judicial delay, in order that west coast motorists may use oil low in sulphur compared to the Middle East supplies they must substitute and in order that mid-West and east coast consumers may have available the vast reserves of Alaskan North Slope natural gas to heat their homes. These reserves are associated with the oil reserves and will remain untapped until the oil is on stream. The sooner we make this clean natural gas available the better we serve the American people. We should pass H.R. 9130, as reported by the committee, and make certain the Alaska pipeline is constructed immediately.

Mr. ZION. Mr. Chairman, it has been said that the Middle West would suffer if we utilize the Alaska pipeline and that the Canadian line would be preferable. I come from that population center of the United States and am strongly in favor of the Alaska route.

We need the energy now, not after years of litigation and debate. I would like to read two telegrams from knowledgeable midwesterners who share my view:

INDIANAPOLIS, IND.,
July 30, 1973.

Representative ROGER ZION,
Longworth Office Building,
Washington, D.C.:

Urge your favorable and affirmative consideration of H.R. 9130 (Alaskan Pipeline bill). Current lack of petroleum in Indiana and U.S. will be considerably relieved by putting the Alaskan Pipeline under construction now.

OTIS R. BOWEN, M.D.,
Governor.
ROBERT D. ORR,
Lieutenant Governor.

INDIANAPOLIS, IND.,
July 30, 1973.

Representative ROGER ZION,
Longworth Office Building,
Capitol Hill, D.C.:

Understand H.R. 9130, the Alaska Pipeline bill, to be considered by House August 2. The Highway-Heavy Construction Industry in Indiana most earnestly urges you to support passage of this bill. Many contractors already have been threatened by work stoppages because of fuel shortage and situation threatens to get worse. You will be serving the best interests of all Hoosiers if you vote for H.R. 9130.

Indiana Highway Constructors, Inc., respectfully requests your full support in this most important matter.

JAMES G. NEWLAND,
Executive Secretary.

Mr. MELCHER. Mr. Chairman, I yield 5 minutes to the gentleman from Arizona (Mr. UDALL).

Mr. UDALL. Mr. Chairman, the 93d Congress will confront a whole range of issues where the energy crunch comes into conflict with these bold environmental goals set in the past few years. This is simply the first in a long line. We will be bringing forth the important and controversial strip mining and a number of other issues as the Congress goes on.

The way in which we have handled the whole Alaska pipeline problem is really a dismal story. In 1968 they discovered in Alaska great oil reserves, one of the greatest finds in the history of American oil production. If Canada and the United States had been one country, we would have sat down with our neighbors and would have said, "Here is a great resource which we have to get to market eventually. How shall we handle it? What kind of an oil policy and what kind of a gas policy should we have for the best interests of 220 million or 230 million people of these two countries?"

We did not do that. The oil companies moved in with a full-court press and, operating in the fashion for which they are famous, which indeed earned them the label of the fourth branch government from one of the members of the committee, they started buying pipe from Japan and started making plans to rush this to market. All this was done without, any adequate consideration, of long range national needs.

The result is that 5 years later we are left with a bunch of unhappy choices.

There is honest, sincere doubt whether we can ever make a deal with Canada. Let us face it. It is possible, but we ought to face the fact that Canada has played a very ambiguous game on this, and I do not believe they yet have any national consensus as to what they want to do.

But now we are stuck with another bad alternative, and that is this: When the Midwest is hungry for oil, when our future needs are going to mostly be in other parts of the country, when the west coast is about as self-sufficient as any other region of the country, we are going to bring this entire resource down to the west coast. Those Members from the Midwest and those Members from other sections of the country who support this bill are really voting for oil for the west coast. This is basically a bill for the relief of the west coast. The supertankers we are going to use in the 1980's cannot get through the Panama Canal, and if we look at the other aspects of transportation, shipping it around Cape Horn, we have got some very serious cost problems on our hands.

Mr. Chairman, I want to touch, within the brief time I have, on a couple of other points. I support the Dellenback-Owens amendment on NEPA, and I do not see any inconsistency with that and offering the substitute which Congressman ANDERSON of Illinois and the gentleman from Minnesota (Mr. BLATNIK) cosponsor with me. I shall also support some of the other amendments which will be offered later in the day.

We are going to hear much—we have already heard about it—about the alleged $10 million a day it is costing us by not building this pipeline at once. These are phony figures, and I hope the Members will not be misled. They are predicated on a full pipeline, with 2 million barrels a day.

If we look at the studies of the Secretary of the Interior and the statement on environmental impact on page 30, they tell us that because of the way oil fields operate, in order to maximize the resource, they have to start production slowly and build up.

We are led to believe that if we pass this bill today, next week or early next year, when we drive up to the "Old Esso Tiger," there is going to be gas in the tank there that is not there today. Do we know when that time will occur, the day when we get the first drop of oil out of the end of that pipeline?

Mr. Chairman, with a lot of luck, maybe it will be 1977, but the likely time is 1978. There is not going to be any oil from this pipeline in 1974 or 1975 or 1976, in all probability 1977. Even in 1978 the volume of oil coming out of that pipeline will not be a million barrels a day or 2 million; it will be 600,000 barrels a day.

In 1984, almost three Presidential election cycles from now, it will not be 2 million; it will be 1.2 million, and this great 2-million-barrel figure on which they predicate this $10 million a day which we are losing, will finally come in the year 1986.

So I believe when we are dealing with a pipeline that is important, with a resource that is important, we must remember that it will be important in the mid-1980's when the real crunch is on. Surely if we take another 4 or 5 months, as we would take under my compromise proposal, or another 3 or 4 months, which we should take to go through the process of NEPA and preserve that great principle, we would not lose very much. The Alaska oil is important—I do not want to underrate it—but its main importance is to help us get through that crunch of the mid-1980's.

So, Mr. Chairman, I hope that when we get to that amendment it will be adopted.

Mr. STEIGER of Arizona. Mr. Chairman, I yield 3 minutes to the gentleman from California (Mr. HOSMER).

Mr. HOSMER. Mr. Chairman, I believe that all this talk about NEPA has turned into a mystery because nobody really knows or recalls, or at least discusses, what NEPA actually requires.

What NEPA requires is that there be included in every recommendation or report, or proposal for legislation, or other Federal act a statement on matters affecting the quality of the human environment, a detailed statement by a responsible official on, among other things, alternatives to the proposal, and to the fullest extent all Federal agencies shall study, develop, and describe appropriate alternatives, and so forth.

Thus, NEPA is a procedural arrangement whereby as above indicated, the Government is required to carefully examine environmental consideration and environmental alternatives.

However, after having examined all these things NEPA does not require the Government to pay a bit of attention to them. I repeat, NEPA requires only that the procedure be gone through, it does not require the Government to do anything more. It can still issue a permit for a pipeline or do anything else that it is otherwise empowered to do even though it might be damaging to some extent to the environment. Thus NEPA's effect is to establish a procedural minuet. You have to go through a dance and dance this minuet with regard to environmental considerations and alternatives in the way NEPA prescribes. If you miss a step these environmentalists take the Government to court.

When these people go to court in these NEPA cases what they do is to say that the department or agency did not dance this minuet correctly; they did not shuffle all of the papers in the correct order or did not consider all of the alternatives or comply with some other prerequisite. It is clearly a procedural thing; it is not a substantive thing. This is because when it is all done, the department or agency under no compulsion gives the NEPA report any weight at all.

So what this bill before us proposes simply to say is that the extensive actions of the Secretary of the Interior heretofore taken with respect to the proposed trans-Alaska pipeline shall be regarded as satisfactory compliance with the provisions of NEPA; it simply says the papers have been shuffled right and the minuet has been danced correctly. That is all it does.

We are not bypassing anything or anybody because this pipeline question has been studied and restudied. There is nobody who has spoken yet that even contends there are any alternatives to getting this oil down from Alaska by pipeline. There is no question that it will be built.

They are just contending we should go through the dance all the way despite the fact that it would be a useless and dilatory exercise. Congress has the power to say we do not have to dance this minuet to its end or continue to shuffle every last one of all of the papers and I suggest it is the course of wisdom to say it. That is all that is involved here.

So I ask you to support this bill without the crippling Dellenback amendment.

Mr. STEIGER of Arizona. Mr. Chairman, I yield to the gentleman from California (Mr. DON H. CLAUSEN).

Mr. DON H. CLAUSEN. Mr. Chairman, I would like to take this opportunity to speak in support of the Alaska pipeline legislation now before us and to comment on some of the issues involved and some of the questions which have been raised both in support of and in opposition to the measure.

Our committee has labored long and hard over this particular bill trying to gather relevant information, soliciting the best available views and opinions from many groups and many individuals interested in this question, debating and discussing every facet of the issues involved and, finally, making the very difficult decisions associated with the pipeline which are outlined in our committee report.

While these decisions involved complex, controversial and sometimes extremely technical points, they ultimately had to be made and I believe the Congress and the American people owe a great debt of gratitude to the distinguished gentleman from Montana (Mr. MELCHER) for the extremely fair and judicious manner in which he chaired our consideration of the various proposals advanced throughout the subcommittee's deliberations of the Alaska pipeline question.

In all candor, there is no question that many of us who were involved in these deliberations had serious questions not only about the legislation itself, but over some of the language in this legislation. Quite frankly, the questions I had, which I will discuss further, were ultimately resolved in my own mind in the larger national interest.

While I will not take the time here to discuss or debate the question of whether or not there exists either a national or international oil shortage, one central point appears quite evident. Shortages did exist this summer at service stations and at other distribution points throughout the Nation and everybody knows it. Commuters, vacationers, and people who rely on vehicles for their livelihood were being told "no gas." In my own congressional district, this summer's gas crisis posed a serious threat to practically every segment of the local economy. Nationwide, this crisis could have spelled disaster for American farmers if the trends set in May and June had not been alleviated through Government controls and the voluntary conservation of petroleum products by the American people.

But, what about next summer? Will voluntary or even mandatory controls preclude a similar or perhaps more critical situation next year or in the years ahead unless something more positive, more realistic and more prudent is done and done soon to insure that future petroleum supplies meet future petroleum demands? The point is, no one knows for sure—not even our best experts in this field—and that uncertainty, in my view, is a risk this Nation cannot and need not take.

In my judgment, the question of either a national or global oil shortage is a myth. The facts of the matter suggest that sufficient petroleum reserves exist in plentiful quantities relative to both existing and future demands. At present, however, the United States has a mere 5.5 percent of the world's proven oil reserves while the Middle East holds 53.3 percent, Africa 15.9 percent, and the Soviet Union 11.2 percent. Thus, members of the Organization of Petroleum Exporting Countries—OPEC—because they hold the so-called spare oil are also holding what appear to be the "high cards" in the oil production game of the future.

Prof. M. A. Adelman of the Massachusetts Institute of Technology, a noted economist and author of "The World Petroleum Market," has stated that the oil-exporting countries—OPEC—have joined in a price-fixing cartel which, in Adelman's words, represents "the greatest monopoly in history" and which, between now and 1980, will take in more than $200 billion for its members.

Couple this, if you will, with the now established fact that oil finances Palestinian terrorism. Libya's dictator and strong man, Colonel Gaddafi, talks of using oil wealth to export revolution and, by keeping Arab hopes alive of someday destroying Israel, this flow of dollars—poses a serious threat to the incoming money—much of it U.S. dollars—poses a serious threat to the possibility of peace and stabilization in the Middle East.

Yet, more than 5 years following the largest oil deposits ever discovered in North America was found on the North Slope of Alaska, the development of a reliable delivery system to bring this oil to market remains stalled and embroiled in controversy.

Thus, I believe a compelling case has been made for acquiring the oil that lies under Alaska's North Slope—American oil, for American markets.

As Senator "SCOOP" JACKSON has said:

> The pipeline has been stalled far beyond any reasonable time . . . We need those 10 billion barrels of oil going to waste up there in Alaska, and we need it pronto. Our fuel needs, the need to reduce our imbalance of payments, the need to be as independent as possible of growing Arab political pressures—all are far more important than unfounded or exaggerated claims of potential ecological damage.

Many people, of course, feel the pipeline should not be constructed under any circumstances. Some see an impending problem with litigation that would either delay construction of the pipeline or prevent its construction entirely. Others differ over the route the pipeline should follow—whether it be the all-Alaska route or the trans-Canadian route.

With regard to the decision to adopt the all-Alaska route, let me say that, in my view, too little consideration has been given the political implications of the trans-Canadian route. Our traditional relationship with Canada has always been excellent and I sincerely hope we would avoid any action or decision, however justified for the domestic good, that would damage or impair those relations. In the final analysis, there was no guarantee offered or available that could insure continued good relations with Canada.

In addition to the obvious need for the oil and the need to improve our overall negotiating position with all oil-producing and oil-exporting countries, which I discussed earlier, another important factor in my decision to support construction of the pipeline, was my record and concern for the State of Alaska and its citizens.

Alaska needs the pipeline and the Alaskan Natives have been waiting patiently for the oil to start flowing in order that they might obtain their share of the revenues the Congress promised them when we passed the Native Claims Act. The oil revenues can provide a means whereby the lives and communities of the Alaskan Natives would be substantially improved.

The State of Alaska has, of necessity, been utilizing moneys received from lease sales, initially some $900 million, to finance State programs and projects to the extent that reportedly, by 1976 or 1977 these funds will be exhausted. Thus, a very serious question remains—do we have the right now to say to the State of Alaska and the people of Alaska that they are not now entitled to or should not enjoy and benefit from the resources of their own State? I think not.

One problem that has particularly concerned me throughout our consideration of this bill has been the question of what this construction project represents in terms of a possible adverse impact on the environment. However, to say that the decisions reached in this bill would, by design, be harmful to the environment or the National Environmental Policy Act of 1969 is, in my judgment, both reckless and wrong. NEPA is a "creature" of Congress and it has been the "instrument" most responsible, in my judgment, for focusing needed public attention on environmental requirements.

This bill includes provisions directing the Secretary of the Interior to grant permits based on a congressional finding that NEPA has been complied with. Its six-volume impact statement is the most thorough study of its kind in history, representing years of work and expenditures of over $7 million. Quite frankly, Mr. Chairman, I question that it was ever the intent of the Congress that NEPA have the power or the authority to confer congressional policymaking jurisdiction on the administration or on the courts. Without this congressional prerogative, this pipeline and comparable construction projects in the future could be tied up indefinitely and perhaps forever.

I believe very strongly that every known technological resource at our command should and must be applied to this project to minimize any possible or potential ecological impact. Beyond simply authorizing its construction, the Congress should go one step further and require a continuing oversight of the project to make certain it meets the public need and consideration of the environment to the highest possible degree.

Mr. Chairman, I am well aware of the implications involved in the setting aside of further judicial review under NEPA. I voted for the creation of NEPA in 1969. I support it now. There is no question that we and the Nation have serious unresolved environmental problems and the concepts embodied in NEPA seem to me to be the proper method and manner for approaching them and hopefully resolving them as well.

In saying this, however, I must also add that when I voted for the National Environmental Act of 1969 I certainly did not envision it then as a mechanism whereby the courts could be used to block or stop orderly economic development, nor do I now. As a nation, Mr. Chairman, we simply cannot afford the "luxury" of bringing all development to a standstill while our country faces the dilemma of major energy problems, inflated prices, balance of payments problems, housing shortages, and a slow but forward moving erosion of the confidence of our people in the will of government to solve problems.

I am deeply troubled to find it necessary to support the kind of action we are recommending here today with regard to NEPA. However, I will continue to support the language in this proposed legislation as contained in title II because I see it as the only viable and meaningful solution to needless further litigation.

This Congress is being asked to make a major decision—one involving national policy—and, as one Member, I believe it should and must be made.

The bill before us now represents legislative authority to build the Alaska pipeline after due consideration of the most strongest environmental safeguards. As such, it is a tribute, I believe, to the many groups and individuals who worked so diligently to make certain these safeguards were required in all phases of construction and operation.

The days of cheap energy and plentiful energy resources in the United States are gone. The time has come for hard decisions as to what we, as people and as a nation, are going to do to meet the constantly increasing demands being placed on an ever-dwindling supply. The challenge facing us here today represents one of the great opportunities of our time. The only question is, are we up to making that kind of a decision here today? For myself and as a cosponsor of H.R. 9130, I believe this legislation is the best way to expedite the construction of the much needed Alaskan pipeline and resolve the problems which have plagued this project for the past 5 years.

Mr. STEIGER of Arizona. Mr. Chairman, I yield to the gentleman from California (Mr. MOORHEAD).

Mr. MOORHEAD of California. Mr. Chairman, I am confident that you will agree that Alaska's oil is needed to help meet our Nations critical energy needs, to help lessen its dependency on foreign oil, and to help reduce our burgeoning balance-of-payments deficit in money being paid for foreign oil.

Judging by my mail, many people do not yet appreciate that the long-delayed trans-Alaskan oil pipeline has been designed with the environment as the overriding consideration and is one of the safest most foolproof, most practical such enterprise in history.

The basic argument that the Alaskan pipeline would spoil the wilderness is ridiculous. Trans-Alaska would be less than 800 miles long, trans-Canada would be some 3,200 miles. The Alaskan pipeline would cross 789 miles of northern wildlife habitat, the Canadian pipeline would cross 1,700 miles. Ours would cross 525 miles of permafrost, the other 1,200 miles. Ours would require only one major river crossing, at the Yukon, while the other would involve 12 such crossings.

Equally specious is the widespread notion that migratory animals such as the caribou would be unable to pass over the pipeline. The facts are that more than half of the line would be buried 7 to 10 feet underground and where the line is scheduled to be above ground, or elevated, ramps and underpasses would be provided for the animals.

It has been claimed that the pipeline would be subject to rupture by earthquakes, by the melting frozen tundra around it, or by some other cause. The facts are that the line has been designed to be safe from the most severe quake ever recorded in Alaska; that the line will be elevated over all unprotected permafrost, and that the whole line will be monitored 24 hours a day to detect the least oil spillage anywhere. In the highly unlikely event of a break or rupture in the 48-inch pipe, automatically controlled cutoff valves would go into operation wherever needed and the whole line could be shut down in less than 6 minutes.

In that same category is the contention that tankers needed to transport their oil treasure from Valdez to our west coast ports would be a high-hazard risk of major oil spillage in offshore waters. The fact is that thousands of tankers travel up and down the west coast every year without incident. North Slope oil would add about 18 large tankers a week to this traffic, and they would have to operate under some of the tightest safety controls ever imposed.

In the event of a large spill from a damaged tanker—which could happen anywhere—the spill would be contained and localized. All the most advanced equipment known to man would be at hand to accomplish this and keep ecological damage to its barest minimum.

The final and latest contention—that a trans-Canadian pipeline may be preferable to the trans-Alaska line—is to me the most specious of all.

In the first place the time required to complete a trans-Canada pipeline even under the most likely circumstances, would be 9 or 10 years —as compared to 3 for trans-Alaska, and would cost in the same 3-to-1 proportion. The reasons given are as follows:

First. Ownership and operating agreements must be negotiated and a corporate entity must be formed to undertake all the responsibilities associated with financing, designing, and constructing a project of this magnitude.

Second. The Canadian Native Claims issue must be resolved—litigation is pending.

Third. There would be at least several years before the detailed route analysis through Canada could be completed.

Fourth. Alaska pipeline plans call for 3 years from start to commissioning whereas the best estimate for the Canadian line would be 5 to 6 years.

Fifth. The total of 9 to 10 years required to accomplish the route analysis and design does not envision any prolonged delay for either Canadian or United States governmental actions or approvals.

In other words, our oil hungry country could not get at its own Alaskan oil until the mid-1980's and then at the dubious cost of having it under foreign transportation control. By contrast, the trans-Alaska line could be in operation by 1976 and it would be entirely under our own jurisdiction.

These oil reserves do not represent the final answer to our energy needs. We need to explore and pursue additional measures. Other energy sources—such as solar and nuclear energy, and geothermal power—must be tapped if we are to meet the energy challenge.

The Alaskan oil pipeline is a first step. Further delay would not only be foolish—it would be disastrous. That is why I favor immediate construction, I encourage my colleagues to support the bill as it now stands.

Mr. STEIGER of Arizona. Mr. Chairman, I yield 2 minutes to the gentleman from Nevada (Mr. TOWELL).

Mr. TOWELL of Nevada. Mr. Chairman, all of us here today are vitally concerned about the environmental impact that the Alaska pipeline may possibly have on that great State. Of course, we are concerned about that environment in our home districts and home States as well. We also have an additional problem in this country, and that is obviously the energy crisis we find ourselves in. In order to solve these problems, and move the Nation ahead, we cannot let ourselves give in to every whim of our giant industries or, indeed, to every wild cry of the various environmental groups.

What we need today is a balanced answer to both problems. I believe by passing H.R. 9130 today as written by the Subcommittee on Public Lands and the full Committee on Interior and Insular Affairs, we will be moving ahead with a sound, balanced approach that I have mentioned above.

Since oil was discovered on the North Slope of Alaska over 5 years ago, $7 million has been spent on studying the environmental aspects of the pipeline route. The oil field itself at Prudhoe Bay, Alaska, has been studied more than any other oil field in the world. The very pipe itself has undergone hundreds of hours of test and will continue to be tested during its use. The entire line—all 787 miles—will have a complete series of control valves in order to shut it down within minutes of any major or minor problem.

Another area of concern for many people in Canada and the United States seems to center around the shipment of oil via tankers from the Port of Valdese. These tankers will be of the utmost modern design and will, indeed, far exceed the standards which are now applied to most oil tankers bringing crude oil to various U.S. ports.

Because they will be American bottoms, operated by American crews, and owned by American companies, controlled by the U.S. Coast Guard, I am completely convinced that we have alleviated the danger of any major mishap during this section of oil transportation.

Because of the thorough study by the State of Alaska, the Federal Government, and the individual oil companies—completely independent of each other—with these studies having been completely transmitted to the various committees I have served on, I believe it is now time to move ahead with passage of the Alaska pipeline bill and, indeed, move forward with the construction of the pipeline itself.

Mr. MELCHER. Mr. Chairman, I yield 3 minutes to the gentleman from North Carolina (Mr. TAYLOR), a member of the committee.

Mr. TAYLOR of North Carolina. Mr. Chairman, I am cosponsoring H.R. 9130 because I believe that the Alaska pipeline must be built. I commend the gentleman from Montana (Mr. MELCHER), chairman of the subcommittee, handling this legislation on his outstanding leadership in the subcommittee in the House Interior Committee and on the House floor today.

First, energy experts state that the North Slope of Alaska will provide some 2 million barrels of crude oil per day—enough to reduce our Nation's oil imports by one-third over a 15-year period—and that this oil offers the only hope of a large increase in domestic oil production in the near future.

Second, testimony before the committee indicates that it would take some 3 or 4 years to construct the trans-Alaska oil line and other needed facilities so as to bring this oil to the American market after construction is permitted.

Third, a proposed trans-Canadian line running from Alaska to the midwestern part of the United States is contingent upon an agreement being reached with Canada. Then, we would have to start at the beginning on engineering work, environmental reports, and so forth. Testimony before the committee indicated that shifting from the Alaskan to the Canadian proposal would delay use of the oil by some 5 additional years.

With independent gas stations being forced to close, with farm tractors running out of gas, and an oil crisis facing the average American citizen, I believe that our people are demanding that there be no further delay in getting this oil to market.

In a recent questionnaire which I sent to my constituents, one question read:

> Do you favor construction of the proposed oil pipeline through Alaska?

And 88 percent of those responding said yes.

While I strongly support the objectives of this bill, during the deliberations in the House committee I voted for the so-called Dellenback amendment, believing that the preservation of NEPA was important and that the language of the bill without the amendment would be tested on the grounds of constitutionality, so that more litigation would be in the offing, regardless of the wording of the bill. Also it appears to me that setting aside the provisions of NEPA does constitute a dangerous precedent which will likely cause trouble in the future.

I supported language in the bill providing that litigation concerning the pipeline shall take precedence over all other matters on court dockets.

Mr. Chairman, I believe that it is in the national interest that the Alaska pipeline be constructed without unnecessary delay and in such a way that the environment will be protected in every way possible against pipeline leaks in Alaska and from shipwrecks and leakage as the oil is brought by tanker down the west coast.

Mr. STEIGER of Arizona. Mr. Chairman, I yield 5 minutes to the ranking minority member of the full committee, the gentleman from Pennsylvania (Mr. SAYLOR).

Mr. SAYLOR. Mr. Chairman, this bill, H.R. 9130, demonstrates how hasty "pressure" legislation results in ill-advised overkill which will, if passed, set some very far-reaching precedents that will return to haunt this Congress for many years to come. We have been told that this legislation, as written, is vital to the immediate construction of the trans-Alaskan oil pipeline. It is not. It has been implied that the American public will experience some immediate relief from fuel and gasoline shortages. This is not, of course, the case. There are few people who would argue that we are not in some substantial trouble as regards the need for additional supplies of all forms of fuel and energy. There could well be fewer large automobiles sold. We may have to drive a bit slower. There will probably be some cold schoolrooms and homes this winter. But to suggest that the type of legislation found in H.R. 9130 will solve our fuel and energy problems is, at best, ridiculous.

TITLE I

Title I of H.R. 9130 is an amendment to section 28 of the Mineral Leasing Act of 1920. The reason for an amendment to section 28 is because of the recent decision of the Circuit Court of Appeals for the District of Columbia which held that the Secretary of the Interior did not have the authority to grant rights-of-way across public lands in excess of the existing law.

In this regard the majority contention as to the need for an amendment to section 28 was correct. The court said that the Congress would have to provide such authority either by amending section 28's width limitation or exempting the trans-Alaskan oil pipeline from the provisions of the section 28 limitation. But that is all the court did say. To suggest the rest of title I can be defended on the basis of the appeals court decision is not simply ill founded, but is untrue.

There is no doubt that our rights-of-way laws need drastic revision and general overhaul, but the piecemeal rewrite of rights-of-way for gas and oil pipelines only, completely ignores urgent needs of other rights-of-way for such things as power transmission lines, highways, water aqueducts, telecommunication facilities, and utility corridors. We have no basis in the hearing record on this bill to support what we find in title I. The Subcommittee on Public Lands took testimony primarily on the trans-Alaskan oil pipeline. Review of the hearing record will show anyone that 95 percent plus of the testimony dealt with the Alaskan oil pipeline. Based on the 48-hour 31-minute hearing record you would expect to find a simple widening of the section 28 width limitation or an exemption from the section 28 limitation for the trans-Alaskan oil pipeline. But we find neither. One thing that has been done is to remove the requirement that the pipe be placed in the center of the right-of-way. The 50 feet plus the width of the pipe remains the same. The other thing that has been done is to define a pipeline to include the ground occupied by the facilities related to the pipe itself; to wit: valves, pump stations, support structures, bridges, monitoring and communication devices, surge and storage tanks, terminals, roads, and campsites. Result—a variable width right-of-way. The sham of the 50-foot limitation is obvious.

There is no question that modern technology has led to a proliferation of all forms of massive transportation facilities be they the huge power wheeling lines, aqueduct systems, highways, oil pipelines, gas pipelines, radio, and television transmission facilities or slurry transport from mining operations. We have a crying need to coordinate our requirements in all of these areas and develop common transportation corridors. There is great waste of our resources, especially our remaining public lands, through this continued proliferation and duplication as we keep right on down the road of doing what seems the most expedient on a project-by-project and resource-by-resource basis. The manner in which we are being asked to rewrite rights-of-way laws for all oil and gas pipelines with H.R 9130 is in this same expedient pattern. We have no way of knowing what the full impact of title I might be because the committee had before it only the sparsest shred of analysis, and no catalog at all, of the shortcomings alleged to exist in each of the now existing rights-of-way laws. The urgency of this piecemeal legislation remains in terms of the trans-Alaskan oil pipeline. Such urgency is much better handled by a simple amendment to or exemption from the current width limitation of section 28.

Title I of this bill should not be passed as it is written. We will consider in great detail, this fall, when we return from the recess, the general rights-of-way question when the Subcommittee on Public Lands considers H.R. 5441, the National Resources Lands Management Act, or H.R. 5442, the Mineral Leasing Act of 1973.

TITLE II

On page 14 of the report on H.R. 9130 (Rept. No. 93-414), the majority states:

> Title II relates ONLY to the grant of rights-of-way and permits for an oil pipeline from the North Slope of Alaska to Valdez on the southern coast of Alaska.

This is only one of many misleading statements. When the bill started out in subcommittee markup this was largely true, not now. Note that section 203(c) deals with the liability of the oil companies to Alaska Natives if an oil spill causes them injury or damage. Section 203(e) deals with minority subcontracting Section 203(f) deals with how the proponents expect to handle any lawsuits that are filed and represents the untruth they, themselves, put to their attempt to end litigation under NEPA. Section 206 deals with crude oil exports from this North Slope field. Section 207(a) deals with unlimited no-fault liability of the oil companies as regards the 789-mile TAPE line. Sections 207(b) and 207(c) deal with unlimited liability of the oil companies on the marine leg of the TAPS system. Section 209 sets up a study of the feasibility of an additional trans-Canadian oil pipeline. Thus a relatively small part of title II deals only with the grant of the TAPS right-of-way and permits, the rest with operation and maintenance of a completed pipeline.

All of the other issues aside, there is no question but that the single most important issue we are facing in H.R. 9130 is whether we are going to serve the public interest under a law we passed, or whether we are going to serve the special interests of the oil companies on the Alaskan North Slope. It really is that simple. I would remind my colleagues that there are still 305 Members here who served in the Congress in 1969 and 27 of you voted in favor of setting up NEPA.

The Report on H.R. 9130 says that "it is fitting and proper for Congress to make" the policy decision regarding the trans-Alaskan oil pipeline. I concur in this judgment. The executive branch as well as the courts turned to Congress for a policy decision; we should provide one. I went before the Rules Committee to support bringing this issue to the floor of the House in order that this decision could be made. This decision, however, is not as cut and dried as the majority report would have the world believe.

In 1969, the Congress enacted the National Environmental Policy Act. Through NEPA, the Congress established a procedure which provides an orderly manner for handling environmental issues. Under this procedure, environmental issues would be taken up, thought through, and certain actions taken in the way of an environmental impact statement on programs and projects having impact on the environment surrounding the program or project. When we established NEPA we said that those living in and using our environment had a reasonable right to, and could, test in the courts the adequacy and validity of the impact statements. We assigned to the executive branch of the Government the responsibility for going deeply into the environmental aspects of a program or project to prepare the impact statements.

The legislation we consider here proposes to say, in section 202(d), that the Congress finds that, without completing the still pending court test of the adequacy of the NEPA impact statement, the actions taken heretofore by the Secretary of the Interior regarding the TAPS oil pipeline shall be regarded as full and satisfactory compliance with the provisions of NEPA. I submit that this says we have full and complete knowledge of what is in the six-volume NEPA impact statement, including the stipulations, the volumes of economic analysis, and the 25 volumes of hearings underlying this massive work. I for one have not read even a fraction of these volumes and I seriously doubt anyone else, on or off the House Interior Committee, has read them either. We have no way to judge the adequacy of this material. Yet we are in title II of this bill, proposing to set aside the process we, ourselves, have established to judge whether the work is adequate and complies with the National Environmental Policy Act.

We can accept the word of the Secretary of the Interior that the reports are adequate and in compliance. We can accept the word of District Judge Hart that the reports are adequate. We can accept the word of the oil companies that Canada is not interested in a Canadian oil pipeline. Or we can allow the courts to complete the work they started, mandating that they expedite the case, allowing the Supreme Court to render a decision this fall. I submit this latter route is the only one which we can make with a clear conscience and with the knowledge that we really do want to keep our high environmental goals intact. The gentleman from Oregon (Mr. DELLENBACK) and the gentleman from Oklahoma (Mr. OWENS) who proposed substitute provisions that would expedite the case through the courts, rather than breach NEPA, will offer such an amendment and I urge your support.

In addition to the declaration we are asked to make in section 202(d), we are also asked, in section 203(a) and 203(d) to say there shall be no further judicial review of issues on the basis of NEPA, and that the Secretary shall proceed to issue such rights-of-way and permits as he finds necessary to construct, operate, and maintain the TAPS oil pipeline. It is one thing to say the Secretary heretofore has complied with NEPA, it is quite another to try to cut off all recourse for those who disagree. The majority report would have everyone believe that the language in sections 203(a) and 203(d) would end judicial reviews. But, there is no certainty at all of ending litigation. Even the proponents recognized this with the insertion of section 203(f) cutting off the filing of any court action or proceeding within 60 days of the issue of a construction right-of-way or permit, establishing a three-judge district court and providing direct appeal to the Supreme Court. The section further directs that such litigation shall take precedence over all other matters on the district court's docket. If Congress feels the court action on the TAPS oil pipeline has become merely a dilatory tactic by opponents of the pipeline, we should erase the ability to continue such tactics, but we should not create the precedent whereby all serious environmental concern can be brushed aside. To include the language of 203(f) testified to both the uncertainty of the proponents have regarding their ability to cut off further judicial review and their uncertainty as to the adequacy of the Secretary's NEPA Report on the TAPS oil pipeline.

The basic problem that led to this shortcut destructive legislation was the inadequate study of alternatives by the Secretary of the Interior and the misrepresentations by the Department of State. A remedy proposed in committee provided for an independent study of both the TAPS oil pipeline including its marine leg from Valdez, Alaska, to the west coast, and the trans-Canada route across northeastern Alaska and into the Midwest. This study would be undertaken by the Comptroller General. He would be directed to identify and define those domestic markets expected to experience the greatest immediate and long-term demand for petroleum, and determine which of the two routes would best meet this petroleum demand. He would give equal consideration to the environmental impact, economic cost, and the national security aspects of the two principal alternative routes.

This kind of approach would give the Congress the information on which to make a judgment as to which oil pipeline system would best serve the public interest. Moreover, such a study could be completed as the court review of the Secretary of the Interior's final environmental impact statement was underway.

Then, if the courts found the Secretary's impact statement to be inadequate, there would be an objective study upon which the Congress could take immediate action and thereby could avoid further costly reliance on a biased administration position.

There are those who would maintain that a serious concern over how the oil from the North Slope is delivered is another attempt at delay. Nothing could be further from the truth. Some of us have been around long enough to want to try to prevent what has happened to the lower 48 States from happening to Alaska. The pollution and degradation of the environment are preventable. To try to retrieve the environment once it is lost is a poor path to travel. I stated before the Rules Committee that I am not opposed to bringing the oil off the North Slope. But I want to see it done in a manner that is consistent with the high environmental goals we established under NEPA.

Without appropriate amendments to H.R. 9130, I cannot support its passage. I am fully aware of the energy crisis we are going to live with for a while. I am also aware that we are facing unresolved environmental problems of major proportions. This legislation is a good test of whether we will pay lip service to our environmental goals and shortcut our environmental protection standards or try to meet the energy crisis without compromising the environmental goals. We must and we can both meet that energy crisis and protect our environment. There is a sound way to meld the serious unresolved problems of the environment and the massive problems in the energy crisis. At the first crash of confrontation and collision, we must not, as this bill does, attempt to legislate away one horn of our dilemma. It cannot be done.

Mr. Chairman, I would now like to comment about some of the things that have been said by the Members here on the floor.

If I were a Canadian, and a Member of the Canadian Parliament, and read what has been said on this floor about their actions and about their potentially unstable government, and the fact that they have changed their mind, I would never give anybody a permit to put a pipeline through Canada, whether it was owned 51 percent or 100 percent by the Canadian interests.

It seems to me that the Good Book has something in it which might be well for us to remember wherein the person was admonished that before he attempts to cast the beam out of his enemy's eye, that he cast the mote out of his own. For a country that changes its mind on so many things, and has done so recently, it little behooves us to complain about our neighbor to the north that has been our friend ever since that country has been established.

The Dellenback-Owens amendment, which is the real bone of contention in this bill, says that we shall continue with the court case that is now pending and let the district, circuit, and Supreme Courts decide the issue rather than have a decision by the Congress.

I said before the Committee on Rules, and I say here today, there is no Member of this House who has read these six volumes that constitute the NEPA report. I know I have not; I have not had time. I could almost make the statement that no staff member has read the complete six volumes. They may have scanned through or looked at the summary, yes, but they have not read it.

When the NEPA bill was passed on the 23d day of September 1969, I have gone back and gotten the record, the debate was replete with statements by Members on both sides of the aisle of the fact that at long last this country was beginning to appreciate the fact that for over 170 years we had abused our environment. We had not considered it as we developed our country. For the further protection of mankind, they said we were going to do what we had never done before: We were going to ask that the environment be considered by the Federal Government as we went ahead with all of our programs.

I have gone over the record, and it is going to be interesting to see how many of us who are here on the House floor today will change our votes, because, believe it or not, NEPA passed 372 to 15.

Most of those who have gotten up and spoken and said it is a minuet or a dance or a shuffle of papers, strangely enough when the bill was considered, said it was a monumental piece of legislation by the Congress, and after all of these years Congress was facing up to its responsibility. Now, when before the committee, Mr. DELLENBACK and Mr. OWENS offered the amendment, they said that it will be a delaying tactic. Anybody who says that has not read the court decision.

The CHAIRMAN. The time of the gentleman has expired.

Mr. STEIGER of Arizona. I yield 2 additional minutes to the gentleman from Pennsylvania.

Mr. SAYLOR. The court decision very clearly said that there were two issues. One was whether or not the pipeline right-of-way was correct, and they determined that it was not. The second issue was whether or not the Secretary of the Interior had complied with the NEPA requirements.

And the court said:

> We will not give up jurisdiction. We will maintain jurisdiction of this case and we will find out whether or not Congress is going to change the Mineral Leasing Act of 1920.

The first section of this bill does that. The second section goes a little further. But the court, right here in the District of Columbia, that has retained jurisdiction would have the opportunity to make their decision, without going to Alaska or anywhere else, or to operate under any new procedures that are to be set up, and then move to the Supreme Court.

The way to handle this thing in the most expeditious manner, and to see to it that the oil that this country needs is brought out in the most rapid manner, is to support the Dellenback-Owens amendment. I urge that it be supported and then, I will say this publicly, I will vote for the bill. Without it, I will not.

Mr. MELCHER. Mr. Chairman, I yield 4 minutes to the gentleman from Washington (Mr. McCORMACK).

Mr. McCORMACK. Mr. Chairman, I rise in support of H.R. 9130.

I am going to speak about just one facet of the debate surrounding the Alaska pipeline. The point I wish to make has to do with the hazards of U.S. dependence on oil imports particularly from the Middle East for 1 day longer than is necessary.

In the last 2 years as chairman of the Science and Astronautics Task Force on Energy and this year as chairman of the Energy Subcommittee, I have found one troubling attitude in public opinion that has surfaced again and again. It is being put forth in the press and on the floor of this Congress. This fallacy may be described as follows: "There really is no energy crisis. There is no need for urgency. No petroleum shortage exists. The reason there is a shortage of gasoline is that it has been artificially contrived by the oil companies. We really have all the fuel we need. We do not need to worry about imports. We can develop new sources of energy such as solar and geothermal and fusion to solve our energy requirements as we need them."

All facets of these misconceptions are catastrophically in error.

Mr. Chairman, the people of this Nation and the Members of Congress must understand our country already is in an energy crisis which is getting worse with each day.

We have recently seen one facet of the crisis in the shortage of gasoline and electricity here in the United States. This is just one aspect of the problem, and it is a management crisis.

The second and more important facet of this problem is the need for this Nation and this Congress to provide solutions to our shortages without unnecessary harm to the environment. Getting nuclear and other thermal powerplants properly on the line is one part of the solution. Another is the construction of the Alaska pipeline.

The primary reason the pipeline is so urgently needed now is because it will help us to mitigate dependence on imports of oil sooner than anything else we can do.

Being dependent upon imports is a new phenomenon that has come upon us so suddenly that we are experiencing a great deal of difficulty in comprehending the magnitude of the problem and its implications. James E. Akins, writing on the oil crisis in Foreign Affairs magazine, April, 1973, said:

> As late as February, 1970, President Nixon's Task Force on Oil Imports assumed that . . . the United States could remain essentially self-sufficient in oil. It projected a demand in the United States in 1980 of around 18.5 million barrels per day of oil; of this only 5 million barrels per day would need to be imported, and most of this could come from the Western Hemisphere.
>
> These projections were spectacularly wrong. Total imports this very year, 1973, will be well over 6 million barrels per day—substantially above the level the Task Force predicted for 1980.

That was only 3 years ago. Akins goes on to say:

Imports from the Eastern Hemisphere constituted 15 percent of consumption in 1972, and are expected to rise in 1973 to 20 percent of a total consumption that will already be around 17 million barrels.

Today estimates by the State Department predict that by 1980 the United States will consume 24-million barrels of oil a day, of which half will be imported, with about 35 percent of the total consumption coming from the Mideast. There are numerous suggestions today that even these estimates are too conservative, and that the $12 to $15 billion per year trade deficit that such imports would create may be low by a factor of 2.

When we consider the fact that western Europe and Japan also depend upon petroleum from this same exhaustible supply in the politically unstable Middle East, we can begin to comprehend the implication of even the most conservative figure, from a military as well as an economic standpoint. This is, to me, one of the major elements of our energy crisis and one of the most serious problems facing our Nation.

No one pretends that the Alaska pipeline will eliminate our dependence on imports, but within 4 years after the start of construction it will significantly mitigate the problems associated with such dependence.

Of course, much will remain to be done to solve our energy problems even after oil is flowing down from Alaska. We know now that we must undertake a broad range of conservation programs to make maximum use of our energy producing resources. Additionally, new sources of energy must be developed if we are to have any hope of meeting our long-range energy needs. To meet our more immediate energy demands coal gasification and liquefaction facilities must be brought into operation.

There is much more. But building the Alaska pipeline is what we can start today. It is already dangerously late. We should promptly enact this legislation.

Mr. STEIGER of Arizona. Mr. Chairman, the Interior Committee takes a genuine pride in the fact that our disputes are almost always over issues, and the fact that the chairman of the full committee and the chairman of the subcommittee are scrupulous about fairness and equity.

In that spirit of equity, I am going to yield some time to the gentleman from Oregon (Mr. DELLENBACK). I will explain that the reason I am doing this is because I want to give him a chance to overcome the support of the gentleman from Pennsylvania, and make his case on his own merits. Therefore, I yield 3 minutes to the gentleman from Oregon (Mr. DELLENBACK).

Mr. DELLENBACK. Mr. Chairman, I appreciate the always gracious gesture of our colleague from Arizona.

Mr. Chairman, the bill, while basically a good bill while dealing with problems tied to the energy crisis, having many desirable features in it for the protection of the environment, is certainly deficient in three related ways.

One, it stops short proceedings which were already almost completed to test the adequacy of the environmental impact statement. Two, it threatens the future of NEPA itself so far as those impacts are concerned. Three, if the Members look hard at the provisions of this bill versus the law as it exists at the present time, I think they would have to concede that new questions of action are created.

Litigation that was almost completed was in a situation where the parameters were clearly tested as being the impact statement itself. It had gone through the trial level, and the circuit appellate level, and was almost decided there. That is brushed aside, and instead of having litigation that is almost settled, the bill substitutes for it a series of new questions including the question of equal protection of law, the question of due process, and I think raises the question of separation of powers between various branches of the Government.

We are going to propose later this afternoon under the 5-minute rule three particular amendments. One of these is that on page 13, we strike section 202(d). This is the provision in the bill where we seek to determine that there has been satisfactory compliance with the National Environmental Protection Act. The ranking Member has pointed out that with regard to the environmental impact statement there is not a Member of the House who has read it all. There are serious questions of various kinds whether we should step in at this point the way the bill seeks to do.

We would seek to substitute therefor a new section which would make absolutely clear that any litigation of this matter henceforth would be expedited in every conceivable way, in ways that are not already provided for in the bill.

The second amendment would propose in the middle of section 203 to strike the language which is tied to NEPA.

The third amendment is tied very closely to it and strikes subparagraph 203(d), so that all three amendments are tied directly to the question of NEPA.

I hope all the Members listen carefully and understand, whether a Member is one who feels he should protect the environment; or he is one who wants to protect the National Environmental Protection Act; or whether he is one who wants to go right ahead with what is proposed with the trans-Alaska pipeline and do it in the soundest and speediest fashion.

This is the best way to do it, with these particular amendments. Do not be led astray by other issues. We are not talking about trans-Canada; we are not talking about stopping construction. We are talking about the best way to protect the environment at the same time we are making sure that we get this badly needed petroleum resources down here in the lower part of the country where it is so badly needed.

Mr. Chairman, I urge the support of the amendments.

Mr. MELCHER. Mr. Chairman, I yield 2 minutes to the gentlewoman from California (Mrs. BURKE).

Mrs. BURKE of California. Mr. Chairman, today we are discussing and voting upon one of the most significant pieces of legislation to come before the House of Representatives for a vote during this session of Congress. The decisions that we make here today will reach far beyond this Chamber and could profoundly affect our way of life. For the decisions we make today will have an impact on important areas such as the environment, our balance-of-payment problems, employment opportunities, international relations, energy supplies, and even our life styles. It is because our decision will touch upon so many and sometimes conflicting areas of concern, that I approach the question of the trans-Alaskan pipeline with great care and concern.

The actual construction of the pipeline has been tied up in the courts for nearly 4 years. The U.S. Court of Appeals recently held that construction of the pipeline could not commence because of a provision in the Mineral Leasing Act of 1920 which restricted right-of-way on Federal land to 25 feet on either side of the pipes. That width was simply too narrow to permit construction of a pipeline 4 feet in diameter that would cross 350 rivers and streams and wind through three mountain ranges. Thus, if the pipeline were to be constructed, Congress had to amend that law to allow a construction permit to be issued which would remove the 25 foot limitation. Now, Congress is faced with the question of whether to amend the Mineral Leasing Act of 1920 and allow the trans-Alaskan pipeline to be built.

In listening to the debate on the merits of the pipeline, I have been concerned about the dogmatic either/or attitude taken by both those who advocate and those who oppose the construction of the pipeline. It has been difficult, therefore, to get a balanced appraisal of the pipeline which takes into consideration all of the surrounding issues, including the gasoline shortage, the balance of payments, the alternative proposal of the Canadian pipeline, and the environmental factors.

It cannot be denied that we are a people whose society runs on oil. We use it in our cars, we use it to heat our homes, we use it to drive our huge, electrical generators, and we use it for many other things as well. The increase to this country of the 2 billion barrels per day of oil, which the Alaskan pipeline would produce, would greatly bolster our diminishing oil reserves. In 1972, for example, crude oil demands in the United States was 11.7 million barrels a day, or 78 percent of the Nation's energy demand. It is expected that by 1985, consumer demand for oil will increase to 20 million barrels per day. Thus, even with the 2 million barrels a day from Alaska, it would amount to less than 10 percent of America's total consumption by the early 1980's.

Nevertheless, the Alaskan oil would have a significant impact on our balance-of-payments deficit. If, for example, Middle Eastern oil cost $5 a barrel in the early 1980's, Alaska's oil could reduce the United States import bill by $3.7 billion a year. It would also reduce our reliance on importing foreign oil and thereby diminish our dependence on the politically sensitive Middle East for meeting our national fuel requirements.

A trans-Alaskan oil pipeline has been a goal of the oil industry since the discovery of huge reserves on Alaska's North Slope in 1968. The construction of the 789 mile pipeline from Prudhoe Bay in the Arctic Circle south to the Pacific Ocean port of Valdez will cost approximately $3.5 billion to construct over a 4 or 5 year period and ultimately produce 2 million barrels a day of crude oil. This will undoubtedly be a significant economic benefit to the Nation and create many jobs.

There are other economic benefits as well which would derive from the construction of the pipeline. Approximately 35 super tankers would shuttle between Alaska's southern shore and the west coast of the United States. This new fleet of tankers would cost approximately $1.6 billion to construct. The oil carried by these tankers would carry 220,000 barrels a day to Puget Sound refineries; 700,000 to refineries in San Francisco, and 1,080,000 to those in Los Angeles, thus stimulating the economy of the oil-related industries.

As much as one would like to believe that construction of the Alaskan pipeline would bring an immediate solution to the energy crisis, it will not be an energy panacea. It is estimated by Alyeska Pipeline Service Co., the consortium of oil companies that would own the pipeline, that it would take at minimum 3 years to build and another 5 to 7 years to attain the desired capacity of 2 million barrels a day. That would mean that it would not be until nearly 1985 that the full benefits of the pipeline would be achieved. Ironically, the year 1985 is the target date set to convert our energy resources from reliance on oil to coal and nuclear power.

Almost from the outset, there has been serious concern by environmentalists to the construction of the pipeline. The environmentalists correctly noted that the National Environmental Policy Act of 1969 required that henceforth major Federal decisions and projects would be accompanied by an impact statement assessing the environmental effects of such projects. Prior to formal Interior Department approval of the pipeline, such a statement was filed, but conservationists taking note of Interior's historical friendliness with the pipeline idea, viewed it with suspicion. Further study of the impact statement convinced them that it suffered from three major inadequacies.

First, is the danger of earthquakes. There was concern that the impact statement did not fully answer the problems raised by the fact that the trans-Alaska route traversed one of the most active earthquake zones in the world, where 23 major earthquakes occurred in the last 70 years. At the onset, few guarantees were made by the oil companies that there would not be major oil spills, polluted streams, or substantially damaged wild-life habitats. Since that time, however, as a result of constructive concerns of environmental groups, the oil companies began to look more critically at the environmental problems and to find technical ways to guard against these dangers.

The second major concern of environmentalists is marine oil spills. With super-tankers going in and out of the Prince William Sound, an area that is difficult to navigate, there was concern that a full assessment of the risk of massive oil spills was not considered. The spill would be much more serious than those which occurred off the coast of Santa Barbara. Moreover, there was fear that the 35 tankers which would be shuttling between Alaska's southern shore and the west coast of the United States might eventually produce an oil spill which would wreck the $418 million fishing industry and pollute the hidden coves of British Columbia.

I commend the Interior Committee for including a provision to H.R. 9130 that would make the oil companies strictly liable for all damage as well as injury resulting in transporting the oil, except those caused by an act of war or by negligence on the part of the U.S. Government.

The third major area of concern over the Interior's environmental impact statement was that in its haste to analyze the Alaskan route, it did not make careful assessment of an alternative route which would have traversed Alaska and Canada and connected with the American Midwest by way of existing facilities in Edmundston. I am most concerned that the legislation presently before us would override the jurisdiction of the National Environmental Policy Act—NEPA. In effect, the trans-Alaskan pipeline bill finds that Congress has already determined that there are no serious environmental dangers. The bill states that the preparation of the environmental impact statement by the Secretary of Interior "shall be regarded as satisfactory compliance with the provisions of the National Environmental Policy Act of 1969."

I am strongly opposed to the breeching of the National Environmental Policy Act. This act sets up a procedure which provides an orderly manner for handling environmental issues. Under this procedure, environmental issues are considered, reviewed by experts, and acted upon on the basis of the environmental impact of the surrounding program or project.

Under NEPA, we assigned to the executive branch of this Government, the responsibility for making the technical evaluations in preparing the impact statements. However, under the proposed legislation, the legislative branch of Government is really making those technical decisions. This implies very strongly that in effect, the members of the House Committee on Interior and Insular Affairs as well as the Congress as a whole, have read the six-volume environmental impact report or the 25 volumes of hearings related to the report, and have heard all the relevant testimony presented in the committee and before the courts. I doubt this occurred.

In addition to overriding NEPA, the proposed legislation has an equally troublesome provision which would disallow the Courts the right to review any aspects of the construction of the trans-Alaskan pipeline on the basis of the National Environmental Policy Act. I am strongly concerned about denying judicial review for two reasons. The first is that it makes a mockery of the orderly process which Congress has established to review those Federal actions which significantly affect the quality of the environment. By enacting the National Environmental Policy Act of 1969, Congress made an historic commitment to preserve the environment and set up procedures to implement this policy. Today, the House of Representatives must decide whether that national commitment will be honored when it matters most, when it is faced with a multi-billion dollar project sponsored by one of the most powerful economic blocks in this country.

In our democracy, the way the decision is made has as much to do with the success in implementing that decision as does the decision itself. We speak of due process of law with the intention of seeing that decisions are reached after orderly review and citizen input. By denying further judicial review of the environmental issues, we are cutting off all recourse for those who may disagree with the decision. On the other hand, if we retain judicial review, we are protecting the integrity of that process; we are saying that we will let everyone be heard who wants to be heard, consistent with established procedure. Once we change that procedure for "a special situation," it will be difficult for citizens to have respect for the decision itself and have integrity in the people who voted to change an essential ingredient of our legal process.

When Congress established NEPA, it stated that those living in and using our environment had a reasonable right to test in the courts the adequacy and validity of the environmental impact statements. We are now establishing an exception to that rule, and setting a precedent for violations in the future. We must ask ourselves, then, if we allow this to happen: What criteria are we establishing by this legislation to set aside further environmental considerations when there is an emergency or special circumstance? Does it mean that whenever there is a multimillion dollar advertising campaign and lobbying effort by big business that we make exceptions to the laws we have made? Is it when we have an energy crisis that we justify setting aside environmental considerations? Or is it when our balance of payments are too high, or our dependence on foreign oil is too great that we must yield?

As the energy crisis progresses, we must realize that we are going to be asked more and more to make further exceptions to NEPA and shortcut the environmental protection standards we ourselves have established under NEPA. The legislation before us is a good test of what we will do in the future. Either we admit we are paying lipservice to NEPA, or we meet the energy crisis without compromising the process which we have drawn to evaluate environmental issues. I believe very strongly we must and can both meet the energy crisis and protect our environment without violating the integrity of the judicial process.

My second concern for limiting further judicial review of the trans-Alaska pipeline project is based upon constitutional grounds. There have been other situations in which the Congress has attempted to control and limit the scope of judicial review by the Federal courts. Article III, section I of the Constitution provides that "the judicial power of the United States, shall be vested in one Supreme Court, and in such inferior courts as the Congress may from time to time ordain and establish."

It has generally been assumed by Congress and by the Supreme Court that the power to create inferior Federal courts implies the power to limit the jurisdiction of those courts. While there is some uncertainty over the limits of congressional power to restrict the jurisdiction of lower Federal courts, case law suggests that the due process clause of the fifth amendment is not one such limitation.

Therefore, this could mean that by trying to prohibit judicial review of the pipeline through legislation, Congress may be inviting the court to declare that provision of the Pipeline Act unconstitutional on the basis of the fifth amendment and thereby only delay eventual judicial review of the project. Ironically, if the act did not preclude judicial review, it is estimated that the courts could consider the environmental issues within about 8 months. This would preserve the integrity of the process under the National Environmental Policy Act as well as provide us with a final determination of the environmental issues in a more timely and certain manner.

It is my firm commitment to the important balance between a rational review of environmental considerations and a prosperous national economy that will force me to vote against the Alaskan pipeline unless full judicial review of environmental issues under NEPA is provided.

This decision is an especially difficult one for me because of my work on H.R. 9130. In committee, I introduced two amendments that substantially broaden the scope of the whole bill.

The first amendment, which was passed unanimously by the committee, requires the Secretary of the Interior to take affirmative action to insure that no person is excluded from receiving or participating in any activity conducted under this act because of race, creed, color, national origin or sex.

The other amendment determines that it is consistent with the public interest to require that articles, materials, and supplies used for the Alaskan pipeline be of American origin. It is my feeling that American business and labor have not received the full monetary benefits available from the pipeline project. My "Buy America" provision would not affect transactions before the date of enactment.

I am convinced the Nation needs the 24 billion barrels of crude oil and the 26 trillion cubic feet of natural gas buried under Alaska's North Slope. The southern California area alone has long been dependent upon natural gas as its principal hydrocarbon energy source for residential, commercial, industrial, and utility generation requirements. The area has never been a direct consumer of coal as has many Eastern States. Indeed, because of southern California's widely recognized problem with smog caused by low air velocities and recurring inversion atmospheric conditions which trap pollutants in the Los Angeles Basin, it has been required to use only low-sulfur oil and natural gas. Therefore, if new supplies of natural gas for southern California were not available, it is estimated by the Southern California Gas Co. that gas service to the electric generation plants will not be possible at all by 1976; service to industrial customers will virtually vanish by 1979; and curtailment of service for the residential and commercial customers will be necessary by 1979.

But the issue we are faced with today here in Congress is not whether Alaskan oil will be brought to the lower 48 States, but how the decision to build the pipeline will be made. The issue is not whether only environmental factors should be taken into account, to the exclusion of all others, but whether those factors should be thoroughly reviewed in accordance with the procedures Congress established in the Environmental Policy Act of 1973. The pipeline will not be the last case where interest groups will pressure Congress for overriding NEPA. What will happen when the oil companies want to develop the oilfields off the coast of Santa Barbara? Do we ignore the law when regional and economic interests cry for haste and environmentalists ask Congress to adhere to the law it established?

I believe we must reaffirm our commitment to the orderly procedures we have established and I strongly urge support for the Dellenback-Dingell amendment which would reinstate the application of NEPA and allow for judicial review.

Mr. Chairman, I would like to take this opportunity while we are discussing the Trans-Alaskan Pipeline Act—H.R. 9130—to outline briefly the intended scope and purpose of the equal employment opportunity provision of the bill which appears at section 203(3), and reads as follows:

> The Secretary of the Interior shall take such affirmative action as he deems necessary to assure that no person shall, on the grounds of race, creed, color, national origin, or sex, be excluded from receiving, or participating in any activity conducted under, any permit, right-of-way, public land order, or other Federal authorization granted or issued under this title. The Secretary of the Interior shall promulgate such rules as he deems necessary to carry out the purposes of this subsection and may enforce this subsection and any rules promulgated under this subsection, through agency and department provisions and rules which shall be similar to those established and in effect under title VI of the Civil Rights Act of 1964.

In offering this provision by way of an amendment to the bill in committee, I spoke of the need to assure that the body of law, regulation rules and orders of the various departments and agencies of the Federal Government relating to equal employment opportunities be applied to all activities conducted under any permit, right-of-way, public land order or other Federal authorization granted or issued under the subject law.

The genesis of this provision was a letter I received from a minority contractor in Seattle, Wash., who asked whether any provisions had been made to secure the right of minority contractors and minorities generally to participate in the construction of the Alaskan pipeline. I had assumed that since Alyeska Pipeline Service Co., the consortium of oil companies that would own and operate the pipeline, was receiving a right-of-way permit from a Federal Department to operate over public Federal and State lands, it would automatically be subject to the various equal employment opportunity policies of the Federal Government. After examining this issue more closely, I discovered that our affirmative action programs designed to assure equal employment and contracting opportunity in construction work applied only where there was a Government contract or a "federally assisted construction contract." As interpreted by the House Legislative Council's Office, this would not include the situation discussed above where there was only a Federal permit to operate on public lands, and therefore, it could be argued that our Government's equal employment opportunity policies would not apply. It was for these reasons, Mr. Chairman, and for the desire to assure that this major construction project was subject, to the maximum extent possible, to the above described policies, that I offered my amendment when the House Interior Committee was marking-up this bill.

Under my amendment, the Secretary of Interior must take such affirmative action as he deems necessary to achieve the promotion and insuring of equal opportunities for all persons, without regards to race, creed, color, national origin, or sex, in all activities connected with the construction, operation, maintenance and repair of the pipeline, the transportation and shipment of fossil fuel, or other related activity, including but not limited to employment, bidding and awarding of contracts and subcontracts to minority business enterprises to the maximum practicable extent. There are many minorities and minority businesses along the west coast in Los Angeles, San Francisco, Seattle, Anchorage and others who would undoubtedly be more than willing to participate in the Alaskan pipeline project if the opportunity were available to them. It is anticipated, therefore, that Alyeska will use its best efforts to utilize these new regional sources of employment and not transport work crews from other areas further away to meet its general manpower needs.

Since under the act, the Secretary of Interior would be directly involved in various aspects of the pipeline's construction and operation, and since his Department has developed and implemented affirmative action programs, it is my belief that the Secretary should be the Government official responsible to develop, implement, and enforce this portion of the Trans-Alaskan Pipeline Act.

through appropriate policies, rules, and regulations.

The term "affirmative action" is intended to include, to the maximum extent possible, the provisions under Executive Order 11246, and the policies, rules, regulations and orders of the various Federal departments and agencies including, but not limited to those relating to equal opportunity in Federal employment with Government contractors or with contractors performing under federally assisted construction contracts; and also to Federal policy and regulations pertaining to Federal procurement programs, including but not limited to Federal procurement regulations relating to utilization of minority business enterprises. Thus, by directing the Secretary of Interior to develop and implement an affirmative action program on the pipeline through the promulgation of rules based upon the above-described Federal policies, the basic purposes of my amendment would be achieved.

The language in the amendment makes clear the fact that the Secretary of Interior shall adopt substantially similar enforcement rules as appear in the various enforcement provisions and rules of agencies and departments relating to title VI of the Civil Rights Act of 1964, including but not limited to those relating to contract compliance. Thus, in developing appropriate sanctions and penalties for noncompliance with the Secretary's affirmative action program and attendant rules, the Secretary shall be guided by the range and nature of the sanction and penalty provisions applicable under title VI of the Civil Rights Act of 1964. Some of the relevant provisions appear at 42 United States Code 2000d-1 and Executive Order No. 11246.

It has been and is the long-standing policy of the U.S. Government to encourage by affirmative action the elimination of discrimination because of race, creed, color, national origin, or sex in Federal employment, employment on work involving Federal financial assistance, in Government contracts. The Government has also recognized this policy in construction work under programs of Federal grants, loans and other forms of financial assistance to State and local governments and to private organizations, recognizing also that they create substantial employment opportunities. Similarly, the construction and operation of the Alaskan Pipeline will create substantial employment opportunities, and it therefore seems desirable and appropriate to extend the existing programs for nondiscrimination and equal employment opportunity to the Alaskan pipeline. In supporting this amendment in the Trans-Alaskan Pipeline Act, we are reaffirming our commitment to this policy and to the American Dream that all Americans, without regard to race, creed, color, national origin, or sex can enjoy and participate equally in the benefits offered by our country.

Mr. STEIGER of Arizona. Mr. Chairman, I yield such time as he may consume to the gentleman from Oklahoma (Mr. CAMP).

Mr. CAMP. Mr. Chairman, I am delighted to rise in support of one of the most important pieces of legislation we have considered this year. H.R. 9130, authorizing the immediate construction of the trans-Alaska pipeline, will materially improve our energy supply picture, the strength of our dollar and our foreign relations by providing a stable new supply of oil to our country.

By allowing the Secretary of the Interior to provide for rights-of-way across public lands which are wider than 50 feet; by authorizing the granting of a permit for construction of the Alaska pipeline without any further environmental studies and without further judicial review; and by requiring a study of the feasibility of a trans-Canadian pipeline to supplement the Alaska route. H.R. 9130 goes a long way to meet the challenge demanded of us by the short energy situation in America.

In 1968, a conservative estimate of 10 billion barrels of oil and 26 trillion cubic feet of natural gas—roughly one-fourth of our domestic reserves—was discovered on the North Slope of Alaska. When I think of my constituents in Oklahoma who had to worry about getting fuel so that they could harvest their crops this summer, it is incredible to think that we are still just talking about how to get this oil down to the lower 48 States.

Mr. Chairman, the controversy surrounding the bill before us today centers mainly on two issues:

Should Congress defer action legislatively on the Alaska route pending further study of a possible alternative route through Canada? Let me ask in return: Can we afford to even consider a possible 10-year delay in getting the North Slope oil? I do not think so. There is a lot of oil in Alaska, probably too much for one pipeline to carry. We will have plenty of time to consider a Canadian supplement line after we get busy on our first requirement—supplying oil to our people in a time when the country is facing a shortage which shows all signs of developing into a national crisis.

Second, should we include the provision in H.R. 9130 which directs the Secretary of the Interior to grant permits based on a congressional finding that the National Environmental Policy Act has been complied with? Personally, I go along with the four judges who have already ruled that the six-volume Environmental Impact Statement prepared by the Department of the Interior after an exhaustive and unprecedented 3-year study complies in every way with the National Environmental Policy Act. This provision is in no way an attempt to weaken that act; Congress is simply exercising its right to make a policy decision based on the extensive work of the Interior Department. I do not believe we need the opinion of one or two or five more judges to substantiate this.

Mr. Chairman, this is not an anti-environment bill; it is certainly not an unconstitutional bill. It is, however, the single most important opportunity we in the Congress have had to make a real contribution to solving the oil and gas supply shortage which has sprung up all over the Nation. I think we have written a good piece of legislation that will serve the Nation well and I urge my colleagues to support immediate construction of the Alaska pipeline by voting for H.R. 9130.

Mr. STEIGER of Arizona. Mr. Chairman. I yield myself such time as is remaining.

Mr. SEBELIUS. Mr. Chairman, will the gentleman yield?

Mr. STEIGER of Arizona. I am happy to yield to the gentleman from Kansas.

Mr. SEBELIUS. Mr. Chairman, I appreciate the opportunity to comment briefly regarding H.R. 9130, legislation that would authorize construction of the Alaskan pipeline.

I have been listening with keen interest to the debate conducted by my colleagues regarding this issue and, of course, as a Member of the House Interior Committee, I have had access to quite a bit of material both pro and con regarding this issue.

I have received quite a number of inquiries and correspondence from citizens within my district whose economic livelihood depends upon the decision we make regarding this issue—the farmer, the independent gas and oil producer, and the small businessman whose enterprise depends upon agriculture and the gas and oil industry in Kansas. I have also received many inquiries from citizens who are understandably concerned over the obvious need to protect our environment and from those who think we should proceed with a Canadian route and thereby bring the oil and natural gas to the Midwest where it is urgently needed to meet the increasing demands of our agricultural economy.

Like the farmer who wants the oil and gas to come to the Midwest, like the environmentalist who is concerned over possible oil spills and damage as a result of earthquakes and like the independent producer who is worried oil and gas from the North Slope will go to foreign sources, I wanted answers to these problems. As a result I am a cosponsor of the Udall-Anderson amendment that would call for a 6-month study of the Canadian route prior to congressional action.

It was at that time I made the decision to make a firsthand inspection of the Alaskan pipeline route. I was one of eight Congressmen who inspected the oil facilities at the port city of Valdez, flew over the 789-mile route across the Arctic Circle to Prudhoe Bay on the North Slope.

As a result of this inspection trip and considerable research by my staff relative to the energy needs of my district and those of the Nation, I have concluded this is not an "either/or" issue but rather an issue of "what now and what later". I remain convinced we must expedite the study of the trans-Canadian pipeline project. We will need the natural gas in the Midwest. However, I am now convinced the Alaskan project should proceed without delay.

I remain concerned over the possible environmental damage that could occur but I feel we should proceed with the project so that we can determine the environmental impact as required by the provision that requires the Secretary of the Interior to report every 6 months on the implementation of environmental stipulations. The Secretary shall also issue a cease and desist order to halt construction if he finds that environmental stipulations have not been met or that significant unforeseen environmental damage has occurred.

We have reached the point in this Nation where we must proceed to find answers to our energy needs. We simply do not have the time to engage in further debate on what may or might happen. It seems to me we must proceed on the best possible course of action.

I feel compelled to add a word of warning to those who do not want either pipeline constructed or, for that matter, any further research, development, and construction to proceed regarding the exploration, access, and distribution of our energy resources. In order to meet and answer our "energy crisis" it is going to take the concerted effort of every citizen in this Nation.

Quite frankly, I do not think folks in this country are going to change their style of living overnight, although in the long term that, too, will be necessary. If we do not proceed and get to the business of providing existing oil and gas reserves by the best means we have at our disposal, even though some risks will have to be taken, this issue is likely to become one of blame and accusation. We have already reached the point where intent and integrity of many interest groups are being questioned. The answer to our energy problems will not come by making these issues a matter of blame and accusation. They will come through compromise and a willingness to work with people.

Mr. Chairman, this legislation calls for a feasibility study regarding the possibility of one or more oil and gas pipelines from the North Slope across Canada. This legislation also includes reporting requirements and cease-and-desist authority regarding possible environmental damage. This legislation also includes an export provision that states any crude oil transported over rights-of-way granted under this act will be subject to the Export Administration Act of 1969 and before any crude oil subject to this section may be exported, the President must publish his finding that such exports are in the national interest. Finally, Congress is given authority to disapprove this funding and halt such exports.

It is my intention to vote for H.R. 9130 and to press for a feasibility study and negotiations with Canada regarding the construction of a Canadian pipeline. It is also my intention to monitor this project to make such appropriate environmental safeguards are maintained and in case of unforeseen environmental damage to support a cease-and-desist order until the protection of the environment can be assured. That is a mighty tall order and it will be an impossible task to bring these oil and gas reserves from the North Slope in such a manner that will please everyone. However, judging from the amount of delay we have already experienced and the long term energy needs of our Nation, I do not think we have any alternative but to get on with the business at hand.

Mr. DINGELL. Mr. Chairman, will the gentleman yield?

Mr. STEIGER of Arizona. I am happy to yield to the distinguished gentleman from Michigan.

Mr. DINGELL. Mr. Chairman, I wish to bring the attention of the Members of this distinguished Chamber to the statement I inserted in the CONGRESSIONAL RECORD, Tuesday, July 31, 1973, pages, 27052 through 27054, within which I also included the language of 10 amendments I plan to offer today on the legislation, H.R. 9130, which proposes the approval of construction of the trans-Alaska oil and gas pipeline by a consortium of oil companies and is a bill purposely drafted to amend section 28 of the Mineral Leasing Act of 1920.

Mr. Chairman, the Committee on Rules, according to the July 31, 1973 CONGRESSIONAL RECORD, has granted an open rule providing for 2 hours of debate and making the committee—Interior and Insular Affairs—substitute in order as an original bill for the purpose of amendment to H.R. 9130, and providing for amending S. 1081, the Senate passed version of the trans-Alaska oil and gas pipeline bill.

The House Interior Committee version of H.R. 9130 remains far too broad in my opinion, and that shared by other Members of the House along with numerous conservation, environment, and public interest groups. Likewise, the Senate version, as I noted in my statement in the CONGRESSIONAL RECORD, Tuesday, July 31, 1973, is "somewhat similar, but considerably broader and different."

I have urged on previous occasions to the House Interior Committee, that if the committee was to report any bill on the trans-Alaska oil and gas pipeline, that the bill be limited to an "Alaska-only" bill. As I stated in a letter to the Honorable JOHN MELCHER, chairman, Subcommittee on Public Lands, Committee on Interior and Insular Affairs, July 16, 1973, while the bill, H.R. 9130, was undergoing review in the gentleman's subcommittee, "the bill is far broader than it need be to achieve what we understand to be the announced purpose, namely, to allow construction of the TAPS pipeline across Alaska."

Mr. Chairman, the letter to which I am referring included along with my signature, the signatures of other concerned Members of this Chamber; JOHN P. SAYLOR, MARTHA GRIFFITHS, JOHN E. MOSS, JOSEPH KARTH, SILVIO O. CONTE, HENRY S. REUSS, KEN HECHLER, LES ASPIN and WILLIAM D. FORD.

It was and it remains today, Mr. Chairman, our opinion that the bill, H.R. 9130, is an open-ended invitation for the oil and gas industry, with the help of the industry-dominated Interior Department, to rape the reserved and unreserved public lands and forests, particularly our parks, recreation areas, monuments, and fish and wildlife lands. The gentlewoman and the gentlemen noted with me in a joint statement at that time that we felt certain that the public would object to such a sweeping result if the public was aware of it.

The argument can be made that, yes, the public is aware of it because the public wants the oil and gas pipeline built because that is what the major oil companies have been screaming about for months in full-page, slick, and very expensive newspaper advertisements and likewise expensive, national radio and television commercials. The administration's public statements in support have openly aided and abetted the oil industry's lobbying effort.

But, Mr. Chairman, I question, does the public at large want the pipeline built at the expense of the threatened loss of the publicly owned lands, forests, parks, recreation areas, monuments, fish and wildlife lands, wild and scenic rivers, coastal shores, and the numerous other natural resources that the bills, H.R. 9130 and S. 1081, are, I would state, directed to attain by the construction of the trans-Alaska oil and gas pipeline?

Mr. Chairman, has the public really been heard on this issue?

I make the charge that the oil and gas industry is using the pipeline issue to devastate the forests and public lands of the lower 48 States.

As I stated, the bill is far too broad in its sweeping authority and it is not limied to the Alaska pipeline, but it also applies to the public lands and forest and wildlife reserves in the lower 48 States.

Mr. Chairman, the purpose of my effort today is to seek House approval of amendments which I, and others, believe to be essential to the trans-Alaska oil and gas pipeline bill, H.R. 9130, in order to safeguard the public's interests in its nation and its reserves.

The prime objective of these bills, H.R. 9130 and S. 1081, is to overturn the February 9, 1973, decision by the U.S. Court of Appeals for the District of Columbia (*The Wilderness Society* v. *Morton*, Nos. 72–1796, 72–1797, 72–1798), and their principal impetus is the asserted need to transport oil from the North Slope of Alaska in order to relieve the energy crisis.

I will reiterate that I believe that the fears of an impending energy crisis have been exacerbated and whipped up largely by the oil and gas industry. I question the validity of this energy crisis argument as a basis for the present headlong effort to rush construction of the trans-Alaska pipeline and to leave for more sedate study other alternatives which are certainly feasible. I think it is significant that the report of the Senate Interior and Insular Affairs Committee (S. Rept. 93–207), which carefully analyzed many of the arguments pro and con as between the trans-Alaska and the trans-Canada routes, stated that the committee "did not regard any one of the foregoing arguments or any group of them as conclusive in favor of either of the competing pipeline proposals. In some areas of debate the preponderance of evidence or analysis seems to favor one side or another * * *" page 21, and decided to support the trans-Alaska pipeline primarily "because it would be on stream 2 to 6 years earlier than a comparable overland pipeline across Canada." Page 21.

These bills raise numerous and fundamental issues of national policy to which

I shall advert in a moment. But their most fundamental characteristic is that they are far broader than need be to achieve what we are told is the basic purpose, namely, to allow construction of the trans-Alaska pipeline across Alaska from its North Slope to Valdez in order to permit transportation of oil by tanker from Valdez to domestic markets.

Mr. Chairman, I am ready to discuss some of the specific defects of H.R. 9130 and the amendments I propose to offer.

Mr. STEIGER of Arizona. Mr. Chairman, I consume this time because of my very firm conviction that in the ensuing hours which will follow this general debate we are going to be inundated with invective about equities and precedents and so forth. At least in terms of my own conscience I should like to make sure the record clearly reflects the facts as they are.

Among these facts is that the Alaska pipeline is the only achievable method of bringing out the North Slope oil at this time. That is one. This oil is needed as soon as is feasibly possible.

These facts I do not believe will be debated by anybody.

The question of the Canadian route is an academic question. The bill itself recognizes and calls for a study of that route. So we get down to what appears to be the major issue, as defined by the Dellenback amendment.

Mr. RUPPE. Mr. Chairman, will the gentleman yield?

Mr. STEIGER of Arizona. I yield to the gentleman from Michigan.

Mr. RUPPE. The gentleman as always makes a strong and convincing case, for the prompt delivery of our Alaskan petroleum resources.

The gentleman brought up the fact that there will be a study of the feasibility of one or more oil or gas pipelines from the North Slope through Canada to the United States. My concern is that the study of that additional route, authorized and directed under this bill, be taken as fairly and as objectively as possible. I should like to interject at this point, that this is the reason why I will offer an amendment later to have that study done not by the Secretary of the Interior but by the General Accounting Office.

Mr. STEIGER of Arizona. Mr. Chairman, I am aware of the gentleman's intent to have that study conducted by the GAO, and I will be interested in hearing debate at that time.

Again I wish to remind the Members that the easiest thing to do, as if they did not know, would be to support the Dellenback amendment and appease those environmentalists who are most concerned about this—for some vague reason, I would advise the Members, they are concerned—and then go ahead and vote for the bill. One can thus have the best of both political worlds.

This will simply not be an honest situation, as far as we are concerned.

If we can recognize the necessity for the oil and recognize the acceptability of the route, it seems to me we must then recognize that to adopt the Dellenback amendment or not to accept the amendment as it is in the bill is to knowingly yield to further delay.

It seems to me that we do have a responsibility, as people who do know what the situation is, as people who do recognize that delay is the preordained goal of many people who will file litigation in this matter, and that we have the device whereby we can circumvent that delay for this essential resource to be distributed in this country.

Mr. Chairman, there is no measure that has received as much attention as this that does not have some honest controversy in it. I will tell the Members of the House, and particularly for the Record at this point, that I am sure that those who are in attendance here are aware of the depth of the convictions of the proponents on both sides. I am convinced that the Members who are supportive of the language as it is in the bill with regard to limiting the adjudication of the NEPA reports are sincere. I am convinced of their sincerity. I am equally convinced of the absolute sincerity and concern of those who would not abridge in any way the NEPA environmental report structure, no matter how stringent the requirements or no matter how demanding the occasion.

Mr. Chairman, I would urge defeat of the Dellenback amendment.

Mr. MELCHER. Mr. Chairman, I yield such time as he may consume to the chairman of the Appropriations Committee, the gentleman from Texas (Mr. Mahon).

Mr. MAHON. Mr. Chairman, I rise in support of this bill and in opposition to the Dellenback amendment and any other crippling amendments.

We need to move forward as rapidly as reasonably possible to provide this necessary energy resource to the American people.

The United States is now confronted with its most serious energy crisis. It is essential that we do all we can to develop our energy resources. It would be irresponsible, in my opinion, if we failed to develop the resources that exist in Alaska.

According to estimates, total U.S. energy needs will increase 62 percent by 1985. The increase since 1962 for petroleum products alone has been 55 percent. It is estimated that by the year 2000 total energy needs will have increased 166 percent over 1972.

The United States does not have enough developed oil and gas reserves to meet this need, nor have new methods such as nuclear power and solar power yet been developed sufficiently to provide for these needs.

It is becoming more essential than ever before that Government policy encourage full exploration and discovery of all possible energy resources. We are going to need all the domestic petroleum that we can responsibly discover and produce.

It is necessary now that we act swiftly and take advantage of the large discoveries of petroleum on the Alaskan Slope in order that we may provide for some degree of relief from this critical energy situation.

Mr. MELCHER. Mr. Chairman, I yield 2 minutes to the gentleman from Ohio (Mr. Seiberling) a member of the committee.

Mr. SEIBERLING. Mr. Chairman, there is no doubt that we are going to get a bill out of this House today, and I think we should.

The question is, are we going to get a bill that will not only expedite the development of North Slope oil in Alaska, but one that we can be proud of and will not be embarrassed by next year or 5 years hence?

There are some features in this bill, in addition to those that have already been debated, that will not only fail to advance those objectives but will slow up progress in the development of this important resource.

One is the provision that would cut off important rights of individuals to bring lawsuits to protect their rights as property owners, where the pipeline right-of-way is involved. This is clearly in violation of the Constitution, and it would spawn a whole host of lawsuits. This will result in more, not less litigation, more, not less delay. I am going to move to strike that section from the bill.

Another defect is that this bill would grant a pipeline monopoly to the major oil companies already on the North Slope. The experience of 50 years has shown that control of a pipeline by an oil company means that it can prevent outsiders from having the use of that pipeline except on exorbitant terms. No other company is going to Alaska and explore for oil and develop the oil resources, unless it has assurance that it can get that oil out. If we really mean to expedite development of Alaskan oil we have to open up that pipeline. Therefore, I will offer an amendment, in effect, to divest the ownership of that line from oil-producing companies so that any company that goes up there and wants to explore for oil will have the assurance that it can get its oil out through the pipeline.

Mr. BELL. Will the gentleman yield?

Mr. SEIBERLING. I yield to the gentleman.

Mr. BELL. The pipeline will be a common carrier, will it not?

Mr. SEIBERLING. Yes. But, experience has shown that the ownership of pipeline companies by an oil producing company has given the owning company, at the very least, a serious cost advantage over nonintegrated companies and, at worst, the power to effectively exclude competitors from using the pipeline.

Mr. MELCHER. Mr. Chairman, I yield the remaining time to the gentleman from California (Mr. Johnson).

Mr. JOHNSON of California. Mr. Chairman, as a coauthor of H.R. 9130, I want to say that we worked out a very fine bill in the subcommittee and I want to commend the subcommittee chairman for his work, and then, in perfecting the subcommittee amendments in the full committee, I do believe we have put together a very fine piece of legislation.

There has been much said by the proponents as to what the problems are dealing with the Alaskan pipeline. We have had it under consideration in the committee for the last 4 years. The bill now pending before us, H.R. 9130, is a fair piece of legislation and will help build the Alaska pipeline.

I ask your support.

Mr. RAILSBACK. Mr. Chairman, the legislation which is before us today is certainly a controversial and complex issue. After very carefully studying the situation with regard to a trans-Alaskan or trans-Canadian route, I feel that the following factors must be weighed very carefully in order to determine a pipeline which would best serve our interests. We must consider the possible consequences of exporting oil to Japan, while we are surrounded by an energy crisis ourselves. We must also realize the impact of not having oil delivered directly to the Midwest region, where the oil shortage is most severe. I am of course particularly concerned about this issue as my district lies outside the heart of Chicago. Following my review of this delicate situation, I would like to add my support for the trans-Alaskan pipeline bill, H.R. 9130.

I think it is safe to say that we are all feeling the effects of an oil crisis after suffering from the severe shortages of heating fuel in the winter and now faced with a summertime squeeze on automobile gasoline. We in Congress must begin immediately to find new sources of crude oil. The North Slope of Alaska can provide part of this, and I do support initiatives that call for the completion of a trans-Alaskan pipeline. Further delay in time is most critical if we are to meet our growing demands for oil. A look at statistics will confirm this. Within the last 3 years, the United States has gone from an almost self-sufficiency in oil to an ever increasing dependence on oil imports. By 1980, it is forecast that we will import nearly 50 percent of our oil from the Persian Gulf countries. Thus by increasing our own domestic oil supplies at the earliest date, it would lessen our dependence on foreign sources of oil. This is of utmost importance because an increasing dependence upon other countries could affect our foreign policy and the consequence of dependence would not be healthy.

Another serious point to consider in this area, is our balance of payments and trade deficit. Any product which we can produce domestically is clearly to our advantage in view of outflowing American dollars. The needs of Alaska are also of vital importance and should be considered. We would be improving the Alaskan economy, as their existence depends upon the development of their rich natural resources.

Time being of the essence in this matter supports the Alaskan pipeline. It is expected that delivery of oil to the United States could begin 3 years from date of approval. If this legislation was enacted immediately, we could expect oil in 1976. In fact, every day that we delay the Alaskan pipeline we are adding $6 million to the country's balance-of-payments deficits.

The environmental questions raised are important and they are being answered with positive action. In construction the greater environmental threats are posed at river and stream crossings. While the trans-Alaskan route crosses only one major river, the Yukon, and 25 smaller rivers, there have also been protective devices added. The underground construction for the Alaskan line will serve to protect the wildlife which crosses the vast terrain. The Alaskan Legislature has recently passed a bill which imposes strict liability without regard to fault, for any damage caused by oil spills in the water or on the land. The bill also provides compensation for the loss of subsistence resources resulting from the oil spills on land and water by the native population. I feel that the environmental concern expressed on this matter has been an asset and will result in the safest route of oil transportation in the world.

I feel that now is the time to enact new right-of-way legislation across Alaska. The adoption of H.R. 9130 will serve as one positive step in reducing the energy crisis and will not only improve our domestic situation, but will hopefully enhance the U.S. position in the world market. I urge immediate and favorable action on the bill before us today.

Mr. BROOMFIELD. Mr. Chairman, very few decisions have been more difficult or complex than the one which Congress must make today concerning the Alaskan pipeline. We are confronted with two equally compelling and valid arguments which lead us to distinctly opposite conclusions.

We know that there is an energy crisis. Gasoline is in short supply, threatening the closing of many service stations with most already operating with reduced supplies. Last winter we experienced, for the first time, a real shortage of heating oil and there is every indication that this trend will continue next winter.

The past 3 years of litigation and the unprecedented scope of the environmental impact statement commissioned by the Interior Department which covered six volumes and took 2 years to complete at a cost of $7 million are evidence of the good faith effort to meet the environmental responsibilities of the Alaskan pipeline. The four Federal judges who have ruled upon the impact statement to date have found it to be adequate.

On the other hand, we are aware of the real and potential environmental consequences associated with the construction of this or any other pipeline that is necessary to deliver North Slope oil to the lower 48 States.

After the most careful and deliberate consideration, I intend to cast my vote in favor of the Alaskan pipeline and against those amendments which would further delay the development of the Alaskan oil reserves.

Mr. Chairman, as you may know, I have long warned about the environmental consequences of the Alaskan route. I have been vocal in urging the Secretary of the Interior and all parts involved to give serious study to this problem.

I sincerely wish that we had the time to give even additional study and consideration to this project. We do not have the time. Unless we get the Alaskan oil soon, it is estimated that per gallon costs of gasoline and heating oil will skyrocket, perhaps double in cost.

Without the Alaskan oil, we will be forced to rely even more heavily on foreign imports. That means an increased reliance upon the Middle East. Our country could become susceptible to the most serious forms of pressure and blackmail from the politically unstable and volatile Arabian oil sheikdoms.

In this regard, I hope the President will invoke the discretionary authority in this bill to make certain that North Slope oil is used to meet our domestic needs and that it is not exported to foreign nations.

By passing this bill we can get on with the necessary construction. By no means does this signal an end to the study and resolution of possible ecological problems. Indeed, it is imperative that all parties concerned continue to explore and resolve beyond a shadow of a doubt any new or persisting environmental hurdles. I stand ready to insist upon a dedication to that effort.

In this regard, I would point out the special problem associated with oil spills at sea by tankers. The record of safety here is less than satisfactory and, therefore, deserves strict supervision and monitoring.

All of which brings us to the need for a concerted effort to study and negotiate a trans-Canadian pipeline route. Eventually, it is my hope that a Canadian line would supplant the Alaskan route.

If it were not for the even more serious delays, uncertainties and prolonged negotiations with the Canadian Government associated with this alternative, my decision would be otherwise.

However, the urgency of the present energy shortage and the national interest must in the final analysis dictate our decision. It is for these reasons and those stated above that I am today voting in favor of H.R. 9130.

Mr. CULVER. Mr. Chairman, I believe there has been a growing awareness by many Americans of the limits on the policy alternatives facing our Nation. In no area has this been more true than our use of natural resources. We have gradually recognized that a seemingly abundant and indestructible natural environment is limited and vulnerable. And we have all too abruptly learned that our apparently certain supply of cheap fuel is neither cheap nor certain.

We are thus faced simultaneously with an endangered environment and a growing fuel shortage or, in the language of the headline writers, the environmental crisis and the energy crisis. The bill which we are considering today would authorize the immediate construction of the Alaskan pipeline, a project which has become a symbol for those concerned with both of these crises. To those who are determined to prevent any unnecessary risk to our environment, the Alaskan pipeline symbolizes a major threat. To those whose principal concern is to provide us with additional fuel in the shortest time, the pipeline is an urgent necessity.

Unfortunately, both of these problems will be with us for many years, and it would be foolish for us to attempt a solution to one by ignoring the reality of the other. To a large extent the problems exist today because of a lack of foresight and planning in the past. For us to make a hasty decision now without a full and balanced appraisal of all the relevant factors would be a continuation of this shortsightedness. We must seek to make an informed judgment on this complex problem by taking account of environmental, economic, and political considerations as well as the need for early delivery of the Alaskan oil. I do not believe we are in a position to make a final judgment at this time.

The two principal routes which have been proposed for delivery of the oil from the Alaskan North Slope to the lower 48 States—the Alaskan and the Canadian routes—have each been challenged by proponents of the other. The Alaskan route, which would transport the oil by pipeline across an earthquake-prone region to Valdez where it would be shipped to west coast ports, may involve unacceptable risks of line rupture or tanker spillage, may not ease the fuel shortage in the Midwest and East, may increase oil price differentials within the United States, and may result in the export to Japan of oil needed here. The Canadian route, which involves constructing a pipeline from the North Slope to connect with an existing one in Edmonton, may involve additional delays, may cost more, may prove to have its own environmental risks, and may result in conflicts with the Canadian Government over construction of the line and use of the oil.

It has been argued that the environmental impact statement on the Alaskan route, filed by the Secretary of the Interior in May 1972, satisfactorily complies with the National Environmental Policy Act—NEPA. The validity of this argument is being appealed in the courts. The bill we are considering, however, declares the pipeline environmentally acceptable and not subject to further judicial review.

It seems clear to me that the logic involved here is faulty. If the pipeline does in fact comply with the provisions of NEPA, there should be no reason to prevent the courts from so determining. If there are doubts, however, about the environmental soundness of the project or the adequacy of the impact statement, we in Congress will not allay them by waiving judicial review. Moreover, such a waiver would establish a dangerous precedent which could destroy the effectiveness of the National Environmental Policy Act, the most important environmental law yet enacted, and could itself be subject to a time-consuming challenge on constitutional grounds. For these reasons I support the amendment offered by Representatives DELLENBACK and DINGELL to strike the provisions declaring that the Interior Department has complied with NEPA and barring further judicial review.

It has further been argued that the chief alternative to the Alaskan pipeline—the Canadian route to Edmonton—is not desired by the Canadian Government or would at least be subject to major delays, higher costs, and a requirement for majority Canadian ownership. Unfortunately this alternative has been inadequately explored, and we have heard conflicting points of view on all of these points. We are being asked to decide between a project that has been reasonably thoroughly studied and one on which we have few hard facts. Since the latter project, the Canadian pipeline, has the potential to bring more oil at lower cost to the fuel-short Midwest and East and to minimize environmental damage, I believe it must be thoroughly considered. Therefore I favor a substitute bill which would direct a comparative study of the Alaskan and Canadian routes and immediate negotiations with the Canadian Government on the availability of right-of-way. This substitute would include a tight, 6-month deadline for the study, and the information provided might well prevent future delays in the construction of the route recommended.

Mr. Chairman, neither the Alaskan nor the Canadian route will be without problems. Whatever our final decision, it will be less than perfect. We need the Alaskan oil, and we need it soon. But we must seek to transport it to the consumers who need it most in a way that will bring a minimum of ecological damage. We do not want to run unnecessary environmental risks because of the need for oil, nor do we want to risk future fuel shortages because of the need to protect the environment. The only way to resolve this apparent conflict in the most rational manner is to have all the facts before us when we make our decision.

Mr. BADILLO. Mr. Chairman, in each session of Congress, one or two issues emerge that are critical to all those concerned with the protection of our environment.

In 1970, it was the vote by which the House refused to consider the proposed Timber Supply Act, a major threat to our forests and woodlands.

In 1971, it was the vote which killed the proposed public subsidy for the civil supersonic transport plane.

Last year, it was the movement to strengthen the water pollution bill.

Today, the House of Representatives considers a key environmental issue in the trans-Alaska pipeline bill. The votes which will develop on amendments to this legislation may well prove to be even more important than the others I have cited.

Were it not for the so-called energy crisis, it might well be that this legislation would have been considered studiously and deliberately, with all alternatives fully weighed and all points of view fairly aired. Unfortunately, the pressure of "big oil" continues to be a major influence upon the legislative process.

In my judgment, the legislation before us has two fatal flaws, and unless both are corrected through amendments, I will vote against the bill.

First, and most serious, is the crippling effect of this bill on the National Environmental Policy Act. That landmark bill, signed into law in 1970, required every Federal agency to submit a statement assessing the environmental impact of any proposed action or project, including alternatives. As the New York Times pointed out editorially last month:

> The National Environmental Policy Act of 1969—NEPA—is perhaps the most important single piece of modern environmental law now on the statute books. That law is under attack in the Senate today. It is imperative that the law not be breached or undermined.
>
> NEPA requires that every Federal agency submit to the President and his Council on Environmental Quality a statement detailing what impact any proposed project would have on the environment. These so-called impact statements have proved to be an immensely important way of educating the public and the bureaucracy itself on how man-made changes can or are likely to affect the nation's land, water, air, scenery, wilderness, animals and other natural resources. Since the statements are subject to review by the courts, they provide ordinary citizens with a powerful lever to make Federal agencies live up to their own professed standards.

H.R. 9130, like its Senate counterpart, circumvents the requirements of NEPA by exempting the trans-Alaska pipeline from further judicial review. In addition, the language in section 202(d) of the bill asserts the finding of Congress that all of the actions taken heretofore by the Secretary of the Interior with respect to the pipeline are to be regarded as satisfactory compliance with NEPA. Not only is there no basis for making such a judgment, but the finding represents a dangerous precedent that could serve to undermine completely the NEPA.

The administration itself recognized this when Interior Under Secretary Whitaker told the Subcommittee on Public Lands last April 18:

> We are not recommending to Congress that Congress override the National Environmental Policy Act . . . When you get into a position where you make an exception for this or for that, you start to erode the very authority of the Act.

As Business Week magazine pointed out in a July 28 editorial:

> Exempting the pipeline from NEPA would set a dangerous precedent. Other agencies will be tempted to seek exemption for their pet projects and the NEPA could become just another piece of paper.

The second major flaw in this bill is the fact that it comes to us in the absence of any real exploration of routing the proposed pipeline across Canada. I know of no Member of Congress who does not believe that North Slope oil fields should and must be tapped. Even if the "energy crisis" should prove to have been manufactured by the major oil companies, the fact remains that this Nation is increasingly dependent upon oil and its byproducts, and that we are becoming frighteningly dependent on oil supplies from the Middle East. Development of domestic oil resources is essential.

But to maintain that the trans-Alaska pipeline is the best or the only route by which to transmit oil from the North Slope is, in my view, unsupportable. I just cannot see the logic of building an Alaska pipeline whose ultimate market is the west coast or possibly Japan, when we know that in the coming decade the United States east of the Rockies will be 50 percent dependent upon foreign oil, most of it from the Arab States.

The alternative Canadian route would have major environmental advantages.

Being entirely an overland route, it avoids hazardous transport of oil in tankers along the northwestern coast. It does not cross dangerous earthquake zones. And it could be built within a common corridor with the proposed gas pipeline that will carry natural gas across Canada.

Aside from the obvious environmental advantages, however, the trans-Canada route offers real economc benefits—and to the entire Nation, not just to one region. It would supply oil to the west coast, but it would also supply oil to the Midwest and the East, where all expert testimony indicates the needs are greatest.

Let me reiterate my strong feeling that the resources of Alaska's North Slope be developed. That oil is needed—regardless of the oil industry's role in the current shortage—and we must move decisively to end our dependence upon foreign oil.

But to those who insist that passage of this legislation, in its present form, is necessary to alleviate the fuel crisis, I would recommend that they move instead to promote passage of legislation authorizing a mandatory petroleum allocation program, such as was approved by the Senate yesterday. The voluntary fuel allocation program has proved a disaster because the oil companies simply are not cooperating. We have an immediate fuel crisis, particularly with regard to fuel needed for the fall harvest in the farm States, and in terms of heating oil needs next winter. Let us put first things first.

Mr. LEGGETT. Mr. Chairman, as all of us know, any discussion of the trans-Alaska pipeline involves much more than the simple question of the best way to deliver the valuable Alaskan oil reserves from the North Slope to the continental United States. In addition to environmental concerns, the trans-Alaska pipeline raises serious economic, national security, and constitutional questions.

Over the last year, this Nation has learned a costly, but nevertheless valuable lesson—we do not have an indefatigable supply of oil and gas. At the present time, this country is caught in the midst of its first energy crisis. For the first time in our history, we do not have enough oil and gas to go around for all those who want to consume it. While we have been assured by the oil experts that this shortage is only temporary, it is clear that, at present consumption rates, the United States will continue to demand more domestic oil and gas than is readily available.

The United States is currently consuming 14.8 million barrels of oil a day. Unless we can extract the Alaskan reserves relatively quickly, and unless we discover other large domestic oil reserves, it is clear that a greater and greater percentage of this massive daily consumption will be supplied by foreign sources.

Since 1960, the Nation's volume of petroleum imports has increased more than threefold, and now amounts to more than 35 percent of our domestic requirements. It has been estimated that this figure will rise to 50 percent by 1980. This situation is serious, yes, but we had better be very cautious how we react to it lest we create more problems than we solve.

I do think that the Committee on Interior and Insular Affairs has done a very scholarly job on H.R. 9130, and deserves the support of the entire House. Many of us were concerned, when the pipeline was first proposed, about the seemingly insurmountable environmental hazards inherent in laying an 800-mile pipeline through the heart of Alaska. I am convinced now, however, that most of these hazards have been substantially mitigated.

It has been argued that while we need the North Slope oil, there are more environmentally sound routes for its delivery than the trans-Alaska pipeline. Frankly, I am not convinced that this is so. We have heard a lot of talk about the Canadian alternative, but this route does not appear to be any less hazardous than the Alaska approach. The Mackenzie Valley pipeline would be 400 miles longer than the Alaskan route. Like the trans-Alaska pipeline, it too would disrupt hundreds of miles of wilderness, cross major earthquake zones, and large rivers, and proceed over large sections of permafrost.

This is not to say that a safe Canadian pipeline could not be built through Canada, only that this route does not appear to offer a clear environmental alternative to the Alaska pipeline. There are still other environmental reasons for going ahead with the Alaska pipeline.

The Alaska pipeline will direct the major portion of the North Slope reserves to the west coast. This distribution pattern makes sense for a couple of reasons. First, the west coast's demand for oil will almost certainly exceed even the 2-million-barrels-a-day supply of the North Slope in a very few years. Without this supply, the Western portion of the United States may suffer severe oil and gas shortages.

Second, the west coast, and California in particular, needs the low-sulfur crude oil that will come from the North Slope's wells. California's own reserves are extremely high in sulfur content, and the burning of these high-sulfur fuels will only exacerbate California's serious air pollution problem. Southern California has one of the worst air quality problems in the Nation. It is extremely important that a stable supply of low-sulfur crude oil continue for California in order to prevent a deterioration of the air quality in the Nation's most populous State.

While I do support H.R. 9130, I also intend to support the Dellenback-Dingell amendment to strike from the bill the provisions which declare that the Interior Department has complied with the requirements of the NEPA and bar further judicial review of the Alaska pipeline under NEPA. We do need the Alaskan oil, but I don't think we should attempt to get it at the expense of the National Environmental Policy Act, and the doctrine of judicial review.

The National Environmental Policy Act has proven to be an important and effective piece of legislation. By requiring environmental impact statements on all projects licensed by the Federal Government, it has successfully forced Federal agencies to weigh environmental concerns along with all other factors in the early consideration of any single action. It would be unfortunate, after the tremendous success of NEPA, to have it breached in this instance.

The trans-Alaska pipeline, constructed properly, could be a fantastic boon to the economy of this Nation. At the same time, a break in the pipeline could destroy some of the most virgin wilderness on earth. For this reason, it is imperative that the courts have an opportunity to fully, and completely, review the environmental impact statement filed for the pipeline. This is the least we can do.

It will be argued here, of course, that this amendment is merely a stalling tactic. Quite the contrary. There is a distinct possibility that H.R. 9130 would be stalled in the courts longer with the NEPA override, than without it. Although the bill seeks to block any further litigation in connection with the proposed trans-Alaskan route, it cannot and does not do so. By overriding NEPA, this bill may in fact raise a whole new series of potential grounds for litigation.

I support the Alaskan pipeline, but in light of the serious environmental questions inherent in this route, it is incumbent upon us to allow the courts to proceed with their review of the environmental impact statement issued for the pipeline.

Mr. HARRINGTON. Mr. Chairman, I rise in opposition to H.R. 9130, which would authorize construction of a pipeline across the State of Alaska. Two major concerns lead me to do so. It seems to me that a decision to waive the rigorous review standards of the National Environmental Protection Act would be shortsighted and sure to set a regrettable precedent. And I am doubtful that any body of the Federal Government has done a truly comprehensive study of the trans-Alaskan passage and its possible Canadian alternative, in terms of economic costs, environmental costs, and the energy shortage.

Because I have these reservations about the bill, I will support two amendments scheduled to be offered this afternoon. The first would remove the wording in the bill which now permits a waiver of NEPA review requirements, and the second authorizes a short postponement in approving pipeline construction while an immediate 5-month study is made of the two possible routes. Unless the bill is modified in these two essential respects, it will not, in my judgment, effectively serve the needs of the American public.

The provisions of NEPA requiring a comprehensive environmental impact study were intended to permit full judicial review of any challenges to the findings of those studies. In the case of the trans-Alaskan pipeline, this judicial review of the study's environmental merits was cut short by a technicality—the large pipes to be used exceeded the width limitation contained in a law passed 53 years ago. This bill before us resolves the technical restrictions, but also makes the convenient but unsubstantiated declaration that the requirements of NEPA have been satisfactorily fulfilled.

I understand the sense of urgency which causes the Congress to be impatient to develop Alaskan oil; this Nation's need for energy from domestic sources is undeniable. But this particular dilemma is not an isolated case.

In the last decade, environmentalists have made a strong case for placing their concerns high on the list of attainments needed to insure social justice; with a lot of help from passing time, they have demonstrated that the slighting of environmental values violates the air we breathe, poisons the water we drink, and defiles the land on which we live. And they have pointed to the ravages of these factors on our cities to emphasize that the poorer people are, the higher the environmental penalties they pay.

As we succeed in truly understanding the processes of the environment, we can expect more conflicts between the demand for energy and the preservation of our surroundings.

The keystone of the environmental movement's strength is the National Environmental Protection Act and its provision for environmental impact studies. If we set a precedent for sweeping aside the step-by-step review required by that provision, how will we hold the line on the construction of a damaging nuclear powerplant? On strip mining? On burning coal before we remove its polluting qualities? On drilling for offshore oil? We are handing the giant oil, gas, and coal companies the sort of opening they excel in exploiting. They have already spent millions of dollars stressing the absolute urgency of the energy shortage, while darkly suggesting that they will not act to produce the fuel to relieve the shortage unless given more profit. It seems to me that we are providing them with a tactic for future exploitation of the environment: They can now spend millions crying "Emergency" as a prelude to proposing the waiving of environmental impact studies on all types of energy development.

I am aware that the energy problem will be with us a long time, and will worsen. But I also know that environmental problems will be just as persistent. It appears to me that we cannot responsibly save a few years in alleviating the first problem at the cost of aggravating the second. Government must be made to serve both needs.

Because of my concerns in these areas, I favor adoption of an amendment striking from the bill the declaration that the environmental impact study requirement has been met and that therefore further judicial review is prohibited.

The comparative virtues of the trans-Alaskan route and the proposed Canadian alternative—in their energy, economic and environmental dimensions—have also made me doubtful about our eagerness in forging ahead with the first route.

The energy questions are especially troubling for my constituents in Massachusetts. The simple fact is, every barrel of Alaskan oil shipped across Alaska and then down the west coast will go to satisfying west coast energy needs; none will come to New England or even as far as the Midwest. My reservations are not based on provincialism, however, but on equity and fairness. For years, New England has suffered more than other regions because of our greater dependence on foreign fuel; the oil import quota program penalized New Englanders while it prevented competition for oil companies. Meanwhile, these oil firms slighted the New England market because of transportation distances, resulting in serious heating oil shortages.

It makes sense to me, therefore, to target Alaskan oil to New England and the Midwest, where the effects of past policies have been most severe and where a result has been the biggest fuel oil shortages in the Nation. Instead, we are being asked to approve the trans-Alaskan route and forego any direct benefits from Alaska oil. An alternative pipeline through Canada, in contrast, would bring Alaskan oil down to the Midwest and directly by pipeline to Buffalo, N.Y., where presently existing pipelines already branch off to New England.

The economic considerations are related. The price of oil is already 90 cents a barrel higher for New England and the Midwest, compared to the west coast. The trans-Alaskan and Pacific Ocean passage would bring more oil to the west coast, alleviate the pressures in prices there, and thus would likely expand the price differentials between that area and the rest of the Nation east of the Rockies. The trans-Canadian alternative, on the other hand, would tend to equalize the pressures on the price of oil by equalizing the supplies available to each region.

Environmentally, the Alaskan route has two big drawbacks: two-thirds of the pipeline would pass through the part of Alaska which is one of the most active earthquake zones in the world; and the sea voyage down the west coast to Seattle—1,200 miles—and San Francisco—2,000 miles—presents a threat of countless oil spills. The Canadian alternative avoids the earthquake zone and any shipment by sea.

For these environmental, economic, and energy-related reasons, I favor a second amendment to this bill authorizing a study of the two possible pipeline routes. The study would be completed within 5 months—by January 1, 1974—at which time Congress would have to decide on the preferable passage. Given the magnitude of the issues at stake here, Congress must steel itself to weigh all the critical arguments before going ahead. It seems to me that this amendment offers the best balance between promptness and prudence, and I urge its adoption.

Mr. PODELL. Mr. Chairman, I rise in support of H.R. 9130, to authorize construction of the trans-Alaska pipeline system.

In the past few days, I have been literally inundated by information on the Alaska pipeline and its alternatives from both sides of the issue. I feel that we should not delay any longer in getting this project underway. I am aware of the environmental considerations involved, and I am equally aware of this country's need for new, reliable sources of energy. In the final analysis I feel that we must get construction of TAPS underway as soon as possible.

While the 2 million barrels a day which the Prudhoe Bay fields would produce at their peak does not seem to be much in comparison to overall U.S. oil consumption, it is still a resource which we cannot afford to ignore. It is a reliable source of supply at a time when we are every day more subject to political blackmail by the Middle East oil producing nations.

The risks of dealing too much with the Middle East extend far beyond the danger to our ties to Israel. The oil producing nations there literally are taking in more revenue than they know what to do with. Saudi Arabia, for example, currently has some $3 billion in foreign currency reserves. At a time when the American dollar is under attack on the European money markets, it would be most unwise to perpetuate a system in which the drain on the dollar continues.

It would be foolish to say that we should become independent of Middle Eastern oil. Given the current energy needs of the United States, and the projected needs for oil and gas through the end of this century, we will always have to purchase some of our supply from Saudia Arabia and the Persian Gulf sheikhdoms. However, we should do all that we can to minimize our requirements of supplies from this source. A twofold program of strong energy conservation measures and development of the Prudhoe Bay fields will certainly help.

I am aware than an alternative route to the trans-Alaska pipeline has been proposed to run through the Mackenzie Valley in Canada. I could not support the switch from an Alaskan to a Canadian route, because it would mean even more delay in getting the oil to where it is needed. All the work that has already been done on the Alaska line would have to be repeated for the Canadian system. The cost of the Alaskan line would be billions less than would the Canadian line. The Alaskan project would generate thousands of new jobs and millions of dollars in revenue for the State of Alaska, whereas if the line were routed through Canada, the short-range economic benefits which the United States would realize would disappear.

I must admit I am not much swayed by the "national security" arguments made by the State Department. Canada is our closest neighbor and ally, and we do her a grave disservice to suggest she would ever blackmail us by closing a pipeline. But from the standpoints of time and cost, I would have to find the Alaskan line the preferred alternative.

There still remains the problem of the environmental effects of TAPS. Pipelines constructed with identical technology and materials have successfully withstood the shock of earthquakes in California. I fully believe that the Alaskan pipeline will be built with the same safeguards. I think that the question of damage to the permafrost layer of the tundra is much more serious, since we simply do not know how gravely, if at all, the heat generated by the pipeline will affect the surrounding environment.

Because of this, I intend to support the amendment proposed by the gentleman from Oregon, which would strike the waiver of the National Environmental Policy Act. When this legislation was before the Senate, such a waiver was unfortunately adopted over the vigorous protests of Senator Henry Jackson, of Washington, who was the chief author of NEPA. It is interesting to note that the distinguished Senator was the leader of the fight for the Alaska pipeline. Apparently he felt that we could have our pipeline and compliance with the requirements of NEPA as well.

The ramifications of waiving NEPA are great. To begin with, such an action raises serious questions of legality. It puts the Congress in the place of the courts of the United States, in deciding what does and does not comply with the law. Frankly we are not in a position to make such a decision, because most of us have not read one word of the six tremendous volumes of the environmental impact statement.

We should not destroy the effectiveness of NEPA just as we are beginning to make headway in cleaning up the environment. To bring the matter home, New York Harbor for the first time in many years has become clean enough to support fresh-water fish. If we eviscerate NEPA by this waiver provision, I fear for the future of New York, for any project which may be environmentally damaging can be approved by congressional fiat without facing judicial scrutiny.

I think that we can have both the pipeline and a clean environment. I want to see work on the pipeline begun as soon as humanly possible, for we needed the oil in Prudhoe Bay yesterday. But I do not want to see Prudhoe Bay tapped at the risk of destroying not only the environment of Alaska, but perhaps ultimately of the entire Nation.

I support the trans-Alaska pipeline system, but I realize that we need more than this project to ease the energy crisis. We need a commitment by this body to the principles of conservation of our resources. We cannot open up the Prudhoe Bay fields without realizing that it is merely a short-range answer. We must look to the future, to the day when Prudhoe Bay is tapped out. For that day will certainly come, and then where will we turn? Back to the Middle East? To South America?

We should not rush into approving TAPS without keeping in our minds the realization that, more than anything else, the United States needs a coherent, long-range policy on the development and utilization of our energy resources. While we are working on bringing the oil down from Alaska, we should also be working on developing shale oil, coal gasification, nuclear and solar energy, and whatever alternatives seem feasible. We should develop a system of incentives for recycling and conservation. We cannot proceed unless we have it firmly in mind that TAPS is only a small part of a larger system of energy supply and use. To merely strike out blindly in the dark and then retreat until the next crisis would be in the worst interests of the future of this Nation.

It is with these reservations that I shall cast my vote for H.R. 9130.

Mr. FRASER. Mr. Chairman, I rise in support of the amendment offered by the gentleman from Oregon (Mr. Dellenback). The National Environmental Policy Act—NEPA—is probably the single most important environmental law yet enacted. To exempt the trans-Alaska pipeline from meeting its requirements, would be a subversion of the environmental values we have succeeded in establishing in this country in the last decade.

NEPA, as you know, requires consideration of alternatives to a major Federal action affecting the environment, before that action is taken and while alternative solutions are still available. One of the issues that would be settled in court review under NEPA is whether the Secretary of the Interior has fulfilled the act's requirements and has given objective consideration to the alternative of a common corridor across Canada for an oil and gas pipeline. If, in fact, as the administration maintains, this alternative has been given fair and full consideration, the administration will win in the courts.

I, for one, do not believe that the Canadian alternative has been given fair and full consideration. Rather, the Canadian alternative has been swept aside on grounds of "national interest" and "national security"—the blanket justification resorted to by this administration when other reasons fail.

Members are being asked to give rubber stamp approval to the Interior Department's environmental impact statement. Who in this House has read this document?

The Canadian Energy Minister, Mr. Macdonald, commented on treatment of the Canadian alternative in Interior's impact statement. He wrote to Secretary Morton, on May 4, 1972, a week before the administration decided to issue a permit for the trans-Alaskan pipeline, that discussion of the Canadian alternative in the statement was "based on data in the public sector, some of which have become out of date and very little of which was produced in the last 2 years." He further remarked that the Interior statement had not considered Canadian Government studies and 30 other environmental and social studies. I quote from Mr. Macdonald's letter:

> We are of the view that your consideration of the Canadian alternative could benefit substantially from a knowledge of the work which has been done by both industry and government and which is to be completed this year. A result of detailed consideration would lead, in our view, to an improved appreciation of the advantages in an environmental sense of the Canadian alternative.

One of the "significant new factors" mentioned by the Canadian Energy Minister was a Canadian decision, announced by their Prime Minister on April 28, 1972, to begin construction of an all-weather highway between Fort Simpson and Invik in the Northwestern Territories. Construction of this highway would unquestionably facilitate pipeline construction.

Whether administration bias against a Canadian route has precluded adequate assessment of this alternative would receive objective consideration in the courts. To eliminate this necessary court review would be bowing to powerful special interest groups, whose interests are their own and not those of the Nation as a whole.

I urge Members to vote for the Dellenback amendment.

Mr. FRENZEL. Mr. Chairman, the pipeline bill, H.R. 9130, before us today is deservedly getting plenty of debate. For my part, I simply want to comment on the most important issues that I see in this bill.

First, of tremendous importance is the need to make sure the energy resources of Alaska's northern slope are made available to citizens of the United States as soon as possible, consistent with reasonable environmental standards.

Obviously we are short of oil. Because of regional and environmental considerations my first choice would be for a trans-Canadian pipeline, and I shall vote for studies, like that proposed in the Ruppe Amendment, which would keep this possibility alive. Nevertheless, I cannot fail to vote for the Alaska pipeline, unless major environmental considerations are disregarded.

We need the oil. My State, particularly, has been hard hit both by fuel shortages this winter and gasoline shortages this summer. We expect real emergencies this fall when agricultural usage of butane will exceed supply. We expect worse shortages of fuel oil for home heating uses and diesel oil for transportation uses this winter. We need the Alaskan oil as soon as possible to relieve our shortages.

Next, of equal importance is the need to consider carefully environmental considerations. NEPA must be preserved. For this reason I strongly support the Dellenback amendment of which I am a cosponsor. In addition to preserving environmental needs, I believe also that that will bring us an active pipeline sooner than the committee provision. The committee version seems to me to beg more litigation than the Dellenback proposal, and lacks the court priority feature.

I have spoken often on the floor of this House to preserve NEPA. Specifically I recall the debate on the Federal Highway Act of 1972 and the Water Pollution Control Act of 1972. The Congress has never yet overridden a NEPA provision. In my judgment, this has been wise. I shall support other amendments which seek to preserve environmental standards.

There will be many other amendments today. Many of these I shall support as useful environmental protections. Nevertheless, I do not discount the need for the passage of the bill, and do intend to support it.

Mr. CLANCY. Mr. Chairman, I rise in support of H.R. 9130, the trans-Alaska pipeline system authorization, often referred to as TAPS.

It is time that we in Congress act on this measure and authorize the construction of the pipeline which would transport petroleum from the 10-billion-barrel field on the North Slope, across Alaska to the tankers at Valdez.

The main objection persisting is that of the environmentalists who argue that earthquakes will break the line and spill oil over the tundra; or that the warm line will thaw through the permafrost, destroying the strata beneath and spewing crude over the landscape; or, as more recently and emotionally espoused in posters, that the pipeline will break up the migration of caribou, contributing to their destruction, slaughter and extinction.

It is past time to consider these ecological positions because they have been considered already—and thoroughly, as part of a six-volume impact report filed more than a year ago to satisfy provisions of the National Environmental Policy Act. The report stated that the environment would not be destroyed and Interior Secretary Rogers C. B. Morton issued the permits to go ahead on TAPS. While those permits are blocked again today by the environmentalists, this legislation before us contains provisions to insure ecological protections even as the pipeline is constructed. The bill requires the Secretary to report annually to Congress on the safety and environmental requirements. It requires him to report semiannually to the House and Senate Interior Committees on the progress of construction and implementation of environmental stipulations. If he finds that the environment is suffering because of construction, he is directed to order a halt to construction.

Also, it is past time to consider withholding action on this measure until a study can be made for a trans-Canadian pipeline. The problems with a trans-Alaskan pipeline are virtually the same as those encountered by a trans-Canadian pipeline, excepting that the latter would have to traverse a much greater distance, requiring more time and maintenance, and would be subject to some controls and restrictions by another nation, albeit our friendly neighbor, Canada.

The arguments have been dealt with. Now is the time to act. This huge oilfield was discovered 5 years ago, but, as yet, is untapped, although across the land there is a cry of petroleum product shortages.

It has been estimated that the first barrel of oil out of a trans-Canadian pipeline would not come into the United States before 1980. We need the oil now. With the trans-Alaskan pipeline system, we can have the first oil from the North Slope by 1976. Congress should authorize TAPS now.

Mrs. COLLINS of Illinois. Mr. Chairman, the precedent set by the overriding of NEPA, in the case of the Alaska pipeline, and its implications relating to the environment, are apparent. They are of grave concern to me. However, I would like to bypass those aspects of the problem to which my colleagues have already addressed themselves. I feel that exploration of the Canadian alternative is also a matter deserving attention.

In his testimony before the Subcommittee on Public Land, Mr. ASPIN has produced some alarming statistics regarding the future oil situation in the Midwest and east coast. According to his projections, Midwestern States may be importing 43 percent of their oil by 1980 and the east coast would be forced to import 86 percent. A majority of this oil—56 percent of the oil used in the East—would be imported from the volatile states of the Middle East. Arab States would then, by virtue of their control of the fuel supply to the area east of the Rocky Mountains, have the United States in a stranglehold.

The Alaska pipeline would do little to alleviate this situation. The west coast, it is true, would no longer need to import oil. In fact, by 1980, a 200,000-barrel-a-day surplus is predicted. It is already being speculated that this oil would be exported to Japan.

It would be ludicrous to import oil on one coast while exporting it on the other. While Chicago and New York run dry, California may slide off the continent on a gigantic oil slick.

The Canadian alternative route through the Mackenzie Valley, on the other hand, would bring crude oil directly to America's heartland, where it is most needed: the most difficult place to transport oil to, and the place from which American oil can most readily be transported. Such a line would reduce imports needed by these areas to a more manageable quantity.

The Canadian alternative should be considered in the light of the economic situation of the Midwestern States, as well as reasons of national efficiency.

In Chicago, particularly in my district, unemployment is a continuing problem. Admittedly, actual construction of the pipeline and operation of the refineries would provide few permanent jobs. But oil coming directly into the Midwest would promote the development of business and industry that is now discouraged by the vital question of whether or not there will be a reliable source of fuel with which to run machines and heat buildings.

Economic stagnation is not the only result of the fuel shortage. Last winter southern Illinois children were victims when schools were forced to close for lack of fuel. Are our hospitals the next to fall prey to hasty decisions?

Current explorations in Alberta and other reaches of northern Canada may well turn up fields capable of supplying even greater portions of the American oil market. In the past, Canadians have been willing to sell us their surplus oil. Future returns on the Canadian route then, promises to be of even greater value to the fuel-starved Midwest.

Certainly this alternative must be explored thoroughly before its rejection—or acceptance.

Mr. HOGAN. Mr. Chairman, I would like to express my strong support of the amendment offered by the gentleman from Massachusetts (Mr. CRONIN) to prohibit the use of foreign labor for construction, operation, and maintenance of the Alaska pipeline.

The amendment specifically prohibits the Secretary of Labor from issuing any short-term labor clearances to foreign nationals for construction, operation, and maintenance of the trans-Alaskan pipeline when unemployment in the United States is 4.5 percent or above.

It is well to remember that the proximity of the pipeline to Canada and its relative isolation from the rest of the United States, plus the fact that Canadian labor is generally lower priced, makes the use of workers from Canada very attractive.

However, when we look at the number of jobs involved with the construction of the pipeline we can see that the use of American workers could significantly contribute to the reduction of unemployment in this country. At a time when, despite a booming economy, unemployment continues to run at or near the 5-percent level, a guarantee that these jobs would go to American workers seems only reasonable.

It is estimated that initial construction of the pipeline will generate 10,000 jobs; this number will increase to as many as 25,000 at the peak of construction activity. After the pipeline is completed it is estimated that 3,000 people will be required for its operation and maintenance.

Approval of this amendment will not only insure that these jobs go to Americans, but it will also insure that the income from the pipeline will be absorbed by the U.S. economy rather than that of Canada or any other country.

To insure that these jobs go to Americans and that the income is absorbed by the American economy, I wholeheartedly support this amendment and urge my colleagues to approve it as part of this bill.

Mr. DELLUMS. Mr. Chairman, I would like to reaffirm my longstanding opposition to the construction of an Alaskan pipeline. In terms of both its environmental hazards and its inability to get fuel to the areas of our country most in need, I find this proposed method of transporting fuel from Alaska's North Slope wholly unsatisfactory.

Even if we accept the urgent pleas of the large oil interests who would have us believe that fuel supplies have been exhausted—and I suggest to my colleagues that this is a claim which deserves our careful scrutiny—do we not have a responsibility to our midwestern and eastern populations who have suffered severely from fuel shortages, and to our Canadian neighbors and U.S. coastal residents who have endured oil spills and marine pollution from tankers, to make a complete and intelligent evaluation of all possible alternatives for oil transport?

I ask you then, to consider the wisdom of passing a bill which grants expedient rights of way to the very companies that own 95 percent of the oil on the North Slope and who stand to substantially increase their already enormous, tax-free profits when construction of the proposed pipeline is completed. These companies, mind you, have profited to the tune of millions of dollars despite our "fuel crisis" and have not taken the initiative or used their vast resources adequately to explore alternative means of oil supply and production.

I ask you how responsible it is to approve a bill which only narrowly passed the Interior Committee and which is based on an environmental impact study we have not seen and which was not supplemented with adequate testimony while in committee.

I do support the substitute bill offered by my colleague from Arizona (Mr. Udall) which provides a rational means of reaching a decision based on facts which are complete and unbiased. This proposal guarantees the oil companies an answer within 6 months, and gives Congress and the Department of Interior the time needed to secure a route which best serves the needs of all citizens of our country.

I have cosponsored the amendment offered by my distinguished colleague from Rhode Island (Mr. Tiernan) in the hope that at the very least we may secure some kind of environmental safeguard from the oil companies who will be operating and utilizing the pipeline. By establishing an oil company trust fund under the direction of the Secretary of the Treasury, we make provision for financial responsibility in the event of any environmental damage. It is imperative that we improve this regulation before rights of way and waiver of judicial review are granted.

Again, I raise the question of scare tactics being employed by the fervent backers of this bill. We must not be intimidated by such ploys. I urge my colleagues to defeat this dangerous and hastily contrived measure.

Mr. DORN. Mr. Chairman, I fully support immediate construction of the Alaska pipeline and urge the House to protect our pipeline bill against any amendments that would delay construction.

Mr. Chairman, our national fuel shortage becomes more critical with each passing week. Without sufficient fuel oil and electricity, next winter could be disastrous. Already some of our schools have reported that they cannot be assured heating oil supplies for the coming school year. Some of our great cities cannot find bidders to meet their fuel needs. Hospitals will find their fuel and electricity requirements jeopardized. Long established businesses are shut down because they can no longer secure gasoline to sell their customers. This Congress can no longer sit idly by while injunctions, law suits, and red tape hold up desperately needed power generating facilities—nuclear and hydro. It is urgent that a crash program be expedited; whatever it takes must be done to assure the energy so essential to national security, economic progress and environmental improvement.

Without sufficient fuel supplies for agriculture the food shortage will become more severe and the stability of the dollar will be further threatened. National security requires the quickest possible delivery of Alaska oil to the lower 48 States, and the bill now before us will permit the beginning of construction. We must accelerate the development of offshore deep-water loading docks that can accommodate giant oil tankers. National security demands continued development of nuclear power sources, as our national electricity requirements could double in the next 5 years. Mr. Speaker this trans-Alaska pipeline bill is pro-environment, and pro-progress and vital for national security. I urge its overwhelming approval.

Mr. DRINAN. Mr. Chairman, I am greatly troubled by H.R. 9130, the Alaska pipeline bill. The bill was prompted by the decision of the U.S. Circuit Court of Appeals for the District of Columbia in Wilderness Society et al. against Morton that the Mineral Leasing Act of 1920 did not allow the Secretary of the Interior to grant a right-of-way that would be wide enough to build the trans-Alaska pipeline. The court stated that if the Secretary of the Interior needed authorization to grant rights-of-way wider than those permitted by the Mineral Leasing Act, he must seek that authorization from the Congress and not from the courts.

While I do not object to title I of this bill, which requires that National Environmental Policy Act requirements be met before a right-of-way is granted a pipeline, I am persuaded that title II—the Trans-Alaskan Pipeline Authorization Act—is seriously deficient. There was nothing in the court decision in the Wilderness Society case that required Congress to delete the National Environmental Policy Act—NEPA—or to set up the unusual three-judge court arrangement now in the bill.

We are being pressed to act with unseemly haste and insufficient preparation. We do not have any adequate, independent study of the trans-Canadian alternative. Yet without study, the bill would have us declare as fact the superiority of the trans-Alaska route. Without study, I cannot be so persuaded.

Some have advised us that Canada is out of the question. Others have assured us that Canada is open to reasonable proposals. The State of Alaska concedes that a trans-Canada natural gas pipeline will in any case be built along the Mackenzie Valley route. If this is so, it seems to me that fear of Canada cannot be used to prevent consideration of this alternative.

There are at least two reasons why we might favor the trans-Canadian route, and why we should insist on the trans-Canadian route study.

First, the serious environmental dangers of an 800-mile pipeline through an active earthquake territory leading to a more than 1,000-mile voyage by ship with oil spillage of at least 140,000 tons annually from normal operations, in addition to the difficulties of navigating safely through the hazardous Puget Sound, cannot be discounted. The trans-Canadian route seems to minimize these environmental dangers.

Second, the trans-Canadian route would direct the oil to the area of greatest need—the Midwest. Sending the oil to the west coast would literally flood that market, causing diversion of some oil abroad. By 1985, the United States east of the Rockies will be mainly dependent on non-North American oil, primarily from the Middle East, unless new sources are found and exploited. The Government of Canada has recently stated that if the trans-Alaskan pipeline is built, it would not be interested in a second trans-Canada pipeline. Thus, if we now decide in favor of the trans-Alaska route, we are deciding against the Midwest and the East. But it is to the Midwest that the oil should go if we are to minimize our future dependence on the Middle East and supply the most oil-thirsty parts of our country.

I urge the House to adopt an amendment directing an independent study by the National Academy of Sciences of the Alaskan and Canadian alternatives.

In sections 202(d), 203(a), 203(d), and 203(f) the bill exempts the issuance of any right-of-way, permit or other Alaska pipeline authorization from any further review under NEPA and creates a special three-judge court to hear any cases involving any right-of-way, permit or authorization. These suits must be commenced within 60 days of the permit issuance and appeal must be taken direct to the Supreme Court.

I object to this bill's attempt to place beyond judicial review the question of whether the proposed trans-Alaska route meets the requirements of the National Environmental Policy Act. I do not object merely because of the questionable legality of these provisions, or merely because of the doubtful wisdom of Congress declaring fact by fiat, but rather because it seems inconceivable to me that we should make as an exception to the National Environmental Policy Act one of the greatest potential environmental dangers of this century.

The attempts to expedite resolution of legal disputes over the pipeline by dismissing NEPA and by requiring a three-judge court is indefensible for a number of reasons. In fact, these very requirements may add greater delay than the delay which they are intended to eliminate. The problems in the bill's approach range from considerations of judicial administration to possible constitutional problems. Accordingly, the bill in its present form not only dangerously impairs the integrity of NEPA, but also raises a number of new and broader issues the courts will doubtless be asked to sort out.

I believe the courts can move quickly, that it is possible to expedite judicial review by directing the courts to give priority status to any pipeline case, and that the inappropriate use of three-judge courts and tampering with NEPA can be avoided.

NEPA is good law. Even many proponents of the trans-Alaskan pipeline have conceded that trying to meet its requirements has produced an environmentally safer proposal. If the courts determine that the proposal meets NEPA requirements, then at least our environmental objections to the rule will have been met. But to take the project out of the statute entirely is to make a mockery of the law.

Moreover, if we make an exception for the pipeline, where will we stop? Of course, it is inconvenient to have to file an environmental impact statement and meet legal requirements. In passing NEPA, however, the Congress decided it was much worse to permit going ahead with projects which may add to the destruction of our environment. It is said that the energy crisis requires swift action. The same could be said in justification of removing NEPA requirements from nuclear powerplants. Are we prepared to risk a nuclear explosion so that some power company may be spared the inconvenience of building an environmentally safe plant?

Mr. Chairman, I support an amendment to strike from the bill the provisions which declare that the Interior Department has complied with the requirements of NEPA and bar further judicial review of the Alaska pipeline under NEPA. NEPA is the most significant environmental statute yet enacted and its integrity should not be impaired. Furthermore, the ban on additional judicial review will not expedite construction of the pipeline since the bill itself will likely be challenged in the courts on constitutional grounds.

Congress now has the chance to compare the advantages of a trans-Alaska pipeline with a trans-Canadian pipeline or a combined trans-Canadian oil and gas pipeline. These must be considered in the light of our fuel needs and only after searching environmental inquiry. The administration has failed to give an unbiased, fair and full examination to this issue. We are being asked to be hasty. The potential problems are enormous.

Mr. ARCHER. Mr. Chairman, energy, readily available at reasonable cost, has been a major factor in the unprecedented and unparalleled growth that has marked the history of the United States. No other nation yet approaches the industrial strength of our country; no society in the history of the world has reached its level of prosperity.

Ironically enough, however, we now find ourselves faced with an energy shortage that could easily reach true crisis proportions. We simply must take the steps necessary to alleviate this shortage—and eliminate the inconveniences it causes—and at the same time prevent the shortages from reaching awful crisis proportions. We must be able to assure an adequate supply of fuel, with reasonable returns for producers and at a price industry and homeowners can afford. This affects the way we live. Are we going to have permanent brownouts, rationed gasoline, unpleasantly hot or cold homes, and reduced industrial production, or are we going to be able to come up with a plentiful supply of energy to maintain our standard of living without destroying the earth, the air, and the water? And more than that, are we going to be able to come up with the energy necessary to clean up those areas that have already suffered degraded environments? Protecting the environmental quality of our lives takes energy, too.

Today we have the opportunity to take one of the steps necessary to the assurance of an adequate energy supply for the United States.

There is a huge supply of crude oil and natural gas on the North Slope of Alaska, and passage of H.R. 9130, as offered by the Interior and Insular Affairs Committee, will speed the day when this valuable energy resource can be made available to U.S. consumers.

It is certainly true that the passage of the bill before us will not solve all of America's energy problems, but no one single step will do that. Passage of this bill will, however, help us to begin solving the problems.

With positive action today on H.R. 9130 we can enable North Slope oil from Alaska to be delivered to U.S. markets by late 1977 or 1978, and the natural gas can follow 2 years later. The proposed trans-Alaska pipeline, I am convinced, is the best way for us to assure that North Slope oil will be available to U.S. markets as soon as possible.

But we must do more today than merely amend the width limitation for rights-of-way as set out in the Mineral Leasing Act. I think most of us recognize that the bulk of petroleum needs in this country are supplied by pipelines, and if the pipeline industry is to keep pace with the Nation's energy needs, the Mineral Leasing Act of 1920 must be amended in the manner suggested in title I of H.R. 9130.

But, as I said, we must do more. The Congress needs to acknowledge that the trans-Alaska pipeline project has complied with the provisions of the National Environmental Policy Act and, therefore, eliminate more of the time-consuming litigation which already has delayed this vital project for 4 years. I am convinced there has been compliance with all the provisions of NEPA.

Under the direction and leadership of the Department of the Interior, an intergovernmental task force devoted more than 175 man-years of research and analysis to comply with NEPA and to produce the most comprehensive environmental impact statement ever prepared under that act. The statement consisted of six volumes, along with a three-volume economic and security analysis and the most comprehensive and stringent set of technical and environmental stipulations ever imposed on any project were prepared. This massive effort utilized the services of hundreds of highly competent Government career professionals from every applicable scientific discipline.

The bill before us today does not exempt the pipeline from the provisions of NEPA. It simply provides that since NEPA has been complied with, additional delaying litigation should be prevented. It is entirely proper that Congress should make this determination—NEPA applies to the actions of Federal agencies. It does not and could not apply to specific actions of the Congress itself.

Over the past several years it has been amply demonstrated that the Secretary of the Interior has been unable, and the courts have been unwilling, to take the necessary action to get North Slope oil and gas to the rest of the Nation. There is no possibility that they can or will take the necessary action for a year, or several years. Only Congress can resolve the dilemma. And we can do it today by approving H.R. 9130 without amendments that will prolong litigation and further delay the delivery of North Slope oil to the rest of the Nation.

By approving H.R. 9130 without amendments the Congress will demonstrate to the American people its ability and willingness to make timely and sound decisions in order to deal with the energy problems we now face.

Mr. KASTENMEIER. Mr. Chairman, I rise in opposition to H.R. 9130. What is occurring, today, on the House floor is a classic confrontation between the right of the people, on the one hand, to the protection of their environment and the preservation of competition in a free market, and the demands of a powerful special interest, a consortium of oil corporations, on the other, to cast aside environmental and competitive considerations in order to allow that consortium to seize monopoly control over the production and transportation of the vast oil resources of Alaska. H.R. 9130, more appropriately, should be considered as a private bill, a private bill for the benefit of Atlantic Richfield, British Petroleum, and Exxon.

There are many objectionable features in this legislation. Among those most offensive are section 202(d) of the congressional findings which states "The actions of the Secretary of the Interior heretofore taken with respect to the proposed trans-Alaskan oil pipeline shall be regarded as satisfactory compliance with the provisions of the National Environmental Policy Act of 1969," and sections 203(a) and 203(d) which say that there shall be no further judicial review of the issues involved on the basis of NEPA and that the Secretary of the Interior shall proceed with the issuance of such rights-of-way and permits as he finds necessary to construct, operate, and maintain the trans-Alaska oil pipeline.

I am outraged that this Congress could even consider such provisions. The National Environmental Policy Act is one of this Nation's most noble, most important, and long sought laws, and I, for one, am not ready to throw it out the window simply because the powerful oil industry desires it. The primary purpose of NEPA is to restore public confidence in the Federal Government's capacity to maintain and enhance the quality of the environment. Congress stated in that act that each person has a fundamental and inalienable right to a healthful environment and that each person has a responsibility to contribute to the preservation and enhancement of the environment. The National Environmental Policy Act contains a congressional statement of national goals and purposes for the management and preservation of the quality of America's future environment. It also directs that all Federal agencies conduct their activities in accordance with these goals, including the fulfilling of responsibilities as trustees of the environment for succeeding generations, and the assuring of all Americans of their right to safe, healthful, and esthetically and culturally pleasing surroundings. Furthermore, when Congress passed NEPA, it said that those living in and using our environment had a reasonable right to, and could, indeed, test in the courts the adequacy and validity of the impact statements relating to the environmental aspects of any project or program. In their frantic rush to build the pipeline and increase the wealth of their coffers, the ARCO-BP-Exxon consortium wants us to push NEPA aside, ignore it, notwithstanding the fact that citizens are exercising their inalienable right to a health environment by challenging the Department of the Interior's environmental impact statement on the pipeline in court.

Mr. Chairman, the land that this pipeline will be constructed on is public land. It does not belong to ARCO, BP, or Exxon. It belongs to the American people. Yet, the ARCO-BP-Exxon consortium proposes to build a project that threatens an enduring Alaskan Native culture, a last great wilderness, and an unmatched living resource of fish and wildlife, and they want to prohibit the public's right to redress to prevent such destruction. Surely, if the Congress refuses to protect the Alaskan wilderness for the American people, the least we can do is protect the right of the people to go to court.

Furthermore, if we disavow NEPA, as the oil interests would want us to do, do we not then set a precedent for years in the future, and each time a group of self-serving special interest lobbyists comes up to Capitol Hill, they will remind us that we have ignored NEPA in the past and "Couldn't we do it just once more for this refinery, or that nuclear powerplant?" The choice on this issue is very simple. We can either vote to protect the environment and constitutional rights of the American people, or we can vote to support the ARCO-BP-Exxon consortium.

Additionally, section 203(f) cuts off the filing of any court action or proceeding within 60 days of the issuing of a construction right-of-way or permit, and establishes a three-judge district court and providing direct appeal to the Supreme Court. My colleagues may be interested to know that the Senate has passed legislation, S. 271, which eliminates the requirement for special three-judge courts in cases seeking to enjoin the enforcement of State or Federal laws on the grounds of unconstitutionality. However, three-judge courts would be retained when specifically required by act of Congress or in any case involving congressional reapportionment or the reapportionment of any statewide legislative body. This legislation has been referred to the House Judiciary Subcommittee on Courts, Civil Liberties and the Administration of Justice, which I chair. I would direct the attention of my colleagues to the remarks of Chief Justice Warren E. Burger, before the American Bar Association on August 14, 1972, in which the Chief Justice called for the elimination of the requirement for three-judge district courts. He said:

> We should totally eliminate the three-judge district courts that now disrupt district and circuit judges' work. Direct appeal to the Supreme Court, without the benefit of intermediate review by a court of appeals, has seriously eroded the Supreme Court's power to control its workload, since appeals from three-judge district courts now account for one of five cases heard by the Supreme Court. The original reasons for establishing these special courts, whatever their validity at the time, no longer exist. There are adequate means to secure an expedited appeal to the Supreme Court if the circumstances genuinely require it.

Mr. Chairman, if we give our approval to section 203(a) which authorizes the Secretary of the Interior to grant such rights-of-way and permits as he finds necessary for the construction, operation, and maintenance of a trans-Alaskan oil pipeline, we are then giving congressional blessings to establishment of a monopoly by the ARCO-BP-Exxon consortium over the development and transportation of the Alaskan oil.

We all know that the petroleum industry, in an economic sense, is highly concentrated. It is vertically integrated from reserve ownership through production, transportation, refining, and marketing which allows for virtually complete control of supply price and other conditions for the receiving product. The oil industry operates through a myriad of joint ventures, from the bidding of leases to the ownership of pipelines, in marketing and operating arrangements to effectively preclude whatever little competition might otherwise exist. In fact, the spirit of cooperation among the oil companies is far greater than the spirit of competition.

If we look at the concentration in terms of Alaska's oil and the pipeline, we will find that in the Prudhoe Bay area, reserves are now set at about 25 to 30 billion barrels, of which about 9.6 billion barrels are deemed recoverable. Three companies have the lion's share of these recoverable reserves. They are British Petroleum with about 5.3 billion barrels, Atlantic Richfield with 1.9 billion barrels, and Exxon with another 1.9 billion barrels. About 95 percent of the recoverable reserves thus are held in the hands of these three corporations.

In production, the lease rights covering the enormous Prudhoe Bay reservoir are held in part by Humble Oil & Refining Co., now Exxon, and the Richfield Co., now Atlantic Richfield, under an "Arctic Slope Agreement" executed in 1964. The agreement provides for equal sharing between those companies of all exploration and development north of the Brooks Range in Alaska, and east of Naval Petroleum Reserve No. 4. At every point where competition might arise, in the acquisition of additional leases, in the acquisition of exploratory data, in all details concerning wells, in production, it is suppressed by this agreement.

The British Petroleum interest, the bulk of the remainder, though in part stemming from lease rights held individually by that company, also includes a substantial interest in the area held jointly by BP with the Sinclair Oil & Refining Co., whose rights were acquired in 1968 by Atlantic Richfield.

Thus, there are agreements existing between these three corporations whereby they share equally, almost on all leases, exploratory data, and decisions on rate and amount of production. Furthermore, if any of the members of the consortium desires to sell its interest, the others must first be offered the opportunity to buy.

Figuring the reserves which BP, Exxon, and ARCO control in the lower 48 States, the added share of Prudhoe, nearly one-third of all currently existing U.S. reserves, would give these three corporations control of nearly one-half of total U.S. reserves, a noncompetitive control that is too large to be safe. With the discretion as to production rates which is entailed in ownership, the consortium will hold a greater degree of production control of total U.S. markets than was held by the prorating authorities of the State of Texas during the years in which Texas "held the price umbrella" over domestic production.

In addition to the basic joint venture controlling production, the consortium will clearly control the transportation of the Arctic Slope oil through the projected ownership of the TAPS line. This is an undivided interest line, one in which the pipeline properties are owned directly by the joint venturers, not through a joint corporation. The Alyeska Pipeline Co., which is a joint venture also, does not hold ownership of the line, though it is to be the construction agent and operator of the pipeline. BP, Arco, and Exxon together will own 81.5 percent of the pipeline.

Since transportation is the sine qua non of economic oil operations in this remote area, the control which the consortium has over the pipeline gives them a firm dominance over exploration and development by other companies in the area. The consortium will determine the location of the input and output points, and the terminals necessary at both points. Within a very wide limit, the consortium will also have control over the tariffs and service charges, certainly if Interstate Commerce Commission control patterns are followed. The ICC customarily hears to rates and practices only from shippers, which here are the principal owners.

As we know, the pipelines are subject to a number of regulatory provisions, such as prohibiting unjust discrimination and undue preference, prohibiting a carrier from granting rebates to individual shippers directly or indirectly, or provisions requiring just and reasonable rates and requiring reasonable facilities for interchange of traffic. Despite these provisions of law, however, we have many charges by nonowners that pipeline owners exclude them from using the common carrier lines and that the majors engage in many other discriminatory and exclusionary practices. The ICC, I might add, has never exercised its power under the Elkins Act to prohibit rebates nor has it ever conducted an investigation of a possible violation of the merger provisions of section 7 of the Clayton Act which it can do under its own initiative without complaint. This cooperative ownership of pipelines provides one more area in which the major integrated firms avoid the necessity of competition. Cooperation, I repeat, not competition, is the way of life in the oil industry.

Another point, tankers, of course, must carry the oil from the port of Valdez at the end of the pipeline to the west coast. I understand such a tanker service has already been announced, not surprisingly, by Exxon.

Speaking of the west coast, the consortium's control in District V will approach monopolization. While the exact shares in District V production by these companies remains to be worked out in detail, it is clear that it will involve far more than half the total of District V output. The offshore California production now being developed is almost certainly to be the principal domestic source other than Alaska, and Exxon and Arco have formed a syndicate for bidding on California offshore leases and they already hold a very significant share of total California offshore production.

This is just a general list of the anticompetitive factors, but in substance, control over the pipeline and the related production agreements will give to three companies operating virtually as one, monopoly control over the marketing of oil on the west coast, and a greater share of total domestic oil production than would be permissible under any view of the antitrust laws.

Mr. Chairman, I cannot help but notice that despite all the crying and self-serving statements by the oil industry, in their multimillion dollar tax deductible public relations campaign blitz, over the so-called energy crisis, that the profits for the oil industry seems greater than ever. For example, Exxon, the Nation's largest petroleum company, announced a 54-percent gain in profits for the second quarter of 1973. ARCO's second quarter net soared 50 percent. Indeed, in spite of the shortage of oil in various parts of the Nation throughout this year, the first half of 1973 has turned out to produce a bonanza of riches for the oil moguls. With most oil company earnings reported for the second quarter of 1973, the average jump in profits during this period has been more than 30 percent, and, following a very strong first quarter, this year promises to be one of the strongest periods in the oil industry's history. And the biggest windfall of the oil propaganda campaign is yet to come, the trans-Alaska oil pipeline.

Mr. Chairman, in conclusion I would like to say that public confidence in our governmental institutions is at an all time low. Poll after poll has shown that the citizenry is fed up with the continued abuse and misuse of power and money. What then, will the public think, if we, their servants, bow to the pressure tactics of the multimillion dollar Madison Avenue scare campaign used by the oil industry, and endorse the demands by big oil to discard the National Environmental Policy Act and support the monopolization of Alaska's oil. Should not Congress make it a first order of business to restore faith in the institutions of Government and respond to the people's will, not the will of the oil industry. We can start to regain this faith by refusing to buckle under the pressure of the oil industry and vote to send this legislation back to the corporate boardrooms of ARCO, BP, and Exxon.

Mr. GILMAN. Mr. Chairman, I rise to express my firm conviction that oil from the North Slope of Alaska must be made available to the "lower 48" as quickly as possible.

Faced with a worsening energy shortage affecting all of us, the Congress must see to it that an Alaskan pipeline be constructed transporting the vast oil reserves of Prudhoe Bay to the area where the shortage threatens to interrupt the patterns of American life. I believe firmly that we must seek to provide these oil reserves in the quickest manner possible.

But I am also concerned about some of the provisions of H.R. 9130. In our haste to procure this valuable commodity and to provide for consumption of Alaskan oil, we should not circumvent the provisions or the objectives of the National Environmental Policy Act. NEPA was conceived as a protective measure to assure that all of the environmental considerations of any proposed project be adequately investigated and resolved before any construction is undertaken. While our situation is dire, this does not excuse circumvention of the letter of the law.

Furthermore, as many Members are aware, we may be sparking the flint for even more time-consuming litigation if we vote to ignore the provisions of the National Environmental Policy Act. What we do today to hasten the construction of this necessary pipeline may well backfire if we find ourselves involved in further court action testing the constitutionality of avoiding the provisions of the NEPA.

For this reason in voting today on this important energy measure, we must consider all ramifications, including the importance of endeavoring to protect our environment.

While I am convinced of our urgent need for oil, I am also convinced that we must make certain that the oil is delivered where it is needed. Our Nation's most critical oil shortages are in the Midwest and the East. These sections of the country are also most dependent on the undependable imports from the volatile Middle Eastern countries.

Yet, title II of the bill, cited as the "Trans-Alaska Pipeline Authorization Act," will send the vitally needed oil to that part of our country, the west coast, which is virtually self-sustaining in its oil needs. Empirical evidence shows that delivering North Slope oil via the trans-Alaskan pipeline and tanker to the west coast could result in an oil surplus on the west coast while the rest of the nation continues to suffer from a shortage. Knowing the acute problems facing my congressional district in the State of New York, I am not favorably inclined to any proposal that would result in bottling up Alaskan crude on the wrong side of the Rocky Mountains.

I support the proposal authorizing a thorough study of the possibilities of constructing an oil pipeline across Canada. The Canadian route offers a decided advantage of delivering an oil supply to those areas which are experiencing a dire shortage.

Mr. Chairman, our fuel needs are great and they are urgent. Let us look carefully at this proposal. It is of extreme importance to our Nation to develop all of our domestic resources. But in our urgency, we must not act without reason—let us consider all of the aspects of this important pipeline proposal.

As we assure for our Nation the equitable utilization of this valuable resource, let us also seek to provide maximum protection for our environment.

Mr. MURPHY of New York. Mr. Chairman, I am happy to see that the authors of H.R. 9130 did not make the same error made by the Senate in that body's version of the Alaska pipeline bill, S. 1081. Specifically, I am referring to Senate amendment No. 298, which was adopted by the Senate by voice vote on July 9, 1973.

Briefly, amendment No. 298 directs that the effective date of the Ports and Waterways Safety Act of 1972 be set back from January 1, 1976, to January 1, 1974, with respect to foreign vessels and U.S.-flag vessels operating in foreign trade. Of greater importance is the fact that the amendment would also establish June 30, 1974, as the effective date relative to U.S.-flag vessels engaged in coastwise trade. This means that if the proposed Coast Guard regulations of January 26, 1973, are effected, double bottom tankers would be required in 11 months not only for the Alaska-U.S. route, but all coastal trade in the Pacific, Atlantic, and Gulf of Mexico.

In view of the above, I feel that while the goal of the Senate was an excellent one, that is to guarantee the potential for oil pollution from expected traffic between Alaska and ports on the U.S. west coast, there is serious question that the amendment that was approved on July 9, will bring this about. I would hope that as the House and Senate go to conference on this legislation, the Senate amendment on this issue is rejected. Such action by the conferees would have not only a beneficial impact on our maritime industry, but will give those of us who are currently actively studying the alternatives to come up with either a better solution or more definitive information on the efficacy of double bottom segregated ballast. In view of the fact that it would be impossible to convert or build a fleet of sufficient size to meet the country's needs by July 30, 1974, deadline, I urge Members who will go to conference on this bill to give this matter serious thought with a view toward undoing any damage that might be done, not only to our merchant fleet, but to the environment because of precipitant Senate action.

As chairman of the House Coast Guard Subcommittee of the Merchant Marine and Fisheries Committee, I have been conducting extensive hearings into the Coast Guard regulations which would require double botton-segregated ballast on future tank ships. Sufficient testimony has been adduced which raises serious questions over the actual ability of double bottom tankers to reduce the possibility of accidental oil pollution. As a matter of fact, the record thus far has indicated that the double bottom "solution" to accidental oil pollution may be no solution at all. To the contrary, an analysis of the dynamics of a double bottom tanker under adverse conditions shows that just one failure owing to the decreased stability of such vessels could cause a catastrophic discharge of oil greater than the annual 60,000 tons of spillage from conventional tankers.

There appear to be four serious disadvantages to double bottom tankers that did not surface in the original studies. These include, one, an inherent decrease in stability, with a decrease in resistance to capsizing; two, a loss of buoyancy in a grounded double bottom which would impair salvage efforts and increase the potential for losing an entire cargo; three, the potential for gas accumulation in the double bottom and the danger of explosion; and, four, the fact that they only work with minor accidents.

Mr. REID. Mr. Chairman, I rise with concern tonight over what I believe is a very serious matter in this country—an energy shortage which in my view has reached critical proportions.

Clearly, we must do all we can to provide adequate supplies of oil to meet this crisis. Not only do we need approximately 65 new refineries in the country, but also we need a strong national policy—which as of the present does not exist, due at least in part to a failure of this and perhaps other administration to foresee and recognize inevitable energy shortages—to provide a massive research and development effort aiming at self-sufficiency by the early 1980's. As a sponsor of legislation introduced in the other body by Senator JACKSON which would authorize such a program, I fully recognize the need for developing new resources and acting rapidly to deal with this energy shortage.

The bill we have before us tonight, however, does little to solve or even alleviate the energy crisis in the State of New York. The pipeline route through Alaska, whose oil is then to be shipped south along the west coast, is not adequately scheduled to be transported to eastern markets—and even if it is transported to the east, it will no doubt be at a substantially higher cost to consumers.

Finally, there are no adequate environmental safeguards in this legislation, and in my view, this is not the time to start gutting the most important environmental legislation we have on the books. This pipeline bill simply declares that the pipeline is in compliance with the requirements of the National Environmental Protection Act—NEPA—and furthermore bars further judicial review of the Alaska pipeline under NEPA. Such a waiver of NEPA would not only set a most dangerous precedent which would destroy the effectiveness of NEPA, since clearly section 203 could make NEPA inapplicable, but it also could cripple the courts in the environmental area.

In sum, although I strongly believe we must develop the Alaskan North Slope, I believe it can be developed in a way far more advantageous to the consumers of New York State and in a far more environmentally sound manner, which does not jeopardize the strength or effectiveness of present laws which protect our lands, our seas, and our wildlife. I, therefore, will vote against passage of the bill.

Ms. HOLTZMAN. Mr. Chairman, I rise in opposition to H.R. 9130, the Alaska pipeline authorization.

I do so with a great deal of hesitation and reluctance. I am greatly concerned about reports of an existing or impending energy crisis. I would very much like to see the North Slope of Alaska fully, safely, and ecologically developed so that this country's energy needs can be met. I am also concerned that a failure to adequately develop our resources will require undue dependence on the Middle Eastern countries and possibly undermine U.S. support for Israel. It is imperative that this country continue to support Israel fully.

For these reasons, I voted to have an immediate study of a trans-Canadian pipeline route—which would bring oil to eastern States and directly benefit New York. On balance I believe that the Alaskan pipeline measure presents too grave a risk to this country's environmental and economic state and offers too little aid to eastern States including New York to be approved by this body.

One of the most alarming factors about this bill is that it comes to us with an admission of the Secretary of the Interior that in transporting the oil from Valdez to the west coast we will be dumping at least 140,000 barrels of oil a year into the Pacific ocean. The harmful effects of this pollution on availability of fish cannot be estimated.

Second, I am disturbed by the fact that we have waived the requirements of the National Environmental Protection Act in passing this bill. This is a dangerous precedent and one which is possibly unconstitutional. That act was designed to stand between the American people and environmental chaos. If we waive its requirements every time we are confronted with a crisis, we are in effect inviting ecological catastrophe.

Third, I am dismayed by the fact that the Alaska route will serve only to increase the already abundant oil supply in our western States, while offering virtually no help for the oil starved States of the East and Midwest. I am equally disturbed about reports that because our western States have adequate oil supplies, much of the Alaskan oil will be exported to Japan.

I am also concerned about this bill's procedural requirements that all nonenvironmental claims raised by the construction of the Alaska pipeline must be raised within 60 days after the grant of a right-of-way. Does this mean that any antitrust claims, for example, brought against the owners of the pipeline not raised within the 60-day time frame—an almost impossible period to prepare for such a suit? I think limiting judicial review in this manner raises serious constitutional problems. In any event, as a matter of policy I think this Congress should tread lightly when it is altering the jurisdictional lines of the Federal court system.

In this regard, I would also note that the ownership of the Alyeska Line, which rests in seven oil companies—three of which own 95 percent of the reserves developed—raises serious antitrust questions. At a time when we have been warned that much of our so-called "energy crisis" is the result of a conspiracy between a few oil companies who enjoy the economic benefits of a highly concentrated market, this Congress should not be allowing these same companies to tighten their control over this important new energy supply.

Lastly, I am terribly upset by the fact that information concerning the Canadian Government's willingness to cooperate in developing a trans-Canadian route was withheld by the State Department when this bill was before the Senate, thereby eliminating any serious consideration of this alternative in that body.

In the last analysis, the bill before us represents the worst in governmental planning. All of the available options have not been fully explored. Information has been withheld by the Executive from the Congress thereby further diminishing our examination of the alternatives. Control of this venture has been centered in the hands of a few powerful companies. Our ecological balance is seriously threatened. In this posture, I do not see how we can support this bill.

Mr. GOLDWATER. Mr. Chairman, whether we like it or not, we in America face an energy crisis—and we face it today.

Our actions here will decide whether, in the future, we will be an energy sufficient nation or whether we will be overwhelmingly dependent upon the whims of foreign suppliers.

Our actions here will decide whether we will aggressively assert leadership in the international search for energy alternatives or whether we will have to take a back seat to others, relying upon their generosity to run our factories, light our schools, and heat our homes.

Our actions here will decide whether we will search out and harness the energy to support American prosperity or whether we will be forced to abandon our current standard of living and our hopes for the future, leaving us to apologize to our children for a great nation sacrificed on the altar of fuel deficiency.

It is true that our prosperity—that standard of living we are proud to call American—includes a wild, healthy, and protected environment. But, we must never allow "environment" to become a codeword for destruction of American technological and economic superiority, for that would be tantamount to destruction of American prosperity.

There is a great potential for good in the oil of Alaska. But left untapped, that oil cannot produce that good. We need the oil of Alaska, today.

Mr. BROWN of California. Mr. Chairman, as I listen to the debate of my learned colleagues on the merits of the Dellenback-Owens amendment to this Alaskan pipeline bill, I am moved to express what no one else here today has expressed, and that is the possibility that whatever action we take here on this amendment, and on this bill, may be immaterial. By immaterial, I mean that we may not solve any real problem. If that problem is an immediate, or potential, energy crisis, what we do here may not effect it one iota. If, as is much more likely, the real crisis is a far more serious failure to understand the limits to man's ability to use or destroy the resources of the earth, including its energy resources, and to develop an alternative set of goals and human lifestyles, then we delude ourselves and make any solution less likely by the passage of this bill, with or without amendment.

Why do I say that passage of this bill will not solve, or even contribute to a solution of, the energy crisis? Every realistic projection of energy use in the United States shows a doubling in total energy demand within less than 30 years. Even with Alaskan oil on stream, the import requirements for oil, largely from the Middle East, will reach levels that require dollar outflows of $25 to $50 billion per year by the end of the century, and possibly much earlier. At the same time, European and Japanese demand increases even faster than ours, and their economic position in bargaining for Middle East oil becomes stronger than ours. This country will be either totally bankrupt; owned by Arab sheiks; or involved in a major war which will destroy either us, the oilfields we need, or both; long before the year 2000.

The input of oil from Alaska, when we get it, will represent about a 5 percent increase in our total energy supply of all types. In all likelihood demand may have increased over today's projections by that amount by 1978 when the Alaskan oil becomes available. Instead of being better off, in terms of energy supply, we may well be worse off in 1978 than our projections show. The crisis will be worse because we avoid the real problem here today.

There are many ways to put that real problem, and almost all of them constitute tremendous oversimplifications. One way to express the problem is to say that we have always assumed that the use of increasing amounts of energy was wholly good, that it represented the highest concept of man's progress toward a better world, and that there would never be a supply barrier which could not be overcome by man's technological ingenuity. All of these assumptions are, in my opinion, false.

This leads to the need to recognize that we have reached the point where we must put major emphasis on the factor of demand, rather than supply. We must seek immediately, and in every possible way, to limit our use of energy, and to examine all of those aspects of our lives which are profligate in the use of energy. At the minimum, we must as a nation achieve an energy budget which, at least roughly, balances our national demand with our national supply, and in a way which avoids the destruction of the environment and long-range hazards to our lives.

I will not elaborate today on the implications of demand analysis and restructing. It is far too complex a subject. But I would point out one further reason for beginning the process of weaning ourselves away from our high-energy consumption lifestyle. If we do not, the energy conglomerates will own the American people, lock, stock, and barrel, within my relatively short remaining lifetime. Owning as they do the primary commodity which we have come to feel is central to the good life, the monopolistic energy companies—basically petroleum today—are rapidly moving to exploit their position for maximum windfall profits, with which they are buying up the energy sources of the next generation, coal and uranium. And, ludicrous as it may seem, they are using the tax dollars of the ordinary citizen, and the power of our Government, to aid them in this process. There is some evidence, of course, that they have already bought most of the machinery of Government.

Perhaps this analysis will seem overly cynical to many of my colleagues. But I am convinced that the real question today should be not how quickly we can strip Alaska of its oil resources, but rather how quickly we can comprehend and solve these more important problems.

Mr. VANIK. Mr. Chairman, there is no doubt that our Nation desperately needs whatever oil and mineral resources which can be found and developed in North America, including Alaska and Canada. The North Slope discovery is important, but it is difficult to determine—at this time—whether it will constitute the prime discovery in Alaska or even a substantial discovery compared to what may develop. Substantial discoveries and even larger discoveries may develop in other portions of Alaska and in northern Canada.

In developing a pipeline system of delivery, we should think not just in terms of one field of discovery. We should think in terms of the best system of delivery, one which is efficient, environmentally safe, and designed to serve a wide area of resource development and collection. We should be thinking in terms of an oil and gas collection system, located to provide a delivery system of the broadest dimension. It should be designed to reach beyond the Prudhoe Field into northern Canada—so that it could serve new discoveries along the land route. The trans-Canada route would multiply contemplated use of the pipeline. By reaching new fields, the overland route would extend the life of present discoveries and provide a more stable and continuing source of petroleum energy.

The trans-Canada pipeline would deliver petroleum from source to refinery without leaving the pipeline. The transportation of oil would be more secure—more compatible to the national security and independent of special marine problems—the Jones Act does not apply to pipelines and petroleum users would not be subject to higher prices of oil shipped in a combination pipeline-tanker system.

Some question has been raised as to the advisability of a system of oil delivery over the land of another sovereign country. However, Canada is our best friend—our interests are interwoven. The trans-Canada pipeline would open up new regions for discovery and development mutually beneficial to both countries.

The delivery of oil by pipeline from well to industry would provide the heartland of America with an energy system which might insure the competitive survival of this large industrial region. The coasts already have the benefit of tanker-delivered oil, which can move from tanker to industry. Midwest America needs a pipeline supply if it is to maintain its capacity to survive or compete for industrial development.

More oil for the west coast of America will result in more industry and more people, more pollution, more problems. The heartland of America cannot afford more population shift to both coasts. It is clearly in the national interest to distribute industrial production and to direct development to the heartland of the Nation.

There is no doubt that North Slope oil is needed, badly, in all of the lower 48 States. There is serious doubt, however, as to whether that oil is needed on the American west coast, where tankers from Alaska would deliver the bulk of their oil cargo. According to figures supplied by the National Petroleum Council in a 1973 study, in order to meet the west coast oil demand, it will be necessary to import 1.6 million barrels of foreign oil to the west coast by 1980. The projected oil supply in the 1980's from the North Slope oil fields is 1.8 to 2 million barrels. If shipped to the west coast, this will result in a surplus of at least 200,000 barrels of oil. It is not difficult to deduce that the oil companies plan to sell their surplus crude oil to Japan in return for Japanese rights to Middle East oil. This Middle East oil will then be shipped to the east coast and the Midwest under the provisions of the new fee import program or at the increasingly high and unstable Middle East price. This will insure high oil prices for the oil industry. It will reduce the level of taxes paid the American Government by oil corporations and provide more Cadillacs for the Middle East sheiks.

Rather than export surplus Alaskan oil, we should ship this oil to the Midwest where it is needed. If surplus Alaskan oil on the west coast were to be shipped to the East either across Panama or around Cape Horn, the cost per barrel would increase anywhere from $0.65 to $2.22. This additional cost is obviously unfair to Midwest consumers where this oil is so vitally needed. Returning to the NPC's study, statistics definitely demonstrate this need for Alaskan oil in the Midwest. In 1980 it will be necessary to import 4.45 million barrels of oil to meet Midwest demands. This is 74 percent of the total Midwest oil needs of 6 million barrels per day. If Alaskan oil was to be piped directly to the Midwest, this region would then be dependent on foreign oil for only about 28 percent of its total supply, about the same amount needed by the west coast with no Alaskan oil. These figures clearly argue for the trans-Canada pipeline.

It is not surprising that the oil companies are resisting a Canadian route for the oil pipeline. In addition to the claim that a Canadian pipeline would be costlier to build since it is longer, the oil companies stand to lose 2 or 3 years' worth of profits due to the delay necessary to build the longer Canadian route. But loss of profit is the oil companies' only real argument. The Department of the Interior's final environmental statement in its economic analysis of the trans-Alaskan pipeline route admits that a Canadian route would be "an equally efficient—economic—alternative" to the one in Alaska.

The environmental problems created by the construction of the trans-Alaska pipeline are as serious as the economic problems. For instance, the proposed pipeline route lies squarely in the middle of one of the most active earthquake belts in the world. In the past 20 years, 23 major earthquakes have hit the very route the pipeline will follow. Any one of these seismic shocks would have had enough force to rupture the pipeline. Interior's environmental impact statement admits—

> . . . it is almost a certainty that one or more large-magnitude earthquakes will occur in the vicinity of the southern two-thirds portion of the proposed route during the lifetime of the pipeline. Strong ground motion and large ground displacement accompanying such an earthquake could damage—even rupture—the proposed pipeline.

The Port of Valdez, where a 510,000 barrel capacity storage and tanker loading facility is planned, is on an equally dangerous site—so dangerous, in fact, that most of the town of Valdez was washed into the sea as a result of tidal waves following the Alaskan earthquake of 1964.

As if the threat of earthquakes were not enough, the steel pipe itself, already purchased by the oil companies at a cost of $100 million, has no special design or properties to allow it to withstand the rigors of bringing oil through some of the most difficult terrain and weather conditions in the world. Indeed, the chairman of the department of mechanical engineering at the University of California—Davis—has stated that—

> The pipe has been so underdesigned that we already know that it will wrinkle.

Some 350 streams would be crossed by the proposed pipeline route; a rupture near a large stream would wreak havoc with a salmon run or result in oil being carried out to the Beaufort Sea to be trapped under the pack ice. Again, to quote the Interior Department's Impact Statement—

> In the event of a pipeline rupture, 14,000 barrels of oil (588,000 gallons) could leak out during the time required for pump station shutdown and valve closure. After shutdown and valve closure, up to an additional 50,000 barrels of oil could drain from the pipeline at some localities.

Mr. Chairman, I need hardly point out the inestimable damage which could occur to the Alaskan terrain or the catastrophic effect on the fish which spawn in many of the streams crossed by the pipeline, and on the wildlife dependent on these streams.

A far more imminent threat to the marine ecology of the Arctic lies in the transportaation of the oil from the time it leaves the pipeline to the time it reaches the refinery. Present plans call for huge oil-laden supertankers to sail down Alaskan coastal waters to Prince William Sound, one of the purest bodies of water on Earth and one which supports a sizable fishing industry. Yet the Interior Department's impact statement admits that large spills probably will occur and that complete cleanup would seem to be impossible even if the 12-hour delay now permitted by the Coast Guard for full oil spill response were eliminated.

In other words, spills will occur and we will not be able to clean them up. Memories of the *Torrey Canyon* disaster, and the knowledge that similar disasters are almost certain to occur again and again during the life of the pipeline, are cause for deep alarm. It should be remembered, for example, that the water route which the oil tankers will follow is one of the most treacherous in the world. Special pilots will be needed to guide tankers out of the narrow Valdez Arm—a fjord blasted by gale force winds and not entirely free of icebergs—into Prince William Sound.

Once out of the sound, tankers will have to travel the Gulf of Alaska, waters which Interior describes as having the "highest frequency of extratropical cyclones in the Northern Hemisphere" during the winter months. Waves in the gulf reach a height of 12 feet or more 20 percent of the time. Should a major oil spill occur—almost a certain eventuality—Interior's impact statement concludes that—

> Permanent and far-reaching effects upon certain forms of plankton would occur causing a general decrease in primary productivity which would in turn affect other organisms of the ecosystem, such as salmon, and other species of fish, birds, and shellfish.

The greatest threats to the Arctic environment could be averted if the oil pipeline were to be built along the MacKenzie Valley in Canada instead of along the trans-Alaska route as now proposed. The chance of marine disaster would obviously be averted if the oil were shipped entirely on land, as the Canadian route would permit. Environmentalists in this country and in Canada, Members of both the House and Senate, and Canadian Government have all advocated adoption of the Canadian route. Though environmental disruption will occur wherever a pipeline is built.

The MacKenzie Valley route would also avoid the Alaskan earthquake belt which presents such a hazard to the entire length of Alaskan pipe, to the entire oil storage facility at Valdez, and to many sections of the tanker route southward. The TCP line would pass over relatively level land as opposed to the Alaskan mountain chains of the TAP. Since a separate natural gas pipeline is already planned for the MacKenzie Valley route, building the oil pipeline along the route already designated for a gas pipeline would reduce the compound threat to migrating wildlife posed by two separate pipeline routes.

The fact that part of a Canadian pipeline already exists—from Edmonton, Alberta, to Chicago—makes the Canadian route even more appealing.

In light of every argument opposing the construction of the trans-Alaskan pipeline, its advocates must fall back on the claim that such a pipeline is essential for our national security as a guarantee that we will not have to rely on insecure Middle East oil in the near future. Oil company schemes to import Middle East oil immediately refute this claim. Mr. S. David Freeman, former Assistant Director for Energy and the Environment in the Office of Science and Technology, goes on to argue that the 2 million barrel daily flow through the trans-Alaska pipeline would constitute only about 4 percent of our total energy consumption in the 1980's.

A Canadian pipeline would greatly encourage exploration of the estimated 44 billion barrel oil reserve in the Canadian arctic, an amount equal to the entire reserve thought to lie under the Alaskan ice. Our national interest would be best served if this Canadian oil supply, officially considered secure oil, could be obtained for use in the United States, lessening our dependence on Arab petroleum.

. Thus, any action that will immediately permit the construction of a trans-Alaska pipeline appears as a blatant example of the administration favoring the interests of the oil companies over the interests of the public. The profit which would accrue to the few corporations seems to take precedence over every environmental danger, every saving to the consumer on oil shipped most economically to where it is most needed, every cry of concern for reconsideration of the pipeline decision.

Of course, a trans-Canadian pipeline would not be possible if it were opposed by the Canadian Government. This question has been the subject of a great deal of recent debate and discussion. From the latest reports, however, it appears that the position of the Canadian Government on this vital issue was withheld from the Senate during the period in which that Chamber was debating this legislation. Since the Senate passed this bill, information has become available which indicates that the Canadian Government would not demand majority ownership of the pipeline. In essence, the Canadian Government does not appear to be hostile to the concept of a trans-Canadian pipeline and the position of their government appears to be continued to be expressed by the statement of Prime Minister Trudeau in the Canadian Parliament on May 14, 1973:

> We do not favour the route from Alaska which would take oil tankers over the ocean into waters that are very narrowly confined between the United States and Canada. That is still our policy, and our policy is still to indicate that the Mackenzie route is one which we would be prepared to consider if there is application made in the proper form, and that we would be very happy to follow up on that.

Interior's refusal to even consider a Canadian pipeline route is in violation of the National Environmental Policy Act of 1969, which calls upon all Federal agencies to—

> to study, develop, and describe appropriate alternatives to recommended courses of action in any proposal which involves unresolved conflicts concerning alternative uses of available resources.

The NEPA law clearly applies in this case. The impact statement's admission of insufficient information about literally hundreds of questions of environmental effects of Alaskan pipeline construction constitutes another violation of national environmental policy—as stated in the 1969 act—which declares in part that—

> It is the continuing responsibility of the Federal Government to . . . attain the widest range of beneficial uses of the environment without . . . unintended consequences.

How can "unintended consequences" be prevented if they are not even known? More time is needed—at least half a year—to study the possible consequences of the Alaskan pipeline and advantages and feasibility of the Canadian route.

A "more thoughtful and rational analysis" literally cannot be made at this point. We risk extreme deterioration of the Alaskan wilderness—and deterioration of Canadian-American relations over this very controversial question.

One of the most distressing aspects of the bill before the House today is the fact that rather than face the requirements of the National Environmental Policy Act, this bill simply overrides that act. It declares that the NEPA will not apply to questions relating to the building of the Alaskan pipeline. In essence, the bill declares that the environmental problems have been resolved. This is equivalent to declaring through an act of legislation that "night is day" or "black is white." It is my fear that the language of this bill, which breaches the applicability of the NEPA, will be used as a precedent for the total destruction of this most important environmental safeguard.

I am, therefore, supporting amendments that would delay final approval of the Alaska pipeline so that further studies by the General Accounting Office and National Academy of Sciences can be conducted during the next half year comparing both the economic and environmental merits of a trans-Canadian pipeline as an alternative to the Alaskan route. In addition, the provisions of this bill which excuse the pipeline from the provisions of the NEPA must be deleted. If these and other amendments are not accepted, then the bill will remain an environmental nightmare and must be opposed.

Mr. GONZALEZ. Mr. Chairman, yesterday the House considered and passed the trans-Alaska pipeline bill. I was one of the 356 Members of the House who voted in favor of this measure, but I did so reluctantly.

I had intended to amend this bill, but debate on this measure lasted for 12 hours, and because of the impossibility of remaining on the floor indefinitely I never presented my amendment.

If my amendment had been considered and passed it would have provided that no oil or gas, whether crude oil or refined oil, transported over the trans-Alaska pipeline system shall be exported from the United States.

Even though the bill provides some protection against exports of crude oil it is my hope that in its final form the bill is perfected enough to insure that we do not, under any circumstances, allow any of the oil or gas transported over the trans-Alaska pipeline to be exported. If there should be an instance when this does happen it is my belief that this deviation would be contrary to the wishes of Congress.

It is my understanding that when the trans-Alaska pipeline is built, the United States can expect to curb the dollar outflow for overseas oil by as much as $3.3 billion annually, while reducing its dependence on foreign sources. Because of this information and because every Member realizes our country's need for oil and gas, this bill was passed by a large margin, and I am sure that those who voted for this bill feel as I do, that if any of this oil or gas is exported to any foreign country this was not the intent of Congress when they passed this legislation.

I offer a copy of the amendment for the RECORD:

AMENDMENT TO H.R. 9130, AS REPORTED OFFERED BY MR. GONZALEZ

Page 17, strike out line 19 and all that follows down through and including line 14 on page 18, and insert in lieu thereof the following:

SEC. 206. Notwithstanding any other provision of law, no oil or gas, whether crude oil or refined oil, transported over the trans-Alaska oil and gas pipeline system constructed under the provisions of this Act, or under the provisions of any Act amended by this Act, shall be exported from the United States. Any right-of-way, permit, public land order, lease, or other Federal authorization issued or entered into by the United States in connection with the construction of such trans-Alaska oil and gas pipeline system shall contain a provision stating that in the event any person holding such a right-of-way, permit, public land order, lease, or other Federal authorization, exports any oil or gas in violation of the first sentence of this section, then such right-of-way, permit, public land order, lease, or other Federal authorization held by such person shall terminate, with no liability accruing to the United States on account of such termination.

Mr. CARTER. Mr. Chairman, there is no question but that we are faced with an energy crisis in the United States.

Three years ago some of the larger gas companies informed me that they could no longer supply gas to newly constructed factories in the district I represent. Two years ago, some of the largest companies in the United States testified before the Committee on Health and Environment that the known reserves of natural gas would last 6 years and the known supplies of petroleum approximately 12 years.

Our country is the world's largest consumer of petroleum products. We have a nation on wheels and a nation which has become accustomed to heating and air conditioning from either gas or electricity. Not only this, our Army and Navy are both dependent upon adequate supplies of petroleum.

As it happens, Mr. Chairman, I have been for some years a member of the Audubon Society. I am a practicing environmentalist, but our need for the oil from the north slope is so great that immediate construction of a pipeline is imperative.

I am reliably informed that other large gas companies are interested in construction of a pipeline in addition to the Alaskan pipeline down the Mackenzie River and into the northwest. A shortage of natural gas is recognized in this particular area. This company informs me that it will work in conjunction with the petroleum companies which are developing the oil potential of the North Slope. Although I had rather both the oil and gas came down the Mackenzie River through Canada into the northwest, it seems the petroleum will become available sooner if the Alaskan pipeline is constructed.

Since our need for petroleum is so great, I therefore support the construction of the Alaskan pipeline.

At the present time, our Navy has projects in the United States for conversion of coal into fuel which could be used for propulsion of its ships. The pilot project now produces only 5 barrels per day. It seems to me, Mr. Chairman, that this work must be intensified. The huge deposits of coal in our Western States must be utilized in supplying our Navy and armed services with the petroleum it needs. We cannot depend upon the volatile Middle East as a source of supply.

I urge that an authority with adequate funding be created to launch immediately a project to convert sufficient amounts of this great supply of coal into petroleum products needed by our people and by our armed services so that our country will be strengthened internally and will not be dependent upon the changing temperaments of unstable governments.

Mr. MOORHEAD of Pennsylvania. Mr. Chairman, I rise in reluctant support of the Alaskan pipeline authorization bill. I support the pipeline because I think we must have it to meet our energy needs, yet I am reluctant because of the environmental questions that have been raised.

Mr. Chairman, no one denies that we must tap the huge oil deposits discovered on the North Slope of Alaska 5½ years ago.

The North Slope deposits will not by themselves solve our energy needs, but they will provide an important fraction of our future oil requirements.

The issue before us is whether to clear the way for immediate construction of the trans-Alaska pipeline, or to delay action while further study is made of alternative means of transportation, the most likely alternative being a trans-Canada pipeline.

Environmental groups want us to delay. They want more studies. They have presented some cogent, well-researched arguments to support their position.

I have paid close attention to those arguments for I have long been interested in conservation and environmental matters.

Before I came to Congress in 1958—well before general concern for the ecology blossomed in the late 1960's—I was a member of the board of the Western Pennsylvania Conservancy, a nonprofit corporation, and I also served as its legal counsel. I was a member of the board, an officer of, and legal counsel for the Pittsburgh Park and Playground Society, also a nonprofit corporation. I was also a member of the recreation, conservation, and parks council of the Allegheny Conference on Community Development. What I am saying, Mr. Chairman, perhaps somewhat immodestly, is that before ecology became as popular as Mom's apple pie, I was there.

But on this issue, it seems to me that the relative environmental merits of the different systems of obtaining the North Slope oil are not all that clear. No system seems to me to be clearly superior environmentally. Meanwhile, we face an urgent energy crisis which has enormous international economic and diplomatic consequences.

The alternative which environmental groups want us to consider is a proposed trans-Canada pipeline.

But a trans-Canada route shares some of the same environmental hazards of the trans-Alaska route.

Conservationists have rightly pointed out that two-thirds of the 800 mile Alaskan pipeline would cross one of the most active earthquake zones in the world. But it is also true that any trans-Canada route would have to pass through a seismic zone of relatively major activity.

In either case, modern pipeline technology has demonstrated the ability to withstand severe earthquakes. In addition, numerous cutoff valves would be built into the system and would shut down the oil flow in the event that a rupture in the line would occur.

Moreover, the question of oil spills aside, any Canadian pipeline would transverse a route 1,700 miles long, more than double the length of the trans-Alaska route. As a scar on the landscape and as an interference with the natural ecology, a trans-Canada route would have the potential of causing an equal amount of damage.

A Canadian route also would have to cross many more major rivers, which endanger pipelines at flood stage. Also, the ditches needed to lay the many miles of pipe that will go underground—ditches that could be deadly traps for wildlife until they are closed over—would be more numerous along a Canadian route. So would the amount of earth and gravel that would need to be excavated, and so would the number of pumping stations upsetting the environment.

There are, then, environmental risks connected with the Alaskan pipeline—although many of the risks are shared, or exceeded by, the only alternative under discussion, the trans-Canada route.

It is my reluctant feeling that we must accept those risks at this time. Especially so in view of the fact that our Government can set and enforce the environmental standards for an Alaskan pipeline while we would have no direct control over construction in Canada.

However, I do not favor a unilateral statement by this Congress that the Alaska pipeline automatically meets environmental requirements. I do not favor that part of H.R. 9130 which states that the Interior Department's environmental impact study meets the requirements of the National Environmental Protection Act.

NEPA was set up to allow for judicial review of environmental impact statements. And we are entitled to have that review. We should not short circuit the process we set up in NEPA, but should allow it to be followed.

I, therefore, favor the Dellenback amendment to strike the language in the Alaska pipeline authorization bill which would settle the environmental question. The NEPA process calls for a judicial determination. Let us have it.

In retrospect, Mr. Chairman, it is my feeling that this whole matter could have been solved 5 years ago, soon after the startling North Slope strike was made. The oil industry could have brought the issue to Congress for a decision and by now we could be bearing the fruits of a finished pipeline, whether through Alaska or through Canada.

Instead, the oil industry sought to avoid a confrontation with environmentalist groups and tried to sidestep a political showdown in Congress. The result of their strategy was only to delay the inevitable and in the meantime this country's need for oil has grown dramatically.

Now, because of the 5 years that have been lost, time is a major factor in our decision. For it is a key fact that it would take 3 to 5 years longer to build a Canadian pipeline than the Alaskan pipeline. That is just construction time. Further delays could result because little of the necessary planning and paperwork has yet been done on a Canadian route. On the other hand, millions of dollars have already been invested in the preliminaries for the Alaskan route. Also, there has been no settlement of the Canadian Native claims, which must be resolved before construction could begin. There has been settlement of the Alaskan Native claims. Some say that the Canadian Native claims are not a serious obstacle in that country, but let us not forget that it took considerable time and effort to settle the Native claims issue in Alaska.

There are other arguments for proceeding immediately with the Alaskan pipeline.

The urgency of the energy crisis lies not only in our lack of domestic supplies, but in the fact that most of our imports come from the politically unstable Mideast. It seems unalterably true that, whatever we do, we are going to be increasingly dependent on Arab oil in the intermediate-term future, for only that part of the world has the resources to satisfy our requirements.

It is an unsettling thought that the United States could be subject to diplomatic and political blackmail by any state or group of states. That the United States could be at the mercy of an area of the world where governments are unstable, where hostilities have been frequent, where terrorism, assassination and hijacking are commonplace, is profoundly troubling. And that says nothing about the ability of the Middle Eastern States to demand financial as well as political concessions by pushing the price of their oil out of sight.

Any reasonable step that we can take to reduce our dependence on such uncertain supplies of oil should be taken. The Alaskan pipeline represents the quickest way to put a dent in that dependence and give us some small bargaining chip in our negotiations with oil-rich foreign countries. We need oil and we need it from our own reliable sources.

There are additional economic benefits that would flow from the Alaskan pipeline.

The Alaskan pipeline represents a plus in our balance-of-payments equation. By increasing our domestic supply of oil, we cut down on what we must pay for foreign oil. Investment in an Alaskan pipeline is an investment in the American economy. The Alaskan pipeline should prove a boon to that State's depressed economy. Some 22,000 jobs are expected to be created there in connection with the pipeline. A positive impact will result on the economy of the lower 48 States, where most of the supplies and materials for the pipeline will be purchased. The 27 new oil tankers needed for the water leg of the Alaskan route will also breathe some life into our shipyard construction industry.

On the other hand, on the side of efficiency, there are those who argue that a trans-Canada route is better because it will channel oil to the Midwest, where the greatest fuel shortages occur, and to the East, the area of second greatest need. The Alaskan pipeline, on the other hand, will send North Slope oil to the west coast, the area of least need. It is alleged, in fact, that the Alaskan route will result in some oil being shipped to Japan.

There is much to be said for this argument.

Altogether, Mr. Chairman, the Alaskan pipeline issue is most troubling. It involves complex technical factors which we, as nontechnicians, can only wrestle with and try to evaluate as best we can. We must depend on the information we receive, and we must hope that new investigations do not invalidate that information and render our judgments wrong.

Mr. Chairman, I believe the overriding considerations here are that we need oil, we need it quickly, we need to ameliorate the threat of bondage to foreign powers, we need to improve our balance of payments. There are environmental questions. There are environmental risks. We must proceed cautiously. But we must proceed. We cannot afford to delay and hope that an uncertain future will provide what we can never really have—certain answers. We have a bird in the hand. We cannot wait for two in the bush.

Ms. ABZUG. Mr. Chairman, the Alaska pipeline bill threatens the integrity of our environment and our legal system and is a blatant sell-out to the monopolistic oil industry. Designed to modernize outdated legislation and to expedite construction of the Alaska pipeline, the hastily assembled bill will achieve neither end. Instead, it will undoubtedly invite countless lengthy legal challenges to the several provisions of the bill on constitutional, civil, and administrative issues.

There are different interpretations regarding the existence, causes of and solutions to the energy crisis. In any event, I must oppose the bill. If I accept the severity of the oil shortage, I would reject H.R. 9130 because it encourages a myriad of complex litigation and further delays the imperative delivery of Alaskan oil to "the lower 48". If I doubt its severity, I remain skeptical of the broad revisions of the Mineral Leasing Act and of placing the vast crude reserves and vital pipelines in the hands of a selfish, profit-seeking consortium.

Moreover, I question the wisdom of choosing the Alaskan route—which serves the self-sufficient west coast—over a Canadian route which is not only environmentally preferable but would alleviate the increasingly critical shortages in the Midwest and Northeast. This so-called choice was actually made several years ago in the board rooms of a few giant oil companies and actively promoted by the biased Interior Department. And by defeating the Dellenback and Udall amendments to this bill, the House has officially abrogated its decisionmaking power to the powerful oil lobbyists. Not only was an impartial study of the two alternative routes rejected today, but the environmental impact statement, which evaluated only the Alaskan route, was ignorantly approved as complying with the National Environmental Policy Act. Thus, in addition to allowing the monopolistic industry to make a congressional decision, this bill strikes a disastrous blow to our most vital piece of environmental legislation and authorizes an unconscionable denial of due process.

Furthermore, the Alaska pipeline bill guarantees the seven major oil companies, bound by cooperative agreements in the Alyeska consortium, effective control of the vast North Slope oil. Three of those companies—Arco, Exxon, and BP—own 95 percent of the proven reserves and 81.7 percent of the pipeline. Notwithstanding the fact that Arco and Exxon are among the giants named in the FTC antitrust complaint, the House again kowtowed to big oil by defeating both the divestiture amendment and the amendment to direct the Attorney General to conduct a special study of the antitrust aspects of the project. How can we expect to solve the energy crisis by placing nearly one-third of the Nation's known reserves in the hands of the same oil barons who might have prevented or alleviated the crunch, but found it more profitable to actually advertise the "crisis"?

In short, I oppose H.R. 9130. I cannot condone its exemption of the pipeline project from NEPA, its ban of judicial review, its sweeping revision of the Mineral Leasing Act, and its implicit protection of monopolistic business practices. In fact, the only provisions which I commend are the no-fault liability and affirmative action clauses. I am not opposed to bringing the Alaskan oil to the lower 48 as quickly as possible. However, the bill before us is neither wise nor expedient. The approval of this bill will wreak irreparable damage upon both an environment and a legal system which I sincerely cherish.

Mr. EDWARDS of California. Mr. Chairman, I will vote against final passage of the Alaskan pipeline bill. I believe that Congress is about to set a dangerous precedent in allowing itself to determine whether the environmental impact statement on the pipeline submitted by the Secretary of the Interior answered the questions raised under the National Environmental Policy Act. In addition, passage will compound this initially unwise action by barring further, proper judicial review of compliance with the requirements of NEPA.

In originally establishing NEPA, we deliberately placed the responsibility for making determinations about the environmental implications of major Government actions in the area where they could best be evaluated—the courts. To now decide through the legislative process that adequate study has been made of the proposed pipeline, that the Canadian alternative is less desirable and adequately investigated, and that there is no question that all the requirements of NEPA have been met, is a highly presumptive action on the part of the Congress. In our haste to respond to the shrill demands and strong-arm lobbying of major oil companies, we have threatened to emasculate our most important and basic environmental protection. For these reasons, I cannot in good conscience vote in favor of this legislation.

At the same time, I want to point out that I am not unaware of or unsympathetic to the needs and concerns of the American energy consumer. I understand very well that our present sources of energy are limited, that we will increasingly have to rely on the politically volatile Middle East nations for oil supplies, and that despite efforts to conserve presently available energy, we will have to develop new energy sources. The combination of these considerations means that the average American will be paying more for the energy he uses. He will also probably be paying more for goods produced with higher cost energy.

The Alaskan North Slope is a rich, new, valuable supply of oil that lies within the United States. I support its development, but I am very concerned about the transportation of the oil from its sources to the marketplace. I have serious questions about whether the Alaskan pipeline will, in fact, be a major part of the solution of our energy problems. The Alaskan route will deliver oil to the western United States, not the Midwest and the East where needs are most critical. More oil on the west coast will further increase the price differential that now exists between crude oil in the West and the Midwest/East. In addition, it is estimated that even with maximum output, the Alaskan pipeline will supply only 8 percent of the Nation's energy consumption. There are also rumors that the "temptation" will be great to ship surplus west coast oil to Japan rather than the eastern United States as it will be more profitable and easier. It is doubtful, therefore, that the Alaskan pipeline—as opposed to the Canadian route and other alternatives—will really solve our energy problems efficiently.

These reservations, combined with my very real concern about the environmental effects and implications of the Alaskan pipeline, are more than sufficiently important to require further study of both the economic and environmental aspects of this route. Again, I deeply regret that the final version of this legislation does not permit the opportunity to reexamine the extremely important questions raised under the National Environmental Policy Act. I am also particularly distressed that the legislation would suspend proper court review of compliance with the requirements of NEPA. The constitutional questions raised by the passage of this bill as well as the precedent we will have set for placing environmental priorities second to economic and political considerations I fear will be with us for a long and unhappy time.

The CHAIRMAN. Pursuant to the rule, the Clerk will now read by title the substitute committee amendment printed in the reported bill as an original bill for the purpose of amendment.

Mr. DINGELL. Mr. Chairman, I wish to reserve a point of order to the committee amendment.

The Clerk read as follows:

H.R. 9130

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

TITLE I

SECTION 1. Section 28 of the Mineral Leasing Act of 1920 (41 Stat. 449), as amended (30 U.S.C. 185), is further amended by striking out the following: ", to the extent of the ground occupied by the said pipeline and twenty-five feet on each side of the same under such regulations and conditions as to survey, location, application, and use as may be prescribed by the Secretary of the Interior and upon," and by inserting in lieu thereof the following ": *Provided,* That—

"(a) the width of a right-of-way shall not exceed fifty feet plus the ground occupied by the pipeline (that is, the pipe and its related facilities) unless the Secretary finds, and records the reasons for his finding, that in limited areas a wider right-of-way is necessary for operation and maintenance after construction, or to protect the environment or public safety. Related facilities include but are not limited to valves, pump stations, supporting structures, bridges, monitoring and communication devices, surge and storage tanks, terminals, roads, and campsites, and they need not necessarily be connected or contiguous to the pipe and may be the subjects of separate rights-of-way;

"(b) a right-of-way may be supplemented by such temporary permits for the use of public lands in the vicinity of the pipeline as the Secretary finds are necessary in connection with construction, operation, maintenance, modification, repair, or termination of the pipeline, or to protect the natural environment or public safety;

"(c) rights-of-way and permits shall be subject to such terms and conditions as the Secretary shall prescribe regarding duration, survey, location, construction, operation, maintenance, use, and termination; the Secretary shall impose requirements for the operation of the pipeline and related facilities in a manner that will protect the safety of workers and protect the public from sudden ruptures and slow degradation of the pipeline; and the Secretary shall also comply with section 102 of the National Environmental Policy Act (83 Stat. 853; 42 U.S.C. 4332), and impose requirements that will prevent to the extent practical any adverse environmental impact, including but not liimted to requirements for restoration, revegetation, and curtailment of erosion of the surface of the land, and for protection of fish and wildlife and their habitat; and the Secretary shall report to the House and Senate Committe on Interior and Insular Affairs annually on the safety and environmental requirements imposed pursuant to this subsection;

"(d) permits and rights-of-way shall be limited to the shortest term practical;

"(e) in order to minimize adverse environmental impacts and to prevent the proliferation of separate rights-of-way across Federal lands, each oil or gas right-of-way or permit issued pursuant to section 28 of the Mineral Leasing Act of 1920 (41 Stat. 449), as amended (30 U.S.C. 185) shall reserve to the Secretary the right to grant additional rights-of-way or permits for compatible uses on or adjacent to the aforementioned oil or gas right-of-way under the same terms and conditions as prescribed in subsection (c);

"(f) the applicant for a right-of-way or permit shall reimburse the United States for administrative and other costs incurred in processing the application, and the grantee of a right-of-way or permit or the user thereof shall reimburse the United States for the costs incurred in monitoring the construction, operation, maintenance, and termination of any pipeline and related facilities on such right-of-way or permit area and shall pay annually in advance the fair market rental value of the right-of-way or permit, as determined by the Secretary.

"(g) the Secretary shall notify the House and Senate Committees on Interior and Insular Affairs promptly upon receipt of an application for a right-of-way for a pipeline twenty-four inches or more in diameter, and no right-of-way for such pipeline shall be granted until sixty days (not counting days on which the House of Representatives or the Senate has adjourned for more than three days) after a notice of intention to grant the right-of-way, together with the Secretary's detailed findings as to terms and conditions he proposes to impose, has been submitted to such committees, unless each committee by resolution waives the waiting period;

"(h) the Secretary, by regulation, shall establish procedures, including public hearings, where appropriate, to give Federal, State and local government agencies and the public adequate notice and opportunity to comment upon right-of-way applications filed after the date this subsection becomes effective;

"(i) such rights-of-way shall contain.".

SEC. 2. Section 28 of the Mineral Leasing Act of 1920 is further amended by striking out ": Provided further, That no" and inserting "; (j) no".

SEC. 3. Section 28 of the Mineral Leasing Act is further amended by inserting after the words "common carriers" the additional words "for oil and gas produced on non-Federal lands and shall accept, convey, transport, or purchase without discrimination oil or gas delivered to the line".

SEC. 4. (a) Pipelines on public lands subject to this Act are subject to the provisions of the Gas Pipeline Safety Act of 1968.

(b) Quarterly, the Secretary of the Interior shall cause the examination of all pipelines and associated facilities on public lands and shall cause the prompt reporting of all leaks or potential leaks on such lands.

(c) The Secretary of the Interior shall report annually to the President, the Congress, the Secretary of Transportation and the Interstate Commerce Commission any potential dangers of or actual explosions or potential or actual spillage on public lands and shall include in such report a statement of corrective action taken to prevent such explosion or spillage.

POINT OF ORDER

Mr. DINGELL. Mr. Chairman, I rise to make a point of order against the committee amendment just read.

The CHAIRMAN. The Chair will hear the gentleman on his point of order.

Mr. DINGELL. Mr. Chairman, I note first that the rule did not waive points of order.

Mr. Chairman, I cite now rule XVI, clause 7, and I note particularly section 794 relating to germaneness which reads as follows:

> And no motion or proposition on a subject different from that under consideration shall be admitted under color of amendment.

I note as follows, Mr. Chairman, that the committee amendment provides for the establishment of a three-judge court and establishes certain conditions with regard to review which are not found in the original bill.

I note for the assistance of the Chair, that that language is not only not found in the bill, but that language, in my view, at least under the Rules of the House of Representatives, had it been introduced as a separate piece of legislation, would have been referred to the Committee on the Judiciary.

I note further, Mr. Chairman, that the committee amendment as presented to us today provides also language relating to conditions of employment and civil rights of persons, and the duty of the pipeline company to hire without discrimination as to race or creed or color.

I note, Mr. Chairman, that legislation relating to that matter, were it introduced as separate legislation, would have properly under the Rules of the House of Representatives have been referred to the Committee on the Judiciary.

I make the further comment with regard to the point of order just raised, Mr. Chairman, citing now Cannon's Precedents, page 203 2(b), and I quote:

> A specific subject may not be amended by a general provision even when of the same class.

Section 203 of the bill addresses itself to the relationship of NEPA to the bill and judicial review of the Secretary of the Interior's actions for compliance with NEPA. Specifically 203(d) of the bill limits judicial review on the basis of NEPA noncompliance.

Section 203(f) which was added by amendment, referred to earlier, is far broader in scope than section 203 as contained in the original bill.

Section 203(f) sets forth a unique procedure for judicial review of non-NEPA-related challenges.

Keeping in mind the fact that section 203(d) is itself part of an amendment and section 203(f) is a new provision as part of the same amendment it becomes clear that judicial review dealt with by section 203 of the original bill was limited to judicial review on the basis of NEPA.

The amendment, by incorporating the provisions found in section 203(f), deals with all forms of judicial review. Thus NEPA-related review is handled by the specifiic provision of section 203(d) and all other judicial review by section 203(f).

Therefore, the amendment is a general provision; that is, it deals with all forms of judicial review and is not germane to the specific provision found in the original bill which deals solely with judicial review on the basis of the National Environmental Policy Act.

I cite again Cannon's Precedents at page 203. I cite further with regard to the germaneness, now referring to page 202 in Cannon's Precedents that—

> One individual proposition may not be amended by another individual proposition even though the two may belong to the same class.

The individual proposition in the original bill was that the Secretary of the Interior's actions were exempted from judicial review under NEPA.

The individual proposition contained in the amendment goes on to add that any other challenge to the right-of-way to which the United States is a party must be brought, according to subsection (f), to a three-judge district court referred to in the amendment.

These propositions are of the same class because both relate to judicial review.

The first proposition may be viewed as a negative proposition in that it exempts certain action from judicial review on the basis of NEPA.

The second is a positive proposition; it establishes a special tribunal and special procedures for non-NEPA-based court challenges.

I again refer the Chair to Cannon's Precedents on page 202.

I cite further, Mr. Chairman—

> If a portion of an amendment is out of order because not germane, then all must be ruled out.

I would cite Cannon's Precedents at page 201. I would point out that—

> The burden of proof as to the germaneness of a proposition has been held to rest upon its proponents.

The CHAIRMAN. Does the gentleman from Montana desire to be heard at this time?

Mr. MELCHER. I do, Mr. Chairman.

The gentleman from Michigan is raising a point of order on the basis of the germaneness of the entire bill, that is the entire committee amendment, but he refers to specific sections and his point of order should be limited to his reference to those sections.

He also refers to NEPA. The bill does not in any way intend to, nor does it in fact, amend the National Environmental Policy Act.

Mr. Chairman, I yield to the gentleman from Washington (Mr. MEEDS) to respond on the court challenges.

The CHAIRMAN. The Chair will be glad to hear the gentleman from Washington.

Mr. MEEDS. Mr. Chairman, the point has been made that all parts of the bill must be germane. The rule which the gentleman cites, rule No. XVI, clause 7 supports the principle that the rule applies to the proposition by which it is proposed to modify the pending bill and not to a portion of the bill itself. The portions which the gentleman is talking about are portions of the bill presently and not amendments to the bill. Were these being proposed as amendments on the floor then perhaps the point of order would stand but it does not as now stated.

The CHAIRMAN. Does the gentleman from Arizona wish to be heard?

Mr. STEIGER or Arizona. Yes, Mr. Chairman.

I also refer the Chairman to the explanation of the rule as quoted by the gentleman from Michigan. I think the Chair will note the gentleman from Michigan is correct in that the rule of germaneness applies to amendments reported by committees as well as amendments offered on the floor, but I would call the Chair's attention to the second paragraph of the explanation and of the regulation as cited.

It points out that in a decision rendered by Chairman NATCHER on July 14, 1970, when offered as a separate paragraph does not require to be germane to the paragraphs immediately preceding or following.

I will submit to the Chairman if he would examine virtually all of the points raised by the gentleman from Michigan they would be found germane if this rule is applied.

The CHAIRMAN (Mr. NATCHER). The Chair is ready to rule.

The gentleman from Michigan (Mr. DINGELL) makes the point of order the amendment in the nature of a substitute recommended by the Committee on Interior and Insular Affairs printed in the bill is not germane to the original bill on several grounds, one of which is that 203(f) of the committee amendment provides a procedure for expediting litigation of right-of-way, permit, or other authorization disputes in Federal courts which is not contained in the original bill.

The Chair has had an opportunity to examine the original bill and the committee amendment in the nature of a substitute, and notes that the original bill and the committee amendment both provide comprehensive schemes for the construction of the Alaska pipeline under the authority of the Secretary of the Interior. Both the bill and the committee amendment provide a series of safeguards to be followed by the Secretary in the issuance of permits and grants of rights-of-way. Included in the original bill—in section 203, is the prohibition against judicial review of any authorization granted by any Federal agency with respect to rights-of-way, construction, public land use, or highway or airfield construction on the basis of the National Environmental Policy Act of 1969.

This restriction against judicial review on the basis of environmental impact is also contained in section 203(d) of the committee amendment in a more limited form. Section 203(f) of the committee amendment then provides, in litigation not barred by section 203(d), a mechanism for expediting other actions challenging pipeline permits or authorizations.

On March 8, 1932, Chairman O'Connor ruled that to a bill restricting Federal court jurisdiction in certain cases, an amendment providing an exception from that prohibition was germane—Cannon's volume VIII, section 3024.

The Chair has also examined the decision of the present occupant of the chair on October 20, 1971 (CONGRESSIONAL RECORD, vol. 117, pt. 28, p. 37079) on the Alaska Native land claims bill, where, to a committee amendment seeking to accomplish a broad purpose by a method less detailed in its provisions, an amendment more definitive but relating to the same purpose implicit in the committee's approach was held germane.

For these reasons, and because committee jurisdiction is not the exclusive or absolute test of germaneness, the Chair is of the opinion that the provision in the committee amendment relating to the expediting of litigation involving the pipeline permits or authorizations is merely incidental to the purpose of the original bill and is indeed directly related to the concept of judicial review contained in the bill. With respect to the other provisions of the committee amendment to which the gentleman from Michigan has made reference, the Chair is of the opinion that they, too, are incidental to the overall purpose of the bill. The Chair holds that the committee amendment is germane and overrules the point of order.

POINT OF ORDER

Mr. DINGELL. Mr. Chairman, I rise to a further point of order.

The CHAIRMAN. The gentleman will state his point of order.

Mr. DINGELL. Mr. Chairman, citing again the language used by myself with regard to the earlier point of order, I would point now to the specific language of the committee amendment at page 15, line 23(e), and all that follows through page 16, line 11, at the conclusion of the words "the Civil Rights Act of 1964."

Mr. Chairman, I would point out again the same arguments are available to me with regard to the first jurisdiction of committees. Second, with regard to the other matters cited by me earlier under the rules of germaneness as embodied in the rules and the precedents of this body, I would point out, Mr. Chairman, that where the language referred to in the amendment is part of a separate piece of legislation, it would have been referred again to the Judiciary Committee and not to the Committee on Interior.

I would point out further, Mr. Chairman, that this language is not found in the original bill, although it is found in the amendment. I would point out that again the failure of the committee to have that language in both the original bill and in the committee amendment renders the committee amendment subject to a point of order.

I would call particular attention of the Chair to the fact that the rule of germaneness was established by the wise men of this body throughout the years, that all Members of this body might have full notice of matters coming to the floor of the House and would not be surprised by matters which might be irrelevant to the jurisdiction of the committee which authored the legislation.

The rule of germaneness applies, Mr. Chairman, with equal validity to proceedings on the floor as well as to proceedings within the committee.

I again reiterate my point of order on the basis not only of matters cited by me now but cited by me in connection with the earlier point of order made by me.

The CHAIRMAN. Does the gentleman from Montana (Mr. MELCHER) desire to be heard?

Mr. MELCHER. I do, Mr. Chairman.

The title and section of the committee's amendment which the gentleman from Michigan refers to deals with construction of the Alaskan pipeline. Employment of people for that purpose is, indeed, part and parcel of the construction of the pipeline. The incidental feature of our committee handling and including such language in our amendment is only incidental to the bill.

The CHAIRMAN (Mr. NATCHER). The Chair is ready to rule.

The Chair has just ruled that the committee amendment is germane, and the ruling that was given by the Chair is broad enough to now cover the point of order just made by the gentleman from Michigan.

Therefore, the Chair for the reasons previously stated overrules the point of order.

Mr. FASCELL. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I take this time simply to pursue some interrogation that was started under the general debate and which has not yet been cleared up at least in my mind. Therefore, I desire to direct further inquiry to any member of the committee who desires to answer.

My inquiry dealt with the question of the distribution of the oil in the normal market process, if it comes off the North Slope, and the manner in which that oil can reach all parts of the United States so as to eliminate any question or fear of a differential between the price of oil or the availability of assured supply west of the Mississippi or east of the Mississippi.

In pursuing that matter, there are questions of cost involved. I am wondering whether questions of cost differential on a pro forma projected basis are available.

For example, we have established in the colloquy that the differential in the pipeline as between an Alaska route and the proposed trans-Canada route would be an additional 900 miles. The differential in cost, obviously, would have to be passed on to the consumer. The question is, how much? The answer is, the estimate we have is of the cost of construction of the Alaska pipeline, which is $3.5 billion for 787 miles.

It is reasonable to assume, therefore, if we are going to go to 1,700 miles we would have to at least double that cost plus. I cite that only as one of the factors that needs to be considered on the question of cost at the delivery end.

In conjunction with that, one would have to consider also pro forma projections of cost on the basis of the proposed route coming from Alaska to a port of loading, to a port of debarkation by tankers for further distribution.

I just wonder whether those figures are available anywhere in the committee records.

That is the first question I need an answer to.

Mr. UDALL. Mr. Chairman, will the gentleman yield?

Mr. FASCELL. I am delighted to yield to the gentleman from Arizona.

Mr. UDALL. I am sure the answer to that question is in the hearings.

One of the problems we have is that in the mad rush to get the bill to the floor we never had time to get the hearings printed. I am not sure they are available today.

One of the points of confusion, which the pipeline proponents have pressed on us, is that they compare the cost of the 800-mile pipeline from Prudhoe Bay to Valdez with the 1,700 mile trans-Canadian pipeline going on to Edmonton and on down to the United States. They neglect the fact that the oil will not be burned at Valdez, but will be burned on the west coast or somewhere in the United States. The cost involved in the tanker fleet getting the oil from Valdez to the United States, or wherever the point of consumption might be, is conveniently left out.

Mr. FASCELL. I would be interested in the calculation, because I believe it is an essential factor.

Does the chairman of the subcommittee wish to respond to that question before I leave it?

Mr. MELCHER. I thank the gentleman for yielding.

The gentleman's point on the cost of construction of a pipeline of 787 miles as compared to one of 1,700 miles is good. It is obvious a 1,700-mile pipeline is going to cost more.

Mr. FASCELL. Excuse me, but is not a part of that trans-Canada pipeline presently in existence? All they are going to do is tie into it, if they go the trans-Canada route?

Mr. MELCHER. No.

Mr. FASCELL. It is a whole new pipeline.

Mr. MELCHER. The gentleman is speaking about the route through Canada. From Prudhoe Bay to get to Edmonton it would be an entirely new 48-inch construction of approximately 1,700 miles.

Mr. FASCELL. Does the gentleman agree with the gentleman from Arizona that somewhere in the record there is a cost projection on a pro forma basis?

Mr. MELCHER. Yes, there is and here is the printed committee record.

Mr. FASCELL. I thank the gentleman. On the Alaska pipeline, the port of delivery is Valdez. To get to the continental United States it is proposed to use tankers to bring it to the port of entry that can handle the oil; is that correct?

Mr. MELCHER. Well, it is envisioned that it would go to a number of west coast ports.

Mr. FASCELL. The nearest one to the point of termination of the pipeline is where?

Mr. MELCHER. Mr. Chairman, it will go up and down the coast, and it would not all be in the Puget Sound area. We would not get all the oil there.

Mr. FASCELL. I understand that. But what is the nearest point? Perhaps the gentleman from Washington (Mr. MEEDS) could answer that.

Mr. MEEDS. Mr. Chairman, will the gentleman yield?

Mr. FASCELL. I yield to the gentleman from Washington.

Mr. MEEDS. Mr. Chairman, the nearest port of entry is Cherry Point in Washington State.

Mr. FASCELL. Cherry Point in Washington State. Is that the terminal port of the existing trans-Canadian pipeline?

Mr. MEEDS. Yes.

The CHAIRMAN. The time of the gentleman from Florida (Mr. FASCELL) has expired.

(On request of Mr. MELCHER, and by unanimous consent, Mr. FASCELL was allowed to proceed for 2 additional minutes.)

Mr. FASCELL. Mr. Chairman, I thank the gentleman for getting me the additional time, because that will greatly help me in developing a few points I have in mind.

Mr. Chairman, I will ask the gentleman from Washington this question:

What is the distribution method out of Cherry Point to the rest of the country for oil delivered there?

Mr. MEEDS. Mr. Chairman, it would be by tanker, by tank car, and by truck.

Mr. FASCELL. No pipeline?

Mr. MEEDS. There is a pipeline, but it is for local products, and it is all within at least the two States, Washington and Oregon. It would not go further than that,.to my knowledge.

Mr. FASCELL. Mr. Chairman, the reason I asked that question is this:

In an earlier colloquy I was left with the impression that it would be possible for a tanker at Puget Sound, if need be, to be loaded and deliver the oil to a terminal so that it could be delivered to Chicago and other points in the Midwest by an existing trans-Canada pipeline.

What the gentleman is saying right now is that this is not feasible?

Mr. MEEDS. Mr. Chairman, the gentleman is correct. That is not feasible because such a pipeline does not exist at the present time.

Mr. FASCELL. So it would have to be accomplished by existing methods within the United States, just by tankers, tank cars, and that is it?

Mr. MEEDS. And by pipeline to certain parts of the United States, but not to the section you are inquiring about.

Mr. FASCELL. So if we are going to deliver oil on the west coast by tanker, in order to get it to the east coast would it be cheaper to deliver it by tank car, by rail, or by going around the Horn, or by some other method?

Mr. MEEDS. I assume that if we could get it in large enough quantities to take it through the Panama Canal, it would be cheaper.

Mr. VIGORITO. Mr. Chairman, will the gentleman yield?

Mr. FASCELL. I yield to the gentleman from Pennsylvania.

Mr. VIGORITO. Mr. Chairman, oil going to the west coast now from whichever source could be diverted to the east coast from the west coast, and oil coming down from Alaska could feed the west coast. And before somebody raises the issue relative to oil coming from Sumatra, it is just as far from Sumatra to San Francisco as it is from Sumatra to New York, because if I recall correctly the world is round.

The CHAIRMAN. The time of the gentleman from Florida (Mr. FASCELL) has again expired.

(On request of Mr. SEIBERLING, and by unanimous consent, Mr. FASCELL was allowed to proceed for 2 additional minutes.)

Mr. SEIBERLING. Mr. Chairman, will the gentleman yield?

Mr. FASCELL. I yield to the gentleman from Ohio.

Mr. SEIBERLING. Mr. Chairman, I am a member of the committee, and I have done what reading I could on this subject. As I understand the economics of this, not one drop of this oil is going to benefit any part of this country but the west coast, and the reason is cost.

The gentleman from Arizona (Mr. UDALL) has elaborated upon that somewhat. That is the reason why the people from the Midwest are concerned about the alternative proposal to the Alaskan pipeline.

The cost of hauling oil over the Rockies is prohibitive; the cost of running a tanker around Cape Horn is prohibitive. There are no supertankers that can go through the Panama Canal. So we are faced with either getting no benefit for the rest of the country, or else we are faced with paying for the oil at an astronomical increase in cost.

Mr. Chairman, this is one of the real reasons why we ought to adopt the Udall amendment and have a serious study made, not a biased study, of the problem.

Mr. FASCELL. Mr. Chairman, I was not leading to that. However, the gentleman is dealing with some of the questions that have arisen in my mind.

Does the gentleman care to comment upon what the effective displacement would be relative to availability of assured supply east of the Mississippi?

Mr. SEIBERLING. Mr. Chairman, the west coast by the time this pipeline is in production, will be in a position of having surplus oil. The rest of the country is using all the oil that it can produce.

Mr. FASCELL. Mr. Chairman, there is Venezuelan oil coming in and going west of the Mississippi. Why could that not be diverted east of the Mississippi?

We have a full supply coming out of Canada to points west of the Mississippi. Why could not some of that be diverted east of the Mississippi?

Mr. SEIBERLING. Mr. Chairman, I am sure some of it might be, but as I understand the economics of the situation the Alaskan oil is going to go to the area of the country which is a surplus area.

Mr. ALBERT. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I take this time to advise Members that I have received a letter from the President of the United States which I would like at this time to read for the benefit of the Members of the House.

THE WHITE HOUSE,
Washington, D.C., August 1, 1973.

Hon. CARL ALBERT,
Speaker of the House of Representatives, Washington, D.C.

DEAR MR. SPEAKER: As the House moves toward final consideration of legislation to remove the present legal impediment to the construction of the proposed Trans-Alaska Pipeline, I want to share with you my view that prompt construction of this pipeline is of great importance to the National interest of the United States.

As you know, the oil discoveries on the North Slope of Alaska represent our largest untapped domestic source of crude oil. The North Slope, when developed, will provide two million barrels of oil daily. This volume of oil, and such additional amounts of oil and gas as will be realized from future North Slope development, will make a vital contribution to both our economic well-being and our national security interests. However, exploration and development of these resources have come to a virtual halt pending approval of construction of the Trans-Alaska Pipeline.

The Department of the Interior has given very careful and detailed attention to the environmental issues posed by the Trans-Alaska pipeline proposal. The Secretary of the Interior will assure that all necessary precautions are taken to protect the environment throughout construction and operation of the pipeline.

I am gratified that both the version of the legislation passed by the Senate and the bill reported by the House Interior Committee explicitly concur that the Department of the Interior has complied with the spirit and letter of the National Environmental Policy Act. I am certain that the members of both Houses of the Congress who have supported this position share with me the view that this action is appropriate and necessary in light of the unique circumstances surrounding this issue, and that this action cannot properly be construed as a precedent for other exemptions from full judicial reviews under the National Environmental Policy Act.

I therefore urge that the House give its approval to this needed legislation without further delay and that the Congress take final action before the August recess to permit construction of the pipeline as soon as possible.

Sincerely,

RICHARD NIXON.

Mr. FRASER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I look forward to a vigorous debate on the issues that are posed by this bill this afternoon, but I hope the result of this debate is not going further to impair our relationship with our sister country, Canada.

I came into the Chamber earlier today and was astonished to hear the minority leader refer to the Government of Canada as an unfriendly government.

I cannot believe that there are many Members of this House who share that view. Certainly no one who met with the Members of the Canadian Parliament——

Mr. STEIGER of Arizona. Will the gentleman yield?

Mr. FRASER. I yield to the gentleman.

Mr. STEIGER of Arizona. I thank the gentleman for yielding.

I will say this. I know the gentleman's penchant for accuracy, and I can only assume when he came into the Chamber he must have misunderstood. What the minority leader said was if we were to be dependent upon Canadian oil, we would be leaving ourselves at the mercy of an unfriendly nation, meaning some other power, to find the oil.

I can understand the gentleman may have misconstrued that, but believe me, that was the context and the thrust of what the minority leader said.

If you would like to have it, I would be happy to have the reporter read it.

Mr. GERALD R. FORD. Will the gentleman yield?

Mr. FRASER. I will be happy to yield to the minority leader, because I still do not understand the explanation offered by the gentleman from Arizona, and I hope that the gentleman from Michigan will clarify the RECORD, because I think we share an interest in having the RECORD clear.

I think it is in our interest to have the RECORD clear.

Mr. GERALD R. FORD. If the gentleman will yield, let me clarify what I said, and I was just reading my remarks, so I am quite familiar with what was said and reported.

I said it would be under the control of a foreign government that could be unfriendly. I am going to be very careful in correcting the remarks to make sure and say that in the past and at the present Canada and the United States have been friendly. But I hasten to add that a radical government in Canada, it being a foreign power, could take precipitous actions that would result in the cutting off of our Alaskan oil coming over the Canadian pipeline into the United States.

Mr. UDALL. Mr. Chairman, if the gentleman will yield, I thank our good friend, the gentleman from Minnesota (Mr. FRASER) for clarifying this point. It has always amazed me in this debate, that some of our colleagus talking about Canada, our great neighbor, ally, and friend, and the one nation in the world I would put my trust in more than any other—rather than talking about possible hostility of Canada. Would they rather have our fate in the hands of the Arab sultans of the Persian Gulf?

Mr. FRASER. And would the gentleman not also include the proposed exploitation of natural gas in Siberia, in the process of which we would be dependent upon the Soviet Union?

Mr. UDALL. That is correct.

The main gas and oil pipeline which serves the industrial heartland of Canada takes Canadian oil from central and western Canada and runs it down through Michigan and Ohio, and the East, and then back up into Canada.

So if they ever wanted to give us trouble we have got a knife at their throats in the same way they have a knife at ours.

Mr. GERALD R. FORD. Mr. Chairman, would the gentleman yield further?

Mr. FRASER. On the point of where the pipeline runs?

Mr. GERALD R. FORD. On the point the gentleman from Arizona made.

The Canadian Government as of June 14 has embargoed Canadian oil coming into this country, including the State of Michigan. We are no longer getting that oil. If they can do it under current circumstances then they can do it under a trans-Canadian pipeline built to transport U.S. oil from Alaska to the United States.

Mr. FRASER. I must say in response to the gentleman from Michigan that the gentleman really is not being fair. I happened to have been in Tokyo when we embargoed the shipment of soybeans, and the reason we did that was because we were facing a national shortage. Canada is facing the same problem with respect to Canadian oil. But they regard the possible construction of the Mackenzie Valley route as a land bridge for bringing Alaskan oil to the United States. This does not involve the shipment of Canadian oil. And the gentleman is being quite unfair to the Canadian Government to say that they would try to physically intercept that oil across what they, in their own words, term a land bridge for the shipment of oil.

Mr. SEIBERLING. Mr. Chairman, if the gentleman will yield, if we continue the line expressed by the gentleman from Michigan as to future relationships with our good friend and neighbor to the north, then it will become a self-fulfilling prophecy.

Mr. VIGORITO. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I would like to carry on my point I made, the point that this bill deals with the Alaskan pipeline and nothing else.

Mr. DINGELL. Mr. Chairman, has the gentleman read title I and title II?

Mr. VIGORITO. I was going to say as far as title I.

Mr. DINGELL. If the gentleman does read it he will find that the bill has two titles.

Mr. VIGORITO. The gentleman did not give me a chance to complete my statement.

Mr. DINGELL. I am delighted to give the gentleman a chance.

Mr. VIGORITO. Title I is the Mineral Act amendments, and title II deals with the Alaskan pipeline.

I would like to inform the House that we are not debating the Alaskan pipeline versus the Canadian pipeline, or whether the Canadian Government is a friendly government or not a friendly government. We have to have that oil, and the quickest way to get that oil is by the Alaskan pipeline route, and no other way of construction is involved.

We need that oil. We have 15 million barrels a day now, which is not sufficient.

In 4 or 5 years we are going to need 2.4 million barrels above what we need right now just to stay even, and 2 million barrels are going to fall far short of meeting our requirements.

Mr. FRASER. Mr. Chairman, will the gentleman yield?

Mr. VIGORITO. I yield to the gentleman from Minnesota.

Mr. FRASER. Will the gentleman agree that the Alaskan pipeline is being pushed by exactly the same companies that up until as recently as 10 or 12 months ago were arguing for maintenance of quotas against the import of foreign oil?

Mr. VIGORITO. That is correct, but that does not take us from the fact that we are facing a crisis, a disaster. Regardless of what we do, we have a disaster staring us in the face. Regardless of what we fail to do, we have a disaster staring us in the face. We do not realize the tremendous increase in energy that this country is going to demand in the next 10 to 15 years. Where is the oil going to come from? We do not know. Not only do we have a tremendous demand on the world's oil supply, but so does Europe and Japan.

So let us get on and let us discuss the Alaskan pipeline. Let us pass this bill as quickly as possible.

AMENDMENT OFFERED BY MR. DINGELL

Mr. DINGELL. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Dingell: Page 8, line 18, strike out "include but are not limited to" and insert in lieu thereof "means".

Mr. DINGELL. Mr. Chairman, I have an amendment at the desk which appears in the Record of July 31, 1973 at page 27052.

Title I of H.R. 9130 would amend section 28 of the Mineral Leasing Act to give the Secretary of the Interior broad authority to grant pipeline rights-of-way in and across all of the public lands and forest reserves throughout Alaska and the United States. This proposal by the Department of the Interior simply aids and abets the greed of the oil industry in its efforts to use the Alaska pipeline and the energy crisis as the excuse for acquiring authority to devastate the forests and public lands of our Nation.

Please note, also, that the bill would not only authorize rights-of-way for pipelines, but also would encompass a wide variety of what the bill terms "related facilities." The bill's amended section 28(a) defines these related facilities to "include but . . . not limited to valves, pump stations, supporting structures, bridges, monitoring and communication devices, surge and storage tanks, terminals, roads and campsites." It even provides that such facilities "need not necessarily be connected or contiguous to the pipe." The use of the phrase "include but . . . not limited to" would appear to permit numerous other kinds of facilities even though they are not listed in the amended section 28(a).

I think it is a mistake to give such open-ended and unfettered authority to the Secretary to dispose of Federal lands. It may be argued, for example, that the phrase "include but . . . not limited to" would also authorize the use of large amounts of land for airports, whether or not they are connected or contiguous to the pipeline. On the other hand, it should be noted that H.R. 9130 as initially introduced on June 29 specifically names "airports"—page 2, line 15—as included in the term "related facilities." That bill also included a reference to "airfield or airstrip" in section 203(d) of title II relating to the trans-Alaska pipeline—page 6, line 10. These references to "airports," "airfield," "airstrip" were deleted by the Public Lands Subcommittee when it reported the bill to the full Interior Committee on July 17, 1973, and the full committee concurred in such deletion. I now raise the question: Are airports included or not included? I therefore, propose the following amendments:

An amendment to restrict the "related facilities" which may be included in a pipeline right-of-way under section 28 to those facilities specifically named in the statute.

AMENDMENT A

In section 1 of title I of H.R. 9130, in the second sentence of the new paragraph (a) of section 28 of the Mineral Leasing Act (page 8, line 18), delete the phrase "include but are not limited to," and insert in lieu thereof "means."

In the event the House does not adopt the foregoing amendment A, I propose the following amendment to make clear that airports and airstrips are not included within the phrase "related facilities:"

ALTERNATIVE AMENDMENT B

In section 1 of title I of the bill, in the second sentence of new paragraph (a) of section 28 of the Mineral Leasing Act (page 8, line 21), insert the phrase "but not including airports or airstrips," immediately after "campsites,".

Mr. MELCHER. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, this amendment would confine "related facilities" to those named in section 1(a) which includes valves, pump stations, supporting structures, bridges, monitoring and communication devices, surge and storage tanks, terminals, roads, and campsites. The phrase "but not limited to" was included only to permit inclusion of other necessary but presently unknown "related facilities."

It was not intended to include airports as this was deleted by the subcommittee. For example secondary feeder or gathering lines from storage tanks are not specifically named but are absolutely necessary for the operation of the pipeline. This is the type of facility the language is intended to cover. It is not intended to be devious and it is not intended to cover airports.

The amendment should be defeated.

Mr. STEIGER of Arizona. Mr. Chairman, will the gentleman yield?

Mr. MELCHER. I yield to the gentleman from Arizona.

Mr. STEIGER of Arizona. Mr. Chairman, I associate myself with the position of the gentleman from Montana.

I point out the language offered by the gentleman from Michigan would actually leave out possibly some very positive innovative situations, for example the caribou overpass, if that should come to pass or some sort of thing which would aid the environment. The gentleman from Michigan would preclude that. I think the chairman of the subcommittee has made an excellent point.

Mr. Chairman, I hope we defeat the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Michigan (Mr. Dingell).

The amendment was rejected.

AMENDMENT OFFERED BY MR. DINGELL

Mr. DINGELL. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Dingell: Page 9, strike out line 6 and insert in lieu thereof the following:

"(c) (1) no right-of-way or permit shall be granted by the Secretary in, across, under, or through any area of the National Park System, the National Wildlife Refuge System, or the National Wilderness System, unless the laws providing for the establishment and administration of such areas specifically authorize such right-of-way or permit, and unless the Secretary finds, and publishes such findings together with all other findings made by him under this section, that such right-of-way or permit is in accord with the public interest, will not interfere with the uses and purposes to which such area is dedicated, and is consistent with the requirements of the statute authorizing such right-of-way or permit, and that if it harms the environment or any use or purpose to which such area is dedicated, there is no feasible and prudent alternative to such right-of-way or permit, and all possible measures to minimize the resulting harm have been taken or are planned; and

"(2) rights-of-way and permits shall be subject to * * *

Mr. DINGELL. Mr. Chairman, this amendment was explained in the Congressional Record of July 31, 1973, at page 27052.

Mr. Chairman, this amendment amends title I. Title I, I tell you, my colleagues, authorizes rights-of-way across any public lands belonging to the United States anywhere inside the United States. This amendment deals with the title of the bill which is general in character and which refers to all public lands situated everywhere in the country and does not limit itself solely to the trans-Alaska pipeline as some might have one believe. This amendment does not say that pipelines will not be built but it says that in the instance of certain very important areas upon which the Congress has spoken and which the Congress has set aside for specific purposes, and I refer to the national parks system, the national wildlife refuge system, and the national wilderness system, that permits will not be granted unless the Secretary finds and publishes his findings together with other findings made by him under this section that such right-of-way or permit is in accord with the public interest, and will not interfere with the uses and purposes to which such area is dedicated and is consistent with the requirements of the statute authorizing such right-of-way or permit, and that if the action is taken, if it harms the environment, that there is no feasible or prudent alternative to such action, the Secretary not grant the permit.

Remember, this amendment refers to the title I which deals with pipeline rights of way, not just in Alaska, but everywhere inside the United States. When we are told that this language would facilitate, or rather that the language of the committee amendment would facilitate the construction of a pipeline in Alaska. Remember that title I sanctifies a raid on the public domain anywhere in the United States.

Mr. HOSMER. Mr. Chairman, will the gentleman yield?

Mr. DINGELL. I yield to the gentleman from California (Mr. Hosmer).

Mr. HOSMER. Mr. Chairman, is it not a fact that under existing law, there have not been any abuses?

Mr. DINGELL. No, it is not a fact. As a matter of fact, my committee has held hearings with respect to pipeline construction and similar raids upon wildlife refuges which were under the jurisdiction of my subcommittee, and have found many outrageous circumstances. The purpose of this amendment is to prevent a repealer of the safeguards which the Congress has repeatedly established over National Refuge systems. It says that the same safeguards will apply with regard to the National Parks and National Wilderness Systems inside the lower 48 and in Alaska.

Do not be deceived.

Mr. HOSMER. Mr. Chairman, I would like to point out that even though the gentleman's committee may have looked into some of these matters, the committee has not produced legislation.

Mr. DINGELL. On the contrary. I would be glad to show the gentleman the legislation which we have proposed and have had enacted into law. On the contrary, the gentleman has voted on a number of occasions for bills dealing with protection of the refuge system against this very kind of raid.

Mr. HOSMER. The legislation proposed to be in this bill at this particular time——

Mr. DINGELL. I would suggest that I will hand the gentleman a copy of my amendment and urge him to read it. He will find that it simply affords protection to refuges, wildlife areas, and national parks in the lower 48, and it does not prevent construction of the trans-Alaska pipeline.

Mr. HOSMER. I have read the amendment. It was offered in the committee and rejected.

Mr. DINGELL. That is all the more reason why the House should overrule the committee.

Mr. MELCHER. Mr. Chairman, I rise in opposition to the amendment.

This bill does not change existing law concerning the lands that are covered by section 28. It is the same, and has been this way for 50 years. The committee considered this amendment in committee and rejected it.

Under the existing laws that the gentleman from Michigan refers to there is no such language specifically granting such authorization. The amendment, therefore, is to prohibit such grants in all cases. It should be vigorously opposed because there is no need for such a blanket prohibition.

Mr. DINGELL. Mr. Chairman, will the gentleman yield?

Mr. MELCHER. I yield to the gentleman from Michigan (Mr. Dingell).

Mr. DINGELL. Mr. Chairman, I made this amendment available to the gentleman, and I challenge him to show me where in that amendment there is a prohibition against construction of the trans-Alaska pipeline. The amendment is simply a requirement for certain safeguards and findings by the Secretary before there is a grant of use of public lands, national parks, national wildlife refuges and national wilderness system areas, not only in Alaska but elsewhere under this bill. Remember this bill is not just for Alaska but sanctifies raids on the public domain not only in Alaska but everywhere in the 50 States.

Mr. MELCHER. I thank the gentleman for his comment, but I repeat, the committee has had under consideration his amendment. We found that we are not changing the law that has stood for 50 years regarding what lands we are covering. We find no evidence that the amendment is necessary.

Mr. MEEDS. Mr. Chairman, will the gentleman yield?

Mr. MELCHER. I yield to the gentleman from Washington (Mr. Meeds).

Mr. MEEDS. Mr. Chairman, I direct myself to the gentleman from Michigan to show when and where this constitutes prohibition. All one needs to do is look at the provisions of the amendment, which says, "Laws for the establishment and administration of such areas are specifically authorized of which rights-of-way are permitted." In other words, there were two conditions. Since none of these provisions initially authorize national wildlife systems are presently law, and there is no authorization in any one of them for a pipeline, then this effectively constitutes an absolute prohibition against any pipeline in those areas.

Mr. RONCALIO of Wyoming. Mr. Chairman, I rise reluctantly to speak against the amendment.

Mr. Chairman, I said "reluctantly" because I do not like to oppose the eminent chairman of the committee which deals with fisheries and wildlife. He is a friend of my State, and has worked to protect the habitat of some of the finest elk, antelope, and deer in the world, to protect Yellowstone National Park and Teton National Park, and probably will help to keep them both as sacrosanct as we can.

Mr. Chairman, if I believed that this title I was a raid upon the public domain, I certainly could not support it. It is not a raid upon the public domain any place. Any application with respect to a pipeline heretofore, or after this, will be considered under existing law with its many safeguards against abuse or degradation to parks.

The amendment, as I remember the action in the committee, contained language about national grasslands and included forests that are not now included. I simply could not support it in the committee for that reason.

I urge my colleagues to reject the amendment, because this is not a raid on the public domain.

There is no illusion about this. The title itself says this is "A bill to amend section 28 of the Mineral Leasing Act of 1920". It does not say it is a bill to build the Alaska pipeline, period. There is nothing deceiving about it.

Mr. BINGHAM. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I should like to say that an amendment similar to this was offered in the committee and received considerable support in the committee. I am inclined to support the gentleman's amendment. It is not as broad as the amendment which was offered in the committee, which raised a question about all the forest lands of the United States. This amendment does not.

I believe the chairman of the subcommittee is entirely correct in saying that the original law permits as broad a coverage as the present committee bill, but I do not see that that goes to the merits of the question of whether pipelines should be permitted to cross parts of national parks, national wildlife refuges, or the national wilderness system.

I support the amendment.

Mr. SEIBERLING. Mr. Chairman, will the gentleman yield?

Mr. BINGHAM. I yield to the gentleman from Ohio.

Mr. SEIBERLING. I am one of those who supported a similar amendment in the committee, and I tried to make it much broader than the one the gentleman from Michigan offered today.

The way this bill is written, one could run a pipeline across Yosemite, Yellowstone, any wildlife refuge or any National Park. It seems to me that goes far beyond the purpose of this bill. This bill is being sold as an Alaska pipeline bill, regardless of what the title says, yet here we are tinkering with the whole National Park and Wilderness System.

It seems to me the gentleman's amendment is a very modest effort to try to prevent that from happening.

Mr. BINGHAM. The gentleman is entirely correct.

Mr. DINGELL. Mr. Chairman, will the gentleman yield?

Mr. BINGHAM. I yield to the gentleman from Michigan.

Mr. DINGELL. This title of the bill authorizes a pipeline, camp ground, tank storage facility, airport or anything else in any national park anywhere in the United States. If Members do not believe that, I commend to them a careful reading of title I.

The purpose of this amendment is to say they cannot build such a pipeline in a national park, a unit of the National Refuge system or a unit of the National Wilderness system without certain careful findings being made by the Secretary of the Interior for the protection of the area concerned.

The gentleman from Wyoming and the gentleman from Montana apparently have not chosen to read their own bill. I suggest they do so.

Mr. BINGHAM. Mr. Chairman, I support the gentleman's amendment, but I would not want to be construed as agreeing to everything the gentleman has just said, because that might make bad legislative history.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Michigan (Mr. Dingell).

The question was taken; and on a division (demanded by Mr. Dingell) there were—ayes 24, noes 64.

RECORDED VOTE

Mr. DINGELL. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 160, noes 261, not voting 12, as follows:

[Roll No. 419]

AYES—160

Abzug
Anderson, Calif.
Anderson, Ill.
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Ashley
Aspin
Badillo
Bafalis
Bennett
Bergland
Biaggi
Biester
Bingham
Blatnik
Boland
Brademas
Brasco
Breckinridge
Brinkley
Brown, Calif.
Brown, Mich.
Brown, Ohio
Buchanan
Burke, Calif.
Burke, Mass.
Burton
Carey, N.Y.
Carney, Ohio
Chisholm
Clay
Cleveland
Cohen

Collins, Ill.
Conte
Conyers
Cotter
Coughlin
Culver
Dellums
Denholm
Diggs
Dingell
Donohue
Drinan
Dulski
du Pont
Eckhardt
Edwards, Calif.
Esch
Evans, Colo.
Fish
Ford, William D.
Fraser
Frenzel
Gaydos
Gibbons
Gilman
Grasso
Green, Pa.
Griffiths
Gude
Gunter
Hamilton
Harrington
Harsha
Harvey
Hays
Hechler, W. Va.
Heckler, Mass.
Heinz
Helstoski
Holtzman
Howard
Hungate
Jordan
Karth
Kastenmeier
Koch
Kyros
Lehman
Lent
Long, Md.
McCloskey
McDade
Macdonald
Matsunaga
Mayne
Mazzoli
Metcalfe
Mezvinsky
Miller
Minish
Mink
Mitchell, Md.
Moakley
Moorhead, Pa.
Morgan
Moss
Murphy, Ill.
Nedzi
Obey
O'Hara
Owens
Patten
Pickle
Pike
Podell
Preyer
Price, Ill.
Pritchard
Quie
Randall
Rangel
Rees
Reid
Reuss
Riegle
Rinaldo
Robison, N.Y.
Rodino
Roe
Roncallo, N.Y.
Rose
Rosenthal
Roush
Roy
Roybal
Ryan
St Germain
Sarbanes
Saylor
Schroeder
Seiberling
Stanton, J. William
Stanton, James V.
Stark
Steele
Steelman
Stokes
Studds
Sullivan
Symington
Thompson, N.J.
Thomson, Wis.
Thone
Tiernan
Udall
Van Deerlin
Vander Jagt
Vanik
Vigorito
Waldie
Whalen
Wolff
Yates
Yatron
Young, Fla.
Young, Ga.

NOES—261

Abdnor
Adams
Addabbo
Alexander
Archer
Arends
Armstrong
Ashbrook
Baker
Barrett
Beard
Bell
Bevill
Blackburn
Boggs
Bolling
Bowen
Bray
Breaux
Brooks
Broomfield
Brotzman
Broyhill, N.C.
Broyhill, Va.
Burgener
Burke, Fla.
Burleson, Tex.
Burlison, Mo.
Butler
Byron
Camp
Carter
Casey, Tex.
Cederberg
Chamberlain
Chappell
Clancy
Clark
Clausen, Don H.
Clawson, Del
Cochran
Collier
Collins, Tex.
Conable
Conlan
Corman
Crane
Cronin
Daniel, Dan
Daniel, Robert W., Jr.
Daniels, Dominick V.
Danielson
Davis, S.C.
Davis, Wis.
de la Garza
Delaney
Dellenback
Dennis
Dent
Derwinski
Devine
Dickinson
Dorn
Downing
Duncan
Edwards, Ala.
Eilberg
Erlenborn
Eshleman
Fascell
Findley
Flood
Flowers
Flynt
Foley
Ford, Gerald R.
Forsythe
Fountain
Frelinghuysen
Frey
Froehlich
Fulton
Fuqua
Gettys
Giaimo
Ginn
Goldwater
Gonzalez
Goodling
Green, Oreg.
Gross
Grover
Gubser
Guyer
Haley
Hammerschmidt
Hanley
Hanrahan
Hansen, Idaho
Hansen, Wash.
Hastings
Hawkins
Hébert
Henderson
Hicks
Hillis
Hinshaw
Hogan
Holifield
Holt
Horton
Hosmer
Huber
Hudnut
Hunt
Hutchinson
Ichord
Jarman
Johnson, Calif.
Johnson, Colo.
Johnson, Pa.
Jones, Ala.
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Kazen
Keating
Kemp
Ketchum
King
Kluczynski
Kuykendall
Landrum
Latta
Leggett
Litton
Long, La.
Lott
Lujan
McClory
McCollister
McCormack
McEwen
McFall
McKay
McKinney
McSpadden
Madden
Madigan
Mahon
Mailliard
Mallary
Mann
Maraziti
Martin, Nebr.
Martin, N.C.
Mathias, Calif.
Mathis, Ga.
Meeds
Melcher
Michel
Milford
Minshall, Ohio
Mitchell, N.Y.
Mizell
Mollohan
Montgomery
Moorhead, Calif.
Mosher
Murphy, N.Y.
Myers
Natcher
Nelsen
Nichols
Nix
O'Neill
Parris
Passman
Patman
Pepper
Perkins
Pettis
Peyser
Poage
Powell, Ohio
Price, Tex.
Quillen
Railsback
Rarick
Regula
Rhodes
Roberts
Robinson, Va.
Rogers
Roncalio, Wyo.
Rooney, Pa.
Rostenkowski
Rousselot
Runnels
Ruppe
Ruth
Sandman
Sarasin
Satterfield
Scherle
Schneebeli
Sebelius
Shipley
Shoup
Shriver
Shuster
Sikes
Sisk
Skubitz
Slack
Smith, N.Y.
Snyder
Spence
Steed
Steiger, Ariz.
Steiger, Wis.
Stephens
Stratton
Stubblefield
Stuckey
Symms
Talcott
Taylor, Mo.
Taylor, N.C.
Teague, Calif.
Teague, Tex.
Thornton
Towell, Nev.
Treen
Ullman
Veysey
Waggonner
Walsh
Wampler
Ware
White
Whitehurst
Whitten
Widnall
Wiggins
Williams
Wilson, Bob
Wilson, Charles H., Calif.
Wilson, Charles, Tex.
Winn
Wright
Wyatt
Wydler
Wylie
Wyman
Young, Alaska
Young, Ill.
Young, S.C.
Young, Tex.
Zablocki
Zion

NOT VOTING—12

Davis, Ga.
Evins, Tenn.
Fisher
Gray
Hanna
Landgrebe
Mills, Ark.
O'Brien
Rooney, N.Y.
Smith, Iowa
Staggers
Zwach

So the amendment was rejected.

The result of the vote was announced as above recorded.

The CHAIRMAN. Are there additional amendments to be proposed to title I?

If not, the Clerk will read.

The Clerk read as follows:

TITLE II

SEC. 201. This title may be cited as the "Trans-Alaskan Pipeline Authorization Act".

SEC. 202. The Congress finds and declares that—

(a) The early delivery of oil and gas from Alaska's North Slope to domestic markets is in the national interest.

(b) Transportation of oil by pipeline from the North Slope to Valdez, and by tanker from Valdez to domestic markets, will best serve the immediate national interest.

(c) A supplemental pipeline to connect the North Slope with a trans-Canadian pipeline may be needed later, and it should be studied now, but it should not be regarded as a substitute for a trans-Alaskan pipeline that does not traverse a foreign country.

(d) The actions of the Secretary of the Interior heretofore taken with respect to the proposed trans-Alaskan oil pipeline shall be regarded as satisfactory compliance with the provisions of the National Environmental Policy Act of 1969.

SEC. 203. (a) The Secretary of the Interior is hereby authorized and directed to grant, in accordance with the provisions of section 28 of the Mineral Leasing Act of 1920, as amended by title I of this Act, but without the notice required by subsection 28(g), and without further action under the National Environmental Policy Act of 1969, notwithstanding the compliance requirement of subsection 28(c), and notwithstanding the provisions of any law other than said section 28 and this title II, such rights-of-way and permits as he finds necessary for the construction, operation, and maintenance of a trans-Alaskan oil pipeline.

(b) The route of the trans-Alaskan oil pipeline shall follow generally the route described in applications pending before the Secretary of the Interior on the date of this Act, except as this may be modified by the Secretary of the Interior or his designated representative to provide during construction greater environmental protection.

(c) The Secretary shall include in rights-of-way and permits granted pursuant to this title II terms and conditions that will in his judgment mitigate any adverse environmental impact. In such rights-of-way and permits, the Secretary shall also include terms and conditions providing for—

(1) liability on the part of the permittee or grantee to any Alaska Native or Native organization for injuries or damages sustained, arising from or growing out of any activity conducted by the holder of such rights-of-way or permits without regard to—

(A) whether the injury or damage complained of is due to negligence on the part of such holder; or

(B) ownership of any affected lands, structures, fish, wildlife, or biotic or other natural resources relied upon by such Alaska Native or Native organization for subsistence or economic purposes;

(2) determination of claims for injury or damages by such Alaska Native or Native organization by arbitration or judicial proceedings; and

(3) the provision, upon order of the Secretary or his delegate, by the holder of such rights-of-way or permits, of emergency subsistence and other aid to an affected Alaska Native or Native organization pending expeditious filing of, and determination of, a claim.

Where the State of Alaska is the holder of a right-of-way or permit under this title, the State shall not be subject to the provisions of the preceding sentence but the holder of the permit or right-of-way for the trans-Alaska pipeline shall be subject to that sentence with respect to facilities constructed or activities conducted under rights-of-way or permits issued to the State to the extent that such holder engages in the construction, care, maintenance, or operation of facilities, or in other activities, under rights-of-way or permits issued to the State.

(d) No rights-of-way or permit which may be granted by the Secretary of the Interior under this title II, and no permit or other form of authorization which may be granted by any other Federal agency with respect to construction of the trans-Alaskan oil pipeline, and no public land order or other Federal authorization with respect to the construction of a public highway between the south bank of the Yukon River and Prudhoe Bay and generally parallel to the pipeline shall be subject to judicial review on the basis of the National Environmental Policy Act of 1969.

(e) The Secretary of the Interior shall take such affirmative action as he deems necessary to assure that no person shall, on the grounds of race, creed, color, national origin, or sex, be excluded from receiving, or participating in any activity conducted under any permit, right-of-way, public land order, or other Federal authorization granted or issued under this title. The Secretary of the Interior shall promulgate such rules as he deems necessary to carry out the purposes of this subsection and may enforce this subsection, and any rules promulgated under this subsection, through agency and department provisions and rules which shall be similar to those established and in effect under title VI of the Civil Rights Act of 1964.

(f) Notwithstanding any other provisions of law, any action or proceeding involving any right-of-way, permit, or other form of authorization granted with respect to the construction of the trans-Alaskan pipeline, to which the United States, any department, agency, or instrumentality of the United States, or any officer or employee of the United States, is a party, and which is not barred by subsection (d), shall be brought and heard only according to the provisions of this subsection. Any such action or proceeding shall be commenced within sixty days following the date of such a right-of-way, permit, or other form of authorization is issued and shall be brought in a United States district court, which shall have exclusive jurisdiction to hear such action or proceeding. Such an action or proceeding shall be heard by a three-judge court appointed in the same manner as a three-judge district court appointed under section 2284 of title 28 of the United States Code. Any such action or proceeding shall be assigned for hearing at the earliest practicable date, shall take precedence over all other matters pending on the docket of the district court at that time, and shall be expedited in every way by such three-judge district court. Any review of an interlocutory or final judgment, decree, or order of such three-judge district court by any party to such action or proceeding may be had only upon direct appeal to the Supreme Court of the United States.

SEC. 204. A right-of-way or permit granted under this title II for a road or airport as a related facility of the trans-Alaskan pipeline may provide for the construction of a public road or airport.

SEC. 205. The grant of a right-of-way or permit pursuant to this title II shall grant no immunity from the operation of the Federal antitrust laws.

SEC. 206. Any crude oil transported over rights-of-way granted pursuant to section 28 of the Mineral Leasing Act of 1920 shall be subject to all of the limitations and licensing requirements, and penalty and enforcement provisions, of the Export Administration Act of 1969 (Act of December 30, 1960; 83 Stat. 841) and, in addition, before any crude oil subject to this section may be exported under the limitations and licensing requirements of the Export Administration Act of 1969 the President must make and publish an express finding that such exports are in the national interest: *Provided*, That the President shall submit reports to the Congress containing findings made under this section, and after the date of receipt of such reports Congress shall have a period of sixty calendar days, thirty days of which Congress must have been in session, to consider whether exports under the terms of this section are in the national interest. If the Congress within that time limit passes a concurrent resolution of disapproval stating disagreement with the President's finding concerning the national interest, further exports made pursuant to the aforementioned Presidential findings shall cease.

SEC. 207. (a) Except when the holder of a permit or right-of-way granted pursuant to this title can prove that damages caused by the holder's activities conducted at any point along the route of the proposed trans-Alaskan pipeline were caused by an act of war or by negligence of the United States or other government, such holder shall be strictly liable to all damaged parties, including but not limited to private persons, Alaska Natives, Native organizations, and Federal and State governments, without regard to fault for such damages.

(b)(1) The Secretary shall direct as a term or condition of any permit or right-of-way issued pursuant to this title that, except when the holder of such permit or right-of-way can prove that damages resulting from discharges of oil in violation of section 11(b)(2) of the Federal Water Pollution Control Act (33 U.S.C. 1161(b)(2)) were caused by an act of war or by negligence of the United States or other government such holder shall be strictly liable without regard to fault to all parties, including but not limited to private persons and the Federal and State governments, for all damages resulting from such discharges of oil from, or involving vessels owned, chartered, operated, or leased by or for such holder, affiliate of such holder, shareholder, partner, or other constituent part of the holder, or affiliate of such shareholder, partner, or other constituent part of the holder, where the cargo of such vessel is oil transported by the proposed trans-Alaskan pipeline. Any action taken pursuant to this subsection shall be brought in the appropriate United States district court.

(2) For the purposes of this subsection, the term "affiliate" includes—

(A) any person or corporation owned or controlled by the permit holder or by a shareholder, partner, or other constituent part of the permit holder; or

(B) any person or corporation which owns a substantial interest in or controls the permit holder by—

(i) stock interest, or

(ii) representation on a board of directors or similar body, or

(iii) contract or other agreement with other stockholders, or

(iv) otherwise; or

(C) any person or corporation which is under common ownership or control with the permit holder.

(c) The Secretary is directed to require from the holder a bond that shall at all times be maintained and in force and effect in the full principal amount during construction, operation, and termination of the proposed trans-Alaskan pipeline. The amount of said bond shall be adequate to insure the payment of any final judgment recovered against the holder for loss or damage in actions arising under this section.

SEC. 208. (a) The Secretary of the Interior is directed to report at least semiannually to the House and Senate Committees on Interior and Insular Affairs on the progress of construction of the proposed trans-Alaskan pipeline and related facilities and on the implementation of environmental stipulations attached to any permits or rights-of-way for the proposed trans-Alaskan pipeline. The first report shall be made no later than six months from the date of any permit or right-of-way granted pursuant to this title. Further reports shall be made at no greater than six-month intervals from the last prior report made.

(b) The Secretary shall issue a cease-and-desist order to halt construction of the proposed trans-Alaskan pipeline and related facilities at any time whenever he finds that the stipulations attached to permits or rights-of-way issued pursuant to this title are not being implemented or that significant damage to the environment, unforeseen at the time at which permits or rights-of-way were issued for the proposed trans-Alaskan pipeline, may occur if construction is not halted.

SEC. 209. (a) The Secretary of the Interior is authorized and directed to investigate the feasibility of one or more oil or gas pipelines from the North Slope of Alaska to connect with a pipeline through Canada that will deliver oil or gas to United States markets. The cost of making the investigation shall be charged to any future applicant who is granted a right-of-way for one of the routes studied. The Secretary shall submit to the Congress periodic reports of his investigation, and the final report of the Secretary shall be submitted to the Congress within two years from the date of this Act.

(b) The President is authorized and requested to enter into negotiations with the Government of Canada to determine (1) the terms and conditions under which pipelines or other transportation systems could be constructed across Canadian territory for the transport of oil and gas from Alaska's North Slope to markets in the United States, and (2) the feasibility, consistent with the needs of other sections of the United States, of acquiring additional oil export commitments from the Government of Canada that would make unnecessary the shipment of oil from the Alaskan pipeline by tanker into the Puget Sound area. The President shall report to the Congress the actions taken, the progress achieved, the areas of disagreement, and the matters about which more information is needed, together with his recommendation for further action.

(c) Nothing in this section shall limit the authority of the Secretary of the Interior, or any other Federal official, to grant a gas pipeline right-of-way or permit which he is otherwise authorized by law to grant.

SEC. 210. The words "trans-Alaskan pipeline", wherever used in this title, mean that pipeline system, including related facilities, described in the "Final Environmental Impact Statement, Proposed Trans-Alaskan Pipeline".

Mr. MELCHER (during the reading). Mr. Chairman, I ask unanimous consent that title II be considered as read, printed in the RECORD, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Montana?

Mr. DINGELL. Mr. Chairman, I reserve the right to object, and I will not object.

I make this reservation solely to inquire of the chairman of the subcommittee whether it is his intention at any point to limit debate with respect to title II of the bill? Perhaps I might repeat I have reserved the objection solely to ask my friend, the gentleman from Montana, whether or not it is the intention of him or members of the committee at any time in any way to attempt to limit debate or offering of amendments to title II?

Mr. MELCHER. Mr. Chairman, will the gentleman yield?

Mr. DINGELL. I yield to the gentleman from Montana.

Mr. MELCHER. I thank the gentleman for yielding.

Subject to the will of the House it is my intent to proceed with the amendments, any and all, that will be offered by any Member on the floor today.

Mr. DINGELL. Mr. Chairman, I do not object, and I withdraw my reservation of objection with that understanding from the chairman of the subcommittee that it is not his intention to limit debate.

The CHAIRMAN. Is there objection to the request of the gentleman from Montana?

There was no objection.

AMENDMENT OFFERED BY MR. DELLENBACK

Mr. DELLENBACK. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. DELLENBACK: Page 13, line 5. Strike out all of subparagraph (d), insert a new section 203 to read as follows, and renumber the subsequent sections:

"SEC. 203. Proceedings in any United States federal court with respect to any action taken by the Secretary of the Interior in accordance with provisions of the National Environmental Policy Act of 1969 or relating to any right of way to construct the proposed Trans-Alaskan pipeline or to any permit in relation thereto shall be given precedence over all other cases pending therein, and shall be assigned for hearing and determined at the earliest practicable date, and all courts involved shall cause the case to be in every way expedited."

(By unanimous consent, Mr. DELLENBACK was allowed to proceed for 5 additional minutes.)

Mr. DELLENBACK. Mr. Chairman, I will try not to be complex in this, but we are at the heart of what is the major crucial question about the bill which is before us. We have here an amendment which was proposed in the full Committee on the Interior, and in the full Committee on the Interior we divided almost evenly on this amendment. The vote by which it was defeated was 18 in favor and 20 opposed. As a number of us on the Interior Committee indicated in our dissenting views which are published in the report, we propose to offer that same amendment now, an amendment reaching in that same direction, in this Committee of the Whole House.

What is it that the amendment proposes? It proposes on page 13 that we strike all of subparagraph (d), which runs from lines 5 through 9, and that we insert a new section 203 which calls for expediting court procedures.

What is it that subparagraph (d) would really state? What does it call for doing? It says the actions of the Secretary of the Interior heretofore taken with respect to any right-of-way to construct the proposed trans-Alaskan pipeline shall be regarded as compliance with the provisions of the National Environmental Policy Act of 1969.

It sounds very simple. It says that the Secretary of the Interior has done all that is to be done under NEPA. Does that mean that there are onerous or new additional obligations he must face under it? No, there are not.

NEPA is a study and disclosure statute. It contains important but very limited requirements.

The Secretary of the Interior, testifying before our committee, indicated that he felt he had complied in every way.

Those who would leave in this provision in the bill declare with the same breath that they say it should be left in that they feel that everything NEPA calls for has been complied with. They express no concern whatsoever that the environmental protection provisions of the statute are not fully met.

Yet they would give in and say, "We will make the determination; we will not let it be determined by the court that the full provisions of NEPA have been compiled with."

Those testing requirements which are in the statute—and they are quite simple and call for study and for disclosure—those particular provisions were in the process of being tested in the courts. What happened in the courts? On the trial court level, the trial court said NEPA has been satisfactorily complied with by the Secretary. It went up to the circuit court. What happened in the circuit court? With seven judges sitting on it, the majority of the court said, "We do not decide that issue." They did not say NEPA had not been complied with. They said, "We are not going to decide it."

At the same time the majority of the court said this, one of the seven judges said, "I find the environmental impact statement to be sufficient under the statute."

A second judge said, "I agree with Judge McKinnon that the environmental impact statement was sufficient."

The third judge said, "I agree with Judge McKinnon that it was sufficient."

So three judges expressly said it is sufficient. The other four did not speak on the subject.

So, what do we have at this particular moment, litigationwise? We have a situation where it is very clear what the issue was: Has NEPA been complied with? We had a situation where a trial court found it had, and four judges on the upper level said they were not going to decide and three said it has been done. We are almost through the jungle of litigation. To leave this provision in the bill at this time would be bad, I suggest, my friends, for three distinct reasons.

First, NEPA is a good statute. We wrote it; we, the Congress. This body overwhelmingly supported it, and we wrote it to say that we will protect the environment, and the issue is whether this really is adequate protection for the environment, or is going forward in an orderly way. So the issue is clear; protection of the environment is at stake. Unless we strike this provision out of the bill we raise a serious question about whether the environment is satisfactorily protected.

Second, we strike at NEPA itself. As I said during full debate, this is not the only time that NEPA will be put to the test. It is the first significant test for NEPA. If now, the first time NEPA comes up in strict, head-to-head conflict with the energy crisis, we say that we do not go forward under proceedings set forth in the statute, if we brush NEPA aside, who knows where we are going to go as the questions of nuclear energy come forth; as the questions of solar energy come forth; as the questions of fusion come forth; as the questions of coal gasification comes forth, and on and on and on?

As we go to meet the fuel crisis we are setting what—called by any name you will—is in effect a precedent which will threaten a very fine piece of legislation, NEPA. For that second reason, we should strike this language.

Third, I submit that, as I said before, we trade one type of litigation for another type of litigation at a time that the issue is very clear; at the time the procedure had marched along and there was not much left to do, and there is not today much left to do, to settle the issue of whether NEPA has been complied with. To brush it aside when in its place we are going to create a host of new causes of litigation if we stand by the provisions of this section.

The other two sections, if we adopt this amendment, I will move forward in sequence to strike.

This creates a constitutional question of equal protection of the laws. This creates a constitutional question of due process. This creates a constitutional question of the separation of powers.

If anybody needs to be handed on a silver platter a set of legal issues which they can march forward with, if their goal is to further delay instead of determining what ought to be done from an environmental standpoint, this bill will do it.

I suggest that until we have concluded what is not a long road still to walk we will be making a grave mistake, those of us who want to see the issue settled and who want to see the oil brought down from the north slope to the lower 48 States expeditiously in the manner best calculated to protect the environment, to do this.

The second part of what we seek to do with this amendment is to make clear that any future legal proceedings will be expedited.

There has been read to the Members by the reading clerk the provision which says that proceedings in any U.S. Federal Court with respect to this kind of proceeding shall be given precedence over all other cases pending therein and shall be assigned for hearing and determination at the earliest practical date, and that all courts involved shall cause the case to be expedited. So whatever time the completion of this adjudication will take it will be expedited if we adopt the amendment and move forward as quickly as can be done.

It is a combination of striking this language and moving forward under these circumstances with the insertion of this particular provision for expediting legal proceedings that I urge upon my colleagues will not prolong construction of the pipeline but will speed it up, because the alternative is a legal jungle with all sorts of questions arising.

Mr. DINGELL. Mr. Chairman, will the gentleman yield?

Mr. DELLENBACK. I yield to my colleague from Michigan (Mr. Dingell).

Mr. DINGELL. I thank the gentleman for yielding.

I point out that I had intended to offer a similar amendment. I did join with the gentleman and a number of other colleagues in a letter to all of our colleagues urging adoption of this amendment. I endorse the amendment offered by my good friend from Oregon enthusiastically. I point out it has the backing of all national conservation organizations.

Mr. DELLENBACK. I appreciate the gentleman's support.

Let me read to my colleagues from another editorial. Clearly the environmental groups are in support of my amendment. This is an editorial, however, from Business Week. What does it say, in Business Week, the issue of July 28, 1973?

Let the Courts Do It

The energy-short U.S. badly needs crude oil from Alaska. But the Alaska pipeline bill passed by the Senate last week may delay, not hasten, the flow of oil from the Arctic. And the Senate has undermined the 1969 National Environmental Policy Act (NEPA).

The Senate voted overwhelmingly to repeal a 1920 law that would have restricted the pipeline's right-of-way to an impractically narrow 50 ft. But then it tacked on an amendment from Senator Mike Gravel (D-Alaska) exempting the pipeline from further challenge under the 1969 law. The amendment declares the pipeline environmentally acceptable and not subject to further judicial review.

But the NEPA has proven itself an important and effective piece of legislation. By requiring environmental impact statements on all projects licensed by the federal government, it has successfully forced agencies to consider environmental factors early in the planning stages, and weigh alternatives. The pipeline itself will be a safer project because of the NEPA. Exempting the pipeline from NEPA would set a dangerous precedent. Other agencies will be tempted to seek exemption for their pet projects, and the NEPA could become just another piece of paper.

Nor is it certain that the Gravel amendment will speed the arrival of Alaska oil. Environmentalists, whose refusal to compromise prompted the amendment in the first place, can be counted on to challenge it, arguing that Congress has no right to deny judicial review when the pipeline case is already before a federal appellate court. That could drag on longer than the current litigation, which is drawing to a close.

The House should reject the attack on the NEPA and let the present court battle run its course. If the Interior Dept. has prepared a satisfactory statement on the pipeline's environmental impact, as it says it has done, the federal court will soon give the pipeline a green light anyway.

I urge support of this amendment.

Mr. OWENS. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, I rise to support the amendment offered by my distinguished colleague from Oregon (Mr. Dellenback) and myself.

H.R. 9130 in its present form seeks to exempt construction of the trans-Alaska pipeline from further review under the National Environmental Policy Act. The operative sections to effect that end are section 202(d), which declares that actions of the Secretary of the Interior heretofore taken with respect to the pipeline shall be regarded as satisfactory compliance with NEPA; section 203(a), which directs the Secretary to grant the necessary permits, without further regard to NEPA; and section 203(d), which exempts construction permits from judicial review on the basis of NEPA.

Our amendment, if agreed to, would strike these sections of the bill, and provide that any proceedings in a Federal court challenging the construction of the pipeline be given precedence over all other cases and be expedited in every way.

Let me first say that the precedents for providing for this kind of expeditious review are numerous. The Voting Rights Act of 1965, the Interstate Commerce and the Federal Trade Commission Acts are examples of legislation which provide for expeditious review of administrative decisions by a department of the executive branch.

My colleague, Mr. Dellenback, has spoken eloquently as to why the bill's provisions for overriding NEPA are bad policy and bad precedent. I want to make and elaborate on one further point in support of this amendment: The bill as presently written will engender as much or more delay than an expedited conclusion of the pending court test of the NEPA impact statement.

The sponsors of the bill genuinely believe that it will speed up construction of the pipeline by avoiding delays arising from litigation under the National Environmental Policy Act. They are wrong. All their bill will succeed in doing is to shift the litigation to other grounds.

In the first instance, there will be litigation over the issue of the constitutionality, under the due process clause of the fifth amendment, of the bill's provisions cutting off further judicial review under NEPA. While it is generally assumed as true that the Congress may limit the jurisdiction of the lower Federal courts in any manner it sees fit, case law suggests that the due process clause operates as a limitation on the Congress' exercise of this power. That issue will certainly be presented to the courts if the bill as it presently stands is enacted, and the litigation over that constitutional issue is likely to take as long to work its way through the courts as judicial review expedited under our amendment.

Furthermore, the bill as presently written does not preclude challenges to the marine leg of the Alaska pipeline. Additional licenses and permits, the issuance of which will require impact statements, for example, from the Corps of Engineers, will likely be required before oil can be transported by tanker south from the port of Valdez. Adoption of the bill as it presently stands simply invites opponents of the construction of the pipeline to shift their attack to such other grounds as these.

Under our amendment, review will be not only expedited, but will be heard by judges familiar with the environmental issues in the case. This is so because Judge Hart continues to have jurisdiction over the suit presently blocking construction of the pipeline, and the Court of Appeals heard the last appeal from Judge Hart's decision en banc. That is, all the judges participated in the hearing and decision of the case. They also, therefore, are familiar with the issues involving NEPA.

The last round of litigation in the pipeline suit took only 8 months from the time the case was argued in district court to the date of the Supreme Court's denial of certiorari. Another round of litigation in this case would surely take even less time. Such delay as will occur must be looked at in reference to the time frame in which the pipeline is expected to be built. The best estimate currently is that, under optimum conditions, it will be 3 years before the pipeline is partially operational, and 5 years before it can operate at full capacity. I mention this because there has been a good deal of emotional rhetoric suggesting that passage of this bill as written will end the energy crisis tomorrow by making available North Slope Oil, and that environmentalists are trying to exacerbate the presently existing crisis by tactics of delay. It should be clear to every Member of the House that those are not the realities. At that time it will supply only about 8 percent of the total projected need for crude oil.

In summary, I urge all Members whose desire it is to see the pipeline built as quickly as possible to support this amendment. It will result in no greater delays than the bill as it now stands, and will demonstrate Congress commitment to long-range environmental values and the integrity of NEPA.

Mr. MELCHER. Mr. Chairman, will the gentleman yield?

Mr. OWENS. I yield to the gentleman from Montana.

Mr. MELCHER. I should like to point out that the proxies were not used, but I believe the gentleman draws the wrong conclusion if he feels those proxies would have supported his position.

Mr. OWENS. If I may answer that, I would say to the chairman of the subcommittee my understanding is there were two Members who were in favor of our position who were not there, and another proxy favoring our position was not in workable order. We lost by two votes. I could stand corrected by my chairman.

Mr. MELCHER. Mr. Chairman, will the gentleman yield to me?

Mr. OWENS. Certainly.

Mr. MELCHER. Mr. Chairman, I will say that in neither case, to my knowledge, was either of the missing proxies in support of the gentleman's view.

Mr. OWENS. Mr. Chairman, I thank the gentleman.

Mr. Chairman, I suppose I would be classed as a "deep-bending minuet dancer," as the gentleman from California and the gentleman from Arizona referred to those of us who were trying to speak on this issue earlier today.

I do strongly support the consideration of the Alaska pipeline. I believe the energy problem and the needs of the American people require it of us, and I believe we must proceed without delay. I support the concept that our amendment attempts to solve. That is the concept that the litigation is almost taken care of, if one would carefully read the opinions of the district court judge and of the circuit court of appeals.

The district court judge has said that the impact statement is sufficient. Three of the seven circuit court judges found the impact statement complete and sufficient. I submit to the Members that the time required under the acceleration provision which we offer in our amendment will assure the very rapid completion of the litigation on this matter and we will have preserved the integrity of the National Environmental Policy Act, which is perhaps the most important significant piece of environmental legislation the Congress has passed in the last few years.

On the other hand, if we allow the provisions of this bill to stand, there are significant constitutional challenges which will be argued to new courts, which will require a great deal of delay and a great deal of time for argument.

Mr. Chairman, the Senator from Alaska, Mr. Stevens, has acknowledged this. I read those words earlier out of the Congressional Record. Proponents of this bill and the committee have acknowledged there would be sufficient constitutional arguments raised about the propriety of our abolishing the application of NEPA here.

I submit to the Members that the new legislation, which is very complicated, will take a great deal of time and will consume a great deal more time in all probability than the completion of the environmental impact litigation where the district court has retained jurisdiction and where judges who are familiar with and who have already rendered an opinion in this matter have retained jurisdiction.

The fishermen of Alaska are prepared to file suit if this provision stands, based on the due process clause of the fifth amendment. Those are very significant challenges.

I say to the committee that I hope the Members will look very carefully at this amendment. It not only preserves the integrity of the National Environmental Policy Act, but it assures no delays, or very little delay, in the completion of the Alaskan oil pipeline. It will be faster than it would with the exclusion of NEPA.

Mr. Chairman, I submit to the Members the amendment is deserving of their consideration and of their support.

Mr. UDALL. Mr. Chairman, will the gentleman yield?

Mr. OWENS. Yes, I yield to the gentleman from Arizona.

Mr. UDALL. Mr. Chairman, I wish to commend the gentleman from Utah (Mr. Owens) on the statement he is making and associate myself with it. I commend him particularly for his work in the committee. The gentleman from Utah is one of the most constructive, innovative, new young Members to join our committee in a long time.

Mr. Chairman, it was only because of his enthusiasm and hard work that this sound alternative was presented in the committee, and I certainly, for one, am going to support it.

Mr. HOSMER. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I believe it is important at this point that we all understand exactly what the National Environmental Policy Act requires, because unless we know what we are dealing with here, it is a little difficult to deal with it in careful judgment.

Now, all that act requires, and all we are talking about is that all agencies of the Federal Government shall "include in every recommendation or report on proposals for legislation and other major Federal actions significantly affecting the quality of the human environment, a detailed statement by the responsible official on alternatives to the proposed action."

The act further requires that "to the fullest extent possible all agencies of the Federal Government shall study, develop, and describe appropriate alternatives to recommend courses of action in any proposal which involves unresolved conflicts concerning alternative uses of available resources."

So what NEPA requires is that when we move into an area such as the licensing of a pipeline, in this instance, the Department of the Interior should take a look at all of the alternatives that are available and make certain that this is actually an action that is taking the environmental as well as any other pertinent considerations into account.

Once a department or agency—in this case the Department of the Interior—has done this, it is not required to pay a bit of attention to the analysis if it does not want to. NEPA requires only that an environmental study be made.

There are about 30 pounds of books over there that are the NEPA analyses and environmental studies that have been made by the Department of the Interior in this case. Now, somebody has gone to court and said, "Well, there are 30 pounds of books over there, but Interior did not exactly follow out all of the procedures required by NEPA." That is what the lawyers are saying in court. They are saying the procedures were not carried out. They are not saying the pipeline is not the single alternative available. They are not saying that it should not be built. The gentleman from Idaho said it should be built. The author of this amendment says it ought to be built. Nobody has raised that question. The only question before us is as to whether or not all of these NEPA procedures have been taken into consideration and followed out.

All this bill before us does is say that the actions of the Secretary of the Interior, those 30 pounds of things heretofore studied and taken into account with respect to the proposed trans-Alaskan pipeline, shall be regarded as satisfactory compliance with the provisions of NEPA. It does not change the act; it does not set a precedent. All that the subsection in the bill proposes to do is establish a fact, and that fact is there has been satisfactory compliance with the procedures established by NEPA.

In contrast, what does the alternative provision the gentleman from Oregon wants to put in the bill do? He claims his provision will speed up the resolution of this question. But all it does is require suits regarding the trans-Alaska pipeline be given precedence over other pending cases and shall be assigned for hearing and determined as early as practicable.

All that it does is give these suits a first place on the calendar. You cannot by the terms of the amendment he proposes make lawyers shut up and move faster. It will not eliminate any lawyer's right to use every dilatory tactic available in the arsenal of the law.

If everyone says it is time to get this trans-Alaska pipeline built, then let us go ahead and do it. There is nothing wrong with legislating against that kind of delay.

There is no harm or immorality in stopping dilatory tactics and there is no constitutional bar to saying that they shall not avail themselves of such luxuries any longer. After all, we have been delayed here for several years. As a matter of fact, this pipeline was started long before the NEPA was even put on the law books. But it was not far enough along to seek a right-of-way permit before NEPA was enacted. That is the reason why we have this issue before us today. I urge the defeat of the Dellenback amendment.

Mr. MELCHER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, my friends, the esteemed gentleman from Oregon and the distinguished gentleman from Utah, ask us by their amendment to let the judges and the courts decide the issue of environmental protection. Well, is this not the House where Webster spoke? Where he said, as it is inscribed above me:

> Let us develop the resources of our land, call forth its powers.

Is this not where Clay spoke and Rayburn spoke, and where Hamilton said:

> This is the House where the people speak.

The House of Representatives, where the concerns and the aspirations of the people are considered and debated, and whose rights are asserted and assured? We ought to be able to be capable of understanding the problems of the people, and relating our actions directly to their needs.

Our debate and the votes here on this floor this afternoon should go to the heart of the matter to direct the solutions that are sought by people in terms that are clear and unequivocable.

Environment should not be a vague conception that we are not capable of understanding, nor should we have to rely on the courts protecting the environment. Protection of the environment is very much on the minds of the people, and to me it means in the case of the land, erosion problems, erosion control and revegetation when the earth is disturbed. And that is just why we are specific in this bill; that is why we stress specifically in title I direct requirements to protect the environment for oil and gas pipelines on public lands.

The technicalities involved in relating our concerns to possible environmental damage are not so great that we cannot legislate the safeguards and protect the rights of the people in these matters.

Are we to continually delegate to an agency all the authority and then put them in the position of being told by the courts where their authority lies, and whether or not they have exercised their authority correctly? Or are we, as H.R. 9130, the bill we have before us today, to be positive on specific points? I say we legislate what we mean by clearly specifying environmental control. The National Environmental Policy Act is general, not specific.

I do not want to avoid its general, overall criteria which is imposed on all Federal agencies. I do not want to rely just solely on it for the specific will of the Congress in this regard on oil and gas pipelines, and on the trans-Alaskan pipeline.

I believe environmental protection is strengthened when Congress sets specific terms, not generalities.

The bill before us is specific for oil and gas pipelines on public lands. Congress should act on this matter rather than screening itself from the decision by continuous court interpretations or court procedures.

We have considered the stipulations of the Secretary of the Interior when we considered the bill in committee. I hold in my hand those stipulations that the Secretary will apply in granting a trans-Alaskan pipeline right-of-way, and we find them good and fair safeguards of the environment.

We expect as a matter of course in granting the permit for the trans-Alaskan pipeline that the Secretary will impose these stipulations as conditions in granting the permit for the right-of-way.

We also anticipate there will be need for further stipulations or conditions as construction goes along in order to better protect the environment. And our bill calls for that. Now, these will be required during construction and operation over the entire life of the pipeline. Also, beyond these conditions, the requirements of title I apply also more protection of the environment. Both those requirements in title I and these stipulations are enforceable in court. Nothing about this removes that right for enforcing these conditions in court.

I say that the amendment should be turned down. We should avoid further delay and start construction now. It is the purpose of the House to make this decision on this day.

Mr. STEIGER of Arizona. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I find it difficult to recall just which of the deluge of arguments and rhetoric that we have been exposed to on the committee over the past several months have been recited for our benefit here today. I am not about to try to review all of them. I would ask that the Members consider again the simple facts of this particular situation.

I think the chairman of our subcommittee said it very well when he pointed out very clearly that this bill as it is now written does not permit a breaking of the law, does not permit anybody connected with the pipeline to fail to comply with the rules of the Department of the Interior or the rules of NEPA. This language that is sought to be amended by the Dellenback-Owens amendment does not fail to recognize NEPA; in fact, it takes very specific recognition of NEPA. What it does also recognize is for 3 years environmental groups have used the courts as a device to delay the construction of this pipeline. Now for this House to ignore that and talk in some esoteric, theoretical plane about it not being able to happen—as for my very good friend, and I say that sincerely, the gentleman from Arizona (Mr. UDALL) to talk about the crash program to rush this bill through, and the construction through of a pipeline that was, by his own testimony, started 5 years ago—is to ignore the very pragmatic needs of the country, because we are offending the theoretical senses of a very few people here, and a very, very small number of professional environmentalists, and this, I think, is not being responsible.

We are told by professional environmentalists that we are doing harm to the ecology. We are told by people who have never seen Alaska, and could not spell Prudhoe Bay if they were under the gun, of the damage that we will do if we do not pass this Dellenback amendment. As a practical matter, what we will do if we do pass the Dellenback amendment is insure the delay of the implementation of the permit to build the Alaskan pipeline, period. The fact that we have recognized that there will be litigation no matter what we put in this bill is evidenced by the fact that the committee put in language that would permit the acceleration of any other litigation that is put in the bill. If capricious delay is what the environmentalists want, they can have it. All we are saying is that they cannot have it at the expense of NEPA. It seems to me we are dignifying NEPA by that very action. We are not circumventing it; we are not challenging it; we are recognizing it. We need this pipeline. The people who would eliminate the language that would prohibit litigation on the narrow point of NEPA believe very strongly and sincerely that we should delay the pipeline.

Every opportunity for delay has been accorded; indeed, every delay has been accorded to the point where the State of Alaska is virtually on the verge of bankruptcy. I do not think it is appropriate for this House to impose the will of a few people, because of some vague fears, on the State of Alaska and the rest of the Nation.

I hope that the Members will vote "no" on the Dellenback-Owen amendment.

Mr. Chairman, I yield back the balance of my time.

Mr. BINGHAM. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in strong support of the Dellenback-Owens amendment. I have the greatest admiration and respect for the chairman of the subcommittee. He did a wonderful job in shepherding this bill through the subcommittee and the full Committee on Interior but I must say I am astonished by the general line of reasoning he has presented this afternoon which I do not recall having been presented in the committee. As I understood the gentleman, in effect what he was saying is that the Congress and not the courts should decide whether the Secretary of the Interior has complied with NEPA with regard to the Alaska pipeline. That is a remarkable thing to say.

Mr. Chairman, we are supposed to operate under a government of laws. How can we sit here as a Congress and decide that a Government department has in fact complied with the law which involves many complexities? The Secretary's environmental impact statement is an impressive six-volume report. I challenge any Member of the committee or of the House to say he has been through those volumes or knows what is in them in detail. Yet the committee is proposing, if this amendment is not adopted, that the Congress should find as a matter of fact that the Secretary of the Interior has complied with NEPA.

Mr. MELCHER. Mr. Chairman, will the gentleman yield?

Mr. BINGHAM. I yield to the gentleman from Montana.

Mr. MELCHER. Mr. Chairman, I thank the gentleman for yielding.

My colleague has referred to my statement.

What I said is that the Secretary of the Interior has supplied to the committee adequate information for us to make the environment judgment. That is what the bill says also.

Mr. BINGHAM. Did not the gentleman from Montana, the chairman of the subcommittee, say that we sitting here in the House Daniel Webster spoke in have great dignity as a legislative body and that we should not allow the court to make the decision which should be ours to make? And I could not interpret that in any other way except that the court should be deprived of the opportunity of determining whether the Secretary of the Interior has complied with NEPA and we should substitute our judgment for the court's judgment.

Mr. MELCHER. Mr. Chairman, will the gentleman yield further?

Mr. BINGHAM. I yield to the gentleman from Montana.

Mr. MELCHER. I will repeat I urge the House to make the decision, on examining the environmental aspects of the trans-Alaska pipeline, and then make the decision that it is time to move forward with it, and that the environment will be protected under the stipulations and requirements of the bill.

Mr. BINGHAM. Just a moment. I would like to say further that this creates a very dangerous precedent because the chairman is saying in effect what I said, that when a case comes up which is a tough one to handle, the Congress will then decide whether the department has complied with NEPA, and not permit the normal judicial processes of government to function.

Mr. EDWARDS of California. Mr. Chairman, will the gentleman yield?

Mr. BINGHAM. I yield to the gentleman from California.

Mr. EDWARDS of California. Mr. Chairman, in 1970 Congress passed the National Environmental Policy Act, establishing environmental protection as a national priority. Cited as the "first amendment" of the environment, NEPA calls for full, timely, and orderly review of all Federal actions affecting the quality of the environment. One of its most important specific requirements is proof that the reviewed action is the least harmful alternative in that particular instance.

Both the version of Alaskan pipeline legislation passed by the Senate and the bill we are now considering state that the requirements of NEPA have been fully complied with. The specific purpose of this provision of the measure is to suspend the pending suit against the Secretary of the Interior which charges that he has failed to make an adequate study of both the Alaskan and Canadian routes.

The length and intensity of debate on the issue provide strong evidence that the Interior Department may indeed have failed to comply with NEPA. Traditionally, Interior has maintained a cooperative, friendly, and even supportive attitude toward the oil, mining, lumber, and other natural resource industries. Its role as protector of the environment has assumed second place when it has not been entirely latent. Recognizing this, Congress wisely created the Environmental Protection Agency as an independent arm of the Government.

In addition, it provided EPA with NEPA, the power to review all major governmental decisions from an environmental point of view.

Thus the question of NEPA in relation to the construction of the Alaskan pipeline is a far-reaching and precedent setting one. Regardless of whether the pipeline is built and where it is built, we need to have the fullest possible knowledge of the environmental factors involved. NEPA provides that environmental, as well as political, economic and social, ramifications are determinants of governmental action. If the integrity of NEPA is to be preserved, then it must be allowed to test its safeguards against other considerations. If we allow NEPA to be suspended on this large question, what chance will it have to be effective in smaller, less environmentally important situations?

In the future, we will also be facing other critical questions that require weighing the protection of the environment against other pressing concerns. Particularly when these concerns are represented by major industries, we must be extremely careful in evaluating and determining the course of action to be taken. Congress is now holding hearings on the monopolistic practices of major oil companies and the possibility that they may have conspired to raise fuel prices and create an artificial energy crisis. At the same time, we are giving full credence to the argument presented by these same companies in favor of the pipeline. The arguments urge immediate construction because there is an "energy crisis" and a "fuel shortage." NEPA, by requiring full, deliberate and exacting study of both the Alaskan and Canadian pipelines, as well as other alternatives, will also provide us with the time to properly assess the contribution of Alaskan oil to solving our total energy problem. Thus reinserting NEPA authority in this bill will have the general advantage of allowing further economic consideration of the pipelines as well as insuring full environmental review.

Not only does this legislation state that NEPA has already been fully complied with, it also bars all court review of pipeline construction on the basis of NEPA. There are serious constitutional questions about this limitation. Does Congress have the power to limit judicial review of its decisions, in this case the decision that the Secretary of the Interior's environmental impact statement complies with NEPA? The broadness and generality of the limitation also makes it applicable to a number of statutes other than NEPA, suspending rights-of-way requirements, other environmental protections, regulations on the use of public lands, as well as limiting court review of all future construction-operation-maintenance of pipeline-related matters. Although these suspensions of other laws may not be the intention of Congress, they nonetheless follow from the present wording and may multiply any environmental dangers that presently exist.

Thus, it is essential, if the Congress has any intention of making NEPA effective now and in the future, that we establish a precedent of upholding the law which we led the way in passing 3 years ago. Applying NEPA, as intended, to the Alaskan pipeline will show that we recognize and accept the basic importance of the environment in all of man's undertakings.

Mr. Chairman, I urge approval of the amendment.

Mr. RONCALIO of Wyoming. Mr. Chairman, will the gentleman yield?

Mr. BINGHAM. I yield to the gentleman from Wyoming.

Mr. RONCALIO of Wyoming. Mr. Chairman, this is not a crisis for NEPA. In the field of nuclear energy, in the NEPA action in the *AEC-Calvert's Cliffs* case, they did not come to Congress for an exception. We have in Alaska the result of several years effort, by the companies to comply with the many environmental requirements that stemmed from the many hearings and studies made, and we simply state that as a matter of policy the Congress finds and declares the action of the Secretary of the Interior shall be found satisfactory for the issuance of a permit for construction of right-of-way. If anyone finds in the first mile serious construction error they can stop it by the given processes in this legislation.

Mr. BINGHAM. I simply say we are substituting our judgment for the normal processes of a law which we wrote and expect to be observed and that this is a precedent which will plague us in the future.

I would like to say further that I fully agree with the gentleman from Oregon and the gentleman from Utah that the committee's provision is buying trouble for the people who want this pipeline to go through in a hurry, that it will raise more legal tangles and constitutional problems than the amendment would.

The provisions of the committee bill amount to a congressional determination that the pipeline is environmentally acceptable and that no more judicial recourse will be permitted to the American public to challenge either the procedures followed by the Interior Department in drawing up its environmental impact statement or the substance of the statement itself. There are at least four reasons for opposing these provisions.

First, when Congress passed the NEPA in 1969, it clearly intended that a complete, timely, and orderly review of all Federal actions "significantly affecting the quality of the human environment" would be made. As regards the Alaska pipeline, this act of Congress required that the Interior Department, prior to granting any right-of-way permits across Alaska to build a pipeline, make a full disclosure of all the environmental hazards which construction and operation of a pipeline and oil tanker system present and undertake a study of all reasonable alternatives to the proposed pipeline. The Interior Department has presented a voluminous environmental impact statement, but very serious doubts have been raised by a host of respected journalists, environmentalists, and Members of Congress that this mammoth report does not adequately evaluate the magnitude of the potential damage to the environment, that the environmental safeguards foreseen in the report are insufficient, and that the Secretary of the Interior never made a bona fide attempt to study the alternative route of a trans-Canadian oil pipeline running from Prudhoe Bay in Alaska, across Canada, and down to the U.S. midwest. The issue of the adequacy of the existing environmental impact statement is clearly an appropriate matter for judicial determination. Congress intended that NEPA would present a rule of law by which all Federal agencies and officials would be bound, and the American public should not be denied its rights of recourse to the full judicial process to settle this legal dispute.

Second, the enactment of a NEPA override by Congress would be a terrible legislative precedent. When Congress passed the NEPA it made no provision for exceptions to the act's requirements, and we should not begin emasculating sound existing legislation which has contributed significantly to the improvement and protection of this Nation's environment. If we enact an exception to the NEPA today, then the floodgate will be opened for requests for future legislative exceptions to the NEPA. Congress should stand by the law as originally enacted and insist that all Federal agencies be bound by it, no matter how powerful the interest group which is seeking to circumvent its provisions.

Third, this Congress is in no position to make a determination that the Secretary of the Interior has fully complied with the requirements of NEPA and that any further judicial resolution of the issue is superfluous. The Environmental Impact statement is a massive six-volume report, and it is inconceivable that any Member of Congress has been able to wade through the thousands of pages of project presentation, much less make a qualified determination on the adequacy of the impact statement. The House Subcommittee on Public Lands hearings on the pipeline run about 1,300 pages, and I would be very surprised if more than a handful of Members of the House have read, analyzed, and distilled the arguments, facts, and controversies presented in that hearing record. Members of Congress have no business issuing legislative determinations on an issue which they have only superfically approached. If Congress is so sure that the existing environmental impact statement complies with the NEPA, then it should have no hesitation in permitting the courts to make an orderly confirmation of that opinion.

Fourth, the inclusion of a NEPA override in this pipeline bill may very well prolong court battles over the pipeline and delay construction for a longer time than the completion of legal challenges to the Interior Department's impact statement under NEPA would cause. The constitutionality of this NEPA override attempt is open to very serious judicial inquiry, for it represents the selective denial of an existing legal remedy of the American public against the questionable action of a Federal agency. Resolution of this constitutional issue could open a Pandora's box of injunctions, delays, and frustration, all because Congress fell prey to a hasty attempt to shortcut the laws of this country.

Mr. Chairman, I urge my colleagues to join me in support of this amendment and to reject any attempt to cripple the National Environmental Protection Act, one of most important and effective pieces of environmental legislation ever enacted.

Mr. YOUNG of Alaska. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, stripped to its basic purpose, the Dellenback amendment has one basic practical result—it sends this entire matter back to the Federal courts for the completion of litigation on the environmental aspects of the trans-Alaskan pipeline. The question for us, I believe, is whether or not this House is willing, having the knowledge it does, to add this additional delay on that which has already been imposed by protracted litigation.

On this question, I want to address one specific point, and to be sure that all Members understand it clearly. That point is the amount of litigation delay which a vote for the Dellenback amendment will force and an answer to the claim I have heard from supporters of the amendment that the delay will be less than 1 year.

Nothing can be further from the truth. If this amendment is passed, I assert that you have added 2 years to the time this Nation must wait to gain Alaska's North Slope energy.

Under the court of appeals decision which placed this issue before Congress, the scenario for future litigation is clearly set. In summary, it is a complete rerun of everything which has happened before in court, and in even greater detail.

First, the case is returned to the U.S. district court, and while the same judge may hear it, he is now ordered by the circuit court not to decide it on agreed facts, or even on documentary evidence, but to hold a complete fact-finding proceeding specifically including testimonial evidence. At the end of this proceeding, the district court judge is required to make and publish detailed findings of fact, something that was not done at the choice of the judge, in the prior decision. No docket priority provision or sense of Congress expediting language can alter the sheer legal and logistical demands in completing such a requirement.

Following this, the entire decision will go to the court of appeals, where for the first time, the entire environmental findings below will be evaluated. Although it can be said that these judges are familiar with the case, it cannot be said they will be compelled to take the time to fully deal with the extensive findings of fact, as they have never done before.

Finally, the case will go, on the same basis, to the Supreme Court, where it will all be rerun again, including review both of the legal issues and the finding of facts below. The timing of the lower court decisions, as it coincides with the term of the Supreme Court is vital, and it could cost 3 to 6 months if the timing is wrong.

Next, there is the very real problem of what a 2-year delay really means for actual construction. If we act today, and a final bill becomes law in September, and 2 years from September, a favorable decision emerges for the pipeline from the Supreme Court, we have not lost two, but more nearly 3 years of time.

The reason is simply that construction cannot begin in this or any September, but must begin in the Alaskan spring.

Finally, let us all remember that those who have litigated against the Alaska pipeline have made the nature of their opposition clear. It is an opposition based on tactical delaying to the death of the project. The goal is not only a more responsible project, on which we all agree, but for many it is the goal of no pipeline at all. Litigation is the tactic of that goal.

My position is clear. We have a bill which recognizes the work done thus far as adequate as a basis for proceeding and which guarantees that we will not have to wait 2 to 3 years for even a decision to proceed.

Mr. MEEDS. Mr. Chairman, I move to strike the prerequisite number of words.

Mr. Chairman, the first of the Dellenback-Owens amendments, standing alone, is fine, but as the gentleman mentioned, it is the first in a series of three, the effect of all of which will be to effectively remove that provision of this act which allows the Congress to make the decision with regard to the NEPA compliance. We must consider, then, the effect of all of the amendments, because this alone is meaningless, as I am sure the gentleman from Oregon would admit.

The effect of adopting all three of these amendments will be, I submit to the Members, to delay the commencement of the construction of the Alaska pipeline by at least 2 and probably 3 years. I suppose the Members wonder why that is going to happen. For those Members who took the trouble to read the opinion of the majority of the Circuit Court of Appeals here in Washington, D.C., which turned this case back without deciding the environmental impact issue, they would have found the court said:

> The analysis of the environmental, economic and other costs in the present impact statement may become outdated, and to update it the defendant conceivably might introduce facts mooting anything we might say about its present adequacy or inadequacy. In addition, future developments with respect to the Canadian alternative including information obtained from the reports now being prepared by the Canadian Government, may well moot anything we may now say about the sufficiency or insufficiency of the defendant's efforts in developing and describing this alternative.

Just that much of that opinion ought to clearly indicate to the Members that the court is not only turning this back to the district court, but it is saying to the Secretary of the Interior, "Mr. Secretary, you better go down and update your environmental impact statement, and you better also give further consideration and study to the Canadian alternative."

I am sure the lawyers here will pick that up. It ought to be obvious. If the Secretary went back under the environmental impact without updating it, he would be out of his mind, so he is going to have an additional year or year and a half or 2 years of hearings, of preparation of a supplement to his initial environmental impact; all of the preparation that went into the initial environmental impact statement is going to be revoked, and then he is going to have to come back to the court, where the language of the gentleman from Oregon and the gentleman from Utah says it will be expedited.

So, we find ourselves perhaps 2 years down the trail in the court, again expediting what we in the Congress should now undertake to do because of the time, because of the importance, and because of the groundwork that has already been done.

Those who argue for the Dellenback-Owens amendment seem to be saying, in effect, that there has been no environmental impact statement. I submit to the Members that the longest, most comprehensive, most costly, more time-consuming environmental impact study the world has ever known was filed with regard to this Alaska pipeline. It was filed as early as 1970 when the National Environmental Policy Act was still in infancy. It was updated after it was passed. It was updated when someone suggested that they ought to look more closely at the Canadian alternative. It was updated again and revised when someone suggested that the tanker route ought to be looked at, and it was a part of environmental impact.

So here, after approximately 4 years of work, we are with what I believe is a very fine environmental impact statement that says, "Go ahead and build the pipeline here."

That environmental impact statement, contrary to what some would have us believe, has been to court, has been passed upon by the district court, and has been found by the district court, the court of first instance, to be sufficient. It was sent to the Circuit Court of Appeals, where the real trouble arose, where the circuit court sent it back without deciding the major issue. And that is why we are here today seeking to expedite the pipeline by legislation.

Mr. UDALL. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, there is an environmental backlash in this country, and we all know it. This section of the bill would have been laughed out of the Chamber a year ago. Tonight a lot of those who helped to write the National Environmental Policy Act into law are preparing to gut it. I hope they will pause and think about it a little bit and on reflection shrink back from this serious step.

When the history of this Congress is written this vote we are about to take will be marked as one of the key votes of the 93d Congress. Certainly it is one of the key environmental votes of recent years. I would compare it to that historic vote we had on the SST.

The issue here is whether we are going to cave in to the demands of the big oil companies or whether we are going to give due process to the environment.

There is a backlash, as I said. Certainly the environmental movement has been guilty of some excesses. But we have some tough decisions to make and if we are wise we can move rapidly on the energy front and not sell out the environment.

To those who are still in doubt on this amendment, I suggest they have one of those cases where they can perhaps have it both ways. I believe you can be for immediate construction of the pipeline and still save due process for the environment.

My friend from Washington says this amendment will cost 2 or 3 years. I doubt it will cost 2 or 3 days in terms of the construction of the pipeline.

Let me tell the Members why. There was a clipping from the New York Times the other day which said that Under Secretary of the Interior Whitaker said the pipeline construction could not start until January at the earliest and, as a practical matter, the fact is, with the weather in Alaska, they cannot really get construction underway until next March. That will be plenty of time to take this last step in the court to comply with this historic act.

What did NEPA say? This act we voted on in 1969 said two basic things.

It said to Federal administrators, "Whenever you build a water project, a highway, a canal, or an airport, you are going to stop and consider the effects on the environment, long-range and short-range."

Second, it said, "To keep you honest, we are going to give the citizens the right to go to court to test whether you actually did an honest environmental policy study."

What has happened here? Yes, we have an environmental impact statement. Yes, it is big. Yes, it is long. Yes, it is costly, $7 million.

But the fact is that millions of Americans, and I am one of them, believe this was not an objective, impartial study. I believe that those who made this study had their minds made up before they ever started, they were going to favor the Alaska pipeline, and portray the Canadian alternative as not feasible.

Now for the judicial process. They talk about 2 or 3 years. Do Members know how long it took from the filing of the complaint in the district court until it went to the circuit court for ruling? Not 5 years. It took 11 months to go through this blasted process, the entire court system up through the circuit court.

As the gentleman from Oregon (Mr. DELLENBACK) and others have pointed out, about three-quarters of the court process is already completed. If we pass his amendment today, then 2 or 3, or perhaps 4 months will be needed for the appeals court and the Supreme Court to finally rule. The lower court has already said the impact statement was sufficient. Three of the seven judges of the appeals court have already said it was sufficient.

My prediction is that by January we will have had due process. We are not going to get any quicker action by overriding this historic act tonight, because there are some sharp lawyers on the other side who are angry about this, and they will find some constitutional questions to take to the court.

I have talked with these people, and I believe they may accept the pipeline, if we leave them something out of this.

Yes, we are going to build the pipeline. But leave them something. Leave the sanctity of this act as it is. Let it stand. Give them their final day in court. Give the environment a chance to go along by the process which we set out.

Mr. Chairman, I suggest to the Members, if they are in doubt on this question, that they can have it both ways. We can be on the side of the environment and at the same time, by one of the key, vital votes of the decade, assure that we will have the Alaskan pipeline built so that we can get the oil down from Alaska.

Mr. WYDLER. Mr. Chairman, will the gentleman yield?

Mr. UDALL. I yield to the gentleman from New York.

Mr. WYDLER. Mr. Chairman, I thank the gentleman for yielding.

I do not quite understand the gentleman's argument, however. Is the gentleman assuring this House today that if this matter goes back to court, the court is going to find that everything is OK and the pipeline can be built?

Mr. UDALL. Mr. Chairman, the district court has already found that; three of the seven judges of the circuit court of appeals have already found it. The Supreme Court has not ruled on it, but my prediction is—and it is only a prediction—that the matter can be concluded in another 3 or 4 months, and that in 11 months we can get the final action in the Supreme Court, and I am confident that a third or a fourth or a half of that time will be sufficient to complete the process.

Mr. WYDLER. Mr. Chairman, the gentleman's assurance to the House, it seems to me, is that if we let the Court decide it, they will decide in favor of the pipeline.

Why do we not decide that issue today ourselves?

Mr. ASHBROOK. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, first of all, I am very sorry, in listening to the statement of my good friend, the gentleman from Arizona (Mr. UDALL), that he gave some indication that some of us who might possibly oppose this amendment might in some way be succumbing to the interests of great oil companies.

Up until this point, rhetoric of that type had not been injected into the debate, and I was sorry to hear it.

Let me say that for myself I intend to vote against this amendment. I have not even been contacted by an oil company. I would assume that their position is against the Dellenback amendment, but I believe that it is a very sad day when we inject that type of statement into a very high-planed debate.

Mr. UDALL. Mr. Chairman, will the gentleman yield to me?

Mr. ASHBROOK. I yield to the gentleman from Arizona.

Mr. UDALL. Mr. Chairman, I do not want my words misinterpreted.

The gentleman from Ohio is an honest, objective, independent legislator. I do not suggest that he or anyone else would be unduly influenced by any special interests. I am sure that the gentleman is making up his own mind based upon the facts and the arguments.

Mr. ASHBROOK. However, Mr. Chairman, the gentleman did indicate or infer that a vote for something other than the position he was supporting would be bowing to oil companies. Did the gentleman not say that?

Mr. UDALL. Well, the oil companies are trying to panic this country and panic this House and this Congress.

Mr. ASHBROOK. Does the gentleman say that the ecologists are not trying to panic this country?

Mr. UDALL. Mr. Chairman, we are not going to get a drop of oil out of this line until 1978, and yet one would think, after hearing the arguments, that all the Esso tigers tank would be full of gas next week if we do not vote down this amendment.

Mr. ASHBROOK. Mr. Chairman, I believe the oil companies in some way have helped to create some of the crisis. I agree with the gentleman from that standpoint.

There are two points I would like to make very briefly.

Mr. Chairman, I find the argument very novel that in some way or other due process would not be followed if we were to vote for the language the gentleman from Utah and the gentleman from Oregon would like to remove.

What is wrong with this Congress? When did we ever get the idea we are not a part of due process in this country? Who speaks more for the national interest than the U.S. Congress? We are a part of due process. We must not let anyone tell us we are circumventing due process by enunciating a policy. I am not saying the policy would be right or wrong. A national policy asserted in this body is a part of due process.

Second, I have heard the argument repeated that there is something wrong with the Congress on occasion substituting its judgment for the judgment of the courts. We could stand here for hours and tell of times that the Congress has substituted its judgment for that of the courts. I can think of many areas where we should substitute our judgment.

Mr. Chairman, I know a little bit about labor law. For 50 years we had contracts relating to personal services. With one sentence in a legislative enactment, this Congress removed from all Federal courts the power of enforcement in labor contracts. That was substituting our judgment as a part of due process for the law as it was then being expressed in the Supreme Court decisions. It was constitutionally proper. It prevailed.

The Supreme Court abided by the national expression of judgment of this body and no longer enforced what were called yellow dog contracts.

We could go up and down the line in 20 different areas of labor law. This Congress speaking in due process for the national interest can substitute its will for the will of the court, in virtually every case the court has gone along with the expression of judgment of this body in these jurisdictional matters. The court has even gone along with expressions of judgment of this body removing the jurisdiction of the Supreme Court itself. Go back to your 1869 case of ex parte McCardle. The court, in a famous Civil War case upheld a statute which removed the jurisdiction of the Supreme Court itself.

I am not addressing myself to the matter of policy, because there are people far more intelligent than I am on that aspect. My belief, my gut feeling, is the Dellenback amendment would be harmful, but I would rather talk to the prerogatives of this body.

Do not let anybody tell you we are violating due process when we speak, because we are a part of due process, a most important part. Do not let anybody tell you we should not on occasion, speaking as a national body, indicate what we feel to be proper national policy and maybe even substitute our judgment for that of the courts once in a while.

Mr. MILFORD. Will the gentleman yield?

Mr. ASHBROOK. I am glad to yield to the gentleman.

Mr. MILFORD. I thank the gentleman for yielding, and I would like to associate myself with his statement.

I was also somewhat distressed by the suggestion that, by voting against this amendment, one would be against the National Environmental Policy Act, and a puppet of the oil companies.

Mr. Chairman, I think it is time for us to come out of the clouds bearing these super semantics and land on Earth with some plain talk.

The primary purpose of this bill is to permit the construction of a pipeline that will bring vitally needed energy to the mainland of the United States. The bill, as written, will do it.

The second purpose of the bill is to exempt certain provisions in the National Environmental Policy Act—NEPA—of 1969. Now, to further boil this ringing rhetoric down to terms that most people understand, the only exemption we are making in the NEPA is to prevent citizen law suits from again tying up the pipeline project.

Proponents of this amendment seem to think that it is sacrilegious to even dare change a word in NEPA as originally written. They infer that to do so would immediately make you an enemy of the environment and a lackey of the oil companies.

I would point out that no law is perfect. As my experienced colleagues know, we continually amend our laws to make them better. NEPA needs amending. Specifically, the "citizen law suit" factor should be removed from NEPA.

When NEPA was originally written, it was felt that the citizen law suit factor would assist in monitoring the environment. This section of the law was enacted with good intentions. However, it has backfired.

Instead of the citizen law suit factor acting to help clean up our environment, it has produced a monster. Radical pseudo-environmentalists have grasped this section of the law and used it as a harassing and delaying tactic. Unscrupulous lawyers have used it as a self-serving boondoggle to line their pockets with legal fees.

The citizen law suit factor has been, and is being, used as a legal means of "shaking down" companies involved in constructing power plants, refineries, pipe lines, dams and other vitally needed energy production facilities.

The original good intentions of this Congress, in enacting the citizen law suit provision, have been prostituted. This provision, more than any other factor, is severely aggravating our growing energy crisis.

In one sense, I agree with the proponents of this amendment. It is not the real answer. Instead of enacting an exemption to the citizen law suit factor of NEPA, we should really amend the NEPA and remove that factor altogether.

I am proud to announce that, if the committee is willing, you will soon have an opportunity to amend the NEPA. I am in the process at this time of writing a bill that will amend NEPA by removing entirely the citizen law suit provision. If the bill passes, this type of law suit can only be filed by elected prosecutors.

Lest anyone in this House misunderstand my motives, I would like it clearly understood that I am an avid environmentalist. Some of the opponents of this amendment have slurringly referred to the backers of this amendment as "professional environmentalists." Well, I am not a backer of the amendment. Furthermore, with the possible exception of the gentlemen from Washington (Mr. McCORMACK) I think I can truthfully say that I am the only professional environmentalist in the House of Representatives.

I have been a practicing professional meteorologist since 1953. Long before ecology became a fad, that few people really understand, I spent many evenings on my daily television presentation educating and warning people of air pollution.

No one has a greater interest in seeing our environment cleaned up, than I. Parenthetically, we have to apply some degree of commonsense in doing the job. Malicious delays in vitally needed energy resources do not clean up our environment. So far, citizen lawsuits have only cleaned the pocket books of energy producing companies. They have done nothing to benefit our environment.

I would urge my colleagues to vote against this amendment. There have been enough delays. This country needs the oil from Alaska and we need it now.

Mr. ASHBROOK. To close on that point, is it not possible, seeing the Congress in this position, we could speak for NEPA on one occasion and on another occasion say in this particular instance this should be the case. That is all we are saying here. It is a part of the legislative process and due process.

I urge the defeat of the Dellenback amendment.

Mr. ECKHARDT. Mr. Chairman, I rise in favor of the amendment.

Mr. Chairman, I do not say for a minute that by passing on what is an adequate environmental statement we would in any wise act unconstitutionally, but I do say that we would act unwisely.

If we would be the house of Daniel Webster and, more meaningfully, if we would be the house that Jefferson and Hamilton and Marshall envisaged, we would write the law and let it apply, as it is written to whomsoever it should fall. That is the real question here.

We have written the law and the standards in NEPA. We have then called upon the agency to determine whether or not the action proposed is within the proper environmental limits. The agency acting under the law took the course that it thought was proper. The district court sustained it. The court of appeals said that the agency had not considered properly the elements required under law.

This is not a question of the Congress acting or NEPA acting; this is a question of whether or not once having written the law and once having written the standards we are going to come in, in this specific instance, and decide that the environmental provisions of NEPA shall be set aside in this specific case and we shall proceed in spite of the decision of the court of appeals.

Mr. MELCHER. Will the gentleman yield?

Mr. ECKHARDT. Surely.

Mr. MELCHER. I thank the gentleman for yielding.

I would like to point out that the district court did indeed rule on the environmental impact statement of NEPA, but the court of appeals did not rule on that issue at all. The court of appeals ruled only on a technicality—the 50-foot right-of-way.

Mr. ECKHARDT. I understand what the court of appeals said is that the provisions of NEPA have not been properly complied with and that the decision——

Mr. MELCHER. No.

Mr. ECKHARDT. What is holding up the case, then, if the court of appeals did not send it back for further proper action by the agency?

Mr. MEEDS. Will the gentleman yield?

Mr. ECKHARDT. I yield to the gentleman.

Mr. MEEDS. The fact is that the court of appeals did not decide——

Mr. ECKHARDT. I understand that.

Mr. MEEDS. The sufficiency of the environmental impact statement.

Mr. ECKHARDT. I have not said that. I agree that the court of appeals has not finally determined the question.

All they said is that the action up to now is not sufficient to comply with the act.

Mr. MELCHER. Mr. Chairman, will the gentleman yield?

Mr. ECKHARDT. I yield to the gentleman from Montana.

Mr. MELCHER. I thank the gentleman for yielding.

All the court of appeals said was that the Secretary of the Interior did not have any statutory right to grant a right-of-way under any conditions wider than 50 feet.

Mr. ECKHARDT. That is right.

Mr. MELCHER. They did not rule at all on the NEPA requirement.

Mr. ECKHARDT. Title I is a perfectly proper title. Title II does what the law says to do, and says the whole act ought to be amended to comply with a situation which requires modern change, but in title II instead of changing the law you simply say that the law shall not be applicable with regard to this specific act regardless of what the courts say.

Is that not what is said in title II?

Mr. MEEDS. Mr. Chairman, if the gentleman will yield, I am quoting from the circuit court's opinion on page 91, and it says:

> The final reason why we pass over the NEPA issues at the present time is that many of the issues involve still disputed questions of fact.

The CHAIRMAN. The time of the gentleman has expired.

(On request of Mr. OWENS, and by unanimous consent, Mr. ECKHARDT was allowed to proceed for 3 additional minutes.)

Mr. ECKHARDT. Of course, if what the gentleman has said is correct then there is no reason to write anything but title I, because title II, as I understand its language, if I can read the English language and, like Senator ERVIN said, it is my native tongue; it simply says that the actions of the Secretary of the Interior shall be taken to be fair and whatever the court says NEPA provides will have no effect.

Mr. OWENS. Mr. Chairman, will the gentleman yield?

Mr. ECKHARDT. I yield to the gentleman from Utah.

Mr. OWENS. Mr. Chairman, the point I think we have been trying to make on that question is that the courts already have decided that, eight judges have heard it, a District Court Judge and seven judges of the Circuit Court of Appeals.

The District Court found the statement to be sufficient, and three of the Circuit Court judges found the statement to be sufficient, but four, the majority at the Circuit Court level, refused to rule on that question at all. But three of the seven did say they found it to be sufficient.

Mr. ECKHARDT. Then, as I understand this language, the judges will never have a chance to decide on the second question, but the second question will be decided by this Congress on a factual basis as meeting compliance with the standards of NEPA.

Mr. REID. Mr. Chairman, will the gentleman yield?

Mr. ECKHARDT. I yield to the gentleman from New York.

Mr. REID. Mr. Chairman, I commend the gentleman from Texas upon his fine statement. It is very clear that the action that might be posed by the amendment would make the law not applicable. I think the gentleman made that point with reference to the most important environmental law in the books.

I mention, in addition, section 203, which the gentleman has not referred to, and it says: "as amended by title I of this act, but without the notice required by subsection 28(g), and without further action under the National Environmental Policy Act of 1969,".

The Secretary is permitted without further action under the act to proceed, and this strikes me to be thoroughly within what the gentleman says, that the law has no application.

Mr. ECKHARDT. And under section 203 it also says that no other law shall be applicable to halt the Secretary finding what is necessary not only for the construction, but for the operation and maintenance of the pipeline.

I read that to mean that even such laws as OSHA and the rate-making provisions with respect to common carriers and every other law is suspended if the Secretary decides that it is necessary to suspend them not only for construction but for operation and maintenance. We are simply negating all of the law with regard to the trans-Alaska pipeline from now on.

Mr. SARBANES. Mr. Chairman, will the gentleman yield?

Mr. ECKHARDT. I yield to the gentleman from Maryland.

Mr. SARBANES. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, the gentleman is absolutely right. NEPA involves not only standards but precedures for judging whether those standards have been complied with. This legislation today negates those procedures. It denies the availability of judicial review which is an essential part of NEPA. For anyone to contend today that NEPA is not being undercut and stricken by this legislation is to close their eyes to an essential feature of the NEPA legislation which the gentleman from Texas has so ably pointed out.

Mr. REGULA. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, a few minutes ago the distinguished chairman of the Public Lands Subcommittee quoted from Daniel Webster as his words appear above this Chamber. I would follow his remarks by drawing the Members' attention to the end of this quotation, for in September of 1969 this body, by an overwhelming vote of 372 to 15 "performed something worthy to be remembered" by creating the National Environmental Policy Act.

The amendment proposed by my colleague, the gentleman from Oregon (Mr. DELLENBACK) will continue the impact of NEPA as it was intended when passed in 1969.

An editorial in the July 28 issue of Business Week sums up the need for this amendment very well. I quote from the editorial:

> But the NEPA has proven itself an important and effective piece of legislation. By requiring environmental impact statements on all projects licensed by the federal government, it has successfully forced agencies to consider environmental factors early in the planning stages, and weigh alternatives. The pipeline itself will be a safer project because of the NEPA. Exempting the pipeline from NEPA would set a dangerous precedent. Other agencies will be tempted to seek exemption for their pet projects, and the NEPA could become just another piece of paper.

Mr. STEIGER of Arizona. Mr. Chairman, will the gentleman yield?

Mr. REGULA. I yield to the gentleman from Arizona.

Mr. STEIGER of Arizona. The part referred to exempts NEPA in this bill. I do not think that the gentleman means that the editorial is correct. I gather he was quoting from the editorial.

Mr. REGULA. That is correct.

Mr. STEIGER of Arizona. I do not think the gentleman wants to be on record as saying he believes that the bill as written does not let the pipeline comply with NEPA. Is that what the gentleman contends?

Mr. REGULA. No. The bill as written would override the environmental impact statement required by NEPA. The thrust of the Dellenback amendment, is to provide recourse to the courts for anyone who would want to challenge the validity and adequacy of any environmental impact statement concerned with the Alaska pipeline.

Mr. STEIGER of Arizona. If the gentleman will yield further, the question of whether or not the language in the bill as it is written permits the pipeline to ignore the direction and the result of the NEPA activity is not the gentleman's intention? The word "exempt" in the provisions of NEPA is a very deceptive phrase. The bill as it is written does not do that. The bill only addresses recourse to the courts. I know the gentleman is aware of that. I would not want him to make the same mistake that was made in the editorial.

Mr. REGULA. In effect the statement in this editorial saying "exempting from the court procedures" means exempting from recourse to the courts.

Mr. STEIGER of Arizona. But it does not say that.

Mr. REGULA. Perhaps it needs clarification. Let me finish:

> Nor is it certain that the Gravel amendment will speed the arrival of Alaska oil. Environmentalists, whose refusal to compromise prompted the amendment in the first place, can be counted on to challenge it, arguing that Congress has no right to deny judicial review when the pipeline case is already before a federal appellate court. That could drag on longer than the current litigation, which is drawing to a close.

Mr. DELLENBACK. Mr. Chairman, will the gentleman yield?

Mr. REGULA. I yield to the gentleman from Oregon.

Mr. DELLENBACK. May I make a brief comment? The chairman of the subcommittee, the gentleman from Montana (Mr. MELCHER) stated that there was a question that somebody was raising as to whether we have the power to authorize the Alaskan pipeline. Of course, we have that power, so long as we do so in a way that does not violate the Constitution, and that is one of the questions that this legislation raises and which most certainly is going to lead to new litigation, questioning whether we are violating the Constitution.

Insofar as whether the comment which Mr. MEEDS of Washington raised about updating the environmental impact statement is concerned, we specifically in committee asked the Secretary of the Interior whether he was steadily updating all of his data so he could supply anything necessary for any revision or updating of the environmental impact statement. He flatly stated he was doing exactly that. So when it comes to any time delay there, there should not be any.

Our provision that is in the amendment would speed up the litigation. How much? The normal process for new litigation can, of course, run 2 or 3 years.

But I would refer the House to a couple of recent pieces of litigation including the case of the Pentagon papers where, from the time it went to the district court through the circuit court and to the Supreme Court, we had about 3 weeks. So if the courts would expedite, as our amendment would call for, the time involved will be far shorter than if new litigation must start from scratch.

Mr. SEIBERLING. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I wish to commend our colleague, the gentleman from Ohio who represents the district bordering mine,

for a very fine statement, and I associate myself with his remarks.

Mr. WIGGINS. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I shall not take all the time but I did wish to share with the Members a few observations about some of the legal and constitutional questions which have been alluded to earlier in the debate.

I agree with my friend, the gentleman from Texas, that the questions are largely judgmental and do not rise to the magnitude of constitutional issues as has been alleged by others who preceded me. The rights of the litigants in these matters arise out of, and are dependent upon, an act of Congress. There is no common law right to an impact statement or to any particular requirement thereof so far as I am aware. There is no independent constitutional right to any particular form of an impact statement or procedure for testing its adequacy.

The real question is and always has been in this litigation whether or not the requirements of an Act of Congress have been met.

Let me say it is wholly consistent with the Constitution for the Congress itself to make its intention in that regard absolutely clear. The courts have been wrestling with the question of what is the true intention and the will of Congress. It does no violence to the Constitution for this Congress to settle that question with clarity. That is of course what this legislation purports to do.

There can be no doubt that Congress may repeal NEPA in its entirety and render moot all of these cases now pending.

There is no question that if it wishes to do so Congress may modify NEPA.

I wish to suggest to all Members that there is nothing wrong constitutionally with the Congress interpreting NEPA, as it is doing in this legislation.

There are a couple of other quick points which need to be mentioned. It has been said that the amendment offered by the gentleman from Oregon will tend to limit litigation, and that new litigation will be spawned by this bill before us. We would be naive if we believed that attorneys will not find some way to protect their clients and will file lawsuits for that purpose if the bill before us is enacted. But we would be equally naive to believe that the resolution of the case now pending in the District of Columbia is going to terminate all litigation with respect to NEPA. There are going to be new litigants, new issues, and litigation is going to be pending before the court for so long as an attorney can file a course of action and find a district court judge who will sign a TRO. That is going to be the case for years whatever we do here if it is in the interest of those who object to this pipeline to file such litigation.

There is one final matter. There is a procedure under the amendment for expediting cases which I think Members ought to question. Is it wise legislation to say in a statute that a given piece of civil litigation shall take precedence over all cases pending before the district court? I realize there is precedent for the granting of such priority but I would suggest it is not in the interest of justice to give this litigation priority over criminal litigaton and run the risk of depriving defendants in a criminal case of their sixth amendment rights.

Mr. ECKHARDT. Mr. Chairman, I am concerned about that very much myself. As a matter of fact, I do not know whether that will take precedence over their dockets if they are district judges that sit on the three-judge court or not. I suppose it would have to preempt the time off all three judges regardless of what their dockets are and they would have to give them up, I assume, under this language and immediately devote their attention to this matter. It would interfere with one court of appeals judge and two district judges.

Mr. WIGGINS. That is correct.

Mr. SAYLOR. Will the gentleman yield?

Mr. WIGGINS. I yield to the gentleman from Pennsylvania.

Mr. SAYLOR. Mr. Chairman, I hope the gentleman from California will offer an amendment taking out the provision we put in on pages 16 and 17, because we established a system whereby a special three-judge court will act on all cases dealing with the pipeline. The language there says that any action shall be assigned to and be heard by this special three-judge court at the earliest time, and shall take precedence over all other matters pending.

Mr. FRENZEL. Mr. Chairman, I rise to speak in favor of the amendment.

Mr. Chairman, I am pleased to be a cosponsor of the Dellenback amendment and congratulate the distinguished gentleman from Oregon (Mr. DELLENBACK) and Utah (Mr. OWENS) for their leadership.

Few people will challenge the need for this bill or the need for Alaskan oil. I do not. But, as much as we need the oil we also need to preserve the fundamental environmental policy of this country.

The committee version waives the provisions of NEPA. As I recall, the Congress has, wisely, not done that before, even in other tempting situations.

The debate today provides conflicting opinions regarding litigation over the environmental aspects. I have not been persuaded that there will be any more litigation under the Dellenback amendment, and it seems reasonable to me that litigation under that amendment will move along more swiftly. From this point of view the Dellenback amendment allows us to have our cake and eat it, too. We can preserve NEPA and not slow down the pipeline any more than under a version which would overthrow NEPA.

I urge this committee to approve the Dellenback amendment and pass this bill.

Mr. du PONT. Mr. Chairman, will the gentleman yield?

Mr. FRENZEL. I yield to the gentleman from Delaware.

Mr. du PONT. Mr. Chairman, I rise in support of the amendment offered by my colleague from Oregon. I think this is an amendment which will in no way frustrate the intention of the legislation reported by the committee and will permit the Members of this body to display confidence in the environmental legislation which has been recently enacted by the Congress.

The energy demands of this country are growing at a staggering rate and the supply is simply not keeping pace. Our net deficit can only be satisfied in the short term by increased imports from the Middle East. Reliance on the Middle East and the attendant—balance-of-trade deficit is simply not an acceptable long-term solution for the American public. The Alaska pipeline I believe will provide a partial solution to that long-term need for domestic fuel.

But as we approach the solutions of the energy crisis we cannot fall into the easy alternative of dismantling the environmental gains we have achieved in recent years.

The National Environmental Policy Act is the cornerstone of our environmental laws. It is a sound law and represents the conviction of the Congress that the Federal Government must make a prior assessment of the impact of its actions on the environment. This is not a dilatory law which simply requires developers to jump through bureaucratic hoops. It is good commonsense policy. It is a reasonable law that has already prevented many short sighted governmental actions.

Like all laws it was meant to be administered by the courts. To require the Congress to make case by case determinations of compliance with the act would bring this Congress and the country to a standstill. Congress should not sit as its own judge. What I do not understand then is why the members of the committee want to start a precedent of bringing before the Congress the interpretation of a law which rightfully should be before the courts.

Opponents of this amendment claim that this is a once in a lifetime case and that it is not a precedent. I can think of no exception that soon does not become some sort of precedent.

What is more we do not need to shortcut the judicial review under NEPA. The act is not responsible for the continued delay. The court of appeals simply told the Congress that there was not sufficient enabling legislation on the books to permit the granting of the permit application. The merits of the NEPA argument were never reached in that appeal. We now have enabling legislation before us and the circuit court may now rule on compliance with NEPA.

We already have one district judge who said that the six-volume impact statement is adequate, and the Federal judge who would hear this case is fully acquainted with the issues and the magnitude of this case. There is no reason to expect that he will not act promptly.

Why then does the Congress feel compelled to wrench this case out of the hands of the courts before the process is complete? The clear implication is that we do not think either the courts or the law itself are up to the task at hand, or that the environmental impact statement could not pass muster before the courts interpreting our own laws.

I think the law and the judges are up to the task and they should be permitted to prove that. If Congress begins to intervene everytime a major project is tied up in litigation, the law will soon be nothing but ink on a page.

We have a good policy on the books and if we allow it to be short-circuited in this major test case, I think we have effectively admitted to the public that we do not have faith in our own laws and in the court system. I, therefore, urge my colleagues to vote for this amendment and to permit the National Environmental Policy Act to prove its effectiveness and flexibility.

Mr. UDALL. Mr. Chairman, will the gentleman yield?

Mr. FRENZEL. I yield to the gentleman from Arizona.

Mr. UDALL. Mr. Chairman, I address myself to the last point of the gentleman from California (Mr. WIGGINS). It underlines the extent to which we have gone to try to save this principle of NEPA—court review. Not only did we retreat time after time in drafting this legislation, but we finally produced an amendment to give the highest court priority to Alaska pipeline suits which good lawyers such as Mr. WIGGINS and Mr. DELLENBACK think is unwise. We ask the courts to set aside all their pending business and decide this matter. We cannot compromise beyond this point and have anything else.

Mr. OWENS. Mr. Chairman, will the gentleman yield?

Mr. FRENZEL. I yield to the gentleman from Utah.

Mr. OWENS. Mr. Chairman, I may take only 30 seconds to respond to the gentleman from California (Mr. WIGGINS) about the constitutional issue.

This bill, the National Environmental Policy Act, in fact, gave due process opportunity to many people. Those were recognized by the Senator from Alaska, Senator STEVENS, who more than anyone else has been opposing this amendment.

Senator STEVENS said on the floor of the Senate 2 weeks ago when they passed this bill:

> I say, one new ground for litigation. That one new ground for litigation is the constitutionality of the finding of Congress and the granting of the right-of-way. I believe that is one ground, not two——

He admitted there were due process, powers, and one other constitutional question on which this bill overriding NEPA could be challenged. There will be more litigation resulting from overriding NEPA than from allowing it to complete its course.

Mr. DELLENBACK. Mr. Chairman, will the gentleman yield?

Mr. FRENZEL. I yield to the gentleman from Oregon.

Mr. DELLENBACK. Mr. Chairman, one last statement. The choice is not between the Alaska pipeline and this amendment. We can, in good conscience and consistently, move forward and adopt this amendment and then proceed to overwhelmingly pass this bill.

Mr. MADDEN. Mr. Chairman, I rise to speak against the amendment.

Mr. Chairman, just before I left my office, 15 minutes ago, I received a letter from back home. I represent the largest industrial congressional district in the United States. In the last week I have received many similar letters. I will read this letter. It comes from Mr. and Mrs. Edward S. Frunk, 7424 Colorado Avenue, Hammond, Ind.:

> HAMMOND, IND.,
> *July 28, 1973.*
>
> DEAR RAY: Almost exactly 14 years ago my family visited your office in Washington. My two year old son will soon be 16 years old and a junior in high school. Seems only a short time ago you sat him in your big office chair.
>
> To me he is far more important than the caribou in Alaska, the tundra, and the polar ice caps. My future and his will be a lot better if H.R. 9130 on the trans-Alaska pipeline passes.
>
> Your vote can help it pass and assure a bright future for many more like us in the Calumet region.
>
> Yours truly,
>
> EDWARD S. FRUNK.

I have another letter which I will read. This letter is dated August 1, and is a statement by the AFL-CIO Executive Council on the Alaska pipeline. It is signed by Andrew Biemuller, top official of the AFL-CIO. The letter contains the following statement of the AFL-CIO Council:

> STATEMENT—AFL-CIO
>
> The Senate is to be commended for passage of S. 1081, introduced by Senator Henry M. Jackson, to clear the way for prompt construction of the Alaska pipeline and early development of one of our largest domestic reserves of petroleum—Alaska's North Slopes. The Jackson bill, as amended by Senators Gravel and Stevens, would hasten construction of the pipeline by obviating the necessity of further judicial review.
>
> The Interior and Insular Affairs Committee of the U.S. House of Representatives has reported out favorably a bill (H.R. 9130) by Congressman John Melcher of Montana, which is similar to the Senate-approved measure. We urge the House to pass this bill this week.
>
> It is imperative in the interests of the American economy, national security and America's balance of trade that this nation develop this domestic reserve of oil to reduce dependence on petroleum imports.
>
> The AFL-CIO strongly supports construction of the trans-Alaska pipeline because it is the fastest, most economically feasible and most secure method of transporting oil from the North Slope fields to the rest of the United States.
>
> This Congressional action is necessary to legalize many other oil and gas pipelines in all regions of the country which, as a result of a recent court decision, are technically illegal. Unless legal remedy is promptly provided, the pipelines could be enjoined and the energy crisis worsened.
>
> H.R. 9130 would permit early start of work on the Alaska pipeline by solving the right-of-way problem while providing strict environmental safeguards and stringent liability requirements if damage should result from the pipeline authorization.
>
> H.R. 9130 also deals with the problem of judicial review in provisions similar to the Senate version. Other provisions of the bill would insure that the Alaskan oil be used in America's domestic markets and would authorize a feasibility study of a second pipeline across Canada while construction proceeds on the Alaska line.
>
> We urge passage of H.R. 9130 by the House so that American workers can get about the job of building the pipeline and related plant construction and U.S. shipyards can speed building of the 33 new U.S. flag tankers which would be manned by American seamen in the carriage of this oil which is so badly needed to relieve the nation's energy crisis.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Oregon (Mr. DELLENBACK).

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. DELLENBACK. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 198, noes 221, not voting 14, as follows:

[Roll No. 420]

AYES—198

Abzug
Adams
Anderson, Calif.
Anderson, Ill.
Andrews, N. Dak.
Annunzio
Ashley
Aspin
Badillo
Bafalis
Bell
Bennett
Bergland
Biaggi
Biester
Bingham
Blatnik
Boggs
Boland
Brademas
Brasco
Breckinridge
Brinkley
Brown, Calif.
Brown, Mich.
Buchanan
Burke, Calif.
Burke, Mass.
Burlison, Mo.
Burton
Carey, N.Y.
Carney, Ohio
Chisholm
Clay
Cohen
Collins, Ill.
Conte
Conyers
Cotter
Coughlin
Cronin
Culver
Danielson
Dellenback
Dellums
Denholm
Dent
Derwinski
Diggs
Dingell
Donohue
Drinan
Dulski
Duncan
du Pont
Eckhardt
Edwards, Ala.
Edwards, Calif.
Esch
Evans, Colo.
Fascell
Findley
Fish
Flood
Foley
Ford, William D.

Fraser
Frelinghuysen
Frenzel
Frey
Fuqua
Gaydos
Gibbons
Gilman
Grasso
Green, Pa.
Griffiths
Grover
Gude
Gunter
Hamilton
Hanley
Hansen, Idaho
Harrington
Harsha
Harvey
Hays
Hechler, W. Va.
Heckler, Mass.
Heinz
Helstoski
Holtzman
Horton
Howard
Hungate
Jordan
Karth
Kastenmeier
Kemp
Koch
Kyros
Leggett
Lehman
Lent
Long, Md.
Lujan
McClory
McCloskey
McDade
McKinney
Macdonald
Madigan
Mailliard
Mallary
Mann
Matsunaga
Mayne
Mazzoli
Mezvinsky
Minish
Mink
Mitchell, Md.
Mitchell, N.Y.
Moakley
Moorhead, Pa.
Mosher
Moss
Murphy, Ill.
Nedzi
Nix
Obey
O'Hara
O'Neill
Owens
Patten

Pike
Podell
Preyer
Price, Ill.
Pritchard
Quie
Railsback
Rangel
Rees
Regula
Reid
Reuss
Riegle
Rinaldo
Robison, N.Y.
Rodino
Roe
Roncallo, N.Y.
Rooney, Pa.
Rosenthal
Rostenkowski
Roush
Roy
Roybal
Ruppe
Ryan
St Germain
Sarasin
Sarbanes
Saylor
Schroeder
Seiberling
Shoup
Staggers
Stanton, J. William
Stanton, James V.
Stark
Steele
Steiger, Wis.
Stokes
Studds
Sullivan
Symington
Taylor, N.C.
Thompson, N.J.
Thomson, Wis.
Thone
Thornton
Tiernan
Udall
Van Deerlin
Vander Jagt
Vanik
Vigorito
Waldie
Whalen
Winn
Wolff
Wydler
Yates
Yatron
Young, Fla.
Young, Ga.

NOES—221

Abdnor
Addabbo
Alexander
Andrews, N.C.
Archer
Arends
Armstrong
Ashbrook
Baker
Barrett
Beard
Bevill
Blackburn
Bolling
Bowen
Bray
Breaux
Brooks
Broomfield
Brotzman
Brown, Ohio
Broyhill, N.C.
Broyhill, Va.
Burgener
Burke, Fla.
Burleson, Tex.
Butler
Byron
Camp
Carter
Casey, Tex.
Cederberg
Chamberlain
Chappell
Clancy
Clark
Clausen, Don H.
Clawson, Del
Cleveland
Cochran
Collier
Collins, Tex.
Conable
Conlan
Corman
Crane
Daniel, Dan
Daniel, Robert W., Jr.
Daniels, Dominick V.
Davis, Ga.
Davis, S.C.
Davis, Wis.
de la Garza
Delaney
Dennis
Devine
Dickinson
Dorn
Downing
Eilberg
Eshleman
Flowers
Flynt
Ford, Gerald R.
Forsythe
Fountain
Froehlich
Fulton
Gettys
Giaimo
Ginn
Goldwater
Gonzalez
Goodling
Green, Oreg.
Gross
Gubser
Guyer
Haley
Hammerschmidt
Hanrahan
Hansen, Wash.
Hastings
Hawkins
Hébert
Henderson
Hicks
Hillis
Hinshaw
Hogan
Holifield
Holt
Hosmer
Huber
Hudnut
Hunt
Hutchinson
Ichord
Johnson, Calif.
Johnson, Colo.
Johnson, Pa.
Jones, Ala.
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Kazen
Keating
Ketchum
Kluczynski
Kuykendall
Landrum
Latta
Litton
Long, La.
Lott
McCollister
McCormack
McEwen
McFall
McKay
McSpadden
Madden
Mahon
Maraziti
Martin, Nebr.
Martin, N.C.
Mathias, Calif.
Mathis, Ga.
Meeds
Melcher
Metcalfe
Michel
Milford
Miller
Minshall, Ohio
Mizell
Mollohan
Montgomery
Moorhead, Calif.
Morgan
Murphy, N.Y.
Myers
Natcher
Nelsen
Nichols
Parris
Passman
Patman
Pepper
Perkins
Pettis
Peyser
Pickle
Poage
Powell, Ohio
Price, Tex.
Quillen
Randall
Rarick
Rhodes
Roberts
Robinson, Va.
Rogers
Roncalio, Wyo.
Rose
Rousselot
Runnels
Ruth
Sandman
Satterfield
Scherle
Schneebeli
Sebelius
Shipley
Shriver
Shuster
Sikes
Sisk
Skubitz
Slack
Smith, N.Y.
Snyder
Spence
Steed
Steelman
Steiger, Ariz.
Stephens
Stratton
Stubblefield
Stuckey
Symms
Talcott
Taylor, Mo.
Teague, Calif.
Teague, Tex.
Towell, Nev.
Treen
Ullman
Veysey
Waggonner
Walsh
Wampler
Ware
White
Whitehurst
Whitten
Widnall
Wiggins
Williams
Wilson, Charles H., Calif.
Wilson, Charles, Tex.
Wright
Wyatt
Wylie
Wyman
Young, Alaska
Young, Ill.
Young, S.C.
Young, Tex.
Zablocki
Zion

NOT VOTING—14

Erlenborn
Evins, Tenn.
Fisher
Gray
Hanna
Jarman
King
Landgrebe
Mills, Ark.
O'Brien
Rooney, N.Y.
Smith, Iowa
Wilson, Bob
Zwach

So the amendment was rejected.

The result of the vote was announced as above recorded.

AMENDMENT OFFERED BY MR. UDALL

Mr. UDALL. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. UDALL: Page 12, strike out line 15 and all that follows down through and including line 21 on page 22 and insert in lieu thereof the following:

SEC. 201. This title may be cited as the "Alaskan Petroleum Transmission Act of 1973".

SEC. 202. The Congress hereby finds that—

(a) energy sources are in short supply and the Congress should act to hasten the recovery of underground petroleum reserves on the North Slope of Alaska;

(b) the principal alternative routes for constructing a transmission system for such recovery are a proposed trans-Alaska pipeline from the North Slope to Valdez and thence by oceangoing tanker to the west coast of the United States, or from the North Slope through northeastern Alaska and Canada to the midwest area of the United States;

(c) the alternative methods of recovery and delivery of such petroleum should be reviewed objectively, and diplomatical problems arising from the adoption of any alternative should be identified and clarified; and

(d) the study of alternative methods of recovery and delivery should thoroughly consider and examine the environmental effects, economic costs, and national security aspects of such recovery and delivery method.

SEC. 203. The Congress declares it to be in the national interest that no decision generally affecting the siting of transmission facilities on public lands in Alaska for the purpose of recovering and delivering petroleum reserves from the North Slope should be made by any Federal agency until the Congress has had an opportunity to review plans for recovering and delivering such petroleum reserves.

SEC. 204. (a) The Comptroller General of the United States (hereafter in this title referred to as the "Comptroller") is authorized and directed to conduct a thorough study of the two principal alternative routes proposed for recovering and delivering to the continental United States the petroleum reserves located on the North Slope of Alaska:

(1) A trans-Alaska pipeline from the North Slope to Valdez, Alaska, and then by oceangoing oil tanker to the west coast of the United States.

(2) An overland pipeline from the North Slope across northeastern Alaska and through Canada to the midwest section of the United States.

(b) The Comptroller shall report his findings and conclusions, based on the study authorized by this section, to the Congress, and shall file a final report, based on such study, with the Congress no later than January 1, 1974. In conducting the study authorized by this section giving equal consideration to the environmental impact, economic cost, and national security aspects of the two principal alternative routes, the Comptroller shall—

(1) identify and define those market areas in the continental United States that are expected to experience the greatest immediate and long-range demand for petroleum; and

(2) determine whether an Alaskan oil pipeline-oceangoing tanker system or an overland Canadian pipeline system is the better system of delivery for such North Slope petroleum in order to meet the demand for such petroleum.

(c) In conducting the study authorized by this section the Comptroller is authorized and directed to enter into such contracts with the National Academy of Sciences as may be necessary and appropriate to carry out the purposes of this title.

(d) The Comptroller is authorized to secure from any department, agency, or instrumentality of the Federal Government any information he deems necessary to carry out his functions under this title. Upon request of the Comptroller, the head of any Federal department, agency, or instrumentality is authorized (1) to furnish the Comptroller such information as may be necessary for carrying out his functions to the extent it is available to or procurable by such department, agency, or instrumentality and (2) to detail to temporary duty with the Comptroller, on a reimbursable basis, such personnel within this administrative jurisdiction as the Comptroller requests, each such detail to be without loss of seniority, pay, or other employee status.

SEC. 205. The Secretary of the Interior, and such other Federal officials as may be appropriate, are authorized and directed to enter into negotiations with the Government of Canada to determine the feasibility and availability of a right-of-way across Canadian territory for the construction and operation of transmission facilities for the petroleum reserves on the North Slope of Alaska. The Secretary and such other Federal officials shall report the results of their negotiations to the Congress and to the Comptroller no later than December 1, 1973.

SEC. 206. All reports required by this title to be filed with the Congress shall be filed with the Clerk of the House of Representatives and the Secretary of the Senate.

SEC. 207. (a) Notwithstanding any other law, rule of law, or any order or decision of any court, no order or rule of the Secretary of the Interior, or of any other Federal agency or officer of the United States, granting a right-of-way, easement, or special land use permit, respecting any Federal land, for the construction and operation of a pipeline for the transmission of petroleum from the North Slope in Alaska shall take effect until after the end of the sixty-day period beginning on the date the Comptroller files his final report under section 204(b). As soon as practicable after the end of such sixty-day period the Secretary of the Interior shall, notwithstanding any other provision of law, or order or decision of any court, upon application, grant such rights-of-way or easements, and issue such special land use permits, with respect to any Federal land, as may be necessary to construct, operate, and maintain a petroleum transmission system along the route determined by the Comptroller, as a result of the study authorized and directed by section 204, to be the better of the two principal alternative routes, unless the Congress has adopted, during such period, a concurrent resolution, according to the procedure specified in section 208, disapproving such route. Such rights-of-way, easements, or special land use permits may be granted or issued for such width as the Secretary of the Interior determines necessary and without regard to the provisions of the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.).

(b) If the Congress does adopt such a resolution within such sixty-day period, then the Secretary shall, notwithstanding any other law, or order or decision of any court, upon application, grant such easements or rights-of-way, and issue such special land use permits, with respect to any Federal land, as may be necessary to construct, operate, and maintain a petroleum transmission system along the other principal alternative route studied by the Comptroller under section 204. Such rights-of-way, easements, or special land use permits may be granted or issued for such width as the Secretary determines necessary and without regard to the provisions of the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.).

(c) Any action of the Secretary of the Interior under this section, granting an easement or right-of-way, or issuing a special land use permit, for the construction, operation, and maintenance of the petroleum transmission system from the North Slope of Alaska, shall not be reviewable in any court of the United States, or in any State court.

SEC. 208. (a) This section is enacted by Congress—

"(1) as an exercise of the rulemaking power of the Senate and the House of Representatives, respectively, and as such they are deemed a part of the rules of each House, respectively, but applicable only with respect to the procedure to be followed in that House in the case of resolutions described by this section; and they supersede other rules only to the extent that they are inconsistent therewith; and

(2) with full recognition of the constitutional right of either House to change the rules (so far as relating to the procedure of that House) at any time, in the same manner and to the same extent as in the case of any other rule of that House.

(b) For the purpose of this title, "resolution" means only a concurrent resolution, the matter after the resolving clause of which is as follows: "That the Congress disapproves the route for the development of a transmission method for the delivery of North Slope petroleum described as follows: ———.", the blank space therein being appropriately filled; but does not include a concurrent resolution which specifies more than one plan.

(c) A resolution with respect to a petroleum transmission plan shall be referred to the Committee on Interior and Insular Affairs of the House of Representatives, or the Committee on Interior and Insular Affairs of the Senate, by the President of the Senate or the Speaker of the House of Representatives, as the case may be.

(d) If the committee to which a resolution with respect to a petroleum transmission plan has been referred has not reported it at the end of ten calendar days after its introduction, it is in order to move either to discharge the committee from further consideration of the resolution or to discharge the committee from further consideration of any other resolution with respect to the petroleum transmission plan which has been referred to the committee.

(e) A motion to discharge may be made only by an individual favoring the resolution, is highly privileged (except that it may not be made after the committee has reported a resolution with respect to the same plan), and debate thereon shall be limited to not more than one hour, to be divided equally between those favoring and those opposing the resolution. An amendment to the motion is not in order, and it is not in order to move to reconsider the vote by which the motion is agreed to or disagreed to.

(f) If the motion to discharge is agreed to or disagreed to, the motion may not be renewed, nor may another motion to discharge the committee be made with respect to any other resolution with respect to the same plan.

(g) When the committee has reported, or has discharged from further consideration of, a resolution with respect to a petroleum transmission plan, it is at any time thereafter in order (even though a previous motion to the same effect has been disagreed to) to move to proceed to the consideration of the resolution. The motion is highly privileged and is not debatable. An amendment to the motion is not in order, and it is not in order to move to reconsider the vote by which the motion is agreed to or disagreed to.

(h) Debate on the resolution shall be limited to not more than ten hours, which shall be divided equally between those favoring and those opposing the resolution. A motion further to limit debate is not debatable. An amendment to, or motion to recommit, the resolution is not in order, and it is not in order to move to reconsider the vote by which the resolution is agreed to or disagreed to.

(i) Motions to postpone, made with respect to the discharge from committee, or the consideration of, a resolution with respect to a petroleum transmission plan, and motions to proceed to the consideration of other business, shall be decided without debate.

(j) Appeals from the decisions of the Chair relating to the application of the rules of the Senate or the House of Representatives, as the case may be, to the procedure relating to a resolution with respect to a petroleum transmission plan shall be decided without debate.

SEC. 209. There are authorized such funds as may be necessary to carry out the provisions of this title.

Mr. UDALL (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Arizona?

There was no objection.

Mr. UDALL. Mr. Chairman, the key vote which we have just taken, indicates fairly strongly that this legislation is going to pass and that the majority of the people in this country and in the Congress are going to get what they apparently want: the rather immediate start on the construction of the Alaskan pipeline. But I cannot let this opportunity pass without offering another alternative cosponsored by myself, the distinguished gentleman from Illinois (Mr. ANDERSON), the distinguished chairman of the Committee on Public Works, Mr. BLATNIK, and more than 60 other Members of this House.

We tried to be compromisers. We tried to find a consensus that would satisfy the sensible environmentalists and also satisfy those in the energy field who were seeking to bring this oil from Alaska to the United States in the most responsible and orderly way.

We started with the premise that we owed the country an answer on this question. We started from the premise that we owed an obligation to find the best way to get the oil to market without any further delay.

In our substitute, Mr. Chairman, we give the environmentalists the one thing they want, the one thing on which there really was no compromise or no give, and that was this. The environmentalists have always felt that they have never had a fair, objective study of the Canadian alternative. Yes, we have had a $7 million impact study and, yes, we have had a lot of discussions with the Canadians. But we have never had an independent look at the Canadian alternative, and so this substitute would say to the Comptroller General on behalf of the Congress—this independent arm of the Congress—take until January 1 of next year. Hire the National Academy of Sciences; get the best economists, the financial people, the best environmental scientists, and come back to the Congress January 1 with some answers.

Is the Canadian line really superior to the Alaskan line?

What are the disadvantages of each? We say to them further, have that study, in the hands of the Congress by January 1.

There is one thing the oil people wanted and that they could not give on. They wanted an end to delay, an end to the lawsuits, an answer, a decision one way or the other, up or down, so we could get on with providing this great resource.

Our substitute gives them that. We say in the substitute that the study will be given back to the Congress on January 1, and we nail it down under special House and Senate procedures guaranteeing a vote in each House of Congress within 60 days, that is, by next March 1. There is no way that this can be stalled or delayed. We give them something else the House apparently wants, and that is an override of NEPA. Our substitute says there shall be no court interference once the decision of Congress is made. Under this amendment we will have a final decision by next March.

The Under Secretary of the Interior in a statement just 3 weeks ago said we could not start the pipeline before next January anyway, and weather conditions being what they are in Alaska the fact is that the real major construction would get underway in March or April in any event. So those Members who want to override NEPA, those Members who want an answer, those Members who want a decision, and those Members who would like to give the environmentalists of this country an objective and impartial appraisal of alternatives have an opportunity in this substitute.

Mr. Chairman, I urge the adoption of this substitute.

Mr. ANDERSON of Illinois. Mr. Chairman, I move to strike the last word.

Mr. Chairman, legislation of this type would be unnecessary if the Alaskan pipeline was the best solution to disposition of the North Slope oil. However, I am persuaded that such is not the case. A pipeline through Canada's Mackenzie Valley, delivering oil to the Nation east of the Continental Divide, appears to have substantial advantages for the entire country in addition to my particular region.

Through the decade of the 1980's, the west coast will continue to have substantial domestic production of oil in addition to diverse sources of secure foreign petroleum—Canada, Indonesia, Peru, and Ecuador among others. Current projections indicate that this region will have to obtain only 10 percent of its oil needs from the Persian Gulf states.

Compare this to the bleak situation that will face those of us to the east. With total demand of approximately 20 million barrels of oil daily, we can count on only 9 million barrels a day from domestic fields. An additional 3.2 million barrels can be expected from Western Hemisphere nations. A shortfall of nearly 8 million barrels of oil will occur each day. Only the Arab States have the oil reserves to satisfy that kind of demand, yet importing oil in those quantities from them will render the United States, east of the Rockies, dependent for 40 percent of its petroleum needs on the Middle East. This, I caution you, is an aggregate figure which includes the petroleum self-sufficient areas, regions without substantial oil production will face far higher dependency levels.

The Alaskan pipeline/tanker system will only aggravate this inequitable situation. Two million barrels dumped daily into west coast markets will create surpluses and "back out" roughly 700,000 barrels a day of secure foreign oil. The oil will be lost to the United States. Every barrel that is lost because of surpluses or is "backed out" means one more barrel from the Middle East for the remainder of the country, a highly illogical policy. The problem would not exist if oil could be readily trans-shipped across the Rockies. Unfortunately, this would be a costly alternative even if adequate facilities existed.

The oil reserve figures also mitigate against TAPS. Thirty-four percent of our remaining discoverable oil is west of the Continental Divide—not including the North Slope, but demand in this section is only 14 percent of the national total. By contrast, 41 percent of discoverable oil is to the east, where 86 percent of our oil is consumed. Addition of North Slope reserves to those in the west raises that region's reserve total to 59 percent. To dramatize the point, the Interior Department reports that there are 18 billion barrels of recoverable oil off the west coast—two times the amount of oil at Prudhoe Bay. An Alaskan pipeline making 59 percent of the Nation's oil reserves available to but one section of the country makes no sense whatsoever.

National security will not be served by TAPS. An oil cut-off by the Arabs for political blackmail is a weapon we all fear. In that event, the Alaskan system would leave 85 percent of the U.S. population without ready access to the single largest pool of domestic oil.

Furthermore, the burden of a cut-off would be carrier solely by the east coast and Midwest. The self-sufficient west coast—with its surpluses—the Gulf States, and the Mountain States would escape unscathed. A major policy decision that leaves the population and industrial heartland of the Nation at the whims of sultans and sheiks is imprudent to say the least.

A pipeline across Canada will not place our oil in the hands of a potential enemy, as some have implied. Indeed, if we are to solve our vast energy problems, help from our northern neighbors will be vital. However, a Canadian threat to cut off oil through a Mackenzie Valley pipeline is without substance. Let me remind my colleagues, that all the oil and gas pipelines that serve eastern Canada's population centers cross U.S. soil. We are in a situation of mutual dependence.

The compelling need for a trans-Canadian oil pipeline is well established, so is its status as a viable alternative. Let me briefly recount to you the facts concerning this route. The pipeline will run 1,738 miles from Alaska to Edmonton, Alberta, where it will link up with existing systems that service the Northwest, Midwest, and East. The system will cost between $4 and $5 billion—comparable to the Alaskan system. Canada can finance it, needing only to raise a relatively small percentage of its total costs. It has been extensively studied by industry, the 15 petroleum companies of the MacKenzie Valley consortium, who prepared the $7.5 million Canadian pipeline feasibility study, and the Canadian Government, whose Northern Development Task Force has completed over 130 studies on the pipelines in the north. The Canadian Government has consistently expressed its preference for the MacKenzie Valley route and is prepared to expedite an application to build such a pipeline. Furthermore, the Canadians do not require Canadian ownership of the pipeline and are prevented by law from reserving any fixed percentage of the lines' throughput.

The pipeline can be completed and in operation by 1979 or 1980—this is according to estimates by the MacKenzie Valley consortium and the Canadian Government. The native lands claims are expected to be solved within 2 years and final construction of the pipeline could commence prior to the final settlement. Finally, Canadian environmentalists are not expected to fight the pipeline, indeed, their concern is for damage to the coast of British Columbia from TAPS tanker traffic.

I do not state this case to induce you to vote immediately for the trans-Canadian route. I merely wish to demonstrate its apparent advantages and viability as an alternative. We would be negligent if we were to authorize the Alaskan pipeline/tanker system without thorough consideration of this Canadian line. Some may contend that the cases for the two pipelines have been well presented and considered. Perhaps they have, but these cases have been developed by advocates and as such, are colored by a host of interests. This amendment grants Congress, 6 months hence, the opportunity to make a vital decision based upon objective and independent analysis—not adversary presentations.

Mr. VIGORITO. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, evidently some have not paid any attention to what I said previously. The seriousness of the crisis that faces this Nation and the world, whether we have the Alaskan pipeline or not, is that we face a disaster.

In order to keep from having a calamity or catastrophe, we must act and act soon, even though it will mean that in 4 or 5 years, assuming they start laying the pipeline in Alaska tomorrow, it would take 4 or 5 years before we reach the 2-million-barrels-per-day mark. However, if we start from scratch and have a study of a Canadian route, according to the Comptroller General's letter, he states it will be 18 months, not January 1. They are not going to get a report to us in 4 or 5 months. It is going to take a minimum of 18 months. Then we have to negotiate with a foreign government. Then, they have to raise 7 or 8 billions of dollars. Then, they have to get 1,800 miles of pipeline. It would be 10 to 15 years before we would reach the 2-million-barrels-per-day mark.

Let us build the Alaskan route now, and then proceed for other routes, because, if there is as much oil on the Arctic coast as they think there is, we are going to need the Alaskan route; we are going to need a couple of Canadian routes and might even have to have tankers that go around Greenland also.

Mr. HOSMER. Mr. Chairman, will the gentleman yield?

Mr. VIGORITO. I yield to the gentleman from California.

Mr. HOSMER. Mr. Chairman, the gentleman makes a very valid point that it is not an either/or proposition. We are going to need lines coming down both ways. The committee bill recognizes that in section 209 by providing for a study of both oil and gas lines coming down from Canada. There will be nothing whatsoever in the world gained by this amendment, because it ignores the fact that lines will have to come down from both areas in any event.

Mr. VIGORITO. Further, the cost of that Alaskan route, half of it at least, has already been paid. There are 800 miles of 48-inch pipe in place. There are 10 or 12 campsites in place with skeleton construction crews ready to go.

We are going to pay for that whether we build the Alaska route or not. It is coming out of the economy. The oil companies are going to write it off on their tax returns and we will pay for it.

Mr. STEIGER of Arizona. Mr. Chairman, will the gentleman yield?

Mr. VIGORITO. I yield to the gentleman from Arizona.

Mr. STEIGER of Arizona. I thank the gentleman for yielding.

I believe it would be appropriate at this point to recognize that the effort of the gentleman from Illinois (Mr. ANDERSON), the gentleman from Arizona (Mr. UDALL), the gentleman from Michigan (Mr. RUPPE), and all the other Members concerned about the position the gentleman from Pennsylvania is now talking about, has made a real and visible contribution. I do not believe there is any question whatever that the result of this action is a second route along the Mackenzie Valley in Canada is going to be a reality, or the study is going to be a reality. They have forced that study.

The environmentalists have forced the most stringent environmental factors in the history of this country along the rights-of-way. That is good. That is a plus. I believe their contribution cannot be overlooked simply because it does not coincide with the majority view of this House.

Mr. VIGORITO. I agree with the gentleman 100 percent. They have done a tremendous job.

Mr. HALEY. Mr. Chairman, will the gentleman yield?

Mr. VIGORITO. I yield to my chairman.

Mr. HALEY. Does the gentleman or anybody else have any commitment that anybody will finance a Canadian line through Canada, which will cost more than twice as much as the Alaska line?

Mr. VIGORITO. So far as I know, there are no commitments to raise $8 billion today to build the Canadian route. Let us build the pipeline through Alaska, and let us start digging tomorrow.

Mr. STRATTON. Mr. Chairman, I move to strike the last word.

I hesitate to take any time of the Committee on this, having spent probably more time in this well than I should have the other day when the Committee on Armed Services was so successfully steering its bill through.

Having been for some years a Member of the United States-Canada Interparliamentary Group, and having met with the Canadians just a week ago in this building, I believe it ought to be put on the record that this attempt to get the facts on a Canadian route within 6 months is really just a will-o'-the-wisp.

We had a meeting with the Canadians in April. They came down here. We had a long discussion on the pipeline, and at that time they could not have been less interested. There was very little indication of any interest on their part at all.

Then, a couple of weeks ago, they expressed an urgent interest in coming down here and discussing the pipeline, after the other body had voted on it. When the Canadians came down we met, and the only thing they were concerned about, it turned out, was the possible spillage on the coast of British Columbia.

The gentleman from Illinois (Mr. YATES), who is a strong environmentalist, also met with them, and pled with the Canadians to try to come up with some concrete, positive suggestion. The only thing he got was a great big goose egg. They had really nothing to offer. They admitted that the complexities of their own parliamentary situation, the doubt about the views of their governing party, would really make it impossible for them to come up with any constructive alternative in any reasonable amount of time.

So it seems to me we will just waste 6 months if we accept this amendment. As the gentleman from Pennsylvania (Mr. VIGORITO) said, this is a matter of urgency. We are running out of oil.

We on the east coast do not expect to get any immediate benefit from the pipeline, but if more oil comes into the United States that means there will ultimately be more available for the east coast as well.

I believe it is time we recognized we cannot continue to depend indefinitely on Middle East oil. If we are to put our hard-earned dollars into this kind of payment overseas, we will really have a deficit in our balance of payments that will make the present one look like kids' stuff.

The important thing now is to get going, to develop American oil in the only place where it is now available, in Alaska; and 6 months is just too long to wait.

Mr. FRASER. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I said earlier that I hoped, in the light of the vigorous debate we have had and perhaps will continue to have before we are through with the bill, that one of the casualties of our discussion would not be our relations with our sister country, our neighbor, Canada.

I attended the meeting the gentleman from New York (Mr. STRATTON), just referred to, and I must say that I reached a different conclusion from that meeting. It was held right here in H-227 of the Capitol.

My friend, the gentleman from New York (Mr. STRATTON), made the same statement at that meeting that he made this afternoon, that in the earlier meeting in April here had been no expression of interest by the Canadians. At the recent meeting he was sharply challenged by one of the Members who made it very clear that in fact there had been a very explicit interest indicated in the April meeting.

Mr. Chairman, I remember that very well because of the fact that he made the same statement then that he made just a few minutes ago on the floor of the House.

Mr. STRATTON. Mr. Chairman, will the gentleman yield?

Mr. FRASER. After I have finished I will yield to the gentleman.

Mr. Chairman, the fact of the matter is that at that meeting what the Canadians were told—and I am talking about the one that occurred just a week or so ago—was that the matter of the pipeline location was essentially settled, that there really was no real interest or any serious consideration of a Canadian alternative. We have had an unhappy experience in our efforts to identify what the Canadian interests or views were on this matter. For example, the gentleman from Pennsylvania said that one of the things that we would have to do is to negotiate with the Canadian Government.

Mr. Chairman, the Canadian Government has consistently said that they have the laws in place; they have the authority. All they need is an application for a pipeline location. They were told by now Ambassador Irwin, who was then Under Secretary of State, that after the decision favoring the Alaskan pipeline was made by Mr. Morton, our Secretary of Interior, they should refrain from making any adverse comments on the U.S. decision.

The Canadian Government, in other words, was asked to stay out of this; they were told that this was an internal decision by the United States.

The net result of that statement and the result of failures by our own State Department to communicate speedily the sentiments of the Canadian Government has been to misrepresent the fact, made clear in the meeting just a few weeks ago, that the Canadian Government and most of the parties in the Canadian Parliament are seriously interested in the possibility of what they call a "land bridge" between Alaska and the United States. They see this as promoting and protecting their interests as well as advancing the interests of the United States.

Mr. Chairman, I hope that we will not suffer here a further erosion of the mutual confidence between our countries, which in many respects is going to be very much more important than the question of the pipeline.

Mr. UDALL. Mr. Chairman, will the gentleman yield?

Mr. FRASER. I yield to the gentleman from Arizona.

Mr. UDALL. Mr. Chairman, I wish to make one point, and underline the truth of what the gentleman from Minnesota has said.

The State Department and the administration have played a double game with us. They told the Canadians nearly a year and a half ago in effect to sit down and shut up, that "we have made our decision," that it was an internal matter and had been decided. They told Mr. Trudeau and the Canadian Government, "We'd be obliged if you'll stop talking around about a Canadian line, nothing can come of it. The pipeline is going to go through Alaska."

Then they stand up and say to the Congress, and the environmentalists, "There is no use of looking at the Canadian line. They are not interested."

It is as though they complained because the Canadians had not asked us to dinner, after we had let the Canadians know that we would not come to dinner even if we were invited.

Mr. Chairman, I repeat that the State Department and the administration have played a double game with us.

Mr. STRATTON. Mr. Chairman, will the gentleman yield?

Mr. FRASER. I will not yield now——

Mr. STRATTON. Mr. Chairman, the gentleman is going to run out of time. I have asked him to yield to me because he challenged my statement.

Mr. FRASER. Yes, on that basis I will yield to the gentleman from New York (Mr. STRATTON).

Mr. STRATTON. Mr. Chairman, I am not interested in arguing with the gentleman about my interpretation of what went on there. The gentleman from Illinois (Mr. YATES) was there, too, and the gentleman from Illinois (Mr. YATES) shares the gentleman's position on the pipeline matter and Mr. YATES came out of the meeting completely convinced that there was no hope of getting any reasonable alternative from the Canadians. He said so to the papers, and it was reported in the New York Times just the other day.

So the gentleman does not have to take my word for it; he can take the word of the gentleman from Illinois.

Mr. FRASER. Mr. Chairman, let me say that we are going to have continuing matters of mutual interest with Canada. We may want a land route for other pipelines; that may be so.

The Canadians have said they will have less interest in granting a land route if we are going to run tankers down to Puget Sound and other places.

Let me say to the gentleman that I am interested that we recognize our mutual interests with Canada. We share a continent together, and I do not want an abrasive feeling to come out of this debate this afternoon; I do not want to add to what is already an unhappy chapter in our relations, as a result of this debate. Canada is one of the best friends any country ever had.

Mr. MILFORD. Mr. Chairman, will the gentleman yield?

Mr. FRASER. I yield to the gentleman.

Mr. MILFORD. I would ask the gentleman if he is aware of anyone who has made an application. This is a very important thing; we cannot build a pipeline unless someone is willing to put up the money. Has there been an application?

Mr. FRASER. I think the answer is clear: at the moment the oil companies seem to be intent on building the pipeline in Alaska.

Mr. Chairman, I support the amendment offered by my colleague from Arizona (Mr. UDALL).

The amendment before us would require an objective evaluation of the Canadian alternative route, instead of the biased consideration the administration has given it.

Construction of an all-land delivery system across Canada has major advantages—advantages to our economy, to our environment, and to our national security. First of all, weighing west coast needs against those of the Midwest and the East, the needs of the latter two clearly prevail. The west coast has its own sources of oil, plus reasonably secure foreign sources. The Midwest and East do not. Economic and national security considerations therefore should mandate choice of an all-land Canadian route.

The environmental arguments are equally strong. The Canadian route would avoid the earthquake-prone southern portion of the trans-Alaskan route as well as the danger of oil spills at sea, which have given so much concern to our Canadian allies. Moreover, an oil pipeline across Canada would parallel the gas pipeline corridor that must be constructed in any case, so that by choosing one route rather than two, total damage to the environment would be kept at a minimum.

The administration has maintained that a Canadian alternative route is not feasible, and that, in fact, there is no real Canadian alternative. It has based this allegation primarily on the professed unwillingness of the Canadian Government to have an oil pipeline built across its territory.

On June 1, the chairman of the Public Lands Subcommittee (Mr. MELCHER), asked the State Department to get specific answers from the Canadian Government on its attitude toward construction of a line across Canada. The State Department chose, instead, to transmit its own assessment of the Canadian position, rather than the words of the Canadian Government.

Pressed by members of the Canadian Parliament and the U.S. Congress, as well as by environmental groups, the State Department yielded and on July 7, tardily transmitted to Congress the verbatim text of the Canadian response.

This verbatim text was defective, however, on one key point—whether or not the Canadian Government would require majority ownership of an oil pipeline across its territory. The Canadian Government had stated unequivocally that it did not require 51 percent ownership of an oil pipeline. The version transmitted to Congress on July 7 stated that it did, despite the fact that the Canadian Government had requested the State Department to forward the corrected text to Congress.

After more protests by Canadians and interested U.S. citizens—many phone calls and slow mail deliveries later—this error was corrected, but too late for the crucial Senate vote on July 13 on the Canadian alternative.

The Canadian and United States versions of events on July 6 are still unreconciled. State Department spokesmen, testifying on July 23 before the Foreign Relations Committee, declared that they had made clear to the Canadian Government that they would not transmit a corrected text until it had been received, in writing, from the Canadian Government in Ottawa. Energy Minister Macdonald, on the other hand, when questioned in the Canadian Parliament, stated:

> I think it is only fair from my standpoint to indicate the State Department had agreed to release the information on July 6 and it was only on July 9 when we found they had not released the clarification, and at their request we submitted the letter of July 10. It was our understanding they would release that information on July 6, and it was only when we found out they did not do it we sent further clarification.

What concerns me is the assumption on the part of the executive branch that it is justified in withholding information from the Congress in the interests of furthering its professed policy. This is rather like dealing with the legislative branch as though it were a foreign government. Perhaps we should not be surprised that this administration has dealt with the Congress in this fashion on this matter and has justified it all, as usual, on grounds of national interest, or national security.

I am concerned, too, over rather shabby treatment of an old and trusted ally. It is clear that the administration has been unwilling to let Congress have the information, straight, on the Canadian Government's attitude to an oil pipeline. It was too heady for us. It had to be diluted. We could not be trusted as to the conclusions we might draw. This is no way to run a democratic government. Nor is it the way to treat a valued ally and historic friend, with whom we share a community of interests and with whom we must continue to live and work in the future.

We know in the House what the Senate on July 13 did not know—that there is a Canadian alternative. I urge Members to support this amendment to assure that a trans-Canadian route, at last, gets the unbiased consideration it merits. Building an oil pipeline across Canada is a practical possibility. Mr. Chairman, it is not too late, as perhaps some hoped it would be. We can still act to see that the possibility of a Canadian alternative becomes a reality. We can still move to strengthen our historic friendship with our northern neighbor by construction of this mutually beneficial "iron artery."

The CHAIRMAN. The time of the gentleman has expired.

Mr. WAGGONNER. Mr. Chairman, I ask unanimous consent that the gentleman be allowed to proceed for 1 additional minute.

Mr. STEIGER of Arizona. Mr. Chairman, I object.

Mr. McEWEN. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I yield to the gentleman from Louisiana (Mr. WAGGONNER).

Mr. WAGGONNER. I thank the gentleman for yielding.

I wanted at some time to ask the sponsor or another supporter of the amendment a few questions. Will the gentleman yield for that purpose?

Mr. McEWEN. I will be pleased to yield for that purpose.

Mr. WAGGONNER. I would like to ask Mr. UDALL, my friend from Arizona two or three questions.

Would the pipeline if built through Canada be longer in length?

Mr. UDALL. If the gentleman will yield, of course. It will be twice as long.

Mr. WAGGONNER. Would the pipeline, if built through Caanda, cost more?

Mr. UDALL. If the gentleman will yield, indeed. About twice as much, because it is twice as long. But there is also an ocean tanker route from Valdez to the U.S. Pacific coast the costs of which the proponents of the pipeline never mention.

Mr. WAGGONNER. Would the pipeline, if built through Canada, be confronted with as many environmental problems?

Mr. UDALL. It would have environmental problems, but it would not cross the worst earthquake zone in the continent nor require hundreds of tankers to go up and down the rocky coast of Alaska and Canada and the west coast of the United States with the possibility of oil spills.

Mr. WAGGONNER. Would the pipeline, if built through Canada, give us or provide us the same amount of crude for our use?

Mr. UDALL. They have not discovered any oil in northern Canada, although they have discovered gas there. The probability is it would be almost all Prudhoe Bay oil coming through the Canadian pipeline.

Mr. WAGGONNER. I thank the gentleman for his answers.

It just seems simple to me. The pipeline would be longer passing through Canada, it would cost more money to route it through Canada, we would still have the same environmental problems if it went through Canada and we would get less oil for our use if we brought it through Canada. Then too it would take far longer to complete.

What is the advantage to delaying it further and undertaking a study with consideration toward a route through Canada if it will be longer, require more time, cost more money, have the same environmental problems and provide us less oil, when more oil is what we are after? I do not know what the argument is, really. We should vote the amendment down. Time is of the essence.

Mr. McEWEN. Mr. Chairman, I rise in opposition to the amendment, but not in opposition to the Mackenzie Valley route of the Canada pipeline.

I share the view that this pipeline is needed and will be built. I share with the gentleman from Minnesota the concern that we here, in anything we do or say, not jeopardize our relations with Canada. As many of my colleagues know, where I reside, when I look out my front windows and look straight ahead and do not look down. I see only Canada. So I am very aware of their presence. I live but an hour's drive from their parliament.

Let me say also that I share the feeling of my colleague from New York (Mr. STRATTON). The Canadians in the meeting of a week ago Tuesday, and in private conversations that we all had, did not have an immediate and assured alternative to offer.

They know that we know the Native Land Claims have not been settled. They know that we know from our own experience how long it took us and they know that we share with them the hope that the Canadian line will be built, first probably for gas and then gas and oil.

I am appreciative of the fact that earlier today the minority leader, Mr. GERALD R. FORD, referred to a parochial problem that I have. I do not intend to bore you with what might seem like a local problem, but it is one that we all might take note of.

On the 14th day of June the Honorable Donald Macdonald, Minister of Energy, Mines, and Resources in the House of Commons, announced:

> I wish to inform the House that effective midnight, Friday, June 15, temporary controls will be imposed on the export of motor gasoline and home heating types of oils.
>
> This move will insure that unusual—

I want, gentlemen, to emphasize this word—"unusual":

> Unusual export demand for these products does not impair supplies to Canadian consumers.

The largest percentage of home heating oil supplied to my congressional district comes not from the United States, but through Canada. This No. 2 heating oil is refined in Venezuela, moved by ocean tankers to Montreal, off loaded from those tankers to Great Lake tankers, and moved via the St. Lawrence Seaway to the bulk terminals in my district. The order that stopped the movement of this oil, as Mr. MACDONALD said, was because of concern over a possible unusual export demand. This order has been in effect since June 15, and at this moment, despite the assurance of concern and offers of assistance of many of our good friends in the Canadian section of the interparliamentarian group and others in Canada, we still have not resolved this problem.

My area faces a critical shortage of oil if this is not resolved.

So I want to offer this one word of warning: no matter how good our friends are—and they are good friends, their deliberations and acts do not always identify our interest and recognize what the effect may be upon us.

Let me say how many years we have received our oil through Canada—because this Canadian action was aimed, according to Mr. MACDONALD, at the unusual export conditions. For at least 10 years this has been the principal source of our supply.

So I say to the Members considering this amendment, I hope that the Canadian line is built. I think it will be built. But I do not think we should impede or delay 1 day the building of the Alaskan line, because I think we need it, and I think we should realize the benefits of having it.

The CHAIRMAN. The time of the gentleman has expired.

(On request of Mr. HALEY, and by unanimous consent Mr. McEWEN was allowed to proceed for 2 additional minutes.)

Mr. McEWEN. I thank the gentleman from Florida (Mr. HALEY), the chairman of the Committee on Interior and Insular Affairs, for yielding me this extra time.

So, Mr. Chairman, as I say, I rise in opposition to the amendment, but not to the building of the Canadian pipeline. But I want to see the Alaskan pipeline go ahead and see this oil moved out of Valdez.

Finally, let me say this: I hope that nothing that has been said here today by anyone, and most certainly by this Member, will upset in any way my friends in Canada. In addition to our friendship, my own district is much too dependent upon good relations with Canada to permit me to jeopardize that condition.

I would say this, also: I hope that when we consider the terminal in the United States for receiving the movement of the oil from Valdez that we will give some consideration to the request made by the Canadian parliamentarians that we look for a port other than one on Puget Sound. I think they have expressed a legitimate concern. Just as I think they realize our need for this oil, and I hope they will recognize our need for the action we take today. I hope that we may give consideration to the Canadian request to see if there is an alternative port in a location that will not present a danger to Canadian waters.

Mr. DENT. Mr. Chairman, will the gentleman yield?

Mr. McEWEN. I yield to the gentleman from Pennsylvania.

Mr. DENT. I believe I do understand that this in essence is a pipeline. As I understand the discussion made by the gentleman from New York, the oil the gentleman referred to comes from Venezuela in place of Valdez.

Let us say the Northern Slope is the desire of the Congress, and it comes through a Canadian port at that point.

Now, what is the argument against that line going across Canada to the United States? Who is going to write any kind of a guarantee to say that when we put our lifeline through a pipeline coming through Canada that at some time a future official in the Canadian Government, at a crucial time, as this is, could not say, "Well, why do we not stop the oil from going into America?" It is just that simple. This is a lifeline for this country.

Mr. McEWEN. Mr. Chairman, I would say to the gentleman that I think, unfortunately, he is correct, and that is what could happen, even if unintentionally, as it is in the case of what has happened to the supply of oil in my district.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Arizona (Mr. UDALL).

The amendment was rejected.

AMENDMENT OFFERED BY MR. DELLENBACK

Mr. DELLENBACK. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

> Amendment offered by Mr. DELLENBACK: Page 13, line 14, following the comma, strike out "and without further action under the National Environmental Policy Act of 1969, notwithstanding the compliance requirement of subsection 28(c), and notwithstanding the provisions of any law other than said section 28 and this title II,".

Mr. DELLENBACK. Mr. Chairman, I will not take the full 5 minutes. Let me indicate, however, that this is the second of the proposed series of amendments which my colleague, the gentleman from Utah (Mr. OWENS) and I indicated we were going to offer. Let me just say a word about why I am offering this in spite of the defeat of our first proposed amendment.

There are two significant reasons. One, if, as I hope does not happen, there should be further litigation in spite of the provisions of what we have not stricken in section 202, and if the court should, under those circumstances, following the thinking of the Three Sisters case, come to a conclusion that there has not been satisfactory compliance and that we have not effectuated what we will strive to effectuate with this legislation, it seems to me this opens up a very serious question on the language that is on lines 14, 15, and 16—the question of what then happens.

Second, and of greater concern to me, quite frankly, is what is on lines 17 and 18. Take a look at it, Mr. Chairman, and see what we are proposing. We are saying—

> notwithstanding the provisions of any law other than said section 28 and this title II . . .

Does that mean that there need be no compliance with the 1899 Rivers and Harbors Act? I think that becomes a question. Does that mean that there must be no compliance with the Fish and Wildlife Conservation Act? I think that is a very serious question if that language remains in the bill. I think that one could even go beyond that and raise questions of other pieces of legislation that might not need to be complied with.

It would seem to me that we would make a mistake, however we voted on the prior proposal of the gentleman from Utah and myself, if we leave this language in exactly as it stands. It is for that reason that I would urge that we proceed to adopt this amendment and strike this language.

Mr. Chairman, I yield back the remainder of my time.

Mr. STEIGER of Arizona. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I should like to point out that the striking of the language the gentleman has suggested is really of even greater significance than the first of the three Dellenback-Owens amendments, and since I think we have already rejected the principle proposed herein, I would hope that we would recognize the significance of this. This is not simply a minor situation; this is the key in the package.

Mr. Chairman, I yield back the balance of my time.

Mr. MEEDS. Mr. Chairman, will the gentleman yield?

Mr. STEIGER of Arizona. I yield to the gentleman from Washington.

Mr. MEEDS. Will the gentleman agree with me that now that we have rejected the first Dellenback amendment which provided for an expeditious handling of these matters in court, to now adopt this amendment would place us in a much, much worse position, because we would go right back and nullify the work of the committee in saying that the environmental impact requirements have been met and would be forced into a court proceeding where there would not be expeditious handling?

Mr. STEIGER of Arizona. The gentleman is exactly right. The dangers inherent in the concept that Mr. Dellenback and Mr. Owens recognized, and which they protected against, are attendant, because that protection would be gone if we adopt this in the absence of the previous.

Mr. OWENS. Mr. Chairman, will the gentleman yield?

Mr. STEIGER of Arizona. I yield to the gentleman from Utah.

Mr. OWENS. Mr. Chairman, I rise in support of the amendment offered by my colleague, the gentleman from Oregon.

This amendment which the gentleman offers and another which I suppose he will offer merely completes the concept of the package which we have proposed. I wish the Committee were willing to accept them. I doubt their willingness to do that, as gaged by the last vote. I do feel very strongly we should pass these changes.

In response to the point brought up by the gentleman from Washington, there still is a provision in the bill calling for accelerated court hearings by a three-judge court. Should we be so fortunate as to prevail in this amendment—fortunate beyond my wildest dreams—there still is a provision for acceleration in this bill, for these matters to be expedited.

Mr. HOSMER. Mr. Chairman, will the gentleman yield?

Mr. STEIGER of Arizona. I yield to the gentleman from California.

Mr. HOSMER. Mr. Chairman, I wish to emphasize that the language which the amendment seeks to strike out is necessary to carry out the provisions of subsection (d) which we just voted to keep in the bill. To adopt the second Dellenback amendment would defeat the earlier action in defeating the first Dellenback amendment.

Mr. Chairman, I urge defeat of the amendment.

Mr. DINGELL. Mr. Chairman, I move to strike the requisite number of words.

Mr. DELLENBACK. Mr. Chairman, will the gentleman yield?

Mr. DINGELL. I will yield to the gentleman from Oregon, but first I wish to have the attention of the chairman of the subcommittee because I have a few questions I want to ask him.

On page 13, line 17, the bill says: "Notwithstanding the provisions of any law other than said section 28 and this title II," so I have a list of statutes and I would like to ask the gentleman whether that language of this bill says these statutes would become inoperative thereupon.

Would the provisions of the Port and Waterways Safety Act be affected?

Mr. MELCHER. No.

Mr. DINGELL. The Jones Act, would it affect the provisions of the Jones Act?

Mr. Melcher. No.

Mr. DINGELL. So the Jones Act and the Port and Waterways Safety Act would continue to apply in spite of the language I have just read?

Mr. MELCHER. Correct.

Mr. DINGELL. The Fish and Wildlife Coordination Act, insofar as section 203?

Mr. MELCHER. No, I do not think so.

Mr. DINGELL. How about the Clean Air Act?

Mr. MELCHER. No.

Mr. DINGELL. The Federal Water Pollution Control Act, as amended?

Mr. MELCHER. No.

Mr. DINGELL. The Oil Pollution Act of 1961?

Mr. Chairman, we are writing legislative history. The gentleman is chairman of the subcommittee and his legislation prevails. Let us find out what the legislation says.

What about the Oil Pollution Act of 1961, would it be affected by that language or not?

Mr. MELCHER. I understand the purpose of the gentleman from Michigan in asking these questions to make legislative history and I commend him for it.

Mr. DINGELL. Do not commend me; just answer the question.

Mr. MELCHER. The answer is "No."

Mr. DINGELL. The Wilderness Act?

Mr. MELCHER. The answer is "No."

Mr. DINGELL. The National Wildlife Refuge System Act, as amended?

Mr. MELCHER. No.

Mr. DINGELL. The Fish and Wildlife Act of 1956?

Mr. MELCHER. No.

Mr. DINGELL. The Endangered Species Act?

Mr. MELCHER. No.

Mr. DINGELL. The 1899 Flood Control Act?

Mr. MELCHER. The gentleman can ask about them en bloc.

Mr. DINGELL. No, I will not. If the gentleman does not want to answer, we will let the House draw its own conclusions.

Mr. MELCHER. I will be happy to answer. The answer is consistently "No."

Mr. DINGELL. The Endangered Species Act?

Mr. MELCHER. No.

Mr. DINGELL. The Department of Transportation Act, section 12(a)?

Mr. MELCHER. No.

Mr. DINGELL. The Federal Highway Act, section 4(f)?

Mr. MELCHER. Still "No."

Mr. DINGELL. The Wild and Scenic Rivers Act?

Mr. MELCHER. No.

Mr. DINGELL. The Federal Power Act?

Mr. MELCHER. No.

Mr. DINGELL. So the language referred to would not say that any of those provisions of any law, that is the aforesaid section of this bill would not apply to those acts. Is that correct?

Mr. MELCHER. That is correct.

Mr. DINGELL. I thank the gentleman. I am not sure I agree with him but I am delighted to have that legislative history.

Mr. DELLENBACK. Mr. Chairman, will the gentleman yield?

Mr. DINGELL. I yield to the gentleman from Oregon.

Mr. DELLENBACK. Mr. Chairman, I think a service has been performed by this colloquy because I think there is serious question as to whether all that would apply, but to the degree legislative intent has value we have established legislative intent.

Mr. Chairman, this proposal is not just a throw away.

I think it is important that the record be made clear as to the concerns about this language. It is for this reason that the gentleman from Utah and I have put forward this amendment in spite of the defeat of our first amendment. I think, if the provisions of section 202(d) which have been left in the bill still remain effective, it is not too important whether the language on line 14, 15, and 16 is stricken. If a court of competent jurisdiction should, however, determine that the language of section 202(d) is not effective to foreclose further questions under NEPA, then the language on lines 14, 15, and 16 should be stricken.

Insofar, however, as the language of lines 17 and 18 are concerned, there are very serious questions which arise, whatever the fate of section 202(d). These lines should by all means be deleted from the bill.

Mr. DINGELL. Mr. Chairman, I would like to yield further to my friend from Oregon, but my time is almost gone.

I simply observe, Mr. Chairman, that the gentleman from Montana, the chairman of the subcommittee and author of the legislation, has interpreted lines 17 and 18 on page 13 and has made it rather plain that it is not his intent or the intent of the committee that the effect of the statues which he and I have cited earlier in our colloquy is not in any fashion diminished by the unfortunate appearance of lines 17 and 18 on page 13.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Oregon (Mr. Dellenback).

The amendment was rejected.

AMENDMENT OFFERED BY MR. SAYLOR

Mr. SAYLOR. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Saylor: Page 18, strike lines 4 after "interest" through line 14 and insert, in lieu thereof, "Provided that no exports of crude oil subject to this section shall be made unless and until Congress adopts a concurrent resolution stating its agreement with the President's finding concerning the national interest."

Mr. SAYLOR. Mr. Chairman and members of the committee, section 206 of this bill provides that the oil that is to be developed in Alaska is to come to the United States. It has a provision that the President may make certain findings when the oil could be exported and to report to Congress. As the proviso was put in the original bill, the report would have to come to Congress, and Congress did not have to act. The amendment I have offered removes the inaction of Congress and requires a positive action by Congress before the oil can be exported.

Mr. Chairman, I would hope that this amendment could be adopted.

Mr. MELCHER. Mr. Chairman, will the gentleman yield?

Mr. SAYLOR. I yield to the gentleman from Montana.

Mr. MELCHER. Mr. Chairman, I find no objection to this amendment.

Mr. HOSMER. Mr. Chairman, I rise in opposition to the amendment.

This amendment is intended to permit exportation on a spot sales basis. When one of these pipelines is brought into operation, particularly one as big as this, there are a lot of things that have to be coordinated and brought together so that you finally get your line running smoothly. There are tankers at the end of the line, domestic refinery capacity at the unloading port and many more things to coordinate. It takes a long time.

During the initial beginning period one does not see these things fall neatly into place. There will be temporary surpluses of oil at Valdez from time to time and one might want to export some of it to earn foreign exchange on occasions of opportunity. This would occur only when the oil would not be physically available to our own domestic markets.

Therefore, I think this provision ought to be left alone. It is tough enough as it is to seize spot sales opportunities. If you have to wait for Congress to pass a concurrent resolution to allow it, you'll never sell a drop and never whip up any extra foreign exchange revenues.

I urge the defeat of the amendment.

Mr. STEIGER of Arizona. Mr. Chairman, will the gentleman yield?

Mr. HOSMER. I yield to the gentleman from Arizona.

Mr. STEIGER of Arizona. Mr. Chairman, I hope the gentleman did not yield to me under false colors. I am in support of this amendment for the simple reason that it requires Congress to take positive action rather than a passive one.

I happen to think that is a healthy thing. I think anything that can cause Congress to assert itself is valid in this day and time. I would urge that it is a clear judgment call.

What the gentleman from California said is certainly valid. It would be a slower process. I support it on the basis it is an affirmative process as opposed to the passive process in the bill.

I urge support of the amendment.

Mr. HOSMER. I just say it is better to be intelligent about this issue than xenophobic, and I urge defeat of the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania (Mr. SAYLOR).

The amendment was agreed to.

AMENDMENT OFFERED BY MR. SEIBERLING

Mr. SEIBERLING. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

> Amendment offered by Mr. SEIBERLING: On page 16, line 12, strike subsection (f).

Mr. SEIBERLING. Mr. Chairman, if Members really want to expedite this pipeline, this is an amendment which will help do that, in my opinion.

If we leave section 203(f) as it now stands in the bill, we are going to provide a ready-made excuse for anyone who wants to snarl this up in litigation for months on end, because, as it is written now, section 203(f) has various constitutional defects. It is a lawyers' field day.

Furthermore, it is going to hamstring the U.S. Government in enforcing the conditions laid down in this bill for compliance by the pipeline owners.

Let me read the pertinent portion of section 203(f). It requires that any actions or proceedings:

> involving any right-of-way, permit, or other form of authorization granted with respect to the construction of the trans-Alaskan pipeline, to which the United States . . . is a party—

Shall be commenced within 60 days following the date such a right-of-way permit, or other form of authorization is issued.

If we read this language literally, we will have to conclude that it bars the courts from considering forfeiture proceedings brought by the Government to enforce the provisions of the right-of-way or permit, eminent domain proceedings brought by landowners, and actions which may arise more than 60 days after the granting of a permit and which are brought by private citizens against the pipeline company or contractors, where the United States is joined as a party.

To reiterate, the subsection in effect waives the right of the Federal Government to seek forfeiture of the permits and rights-of-way despite blatant or willful violations of the grants.

Another effect of this section is to deprive private property owners of their right to just compensation in a condemnation proceeding.

Along this pipeline route there are 148 miles of non-Federal lands. The owners of these properties may be precluded by this bill from being compensated in eminent domain proceedings. Normally the grant of a right-of-way does not by itself give rise to a cause of action by a landowner. Instead, the action arises only when the property is entered or taken, or when the Government and landowner are unable to agree on just compensation.

Subsection 203(f), however, has the effect of suspending the right of citizens to just compensation when their property is taken, because the subsection attempts to cut off all causes of action 60 days after the grant of a permit or right-of-way is issued, even if there had been no entry or taking by the Government or the pipeline company, or no negotiation even, up to that time. This is a clear violation of the constitutional prohibition against the taking of private property without just compensation. It also is a clear violation of the constitutional prohibition against taking private property without due process of law.

Furthermore, subsection 203(f) can be interpreted in such a way as to bar claims which arise during construction and operation phases of the pipeline.

Personal injury claims, oil spillage claims, and nuisance actions relating to the construction of the pipeline could well arise after the permits have been granted. Yet these actions would be barred if the claim were based on the alleged negligence of the United States or any officer or employee of the United States. In fact, any contractor, including the pipeline company, could escape liability by simply joining with the United States as a party.

This also would constitute a denial of an injured party's right to due process of the law as protected by the fifth amendment.

Quite apart from these unconstitutional aspects, this subsection represents a mistaken effort to bypass normal judicial channels by establishing a special three-judge court to hear cases arising under this bill. This has been done in the belief—in my view, erroneous—that it will minimize delays in future litigation.

Mr. Chairman, in my view, this section will produce just the opposite result. It is so obviously defective from a constitutional standpoint that it literally invites litigation and will probably end up causing even more delay.

The CHAIRMAN. The time of the gentleman from Ohio (Mr. SEIBERLING) has expired.

(By unanimous consent, Mr. SEIBERLING was allowed to proceed for an additional 30 seconds.)

Mr. SEIBERLING. Mr. Chairman, the way out is to simply strike out the subsection. In my view, it is unconstitutional, unwise, and unnecessary.

Mr. MEEDS. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, let me at the outset assure the gentleman from Ohio (Mr. SEIBERLING) that when I offered this amendment in the committee, it was not my intent to bar any cause of action, and where the language is used, that the permit is assured, that means really when the cause of action arises.

It is one of the things about which the gentleman spoke, and it does not involve the issue of permit or permission but it means at the time the cause of action arises. It is not the intent of this legislation to in any way restrict the bringing of a proper cause of action and I assure the gentleman that was not my intention.

Second, Mr. Chairman, we have heard all afternoon—and I think with a great deal of validity—that the action of this body is going to be subjected to immediate court tests. I do not think there is any question about that.

I submit that we have set up within

this procedure, within this legislation, the procedure under which that judicial inquiry should proceed, and we provide a certain and an expeditious hearing of any of the inquiries about which we have heard this afternoon.

So far from being a mischievous amendment or portion of this act, this is a very beneficial portion, and it will carry out the intent of this Congress in assuring us that we are going to proceed expeditiously with the building of this pipeline.

The purpose is to provide a certain method, to provide that that method should be before a District Court composed of three judges. And I cite, Mr. Chairman, that there is ample precedent. As a matter of fact, under 28 U.S.C., 2284, there is ample precedent for a 3-judge court, and again, particularly in matters which should be expedited such as this, where there are applications for injunctive relief on constitutional matters, injunctive relief on State constitutional matters and State questions against the U.S. Constitution.

So this amendment is very essential, as a matter of fact, to the act, because without it we do face again the interminable delay which can come about through actions which are brought merely for the purpose of causing that delay.

Mr. SEIBERLING. Mr. Chairman, will the gentleman yield?

Mr. MEEDS. I am happy to yield to the gentleman from Ohio.

Mr. SEIBERLING. Mr. Chairman, I appreciate very much the gentleman from Washington explaining the intent of this section.

I am sure that is his intention, and I hope it is the intention of the full committee.

However, the section is nevertheless cloudy. There was not adequate time to bring out the intent when the language was written in the committee, in my opinion, and the difficulty I labor under is that the court is going to look first at the plain language of the statute.

Unless the language is unambiguous—and in some respects it is, but in some respects it is not—then the courts are not going to be required to look into the legislative history but will just rule on the basis of the language in the bill.

I think it is unfortunate that we allow this kind of legislation to be on the record.

Mr. KOCH. Mr. Chairman, will the gentleman yield?

Mr. MEEDS. I yield to the gentleman.

Mr. KOCH. Mr. Chairman, while I believe that Congress should make the necessary revisions in the Mineral Leasing Act so as to enable the oil resources of Alaska's North Slope to be developed and transported to the fuel-hungry areas of this Nation, I cannot in good conscience vote for the legislation before us today—a bill whose effect would be to emasculate the most important piece of environmental legislation passed by Congress, the National Environmental Policy Act.

NEPA was enacted by Congress only 4 years ago with the express purpose of requiring that environmental problems be identified fully "while they are still of manageable proportions and while alternative solutions are still available." The act directed that alternative measures be fully considered within both the executive branch and the Congress so that the maximum amount of precautionary information would be available before any irrevocable decisions are made.

The language in the bill presently before us, however, would effectively remove the environmental issues of the Alaskan pipeline—one of the most wide-ranging environmental issues of the past decade—from the judicial review requirements of NEPA. By enacting this bill, Congress not only would be setting a dangerous precedent leading to further special interest exemptions from NEPA, but it would also be acting very irresponsibly in thus cutting off further deliberation of the environmental consequences of the Alaskan route. If there is at some time in the future a disastrous pipeline break or tanker accident, we would most certainly feel very remiss in having taken the actions proposed today.

The Interior Department maintains that on the Alaskan pipeline issue it has "bent over backward to comply with both the letter and spirit of NEPA." Yet today it is supporting what amounts to an exemption from NEPA's judicial review provisions. Surely, if the letter and spirit of the law have been observed, there should be no need for this very objectionable provision in the bill before us.

I have voted earlier today in support of both the Udall substitute calling for a 6-month study of the Canadian alternative and the all-important Dellenback-Dingell amendment striking the provisions in the bill asserting NEPA compliance and which bar judicial review of the Alaska pipeline. Without these amendments, the present legislation is totally unacceptable; it represents a violation of our most basic environmental protection law. More damage may be done to our environment and to our political processes through the passage of this legislation than might possibly be done if NEPA were adhered to and a 6-month study of the alternate Canadian route completed. I shall therefore vote against the bill.

Mr. DENNIS. Will the gentleman yield?

Mr. MEEDS. I yield to the gentleman.

Mr. DENNIS. I would like to say to the gentleman from Washington that I rise to a rather narrow point here. There are some larger issues in this section, but I am afraid—and I am sure the gentleman stated his intentions correctly—that I cannot help but agree with my friend from Ohio that what it says there is that this action has to be brought within 60 days of the issuing of the permit.

I do not say that is unconstitutional but it is certainly a very short statute of limitations.

If the gentleman did not intend that, then I think there either needs to be an amendment offered on the floor or it needs to be fixed in the conference, because that is what you are saying.

Mr. MEEDS. The gentleman misunderstood me. It means exactly what it says with regard to permits and authorization, but it means also that there is a 60-day period of time on these other types of things which are not mentioned specifically here.

Mr. STEPHENS. Mr. Chairman, I move to strike the requisite number of words. I rise in opposition to the amendment.

I would like to address myself to the question of constitutionality of certain provisions of the bill as mentioned in arguments advanced by opponents of the bill as written.

Article IV of the Constitution provides that:

> The Congress shall have Power to dispose of and make all needful Rules and Regulations respecting the Territory and other Property belonging to the United States.
>
> The power over the public land thus entrusted to Congress is without limitations. And it is not for the courts to say how that trust shall be administered. That is for Congress to determine. *United States* v. *City and County of San Francisco,* 310 U.S. 29–30, quoting *Light* v. *United States,* 220 U.S. 523, 527 (1911).

Congress can either exercise this power itself or it can confer it on some agency or officer. If Congress itself exercises the power it may leave ministerial or administrative deals in the hands of an individual official. In such a case, however, the act of Congress would be the complete act of the sovereign, the subsequent ministerial acts not involving the exercise of sovereign power. *Clackamas County* v. *McKay,* 219 F.2d 479, 493 (D.C. Cri. 1954). By directing the Secretary of the Interior to grant necessary rights-of-way and permits for the construction, operation and maintenance of the trans-Alaskan pipeline, without further action under the National Environmental Policy Act of 1969, the Congress is exercising the sovereign power given it in article IV, section 3, clause 2 of the Constitution. The exercise of this power by Congress is not bound by requirements of section 102 of NEPA, another act of Congress. That act applies to "all agencies of the Federal Government" but not to the Congress itself. If Congress wants to change the jurisdiction it gave in that act by revoking it in this act, it can do so.

Despite the clear constitutional authorities for this action by Congress, it has been suggested that the act could be interpreted as resulting in a denial of due process for somebody.

The grant provided for in section 203 (a) of this bill does not violate the due process clause of the fifth amendment, the only provision even arguably applicable.

Section 203 (d) and (f) of the bill, which precludes judicial review of the granting of rights-of-way, permits, and other forms of authorization, is a constitutional exercise of congressional power as decided time and again by the Federal courts. In many instances Congress has seen fit to proscribe or limit judicial review.[1] In the past 40 years, no act of Congress limiting judicial review has been declared unconstitutional. Moreover, statutes limiting judicial review have been interpreted to permit the judiciary to reverse lawless agency action and are, therefore, given a "saving construction."

For example, section 10(b)(3) of the Selective Service Act of 1967 provided that—

> No judicial review shall be made of the classification or processing of any registrant by local boards, appeal boards, or the President, except as a defense to a criminal prosecution under section 12 of this title, after the registrant has responded . . . to an order to report for induction. . . ."

An exception to this nonreviewability provision was only upheld when the order was "basically or blatantly lawless." *Breen* v. *Selective Service Board*, 396 U.S. 460 (1970); *Oestereich* v. *Selective Service Board*, 393 U.S. 233 (1968). This exception has been limited to those cases in which the registrant was entitled by the very terms of the statute to an exempt classification and the board, for reasons unrelated to the merits of the claim, denied him the sought after classification to which he was entitled. Section 10(b)(3), however, has been held to be a valid prohibition of preinduction judicial review when the board has used its judgment and has determined a classification for a registrant, based upon the merits of his case.

The Civil Service Retirement Act provides that the Commission—

> Shall determine questions of disability and dependency and its decision concerning these matters are final and conclusive and are not subject to review.

Only when there has been a substantial departure from important procedural rights, or a misconstruction by the Commission of its governing legislation, has the Court of Claims held such action to be reviewable. *Scroggins* v. *U.S.*, 397 F. 2d 295 (1968).

Section 203(d) is not unconstitutional; it is entirely proper for the Congress to withdraw certain subject matter from the jurisdiction of the lower Federal courts. The courts have recognized this and have generally given credence to provisions limiting or preventing judicial review. We grant jurisdiction; if we can grant jurisdiction, we can also limit or withdraw jurisdiction from the courts.

The legislation construed in the Three Sisters Bridge case did not expressly preclude judicial review, an omission which Chief Justice Burger has indicated could be cured by Congress. In voting to deny certiorari in that case, the Chief Justice stated:

> I concur in the denial of certiorari in this case, but solely out of considerations of timing. Questions of great importance to the Washington area are presented by the petition, not the least of which is whether the Court of Appeals has, for a second time, unjustifiably frustrated the efforts of the Executive Branch to comply with the will of Congress as rather clearly expressed in § 23 of the Federal-Aid Highway Act of 1968, 82 Stat. 827. If we were to grant the writ, however, it would be almost a year before we could render a decision in the case. It seems preferable, therefore, that we stay our hand. In these circumstances Congress may, of course, take any further legislative action it deems necessary to make unmistakably clear its intentions with respect to the Three Sisters Bridge project, *even to the point of limiting or prohibiting judicial review* of its directives in this respect. (Italics added.)

In those cases in which Congress could not possibly have intended a withdrawal of judicial review—that is, where there is unconstitutional or otherwise blatantly lawless action on the part of an agency—the courts have interpreted such provisions accordingly. To assume that the judiciary would entertain an action, for declaratory relief or otherwise, by simply alleging the unconstitutionality of section 203(d), is to ignore both the "saving construction" placed upon provisions such as these in the past, and, more fundamentally, the requirement under article 2 of the Constitution that there exists an actual "case or controversy."

So, if anyone is worried by the argument that limitation of judicial review is unconstitutional, I can assure him that the subject matter has been so thoroughly and so frequently decided by the Federal courts that there is no doubt that the limitations in this bill are constitutional.

Mr. SEIBERLING. Mr. Chairman, will the gentleman yield?

Mr. STEPHENS. I yield to the gentleman from Ohio.

Mr. SEIBERLING. Mr. Chairman, I am sure the gentleman from Georgia is not saying that a person would be deprived of his property without the right to go to court in a condemnation proceeding. The gentleman is not saying that, is he?

Mr. STEPHENS. No.

Mr. SEIBERLING. There are 148 miles of the route of this pipeline that go across private property, but this section 203(f) says that no actions involving right-of-way can be brought later than 60 days after the permit is issued.

The taking of property may occur long after the 60 days are up. And reading this literally, it says that there can be no condemnation proceedings or any other action with respect to that after 60 days after the permit is issued.

Would the gentleman from Georgia comment on that?

Mr. STEPHENS. I do not believe it is the intent to deprive anybody of their rights.

The CHAIRMAN. The time of the gentleman has again expired.

Mr. SMITH of New York. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I shall not take the full 5 minutes.

Mr. Chairman, I rise in support of the amendment. I think the gentleman from Ohio is absolutely right. I think the intention of the committee is very laudable here, and I understand what they are trying to do, but I am afraid that the unintentional effect of this section will more than outweigh whatever may be accomplished.

I hope that the committee will adopt the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio (Mr. SEIBERLING).

The question was taken; and on a division (demanded by Mr. SEIBERLING) there were—ayes 20, noes 43.

So the amendment was rejected.

AMENDMENT OFFERED BY MR. RUPPE

Mr. RUPPE. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

> Amendment offered by Mr. RUPPE: Page 21, line 13, strike out the words "Secretary of the Interior" and insert in lieu thereof "Comptroller General of the United States".
>
> Page 21, line 20, strike out the word "Secretary" and insert in lieu thereof "Comptroller General".
>
> Page 21, line 21, strike out the word "Secretary" and insert in lieu thereof "Comptroller General".

Mr. RUPPE. Mr. Chairman, section 209 of this bill requires that in the next 2 years a study be undertaken to investigate the feasibility of one or more additional gas or oil lines to be brought from Alaska down through Canada by pipeline to the United States. My amendment would mandate and require that the study that is going to be conducted in the future—and which does not affect the basic legislation, that is before us, but is a feasability study that will be conducted in the next 2 years—be undertaken by the General Accounting Office rather than by the Secretary of the Interior. I think it is very important that this change in the legislation be initiated for two particular purposes.

First of all, there is no question but that we are going to build additional pipelines in the United States from Canada in the future. My colleague, the gentleman from Arizona, suggested before that not only would we have a gas pipeline in the future, but we would undoubtedly have one or more additional oil lines running from Alaska as well, so I think it is very important that we take a very careful look to determine the feasibility of developing those additional pipelines for gas or oil to the United States through Canada. I think the GAO, as an arm of Congress, would be in the very best position to give this Congress a very objective study as to the feasibility of the various alternative routes through Canada. It would not in any way mandate a Canadian route; it would simply call for the study of the various alternatives be conducted by GAO rather than by the Secretary of the Interior.

I regret to say, in addition, I do not

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[1] The following statutes proscribe or limit, in some manner, judicial review:

29 USCA 104, Norris LaGuardia Act.

5 USCA 8347, Civil Service Disability.

38 USCA 211, Veteran's Ins.—Claims.

8 USCA 1226, Immigration & Nationality Act.

31 USCA 725, Unclaimed Postal Savings System.

5 USCA 3383, Air Traffic Controllers.

50 USCA App. 34, Trading and Enemy Act.

7 USCA 809, Soil Bank Act.

22 USCA 1623, Int'l. Claims Settlement Act.

50 USCA App. 1894, Housing and Rent Acts.

45 USCA 153, Railway Labor Act.

43 USCA 1601 et seq., Alaska Native Claims Settlement Act.

think the Secretary of the Interior's record in this particular area has been very good. We certainly have found a lot of acrimony, a lot of controversy today, regarding the quality of the impact statement developed by the Secretary of the Interior. We all wonder whether any negotiations undertaken with Canada were really seriously conducted. So we need someone else to undertake the study in the future, and I think the GAO is eminently equipped and eminently capable of doing the job.

Mr. RONCALIO of Wyoming. Mr. Chairman, will the gentleman yield?

Mr. RUPPE. I yield to the gentleman from Wyoming.

Mr. RONCALIO of Wyoming. I thank the gentleman for yielding.

Mr. Chairman, I think the gentleman from Michigan has an excellent amendment, and I urge support of the amendment.

Mr. RUPPE. I appreciate my colleague's comments.

May I say I have directly contacted GAO. They advise they can undertake the study. They would farm out the appropriate part to the National Academy of Sciences. This organization, is fully capable of sharing the job with the GAO. The National Academy of Sciences and the GAO will come up with a study that will take into effect the economic, the environmental, and the national security consequences of bringing one of more oil and gas lines down from Alaska through Canada.

I should like to say, Mr. Chairman, that this amendment in no way delays the Alaskan pipeline and the flow of oil from Prudhoe Bay. It is simply looking down the road to the future. Quite frankly I think a great many of us have suffered a shortage of oil, as we have suffered in my district, and a number of States are in a position similar to Michigan when they have had to face emergency conditions. We are not mandating or suggesting that my area be taken care of or even that the next pipeline should come in through the Midwest. We are simply calling for a study of the feasibility of building a pipeline from the North Slope to connect with a pipeline through Canada.

Mr. STEIGER of Arizona. Mr. Chairman, will the gentleman yield?

Mr. RUPPE. I yield to the gentleman from Arizona.

Mr. STEIGER of Arizona. Mr. Chairman, I am going to announce my support for the gentleman's amendment. It is as much because of the degree of affection I have for the gentleman and the fact that he crushed my arm and insisted I do this, but I am going to do it. I do not share the gentleman's concern over the Executive and the Interior Department. I think the Department of the Interior is as capable of as gross an error as any other department but I do not think the General Accounting Office is free of any possibility of error. I understand the gentleman's motivation and I will support his amendment, albeit rather weakly, but I think the point has to be made that the Department of the Interior is capable of good work as well as any others.

Mr. RUPPE. The Department of Interior has done a great deal of good work. I simply disagree on the quality of its pipeline study. To that end I call for a fair and open study by the General Accounting Office of the economic, environmental, and national security aspects of future pipeline alternatives.

Mr. MELCHER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I have a very high regard for our colleague, the gentleman from Michigan (Mr. RUPPE), the author of this amendment and I have a very high regard for the General Accounting Office, but the facts are that the General Accounting Office is not in the business of conducting an investigation of the feasibility of pipeline construction in Canada. Indeed, when we tried to find out what the Canadian position is on a pipeline through Canada and we sought to discuss that directly with Canada, we are very directly and properly told that when we operate between governments it must be through proper agencies and proper channels.

The bill says that the Secretary of the Interior is directed to make a feasibility study. He is an appropriate part of our Government to discuss this possibility with a counterpart appropriate official of of Canada.

It should also be noted that any possible Canadian line does entail a portion of the Alaska line from Prudhoe Bay to the Mackenzie Delta in Canada and it does seem odd that the Department of the Interior should do the feasibility study and environmental impact statement on that portion in Alaska and then we strike from the bill that direction to negotiate the rest of the feasibility study for that portion which lies in Canada with the appropriate Canadian officials.

Mr. RUPPE. Mr. Chairman, will the gentleman yield?

Mr. MELCHER. I yield to the gentleman from Michigan.

Mr. RUPPE. Mr. Chairman, I thank the gentleman for yielding.

I want to say my amendment is no reflection on the gentleman's work which has been monumentally able, as well as monumentally successful. However, there have been some valid questions raised about quality of the environmental impact statement developed by the Secretary of the Interior. Unquestionably one of the reasons we have legislation before us today is due to the attacks in the courts on completeness of the environmental impact statement. We are here today because we are not really sure of the validity of that environmental impact statement when scrutinized by the courts.

I must say without undue respect to the Secretary of the Interior that I think we ought to try another avenue with the next study which is mandated under the legislation.

The National Academy of Sciences could make a very thoughtful impartial determination of the scientific, economic, and national security aspects of such a pipeline. I feel we would have a somewhat fairer study and hopefully a study which would lead to a noncontroversial decision as to where the next pipeline would be situated. I think the General Accounting Office is an arm of Congress and would do a very good job in reporting, shaping, and a feasibility study to this House.

Mr. MELCHER. Mr. Chairman, despite the very eloquent arguments of the gentleman from Michigan, I do not find favor in this amendment, and I hope it is defeated.

Mr. DELLENBACK. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in reluctant opposition to this proposal. We cannot in one breath, it seems to me, say that the impact studies which have been made by the Department of the Interior are good, and that the 25 volumes of hearings we had brought before our committee were well prepared by the Department of the Interior and that they cover the problem adequately as it affects this body, as was decided earlier today, and then with the next breath turn around and consistently take the authority to make this feasibility study away from the Secretary and give it to the Comptroller General.

The expertise lies with the Department of the Interior. The knowledge lies with the Department of the Interior. The Comptroller General would have to start from scratch, and certainly could not do nearly as effective a job as could the Secretary of the Interior.

Therefore, I reluctantly oppose my very good friend from Michigan and urge defeat of this particular amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Michigan (Mr. RUPPE).

The amendment was rejected.

AMENDMENT OFFERED BY MR. SEIBERLING

Mr. SEIBERLING. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SEIBERLING: Page 22, following line 21, insert a new section, as follows:

"SEC. 211 (a) Notwithstanding any other provision of law, including the other provisions of this title, it shall be unlawful for any oil pipeline company, or affiliate thereof, to transport any crude oil or any product manufactured or refined from crude oil through the trans-Alaskan pipeline if such crude oil or product is produced, manufactured, or refined by such pipeline company or affiliate thereof.

"(b) For purposes of this section, the term 'oil pipeline company' means any person, association, corporation, or other entity owning, constructing, maintaining, or operating a pipeline or related facility under any right-of-way, permit, or other Federal authorization granted or issued under this title, or under any provision of law amended by this Act.

"(c) For purposes of this section, the term 'affiliate' includes—

"(1) any person, association, corporation or other entity owned or controlled by a pipeline company;

"(2) any person, association, corporation, or other entity which own a substantial interest in or controls (directly or indirectly) a pipeline company by (A) stock interest, (B) representation on a board of directors or similar body, (C) contract or other agreement with other stockholders, or otherwise; or

"(3) any person, association, corporation, or other entity which is under common ownership or control with a pipeline company."

Mr. SEIBERLING (during the reading). Mr. Chairman, I ask unanimous consent that further reading of the amendment be dispensed with, that it be printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. SEIBERLING. Mr. Chairman, this is an amendment which gives every single Member here an opportunity to demonstrate that his motivation in voting for this bill and against some of the previous amendments which were offered is to serve the interests of the people, and particularly the consumers of the United States, and not the profits of the small group of oil companies that at the present time control the Alyeska Pipeline Co. Therefore, I think it should be taken seriously for that reason, but also because, if the Members really want to make the maximum development of this resource, which is a resource that belongs to all the country and not just to the oil companies, if the Members really want to help solve the energy crisis we are going to be facing in this decade and next, then what they should also want to do is to promote competition in the development of Alaskan oil resources. That is the sole aim of this amendment.

It does not delay; it does not frustrate this bill, but it will expedite the development of the Alaskan oil resources.

Let me explain what it does. This amendment would have the effect of prohibiting the Alyeska Pipeline Co. from transporting any oil owned by it or by any company which owns an interest in that company, and in effect it would require the oil companies which now own the oil rights on the North Slope to divest themselves of this company—spin it off and make it an independent corporation.

By allowing control of the trans-Alaskan pipeline monopoly—for that is what it is—to remain in the hands of a consortium of oil companies which already own oil rights in Alaska, the bill practically guarantees that no other oil companies will make any serious efforts to explore for additional oil reserves on the North Slope of Alaska.

The Alyeska Pipeline Co. is wholly owned by seven oil companies. Major ownership is in the control of three companies—Exxon, Arco, and BP. These companies are free, within broad limits, to deny competitors access to the pipeline system or to permit access only on payment of exorbitant costs.

No oil company is going to undertake even the expense of oil exploration, let alone field development, on the North Slope of Alaska unless it has an assured way of getting the oil out to market. The situation a competitor of the pipeline owners will face when it contemplates shipping over the Alaskan pipeline is aptly described in a report recently prepared by the staff of the Federal Trade Commission on its investigation of the petroleum industry.

The fact that the bill designates Alyeska Pipeline Co. as a common carrier does not solve the problem. The FTC report states:

> Since pipelines transporting crude oil across state lines are common carriers . . . it might seem strange to classify pipeline control as a barrier to entry to new refinery capacity. However, there are two reasons . . . that pipeline control does, in fact, constitute a . . . barrier. First, the owners of pipelines seek approval from the ICC of rates that . . . may be well above the competitive cost of transporting crude oil. For the vertically integrated owners the excessive rate is no burden. Those firms simply transfer funds from the Refinery Department to the Pipeline Department; a bookkeeping transaction of no moment is made. Non-integrated independent refiners, though, must pay the excessive pipeline charge. For these firms a real cost is incurred. To the extent that major-firm owners of pipelines earn greater than competitive returns on investments, the independent refiners are put at a cost disadvantage relative to their major competitors, and a barrier to entry is imposed.

I quote further:

> Second, pipelines can be employed as a barrier to entry if the owners can exclude or limit flows of crude oil to independents. In fact, this can be done by (1) requiring shipments of minimum size, (2) granting independents irregular shipping dates, (3) limiting available storage at the pipeline terminal, (4) imposing unreasonable product standards upon independent customers of pipelines, and (5) employing other harassing or delaying tactics.

The CHAIRMAN. The time of the gentleman from Ohio has expired.

(By unanimous consent, Mr. SEIBERLING was allowed to proceed for 3 additional minutes.)

Mr. SEIBERLING. In case anyone believes this situation would be different, let me say that after an investigation in 1972 by the Select Committee on Small Business, the committee found that the Colonial Pipeline Co., owned by five of the same companies that own the Alyeska Pipeline Co., had discriminated against two outside shippers, burdening them with excess transportation requirements which raised the cost of their shipments considerably.

To meet this problem and to insure competition in the development of Alaskan oil resources, my amendment would apply the same principle to the Alaska pipeline system that has been applied by law to the railroads. Without this amendment, the bill will be a grant to three major oil companies of a pipeline monopoly through which all Alaskan oil must flow. The implications, as they affect competition in the development of Alaskan oil reserves and pricing of petroleum products to American consumers, are very serious.

I hope the House will face up to these questions and will vote for competition, to insure that the Alaskan oil resources will be developed in such a way as to maximize benefits to the country and not just the profits of a few favored oil companies.

Mr. STEIGER of Arizona. Mr. Chairman, I rise in vigorous, almost hysterical opposition to the gentleman's amendment.

I do not blame the gentleman for not having the amendment read. I would be ashamed of it myself.

I would simply tell the Members what this amendment does, and what the gentleman has explained in the past 5 or 8 minutes, is to alter the structure of the oil business in this country.

Mr. SEIBERLING. Mr. Chairman, will the gentleman yield?

Mr. STEIGER of Arizona. I will leave some time for the gentleman; as little as possible, but some time.

I am not even sure but what the gentleman proposes may not be extremely valid, but I would also tell the Members it is like performing total surgery, in which one makes a multiple entity out of somebody without examining the patient.

We are doing the most radical kind of surgery on the economy of the oil business, justified or no. We are intruding into the jurisdiction of no less than six other agencies, I am sure, and nine other committees.

I would simply advise the House, as meritorious as this may be, this is neither the place nor the time to perform this kind of surgery.

I yield to the gentleman from Ohio.

Mr. SEIBERLING. First let me say that I have no objection to the reading of the amendment, if the gentleman would like to hear it.

Mr. STEIGER of Arizona. No; as a matter of fact, I am delighted the amendment has not been read.

Mr. SEIBERLING. Let me simply say that this has no effect on the oil industry outside of Alaska. As it is drawn it is limited entirely to Alaska.

Second, let me say that I happen to be a member of the Subcommittee on Antitrust and Monopoly of the Committee on the Judiciary. I conferred with the chairman of the Committee on the Judiciary, who is also chairman of that subcommittee, concerning this amendment. He told me that he supported it and he had no concern about its touching matters within the jurisdiction of his committee.

This is routine surgery. This is something that goes on every day in the antitrust field. Anybody would be happy to invest money in this monopoly, whether it is owned by the oil companies or anybody else. There will be no trouble getting the money to finance an independent pipeline company, there will be no trouble finding stockholders who want to have an interest in it.

Mr. KETCHUM. Mr. Chairman, will the gentleman yield?

Mr. STEIGER of Arizona. I yield to the gentleman from California.

Mr. KETCHUM. Mr. Chairman, I thank the gentleman for yielding.

I will ask the floor manager this question: Does not this amendment amount to complete divestiture by Congress of the question, through the antitrust laws of this Nation?

Mr. SEIBERLING. Mr. Chairman, may I answer? Will the gentleman yield?

Mr. STEIGER of Wisconsin. I yield to the gentleman from Ohio to respond to the gentleman's question.

Mr. SEIBERLING. Mr. Chairman, the answer to the question is yes, that is exactly what it does.

Mr. KETCHUM. Mr. Chairman, I thank the gentleman for responding, and I appreciate his answer.

Mr. RONCALIO of Wyoming. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, I respect the author of the amendment, I respect his experience in the antitrust field, and I respect his contribution toward drafting a decent, good bill, one which we can live with and one which our kids can live with.

The question of who owns Alyeska down the road and the question of an equal opportunity to participate in the free enterprise system for the development of the North Slope is another problem. That is a problem that may be solved when that day comes.

Mr. Chairman, I will support the amendment.

Mr. BINGHAM. Mr. Chairman, will the gentleman yield?

Mr. RONCALIO of Wyoming. I yield to the gentleman from New York.

Mr. BINGHAM. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, I rise in support of the amendment, and commend the gentleman from Ohio (Mr. SEIBERLING) for offering the amendment.

Mr. BINGHAM. Mr. Chairman, I wish to express my strong support of this amendment offered by my distinguished colleagues on the House Interior Committee.

If the Alaska pipeline is built, it is in the best interests of the American public that the corporation which owns the pipeline and transports the oil be fully separated from the corporations which drill and market the oil.

This antitrust amendment, which would prohibit the Alyeska Pipeline Service Co. from transporting any oil produced or refined by it or any affiliated company, would require the oil companies which presently control Alyeska to divest themselves of their ownership interests in it. Presently, Alyeska is owned by the same consortium of oil companies which owns rights to drill for oil in the Prudhoe Bay-North Slope region of Alaska. If those few companies are permitted to retain ownership and control over the pipeline leading from Prudhoe Bay down to Valdez, exploration for oil by other competing oil companies will be discouraged because the consortium-dominated pipeline company might set prohibitive transportation rates or harass competitors by imposing limitations on access to pipeline flow, restricting storage at the terminal point, or employing other tactics in restraint of free trade.

Having thus forced effective competition out of the Alaskan oil business, the pipeline monopolists would be in a commanding position to set higher prices for crude oil than could prevail in a competitive situation. The American consumer would be the ultimate victim of this cartel system, paying the higher price for Alaskan oil which anti-competitive tactics produce.

Opponents of this amendment say that the pipeline's designation as a common carrier would prevent Alyeska from discriminating against competing oil drilling operations. However, designation as an ICC common carrier will not preclude the establishment of rates which eliminate competition or the exercise of restrictions and practices which make it very difficult for competitors to transport oil.

Mr. Chairman, the Federal Trade Commission perceives the existing vertical integration of this country's oil companies to be such a massive anticompetitive and monopolistic situation that a complete separation of the drilling, transporting, refining, and marketing aspects of the oil industry may be required to prevent the consumer from being gouged any further. Similar proposals are under serious consideration in the Senate. Given these circumstances, the House should seize this timely and appropriate initiative to prevent as much as possible the extension of cartels, monopolies, and anticompetitive practices to the exploration, drilling, and transportation of Alaska's massive oil resources.

I urge my colleagues to give this amendment the approval which it deserves.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio (Mr. SEIBERLING).

The question was taken; and the Chairman announced that the noes appeared to have it.

Mr. SEIBERLING. Mr. Chairman, I demand a recorded vote.

A recorded vote was refused.

So the amendment was rejected.

AMENDMENT OFFERED BY MR. CRONIN

Mr. CRONIN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. CRONIN: On page 17 at the end of section 203 add a subsection (g) to read as follows:

"(g) Notwithstanding the provisions (e) of this section the Secretary of Labor shall be prohibited from issuing any short-term labor clearances to foreign nationals for construction, operation and maintenance of the Trans-Alaskan pipeline when unemployment in the United States is 4.5 percent or above unless unemployed persons capable of performing such labor cannot be found in this country."

Mr. CRONIN. Mr. Chairman, as a member of the Committee on the Interior, I have listened to the arguments pro and con concerning the pipeline and have supported the pipeline in committee. I intend to support it and continue to support it here on the floor.

In committee I offered this amendment, and it failed by a very narrow margin, and, therefore, I felt compelled to offer it again today due to its increasing significance.

Mr. Chairman, the Alaskan pipeline will mean 2 million barrels of oil a day in this country, but it also can mean as many as 25,000 jobs in Alaska. The initial construction of the pipeline will generate 10,000 jobs, and that will increase to as many as 25,000 jobs at the peak of activity on the line. Even after the completion of pipeline construction, as many as 3,000 persons will be needed to operate and maintain the facility.

The spin-offs to the pipeline are tremendous, as just one example, 35 tankers will be needed to transport oil. Twenty-seven of these tankers have not yet been built. The construction of these ships will create 73,500 man-years of labor in the shipyards and the supporting industries. Moreover, maintenance of the fleet will generate 770 permanent jobs in the yards, and require 3,000 crew members. The pipeline will provide the greatest single boost to maritime employment in the Nation's peacetime history.

If American labor builds this pipeline it could make a substantial reduction in the national unemployment rate. Unemployment in Alaska was 11.6 percent in the first quarter of this year—the highest unemployment of any State in the country. Canada's proximity, which guarantees the availability of a low-priced work force, could undermine the opportunity to decrease Alaskan unemployment and remedy the economy. My amendment would insure that Americans will be hired for these jobs first. The trigger for the amendment is a 4.5 percent unemployment rate nationally, with a safeguard provision allowing nonimmigrants to be hired if qualified unemployed Americans cannot be found. This language is not an absolute prohibition for importing labor. Foreign labor can be used if American labor is unavailable or unqualified. But in this case America comes first.

My colleague, Mr. DENT, as ranking member of the House Education and Labor Committee has worked closely with me on this amendment. I would like to particularly thank him for his assistance, and especially for his advice pertaining to the particular questions of labor policy indigenous to this amendment. His help was essential to obtain a bipartisan support for America's labor forces.

He joins me in urging you to assure the country that these jobs will be filled by Americans, and that the income from the pipeline is absorbed by the U.S. economy. Two days ago we approved a buy-American amendment on the military procurement authorization. Today I ask, with Mr. DENT, that we adopt a Hire America Act. I urge the support of my colleagues on this amendment.

Mr. MELCHER. Mr. Chairman, will the gentleman yield?

Mr. CRONIN. I will yield to the gentleman from Montana (Mr. MELCHER), the chairman of the committee.

Mr. MELCHER. Mr. Chairman, I have examined the amendment offered by the gentleman, and I find that it meets with my approval.

Mr. CRONIN. Mr. Chairman, will the committee agree to accept my amendment?

Mr. MELCHER. The committee will accept the amendment.

Mr. STEIGER of Arizona. Mr. Chairman, I would like to rise in support of the gentleman's amendment.

I advise my colleagues that I came to this floor with the conviction that it was an amendment that would be impossible to apply and difficult to enforce. The gentleman with his eloquence, reason, and logic has convinced me that that is not so, and I now support the amendment.

Mr. ECKHARDT. Will the gentleman yield?

Mr. STEIGER of Arizona. I yield to the gentleman.

Mr. ECKHARDT. Would not the amendment be far better if it said "available," rather than "found in this country"? We might have to look for jobs in Maine, rather than Alaska.

Mr. CONTE. Will the gentleman yield?

Mr. STEIGER of Arizona. I yield to the gentleman.

Mr. CONTE. I want to take this opportunity to compliment the gentleman from Massachusetts for a very fine and constructive amendment and for an excellent presentation which he made here today and join in his remarks.

Mr. STEIGER of Arizona. I yield to the gentleman from Pennsylvania.

Mr. HEINZ. I would like to commend the gentleman in the well for an excellent amendment. It is particularly meaningful to those of us in Pennsylvania where we make some steel. I would remind the gentleman that most of this steel for the trans-Alaska pipeline came from abroad and Japan.

Mr. STEIGER of Arizona. I would not have yielded to the gentleman if I knew he was going to raise that question.

Mr. HEINZ. In the context of the gentleman's amendment, I think we do a great service to improve our balance of payments and the job opportunities for Americans. I am glad the gentleman offered his amendment. I urge its adoption by the House.

Mr. STEIGER of Arizona. I yield to the gentleman from Oregon.

Mr. DELLENBACK. I will state that I have certain reservations about the amendment. May I ask the gentleman a question, if he has a copy of it in front of him?

If I read the first line correctly, in the first paragraph it says "(g) Notwithstanding the provisions (e) of this section". Do I understand that is the way the gentleman means it, or is there a typographical error involved? Do you mean something like "the provisions of subparagraph (e) of this section"?

Mr. CRONIN. The gentleman is correct.

Mr. Chairman, I ask unanimous consent that my amendment may be modified accordingly.

The CHAIRMAN. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The CHAIRMAN. The Clerk will read the amendment as modified.

The Clerk read as follows:

Amendment offered by Mr. CRONIN: On page 17 at the end of section 203 add a subsection (g) to read as follows:

"(g) Notwithstanding the provisions of subparagraph (e) of this section the Secretary of Labor shall be prohibited from issuing any short-term labor clearances to foreign nationals for construction, operation and maintenance of the Trans-Alaskan pipeline when unemployment in the United States is 4.5 percent or above unless unemployed persons capable of performing such labor cannot be found in this country."

The CHAIRMAN. The question is on the amendment, as modified.

The amendment, as modified, was agreed to.

AMENDMENTS OFFERED BY MR. MACDONALD

Mr. MACDONALD. Mr. Chairman, I offer several amendments.

The Clerk read as follows:

Amendments offered by Mr. MACDONALD: Page 12, after line 20, insert the following:

(b) The equitable allocation of crude oil and petroleum products among regions of the country and the several States is vital to the health of the national economy and to the national security.

Redesignate the succeeding paragraphs accordingly.

Page 13, line 2, after "later" insert "to assure equitable allocation of crude oil and petroleum products among the regions of the country and the several States".

Page 18, after line 14, insert the following:

SEC. 207. (a) Within six months after the date of enactment of this Act, the President is authorized and directed to develop a National Petroleum Contingency Plan (hereinafter referred to as the "Plan"). The purpose of the Plan shall be to assure the equitable allocation of available crude oil and petroleum products among the several States and the five Petroleum Administration for Defense Districts (hereinafter referred to as the "district") at nondiscriminatory prices during periods of disproportionately intense shortages, as determined under section 208.

(b) The Plan shall be designed to deal with the full range of crude oil and petroleum products shortages, including, but not limited to, shortages caused by—

(1) insufficiency or loss of or reduction in supply of crude oil or petroleum products from foreign sources;

(2) imbalances of district or State demand for and supply of crude oil and petroleum products, or price differences for crude oil or petroleum products, related to the decision to authorize the construction of the Trans-Alaskan Pipeline;

(3) malfunctions or disruptions in the processing and distribution system of crude oil or petroleum products; or

(4) unreasonable price differences for crude oil or petroleum products between various States or the five districts.

(c) In developing the Plan, the President shall consider all current and prospective sources of crude oil and petroleum products and the transportation facilities necessary to deliver crude oil or petroleum products, including, but not limited to, production from Alaska, the Outer Continental Shelf, and the contiguous States; synthetic fuels; opportunities for fuel substitute and conservation; crude oil and petroleum products available from private or Government owned storage; and the importation of crude oil or petroleum products from foreign sources. The Plan shall include an estimate of the amount of crude oil and petroleum products that could be produced from these sources, and the length of time during which such amounts could be made available to satisfy consumption of crude oil and petroleum products in any State or district.

(d) In developing the Plan, the President shall consider the availability to him of such authority as may exist under other law to permit, among other strategies, the regulation of imports and exports of crude oil and petroleum products; direct mandatory allocations of available crude oil and petroleum supplies; adding additional capacity to existing oil pipelines; requiring that the flow of oil pipelines be reversed; directing tankers on the high seas to specific ports of entry; making available for public consumption those fuel supplies held by Federal agencies; imposing appropriate conservation measures to limit demand on crude oil and petroleum products; and such other actions as may be appropriate to achieve the purposes of the Plan.

(e) The President shall revise the Plan every six months in light of changing circumstances, taking into account new technological developments in the production and transportation of crude oil and petroleum products. The President shall submit to Congress each revised Plan accompanied by a report of crude oil and petroleum product consumption for each State and district for the preceding six months, a projection of demand for crude oil and petroleum products for the next six months in each State and district; a statement of the volumes of stocks of crude oil and petroleum products in working inventories and in reserve storage; a statement of the adequacy of refining capacity and transportation systems; a status report on the development of synthetic petroleum plants; the schedule of current and projected leasing on the public lands and Outer Continental Shelf of crude oil reserves; projected plans and activities in the area of energy research and development; plans for establishing strategic reserves of crude oil; a summary of negotiations and agreement with other nations on the security and expansion of petroleum supplies from foreign sources; a summary of the actions taken by the President relating to crude oil and petroleum products supply; and recommendations for further legislation required to carry out the purposes of the Plan.

SEC. 208. (a) The President shall establish, by the end of the 90-day period beginning on the date of enactment of this Act, and maintain as part of the Plan, quantitative indexes defining the disproportionately intense shortage of crude oil or petroleum products for each State and for each of the five districts. Such indexes shall be computed on the basis of, but not be limited to, the relationship between district and State demand for and quantities of the following elements available to each State and district during a normal historic base period, with an acceptable range of deviation from the base period quantity for each such element in each State and district:

(1) The amount of crude oil and petroleum products stockpiled in each State and district.

(2) The amount of crude oil and petroleum products available to each State and district from domestic sources, other than stockpiled crude oil and petroleum products.

(3) The amount of crude oil and petroleum products available to each State and district from foreign sources.

(4) An estimate of the amount of crude oil and petroleum products (at the current rates of consumption) needed in each State and district for the next six months.

(5) An estimate of the expected increase in the rate of consumption of crude oil and petroleum products in each State and district during the next six months.

(b) At any time when the change is one or more of the elements in the quantitative indexes established under subsection (a) exceeds the established acceptable range of deviation, the President is directed to exercise such authority as he may have under other law to implement the Plan (in whole or in part) as developed under section 207 to insure an equitable allocation of available crude oil and petroleum products among all districts and the several States, except if the President determines that such deviation does not warrant implementation of any part of the Plan, he shall immediately notify Congress of such determination. If, during the thirty days following such notification (excluding Saturdays, Sundays, holidays, and days on which either House is not in session) either House adopts a resolution disapproving such determination, the President shall take the appropriate action under existing law to implement the Plan (in whole or in part).

Sec. 209. (a) The President is authorized to promulgate such rules and regulations as he deems necessary to carry out the purposes of sections 207 and 208.

(b) The President may delegate all or any portion of the authority granted under sections 207 and 208 to the head of any Federal agency he deems appropriate.

Renumber the succeeding sections accordingly.

Mr. MACDONALD (during the reading). Mr. Chairman, I ask unanimous consent that the amendments be considered as read, printed in the Record, and be considered en bloc.

The CHAIRMAN. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. MEEDS. Mr. Chairman, I reserve a point of order against the amendments.

Mr. MACDONALD. Mr. Chairman, the reason why I asked to have the amendments not read is it is seven pages in length, and the language seems more complicated than both the purpose and the effect of the amendments.

One of the key issues in the Alaska pipeline bill (H.R. 9130) is the question of assurance that all the regions of the country will benefit from a national security point of view from the building of the line and from the exploitation of this vast new source of oil. In the past, our energy policies have not always served all the regions of the country equally and we must not allow such unfairness to develop again here. For that reason, I am introducing amendments to the Alaska pipeline bill to guarantee the equitable allocation of oil and oil products among regions in case of an oil cutoff emergency, or similar disturbance.

Many of us—including those who support the Alaska pipeline bill as well as those who support the Canadian alternative—are legitimately concerned that bringing all of the North Slope oil to the west coast will make the Midwest and east coast disproportionately dependent on oil from the unstable Middle East. For example, the Department of Interior's analysis of the security aspects of the trans-Alaska pipeline showed that in 1980 with the Alaska line, the west coast would have a zero dependence on Eastern Hemisphere oil, while the Midwest and east coast would have a 36-percent dependency. Clearly then, if it is in the national interest and in the interest of national security to bring Alaskan oil to the lower 48 States as quickly as possible, it is also necessary to have assurances that in case of an oil emergency action will be taken immediately and without question to share energy supplies which remain available among all the regions of the country on an equitable basis.

On the Senate side, Senator Pastore's amendment to S. 1081, which was incorporated as title IV of the bill, is designed to achieve the objective of equitable allocation between regions in case of an emergency. My amendment is similar to that Senate provision. In addition, I am offering amendments to make it clear in the findings of the House bill that equitable allocation of crude oil and petroleum products between regions is one of the objectives of national policy in supporting an Alaska line.

The amendment offered authorizes and directs the President to assure the equitable availability of petroleum products in different regions of the country by developing a national petroleum contingency plan and to implement that plan with the consent of Congress—if a "disproportionately intense" shortage hits any region or State. In the first 90 days after passage of the bill, the President is charged with developing indexes which will define when a shortage in any region is "disproportionately intense." When these indexes are developed, the President will have explicit guidelines as to when action must be taken.

The amendment also requires that the President update the contingency plan and the indexes every 6 months and transmit them together with a report on the petroleum situation to the Congress.

If the House decides to support the Alaska pipeline because of the argument that it can get Alaska oil to the United States as a whole more rapidly and better protect our national security, New England, the Midwest, and southern Representatives—everyone east of the Rockies—should be given ironclad assurance that an emergency will not result in a disproportionate danger for any region in terms of possible fuel shortage. All regions must be assured that any emergency will be met by a fair and equitable distribution of the country's supplies.

This is what this amendment seeks to do.

The CHAIRMAN. The time of the gentleman has expired.

(By unanimous consent Mr. Macdonald was allowed to proceed for 1 additional minute.)

Mr. MACDONALD. All regions must be assured that any emergency will be met by fair and equitable distribution of the country's supplies. That is what the amendment seeks to do, and I hope that this Congress in its wisdom will adopt the amendment.

Mr. COHEN. Mr. Chairman, will the gentleman yield?

Mr. MACDONALD. I yield to the gentleman from Maine.

Mr. COHEN. I thank the gentleman for yielding.

I simply want to join the gentleman in the well in support of this amendment. I think it marks a step the administration has failed to take in giving us an assurance as to that. It is a fair and equitable approach. I want to associate myself with the remarks of the gentleman from Massachusetts.

Mr. CONTE. Mr. Chairman, will the gentleman yield?

Mr. MACDONALD. I yield to the gentleman from Massachusetts.

Mr. CONTE. I also want to join the gentleman in the well in his remarks. I strongly support his amendment.

Mr. BROWN of Ohio. Mr. Chairman, will the gentleman yield?

Mr. MACDONALD. I yield to the gentleman from Ohio.

Mr. BROWN of Ohio. I thank the gentleman for yielding.

Is this the mandatory allocation legislation which was under consideration in the Committee on Interstate and Foreign Commerce?

Mr. MACDONALD. No. I am glad the gentleman raised that point. That mandatory allocation bill of which the gentleman speaks does not go directly to regions. That bill goes to dealers and independent suppliers, the independent fuel distributors.

The CHAIRMAN. The time of the gentleman has expired.

(On request of Mr. Brown of Ohio, and by unanimous consent, Mr. Macdonald was allowed to proceed for 2 additional minutes.)

Mr. MACDONALD. That bill which was cosponsored on the Senate side by Senator Jackson is currently before the Committee on Rules, it having been attached to the hobby bill, and it is over here now. The chairman of the full committee is trying to get a rule on it, and it will be back on the floor perhaps soon.

Mr. BROWN of Ohio. Is it a separate piece of legislation?

Mr. MACDONALD. It is a separate piece of legislation.

Mr. BROWN of Ohio. Would the gentleman also advise me whether or not the provisions of this legislation mean that it would be applicable immediately after passage of the legislation, or will it not be applicable until after the Alaskan pipeline is built and supplying oil to the west coast?

Mr. MACDONALD. Is the gentleman talking about my amendment we are discussing now?

Mr. BROWN of Ohio. I am talking about the amendment we are discussing now.

Mr. MACDONALD. This applies to the Alaskan pipeline.

Mr. BROWN of Ohio. But when will it be operative? When the legislation becomes law?

Mr. MACDONALD. No.

Mr. BROWN of Ohio. Or after the Alaskan pipeline is completed and supplying oil to the west coast?

Mr. MACDONALD. It will be operative when the President receives this and signs it into law, if he signs it into law, and he then appoints his committee. They will come up with a contingent plan. He will look at the plan, and if he agrees, he sends the definitions to us.

Mr. BROWN of Ohio. So that this amendment does not necessarily relate to the Alaskan pipeline?

Mr. MACDONALD. It does relate to the Alaskan pipeline, but it is not confined to the Alaskan pipeline.

Mr. BROWN of Ohio. The Alaskan pipeline is not to be completed for some time, no matter how quickly we complete the legislation tonight.

Mr. MACDONALD. This will go into effect earlier.

Mr. BROWN of Ohio. Immediately?

Mr. MACDONALD. Yes.

The CHAIRMAN. Does the gentleman from Washington insist upon his point of order?

Mr. MEEDS. Mr. Chairman, I withdraw my point of order.

Mr. DELLENBACK. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, as has been pointed out earlier by the chairman of the subcommittee, the subcommittee has given to this piece of legislation some 13 days of hearings and some 2 days of markup, after which time the full committee spent some 3 days marking up this bill. The bill has devoted itself to two issues, the Mineral Leasing Act, and the Alaskan pipeline. Under the circumstances which now obtain, at 20 minutes to 8 in the evening, when we have just had handed to us seven pages of a proposed amendment to this bill which seems to me to bring up a brand new subject and one which, I am sorry to say, the gentleman from Michigan withdrew his point of order on, because it would seem to me that the point of order might very well have held—it seems to me this is the wrong time to move in this way on this proposed piece of legislation.

Mr. O'NEILL. Mr. Chairman, will the gentleman yield?

Mr. DELLENBACK. I yield to the gentleman from Massachusetts.

Mr. O'NEILL. I thank the gentleman for yielding.

The reason that the gentleman from Massachusetts (Mr. MACDONALD) has brought up this amendment at this time is that it clarifies the Pastore amendment which is already in the Senate bill.

Mr. DELLENBACK. I appreciate the comments of the majority leader, the gentleman from Massachusetts, but it seems to me, Mr. Chairman, that we make a very serious mistake if, without committee hearings on this matter, without the subcommittee having heard the matter, we take up a proposed major amendment which has not even been read, and which we certainly have had no time to examine in detail.

I would reluctantly urge this committee at this time, if it wants to stay with the subject matter of the very important piece of legislation that this bill basically is, not to encumber it at this time of night with this kind of amendment.

Mr. Chairman, I would urge the defeat of this amendment.

Mr. MELCHER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I have examined the amendment and find that it is similar to the Pastore amendment, and realizing that it will be subject to conference I have no objection whatsoever to accepting this amendment. I hope other Members will accept it also.

Mr. STEIGER of Arizona. Mr. Chairman, I rise in opposition to the amendment. Strangely enough I rise in opposition for exactly the same reasons the gentleman from Montana, the chairman of the subcommittee, supports the amendment: the very fact that the language similar to this is in the Senate bill. The Senate has had no more opportunity to examine the matter than we have had. It seems to me the only chance to remedy whatever might be wrong with the Senate language is not to have any language in this bill so that if the plan is as unworkable as it would appear to be from first glance, this idea of shipping oil from the west coast to the east coast on some kind of mandated base, I believe would be doing a great disservice to the rest of the Nation.

I would suggest as wide-sweeping a program as this if it is meritorious should have a committee examine the plan. I would be terribly concerned knowing no more than I do about this and knowing that the other body traditionally accepts these things knowing no more than we do about this matter and I believe we would be doing a great disservice to the Nation to accept this.

Mr. MACDONALD. Mr. Chairman, will the gentleman yield?

Mr. STEIGER of Arizona. I yield to the gentleman from Massachusetts.

Mr. MACDONALD. Mr. Chairman, if I said it would be shipping oil on a mandated basis from the west coast to the east coast I was in error or else the gentleman heard me incorrectly because that is nowhere contained in the amendment.

Mr. GERALD R. FORD. Mr. Chairman, will the gentleman yield?

Mr. STEIGER of Arizona. I yield to the gentleman from Michigan.

Mr. GERALD R. FORD. Mr. Chairman, will the gentleman from Massachusetts explain this to me. It is my understanding the other body has approved an amendment in the hobby control legislation and we are now having hearings before the House Rules Committee on whether or not that committee will report that legislation with the mandatory petroleum allocation provision. How many times are we going to deal with the mandatory oil allocation programs?

Mr. MACDONALD. Will the gentleman let me explain this?

Mr. GERALD R. FORD. I would like to know that.

Mr. MACDONALD. Mr. Chairman, the word "allocation" applies to completely different substances. One is a division of the United States intersections for petroleum purposes. That is the bill which is before us here today with my amendment. The other bill goes to allocation to independent producers and to independent refiners and to the gas stations and to the farmers in the gentleman's area to insure under an emergency basis a quick flow from the major oil companies to the people they had been supplying up until the time they cut them off, roughly about a month ago. So the subjects while related are not similar. If they were similar I would have tried to attach the thing in the Rules Committee to this bill but they were so dissimilar I thought a point of order would lie against that, and I think I am quite correct in saying I think a point of order would lie. They are quite similar but different.

Mr. GERALD R. FORD. Let me ask, has the gentleman's committee or any other committee in the House had hearings on this amendment?

Mr. MACDONALD. I did not hear the gentleman.

Mr. GERALD R. FORD. I will ask the gentleman from Massachusetts the question again.

Has the gentleman's committee or any subcommittee thereof or any other committee held hearings on the amendment which is a very broad, sweeping amendment? Have committee hearings been held on the proposal?

Mr. MACDONALD. The gentleman is talking about this amendment?

Mr. GERALD R. FORD. I am talking about the amendment the gentleman just offered.

Mr. MACDONALD. My subcommittee has not held hearings on this matter.

Mr. GERALD R. FORD. Has any other committee held hearings?

Mr. MACDONALD. I do not know whether the Senate did or not. They incorporated it into the bill so I take it they must have.

Mr. GERALD R. FORD. Let me ask this question.

Has the House Committee on Interstate and Foreign Commerce held any hearings on the bill now being discussed before the Rules Committee?

Mr. MACDONALD. Yes, I assure the gentleman the language——

Mr. GERALD R. FORD. The other House bill has been reported?

Mr. MACDONALD. It has not been reported, no.

Mr. BROWN of Ohio. Mr. Chairman, I move to strike the last word.

Mr. STEIGER of Arizona. Will the gentleman yield?

Mr. BROWN of Ohio. I yield to the gentleman from Arizona.

Mr. STEIGER of Arizona. Mr. Chairman, I have one question to put to the gentleman from Massachusetts. He mentioned here several regions of the country, and among the regions of the country, several States. Can the gentleman advise me as to what those regions are and what States are involved?

Mr. MACDONALD. Mr. Chairman, the plan has not been put into effect yet. The President is going to firm up this plan under the direction of this amendment.

Mr. STEIGER of Arizona. Does the gentleman know how many regions we are asking the President to divide the country into?

Mr. MACDONALD. That question is for experts in the field. It is my recollection that it is nine.

Mr. BROWN of Ohio. Mr. Chairman, I would like to ask the chairman of the Communications and Power Subcommittee—I gather that is his interest in this legislation because he did have hearings on this legislation in a way; we had hearings relating to distribution of refined products—as I read this legislation very quickly, it relates to the distribution not only of refined products but also of crude oil. Is that correct?

As I understand the legislation and if I read it properly but very hastily, this legislation refers to the distribution of crude oil as well as refined products. Is that correct?

Mr. MACDONALD. All petroleum products. Yes.

Mr. BROWN of Ohio. Legislation under consideration by the Subcommittee on Communications dealt with refined products, not with crude oil. Is that correct?

Mr. MACDONALD. That is correct.

Mr. BROWN of Ohio. May I ask the

gentleman the method by which the distribution of crude products would be arranged when a company has its own source of oil and takes it to its own refinery for refinement of that product; and if it had a full supply and some other company that had a refinery and its own crude oil sources did not have a full supply, would then the fully supplied company be obliged to sell its crude product to the undersupplied company if that undersupplied company could refine and distribute it?

Mr. MACDONALD. No. This has nothing to do with companies. This sets up the United States into regions. If east of the Rockies would be 36 percent dependent on Mideastern oil—and we all know how unstable the Mideast is—and everything west of the Rockies by 1980 will have zero dependence on the Middle East, if an emergency comes it is my position and I hope the position of the Members who represent those districts properly that the "share the wealth" should go into reverse. They share the disasters.

We do not feel the west coast should have all the oil they want and need and the rest of the country have none.

Mr. BROWN of Ohio. I understand the gentleman's point, but the crude oil—is the gentleman contending it belongs to the United States, or is it owned by an individual company? How can this legislation really take an individual company that owns crude oil and order it to sell that crude oil to a company in another part of the country which does not have a full supply of crude oil to refine?

Mr. MACDONALD. I do not know where the gentleman gets that from, because the President has not set up the contingency plan yet. We appoint him to set up the plan and send it to the Congress.

If we were to do as the gentleman indicates, I for one shall not vote for it, and I know the gentleman from Ohio will not.

Mr. BROWN of Ohio. If I may, the legislation we had under consideration required an equitable distribution of refined product in the free market, and it said that the distribution pattern that was in use previous to the shortage would be the distribution pattern when there was only 95 percent of the needed refined product. In other words, 95 percent would go to everyone in the distribution pattern which existed before in the free market system. But this amendment takes in crude product.

As I understand, this amendment requires that a company which has sufficient crude product would be required to send some of its product to another part of the country and companies in that part of the country for refining and distribution.

Mr. DU PONT. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I yield to the gentleman from Ohio (Mr. BROWN).

Mr. BROWN of Ohio. If I may, I should like to continue my inquiry about what the amendment actually would do. It is a seven-page amendment, and some explanation of it would be helpful, so that we could make a determination as to whether to vote for it or against it.

I, for one, was prepared to support the legislation studied by our subcommittee. I am not sure I am prepared to support the legislation proposed here, because I want to know what the distinction is, what this amendment would do over what that bill would have done.

Getting back to the discussion of the distribution of crude oil, would this require that a company, which owns crude oil on the west coast and is about to refine that crude oil product in its own refinery for distribution into its own market system, would be required to give that crude oil, for whatever price, to a company on the east coast, so that east coast company might refine it and then distribute it in its own market system?

Mr. MACDONALD. I have tried to answer the gentleman three different times. I will do it a fourth time.

Mr. BROWN of Ohio. I have not understood the answer yet.

Mr. MACDONALD. I am not really responsible for that.

The contingency plan which this amendment proposes would be drawn up, by the oil and gas fuel advisers to the President. The President would either OK the contingency plan that was advanced to him or not. If he did OK it, under the amendment he would be ordered by the amendment to submit that plan to the Congress for approval. If the Congress did not approve the contingency plan nothing would happen.

I cannot assure the gentleman as to what is going to be in the plan. It is up to the advisers to the President.

I should like to point out, in addition, if the gentleman will yield further, that the reason why there was no legislation, as the gentleman from Ohio knows very well, was that the Deputy Secretary of the Treasury, William Simon, told us in public that we should not go ahead with the plan for allocation of fuel because the administration was going to do that. He promised us that July 10, and we are still waiting.

Mr. BROWN of Ohio. I understand the gentleman's point. The 7 days ran from July 10 to July 17, and the committee could have gone ahead and acted at any time after that, rather than wait until this late hour.

Let me make the observation again that there is a distinction here: this plan which distributes crude oil as if it were a national resource rather than a plan that sets up a pattern for distribution of a refined product in the free market system according to patterns that have existed in the free market system previously.

This apparently would give the President authority to distribute all of the crude oil owned by all the companies in the United States. I do not know what it would do for the crude oil of foreign companies in the United States. All of the crude oil would be distributed by the Federal Government. That seems to be very close to seizure of goods or at least forced distribution of those goods privately owned. I find that to be a little disturbing.

Unless the gentleman can explain it better than he has, it seems to me that possibility could exist.

Mr. WAGGONNER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, it is quite clear now that the gentleman from Washington (Mr. MEEDS) should not have withdrawn his reserved point of order because this amendment is not in fact germane to this bill.

This proposal before us today is a proposal to provide for the construction of a transmission facility, a pipeline to bring crude oil from Alaska. The purpose of this legislation is not to provide for the allocation now or at some future point in time by the mechanism of this proposed contingency plan for the allocation of this oil transmitted through this proposed facility.

Now, the President already has the authority under legislation enacted by this Congress, both the House and the Senate, to allocate, if need be, both crude oil and the refined or finished product and to establish a ceiling on the price of that product.

Now, let us not complicate this with something that none of us knows enough about. Let us stick with the purposes of this bill. The President, about the middle of this month, is going to put into action or into force an allocation plan that involves both crude oil and the finished product and a ceiling on the prices of these products.

Mr. Chairman, if we really want to help solve the problem of a crude oil shortage, let us not complicate it with something here which nobody knows whether or not it will work, because honestly none of us knows what the plan contains. Let us be safe rather than sorry, and let us vote down this amendment.

The CHAIRMAN. The question is on the amendments offered by the gentleman from Massachusetts (Mr. MACDONALD).

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. MACDONALD. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 179, noes 233, present 2, not voting 19, as follows:

[Roll No. 421]

AYES—179

Abzug
Adams
Addabbo
Alexander
Anderson, Ill.
Andrews, N. Dak.
Annunzio
Ashley
Aspin
Badillo
Bafalis
Bennett
Bergland
Biaggi
Biester
Bingham
Blatnik
Boland
Brademas
Brasco
Breckinridge
Brown, Calif.
Burke, Mass.
Burlison, Mo.
Burton
Carey, N.Y.
Carney, Ohio
Carter
Chisholm
Clancy
Clark
Clay
Cleveland
Cohen
Collins, Ill.
Conte
Cotter
Coughlin
Cronin
Culver
Daniels, Dominick V.
Delaney
Dellums
Denholm
Dent
Donohue
Drinan
du Pont
Edwards, Calif.
Eilberg
Evans, Colo.
Findley
Fish
Flood
Foley
Ford, William D.
Fraser
Frelinghuysen
Frenzel
Frey
Gaydos
Giaimo
Gibbons
Gilman
Grasso
Green, Pa.
Griffiths
Grover
Gude
Hamilton
Hanley
Hansen, Idaho

Harrington
Harvey
Hastings
Hays
Hechler, W. Va.
Heckler, Mass.
Heinz
Helstoski
Holtzman
Horton
Howard
Hungate
Ichord
Karth
Kastenmeier
Kemp
Kluczynski
Koch
Kyros
Lent
Litton
Long, Md.
McCloskey
McCollister
McDade
McFall
McKinney
Macdonald
Madden
Mallary
Matsunaga
Mayne
Mazzoli
Melcher
Metcalfe
Mezvinsky
Minish
Mink
Mitchell, Md.
Mitchell, N.Y.
Moakley
Mollohan
Moorhead, Pa.
Morgan
Mosher
Murphy, Ill.
Murphy, N.Y.
Nix
Obey
O'Hara
O'Neill
Owens
Pike
Podell
Price, Ill.
Quie
Randall
Rangel
Reid
Reuss
Riegle
Rinaldo
Robison, N.Y.
Rodino
Roe
Roncalio, Wyo.
Roncallo, N.Y.
Rooney, Pa.
Rosenthal
Rostenkowski
Roush
Roy
Ruppe
St Germain
Sarasin
Sarbanes
Saylor
Schroeder
Seiberling
Shipley
Slack
Staggers
Stanton, J. William
Stanton, James V.
Stark
Steele
Stokes
Stratton
Studds
Sullivan
Symington
Thompson, N.J.
Thone
Tiernan
Udall
Van Deerlin
Vanik
Walsh
Whalen
Wolff
Wydler
Wyman
Yates
Yatron
Young, Fla.
Young, Ga.
Zablocki

NOES—233

Abdnor
Anderson, Calif.
Andrews, N.C.
Archer
Arends
Armstrong
Ashbrook
Baker
Barrett
Beard
Bell
Bevill
Blackburn
Boggs
Bolling
Bowen
Bray
Breaux
Brinkley
Brooks
Broomfield
Brotzman
Brown, Mich.
Brown, Ohio
Broyhill, N.C.
Broyhill, Va.
Buchanan
Burgener
Burke, Calif.
Burke, Fla.
Burleson, Tex.
Butler
Byron
Camp
Casey, Tex.
Cederberg
Chamberlain
Chappell
Clausen, Don H.
Clawson, Del
Cochran
Collier
Collins, Tex.
Conable
Conlan
Corman
Crane
Daniel, Dan
Daniel, Robert W., Jr.
Danielson
Davis, Ga.
Davis, S.C.
Davis, Wis.
de la Garza
Dellenback
Dennis
Derwinski
Devine
Dickinson
Dorn
Downing
Dulski
Duncan
Eckhardt
Edwards, Ala.
Erlenborn
Esch
Eshleman
Fascell
Flowers
Flynt
Ford, Gerald R.
Forsythe
Fountain
Froehlich
Fulton
Fuqua
Gettys
Ginn
Goldwater
Gonzalez
Goodling
Green, Oreg.
Gross
Gubser
Gunter
Guyer
Haley
Hammerschmidt
Hanrahan
Hansen, Wash.
Harsha
Hawkins
Hébert
Henderson
Hicks
Hillis
Hinshaw
Hogan
Holifield
Holt
Hosmer
Huber
Hudnut
Hunt
Hutchinson
Johnson, Calif.
Johnson, Colo.
Johnson, Pa.
Jones, Ala.
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Jordan
Kazen
Keating
Ketchum
Landrum
Latta
Leggett
Lehman
Long, La.
Lott
Lujan
McClory
McCormack
McEwen
McKay
McSpadden
Madigan
Mahon
Mailliard
Mann
Maraziti
Martin, Nebr.
Martin, N.C.
Mathias, Calif.
Mathis, Ga.
Meeds
Michel
Milford
Miller
Minshall, Ohio
Mizell
Montgomery
Moorhead, Calif.
Myers
Natcher
Nedzi
Nelsen
Nichols
Parris
Passman
Patten
Pepper
Pettis
Peyser
Pickle
Poage
Powell, Ohio
Preyer
Price, Tex.
Pritchard
Quillen
Railsback
Rarick
Rees
Regula
Rhodes
Roberts
Robinson, Va.
Rogers
Rose
Rousselot
Roybal
Runnels
Ruth
Ryan
Sandman
Satterfield
Scherle
Schneebeli
Shoup
Shriver
Shuster
Sikes
Sisk
Skubitz
Smith, N.Y.
Snyder
Spence
Steed
Steelman
Steiger, Ariz.
Steiger, Wis.
Stephens
Stubblefield
Stuckey
Symms
Talcott
Taylor, Mo.
Taylor, N.C.
Teague, Calif.
Thomson, Wis.
Thornton
Towell, Nev.
Treen
Ullman
Vander Jagt
Veysey
Vigorito
Waggonner
Waldie
Wampler
Ware
White
Whitehurst
Whitten
Widnall
Wiggins
Williams
Wilson, Bob
Wilson, Charles H., Calif.
Wilson, Charles, Tex.
Winn
Wright
Wyatt
Wylie
Young, Alaska
Young, Ill.
Young, S.C.
Young, Tex.
Zion

PRESENT—2

Dingell
Moss

NOT VOTING—19

Conyers
Diggs
Evins, Tenn.
Fisher
Gray
Hanna
Jarman
King
Kuykendall
Landgrebe
Mills, Ark.
O'Brien
Patman
Perkins
Rooney, N.Y.
Sebelius
Smith, Iowa
Teague, Tex.
Zwach

So the amendments were rejected.

The result of the vote was announced as above recorded.

AMENDMENT OFFERED BY MRS. BURKE OF CALIFORNIA

Mrs. BURKE of California. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mrs. Burke of California: Page 22, after line 21, insert the following:

Sec. 211. Notwithstanding any other provision of law, and unless the Secretary of the Interior shall determine it to be inconsistent with the public interest, only such unmanufactured articles, materials, and supplies as have been mined or produced in the United States, and only such manufactured articles, materials, and supplies as have been manufactured in the United States substantially all from articles, materials, or supplies mined, produced, or manufactured, as the case may be, in the United States, shall be used in the construction, operation, and maintenance of the trans-Alaskan pipeline, and related facilities authorized under this Act. This section shall not apply with respect to articles, materials, or supplies—

(a) for use outside the United States;

(b) if articles, materials, or supplies of the class or kind to be used or the articles, materials, or supplies from which they are manufactured are not mined, produced, or manufactured, as the case may be, in the United States in sufficient and reasonably available commercial quantities and of a satisfactory quality; or

(c) purchased, or contracted for, before August 2, 1973.

Mrs. BURKE of California (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the Record.

The CHAIRMAN. Is there objection to the request of the gentlewoman from California?

There was no objection.

Mrs. BURKE of California. Mr. Chairman, this is an amendment which will attempt to assure that the materials and the supplies that are utilized and purchased for this pipeline to the maximum extent feasible will be manufactured within the United States. We certainly need to promote our economy and we certainly need to promote jobs. One way we can do this is to apply the same concept we apply for public improvements.

Members may say this is not a public venture, but when we look at this pipeline which will be 789 miles long, we will see that of this 789 miles 641 of those miles will be over public land, so what we are taking about is the right-of-way for most of the pipeline has substantial public involvement. The cost of this pipeline will be in excess of $1 billion.

Many people raise the question that we know they have already purchased $96 million of this pipe from Japan. Certainly this has already been purchased and in my amendment I except and exempt from the Buy America Act all provisions of that pipe and those supplies already purchased or contracted for prior to this date. What we are saying is that all future contracts, all future purchases should be made so that we can promote our economy here.

What are we talking about? Over $800 million of supplies and materials have not been purchased. If we want to try to assist our economy and in view of the fact that we are making all kinds of concessions about all kinds of precedents for the sake of moving forward expeditiously, maybe there are good reasons and maybe there are not, but the question is should we promote the economy and promote the business for the people of the United States?

At this time I say the only way to assure that we in fact improve our economy is to say that, yes, if we give the builders the right-of-way they will purchase these materials in the United States and help our people here at home. I hope this amendment will be accepted.

Mr. SAYLOR. Mr. Chairman, I rise in support of this amendment. I commend our colleague, the gentlewoman from California, for offering this amendment. She offered it in the full committee. She has made the changes that were criticized in the full committee, that it did not take into consideration the pipe that has already been bought.

We all sat here this afternoon and listened to the distinguished chairman of the Rules Committee (Mr. Madden) read a letter from Andrew Biemiller, a former Member of this group, saying that labor wanted this pipeline. If labor wants the pipeline, certainly we ought to do everything we can to see that it is built with American supplies and equipment.

Mr. Chairman, I urge acceptance of the amendment.

Mr. STEIGER of Arizona. Mr. Chairman, will the gentleman yield?

Mr. SAYLOR. I yield to the gentleman from Arizona.

Mr. STEIGER of Arizona. Mr. Chairman, I find myself in reluctant opposition to both the gentlewoman from California and the gentleman from Pennsylvania.

I think every time we put in a most favored nation clause which excludes all other nations we jeopardize our export trade as well as our future import trade. I urge the Members not to be swept along by the gentlewoman's eloquence or attractiveness nor the earnest and well-meaning efforts of the gentleman from Pennsylvania. I ask that the Members recognize what we would be doing here would be to exclude our friends whom we are attempting to continue to help.

Mr. SAYLOR. Mr. Chairman, I will say to my colleagues we passed a similar amendment to this in the armed services bill the other day. I certainly think we ought to do it in this case because we are giving the oil companies a right-of-way over public land.

I certainly hope the amendment is adopted.

Mr. MELCHER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I only hope that what the gentlewoman from California has described will come about; that is, that the purchases will be made from American supplies. However, I cannot support her amendment. The burdens that would be imposed upon the Secretary of the Interior to make all of the judgments on what was available through American suppliers and make sure that they would be purchased through American suppliers if available is an intolerable burden to be placed upon him.

Furthermore, we have never, that I am aware of, forced upon a private company in a private venture the obligation to buy only American products.

Lastly, we are not going to give a right-of-way across public lands to the trans-Alaskan route or any other oil and gas pipeline route. We are going to charge fair market rental value annually for the right-of-way.

Mr. HOSMER. Mr. Chairman, will the gentleman yield?

Mr. MELCHER. I yield to the gentleman from California.

Mr. HOSMER. Mr. Chairman, the gentleman has stated a very, very true fact. We should not legislate in Congress on these foreign exchange and foreign purchase matters. That is something that has to be done by the executive department if it is to be done well. If we start fiddling around on this kind of repressive action here in Congress we end up tying the hands of our people who are now trying to negotiate with the Japanese, for instance, and break down some of those nontariff barriers that they have up against our exports.

If we do this kind of thing and put it into law, it is a perfect excuse for them to tell us to go jump in the lake when we come around trying to get these barriers removed.

Congress is certainly not the place to do this kind of negotiating on foreign trade.

I very much urge that this amendment be defeated.

Mr. HAYS. Mr. Chairman, I move to strike out the requisite number of words.

Mr. Chairman, it seems to me that if we are going to do everything for the oil companies—and let us face it, in spite of all the oratory we have heard here about the folks back home, the beneficiaries are the oil companies—the least we can ask them to do would be to buy American products to build the pipeline.

This whole bill is full of gimmicks for the oil companies. I am about to the place where the only question I want to ask is, how does this amendment help the oil companies? We have given them everything but the United States of America. We have given them tax breaks, Arco, for one—and I can reel off some more, because I have been studying up—has made $750 million in profits in the last 5 years, and they have not paid a dime of income tax. How do you like that? Now we are going to give them a right-of-way across Alaska, which they want, and let them ship it down to the west coast and spill oil all up and down the place.

We are not going to say, "Build a pipeline here or there." We are not even going to say, "You cannot burn off the gas." And I bet that is what they wind up doing.

I think the least we could do is say, "All right. Go ahead and build it and use American pipe while you are building it."

I do not know whether you buy this propaganda about a gasoline shortage, but as I said here on the floor a week ago, you can bet your bottom dollar that when they get the price of gasoline up to 60 cents a gallon, this shortage is going to disappear overnight.

I hope the lady's amendment prevails. I do not see how anybody can go home and explain to their constituents how they voted for the Alaska pipeline to be built with foreign pipe.

Mr. DENT. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, it is a strange thing. When the pipeline was first proposed and before any official action was taken I was in Japan and saw the pipes being made. And when there was a proposal to purchase them, some kind of propaganda went out, which said that the American mills asked to bid but said they could not build them. Do Members know why? I will tell them why. They put on a deadline for delivery they could not possibly obtain. They could not tool up for them.

The pipes were delivered. I watched them being unloaded from the ships and loaded onto the barges at Tacoma.

The reason I am talking about this is because they were delivered 2½ years ago, and we could easily have tooled up if there had not been a prior purchase before it was even approved.

Let me say another thing. Do Members know why they are afraid of the amendment? Because we cannot provide the products. We do not have the capability.

How many of the men and women in this room realize we do not have the capability for peaceful production in a peacetime economy? Under no kind of a stretch of an imagination can we produce for the emergency of war.

If we do not do this we can blame ourselves for the greater deterioration in this economy. We cannot produce the products we need.

I hope the Members will vote for the gentlewoman's amendment, because that will a least prove it to the diehards that this country is no longer able to produce not only for itself but, God knows, for anybody else.

Mrs. BURKE of California. Mr. Chairman, will the gentleman yield?

Mr. DENT. I yield to the gentlewoman from California.

Mrs. BURKE of California. I should like to call attention to the specific wording of the amendment. The amendment is directed to only those things that can be reasonably produced.

Mr. DENT. I understand.

Mrs. BURKE of California. There seems to be a great difference of opinion as to whether or not the United States can provide the remainder of this pipe. Some people tell me there is now availability in the United States to provide this pipe, even though there was not at the time the original order was placed.

I understand also that many of the fittings and many other things which perhaps 4 years ago could not be provided now can be produced in the United States.

The amendment relates only to those things that can be feasibly and reasonably produced in the United States.

Mr. DENT. Both the Big Inch and the Little Inch run right through the heart of my district. Where did we get the pipe? Where did we get all the tools we needed for that great achievement in this country?

We had the capability. We had the trained workmen. We had the necessary knowhow in this country.

I do not know how many Members understand the economics of survival. This little bit of an amendment points out the necessity for a nation to look inward first toward its survival, and then to reach out to help others become equipped and able to survive.

I remember when I was a leader in the State senate, when the government proposed a certain budget for the mentally disturbed people of our great State. The cost increase was so great that it moved the cost per patient from $2,000 to $11,000. We had reduced many of the budgets in the State to try to achieve that high budgetary item.

A statement was made then, and I have never forgotten it:

> There are times in our zeal to do good that we sometimes make the fit unfit trying to make the unfit fit.

The CHAIRMAN. The question is on the amendment offered by the gentlewoman from California (Mrs. BURKE).

The question was taken; and the Chairman announced that the Chair was in doubt.

RECORDED VOTE

Mr. HAYS. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 334, noes 65, not voting 34, as follows:

[Roll No. 422]

AYES—334

Abdnor
Abzug
Adams
Addabbo
Anderson, Calif.
Andrews, N.C.
Annunzio
Arends
Ashbrook
Ashley
Badillo
Bafalis
Baker
Barrett
Beard
Bennett
Bergland
Bevill
Biaggi
Biester
Blatnik
Boggs
Boland
Bowen
Brademas
Brasco
Bray
Breaux
Brinkley
Brooks
Broomfield
Brotzman
Brown, Calif.
Brown, Mich.
Brown, Ohio
Broyhill, N.C.
Broyhill, Va.
Buchanan
Burgener
Burke, Calif.
Burke, Fla.
Burke, Mass.
Burlison, Mo.
Butler
Byron
Carney, Ohio
Carter
Casey, Tex.
Cederberg
Chamberlain
Chappell
Chisholm
Clancy
Clark
Clausen, Don H.
Clawson, Del
Clay
Cleveland
Cochran
Cohen
Collier
Collins, Ill.
Collins, Tex.
Conlan
Conte
Cotter
Coughlin
Cronin
Daniel, Dan
Daniel, Robert W., Jr.
Daniels, Dominick V.
Danielson
Davis, Ga.
Davis, S.C.

Davis, Wis.
de la Garza
Delaney
Dellums
Denholm
Dennis
Dent
Devine
Dickinson
Dingell
Donohue
Dorn
Downing
Dulski
Duncan
Eckhardt
Eilberg
Eshleman
Evans, Colo.
Fascell
Fish
Flood
Flowers
Flynt
Ford, Gerald R.
Ford, William D.
Forsythe
Fountain
Frey
Froehlich
Fulton
Fuqua
Gaydos
Gettys
Giaimo
Gilman
Ginn
Goldwater
Gonzalez
Goodling
Grasso
Green, Oreg.
Green, Pa.
Griffiths
Gross
Grover
Gubser
Gunter
Guyer
Hamilton
Hammerschmidt
Hanley
Hanrahan
Hansen, Wash.
Harsha
Hastings
Hawkins
Hays
Hechler, W. Va.
Heckler, Mass.
Heinz
Helstoski
Henderson
Hillis
Hinshaw
Hogan
Holifield
Holt
Holtzman
Horton
Huber
Hudnut
Hungate
Hunt
Hutchinson
Ichord
Johnson, Calif.
Johnson, Pa.
Jones, Ala.
Jones, N.C.
Jones, Tenn.
Jordan
Kazen
Keating
Kemp
Ketchum
Kluczynski
Koch
Kyros
Landrum
Latta
Leggett
Lehman
Lent
Litton
Long, La.
Lott
Lujan
McCormack
McDade
McFall
McKay
McKinney
McSpadden
Macdonald
Madden
Madigan
Mahon
Mann
Maraziti
Martin, Nebr.
Mathias, Calif.
Mathis, Ga.
Matsunaga
Mazzoli
Metcalfe
Mezvinsky
Michel
Milford
Miller
Minish
Mink
Minshall, Ohio
Mitchell, Md.
Mitchell, N.Y.
Mizell
Moakley
Mollohan
Montgomery
Moorhead, Calif.
Morgan
Moss
Murphy, Ill.
Murphy, N.Y.
Myers
Natcher
Nedzi
Nix
Obey
O'Hara
O'Neill
Owens
Parris
Passman
Patten
Pepper
Perkins
Pettis
Peyser
Pickle
Poage
Podell
Powell, Ohio
Preyer
Price, Ill.
Price, Tex.
Pritchard
Quillen
Randall
Rangel
Rarick
Regula
Rhodes
Riegle
Rinaldo
Roberts
Robinson, Va.
Robison, N.Y.
Rodino
Roe
Rogers
Roncalio, Wyo.
Roncallo, N.Y.
Rooney, Pa.
Rose
Rosenthal
Rostenkowski
Roush
Rousselot
Roy
Roybal
Runnels
Ruth
Ryan
St Germain
Sandman
Sarasin
Sarbanes
Satterfield
Saylor
Scherle
Schroeder
Seiberling
Shipley
Shoup
Shriver
Shuster
Sisk
Skubitz
Slack
Smith, N.Y.
Snyder
Spence
Staggers
Stanton, J. William
Stark
Steed
Steele
Steelman
Steiger, Wis.
Stephens
Stokes
Stratton
Stubblefield
Stuckey
Studds
Sullivan
Symington
Symms
Talcott
Taylor, Mo.
Taylor, N.C.
Thomson, Wis.
Thone
Thornton
Tiernan
Towell, Nev.
Treen
Udall
Van Deerlin
Vander Jagt
Vanik
Veysey
Vigorito
Waggonner
Waldie
Walsh
Wampler
White
Whitehurst
Whitten
Widnall
Williams
Wilson, Bob
Wilson, Charles H., Calif.
Wilson, Charles, Tex.
Winn
Wolff
Wright
Wyatt
Wydler
Wyman
Yates
Yatron
Young, Fla.
Young, Ga.
Young, S.C.
Young, Tex.
Zablocki
Zion

NOES—65

Anderson, Ill.
Andrews, N. Dak.
Archer
Armstrong
Aspin
Bell
Bingham
Blackburn
Bolling
Breckinridge
Burton
Camp
Conable
Corman
Crane
Culver
Dellenback
Derwinski
Drinan
du Pont
Edwards, Ala.
Edwards, Calif.
Erlenborn
Esch
Findley
Foley
Fraser
Frelinghuysen
Frenzel
Gibbons
Gude
Haley
Hansen, Idaho
Harrington
Hicks
Hosmer
Johnson, Colo.
Kastenmeier
Long, Md.
McClory
McCloskey
McCollister
McEwen
Mailliard
Mallary
Martin, N.C.
Mayne
Meeds
Melcher
Mosher
Nelsen
Quie
Rees
Reid
Reuss
Ruppe
Schneebeli
Steiger, Ariz.
Teague, Calif.
Ware
Whalen
Wiggins
Wylie
Young, Alaska
Young, Ill.

NOT VOTING—34

Alexander
Burleson, Tex.
Carey, N.Y.
Conyers
Diggs
Evins, Tenn.
Fisher
Gray
Hanna
Harvey
Hébert
Howard
Jarman
Jones, Okla.
Karth
King
Kuykendall
Landgrebe
Mills, Ark.
Moorhead, Pa.
Nichols
O'Brien
Patman
Pike
Railsback
Rooney, N.Y.
Sebelius
Sikes
Smith, Iowa
Stanton, James V.
Teague, Tex.
Thompson, N.J.
Ullman
Zwach

So the amendment was agreed to.

The result of the vote was announced as above recorded.

Mr. MELCHER. Mr. Chairman, I ask unanimous consent that all debate on the bill and all amendments thereto end at 9:30 o'clock.

The CHAIRMAN. Is there objection to the request of the gentleman from Montana?

Mr. DINGELL. Mr. Chairman, reserving the right to object, I think we ought to know how many Members have amendments to offer.

The CHAIRMAN. The Chair is unable to reply.

Mr. GERALD R. FORD. Mr. Chairman, will the gentleman from Montana yield?

Mr. MELCHER. I yield to the gentleman from Michigan.

Mr. GERALD R. FORD. It is my understanding—I could check again—that there are approximately eight amendments.

The CHAIRMAN. Is there objection to the request of the gentleman from Montana?

There was no objection.

AMENDMENT OFFERED BY MR. ECKHARDT

Mr. ECKHARDT. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

> Amendment offered by Mr. ECKHARDT: On page 13, strike lines 19 and 20 and insert in lieu thereof the following: "permits as are necessary for the construction of a trans-Alaskan oil pipeline."

(By unanimous consent Messrs. MOSS, DINGELL, and SEIBERLING yielded their time to Mr. ECKHARDT.)

PARLIAMENTARY INQUIRY

Mr. DELLENBACK. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. DELLENBACK. May I ask whether under the rules of the House for every amendment that has been published in the RECORD is it not true the sponsor has 5 minutes?

The CHAIRMAN. The gentleman is correct.

Mr. DELLENBACK. Is it possible, as a further parliamentary inquiry, to determine how many of the amendments at the desk have such sponsorship so we would know the total time?

The CHAIRMAN. The Chair is unable to advise the gentleman as to that question for the reason, the Chair would further advise the gentleman, that some of the amendments may not be offered.

Mr. DELLENBACK. Do I understand that those 5 minutes as accumulated will come out of the deadline time rather than be subsequent time?

The CHAIRMAN. The Chair would like to advise the gentleman all debate on the bill and all amendments thereto is limited to 9:30.

Mr. DELLENBACK. I thank the Chairman.

The CHAIRMAN. The Chair recognizes the gentleman from Texas (Mr. ECKHARDT.)

Mr. ECKHARDT. Mr. Chairman, I should like to present here what I think is an extremely serious amendment concerning a point that has been discussed in some of the previous debate, one which does not do violence to the intent of the act as has been described by the authors of the act.

I would like to point out to the Members that section 203 as read without certain additional material which does not change the essential meaning can be read as follows:

> The Secretary of the Interior is . . . authorized and directed to grant . . . notwithstanding the provisions of any law . . . such rights-of-way and permits as he finds necessary for the construction, operation, and maintenance of a trans-Alaskan oil pipeline.

If I can read the English language, what that means is that the Secretary, notwithstanding the provisions of any law, may grant rights-of-way and permits as he finds necessary not only for construction but also for operation and maintenance of the trans-Alaskan oil pipeline.

I think this language is clearly subject to the construction that he may grant a permit for the maintenance—and I think this is clearly subject to the interpretation that throughout the entire operation of the trans-Alaskan pipeline—and the Secretary has the authority to waive all laws with respect to that pipeline and grant permits to continue to operate if he considers it necessary to waive those laws for the purpose of that operation.

I see no reason why it could not be logically argued that even the regulations of OSHA and the regulations of the Federal Power Commission and other agencies could be waived with respect to the use of the pipeline as a common carrier.

I am sure the committee will say that is not their intent. If that is not their intent, let us make it clear.

But I am absolutely sure that the way this language is presently written the pipeline is completely removed from any effect of NEPA not only at the beginning of the construction of that pipeline but also with respect to all repairs and additions and continued operation of that pipeline from now until eternity.

I do not think that immunity should be granted. What I understood we intended to do here was to expedite the construction of the pipeline, not to give a blanket authority to escape the limitations of NEPA as exercised by the Secretary during the life of the pipeline. I think as I said before that it is subject even to the further construction that he may make certain permits which may override other law because the language clearly says that the Secretary of the Interior is authorized and directed to grant notwithstanding the provisions of any law other than said Act, or to issue such rights and permits as he finds necessary for the construction, operation, and maintenance.

All that this amendment does is strike those last words of that sentence so that it would read that the Secretary has the right to grant, "such rights of way and permits as he finds necessary for the construction of the trans-Alaskan oil pipeline," period.

In other words—as the committee says it wants—what this would do is say that he may grant permits irrespective of NEPA necessary for the construction of the trans-Alaskan oil pipeline. That is what advocates of the bill say they want. Let us write it that way, but let us not give a blanket authority to ignore NEPA from now on out.

NEPA involves not only standards, but procedures for judging whether those standards have been complied with. NEPA certainly requires that any repair or changes or enlargements or further operations of the pipeline which have been done in response to Federal activity be subjected to consideration by the Secretary of the Interior to see if they have negative environmental effects. I do not think anyone here wants to let a determination leveled at the question of whether construction should commence, be an absolute authority to the Secretary to avoid NEPA limitations and ultimate court review with respect to what happens to the pipeline from here on out.

The amendment I present here in no way injures the purpose of the bill, nor holds anything up, because it clearly states that permits are permitted to be made free of these limitations if they are necessary in construction of the pipeline.

Mr. MEEDS. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I rise in reluctant opposition, because I am sure the gentleman is trying, but I am very fearful that it may be an extremely mischievous amendment offered by the gentleman from Texas which brings us right back to where we were earlier this afternoon prior to several votes in this House which indicated it wanted, by this legislation, to take the Alaskan pipeline out from under NEPA because of the ending which says—

> As would otherwise be necessary for the construction of the trans-Alaskan oil pipeline under law applicable——

Mr. ECKHARDT. Mr. Chairman, will the gentleman yield? The gentleman is in error.

The CHAIRMAN. The gentleman from Washington has the floor.

Mr. MEEDS. The law applicable by further passage of this title is that NEPA, if we accept that, then we are going to be right back under it and it will be necessary to go through the court test. We have so voted that we do not want to do this. Therefore, I reluctantly oppose the amendment.

The CHAIRMAN. The Chair recognizes the gentleman from Arizona (Mr. UDALL) for 1½ minutes.

Mr. ECKHARDT. Mr. Chairman, will the gentleman yield?

Mr. UDALL. I yield to the gentleman from Texas.

Mr. ECKHARDT. Mr. Chairman, I want to make it clear to my friend that I understand his understandable error, which I am afraid I led him into by my tardy action, but I had talked to counsel for the committee and I thought the point that this langauge might be dangerous was well taken, and so I removed it before I offered the amendment.

Mr. Chairman, I ask unanimous consent that the Clerk rereport the amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

The Clerk rereported the amendment.

Mr. UDALL. Mr. Chairman, I think the amendment is sound and I support it.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas (Mr. ECKHARDT).

The question was taken; and on a division (demanded by Mr. ECKHARDT) there were—ayes 48, noes 61.

RECORDED VOTE

Mr. ECKHARDT. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 177, noes 228, not voting 28, as follows:

[Roll No. 423]

AYES—177

Abzug
Anderson, Calif.
Anderson, Ill.
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Ashley
Aspin
Badillo
Bafalis
Bell
Bennett
Bergland
Biaggi
Biester
Bingham
Blatnik
Boggs
Boland
Bolling
Brademas
Breckinridge
Brinkley
Brotzman
Brown, Calif.
Burke, Calif
Burlison, Mo.
Burton
Carey, N.Y.
Carney, Ohio
Chisholm
Cohen
Conte
Cotter
Coughlin
Culver
Daniels, Dominick V.
Danielson
de la Garza
Dellenback
Dellums
Denholm
Dent
Dingell
Donohue
Drinan
du Pont
Eckhardt
Edwards, Calif.
Esch
Evans, Colo.
Findley
Fish
Flood
Foley
Ford, William D.
Fountain
Fraser
Frenzel
Fulton
Gaydos
Gibbons
Gilman
Gonzalez
Grasso
Green, Pa.
Griffiths
Gude
Gunter
Hamilton
Hansen, Idaho
Harrington
Hays
Hechler, W. Va.
Heckler, Mass.
Heinz
Helstoski
Hicks
Hillis
Holtzman
Howard
Hungate
Jordan
Karth
Kastenmeier
Kluczynski
Koch
Kyros
Lehman
Litton
Long, Md.
McClory
McCloskey
McDade
McKinney
Madden
Mallary
Mann
Martin, N.C.
Matsunaga
Mayne
Mazzoli
Metcalfe
Mezvinsky
Minish
Mink
Mitchell, Md.
Mizell
Moakley
Mollohan
Moorhead, Pa.
Morgan
Mosher
Moss
Murphy, Ill.
Murphy, N.Y.
Nedzi
Nelsen
Obey
O'Hara
Owens
Patten
Peyser
Pike
Podell
Preyer
Price, Ill.
Quie
Randall
Rangel
Rees
Regula
Reid
Reuss
Riegle
Rinaldo
Robison, N.Y.
Rodino
Roe
Rogers
Rooney, Pa.
Rosenthal
Rostenkowski
Roush
Roy
Roybal
St Germain
Sarasin
Sarbanes
Saylor
Schroeder
Seiberling
Staggers
Stanton, J. William
Stanton, James V.
Stark
Steele
Steelman
Steiger, Wis.
Studds
Sullivan
Symington
Thone
Thornton
Tiernan
Udall
Van Deerlin
Vander Jagt
Vanik
Waldie
Whalen
White
Wolff
Wylie
Yates
Yatron
Young, Ga.

NOES—228

Abdnor
Adams
Addabbo
Archer
Arends
Armstrong
Ashbrook
Baker
Barrett
Beard
Bevill
Blackburn
Bowen
Brasco
Bray
Breaux
Brooks
Broomfield
Brown, Mich.
Brown, Ohio
Broyhill, N.C.
Broyhill, Va.
Buchanan
Burgener
Burke, Fla.
Burke, Mass.
Burleson, Tex.
Butler
Byron
Camp
Carter
Casey, Tex.
Cederberg
Chamberlain
Chappell
Clancy
Clark
Clausen, Don H.
Clawson, Del
Cleveland
Cochran
Collier
Collins, Tex.
Conable
Conlan
Corman
Crane
Cronin
Daniel, Dan
Daniel, Robert W., Jr.
Davis, Ga.
Davis, S.C.
Davis, Wis.
Delaney
Dennis
Derwinski
Devine
Dickinson
Dorn
Downing
Dulski
Duncan
Edwards, Ala.
Eilberg
Erlenborn
Eshleman
Fascell
Flowers
Flynt
Ford, Gerald R.
Forsythe
Frelinghuysen
Frey
Froehlich
Fuqua
Gettys
Giaimo
Ginn
Goldwater
Goodling
Green, Oreg.
Gross
Grover
Gubser
Guyer
Haley
Hammerschmidt
Hanley
Hanrahan
Hansen, Wash.
Harsha
Harvey
Hastings
Henderson
Hinshaw
Hogan
Holifield
Holt
Horton
Hosmer
Huber
Hudnut
Hunt
Hutchinson
Ichord
Johnson, Calif.
Johnson, Colo.
Johnson, Pa.
Jones, Ala.
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Kazen
Keating
Kemp
Ketchum
King
Kuykendall
Landrum
Latta
Leggett
Lent
Long, La.
Lott
Lujan
McCollister
McCormack
McEwen
McFall
McKay
McSpadden
Macdonald
Madigan
Mahon
Mailliard
Maraziti
Martin, Nebr.
Mathias, Calif.
Mathis, Ga.
Meeds
Melcher
Michel
Milford
Miller
Minshall, Ohio
Mitchell, N.Y.
Montgomery
Moorhead, Calif.
Myers
Natcher
Nix
O'Neill
Parris
Passman
Perkins
Pettis
Pickle
Poage
Powell, Ohio
Price, Tex.
Quillen
Railsback
Rarick
Rhodes
Roberts
Robinson, Va.
Roncalio, Wyo.
Roncallo, N.Y.
Rose
Rousselot
Runnels
Ruppe
Ruth
Satterfield
Scherle
Schneebeli
Shipley
Shoup
Shriver
Shuster
Sikes
Sisk
Skubitz
Slack
Smith, N.Y.
Snyder
Spence
Steed
Steiger, Ariz.
Stephens
Stratton
Stubblefield
Stuckey
Symms
Talcott
Taylor, Mo
Taylor, N.C.
Teague, Calif.
Thomson, Wis.
Towell, Nev.
Treen
Ullman
Veysey
Vigorito
Waggonner
Walsh
Wampler
Ware
Whitehurst
Whitten
Widnall
Wiggins
Williams
Wilson, Bob
Wilson, Charles H., Calif.
Wilson, Charles, Tex.
Winn
Wright
Wyatt
Wydler
Wyman
Young, Alaska
Young, Fla.
Young, Ill.
Young, S.C.
Young, Tex.
Zablocki
Zion

NOT VOTING—28

Alexander
Clay
Collins, Ill.
Conyers
Diggs
Evins, Tenn.
Fisher
Gray
Hanna
Hawkins
Hébert
Jarman
Landgrebe
Mills, Ark.
Nichols
O'Brien
Patman
Pepper
Pritchard
Rooney, N.Y.
Ryan
Sandman
Sebelius
Smith, Iowa
Stokes
Teague, Tex.
Thompson, N.J.
Zwach

So the amendment was rejected.

The result of the vote was announced as above recorded.

AMENDMENT OFFERED BY MR. TIERNAN

Mr. TIERNAN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. TIERNAN: Page 20, line 14, insert immediately after "bond" the following: "shall not be less than $100,000,000 and".

Mr. TIERNAN. Mr. Chairman and members of the committee, I would like to say at this time that I congratulate the committee first of all on adopting within the bill langauge that places strict liability on the operators of the pipeline in Alaska. This was not in the bill as it came from the committee, but was added to the bill in the full committee. However, in the language establishing the bond for payment under this liability that has been placed upon the operators there is no provision for the amount of the bond or the amount to be established by the legislation; it leaves it up to the discretion of the Secretary of the Interior.

I suggest to the Members here tonight that we should put at least a minimum amount that would be required on the face value of that bond.

I originally, as the Members know, proposed that we set up a trust fund and the money for that fund would be taken as a tax, or a deposit which would be placed on each barrel of oil that flows through the pipeline. But for the sake of saving time here tonight, because the hour is late, I have decided not to offer that amendment. But I do think that it is important to require the Secretary of the Interior to require a minimum amount of money to be established in the bond in the event of a disaster such as an earthquake, where we have this pipeline.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Rhode Island.

The amendment was rejected.

AMENDMENT OFFERED BY MR. DELLENBACK

Mr. DELLENBACK. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. DELLENBACK: Page 15, line 13, strike out all of lines 13 through 22.

Mr. DELLENBACK. Mr. Chairman, this was one of the amendments which was published in the RECORD yesterday, and, therefore, technically under the rules I am allocated 5 minutes.

The CHAIRMAN. The gentleman is recognized.

Mr. DELLENBACK. I do not intend to use my full 5 minutes, Mr. Chairman.

This is the third of the sequence of amendments which Mr. OWENS and I had indicated we would propose to the House. I propose it at this time because I think it can stand on its own feet, but I recognize the will of the House as it has been shown. I still want to present it to the House and suggest that we do pass it because I do think that it is an important amendment which we should adopt.

Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Oregon (Mr. DELLENBACK).

The amendment was rejected.

AMENDMENT OFFERED BY MR. DELLENBACK

Mr. DELLENBACK. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. DELLENBACK: Page 22, line 21, following line 21, insert a section 211 to read as follows:

"SEC. 211. If any provision of this Title or Title I of this Act or the applicability thereof is held invalid the remainder of such Title shall not be affected thereby."

Mr. DELLENBACK. Mr. Chairman, again this is one of the amendments which was published in the RECORD. I will not take the full 5 minutes allocated to me.

Let me say very briefly to the Committee what it is that this amendment proposes to do. Very often in legislation of this nature we legislate what is referred to as a severability clause at the end. This bill as it came out of the committee did not have a clause. In my opinion, it should have such a clause, because if any section of this bill should be stricken, the whole bill should not fall. This is the standard severability clause. It is for this reason I propose it.

Mr. MELCHER. Mr. Chairman, will the gentleman yield?

Mr. DELLENBACK. I yield to the gentleman from Montana.

Mr. MELCHER. I thank the gentleman for yielding.

Mr. Chairman, I commend the gentleman for his amendment on the severability clause. I am very much in favor of it, and I thank the gentleman.

Mr. DELLENBACK. I thank the chairman of the subcommittee.

Mr. STEIGER of Arizona. Mr. Chairman, will the gentleman yield?

Mr. DELLENBACK. I yield to the gentleman from Arizona.

Mr. STEIGER of Arizona. I thank the gentleman for yielding.

Mr. Chairman, I welcome the amendment. The last time this committee used this amendment was on the Alaskan Native Claims Act, and so it is appropriate.

Mr. KAZEN. Mr. Chairman, will the gentleman yield?

Mr. DELLENBACK. I yield to the gentleman from Texas.

Mr. KAZEN. Does the amendment go to the entire bill or just to this section?

Mr. DELLENBACK. Mr. Chairman, this amendment goes to title I and title II. It goes to the entire bill.

Mr. KAZEN. I thank the gentleman.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Oregon (Mr. DELLENBACK).

The amendment was agreed to.

AMENDMENT OFFERED BY MR. ANDERSON OF CALIFORNIA

Mr. ANDERSON of California. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. ANDERSON of California: On page 18, line 14, insert the following after "cease.":

"Any crude oil or other petroleum product exported pursuant to the mandates of this section must be carried in United States-flag vessels."

Mr. ANDERSON of California. I rise to propose an amendment to section 206 of the bill under consideration. As the Members know, section 206 makes the crude oil transported through pipelines as set out in the bill subject to the Export Administration Act of 1969. Before any such crude oil can be exported, the President must find that the exportation would be in the national interest. The President must report his findings to the Congress and the Congress must take affirmative action before the exportation of oil would take place.

I personally hope there is not any exportation of this oil. However, it is provided for in the bill.

Thus my amendment would provide that any such exports of crude oil which may arise under the mandate of section 206 must be in U.S. flag tankers rather than in foreign-flag bottoms.

On the oil from Valdez to the lower 48, the Jones Act requires all oil will be transported in American bottoms.

However—it is the foreign export that concerns me.

The amendment is as follows: On page 18, line 14, at the conclusion of the paragraph, insert:

Any crude oil or other petroleum product exported pursuant to the mandates of this section must be carried in United States-flag vessels.

The purpose of this amendment, Mr. Chairman, is to assure that any of the oil coming out of Alaska which may be exported, is carried in U.S. flag vessels. If we do not specifically include this requirement in the law, then it is fairly certain that this exported oil would most probably be carried in foreign-flag bottoms because of the economics of the situation.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California (Mr. ANDERSON).

The amendment was rejected.

AMENDMENT OFFERED BY MR. PICKLE

Mr. PICKLE. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. PICKLE: Page 13, strike out lines 5 through 9.

Page 13, beginning on line 14, strike out "and without further action under the National Environmental Policy Act of 1969".

Page 15, strike out lines 13 through 22 and redesignate the succeeding subsections accordingly.

Page 16, line 12, strike out "Notwithstanding" and insert in lieu thereof "Except as provided in section 204, notwithstanding".

Page 16, line 18, strike out "and which is not barred by subsection (d),".

Page 17, after line 11, insert the following:

Sec. 204. (a) Except as provided in subsection (b), on or after the end of the six-month period beginning with the date any right-of-way, permit, lease, or other Federal authorization is issued under this title, no action may be brought in any court arising out of a claim that any officer or employee of the United States failed to comply with the National Environmental Policy Act of 1969 in the issuance of such right-of-way, permit, lease, or other Federal authorization, and any such action pending at the end of such six-month period shall be dismissed. Any such action brought within such six-month period shall be brought in a United States district court which shall have exclusive jurisdiction to hear such action. Such action shall be assigned for hearing by the court in which it is brought, or to which it is appealed, at the earliest practicable date, shall take precedence over all other matters pending on the docket of such court at that time, and shall be expedited in every way. Any review of an interlocutory or final judgment, decree, or order of such court by any party to such action may be had only upon direct appeal to the Supreme Court of the United States.

(b) Nothing in this section shall bar any person from bringing an action to enforce any final judgment, decree, or order of any court made within the six-month period specified in subsection (a). In the event any court determines that any officer or employee of the United States failed to comply with the National Environmental Policy Act of 1969, the United States may initiate an action seeking a modification of such determination without regard to the period of limitation specified in subsection (a).

And renumber the succeeding sections accordingly.

Mr. PICKLE (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. PICKLE. Mr. Chairman, I offer an amendment which I feel is both good environmental policy and also good legislative policy.

My amendment would allow a lawsuit under the National Environmental Protection Act to be completed within 6 months after the Secretary of Interior issues permits for the pipeline to be built.

After 6 months from the date of the permit—all jurisdiction under NEPA for law suits would cease.

In my amendment, there is provision for the suit to go to the U.S. district court and then directly to the Supreme Court. My amendment provides that this lawsuit would take priority over other matters pending before the court.

There would be two exceptions to my 6-month cutoff point for legal action. One, the U.S. Government could go to court after the 6-month period in order to have an injunction against the pipeline lifted. This exception is needed because the court could indicate the correcting steps needed to make the pipeline comply with NEPA. Corrections might occur after the 6-month period, in which case some action would be needed to lift the injunction.

Two, if a court ordered an injunction that said permits could not be issued, after the 6-month period, a plaintiff might have to go to court to enforce the court order. For example, if the Supreme Court ruled that the pipeline was not in compliance with NEPA, a plaintiff could go to court after the 6-month period to make sure that the Interior Department did not issue permits after the 6-month period had ended.

Besides a new section 204, my amendment would also strike those sections of the bill referring to the present provisions that NEPA is not to be considered as applying to the pipeline.

This would take conforming amendments to sections 203 and 202.

I think it fair that those who feel that the pipeline is not environmentally sound have their final day in court. But I do not think it ought to be stretched out forever. It ought to be decided within 6 months time.

Finally, Mr. Chairman, let me make it clear that I support the building of the Alaska pipeline. We need that oil and/or gas.

I also feel that the pipeline plans conform to NEPA. I feel that if litigated in court, this will be the finding. The environmental aspects of the pipeline have been studied and restudied.

I will support the building of the pipeline and H.R. 9130.

The fact is my amendment could make H.R. 9130 a better bill. My amendment is no more a constitutional question than the bill itself—H.R. 9130—is a constitutional question.

Mr. MEEDS. Mr. Chairman, I rise in opposition to the amendment. We have been up and down this hill all day. This is merely a rehash of the NEPA requirements with a little different twist which we have looked into and the possibility of giving to the Supreme Court a time within which they have to hear and decide issues has been held to be unconstitutional. We looked at an amendment for example very similar to the gentleman's and were advised by very good counsel it is unconstitutional.

Mr. Chairman, I would urge a vote against the amendment.

Mr. STEIGER of Arizona. Mr. Chairman, will the gentleman yield?

Mr. MEEDS. I yield to the gentleman from Arizona.

Mr. STEIGER of Arizona. Mr. Chairman, I want to associate myself with the remarks of the gentleman from Washington. I concur with him completely, and I urge the defeat of this amendment.

Mr. PICKLE. Mr. Chairman, will the gentleman yield?

Mr. MEEDS. I yield to the gentleman from Texas.

Mr. PICKLE. Mr. Chairman, I would simply say to the gentleman that this amendment has not been offered today. This amendment does allow lawsuits to be brought. No comparable amendment has been brought here today. This amendment recognizes that suits can be brought, but at the end of 6 month's time no court would have further jurisdiction on them.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas (Mr. PICKLE).

The amendment was rejected.

ANNOUNCEMENT BY THE CHAIR

The CHAIRMAN. The Chair desires to announce at this time that all time under the limitation has expired. This does not apply to those Members who had their amendments previously printed in the RECORD. Those Members whom the Chair observed standing who have amendments, those amendments will be reported and voted upon.

Are there amendments from the members of the committee who were standing at the time the limitation was set? If not, the Chair recognizes the Members who have had their amendments printed in the RECORD.

AMENDMENT OFFERED BY MR. SEIBERLING

Mr. SEIBERLING. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SEIBERLING: Page 22, following line 21, insert new section as follows:

"SEC. 211. The Attorney General of the United States is authorized and directed to conduct a thorough study of the antitrust issues and problems relating to the production and transportation of Alaska North Slope oil and, not later than six months following the date of enactment of this Act, to complete such study and submit to the Congress a report containing his findings and recommendations with respect thereto."

PARLIAMENTARY INQUIRY

Mr. STEIGER of Arizona. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state his parliamentary inquiry.

Mr. STEIGER of Arizona. Mr. Chairman, it is my understanding that the proponent of the amendment is entitled to be recognized for 5 minutes.

The CHAIRMAN. The gentleman is correct.

Mr. STEIGER of Arizona. And also any Member opposing the amendment is entitled to 5 minutes?

The CHAIRMAN. The gentleman is correct.

Mr. STEIGER of Arizona. I thank the Chairman.

Mr. SEIBERLING. Mr. Chairman, this is a very simple but in my opinion an important amendment. It does not delay anything; it does not obstruct anything. All it does is direct the Attorney General to conduct a study of the antitrust aspects of the production and transportation of Alaska North Slope oil and report back to Congress within 6 months.

I am sorry that when I offered my previous amendment, which would have divested the ownership of the pipeline company from the oil companies who own the existing rights on the North Slope, most members were out of the Chamber, because we were not able even to get enough people to stand for a record vote.

The gentlemen who are now calling for an immediate vote had better not be so hasty, because when this thing boils up and they find that they are confronting one of the most scandalous antitrust situations in the history of this country, maybe they will regret that they did not care to take enough time to consider the effect of this bill on that situation.

The North Slope of Alaska is the largest oil field ever discovered on the North American continent. At the present time three companies control 95 percent of the crude reserves in that field, which are estimated to be one-third of the total reserves.

Are we going to institute a regime of competition or a regime of monopoly for Alaskan oil? The American public is going to be asking that question, gentlemen.

These three companies are already tied together in agreements which eliminate any competition among themselves in the production of the oil of Alaska. They have agreed to share equally all leases and exploration data together. They will set the rate of production. They are the largest owners of the pipeline company, which is in itself a monopoly and probably already violates section 7 of the Clayton Act, one of our antitrust laws.

If we are not going to look foolish when the FTC and the other authorities that are supposed to enforce the antitrust laws a number of years hence come down with a tremendous attack on the whole setup with respect to Alaskan oil, then we had better at least show on the Record that we are not so under the thumb of the oil companies as to even ignore the possibilities and the problems that are inherent in this situation.

The least we can do is to ask the Attorney General to make a thorough study and report back to us.

I could go on at some length and spell out the details. But the hour is late. I will simply say that this is the last opportunity to show we are acting in the interests of the consuming public in this country and not in the interests of maximizing profits for three giant oil companies.

Mr. STEIGER of Arizona. Mr. Chairman, I rise in opposition to the amendment.

I would merely point out that what the gentleman would require the Attorney General to do by law he is already required to do by law in terms of surveillance. The report is meaningless. If he is not going to do a good job he is not going to make a report on that.

What the gentleman's amendment attempts is cosmetic and not substantial. In fact, we would be relieving the Attorney General from his responsibility of antitrust surveillance by implying we have to tell him every time he has to impose the antitrust laws of this country. I suggest this does not achieve what the gentleman portends.

Mr. MELCHER. Mr. Chairman, will the gentleman yield?

Mr. STEIGER of Arizona. I yield to the chairman of the subcommittee.

Mr. MELCHER. I thank the gentleman for yielding.

I believe the purpose of the amendment is commendable, but I would point out that the version of the bill passed by the Senate contains a title III, subpena and injunctive relief for the Federal Trade Commission. The Federal Trade Commission is involved in investigation of all oil companies, not just the Alaskan northern group.

I would hope in conference we can find some way of accommodating ourselves on this very important point. I would suggest to the members of the committee tonight that perhaps the Senate method under title III is the preferred route. Therefore, I do oppose the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio (Mr. Seiberling).

The amendment was rejected.

AMENDMENT OFFERED BY MR. DINGELL

Mr. DINGELL. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Dingell: Page 16, line 13, after "proceeding" insert," other than an action or proceeding brought by the United States.".

Mr. DINGELL. Mr. Chairman, I will not take the full 5 minutes accorded me under the rule. I point out that the function of this amendment is to see to it that the 60-day limitation does not apply.

The section referred to, section (f) at page 16, provides that no person 60 days after the issuance of a permit may initiate any litigation. This amendment would limit that so that it would not apply to the United States, which issues the permit, so that the United States might then be able to resort to the courts to secure enforcement of the conditions of the permit and to see to it its rights as landowner and rights under the statute are properly enforced.

Mr. MELCHER. Mr. Chairman, will the gentleman yield.

Mr. DINGELL. I yield to the chairman of the subcommittee.

Mr. MELCHER. I thank the gentleman for yielding. I favor the amendment. I hope the committee will accept it.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Michigan (Mr. Dingell).

The question was taken; and the chairman being in doubt, the committee divided, and there were—ayes 111, noes 13.

So the amendment was agreed to.

AMENDMENT OFFERED BY MR. DINGELL

Mr. DINGELL. Mr. Chairman, I offer an amendment which has been duly printed in the Record.

The Clerk read as follows:

Amendment offered by Mr. Dingell: Page 13, beginning on line 17, strike out "and notwithstanding the provisions of any law other than said section 28 and this title II,".

Page 13, line 15, after "1969," insert "and".

POINT OF ORDER

Mr. HOSMER. Mr. Chairman, I make a point of order against the amendment.

The CHAIRMAN. The gentleman from California (Mr. Hosmer) will be heard on his point of order.

Mr. HOSMER. Mr. Chairman, the amendment has already been submitted and defeated earlier in the day.

The CHAIRMAN. Does the gentleman from Michigan (Mr. Dingell) desire to be heard on the point of order?

Mr. DINGELL. Mr. Chairman, the gentleman from California has made his point of order. I will respond if the gentleman so desires.

The CHAIRMAN. The Chair will inquire of the gentleman: was this amendment submitted during debate under the 5-minute rule?

Mr. DINGELL. Mr. Chairman, the amendment has never been submitted by me or any other Member. It was duly printed in the Record.

The CHAIRMAN. The gentleman is recognized for 5 minutes.

Mr. DINGELL. Mr. Chairman, the function of this amendment is very simple.

As the Members will recall, Mr. Chairman, I arose to direct a series of questions of the gentleman from Montana (Mr. Melcher) regarding whether or not it was the intention of the committee to affect a number of other statutes, such as OSHA, the Port and Waterways Safety Act, the Jones Act, the Fish and Wildlife Coordination Act, the Clean Air Act, the Federal Water Pollution Control Act, the Oil Pollution Act of 1961, the Wilderness Act, the National Wildlife Refuge System Act, the Fish and Wildlife Act of 1956, the Endangered Species Act, the Department of Transportation Act, section 12a, the Federal Highway Act, section 4(f), the Wild and Scenic Rivers Act, and the Federal Power Act.

Mr. Chairman, as my colleagues present here will recall, the gentleman from Montana (Mr. Melcher), indicated to me it was not the intention that any of these statutes should be affected.

The function of this amendment is simply to make it very clear that the intention of the committee, as exemplified in the earlier communication by and between myself and the gentleman from Montana (Mr. Melcher), is that none of these statutes is adversely affected or is imperiled in connection with the issuance of the permits under section 203.

For the benefit of my colleagues, I will point out that this amendment does not affect the fact that we are terminating the rights of litigants under NEPA, and it does not say that those sections of the bill here that deal with that abatement of rights under NEPA are in any way affected.

What this amendment does is simply say that those other statutes continue as they were in the past to be viable and continue to be the law. Without this amendment, there is an ambiguity in the bill which does make me apprehensive that we may be amending, abating, or otherwise affecting these statutes, in spite of the pronouncements of my good friend, the gentleman from Montana (Mr. Melcher), that we are not in any way amending or impairing the effectiveness of those statutes.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Michigan (Mr. Dingell).

The amendment was rejected.

AMENDMENT OFFERED BY MR. DINGELL

Mr. DINGELL. Mr. Chairman, I offered an amendment.

Mr. Chairman, I have additional amendments at the desk.

The CHAIRMAN. The Chair will inquire of the gentleman from Michigan (Mr. Dingell) whether or not this amendment was printed in the Record.

Mr. DINGELL. Mr. Chairman, I have submitted all the amendments that are at the desk and they are printed in the Record under the rule.

The CHAIRMAN. The Clerk will report the amendment.

AMENDMENT OFFERED BY MR. DINGELL

Mr. DINGELL. Mr. Chairman, I offered an amendment.

The Clerk read as follows:

Amendment offered by Mr. Dingell: Page 20, after line 17, insert the following:

(d) If any area within or without the right-of-way granted under this title is polluted by any operation conducted by or on behalf of the person to whom such right-of-way was granted, and such pollution damages or threatens to damage aquatic life, wildlife, or public or private property, the control and total removal of the pollutant whatsoever found, approximately resulting therefrom shall be at the expense of such person, including any administrative and other costs incurred by the Secretary or any other Federal officer or agency. Upon failure of such person to adequately control and remove such pollutant the Secretary, in cooperation with other Federal, State, or local agencies, or in cooperation with such person, or both, shall have the right to accomplish the control and removal at the expense of such person.

Mr. DINGELL. Mr. Chairman, the function of this amendment is very simple. The committee has sought to impose absolute liability for oil spills and environmental damage resulting from the pipeline. However, even though sections 207 (a), (b), and (c) impose on the holder of the right-of-way this strict liability for damages resulting from the holder's activities at any point along the pipeline and from the discharge of oil from vessels carryng oil which had been transported through the pipeline, these sections do not fully cover the matter of reimbursing the United States for costs incurred by the United States in removing pollutants.

Thus the Water Pollution Control Act, which never envisaged spills from the trans-Alaska pipeline but is nevertheless applicable to the matter of reimbursement for cleanup costs in removing oil spills in Alaska, imposes an $8 million limitation on the liability of an onshore oil facility for the cost of cleaning up its oil spill. This limit could be wholly inadequate to pay for the cost to the United States of removing oil spilled from the pipeline.

The amendment I offer, therefore, would remove the dollar limitation for damages resulting from and for reimbursement of the cost of removal of any spill of oil transported through the trans-Alaska pipeline.

The language of the amendment is drawn from 43 CFR 250.43, the Department of the Interior's regulation governing oil operations on the Outer Continental Shelf, which is not subject to the Federal Water Pollution Control Act.

To recapitulate very briefly, the function is to see to it that we can assess the cost to the Federal Government of cleanup against the individual who has the permit.

Mr. DELLENBACK. Will the gentleman yield?

Mr. DINGELL. I yield to my good friend from Oregon.

Mr. DELLENBACK. As one was deeply involved in the fight to be sure we dealt with the NEPA question—and we lost—I say it is very important that we make strict liability as tight as possible.

This is a good provision in the bill. The question that has been raised by the gentleman from Michigan is to plug a hole he says he finds in it. There is no such provision as this in the Senate bill, and if in a further examination by the conferees they find there to be an error in this, they can always delete it again in conference. If we do not accept it at this time, there will be no way in the conference to plug this sort of gap.

It is very important that strict liability be in force and effect. For that reason I oppose the amendment.

Mr. DINGELL. I thank the gentleman and reiterate that absent the language of this amendment the United States may not be fully compensated for the cost of cleanup. If you want to assess that against the taxpayers, remember that tankers will be carrying the equivalent of 14 *Torey Canyons* and remember what the *Torey Canyon* did and then vote for the amendment.

Mr. MELCHER. Will the gentleman yield?

Mr. DINGELL. I yield to the gentleman.

Mr. MELCHER. The colloquy between the gentleman from Michigan and the gentleman from Oregon makes sense. I support the amendment.

The question was taken; and on a division (demanded by Mr. DINGELL) there were—ayes 174, noes 2.

So the amendment was agreed to.

The CHAIRMAN. The question is on the committee amendment as amended.

The committee amendment as amended was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly, the Committee rose; and the Speaker having resumed the chair, Mr. NATCHER, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee having had under consideration the bill (H.R. 9130) to amend section 28 of the Mineral Leasing Act of 1920, and to authorize a trans-Alaska oil and gas pipeline, and for other purposes, pursuant to House Resolution 515, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment to the committee amendment adopted in the Committee of the Whole? If not, the question is on the amendment.

The amendment was agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

MOTION TO RECOMMIT OFFERED BY MR. SAYLOR

Mr. SAYLOR. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. SAYLOR. I am, Mr. Speaker.

The SPEAKER. The Clerk will report the motion to recommit.

The Clerk read as follows:

> Mr. SAYLOR moves to recommit the bill H.R. 9130 to the Committee on Interior and Insular Affairs.

The SPEAKER. Without objection, the previous question is ordered on the motion to recommit.

There was no objection.

The SPEAKER. The question is on the motion to recommit.

The motion to recommit was rejected.

The SPEAKER. The question is on the passage of the bill.

Mr. GERALD R. FORD. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 356, nays 60, not voting 17, as follows:

[Roll No. 424]

YEAS—356

Abdnor
Adams
Addabbo
Anderson, Calif.
Anderson, Ill.
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Archer
Arends
Armstrong
Ashbrook
Bafalis
Baker
Barrett
Beard
Bell
Bennett
Bergland
Bevill
Biaggi
Biester
Blackburn
Blatnik
Boggs
Boland
Bolling
Bowen
Brasco
Bray
Breaux
Breckinridge
Brinkley
Brooks
Broomfield
Brotzman
Brown, Mich.
Brown, Ohio
Broyhill, N.C.
Broyhill, Va.
Buchanan
Burgener
Burke, Calif.
Burke, Fla.
Burleson, Tex.
Burlison, Mo.
Butler
Byron
Camp
Carey, N.Y.
Carney, Ohio
Carter
Casey, Tex.
Cederberg
Chamberlain
Chappell
Chisholm
Clancy
Clark
Clausen, Don H.
Clawson, Del
Cleveland
Cochran
Collier
Collins, Ill.
Collins, Tex.
Conable
Conlan
Corman
Coughlin
Crane
Cronin
Culver
Daniel, Dan
Daniel, Robert W., Jr.
Daniels, Dominick V.
Danielson
Davis, Ga.
Davis, S.C.
Davis, Wis.
de la Garza
Delaney
Dellenback
Denholm
Dennis
Dent
Derwinski
Devine
Dickinson
Diggs
Donohue
Dorn
Downing
Dulski
Duncan
du Pont
Edwards, Ala.
Eilberg
Erlenborn
Esch
Eshleman
Evans, Colo.
Fascell
Findley
Flood
Flowers
Flynt
Foley
Ford, Gerald R.
Ford, William D.
Forsythe
Fountain
Frelinghuysen
Frenzel
Frey
Froehlich
Fulton
Fuqua
Gaydos
Gettys
Giaimo
Gibbons
Gilman
Ginn
Goldwater
Gonzalez
Goodling
Grasso
Green, Oreg.
Griffiths
Gross
Grover
Gubser
Gunter
Guyer
Haley
Hamilton
Hammerschmidt
Hanley
Hanrahan
Hansen, Idaho
Hansen, Wash.
Harsha
Harvey
Hastings
Hawkins
Hays
Hébert
Heckler, Mass.
Heinz
Henderson
Hicks
Hillis
Hinshaw
Hogan
Holifield
Holt
Horton
Hosmer
Huber
Hudnut
Hungate
Hunt
Hutchinson
Ichord
Johnson, Calif.
Johnson, Colo.
Johnson, Pa.
Jones, Ala.
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Jordan
Kazen
Keating
Kemp
Ketchum
Kluczynski
Kuykendall
Landrum
Latta
Leggett
Lehman
Lent
Litton
Long, La.
Lott
Lujan
McClory
McCollister
McCormack
McDade
McEwen
McFall
McKay
McKinney
McSpadden
Madden
Madigan
Mahon
Mailliard
Mallary
Mann
Maraziti
Martin, Nebr.
Martin, N.C.
Mathias, Calif.
Mathis, Ga.
Matsunaga
Mayne
Mazzoli
Meeds
Melcher
Metcalfe
Michel
Milford
Miller
Minish
Minshall, Ohio
Mitchell, N.Y.
Mizell
Mollohan
Montgomery
Moorhead, Calif.
Moorhead, Pa.
Morgan
Mosher
Murphy, Ill.
Murphy, N.Y.
Myers
Natcher
Nedzi
Nelsen
Nichols
Nix
O'Hara
O'Neill
Owens
Parris
Passman
Patman
Pepper
Perkins
Pettis
Peyser
Pickle
Pike
Poage
Podell
Powell, Ohio
Preyer
Price, Ill.
Price, Tex.
Pritchard
Quie
Quillen
Railsback
Randall
Rarick
Rees
Regula
Rhodes
Rinaldo
Roberts
Robinson, Va.
Robison, N.Y.
Roe
Rogers
Roncalio, Wyo.
Roncallo, N.Y.
Rooney, Pa.
Rose
Rostenkowski
Roush
Rousselot
Roy
Runnels
Ruppe
Ruth
Ryan
St Germain
Sandman
Sarasin
Satterfield
Scherle
Schneebeli
Sebelius
Shipley
Shoup
Shriver
Shuster
Sikes
Sisk
Skubitz
Slack
Smith, N.Y.
Snyder
Spence

Staggers
Stanton, J. William
Stanton, James V.
Steed
Steelman
Steiger, Ariz.
Steiger, Wis.
Stephens
Stokes
Stratton
Stubblefield
Stuckey
Sullivan
Symington
Symms
Talcott
Taylor, Mo.
Taylor, N.C.
Teague, Calif.
Thomson, Wis.
Thone
Thornton
Towell, Nev.
Treen
Udall
Ullman
Van Deerlin
Veysey
Vigorito
Waggonner
Walsh
Wampler
Ware
Whalen
White
Whitehurst
Whitten
Widnall
Wiggins
Williams
Wilson, Bob
Wilson, Charles H., Calif.
Wilson, Charles, Tex.
Winn
Wolff
Wright
Wyatt
Wydler
Wylie
Wyman
Yatron
Young, Alaska
Young, Fla.
Young, Ill.
Young, S.C.
Young, Tex.
Zablocki
Zion

NAYS—60

Abzug
Ashley
Aspin
Badillo
Bingham
Brademas
Brown, Calif.
Burke, Mass.
Burton
Clay
Cohen
Conte
Dellums
Dingell
Drinan
Eckhardt
Edwards, Calif.
Fish
Fraser
Green, Pa.
Gude
Harrington
Hechler, W. Va.
Helstoski
Holtzman
Howard
Karth
Kastenmeier
Koch
Kyros
Long, Md.
McCloskey
Macdonald
Mezvinsky
Mink
Mitchell, Md.
Moakley
Moss
Obey
Patten
Rangel
Reid
Reuss
Riegle
Rodino
Rosenthal
Roybal
Sarbanes
Saylor
Schroeder
Seiberling
Stark
Steele
Studds
Thompson, N.J.
Vander Jagt
Vanik
Waldie
Yates
Young, Ga.

NOT VOTING—17

Alexander
Conyers
Cotter
Evins, Tenn.
Fisher
Gray
Hanna
Jarman
King
Landgrebe
Mills, Ark.
O'Brien
Rooney, N.Y.
Smith, Iowa
Teague, Tex.
Tiernan
Zwach

So the bill was passed.

The Clerk announced the following pairs:

Mr. Rooney of New York with Mr. Landgrebe.

Mr. Gray with Mr. Tiernan.

Mr. Cotter with Mr. Jarman.

Mr. Fisher with Mr. King.

Mr. Hanna with Mr. Conyers.

Mr. Teague of Texas with Mr. Smith of Iowa.

Mr. Evins of Tennessee with Mr. O'Brien.

Mr. Alexander with Mr. Zwach.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

Mr. MELCHER. Mr. Speaker, pursuant to the provisions of House Resolution 515, I call up from the Speaker's table the Senate bill (S. 1081) to authorize the Secretary of the Interior to grant rights-of-way across Federal lands where the use of such rights-of-way is in the public interest and the applicant for the right-of-way demonstrates the financial and technical capability to use the right-of-way in a manner which will protect the environment.

The Clerk read the title of the Senate bill.

MOTION OFFERED BY MR. MELCHER

Mr. MELCHER. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MELCHER moves to strike out all after the enacting clause of S. 1081 and to insert in lieu thereof the provisions of H.R. 9130, as passed, as follows:

TITLE I

SECTION 1. Section 28 of the Mineral Leasing Act of 1920 (41 Stat. 449), as amended (30 U.S.C. 185), is further amended by striking out the following: ", to the extent of the ground occupied by the said pipeline and twenty-five feet on each side of the same under such regulations and conditions as to survey, location, application, and use as may be prescribed by the Secretary of the Interior and upon," and by inserting in lieu thereof the following: ": *Provided*, That—

"(a) the width of a right-of-way shall not exceed fifty feet plus the ground occupied by the pipeline (that is, the pipe and its related facilities) unless the Secretary finds, and records the reasons for his finding, that in limited areas a wider right-of-way is necessary for operation and maintenance after construction, or to protect the environment or public safety. Related facilities include but are not limited to valves, pump stations, supporting structures, bridges, monitoring and communication devices, surge and storage tanks, terminals, roads, and campsites, and they need not necessarily be connected or contiguous to the pipe and may be the subjects of separate rights-of-way;

"(b) a right-of-way may be supplemented by such temporary permits for the use of public lands in the vicinity of the pipeline as the Secretary finds are necessary in connection with construction, operation, maintenance, modification, repair, or termination of the pipeline, or to protect the natural environment or public safety;

"(c) rights-of-way and permits shall be subject to such terms and conditions as the Secretary shall prescribe regarding duration, survey, location, construction, operation, maintenance, use, and termination; the Secretary shall impose requirements for the operation of the pipeline and related facilities in a manner that will protect the safety of workers and protect the public from sudden ruptures and slow degradation of the pipeline; and the Secretary shall also comply with section 102 of the National Environmental Policy Act (83 Stat. 853; 42 U.S.C. 4332), and impose requirements that will prevent to the extent practical any adverse environmental impact, including but not limited to requirements for restoration, revegetation, and curtailment of erosion of the surface of the land, and for protection of fish and wildlife and their habitat; and the Secretary shall report to the House and Senate Committees on Interior and Insular Affairs annually on the safety and environmental requirements imposed pursuant to this subsection;

"(d) permits and rights-of-way shall be limited to the shortest term practical;

"(e) in order to minimize adverse environmental impacts and to prevent the proliferation of separate rights-of-way across Federal lands, each oil or gas right-of-way or permit issued pursuant to section 28 of the Mineral Leasing Act of 1920 (41 Stat. 449), as amended (30 U.S.C. 185) shall reserve to the Secretary the right to grant additional rights-of-way or permits for compatible uses on or adjacent to the aforementioned oil or gas right-of-way under the same terms and conditions as prescribed in subsection (c);

"(f) the applicant for a right-of-way or permit shall reimburse the United States for administrative and other costs incurred in processing the application, and the grantee of a right-of-way or permit or the user thereof shall reimburse the United States for the costs incurred in monitoring the construction, operation, maintenance, and termination of any pipeline and related facilities on such right-of-way or permit area and shall pay annually in advance the fair market rental value of the right-of-way or permit, as determined by the Secretary;

"(g) the Secretary shall notify the House and Senate Committees on Interior and Insular Affairs promptly upon receipt of an application for a right-of-way for a pipeline twenty-four inches or more in diameter, and no right-of-way for such pipeline shall be granted until sixty days (not counting days on which the House of Representatives or the Senate has adjourned for more than three days) after a notice of intention to grant the right-of-way, together with the Secretary's detailed findings as to terms and conditions he proposes to impose, has been submitted to such committees, unless each committee by resolution waives the waiting period;

"(h) the Secretary, by regulation, shall establish procedures, including public hearings, where appropriate, to give Federal, State, and local government agencies and the public adequate notice and opportunity to comment upon right-of-way applications filed after the date this subsection becomes effective;

"(i) such rights-of-way shall contain.".

SEC. 2. Section 28 of the Mineral Leasing Act of 1920 is further amended by striking out ": Provided further, That no" and inserting "; (j) no".

SEC. 3. Section 28 of the Mineral Leasing Act is further amended by inserting after the words "common carriers" the additional words "for oil and gas produced on non-Federal lands and shall accept, convey, transport, or purchase without discrimination oil or gas delivered to the line".

SEC. 4. (a) Pipelines on public lands subject to this Act are subject to the provisions of the Gas Pipeline Safety Act of 1968.

(b) Quarterly, the Secretary of the Interior shall cause the examination of all pipelines and associated facilities on public lands and shall cause the prompt reporting of all leaks or potential leaks on such lands.

(c) The Secretary of the Interior shall report annually to the President, the Congress, the Secretary of Transportation and the Interstate Commerce Commission any potential dangers of or actual explosions or potential or actual spillage on public lands and shall include in such report a statement of corrective action taken to prevent such explosion or spillage.

TITLE II

SEC. 201. This title may be cited as the "Trans-Alaskan Pipeline Authorization Act".

SEC. 202. The Congress finds and declares that—

(a) The early delivery of oil and gas from Alaska's North Slope to domestic markets is in the national interest.

(b) Transportation of oil by pipeline from the North Slope to Valdez, and by tanker from Valdez to domestic markets, will best serve the immediate national interest.

(c) A supplemental pipeline to connect the North Slope with a trans-Canadian pipeline may be needed later, and it should be studied now, but it should not be regarded as a substitute for a trans-Alaskan pipeline that does not traverse a foreign country.

(d) The actions of the Secretary of the Interior heretofore taken with respect to the proposed trans-Alaskan oil pipeline shall be regarded as satisfactory compliance with the provisions of the National Environmental Policy Act of 1969.

SEC. 203. (a) The Secretary of the Interior is hereby authorized and directed to grant, in accordance with the provisions of section 28 of the Mineral Leasing Act of 1920, as amended by title I of this Act, but without the notice required by subsection 28(g), and without further action under the National Environmental Policy Act of 1969, notwithstanding the compliance requirement of subsection 28(c), and notwithstanding the provisions of any law other than said section 28 and this title II, such rights-of-way and permits as he finds necessary for the construction, operation, and maintenance of a trans-Alaskan oil pipeline.

(b) The route of the trans-Alaskan oil pipeline shall follow generally the route described in applications pending before the Secretary of the Interior on the date of this Act, except as this may be modified by the Secretary of the Interior or his designated representative to provide during construction greater environmental protection.

(c) The Secretary shall include in rights-of-way and permits granted pursuant to this title II terms and conditions that will in his judgment mitigate any adverse environmental impact. In such rights-of-way and permits, the Secretary shall also include terms and conditions providing for—

(1) liability on the part of the permittee or grantee to any Alaskan Native or Native organization for injuries or damages sustained, arising from or growing out of any activity conducted by the holder of such rights-of-way or permits without regard to—

(A) whether the injury or damage complained of is due to negligence on the part of such holder; or

(B) ownership of any affected lands, structures, fish, wildlife, or biotic or other natural resources relied upon by such Alaska Native or Native organization for subsistence or economic purposes;

(2) determination of claims for injury or damages by such Alaska Native or Native organization by arbitration or judicial proceedings; and

(3) the provision, upon order of the Secretary or his delegate, by the holder of such rights-of-way or permits, of emergency subsistence and other aid to an affected Alaska Native or Native organization pending expeditious filing of, and determination of, a claim.

Where the State of Alaska is the holder of a right-of-way or permit under this title, the State shall not be subject to the provisions of the preceding sentence but the holder of the permit or right-of-way for the trans-Alaska pipeline shall be subject to that sentence with respect to facilities constructed or activities conducted under rights-of-way or permits issued to the State to the extent that such holder engages in the construction, care, maintenance, or operation of facilities, or in other activities, under rights-of-way or permits issued to the State.

(d) No rights-of-way or permit which may be granted by the Secretary of the Interior under this title II, and no permit or other form of authorization which may be granted by any other Federal agency with respect to construction of the trans-Alaskan oil pipeline, and no public land order or other Federal authorization with respect to the construction of a public highway between the south bank of the Yukon River and Prudhoe Bay and generally parallel to the pipeline shall be subject to judicial review on the basis of the National Environmental Policy Act of 1969.

(e) The Secretary of the Interior shall take such affirmative action as he deems necessary to assure that no person shall, on the grounds of race, creed, color, national origin, or sex, be excluded from receiving, or participating in any activity conducted under, any permit, right-of-way, public land order, or other Federal authorization granted or issued under this title. The Secretary of the Interior shall promulgate such rules as he deems necessary to carry out the purposes of this subsection and may enforce this subsection, and any rules promulgated under this subsection, through agency and department provisions and rules which shall be similar to those established and in effect under title VI of the Civil Rights Act of 1964.

(f) Notwithstanding any other provisions of law, any action or proceeding, other than an action or proceeding brought by the United States, involving any right-of-way, permit, or other form of authorization granted with respect to the construction of the trans-Alaskan pipeline, to which the United States, any department, agency, or instrumentality of the United States, or any officer or employee of the United States, is a party, and which is not barred by subsection (d), shall be brought and heard only according to the provisions of this subsection. Any such action or proceeding shall be commenced within sixty days following the date of such a right-of-way, permit, or other form of authorization is issued and shall be brought in a United States district court, which shall have exclusive jurisdiction to hear such action or proceeding. Such an action or proceeding shall be heard by a three-judge district court appointed in the same manner as a three-judge district court appointed under section 2284 of title 28 of the United States Code. Any such action or proceeding shall be assigned for hearing at the earliest practicable date, shall take precedence over all other matters pending on the docket of the district court at that time, and shall be expedited in every way by such three-judge district court. Any review of an interlocutory or final judgment, decree, or order of such three-judge district court by any party to such action or proceeding may be had only upon direct appeal to the Supreme Court of the United States.

(g) Notwithstanding the provisions of subparagraph (e) of this section the Secretary of Labor shall be prohibited from issuing any short-term labor clearances to foreign nationals for construction, operation and maintenance of the trans-Alaskan pipeline when unemployment in the United States is 4.5 percent or above unless unemployed persons capable of performing such labor cannot be found in this country.

SEC. 204. A right-of-way or permit granted under this title II for a road or airport as a related facility of the trans-Alaskan pipeline may provide for the construction of a public road or airport.

SEC. 205. The grant of a right-of-way or permit pursuant to this title II shall grant no immunity from the operation of the Federal antitrust laws.

SEC. 206. Any crude oil transported over rights-of-way granted pursuant to section 28 of the Mineral Leasing Act of 1920 shall be subject to all of the limitations and licensing requirements, and penalty and enforcement provisions, of the Export Administration Act of 1969 (Act of December 30, 1960; 83 Stat. 841) and, in addition, before any crude oil subject to this section may be exported under the limitations and licensing requirements of the Export Administration Act of 1969 the President must make and publish an express finding that such exports are in the national interest: *Provided*, That no exports of crude oil subject to this section shall be made unless and until Congress adopts a concurrent resolution stating its agreement with the President's finding concerning the national interest.

SEC. 207. (a) Except when the holder of a permit or right-of-way granted pursuant to this title can prove that damages caused by the holder's activities conducted at any point along the route of the proposed trans-Alaskan pipeline were caused by an act of war or by negligence of the United States or other government, such holder shall be strictly liable to all damaged parties, including but not limited to private persons, Alaskan Natives, Native organizations, and Federal and State governments, without regard to fault for such damages.

(b) (1) The Secretary shall direct as a term or condition of any permit or right-of-way issued pursuant to this title that, except when the holder of such permit or right-of-way can prove that damages resulting from discharges of oil in violation of section 11 (b) (2) of the Federal Water Pollution Control Act (33 U.S.C. 1161(b) (2)) were caused by an act of war or by negligence of the United States or other government such holder shall be strictly liable without regard to fault to all parties, including, but not limited to private persons and the Federal and State governments, for all damages resulting from such discharges of oil from, or involving vessels owned, chartered, operated, or leased by or for such holder, affiliate of such holder, shareholder, partner, or other constituent part of the holder, or affiliate of such shareholder, partner, or other constituent part of the holder, where the cargo of such vessel is oil transported by the proposed trans-Alaskan pipeline. Any action taken pursuant to this section shall be brought in the appropriate United States district court.

(2) For the purposes of this subsection, the term "affiliate" includes—

(A) any person or corporation owned or controlled by the permit holder or by a shareholder, partner, or other constituent part of the permit holder; or

(B) any person or corporation which owns a substantial interest in or controls the permit holder by—

(i) stock interest, or

(ii) representation on a board of directors or similar body, or

(iii) contract or other agreement with other stockholders, or

(iv) otherwise; or

(C) any person or corporation which is under common ownership or control with the permit holder.

(c) The Secretary is directed to require from the holder a bond that shall at all times be maintained and in force and effect in the full principal amount during construction, operation, and termination of the proposed trans-Alaskan pipeline. The amount of said bond shall be adequate to insure the payment of any final judgment recovered against the holder for loss or damage in actions arising under this section.

(d) If any area within or without the right-of-way granted under this title is polluted by any operation conducted by or on behalf of the person to whom such right-of-way was granted, and such pollution damages or threatens to damage aquatic life, wildlife, or public or private property, the control and total removal of the pollutant whatsoever found, proximately resulting therefrom shall be at the expense of such person, including any administrative and other costs incurred by the Secretary or any other Federal officer or agency. Upon failure of such person to adequately control and remove such pollutant the Secretary, in cooperation with other Federal, State, or local agencies, or in cooperation with such person, or both, shall have the right to accomplish the control and removal at the expense of such person.

SEC. 208. (a) The Secretary of the Interior is directed to report at least semiannually to the House and Senate Committees on Interior and Insular Affairs on the progress of construction of the proposed trans-Alaskan pipeline and related facilities and on the implementation of environmental stipulations attached to any permits or rights-of-way of the proposed trans-Alaskan pipeline. The first report shall be made no later than six months from the date of any permit or right-of-way granted pursuant to this title. Further reports shall be made at no greater than six-month intervals from the last prior report made.

(b) The Secretary shall issue a cease-and-desist order to halt construction of the proposed trans-Alaskan pipeline and related facilities at any time whenever he finds that the stipulations attached to permit or rights-of-way issued pursuant to this title are not being implemented or that significant damage to the environment, unforeseen at the time at which permits or rights-of-way were issued for the proposed trans-Alaskan pipeline, may occur if construction is not halted.

Sec. 209. (a) The Secretary of the Interior is authorized and directed to investigate the feasibility of one or more oil or gas pipelines from the North Slope of Alaska to connect with a pipeline through Canada that will deliver oil or gas to United States markets. The cost of making the investigation shall be charged to any future applicant who is granted a right-of-way for one of the routes studied. The Secretary shall submit to the Congress periodic reports of his investigation, and the final report of the Secretary shall be submitted to the Congress within two years from the date of this Act.

(b) The President is authorized and requested to enter into negotiations with the Government of Canada to determine (1) the terms and conditions under which pipelines or other transportation systems could be constructed across Canadian territory for the transport of oil and gas from Alaska's North Slope to markets in the United States, and (2) the feasibility, consistent with the needs of other sections of the United States, of acquiring additional oil export commitments from the Government of Canada that would make unnecessary the shipment of oil from the Alaskan pipeline by tanker into the Puget Sound area. The President shall report to the Congress the actions taken, the progress achieved, the areas of disagreement, and the matters about which more information is needed, together with his recommendations for further action.

(c) Nothing in this section shall limit the authority of the Secretary of the Interior, or any other Federal official, to grant a gas pipeline right-of-way or permit which he is otherwise authorized by law to grant.

Sec. 210. The words "trans-Alaskan pipeline", wherever used in this title, mean that pipeline system, including related facilities, described in the "Final Environmental Impact Statement, Proposed Trans-Alaskan Pipeline."

Sec. 211. If any provision of this title or title I of this Act or the applicability thereof is held invalid the remainder of such title shall not be affected thereby.

The motion was agreed to.

The Senate bill was ordered to be read a third time, was read the third time and passed.

The title of the Senate bill was amended so as to read as follows:

To amend section 28 of the Mineral Leasing Act of 1920, and to authorize a trans-Alaska oil and gas pipeline, and for other purposes.

A motion to reconsider was laid on the table.

A similar House bill (H.R. 9130) was laid on the table.

GENERAL LEAVE

Mr. MELCHER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from Montana?

There was no objection.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate by Mr. Sparrow, one of its clerks, announced that the Senate had proceeded to reconsider the bill (S. 504) entitled "An act to amend the Public Health Service Act to authorize assistance for planning, development and initial operation, research, and training projects for systems for the effective provision of health care services under emergency conditions," returned by the President of the United States with his objections, to the Senate, in which it originated, it was resolved, that the said bill pass, two-thirds of the Senators present having voted in the affirmative.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 7935) entitled "An act to amend the Fair Labor Standards Act of 1938 to increase the minimum wage rates under that act, to expand the coverage of that act, and for other purposes."

The message also announced that the Senate had passed with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 5777. An act to require that reproductions and imitations of coins and political items be marked as copies or with the date of manufacture.

The message also announced that the Senate had passed a bill of the following title, in which the concurrence of the House is requested:

S. 2058. An act to amend the Securities Exchange Act of 1934 to provide for the regulation of clearing agencies and transfer agents, and for other purposes.

CONGRATULATIONS TO THE GENTLEMAN FROM MONTANA, MR. MELCHER

(Mr. RONCALIO of Wyoming asked and was given permission to address the House for 1 minute, and to revise and extend his remarks.)

Mr. RONCALIO of Wyoming. Mr. Speaker, we have seen tonight a very historic event. That event in the House of Representatives has been historic in that we have seen for the first time this legislation handled by the very able gentleman from Montana (Mr. Melcher) from the Committee on Interior and Insular Affairs. In this 93d Congress, this able young gentleman who joined the committee as a freshman brought with him the ability and the experience to do the job. This is the gentleman's first assignment as chairman of the Subcommittee on Public Lands.

Mr. Speaker, he has done a very commendable job, and I am sure he has won the approval of the House for his legislative generalship on the legislation we have seen passed today.

A JOB WELL DONE

(Mr. GERALD R. FORD asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GERALD R. FORD. Mr. Speaker, I would like to join with the gentleman from Wyoming (Mr. Roncalio) in commending the gentleman from Montana (Mr. Melcher). I would also like to make mention of the fine job done by the gentleman from Arizona (Mr. Steiger), as well as the outstanding job done by the gentleman from Alaska (Mr. Young).

COMMUNICATION FROM THE SECRETARY OF THE SENATE OF THE UNITED STATES

The SPEAKER laid before the House the following communication from the Secretary of the Senate of the United States:

The Senate having proceeded to reconsider the bill (S. 504) entitled "An Act to amend the Public Health Service Act to authorize assistance for planning, development and initial operation, research, and training projects for systems for the effective provision of health care services under emergency conditions", returned by the President of the United States with his objections, to the Senate, in which it originated, it was

Resolved, That the said bill pass, two-thirds of the Senators present having voted in the affirmative.

EMERGENCY MEDICAL SERVICES SYSTEMS ACT OF 1973—VETO MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER laid before the House the following veto message from the President of the United States:

To the Senate of the United States:

I am returning today without my approval S. 504, the "Emergency Medical Services Systems Act of 1973."

At my direction, this Administration has been engaged for the past two years in an effort to demonstrate the effectiveness of various types of emergency medical services which can be utilized by local communities. Some $8 million was budgeted for this purpose last fiscal year, and $15 million should be spent in the current fiscal year. I strongly believe the Federal role should be limited to such a demonstration effort, leaving States and communities free to establish the full range of emergency medical services systems that best suit their varying local needs.

By contrast, S. 504 would establish a new Federal grant program which would provide Federal dollars to State and local governments for emergency medical services. The program would be a narrow, categorical one, thrusting the Federal Government into an area which is traditionally a concern of State and local governments and should remain under their jurisdiction.

Instead of providing flexibility for local decisionmaking, a new Federal categorical program of this sort would encourage State and local governments to commit limited funds to federally-defined objectives when their funds might otherwise be spent for local purposes of higher priority.

The bill would authorize appropriations of $185 million for this program over the next three years. This is far in excess of the amounts that can be prudently spent, and S. 504 therefore represents a promise of Federal financial assistance that cannot be kept. I believe all of us must avoid actions of this kind which tend to mislead and therefore disappoint the public.

My second objection to this bill is that it requires the continued operation of the inpatient facilities of the eight general hospitals presently maintained by the Public Health Service. These hospitals have a record of service to this Nation, and especially to its merchant seamen, which is long and distinguished. Nevertheless, it is clear that their inpatient facilities have now outlived their usefulness to the Federal Government. The number of individuals they serve is declining and many of the facilities have become old and outmoded.

Accordingly, the Department of Health, Education and Welfare has embarked upon a program of contracting with community hospitals for the care of those now served by Public Health Service hospitals. The patients now cared for in Public Health Service hospitals are entitled to receive the best medical treatment available. The fact is that many of our community hospitals are more modern, better equipped and more conveniently located than the Public Health facilities and thus would provide better medical care. I cannot agree to legislation that would deny these patients that opportunity.

RICHARD NIXON.

THE WHITE HOUSE, *August 1, 1973*.

The SPEAKER. The objections of the President will be spread at large upon the Journal.

The question is, will the House, on reconsideration, pass the bill, the objections of the President to the contrary notwithstanding?

MOTION OFFERED BY MR. STAGGERS

Mr. STAGGERS. Mr. Speaker, I offer a motion.

The Clerk read as follows:

> Mr. STAGGERS moves to postpone consideration of the veto message on the bill S. 504, the Emergency Medical Services System Act of 1972, until September 12, 1973.

Mr. STAGGERS. Mr. Speaker, and Members of the House, on Wednesday President Nixon vetoed the bill, S. 504, the Emergency Medical Services Systems Act of 1973. This is an unfortunate veto of one of our most important pieces of health legislation. It originally passed the House, 306–111, and the Senate, 97–0. This bill has two purposes: the improvement of services for medical emergencies throughout this Nation, and the preservation of our system of hospitals for taking care of merchant seamen.

Of all the many things which people say are wrong with medical care in this country today, the delivery of medical care in medical emergencies is one of the most profoundly deficient. Every day hundreds of Americans die needlessly because they do not receive the best care possible in emergencies. Our committee has heard testimony that optimum care would save the lives of 27,000 victims of heart attacks, 11,000 victims of automobile accidents, thousands of victims of poisonings, drownings, strokes, and other diseases. It has been estimated that preventing these deaths would save this Nation the phenomenal amount of $28 billion a year. The President himself has claimed in his most recent health message to the Congress that improving care for the victims of such emergencies is one of his highest priorities. Now he is advised to veto this bill.

This is good legislation which the House and the Senate have carefully polished over many months. It is supported by every witness and professional organization that I know of, including the American Medical Association. In fact the AMA bill would have authorized $630 millions. The present administration, despite its priority, would appear to be the only exception.

The costs are modest, a total of $185 million in the next 3 years. I would ask the Members to compare this modest amount to the savings of $28 billion which could be achieved, or to compare it to the $780 million cost of one military fighter plane. I hope that we can afford a modest investment in saving American lives.

The veto message claims that this legislation would be an unreasonable Federal intrusion into a State and local responsibility. The legislation would require no State or local government to receive Federal assistance if they did not choose to. It would require any recipient of Federal assistance to match the Federal dollars with their own dollars. I simply do not understand the argument that this is an inappropriate Federal activity.

With regard to the Public Health Service Hospitals, we have had a Federal responsibility for providing adequate medical care to merchant seamen since 1798. At one time the U.S. Public Health Service's hospitals and clinics in which this care was given were among the finest in the land. The veto message says that these hospitals have deteriorated. This is true for some but not all of them. But they have deteriorated because the Department of Health, Education, and Welfare has in recent years been unwilling to fulfill the obligation which it has had since the founding of this Republic.

We might be responsive to the administration's desires to close these hospitals if they had ever given us a detailed description of a satisfactory alternative. But they have not despite the requirements of Public Law 92–585 passed at the end of the last Congress. Until they do, these hospitals must remain open and should, in fact, again become examples of the finest medical care possible in the world.

I have asked that the House delay consideration of this veto message until after the recess. I do this so that each and every Member can return to his district and ask his constituents whether or not there is any need to improve emergency medical care in his district and whether or not modest Federal financial assistance would be helpful. I am confident that every Member will find this to be the case. I am confident that upon returning from the recess the House will vote to override this unfortunate veto as the Senate has already done—by vote of 77 to 16. In fact, I would hope, that as an indication of our commitment to our people, the vote will be unanimous.

Mr. Speaker, I move the previous question on the motion.

The previous question was ordered.

The motion was agreed to.

A motion to reconsider was laid on the table.

PERMISSION FOR COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE TO HAVE UNTIL AUGUST 10, 1973, TO FILE A REPORT ON H.R. 7974, THE HEALTH MAINTENANCE ORGANIZATION ACT OF 1973

Mr. STAGGERS. Mr. Speaker, I ask unanimous consent that the Committee on Interstate and Foreign Commerce have until August 10, 1973, to file a report on H.R. 7974, the Health Maintenance Organization Act of 1973.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

FURTHER LEGISLATIVE PROGRAM

(Mr. O'NEILL asked and was given permission to address the House for 1 minute.)

Mr. O'NEILL. Mr. Speaker, I have taken this time to announce the schedule for tomorrow.

Mr. Speaker, at the conclusion of all business today—and there is no business left except unanimous-consent requests—I will ask unanimous consent that when the House adjourns tonight it adjourn to meet at 11 o'clock tomorrow morning.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

Mr. GROSS. Mr. Speaker, reserving the right to object, would the gentleman from Massachusetts please reserve that request until the gentleman announces the program so that we can see what we are looking at?

Mr. O'NEILL. I will be glad to do so. And I withdraw my unanimous-consent request at this time.

The SPEAKER. The gentleman from Massachusetts withdraws his unanimous-consent request.

Mr. O'NEILL. Mr. Speaker, the program for tomorrow is as follows:

First. S. 1636, International Economic Policy Council conference report;

Second. S. 1264, Eisenhower College and Rayburn Library grants, with an open rule and 1 hour of debate;

Third. S. 502, Federal Aid to Highways Act conference report;

Fourth. H.R. 7935. Fair Labor Standards Act amendments conference report; that is the minimum wage;

Fifth. S. 1888, Agricultural Act amendments conference report;

Sixth. H.R. 6370, interest rates on deposits and share accounts, conference report;

Seventh. H.R. 8510, National Science Foundation conference report;

Eighth. H.R. 8658. District of Columbia Appropriations conference report; and

Ninth. H.R. 8760, Department of Transportation appropriations conference report.

Mr. Speaker, of the nine items that I have listed, eight of these are conference reports.

ADJOURNMENT TO 11 O'CLOCK TOMORROW

Mr. O'NEILL. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet at 11 o'clock tomorrow.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

THE SISTER-CITY PROGRAM

(Mr. PEPPER asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. PEPPER. Mr. Speaker, I am very proud, at a time when so many people are worrying about a "new isolationism" among Americans, to be able to bring to the attention of our colleagues, and to all who read this Record, the splendid example of internationalism of a group of my fellow citizens in my congressional district who have been actively and personally engaged in strengthening the ties of friendship and understanding with the people of the capital city of one of our Western Hemisphere sister republics.

For many years the people and the municipal officials of the city of Hialeah, Fla., have been devoting themselves to the establishment of a sister-city relationship with the people and officials of Managua, Nicaragua. But that developing relationship really flowered when Managua was struck late last year by a devastating earthquake.

That holocaust took many thousands of lives and left virtually the entire population of the city homeless and in need of emergency food and medical attention. Many people throughout our country were stirred to offer assistance in this disaster, but none responded more quickly or with greater dedication than did the people of Hialeah.

Through their Hialeah-Managua Sister City Committee they mobilized their own resources to assist the victims of the earthquake and called upon other agencies and communities to help in meeting specific needs which the Sister-City Committee had identified.

I am very pleased to have in the galleries today the two men most responsible for the success of the Hialeah-Managua Sister City Committee, the current president Mr. Raymond R. Schultz and the immediate past president Mr. Phillip J. Donohue. Under their leadership and with the full support of Hialeah's distinguished Mayor Henry Milander, they have done a magnificent job for all of us in the best people-to-people tradition of American internationalism.

Since massive earthquakes leveled the city on December 23 of last year, the citizens of Hialeah have been responsible for the shipment of more than 700,000 pounds of supplies, valued at over $8 million, to the people of their sister city of Managua. These supplies have included over 230,000 pounds of canned meats, antibiotics, ambulances, and other medical supplies, and even 10,000 can openers collected by the school children and girl and boy scouts of Hialeah and its adjoining communities.

Hialeah's response to Managua's urgent need began within a few hours after the earthquakes struck. Medical supplies donated by local hospitals were on their way the same day and leaders of the sister city program began contacting relief sources throughout the country to provide massive quantities of emergency medical and food supplies.

The help is still continuing. Since the schoolchildren of Managua still have not been able to return to school, the sister city committee has been obtaining sports and playground equipment for them. A third truckload of equipment is now ready for shipment to Managua.

As you may know, Mr. Speaker, the sister city program now involves 430 U.S. cities in continuing relationships with more than 530 cities in 65 other countries. They are seeking to strengthen cultural, educational, professional and youth exchange ties between the peoples of these cities and countries under the auspices of the Town Affiliation Association. The association is a private, nonprofit organization but its good work is recognized and supported by the Bureau of Education and Cultural Affairs of our State Department.

I wish to commend the Town Affiliation Association for its continuing support of this marvelous program and to express my pride in the fact that the Hialeah-Managua Sister City Committee has been chosen as the outstanding sister city committee in the Nation this year. The award for the best overall project from the Reader's Digest Foundation will be presented at the association's annual conference next month.

It is with great pride, Mr. Speaker, that I commend the Hialeah-Managua sister city program, the city of Hialeah, and the people of that great city for their splendid devotion to the cause of great understanding and friendship among the people of the world. This is a great example of people-to-people friendship.

I think it would be appropriate to include in this Record a report of the Hialeah-Managua Sister City Committee dated February 9, 1973, which details the progress of the Managua relief program through that date. I also wish to include the official proclamation of the Mayor of Hialeah honoring the work of the committee on Sister City Cooperation Day last May. In addition I request permission to include several reports of the Hialeah effort which were reported in the official newsletter of the Town Affiliation Association and a question and answer presentation of the facts about the sister cities program which might be of interest to other cities and towns throughout the country who might join this outstanding people-to-people program.

The articles follows:

Sister City Committee Report

Before the news of the Managua earthquake was broadcast by local media, Sister City Committee President Raymond R. Schultz and immediate past President Philip J. Donohue were notified of the seriousness of the earthquake and immediately began taking steps to communicate the news to city officials, medical authorities, transportation agents, and various relief agencies throughout the U.S. As the news of the earthquake was broadcast in the South Florida area, Hialeah Mayor Henry Milander was reported in his request to begin collections of surplus food and clothing throughout the city with the city's four fire stations serving as collection points. Mayor Milander called upon the officials of surrounding communities (Greater Miami) to undertake similar projects. This was done without hesitancy.

The Sister City Committee began making arrangements for a team of medical doctors to be flown immediately to Managua via Lanica Airlines, a Nicaraguan airline serving Miami. The medical team and the first shipment of food and clothing donated by the Sister City Committee were flown to Managua, the evening of the day of the earthquake, December 23rd. Medical supplies donated by local hospitals were also flown into Managua December 23rd and December 24th. City officials working with the Sister City Committee made arrangements for an expert Hialeah Fire Department Paramedic team to be flown to Managua, if necessary. Also readied was a comprehensive drive for blood donations, if necessary.

On Christmas Day, a shipment of 200,000 units of penicillin was flown to Managua through the efforts of the Sister City Committee. This was arranged through the International Christian Relief of Collingwood, N.J. and involved Dr. Mary Park of Merrit Island, Florida, the Kennedy Space Center, and Radio Station WFAB which helped with the air transportation. This Spanish radio station conducted a full-scale relief effort, collected food and clothing, in cooperation with the Sister City Committee.

The Sister City Committee was responsible for pinpointing, through Nicaraguan officials, the exact needs of the victims of the earthquake. Committee officers made various inspection trips to Managua to consult with Commanding General A. Somoza and other officials. Committee officers also served as a clearing house for inquiries from relatives of Managuan residents who sought information regarding their welfare.

Working in cooperation with Lanica Airlines, the U.S. Air Force, and the Board of International Trade, the Sister City Committee was directly responsible for obtaining more than $6 million worth of medical and food supplies for relief of earthquake survivors. This included more than 230,000 pounds of badly-needed canned meats in tab-top cans which was transported from the Christian World Reform Relief Committee in Wheaton, Ill. via five semi-trailer trucks to Miami and then flown by giant Air Force cargo planes to Managua. Also included in the aid was a $3 million-plus donation of milk nutrient supplement for the children of Managua. This was shipped directly from Houston, Texas with the aid of Mayor Louie Welch and was arranged by the International Christian Relief. Other items included a shipment of 480,000 tablets of antibiotics, 2,000 pounds of flour from a local restaurant, 50 packages of immunization shots and more than 10,000 can openers, a sorely-needed implement which were collected on a door to door basis by the school children, girl scouts and boy scouts of Hialeah and the nearby communities of Miami Springs and Miami Lakes. Other food supplies were arranged through the efforts of Food for Hungry in Los Angeles, California. Volunteering their services in many ways were REA Express, Alfa Aero-Freight and S. Malatesta and Sons.

By way of coordination, the Committee began to receive through Nicaraguan officials what items were most critically needed and then arrange for their donation if possible. Since the hospitals were wiped out by the earthquake which killed more than 4,000 and injured more than 20,000 residents, the committee arranged for a donation of a surplus ambulance which was refurbished and tested by the City of Hialeah Maintenance Department.

Another function of the Committee was to insure proper identification of the items from the United States before they were flown to Nicaragua. This emphasized to the people of Managua that the Sister City program was a very real program meeting real needs and in the words of General Somoza, "We are especially indebted to our Sister City Hialeah, Florida, for their immediate and sustained support which has been magnificent."

Hialeah Mayor Henry Milander officially proclaimed a "Day of Mourning" for baseball star Roberto Clemente who died in a plane crash while going to the aid of the survivors of the earthquake.

Donations of money collected door to door by children through churches, schools, racetracks, civic organizations, fraternal organizations, etc., were being funnelled through the Sister City Committee with the funds being turned into necessary foodstuffs and medical supplies immediately.

DONATIONS

168,000 Penicillin Tablets.

600,000 Influenza Vaccines.

2,000 Pounds of Flour.

254,000 Vitamin Tablets.

Gamma Globulin ($100,000).

255,000 Pounds of Carnation Canned Spreadable Meats.

480,000 Malozon Tablets.

30,000 Pairs of Eye Glasses w/Cases.

6 Transceivers.

70,000 Pounds of Baby Formula.

24,000 Pounds Instant Breakfast.

Approximately 150,000 Pounds Food From the People of Hialeah.

15,000 Pounds Miscellaneous Medical Supplies.

Hialeah Hospital

180 Rolls 2-inch Gauze.

180 Rolls 3-inch Gauze.

2,000 Tongue Depressors.

1,200 Vitamin C Tablets (500 mg each).

1,000 Tablets Meprobamate (400 mg each).

6 Dozen 4-inch Elastic Bandages.

4 Dozen 6-inch Elastic Bandages.

Coordinated

City Resolution requesting the President and all Government Agencies to assist Managua.

Food and clothing pick-up for all Dade County Fire Departments and Hialeah Fire Departments.

U.S.A.F.

C–5A Aircraft and 3 C141 Aircraft.

70,000 lbs. Carnation Can Meat.

3,000 lbs. Cocoa Mix.

25,565 lbs. Creola Sauce.

49,000 lbs. Shape Metrecal Powder.

2,750 lbs. Polio Vaccine.

$1,000.00 Medical Supplies Miami-Dade.

2 Ambulances.

1,000 lbs. Rat Poison.

400 dz. Toys.

CITY OF HIALEAH, FLA.—PROCLAMATIONS

Whereas, the Sister City Committee of Hialeah and Managua, Nicaragua has truly exhibited the ultimate in humanitarian qualities in behalf of the many victims of disasters in Managua, and

Whereas, the Sister City Committee has been nationally recognized for its tremendous efforts in behalf of the citizens of Managua and Nicaragua, and

Whereas, the members of the Sister City Committee have donated countless hours, energies and talents in securing and coordinating the shipment of more than $8 million in aid to the earthquake victims of Managua.

Now, therefore, I, Henry Milander, Mayor of the City of Hialeah, do hereby declare Sunday, May 6, 1973, be proclaimed as Sister City Cooperation Day in Hialeah in observing and commending the wonderful work of the Sister City Committee and urge the residents of Hialeah to continue the extensive cooperation with the Sister City Committee and its members.

HIALEAH RUSHES AID TO STRICKEN "SISTER"

Aid for Nicaraguan earthquake victims is pouring into Managua's Sister City of Hialeah, Florida from all points in the nation and from people from all walks of life, both young and old.

Within three hours after the last large shock battered Managua, Hialeah Mayor Henry Milander made a public appeal to the citizens of Hialeah for surplus food and clothing and ordered the city's fire stations to begin collections.

The first Lanica Airline flight to Managua the evening of the earthquake included a large shipment from the Hialeah-Managua Sister City Committee and included canned goods and clothing which had been collected in Hialeah schools at Thanksgiving time.

The Sister City Committee has been coordinating all Managua relief efforts in South Florida with newly-elected president Raymond R. Schultz and immediate past president Philip J. Donohue coordinating.

Following the initial plea by Mayor Milander for aid to the earthquake survivors, five semi-trailers of food and clothing have been dispatched to the Lanica Air Cargo Terminal at Miami International Airport. Joining in with Hialeah in making collections have been the nearby cities of Miami Springs, Miami, Miami Beach, Coral Gables, and the Metropolitan Government of Dade County.

Canned goods, which have become a critical item because of the nature of the disaster, are on their way to Miami for flight to Managua from all points in the United States—Chicago, New Orleans, Los Angeles, San Antonio, etc.

The Chicago shipments of 200,000 pounds of tab-top canned meats were made possible by the Christian World Reform Relief Committee of Carol Stream, Illinois.

The plea went out for scarce Immune Serum Globulin to prevent disease in Managua. The Sister City Committee obtained this serum from Parke Davis and it was flown to Managua within 15 hours after the request.

Cash donations and clothing have been received from all points in Florida. School children in Hialeah and nearby communities have gone door to door collecting funds and the scarce, non-electric can openers which the Nicaraguans need for the canned goods.

Committee members made appearances on radio and television and received full cooperation from the press in making pleas for aid.

A local restaurant donated 2,000 pounds of flour for the victims through the efforts of Hialeah Councilman Jack Cherry, who was instrumental in 1963 in launching the Sister City program.

"The transportation problem is beyond the imagination," said Schultz, "but we are licking it with the help of airlines, private flying services, local express trucking companies such as REA and from the Board of International Trade."

Financial donations have been rolling in and Nicaraguan Consul General Luis de Bayle has asked the Sister City Committee to coordinate the administration of the funds.

A local radio station WFAB, operated by Cuban refugees, has devoted its entire staff and programming to raising food, clothing, and funds for the Hialeah Sister City Committee.

The Flagler Kennel Club donated the proceeds of its last evening of races to the relief effort.

One of the greatest problems in the relief drive was the matter of communications and making sure the right information was made available to the public.

Often, other agencies were 12 hours behind in their information while the local committee had first-hand knowledge from Nicaragua. This meant in some cases that conflicting reports were dispatched regarding the needs and situation in Managua.

Recognition of Hialeah's efforts was immediate with General Somoza writing personally to Mayor Milander saying "we are especially indebted to our Sister City Hialeah, Florida for their immediate and instant support which has been magnificent."

ROBERTO CLEMENTE SISTER CITY AWARD SET

A racetrack owner, Hialeah Hospital and hundreds of contributors joined with the Hialeah-Managua Sister City Committee recently to purchase two ambulances for the Central American city which has been without ambulance service since the recent disastrous earthquake.

John W. Galbreath, president of Hialeah Park and the baseball Pittsburgh Pirates, told Mayor Henry Milander that he would donate in his family name $3,000 toward the purchase of one of two ambulances which are being traded in for new ones by Randle-Eastern through Byerly Superior Coach Sales, Inc., of Clearwater.

Galbreath made the donation while making another type of donation—one of six remaining bats used by the late star Roberto Clemente, who was killed December 31, 1972, while flying to the aid of Hialeah's Sister City. The bat will be used as part of a trophy to be awarded annually by the Sister City Committee to the person who "best exhibits the humanitarian qualities of Roberto Clemente."

Hialeah Hospital has underwritten the cost of the second ambulance for which donations are being sought through a civic effort headed by a group of Latin builders.

"We hope to have these ambulances in Managua as soon as possible, by the middle of March," reported Milander, who said his city's Maintenance Department would refurbish the ambulances and paint them with proper identification. All of the existing emergency vehicles had been destroyed in the earthquake.

Hialeah Hospital has also offered to train the necessary paramedic personnel to man the ambulances in Managua. This is the same type training given by the hospital in training rescue service men of the Hialeah and Miami Springs Fire Departments.

The ambulances are the latest in massive aid arranged by the Hialeah Sister City Committee which recently went over the six million dollar level in total aid rendered in the form of food and medical supplies. (Ed. Note: See story "Hialeah Rushes Aid to Stricken Sister" in the January–February issue of TA News.)

SISTER CITIES INTERNATIONAL

YOUR COMMUNITY IN WORLD AFFAIRS

The Town Affiliation or Sister City program encourages international friendship through contacts between the people of one country and another by formal association of their cities, towns or villages. These contacts help to further international understanding at all levels of the community on a continuing long-term basis. Within this program cities and their citizens exchange things, ideas and people in a wide variety of cultural, youth, educational, municipal, professional and technical projects.

The Sister City program as a national concept was launched at the White House in 1956 when the President of the United States, Dwight D. Eisenhower, called for massive exchanges between Americans and the peoples of other lands. Hundreds of U.S. cities responded and have established two-way relationships with cities in over 60 other nations and are working together to help build a more peaceful world.

The Sister City program is unique. It is a two-way program. The give and take is shared by both communities. It provides a program of planned and continuous contact between the cities involved and their citizens. It brings together both municipal and voluntary community resources and offers a mechanism for individuals and organizations to be involved in the rewarding field of international relations.

The Town Affiliation Association is the national organization of Sister Cities in the United States and serves as a center to assist U.S. cities, towns and villages in entering this rewarding program. This pamphlet will tell you how.

WHAT IS A TOWN AFFILIATION?

When an American community of whatever size or character joins with a community in another nation to learn more about each other and to develop friendly and meaningful exchanges, the two may propose a formal affiliation. The ideal affiliation involves a large number of citizens and organizations in both communities to engage in continuing projects of mutual interests.

WHY HAVE A TOWN AFFILIATION?

A Town Affiliation helps the citizens of U.S. cities become directly and personally involved in international relations and thereby it enables Americans to:

1. Exchange ideas with cities and citizens of other cultures;

2. Help bring about peace through a better understanding of the world today;

3. Develop a better knowledge of the role of cities and their citizens in today's rapidly changing world.

A Town Affiliation gives your community the opportunity to strengthen international understanding by taking an active role in world affairs.

WHO TAKES PART?

A well organized Affiliation committee represents a true cross section of your community, such as: education, cultural, technical, business, professional, social, women's clubs, civic, service, veteran, labor, religious, youth, hobby groups, newspapers, radio and television. This is a good time to take stock of your city and what makes it unique.

WHAT TO DO FIRST?

If you belong to any of the above organizations, you might first discuss the affiliation idea with your own group. Are they interested? Would they be willing to take part? If so, your organization can call on the Mayor of your town or city to explain your interest and desire to explore further the idea of a town affiliation for your community. The Mayor is usually consulted at this time so that other interested individuals and organizations may have a central meeting point.

THE ROLE OF THE CITY

In order for a well planned affiliation to function properly, recognition by the city is essential. This is, after all, a program involving the city and without endorsement by the local mayor and council, the overseas city is more than likely to turn down your affiliation proposal. In many countries, cities are allowed to expend municipal funds for international activities. A good program includes the city government in all phases of its planning and incorporates activities that will benefit your community such as planning and transportation exchanges, etc., which involve various city departments.

SET UP A COMMITTEE

As soon as your community decides to proceed, set up a small steering committee which should include a cross-section of community leaders and organizations. At this meeting appoint an Executive Committee that will have continuing responsibility for carrying out the program. Your basic committee can be expanded once your program is underway. Eventually, your committee might like to consider an official name, such as "Overseas Neighbors," etc. Your Mayor is usually asked to serve as Honorary Chairman.

The Committee should review the human and physical resources of your community. It can discuss the types of projects your community can undertake and should develop a tentative program plan. The Committee will then come up with suggestions for locating a sister city.

SELECTING YOUR PROSPECTIVE SISTER CITY

Pick a country and then, if possible, narrow down your choice to a prospective area. Selection should be based on mutual interests. For example, affiliated communities may be similar in size and economic characteristics.

Help in selecting a city may come from ex-servicemen who served in the area, members of your community who have traveled or lived abroad, nearby foreign consulates, foreign language groups and organizations, and firms with overseas branches.

Your choice may derive from historical ties. Who founded your town? Who have been outstanding leaders during the growth of your community? Did they come from a foreign country? Answers to these questions may give you clues for focusing on an overseas area.

BEFORE YOU WRITE OVERSEAS

Whether you want advice on choosing a city or have already decided on one, you will find it helpful to obtain additional information before making your initial contact with the overseas city. Write up a background sketch on your own community; outline the types of business activities carried on; the names of your civic and service organizations; the extent of your public and private school system; cultural institutions like museums, art galleries; occupations and hobbies of your committee members; the types of projects your community is ready to undertake at the beginning. At this point, you will wish to consult with the Town Affiliation Association for advice on specific countries and experiences other cities have had to help guide your choice. The Town Affiliation Association will review your plans, assist you with any problems and clear your choice for a Sister City through appropriate overseas channels.

HOW LONG DOES IT TAKE?

Now that you are ready to apply for a sister city in another nation, how long will it take before you will know who your affiliate will be, or whether the city will accept? First, this will vary depending on which area of the world is being approached. Second, the time will vary due to the press of local conditions, language barriers or other unforeseen circumstances. An affiliation to become reality, can take anywhere from weeks to months. The usual time is about six months.

WRITE YOUR PROSPECTIVE SISTER CITY

Now that you have singled out the overseas town of your choice, and Town Affiliation Association has ascertained that the interest is mutual, have your Mayor send a letter to the Mayor overseas. Your Mayor's letter will set forth your desire to affiliate with the foreign city; it may explain why you chose that particular city, it may describe what you mean by an affiliation. The Town Affiliation Association can provide a list of suggested forms to assist you.

Don't expect an immediate reply, remember it took your own community time to get this far. Even though the overseas Mayor is interested, he will want to discuss your proposal with his Council. It may take three months for you to get a reply. Be patient. Slow beginnings often have the best endings.

YOUR SISTER CITY ACCEPTS

Ask your sister city's Mayor to set up a committee similar to yours and send you the names of the members so that you can exchange ideas for mutual projects. You will probably want to stage some ceremony in your own city now, in order that everyone in your community will know that you and your sister-city are officially affiliated. Publicize the event well and invite representatives of your sister city to be present at the ceremony. Don't forget foreign students in your area that come from your affiliate's country. Be sure to invite participation by members of your local newspapers, radio and television.

YOUR COMMITTEE AT WORK

Under your Executive Committee, subcommittees may be appointed for each proposed project, with Standing Committees responsible for year-round planning. Some towns work through 5 or 6 committees. Others use 12 to 15 committees because of the scope of their program. No one small group can be expected to carry out a successful affiliation. The work should be divided and spread out so a large number of people from many sections of your community will have an opportunity to take part. Many committees ask existing groups to take charge of one or two projects per year, thus helping to insure a dynamic continuous program. From this point on you need full publicity through press, radio and TV to arouse enthusiasm and enlist the cooperation of the whole community.

FINANCING YOUR PROGRAM

A budget is needed, of course. It can be small or large and is generally raised outside of city government funds by the affiliation committee. Communities have used different ways for raising funds to finance activities. Annual dues and memberships usually help defray general operating expenses with larger affairs held; balls, sales, etc., to finance more ambitious exchange projects. Many activities are supported by "services" of business, cultural and civic groups. Hotels have offered free lodging to overseas visitors, auto dealers have supplied transportation, and manufacturers have furnished products and manpower.

Many projects can be carried out at little or no cost. Examples are exchanges of school artcraft, exchanges of photograph exhibits, pen pals, tape pals (exchange of tape recordings), exchanges of popular and industrial magazines and technical literature, and contact between "ham" radio operators in each community. Civic, service and social clubs establish contacts with counterpart groups, in the sister city. If such groups do not exist in the affiliated city, it may be possible to assist citizens overseas to establish them.

PROJECTS YOU CAN DO

Programs and projects are developed out of the mutual desires and interests of the sister-cities. There is no cut-and-dried pattern. Projects are only limited by the imagination and resources of the communities. In general Town Affiliations appear to succeed better when the cities are of similar size and have similar interests and ways of making a living. Through visits or exchange of correspondence, both cities discuss the types of projects they would like to carry out. When one or more projects are agreed upon, the program is carried out by the citizens on both sides.

In beginning the program, a community may wish to start by sending a group of 8 x 10 photographs of its city along with background material. Remember, language barriers can be overcome by various visual presentations. The affiliate may wish to publish these in the local newspaper. You should ask for photos and news of the city so your local newspapers can acquaint your own citizens with your sister city. As your program develops and expands, it is a good idea to keep at least two scrapbooks. They are useful to help guide future chairmen, to loan to neighboring communities interested in entering the program and for national and international award programs.

Following are some of the types of projects which have been carried out successfully by other communities. The types of projects you decide on may be more comprehensive than this brief list, depending upon your community resources and ingenuity.

1. Exchanges of visitors, officials, prominent citizens, musicians, students, teachers, professionals, news reporters, radio and TV, labor, etc.

2. Organized tours. Hospitality ceremonies for visiting groups.

3. Letter writing. When exchanging correspondence with a community that speaks another language, a Language Resource Committee is essential. Other than face-to-face visits, one of the most important ways of exchanging ideas with overseas contacts is through the personal letter. Write your friends overseas about your way of life, where you work, your hobbies, where you live, play, go to school, etc. Write about current happenings in your community. If you do not have the name and address of a person to write to, ask the committees of your sister city to supply you with the names of persons wishing to correspond, together with information about their interests.

4. School affiliations can be a stimulating activity if organized within your educational system. They can be a strong adjunct to your school's language, history, cultural and other programs. There are no end of fascinating projects that young people can engage in to enlarge their horizons of learning.

5. Radio contacts between sister-cities can be made by amateur short-wave radio operators. Special broadcasts on records or tape are made for use abroad.

6. Art Exhibits. Both school children and members of local art clubs exchange art work with their overseas counterparts. The material is often exhibited in public buildings and merchants' windows in both towns.

7. Photo Exhibits. Camera clubs of both towns exchange collections of still photographs and documentary motion pictures.

8. Sending of mementos, not on a charitable basis, but of mutual interest and respect. Gifts are generally modest ones.

9. Exchange of music, recordings and plays.

10. Exchange of good quality magazines, books and periodicals, new and old in good condition.

11. Exchange of technical literature and publications between people of similar interests. For example, medical publications between doctors, publications dealing with new scientific techniques, music and art appreciation, exchanges between jewelers, Chamber of Commerce, lawyers, and materials between city officials and various city departments.

12. Club Affiliations. Development of relations between such groups as Lions, Rotary, Boy Scouts, Girl Scouts, women's clubs, and hobbies, etc., with their counterparts in the sister city.

Inform Your Community About Sister City Projects

Publish and prepare food recipes from the foreign country.

Play popular and traditional music of the country at schools, club meetings and over local radio stations.

Make up local exhibits for store and bank windows showing products or the way of life of your overseas affiliate.

Learn what local manufacturers must import to make their finished product. Perhaps raw material; chemicals, or semi-finished parts come from the area near your sister city. The idea here is to illustrate the economic interdependence of people.

Cooking classes in school could spend a week on favorite dishes of the sister city.

Obtain a flag from your sister city and country to use in your public meetings.

Plant a tree for your city and your sister city side by side in a public park and have appropriate ceremonies.

Gather facts on your sister city to use on an "area" basis. For example, the local historian could write an article or make a speech on the history of the foreign city. The school advisor could write or speak on the likenesses and the differences of the school systems. This could be developed into at least 10 or 15 basic speeches for civic and service clubs, and for as many articles in the local newspapers.

Stamp collectors could exhibit stamps from the overseas country.

Appropriate foreign songs might be taught and sung in the school room.

Games of the foreign city might be interesting to the children and sport enthusiasts.

Travel posters from the sister city or its country could be displayed in windows and meeting places.

Motion pictures or colored slides obtained from the sister-city or airlines and transportation companies could be exhibited.

You may want to put on a Sister City dance. This will inform your community about your project while helping to raise money for your activities.

Industrial worker exchange, teachers, technicians and apprentices, so inclined, are employed by industrialists of the sister city for a specified period of time.

Sister City bazaar or dinner.

Arrange to get together a local group to visit your sister city.

Social programs for visitors from your sister city.

Local group to study and work on crafts of sister city.

Local churches can use the sister city and brotherhood theme.

Each local civic and service club can offer a "Salute" program to the sister city.

After the Town Affiliation is underway, there can be an anniversary dance, dinner, party or celebration.

The sister city theme could be tied in to the county fair and its exhibits.

The local motion picture theatres could show short subjects of the foreign country in which the sister city is located.

Your local library can feature books and pictures on the affiliate country.

Local garden clubs could plant and design a garden where the names of your city and your affiliate would bloom in flowers.

You can rename one of the local streets or parks for your sister city during periods of celebration or as a permanent symbol of your affiliation.

PROGRAM AIDS

The Town Affiliation Association constantly receives and researches materials, news letters, and publications from cities and organizations throughout the world which are involved in the affiliation program. These materials are available to help new communities interested in the affiliation program. The TAA maintains a list of guides, and helpful suggestions on how-to-do-it. For a publication list write to: Town Affiliation Association, 1612 K Street, N.W., Washington, D.C. 20006.

THE TOWN AFFILIATION ASSOCIATION

The Town Affiliation Association of the U.S., Inc. is a tax-exempt, non-profit organization, headquartered in Washington, D.C., established to foster better international cooperation and understanding through Sister City relationships between cities in the U.S. and other nations. The Association is an organization of city governments and their Sister City Committees and provides a national forum through which the cities of America can express their concerns and actively work to meet the challenge of bettering international relations in the world today.

The Town Affiliation Association was incorporated in 1967 in the District of Columbia at the request of the cities in the program to provide this national forum for an interchange of ideas and resources to help local communities further their international programs.

Every U.S. city affiliated with a Sister City in another nation finds itself busy with their local program activities. While Sister City Committees must provide local leadership and direction, they must also deal with many issues that can only be approached through nation-wide study and action. New developments in the field of international relations are brought to the attention of communities by the national Association which provides the kind of national resources and services which are essential to continuing program development at the local level. New program opportunities are also investigated by the Association which can greatly benefit local communities involved in the continuing quest for world peace and understanding.

The Town Affiliation Association serves as a center for research, information and counseling. In this function as a national clearinghouse, the Association has been instrumental in saving many communities considerable time, money and effort in carrying out local Sister City programs. Also, TAA serves as a focal point for the development of new international exchange programs on a national pilot basis. These programs are then made available for implementation within the structure of local Sister City activities.

The ultimate success of a Sister City program occurs when it reaches the broadest person-to-person level possible. As expressed by the famed, late commentator Edward R. Murrow, "The best form of international communication occurs at three feet." TAA helps communities translate this desire to "communicate" at the person-to-person level into a plan of action.

RESOURCES AT YOUR DISPOSAL

The resources of this program are not confined to those in your own community. They reach beyond your state, beyond the boundaries of our nation. The strength of the program lies in the people, their institution, the communities already active in it. You will become a part of a vast group experienced in international affairs and ready to assist you in launching your own effort and in helping it, once embarked.

The process of affiliating or entering into sister city relationships has resulted in a world-wide venture of cooperation between many people, institutions and associations of a completely private, nonpolitical nature. Many cities already in the program have given freely of their time and experience to neighboring communities interested in becoming affiliated. This process works in both directions.

In the United States, many local, regional and national organizations have enthusiastically endorsed the sister city program. Organizations such as the Rotary, Kiwanis, Jaycees, Boy Scouts and Girl Scouts, 4–H, Chamber of Commerce, Lions, Altrusa, Zonta, school boards and many others actively support local affiliation programs. The National League of Cities has supported the sister city program in its National Municipal Policy and by active participation in the program for many years. The League, established in 1924, represents over 14,500 municipal governments of all sizes, either directly or through their state municipal leagues.

Overseas, the International Union of Local Authorities, with headquarters in the Hague, Netherlands, has lent its prestige and support to the sister-city program. The IULA unites national associations of municipalities from 47 countries of the world and has urged its membership to enter this program for many years. The IULA has working relations with the United Nations, UNESCO, and the World Health Organization.

PROBLEMS IN U.S. TUNA INDUSTRY

(Mr. BOB WILSON asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. BOB WILSON. Mr. Speaker, if Congress is not careful, it could get the U.S. tuna industry into a pretty kettle of fish. I refer to the proposal to establish a 200-mile fishing boundary for U.S. waters. And, that old family standby, tuna fish casserole, might well become a wistful memory due to shortages of tuna, and a rapid escalation in price that passage of such a bill would generate.

Just a few years ago some forward-looking scientists predicted that the world would come to depend on the oceans for much of its protein production. Wallowing in beefsteak, we made light of their theories. Now, suddenly, we realize that, on a worldwide basis, production of grains and meat are beginning to fall behind demand. Even in our Nation, which has huge productive capacity, the need for grains for export has run head on into the need for domestic feeds and we have seen meat and poultry go up in price and in some cases off the shelves at the supermarket.

The world fish catch has been steadily increasing. Since 1966, for instance when it was 114 billion pounds, it has jumped to 153 billion pounds in 1971, a value of some $10 billion. The United States has fallen far astern in world fishing. Our 4.7 billion pounds is still a $704 million industry.

The U.S. tuna industry last year landed 524,275,000 pounds of fish, worth $120,659,000. When the world, and the United States will depend more and more on harvesting the food resources of the sea we must work out international management agreements that make sense. We must protect our own fishing industry. Some 74 percent of canned fish products in the United States last year came from the tuna industry.

The stepped-up demand for fish has created nationalistic stirrings in nations bounded by fishing waters. The "cod war" between Iceland and Great Britain was an example of the clash between tradition and sudden national possessiveness of the ocean waters. The English had fished the Iceland banks for centuries until that country decided to extend its boundaries from the 12-mile limit to 59 miles.

We would face a "tuna war" if the 200-mile limit legislations, S. 1988, the "interim Fisheries Zone Extension and Management Act of 1973 were allowed to become the law of the land. Our tuna fleet already suffers from harassment by nations which have unilaterally staked out claims on the ocean. More than 200 seizures of U.S. boats have been made since 1961. Passage of this act would invite retaliation by other nations and remove the last vestige of protection for our tuna fishing fleet in open waters.

Statistics reveal that considerably more than half of our major tuna catch is made in waters less than 200 miles offshore of the 13 nations and islands involved in the Inter-American Tropical Tuna Commission. Unilateral action on our part in establishing the 200-mile fishing preserve would be certain to set off a chain reaction on the part of other countries. This would lead to permit systems, an acceleration of seizures and ugly international incidents.

The tuna appears around the entire world. Albacore migrate from the coast of Japan to the west coast of North America each year. Bigeye tuna migrate across the Pacific, southern bluefin tuna are distributed from the south Atlantic through the Pacific and Indian Oceans, northern bluefins move from the east coast of the United States to northwestern Europe and down to Brazil.

All species of tuna move around constantly, following food supplies, and it is obvious that as a species the tuna has no home. It ranges over vast expanses of the world's oceans, and appears at a wide range of latitudes. If we are to depend on the seas for more food we must manage this renewable crop with care. A series of jealously guarded 200-mile zones would make any intelligent management program virtually impossible.

It is obvious that the proposed U.S. 200-mile fishing zone is aimed at protecting U.S. interest in its coastal fisheries. There is a justifiable concern over this valuable resource. But, it should not be preserved at the expense of our pelagic—tuna among others—fishing industry.

The United States is proposing to the present United Nations Conference on Uses of the Seabeds that definite management program be established. Our capable representative Howard W. Pollock, a former Congressman from Alaska, has proposed that a species approach be used for fish such as tuna. Management of predominately coastal fisheries would reside in the coastal states. However, management of wide-ranging species such as the tuna will require international agreements such as the present Pacific Tuna Commission. To harvest the maximum yield we must have cooperation in optimum management, in conservation, habitat studies, and controlled catches to allow stocks to replenish themselves. A patchwork management program made up of various 200-mile zones, with differing governmental attitudes toward fishery management, would jeopardize world supply of many species. I fully support the U.S. position as proposed by Mr. Pollock. It simply says, shorn of its international legalisms, that management of wideranging fishes should be done under a joint agreement by those nations involved in fishery, rather than by rigidly set areas of water.

Modern fishing requires that tuna boats follow the fish. A nation with a small coastal area could not establish a successful tuna fishery within a 200-mile limit, since today's fleet often fishes at different times of the year in locations thousands of miles apart.

In a working paper submitted to the U.N. Committee on Peaceful Uses of the Sea-Bed and Ocean Floor, the U.S. position on any 200-mile limit proposals noted that—

> When such artificial constraints are imposed on the freedom of movement of tuna vessels, efficiency drops, catches are reduced, the supply available to mankind is diminished, and what supply there is, is available at a higher cost—a higher cost not only to the consumer, but to the world as a whole.

To keep the tuna coming into the canneries much research on their life cycle must be done. Again, few nations could go it alone, and since the tuna knows no 200-mile boundaries, any individual nation's research would be inadequate. Agreement and cooperation are necessary if the world supply of tuna is to be preserved.

Conservation consists of catch limitations, both in quantity of catch and size. Again, the whole effect could be thrown out of whack if nations set up their own regulations and over-fished, or underfished the tuna passing through their zone. Since the range is so great, the oceans so huge, we can do little toward regulating propagation of the tuna. We must limit conservation to an exacting harvest in line with the fishery's ability to sustain its numbers.

It does not make sense to me for the Congress to enact a measure that would: First, invite retaliation by other nations; second, stir up international disputes; third, reduce the supply of tuna for U.S. consumption; fourth, drastically hamper research and conservation programs for tuna resources; and fifth, adversely affect a sizable fishing industry that is already struggling against increased costs due to necessity for sophisticated long-range boats and expensive gear.

John Wesley once said: "I look on the world as my parish." Today we must look on the world as our fishing hole, and share it with other nations. Self-centered extension of our fishing boundaries would be a great step backward in a shrinking world, an unconscionable setback to our own fishing industry.

INFLATIONARY FARM BILL

(Mr. TEAGUE of California asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. TEAGUE of California. Mr. Speaker, I call to the attention of my colleagues the following excellent editorial which appeared in the Washington Star-News on Thursday, July 26, 1973:

INFLATIONARY FARM BILL

The House has sprung a welcome surpise, in voting even stronger curbs on those big subsidy payments for King Cotton and other large farming interests than the Senate was willing to approve last month. In their separate legislation, both houses have set a $20,000 subsidy limit for any single farm operation ($165,000 now is the ceiling), but the House last week took the needed additional step: Its bill would close loopholes that could permit growers to divide their landholdings and evade the new limitation.

Thus it seems, at first glance, that this year's farm bill may represent a historic setback for those agricultural interests—exceedingly powerful in Congress—which benefit from federal programs costing $3 to $4 billion annually. But this particular reform, a sensation in itself, is but a small part of the total picture. On balance, the bills that have passed both houses, and now are in conference committee, could give farmers a larger windfall of tax dollars than ever and fuel the inflation of grocery prices. There are signs that President Nixon may veto the final product for those reasons.

And probably he should. The riskiest aspect of this legislation is a new system of paying crop subsidies on the basis of "target prices," which would increase along with any rises in the cost of production. If farm prices drop below these specified targets, direct federal payments to growers of feed grains, wheat and cotton would make up the difference. And prices may well be sliding in the next couple of years, if the desired effect is achieved from the administration's wise move last week toward removal of acreage controls, to boost farm production.

Supporters of this target formula claim it can reduce the subsidy outlay, but that appears to be a large gamble. Other observers think just the opposite is possible—a rise of several billions in subsidies. In any case, the cost-of-production escalator is inflationary, beyond doubt, and the whole plan seems to base a new standard for federal farm assistance on the present inflated food prices.

Oddly enough, this innovation was put over in both houses with the aid of liberal, labor-backed members, seeking the votes of farm-bloc lawmakers for a bill raising the minimum wage. The trade-off apparently worked, but this uneasy alliance later came apart on passage of a farm bill amendment denying food stamps to strikers. Maybe there also will be second thoughts in the House-Senate farm bill conference, sufficient to drop the production-cost escalator provision.

If not, a presidential veto seems justified. Indeed, with food prices soaring again, that probably will be demanded of Mr. Nixon by a multitude of housewives.

BELLINO DENIES ELECTRONIC SURVEILLANCE

(Mr. DEVINE asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. DEVINE. Mr. Speaker, on July 25, my remarks appeared in the RECORD about the fact that the New York Times ignored and the Washington Post buried on page 26 the press conference of Republican National Committee Chairman, George Bush, concerning allegations of electronic surveillances instituted and supervised by the head Watergate investigator, Carmine Bellino. I also included in my remarks three affidavits that were provided to Chairman Bush.

In the interest of fairness, I am including a denial statement from Carmine Bellino dated July 24, 1973 which is self-serving, in addition to an affidavit he provided from one Oliver William Angelone, a copy of which I am also submitting for the RECORD.

STATEMENT BY CARMINE BELLINO, JULY 24, 1973

I have read the charges about me made by George Bush and the affidavits attached to his statement. The charges are absolutely false. I categorically and unequivocally deny that I have ever ordered, requested, directed or participated in any electronic surveillance whatsoever in connection with any political campaign.

By attacking me on the basis of such false and malicious lies, Mr. Bush has attempted to distract me from carrying out what I consider one of the most important assignments of my life. I shall continue to exert all my efforts to ascertain the facts and the truth pertinent to this investigation.

Oliver William Angelone, being duly sworn, deposes and says:

1. I make this affidavit for submission to Senator Sam Ervin and Senator Howard Baker, Jr.

2. I have been advised that affidavits insinuate that I may have participated in electronic surveillance during the 1960 presidential campaign. The insinuations are entirely false.

3. During the 1960 presidential campaign, Mr. Carmine Bellino was engaged in locating the source of anti-Catholic literature. Mr. Bellino requested that I assist in finding out whether an individual, whose name I cannot now recall, was registered at any of the hotels in Washington.

I may have requested Mr. Joseph Shimon to assist in obtaining some information from a hotel. I may also have told Mr. Shimon that the information was requested by Mr. Bellino.

I know I did not request Mr. Shimon to engage in any activities except to obtain the information as requested.

4. I was never requested to engage in any electronic or physical surveillance of any person at any time during the 1960 presidential campaign, and I did not engage in such activities.

OLIVER WILLIAM ANGELONE.

EXCEPTIONAL STUDENT ORGANIZATIONS

(Mr. DU PONT asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. DU PONT. Mr. Speaker, today I am presenting a concurrent resolution which expresses the sense of the Congress concerning seven exceptional student organizations. Cited as providing outstanding experience for the career development of America's young people, the groups named are:

The Distributive Education Clubs of America;

The 4-H Clubs of America;

The Future Business Leaders of America;

The Future Farmers of America;

The Future Homemakers of America;

The Office of Education Association; and

The Vocational Industrial Clubs of America.

For many of today's youth, actual training is a most important and meaningful concept. Academic classroom experience can and should be combined with occupational and vocational learning experiences, so that students are able to individually, actively explore their contemplated or desired career fields.

Although a small child can be taught the theory behind good writing, he will be unable to put the concepts he has learned onto paper until he has the tools—words—and the mechanics— different combinations of words—with which to work. And even then he will need much practice to become an accomplished writer. This is what the aforementioned organizations are doing: giving the youth of America the tools and mechanics, and, perhaps most importantly, the practice they need to become skilled and proficient in the field of their choice.

The benefits of this specialized knowledge and experience are overwhelming. By providing opportunities for practical experience and eventually creating more skilled, satisfied workers—be it in farming, business, homemaking, industry, or teaching—these organizations are doing service not only to the individual receiving training, but to the country as a whole.

In addition to recognizing the seven named organizations for their outstanding contributions to society, the resolution expresses the sense of the Congress that financial assistance should be provided by each state to guarantee the continued success of these organizations in career and vocational education.

Mr. Speaker, I ask that the resolution be printed at this point in the RECORD. I urge my colleagues to join with me, Mr. ARCHER, Mr. BURGENER, and Mr. JAMES BROYHILL in sponsoring this resolution which puts the Congress clearly on record in support of these organizations.

SOLID WASTE DISPOSAL ACT

(Mr. ROGERS asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. ROGERS. Mr. Speaker, on March 21, 1973, the House of Representatives, by a vote of 392 to 2 passed a 1-year extension of the Solid Waste Disposal Act, an act developed in past years by the Subcommittee on Public Health and Environment. The Senate passed the bill by voice vote and the President signed it into law.

The purpose of the new law was to permit the Environmental Protection Agency's solid waste management and resource recovery program to continue in operation while the committees of Congress undertook extensive review of the adequacy and effectiveness of existing legislative authorities and programs.

Despite this expression of the intent of Congress, the Office of Management and Budget has undertaken a virtual dismantling of this program. It has cut the solid waste budget from nearly $30 million for fiscal year 1973 to under $6 million in fiscal year 1974. The EPA has ordered that a staff of 320 persons be cut to 127. Already over 50 percent of this cutback has been completed. Some of the program's most experienced and knowledgeable people are being driven out of public service.

Mr. Speaker, not only is this action violative of the intention of Congress, it also just does not make sense. Both local and State governments have indicated that their efforts toward effective management of solid waste cannot succeed without substantial Federal assistance in the form of research, regulation, technical and management assistance, and technology development. Task forces reports from the National League of Cities, the U.S. Conference of Mayors, and the Council of State Governments have concluded that an expanded Federal role is essential to enable local and State agencies to deal with solid waste generation and disposal problems. Already, the financial burden of solid waste disposal on local government is staggering. In the Nation's 48 largest cities, 50 percent of the environmental budget goes for solid waste collection and disposal. Yet the EPA's fiscal 1974 budget earmarks only 1 percent of the Federal environmental dollar for solid waste management.

Apart from the financial burden that solid waste disposal places on the hard-pressed cities and their residents, solid waste disposal constitutes a significant source of environmental degradation. When incinerated, it pollutes the air. When dumped, or when uncollected in back alleys, it breeds disease. When buried, it threatens to pollute our surface and ground waters.

Mr. Speaker, present waste generation and disposal practices squander scarce resources of this country. Land is used as the ultimate garbage can, instead of being treated as the precious gift it is. Within the next 1 to 5 years, almost one-half of America's cities will exhaust existing waste disposal capacity. And solid waste generation increases daily, at a rate five times faster than the population growth. Moreover, Mr. Speaker, our scarce energy resources are being forfeited by present waste disposal practices. Through the implementation of provisions of the Resource Recovery Act, waste disposal systems that use the heat derived from burning wastes to fuel boilers and provide other energy needs have been initiated. But these systems are not in general use and the budget recommendations would terminate these programs before they get off the ground.

Mr. Speaker, I cannot protest too strongly this unilateral action by the Executive branch. During hearings on the simple extension legislation, it was made abundantly clear to EPA officials that the subcommittee expected the solid waste program to continue at the 1973 levels. If this action is not reversed, then I shall recommend to other members of the subcommittee that we take immediate legislative action to further prohibit the dismantling of this carefully developed program which is so critical to the environmental quality of this Nation.

BIGOTRY AMIDST CORRUPTION

(Mr. MOSS asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. MOSS. Mr. Speaker, yesterday, John J. Wilson, counsel to Messrs. Haldeman and Ehrlichman, added public expression of the most shameful kind of bigotry to the already lengthy, ignoble record of this administration. By now, most Americans know this man emerged from yesterday's Watergate hearings to openly label Senator DANIEL INOUYE of Hawaii as, "that little Jap."

Some few Americans may not know that "the little Jap" enlisted in the U.S. Army as a private in World War II and was awarded a battlefield commission for bravery. "That little Jap"—serving in the universally acclaimed 442d Regimental Combat Team attached to the 5th U.S. Army—fought in France and Italy through the bloodiest battles participated in by our troops. In the process, "that little Jap" lost his right arm in combat. "That little Jap" has the right to wear some of our Nation's highest decorations. These include the Distinguished Service Cross, Bronze Star, Purple Heart, five battle stars and four Distinguished Unit Citations. "That little Jap" left many Nisei comrades in heroes graves abroad. "Those little Japs" gave their lives willingly so Mr. Wilson could have the privilege of practicing his kind of law, collecting fat fees from Watergate defendants. "That little Jap" and his kin gave their all so Mr. Wilson could exercise freedom of expression. That same Mr. Wilson who, as most Americans might agree, is unworthy of holding "that little Jap's" coat or shining his shoes.

Mr. Wilson has perhaps inadvertently taught us much. Here is a high-priced legal mentality so typically Nixonian. He represents two major figures feeling no conflict of interest as his clients' self-serving statements inexorably and increasingly diverge. His scruples stretch easily to cover the ever-widening gaps between their versions of events. His indignation is limited to those who refuse to accept pro forma denials and who, instead, vigorously probe for the truth.

Here is the kind of legal talent that thrive on aiding those who seek ever-greater concentration of money power. Monopoly and merger are his familiar subjects and boardrooms and penthouses his favorite haunts.

Now this sleek legal operator, yanked into the light, with teeth bared and claws out, snarls defiance and hate at those who will not compromise the rights of the people. In a rage over an unaccustomed adversary relationship, he falls back upon the more basic elements in his nature striking out in timeworn bigoted manner of his kind.

Observing him in action called to mind many sad memories of our less glorious past: The Quaker persecutions, the Anti-Masonic Party of the 1820's the Know-Nothings of the pre-Civil War period, Mormon persecutions, California mobs attacking the Chinese, the American Protective Association of several decades later, the Klan, Bund, Communist Party, Silver Shirts and American Firsters, Lynch mobs, Scottsboro, Leo Frank, Boston convent burnings, and, most of all, the imprisonment in detention camps of several hundred thousand Japanese Americans came to mind as Mr. Wilson uttered his "Jap" phrase, confronting America again with the more shameful part of our heritage.

For this and so much more, America owes an apology to Senator INOUYE, his family and all members of the Japanese-American community. Mr. Wilson spoke only for his own kind.

Let us remember that if today it is "that little Jap," then tomorrow it may well be some other group of Americans singled out for assault by the Wilsons. We are all children or descendants of immigrants who came here seeking what was unavailable in the old world in terms of human freedom. If Nixonism has corrupted government, violated law, trampled on the Constitution and degraded the Office of President, let it not rob us of self-respect.

Let us relegate Wilson and his kind to the dark pages of the history of an earlier time vowing that we shall not tolerate his like again in the corridors of power.

For me, I point with pride to my service with a most distinguished American—my colleague, Senator DAN INOUYE.

U.S. SENATOR DANIEL K. INOUYE: ALL-AMERICAN

(Mr. MATSUNGA asked and was given permission to address the House for 1 minute to revise and ertend his remarks and include extraneous matter.)

Mr. MATSUNAGA. Mr. Speaker, as an American who has been mistaken for an Eskimo, an Indian, a Chinese, a Korean, and even a Japanese diplomat, I rise to express my gratitude for the vast majority of good and tolerant people in this our great country, I am prompted to do this because yesterday, when a reporter asked Mr. John J. Wilson, the distinguished attorney for former White House aides, H. R. Haldeman and John J. Ehrlichman, whether he thought that the questions put to Mr. Haldeman by Senator LOWELL WEICKER were fair, Mr. Wilson reportedly replied:

> Oh, I don't mind Senator Weicker; what I mind is that little Jap.

By his ill-timed name calling, Mr. Wilson could have been referring to the visiting Prime Minister from Japan, but he evidently was referring to my good friend and colleague from Hawaii, U.S. Senator DANIEL K. INOUYE.

By Mr. Wilson's standards, because I am somewhat taller than Senator INOUYE, I may not qualify as a "little Jap," and perhaps an altogether different standard would be applied to my other colleague from Hawaii, Mrs. MINK, but all three of us are Americans of Japanese ancestry.

The tragic part of Mr. Wilson's pejorative references to a U.S. Senator was his later defense of his insulting remarks.

> That's what he is, isn't he?

Mr. Wilson said:

> I wouldn't mind being called a little American.

Mr. Wilson should indeed be called a "little American," if not "un-American," for, blinded by racial prejudice, he could not recognize that Senator INOUYE is all-American. As a member of the famous 442d Regimental Combat Team in World War II, Senator DANIEL K. INOUYE, then an American infantryman, demonstrated such valor and courage that he was awarded the Distinguished Service Cross, the Bronze Star, the Purple Heart, and numerous other decorations. In defense of America and its citizens, including Mr. Wilson, Senator INOUYE literally gave up his right arm.

Mr. Speaker, about 27 percent of the population of my State of Hawaii consists of Americans of Japanese ancestry. I hope that Mr. Wilson will soon avail himself of the opportunity to visit that integral and most beautiful part of the

United States called Hawaii. I can assure him that he will be treated, as are all our visitors, with a generous portion of the Aloha spirit, in a truly American fashion. He may then be able to recognize an American when he meets one.

FREEDOM FROM SURVEILLANCE ACT OF 1973

(Ms. ABZUG asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. ABZUG. Mr. Speaker, I am introducing today the Freedom From Surveillance Act of 1973. It is identical to the bill introduced in the other body by Mr. ERVIN.

This bill would prohibit investigations, surveillance or data-keeping by the military into the beliefs, associations or political activities of civilians and civilian organizations.

It provides criminal penalties for civil or military officers who violate the prohibitions of the act. The measure also permits any aggrieved person to file a civil suit to collect damages and to enjoin any illegal investigation.

Mr. Speaker, I noted on the floor during debate on Tuesday that in recent years, dossiers on more than 100,000 citizens and groups have been collected and stored in 350 centers throughout the country.

In response to public criticism, the Department of Defense, in March 1971, issued regulations allegedly correcting the abuses of investigations of this type. The evidence shows that these abuses continue. Newspapers recently reported the start of the trial of the "Gainesville Eight"—a group of eight members of Vietnam Veterans Against the War. Allegations have been made that undercover military agents infiltrated this group, in order to survey its activities and act as provocateurs. Within the past week, reports out of Germany have indicated that the American Military Establishment has been conducting investigations of American and foreign civilians and civilian organizations.

We cannot rely on the military to observe its own regulations in the area of surveillance. On Tuesday, Mr. NEDZI and I engaged in a colloquy, in which Mr. NEDZI, the distinguished chairman of the Special Intelligence Subcommittee, stated that he anticipates his committee will look into the matter and that he expects legislation concerning military surveillance to come to the floor quickly.

During the current Watergate scandal we have learned that various agencies of the Government have been engaged in repressive activities against private citizens. In legislation as embodied by the Freedom From Surveillance Act of 1973, we have an opportunity to rectify this situation in the Defense Department, as well as to preserve our basic first amendment rights.

SIXTH ANNUAL MEETING OF ASIAN DEVELOPMENT BANK

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Massachusetts (Mr. CONTE) is recognized for 60 minutes.

Mr. CONTE. Mr. Speaker, recently I had the privilege of being part of a constructive U.S. presence in Asia. We can only hope that that experience will become more common now that the Congress has made clear its determination that our resources not be used in Asia for destruction.

With Mr. HANNA, of California, Mr. BROWN of Michigan, Mr. GETTYS, of South Carolina, and Mr. WILLIAMS, of Pennsylvania, I was a congressional member of the U.S. delegation to the Sixth Annual Meeting of the Asian Development Bank which was held in Manila April 25–26. We also had a firsthand look at several projects for which the Bank has made loans.

This was the first time I had attended a meeting of the Bank. So far as I can determine, it was also the first time a member of the Appropriations Committee had been included in our delegation to an overseas meeting of the Bank. I was impressed by the record the Bank has made in its 6 years of operations and by the willingness of Bank officials to face the problems that develop in any new organization and work to resolve them.

The United States was a charter member of the Bank. It is an important complement to our bilateral aid program in Asia. It is based on principles we consider essential for effective assistance programs—the principle of self-help in a framework of collective action, the principle of flexibility in meeting the needs of countries at different stages of development, and the principle of stimulating and supplementing, rather than replacing, private capital.

We are now at a critical point in our relationship to the Bank. Before discussing this, however, I want to outline briefly the way the Bank has developed, some of its activities, and our stake in it.

ASIAN INITIATIVE—COLLECTIVE ACTION

The Bank is made up of Asian and non-Asian, developing and developed member countries. Asian countries took the lead in organizing the Bank, they contribute the greater part of its funds, and they take major administrative responsibility in it. These features enable the Bank to bring an Asian point of view to Asian problems, while tapping the wider experience and resources necessary for making inroads on Asia's mass poverty and unemployment.

The Asian Development Bank grew out of the same movement toward member-supported international organizations to aid developing countries that led to the establishment of the "World Bank"—the International Bank for Reconstruction and Development—and to the other regional banks, the Inter-American Bank, established in 1959, and the African Development Bank, established in 1964.

A regional bank for Asia was first proposed formally in 1963 by the First Conference of Ministers on Asian Economic Development of the Economic Commission for Asia and the Far East.

While the initiative was Asian, the United States played a critical role in planning for the Bank and in insuring participation by developed countries outside of Asia. The Bank's Articles of Agreement were signed in Manila in December 1965. Members of both Houses of Congress were in our delegation.

Legislation providing for U.S. membership was submitted to Congress early in 1966. Congressional support was bipartisan and prompt. On March 16 of that year, the President signed Public Law 89–369, the Asian Development Bank Act, authorizing U.S. membership in the Bank with a capital subscription of $200 million.

Bank membership is open to Asian, and developed non-Asian, members of the United Nations or its specialized agencies. At the Bank's annual meeting in Manila in April, the Solomon Islands became the 39th member. Burma will soon be the 40th. Twenty-six of the Bank's members will then be Asian: three of them—Japan, Australia, and New Zealand—are developed.

Bank assistance is limited to its developing Asian members, and can be made available directly to a member country's government, or its agencies, or to other public and private institutions. Projects too small for direct Bank supervision can be financed through loans to national development banks. Regional and international organizations in Asia may also borrow.

Voting in the Bank is related to the size of members' capital subscriptions. Until late 1972, the United States had almost 17 percent of the total voting rights. A capital increase which became effective then, to which we have not yet subscribed, has reduced our share of total voting rights to a little over 8 percent. Concurrence of the major contributor countries with important decisions, such as membership or capital increases, is assured by requiring votes on those issues by a two-thirds majority representing at least three-fourths of the total voting power.

The United States, and each member country, nominates one person to the Bank's Board of Governors, its senior policy body. Treasury Secretary George P. Shultz is our present Governor. Day-to-day supervision is in the hands of a 12-man Board of Directors, 8 elected by the Bank's Asian members and 4 by the non-Asian members. We have had sufficient voting strength to assure us a continuing directorship.

NEEDS AND RESOURCES

Compared to the needs of the region it serves, an area stretching from the Caspian to Western Samoa, the Bank works on a modest scale. Its resources come mainly from members' capital subscriptions. Its original capital authorization of slightly over $1 billion amounted to no more than $1 per person of the populations of its developing member countries. Capitalization has since been increased to $2.986 billion, but that amount is not yet fully subscribed.

Only half of members' capital subscriptions have actually been paid into the Bank; the remaining half is "callable," and it is against these funds that the Bank is able to supplement its resources by borrowing in world capital markets. In 1972, three new bond issues were sold—in Italy, Luxembourg, and

Japan. The Bank can also sell its loans to raise new capital.

The Bank made its first loan in 1968. Since then it has provided funds to build roads and bridges, electrify factories and industrial sites, dredge ports, water fields, and train workers. Last year, its projects made up 55 percent of the total number of multilateral projects being financed in the region, and it provided 40 percent of the money being loaned by international or multilateral institutions in Asia.

The Bank's basic capital resources are primarily used for direct loans, on conventional banking terms, and only for the foreign exchange needs of specific projects which cannot be obtained elsewhere. This lending program is now well established; by the end of 1972, 74 loan commitments of this kind had been made for $767 million.

This conventional lending program has, naturally, been concentrated in the relatively more advanced of the developing member countries—Malaysia, the Philippines, Korea, and Taiwan—and in projects which generate direct financial return.

In considering economic development in Asia, and the Bank's role in it, it is important to remember that some countries lack even the capacity to plan for development. Others' basic requirements may still be for infrastructure development—for power and water resources, and transportation—that will not generate income for many years.

For these members, the Bank's ability to provide technical assistance and make "concessional" loans—loans at lower than market interest rates and for longer than usual periods of time—is critical. Up to 10 percent of the Bank's capital funds, and special contributions, are available for these purposes.

The Bank's program reflects a shift to these "soft loans"—both in number of projects and in the amounts involved. Last year, concessional loans accounted for half of the number of the Bank's projects and 30 percent of the funds available in loans. The Bank is giving special attention to its responsibility for more actively helping its smallest and least developed members and supporting projects, such as technical training, with only long-term income-generating potential.

A good deal of attention is being paid to the regional aspect of development. Comprehensive studies are being made to guide the Bank's programs in specific fields. An Asian agricultural survey, completed in 1968, provides guidelines for agricultural development programs. A broader policy study of the key problems of economic development facing Southeast Asia in the 1970's has been undertaken, as have surveys of industry and of transport needs.

I had the opportunity to visit three projects the Bank has supported in the Republic of Korea. They illustrate the variety of projects the Bank has undertaken and some of the short- and long-term payoffs we can expect.

A loan of $4.8 million to the Korean Cold Storage Co. to expand and build new facilities has markedly improved the processing and storage of fish and farm products for both the domestic and export markets, and increased the income of Korean fishermen.

The Seoul-Inchon expressway, for which the Bank made a loan of $6.8 million, links Korea's capital with its second largest port, and serves an area which now has 16 percent of the country's population and one-third of its industry.

In 1970, the Bank made a loan of $10 million to the Korea Development Bank for sublending to private enterprises. The loan was fully committed in 1972, and a second loan of $20 million was extended. Subloans for expansion, modernization, and diversification have been made to chemical, food and beverage, paper, and machine industries.

IMPROVING PROCEDURES

These projects, and the discussions I had with Bank leaders in Manila, demonstrated to me that the Bank is now a functioning institution with the ability to marshal resources and use them effectively. I am also impressed by the willingness of Bank officials, and of U.S. agencies responsible for our participation in Bank programs, to respond to criticism and address the problems that develop in a new organization.

On May 8, the General Accounting Office submitted to the Congress an excellent report on "Improvements Needed in System for Managing U.S. Participation in the Asian Development Bank."

So far as U.S. agencies are concerned, the report calls for better and timelier information for those responsible for instructing the Bank's U.S. Director on decisions on specific loans, for general guidelines on which such appraisals should be based, and for specific instructions to U.S. posts overseas to furnish information on Bank activities in their areas. On May 23, in testimony before the Foreign Operations Subcommittee of the Appropriations Committee, we had assurance that all of these recommendations are being implemented.

The General Accounting Office's report also calls for establishment of an ongoing, independent evaluation of the effectiveness of the Bank's program. The head of our delegation to the Manila meetings, Under Secretary of the Treasury Volcker, urged the Bank management to use this opportunity to assure the continued effectiveness of the Bank by setting up such a system of evaluation. The response has been heartening; Bank officials have begun active consideration of ways of establishing such an evaluation.

THE U.S. COMMITMENT

The question of the United States future commitment to the Bank is squarely before us in this Congress.

Adequate and appropriate funding for the Bank is essential. The United States share of the recent $1.7 billion capital authorization increase is $362 million. On July 10, the administration transmitted to the Congress legislation to authorize an appropriation for that contribution. Of the $121 million, which would be the first of three equal, annual installments for our subscription, only $9.68 million would be an actual cash payment to the Bank, $14.52 million would be held by the Bank in noninterest bearing promissory notes to be cashed over several years, and $96.8 million would be callable capital, used as a guarantee against Bank borrowing in the private markets.

It is a matter of grave concern to other member countries and to Bank officials that the United States has not yet contributed to the Special Funds—funds for concentrated lending—of the Bank although nine other countries, some in anticipation of a U.S. contribution, had done so by the end of 1972.

Legislation to authorize our contribution was signed into law March 10, 1972, after having been introduced unsuccessfully in the 90th and 91st Congresses. A request for the $100 million appropriation that was authorized is now being considered by the Foreign Operations Subcommittee of the Appropriations Committee.

Concessional loans are an increasingly important part of the Bank's program, and are critical for many of its client members. Members have contributed $246.73 million to the Special Funds, and another $51.6 million has been transferred from ordinary capital funds. The Bank has already made concessional loans of $206 million, and has additional projects amounting to $167 million being processed for funding in the next year. At that rate, the Bank will exhaust its funds for soft loans by this fall.

Effective planning and use of Special Funds requires more predictability as to their amount and availability and more uniformity as to the conditions of their use. Some Special Funds contributions have been made under terms so restrictive that they have hardly been used.

A major development at the Bank's recent meeting in Manila was the resolution to go ahead with planning a reorganization of the Special Funds, with provision for regular, voluntary contributions by developed countries and uniform terms of use. Criteria for use of Special Funds have also been developed.

Other member countries and Bank officials have indicated that they may be willing to consider the contribution for which an appropriation of $100 million is being considered towards our share of future Special Funds replenishments as well as our original Special Fund contribution, even though other industrialized members would make substantial new contributions. This looks like a good opportunity to get "double duty" from our contribution.

We will have to consider both the Special Funds contribution and our new capital subscription in the light of our commitment to establish domestic budget priorities and the necessity of dealing with our balance-of-payments problem.

We will also have to consider them in the light of Asian economic needs and of the role we expect to play in the peaceful development of that region. Until we make a new capital funds contribution, our voting strength in the Bank is insufficient to maintain adequate leverage on policy decisions. We have not pulled our fair share of the load in providing resources for concessional lending. Further withholding of our contribution will also endanger contributions from other members.

A SHARE FOR U.S. BUSINESS

U.S. firms' low share in procurement under Bank-financed projects is a matter that has been, and must continue to be, of serious concern to us. We discussed this problem most frankly with Mr. Shiro Inoue, the Bank's new president, in Manila. A number of steps are being taken here, and by the Bank, to remedy this situation.

An independent study shows no evidence that Bank policies or practices are responsible. Currency realinements and trade discussions underway will improve the basic competitive position of our firms, and they are being helped to seek out procurement opportunities more aggressively.

The planned reorganization of the special funds would still permit our restricting a contribution to U.S. goods and services. Until we make that contribution, however, U.S. business is not only denied that procurement opportunity, but is precluded from procurement under funds donated by others.

BUILDING PEACE AND PROSPERITY IN ASIA

I have fought hard here for our military withdrawal from Indochina and to prohibit military assistance to underdeveloped countries. I will work equally hard to see that we contribute to building peace and prosperity in Asia.

The Asian Development Bank offers us a chance of maximum impact for a minimum commitment of resources. It offers us a chance to shift to other countries much of the burden we have borne for development assistance. And it offers a chance to help Asian countries take responsibility for their own future.

We must make the most of the opportunity.

Mr. Speaker, I include for the RECORD the address of Under Secretary Paul A. Volcker on April 26 to the Board of Governors of the Asian Development Bank. I also include a letter to President Nixon from President Marcos of the Philippines, stressing the importance of the Bank—and of our participation in it—to smaller countries in Asia, and President Nixon's reply.

His Excellency,
RICHARD M. NIXON,
President of the United States of America,
Washington, D.C.

MALACAÑANG, MANILA,
March 3, 1973.

DEAR MR. PRESIDENT: May I take this occasion to invite your attention to a matter that may have escaped notice; one that concerns the material welfare not directly of the Philippines as much as of the poorer countries of our region. I refer particularly to the meeting in London, on March 15 and 16, of countries which are potential contributors to the Asian Development Bank Special Fund for concessional loans, to which the United States will be sending an official delegation.

In this connection, Mr. President, may I urge you most earnestly to provide instructions to your delegation to commit the positive support of your Government to the Bank's efforts to replenish its Special Fund resources. While our country has not been a substantial beneficiary of these resources, we recognize the very real impact that these lending operations have had on other developing member-countries of the Asian Development Bank. Needless to say, these lending operations will be gravely impaired, unless the support of potential contributors, such as your country, can be firmly secured at the London meeting.

It is with this, and with our obligations as host country, in mind, that I now ask the support of your Government in this matter. In closing, Mr. President, may I remain confident that we shall both continue to serve the causes and ambitions of Asia, a region regarding which you have shown consummate knowledge and appreciation.

With my warmest personal regards.

F. MARCOS.

THE WHITE HOUSE,
Washington, D.C., May 12, 1973.

His Excellency
FERDINAND E. MARCOS
President of the Philippines
Manila

DEAR MR. PRESIDENT: Thank you for your letter concerning the Asian Development Bank Special Fund. Your tribute to the importance of the Bank's activities in Asia carries great weight, especially since it comes from the leader of the Bank's host government.

I share your concern for those members of the Bank who depend most on its concessional lending activities. The Governors of the Bank took a positive step on their behalf when they passed the resolution authorizing the establishment of the Asian Development Fund. The March meeting of donor country representatives in London also contributed to progress in this direction.

You can be sure that the proposed United States contribution of $100 million for the Bank's Special Funds resources, which is currently pending before the United States Congress, has my strong personal support. I will continue to urge the Congress to make these important funds available.

With warm personal regards,

Sincerely,

RICHARD NIXON.

STATEMENT BY PAUL A. VOLCKER, UNDER SECRETARY OF THE TREASURY FOR MONETARY AFFAIRS AND TEMPORARY ALTERNATE GOVERNOR FOR THE UNITED STATES BEFORE THE SIXTH ANNUAL MEETING, BOARD OF GOVERNORS, ASIAN DEVELOPMENT BANK, MANILA, THE PHILIPPINES

I want to speak to you today primarily about some of the opportunities and problems we face together as we approach the future of this Bank, of this region, and of the millions of people who inhabit this vast and important area of the globe. Before doing so, however, I first take special pleasure in officially greeting our new President, Shiro Inoue. I know all of us who have worked with him in other areas in the past share confidence in his leadership—a leadership essential to the success of our joint effort.

I also want to welcome the Solomon Islands as the 39th member of the Asian Development Bank and the prospective membership of Burma. In a real sense, their entry both marks the forward progress of our institution, and represents the continuing challenge of economic development.

I would add the thanks of my government to the people of the Philippines for their hospitality, and especially for the faith and confidence in the Bank they have demonstrated so tangibly. In a striking way, this impressive building symbolizes the coming of age of the Asian Development Bank, and the important responsibility it has assumed as a permanent catalyst for Asian development.

I am also pleased that five members of the American Congress have accompanied me to Manila as advisers. The participation of the United States in this institution is and must be a joint enterprise in which the Congress and the Executive work together as partners. For that reason, I am glad that we also had the opportunity to pause in Korea together to view first hand some of the early results of the Bank's efforts to finance development.

The Governor for the United States, Secretary of the Treasury George Shultz, regrets that he cannot be with you this week. On his behalf, I extend the best wishes of President Nixon, as well as his own, to the members and to the management of the Bank.

We meet at a critical time, not just for this Bank and for the development of Asia, but for the economic system of the world as a whole. We have seen repeated and widespread monetary disturbances in recent years. Points of strain and tension have arisen in trading relationships among nations. New questions have arisen about the development process and means of financing it.

Problems of this sort are never welcome. But let us recognize that they are a part—perhaps an inevitable part—of the process of vast change in the world economy since our basic trading and monetary institutions were shaped at the end of World War II, almost 30 years ago.

Certainly, most of these changes—viewed in a world perspective—have been for the better. Economic strength and power is more widely distributed among the industrialized countries. Individually, more of the developing countries have made particularly rapid strides in improving their standard of living. As a group, they are more conscious of their needs and their opportunities, and better prepared to play an effective role in the decision-making process.

The challenge is not to resist this process of change. Rather, we want to reexamine our practices and reconstruct our institutions in a manner that will insure that change serves our common interest in economic prosperity and political harmony.

In this process, it is vital that the developed and developing nations work together. For that reason, we in the United States have welcomed the participation of the developing countries of Asia, as well as other continents, in the work of the Committee of 20. Similarly, we also recognize that constructive revision of trading practices and rules must strike a fair balance between the legitimate interests of individual nations—including the developing nations—and the need for a common and cooperative approach.

It is in that spirit that President Nixon has proposed to the Congress broad new authority for trade negotiations. The fundamental premise of that legislation is that every nation can and should benefit from expanding trade and open trading practices, within the basic framework of a competitive market system. But that "openness" must also be combined with fairness for all nations.

The President has requested authority of unprecedented scope to engage in multilateral trade negotiations. This authority would include—and look toward—reductions in both tariff and non-tariff barriers.

At the same time, the legislation would recognize that open markets and free trade can, in some instances, bring change with disruptive speed. The United States, like other countries, needs effective safeguards when surges in imports bring excessive hardship to domestic workers and businesses. We believe such safeguards—designed not to avoid adjustment but to ease adjustment for a transitional period—can most effectively be worked out on a consistent multilateral basis.

Our proposed legislation also recognizes that progress in reducing trade barriers for the United States can be sustainable only in a context of a perception that our own products receive fair and nondiscriminatory treatment by others. For that reason, our proposed legislation would provide improved authority to respond effectively to restrictive and discriminatory practices of others, if necessary by restricting their access to our own market.

Another significant provision of the bill would permit the United States to join with other industrialized countries to improve the access of developing countries to our markets. Duty-free treatment would be provided for a broad range of manufactured products now regulated by tariffs in instances where countries in the early stages of industrialization are beginning to enter into world markets.

As we start this Sixth Annual Meeting and plan for the new year, a new challenge for our development efforts—and particularly for the Asian Development Bank—is evident. The hopeful prospects for peace in Indochina should open the way to improvement in the lot of millions who have not known peace for decades. Here is constructive work, not only for the nations represented in this room but for all countries and peoples ready to cooperate.

But the effort will not organize itself. We believe the Bank—founded by Asians, with a mandate to help Asia—can and should play a key role in the needed international effort. We look to the Bank to work with other institutions and to involve diverse donor nations in the process of rebuilding the economies of those countries of Indochina who seek an end to hostilities.

The Bank in fact has already identified specific projects in Laos, the Khmer Republic and the Republic of Vietnam and committed funds for them. Other projects are in the pipeline and should be ready for consideration later this year.

The study of Southeast Asia economies and the regional Transportation Survey sponsored by the Bank show the breadth of its field of activities. Its expertise should aid all who may become involved in the effort to build for peace.

Historically, the United States has long been involved in efforts to bring stability and economic progress in Asia. We have important political and economic relationships which tie us closely to this part of the globe and its energetic and proud people. We intend to maintain those ties, not least by cooperating in the efforts, symbolized by the Asian Development Bank, to build strong economies.

Having said that much it is obvious that, if the Bank is to play its part in furthering the development process, it must be adequately funded. In that respect, pointed and legitimate questions can be directed at the United States. I owe you a full and frank exposition of our position.

Obviously, as with all nations, the ability of the United States to support development finance institutions at any point in time depends on our total economic and financial situation. Budgetary priorities and balance of payments considerations apply to my country as well as to yours. And unlike many other countries, this question of priorities is subject to independent Executive and Congressional review—essentially, funding requests must pass a double hurdle.

At home, the total budget has been under rigorous restraint because of inflationary problems. We have made substantial cutbacks in budgetary allocations from earlier projections for a number of domestic programs. We are not able to meet all the vast demands for added expenditures for such purposes as controlling pollution, rebuilding decaying cities, or assisting poorer American citizens—of whom there are still far too many.

At the same time, when the dollar has been under recurrent attack in world markets, the urgency of restraining overseas spending to help deal with our balance of payments problem is obvious.

Faced with this situation, I sometimes hear persons in less developed countries say that the United States is a big and strong country; it has had a balance of payments deficit for years; it should not worry about its balance of payments now. But we are concerned—and we must be. Weakness of the dollar and monetary instability is not in our interest or yours. The time has long since come to end the deficits that underlie that weakness. We have moved to do so primarily by achieving exchange rate and trading relationships that permit us to compete effectively. But, as part of the process, no foreign expenditure can expect to escape searching review.

I would emphasize the President, in assessing these budgetary and balance of payment constraints, feels strongly that our past pledges to the ADB do deserve priority. The appropriation from the Congress for the long-delayed $100 million contribution to the Special Funds remains high on our agenda. We are also requesting from the Congress authority to provide $362 million of ordinary capital over a three-year period—an amount that would restore our previous relationship among the Bank's members.

We will continue to press for those funds. Nevertheless, I must tell you bluntly that the Congressional prospects—as Congress independently examines the priorities—remain uncertain. We can be optimistic only by demonstrating effectively this Bank's crucial role in building stronger economies in Asia—and thus contributing to a peaceful world.

In that connection, I am gratified by the evidence that, in the past year, the Bank has further increased its effectiveness, working with more member countries, providing more needed expert technical assistance, and—not least—financing more projects. At the same time, I must be candid in saying that, as part of the process of defending budgetary priority for the Bank and assuring future support, certain operational matters need attention.

We have upon a number of occasions cited our concern about the low procurement share United States firms have received from ADB-financed projects—low in terms of absolute volume, low in terms of relative share, and low in trend. I do not say that the situation reflects either deliberate or inadvertent Bank policy—the evidence I have seen is to the contrary. Rather, it was partly a symptom of exchange rates that were out of line. Moreover, in many instances U.S. business may not have been sufficiently aggressive in seeking out the opportunities across the broad Pacific. Perhaps, we in Government have not been active enough in assuring that information about projects and contracts is widely disseminated.

We have now taken steps to repair those deficiencies within our control. We hope and expect to see improved results. We must do so to end what has become a very difficult situation in obtaining legislative and public support.

In this same spirit of candor, allow me to urge that the time has come for the Bank to establish a capacity for independent evaluation of the efficiency and effectiveness with which its funds have been utilized. With eight projects finished—and others nearly so—we are in a position for the first time to raise—and to answer—legitimate questions about the fruits of the Bank's efforts.

After some hesitation, the World Bank and the Inter-American Development Bank have each adopted such "post audit" mechanisms and procedures. This approach can go a long way towards maintaining the full confidence of donor governments. With experience, management itself has come to see the benefits from objective evaluation of their work. In the long run, I believe, recipient countries can only gain as well.

Finally, after six years of operations a review of the Bank's organization and its procedures is timely. We hope the management and the Executive Board will initiate such an effort in the next year.

None of these comments in any sense call into question the excellent job the Bank management has done. It simply means that enough time has passed, and enough experience has been gained, to permit constructive review. Our procedures and methods should be changed to meet current needs in the most effective way.

The world economy has changed in many ways. Over the years since World War II, other industrialized nations have grown into economic strength and stability, able to carry a larger share of the responsibility for advancing the development of others. Some poorer countries have made enormous strides toward self-confidence and self-reliance—while others plainly require a lift from abroad to help break a vicious cycle of poverty, inefficiency, and dependence. Not least are the fresh opportunities and challenge provided by the prospect of peace in Indochina.

All these external changes find their reflection in the internal work of the Asian Development Bank. We press for change within the Bank in a constructive spirit, as we press at home to provide an appropriate share of the resources the Bank requires. Let there be no doubt—we remain committed to the Bank and to the purposes for which it stands.

Thank you.

Mr. WILLIAMS. Mr. Speaker, last April I was honored to be appointed as one of only six Members of the House of Representatives who were chosen to advise the U.S. delegation to the sixth annual meeting of the Asian Development Bank in Manila April 26–28.

The U.S. delegation was led by Under Secretary of the Treasury Paul A. Volcker who was representing Treasury Secretary George P. Shultz, who is the U.S. Governor of the Bank.

During a single week we traveled more than 18,000 miles in Air Force aircraft and visited Alaska, Seoul, Korea, Manila, and Hickam Air Force Base in Honolulu before returning to Washington. That week, while one of the most hectic I have spent in recent years, was an excellent experience.

We learned a number of valuable things, and I hope were an asset to the U.S. delegation in the meeting. Many of our colleagues will be interested to learn that the Asian Development Bank was founded in 1966 to help accelerate economic growth of developing Asian nations. Membership includes 23 Asian nations as well as 14 non-Asian countries. The Bank has nearly $1 billion outstanding in 118 loans.

The Bank has also provided technical assistance to 15 countries totaling $9.8 million, and has financed or contributed to 15 regional efforts such as a regional transportation study.

I wish to take this opportunity to commend our colleagues from the Committee on Banking and Currency, GARRY BROWN, TOM GETTYS and DICK HANNA, and CLARENCE LONG and SILVIO CONTE from the Appropriations Committee for their hard work on this trip.

I urge all of our colleagues to read the excellent and comprehensive report presented by SILVIO CONTE which contains a great deal of very valuable information.

BUREAUCRATIC EUTHANASIA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. CAREY) is recognized for 30 minutes.

Mr. CAREY of New York. Mr. Speaker, once again we have seen a flagrant example of the Nixon administration's utter disregard for the health of millions of Americans. I refer to yesterday's veto of the emergency medical services bill. This was pioneering legislation, funded at an adequate level, to help public and private agencies plan and operate emergency care systems, and to train personnel and conduct research in emergency medicine. Congress attached a provision prohibiting the closing of eight Public Health Service Hospitals which the administration wants to close. These are valuable institutions and could become model treatment centers, in the hands of an administration that cared about health. I will work to see to it that the first order of business when the House returns from its August recess is a well organized effort to override this thoughtless veto. Congress will have to set the health policy for this Nation since the administration does not have one.

Earlier this week it was my privilege to appear before one of the House subcommittees that will play a crucial vote in setting that policy. I refer to the Public Health and Environment Subcommittee of the House, chaired by the distinguished leader in health legislation, Congressman Paul Rogers, of Florida. Chairman Rogers was joined on the panel by Congressmen Preyer, Roy, Carter, and Hastings—all men who have been partisan in favor of the Congress, in safeguarding and improving the health care available to Americans.

The focus of the hearings is to explore the wisdom of certain administrative reorganizations being planned by HEW and their ill effects on certain categorical health care programs. I took this opportunity not only to declare that these reorganizations are part and parcel of a plan to gradually destroy categorical health care programs, but also to deplore the retrogressive approach and negative philosophy of HEW toward the total spectrum of health research and treatment programs.

What is happening at HEW through impoundment, budget slashing, and destructive reorganizations could bring about the collapse of the American house of health—it is bureaucratic euthanasia. Passage by the Ways and Means Committee and the Congress, of a national health care and insurance program could become a meaningless exercise, if the present health care, education, treatment, and delivery systems are dismantled—fiscally and/or administratively.

Arguments that a national system would be too expensive will be perfectly true, if we permit the ongoing dismantling of present successful health care structures to continue. I urged the committee to place Congress again in the forefront of national leadership for health research and care.

Mr. Speaker, in addition to my extempore presentation, I provided the committee with extensive printed testimony that outlined in some detail my concerns with both the direct effect reorganization might have on maternal and child health care programs, and with HEW's negative leadership in the health care field. I include these statements, and their attachments, in the Record:

Statement of the Honorable Hugh L. Carey, M.C.

Mr. Chairman, thank you for the opportunity to appear before the Subcommittee this morning. I must be back home shortly in order to accompany Mrs. Carey to N.I.H. for her weekly chemotherapy session. For this reason, I ask that I may read a short preamble and summary of a more detailed statement I should like to be made part of the hearing record.

The necrology, or death-list, of health-care hopes and programs caused by this Administration is practically endless. I find this continued impoundment, budget slashing, administrative legerdemain and equivocation inreasingly outrageous. I frankly take very personally this assault on American health care structures we in the Congress have labored to build over the past few decades.

I know what access to outstanding medical care means to a family. In January of this year Mrs. Carey underwent further surgery for cancer. For the last seven months, week-in and week-out, I've been going out to N.I.H. with her for her chemotherapy sessions. I have seen the expertise, dedication and humanity of that world center of zeal, compassion and hope in health. And while they have not yet tried direct bureaucratic euthanasia on N.I.H., this Administration's track-record of impoundments and cuts for N.I.H. indicates that nothing is safe or sacred.

The Subcommittee on Public Health and Environment is presently looking into the possible ill-effects of certain administrative reorganizations proposed by the Secretary of Health, Education and Welfare. A great deal of the higher echelon, organizational box shuffling has already taken place. However, the focus of these so-called "efficiency" shake-ups has shifted down to units that actually administer health-care programs, such as maternal and child Health Care.

While I shall address myself to these specific changes later in my statement, I should like to comment on the overall disastrous health-care picture now being presented to us by the incumbent Secretary of H.E.W., Mr. Weinberger.

Mr. Chairman, you and I, and many, many of our colleagues have labored long in the tradition of Fogarty, Hill, Laird, and others to build a viable health care structure in this Nation. For decades the Congress has worked to guarantee every American the right to adequate preventive care and medical treatment. Well, I accuse Mr. Weinberger and his associates, of planning fiscal starvation and bureaucratic euthanasia on the health care programs the Congress has funded to serve that right.

Congressman Fogarty, when chairman of the Labor-H.E.W. appropriations Subcommittee, took the floor in the mid 60's and in a series of 60 or so roll calls, placed the House of Representatives squarely in the lead of the Health-care movement in this Country. He overrode objections of two Presidents of his own party in asserting Congressional leadership in the health field. Both he and the ranking minority member of the Subcommittee, Mr. Laird, expressed their concern that the White House should leave legislation on health to the Congress. Once the President and Secretary of H.E.W. present their thinking on how our spending priorities should be ordered, they should devote their efforts to a faithful execution and administration of programs passed by the Congress. Mr. Chairman, we are now faced with a carefully-connived plan within the White House, OMB and H.E.W. to take this Nation's health-care philosophy and practice back to the days of President Pierce, who in 1854, vetoed legislation to help the insane as being constitutionally inappropriate.

We are facing an effort on the part of Mr. Weinberger, and his fellow hatchetmen, to wipe out the Federal commitment to health, education and welfare that was supported so strongly back in 1953 by Senator Robert Taft. The distinguished Republican leader of the Senate during President Eisenhower's first term, in commenting on elevating H.E.W. to cabinet status, stated, "I am very much pleased that we have finally reached our objective. These activities of the Federal Government are tremendously important to the welfare of the Nation." Senator Taft was joined by Senator Humphrey, who echoed his Republican colleague's sentiments.

Mr. Chairman, I think Mr. Weinberger is showing greater temerity than wisdom, in trying to destroy something that brought Hubert Humphrey and Robert Taft into such unaccustomed harmony.

We are now seeing, instead of a renewal of Republican leadership in this vital area of our national life, a calculated and ruthless attempt to give to the Nation what Weinberger helped Reagan give to California—a philosophy of "no-care" backed up by a program of "no care."

Mr. Chairman, I believe the American people deserve better than the intermittent care of "Medi-Cal." Despite what Weinberger and Reagan think, people need more than sunshine to get and stay well. The people of New England, New York, Florida and the rest of the Nation need and expect a national health care system.

But not only does Mr. Weinberger refuse to present Administration proposals on national health care and insurance, he is setting about dismantling the struggling health-care system we now have—a system that took decades for the Congress to build.

The thinking at the White House and H.E.W. is the same. The scorn and arrogance of inhabitants of both, towards the Congress, is bringing a massive clash of these two branches ever closer.

We in the Committee on Ways and Means are presently considering many different proposals for a national health care insurance program. We are weighing proposals such as the Kennedy-Griffiths plan, Medi-credit Ameri-plan, and others. However, passage of whatever plan we devise will be an empty gesture if Weinberger has already destroyed the research, education, and health care delivery systems vital to the successful operation of such a plan.

Mr. Chairman, the American people are waiting for and expecting such a plan and program. In my own district we have a neighborhood health center, serving over 22,000 people. Real economies are being achieved by this type of program as well as by Health Maintenance Organizations which were operating successfully before Weinberger, with no justifications, returned them to the category of uncertain experiments. Medical care is the top item in the Nixon inflation spiral. But Weinberger is dragging H.E.W.'s feet in moving ahead with programs like MIC's and HMO's that will cut the Nation's health care bill.

We all know the necrology of hopes and programs that Mr. Weinberger, hatchetman of H.E.W. has begun. In this past year H.E.W. failed to spend $1.1 billion, or about 25 percent of all funds appropriated by Congress for health programs, other than Medicaid and Medicare.

The Washington Post of this past Saturday, in a front-page story by Stuart Auerbach, puts the lie to this Administration's commitment to a War on Cancer—a commitment launched with so much fanfare—fanfare designed to be a smokescreen for what was really being planned all across the medical research and health-care board.

According to Dr. Rauscher, Nixon's appointed director of the War on Cancer, the cutting back in funds for cancer research will result in slowing the time in which effective chemical therapeutic agents will get from the research lab to the patients' bedside. Not only will the War on Cancer not get the $640 million it was promised earlier, but funding for the last fiscal year was cut by $59.9 million. The plan for this much heralded War, announced back in 1971, has not even been prepared and sent to the Congress for action.

Other programs have and will fare no better, unless we in the Congress do something about it and do it soon. The National Heart and Lung Institute was given $44.2 million less than the Congress said it should get. The National Institute of Mental Health was forbidden to spend $199.2 million appropriated by Congress. Medical training was cut by $189 million. Nurse training, cut another $69.7 million. Hospital construction and improvement was funded at $195.2 million; they got not a penny of that amount.

Mr. Chairman, the figures for fiscal 1974 and beyond are even more depressing, particularly when you realize some budget figures include transfers from other agencies and funding authorized in previous years.

The National Academy of Sciences has recently analyzed the Nixon-Weinberger non-budget for Health. For all health programs under H.E.W., excepting Medicare and Medicaid, the National Academy on page 26 of its report concludes, "Thus the net real increase between 1973 and 1974 is $71 million. This increase is not great enough to sustain existing programs at current levels." And we all know what current levels are—they are $1.1 billion less than the Congress said they should be in laws passed by us and signed by the President. I can't help wondering what the combination of billion-dollar impoundments, plus another year of 8% inflation will do to the little over $4 billion "requested" by the President for health. Back in the 60's a rule of thumb was that health programs, particularly those involved in research, needed approximately a 15% increase just to continue operating at the same level. I hardly think this putative $71 million increase, minus a billion or so, will permit much progress.

Mr. Chairman, the assault on health-care by cutting spending and personnel is now full-blown. The next step, by the Administration, is to attack administratively and destroy the effectiveness of various programs from within their structure. Quite frankly, the analogy between what is happening here, and the process by which cancer attacks the human organism, is too strong to ignore.

A recent press story quoted Dr. Arthur Lesser, a 32-year veteran in the health care field, and former director of the Maternal and Child Health Care program. Dr. Lesser, in a statement announcing his protest resignation, declared, "This is the first step in the elimination of categorical programs. It is another disregard for the intent of Congress."

This story, plus information secured from highly respected health care professionals, both in and out of government, prompted my immediate interest in the proposed reorganization at H.E.W. These gentlemen confirmed what Dr. Lesser had stated. This reorganization was designed to strip various categorical support personnel. Leaving the up-graded Assistant Bureau Directors in charge of these down-graded programs, with only five or six "apologists", would effectively kill the programs they were proposing to make more "efficient," among them maternal and child health care.

Mr. Chairman, the second leading cause of death in the United States is birth. Heart disease takes over 700,000 a year; cancer takes about 300,000; stroke—over 200,000; accidents—about 140,000. Infant mortality, however, takes 560,000 lives a year. And while it certainly is not the primary concern here, total lifetime earnings lost through infant mortality approach $90 billions. Mr. Chairman, that is approximately 10% of our GNP being lost, along with the priceless lives of Americans who will never know that name.

We are all aware of the U.S. international standing in infant mortality. It is a needless disgrace for this Nation and an even more needless time of agony for parents looking forward to the lives of healthy, happy children.

The Congress has had testimony from the most distinguished medical scientists, practitioners, and pediatricians in the Nation. They all state unequivocally that the U.S. does have the capability to substantially reduce these figures. We do have the know-how, the techniques, the health care teams, and potentially, the funds needed to see a national maternal and child health care system really work.

Mr. Chairman, dramatic proof of that can be seen in every health care area served by a Title V Maternal and Infant Care project. In my own 15th Congressional District in Brooklyn, the project area of Red Hook showed a reduction of infant mortality from 29.9 per one thousand live births in 1960, to 17.4 in 1971. And, Mr. Chairman, similarly remarkable figures are being achieved all across the Nation. They are being achieved because the Congress has stuck to its guns and has continued to protect these life-giving and life-saving projects from both fiscal malnutrition and eventual starvation, "efficiency" shake-ups designed to deprive these projects and programs of support, morale, and leadership.

Mr. Chairman, in your own district in Florida the West Palm Beach MIC project has reduced infant mortality from 29.2% in 1965 to 22.3% in 1969. MIC projects were initiated in Dade County in 1966 and I think the following figures need no elaboration. In 1967 the birth rate for all Dade County was 14.2; the infant mortality rate for the county was 24 and the mortality rate for the MIC areas was 13. In 1972 the birth rate for all Dade County was 13.3; the infant mortality rate for the County was 16.6 and the mortality rate for the MIC areas was 4, per 1,000 live births.

Figures such as these concerning our own people would seem to be reason enough for us to continue and redouble our efforts to safeguard the work now being done in this vital area and to see that these pockets of adequate health care become, in the next few years ahead, the national system of maternal and child health care we need—a system that will blend with and reinforce whatever administrative and operational structures the Congress establishes for comprehensive national health care.

Mr. Chairman, discussion of anything national in scope necessarily brings into play serious examination of and deliberation on the national philosophy underlying and supporting any national-impact proposal. We are discussing what you, I, and others in the Congress, know eventually will become a national, comprehensive, health care system. And we are discussing this in the context of the various medical research, education, health-care, and delivery systems that Congress has designed, built, and funded over decades, in preparation for just such a comprehensive national system.

However, the distinguished Chairman of the Interstate and Foreign Commerce Committee, Congressman Staggers, has just released figures and correspondence with Secretary Weinberger which display clearly the massive impoundments of appropriated health care funds during fiscal 1973. They, more than any other evidence are an overwhelming indictment of this Administration's lack of commitment to health improving care for all Americans.

A total of $1,095 billion in appropriated funds, released by the Office of Management and Budget, was impounded on authority of the Secretary. Usually OMB does the routine, every-day impounding in this Administration. However, it would seem the present Secretary's good judgment could be relied upon in the managing of these funds mandated by the Congress to make and keep America healthy. It is also significant that while Chairman Staggers initiated his health impoundment inquiry with H.E.W. several months before the end of the fiscal year, the reply from H.E.W. was not sent to the Chairman until well into the first month of the new fiscal year.

Mr. Chairman, the necrology of health-care hopes and programs is practically endless and I find this continued impoundment, budget slashing, administrative legerdemain, and equivocation increasingly outrageous. I frankly take very personally this assault on American health care structures we in the Congress have labored to build over the past few decades.

Time does not permit a discussion of all the failures, backing-and-filling, and misleading statements of this Administration on National health insurance, Health Maintenance Organizations; failures to spend highly publicized funds for cancer and heart and lung research.

However, I would like to outline briefly the recent scenario on securing an extension of project-funding for Maternal and Child Health Care projects funded under Title V of the Social Security Act.

This program comes under the jurisdiction of the Ways & Means Committee because its enabling legislation in 1965 was an amendment to the Social Security Act. Back in 1969, the Congress authorized a change in the method of funding. Health Care allocations were to be given directly to State government under a formula grant mechanism. The states were then to provide funding for health care programs, based on its own ordering of spending priorities.

While the States may well be given credit for good intentions concerning continued adequate funding for Maternal and Child Health Care projects, the liaison between H.E.W. and state health departments was practically non-existent on this funding change.

Secretary Weinberger, subsequent to the extension of project funding for F.Y. 1973, stated in a letter to Ways & Means Chairman Wilbur Mills, dated April 9, 1973, that, "Planning for the changeover is progressing well." (Mr. Chairman, at this point in my statement, I would like to insert in the record a copy of this letter.)

Secretary of Health,
Education, and Welfare,
Washington, D.C., April 9, 1973.

Hon. Wilbur D. Mills,
Chairman, Committee on Ways and Means, House of Representatives, Washington, D.C.

Dear Mr. Chairman: This is in further response to your letter of February 2 requesting detailed information about the findings set forth in the General Accounting Office report on the program under Title V of the Social Security Act. I appreciate the opportunity to advise you of the steps taken by the Department to assure an orderly transition to the States of the project grant authority in Title V. A detailed response to your questions is provided in the enclosed statement.

Planning for the changeover is progressing well. Draft proposed regulations relating to the programs of projects required for State plan approval by sections 505(a) (8), (9), and (10) of the Act have been developed and sent to the State health agencies for comment. Thoughtful responses have been received from 33 States to date. The draft is being revised to take these into account. Guidelines interpreting program concepts are being developed to help States meet the statutory and regulatory requirements.

The reporting systems have been simplified to adapt them to State usage. Proposed procedures for completing the transition from direct Federal financing to State financing have been developed and will be issued to State health agencies and other project grantees shortly.

Maternal and Child Health Service staff of the Health Services and Mental Health Administration have been working with States and project grantees on problems relating to the changeover since early December, 1972.

We will do our best to make the changeover from direct Federal project grants to provision of services by State health agencies with formula and matching funds as smooth as possible. As indicated in the enclosure, reductions in services may occur in some of the States with large urban areas but services not now available will be provided in other States. We think that these programs have carried out their objectives and demonstrated their value and that States will want to continue and expand effective projects.

Sincerely,

CASPAR WEINBERGER,
Secretary.

Mr. Chairman, that statement can only be called misleading, at best. The staff of the Ways & Means Committee have right now in their possession statements from directors of projects all over the country, stating unequivocally that if project funding is not extended for another year, that meant the end of their program. They stated further that no plans had been made on the state level to continue their programs and that their staffs were leaving, morale was low and they were preparing to close their doors. (Mr. Chairman, at this point I would like to insert in the record the letter I sent to the membership of the Ways & Means Committee concerning project fund extension for these projects.)

JUNE 15, 1973.

DEAR ———:

During the executive session of the Ways & Means Committee held on Tuesday, June 5th, the Committee passed over legislation, (H.R. 7114), to extend project-grant funding, under Title V of the Social Security Act, for Maternal and Child Health Care.

Failure to extend project-funding for these programs will result in either their acute curtailment or effective demise. There are 139 projects in 38 states and two territories. They provide a complete range of medical services for over 800,000 maternity patients and children. These programs have resulted in dramatic drops in infant mortality rates in areas they cover. Preventive medical and dental care programs have also been extremely effective in raising the percentage of those youngsters and infants declared "healthy on examination". The nation-wide value of these programs is beyond dispute.

Should the Committee not provide an extension, total of $28,354,200 will be lost outright to 15 jurisdictions. While it may appear that some states are slated to gain a million or two dollars in overall formula grants, projects, even in those states, will likewise be very seriously affected—some to the point of shutting down all operations.

The Secretary of H.E.W. has assured the Chairman and Committee that a smooth transition can be accomplished in terminating project funding. He notes in his letter of April 9, 1973, that only those States most seriously affected by project funding termination may have some difficulty in adjusting.

However, it is my understanding, based on direct communications received from the directors of many projects, that an extension of at least another year is urgently needed to secure some alternate funding sources for their programs.

While it is hoped that ongoing projects would receive some funding channeled by the States from the new formula grants under Title V, there is no assurance that this will be the case. The Comptroller General has stated there is no way to trace funds to insure they are being used to continue the vital health care being delivered by these projects.

As I mentioned above, project directors, even in those states slated to receive slightly more funding under formula grants, have been able to neither secure alternate funding nor receive assurances from their state governments that funds approaching those needed for project continuation will be forthcoming.

Such statements have been received from the representative region of every Member of the Ways & Means Committee and from the states of all but two Members whose States either do not have projects, or whose participation is slight.

Based on direct statements of project directors and correspondence from the National Association of Maternity and Infant Care Projects, the American Medical Association, and the American Academy of Pediatrics, failure to extend Title V project funding will be a four-fold disaster:

First, the extremely important beginning we have made in both perinatal care and parent education will be lost;

Second, there is no way for the Congress to assure that the States will provide funds to make up for the 85–90% of project budgets now received under project funding;

Third, even if state funding is made available, processing of state assistance applications will cause an hiatus in care;

Fourth, the professional and para-medical staffs serving these projects will be dispersed and all voluntary work and assistance to these teams will cease.

This matter is clearly of vital and immediate concern to every member of the Committee and of the Congress. It is my hope that the Committee will be given the opportunity to reconsider this legislation, thus providing the time necessary to secure alternate methods of funding; restructure the formula of distribution; seek additional Federal appropriations, so that no state or project is even apparently short-changed in their access to funds; or all three.

I have attached a letter from the American Academy of Pediatrics addressed to each member of the Committee, stating the professional judgment of the men most closely associated with these projects and the care being provided over 800,000 mothers or mothers-to-be, and their children.

I urge your favorable consideration of both these letters, and concurrence with reconsidering and reporting this urgently needed legislation.

Sincerely,

HUGH L. CAREY,
Member of Congress.

The letter explains the vital necessity for this extension and outlines what would be lost by failure of the Congress to act before the end of the fiscal year. Where the letter indicates "Insert" a paragraph was inserted quoting the director of a project in the Member's district or representative area as to the disastrous effect of our failure to extend.

(Mr. Chairman, I would also like, at this point, to insert floor remarks of mine during debate on final passage of legislation containing the needed project-funding extension.)

Mr. CAREY of New York. One point, Mr. Chairman: With regard to the State of New York and unemployment compensation insurance benefits and the eligibility factor with regard to our committee's research on this point, again and again I have run into the problem that the geographical area of reporting that covers the statistics is regional, and until we cure that difficulty of the regional reporting, it is very hard to bring New York in under the 4½ percent without heavily increasing the burden across the country in other States that have a level above that level.

Mr. MILLS of Arkansas. I agree with the gentleman from New York.

Mr. CAREY of New York. I think it is something that is beyond the reach of the conferees. One more thing: I want to commend the chairman for his stamina and steadfastness in bringing into the conference, I believe, the provisions regarding maternal and child health care. Many States would have lost on these and few States would have gained if the conference report had not gone into this. It is very important to keep these programs for parental and perinatal care ongoing.

Mr. Speaker, I should like to address some brief remarks to a specific amendment House conferees have brought back in disagreement. I refer to the extension, for one fiscal year, of project funding for Maternal and Child Health Care Centers, contained in the Senate version of the Debt Limit Extension.

I am very gratified that the conferees will permit the House to work its will on this and other vital amendments aimed at helping, in a most direct way, those least able to help themselves.

Extension of project funding for these centers will permit the continuation of these essential health care programs in 139 locations, in 38 States and two territories. Service is provided, just under the Maternal and Infant Care programs, to 800,000 expectant mothers, infants and youngsters.

Failure to provide this extension of project funding under title V of the Social Security Act, would result in the eventual severe curtailment or effective demise of virtually all the centers across the Nation and cost New York City approximately $8 million in the coming fiscal year.

Mr. Speaker, the success of these programs is clearly and magnificently obvious. Infant mortality has decreased substantially in those areas in which a project is operating. In my own district, for instance, the project area of Red Hook showed a reduction of infant mortality from 29.9 percent per one thousand births in 1960 to 17.4 percent in 1971.

Similar results have been achieved in the many projects, 11 in the Metropolitan New York area, throughout the Nation. Intensive care of premature infants has resulted in reductions of up to 25 percent in mortality rates.

Quite frankly, Mr. Speaker, unless the House permits this project-funding extension, funding is just not likely to be forthcoming from the States, and little has been done, to date, to provide for a smooth transition to full formula funding and assurance of adequate state funding for these centers. With no extension, most of these projects will just die, rendering useless over 5 years of progress in a team approach to maternal and child health care. We will also lose what has been gained in parental education in nutrition and hygiene and general perinatal care. These mothers and their children will be thrown back on the medical care junkheap, if we do not instruct our conferees to recede from disagreement to this vital amendment.

Mr. Speaker, the nationwide value of these programs is beyond dispute. Continuation of project funding is clearly of vital and immediate concern to every Member of Congress. I urge overwhelming approval of any motion to instruct the conferees to recede from disagreement to Senate amendment providing for a 1 year extension of project funding for Maternal and Child Health Care programs.

Mr. Speaker, the distinguished chairman of the House Ways and Means Committee, the gentleman from Arkansas (Mr. MILLS), Congressman BURKE, Congressman ROSTENKOWSKI, myself, and other members of the committee and the House, have worked very hard to secure this continuation of project funding. The distinguished senior Senator from Minnesota (Mr. MONDALE) and the chairman and members of the Senate Finance Committee are certainly to be commended for the yeoman duty they performed in behalf of this most important amendment.

My only concern, other than House approval of this amendment, is that the Department of Health, Education and Welfare, that bastion of defense for the rights, needs and equal opportunities of those unable to defend themselves, has begun to dismantle the present administrative structure that has been caring for these and other programs designed to safeguard the health of the American child.

This morning's Washington Post carries a story on page A2, explaining the reasons for the resignation of Dr. Arthur J. Lesser, veteran head of Federal programs for crippled children, infants, children and expectant mothers. Dr. Lesser states, in reply to Mr. Weinberger's assurances that this is merely an efficiency reorganization:

> This is the first step in the elimination of categorical programs. It is another disregard for the intent of Congress.

Mr. Speaker, it is with continued shock and outrage that I have witnessed and continued to witness the arrogant destruction of programs the Congress and the American people have labored for decades to build and improve.

What form of callousness inhabits this administration? Is it that they realize they will not be running things come a few years hence and that they must accomplish this seamy and illegal wasting of our health programs quickly and in such a way that their reconstruction will be a long and difficult work for the Congress and any succeeding administration? That would be the only explanation possible for this rampant disregard for the will of the Congress—a Congress, however, that has begun to fight strongly against this form of constitutional subversion.

Mr. Speaker, we have reached the point where the Congress is forced to seek relief in the courts via injunctions and suits to compel the executive to carry out the directives of the elected representatives of the people. I can assure my colleagues that this confrontation is just beginning. But I am sure we will carry it to a successful conclusion—a conclusion that will be effected legally and constitutionally and a conclusion that will restore fully the power of the Congress to legislate for the general welfare of the American people, without the hindrance of an administration supposedly in office to carry out the will of the Congress.

Mr. Speaker, it is my wish to insert at the conclusion of my remarks the Post story concerning the resignation of Dr. Lesser:

HEW Aide Quits Over Nixon Plan

Dr. Arthur J. Lesser, veteran head of federal health services for crippled children and low-income pregnant mothers said yesterday he is quitting to protest Nixon administration plans to break up his agency and make the director a "figurehead."

"This is the first step in the elimination of categorical programs," Lesser said. "It is another disregard for the intent of Congress."

Congress provides funds for some health services by specific category, such as maternal and child health care. The Nixon administration's revenue sharing concept, which does not apply to these programs, lumps the funds together and lets the states decide what the spending categories should be.

Lesser charged that under a reorganization of the Health Services and Mental Health Administration—a unit of the Department of Health, Education, and Welfare (HEW) the child and maternal health programs staff would be reduced from about 160 to six or seven and the other personnel would be given additional duties with other programs.

"There is no place for me in that kind of business," Lesser told UPI. He has been head of federal health services for children and mothers since 1952 and associated with the programs since 1941, but Friday will be his last day on the job.

At age 63, Lesser said he is not ready to retire. "But I certainly wouldn't continue as a figurehead or exhibit a in support of a reorganization of which I thoroughly disapprove," he said.

The General Accounting Office is investigating the reorganization to determine if any Congressional authority has been violated.

Under the plan to take effect next month, HEW Secretary Caspar W. Weinberger said health services will be split into three major units to "increase the efficiency and effectiveness of the department's health programs."

Under the $244 million maternal and child health services program, some [illegible]00,000 crippled children, primarily in rural areas, receive medical care each year; 650,000 infants get well-baby care; 2 million to 3 million children receive school health examinations and immunizations, and needy pregnant mothers and children, mostly in big cities, get health examinations, dental care and other services to reduce high rates of infant mortality and promote good health.

Dr. Paul B. Batalden, chief of the bureau in which these services will be located, said there is no intent to phase them out.

"I would not have accepted that job if that had been the case," he said.

This speech includes a press report on the protest resignation of Dr. Arthur Lesser, veteran director of MCH programs in the Department of H.E.W.

Mr. Chairman, this story, plus information secured from highly respected health care professionals, both in and out of government, prompted my immediate interest in the proposed reorganization at H.E.W. that is part of the direct focus of these hearings. These gentlemen confirmed what Dr. Lesser stated in his announcement of resignation: This reorganization was designed to strip various categorical programs, such as HMO's and MCH, of needed professional and support personnel. Leaving the up-graded Asst. Bureau directors in charge of these downgraded programs with only five or six apologists, would effectively kill the programs they were proposing to make more "efficient".

By submitting a budget request already containing 53 less positions, and then moving the remaining professional and support personnel to the office of the Bureau Director, the Department could claim to be streamlining the whole operation, while not actually cutting any personnel through reorganization itself. (Mr. Chairman, at this point in the record, I should like to insert an organizational chart that shows the proposed new disposition of programs and personnel.)

(Organizational chart not printed in the Record.)

This chart makes clear this reorganization effectively deprives these duly approved and funded programs of adequate support and leadership. Again we see an example of this Administration's back-door method of getting rid of programs they don't like. "Just starve them of funds, and personnel, then go to the Congress and say they don't work, the experiment is a failure, and we should cease funding them altogether. Well, Mr. Chairman, I'm sure that if you and I have anything to do or say about it, this will most certainly not come about.

Mr. Chairman, as an expression of increasing Congressional concern over the obvious ill-effects on these six programs within the Bureau of Community Health, 34 of my House Colleagues joined with me in writing Secretary Weinberger. We stated that it is our belief that this reorganization is not aimed at increasing efficiency, but is, as Dr. Lesser stated, ". . . another disregard for the intent of Congress.

We asked if the Department plans to discuss this with the Congress, or, at least, ask informal approval of the plan. We requested clarification of how H.E.W. expects transferred program people to service programs to which they were attached by statute. We also asked how the Department planned to move in light of the recent project-funding extension of Title V Maternal and Child Health Care programs. (Mr. Chairman, at this point in the Record, I should like to insert the dear colleague letter and the letter to Secretary Weinberger.

HOUSE OF REPRESENTATIVES,
Washington, D.C., July 17, 1973.

DEAR COLLEAGUE: It is the intention of the Department of Health, Education and Welfare to administratively reorganize the Health Services and Mental Health Administration into the Health Resources Administration and the Health Services Administration.

These proposed administrative changes, as outlined very broadly on page 18260 of the Federal Register of July 9, 1973, would seem to set the stage for what Dr. Arthur Lesser, in his statement of resignation as program director for Maternal and Child Health Care, protested would amount to, ". . . the first step in the elimination of categorical programs. It is another disregard for the intent of Congress." Please see my remarks on Page 22627 of the June 30, 1973 Record (2nd column, last paragraph, et seq.), for further particulars on this issue and the protest resignation of this highly respected, veteran health professional.

As the attached letter to Secretary Weinberger spells out, this "reorganization" would effectively deprive six categorical programs of their immediate support, program and administrative personnel. It would further seem to be in conflict not only with funding and personnel accountability contained in present law, but with the very recent intent of the Congress in providing an extension of specific program funding for Title V Maternal and Child Health Care programs—extension of a *categorical, not formula* method of fund distribution.

It is my hope that you will be able to join with me in this letter to Secretary Weinberger, asking for clarification of the Department's specific intentions with regard to Maternal and Child Health Care, and other categorical programs being lumped together for purposes that may be "efficient" but which have been condemned by deeply worried health care professionals as destructive of the health care goals the Congress intended in creating them.

The specifics of this letter and the attached have the strong endorsement of the American Academy of Pediatrics. Should you wish to join in this letter please call Miss Golden on ext. 54105 by noon Friday, July 20, 1973.

Sincerely,

HUGH L. CAREY,
Member of Congress.

Hon. CASPAR WEINBERGER,
Secretary, Department of Health, Education, and Welfare, Washington, D.C.

DEAR MR. SECRETARY: The lack of current information regarding the proposed reorganization of Health Services and Mental Health Administration into the Health Resources Administration and the Health Services Administration is causing anxiety, and it is hoped that your response to this inquiry might convey Administration proposals as they might affect the effective achievement of program goals directed by the Congress. Specifically, concern is mounting that the new organizational structure will be incapable of fulfilling the purpose for which each individual program had been initially established.

The organization proposed reflects a new Bureau of Community Health Services comprised of Maternal and Child Health, Family Planning, Migrant Health, Neighborhood Health Centers, National Health Service Corps and Health Maintenance Organization. The director of each of these programs will become an Assistant Bureau Director. It appears that each program will be treated similarly regardless of whether they are equal in scope, history, funding, accomplishments, expectations or mandate. In addition, while the Director of Maternal and Child Health Service for example, maintains apparent responsibility for the program, he has no line authority over employees justifiably employed with Title V funds, since the personnel are redistributed among the various offices, save five or six employees who will work on the Assistant Bureau Director's immediate staff, primarily as apologists.

This reorganization plan, unlike previous plans, appears to dismantle the maternal and child health program components rather than merely give them new administrative superiors. This appears as not only unsound health policy and unwise administrative practice, but a disregard for the populations to be served and the compassionate mandate which established and maintains the MCH program.

This reorganization fails to assure that programs will advance at the accelerated pace which is so vital. The Congress maintains a very active interest in maternal and child health programs, as manifested by the strong support Title V project extension received recently in both Houses. The maternal and child health program has been established for 38 years, and has continued though years marked by distinguished accomplishment. The proposed reorganization is not a solution for the problems of the program, which admittedly may exist, nor would it provide improvement for the program.

The anxiety of the Congress with the new reorganization plan has intensified recently with press accounts regarding the resignations of Arthur Lesser and Dr. Gordon Macleod, two highly regarded program directors. Each official has stated that his resignation stems from the incompatibility of reorganization and program objectives. Dr. Lesser has stated, "This is the first step in the elimination of categorical programs. It is another disregard for the intent of Congress."

In light of the seriousness of this issue, and the relative scarcity of information, it would be appreciated that your response include comment on these questions:

1. Why has no revised appropriations request been submitted to reflect the reorganization?

2. Are there plans to change program allottees as required by Section 36799 of the Revised Statues and the HEW Accounting Manual Chapter 2–10 (6/26/67)?

3. How will each allottee be able to maintain supervision and accountability of personnel working in other offices?

4. Will each office have assigned staff to work exclusively on each of the programs, or will there be an "equivalent time" arrangement to assure that programs receive staff support proportionate to appropriations for direct program operations?

5. What recourse is available to the Assistant Bureau Director when offices are not responsive?

6. What are the long range plans since five of the programs are operating under one year extensions and maternal and child health program is under permanent authority? Is it the ultimate intention to phase out these six categorical programs?

7. Might the Department initiate this reorganization July 1, 1974, after the Congress decides upon the future of these categorical programs?

8. When will the details of the plan be available for public review?

9. Will comments on the plan be solicited and considered before it is initiated?

10. When might the Congress expect to be fully informed of administrative plans?

11. Will Congressional approval be sought?

The Committee on Ways and Means and, indeed, the entire Congress, would prefer to leave administrative organization and detail to the Executive. However, when administrative changes seem imminent, and these changes appear to run counter to the policy intent of the law, it becomes incumbent on the Congress, and even more so on the Executive, to engage in a dialogue which protects the intent of the Congress, maintains the integrity of the programs under discussion, preserves true administrative flexibility, and permits the Executive department in question to retain the confidence of the Congress in like matters.

It is our concern that the Department of Health, Education and Welfare administer all programs mandated to it by the Congress in the most efficient manner consistent with the program goals determined by the Congress. However, it is equally our concern that various categorical and other programs not be done to death through administrative legerdemain—a process that deprives programs of adequate fiscal and administrative support and strong professional leadership and then declares to the Congress that these starving and stumbling programs are clearly ineffective and surely inefficient, and should be terminated or blended with an even more amorphous administrative unit, which itself is earmarked for destruction.

Your early response to both the specific questions and the larger philosophical one is appreciated. Advance communication through this informal means would seem to be preferable to repeated last minute legislative resuscitation by the Congress—action necessarily less well designed than is desirable.

Sincerely,

Hugh L. Carey,
Member of Congress.

The following Congressmen have added their names to the letter sent by Congressman Carey:

Bella S. Abzug, Joseph P. Addabbo, Mario Biaggi, Jonathan B. Bingham, Edward P. Boland, Frank J. Brasco, James A. Burke, John Conyers, and James C. Corman.

Ronald V. Dellums, Don Edwards, Dante B. Fascell, Daniel J. Flood, Donald M. Fraser, Michael Harrington, Robert W. Kastenmeier, and Edward I. Koch.

Peter Kyros, Lloyd Meeds, Patsy T. Mink, Robert N. C. Nix, Claude Pepper, Bertram L. Podell, Charles B. Rangel, Thomas M. Rees, and Robert A. Roe.

Benjamin S. Rosenthal, Dan Rostenkowski, William R. Roy, Fernand J. St Germain, Paul S. Sarbanes, Patricia Schroeder, Frank Thompson, and Charles H. Wilson.

Mr. Chairman, it is my firm belief that Congress is beginning to realize that if we are going to achieve anything in dealing with this Administration we must actively assert our leadership. Instead of waiting months, as is the case with the recently proposed plan for heart and lung research and treatment, we should demand that the executive meet deadlines contained in the law or Congressional requests.

A special to the Sunday New York Times by Harold Schmeck discussed the Administration's plan for heart and lung disease. This plan, required by law, unbelievably, was disowned by H.E.W. in the letter of transmittal. In Mr. Carlucci's words, the plan does not take into consideration all our other research needs. And increasing the funding by the needed $46 million would deprive other projects of their funding.

Well, it is my hope that the Congress will provide the extra $46 million. We can get a million, two-hundred thousand from the White House contingency fund. It is my understanding Congressman Steed feels the President has no need for this amount in a non-election year. Not only should we provide this extra funding, but we should watch it closely and, if it is impounded, take the Administration to Court forthwith.

In reasserting our leadership in health, the Congress has enjoyed extraordinary success. But that is to be expected when we go to court—after all, we do have the law on our side. A regular flow of court decisions has continually scored the Administration for playing at being a legislative body. In cases for housing, health, highways, education, pollution control, mental health centers, and Neighborhood Youth Corps, funding has been mandated by the courts.

Mr. Chairman, let's keep a good thing going. The Administration has thrown itself off-kilter. I don't mean to suggest the Congress kick them while they are down, but the opportunity for Congress to reassert itself has arrived. Weinberger and company have demonstrated their bankruptcy of commitment to people and, particularly, people in need. I suggest we capitalize on their legal and ideological nakedness and proceed to legislate as we see fit.

We have been gentlemen; we have behaved in an absolutely impeccable manner; we have attempted every possible means of compromise and consensus. Well, we now know it won't work and if we don't get moving in this particular area of health, there won't be anything much left to save, when this Administration departs for their sunshine sanctuaries and leave us standing in the wreckage.

Mr. Chairman, I am appearing before your Subcommittee to express not only my concern for these specific health-care sabotage efforts of the Administration. I also wish to acknowledge the proper jurisdiction and leadership of this Committee in the health care field.

We need this Committee's leadership in moving ahead on the research and treatment frontiers of medicine. We also need your leadership in this period of crisis—a crisis the Administration has provoked and designed—a crisis that could leave us with nothing but quicksand as a structural basis for building a national health care and insurance system.

Right now we still have the concrete bare bones of the structure we will need. But if we permit this Administration to continue their depredations, we may very well be left with nothing, and arguments that a national health care system is too expensive may very well be perfectly true.

Mr. Chairman, I request inclusion of my printed statements and attachments in the record. And in closing, I should like to present the Committee and the Congress with this advice from Macbeth, (V.7), "And be these juggling fiends no more believed, that palter with us in a double sense; that keep the word of promise to our ear, and break it to our hope."

Thank you, Mr. Chairman.

REMOVE FREEZE ON BEEF NOW

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Alabama (Mr. Edwards) is recognized for 5 minutes.

Mr. EDWARDS of Alabama. Mr. Speaker, the price freeze of June has been replaced by economic controls designed to eventually get us out from under controls in a way that will hopefully slow inflation and return us to a strong economy.

The impact of the President's phase IV program is far reaching.

Under the new rules, the freeze was lifted on food prices, except for beef. Beef prices are frozen until September 12. This has created a real problem, because those who raise cattle are holding them off the market until September 12. This has created a greater demand for pork and poultry which has forced the price up even higher.

I have urged the President to remove

the freeze on beef now so we can relieve the pressure and get beef back in the grocery stores.

The lid is off prices on rents, rates for electricity, water, heating gas, phone service, lumber, and much of the soft coal that is sold in this country.

Some service stations may be required to trim gasoline prices starting August 13, but generally, limited price increases will be permitted for gasoline, diesel fuel, and heating oil.

Costs of most other goods and services, under the new rules, are expected to move higher after mid-August.

Physicians' and dentists' fees are to be held to a rise of 2.5 percent a year. Hospital and nursing home rates cannot go up more than 6 percent a year without special rulings.

Wages, including fringe benefits, will keep rising at rates ranging up to 7 or 8 percent a year without serious objection from the Government.

Businessmen face a squeeze on profit margins under rules that will limit the extra costs they can pass along to customers.

Overall, the cost of living has resumed its climb now that the freeze has ended but, after the initial bulge, probably at a slower pace than in the opening months of 1973.

The new regulations are based on the theory that increases in supplies and a slowing of the boom will eventually bring inflation under control.

To oversee all this, there will be an additional 1,200 people to comb through reports and look for violations. This is more people, in total, than at any time since controls were imposed in August 1971.

Around the country, the lifting of the freeze, in stages, already is being felt by housewives. Officials warn that still higher grocery bills are inevitable.

I am hopeful that the President's phase IV program will be successful. It is easy for us to criticize the President when something like inflation occurs, but it is difficult to come up with a better answer. Economists cannot always agree. Great minds cannot always agree, either. The truth is that there is probably no right answer.

It would have been best if many years ago Government had never become involved in trying to control the economy. But Government is involved, and it has been involved now for so long in so many facets that almost anything pertaining to the economy breaks down to some type of Government action or participation.

I suppose the biggest problem with Federal price controls is that there always has to be a day of reckoning when the controls are lifted and the prices start to go up again.

The quickest and easiest answer to much of the problem is for Congress to stop spending more than it takes in. This, I believe, is the biggest factor of all in the inflationary spiral.

PROPERTY TAXES TAKE TOLL ON OLDER POPULATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Connecticut (Mr. STEELE) is recognized for 5 minutes.

Mr. STEELE. Mr. Speaker, today I am introducing legislation which will, if enacted, go a long way toward alleviating the terrible financial and psychological toll that property taxes are taking on our older population.

This bill would give an individual 65 years or older a credit against his Federal income tax of up to $800 for all or part of property taxes paid, or an equivalent portion of rent upon his or her principal residence. The low-income person with a credit exceeding his Federal income tax due would receive a cash payment in the amount of that excess up to the $800 ceiling. A unique and important feature of my bill requires the Secretary of the Treasury to undertake a concerted effort to seek out and inform low-income individuals who might not otherwise file tax returns that they might be eligible for the credit.

The amount of relief is scaled down as income rises with all relief phasing out at $11,000 income.

As chairman of the House Republican Task Force on Aging, I would argue that while no Member of Congress has escaped the public outcry against rising taxes, we have not been cognizant enough of the especially difficult burden faced by these older citizens. In its 1973 report, the Senate Special Committee on Aging stated that while the typical urban family of four pays 3.4 percent of family income on property taxes, homeowners over 65 pay an average of more than twice that, or 8.1 percent of their incomes in real estate taxes.

Mr. Speaker, allow me to cite a few facts that show why the elderly homeowner's situation is a special one and why recent steep property tax increases have hit aged property owners harder than the rest of the population. First let me point out that some 70 percent of those over 65 are homeowners. They spend an average of 34 percent of their income on housing, but the average income of the elderly is very low, averaging $3,449 for men and $1,706 for women. Recent property tax rises have hit these low-income older Americans especially hard. A recent study by the Advisory Commission on Intergovernmental Relations based on 1970 census data reveals that aged homeowners living on less than $2,000 a year pay almost 16 percent of their incomes on property tax. Moreover, an estimated 1.5 million elderly homeowners with incomes below $7,000 pay more than 10 percent of their income in real estate taxes.

These statistics suggest the extent of the problem, but what happens to these people in real life is truly tragic. Desire to retain their incomes, independence, and familiar environment leads them to liquidate their assets to pay ever rising taxes; or, even worse, inability to pay the tax bill forces them to sell their homes, uproot their lives, and move in with their family or search for scarce apartment units.

Being forced out of one's home due to high property taxes is particularly inequitable to the elderly who have paid taxes all their lives and who no longer use the school system. Moreover, losing one's home is especially difficult for the aged, because of the special importance of a familiar and supportive environment and the lack of suitable low-income elderly housing.

Mr. Speaker, in 1949 we pledged to provide a decent home in a suitable living environment for every American family. In order to fulfill this pledge we must help those citizens who are unable to help themselves to maintain the decent home that they worked many years to buy and maintain, in which, in most cases, they raised their families, and which represent a key factor in their continuing ability to live happy, independent lives.

REPRESENTATIVE KEMP CALLS FOR A DEESCALATION OF IMPEACHMENT RHETORIC OVER CAMBODIA AS MELVIN LAIRD EXPLAINS AMERICAN BOMBING

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. KEMP) is recognized for 10 minutes.

Mr. KEMP. Mr. Speaker, one need not debate the pros and cons of America's recent role in Southeast Asia in order to recognize just a few years ago the common desire of all Americans for peace in Southeast Asia—for an expeditious return of the POW/MIA's, as well as the speedy and safe disengagement of America's 549,000 ground troops from South Vietnam.

At the time of President Nixon's coming to office in 1968, there were no plans to win the war, no plans to get out. He sought to extricate America from South Vietnam while at the same time preserving our credibility, honor, and commitment of helping South Vietnam defend themselves from being overrun by Communist North Vietnam.

Four and one-half years later, those goals, fragile as they may be, have been to a large extent realized. And rather than receiving the thanks or at least the respect of some of his critics, the President is being accused of somehow surreptitiously bombing Cambodia in 1969 and 1970 for purposes other than the protection of American troops, the accomplishment of our very limited goals in Indochina and without the request of the Cambodian Government.

Even beyond that criticism we have some who advocate that the President should be impeached for having bombed in Cambodia—as if we were bombing in Cambodia against Cambodia instead of against the massive concentrations of North Vietnamese who were there in total violation of the 1954 Geneva accords. In protection of Cambodia's neutrality, Prince Sihanouk indeed asked for America's help in 1968 and 1969 in removing North Vietnamese from Cambodia, but for diplomatic reasons he asked that we not publicize our efforts and this was adhered to reluctantly by our President.

But, as Melvin Laird, Counselor to the President, former Secretary of Defense, and Congressman, very articulately stated on the Today Show, August 1, not only were the purposes of our bombing justified, but key congressional leaders were apprised of the bombing. Mr. Speaker, the Nation's top military officer during the time of the 1969 and 1970 bombings in Cambodia, retired Gen. Earle G. Wheeler, has stated that these key Members of Congress included Senator Richard Russell, Senator Everett Dirksen, Representative Mendel Rivers, Senator JOHN C. STENNIS, Representative LESLIE ARENDS, and Representative GERALD R. FORD. Having just returned from a trip to Cambodia I can say most assuredly that it is only America's help that has given any hope at all to Cambodians for interference from Hanoi.

I am certainly in favor of a reassertion of congressional authority under our Constitution—and the goals and methods of foreign policy should without doubt be among our top priorities—but I strongly urge my colleagues to call a cease-fire in the war against President Nixon's efforts to provide for a stable, independent and non-Communist Indochina. I also ask that there be a deescalation of this impeachment rhetoric over Cambodian bombing that is so harmful to our bipartisan attempts to bring about a more stable and peaceful world.

I would like to enter into the RECORD at this point, Mr. Speaker, the interview of Mr. Laird by Mr. McGEE. I would like to ask that all my colleagues read the statement by the very able Counselor and our former colleague in the House:

AN INTERVIEW WITH MELVIN LAIRD, COUNSELOR TO THE PRESIDENT, FOR DOMESTIC AFFAIRS, WITH FRANK McGEE, DICK VALERIANI AND BILL MONROE

Mr. VALERIANI. Mr. Laird, you ordered the secret bombing of Cambodia, you and the President. You said at the time you were not responsible for the falsification of records but, in ordering the secret bombing, didn't you put people below you in a position where they felt there was no alternative except to falsify records? They couldn't disguise the fact that hundreds of thousands of tons of bombs were dropped.

Mr. LAIRD. First, as Secretary of Defense, I never condoned, permitted, authorized or ordered the falsification of any record, and I would reject that outright. I would not permit it. I think it is important, though, for you to put the—I did authorize the bombing.

Mr. VALERIANI. Was the bombing supposed to be secret?

Mr. LAIRD. The bombing was authorized for two very important purposes. It was authorized in March of 1969. I had been Secretary of Defense for the period of about two months, and I had come into this situation from my work on the Defense Appropriations Committee where I had questioned Secretary McNamara, Max Taylor and others.

In 1964, I questioned Secretary McNamara and Max Taylor on why the Cambodian sanctuaries weren't being hit because they were being used. And, Secretary McNamara and General Taylor indicated at that time that militarily it would be a good thing, but they felt that it might bring China into the war, and the Cambodians would invite the Chinese.

We were losing—when I became Secretary of Defense—from 300 to 250 Americans a week, and the sanctuaries were being used for the North Vietnamese and the Viet Cong to go across the border and hide in the nine-mile area, to reply, all of their supplies were there, and come back over and attack Americans.

Our Americans were not able to go into those sanctuaries, were not able to protect themselves. I felt it was absolutely essential as Secretary of Defense, and the President concurred with this and ordered me to do everything I could to reduce American casualties.

Mr. VALERIANI. Excuse me——

Mr. LAIRD. So, we authorized the bombing of the enemy-occupied territory in Cambodia.

Mr. VALERIANI. Now, I would like to ask you why don't you trust the American people enough to tell them?

Mr. LAIRD. Well, I will tell you that.

I would like to give the other reasons for the bombing but, basically, the bombing was authorized so that we could cut down American casualties and permit the withdrawal of Americans because my objective, as I took over as Secretary of Defense for President Nixon, was to withdraw the American forces.

For the last four years, every month we had been adding Americans and casualties continued to grow. We wanted to withdraw Americans and reduce casualties.

Why didn't we tell the American people that the bombing was going on? Your question. The answer to that particular——

Mr. VALERIANI. Let's get into the secrecy matter in a moment. We will ask you a couple of questions and come back to this topic in just a moment.

Right now, back to Frank.

Mr. McGEE. We will be back after this message.

Mr. MONROE. We will return to Washington and continue our conversation with Mr. Melvin Laird in just a moment. So don't go far.

Mr. McGEE. President Nixon's Counsellor for Domestic Affairs, Mr. Melvin Laird, is in our Washington studio with Today Washington Editor Bill Monroe and NBC White House Correspondent Richard Valeriani, and, Mr. Laird, you have said why you ordered the secret bombing of Cambodia in March of '69 when you were Secretary of Defense and the question before you is, Why this had to be secret, why the American people were not told. The question was posed by Richard Valeriani. Would you please continue?

Mr. LAIRD. The reason that we—for diplomatic purposes, the reason that we did not release the strikes, except in the channel reporting to the Chairman of the Joint Chiefs, to me, and to the President, and we used that separate reporting channel on these particular strikes. The same was true of certain strikes as far as Laos was concerned but these particular strikes were reported in this manner because of the diplomatic sensitivity of the situation.

As I told you in '64, Secretary McNamara and General Taylor testified that it was sensitive to go into the sanctuary areas because the Cambodians might invite the Chinese in and that testimony was given to our committee back four years before I became Secretary of Defense, but I listened to it as a member of the committee.

But the diplomatic sensitivity of the situation was that Sihanouk would have to condemn the actions of the United States in the North Vietnamese occupied territory just across his border and would have to call for the halt of such use of American air power in the area. And, because of that diplomatic sensitivity, a special channel of reporting was set up and I approved this separate reporting system.

Now, the implementation of the reporting system, of course, was handled in the military chain, but I did approve the top secret security classification in reporting channels because of the diplomatic sensitivity.

Now, this was agreed to by every member of the National Security Council. It was felt that the diplomatic sensitivity was such that this separate reporting channel directly to the Joint Chief, to me, and the President of the United States was authorized under these conditions. But the primary reasons for the strikes was to protect American service personnel, to reduce casualties.

And every week while those strikes were going on in the sanctuary areas, our casualties went down in Vietnam. And I believe that I can justify beyond any question of a doubt that the reduction of the loss of American life justified the recommendation which I made to the President of the United States and was approved by him for these particular strikes. It also made possible and assured the success of our withdrawal program and the American people, and all those that criticize those strikes today, should realize that we had a troop ceiling of 549,500 at that time and our casualty figures were running from 250 to 300 a week.

Mr. VALERIANI. Mr. Laird, is that the way the government is supposed to be run? You have talked about being a member of the committee and getting information from the Executive Branch which you withheld from Legislative Branch in this case.

Mr. LAIRD. Yes, in periods of war we have to do certain things.

Take the Manhattan project. That was during a period of war. There were five members of the House and five members of the United States Senate—

Mr. VALERIANI. Did anybody know about this bombing?

Mr. LAIRD. Yes, they did and they were briefed on the Hill. The various people that I had a direct responsibility to as far as the chairmanship of the committees that were involved with the Department of Defense, this is very difficult to make a choice as to who is briefed and who is not briefed.

Mr. VALERIANI. Is it true that the House was briefed?

Mr. LAIRD. Then there is the responsibilities. It is the responsibilities of that particular committee chairman to make that decision as to who he will share that information with. It is very difficult situation.

I was on a special committee that handled appropriations for the CIA when I was in the Congress and I served with some very distinguished members of Congress. It is a special responsibility to bear as a member of Congress.

There should be some better system set up in which we can carry on these kinds of operations when the national security of the country is involved, when the protection of American lives is involved, when the withdrawal of American forces is involved.

Mr. VALERIANI. Mr. Laird, don't you have some responsibility, even though you did not order it, for the actual falsification of records in the sense that you ordered a massive bombing campaign that lasted over 14 months and you told your people it had to be secret? How were they going to cover it up without falsification?

Mr. LAIRD. Well, I will say that the falsified report which was sent to the Congress 90 days ago was a mistake and I do not know how that report was delivered to the committee. All of the figures should have been made public and included in the report going to the Congress.

Back in 1969 and 1970, there was a reason for the classification. It was a "snafu", a mistake for the Defense Department to send that report to that Congressional committee just 90 days ago and I do not defend that action.

Mr. VALERIANI. The falsification was all right while the bombing was going on, but we don't need to do it any more.

Mr. LAIRD. There was no falsification. The separate reporting channel was all right while the bombing was going on, and prior to our entry in crossing the border. As a matter of fact, when we went into Cambodia with ground forces, I stated in my press conference at that time at the Pentagon that bombing had been going on in the sanctuary areas, and I admitted it publicly.

I can also point out to you that the New York Times, Bill Beecher, back in 1969 reported on the bombing. First, it was reported in the London Times, and then in the New York Times. When I was asked about that particular bombing at that time, I did not falsify any statement.

I "no commented" it because I could not either deny or confirm, so I "no commented".

Mr. Valeriani. But the President himself——

Mr. Laird. That was in Bill Beecher's story.

Mr. Valeriani. But the President himself, Mr. Laird, told the American people that we had not moved against the sanctuaries in Cambodia——

Mr. Laird. That is correct, and he was talking about ground combat forces.

Mr. Valeriani. But moving against does not necessarily mean ground combat.

Mr. Laird. The only action that we had in the sanctuary areas of Cambodia and in Laos prior to the actual movement of American ground forces was special intelligence gathering teams.

As a matter of fact, right now we are going through—we lost certain members of the special intelligence gathering activity teams in Cambodia, the so-called MACSOG teams in Cambodia and Laos.

We are now going out and notifying all of the parents of those special intelligence losses, and the reason we are doing it now is that each of those sites under our missing in action site certification where death took place, this whole survey on the missing in action is going forward, and those particular families are being notified where their loved ones were lost in Cambodia, Laos and also in other places.

Mr. Monroe. Thank you very much, Congressman (Ret.) Mel Laird, and now Counsellor to the President.

Thank you, Dick Valeriani.

Back to Frank.

Mr. McGee. And our thanks as well.

SALUTE TO HON. ROBERT N. C. NIX

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from South Carolina (Mr. Davis) is recognized for 15 minutes.

Mr. DAVIS of South Carolina. Mr. Speaker, I would like to salute our fellow colleague and friend, the Honorable Robert N. C. Nix of Philadelphia. The members of the South Carolina delegation look upon him as the "seventh member" of our State despite his close attention and faithful service to our northern friends.

Mr. Nix, you see, is a son of South Carolina, born and reared in Orangeburg. It was Philadelphia's gain and South Carolina's loss when he decided to move north.

Even though he has been away from the Palmetto State for many years he is still remembered. Bob Nix commands the utmost respect and deepest esteem of the South Carolina delegation and I think the following article will show we continue to hold him in the highest regard:

Philadelphia Congressman Has Rich Memories of Orangeburg

(By Lee Bandy)

Washington.—The name Robert N. C. Nix probably doesn't register with most South Carolinians.

That's not too surprising.

Nix, a black man, left the Palmetto State and his family at the age of eleven to seek a better education.

He didn't feel he could obtain good schooling in the then all-black system, so he headed for New York City.

Today, Nix is one of five U.S. Congressmen from Philadelphia, Pa., having represented the Second District for 16½ years.

But he left his heart in South Carolina.

"It's still home as far as I'm concerned," said Nix, reflecting on 67 years of life. "No matter where I go, all my cherished memories are connected with Orangeburg."

That's where he was born Aug. 9, 1905.

Nix said Dr. Sheckard, the white family physician whose first name he couldn't recall, delivered him at home—120 E. Amelia Street.

"It was a lovely place with a big yard. There we learned how to play football and baseball. Oh, boy," he exclaimed.

The home was about two blocks from S.C. State College where his late father, Nelson Cornelius Nix, served as vice president and mathematics department head.

Nix, the only one of four children living, attended primary and elementary school at Claflin College.

With $95 in his pocket—the amount he had earned and saved in a drawer at home—Nix set out to attend high school in New York in 1916. He was eleven. Of course, high school then only went to the 10th grade in most areas.

"The Orangeburg schools were not as efficiently structured as the ones in the North at that time. That was a recognized fact," Nix said.

He could have stayed with an older brother in New York then, but Nix elected to live alone.

"I got a room in Harlem for $3 a week. Can you imagine that?" Nix remarked.

The Orangeburg native spent the summer traversing Manhattan from the Hudson to the East Rivers.

"I got up every morning at six and started my pilgrimage into upper New York City to familiarize myself with the directions," he recalled.

During the course of those hikes, he said, he met a lot of West Indian blacks working as doormen at apartment complexes. Nix remembered one in particular who took him in and taught him how to operate an elevator and switchboard.

"Consequently," he said, "I got a job doing that during the summer."

The end of August came and the start of school was drawing nigh. Nix now 12 years old, knew nothing about the New York school system.

So one day, he recalled, "I stopped a patrolman on the beat and told him I was a stranger and wanted to know something about the public school system. He directed me to Townsend Harris Hall High School.

"I want in and saw the principal, talked to him, and he became interested. He wrote to South Carolina for such credits that I had and I was admitted."

Nix subsequently attended Lincoln University in Chester County, Pa., and the University of Pennsylvania Law School. He started practicing law at the age of 20.

Nix never had any doubts about making it.

When he was seven years old, he recalled, his father discovered errors in an algebra textbook and so notified the publishers. They withdrew it.

"Newspapers went to South Carolina to commend him for that," Nix remembered. "That impressed me deeply. Here's a black man able to correct an algebra textbook.

"From then on, I knew I would have no difficulty in doing anything I wanted to do. It convinced me that there is no difference in the capacity of men to achieve."

After completing his undergraduate work, Nix applied—and was accepted—for admission to Harvard, Yale, the University of Chicago, and the University of Pennsylvania, considered to be the four best law schools at that time.

Nix chose Pennsylvania over the others because "I knew no one in Philadelphia. I determined that was the place for me because I knew there would be no distractions.

He recalled that some friends advised him, "you're crazy to go there because no black has finished a regular course at the University of Pennsylvania for 25 years, which was true.

"I said, 'If they didn't finish, they didn't study.' So, I went. I had no trouble whatsoever."

In 1925, shortly after completing law school, Nix started his own practice and became engaged in Democratic politics. "There were very few black Democrats around then," he remembered.

He was a deputy attorney general of Pennsylvania twice (1932 and 1940). And in 1958, the leader then of the Philadelphia Democratic machine, the late William Green, approached Nix and urged him to run for Public Office.

"I told him I wasn't interested," Nix said.

But Green pressed him, saying it was for Congress.

"I told him I still wasn't wildly interested," Nix recalled. However, after sufficient pressure, Nix agreed to run and has been returned by his constituents ever since. He's now on his ninth two year term.

Nix is the fifth ranking Democrat on the House Post Office and Civil Service Committee and seventh ranking on Foreign Affairs. On the latter, he serves as chairman of the important subcommittee on Asian and Pacific Affairs.

Nix is a distinguished looking gentleman and a natty dresser. This day, he was wearing a pin-stripped gray flannel suit with maroon tie and handkerchief. A stone-studded American flag was lodged in his lapel.

Constantly puffing on his pipe, the soft-spoken Nix appeared to enjoy recalling his early days in South Carolina and comparing them with the situation now.

Since he left the state in 1916, he's only had the occasion to return a couple of times. And that was to bury his parents, both of whom are interred in the family plot in Orangeburg.

The last time he was home, he said, was in 1945 to visit his seriously ill father.

"The doctor advised me that the type of facilities required for my father were not available at home then. We had segregated hospitals as you know. So, I took my father to Philadelphia to place him in the best hospital. And he later died," Nix told the State Newspaper in an hour interview. His mother died in 1928.

Nix, now separated from his wife, has one son, Robert Jr., who currently is an associate justice on the Pennsylvania Supreme Court, the first black to hold such a position in that state.

Nix believes he probably would have returned to South Carolina in the 1920's had the racial situation been what it is today. When he was coming up, he said, the education system was poor and opportunities for advancement were virtually non-existent.

But Nix holds none of this against South Carolina, or the South for that matter.

"I think the South is in fact leading the way for America in the sense of extending equality and understanding among men.

"I'm convinced of this . . . The South is showing the way for change more than any section of the country. I have no doubt about it at all," he said.

Nix also continues to have a soft spot for Orangeburg.

"We had a beautiful home life. That's where a man learns the value of life. That's where beauty is. That's where a man learns to plant flowers. That's where he learns relationships. These are things of infinite value to any man. The memories of Orangeburg are rich and ever present in my mind, Nix said.

The Congressman also spoke very highly of the S.C. House delegation, specifically, Rep. W. J. Bryan Dorn, D-S.C., of whom he remarked, "I hope he's your next governor."

Nix recalled that when he was a junior member of the House Veterans Affairs Committee, Dorn, an established colleague, called and invited Nix to chair a meeting.

"I wasn't even next in line. But Dorn's kindness was evidenced in that way. It's one of the funniest things that's happened to me. He might have forgotten that, but I haven't," Nix commented.

With respect to other S.C. members, the black Orangeburg native said, "they are extremely cooperative and friendly. I suppose my relationship, the closeness of it, is accentuated by the fact that I am from the South and South Carolina."

But he stressed, "Their hospitality is not 'patronizing.' It's nothing like that at all. We're friends because we respect each other."

Nix regrets he hasn't had the time or opportunity to visit South Carolina since coming to Congress.

"I've learned that one of the most important functions of a member is to take care of his constituents. Each week I see at least 200 of my constituents and listen to their troubles and seek every way possible to take care of them. I've done that all over the years.

"That being the case, I don't have time to go all over the country speaking," Nix said.

Nix's congressional district is about 42 per cent white, mostly Jewish, with the rest being blacks and Puerto Ricans.

He tries to treat them all fairly.

DIPLOMATIC RELATIONS BETWEEN THE UNITED STATES AND SWEDEN

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Minnesota (Mr. FRASER) is recognized for 5 minutes.

Mr. FRASER. Mr. Speaker, today 23 of my colleagues join me in introducing a resolution noting the absence of a U.S. Ambassador in Stockholm since August 1972, and the absence of a Swedish Ambassador in Washington since January of this year.

We feel that diplomatic relations do not depend upon or connote approval of the views of the governments involved. And we feel that, in the language of our resolution—

> The United States Government and Sweden should restore their normal friendly relations, and confirm this return to normalcy by appointing and dispatching ambassadors to their respective capitals on an immediate basis.

While there may be political, economic, and social differences between our nations, the United States and Sweden share a fundamental belief in what we commonly call "Western values." These values are the bedrock upon which our societies rest. Our good relations with Sweden ought to depend on the continued dedication in each nation to these values. I am unaware of any recent evidence that the dedication of our Swedish friends to these values is flagging.

A list of the cosponsors of this resolution, originally introduced by Senator HUMPHREY in the Senate July 20, follows:

Herman Badillo of New York.
Ken Hechler of West Virginia.
Henry S. Reuss of Wisconsin.
Michael Harrington of Massachusetts.
Robert F. Drinan of Massachusetts.
Robert N. C. Nix of Pennsylvania.
Frank E. Denholm of South Dakota.
Henry Helstoski of New Jersey.
Shirley Chisholm of New York.
Benjamin S. Rosenthal of New York.
William S. Moorhead of Pennsylvania.
Paul N. McCloskey, Jr. of California.
Patricia Schroeder of Colorado.
Lloyd Meeds of Washington.
Thomas M. Rees of California.
James F. Hastings of New York.
John Conyers, Jr. of Michigan.
Bob Bergland of Minnesota.
George E. Danielson of California.
Bella S. Abzug of New York.
Don Edwards of California.
Ronald V. Dellums of California.

ENERGY SHORTAGE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Louisiana (Mr. WAGGONNER) is recognized for 60 minutes.

Mr. WAGGONNER. Mr. Speaker, by now, it should be apparent to all that there is an energy shortage in the United States, and, more particularly, a petroleum shortage. This situation has been highlighted by the continuing series of reports about the closing of schools in Denver last winter due to a shortage of heating oil, a lack of supply of natural gas to the University of Texas, a scarcity of fuel for farm tractors, and the present shortages of gasoline in local service stations.

As a result of such occurrences, there is a growing crescendo of allegations that the present tight supply position, particularly for gasoline, has been contrived by the major oil companies so that they can use this situation to reduce competition by driving the independent marketers and refiners out of business, thus enabling them to raise prices and increase their own profits. Many who have made such allegations propose, as the remedy, legislation to prohibit any company from participating in more than one sector of the industry—production, refining, marketing, and transportation.

There is not one shred of truth to such allegations. Those who make the allegations provide no factual supporting data, but only circumstantial judgments. In fact, there is such an abundant accumulation of evidence to the contrary that it can only be concluded that the authors of such statements are uninformed and biased and are not serving the interest of the Nation as a whole.

There is an energy shortage. It is real, and it will get worse before it gets better. The reasons for the shortage are many, are complex, and are interrelated. They include the increased cost and difficulty of finding additional domestic reserves, environmental problems involving nuclear energy, coal, and petroleum, and an increase in growth rate in consumption due to environmental factors and a resurgent economy. To attribute the shortage to any specific cause is inaccurate.

The Nation does have the capability for resolving this shortage, but only through a number of extensive programs for producing more energy and for using energy more efficiently. Allegations such as those mentioned above will only delay and enervate such a national effort. Establishment of the necessary programs for increasing production of all forms of energy are of critical concern to each of us, for inadequate energy supplies on a continuing basis will have a major disruptive effect on the economy. Bluntly stated, without adequate energy supplies, the Nation will not be able to provide the necessary food, goods, services, or employment needed to maintain the present standard of living—let alone improve it.

Concern about energy supplies is not a recent development. There were many in the 1960's who foresaw the present situation. The Office of Science and Technology, in 1964–65, in an extensive report on energy, predicted that the rapid increase in demand for petroleum and gas would result in a shortage of domestic supplies of those fuels. On January 20, 1970, the Assistant Secretary of the Interior requested the National Petroleum Council to undertake a comprehensive study of the U.S. energy outlook from now until the end of the century. An interim report on the energy situation was submitted by the Council in July 1971, and the final report in December 1972—representing the most comprehensive analysis of the national energy situation yet available, and involving several hundred man-years of effort.

In May 1971, the Senate adopted Senate Resolution 45, initiating a national fuels and energy policy study. Since that time, thousands of pages of testimony on the energy situation have been accumulated by various congressional committees from representatives of every aspect of our society. In June 1971, the President sent to the Congress the first message on energy policies ever submitted by an American President. In March of this year, an energy policy statement was issued jointly by the American Gas Association, the American Petroleum Institute, the Atomic Industrial Forum, Inc., the Edison Electric Institute, and the National Coal Association. The initial paragraph states:

> The United States is faced with a growing energy problem which has the potential of developing into a major national crisis. Public awareness of this is vital to its resolution.

There can be no question concerning the validity of this observation.

On April 18, 1973, the President issued his second message devoted exclusively to energy policies, and on June 29, 1973, he issued a supplemental message. These messages included a broad analysis of the energy problem, and recognized the vital role which the Government must play if these problems are to be solved. These two messages included nine specific recommendations for required legislation, and 13 specific proposals for administrative action—all of which were stated to be necessary to alleviate the energy shortage. To date, the President has already moved on a number of the administrative programs, including principally a revised oil importing system, and the establishment of a Director of Energy Policy in the executive branch. He has also submitted to Congress, seven pieces of proposed legislation. In the

92d Congress there were almost 350 bills and 30 resolutions introduced relating to energy policy issued, and some 16 committees or subcommittees were involved in energy-related legislative proposals.

To date, Congress has passed little of the extensive legislation needed to help increase the domestic energy supply or to increase the efficiency of energy use. It should be recognized that it does take time to develop legislation on a basis which is soundly conceived and will constructively implement its stated purpose. Nevertheless, the magnitude and urgency of the situation are such that delays—such as we are now experiencing—in effecting the necessary legislation are contributing significantly to a prolongation of the energy crisis. Congress has a difficult and demanding responsibility in this area—and an awesome accountability to reckon with.

This then leads to the question, "Has the shortage been contrived by the major oil companies?" The answer is unequivocably "No." The industry is much too fragmented and too closely monitored for this to be possible. No company has more than 10 percent of domestic crude oil, or refining, or gasoline marketing capacity. Further, the 25 largest companies have only two-thirds of the Nation's production capacity, 87 percent of the Nation's refining capacity, 84 percent of the Nation's total petroleum products market or 78 percent of the total gasoline market. Few major industries have such a large number of companies representing a corresponding portion of the market. In addition, the operations and activities of the petroleum industry are documented in great detail, are constantly monitored by Government agencies at the local, State and national level, and are under continual surveillance by the regulatory agencies. In such a situation, it is impossible for the industry to deliberately contrive an energy shortage. This is corroborated by the fact that the intensive investigations over the past 2 years by the Congress and by the administration have produced no evidence of any such action by industry.

The simple facts of the matter are that over the last several years the Nation has been using up its petroleum resources faster than it has been able to find them. We have produced more oil than we have found in every year from 1968 to date, and the disparity has been increasing. In addition, we have produced more gas than we have found in every year since 1967. As a result, our proven reserves of crude oil, which reached an all-time high of 31.4 billion barrels in 1966, have steadily decreased to a level of 26.7 billion barrels in 1972, or a reduction of 15 percent. Further, our proven reserves of natural gas have declined by 18 percent since 1967. These data exclude the reserves in the Alaskan North Slope. That oil is not being produced, and unfortunately, will not be produced before 1977 at the earliest.

Counter to the decline in crude oil production and reserves is the rapidly increasing demand for crude oil. Since 1967, U.S. petroleum consumption has increased from 12,300,000 barrels per day to 17,000,000 barrels per day at the current rate, or an increase of 38 percent. The additional supply has come only from rapidly increased petroleum imports, which are a major factor in our adverse balance of trade, contributing significantly to the weakness of the dollar in the international money markets.

The above numbers sound so huge that the reaction of the average person is, "How can there be a problem with that much oil available?" To put this in perspective, we are currently using petroleum at a rate equivalent to 30 barrels per year for each American citizen. We are currently producing from domestic resources, 20 barrels per year for each person. However, in 1972, we added only 9 barrels of new domestic reserves for each person in the United States. This means that we are importing 10 barrels per year for each person, and our reserves now are declining at the rate of 11 barrels per person per year. Obviously, unless something is done to correct this situation, we will run out of domestic supplies of oil. The solution is to take those measures necessary to increase our domestic supply substantially.

The necessary measures are well known and have often been repeated. Unfortunately, many of them cannot be initiated until the Government provides the necessary authorization.

In fact, the present shortage may be attributed in many cases to government action. We have a prolific source of crude oil in the gulf coast area in Federal waters offshore Louisiana and Texas. In the 4-year period between mid-1968 and mid-1972, there was only one lease sale held in this area as a result of objections raised regarding environmental concerns. Two lease sales were held in the last half of 1971. There three sales have already resulted in 42 confirmed discoveries, and 34 producing platforms installed, others announced, and eight tracts are producing oil or gas. There is still much drilling to be done on these leases, and more oil will undoubtedly be found.

The President has called for more frequent and larger lease sales, not only in the gulf coast but on the Atlantic and Pacific coasts as well. Such programs must be implemented—and can be implemented on a basis which meets suitable environmental standards. In addition, operations must be reinstituted in the Santa Barbara Channel offshore the California coast. Production has been suspended there since the unfortunate spill in 1968, even though independent studies have shown that no permanent ecological damage has resulted.

The largest crude oil reserve ever found in North America is in the Alaska North Slope, and, to date, there has been no production of oil from this source. Production of this valuable resource is being held up principally because of a difference of opinion as to whether the oil should be delivered to the west coast of the United States or to the Midwest. It was originally anticipated that deliveries would start in 1972 at the rate of 650,000 barrels per day, which would have provided a reduction in payment for imports of foreign crude oil of roughly $1 billion a year. In view of the fact that the environmental impact statement developed for the Alaskan pipeline is the most comprehensive and expensive ever developed, and has been approved by both the administration and the State of Alaska, continued delay in producing this oil is approaching a national tragedy.

There has been considerable criticism about the failure of the industry to construct adequate domestic refining capacity. Yet this, too, has resulted in major part from governmental action. The former import quota system, coupled with the near moratorium in offshore leasing, made it impossible to contract for the needed quantities of crude oil for a new refinery. A $200-million refinery without a source of feedstock is hardly a viable enterprise. Further, the uncertainties regarding product quality, such as the lead content of gasoline and the octane number, created major problems in the design of such a refinery. Site availability is extremely restricted, and in some States refinery construction is prohibited. Despite these obstacles, seven new refineries have been completed since 1969 within the United States and many refinery expansions have been implemented as well.

The so-called major oil companies have been charged with creating a situation which prevents independent refineries from constructing new capacity. This charge is patently untrue. Two of the seven new refineries constructed in the United States since 1969 were built by independents. Four independent companies tried to build refineries along the east coast but were unable to obtain site approvals due to the objections of local authorities and residents.

As a result of restrictions imposed by the oil import quota system and lack of site availability, the independent refiners moved offshore and have built five refineries in eastern Canada and the Caribbean. Such projects suffered no restrictions in crude availability resulting from the import quota system, were free to import product into the United States under the quota system, had few site location problems, and frequently enjoyed tax holidays and other financial incentives.

There are some today who attribute, in large part, the present energy problems to the oil import quota system. This is unfortunate, for it obscures the role played by many other factors which have had an even greater impact. In fact, until early last year the Nation had surplus crude production capacity, and until that time the oil import quota system provided an effective mechanism for supplying adequate imports without unduly jeopardizing domestic crude production. The major drawback with the import quota system was that when the Nation ran out of surplus crude-producing capacity in early 1972, the cumbersome governmental regulatory procedures were not able to respond promptly to the new situation. This, unfortunately, is a major weakness inherent in any such regulatory program—in that it resists change until the need for the change is so obvious that unnecessary problems have resulted.

A similar situation persists today with the continued regulation of natural gas prices. Any merit which this program may have had has long since been outlived, serving to defeat the very purpose for which it was established—the provision of adequate supplies of competitively priced fuel to the consumer.

To encourage construction of domestic refining capacity, and to provide increased supplies, this past spring the administration changed the import quota system to an import licensing system. This removed the crude supply barrier, and, as a result, to date, 5 majors and 10 independents have announced new domestic refining capacity.

Due to removal of restrictions on crude imports, refinery runs have achieved an all-time high, and the United States is currently producing petroleum products at a rate 6 percent higher than in 1972. Generally, this would be sufficient to accommodate normal demand growth. However, demand for petroleum products has been inflated, and, again, due primarily to governmental action.

For the 5-year period, 1965–70, refinery throughput in the United States grew at a rate of 3.8 percent per year. Since 1970, refinery throughput has grown at a rate of almost 6 percent per year, but, demand is currently growing at a rate of about 7 percent above 1972.

The reasons for this rapidly increasing demand include the increase in new car sales, and particularly the increased consumption of gasoline for the new cars. The pollution control equipment included in 1972 cars resulted in increased fuel consumption of 10 to 15 percent over 1970 models, and this will increase appreciably in 1975–76 when more rigorous pollution-control equipment is installed in new cars, as required by the Clean Air Act of 1970.

To appreciate the impact of such changes in gasoline consumption, we should note that today the United States uses 58 percent of all the gasoline used in the non-Communist world, or 1.4 times as much as the total gasoline used in all other non-Communist nations. The addition of the Communist nations would change these figures only slightly. They are not included since accurate data for their gasoline consumption is not available. To put this enormous consumption of gasoline by the United States in perspective, the increase in consumption in the United States for the year 1972, as compared to the year 1971, was approximately 6.4 billion gallons. This is an amount which is greater than the total consumption of any single country in the non-Communist world for the year 1972, with the exception of Canada, which had a total consumption of 7.3 billion gallons, and of Japan and West Germany, each of which had total consumptions of 6.6 billion gallons.

The Clean Air Act has in many cases prevented utilities from burning coal, and, accordingly, they have had to turn to petroleum products for fuel. This, plus the decreased availability of natural gas, has resulted in an increase in the consumption of distillate fuels by electric utilities from 8,000 barrels per day in 1967 to 186,000 barrels per day in 1972—a level comparable to one-fifth of all the distillate oil used by all of the U.S. railroads, plus the diesel fuel used by all U.S. trucks, plus the diesel fuel used by all U.S. farm machinery. With such a dramatic change in demand patterns, there is little wonder that sectors of the transportation industry have been hard pressed to acquire adequate fuel supplies.

Fifty of the fifty-six nuclear powerplants which were expected to be on stream between now and 1975 are delayed due to construction and environmental problems. There has been essentially no increase in energy consumption from coal since 1966, due largely to environmental concerns regarding strip mining and sulfur emissions. Again, the only available source to provide for these shortfalls in energy supply is the petroleum industry.

Thus, we have the bizarre situation in which the petroleum industry has been called upon to cover the shortages of energy resulting from the decreasing use or availability of coal, gas, and nuclear energy; and the petroleum industry has done an outstanding job in covering these shortages—yet because the the industry, for reasons outside of its control, has fallen nominally short of meeting the rapidly increasing demand, it is charged with creating a monopoly.

The major oil companies are further charged with creating this monopoly to drive the independent marketers out of business. Here it is salutary to examine some of the details of the gasoline retail marketing business. In 1965, the 10 major oil companies sold—through their branded outlets—66 percent of the Nation's gasoline, and in the same year the independents sold 19½ percent of the Nation's gasoline. By 1972, the share of the majors had dropped to 59.5 percent, and the share of the independents had increased to 27.9 percent. For the first 3 months of this year, in the 37 States for which data is currently available, the 10 majors had 59.1 percent of the market.

There are today in the United States more than 300,000 retail gasoline outlets. Of these, 34,000 are independent service stations, and some 230,000 are branded service stations handling product of 18 of the larger major oil companies. It is interesting to note that the words "independent" and "major" are quite misleading. Of the 34,000 so-called independent outlets, actually 6,900 are owned and operated—using salaried employees—by marketing chains, often under the chain's own brand. An additional 3,800 outlets are operated by managers employed on a commission basis. The remaining 23,000 outlets are operated by a private businessman working for himself, and have a contractual or lease arrangement with the chain. By comparison, of the 230,000 stations handling gasoline under the major brands, only 1,800 are owned by the major oil companies and operated by salaried employees. The rest are operated by an independent businessman in business for himself. A large portion of these stations are owned by the individual, and his only arrangement with the major is a supply contract. Thus, in fact, the major oil companies sell their gasoline through some 228,000 independent businessmen. Further, the number of company-operated stations has doubled over the past 2 years for the independents, but has decreased 10 percent for the majors.

The principal problem in the gasoline retail market today is that the so-called independent marketers wish to take volume away from the independent businessman who handles, and who has for years handled, supplies under the major's brand. In fact, in many cases the so-called independent marketer is a medium-size business which in past years provided a service by moving surplus products which he frequently obtained on the spot market or without any contract with his supplier. Now that there is no longer any surplus gasoline—because of rapidly increasing demand—these companies are not able to buy their supplies on the open market and are attempting to persuade the Government to coerce the majors into diverting gasoline supplies to them and away from the 228,000 independent businessmen who sell under the majors' brands. The inequity in such an arrangement is obvious, particularly to the 228,000 independent businessmen who handle the majors' gasoline.

This is not to say that today there is free competition in the marketing of petroleum products. There is not. However, this situation has resulted entirely from governmental action, and in no way can be attributed to the action of the oil companies. On March 6, 1973, the Government established mandatory price controls on crude oil and petroleum products, and on May 10, 1973, the Government instituted a crude and product allocation program. Under such controls, free competition is not possible. It will be restored only when the controls are lifted or when supply can be increased to the point where it again exceeds demand.

In the hope of achieving increased competition, proposals have been made that the petroleum industry be forced to divest its various components—exploration and production, refining, transportation, and marketing. In fact, any such divestiture would have the opposite effect. Efficiency would be diminished, costs would increase, and competition would tend to be reduced.

The mechanism for collecting and distributing crude oil and petroleum products is very complex and involves thousands of supply points and many transportation media. Such networks can be developed and operated with a high degree of efficiency and at low cost only when they are integrated into a single corporate structure, as is presently the pattern in the industry. To segment these would require innumerable contractual arrangements, additional storage and inventories, and longer range planning for supplies—all leading to supply imbalances, with surpluses in some areas and shortages in others. Further, no one is going to buy a major refinery or pipeline without having firm long-term contracts for supply of crude and long-term contracts or assured outlets for the product. Such contractual arrangements would reduce both the flexibility and competition within the industry. In the final analysis, the consumer would again bear the brunt of such unfortunate experimentation.

The last charge is that the majors have contrived the energy shortage to increase their profits. The preceding facts demonstrate that the shortage is real and has in no way been "contrived" by the majors. But, this does not mean that the majors are not interested in increasing profits—they are, just as everyone else is. Moreover, they must be if they are to generate the enormous sums of capital needed to provide adequate energy supplies. Twenty billion dollars, in current dollars, will have to be invested every year through 1985, and on, to provide for the Nation's fuel needs. Over 80 percent of this, or $16 billion per year, will be in conventional petroleum activities. To generate these funds through retained income or borrowed capital, the only two routes available, will require major increases in prices and profits, and the industry will strive mightily to achieve such goals.

Rather, the question is, "Are profits exorbitant, and what is done with them?" The oil industry profits are anything but exorbitant. Forbes reports that for 29 petroleum companies the return on equity dropped steadily from 11.4 percent in 1969 to 8.9 percent in 1972, representing a 22-percent decrease. Over the same period, the return on equity for all industry dropped from 11.6 percent to 10.7 percent, representing higher returns and a decrease of only 8 percent. Business Week surveyed earnings for 880 companies in 36 different industrial categories for the last quarter of 1972, as compared to the last quarter of 1971. The five industries having the best performance showed earnings increases ranging from 66 percent to 115 percent. The oil industry was in the lowest category, with only a 9-percent earnings increase. Based on 1971 results, which for the year were better than 1972 results, the Chase Manhattan Bank stated that:

> By any reasonable standard, the rate of return in the United States (for the oil industry) is abnormally low for a capital intensive industry.

The total annual dollar profits of the ten largest U.S. oil companies were $4.9 billion in 1972. Again, this sounds like an astronomical figure. Yet even this figure represents a profit of only 1.7 cents per gallon of crude oil produced and processed by them. The reason for the apparently astronomical total numbers is that the energy business deals in astronomical volumes; it has to, to supply demand.

Now let us look at what these 10 companies did with their profits in 1972. Fifty-five percent of the profits were distributed as dividends to the shareholders. The remaining 45 percent of the profits were combined with other corporate funds and were reinvested in the industry to provide facilities and services for finding and producing more energy. Yet this total amount, $7.7 billion, represented less than half of the $16 billion needed annually.

For the 10 companies, dividends represented a yield of only 4.6 percent on the market value of their stock. Thus, the 2.4 million investors in the stocks of the 10 major oil companies received a return on their investment which is less than that which they would get by buying Government savings bonds, and which would involve no risk. The profits of the oil industry must increase—and increase dramatically—if they are to generate the funds required for providing the Nation's energy supplies.

A factor contributing to the shortfall of capital is the Revenue Act of 1969, in which the depletion allowance was lowered from 27½ percent to 22 percent. This rate reduction, coupled with the minimum tax, had the net effect of reducing the retained earnings of the industry by $500 million per year. Any further reduction will have a comparable impact, and this at a time when the industry is faced with unprecedented capital demands to find and supply the needed energy. The depletion allowance accrues to a company only upon the actual production and sale of crude oil, thus assuring that this incentive program is utilized only when its purpose is accomplished. It does not reward the driller of dry holes, which would significantly add to the cost burden for the consumer. The reduction in depletion allowance has been particularly burdensome to the independent producer, who lacks the resources needed to accommodate the inevitable number of nonproducing wells which are drilled. This is most unfortunate, for the independent producer has demonstrated an outstanding ability to discover new oil fields.

Even though profits for the first portion of this year have increased appreciably over last year, the price increases for petroleum products are still well below those for other commodities. For crude oil and gasoline, the May 1973 prices were, respectively, 25.3 percent and 26.2 percent higher than the 1963 prices. By comparison, the wholesale prices of all commodities rose 41.3 percent over the same period. Although the supplier has no direct control over the retail service station price, it is interesting to note that over the period 1963 through April 1973 the average retail service station price of regular gasoline, ex tax, rose only 30.9 percent, whereas the average retail price of all consumer goods and services rose 42.5 percent. During the same period, the industry costs were increasing rapidly: oil well casing prices rose 44.6 percent; oil field machinery prices rose 36.4 percent; and wages rose 52.7 percent. In spite of such rapidly rising costs, the industry was able to hold price increases for crude and products at reasonable levels through its extensive efforts to increase the efficiency of its operations. This was possible only through close coordination of all activities—including exploration and production, refining, transportation, and marketing.

In summary, there is no foundation to the allegation that the energy shortage has been contrived; there is no foundation to the allegation that the major oil companies are trying to drive the independents out of business; and there is no foundation to the allegation that the major oil companies are reaping excessive profits. In fact, the established data to the contrary are such that any knowledgeable person making such an allegation would appear to be guilty of a gross misrepresentation. Nevertheless, the industry does—and will continue to—welcome any serious and objective investigation relating to such charges.

We are, however, gravely concerned that continuation of unsupported and irresponsible allegations will seriously delay and disrupt the many constructive programs which must be undertaken on a cooperative basis by the Government and by industry if the energy problem is to be solved. Fortunately, there are many responsible people, both in the Government and in the public, who appreciate this situation. It is critically important that they speak up frequently and emphatically, and that the press report their statements accurately and as readily as it reports the more inflammatory statements of less responsible individuals. The situation potentially is far too serious for the Nation to be misled or to tolerate continuing delays in solving the energy problem.

CONGRESSMAN RODINO'S MAJOR PROPOSALS TO MEET HUMAN NEEDS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Jersey (Mr. RODINO) is recognized for 10 minutes.

Mr. RODINO. Mr. Speaker, as we near the August recess of Congress I believe I should report to the people of New Jersey's 10th District on legislation I have sponsored, and efforts I have undertaken, to solve the many problems that afflict our country. For since the beginning of this Congress all Americans have been enduring the hardships and stress caused by our galloping inflation and the threat of budget cuts in many vital areas.

FOOD AND CONSUMER PROTECTION

Undoubtedly the continuing food crisis is of urgent concern to us all. To deal with the problem on a short-term basis, I introduced legislation to roll back food prices to January 3 levels, and for the long range I have sponsored a bill to create a select House committee on the cost and availability of food to investigate all factors involved and develop meaningful solutions to our disastrous food situation. I also cosponsored several bills to assure better labeling of food so housewives can easily determine the unit cost and nutritional value of food products. Another measure I introduced was a bill to repeal the tax mills must pay for wheat which causes higher bread prices. I am pleased that this was included in the agriculture bill which is nearing final congressional action. In addition, the Monopolies Subcommittee, of which I am chairman, has just concluded hearings into the question of the existence of illegal practices contrary to fair competition in the food industry. I also joined in a successful effort to have the administration impose a temporary ban on the export of soybeans—the vital feed essential to production of meat, poultry, eggs, and milk.

ENVIRONMENT AND ENERGY

Another crucial problem facing us is the energy crisis and the related problem of conserving our natural resources and improving our environment. For years—long before the current oil shortage developed—I have sponsored legislation to end the oil import quota program, which is particularly unfair to the people of New Jersey and the Northeast. In this Congress I also sponsored a bill to authorize emergency oil imports. The administration has temporarily suspended quotas, but I am convinced there must be permanent repeal. Other bills I have introduced to help solve this complex problem include a bill to create an Energy Policy Council and to establish a recycling program. This would make possible reuse of waste oil and end the present means of disposal that cause air, water and soil pollution.

EMPLOYMENT AND TAX REFORM

The high rate of unemployment in the Nation, and particularly the persistent alarming rate in the Newark metropolitan area, have long been of deep concern to me. For this reason, I have introduced again a public service jobs bill that would create meaningful jobs in areas of vitally needed services—education, health, environmental control, transportation, urban renewal, law enforcement, and recreation. I am very pleased that Congress has acted so speedily in passing a similar measure, and also legislation such as I introduced to extend the Economic Development Administration. Another approach to providing relief to the average citizen is my three-part tax reform program. This includes my "quick yield" bill to close eight glaring loopholes that would raise an estimated $9 billion annually. My other bills would institute further reforms and end all tax exemptions unless Congress acts in an orderly manner to continue specific exemptions. Tax reform is certainly long overdue to relieve the heavy burden on our citizens and bring in additional revenues to pay for programs so desperately needed to improve American life.

HEALTH, EDUCATION, AND WELFARE

At the beginning of this year we faced a severe health crisis because of the administration's budget proposals that would have ended or cut back 12 major Federal health programs, including the community mental health centers, the regional medical programs, and hospital aid. I sponsored legislation providing that they be continued for a year to give Congress time to fully review them, since while changes may be needed it would be criminal folly to abruptly end programs of proven merit. Swift congressional action followed and the bill became law. Other major health bills I have introduced are: a national health insurance program and a bill to establish a national blood bank program to assure adequate supplies of clean blood. I have also introduced bills to combat specific diseases and health problems—a comprehensive diabetes research program, aid for asbestos workers suffering lung disease, and a program for intensive research into the tragic crib death problem. To help prevent the dread consequences of fire, I have sponsored a number of bills to aid local fire departments with equipment and training, and to establish a National Fire Administration. I am also sponsor of a bill to permit tax credits to parents sending their children to nonpublic schools, and I am strongly supporting our Education and Labor Committee's long efforts to develop realistic and effective provisions to extend our Federal aid programs to elementary and secondary schools.

SPECIAL NEEDS PROGRAMS

In addition to the measures I have mentioned that are of concern to all citizens, I have sponsored legislation to segments of our population who require special help—our veterans, our older citizens, the poor, and our children and youth.

I am pleased to say that hearings were recently held on two bills I sponsored to aid our veterans. One would assure that veterans' pensions would not be reduced or eliminated because of social security increases.

The other would provide more realistic and fair levels of educational benefits for Vietnam-era veterans. I have also proposed establishment of a national commission to undertake a thorough review of all veterans' problems and programs and make recommendations for improvement.

Again, as in the last Congress, I sponsored the Older Americans Act that has now become law, and a bill to create a House Select Committee on Aging. I also strongly supported the social security benefit increase and joined in the effort to prevent the administration from carrying out its proposals for cruel changes in social services programs that now provide desperately needed aid to our elderly people.

I introduced legislation to assure continuance of our antipoverty program, which the administration most unwisely sought to abolish, and to create an independent legal services corporation for the poor so these vitally needed legal aids could remain available.

Our children and young people are the hope for our Nation's future, so it is particularly important to provide Federal assistance for them. I have introduced a comprehensive child care and development bill, and another measure to help prevent child abuse. In addition, I sponsored a bill to provide tutorial assistance for homebound children and a measure to make the Youth Conservation Corps permanent. The pilot YCC program proved a great success in providing youths from all backgrounds with motivation and training for future productive careers.

Mr. Speaker, these are, naturally, only some highlights of my legislative efforts since the beginning of this Congress, but I believe my remarks will generally indicate the direction of the legislative work I am undertaking. Much more remains to be done to meet the massive and complex needs of our country, and particularly our urban areas. I shall continue my efforts to bring action on these and other essential measures during this Congress.

FAIR PLANS STILL BEING USED AS INSURANCE DUMPING GROUNDS

The SPEAKER pro tempore. Under a previous order of the House the gentleman from Illinois (Mr. ANNUNZIO) is recognized for 5 minutes.

Mr. ANNUNZIO. Mr. Speaker, when the so-called FAIR plans—fair access to insurance resuirements—were enacted into law as part of the 1968 Housing Act, I had hoped that this program would solve the insurance problems of millions of Americans. Unfortunately, the insurance companies in too many cases have used the FAIR plan solely as a dumping grounds for any policy in which there might be a hint of a possible claim.

In 1970 I conducted, along with the Congressman from Pennsylvania (Mr. MOORHEAD) hearing in Chicago into the operation of the FAIR plan in that area. We found at that time that rather than working for the people the FAIR plans were for the most part working for the insurance industry.

While there have been some improvements, the operation of the FAIR plan in Illinois, it appears that the FAIR plan in the District of Columbia is being used solely as a moneymaker for the insurance industry.

The July 17 issue of the Washington Post contains an outstanding article on the operation of the FAIR plan in the District of Columbia. It points out that 3 out of every 10 District residents and merchants with fire insurance are insured under the FAIR plan and that many of these people should not have been delegated to the FAIR plan pool because they were excellent insurance risks.

Mr. Speaker, the insurance industry of the country has clearly neglected its job in many areas. The FAIR plans which were enacted to help people get insurance should not be used as a vehicle to reward insurance companies for their overly conservative insurance writing practices. I am including a copy of the Washington Post article in my remarks so that Members will be able to see exactly how a FAIR plan is operated. In the near future I hope that our housing laws will be amended so as to do away with the abuses such as those outlined in the Post article.

The article follows:

U.S.-SUPPORTED INSURANCE PLAN IS DISTRICT'S LARGEST

(By Donald P. Baker)

Although the rioting that followed the assassination of Martin Luther King in the spring of 1968 did not touch Washington Wine & Liquor, located just four blocks from the White House, the Hartford Insurance Co. told Wilbur Sherwood that it no longer wanted to insure his store against fire, or glass breakage, or theft "or just about anything."

So it was for the Wilbur Sherwoods of the nation that Fair Access to Insurance Requirements (FAIR) was devised. If a merchant or resident could not buy insurance from a private company—whatever the reason—the FAIR Plan would sell it to him.

Now, five years later, three of every 10 District residents and merchants who want fire insurance are turned down by private insurers; as a result, the federally supported FAIR Plan has become the city's largest writer of fire insurance.

The D.C. plan has "settled" at about 30,000 residential and commercial policies, which, according to District Insurance Commissioner Edward P. Lombard, represents $3 million in annual premiums, or about 30 per cent of all fire insurance in force in the city.

Sherwood's store, 1201 Pennsylvania Ave. NW., has not been the scene of an insurance claim since 1937, its owner said. But he was caught up in a nearly across-the-board decision by fire insurance companies to reject liquor stores as "bad risks."

George K. Bernstein, federal insurance administrator, contends that similar "arbitrary and subjective judgments, unverified by statistics, have forced numerous persons to buy "less coverage at higher rates" from the FAIR Plan that operate in 26 states, Puerto Rico and the District.

Bernstein points to statistics that he said indicate all of the plans are current making a profit as proof that insurance agents can't tell a good risk from a bad one. The plans thus have become "a dumping ground for anyone who looks like he might ever have a claim," said Bernstein, whose office is part of the Department of Housing, and Urban Development.

Industry spokesmen concede that some of the plans are making a profit, but disagree with Bernstein's contention that "clean risks" are being assigned to them in large numbers.

Bernstein said that a person forced to buy FAIR Plan insurance "is given second-class treatment throughout, from application to claim, involving detriments such as lower coverage at higher rates, lack of a premium payment plan (for a very costly one) and lower claims service."

Sherwood, for example, must pay his $1,000 annual premium in cash, in advance rather than in installments) and is limited in the kinds of protection he can buy. He pays the same rate, however, as he would if he bought the coverage from a private company rather than from the D.C. Insurance Placement Facility, which is the formal title of the city's FAIR Plan. (Some states charge a higher rate for comparable coverage).

Lombard, who is charged with regulating both the plan and private firms, said that when the plan breaks even or makes a profit, "it means the companies are making quite a good profit" from the policies they kept for themselves. Lombard disagrees with Bernstein, however, by concluding that the financial figures "prove they can pick the good risks."

Each of the 208 companies authorized to sell fire insurance in the District is required to participate in the FAIR plan in proportion to its dollar share of the market.

Howard Clark, Bernstein's deputy administrator, said the fact that the plans are making money is either evidence that good risks are being assigned to them or "the rate (premium) is adequate." Clark, a former South Carolina assistant insurance commissioner, explained that "you can insure a burning building if you charge a high enough rate."

When the FAIR plans were authorized by Congress, there were no federal guidelines as to whether they should make a profit, or how much. "That was thought to be the province of the states," Clark said. In the District, "the question of profit or loss was never mentioned," Lombard said.

Bernstein and Lombard agree that there is a stigma attached to being rejected for insurance. Bernstein said assignment to a FAIR Plan may be mentioned unfavorably in credit reports, for example. Lombard compared it to "being on relief—it's a hurt to your pride. It's an indignity for anyone to be told they have to go to the FAIR Plan" if they want fire insurance.

While a rate for fire and extended coverage on comparable property is the same whether written by the plan or by the private companies, there are some differences that Bernstein contends penalize FAIR plan policyholders.

The fact that there are thousands of "basic rates," depending upon the size, age, construction and use of a structure, also contributes to inequities, according to Bernstein.

A residential property owner who must buy coverage from the plan can get only fire, extended coverage, vandalism and malicious mischief. He cannot buy the popular homeowner package, which offers such additional protections such as personal liability (a fall on the sidewalk, for example), burglary, theft (not only from the primary dwelling, but often from the owners' car, boat, summer place and hotel room) and replacement value instead of depreciated value (particularly important in an inflationary period).

Similarly, merchants assigned to the plan cannot buy multi-peril coverage, which is the business equivalent of a home owner's policy.

Additionally, all dwellings assigned to the plan are inspected before a policy is written. On-sight inspections by private insurance companies are rare, Bernstein said, and then frequently consist only of a drive-by.

The inspections often find conditions such as jackleg wiring, improper heating and poor ventilation, that warrant a higher-(surcharged) rate.

Commercial risks are routinely inspected by private companies, but again, Bernstein said "we suspect the inspection is tougher" for business places assigned to the FAIR Plan.

About 10 per cent of the policies assigned nationally to FAIR Plans carry surcharges (224,334 of 2,393,336) but higher rates are imposed on only a few policies written by the D.C. plan (889 of 67,517). In Maryland, however, a surcharge is common: That state's FAIR Plan has charged higher rates on 103,618 of its 183,412 policies.

Even if they do not result in surcharges, the inspections add to the cost of operating the plans. Since the inception of the plan, the District has spent $221,328 hiring off-duty firemen and, more recently, professional insurance inspectors. Processing an application to the FAIR Plan eats up 22 per cent of the total premium, collected annually. In private industry, firms try to hold expenses to 30 per cent, including commissions to salesmen that often average 20 per cent. The FAIR Plan allows only a 10 per cent commission.

Herbert M. Pasewalk, president of Firemen's Insurance Co. of Washington and one of the industry executives who serves on the FAIR Plan board of directors, pointed out that the facility is meeting its basic goal of providing insurance for people who otherwise cannot get it.

"Although some people chose not to correct conditions" detected upon inspection, and therefore were conditionally declined, only three applications have been unconditionally rejected, Pasewalk said.

Pasewalk, who helped organize the D.C. plan at a meeting in his office in August, 1968, denies that the plan has become a "dumping ground." Many firms are "considering policies which had been in the facility (plan) before," Pasewalk said, noting that his own company has been picking up 10 to 15 policies a month that previously had been assigned to the plan. But that does not appear to be an industrywide trend.

On the question of profitability, Pasewalk said that while higher rates and a good loss experience have helped the last two years, "we've paid out a lot more in claims than we've taken in."

Raymond M. Kalbacher, who is manager of the D.C. plan, said the operation was "in the red" by $819,000 at the end of 1972 (the precise deficit, according to a report filed with HUD, was $807,085). But nearly all the loss is held over from the first two years of operation.

Between its inception on Oct. 1, 1968, and June 30, 1971, the plan showed an accumulated loss of $1.8 million.

In the next year, the plan broke even, with the loss on June 30, 1972, listed at $1,761,681. In the last six months of last year, the deficit was reduced by $954,596. A change in the method of operating, implemented last October, "should accelerate" the reduction in losses, commissioner Lombard predicted.

Viewed another way, the D.C. plan showed underwriting profits of $233,364, $213,347 and $158,401, respectively, in the last three quarters of 1972.

The FAIR Plans were organized after more than 100 companies cancelled or refused to renew policies in Washington's inner-city after the rioting in the spring of 1968.

Insurance companies paid out $24 million in fire losses in the riot, resulting in firms licensed to do business in Washington paying out $3.21 in losses for every $1 in premiums taken during 1968.

"Something had to be done," Lombard said. The inducement to "underwrite social problems" by forming FAIR Plans, Lombard said, was the federal government's promise to reinsure losses in any subsequent riots.

Bernstein, who began calling for changes in the plan 18 months ago, said that if the "basic inequities" are not corrected by the states' insurance departments, he may ask Congress to revoke federal riot reinsurance.

Insurance companies initially were enticed into cooperating with the FAIR Plans by an offer from the federal government to protect them from huge losses in future riots with a low-cost reinsurance that it sells to the companies.

Efforts to improve the plans have been "primarily attempts to patch up the criticized plans, rather than remove their basic flaws," Bernstein said.

One flaw in both the FAIR Plans and assigned risk plans in the automobile insurance field, is that they force a small segment of the public (those good risks who are dumped into the plans) to subsidize the few bad risks, while relieving the majority of that burden, an action that also helps bring higher profits to the insurance companies.

A solution favored by Bernstein is something he calls "full insurance availability" (FIA).

FIA would require insurance companies to sell coverage to anyone who sought it from them. If the company, broker or agent thought the policyholder was a bad risk, the policy could be passed on—along with the premium minus a servicing fee—to a statewide reinsurance pool.

Because the action would be "out the back door," as Lombard puts it, the stigma of being assigned to a high-risk pool would be removed. The private company would be required to issue and service the policy.

Because the company would have to relinquish all of its profit (no commission could be retained), the incentive would be to keep the policy. There now is little incentive to keep a policy out of the FAIR Plan, Bernstein said, because commissions still are paid.

Finally, if the risk that was passed on to the pool did turn out to be a bad one, the cost would be borne by all insurance companies and their policyholders, not just the 10 per cent who now are sent to assigned risk pools.

A complicated formula, designed by Bernstein, would encouarge companies to write and keep policies. Insurers that did not maintain their existing share of the market, or that over-utilized the pool, would be penalized financially.

Bernstein said FIA would increase the average home and business fire insurance premiums by less than 50 cents a year, while reducing the premiums of persons now assigned to FAIR Plans by $13 annually. In the automobile field, the average premium would go up $2 a year, while persons now in assigned-risk pools would pay $46 less.

The federal insurance administrator concedes that the FAIR Plans have "provided about $25 billion worth of protection to 1 million who would be without it otherwise. They have done a needed job, filled a real void, but it's not enough. Now is the time for full coverage, at warranted rates."

Leslie Cheek, vice president for public affairs of the American Insurance Association, which represents 126 stock companies, said "Bernstein has pointed out our deficiencies. The plans are meeting a public need, but they are not working well from an operational standpoint."

Cheek said the FAIR Plans have been "the entering wedge of social policy" in the insurance business. "The industry must now come to grips with a whole range of involuntary market problems, not just urban property insurance, but, auto and disaster coverages too."

He said some companies have "considerable sympathy" for Bernstein's proposal, but "many other, because of competitive reasons, do not."

Herbert S. Denenberg, the outspoken insurance commissioner of Pennsylvania, places part of the blame for FAIR Plan problems on insurance salesmen. "By a conservative estimate," Bernstein said, "40 per cent of all agents are incompetent, so a lot of people are getting bad advice."

Pasewalk, the Washington insurance executive, admits that some agents are super conservative. "Some guys," he said, "won't insure pig iron under water against fire."

STEVE O'CONNELL HAS SERVED HIS FELLOW MAN WELL

The **SPEAKER** pro tempore. Under a previous order of the House, the gentleman from Florida (Mr. FUQUA) is recognized for 30 minutes.

Mr. FUQUA. Mr. Speaker, a chapter ends.

Stephen C. O'Connell has announced his intention to retire from the presidency of the University of Florida at Gainesville, Fla.

Another chapter in the remarkable life of a remarkable man is ending. Another now begins.

For Steven O'Connell is not the sort of individual to remain idle. From the days when he established himself as something of a legend as a student leader on the campus of the University of Florida, he has built a reputation as an attorney, jurist, and administrator. Two other phrases are also necessary and they are integrity and self-sacrifice.

Through the thread of his existence has been a constant reminder that he had a debt to pay to others and while all of us owe such a debt, few of us have made such complete repayment.

It is my purpose here today to pay tribute to the service of Steve O'Connell. He is a man I greatly admire, whose advice and counsel I cherish, and whose friendship I deeply value. It is also my purpose to say something of the trials and tribulations that face administrators of college campuses in our recent history.

It is interesting to note that he is the first alumnus ever to head the University of Florida, attending from 1934–40. At that time there was a student body of some 1,000—and was for men, only.

To earn his way through school, Steve worked at various jobs. He worked at Mrs. Drawdy's Boarding House waiting tables with free meals if he could get six paying customers to patronize the establishment. Later he worked at the College Inn Restaurant on University Avenue, the intramural office and managed the ATO fraternity dining room. He also worked as janitor in the campus post office.

Yet this did not prevent him from becoming one of the all time great student leaders on the Florida campus.

Although too small for some sports, he joined the boxing team and established a reputation for courage. He was captain of the team in 1938 and was Southeastern Conference champion, remaining undefeated in dual matches.

He was president of his sophomore class and served as president of his fraternity, Alpha Tau Omega.

During 1937–38, he was elected the business administration college's representative to the student executive council and the following year was president of the student body. He was to serve as president of the leadership honorary, Florida Blue Key in 1939.

There were more opportunities, more challenges. He met them all. Elected to the hall of fame of the university, the college yearbook described him as "engaging personality, dynamic—trustworthy—physical fitness-initiative—keen mind, strength of character—captain of boxing team—president of student body—his leadership inspires."

He graduated in 1940 with a B.S.–B.A. degree in business administration and a bachelor of laws degree.

Following graduation, he moved to Fort Lauderdale where he lived at Pine Crest School with room and board provided in exchange for teaching tennis and boxing at the school.

Judge Al McMillan, whose wife ran the school, allowed Steve to use an office in the building where he worked to set up private law practice. He worked in the law office for 6 months when he accepted a position as director of physical training for the Southeastern United States as World War II loomed on the horizon.

When Pearl Harbor was bombed, he joined as director of physical training for the 3d Air Force in the Pacific, reaching the rank of major.

Following the war, he opened another law office.

Success followed immediately. He was to serve as counsel for the State road department, attorney for the Florida Racing Commission in addition to building a successful practice.

His reputation for ability and integrity was growing.

He had married the former Rita McTique in 1949 and they were raising a fine family of four children. It goes without saying that she has been a mainstay in all that he has attempted to do and that much of the credit for his success belongs to this lovely lady.

Life took an abrupt change in 1955 when Gov. LeRoy Collins named him to the State supreme court. It was too much of a challenging opportunity to turn down.

In the 12 years that followed, his reputation in the legal profession continued to grow. Few men have ever served on the bench who developed the reputation for solid judicial temperament, hard work, and dedication as followed the name of Steve O'Connell.

Steve O'Connell has always been a man who has a strong sense of responsibility. In his professional career, he had worked tirelessly for the development of the university as an alumnus, serving as president of its alumni association and again was one of the best ever to serve in that office.

As he returned to his alma mater as its sixth president on October 16, 1967, he pledged to make the university "first in the South and second to none in the Nation." It was typical of the man that he would strive for the top.

It was a huge task and he was to be propelled through 6 turbulent years of real triumphs and severe disappointments. It was a period of student turmoil and unrest throughout the Nation. It was a time that would try the best of men.

Like a steel rod, he was tempered by the flames and not found wanting.

When he succeeded J. Wayne Reitz as president of the University the institution was holding a precarious balance between student and faculty needs and available facilities. The school contained 703 buildings, research programs in 66 countries, a student body of 20,180, over 2,000 in faculty, and a budget of almost $80,000,000.

Tenure controversies were to plague him throughout his administration.

Personally, I felt that he handled these and other explosive issues with dignity and with concern for the views of others. Often he was not shown that same courtesy.

The year 1969 saw the first year of student uprisings and demonstrations to protest the war in Vietnam. It was a fitful period which history will have to assess for its ultimate impact on our Nation and its education system.

On October 15, 1969, campuses throughout the Nation held mass rallies, staged pickets, marched, and deserted classrooms to support the student movement against what they considered U.S. aggression in Vietnam.

O'Connell responded by declaring "Gentle Wednesday." Classes were not officially suspended, but the Plaza of the Americas hosted capacity crowds and many professors and theologians spoke in support of the student movement. In a statement, O'Connell urged everyone to follow their own beliefs, but said that he, too, would be at the plaza during his lunch hour.

In May 1970, 3,000 students joined in a silent candlelight protest through campus in memory of the four student deaths at Kent State.

A 3-day strike was then called by the student body president. O'Connell, though not in agreement with this action, sympathized with the sorrow that unified and sobered students throughout the country. He urged no faculty member to take punitive action toward students who missed classes during the strike.

Bomb threats at University of Florida

were not uncommon during the latter part of 1970, as many students developed a militant attitude toward a Federal Government which they believed was blatantly disregarding widespread student demands. O'Connell pleaded for rational thought, and no real crises came about.

There were other fires which ignited in this period. Sometimes it must have seemed to educators like O'Connell that there would never again be a period when there could be disagreement without being disagreeable. Sometimes it must have seemed that the voice or reason would never be heard over the shrill voice of a minority that screamed in the name of freedom or a cause that they had the right to shout down any dissenting voice.

It was also a time when irresponsible voices were raised to inflame and incite because of the very demanding continuing task of achieving an integrated educational system. Men like O'Connell were called upon for yeoman service in many potentially explosive situations in this period.

When he accepted the presidency of this great university, he said that he would only spend 5 years in this role. He added 1 year to complete his work and now plans to relinquish this burden to another.

I am reminded of something he said back in 1955 when he was appointed to the Florida Supreme Court. He was questioned widely in the press as to why he would give up a lucrative law practice at the age of 39 to take a $15,000 justiceship.

O'Connell's answer at the time was that he accepted "in hope that I, in some measure, may be able to repay the many blessings that Florida has given me."

When he became president of the university, the same question was raised as to why he would take a $2,000 cut in annual pay and his answer was:

> If money was the only consideration, I'd not be going there, nor would I be on the Supreme Court of Florida.

Shortly after becoming a justice, O'Connell made several public appearances throughout the State. His favorite topic was the necessity for politics and the attendant necessity of clean politics. Some of his quoted comments at the time are as follows:

> I cannot believe that we Americans understand the importance of politics; otherwise, we would not persist in our attempts to destroy it and render it ineffective.
>
> I feel that second only to service to God, service in politics is the most significant and satisfying undertaking an individual can pursue.
>
> The morality, the dignity, the respect and the honesty which government and politics must have can come only from religious precepts and teachings. (A statement widely quoted in the press October 6, 1956.)

At the first press conference he held after becoming University of Florida president, O'Connell was quoted as follows: The only specific reason he could think of for taking the position was his "love and devotion to the University of Florida and higher education."

Asked what he thought of himself as a replacement for President Reitz, O'Connell said:

> I don't think any individual can replace another. But I would hope to be able to stand beside the other great presidents of the University.

Humility was also a theme of his presidential appointment. He was widely quoted as saying:

> I doubt enough the sufficiency of my merits and abilities. This is good. It will make me work harder and with great determination to serve well.

He also said early in his presidency in relating some of his plans to serve:

> People don't know anything about the University. A great many people look at a university as something off by itself. It is frequently misunderstood. Yet the University is providing more and more service to the people outside the educational function.

In his statement of resignation, O'Connell made some very important remarks I would like to quote. He said:

> We have stayed longer than the planned five years because we felt this past year to be a critical one in a number of ways, and it has been.
>
> Which brings me to say that our leaving this University, as painful as it will be for us personally, could not come at a better time, and should be of considerably less concern to you, and all others interested in this institution, than had the move come at a different time in this University's history. I say this for a number of reasons.
>
> It is true the University has problems, as it always will, but if examined factually and objectively, rather than emotionally or subjectively, it must be concluded that we have less than most major universities; that those we have are not major ones, but are either of the sort which, if recognized and treated wisely, can be overcome, or are of the kind which will always surface from time to time in a university.
>
> But more important, I cannot recall a period when this University had more good things going for it, and going on in it.
>
> The self-study has been completed. Out of it has come a plan already distributed to you in the booklet, "Direction for the Next Decade," which outlines a clear path to distinctive quality in every segment of this University. It will undoubtedly be modified, as it should, but this does not detract from its clear-cut statement of purpose.

Too often, too much attention is focused on tumult and discord in any walk of life. I believe this to be the case in the administration of Steve O'Connell at the University of Florida, a deficit history will correct.

Let us look at a few interesting facts. From 1965, 2 years before he became president, until the present, the number of nationally ranked academic departments at the university advanced from 11 to 22. If you were to draw a line from Austin, Tex., to Chapel Hill, N.C., the University of Florida has the largest number of nationally ranked departments in that great geographic area of the United States.

An increased emphasis has been placed on interdisciplinary activities, resulting in the establishment of centers that bring faculty and students from the many diverse colleges and departments together in common pursuit. Some of these centers are for urban and regional development, Latin American studies, African studies, acquatic studies, tropical agriculture, Asian studies, East and West European studies, and international affairs. In 1961, even interdisciplinary agencies existed on campus; in 1971, there were 29 bureaus, institutes, and centers.

Graduate student enrollment and stature of the program has continued to increase steadily. In 1971–72, graduate degrees were awarded to 1,645 in more than 90 fields, with 243 of them doctors of philosophy, and 57 doctors of education.

The university college of general education for freshmen and sophomores has been revamped to provide for students to begin work on their upperclass majors when they are ready, even as freshman. This has resulted in an integration of university college with upper division colleges that has produced beneficial results for both in the increasing emphasis on interdisciplinary activities.

Standards for employment of quality faculty members and more exacting measures for granting tenure and awarding promotion have been developed.

I think it significant and tremendously important to point out in a little more detail some of the concepts to which President O'Connell subscribes in the self-study of the university which is encompassed in a report entitled "Direction for the Next Decade."

This is the end product of a 2-year study conducted under Dean Linton E. Grinter of every facet of the university. It spells out the challenges and the goals for the university in this decade.

President O'Connell particulary embraces the concept explained in the report that the university enrollment should be leveled off at about 25,000 and emphasis placed on making the University of Florida the highest quality institution attainable.

He believes that a quality university must have students at all levels, freshmen through doctoral candidates and that the best environment is one in which widely diversified programs of instruction and research abound.

The university, with its 15 different colleges, is one of the leaders in the Nation in numbers of academic offerings on one campus.

Again, in talking about Steve O'Connell, I think the following taken from his retirement statement of June 28, 1973, is significant:

> There is a growing awareness that the often complained of impersonal treatment of students, and others, does exist, and that it must be corrected.
>
> It is being recognized that it is not enough for the faculty producer of education to be satisfied, the student-consumer must also be considered.
>
> Counselling, personal and career, and academic advisement at this University, as well as at most others of any size, are roundly criticized, for the most part justly so. This past year counselling and advisement as it now exists here has been evaluated and recommendations to make it more effective have been prepared. The report due next week will, if accepted and acted upon, go a long way toward giving the students of this University adequate assistance and direction when they need it.
>
> The establishment of programs to recruit and meet the needs of minorities classified by sex, color, national origin, or creed, both

educationally and in employment, has been accomplished with greater success than many thought possible. For the most part this has been done without affecting the high standards to which we are committed. Yet much remains to be done.

The College of Dentistry, a paper college for years, opened last September and the future of the College of Veterinary Medicine is now assured, although much remains to be done before it takes its first students in 1976 . . .

You know the quality of the faculty in your areas better than I. Nevertheless, from those I know and based upon their accomplishments, I have no hesitancy in saying that the faculty of the University of Florida is as good as any, far better than that at most universities, and has many more than its share of stars.

The O'Connells plan to move to Tallahassee after retirement. I do not know what call to public service awaits Steve O'Connell, but this I do know, it will come.

And when it comes, I predict that he will answer with the same dedication and ability that he has given every pursuit of life.

Recently when the President of the United States was considering appointments to the Supreme Court of the United States, I recommended Steve O'Connell for Associate Justice. I did so with the conviction that this is a man who would do honor to that position. I still hold to that conviction and firmly believe that he will be high among the list of those considered for future vacancies on the highest court in the land.

Be that as it may.

A chapter ends.

A new one begins tomorrow.

To Steve and to Rita, I want to express a most personal note of appreciation for their service to my alma mater. You have served in the most difficult of times. You have gained strength and respect in periods which would have collapsed couples of less strength. You have my deepest respect and I firmly believe that you have the eternal gratitude of all the men and women who love the University of Florida and in a larger sense the grateful appreciation of all who will benefit from the advances you have brought to education.

In closing, I would like to quote an editorial from the Independent Florida Alligator, the student newspaper now an independent off campus publication. I think that the O'Connells may well feel that this was the most appreciated of all the tributes they have or will be paid.

The article follows:

OUR THANKS. . .

There's probably no way we can tell for sure right now, but an era at the University of Florida is probably ending. Just as an era on the college campuses of the nation is ending or already ended.

During Stephen C. O'Connell's years as president, 1967 through 1973, American universities—UF included—went through a period of turmoil and destruction that raped the academic environment in some cases and outright destroyed campuses or schools in other cases.

The president cites success in getting a UF veterinary college, the addition to the Shands Teaching Hospital, reorganization of University College and other feats as to his credit and satisfaction. And so they are.

And there were hassles too. O'Connell made some mistakes, perhaps, and took some actions many did not like.

But not nearly as many as some would have us believe.

The Independent Florida Alligator, of course, has a special debt to the president. It was he who moved—in the face of a massive propaganda barrage—to give us our independence. Thus, we begin to move into a new era of freedom and maturity that had to be lacking while we were forcing people to pay for us through government subsidy.

However, of most importance is the fact that the president refused to allow UF to be destroyed by the violent-activist left, as so many other universities were in the late 60s and early 70:.

S. I. Hayakawa, the university president who saved San Francisco State from leftist destruction in the late 60s, recently observed that ". . . intellectual freedom on university campuses continued to decline until it reached its nadir in May 1970 at the time of the entry of American troops into Cambodia.

"For the better part of a decade, views dissenting from those of the liberal-radical left were not permitted to be heard."

And so it was. But not at the University of Florida. Even through all the screaming, the epithets, the marches in the hallways and the hit-and-run disruption of classes, O'Connell held fast.

Which means he probably saved intellectual freedom at UF, when others were scrambling to abdicate it. This, ultimately, is to his eternal and most important credit.

And for this, most of all President Stephen C. O'Connell deserves our deepest thanks.

A DISGRACEFUL COMMENT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. Wolff) is recognized for 5 minutes.

Mr. WOLFF. Mr. Speaker, I would like to bring to the attention of my colleagues a disgraceful remark made yesterday by Mr. John J. Wilson, legal counsel for H. R. Haldeman, during a recess of the Senate Watergate Committee. Mr. Wilson's flagrant comment is quite distressing on two accounts. First, that such a remark could be made while our Nation hosts the Japanese head of state, Mr. Tanaka, is extremely embarrassing. Second, Mr. Wilson has denigrated the Japanese-American community by his comment.

Senator Inouye, to whom Wilson referred as "that little Jap," is not only as much an American, as much an American citizen, as the attorney who made the remark, but in fact, fought valiantly and lost an arm in defense of the United States in Italy in World War II. The Senator from Hawaii, who sacrificed so much in order that the traditions and way of life of our Nation could be protected, graduated from the George Washington Law School and went on to further serve his country. Mr. Wilson, on the other hand, has presently decided that it is his duty to represent and advise not one, but two, former members of the executive branch who have clearly violated and endangered some of the very precepts that are the cornerstone of a free, democratic society.

When an individual, any individual, takes to the media to slander an American, because of his descent, he is not making only a personal affront to the target of the remarks, and indeed does not only insult a large group of Americans of similar descent, but in a very real way, defames millions and millions of Americans of many diverse ethnic backgrounds. Yet while the overwhelming majority of Americans share an acute sense of distress at the fact that in two centuries of our national life, some have not yet learned that we are all brothers and sisters in our Nation's heritage, we can still see defenders of this administration hirelings assuming attitudes of insensitivity and callousness toward a national tradition of diversity, and a common history of pride in our Nation as a melting pot. Indeed, the remark made privately, and then repeated for the media, harkens back to a strikingly similar comment by a member of the administration. When will these people learn? When will they realize that we are all children of immigrants, that we are one people? And when will they learn that the wounds which pain our people will not be healed by name-calling, character assassination, and gratuitous insult?

I do not ask an apology for Senator Inouye—he has repeatedly shown quite well that he is a man who can take care of himself. But I do believe that as an American, I have been offended by a small man, who evidences for all to see that some in high places have a long, long way to go before they fully realize the true and great values that have forged the United States.

TEMPORARY EXTENSION OF FHA INSURANCE AUTHORITIES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania (Mr. Barrett) is recognized for 5 minutes.

Mr. BARRETT. Mr. Speaker, I join with the distinguished chairman, Mr. Patman, and the distinguished ranking minority member of the committee, Mr. Widnall, in urging adoption of this resolution. FHA has been out of business for 5 weeks and the House is about to recess for a month. We need to take action now so that people can sell and buy their homes with the FHA insurance. The temporary extension will give us a chance, when we come back in September, to take a look at other matters that may be on the Members' minds with respect to the housing programs.

I ask that the resolution which was passed by the Senate yesterday extending FHA to October 1 of this year be adopted by the House.

GUARANTEED STUDENT LOANS

The SPEAKER pro tempore. Under a prevous order of the House, the gentleman from Michigan (Mr. O'Hara) is recognized for 10 minutes.

Mr. O'HARA. Mr. Speaker, during the past couple of weeks, there has been a growing concern over the impact of the Education Amendments of 1972 with specific respect to the guaranteed student loan program. If one compares the number and dollar volume of guaranteed subsidized loans this year with the same period last year, we find a serious "drop-off" in both figures.

This phenomenon has been explained

as a simple lag in the paper work, and this may account for some of the problem—but not all of it.

It has been described in other quarters as a direct effect of the "needs analysis" which the 1972 amendments require of all those who seek Federal subsidy for the interest payments on their guaranteed student loans. And, though this, too, hardly explains the entire situation, it does account for some of it.

The Special Subcommittee on Education has recently conducted a staff study and a public hearing, and explored some of the remedies that have been recommended. Given the time situation, legislative solutions were hardly feasible at least as far as the situation this fall is concerned, but the subcommittee and Office of Education officials have been negotiating to work out ways to alleviate the problem administratively.

This week, the gentleman from Oregon (Mr. Dellenback), the ranking minority member of the subcommittee and I have written to Commissioner of Education John Ottina. And last night we heard back from Commissioner Ottina. The effect of the letters we have had is not to solve the drop-off problem, but it may well alleviate it. At least, these letters should give student aid officers greater assurance in their use of the flexibility the law gives them in making loan subsidy recommendations at levels higher than those produced by a strict application of needs analysis systems.

In a few days, Mr. Speaker, the subcommittee will be distributing, to all members, and to the student aid communty, copies of a committee print bringing all the relevant documents together. But tonight, I insert the exchange of letters with Commissioner Ottina in the Record:

Congress of the United States,
Washington, D.C., July 27, 1973.

Hon. John R. Ottina,
Commissioner of Education,
Office of Education,
Washington, D.C.

Dear Commissioner Ottina: On July 23rd, Mr. Herrell of the Office of Education sent student aid officers throughout the nation a letter in which he assured them of their ability to use the flexibility the law affords them with respect to adjusting the amount of need which the aid officers recommend to lending institutions under the Guaranteed Loan Program.

In that letter, Mr. Herrell assures student aid officers that they can indeed exercise their flexibility, and that "if reasonable documentation exists, there should be no concern as to exceptions that may be taken in the future by auditors."

This sentence has, apparently, not had the full effect intended. Aid officers are vividly aware of previous HEW and GAO audits, and of strong exceptions taken by auditors with respect to awards made in alleged "excess of need."

If the student aid officers are to be expected to exercise the discretion the law gives them, and Mr. Herrell's letter urges upon them, they must be given some degree of assurance that they can carry out their professional duties reasonably free from auditors' second guessing.

Toward the end of our July 26 hearing on this subject, you were present when Peter Muirhead engaged in a colloquy with committee members over what constituted "reasonable documentation."

Our hearing was forced to recess before we could work out satisfactory questions and answers clarifying and expanding OE's instructions. Education and Labor Committee staff met subsequently with Mr. Muirhead and discussed such instructions further. This letter seeks to put into concrete form the results toward which that colloquy and subsequent discussions were tending.

If an aid officer (1) has before him the results of a needs analysis showing a computed need of substantially less than the student is asking to borrow, and (2) has in his files a statement by the student and/or his family setting forth, in a manner which does not on its face suggest fraud or misrepresentation, an explanation for being unable to meet part or all of the computed expected family contribution, and (3) that reason is consistent with the economic facts of life within that family's income bracket and region and (4) the aid officer's decision to adjust the amount of need is not clearly unrelated to those facts—may the aid officer have your commitment that your auditors will be instructed to recognize the student aid officer's authority to make an adjustment on that given loan application?

In short, given the circumstances outlined above, may the aid officer feel assured that he will not be held accountable by a future audit, even in situations where the student or the student's family have not correctly stated material facts concerning their situation?

Naturally, we are asking for no such immunity as to the student or his family. We are seeking to hold innocent aid officers harmless, not to shield intentional efforts to defraud the United States.

We would also like you to clarify the kinds of documentation that would be considered adequate to support aid officers' decisions of this kind. Would a letter from a student or from a member of his family be sufficient documentation if the student aid officer noted thereon or in a separate document that he had relied upon the information so furnished by the student or his family? Would such a letter received from a lending institution from whom the student sought a loan be equally acceptable in the same circumstances? Would a notation, however informal, written by a student aid officer to record information furnished him in a telephone communication with a student or his family or with an official of a lending institution similarly be deemed adequate documentation?

We would appreciate an immediate response to these questions. If your answers are in the affirmative, we will undertake to secure the same instructions to the GAO auditors.

Chairman Perkins of the House Committee, and members of the Senate Labor and Public Welfare Committee have indicated to you and to us their deep interest in a speedy resolution of this problem.

Very truly yours,
James G. O'Hara,
Chairman.
John Dellenback,
Ranking Minority Member.

Department of Health,
Education, and Welfare,
Washington, D.C., August 1, 1973.

Hon. James G. O'Hara,
House of Representatives,
Washington D.C.

Dear Mr. O'Hara: Thank you for your letter of July 27, 1973, in which you set forth many of the questions and concerns regarding current procedures for the Guaranteed Student Loan Program which were raised at the July 26 hearing and in further discussions with Mr. Muirhead. I am hopeful that the information which follows will clarify the position of the Office of Education with respect to the total process of determining need, including the adjustments which can be made and the documentation required.

I should point out that the determination of need under all the financial aid programs has traditionally involved an adjustment process. The existing needs analysis services such as those provided by the College Scholarship Service and the American College Testing Program, the two largest systems, provide only an estimate of a family's ability to pay. The judgment of the financial aid officer is indispensable in determining the amount of financial support that can be contributed for a specific individual. The inherent flexibility in needs analysis is well stated in the instructions provided for the College Scholarship system:

Although accurate, objective data constitute the basis for systematic need analysis, the resulting expected contribution should not be considered scientifically accurate. Complexities in an individual's financial circumstances and difference in attitudes toward education will require that an aid officer make adjustments in order to determine the appropriate contribution from the student. In doing this, he must evaluate both the objective and subjective information available to him from all sources. *A system of need analysis must always be a guide for judgment, not a substitute.* A financial aid officer has a professional responsibility to make equitable judgments about each individual. If he simply accepts the computed need as an "answer" from a systematic need analysis, he shirks his responsibility to the institution and the student.

On Section III A of form 1260 the amount of a student's family contribution as computed by a uniformly applied needs analysis system is entered and no further documentation is required. Section III B is provided to permit a student financial aid officer to exercise his judgement and take into account the individual circumstances of a student or his family.

The circumstances in which the financial aid officer is permitted to make adjustments are basically those provided in the 7 codes in the instructions to Form OE 1260. For code 6, "cannot meet expected contribution from income", the situation you have outlined on the top of page two of your letter would certainly be reasonable. In this case, there would be no question that the Office of Education would support the institution in any case where an auditor took exception to the action of the student financial aid officer.

There are any number of ways in which such adjustments can be documented. For example, letters from a student or from a member of his family would be sufficient documentation if the student aid officer noted thereon or in a separate document that he had relied upon the information so furnished by the student or his family; or a letter received from a lending institution from whom the student sought a loan would be equally acceptable in the same circumstances. A notation, written by a student aid officer to record information furnished him in a telephone communication with a student or his family or with an official of a lending institution would similarly be deemed adequate documentation provided the financial aid officer also wrote a letter of confirmation of the conversation to the appropriate party.

While the financial aid officer must always be the final authority in any system of needs analysis, he can only do this based on the information provided by the student and his family. The student is now required to execute an affidavit stating that the loan proceeds are to be used solely for expenses related to attendance at the education institution. The federal warning clause on both the application and the supplementary form applies to the student and his family. Naturally, the financial aid officer would not be held accountable if there were fraud on the part of the student or his family.

In conclusion, let me emphasize that the Office of Education is prepared to support the institution in any exception taken in the future by auditors where the financial aid officer has exercised his professional judgment and provided reasonable documentation of the type which I have described above for adjustments in the amount of family contribution. You have my full assurance in this regard.

Best wishes,

Sincerely,

JOHN OTTINA,
Commissioner of Education-designate.

QUESTIONS ON BOMBING OF CAMBODIA AND LAOS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Louisiana (Mr. HÉBERT) is recognized for 10 minutes.

Mr. HÉBERT. Mr. Speaker, on July 25, 1973, the gentleman from Massachusetts (Mr. HARRINGTON) submitted a privileged resolution which was referred to the Committee on Armed Services. The resolution posed a series of 10 questions concerning the extent of the bombing of Cambodia and Laos, during the period January 20, 1969, through April 30, 1970.

Immediately, upon receipt of House Resolution 508 by the Committee on Armed Services, a written request was made to the Department of Defense for an expedited report on the questions raised in the resolution.

Subsequent to the introduction of House Resolution 508, Mr. HARRINGTON introduced an identical resolution on July 31, 1973, House Resolution 519, for himself and a number of other Members. Also, on Wednesday, August 1, 1973, Mr. HARRINGTON again introduced an identical resolution, House Resolution 520, for himself and a number of other Members.

Set out below is a communication from the Department of Defense received by the Committee on Armed Services on Thursday, August 2, 1973. The communication is self-explanatory and responsive to the questions raised in the resolutions. I wish, however, to point out that since the response to question No. 5 is classified it cannot be included in the public record. The details of the response to question No. 5 are, under Rules of the Committee on Armed Services, available to Members of Congress in the rooms of the Committee on Armed Services.

The Defense Department's letter and enclosure follow:

ASSISTANT SECRETARY OF DEFENSE,
Washington, D.C., August 1, 1973.

Hon. F. EDWARD HÉBERT,
Chairman, Armed Services Committee, House of Representatives, Washington, D.C.

DEAR MR. CHAIRMAN: Secretary Schlesinger has asked that I reply to your letter of July 26 which enclosed House Resolution 508.

Attached are specific responses to the questions raised in this House Resolution. As noted, some of these data are under continuing review and other information is not immediately available within the Department of Defense. We are reexamining many of these statistics and will provide your Committee with an update of them prior to the conclusion of the August recess.

In the interest of making this information available as widely as possible, all but one of these answers have been prepared in an unclassified form. The one classified question is, of course, clearly identified as such.

Sincerely,

JOHN O. MARSH, JR.

ENCLOSURE: ANSWERS TO QUESTIONS POSED IN HOUSE RESOLUTION 508, JULY 25, 1973

Some degree of error may be expected in the statistics provided herein, primarily as a result of imprecise location of borders and disputed claims. Deviation from earlier release figures may also be expected as a result of the continuing refinement of the data base.

Question: "(1) The number of sorties flown by United States military airplanes, for bombing purposes, over Cambodia and Laos during the period January 20, 1969, through April 30, 1970, distinguished by type of aircraft."

Answer: The following data are derived from that already provided to the Congress. They include the entire month of January, 1969. The data provided to the Congress do not permit a separate identifictaion of sorties for the period 20–31 January 1969. We are continuing our review of these statistics to verify their accuracy. We expect that this review will result in changes to these data. Revised data will be submitted prior to the conclusion of the Congressional recess.

	Laos	Cambodia
TACAIR	191,402	22
B-52	8,520	3,630

Question: "(2) The tonnages of bombs and shells fired or dropped on Cambodia and Laos during the period January 20, 1969, through April 30, 1970."

Answer: The following data are derived from that already provided to the Congress. They include the entire month of January, 1969. The data provided to the Congress do not permit a separate identification of sorties for the period 20–31 January 1969. We are continuing our review of these statistics to verify their accuracy. We expect that this review will result in changes to these data. Revised data will be submitted prior to the conclusion of the Congressional recess.

	Laos	Cambodia
U.S. TACAIR	476,571	*0
B-52	244,586	103,921

*Data not available.

No U.S. naval gunfire was used in Cambodia or Laos. No records are available to provide the amount of U.S. artillery expended in the two countries during this period. It is believed to be negligible if any. Not included in these figures are NVN ordnance expenditures nor ordnance expended by the opposing Laotian/Cambodian forces or other third country forces.

Question: "(3) The number and nomenclature of airplanes lost by the United States over Cambodia and Laos during the period January 20, 1969, through April 30, 1970."

Answer: U.S. Military Aircraft Losses in Cambodia and Laos 20 January 1969—30 April 1970

	Laos			Cambodia			
	Combat	Operational	Total	Combat	Operational	Total	Total
A-1	28	1	29	0	0	0	29
A-26	2	0	2	0	0	0	2
A-4	7	8	15	0	0	0	15
A-6	7	1	8	0	0	0	8
A-7	8	10	18	0	0	0	18
AC-130	2	0	2	0	0	0	2
B-57	3	0	3	0	0	0	3
C-130	1	0	1	0	0	0	1
CH-3	5	0	5	0	0	0	5
EC-47	2	0	2	0	0	0	2
F-100	16	0	16	0	0	0	16
F-105	19	0	19	0	0	0	19
F-4	53	2	55	0	0	0	55
HH-8	1	0	1	0	0	0	1
HH-53	1	0	1	0	0	0	1
O-1	0	0	0	1	0	1	1
O-2	6	1	7	0	0	0	7
OH-6	0	0	0	1	0	1	1
OV-1	1	0	1	0	0	0	1
OV-10	4	1	5	0	0	0	5
RA-3	0	1	1	0	0	0	1
RA-5	1	0	1	0	0	0	1
RF-4	8	0	8	0	0	0	8
RF-8	0	1	1	0	0	0	1
TA-4	2	0	2	0	0	0	2
U-1	0	0	0	1	0	1	1
UH-1	9	1	10	4	0	4	14
UH-2	0	1	1	0	0	0	1
YQU-22	0	1	1	0	0	0	1
Total	186	29	215	7	0	7	222

Question: "(4) The number of members of the Armed Forces of the United States killed, wounded, captured, or missing in action while participating in missions in or flights over Cambodia and Laos during the period January 1, 1965, through July 25, 1973, including the date of and the country in which the member of the Armed Forces was killed, wounded, captured, or missing in action during that period."

Answer: This information is not currently available in the Department of Defense. We have taken action to obtain this information. It will be provided to the Congress prior to conclusion of the August recess.

Question: "(5) The sources of intelligence permitting the identification of priority bombing targets in Cambodia and Laos during the period January 20, 1969, through April 30, 1970, including the number of reconnaissance sorties flown by United States airplanes and the names and number of units involved in the collection and processing of intelligence on the ground in or out of Cambodia and Laos to identify priority bombing targets in Cambodia and Laos."

Answers:

Committee Insert:

The answer to this question is classified SECRET by the Department of Defense.

The classified response to Question No. 5, in accordance with the rules of the Committee on Armed Services, is available for review and inspection by Members of Congress in the rooms of the Committee on Armed Services.

Question: "(6) Documents giving the best available estimate of civilian and military casualties incurred by Cambodia and Laos during the period January 20, 1969, through April 30, 1970, including the targets of bombing in Cambodia and Laos."

Answer: We have no documents which provide useful information on the totals of either civilian or military casualties in Cambodia or Laos during this time frame. Several factors prevented the maintenance of such records:

(a) Heavy jungle canopy precluded effective aerial photography.

(b) Heavy antiaircraft fire frequently prevented low flying observation craft from making post-strike reconnaissance.

(c) There were usually no on-scene ground observers to report casualties.

(d) Bomb damage reporting that does exist is fragmentary, occasionally inconsistent, and inadequate to support any estimates of casualties.

(e) It is important to realize that many civilian casualties in both Laos and Cambodia have been caused by enemy forces.

Question: "(7) The cost incurred by the United States as a result of all bombing and shelling carried on by the United States in or over Cambodia and Laos during the period January 20, 1969, through April 30, 1970, including the costs of bombs and shells, ships, and airplanes employed in the transportation, and dropping and firing of such bombs and shells, maintenance of such ships and airplanes during such period, salaries of United States military personnel, during such period, involved in operating and maintaining such ships and airplanes, cost of equipment destroyed or damaged while participating in bombing missions over Cambodia and Laos, and all other expenses attributable to such bombing and shelling, during the period January 20, 1969, through April 30, 1970."

Answer: Based upon the fighter bomber and B-52 sorties data used for answers 1 and 2, the estimated total costs of these sorties are as follows:

[Millions of dollars]

Fighter bomber	$1,204
B-52	343
Total	1,547

The costs of these sorties are based upon an average cost per sortie which includes such increments as fuel, bombs, maintenance and personnel. The costs do not include logistical support provided from the United States in support of operations, since these costs cannot be identified to specific combat operations. Also, an average cost for B-52 sorties has been used without differentiation between the origins of the sorties.

Also, the incremental costs of these sorties; that is, the differential between the cost of a combat sortie versus a peacetime training sortie is as follows:

[Millions of dollars]

Fighter bomber	$49
B-52	74
Total	123

Again, average sortie costs have been used and this calculation assumes that for training purposes essentially the same amount of sorties would have been flown by the aircraft in order to maintain combat proficiency.

Question: "(8) The names of the military and civilian authorities approving the decisions to undertake bombing in Cambodia and Laos during the period January 20, 1969, through April 30, 1970."

Answer: These operations were approved by the Commander-in-Chief.

Question: "(9) The names of the military and civilian authorities approving the decisions to maintain inaccurate files and information and to submit false documents to Congress concerning the bombing of Cambodia and Laos during the period January 20, 1969, through April 30, 1970."

Answer: The dual reporting system for these operations was established to maintain the security directed by senior civilian authorities. The procedures were developed by military authorities. The senior civilian in the Department of Defense in 1969 was the Honorable Melvin R. Laird, Secretary of Defense. The senior military officer was General Earle Wheeler, USA, Chairman of the Joint Chiefs of Staff.

No military or civilian authority made or approved a decision to submit false documents to the Congress.

Question: "(10) The names of the officials in the executive branch and Congress, as well as others outside of Government, who received correct and accurate information regarding the bombing of Cambodia and Laos during the period January 20, 1969, through April 30, 1970."

Answer: Attached are two lists of DOD personnel who had varying degrees of information on these operations. One list identifies key personnel for the Planning stage and the other identifies key personnel in the Execution stage.

Listed below are members of Congress advised of these operations. They were not briefed on a continuing basis throughout the operation: Senators Russell, Stennis and Dirksen; Congressmen Rivers, Arends and Ford.

We have no lists of personnel in other departments of the Executive Branch who had access to this information.

KEY PERSONS HAVING ACCESS TO SPECIAL ARC LIGHT STRIKES—OPERATION MENU—PLANNING STAGE, THROUGH MARCH 17, 1969

OSD: Secretary Laird, Deputy Secretary Packard, and BGen. R. E. Pursley.

JCS: Gen. E. G. Wheeler, Gen. W. C. Westmoreland, Gen. J. P. McConnell, Adm. T. H. Moorer, Gen. L. F. Chapman, LGen. J. B. McPherson, VAdm. N. C. Johnson, LGen. J. C. Meyer, MGen. G. B. Pickett, BGen. J. E. Glick, Col. D. P. McAuliffe, Col. F. L. Smth, Col. G. D. Roberts, Col. R. B. Sitton, and Mr. P. M. Kearney.

CINCPAC: Adm. J. S. McCain, Jr.

CINCSAC: Gen. B. K. Holloway.

COMUSMACV: Gen. C. W. Abrams.

The scope and depth of participation by those on these lists varies considerably, all members of the Joint Chiefs of Staff were kept fully informed. However, they were not involved in planning or discussions outside DoD except when acting as CJCS. Gen. McConnell and Adm. Moorer were the only chiefs who were acting CJCS during the planning phase.

KEY PERSONS HAVING ACCESS TO SPECIAL ARC LIGHT STRIKES—OPERATION MENU—EXECUTION STAGE, MARCH 18, 1969, TO MAY 1970

OSD: Secretary Laird, Deputy Secretary Packard, Brig. Gen. R. E. Pursley, and Capt. D. J. Murphy.

JCS: Gen. E. G. Wheeler, Gen. J. P. McConnell, Adm. T. H. Moorer, Gen. W. C. Westmoreland, Gen. J. D. Ryan, Gen. L. F. Chapman, Lt. Gen. J. B. McPherson, Vice Adm. N. C. Johnson, Lt. Gen. J. C. Meyer, Lt. Gen. John W. Vogt, Rear Adm. M. B. Freeman, Brig. Gen. M. W. Kendall, Brig. Gen. C. A. Jackson, Brig. Gen. J. E. Glick, Col. D. P. McAuliffe, Col. F. L. Smith, Col. E. S. Harris, Jr., Col. R. B. Sitton, Col. B. L. Davis, Col. J. W. Pauly, Mr. P. M. Kearney, Lt. Col. P. R. Zavitz, Col. J. S. Mace, and Col. R. A. Monge.

CINCPAC: Adm. J. S. McCain, Jr.

CINCSAC: Gen. B. K. Holloway.

COMUSMACV: Gen. C. W. Abrams.

Eighth Air Force (SAC): Lt. Gen. A. C. Gillem.

ELECTRONIC EQUIPMENT QUALITY CONTROL BILL

The **SPEAKER** pro tempore. Under a previous order of the House, the gentlewoman from New York (Miss HOLTZMAN), is recognized for 10 minutes.

Miss **HOLTZMAN**. Mr. Speaker, I am introducing legislation today designed to remedy the serious need for quality control of electronic equipment sold in interstate commerce to public utilities.

The need for quality control was demonstrated most graphically last February 20 when a million people in Brooklyn were without electricity for 2½ hours because a fuse in a control circuit was one-eighth of an inch too short to make proper electrical contact.

But my study of the problem of shoddy or defective equipment indicates that it is not unique to my congressional district. To the contrary, it appears that blackouts caused by faulty equipment are being experienced throughout the country.

Electrical World Week, the journal of the electrical industry, reports the filing of at least a dozen major lawsuits in the past 4 years by public utilities throughout the country against manufacturers for failures of electrical equipment. Countless other utilities aggrieved by faulty equipment might have filed suit were it not for the resistance of the courts to the awarding of consequential damages against manufacturers.

It is high time for the Congress to "gain the attention" of the manufacturers and demand an end to the shoddy equipment that threatens the reliable delivery of electricity to the Nation's consumers.

But serious as this nationwide problem is, little attention has been focused on it. As a result, there is no national quality control of the manufacture of electrical equipment purchased by public utilities—including the critical equipment used by nuclear powerplants.

For this reason, I am introducing a quality control bill that will expand the jurisdiction of the FPC to encompass the creation and enforcement of quality control standards in the electrical equipment field and the issuance of orders to manufacturers found to be in violation of those standards.

A text of the bill follows:

H.R. 9854

A bill to empower the Federal Power Commission to prescribe and enforce quality control standards with respect to the manufacture and testing of electrical equipment for sale in interstate commerce to public utilities, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

DEFINITIONS

SECTION 1. As used in this Act—

(1) The term "manufacturer" means a person engaged in the manufacturing or assembling of component parts into electrical equipment for sale in interstate commerce to public utilities.

(2) The term "public utility" means any person who engages in the sale of electric energy at the wholesale level in interstate commerce or whose business affects interstate commerce.

(3) The term "standard" means a minimum standard for electrical equipment performance and reliability prescribed by the Federal Power Commission.

(4) The term "Commission" means the Federal Power Commission.

POWERS OF THE COMMISSION

SEC. 2. (a) The Commission shall—

(1) promulgate standards with which manufacturers shall comply, for the manufacturing and testing of electrical equipment to be sold in interstate commerce and used by public utilities in the generation, transmission or distribution of electricity to consumers. Such standards shall be designed to insure proper functioning and durability of the equipment.

(2) hold a hearing upon receipt of evidence that a manufacturer is in noncompliance with said standards, and afford a fair opportunity for interested persons to testify and submit data.

(3) upon completion of said hearings, issue an order containing notice of a finding of noncompliance to any manufacturer found to be in violation of any standard prescribed under this Act. The Commission shall also notify any public utility and other manufacturers who ordered equipment from such manufacturer, or to whom such equipment was delivered or sold that such notice has been issued to such manufacturer.

(4) submit an annual report to the President and the Congress on the administration of this Act. Such report shall include—

(A) any standards promulgated during the year covered by such report;

(B) an evaluation of the compliance records of manufacturers by company name and location;

(C) any enforcement actions and court decisions;

(D) problems confronted in administering this Act;

(E) recommendations for additional legislation as may be necessary to administer this Act or achieve its purpose; and

(F) description of manufacturers' plans (submitted at the Commission's request) for taking action to comply with standards and to reimburse or otherwise satisfy their customers who have received noncomplying equipment.

(b) The Commission may request any manufacturer to allow the Commission to inspect its records, processes, machinery, equipment or procedures with respect to the manufacturing and testing of such electrical equipment.

MANUFACTURERS' DUTIES

SEC. 3. Every manufacturer shall—

(1) comply with any standards prescribed under this Act;

(2) prohibit its employees from shipping, delivering, transferring or selling any equipment after receipt of notice from the Commission that such equipment fails to comply with any such standard;

(3) submit plans, upon the Commission's request, for taking action which will put the manufacturer in compliance with standards and provide whether the manufacturer shall—

(A) bring the noncomplying equipment into conformity with any standard;

(B) replace the noncomplying equipment with equipment that complies with such standard; or

(C) refund the purchase price of the equipment (deducting a small allowance charge for use if the equipment has been used for one year or more by the public utility before discovering the first sign of equipment failure traceable to noncompliance);

(4) submit a timetable for the completion of the action required under the preceding paragraph (3) and report to the Commission on the action when completed; and

(5) be held responsible for the final piece of equipment in entirety, notwithstanding the fact that the manufacturer may have purchased component parts from other persons and assembled such parts into the final product.

CIVIL PENALTIES

SEC. 4. (a) Any manufacturer who violates section 2 or 3 of this Act shall be subject to a civil penalty equal to the greater of $10,000 or three times the purchase price of the noncomplying piece of electrical equipment. A violation of section 2 or 3 shall constitute a separate offense with respect to each piece of electrical equipment involved, except that the maximum civil penalty shall not exceed $3,000,000 for any related series of violations.

(b) Any civil penalty under this section may be compromised by the Commission. In determining the amount of the penalty, or whether it should be remitted or mitigated and in what amount, the gravity of the violation and the size of the business of the person charged shall be considered.

CRIMINAL PENALTIES

SEC. 5. (a) Any manufacturer who violates section 2 or 3 of this Act after having received notice of noncompliance from the Commission shall be fined $100,000 or imprisoned for not more than one year, or both.

(b) Any individual, director, officer, or agent of a manufacturer who knowingly authorizes or performs acts violating sections 2 or 3 and who has knowledge of notice of noncompliance, shall individually be subject to penalties under this section, without regard to manufacturer's penalties under subsection (a) of this section.

PRIVATE SUIT

SEC. 6. Any person may bring an action against any manufacturer for any violation of this Act which causes any personal or property damage; the United States District Court shall have jurisdiction without regard to the amount of the controversy or the citizenship of the parties.

EFFECT ON OTHER LAW

SEC. 7. The remedies provided in this Act shall be in addition to any other remedies in law.

PROMULGATION OF STANDARDS

SEC. 8. The Federal Power Commission shall promulgate standards within 6 months after the date of enactment of this Act.

FEDERAL POWER ACT

SEC. 9. The provisions of this Act shall be subject to sections 307, 308, 309, 310, 313, 314, 315, and 317 of the Federal Power Act.

PERSONAL EXPLANATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. DANIELSON) is recognized for 5 minutes.

Mr. DANIELSON. Mr. Speaker, from June 14, 1973, through July 20, 1973, I was absent from Washington to be with my brother during his very serious illness, which culminated in his death. During this period I regrettably, but necessarily, missed a number of quorum calls and rollcall votes. For the RECORD, I would now like to state how I would have voted on each of these rollcalls, had I been present.

Roll No. Description, and how I would have voted

June 14, 1973

222—Amendment to H.R. 3926, "nay."
223—Amendment to H.R. 3926, "nay."
224—Final passage of H.R. 3926, "yea."

June 15, 1973

228—Amendment to H.R. 8619, "yea."
229—Amendment to H.R. 8619, "yea."
230—Final Passage of H.R. 8619, "yea."

June 18, 1973

223—Final passage of H.R. 8658, "yea."
235—Amendment to H.R. 8152, "nay."
236—Amendment to H.R. 8152, "nay."
237—Final passage of H.R. 8152, "yea."

June 19, 1973

238—Final passage of H.R. 689, "yea."
239—Final passage of H.R. 6129, "yea."
240—Final passage of H.R. 7127, "yea."
241—Adoption of H. Res. 434, "yea."
242—Amendment to H.R. 5464, "yea."
243—Final passage of H.R. 5464, "yea."
244—Final passage of H.R. 5094, "yea."
246—Amendment to H.R. 8760, "nay."
247—Amendment to H.R. 8760, "yea."
248—Amendment to H.R. 8760, "nay."
249—Amendment to H.R. 8760, "nay."
250—Final passage of H.R. 8760, "yea."
251—Adoption of H. Res. 435, "yea."

June 21, 1973

254—Amendment to H.R. 7824, "nay."
255—Amendment to H.R. 7824, "nay."
256—Amendment to H.R. 7824, "nay."
257—Amendment to H.R. 7824, "nay."
258—Amendment to H.R. 7824, "nay."
259—Amendment to H.R. 7824, "nay."
260—Preferential motion on H.R. 7824, "nay."
261—Amendment to H.R. 7824, "yea."
262—Amendment to H.R. 7824, "yea."
263—Final passage of H.R. 7824, "yea."

June 22, 1973

265—Amendment to H.R. 8510, "nay."
266—Amendment to H.R. 8510, "yea."
267—Final Passage of H.R. 8510, "yea."
269—Amendment to H.R. 8825, "yea."
270—Amendment to H.R. 8835, "yea."
271—Final passage of H.R. 8825, "yea."

June 25, 1973

273—Motion on Conference Report on H.R. 7447, "yea."
274—Motion on Conference Report on H.R. 7447, "nay."
275—Adoption of H. Res. 454, "yea."
277—Amendment to H.R. 8662, "nay."
278—Final Passage of H.R. 8662, "yea."

June 26, 1973

282—Motion on H.J. Res. 636, "yea."
283—Amendment to H.J. Res. 636, "yea."
284—Amendment to H.J. Res. 636, "yea."
285—Amendment to H.J. Res. 636, "yea."
286—Final passage of H.J. Res. 636, "yea."
287—Adoption of H. Res. 455, "yea."
290—Amendment to H.R. 8877, "nay."
291—Amendment to H.R. 8877, "nay."
292—Amendment to H.R. 8877, "yea."
293—Amendment to H.R. 8877, "yea."
294—Motion to recommit H.R. 8877, "nay."
295—Final passage of H.R. 8877, "yea."

June 27, 1973

297—Amendments to H.R. 8215, "yea."
298—Final passage of H.R. 4200, "yea."
299—Adoption of H. Res. 470, "yea."
300—Override veto of H.R. 7447, "yea."
304—Final passage of H.R. 8917, "yea."

June 28, 1973

306—Motion to instruct conferees on H.R. 8537, "yea."
308—Amendment to H.R. 8947, "nay."
309—Amendment to H.R. 8947, "yea."
310—Final passage of H.R. 8947, "yea."
311—Final passage of 8548, "yea."

June 29, 1973

313—Amendment to H.R. 9055, "nay."
314—Amendment to H.R. 9055, "yea."
315—Final passage of H.R. 9055, "nay."
317—Amendment to H.R. 8916, "yea."
318—Final passage of H.R. 8916, "yea."
319—Motion on conference report on H.R. 8410, "yea."

June 30, 1973

321—Motion on conference report on H.R. 8410, "yea."

322—Adoption of Conference Report on H.J. Res. 636, "Nay."

323—Motion on Conference Report on H.R. 7445, "Yea."

July 10, 1973

325—Amendment to H.R. 8860, "Yea."

326—Amendment to H.R. 8860, "Yea."

327—Amendment to H.R. 8860, "Nay."

July 11, 1973

329—Amendment to H.R. 8860, "Yea."

330—Amendment to H.R. 8860, "Nay."

331—Amendment to H.R. 8860, "Nay."

332—Amendment to H.R. 8860, "Nay."

July 12, 1973

334—Motion on H.R. 8860, "Yea."

335—Amendment to H.R. 8606, "Nay."

336—Final passage of H.R. 2990, "Yea."

July 16, 1973

338—Amendment to H.R. 8860, "Yea."

340—Amendment to H.R. 8860, "Yea."

July 17, 1973

342—Adoption of the Conference Report on S. 504, "Yea."

343—Motion on H.R. 6078, "Yea."

344—Final passage of H.R. 8949, "Yea."

345—Final passage of H.R. 9048, "Yea."

346—Final passage of S. 2120, "Yea."

347—Motion on S. 1752, "Nay."

July 18, 1973

349—Amendment to H.J. Res. 542, "Nay."

350—Amendment to H.J. Res. 542, "Nay."

351—Amendment to H.J. Res. 542, "Nay."

352—Final passage of H.J. Res. 542, "Yea."

July 19, 1973

354—Amendment to H.R. 8860, "Nay."

355—Amendment to H.R. 8860, "Nay."

356—Amendment to H.R. 8860, "Nay."

357—Amendment to H.R. 8860, "Yea."

358—Amendment to H.R. 8860, "Nay."

359—Amendment to H.R. 8860, "Yea."

360—Motion on H.R. 8860, "Nay."

361—Amendment to motion to recommit H.R. 8860, "Yea."

362—Motion to recommit H.R. 8860, "Nay."

363—Final passage of H.R. 8860, "Yea."

July 20, 1973

365—Amendment to H.R. 8538, "Yea."

366—Final passage of H.R. 8538, "Yea."

APPOINTMENT OF MR. VICTOR L. SMITH TO THE INTERNATIONAL JOINT COMMISSION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio (Mr. VANIK), is recognized for 5 minutes.

Mr. VANIK. Mr. Speaker, as the House of Representatives well knows, the last year has been a disastrous one on the Great Lakes. Almost all of the lakes have experienced unprecedented high water levels which have resulted in millions of dollars of damage to shoreline property and communities up and down the lakes. In the area of my own congressional district, Lake Erie has reached and surpassed the highest water levels since recordings were first begun in 1860. Time and time again in the past year, the Great Lakes Conference of Congressmen have met with representatives of the Army Corps of Engineers and with the three American commissioners to the International Joint Commission to explore ways and means by which the water levels could be controlled and the levels of the lakes reduced.

Many of us have felt that, if more attention had been paid to the Lakes and the rainfall patterns in the Great Lakes Basin, some of the high water problems which we have experienced during the past year could have been averted. It is my firm opinion that if strong regulations on the outflow of water from Lake Superior through the St. Mary's River had been applied earlier, the damage on the lower lakes would have been less. In addition, the four upper lakes flow into Lake Ontario through the Niagara River and the Welland Canal. While the flow through the canal is small relative to the flow through the Niagara River, it is a significant flow. Unfortunately, this past winter the Canadians decided that this year—of all years—they would close the Welland Canal for repairs. Obviously, given the rainfall situation in the Great Lakes Basin, this was one of the worst of all possible years to close the canal. While the canal lies totally in Canadian territory, it is an integral part of the Great Lakes system. Therefore, the closing of the canal was subject to objection by the American commissioners to the International Joint Commission. The American commissioners should have objected to the closing of this canal during the past winter. But because of bureaucratic ineptitude, it appears that the American commissioners were not even aware that the canal was going to be closed until early December.

These examples are just several of the many that could be given concerning the failure of the American Government to develop a strong and vigorous oversight and management policy on the Great Lakes.

It would certainly have been my hope that the experience of the last year would have impressed upon the administration the need for strengthening the management and supervision of governmental activities on the Great Lakes and in improving the quality of the American section of the International Joint Commission.

Since 1909 the International Joint Commission has been charged with the cooperative management and solution to problems which might arise on the lakes and which would involve boundary waters between the United States and Canada. These duties have included water level problems, pollution problems, and navigation and boundary problems. It is an enormous task—a task of great responsibility and a task which we have all too often failed to carry out. For example, the IJC was commissioned by the Canadian and American Governments in 1964 to attempt to develop comprehensive solutions to the problems of fluctuating water levels on the lakes. After 9 years, that study is still not completed—and it may be early next year before the final results of that study are developed.

The duties of the Commission have continued to grow over the years. On April 15, 1972, President Nixon visited Ottawa and signed an agreement with Prime Minister Trudeau for improving the quality of the waters of the Great Lakes. This executive agreement has given tremendous new authority and responsibilities to the International Joint Commission.

The IJC is made up of six members, three from Canada and three from the United States. Our Commissioners are appointed by the President and serve indefinite terms, at his pleasure.

On Monday, July 23, 1973, Mr. Eugene Weber, an experienced and capable member of the American section of the Commission, was replaced by Mr. Victor L. Smith of Robinson, Ill.

Mr. Speaker, I do not know Mr. Smith. I have not met him. I hope that he is a capable and active Commissioner.

But I want to bring to the attention of this House and the entire Congress that I seriously question Mr. Smith's experience—or better—his apparent lack of experience in areas that would qualify him to sit in judgment of important matters of international consequence involving the Great Lakes.

Mr. Smith's résumé and background do not include a single qualification that would serve to make him eligible for a job in this area of expertise or in this area of growing environmental importance.

By a real stretch of the imagination, one could possibly concoct a case for Mr. Smith because he is from Illinois, a Great Lakes State. But Lake Michigan—the lake which touches the State of Illinois—is the only one of the five Great Lakes not included within the IJC's jurisdiction as defined by the 1909 treaty. In addition, Mr. Smith lives in Crawford County, 180 long miles from Lake Michigan and the Great Lake system.

There is a great deal of pollution on the Great Lakes, including a great deal of oil pollution. Mr. Smith has been, according to this résumé, engaged in "farming, real estate development, oil and coal development, oil royalties, and insurance." Although I am pessimistic concerning Mr. Smith's previous activities, I hope that his experience in oil will help in preventing oil spills. I hope that his experience in real estate development will help us in developing a policy of sound coastal land zoning—a policy which will enable more people to use the beaches of the Great Lakes and which will prevent new developments in areas which are subject to flooding and high rates of erosion.

However, Mr. Smith does have a great deal of political experience. One might say that this appears to have been the decisive factor in Mr. Smith's appointment. For example, he served for 25 years as precinct committeeman. He served for one of the two major political parties as the Crawford County, Ill., central committee secretary and treasurer for 8 years. During the sixties he served as chairman of that party's county central committee. He has served as the State central committeeman from the 23d District and has been a campaign manager for several candidates on the State and district levels. Some years ago, he was a candidate for town clerk and elected to that fee office. In the administration of Gov. Dwight H. Green, he served as investigator in the motor fuel tax division, department of revenue.

Again, Mr. Speaker, I have not met Mr. Smith. I will look forward to meeting with him and attempting to work with him in the solution to the many problems facing the Great Lakes.

But I am sure that millions of citizens who live in the Great Lakes Basin area and the Congressmen and Representatives from the shoreline districts must share my initial concern about Mr. Smith's appointment. We cannot afford to allow the International Joint Commission to degenerate into a patronage agency. Its present duties and the potential problems that it will be facing in the years ahead are much too important. It is time that we renegotiated a new treaty with Canada that would provide for more adequate control and management of the Great Lakes. This will be a task demanding great diplomacy and experience and expertise in a wide variety of environmental and natural resource areas.

Because of this growing importance of the International Joint Commission, I have developed legislation which I am introducing today which would require that future American commissioners to the International Joint Commission be confirmed by the Senate. Such legislation would insure that, in the future, men who have experience and competence and expertise on the problems of the lakes and in the area of diplomacy will be appointed. Our international obligations to Canada require nothing less than that. Our duty to the millions of citizens of the Great Lakes Basin demand the highest quality of personnel in the International Joint Commission.

FAIR LABOR STANDARDS ACT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania (Mr. DENT) is recognized for 15 minutes.

Mr. DENT. Mr. Speaker, tomorrow we will vote on the Fair Labor Standards Act conference report.

I have just read the following release from the AFL-CIO Executive Council in session in Oakbrook, Ill.

I place it at this point in this part of my discussion in my special order, followed by the amount of the introduction of a clean copy of the pension reform bills:

STATEMENT BY THE AFL-CIO EXECUTIVE COUNCIL ON FAIR LABOR STANDARDS ACT

> House and Senate conferees have reached agreement on a minimum wage bill (H.R. 7935) that deserves speedy Congressional and Presidential approval.
>
> While the conference report does not make all of the improvements in the Fair Labor Standards Act sought by the AFL-CIO, it does represent important gains for millions of America's lowest paid workers.
>
> The AFL-CIO Executive Council urges the Congress to approve this important legislation and send the bill to the President prior to the August recess.
>
> The Council urges the President to sign the minimum wage bill without delay. A veto of this critical legislation would be unconscionable. There is no valid argument to support the denial of these long overdue benefits to those at the bottom of the economic ladder.
>
> On the basis of the past history of amendments to the FLSA it is clear that H.R. 7935 will strengthen the economy, not weaken it; that it will provide more employment at better wages, not at subminimum rates.

Mr. Speaker, I am introducing this pension reform bill on my own behalf. While it is not a final version of what I expect to be the bill which finally passes the House, it does reflect a series of technical amendments offered in our subcommittee's hearings this year. The difference in this draft and H.R. 2 lies primarily in technical changes in the areas of fiduciary standards, disclosure, reporting, vesting, funding, and the addition of a new title dealing with reinsurance.

Originally, because of jurisdictional issues attached to insurance, this provision was not included in the original version of H.R. 2. It has now become possible to add the new title 4 on insurance, with some measure of assurance that it will not endanger the other provisions and will allow the Subcommittee on Labor to continue to manage the legislation.

Action to date has been delayed by reason of the priority given to the minimum wage law by the committee, in agreement with the Senate Labor Committee, which gave priority to pension reform.

I am confident that whatever marginal differences do exist between the various approaches offered to pension reform they will be resolved without great difficulty. I know that my colleagues are prepared to support this much needed legislation.

Mr. Speaker, I take the floor today to elaborate further on H.R. 8951, the Foreign Investor's Limitation Act, a bill introduced by myself and my colleague, the Honorable JOSEPH M. GAYDOS. One of the questions raised about the proposed measure centers around the possibility of retaliatory measures by the world community—retaliatory measures that may prompt other nations to enact similar laws, which, of course, will affect investments coming from the United States into businesses in those nations. I think two points ought to be raised in this regard. One, I am not so sure that retaliatory measures would follow, inasmuch as the world community has a genuine need for what we offer, whether technology, grain, capital investment, or arms. Second, many countries already have foreign investment limitation regulations that have acted to protect their respective economies and served them well. The countries are as diverse as their regulations—Japan, Mexico, Thailand, and Canada. All have one thing in common—a desire to control the extent of foreign investment in their own countries and to use it in their best interest. These are certainly desirable goals from a nationalistic point of view, and one that we Americans might want to seriously consider. A dose of "my country first" medicine may well be part of what we need to perk up this economy. While it is incumbent on us as a world leader to be concerned with a stable world community, it is foolish to be so concerned that we, in kamikaze fashion, advocate policies that will lead to eventual economic dependency. This causes me considerable thought. Since retaliatory action is a substantial concern. I think it is important to elaborate on the extent to which we are affected by the investment regulations of other countries. Ironically, the country very persistently pursuing investment in the United States is Japan, who for years has very rigidly controlled foreign investment.

While distinctly different from our Federal attitude, an important characteristic of the Japanese economy is the presence of strong influence and control which the government exercises over the business sector. The Arthur Andersen & Co. Trade Guide summarizes the Japanese regulations as follows:

> 5.02 From the postwar period through the early 1960's, severe restrictions were placed on the movement of foreign capital into and out of Japan. The government adopted a protective attitude to help solve Japan's critical balance-of-payments problem and to alleviate the anxiety over possible foreign domination of Japanese industry. While the licensing and sale of technology and know-how by foreigners to Japanese was encouraged, the government only rarely approved the establishment of manufacturing companies with foreign ownership exceeding a 50% interest.
>
> 5.03 In recent years, Japan has emerged as an economic power with a strong balance-of-payments position. Because of the growing foreign criticism of its restrictive investment policies, in 1967 the Japanese government initiated a four-stage investment liberalization program. The fourth stage was completed in August, 1971, and a fifth round of liberalization is expected in the near future.
>
> 5.04 The liberalization occurred primarily by expanding the list of industries in which foreigners were permitted to invest as well as the extent of the allowable participation. Investments in liberalized industries received "automatic" rather than "case-by-case" approval. Under the capital liberalization program, direct investments are divided into two categories. The first category relates to newly established enterprises and the second to investments in existing Japanese companies. The first category is further divided into Class I and II industries and nonliberalized industries.
>
> 5.05 The government normally approves foreign investment in Class I industries if the foreign participation does not exceed more than 50% and certain other conditions are met. However, the approval (validation) process is often influenced by the lobbying of competitive domestic firms or industry associations who may fear the greater size and technical skills of foreign firms. On the other hand, some Japanese firms seek to obtain foreign participation to bolster their position against Japanese competition and to acquire the foreign participant's technology. The list of Class I industries is extensive and presently covers 453 types of industries. Application for more than a 50% equity participation is subject to a case-by-case review and approval is infrequent although there are recent signs that the government may be adopting a more liberal attitude.
>
> 5.06 Applicants seeking to enter Class I industries must satisfy the following requirements:
>
> 1. The investment must not adversely affect existing Japanese business interests;
> 2. If there are several Japanese shareholders, at least one Japanese shareholder must hold at least one-third of the total equity;
> 3. Directors selected by Japanese shareholders must be of Japanese nationality and the number of directors must be proportionate to or greater than the percentage of shares held by the Japanese owners;
> 4. Quorum and voting requirements must be in accordance with the Japanese Commercial Code;
> 5. A company which is owned 50% or more by foreign investors may not enter into other

industries without first obtaining a new validation from the appropriate ministry; and

6. The Japanese participants in a new venture cannot contribute existing facilities to the new venture with the exception of real estate which is neither a factory nor a sales facility.

5.07 Class II industries presently include 228 types of businesses which are either well established or are of little interest to the foreign investor. The Class II industries generally include those in which Japan has little difficulty meeting international competition. Applications for foreign investment of 100% in newly established companies in these industries are automatically approved provided certain prerequisites are met.

5.08 Because of the continuing conditions attached to automatic validation, newly formed Japanese companies with 50% or 100% foreign ownership are precluded from entering into other industries by acquiring or merging with other Japanese companies without first obtaining government approval.

5.09 When the government completed the fourth stage of liberalization, in August, 1971, certain industries were placed on a "negative list" with the proviso that investment in these areas would continue to be subject to a case-by-case review. These industries are the following:

1. Primary industries related to agriculture, forestry and fisheries;

2. Oil refining industry, including oil distribution and sales;

3. Leather and leather products industry;

4. Manufacturing, sales or leasing of electronic computers (including peripheral equipment, terminal units, parts and accessories) and computer aided systems;

5. Information processing industry, including the computer software industry;

6. Retail trade operations with more than 11 stores; and

7. Real estate industry.

5.10 Applications for validation are submitted through the Bank of Japan to either the Ministry of International Trade and Industry or the Ministry of Finance. The application is usually sent to the Foreign Investment Council (a branch of the Ministry of Finance) for evaluation, after which the appropriate ministry examines the project and grants approval if the application meets certain criteria.

DIRECT INVESTMENTS

5.11 The manner by which a foreigner might invest or introduce his products into Japan depends to a large extent upon his objectives. The available alternatives are as follows:

1. Acquisition of equity in an existing company;

2. Formation of a new company;

3. Establishment of a branch office;

4. Establishment of a liaison office; and

5. Appointment of an agent.

Acquisition of Capital Stock—
Existing Japanese Companies

5.12 Because of government controls, the purchase of existing Japanese companies is a route which is not usually selected. In general, nonresident foreign investors may not directly acquire shares of Japanese companies without first obtaining approval (validation) under the Law Concerning Foreign Investments. The validation procedures apply to the purchase of existing shares as well as newly issued shares.

5.13 Approval is granted either automatically or on a case-by-case basis. Automatic approval is usually granted if each foreign investor owns less than 10% and the aggregate foreign ownership is less than 25%. Applications for stock acquisitions in excess of the above percentages are carefully scrutinized on a case-by-case basis. Approval for more than 50% ownership is rare.

5.14 Investment in certain basic industries such as transportation and banking is even more restricted and the aggregate foreign holdings may usually not exceed 15% of total equity.

5.15 An acquisition of shares of a Japanese company listed on a stock exchange is subject to the same rules as are discussed above. However, the validation procedures are simpler and are administered by the Bank of Japan. Automatic validation is granted if foreign ownership of the Japanese company will not exceed 25% (15% for companies in the restricted industries), provided that no more than 10% of the outstanding shares are held by any one foreign investor. A securities dealer or an authorized foreign exchange bank may act as agent for the foreign investor in obtaining the necessary validation.

Formation of a New Company—
Joint Venture

5.16 When Japan joined the Organization for Economic Cooperation and Development and acquired the status of an "Article 8 Nation" in the International Monetary Fund, certain commitments were made to liberalize restrictions on the flow of capital and profits and barriers on imports into Japan. Despite these commitments, the government continued to partially control the outflow of capital and profits by imposing restrictions on new investments in Japan. However, one of the significant liberalizations which occurred relates to the joint ownership of Japanese companies by foreign investors.

5.17 The joint venture company is the usual vehicle for direct foreign participation in the Japanese market. Since branches cannot usually obtain approval to manufacture or sub-contract production, the joint venture is probably the only practical alternative for establishing a foreign owned production facility in Japan. In addition, the use of a joint venture company may also have the advantages of providing an access to the Japanese market and to experienced local personnel.

5.43 There are three different licensing procedures for imports requiring payment in foreign currencies:

1. The import quota system—Quantities of each item to be imported are allocated to each importer by the Ministry of International Trade and Industry. If the Ministry grants a quota allocation certificate, the certificate entitles the holder to receive automatically an import license from an authorized foreign exchange bank. In April, 1972, only 33 commodities were subject to import quotas. The more important of these items are certain fruits and agricultural products, peripheral computer equipment and integrated circuits.

2. Automatic import quota—Importers must request allotments from the Ministry of International Trade and Industry for items to be imported. All requests are automatically approved unless the imports adversely affect the Japanese economy.

3. Automatic approval system—No allotment from the Ministry of International Trade and Industry is necessary. Importers must request approval of a foreign exchange bank; however, the request is automatically approved. Japan is currently endeavoring to place as many items as possible under the automatic approval system.

CANADA DEVELOPMENT CORPORATION BID FOR TEXASGULF

I am only sorry that the United States has no similar law to prevent the investment invasion currently taking place.

Such a law would certainly relieve the problems confronting Texasgulf, an American corporation operating in Texas, Wyoming, North Carolina, Louisiana, Pennsylvania, Utah, and abroad. Allow me to elaborate.

The case in point is the current attempt by Canada Development Corporation to buy controlling interest in Texasgulf, Inc. On July 25, 1973, in the New York Times, the Canada Development Corp. tendered an offer to all non-Canadian holders of Texasgulf common stock to purchase 10,000,000 outstanding shares at $29.00 a share, a particularly attractive price in light of the fact that the closing price on the New York Stock Exchange on July 23, 1973, one day before the offer was made, was $23.75. Ten million shares constitute approximately 32.5 percent of the total number of shares outstanding. I understand that the aquisition, in combination with existing holdings, will give the Canada Development Corp. a 52.5 percent controlling interest in Texasgulf. CDC has indicated that they may buy more than 10,000,000 shares if they are offered.

I am wondering what sort of effect Canadian control of this presently American owned corporation will have on the workers in each of the States where Texasgulf operates. What changes will come about as Canadians make the decisions that affect the communities that house Texasgulf? The move is admitted by the Canada Development Corp. to be an overt attempt to help develop and maintain strong Canadian controlled and managed corporations and to give Canadians greater opportunities to invest and participate in the economic development of Canada. I think that a noble goal and I commend our friends to the North for being more farsighted than we have been in dealing with foreign investment control. However, their magnanimous goals do not solve my problem with direct and indirect foreign investment, nor do they absolve me of my responsibility as a Member of this body to constantly maintain the economic well being of this country. Will a Canadian Texasgulf be interested in more and better jobs for Americans? Will a Canadian Texasgulf be as interested in complying with voluntary pollution control regulations? Will a Canadian Texasgulf contribute positively and continually to our GNP?

Unfortunately the answer to all three must be no, particularly since the stated primary purpose of the move is to shift to a Canadian oriented emphasis in policies.

My bill H.R. 8951, if law at this time, would effectively address the problem at hand. It would restrict noncitizens from owning more than 35 percent of the nonvoting securities, and more than 5 percent of the voting securities.

An article in Newsweek magazine—August 6, 1973, attached for insertion—states that the Commerce Department has formed a task force to study the implications of the takeover. While I commend them for the formation of the task force, I want to know what has taken them so very long to recognize that foreign direct and indirect investment is going to be a very serious economic, social, and political problem that we must contend with immediately. The situation will only worsen, and we will have fewer alternatives and remedies available to us.

I am not advocating a policy of bringing to a halt the inflow of foreign investment in this country. There is nothing inherently evil about foreign investment. What I am saying is that we must responsibly harness it, channel it, and use it in the very best interest of every American woman, man, and child. I think that is a feasible goal, and a responsible one, and I would encourage every Member of this body to consider the subject of foreign investment in this country as a serious one.

The article follows:

TAKE-OVERS: CANADA'S TURN

Canadians have long chafed at the degree of control U.S. companies exert over their economy, particularly their rich natural resources. Foreigners, mostly Americans, control more than 60 per cent of Canada's mining and smelting industry, for example, and more than 90 per cent of its oil industry. But last week the Canadians took the first major step toward gathering more control into their own hands.

The government-owned Canada Development Corp. made a $290 million tender offer for what amounts to a controlling interest in the $316 million Texasgulf, Inc., Texasgulf is a U.S. company that gets 68 per cent of its income from operations north of the border, including the world's largest zinc-and-silver mine at Timmins, Ont. CDC offered $29 a share, about $5 a share above Texasgulf's market price. Success of the tender offer would increase CDC's ownership in the mining company to 35 per cent; another 20 or so per cent of the stock is already in the hands of other Canadian shareholders.

Despite recent nationalistic rumblings in Canada, the move caught the U.S. by surprise. A Texasgulf official called the tender offer a "bombshell"; the firm quickly went to court and got a temporary order enjoining the tender offer until next week. In Washington, the Nixon Administration, which had no prior warning of the offer, quickly formed a task force at the Commerce Department to study its implications. "For years we've been concerned about nationalization and expropriation," grumbled a Commerce official. "No one thought of this wrinkle." But CDC quickly denied that this was the first in a series of attempted take-overs of U.S. companies with large Canadian interests.

But the bold tender offer did give notice that the Canadians are starting to do more than just complain about foreign economic dominance. CDC is expected to take a strong hand in the future development of natural resources. And there is also serious talk in Ottawa of forming a separate national oil company to share in the future development of the country's resources.

MASS TRANSIT SAVES ENERGY

(Mr. KOCH asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. KOCH. Mr. Speaker, in the midst of an energy crunch that will turn into a full-scale energy crisis unless we act to avert it, immediate expansion of energy-efficient mass transit is an absolute necessity. Our recent experience with gasoline shortages, coinciding with approval of clean air plans which call for reduced urban auto traffic, dramatizes the need to shift to more energy efficient and less polluting modes of travel. Urban mass transit is more than twice as energy efficient in moving people as the more polluting urban automobile which now predominates.

One-quarter of the energy used in the United States goes to transportation. Seventy percent of our gasoline is consumed by automobiles. We have been increasingly prodigal in our use of energy for transportation in recent decades, turning away from the more efficient modes of mass transit and train systems to the more wasteful automobile, truck and airplane. More people using less efficient transportation has meant that total energy use for transportation has almost doubled in the last 20 years and continues to climb.

The Federal Government has been a major culprit in promoting more enenergy wasteful modes of travel while allowing mass transit to deteriorate. Our transportation priorities clearly need reordering toward a more equitable and energy wise policy.

If we are to prevent acute energy shortages in the near future, we must plan for greater energy efficiency. Transportation, an essential sector of our energy economy, holds great potential for immediate and substantial energy savings. The decline of mass transit services can and must be reversed by the investment of more funds to modernize and expand our present systems and to develop and build new ones. The Institute for Public Transportation estimates that in New York City, buses and subways are at least three times more energy efficient in moving people than the private urban auto.

Not only does sensible energy policy argue for increased Federal support of mass transit, but also the need to accommodate the larger numbers of users expected when the clean air plans go into effect. Mayor Pete Wilson of San Diego, speaking for the national league of mayors, warned recently that the necessary expenditures to acquire immediately new buses and subway cars and upgrade services would drive the cities' transit systems even further into debt unless more Federal help was forthcoming.

We can no longer afford to fail to reap the benefits of a modern, clean and energy efficient mass transit system. Federal mass transit subsidies must be provided to expand and upgrade our mass transit systems. Such a policy would not only relieve the fuel shortage, alleviate the pressure on fuel prices, reduce our dependence on foreign petroleum imports, and improve our balance-of-payments deficit; it would also improve the quality of life for people in our cities by providing them with a convenient and safe mode of travel in a cleaner environment.

INTRODUCTION OF BILL TO REGULATE THE OPERATION OF CRIMINAL DATA BANKS

(Mr. EDWARDS of California asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. EDWARDS of California. Mr. Speaker, in the 92d Congress, I introduced H.R. 13315, to amend title 28 of the United States Code to provide for the dissemination and use of criminal arrest records in a manner that insures their security and privacy. This bill was an attempt to establish parameters within which law enforcement agencies could utilize necessary criminal information, but without exposing an individual's right to privacy to abuse.

Several days of hearings were held on H.R. 13315. These hearings were designed to find and strike a desirable balance between the rights of individuals and the necessity of law enforcement agencies to gather and disseminate certain kinds of criminal data and information.

There are numerous and serious problems which must naturally arise when an individual's rights and law enforcement requirements conflict. There is no better illustration than in the area of dissemination of arrest records. Raw arrest records, which merely record an arrest, but not necessarily a conviction, have been used to eliminate consideration of applicants from jobs, credit, and housing which are central to any person's well-being and life. Access to raw arrest records by government agencies, not connected with the task of law enforcement, private industry, and credit bureaus, is a widespread practice. The core of our criminal jurisprudence in this country is the basic concept that a person is innocent until proven guilty, yet raw arrest records time and again reach out to injure people who have never been involved in any illegal or criminal act.

According to FBI statistics, law enforcement agencies make some 8.6 million arrests per year for all criminal acts, excluding traffic offenses. Of these arrested, approximately 4 million are never prosecuted, or have the charges dismissed. Yet, these 4 million arrests annually are inserted on individual's "rap sheets" and become a "criminal record." Unfortunately, these arrest records when circulated are treated with as much disdain as a conviction record. There is no evidence yet presented that a person arrested and never convicted is any more of a job risk, or credit risk, or tenant risk or student risk than any other citizen. When the 93d Congress convened, I reintroduced H.R. 13315 which is now H.R. 188. We held hearings on Thursday, July 26, 1973, and will hold our next hearing on Thursday, August 2, 1973, with special emphasis on the aforementioned discriminations that arise from the indiscriminate use of arrest records.

During the course of the inquiries made by the Subcomittee on Civil Rights and Constitutional Rights into arrest records and their use, we personally had the opportunity to view the operations of the Identification Division of the FBI which operates the Fingerprint Division and we also had the opportunity to tour the National Crime Information Center—NCIC.

The NCIC is maintained at the national level by the FBI. This system operated at first through local law enforcement control terminals—as of early 1972 there were 102 terminals, of which 48 were computerized—that put the FBI in direct touch with aproximately 4,000 of the Nation's 40,000 local law enforcement agencies. NCIC then cost approximately $2.3 million per year to operate. The system contained information on stolen items and wanted persons. Of the 3.1 million NCIC files, only about 300,000 were active criminal offender records.

Federal, State, and local law enforcement agencies all contribute information to and could extract information from the NCIC files. In addition, NCIC records were searched as a part of the identification service that the FBI provides for agencies of Federal and State governments and other authorized institutions, including savings and loan associations and national banks, which seek information on an individual's arrest record for the purpose of employment clearances and licensing.

Today it is clear the NCIC then was a relatively primitive, first generation data bank. In the past 3 years with a massive infusion of more than $50 million in grants from LEAA, there has been launched a program that by 1975 promises access to computerized criminal history files kept by all 50 States that will be tied into a massive national file by the FBI. The central file will consist of comprehensive histories of persons who violate Federal laws or who commit crimes in more than one State and summary histories on offenders who have been involved solely in intrastate crimes. Any authorized inquirers, which will include any agency that now participates in the FBI's system, plus any agency subsequently permitted by the Attorney General, will have access to the central records, and will be referred to the relevant State files for further information. The individual State systems will include whatever information or intelligence the States choose to put into them and will be accessible on terms defined by each State.

I was somewhat shocked at the time of my viewing these installations to find that there was no statutory parameters that guide the operation of the dissemination of criminal information; they were operating on a statement of principle promulgated by its Advisory Policy Board. I found that while Congress had, in effect, made an initial investment of $50 million over the last 3 years to set up this system, Congress had done nothing to establish guidelines for its operation which were protective of the privacy of the citizens of the United States.

We can no longer assume that the necessary precautions as pertain to security and privacy will be established without Congress exercising its responsibility to legislate parameters for the operation of these computer data banks.

There is presently a controversy raging between the Justice Department and the State of Massachusetts as an example of difficulty with the NCIC, in particular, because there are no statutory guidelines providing for the privacy and security of these records.

The State of Massachusetts has refused to tie in with NCIC for precisely these reasons. The Chairman of the Criminal History Systems Board which has the responsibility of certifying which agencies and individuals are to be allowed access to criminal records, recently stated that when Massachusetts developed a unified criminal record system, "the potential for abuse became apparent. Most of the information is derogatory toward individuals, and it was collected solely for law enforcement purposes. We believe it should be used only for that purpose."

Simply stated, the State of Massachusetts refused to tie in with NCIC because the security and privacy of this information could not be guaranteed by the Federal system.

Their law was enacted to avoid the misuse of criminal records, the misuse of such things as stale information, mistaken arrests, and isolated, youthful indiscretions. The NCIC and all information systems that tie in with NCIC should at least be able to guarantee the same.

It is for these reasons that I am introducing today a bill to regulate the collection, storage, and dissemination of information by criminal data banks established or supported by the United States.

It is anticipated that hearings on this measure will be held in September after the recess by the Civil Rights and Constitutional Rights Subcommittee of the House Committee on the Judiciary

THE NEED FOR NEW PRESIDENTIAL ELECTIONS

(Mr. BINGHAM asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. BINGHAM. Mr. Speaker, in recent days more and more experienced observers of the Washington scene have been saying that Richard Nixon will be out of the White House by the end of the year.

I profoundly hope their prediction is correct. The Watergate scandals have gravely impaired the capacity of the Nixon administration to govern. Even more serious, the authoritarian actions of the administration, together with the revelations of moral corruption and disregard of law within the White House as well as among Mr. Nixon's most important supporters and closest associates, have gravely damaged the American people's trust in our form of government.

Most Americans would, I am convinced, breathe easier—and might even feel 10 feet tall again—if Mr. Nixon were no longer in office.

But no one in Washington, so far as I know, expects this to be accomplished through impeachment. There are those—so far mainly Democrats—who feel the House has an obligation to vote impeachment and there are those who feel the impeachment process itself would be healthy and would clear the air, but I know of no one who believes two-thirds of the Senate would vote for the President's removal.

In the view of those who predict Mr. Nixon's departure, what has to happen—and what they believe will happen—is for the leaders of the Republican Party to make clear to Mr. Nixon that he has to go, for the good of the country and for the good of the party. This procedure would be similar to the forced resignation of a Prime Minister by his own party, and they point out that in a parliamentary democracy a government afflicted with the Nixon's administration troubles would have fallen long ago.

If Mr. Nixon is indeed to leave, something like this will be needed, for I am convinced he will not resign except under the most intense pressure. Such pressure might be provided by impeachment proceedings, but there is at present no sign that impeachment proceedings will even be brought to the floor of the House for debate. I know of no Republicans and few Democrats who favor that course.

Why is this so, in view of the widespread feeling that the country would be vastly better off without the members of the present administration?

The explanation stems, I believe, from four considerations: First, genuine doubt as to whether the President can be shown to have been guilty of "treason, bribery, or other high crimes and misdemeanors" within the meaning of the Constitution; second, the fear that impeachment proceedings would be long drawn-out and would paralyze the operations of the U.S. Government on a scale wholly different from the existing handicaps; third, a concern that the likely failure of the impeachment process would appear to place the congressional stamp of approval on the misdeeds of the administration; fourth, grave doubt about the desirability of elevating Vice President Agnew to the Presidency, if impeachment of the President were successful—it is assumed that there is no real case for impeachment of Mr. Agnew.

On the other hand, strong and effective political pressures upon the present administration might force both the President and the Vice President to resign. If this were the case, there is much to be said for the procedure proposed by Mr. Clark Clifford which would permit President Nixon in effect to appoint an interim successor with the consent of the Congress—the text of Mr. Clifford's article follows these remarks.

For the longer-run, I believe we must establish a procedure for holding new Presidential elections in a situation such as that in which we find ourselves today. The country ought not to be locked in to a 4-year term, with the crude and dangerous process of impeachment the only available way to force a change in an administration that has become a disaster. I have offered a resolution (H.J. Res. 547) which would amend the Constitution to provide that the Congress may by law provide for new presidential elections when it finds that "the President has lost the confidence of the people to so great an extent that he can no longer effectively perform his responsibilities." Representative Green of Oregon has offered a similar resolution (H.J. Res. 666) with the cosponsorship of Representative Udall of Arizona. It is the hope of all three of us that hearings may be held soon in the Judiciary Committee so that proper consideration may be given to proposals of this kind. Since such a step would mean moving part way toward a parliamentary democracy, it should, of course, be the subject of nationwide discussion and debate.

A Government of National Unity

(By Clark Clifford)

Washington.—As each new chapter in the Watergate tragedy unfolds, I have an increasing sense of grim foreboding as I look at the future. The extent of the damage already sustained, and the worsening of the Administration's posture as further revelations occur, emphasize the fact that this is no time for partisanship. This is the time for Americans to work together to save this country.

Under our system of government, a President cannot function without the confidence of the American people. Parliamentary systems recognize this fact and a government resigns following a vote of no confidence. Under our system, however, the country finds itself facing three and a half years of spreading paralysis.

The executive branch virtually has ceased to function, and I cannot see it getting any better, only worse. It seems clear that the statements and testimony already made public are only the visible tip of the iceberg. Much more damaging facts will be revealed as additional witnesses tell their stories and as men, faced with the forbidding prospect of lengthy prison sentences, decide to tell the truth.

But we already know enough. We can see that the damage done to the Nixon Administration is irreparable. For over four years, power has been inexorably drawn into the hands of a few men in the White House. As their power increased, so did their contempt for our laws, our institutions, our form of government and the traditional American policy of fair play.

The public's loss of confidence is widespread and increasing. The credibility of Mr. Nixon has been seriously affected by four public statements he has made which are sharply contradictory. The public senses that additional admissions are made only as new revelations appear. The American people also are becoming increasingly aware of the harm sustained by our institutions of government. The factors, together with disclosures regarding illegal acts in last year's election, have created a serious crisis.

Our problem is compounded by the fact that the present Administration has come to treat Congress as an inferior branch of the Government. Instead of finding a basis of working cooperatively with the legislative branch, Mr. Nixon has criticized the Congress, disregarded its authority and denigrated its importance in our system. I feel strongly that if he had chosen to work with the Congress, our country would not be in such dire straits because of inflation, the loss of confidence in the dollar and his unilateral decision to bomb Cambodia and Laos and remain hopelessly entangled in Indochina.

Our country cannot afford to conduct its business in this manner any longer. Our problems at home are proliferating, while our position in the world is deteriorating. Every signpost indicates that conditions will continue to worsen on both fronts.

However, I suggest that the present posture of affairs is not hopeless. In searching for a solution, I recommend that we go to that noblest of all documents, the Constitution of the United States. It is there that the solution can be found. Although we do not have the parliamentary system there is more flexibility in our Constitution than first meets the eye.

The 25th Amendment provides in Section 1 that the President of the United States can resign and, if so, he shall be succeeded by the Vice President. Section 2 provides that when there is a vacancy in the office of the Vice President, the President shall nominate a Vice President who shall take office upon confirmation by a majority vote of both houses of Congress.

Under the authority of this Amendment, Mr. Nixon could announce that he and Vice President Agnew had decided to resign. Mr. Agnew would then resign immediately. Mr. Nixon would then ask the Congress to present him with a list of three qualified individuals from which he would select a new Vice President. The three persons named by the Congress could be Republicans, Democrats or Independents, and would not have to be members of the Congress. Mr. Nixon would then select the person he prefered and appoint him Vice President. After the new Vice President was confirmed by the Congress. Mr. Nixon would resign and the new Vice President would become President. In taking this action, there would be no implied admission of personal guilt on the part of Mr. Nixon, but simply a recognition that misconduct by high officials of the Nixon Administration has fatally compromised its ability to function in the national interest.

Under this plan, we would then have a President and a Congress that could function together successfully. The Congress would obviously have this in mind as it selected the three candidates. Also, the new President would have a mandate to consult with and work with Congress as a co-equal branch.

One caveat would be important. The Congress should insist that the person selected to become the new President agree in advance of his confirmation that he would not accept the nomination as a candidate in 1976. This would go a long way toward preventing a political struggle in the Congress, and the intervening Administration would also serve as a valuable interregnum while the two major political parties prepared for the contest in 1976.

The advantages of a new Administration brought into office in the manner are enormous. The new President could be a man of outstanding ability and the highest character. He could bring into the Government the ablest individuals in the country. He would have no political debts of commitments. He would not need to raise any money. There would not be any bought ambassadorships, but, instead, our best-trained and experienced diplomats could be appointed to foreign posts.

In short, such an Administration could make decisions based solely upon merit, and not upon obligations incurred in getting ahead.

There is a profound and pressing need for action that will restore the people's confidence in their Government. This would mean a new, clean slate, a new White House staff, a new Justice Department, a new, experienced and respected head of the F.B.I.

Also, many thoughtful persons believe that the Nixon Administration cannot function effectively but they are reluctant to accept the two obvious alternatives. They are concerned over the traumatic impact of an impeachment proceeding, on the one hand, and their lack of confidence in Vice President Agnew on the other.

The promotion of Mr. Agnew to the Presidency would result only in a truncated operation composed of the remnants of the Nixon Administration. The present difficulty in attracting able men to serve in high Government office would be increased. It would not give the country the unity it so sorely needs. Also, Mr. Agnew's recent comment that the Watergate scandal was a "manufactured issue" has added to the ever-widening credibility gap.

The Congress could designate the three persons recommended in any way it chose. One of the simplest ways would be for the Speaker and the minority leader of the House, and the majority and minority leaders of the Senate each to appoint five members to a bipartisan commission which would confer and select the three names for Mr. Nixon's consideration.

Other Presidents have, in the past, placed the welfare of the country ahead of their personal political ambitions. President Lyndon B. Johnson, on March 31, 1968, informed the American people that he would not run again because of the division in the country over the war in Vietnam. On that occasion, President Johnson said: "What we won when all of our people united must not now be lost in suspicion and distrust and selfishness and politics among any of our people."

Under the recommended plan, Mr. Nixon could make a personal contribution of transcendant importance. It would be a magnanimous action, and would assure him a place in history for his unselfish dedication to the nation's good.

It could also transform the next three and a half years from years of bitterness, divisiveness and deterioration to years of healing, unity and progress.

BON VOYAGE TO CLAY WHITEHEAD

(Mr. PODELL asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. PODELL. Mr. Speaker, the proverbial "sources close to the administration" have leaked the news that Clay T. Whitehead, director of the President's Office of Telecommunications Policy—OTP—will announce his resignation later this year. Every American who believes in a free press will be pleased with this announcement.

President Nixon has always suspected that he is not a favorite of the media; so in 1970 he established the OTP as a White House agency whose only purpose seemed to be to "encourage" the broadcast industry to report the news in a manner more favorable to Mr. Nixon. Clay Whitehead was appointed in September of that year to run the OTP, and he was accountable only to the President.

Whitehead's biggest headlines came last December, when he gave a speech dealing with license renewals and TV news coverage. The coupling of these seemingly unrelated subjects was anything but accidental; what Whitehead said was that the administration would push legislation favorable to the broadcast industry—including a longer license period and fewer FCC control—in exchange for a crackdown on news reportage considered to be unfavorable to Nixon. Whitehead went so far as to suggest that local stations should refuse to air network programs which the stations considered "unfair" to the President.

Those who remember Richard Nixon's famous "last press conference" in 1962 will realize that his hostility toward the media goes back a long way. Thus it was hardly surprising that Nixon, having been elected President, established the OTP in order to try to muzzle television and radio news through the use of the "carrot and stick." The December 20, 1972, issue of Variety suggested that "the administration is trying to coerce broadcasters into reportorial docility in return for economic protection."

Dr. Everett C. Parker, head of the Office of Communication in New York City, recently stated:

> Broadcasting has come very late to recognize what's going on. The Nixon administration is moving to cut down on freedom of the press. We all know Mr. Nixon's fear and distrust of the press and the fact that he has made extraordinary efforts to bend newspapers and broadcasters to his own purposes.

While we will all breathe a sigh of relief when Clay Whitehead is gone, I would like to call upon the President to completely dismantle the OTP and to give up his crusade to censor educational television and network news.

Because the American people support candor and innovation in the media, I am confident that Mr. Nixon's attempts to repeal the freedom of the press will come to naught.

FEEDING THE CONSUMER A LINE

(Mr. PODELL asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. PODELL. Mr. Speaker, since the beginnings of phase IV of President Nixon's economic game plan, we have been treated to the spectacle of food prices rising at phenomenal rates, while the administration merely wrings its collective hands and shrugs its multiple shoulders.

Now we are faced with a meat boycott from the other side of the butcher counter—growers are refusing to sell their animals to packing houses, and packing houses across the Nation are either temporarily shutting down or going out of business for good. In New York City, the newspapers tell of the plans of 75 percent of the city's meat wholesalers to shut down for a day, because they do not have enough to meet their week's orders.

Not only is beef being withheld from the market, but the prices of beef substitutes are rising past the point where it is economical to eat them. Chicken is selling for 30 to 40 percent more than a few short weeks ago. Lamb is becoming merely a flavorful memory for most families. Fish, if one is brave enough to eat it, costs nearly as much as the cheaper cuts of beef.

My constituency, Mr. Speaker, contains the largest concentration of senior citizens in any U.S. congressional district. Nearly one-quarter of the men and women I represent here are over 62 years of age. Phase IV exacts a greater toll from these people than from any other population group. Even with the assistance of food stamps, many of these people simply cannot afford to feed themselves. Social security has not increased its payments as the cost of living has risen. The cost-of-living increase which goes into effect next year, has been totally eaten up by the increase in food prices alone—a year before it takes effect.

We have heard so many stories about the cause of high food prices that we no longer know what to believe. As I see it, we simply do not know what makes food prices so incredibly high. But I do know one thing, Mr. Speaker, and that is that we owe it to our constituents to find out.

The current state of affairs in the beef industry suggests that the growers and packers may be in serious violation of our antitrust statutes. By withholding beef from the market, they are acting in restraint of trade. But what action has this administration taken to bust the meat trust in behalf of the consumer? None.

Last year's massive wheat sales to the Soviet Union disrupted the natural market processes in the United States. It may take years to recover. But Vice President AGNEW has gone on record as looking forward to ever-larger sales of grains to China next year. Mr. Speaker, this is the height of irresponsibility. At a time when we must make every effort to insure a plentiful supply of food at reasonable prices for our own consumers, only a few short weeks after the President told the Nation that domestic priorities would come ahead of profits on foreign markets, it is a slap in the face of the American housewife for Mr. AGNEW to make such a statement.

Is the administration merely giving lip service to the goal of controlling inflation in the food industry? Perhaps the President believes that the American public will be nourished by the lines they are being fed in the press releases generated by the Cost of Living Council and the Council of Economic Advisors.

When Secretary Shultz told the American public that they would have to eat less, he was apparently speaking in total sincerity, since that is precisely what we will all be doing unless the administration takes strong steps to determine and control the causes of inflation in the food industry.

A NATIONAL BLOOD BANK PROGRAM: AN END TO BLOOD PROFITEERING

(Mr. PODELL asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. PODELL. Mr. Speaker, this year, 17,000 people will develop serum hepatitis as a direct result of an ordinary blood transfusion. Approximately 100,000 people will show evidence of subclinical infection and at least 850 Americans will die. These horrifying statistics are an outgrowth of our disjointed, uncoordinated, and unsafe system of blood collection and distribution. I am introducing legislation today which will restructure our network of blood banks and reassert the responsibility of the Federal Government to protect the public health and safety. This legislation is more extensive than any other pending before the Congress and covers vital areas which previously have been neglected.

The only institution which can manage both the interstate and intrastate supply of blood is the Federal Government. My bill creates within the Department of Health, Education, and Welfare, a national blood bank program. The Secretary of HEW would be responsible for the licensing and inspection of all blood banks and the promulgation and enforcement of regulations governing purity, health, and safety. All blood being distributed in the United States would be tested for the presence of hepatitis by the newest and most effective methods.

One of the principal aims of my legislation is to develop an all-voluntary supply of blood and blood products. Although only 15 percent of our present blood reserves comes from commercial sources, they account for 25 to 45 percent of all post-transfusion hepatitis.

Commercial blood is from 11 to 70 times more likely to cause hepatitis than is voluntarily donated blood. Under the provisions of my bill, the Secretary of HEW will develop techniques and procedures to encourage the voluntary donation of blood and the phasing out of all commercial blood banks. Blood profiteers who make their living by exploiting skid row derelicts will be expunged from the system. Blood coming from commercial sources will be clearly labeled as such. For the first time, a national blood donation drive will be coordinated through a single autonomous agency.

Twenty-five percent of the 8.8 million units of whole blood collected annually is never used. This is due to inept management, poor coordination of the different geographic regions, and illogical distribution. It makes no sense to allow blood to stagnate and decompose in California while it is desperately needed in California. My legislation would mandate the establishment of a nationwide system to produce the most efficient and practical distribution of blood. By salvaging the millions of units of voluntary blood that are annually wasted, we will be able to totally eliminate our need for commercial blood.

Blood is presently being regulated under patchwork authority by the Bureau of Biologics of the Food and Drug Administration. Although well intentioned, the Bureau is demonstratively unsure of either its mandate or function. Its performance in the inspection of interstate blood banks has been lackluster and uninspired. Though the Secretary of HEW has recently announced his intention to take initiative in this area, and in spite of recent attempts by the Bureau of Biologics to rejuvenate and expand its regulatory activities, the blood industry remains virtually uncontrolled. Ignoring the urgency of a recently released comprehensive study by HEW which vividly outlines the many deficiencies and health hazards in our blood gathering network, Secretary Weinberger has given the blood industry additional time in which to develop self-regulating procedures. While he waits, thousands of Americans live in dire peril.

Present Federal regulations require that all foreign blood banks importing blood into the United States be licensed and inspected by the Bureau of Biologics. Lack of effective enforcement in this area, however, provides further evidence of the need for a national blood bank program. For example, Hemo-Caribbean, an international blood bank that does most of its blood letting in Haiti and most of its blood selling in the United States, was recently shut down by Haitian authorities as a threat to the health of their citizens. Similarly, Colombian officials were forced to take action against several other banks which import blood into the United States. These facilities were the site of frequent incidents of brutality, illness, and death. The health of both donors in Haiti and recipients in the United States was put in severe jeopardy. Why were these violations not detected in mandatory inspections by the Bureau of Biologics? The only possible answer is inefficiency and neglect. My bill would require the Secretary of HEW to establish and stringently enforce standards for the safety of all parties involved in the blood-gathering process.

The Congress can no longer delay in enacting legislation in this vital area. Each day we wait, we permit innocent people to be exposed to unnecessary dangers. I urge the Committee on Interstate and Foreign Commerce to expedite action on this matter. Failure to act would signal our approval of the present hazardous state of confusion and exploitation in the blood bank industry. The legislation I am introducing today can provide an immediate and effective solution to our national blood crisis.

HISTORY AND CHALLENGE FACING THE COMMONWEALTH OF PUERTO RICO

(Mr. BURTON asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. BURTON. Mr. Speaker, as chairman of the Subcommittee on Territorial and Insular Affairs, I believe the following will be of interest to my colleagues, relative to the history and the challenge facing the Commonwealth of Puerto Rico:

SPEECH DELIVERED BY HON. RAFAEL HERNANDEZ COLON, GOVERNOR OF PUERTO RICO, ON CONSTITUTION DAY, JULY 25, 1973, THE 21ST ANNIVERSARY OF THE COMMONWEALTH OF PUERTO RICO

Today we are celebrating twenty-one years of Commonwealth. These twenty-one years have witnessed remarkable progress in the democratic evolution of Puerto Rico and a consolidation of its constitutional institutions.

With a new awareness of the potential of free popular will, our people have exchanged one administration for another without altering the basic democratic principles of the community; and they have transmitted political power from the generation which founded our institutions of government to a generation which was in adolescence when these institutions were created.

A new generation of Puerto Ricans has undertaken responsibility for public affairs. This generation is now being tried in the fire of an intense struggle to carry out a wholly integrated development of our community.

Thus, we have arrived at a new beginning. We have inaugurated an Era of Good Hope and we intend to create a new Puerto Rico.

INTEGRAL PROGRESS

We have begun by viewing the problems of our country as a whole. We see them as a whole and we intend to attack them as a whole.

We all know that during the twenty-one years of Commonwealth, Puerto Rico has made dramatic and noteworthy progress. The economic indicators place us among the world's richest nations. However, we are also aware that these indicators, even though economically valid, do not express the true reality about Puerto Rico, or the level of satisfaction of our people.

The reality is that we find ourselves in an unusual stage of development, one which is, perhaps, the most critical. It is a stage when, on the one hand, we are confronting problems which accompany a high level of development—problems such as pollution and the breakdown of the environment, social dislocations, and drug addiction. On the other hand, we are dragging along with us problems associated with underdevelopment—chronic unemployment, proliferation of slums and extreme poverty.

Our economic progress has not been equitably distributed. There is too much poverty alongside prosperity. That partial prosperity, along with modern communications which allow all of us to be aware of it, even when not sharing it, creates expectations, demands and a sense of urgency in a large part of our community which are hard to satisfy at once.

At this same time, the growing political ability and maturity of the Puerto Ricans have created an awareness of the possibilities of participation. Activism is on the rise in all fields. There is concerted action toward goals in labor, student, community, and political affairs of all sorts. Puerto Rico is no longer a passive country. Instead, it has become activist, with all the related consequences.

Whoever believes that simple, rapid or improvised solutions can be found for the problems growing out of the realities of today's Puerto Rico, is deceiving himself (and others?)

The real solutions are complex. They require a complete and integrated knowledge of Puerto Rico's realities. They require the sensitivity to be able to grasp what is happening in this country. They require the fusing of different elements in order to produce satisfactory results. They require, moreover, imagination to conceive them and the will to carry them out. Above all, they require time and effort, for which there is no substitute.

Within our concept of an overall attack on the problems of our society, we have begun a series of reforms and programs directed toward resolving some of these problems in depth.

Tax reform for the purpose of widening our tax base and achieving a fairer distribution of wealth and income is underway. A fundamental revision of our system for providing health services is also underway, and at the same time we are making progress with electoral reform which will fulfill to the utmost our people's desire for political participation.

We have created new organizations, conceived with imagination and realism, to give new life to our agriculture, our countryside and our small towns. We have legislated powerful instruments to address the frightening inflation from which Puerto Rico is suffering along with the rest of the world at this moment. We have gathered together at least, in a newly-created Department, the different programs and services for fighting drug addiction, alcoholism, and related disorders.

New perspectives for our industrial development are being opened by the deep-water port project, which is being evaluated at this moment. Consideration of this idea has been open and public, with participation of all sectors in this issue. This reflects the high level of participation in basic decisions which we wish to encourage.

We are pushing reforms, programs and far-reaching projects whose results will be seen in time. At the same time, we are also running the day-to-day government; restructuring organizations, giving to government a sense of purpose of self-respect, and confronting and resolving the immediate problems which cannot wait. We are taking care of the most urgent problems without forgetting the more important ones.

Thus, while we are searching for the root of our problems, and also battling on different fronts and on various levels, we have begun the era of Good Hope. We are keeping an overall view while we push forward in particular areas. We have a lot of ground to cover and in certain areas we haven't even begun. But we hope to generate unified progress for our country, progress which may be evaluated not only in quantitative terms, but also on the basis of its quality, so that as we create new job opportunities, we may assure ourselves that our environment does not deteriorate; so that as we construct new housing and modern communications, we may avoid turning this island into a huge cement plantation, destroying the beauty which can alone satisfy the spirit; so that as we go on filling the basic material needs of our families we may always preserve the ties and relations of togetherness and mutual consideration which enrich life far more than mere consumer goods.

This is a battle being fought on many fronts at once; on the economic, the social, the political, the cultural, and the spiritual fronts. At one moment, we will be emphasizing one area; at another moment, another. We will be always watchful, however, so that when it comes time to weigh our achievements, we will have gained ground on all fronts with progress as evenly distributed as possible. This is our concept of overall development.

Today being the 25th of July, it is time to talk about political matters.

POLITICAL STATUS

Over four centuries of colonialism—interrupted only by a brief but honorable exception, the Charter of Autonomy granted to us by Spain in 1897—came to an end twenty-one years ago, when on a day like today the Free Associated State (Commonwealth) was constituted by the people of Puerto Rico in the exercise of their right of self-determination.

Today we honor that occasion as a day of freedom, a day in which the will of our people created a new political relation with the United States and gave to itself the basic instruments of self-government.

From that day on, Puerto Rico has been the ruler of its own destiny, which we have joined by our own will to the destiny of the United States of America, for the purpose of achieving the highest possible levels of civilization, while maintaining liberty, democracy, and respect for human dignity and basic human rights.

The 25th of July which saw for the first time the flag of Puerto Rico flying alongside the American flag, just twenty-one years ago, marked the end of a constitutional and consultative process initiated by Puerto Rico before the Congress of the United States by P.L. 600 of 1950.

The opening words of this law lay down the philosophic principle which was to infuse the whole process of the development of Commonwealth. Congress expressed it thus:

". . . fully recognizing the principle of government by consent, this act is now adopted in the nature of a compact so that the people of Puerto Rico may organize a government pursuant to a constitution of their own adoption."

On this same principle, the United Nations granted its recognition to the Commonwealth the following year, expressed in a formal resolution adopted by the General Assembly on the 27th of November of 1953 to the effect that:

". . . when choosing their constitutional and international status, the people of the Commonwealth of Puerto Rico have effectively exercised their right to self-determination."

Thus the Commonwealth was born; its legitimacy stemming from the will of the people of Puerto Rico. It was the people who created it in the free exercise of their right to determine for themselves their own political destiny. It was the consent of the people of Puerto Rico which gave legal and moral validity to the new relationship between Puerto Rico and the United States as of July 25, 1952.

Some time later, on February 28, 1955, a high official of the government of the United States addressed a joint session of the Legislative Assembly of Puerto Rico. He expressed himself as follows:

"To me, it seems that Puerto Rico's Commonwealth status is something new in constitutional governments. Something new in this sense: that at one and in the same time, Puerto Rico is free; and in spite of the fact, Puerto Rico is associated; a free and associated state. Free because you are, and associated because you want to be."

In this simple but profound fashion, the essence of the self-determination which gives life to the Commonwealth was grasped by the then Vice-President, now President of the United States of America, Richard Nixon. He likewise grasped the solid and fruitful principles of Commonwealth liberty and association—liberty to govern our own life and our own destiny in association with the United States in such a way that we may grow, develop and mature to the limit of our ability as individuals and as a people.

From the moment that Commonwealth was born, it was expected that future changes in the relationship would be carried out by mutual agreement as part of the very nature of this new relationship.

To this effect, the Constitutional Convention approved Resolution 23, expressing that:

"The people of Puerto Rico reserves the right to propose and accept modifications in the terms of its relations with the United States of America in order that these relations may at all times be the expression of the agreement freely entered into between the people of Puerto Rico and the United States of America."

In the same spirit, the United Nations, in the resolution extending recognition to the Commonwealth, expressed their assurance that:

". . . in accordance with the spirit of the present Resolution, the ideals embodied in the Charter of the United Nations, the traditions of the people of the United States of America and the political advancement attained by the people of Puerto Rico, due regard will be paid to the will of both the Puerto Rican and American people in the conduct of their relations under their present legal statute, and also in the eventuality that either of the parties to the mutually agreed association may desire any change in the terms of this association".

Time passed, but in spite of the Commonwealth having been founded and having demonstrated itself to be a successful instrument of self-government, the status question continued to be debated in Puerto Rican politics.

In the general elections held every four years, the electorate continued to divide itself along the lines of the three possible solutions to the status problem. Finally the status question was dealt with in a plebiscite held on July 23, 1967 in order that the people of Puerto Rico might express their preference between Commonwealth, with its capability for growth and development, Statehood or Independence. Commonwealth was overwhelmingly ratified by 60.41% of the votes, Statehood receiving 38.9% and Independence less than 1%. The poor showing in favor of Independence in the plebiscite does not vary greatly from that achieved by its proponents in the general elections. At best, in the last four general elections, they have obtained some 6% of the votes.

On ratifying the Commonwealth in the plebiscite, the people approved a mandate:

". . . to develop Commonwealth in accordance with its fundamental principles to the maximum of self-government compatible with a common defense, a common market, a common currency and the indissoluble bond of the citizenship of the United States".

To implement this mandate, the people imposed upon the Governor of Puerto Rico the obligation of proposing to the President of the United States the joint formation of advisory groups (Ad Hoc Committees) to study the areas for development and to make pertinent recommendations to the President, the Congress, the Governor and the Legislature of Puerto Rico.

Complying with this mandate with great satisfaction, I initiated through the Resident Commissioner the appropriate steps with the White House to set up an Ad Hoc Committee which would be in accordance within the expressed will of our people. Everyone is familiar by now with the message which the President sent to me, indicating his willingness to heed the demand of our people by naming those members which it is his responsibility to appoint to a new Ad Hoc Committee.

What should be the goal of this Committee? Naturally it must be to fulfill the mandate of our people for the development of the Commonwealth. But what are the guidelines which the people have laid down in their mandate? How should the Commonwealth be developed?

In the first place, this growth must proceed in accordance with the basic principles of the Commonwealth itself. These basic principles are:

1. Association by compact freely agreed upon by Puerto Rico and the United States.

2. Puerto Rico should be and should remain united to the United States by means of the association which the people have created.

What is the nature of the relationship established by the people?

It is a permanent union.

How and when was it created?

PERMANENT UNION

Permanent union is the result of an historical process that began with the change of sovereignty in 1898.

It was shaped by the people of Puerto Rico and the people of the United States.

In 1952, the Commonwealth gave legitimacy to this union—legal and moral dignity—and strengthened it by basing it on the freely expressed will of the people of Puerto Rico. But the roots of union go much deeper than its constitutional expression.

Beginning with the change of sovereignty in 1898, the slow weaving of more and more extensive relationships between the two people went on; bonds were formed which grew closer and tighter with the passing of the years.

Commercial ties were formed which over time have made of Puerto Rico the fourth largest market for American products, and of the United States the largest market for Puerto Rican products.

The economies of both countries were joined at a growing rate in the fields of industry, insurance, agriculture, finance, construction and in practically every kind of economic activity

Through Operation Bootstrap, American and Puerto Rican businessmen have established heavy, medium and light industries in Puerto Rico, thereby creating hundreds of job opportunities for Puerto Rican workers. In every town on the Island the industries established jointly through this effort by the government of Puerto Rico, the American and Puerto Rican industrialist and the Puerto Rican worker are producing for the local market and, in even greater measure, for the large market of the United States.

Over the years systems have been established and rights have been granted which bind thousands of Puerto Ricans directly to the federal government—social security for example, and veterans rights earned by Puerto Ricans for their honorable part in the various wars fought by the United States.

American citizenship was granted to Puerto Ricans, and in enjoyment of their prerogatives a great number of our fellow-countrymen began to move to the continent. This number has grown to a point where today around two million Puerto Ricans make their home in the continental United States.

But this Puerto Rican emigration has displayed a special nature. The dream of every Puerto Rican who departs for the United States is to return to the Island. This is probably true of all emigrants, but the difference in the case of Puerto Ricans is that, because of common citizenship, free movement between Puerto Rico and the United States, and cheap and fast transportation between both countries, the possibility of achieving this dream becomes a reality every day for hundreds of Puerto Ricans.

The Puerto Rican in the United States clings to his identity, an identity whose integrity and development is defended by the Commonwealth. The longing to seek their roots and find their identity surges through with astonishing force among the second and third generation of Puerto Ricans living in the United States. I must confess that I saw one of the finest exhibitions of Puerto Rican artistic development that I have ever seen in the Puerto Rican district of Manhattan. I have witnessed with great emotion, in a visit to a Bronx public school, the teaching of Spanish and English to children by teachers brought from Puerto Rico; I saw the school was hung with our coat of arms and with posters of our great leaders; I heard "La Borinqueña" (The Puerto Rican Anthem) sung in their assembly hall.

During recent decades we have witnessed a growing circular movement of Puerto Ricans going to the United States and returning to the Island. To define our people as those who at a given moment may be residing on the Island is therefore totally unreal. The reality is that the Puerto Rican people are in constant state of flow and movement. Hundreds of those who are here with us today will be leaving tomorrow for the United States. Hundreds of those who are today in the United States will be leaving tomorrow for Puerto Rico. If there exists a truly permanent and unbreakable bond, one which makes unchangeable the union between Puerto Rico and the United States of America, it is that coming and going, that ebb and flow of this great body of our fellow-countrymen between Puerto Rico and the United States.

In the juridical sphere, common citizenship cements the real, living and palpable union. It binds every Puerto Rican, no matter where he lives, to the United States. It is a bond of such strength that the Supreme Court of the United States has determined that Congress itself cannot deprive a Puerto Rican of his American citizenship. American citizenship—bestowing rights, but also imposing upon us responsibilities which we Puerto Ricans have honorably taken up and which we are ready to fulfill at all times.

Beyond all these factors, as the foundation or breeding ground for this permanent union, are the bonds of affection and the deep values which both peoples share. These are the things in which we both believe in and in whose defense we are ready to pay any price, our faith in liberty, in the essential equal rights for every human being; respect for the majority will of the people, for the democratic system of government, and for the rule of law over the rule of men. These are the ideals which have nurtured brotherhood between Puerto Rico and the United States. Within a communion of values and principles of living, we have joined our countries to confront together the destiny of humanity.

Our permanent union is, then, a vital reality forged by history, maintained by the will of the people of Puerto Rico and consecrated by the Commonwealth.

Upon this permanent union, and through the association by compact, we have built the Commonwealth. We have built it, therefore, upon the foundation of reality, which in its various forms constitutes the firm and fundamental basis for the creation of political formulas in the world.

In projecting the political development of the Commonwealth twenty-one years since its creation, there should be no doubt that our community desires that our political development be fulfilled with the scope of permanent union. This scope is defined and limited by common defense, common market, common currency and common citizenship between Puerto Rico and the United States.

Within this framework, our people have ordained that this development achieve the maximum of self-government. In an attempt to stifle the growth desired by the people, a theory has been developed which holds that any expansion of self-government for the Commonwealth, even within the limits I have indicated, constitutes a weakening of permanent union. Those who hold this theory do not understand what permanent union is and they do not share the desire of the people of Puerto Rico to exercise their right to self-determination.

For them permanent union is not what we have just explained. For them it is something else. It is the degree of authority which the federal government exercises over Puerto Rico. According to them, the more authority the federal government has, and the less self-government Puerto Rico has, the more permanent is the union. This is fallacious reasoning, which the people of Puerto Rico reject.

Based on this reasoning, we would have to conclude that the union between Puerto Rico and the United States was most permanent during the time of the military government which was established by the United States in 1898. Following this reasoning, the Foraker Act which allowed Puerto Rico to elect the House of Representatives weakened the permanent union; it was further weakened, according to this reasoning, by the Jones Act, which gave a Senate to our people; and later by the Elective Governor Act. Still following this same mistaken reasoning, the Commonwealth Constitution and the compact of association went even further toward weakening the permanence of the union between Puerto Rico and the United States.

Obviously this reasoning is erroneous. What our history demonstrates is precisely the opposite: as the people of Puerto Rico have acquired greater self-government and greater freedom to direct their own affairs, their union with the United States of America has gained greater strength. The truth is that the union is stronger today than at any other time. History shows that as the years have passed, the ties between Puerto Rico and the United States have been voluntarily growing closer and closer.

Our friends who hold such an incorrect notion of the essence of our union should recall the words which President Eisenhower spoke on the occasion of the first anniversary of the Commonwealth. This is what President Eisenhower said in his message to the people of Puerto Rico:

"The union which we share will endure because it is founded on freedom. Time may bring changes in its outward forms and expressions, but they shall ever be expressions of the mutual trust and the mutual friendship binding us today and always."

My fellow-countrymen: I have wished to clarify the idea of permanent union so that, understanding it as clearly as the people understand and desire it, we can concentrate on the self-determination of Puerto Rico and on the development of Commonwealth without making an issue out of permanent union, because it is not an issue. Starting from the basis that any development must occur within permanent union, let us examine what it is that our people desire.

THE POLITICAL DEVELOPMENT WHICH PUERTO RICO DESIRES

The people want their own Commonwealth government brought to its fullest expression.

The people have again exercised their right to self-determination. The people propose to the United States that the Commonwealth be carried to the maximum of self-government.

This is the fundamental purpose of the Ad Hoc Committee which I have proposed to the President in fulfillment of the mandate of the people expressed in the plebiscite. Nothing less than this will satisfy the desires of the people of Puerto Rico. Nothing less than this will fulfill the stipulations of our Constitutional Convention and the dispositions of the General Assembly of the United Nations in giving its recognition to the Commonwealth.

In defining how the development of the Commonwealth will achieve a maximum of self-government, the Ad Hoc Committee will be able to address itself to a series of immediate problems which create difficulties within the present relationship. Among them is the problem of air and maritime freights; the minimum wage problem; the regulation on income allocation for tax purposes by the Internal Revenue Service; the application of the regulation of the Federal Environmental Protection Agency to Puerto Rico, as well as other limitations on our self-government. The Committee may also study alternate forms of participation which the people of Puerto Rico ought to consider, together with the Presidential Vote, to determine how they wish to take part in federal affairs, in harmony with Commonwealth status.

All this can and should be examined as a whole, in view of the plebiscite mandate for the development of a maximum of self-government compatible with common defense, common market, common currency, and common citizenship.

This means that the Ad Hoc Committee which we are setting up by common agreement must not be limited to a restricted area. Rather, it must include a group of problems which are interdependent among themselves and with all the rest of the problems of Puerto Rico. Otherwise we would fall into the possible error of artificially dividing the indivisible, of separating the inseparable.

With regard to the appointment of those fellow Puerto Ricans who will represent their country on the Ad Hoc Committee, in discharging this patriotic duty, I concur with the view of the President that the committee should be broadly representative. I will endeavor to insure that the Puerto Rican members will be representative of Puerto Rico in the broadest and most profound meaning of that term. However, my appointments will be guided by the criteria on the commitment of the Commonwealth, established for the naming of such persons by our Supreme Court, in interpreting the law under which the plebiscite was held.

Since the beginning of the century, it has become habitual in Puerto Rican political life for certain leaders to try to win in the circles of power in Washington or in the United Nations what they have lost in the ballot boxes in Puerto Rico. By circumventing the free voice of our own civic struggles, they wish to impose their own preferences on the will of the people channeled through the democratic process of the growth of the Commonwealth.

Their politically oriented lobbying will not succeed, simply because the government of the United States, just as the government which I head in Puerto Rico, has a responsibility to the will of the people of Puerto Rico. This will has been repeatedly and overwhelmingly expressed in democratic ballots. This conviction has been endorsed by the conduct of President Nixon, as it was in the past by other presidents of whatever political affiliation. This is as it should be, and I am confident it will remain so in the future.

Neither the legitimate interests of the people of Puerto Rico as a people, nor those of the United States in relation to Puerto Rico, can depend upon transitory party considerations. Our relations must be conducted between governments and between countries, without consideration of casual party lobbying. This always has been my conviction.

Only because of this can we explain the good news which we are celebrating today. If it were not so, reason, justice, and the moral and political right of Puerto Rico to those powers which will make Puerto Rican life more democratic and more just, would be subordinated to considerations of petty local politics, or removed from the democratic mandate of our people.

Moreover, and very specially, the President of the United States designated to represent him here today a high federal official whose conduct in relation to Puerto Rico is the incarnation of the principle and method of reason and justice which I have just described: our friend the Attorney General of the United States, Elliot Richardson.

In possibly his last decision as Secretary of Defense before passing to that post which he currently fills, Mr. Richardson did justice to Culebra, to Puerto Rico and to the good name of the United States.

I am very happy today to extend to him the salute and the recognition of our people on the occasion of his celebrating with us the achievement and the potential of Commonwealth.

Next week I will be meeting with other— distinguished representatives of the President's representatives to define the working agenda of the Committee and to move ahead towards the development of Commonwealth.

AN ERA OF GOOD HOPE IN POLITICAL

Because of all that I have stated, this 25th of July is a date of Good Hope for Puerto Rico; Good Hope for its overall progress; Good Hope for its political development. We rejoice, then, in our Good Hope.

Moreover, on the occasion of the 21st birthday of the Commonwealth, we rejoice because we have special reason to celebrate today the undeniable historical fact that the relationship which has grown between Puerto Rico and the United States which, even with its needs for improvement, already has great validity. This relationship has undeniably made possible the spectacular progress our people have achieved.

We rejoice because when the essential validity of Commonwealth has been put to the test in trying times, it has emerged successful. And today it is reason for special celebration that the President designated as his representative a man like Elliot Richardson who, with courage and determination, made a fundamental decision on a problem which put to the test the essence of our relationship.

We have, therefore, many reasons to be deeply satisfied as we honor Commonwealth day today. Our creation is not perfected. It has many sensitive and delicate areas which must and will be reevaluated.

But it works. It functions well, and this, above all, is what we should celebrate today: That 21 years of existence have shown that a country small in population and size can unite with another great in numbers and territory without losing its identity, without compromising its dignity, without hampering its right of self-determination. Those 21 years have demonstrated that when the life of peoples is ruled by profound ideals of freedom, of democracy, of sincere and mutual respect and a faith in justice, the most serious difficulties can be overcome and the hardest problems resolved; that where democracy and liberty exists, power in the long run is subordinated to justice and to reason; and that on these bases peoples can complement each other and can together seek their mutual happiness and the common progress of mankind.

What all this means for Puerto Rico, for the United States and for the world is masterfully set forth in the words of the Spanish philosopher Julian Marias, whom in conclusion, I quote: "If I am not wrong, Puerto Rico has created, in the reality and doctrine of the Commonwealth, one of the most original and fruitful socio-political formulas of our epoch—possibly the only alternative invented to date capable of overcoming the anachronistic 'nation-colony' dilemma. In an age of feeble political imagination this Puerto Rican creation could easily be overlooked. The danger is so much the greater because its size keeps Puerto Rico from becoming a sounding board. Who would suspect that in a tiny island in the Caribbean there has been hammered out a concept of universal range and of the greatest contemporaneity?"

With this great potential for making from our experience a creative contribution of universal scope for the democratic, peaceful, and brotherly development of other peoples, Puerto Rico faces its rendezvous with destiny.

Establishment of the Commonwealth of Puerto Rico

July 25, 1952.

(By Luis Muñoz Marín)

At the close of my address I shall unfurl the flag of the people of Puerto Rico. This act will mark the establishment of the Commonwealth in a voluntary association of citizenship and affection with the United States of America. We shall see in this flag the symbol of the spirit of our people facing its own destiny and that of America as a whole. The flag of the smallest community of the hemisphere will fly together with the flag of the United States and will proclaim to the world that Democracy declares all peoples, as all men, equal in dignity. Puerto Rico is honored to see its flag wave side by side with the flag of the great American Union; and the Union, with its great democratic conscience, must feel gratified that the flag of a vigorous-spirited people pays it the tribute of voluntary companionship on the flagstaff of liberty.

The flag of Puerto Rico does not signify narrow nationalism. It does not restrict the love and respect the Puerto Ricans feel toward the other peoples of the earth. And it is the flag of all Puerto Ricans: the flag of those who used it in the past as a symbol of terrorism, and the flag of those who use it now as a symbol of peace and courage. We rescue this flag for those very persons who tried to reduce it to a device for dissension. We claim this flag as a rallying point for the unity which exists wherever diversity of thought and a free dissemination of ideas prevails.

We see in the flag not the mistrust of others but rather confide in ourselves and fraternal respect towards all. It is the flag of courage, friendship, unwavering faith, peace, and hope: the great qualities of the Puerto Rican people. This is the flag which has left behind obsolescent nationalism and which rises above political demarcation: it is rather a flag of Christian brotherhood.

Our people come closer every day to the ideal which this flag represents. It is that of a tranquil life where there is honest work for a decent wage; though few may obtain luxury, none will live in a slum. This, the people see in their flag.

Our families live serene in the knowledge that their children will be educated and that illness, old age, and misfortune will be mitigated by reasonable protection. This, the people see in their flag. Some, if their efforts deserve it, may have more or even much more than this but none shall have less—this, too, the people see in their flag. That our daily task shall be accomplished gladly and in freedom with due regard for rights and duties and mutual respect; and that the exercise of free enterprise for the general welfare shall be deemed a duty and not only a right—this our people see in their flag.

Liberty is enshrined in the hearts of our people. They know that either the denial or the abuse of liberty is incompatible with the flowering of the human spirit. As between these unhappy alternatives, the abuse of liberty is preferable to its denial; and with democratic stoicism the people see this choice represented by their flag. But superior to both is the exercise of liberty with the dignity it deserves—this above all the heart of the people see in their flag.

The fraternal feeling which we have towards all men—I repeat—is in this flag. We see increasingly that which we already know well: that men everywhere are more alike than unlike. This is the wisdom reflected in our flag.

Puerto Rico is a bastion of that spiritual resistance to a nationalism that is destructive of peace and of hope. This unshakable ideal of resistance is in the flag today and will be there forever.

We can rejoice, then, that our flag represents these good and enduring things: liberty, serenity, justice generosity, and the will to work; the feeling of kindliness to one's neighbor; the culture which means modesty and the good life in our dwellings, happiness in our toil, protection against ill fortune, abundance and simplicity in our fare, gaiety at our fiestas, neither poverty nor luxury in our habits, and virility in defense of our rights. We value a man more for that which he intends to do than for that which he intends to acquire. We are reverent in our love of God. All this the flag represents to us, for our people have put their hearts and their souls in this flag, which I now raise in the name of all Puerto Ricans.

God bless it.

Address by the Honorable Luis Muñoz Marin, Former Governor of Puerto Rico, on the One Hundred and Fourteenth Anniversary of Luis Muñoz Rivera, July 17th, 1973

I believe that we do justice to the memory of Muñoz Rivera by speaking simply and in basic terms of the future of Puerto Rico, and how Puerto Ricans can together make possible the good life in a good civilization, in the best sense of that phrase, as distinct from the modern expression "the good life", with which it is sometimes confused.

I do not come here to offer praises for what we have achieved, which is a great deal. I am here instead, to talk about all that we have not done, or have done insufficiently, which is perhaps even more.

By any index of economic progress, Puerto Rico's development can be compared to that of the most industrially advanced countries in the world. In what we have done with that progress, however, we cannot be equally proud. We are mired in an unjust and perplexed world, and we have not distinguished ourselves for the better or for the worse in the non-economic sphere. We have increased the production of goods and services by more than twenty-fold since 1940, from $225 million to $5.0 billion yearly, but there has been no great lessening of the injustice by which this new production is distributed among Puerto Ricans. We could say that we have exchanged a general scarcity and poverty for an aggregate prosperity the unjust distribution of which is both an affront and a challenge to our conscience. Perhaps this could not have been otherwise. Since poverty was so pervasive, that little could have been accomplished with any kind of redistribution plan. We did try to redistribute income, but it was soon apparent that it was imperative to concentrate on the production of new wealth. There was hunger everywhere, and to parcel out equitably the scant supply of bread would not have palliated this hunger. It was necessary to produce more bread. We had to wage and win the battle of production, and thus more energy was concentrated in the making of wealth than in its just division. It is now time, however, to face that other challenge: the shifting to new priorities.

We are on the verge of a new era for a new Puerto Rico. Five billion dollars of gross national product annually not only permit, but even compel us, to establish new goals more in accord with the principles of justice and of the good society; yet we must always remain mindful of the deep need for further economic development. While we must continue our progress, we are not now forced to pursue it in a desperate and haphazard manner. Instead we may now choose a more deliberate path. Our will for a better life, for the necessary quality in human relations, should and could predominate over the crude motivation of mere economic growth—for economic growth is not an end in itself. The real challenge, and that which is today our task, is to use this progress to respond to the just needs of the people of Puerto Rico. I believe that this can be done in the following manner:

(1) by acting equitably, within the law and in good faith, to redistribute income directly and in community services;

(2) by eliminating the present contamination that degrades our environment—in the air, the water—and by controlling any future sources of pollution;

(3) by reducing to a minimum the rate of unemployment;

(4) by developing a new public policy to provide a reasonable minimum income to every family, putting an end to poverty;

(5) by developing a rapid, comfortable, and modern system of public transportation, not only for the metropolitan area but also for the rural regions of the Island: More rails than asphalt—for roads without rails will produce only bottlenecks and turn our highways into little more than corrals for automobiles;

(6) by providing attractive and modern low cost housing in place of slum dwellings;

(7) by saving the fields of Puerto Rico for agriculture and recreation and reshaping our urban policy: stopping urban sprawl and in its place establishing new towns with good transportation links;

(8) by stimulating programs in family planning with all the means available, and in the most energetic and effective manner, to prevent unchecked population growth from precluding gains in the quality of Puerto Rican life;

(9) by providing adequate medical treatment for all on the Island, including the victims of vice and drugs;

(10) by multiplying the resources needed to educate every child and every young person in Puerto Rico, and by raising the quality of education;

(11) by restoring civility and security to the streets and the homes of Puerto Rico;

(12) by using all the means available to today's ELA to work persistence and patience to reach the point where Puerto Ricans are able to exercise autonomously all the powers not necessarily reserved to the United States by nature of the covenant of permanent union based on common citizenship.

Each of these points I have mentioned are an integral part, and an important function, of a just distribution of resources and income.

It is evident to me that our current distribution of net income in Puerto Rico is not a fair one. According to the most recent (1970) census, this distribution was as follows for the 565,000 families that constitute the population of Puerto Rico:

Family income and approximations, 1970 census

Families with less than $500—13 percent—72,000.

Families with $500 to $1,000—9 percent—49,000.

Families with $1,000 to $2,000—14 percent—78,000.

Families with $2,000 to $3,000—13 percent—80,000.

Families with $3,000 to $4,000—11 percent—64,000.

Families with $4,000 to $6,000—15 percent—82,000.

Families with $6,000 to $10,000—15 percent—82,000.

Families with $10,000—11 percent—58,000.

Thus, 13 percent of our families must make do with less than $500.00 yearly! And even in the wealthier strata, only 11 percent of our population can count on more than $10,000.00 yearly! Is it for this dim outlook, even allowing for the rise in prices and in population, that we have increased our production since 1940 from $225 million to $5 billion? Is it just that there are families that must subsist for 365 days of each year with less than $500.00? Is it fair that we legitimize the right of some to dispose of millions, with or without personal merit, but surely without so much merit, while there are others who live in squalor and misery? Is there a person in this world who can be said to be one thousand times the "worth" of another? Or even one hundred times another's "worth"? There may well be such a person, among those that discover a relief for the source of great human agony, or among those who discover a truth heretofore unknown and thus save from pain and suffering one being or a whole people. But we know that such noble persons would ask for no material reward.

The unjust distribution I speak of is not confined simply to that which is purely monetary. Injustices are evident in the opportunities for quality education. We find that in our school system there are forty to fifty students for each teacher; and we must operate double shift systems; and that there is terrible inequity in opportunities for a college education. This is an injustice caused not by positive law or by the basic system, but more simply by an inability to provide quality schooling. Injustices are also evident in the availability of adequate health care. One can frequently see the corridors of public hospitals overflowing with people in need of medical treatment. One must be truly affluent to be able to afford the cost of private hospitalization. There is also the great problem of the degradation of the environment, which affects both rich and poor with equal injustice. The effort to increase the economic base must continue. But we now have the means by which we may guide this effort with a clear sense of the true and noble goals for which we must—as well as for which shapeless and mindless ends we must not—use this economic base. We must not now create a society of unnecessary consumption, side by side with painful and frustrating poverty. We can easily observe that there are three times more free seats in automobiles than places occupied by children in our schools. We see windfall gains in land speculation at the expense of agriculture and of the production of nutritious foods. We have today a contrast between excessive individual wealth and extreme poverty that constitutes an affront to our conscience and to our sense of honor.

How can we plan to redistribute this wealth when Puerto Rico doubles its current total income from $5 to $10 billion per year which at the current rate would happen in 8 years? Perhaps we should instead allow for 16 years since choosing selectively the paths to and the means of economic progress and to adapt our economic system to the ideals of good civilization may reduce this rate of growth and the proportionate increase in wealth. In 16 years the population of Puerto Rico could be 4 million and there could be 1 million families. What would be, then, a just distribution of income among those families, taking into consideration the right of each human being to free himself from poverty whatever his capabilities, and considering also the human characteristic to expect greater remuneration in payment for the exercise of greater capabilities? I venture to project the following scale of distribution of income that Puerto Rico can set as a goal for itself, as an ideal of economic and social justice.

Families earning $8,000 to $10,000—70 percent—700,000.

Families earning $10,000 to $15,000—20 percent—200,000.

Families earning $15,000 to $20,000—5 percent—50,000.

Families earning $20,000 to $30,000—3 percent—30,000.

Families earning $30,000 to $40,000—1.4 percent—14,000.

Families earning $40,000 to $70,000—0.6 percent—6,000.

I believe that a series of wise public policies could make it possible for us to approximate this goal in 16 years.

The function of our political status is to help us achieve the quality of life that the people of Puerto Rico want to create for themselves. This goal that has been so often repeated and so repeatedly forgotten, is among the three basic things I have been able to give to my people. I am convinced that the ELA as it is today, and even more as it will be when it reaches its greatest development within the permanent union with the United States, is the only status by which we can realize the ideals of justice and civilization to which we have addressed ourselves tonight. Political status, I repeat, as I will repeat one hundred times more, is needed to serve those high human ideals, and not to divert us from realizing them—not, then, to block and destroy our path to a better society.

The people of Puerto Rico have demonstrated clearly and consistently their desire for permanent union with the United States. But the people of Puerto Rico want this permanent union together with the greatest self-rule compatible with that union. I hear talk about tightening or loosening the ties between Puerto Rico and the United States. I say to all my countrymen that to tighten sometimes chokes and smothers, and that the only democratic way to stengthen bonds is to loosen and destroy chains.

As time passes one's life becomes shorter, and occasions such as tonight's become limited. It is in the nature of things that I will not be able to address you on this anniversary as many times in the future as I have been able to in the past. I accept without false modesty the merit that accrues to me for that which I have been able to do for this land in the last one third century in the company of so many good and generous people. I must also accept responsibility for that which could have been accomplished but was not. I ask you to think deeply with me on what has been said today. Think deeply, those of you who suffer most heavily the inequities of our unjust world, and search your hearts for ways in which to ameliorate your circumstances. We ask as well that those of you who have the good fortune of not suffering as harshly the world's injustice also to think deeply and to join the generous militance of your conscience in this quest. Let us all, then, reflect deeply on the great Truth that in the long history of Man what is unjust for some is unjust for all. The palace is not independent of the slum, nor is the plenty of some free from the poverty and deprivation of others. It is the whole of Puerto Rico that is unjust with itself. It is Puerto Rico itself and Puerto Ricans themselves who, with deep thought in behalf of a clear conscience, must find the means to put an end to our own injustice.

HOUSE OF REPRESENTATIVES,
Washington, D.C., March 27, 1973.

Mr. JAMES H. FALK,
Assistant Director, Domestic Council, The White House, Washington, D.C.

MY DEAR MR. FALK: I appreciate the opportunity to confer with you, Mr. Fairbanks, and Mr. Rondon on March 14, 1973. In accordance with our conversation, I shall, in this letter, attempt to summarize the suggestion which I made. My suggestion pertains primarily to action which the United States and the Commonwealth of Puerto Rico might take as the next step in the progressive development of a relationship with the United States which the people of Puerto Rico hold very dear. In our estimation the Puerto Rican Federal Relations Act of 1952 which sets the terms of this relationship, is anachronistic.

BACKGROUND

As you know, the United States and the Commonwealth are jointly committed to such progressive development. It was implicit in Public Law 600—81st Congress (July 3, 1950), which was expressly adopted "in the nature of a compact," which recognized the right of the people of Puerto Rico to "organize a government pursuant to a constitution of their own adoption." A part of this compact was the Federal Relations Act which continued in effect certain provisions of law dating back to 1900 as amended in subsequent years, governing the relations between Puerto Rico and the United States. The evolutionary and creative nature of Commonwealth, inherent in the whole history of the relationship itself, was underscored by several specific modifications of the federal relationship, effected by Act of Congress and of the people of Puerto Rico, jointly. In addition, this evolutionary concept is reflected in a series of initiatives which beginning with a resolution of the Legislative Assembly of Puerto Rico in 1962 have not as yet come to fruition.

In 1964, both governments joined in the creation of a United States-Puerto Rico Commission on the Status of Puerto Rico. (Public Law 88–271, February 24, 1964, enacted by the Congress, and Law No. 9, April 13, 1964, enacted by the Legislative Assembly of the Commonwealth.) The function of this Commission was to "study all factors . . . which may have a bearing on the present and future relationship between the United States and Puerto Rico."

In 1966, the Status Commission issued its report, proposing a plebiscite on the status of Puerto Rico, in which the people of Puerto Rico would express their choice between Commonwealth, Statehood and Independence. It was explicitly understood that, as provided in the 1962 Resolution of the Legislative Assembly of Puerto Rico, a vote for Commonwealth would constitute a vote, not for a static form of that relationship as it existed at the time, but a vote to "maintain . . . further growth of the Commonwealth." The Status Commission recommended that if the people voted for Commonwealth, so defined, "a joint advisory group or groups would be convened to consider these proposals."

THE PLEBISCITE OF 1967

In a plebiscite held July 23, 1967, pursuant to an Act of our legislature and following the recommendations of the Status Commission, more than 60% of the voters cast their ballots in favor of the Commonwealth alternative as against action leading towards Statehood or towards Independence. Specifically the plebiscite act and the ballot provided that a vote for Commonwealth involved "the reaffirmation of the Commonwealth . . . as an autonomous community permanently associated with the United States and for the development of Commonwealth "to a maximum of self-government compatible with a common defense, a common market, a common currency and the indissoluble link of the citizenship of the United States."

Unfortunately, no effective action has been taken to implement the plebiscite mandate. President Johnson expressed his readiness to appoint a joint advisory or advisory groups to implement the plebiscite decision. Local political problems prevented Governor Roberto Sanchez Vilella, from following up President Johnson's invitation made on August 17, 1967. Two years later, his successor, Governor Luis A. Ferre, leader of the statehood party, did act, but, contrary to the advice of the proponents of Commonwealth, he limited the scope of the advisory group to one item—the Presidential vote for Puerto Rico. That limitation was challenged in court by the Popular Democratic Party, whose position was that all measures conducive to a maximum of self-government had to be considered jointly. Five of the eight participating judges stated that such restriction violated the clear intent of the Plebiscite Law—the other three did not express themselves on these grounds—but a majority of the court held (5 to 3), on procedural grounds, that no legal remedy was available. See 98 DPR, pp. 339–475 (1970).

In accordance with Governor Ferre's initiative, an Advisory Group was appointed in April 1970 by joint action of President Nixon and the Governor. The Advisory Group reported in August 1971, recommending extension to the people of Puerto Rico of the right to vote for President and Vice President and proposing that this recommendation be submitted to the people of Puerto Rico for approval or disapproval in a referendum.

The Commonwealth (Popular) Party has again taken the position that the 1967 plebiscite calls for the presentation to the people of all measures conducting to a maximum of self-government and not a single isolated item.

The mandate of the 1967 plebiscite remains unfulfilled to this moment.

THE NEED FOR IMPROVEMENT OF COMMONWEALTH

In the November 7, 1972 elections, with the political status once again in the forefront of basic issues, the citizenry endorsed fully the continuation of Commonwealth as well as its early improvement. The basic success of the Commonwealth idea constitutes a unique development in America. On the face of its achievements and its continuing popular support it deserves the fullest opportunity to be strengthened and safeguarded.

The very fact that Puerto Rico has not repeated the traditional patterns of territorial incorporation or of nationalistic movements but has chosen to brave the unchartered seas of innovation renders Commonwealth particularly vulnerable to honest misunderstandings and to vicious attacks.

At present, in the light of the experiences and ideologies of the former European colonies and the rhetoric of colonial liberation prevalent in Africa, Asia, Latin America and the Caribbean, progress and freedom in Puerto Rico are, and dialectically are almost bound to be, under constant attack. For we represent a basic commitment to rationality; to the realities and not the cliches of freedom; to improvement under law; and to good will among men. But such a commitment runs counter to the experiences, doctrines and tactics of the so-called third world. Commonwealth is not a story which has the quick, superficial appeal of formal independence, nor is it an easy course to create or to follow. It represents a style of heroic maturity which one can only hope will come into its own soon.

Puerto Rico's preeminent merit is that it has remained loyal to humane values and to the democratic process while struggling with difficult realities. But it would be illusory to suppose that Puerto Rico's own political process may remain static while everything changes in its surrounding world.

As an emerging society and as a post-colonial society, Puerto Rico cannot escape the tensions of the past and the present decade. As recently as September 1972 the so-called De-Colonization Committee of the United Nations, prompted by Cuba, aided and abbetted by nationalist and independence groups in Puerto Rico and under the leadership of Bulgaria, China, Czechoslovakia, Russia, Iraq, Ecuador, Tanzania, Mali, India, Yugoslavia, Sierra Leone and Syrian Arab Republic, endeavored to declare Puerto Rico a non-self governing territory. The resolution was finally watered down to provide for carrying out a study for the same purpose.

Pressures from this group of nations, however, and of many others who share their views or who cater to them, are bound to result in continuing and repeated attacks upon the United States and Puerto Rico. Only the reality of steady progress and development will enable us effectively to reply to these assaults and to demonstrate that they are unjustified.

THE SUGGESTED ACTION

A relatively simple and effective step could be taken now which would be in furtherance of the commitment of the United States and the Commonwealth. This would be the joint creation of another Advisory Group, selected by the President and the Governor of the Commonwealth. The mandate of this Advisory Group would be twofold: First, to delineate and clarify all measures conducting towards a maximum of self-government for the Commonwealth of Puerto Rico within its relationship with the United States. The experience of the past twenty years permits the identification of several matters which ought to be settled in keeping with the principles heretofore accepted by the United States and Puerto Rico. Within these principles, one would hope to effect appropriate participation by the people of Puerto Rico in the powers exercised by the Government of the United States in matters affecting Puerto Rico as well as maximum autonomy for Puerto Rico's continued development as a self-governing community. Second, to recommend the most suitable, effective, and expeditious means for the formulation and joint consideration and adoption of specific measures for such development.

You will recall that, in our meeting, I illustrated some of the problems and possibilities that the Advisory Committee might consider: For example, possible changes in regulation of television and radio which is now exclusively committed to the F.C.C.; coastwise shipping laws; the special mechanism provided by statute for fixing minimum wages in Puerto Rico; and the possibility of devising some mutually satisfactory mechanism for improved Puerto Rico participation in federal laws and administration applicable in Puerto Rico.

Once the Advisory Committee has identified the basic themes it might complete its task by referring the matter to the President and to the Governor of the Commonwealth.

The guiding objective would be for them to consider and agree upon joint proposals to be submitted to the Congress and to the people of Puerto Rico. Or the Advisory Committee might wish to refer its conclusions to the people of Puerto Rico for subsequent formulation of specific proposals by them. Said proposals in turn would be submitted to the President and to the Congress, following the model of Public Law 600—81st Congress. Alternatively the Committee itself might devise other modus operandi. In any case juridical modifications would have to be approved both by the Congress and by the people of Puerto Rico.

If this suggestion appears to you and your associates to be feasible, the appropriate procedure would seem to be for the Governor of the Commonwealth, to write the President, formally inviting the joint appointment of an Advisory Group for this purpose. I shall, of course, be glad to discuss the suggestion with you and to have the benefit of any suggestions that you and other officials might make with respect to changes or otherwise.

Again, I express my thanks to you and your associates for your helpful consideration.

Cordially yours,

JAIME BENITEZ.

THE WHITE HOUSE,
Washington, D.C., July 17, 1973.

Hon. RAFAEL HERNANDEZ-COLON,
Governor of the Commonwealth of Puerto Rico, La Fortaleza, San Juan, Puerto Rico.

DEAR GOVERNOR: In response to your request transmitted through Resident Commissioner Jaime Benitez, the President shares your belief that this is an appropriate time, in the best interests of all American citizens, to establish another jointly-appointed, broadly representative Ad Hoc Advisory Group to explore an area of mutual concern in the relationship of Puerto Rico and the United States.

In order to determine the appropriate area of exploration by the Advisory Group and to give precise direction to their efforts, the President has asked Richard Fairbanks, Associate Director of the Domestic Council staff and me to go to Puerto Rico in the very near future to confer with you and your advisors on the important details of membership, timing and charter. We would hope that, inasmuch as the recommendations of the first Ad Hoc Advisory Group established pursuant to the findings of the Status Commission, regarding the Presidential Vote, are still outstanding, the recomendations would again be specifically addressed.

The President has asked me to convey to you his confidence that this group will produce useful recommendations toward a favorable resolution of its mandate in the mutual interest of both the United States and Puerto Rico and to extend to you his commitment to the continued progress and prosperity in the years to come of the Commonwealth of Puerto Rico.

With all good wishes,

Sincerely,

KENNETH R. COLE, Jr.,
Director, Domestic Council.

A RESOLUTION FOR RESTORING NORMAL FRIENDLY RELATIONS BETWEEN THE UNITED STATES AND SWEDEN

(Mr. MEEDS asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. MEEDS. Mr. Speaker, I am pleased to join today in cosponsoring the gentleman from Minnesota's (Mr. FRASER) resolution that normal friendly relations be restored between the United States and Sweden.

The necessity of this resolution results from a display of extended petulance by President Nixon because of Swedish disagreement with our conduct in Southeast Asia. There has not been an American Ambassador in Stockholm for nearly a year and the administration has tacitly refused to receive an Ambassador from Sweden since January.

At a time when we are exchanging visits and warm toasts with nations not long ago regarded as bitter enemies—and I do support our diplomatic initiatives toward Russia and the People's Republic of China—it is nonsense to exhibit such unbecoming behavior toward a nation basically friendly to the United States and the homeland of many American citizens. Apparently the only sin Sweden has committed has been to sense the folly of our Southeast Asian policies before many Americans did and to express its objections.

Sweden as a nation has existed long before there was a United States and its emigrants have contributed greatly to our culture. Because a nation is friendly to the United States, it is absurd to insist—as apparently the administration is doing—that our friends are not our friends unless they follow every quirk in our foreign policy. The purpose of this resolution is simply to try and bring the administration to its senses and end this petty vindictiveness toward Sweden.

AN INTERVIEW WITH MELVIN LAIRD, COUNSELOR TO THE PRESIDENT FOR DOMESTIC AFFAIRS

(Mr. GERALD R. FORD asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. GERALD R. FORD. Mr. Speaker, I believe all of us who served with him here in the House were gratified when it was announced that our former colleague, the Honorable Melvin R. Laird, has accepted the responsibility of Counsellor to the President for Domestic Affairs. Speaking personally, I can say that Mel's experience and knowledge of government and of the legislative process, as well as his reasonable approach to problems and amiable approach to people have already proven enormously helpful to me and much more importantly, to the urgent business before the country. After a month in his new role, Mel has submitted to questions by the media in two recent sessions and I know that Members will be interested in his forthright comments which I insert in the Record at this point.

An Interview With Melvin Laird, Counselor to the President for Domestic Affairs, NBC "Today" Show, Tuesday, July 31, 1973

Mr. McGee. It is exactly 15 minutes past the hour.

For a week, the Nation watched the testimony of John Ehrlichman. When he was Presidential Counsellor for Domestic Affairs, Mr. Ehrlichman was looked upon as one of President Nixon's most powerful assistants. This morning, we want to talk with the man who replaced Mr. Ehrlichman in that White House job, and he is Melvin Laird, the former Republican Congressman from Wisconsin, who later served as Secretary of Defense, and early in June he assumed his present post as Counsellor to the President.

We want to talk with Mr. Laird, both about the White House and how it is operating these days, and about the secret bombing of Cambodia, which he testified a few days ago that he ordered when he was Secretary of Defense, and he has agreed to talk with us throughout this hour.

He is in our Washington studio with Today Washington editor, Bill Monroe, and NBC News White House Correspondent, Richard Valeriani.

Mr. Valeriani. Thank you, Frank.

Mr. Laird, there were times when Ford has said that you recommended to the President that he release at least some of those tapes of those conversations to the Watergate committee, is that correct?

Mr. Laird. Well, I don't want to discuss my specific recommendations to the President of the United States. What I would like to say is that the President considered all the possible ill advice that he could receive. He looked at himself, he discussed it over a long period of time, and he made the decision, not on the political advice that he received, but on the basis of the legal and the constitutional advice that he received as far as the protection of the Presidency itself.

So, he took a long-range approach to this important decision rather than the short-term approach, and the short-term approach based upon political advice, of course, would have gone the other way. But, he did take the constitutional and the legal advice that was given to him in order to protect the Presidency, and that decision was made by him after very careful and thorough consideration.

Mr. Valeriani. Well, when you talk about political advice, one who knows you might figure that you are talking about the advice you gave him, which according to Congressman Ford was to release the tapes.

Mr. Laird. Well, I am a politician, and I am proud of being a politician. I have been in office for some 27 years. There is one thing that happened over at those hearings in the Senate the other day that went unchallenged by the Senate committee members, and that was when a young man was testifying there that he had learned that he should not enter politics or be involved in Government.

And, I believe, I would challenge that statement because I think that the politics, which Webster says is the art and science of Government, is one of the most honorable professions that a young man can choose, and I am pleased and proud to be referred to as a politician.

Mr. Valeriani. Mr. Laird, doesn't it appear that the President is using these tapes selectively to his own advantage when he denies them to the Prosecutor, denies them to the Ervin committee, denies them to John Dean, who appears to be a witness unfriendly to the White House, and allows some tapes to be listened to by H. R. Haldeman, a witness who appears to be friendly to the President?

Mr. Laird. Well, I have not had an opportunity to read that transcript of yesterday. I did not know in advance that Mr. Haldeman was going to make the statements which are reported in the press today. I can only say that the President in deciding to protect the Presidential papers, whether they are papers or tapes, made that decision after receiving very careful advice, receiving many opinions, various options, and he came down on the side of protect the constitutional separation of powers between the Presidency and the congressional branch, and I think he followed his constitutional lawyer's advice, Charles Wright, from the University of Texas Law School, as well as the legal advice that he received from others.

And so, that decision was based primarily upon those constitutional and legal grounds which were considered along with the political advice, and the political recommendations.

Mr. Valeriani. Mr. Laird, one of your key functions is liaison with Capitol Hill. What do you hear from your colleagues, Republicans up on the Hill, about the tapes? How does the President's refusal to release them affect his standing with them?

Mr. Laird. I think they are, of course, involved in the day-to-day operations of Government. They are in constant touch with their constituents, as they should be, and I think that many times the easiest approach, the short-term approach, has the greatest popularity at the moment, but I think that that perhaps will change as time goes by.

I would have to say that most of them do take the short-term approach to this question now, and are involved in politics, and rather than take the legal or constitutional basis that the President followed, perhaps a majority of them would follow the so-called political or short-term approach to this particular problem.

Mr. Valeriani. One of the most important functions of a President is to preside, to lead, and isn't this affecting his ability to lead not only the country, but his own party?

Mr. Laird. Well, I think that any President, in order to be a leader, must always take the long view of the situation. He must not be looking just from one election to the next election. He must be looking from one generation to the next generation. He must be looking at our system of Government, and our Constitution, and trying to predict what he believes is important as far as the separations of powers.

Mr. Valeriani. Is he going to be able to lead the country, though, for the next three and one-half years, say, if there is a nagging doubt about his guilt or innocence?

Mr. Laird. Yes, I think that the basis upon which the President was elected to the Presidency, his superior conduct of foreign policy, his ending a war which no one wanted, his opening up new avenues with China and the Soviet Union, his revenue sharing approach to many of the domestic problems, his program for improving education, for better schools, for better communities, the Housing Act, the Special Revenue Sharing Act, the new highway legislation—I can go through a great many of these programs upon which he based his election campaign, and I believe that those programs were accepted by the American people and they are just as viable today as they were during that campaign when he received such an overwhelming vote.

Frank, what we have to get about now is putting these programs into operation, getting support in the Congress of the United States to improve our educational system, to improve our health programs, to improve our highway programs, to go forward and solve the energy crisis, which we face here in the United States.

These are all matters that were discussed thoroughly during the campaign, and those programs are available for implementation now.

Mr. McGee. Mr. Laird, there have been published reports that you are so unhappy with your lack of access to President Nixon that you may resign. Could you comment on that?

Mr. Laird. I would just say that those reports are false. I have never been a quitter; I am a stayer. I have only quit a few jobs when I thought that I could make a greater contribution someplace else. I quit the State Senate in Wisconsin to go to Congress because I thought I could make a greater contribution in Congress.

I quit the Congress to become Secretary of Defense because I thought I could make a greater contribution there than I could in the Congress. I quit my one-year sabatical leave because I thought I could make a contribution to the President of the United States, to the Presidency and to the country.

I am not a quitter. I am a stayer, as long as I can make a contribution to the President and to the country.

Mr. Valeriani. Do you think that is going to be for another three and one-half years, Mr. Laird?

Mr. LAIRD. Well, I didn't set, as you know, Dick, at the press conference when I came into the White House, I said that I hoped to stay for a year. I really am a retired Congressman, you know, and I don't like to be called Counsellor or Secretary. I like to be called Congressman with (Ret.) because that is all I am, just a retired Congressman trying to help out a little bit in the White House.

Mr. VALERIANI Do you have the access to the President you would like to have?

Mr. LAIRD. Yes, I do.

Mr. VALERIANI. There are stories that he does not take your advice, for instance, on releasing the tapes and on letting Ron Ziegler go.

Mr. LAIRD. Well, I don't keep a running track record on whether my choice is followed or whether my recommendation is followed. The important thing is to be able to communicate one's recommendations, and I am able to communicate that recommendation at all times.

Mr. MONROE. Congressman, we also have some other questions for you, not long from now.

Thank you, Dick Valeriani. Right now, back to Frank.

Mr. MCGEE. And our thanks as well. We will continue our discussion with Congressman Laird (Ret.), as he says, in our next half hour.

Now, a station break.

(Announcement)

Mr. MCGEE. Thank you, Gene. It is 39 and a half minutes past the hour, and we are devoting this hour to a talk with Mr. Melvin Laird, former Member of the House of Representatives, former Secretary of Defense, and currently President Nixon's Counsellor for Domestic Affairs.

He was named to his present position after it was vacated by John Ehrlichman, who only yesterday concluded five days of testimony with the Watergate committee. Mr. Laird is in Washington with Today Washington editor, Bill Monroe, and NBC News White House Correspondent, Richard Valeriani.

Mr. Laird, I would like to ask, we have had conflicting testimony before the Watergate committee, about the attention given to Watergate in the weeks and months following the disclosure of the break-in, with John Dean saying that it was the principal subject of concern, Mr. Ehrlichman and Mr. Haldeman saying that was not the case at all, that it was a minor matter until many, many weeks and months later.

What about the present time? How much of your time, how much of Mr. Nixon's time, is given to consideration of developments in Watergate and the Watergate committee?

Mr. LAIRD. Well, I am sure that there is a considerable amount of time given to the Watergate situation. There is po—I don't think we should minimize that. It is handled largely, however, by Counsel to the President, Len Garment and also by Fred Buzhardt, Professor Charles Wright and other lawyers.

I personally am not involved with the Watergate, past, present or future. I spend my time working on the current domestic problems, and some of the national security problems that our country is involved in at the present time, and so my time is not spent on Watergate affairs.

Mr. MCGEE. As a retired congressman, it might be fair to ask you whether you think the Ervin committee is out to get the President or is being unfair to the White House?

Mr. LAIRD. As a retired congressman, I can only say that I have great respect for that coequal branch of the Government, and I do not believe that any congressional committee ever prejudges a situation. I hope that this committee is not—and I have every reason to believe that they have not passed judgment on the situation, and are still open to facts and information.

Mr. MCGEE. One more Watergate question—I have forgotten what it was. Dick, I yield to you. I will get back to—

Mr. VALERIANI. I am glad you forgot it.

Mr. Laird, how often do you see the President?

Mr. LAIRD. I am not the expert on the Watergate situation, but I am glad to discuss any matter with you. Now, perhaps you will remember that question.

Mr. MCGEE. I have remembered what it was.

What do you expect the President to do to confront what the polls indicate was a Watergate credibility question? Will he make a statement? Will he make a speech? Will he find a forum, such as a news conference, in which he can be questioned?

Mr. LAIRD. Yes, I think he will do all of those.

Mr. MCGEE. Soon?

Mr. LAIRD. Well, I would think he would wait until this particular phase of the hearings has been completed. I certainly would recommend that. I do not believe that the President of the United States should be responding to every witness that appears before a congressional committee, and at the proper time, I am sure, I am confident. I know that the proper response will be made by the President of the United States.

Mr. MCGEE. How often do you see the President, Mr. Laird?

Mr. LAIRD. I see him every day—

Mr. MCGEE. How is he—

Mr. LAIRD. In fact, every day that he is in town, and I am in town. I do not accompany him on all of his trips. I have certain other responsibilities that I feel require me to be here in Washington. I do visit him when he is out of town, but I do not spend all of my time accompanying the President of the United States to the various places that he goes.

Mr. MCGEE. Do you sense any great concern on his part about what is going on? The speech he made last week was "Let others wallow in Watergate. I am going to move on to other things." The White House gives the impression they are—

Mr. LAIRD. I think that is most important.

Mr. MCGEE. Not paying a lot of attention to Watergate?

Mr. LAIRD. I think that is most important, to move on to these other problems.

Mr. MCGEE. Is he concerned at least when you see him daily?

Mr. LAIRD. Yes, I do see him daily, and we talk about the various problems we have, whether it be in the energy area—I had a long discussion with him about the agricultural legislation. He is very much aware of these problems, and he is addressing them on a daily basis.

Mr. MCGEE. Does he feel his authority to govern, his capacity for governing, for leading, has been diminished by this?

Mr. LAIRD. I do not believe that he has that concern. He realizes, I am sure, the damage that has been done by individuals that did not serve him properly during this particular period, but he is—he knows, as President of the United States, for the next three and a half years, he has wast responsibilities and he is facing up to those responsibilities not only internationally but domestically as well.

Mr. VALERIANI. Mr. Laird, you ordered the secret bombing of Cambodia, you and the President. You said at the time you were not responsible for the falsification of records but, in ordering the secret bombing, didn't you put people below you in a position where they felt there was no alternative except to falsify records? They couldn't disguise the fact that hundreds of thousands of tons of bombs were dropped.

Mr. LAIRD. First, as Secretary of Defense, I never condoned, permitted, authorized or ordered the falsification of any record, and I would reject that outright. I would not permit it. I think it is important, though, for you to put the—I did authorize the bombing.

Mr. VALERIANI. Was the bombing supposed to be secret?

Mr. LAIRD. The bombing was authorized for two very important purposes. It was authorized in March of 1969. I had been Secretary of Defense for the period of about two months, and I had come into this situation from my work on the Defense Appropriations Committee where I had questioned Secretary McNamara, Max Taylor and others.

In 1964, I questioned Secretary McNamara and Max Taylor on why the Cambodian sanctuaries weren't being hit because they were being used. And, Secretary McNamara and General Taylor indicated at that time that militarily it would be a good thing, but they felt that it might bring China into the war, and the Cambodians would invite the Chinese.

We were losing—when I became Secretary of Defense—from 300 to 250 Americans a week, and the sanctuaries were being used for the North Vietnamese and the Viet Cong to go across the border and hide in the nine-mile area, to reply, all of their supplies were there, and come back over and attack Americans.

Our Americans were not able to go into those sanctuaries, were not able to protect themselves. I felt it was absolutely essential as Secretary of Defense, and the President concurred with this and ordered me to do everything I could to reduce American casualties.

Mr. VALERIANI. Excuse me,—

Mr. LAIRD. So. we authorized the bombing of the enemy-occupied territory in Cambodia.

Mr. VALERIANI. Now, I would like to ask you why didn't you trust the American people enough to tell them?

Mr. LAIRD. Well, I will tell you that.

I would like to give the other reasons for the bombing but, basically, the bombing was authorized so that we could cut down American casualties and permit the withdrawal of Americans because my objective, as I took over as Secretary of Defense for President Nixon, was to withdraw the American forces.

For the last four years, every month we had been adding Americans and casualties continued to grow. We wanted to withdraw Americans and reduce casualties.

Why didn't we tell the American people that the bombing was going on? Your question. The answer to that particular——

Mr. VALERIANI. Let's get into the secrecy matter in a moment. We will ask you a couple of questions and come back to this topic in just a moment.

Right now, back to Frank.

Mr. MCGEE. We will be back after this message.

(Announcement)

Mr. MONROE. We will return to Washington and continue our conversation with Mr. Melvin Laird in just a moment. So don't go far.

(Announcement)

Mr. MCGEE. President Nixon's Counsellor for Domestic Affairs, Mr. Melvin Laird, is in our Washington studio with Today Washington Editor Bill Monroe and NBC White House Correspondent Richard Valeriani, and, Mr. Laird, you have said why you ordered the secret bombing of Cambodia in March of '69 when you were Secretary of Defense and the question before you is, Why this had to be secret, why the American people were not told. The question was posed by Richard Valeriani. Would you please continue?

Mr. LAIRD. The reason that we—for diplomatic purposes, the reason that we did not release the strikes, except in the channel reporting to the Chairman of the Joint Chiefs, to me, and to the President, and we used that separate reporting channel on these particular strikes. The same was true of certain strikes as far as Laos was concerned but these particular strikes were reported in this manner because of the diplomatic sensitivity of the situation.

As I told you in '64, Secretary McNamara and General Taylor testified that it was sensitive to go into the sanctuary areas because the Cambodians might invite the Chinese in and that testimony was given to our committee back four years before I became Secretary of Defense, but I listened to it as a member of the committee.

But the diplomatic sensitivity of the situation was that Sihanouk would have to condemn the actions of the United States in the North Vietnamese occupied territory just across his border and would have to call for the halt of such use of American air power in the area. And, because of that diplomatic sensitivity, a special channel of reporting was set up and I approved this separate reporting system.

Now, the implementation of the reporting system, of course, was handled in the military chain, but I did approve the top secret security classification in reporting channels because of the diplomatic sensitivity.

Now, this was agreed to by every member of the National Security Council. It was felt that the diplomatic sensitivity was such that this separate reporting channel directly to the Joint Chief, to me, and the President of the United States was authorized under these conditions. But the primary reasons for the strikes was to protect American service personnel, to reduce casualties.

And every week while those strikes were going on in the sanctuary areas, our casualties went down in Vietnam. And I believe that I can justify beyond any question of a doubt that the reduction of the loss of American life justified the recommendation which I made to the President of the United States and was approved by him for these particular strikes. It also made possible and assured the success of our withdrawal program and the American people, and all those that criticize those strikes today, should realize that we had a troop ceiling of 549,500 at that time and our casualty figures were running from 250 to 300 a week.

Mr. VALERIANI. Mr. Laird, is that the way the government is supposed to be run? You have talked about being a member of the committee and getting information from the Executive Branch which you withheld from Legislative Branch in this case.

Mr. LAIRD. Yes, in periods of war we have to do certain things.

Take the Manhattan project. That was during a period of war. There were five members of the House and five members of the United States Senate——

Mr. VALERIANI. Did anybody know about this bombing?

Mr. LAIRD. Yes, they did and they were briefed on the Hill. The various people that I had a direct responsibility to as far as the chairmanship of the committees that were involved with the Department of Defense, this is very difficult to make a choice as to who is briefed and who is not briefed.

Mr. VALERIANI. Is it true that the House was briefed?

Mr. LAIRD. Then there is the responsibilities. It is the responsibilities of that particular committee chairman to make that decision as to who he will share that information with. It is a very difficult situation.

I was on a special committee that handled appropriations for the CIA when I was in the Congress and I served with some very distinguished members of Congress. It is a special responsibility you have and it is a very difficult responsibility to bear as a member of Congress.

There should be some better system set up in which we can carry on these kinds of operations when the national security of the country is involved, when the protection of American lives is involved, when the withdrawal of American forces is involved.

Mr. VALERIANI. Mr. Laird, don't you have some responsibility, even though you did not order it, for the actual falsification of records in the sense that you ordered a massive bombing campaign that lasted over 14 months and you told your people it had to be secret? How were they going to cover it up without falsification?

Mr. LAIRD. Well, I will say that the falsified report which was sent to the Congress 90 days ago was a mistake and I do not know how that report was delivered to the committee. All of the figures should have been made public and included in the report going to the Congress.

Back in 1969 and 1970, there was a reason for the classification. It was a "snafu", a mistake for the Defense Department to send that report to that Congressional committee just 90 days ago and I do not defend that action.

Mr. VALERIANI. The falsification was all right while the bombing was going on, but we don't need to do it any more.

Mr. LAIRD. There was no falsification. The separate reporting channel was all right while the bombing was going on, and prior to our entry in crossing the border. As a matter of fact, when we went into Cambodia with ground forces, I stated in my press conference at that time at the Pentagon that bombing had been going on in the sanctuary areas, and I admitted it publicly.

I can also point out to you that the New York Times, Bill Beecher, back in 1969 reported on the bombing. First, it was reported in the London Times, and then in the New York Times. When I was asked about that particular bombing at that time, I did not falsify any statement.

I "no commented" it because I could not either deny or confirm, so I "no commented".

Mr. VALERIANI. But the President himself——

Mr. LAIRD. That was in Bill Beecher's story.

Mr. VALERIANI. But the President himself, Mr. Laird, told the American people that we had not moved against the sanctuaries in Cambodia——

Mr. LAIRD. That is correct, and he was talking about ground combat forces.

Mr. VALERIANI. But moving against does not necessarily mean ground combat.

Mr. LAIRD. The only action that we had in the sanctuary areas of Cambodia and in Laos prior to the actual movement of American ground forces was special intelligence gathering teams.

As a matter of fact, right now we are going through—we lost certain members of the special intelligence gathering activity teams in Cambodia, the so-called MACSOG teams in Cambodia and Laos.

We are now going out and notifying all of the parents of those special intelligence losses, and the reason we are doing it now is that each of those sites under our missing in action site certification where death took place, this whole survey on the missing in action is going forward, and those particular families are being notified where their loved ones were lost in Cambodia, Laos and also in other places.

Mr. MONROE. Thank you very much, Congressman (Ret.) Mel Laird, and now Counselor to the President.

Thank you, Dick Valeriani.

Back to Frank.

Mr. MCGEE. And our thanks as well.

THE WHITE HOUSE PRESS CONFERENCE OF MELVIN LAIRD

THE ROOSEVELT ROOM

Mr. LAIRD. Well, ladies and gentlemen, I am delighted to have an opportunity to visit with you. I hope we can do this from time to time.

I told you at the first little press meeting I had that I would be available. I didn't want to wear out my welcome. I have done this twice now in the first 30 days that I have been over here in the White House, and I think perhaps it is better for you to set the times when you want to see me.

I am a great believer in the wire services, and perhaps Frank and Helen can determine when is a good time to invite me down to have a cup of coffee, and I will appear as soon as I can after I receive such an invitation.

I don't mean to say that the other news media are not important, because they are, but coming from the central part of Wisconsin where the AP and UPI have been the major means of communicating with my constituency over the years, I have a particularly high regard for their means of communications because my constituents have been reading them for a long period of time, and maybe we could leave it that way.

I don't mean to give up my right to visit with you individually, when I feel like it. I will do that. But, that might be a way we could work it for a while so that I am not talking too often and wasting your time. I would be glad to do it that way for a while and see how it works.

I like to talk to the press. I like to talk to them on an on-the-record basis. I realize the importance of the Lindley rule and all it means. It is named after a very distinguished newsman, but I have always followed my own rule, the Laird rule, which is on the record and the only time that I varied from that was at a few NATO meetings because the custom over in NATO is to give on-the-record news briefings, but attribute it to no one. And so, I abided by the NATO rule at those particular meetings.

I don't have anything of particular interest to discuss with you today, but I would be glad to respond to any questions.

Q. Mr. Laird, has the White House opened up any since you came in?

Mr. LAIRD. I think that we have made some progress, important progress, in opening up the discussion processes within the Government, between the Government agencies, between the White House and the Congress. I like to think that these meetings that I have had around with the various departments have been helpful to the White House and to the President.

I have gone out to meet the various Cabinet officers in their own departments and their own surroundings. I have visited the Mayor of Washington in his office. I have tried to go out and make myself available in representing the President with these various agencies.

We have brought the congressional leaders in here. They have attended meetings, the minority leadership, the Republican leadership, with the Cabinet. We had an outstanding meeting, I think, yesterday in which the legislative leaders had the opportunity to present their views on important pieces of legislation which were pending before the Congress, to bring up any other matters that they wished to bring up to the President directly.

We got into various areas not only of legislation, but they also brought up beef prices and some of the problems they are having with their constituents as far as Phase IV is concerned. I think it was a very good meeting. I use that as an example.

The answer to your question—I should have answered it just yes.

Q. Are you going to stay on in the White House? There have been so many rumors that you are disenchanted already after a month.

Mr. LAIRD. Well, as I said to Jack the other day when we had a little visit, there are a lot of people that are writing me off after 30 days as being ineffective, and I haven't been able to produce a great deal since I have been here.

I am very satisfied I have made a contribution during these 30 days. The word "quit" is a good word for headline writers, but I would like to see the word "stay" used. I am a stayer and I will be staying as long as I can make a contribution, and I feel I am making a contribution.

I have quit a couple of jobs. I quit being a State Senator because I thought I could make a greater contribution as a Member of the House of Representatives. I quit as a Member of the House of Representatives to become Secretary of Defense, and I said I would stay for four years, and I thought I could make a contribution there.

There was a little arm twisting to quit that job in Congress that I like so much, but I did quit because I thought I could make this contribution. I quit my sabbatical, which I was on for one year, because I thought I could make a contribution when the President asked me to come over here, and I am going to stay as long as I can make a contribution.

Q. Are the rumors totally unfounded? I mean, you are not running into any problems in terms of access?

Mr. LAIRD. I have no problems as far as access is concerned. I have not, contrary to what you might think, I have never had any problem as far as access is concerned since I have been here. Each time that I have had anything that I wanted to discuss or bring to the President's attention, I have had no problem whatsoever.

I think the problem that you have here is that there are people who kind of keep score, and they like—if you are not, say, at some dinner, or if you are not at San Clemente for more than three or four days, or if you are not someplace, at Camp David—I want you to know that I am invited, but what I try to do is use the time where I think I can make the greatest contribution, and I probably will not always choose to go out of Washington when I am dealing with the various departments and agencies in my role as a domestic advisor to the President.

I personally would prefer to be here, and I think that on most occasions you will find that I will stay here. I feel that I can do my work and make my contribution in this area by dealing directly with the people that are involved, whether it be in the Congress or in the other Executive agencies. But, I have not had any problems along that line, and I am sure I won't.

Q. How is your relationship with Al Haig? Are there any problems there? Is it working smoothly?

Mr. LAIRD. Yes, it is working very well. I have responsibilities that are somewhat different than Al Haig's. Bryce Harlow does not work for Al Haig. I don't report to Al Haig. We work for the President of the United States. The responsibilities which Al Haig has are responsibilities that are somewhat different than ours, and we work together, I think, in the areas where there is an interrelationship.

But, in most of the areas I have been working in in the domestic field, there has never been any conflict, and I hope that people realize that I am trying to deal with various issues, and I am more or less issue-oriented anyway, and I do not deal with the running of the White House, as such, or do not deal with the various personnel problems.

I do not handle the President's scheduling or anything like that. That is not my responsibility. I am trying to help in the domestic area, where we do have problems, and we are trying to solve those problems.

Q. Mr. Secretary, you may have been joking when you discussed the length of your lawn, but your remark could suggest a lack of togetherness in the family here.

Mr. LAIRD. What was this now?

Q. Well, you apparently thought you could more profitably use your time mowing your lawn the other day when you were attending the dinner for the Shah?

Mr. LAIRD. Well, now—I don't want to get that into it, so it looks like there is any disrespect connected with my spending an evening at home, that there is any disrespect to the Shah. I have had many meetings with him. I had the opportunity to encourage him in many ways and to discuss various things with him over the years.

But, I felt that other people could make a greater contribution at that particular dinner this year than the domestic adviser to the President. Although I am a member of the National Security Council, I chose to spend that evening at home.

Last night I did not go to the—regretted the party last night because I had a previous commitment with a group of newspaper people from my home State of Wisconsin who come out here each year, many from the weekly press out there, and also we have a little society that gets together now and then.

It started when I was in the legislature, and so I chose not to go last night. I don't think you should read too much in that. I am not going to go to all the social functions in the White House. I will go to those that I feel I might be helpful in my attending.

But, the President has told me that I don't have to go to all of them, and I handle this with Rose, and the decision is made in that way. My social life, if that is what you are interested in, I will be glad to discuss it. (Laughter)

I am a very good lawn mower, and I am a good swimming pool manager.

Q. Mr. Laird, you have been given credit—

Mr. LAIRD. Let's let Sarah go over here.

Q. Sir, I wonder if you—

Mr. LAIRD. Then we will go right back over here, but I just didn't want Sarah to pull out her whistle. (Laughter)

I gave Sarah a whistle, you know, when she was having trouble getting recognized over here at the White House press conferences during the Johnson Administration, a little gold whistle, which she could put around her neck with a chain. She doesn't seem to wear it very often.

Q. She doesn't need to. (Laughter)

Q. I have got it in the bank.

Sir, with your long and with your wide range of experience, I wonder what you see here that the White House needs?

Mr. LAIRD. Well, I think that we have a very fine domestic program which the President has sent to the Congress in the area of the special revenue sharing programs, the four major bills that have been submitted. We have a program in the field of education, highways, and we have a program, an energy package, that we have sent to the Congress.

We have articulated in the messages, the special messages to the Congress, the program. I think that we must now do a job of communicating and articulating this program throughout the United States and explaining it, justifying it in the most effective and efficient fashion that we can before the very important co-equal branch of Government, the United States Congress, both the House and the Senate.

And this is what we are doing, what we are trying to do, and I think that that is the greatest challenge we face right now.

Q. Mr Laird, you have been generally given credit for helping arrange the Cambodian bombing with the deadline compromise of August 15th, and you just said—

Mr. LAIRD. That was the work of a lot of people. I think you should give—that is not only an Executive branch accomplishment, it is a Legislative branch accomplishment and I don't think any one person—there were a lot of people in communication with me, and I helped—I would like to—I helped work out the 45-day extension.

Q. In referring to that, I am intrigued by your reference or statement that you were very satisfied that you have been able to make a contribution thus far in your 30 days. I wonder if you could be just a little specific and give us some idea of the kind of things that make you feel satisfied with your contribution. Can you give us anything that the President has done?

Mr. LAIRD. Well, you use that as an example, or as one example. I believe that that helped justify my presence here in the area of a Counsellor to the President, there was a very serious problem which we faced just before the recess, the 4th of July, not only as far as the Cambodian problem was concerned but also as far as social security was concerned, as far as the debt limit was concerned.

The bill that was reported out today in the Labor and Education Committee up at the House, the new ACTION program which combines the philosophy of the President of the United States as far as volunteerism and the Government voluntary programs are concerned into a bill which will have in one agency all of these voluntary programs, whether they have to do with the urban centers of the country or the foreign countries where we have voluntary ACTION programs going forward.

I think that that compromise being worked out and having unanimous support with the Democrats and the Republicans—I could go through some other pieces of legislation, but I am satisfied I was able to make a contribution along with the staff of the Domestic Council and along with Bill Timmons, along with Bryce Harlow in serving the President and the country well during that 30-day period.

Q. Mr. Laird, does the President have any hope of getting his program through or making certain accomplishments until he gets the curse of Watergate off the Oval Office?

Mr. LAIRD. Well, I think we have been making some progress. Do you want to use yesterday or today, I can tell you some of the legislative bills that have been reported out. I think we are making progress right now in the field of educational legislation.

I think this year we will have a bill. Certainly there is real progress made in putting together the conference report on the highway bill. There were a lot of people that had to give a little bit in these various areas. We were able to avoid the mandatory spending language that was of concern for a period of time.

In the urban section, the third title of that bill, we were able to get in the provisions to take, or accommodate, mass transportation programs.

I could give you a legislative rundown. I think we are about the business of Government, and we are making progress, legislatively. I am not satisfied that we have made enough, but I think we can point and I will give you a listing of those various pieces of legislation that have occupied a great deal of my time during this period and occupied a great deal of time of the whole legislative staff of the White House.

The Domestic Council has been very active in this, not only, Ken, but the associated directories have been most active in this field, and I think we have had pretty good working relationships and cooperation thus far.

We have some problems with the farm people today. We are hopeful that that bill can be modified to bring it in line with the kind of legislation that the President of the United States can sign, but if it is not brought in line with recommendations that the Secretary of Agriculture has given to the conferees, then, of course, I certainly wouldn't have any hesitancy of recommending to the President of the United States that it be vetoed.

Q. Mr. Laird, can you tell us what you know, sir, about the double-entry bookkeeping on the Cambodian bombing prior to May of 1970, anything you have heard about it? Your statement left a few holes—the one you gave to Sy Hersh. You talked about not knowing about falsification, and the Pentagon does not consider double-entry bookkeeping falsification.

Could you tell us anything you know about that, and can you tell us whether you think the President's statement of April 30, 1970, that he had not taken action against the enemy sanctuaries in the past five years was proper?

Mr. LAIRD. I am not sure just what part of the statement—I will be glad to give you a copy of the statement which I gave to the New York Times. I think that was made available, was it not?

Q. It was, and you publicly said you knew nothing about falsification of records, phony records.

Mr. LAIRD. Well, I can assure you that I have never ordered the falsification or misrepresentation of any information as far as any operation in the Department of Defense.

As far as the Department of Defense is concerned, the reason that a special security clearance, security reporting procedure on a clearance, security reporting procedure, was set up was not for any military reason. It was set up because of the sensitivity of this particular information from a diplomatic standpoint, and this was the recommendation of the National Security Council that because of the sensitive nature of the situation as it existed in Cambodia at the time that the special reporting procedures were established.

The implementation of the reporting procedures, of course, was a matter that was handled by the Joint Staff. This was not something recommended by the Joint Staff or recommended by the Chairman of the Joint Chiefs. Although the Chairman of the Joint Chiefs recommended the use of military power in the sanctuary areas, the reporting procedure was something that was recommended and the security that was used in this reporting procedure was recommended by the National Security Council because of the diplomatic situation, not the military situation.

The reports on these particular sorties came directly to the Chairman of the Joint Chiefs of Staff and to me, and were not shared—and from me to the President of the United States—and were not shared with the normal distribution of military sorties.

It is true that perhaps others could have known about them, but it was a very close-hold situation during this period because of the diplomatic situation. Bill Beecher wrote an article about it and came out about maybe two months—it was in 1969 that he wrote an article about the sorties that were being flown in Cambodia.

I believe the first report of any newspaper was the London Times. A reporter from the London Times was flying from Phnom Penh to Saigon and he saw the craters as he came across the border that were located in these sanctuary areas.

I was asked at that particular time about the use of air power in the area, and I did not confirm it, I did not deny it, I "no commented" it and I continued to maintain a no comment position every time that I was asked a question.

The first time that I discussed the use of air power in Cambodia, prior to the use of American military ground forces in April of 1970, was when I briefed the press in the Pentagon and I informed the press at that time that air power had been used prior to the time that U.S. ground forces moved across the border.

That was a matter of public record, and I think that was the first time that I publicly confirmed the fact that air power had been used prior to the use of American military power.

Q. Did you put that in perspective as to when?

Mr. LAIRD. No, I did not, but I am certain it had been used prior to the so-called movement of American and South Vietnamese forces across the border into Cambodia.

Q. Was the President the highest authority that approved this bombing at that time?

Mr. LAIRD. The President of the United States, as Commander-in-Chief, did. This is very interesting. I read the comments up on the Hill the other day, or yesterday, in regard to the fact that the Secretary of the Air Force had not been informed prior to the time of the Cambodian excursion when we moved across the border, and that quite possibly is true because the Secretary of the Air Force is not in the command channel.

Now, I am sure most of the members of Congress know that. We had quite a debate on that in 1958, and many of you were here during that debate when the National Security Act was amended and this became a very important point of contention during that debate.

It was decided to remove the service secretaries from the command channel, but that decision was a congressional decision, ladies and gentlemen, and I am afraid that perhaps some people have forgotten that, as I look over some of the reports that are going forward today.

The Congress, in its wisdom, moved the command from the President of the United States to the Secretary of Defense, and that is the channel of the President of the United States. And the Secretary of Defense command channel is to the Chiefs and to the unified and specified commanders.

Q. Why did the President not tell the American people the truth and do you think the White House suffered vastly from the credibility problem, not just from this, but Watergate and the whole shebang?

Mr. LAIRD. Well, now, let's—this particular problem, as far as the diplomatic sensitivity of the activities that went on at that particular period, the National Security Council discussed this matter and were unanimous that the diplomatic sensitivity was such, at that particular time, that they did not release this information publicly because of the special circumstances surrounding Sihanouk at that particular time, and we were moving for diplomatic recognition.

We were also in a position where if it became a matter of public knowledge at that time, it would have to be condemned, and a request would be made officially to stop it.

Now, the situation is such that I recommended these strikes, and I don't want to shy away from that in any way, and I don't want to leave any misapprehension in the minds of any person. I happened to be in Saigon, I believe, at the time that the strikes started, or about that time, and I recommended them because I felt that these areas were occupied by the North Vietnamese and the VC.

There were no Cambodians, according to our best intelligence estimates, in the areas of the sanctuaries. They were occupied by the North Vietnamese and were North Vietnamese-occupied territories.

As Secretary of Defense, I had started the Vietnamization program and had presented it to the President and had received the preliminary approvals to start withdrawing Americans from South Vietnam.

And everything that I could do that would make that withdrawal program a success, so that we could get Americans out of Vietnam, so that we could terminate American involvement in Vietnam, was a major objective and a major goal I set as I took over as Secretary of Defense.

I believe that those strikes in the sanctuary areas were helpful and did protect American service personnel, and I made the recommendation for the use of the air power in those enemy-occupied areas, and they were all enemy-occupied areas that had been taken over, occupied by the enemy at the time, in order to enhance the chances and the capabilities and the possibilities of success of our withdrawal program.

I could go on into the withdrawal program. You have all heard me talk about that. It was a situation that was inherited by me as Secretary of Defense. I could not understand, as a member of Congress, why the sanctuaries had been allowed to be used over such a long period of time when they were enemy-occupied territory and for all intents and purposes, were being used to stockpile and to make the jobs of the 549,500 troop ceiling at that time, Americans, much more difficult, and I had talked about this as a member of Congress, when I became Secretary of Defense, and after my visit with General Abrams and after looking into the situation, I felt that these strikes were justified.

Q. Mr. Laird, why would this have had to have been disavowed if it had become public at that time?

Mr. LAIRD. Well, it became public, I mean the newspapers carried the story, and you can go through every time I was asked that question, and you were over at those news briefings. I "no commented" it.

Now, I did not deny, and I did—but I handled it that way. I can assure you that never, at any time, did I not tell the full and total truth. Now, I did not confirm or deny this particular fact because of the diplomatic sensitivity. Bill Beecher's story was the story that appeared in one of our leading newspapers.

Q. I am just trying to get a feel for why you feel it would have had to have been denied if it had become public beyond Beecher's story. It was certainly not generally understood, as you know. Is that because it would have been so embarrassing to Sihanouk that you would have had to stop the bombing if it had become generally understood that we were doing it?

Mr. LAIRD. I believe that that was one of the considerations that led to the decision and the recommendation of the National Security Council.

Q. Mr. Laird, there are two questions here. One is as to the bombing, and you have explained why you thought that was most important and why you thought it was important not to make a great deal of noise about it in terms of the diplomatic embarrassment.

The second question goes not to simply keeping something secret, but in fact, with the President saying we had never moved against the sanctuaries and we had and the Pentagon essentially lying to the Senate Armed Services Committee, even after you left the Pentagon.

Mr. LAIRD. Well, all I want to say about that is that I think that was unfortunate, and I don't know how that listing was sent up there at that time. I think there was some confusion. The Secretaries of Defense were kind of changing around during this period of time, and I can't defend the statistical information that was sent over—when was it, about 60 days ago—if I would have been there and I can assure you if it would have been asked by any member of the Senate and the House, I would have given those figures out.

I have done that, as you know, before this Appropriations Committee of the House. I had long discussions with them about the use of air power in Cambodia prior to the time of the Cambodian incursion. I discussed this with members of the Foreign Relations Committee, the Foreign Affairs Committee in the House. This was after the fact, of course. This was in 1971 and in 1972.

I did not, at any time, "no comment" the question when asked about it after the actual use of American ground forces in Cambodia and spoke about it freely and openly in committees.

I don't understand the reason. I think it was just a foul-up. They just took the computer print-out and did not use the classified figures which were available with the Joint Staff.

Q. At the period, Mel, were there members of the Armed Services Committee who happened to be retired or Reserve Air Force Generals, given briefings including that information? I am speaking particularly of Barry Goldwater, Howard Cannon, who I suppose had they asked, and had the clearance, might well have been told.

Mr. LAIRD. Well, any Member of the Congress that asked about these particular strikes on those committees, I informed them.

Q. Did anybody ask about them at the time? I mean, did you promise them that information to the committee at the time?

Mr. LAIRD. It wasn't on the basis, the people that were briefed on them, it wasn't on the basis of their being retired. That is part of your question.

Q. Most of the members of the committees didn't know about it, and stated so.

Mr. LAIRD. That isn't—you see, the problems is that on a—during a wartime situation, there are certain Members of Congress that do take special responsibilities. I know this is a difficult thing, but they have to make the decision as to what responsibilities they will take and which responsibilities they will not take.

You can go all the way back to the Manhattan Project. You can go back to the time that I was serving on the Special Committee on Appropriations that handled certain classified matters. I did not like to be in that position because it is a special responsibility that a member is placed in and you have to make those decisions yourself, whether you are going to serve in that position or not, or whether you are going to inform your colleagues. So, it is a difficult situation. I am not trying to minimize it.

The Manhattan Project was during wartime, too, and there were certain Members of Congress that were given certain information. It so happens that the two chairmen, two of the chairmen—well, I guess I won't get into that because they are no longer with us.

Q. Why in the world, after the Cambodian incursion in 1970, wasn't all this made public that had been going on for three years? Now it comes out as a result of a Major writing a letter years later. And why, obviously——

Mr. LAIRD. That letter though, has been here for some time. After that letter was received, and when a similar letter was received, I asked certain Members of the United States Senate to come to my office and at that particular time, I did supply them with this particular information.

Senator Hughes did not come. He was invited, but I want you to know I did invite him to come to my office,

Q. But that is not making it public.

Mr. LAIRD. And this is when I was Secretary of Defense.

Q. Why wasn't it made public, assuming that there was a logical argument for diplomatic purposes for keeping secrets for 14 months? After the Cambodian incursion, it was still sat on until some Major comes along and says he thinks it should be known.

Mr. LAIRD. Well, if anyone would have asked me, I would have told them flat out after the Cambodian—I never was asked. Now, the problem here is that it wasn't that I was—as far as I am concerned, I wasn't trying to hide it. I personally thought it was public.

Q. Mr. Laird, since you're dealing with the credibility and accuracy of the press, what about all those stories——

Mr. LAIRD. You will notice, though, on this situation, then we will get off it—let me finish with this one.

I think you will find that I personally thought that this information had been made available, and I was surprised to see the chart that had been sent up by the Defense Department, and I think that that was just the sort of a snafu that occurred over there at that particular time.

Q. You did not realize this was the same information that went over to Congress in April of '71 on the American——

Mr. LAIRD. No, I did not. I did not realize that Secretray Seamans had sent that information over and that was out of the file that was kept by the Air Force, evidently, and it was not out of the figures of the Joint Staff.

Q. Can you tell me how you account for the apparent contradiction in the President's statement to the Nation?

Mr. LAIRD. Well, I think the President was talking about the use of American combat forces there, and I am sure that it was in the context that the United States was going to move American military power on the ground.

As you know, and this is of interest, and perhaps some of you don't realize this, I had been encouraging the South Vietnamese to move across into Cambodia and to use their ground forces.

I felt that Vietnamization was at a point where they did have a capability to move into the sanctuary areas. And some 24 days—well, 30 to 24 days—before the United States forces jointly moved with the South Vietnamese, I had approved, had encouraged—not approved, the approval had to come from the South Vietnamese, but had encouraged the South Vietnamese to move into the sanctuaries.

And they did. They made several incursions into the sanctuary areas. I felt that they had been very successful. These incursions were reported by the press. Then there was a period of about two weeks when there were no incursions on the part of the South Vietnamese, and then the Cambodian incursion with the use of U.S. and South Vietnamese forces was approved here.

I only point that out because I think some people perhaps don't recall that period. I am glad to talk about the past, but you know, when I was over in the Defense Department, I tried to get people to change the dialogue in America from why Vietnam to why Vietnamization.

And then when Vietnamization moved forward to the position where I thought it was a success, some people didn't think so, but I thought it was, and it is certainly proving to be successful now, the South Vietnamese are performing very well today.

I tried to change the dialogue as far as national security matters were concerned to beyond Vietnam, and some of the national security problems that this country faced.

Now, I am glad to talk about the past, but you know we have a lot of problems of the future, particularly in the domestic area in which I am involved now. I am not trying to shy away from any responsibility that I had in the past, but I hope in our meetings in the future and from time to time we can talk about some of the challenges of the future, too.

Q. I have a question on the present, and that is—

Mr. LAIRD. Well, that is fine.

Q. How are you getting along with Ron Ziegler?

Mr. LAIRD. Well, fine, very fine.

Q. Where do you think all these stories came from, Mr. Laird, about your dissatisfaction and lack of access, and why?

Mr. LAIRD. Well, I—maybe it is my fault, the way I operate. I try to be candid and frank, and I have always said that I would be here as long as I could make a contribution. I think I am making a contribution. Maybe people misinterpret that statement. I did not want people to misinterpret it, but I am a retired Member of Congress, you know.

As I told them over at that meeting the other day with the health writers, I don't want to be called "Secretary," I don't want to be called "Counsellor," I want to be called Congressman with (Ret.) in back of it because, as you know, contrary to what I was told when I came over here by the White House counsel and by the Department of Defense counsel, I do not have to give up my congressional retirement. I still maintain my status as a retired Congressman so that I am now the highest paid person outside of the President in Government today, but the situation there is that the Congress is a very fine body, and when Senator George came over here in the Eisenhower Administration, they passed a certain bill for Senator George that provided that if he came to the White House, he could maintain his status as a retired Congressman.

Now, that bill wasn't passed for me, but I am going to take advantage of it. It was called to my attention by the Office of the Sergeant at Arms of the House of Representatives.

I wouldn't have known about it if I had followed the advice of some people, but the Civil Service Commission, after checking with the Sergeant at Arms in the House of Representatives in his office, finds that there are two people that have used this: Senator George and Brooks Hays, so I am the third retired Member of Congress to be on the President's staff.

Q. When you came over here your—

Mr. LAIRD. I get paid $42,500, and my retirement is about $30,000.

Q. Your appointment was announced with a great deal of fanfare—

Mr. LAIRD. I just get a little bit more than the Vice President.

Q. — so was John Connally's and Bryce Harlow's and yet from what we see from the outside, the President is spending most of his time with people like General Haig and Ron Zeigler. We are trying to get some feel for what is going on inside the White House and—

Mr. LAIRD. I think, you see, there is a misunderstanding about what my role is. I didn't come over here to handle the Watergate related matters. I think I told you quite frankly and openly at my first meeting in the press room that I did not come over here to become involved with the problems in connection with Watergate, that I felt that there were other problems that were important as far as the country was concerned and I was going to direct my attention to those problems.

Not that I have not—I have been asked from time to time for my recommendations as to procedures but—and my recommendations have not always been followed because there are other overriding considerations and I think some of you perhaps heard Charlie Wright give a briefing on the overriding considerations that the President had to consider as he faced some very difficult decisions in the last few weeks. So I have not been engaged in that—these very difficult decisions and my recommendations were given from the standpoint of my expert knowledge—if you can call it that—and they think—some people think that I have acquired a little knowledge on politics but the political considerations sometimes have to be overtaken by legal considerations and Constitutional questions and I only want the opportunity of presenting my views when other overriding considerations must govern. I understand that.

Q. Mr. Laird, did you recommend that the tapes be turned over to the Senate Committee?

Mr. LAIRD. Well, I am not going to get into what my recommendations were. I can state to you that the recommendations which I made were made looking at it purely as a political question and did not take into consideration the overriding Constitutional and legal problems which were involved.

What I would like to state to you is that the President of the United States spent hour after hour before he finally made this very difficult, tough decision and I can assure each of you in this room that he looked at every single option and had a wide variety of recommendations. And I would commend to you the briefing that Dean Wright presented this morning.

Q. Did you make your recommendations to the President face to face or in memo, or both?

Mr. LAIRD. Well, I made my recommendations face to face but I am not going to get into the recommendations. The decision has been made; you have heard the briefings. I will assure you that the President was able to look at a wide variety of possible alternatives or possible options and the decision was made after thorough and complete study and deliberation on the part of the President of the United States and he came down very strongly, based upon the Constitutional question and the legal question of the protection of the Presidency of the United States and rather than taking the short-term view, he took the long-range view in making his decisions.

Q. Do the Congressmen tell you when you talk to them that the biggest problem they think involving the White House other than Watergate is OMB? Did they tell you they think OMB has got to be restructured?

Mr. Laird. Well, I hope they don't restructure it as much as they have in the mark-up of the appropriation bill. They have taken quite a whack at OMB; they have cut 25 percent, in that mark-up. I think that that is too big a cut and I hope that they will reconsider their position.

Q. I mean like in its powers. In its powers, do you think its powers are going to have to be cut?

Mr. Laird. Well, I think the important thing is to have the departments actively engaged in presenting their own programs not only to the President of the United States but to the United States Congress and what we are trying to do is open up that channel of communications and keep it open between the departments, the line agencies, the Congress, and the President, himself.

Now, OMB has to bring together these conflicting positions from time to time but OMB will always have to fill a great void if you don't have strong leadership in the departments and in the agencies.

Q. Mr. Laird, within the context of the new role that you have been describing, I was interested and I think others have been, what the impact or impressions you might make because of your experience, you are an experienced politician on the Hill, generally speaking, what impression you might make on the President's mood and the mood of the people in the White House, the Executive department.

Now, when the President came down from the hospital the other day and made his talk in the Rose Garden—this may be just a personal impression—but I thought he was rather angry and defiant, he used the rather subjective term of "others wallowing in Watergate", and that was followed over the weekend by some of the source stories, quoting unnamed White House officials saying—

Mr. Laird. It couldn't have been my story because I always want to be named.

Q. —being critical of the Watergate committee. My question is, if you, as an experienced politician, could counsel with every member of the White House staff, what attitude would you counsel to, say, harbor and project with regard to the Watergate investigation?

Mr. Laird. Well, I would hope that those that are, have to be concerned with a certain responsibility in the current ongoing investigations would do their job well and those that were assigned to other responsibilities would get out about doing their business.

Q. I am talking about what appears to be an emotional reaction. At least that was my perception.

Mr. Laird. I don't perceive that. I have spent some time today, a considerable amount of time with the President. We had a Cabinet meeting which lasted—I am not sure of the number of minutes, I don't keep track of those things—but it was probably an hour and a half, or two hours, I am not sure how long. Then I spent time with the President, with Bryce Harlow and Al Haig. The three of us spent a considerable amount of time discussing various problems of government.

I just don't believe that that characterization is fair from what I know about it and from my contacts.

Q. Does the President consider this a witch hunt, the Senate investigation?

Mr. Laird. I have never heard him use those terms.

Q. What about the credibility? Are you not worrying about the White House credibility in the past year with all these revelations?

Mr. Laird. I am always worried about credibility. I am not sure that anybody who is in Government—and I have been in Government for 27 years—is always concerned about that because that is the mainstay of a politician, to be credible.

That is how we deal up in the House and Senate. We try to be credible with one another, and we try to be in a position where we can always trust one another. I think that the Democrats and Republicans in the House and Senate trust me. I think that most members of the press around Washington I have come into contact with over the years and back in the State Capital of Madison have always trusted me.

I have trusted them, and it is sort of a mutual thing. But, you have to try to maintain your credibility. I have made mistakes. I have made bad mistakes. I can remember a few that I have made around here. They weren't intentional, but I tried to correct them as soon as I could.

Q. Mr. Laird, along with Congress and the agencies of Government, do you happen to be getting some input to your office from the business community on their concerns about the state of the economy and the effect of Watergate, whatever it may be, and their confidence in you?

Mr. Laird. Well, we are getting more concerns about Phase IV expressed to me than about—we asked, as you know, as you make this transition in the freeze to Phase IV, there are certain problems involved. I think it has worked out pretty well. I think the information has gotten out well throughout the country, and I feel the President is satisfied in the manner in which we have communicated Phase IV.

There are certain problems, and I come in contact with more of those kinds of problems and deal with—like, I am dealing with some of the consumer groups, some of the business groups, labor groups and others.

We have a very good administrator and leader as far as the Cost of Living Council is concerned in John Dunlop. I think he is doing an outstanding job. I met with him and Secretary Shultz this morning for at least a half hour, having a review of the program as far as Phase IV.

So, as far as the economy is concerned, I have been more concerned about the application of Phase IV and the problems that some of the business community is having with that as well as the agricultural community.

But what I am interested in is getting into this Phase IV and seeing that we move through these periods of the so-called bulge and move to Phase 0 just as rapidly as we possibly can.

Q. Mr. Laird, you are in a unique position——

Mr. Warren. It has been an hour since you have been in here, so I think we ought to get going.

Q. Well, I have been trying to get——

Mr. ——— Two more, Forrest and then Jerry.

Q. You are in a unique position to evaluate the relative power of Congress and the White House and I wonder if you have any concern in the present climate of an erosion of Presidential power in the efforts of Congress to limit war making power and impounding funds and that sort of thing.

Mr. Laird. Yes, I think each branch has to very jealously guard their powers and prerogatives. I will be as strong an advocate for the Executive branch as I possibly can now that I have left my colleagues in the House of Representatives, and it is a difficult position, sometimes, for me to be in.

That is the position I am in, and I am going to be an advocate for the Executive branch. But, I also recognize the importance of working in a very cooperative spirit with that co-equal branch of Government, the Congress of the United States.

Q. Mr. Laird, you spoke a moment ago of the desirability and need of credibility as a mainstay for a politician, and I assume that would apply to almost everybody who gets involved in the running of the country.

The President and the Congress have made now a public comment to end the bombing in Cambodia on August 15th. Can the NSC, of which you are still a member, overrule that commitment?

Mr. Laird. That will not be done. The President has indicated that he will go to the Congress for an extension of authority should that be deemed necessary. The understanding that we had with the congressional leadership, and I presented it to them, was that the August 15th date would be the termination date, but that if a further request for authority was needed, that request would be transmitted to the United States Congress.

Talking about credibility in public service, and then I will quit, I was reading over some of the reports of some of the testimony up on the Hill in the Senate committee the other day, and I was concerned that one thing went unchallenged at the hearing, and that was the feeling that was left with many Americans that a young man shouldn't enter politics, that somehow or other this was a dirty, messy business and that you should avoid choosing it as a career.

I don't think there is any finer career that a person can choose than the career of a politician, and wherever I go and whatever I do, whether I am a Congressman (Ret.) or not, I am going to do all I can to encourage as many young people, men and women, to choose the profession of a politician because I think it is a very honorable profession, and I was sorry that that statement did not go challenged, went unchallenged, before that congressional committee.

Thank you very much.

The Press. Thank you.

THE PRESIDENT SHOULD RECONSIDER PRICE FREEZE ON MEATPACKERS

(Mr. de la GARZA asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. de la GARZA. Mr. Speaker, nobody but nobody is helped when you deprive people of their livelihood. You do not help people by destroying small businesses, you do not help people by forcing small businesses to close, certainly the welfare of the Nation is a matter of prime concern, but when we have something like this phase IV price freeze on meatpackers we are not helping the average citizen, in fact, small businesses are being trampled on, forced to shut down their doors—and there is no meat available to citizens anyhow.

I have heard from these small business firms in my district, and already Alice, Tex., has lost a very important business—not to mention a lifetime of work with the announcement from the Alice Packing Co., they are being forced to close their doors because of the price freeze placed on meatpackers under phase IV of the President's economic program. There are several others in my district in the same plight.

Mr. Speaker, are we to sit here and see a lifetime of work go down the drain? Are we to sit here and see people put out of work? Are we to watch the destruction of small businesses of this kind while both the owner and the consumer suffer?

Obviously, cattlemen can be expected to hold cattle off the market until the 12th of September when the President said he would remove controls over beef prices.

I ask the President respectfully to reconsider his decision—he should, when even his own able Secretary of Agriculture has stated that the freeze on beef is unwise. I assure you that he is right, Mr. Speaker. The consumer is not being helped, and it is doing irreparable damage to many small business firms.

So that my colleagues may be apprised of the plight of these small business firms, I attach herein as an example of the sentiment in the area, a resolution adopted by the city council of Alice, Tex., and forwarded to me by its able and distinguished mayor, Honorable Joe Ramirez:

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ALICE, TEX.

Whereas, Alice Packing Co., a local business concern, has announced that it has been forced to close its doors because of the price freeze placed on meat packers under Phase IV of the Federal Economic Stabilization Program; and,

Whereas, Alice Packing Co. is a large business entity employing in excess of fifty (50) people and, thus, its closing will have a significant effect on the economic environment of Alice, Texas; and,

Whereas, the City Council of the City of Alice, Texas, feels that Alice Packing Co. and other similar business concerns have been unfairly discriminated against in the present freeze on food prices thus causing a severe hardship on the local meat packing industry, and resulting in a detrimental effect on the entire local economy.

Now therefore, be it resolved by the City Council of the City of Alice, Tex., That, the City Council of the City of Alice, Texas, shall endeavor to help change and adjust the plight of our local meat packing industry by immediately requesting our national leaders to take such action as may be necessary to alleviate the present discriminatory price freeze policies on small and medium sized meat packers.

Be it further resolved, That all local citizens be and they are hereby urged to contact their Senators, Representatives, and other national leaders and likewise request that such action be taken.

Passed and approved this 23rd day of July, 1973.

GENERAL LEAVE

Mr. MOORHEAD of California. Mr. Speaker, I ask unanimous consent that all Members may be permitted to insert their remarks in the RECORD on the subject of the Asian Development Bank in association with the special order today by the gentleman from Massachusetts (Mr. CONTE).

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. SAYLOR, for 60 minutes, today, to revise and extend his remarks and include extraneous material.

Mr. CAREY of New York, for 30 minutes, today.

(The following Members (at the request of Mr. MOORHEAD of California) to revise and extend their remarks and include extraneous matter):

Mr. EDWARDS of Alabama, for 5 minutes, today.

Mr. FRENZEL, for 60 minutes, on September 17.

Mr. STEELE, for 5 minutes, today.

Mr. KEMP, for 10 minutes, today.

(The following Members (at the request of Mr. THORNTON) to revise and extend their remarks and include extraneous matter):

Mr. DAVIS of South Carolina, for 15 minutes, today.

Mr. FRASER. for 5 minutes, today.

Mr. GONZALEZ, for 5 minutes, today.

Mr. BRADEMAS, for 5 minutes, today.

Mr. WAGGONNER, for 60 minutes, today.

Mr. RODINO, for 10 minutes, today.

Mr. ANNUNZIO, for 5 minutes, today.

Mr. FUQUA, for 30 minutes, today.

Mr. WOLFF, for 5 minutes, today.

Mr. O'NEILL, for 5 minutes, today.

Mr. BARRETT, for 5 minutes, today.

Mr. O'HARA, for 10 minutes, today.

Mr. HÉBERT, for 10 minutes, today.

Miss HOLTZMAN, for 10 minutes, today.

Mr. MURPHY of New York, for 5 minutes, today.

Mr. DANIELSON, for 5 minutes, today.

Mr. VANIK, for 5 minutes, today.

Mr. DENT, for 15 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. CAREY of New York, to include extraneous material, notwithstanding the fact that it exceeds two pages of the CONGRESSIONAL RECORD and is estimated by the Public Printer to cost $992.75 in his special order today.

Mr. SMITH of New York, and to include extraneous material, notwithstanding the fact that it exceeds two pages of the RECORD and is estimated by the Public Printer to cost $625.

Mr. BURTON and to include extraneous matter, notwithstanding the fact that it exceeds two pages of the CONGRESSIONAL RECORD and is estimated by the Public Printer to cost $1,201.75.

Mr. HARSHA, to revise and extend his remarks immediately following the remarks of Mr. STEIGER of Arizona.

Mr. BROYHILL of Virginia, to revise and extend his remarks immediately following the remarks of Mr. DELLENBACK.

(The following Members (at the request of Mr. MOORHEAD of California) and to include extraneous matter):

Mr. WINN.

Mr. STEIGER of Arizona.

Mr. MCCLORY.

Mr. ESHLEMAN.

Mr. HOSMER in two instances.

Mr. WHITEHURST.

Mr. SMITH of New York.

Mr. WYMAN in two instances.

Mr. QUIE.

Mr. CONTE in two instances.

Mr. ROBISON of New York.

Mr. PRICE of Texas.

Mr. BROTZMAN.

Mr. RAILSBACK in four instances.

Mr. NELSEN.

Mr. SARASIN.

Mr. BRAY in four instances.

Mr. FREY.

Mr. STEIGER of Wisconsin.

Mr. DERWINSKI.

Mr. ASHBROOK in four instances.

Mr. REGULA.

Mr. DON H. CLAUSEN in two instances.

Mr. MARAZITI.

Mr. HUDNUT.

Mr. STEELE.

Mr. HINSHAW.

Mr. KEATING.

Mr. DEVINE.

Mr. BROWN of Michigan.

Mr. GOLDWATER.

Mr. TALCOTT in two instances.

(The following Members (at the request of Mr. THORNTON) and to include extraneous matter):

Mr. GONZALEZ in three instances.

Mr. RARICK in three instances.

Mr. BADILLO in five instances.

Mr. MCSPADDEN in five instances.

Mrs. GRIFFITHS.

Mr. FLOOD in two instances.

Mr. STUCKEY in two instances.

Mr. HARRINGTON in nine instances.

Mrs. SCHROEDER.

Mr. PATTEN in two instances.

Mr. VAN DEERLIN.

Mr. DANIELSON in five instances.

Mr. SYMINGTON.

Mr. ANDERSON of California in three instances.

Mr. O'HARA.

Mr. BRASCO in two instances.

Mr. RIEGLE.

Mrs. SULLIVAN.

Mr. WALDIE in five instances.

Mr. LITTON.

Mr. STARK in five instances.

Mr. DE LA GARZA in 10 instances.

Mr. EDWARDS of California in five instances.

Mr. MINISH in two instances.

Mr. MAHON in two instances.

Mr. ANNUNZIO in seven instances.

Mr. RODINO in three instances.

Mr. ST GERMAIN.

Mr. DORN in three instances.

Mrs. COLLINS of Illinois.

Mr. MEEDS.

Mr. VANIK in three instances.

SENATE BILL REFERRED

A bill of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S. 372. An act to amend the Communications Act of 1934 to relieve broadcasters of the equal time requirement of section 315 with respect to candidates for Federal office, to repeal the Campaign Communications Reform Act, to amend the Federal Election Campaign Act of 1971, and for other purposes; to the Committee on House Administration.

SENATE ENROLLED BILL SIGNED

The SPEAKER announced his signature to an enrolled bill of the Senate of the following title:

S. 2120. An act to amend the Federal Railroad Safety Act of 1970 and other related acts to authorize additional appropriations, and for other purposes.

ADJOURNMENT

Mr. THORNTON. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 10 o'clock and 29 minutes p.m.), under its previous order, the House adjourned until tomorrow, Friday, August 3, 1973, at 11 o'clock a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1202. A letter from the Secretary of the Interior, transmitting the second annual report on the state of the domestic mining, minerals, and fuels industries, pursuant to the Mining and Minerals Policy Act of 1970 (30 U.S.C. 21a); to the Committee on Interior and Insular Affairs.

1203. A letter from the Acting Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting reports concerning visa petitions approved according certain beneficiaries third and sixth preference classification, pursuant to section 204(d) of the Immigration and Nationality Act, as amended (8 U.S.C. 1154(d)); to the Committee on the Judiciary.

1204. A letter from the Acting Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting a copy of the order entered in the case of an alien found admissible to the United States, pursuant to section 212(a) (28) (I) (ii) of the Immigration and Nationality Act (8 U.S.C. 1182(a) (28) (I) (ii) (b)); to the Committee on the Judiciary.

1205. A letter from the Acting Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting copies of orders entered in cases in which the authority contained in section 212(d) (3) of the Immigration and Nationality Act was exercised in behalf of certain aliens, together with a list of the persons involved, pursuant to section 212(d) (6) of the Act (8 U.S.C. 1182(d) (6)); to the Committee on the Judiciary.

1206. A letter from the Acting Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting copies of orders suspending deportation, together with a list of the persons involved, pursuant to section 244(a) (1) of the Immigration and Nationality Act, as amended (8 U.S.C. 1254(c) (1)); to the Committee on the Judiciary.

1207. A letter from the Acting Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting copies of orders suspending deportation, together with a list of the persons involved, pursuant to section 244(a) (2) of the Immigration and Nationality Act, as amended [8 U.S.C. 1254(c) (1)]; to the Committee on the Judiciary.

1208. A letter from the Acting Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting copies of orders entered in the cases of certain aliens under the authority contained in section 13(b) of the act of September 11, 1957, pursuant to section 13(c) of the act [8 U.S.C. 1255b(c)]; to the Committee on the Judiciary.

1209. A letter from the acting executive director, Blinded Veterans Association, transmitting the audit of the association for the year ended June 30, 1973; to the Committee on the Judiciary.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. BRADEMAS: Committee on House Administration. House Concurrent Resolution 209. Concurrent resolution expressing the sense of Congress that additional copies of hearings be printed (Rept. No. 93–429). Ordered to be printed.

Mr. BRADEMAS: Committee on House Administration. House Concurrent Resolution 266. Concurrent resolution to provide for the printing of committee hearings on the Relationship of Pesticides to Environmental Issues and other matters (Rept. No. 93–430). Ordered to be printed.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. THORNTON: Committee on the Judiciary. H.R. 1352. A bill for the relief of Robert F. Franklin; with amendment (Rept. No. 93–431). Referred to the Committee of the Whole House.

Mr. BUTLER: Committee on the Judiciary. H.R. 1948. A bill for the relief of Edgar P. Faulkner; with amendment (Rept. No. 93–432). Referred to the Committee of the Whole House.

Mr. BUTLER: Committee on the Judiciary. H.R. 1949. A bill for the relief of Hazel W. Lawson; with amendment (Rept. No. 93–433). Referred to the Committee of the Whole House.

Mr. BUTLER: Committee on the Judiciary. H.R. 2213. A bill for the relief of Cornelius S. Ball, Victor F. Mann, Jr., George J. Posner, Dominick A. Sgammato, and James R. Walsh; with amendment (Rept. No. 93–434). Referred to the Committee of the Whole House.

Mr. BUTLER: Committee on the Judiciary. H.R. 3044. A bill for the relief of James Evans, publisher of the Colfax County Press, and Morris Odavarka; with amendment (Rept. 93–435). Referred to the Committee of the Whole House.

Mr. MOORHEAD of California: Committee on the Judiciary. H.R. 3530. A bill for the relief of Eugenia C. Lyttle; with amendment (Rept. No. 93–436). Referred to the Committee of the Whole House.

Mr. DONOHUE: Committee on the Judiciary. H.R. 3544. A bill for the relief of Robert J. Beas; with amendment (Rept. No. 93–437). Referred to the Committee of the Whole House.

Mr. DANIELSON: Committee on the Judiciary. H.R. 5379. A bill for the relief of John B. Clayton; with amendment (Rept. 93–438). Referred to the Committee of the Whole House.

Mr. MANN: Committee on the Judiciary. H.R. 6007. A bill for the relief of Swiff-Train Co.; with amendment (Rept. No. 93–439), Referred to the Committee of the Whole House.

Mr. MOORHEAD of California: Committee on the Judiciary. H.R. 6411. A bill for the relief of Murray Swartz (Rept. No. 93–440). Referred to the Committee of the Whole House.

Mr. DANIELSON: Committee on the Judiciary. H.R. 6624. A bill for the relief of Alvin V. Burt, Jr., and the estate of Douglas E. Kennedy, deceased; with amendment (Rept. No. 93–441). Referred to the Committee of the Whole House.

Mr. DANIELSON: Committee on the Judiciary. H.R. 7089. A bill for the relief of Michael A. Korhonen; with amendment (Rept. No. 93–442). Referred to the Committee of the Whole House.

Mr. BUTLER: Committee on the Judiciary. H.R. 8406. A bill for the relief of William M. Starrs; with amendment (Rept. No. 93–443). Referred to the Committee of the Whole House.

Mr. BUTLER: Committee on the Judiciary. House Resolution 362. Resolution to refer the bill (H.R. 7209) for the relief of Estelle M. Fass to the Chief Commissioner of the Court of Claims; with amendment (Rept. No. 93–444). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ADDABBO (for himself, Mr. Byron, Mrs. Chisholm, Mr. Davis of South Carolina, Mr. Diggs, Mr. Gray, Mrs. Green of Oregon, Mr. Hébert, Mr. Jones of Tennessee, Mr. Matsunaga, Mr. Mazzoli, Mr. Metcalfe, Mrs. Mink, Mr. Peyser, Mr. Randall, Mr. Reid, Mr. Roncalio of Wyoming, Mr. Sisk, Mr. Slack, Mr. Symington, Mr. Vigorito, and Mr. McFall):

H.R. 9795. A bill to require that a percentage of U.S. oil imports be carried on U.S.-flag vessels; to the Committee on Merchant Marine and Fisheries.

By Mr. BELL (for himself, Mr. Hinshaw, Mr. McCollister, and Mr. Studds):

H.R. 9796. A bill to reform the budgetary process of the Congress to improve congressional control over the budget and national priorities, to provide for a Legislative Budget Director and staff, and for other purposes; to the Committee on Rules.

By Mr. BINGHAM:

H.R. 9797. A bill to provide for improved labor-management relations in the Federal service, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. BREAUX:

H.R. 9798. A bill to amend the Communications Act of 1934 for 1 year with respect to certain agreements relating to the broadcasting of home games of certain professional athletic teams; to the Committee on Interstate and Foreign Commerce.

By Mr. BREAUX (for himself and Mr. Perkins):

H.R. 9799. A bill to amend title 38 of the United States Code to clarify the circumstances under which the Administrator of Veterans' Affairs may pay for care and treatment rendered to veterans by private hospitals in emergencies; to the Committee on Veterans' Affairs.

By Mr. DANIELSON (for himself, Mr. Flowers, Mr. Mann, and Mr. Sandman):

H.R. 9800. A bill to amend sections 2733 and 2734 of title 10, United States Code, and section 715 of title 32, United States Code, to increase the maximum amount of a claim against the United States that may be paid administratively under those sections and to allow increased delegation of authority to settle and pay certain of those claims; to the Committee on the Judiciary.

By Mr. DAVIS of South Carolina:

H.R. 9801. A bill to amend title 37, United States Code, to provide for the procurement and retention of judge advocates and law specialist officers for the Armed Forces; to the Committee on Armed Services.

By Mr. GIBBONS (for himself, Ms. Abzug, Mr. Burgener, Mr. Carney of Ohio, Mrs. Chisholm, Mrs. Collins of Illinois, Mr. Conlan, Mr. Dan Daniel, Mr. Denholm, Mr. Edwards of California, Mr. Fascell, Mr. Findley, Mr. Fraser, Mrs. Grasso, Mr. Gunter, Mr. Harrington, Mr. Hinshaw, Mr. Lehman, Mr. Long of Maryland, Mr. McCollister, Mr. Metcalfe, Mr. Moakley, Mr. Moorhead of Pennsylvania, Mr. Moss, and Mr. O'Hara):

H.R. 9802. A bill to amend the Accounting and Auditing Act of 1950 to provide for the audit of certain Federal agencies by the Comptroller General; to the Committee on Government Operations.

By Mr. GIBBONS (for himself, Mr. Podell, Mr. Price of Illinois, Mr. Riegle, Mr. Rousselot, Mr. Towell of Nevada, Mr. Veysey, Mr. Won Pat, Mr. Young of Illinois, Mr. Chappell, Mr. Drinan, and Mr. Roe):

H.R. 9803. A bill to amend the Accounting and Auditing Act of 1950 to provide for the audit of certain Federal agencies by the Comptroller General; to the Committee on Government Operations.

By Mr. HASTINGS:

H.R. 9804. A bill to amend the Internal Revenue Code of 1954 to restrict the authority for inspection of income tax returns by, and the disclosure of information therein to, Federal agencies; to the Committee on Ways and Means.

By Mr. MONTGOMERY (for himself, Mr. Bowen, Mr. Lott, and Mr. Cochran):

H.R. 9805. A bill to amend the Federal Trade Commission Act (15 U.S.C. 45) to provide that under certain circumstances exclusive territorial arrangements shall not be deemed unlawful; to the Committee on Interstate and Foreign Commerce.

By Mr. OBEY:

H.R. 9806. A bill to take over a project in the State of Wisconsin pursuant to section 14 of the Federal Power Act; to the Committee on Interstate and Foreign Commerce.

By Mr. OBEY (for himself, Mr. Aspin, Mr. Bergland, Mr. Breaux, Mr. Brown of California, Mrs. Collins of Illinois, Mr. Conyers, Mr. Davis of Georgia, Mr. Denholm, Mr. Eilberg, Mr. Esch, Mr. Froehlich, Mr. Hechler of West Virginia, Mr. Hungate, Mr. Ketchum, Mr. Podell, Mr. Quie, Mr. Rees, Mr. Riegle, Mr. Roybal, Mr. Seiberling, Mr. Steiger of Wisconsin, Mr. Stubblefield, and Mr. Ware):

H.R. 9807. A bill to protect the public health and welfare by providing for the inspection of imported dairy products and by requiring that such products comply with certain minimum standards for quality and wholesomeness and that the dairy farms on which milk is produced and the plants in which such products are produced meet certain minimum standards of sanitation; to the Committee on Agriculture.

By Mr. PODELL:

H.R. 9808. A bill to establish a Federal program to encourage the voluntary donation of pure and safe blood, and to establish a national registry of blood donors; to the Committee on Interstate and Foreign Commerce.

By Mr. RODINO:

H.R. 9809. A bill to provide Federal assistance to cities, combinations of cities, public agencies, and nonprofit private organizations for the purpose of improving police-community relations, encouraging citizen involvement in crime prevention programs, volunteer service programs, and in other cooperative efforts in the criminal justice system; to the Committee on the Judiciary.

By Mr. STAGGERS (for himself, Mr. Hastings, Mr. Moss, Mr. Shoup, Mr. Dingell, Mr. Heinz, Mr. Pickle, Mr. Young of Illinois, Mr. Kyros, Mr. Eckhardt, Mr. Preyer, Mr. Podell, and Mr. Carney of Ohio):

H.R. 9810. A bill to extend the protection provided by the Federal securities laws to persons investing in securities of carriers regulated by the Interstate Commerce Commission; to the Committee on Interstate and Foreign Commerce.

By Mr. WINN (for himself, Mr. Abdnor, Mr. Archer, Mr. Biester, Mr. Buchanan, Mrs. Collins of Illinois, Mr. Dan Daniel, Mr. Davis of South Carolina, Mr. Denholm, Mr. Derwinski, Mr. Eilberg, Mr. Harrington, Mr. Hastings, Mr. Hogan, and Mr. Hosmer):

H.R. 9811. A bill to authorize the Administrator of the National Aeronautics and Space Administration to conduct research and development programs to increase knowledge of tornadoes, hurricanes, large thunderstorms, and other types of short-term weather phenomena, and to develop methods for predicting, detecting, and monitoring such atmospheric behavior; to the Committee on Science and Astronautics.

By Mr. WINN (for himself, Mr. Lott, Mr. McCormack, Mr. Miller, Mr. Montgomery, Mr. Podell, Mr. Price of Illinois, Mr. Roe, Mr. Rose, Mr. Rosenthal, Mr. Stokes, Mr. Ware, Mr. Widnall, Mr. Williams, and Mr. Yatron):

H.R. 9812. A bill to authorize the Administrator of the National Aeronautics and Space Administration to conduct research and development programs to increase knowledge of tornadoes, hurricanes, large thunderstorms, and other types of short-term weather phenomena, and to develop methods for predicting, detecting, and monitoring such atmospheric behavior; to the Committee on Science and Astronautics.

By Mr. WRIGHT:

H.R. 9813. A bill to amend title 5, United States Code, to include as creditable service for civil service retirement purposes service before January 1, 1942, as an air traffic controller in the employ of a State, county, city, or municipality at an airport traffic control tower operated by any such Government unit; to the Committee on Post Office and Civil Service.

By Mr. YATRON:

H.R. 9814. A bill to improve the conduct and regulation of Federal election campaign activities and to provide public financing for such campaigns; to the Committee on House Administration.

By Ms. ABZUG:

H.R. 9815. A bill to enforce the first amendment and fourth amendment to the Constitution, and the constitutional right of privacy by prohibiting any civil or military officer of the United States or the militia of any State from using the Armed Forces of the United States or the militia of any State to exercise surveillance of civilians or to execute the civil laws, and for other purposes; to the Committee on the Judiciary.

By Mr. BEVILL:

H.R. 9816. A bill to provide for the establishment of an American Folklife Center in the Library of Congress, and for other purposes; to the Committee on House Administration.

By Mr. BREAUX:

H.R. 9817. A bill to establish a national program of Federal insurance against catastrophic disasters; to the Committee on Banking and Currency.

By Mrs. BURKE of California (for herself, Mr. Corman, Mr. Frenzel, Miss Jordan, Mr. Matsunaga, Mr. Steelman, and Mr. Stokes):

H.R. 9818. A bill to amend the Mental Retardation Facilities and Community Mental Health Centers Construction Act of 1963 to expand the definition of "development disability" to include autism; to the Committee on Interstate and Foreign Commerce.

By Mr. BYRON:

H.R. 9819. A bill to amend provisions of law relating to the Naval Reserve Officer Training Corps; to the Committee on Armed Services.

By Mr. COHEN (for himself, Mr. Burke of Massachusetts, Ms. Abzug, Mr. Anderson of Illinois, Mr. Badillo, Mr. Bell, Mr. Biester, Mr. Brown of California, Mr. Buchanan, Mr. Burgener, Mrs. Burke of California, Ms Chisholm, Mr. Cleveland, Mrs. Collins of Illinois, Mr. Conlan, Mr. Cronin, Mr. Drinan, Mr. Eilberg, Mr. William D. Ford, Mr. Fraser, Mrs. Grasso, Mr. Harrington, Mr. Ketchum, Mr. Koch, and Mr. Kyros):

H.R. 9820. A bill to provide income tax incentives for the modification of certain facilities so as to remove architectural and transportational barriers to the handicapped and elderly; to the Committee on Ways and Means.

By Mr. COHEN (for himself, Mr. Burke of Massachusetts, Mr. Leggett, Mr. McClory, Mr. McKinney, Mr. Mazzoli, Mr. Michel, Mr. Moakley, Mr. Murphy of New York, Mr. Pepper, Mr. Peyser, Mr. Podell, Mr. Powell of Ohio, Mr. Preyer, Mr. Railsback, Mr. Riegle, Mr. Roe, Mr. Rose, Mr. Sarasin, Mr. Stark, Mr. Steele, Mr. Steelman, Mr. Steiger of Wisconsin, Mr. Studds, and Mr. Thompson of New Jersey):

H.R. 9821. A bill to provide income tax incentives for the modification of certain facilities so as to remove architectural and transportational barriers to the handicapped and elderly; to the Committee on Ways and Means.

By Mr. COHEN (for himself, Mr. Burke of Massachusetts, Mr. Veysey, Mr. Waldie, Mr. Walsh, Mr. Charles Wilson of Texas, Mr. Charles H. Wilson of California, Mr. Winn, Mr. Yatron, Mr. Thone, and Mr. Tiernan):

H.R. 9822. A bill to provide income tax incentives for the modification of certain facilities so to to remove architectural and transportational barriers to the handicapped and elderly; to the Committee on Ways and Means.

By Mr. CONTE (for himself and Mr. Dingell):

H.R. 9823. A bill authorizing the Secretary of the Interior to issue certain obligations and to utilize the revenues therefrom to acquire additional wetlands; to the Committee on Merchant Marine and Fisheries.

By Mr. DENT:

H.R. 9824. A bill to revise the Welfare and Pension Plans Disclosure Act, and for other purposes; to the Committee on Education and Labor.

By Mr. DOWNING:

H.R. 9825. A bill to increase the amount of appropriations authorized for property acquisitions for the Colonial National Historical Park, in Yorktown, Va.; to the Committee on Interior and Insular Affairs.

By Mr. FUQUA:

H.R. 9826. A bill to provide financial assistance for a demonstration program for the prevention, identification, and treatment of child abuse and neglect, to establish a National Center on Child Abuse and Neglect, and for other purposes; to the Committee on Education and Labor.

By Mr. GUBSER:

H.R. 9827. A bill to amend title 38 of the United States Code to require that the Administrator of Veterans' Affairs pay the travel expenses of, or mileage allowance to, persons traveling to and from Veterans' Administration facilities for certain purposes and that the mileage allowance shall in no event be less than that paid to employees of the Federal Government traveling on official business; to the Committee on Veterans' Affairs.

By Mr. GUDE:

H.R. 9828. A bill to authorize the transfer of jurisdiction of certain lands in the national park system located in Montgomery County, Md., and for other purposes; to the Committee on Interior and Insular Affairs.

H.R. 9829. A bill to authorize the transfer of jurisdiction of certain lands in the National Park System located in Montgomery County, Md., and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. HARRINGTON:

H.R. 9830. A bill to amend the Internal Revenue Code of 1954 to allow individuals an additional income tax exemption for each dependent under the age of 19 who is disabled; to the Committee on Ways and Means.

By Mr. LANDGREBE:

H.R. 9831. A bill to amend certain provisions of Federal law relating to explosives; to the Committee on the Judiciary.

By Mr. MOAKLEY:

H.R. 9832. A bill to eliminate discrimination based on sex with respect to the appointment and admission of persons to the service academies; to the Committee on Armed Services.

H.R. 9833. A bill to amend title 10 of the United States Code in order to eliminate discrimination on the basis of sex with respect to enlistment in the armed forces, and for other purposes; to the Committee on Armed Services.

H.R. 9834. A bill to amend title 38 of the United States Code in order to provide women veterans maternity care in Veterans' Administration facilities, to extend job counseling services to certain survivors and dependents of veterans, to liberalize widows' pensions, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. PARRIS (for himself and Mr. Broyhill of Virginia):

H.R. 9835. A bill to amend title II of the Water Pollution Control Act Amendments of 1972 (Public Law 92-500); to the Committee on Public Works.

By Mr. PETTIS (for himself, Mr. Roe, Mr. Sisk, and Mr. Bob Wilson):

H.R. 9836. A bill to provide for the establishment of the National Conservation Area of the California Desert and to provide for the immediate and future protection, development, and administration of such public lands; to the Committee on Interior and Insular Affairs.

By Mr. RANGEL (for himself, Mr. Eckhardt, Mr. Badillo, Mr. Bingham, Mrs. Burke of California, Mrs. Chisholm, Mr. Clay, Mrs. Collins of Illinois, Mr. Edwards of California, Mr. Harrington, Mr. Leggett, Mr. Moss, Mr. Nix, Mr. Pepper, Mr. Podell, Mr. Rosenthal, Mrs. Schroeder, Mr. Stark, Mr. Stokes, Mr. Tiernan, and Mr. Wolff):

H.R. 9837. A bill to amend title 18 and title 28 of the United States Code to remove the possibility of abuse from the grand jury system without removing the effectiveness of the grand jury as a tool for investigating crimes and returning indictments, and for other purposes; to the Committee on the Judiciary.

By Mr. RIEGLE (for himself, Ms. Abzug, Mr. Conyers, Mr. William D. Ford, Mr. Harrington, Mr. Hechler of West Virginia, Mr. Helstoski, Mr. Nix, Mr. Rosenthal, and Mr. Waldie):

H.R. 9838. A bill to prohibit certain acts with respect to petroleum, petroleum products, and natural gas; to the Committee on Interstate and Foreign Commerce.

By Mr. ROE:

H.R. 9839. A bill to establish a national program of Federal insurance against catastrophic disasters; to the Committee on Banking and Currency.

H.R. 9840. A bill to amend the Vocational Rehabilitation Act to provide a more equitable method of allotting funds for vocational rehabilitation services among the States; to the Committee on Education and Labor.

By Mr. ROSENTHAL (for himself, Mr. Brademas, Mr. Carey of New York, and Mr. Stokes):

H.R. 9841. A bill to amend the Federal Aviation Act of 1958 in order to authorize free or reduced rate transportation to handicapped persons and persons who are 65 years of age or older, to amend the Interstate Commerce Act to authorize free or reduced rate transportation for persons who are 65 years of age or older, and to provide new and improved transportation programs for the handicapped and the elderly; to the Committee on Interstate and Foreign Commerce.

By Mr. JAMES V. STANTON:

H.R. 9842. A bill to amend section 123 of the River and Harbor Act of 1970; to the Committee on Public Works.

By Mr. WALDIE:

H.R. 9843. A bill to provide for financing the economic development of Indians and Indian organizations, and for other purposes; to the Committee on Interior and Insular Affairs.

H.R. 9844. A bill to amend the Internal Revenue Code of 1954 to increase the maximum credit and deduction allowable with respect to contributions to candidates for public office, to make certain changes in subtitle H of such code with respect to the financing of Presidential election campaigns, and for other purposes; to the Committee on Ways and Means.

By Mr. WALDIE (for himself, Mr. Edwards of California, Mr. Rodino, Mr. Vigorito, Ms. Abzug, Mr. Hawkins, Mr. Rees, and Mr. Roe):

H.R. 9845. A bill to enlarge the Sequoia National Park in the State of California; to the Committee on Interior and Insular Affairs.

By Mr. WALDIE (for himself, Mr. McCloskey, Mr. Harrington, Mr. Helstoski, Mr. Bob Wilson, Mr. Seiberling, Mr. Pettis, Mr. Roybal, Mr. Danielson, Mr. Ryan, Mr. Leggett, Mr. Stark, Mr. Brown of California, Mr. Moakley, Mr. Vander Jagt, Mr. Vanik, Mr. Mitchell of Maryland, Mr. Rosenthal, Mr. Reuss, Mr. Riegle, Mr. Hechler of West Virginia, Mr. Coughlin, Mr. Biester, Mr. Moss, and Mr. Drinan):

H.R. 9846. A bill to enlarge the Sequoia National Park in the State of California; to the Committee on Interior and Insular Affairs.

By Mr. CHARLES WILSON of Texas:

H.R. 9847. A bill to amend title III of the act of March 3, 1933, commonly referred to as the "Buy American Act," with respect to determining when the cost of certain articles, materials, or supplies is unreasonable; to define when articles, materials and supplies have been mined, produced, manufactured in the United States; to make clear the right of any State to give preference to domestically produced goods in purchasing for public use; and for other purposes; to the Committee on Public Works.

By Mr. WYMAN:

H.R. 9848. A bill to establish a U.S. Fire Administration and a National Fire Academy in the Department of Housing and Urban Development, to increase the effectiveness and coordination of fire prevention and control agencies at all levels of government, and for other purposes; to the Committee on Science and Astronautics.

By Mr. ANDERSON of Illinois (for himself, Mr. Breckinridge, Mr. de Lugo, Mr. Gilman, Mr. Gude, Mr. Hammerschmidt, Mr. Jones of North Carolina, Mr. Meeds, Mr. Mezvinsky, Mr. Miller, Mr. Preyer, Mr. Price of Texas, Mr. Sarasin, Mr. Staggers, Mr. Stephens, Mr. Thornton, Mr. Vander Jagt, and Mr. Young of Georgia):

H.R. 9849. A bill to provide for the establishment of an American Folklife Center in the Library of Congress, and for other purposes; to the Committee on House Administration.

By Mr. BRINKLEY:

H.R. 9850. A bill to amend the Internal Revenue Code of 1954 to provide that blood donations shall be considered as charitable contributions deductible from gross income; to the Committee on Ways and Means.

By Mr. BROTZMAN (for himself Mr. Wolff, and Mr. Mitchell of New York):

H.R. 9851. A bill to establish an Environmental Quality Corps; to the Committee on Education and Labor.

By Mr. BROTZMAN:

H.R. 9852. A bill to amend title XVI of the Social Security Act (as added by the Social Security Amendments of 1972) to increase supplemental security income benefits by an additional $10 a month for individuals and $15 a month for couples; to the Committee on Ways and Means.

By Mr. BROWN of Michigan (for himself, and Mr. Vander Jagt):

H.R. 9853. A bill to regulate Federal campaign contributions and expenditures; to the Committee on House Administration.

By Ms. HOLTZMAN:

H.R. 9854. A bill to empower the Federal Power Commission to prescribe and enforce quality control standards with respect to the manufacture and testing of electrical equipment for sale in interstate commerce to public utilities, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. KEATING (for himself and Mr. Powell of Ohio):

H.R. 9855. A bill to amend section 410 of title 39, United States Code, to provide that certain provisions of the National Environmental Policy Act of 1969 shall apply to the Postal Service; to the Committee on Post Office and Civil Service.

By Mr. STEELE:

H.R. 9856. A bill to allow a credit against Federal income taxes or a payment from the U.S. Treasury for State and local real property taxes or an equivalent portion of rent paid on their residences by individuals who have attained age 65; to the Committee on Ways and Means.

By Mr. TALCOTT:

H.R. 9857. A bill to prohibit common carriers in interstate commerce from charging elderly people more than half fare for their transportation during nonpeak periods of travel, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. VANIK:

H.R. 9858. A bill to require that the three U.S. Commissioners on the International Joint Commission of the United States and Canada be appointed by the President by and with the advice and consent of the Senate; to the Committee on Post Office and Civil Service.

H.R. 9859. A bill to amend the Internal Revenue Code of 1954 to provide for a tax on every new automobile with respect to its fuel consumption rate, to provide for public disclosure of the fuel consumption rate of every automobile, to provide funding to develop more efficient automobile engines, and for other purposes; to the Committee on Ways and Means.

By Mr. VANIK (for himself, and Mr. McClory):

H.R. 9860. A bill to provide for the recycling of used oil and for other purposes; to the Committee on Ways and Means.

Mr. BROTZMAN:

H.R. 9861. A bill to amend the Occupational Safety and Health Act of 1970 to provide that where violations are corrected within the prescribed abatement period no penalty shall be assessed; to the Committee on Education and Labor.

By Mr. DIGGS (for himself, and Mr. Helstoski):

H.J. Res. 699. Joint resolution to protect U.S. domestic and foreign policy interests by making fair employment practices in the South African enterprises of U.S. firms a criteria for eligibility for Government contracts; to the Committee on the Judiciary.

By Mr. DRINAN (for himself, Mr. Matsunaga, and Mr. Corman):

H.J. Res. 700. Resolution proposing an amendment to the Constitution of the United States lowering the age requirements for membership in the Houses of Congress; to the Committee on the Judiciary.

By Mr. FRASER (for himself, Mr. Badillo, Mrs. Chisholm, Mr. Conyers, Mr. Dan Daniel, Mr. Rhodes, Mrs. Heckler of Massachusetts, and Mr. Mann):

H.J. Res. 701. Joint resolution proposing an amendment to the Constitution of the United States to alter the process of election of U.S. Senators, Members of the House of Representatives, and the President of the United States; to the Committee on the Judiciary.

By Mr. MARAZITI:

H.J. Res. 702. Joint resolution to extend through September 1973, the authority of the Secretary of Housing and Urban Development with respect to the insurance of loans and mortgages, and for other purposes; to the Committee on Banking and Currency.

By Mr. RODINO:

H.J. Res. 703. Joint resolution to protect U.S. domestic and foreign policy interests by making fair employment practices in the South African enterprises of U.S. firms a criteria for eligibility for Government contracts; to the Committee on the Judiciary.

By Mr. SYMMS:

H.J. Res. 704. Joint resolution proposing the Bricker amendment to the Constitution of the United States relative to force and effect of treaties and Executive agreements; to the Committee on the Judiciary.

By Mr. du PONT (for himself, Mr. Archer, Mr. Broyhill of North Carolina, and Mr. Burgener):

H. Con. Res. 285. Concurrent resolution to express the sense of the Congress with respect to certain vocational and career student organizations; to the Committee on the Judiciary.

By Mr. HUBER (for himself, Mr. Mann, and Mr. Roe):

H. Con. Res. 286. Concurrent resolution expressing the sense of Congress with respect to the missing in action in Southeast Asia; to the Committee on Foreign Affairs.

By Mr. FRASER (for himself, Mr. Badillo, Mr. Hechler of West Virginia, Mr. Reuss, Mr. Harrington, Mr. Drinan, Mr. Nix, Mr. Denholm, Mr. Helstoski, Mrs. Chisholm, Mr. Rosenthal, Mr. Moorhead of Pennsylvania, Mr. McCloskey, Mrs. Schroeder, Mr. Meeds, Mr. Rees, Mr. Conyers, Mr. Bergland, Mr. Danielson, Ms. Abzug, Mr. Hastings, and Mr. Edwards of California):

H. Res. 521. Resolution to express the sense of the House regarding diplomatic relations between the United States and Sweden; to the Committee on Foreign Affairs.

By Mr. HARRINGTON (for himself, Mrs. Chisholm, Mr. Eilberg, and Mr. Rangel):

H. Res. 522. Resolution; an inquiry into the extent of the bombing of Cambodia and Laos, January 20, 1969, through April 30, 1970; to the Committee on Armed Services.

PETITIONS, ETC.

Under clause 1 of rule XXII,

260. The SPEAKER presented a petition of the village board, village of Fox Point, Wis., relative to overtime payments for firemen; to the Committee on Education and Labor.